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issuing contingent value rights with an estimated fair value of \$1.03 and \$0.05 per share relating to Safeway's 49% interest in Casa Ley and deferred considerations related to Safeway's previous sale of the PDC assets, respectively, for an aggregate fair value of \$270.9 million. At the time of the Safeway acquisition, Safeway operated 1,325 retail food stores under the banners *Safeway*, *Vons*, *Tom Thumb*, *Pavilions*, *Randalls* and *Carrs* located principally in California, Hawaii, Oregon, Washington, Alaska, Colorado, Arizona, Texas, and the Mid-Atlantic region. In addition, at the time of the Safeway acquisition, Safeway had 353 fuel centers, 15 distribution centers and 19 manufacturing facilities.

As a condition to approving the Safeway acquisition, the FTC required the sale of 111 Albertsons stores and 57 Safeway stores. Haggen purchased 146 stores in Arizona, California, Nevada, Oregon and Washington; Associated Wholesale Grocers purchased 12 stores in Texas; Associated Food Stores purchased eight stores in Montana and Wyoming; and SuperValu purchased two stores in Washington. The aggregate sales price of these stores was \$525.8 million, including the book value of inventory. The company recorded an impairment loss on the sale of the 111 *Albertsons* banner stores during the fourth quarter of fiscal 2014. The company recorded the assets and liabilities associated with the 57 Safeway stores at fair value less costs to sell as part of its accounting for the Safeway acquisition. The transfer of these stores to the respective buyers commenced following the closing of the Safeway acquisition and was completed in the first quarter of fiscal 2015 in accordance with the asset purchase agreements.

Haggen has withheld payment of approximately \$41 million due for purchased inventory at 38 stores and has announced its intention to close or sell 27 of the acquired stores. On September 8, 2015, Haggen filed a petition for protection under Chapter 11 of the U.S. Bankruptcy Code. See "Risks Related to Our Business and Industry—We may have liability under certain operating leases that were assigned to third parties." In addition, on September 1, 2015, Haggen commenced a lawsuit against Albertson's LLC and Albertson's Holdings LLC in the United States District Court for the District of Delaware, alleging claims for violation of Section 7 of the Clayton Act, attempted monopolization under the Sherman Act, breach of contract, indemnification, breach of implied covenant of good faith and fair dealing, fraud, unfair competition, misappropriation of trade secrets under the Uniform Trade Secrets Acts, conversion and violation of the Washington Consumer Protection Act. In the complaint, Haggen alleged that we, among other actions set out in the complaint, misused Haggen's confidential information to draw customers away from Haggen stores, provided inaccurate, incomplete and misleading inventory data and pricing information on products transferred to Haggen, deliberately understocked and overstocked inventory in stores acquired by Haggen and wrongfully cut off advertising prior to the transfer of the stores to Haggen. Furthermore, Haggen alleged that, if it is destroyed as a competitor, its damages may exceed \$1 billion, and asserted it is entitled to treble and punitive damages and to seek rescission of the asset purchase agreement. See "Risks Related to the Safeway and A&P Acquisitions—Haggen has asserted claims against us which, if adversely determined, would subject us to significant liabilities."

NAI Acquisition

On March 21, 2013, the company acquired all of the issued and outstanding shares of NAI from SuperValu pursuant to a stock purchase agreement for a total purchase consideration of \$253.6 million, including \$69.9 million of working capital adjustments, and assumed debt and capital lease obligations with a carrying value prior to the acquisition date of \$3.2 billion. The purchase consideration was primarily cash and a short-term payable that was fully paid as of February 20, 2014. At the time of the NAI acquisition, NAI operated 871 retail food stores under its *Jewel-Osco*, *ACME*, *Shaw's*, *Star Market* and *Albertsons* banners, primarily located in the Northeast, Midwest, Mid-Atlantic and Western regions of the United States. In addition, we acquired NAI's 10 distribution centers.