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AB ACQUISITION LLC AND SUBSIDIARIES
Notes to Consolidated Financial Statements

NAI acquisition

On March 21, 2013, the Company acquired from SuperValu all of the issued and outstanding shares of NAI 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. The estimated fair value of debt and capital leases assumed was \$2.6 billion on the acquisition date of March 21, 2013. Subsequent to the original issuance of its fiscal 2013 consolidated financial statements, the Company determined there was \$102.9 million of cash paid for the NAI acquisition that was classified as a cash outflow from operating activities that should have been classified as a cash outflow from investing activities. As a result, the Company corrected the presentation of the fiscal 2013 Consolidated Statement of Cash Flows to classify the \$102.9 million as a cash flow from investing activities. This correction had no impact on the Company's Consolidated Balance Sheets or Consolidated Statements of Operation and Comprehensive (Loss) Income for any periods presented. The Company has evaluated the correction and concluded that it is not material.

The NAI acquisition was accounted for under the acquisition method of accounting. The fair values of the identifiable tangible and intangible assets acquired and liabilities assumed were based on management's estimates and assumptions using various market, income and cost valuation approaches.

The following table summarizes the final allocation of the fair value of assets acquired and liabilities assumed in the NAI acquisition (in millions):

	March 21, 2013
Cash	\$ 111.2
Receivables	215.2
Inventories	1,408.6
Other current assets	69.2
Property and equipment	4,615.0
Intangible assets	1,502.9
Other assets	389.6
Total assets acquired	8,311.7
Current liabilities	1,498.3
Long-term capital lease obligations	430.0
Long-term debt	2,036.4
Long-term deferred taxes	313.6
Other long-term liabilities	1,774.1
Total liabilities assumed	6,052.4
Net assets acquired	2,259.3
Excess of net assets acquired over purchase consideration	2,005.7
Total purchase consideration	\$ 253.6