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**AB ACQUISITION LLC AND SUBSIDIARIES**  
**Notes to Consolidated Financial Statements**

The Company's Intangible assets consisted of the following (in millions):

	Estimated useful lives (Years)	February 28, 2015			February 20, 2014		
		Gross carrying amount	Accumulated amortization	Net	Gross carrying amount	Accumulated amortization	Net
Trade names	40	\$1,900.8	\$ (24.4)	\$1,876.4	\$ 441.7	\$ (10.8)	\$ 430.9
Beneficial lease rights	12	868.8	(124.7)	744.1	587.8	(89.1)	498.7
Customer prescription files	5	1,395.2	(212.9)	1,182.3	577.2	(103.1)	474.1
Covenants not to compete	5	1.3	(0.7)	0.6	1.0	(0.2)	0.8
Internally developed software	5	375.3	(5.8)	369.5	—	—	—
Total finite-lived intangible assets		4,541.4	(368.5)	4,172.9	1,607.7	(203.2)	1,404.5
Liquor licenses and restricted covenants	Indefinite	62.1	—	62.1	28.3	—	28.3
Total intangible assets, net		<u>\$4,603.5</u>	<u>\$ (368.5)</u>	<u>\$4,235.0</u>	<u>\$1,636.0</u>	<u>\$ (203.2)</u>	<u>\$1,432.8</u>

In connection with the acquisitions, total Intangible assets acquired of \$4,679.3 million were valued at fair value at the respective acquisition dates.

Amortization expense for intangible assets with finite useful lives was \$201.2 million, \$157.1 million and \$0.7 million for fiscal 2014, 2013 and 2012, respectively. Estimated future amortization expense associated with the net carrying amount of intangibles with finite lives is as follows (in millions):

Fiscal Year	Amortization Expected
2015	\$ 494.7
2016	480.4
2017	473.9
2018	375.3
2019	333.9
Thereafter	2,014.7
Total	<u>\$ 4,172.9</u>

During fiscal 2014, the Company had intangible asset impairment charges of \$39.2 million, the majority of which related to the Albertsons divested stores. There were no intangible asset impairment charges for fiscal 2013 or 2012.

The Company had long-term liabilities for unfavorable operating lease intangibles related to above-market leases of \$775.4 million and \$369.2 million at February 28, 2015 and February 20, 2014, respectively. Amortization of unfavorable operating leases recorded as a reduction of expense was \$51.8 million, \$40.9 million and \$1.3 million for fiscal 2014, 2013 and 2012, respectively.