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**SAFeway INC. AND SUBSIDIARIES**  
**Notes to Consolidated Financial Statements**

Additionally, the Company is party to a variety of lease agreements related to the disposition of Genuardi's, the Company's Canadian operations and Dominick's in 2012, 2013 and 2014 for which the Company is now secondarily liable. While the Company may be liable for future payment upon default of these leases, there has been no event that would indicate the Company is liable for future payment, and therefore the Company has not recorded a liability related to these leases at this time.

The Company believes that if it were to incur a loss in any of these matters, the loss would not have a material effect on the Company's financial condition or results of operations.

**Note U: Other Comprehensive Income or Loss**

Total comprehensive earnings are defined as all changes in stockholders' equity during a period, other than those resulting from investments by and distributions to stockholders. Generally, for Safeway, total comprehensive earnings equal net earnings plus or minus adjustments for pension and other post-retirement liabilities and foreign currency translation adjustments. Total comprehensive earnings represent the activity for a period net of tax and were a loss of \$152.8 million in 2014, income of \$179.7 million in 2013 and a loss of \$12.3 million in 2012.

While total comprehensive earnings are the activity in a period and are largely driven by net earnings in that period, accumulated other comprehensive income or loss ("AOCI") represents the cumulative balance of other comprehensive income, net of tax, as of the balance sheet date. For Safeway, AOCI is primarily the cumulative balance related to pension and other post-retirement benefit adjustments and foreign currency translation adjustments. Changes in the AOCI balance by component are shown below (in millions):

	2014			Total Comprehensive (Loss) Income Including Noncontrolling Interests
	Pension and Post- Retirement Benefit Plan Items	Foreign Currency Items	Other	
Beginning balance	\$ (130.7)	\$ (138.8)	\$ (1.6)	\$ (271.1)
Other comprehensive income (loss) before reclassifications	(303.5)	0.2	0.4	(302.9)
Amounts reclassified from accumulated other comprehensive income	52.3	—		52.3
Tax benefit (expense)	98.0	—	(0.2)	97.8
Net current-period other comprehensive income (loss)	(153.2)	0.2	0.2	(152.8)
Distribution of Blackhawk	—	2.2	—	2.2
Ending balance	\$ (283.9)	\$ (136.4)	\$ (1.4)	\$ (421.7)

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(Continued)