



Celebrating 75 Years

“I look at the history of the company, and some of the things Joe said. He said, ‘Treat her the way she wants to be treated, and treat her with tender love and care.’ I keep telling people, if you want to be successful in life, you have to treat people the way you want to be treated.”

— BOB MILLER
CHIEF EXECUTIVE OFFICER

The Birth of a Legacy

In 1939, a commitment was made by Joe Albertson to deliver the best service, with low prices and a smile, to customers. Now, as we celebrate Albertsons' 75th Anniversary and company comeback, we see that commitment live on through leadership, store associates and Albertsons customers. Today, Albertsons is closer to its roots, providing for neighborhoods in much the same way that Joe envisioned all those years ago, and has proven itself to be an industry leader that is building for the future.



Left: The first Albertsons Food Center storefront on 16th and State Streets in Boise, Idaho.

Top Right: Since 1939, Albertsons bakery has always used the freshest ingredients to bake breads, pastries, cookies, cakes and more.

Bottom Right: Checkout line in the first Albertsons Food Center.

Bob Miller CHIEF EXECUTIVE OFFICER

As a young, athletic high school student looking for an after-school job, Robert Miller applied for, and got, a position as a bottle sorter at Albertsons in 1961. After a quick promotion to box boy, Bob's career at Albertsons took off.

He worked his way up the ranks from Store Manager to Executive Vice President of Retail Operations. From 1991 to 1999, after Bob left Albertsons, he worked for Fred Meyer, Inc., serving as their Chairman and Chief Executive Officer and leading the company through the acquisition by Kroger. Later he was appointed Vice Chairman and Chief Operating Officer at Kroger. In 1999, Bob was hired as Chairman and Chief Executive Officer of Rite Aid Corporation, where he led a successful turnaround of the near-bankrupt company.

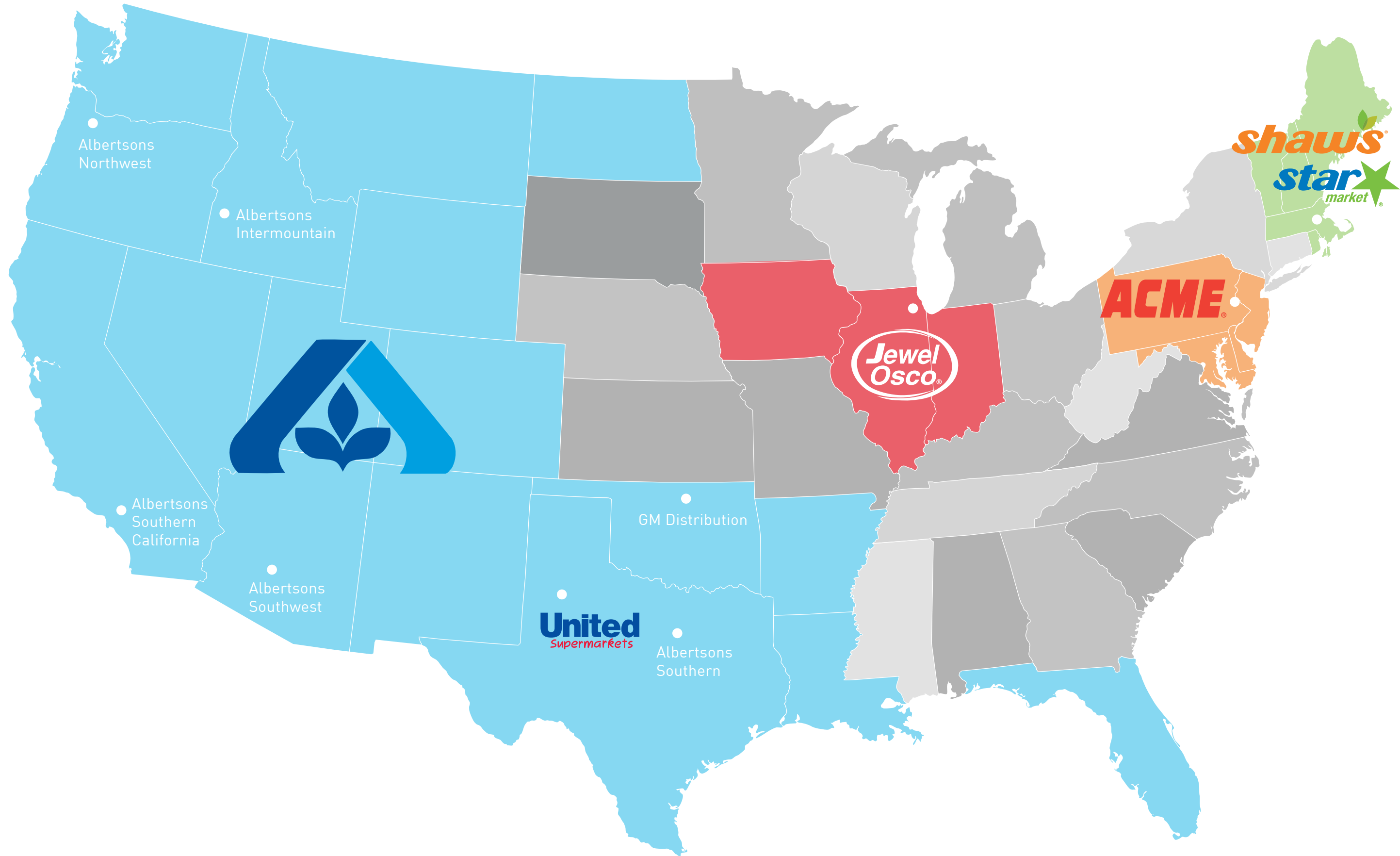
Currently, Bob is Chief Executive Officer of AB Acquisition LLC, which oversees Albertson's LLC and New Albertson's, Inc., and serves on the Board of Directors of Albertson's LLC, Nordstrom, Inc., Jim Pattison Group, U.S. Bakery and Jo-Ann Fabrics and Crafts. Bob's impressive track record includes improving the financial and operating performance of both public and private corporations, and he's known for leading troubled companies back to prosperity.

Bob and his wife find happiness in philanthropic efforts that include helping others get a higher education, and received the prestigious Horatio Alger Award in 2012. They have a scholarship fund set up at Portland State University, and another at Boise State University.

BOB'S ADVICE ON BEING SUCCESSFUL

"I think a few things are extremely important—certainly working hard. If you work hard, you will have a chance to be successful. Make sure people know you respect them. I tell people all the time to tell the truth. It means protecting your integrity. Always do the right thing. The tremendous progress we've made is unbelievable—I attribute it all to the people in our company and how hard they work."





ALBERTSON'S LLC AND NEW ALBERTSON'S, INC. DIVISIONS

Over the years, Albertsons has spread across much of the country, including the entire western United States, to parts of the Midwest and East Coast.

ALBERTSON'S LLC

Albertsons Intermountain

- Colorado
- Eastern Oregon
- Montana
- North Dakota
- Northern Nevada
- Northern Utah (Super Savers)
- Southern Idaho
- Wyoming

Albertsons Northwest

- Northern Idaho
- Oregon
- Washington

Albertsons SoCal

- California

Albertsons Southern

- Arkansas
- Florida
- Louisiana
- Oklahoma (Distribution Center)
- Texas

Albertsons Southwest

- Arizona
- El Paso, Texas
- New Mexico
- Southern Nevada
- Southern Colorado
- Southern Utah

United Supermarkets

- Texas

NEW ALBERTSON'S, INC.

Acme

- Delaware
- Maryland
- New Jersey
- Pennsylvania

Jewel

- Illinois
- Indiana
- Iowa

Shaw's / Star Market

- Massachusetts
- Maine
- New Hampshire
- Rhode Island
- Vermont

Two Beginnings: A Comeback Story

It's not often that a company has two beginnings. Albertsons does.



From Left to Right: Bob Butler, Bob Miller, Governor Butch Otter, Store Director Audre Wilde, Susan Morris, and John Colgrove, plus the fantastic team at Store 101, celebrate its grand reopening following a 2013 remodel.

Some might simply call it a turnaround. Others might make some sort of dramatic analogy about a phoenix rising from the ashes, but neither one of those comparisons casts the rise, decline and resurgence of Albertsons in just the right light.

The beginning that everyone is most familiar with was in July 1939. Joe Albertson, a former district manager for Safeway, took \$5,000 he had saved and \$7,500 he borrowed from his wife's Aunt Bertie and partnered with L.S. Skaggs to open his first Albertsons store on 16th and State streets in Boise, Idaho. He created what some would call one of the first modern grocery stores.

Joe worked hard. There were a lot of 20 hour days in that first store, where he commonly was the first one there and the last one out at night. But he had a business philosophy about running a great grocery store that drove him, and ultimately proved him to be one of the greatest grocers of our time:

**Give the customer what she wants,
at a price she is willing to pay, with
lots of tender, loving care.**



PAUL ROWAN,
EXECUTIVE VICE
PRESIDENT,
GENERAL COUNSEL

"Joe was a personable, gracious man—a man that lived with integrity, and didn't just speak it. I was at the College of Idaho, and I got to see the tremendous things his family did for the college and the community. There are so many things that Joe did to help others that people will never know about. He did things anonymously—he didn't want attention or fame. He made a difference."

Everyone thought he was crazy. They even said he would fail. They were wrong.

Albertsons flourished that first year, and even turned a profit—a rare feat for a new business. With that initial success, Joe was able to open a second Albertsons in Nampa and a third store in Caldwell the following year. It was only the beginning.

In 1946, Joe would dissolve the partnership with L.S. Skaggs to create the Albertsons Corporation. Over the next 10 years, he would expand his stores into Montana, Oregon, Washington and Utah. But Joe was still close to the action; Albertsons’ corporate office was built on the second floor above the original store. As old ways evolved into a modern workplace, Joe set in motion common policies that helped maintain his stores as top-notch supermarkets. He began regular programs of renovations, replacement and remodels to keep his stores clean, bright and current.

Most stores were remodeled every 10 years, with some getting updated more frequently depending on competitive activity in the area, and over the years Albertsons developed a very astute Store Development team, which branched the company out in new directions as they tried new conveniences like dry cleaning services and fuel centers and updated old standards like fresh cut meats in store.

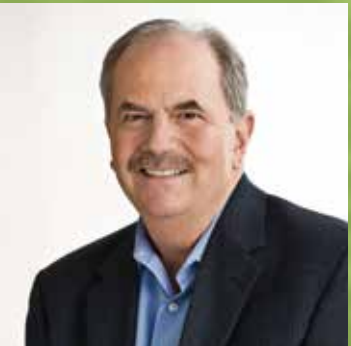


PEGGY JONES, VICE
PRESIDENT, HUMAN
RESOURCES

“When I started with Albertsons, the corporate office was literally above the store. We’d sneak down on breaks and get ice cream cones. Joe would always visit the store first in the mornings, and talk to the customers, and then come to the office. He’d always take the time to talk to the customers and find out what was on their minds.”

“When we started in 2006, we knew that we had two years to prove that offering customers fair prices and great service at well-run stores would bring them back. We relentlessly kept our focus on our stores and customers. Nearly everyone dismissed us, but we worked hard, kept it simple and we were successful. It worked for Joe in 1939, it’s working for us today, and it has created a solid foundation for the future of Albertsons.”

— BOB BUTLER
CHIEF OPERATING OFFICER, ALBERTSON’S LLC



BOB BUTLER, CHIEF
OPERATING OFFICER

Between 1939 and 1993 when Joe passed away, his company grew from one store in Boise's North End to 676 stores in 17 states.

All signs pointed toward Albertsons' continued growth and prosperity.

Warren McCain was promoted to CEO upon Joe's retirement in 1976. Warren learned the business from Joe when he joined the company in 1959, and also followed in his philanthropic footsteps, being honored with the prestigious Horatio Alger award at the sunset of his career. Warren was an astute business man who was integral to the company's continued success following Joe's retirement from the day-to-day operations. In his years leading the company, his primary focus was on building Albertsons distribution infrastructure. When Warren retired in 1991, the company named Gary G. Michael to lead its stores.



PAT DENNIS, VICE
PRESIDENT, CENTER
STORE SALES &
MERCHANDISING

“Albertsons is seeing a great run today. The fun has just begun. I feel Joe’s philosophy is very simple, very easy to execute. It resonates with employees and customers, and I still use it today.”



In August 1998, Albertsons announced a true first for any company of its size and certainly in its industry: it was acquiring a bigger company.

American Stores Company had been cobbled together from three major chains starting in 1917 when Acme Markets merged with four stores in Philadelphia. As the grocery industry grew in America, it added to its holdings, picking up West Coast low price leader Lucky Stores and Chicagoland staple Jewel-Osco. They struggled with an attempt to centralize their operations in Salt Lake City, and the company ultimately agreed to a merger. In 1998, they had 1,580 stores to Albertsons' 983. The merger closed in June 1999.

The team had high hopes, and speculation swirled as to how Albertsons would deal with its practice of acquiring and rebranding. Soon, it became apparent that Albertsons' standard practice of growing their brand alone would erode loyalty with customers. After all, Acme and Jewel-Osco had been around since before the turn of the 20th century. Changing store brands in Philadelphia and Chicago would have not only been expensive, but also a huge risk.



RICK BUNNELL,
SENIOR VICE
PRESIDENT,
DISTRIBUTION

“I really try to instill in our leadership that if we give our employees trust, respect and responsibility, and at the same time hold them accountable for their decisions, we will see creativity come out of our employees. When we empower our employees, they will not only exceed their own expectations, but also those of our leaders, and we’ll continue to thrive.”



Top: The Idaho State Capitol, or the Capitol of Light building, has stood for over a century, and is actually the state's second capitol building. The first was located in Lewiston, Idaho, a booming mining town during the Gold Rush. In the mid-19th century, the capitol moved to its current location in Boise, Idaho.

Right: Kathryn Albertson Park, named after Joe Albertson's wife, is a special use park near downtown Boise dedicated in 1989. The park serves as a haven for resident wildlife and outdoor enthusiasts.

Left: Local wildlife frequent Albertsons' corporate office lawn.



Philosophical changes to how Albertsons would grow their company were inevitable.

As Albertsons forged ahead with a complex integration process, it became apparent that the same struggles American Stores had encountered were now Albertsons' to own. Analysts took note. They had already begun speculating on many fronts that the U.S. itself couldn't support four major grocers, and it was easy for them to turn their focus to a struggling Albertson's Inc.

The company tried reinvigorating its operations team with a new CEO. In 2001, Lawrence R. Johnston was named CEO of the struggling retailer. Under Larry, the company added New England-based Shaw's Supermarket and Star Market to its holdings. Larry also introduced new programs in an attempt to innovate the company's methods and practices for operating grocery stores. Unfortunately, the efforts weren't enough.

In 2005, Joe's company was put up for sale. In June 2006, the company was sold. SuperValu acquired a majority of the stores—over 1,100. CVS took all 700 drug stores—these were the Osco Drug and Sav-On Drug stores that had been part of the American Stores transaction in 1999.



MIKE MASSIMINO,
SENIOR VICE PRESIDENT,
MARKETING &
MERCHANDISING

“One of my favorite memories was back when I was a new store director in Cedar City, Utah. That was when Albertsons bought its first airplane. I had to pick up Joe in my pick-up truck and take him to my store. Joe was tired from the flying, so he pulled out the bagging tray at the checkout stand and sat down. I ran up to him and asked, ‘Joe, what can I get for you?’ Joe said in his gruff voice, ‘Don’t worry about me. I’m not buying anything! Take care of your customers!’ If I can get my folks to think like that, we can’t be stopped.”



JUSTIN EWING, SENIOR
VICE PRESIDENT,
CORPORATE
DEVELOPMENT

“Very few of us were from Cerberus, so we were the new guys. I found it an easy transition—it’s an incredibly friendly culture. It’s been a great journey. It’s an incredible family—they really ‘get’ grocery.”

And then there was this company called Albertson’s LLC.

Of all of Albertson’s Inc.’s assets, there were about 650 stores that nearly no one wanted. Commonly referred to as “the dregs of the industry,” analysts acknowledged they were the stores that were holding Albertson’s Inc. back from closing the transaction. Inside the company, the stores were called “non-core,” meaning flatly that they were in areas that Albertson’s Inc. wasn’t investing in.

The non-core stores were in rough shape. Associate morale was low, and customer satisfaction scores were some of the worst in the industry. But Bob Miller, a retail executive who started his career at Albertsons in the 1960s, knew something in 2006 that most analysts did not know: he had opened a lot of those stores that were now considered “non-core,” and a lot of them had been proven performers. Most analysts speculated that the greatest value those non-core stores had was real estate. Albertson’s Inc. had made it a practice to own a lot of the real estate that their stores were

built on—and if they built a store across the street from an existing one, odds were they kept the old shopping center and rented it out.

Bob knew that the stores needed a lot of work, but in order to be successful, they also needed to be merchandised for their local markets. He also knew that there was a division staff and store directors who would know what would be the best for their stores—and those people needed to be able to run them again. Bob brought together a leadership team comprised of former and current Albertsons executives to run the non-core stores.

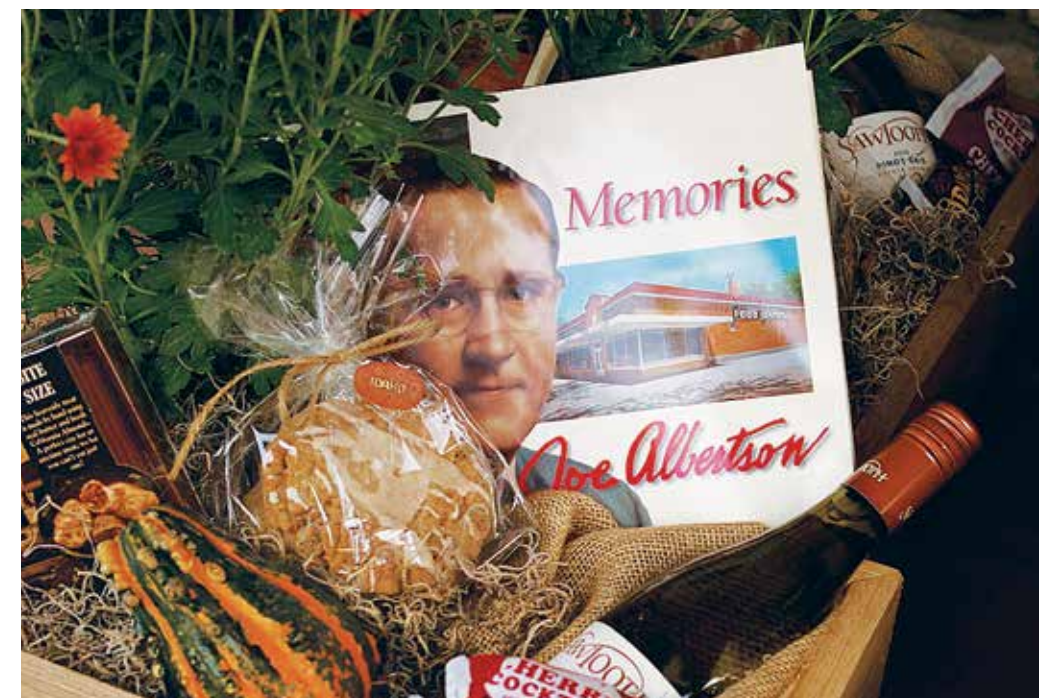
Albertsons veterans Bob Butler, Rick Navarro, Paul Rowan, Mark Bates, Andy Scoggin and Mike McCarthy joined the company at Bob’s request to help establish the corporate structure—bringing with them over 200 years of experience in grocery and their respective areas of expertise—and two members of the Cerberus team, Justin Dye and Justin Ewing, also signed on to help rebuild the company.

“We knew that the stores needed a lot of work, but in order to be successful, they also needed to be merchandised for their local markets. We also knew that we had division staff and store directors who would know what would be best for their stores—we needed to let them run them again.”

— BOB MILLER
CHIEF EXECUTIVE OFFICER



BOB MILLER, CHIEF
EXECUTIVE OFFICER



The Turnaround

Everyone thought we were crazy.

Analysts said the company could certainly try to turn some stores around, but it was more likely that they would be sold for the real estate value and be out in a couple of years. On day one, Bob set the tone for the company by establishing a decentralized operating structure. Each division needed to be run like it was the only division—and each store needed to be run like the only store. Bob gave decision-making authority back to the divisions, and even the store teams to start making the decisions on what was right for the stores they operated—that, in and of itself made a big difference.

Bob was also very honest with everyone—the company had two years to turn things around and then we would see what would happen next. The goal was to build our business by targeting the needs of our local customers—nothing more or less.

It wasn't a simple start, however.

Of the 650 stores, 125 of them were too far below the line to be able to recover, so they were closed immediately. It was a tough decision, but, as with everything we did, it was

for a good reason. Albertson's LLC had to close the stores that were beyond saving so that in the long run, we could save the most jobs. It was that simple. And now, in addition to 500 or so grocery stores, we also had 125 retail sites that could be leased or sold to other operators which would make the company money.

But the key to this went back to Joe Albertson's original store philosophy: we knew that if we had the merchandise that the customers wanted, at a price they were willing to pay and we treated them right—we would ultimately be successful and have profitable stores.

The remaining 525 stores were divided between five operating divisions: Northern California, Rocky Mountain, Southwest, Dallas-Fort Worth and Florida. Our division teams had 3 priorities—cleaning up the stores, upgrading our fresh departments and improving customer service, and one key to these goals was a simple switch: turning on the lights. Prior to 2006, for several years, as part of a cost-reduction plan, many of the stores dimmed their lights. In some locations, as many as 40% of the lights had been turned off.



BOB SCHULER, VICE
PRESIDENT, DISTRIBUTION
ACCOUNTING

“When we were recruited to LLC, we were hoping to be successful, but never in our wildest dreams did I think it would be like this. We have a great coach in Bob Miller. Our company has always been based on loyalty and longevity. We wanted Albertsons to get back to the roots, back to the beginning.”



KATHY BRADY, VICE
PRESIDENT, DELI &
BAKERY

“The business continues to become more competitive. You can read the trade magazines and visit competitors' stores, but ultimately, we have to do what's right for business and our customers while remaining true to our Albertsons culture. Combine these principles with taking risks and thinking big you'll be surprised at how successful you can be in this business.”



From weddings to birthdays to everyday sweets, Albertsons bakes fresh treats all day every day.



DENNIS BASSLER,
PRESIDENT,
NORTHWEST DIVISION

“I was told early in my career that if you hire the right people and treat them with respect, you will never work a day in your life, because if you’re having fun, it doesn’t feel like work. If you approach each day with a consistent smile and a positive attitude, it helps inspire people to meet every challenge.”



Albertsons works with wedding planners and brides-to-be to build custom wedding cakes. Only the finest ingredients are used to bake these satisfying sweets.



“Culture is really big in our company—we have a great culture. I can trust everyone here, and there’s a lot of opportunity here. Prepare yourself, learn all you can, and when that opportunity comes, you’ll be ready for it.”

— RICK NAVARRO
CHIEF ADMINISTRATIVE OFFICER



RICK NAVARRO, CHIEF
ADMINISTRATIVE OFFICER



Albertsons guarantees freshness and taste of every product in the store. With competitive pricing and high-quality products, customers are provided exceptional service and great-tasting merchandise at low cost.



JOHN STRONG,
VICE PRESIDENT,
PROCUREMENT &
SOURCING

“Joe started a great culture, and Bob Miller revived it in 2006. I think it’s very important that we never lose sight of that again—treating associates and vendors with great respect is key.”

We turned all the lights back on, and what we found were stores that really needed some TLC—and a lot of elbow grease. Looking back on it, when we walked those stores in the first few weeks, it seemed like cleaning rags and spray bottles were standard issue with the uniform because everyone was cleaning. And that first project—just cleaning up and doing some cosmetic repairs to the stores—helped our teams take ownership again.

Step two was to take care of our customers’ needs. We analyzed what customers were buying more closely, and we rationalized the products we carried, eliminating unnecessary products, and the divisions added the products that customers wanted in their stores.

Once we got the stores cleaned up and the stores merchandised for their market areas, we saw first-hand how simple changes combined with hard work and treating people right were rebuilding successful stores.

Albertson’s LLC was still running on the two-year calendar, and our team had 18 months left to build a profitable company. We were looking for opportunities to potentially

sell operating stores to companies who intended to continue running them—and continue to provide good jobs to our associates. So at the end of 2006, we accepted an offer from a northern California retailer, Save Mart, for the 130 stores in the Northern California division. In that agreement with Save Mart—as in nearly all of our agreements—we put it right in the contract that we wanted them to hire substantially all of our associates—because that’s the right thing to do.

While all of that was going on, and our first year of business was coming to a close, we noticed an interesting trend. A lot of these “non-core” stores that everyone had said weren’t worth any more than the land they were sitting on were turning things around.

Overall, our stores and offices had a new spirit—and it was the spirit of winning.

We were positioning ourselves to thrive again. You could feel it when we went out on store visits. You could see it in the faces of everyone who worked for us. They were proud of where they worked and what we had accomplished in a short amount of time, and it was a great feeling to have been part of helping them get that back. That first year of closing 125 locations and selling the Northern California division helped us to get back into fighting shape again, —and we kept going.

In 2007, we eliminated our Loyalty Card and got out of the fuel business as we continued to pare back our operations to those stores that we knew could succeed. From 2008 until 2011, we made strategic moves that positioned our company to be profitable, selling stores when we could to ensure jobs and only closing stores when they had shown that they couldn't be saved, despite our best efforts. We also grew a little, buying 10 Raley's stores in New Mexico.



CHRISTINE WILCOX,
VICE PRESIDENT,
COMMUNICATIONS

“When we bought the New Mexico Raley’s stores, it not only sent a strong message to the retail world that we weren’t just about closing and selling stores, but I think it also helped our teams in all of our divisions realize that their hard work was paying off.”

That transaction made sense for us—it strengthened our presence in New Mexico and it also showed we would look at acquisitions that would improve our company’s profitability.

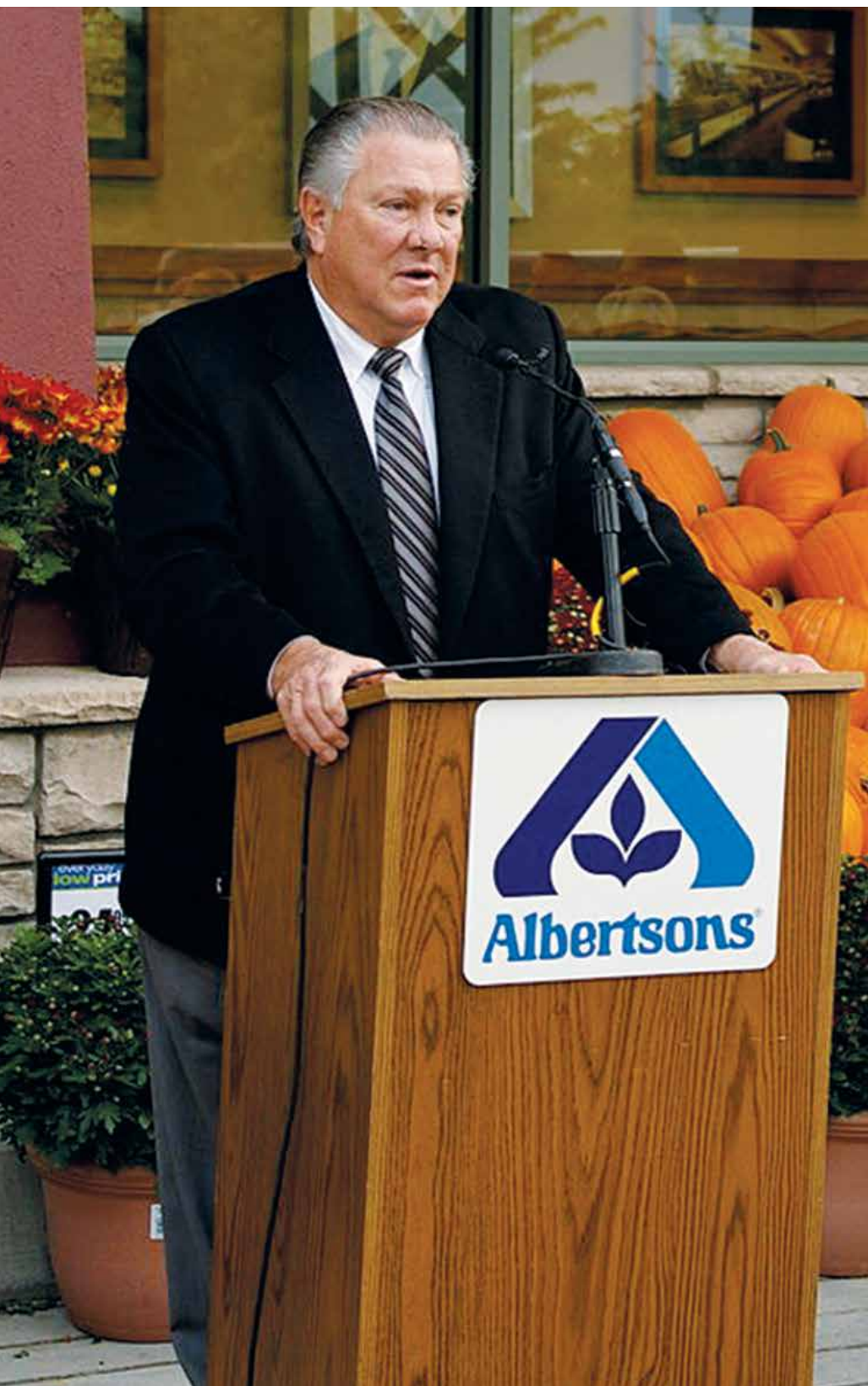
By 2012, we were making money, had no debt, we were having fun running a great company, and we were still looking for deals that would strengthen our overall presence and be a good fit. And everyone knew there was one transaction that truly was a great fit, and it was getting all of the Albertsons stores back under one company again.

While transactions like this always take time to come together, we weren’t certain that we could work out a deal that would make sense. A lot of ideas were thrown at the dart board, but we didn’t land on the one that was viable until someone suggested something pretty simple: reversing the 2006 transaction.



Albertsons offers an extensive selection of fresh foods including Steakhouse Choice Premium Beef and healthy, delicious produce.





Of the 1,100 stores that SuperValu had acquired, 877 were left. We knew that there would be very few regulatory concerns because we had no geographic overlap, so the transaction could be closed quickly. On January 10, 2013, we announced that we had entered into an agreement with SuperValu to buy 877 stores, and on March 22, 2013, it was done.

We had all of the stores back. And we knew exactly what to do with them. Give the reins back to the divisions to run them, clean up the stores, focus on customer service, get the merchandise and pricing back in line, and build profitable stores again.

And it's working.

While a lot of people would've thought we were done, 2013 brought one more acquisition that strengthened our position in Texas. In the fall, we announced we had entered into an agreement to buy United Supermarkets, which included 51 operating stores, two distribution centers and Praters, a manufacturing facility based in Lubbock, Texas. And then in spring 2014, we announced a transaction that no one would have imagined happening when we started all this—the acquisition of the third largest food and drug retailer in the nation—Safeway.

Albertsons CEO Bob Miller delivers a grand reopening speech at Joe's original Boise store.



“One of the most enjoyable things is our management group. We still love coming together every day to understand what it is we need to achieve. We don't have walls between the different groups. Everyone works together and stays focused on taking care of the business, customers and stores. We all believe that this is a great company, founded by a true innovator and entrepreneur.”



ANDY SCOGGIN,
EXECUTIVE VICE
PRESIDENT, HUMAN
RESOURCES & PUBLIC
AFFAIRS



AMY KIRBY, VICE
PRESIDENT, MARKETING

“There's something special about Albertsons. It really is about the people and the culture. I'm rewarded for my hard work, and it keeps you engaged because it's so fast-paced. Everyone is focused on the same goal. My blood runs blue.”

“Joe said a lot of things about value and product, but mostly about service. It's all about the people and the customers. Our real strength lies with our employees.”



MARK BATES, CHIEF
INFORMATION OFFICER



In 2013, Albertsons introduced The You're in for Something Fresh campaign to welcome a new era in the company's history.

Safeway currently operates 1,335 stores in 21 states and has 138,000 employees.

The combined network of roughly 2,400 stores will be the third-largest grocery retailer in the country behind Wal-Mart and Kroger, and it will also create the fifth-largest pharmacy operation in the United States.

And with our operating philosophy, and some hard work, we can build profitable stores and continue to provide customers with the products they want, at lower prices, with great customer service. In fact, we expect the cost savings from this deal will enable Safeway and Albertsons to deliver price reductions across a range of products in stores across the country.



Albertsons takes pride in providing customers with readily available, fresh, in-season fruits and vegetables.

From a business perspective, the retail grocery industry has grown increasingly competitive, with grocery stores, lower-priced supercenters, upscale food stores, club stores, ethnic markets and a plethora of others, all vying for the same customers.

Diversification is necessary in order to better compete, but our success—from Joe’s first store in 1939 to the rebuilding of the Albertsons company in 2006 and on—is due in large part to hard work, treating people right, telling the truth and believing in people to deliver the best a company can offer.

This year marks Albertsons 75th year of business, an amazing accomplishment. We have chains included in our company whose first stores were established over 100 years ago—with these stores’ experiences and our own industry knowledge that began back in 1939, we know we can build a company for the future with the steps we take today.



JIM PERKINS,
PRESIDENT,
ACME MARKETS

“Joe Albertson taught us to have an entrepreneurial spirit; make decisions that are right for our associates, the customers and the community.”

“Our team members inspire me on a daily basis with the incredible job they are doing of improving our business and rebuilding the company.”

— WAYNE DENNINGHAM
PRESIDENT, SOUTHERN CALIFORNIA DIVISION



WAYNE DENNINGHAM,
PRESIDENT, SOUTHERN
CALIFORNIA DIVISION

“We went from no one knowing what to expect of us and our company to being a solid performer, buying stores back and running the same playbook that we ran in 2006 to build a strong company, but none of it would have been possible without the passion and dedication of our store teams. They are the most important part of our system. When they love what they’re doing, sales follow.”

— JUSTIN DYE
CHIEF OPERATING OFFICER,
NEW ALBERTSON'S, INC.



JUSTIN DYE, CHIEF
OPERATING OFFICER,
NEW ALBERTSON'S, INC.



Quality people and quality products are hallmarks of the Albertsons brand, as evidenced by the Albertsons Great Taste Guarantee.

“If we’ve proven anything over the last eight years, it’s that Joe’s original philosophy still works. No matter how much technology we have in the stores, or how we talk to the customers, when we focus on the customer and their needs, we succeed.”



MIKE WITHERS, PRESIDENT,
SOUTHERN DIVISION



SUSAN MORRIS,
PRESIDENT,
INTERMOUNTAIN
DIVISION

“Joe’s philosophy still rings true today; we follow it closely as a company because it’s so simple and so right. We need to remember who we are, where we came from and what our brand means to customers.”



“Joe’s philosophy of offering the widest selection of products and treating customers with lots of tender loving care still holds true today—75 years later, customers deserve to be treated with tender loving care.”



SHANE DORCHEUS,
PRESIDENT, SOUTHWEST
DIVISION



SUE MCMILLAN, GROUP
VICE PRESIDENT &
ASSISTANT GENERAL
COUNSEL

“I think it’s the feeling of family that keeps people here at Albertsons. Being involved with something that works gives you purpose, and you can see progress.”



“One thing I always remember about Joe was that he had a Jeep Wagoneer. That was what he drove to work. I’m sure he had other cars, but I think that just speaks to the kind of person he was. He always greeted everyone. That’s something he passed along to almost everyone. It showed that he cared about everyone as an individual.”



DAVE OBER,
TREASURER

The heart of Joe’s philosophy was providing tender loving care to all of our guests and keeping it simple, and this continues to be the keystone reason that our shoppers choose our stores. Every person that steps into a store within the Albertsons family is treated with the legendary customer service that they deserve.

— SHANE SAMPSON
PRESIDENT, JEWEL-OSCO



SHANE SAMPSON,
PRESIDENT, JEWEL-OSCO



Honoring Mr. A.

Joe Albertson grew up in Caldwell, Idaho, in a family of farmers and horticulturists. He studied business at the College of Idaho after high school, where he met his wife, Kathryn McCurry, in chemistry class. Joe played football for the college team and worked as dormitory janitor to support himself.

Two years into his education, he saw the value in what he had learned and decided that, in good times or bad, people had to eat, so he quit school and took what he had to offer to Safeway.

After successfully moving up in the ranks to become supervisor of more than a dozen Safeway stores, he realized his dream was to open his own store and to run it the way he saw fit. He knew he could do better, for the employees and the customers.



CRAIG MOSS, VICE
PRESIDENT, MEAT

“When I worked in a store in Emmett, Idaho, Joe told me, ‘I just want you to know that these people...are my friends; treat them with respect and serve them the best you can.’ That has stayed with me in every job I’ve had.”

After saving up his own money, and borrowing the rest from his wife's aunt, he partnered with L.S. Skaggs. Joe built his first store in a suburban area, a new idea that made waves in the grocery industry. Joe knew that putting his store in a convenient location, close to residential areas, could provide easy access to the store for a large customer base.

His first store opened on July 21, 1939, and boasted plenty of free parking, convenient hours, "Big Joe" ice cream cones, fresh popcorn and doughnuts, money-back guarantees, and an experience that nobody would have wanted to miss.

Joe's unique business model brought a personal small-town feel to the supermarket. He himself was a country boy at heart—when he found time, he enjoyed hunting, fishing and the great outdoors.

"I made a hell of a lot of mistakes, but I haven't made enough to be fatal," Joe said once, when he was reflecting on how he built the company that bore his name.

At Albertson's LLC, we look to the past and the legacy of Joe Albertson to build a successful company for the future. Celebrating 75 years is a privilege for us—we are grateful to all who have worked tirelessly to help us see this day, and we look forward to again building the best grocery company in the United States.

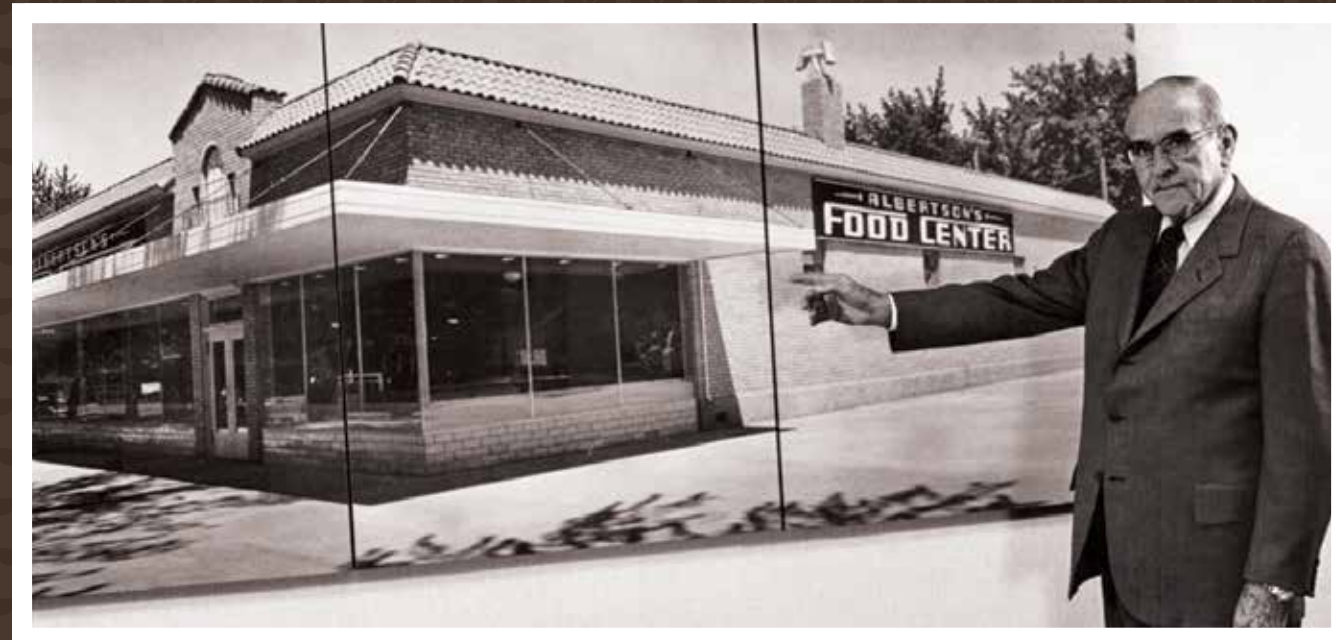
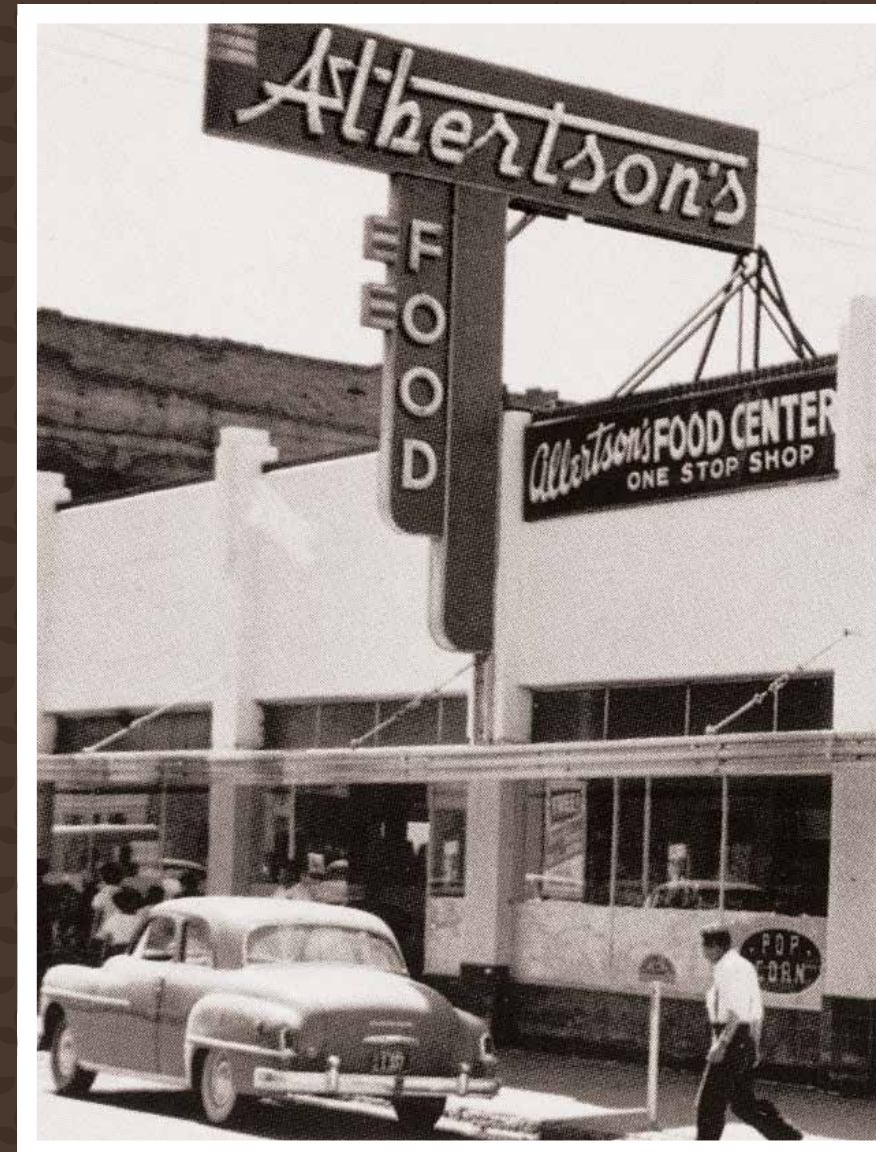
In this industry, you can't be successful without the help of others. We at Albertsons would like to thank our vendors, our divisions, our banners, and all of those who have taken this journey of reinvention with us. It's been quite a ride, but we've had fun, and we've successfully solidified our mark on the country as a leading grocery retailer.

So, from us to you, thank you.



WALT CZARNIECKI,
VICE PRESIDENT,
CONTROLLER

"I always saw Joe in the office. He was always pleasant to talk to, and always said hi to everyone. The people that we work with are the important part—we have a great group here, and it makes you excited to come to work every day. Whatever we can do to help [our stores] succeed is our goal."





“As you travel on through life,
No matter what your goal,
Keep your eye on the doughnut,
And not upon the hole.”

— JOE ALBERTSON

The War Years
1939-1946

1939
Joe Albertson opened his first 10,000 square foot store at the corner of 16th and State in Boise, Idaho. The first store employed about 30 people, with



Company founder
Joe Albertson

department managers on salary at \$40.00 per week. First year's sale totaled over \$170,000 with a net profit of almost \$10,000.

1941
Sales topped \$1 million with three stores in operation.

The first Albertson's food center in Boise, Idaho 1939



The Postwar Boom 1947-1959

1949
The Dutch Girl Ice Cream plant opened in Boise, Idaho.

1954
Albertsons acquired two stores in Salt Lake City, Utah.

1945
Albertsons corporation was formed.

1946
A complete poultry operation, known as Stone Poultry Company, opened. Six Albertsons Food Centers were in operation with sales approaching \$3 million.

1958
A frozen food storage facility was constructed in Boise.

1959
Albertsons went public with its stock. The Janet Lee private label name was created by



Janet Lee private label 1959



Albertson's Food store signage 1950s

The Baby Boomers Come of Age 1960-1969

1963
Wyoming was added to Albertsons operating states with the acquisition of three food stores in Casper.

1964
Albertsons celebrated its 25th Anniversary as the 25th-largest food retailer in the United States.

1965
Albertsons purchased six Northern California stores.



Frozen foods 1963

Posing at an early Albertsons grand opening



Silver Anniversary 1964

Grand Re-Opening Celebration



Going public 1969



75th Anniversary 2014



Highlights Across the Decades

From its humble beginnings in 1939 to its rebirth and evolution in 2006, Albertsons has seen many changes over the course of history. Despite war and hardship, the store continues to serve its customers with tender loving care. Joe's legacy lives on in each and every Albertsons associate and customer.



The "Man in Gold" 1973



Corporate Identification program 1976



Early 1980s checkstand

An early Albertsons Butcher Block



Store promotion at Twin Falls, Idaho [Joe is seated on the wagon]



Grand opening in-store signage



Ribbon cutting ceremony in Omaha 1981

1977
"It's Joe Albertson's Supermarket" television ads aired for the first time. Albertsons Corporate Philosophy became part of Americana.

1978
New corporate headquarters were constructed in Boise.

Growing the Company 1979-1998

1981
Albertsons entered a new operating area in Omaha, Nebraska with a 60,000 square foot combination food and drug store.

1982
Retail operations were divided into four regions: California, Northwest, Intermountain and Southco.

1984
Albertsons re-entered the Dallas, TX area with the first of many combination food and drug units.

1987
"Think Fast, Friendly Service" was introduced reemphasize Albertsons ongoing commitment to service.

1989
On February 2, as the 6th largest food-drug chain in the U.S., Albertsons operated 497 stores in 17 western and southern states, including 127 combination food-drug units, 175 superstores,

167 conventional supermarkets and 28 warehouse stores. Albertsons finished 1988 with the highest net earnings of any food-drug retailer in the U.S.

1991
Warren McCain retires as Chief Executive Officer, appoints Gary G. Michael as Chief Executive Officer.

1993
Joe Albertson passes away on January 20, leaving behind an indelible legacy of philanthropy.

1998
Albertsons and American Stores Company begin talks about acquisition.

Mergers, Acquisitions & Change 1999-2006

1999
American Stores Company joined forces with Albertsons in June, making Albertsons one of the largest supermarket chains in the country.

2001
Lawrence R. Johnston is named to succeed Gary Michael as Chief Executive Officer of Albertsons.

2004
Albertsons acquires Shaw's Supermarkets in New England.

2006
Albertson's Inc. accepts offer from SuperValu for 1,110 stores; and from CVS for 700+ standalone drugstores; Bob Miller forms Albertson's LLC for the remaining 661 stores, backed by Cerberus Capital Management.

The Revival of a Company 2007-2014

2007
Albertson's LLC sells the Northern California division to Save Mart and begins the pattern of making strategic sales and acquisitions with the purchase of 10 Raley's stores in New Mexico.

2012
Albertsons begins making money and continuing to seek deals that would strengthen the company.

2013
Albertsons announces Supervalu acquisition, which put all the original Albertsons stores back under one company. The company also buys United Supermarkets, a 51-store chain based in Lubbock, Texas.

2014
Albertsons and Safeway announce definitive merger agreement. The Merger will create a diversified network that includes over 2,400 stores, 27 distribution facilities and 20 manufacturing plants with over 250,000 dedicated and loyal employees.

“Working together will enable us to create cost savings that translate into price reductions for our customers. Together, we will be able to respond to local needs more quickly and deliver outstanding products at the lowest possible price, more efficiently than ever before.”

— BOB MILLER
CHIEF EXECUTIVE OFFICER



BOB MILLER, CHIEF
EXECUTIVE OFFICER



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