

Fiscal 2012 Q3 Earnings Call

January 11, 2012



Safe Harbor Statement

CAUTIONARY STATEMENTS RELEVANT TO FORWARD-LOOKING INFORMATION FOR THE PURPOSE OF "SAFE HARBOR" PROVISIONS OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

Except for the historical and factual information contained herein, the matters set forth in this presentation, particularly those pertaining to SUPERVALU's expectations, guidance, or future operating results, and other statements identified by words such as "estimates," "expects," "projects," "plans," and similar expressions are forward-looking statements within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially, including the impact of economic conditions, strategic initiatives, competition, food and drug safety issues, liquidity, labor relations issues, escalating costs of providing employee benefits, regulatory matters, self-insurance, legal and administrative proceedings, information technology, severe weather, natural disasters and adverse climate changes, the continuing review of goodwill and other intangible assets, accounting matters and other risk factors relating to our business or industry as detailed from time to time in SUPERVALU's reports filed with the SEC. You should not place undue reliance on these forward-looking statements, which speak only as of the date of this news release. Unless legally required, SUPERVALU undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise. This presentation does not constitute an update or reiteration of sales or earnings guidance.

Diluted Earnings Per Share

	Q3 FY11	Q3 FY12	Change
Diluted EPS	\$0.24*	\$0.24*	-
YTD Diluted EPS	\$0.95*	\$0.87*	\$(0.08)

* Adjusted for non-cash goodwill and impairment charges, store closure and exit costs, and employee-related expenses, primarily severance and labor buyout costs.

Full-year adjusted earnings guidance of \$1.20 to \$1.30 per share.

Identical Store Sales

	Q1 FY12	Q2 FY12	Q3 FY12	YTD Q3 FY12
Customer Count	(4.4%)	(3.8%)	(4.6%)	(4.4%)
Average Ticket	0.5%	2.0%	1.7%	1.4%
ID Sales	(3.9%)	(1.8%)	(2.9%)	(3.0%)

Gross Profit Rate

	Q3 FY12	Change to Q3 FY11	YTD Q3 FY12	Change to YTD Q3 FY11
Gross Profit Rate ⁽¹⁾	21.7%	0.2%	22.0%	(0.1%)
Retail Gross Profit Rate ⁽²⁾	27.0%	0.2%	27.1%	(0.2%)

(1) As a percent of total net sales.

(2) As a percent of retail net sales.

Major Factors Impacting Gross Profit

- Promotional effectiveness
- LIFO

Expect gross profit rate to remain relatively flat for the full year.

Cost Savings Activities

- **Realized \$40 million in cost savings in Q3 FY12, bringing year-to-date total to \$130 million, driven primarily by:**
 - Reduced administrative costs
 - Lower benefit costs
 - Savings from store closures

Updated cost savings target of \$160 million in FY12.

“8 Plays to Win”



ONE COMPANY



Simplify



Funding

WINNING FOR
CUSTOMERS



Value



Fresh



Neighborhood



Hassle-Free

COMMITTED
TO GROWTH



Expand



Independents

Summary Scorecard

	Initiatives	YTD Progress Through Q3 FY12	FY12 Goals
#1	Expanding Save-A-Lot	1,309 Stores	1,370 Stores
#2	Growing Independent Business	Affiliated C&K Markets (62 stores) and announced affiliation of 26 additional Western Beef stores	Continued Growth in West
#3	Providing Competitive Value	Private Brand Dollar Penetration: 19.0%	20.3%
#4	High-Quality Fresh	YTD Reduced Shrink by 15 bps	Reduced Shrink by 15 bps
#5	Matching Offering to Neighborhood	Over 50% Control Over Displays	Over 50% Control Over Displays
#6	Hassle-Free Shopping Experience	In-Stock Tools Perishables: 95% of Stores Non-Perishables: 95% of Stores	In-Stock Tools in All Traditional Stores
#7	Simplify and Improve Capabilities	\$130M in Permanent Cost Savings	Remove more than \$160M in Permanent Costs
#8	Funding in Advance of Price Investments	Reduction in Percent of Items Sold on Promotion	N/A

Produce Initiatives



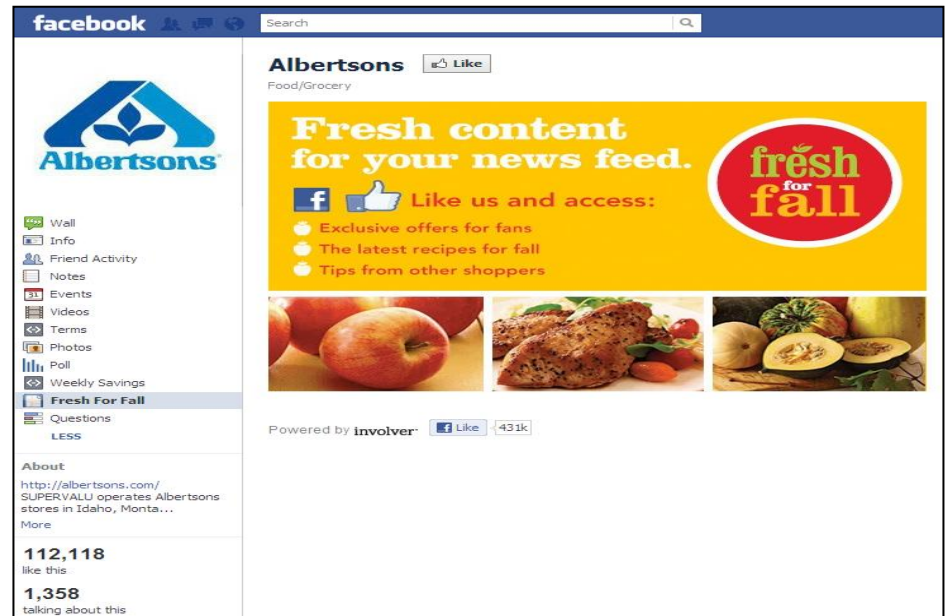
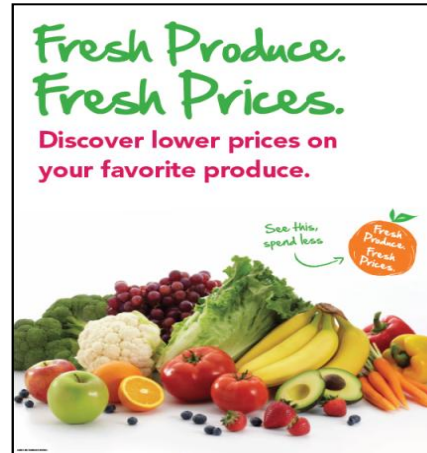
**Fresh Produce.
Fresh Prices.**

Discover lower prices on
your favorite produce.

See this, spend less

A collection of fresh produce including tomatoes, carrots, broccoli, bell peppers, and leafy greens. A small orange circle with a green leaf icon and the text "Fresh Produce. Fresh Prices." is positioned above the produce. A green arrow points from the text "See this, spend less" to the produce.

Marketing Initiatives



Fiscal 2012 Guidance

- **Total sales of approximately \$36.1 billion**
- **Independent business sales down approximately 4.5%**
- **ID sales of approximately -2.5 to -3.0%**
- **Capital spending of \$700 million to \$725 million**
- **Debt reduction of \$525 million to \$550 million**
- **Adjusted EPS of \$1.20 to \$1.30**

Fiscal 2012 EPS Guidance

GAAP Earnings Per Share	\$(2.58) to \$(2.48)
Goodwill & Impairment Charges	\$3.78
Adjusted Earnings Per Share*	\$1.20 to \$1.30

* *Adjusted for non-cash goodwill and impairment charges, store closure and exit costs, and employee-related expenses, primarily severance and labor buyout costs.*