

Safeway Inc.

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BOISE, Idaho — July 18, 2017 — Safeway Inc., part of Albertsons Companies, announced today that it has entered into an agreement with the United States Department of Justice, the federal Drug Enforcement Administration (DEA) and the United States Attorney's Office for the Western District of Washington to settle a 2014 investigation into Safeway's compliance with the Controlled Substances Act. The investigation focused on compliance with record-keeping and reporting requirements related to the theft or significant loss of controlled substances during the period of May 2009 through May 2014. Neither the DEA nor the United States Attorney's Office for the Western District of Washington is alleging ongoing violations.

As part of the settlement, Safeway will close an in-store pharmacy at 2100 Ralston Avenue in Belmont, CA and will suspend filling prescriptions for controlled substances for four months at a North Bend, WA in-store pharmacy. Safeway remains committed to patient care and will work with patients to ensure that their healthcare needs are met during these transitions.

Safeway cooperated fully with government investigators throughout the investigation and remains an active partner with the DEA, local law enforcement and the communities it serves in the fight against prescription drug abuse, including the abuse of opioids. Since early 2015, the Company has significantly enhanced its controlled substance monitoring program and implemented a variety of improved policies and procedures to enforce compliance with the Controlled Substances Act.

About Albertsons Companies

Albertsons Companies is one of the largest food and drug retailers in the United States, with both a strong local presence and national scale. We operate stores across 35 states and the District of Columbia under 19 well-known banners including Albertsons, Safeway, Vons, Jewel-Osco, Shaw's, ACME, Tom Thumb, Randalls, United Supermarkets, Pavilions, Star Market, Haggen and Carrs. Albertsons Companies is committed to helping people across the country live better lives by making a meaningful difference, neighborhood by neighborhood. In 2016 alone, along with the Albertsons Companies Foundation, the company gave nearly \$300 million in food and financial support. These efforts helped millions of people in the areas of hunger relief,

education, cancer research and treatment, programs for people with disabilities and veterans outreach.