

Kroger and Inmar Finalize Strategic Relationship

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Companies Complete Sale of YouTech to Inmar & Establish Long-Term Service Agreement

CINCINNATI and WINSTON-SALEM, N.C., March 13, 2019 /PRNewswire/ -- [Inmar](#) and The Kroger Co. (NYSE: KR) today announced the completion of Inmar's acquisition of You Technology, LLC, a digital coupon and digital rebate publishing platform, from Kroger and the finalization of Inmar's long-term service agreement to provide digital coupon services to the Kroger family of stores.

Kroger's sale of YouTech to Inmar was for total consideration of \$565 million, including \$400 million of cash consideration received upon closing. Kroger intends to use the after-tax cash proceeds from the sale to reduce debt.

"The monetization of our investment in YouTech and long-term agreement with Inmar demonstrate how Kroger can create value in different ways," said Stuart Aitken, Kroger's senior vice president of alternative business. "We are excited about the additional value that can be brought forward through future partnerships to create customer value."

[YouTech's](#) cloud-based retail platform bridges the gap between online engagement with product manufacturers and in-store purchases. Together, Inmar and YouTech will bring innovation and new products to market faster to meet the evolving needs of CPGs and retailers, no matter the size, and to better compete in this rapidly evolving and competitive space.

"We look forward to our new strategic relationship with Inmar, which will bring Kroger's unique assets and personalization expertise together with Inmar's technology solutions to drive more innovation and value for Kroger customers and CPG partners," said Yael Cosset, Kroger's chief digital officer. "We'd like to thank the team at YouTech for all of their contributions to our customers and to Kroger."

In addition, as part of the acquisition, Cheryl Black, CEO of YouTech, will join Inmar's Executive Management Team as Vice President and General Manager, Retail Solutions. Cheryl brings extensive experience in leading customer-centric teams focused on delivering innovative solutions for clients.

"With this acquisition we will be able to accelerate our innovation to deliver a more cost-effective, enhanced product set including better tools, reporting and analytics, as well as broader distribution," said David Mounts, Chairman and CEO of Inmar. "We are excited to have Cheryl join our team and look forward to having her customer focus, retail expertise and entrepreneurial spirit leading product strategy for retail."

About Kroger

At The Kroger Co. (NYSE: KR), we are dedicated to our Purpose: to **Feed the Human Spirit™**. We are nearly half a million associates who serve over nine million customers daily through a seamless digital shopping experience and 2,764 retail food stores under a variety of [banner names](#), serving America through food inspiration and uplift, and creating #ZeroHungerZeroWaste communities by 2025. To learn more about us, visit our [newsroom](#) and investor relations [site](#).

About Inmar

Commerce Accelerated.™

With an eye to accelerating commerce, we reimagine everyday business challenges through advanced analytics, technology-enabled and market-driven solutions built to solve some of industries' biggest obstacles to growth. Inmar's customer-centric approach is evident through our success helping companies dynamically engage audiences, build brand loyalty, create efficiencies and drive profitable growth. We help leading Fortune 500 companies and emerging brands stay relevant and propel growth while providing their consumers with personalized and precision-driven tools to save money, improve health and safety, and more conveniently go about their lives.

For more than 35 years, we have served retailers, manufacturers, healthcare providers, government and employers as their trusted intermediary and helped them redefine innovation. For more information about

Inmar, please follow Inmar on [Twitter](#), [LinkedIn](#) or [Facebook](#).

This press release contains forward-looking statements, as that term is defined in the Private Securities Litigation Reform Act of 1995, about the future performance of Kroger. These statements are indicated by words such as "create," "excited," "intends," "will" and similar words. Various uncertainties and other factors could cause actual results to differ materially from those contained in the forward-looking statements. These include the specific risk factors identified in "Risk Factors" and "Outlook" in Kroger's annual report on Form 10-K for our last fiscal year and any subsequent filings, as well as the following: Our ability to achieve sales, earnings, incremental FIFO operating profit, and free cash flow goals may be affected by the ability to execute on Restock Kroger and the success of new partnerships. Our ability to use free cash flow to drive growth while also maintaining our current investment grade debt rating and returning capital to shareholders could be affected by unanticipated increases in net total debt, our ability to generate free cash flow at the levels anticipated, and our failure to generate expected earnings.

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