



INTEROFFICE
COMMUNICATION

Steve Burd
Chairman & CEO



Attention: All Safeway Companies Employees

I am pleased to announce that Robert Edwards will succeed me as Chief Executive Officer upon my retirement from Safeway on May 14, 2013. Gary Rogers, currently our Lead Independent Director, will become Non-Executive Chairman of the Board.

Since joining Safeway, Robert has successfully met every challenge he has faced. He has demonstrated the ability to lead the company in all facets of its operations, and has earned the respect of the entire organization.

Robert joined Safeway in 2004 as Executive Vice President and Chief Financial Officer. In April 2012, he was named President, with overall responsibility for the company's retail operations, marketing, merchandising, corporate brands, manufacturing, distribution and finance functions. He continued as Chief Financial Officer until Pete Bocian succeeded him in that role in February of this year.

Prior to joining Safeway, Robert served as a senior executive at Maxtor Corporation, Imation Corporation and Santa Fe Pacific Corporation. He serves as a director on KKR Financial Holdings, LLC and on Blackhawk Network Holdings, Inc., a subsidiary of Safeway Inc. Robert holds a Masters in Business Administration and a Bachelor of Sciences in Accounting from Brigham Young University.

Gary Rogers has been a member of our Board since March 2011. He is the former Chairman and Chief Executive Officer of Dreyer's Grand Ice Cream, Inc., where he led the development of the nation's largest ice cream company from 1977 to 2007. Gary later served as Non-Executive Chairman of Levi Strauss & Co. and of the Federal Reserve Bank of San Francisco.

Safeway's Board of Directors undertook a thorough search and concluded that Robert is the best candidate to lead Safeway. He has the talent and experience that give the Board confidence that he will be a successful CEO.

Please join me in congratulating Robert on this well-deserved promotion. With your help, I trust the company will continue to grow and prosper.