



PRESS RELEASE

For Immediate Release

Southeastern Grocers to Transfer 29 Chattanooga-area BI-LO Stores to K-VA-T Food Stores Inc.

ABINGDON, Va. And JACKSONVILLE, Fla., Jul. 23, 2015 – K-VA-T Food Stores Inc. and Southeastern Grocers, LLC today announced that they have entered into an agreement under which K-VA-T will acquire 29 BI-LO stores located in Chattanooga, Tennessee and Northwest Georgia from Southeastern Grocers. K-VA-T intends to continue to operate all of these stores under the Food City banner and hire the vast majority of their store associates, retaining their years of service.

“We are extremely excited to have this opportunity to expand our operation into the Chattanooga and Northwest Georgia markets. We certainly look forward to welcoming the BI-LO associates to our Food City family and serving the region,” says Steven C. Smith, Food City president and chief executive officer. “Our consumers can rest assured that we plan to complete the conversion process as quickly as possible, with the least interruption to the normal flow of business. It’s our intention to enhance the overall variety and selection and further develop the services and conveniences provided to our shoppers.”

"We are pleased to enter into this transaction with K-VA-T, which we believe is the right decision not only for Southeastern Grocers, but also for our stores and associates in Chattanooga and Northwest Georgia," said Ian McLeod, president and CEO of Southeastern Grocers. "This was not an easy decision for us, as we have the utmost respect for our associates who serve our customers in these stores so well. In the approach by K-VA-T, we believe we have identified a strong partner to ensure these 29 stores and our associates are positioned for continued success under another reputable regional brand. On behalf of the management team, I want to thank all of our hardworking BI-LO associates for their dedication and support over many years."

The 29 transferring stores are as follows:

Store No.	Street	City	State	Zip
5415	417 Blue Ridge St Ste D	BLAIRSVILLE	GA	30512
5430	502 G.I. Maddox Parkway	CHATSWORTH	GA	30705
5639	1287 Cleveland Hwy.	DALTON	GA	30720
5349	531 Battlefield Pkwy.	FORT OGLETHORPE	GA	30742
5352	311 North Main St.	LAFAYETTE	GA	30728
5406	319 Chickamauga Avenue	ROSSVILLE	GA	30741
5617	820 Mission Ridge Rd.	ROSSVILLE	GA	30741
5333	112 Crimson Drive	TRENTON	GA	30752
5301	7804 E. Brainerd Rd.	CHATTANOOGA	TN	37421
5305	1600 E. 23rd St.	CHATTANOOGA	TN	37403
5315	703 Signal Mountain Road	CHATTANOOGA	TN	37405
5326	3600 Hixson Pike	CHATTANOOGA	TN	37415
5335	6951 Lee Highway	CHATTANOOGA	TN	37421
5359	4011 Brainerd Rd.	CHATTANOOGA	TN	37411
5606	4510 Highway 58	CHATTANOOGA	TN	37416

5714	3801 Tennessee Ave.	CHATTANOOGA	TN	37409
5343	2310 McGrady Drive	CLEVELAND	TN	37323
5412	255 Ocoee Crossing NW	CLEVELAND	TN	37312
5324	420 Market Street	DAYTON	TN	37321
5510	3715 Ringgold Rd.	EAST RIDGE	TN	37412
5614	6723 Ringgold Rd.	EAST RIDGE	TN	37412
5347	841 U.S. 411 North	ETOWAH	TN	37331
5715	8634 Highway 58	HARRISON	TN	37341
5703	5604 Hixson Pike	HIXSON	TN	37343
5713	8530 Hixson Pike	HIXSON	TN	37343
5373	9213 Lee Highway	OOLTEWAH	TN	37363
5673	1667 Ooltewah-Ringgold Road	OOLTEWAH	TN	37363
5427	3901 Dayton Blvd	RED BANK	TN	37415
5538	10161 Old Dayton Pike	SODDY DAISY	TN	37379

Southeastern Grocers and K-VA-T anticipate that the transfer and handoff dates of the 29 BI-LO stores will begin August 30, 2015, with all stores fully transitioned by October 5, 2015, subject to the satisfaction of customary closing conditions.

About K-VA-T Food Stores Inc.

K-VA-T Food Stores, Inc. is the corporate banner of a supermarket chain operating in three states under the Food City banner. This privately held, family-owned company has grown over the years by expansion and acquisition. With 15 units in Southeastern Kentucky, 27 units in Southwest Virginia and 62 units in East Tennessee, K-VA-T is an acronym of its trade area: Kentucky, Virginia and Tennessee. The 104-store chain includes 93 Food City locations (with 79 pharmacies and 84 fuel/convenience stores), ten Super Dollar Discount Foods limited assortment stores and one wine & spirits store. They also operate their own 1.2 million square-foot distribution center, located in Abingdon, VA. For more information about K-VA-T Food Stores, please visit www.foodcity.com.

About Southeastern Grocers

Southeastern Grocers, LLC, parent company and home of BI-LO, Harveys and Winn-Dixie grocery stores, is the fifth-largest conventional supermarket chain in the U.S. and the second-largest conventional supermarket in the southeast based on store count. The company employs nearly 72,000 associates who serve customers in approximately 790 grocery stores, 143 liquor stores and 527 in-store pharmacies throughout the eight southeastern states of Alabama, Florida, Georgia, Louisiana, Mississippi, North Carolina, South Carolina and Tennessee. BI-LO, Harveys and Winn-Dixie are well-known and well-respected regional brands with deep heritages, strong neighborhood ties, proud histories of giving back, talented and loyal associates, and strong commitments to providing the best possible quality and value to customers. For more information, please visit www.bi-lo.com, www.harveysupermarkets.com and www.winndixie.com.

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