

March 6, 2014



Kimco to Participate in Safeway Transaction

- **Transaction is a follow-on to successful investment in Albertsons**
- **Company will serve as a real estate advisor**

NEW HYDE PARK, N.Y.--(BUSINESS WIRE)-- Kimco Realty Corp. (NYSE: KIM), the nation's largest owner and operator of neighborhood and community shopping centers, has confirmed its participation as an investor in a Cerberus Capital Management, L.P. led consortium in connection with today's announced execution of a definitive agreement under which AB Acquisition LLC ("AB Acquisition") will acquire all of the outstanding shares of Safeway (NYSE: SWY).

Transaction Dynamics

As part of the Safeway transaction, Kimco will contribute up to \$90 million of new equity, together with its existing equity stake in the remaining Albertsons investments, and will hold a 9.94 percent ownership interest in the combined companies.

In addition to its equity position, Kimco will provide strategic counsel to the consortium, leveraging its decades of expertise in retail real estate leasing and asset positioning. The company may also have an opportunity to acquire selective real estate assets for its own account over time.

"We're pleased to be able to build on the momentum of our Albertsons and SUPERVALU investments as part of the Safeway acquisition," commented Milton Cooper, Kimco's Executive Chairman. "This deal is an excellent fit with our Plus strategy of creating additional value through opportunistic investments with real estate rich retailers."

The transaction is expected to close in the fourth quarter of 2014 following the satisfaction of customary closing conditions, including approval by the holders of a majority of the outstanding shares of Safeway common stock and regulatory approvals. The Safeway Board of Directors has unanimously approved the agreement.

History

In 2006, a Cerberus-led investment group, including several members of the new investment consortium, acquired 661 non-core Albertsons stores from Albertsons, Inc., a transaction in which Kimco invested approximately \$51 million and has subsequently received approximately \$245 million in cash distributions.

In 2013, the investment group acquired the remaining Albertsons stores, as well as the grocery banners of Jewel-Osco, Acme, Shaws and Star Markets, from SUPERVALU (NYSE: SVU) for \$3.3 billion, with Kimco contributing approximately \$37 million for a 13.6 percent equity interest. In addition, the consortium purchased approximately 21.2 percent of the outstanding SUPERVALU common stock at \$4 per share. As part of this transaction, Kimco

paid \$33.6 million for 8.2 million shares of SUPERVALU common stock, an investment which had a \$22 million unrealized gain as of March 5, 2014.

Conference Call Details

Safeway has scheduled a conference call at 5:30 p.m. Eastern Time today. The call will be webcast live at www.Safeway.com (click on microphone icon). A replay of the call will be archived at www.Safeway.com. To access the website replay, go to the "Investors" link and click on "Presentations and Webcasts."

About Kimco

Kimco Realty Corp. (NYSE: KIM) is a real estate investment trust (REIT) headquartered in New Hyde Park, N.Y., that owns and operates North America's largest portfolio of neighborhood and community shopping centers. As of December 31, 2013, the company owned interests in 852 shopping centers comprising 125 million square feet of leasable space across 42 states, Puerto Rico, Canada, Mexico and South America. Publicly traded on the NYSE since 1991, and included in the S&P 500 Index, the company has specialized in shopping center acquisitions, development and management for more than 50 years. For further information, please visit www.kimcorealty.com, the company's blog at blog.kimcorealty.com, or follow Kimco on Twitter at www.twitter.com/kimcorealty.

Safe Harbor Statement

The statements in this news release state the company's and management's intentions, beliefs, expectations or projections of the future and are forward-looking statements. It is important to note that the company's actual results could differ materially from those projected in such forward-looking statements. Factors which may cause actual results to differ materially from current expectations include, but are not limited to (i) general adverse economic and local real estate conditions, (ii) the inability of major tenants to continue paying their rent obligations due to bankruptcy, insolvency or a general downturn in their business, (iii) financing risks, such as the inability to obtain equity, debt or other sources of financing or refinancing on favorable terms to the company, (iv) the company's ability to raise capital by selling its assets, (v) changes in governmental laws and regulations, (vi) the level and volatility of interest rates and foreign currency exchange rates, (vii) risks related to our international operations, (viii) the availability of suitable acquisition and disposition opportunities, and risks related to acquisitions not performing in accordance with our expectations, (ix) valuation and risks related to our joint venture and preferred equity investments, (x) valuation of marketable securities and other investments, (xi) increases in operating costs, (xii) changes in the dividend policy for the company's common stock, (xiii) the reduction in the company's income in the event of multiple lease terminations by tenants or a failure by multiple tenants to occupy their premises in a shopping center, (xiv) impairment charges and (xv) unanticipated changes in the company's intention or ability to prepay certain debt prior to maturity and/or hold certain securities until maturity. Additional information concerning factors that could cause actual results to differ materially from those forward-looking statements is contained from time to time in the company's Securities and Exchange Commission (SEC) filings. Copies of each filing may be obtained from the company or the SEC.

The company refers you to the documents filed by the company from time to time with the SEC, specifically the section titled "Risk Factors" in the company's Annual Report on Form 10-K for the year ended December 31, 2013, as may be updated or supplemented in the

company's Quarterly Reports on Form 10-Q and the company's other filings with the SEC, which discuss these and other factors that could adversely affect the company's results.

Kimco Realty Corp.

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Source: Kimco Realty Corporation