

SUPERVALU INC
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Forging the Future of Grocery Retailing

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Pamela Knous, EVP and Chief Financial Officer

Lehman Brothers 9th Annual Retail Seminar

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Forward-Looking Statement

CAUTIONARY STATEMENTS RELEVANT TO FORWARD-LOOKING INFORMATION FOR THE PURPOSE OF SAFE HARBOR PROVISIONS OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

Except for the historical and factual information contained herein, the matters set forth in this presentation, including statements as to the expected benefits of the acquisition such as efficiencies, cost savings, market profile and financial strength, and the competitive ability and position of the combined company, and other statements identified by words such as estimates, expects, projects, plans, and similar expressions are forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially, including required approvals by SUPERVALU and Albertsons stockholders and regulatory agencies, the possibility that the anticipated benefits from the acquisition cannot be fully realized or may take longer to realize than expected, the possibility that costs or difficulties related to the integration of Albertsons operations into SUPERVALU will be greater than expected, the impact of competition and other risk factors relating to our industry as detailed from time to time in each of SUPERVALU's and Albertsons reports filed with the SEC. You should not place undue reliance on these forward-looking statements, which speak only as of the date of this presentation. Unless legally required, SUPERVALU undertakes no obligation to update publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

ADDITIONAL INFORMATION

SUPERVALU and Albertsons have filed a definitive joint proxy statement/prospectus with the Securities and Exchange Commission (SEC). INVESTORS ARE URGED TO READ THE DEFINITIVE JOINT PROXY STATEMENT/PROSPECTUS BECAUSE IT WILL CONTAIN IMPORTANT INFORMATION. You can obtain the definitive joint proxy statement/prospectus, as well as other filings containing information about SUPERVALU and Albertsons, free of charge, at the website maintained by the SEC at www.sec.gov. Copies of the definitive joint proxy statement/prospectus and the filings with the SEC that will be incorporated by reference in the definitive joint proxy statement/prospectus can also be obtained, free of charge, by directing a request to SUPERVALU INC., 11840 Valley View Road, Eden Prairie, Minnesota, 55344, Attention: Corporate Secretary, or to Albertsons, Inc., 250 East Parkcenter Boulevard, Boise, Idaho, 83706-3940, Attention: Corporate Secretary.

The respective directors and executive officers of SUPERVALU and Albertsons and other persons may be deemed to be participants in the solicitation of proxies in respect of the proposed transaction. Information regarding SUPERVALU's directors and

executive officers is available in its proxy statement filed with the SEC by SUPERVALU on May 12, 2005, and information regarding Albertsons directors and executive officers is available in its proxy statement filed with the SEC by Albertsons on May 6, 2005. Other information regarding the participants in the proxy solicitation and a description of their direct and indirect interests, by security holdings or otherwise, is contained in the definitive joint proxy statement/prospectus and other relevant materials to be filed with the SEC when they become available. Investors should read the definitive joint proxy statement/prospectus carefully when it becomes available before making any voting or investment decisions.

In the Home Stretch of Transaction

Final stages of acquisition moving as planned

Proxy finalized Friday, April 28th

Will provide combined company earnings guidance in mid-May

Annual meeting date set: May 30

Executive management team to be named soon

Closing expected by mid-June

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Creating the New SUPERVALU

Unprecedented opportunity

Selected established, premier
retail properties in major urban
markets

Unparalleled service network

Coast-to-coast retail presence
supported by industry-leading
supply chain backbone

Focused on success

SUPERVALU has a proven track
record of successful acquisition
integrations

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We intend to transform SUPERVALU into a national retail powerhouse that embraces changing demographics and keeps the needs of the customer central to our mission.

-- Jeff Noddle

Shaping SUPERVALU's Future

Responding to New Realities, Opportunities in the Grocery Retail Sector

Channel Blur - Everybody is selling food

Non-traditional retailers capitalizing on shifting shopping patterns and preferences

Industry ripe for rationalization

The stage is set for major consolidation events

Keeping the customer central to our mission

Customized, innovative and regionally-driven merchandising programs

Creating and maintaining success in a basis-point industry

Engraining basis-point awareness across business operations is vital

SUPERVALU is actively shaping its future and positioning itself to succeed in the grocery retailing industry

Creating Sustainable Success

Serve diverse customer
needs and wants

Extreme Value

Price Impact

Traditional/Full Service

Natural/Organic

High-end Gourmet

Fuel and Convenience

**Scale and
Diversity of Retail
Formats**

Leverage world-class
supply chain capabilities
and buying power

Develop unique scalable
competitive advantages

Robust technology
platforms: SVHarbor, T²
and more

**Strong Supply
Chain Backbone**

Strong local
management

Customized and
innovative local
merchandising

Commitment to superior
shopping experience in
competitive atmosphere

**Empowered
People**

**Successfully competing requires a multi-faceted
approach to achieve sustainable grocery retail success**

Once-in-a-lifetime Opportunity

**Immediate leading positions in
major urban markets and
premier locations**

**Acquired brands are household
names**

Acme Markets - Philadelphia

Bristol Farms- California

Jewel - Chicago

**Shaw's and Star Markets
Boston/New England**

**569 Albertsons stores in Idaho,
Southern California, Nevada,
Utah and Northwestern U.S.**

**In-store pharmacies: Osco Drug
and Sav-on**

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Taking the No. 3 spot in the Grocery Industry
By Revenue

2,505 stores in premier
locations across U.S.

Store Network

878 locations create 8th
largest pharmacy provider
in U.S.

In-store Pharmacies

107

Fuel Centers

80% Retail

Mix

\$44 billion

Revenue

A National Retail Powerhouse Fueled
by Industry-Leading Supply Chain Support

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Las Vegas

1 Market Share

Southern Cal.

1 in Orange
County and # 2 in
San Diego

Market Share

Mpls. / St. Paul

1 Market Share

**Boston / New
England**

2 Market Share

Philadelphia

1 Market Share

St. Louis

2 Market Share

**Washington
D.C. / Baltimore**

3 Market Share

Leading Positions in Large and Growing Markets

Boise

1 Market Share

**Virginia Beach /
Norfolk**

2 Market Share

Los Angeles

#3 Market Share

**73% of Retail Revenues from #1 or #2
Market Positions**

Safeway, Kroger

San Diego, Ventura, CA

Kroger, Wal-Mart

Salt Lake City/Ogden, UT

Kroger

#1

Las Vegas, NV

#3

#3

#3

#2

#2

#2

#2

#2

#2

#1

#1

#1

#1

#1

#1

#1

Share Rank

Sun Mart

Fargo, ND

Banner

Giant, Safeway

Washington, D.C./ Baltimore, MD

Safeway, Rosauers

Spokane, WA

Stop & Shop, Demoulas

Boston, MA-NH

Kroger, Meijer

Cincinnati, OH

Dominick's

Chicago, IL

Wal-Mart

Billings, MT and Boise, ID

Stater Bros., Kroger

Riverside-San Bern., CA

Kroger

Orange County, CA

Safeway, Qual. Food Cent. / Fred Meyer

Seattle-Bellevue-Everett / Tacoma, WA

Schnuck's, Dierberg's

St. Louis, MO

Kroger, Safeway

Los Angeles-Long Beach, CA

Food Lion, Wal-Mart

Norfolk/Virginia Beach, VA

Kroger

Rainbow

Genuardi

Largest Competitor(s)

Fort Wayne, IN

Minneapolis St. Paul, MN

Philadelphia, PA-NJ

MSA Markets

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Everyone's Favorite Question: What About Wal-Mart

States with the most Wal-Mart stores

Texas	415
Florida	224
California	194
Illinois	158
Ohio	151
Pennsylvania	139
Georgia	137
Missouri	132
North Carolina	130
Tennessee	119

Source: <http://www.walmartfacts.com>, 2/1/06

High Share States

Low Share States

Total U.S. - All Outlets 52 w/e 12/25/04 - Wal-Mart banners only

Med Share States

Expansion States

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Stacking up against Wal-Mart

Not Significant

Not Significant

WMT

2.2%

1.8%

WMT

23.3%

20.9%

Acme

Philadelphia

1.1%

0.7%

WMT

12.2%

12.3%

Albertsons

Los Angeles

WMT

Albertsons

Jewel

WMT

Shop n Save

WMT

Farm Fresh

Chain

Trend

2005

2003

Market

18.1%

25.8%

36.6%

10.8%

20.9%

22.6%

19.1%

27.6%

Las Vegas

21.1%

St. Louis

18.4%

23.4%

43.9%

11.9%

21.8%

Chicago

Va. Beach

Market Share

Source: Trade Dimensions: 2003 and 2005 Market Scope

Pamela Knous

Executive Vice President and Chief Financial Officer

Creating a New SUPERVALU

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The Financial Power of the New SUPERVALU is Compelling

Immediately double-digit accretive after financing costs and additional share issuance excluding one-time transaction costs

Mix of retail increases dramatically and powers business model

Strong cash flow to support growth and reduce debt

The New SUPERVALU: A Solid Platform for Growth

Will Provide Combined F07 Guidance in Mid-May

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A Transformed Business Model
(\$ Billions)

\$20

\$44

47%

53%

20%

80%

\$0.9

\$2.7

33%

67%

11%

89%

Sales

EBITDA

SVU figures represent F06 actuals, ABS figures represent management estimates

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Investing in our Future

Sufficient Capital Dollars to Grow and Support Store Network

\$34 B

Retail

Sales

Kroger

Safeway^A

New

SUPERVALU

3.98%

2.78%

**(Retail
only)**

2.9%

*Based on First Call data and company data

^A Safeway's figures represent cash cap ex as % of sales

Fiscal 2007 Projected Retail CapEx

as % of Projected Retail Sales*

Committed to new
stores/remodels

Combined capital
spending for retail
approx. \$1 billion

Retail capital budget as
% of **\$34 B** of retail
revenues is 2.9%

Investing in the Store Fleet in FY 2007

Goal: 80% of Stores New or Newly Remodeled in Last 7 Years

6 new stores, 18 remodels

5 new stores, 14 remodels

6 new stores, 13 remodels

5 new stores, 3 remodels

4 new stores, 2 remodels

2 new stores, 11 remodels

2 new stores, 7 remodels

**50-75 new stores, 250 licensee
remodels**

5 new stores

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Financial Summary

Financial Discipline Embedded In Our Culture

Maintain Dividend Policy

Commitment To Return to Investment Grade

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Creating a Grocery Retail Powerhouse

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Anticipated Synergies Breakdown

Expect Synergies to be Realized by the End of the Third Full Year

\$150 - \$175 million

Total Pretax Synergies

\$25 - \$30 million

Supply Chain Optimization

\$50 - \$60 million

Corporate Synergies

\$75 - \$85 million

Retail Leverage and Efficiencies

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Unlock the Value in the Combined Enterprise

Strong banner-level
leadership at Alberstons

Planned and thoughtful
transition effort underway

Bringing two powerful
organizations together

Preserving local focus and
customer experience is a
strategic key

Rich set of competencies to
leverage the new enterprise

No. 3 grocery retailer in the nation

The industry's best regional nameplates

A broad-based future growth potential

The right formula for sustainable grocery retail success

The best place to work in the industry

The best place to invest in the sector

Forging the Future of Grocery Retailing

Unlocking the Value in the New SUPERVALU

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THE NEW

**Northwestern /
Intermountain**

Southern California

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