



Kroger Considers Exit From Convenience Channel

Retailer exploring possible sale of its nearly 800 stores across five banners

The Kroger Co. has begun a strategic review of its convenience store holdings — including the consideration of putting a for-sale sign on its multi-banner portfolio.

According to the Cincinnati-based retailer, a potential sale is the result of a review of assets that are potentially of more value outside the company than as part of Kroger.

“Our convenience stores are strong, successful and growing, with the potential to grow even more,” said Mike Schlotman, Kroger’s executive vice president and chief financial officer. “We want to look at all options to ensure this part of the business is meeting its full potential. Considering the current premium multiples for convenience stores, we feel it is our obligation as a management team to under-

take this review.”

Kroger’s convenience store business consists of 784 stores in 18 states. It includes 68 franchise operations. The stores employ 11,000 associates and operate under the following banner names: Turkey Hill Minit Markets, Loaf ‘N Jug, Kwik Shop, Tom Thumb, and Quick Stop.

Neither supermarket fuel centers nor Turkey Hill Dairy is included in the strategic review.

“Our convenience store management and associates are an important part of our success. They put our customers first every day. We value what they do and thank them for what they will continue to do as we conduct this evaluation,” Schlotman said.

The company has hired Goldman Sachs & Co. to identify, review and evaluate the options.