



PRESS RELEASE

For Immediate Release

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RALPHS REACHES AGREEMENT TO SELL 8 CALA FOODS AND BELL MARKETS
STORES IN SAN FRANCISCO BAY AREA

Los Angeles, Calif., December 13, 2006 – Ralphs Grocery Co. today said it has reached a tentative agreement to sell eight Cala Foods and Bell Markets stores in the San Francisco Bay Area.

DeLano Retail Partners has agreed to purchase the eight locations. Financial terms were not disclosed.

“The sale of these stores is a difficult, but necessary, step toward making Ralphs more competitive,” said Dave Hirz, Ralphs president. “We intend to work closely with DeLano Retail Partners to ensure a smooth transition for our customers and Associates at these locations beginning in January.”

The stores being sold to DeLano Retail Partners are located at the following addresses:

207 Flamingo Road, Mill Valley

2040 Sir Francis Drake, Fairfax

2045 Novato Blvd., Novato

Tiburon Hwy & Blackfield, Tiburon

1599 Tiburon Blvd., Tiburon

6333 Geary Blvd., San Francisco

4201 18th St., San Francisco

1245 So. Van Ness, San Francisco

Ralphs was founded in 1873 and currently operates more than 260 supermarkets in California, from its headquarters in Los Angeles. The company is a division of The Kroger Co., (NYSE:KR), one of the nation’s largest food retailers, based in Cincinnati, Ohio. For more information about Ralphs, please visit www.ralphs.com.

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