

News Release - Lucky Supermarkets Engages in Comprehensive Consumer Protection: Update on Credit/Debit Card Readers in Lucky Self-Checkout Terminals

MODESTO, Calif., Dec. 20, 2011 — Lucky Supermarkets continues to engage in a comprehensive effort to protect our shoppers against a recently uncovered high-tech credit/debit card skimming activity. To date all financial institutions serving customers possibly affected have been alerted to closely monitor customer accounts for any suspicious activity.

Lucky Supermarkets' merchant services provider has completed the release of all transaction data from the compromised self-checkout lanes to financial institutions so that they will be able to identify affected consumers and protect consumers' accounts from unauthorized transactions.

Meanwhile, we are continuing to make every possible effort to reach out to any shoppers who may have been affected by the credit/debit card skimming scheme, which targeted credit/debit card readers at self-checkout lanes in 24 stores in the San Francisco Bay Area. Lucky Supermarkets has also been re-contacting affected customers to offer additional assistance.

Lucky Supermarkets encourages customers who used our self-checkout lanes at any of our San Francisco Bay Area stores to contact us toll free by calling 1-800-692-5710. Lucky Supermarkets has expanded its call center hours to 7 a.m. to 7 p.m. weekdays and 7 a.m. to 4 p.m. on weekends.

Lucky Supermarkets' call center has noticed a marked decline in customer calls. Also, there has been a similar decline in reports of Lucky Supermarkets' customers affected by the scam. However, we're continuing to strongly advise shoppers who have used our self-checkout lanes to contact their financial institutions to confirm that no suspicious activity has affected them. Affected customers should immediately notify their local police department and file a report. Shoppers can also visit The Identity Theft Council at www.identitytheftcouncil.org for more information on working with their financial institutions.

We are fully cooperating with local and federal law enforcement, including the U.S. Secret Service, in an investigation into what officials described to us as a highly sophisticated scam. Lucky Supermarkets uncovered the scam, which has impacted other retailers globally, during its routine inspection of card readers at one of its San Francisco Bay Area stores.

While the credit/debit card skimming activity targeted a single self-checkout stand in each affected store, Lucky Supermarkets has since replaced or inspected 2,557 credit/debit card readers, including those in staffed grocery lines, in 233 stores in Northern California and Northern Nevada. This not only includes Lucky Supermarket stores, but inspections at Save Mart, S-Mart Foods, Maxx Value Foods and FoodMaxx stores that are also owned by Lucky Supermarkets' parent company, Save Mart Supermarkets.

Lucky Supermarkets continues to make customer protection a leading priority and will update customers through an FAQ sheet located under the Consumer Alert tab on our website www.luckysupermarkets.com.

Save Mart Supermarkets operates 233 stores throughout Northern California and Northern Nevada under the Save Mart, S-Mart Foods, Lucky, Maxx Value Foods, and FoodMaxx banners. The privately-held company was founded January 17, 1952 and has always been headquartered in Modesto, California. More information about the company and its banners is available at www.savemart.com, www.luckysupermarkets.com, and www.foodmaxx.com.

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