

PRESS RELEASE

For Immediate Release

Contact

Kevin Hurd, Communications & Engagement Specialist

Coborn's, Inc.

320-252-4222, ext. 6311, office

kevin.hurd@cobornsinc.com

Coborn's, Inc. signs purchase agreement with SUPERVALU to acquire Hornbacher's stores

St. Cloud, Minn. - Coborn's, Inc. has announced it has signed a purchase agreement with SUPERVALU, a newly acquired subsidiary of United Natural Foods Inc. (UNFI), to acquire the company's Hornbacher's stores in the Fargo, ND-Moorhead, MN area, which includes a store that is currently under construction in West Fargo, ND. Five of the stores in operation are located in Fargo, ND and two of the stores are located in Moorhead, MN.

The Hornbacher's locations included in the sale are:

- 1433 S University Drive, Fargo, ND
- 1532 S 32nd Avenue S., Fargo, ND
- 2510 N Broadway Avenue, Fargo, ND
- 4101 S 13th Avenue S., Fargo, ND
- 4151 45th Street South, Fargo, ND
- 101 11th Street South, Moorhead, MN
- 950 40th Avenue S., Moorhead, MN
- West Fargo store currently under construction

"We saw this as an opportunity to further invest in the thriving Fargo-Moorhead area with SUPERVALU exiting the retail business," said Chris Coborn, Chairman, President and CEO of Coborn's, Inc.

"Hornbacher's is a respected grocery retailer, they're doing everything right. We intend to let them continue operating as-is so there is no change to their guest experience."

Matt Leiseth, who is currently President of Hornbacher's, will continue leading the Hornbacher's group of stores in his new role with Coborn's, Inc. Leiseth will serve on Coborn's, Inc.'s leadership team, but will continue to office out of Fargo with his team so he can best support the Hornbacher's stores.

"Matt wears the Hornbacher's name on his sleeve; he has a proven track record of taking impressive ownership in this brand and ensuring he, and his people, are visible in the Fargo-Moorhead

communities. We want that to continue.” Coborn added. “Matt will have the support of our team, but we want him to continue running the Hornbacher’s stores as he has done for the last eight years. It is the goal of Coborn’s, Inc. to operate the stores as they have been with the current employees they have employed.”

A Return to Family Ownership

This acquisition would return Hornbacher’s and its team of 1,200+ employees back to the organization’s roots of being family-owned and operated. Ted Hornbacher opened the first Ted’s SUPERVALU store in 1951. In 1968, he changed the name of his company to Hornbacher’s before it was acquired by SUPERVALU years later in 1975.

Hornbacher’s employees will also have the opportunity to become shareholders in Coborn’s, Inc. upon meeting eligibility requirements. In 2006, the Coborn’s family sold part of the organization to its workforce through an Employee Stock Ownership Plan. It’s given Coborn’s, Inc. employees an opportunity to take pride in ownership.

“Our team is excited to welcome Hornbacher’s employees into our growing family,” Coborn said. “At the same time, this is a unique opportunity for Hornbacher’s and its employees to still retain the identity they’ve known for many years. We believe strongly in keeping the brand in place for the benefit of the employees and the loyal guests who shop those stores.”

The transaction is currently expected to close before Dec. 25, 2018, subject to customary closing conditions.

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About Coborn’s, Inc.

St. Cloud, Minn.-based [Coborn’s, Inc.](#) is a 97-year-old employee-owned grocery retailer with nearly 8,000 employees and 53 stores across Minnesota, North Dakota, South Dakota, Illinois and Wisconsin under the [Coborn’s](#), [Cash Wise Foods](#), [Marketplace Foods](#) and [Save-A-Lot](#) banners. Coborn’s, Inc. also owns [CobornsDelivers](#), an online grocery ordering and home delivery service; and stand-alone convenience, liquor and pharmacy locations. To support its 114 retail locations, Coborn’s, Inc. operates its own central bakery, dry cleaning facility and grocery distribution center. In 2018, Coborn’s was named a “Top Workplace in Minnesota” by the Star Tribune and was named to Achievers’ list of “50 Most Engaged Companies.”