

## **Tops Markets Pursuing Financial Restructuring to Reduce Debt and Strengthen Competitive Position**

*Business as Usual for Tops Markets, Serving Customers as Normal Across Strong Network of Stores*

*Company Has Sufficient Liquidity to Support Operations; Receives \$125 million in DIP Term Loan Financing from Certain Existing Noteholders and a \$140 million DIP Asset Based Revolving Loan from Bank of America, N.A.*

*Elects to File for Reorganization Under Chapter 11 to Implement Financial Restructuring*

**WILLIAMSVILLE, N.Y. – February 21, 2018** – Tops Markets, LLC (“Tops” or the “Company”) today announced that it is pursuing a financial restructuring in order to eliminate a substantial portion of debt from the Company’s balance sheet and position Tops for long-term success.

Tops stores across the Company’s portfolio in Upstate New York, Northern Pennsylvania and Vermont are continuing to serve customers with no impact to day-to-day operations. The Company fully expects operations to continue as normal throughout this financial restructuring process.

“Tops has built strong market share and our stores continue to distinguish themselves by offering quality products at affordable prices with superior customer service,” said Frank Curci, Chief Executive Officer of Tops. “We believe the financing that we received from our noteholders is a vote of confidence in our business. Our operations are strong and we have an outstanding network of stores and a talented team to support them. We are now undertaking a financial restructuring, through which we expect to substantially reduce our debt and achieve long-term financial flexibility. This will enable us to invest further in our stores, create an even more exceptional shopping experience for our customers and compete more effectively in today’s highly competitive and evolving market.”

Mr. Curci continued, “We are continuing to provide our customers the convenience, savings and friendly service that they expect from us. Our priorities, values and commitments to our customers and our communities will not change. On behalf of everyone at Tops, we thank our customers for their continued support and look forward to ensuring that their every need is met. I also want to thank our 14,262 employees and associates for their continued hard work and dedication.”

To implement the financial restructuring, the Company today elected to file for reorganization under Chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Southern District of New York. Tops is working cooperatively with certain holders of more than 65% of its Senior Secured Notes due 2022 and is continuing constructive discussions.

Tops has received a commitment for a \$125 million debtor-in-possession (DIP) term loan financing facility from certain noteholders and a \$140 million DIP asset based revolving loan from Bank of America, N.A., which are expected to support the Company’s continued operations during the court-supervised restructuring process.

The Company has filed a number of customary motions seeking court authorization to continue to support its business operations during the court-supervised restructuring process, including the continued payment of employee wages and benefits without interruption. The Company intends to pay vendors and suppliers in full under normal terms for goods and services provided after the filing date of February 21, 2018. Tops expects to receive court approval for all of these requests.

Additional information is available on Tops' restructuring website at [www.topsrestructuring.com](http://www.topsrestructuring.com) or by calling Tops' Restructuring Hotline, toll-free in the U.S., at (888) 764-7358. For calls originating outside of the U.S. please dial (503) 520-4457. Court documents and additional information can be found at a website administrated by the Company's claims agent, Epiq, at <http://dm.epiq11.com/TOPS>.

Weil, Gotshal & Manges LLP is serving as legal counsel to Tops, Evercore is serving as Investment Banker and FTI Consulting, Inc. is serving as restructuring advisor.

### **About Tops**

Tops Markets, LLC, is headquartered in Williamsville, NY and operates 169 full-service supermarkets with five additional by franchisees under the Tops Markets banner. Tops employs over 14,000 associates and is a leading full-service grocery retailer in Upstate New York, Northern Pennsylvania, and Vermont. For more information about Tops Markets, visit the company's website at [www.topsmarkets.com](http://www.topsmarkets.com).

### **Cautionary Statements Regarding Forward-Looking Information**

Certain statements in this press release constitute are forward-looking statements. Such statements are a not historical fact are forward-looking statements. Certain of these forward-looking statements can be identified by the use of words such as "believes," "anticipates," "expects," "intends," "plans," "projects," "estimates," "assumes," "may," "should," "could," "would," "shall," "will," "seeks," "targets," "future," or other similar expressions. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors, and our actual results, performance or achievements could differ materially from results, performance or achievements expressed in these forward-looking statements. Such statements include, but are not limited to, statements relating to the court-supervised restructuring process, descriptions of management's strategy, plans, objectives, expectations, or intentions, including the ability to support the company's operations during the restructuring process and descriptions of assumptions underlying any of the above matters and other statements that are not historical fact.

These forward-looking statements are based on the Company's current beliefs, intentions and expectations and are not guarantees or indicative of future performance, nor should any conclusions be drawn or assumptions be made as to any potential outcome of any proposed transactions the Company considers. Risks and uncertainties relating to the restructuring include: the Court's rulings in the Chapter 11 case and the outcome of the Chapter 11 case in general; the length of time the Company will operate under Chapter 11; risks associated with third-party motions in the Chapter 11 case, which may interfere with the Company's ability to develop and consummate a plan of reorganization; the ability to satisfy all conditions precedent to a plan of reorganization; the ability of the Company to successfully execute a plan of reorganization without substantial disruption to the business of, or a Chapter 11 bankruptcy filing by, one or more of its primary operating or other subsidiaries; the effects of disruption from the restructuring making it more difficult to maintain business, financing and operational relationships, to retain key executives ; increased legal and advisor costs related to the Chapter 11 cases and other litigation and the inherent risks involved in a bankruptcy process.

The above factors, risks and uncertainties are difficult to predict, contain uncertainties that may materially affect actual results and may be beyond the Company's control. New factors, risks and uncertainties emerge from time to time, and it is not possible for management to predict all such factors, risks and uncertainties. Although the Company believes that the assumptions underlying the forward-looking statements contained herein are reasonable, any of the assumptions could be

inaccurate, and therefore any of these statements may prove to be inaccurate. In light of the significant uncertainties inherent in the forward-looking statements included herein, the inclusion of such information should not be regarded as a representation by the Company or any other person that the results or conditions described in such statements or the Company's objectives and plans will be achieved. These forward-looking statements speak only as of the date such statements were made or any earlier date indicated, and the Company does not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events, changes in underlying assumptions or otherwise. If the Company were in any particular instance to update or correct a forward-looking statement, investors and others should not conclude that the Company would make additional updates or corrections thereafter.

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