



Associated Grocers of Maine, Inc.
(207) 582-6500 PO Box 1000_Gardiner, Maine 04345 1-800-852-6500

April 27, 2011

Dear AG of Maine Customers, Vendors and Shareholders:

As you know, over the past few years AG of Maine ("AGM") has struggled to remain profitable in an extremely competitive marketplace. Unfortunately, despite the best efforts of management and AGM's dedicated employees, the continued loss of customers coupled with struggling same store sales resulted in a significant operating loss for the fiscal year that ended on March 25th. The Board and Management sought extensive advice from AGM's legal and financial advisors, and after careful analysis has made the very difficult decision that AGM's losses are market place driven and cannot be reversed. Despite management's best efforts to secure a deal with another supplier to ensure a smooth transition for AGM's customers, no viable option was found. As a consequence of this, AGM was placed into receivership this afternoon. A receiver has been appointed by the court to oversee the wind down and liquidation of AGM's business.

How will this affect AGM's customers?

Customers should start looking for an alternate supplier immediately.

AGM's last delivery of Cigarettes and Tobacco will be on Thursday, April 28. Pine State Trading Company has expressed a willingness to supply cigarettes, tobacco, candy and other c-store items to AGM's customers. Additionally, Pine State Trading Company will accelerate credit requests for AGM's customers. Please call their customer service number at 800-451-5500.

To assist with the challenges this transition is placing on all of AGM's customers, an incentive program has been created. AGM is offering to discount a customer's total current outstanding A/R balance due to AGM by 10%. Additionally, any future orders delivered to customers of AGM will be discounted by 20%. After an order is placed, AGM's customer service staff will contact the customer with the actual amount after deducting the appropriate discounts. All shipments will be COD—Certified or Cashier's Check. For the safety of the drivers, they will not be allowed to accept cash payments. There will be no exceptions. No trucks will be unloaded until a driver receives the appropriate check. This is a policy instituted by the court-appointed receiver, so it is requested that you not direct any anger toward the driver.

Finally, all customers must understand that the appointment of a receiver does not relieve a customer of its obligations to pay any outstanding invoices due to AGM.

AGM's management and employees apologize for the pain that these developments will cause to its vendors, customers and shareholders. Please feel free to contact the company via e-mail at the following address: service@agofme.com.

Sincerely,

James C. Ebbert
Court-Appointed Receiver, Associated Grocers of Maine, Inc.