

SAFEWAY INC  
Form 4  
March 15, 2007

**FORM 4**

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

OMB APPROVAL

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**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
**CHING DAVID T**

(Last) (First) (Middle)

5918 STONERIDGE MALL ROAD

(Street)

PLEASANTON, CA 94588-3229

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
**SAFEWAY INC [SWY]**

3. Date of Earliest Transaction (Month/Day/Year)  
**03/13/2007**

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director  10% Owner  
 Officer (give title below)  Other (specify below)  
**Senior Vice President**

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock	03/13/2007		M		70,000	A	\$ 26.4063
Common Stock	03/13/2007		S		4,800	D	\$ 34.75
Common Stock	03/13/2007		S		5,200	D	\$ 34.76
Common Stock	03/13/2007		S		9,600	D	\$ 34.8
Common Stock	03/13/2007		S		7,300	D	\$ 34.81
							95,259
							90,059
							80,459
							73,159

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Common Stock	03/13/2007	S	700	D	\$ 34.84	72,459	D	
Common Stock	03/13/2007	S	1,100	D	\$ 34.85	71,359	D	
Common Stock	03/13/2007	S	5,500	D	\$ 34.87	65,859	D	
Common Stock	03/13/2007	S	19,600	D	\$ 34.88	46,259	D	
Common Stock	03/13/2007	S	15,700	D	\$ 34.89	30,559	D	
Common Stock	03/13/2007	S	500	D	\$ 34.9	30,059	D	
Common Stock						1,878.2654 <u>(1)</u>	I	By 401(k) Plan

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title Amount or Number of Shares
Employee Stock Option (right to buy) <u>(2)</u>	\$ 26.4063	03/13/2007		M	70,000	<u>(2)</u> 07/23/2007	Common Stock 70,000

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other

CHING DAVID T  
5918 STONERIDGE MALL ROAD  
PLEASANTON, CA 94588-3229

Senior  
Vice  
President

## Signatures

/s/ Laura A. Donald,  
Attorney-in-Fact

03/15/2007

\_\_Signature of Reporting Person

Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Between March 18, 2005 and February 28, 2007, the reporting person disposed of 48.7659 shares of Safeway Common Stock under the Safeway 401(k) plan. The information in this report is based on a plan statement dated as of February 28, 2007.
- (2) Granted under an equity plan which was consolidated into the Safeway Inc. 1999 Amended and Restated Equity Participation Plan, which is a 16b-3 plan. The original option grant was for 100,000 shares, and the option was fully vested as of 07/23/2004.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.