

KROGER CO  
Form 4  
January 04, 2012

**FORM 4**

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**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 \*  
DONNELLY MICHAEL JOSEPH

(Last) (First) (Middle)

THE KROGER CO., 1014 VINE STREET

(Street)

CINCINNATI, OH 45202

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
KROGER CO [KR]

3. Date of Earliest Transaction (Month/Day/Year)  
01/03/2012

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	01/03/2012		M		30,000	A	\$ 22.995
Common Stock	01/03/2012		M		10,223	A	\$ 14.925
Common Stock	01/03/2012		S		30,223 (1)	D	\$ 24.5
Common Stock	01/03/2012		S		100 (1)	D	\$ 24.4
Common Stock	01/03/2012		S		972 (1)	D	\$ 24.42

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Common Stock	01/03/2012	S	1,028 <u>(1)</u>	D	\$ 24.43	61,839.5106	D
Common Stock	01/03/2012	S	5,700 <u>(1)</u>	D	\$ 24.44	56,139.5106	D
Common Stock	01/03/2012	S	800 <u>(1)</u>	D	\$ 24.45	55,339.5106	D
Common Stock	01/03/2012	S	400 <u>(1)</u>	D	\$ 24.455	54,939.5106	D
Common Stock	01/03/2012	S	800 <u>(1)</u>	D	\$ 24.46	54,139.5106	D
Common Stock	01/03/2012	S	200 <u>(1)</u>	D	\$ 24.47	53,939.5106 <u>(2)</u>	D

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

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**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 Security (Instr. 3 and 4)	Amount or Number of Shares	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Non-Qualified Performance Stock Option	\$ 22.995	01/03/2012		M	10,000	<u>(3)</u>	05/09/2012	Common Stock	10,000
Non-Qualified Stock Option	\$ 22.995	01/03/2012		M	20,000	<u>(4)</u>	05/09/2012	Common Stock	20,000
Non-Qualified Stock Option	\$ 14.925	01/03/2012		M	10,223	<u>(4)</u>	12/12/2012	Common Stock	10,223

## Reporting Owners

Reporting Owner Name / Address

Relationships

Director      10% Owner      Officer      Other

DONNELLY MICHAEL JOSEPH  
THE KROGER CO.  
1014 VINE STREET  
CINCINNATI, OH 45202

Senior  
Vice  
President

## Signatures

/s/ Michael J. Donnelly, by Bruce M. Gack,  
Attorney-in-Fact

01/04/2012

\_\_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) This sale was effected pursuant to a Rule 10b5-1 trading plan adopted by the reporting person on December 15, 2011.
  - (2) The total amount of securities directly owned by the reporting person includes shares in the Company's employee benefit plans that are deemed to be 'tax-conditioned plans' pursuant to Rule 16b-3, to the extent disclosed on reports received from plan trustees.  
  
These options will vest during the first four years from the date of the grant only if the Company's stock price has achieved a 55% appreciation from the option price. Thereafter, the options vest only if the Company's stock price has achieved a minimum 13% appreciation per annum from the date of grant or 185% appreciation, whichever is less. The options vest nine years and six months after grant, if not sooner vested.
  - (3) appreciation per annum from the date of grant or 185% appreciation, whichever is less. The options vest nine years and six months after grant, if not sooner vested.
  - (4) These options were granted under a long-term incentive plan of The Kroger Co. and vest in equal annual installments in whole amounts over a five-year period, at the rate of 20% per year commencing one year from the date of the grant.

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.