

News Release

EMPIRE
COMPANY LIMITED

115 King Street
Stellarton, NS
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FOR IMMEDIATE RELEASE
December 15, 2011

EMPIRE COMPANY ANNOUNCES REDEMPTION OF PREFERRED SHARES

Empire Company Limited (TSX: EMP.A; EMP.PR.B) announced today that it will redeem all of its Series 2 Preferred Shares on January 31, 2012 in accordance with their terms. Currently 164,900 Series 2 Preferred Shares are issued and outstanding. The Series 2 Preferred Shares will be redeemed at a price of \$25 per share plus an amount equal to all dividends accrued and unpaid to January 31, 2012.

Empire has declared a final dividend on the Series 2 Preferred Shares for the dividend period from October 31, 2011 to January 31, 2012 in accordance with the terms of the Series 2 Preferred Shares. The final dividend rate will be calculated in accordance with the share terms as one quarter of 75% of the prime rate of Canada's five largest banks for the three months ended December 31, 2011, and is expected to equal \$0.14 per Series 2 Preferred Share. This final dividend will be paid upon redemption and not separately.

A Notice of Redemption is being mailed by CIBC Mellon Trust Company, the transfer agent for the Series 2 Preferred Shares, to all registered holders of the Series 2 Preferred Shares. Copies of the Notice of Redemption and additional information relating to the procedure for redemption may be obtained from CIBC Mellon Trust Company, Transfer Agent and Registrar by calling 1-800-387-0825 or (416) 643-5500 in the Toronto Area.

About Empire Company

Empire Company Limited (TSX: EMP.A; EMP.PR.B) is a Canadian company headquartered in Stellarton, Nova Scotia. Empire's core businesses include food retailing and related real estate. With over \$16 billion in annual sales and approximately \$6.5 billion in assets, Empire and its related companies directly employ approximately 49,000 people. More information about Empire Company can be found at www.empireco.ca.

Cautionary Statement Regarding Forward-Looking Information

Certain statements contained in this news release constitute forward-looking information within the meaning of Canadian securities laws. Forward-looking information may relate to matters disclosed in this press release and to other matters identified in public filings relating to the Fund and Empire, to the future outlook of the Fund and Empire and anticipated events or results and may include statements regarding the future financial performance of the Fund and Empire. In some cases, forward-looking information can be identified by terms such as "may", "will", "should", "expect", "plan", "anticipate", "believe", "intend", "estimate", "predict", "potential", "continue", or other similar expressions concerning matters that are not historical facts. Actual results may vary from such forward-looking information. Such forward-looking information includes the final dividend

rate which may be impacted by changes to the bank's prime rates until December 31, 2011.

For further information, please contact:

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