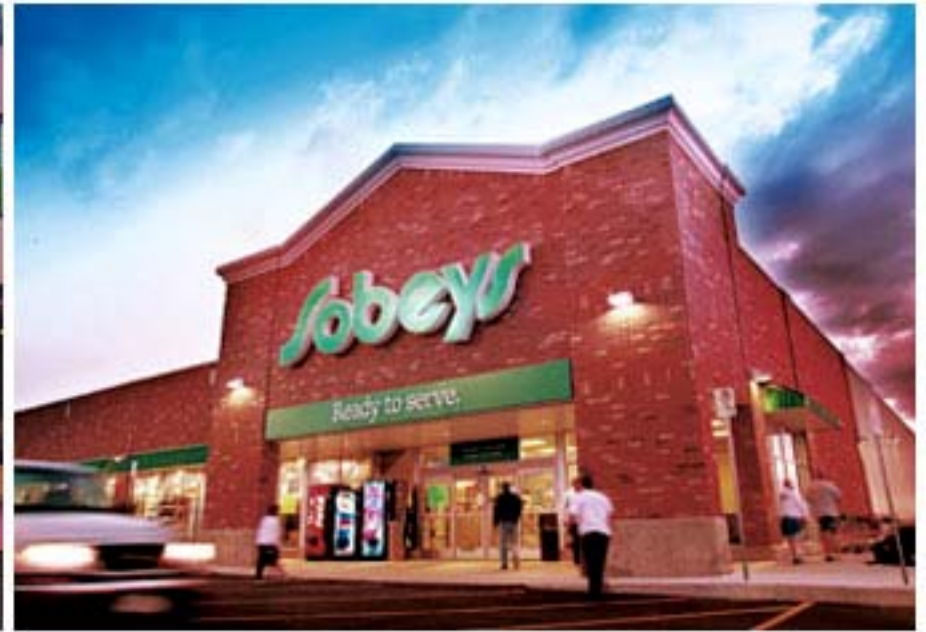


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# Our Vision

*As a diversified holding company we are committed to building sustainable shareholder value through long-term profitability and growth in each of our core operating businesses.*

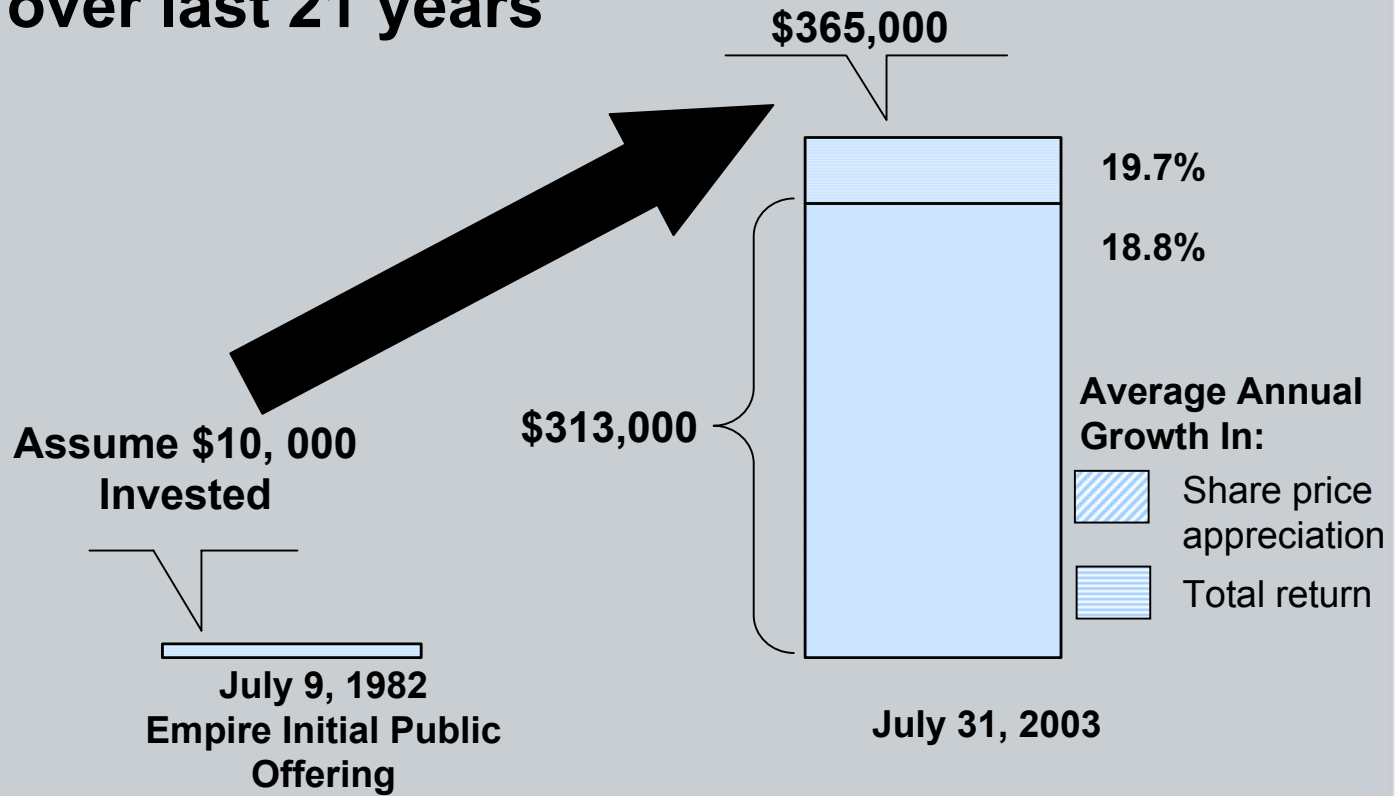


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# Empire Company Limited Growing Value over Time

**A 19.7% Average Annual Total Return  
over last 21 years**



*Assumes reinvestment of Class B dividends into new common shares.*

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# Empire Company Limited Growth in Share Price

**An 18.8% Average Annual Increase in  
Share Price and a 19.7% Average  
Annual Total Return**



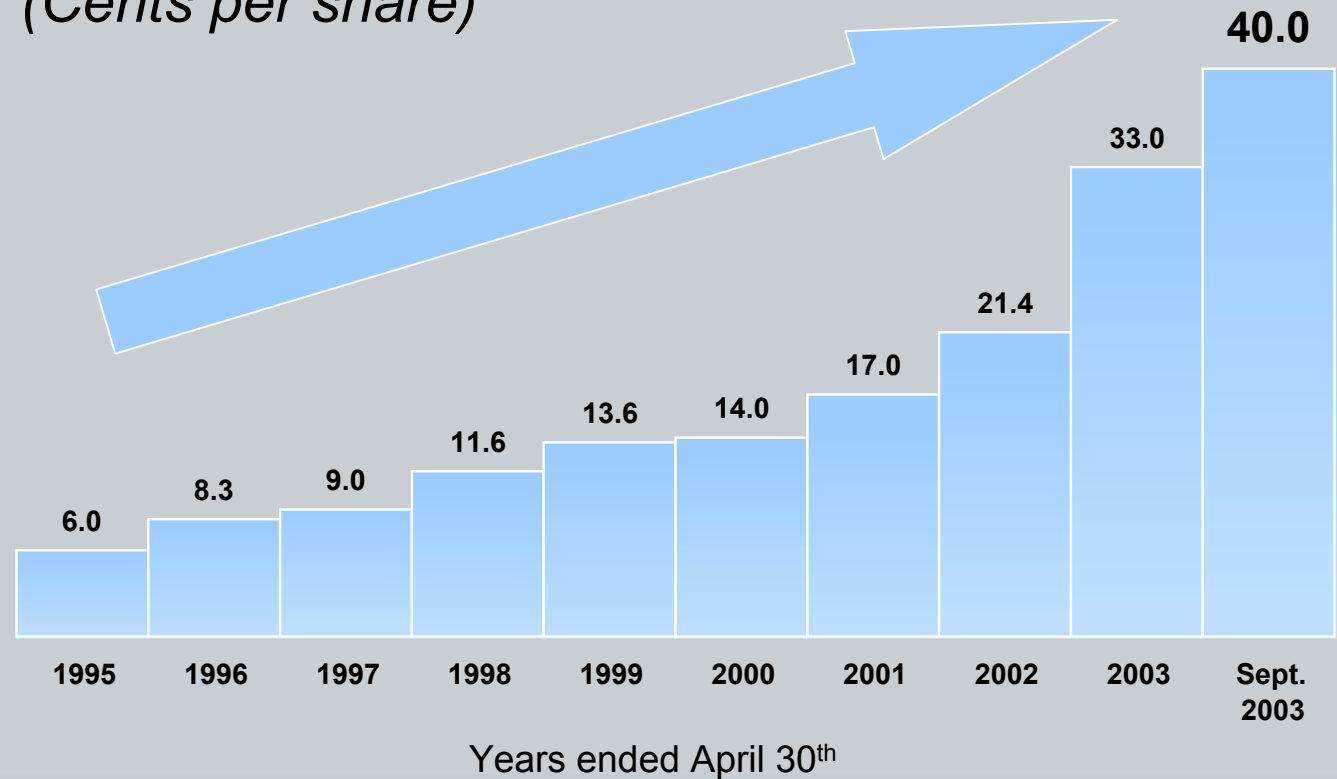
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# Empire Company Limited Growth in Dividend per Share

From 9¢ six years ago to 40¢ today

*(Cents per share)*



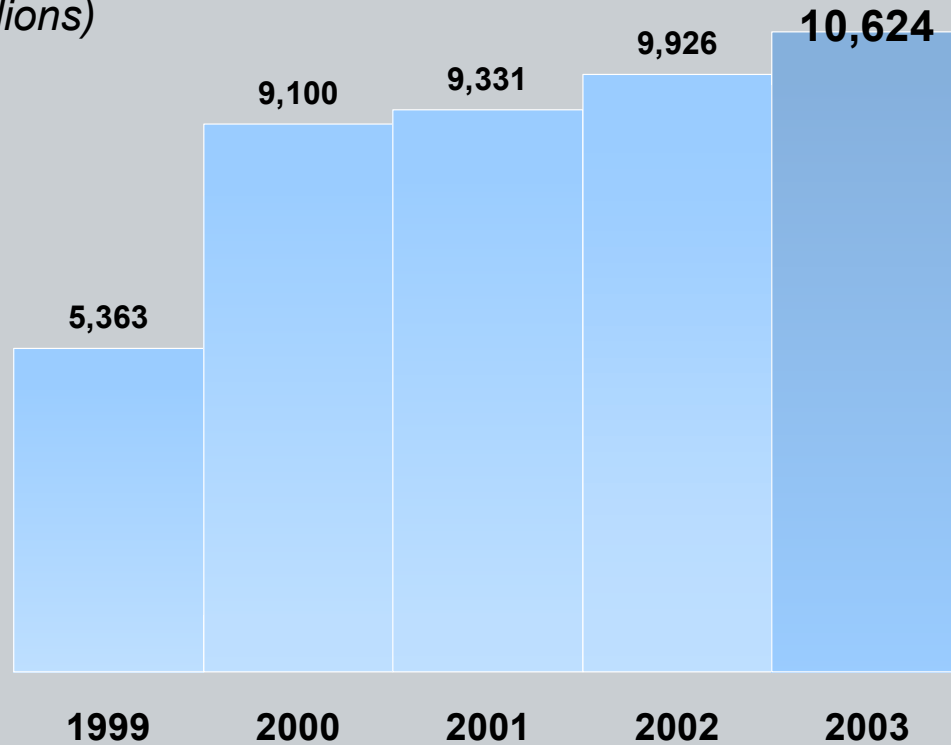
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# Empire Company

## Revenues

*(\$ in millions)*



Year ended April 30<sup>th</sup>

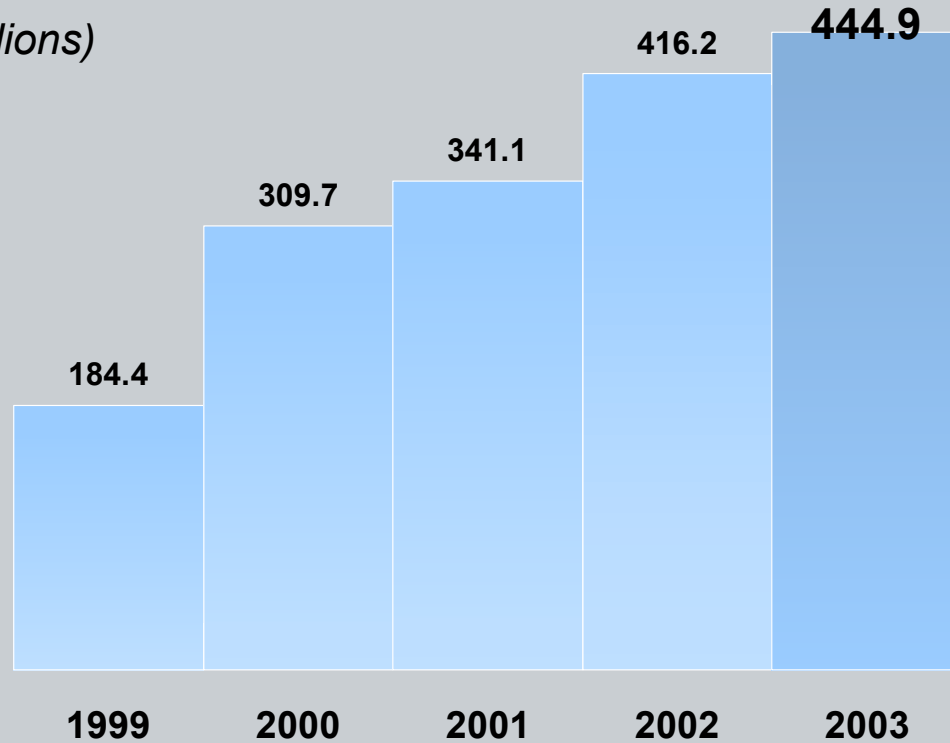
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# Empire Company

## Operating Income

*(\$ in millions)*



Year ended April 30<sup>th</sup>

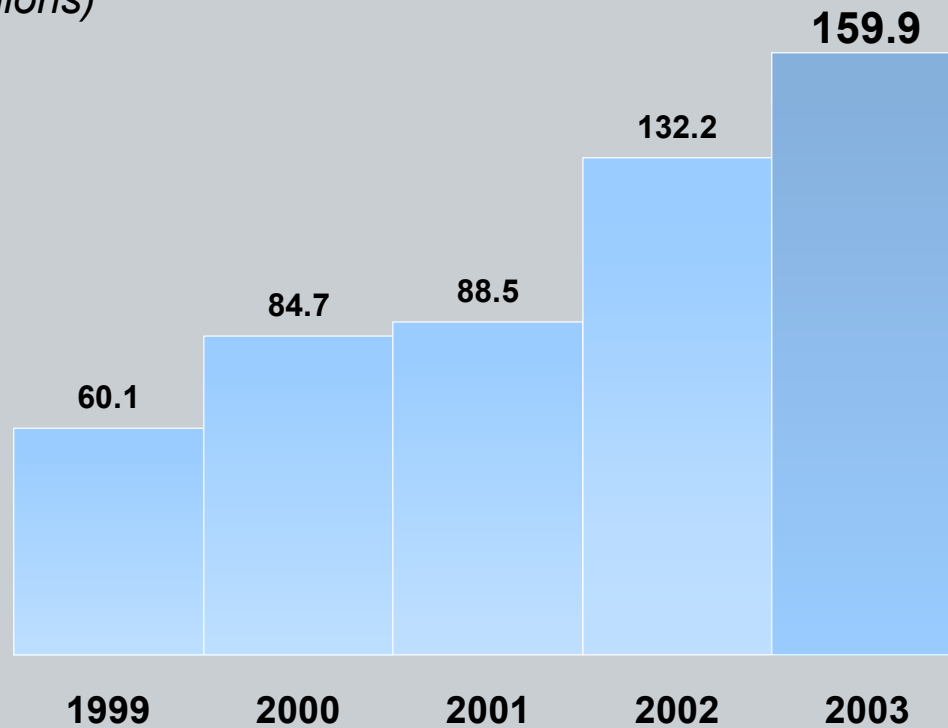
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# Empire Company

## Operating Earnings

*(\$ in millions)*



Year ended April 30<sup>th</sup>

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# Management's Three Primary Responsibilities:

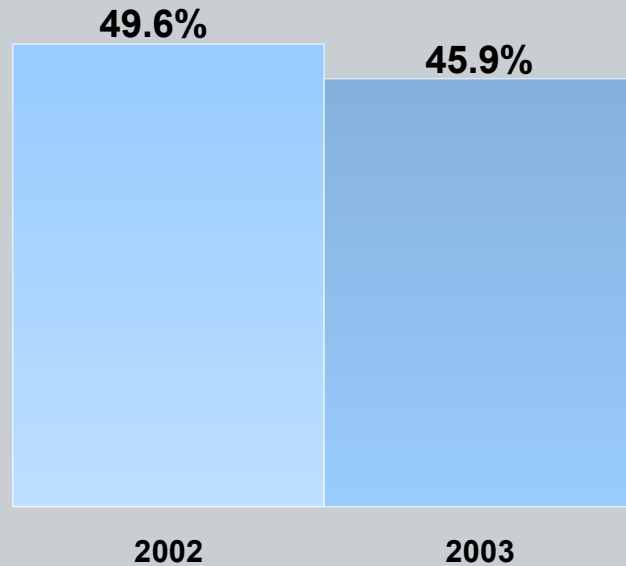
1. To ensure we have the best management operating the businesses we own or have an interest in
2. To ensure that the financial structures of Empire and its subsidiaries facilitate growth while maintaining a conservative level of debt
3. To allocate capital in a manner that maximizes long-term shareholder value



# Empire Company

## Debt to Total Capital

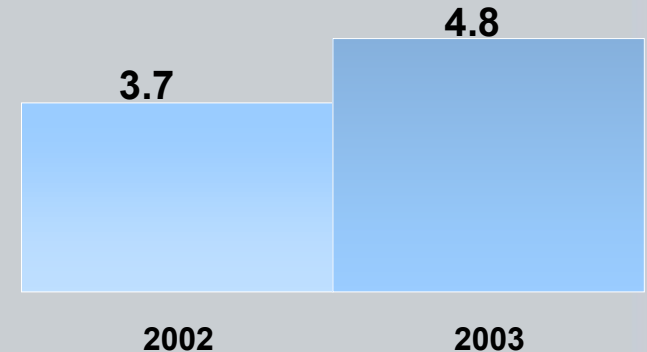
(percentage)



The debt to total capital ratio decreased to 45.9% at April 30, 2003 from 49.6% at April 30 2002.

## Interest Coverage

(times)



The interest coverage ratio improved to 4.8 times at April 30, 2003, from 3.7 times at April 30, 2002.

Year ended April 30<sup>th</sup>

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# Capital Allocation from Investments

- Over \$700 million has been allocated from the portfolio over the past four years to support the growth of our core operating businesses and net asset value
- \$260 million towards our food business
- \$200 million towards debt repayment and preferred share repurchases
- \$220 million to repurchase Empire common stock
- \$30 million towards Genstar





# Growth in Earnings and Book Value per Share

## Operating Earnings

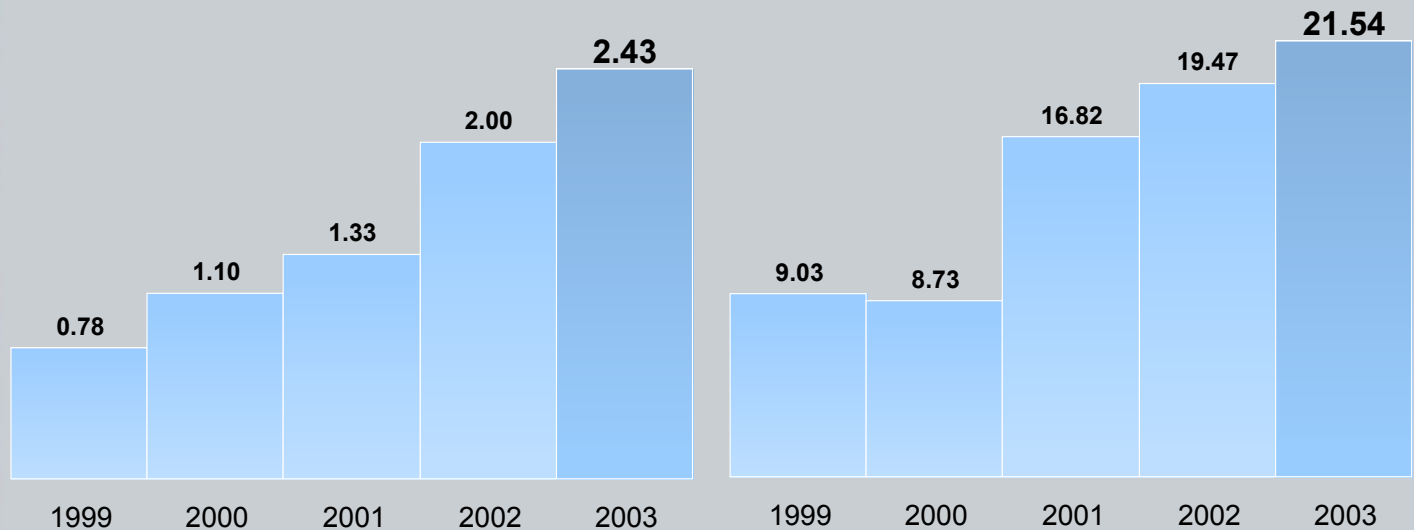
(\$ per share)

- 3.1x increase since 1999

## Book Value

(\$ per share)

- 2.3x increase since 1999



Years ended April 30

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# Food Distribution

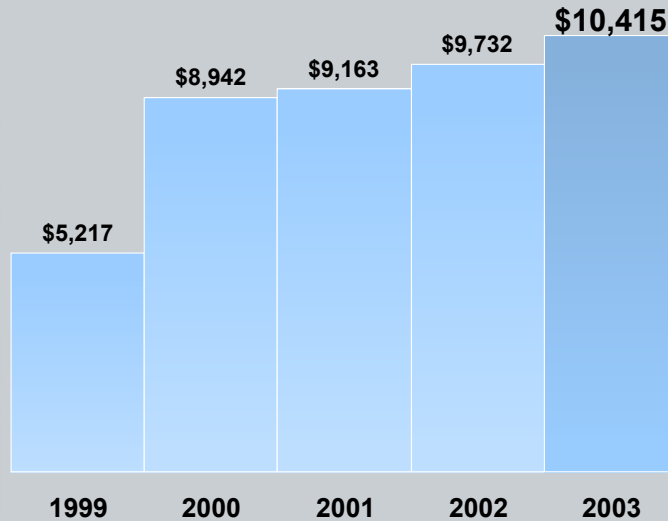


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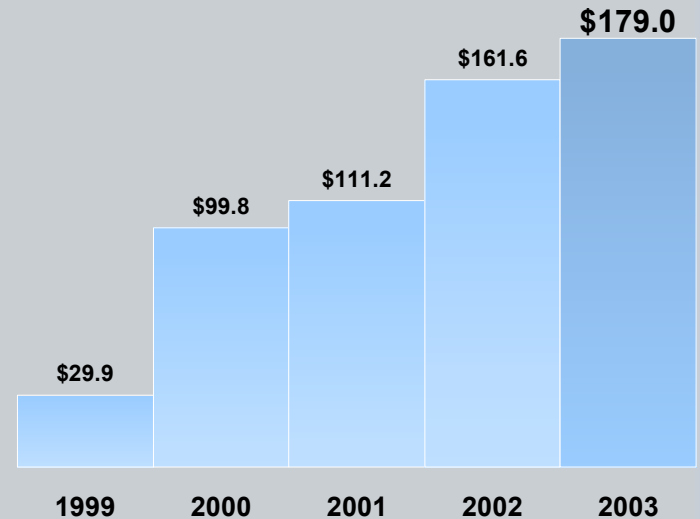


# Food Distribution

## Revenue (\$ in millions)



## Net Earnings <sup>(1)</sup> (\$ in millions)



(1) Before capital gains/losses and other items.

Years ended April 30<sup>th</sup>

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# Food Distribution

## Performance to Objectives

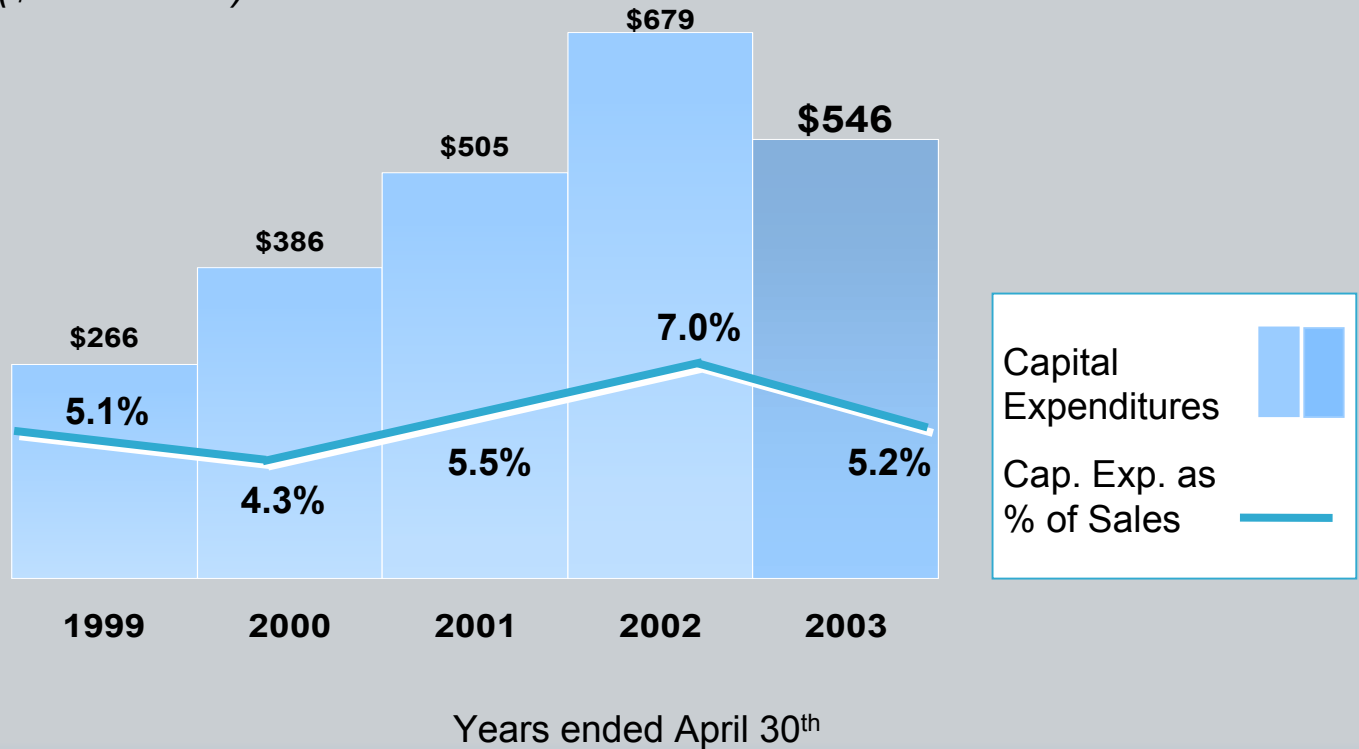
	Objective	Result
Sales	6 - 8%	7.0%
Operating Earnings	12 - 16%	11%
Return on Equity	13%	13.2%
Debt to Capital	< 35%	28.9%
Capital Spending	\$600M	\$546



# Food Distribution

## Company-wide Capital Expenditures

(\$ in millions)



# Food Distribution



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# Real Estate

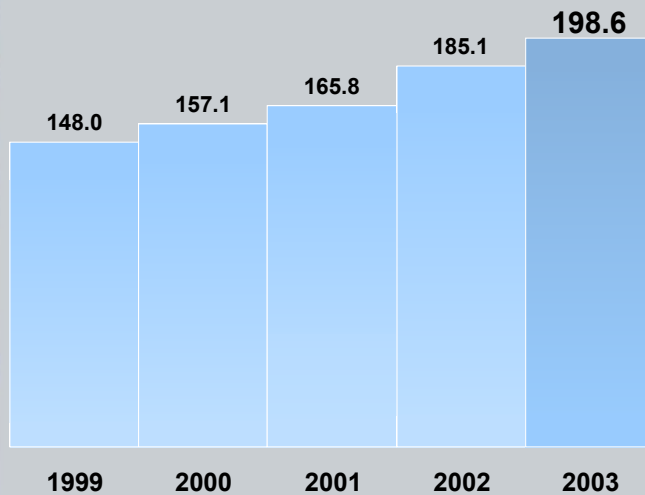


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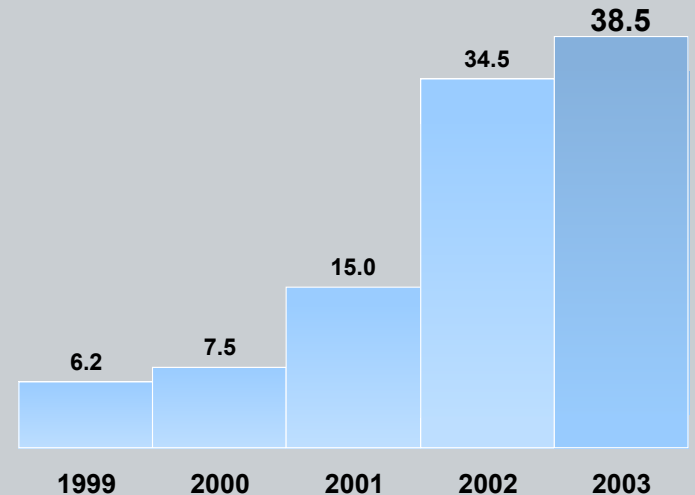


# Real Estate

## Revenue (\$ in millions)



## Net Earnings (1) (\$ in millions)



(1) Before capital gains/losses and other items.

Years ended April 30<sup>th</sup>

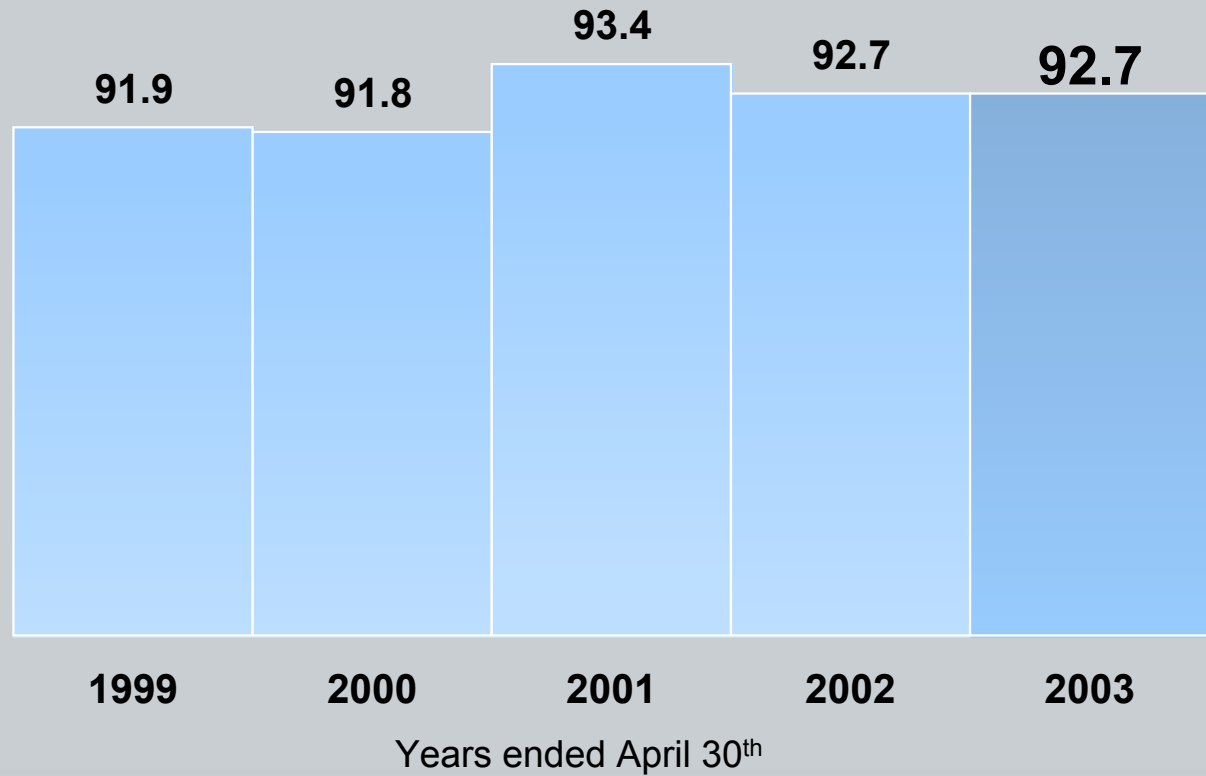
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# Real Estate

## Occupancy Rate

*(percentage)*



# Real Estate



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# Real Estate Initiatives...

- Ratified a strategy to grow operating margin by buying and developing anchored strip centers, outside of Atlantic Canada
- Strip centre purchases to date in Ontario include a location in Ottawa and in Hamilton



# Real Estate Initiatives...

- Our 35% interest in Genstar Development Partnership, a residential land development company, has generated \$75 million in cash flow since our January 2001 purchase, more than double our \$30 million investment.



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# Real Estate Initiatives

- A new condominium project, “The Martello”, on Dresden Row in downtown Halifax.
- The project is in the development stage. To date, we have pre-sold over 70% of the units, ahead of expectations.



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# Real Estate Initiatives...

- We continue to grow our ATCAN Self Storage business with 6 locations currently in operation and 1 in development.
- We continue to evaluate opportunities to grow ATCAN to a greater scale.



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# Empire Theatres



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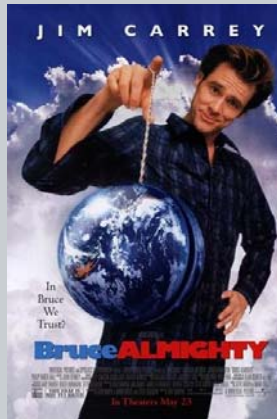


# Content is King

Fiscal  
2003



Fiscal  
2004



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# Strong Promotions



Save  
**\$2.00 OFF**  
a Night Out  
at the  
Movies

CINEPLEX ODEON

Save \$2.00 off Regular admission OR \$1.00 off one child admission at any participating Cineplex Odeon Cinemas or Empire Theatres with the purchase of participating Pine-Sol®/Tilex® Products.  
*Some restrictions apply. Limit one coupon per admission.*

**Pine-Sol** **TILEX**

Post

Silver Star

**ONE FREE ADULT MOVIE ADMISSION**

Approx. value: \$13.25, depending on location

Post

**LAISSEZ-PASSER GRATUIT POUR UN ADULTE**

Valeur approx. : 13,25 \$, selon l'établissement

Post

See terms for coupon usage and restrictions. / Voir les conditions d'usage et les restrictions.

AIR MILES® Reward Certificate    Certificat de récompense AIR MILES®    AIR MILES® Reward Certificate

**EMPIRE THEATRES**  
Valid for one  
General Admission Movie Ticket

- Remit this certificate at box office for admission ticket
- Valid at select Empire Theatres locations only
- Valid for 1 year from date of issue
- May not be valid for selected film engagements
  - No change given on exchanged tickets
  - Not valid for IMAX presentations
  - No time extensions on expired tickets
  - Subject to seat availability
  - Not valid for resale

**EMPIRE THEATRES**  
Entertainment.  
We Set The Stage.

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Issue Date: 07/26/2002  
Date d'émission: 2002/07/26

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Valable pour un billet  
d'entrée au cinéma

- Veuillez remettre ce certificat au guichet pour obtenir votre billet d'entrée
- Valable dans certains cinémas Empire Theatres seulement
- Valable pour un an suivant la date d'émission
- Cette offre peut exclure certains films
  - Aucune monnaie ne sera rendue lors de cet échange
  - Non valable pour les présentations sur écran IMAX
  - Certificat non valable une fois expiré
  - Sous réserve des disponibilités
  - Aucune valeur marchande

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# Investments



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# Empire Company Total Investment Return

	2001	2002	2003	2-year	3-year
Empire Portfolio	20.8%	11.9%	-27.8%	-10.1%	<b>-0.8%</b>
S&P/TSX Composite Index	-18.6%	4.9%	-17.6%	-7.0%	<b>-11.1%</b>
S&P 500 Index	-14.8%	1.4%	-30.7%	-16.2%	<b>-15.7%</b>

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# Off to a Good Start in Fiscal 2004...

- Total investment return of 28% versus 15.6% for S&P/TSX and 11.4% for S&P500
- Portfolio market value now \$430 million
- \$78 million increase in market value over book cost since start of fiscal year





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# First Quarter Results

- Revenues totaled \$2.81 billion, an increase of 4.7 percent.
- Operating earnings of \$39.6 million or \$0.60 per share, consistent with last year.
- Net asset value remains strong at approximately \$2.2 billion or \$33 per share.



# EMPIRE

