Forward-Looking Statement

This presentation contains forward-looking statements which reflect management’s expectations regarding the Company’s objectives, plans, goals, strategies, future growth, financial condition, results of operations, cash flows, performance, business prospects and opportunities. All statements other than statements of historical facts included in this presentation, including statements regarding the Company’s objectives, plans, goals, strategies, future growth, financial condition, results of operations, cash flows, performance, business prospects and opportunities may constitute forward-looking information. Expressions such as “anticipates”, “expects”, “believes”, “estimates”, “could”, “intends”, “may”, “plans”, “will”, “would”, and other similar expressions or the negative of these terms are generally indicative of forward-looking statements.

These statements are based on management’s reasonable assumptions and beliefs in light of the information currently available to them. The forward-looking information contained in this presentation is presented for the purpose of assisting the Company’s security holders in understanding its financial position and results of operation as at and for the periods ended on the dates presented and the Company’s strategic priorities and objectives and may not be appropriate for other purposes. By its very nature, forward-looking information requires the Company to make assumptions and is subject to inherent risks and uncertainties which give rise to the possibility that the Company’s predictions, forecasts, expectations or conclusions will not prove to be accurate, that the Company’s assumptions may not be correct and that the Company’s objectives, strategic goals and priorities will not be achieved. Although the Company believes that the predictions, forecasts, expectations or conclusions reflected in the forward-looking information are reasonable, it can give no assurance that such matters will prove to have been correct. Such forward-looking information is not fact but only reflects management’s estimates and expectations. These forward-looking statements are subject to uncertainties and other factors that could cause actual results to differ materially from such statements. These factors include but are not limited to: changes in general industry, market and economic conditions, competition from existing and new competitors, energy prices, supply issues, inventory management, changes in demand due to seasonality of the business, interest rates, changes in laws and regulations, operating efficiencies and cost saving initiatives. In addition, these uncertainties and risks are discussed in the Company’s materials filed with the Canadian securities regulatory authorities from time to time, including the Risk Management section of the annual Management’s Discussion and Analysis included in the Company’s Annual Report.

Empire cautions that the list of important factors is not exhaustive and other factors could also adversely affect its results. Readers are urged to consider the risks, uncertainties and assumptions carefully in evaluating the forward-looking information and are cautioned not to place undue reliance on such forward-looking information. Forward-looking statements may not take into account the effect on the Company’s business of transactions occurring after such statements have been made. For example, dispositions, acquisitions, asset write-downs or other changes announced or occurring after such statements are made may not be reflected in forward-looking statements. The forward-looking information in this presentation reflects the Company’s expectations, and is subject to change. The Company does not undertake to update any forward-looking statements that may be made from time to time by or on behalf of the Company other than as required by applicable securities laws.
Empire Company Profile

Since becoming a public company in 1982, Empire has created sustainable value through income and cash flow growth in businesses we know and understand – food retailing and real estate. These businesses will continue to be our foundation and focus.

<table>
<thead>
<tr>
<th>Food Retailing</th>
<th>Investments &amp; Other Operations</th>
</tr>
</thead>
<tbody>
<tr>
<td>100% interest in Sobeys</td>
<td>42.5% interest in Crombie REIT (40.8% fully diluted)</td>
</tr>
<tr>
<td>Key Banners: Sobeys, IGA, IGA extra, Thrifty Foods, Foodland, FreshCo.</td>
<td>40.7% interest in Genstar Development Partnership</td>
</tr>
<tr>
<td>Over 1,500 retail stores in Canada across all 10 provinces</td>
<td>100% interest in Empire Theatres</td>
</tr>
</tbody>
</table>
Empire Company Profile

Food retailing and real estate businesses generate well over 90% of consolidated earnings and cash flow.

Four Quarters Ended August 4, 2012

Sales $16.7 Billion

EBITDA $906.6 Million

Adjusted Net Earnings $339.2 Million
Our strategic direction is to focus our energy and resources on businesses we know best – food retailing and related real estate.

**We value:**

- Businesses we know and understand
- Strong management and dedicated people
- Disciplined financial management, conservative business principles and excellence in corporate governance

_Empire remains committed to building long-term sustainable value through income and cash flow growth in each of its businesses._
Our Long-Term Progress

Steady Progress

Fiscal Year-End

Sales
Adjusted Net Earnings
Book Value

($ in millions)


$9,926.5
$132.2
$19.47
$16,249.1
$320.6
$49.98
A Legacy of Value Creation

Growth in Empire’s value has been driven by:

1. A relentless focus on the improvement of its core food retail and real estate businesses through:
   - Strategic planning, development and execution of key initiatives
   - Reinvestment of cash flow to strengthen the business
   - Solid governance/oversight and support of each operating company

2. Key transactions which have unlocked significant value are as follows:
   - December 1998 – Acquisition of Oshawa Group for $1.5 billion, tripling the size of our food operations and creating the second largest food retailer in Canada
   - July 2000 – Sale of investment in Hannaford Bros. Co. – Sold for a $1.2 billion consideration (at a 12.6x EBITDA multiple) for a gain of $700 million
   - January 2001 – Investment in Genstar Development Partnership – $29 million investment which has returned approximately $400 million in cash
   - March 2006 – Formation/IPO of Crombie REIT – Our investment value has grown to over $500 million
   - June 2007 – Privatization of Sobeys
The privatization of Sobeys has helped sustain Empire’s growth rate.

<table>
<thead>
<tr>
<th></th>
<th>Pre-Privatization Fiscal 2007</th>
<th>Actual Fiscal 2012</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>$13,032</td>
<td>$16,045</td>
<td>23%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>$532</td>
<td>$802</td>
<td>51%</td>
</tr>
<tr>
<td></td>
<td>4.08%</td>
<td>5.00%</td>
<td>+ 92bp</td>
</tr>
<tr>
<td>EBIT</td>
<td>$291</td>
<td>$476</td>
<td>64%</td>
</tr>
<tr>
<td></td>
<td>2.23%</td>
<td>2.97%</td>
<td>+ 74bp</td>
</tr>
<tr>
<td>Net Income</td>
<td>$120</td>
<td>$304</td>
<td>153%</td>
</tr>
<tr>
<td></td>
<td>0.92%</td>
<td>1.89%</td>
<td>+ 97bp</td>
</tr>
</tbody>
</table>
Empire's EPS growth since 2007 is primarily attributed to the reallocation of capital to privatize Sobeys.

Segmented Adjusted Net Earnings per Share Contribution (1)

(1) Excludes items which are considered not indicative of underlying business operating performance.
Solid Track Record of Growth

Consolidated Sales ($ in billions)

CAGR = 3.9%

Adjusted Net Earnings per Share (1) ($ per share)

CAGR = 9.2%

(1) Excludes items which are considered not indicative of underlying business operating performance.
A Strong Financial Position

Debt to Total Capital

<table>
<thead>
<tr>
<th>Fiscal Year-End</th>
<th>2008 39.8%</th>
<th>2009 32.7%</th>
<th>2010 29.3%</th>
<th>2011 26.7%</th>
<th>2012 25.0%</th>
</tr>
</thead>
</table>

Balance Sheet

<table>
<thead>
<tr>
<th>August 4, 2012</th>
<th>$369M</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$369M</td>
</tr>
<tr>
<td>Total assets</td>
<td>$6,839M</td>
</tr>
<tr>
<td>Short-term debt</td>
<td>$41M</td>
</tr>
<tr>
<td>Long-term debt</td>
<td>$909M</td>
</tr>
<tr>
<td>Shareholders’ equity</td>
<td>$3,513M</td>
</tr>
</tbody>
</table>
### Q1 Fiscal 2013

<table>
<thead>
<tr>
<th>Consolidated Highlights</th>
<th>Segmented Highlights</th>
</tr>
</thead>
<tbody>
<tr>
<td>$4.56 billion sales, +9.7%</td>
<td>Sobeys’ growth continues:</td>
</tr>
<tr>
<td></td>
<td>◦ Sales +9.6%</td>
</tr>
<tr>
<td></td>
<td>◦ Adjusted net earnings +$21.0 million</td>
</tr>
<tr>
<td>$103.4 million adjusted net earnings ($1.52 per share)</td>
<td>Genstar operating income contribution of $4.6 million</td>
</tr>
<tr>
<td>Improved debt to capital ratio</td>
<td>Crombie REIT operating income contribution of $5.5 million</td>
</tr>
</tbody>
</table>
Investments & Other Operations
Crombie REIT
42.5% Interest (40.8% fully diluted)

- Market capitalization of $1.3 billion
- 168 high-quality, well-located properties
- 13.9 million square feet of rentable space
- High-quality cash flow and conservative financial structure
- 93.5% occupancy rate
### Crombie REIT

#### Significant Growth since IPO

<table>
<thead>
<tr>
<th>Metric</th>
<th>At IPO March 2006</th>
<th>June 30, 2012</th>
<th>CAGR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment Properties ($ in millions)</td>
<td>$790</td>
<td>$1,922</td>
<td>16.0%</td>
</tr>
<tr>
<td>Total Assets</td>
<td>923</td>
<td>2,059</td>
<td>14.3%</td>
</tr>
<tr>
<td>Market Cap</td>
<td>411</td>
<td>1,276</td>
<td>20.8%</td>
</tr>
<tr>
<td>Property Revenue (Annualized)</td>
<td>$127</td>
<td>$237</td>
<td>11.0%</td>
</tr>
<tr>
<td>Net Property Income (Annualized)</td>
<td>77</td>
<td>149</td>
<td>11.6%</td>
</tr>
<tr>
<td>FFO (Annualized)</td>
<td>48</td>
<td>80</td>
<td>8.9%</td>
</tr>
<tr>
<td># of Properties</td>
<td>44</td>
<td>168</td>
<td></td>
</tr>
<tr>
<td>GLA</td>
<td>7.2M</td>
<td>13.9M</td>
<td>11.6%</td>
</tr>
</tbody>
</table>

---

- Property Revenue (Annualized) increased by 11.0% from $127 million to $237 million.
- Net Property Income (Annualized) increased by 11.6% from $77 million to $149 million.
- FFO (Annualized) increased by 8.9% from $48 million to $80 million.
- The number of properties grew from 44 to 168, representing a 11.6% increase.
- Gross Leasable Area (GLA) increased from 7.2M square feet to 13.9M square feet, a 11.6% increase.
An Expanding Footprint Across Canada

- 168 properties
- 13.9 million feet of GLA
- 48 year operating history
Crombie REIT
Significant Pipeline

Pipeline of developed and developing properties that are strategically located for both Sobeys and Crombie

- Ongoing pipeline with an anticipated value of between $300 to $500 million
- High-quality assets:
  - Primarily located in Québec, Ontario and Western Canada
  - Focus on Sobeys anchored shopping centres
  - Properties are new builds with long-term tenancies, primarily with National and Regional tenants
Crombie REIT
Significant Growth Potential

Significant growth achieved via portfolio acquisition relationship including 88 additional properties acquired from Sobeys/Empire totalling 4.7 million square feet since IPO

- Major catalyst for growth from 44 to 168 properties over the last 6 years
- Significant contributor to geographic expansion outside core Atlantic Canada market

Multiple growth sources:
- Internal NOI growth
- ROFO/Development agreement with Sobeys
- Third-party acquisitions
Genstar Development Partnership

- 40.7% ownership interest
- $30.0 million operating income contribution
- Investment of $29 million in 2001 has returned approximately $400 million in cash
- Results are linked to management performance and continued improvement in the housing market
- Focused on replenishing inventory in key markets
Empire Theatres

- 53 locations and 438 screens in 8 provinces
- Completed the conversion to digital technology
- On June 21st, announced the purchase of two AMC Entertainment theatres in Ontario
- Successful marketing and promotions
Sobeys National Reach

National Reach
(number of corporate and franchised stores by province)

1,575
TOTAL STORES*

29 MILLION
TOTAL SQUARE FOOTAGE

*Includes the 236 retail gas stations and convenience operations acquired in fiscal 2012.
Sobeys’ Recipe for Success

- Food focused strategy
- Differentiated store formats
- Always the customer
- Productivity: Utilizing common systems/harmonizing processes
- Intelligent investment/innovation
- Building/fostering customer loyalty
- Execution in the store: Employee engagement
- Identification of new/attractive growth opportunities
Over the last four years adjusted net earnings has grown at three times the sales growth rate.

**Sales**
($ in billions)

<table>
<thead>
<tr>
<th>Year</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>$13.8</td>
<td>$14.8</td>
<td>$15.2</td>
<td>$15.7</td>
<td>$16.0</td>
</tr>
</tbody>
</table>

4-Year CAGR = 3.8%

**Adjusted Net Earnings**
($ in millions)

<table>
<thead>
<tr>
<th>Year</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>$191.7</td>
<td>$227.9</td>
<td>$256.1</td>
<td>$280.8</td>
<td>$292.5</td>
</tr>
</tbody>
</table>

4-Year CAGR = 11.1%

(1) Excludes items which are considered not indicative of underlying business operating performance.
Food Focused

Full Service Formats

Sobeys

IGA extra

THRIFTY FOODS™
Differentiated Store Concept

- Unique ambiance
- Faster at recognizing the customer need for:
  - Better fresh offering
  - Service
  - Variety
- Concept has evolved with continuous improvement
- Migration of best practices
Other Formats Serving the Customer
Focused on Productivity

- An integrated SAP platform
- Enabling systems and processes
- Upgraded distribution network
- Enabling tools and training
  - Computer Assisted Ordering
  - Work Force Management
Upgraded Distribution Network

A Second Automated Distribution Centre Opens Spring 2013 in Terrebonne, Québec
Focused on Intelligent Investment

Invested $2.3 billion over the last five years:
- Stores and distribution centres
- Business systems and processes
- Training, development and engagement
Significant Store Investment

Square Footage
(millions)
+15% over last five years

Total Retail Store Count

Note: Fiscal 2012 Retail Store Count includes the acquisition of 236 retail gas locations and related convenience store operations in the fourth quarter of fiscal 2012.
Despite this level of investment, over the last four years Sobeys has generated approximately $1 billion in free cash flow.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash flow from operating activities</td>
<td>$ 635</td>
<td>$ 682</td>
<td>$ 685</td>
<td>$ 747</td>
</tr>
<tr>
<td>Less: Net property, equipment and investment property purchases (2)</td>
<td>322</td>
<td>256</td>
<td>451</td>
<td>412</td>
</tr>
<tr>
<td>Free cash flow before dividends</td>
<td>313</td>
<td>426</td>
<td>234</td>
<td>335</td>
</tr>
<tr>
<td>Less: Dividends</td>
<td>45</td>
<td>58</td>
<td>64</td>
<td>71</td>
</tr>
<tr>
<td>Free cash flow after dividends</td>
<td>$ 268</td>
<td>$ 368</td>
<td>$ 170</td>
<td>$ 264</td>
</tr>
</tbody>
</table>

(1) Fiscal 2011 was a 53-week year.
(2) Net of fixed asset disposition.
Focused on Innovation

Our foundation now...
- Distinct formats...market tailored
- Improved store offering
- Stronger product brands

The way forward...
- Integrated customer and market intelligence, insight and initiatives
- Commercial programs development capacity and capability
- Drive customer and employee engagement “connection”
- Harmonization of business processes
Focused on Building Customer Loyalty
Focused on Employee Engagement
Focused on New Growth Opportunities

- Same-store sales
  - Best practice execution
  - Format based leadership
  - Innovation
- Tuck-in acquisitions
- Improved full service format
- Wholesale growth
- Strategic acquisitions
Concluding Remarks – Marc Poulin

- We have invested in our stores, supply chain and infrastructure.
- We have improved our offering, merchandising and execution in all our regions.
- We are more competitive than ever and it shows in our financial performance.
- We are focused on:
  - Increasing our productivity
  - Reducing our costs
  - Improving our offering
  - Investing in attractive growth opportunities
Concluding Remarks – Paul Sobey
Why invest in Empire?

- Focused on Food Retail and Real Estate
  - Businesses we know and understand
  - Diversified revenue, earnings and growth opportunities across Canada
- A track record of delivering earnings and dividend growth
- Proven capital allocation decision-making and execution
- Well positioned for long-term sustainable growth
- Above average returns, with below market risk
Superior Long-Term Total Shareholder Returns \(^{(1)}\)

What investing $10,000 twenty years ago would be worth today?

(20-Year CAGR)

- **Empire**: $144,889, 14.3%
- **S&P/TSX Food & Staples Retailing Index**: $101,953, 12.3%
- **S&P/TSX Composite Index**: $61,159, 9.5%
- **S&P 500 Composite Index ($USD)**: $59,225, 9.3%

(1) Includes share price appreciation and re-invested dividends. Calculated to the period ended August 31, 2012. Assumes dividend yield of 3% for the S&P/TSX Composite Index and the S&P 500 Composite Index, 2% for the S&P/TSX Food & Staples Retailing Index.