Presentation to the 12th Annual Atlantic Canadian Investor Seminar
## Empire Company Limited

**EMP.A - TSE**

- **Market Capitalization**: $1.9 Billion
- **Current Share Price**: $57.65
- **52 week range**: $34.50 - $66.60
- **Dividend (annualized)**: $0.66
- **Yield**: 1.1%
- **Price to Earnings (LTM)**: 12.6x
## Empire’s Three Core Businesses

<table>
<thead>
<tr>
<th>Food Distribution</th>
<th>Real Estate</th>
<th>Investments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sobeys Inc.</td>
<td>Atlantic Shopping</td>
<td>Delhaize Group</td>
</tr>
<tr>
<td></td>
<td>Centres</td>
<td></td>
</tr>
<tr>
<td>Key Banners: Sobeys, IGA, IGA extra, IGA Garden Market, Price Chopper</td>
<td>(7.6 GLA)</td>
<td></td>
</tr>
<tr>
<td>Atlantic: 342 stores</td>
<td>Sobeys Leased</td>
<td>Liquid Portfolio</td>
</tr>
<tr>
<td>Quebec: 377 stores</td>
<td>Properties (4.5 GLA)</td>
<td></td>
</tr>
<tr>
<td>Ontario: 396 stores</td>
<td>35% interest in Genstar</td>
<td></td>
</tr>
<tr>
<td>West: 209 stores</td>
<td></td>
<td>Empire Theatres</td>
</tr>
</tbody>
</table>
Financial Perspective

Fiscal 2002

Assets
$4.3 Billion
- Real Estate 20%
- Food Distribution 66%
- Other Operations 2%
- Investments 12%

Revenue
$9.92 Billion
- Food Distribution 98.0%
- Real Estate 1.4%
- Other Operations 0.6%

Operating Income
$416.2 Million
- Food Distribution 71%
- Real Estate 24%
- Other Operations 3%
- Other Investments 2%
EMPIRE

GROWING VALUE
Empire Company
Total Revenue

($ in millions)

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>1998</td>
<td>2,912</td>
</tr>
<tr>
<td>1999</td>
<td>5,363</td>
</tr>
<tr>
<td>2000</td>
<td>9,100</td>
</tr>
<tr>
<td>2001</td>
<td>9,331</td>
</tr>
<tr>
<td>2002</td>
<td>9,926</td>
</tr>
</tbody>
</table>
Empire Company
Operating Income

($ in millions)

1998 108.6
1999 184.4
2000 309.7
2001 341.1
2002 416.2

GROWING VALUE
Empire Company
Operating Earnings Per Share

($ per share)

1998: 1.69
1999: 1.55
2000: 2.20
2001: 2.66
2002: 4.01
Empire Company
Net Debt to Capital

- The Net Debt to Capital ratio decreased to 23.3% at April 30, 2002 from 40.8% at April 30, 2001.
Empire Company
Net Asset Value Per Share

($ per share)

<table>
<thead>
<tr>
<th>Year</th>
<th>Net Asset Value Per Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>1998</td>
<td>39.75</td>
</tr>
<tr>
<td>1999</td>
<td>35.25</td>
</tr>
<tr>
<td>2000</td>
<td>48.00</td>
</tr>
<tr>
<td>2001</td>
<td>48.87</td>
</tr>
<tr>
<td>2002</td>
<td>76.62</td>
</tr>
</tbody>
</table>

GROWING VALUE
Growing Value

Focus on enhancing value has produced an annual compound growth in total return or the value of shareholder capital of more than 21%.

Growth in Shareholder Value since going Public in July, 1982

- As of July, 1982: $10,000
- End of Fiscal 2002: $480,000
Share Performance

EMP.A Stock Price

Share price at fiscal quarter end dates.

1998 1999 2000 2001 2002

$0.00 $10.00 $20.00 $30.00 $40.00 $50.00 $60.00

$18.35 $57.75

Growing Value
Building Sustainable Worth in Food Distribution
Food Distribution

**Revenue**
($ in millions)

<table>
<thead>
<tr>
<th>Year</th>
<th>1998</th>
<th>1999</th>
<th>2000</th>
<th>2001</th>
<th>2002</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2,747</td>
<td>5,217</td>
<td>8,942</td>
<td>9,163</td>
<td>9,732</td>
</tr>
</tbody>
</table>

**Operating Income**
($ in millions)

<table>
<thead>
<tr>
<th>Year</th>
<th>1998</th>
<th>1999</th>
<th>2000</th>
<th>2001</th>
<th>2002</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>50.7</td>
<td>121.0</td>
<td>239.2</td>
<td>229.7</td>
<td>295.4</td>
</tr>
</tbody>
</table>

Growing Value
Revenues

$9.7B +6.2%

2002

Same Store Sales

+3.5%

2002

Food Distribution

GROWING VALUE

EMPIRE
Food Distribution

Operating Income

$295.4M  +28%

2002

Operating Earnings

$141.7M

vs.

$91.2M

2002

Growing Value
Building Sustainable Worth in Food Distribution
Building Sustainable Worth in Food Distribution
Building Sustainable Worth in Food Distribution
Building Sustainable Worth in Food Distribution
<table>
<thead>
<tr>
<th>Objective</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>$9.7B</td>
</tr>
<tr>
<td>Customer Share</td>
<td>20.0%</td>
</tr>
<tr>
<td>Net Operating Earnings</td>
<td>$128.5M</td>
</tr>
<tr>
<td>Return on Equity</td>
<td>11.5%</td>
</tr>
<tr>
<td>Debt to Capital</td>
<td>43%</td>
</tr>
<tr>
<td>Capital Spending</td>
<td>$550M</td>
</tr>
<tr>
<td></td>
<td>$141.7M</td>
</tr>
<tr>
<td></td>
<td>12.3%</td>
</tr>
<tr>
<td></td>
<td>29%</td>
</tr>
<tr>
<td></td>
<td>$679M</td>
</tr>
</tbody>
</table>
Company Wide Capital Expenditures

($ in millions)

<table>
<thead>
<tr>
<th>Year</th>
<th>Expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td>1998</td>
<td>109</td>
</tr>
<tr>
<td>1999</td>
<td>266</td>
</tr>
<tr>
<td>2000</td>
<td>386</td>
</tr>
<tr>
<td>2001</td>
<td>505</td>
</tr>
<tr>
<td>2002</td>
<td>679</td>
</tr>
</tbody>
</table>
Food Distribution

GROWING VALUE

EMPIRE
Food Distribution

GROWING VALUE

EMPIRE
Food Distribution

GROWING VALUE

EMPIRE
Real Estate

GROWING VALUE

EMPIRE
Real Estate

A Record Performance

GROWING VALUE
Real Estate

**Revenue**
($ in millions)

<table>
<thead>
<tr>
<th>Year</th>
<th>1998</th>
<th>1999</th>
<th>2000</th>
<th>2001</th>
<th>2002</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>139.0</td>
<td>148.0</td>
<td>157.1</td>
<td>165.8</td>
<td>185.1</td>
</tr>
</tbody>
</table>

**Operating Income**
($ in millions)

(1) Operating earnings plus depreciation

<table>
<thead>
<tr>
<th>Year</th>
<th>1998</th>
<th>1999</th>
<th>2000</th>
<th>2001</th>
<th>2002</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>60.5</td>
<td>65.1</td>
<td>70.1</td>
<td>82.3</td>
<td>100.6</td>
</tr>
</tbody>
</table>

GROWING VALUE

EMPIRE
Gross Leasable Area

(millions of square feet)

- 1998: 11.3
- 1999: 11.5
- 2000: 12.0
- 2001: 12.0
- 2002: 12.1

Real Estate

GROWING VALUE

EMPIRE
Real Estate

GROWING VALUE

EMPIRE
Real Estate

Occupancy Rate

(percentage)

<table>
<thead>
<tr>
<th>Year</th>
<th>Occupancy Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1998</td>
<td>90.5</td>
</tr>
<tr>
<td>1999</td>
<td>91.9</td>
</tr>
<tr>
<td>2000</td>
<td>91.8</td>
</tr>
<tr>
<td>2001</td>
<td>93.4</td>
</tr>
<tr>
<td>2002</td>
<td>92.7</td>
</tr>
</tbody>
</table>

GROWING VALUE
Theatres
Theatres

GROWING VALUE

EMPIRE
Empire Theatres

- Now operating 136 screens in 23 locations
- New joint venture in Western Canada with Landmark Cinemas
- Opened 3 new theatre complexes and completed renovations or expansions in 4 locations
- Revenues increased 14.5%
- Operating earnings increased by $1.8 million
Theatres

Strong Content - Fiscal 2002

AMERICAN PIE 2

LITTLE MAGIC BEGINS

LORD OF THE RINGS

YOU WON'T BELIEVE YOUR EYE

GROWING VALUE
Theatres

Strong Promotions

GROWING VALUE
Investments

GROWING VALUE
### Portfolio Total Return versus Benchmarks

<table>
<thead>
<tr>
<th></th>
<th>Fiscal 2001</th>
<th>Fiscal 2002</th>
</tr>
</thead>
<tbody>
<tr>
<td>Empire Portfolio</td>
<td>29%</td>
<td>10%</td>
</tr>
<tr>
<td>TSX Index</td>
<td>(13)%</td>
<td>(2)%</td>
</tr>
<tr>
<td>S&amp;P 500 Index</td>
<td>(13)%</td>
<td>(14)%</td>
</tr>
<tr>
<td>Stock</td>
<td>Price</td>
<td>Change</td>
</tr>
<tr>
<td>-------</td>
<td>-------</td>
<td>--------</td>
</tr>
<tr>
<td>ABC</td>
<td>100</td>
<td>+10</td>
</tr>
<tr>
<td>XYZ</td>
<td>200</td>
<td>-5</td>
</tr>
<tr>
<td>GHI</td>
<td>300</td>
<td>+20</td>
</tr>
<tr>
<td>JKL</td>
<td>400</td>
<td>-15</td>
</tr>
</tbody>
</table>

Investments

GROWING VALUE
Empire Company Limited
Dividend per Share Since 1992

Empire: Growing Value
Fiscal 2003
1st Quarter Results

- Consolidated revenues totaled $2.68 billion, up 7.9%.
- Operating Income reached $115.2 million, up 18%.
- Operating Earnings of $39.8 million or $1.21 per share.