EMPIRE 2006
Annual General Meeting

Expanding Value
Long-term Progress

As of May 6, 2006

- **Revenue** ($ in millions)
- **Operating Earnings** ($ in millions)
- **Share Price** ($ per share)

<table>
<thead>
<tr>
<th>Fiscal Year-End</th>
<th>Revenue</th>
<th>Operating Earnings</th>
<th>Share Price</th>
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<tbody>
<tr>
<td>82</td>
<td>$625</td>
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$202.0
$13,161
$43.29
Expanding Value
The Empire Group of Companies recognize the importance of Community Involvement.
Expanding Value
Operating Earnings Growth has averaged 20.6% over the past ten years.
Dividend Growth

Dividends increased 16.7% in Fiscal 2006
(cents/share)

Fiscal Year-End


10.8 11.0 12.1 13.6 14.0 17.0 21.4 33.0 40.0 48.0 56.0 60.0

Expanding Value
Share Price Growth has averaged 21.5% over the past ten years.

Fiscal Year-End
100 Years....

Expanding Value
We Value the Effort of our Employees Franchisees and Affiliates
Strong Leadership Sets the Stage for Future Value Creation
Fiscal 2006 was a year of change and expansion:
• We launched Crombie REIT in March 2006
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• Empire Theatres more than doubled in size with the acquisition of 28 movie-theatres
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- The ongoing expansion and growth of Sobeys
Value Creation Initiatives

Fiscal 2006 was a year of change and expansion:

- We launched Crombie REIT in March 2006
- Empire Theatres more than doubled in size with the acquisition of 28 movie-theatres
- The ongoing expansion and growth of Sobeys
- Wajax converted to an Income Fund
Long-term Progress

As of May 6, 2006

- Revenue ($ in millions): $13,161
- Operating Earnings ($ in millions): $4.6 million
- Share Price ($ per share): $43.29

Expanding Value
Expanding Value

Value of an Investment of $100
made on April 30, 1996 in Empire Class A Shares

Empire Class A
$693.70

S&P/TSX
$180.29

Fiscal Year-End
Food Division
Food Division

• Maintained an unwavering commitment to its Focus on Food
• Realized significant system-wide progress with business process optimization, supply chain and systems initiatives
• Continued to nurture a superior service and high performance culture by investing in and developing employees
Food Division

Revenue
($ in millions)

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue</th>
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<tbody>
<tr>
<td>2002</td>
<td>9,732</td>
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<tr>
<td>2003</td>
<td>10,415</td>
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<tr>
<td>2004</td>
<td>11,061</td>
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<tr>
<td>2005</td>
<td>12,189</td>
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<td>2006</td>
<td>12,853</td>
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Operating Earnings
($ in millions)

<table>
<thead>
<tr>
<th>Year</th>
<th>Earnings</th>
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<tbody>
<tr>
<td>2002</td>
<td>141.7</td>
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<tr>
<td>2003</td>
<td>178.1</td>
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<tr>
<td>2004</td>
<td>166.5</td>
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<tr>
<td>2005</td>
<td>186.7</td>
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<tr>
<td>2006</td>
<td>189.4</td>
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Fiscal Year-End

Expanding Value
Real Estate Division
Real Estate Division

Revenue
($ in millions)

Operating Earnings
($ in millions)

Fiscal Year-End

2002 2003 2004 2005 2006

185.1 198.6 210.5 229.2 239.0

34.5 38.0 42.1 45.7 59.6

Expanding Value
Real Estate Initiatives

• Created Crombie REIT to extract and add value for shareholders
• Positioned ECL Properties as developer of choice for Crombie REIT
• Retained a 48.3% ownership interest in Crombie REIT
Genstar

- 54% increase in revenue
- Continued strength in Calgary and Edmonton
- Outstanding results in fiscal 2006
Real Estate Division
Theatre Division
Empire Theatres

- During Fiscal 2006, Empire Theatres acquired 28 locations to become the second largest movie exhibitor in Canada.

- At the end of Q1 2007, Empire Theatres owned or had an interest in:

<table>
<thead>
<tr>
<th>Locations</th>
<th>Atlantic</th>
<th>Ontario</th>
<th>West</th>
<th>Total</th>
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<tr>
<td>Screens</td>
<td>27</td>
<td>13</td>
<td>17</td>
<td>57</td>
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<td></td>
<td>177</td>
<td>97</td>
<td>123</td>
<td>397</td>
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$100 invested on March 31, 2001

Empire Portfolio $263.87
S&P/TSX Index $174.14
S&P 500 Index $89.81 (in Cdn. $)
Solid Performance from Wajax

- Wajax converts to Income Fund in June, 2005
- Empire sells 2.875 million units in Q1 fiscal 2006
- Wajax continues to have strong growth in earnings
Expanding Value
Expanding Value

Empire generated $94.8 million of net capital gains in fiscal 2006

- $59.2 million in capital gains from the sale of 44 properties to Crombie REIT and the conversion
- $23.5 million capital gains from the sale of Wajax units
- $12.1 million capital gains from the sale of investments and other items
Off to a Good Start
In Fiscal 2007
Q1 F2007 Highlights

• Revenue of $3.37 billion versus $3.33, up 1.3%
• Operating Earnings of $53.3 million versus $49.6, up 7.5%
• Subsequent to the end of the first quarter, Sobeys announced the completion of its purchase of substantially all of the food distribution assets of Achille de la Chevrotière Ltée and its associated companies (“ADL”)
EMPIRE 2006
Annual General Meeting

Expanding Value