Clearly focused on our strengths
Empire is Clearly Focused on its Core Businesses: Food Retail and Real Estate

• Grow long-term shareholder value
• Businesses that we know and understand
• Passionate commitment to build on synergies
Rationale for Sobeys Privatization

- Confidence in our food-focused strategy
- Strengthens relationship
- Effective capital allocation
Long-term Progress
1983 - 2007

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

Revenue: $13,366, $42.33, $204.4
Operating Earnings: $625, $4.6, $0.51
Share Price: $4.6, $0.51

Fiscal Year-End: 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 00, 01, 02, 03, 04, 05, 06, 07
Revenue Growth has averaged 16.9% per year over the past 10 years.
Earnings per share before capital gains and other items

Growth has averaged 16.9% over the past 10 years
Dividend Growth

Dividends have increased on average 18.5% over the past 10 years. Subsequent to year-end, announced a 10% increase to $0.66 annually (cents/share).
Share Price Growth

Shareholder total return has averaged 18.4% per year over the past 10 years.

Fiscal Year-End

<table>
<thead>
<tr>
<th>Year</th>
<th>Share Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>1997</td>
<td>$7.85</td>
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<tr>
<td>1998</td>
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<td>2004</td>
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<td>2005</td>
<td></td>
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<tr>
<td>2006</td>
<td></td>
</tr>
<tr>
<td>2007</td>
<td></td>
</tr>
<tr>
<td>Q1 2008</td>
<td>$49.73</td>
</tr>
</tbody>
</table>
Empire Company Limited Q1 Fiscal 2008

Highlights
• $3.52 billion of revenue, up 4.1%
• 3.5% same-stores sales growth
• Record Q1 operating earnings per share of $0.92, up 13.3%
• $2.16 net earnings per share versus $0.81 per share last year

Going Forward
• Long-term sustainability and value creation
Real Estate
Real Estate includes Commercial and Residential Property Operations

Commercial
- Crombie REIT - 7.7 million sq. ft.
- Sobey Leased Properties - 4.4 million sq. ft.
- ECL Developments - 1.3 million sq. ft.

Residential
- Genstar Development Partnership
Real Estate Division

• The focus will be on the development and sale of food-anchored retail centres
• Established ECL Developments to work closely with Sobeys to build a property pipeline
• Developed properties will be first offered for sale to Crombie REIT
Empire’s Real Estate and Food Retail Businesses complement each other and, in turn, increase each other’s value.

Anchor for Real Estate  
Sobeys Inc.  
Flexibility & Control Over Locations

Right to Purchase New Properties  
ECL Properties  
Crombie REIT  
Ears Spread on Selling Price Less Development Cost

Clearly focused on our strengths
Investments

Investment Division

- Average total four-year return of 27.3%
- Sale of our liquid investments
- Retained our 27.6% interest in Wajax Income Fund
- $750 million of cumulative net capital gains since F2001 to end of Q1 F2008
Solid Performance from Wajax

Our investment in Wajax allows us to participate nationally in:

- mobile equipment
- industrial components
- power systems

Wajax continues to have strong growth in earnings
Going Forward

• Growing the long-term sustainability of our Food, Real Estate and related businesses

• Committed to decisions that will grow cash flow and net asset values over the long-term
Food Retailing
F2007 Accomplishments

• Steadfast Focus on Our Strategy
• Continued Operational Improvements
• ADL Acquisition
• Logistics and Distribution Advancements
• Compliments Development
• 100th Anniversary of Sobeys
Consistent Sales Growth

Revenue
($ in billions)

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>$10.4</td>
</tr>
<tr>
<td>2004</td>
<td>$11.0</td>
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<tr>
<td>2005</td>
<td>$12.2</td>
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<tr>
<td>2006</td>
<td>$12.7</td>
</tr>
<tr>
<td>2007</td>
<td>$13.0</td>
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</table>

Fiscal Year-End

Same-Store Sales Growth

<table>
<thead>
<tr>
<th>Year</th>
<th>Growth Rate</th>
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<tbody>
<tr>
<td>2003</td>
<td>3.2%</td>
</tr>
<tr>
<td>2004</td>
<td>1.4%</td>
</tr>
<tr>
<td>2005</td>
<td>3.7%</td>
</tr>
<tr>
<td>2006</td>
<td>4.0%</td>
</tr>
<tr>
<td>2007</td>
<td>2.4%</td>
</tr>
</tbody>
</table>
Net Earnings Growth
($ in millions)

<table>
<thead>
<tr>
<th>Year</th>
<th>Net Earnings</th>
<th>Business Process, Rationalization and System Initiative Costs</th>
</tr>
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<tbody>
<tr>
<td>2003</td>
<td>178.1</td>
<td></td>
</tr>
<tr>
<td>2004</td>
<td>166.5</td>
<td></td>
</tr>
<tr>
<td>2005</td>
<td>186.7</td>
<td></td>
</tr>
<tr>
<td>2006</td>
<td>189.4</td>
<td>12.2</td>
</tr>
<tr>
<td>2007</td>
<td>173.4</td>
<td>33.9</td>
</tr>
</tbody>
</table>
“Best in Food” Stores

• Stronger Pricing

• Improved Operating Standards

• Innovation

• Improved and Increased Square Footage
  
  - Store Development And Acquisition
  
  - Enlargement And Renovation
Square Footage +22% Over 5 years
(in millions sq. ft.)

- 2002: 21.6
- 2003: 22.6
- 2004: 24.1
- 2005: 25.1
- 2006: 25.4
- 2007: 26.4

- $ F’2007
  - $483 M Stores
  - 48 New or Replaced
  - 24 Expanded or Reno
  - 49 Rebannered
Strategic Acquisitions

**ADL (Q2 F2007)**
- Strengthens Northern Quebec
- 25 Stores Added

**Thrifty Foods (Q2 F2008)**
- Great Food, Fresh Excellence, Superior Service
- #1 Market Share Position
- 20 Stores In British Columbia
Sobeys Q1 Fiscal 2008

- +4.1% Sales ($3.44 B vs $3.31 B)
- +3.5% Comparable Stores Sales
- +7.8% Operating Income ($44.9 M vs $35.1 M)
- +8.5% EBITDAA
- $76.3M Capital Expenditures
Sobeys Strategy

Be the Best Food Retailer in Canada

- Food
- Excellence In Fresh Food
- Superior Customer Service
- The Right Format, Right-sized Stores For Each Market We Serve
Food Retailing

Imperatives

• Continue To Invest In And Develop Our People As We Nurture Our Superior Service And High-performance Culture
Food Retailing

Imperatives

• Continue To Invest In And Develop Our People As We Nurture Our Superior Service And High-performance Culture

• Customer Focused Service, Product Development and Innovation
Food Retailing

Imperatives

• Continue To Invest In And Develop Our People As We Nurture Our Superior Service And High-performance Culture

• Customer Focused Service,
• Product Development and Innovation

• Infrastructure Investment and Cost Reductions

Rendering of the Distribution Centre – Vaughan, Ontario