Scotia Capital Back to School Conference
September 16, 2008
Clearly Focused on Core Businesses: Food Retailing and Real Estate

• Grow long-term shareholder value
• Businesses that we know and understand
• Passionate commitment to build on synergies
Our Long-Term Progress

Focused on growth

Fiscal Year-End

Revenue ($ in millions)
Operating Earnings ($ in millions)
Book Value ($ per share)

$14,065.0
$242.8
$36.14
$9.03
$5,362.7
$60.1
10-Year Average 16% Operating Earnings Growth

Earnings per share before capital gains and other items ($ per share)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$0.85</td>
<td>$0.78</td>
<td>$1.10</td>
<td>$1.33</td>
<td>$2.00</td>
<td>$2.42</td>
<td>$2.48</td>
<td>$2.78</td>
<td>$3.07</td>
<td>$3.04</td>
<td>$3.69</td>
</tr>
</tbody>
</table>
Fiscal 2008
A Productive Year

- Sobeys Privatization in Q1
- Acquisition of Thrifty Foods in Q2
- Sale of 61 properties to Crombie REIT in Q4
Subsequent to year-end, Empire announced an increase to $0.70 annually (cents/share)
10-Year Average 12% Share Price Growth

Share Price
($ per share)

Fiscal Year-End


$47.50

$13.63

EMPIRE
10-Year Average 17.7% Book Value Growth

Book Value ($ per share)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$7.06</td>
<td>$9.03</td>
<td>$8.73</td>
<td>$16.82</td>
<td>$19.47</td>
<td>$21.41</td>
<td>$23.67</td>
<td>$25.87</td>
<td>$29.77</td>
<td>$32.31</td>
<td>$36.14</td>
</tr>
</tbody>
</table>
Empire Company Limited
Q1 Fiscal 2009

Highlights
• $3.78 billion of revenue, up 7.4%
• 3.0% same-stores sales growth
• $70.3 million operating earnings ($1.07 per share)
  – Record Q1; growth of 16.4% YoY
• $75.1 million net earnings ($1.14 per share)
• Debt to capital ratio declined to 38.5%
clearly focused on our strengths
Real Estate
Investments & Other Operations
Going Forward

• Committed to the development of new food-anchored shopping plazas
• Committed to prudently reducing our leverage
• Committed to supporting Sobeys
Food Retailing
Food Retailing

Revenue ($ in billions)

5 year CAGR = 5.7%

7.9% growth Quarter over Quarter

<table>
<thead>
<tr>
<th>Fiscal Year-End</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue (in billions)</td>
<td>11.0</td>
<td>12.2</td>
<td>12.7</td>
<td>13.0</td>
<td>$13.8</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Quarter End</th>
<th>Q1 F08</th>
<th>Q1 F09</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue (in billions)</td>
<td>3.4</td>
<td>$3.7</td>
</tr>
</tbody>
</table>
Food Retailing

Same-Store Sales Growth - Quarterly

<table>
<thead>
<tr>
<th>Quarter End</th>
<th>Q1 F08</th>
<th>Q2 F08</th>
<th>Q3 F08</th>
<th>Q4 F08</th>
<th>Q1 F09</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>3.5%</td>
<td>2.3%</td>
<td>2.0%</td>
<td>2.6%</td>
<td>3.0%</td>
</tr>
</tbody>
</table>

EMPIRE
Food Retailing

EBITDA
($ in millions)

5 year CAGR = 7.1%

13.9% growth Quarter over Quarter

<table>
<thead>
<tr>
<th>Fiscal Year-End</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA</td>
<td>447.0</td>
<td>499.0</td>
<td>528.2</td>
<td>531.6</td>
<td>634.2</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Quarter End</th>
<th>Q1 F08</th>
<th>Q1 F09</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA</td>
<td>157.0</td>
<td>178.8</td>
</tr>
</tbody>
</table>

2004 2005 2006 2007 2008
Food Retailing

Operating Income
($ in millions)

5 year CAGR = 2.3%

11.5% growth Quarter over Quarter

Fiscal Year-End

<table>
<thead>
<tr>
<th>Year</th>
<th>Operating Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>294.3</td>
</tr>
<tr>
<td>2005</td>
<td>322.6</td>
</tr>
<tr>
<td>2006</td>
<td>331.6</td>
</tr>
<tr>
<td>2007</td>
<td>291.0</td>
</tr>
<tr>
<td>2008</td>
<td>$363.8</td>
</tr>
</tbody>
</table>

Quarter End

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Operating Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 F08</td>
<td>95.8</td>
</tr>
<tr>
<td>Q1 F09</td>
<td>$106.8</td>
</tr>
</tbody>
</table>
Food Retailing

Square Footage (millions)

24.1 25.1 25.4 26.4 27.2

2004 2005 2006 2007 2008

+20% over last five years

Total Retail Store Count

1,311 1,314 1,296 1,332 1,348

2004 2005 2006 2007 2008

+2% over last five years

Fiscal Year-End
Focus

• Operational Excellence
• “Sweat the Assets”
• Innovation
Announcing……
Pillars and Partnerships

**REWARDS CARD**
- Points Accumulation
- Sobeys Banner
- Ontario & West
- Best Choice Customer Rewards
- Data Acquisition

**CREDIT CARD**
- Points Acceleration
- All Transactions Usage
- National/International
- Broader customer Offer
- Data Augmentation

**CUSTOMER INSIGHT**
- Customer-Led Organization
  - Pricing
  - Promotions
  - Assortments
- Tailored Communication
Strong Partnerships

Rewards  Financial  Insight
Focus at Sobeys

- Focus on Food
- Driven by Fresh
- Superior Customer Service
- Right Sized, Right Format Stores
- Tools and Processes
- Supporting Our People
- Healthy, Sustainable Growth
clearly focused on
our strengths