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

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

Fiscal Year-End:
- 99
- 00
- 01
- 02
- 03
- 04
- 05
- 06
- 07
- 08

Key Figures:
- Revenue: $14,065.0
- Operating Earnings: $242.8
- Book Value: $36.14

Comparison Points:
- 99: $9.03, $5,362.7, $60.1
- Each year shows a consistent increase in all metrics.
10-Year Average 17.1% Revenue Growth

Consolidated Revenue
($ in billions)

Fiscal Year-End


$2.91 $2.91 $2.91 $2.91 $2.91 $2.91 $2.91 $2.91 $2.91 $2.91 $2.91

10-Year Average 15.8% Operating Earnings Growth

Earnings per share before capital gains and other items ($ per share)
Fiscal 2008
A Productive Year

- Sobeys Privatization
- Acquisition of Thrifty Foods
- Sale of 61 properties to Crombie REIT
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)

Fiscal Year-End


$7.06 $9.03 $8.73 $16.82 $19.47 $21.41 $23.67 $25.87 $29.77 $32.31 $36.14
Fiscal 2009

Off to a Good Start
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 rate declined to 38.5%
Real Estate
Real Estate

Substantial Strategic Progress

• Creation of Crombie REIT
• Sale of 3.3 million sq. ft. to Crombie REIT
• Transition to a property developer
Real Estate

Crombie REIT

- 47.9% ownership interest
- 113 properties in seven provinces
- 11.3 million sq. ft.
- 18% increase in Q1 equity accounted earnings
Real Estate

Genstar

- 35.7% ownership interest
- Q1 net earnings of $9.6 million
- Genstar has generated over $250 million in cash on an initial investment of $29 million
Real Estate

ECL Developments

- Transition to property developer
- 10 retail developments comprised of 1.1 million sq. ft.
- F’08 after-tax economic gain on SLP sale to the REIT
Investments & Other Operations
Empire Theatres

- 2nd largest movie exhibitor in Canada
- 53 locations representing 387 screens in eight provinces
- New locations opened during fiscal 2008:
  - Dartmouth, NS
  - Bolton, ON
- Innovative programming:
  - The Metropolitan Opera
  - The Royal Opera House
  - Royal Ballet
  - World Wrestling Entertainment
Wajax

- Celebrating 150 Years
- Q1 equity earnings up 31%
- High correlation to Alberta oil & gas industry
Going Forward

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

A 5.6% increase in sales

Revenue ($ in billions)

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>$11.0</td>
</tr>
<tr>
<td>2005</td>
<td>$12.2</td>
</tr>
<tr>
<td>2006</td>
<td>$12.7</td>
</tr>
<tr>
<td>2007</td>
<td>$13.0</td>
</tr>
<tr>
<td>2008</td>
<td>$13.8</td>
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</tbody>
</table>

Fiscal Year-End
Food Retailing

Same-Store Sales Growth

<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>Same-Store Sales Growth</td>
<td>1.4%</td>
<td>3.7%</td>
<td>4.0%</td>
<td>2.4%</td>
<td>2.8%</td>
</tr>
</tbody>
</table>
Food Retailing

Operating Income ($ in millions)

- 23.4% increase in operating income
- Increase in operating margin to 2.64% from 2.23% in 2007
Sobeys remains committed to:

• Ongoing investment in tools and processes to effectively satisfy customer needs
• The engagement and development of employees, franchisees and affiliates
• Ensuring optimal service to our stores
Food Retailing

Capital Expenditures
($ in millions)

<table>
<thead>
<tr>
<th>Fiscal Year-End</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
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<tbody>
<tr>
<td></td>
<td>$316</td>
<td>$269</td>
<td>$332</td>
<td>$447</td>
<td>$481</td>
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</table>
Food Retailing

During F2008

- 44 new stores opened or replaced
- 22 stores acquired
  - Including 20 Thrifty Food Stores
- 31 stores expanded or renovated
- 60 stores rebannered/redeveloped
- 67 stores closed
Food Retailing

Square Footage (millions)
+20% over last five years

<table>
<thead>
<tr>
<th>Year</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>24.1</td>
<td>25.1</td>
<td>25.4</td>
<td>26.4</td>
<td>27.2</td>
</tr>
</tbody>
</table>

Total Retail Store Count
+2% over last five years

<table>
<thead>
<tr>
<th>Year</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1,311</td>
<td>1,314</td>
<td>1,296</td>
<td>1,332</td>
<td>1,348</td>
</tr>
</tbody>
</table>
Key Imperatives:

- Continue to improve our operations to help our people provide the best customer service

- Continue to streamline our business processes, systems and supply chain

- Continue to innovate the products and services that we offer
clearly focused on

our strengths