CIBC World Markets Retail Conference
February 23, 2010
This presentation contains forward-looking statements which reflect management’s expectations regarding the Company’s objectives, plans, goals, strategies, future growth, financial condition, results of operations, cash flows, performance, business prospects and opportunities. All statements other than statements of historical facts included in this presentation, including statements regarding the Company’s objectives, plans, goals, strategies, future growth, financial condition, results of operations, cash flows, performance, business prospects and opportunities may constitute forward-looking information. Expressions such as “anticipates”, “expects”, “believes”, “estimates”, “intends”, “could”, “may”, “plans”, “predicts”, “projects”, “will”, “would”, “foresees”, “remain confident that” and other similar expressions or the negative of these terms are generally indicative of forward-looking statements.

These forward looking statements include the following items: (a) the Company’s expectation that its sources of liquidity will be sufficient to meet expected cash outflows over the next year and its short-term and long-term financial instruments, both of which could be impacted by changing capital market conditions as well as uncertainties that could cause the outcome to differ significantly from expectation; and (b) the Company’s intention to renew or replace its credit facilities which mature within the next twelve months, which could be impacted by the credit environment. These statements are based on Empire management’s reasonable assumptions and beliefs in light of the information currently available to them. The forward-looking information contained in this quarterly report is presented for the purpose of assisting the Company’s security holders in understanding its financial position and results of operation as at and for the periods ended on the dates presented and the Company’s strategic priorities and objectives and may not be appropriate for other purposes. By its very nature, forward-looking information requires the Company to make assumptions and is subject to inherent risks and uncertainties, which give rise to the possibility that the Company’s predictions, forecasts, expectations or conclusions will not prove to be accurate, that the Company’s assumptions may not be correct and that the Company’s objectives, strategic goals and priorities will not be achieved. Although the Company believes that the predictions, forecasts, expectations or conclusions reflected in the forward-looking information are reasonable, it can give no assurance that such matters will prove to have been correct. Such forward-looking information is not fact but only reflections of management’s estimates and expectations. These forward-looking statements are subject to uncertainties and other factors that could cause actual results to differ materially from such statements. These factors include but are not limited to: changes in general industry, market and economic conditions, competition from existing and new competitors, energy prices, supply issues, inventory management, changes in demand due to seasonality of the business, interest rates, changes in laws and regulations, operating efficiencies and cost saving initiatives. In addition, these uncertainties and risks are discussed in the Company’s materials filed with the Canadian securities regulatory authorities from time to time, including the Risk Management section of the annual Management Discussion and Analysis included in the Company’s Annual Report.

Empire cautions that the list of important factors is not exhaustive and other factors could also adversely affect our results. Readers are urged to consider the risks, uncertainties and assumptions carefully in evaluating the forward-looking information and are cautioned not to place undue reliance on such forward-looking information. Forward-looking statements may not take into account the effect on the Company’s business of transactions occurring after such statements have been made. For example, dispositions, acquisitions, asset write-downs or other changes announced or occurring after such statements are made may not be reflected in forward-looking statements. The forward-looking information in this presentation reflects the Company’s expectations, and is subject to change. The Company does not undertake to update any forward-looking statements that may be made from time to time by or on behalf of the Company other than as required by applicable securities laws.
Clearly Focused on Our Strengths

• Unwavering focus on food retailing and real estate.
• Building a sustainable retail food business.
• Competitive advantage and synergies between our core businesses.
• We have invested in our stores, supply chain and infrastructure; stronger than ever.

• We have improved our offering, merchandising and execution in all our regions.

• We have stronger management and a deeper bench.

• We are more competitive than ever and it shows in our financial performance.
### Leading Same-Store Sales Growth

<table>
<thead>
<tr>
<th></th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
<th>Q1</th>
<th>Q2</th>
</tr>
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<tbody>
<tr>
<td>Total</td>
<td>3.5</td>
<td>2.3</td>
<td>2.0</td>
<td>2.6</td>
<td>3.0</td>
<td>5.4</td>
<td>7.6</td>
<td>4.6</td>
<td>4.0</td>
<td>2.7</td>
</tr>
<tr>
<td>Inflation</td>
<td>1.7</td>
<td>1.0</td>
<td>0.0</td>
<td>0.0</td>
<td>1.0</td>
<td>3.0</td>
<td>4.0</td>
<td>3.0</td>
<td>2.0</td>
<td>0.0</td>
</tr>
<tr>
<td>&quot;Real&quot; Comps</td>
<td>1.8</td>
<td>1.3</td>
<td>2.0</td>
<td>2.6</td>
<td>2.0</td>
<td>2.4</td>
<td>3.6</td>
<td>1.6</td>
<td>2.0</td>
<td>2.7</td>
</tr>
</tbody>
</table>

- **2008**: Inflation: 1.7, Real Comp: 1.8
- **2009**: Inflation: 1.0, Real Comp: 1.3
- **2010**: Inflation: 0.0, Real Comp: 2.0
Improving Performance, consistently

**EBITDA**
($ in millions)

**5 year CAGR = 9.7%**

<table>
<thead>
<tr>
<th>Fiscal Year-End</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>LTM</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>499.0</td>
<td>528.2</td>
<td>531.6</td>
<td>634.2</td>
<td>710.6</td>
<td>$740.9</td>
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</table>

**Q2 = 8.5%**

<table>
<thead>
<tr>
<th></th>
<th>Q2 F09</th>
<th>Q2 F10</th>
<th>YTD F09</th>
<th>YTD F10</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$171.8</td>
<td>$186.4</td>
<td>$354.0</td>
<td>$384.3</td>
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</tbody>
</table>

**YTD = 8.6%**

<table>
<thead>
<tr>
<th></th>
<th>4.80%</th>
<th>4.98%</th>
</tr>
</thead>
</table>

**Fiscal Year-End**

2005 2006 2007 2008 2009 LTM
Store Network...past 5 years

Square Footage (millions)

<table>
<thead>
<tr>
<th>Year</th>
<th>Square Footage</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>25.1</td>
</tr>
<tr>
<td>2006</td>
<td>25.4</td>
</tr>
<tr>
<td>2007</td>
<td>26.4</td>
</tr>
<tr>
<td>2008</td>
<td>27.2</td>
</tr>
<tr>
<td>2009</td>
<td>27.5</td>
</tr>
<tr>
<td>Q2 F10</td>
<td>27.8</td>
</tr>
</tbody>
</table>

Total Store Count

<table>
<thead>
<tr>
<th>Year</th>
<th>Store Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>1,314</td>
</tr>
<tr>
<td>Q2 F10</td>
<td>1,343</td>
</tr>
</tbody>
</table>

+15% growth in square footage and +2% in total store count.
Store Productivity

Tools and Processes

• Work Force Management

• Fresh Item Management

• Computer Assisted Ordering
Sales Productivity

- Private Label Optimization
- Retail Price Optimization
- Basket Analytics
Supply Chain

Automation
- Distribution & Store Cost Reduction
- Service Level Improvements
- DSD Consolidation

Global Sourcing

Vendor Engagement and Investment
- “Sell-side” Performance
Customer Insights…Foundation

- Company Wide Loyalty Programs
- Proprietary Database
- Highly Qualified External Partners
- Strengthened Internal Resources
Customer Insights...Underway

- Customer Specific Promotions
- Insight Driven Assortments & Pricing
- Insight Collaboration with Suppliers
Summary

We will continue to:

– Improve our offering
– Improve our service
– Develop and support our people
– Increase our productivity
– Lower our costs and execute well…store by store
Our Long-Term Progress

Building Enduring Value

Note: Q2 2010 Revenue and Operating Earnings are for the last twelve months

<table>
<thead>
<tr>
<th>Fiscal Year-End</th>
<th>Revenue ($ in millions)</th>
<th>Operating Earnings ($ in millions)</th>
<th>Book Value ($ per share)</th>
</tr>
</thead>
<tbody>
<tr>
<td>00</td>
<td>$9,100.1</td>
<td>$84.7</td>
<td>$8.73</td>
</tr>
<tr>
<td>01</td>
<td>$15,352.2</td>
<td>$271.9</td>
<td>$41.23</td>
</tr>
<tr>
<td>02</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>03</td>
<td></td>
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<tr>
<td>04</td>
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<tr>
<td>05</td>
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<td></td>
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<td>06</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>07</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>08</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>09</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2010</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Operating Earnings Growth

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

Fiscal Year-End

1999 2000 2001 2002 2003 2004 2005 2006 2007 2008 2009 LTM

$0.78  $1.10  $1.33  $2.00  $2.42  $2.48  $2.78  $3.07  $3.04  $3.69  $3.99  $4.05

LTM

EMPIRE
Continued Dividend Growth

Empire announced a dividend increase to 74¢ annually (cents/share)

1999 2000 2001 2002 2003 2004 2005 2006 2007 2008 2009 Present

Fiscal Year-End

14 14 17 21 33 40 48 56 60 66 70 74

18
Share Price Growth

Share price
($ per share)

Fiscal Year-End

1999 2000 2001 2002 2003 2004 2005 2006 2007 2008 2009

$13.63 $49.00
Book Value Growth

Fiscal Year-End

<table>
<thead>
<tr>
<th>1999</th>
<th>2000</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>Q2 F10</th>
</tr>
</thead>
<tbody>
<tr>
<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>
<td>$39.14</td>
<td>$41.23</td>
</tr>
</tbody>
</table>

Book value
($ per share)
Solid Credit Metrics

EBITDA/Interest

Net Debt/EBITDA

2006
2007
2008
2009
LTM

8.6x
11.4x
7.3x
9.8x
10.7x

0.8x
0.9x
1.8x
1.4x
1.3x
Highlights

• $7.84 billion of consolidated revenue, up 4.5%
• Sobeys’ same-store sales growth of 3.4%
• $144.3 million consolidated operating earnings ($2.11 per share)
• $160.1 million consolidated net earnings ($2.34 per share) versus $141.3 million ($2.15 per share)
• Net debt to capital ratio improved to 27.5%
Fiscal 2010 Year to Date
26 Weeks Ended October 31, 2010

Highlights

• Sobeys continues to be the main driver of our success:
  – Revenue growth of 4.6%
  – Same-store sales growth of 3.4%
  – Operating income contribution growth of 13.4%

• Residential property operating income contribution of $12.4 million versus $21.2 million last year to date

• Crombie REIT operating income contribution of $9.8 million versus $8.4 million last year to date
Strong Financial Attributes

- Proven record of disciplined and profitable growth
- Significant cash flow generation with history of reinvesting cash back into core businesses
- Solid credit metrics
- Strong and experienced operating management teams
Our Financing Policy

• Committed to Sobeys being a solid investment grade credit


<table>
<thead>
<tr>
<th>Rating</th>
<th>Outlook</th>
</tr>
</thead>
<tbody>
<tr>
<td>DBRS</td>
<td>BBB</td>
</tr>
<tr>
<td>S&amp;P</td>
<td>BBB-</td>
</tr>
</tbody>
</table>

• Committed to maintaining a strong balance sheet
• Balance of short-term vs. long-term duration and rates
• Maintain flexibility through strong banking relationships and access to capital markets
EMPIRE
CLEARLY FOCUSED ON
OUR STRENGTHS