FOR IMMEDIATE RELEASE
June 20, 2024

Empire Reports Fourth Quarter and Fiscal 2024 Results

- Earnings per share ("EPS") of $0.61 and adjusted EPS(1) of $0.63
- Prior year EPS and adjusted EPS of $0.72
- Same-store sales, excluding fuel, increased by 0.2%
- Gross margin, excluding fuel, increased by 68 basis points
- Accelerating Voilà's path to profitability, including pausing the timing of the fourth CFC
- Repurchased $400 million of shares in fiscal 2024
- Capital allocation outlook for fiscal 2025:
  - Declared a dividend increase of 9.6%
  - Renewed NCIB with the intention to repurchase approximately $400 million of shares
  - Capital investment program expected to be approximately $700 million

Stellarton, NS – Empire Company Limited ("Empire" or the "Company") (TSX: EMP.A) today announced its financial results for the fourth quarter and full year ended May 4, 2024. For the quarter, the Company recorded net earnings of $148.9 million ($0.61 per share) compared to $182.9 million ($0.72 per share) last year. For the quarter, the Company recorded adjusted net earnings of $154.0 million ($0.63 per share) compared to $184.9 million ($0.72 per share) last year.

"I am pleased with the way our team is executing our strategy despite the currently inhospitable economic backdrop," said Michael Medline, President & CEO, Empire. "Our results this quarter clearly demonstrate that we have become a disciplined, efficient grocer with strong gross margin control as well as capital and SG&A discipline, propelled by our productivity initiatives and restructuring. When you remove our real estate related income, quarterly results were consistent with the prior year. We are committed to driving profits, including taking proactive steps to improve the bottom-line results of Voilà. At the same time, we remain committed to returning capital to our investors.

"We remain very optimistic about our Voilà business today as reflected in its strong Q4 same-store sales growth of 17.3% and are confident and committed in its future success," Mr. Medline stated. "We continue to look at every opportunity to improve our overall profitability and each Voilà CFC takes time to become profitable; as a result, we will pause the opening of our fourth customer fulfillment centre in Vancouver, allowing us to focus on driving performance and volume in our three active CFCs. We are also working with our partner, Ocado, to decrease costs and provide increased flexibility to serve our customers more broadly, which includes ending our mutual exclusivity agreement."

Dividend Declaration

The Company declared a quarterly dividend of $0.20 per share on both Non-Voting Class A shares ("Class A shares") and Class B common shares, that will be payable on July 31, 2024 to shareholders of record on July 15, 2024. This reflects an increase in the annualized dividend rate of 9.6%. These dividends are eligible dividends as defined for the purposes of the Income Tax Act (Canada) and applicable provincial legislation.

(1) Adjusted Metrics include adjusted operating income, adjusted earnings before interest, taxes, depreciation and amortization ("EBITDA"), adjusted net earnings, and adjusted EPS. On November 4, 2022, Empire experienced IT system issues related to the "Cybersecurity Event". The Company is excluding from its Adjusted Metrics: costs incurred to plan and implement strategies to optimize the organization and improve efficiencies, insurance recoveries related to the Cybersecurity Event and one-time costs associated with the integration of Grocery Gateway into Voilà. See "Non-GAAP Financial Measures & Financial Metrics" section of this News Release.

Normal Course Issuer Bid ("NCIB")

On June 19, 2024, the Company renewed its NCIB by filing a notice of intention with the Toronto Stock Exchange ("TSX") to purchase for cancellation up to 12,800,000 Class A shares representing approximately 9.9% of the public float of 129,904,937 Class A shares as of June 18, 2024, subject to regulatory approval. As of June 18, 2024, there were 143,472,652 Class A shares issued and outstanding.

The Company intends to repurchase approximately $400.0 million of Class A shares in fiscal 2025. The purchases will be made through the facilities of the TSX and/or any alternative Canadian trading systems to the extent they are eligible. The price that Empire will pay for any shares will be the market price at the time of acquisition. The Company believes that repurchasing shares at the prevailing market prices from time to time is a worthwhile use of funds and in the best interests of Empire and its shareholders. Purchases under the renewed NCIB may commence on July 2, 2024 and shall terminate not later than July 1, 2025.

Based on the average daily trading volume ("ADTV") of 379,939 shares over the last six months, daily purchases will be limited to 94,984 Class A shares (25% of the ADTV of the Class A shares), other than block purchase exemptions.

The Company has also renewed its automatic share purchase plan with its designated broker allowing the purchase of Class A shares for cancellation under its NCIB during trading black-out periods, subject to regulatory approval.

Under the Company's current NCIB, that commenced on July 2, 2023 and expires on July 1, 2024, the Company received approval from the TSX to purchase up to 12,600,000 Class A shares representing approximately 9.0% of the public float of Class A shares outstanding as of June 19, 2023. As of June 18, 2024, the Company has purchased 9,495,893 shares through the facilities of the TSX at a weighted average price of $35.37 for a total consideration of approximately $335.8 million under the NCIB that commenced July 2, 2023 and expires on July 1, 2024.

Shares purchased are shown in the table below:

	13 Weeks Ended		52 Weeks Ended	
($ in millions, except per share amounts)	**May 4, 2024**	May 6, 2023	**May 4, 2024**	May 6, 2023
Number of shares	**3,010,237**	3,110,280	**11,301,318**	9,444,902
Weighted average price per share	**$ 33.31**	$ 35.91	**$ 35.40**	$ 37.06
Cash consideration paid	**$ 100.3**	$ 111.7	**$ 400.1**	$ 350.0

Company Priorities

Since fiscal 2017, the Company has successfully completed two transformation strategies, Project Sunrise and Project Horizon. These strategies have comprehensively reset Empire's foundation, enhanced the Company's data capabilities, deepened the understanding of customers, and prepared the business to effectively capture emerging trends. With these transformation strategies now accomplished and the turnaround complete, the Company aims to grow total adjusted EPS over the long-term through net earnings growth and share repurchases. The Company intends to continue improving sales, gross margin (excluding fuel) and adjusted EBITDA margin by focusing on priorities such as:

Continued Focus on Stores:

Over recent years, the Company has accelerated investments in renovations, conversions, and new stores along with store processes, communications, training, technology and tools. Investing in the store network will remain a priority, demonstrated by a sustained emphasis on renovations and continued store expansion in discount. The Own Brands program enhancement will remain a priority through increased distribution, shelf placement and product innovation.

The Company intends to invest capital in its store network and is on track with its plan to renovate approximately 20% to 25% of the network between fiscal 2024 and fiscal 2026. This capital investment includes important sustainability initiatives such as refrigeration system upgrades and other energy efficiency initiatives.

Enhanced Focus on Digital and Data:

The focus on digital and data will include continued e-commerce growth with Voilà, personalization, loyalty, through Scene+ (see "Business Updates – Voilà" and "Business Updates – Scene+" for more information), improved space productivity and the continued improvement of promotional optimization. Space productivity will further enhance the customer experience by improving store layouts, optimizing category and product adjacencies and tailoring product assortment for each store. The advanced analytics tools built for promotional optimization will continue to be refined through the partnership between the advanced analytics team and category merchants. Enhancing digital and data capabilities will allow the Company to deliver the best personalized experiences to elevate its in-store and e-commerce experience for its customers.

Efficiency and Cost Control:

The Company has significantly improved its efficiency and cost effectiveness through sourcing efficiencies, optimizing supply chain productivity and improving systems and processes. The Company will continue to focus on driving efficiency and cost effectiveness through initiatives related to sourcing of goods not for resale, supply chain productivity and the organizational structure. In addition, the Company is pursuing cost savings in the Voilà business by pausing the opening of its fourth Customer Fulfillment Centre ("CFC") and ending its mutual exclusivity with Ocado, amongst other initiatives.

SUMMARY RESULTS - FOURTH QUARTER & FISCAL YEAR

($ in millions, except per share amounts)	13 Weeks Ended May 4, 2024	13 Weeks Ended May 6, 2023	$ Change	52 Weeks Ended May 4, 2024	52 Weeks Ended May 6, 2023	$ Change
Sales	**$ 7,411.5**	$ 7,408.4	$ 3.1	**$ 30,732.6**	$ 30,478.1	$ 254.5
Gross profit(1)	**2,005.1**	1,959.0	46.1	**8,070.4**	7,792.7	277.7
Operating income	**291.3**	321.6	(30.3)	**1,310.8**	1,232.4	78.4
Adjusted operating income(1)	**297.7**	328.1	(30.4)	**1,257.1**	1,291.5	(34.4)
EBITDA(1)	**556.6**	592.3	(35.7)	**2,381.5**	2,263.0	118.5
Adjusted EBITDA(1)	**563.0**	598.8	(35.8)	**2,327.8**	2,322.1	5.7
Net earnings(2)	**148.9**	182.9	(34.0)	**725.2**	686.0	39.2
Adjusted net earnings(1)(2)(3)	**154.0**	184.9	(30.9)	**681.6**	727.1	(45.5)
Diluted earnings per share						
EPS(2)	**$ 0.61**	$ 0.72	$ (0.11)	**$ 2.92**	$ 2.64	$ 0.28
Adjusted EPS(1)(2)(3)	**0.63**	0.72	(0.09)	**2.74**	2.80	(0.06)
Diluted weighted average number of shares outstanding (in millions)	**243.7**	255.4		**248.4**	259.4	
Dividend per share	**$ 0.1825**	$ 0.1650		**$ 0.73**	$ 0.66	

	13 Weeks Ended		52 Weeks Ended	
	May 4, 2024	May 6, 2023	**May 4, 2024**	May 6, 2023
Gross margin(1)	**27.1%**	26.4%	**26.3%**	25.6%
EBITDA margin(1)	**7.5%**	8.0%	**7.7%**	7.4%
Adjusted EBITDA margin(1)	**7.6%**	8.1%	**7.6%**	7.6%
Same-store sales(1) (decline) growth	**(0.3)%**	1.6%	**1.3%**	2.3%
Same-store sales growth(1), excluding fuel	**0.2%**	2.6%	**2.0%**	1.5%
Effective income tax rate	**28.3%**	25.3%	**25.8%**	24.6%

(1) See "Non-GAAP Financial Measures & Financial Metrics" section of this News Release for a description of the types of costs and recoveries included.
(2) Attributable to owners of the Company.
(3) See "Adjusted Impacts on Net Earnings" section of this News Release.

Sales

Sales for the quarter ended May 4, 2024 were consistent with the prior year with positive growth across the business, particularly in FreshCo, Voilà and Farm Boy, offset by lower fuel sales mainly driven by the sale of the retail sites in Western Canada ("Western Canada Fuel Sale") which occurred in the first quarter of fiscal 2024.

Sales for the fiscal year ended May 4, 2024 increased 0.8%, primarily driven by positive growth across the business, including both Discount and Full-Service. This increase was offset by lower fuel sales mainly driven by the Western Canada Fuel Sale.

Gross Profit

Gross profit for the quarter ended May 4, 2024 increased by 2.4% mainly as a result of business expansion (Voilà, Farm Boy and FreshCo), strong performance and operational discipline in Full-Service banners.

Gross margin for the quarter ended May 4, 2024 increased to 27.1% from 26.4% in the prior year, primarily as a result of strong execution in Full-Service banners from several targeted initiatives aimed at improving promotional mix and closely managing shrink and inventory, as well as business expansion (Voilà, Farm Boy, and FreshCo) and continued implementation of efficiencies in distribution resulting in lower supply chain costs. Gross margin, excluding the mix impact of fuel, increased by 68 basis points.

Gross profit for the fiscal year ended May 4, 2024 increased by 3.6% primarily as a result of business expansion (FreshCo, Farm Boy, and Voilà) and the increase in sales in both the Discount and Full-Service banners.

Gross margin for the fiscal year ended May 4, 2024 increased to 26.3% from 25.6% in the prior year, primarily as a result of the mix impact of lower fuel sales, strong execution in operations, including a focus on improved shrink management, and lower distribution costs related to efficiency initiatives in supply chain. Gross margin, excluding the mix impact of fuel, increased by 43 basis points.

Operating Income

($ in millions)	13 Weeks Ended May 4, 2024	13 Weeks Ended May 6, 2023	$ Change	52 Weeks Ended May 4, 2024	52 Weeks Ended May 6, 2023	$ Change
Food retailing	**$ 280.6**	$ 304.5	$ (23.9)	**$ 1,265.0**	$ 1,140.1	$ 124.9
Investments and other operations:						
Crombie REIT[1]	**11.9**	10.9	1.0	**43.5**	77.3	(33.8)
Real estate partnerships	**3.6**	6.5	(2.9)	**12.8**	16.5	(3.7)
Other operations, net of corporate expenses	**(4.8)**	(0.3)	(4.5)	**(10.5)**	(1.5)	(9.0)
	10.7	17.1	(6.4)	**45.8**	92.3	(46.5)
Operating income	**$ 291.3**	$ 321.6	$ (30.3)	**$ 1,310.8**	$ 1,232.4	$ 78.4
Adjustments:						
Western Canada Fuel Sale[2]	**-**	-	-	**(90.8)**	-	(90.8)
Cybersecurity Event[2]	**(14.1)**	(6.8)	(7.3)	**(35.1)**	45.8	(80.9)
Grocery Gateway Integration[2]	**-**	13.3	(13.3)	**-**	13.3	(13.3)
Restructuring[2]	**20.5**	-	20.5	**72.2**	-	72.2
	6.4	6.5	(0.1)	**(53.7)**	59.1	(112.8)
Adjusted operating income[3]	**$ 297.7**	$ 328.1	$ (30.4)	**$ 1,257.1**	$ 1,291.5	$ (34.4)

(1) Crombie Real Estate Investment Trust ("Crombie REIT").
(2) See "Non-GAAP Financial Measures & Financial Metrics" section of this News Release for a description of the types of costs and recoveries included.
(3) See "Non-GAAP Financial Measures & Financial Metrics" section of this News Release.

For the quarter ended May 4, 2024, operating income from the Food retailing segment decreased mainly due to higher selling and administrative expenses and a decrease in other income, partially offset by higher sales and gross profit. Selling and administrative expenses increased primarily as a result of continued investment in business expansion (including Voilà, Farm Boy and FreshCo), higher retail labour costs driven by wage rate increases, increased investments in the store network, tools, technology and projects to support the Company's strategic initiatives. These increases were partially offset by a decrease in compensation accruals in the current year and lower depreciation and amortization.

For the quarter ended May 4, 2024, operating income from the Investments and other operations segment decreased primarily as a result of higher corporate expenses.

For the fiscal year ended May 4, 2024, operating income from the Food retailing segment increased mainly due to higher sales, gross profit and other income, partially offset by higher selling and administrative expenses. Selling and administrative expenses increased primarily as a result of continued investment in business expansion (Voilà, Farm Boy and FreshCo), higher retail labour costs driven by wage rate increases, restructuring costs, increased focused investments in the store network, tools, technology and projects to support the Company's strategic initiatives, and higher depreciation and amortization. These increases were partially offset by the net cost recoveries in the current year compared to net costs in the prior year related to the Cybersecurity Event.

For the fiscal year ended May 4, 2024, operating income from the Investments and other operations segment decreased primarily as a result of lower equity earnings from Crombie REIT, mainly due to fewer property sales in the current year.

EBITDA

For the quarter ended May 4, 2024, EBITDA decreased to $556.6 million from $592.3 million in the prior year mainly as a result of the same factors affecting operating income (which excludes the decrease in depreciation and amortization). EBITDA margin decreased to 7.5% from 8.0% in the prior year.

For the fiscal year ended May 4, 2024, EBITDA increased to $2,381.5 million from $2,263.0 million in the prior year mainly as a result of the same factors affecting operating income (which excludes the increase in depreciation and amortization). EBITDA margin increased to 7.7% from 7.4% in the prior year.

	13 Weeks Ended		$	52 Weeks Ended		$
($ in millions)	**May 4, 2024**	May 6, 2023	Change	**May 4, 2024**	May 6, 2023	Change
EBITDA[1]	**$ 556.6**	$ 592.3	$ (35.7)	**$ 2,381.5**	$ 2,263.0	$ 118.5
Adjustments:						
Western Canada Fuel Sale[2]	**-**	-	-	**(90.8)**	-	(90.8)
Cybersecurity Event[2]	**(14.1)**	(6.8)	(7.3)	**(35.1)**	45.8	(80.9)
Grocery Gateway Integration[2]	**-**	13.3	(13.3)	**-**	13.3	(13.3)
Restructuring[2]	**20.5**	-	20.5	**72.2**	-	72.2
	6.4	6.5	(0.1)	**(53.7)**	59.1	(112.8)
Adjusted EBITDA[1]	**$ 563.0**	$ 598.8	$ (35.8)	**$ 2,327.8**	$ 2,322.1	$ 5.7

(1) See "Non-GAAP Financial Measures & Financial Metrics" section of this News Release.
(2) See "Non-GAAP Financial Measures & Financial Metrics" section of this News Release for a description of the types of costs and recoveries included.

Income Taxes

The effective income tax rate for the quarter ended May 4, 2024, was 28.3% compared to 25.3% last year. The effective tax rate is higher than the statutory rate primarily due to changes in tax rates and the revaluation of tax estimates, not all of which are recurring, partially offset by the benefits of investment tax credits. The effective tax rate in the same quarter last year was lower than the statutory rate primarily due to the revaluation of tax estimates, not all of which are recurring.

The effective income tax rate for the fiscal year ended May 4, 2024, was 25.8% compared to 24.6% last year. The current year effective tax rate was lower than the statutory rate primarily due to the revaluation of tax estimates, not all of which were recurring and the benefits of investment tax credits. The effective tax rate in the prior year was lower than the statutory rate primarily due to the revaluation of tax estimates, not all of which were recurring, non-taxable capital items, and consolidated structured entities which are taxed at lower rates.

Net Earnings

($ in millions, except per share amounts)	**13 Weeks Ended**		$	**52 Weeks Ended**		$
	May 4, 2024	May 6, 2023	Change	**May 4, 2024**	May 6, 2023	Change
Net earnings[1]	**$ 148.9**	$ 182.9	$ (34.0)	**$ 725.2**	$ 686.0	$ 39.2
EPS (fully diluted)[4]	**$ 0.61**	$ 0.72	$ (0.11)	**$ 2.92**	$ 2.64	$ 0.28
Adjustments:[2]						
Western Canada Fuel Sale[3]	**-**	-	-	**(71.5)**	-	(71.5)
Cybersecurity Event[3]	**(10.4)**	(5.0)	(5.4)	**(25.9)**	34.1	(60.0)
Grocery Gateway Integration[3]	**-**	7.0	(7.0)	**-**	7.0	(7.0)
Restructuring[3]	**15.5**	-	15.5	**53.8**	-	53.8
	5.1	2.0	3.1	**(43.6)**	41.1	(84.7)
Adjusted net earnings[1][4][5]	**$ 154.0**	$ 184.9	$ (30.9)	**$ 681.6**	$ 727.1	$ (45.5)
Adjusted EPS (fully diluted)[4]	**$ 0.63**	$ 0.72	$ (0.09)	**$ 2.74**	$ 2.80	$ (0.06)
Diluted weighted average number of shares outstanding (in millions)	**243.7**	255.4		**248.4**	259.4	

(1) Attributable to owners of the Company.
(2) Total adjustments for the quarter and fiscal year ended are net of income taxes of $1.8 million and ($9.2 million), respectively.
(3) See "Non-GAAP Financial Measures & Financial Metrics" section of this News Release for a description of the types of costs and recoveries included.
(4) See "Non-GAAP Financial Measures & Financial Metrics" section of this News Release.
(5) See "Adjusted Impacts on Net Earnings" section of this News Release

Adjusted Impacts on Net Earnings

On July 30, 2023, Empire completed the sale of its Western Fuel Business to Canadian Mobility Services Limited, a wholly-owned subsidiary of Shell Canada. The sale of all 56 retail fuel sites in Western Canada was completed for approximately $100.0 million, which resulted in a pre-tax gain of $90.8 million. The impact to net earnings for the fiscal year ended May 4, 2024 was $71.5 million (2023 – $nil).

On November 4, 2022, Empire experienced IT system issues related to a Cybersecurity Event. The Company included in its Adjusted Metrics an adjustment for direct costs such as inventory shrink, hardware and software restoration costs, legal and professional fees, and labour costs, net of insurance recoveries. The impacts to net earnings for the quarter and fiscal year ended May 4, 2024 were recoveries of $10.4 million and $25.9 million respectively (2023 – recovery of $5.0 million and expense of $34.1 million respectively).

Longo's e-commerce business, Grocery Gateway, merged into Voilà in July 2023. The Company included in its Adjusted Metrics an adjustment for the costs of the integration. The impact to net earnings for both the quarter and fiscal year ended May 6, 2023 was ($7.0) million.

In the first quarter of fiscal 2024, Empire began to pursue strategies to optimize its organization, improve efficiencies and reduce costs including changes to its leadership team and organizational structure and the voluntary buyout of certain unionized employees. The impacts to net earnings for the quarter and fiscal year ended May 4, 2024 were ($15.5) million and ($53.8) million respectively (2023 – $ nil).

Capital Expenditures

The Company invested $416.9 million and $831.4 million in capital expenditures(1) for the quarter and fiscal year ended May 4, 2024, respectively (2023 – $243.1 million and $796.7 million) including renovations and construction of new stores, investments in advanced analytics technology and other technology systems, FreshCo stores in Western Canada and Voilà CFCs. In fiscal 2024, capital expenditures were expected to be approximately $775 million, subject to a land parcel acquisition, which increased the expected capital expenditures to be approximately $885 million.

For fiscal 2025, capital spend is expected to be approximately $700 million, with approximately 50% of this investment allocated to renovations and new store expansion, 25% on IT and business development projects and the remainder on central kitchens, logistics, sustainability and e-commerce. The Company is on track with its plan to renovate approximately 20% to 25% of the network between fiscal 2024 and fiscal 2026.

(1) Capital expenditures are calculated on an accrual basis and includes acquisitions of property, equipment and investment properties, and additions to intangibles.

Free Cash Flow

	13 Weeks Ended		$	52 Weeks Ended		$
($ in millions)	**May 4, 2024**	May 6, 2023	Change	**May 4, 2024**	May 6, 2023	Change
Cash flows from operating activities	**$ 556.5**	$ 504.6	$ 51.9	**$ 2,074.3**	$ 1,605.3	$ 469.
Add: proceeds on disposal of assets(1) and lease modifications and terminations	**31.5**	29.4	2.1	**180.0**	48.9	131.
Less: interest paid	**(12.2)**	(3.4)	(8.8)	**(50.4)**	(52.0)	1.6
payments of lease liabilities, net of payments received for finance subleases	**(170.4)**	(163.2)	(7.2)	**(674.5)**	(653.0)	(21.5)
acquisitions of property, equipment, investment property and intangibles	**(301.6)**	(158.2)	(143.4)	**(798.7)**	(757.7)	(41.0)
Free cash flow(2)	**$ 103.8**	$ 209.2	$ (105.4)	**$ 730.7**	$ 191.5	$ 539.

(1) Proceeds on disposal of assets include property, equipment and investment property.
(2) See "Non-GAAP Financial Measures & Financial Metrics" section of this News Release.

Free cash flow for the quarter ended May 4, 2024 decreased versus prior year primarily as a result of an increase in acquisitions of property, equipment, investment property and intangibles, offset by an increase in cash flows from operating activities.

Free cash flow for the fiscal year ended May 4, 2024 increased versus prior year primarily as a result of an increase in cash flows from operating activities and higher proceeds on disposal of assets and lease modifications and terminations primarily related to the Western Canada Fuel Sale of approximately $100.0 million in the first quarter of fiscal 2024, partially offset by an increase in acquisitions of property, equipment, investment property and intangibles in the current year.

FINANCIAL PERFORMANCE BY SEGMENT

Food Retailing

	13 Weeks Ended		$	52 Weeks Ended		$
($ in millions)	**May 4, 2024**	May 6, 2023	Change	**May 4, 2024**	May 6, 2023	Change
Sales	**$ 7,411.5**	$ 7,408.4	$ 3.1	**$ 30,732.6**	$ 30,478.1	$ 254.5
Gross profit	**2,005.1**	1,959.0	46.1	**8,070.4**	7,792.7	277.7
Operating income	**280.6**	304.5	(23.9)	**1,265.0**	1,140.1	124.9
Adjusted operating income(1)	**287.0**	311.0	(24.0)	**1,211.3**	1,199.2	12.1
EBITDA(1)	**545.9**	575.5	(29.6)	**2,335.4**	2,170.6	164.8
Adjusted EBITDA(1)	**552.3**	582.0	(29.7)	**2,281.7**	2,229.7	52.0
Net earnings(1)(2)	**143.9**	163.5	(19.6)	**712.3**	610.1	102.2
Adjusted net earnings(1)(2)	**149.0**	165.5	(16.5)	**668.7**	651.2	17.5

(1) See "Non-GAAP Financial Measures & Financial Metrics" section of this News Release for a description of the types of costs and recoveries included.
(2) Attributable to owners of the Company.

Investments and Other Operations

	13 Weeks Ended		$	52 Weeks Ended		$
($ in millions)	**May 4, 2024**	May 6, 2023	Change	**May 4, 2024**	May 6, 2023	Change
Crombie REIT	**$ 11.9**	$ 10.9	$ 1.0	**$ 43.5**	$ 77.3	$ (33.8)
Real estate partnerships	**3.6**	6.5	(2.9)	**12.8**	16.5	(3.7)
Other operations, net of corporate expenses	**(4.8)**	(0.3)	(4.5)	**(10.5)**	(1.5)	(9.0)
Operating income	**$ 10.7**	$ 17.1	$ (6.4)	**$ 45.8**	$ 92.3	$ (46.5)

CONSOLIDATED FINANCIAL CONDITION

($ in millions, except per share and ratio calculations)	**May 4, 2024**	May 6, 2023	May 7, 2022
Shareholders' equity, net of non-controlling interest	**$ 5,341.1**	$ 5,200.4	$ 4,991.5
Book value per common share(1)	**$ 21.54**	$ 20.09	$ 18.82
Long-term debt, including current portion	**$ 1,095.4**	$ 1,012.3	$ 1,176.7
Long-term lease liabilities, including current portion	**$ 6,264.5**	$ 6,184.6	$ 6,285.4
Funded debt to total capital(1)	**57.9%**	58.1%	59.9%
Funded debt to adjusted EBITDA(1)	**3.2x**	3.1x	3.2x
Adjusted EBITDA to interest expense(1)	**8.3x**	8.8x	8.3x
Current assets to current liabilities	**0.8x**	0.8x	0.8x
Total assets	**$ 16,790.3**	$ 16,483.7	$ 16,593.6
Total non-current financial liabilities	**$ 7,430.4**	$ 7,289.5	$ 7,220.0

(1) See "Non-GAAP Financial Measures & Financial Metrics" section of this News Release.

During fiscal 2024, Sobeys' credit ratings for both Morningstar DBRS ("DBRS") and S&P Global ("S&P") remained unchanged from the prior year. The following table shows Sobeys' credit ratings as at May 4, 2024:

Rating Agency	**Credit Rating (Issuer rating)**	**Trend/Outlook**
DBRS	BBB	Stable
S&P	BBB-	Stable

For additional information on Empire's long-term debt, see note 15 of the Company's audited Consolidated Financial Statements for the fiscal year ended May 4, 2024.

Business Updates

Scene+

In June 2022, the Company launched a new loyalty strategy through *Scene*+, one of Canada's leading loyalty programs. Along with Scotiabank and Cineplex, the Company is a co-owner of *Scene*+. With its final launch in Quebec and Thrifty Foods in March 2023, it has now been over a year since the new loyalty program was successfully launched nationally. *Scene*+ has now grown to over 15 million members.

The Company's key priority with *Scene*+ is to accelerate program engagement by focusing on personalization. By using machine learning and artificial intelligence algorithms, personalization recommendations will be improved, delivering the right message to the right customer at the right time, through the right channels.

FreshCo

In fiscal 2018, the Company announced plans to expand its FreshCo discount format to Western Canada with expectations of converting up to 25% of the 255 Safeway and Sobeys Full-Service format stores in Western Canada to the FreshCo banner. As at June 19, 2024, FreshCo has 48 stores operating in Western Canada and the Company expects to achieve its original targeted growth over the next several years.

Through the FreshCo expansion program, the discount business in Western Canada has grown significantly, driven by store conversions and regional expansion. The value proposition and strong multicultural assortment, along with the addition of the *Scene*+ loyalty program, has supported the growth and expansion of the discount format.

Voilà

In fiscal 2021, the Company introduced its new e-commerce platform, Voilà, revolutionizing online grocery home delivery in Canada. Voilà is powered by industry-leading technology provided by Ocado through its automated CFCs. The Company intends to operate four CFCs across Canada, with supporting spokes and curbside pickup. This will enable the Company to serve approximately 75% of Canadian households, representing approximately 90% of Canadians' projected e-commerce spend. To service Canadian households located outside of the core CFC service areas, the Company has Voilà curbside pickup, which services 98 stores in locations across Canada.

The Company has three active CFCs located in Toronto, Montreal and Calgary. In the quarter ended May 4, 2024, the Company decided to pause the opening of its fourth CFC in Vancouver, British Columbia to focus efforts on driving volume and performance in its three active CFCs. Construction of the external building for the fourth CFC has been substantially completed, with the internal work related to the grid build and robot commissioning not yet started. Once e-commerce penetration rates in Canada increase, the Company will be in a position to make a decision quickly on when it will proceed with the opening of its fourth CFC.

The Company has also taken actions to decrease costs and increase its flexibility to serve customers, including ending its mutual exclusivity agreement with Ocado subsequent to the year ended May 4, 2024, slightly before it was originally estimated to end. This will result in a one-time charge related to ending the exclusivity of $11.9 million in the first quarter of fiscal 2025.

In the quarter ended May 4, 2024, Voilà experienced a sales increase of 23.5% compared to the same quarter in the prior year and same-store sales growth of 17.3%. According to third-party market data, Voilà's national market share within the e-commerce channel continues to be higher versus the same quarter in the prior year.

In the first quarter of fiscal 2024, the Company completed its merger of Longo's e-commerce business, Grocery Gateway, into Voilà, thereby capturing logistics and delivery synergies. Operating as a 'shop in shop' has increased the reach of Longo's within Ontario and increased Voilà's product count. The Company now offers products from Sobeys, Farm Boy and Longo's through the Voilà platform.

The actions that the Company is taking as outlined above are expected to have a significant positive impact on Voilà's profitability in fiscal 2025 and 2026. Voilà's future earnings will primarily be impacted by sales volume, with strong margins, operational efficiencies and cost discipline serving as important drivers to manage financial performance. While the market penetration of Voilà continues to be strong, the size and growth of the Canadian grocery e-commerce market is smaller than anticipated, resulting in higher net earnings dilution than originally estimated.

Cybersecurity Event

On November 4, 2022, Empire experienced IT system issues related to the Cybersecurity Event. Upon discovery, the Company immediately activated its incident response and business continuity plans, including the engagement of world-class experts, isolated the source and implemented measures to prevent further spread.

The Company maintains a variety of insurance coverages, including cyber insurance. During the quarter ended May 4, 2024, Empire finalized the claims with its insurance providers under its policies, and all insurance recoveries have now been recognized. The total net impact of the Cybersecurity Event on net earnings over fiscal 2023 and fiscal 2024 was ($27.1) million, slightly below the original estimate of ($32.0) million.

The financial impact of insurance recoveries on net earnings in the quarter and fiscal year ended May 4, 2024 was a recovery of $10.4 million and $25.9 million, respectively. Impacts of the Cybersecurity Event, including the related insurance proceeds, are excluded from Adjusted Metrics[(1)]. Please refer to the "Summary Results – Fourth Quarter & Fiscal Year" section of this document for a more detailed discussion, including a reconciliation of these non-generally accepted accounting principles ("GAAP") financial measures.

(1) See "Non-GAAP Financial Measures & Financial Metrics" section of this News Release.

Other Items

Farm Boy – acquisition of remaining ownership interest

As part of the Farm Boy acquisition, members of the Farm Boy senior management team (the "Stakeholders"), retained a 12% interest in Farm Boy, resulting in a non-controlling interest. The parties entered into put and call options such that the Stakeholders could put, and Sobeys could call, the remaining 12% at any time after five years following the acquisition date. On January 6, 2024 the Company received formal notice from the Stakeholders exercising their put options.

During the quarter ended May 4, 2024, the Company acquired the remaining 12% non-controlling interest in Farm Boy for $77.1 million. Farm Boy's key executive management team has remained unchanged following this transaction.

Labour Buyouts

On October 20, 2023, United Food and Commercial Workers ("UFCW") 1518 and UFCW 247 ratified new agreements with the Company. The new agreements allow the Company to offer voluntary buyouts to senior B.C. Safeway unionized employees. Employee buyouts provide flexibility and stability for the Company to better manage labour and operational costs. During the third quarter of fiscal 2024, the Company initiated the buyout process, and offered the impacted employees the ability to elect to accept the buyout packages. As a result, the Company's financial impact in the quarter and fiscal year ended May 4, 2024 was $6.7 million and $10.5 million, respectively.

Distribution Centre Strike

On October 14, 2023, teammates at a distribution centre in Ontario went on strike after negotiations between the union and the Company were unsuccessful in agreeing on the terms of a new collective bargaining agreement. The strike ended on January 13, 2024, after an agreement was reached. The strike did not have a material financial impact on net earnings for the fiscal year ended May 4, 2024.

Western Canada Fuel Sale

On December 13, 2022, the Company signed a definitive agreement between a wholly-owned subsidiary of Sobeys and Canadian Mobility Services Limited, a wholly-owned subsidiary of Shell Canada, to sell all 56 retail fuel sites in Western Canada for approximately $100.0 million. Following regulatory review and approval, Western Canada Fuel Sale was completed on July 30, 2023.

OUTLOOK

Management aims to grow total adjusted EPS over the long-term through net earnings growth and share repurchases. The Company intends to continue improving sales, gross margin (excluding fuel) and adjusted EBITDA margin by focusing on priorities such as: a continued focus on stores (investing in renovations, discount expansion, and Own Brands program enhancement), an expanded focus on digital and data (through key strategic initiatives including Voilà, Scene+, personalization, space productivity and promotional optimization), and driving efficiency and cost effectiveness through initiatives related to sourcing of goods not for resale, supply chain productivity and the organizational structure.

For fiscal 2025, capital spend is expected to be approximately $700 million, with approximately half of this investment allocated to renovations and new store expansion, 25% allocated to IT and business development projects and the remainder allocated to central kitchens, logistics, sustainability and e-commerce. The Company is on track with its plan to renovate approximately 20% to 25% of the network between fiscal 2024 and fiscal 2026.

For fiscal 2025, the Company expects aggregate pre-tax earnings from Other income plus share of earnings from investments, at equity (both found in the Company's Consolidated Statements of Earnings), to be in the range of $135 million to $155 million (2024 – $140.1 million, excluding the gain of $90.8 million on the Western Canada Fuel Sale). During the first quarter of fiscal 2025, the Company sold and leased back a property from a third party. Total proceeds from the transaction was $89.0 million, resulting in a pre-tax gain of $39.0 million.

During the fiscal year ended May 4, 2024, the Company continued to comply with the federal government's request to identify ways to help further stabilize prices for consumers. Consistent with Consumer Price Index for food purchased from stores, the Company's internal food inflation has also decreased again this quarter. The Company continues to focus on supplier relationships and negotiations to ensure competitive pricing for customers. The Company continues to be well positioned to pursue long-term growth despite the impacts of global economic uncertainties.

FORWARD-LOOKING INFORMATION

This document contains forward-looking statements which are presented for the purpose of assisting the reader to contextualize the Company's financial position and understand management's expectations regarding the Company's strategic priorities, objectives and plans. These forward-looking statements may not be appropriate for other purposes. Forward-looking statements are identified by words or phrases such as "anticipates", "expects", "believes", "estimates", "intends", "could", "may", "plans", "predicts", "projects", "will", "would", "foresees" and other similar expressions or the negative of these terms.

These forward-looking statements include, but are not limited to, the following items:

- The Company's plans to purchase for cancellation Class A shares under the normal course issuer bid, which may be impacted by market and macro-economic conditions, availability of sellers, changes in laws and regulations, and the results of operations.

- The Company's aim to increase total adjusted earnings per share through net earnings, growth, and share repurchases, as well as its intention to continue improving sales, gross margin (excluding fuel) and adjusted EBITDA margin, all of which could be impacted by several factors including a prolonged unfavourable macro-economic environment and unforeseen business challenges, as well as the factors identified in the "Risk Management" section of the fiscal 2024 annual MD&A;

- The Company's plan to invest $700 million capital in its network in fiscal 2025, including store expansions and renovations and renovate approximately 20% to 25% of the network between fiscal 2024 and fiscal 2026 which could be impacted by cost of materials, availability of contractors, operating results, and other macro-economic impacts;

- The Company's expectation that the Scene+ program will accelerate engagement by focusing on scaling personalization, which may be impacted by customer response, Scene+ app usage and the pace at which personalized offers are rolled out;

- The Company's expectation that it will meet targeted growth of FreshCo, which may be impacted by customer response, availability of contractors, operating results, and other macro-economic impacts;

- The Company's expectations regarding the amount and timing of expenses relating to the completion of the future Customer Fulfilment Centre, which may be impacted by supply of materials and equipment, construction schedules and capacity of construction contractors;

- The Company's expectation that it will continue its e-commerce expansion with Voilà, and that actions are expected to have a significant, positive impact on Voilà's profitability in fiscal 2025 and 2026, which may be impacted by future operating and capital costs, customer response and the performance of its technology provider, Ocado;

- The Company's plans to further grow and enhance the Own Brands portfolio, which may be impacted by future operating costs and customer response;

- The Company's expectation that Other income plus Share of earnings from investments, at equity will in aggregate, will be in the range of $135 million to $155 million in fiscal 2025, which assumes completion of pending real estate transactions by the Company and Share of Earnings from Investments, at Equity being consistent with historical values adjusted for significant transactions and may be impacted by the timing and terms of completion of real estate-related transactions and actual results from Crombie REIT and Real estate partnerships;

- The Company's expectation that it will continue to focus on driving efficiency and cost effectiveness initiatives which could be impacted by supplier relationships, labour relations, and other macro-economic impacts; and

- The Company's expectation of the impacts of cost inflationary pressures, which may be impacted by supplier relationships and negotiations and the macro-economic environment.

By its nature, forward-looking information requires the Company to make assumptions and is subject to inherent risks, uncertainties and other factors which may cause actual results to differ materially from forward-looking statements made. For more information on risks, uncertainties and assumptions that may impact the Company's forward-looking statements, please refer to the Company's materials filed with the Canadian securities regulatory authorities, including the "Risk Management" section of the fiscal 2024 annual MD&A.

Although the Company believes the predictions, forecasts, expectations or conclusions reflected in the forward-looking information are reasonable, it can provide no assurance that such matters will prove correct. 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. The forward-looking information in this document reflects the Company's current expectations and is subject to change. The Company does not undertake to update any forward-looking statements that may be made by or on behalf of the Company other than as required by applicable securities laws.

NON-GAAP FINANCIAL MEASURES & FINANCIAL METRICS

There are measures and metrics included in this news release that do not have a standardized meaning under generally accepted accounting principles ("GAAP") and therefore may not be comparable to similarly titled measures and metrics presented by other publicly traded companies. Management believes that certain of these measures and metrics, including gross profit and EBITDA, are important indicators of the Company's ability to generate liquidity through operating cash flow to fund future working capital requirements, service outstanding debt and fund future capital expenditures and uses these metrics for these purposes.

In addition, management presents adjusted measures and metrics, including operating income, EBITDA and net earnings in an effort to provide investors and analysts with a more comparable year-over-year performance metric than the basic measure by excluding certain items. These items may impact the analysis of trends in performance and affect the comparability of the Company's core financial results. By excluding these items, management is not implying they are non-recurring.

The Company includes these measures and metrics because it believes certain investors use these measures and metrics as a means of assessing financial performance. Empire's definition of the non-GAAP terms included in this News Release are as follows:

- The Western Canada Fuel Sale adjustment includes the impact of the gain on sale which is comprised of the purchase price less the write off of tangible assets and goodwill, legal and professional fees as well as lease modification and termination impacts.
- The Cybersecurity Event adjustment includes the impact of incremental direct costs such as inventory shrink, hardware and software restoration costs, legal and professional fees, labour costs and insurance recoveries. Management believes that the Cybersecurity Event adjustment results in a useful economic representation of the underlying business on a comparative basis. The adjustment does not include management's estimate of the full financial impact of the Cybersecurity Event, as it excludes the net earnings impacts related to the estimated decline in sales and operational effectiveness from impacts such as the temporary loss of advanced planning, promotion and fresh item management tools, the temporary closure of pharmacies, and customers' temporary inability to redeem gift cards and loyalty points.
- The Grocery Gateway Integration adjustment includes the impact of the asset write-off related to the Grocery Gateway name and facility assets, severance, IT project costs and other costs.
- The Restructuring adjustment includes costs incurred to plan and implement strategies to optimize the organization and improve efficiencies, including severance, professional fees and voluntary labour buyouts.
- Same-store sales are sales from stores in the same location in both reporting periods.
- Same-store sales, excluding fuel are sales from stores in the same location in both reporting periods excluding the fuel sales from stores in the same location in both reporting periods.
- Gross profit is calculated as sales less cost of sales.
- Gross margin is gross profit divided by sales.
- Adjusted operating income is operating income excluding certain items to better analyze trends in performance. These items are excluded to allow for better period over period comparison of ongoing operating results. Adjusted operating income is reconciled to operating income in its respective subsection of the "Summary Results – Fourth Quarter & Fiscal Year" section.
- EBITDA is calculated as net earnings before finance costs (net of finance income), income tax expense, depreciation and amortization of intangibles.

- EBITDA margin is EBITDA divided by sales.

The following tables reconcile net earnings to EBITDA on a consolidated basis and for the Food retailing segment:

	13 weeks Ended					
	May 4, 2024			May 6, 2023		
($ in millions)	**Food retailing**	**Investment and other operations**	**Total**	Food retailing	Investment and other operations	Total
Net earnings	**$ 150.6**	**$ 5.0**	**$ 155.6**	$ 168.5	$ 19.4	$ 187.9
Income tax expense	**57.5**	**3.9**	**61.4**	67.9	(4.4)	63.5
Finance costs, net	**72.5**	**1.8**	**74.3**	68.1	2.1	70.2
Operating income	**280.6**	**10.7**	**291.3**	304.5	17.1	321.6
Depreciation	**235.4**	**(0.1)**	**235.3**	237.2	(0.2)	237.0
Amortization of intangibles	**30.0**	**-**	**30.0**	33.7	-	33.7
EBITDA	**$ 546.0**	**$ 10.6**	**$ 556.6**	$ 575.4	$ 16.9	$ 592.3

	52 weeks Ended					
	May 4, 2024			May 6, 2023		
($ in millions)	**Food retailing**	**Investment and other operations**	**Total**	Food retailing	Investment and other operations	Total
Net earnings	**$ 749.7**	**$ 12.9**	**$ 762.6**	$ 651.7	$ 76.0	$ 727.7
Income tax expense	**240.0**	**25.8**	**265.8**	225.4	12.3	237.7
Finance costs, net	**275.3**	**7.1**	**282.4**	263.0	4.0	267.0
Operating income	**1,265.0**	**45.8**	**1,310.8**	1,140.1	92.3	1,232.4
Depreciation	**949.5**	**0.3**	**949.8**	915.8	0.2	916.0
Amortization of intangibles	**120.9**	**-**	**120.9**	114.6	-	114.6
EBITDA	**$ 2,335.4**	**$ 46.1**	**$ 2,381.5**	$ 2,170.5	$ 92.5	$ 2,263.0

- Adjusted EBITDA is EBITDA excluding certain items to better analyze trends in performance. These items are excluded to allow for better period over period comparison of ongoing operating results. Adjusted EBITDA is reconciled to EBITDA in its respective subsection of the “Summary Results – Fourth Quarter & Fiscal Year” section.

- Adjusted EBITDA margin is adjusted EBITDA divided by sales.

- Management calculates interest expense as interest expense on financial liabilities measured at amortized cost and interest expense on lease liabilities.

The following tables reconcile finance costs, net to interest expense:

($ in millions)	**13 Weeks Ended May 4, 2024**	13 Weeks Ended May 6, 2023
Finance costs, net	**$ 74.3**	**$** 70.2
Plus: finance income, excluding interest income on lease receivables	**2.3**	1.7
Less: pension finance costs, net	**(1.9)**	(2.7)
Less: accretion expense on provisions	**(0.7)**	(0.3)
Interest expense	**$ 74.0**	**$** 68.9

($ in millions)	**52 Weeks Ended May 4, 2024**	52 Weeks Ended May 6, 2023
Finance costs, net	**$ 282.4**	$ 267.0
Plus: finance income, excluding interest income on lease receivables	**8.1**	5.3
Less: pension finance costs, net	**(7.5)**	(7.8)
Less: accretion expense on provisions	**(1.8)**	(1.4)
Interest expense	**$ 281.2**	$ 263.1

- Adjusted net earnings is net earnings, net of non-controlling interest, excluding certain items to better analyze trends in performance. These items are excluded to allow for better period over period comparison of ongoing operating results. Adjusted net earnings is reconciled in its respective subsection of the "Summary Results – Fourth Quarter & Fiscal Year" section.

- Adjusted EPS (fully diluted) is calculated as adjusted net earnings divided by diluted weighted average number of shares outstanding.

- Free cash flow is calculated as cash flows from operating activities, plus proceeds on disposal of property, equipment and investment property and lease terminations, less acquisitions of property, equipment, investment property and intangibles, interest paid and payments of lease liabilities, net of payments received from finance subleases.

- Book value per common share is shareholders' equity, net of non-controlling interest, divided by total common shares outstanding.

The following table shows the calculation of Empire's book value per common share:

($ in millions, except per share information)		**May 4, 2024**		May 6, 2023		May 7, 2022
Shareholders' equity, net of non-controlling interest	**$**	**5,341.1**	$	5,200.4	$	4,991.5
Shares outstanding (basic)		**248.0**		258.8		265.2
Book value per common share	**$**	**21.54**	$	20.09	$	18.82

- Funded debt is all interest-bearing debt, which includes bank loans, bankers' acceptances, long-term debt and long-term lease liabilities.

- Total capital is calculated as funded debt plus shareholders' equity, net of non-controlling interest.

The following table reconciles the Company's funded debt and total capital to GAAP measures as reported on the Balance Sheets:

($ in millions)		**May 4, 2024**		May 6, 2023		May 7, 2022
Long-term debt due within one year	**$**	**113.5**	$	101.0	$	581.0
Long-term debt		**981.9**		911.3		595.7
Lease liabilities due within one year		**585.4**		563.7		509.5
Long-term lease liabilities		**5,679.1**		5,620.9		5,775.9
Funded debt		**7,359.9**		7,196.9		7,462.1
Total shareholders' equity, net of non-controlling interest		**5,341.1**		5,200.4		4,991.5
Total capital	**$**	**12,701.0**	$	12,397.3	$	12,453.6

- Funded debt to total capital ratio is funded debt divided by total capital.

- Funded debt to adjusted EBITDA ratio is funded debt divided by trailing four-quarter adjusted EBITDA.

- Adjusted EBITDA to interest expense ratio is trailing four-quarter adjusted EBITDA divided by trailing four-quarter interest expense. Management calculates interest expense as interest expense on financial liabilities measured at amortized cost and interest expense on lease liabilities.

CONFERENCE CALL INFORMATION

The Company will hold an analyst call on Thursday, June 20, 2024 beginning at 11:00 a.m. (Eastern Daylight Time) during which senior management will discuss the Company's financial results for the fourth quarter of fiscal 2024. To instantly join the conference call by phone, please use the following URL to easily register yourself and be connected into the conference call automatically: https://emportal.ink/3QEMcLk. You can also be entered to the call by an Operator by dialing (888) 390-0546 outside the Toronto area or (416) 764-8688 from within the Toronto area.

To secure a line, please call 10 minutes prior to the conference call; you will be placed on hold until the conference call begins. The media and investing public may access this conference call via a listen mode only. You may also listen to a live audiocast of the conference call by visiting the "Quick Links" section of the Company's website located at www.empireco.ca, and then navigating to the "Empire Company Limited Quarterly Results Call" link.

Replay will be available by dialing (888) 390-0541 and entering access code 745732 until midnight July 4, 2024, or on the Company's website for 90 days following the conference call.

SELECTED FINANCIAL INFORMATION

The following unaudited quarterly and audited annual financial information has been prepared on a basis consistent with the audited Consolidated Financial Statements for the year ended May 4, 2024. The information does not include all disclosures required by International Financial Reporting Standards ("IFRS") and should be read in conjunction with the Company's 2024 audited Consolidated Financial Statements available on SEDAR+ at www.sedarplus.ca or by accessing the Investor Centre section of the Company's website at www.empireco.ca.

Empire Company Limited
Consolidated Balance Sheets

As At (in millions of Canadian dollars)	**May 4 2024**	May 6 2023
ASSETS		
Current		
Cash and cash equivalents	**$ 259.6**	$ 221.3
Receivables	**677.8**	683.4
Inventories	**1,771.7**	1,743.3
Prepaid expenses	**162.3**	131.0
Leases and other receivables	**115.2**	85.2
Income taxes receivable	**69.7**	90.8
Assets held for sale	**47.3**	-
	3,103.6	2,955.0
Leases and other receivables	**600.9**	587.0
Investments, at equity	**688.1**	701.9
Other assets	**39.4**	26.3
Property and equipment	**3,565.1**	3,338.1
Right-of-use assets	**4,917.7**	4,860.9
Investment property	**157.9**	166.8
Intangibles	**1,348.4**	1,375.6
Goodwill	**2,064.2**	2,067.8
Deferred tax assets	**305.0**	404.3
	$ 16,790.3	$ 16,483.7
LIABILITIES		
Current		
Accounts payable and accrued liabilities	**$ 3,034.7**	$ 3,028.6
Income taxes payable	**103.7**	61.3
Provisions	**54.0**	29.9
Long-term debt due within one year	**113.5**	101.0
Lease liabilities due within one year	**585.4**	563.7
Other liabilities due within one year	**-**	73.0
	3,891.3	3,857.5
Provisions	**48.1**	42.7
Long-term debt	**981.9**	911.3
Long-term lease liabilities	**5,679.1**	5,620.9
Other long-term liabilities	**295.4**	279.2
Employee future benefits	**160.3**	166.6
Deferred tax liabilities	**265.6**	268.8
	11,321.7	11,147.0
SHAREHOLDERS' EQUITY		
Capital stock	**1,779.3**	1,914.7
Contributed surplus	**56.2**	50.1
Retained earnings	**3,484.5**	3,216.0
Accumulated other comprehensive income	**21.1**	19.6
	5,341.1	5,200.4
Non-controlling interest	**127.5**	136.3
	5,468.6	5,336.7
	$ 16,790.3	$ 16,483.7

Empire Company Limited
Condensed Consolidated Statements of Earnings
(in millions of Canadian dollars, except share and per share amounts)

	13 Weeks Ended		*52 Weeks Ended*	
	May 4 2024	May 6 2023	**May 4 2024**	May 6 2023
Sales	**$ 7,411.5**	$ 7,408.4	**$ 30,732.6**	$ 30,478.1
Other income	**13.4**	39.9	**179.8**	60.8
Share of earnings from investments, at equity	**12.6**	17.2	**51.1**	87.7
Operating expenses				
Cost of sales	**5,406.4**	5,449.4	**22,662.2**	22,685.4
Selling and administrative expenses	**1,739.8**	1,694.5	**6,990.5**	6,708.8
Operating income	**291.3**	321.6	**1,310.8**	1,232.4
Finance costs, net	**74.3**	70.2	**282.4**	267.0
Earnings before income taxes	**217.0**	251.4	**1,028.4**	965.4
Income tax expense	**61.4**	63.5	**265.8**	237.7
Net earnings	**$ 155.6**	$ 187.9	**$ 762.6**	$ 727.7
Earnings for the period attributable to:				
Non-controlling interest	**$ 6.7**	$ 5.0	**$ 37.4**	$ 41.7
Owners of the Company	**148.9**	182.9	**725.2**	686.0
	$ 155.6	$ 187.9	**$ 762.6**	$ 727.7
Earnings per share				
Basic	**$ 0.61**	$ 0.72	**$ 2.92**	$ 2.65
Diluted	**$ 0.61**	$ 0.72	**$ 2.92**	$ 2.64
Weighted average number of common shares outstanding, in millions				
Basic	**243.4**	254.9	**248.0**	258.8
Diluted	**243.7**	255.4	**248.4**	259.4

Empire Company Limited Consolidated Statements of Cash Flows (in millions of Canadian dollars)	*13 Weeks Ended* **May 4 2024**	 May 6 2023	*52 Weeks Ended* **May 4 2024**	 May 6 2023
Operations				
Net earnings	**$ 155.6**	$ 187.9	**$ 762.6**	$ 727.7
Adjustments for:				
Depreciation	**235.3**	237.0	**949.8**	916.0
Income tax expense	**61.4**	63.5	**265.8**	237.7
Finance costs, net	**74.3**	70.2	**282.4**	267.0
Amortization of intangibles	**30.0**	33.7	**120.9**	114.6
Net gain on disposal of net assets	**(10.3)**	(35.5)	**(108.0)**	(44.7)
Net gain on lease modifications and terminations	**(0.2)**	-	**(39.6)**	-
Impairment losses of non-financial assets, net	**0.1**	9.0	**0.3**	6.2
Impairment losses of long-lived assets	**-**	6.7	**-**	6.7
Amortization of deferred items	**0.1**	2.1	**1.1**	1.6
Equity in earnings of other entities, net of distributions received	**0.2**	(5.0)	**19.3**	(10.2)
Employee future benefits	**(4.4)**	(1.1)	**(8.7)**	(3.9)
(Decrease) increase in long-term provisions	**(0.7)**	(0.3)	**3.6**	(2.9)
Equity based compensation	**2.4**	5.2	**9.1**	17.3
Net change in non-cash working capital	**44.0**	(2.6)	**(78.3)**	(307.4)
Income taxes paid, net	**(31.3)**	(66.2)	**(106.0)**	(320.4)
Cash flows from operating activities	**556.5**	504.6	**2,074.3**	1,605.3
Investment				
Increase in equity investments	**(2.4)**	(1.0)	**(6.1)**	(3.4)
Property, equipment and investment property purchases	**(277.4)**	(105.5)	**(705.2)**	(574.2)
Intangible purchases	**(24.2)**	(52.7)	**(93.5)**	(183.5)
Proceeds on disposal of assets	**31.5**	29.4	**145.7**	48.9
Proceeds on lease modifications and terminations	**-**	-	**34.3**	-
Leases and other receivables, net	**(19.7)**	(35.5)	**(48.0)**	(34.8)
Other assets	**0.6**	(1.2)	**(11.7)**	(4.2)
Other liabilities	**3.7**	(2.2)	**(2.1)**	(2.5)
Business acquisitions	**(4.7)**	(2.4)	**(19.2)**	(18.7)
Payments received for finance subleases	**26.0**	21.9	**93.7**	84.8
Interest received	**0.5**	0.5	**3.6**	2.9
Cash flows used in investing activities	**(266.1)**	(148.7)	**(608.5)**	(684.7)
Financing				
Issuance of long-term debt	**10.1**	21.7	**96.9**	87.1
Repayments of long-term debt	**(12.8)**	(18.1)	**(99.4)**	(590.2)
Advances (repayments) on credit facilities, net	**156.4**	(3.2)	**85.5**	337.9
Interest paid	**(12.2)**	(3.4)	**(50.4)**	(52.0)
Payments of lease liabilities (principal portion)	**(132.1)**	(125.6)	**(527.5)**	(507.6)
Payments of lease liabilities (interest portion)	**(64.3)**	(59.5)	**(240.7)**	(230.2)
Repurchase of common shares	**(100.3)**	(111.7)	**(400.1)**	(350.0)
Dividends paid	**(44.8)**	(41.9)	**(181.7)**	(170.2)
Non-controlling interest	**(79.9)**	(3.5)	**(110.1)**	(36.4)
Cash flows used in financing activities	**(279.9)**	(345.2)	**(1,427.5)**	(1,511.6)
Increase (decrease) in cash and cash equivalents	**10.5**	10.7	**38.3**	(591.0)
Cash and cash equivalents, beginning of year	**249.1**	210.6	**221.3**	812.3
Cash and cash equivalents, end of year	**$ 259.6**	$ 221.3	**$ 259.6**	$ 221.3

2024 ANNUAL REPORT

The Company's audited Consolidated Financial Statements and the notes thereto for the fiscal year ended May 4, 2024 and MD&A for the fiscal year ended May 4, 2024, which includes discussion and analysis of results of operations, financial position and cash flows will be available today, June 20, 2024. These documents can be accessed through the Investor Centre section of the Company's website at www.empireco.ca and also at www.sedarplus.ca.

The Company's 2024 Annual Report will be available on or about August 2, 2024 and can be accessed through the Investor Centre section of the Company's website at www.empireco.ca and also at www.sedarplus.ca.

ABOUT EMPIRE

Empire Company Limited (TSX: EMP.A) is a Canadian company headquartered in Stellarton, Nova Scotia. Empire's key businesses are food retailing, through wholly-owned subsidiary Sobeys Inc., and related real estate. With approximately $30.7 billion in annualized sales and $16.8 billion in assets, Empire and its subsidiaries, franchisees and affiliates employ approximately 128,000 people.

Additional financial information relating to Empire, including the Company's Annual Information Form, can be found on the Company's website at www.empireco.ca or on SEDAR+ at www.sedarplus.ca.

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