



News Release

FOR IMMEDIATE RELEASE

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SOBEYS ANNOUNCES AGREEMENT WITH SHELL TO PURCHASE 250 RETAIL GAS LOCATIONS IN QUÉBEC AND ATLANTIC CANADA

STELLARTON, NS / MONTREAL, QC – Sobeys announced today it has agreed with Shell Canada to purchase approximately 250 retail gas locations in Atlantic Canada and Québec.

It is expected that the network to be acquired will include corporate owned and dealer operated locations and will have annual fuel volumes in excess of 1 billion litres. The transaction, which brings together two companies, each with more than 100 years of operating experience in Canada, is subject to regulatory approval and customary conditions and is expected to close by the end of March 2012. Sobeys expects to use existing cash balances to finance the transaction.

“This is an exciting opportunity for us to grow our existing retail gas operations while leveraging our significant wholesale and convenience business to better serve our customers and support our affiliates and dealer operations,” said Bill M^cEwan, President & CEO, Sobeys Inc. “Shell has earned worldwide prominence and renown on the strength of its brand, innovations and technical leadership. Shell’s strong fuel brand connected to Sobeys’ leading retail formats and banners and the strength of the AIR MILES[®] program will be a unique and attractive offering to customers.”

Of the locations that are being acquired as part of this deal approximately 200 are in the province of Québec with the remainder in the Atlantic provinces.

“By adding fuel retail to our customer offering in Québec, Sobeys becomes a strong partner for independent retailers who will benefit from our experience in collaborating with this type of business,” said Marc Poulin, President Sobeys IGA Operations Business Unit. “In addition, the participation of Shell and IGA in the AIR MILES rewards program means we will seek to leverage cross promotion opportunities to benefit our customers.”

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**Sobeys
Corporate**

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About Sobeys Inc.

Proudly Canadian, with headquarters in Stellarton, Nova Scotia, Sobeys has been serving the food shopping needs of Canadians for 104 years. A wholly-owned subsidiary of Empire Company Limited (TSX:EMP.A), Sobeys owns or franchises more than 1,300 stores in all 10 provinces under retail banners that include Sobeys, IGA, Foodland, FreshCo, and Thrifty Foods, as well as Lawton's Drug Stores. Sobeys and its franchise affiliates employ more than 95,000 people. The company's goal is to be widely recognized as the best food retailer and workplace environment in Canada. More information on Sobeys Inc. can be found at www.sobeyscorporate.com.

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