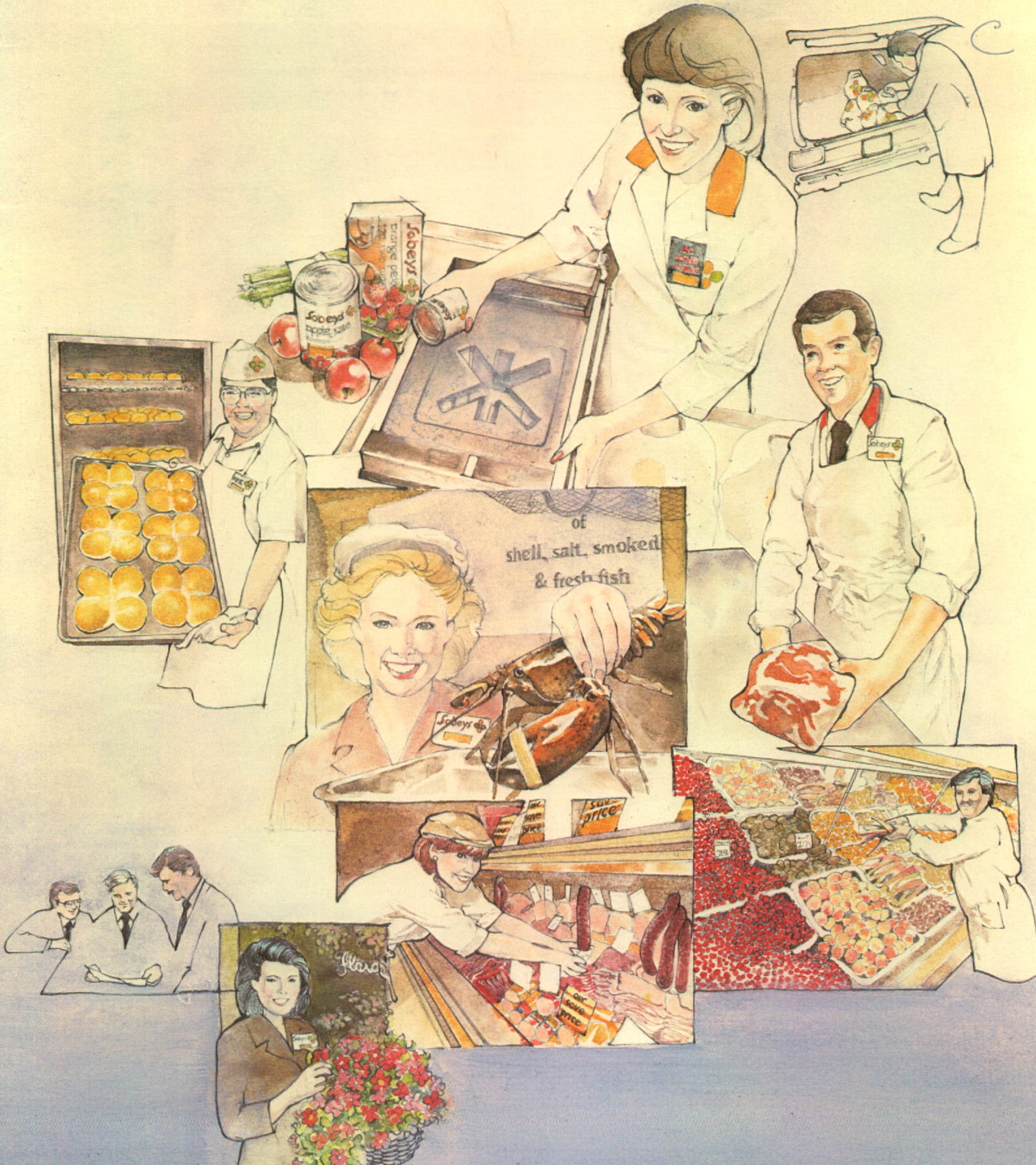


Sobeys STORES LIMITED

1985 Annual Report

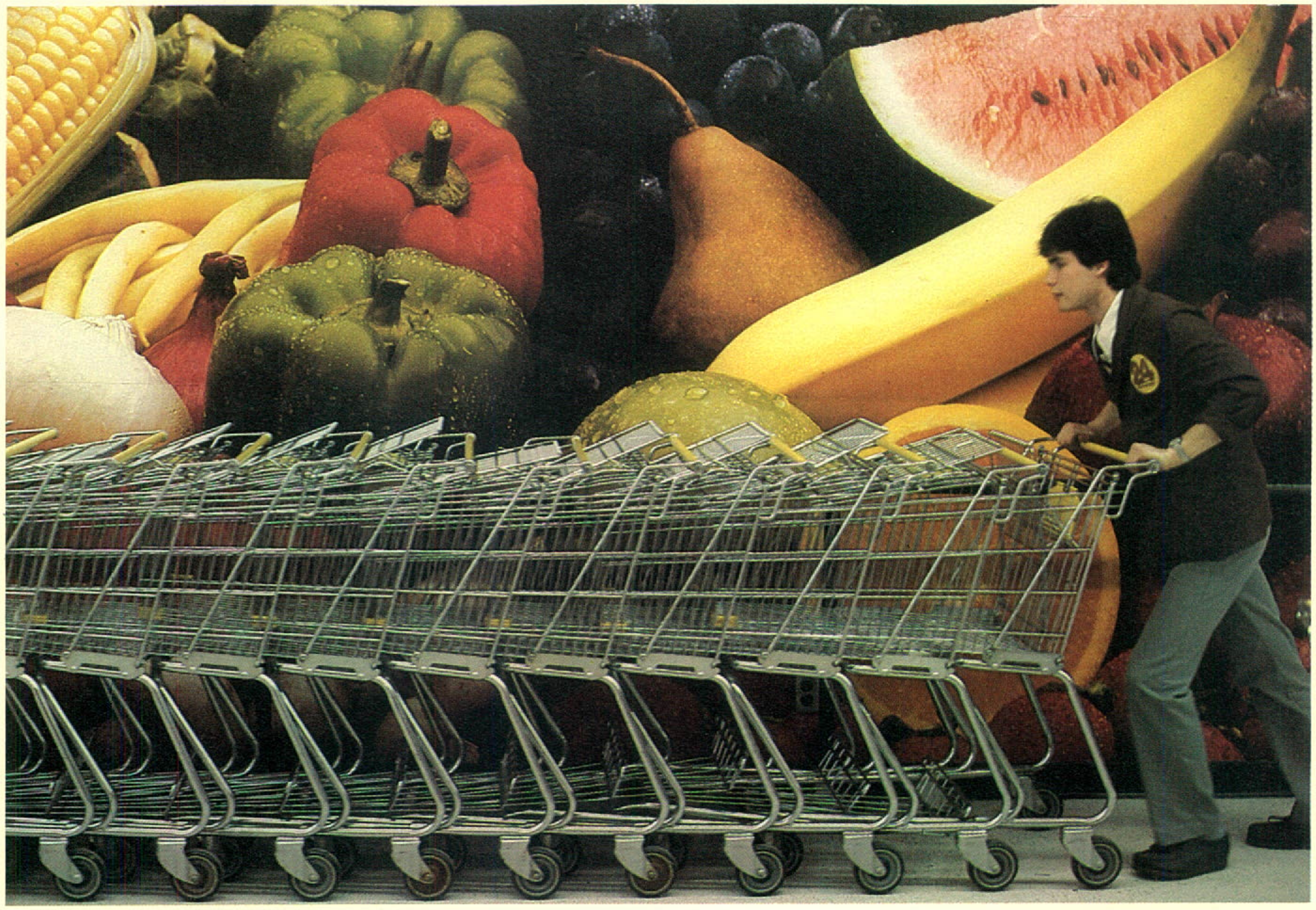
In Memoriam

Henry B. Rhude Q.C.

It was with profound sorrow that the Board of Directors of the company learned of the passing on March 25, 1985 of Henry B. Rhude Q.C., a Director of Sobeys Stores Limited since 1967.

Mr. Rhude was an able and distinguished member of the Board whose broad knowledge of law and business, sound judgement, understanding, and learned counsel earned him the respect of his colleagues. Mr. Rhude's outstanding character and fine personal attributes were well known and admired by those with whom he came in contact.

THE COMPANY



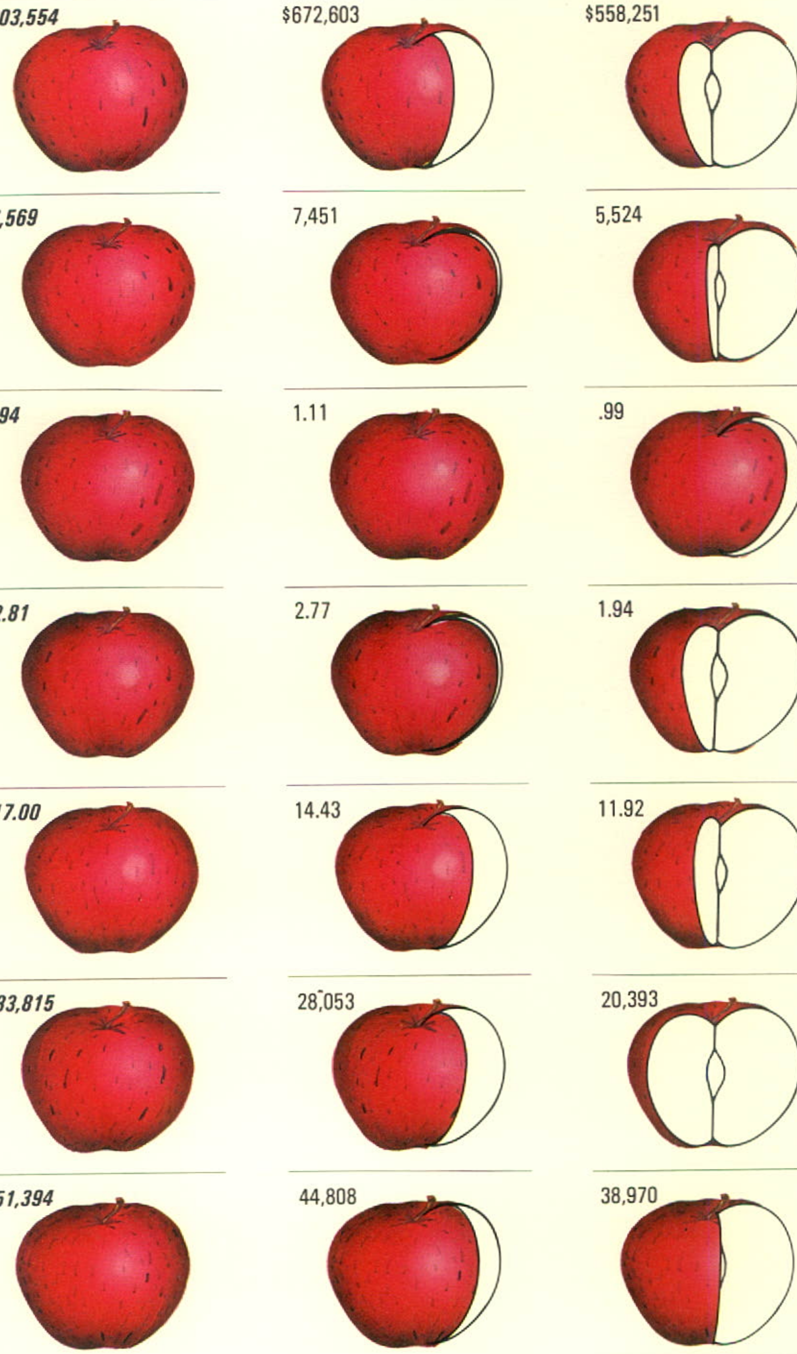
From beginnings in 1907 as a family-owned butcher shop in Stellarton, Nova Scotia, the company has grown over the last 78 years to become a major food distributor in Atlantic Canada.

At May 4, 1985 the company had 5,281 employees, $179 million in assets, $803 million in consolidated revenues, and operated in 6 Canadian provinces.


Sobeys

Financial Highlights

	1985 (52 weeks)	1984 (52 weeks)	1983 (53 weeks)
Sales ('000)	*$803,554*	$672,603	$558,251
Operating earnings ('000)	*7,569*	7,451	5,524
Operating earnings per $100 of sales	*.94*	1.11	.99
Operating earnings per share	*2.81*	2.77	1.94
Equity per share	*17.00*	14.43	11.92
Working capital ('000)	*33,815*	28,053	20,393
Shareholders' Equity ('000)	*51,394*	44,808	38,970
Total assets ('000)	*179,377*	149,091	106,924



Looking Back

The 1985 fiscal year was one of progress and accomplishment for the company and we thank our customers, suppliers and employees for helping us achieve record results.

Consolidated sales increased $130.9 million or 19.5% despite the continuation of aggressive competition, weak economic conditions and high unemployment in many parts of Atlantic Canada. Operating earnings for the year increased to $7,569,000 or $2.81 per share and gains on sales of securities added a further $678,000 or 28 cents per share to earnings.

The growth in net earnings from operations during the year was modest as a result of aggressive price competition at the retail and wholesale level and increased expenses incurred in connection with the company's renovation and expansion program. In addition, the excess of the purchase price over the net assets of a subsidiary acquired during the year in the amount of $1,322,000 was fully amortized consistent with the company's accounting policies.

The company continued its commitment to ongoing expansion of operations. New supermarkets were added in key locations in selected markets, wholesale facilities were expanded and distribution methods improved. Capital expenditures during the year increased $6,832,000 or 74% over the prior year.

The wholesale grocery division focused on increasing its expansion efforts through support of independent retailers under its recently revitalized Foodland franchise program, its Needs franchise convenience stores, and other affiliated company banners.

The wholesale produce division continued expansion of operations including new frozen food distribution facilities, enabling a significant addition to the range of products offered to hotel, restaurant and institutional customers.

Cash flow from operations increased to $16,773,000; $10 million was obtained through the issue of 13% 20 year debentures in December 1984, and $1,241,000 came from the issue of commercial mortgages. The company invested $16,043,000 in additional equipment and facilities, used $2,080,000 to retire maturing debt payments and paid $1,660,000 to shareholders in the form of dividends. At year end working capital had increased by $5,762,000 to $33,815,000.

Late in February 1985 the company exercised another of a series of options it holds to purchase stock in Provigo Inc., and with the payment of $4.2 million increased its holding to 16.6% of that company. Earlier in the year, $10 million of securities of Canadian Shopping Centres Limited, a subsidiary of Empire Company Limited were acquired. The company added selected securities to its investment portfolio and disposed of others. The company's investments in scientific research tax credit securities were disposed of during the year and account for the majority of net gains on sales of securities.

Subsequent to the end of the fiscal year the Directors of the company called all of the 1981 Series Preference shares of the company for redemption on June 1, 1985. As a result of this action all but 8,117 shares were converted into Class A non-voting shares of the company by the holders, thereby increasing common shareholders' equity by $3,488,000.

Wholesale Operations

Through its wholesale operation, the company supplies independent retailers with their grocery and produce requirements as well as providing media advertising, merchandising and operational counselling and support programs. In addition, the wholesale operation is the principal supplier to the Sobeys supermarkets of produce in Atlantic Canada and grocery products in Newfoundland, and the principal grocery and produce supplier to the company's Lofood division in the Maritime provinces.

Through T.R.A. Foods, T.R.A. Newfoundland, Johnson & MacDonald and Lumsden Brothers the wholesale grocery division continues to seek ways to increase market share. The company is now focusing on the ability of the independent operator as the vehicle for growth in wholesale food distribution. As a result the company has revitalized its Foodland franchise program for independent supermarkets and has developed the Needs franchise convenience store program to expand its penetration in this segment of food distribution.

The company continues its emphasis on maximizing the efficiency of wholesale distribution in order to offer the most competitive prices and best service to its customers.

Lumsden Brothers Limited.

The main Burlington, Ontario facility was expanded during the year by the addition of 10,000 square feet to the distribution centre and a further addition of 4,000 square feet to update and relocate office and retail support staff facilities. A 63,000 square foot building in Burlington where the company had leased space for an existing cash & carry unit was acquired early in the year, and a new cash & carry was opened in Guelph, Ontario.

During the year, Lumsden Brothers focused on improved inventory control and ordering systems to enable improved inventory turnover while maintaining high customer service levels. Continuing emphasis was placed on training and development of personnel, and additional support staff were added in general management, retail produce, store development, purchasing and meat operations. These personnel additions will reinforce the support group available to the customer as the company gears itself to further develop the independent customer base.

T.R.A. Foods Limited

(Nova Scotia Division)

Operating performance improved despite lack of sales growth as management focused on cost controls and increased efficiency in a highly competitive market. An older distribution facility in Liverpool, Nova Scotia was closed and its operations were consolidated into the main distribution centre in Middleton. Additional equipment and reracking resulted in a more cost-efficient distribution capability.

The increased emphasis being placed on retail development through the Foodland, Needs, Rite-Way and Kwik-Way banners resulted in the addition of Foodland stores in Yarmouth and New Ross, Nova Scotia and the addition of Needs units in Middleton, Digby and Aylesford.

T.R.A. Foods Limited

(Newfoundland Division)

Volume growth continued in Newfoundland with sales to independent retailers showing significant increases over the year. Increased operating costs and a large increase in the provision for doubtful accounts of the offshore ship supply division resulted in a deterioration of earnings in the year. Late in the year, the company made major changes in inventory control and billing systems in order to improve control over gross margin. In addition, management and organizational changes were made at the company's Grand Falls distribution centre to improve operational control. These actions are expected to improve operating performance at this location in the coming year.

Johnson & MacDonald Limited

Substantial volume growth occurred as this division upgraded facilities at its Truro, New Glasgow and Sydney cash & carry locations during the year. New convenience stores leased to independent operators were added in Westville and Riverton, and company-operated units were added in Sydney and River John, Nova Scotia. Johnson & MacDonald expanded its penetration into the Cape Breton marketplace during the year and increased emphasis on developing the smaller independent retailer through expansion of the Rite-Way and Kwik-Way affiliated groups.

Clover Produce Limited

Clover continued aggressive expansion of its produce distribution facilities in Atlantic Canada throughout the year and continued to improve both market penetration and profitability. Expansion of facilities was undertaken in Halifax, Moncton, St. John's and Grand Falls during the year.

With a major frozen food distribution facility being added to the Halifax location, this operation is now able to significantly increase the range of frozen product distributed to both supermarket and institutional customers. Clover is continuing its focus on increasing market share in food distribution to the hotel, restaurant and institutional trade.

Retail Operations

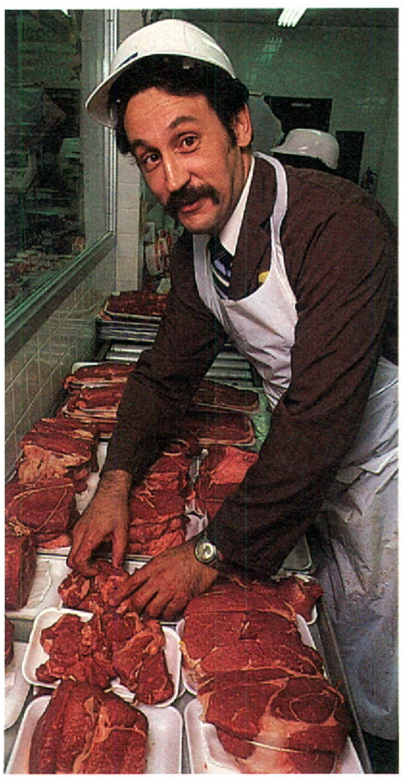
The Company operates 84 supermarkets throughout Atlantic Canada, principally under the Sobeys name. Through the Lofood division the company operates a further 16 limited-variety, limited-service retail units throughout the Maritime provinces.

During the year, the company opened 2 supermarkets located in Forest Hills and Liverpool, Nova Scotia, acquired a smaller unit in Barrington Passage, Nova Scotia and opened a 33,000 square foot warehouse store in New Minas, Nova Scotia. An older unit in Saint John, New Brunswick was closed.

The company continued the innovations in retailing that had been undertaken in prior years with the introduction of floral boutiques in stores in New Minas and Dartmouth, Nova Scotia and Fredericton, New Brunswick. To complement existing bulk food and in-store salad bar displays, the company has added fresh juice presses, fresh pineapple coring and peeling stations, and sausage shops to a number of stores. The company continues to experiment with upscale warehouse stores and has recently commenced upgrading its fresh fish merchandising departments in several units.

New Lofood units were added in Sussex and Edmundston, New Brunswick and in Sydney, Nova Scotia, and a smaller unit was closed in Moncton, New Brunswick. The Lofood division continued to expand the range of products offered to its customers.

The Lofood concept originally provided the customer with limited variety in grocery and produce products and offered lower prices and limited service. This merchandising approach has since been expanded in order to increase market share and 14 units now include meat departments and one unit has an in-store bakery. Although the range of products has been expanded, the variety and services remain limited, thereby enabling the Lofood stores to maintain lower selling prices to their customers.



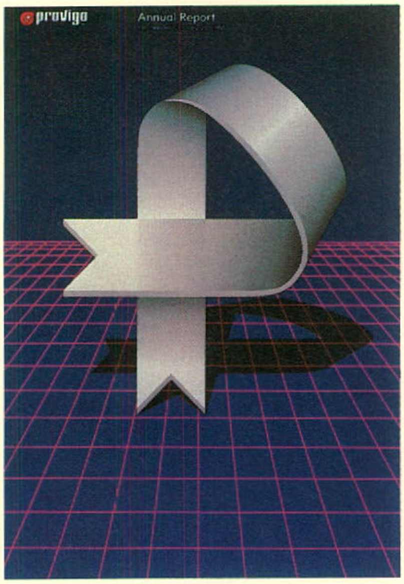
In addition to retail expansion the company opened a 65,000 square foot distribution centre in Oromocto, New Brunswick, to service 21 of its retail units in that province. The company presently services the grocery supply requirements of 58 of its stores through its distribution centres in Stellarton and Oromocto.

During the fiscal year, the company's major competitor, Dominion Stores Limited, sold the majority of its operations in Atlantic Canada in a series of separate transactions. The principal effect of these transactions has been the fragmentation of competiton to the extent that no one competitor is now in the position to effectively compete with the company's retail operations throughout all markets.

Although competition is significant and is expected to increase in many market segments, the company is well equipped to defend its position and where possible increase market share. The company is committed to providing its customers with a wide variety of high quality products and services at very competitive prices.

Other Operations

Directly and through certain subsidiaries, the company is involved in commercial printing and laundry services, equipment leasing, oil and gas exploration, and land holding and development. The company holds a portfolio of marketable securities with a cost of $57,773,000 at May 4, 1985 and a quoted market value of $98,991,000.



The most significant of these holdings includes 16.6% of Provigo Inc. and 11.3% of Hannaford Bros. Co.

Provigo is a Québec based retail and wholesale food distributor with 1984 sales of $4.3 billion, total assets of $728.9 million and net earnings of $40.3 million. David F. Sobey and Donald R. Sobey represent the company on Provigo's Board of Directors. Through a series of share purchase options the company has the ability to increase its Provigo holding to 20.3% by 1988.

Hannaford Bros. Co. is a northern New England retail and wholesale distributor of food products and pharmaceuticals. 1984 sales amounted to $707.2 million, total assets were $200.6 million and net earnings were $11.3 million. The company together with Empire Company holds approximately 24.5% of Hannaford. David F. Sobey represents the company on the Hannaford Board of Directors.

Through Eastern Sign-Print and Eastern Laundry Services, the company provides commercial printing and laundry services directly to the company, its subsidiaries and independent customers. Through Sobeys Resources Limited, the company participates in a joint venture oil and gas drilling program established by a reputable drilling fund manager.

Food City Limited maintains a land bank of property held for future development on behalf of the company, and as well, owns several wholesale distribution facilities which are leased to the company and certain subsidiaries. Through a subsidiary, Food City owns a commercial shopping centre in Summerside, Prince Edward Island.

The company owns all of the common shares of Food City which account for 47.3% of the voting equity, and accounts for this investment using the equity method. Food City had consolidated assets of approximately $19.3 million at May 4, 1985.

Looking Ahead

With a background of low population growth, continued aggressive competition and narrowing profit margins, the need for improved and more efficient retail and wholesale distribution methods has intensified.

Opportunities for expansion of the retail and wholesale operations of the company exist and these are being carefully evaluated. Currently the company has three new supermarkets under construction with three more planned for completion during the year. A major program of store expansion and renovation is now in progress.

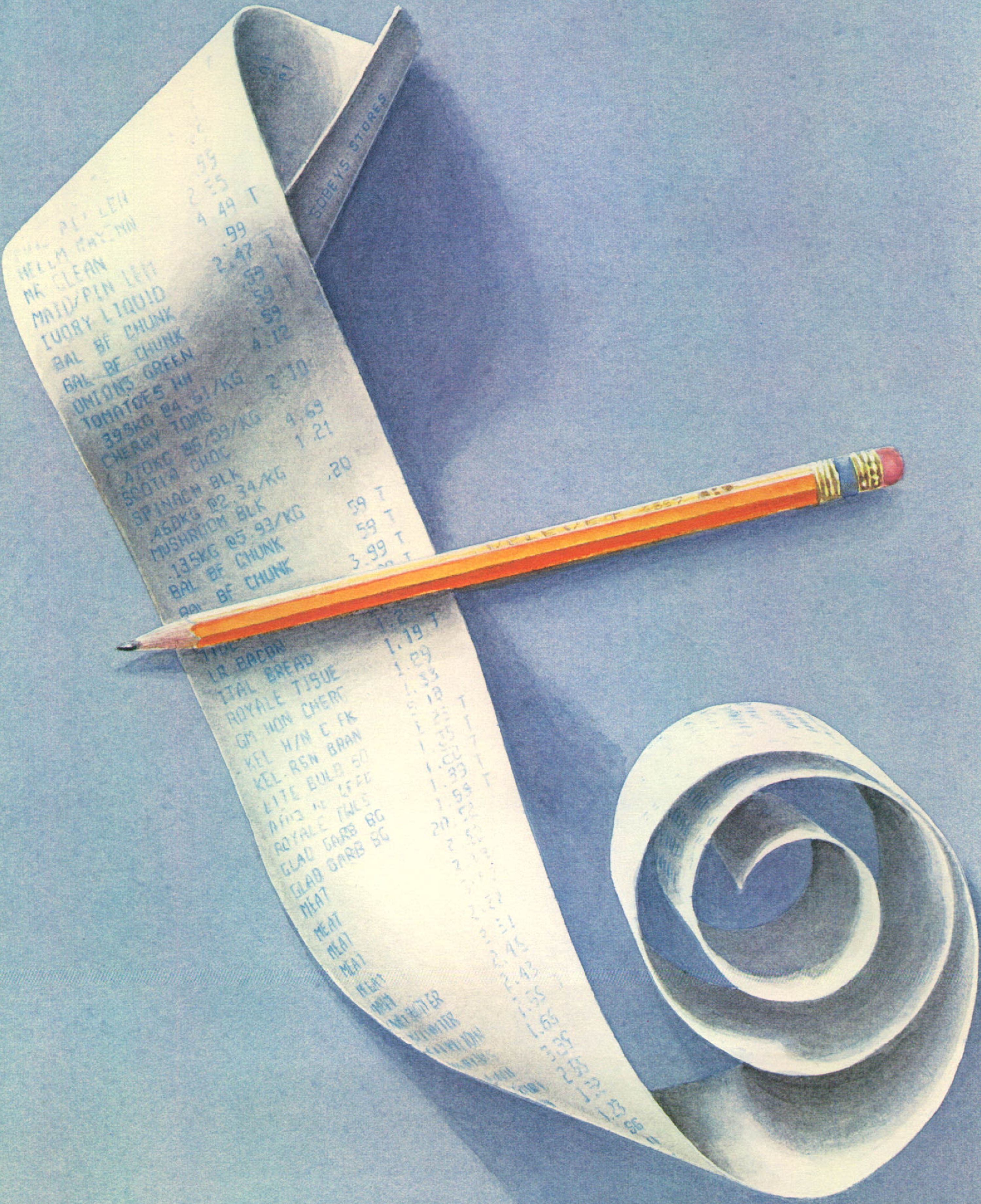
Expansion through support of the initiative of independent retailers offers significant opportunity. The company has put programs in place to identify key locations and enthusiastic individuals worthy of support, in order to expand the "Foodland" supermarket and "Needs" convenience store franchise operations in Atlantic Canada and Ontario.

The company continues to increase its investment holding in Provigo Inc., and is encouraged by the strong performance of Hannaford Bros. Co. Through these investments the company participates in the success of food distributors operating in markets outside those serviced by the company.

The company's capital expenditure plan for the coming year provides for expenditures of approximately $31 million to support the expansion activity of the retail and wholesale divisions.

Although retail and wholesale competitive activity has been significant, the company has improved its market share and maintained a strong operating and financial position. Through 1986 management will continue its efforts to maintain this trend.

Financial Report



Consolidated Balance Sheet
May 4, 1985

ASSETS

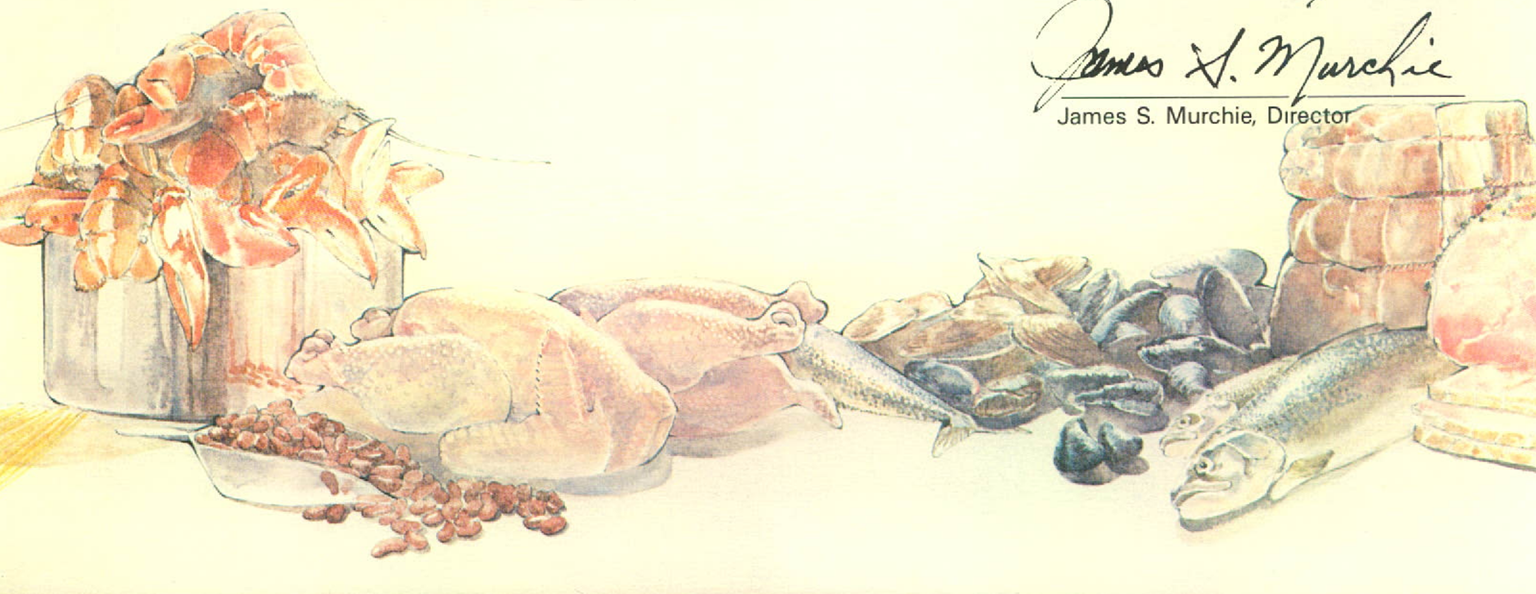
	1985	1984 (in thousands)	1983
Current			
Cash	***$ 6,069***	$ 4,550	$ 4,336
Marketable securities, at cost (quoted market value $98,991,000; 1984 $71,776,000; 1983 $44,279,000)	***57,773***	44,615	18,633
Receivables	***9,053***	8,576	6,176
Income taxes recoverable	***309***	445	15
Inventories (Note 1)	***48,405***	43,927	37,234
Prepaid expenses	***2,251***	1,939	1,892
	123,860	104,052	68,286
Investments in and advances to affiliates (Note 1)	***14,160***	11,734	9,224
Property and equipment, at cost			
Land	***1,681***	965	623
Buildings and facilities	***11,095***	7,299	6,922
Equipment	***50,334***	41,550	33,578
Leasehold improvements	***3,350***	3,063	3,057
	66,460	52,877	44,180
Less: Accumulated depreciation	***26,159***	20,950	16,534
	40,301	31,927	27,646
Assets under capital leases, at cost (less accumulated amortization of $1,088,179; 1984 $1,340,895; 1983 $1,620,311)	***1,056***	1,378	1,768
	$179,377	$149,091	$106,924

LIABILITIES	***1985***	1984 (in thousands)	1983
Current			
Bank loans (Note 3)	***$ 12,515***	$ 18,757	$ 1,213
Bankers' acceptances	***10,000***		
Accounts payable and accrued charges	***64,206***	54,075	42,953
Income taxes payable	***1,755***	1,170	2,199
Long term debt due within one year	***1,256***	1,586	1,082
Capital lease obligations	***313***	411	446
	90,045	75,999	47,893
Capital lease obligations (Note 4)	***778***	988	1,334
Long term debt (Note 5)	***32,698***	23,208	14,869
Minority interest	***961***	845	743
Deferred income taxes	***3,501***	3,243	3,115
SHAREHOLDERS' EQUITY			
Capital stock (Note 6)	***13,607***	13,608	13,608
Retained earnings	***37,787***	31,200	25,362
	51,394	44,808	38,970
	$179,377	$149,091	$106,924

ON BEHALF OF THE BOARD

David F. Sobey, Director

James S. Murchie, Director



Consolidated Statement of Earnings
Year Ended May 4, 1985

	1985 (52 weeks)	1984 (52 weeks) (in thousands)	1983 (53 weeks)
Sales	***$803,554***	$672,603	$558,251
Cost of sales, selling and administrative expenses	***779,781***	652,963	543,711
	23,773	19,640	14,540
Investment income (Note 1)	***2,820***	2,023	1,248
	26,593	21,663	15,788
Depreciation and amortization (Note 1)	***8,110***	5,420	4,419
Interest on long term debt	***3,649***	3,140	2,211
Interest on current debt	***2,735***	1,163	484
	14,494	9,723	7,114
Operating earnings before income taxes	***12,099***	11,940	8,674
Income taxes (Note 8)	***4,420***	4,378	3,027
	7,679	7,562	5,647
Minority interest	***110***	111	123
Operating earnings for the year	***7,569***	7,451	5,524
Gain (Loss) on sales of securities net of income taxes (recovered) of $235,320; 1984 ($19,013)	***678***	(35)	
Net earnings for the year	***$8,247***	$7,416	$5,524
Earnings per share (Note 1 & Note 10)			
Operations	***$2.81***	$2.77	$1.94
Gain (Loss) on sales of securities	***.28***	(.01)	
Earnings per share for the year	***$3.09***	$2.76	$1.94
Cash flow per share	***$7.03***	$5.37	$4.50

Consolidated Statement of Retained Earnings

Year Ended May 4, 1985

	1985 (52 weeks)	1984 (52 weeks) (in thousands)	1983 (53 weeks)
Balance, beginning of year	***$31,200***	$25,362	$21,207
Transfer from capital redemption reserve fund			93
Net earnings for the year	***8,247***	7,416	5,524
	39,447	32,778	26,824
Dividends paid			
6 1/4% preference shares, 1966 series	***72***	72	72
9% preference shares, 1981 series	***878***	900	900
Class A non-voting shares	***489***	408	330
Class B common shares	***221***	198	160
	1,660	1,578	1,462
Balance, end of year	***$37,787***	$31,200	$25,362

Auditors' Report

To the Shareholders of Sobeys Stores Limited

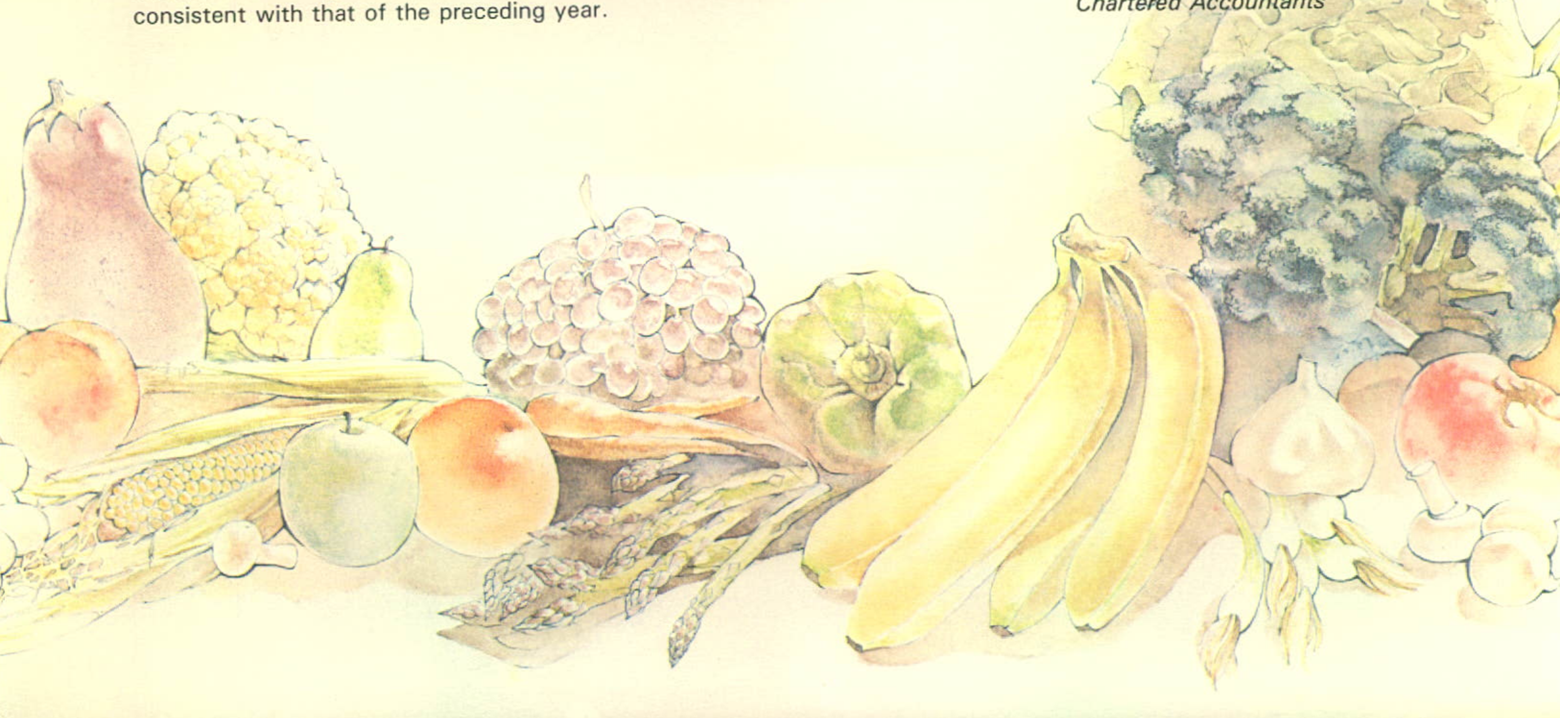
We have examined the consolidated balance sheet of Sobeys Stores Limited as at May 4, 1985, and the consolidated statements of earnings, retained earnings and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these consolidated financial statements present fairly the financial position of the company as at May 4, 1985, and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

New Glasgow, Nova Scotia
June 17, 1985

Doane Raymond

Chartered Accountants



Consolidated Statement of Changes in Financial Position
Year Ended May 4, 1985

	1985 (52 weeks)	1984 (52 weeks) (in thousands)	1983 (53 weeks)
Source of working capital			
Cash flow from operations consisting of			
Net earnings for the year	***$ 8,247***	$ 7,416	$ 5,524
Depreciation and amortization	***8,110***	5,420	4,419
Deferred income taxes	***258***	128	576
Minority interest	***116***	102	94
Equity in (earnings) loss of affiliates	***42***	(538)	(101)
	16,773	12,528	10,512
Issue of long term debt	***11,241***	10,000	
Capital lease obligations	***119***	98	244
	28,133	22,626	10,756
Use of working capital			
Property, equipment and other assets acquired	***16,043***	9,211	3,862
Assets under capital lease	***119***	100	244
Repayment of long term debt (including current maturities)	***1,751***	1,661	1,423
Repayment of capital lease obligations	***329***	444	481
Investments and advances	***2,468***	1,972	4,072
Dividends paid	***1,660***	1,578	1,462
Redemption of preference shares	***1***		7
	22,371	14,966	11,551
Net working capital provided (used) during the year	***5,762***	7,660	(795)
Working capital, beginning of year	***28,053***	20,393	21,188
Working capital, end of year	***$33,815***	$28,053	$20,393

Notes to Consolidated Financial Statements

May 4, 1985

1. Accounting Policies

PRINCIPLES of CONSOLIDATION

The consolidated financial statements include accounts of the Company and all subsidiary companies. Marketable securities are accounted for on the cost basis, and the equity method of accounting is used for investments in affiliated companies in which less than 51% of the voting shares are held.

The Company's share in the net profits (losses) of affiliated companies net of preferred share dividends paid was ($41,813); 1984 $537,878; 1983 $100,938 and has been added to (deducted from) investment income.

The excess of purchase price over the net assets of subsidiaries acquired is charged to expense in the year of acquisition. During the year $1,322,000 was charged as amortization of the excess purchase price of a subsidiary.

DEPRECIATION

Depreciation is charged on a straight line basis over the estimated useful lives of the assets as follows:

Equipment and vehicles	3 - 10 years
Buildings	10 - 40 years

Leasehold improvements are amortized over the term of the related lease for improvements prior to May 3, 1975, and for a term not greater than fifteen years for improvements subsequent to that date.

INVENTORIES

Inventories are valued at the lower of cost and net realizable value.

LEASES

Leases meeting certain criteria are accounted for as capital leases. The imputed interest is charged against income and the capitalized value is depreciated on a straight line basis over its useful life. Obligations under capital leases are reduced by rental payments net of imputed interest. All other leases are accounted for as operating leases with rental payments being expensed as incurred.

EARNINGS PER SHARE

Earnings per share amounts are calculated based on the weighted average number of residual equity shares outstanding after providing for preference share dividends accrued to the balance sheet date.

After giving effect to the potential conversion at the beginning of the fiscal year of all outstanding 1981 series convertible preference shares to Class A non-voting shares, fully diluted net earnings per share for the year is $2.77 (1984 $2.47; 1983 $1.83).

Had the 317,467 1981 series convertible preference shares which were converted to Class A non-voting shares during the year been converted at the beginning of the year, adjusted basic earnings per share for the year would be $2.86.

2. Industry Segment

The principal business of the Company is the distribution of food products throughout the four Atlantic Provinces, the Gaspé Region of Québec and Southern Ontario.

3. Bank Loans

Bank loans of a subsidiary company are secured by an assignment of receivables, and a specific mortgage and first floating charge debenture against assets of that subsidiary company.

8. Income Taxes

The effective rate of corporate income taxes varies from statutory rates due to no additional tax being payable on certain investment income; investment tax credits being used to reduce income taxes, and the statutory inventory allowance permitted as a reduction of income for tax purposes.

9. Related Party Transactions

The Company leased certain real property from related parties during the year. The aggregate net payments under these leases amounts to approximately $9,871,000 (1984 $7,996,000; 1983 $7,410,000). The Company charged expenses to related parties of $959,000 (1984 $933,000; 1983 $914,000) and was charged expenses of $80,000 (1984 $80,000; 1983 $80,000) by related parties.

The Company is owed a net amount of $12,853,000 for accumulated advances to companies accounted for on the equity basis.

During the year the Company acquired marketable securities from a related party for $10,000,000.

10. Subsequent Event

On June 1, 1985 the Company redeemed 8,117 1981 series preference shares at a price of $20.80 per share, being all the shares of that series then outstanding. Subsequent to the fiscal year end 174,416 1981 series preference shares had been converted into 208,177 Class A non-voting shares by the holders.

Had the non-redeemed 1981 series preference shares been converted to Class A non-voting shares at the beginning of the fiscal year pro forma basic and fully diluted earnings per share for the year would have been $2.77.

Consolidated Five Year Summary

Operations ('000)	**1985**	1984	1983*	1982	1981
Sales	***$803,554***	$672,603	$558,251	$485,804	$437,357
Depreciation	***8,110***	5,420	4,419	3,986	3,042
Operating earnings	***7,569***	7,451	5,524	1,752	2,579
Cash flow from operations	***16,773***	12,528	10,512	12,381	7,285
Capital expenditures	***16,162***	9,311	4,106	6,400	6,173
Per Share					
Operating earnings	***2.81***	2.77	1.94	.33	1.03
Cash flow from operations	***7.03***	5.37	4.50	5.31	3.13
Dividend paid Class A	***.29***	.26	.21	.20	.15
Class B	***.29***	.26	.21	.20	.15
Net Equity	***17.00***	14.43	11.92	10.18	7.75
Financial Position ('000)					
Working capital	***33,815***	28,053	20,393	21,188	13,949
Long term debt	***32,698***	23,208	14,869	16,292	10,572
Shareholders' equity	***51,394***	44,808	38,970	34,915	29,249
Total assets	***179,377***	149,091	106,924	98,031	98,317

*53 weeks

Directors

Merritt G. Crawford
New Glasgow, Nova Scotia
Chairman, Atlantic Shopping Centres Limited

James W. Gogan
New Glasgow, Nova Scotia
Executive Vice President
Empire Company Limited

William G. Lumsden
Burlington, Ontario
Chairman
Lumsden Brothers Limited

Arthur R. Lundrigan
Corner Brook, Newfoundland
President, Lundrigans Limited

James L. Moody, Jr.
South Portland, Maine
Chairman and Chief Executive Officer
Hannaford Bros. Co.

James S. Murchie
New Glasgow, Nova Scotia
President and Chief Operating Officer
Sobeys Stores Limited

J. William Ritchie
Halifax, Nova Scotia
President
Scotia Bond Company Limited

David F. Sobey*
New Glasgow, Nova Scotia
Deputy Chairman and Chief Executive Officer
Sobeys Stores Limited

Donald R. Sobey*
Stellarton, Nova Scotia
President, Empire Company Limited

Frank H. Sobey
Abercrombie, Nova Scotia
Honorary Chairman
Sobeys Stores Limited

John R. Sobey
Executive Vice President Retail Operations
Sobeys Stores Limited

William M. Sobey*
King's Head, Nova Scotia
Chairman, Sobeys Stores Limited

* *Members of the Audit Committee*

Officers

Frank H. Sobey
Honorary Chairman

William M. Sobey
Chairman

David F. Sobey
Deputy Chairman and Chief Executive Officer

James S. Murchie
President and Chief Operating Officer

John R. Sobey
Executive Vice President Retail Operations

Nigel F. Byars
Vice President Finance, Treasurer and Assistant Secretary

James G. Fitzpatrick
Vice President Distribution

Frank H. Hickey
Vice President Merchandising

John K. Lynn
Vice President Personnel

Darrell M. Rushton
Vice President Wholesale Operations

Gilbert J. Vienneau
Vice President Corporate Marketing

Robert P. Dexter
Secretary

Subsidiary Companies

Clover Produce Limited
Halifax, Nova Scotia
P.G. McLaughlin, President

Eastern Sign-Print
Stellarton, Nova Scotia
M.E. Tibbetts, President

Johnson & MacDonald Limited
New Glasgow, Nova Scotia
J.T. MacLeod Sr., President

Lumsden Brothers Limited
Burlington, Ontario
W.G. Lumsden, Chairman
F.R. MacGillivray, President

T.R.A. Foods Limited
Middleton, Nova Scotia
E.A. Rayfuse, President

T.R.A. Foods Limited
St. John's Newfoundland
J. Green, President

Transfer Agent
Montreal Trust Company
Halifax - Saint John - Montreal
Toronto - Winnipeg - Regina
Calgary - Vancouver

Stock Exchange Listing
Montreal Stock Exhange
Toronto Stock Exchange

Auditors
Doane Raymond

Bankers
The Bank of Nova Scotia
The Royal Bank of Canada
The Bank of Montreal

Sobeys Stores Limited
Head Office
115 King Street
Stellarton, Nova Scotia B0K 1S0

Telephone 902-752-8371
Telex 019-36536