

Empire Industries Ltd.

2008 Annual & Special
Meeting of Shareholders

a growing Empire

Guy Nelson

Chairman & Chief Executive Officer

Empire Industries Ltd.

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a growing Empire

Disclaimer

This presentation contains forward-looking statements, within the meaning of applicable securities legislation, concerning Empire's business and affairs. These statements are identifiable by their use of verbs such as "expect", as well as by the use of future or conditional tenses. These forward-looking statements are based on current expectations, and are naturally subject to uncertainty and changes in circumstances that may cause actual results to differ materially. Readers are cautioned not to place undue reliance on such forward-looking statements. Empire assumes no obligation to revise or update these forward-looking statements to reflect the occurrence of unanticipated future events, except as may be required under applicable securities laws.



Increase shareholder value by adding value to steel

Our core competency covers two principal business areas:

- Steel fabrication & installation
- Specialized engineered products

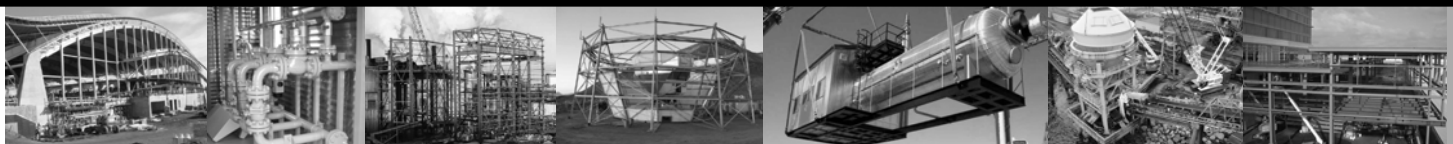


Year in Review – Acquisition of Dynamic Structures Ltd.

- Provided us with an excellent steel fabrication facility and a rich history of completing complex steel fabrication projects
- Expanded our offering to include specialized, engineered products

Global leader in designing and building:

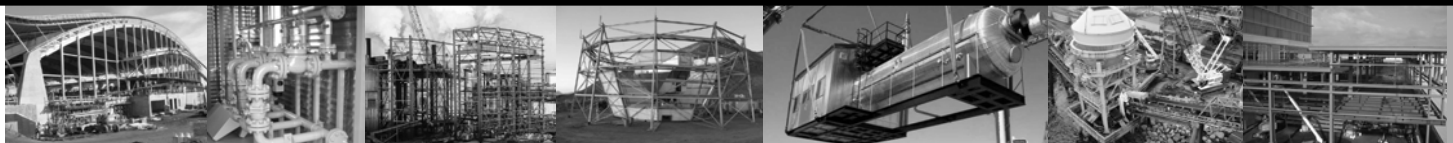
- Amusement ride systems
- Observatory and radio telescopes & enclosures



Year in Review – Acquisition of KWH Constructors Corp.

- World-class reputation in installing complex steel structures and bridges
 - Enhances our ability to bid on the fabricated steel supply portion of bridges

Awarded **\$21 M** steel bridge supply & installation project in February 2008



Year in Review – Acquisition of Tornado Technologies

- A recognized leader in the design and manufacturing of:
 - Combustion & production equipment for oil & gas industry
 - Truck-mounted hydrovac & vacuum equipment
- Opportunities for continued growth in Western Canada and internationally
- Recently announced largest combustion equipment order to date - US\$5 M



Year in Review – Acquisition of Parr Metal Fabricators Ltd.

- Custom fabricator of carbon steel, stainless steel and aluminum industrial piping and products
- Pressure Vessel and tank fabricator
 - Integrating into our structural steel fabrication operations in Winnipeg



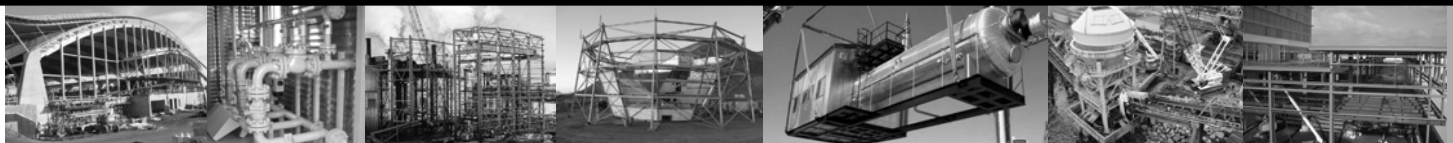
Year in Review – Significant Capabilities Assembled

Steel Fabrication & Installation Services

- **Structural steel fabrication**
- **Module fabrication**
- **Plate steel fabrication**
- **Pipe fabrication and spooling**
- **Complex infrastructure installations**
- **Steel installation services**
- **Multi-trade installation services**
- **Emergency welding repair**

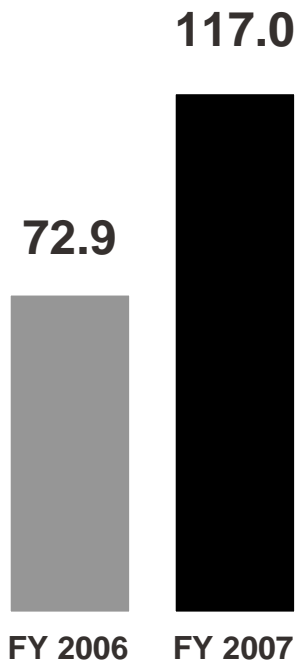
Specialized Engineered Products

- **Oil & gas combustion equipment**
- **Oil & gas production equipment**
- **Hydrovac & vacuum trucks**
- **Amusement ride systems**
- **Telescopes & telescope enclosures**
- **Bulk material handling equipment**
- **Industrial vacuums & air cleaning equipment**

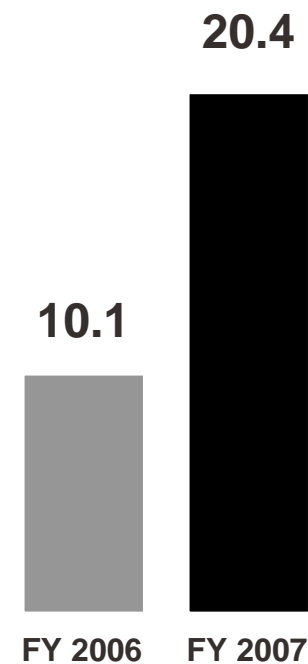


Financial Review – Year End Results

Revenue (\$ millions)



Gross Profit (\$ millions)

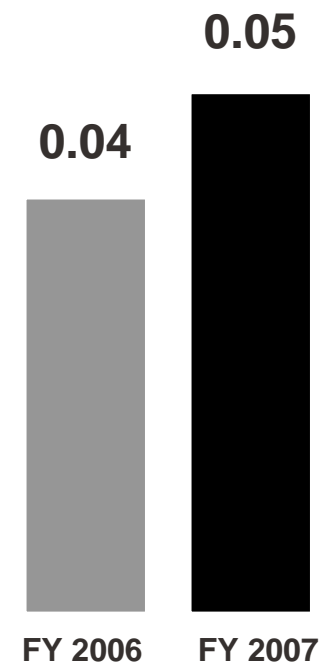


Financial Review – Year End Results

Operating Income (\$ millions)

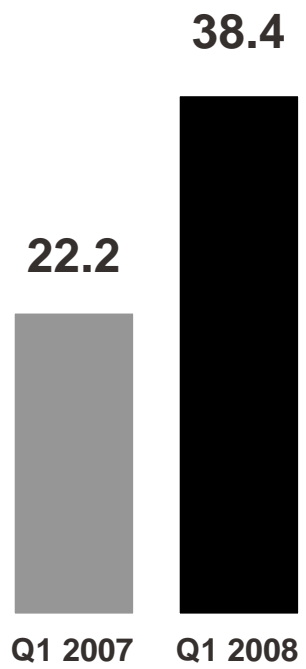


Fully Diluted EPS (\$)

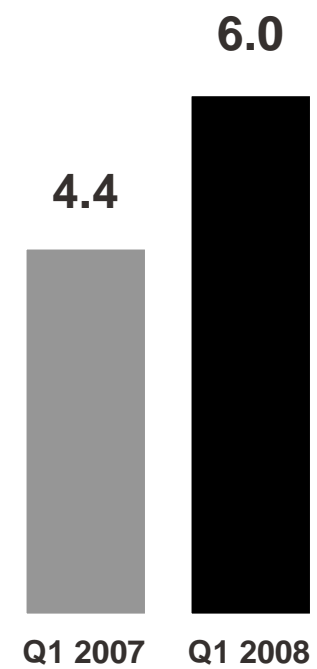


Financial Review – First Quarter Results

Revenue (\$ millions)



Gross Profit (\$ millions)

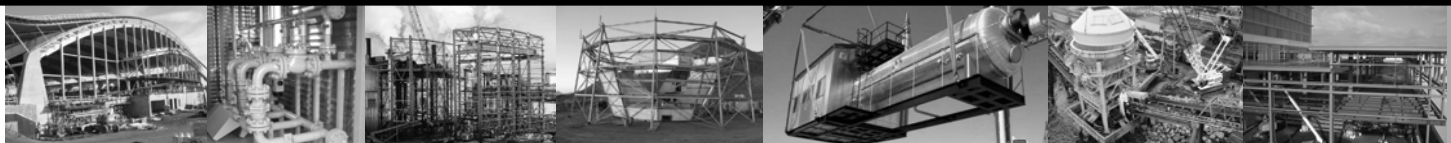
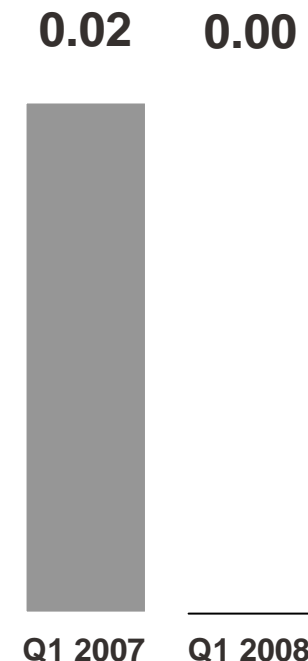


Financial Review – First Quarter Results

Operating Income (\$ millions)



Fully Diluted EPS (\$)



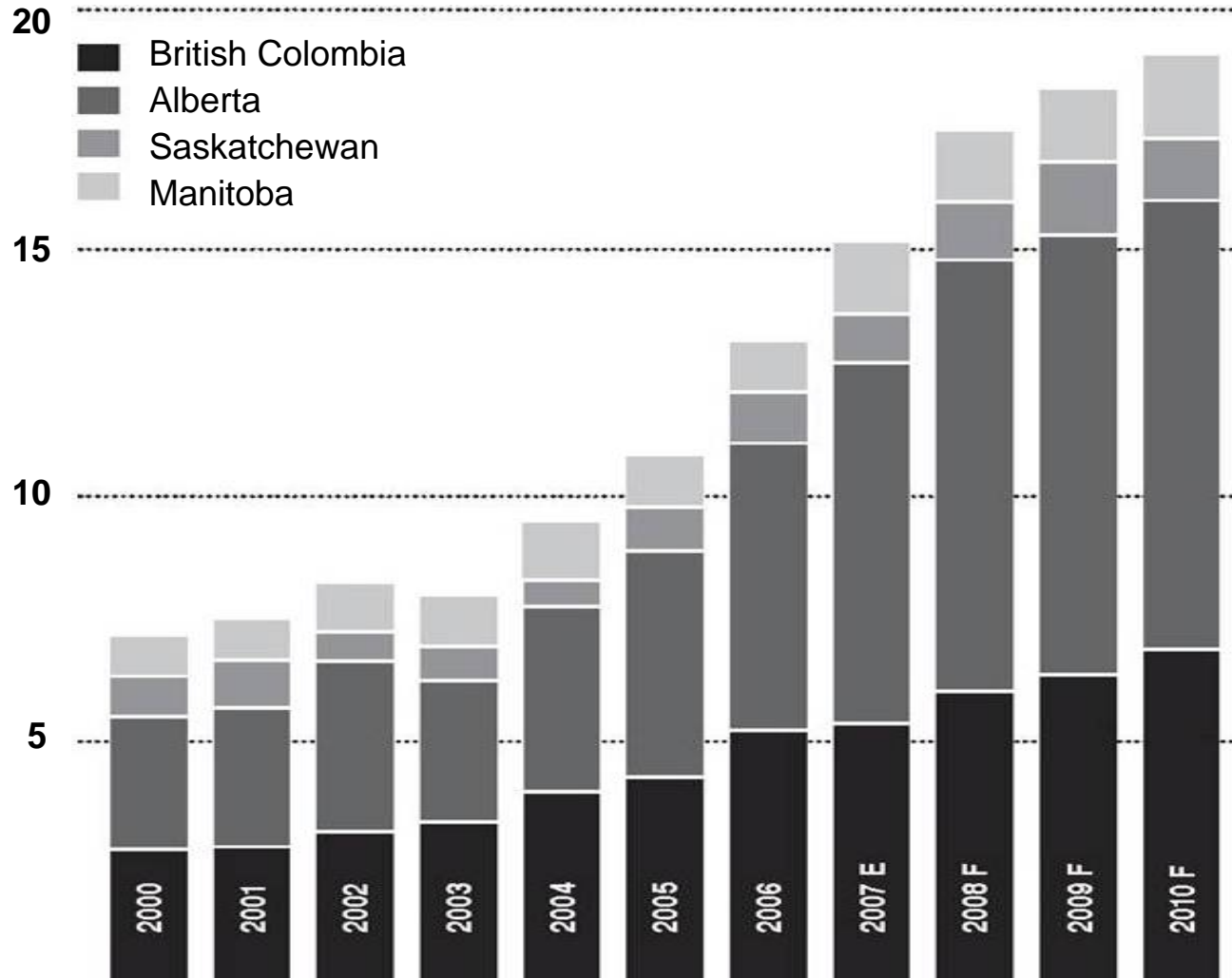
Tremendous Market Opportunities in Western Canada

\$400
billion market

The project pipeline for infrastructure, commercial and industrial projects in Western Canada exceeds \$400 billion

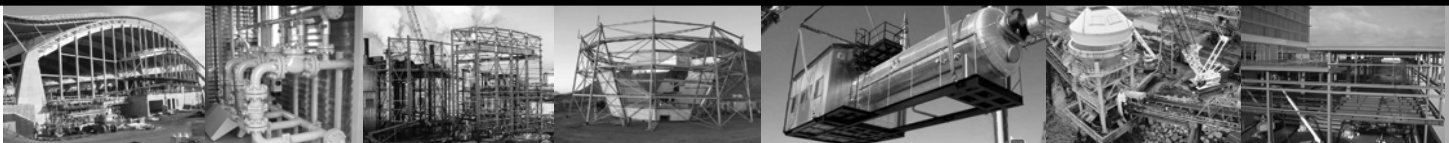


Tremendous Market Opportunities in Western Canada



New non-residential building construction by region*

*Source:
 Canadata Annual Construction Forecast 2008-2010, November 30, 2007



Challenges In The Market...

The **rapid** pace of development projects in Western Canada has resulted in a **shortage** of:

- Available capacity
- Skilled tradespersons



...Represents Opportunities For Empire

Total plant size (sq. ft.)	400,000
Current total staffing	800
Total staffing capacity	1,200

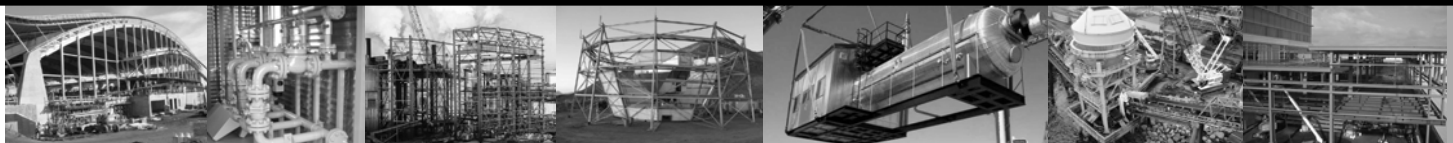
3x More than tripled our capacity
in a market where capacity is scarce



Acquisition Integration Dampening Current Earnings

- Acquisition integration will continue to dampen earnings for the first half of 2008
 - Under utilization of steel fabrication & installation capacity
 - BC technical, sales & administration are consolidating under one roof to increase effectiveness and capacity
 - Integration of two Ontario profit centres into one facility and selling redundant facility

Integration will be complete by the summer of 2008 with margins expected to improve significantly in the second half of the year



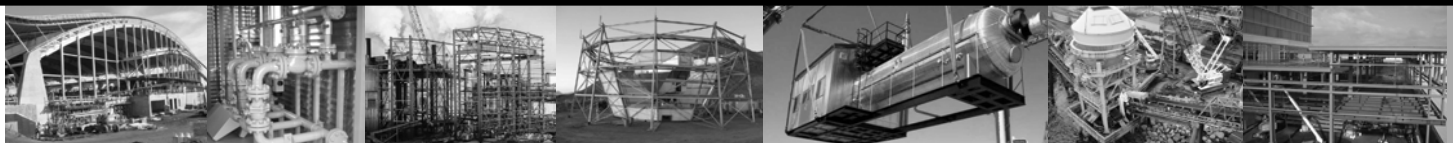
We Are Uniquely Positioned for Continued Growth

Strong opportunities for continued growth

- Backfill significant unused capacity
- Increase the value proposition to customers
- Expand into new geographic markets

Continue to be a consolidator in fragmented industry

- Positioning to compete for much larger projects
- Advantages of increased scale; pricing power



Business Development Continues to Gain Momentum

\$91
million

Our backlog of uncompleted contracts has grown:

- 2006 - \$45 million
- March 2008 - \$91 million

Successfully booking new business
to fill excess capacity



Business Development Continues to Gain Momentum

Our pipeline of bidding activity has
never been stronger

Revenue & margins
expected to continue
gaining momentum

Poised for growth in
per share earnings as
utilization increasing



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