Spin-Out of Loblaw's Interest in Choice Properties

George Weston to Become 65% Unitholder of Choice Properties

Tuesday, September 4, 2018

Weston
George Weston Limited

Loblaw Companies Limited

Disclaimer

Non-GAAP Measures

This presentation uses the following non-GAAP measures: Retail adjusted earnings before income taxes, net interest expense and other financing charges and depreciation and amortization ("EBITDA"), Retail Adjusted EBITDA margin, Total Adjusted EBITDA, Total Adjusted EBITDA Margin, Net Income Available to Common Shareholders, Adjusted Diluted Earnings Per Common Share, and Free Cash Flow. Loblaw and GWL believe these non-GAAP financial measures provide useful information to both management and investors in measuring financial performance.

These measures do not have a standard meaning prescribed by GAAP and therefore they may not be comparable to similarly titled measurers presented by other publicly traded companies, and should not be construed as an alternative to other financial measures determined in accordance with GAAP. More information regarding these non-GAAP is available in Loblaw's or GWL's most recent management's discussion and analysis filed on SEDAR (www.sedar.com), as applicable.

Forward-Looking Statements

This presentation for Loblaw and GWL contains forward-looking statements about the proposed Spin-out of Loblaw's interest in Choice Properties. Forward-looking statements are typically identified by words such as "expect", "anticipate", "believe", "foresee", "could", "estimate", "goal", "intend", "plan", "seek", "strive", "will", "may" and "should" and similar expressions. Forward-looking statements reflect current estimates, beliefs and assumptions, which are based on Loblaw's and GWL's perception of historical trends, current conditions and expected future developments, as well as other factors management believes are appropriate in the circumstances. Loblaw's and GWL's estimates, beliefs and assumptions are inherently subject to significant business, economic, competitive and other uncertainties and contingencies regarding future events and as such, are subject to change. Loblaw and GWL can give no assurance that such estimates, beliefs and assumptions will prove to be correct.

The pro forma information set forth in this presentation should not be considered to be what the actual financial position or other results of operations would have necessarily been had George Weston and Loblaw completed the Spin-out as, at, or for the periods stated.

This presentation contains forward-looking statements concerning: Loblaw's and GWL's financial positions; growth prospects; certain benefits of the Spin-out; the expected impact of the proposed Spin-out on Loblaw's and GWL's relationship with Choice Properties going forward; future Loblaw and GWL dividends; Loblaw's, GWL's, and Choice Properties' credit ratings; the timing of the Loblaw's shareholder meeting and publication of related shareholder materials; the timing of publication of GWL's information statement; the expected completion date of the proposed Spin-out; and the anticipated tax treatment of the proposed Spin-out for Loblaw and its shareholders. The pro forma information set forth in this presentation should not be considered to be what the actual financial position or other results of operations would have necessarily been had GWL and Loblaw completed the spin-out as, at, or for the periods stated.

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There can be no assurance that the proposed Spin-out will occur or that the anticipated benefits will be realized. The proposed Spin-out is subject to the fulfillment of certain conditions, including approval by the TSX and receipt of an advance tax ruling from the Canada Revenue Agency, and there can be no assurance that any such conditions will be met. The proposed Spin-out could be modified, restructured or terminated.
Readers are cautioned not to place undue reliance on these forward-looking statements, which reflect Loblaw's and GWL's expectations only as of the date of this release. Loblaw and GWL disclaim any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

All dollar values ($) in this document are stated in Canadian dollars unless otherwise noted.

Participants

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Chairman and CEO
George Weston Limited and
Loblaw Companies Limited

Richard Dufresne
President and Chief Financial Officer
George Weston Limited

Sarah Davis
President
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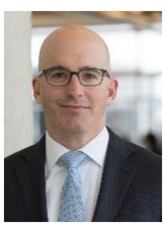


Darren Myers
Chief Financial Officer
Loblaw Companies Limited

Weston George Weston Limited
Loblaw Companies Limited

Reorganization of the Weston Group of Companies

Overview

- Under the proposed reorganization Loblaw Companies Limited ("Loblaw") will spin out its 62% interest in Choice Properties Real Estate Investment Trust ("Choice Properties") to Loblaw's shareholders on a tax-free basis in Canada (the "Spin-out")
    - To achieve a tax-free spin-out, Loblaw minority shareholders will receive common shares of George Weston Limited ("George Weston") equivalent in value to a shareholder's pro rata interest in Choice Properties

Highlights

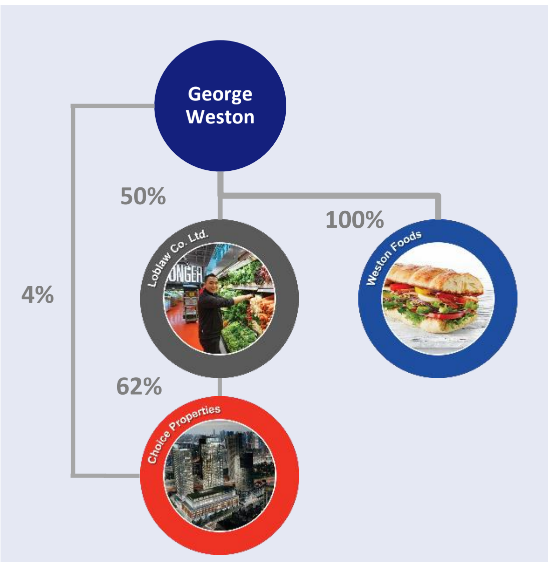
- The Spin-out offers clear and compelling financial and strategic benefits to all entities within the Weston Group – Loblaw, Choice Properties and George Weston:
    - Transforms Loblaw into a pure-play retailer, while also presenting Loblaw shareholders with the opportunity to realize value creation and increased investment flexibility
    - Transfers ownership of Choice Properties to an aligned long term strategic owner in George Weston, which is supportive of Choice Properties' diversified growth vision
    - Creates a stronger, more strategic investment thesis for George Weston, which will now have enhanced growth potential, increased financial flexibility and better trading characteristics
- The Spin-out has the unanimous support of the Loblaw Board of Directors and Loblaw's major shareholder George Weston

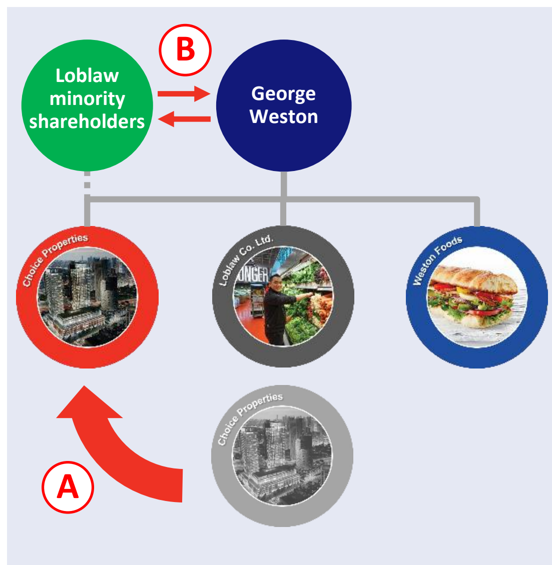
Transaction Steps

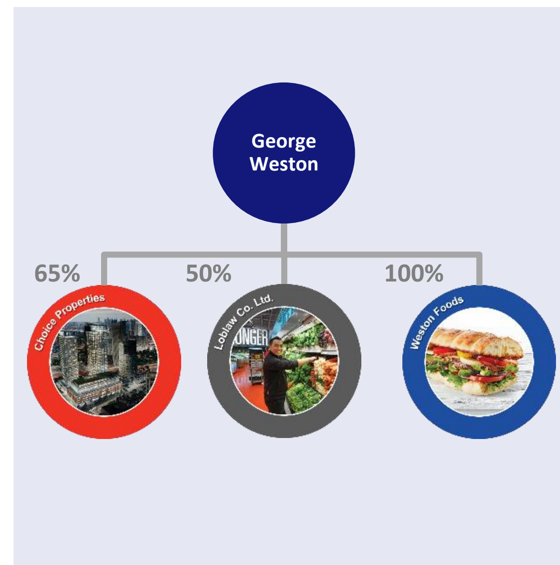
George Weston and the Loblaw minority shareholders indirectly own Choice Properties through their shareholdings in Loblaw

Loblaw's interest in Choice Properties is distributed to George Weston with Loblaw minority receiving equivalent value in George Weston shares

Simplifies group structure and optimizes ownership of Choice Properties within the Weston Group







A Loblaw transfers its 61.6% ownership in Choice Properties to George Weston

B George Weston issues ~26.7M shares (worth ~$2.7B)[1] to the Loblaw minority shareholders in exchange for their pro rata interest in Choice Properties. Thus, George Weston will own 65.4% of Choice Properties and Loblaw minority shareholders will own 16.8% of George Weston

1. Based on the 5-day VWAP for George Weston at closing on August 31, 2018

Key Terms and Considerations

Share/Unit Exchange

- Pursuant to the Spin-out, each Loblaw shareholder will receive 0.135[1] of a George Weston common share equivalent in value to their pro rata interest in Choice Properties
- George Weston's direct interest in Choice Properties will increase to 65.4%
- The Spin-out will be tax-free to Loblaw and its Canadian shareholders

Dividends

- Loblaw plans to maintain its current quarterly dividend after the Spin-out. George Weston plans to raise its quarterly dividend by 5%, contingent on the closing of this transaction
- Therefore, Loblaw shareholders who hold their distributed George Weston shares will receive an aggregate 24% dividend increase as a result of the Spin-out

Important Tax Considerations

- A spin-out of Choice Properties units directly to Loblaw minority shareholders is not feasible because:
  1. Loblaw's interest in Choice Properties is primarily in the form of non-tradeable Limited Partnership units which carry a ~$640M[2] tax liability if converted to publicly tradeable trust units or sold, which represents ~$1.70[2] of value per Loblaw share
  2. Canadian tax-free butterfly reorganization spin-out rules only allow for the spin-out of corporations and not trusts
- As a result of the Spin-out, the ~$640M[2] tax liability will be transferred directly to George Weston

1. Based on the 5-day VWAPs for George Weston and Choice Properties at closing on August 31, 2018
2. Based on the Choice Properties 5-day VWAP at closing on August 31, 2018 of $12.53, total cost base of $392M for the 411.5M units held at Loblaw, a corporate tax rate of 27%, and 375.9M Loblaw shares outstanding

Timeline and Process

Required Approvals	▪ The proposed Spin-out is a related party transaction under Canadian securities laws ▪ The transaction requires approval by 66 ⅔ % of all Loblaw shareholders and the majority (50% + 1) of Loblaw minority shareholders (excludes George Weston and affiliates), in each case who vote in person or by proxy ▪ Loblaw and George Weston expect to obtain a ruling from the Canada Revenue Agency (CRA) that the Spin-out can be completed on a tax-free basis for Canadian tax purposes
Special Committee Recommendation	▪ A Special Committee of independent Loblaw directors was formed to oversee the transaction; the Loblaw Board, on the recommendation of the Special Committee, has recommended that the Loblaw minority shareholders vote in favour of the Transaction • BMO Capital Markets acted as independent financial advisor to the Special Committee and provided a Fairness Opinion on the Spin-out • McCarthy Tétrault acted as independent legal counsel to the Special Committee
Key Deliverables	▪ The Loblaw shareholder vote is expected to occur in October ▪ Management Information Circular to be mailed to Loblaw shareholders ▪ Closing of the transaction is expected to occur in Q4

Transaction Highlights

Loblaw Companies Limited	Choice Properties REIT	Weston George Weston Limited
Strategy is focused on enhancing core retail, healthcare, digital and payments and rewards	Separation between major unitholder (George Weston) and primary tenant (Loblaw)	Creates stronger, more strategic investment thesis
Ownership of real estate no longer core to strategy	Support and capital for Choice Properties' diversified growth strategy	Optimizes real estate ownership to better support future growth potential
Shareholder value creation potential through a simplified retail investment thesis	Important operating relationship with Loblaw remains unchanged	Improved cash flow provides stability and more strategic options
24% dividend increase equivalent	Choice Properties operational and financial performance remains unchanged	Significantly increased market capitalization and public float
Tax efficient transaction		

Loblaw’s strategy is focused on enhancing its core retail business and growing in three pillars

Enhancing the core retail businesses through new technology and capabilities

Best in Food, Health & Beauty

- Three retail operating divisions with distinct value propositions:

  Shoppers "Your Life. Made Easier"
  Discount "Feed Everyone“
  Market "We Love Food“

Data-Driven Insights

- Enterprise view of the customer
- Increase promotional effectiveness through 1-to-1 personalization
- Optimized category management

Process & Efficiencies

- Culture of continuous improvement
- Simplification and automation of both store and central processes
- Opportunities for continued cost leverage

Investing in new strategic pillars to win amidst changing customer needs

Digital Retail Experience

- 700 PC Express pick-up locations by the end of 2018
- Complemented by a national urban delivery network

Connected Healthcare Network

- Thousands of patients using digital pharmacy solutions
- Canada’s largest single EMR platform (QHR), continuing growth

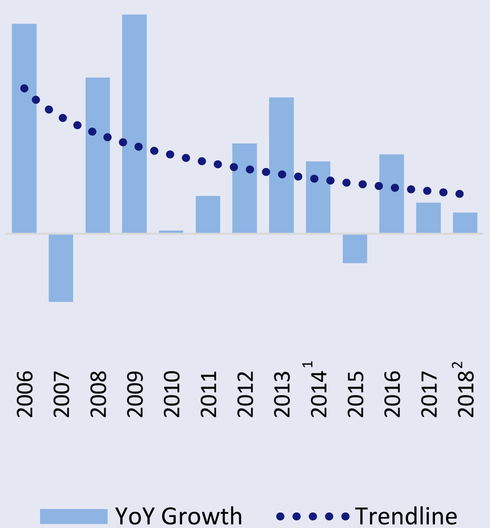
Payments and Rewards

- PC Optimum in 4,000 locations
- 327 million loyalty transactions since February 2018 launch

Over the last decade, Loblaw has evolved such that the ownership of real estate is no longer core to its strategy

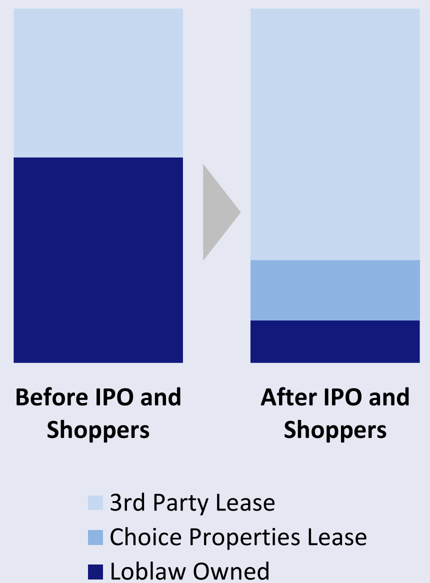
Loblaw has progressively moved away from new footage as a growth driver over the last decade

Supermarket Square Footage Growth



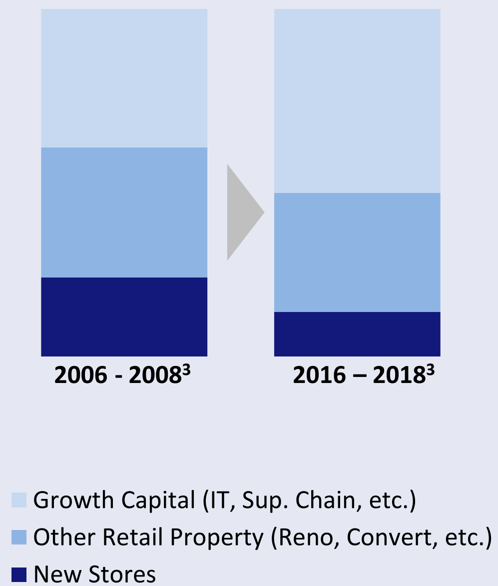
Loblaw has also reduced its reliance on owned real estate since the Choice Properties IPO and the Shoppers acquisition

Stores by Ownership Type



As a result, Loblaw's capital investments are increasingly focused on areas outside of real estate

Retail Capital Expenditure Breakdown



1. Excludes the impact of the acquisition of Shoppers Drug Mart
2. Based on actual annual Retail capital expenditures and FY18 Company estimates
3. Average annual spend for 2006-2008 and 2016-2018 of ~$770M and ~$1,000M

Loblaw's strengths make it uniquely positioned to succeed as a pure-play retailer amidst a changing marketplace

A core retailer with strong competitive differentiation…

- **2,500+ stores** Canada-wide within 10 kms of 90% of Canadians
- **4 of Canada's top 10 consumer brands** – President's Choice, No Name, Life, and Farmer's Market
- Canada-wide online pick-up and delivery through *PC Express* and *InstaCart* partnership

With deep customer relationships…

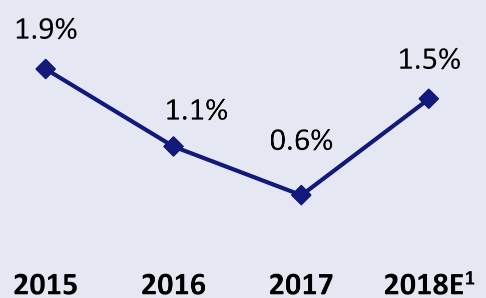
- **14+ million** *PC Optimum* loyalty members earning $1 billion in rewards annually
- **2+ million** and growing active *President's Choice MasterCard* users
- **1,800+** full service pharmacies offering personalized health services
- **#1 market share** in prestige, derm and mass beauty categories with 400+ *beautyBOUTIQUES*
- **1+ billion** customer transactions annually

And key capabilities in identified future growth areas

- ***Digitally focused:*** Employs a team of 200+ at **Loblaw Digital**
- ***Healthcare-centric:*** Employ **5,000+ healthcare professionals** and leading digital healthcare expertise at **QHR Technologies**
- ***Payments and rewards:*** Owns PC Bank, a fully licensed, Schedule I bank with a track record of customer acquisition and innovation

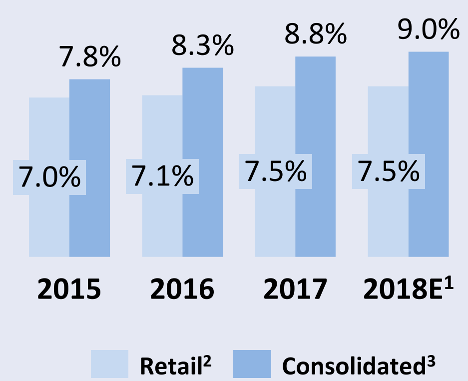
Loblaw has a track record of delivering positive financial performance and growth

Food Retail Same Store Sales (SSS) Growth



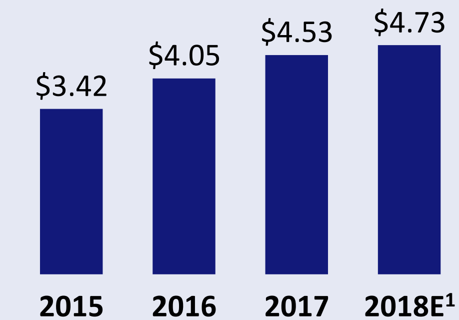
EBITDA Margins

Consolidated CAGR: 5%



Adj. Diluted EPS[2] ($)

CAGR: 11%



Same store sales growth, despite headwinds in the industry

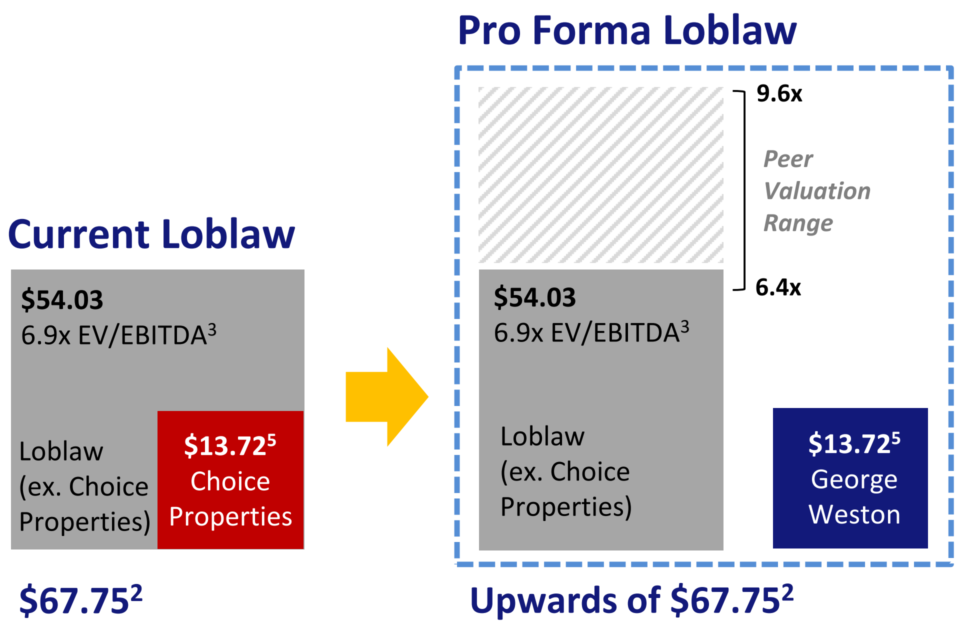
Stable growth in both retail and consolidated EBITDA margins

Consistently strong EPS growth, delivering value to shareholders

1. Based on Analyst consensus estimates
2. Food & Drug Retail + PC Bank EBITDA Margin adjusted for rent paid to Choice Properties, per publicly disclosed financial statements. EBITDA margin in 2015 – 2017 is impacted by gas bar while 2018E excludes gas bar as a result of disposition
3. Consolidated metric inclusive of Choice Properties. See slide 16 for the pro forma impact of the deconsolidation on Loblaw's 2017 EBITDA and adj. diluted EPS

A simplified investment thesis unlocks potential value for Loblaw shareholders

Key Metrics – Loblaw (ex. Choice Properties) vs. Peers		
	Loblaw (ex. Choice Properties)	Canadian Peer Range[1]
EV / 2019E EBITDA[2]	6.9x[3]	6.4x - 9.6x
Food Retail SSS Growth[4]	0.6%	0.3% - 0.5%
EBITDA Margin[4]	7.5%	4.2% - 7.8%



- Loblaw retail peers currently trade at **higher multiples** compared to pro forma Loblaw (ex. Choice Properties)
- Peer[1] EV/EBITDA range is 6.4x – 9.6x[2] (Peer[1] P/E range is 13.0x – 14.0x[2])
- There is potential for the new pure-play retail **Loblaw stock to be revalued** more appropriately when compared to peers
- Illustratively, a 1x EV/EBITDA multiple expansion will equal approximately $9/share[6] and a 1x P/E multiple expansion will equal approximately $4/share[6]
- Additionally, any **holding company discount** currently attributed to Loblaw's holding of Choice Properties will be eliminated

1. Canadian peer range includes Metro Inc. and Empire Company Limited. Multiples are based on 2019E analyst consensus
2. Based on Loblaw and peer 5-day VWAPs as at August 31, 2018
3. Implied multiple is based on analyst consensus 2019E EBITDA excluding Choice Properties, and excludes PC Bank debt from securitized credit card receivables and GICs
4. SSS (same store sales) growth % and EBITDA Margin are based on last fiscal year. Loblaw EBITDA margin includes PC Bank
5. Loblaw owns 411.5M CHP units or ~1.094 Choice Properties units per Loblaw share. Based on the Choice Properties 5-day VWAP of $12.53 as of closing on August 31, 2018, this represents $13.72 of value per Loblaw share
6. Based on Loblaw 2017A pro forma EPS and EBITDA

Loblaw Companies Limited

A dividend increase for Loblaw shareholders who hold their distributed George Weston shares

Loblaw Minority Shareholder Aggregate Dividend

$1.18[1]
Loblaw

$1.46

$1.18[1]
Loblaw

$0.28[2]
George Weston

Incremental $0.28[2] dividend annually

+24% above current

- Loblaw plans to hold its absolute dollar dividend per share constant post Spin-out, resulting in an **increase in its payout ratio[3] from 26% to 30%,** in line with peers
- Loblaw shareholders would also **receive dividends** from their 0.135 George Weston shares equal to $0.28[2]
- Aggregate dividend per share of $1.46 for Loblaw shareholders who hold their distributed George Weston shares – equivalent to a **~24% increase to their current dividend**

1. Based on annualized dividends declared by Loblaw subsequent to Q2 2018 assuming no change in dividend per share
2. Based on annualized dividends declared by George Weston subsequent to Q2 2018 plus a 5% increase in annualized dividends contingent on close of the transaction
3. Payout Ratio calculated as annualized 2018 dividends per share / 2017A status quo adjusted diluted EPS of $4.53 and 2017A pro forma adjusted diluted EPS of $3.93

The Spin-out is a tax efficient transaction for both Loblaw and its shareholders

Transfer of Loblaw Corporate Capital Gains Tax to George Weston

- Choice Properties units owned by Loblaw have an **embedded ~$640M[1] tax liability** associated with deferred tax from the Choice Properties IPO
- As the Spin-out uses a tax-free construct[2], this **tax liability will be transferred from Loblaw to George Weston**
- Loblaw minority shareholders will not bear the burden of this tax, which otherwise would have **reduced the implied net value of each Loblaw share by ~$1.70[3] or 12.4%** of the value of Choice Properties per Loblaw share

Deferral of Shareholder Capital Gains Tax

- Due to the tax-free nature of the Spin-out, taxable Canadian Loblaw Shareholders **will not incur any tax** on receipt of the distributed George Weston shares
- The adjusted cost base (ACB) of a Loblaw minority shareholder's investment will be **apportioned** between their Loblaw shares and the George Weston shares received
- Taxable Loblaw shareholders will incur tax only if they decide to sell their distributed George Weston shares

1. Based on the Choice Properties 5-day VWAP at closing on August 31, 2018 of $12.53, total cost base of $392M for the 411.5M units held at Loblaw, and a corporate tax rate of 27%
2. CRA ruling is required to affect the Spin-out on a tax-free basis in Canada
3. $1.70 equal to $640M tax liability divided by the 375.9M Loblaw shares outstanding. 12.4% equal to $1.70 divided by Loblaw's $13.72 per share interest in Choice Properties

Loblaw will deconsolidate Choice Properties from its financial statements

	Expressed in millions $	Status Quo 2017A[1]	Pro Forma 2017[2]	*Change*
Income Statement impacts	**Retail Adj. EBITDA[3]**	**3,836**	**3,320**	***(516)***
	Retail Adj. EBITDA margin[3] (%)	8.4%	7.2%	*(1.2%)*
	Total Adj. EBITDA	**4,089**	**3,513**	***(576)***
	Total Adj. EBITDA margin (%)	8.8%	7.5%	*(1.3%)*
	Net Income available to common shareholders	1,797	1,561	*($236)*
	Adjusted Diluted EPS	**$4.53**	**$3.93**	***($0.60)***
Balance Sheet impacts	Cash & Cash Equiv.	1,798	1,571	*(227)*
	Total Assets	35,147	29,955	*(5,192)*
	Total Liabilities	22,013	17,497	*(4,516)*

- Upon deconsolidation, Loblaw will no longer eliminate its Choice Properties rental expense, adjusting Retail EBITDA down by $516M. Loblaw retail valuation not expected to be affected as research analysts already deduct this rent expense when valuing Loblaw today
- Total Adjusted EBITDA margin will be 7.5%, in line with Canadian peers (range: 4.2%-7.8%)
- Adjusted diluted EPS would decline by $0.60 as Loblaw's Choice Properties value is spun out directly to shareholders
- The net book value of Choice Properties' assets and liabilities are removed from Loblaw's balance sheet
- While Loblaw would lose ~$227M in consolidated net cash and cash equivalents due to no longer receiving distributions from Choice Properties, it would still generate significant excess free cash flow to pursue dividends, share repurchases, strategic acquisitions and other uses

1. Certain 2017A figures have been restated to include the impact of accounting standards implemented in 2018 and changes to accounting polices implemented retrospectively in 2018
2. Based on the proforma adjusted net earnings of Loblaw – total adjustments are equal to $393M.
3. Retail EBITDA includes Food and Drug EBITDA only. Excludes PC Bank

Transaction Highlights

Loblaw Companies Limited	Choice Properties REIT	Weston George Weston Limited
Strategy is focused on enhancing core retail, healthcare, digital and payments and rewards	**Separation between major unitholder (George Weston) and primary tenant (Loblaw)**	Creates stronger, more strategic investment thesis
Ownership of real estate no longer core to strategy	**Support and capital for Choice Properties' diversified growth strategy**	Optimizes real estate ownership to better support future growth potential
Shareholder value creation potential through a simplified retail investment thesis	**Important operating relationship with Loblaw remains unchanged**	Improved cash flow provides stability and more strategic options
24% dividend increase equivalent	**Choice Properties operational and financial performance remains unchanged**	Significantly increased market capitalization and public float
Tax efficient transaction		

The Spin-out better positions Choice Properties to pursue its growth strategy

- Alignment with majority shareholder (George Weston) while maintaining important relationship with primary tenant (Loblaw)
- Choice Properties strategy is focused on diversifying its asset base and it plans to deploy significant capital in large scale mixed-use development projects and acquisitions
- Loblaw's strategic priorities are not aligned with the investment of capital and resources in diversified real estate
- George Weston is a more aligned, long term investor in diversified real estate and will support Choice Properties' continued growth
- Spin-out will have no impact on the existing operating relationship between Loblaw and Choice Properties
- Choice Properties operational and financial performance will remain unchanged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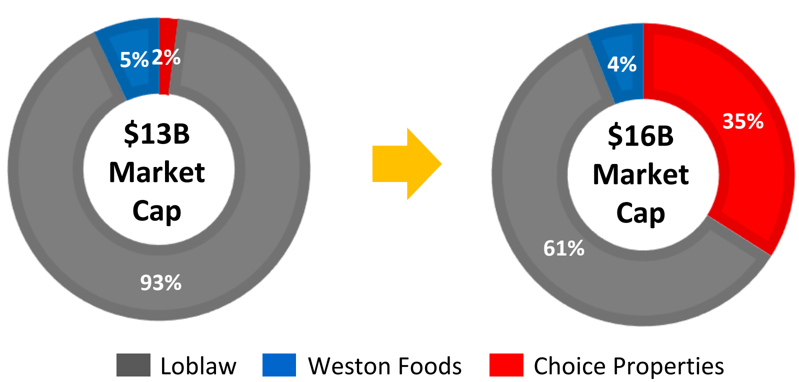
The Spin-out creates a stronger, more strategic investment thesis for George Weston shareholders

Creates Three Distinct Pillars

Creates a More Balanced Direct Portfolio[1]

Status Quo George Weston | **Pro Forma George Weston**



- Historically, the George Weston investment thesis was Loblaw centric (Loblaw represents ~93% of current George Weston market capitalization[1])
- Post Spin-out, George Weston will benefit from:
  - An investment thesis that is more strategic, stable and has meaningful opportunities for growth and value creation
  - A more efficient group structure and greater balance in its direct holdings
  - Assets that are strategically independent, but have connectivity, and are in areas in which George Weston has an affinity
  - Increased cash flow, enabling flexibility and growth
  - Ability to actively support businesses and allocate capital to generate shareholder value

1. Based on 5-day VWAPs as of closing on August 31, 2018 and George Weston direct ownership of Loblaw and Choice Properties, with the Weston Foods equity value calculated as the George Weston market cap less the market value of its ownership in the other two entities

Spin-out will optimize real estate ownership within Weston Group

Weston Group View on Real Estate

- George Weston is a long term investor in real estate, supporting investment in diversified real estate classes while also continuing to support Choice Properties' largest tenant, Loblaw
- It is not aligned with Loblaw's strategic priorities to allocate capital to diversified real estate – but Loblaw would like to preserve its important relationship with Choice Properties as a landlord and real estate partner

Diversified Real Estate Growth

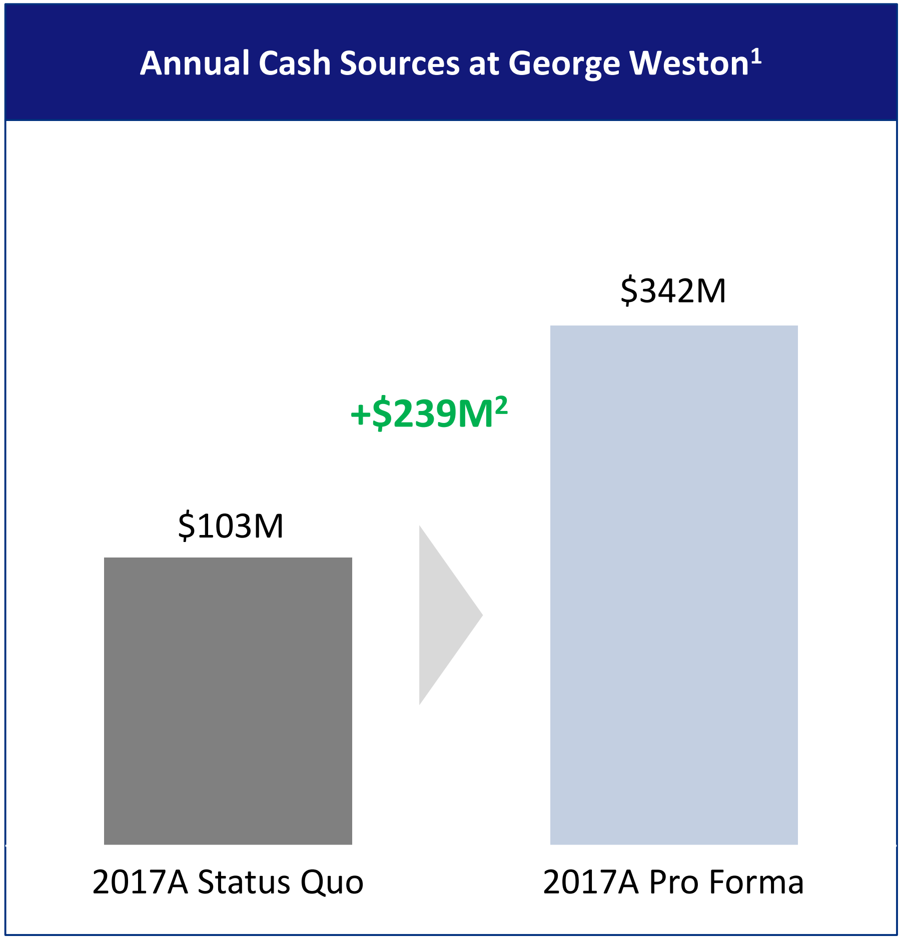
- Capital investment in mixed-use development and acquisitions will be key growth drivers for Choice Properties in the future

Choice Properties Investment Opportunity

- As a result of the CREIT acquisition, Choice Properties has diversified and is Canada's largest REIT (67M GLA, ~$16B EV, ~$8B Market Cap[1])
- Long term development pipeline of over 60 properties in core urban markets with mixed-use potential
- George Weston and Choice Properties are aligned on a strong growth plan for Choice Properties

1. Based on 5-day VWAP as of closing on August 31, 2018

Distributions from Choice Properties will provide enhanced stability and optionality for George Weston



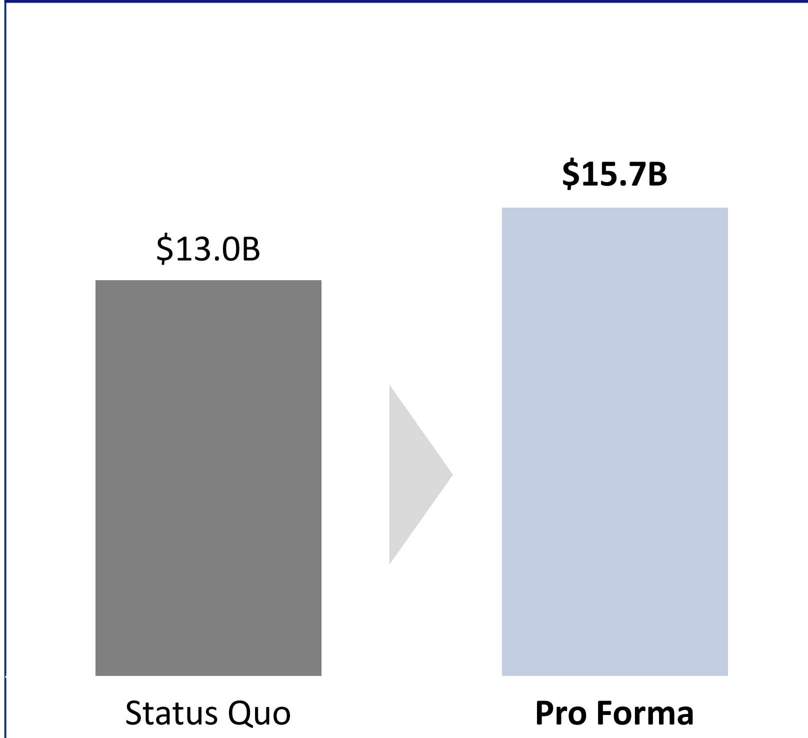
The Spin-out will:

- Free cash flow accretive – generates $239M[2] of incremental cash flow from Choice Properties distributions
- Provide additional and diversified source of cash flow beyond Weston Foods
- Increase George Weston's financial flexibility to invest in current companies and/or pursue additional growth opportunities
- Enable George Weston to raise its quarterly dividend by 5% to $0.515 per share (or $2.06 per share annualized), contingent on close of the transaction

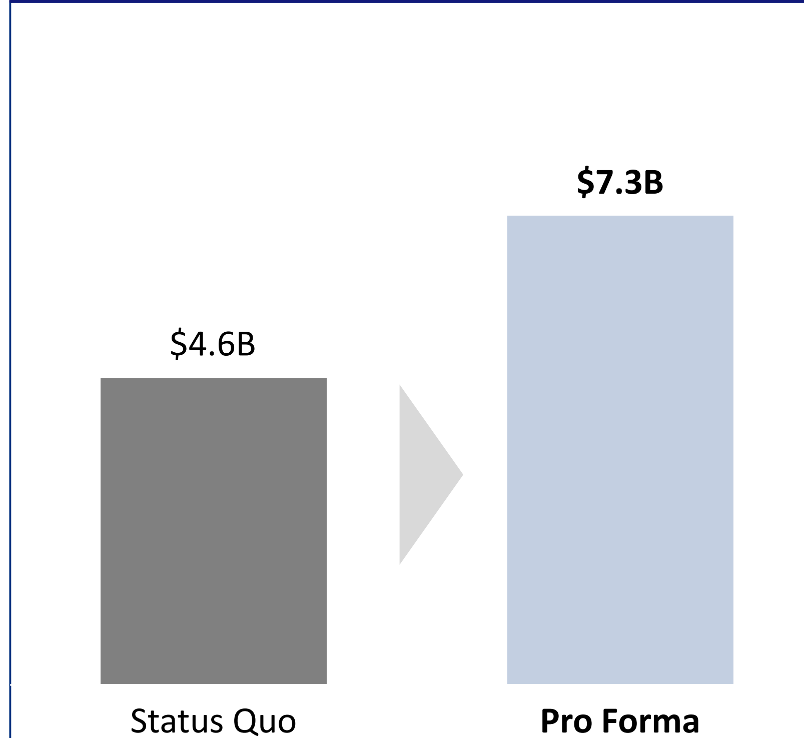
1. George Weston (excluding Loblaw) cash flow before interest paid, preferred share dividends and common dividends paid
2. Equal to 2017A distributions received by Loblaw from Choice Properties of $294M less tax installments of $55M. Does not include incremental George Weston dividends on the 26.7M common shares distributed (~$48M of dividends), and George Weston dividend increase for all shareholders (~$15M of dividends). Inclusive of these incremental dividend outflows, results in net cashflow of $176M

Issuance of George Weston shares improves public float and trading liquidity

George Weston Market Capitalization[1]



George Weston Public Float[1]



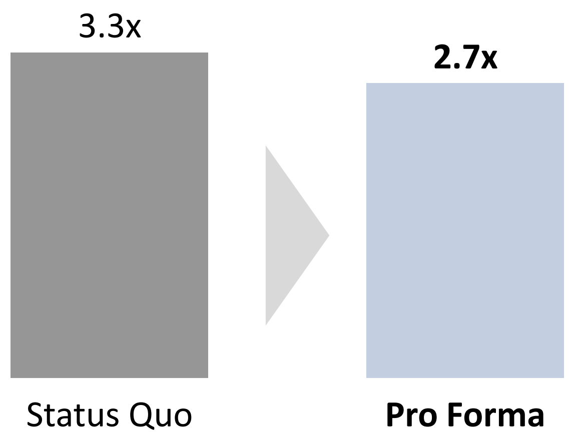
~21% increase in market capitalization

~57% increase in public float

1. Based on 5-day VWAP as of closing on August 31, 2018

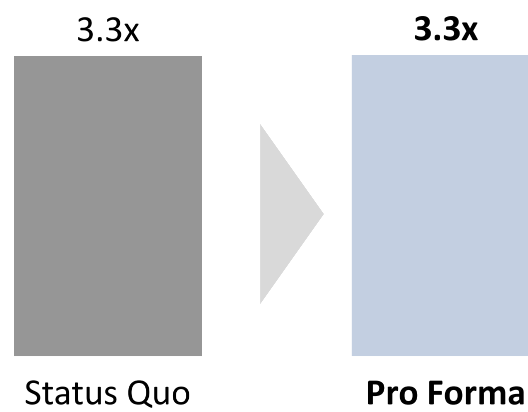
Credit ratings for Loblaw, George Weston and Choice Properties not expected to change

Loblaw
Consolidated Net Debt / Adjusted EBITDA[1,2,3]



- Loblaw leverage will decline due to removal of Choice Properties, a more highly levered business

George Weston
Consolidated Net Debt / Adjusted EBITDA[1,2,3]



- George Weston leverage is unaffected as it will consolidate Choice Properties directly rather than through Loblaw

- Choice Properties leverage is not impacted by the Spin-out

1. Calculated using Loblaw and George Weston Q2 2018 Net Debt (Debt less Cash & short term investments) / Loblaw and George Weston 2017A EBITDA, assuming CREIT was acquired on January 1, 2017
2. Net Debt and EBITDA adjusted to: (a) reflect capitalization of operating leases at 6x multiple (b) exclude PC Bank
3. Net Debt includes preferred shares at Loblaw and George Weston which receive 50% debt treatment for purposes of calculating leverage

Transaction Highlights

Loblaw Companies Limited	Choice Properties REIT	Weston George Weston Limited
Strategy is focused on enhancing core retail, healthcare, digital and payments and rewards	Separation between major unitholder (George Weston) and primary tenant (Loblaw)	Creates stronger, more strategic investment thesis
Ownership of real estate no longer core to strategy	Support and capital for Choice Properties' diversified growth strategy	Optimizes real estate ownership to better support future growth potential
Shareholder value creation potential through a simplified retail investment thesis	Important operating relationship with Loblaw remains unchanged	Improved cash flow provides stability and more strategic options
24% dividend increase equivalent	Choice Properties operational and financial performance remains unchanged	Significantly increased market capitalization and public float
Tax efficient transaction		