



Investing for the Future

November 13, 2019

Loblaw
Companies
Limited

Forward Looking Statements

This presentation for Loblaw Companies Limited (“Loblaw” or “the Company”) contains forward-looking statements about the Company’s objectives, plans, goals, aspirations, strategies, financial condition, results of operations, cash flows, performance, prospects, opportunities and legal and regulatory matters. Specific forward-looking statements in this presentation include, but are not limited to, statements with respect to the Company’s anticipated future results, events and plans, strategic initiatives and restructuring, regulatory changes including minimum wage increases and further healthcare reform, future liquidity, planned capital investments, and the status and impact of information technology (“IT”) systems implementations. These specific forward-looking statements are contained throughout this presentation including, without limitation, in the “Outlook” section of the Company’s most recent earnings news release. 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, as they relate to the Company and its management.

Forward-looking statements reflect the Company’s estimates, beliefs and assumptions, which are based on management’s perception of historical trends, current conditions and expected future developments, as well as other factors it believes are appropriate in the circumstances. The Company’s expectation of operating and financial performance in 2019 is based on certain assumptions including assumptions about healthcare reform impacts, anticipated cost savings and operating efficiencies from Process and Efficiency initiatives and anticipated benefits from strategic initiatives. The Company’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. The Company can give no assurance that such estimates, beliefs and assumptions will prove to be correct.

Numerous risks and uncertainties could cause the Company’s actual results to differ materially from those expressed, implied or projected in the forward-looking statements, including those described in Section 12 “Enterprise Risks and Risk Management” of the Company’s MD&A in the Annual Report and the Company Annual Information Form (“AIF”) for the year ended December 29, 2018.

Other risks and uncertainties not presently known to the Company or that the Company presently believes are not material could also cause actual results or events to differ materially from those expressed in its forward-looking statements. Additional risks and uncertainties are discussed in the Company’s materials filed with the Canadian securities regulatory authorities from time to time, including, without limitation, the section entitled “Risks” in the Company’s AIF. Readers are cautioned not to place undue reliance on these forward-looking statements, which reflect the Company’s expectations only as of the date of this presentation. Except as required by law, the Company does not undertake to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

This presentation uses certain non-GAAP measures, such as Adjusted EBITDA, Adjusted EBITDA Margin, Retail Segment Adjusted Gross Profit, Retail Segment Adjusted Gross Profit Percentage, Adjusted Diluted Net Earnings Per Common Share and Free Cash Flow which the Company believes provide useful information to both management and investors in measuring the financial performance of the Company. These measures do not have a standardized meaning prescribed by GAAP, and therefore, they may not be comparable to similarly titled measures presented by other publicly traded companies and should not be construed as an alternative to other financial measures determined in accordance with GAAP.

Our purpose: Live Life Well[®]

Canada's Leading Retailer

Revenue \$46.7 billion with almost 2,500 stores coast-to-coast

Unmatched Omni-Channel Platform

A portfolio of strong, complementary, independent businesses

Canada's favourite and most trusted brands

An unrivaled and growing Payments & Rewards platform

Innovation Focused and Investing for the Future

Process & Efficiency excellence driving continuous improvement

Data Driven Insights powering more effective promotions

Investing today to maintain leadership

Financial Framework Delivering Shareholder Value

Stable trading and Process & Efficiencies excellence

Strong track record of operational and financial performance

A leader in ESG performance


All figures in Canadian dollars and unless otherwise noted, are based on full year 2018 adjusted financial results from continuing operations.



Canada's Leading Retailer

A family company in business for more than 135 years,
we think about our business in terms of generations, not quarters.


Annual Revenue of
\$46.7 billion
with Adjusted EBITDA
margin of **7.6%**



Where
almost a third
of Canadians buy
their groceries



A healthcare
partner for more
than **20%** of
Canadians



PC Financial® has
one of the country's
**favourite
Credit Cards**



President's Choice
4 of Canada's
top consumer
brands

Canada's
largest retailer of
mass and
prestige cosmetics



One of Canada's
Top Employers, where
1.2%
of Canadians
come to work




Joe Fresh is a **leading**
apparel retailer
in Canada



1 in 7 healthcare
providers use our QHR
system for their medical
records

Coast-to-coast omni-channel platform
**pickup or delivery to
70% of Canadians**



More than
1 billion
customer
transactions
per year



A store within
10kms
of 90% of
Canadians



Loyalty program with
\$1 billion in awards
annually to our
18 million
members

All figures in Canadian dollars and unless otherwise noted, are based
on full year 2018 adjusted financial results from continuing operations.

A Portfolio of Strong and Complementary Divisions

Serving the everyday needs of Canadians



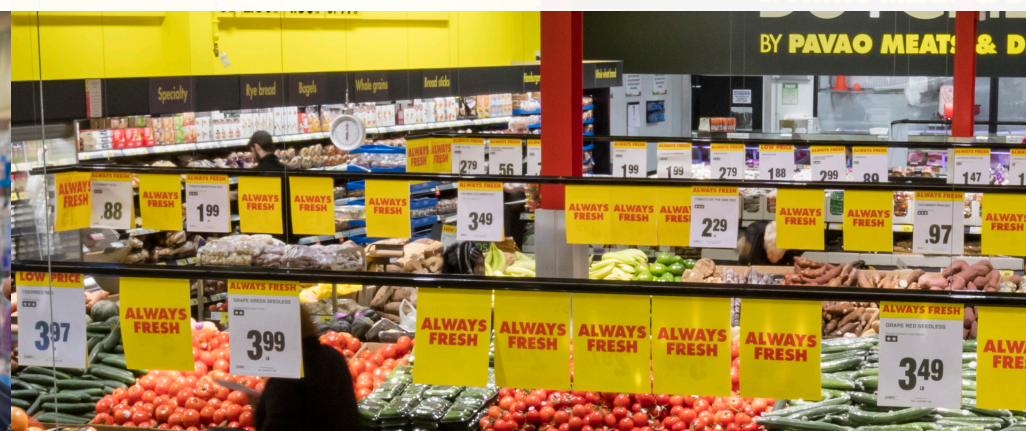
1,390 associate/pharmacist owned pharmacies and online at shoppersdrugmart.ca

Wellwise home healthcare stores

A drug manufacturer with a specialty drug distribution network

Pharmacy services for long-term care and retirement communities

#1 in mass and prestige cosmetics



Unbeatable prices

Canada's largest discount grocery network with 560 stores and online at pcexpress.ca

Provides freshness, value and broad assortment of quality products

Products that help our multicultural customers feel at home

Home of no name®, the #2 brand in Canada



Unique food experiences that challenge customers to expect more

475 stores with two distinct formats: Neighbour and Inspire and online at pcexpress.ca

Impressive assortment of top quality brands and latest and greatest food trends

Home of President's Choice®, the #1 brand in Canada



Rapidly growing business offering Payments & Rewards

Value, convenience, and simplicity through no-fee payment offerings

Customers earnings rewards on everyday purchases

Services include The Mobile Shop™, PC® Insurance and Canada's top gift card retailer



Everyday wardrobe favourites for the family

In more than 350 stores or online at JoeFresh.ca

Categories span apparel, accessories, footwear and beauty

Brings elements of modern style to life through essential designs

Leading with Canada's Top Brands^[1]

Bringing innovation, choice and value to families

#1  President's Choice

#2 

#4 

#13 

President's Choice® is Canada's most trusted packaged food brand^[2]

Over 10,000 private label products

Penetration rate of more than a third of sales and growing

Innovating to develop 500 new products annually



[1] Nielsen's Retailer Track

[2] University of Victoria's 2019 Gustavson Brand Trust index

Unmatched Payments and Rewards platforms

Unrivalled data set, providing customers a more meaningful
and personalized experience across all of our channels

PC Optimum

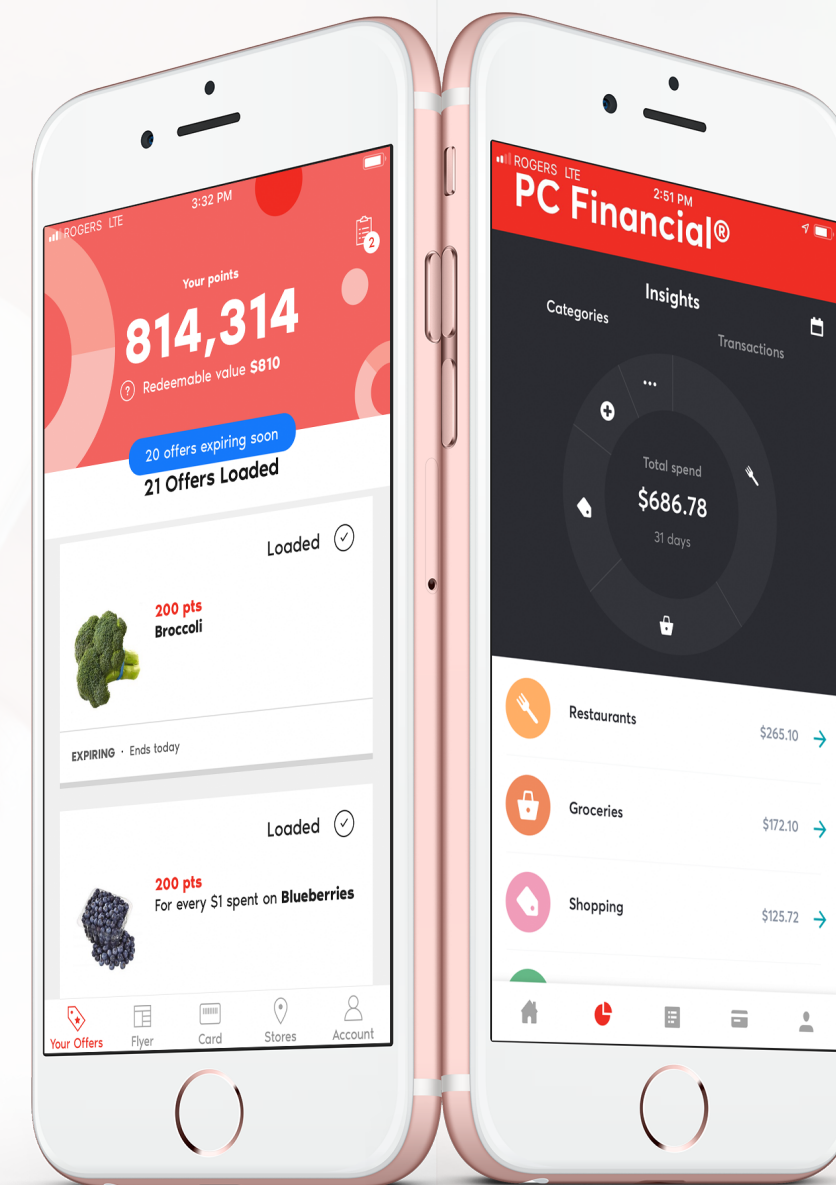
Canada's largest and most trusted^[1]
loyalty program

Over 18 million members, more than one per
Canadian household

Scan rates 60%-70%

Deep insight into consumer trends both online
and across our store network

Personalized promotional offers and product
recommendations



PC Financial®

Voted one of Canada's favourite Credit Cards^[2]

A fully licensed deposit-taking (Schedule 1) bank
offering Canadians convenient, no-fee services

More than 2 million active PC Financial®
MasterCard® holders

Low risk customer base with high monthly
payment rates

Innovating with new financial products and services

[1] Brand Spark 2019
[2] J.D. Power

Coast-to-coast omni-channel platform

Providing consumers everyday items – Food, Health, Beauty and Apparel

Enabling customers with the choice to shop when, where and how they want

- *PC Express*™ pick-up at almost 700 locations, including 35 Shoppers Drug Mart stores, commuter train and subway stations and storefront locations
- *PC Express* Delivery reaching 70% of Canadians

Meeting customer's increasing demands for immediacy, offering delivery or pickup in as little as one hour

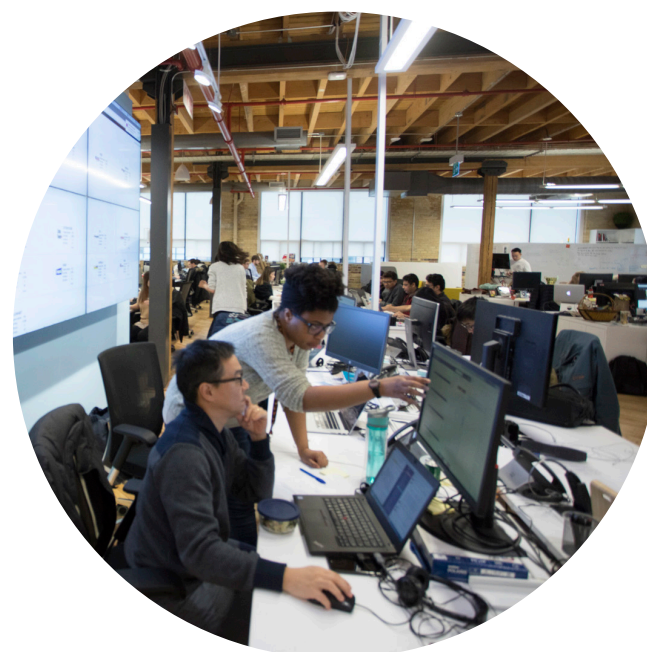


Innovation Focused and Investing for the Future

A culture of process improvement and incorporating advanced data capabilities - improving today and fueling investments for tomorrow

Process & Efficiencies

A culture of excellence in Process & Efficiencies
Multi-year initiatives to reduce complexity and cost
Technology and automation-focused initiatives
Annual operating expenses of \$10 billion provides multi-year runway of opportunity



Data-Driven Insights

Deep customer relationships and insights - one billion customer transactions annually
Delivering more meaningful, personalized customer offers
Improving Promotional Effectiveness
Incorporating perpetual inventory data, improving decision making to optimize supply chain processes

Investing Now to Lead the Future

Everyday Digital Retail

Connected Healthcare

Payments and Rewards

Investing in Everyday Digital Retail

Digital and Data capabilities driving powerful business and consumer insights

Focused on being the leading online retailer in Canada, shaping the e-commerce landscape with more than \$500 million in online sales in 2018

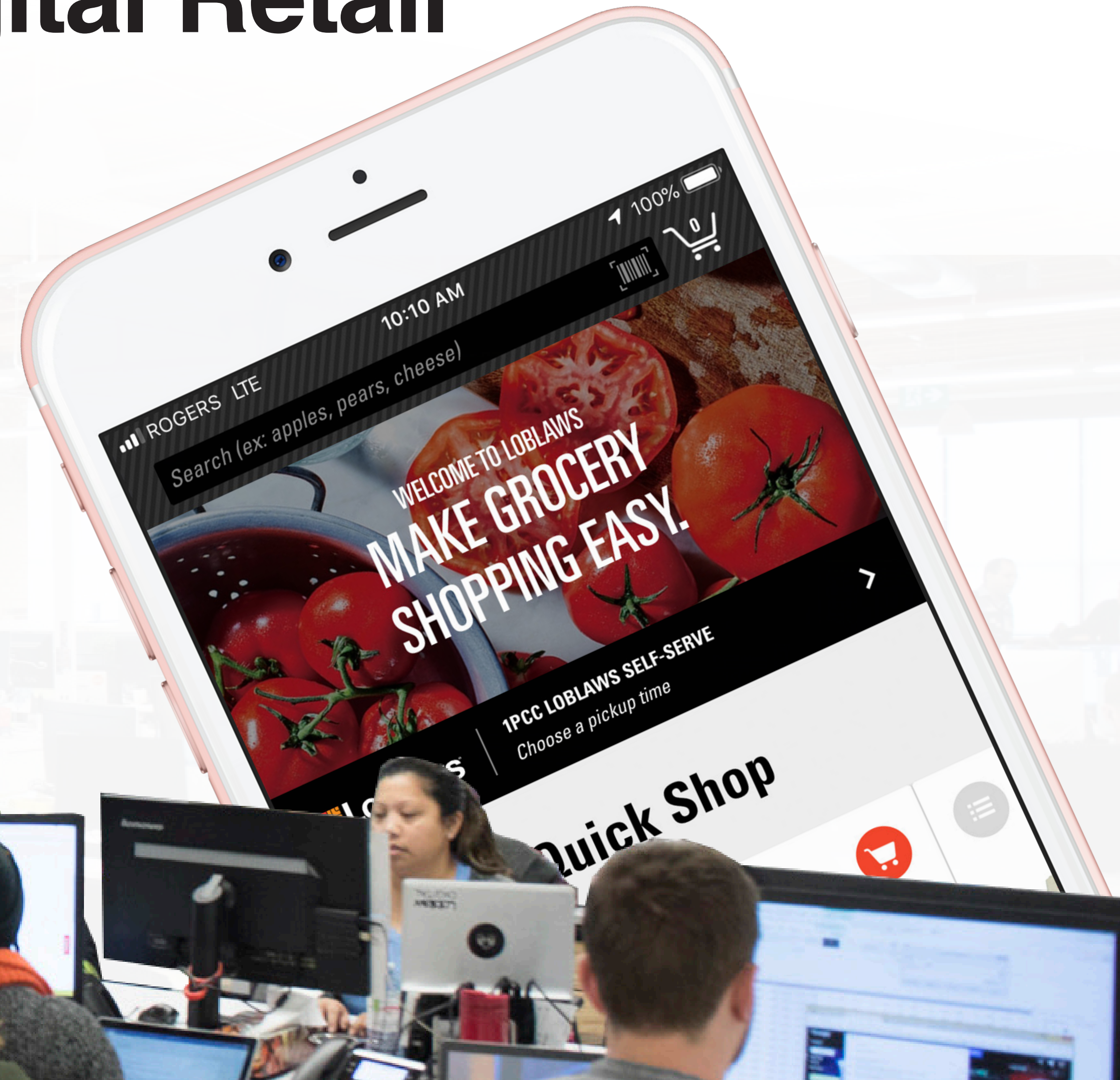
Building digital products that simplify the shopping experience both online and in store

Investing in data capabilities to deliver enhanced customer experiences and optimize processes and decision making

Providing a single view of the customer to enable personalization, digital & media optimization and unlock future value through Loblaw Media™ services

Loblaw Digital recognized as a Top 10 employer in Toronto for tech workers^[1], with more than 300 employees and growing

[1] 2019 Global Brand Health Report, Hired.com survey of technical talent.



Investing in Payments and Rewards

**Making shopping for everyday needs easier
and more rewarding**

Growing our network of over 18 million *PC Optimum* members

Launching a next generation PC Financial® digital platform to host complementary products and services

Enhancing loyalty partnership capabilities to grow customer value proposition

PC Insiders subscription – rewarding customers with extra points, no-fee online shopping, access to services, and a few surprises



Investing in Connected Healthcare brings together our unique combination of assets

**Bringing together our unique combination of assets
to provide families with better health services**

5,000 healthcare professionals serving patients across our network

600 medical clinics in our stores

Newly launched Shoppers Drug Mart digital pharmacy service allows patients to improve adherence, automatically order refills, and support loved ones through caregiver functionality

Over 14,000 healthcare providers currently using QHR's Accuro® system, Canada's single largest electronic medical records platform

Investing in digitalization and expanding value-added services

Connecting Healthcare Data and Providers to Empower Patients

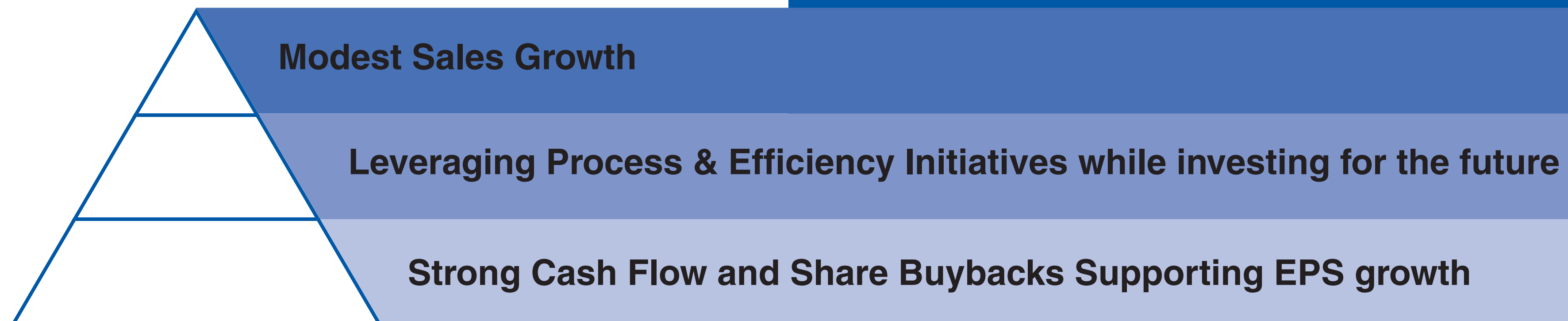
Investing in opportunities
to expand business in the
\$250B^[1] Canadian healthcare
marketplace



[1] Canadian Institute for Health Information, National Health Expenditure Database

Powerful Financial Framework

A performance driven model focused on delivering consistent shareholder value



Stable Trading Platform, delivers consistency through

- Positive Same Store Sales and
- Stable Gross Margin

Process and Efficiencies Excellence, provides operating leverage

Strong Balance Sheet and Cash Flow

- Disciplined Capital Allocation of approximately \$1 billion annually
- Annual Free Cash Flow of approximately \$1.5 billion^[1]
- Investment Grade BBB rating^[2]

Dividend growth and Share Buybacks, consistently returning capital to shareholders

- Annual Dividend increases with current yield at 1.79%^[3], a TSX “Dividend Aristocrat” ^[4]
- Share Buybacks averaging \$1 billion annually^[5]

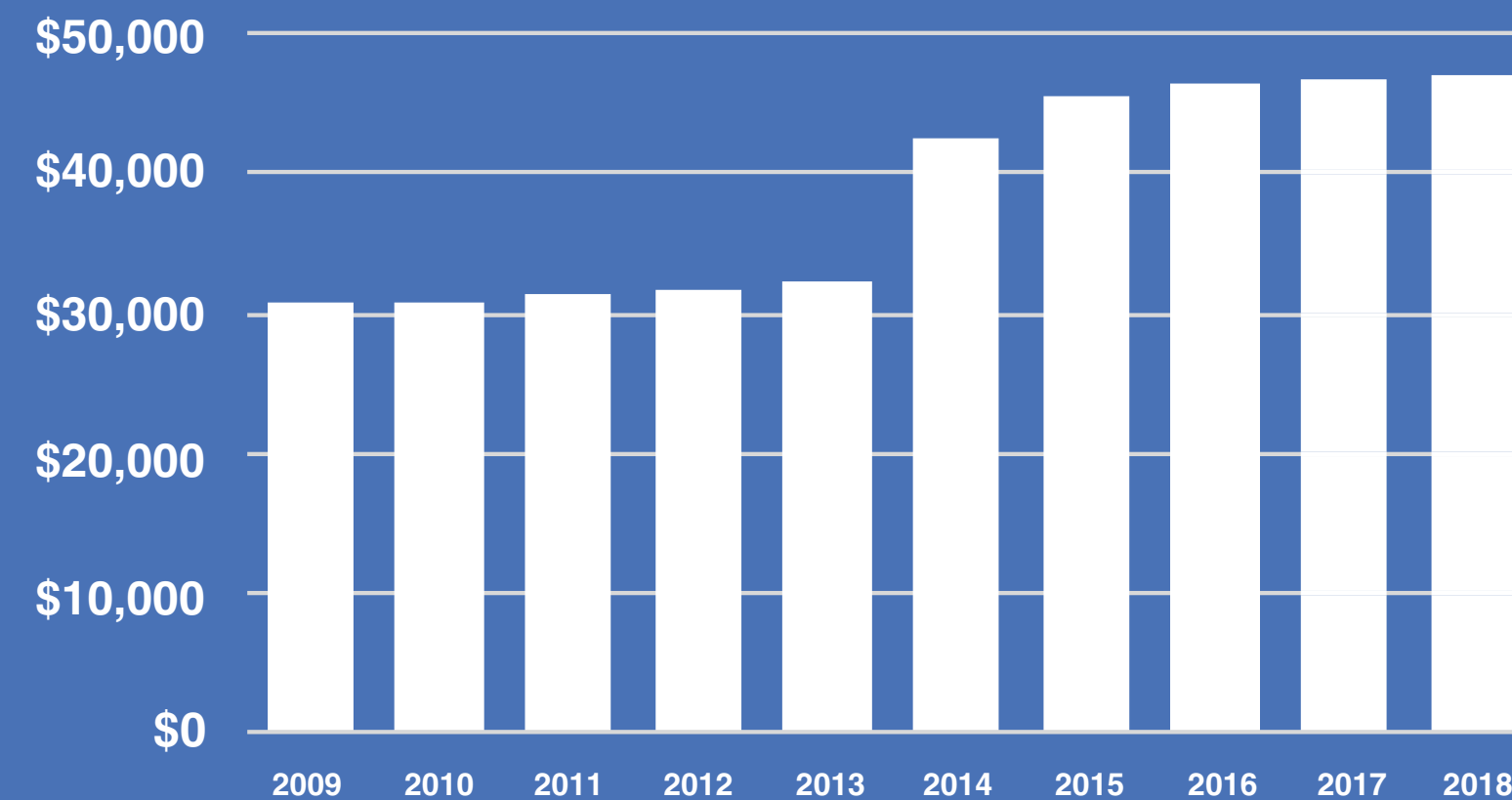
[1] 2017 FCF from Continuing Operations was \$1.65 billion; 2018 FCF from Continuing Operations was \$0.67 billion and was negatively impacted by an adjusting item and unfavourable timing of non-cash working capital.
[2] Based on S&P Global and DBRS Morningstar (October 2019)
[3] Yield based on share price as at October 31, 2019.
[4] S&P/TSX Dividend Aristocrat Index
[5] 2017: \$1.14 billion; 2018: \$1.08 billion

Operational Excellence drives a Strong Record of Financial Improvement

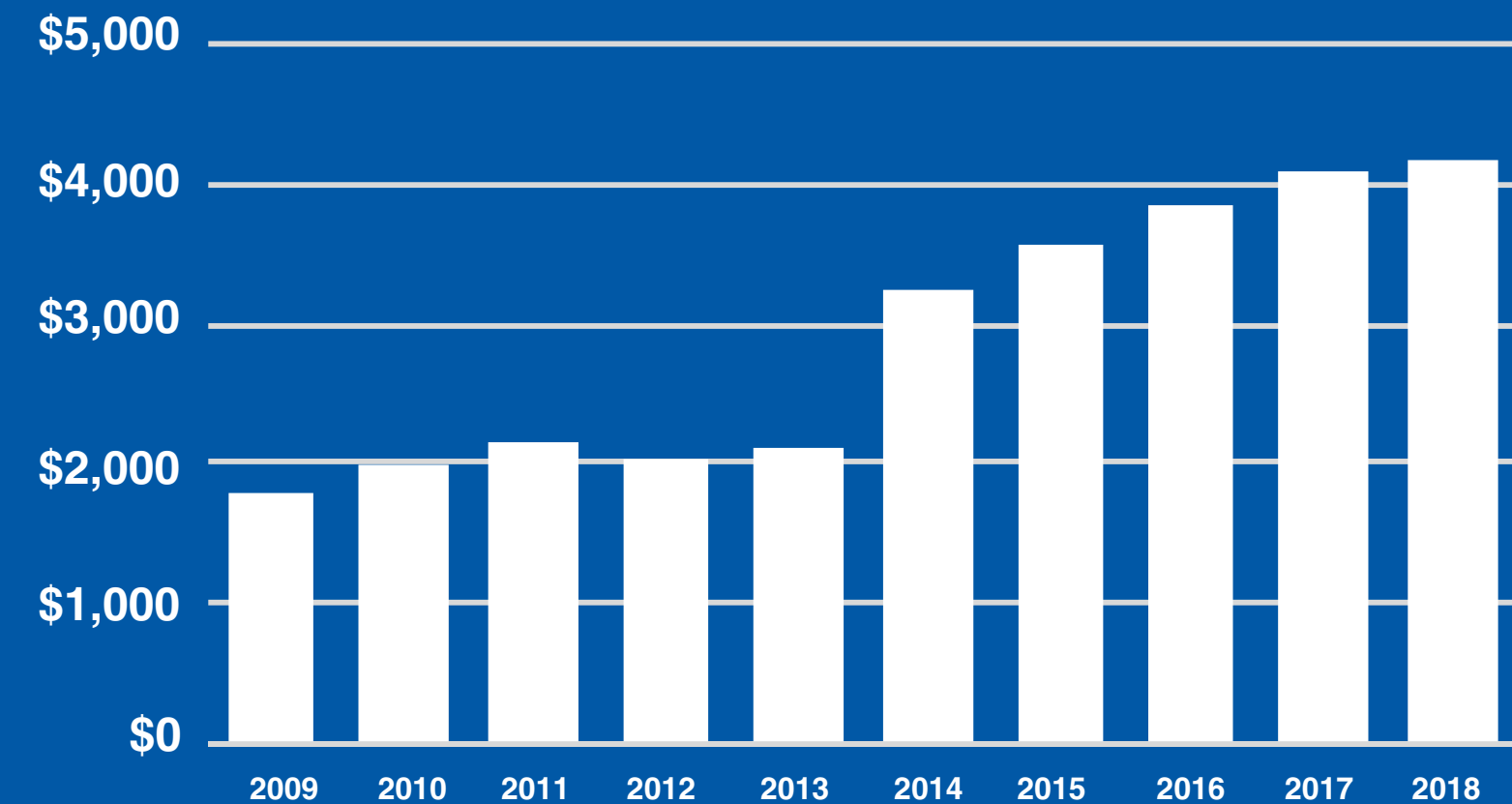
This data includes the 2014 aquisition of Shoppers Drug Mart, the 2017 divestiture of the Gas Bar business and the 2018 acquisition of CREIT and subsequent spin-out of Choice Properties.

For reconciliation to, and description of, the Company's non-GAAP financial measures and financial metrics, please refer to the section entitled "Non-GAAP Financial Measures", found in the Company's annual reports to Shareholders.

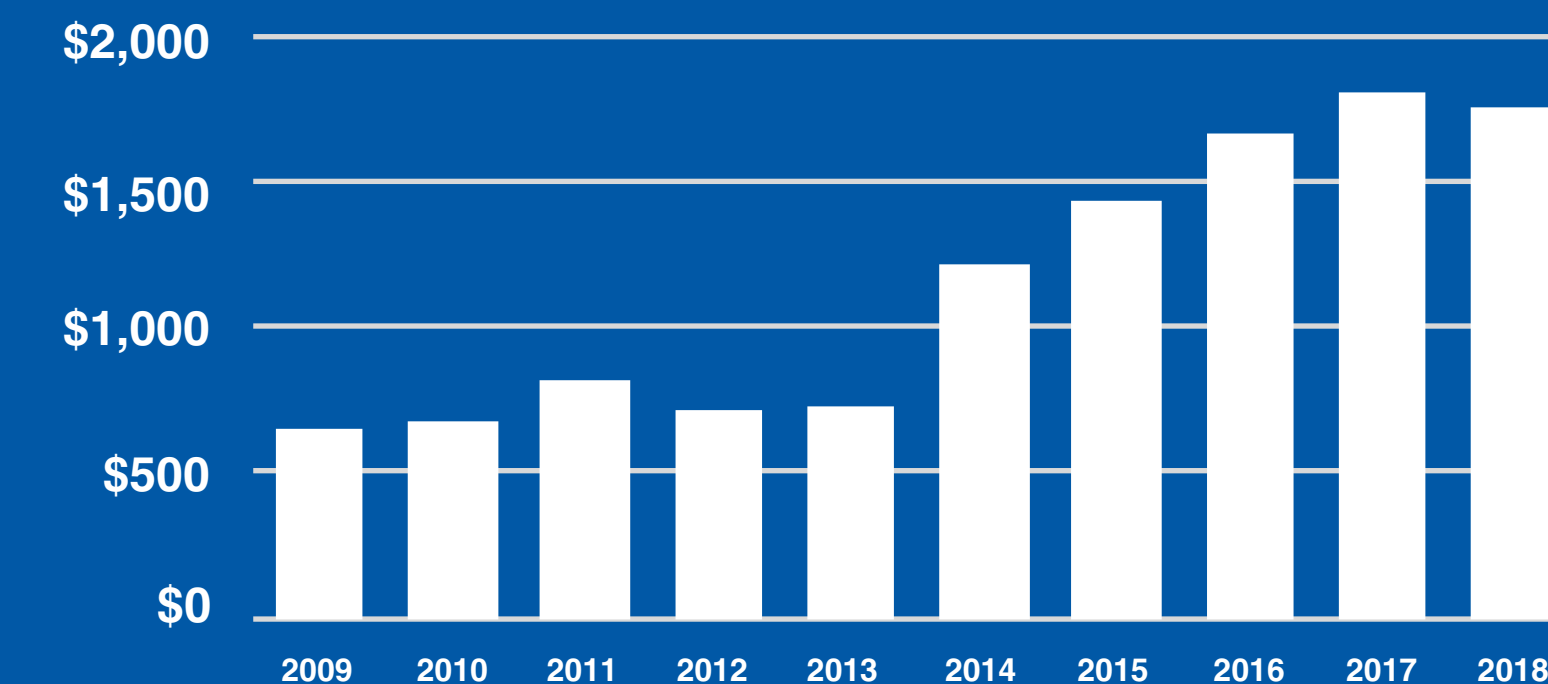
Revenue
5 Year CAGR: +2.5%



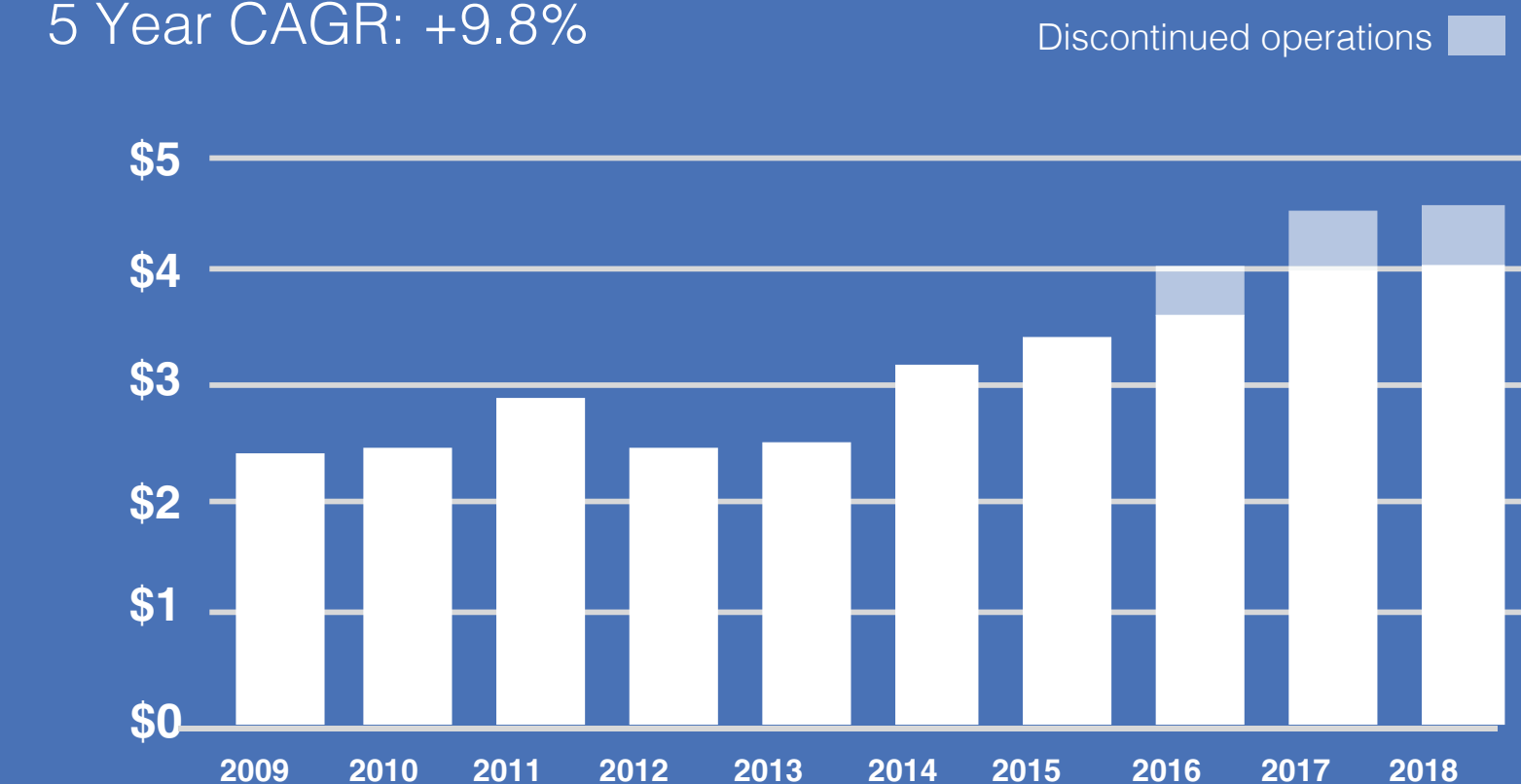
Adjusted EBITDA
5 Year CAGR: +6.7%



Adjusted Net Income
5 Year CAGR: +9.4%



Adjusted EPS
5 Year CAGR: +9.8%

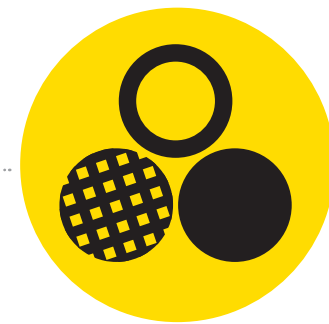


Leadership in bringing about positive change for our world

“ I believe that business has both the opportunity and responsibility to have a positive effect in the community. Growth and prosperity do not need to come at the expense of sustainability ” – Galen Weston, Executive Chairman



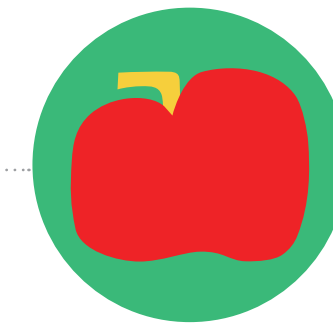
A Top 4 Leader in ESG performance^[1]



Board diversity rank #3 of TSX60^[2]



Corporate philanthropy #4 of TSX60^[3]



President's Choice Children's Charity:
Committed \$150 million to tackle
childhood hunger by feeding kids good
food and teaching kids food knowledge.

Loblaw focuses its corporate social responsibility efforts in the areas where we believe we can make the biggest difference: Protecting our **Environment**; Responsible **Sourcing**; and Making a difference in the **Communities** where we operate.

[1] "The Rise of ESG in Investment Research" – Scotiabank, November 2018

[2] "The Board Games People Play" – Financial Post Magazine, December 2018

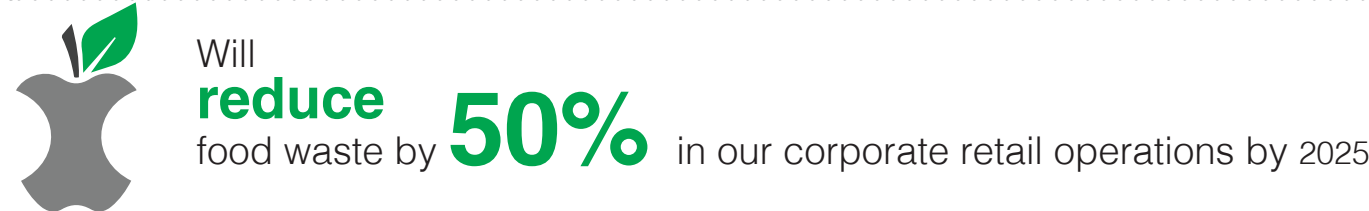
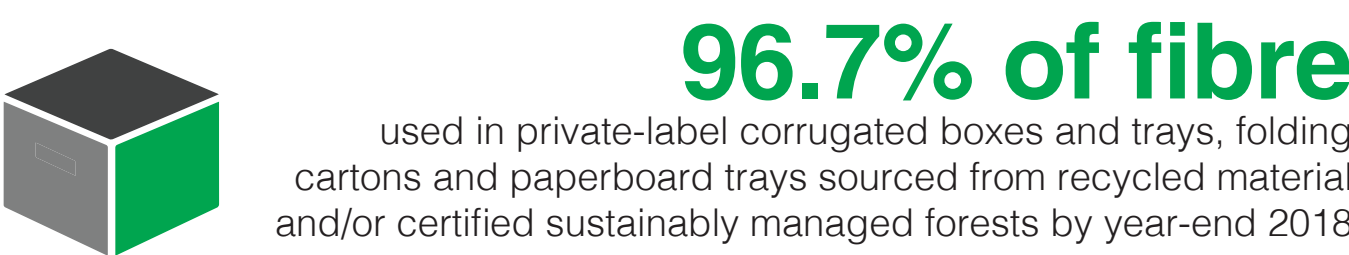
[3] \$74 million in 2017, representing 0.16% of sales

Measuring our Social Impact

Strong community businesses, making a difference locally and globally

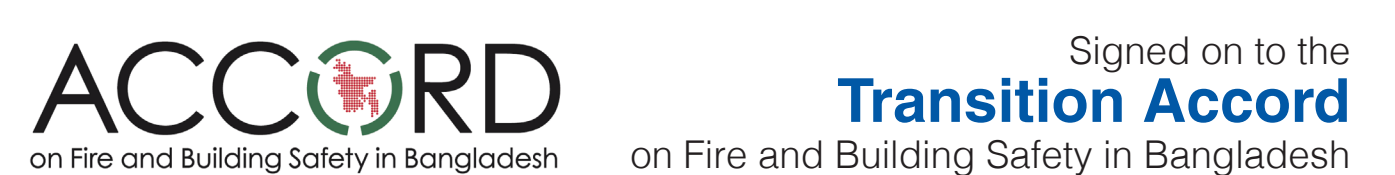
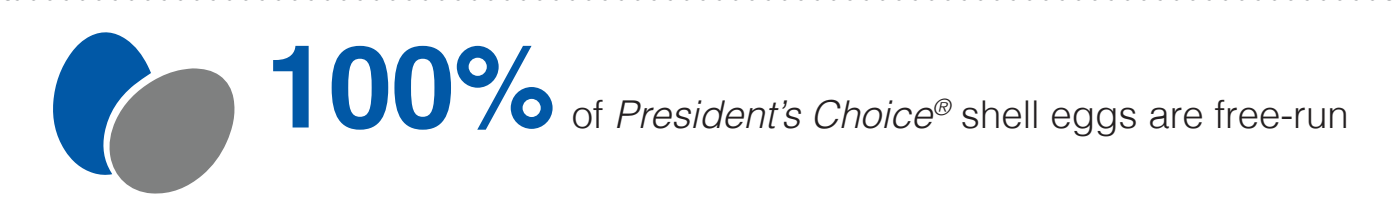
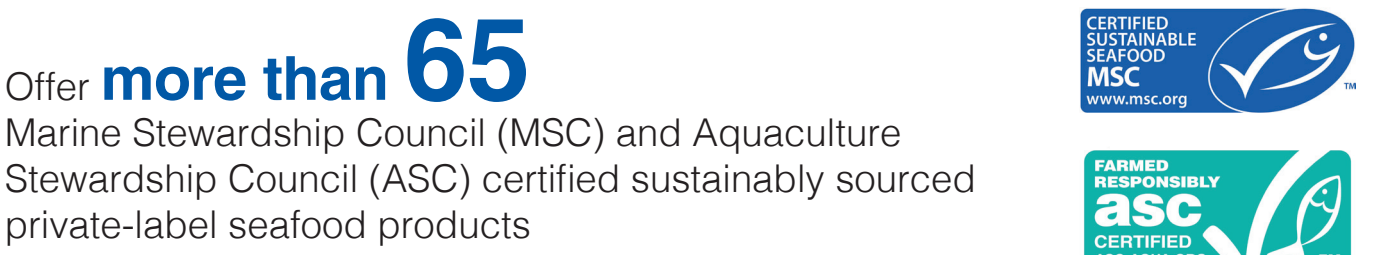
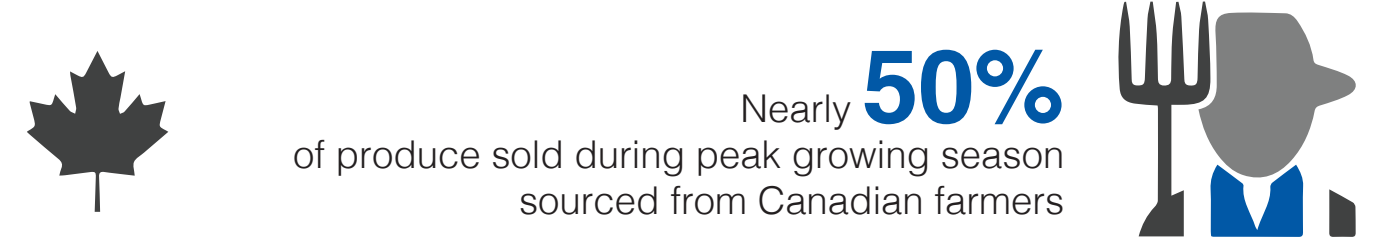
Environment

We are committed to reducing our environmental impact. With our national scale and the range of our operations, we can have a considerable effect by reducing or better managing our waste, energy consumption, transportation, refrigerants and packaging.



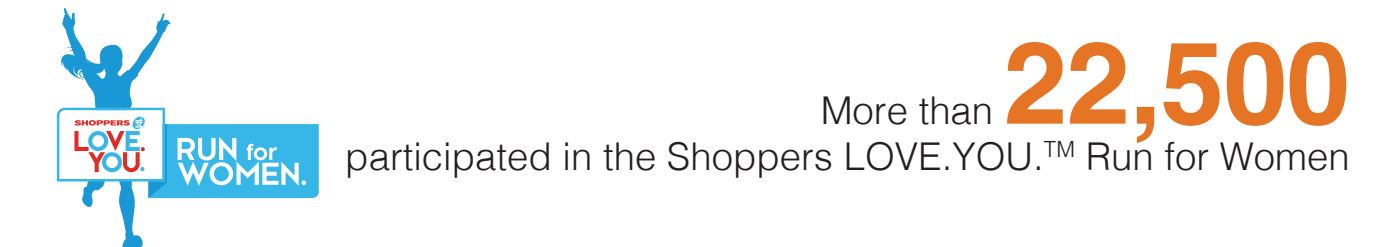
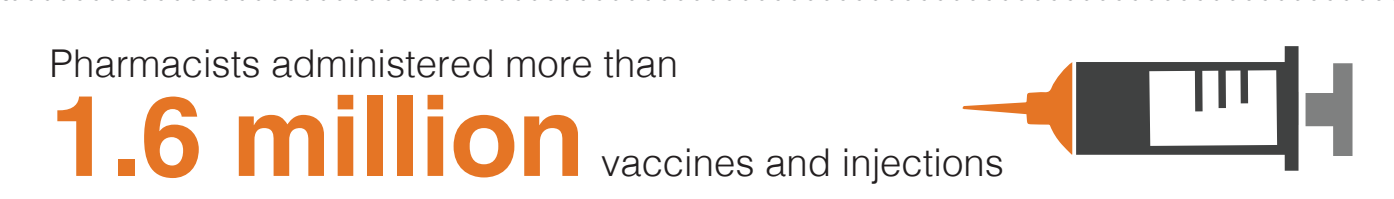
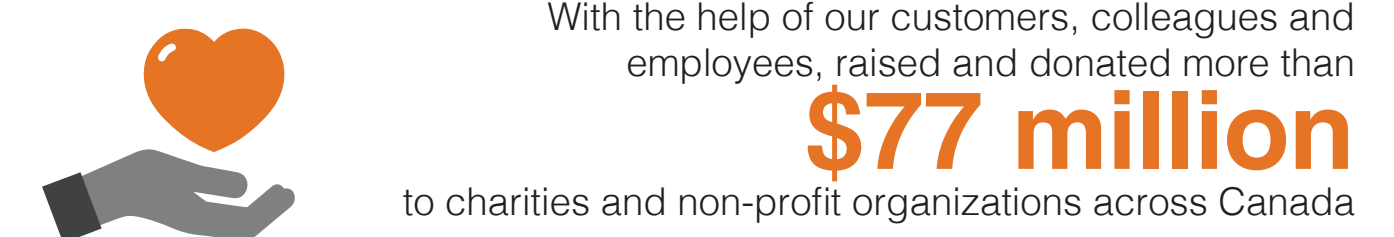
Sourcing

Our customers want the products we sell to be safe and responsibly sourced. This means upholding our values throughout our supply chain, promoting safe and sustainable products, and supporting Canadian suppliers



Community

Loblaw contributes to the well being of Canadians through the products and services offered in our stores. Our efforts centre on the promotion of health and wellness and on giving to the communities where we operate



Unless otherwise noted, all stats in the Community pillar are reflective of 2018 performance.

Appendix

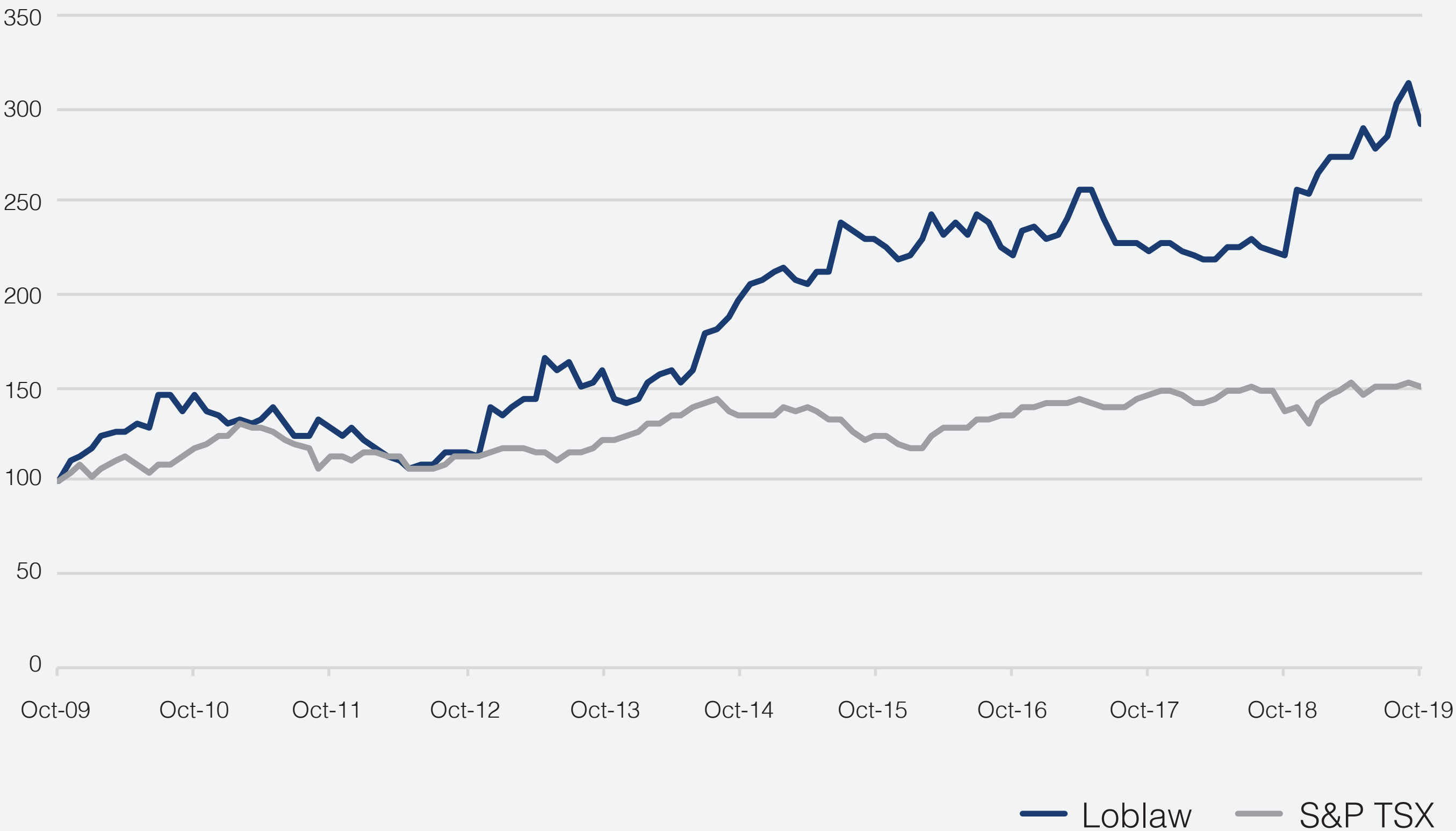
Stock Performance

Creating Shareholder Value

Total Shareholders Return ^[1]	
10 Year	↑254%
5 Year	↑61%
2019 YTD	↑16%

Share Price

Base = 100 (October 31, 2009)



Source: Bloomberg
[1] Share Price as at October 31, 2019

Operating Performance - Quarterly

Consolidated (in millions except where indicated) ^[1]	Q3-2019	Q2-2019	Q1-2019	Q4-2018	Q3-2018
Revenue	\$14,655	\$11,133	\$10,659	\$11,218	\$14,319
Revenue Growth	2.3%	2.9%	3.1%	2.1%	1.1%
Revenue Growth excluding Gas Bar ^[2]	2.3%	2.9%	3.1%	2.1%	2.0%
Same Store Sales Growth - Food ^[3]	1.0%	0.6%	2.0%	0.8%	0.9%
Same Store Sales Growth - Drug ^[3]	4.1%	4.0%	2.2%	1.9%	2.5%
Adjusted EBITDA	\$1,492	\$1,175	\$1,040	\$895	\$1,060
Adjusted EBITDA excluding the impact of IFRS 16 ^[4]	\$1,110	\$885	\$758	\$895	\$1,060
Adjusted EBITDA Margin	10.2%	10.6%	9.8%	8.0%	7.4%
Adjusted EBITDA Margin excluding the impact of IFRS 16 ^[4]	7.6%	7.9%	7.1%	8.0%	7.4%
Adjusted Net Earnings Available to Common Shareholders	\$458	\$373	\$290	\$388	\$466
Adjusted Diluted Earnings Per Common Share	\$1.25	\$1.01	\$0.78	\$1.03	\$1.24
Adjusted Diluted EPS Growth	0.8%	3.1%	-3.7%	1.0%	4.2%
Adjusted Diluted EPS Growth (excluding the impact of IFRS 16 & the increase in spinout related D&A) ^{[4] [5]}	5.6%	7.1%	3.7%	1.0%	4.2%
Free Cash Flow	\$186	\$333	\$419	(\$162)	\$447
Capital Expenditures	\$397	\$209	\$174	\$414	\$300

For reconciliation to, and description of, the Company’s non-GAAP financial measures and financial metrics, please refer to the section entitled “Non-GAAP Financial Measures”, found in the Company’s annual reports to Shareholders.

[1] Reflects Continuing Operations

[2] The divestiture of the Gas Bar operations was completed in Q3 2017.

[3] Same Store Sales Growth was normalized for the impact of holiday shift where applicable.

[4] The Company implemented IFRS 16 in Q1 2019 on a modified retrospective basis.

[5] The spinout of Choice Properties on November 1, 2018 resulted in an annual increase in depreciation and amortization of ~ \$85 million compared to 2018 (see page 10 of the 2019 Third Quarter Report for more details).

Operating Performance - Annual

Consolidated (in millions except where indicated) ^[1]	2018	2017	2016
Revenue	\$46,693	\$46,587	\$46,295
<i>Revenue Growth</i>	0.2%	0.6%	2.0%
<i>Revenue Growth excluding Gas Bar ^[2]</i>	2.1%	2.1%	2.3%
<i>Same Store Sales Growth - Food</i>	1.1%	0.6%	1.1%
<i>Same Store Sales Growth - Drug</i>	2.4%	3.0%	4.0%
Adjusted EBITDA	\$3,528	\$3,521	\$3,333
<i>Adjusted EBITDA Margin</i>	7.6%	7.6%	7.2%
<i>Adjusted EBITDA Margin excluding Gas Bar ^[2]</i>	7.6%	7.6%	7.3%
Adjusted Net Earnings Available to Common Shareholders	\$1,539	\$1,585	\$1,471
<i>Adjusted Net Earnings Growth</i>	-2.9%	7.7%	n/a
Adjusted Diluted Earnings Per Common Share	\$4.06	\$3.99	\$3.60
<i>Adjusted Diluted EPS Growth</i>	1.8%	10.8%	n/a
<i>Adjusted Diluted EPS Growth excluding Gas Bar ^[2]</i>	2.8%	12.9%	n/a
Free Cash Flow	\$670	\$1,651	\$1,821
Capital Expenditures	\$1,070	\$1,026	n/a

For reconciliation to, and description of, the Company's non-GAAP financial measures and financial metrics, please refer to the section entitled "Non-GAAP Financial Measures", found in the Company's annual reports to Shareholders.

[1] Reflects Continuing Operations [2] The divestiture of the Gas Bar operations was completed in Q3 2017.

Financial Position

(In \$ millions)	Q3-2019	2018	2017
Assets			
Current Assets			
Cash and cash equivalents	\$944	\$1,065	\$1,798
Short Term Investments	\$78	\$94	\$546
Security Deposits	-	\$800	-
Accounts receivable	\$1,071	\$1,218	\$1,188
Credit Card Receivables	\$3,263	\$3,309	3,100
Inventories	\$4,824	\$4,803	\$4,438
Income Tax Recoverable	\$4	-	-
Prepaid Expenses and Other Assets	\$149	\$304	\$224
Assets held for sale	\$123	\$44	\$33
Total Current Assets	\$10,456	\$11,637	\$11,327
Fixed Assets	\$5,372	\$5,931	\$10,669
Right-of-Use Assets	\$7,377	-	-
Equity Accounted Joint Ventures	-	-	\$19
Investment Properties	\$160	\$234	\$276
Intangible Assets	\$7,419	\$7,798	\$8,251
Goodwill	\$3,944	\$3,942	\$3,922
Deferred Income Tax Assets	\$187	\$144	\$134
Franchise Loans Receivable	\$33	\$78	\$166
Other Assets	\$515	\$389	\$383
Total Assets	\$35,463	\$30,153	\$35,147

(In \$ millions)	Q3-2019	2018	2017
Liabilities			
Current Liabilities			
Bank Indebtedness	\$152	\$56	\$110
Trade Payables and Other Liabilities	\$4,601	\$5,302	\$5,233
Loyalty Liability	\$238	\$228	\$349
Provisions	\$102	\$165	\$283
Income Tax Payable	-	\$131	\$128
Short Term Debt	\$550	\$915	\$640
Long Term Debt within one year	\$994	\$1,647	\$1,635
Lease Liabilities due within one year	\$1,306	-	-
Associate Interest	\$257	\$260	\$263
Total Current Liabilities	\$8,200	\$8,704	\$8,641
Provisions	\$99	\$152	\$169
Long Term Debt	\$6,105	\$6,379	\$9,542
Lease Liabilites	\$7,706	-	-
Trust Unit Liability	-	-	\$972
Deferred Income Tax Liabilities	\$1,578	\$1,947	\$1,989
Other Liabilities	\$463	\$793	\$700
Total Liabilities	\$24,151	\$17,975	\$22,013
Equity			
Share Capital	\$7,318	\$7,383	\$7,666
Retained Earnings	\$3,771	\$4,580	\$5,280
Contributed Surplus	\$94	\$107	\$110
Accumulated Other Comprehensive Income	\$46	\$49	\$38
Total Equity Attributable to Shareholders	\$11,229	\$12,119	\$13,094
Non-Controlling Interests	\$83	\$59	\$40
Total Equity	\$11,312	\$12,178	\$13,134
Total Liabilities and Equity	\$35,463	\$30,153	\$35,147