

## LOBLAW SHAREHOLDERS APPROVE PLAN OF ARRANGEMENT TO SPIN-OUT CHOICE PROPERTIES REIT

### EXPECTED CLOSING DATE ANNOUNCED

TORONTO, ON, October 18, 2018 – Today, Loblaw Companies Limited (TSX: L, “**Loblaw**”) and George Weston Limited (TSX: WN, “**GWL**”) announced that at a special meeting of shareholders held earlier today (the “**Meeting**”), Loblaw shareholders voted in favour of a special resolution approving a plan of arrangement under section 192 of the *Canada Business Corporations Act* (the “**Arrangement**”) pursuant to which Loblaw will spin out its 61.6% effective interest in Choice Properties Real Estate Investment Trust (TSX: CHP.UN, “**Choice Properties REIT**”).

The Arrangement required approval by: (i) 66 2/3% of the votes cast by shareholders present in person or represented by proxy at the Meeting; and (ii) a simple majority of the votes cast by the shareholders present in person or by proxy at the Meeting, excluding votes cast by such shareholders as are required to be excluded pursuant to Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”).

Of the votes cast by proxy with respect to the Arrangement, an aggregate of 324,981,525 Loblaw shares were voted in favour of the Arrangement, representing approximately 97.63% of the votes cast by proxy on the resolution. In addition, an aggregate of 131,524,817 Loblaw shares, representing approximately 94.34% of the votes cast by proxy on the resolution excluding such shareholders as are required to be excluded pursuant to MI 61-101, were voted in favour of the Arrangement.

Completion of the Arrangement remains subject to court approval as well as other customary closing conditions. The final hearing of the Ontario Superior Court of Justice (Commercial List) to approve the Arrangement is scheduled to take place on October 19, 2018 at 10:00 a.m. (Toronto time) at 330 University Avenue, Toronto, Ontario.

Loblaw and GWL also announced today receipt of the advance tax ruling from the Canada Revenue Agency ensuring the favourable tax treatment of the distribution to Loblaw, GWL and Loblaw public shareholders. Subject to receipt of the above noted court approval and assuming all other conditions to the Arrangement are satisfied or waived, Loblaw and GWL expect that the Arrangement will be completed on November 1, 2018.

Loblaw and GWL have been advised by the TSX that “due bill” trading will apply in connection with closing of the Arrangement. Assuming a closing date of November 1, 2018, regular trading will apply to the Loblaw shares up to the close of trading on October 29, 2018. Beginning at the commencement of trading on October 30, 2018 through to the close of trading on November 1, 2018, Loblaw shareholders who sell their Loblaw shares will sell their shares with the right to receive GWL shares pursuant to the Arrangement (referred to as a “due bill” entitlement). It is expected that at the commencement of trading on November 2, 2018, the Loblaw shares will resume regular trading without any “due bill” entitlement, reflecting that the spin-out of Loblaw’s interest in Choice Properties REIT has been completed. Shareholders entitled to receive GWL shares pursuant to the Arrangement are expected to receive those GWL shares within several days of closing. Investors are encouraged to consult with their investment advisors regarding the specific implications of buying or selling Loblaw shares on, before or after the expected closing date.

## **About Loblaw Companies Limited**

Loblaw is Canada's food and pharmacy leader, the nation's largest retailer, and the majority unit holder of Choice Properties. Loblaw provides Canadians with grocery, pharmacy, health and beauty, apparel, general merchandise, financial services, and wireless mobile products and services. With more than 2,400 corporate, franchised and Associate-owned locations, Loblaw, its franchisees, and Associate-owners employ approximately 200,000 full- and part-time employees, making it one of Canada's largest private sector employers.

Loblaw's purpose – Live Life Well® – puts first the needs and well-being of Canadians who make one billion transactions annually in the company's stores. Loblaw is positioned to meet and exceed those needs in many ways: convenient locations; more than 1,050 grocery stores that span the value spectrum from discount to specialty; full-service pharmacies at nearly 1,400 Shoppers Drug Mart® and Pharmaprix® locations and close to 500 Loblaw locations; PC Financial® services; affordable Joe Fresh® fashion and family apparel; and three of Canada's top consumer brands in Life Brand®, no name® and President's Choice.

## **About George Weston Limited**

GWL is a Canadian public company founded in 1882 and through its operating subsidiaries constitutes one of North America's largest food processing and distribution groups. GWL has two reportable operating segments: Weston Foods and Loblaw, which is operated by Loblaw. The Weston Foods operating segment is primarily engaged in the baking industry within North America. Loblaw is Canada's largest food distributor and a leading provider of general merchandise, drugstore and financial products and services.

## **Forward-Looking Statements**

This press release for Loblaw and GWL contains forward-looking statements about the proposed spin out of Loblaw's interest in Choice Properties REIT. 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.

This press release contains forward-looking statements concerning the expected completion date of the Arrangement and anticipated trading.

Numerous risks and uncertainties could cause Loblaw's and GWL's actual results to differ materially from the estimates, beliefs and assumptions expressed or implied in the forward-looking statements, including, but not limited to: failure to complete the spin out for any reason; the potential benefits of the spin out not being realized; adverse changes and volatility in the trading prices or value, as applicable, of the Loblaw shares or GWL shares following the spin-out; substantial tax liabilities that Loblaw and GWL may be exposed to if the tax related requirements of the spin-out are not met; the failure to obtain any required governmental, regulatory, court or other approvals and/or consents; risks associated with indemnity obligations arising under the arrangement agreement; the reduced diversity of Loblaw's business following the spin-out; the failure to accurately estimate the costs of the spin-out; and future

factors that may arise making it inadvisable to proceed with, or advisable to delay, all or part of the spin out.

Readers are cautioned that the foregoing list of factors is not exhaustive. Other risks and uncertainties not presently known to Loblaw and GWL or that Loblaw and GWL presently believe are not material could also cause actual results or events to differ materially from those expressed in its forward-looking statements. Additional information on these and other factors that could affect the operations or financial results of Loblaw or GWL are included in reports filed by Loblaw and GWL with applicable securities regulatory authorities and may be accessed through the SEDAR website ([www.sedar.com](http://www.sedar.com)).

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 Court and the TSX and there can be no assurance that 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.

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