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Condensed Consolidated Statements of Earnings

(millions of Canadian dollars except where otherwise indicated) (unaudited)	**October 7, 2023 (16 weeks)**	October 8, 2022 (16 weeks)	**October 7, 2023 (40 weeks)**	October 8, 2022 (40 weeks)
Revenue	**$ 18,265**	$ 17,388	**$ 44,998**	$ 42,497
Cost of sales	**12,534**	11,914	**30,634**	28,941
Selling, general and administrative expenses	**4,666**	4,483	**11,603**	11,085
Operating income	**$ 1,065**	$ 991	**$ 2,761**	$ 2,471
Net interest expense and other financing charges (note 3)	**234**	217	**608**	511
Earnings before income taxes	**$ 831**	$ 774	**$ 2,153**	$ 1,960
Income taxes (note 4)	**182**	199	**526**	484
Net earnings	**$ 649**	$ 575	**$ 1,627**	$ 1,476
Attributable to:				
Shareholders of the Company (note 5)	**$ 624**	$ 559	**$ 1,556**	$ 1,389
Non-controlling interests	**25**	16	**71**	87
Net earnings	**$ 649**	$ 575	**$ 1,627**	$ 1,476
Net earnings per common share ($) (note 5)				
Basic	**$ 1.97**	$ 1.71	**$ 4.86**	$ 4.22
Diluted	**$ 1.95**	$ 1.69	**$ 4.81**	$ 4.17
Weighted average common shares outstanding (millions) (note 5)				
Basic	**315.2**	325.7	**318.2**	327.3
Diluted	**318.4**	329.6	**321.6**	331.1

See accompanying notes to the unaudited interim period condensed consolidated financial statements.

Condensed Consolidated Statements of Comprehensive Income

(millions of Canadian dollars) (unaudited)	**October 7, 2023 (16 weeks)**	October 8, 2022 (16 weeks)	**October 7, 2023 (40 weeks)**	October 8, 2022 (40 weeks)
Net earnings	**$ 649**	$ 575	**$ 1,627**	$ 1,476
Other comprehensive income, net of taxes				
Items that are or may be subsequently reclassified to profit or loss:				
Foreign currency translation gains (losses)	**$ 4**	$ (1)	**$ 4**	$ 1
(Losses) gains on cash flow hedges (note 12)	**(3)**	(3)	**3**	2
Items that will not be reclassified to profit or loss:				
Net defined benefit plan actuarial (losses) gains (note 11)	**(38)**	8	**57**	(160)
Other comprehensive income, net of taxes	**$ (37)**	$ 4	**$ 64**	$ (157)
Total comprehensive income	**$ 612**	$ 579	**$ 1,691**	$ 1,319
Attributable to:				
Shareholders of the Company	**$ 587**	$ 563	**$ 1,620**	$ 1,232
Non-controlling interests	**25**	16	**71**	87
Total comprehensive income	**$ 612**	$ 579	**$ 1,691**	$ 1,319

See accompanying notes to the unaudited interim period condensed consolidated financial statements.

Condensed Consolidated Statements of Changes in Equity

(millions of Canadian dollars except where otherwise indicated) (unaudited)	Common Share Capital	Preferred Share Capital	**Total Share Capital**	**Retained Earnings**	**Contributed Surplus**	Foreign Currency Translation Adjustment	Cash Flow Hedges	Adjustment to Fair Value on Transfer of Investment Properties	**Accumulated Other Comprehensive Income**	**Non-Controlling Interests**	**Total Equity**
Balance as at December 31, 2022	$ 6,465	$ 221	**$ 6,686**	**$ 4,461**	**$ 122**	$ 41	$ (15)	$ 4	**$ 30**	**$ 157**	**$ 11,456**
Net earnings	$ —	$ —	**$ —**	**$ 1,556**	**$ —**	$ —	$ —	$ —	**$ —**	**$ 71**	**$ 1,627**
Other comprehensive income	—	—	**—**	**57**	**—**	4	3	—	**7**	**—**	**64**
Total comprehensive income	$ —	$ —	**$ —**	**$ 1,613**	**$ —**	$ 4	$ 3	$ —	**$ 7**	**$ 71**	**$ 1,691**
Common shares purchased and cancelled (note 10)	(186)	—	**(186)**	**(899)**	**—**	—	—	—	**—**	**—**	**(1,085)**
Effect of equity-based compensation (note 10)	44	—	**44**	**—**	**5**	—	—	—	**—**	**—**	**49**
Shares purchased and held in trust (note 10)	(13)	—	**(13)**	**(59)**	**—**	—	—	—	**—**	**—**	**(72)**
Shares released from trust (note 10)	11	—	**11**	**29**	**—**	—	—	—	**—**	**—**	**40**
Dividends declared per common share – $1.297 (note 10)	—	—	**—**	**(411)**	**—**	—	—	—	**—**	**—**	**(411)**
Dividends declared per preferred share – $0.99375 (note 10)	—	—	**—**	**(9)**	**—**	—	—	—	**—**	**—**	**(9)**
Net distribution to non-controlling interests	—	—	**—**	**—**	**—**	—	—	—	**—**	**(76)**	**(76)**
	$ (144)	$ —	**$ (144)**	**$ 264**	**$ 5**	$ 4	$ 3	$ —	**$ 7**	**$ (5)**	**$ 127**
Balance as at October 7, 2023	$ 6,321	$ 221	**$ 6,542**	**$4,725**	**$ 127**	$ 45	$ (12)	$ 4	**$ 37**	**$ 152**	**$11,583**

(millions of Canadian dollars except where otherwise indicated) (unaudited)	Common Share Capital	Preferred Share Capital	**Total Share Capital**	**Retained Earnings**	**Contributed Surplus**	Foreign Currency Translation Adjustment	Cash Flow Hedges	Adjustment to Fair Value on Transfer of Investment Properties	**Accumulated Other Comprehensive Income**	**Non-Controlling Interests**	**Total Equity**
Balance as at January 1, 2022	$ 6,631	$ 221	**$6,852**	**$4,591**	**$ 116**	$ 39	$ (29)	$ 4	**$ 14**	**$ 164**	**$11,737**
Net earnings	$ —	$ —	**$ —**	**$1,389**	**$ —**	$ —	$ —	$ —	**$ —**	**$ 87**	**$ 1,476**
Other comprehensive income	—	—	**—**	**(160)**	**—**	1	2	—	**3**	**—**	**(157)**
Total comprehensive income	$ —	$ —	**$ —**	**$1,229**	**$ —**	$ 1	$ 2	$ —	**$ 3**	**$ 87**	**$ 1,319**
Common shares purchased and cancelled (note 10)	(204)	—	**(204)**	**(954)**	**—**	—	—	—	**—**	**—**	**(1,158)**
Effect of equity-based compensation (note 10)	81	—	**81**	**—**	**—**	—	—	—	**—**	**—**	**81**
Shares purchased and held in trust (note 10)	(11)	—	**(11)**	**(52)**	**—**	—	—	—	**—**	**—**	**(63)**
Shares released from trust (note 10)	10	—	**10**	**24**	**—**	—	—	—	**—**	**—**	**34**
Dividends declared per common share – $1.175 (note 10)	—	—	**—**	**(386)**	**—**	—	—	—	**—**	**—**	**(386)**
Dividends declared per preferred share – $0.99375 (note 10)	—	—	**—**	**(9)**	**—**	—	—	—	**—**	**—**	**(9)**
Net distribution to non-controlling interests	—	—	**—**	**—**	**—**	—	—	—	**—**	**(72)**	**(72)**
	$ (124)	$ —	**$ (124)**	**$ (148)**	**$ —**	$ 1	$ 2	$ —	**$ 3**	**$ 15**	**$ (254)**
Balance as at October 8, 2022	$ 6,507	$ 221	**$6,728**	**$4,443**	**$ 116**	$ 40	$ (27)	$ 4	**$ 17**	**$ 179**	**$11,483**

See accompanying notes to the unaudited interim period condensed consolidated financial statements.

Condensed Consolidated Balance Sheets

(millions of Canadian dollars) (unaudited)	As at October 7, 2023	As at October 8, 2022	As at December 31, 2022
Assets			
Current assets			
Cash and cash equivalents	**$ 1,228**	$ 1,414	$ 1,608
Short term investments	**595**	294	326
Security deposits	**—**	250	—
Accounts receivable	**1,266**	1,164	1,199
Credit card receivables (note 7)	**3,946**	3,679	3,954
Inventories	**5,870**	5,763	5,855
Prepaid expenses and other assets	**372**	349	353
Assets held for sale (note 8)	**80**	101	81
Total current assets	**$ 13,357**	$ 13,014	$ 13,376
Fixed assets (note 8)	**6,116**	5,388	5,696
Right-of-use assets	**7,507**	7,455	7,409
Investment properties	**48**	53	60
Intangible assets	**6,121**	6,605	6,505
Goodwill	**4,353**	4,318	4,323
Deferred income tax assets	**120**	87	86
Other assets (note 11)	**630**	775	692
Total assets	**$ 38,252**	$ 37,695	$ 38,147
Liabilities			
Current liabilities			
Bank indebtedness	**$ 22**	$ 16	$ 8
Trade payables and other liabilities	**6,187**	5,785	6,218
Loyalty liability	**195**	236	180
Provisions	**121**	145	110
Income taxes payable	**181**	191	195
Demand deposits from customers	**147**	109	125
Short term debt (note 7)	**650**	600	700
Long term debt due within one year (note 9)	**1,274**	798	727
Lease liabilities due within one year	**1,442**	1,391	1,401
Associate interest	**408**	438	434
Total current liabilities	**$ 10,627**	$ 9,709	$ 10,098
Provisions	**110**	108	109
Long term debt (note 9)	**6,586**	6,978	7,056
Lease liabilities	**7,718**	7,678	7,714
Deferred income tax liabilities	**1,091**	1,286	1,279
Other liabilities (notes 8 and 11)	**537**	453	435
Total liabilities	**$ 26,669**	$ 26,212	$ 26,691
Equity			
Share capital (note 10)	**$ 6,542**	$ 6,728	$ 6,686
Retained earnings	**4,725**	4,443	4,461
Contributed surplus	**127**	116	122
Accumulated other comprehensive income	**37**	17	30
Total equity attributable to shareholders of the Company	**$ 11,431**	$ 11,304	$ 11,299
Non-controlling interests	**152**	179	157
Total equity	**$ 11,583**	$ 11,483	$ 11,456
Total liabilities and equity	**$ 38,252**	$ 37,695	$ 38,147

Contingent Liabilities (note 13).
See accompanying notes to the unaudited interim period condensed consolidated financial statements.

Condensed Consolidated Statements of Cash Flows

(millions of Canadian dollars) (unaudited)	**October 7, 2023 (16 weeks)**	October 8, 2022 (16 weeks)	**October 7, 2023 (40 weeks)**	October 8, 2022 (40 weeks)
Operating activities				
Net earnings	**$ 649**	$ 575	**$ 1,627**	$ 1,476
Add (deduct):				
Income taxes (note 4)	**182**	199	**526**	484
Net interest expense and other financing charges (note 3)	**234**	217	**608**	511
Depreciation and amortization	**880**	864	**2,226**	2,128
Asset impairments, net of recoveries	**1**	6	**1**	8
Change in allowance for credit card receivables (note 7)	**11**	6	**25**	(3)
Change in provisions	**(19)**	(55)	**12**	28
Change in non-cash working capital (note 6)	**317**	(51)	**(37)**	(534)
Change in gross credit card receivables (note 7)	**15**	(59)	**(17)**	(233)
Income taxes paid	**(263)**	(227)	**(774)**	(284)
Interest received	**6**	2	**16**	28
Interest received from finance leases	**1**	1	**2**	3
Other	**31**	21	**34**	(5)
Cash flows from operating activities	**$ 2,045**	$ 1,499	**$ 4,249**	$ 3,607
Investing activities				
Fixed asset purchases	**$ (563)**	$ (303)	**$ (1,117)**	$ (612)
Intangible asset additions	**(132)**	(129)	**(316)**	(308)
(Purchase) disposal of short term investments	**(64)**	(110)	**(269)**	170
Acquisition of Lifemark Health Group, net of cash acquired	**—**	—	**—**	(813)
Decrease (Increase) in security deposits (note 7)	**250**	(250)	**—**	(250)
Proceeds from disposal of assets (note 8)	**19**	30	**139**	112
Lease payments received from finance leases	**6**	6	**15**	13
Disposal (purchases) of long term securities	**76**	(73)	**76**	(110)
Other	**(23)**	(92)	**(43)**	(154)
Cash flows used in investing activities	**$ (431)**	$ (921)	**$ (1,515)**	$ (1,952)
Financing activities				
Increase (decrease) in bank indebtedness	**$ 4**	$ (7)	**$ 14**	$ (36)
(Decrease) increase in short term debt (note 7)	**—**	100	**(50)**	150
Increase in demand deposits from customers	**10**	10	**22**	34
Long term debt (note 9)				
Issued	**87**	1,323	**678**	1,514
Repayments	**(385)**	(846)	**(601)**	(946)
Interest paid	**(122)**	(94)	**(320)**	(259)
Cash rent paid on lease liabilities - Interest	**(114)**	(103)	**(281)**	(252)
Cash rent paid on lease liabilities - Principal	**(364)**	(357)	**(901)**	(840)
Dividends paid on common and preferred shares	**(287)**	(270)	**(420)**	(395)
Common share capital				
Issued	**9**	20	**39**	72
Purchased and held in trust (note 10)	**(72)**	—	**(72)**	(63)
Purchased and cancelled (note 10)	**(341)**	(402)	**(1,235)**	(1,130)
Proceeds from financial liabilities (note 8)	**—**	—	**115**	15
Other	**(17)**	(10)	**(101)**	(76)
Cash flows used in financing activities	**$ (1,592)**	$ (636)	**$ (3,113)**	$ (2,212)
Effect of foreign currency exchange rate changes on cash and cash equivalents	**$ (3)**	$ (5)	**$ (1)**	$ (5)
Increase (decrease) in cash and cash equivalents	**$ 19**	$ (63)	**$ (380)**	$ (562)
Cash and cash equivalents, beginning of period	**1,209**	1,477	**1,608**	1,976
Cash and cash equivalents, end of period	**$ 1,228**	$ 1,414	**$ 1,228**	$ 1,414

See accompanying notes to the unaudited interim period condensed consolidated financial statements.

Notes to the Unaudited Interim Period Condensed Consolidated Financial Statements

For the periods ended October 7, 2023 and October 8, 2022 (millions of Canadian dollars except where otherwise indicated)

Note 1. Nature and Description of the Reporting Entity

Loblaw Companies Limited is a Canadian public company incorporated in 1956 and is Canada's food and pharmacy leader, and the nation's largest retailer. Loblaw Companies Limited provides Canadians with grocery, pharmacy and healthcare services, health and beauty products, apparel, general merchandise, financial services, and wireless mobile products and services. Its registered office is located at 22 St. Clair Avenue East, Toronto, Canada M4T 2S5. Loblaw Companies Limited and its subsidiaries are together referred to, in these unaudited interim period condensed consolidated financial statements, as the “Company” or “Loblaw”.

The Company’s controlling shareholder is George Weston Limited (“Weston”), which owns approximately 52.6% of the Company’s outstanding common shares. The Company’s ultimate parent is Wittington Investments, Limited (“Wittington”). The remaining common shares are widely held.

The Company has two reportable operating segments: Retail and Financial Services (see note 15).

The Company’s business is affected by seasonality and timing of holidays, relative to the Company’s interim periods. Accordingly, quarterly performance is not necessarily indicative of annual performance. Historically, the Company has earned more revenue in the fourth quarter relative to the preceding quarters in the Company’s fiscal year.

Note 2. Significant Accounting Policies

The significant accounting policies and critical accounting estimates and judgments as disclosed in the Company’s 2022 audited annual consolidated financial statements have been applied consistently in the preparation of these unaudited interim period condensed consolidated financial statements. These unaudited interim period condensed consolidated financial statements are presented in Canadian dollars.

Statement of Compliance These unaudited interim period condensed consolidated financial statements are prepared in accordance with International Accounting Standard 34, “Interim Financial Reporting”, as issued by the International Accounting Standards Board. These unaudited interim period condensed consolidated financial statements should be read in conjunction with the Company’s 2022 audited annual consolidated financial statements and accompanying notes.

These unaudited interim period condensed consolidated financial statements were approved for issuance by the Company’s Board of Directors (“Board”) on November 14, 2023.

Note 3. Net Interest Expense and Other Financing Charges

The components of net interest expense and other financing charges were as follows:

(millions of Canadian dollars)	**October 7, 2023 (16 weeks)**	October 8, 2022 (16 weeks)	**October 7, 2023 (40 weeks)**	October 8, 2022 (40 weeks)
Interest expense and other financing charges				
Lease liabilities	**$ 114**	$ 103	**$ 281**	$ 252
Long term debt[i]	**95**	93	**242**	228
Borrowings related to credit card receivables	**16**	19	**60**	36
Post-employment and other long term employee benefits (note 11)	**4**	—	**11**	—
Independent funding trusts	**11**	8	**30**	15
Financial liabilities (note 8)	**4**	2	**9**	4
Bank indebtedness	**1**	—	**1**	1
	$ 245	$ 225	**$ 634**	$ 536
Interest income				
Accretion income	**$ (1)**	$ (1)	**$ (2)**	$ (3)
Short term interest income	**(10)**	(6)	**(24)**	(9)
Post-employment and other long term employee benefits (note 11)	**—**	(1)	**—**	(2)
	$ (11)	$ (8)	**$ (26)**	$ (14)
Recovery related to Glenhuron Bank Limited	**$ —**	$ —	**$ —**	$ (11)
Net interest expense and other financing charges	**$ 234**	$ 217	**$ 608**	$ 511

(i) The third quarter of 2022 includes an early repayment premium charge of $7 million related to the early redemption of an $800 million debenture bearing interest at 4.86% with an original maturity date of September 12, 2023.

Note 4. Income Taxes

Income tax expense in the third quarter of 2023 was $182 million (2022 – $199 million) and the effective tax rate was 21.9% (2022 – 25.7%). The decrease in the effective tax rate from the comparative period was primarily attributable to the adjustments to certain tax provisions. Year-to-date income tax expense was $526 million (2022 – $484 million) and the effective tax rate was 24.4% (2022 – 24.7%). The decrease to the year-to-date effective tax rate from the comparative period was primarily attributable to adjustments to certain tax provisions and the non-taxable portion of the gain from real estate dispositions during the year (see note 8), partially offset by the recovery of income taxes related to Glenhuron Bank Limited in 2022.

Note 5. Basic and Diluted Net Earnings per Common Share

(millions of Canadian dollars except where otherwise indicated)	**October 7, 2023 (16 weeks)**	October 8, 2022 (16 weeks)	**October 7, 2023 (40 weeks)**	October 8, 2022 (40 weeks)
Net earnings attributable to shareholders of the Company	**$ 624**	$ 559	**$ 1,556**	$ 1,389
Dividends on preferred shares in equity	**(3)**	(3)	**(9)**	(9)
Net earnings available to common shareholders	**$ 621**	$ 556	**$ 1,547**	$ 1,380
Weighted average common shares outstanding (in millions) (note 10)	**315.2**	325.7	**318.2**	327.3
Dilutive effect of equity-based compensation (in millions)	**2.5**	3.2	**2.7**	3.1
Dilutive effect of certain other liabilities (in millions)	**0.7**	0.7	**0.7**	0.7
Diluted weighted average common shares outstanding (in millions)	**318.4**	329.6	**321.6**	331.1
Basic net earnings per common share ($)	**$ 1.97**	$ 1.71	**$ 4.86**	$ 4.22
Diluted net earnings per common share ($)	**$ 1.95**	$ 1.69	**$ 4.81**	$ 4.17

In the third quarter of 2023 and year-to-date, 859,636 (October 8, 2022 – 39,495) and 49,863 (October 8, 2022 – 1,129,776), respectively, potentially dilutive instruments were excluded from the computation of diluted net earnings per common share as they were anti-dilutive.

Note 6. Change in Non-cash Working Capital

(millions of Canadian dollars)	**October 7, 2023 (16 weeks)**	October 8, 2022 (16 weeks)	**October 7, 2023 (40 weeks)**	October 8, 2022 (40 weeks)
Change in:				
Accounts receivable	**$ (42)**	$ (16)	**$ (105)**	$ (163)
Prepaid expenses and other assets	**(15)**	17	**(68)**	4
Inventories	**(314)**	(404)	**(15)**	(597)
Trade payables and other liabilities	**647**	387	**117**	291
Other	**41**	(35)	**34**	(69)
Change in non-cash working capital	**$ 317**	$ (51)	**$ (37)**	$ (534)

Note 7. Credit Card Receivables

The components of credit card receivables were as follows:

(millions of Canadian dollars)	**As at October 7, 2023**	As at October 8, 2022	As at December 31, 2022
Gross credit card receivables	**$ 4,177**	$ 3,881	$ 4,160
Allowance for credit card receivables	**(231)**	(202)	(206)
Credit card receivables	**$ 3,946**	$ 3,679	$ 3,954
Securitized to independent securitization trusts:			
Securitized to *Eagle Credit Card Trust®* (note 9)	**$ 1,350**	$ 1,600	$ 1,350
Securitized to Other Independent Securitization Trusts	**650**	600	700
Total securitized to independent securitization trusts	**$ 2,000**	$ 2,200	$ 2,050

The Company, through President's Choice Bank ("PC Bank"), participates in various securitization programs that provide a source of funds for the operation of its credit card business. PC Bank maintains and monitors a co-ownership interest in credit card receivables with independent securitization trusts, including *Eagle Credit Card Trust®* ("*Eagle*") and Other Independent Securitization Trusts, in accordance with its financing requirements.

The associated liability of *Eagle* is recorded in long term debt (see note 9). The associated liabilities of credit card receivables securitized to the Other Independent Securitization Trusts are recorded in short term debt.

On July 17, 2023, $250 million of senior and subordinated term notes at a weighted average interest rate of 3.10%, previously issued by *Eagle,* matured and were repaid.

As at October 7, 2023, the aggregate gross potential liability under letters of credit for the benefit of the Other Independent Securitization Trusts was $59 million (October 8, 2022 – $54 million; December 31, 2022 – $63 million), which represented 9% (October 8, 2022 – 9%; December 31, 2022 – 9%) of the securitized credit card receivables amount.

Under its securitization programs, PC Bank is required to maintain, at all times, a credit card receivable pool balance equal to a minimum of 107% of the outstanding securitized liability. PC Bank was in compliance with this requirement as at October 7, 2023 and throughout the first three quarters of 2023.

Note 8. Real Estate Dispositions

In the third quarter of 2023, the Company disposed of one property (2022 - four) included in assets held for sale for proceeds of $18 million (2022 – $30 million) and recognized a net gain of $13 million (2022 – net gain of $4 million). On a year-to-date basis, the Company disposed of four properties (2022 – ten) included in assets held for sale for proceeds of $26 million (2022 – $83 million) and recognized a net gain of $12 million (2022 – net gain of $27 million).

Year-to-date, the Company disposed of nineteen (2022 – one) real estate properties included in fixed assets for proceeds of $112 million (2022 – $13 million), all of which were subsequently leased back.

Financial Liabilities Year-to-date, there were a total of three retail properties (2022 – two) disposed of which were leased back by the Company and did not meet the criteria for sale in accordance with IFRS 15, "Revenue from Contracts with Customers". The Company received proceeds of $115 million (2022 – $15 million) year-to-date which have been recognized as financial liabilities and are presented in other liabilities (see note 14).

As at October 7, 2023, $11 million (October 8, 2022 – $4 million; December 31, 2022 – $4 million) was recorded in trade payables and other liabilities and $178 million (October 8, 2022 – $68 million; December 31, 2022 – $69 million) was recorded in other liabilities for all properties sold to date that did not meet the criteria for sale.

Note 9. Long Term Debt

The components of long term debt were as follows:

(millions of Canadian dollars)	**As at October 7, 2023**	As at October 8, 2022	As at December 31, 2022
Debentures	**$ 4,310**	$ 4,311	$ 4,311
Guaranteed investment certificates	**1,725**	1,311	1,567
Independent securitization trusts (note 7)	**1,350**	1,600	1,350
Independent funding trusts	**494**	573	574
Transaction costs and other	**(19)**	(19)	(19)
Total long term debt	**$ 7,860**	$ 7,776	$ 7,783
Long term debt due within one year	**1,274**	798	727
Long term debt	**$ 6,586**	$ 6,978	$ 7,056

Note 10. Share Capital

Common Shares (authorized – unlimited) Common shares issued are fully paid and have no par value. The activities in the common shares issued and outstanding were as follows:

	October 7, 2023 (16 weeks)		October 8, 2022 (16 weeks)		**October 7, 2023 (40 weeks)**		October 8, 2022 (40 weeks)	
(millions of Canadian dollars except where otherwise indicated)	**Number of Common Shares**	**Common Share Capital**	Number of Common Shares	Common Share Capital	**Number of Common Shares**	**Common Share Capital**	Number of Common Shares	Common Share Capital
Issued and outstanding, beginning of period	**317,079,146**	**$ 6,387**	327,698,167	$ 6,554	**324,062,608**	**$ 6,489**	333,527,369	$ 6,643
Issued for settlement of stock options	**138,973**	**10**	328,215	22	**639,811**	**44**	1,207,639	81
Purchased and cancelled	**(2,926,260)**	**(50)**	(3,429,543)	(56)	**(10,410,560)**	**(186)**	(10,138,169)	(204)
Issued and outstanding, end of period	**314,291,859**	**$ 6,347**	324,596,839	$ 6,520	**314,291,859**	**$ 6,347**	324,596,839	$ 6,520
Shares held in trust, beginning of period	**(709,488)**	**$ (14)**	(671,450)	$ (13)	**(1,222,278)**	**$ (24)**	(595,495)	$ (12)
Purchased for future settlement of RSUs and PSUs	**(625,000)**	**(13)**	—	—	**(625,000)**	**(13)**	(557,000)	(11)
Released for settlement of RSUs and PSUs	**51,387**	**1**	32,980	—	**564,177**	**11**	514,025	10
Shares held in trust, end of period	**(1,283,101)**	**$ (26)**	(638,470)	$ (13)	**(1,283,101)**	**$ (26)**	(638,470)	$ (13)
Issued and outstanding, net of shares held in trust, end of period	**313,008,758**	**$ 6,321**	323,958,369	$ 6,507	**313,008,758**	**$ 6,321**	323,958,369	$ 6,507
Weighted average outstanding, net of shares held in trust (note 5)	**315,178,099**		325,716,594		**318,243,863**		327,260,645	

The following table summarizes the Company's cash dividends declared for the periods as indicated:

	October 7, 2023[(i)] (16 weeks)	October 8, 2022 (16 weeks)	**October 7, 2023 (40 weeks)**	October 8, 2022 (40 weeks)
Dividends declared per share ($)				
Common Share	**$ 0.446**	$ 0.405	**$ 1.297**	$ 1.175
Second Preferred Share, Series B	**$ 0.33125**	$ 0.33125	**$ 0.99375**	$ 0.99375

(i) The Common Share dividends declared in the third quarter of 2023 of $0.446 per share had a payment date of October 1, 2023. The Second Preferred Shares, Series B dividends declared in the third quarter of 2023 of $0.33125 per share had a payment date of September 30, 2023.

Subsequent to the end of the third quarter of 2023, the Board declared a quarterly dividend of $0.446 per common share, payable on December 30, 2023 to shareholders of record on December 15, 2023 and a quarterly dividend of $0.33125 per share on the Second Preferred Shares, Series B payable on December 31, 2023 to shareholders of record on December 15, 2023.

Normal Course Issuer Bid Activities under the Company's Normal Course Issuer Bid ("NCIB") during the periods were as follows:

(millions of Canadian dollars except where otherwise indicated)	**October 7, 2023 (16 weeks)**	October 8, 2022 (16 weeks)	**October 7, 2023 (40 weeks)**	October 8, 2022 (40 weeks)
Common shares repurchased under the NCIB for cancellation (number of shares)[i]	**2,926,260**	3,429,543	**10,410,560**	10,138,169
Cash consideration paid	**$ 341**	$ 402	**$ 1,235**	$ 1,130
Premium charged to retained earnings[ii]	**236**	276	**899**	954
Reduction in common share capital[iii]	**50**	56	**186**	204
Common shares repurchased under the NCIB and held in trust (number of shares)	**625,000**	—	**625,000**	557,000
Cash consideration paid	**$ 72**	$ —	**$ 72**	$ 63
Premium charged to retained earnings	**59**	—	**59**	52
Reduction in common share capital	**13**	—	**13**	11

(i) Common shares repurchased and cancelled as at October 7, 2023 do not include the shares that may be repurchased subsequent to the end of the quarter under the automatic share repurchase plan, as described below.

(ii) Includes $41 million related to the automatic share purchase plan, as described below.

(iii) Includes $9 million related to the automatic share purchase plan, as described below.

In the second quarter of 2023, the Company renewed its NCIB to purchase on the Toronto Stock Exchange or through alternative trading systems up to 16,055,686 of the Company's common shares, representing approximately 5% of issued and outstanding common shares. As at October 7, 2023, the Company had purchased 6,882,394 common shares for cancellation under its current NCIB. The Company is still permitted to purchase its common shares from Weston under its NCIB, pursuant to an automatic disposition plan agreement among the Company's broker, the Company and Weston, in order for Weston to maintain its proportionate ownership interest in the Company. The maximum number of common shares that may be purchased pursuant to the NCIB will be reduced by the number of common shares purchased from Weston.

During the third quarter of 2023, 2,926,260 common shares (2022 – 3,429,543) were purchased under the NCIB program for cancellation, for aggregate consideration of $341 million (2022 – $403 million), including 1,473,813 common shares (2022 – 1,632,756) purchased from Weston, for aggregate consideration of $171 million (2022 – $191 million). On a year-to-date basis, 10,410,560 common shares (2022 – 10,138,169) were purchased under the NCIB for cancellation, for aggregate consideration of $1,235 million (2022 – $1,158 million), including 5,148,067 common shares (2022 – 4,584,521) purchased from Weston, for aggregate consideration of $609 million (2022 – $523 million).

From time to time, the Company participates in an automatic share purchase plan ("ASPP") with a broker in order to facilitate the repurchase of the Company's common shares under its NCIB. During the effective period of the ASPP, the Company's broker may purchase common shares at times when the Company would not be active in the market. As at October 7, 2023, an obligation to repurchase shares of $50 million was recognized under the ASPP in trade payables and other liabilities.

Note 11. Post-Employment and Other Long Term Employee Benefits

The net cost recognized in earnings before income taxes for the Company's post-employment and other long-term benefit plans during the periods was as follows:

(millions of Canadian dollars)	**October 7, 2023 (16 weeks)**	October 8, 2022 (16 weeks)	**October 7, 2023 (40 weeks)**	October 8, 2022 (40 weeks)
Current service cost				
Post-employment benefit costs[(i)]	**$ 46**	$ 50	**$ 116**	$ 130
Other long term employee benefit costs[(ii)]	**14**	10	**33**	18
Net interest cost (income) on net defined benefit plan obligations	**4**	(1)	**11**	(2)
Total post-employment defined benefit cost	**$ 64**	$ 59	**$ 160**	$ 146

(i) Includes costs related to the Company's defined benefit plans, defined contribution pension plans and the multi-employer pension plans in which it participates.

(ii) Includes costs related to the Company's long term disability plans.

The net actuarial (losses) gains recognized in other comprehensive income for defined benefit plans during the periods were as follows:

(millions of Canadian dollars)	**October 7, 2023 (16 weeks)**	October 8, 2022 (16 weeks)	**October 7, 2023 (40 weeks)**	October 8, 2022 (40 weeks)
(Loss) return on plan assets, excluding amounts included in net interest expense and other financing charges	**$ (75)**	$ 10	**$ 4**	$ (685)
Actuarial gains (losses) from changes in financial assumptions[(i)]	**128**	(9)	**83**	579
Change in liability arising from asset ceiling[(i)]	**(105)**	11	**(10)**	(111)
Total net actuarial (losses) gains recognized in other comprehensive income before income taxes	**$ (52)**	$ 12	**$ 77**	$ (217)
Income tax recoveries (expenses) on actuarial (losses) gains	**14**	(4)	**(20)**	57
Net actuarial (losses) gains	**$ (38)**	$ 8	**$ 57**	$ (160)

(i) In the third quarter of 2023, the actuarial gains from changes in financial assumptions and the change in liability arising from asset ceiling were primarily driven by an increase in discount rates. On a year-to-date basis, the actuarial gains from changes in financial assumptions were primarily driven by an increase in discount rates.

The assets and liabilities of the defined benefit plans and long term disability plans were as follows:

(millions of Canadian dollars)	**As at October 7, 2023**	As at October 8, 2022	As at December 31, 2022
Other assets			
Accrued benefit plan asset	**$ 83**	$ 173	$ 52
Other liabilities			
Net defined benefit plan obligation	**$ 209**	$ 257	$ 237
Other long term employee benefit obligation	**116**	110	106

Note 12. Financial Instruments

The following table presents the fair value and fair value hierarchy of financial assets and financial liabilities, excluding those classified as amortized cost that are short term in nature. The carrying values of the Company's financial instruments approximate their fair values except for long term debt.

	As at October 7, 2023				As at October 8, 2022				As at December 31, 2022			
(millions of Canadian dollars)	**Level 1**	**Level 2**	**Level 3**	**Total**	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial assets												
Fair value through other comprehensive income:												
Long term securities	**$170**	**$ —**	**$ —**	**$ 170**	$ 221	$ —	$ —	$ 221	$246	$ —	$ —	$ 246
Derivatives included in prepaid expenses and other assets	**—**	**11**	**—**	**11**	—	5	—	5	—	6	—	6
Fair value through profit and loss:												
Certain other assets[(i)]	**—**	**—**	**54**	**54**	—	—	35	35	—	—	60	60
Security deposits	**—**	**—**	**—**	**—**	250	—	—	250	—	—	—	—
Derivatives included in prepaid expenses and other assets	**—**	**4**	**—**	**4**	7	21	—	28	1	13	—	14
Financial liabilities												
Amortized cost:												
Long term debt	**$ —**	**$7,722**	**$ —**	**$7,722**	$ —	$7,763	$ —	$7,763	$ —	$7,865	$ —	$7,865
Certain other liabilities[(ii)]	**—**	**—**	**211**	**211**	—	—	73	73	—	—	78	78
Fair value through other comprehensive income:												
Derivatives included in trade payables and other liabilities	**—**	**—**	**4**	**4**	—	13	—	13	—	—	—	—
Fair value through profit and loss:												
Derivatives included in trade payables and other liabilities	**—**	**—**	**—**	**—**	—	—	7	7	—	—	3	3

(i) Certain other assets relate primarily to Venture Fund I (see note 14).

(ii) Certain other liabilities relate primarily to financial liabilities associated with properties that did not meet the criteria for sale (see note 8).

There were no transfers between levels of the fair value hierarchy during the years presented.

The Company recognized a gain of $2 million (2022 – gain of $5 million) during the third quarter of 2023, and a nominal loss (2022 – gain of $5 million) year-to-date in operating income on financial instruments designated as amortized cost. In addition, the Company recognized a net gain of $14 million (2022 – net gain of $24 million) during the third quarter of 2023, and a net loss of $2 million (2022 – net gain of $52 million) year-to-date in earnings before income taxes related to financial instruments required to be classified as fair value through profit and loss.

Securities Investments PC Bank holds investments which are considered part of the liquid securities required to be held to meet its Liquidity Coverage Ratio. These securities are classified as fair value through other comprehensive income and were included in long term securities and other assets on the consolidated balance sheets. PC Bank recorded a nominal unrealized fair value gain (2022 – unrealized fair value loss of $1 million) during the third quarter of 2023, and a nominal unrealized fair value loss (2022 – unrealized fair value loss of $2 million) year-to-date in other comprehensive income related to these investments.

Other Derivatives The Company uses bond forwards, interest rate swaps and foreign exchange forwards to mitigate the impact of increases in interest rates and manage its anticipated exposure to exchange rates on its underlying operations and anticipated fixed asset purchases. The Company also uses swaps, futures, options and forward contracts to manage its anticipated exposure to fluctuations in commodity prices and exchange rates in its underlying operations. The following is a summary of the fair values recognized in the unaudited interim period condensed consolidated balance sheets and the net realized and unrealized gains (losses) before income taxes related to the Company's other derivatives:

			October 7, 2023		
			(16 weeks)		(40 weeks)
(millions of Canadian dollars)	Net asset/ (liability) fair value	Gain/(loss) recorded in OCI	Gain/(loss) recorded in operating income	Gain/(loss) recorded in OCI	Gain/(loss) recorded in operating income
Derivatives designated as cash flow hedges					
Foreign Exchange Forwards[(i)]	$ 7	$ 1	$ —	$ (3)	$ 1
Bond Forwards[(ii)]	2	2	(2)	10	(4)
Interest Rate Swaps and Other[(iii)]	(2)	(8)	—	(2)	1
Total derivatives designated as cash flow hedges	$ 7	$ (5)	$ (2)	$ 5	$ (2)
Derivatives not designated in a formal hedging relationship					
Foreign Exchange and Other Forwards	$ 4	$ —	$ 12	$ —	$ 5
Other Non-Financial Derivatives	—	—	—	—	(3)
Total derivatives not designated in a formal hedging relationship	$ 4	$ —	$ 12	$ —	$ 2
Total derivatives	$ 11	$ (5)	$ 10	$ 5	$ —

(i) PC Bank uses foreign exchange forwards, with a notional value of $19 million USD, to manage its foreign exchange risk related to certain U.S. payables. The fair value of the derivatives is included in prepaid expenses and other assets.

(ii) PC Bank uses bond forwards, with notional value of $30 million, to manage its interest risk related to future debt issuances. The fair value of the derivatives is included in prepaid expenses and other assets. .

(iii) PC Bank uses interest rate swaps, with a notional value of $180 million, to mitigate the impact of increases in interest rate. In the second quarter of 2023, the Company entered into a 20 year arrangement to hedge energy pricing on its purchases in Alberta beginning on January 1, 2025. The hedge has a notional value of $223 million and resulted in a fair value loss of $9 million in the third quarter of 2023 and a $5 million fair value loss year-to-date, which has been recorded in other comprehensive income. The fair values of the derivatives are included in both prepaid expenses and other assets and trade payables and other liabilities.

(millions of Canadian dollars)	Net asset/ (liability) fair value	Gain/(loss) recorded in OCI	(16 weeks) Gain/(loss) recorded in operating income	October 8, 2022 (40 weeks) Gain/(loss) recorded in OCI	Gain/(loss) recorded in operating income
Derivatives designated as cash flow hedges					
Foreign Exchange Forwards[(i)]	$ (10)	$ 9	$ 1	$ 1	$ 1
Bond Forwards[(ii)]	—	1	(1)	17	(4)
Interest Rate Swaps[(iii)]	2	(1)	2	1	2
Total derivatives designated as cash flow hedges	$ (8)	$ 9	$ 2	$ 19	$ (1)
Derivatives not designated in a formal hedging relationship					
Foreign Exchange and Other Forwards	$ 21	$ —	$ 22	$ —	$ 37
Other Non-Financial Derivatives	7	—	5	—	20
Total derivatives not designated in a formal hedging relationship	$ 28	$ —	$ 27	$ —	$ 57
Total derivatives	$ 20	$ 9	$ 29	$ 19	$ 56

(i) PC Bank uses foreign exchange forwards, with a notional value of $30 million USD, to manage its foreign exchange risk related to certain U.S. payables. The fair value of the derivatives is included in trade payables and other liabilities.

(ii) PC Bank settled $140 million of bond forwards in the third quarter of 2022 (see note 7). The purpose of the bond forward was to hedge the interest rate risk for the $250 million *Eagle* notes issued in the third quarter of 2022. The Company has concluded that the hedge was effective as at the settlement date which resulted in a $8 million fair value gain being reclassified to net earnings over the life of the *Eagle* notes

(iii) PC Bank uses interest rate swaps, with notional value of $225 million to mitigate the impact of increases in interest rate. The fair value of the derivatives is included in prepaid expenses and other assets.

Note 13. Contingent Liabilities

In the ordinary course of business, the Company is involved in and potentially subject to, legal actions and proceedings. In addition, the Company is subject to tax audits from various tax authorities on an ongoing basis. As a result, from time to time, tax authorities may disagree with the positions and conclusions taken by the Company in its tax filings or legislation could be amended or interpretations of current legislation could change, any of which events could lead to reassessments.

There are a number of uncertainties involved in such matters, individually or in aggregate, and as such, there is a possibility that the ultimate resolution of these matters may result in a material adverse effect on the Company's reputation, operations, financial condition or performance in future periods. It is not currently possible to predict the outcome of the Company's legal actions and proceedings with certainty. Management regularly assesses its position on the adequacy of accruals or provisions related to such matters and will make any necessary adjustments.

The following is a description of the Company's significant legal proceedings:

Shoppers Drug Mart was previously served with an Amended Statement of Claim in a class action proceeding that has been filed in the Ontario Superior Court of Justice ("Superior Court") by two Shoppers Drug Mart licensees ("Associates"), claiming various declarations and damages resulting from Shoppers Drug Mart's alleged breaches of the Associate Agreement. The class action comprises all of Shoppers Drug Mart's current and former licensed Associates residing in Canada, other than in Québec, who were parties to Shoppers Drug Mart's 2002 and 2010 forms of the Associate Agreement. On July 9, 2013, the Superior Court certified as a class proceeding portions of the action. A summary judgment trial of the matter was held in December 2022 and on February 17, 2023, the Superior Court released its decision in relation to those summary judgment motions (the "Decision"). The Superior Court dismissed the plaintiffs' claims on the majority of the issues including a request for damages at this stage of proceedings. The Court also held that Shoppers Drug Mart breached the 2002 form of Associate Agreement when it did not remit certain amounts that it received from generic drug manufacturers to Associates. On March 20, 2023, the plaintiffs filed a Notice of Appeal and on April 4, 2023, the Company filed a Notice of Cross-Appeal. A hearing for the appeals has been scheduled for February 2024. Accordingly, the Company has not recorded any amounts related to the potential liability associated with this lawsuit. The Company does not believe that the ultimate resolution of this matter will have a material adverse impact on its financial condition or prospects.

In 2017, the Company and Weston announced actions taken to address their role in an industry-wide price-fixing arrangement involving certain packaged bread products. The arrangement involved the coordination of retail and wholesale prices of certain packaged bread products over a period extending from late 2001 to March 2015. Under the arrangement, the participants regularly increased prices on a coordinated basis. Class action lawsuits have been commenced against the Company and Weston as well as a number of other major grocery retailers and another bread wholesaler. It is too early to predict the outcome of such legal proceedings. Neither the Company nor Weston believes that the ultimate resolution of such legal proceedings will have a material adverse impact on its financial condition or prospects. The Company's cash balances far exceed any realistic damages scenario and therefore it does not anticipate any impacts on its dividend, dividend policy or share buyback plan. The Company has not recorded any amounts related to the potential civil liability associated with the class action lawsuits in 2023 or prior on the basis that a reliable estimate of the liability cannot be determined at this time. The Company will continue to assess whether a provision for civil liability associated with the class action lawsuits can be reliably estimated and will record an amount in the period at the earlier of when a reliable estimate of liability can be determined or the matter is ultimately resolved. As a result of admission of participation in the arrangement and cooperation in the Competition Bureau's investigation, the Company and Weston will not face criminal charges or penalties. In response to such class action lawsuits, certain major grocery retailers have crossclaimed against the Company and Weston, and the Company and Weston believe such crossclaims are without merit.

In August 2018, the Province of British Columbia filed a class action against numerous opioid manufacturers and distributors, including the Company and its subsidiaries, Shoppers Drug Mart Inc. and Sanis Health Inc. The claim contains allegations of breach of the Competition Act, fraudulent misrepresentation and deceit and negligence, and seeks unquantified damages for the expenses incurred by the federal government, provinces, and territories of Canada in paying for opioid prescriptions and other healthcare costs related to opioid addiction and abuse in Canada. During the second quarter of 2021, the claim against Loblaw Companies Limited was discontinued. In May 2019, two further opioid-related class actions were commenced in each of Ontario and Quebec against a large group of defendants, including Sanis Health Inc. In February 2022, the plaintiff and Sanis Health Inc. agreed to settle the Quebec action for a nominal amount, with no admission of liability and for the express purpose of avoiding the delays, disruption, and expenses associated with the litigation. The settlement has been approved by the court and is now final. In December 2019, a further opioid-related class action was commenced in British Columbia against a large group of defendants, including Sanis Health Inc., Shoppers Drug Mart Inc. and the Company. The allegations in the Ontario, Quebec, and the civil British Columbia class actions are similar to the allegations against manufacturer defendants in the Province of British Columbia class action, except that these May 2019 and December 2019 claims seek recovery of damages on behalf of opioid users directly. In April 2021, the Company, Shoppers Drug Mart Inc. and Sanis Health Inc. were served with another opioid-related class action that was started in Alberta against multiple defendants. The claim seeks damages on behalf of municipalities and local governments in relation to public safety, social service, and criminal justice costs allegedly incurred due to the opioid crisis. In September 2021, the Company, Shoppers Drug Mart Inc. and Sanis Health Inc. were served with a class action started in Saskatchewan by Peter Ballantyne Cree Nation and Lac La Ronge Indian Band on behalf of all Indigenous, Metis, First Nation and Inuit communities and governments in Canada to recover costs they have incurred as a result of the opioid crisis, including healthcare costs, policing costs and societal costs. The Company believes these proceedings are without merit and is vigorously defending them. The Company does not currently have any significant accruals or provisions for these matters recorded in the unaudited interim period condensed consolidated financial statements.

In July 2022, the Tax Court of Canada released a decision relating to PC Bank, a subsidiary of the Company. The Tax Court of Canada ruled that PC Bank is not entitled to claim notional input tax credits for certain payments it made to Loblaws Inc. in respect of redemptions of loyalty points. On September 29th, 2022, PC Bank filed a Notice of Appeal with the Federal Court of Appeal and in the first half of 2023 both PC Bank and the Crown submitted their respective facta for the appeal. Although the Company believes in the merits of its position, the Company recorded a charge of $111 million, inclusive of interest, in the second quarter of 2022. The Company believes that this provision is sufficient to cover its liability, if the appeal is ultimately unsuccessful.

Indemnification Provisions The Company from time to time enters into agreements in the normal course of its business, such as service and outsourcing arrangements, lease agreements in connection with business or asset acquisitions or dispositions, and other types of commercial agreements. These agreements by their nature may provide for indemnification of counterparties. These indemnification provisions may be in connection with breaches of representations and warranties or in respect of future claims for certain liabilities, including liabilities related to tax and environmental matters. The terms of these indemnification provisions vary in duration and may extend for an unlimited period of time. In addition, the terms of these indemnification provisions vary in amount and certain indemnification provisions do not provide for a maximum potential indemnification amount. Indemnity amounts are dependent on the outcome of future contingent events, the nature and likelihood of which cannot be determined at this time. As a result, the Company is unable to reasonably estimate its total maximum potential liability in respect of indemnification provisions. Historically, the Company has not made any significant payments in connection with these indemnification provisions.

Note 14. Related Party Transactions

Venture Funds During 2020, Loblaw, Weston and a wholly owned subsidiary of Wittington became limited partners in a limited partnership formed by Wittington ("Venture Fund I"). A wholly owned subsidiary of Wittington is the general partner of Venture Fund I, which hired an external fund manager to oversee it. The purpose of Venture Fund I is to pursue venture capital investing in innovative businesses that are in technology-oriented companies at all stages of the start-up life cycle that operate in commerce, healthcare, and food sectors and are based in North America. Each of the three limited partners have a 33% interest in Venture Fund I. The Company has a total capital commitment of $33 million over a 10-year period.

During the third quarter of 2022, Loblaw became a limited partner in another limited partnership formed by Wittington ("Venture Fund II"). A wholly owned subsidiary of Wittington is also the general partner of Venture Fund II, and the general purpose of Venture Fund II is consistent with Venture Fund I. The Company has a 50% interest in Venture Fund II and has a total capital commitment of $60 million over a 10-year period.

Sale and Leaseback During the first quarter of 2023, the Company sold a property to Choice Properties Real Estate Investment Trust ("Choice Properties") for proceeds of $12 million and recognized a gain of $3 million. The property was leased back by the Company.

Financial Liabilities On a year-to-date basis, the Company disposed of two (2022 – two) retail properties to Choice Properties for total proceeds of $86 million (2022 – $15 million). These properties were leased back by the Company and did not meet the criteria for sale in accordance with IFRS 15, "Revenue from Contracts with Customers" as the Company did not relinquish control of the properties under the terms of the leases (see note 8).

Note 15. Segment Information

The Company has two reportable operating segments, with all material operations carried out in Canada:

- The Retail segment consists primarily of corporate and franchise-owned retail food and Associate-owned drug stores, which includes in-store pharmacies, health care services and other health and beauty products, apparel and other general merchandise. This segment is comprised of several operating segments that are aggregated primarily due to similarities in the nature of products and services offered for sale in the retail operations and the customer base; and
- The Financial Services segment provides credit card and everyday banking services, the PC Optimum™ Program, insurance brokerage services, and telecommunication services.

The Company's chief operating decision maker evaluates segment performance on the basis of adjusted operating income before depreciation and amortization ("adjusted EBITDA"), as reported to internal management, on a periodic basis.

Information for each reportable operating segment is included below:

	October 7, 2023 (16 weeks)					October 8, 2022 (16 weeks)				
(millions of Canadian dollars)	**Retail**	**Financial Services**	**Total Segment Measure**	**Elimi-nations[i]**	**Total**	Retail	Financial Services	Total Segment Measure	Elimi-nations[i]	Total
Revenue[ii]	**$ 17,982**	**$ 379**	**$ 18,361**	**$ (96)**	**$ 18,265**	$ 17,130	$ 350	$ 17,480	$ (92)	$ 17,388
Operating income	$ 1,006	$ 59	$ 1,065	$ —	$ 1,065	$ 949	$ 42	$ 991	$ —	$ 991
Net interest expense and other financing charges	197	37	234	—	234	194	23	217	—	217
Earnings before income taxes	**$ 809**	**$ 22**	**$ 831**	**$ —**	**$ 831**	$ 755	$ 19	$ 774	$ —	$ 774
Operating income	**$ 1,006**	**$ 59**	**$ 1,065**	**$ —**	**$ 1,065**	$ 949	$ 42	$ 991	$ —	$ 991
Depreciation and amortization	**865**	**15**	**880**			851	13	864		
Adjusting items[iii]	**(19)**	**—**	**(19)**			(9)	—	(9)		
Adjusted EBITDA[iii]	**$ 1,852**	**$ 74**	**$ 1,926**			$ 1,791	$ 55	$ 1,846		

(i) Eliminations include intercompany revenue related to PC® Mastercard® loyalty awards in the Financial Services segment.

(ii) Included in Financial Services revenue is $164 million (2022 – $136 million) of interest income.

(iii) Certain items are excluded from operating income to derive adjusted EBITDA.

	2023 (16 weeks)			2022 (16 weeks)		
For the periods ended October 7, 2023 and October 8, 2022 (millions of Canadian dollars)	**Retail**	**Financial Services**	**Total Segment Measure**	Retail	Financial Services	Total Segment Measure
Fair value adjustment on fuel and foreign currency contracts	**$ (6)**	**$ —**	**$ (6)**	$ (6)	$ —	$ (6)
Gain on sale of non-operating properties	**(13)**	**—**	**(13)**	(3)	—	(3)
Adjusting items	**$ (19)**	**$ —**	**$ (19)**	$ (9)	$ —	$ (9)

(millions of Canadian dollars)	October 7, 2023 (40 weeks) Retail	Financial Services	Total Segment Measure	Elimi-nations[i]	Total	October 8, 2022 (40 weeks) Retail	Financial Services	Total Segment Measure	Elimi-nations[i]	Total
Revenue[ii]	**$44,188**	**$1,053**	**$45,241**	**$ (243)**	**$44,998**	$ 41,798	$ 921	$ 42,719	$ (222)	$42,497
Operating income	$ 2,657	$ 104	$ 2,761	$ —	$ 2,761	$ 2,450	$ 21	$ 2,471	$ —	$ 2,471
Net interest expense and other financing charges	504	104	608	—	608	455	56	511	—	511
Earnings (Losses) before income taxes	**$ 2,153**	**$ —**	**$ 2,153**	**$ —**	**$ 2,153**	$ 1,995	$ (35)	$ 1,960	$ —	$ 1,960
Operating income	**$ 2,657**	**$ 104**	**$ 2,761**	**$ —**	**$ 2,761**	$ 2,450	$ 21	$ 2,471	$ —	$ 2,471
Depreciation and amortization	**2,182**	**44**	**2,226**			2,093	35	2,128		
Adjusting items[iii]	**(10)**	**37**	**27**			(22)	111	89		
Adjusted EBITDA[iii]	**$ 4,829**	**$ 185**	**$ 5,014**			$ 4,521	$ 167	$ 4,688		

(i) Eliminations include intercompany revenue related to PC® Mastercard® loyalty awards in the Financial Services segment.

(ii) Included in Financial Services revenue is $467 million (2022 – $371 million) of interest income.

(iii) Certain items are excluded from operating income to derive adjusted EBITDA.

For the periods ended October 7, 2023 and October 8, 2022 (millions of Canadian dollars)	2023 (40 weeks) Retail	Financial Services	Total Segment Measure	2022 (40 weeks) Retail	Financial Services	Total Segment Measure
Fair value adjustment on fuel and foreign currency contracts	**$ 2**	**$ —**	**$ 2**	$ (16)	$ —	$ (16)
Charges related to PC Bank commodity tax matters	**—**	**37**	**37**	—	111	111
Lifemark Health Group transaction costs	**—**	**—**	**—**	16	—	16
Restructuring and other related recoveries	**—**	**—**	**—**	(15)	—	(15)
Gain on sale of non-operating properties	**(12)**	**—**	**(12)**	(7)	—	(7)
Adjusting items	**$ (10)**	**$ 37**	**$ 27**	$ (22)	$ 111	$ 89

The Company's revenue, by type of goods or services, is reconciled to the Company's segment revenue:

(millions of Canadian dollars)	**October 7, 2023 (16 weeks)**	October 8, 2022 (16 weeks)	**October 7, 2023 (40 weeks)**	October 8, 2022 (40 weeks)
Food retail	**$ 12,843**	$ 12,221	**$ 31,414**	$ 29,884
Drug retail				
Pharmacy	**$ 2,635**	$ 2,466	**$ 6,543**	$ 6,003
Front store	**2,504**	2,443	**6,231**	5,911
	$ 5,139	$ 4,909	**$ 12,774**	$ 11,914
Retail total	**$ 17,982**	$ 17,130	**$ 44,188**	$ 41,798
Financial Services	**379**	350	**1,053**	921
Eliminations[(i)]	**(96)**	(92)	**(243)**	(222)
Total	**$ 18,265**	$ 17,388	**$ 44,998**	$ 42,497

(i) Eliminations includes the reclassification of revenue related to PC® Mastercard® loyalty awards in the Financial Services segment.

(millions of Canadian dollars)	**As at October 7, 2023**	As at October 8, 2022	As at December 31, 2022
Total assets			
Retail	**$ 32,446**	$ 32,254	$ 32,505
Financial Services	**5,806**	5,441	5,642
	$ 38,252	$ 37,695	$ 38,147

(millions of Canadian dollars)	**October 7, 2023 (16 weeks)**	October 8, 2022 (16 weeks)	**October 7, 2023 (40 weeks)**	October 8, 2022 (40 weeks)
Additions to fixed assets and intangible assets				
Retail	**$ 681**	$ 423	**$ 1,403**	$ 898
Financial Services	**14**	9	**30**	22
	$ 695	$ 432	**$ 1,433**	$ 920