

Management's Discussion and Analysis

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Management's Discussion and Analysis

The following Management's Discussion and Analysis ("MD&A") for George Weston Limited ("GWL" or the "Company") should be read in conjunction with the Company's third quarter 2023 unaudited interim period condensed consolidated financial statements and the accompanying notes of this Quarterly Report, the audited annual consolidated financial statements and the accompanying notes for the year ended December 31, 2022 and the related annual MD&A included in the Company's 2022 Annual Report.

The Company's third quarter 2023 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 ("IASB"). These unaudited interim period condensed consolidated financial statements include the accounts of the Company and other entities that the Company controls and are reported in Canadian dollars, except where otherwise noted.

Under International Financial Reporting Standards ("IFRS" or "GAAP"), certain expenses and income must be recognized that are not necessarily reflective of the Company's underlying operating performance. Non-GAAP financial measures exclude the impact of certain items and are used internally when analyzing consolidated and segment underlying operating performance. These non-GAAP financial measures are also helpful in assessing underlying operating performance on a consistent basis. See Section 8, "Non-GAAP and Other Financial Measures", of this MD&A for more information on the Company's non-GAAP financial measures.

The Company operates through its two reportable operating segments, Loblaw Companies Limited ("Loblaw") and Choice Properties Real Estate Investment Trust ("Choice Properties"). Other and Intersegment includes eliminations, intersegment adjustments related to the consolidation and cash and short-term investments held by the Company. All other company level activities that are not allocated to the reportable operating segments, such as net interest expense, corporate activities and administrative costs are included in Other and Intersegment. Loblaw has two reportable operating segments, retail and financial services. Loblaw's retail segment consists primarily of food retail and drug retail. Loblaw provides Canadians with grocery, pharmacy and healthcare services, health and beauty products, apparel, general merchandise and financial services. Choice Properties owns, manages and develops a high-quality portfolio of commercial and residential properties across Canada. See note 16, "Segment Information" of the Company's third quarter 2023 unaudited interim period condensed consolidated financial statements.

In this MD&A, "Consolidated" refers to the consolidated results of GWL including its subsidiaries under continuing operations, while "GWL Corporate" refers to the non-consolidated financial results and metrics of GWL, such as dividends paid by GWL to its shareholders or cash flows received by GWL from its operating businesses. GWL Corporate is a subset of Other and Intersegment.

A glossary of terms and ratios used throughout this Quarterly Report can be found beginning on page 174 of the Company's 2022 Annual Report.

This MD&A contains forward-looking statements, which are subject to risks and uncertainties that could cause the Company's actual results to differ materially from the forward-looking statements. For additional information related to forward looking statements, material assumptions and material risks associated with them, see Section 6, "Enterprise Risks and Risk Management", Section 7, "Outlook" and Section 9, "Forward-Looking Statements" of this MD&A.

The information in this MD&A is current to November 20, 2023, unless otherwise noted.

At a Glance

Key Financial Highlights

As at or for the 16 weeks ended October 7, 2023, October 8, 2022 and December 31, 2022
(\$ millions except where otherwise indicated)

Unless otherwise indicated, all financial information represents the Company's results from continuing operations.

Consolidated

REVENUE	OPERATING INCOME	ADJUSTED EBITDA ⁽¹⁾	ADJUSTED EBITDA MARGIN ⁽¹⁾ (%)
\$18,407	\$1,231	\$2,019	11.0%
+5.1%	-16.5%	+3.5%	-10bps
vs. Q3 2022	vs. Q3 2022	vs. Q3 2022	vs. Q3 2022
NET EARNINGS AVAILABLE TO COMMON SHAREHOLDERS FROM CONTINUING OPERATIONS	ADJUSTED NET EARNINGS AVAILABLE TO COMMON SHAREHOLDERS ⁽¹⁾ FROM CONTINUING OPERATIONS	DILUTED NET EARNINGS PER COMMON SHARE FROM CONTINUING OPERATIONS (\$)	ADJUSTED DILUTED NET EARNINGS PER COMMON SHARE ⁽¹⁾ FROM CONTINUING OPERATIONS (\$)
\$610	\$466	\$4.41	\$3.36
-31.4%	+2.9%	-28.2%	+7.7%
vs. Q3 2022	vs. Q3 2022	vs. Q3 2022	vs. Q3 2022

GWL Corporate⁽²⁾

GWL CORPORATE ⁽²⁾ CASH FLOW FROM OPERATING BUSINESSES ⁽¹⁾ FROM CONTINUING OPERATIONS	GWL CORPORATE ⁽²⁾ FREE CASH FLOW ⁽¹⁾ FROM CONTINUING OPERATIONS	QUARTERLY DIVIDENDS DECLARED PER SHARE (\$)	GWL CORPORATE ⁽²⁾ CASH AND CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS
\$232	\$319	\$0.713	\$479
+4.5%	-14.7%	+8.0%	-41.4%
vs. Q3 2022	vs. Q3 2022	vs. Q3 2022	vs. Q3 2022

(1) Refer to Section 8, "Non-GAAP and Other Financial Measures", of this MD&A.

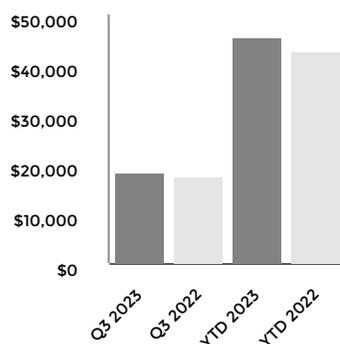
(2) GWL Corporate refers to the non-consolidated financial results and metrics of GWL. GWL Corporate is a subset of Other and Intersegment.

Key Performance Indicators

For the 16 weeks and 40 weeks ended October 7, 2023 and October 8, 2022
(\$ millions except where otherwise indicated)

Unless otherwise indicated, all financial information represents the Company's results from continuing operations.

REVENUE

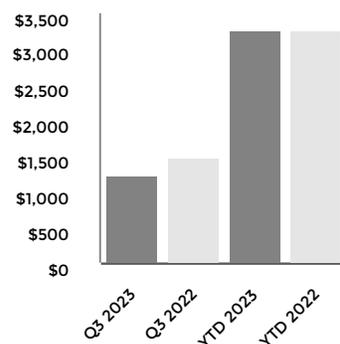


Q3 2023	\$ 18,407	
Q3 2022	\$ 17,520	+5.1%
YTD 2023	\$ 45,424	
YTD 2022	\$ 42,906	+5.9%

How we performed

Revenue increased in the third quarter of 2023 and year-to-date due to growth at Loblaw and Choice Properties.

OPERATING INCOME

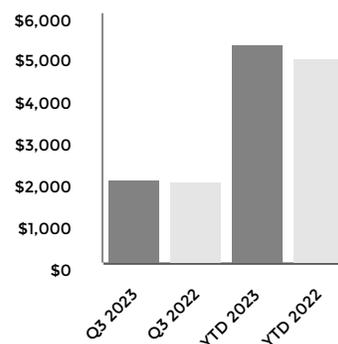


Q3 2023	\$ 1,231	
Q3 2022	\$ 1,474	-16.5%
YTD 2023	\$ 3,287	
YTD 2022	\$ 3,289	-0.1%

How we performed

Operating income decreased in the third quarter of 2023 and year-to-date due to the unfavourable year-over-year net impact of adjusting items, partially offset by the improvement in the underlying operating performance of Loblaw and Choice Properties.

ADJUSTED EBITDA⁽¹⁾



Q3 2023	\$ 2,019	
Q3 2022	\$ 1,951	+3.5%
YTD 2023	\$ 5,259	
YTD 2022	\$ 4,961	+6.0%

How we performed

Adjusted EBITDA⁽¹⁾ increased in the third quarter of 2023 and year-to-date mainly due to an increase at Loblaw and Choice Properties.

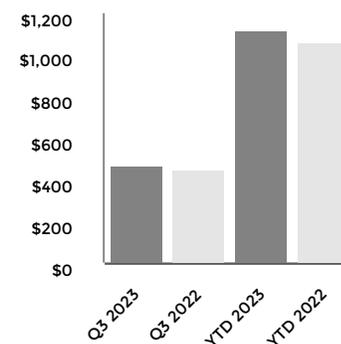
Adjusted EBITDA margin⁽¹⁾ in the third quarter of 2023 decreased primarily due to a decline in Loblaw retail gross profit as a percentage of sales.

Year-to-date, adjusted EBITDA margin⁽¹⁾ was flat compared to 2022 primarily due to an improvement in Loblaw retail selling, general and administrative expenses as a percentage of sales driven by operating leverage from higher sales, offset by a decline in Loblaw retail gross profit as a percentage of sales and the unfavourable year-over-year impact of Other and Intersegment.

ADJUSTED EBITDA MARGIN⁽¹⁾ (%)

11.0%	-10bps
Q3 2023	vs. Q3 2022
11.6%	- bps
YTD 2023	vs. 2022

ADJUSTED NET EARNINGS AVAILABLE TO COMMON SHAREHOLDERS⁽¹⁾ FROM CONTINUING OPERATIONS



Q3 2023	\$ 466	
Q3 2022	\$ 453	+2.9%
YTD 2023	\$ 1,125	
YTD 2022	\$ 1,063	+5.8%

How we performed

Adjusted net earnings available to common shareholders⁽¹⁾ from continuing operations increased in the third quarter of 2023 and year-to-date due to the improvement in the underlying operating performance of Loblaw and Choice Properties and a decrease in the adjusted effective tax rate⁽¹⁾, partially offset by the unfavourable year-over-year impact of Other and Intersegment, an increase in depreciation and amortization, and an increase in adjusted net interest expense and other financing charges⁽¹⁾.

Adjusted diluted net earnings per common share⁽¹⁾ from continuing operations increased in the third quarter of 2023 and year-to-date due to the growth in adjusted net earnings available to common shareholders⁽¹⁾ and lower weighted average common shares due to share repurchases.

ADJUSTED DILUTED NET EARNINGS PER COMMON SHARE⁽¹⁾ FROM CONTINUING OPERATIONS (\$)

\$ 3.36	+7.7%
Q3 2023	vs. Q3 2022
\$ 8.03	+10.9%
YTD 2023	vs. 2022

(1) Refer to Section 8, "Non-GAAP and Other Financial Measures", of this MD&A.

(2) CWL Corporate refers to the non-consolidated financial results and metrics of CWL. CWL Corporate is a subset of Other and Intersegment.

GWL Corporate⁽²⁾ Free Cash Flow⁽¹⁾ from Continuing Operations

GWL Corporate⁽²⁾ free cash flow⁽¹⁾ from continuing operations is generated from the dividends received from Loblaw, distributions received from Choice Properties, and proceeds from participation in Loblaw's Normal Course Issuer Bid, less corporate expenses, interest and income taxes paid.

(\$ millions)	16 Weeks Ended		40 Weeks Ended	
	Oct. 7, 2023	Oct. 8, 2022	Oct. 7, 2023	Oct. 8, 2022
Dividends from Loblaw	\$ 148	\$ 139	\$ 217	\$ 203
Distributions from Choice Properties	84	83	250	248
GWL Corporate⁽²⁾ cash flow from operating businesses⁽¹⁾ from Continuing Operations	\$ 232	\$ 222	\$ 467	\$ 451
Proceeds from participation in Loblaw's Normal Course Issuer Bid	171	190	609	509
GWL Corporate, financing, and other costs ⁽ⁱ⁾	(64)	(14)	(104)	(116)
Income taxes paid	(20)	(24)	(102)	(152)
GWL Corporate⁽²⁾ free cash flow⁽¹⁾ from Continuing Operations	\$ 319	\$ 374	\$ 870	\$ 692

(i) Included in Other and Intersegment. GWL Corporate includes all other company level activities that are not allocated to the reportable operating segments, such as net interest expense, corporate activities and administrative costs. Also included are preferred share dividends.

As at or for the 16 weeks and 40 weeks ended October 7, 2023, October 8, 2022 and December 31, 2022
(\$ millions except where otherwise indicated)

GWL CORPORATE ⁽²⁾ CASH FLOW FROM OPERATING BUSINESSES ⁽¹⁾ FROM CONTINUING OPERATIONS	
\$ 232	+4.5%
Q3 2023	vs. Q3 2022
\$ 467	+3.5%
YTD 2023	vs. 2022

How we performed

Cash flow from operating businesses from continuing operations increased in the third quarter of 2023 and year-to-date due to an increase in dividends and distributions from Loblaw and Choice Properties, respectively.

GWL CORPORATE ⁽²⁾ FREE CASH FLOW ⁽¹⁾ FROM CONTINUING OPERATIONS	
\$ 319	-14.7%
Q3 2023	vs. Q3 2022
\$ 870	+25.7%
YTD 2023	vs. 2022

How we performed

The decrease in the third quarter of 2023 was primarily due to an unfavourable year-over-year change in non-cash working capital included in GWL Corporate, financing, and other costs and lower proceeds from GWL's participation in Loblaw's Normal Course Issuer Bid.

The increase year-to-date was primarily due to higher proceeds from GWL's participation in Loblaw's Normal Course Issuer Bid, lower income taxes paid and a favourable year-over-year change in non-cash working capital included in GWL Corporate, financing, and other costs.

GWL CORPORATE ⁽²⁾ CASH AND CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS	
\$ 479	-41.4%
Q3 2023	vs. Q4 2022

How we performed

The decrease in GWL Corporate⁽²⁾ cash and cash equivalents and short-term investments since 2022 year end was primarily due to GWL share repurchases, dividends paid to shareholders and income taxes paid, partially offset by proceeds received from GWL's participation in Loblaw's Normal Course Issuer Bid.

Management's Discussion and Analysis

1. Overall Financial Performance

Loblaw delivered another quarter of strong operational and financial results as it continued to execute on retail excellence. Loblaw's focus on providing value across its food and drug retail businesses led to sales growth, increased market share, and higher unit sales. Drug retail sales reflected ongoing strength in front store beauty products and increased prescription sales. In food retail, Loblaw's discount stores benefited from increased traffic from customers seeking quality and value from its private label brands and personalized PC Optimum™ offers. Loblaw continued to invest in opening new discount stores, including its 150th discount Maxi location in the community of Ville-des-Laurentides, which celebrated its first full-shop discount grocery store. Retail gross margin declined in both food and drug as a result of targeted promotional investments and increased shrink. Increased investments to lower food prices were reflected in Loblaw's internal food inflation, which was lower than Canada's food CPI. Higher sales and ongoing cost control initiatives drove adjusted net earnings growth in the quarter.

Choice Properties delivered positive operating and financial results in the third quarter. Choice Properties performance is supported by stable cash flows, reflecting the strength of its necessity-based portfolio and demand for its well-located industrial assets, as well as an industry leading balance sheet. In a volatile economic environment, Choice Properties is well positioned to execute on its strategic priorities and deliver strong and consistent operating performance.

1.1 Consolidated Results of Operations

The Company's results reflect the year-over-year impact of the fair value adjustment of the Trust Unit liability as a result of the significant changes in Choice Properties' unit price, recorded in net interest expense and other financing charges. The Company's results are impacted by market price fluctuations of Choice Properties' Trust Units on the basis that the Trust Units held by unitholders, other than the Company, are redeemable for cash at the option of the holder and are presented as a liability on the Company's consolidated balance sheet. The Company's financial results are positively impacted when the Trust Unit price declines and negatively impacted when the Trust Unit price increases.

Unless otherwise indicated, all financial information represents the Company's results from continuing operations.

(\$ millions except where otherwise indicated) For the periods ended as indicated	16 Weeks Ended				40 Weeks Ended			
	Oct. 7, 2023	Oct. 8, 2022	\$ Change	% Change	Oct. 7, 2023	Oct. 8, 2022	\$ Change	% Change
Revenue	\$ 18,407	\$ 17,520	\$ 887	5.1%	\$ 45,424	\$ 42,906	\$ 2,518	5.9%
Operating income	\$ 1,231	\$ 1,474	\$ (243)	(16.5)%	\$ 3,287	\$ 3,289	\$ (2)	(0.1)%
Adjusted EBITDA ⁽¹⁾	\$ 2,019	\$ 1,951	\$ 68	3.5%	\$ 5,259	\$ 4,961	\$ 298	6.0%
Adjusted EBITDA margin ⁽¹⁾	11.0%	11.1%			11.6%	11.6%		
Depreciation and amortization	\$ 763	\$ 729	\$ 34	4.7%	\$ 1,930	\$ 1,830	\$ 100	5.5%
Net interest expense (income) and other financing charges	\$ 85	\$ 13	\$ 72	553.8%	\$ 229	\$ (3)	\$ 232	7,733.3%
Adjusted net interest expense and other financing charges ⁽¹⁾	\$ 304	\$ 290	\$ 14	4.8%	\$ 842	\$ 768	\$ 74	9.6%
Income taxes	\$ 202	\$ 276	\$ (74)	(26.8)%	\$ 680	\$ 618	\$ 62	10.0%
Adjusted income taxes ⁽¹⁾	\$ 260	\$ 283	\$ (23)	(8.1)%	\$ 759	\$ 754	\$ 5	0.7%
Adjusted effective tax rate ⁽¹⁾	23.5%	26.1%			26.4%	27.5%		
Net earnings attributable to shareholders of the Company from continuing operations	\$ 624	\$ 903	\$ (279)	(30.9)%	\$ 1,568	\$ 1,926	\$ (358)	(18.6)%
Net earnings (loss) available to common shareholders of the Company	\$ 610	\$ 889	\$ (279)	(31.4)%	\$ 1,534	\$ 1,886	\$ (352)	(18.7)%
Continuing operations	\$ 610	\$ 889	\$ (279)	(31.4)%	\$ 1,534	\$ 1,892	\$ (358)	(18.9)%
Discontinued operations ⁽ⁱ⁾	\$ –	\$ –	\$ –	–%	\$ –	\$ (6)	\$ 6	100.0%
Adjusted net earnings available to common shareholders of the Company ⁽¹⁾ from continuing operations	\$ 466	\$ 453	\$ 13	2.9%	\$ 1,125	\$ 1,063	\$ 62	5.8%
Diluted net earnings (loss) per common share (\$)	\$ 4.41	\$ 6.14	\$ (1.73)	(28.2)%	\$ 10.98	\$ 12.89	\$ (1.91)	(14.8)%
Continuing operations	\$ 4.41	\$ 6.14	\$ (1.73)	(28.2)%	\$ 10.98	\$ 12.93	\$ (1.95)	(15.1)%
Discontinued operations ⁽ⁱ⁾	\$ –	\$ –	\$ –	–%	\$ –	\$ (0.04)	\$ 0.04	100.0%
Adjusted diluted net earnings per common share ⁽¹⁾ from continuing operations (\$)	\$ 3.36	\$ 3.12	\$ 0.24	7.7%	\$ 8.03	\$ 7.24	\$ 0.79	10.9%

- (i) In 2021, the Company completed the sale of the Weston Foods bakery business. The Company's interest in Weston Foods is presented separately as discontinued operations in the Company's results. Details are included in the Company's 2022 Annual Report. The Company's 2022 Annual Report is available at www.sedarplus.ca.

Management's Discussion and Analysis

NET EARNINGS AVAILABLE TO COMMON SHAREHOLDERS OF THE COMPANY FROM CONTINUING OPERATIONS

In the third quarter of 2023, the Company recorded net earnings available to common shareholders of the Company from continuing operations of \$610 million (\$4.41 per common share), a decrease of \$279 million (\$1.73 per common share) compared to the same period in 2022. The decrease was due to the unfavourable year-over-year net impact of adjusting items totaling \$292 million (\$1.97 per common share), partially offset by an improvement of \$13 million (\$0.24 per common share) in the consolidated underlying operating performance of the Company described below.

- The unfavourable year-over-year net impact of adjusting items totaling \$292 million (\$1.97 per common share) was primarily due to:
 - the unfavourable year-over-year impact of the fair value adjustment on investment properties of \$263 million (\$1.83 per common share) driven by Choice Properties, net of consolidation adjustments in Other and Intersegment; and
 - the unfavourable year-over-year impact of the fair value adjustment of the Trust Unit liability of \$58 million (\$0.32 per common share) as a result of the decrease in Choice Properties' unit price;partially offset by,
 - the favourable year-over-year impact of the fair value adjustment on Choice Properties' investment in Allied Properties Real Estate Investment Trust ("Allied") of \$22 million (\$0.15 per common share) as a result of the decrease in Allied's unit price.
- The improvement in the Company's consolidated underlying operating performance of \$13 million (\$0.24 per common share) was primarily due to:
 - the favourable underlying operating performance of Loblaw;
 - the favourable underlying operating performance of Choice Properties; and
 - a decrease in the adjusted effective tax rate⁽¹⁾ driven by the favourable impact from adjustments to certain tax provisions;partially offset by,
 - the unfavourable year-over-year impact of Other and Intersegment, primarily driven by the elimination of internal lease arrangements and the prior year elimination of Loblaw's accelerated depreciation;
 - an increase in depreciation and amortization; and
 - an increase in adjusted net interest expense and other financing charges⁽¹⁾.
- Diluted net earnings per common share from continuing operations also included the favourable impact of shares purchased for cancellation over the last 12 months (\$0.15 per common share) pursuant to the Company's Normal Course Issuer Bid ("NCIB").

Adjusted net earnings available to common shareholders of the Company⁽¹⁾ from continuing operations were \$466 million, an increase of \$13 million, or 2.9%, compared to the same period in 2022 due to the improvement in the Company's consolidated underlying operating performance described above. Adjusted diluted net earnings per common share⁽¹⁾ from continuing operations in the third quarter of 2023 were \$3.36 per common share, an increase of \$0.24 per common share, or 7.7%, compared to the same period in 2022. The increase was due to the favourable performance in adjusted net earnings available to common shareholders⁽¹⁾ from continuing operations and the favourable impact of share repurchases.

Year-to-date net earnings available to common shareholders of the Company from continuing operations were \$1,534 million (\$10.98 per common share) compared to \$1,892 million (\$12.93 per common share) in the same period in 2022. The decrease of \$358 million (\$1.95 per common share), was due to the unfavourable year-over-year net impact of adjusting items totaling \$420 million (\$2.74 per common share), partially offset by an improvement in the Company's consolidated underlying operating performance of \$62 million (\$0.79 per common share) described below.

- The unfavourable year-over-year net impact of adjusting items totaling \$420 million (\$2.74 per common share) was primarily due to:
 - the unfavourable year-over-year impact of the fair value adjustment on investment properties of \$361 million (\$2.47 per common share) primarily driven by Choice Properties, net of consolidation adjustments in Other and Intersegment;
 - the unfavourable year-over-year impact of the fair value adjustment of the Trust Unit liability of \$147 million (\$0.81 per common share) as a result of the decrease in Choice Properties' unit price during 2023; and
 - the unfavourable year-over-year impact of the income tax recovery related to the remeasurement of deferred tax balances for the Choice Properties' disposition of six office assets (the "Office Asset Sale") to Allied of \$46 million (\$0.32 per common share);partially offset by,
 - the favourable year-over-year impact of the fair value adjustment on Choice Properties' investment in real estate securities of Allied of \$126 million (\$0.85 per common share) as a result of the decrease in Allied's unit price.

- The improvement in the Company's consolidated underlying operating performance of \$62 million (\$0.79 per common share) was due to:
 - the favourable underlying operating performance of Loblaw;
 - the favourable underlying operating performance of Choice Properties; and
 - a decrease in the adjusted effective tax rate⁽¹⁾ as described below;
 partially offset by,
 - the unfavourable year-over-year impact of Other and Intersegment, primarily driven by the elimination of internal lease arrangements;
 - an increase in depreciation and amortization; and
 - an increase in adjusted net interest expense and other financing charges⁽¹⁾.
- Diluted net earnings per common share from continuing operations also included the favourable impact of shares purchased for cancellation over the last 12 months (\$0.37 per common share) pursuant to the Company's NCIB.

Year-to-date adjusted net earnings available to common shareholders of the Company⁽¹⁾ from continuing operations were \$1,125 million, an increase of \$62 million, or 5.8%, compared to the same period of 2022, due to the improvement in the Company's consolidated underlying operating performance described above. Adjusted diluted net earnings per common share⁽¹⁾ from continuing operations were \$8.03 per common share, an increase of \$0.79 per common share, or 10.9%, compared to the same period in 2022. The increase was due to the favourable performance in adjusted net earnings available to common shareholders⁽¹⁾ from continuing operations and the favourable impact of share repurchases.

REVENUE

(\$ millions except where otherwise indicated) For the periods ended as indicated	16 Weeks Ended				40 Weeks Ended			
	Oct. 7, 2023	Oct. 8, 2022	\$ Change	% Change	Oct. 7, 2023	Oct. 8, 2022	\$ Change	% Change
Loblaw	\$ 18,265	\$ 17,388	\$ 877	5.0%	\$ 44,998	\$ 42,497	\$ 2,501	5.9%
Choice Properties	\$ 325	\$ 309	\$ 16	5.2%	\$ 980	\$ 950	\$ 30	3.2%
Other and Intersegment	\$ (183)	\$ (177)			\$ (554)	\$ (541)		
Consolidated	\$ 18,407	\$ 17,520	\$ 887	5.1%	\$ 45,424	\$ 42,906	\$ 2,518	5.9%

Revenue in the third quarter of 2023 was \$18,407 million, an increase of \$887 million, or 5.1%, compared to the same period in 2022. The increase in revenue was impacted by each of its reportable operating segments as follows:

- Positively by 5.0% due to revenue growth of 5.0% at Loblaw, primarily driven by an increase in retail sales of \$852 million, or 5.0%, and an improvement in financial services revenue of \$29 million. The increase in retail sales was primarily due to positive same-store sales growth.
- Positively by 0.1% due to revenue growth of 5.2% at Choice Properties. The increase of \$16 million was mainly due to higher rental revenue rates, increased capital and operating recoveries, the impact of acquisitions and completed developments, and higher lease surrender revenue.

Year-to-date revenue was \$45,424 million, an increase of \$2,518 million, or 5.9%, compared to the same period in 2022. The increase in revenue was impacted by each of the Company's reportable operating segments as follows:

- Positively by 5.8% due to revenue growth of 5.9% at Loblaw, primarily driven by an increase in retail sales of \$2,390 million, or 5.7%, and an improvement in financial services revenue of \$132 million. The increase in retail sales was primarily due to positive same-store sales growth.
- Positively by 0.1% due to growth in revenue of 3.2% at Choice Properties. The increase of \$30 million was mainly due to higher rental revenue rates, increased capital and operating recoveries, the impact of acquisitions and completed developments, and higher lease surrender revenue, partially offset by foregone revenue following the Office Asset Sale to Allied in the second quarter of 2022 and other dispositions completed in the current and prior year.

Management's Discussion and Analysis

OPERATING INCOME

(\$ millions except where otherwise indicated) For the periods ended as indicated	16 Weeks Ended				40 Weeks Ended			
	Oct. 7, 2023	Oct. 8, 2022	\$ Change	% Change	Oct. 7, 2023	Oct. 8, 2022	\$ Change	% Change
Loblaw	\$ 1,063	\$ 989	\$ 74	7.5%	\$ 2,755	\$ 2,465	\$ 290	11.8%
Choice Properties	\$ 214	\$ 501	\$ (287)	(57.3)%	\$ 810	\$ 679	\$ 131	19.3%
Other and Intersegment	\$ (46)	\$ (16)			\$ (278)	\$ 145		
Consolidated	\$ 1,231	\$ 1,474	\$ (243)	(16.5)%	\$ 3,287	\$ 3,289	\$ (2)	(0.1)%

Operating income in the third quarter of 2023 was \$1,231 million compared to \$1,474 million in the same period in 2022, a decrease of \$243 million, or 16.5%. The decrease was mainly attributable to the unfavourable year-over-year net impact of adjusting items totaling \$280 million, partially offset by the improvement in underlying operating performance of \$37 million, as described below:

- the unfavourable year-over-year net impact of adjusting items totaling \$280 million was primarily due to:
 - the unfavourable year-over-year impact of the fair value adjustment of investment properties of \$314 million driven by Choice Properties, net of consolidation adjustments in Other and Intersegment; partially offset by,
 - the favourable year-over-year impact of the fair value adjustment on Choice Properties' investment in real estate securities of Allied of \$24 million; and
 - the favourable year-over-year impact of the gain on sale of non-operating properties of \$12 million.
- the improvement in underlying operating performance of \$37 million was due to:
 - the favourable underlying operating performance of Loblaw driven by an improvement in retail; and
 - the favourable underlying operating performance at Choice Properties; partially offset by,
 - the unfavourable year-over-year impact of Other and Intersegment, primarily driven by the elimination of internal lease arrangements; and
 - an increase in depreciation and amortization.

Year-to-date operating income was \$3,287 million compared to \$3,289 million in the same period in 2022, a decrease of \$2 million, or 0.1%. The decrease was mainly attributable to the unfavourable year-over-year net impact of adjusting items totaling \$202 million, partially offset by the improvement in underlying operating performance of \$200 million described below:

- the unfavourable year-over-year net impact of adjusting items totaling \$202 million was primarily due to:
 - the unfavourable year-over-year impact of the fair value adjustment on investment properties of \$433 million driven by Choice Properties, net of consolidation adjustments in Other and Intersegment; partially offset by,
 - the favourable year-over-year impact of the fair value adjustment on Choice Properties' investment in real estate securities of Allied of \$137 million; and
 - the favourable year-over-year impact of charges related to commodity tax matters at Loblaw of \$74 million.
- the improvement in underlying operating performance of \$200 million was due to:
 - the favourable underlying operating performance of Loblaw due to the improvement in retail; and
 - the favourable underlying operating performance at Choice Properties; partially offset by,
 - the unfavourable year-over-year impact of Other and Intersegment, primarily driven by the elimination of internal lease arrangements; and
 - an increase in depreciation and amortization mainly at Loblaw.

ADJUSTED EBITDA⁽¹⁾

(\$ millions except where otherwise indicated) For the periods ended as indicated	16 Weeks Ended				40 Weeks Ended			
	Oct. 7, 2023	Oct. 8, 2022	\$ Change	% Change	Oct. 7, 2023	Oct. 8, 2022	\$ Change	% Change
Loblaw	\$ 1,924	\$ 1,844	\$ 80	4.3%	\$ 5,008	\$ 4,682	\$ 326	7.0%
Choice Properties	\$ 234	\$ 223	\$ 11	4.9%	\$ 702	\$ 674	\$ 28	4.2%
Other and Intersegment	\$ (139)	\$ (116)			\$ (451)	\$ (395)		
Consolidated	\$ 2,019	\$ 1,951	\$ 68	3.5%	\$ 5,259	\$ 4,961	\$ 298	6.0%

Adjusted EBITDA⁽¹⁾ in the third quarter of 2023 was \$2,019 million compared to \$1,951 million in the same period in 2022, an increase of \$68 million, or 3.5%. The increase was impacted by each of the Company's reportable operating segments as follows:

- Positively by 4.1% due to an increase of 4.3% in adjusted EBITDA⁽¹⁾ at Loblaw driven by an increase in retail and an improvement in financial services. The increase in Loblaw retail adjusted EBITDA⁽¹⁾ was driven by an increase in retail gross profit, partially offset by an increase in retail selling, general and administrative expenses ("SG&A").
- Positively by 0.6% due to an increase of 4.9% in adjusted EBITDA⁽¹⁾ at Choice Properties primarily driven by the increase in revenue described above, partially offset by higher general and administrative expenses.

Year-to-date adjusted EBITDA⁽¹⁾ was \$5,259 million compared to \$4,961 million in the same period in 2022, an increase of \$298 million, or 6.0%. The increase was impacted by each of the Company's reportable operating segments as follows:

- Positively by 6.6% due to an increase of 7.0% in adjusted EBITDA⁽¹⁾ at Loblaw driven by an increase in retail and an improvement in financial services. The increase in Loblaw retail adjusted EBITDA⁽¹⁾ was driven by an increase in retail gross profit, partially offset by an increase in retail SG&A.
- Positively by 0.6% due to an increase of 4.2% in adjusted EBITDA⁽¹⁾ at Choice Properties primarily driven by the increase in revenue described above and higher distribution income from the investment in Allied, partially offset by higher general and administrative expenses.

DEPRECIATION AND AMORTIZATION

(\$ millions except where otherwise indicated) For the periods ended as indicated	16 Weeks Ended				40 Weeks Ended			
	Oct. 7, 2023	Oct. 8, 2022	\$ Change	% Change	Oct. 7, 2023	Oct. 8, 2022	\$ Change	% Change
Loblaw	\$ 880	\$ 864	\$ 16	1.9%	\$ 2,226	\$ 2,128	\$ 98	4.6%
Choice Properties	\$ 1	\$ –	\$ 1	100.0%	\$ 3	\$ 2	\$ 1	50.0%
Other and Intersegment	\$ (118)	\$ (135)	\$ 17	12.6%	\$ (299)	\$ (300)	\$ 1	0.3%
Consolidated	\$ 763	\$ 729	\$ 34	4.7%	\$ 1,930	\$ 1,830	\$ 100	5.5%

Depreciation and amortization in the third quarter of 2023 was \$763 million, an increase of \$34 million compared to the same period in 2022. Depreciation and amortization included \$154 million (2022 - \$151 million) of amortization of intangible assets related to the acquisition of Shoppers Drug Mart Corporation ("Shoppers Drug Mart") and Lifemark Health Group ("Lifemark") recorded by Loblaw. Excluding these amounts, depreciation and amortization in the third quarter of 2023 increased by \$31 million due to:

- an increase at Loblaw driven by an increase in depreciation of fixed assets related to conversions of retail locations, information technology ("IT") assets and leased assets, and accelerated depreciation of \$2 million (2022 - nil) as a result of network optimization, partially offset by the impact of prior year accelerated depreciation due to the reassessment of the estimated useful life of certain IT assets at Loblaw; and
- the unfavourable year-over-year impact of Other and Intersegment, driven by the prior year elimination of Loblaw's accelerated depreciation on certain IT assets, as these assets were classified as fixed assets on consolidation and continued to be depreciated by the Company.

Year-to-date depreciation and amortization was \$1,930 million, an increase of \$100 million compared to the same period in 2022 and included \$384 million (2022 - \$382 million) of amortization of intangible assets related to the acquisition of Shoppers Drug Mart and Lifemark recorded by Loblaw. Excluding these amounts, depreciation and amortization increased by \$98 million, due to an increase at Loblaw driven by an increase in depreciation of fixed assets related to conversions of retail locations, leased assets and IT assets, and accelerated depreciation of \$17 million (2022 - nil), as a result of network optimization at Loblaw.

Management's Discussion and Analysis

NET INTEREST EXPENSE (INCOME) AND OTHER FINANCING CHARGES

(\$ millions except where otherwise indicated) For the periods ended as indicated	16 Weeks Ended				40 Weeks Ended			
	Oct. 7, 2023	Oct. 8, 2022	\$ Change	% Change	Oct. 7, 2023	Oct. 8, 2022	\$ Change	% Change
Net interest expense (income) and other financing charges	\$ 85	\$ 13	\$ 72	553.8%	\$ 229	\$ (3)	\$ 232	7,733.3%
Add impact of the following:								
Fair value adjustment of the Trust Unit liability	219	277	(58)	(20.9)%	613	760	(147)	(19.3)%
Recovery related to Glenhuron	–	–	–	–%	–	11	(11)	(100.0)%
Adjusted net interest expense and other financing charges ⁽¹⁾	\$ 304	\$ 290	\$ 14	4.8%	\$ 842	\$ 768	\$ 74	9.6%

Net interest expense and other financing charges in the third quarter of 2023 were \$85 million, an increase of \$72 million compared to the same period in 2022. The increase was due to the unfavourable year-over-year impact of an adjusting item totaling \$58 million, itemized in the table above and an increase in adjusted net interest expense and other financing charges⁽¹⁾ of \$14 million. Year-to-date net interest expense and other financing charges were \$229 million compared to net interest income and other financing charges of \$3 million in the same period in 2022. The change of \$232 million was primarily due to the unfavourable year-over-year impact of adjusting items totaling \$158 million, itemized in the table above and an increase in adjusted net interest expense and other financing charges⁽¹⁾ of \$74 million.

Included in the adjusting items in the third quarter of 2023 and year-to-date was the unfavourable year-over-year impact of the fair value adjustment of the Trust Unit liability of \$58 million and \$147 million, respectively, as a result of the decrease in the Choice Properties' unit price during 2023. The Company is exposed to market price fluctuations as a result of units held by unitholders other than the Company which are redeemable for cash at the option of the holder and are presented as a liability on the Company's consolidated balance sheet.

In the third quarter of 2023, adjusted net interest expense and other financing charges⁽¹⁾ increased by \$14 million primarily driven by:

- an increase in interest expense on long-term debt mainly at Choice Properties due to higher interest rates and a higher average balance compared to the same period in 2022;
- an increase in interest expense from lease liabilities at Loblaw, including Other and Intersegment adjustments; and
- an increase in interest expense from post-employment and other employee benefits;

partially offset by,

- an increase in interest income on certain short-term investments due to higher interest rates and a higher outstanding balance on Choice Properties' mortgages and loans receivable.

Year-to-date, adjusted net interest expense and other financing charges⁽¹⁾ increased by \$74 million primarily driven by:

- an increase in interest expense on long-term debt at Loblaw and Choice Properties due to higher interest rates and a higher average balance compared to the same period in 2022;
- an increase in interest expense from borrowings related to credit card receivables at Loblaw;
- an increase in interest expense from lease liabilities at Loblaw, including Other and Intersegment adjustments; and
- an increase in interest expense from post-employment and other employee benefits;

partially offset by,

- higher interest income on short-term investments due to an increase in interest rates and a higher outstanding balance on Choice Properties' mortgages and loans receivable.

INCOME TAXES

(\$ millions except where otherwise indicated) For the periods ended as indicated	16 Weeks Ended				40 Weeks Ended			
	Oct. 7, 2023	Oct. 8, 2022	\$ Change	% Change	Oct. 7, 2023	Oct. 8, 2022	\$ Change	% Change
Income taxes	\$ 202	\$ 276	\$ (74)	(26.8)%	\$ 680	\$ 618	\$ 62	10.0%
Add (deduct) impact of the following:								
Tax impact of items excluded from adjusted earnings before taxes ⁽ⁱ⁾	40	(11)	51	463.6%	103	58	45	77.6%
Outside basis difference in certain Loblaw shares	18	18	–	–%	(24)	(1)	(23)	(2,300.0)%
Remeasurement of deferred tax balances	–	–	–	–%	–	46	(46)	(100.0)%
Recovery related to Glenhuron	–	–	–	–%	–	33	(33)	(100.0)%
Adjusted income taxes ⁽¹⁾	\$ 260	\$ 283	\$ (23)	(8.1)%	\$ 759	\$ 754	\$ 5	0.7%
Effective tax rate applicable to earnings before taxes	17.6%	18.9%			22.2%	18.8%		
Adjusted effective tax rate applicable to adjusted earnings before taxes ⁽¹⁾	23.5%	26.1%			26.4%	27.5%		

(i) See the adjusted EBITDA⁽¹⁾ table and the adjusted net interest expense and other financing charges⁽¹⁾ table included in Section 8, "Non-GAAP and Other Financial Measures", of this MD&A for a complete list of items excluded from adjusted earnings before taxes⁽¹⁾.

The effective tax rate in the third quarter of 2023 was 17.6%, compared to 18.9% in the same period in 2022. The decrease was primarily attributable to adjustments to certain tax provisions, partially offset by the impact of other non-deductible items.

The adjusted effective tax rate⁽¹⁾ for the third quarter of 2023 was 23.5%, compared to 26.1% in the same period in 2022. The decrease was primarily attributable to adjustments to certain tax provisions, partially offset by the impact of other non-deductible items.

The year-to-date effective tax rate was 22.2%, compared to 18.8% in the same period in 2022. The increase was primarily attributable to the prior year remeasurement of deferred tax balances as a result of the Office Asset Sale, the recovery of income taxes related to Glenhuron Bank Limited ("Glenhuron") in 2022 and an increase in tax expense related to the Company's participation in Loblaw's NCIB, partially offset by adjustments to certain tax provisions and the non-taxable portion of the gain from real estate dispositions in the year.

The year-to-date adjusted effective tax rate⁽¹⁾ was 26.4%, compared to 27.5% in the same period in 2022. The decrease was primarily attributable to adjustments to certain tax provisions and the non-taxable portion of the gain from real estate dispositions in the year, partially offset by an increase in current tax expense related to the Company's participation in Loblaw's NCIB.

Management's Discussion and Analysis

1.2 Consolidated Other Business Matters

GWL CORPORATE⁽²⁾ FINANCING ACTIVITIES The Company completed the following financing activities during the periods indicated below. The cash impacts of these activities are set out below:

(\$ millions)	16 Weeks Ended		40 Weeks Ended	
	Oct. 7, 2023	Oct. 8, 2022	Oct. 7, 2023	Oct. 8, 2022
NCIB – purchased and cancelled ⁽ⁱ⁾	\$ (376)	\$ (393)	\$ (836)	\$ (718)
Participation in Loblaw's NCIB	171	190	609	509
Credit facility repayment	–	–	–	(121)
Net cash flow used in the above activities	\$ (205)	\$ (203)	\$ (227)	\$ (330)

(i) Included in the third quarter of 2023 and year-to-date is a net cash timing adjustment of \$12 million (2022 – \$17 million) and nil (2022 – nominal), respectively, of common shares repurchased under the NCIB for cancellation.

NCIB - Purchased and Cancelled Shares In the third quarter and year-to-date 2023, the Company purchased and cancelled 2.4 million shares (2022 – 2.5 million shares) for aggregate consideration of \$364 million (2022 – \$376 million) and 5.2 million shares (2022 – 4.7 million shares) for aggregate consideration of \$836 million (2022 – \$718 million), respectively, under its NCIB. As at October 7, 2023, the Company had 135.5 million shares issued and outstanding, net of shares held in trusts (October 8, 2022 – 142.2 million shares).

In the third quarter of 2023, the Toronto Stock Exchange (“TSX”) accepted an amendment to the Company's NCIB to allow Wittington Investments, Limited (“Wittington”), the Company's controlling shareholder, to participate in the NCIB in a fixed proportion of 50% of Wittington's pro rata share of the issued and outstanding common shares of the Company.

In the third quarter of 2023, the Company entered into 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.

Refer to Note 11, “Share Capital” of the Company's third quarter 2023 unaudited interim period condensed consolidated financial statements for more information.

Participation in Loblaw's NCIB The Company participates in Loblaw's NCIB in order to maintain its proportionate percentage ownership interest. In the third quarter and year-to-date 2023, the Company received proceeds of \$171 million (2022 – \$190 million) and \$609 million (2022 – \$509 million), respectively, from the sale of Loblaw common shares.

2. Results of Reportable Operating Segments

The following discussion provides details of the third quarter of 2023 results of operations of each of the Company's reportable operating segments.

2.1 Loblaw Operating Results

(\$ millions except where otherwise indicated) For the periods ended as indicated	16 Weeks Ended				40 Weeks Ended			
	Oct. 7, 2023	Oct. 8, 2022	\$ Change	% Change	Oct. 7, 2023	Oct. 8, 2022	\$ Change	% Change
Revenue	\$ 18,265	\$ 17,388	\$ 877	5.0%	\$ 44,998	\$ 42,497	\$ 2,501	5.9%
Operating income	\$ 1,063	\$ 989	\$ 74	7.5%	\$ 2,755	\$ 2,465	\$ 290	11.8%
Adjusted EBITDA ⁽¹⁾	\$ 1,924	\$ 1,844	\$ 80	4.3%	\$ 5,008	\$ 4,682	\$ 326	7.0%
Adjusted EBITDA margin ⁽¹⁾	10.5%	10.6%			11.1%	11.0%		
Depreciation and amortization	\$ 880	\$ 864	\$ 16	1.9%	\$ 2,226	\$ 2,128	\$ 98	4.6%

REVENUE Loblaw revenue in the third quarter of 2023 was \$18,265 million, an increase of \$877 million, or 5.0%, compared to the same period in 2022, driven by an increase in retail sales and in financial services revenue.

Retail sales were \$17,982 million, an increase of \$852 million, or 5.0%, compared to the same period in 2022. The increase was primarily driven by the following factors:

- food retail sales were \$12,843 million (2022 - \$12,221 million) and food retail same-store sales growth was 4.5% (2022 - 6.9%);
 - the Consumer Price Index ("CPI") as measured by The Consumer Price Index for Food Purchased from Stores was 7.1% (2022 - 10.7%) which was higher than Loblaw's internal food inflation; and
 - food retail traffic increased and basket size decreased.
- drug retail sales were \$5,139 million (2022 - \$4,909 million) and drug retail same-store sales growth was 4.6% (2022 - 7.7%);
 - pharmacy and healthcare services same-store sales growth was 7.4% (2022 - 4.7%). Pharmacy and healthcare services same-store sales growth benefited from the change in prescription mix. The number of prescriptions dispensed increased by 0.8% (2022 - 0.8%). On a same-store basis, the number of prescriptions dispensed increased by 0.9% (2022 - 0.9%) and the average prescription value increased by 5.1% (2022 - 3.3%);
 - front store same-store sales growth was 1.8% (2022 - 10.7%). Front store same-store sales growth benefited from higher consumer spending.

In the last 12 months, 20 food and drug stores were opened, and 11 food and drug stores were closed, resulting in a net increase in retail square footage of 0.3 million square feet, or 0.4%.

Financial services revenue in the third quarter of 2023 increased by \$29 million, or 8.3%, compared to the same period in 2022. The increase was primarily driven by higher interest income from growth in credit card receivables and higher interchange income and other credit card related revenue from an increase in customer spending, partially offset by lower sales attributable to *The Mobile Shop*.

On a year-to-date basis, Loblaw revenue was \$44,998 million, an increase of \$2,501 million, or 5.9%, compared to the same period in 2022, primarily driven by an increase in retail sales and in financial services revenue.

Retail sales were \$44,188 million, an increase of \$2,390 million, or 5.7% when compared to the same period in 2022. Food retail sales were \$31,414 million, an increase of \$1,530 million, or 5.1%, compared to the same period in 2022. Food retail same-store sales growth was 4.5% (2022 - 3.6%). Drug retail sales were \$12,774 million, an increase of \$860 million, or 7.2%, compared to the same period in 2022. Drug retail same-store sales growth was 5.7% (2022 - 6.4%), with pharmacy and healthcare services same-store sales growth of 6.4% (2022 - 5.7%) and front store same-store sales growth of 5.1% (2022 - 6.9%).

Year-to-date financial services revenue increased by \$132 million compared to the same period in 2022. The increase was primarily driven by higher interest income from growth in credit card receivables and higher interchange income and other credit card related revenue from an increase in customer spending.

Management's Discussion and Analysis

OPERATING INCOME Loblaw operating income in the third quarter of 2023 was \$1,063 million, an increase of \$74 million, or 7.5%, compared to the same period in 2022. The increase was driven by an improvement in underlying operating performance of \$67 million and the favourable year-over-year net impact of adjusting items totaling \$7 million, as described below:

- the improvement in underlying operating performance of \$67 million was primarily due to:
 - an improvement in the underlying operating performance of retail due to an increase in retail gross profit, partially offset by an increase in retail SG&A and depreciation and amortization;
- the favourable year-over-year net impact of adjusting items totaling \$7 million was primarily due to:
 - the favourable year-over-year impact of a gain on sale of non-operating properties of \$10 million.

Year-to-date Loblaw operating income was \$2,755 million, an increase of \$290 million, or 11.8%, compared to the same period in 2022. The increase was driven by an improvement in underlying operating performance of \$230 million and the favourable year-over-year net impact of adjusting items totaling \$60 million, as described below:

- the improvement in underlying operating performance of \$230 million was primarily due to:
 - an improvement in the underlying operating performance of retail due to an increase in retail gross profit, partially offset by an increase in retail SG&A and depreciation and amortization;
- the favourable year-over-year net impact of adjusting items totaling \$60 million was primarily due to:
 - the favourable year-over-year impact of charges related to PC Bank commodity tax matters of \$74 million;
 - the favourable year-over-year impact of prior year Lifemark transaction costs of \$16 million; and
 - the favourable year-over-year impact of gains on sale of non-operating properties of \$5 million;partially offset by,
 - the unfavourable year-over-year impact of fair value adjustment on fuel and foreign currency contracts of \$18 million; and
 - the unfavourable year-over-year impact of prior year restructuring and other related recoveries of \$15 million.

ADJUSTED EBITDA⁽¹⁾ Loblaw adjusted EBITDA⁽¹⁾ in the third quarter of 2023 was \$1,924 million, an increase of \$80 million, or 4.3%, compared to the same period in 2022. The increase was driven by an increase in retail of \$61 million and an increase in financial services of \$19 million.

Retail adjusted EBITDA⁽¹⁾ increased by \$61 million compared to the same period in 2022, driven by an increase in retail gross profit of \$230 million, partially offset by an increase in retail SG&A of \$169 million.

- Retail gross profit percentage of 30.6% decreased by 20 basis points compared to the same period in 2022. Retail margins declined slightly, primarily driven by higher shrink.
- Retail SG&A as a percentage of sales was 20.3%, which remained constant when compared to 2022 as operating leverage from higher sales was partially offset by higher in-quarter investments in network optimization and process and efficiency initiatives totaling approximately \$50 million.

Financial services adjusted EBITDA⁽¹⁾ increased by \$19 million compared to the same period in 2022, primarily driven by higher revenue as described above, partially offset by higher contractual charge-offs from growth in the credit card portfolio and the year-over-year impact of the expected credit loss provision.

Year-to-date Loblaw adjusted EBITDA⁽¹⁾ was \$5,008 million, an increase of \$326 million, or 7.0%, compared to the same period in 2022. The increase was driven by an increase in retail of \$308 million and an increase in financial services of \$18 million.

Year-to-date retail adjusted EBITDA⁽¹⁾ increased by \$308 million, driven by an increase in retail gross profit of \$697 million, partially offset by an increase in retail SG&A of \$389 million.

- Retail gross profit percentage of 30.9% decreased by 10 basis points compared to the same period in 2022, primarily driven by higher shrink.
- Retail SG&A as a percentage of sales was 20.0%, a favourable decrease of 20 basis points compared to the same period in 2022. The favourable decrease was primarily due to operating leverage from higher sales.

Year-to-date financial services adjusted EBITDA⁽¹⁾ increased by \$18 million compared to the same period in 2022, primarily driven by higher revenue as described above, partially offset by higher contractual charge-offs, operating costs and loyalty program costs from an increase in customer spending and growth in the credit card portfolio, and the year-over-year impact of the expected credit loss provision from the prior year release of \$3 million versus the current year increase of \$25 million.

DEPRECIATION AND AMORTIZATION Loblaw depreciation and amortization in the third quarter of 2023 was \$880 million, an increase of \$16 million compared to the same period in 2022. The increase in depreciation and amortization was primarily driven by an increase in depreciation of fixed assets related to conversions of retail locations, IT assets and leased assets, and accelerated depreciation of \$2 million (2022 - nil) as a result of network optimization, partially offset by the impact of prior year accelerated depreciation due to the reassessment of the estimated useful life of certain IT assets. Year-to-date depreciation and amortization was \$2,226 million, an increase of \$98 million compared to the same period in 2022, primarily driven by an increase in depreciation of leased assets, IT assets and fixed assets related to conversions of retail locations, and accelerated depreciation of \$17 million as a result of network optimization.

Depreciation and amortization in the third quarter of 2023 and year-to-date included the amortization of intangible assets related to the acquisitions of Shoppers Drug Mart and Lifemark of \$154 million (2022 - \$151 million) and \$384 million (2022 - \$382 million), respectively.

CONSOLIDATION OF FRANCHISES Loblaw has more than 500 franchise food retail stores in its network. Non-controlling interests at Loblaw represent the share of earnings that relates to Loblaw's food retail franchisees and is impacted by the timing of when profit sharing with franchisees is agreed and finalized under the terms of the agreements. Loblaw's net earnings attributable to non-controlling interests were \$25 million in the third quarter of 2023. When compared to the same period in 2022, this represented an increase of \$9 million or 56.3%. The increase in non-controlling interests was primarily driven by an increase in franchisee earnings after profit sharing. Year-to-date net earnings attributable to non-controlling interests were \$71 million, a decrease of \$16 million, or 18.4%, compared to the same period in 2022. The decrease in non-controlling interests at Loblaw was primarily driven by a decline in franchisee earnings after profit sharing.

LOBLAW OTHER BUSINESS MATTERS

Network Optimization During the third quarter of 2023 and year-to-date, Loblaw recorded charges of \$13 million and \$45 million associated with network optimization, respectively. Included in the charges was accelerated depreciation of \$2 million and \$17 million, as described above, and other charges. Loblaw now expects to record total charges related to network optimization of approximately \$60 million to \$70 million during 2023, an increase from \$50 million to \$60 million, as a result of incremental network optimization activity.

PC Bank Commodity Tax Matters In the second quarter of 2023, the Federal government enacted certain commodity tax legislation that may apply to PC Bank, a subsidiary of Loblaw, on a retroactive basis. A charge of \$37 million, inclusive of interest, was recorded for this matter.

In July 2022, the Tax Court of Canada ("Tax Court") released a decision relating to PC Bank. Although Loblaw believes in the merits of its position, Loblaw recorded a charge of \$111 million, inclusive of interest, in the second quarter of 2022. In September 2022, PC Bank filed a Notice of Appeal with the Federal Court of Appeal. Loblaw believes that this provision is sufficient to cover its liability, if the appeal is ultimately unsuccessful.

Management's Discussion and Analysis

2.2 Choice Properties Operating Results

(\$ millions except where otherwise indicated) For the periods ended as indicated	16 Weeks Ended				40 Weeks Ended			
	Oct. 7, 2023	Oct. 8, 2022	\$ Change	% Change	Oct. 7, 2023	Oct. 8, 2022	\$ Change	% Change
Revenue	\$ 325	\$ 309	\$ 16	5.2%	\$ 980	\$ 950	\$ 30	3.2%
Net interest income and other financing charges	\$ (221)	\$ (447)	\$ 226	50.6%	\$ (432)	\$ (644)	\$ 212	32.9%
Net income	\$ 435	\$ 948	\$ (513)	(54.1)%	\$ 1,242	\$ 1,323	\$ (81)	(6.1)%
Funds from Operations ⁽¹⁾	\$ 181	\$ 173	\$ 8	4.6%	\$ 542	\$ 524	\$ 18	3.4%

REVENUE Choice Properties revenue in the third quarter of 2023 was \$325 million, an increase of \$16 million, or 5.2%, compared to the same period in 2022 and included \$186 million (2022 - \$180 million) generated from tenants within Loblaw. On a year-to-date basis, revenue was \$980 million, an increase of \$30 million, or 3.2%, compared to the same period in 2022 and included \$560 million (2022 - \$547 million) generated from tenants within Loblaw.

The increase in revenue in the third quarter of 2023 and year-to-date was primarily driven by:

- higher rental rates primarily in the retail and industrial portfolios;
- higher capital and operating recoveries;
- acquisitions and completed developments; and
- higher lease surrender revenue.

The year-to-date increase in revenue was partially offset by foregone revenue following the Office Asset Sale to Allied in the second quarter of 2022 and other dispositions completed in the current and prior year.

NET INTEREST INCOME AND OTHER FINANCING CHARGES Choice Properties net interest income and other financing charges in the third quarter of 2023 were \$221 million compared to \$447 million in the same period in 2022. The decrease of \$226 million was primarily driven by:

- the unfavourable year-over-year change of the fair value adjustment on the Class B LP units ("Exchangeable Units") of \$226 million as a result of the decrease in the unit price in the quarter; and
- an increase in interest expense on long-term debt due to higher interest rates and a higher average balance compared to the same period in 2022;

partially offset by,

- the favourable year-over-year change of the fair value adjustment on the financial real estate assets; and
- an increase in interest income due to a higher average outstanding balance on mortgages and loans receivable.

Year-to-date, net interest income and other financing charges were \$432 million compared to \$644 million in the same period in 2022. The decrease of \$212 million was primarily driven by:

- the unfavourable year-over-year change of the fair value adjustment on the Exchangeable Units of \$206 million; and
- an increase in interest expense on long-term debt due to higher interest rates and a higher average balance compared to the same period in 2022;

partially offset by,

- the favourable year-over-year change of the fair value adjustment on the financial real estate assets; and
- an increase in interest income due to a higher average outstanding balance on mortgages and loans receivables.

NET INCOME Choice Properties recorded net income of \$435 million in the third quarter of 2023, compared to \$948 million in the same period in 2022. The decrease of \$513 million was primarily driven by:

- the unfavourable year-over-year change in the adjustment to fair value of investment properties, including those held within equity accounted joint ventures of \$321 million as a result of lower fair value gains recognized in the current year; and
- lower net interest income and other financing charges as described above;

partially offset by,

- the favourable year-over-year change in the adjustment to fair value of investment in real estate securities of \$24 million as a result of the decrease in Allied's unit price; and
- an increase in rental revenue as described above.

Year-to-date, net income was \$1,242 million, compared to \$1,323 million in the same period in 2022. The decrease of \$81 million was primarily driven by:

- lower net interest income and other financing charges as described above; and
- the unfavourable year-over-year change in the adjustment to fair value of investment properties, including those held within equity accounted joint ventures of \$38 million due to the fair value gains recognized in the industrial development portfolio in the prior year;

partially offset by,

- the favourable year-over-year change in the adjustment to fair value of investment in real estate securities of \$137 million as a result of the decrease in Allied's unit price; and
- an increase in rental revenue as described above.

FUNDS FROM OPERATIONS⁽¹⁾ Funds from operations⁽¹⁾ in the third quarter of 2023 were \$181 million, an increase of \$8 million compared to the same period in 2022. The increase was primarily due to the increase in rental revenue and an increase in interest income, which was partially offset by increases in interest expense and general and administrative expenses.

Fund from operations⁽¹⁾ year-to-date were \$542 million, an increase of \$18 million, compared to the same period in 2022. The increase was primarily due to the increase in rental revenue and an increase in interest income, which was partially offset by increases in interest expense and general and administrative expenses and the impact of the Office Asset Sale. The impact of the Office Asset Sale includes foregone rental income, partially offset by the distributions from Choice Properties' investment in real estate securities of Allied and interest income from the consideration received in exchange for assets sold.

CHOICE PROPERTIES OTHER BUSINESS MATTERS

Subsequent Event Subsequent to the end of the third quarter of 2023, Choice Properties completed the disposition of one retail property and one office property for aggregate proceeds of \$81 million.

Management's Discussion and Analysis

3. Liquidity and Capital Resources

3.1 Cash Flows

The following Major Cash Flow Components are inclusive of continuing and discontinued operations.

MAJOR CASH FLOW COMPONENTS

(\$ millions) For the periods ended as indicated	16 Weeks Ended			40 Weeks Ended		
	Oct. 7, 2023	Oct. 8, 2022 ⁽ⁱ⁾	\$ Change	Oct. 7, 2023	Oct. 8, 2022 ⁽ⁱ⁾	\$ Change
Cash and cash equivalents, beginning of period	\$ 1,970	\$ 2,281	\$ (311)	\$ 2,313	\$ 2,984	\$ (671)
Cash flows from operating activities	\$ 2,100	\$ 1,604	\$ 496	\$ 4,338	\$ 3,646	\$ 692
Cash flows used in investing activities	\$ (556)	\$ (841)	\$ 285	\$ (1,526)	\$ (2,027)	\$ 501
Cash flows used in financing activities	\$ (1,745)	\$ (854)	\$ (891)	\$ (3,357)	\$ (2,415)	\$ (942)
Effect of foreign currency exchange rate changes on cash and cash equivalents	\$ (2)	\$ (2)	\$ –	\$ (1)	\$ –	\$ (1)
Cash and cash equivalents, end of period	\$ 1,767	\$ 2,188	\$ (421)	\$ 1,767	\$ 2,188	\$ (421)

(i) Certain comparative figures have been restated to conform with current year presentation.

CASH FLOWS FROM OPERATING ACTIVITIES Cash flows from operating activities were \$2,100 million in the third quarter of 2023, an increase of \$496 million compared to the same period in 2022. The increase in cash flows from operating activities for the third quarter of 2023 was primarily driven by a favourable change in non-cash working capital, higher cash earnings, a change in credit card receivables from lapping of prior year increase in customer spending and a cash payment made in the third quarter of 2022 in relation to the PC Bank commodity tax matter, partially offset by net lower income taxes paid in 2022 due to the recovery of cash taxes related to Glenhurst.

Year-to-date cash flows from operating activities were \$4,338 million in 2023, an increase of \$692 million compared to the same period in 2022. The increase in cash flows from operating activities was primarily driven by a favourable change in non-cash working capital, higher cash earnings, and a change in credit card receivables from lapping of prior year increase in customer spending, partially offset by net lower income taxes paid in 2022 due to the recovery of cash taxes related to Glenhurst.

CASH FLOWS USED IN INVESTING ACTIVITIES Cash flows used in investing activities were \$556 million in the third quarter of 2023, a decrease of \$285 million compared to the same period in 2022. The decrease in cash flows used in investing activities was primarily driven by a favourable change in security deposits due to the maturity of *Eagle Credit Card Trust*® (“*Eagle*”) notes in the third quarter of 2023 and accumulation of funds in the prior year due to the maturity of *Eagle* in the fourth quarter of 2022, partially offset by an increase in capital investments.

Year-to-date cash flows used in investing activities were \$1,526 million in 2023, a decrease of \$501 million compared to the same period in 2022. The decrease in cash flows used in investing activities was primarily driven by Loblaw's acquisition of Lifemark in 2022, a favourable change in security deposits due to the accumulation of funds in the prior year due to the maturity of *Eagle* in the fourth quarter of 2022, higher advances of mortgages, loans, and notes receivable in 2022, and a decrease in long-term securities, partially offset by an increase in short-term investments and an increase in capital investments.

The following table summarizes the Company's capital investments by each of its reportable operating segments:

(\$ millions) For the periods ended as indicated	16 Weeks Ended			40 Weeks Ended		
	Oct. 7, 2023	Oct. 8, 2022 ⁽ⁱ⁾	\$ Change	Oct. 7, 2023	Oct. 8, 2022 ⁽ⁱ⁾	\$ Change
Loblaw	\$ 695	\$ 432	\$ 263	\$ 1,433	\$ 920	\$ 513
Choice Properties	61	85	(24)	198	152	46
Other and Intersegment	–	–	–	1	1	–
Total Capital Investments	\$ 756	\$ 517	\$ 239	\$ 1,632	\$ 1,073	\$ 559

(i) Certain comparative figures have been restated to conform with current year presentation.

CASH FLOWS USED IN FINANCING ACTIVITIES Cash flows used in financing activities were \$1,745 million in the third quarter of 2023, an increase of \$891 million compared to the same period in 2022. The increase in cash flows used in financing activities was primarily driven by higher issuance of long-term debt net of repayments in the prior year, higher issuance of short-term debt in the prior year and higher interest paid.

Year-to-date cash flows used in financing activities were \$3,357 million in 2023, an increase of \$942 million compared to the same period in 2022. The increase in cash flows used in financing activities was primarily driven by higher issuance of long-term debt net of repayments in the prior year, higher issuance of short-term debt in the prior year, higher repurchases of GWL common shares in the current year, higher interest paid and higher lease payments.

FREE CASH FLOW⁽¹⁾

The following Free Cash Flow⁽¹⁾ is presented on a continuing operations basis.

(\$ millions) For the periods ended as indicated	16 Weeks Ended			40 Weeks Ended		
	Oct. 7, 2023	Oct. 8, 2022 ⁽ⁱ⁾	\$ Change	Oct. 7, 2023	Oct. 8, 2022 ⁽ⁱ⁾	\$ Change
Cash flows from operating activities from continuing operations	\$ 2,100	\$ 1,604	\$ 496	\$ 4,338	\$ 3,646	\$ 692
Less: Interest paid	268	225	43	706	623	83
Capital investments	756	517	239	1,632	1,073	559
Lease payments, net	282	264	18	691	610	81
Free cash flow ⁽¹⁾ from continuing operations	\$ 794	\$ 598	\$ 196	\$ 1,309	\$ 1,340	\$ (31)

(i) Certain comparative figures have been restated to conform with current year presentation.

Free cash flow⁽¹⁾ from continuing operations in the third quarter 2023 was \$794 million, an increase of \$196 million compared to the same period in 2022. The increase in free cash flow⁽¹⁾ was primarily driven by a favourable change in non-cash working capital, higher cash earnings and a change in credit card receivables from lapping of prior year increase in customer spending, partially offset by an increase in capital investments and higher interest paid.

On a year-to-date basis, free cash flow⁽¹⁾ from continuing operations was \$1,309 million, a decrease of \$31 million compared to the same period in 2022. The decrease in free cash flow⁽¹⁾ was primarily driven by an increase in capital investments, net higher income taxes paid in the current year due to the recovery of cash taxes related to Glenhuron in the prior year, higher interest paid and higher lease payments in the current year, partially offset by a favourable change in non-cash working capital, higher cash earnings and a change in credit card receivables from lapping of prior year increase in customer spending.

Management's Discussion and Analysis

3.2 Liquidity

The Company (excluding Loblaw and Choice Properties) expects that cash and cash equivalents, short-term investments, future operating cash flows and the amounts available to be drawn against its committed credit facility will enable it to finance its capital investment program and fund its ongoing business requirements, including working capital, pension plan funding requirements and financial obligations, over the next 12 months. The Company (excluding Loblaw and Choice Properties) does not foresee any impediments in obtaining financing to satisfy its long-term obligations.

Loblaw expects that cash and cash equivalents, short-term investments, future operating cash flows and the amounts available to be drawn against committed credit facilities will enable it to finance its capital investment program and fund its ongoing business requirements over the next 12 months, including working capital, pension plan funding requirements and financial obligations. PC Bank expects to obtain long-term financing for its credit card portfolio through the issuance of *Eagle* notes and Guaranteed Investment Certificates.

Choice Properties expects to obtain long-term financing for the acquisition of properties primarily through the issuance of unsecured debentures and equity.

For details on the Company's cash flows, see Section 3.1, "Cash Flows", of this MD&A.

TOTAL DEBT The following table presents total debt by reportable segment:

(\$ millions)	As at											
	Oct. 7, 2023				Oct. 8, 2022				Dec. 31, 2022			
	Loblaw	Choice Properties	Other and Intersegment	Total	Loblaw	Choice Properties	Other and Intersegment	Total	Loblaw	Choice Properties	Other and Intersegment	Total
Bank indebtedness	\$ 22	\$ -	\$ -	\$ 22	\$ 16	\$ -	\$ -	\$ 16	\$ 8	\$ -	\$ -	\$ 8
Demand deposits from customers	147	-	-	147	109	-	-	109	125	-	-	125
Short-term debt	650	-	-	650	600	-	-	600	700	-	-	700
Long-term debt due within one year	1,274	899	200	2,373	798	618	-	1,416	727	656	-	1,383
Long-term debt	6,586	5,831	250	12,667	6,978	5,817	449	13,244	7,056	5,896	449	13,401
Certain other liabilities ⁽ⁱ⁾	110	664	-	774	80	668	-	748	80	668	-	748
Total debt excluding lease liabilities	\$ 8,789	\$ 7,394	\$ 450	\$ 16,633	\$ 8,581	\$ 7,103	\$ 449	\$ 16,133	\$ 8,696	\$ 7,220	\$ 449	\$ 16,365
Lease liabilities due within one year ⁽ⁱⁱ⁾	1,442	-	(571)	871	1,391	2	(563)	830	1,401	2	(568)	835
Lease liabilities ⁽ⁱⁱ⁾	7,718	1	(3,350)	4,369	7,678	2	(3,363)	4,317	7,714	2	(3,393)	4,323
Total debt including lease liabilities	\$ 17,949	\$ 7,395	\$ (3,471)	\$ 21,873	\$ 17,650	\$ 7,107	\$ (3,477)	\$ 21,280	\$ 17,811	\$ 7,224	\$ (3,512)	\$ 21,523

(i) Includes financial liabilities of \$664 million (October 8, 2022 - \$668 million; December 31, 2022 - \$668 million) recorded primarily as a result of Choice Properties' transactions.

(ii) Lease liabilities due within one year of \$2 million (October 8, 2022 - \$2 million; December 31, 2022 - \$2 million) and lease liabilities of \$2 million (October 8, 2022 - \$5 million; December 31, 2022 - \$5 million) relating to GWL Corporate⁽²⁾ are included in Other and Intersegment.

Management targets credit metrics consistent with those of an investment grade profile. GWL Corporate⁽²⁾ holds cash and cash equivalents and short-term investments and as a result monitors its leverage on a net debt basis. GWL Corporate⁽²⁾ has total debt including lease liabilities of \$454 million (October 8, 2022 - \$456 million; December 31, 2022 - \$456 million) and cash and cash equivalents and short-term investments of \$479 million (October 8, 2022 - \$888 million; December 31, 2022 - \$818 million), resulting in a net cash position of \$25 million (October 8, 2022 - \$432 million; December 31, 2022 - \$362 million).

Loblaw's management is focused on managing its capital structure on a segmented basis to ensure that each of its operating segments is employing a capital structure that is appropriate for the industry in which it operates.

- Loblaw targets maintaining retail segment credit metrics consistent with those of investment grade retailers. Loblaw monitors the retail segment's debt to rolling year retail adjusted EBITDA⁽¹⁾ ratio as a measure of the leverage being employed. Loblaw retail segment debt to rolling year retail adjusted EBITDA⁽¹⁾ ratio decreased compared to October 8, 2022 and December 31, 2022 primarily due to an improvement in rolling year adjusted EBITDA⁽¹⁾.
- PC Bank's capital management objectives are to maintain a consistently strong capital position while considering the economic risks generated by its credit card receivables portfolio and to meet all regulatory requirements as defined by the Office of the Superintendent of Financial Institutions.

Choice Properties targets maintaining credit metrics consistent with those of investment grade Real Estate Investment Trusts ("REIT"). Choice Properties monitors metrics relevant to the REIT industry including targeting an appropriate debt to total assets ratio.

COVENANTS AND REGULATORY REQUIREMENTS The Company, Loblaw and Choice Properties are required to comply with certain financial covenants for various debt instruments. As at the end of and throughout the third quarter of 2023, the Company, Loblaw and Choice Properties were in compliance with their respective covenants.

As at the end of and throughout the third quarter of 2023, PC Bank and Choice Properties met all applicable regulatory requirements.

3.3 Components of Total Debt

For details on the Company's components of total debt, refer to Note 10, "Long-Term Debt", of the Company's third quarter 2023 unaudited interim period condensed consolidated financial statements.

3.4 Financial Condition

	Oct. 7, 2023	As at	
		Oct. 8, 2022	Dec. 31, 2022
Rolling year adjusted return on average equity attributable to common shareholders of the Company ⁽¹⁾	23.3%	22.2%	23.5%
Rolling year adjusted return on capital ⁽¹⁾	13.6%	13.2%	13.8%

The rolling year adjusted return on average equity attributable to common shareholders of the Company⁽¹⁾ increased as at the end of the third quarter of 2023 compared to the end of the third quarter of 2022, primarily due to an improvement in the Company's consolidated underlying performance. The rolling year adjusted return on average equity attributable to common shareholders of the Company⁽¹⁾ decreased as at the end of the third quarter of 2023 compared to year end 2022, primarily due to an increase in average equity attributable to common shareholders of the Company⁽¹⁾, partially offset by an improvement in the Company's consolidated underlying performance.

The rolling year adjusted return on capital⁽¹⁾ increased as at the end of the third quarter of 2023 compared to the end of the third quarter of 2022, primarily due to an increase in adjusted operating income⁽¹⁾. The rolling year adjusted return on capital⁽¹⁾ decreased as at the end of the third quarter of 2023 compared to year end 2022, primarily due to an increase in average capital⁽¹⁾, partially offset by an increase in adjusted operating income⁽¹⁾.

Management's Discussion and Analysis

3.5 Credit Ratings

During 2023, S&P Global Ratings ("S&P") confirmed the following ratings and outlooks, and Dominion Bond Rating Service Morningstar ("DBRS") confirmed the following ratings and trends.

The following table sets out the current credit ratings of GWL:

Credit Ratings (Canadian Standards)	DBRS		S&P	
	Credit Rating	Trend	Credit Rating	Outlook
Issuer rating	BBB	Stable	BBB	Stable
Medium term notes	BBB	Stable	BBB-	n/a
Preferred shares	Pfd-3	Stable	P-3 (high)	n/a

The following table sets out the current credit ratings of Loblaw:

Credit Ratings (Canadian Standards)	DBRS		S&P	
	Credit Rating	Trend	Credit Rating	Outlook
Issuer rating	BBB (high)	Stable	BBB	Stable
Medium term notes	BBB (high)	Stable	BBB	n/a
Second Preferred shares, Series B	Pfd-3 (high)	Stable	P-3 (high)	n/a

The following table sets out the current credit ratings of Choice Properties:

Credit Ratings (Canadian Standards)	DBRS		S&P	
	Credit Rating	Trend	Credit Rating	Outlook
Issuer rating	BBB (high)	Stable	BBB	Stable
Senior unsecured debentures	BBB (high)	Stable	BBB	n/a

3.6 Dividends and Share Repurchases

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

(\$)	16 Weeks Ended		40 Weeks Ended	
	Oct. 7, 2023	Oct. 8, 2022	Oct. 7, 2023	Oct. 8, 2022
Dividends declared per share ⁽ⁱ⁾ :				
Common share	\$ 0.713	\$ 0.660	\$ 2.086	\$ 1.920
Preferred share:				
Series I	\$ 0.3625	\$ 0.3625	\$ 1.0875	\$ 1.0875
Series III	\$ 0.3250	\$ 0.3250	\$ 0.9750	\$ 0.9750
Series IV	\$ 0.3250	\$ 0.3250	\$ 0.9750	\$ 0.9750
Series V	\$ 0.296875	\$ 0.296875	\$ 0.890625	\$ 0.890625

(i) Dividends declared on common shares and Preferred Shares, Series III, Series IV and Series V were paid on October 1, 2023. Dividends declared on Preferred Shares, Series I were paid on September 15, 2023.

The following table summarizes the Company's cash dividends declared subsequent to the end of the third quarter of 2023:

(\$)		
Dividends declared per share ⁽ⁱ⁾	- Common share	\$ 0.713
	- Preferred share:	
	Series I	\$ 0.3625
	Series III	\$ 0.3250
	Series IV	\$ 0.3250
	Series V	\$ 0.296875

(i) Dividends declared on common shares and Preferred Shares, Series III, Series IV and Series V are payable on January 1, 2024. Dividends declared on Preferred Shares, Series I are payable on December 15, 2023.

SHARE REPURCHASES In the third quarter and year-to-date 2023, the Company purchased and cancelled 2.4 million shares (2022 - 2.5 million shares) for aggregate consideration of \$364 million (2022 - \$376 million) and 5.2 million shares (2022 - 4.7 million shares) for aggregate consideration of \$836 million (2022 - \$718 million), respectively, under its NCIB. As at October 7, 2023, the Company had 135.5 million shares issued and outstanding, net of shares held in trusts (October 8, 2022 - 142.2 million shares).

For details on the Company's share capital, refer to Note 11, "Share Capital", of the Company's third quarter 2023 unaudited interim period condensed consolidated financial statements.

3.7 Off-Balance Sheet Arrangements

The Company uses off-balance sheet arrangements including letters of credit, guarantees and cash collateralization in connection with certain obligations. There were no significant changes to these off-balance sheet arrangements during 2023. For a discussion of the Company's significant off-balance sheet arrangements see Section 3.7, "Off-Balance Sheet Arrangements", of the Company's 2022 Annual Report.

Management's Discussion and Analysis

4. Quarterly Results of Operations

The Company's year end is December 31. Activities are reported on a fiscal year ending on the Saturday closest to December 31. As a result, the Company's fiscal year is usually 52 weeks in duration but includes a 53rd week every five to six years. The years ended December 31, 2022 and December 31, 2021 contained 52 weeks. The 52-week reporting cycle is divided into four quarters of 12 weeks each except for the third quarter, which is 16 weeks in duration. When a fiscal year contains 53 weeks, the fourth quarter is 13 weeks in duration.

Unless otherwise indicated, all financial information represents the Company's results from continuing operations.

The following is a summary of selected consolidated financial information derived from the Company's unaudited interim period condensed consolidated financial statements for each of the eight most recently completed quarters.

SELECTED QUARTERLY INFORMATION

(\$ millions except where otherwise indicated)	Third Quarter		Second Quarter		First Quarter		Fourth Quarter	
	2023 (16 weeks)	2022 (16 weeks)	2023 (12 weeks)	2022 (12 weeks)	2023 (12 weeks)	2022 (12 weeks)	2022 (12 weeks)	2021 (12 weeks)
Revenue	\$ 18,407	\$ 17,520	\$ 13,884	\$ 12,979	\$ 13,133	\$ 12,407	\$ 14,142	\$ 12,902
Operating income	1,231	1,474	1,099	649	957	1,166	1,264	1,009
Adjusted EBITDA ⁽ⁱ⁾	2,019	1,951	1,733	1,588	1,507	1,422	1,590	1,453
Depreciation and amortization ⁽ⁱⁱ⁾	763	729	585	552	582	549	577	537
Net earnings from continuing operations	\$ 944	\$ 1,185	\$ 782	\$ 874	\$ 652	\$ 615	\$ 135	\$ 755
Net earnings (loss) attributable to shareholders of the Company from continuing operations	624	903	508	650	436	373	(104)	428
Net earnings (loss) available to common shareholders of the Company	610	889	498	634	426	363	(114)	217
Continuing operations	610	889	498	640	426	363	(114)	418
Discontinued operations ⁽ⁱⁱⁱ⁾	–	–	–	(6)	–	–	–	(201)
Net earnings (loss) per common share (\$) - basic	\$ 4.46	\$ 6.20	\$ 3.59	\$ 4.35	\$ 3.04	\$ 2.47	\$ (0.81)	\$ 1.48
Continuing operations	4.46	6.20	3.59	4.39	3.04	2.47	(0.81)	2.84
Discontinued operations ⁽ⁱⁱⁱ⁾	–	–	–	(0.04)	–	–	–	(1.36)
Net earnings (loss) per common share (\$) - diluted	\$ 4.41	\$ 6.14	\$ 3.55	\$ 4.32	\$ 3.01	\$ 2.45	\$ (0.83)	\$ 1.44
Continuing operations	4.41	6.14	3.55	4.36	3.01	2.45	(0.83)	2.80
Discontinued operations ⁽ⁱⁱⁱ⁾	–	–	–	(0.04)	–	–	–	(1.36)
Adjusted diluted net earnings per common share ⁽¹⁾ from continuing operations (\$)	\$ 3.36	\$ 3.12	\$ 2.68	\$ 2.23	\$ 1.99	\$ 1.90	\$ 2.59	\$ 2.32

- (i) Depreciation and amortization includes amortization of intangible assets acquired with Shoppers Drug Mart and Lifemark, recorded by Loblaw.
- (ii) In 2021, the Company completed the sale of the Weston Foods bakery business. The Company's interest in Weston Foods is presented separately as discontinued operations in the Company's results. Details are included in the Company's 2022 Annual Report. The Company's 2022 Annual Report is available at www.sedarplus.ca.

REVENUE Over the last eight quarters, consolidated revenue has been impacted by each of the Company's reportable operating segments as follows:

- Loblaw revenue was impacted by various factors including the following:
 - COVID-19 pandemic related impacts;
 - seasonality, which was greatest in the fourth quarter and least in the first quarter;
 - the timing of holidays; and
 - macro-economic conditions impacting food and drug retail prices.
- Choice Properties revenue was impacted by the following:
 - foregone revenue from dispositions;
 - increased capital and operating recoveries;
 - higher rental rates on renewals in the retail and industrial portfolio;
 - contribution from acquisitions and development transfers; and
 - an increase in lease surrender revenue.

NET EARNINGS (LOSS) AVAILABLE TO COMMON SHAREHOLDERS OF THE COMPANY FROM CONTINUING OPERATIONS AND DILUTED NET EARNINGS (LOSS) PER COMMON SHARE FROM CONTINUING OPERATIONS Net earnings (loss) available to common shareholders of the Company from continuing operations and diluted net earnings (loss) per common share from continuing operations for the last eight quarters were impacted by the underlying operating performance of each of the Company's reportable operating segments and certain adjusting items as described in Section 8.1, "Non-GAAP and Other Financial Measures - Selected Comparative Reconciliation", of this MD&A.

The Company's underlying operating performance for the last eight quarters included the following:

- changes in Loblaw's underlying operating performance driven by:
 - COVID-19 pandemic related impacts;
 - seasonality, which was greatest in the fourth quarter and least in the first quarter;
 - the timing of holidays;
 - cost savings from operating efficiencies and benefits from strategic initiatives; and
 - the 2021 reversal of certain commodity taxes accrued.
- changes in Choice Properties' underlying operating performance driven by:
 - distributions from the investment in real estate securities of Allied; and
 - the change in revenue as described above.
- changes in Other and Intersegment driven by:
 - the elimination of internal lease arrangements;
 - the tax impact of the Company's participation in Loblaw's NCIB; and
 - the impact of asset impairments, net of recoveries.
- diluted net earnings (loss) per common share included the favourable impact of shares purchased for cancellation.

Management's Discussion and Analysis

5. Internal Control Over Financial Reporting

Management is responsible for establishing and maintaining a system of disclosure controls and procedures to provide reasonable assurance that all material information relating to the Company and its subsidiaries is gathered and reported to senior management on a timely basis so that appropriate decisions can be made regarding public disclosure.

Management is also responsible for establishing and maintaining adequate internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with IFRS.

In designing such controls, it should be recognized that due to inherent limitations, any control, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives and may not prevent or detect misstatements. Additionally, management is required to use judgment in evaluating controls and procedures.

CHANGES IN INTERNAL CONTROL OVER FINANCIAL REPORTING There were no changes in the Company's internal control over financial reporting in the third quarter of 2023 that materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

6. Enterprise Risks and Risk Management

A detailed full set of risks inherent in the Company's business are included in the Company's Annual Information Form ("AIF") for the year ended December 31, 2022 and the MD&A included in the Company's 2022 Annual Report, which are hereby incorporated by reference. The Company's 2022 Annual Report and AIF are available at www.sedarplus.ca. Those risks and risk management strategies remain unchanged.

7. Outlook⁽³⁾

The Company's 2023 outlook remains unchanged and it continues to expect adjusted net earnings⁽¹⁾ from continuing operations to increase due to the results from its operating segments, and to use excess cash to repurchase shares.

Loblaw Loblaw will continue to execute on retail excellence while advancing its growth initiatives in 2023. Loblaw's businesses remain well placed to service the everyday needs of Canadians. However, Loblaw cannot predict the precise impacts of global economic uncertainties, including the inflationary environment, on its 2023 financial results.

For the full year 2023, Loblaw continues to expect:

- its retail business to grow earnings faster than sales;
- adjusted net earnings per common share⁽¹⁾ growth in the low double digits;
- to increase investments in its store network and distribution centres by investing a net amount of \$1.6 billion in capital expenditures, which reflects gross capital investments of approximately \$2.1 billion offset by approximately \$500 million of proceeds from real estate dispositions; and
- to return capital to shareholders by allocating a significant portion of free cash flow to share repurchases.

Choice Properties Choice Properties is focused on capital preservation, delivering stable and growing cash flows and net asset value appreciation, all with a long-term focus. Choice Properties' high-quality portfolio is primarily leased to necessity-based tenants and logistics providers, who are less sensitive to economic volatility and therefore provide stability to its overall portfolio. Choice Properties continues to experience positive leasing momentum across its portfolio and has successfully completed its 2023 lease renewals. Choice Properties also continues to advance its development program, with a focus on industrial opportunities, which provides it with the best opportunity to add high-quality real estate to its portfolio at a reasonable cost and drive net asset value appreciation over time.

Choice Properties is confident that its business model, stable tenant base, strong balance sheet and disciplined approach to financial management will continue to position it well for future success. However, Choice Properties cannot predict the precise impacts of the broader economic environment on its 2023 financial results. In 2023, Choice Properties has continued to focus on its core business of essential retail and industrial, its growing residential platform and its robust development pipeline, and based on its year-to-date operating and financial performance, including certain non-recurring items now expects:

- stable occupancy across the portfolio, resulting in 4-5% year-over-year growth in Same-Asset NOI, Cash Basis⁽ⁱ⁾;
- annual FFO⁽¹⁾ per unit Diluted⁽ⁱ⁾ in a range of \$0.99 to \$1.00, reflecting 3-4% year-over-year growth; and
- stable leverage metrics, targeting Adjusted Debt to EBITDAFV⁽ⁱ⁾ of approximately 7.5x.

(i) For more information on these measures see the 2022 Annual Report filed by Choice Properties, which is available on www.sedarplus.ca or at www.choicereit.ca.

Management's Discussion and Analysis

8. Non-GAAP and Other Financial Measures

The Company uses non-GAAP and other financial measures and ratios in this document, such as: adjusted EBITDA and adjusted EBITDA margin, adjusted net earnings attributable to shareholders of the Company, adjusted net earnings available to common shareholders of the Company, adjusted diluted net earnings per common share, rolling year adjusted return on average equity attributable to common shareholders of the Company, rolling year adjusted return on capital, GWL Corporate free cash flow, free cash flow and Choice Properties funds from operations, among others. In addition to these items, the following measures are used by management in calculating adjusted diluted net earnings per common share: adjusted operating income, adjusted net interest expense and other financing charges, adjusted earnings before income taxes, adjusted income taxes and adjusted effective tax rate. The Company believes these non-GAAP and other financial measures provide useful information to both management and investors with regard to accurately assessing the Company's financial performance and financial condition for the reasons outlined below.

Further, certain non-GAAP measures and other financial measures of Loblaw and Choice Properties are included in this document. For more information on these measures, refer to the materials filed by Loblaw and Choice Properties, which are available on www.sedarplus.ca or at www.loblaw.ca or www.choicereit.ca, respectively.

Management uses these and other non-GAAP and other financial measures to exclude the impact of certain expenses and income that must be recognized under GAAP when analyzing underlying consolidated and segment operating performance, as the excluded items are not necessarily reflective of the Company's underlying operating performance and make comparisons of underlying financial performance between periods difficult. The Company adjusts for these items if it believes doing so would result in a more effective analysis of underlying operating performance. The exclusion of certain items does not imply that they are non-recurring.

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. Unless otherwise indicated, all financial information represents the Company's results from continuing operations.

ADJUSTED EBITDA The Company believes adjusted EBITDA is useful in assessing and making decisions regarding the underlying operating performance of the Company's ongoing operations and in assessing the Company's ability to generate cash flows to fund its cash requirements, including its capital investment program.

The following table reconciles adjusted EBITDA to operating income, which is reconciled to GAAP net earnings attributable to shareholders of the Company from continuing operations reported for the periods ended as indicated.

(\$ millions)	16 Weeks Ended							
	Oct. 7, 2023				Oct. 8, 2022			
	Loblav	Choice Properties	Other & Intersegment	Consolidated	Loblav	Choice Properties	Other & Intersegment	Consolidated
Net earnings attributable to shareholders of the Company from continuing operations				\$ 624				\$ 903
Add impact of the following:								
Non-controlling interests				320				282
Income taxes				202				276
Net interest expense and other financing charges				85				13
Operating income	\$1,063	\$ 214	\$ (46)	\$ 1,231	\$ 989	\$ 501	\$ (16)	\$ 1,474
Add (deduct) impact of the following:								
Amortization of intangible assets acquired with Shoppers Drug Mart and Lifemark	\$ 154	\$ -	\$ -	\$ 154	\$ 151	\$ -	\$ -	\$ 151
Fair value adjustment of investment in real estate securities	-	45	-	45	-	69	-	69
Fair value adjustment on investment properties	-	(26)	27	1	-	(347)	34	(313)
Gain on sale of non-operating properties	(13)	-	(2)	(15)	(3)	-	-	(3)
Fair value adjustment of derivatives	(6)	-	-	(6)	(6)	-	-	(6)
Foreign currency translation and other company level activities	-	-	-	-	-	-	1	1
Adjusting items	\$ 135	\$ 19	\$ 25	\$ 179	\$ 142	\$ (278)	\$ 35	\$ (101)
Adjusted operating income	\$1,198	\$ 233	\$ (21)	\$ 1,410	\$ 1,131	\$ 223	\$ 19	\$ 1,373
Depreciation and amortization excluding the impact of the above adjustment ⁽ⁱ⁾	726	1	(118)	609	713	-	(135)	578
Adjusted EBITDA	\$1,924	\$ 234	\$ (139)	\$ 2,019	\$1,844	\$ 223	\$ (116)	\$ 1,951

- (i) Depreciation and amortization for the calculation of adjusted EBITDA excludes amortization of intangible assets, acquired with Shoppers Drug Mart and Lifemark, recorded by Loblav.

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(\$ millions)	40 Weeks Ended							
	Oct. 7, 2023				Oct. 8, 2022			
	Loblaw	Choice Properties	Other & Intersegment	Consolidated	Loblaw	Choice Properties	Other & Intersegment	Consolidated
Net earnings attributable to shareholders of the Company from continuing operations				\$ 1,568				\$ 1,926
Add (deduct) impact of the following:								
Non-controlling interests				810				748
Income taxes				680				618
Net interest expense (income) and other financing charges				229				(3)
Operating income	\$2,755	\$ 810	\$ (278)	\$ 3,287	\$2,465	\$ 679	\$ 145	\$ 3,289
Add (deduct) impact of the following:								
Amortization of intangible assets acquired with Shoppers Drug Mart and Lifemark	\$ 384	\$ -	\$ -	\$ 384	\$ 382	\$ -	\$ -	\$ 382
Fair value adjustment of investment in real estate securities	-	91	-	91	-	228	-	228
Fair value adjustment on investment properties	-	(202)	133	(69)	-	(240)	(262)	(502)
Gain on sale of non-operating properties	(12)	-	(7)	(19)	(7)	-	-	(7)
Fair value adjustment of derivatives	2	-	-	2	(16)	-	-	(16)
Charges related to PC Bank commodity tax matters	37	-	-	37	111	-	-	111
Transaction costs and other related expenses	-	-	-	-	16	5	-	21
Restructuring and other related (recoveries) costs	-	-	-	-	(15)	-	19	4
Foreign currency translation and other company level activities	-	-	-	-	-	-	3	3
Adjusting items	\$ 411	\$ (111)	\$ 126	\$ 426	\$ 471	\$ (7)	\$ (240)	\$ 224
Adjusted operating income	\$3,166	\$ 699	\$ (152)	\$ 3,713	\$2,936	\$ 672	\$ (95)	\$ 3,513
Depreciation and amortization excluding the impact of the above adjustment ⁽ⁱ⁾	1,842	3	(299)	1,546	1,746	2	(300)	1,448
Adjusted EBITDA	\$5,008	\$ 702	\$ (451)	\$ 5,259	\$4,682	\$ 674	\$ (395)	\$ 4,961

(i) Depreciation and amortization for the calculation of adjusted EBITDA excludes amortization of intangible assets, acquired with Shoppers Drug Mart and Lifemark, recorded by Loblaw.

The following items impacted adjusted EBITDA in 2023 and 2022:

Amortization of intangible assets acquired with Shoppers Drug Mart and Lifemark The acquisition of Shoppers Drug Mart in 2014 included approximately \$6 billion of definite life intangible assets, which are being amortized over their estimated useful lives. Annual amortization associated with the acquired intangible assets will be approximately \$500 million until 2024 and will decrease thereafter.

The acquisition of Lifemark in the second quarter of 2022 included approximately \$299 million of definite life intangible assets, which are being amortized over their estimated useful lives.

Fair value adjustment of investment in real estate securities Choice Properties received Allied Class B Units as part of the consideration for the Office Asset Sale on March 31, 2022. Choice Properties recognized these units as investments in real estate securities. The investment in real estate securities is exposed to market price fluctuations of Allied trust units. An increase (decrease) in the market price of Allied trust units results in income (a charge) to operating income.

Fair value adjustment on investment properties The Company measures investment properties at fair value. Under the fair value model, investment properties are initially measured at cost and subsequently measured at fair value. Fair value is determined based on available market evidence. If market evidence is not readily available in less active markets, the Company uses alternative valuation methods such as discounted cash flow projections or recent transaction prices. Gains and losses on fair value are recognized in operating income in the period in which they are incurred. Gains and losses from disposal of investment properties are determined by comparing the fair value of disposal proceeds and the carrying amount and are recognized in operating income.

Gain on sale of non-operating properties In the third quarter of 2023 and year-to-date, Loblaw recorded a gain related to the sale of non-operating properties of \$13 million (2022 - \$3 million) and \$12 million (2022 - \$7 million), respectively.

In the third quarter of 2023 and year-to-date, Choice Properties disposed of properties and incurred a loss which was recognized in fair value adjustment of investment properties. On consolidation, the Company recorded these properties in fixed assets, which were recognized at cost less accumulated depreciation. As a result, in the third quarter of 2023 and year-to-date, on consolidation, an incremental gain of \$2 million and \$7 million, respectively, was recognized in operating income.

Fair value adjustment of derivatives Loblaw is exposed to commodity price and U.S. dollar exchange rate fluctuations. In accordance with Loblaw's commodity risk management policy, Loblaw enters into exchange traded futures contracts and forward contracts to minimize cost volatility relating to fuel prices and the U.S. dollar exchange rate. These derivatives are not acquired for trading or speculative purposes. Pursuant to Loblaw's derivative instruments accounting policy, changes in the fair value of these instruments, which include realized and unrealized gains and losses, are recorded in operating income. Despite the impact of accounting for these commodity and foreign currency derivatives on Loblaw's reported results, the derivatives have the economic impact of largely mitigating the associated risks arising from price and exchange rate fluctuations in the underlying commodities and U.S. dollar commitments.

Charges related to PC Bank commodity tax matters In the second quarter of 2023, the Federal government enacted certain commodity tax legislation that may apply to PC Bank, a subsidiary of Loblaw, on a retroactive basis. A charge of \$37 million, inclusive of interest, was recorded for this matter.

In the second quarter of 2022, Loblaw recorded a charge of \$111 million, inclusive of interest. On July 19, 2022, the Tax Court released its decision and ruled that PC Bank is not entitled to claim notional input tax credits for certain payments it made to Loblaw's Inc. in respect of redemptions of loyalty points. On September 29, 2022, PC Bank filed a Notice of Appeal with the Federal Court of Appeal.

Transaction costs and other related expenses In connection with the acquisition of Lifemark during 2022, Loblaw recorded acquisition costs of \$16 million in operating income.

During the first quarter of 2022, Choice Properties recorded advisory, legal, personnel, and other costs related to the Office Asset Sale totaling \$5 million.

Restructuring and other related (recoveries) costs The Company continuously evaluates strategic and cost reduction initiatives related to its store infrastructure, distribution networks and administrative infrastructure with the objective of ensuring a low cost operating structure. Only restructuring activities that are publicly announced related to these initiatives are considered adjusting items.

In the first quarter of 2022, Loblaw recorded approximately \$15 million of restructuring and other related recoveries mainly in connection to the previously announced closure of two distribution centres in Laval and Ottawa. Loblaw disposed of one of the distribution centres for proceeds of \$26 million and recognized a gain of \$19 million, which was partially offset by \$4 million of restructuring and other related costs. Loblaw invested to build a modern and efficient expansion to its Cornwall distribution centre to serve its food and drug retail businesses in Ontario and Quebec and volumes have been transferred.

In the first quarter of 2022, included in Loblaw's restructuring and other related recoveries was a gain of \$19 million related to the disposition of a property to Choice Properties. On consolidation, the \$19 million recovery recorded by Loblaw was reversed as it was an intercompany transaction.

ADJUSTED NET INTEREST EXPENSE AND OTHER FINANCING CHARGES The Company believes adjusted net interest expense and other financing charges is useful in assessing the ongoing net financing costs of the Company.

The following table reconciles adjusted net interest expense and other financing charges to GAAP net interest expense (income) and other financing charges reported for the periods ended as indicated.

(\$ millions)	16 Weeks Ended		40 Weeks Ended	
	Oct. 7, 2023	Oct. 8, 2022	Oct. 7, 2023	Oct. 8, 2022
Net interest expense (income) and other financing charges	\$ 85	\$ 13	\$ 229	\$ (3)
Add impact of the following:				
Fair value adjustment of the Trust Unit liability	219	277	613	760
Recovery related to Glenhuron	—	—	—	11
Adjusted net interest expense and other financing charges	\$ 304	\$ 290	\$ 842	\$ 768

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In addition to certain items described in the "Adjusted EBITDA" section above, the following items impacted adjusted net interest expense and other financing charges in 2023 and 2022:

Fair value adjustment of the Trust Unit liability The Company is exposed to market price fluctuations as a result of the Choice Properties Trust Units held by unitholders other than the Company. These Trust Units are presented as a liability on the Company's consolidated balance sheets as they are redeemable for cash at the option of the holder, subject to certain restrictions. This liability is recorded at fair value at each reporting date based on the market price of Trust Units at the end of each period. An increase (decrease) in the market price of Trust Units results in a charge (income) to net interest expense and other financing charges.

Recovery related to Glenhuron In 2021, the Supreme Court ruled in favour of Loblaw on the Glenhuron matter. As a result of related reassessments received during the first quarter of 2022, Loblaw reversed \$35 million of previously recorded charges, of which \$2 million was recorded as interest income and \$33 million was recorded as an income tax recovery, and an additional \$9 million, before taxes, was recorded in respect of interest income earned on expected cash tax refunds.

ADJUSTED INCOME TAXES AND ADJUSTED EFFECTIVE TAX RATE The Company believes the adjusted effective tax rate applicable to adjusted earnings before taxes is useful in assessing the underlying operating performance of its business.

The following table reconciles the effective tax rate applicable to adjusted earnings before taxes to the GAAP effective tax rate applicable to earnings before taxes as reported for the periods ended as indicated.

(\$ millions except where otherwise indicated)	16 Weeks Ended		40 Weeks Ended	
	Oct. 7, 2023	Oct. 8, 2022	Oct. 7, 2023	Oct. 8, 2022
Adjusted operating income ⁽ⁱ⁾	\$ 1,410	\$ 1,373	\$ 3,713	\$ 3,513
Adjusted net interest expense and other financing charges ⁽ⁱ⁾	304	290	842	768
Adjusted earnings before taxes	\$ 1,106	\$ 1,083	\$ 2,871	\$ 2,745
Income taxes	\$ 202	\$ 276	\$ 680	\$ 618
Add (deduct) impact of the following:				
Tax impact of items excluded from adjusted earnings before taxes ⁽ⁱⁱ⁾	40	(11)	103	58
Outside basis difference in certain Loblaw shares	18	18	(24)	(1)
Remeasurement of deferred tax balances	–	–	–	46
Recovery related to Glenhuron	–	–	–	33
Adjusted income taxes	\$ 260	\$ 283	\$ 759	\$ 754
Effective tax rate applicable to earnings before taxes	17.6%	18.9%	22.2%	18.8%
Adjusted effective tax rate applicable to adjusted earnings before taxes	23.5%	26.1%	26.4%	27.5%

(i) See reconciliations of adjusted operating income and adjusted net interest expense and other financing charges above.

(ii) See the adjusted EBITDA table and the adjusted net interest expense and other financing charges table above for a complete list of items excluded from adjusted earnings before taxes.

In addition to certain items described in the "Adjusted EBITDA" and "Adjusted Net Interest Expense and Other Financing Charges" sections above, the following items impacted adjusted income taxes and the adjusted effective tax rate in 2023 and 2022:

Outside basis difference in certain Loblaw shares The Company recorded a deferred tax recovery of \$18 million quarter-to-date (2022 - \$18 million) and a deferred tax expense of \$24 million year-to-date (2022 - \$1 million) on temporary differences in respect of GWL's investment in certain Loblaw shares that are expected to reverse in the foreseeable future as a result of GWL's participation in Loblaw's NCIB.

Remeasurement of deferred tax balances In the second quarter of 2022, the Company remeasured certain deferred tax balances as a result of the Office Asset Sale which resulted in an income tax recovery of \$46 million.

ADJUSTED NET EARNINGS AVAILABLE TO COMMON SHAREHOLDERS FROM CONTINUING OPERATIONS AND ADJUSTED DILUTED NET EARNINGS PER COMMON SHARE FROM CONTINUING OPERATIONS The Company believes that adjusted net earnings available to common shareholders from continuing operations and adjusted diluted net earnings per common share from continuing operations are useful in assessing the Company's underlying operating performance and in making decisions regarding the ongoing operations of its business.

The following table reconciles adjusted net earnings available to common shareholders of the Company from continuing operations and adjusted net earnings attributable to shareholders of the Company from continuing operations to net earnings attributable to shareholders of the Company and then to net earnings available to common shareholders of the Company from continuing operations reported for the periods ended as indicated.

(\$ millions except where otherwise indicated)	16 Weeks Ended		40 Weeks Ended	
	Oct. 7, 2023	Oct. 8, 2022	Oct. 7, 2023	Oct. 8, 2022
Net earnings attributable to shareholders of the Company	\$ 624	\$ 903	\$ 1,568	\$ 1,920
Less: Net loss from discontinued operations	–	–	–	(6)
Net earnings attributable to shareholders of the Company from continuing operations	\$ 624	\$ 903	\$ 1,568	\$ 1,926
Less: Prescribed dividends on preferred shares in share capital	(14)	(14)	(34)	(34)
Net earnings available to common shareholders of the Company from continuing operations	\$ 610	\$ 889	\$ 1,534	\$ 1,892
Less: Reduction in net earnings due to dilution at Loblaw	(4)	(4)	(9)	(8)
Net earnings available to common shareholders from continuing operations for diluted earnings per share	\$ 606	\$ 885	\$ 1,525	\$ 1,884
Net earnings attributable to shareholders of the Company from continuing operations	\$ 624	\$ 903	\$ 1,568	\$ 1,926
Adjusting items (refer to the following table)	(144)	(436)	(409)	(829)
Adjusted net earnings attributable to shareholders of the Company from continuing operations	\$ 480	\$ 467	\$ 1,159	\$ 1,097
Less: Prescribed dividends on preferred shares in share capital	(14)	(14)	(34)	(34)
Adjusted net earnings available to common shareholders of the Company from continuing operations	\$ 466	\$ 453	\$ 1,125	\$ 1,063
Less: Reduction in net earnings due to dilution at Loblaw	(4)	(4)	(9)	(8)
Adjusted net earnings available to common shareholders for diluted earnings per share from continuing operations	\$ 462	\$ 449	\$ 1,116	\$ 1,055
Diluted weighted average common shares outstanding (in millions)	137.3	144.1	138.9	145.7

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The following table reconciles adjusted net earnings available to common shareholders of the Company from continuing operations and adjusted diluted net earnings per common share from continuing operations to GAAP net earnings available to common shareholders of the Company from continuing operations and diluted net earnings per common share from continuing operations as reported for the periods ended as indicated.

	16 Weeks Ended			
	Oct. 7, 2023		Oct. 8, 2022	
	Net Earnings Available to Common Shareholders of the Company (\$ millions)	Diluted Net Earnings Per Common Share	Net Earnings Available to Common Shareholders of the Company (\$ millions)	Diluted Net Earnings Per Common Share
(\$ except where otherwise indicated)				
Continuing Operations	\$ 610	\$ 4.41	\$ 889	\$ 6.14
Add (deduct) impact of the following ⁽ⁱ⁾ :				
Amortization of intangible assets acquired with Shoppers Drug Mart and Lifemark	\$ 60	\$ 0.43	\$ 60	\$ 0.42
Fair value adjustment of investment in real estate securities	42	0.30	64	0.45
Fair value adjustment on investment properties	1	0.01	(262)	(1.82)
Gain on sale of non-operating properties	(8)	(0.05)	(1)	(0.01)
Fair value adjustment of derivatives	(2)	(0.01)	(3)	(0.02)
Fair value adjustment of the Trust Unit liability	(219)	(1.60)	(277)	(1.92)
Outside basis difference in certain Loblaw shares	(18)	(0.13)	(18)	(0.13)
Foreign currency translation and other company level activities	–	–	1	0.01
Adjusting items Continuing Operations	\$ (144)	\$ (1.05)	\$ (436)	\$ (3.02)
Adjusted Continuing Operations	\$ 466	\$ 3.36	\$ 453	\$ 3.12

(i) Net of income taxes and non-controlling interests, as applicable.

	40 Weeks Ended			
	Oct. 7, 2023		Oct. 8, 2022	
	Net Earnings Available to Common Shareholders of the Company (\$ millions)	Diluted Net Earnings Per Common Share	Net Earnings Available to Common Shareholders of the Company (\$ millions)	Diluted Net Earnings Per Common Share
(\$ except where otherwise indicated)				
Continuing Operations	\$ 1,534	\$ 10.98	\$ 1,892	\$ 12.93
Add (deduct) impact of the following ⁽ⁱ⁾ :				
Amortization of intangible assets acquired with Shoppers Drug Mart and Lifemark	\$ 149	\$ 1.07	\$ 150	\$ 1.03
Fair value adjustment of investment in real estate securities	84	0.60	210	1.45
Fair value adjustment on investment properties	(59)	(0.42)	(420)	(2.89)
Gain on sale of non-operating properties	(10)	(0.08)	(3)	(0.02)
Fair value adjustment of derivatives	1	0.01	(7)	(0.05)
Charges related to PC Bank commodity tax matters	15	0.11	45	0.31
Transaction costs and other related expenses	–	–	12	0.08
Restructuring and other related costs	–	–	10	0.08
Fair value adjustment of the Trust Unit liability	(613)	(4.41)	(760)	(5.22)
Outside basis difference in certain Loblaw shares	24	0.17	1	0.01
Remeasurement of deferred tax balances	–	–	(46)	(0.32)
Recovery related to Glenhuron	–	–	(23)	(0.16)
Foreign currency translation and other company level activities	–	–	2	0.01
Adjusting items Continuing Operations	\$ (409)	\$ (2.95)	\$ (829)	\$ (5.69)
Adjusted Continuing Operations	\$ 1,125	\$ 8.03	\$ 1,063	\$ 7.24

(i) Net of income taxes and non-controlling interests, as applicable.

FREE CASH FLOW FROM CONTINUING OPERATIONS The Company believes free cash flow is useful in assessing the Company's cash available for additional financing and investing activities.

The following table reconciles free cash flow to GAAP measures reported for the periods ended as indicated.

(\$ millions)	16 Weeks Ended		40 Weeks Ended	
	Oct. 7, 2023	Oct. 8, 2022 ⁽ⁱ⁾	Oct. 7, 2023	Oct. 8, 2022 ⁽ⁱ⁾
Cash flows from operating activities from continuing operations	\$ 2,100	\$ 1,604	\$ 4,338	\$ 3,646
Less: Interest paid	268	225	706	623
Capital investments ⁽ⁱⁱ⁾	756	517	1,632	1,073
Lease payments, net	282	264	691	610
Free cash flow from continuing operations	\$ 794	\$ 598	\$ 1,309	\$ 1,340

(i) Certain comparative figures have been restated to conform with current year presentation.

(ii) Capital investments are the sum of fixed asset and investment property purchases and intangible asset additions as presented in the Company's condensed consolidated statements of cash flows.

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ROLLING YEAR ADJUSTED RETURN ON AVERAGE EQUITY ATTRIBUTABLE TO COMMON SHAREHOLDERS OF THE COMPANY AND ROLLING YEAR ADJUSTED RETURN ON CAPITAL The Company uses the following metrics to measure its leverage and profitability. The definitions of these ratios are presented below.

Rolling Year Adjusted Return on Average Equity Attributable to Common Shareholders of the Company Adjusted net earnings available to common shareholders of the Company for the last four quarters divided by average total equity attributable to common shareholders of the Company. Refer to Section 3.4, "Financial Condition", of this MD&A.

Rolling Year Adjusted Return on Capital Tax-effected adjusted operating income for the last four quarters divided by average capital where capital is defined as total debt, plus equity attributable to shareholders of the Company, less cash and cash equivalents, and short-term investments. Refer to Section 3.4, "Financial Condition", of this MD&A.

CHOICE PROPERTIES' FUNDS FROM OPERATIONS Choice Properties considers funds from operations to be a useful measure of operating performance as it adjusts for items included in net income that do not arise from operating activities or do not necessarily provide an accurate depiction of its performance.

Funds from operations is calculated in accordance with the Real Property Association of Canada's Funds from Operations & Adjusted Funds from Operations for IFRS issued in January 2022.

The following table reconciles Choice Properties' funds from operations to net income for the periods ended as indicated.

(\$ millions)	16 Weeks Ended		40 Weeks Ended	
	Oct. 7, 2023	Oct. 8, 2022	Oct. 7, 2023	Oct. 8, 2022
Net income	\$ 435	\$ 948	\$ 1,242	\$ 1,323
Add (deduct) impact of the following:				
Amortization of intangible assets	–	–	1	1
Transaction costs and other related expenses	–	–	–	5
Adjustment to fair value of unit-based compensation	–	–	(2)	(1)
Fair value adjustment on Exchangeable Units	(352)	(578)	(823)	(1,029)
Fair value adjustment on investment properties	(27)	(141)	(189)	80
Fair value adjustment on investment property held in equity accounted joint ventures	1	(203)	(15)	(315)
Fair value adjustment of investment in real estate securities	45	69	91	228
Capitalized interest on equity accounted joint ventures	3	3	9	6
Unit distributions on Exchangeable Units	74	73	222	220
Internal expenses for leasing	2	2	6	6
Funds from Operations	\$ 181	\$ 173	\$ 542	\$ 524

8.1 Non-GAAP and Other Financial Measures - Selected Comparative Reconciliation

The following table provides a reconciliation of adjusted EBITDA to operating income, which is reconciled to GAAP net earnings (loss) attributable to shareholders of the Company from continuing operations reported for the periods ended as indicated.

(\$ millions)	Third Quarter		Second Quarter		First Quarter		Fourth Quarter	
	2023	2022	2023	2022	2023	2022	2022	2021
	(16 weeks)	(16 weeks)	(12 weeks)	(12 weeks)	(12 weeks)	(12 weeks)	(12 weeks)	(12 weeks)
Net earnings (loss) attributable to shareholders of the Company from continuing operations	\$ 624	\$ 903	\$ 508	\$ 650	\$ 436	\$ 373	\$ (104)	\$ 428
Add (deduct) impact of the following:								
Non-controlling interests	\$ 320	\$ 282	\$ 274	\$ 224	\$ 216	\$ 242	\$ 239	\$ 327
Income taxes	\$ 202	\$ 276	\$ 244	\$ 113	\$ 234	\$ 229	\$ 213	\$ 64
Net interest expense (income) and other financing charges	\$ 85	\$ 13	\$ 73	\$ (338)	\$ 71	\$ 322	\$ 916	\$ 190
Operating income	\$ 1,231	\$ 1,474	\$ 1,099	\$ 649	\$ 957	\$ 1,166	\$ 1,264	\$ 1,009
Add (deduct) impact of the following:								
Amortization of intangible assets acquired with Shoppers Drug Mart and Lifemark	\$ 154	\$ 151	\$ 116	\$ 114	\$ 114	\$ 117	\$ 115	\$ 117
Fair value adjustment of investment in real estate securities	45	69	31	159	15	–	20	–
Fair value adjustment on investment properties	1	(313)	(21)	102	(49)	(291)	(226)	(87)
Gain on sale of non-operating properties	(15)	(3)	(3)	(4)	(1)	–	(50)	(2)
Fair value adjustment of derivatives	(6)	(6)	5	4	3	(14)	11	6
Charges related to PC Bank commodity tax matters	–	–	37	111	–	–	–	–
Transaction costs and other related expenses	–	–	–	13	–	8	–	–
Restructuring and other related costs (recoveries)	–	–	–	–	–	4	–	(8)
Fair value adjustment on non-operating properties	–	–	–	–	–	–	(6)	(2)
Foreign currency translation and other company level activities	–	1	–	2	–	–	–	–
Adjusting items	\$ 179	\$ (101)	\$ 165	\$ 501	\$ 82	\$ (176)	\$ (136)	\$ 24
Adjusted operating income	\$ 1,410	\$ 1,373	\$ 1,264	\$ 1,150	\$ 1,039	\$ 990	\$ 1,128	\$ 1,033
Depreciation and amortization excluding the impact of the above adjustment ⁽ⁱ⁾	\$ 609	\$ 578	\$ 469	\$ 438	\$ 468	\$ 432	\$ 462	\$ 420
Adjusted EBITDA	\$ 2,019	\$ 1,951	\$ 1,733	\$ 1,588	\$ 1,507	\$ 1,422	\$ 1,590	\$ 1,453

(i) Depreciation and amortization for the calculation of adjusted EBITDA excludes the amortization of intangible assets, acquired with Shoppers Drug Mart and Lifemark, recorded by Loblaw.

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The following tables reconcile adjusted net earnings available to common shareholders of the Company from continuing operations and adjusted diluted net earnings per common share from continuing operations to GAAP net earnings (loss) available to common shareholders of the Company from continuing operations and diluted net earnings (loss) per common share from continuing operations as reported for the periods ended as indicated.

(\$ millions)	Third Quarter		Second Quarter		First Quarter		Fourth Quarter	
	2023	2022	2023	2022	2023	2022	2022	2021
	(16 weeks)	(16 weeks)	(12 weeks)	(12 weeks)	(12 weeks)	(12 weeks)	(12 weeks)	(12 weeks)
Continuing Operations	\$ 610	\$ 889	\$ 498	\$ 640	\$ 426	\$ 363	\$ (114)	\$ 418
Add (deduct) impact of the following ⁽ⁱ⁾ :								
Amortization of intangible assets acquired with Shoppers Drug Mart and Lifemark	\$ 60	\$ 60	\$ 44	\$ 44	\$ 45	\$ 46	\$ 41	\$ 47
Fair value adjustment of investment in real estate securities	42	64	28	146	14	–	18	–
Fair value adjustment on investment properties	1	(262)	(17)	85	(43)	(243)	(225)	(72)
Gain on sale of non-operating properties	(8)	(1)	(1)	(2)	(1)	–	(19)	(2)
Fair value adjustment of derivatives	(2)	(3)	2	2	1	(6)	5	1
Charges related to PC Bank commodity tax matters	–	–	15	45	–	–	–	–
Transaction costs and other related expenses	–	–	–	7	–	5	–	–
Restructuring and other related costs (recoveries)	–	–	–	–	–	10	–	(4)
Fair value adjustment on non-operating properties	–	–	–	–	–	–	(2)	–
Fair value adjustment of the Trust Unit liability	(219)	(277)	(202)	(576)	(192)	93	662	122
Recovery related to Glenhuron	–	–	–	–	–	(23)	–	(165)
Outside basis difference in certain Loblaw shares	(18)	(18)	10	(18)	32	37	3	(1)
Remeasurement of deferred tax balances	–	–	–	(46)	–	–	–	–
Fair value adjustment of the forward sale agreement for Loblaw common shares	–	–	–	–	–	–	–	3
Foreign currency translation and other company level activities	–	1	–	1	–	–	–	–
Adjusting items Continuing Operations	\$ (144)	\$ (436)	\$ (121)	\$ (312)	\$ (144)	\$ (81)	\$ 483	\$ (71)
Adjusted Continuing Operations	\$ 466	\$ 453	\$ 377	\$ 328	\$ 282	\$ 282	\$ 369	\$ 347

(i) Net of income taxes and non-controlling interests, as applicable.

	Third Quarter		Second Quarter		First Quarter		Fourth Quarter	
	2023	2022	2023	2022	2023	2022	2022	2021
(\$ except where otherwise indicated)	(16 weeks)	(16 weeks)	(12 weeks)	(12 weeks)	(12 weeks)	(12 weeks)	(12 weeks)	(12 weeks)
Continuing Operations	\$ 4.41	\$ 6.14	\$ 3.55	\$ 4.36	\$ 3.01	\$ 2.45	\$ (0.83)	\$ 2.80
Add (deduct) impact of the following ⁽ⁱ⁾ :								
Amortization of intangible assets acquired with Shoppers Drug Mart and Lifemark	\$ 0.43	\$ 0.42	\$ 0.32	\$ 0.31	\$ 0.32	\$ 0.31	\$ 0.29	\$ 0.31
Fair value adjustment of investment in real estate securities	0.30	0.45	0.20	0.99	0.10	–	0.13	–
Fair value adjustment on investment properties	0.01	(1.82)	(0.12)	0.58	(0.30)	(1.65)	(1.60)	(0.48)
Gain on sale of non-operating properties	(0.05)	(0.01)	(0.01)	(0.02)	(0.01)	–	(0.13)	(0.01)
Fair value adjustment of derivatives	(0.01)	(0.02)	0.01	0.01	0.01	(0.04)	0.03	0.01
Charges related to PC Bank commodity tax matters	–	–	0.11	0.31	–	–	–	–
Transaction costs and other related expenses	–	–	–	0.05	–	0.03	–	–
Restructuring and other related costs (recoveries)	–	–	–	–	–	0.08	–	(0.03)
Fair value adjustment on non-operating properties	–	–	–	–	–	–	(0.01)	–
Fair value adjustment of the Trust Unit liability	(1.60)	(1.92)	(1.45)	(3.94)	(1.37)	0.63	4.69	0.83
Recovery related to Glenhuron	–	–	–	–	–	(0.16)	–	(1.12)
Outside basis difference in certain Loblaw shares	(0.13)	(0.13)	0.07	(0.12)	0.23	0.25	0.02	(0.01)
Remeasurement of deferred tax balances	–	–	–	(0.31)	–	–	–	–
Fair value adjustment of the forward sale agreement for Loblaw common shares	–	–	–	–	–	–	–	0.02
Foreign currency translation and other company level activities	–	0.01	–	0.01	–	–	–	–
Adjusting items Continuing Operations	\$ (1.05)	\$ (3.02)	\$ (0.87)	\$ (2.13)	\$ (1.02)	\$ (0.55)	\$ 3.42	\$ (0.48)
Adjusted Continuing Operations	\$ 3.36	\$ 3.12	\$ 2.68	\$ 2.23	\$ 1.99	\$ 1.90	\$ 2.59	\$ 2.32
Diluted Weighted Average Common Shares (in millions)	137.3	144.1	139.5	146.3	140.7	147.3	141.3	147.6

(i) Net of income taxes and non-controlling interests, as applicable.

Management's Discussion and Analysis

9. Forward-Looking Statements

This Quarterly Report, including this MD&A, 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 Quarterly Report 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 further healthcare reform, future liquidity, planned capital investments, and the status and impact of IT systems implementations. These specific forward-looking statements are contained throughout this Quarterly Report including, without limitation, in Section 3, "Liquidity and Capital Resources", Section 7, "Outlook", and Section 8, "Non-GAAP and Other Financial Measures" of this MD&A. Forward-looking statements are typically identified by words such as "expect", "anticipate", "believe", "foresee", "could", "estimate", "goal", "intend", "plan", "seek", "strive", "will", "may", "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 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 the "Enterprise Risks and Risk Management" sections of the Company's 2022 Annual Report and the Company's AIF for the year ended December 31, 2022. Such risks and uncertainties include:

- changes in economic conditions, including inflation, levels of employment, costs of borrowing, household debt, political uncertainty and government regulation, the impact of natural disasters, war or acts of terrorism, pandemics, changes in interest rates, tax rates, or exchange rates, and access to consumer credit;
- failure to attract and retain colleagues may impact the Company's ability to effectively operate and achieve financial performance goals;
- inability of the Company's IT infrastructure to support the requirements of the Company's business, or the occurrence of any internal or external security breaches, denial of service attacks, viruses, worms and other known or unknown cybersecurity or data breaches;
- failure to maintain an effective supply chain and consequently an appropriate assortment of available product at the store and digital retail level;
- changes to the regulation of generic prescription drug prices, the reduction of reimbursements under public drug benefit plans and the elimination or reduction of professional allowances paid by drug manufacturers;
- changes to any of the laws, rules, regulations or policies applicable to the Company's business;
- failure by Choice Properties to realize the anticipated benefits associated with its strategic priorities and major initiatives, including failure to develop quality assets and effectively manage development, redevelopment, and renovation initiatives and the timelines and costs related to such initiatives;
- public health events including those related to food and drug safety;
- errors made through medication dispensing or errors related to patient services or consultation;
- failure to adapt to environmental and social risks, including failure to execute against the Company's climate change and social equity initiatives;
- failure to achieve desired results in labour negotiations, including the terms of future collective bargaining agreements;
- adverse outcomes of legal and regulatory proceedings and related matters;
- failure to effectively respond to consumer trends or heightened competition, whether from current competitors or new entrants to the marketplace;
- failure to execute the Company's e-commerce initiatives or to adapt its business model to shifts in the retail landscape caused by digital advances;
- failure to realize the anticipated benefits associated with the Company's strategic priorities and major initiatives, including revenue growth, anticipated cost savings and operating efficiencies, or organizational changes that may impact the relationships with franchisees and Shoppers Drug Mart Licensees ("Associates");
- failure to realize benefits from investments in the Company's new IT systems and related processes;
- inability of the Company to manage inventory to minimize the impact of obsolete or excess inventory or control shrink;
- reliance on the performance and retention of third party service providers, including those associated with the Company's supply chain and apparel business and located in both advanced and developing markets; and
- the inability of the Company to effectively develop and execute its strategy.

This is not an exhaustive list of the factors that may affect the Company's forward-looking statements. 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 "Operating and Financial Risks and Risk Management" in the Company's AIF for the year ended December 31, 2022. 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 MD&A. 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.

Management's Discussion and Analysis

10. Additional Information

Additional information about the Company has been filed electronically with various securities regulators in Canada through SEDAR+ and is available online at www.sedarplus.ca.

This Quarterly Report includes selected information on Loblaw, a public company with shares trading on the TSX, and selected information on Choice Properties, a public real estate investment trust with units trading on the TSX. For information regarding Loblaw or Choice Properties, readers should also refer to the respective materials filed on SEDAR+ from time to time. These filings are also maintained on the respective companies' corporate website at www.loblaw.ca and www.choicereit.ca.

Toronto, Canada

November 20, 2023

Footnote Legend

- (1) Refer to Section 8, "Non-GAAP and Other Financial Measures", of the Company's 2023 Third Quarter Management's Discussion and Analysis.
 - (2) GWL Corporate refers to the non-consolidated financial results and metrics of George Weston Limited. GWL Corporate is a subset of Other and Intersegment.
 - (3) To be read in conjunction with Section 9, "Forward-Looking Statements", of the Company's 2023 Third Quarter Management's Discussion and Analysis.
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