NEWS RELEASE

George Weston Limited Reports 2016 Fourth Quarter and Fiscal Year Ended December 31, 2016 Results(2)

TORONTO, ONTARIO March 2, 2017 George Weston Limited (TSX: WN) ("GWL" or the "Company") today announced its consolidated unaudited results for the 12 weeks ended December 31, 2016.

GWL's 2016 Annual Report includes the Company's audited annual consolidated financial statements and Management's Discussion and Analysis ("MD&A") for the fiscal year ended December 31, 2016. The 2016 Annual Report has been filed with SEDAR and is available at sedar.com and in the Investor Centre section of the Company's website at weston.ca.

Galen Weston, Chairman and Chief Executive Officer, George Weston Limited, commented that "George Weston Limited's fourth quarter results reflect the successful execution of the strategic priorities by both of the Company's operating segments. Loblaw delivered strong results as it remained focused on its financial plan in a highly competitive environment with continued pressures of healthcare reform. Weston Foods delivered results in line with expectations driven by volume growth and productivity improvements as it continued to invest in the business."

2016 FOURTH QUARTER HIGHLIGHTS

(unaudited) ($ millions except where otherwise indicated) For the periods ended as indicated	Quarters Ended Dec. 31, 2016	Dec. 31, 2015	Change	Years Ended Dec. 31, 2016	Dec. 31, 2015(3)	Change
Sales	**$ 11,519**	**$ 11,248**	**2.4 %**	**$ 47,999**	**$ 46,894**	**2.4%**
Operating income	**$ 491**	**$ 421**	**16.6 %**	**$ 2,255**	**$ 1,929**	**16.9%**
Adjusted EBITDA(1)	**$ 1,027**	$ 946	8.6 %	**$ 4,140**	$ 3,826	8.2%
Adjusted EBITDA margin(1)	**8.9%**	8.4%		**8.6%**	8.2%	
Net earnings attributable to shareholders of the Company	**$ 92**	**$ 148**	**(37.8)%**	**$ 550**	**$ 511**	**7.6%**
Net earnings available to common shareholders of the Company	**$ 82**	**$ 138**	**(40.6)%**	**$ 506**	**$ 467**	**8.4%**
Adjusted net earnings available to common shareholders of the Company(1)	**$ 204**	$ 183	11.5 %	**$ 838**	$ 717	16.9%
Diluted net earnings per common share ($)	**$ 0.64**	**$ 1.08**	**(40.7)%**	**$ 3.90**	**$ 3.62**	**7.7%**
Adjusted diluted net earnings per common share(1) ($)	**$ 1.59**	$ 1.43	11.2 %	**$ 6.49**	$ 5.57	16.5%

CONSOLIDATED RESULTS OF OPERATIONS

Net earnings available to common shareholders of the Company decreased by $56 million ($0.44 per common share) to $82 million ($0.64 per common share) in the fourth quarter of 2016 compared to the same period in 2015. The decrease was primarily due to the unfavourable year-over-year net impact of certain adjusting items, as described below, partially offset by the increase in Loblaw Companies Limited ("Loblaw") earnings and the positive contribution from the increase in the Company's ownership interest in Loblaw, as a result of Loblaw's share repurchases. The increase in Loblaw earnings was primarily due to improvements in the underlying operating performance of its Retail segment, including the favourable impact of a decrease in depreciation and amortization.

The unfavourable year-over-year net impact of certain adjusting items totaling $77 million ($0.60 per common share) was primarily due to:

- foreign currency translation of $52 million ($0.40 per common share);
- asset impairments, net of recoveries, of $42 million ($0.32 per common share); and
- a fair value adjustment of the forward sale agreement for 9.6 million Loblaw common shares of $39 million ($0.29 per common share);

partially offset by,

- the favourable impact of the impairment of Loblaw's drug retail ancillary assets held for sale in the fourth quarter of 2015 of $37 million ($0.28 per common share); and
- the favourable impact of Loblaw's accelerated transition of certain grocery stores to more cost effective and efficient Labour Agreements in the fourth quarter of 2015 of $18 million ($0.14 per common share).

Adjusted net earnings available to common shareholders of the Company(1) increased by $21 million ($0.16 per common share) to $204 million ($1.59 per common share) in the fourth quarter of 2016 compared to the same period in 2015, primarily due to the increase in Loblaw earnings and the positive contribution from the increase in the Company's ownership interest in Loblaw, as described above.

REPORTABLE OPERATING SEGMENTS

The Company has two reportable operating segments, Loblaw and Weston Foods. The Company also holds cash, short term investments and an interest in Choice Properties Real Estate Investment Trust ("Choice Properties") of 6%. Loblaw has three reportable operating segments including retail businesses, a bank and Choice Properties. Loblaw provides Canadians with grocery, pharmacy, health and beauty, apparel, general merchandise, retail banking, credit card services, insurance and wireless mobile products and services. Loblaw also holds an 83% effective interest in Choice Properties, which owns, manages and develops retail and commercial properties across Canada. The Weston Foods operating segment includes a leading fresh bakery business in Canada and frozen, artisan bakery and biscuit businesses throughout North America.

Weston Foods Segment Results

(unaudited) ($ millions except where otherwise indicated) For the periods ended as indicated	Quarters Ended			Years Ended		
	Dec. 31, 2016	Dec. 31, 2015	Change	**Dec. 31, 2016**	Dec. 31, 2015	Change
Sales	**$ 537**	$ 527	1.9 %	**$ 2,268**	$ 2,144	5.8 %
Operating income	**$ 38**	$ 42	(9.5)%	**$ 173**	$ 177	(2.3)%
Adjusted EBITDA(1)	**$ 73**	$ 67	9.0 %	**$ 296**	$ 285	3.9 %
Adjusted EBITDA margin(1)	**13.6%**	12.7%		**13.1%**	13.3%	
Depreciation and amortization(i)	**$ 27**	$ 25	8.0 %	**$ 111**	$ 94	18.1 %

(i) Depreciation and amortization in the fourth quarter of 2016 includes $3 million (2015 – $6 million) and year-to-date $14 million (2015 – $11 million) of accelerated depreciation related to restructuring and other charges.

Sales Weston Foods sales in the fourth quarter of 2016 were $537 million, an increase of $10 million, or 1.9%, compared to the same period in 2015, primarily due to an increase in volumes. Foreign currency translation had a nominal negative impact on sales compared to the same period in 2015.

Operating income Weston Foods operating income in the fourth quarter of 2016 was $38 million, a decrease of $4 million, or 9.5%, compared to the same period in 2015. The decrease was due to the unfavourable year-over-year net impact of certain adjusting items and an increase in depreciation and amortization, partially offset by an improvement in underlying operating performance, as described below. The unfavourable year-over-year net impact of certain adjusting items was primarily due to:

- charges associated with damaged inventory in the fourth quarter of 2016 of $5 million; and
- the fair value adjustment of derivatives of $4 million;

partially offset by,

- the favourable impact of settlement charges related to pension annuities and buy-outs in the fourth quarter of 2015 of $3 million.

Adjusted EBITDA(1) Weston Foods adjusted EBITDA(1) in the fourth quarter of 2016 was $73 million, an increase of $6 million, or 9.0%, compared to the same period in 2015. The increase was driven by the positive impact of the increase in sales and productivity improvements, partially offset by continued investments in the business and higher input costs.

Adjusted EBITDA margin(1) in the fourth quarter of 2016 was 13.6% compared to 12.7% in the same period in 2015. The improvement in adjusted EBITDA margin(1) in the fourth quarter of 2016 was mainly due to the factors impacting adjusted EBITDA(1), as described above.

Depreciation and Amortization Weston Foods depreciation and amortization was $27 million in the fourth quarter of 2016, an increase of $2 million compared to the same period in 2015. Depreciation and amortization in the fourth quarter of 2016 included $3 million (2015 – $6 million) of accelerated depreciation related to the planned closures of bread, pie and cake manufacturing facilities. Excluding these amounts, depreciation and amortization increased by $5 million due to investments in capital.

Weston Foods Other Business Matters

Restructuring Weston Foods continuously evaluates strategic and cost reduction initiatives related to its manufacturing assets, distribution networks and administrative infrastructure with the objective of ensuring a low cost operating structure. Weston Foods recorded restructuring and other charges in the fourth quarter of 2016 of $7 million (2015 – $8 million) and year-to-date of $17 million (2015 – $26 million), including $3 million (2015 – $6 million) and $14 million (2015 – $11 million) of accelerated depreciation. These charges primarily relate to restructuring plans to close manufacturing facilities in Canada and the U.S. with production transferring to other facilities.

Inventory loss In the fourth quarter of 2016 and year-to-date, Weston Foods recorded $5 million (U.S. $4 million) and $11 million (U.S. $9 million), respectively, related to the write-off of damaged inventory and other associated costs in selling, general and administrative expenses ("SG&A") in the Company's consolidated statement of earnings. An insurance claim is in progress and proceeds are expected to be recorded as the claim progresses.

Loblaw Segment Results

(unaudited) ($ millions except where otherwise indicated) For the periods ended as indicated	Quarters Ended			Years Ended		
	Dec. 31, 2016	Dec. 31, 2015	Change	**Dec. 31, 2016**	Dec. 31, 2015	Change
Sales	**$ 11,130**	$ 10,865	2.4 %	**$ 46,385**	$ 45,394	2.2 %
Operating income	**$ 447**	$ 314	42.4 %	**$ 2,084**	$ 1,593	30.8 %
Adjusted EBITDA(1)	**$ 954**	$ 879	8.5 %	**$ 3,844**	$ 3,541	8.6 %
Adjusted EBITDA margin(1)	**8.6%**	8.1%		**8.3 %**	7.8 %	
Depreciation and amortization(i)	**$ 365**	$ 376	(2.9)%	**$ 1,543**	$ 1,592	(3.1)%

(i) Depreciation and amortization includes $124 million (2015 – $124 million) in the fourth quarter of 2016 and $535 million (2015 – $536 million) year-to-date of amortization of intangible assets acquired with Shoppers Drug Mart Corporation ("Shoppers Drug Mart").

Sales, operating income and adjusted EBITDA[1] in the fourth quarter of 2016 included the impacts related to the franchises consolidated in the quarter, as set out in "Loblaw Other Business Matters".

Sales Loblaw sales in the fourth quarter of 2016 were $11,130 million, an increase of $265 million compared to the same period in 2015, primarily driven by Retail. Retail sales increased by $239 million, or 2.3%, compared to the same period in 2015 and included food retail sales of $7,789 million (2015 – $7,631 million) and drug retail sales of $3,056 million (2015 – $2,975 million).

Excluding the consolidation of franchises, Retail sales increased by $168 million primarily driven by the following factors:

- food retail same-store sales growth was 1.1%. The same-store sales growth includes the impact of retail promotional investments. Food retail same-store sales included the favourable impact of an extra selling day in the fourth quarter of 2016, due to the timing of New Year's Day, of approximately 1.0%. Loblaw's food retail average quarterly internal food price index declined and was slightly lower than the average quarterly national food price deflation of 2.3% as measured by "The Consumer Price Index for Food Purchased from Stores" ("CPI"). CPI does not necessarily reflect the effect of inflation on the specific mix of goods sold in Loblaw stores;
- drug retail same-store sales growth was 3.4%, including same-store pharmacy sales growth of 2.5% and same-store front store sales growth of 4.1%. Drug retail same-store sales included the favourable impact of an extra selling day in the fourth quarter of 2016, due to the timing of New Year's Day, of approximately 0.6%; and
- in the last 12 months, Retail net square footage increased 0.3 million square feet, or 0.4%, primarily driven by new store openings, partially offset by Loblaw's store closure plan announced in 2015 and completed in 2016.

Operating income Loblaw operating income in the fourth quarter of 2016 was $447 million, an increase of $133 million compared to the same period in 2015, primarily driven by the improvements in underlying operating performance of $86 million and the favourable year-over-year net impact of certain adjusting items totaling $47 million, as described below:

- the improvements in underlying operating performance were primarily driven by Retail including higher sales with stable gross margins, lower SG&A, lower depreciation and amortization and the favourable impact of the consolidation of franchises; and
- the favourable year-over-year net impact of certain Retail adjusting items totaling $47 million was primarily due to:
    - the impairment of drug retail ancillary assets held for sale in the fourth quarter of 2015 of $112 million;
    - the accelerated transition of certain Loblaw's grocery stores to more cost effective and efficient Labour Agreements of $55 million in the fourth quarter of 2015; and
    - a charge related to inventory measurement of $33 million associated with the conversion of Loblaw's franchised grocery stores to the new information technology ("IT") systems in the fourth quarter of 2015;

    partially offset by,
    - the unfavourable impact of asset impairments, net of recoveries, of $126 million; and
    - the unfavourable impact of settlement charges related to pension annuities and buy-outs of $15 million.

Adjusted EBITDA[1] Loblaw adjusted EBITDA[1] in the fourth quarter of 2016 was $954 million, an increase of $75 million compared to the same period in 2015, primarily driven by Retail. Retail adjusted EBITDA[1] was $889 million, an increase of $66 million driven by an increase in gross profit, partially offset by an increase in SG&A.

- Retail gross profit percentage of 27.2% increased by 40 basis points compared to the fourth quarter of 2015. Excluding the consolidation of franchises, Retail gross profit percentage was 26.4%, a decrease of 20 basis points compared to the fourth quarter of 2015. The decrease in gross profit was driven by food retail promotional investments, partially offset by improvements in drug retail margins, due to strong front store performance, and improvements in shrink, driven by improved inventory management.

- Retail SG&A as a percentage of sales was 19.0%, a decrease of 10 basis points compared to the fourth quarter of 2015. Excluding the consolidation of franchises, SG&A decreased $9 million and as a percentage of sales was 18.4%, an improvement of 40 basis points compared to the fourth quarter of 2015, driven by the following factors:
  - lower store support costs;
  - the positive impact of Loblaw's store closure plan announced in 2015 and completed in 2016; and
  - favourable year-over-year foreign exchange impacts;

  partially offset by,
  - higher retail store costs as efficiencies achieved in retail stores were more than offset by an increase in financial support to franchises.

Loblaw adjusted EBITDA[1] in the fourth quarter of 2016 also included an increase in Financial Services adjusted EBITDA[1] of $5 million, primarily driven by growth in credit card receivables and higher Mobile Shop sales, and an increase in Choice Properties adjusted EBITDA[1] of $4 million, primarily due to the expansion of the portfolio through development of properties and an increase in base rent from existing properties.

Depreciation and Amortization Loblaw's depreciation and amortization was $365 million in the fourth quarter of 2016, a decrease of $11 million compared to the same period in 2015. The decline in depreciation and amortization was primarily attributable to a change in the estimated useful life of certain equipment and fixtures in the second quarter of 2016.

Depreciation and amortization in the fourth quarter of 2016 included $124 million (2015 – $124 million) of amortization of intangible assets acquired with Shoppers Drug Mart.

Loblaw Other Business Matters

Impairment of Ancillary Healthcare Business In the fourth quarter of 2016, a Shoppers Drug Mart ancillary healthcare business was triggered for impairment testing due to impacts of Ontario healthcare reform implemented in the long term care industry. Loblaw recorded a charge of $88 million related to the impairment of fixed assets of $15 million and a customer relationship intangible asset of $73 million.

Consolidation of Franchises Loblaw has more than 500 franchise food retail stores in its network. As at year end 2016, 200 of these stores were consolidated for accounting purposes under a new, simplified franchise agreement ("Franchise Agreement") implemented in 2015.

Loblaw will convert franchises to the Franchise Agreement as existing agreements expire, at the end of which all franchises will be consolidated. The following table presents the number of franchises consolidated in the fourth quarter of 2016 and year-to-date, and the total impact of the consolidation of franchises included in the consolidated results of the Company:

(unaudited)	Quarters Ended		Years Ended	
($ millions except where otherwise indicated)	**Dec. 31, 2016**	Dec. 31, 2015	**Dec. 31, 2016**	Dec. 31, 2015
Number of Consolidated Franchise stores, beginning of period	**165**	43	85	
Add: Number of Consolidated Franchise stores in the period	**35**	42	115	85
Number of Consolidated Franchise stores, end of period	**200**	85	200	85
Sales	**$ 99**	$ 28	$ 363	$ 56
Operating income (loss)	**21**	(7)	(1)	(17)
Adjusted EBITDA[1]	**27**	(4)	20	(12)
Depreciation and amortization	**6**	3	21	5
Net earnings (loss) attributable to Non-Controlling Interest	**28**	(4)	7	(9)

Operating income included in the table above does not significantly impact net earnings available to common shareholders of the Company as this amount is largely attributable to Non-Controlling Interests.

Loblaw expects that the estimated impact in 2017 of new and current consolidated franchises will be revenue of approximately $680 million, adjusted EBITDA[1] of approximately $55 million, depreciation and amortization of approximately $45 million and net earnings attributable to Non-Controlling Interests of approximately $10 million.

OUTLOOK[2]

Weston Foods expects sales growth generated by incremental capacity and productivity improvements to drive an increase in adjusted EBITDA[1] in 2017 when compared to 2016. However, this improvement will be partially offset by a challenging environment in our Canadian fresh bakery business and incremental investments required to meet new more stringent regulatory requirements in food safety and labelling. The increase in adjusted EBITDA[1] is expected to be greater in the second half of the year. Management expects to make capital investments of approximately $250 million in 2017 related to growth, regulatory and maintenance. Depreciation is projected to increase in 2017 when compared to 2016, and more than offset the improvement in adjusted EBITDA[1].

Loblaw remains focused on its strategic framework, delivering the best in food, best in health and beauty, operational excellence and growth. This framework is supported by a financial plan of maintaining a stable trading environment that targets positive same-store sales and stable gross margin, surfacing efficiencies to deliver operating leverage, and returning capital to shareholders. In 2017, on a full year comparative basis, despite the current deflationary environment, Loblaw expects to:

- deliver positive same-store sales and stable gross margin in its Retail segment in a highly competitive grocery market with continued negative pressure from healthcare reform;
- grow adjusted net earnings[1];
- invest approximately $1.3 billion in capital expenditures, including $1.0 billion in its Retail segment; and
- return capital to shareholders by allocating a significant portion of free cash flow to share repurchases.

For 2017, the Company expects growth in net earnings to be driven by an increase in net earnings at Loblaw, and the positive impact of the Company's increased ownership in Loblaw as a result of Loblaw's share repurchases.

DECLARATION OF QUARTERLY DIVIDENDS

Subsequent to the end of the fourth quarter of 2016, the Company's Board of Directors declared a quarterly dividend on GWL Common Shares, Preferred Shares, Series I, Preferred Shares, Series III, Preferred Shares, Series IV and Preferred Shares, Series V payable as follows:

Common Shares	$0.44 per share payable April 1, 2017, to shareholders of record March 15, 2017;
Preferred Shares, Series I	$0.3625 per share payable March 15, 2017, to shareholders of record February 28, 2017;
Preferred Shares, Series III	$0.3250 per share payable April 1, 2017, to shareholders of record March 15, 2017;
Preferred Shares, Series IV	$0.3250 per share payable April 1, 2017, to shareholders of record March 15, 2017; and
Preferred Shares, Series V	$0.296875 per share payable April 1, 2017, to shareholders of record March 15, 2017.

NON-GAAP FINANCIAL MEASURES

The Company uses the following non-GAAP financial measures: 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 and adjusted diluted net earnings per common share. 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 income taxes and adjusted income tax rate. The Company believes these non-GAAP financial measures provide useful information to both management and investors in measuring the financial performance of the Company for the reasons outlined below.

Management uses these and other non-GAAP financial measures to exclude the impact of certain expenses and income that must be recognized under GAAP when analyzing consolidated and segment underlying operating performance. The excluded items are not necessarily reflective of the Company's underlying operating performance and make comparisons of underlying financial performance between periods difficult. From time to time, the Company may exclude additional 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 they should not be construed as an alternative to other financial measures determined in accordance with GAAP.

For details on the nature of items excluded in the calculation of any of the non-GAAP financial measures detailed below, see Section 18, "Non-GAAP Financial Measures", of the Company's 2016 Annual Report.

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 reported for the periods ended as indicated.

	Quarters Ended							
	Dec. 31, 2016				Dec. 31, 2015			
(unaudited) ($ millions)	**Weston Foods**	**Loblaw**	**Other[(i)]**	**Consolidated**	Weston Foods	Loblaw	Other[(i)]	Consolidated
Net earnings attributable to shareholders of the Company				**$ 92**				$ 148
Add impact of the following:								
Non-controlling interests				**139**				68
Income taxes				**83**				66
Net interest expense and other financing charges				**177**				139
Operating income	**$ 38**	**$ 447**	**$ 6**	**$ 491**	$ 42	$ 314	$ 65	$ 421
Add impact of the following:								
Amortization of intangible assets acquired with Shoppers Drug Mart		**124**		**124**		124		124
Asset impairments, net of recoveries		**130**		**130**		4		4
Restructuring and other charges	**7**	**2**		**9**	8	(7)		1
Pension annuities and buy-outs		**21**		**21**	3	6		9
Fair value adjustment of derivatives	**(1)**	**(6)**		**(7)**	(5)	(6)		(11)
Charges related to retail locations in Fort McMurray, net of recoveries		**(5)**		**(5)**				
Drug retail ancillary assets						112		112
Inventory loss	**5**			**5**				
Accelerated transition of Labour Agreements						55		55
Charge related to inventory measurement and other conversion differences						33		33
Modifications to certain franchise fee arrangements						(8)		(8)
Foreign currency translation			**(6)**	**(6)**			(65)	(65)
Adjusting items	**$ 11**	**$ 266**	**$ (6)**	**$ 271**	$ 6	$ 313	$ (65)	$ 254
Adjusted operating income	**$ 49**	**$ 713**		**$ 762**	$ 48	$ 627		$ 675
Depreciation and amortization excluding the impact of the above adjustments[(ii)]	**24**	**241**		**265**	19	252		271
Adjusted EBITDA	**$ 73**	**$ 954**		**$ 1,027**	$ 67	$ 879		$ 946

(i) Represents the effect of foreign currency translation on a portion of the U.S. dollar denominated cash and cash equivalents and short term investments held by foreign operations.

(ii) Depreciation and amortization for the calculation of adjusted EBITDA excludes $124 million (2015 – $124 million) of amortization of intangible assets, acquired with Shoppers Drug Mart, recorded by Loblaw and $3 million (2015 – $6 million) of accelerated depreciation recorded by Weston Foods, related to restructuring and other charges.

(unaudited) ($ millions)	Years Ended Dec. 31, 2016 Weston Foods	Loblaw	Other[(i)]	Consolidated	Dec. 31, 2015[(3)] Weston Foods	Loblaw	Other[(i)]	Consolidated
Net earnings attributable to shareholders of the Company				**$ 550**				$ 511
Add impact of the following:								
Non-controlling interests				**540**				319
Income taxes				**465**				418
Net interest expense and other financing charges				**700**				681
Operating income	**$ 173**	**$ 2,084**	**$ (2)**	**$ 2,255**	$ 177	$ 1,593	$ 159	$ 1,929
Add impact of the following:								
Amortization of intangible assets acquired with Shoppers Drug Mart		**535**		**535**		536		536
Asset impairments, net of recoveries		**135**		**135**		13		13
Restructuring and other charges	**17**	**46**		**63**	26	154		180
Pension annuities and buy-outs	**3**	**23**		**26**	3	8		11
Prior year tax assessment		**10**		**10**				
Fair value adjustment of derivatives	**(5)**	**5**			(5)	(21)		(26)
Charges related to retail locations in Fort McMurray, net of recoveries		**2**		**2**				
Drug retail ancillary assets		**(4)**		**(4)**		112		112
Inventory losses	**11**			**11**	1			1
Accelerated transition of Labour Agreements						55		55
Charge related to inventory measurement and other conversion differences						33		33
Charge related to apparel inventory						8		8
Shoppers Drug Mart divestitures loss						2		2
Modifications to certain franchise fee arrangements						(8)		(8)
Foreign currency translation			**2**	**2**			(159)	(159)
Adjusting items	**$ 26**	**$ 752**	**$ 2**	**$ 780**	$ 25	$ 892	$ (159)	$ 758
Adjusted operating income	**$ 199**	**$ 2,836**		**$ 3,035**	$ 202	$ 2,485		$ 2,687
Depreciation and amortization excluding the impact of the above adjustments[(ii)]	**97**	**1,008**		**1,105**	83	1,056		1,139
Adjusted EBITDA	**$ 296**	**$ 3,844**		**$ 4,140**	$ 285	$ 3,541		$ 3,826

(i) Represents the effect of foreign currency translation on a portion of the U.S. dollar denominated cash and cash equivalents and short term investments held by foreign operations.

(ii) Depreciation and amortization for the calculation of adjusted EBITDA excludes $535 million (2015 – $536 million) of amortization of intangible assets, acquired with Shoppers Drug Mart, recorded by Loblaw and $14 million (2015 – $11 million) of accelerated depreciation recorded by Weston Foods, related to restructuring and other charges.

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 and other financing charges reported for the periods ended as indicated.

(unaudited) ($ millions)	Quarters Ended		Years Ended	
	Dec. 31, 2016	Dec. 31, 2015	**Dec. 31, 2016**	Dec. 31, 2015
Net interest expense and other financing charges	**$ 177**	$ 139	**$ 700**	$ 681
Add: Fair value adjustment of the Trust Unit liability	**1**	(5)	**(79)**	(55)
Fair value adjustment of the forward sale agreement for 9.6 million Loblaw common shares	**(43)**	9	**(53)**	(26)
Accelerated amortization of deferred financing costs				(15)
Adjusted net interest expense and other financing charges	**$ 135**	$ 143	**$ 568**	$ 585

Adjusted Income Taxes and Adjusted Income Tax Rate The Company believes the adjusted income 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 income tax rate applicable to adjusted earnings before taxes to the GAAP effective income tax rate applicable to earnings before taxes as reported for the periods ended as indicated.

(unaudited) ($ millions except where otherwise indicated)	Quarters Ended		Years Ended	
	Dec. 31, 2016	Dec. 31, 2015	**Dec. 31, 2016**	Dec. 31, 2015[3]
Adjusted operating income[i]	**$ 762**	$ 675	**$ 3,035**	$ 2,687
Adjusted net interest expense and other financing charges[i]	**135**	143	**568**	585
Adjusted earnings before taxes	**$ 627**	$ 532	**$ 2,467**	$ 2,102
Income taxes	**$ 83**	$ 66	**$ 465**	$ 418
Add: Tax impact of items excluded from adjusted earnings before taxes[ii]	**89**	78	**216**	232
Statutory corporate income tax rate change			**(3)**	(79)
Adjusted income taxes	**$ 172**	$ 144	**$ 678**	$ 571
Effective income tax rate applicable to earnings before taxes	**26.4%**	23.4%	**29.9%**	33.5%
Adjusted income tax rate applicable to adjusted earnings before taxes	**27.4%**	27.1%	**27.5%**	27.2%

(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.

Adjusted Net Earnings Available to Common Shareholders and Adjusted Diluted Net Earnings per Common Share The Company believes adjusted net earnings available to common shareholders and adjusted diluted net earnings per common share 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 net earnings attributable to shareholders of the Company to net earnings available to common shareholders of the Company and then to adjusted net earnings available to common shareholders of the Company reported for the periods ended as indicated.

(unaudited)	Quarters Ended		Years Ended	
($ millions except where otherwise indicated)	**Dec. 31, 2016**	Dec. 31, 2015	**Dec. 31, 2016**	Dec. 31, 2015[3]
Net earnings attributable to shareholders of the Company	**$ 92**	$ 148	**$ 550**	$ 511
Less: Prescribed dividends on preferred shares in share capital	**(10)**	(10)	**(44)**	(44)
Net earnings available to common shareholders of the Company	**$ 82**	$ 138	**$ 506**	$ 467
Reduction in net earnings due to dilution at Loblaw			**5**	3
Net earnings available to common shareholders for diluted earnings per share	**$ 82**	$ 138	**$ 501**	$ 464
Net earnings attributable to shareholders of the Company	**$ 92**	$ 148	**$ 550**	$ 511
Adjusting items (refer to the following table)	**122**	45	**332**	250
Adjusted net earnings attributable to shareholders of the Company	**$ 214**	$ 193	**$ 882**	$ 761
Less: Prescribed dividends on preferred shares in share capital	**(10)**	(10)	**(44)**	(44)
Adjusted net earnings available to common shareholders of the Company	**$ 204**	$ 183	**$ 838**	$ 717
Reduction in net earnings due to dilution at Loblaw			**5**	3
Adjusted net earnings available to common shareholders for diluted earnings per share	**$ 204**	$ 183	**$ 833**	$ 714
Weighted average common shares outstanding (millions)[(i)]	**128.2**	128.2	**128.3**	128.2

(i) Includes impact of dilutive instruments for purposes of calculating adjusted diluted net earnings per common share.

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

	Quarters Ended			
	Dec. 31, 2016		Dec. 31, 2015	
(unaudited) ($ except where otherwise indicated)	**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
As reported	**$ 82**	**$ 0.64**	$ 138	$ 1.08
Add (deduct) impact of the following[(i)]:				
Amortization of intangible assets acquired with Shoppers Drug Mart	**41**	**0.33**	42	0.32
Asset impairments, net of recoveries	**44**	**0.34**	2	0.02
Restructuring and other charges	**4**	**0.03**	3	0.01
Pension annuities and buy-outs	**7**	**0.05**	5	0.04
Fair value adjustment of derivatives	**(3)**	**(0.02)**	(6)	(0.04)
Charges related to retail locations in Fort McMurray, net of recoveries	**(1)**	**(0.01)**		
Drug retail ancillary assets			37	0.28
Inventory loss	**2**	**0.02**		
Accelerated transition of Labour Agreements			18	0.14
Charge related to inventory measurement and other conversion differences			11	0.09
Modifications to certain franchise fee arrangements			(4)	(0.03)
Fair value adjustment of the forward sale agreement for 9.6 million Loblaw common shares	**32**	**0.24**	(7)	(0.05)
Fair value adjustment of the Trust Unit liability	**1**	**0.01**	1	0.01
Foreign currency translation	**(5)**	**(0.04)**	(57)	(0.44)
Adjusting items	**$ 122**	**$ 0.95**	$ 45	$ 0.35
Adjusted	**$ 204**	**$ 1.59**	$ 183	$ 1.43

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

	Years Ended			
	Dec. 31, 2016		Dec. 31, 2015[3]	
(unaudited) ($ except where otherwise indicated)	**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
As reported	**$ 506**	**$ 3.90**	$ 467	$ 3.62
Add (deduct) impact of the following[i]:				
Amortization of intangible assets acquired with Shoppers Drug Mart	**182**	**1.42**	179	1.40
Asset impairments, net of recoveries	**46**	**0.35**	5	0.04
Restructuring and other charges	**28**	**0.22**	75	0.58
Pension annuities and buy-outs	**10**	**0.08**	5	0.04
Prior year tax assessment	**3**	**0.02**		
Fair value adjustment of derivatives	**(1)**	**(0.01)**	(11)	(0.08)
Charges related to retail locations in Fort McMurray, net of recoveries	**1**	**0.01**		
Drug retail ancillary assets	**(1)**	**(0.01)**	37	0.28
Inventory losses	**6**	**0.05**	1	0.01
Accelerated transition of Labour Agreements			18	0.14
Charge related to inventory measurement and other conversion differences			11	0.09
Charge related to apparel inventory			3	0.02
Shoppers Drug Mart divestitures loss			1	0.01
Modifications to certain franchise fee arrangements			(4)	(0.03)
Fair value adjustment of the forward sale agreement for 9.6 million Loblaw common shares	**39**	**0.31**	19	0.15
Fair value adjustment of the Trust Unit liability	**16**	**0.12**	11	0.09
Accelerated amortization of deferred financing costs			5	0.04
Statutory corporate income tax rate change	**1**	**0.01**	41	0.31
Foreign currency translation	**2**	**0.02**	(146)	(1.14)
Adjusting items	**$ 332**	**$ 2.59**	$ 250	$ 1.95
Adjusted	**$ 838**	**$ 6.49**	$ 717	$ 5.57

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

FORWARD-LOOKING STATEMENTS

This News Release contains forward-looking statements about the Company's objectives, plans, goals, aspirations, strategies, financial condition, results of operations, cash flows, performance, prospects and opportunities. Specific forward-looking statements in this News Release include, but are not limited to, statements with respect to the Company's anticipated future results, events and plans, synergies and other benefits associated with the acquisition of Shoppers Drug Mart and other strategic initiatives, anticipated insurance recoveries and planned capital investments. These specific forward-looking statements are contained throughout this News Release including, without limitation, in the "Outlook" section of this News Release. Forward-looking statements are typically identified by words such as "expect", "anticipate", "believe", "foresee", "could", "estimate", "goal", "intend", "plan", "seek", "strive", "will", "may", "maintain", "achieve", "grow", and "should" and similar expressions, as they relate to the Company and its management.

Forward-looking statements reflect the Company's current estimates, beliefs and assumptions, which are based on management's perception of historical trends, current conditions and expected future developments, as well as other factors it believes are appropriate in the circumstances. The Company's expectation of operating and financial performance in 2017 is based on certain assumptions including assumptions about sales and volume growth, anticipated cost savings, operating efficiencies, and continued growth from current initiatives. The Company's estimates, beliefs and assumptions are inherently subject to significant business, economic, competitive and other uncertainties and contingencies regarding future events and as such, are subject to change. The Company can give no assurance that such estimates, beliefs and assumptions will prove to be correct.

Numerous risks and uncertainties could cause the Company's actual results to differ materially from those expressed, implied or projected in the forward-looking statements, including those described in Section 12, "Enterprise Risks and Risk Management", of the MD&A of the Company's 2016 Annual Report and the Company's Annual Information Form ("AIF") for the year ended December 31, 2016. Such risks and uncertainties include:

- 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;
- failure to effectively manage Loblaw's loyalty programs;
- the 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 realize benefits from investments in the Company's new IT systems;
- failure to effectively respond to consumer trends or heightened competition, whether from current competitors or new entrants to the marketplace;
- public health events including those related to food and drug safety;
- changes to any of the laws, rules, regulations or policies applicable to the Company's business;
- failure to merchandise effectively, to execute Loblaw's e-commerce initiative or to adapt its business model to the shifts in the retail landscape caused by digital advances;
- failure to realize the anticipated benefits, including revenue growth, anticipated cost savings or operating efficiencies, associated with the Company's investment in major initiatives that support its strategic priorities;
- changes in economic conditions, including economic recession or changes in the rate of inflation or deflation, employment rates and household debt, interest rates, currency exchange rates and derivative or commodity prices;
- 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;
- reliance on the performance and retention of third party service providers, including those associated with the Company's supply chain and Loblaw's apparel business, including issues with vendors in both advanced and developing markets;
- the inability of the Company to manage inventory to minimize the impact of obsolete or excess inventory and to control shrink;
- the inability of the Company to effectively develop and execute its strategy; and
- the inability of the Company to anticipate, identify and react to consumer and retail trends.

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, 2016. 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 News Release. 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.

SELECTED FINANCIAL INFORMATION

The following includes selected quarterly financial information which is prepared by management in accordance with International Financial Reporting Standards ("IFRS") and is based on the Company's audited annual consolidated financial statements for the year ended December 31, 2016. This financial information does not contain all disclosures required by IFRS, and accordingly, this financial information should be read in conjunction with the Company's 2016 Annual Report available in the Investor Centre section of the Company's website at www.weston.ca.

Condensed Consolidated Statements of Earnings

(unaudited) (millions of Canadian dollars except where otherwise indicated) For the periods ended as indicated	**Dec. 31, 2016 (12 weeks)**	Dec. 31, 2015 (12 weeks)	**Dec. 31, 2016 (52 weeks)**	Dec. 31, 2015[3] (52 weeks)
Revenue	**$ 11,519**	$ 11,248	**$ 47,999**	$ 46,894
Operating Expenses				
Cost of inventories sold	**8,143**	8,046	**34,108**	33,667
Selling, general and administrative expenses	**2,885**	2,781	**11,636**	11,298
	11,028	10,827	**45,744**	44,965
Operating Income	**491**	421	**2,255**	1,929
Net Interest Expense and Other Financing Charges	**177**	139	**700**	681
Earnings Before Income Taxes	**314**	282	**1,555**	1,248
Income Tax	**83**	66	**465**	418
Net Earnings	**231**	216	**1,090**	830
Attributable to:				
Shareholders of the Company	**92**	148	**550**	511
Non-Controlling Interests	**139**	68	**540**	319
Net Earnings	**$ 231**	$ 216	**$ 1,090**	$ 830
Net Earnings per Common Share ($)				
Basic	**$ 0.64**	$ 1.08	**$ 3.96**	$ 3.66
Diluted	**$ 0.64**	$ 1.08	**$ 3.90**	$ 3.62

Condensed Consolidated Balance Sheets

As at December 31 (millions of Canadian dollars)	2016	2015(3)
ASSETS		
Current Assets		
Cash and cash equivalents	**$ 1,560**	$ 1,413
Short term investments	**1,011**	1,166
Accounts receivable	**1,284**	1,478
Credit card receivables	**2,926**	2,790
Inventories	**4,559**	4,517
Prepaid expenses and other assets	**201**	279
Assets held for sale	**40**	71
Total Current Assets	**11,581**	11,714
Fixed Assets	**11,534**	11,352
Investment Properties	**218**	160
Intangible Assets	**8,875**	9,292
Goodwill	**4,364**	4,254
Deferred Income Taxes	**201**	156
Security Deposits	**89**	88
Franchise Loans Receivable	**233**	329
Other Assets	**851**	875
Total Assets	**$ 37,946**	$ 38,220
LIABILITIES		
Current Liabilities		
Bank indebtedness	**$ 115**	$ 143
Trade payables and other liabilities	**5,356**	5,381
Provisions	**135**	180
Income taxes payable	**341**	73
Short term debt	**1,241**	1,086
Long term debt due within one year	**400**	1,348
Associate interest	**243**	216
Total Current Liabilities	**7,831**	8,427
Provisions	**146**	157
Long Term Debt	**11,385**	10,928
Trust Unit Liability	**635**	552
Deferred Income Taxes	**2,370**	2,448
Other Liabilities	**789**	818
Total Liabilities	**23,156**	23,330
EQUITY		
Share Capital	**1,012**	1,008
Retained Earnings	**6,704**	6,422
Contributed Surplus	**(156)**	20
Accumulated Other Comprehensive Income	**204**	231
Total Equity Attributable to Shareholders of the Company	**7,764**	7,681
Non-Controlling Interests	**7,026**	7,209
Total Equity	**14,790**	14,890
Total Liabilities and Equity	**$ 37,946**	$ 38,220

Condensed Consolidated Statements of Cash Flows

(unaudited) (millions of Canadian dollars) For the periods ended as indicated	**Dec. 31, 2016 (12 weeks)**	Dec. 31, 2015 (12 weeks)	**Dec. 31, 2016 (52 weeks)**	Dec. 31, 2015[3] (52 weeks)
Operating Activities				
Net earnings	**$ 231**	$ 216	**$ 1,090**	$ 830
Add:				
Net interest expense and other financing charges	**177**	139	**700**	681
Income taxes	**83**	66	**465**	418
Depreciation and amortization	**392**	401	**1,654**	1,686
Charge related to inventory measurement and other conversion differences		4		4
Asset impairments, net of recoveries	**130**	26	**142**	73
Foreign currency translation (gain) loss	**(6)**	(65)	**2**	(159)
	1,007	787	**4,053**	3,533
Change in credit card receivables	**(157)**	(127)	**(136)**	(160)
Change in non-cash working capital	**144**	158	**108**	220
Income taxes paid	**(52)**	(66)	**(345)**	(263)
Interest received	**4**	3	**15**	13
Other	**30**	(71)	**65**	24
Cash Flows from Operating Activities	**976**	684	**3,760**	3,367
Investing Activities				
Fixed asset purchases	**(452)**	(421)	**(1,129)**	(1,267)
Intangible asset additions	**(116)**	(104)	**(336)**	(233)
Acquisition of QHR, net of cash acquired	**(153)**		**(153)**	
Cash assumed on initial consolidation of franchises	**11**	31	**42**	33
Change in short term investments	**(89)**	(19)	**160**	57
Change in security deposits	**(2)**	209	**(3)**	10
Other	**26**	36	**95**	(7)
Cash Flows used in Investing Activities	**(775)**	(268)	**(1,324)**	(1,407)
Financing Activities				
Change in bank indebtedness	**(142)**	(100)	**(28)**	(19)
Change in short term debt	**200**	(20)	**155**	(15)
Interest paid	**(103)**	(120)	**(570)**	(587)
Redemption of Loblaw capital securities				(225)
Long term debt – Issued	**159**	338	**815**	1,186
– Retired	**(380)**	(502)	**(1,399)**	(1,783)
Share capital – Issued	**1**	1	**4**	9
– Purchased and held in trusts			**(11)**	(7)
– Purchased and cancelled	**(2)**		**(8)**	(14)
Loblaw common share capital – Issued	**4**	15	**42**	63
– Purchased and held in trusts		(6)	**(90)**	(63)
– Purchased and cancelled	**(200)**	(186)	**(708)**	(280)
Loblaw preferred share capital – Issued				221
Dividends – To common shareholders			**(221)**	(162)
– To preferred shareholders	**(3)**	(3)	**(44)**	(36)
– To minority shareholders	**(56)**	(57)	**(232)**	(229)
Other	**16**	16	**20**	23
Cash Flows used in Financing Activities	**(506)**	(624)	**(2,275)**	(1,918)
Effect of foreign currency exchange rate changes on cash and cash equivalents	**2**	16	**(14)**	38
Change in Cash and Cash Equivalents	**(303)**	(192)	**147**	80
Cash and Cash Equivalents, Beginning of Period	**1,863**	1,605	**1,413**	1,333
Cash and Cash Equivalents, End of Period	**$ 1,560**	$ 1,413	**$ 1,560**	$ 1,413

Basic and Diluted Net Earnings per Common Share

(unaudited) (millions of Canadian dollars except where otherwise indicated) For the periods ended as indicated	**Dec. 31, 2016 (12 weeks)**	Dec. 31, 2015 (12 weeks)	**Dec. 31, 2016 (52 weeks)**	Dec. 31, 2015[3] (52 weeks)
Net earnings attributable to shareholders of the Company	**$ 92**	$ 148	**$ 550**	$ 511
Prescribed dividends on preferred shares in share capital	**(10)**	(10)	**(44)**	(44)
Net earnings available to common shareholders of the Company	**$ 82**	$ 138	**$ 506**	$ 467
Reduction in net earnings due to dilution at Loblaw			**(5)**	(3)
Net earnings available to common shareholders for diluted earnings per share	**$ 82**	$ 138	**$ 501**	$ 464
Weighted average common shares outstanding (in millions)	**127.6**	127.6	**127.7**	127.7
Dilutive effect of share-based compensation(i) (in millions)	**0.6**	0.6	**0.6**	0.5
Weighted average common shares outstanding(ii) (in millions)	**128.2**	128.2	**128.3**	128.2
Basic net earnings per common share ($)	**$ 0.64**	$ 1.08	**$ 3.96**	$ 3.66
Diluted net earnings per common share ($)	**$ 0.64**	$ 1.08	**$ 3.90**	$ 3.62

(i) In the fourth quarter of 2016 and year-to-date, 215,049 (2015 – 325,817) and 316,643 (2015 – 347,225) potentially dilutive instruments, respectively, were excluded from the computation of diluted net earnings per common share as they were anti-dilutive.

(ii) Includes impact of dilutive instruments for purposes of calculating diluted net earnings per common share.

Segment Information

The Company has two reportable operating segments: Weston Foods and Loblaw. The accounting policies of the reportable operating segments are the same as those described in the Company's 2016 audited annual consolidated financial statements. The Company measures each reportable operating segment's performance based on adjusted EBITDA(i) and adjusted operating income(i). Neither reportable operating segment is reliant on any single external customer.

	12 Weeks Ended							
	2016				2015			
(unaudited) (millions of Canadian dollars)	**Weston Foods**	**Loblaw**	**Other and Intersegment(ii)**	**Total**	Weston Foods	Loblaw	Other and Intersegment(ii)	Total
Revenue	**$ 537**	**$ 11,130**	**$ (148)**	**$ 11,519**	$ 527	$ 10,865	$ (144)	$ 11,248
Operating income	$ 38	$ 447	$ 6	$ 491	$ 42	$ 314	$ 65	$ 421
Net interest expense and other financing charges	52	128	(3)	177	3	141	(5)	139
Earnings before income tax	**$ (14)**	**$ 319**	**$ 9**	**$ 314**	$ 39	$ 173	$ 70	$ 282
Operating income	**$ 38**	**$ 447**	**$ 6**	**$ 491**	$ 42	$ 314	$ 65	$ 421
Depreciation and amortization	27	365		392	25	376		401
Adjusting items(iii)	8	142	(6)	144		189	(65)	124
Adjusted EBITDA(i)	$ 73	$ 954		$ 1,027	$ 67	$ 879		$ 946
Depreciation and amortization(iv)	24	241		265	19	252		271
Adjusted operating income(i)	**$ 49**	**$ 713**		**$ 762**	$ 48	$ 627		$ 675

(i) Excludes certain items and is used internally by management when analyzing segment underlying operating performance.

(ii) Other and intersegment includes the following items:
- intercompany revenue elimination;
- Trust Unit distributions from Choice Properties to GWL and the elimination of the fair value adjustment of the Trust Unit liability related to GWL's direct investment in Choice Properties recorded in net interest expense and other financing charges; and
- the effect of foreign currency translation on a portion of the U.S. dollar denominated cash and cash equivalents and short term investments held by foreign operations.

(iii) The impact of certain items excluded by management includes restructuring and other charges, fixed asset and other related impairments, net of recoveries, at Loblaw, a charge related to pension annuities and buy-outs, the fair value adjustment of derivatives, inventory loss incurred by Weston Foods, a charge related to drug retail ancillary assets at Loblaw, modifications to certain franchise fee arrangements at Loblaw, a charge related to labour agreements at Loblaw, a charge related to the change in inventory measurement and other conversion differences at Loblaw and charges related to retail locations in Fort McMurray, net of recoveries at Loblaw.

(iv) Excludes $124 million (2015 – $124 million) of amortization of intangible assets acquired with Shoppers Drug Mart, recorded by Loblaw, and $3 million (2015 – $6 million) of accelerated depreciation recorded by Weston Foods, included in restructuring and other charges.

	52 Weeks Ended							
	2016				2015			
(millions of Canadian dollars)	**Weston Foods**	**Loblaw**	**Other and Intersegment**(ii)	**Total**	Weston Foods	Loblaw	Other and Intersegment(ii)	Total
Revenue	**$ 2,268**	**$ 46,385**	**$ (654)**	**$ 47,999**	$ 2,144	$ 45,394	$ (644)	$ 46,894
Operating income	$ 173	$ 2,084	$ (2)	$ 2,255	$ 177	$ 1,593	$ 159	$ 1,929
Net interest expense and other financing charges	102	653	(55)	700	77	644	(40)	681
Earnings before income tax	**$ 71**	**$ 1,431**	**$ 53**	**$ 1,555**	$ 100	$ 949	$ 199	$ 1,248
Operating income	**$ 173**	**$ 2,084**	**$ (2)**	**$ 2,255**	$ 177	$ 1,593	$ 159	$ 1,929
Depreciation and amortization	111	1,543		1,654	94	1,592		1,686
Adjusting items(iii)	12	217	2	231	14	356	(159)	211
Adjusted EBITDA(i)	$ 296	$ 3,844		$ 4,140	$ 285	$ 3,541		$ 3,826
Depreciation and amortization(iv)	97	1,008		1,105	83	1,056		1,139
Adjusted operating income(i)	**$ 199**	**$ 2,836**		**$ 3,035**	$ 202	$ 2,485		$ 2,687

(i) Excludes certain items and is used internally by management when analyzing segment underlying operating performance.

(ii) Other and intersegment includes the following items:
- intercompany revenue elimination;
- Trust Unit distributions from Choice Properties to GWL and the elimination of the fair value adjustment of the Trust Unit liability related to GWL's direct investment in Choice Properties recorded in net interest expense and other financing charges; and
- the effect of foreign currency translation on a portion of the U.S. dollar denominated cash and cash equivalents and short term investments held by foreign operations.

(iii) The impact of certain items excluded by management includes restructuring and other charges, fixed asset and other related impairments, net of recoveries, at Loblaw, a charge related to pension annuities and buy-outs, certain charges related to the acquisition of Shoppers Drug Mart, the fair value adjustment of derivatives, inventory losses incurred by Weston Foods, a prior year tax assessment at Loblaw, a charge related to Loblaw apparel inventory, a gain (2015 – charge) related to drug retail ancillary assets at Loblaw, modifications to certain franchise fee arrangements at Loblaw, a charge related to labour agreements at Loblaw, a charge related to the change in inventory measurement and other conversion differences at Loblaw and charges related to retail locations in Fort McMurray, net of recoveries at Loblaw.

(iv) Excludes $535 million (2015 – $536 million) of amortization of intangible assets acquired with Shoppers Drug Mart, recorded by Loblaw, and $14 million (2015 – $11 million) of accelerated depreciation recorded by Weston Foods, included in restructuring and other charges.

2016 ANNUAL AUDITED CONSOLIDATED FINANCIAL STATEMENTS AND MANAGEMENT'S DISCUSSION AND ANALYSIS

The Company's annual audited consolidated financial statements and MD&A for the year ended December 31, 2016 are available in the Investor Centre section of the Company's website at www.weston.ca and have been filed with SEDAR and are available online at www.sedar.com.

INVESTOR RELATIONS

Shareholders, security analysts and investment professionals should direct their requests to Mr. Geoffrey H. Wilson, Senior Vice President, Investor Relations, Business Intelligence and Communications, at the Company's Executive Office or by e-mail at investor@weston.ca.

Additional financial information has been filed electronically with various securities regulators in Canada through SEDAR. This News Release includes selected information on Loblaw Companies Limited, a public company with shares trading on the Toronto Stock Exchange. For information regarding Loblaw, readers should also refer to the materials filed by Loblaw with SEDAR from time to time. These filings are also maintained at Loblaw's corporate website at www.loblaw.ca.

FOURTH QUARTER CONFERENCE CALL AND WEBCAST PRESENTATION

George Weston Limited will host a conference call as well as an audio webcast on Thursday, March 2, 2017 at 9:00 a.m. (EST). To access via tele-conference, please dial (647) 427-7450 or 1-888-231-8191. The playback will be available two hours after the event at (416) 849-0833 or 1-855-859-2056 passcode: 77505016#. To access via audio webcast, please visit the Investor Centre section of www.weston.ca. Pre-registration will be available.

ANNUAL MEETING

The George Weston Limited Annual Meeting of Shareholders will be held on Tuesday, May 9, 2017, at 11:00 a.m. (EST) at The Royal Conservatory, TELUS Centre for Performance and Learning, Koerner Hall, 273 Bloor Street West, Toronto, Ontario, Canada.

Ce rapport est disponible en français.

Endnotes

(1) See the “Non-GAAP Financial Measures” section of this News Release beginning on page 8.

(2) This News Release contains forward-looking information. See Forward-Looking Statements beginning on page 14 of this News Release for a discussion of material factors that could cause actual results to differ materially from the forecasts and projections herein and of the material factors, estimates, beliefs and assumptions that were applied in presenting the conclusions, forecasts and projections presented herein. This News Release must be read in conjunction with GWL’s filings with securities regulators made from time to time, all of which can be found at www.weston.ca and www.sedar.com.

(3) Certain figures have been restated as a result of the IFRS Interpretations Committee’s agenda decision on IAS 12, “Income Taxes”. See note 2 of the Company’s audited consolidated financial statements included in the 2016 Annual Report.