WESTON GEORGE WESTON LIMITED

NEWS RELEASE

George Weston Limited Reports 2019 Fourth Quarter and Fiscal Year Ended December 31, 2019 Results[2]

Toronto, Ontario February 25, 2020 George Weston Limited (TSX: WN) ("GWL" or the "Company") today announced its consolidated unaudited results for the 12 weeks ended December 31, 2019.

GWL's 2019 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, 2019. The 2019 Annual Report has been filed on SEDAR and is available at sedar.com and in the Investor Centre section of the Company's website at weston.ca.

Galen G. Weston, Chairman and Chief Executive Officer, George Weston Limited, commented that "George Weston's businesses performed well during the fourth quarter. Loblaw improved its sales trajectory, achieved its financial metrics and continued to invest in strategic growth areas. Choice Properties continued to deliver stable and consistent results, and Weston Foods demonstrated solid performance with its business having stabilized in 2019."

2019 FOURTH QUARTER HIGHLIGHTS

Net earnings available to common shareholders of the Company were $433 million, an increase of $162 million compared to the same period in 2018. The increase was due to an improvement of $30 million in the underlying operating performance of the Company and the positive year-over-year net impact of adjusting items totaling $132 million which includes the following:

- the favourable year-over-year impact of the fair value adjustment of the forward sale agreement for 9.6 million Loblaw Companies Limited ("Loblaw") common shares of $135 million; and
- the favourable year-over-year impact of the fair value adjustment of the Trust Unit liability of $104 million;

partially offset by,

- the unfavourable year-over-year impact of the remeasurement of deferred tax balances of $62 million; and
- the unfavourable year-over-year impact of asset impairments, net of recoveries, of $31 million.

Adjusted net earnings available to common shareholders of the Company[1] were $262 million. In comparison to the same period in 2018, this represented an increase of $30 million, or 12.9%. The increase was primarily due to the improvement in the underlying operating performance of the Company, the increased ownership in Loblaw as a result of Loblaw share repurchases and the positive contribution from a full year of direct ownership in Choice Properties Real Estate Investment Trust ("Choice Properties").

CONSOLIDATED RESULTS OF OPERATIONS

Unless otherwise indicated, the Company's results include:

- the impact of the implementation of International Financial Reporting Standards 16 "Leases" ("IFRS 16"), as set out in the "Consolidated Other Business Matters" section below;
- the impact of the acquisition of Canadian Real Estate Investment Trust ("CREIT") by Choice Properties in the second quarter of 2018;
- 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. The Company's financial results are negatively impacted when the Trust Unit price rises and positively impacted when the Trust Unit price declines; and
- the dilutive impact on both the Company's diluted net earnings per common share and adjusted diluted net earnings per common share[(1)] as a result of the issuance of approximately 26.6 million common shares in connection with a reorganization in November 2018, as set out in the "Consolidated Other Business Matters" section below.

(unaudited) ($ millions except where otherwise indicated)	Quarters Ended				Years Ended			
For the periods ended as indicated	Dec. 31, 2019	Dec. 31, 2018	$ Change	% Change	Dec. 31, 2019	Dec. 31, 2018	$ Change	% Change
Sales	**$ 12,107**	**$ 11,717**	**$ 390**	**3.3%**	**$ 50,109**	**$ 48,568**	**$ 1,541**	**3.2 %**
Operating income	**$ 718**	**$ 690**	**$ 28**	**4.1%**	**$ 2,958**	**$ 2,585**	**$ 373**	**14.4 %**
Adjusted EBITDA[(1)]	**$ 1,351**	$ 1,146	$ 205	17.9%	**$ 5,483**	$ 4,528	$ 955	21.1 %
Adjusted EBITDA margin[(1)]	**11.2%**	9.8%			**10.9%**	9.3%		
Net earnings attributable to shareholders of the Company	**$ 443**	**$ 281**	**$ 162**	**57.7%**	**$ 242**	**$ 574**	**$ (332)**	**(57.8)%**
Net earnings available to common shareholders of the Company	**$ 433**	**$ 271**	**$ 162**	**59.8%**	**$ 198**	**$ 530**	**$ (332)**	**(62.6)%**
Adjusted net earnings available to common shareholders of the Company[(1)]	**$ 262**	$ 232	$ 30	12.9%	**$ 1,117**	$ 908	$ 209	23.0 %
Diluted net earnings per common share ($)	**$ 2.81**	**$ 1.86**	**$ 0.95**	**51.1%**	**$ 1.26**	**$ 3.99**	**$ (2.73)**	**(68.4)%**
Adjusted diluted net earnings per common share[(1)] ($)	**$ 1.69**	$ 1.59	$ 0.10	6.3%	**$ 7.24**	$ 6.85	$ 0.39	5.7 %

Net earnings available to common shareholders of the Company in the fourth quarter of 2019 were $433 million, an increase of $162 million, or 59.8%, compared to the same period in 2018. The increase included the favourable year-over-year net impact of adjusting items totaling $132 million and the improvement in underlying operating performance of $30 million, as described below.

- The positive year-over-year net impact of certain adjusting items totaling $132 million was primarily due to:
    - the favourable year-over-year impact of the fair value adjustment of the forward sale agreement for 9.6 million Loblaw common shares of $135 million; and
    - the favourable year-over-year impact of the fair value adjustment of the Trust Unit Liability of $104 million;

  partially offset by,
    - the unfavourable year-over-year impact of the remeasurement of deferred tax balances of $62 million; and
    - the unfavourable year-over-year impact of asset impairments, net of recoveries of $31 million.

- The improvement in underlying operating performance of $30 million was primarily due to:
  - the favourable underlying operating performance of Loblaw;
  - a decrease in income tax expense;
  - the positive contribution from the increase in the Company's ownership interest in Loblaw, as a result of Loblaw share repurchases;
  - the positive contribution from the Company's direct ownership interest in Choice Properties, as a result of the reorganization in November 2018; and
  - the favourable underlying operating performance of Weston Foods after excluding the prior year impact of a net gain related to the sale leaseback of a property;

  partially offset by,
  - an increase in adjusted net interest expenses and other financing charges[(1)] as described in the "Consolidated Other Business Matters" section below.

Adjusted net earnings available to common shareholders of the Company[(1)] in the fourth quarter of 2019 were $262 million, an increase of $30 million, or 12.9%, due to the improvement in underlying operating performance described above. Adjusted net earnings available to common shareholders of the Company[(1)] included the favourable impact of IFRS 16 of $2 million in the fourth quarter of 2019.

Diluted net earnings per common share in the fourth quarter of 2019 were $2.81, an increase of $0.95 per common share compared to the same period in 2018. The increase was mainly due to:

- the favourable year-over-year impact of adjusting items totaling $0.85 per common share, primarily due to the following:
  - the favourable year-over-year impact of the fair value adjustment of the forward sale agreement for 9.6 million Loblaw common shares of $0.91 per common share; and
  - the favourable year-over-year impact of the fair value adjustment of the Trust Unit Liability of $0.63 per common share;

  partially offset by,
  - the unfavourable impact of the remeasurement of deferred tax balances of $0.43 per common share; and
  - the unfavourable year-over-year impact of asset impairments, net of recoveries of $0.20 per common share.
- the improvement in the underlying operating performance of $0.10 per common share.

Adjusted diluted net earnings per common share[(1)] in the fourth quarter of 2019 were $1.69, an increase of $0.10 per common share, or 6.3%, compared to the same period in 2018. The increase was due to the improvement in the underlying operating performance described above, partially offset by the dilutive impact of the Company's issuance of common shares in connection with the reorganization. IFRS 16 had a nominal impact on adjusted diluted net earnings per common share[(1)] in the fourth quarter of 2019.

CONSOLIDATED OTHER BUSINESS MATTERS

IFRS 16 Implementation In 2016, the IASB issued IFRS 16, replacing International Accounting Standard 17, "Leases" ("IAS 17") and related interpretations. The standard introduced a single, on-balance sheet recognition and measurement model for lessees, eliminating the distinction between operating and finance leases. The Company implemented the standard on January 1, 2019 using the modified retrospective approach. As a result, the Company's 2019 results incorporate lease accounting under IFRS 16. Prior year results have not been restated. See Section 11 "Accounting Standard Implemented" of the MD&A in the Company's 2019 Annual Report for more information on the implementation of IFRS 16.

The implementation of IFRS 16 significantly increased the assets and liabilities on the Company's Consolidated Balance Sheet and changed the timing and presentation of lease-related expenses in the Company's results. The Company recorded a right-of-use asset of $4.1 billion and a lease liability of $5.1 billion under the new standard. Under IFRS 16, the depreciation expense on right-of-use assets and interest expense on lease liabilities replaced rent expense, which was previously recognized on a straight-line basis in operating income under IAS 17 over the term of a lease.

The following table provides the year-over-year impacts of the implementation of IFRS 16 on the consolidated results of the Company in the fourth quarter of 2019 and year-to-date:

	12 Weeks $ Change				52 Weeks $ Change			
($ millions except where otherwise indicated) Favourable/(unfavourable)	Loblaw	Weston Foods	Other and Intersegment	Total(i)	Loblaw	Weston Foods	Other and Intersegment	**Total(i)**
Operating income	$ 73	$ –	$ (26)	$ **47**	$ 334	$ 4	$ (134)	$ **204**
Adjusted EBITDA(1)	285	2	(117)	**170**	1,239	12	(526)	**725**
Net interest expense and other financing charges	(78)	(1)	33	**(46)**	(348)	(3)	169	**(182)**
Depreciation and amortization	(212)	(2)	91	**(123)**	(905)	(8)	392	**(521)**
Net earnings available to common shareholders of the Company	(2)	(1)	5	**2**	(6)	–	25	**19**
Diluted net earnings per common share ($)	(0.01)	(0.01)	0.03	**0.01**	(0.04)	–	0.16	**0.12**

(i) Includes nominal year-over-year impact in the fourth quarter of 2019 and year-to-date from Choice Properties.

Loblaw's Spin-out of Choice Properties Real Estate Investment Trust On November 1, 2018, the Company and Loblaw completed a reorganization under which Loblaw distributed its approximate 61.6% effective interest in Choice Properties to the Company on a tax-free basis to Loblaw and its Canadian shareholders. In connection with the reorganization, Loblaw minority shareholders received 0.135 of a common share of the Company for each common share of Loblaw held, which was equivalent to the market value of their pro rata interest in Choice Properties as at the announcement date of the spin-out, and as part of the reorganization the Company received Loblaw's approximate 61.6% effective interest in Choice Properties. Following the reorganization, Loblaw no longer retained its interest in Choice Properties and as a result, Loblaw ceased to consolidate its equity interest in Choice Properties. Choice Properties became a separate reportable operating segment of the Company. In connection with the reorganization, the Company issued approximately 26.6 million common shares to Loblaw minority shareholders.

The issuance of approximately 26.6 million common shares in connection with the reorganization had a dilutive impact on both the Company's diluted net earnings per common share and adjusted diluted net earnings per common share(1) in 2019 and 2018.

The Company continues to be controlled by Mr. W. Galen Weston who, directly and indirectly through entities which he controls, owns approximately 53.2% of the outstanding common shares of the Company.

Offering of Trust Units In the second quarter of 2019, Choice Properties completed an offering of 30,042,250 trust units (the "Units") at a price of $13.15 per Unit, for aggregate gross proceeds of approximately $395 million, and net proceeds of approximately $381 million (the "Offering"). The Offering consisted of 26,237,250 Units sold to a syndicate of underwriters and 3,805,000 Units purchased by the Company for approximately $50 million. Choice Properties incurred issuance costs of $14 million recorded in net interest expense and other financing charges.

Choice Properties' Portfolio Transaction On September 30, 2019, Choice Properties sold a portfolio of 30 properties across Canada to a third party for aggregate consideration of $426 million. The portfolio consisted of 27 Loblaw stand-alone retail properties and 3 Loblaw distribution centres. On consolidation, the transaction was not recognized as a sale of assets as under the terms of the leases, Loblaw did not relinquish control of the properties for purposes of IFRS 16 and IFRS 15. Instead, the proceeds were recognized as a financial liability on the Company's consolidated balance sheet as at the end of the third quarter of 2019. For tax purposes, this transaction was treated as a sale and income tax expense reflects the benefit from the non-taxable portion of the gain from the sale of the portfolio of properties by Choice Properties.

As a result of the increase in taxable income from the sale transactions in 2019, the Board of Trustees of Choice Properties declared a special non-cash distribution in the form of Trust Units on December 31, 2019. On consolidation, distributions made by Choice Properties to unitholders other than the Company are reported as interest expense and other financing charges. As a result, the Company recorded $18 million in the fourth quarter of 2019 in Other and Intersegment.

REPORTABLE OPERATING SEGMENTS

The Company operates through its three reportable operating segments, Loblaw, Choice Properties and Weston Foods. Other and Intersegment includes eliminations, intersegment adjustments related to consolidation and cash and short term investments held by the Company. Effective in the first quarter of 2019, all other company level activities that are not allocated to the reportable operating segments, such as interest expense, corporate activities and administrative costs are included in Other and Intersegment. Weston Foods and Other and Intersegment comparative figures have been restated to conform to the current year presentation.

Loblaw has two reportable operating segments, Retail and Financial Services. Loblaw provides Canadians with grocery, pharmacy, health and beauty, apparel, general merchandise and financial services.

Choice Properties owns, manages and develops a high-quality portfolio of commercial retail, industrial, office and residential properties across Canada.

Weston Foods is a North American bakery making bread, rolls, cupcakes, donuts, biscuits, cakes, pies, cones and wafers, artisan baked goods and more.

Loblaw Segment Results

(unaudited) ($ millions except where otherwise indicated)	Quarters Ended				Years Ended			
For the periods ended as indicated	**Dec 31, 2019**	Dec. 31, 2018	$ Change	% Change	**Dec. 31, 2019**	Dec. 31, 2018	$ Change	% Change
Sales	**$ 11,590**	$ 11,218	$ 372	3.3%	**$ 48,037**	$ 46,693	$ 1,344	2.9%
Operating income	**$ 539**	$ 443	$ 96	21.7%	**$ 2,262**	$ 1,915	$ 347	18.1%
Adjusted EBITDA(1)	**$ 1,203**	$ 893	$ 310	34.7%	**$ 4,904**	$ 3,520	$ 1,384	39.3%
Adjusted EBITDA margin(1)	**10.4%**	8.0%			**10.2%**	7.5%		
Depreciation and amortization(i)	**$ 589**	$ 356	$ 233	65.4%	**$ 2,524**	$ 1,497	$ 1,027	68.6%

(i) Depreciation and amortization includes $116 million (2018 – $120 million) in the fourth quarter of 2019 and $508 million (2018 – $521 million) year-to-date of amortization of intangible assets acquired with Shoppers Drug Mart Corporation ("Shoppers Drug Mart").

Unless otherwise indicated, Loblaw's segment results include the impacts of spin-out related incremental depreciation, the implementation of IFRS 16 and the consolidation of franchises. For further details, see the "Consolidated Other Business Matters" section.

Sales Loblaw sales in the fourth quarter of 2019 were $11,590 million, an increase of $372 million, or 3.3%, compared to the same period in 2018, primarily driven by Retail. Retail sales increased by $345 million, or 3.1%, compared to the same period in 2018 and included food retail sales of $7,960 million (2018 – $7,750 million) and drug retail sales of $3,361 million (2018 – $3,226 million). Excluding the consolidation of franchises, Retail sales increased by $294 million, or 2.7%, primarily driven by the following factors:

- food retail same-store sales growth was 1.9%. After excluding the favourable impact of the timing of Thanksgiving, food retail same-store sales growth was approximately 0.8%. The timing of Thanksgiving had a nominal impact on food retail same-store sales growth in the fourth quarter of 2018. Food retail basket size increased and traffic increased in the quarter;
- Loblaw's food retail average article price was 0.8% (2018 – 2.3%), which reflects the price inflation on the specific mix of goods sold in Loblaw's stores in the quarter. The average quarterly national food price inflation was 3.7% (2018 – inflation of 1.7%), 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; and
- drug retail same-store sales growth was 3.9%, including pharmacy same-store sales growth of 6.1% and front store same-store sales growth of 2.2%. The timing of Thanksgiving had a nominal impact on the drug retail same-store sales growth in the fourth quarter of 2019 and 2018.

In 2019, 15 food and drug stores were opened and 6 food and drug stores were closed, resulting in a net increase in Retail square footage of 0.4 million square feet, or 0.6%.

Operating income Loblaw operating income in the fourth quarter of 2019 was $539 million, an increase of $96 million, or 21.7%, compared to the same period in 2018. The increase included the favourable impact of IFRS 16 of approximately $73 million and the total unfavourable impact of spin-out related depreciation of approximately $21 million. Normalized for these impacts, operating income increased by $44 million primarily driven by the favourable year-over-year net impact of adjusting items totaling $23 million and the improvement in underlying operating performance of $21 million described below:

- the favourable year-over-year net impact of adjusting items totaling $23 million was primarily due to the following:
  - the favourable year-over-year impact of the fair value adjustment on investment properties of $17 million;
  - the favourable year-over-year impact of the fair value adjustment of derivatives of $13 million;
  - the favourable impact of a net gain on sale of non-operating properties of $8 million;
  - the favourable impact associated with a prior period item of $7 million; and
  - the favourable year-over-year impact of transaction and other related costs in connection with Loblaw's spin-out of Choice Properties of $2 million;

  partially offset by,
  - the unfavourable year-over-year impact of restructuring and other related costs of $28 million.
- the improvement in underlying operating performance of $21 million was primarily due to Financial Services, partially offset by Retail, including the unfavourable contribution from the consolidation of franchises of $13 million.

Adjusted EBITDA(1) Loblaw adjusted EBITDA(1) in the fourth quarter of 2019 was $1,203 million, an increase of $310 million, or 34.7%, compared to the same period in 2018 and included the favourable impact of IFRS 16 of approximately $285 million. Normalized for the impact of IFRS 16, adjusted EBITDA(1) increased by $25 million, or 2.8%, primarily due to improvements in Financial Services, partially offset by Retail.

Retail adjusted EBITDA(1) was $1,135 million, an increase of $280 million compared to the same period in 2018 and included the favourable impact of IFRS 16 of approximately $285 million. Normalized for this impact, Retail adjusted EBITDA(1) decreased by $5 million, or 0.6% driven by an increase in Retail selling, general and administrative expenses ("SG&A"), partially offset by an increase in Retail gross profit.

- Retail gross profit percentage of 29.8% was flat compared to the same period in 2018. Excluding the consolidation of franchises, Retail gross profit percentage was 27.7%, a decrease of 10 basis points compared to the fourth quarter of 2018. Margins were negatively impacted by the mix within drug retail and the pricing strategy in food retail.

- Retail SG&A increased by $116 million compared to the same period in 2018. Normalized for the impact of IFRS 16 and the consolidation of franchises, Retail SG&A increased by $62 million and SG&A as a percentage of sales was 20.2%, flat compared to the fourth quarter of 2018, primarily driven by Process and Efficiency initiatives, offset by strategic growth investments.

Financial Services adjusted EBITDA(1) increased by $30 million compared to the same period in 2018, primarily driven by revenue growth, lower operating costs including investments in digital strategy and lower customer acquisition costs, partially offset by higher credit losses and an associated increase to the forward-looking allowance for credit card receivables.

Loblaw adjusted EBITDA(1) in the fourth quarter of 2019 was not impacted by any sale and leaseback of properties to Choice Properties (2018 – gain of $8 million).

Depreciation and Amortization Loblaw's depreciation and amortization in the fourth quarter of 2019 was $589 million, an increase of $233 million compared to the same period in 2018 and included the unfavourable impact of IFRS 16 of approximately $212 million and the total unfavourable impact of spin-out related depreciation of approximately $21 million. Normalized for these impacts, depreciation and amortization was flat compared to the fourth quarter of 2018. Included in depreciation and amortization is the amortization of intangible assets acquired with Shoppers Drug Mart of $116 million (2018 – $120 million).

Loblaw Other Business Matters

Spin-out of Choice Properties *Impact on Loblaw Results* As a result of the reorganization, buildings owned by Choice Properties and leased by Loblaw are accounted for as leases and no longer accounted for as owned property by Loblaw. The building components associated with these leases post spin-out are classified as leasehold improvements and depreciated over the lesser of the lease term and useful life up to 25 years. The remaining average lease term on the leases related to these leasehold improvements is approximately 10 years. Loblaw's 2019 fourth quarter financial results included depreciation and amortization of $21 million ($91 million year-to-date).

Process and Efficiency Loblaw continues to execute on a multi-year plan, initiated in 2018, that focuses on improving processes and generating efficiencies across administrative, store and distribution network infrastructure. Many initiatives are underway to reduce the complexity and cost of business operations, ensuring a low cost operating structure that allows for continued investments in Loblaw's strategic growth areas. Loblaw's management anticipates investing capital as well as recording restructuring and other charges related to these initiatives in 2020, and beyond. In the fourth quarter of 2019, Loblaw recorded approximately $24 million ($74 million year-to-date) of restructuring and other related costs, primarily related to Process and Efficiency initiatives.

Subsequent to year end 2019, Loblaw announced the future closure of two distribution centres in Laval and Ottawa. Loblaw is investing to build a modern and efficient expansion to its Cornwall distribution centre to serve its food and drug retail businesses in Ontario and Quebec. Over the next two years, the distribution centres in Laval and Ottawa will be transferring their volumes to Cornwall. Loblaw expects to incur additional restructuring costs in 2020 and 2021 related to these closures.

Consolidation of Franchises Loblaw has more than 500 franchise food retail stores in its network. As at year end 2019, 470 of these stores were consolidated for accounting purposes under a simplified franchise agreement ("Franchise Agreement") implemented in 2015.

Consolidation of franchises in the fourth quarter of 2019 resulted in a year-over-year increase in revenue of $51 million, a decrease in adjusted EBITDA[1] of $7 million, an increase in depreciation and amortization of $6 million and a decrease in net earnings attributable to non-controlling interests of $10 million.

Choice Properties Segment Results

(unaudited) ($ millions except where otherwise indicated)	Quarters Ended				Years Ended			
For the periods ended as indicated	**Dec 31, 2019**	Dec. 31, 2018	$ Change	% Change	**Dec. 31, 2019**	Dec. 31, 2018	$ Change	% Change
Revenue	**$ 318**	$ 323	$ (5)	(1.5)%	**$ 1,289**	$ 1,148	$ 141	12.3 %
Net interest (income) expense and other financing charges[i]	**$ (74)**	$ (80)	$ 6	7.5 %	**$ 1,472**	$ (57)	$ 1,529	2,682.5 %
Net income	**$ 294**	$ 281	$ 13	4.6 %	**$ (581)**	$ 650	$ (1,231)	(189.4)%
Funds from operations[1][ii]	**$ 166**	$ 172	$ (6)	(3.5)%	**$ 680**	$ 604	$ 76	12.6 %

(i) Net interest expense and other financing charges includes a fair value adjustment on Exchangeable Units.
(ii) Funds from operations is calculated in accordance with the Real Property Association of Canada's White Paper on Funds from Operations & Adjusted Funds from Operations for IFRS issued in February 2019. Funds from operations for the year ended 2018 includes the accelerated amortization of debt premium of $37 million, an exception to the White Paper definition.

Revenue Revenue in the fourth quarter of 2019 was $318 million, a decrease of $5 million, or 1.5%, compared to the same period in 2018, and included $178 million (2018 – $189 million) generated from tenants within Loblaw's Retail segment. The decrease in revenue was primarily driven by:

- Choice Properties' portfolio transaction as described in the "Consolidated Other Business Matters" section of this News Release;

partially offset by;

- additional revenue generated from properties acquired in 2018 and 2019 and from tenant openings in newly developed leasable space; and
- an increase in base rent and operating cost recoveries from existing properties.

Net Interest Income and Other Financing Charges Net interest income and other financing charges in the fourth quarter of 2019 was $74 million, compared to $80 million in the same period in 2018. The change of $6 million was primarily driven by:

- the unfavourable year-over-year impact of the fair value adjustment on Class B LP units ("Exchangeable Units") of $8 million; and
- higher interest expense resulting from the issuance of new senior unsecured debentures;

partially offset by,

- lower interest expense resulting from the repayments made on the term loans.

Net income Net income in the fourth quarter of 2019 was $294 million, an increase of $13 million compared to the same period in 2018. The increase was primarily driven by:

- the favourable year-over-year impact of the fair value adjustment on investment properties; and
- the favourable year-over-year impact of acquisition and other costs related to the acquisition of CREIT;

partially offset by,

- the unfavourable impact of higher interest expense and other financing charges described above.

Funds from Operations[1] Funds from Operations[1] in the fourth quarter of 2019 was $166 million, a decrease of $6 million compared to the same period in 2018, primarily driven by the decrease in revenue due to Choice Properties' portfolio transaction, partially offset by growth in net operating income attributable to properties acquired in 2018 and 2019 and from tenant openings in newly developed leasable space.

Choice Properties Other Business Matters

Investment Property Transactions During 2019, Choice Properties acquired eight investment properties and a financial real estate asset for an aggregate purchase price of $149 million, excluding transaction costs. Of the eight investment properties acquired during 2019, five investment properties were acquired from third-party vendors, for an aggregate purchase price of $77 million, excluding transaction costs, which was settled by an assumption of a $14 million mortgage, settlement of mortgages receivable of $25 million, with the remainder in cash. During 2019, Choice Properties acquired one property from Weston Foods and two properties and one financial real estate asset from Loblaw, for an aggregate purchase price of $72 million, excluding transaction costs, fully settled in cash.

During 2019, Choice Properties had six disposition transactions for an aggregate selling price of $468 million, excluding transaction costs, which were settled in cash. These disposition activities included the sale of:

- a portfolio of 30 properties across Canada to a third-party for aggregate consideration of $426 million, excluding transaction costs. The portfolio consisted of 27 Loblaw stand-alone retail properties and 3 Loblaw distribution centres;
- retail property in Cowansville, Quebec, which had a Loblaw lease for $1 million, excluding transaction costs. Concurrent with the sale, Choice Properties recognized lease surrender income of $2 million upon disposition, which was settled in cash;
- development lands in Brampton, Ontario and in Strathcona County, Alberta for $31 million, excluding transaction costs;
- retail property in Red Deer, Alberta, which had a Loblaw lease for $9 million, excluding transaction costs; and
- land parcel at retail property in Olds, Alberta for $1 million, excluding transaction costs.

Weston Foods Segment Results

(unaudited) ($ millions except where otherwise indicated)	Quarters Ended				Years Ended			
For the periods ended as indicated	**Dec 31, 2019**	Dec. 31, 2018[3]	$ Change	% Change	**Dec. 31, 2019**	Dec. 31, 2018[3]	$ Change	% Change
Sales	**$ 522**	$ 507	$ 15	3.0 %	**$ 2,155**	$ 2,122	$ 33	1.6 %
Operating income	**$ 27**	$ 30	$ (3)	(10.0)%	**$ 72**	$ 92	$ (20)	(21.7)%
Adjusted EBITDA[1]	**$ 56**	$ 59	$ (3)	(5.1)%	**$ 223**	$ 233	$ (10)	(4.3)%
Adjusted EBITDA margin[1]	**10.7%**	11.6%			**10.3%**	11.0%		
Depreciation and amortization[i]	**$ 36**	$ 28	$ 8	28.6 %	**$ 147**	$ 130	$ 17	13.1 %

(i) Depreciation and amortization includes $3 million (2018 – nominal) in the fourth quarter of 2019 and $9 million (2018 – $9 million) year-to-date in 2019 of accelerated depreciation related to restructuring and other related costs.

Sales Weston Foods sales in the fourth quarter of 2019 were $522 million, an increase of $15 million, or 3.0%, compared to the same period in 2018. Sales included the negative impact of foreign currency translation of approximately 0.2%. Excluding the unfavourable impact of foreign currency translation, sales increased by 3.2%. Sales were impacted by an increase in volumes and the combined positive impact of pricing and changes in sales mix, partially offset by the unfavourable impact of product rationalization.

Operating income Weston Foods operating income in the fourth quarter of 2019 was $27 million, a decrease of $3 million, or 10.0%, compared to the same period in 2018. Normalized for the nominal impact of IFRS 16 and the prior year impact of a net gain of $10 million related to the sale leaseback of a property, operating income increased by $7 million. The increase included the favourable year-over-year net impact of adjusting items totaling $5 million, and the improvement in the underlying operating performance of $2 million. The year-over-year net impact of adjusting items included the following:

- the favourable year-over-year impact of restructuring and other related costs of $8 million; and
- the favourable year-over-year impact of the fair value adjustment of derivatives of $1 million;

partially offset by,

- the unfavourable year-over-year impact of inventory losses, net of recoveries, of $4 million.

Adjusted EBITDA[1] Weston Foods adjusted EBITDA[1] in the fourth quarter of 2019 was $56 million, a decrease of $3 million or 5.1%, compared to the same period in 2018. Normalized for the favourable impact of IFRS 16 of approximately $2 million and the prior year impact of a net gain of $10 million related to the sale leaseback of a property, adjusted EBITDA[1] increased by $5 million. The increase was driven by productivity improvements and the net benefits realized from Weston Foods' transformation program, partially offset by an increase in performance related compensation accruals and higher input costs.

Weston Foods adjusted EBITDA margin[1] in the fourth quarter of 2019 decreased to 10.7% compared to 11.6% in the same period in 2018. Normalized for the favourable impact of IFRS 16 and the prior year impact of a net gain related to the sale leaseback of a property, adjusted EBITDA margin[1] increased by 60 basis points to 10.3% in the fourth quarter of 2019 compared to 9.7% in the same period in 2018, driven by the factors described above.

Depreciation and Amortization Weston Foods depreciation and amortization in the fourth quarter of 2019 was $36 million, an increase of $8 million compared to the same period in 2018. Normalized for the unfavourable impact of IFRS 16 of approximately $2 million, depreciation and amortization increased by $6 million. Depreciation and amortization in the fourth quarter of 2019 included $3 million (2018 – nominal) of accelerated depreciation related to Weston Foods' transformation program. Excluding this amount and the impact of IFRS 16, depreciation and amortization in the fourth quarter of 2019 increased by $3 million due to capital investments.

Weston Foods Other Business Matters

Restructuring and other related costs 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. In the fourth quarter of 2019, Weston Foods recorded a net gain of $4 million (2018 – costs of $4 million) related to restructuring activities driven by a gain on sale of an unprofitable facility in Canada, partially offset by reorganization costs from the transformation program. Year-to-date, charges of $11 million (2018 – $33 million) were primarily related to the reorganization costs from the transformation program.

OUTLOOK[2]

For 2020, the Company expects adjusted net earnings[1] to increase due to the results from its operating segments as described below.

Loblaw is focused on its strategic framework, delivering best in food and health and beauty, using data driven insights underpinned by process and efficiency excellence. This framework is supported by Loblaw's financial plan of maintaining market share, with positive same-store sales and stable gross margin, creating efficiencies to deliver operating leverage, investing for the future and returning capital to shareholders.

Loblaw will remain focused on delivering Process and Efficiency improvements to offset increasing costs and to fund continued incremental investments in infrastructure and to support its strategic growth areas of Everyday Digital Retail, Connected Healthcare and Payments & Rewards.

In 2020, on a full-year comparative basis, excluding the impact of the 53rd week, Loblaw expects to:

- deliver positive same-store sales and stable gross margin in its Retail segment in a highly competitive market;
- deliver positive adjusted net earnings[1] growth;
- invest approximately $1.1 billion in capital expenditures, net of proceeds from property disposals; and
- return capital to shareholders by allocating a significant portion of free cash flow to share repurchases.

Choice Properties' real estate platform is positioned to deliver both income stability and long term growth for its investors, underpinned by disciplined financial management. Choice Properties' income producing property portfolio provides a solid foundation for stable cash flows through effective management and portfolio diversification. The portfolio is diversified by both geography and product type including retail, industrial, office and residential assets. Overall, Choice Properties expects its income producing portfolio will continue to operate at high occupancy levels and deliver low single digits same asset NOI growth. Development initiatives provide the opportunity to add high quality real estate by focusing primarily on retail intensification projects which provide incremental growth to existing sites, to larger, more complex major mixed-use developments which Choice Properties expects will drive net asset value growth in the future.

In 2020, Choice Properties will continue to improve its portfolio quality and seek out opportunities, when available, to strengthen its balance sheet by extending debt maturities with longer term debt.

Weston Foods is focused on becoming a premier North American bakery and delivering solid financial results. In 2020, Weston Foods will continue to focus on growing its core business, selectively investing in key categories and markets, and strengthening key operational processes.

In 2020, Weston Foods expects:
- sales will be modestly higher compared to full year 2019, after excluding the impact of foreign currency translation and the impact of the 53rd week in 2020;
- adjusted EBITDA[1] will be higher compared to 2019;
- investment in capital expenditures to decrease to approximately $185 million; and
- depreciation will increase compared to 2019.

DECLARATION OF QUARTERLY DIVIDENDS

Subsequent to the end of the fourth quarter of 2019, 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	$0.525 per share payable April 1, 2020, to shareholders of record as of March 15, 2020;
Preferred Shares, Series I	$0.3625 per share payable March 15, 2020, to shareholders of record as of February 29, 2020;
Preferred Shares, Series III	$0.3250 per share payable April 1, 2020, to shareholders of record as of March 15, 2020;
Preferred Shares, Series IV	$0.3250 per share payable April 1, 2020, to shareholders of record as of March 15, 2020; and
Preferred Shares, Series V	$0.296875 per share payable April 1, 2020, to shareholders of record as of March 15, 2020.

NON-GAAP FINANCIAL MEASURES

The Company uses non-GAAP financial measures as it believes these measures provide useful information to both management and investors with regard to accurately assessing the Company's financial performance and financial condition.

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 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 excludes 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 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 14, "Non-GAAP Financial Measures" of the MD&A in the Company's 2019 Annual Report.

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, opportunities and legal and regulatory matters. 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, strategic initiatives and restructuring, regulatory changes including further healthcare reform, future liquidity, planned capital investments, and the status and impact of information technology ("IT") systems implementations. These specific forward-looking statements are contained throughout this 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", "should" and similar expressions, as they relate to the Company and its management.

Forward-looking statements reflect the Company's estimates, beliefs and assumptions, which are based on management's perception of historical trends, current conditions and expected future developments, as well as other factors it believes are appropriate in the circumstances. The Company's expectation of operating and financial performance in 2020 is based on certain assumptions including assumptions about healthcare reform impacts, anticipated cost savings and operating efficiencies and anticipated benefits from strategic initiatives. The Company's estimates, beliefs and assumptions are inherently subject to significant business, economic, competitive and other uncertainties and contingencies regarding future events and as such, are subject to change. The Company can give no assurance that such estimates, beliefs and assumptions will prove to be correct.

Numerous risks and uncertainties could cause the Company's actual results to differ materially from those expressed, implied or projected in the forward-looking statements, including those described in Section 8, "Enterprise Risks and Risk Management" of the MD&A in the Company's 2019 Annual Report and the Company's Annual Information Form ("AIF") for the year ended December 31, 2019.

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 IFRS and is based on the Company's audited annual consolidated financial statements for the year ended December 31, 2019. 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 2019 Annual Report available in the Investor Centre section of the Company's website at www.weston.ca.

Consolidated Statements of Earnings

(millions of Canadian dollars except where otherwise indicated) For the periods ended as indicated	Dec. 31, 2019 (12 weeks) (unaudited)	Dec. 31, 2018[3] (12 weeks) (unaudited)	Dec. 31, 2019 (52 weeks) (audited)	Dec. 31, 2018[3] (52 weeks) (audited)
Revenue	**$ 12,107**	$ 11,717	**$ 50,109**	$ 48,568
Operating Expenses				
Cost of inventories sold	**8,229**	7,985	**34,166**	33,340
Selling, general and administrative expenses	**3,160**	3,042	**12,985**	12,643
	11,389	11,027	**47,151**	45,983
Operating Income	**718**	690	**2,958**	2,585
Net Interest Expense and Other Financing Charges	**7**	218	**1,704**	948
Earnings Before Income Taxes	**711**	472	**1,254**	1,637
Income Tax	**133**	60	**431**	639
Net Earnings	**578**	412	**823**	998
Attributable to:				
Shareholders of the Company	**443**	281	**242**	574
Non-Controlling Interests	**135**	131	**581**	424
Net Earnings	**$ 578**	$ 412	**$ 823**	$ 998
Net Earnings per Common Share ($)				
Basic	**$ 2.82**	$ 1.86	**$ 1.29**	$ 4.02
Diluted	**$ 2.81**	$ 1.86	**$ 1.26**	$ 3.99

Consolidated Balance Sheets

As at December 31 (millions of Canadian dollars)	2019	2018[3]
ASSETS		
Current Assets		
Cash and cash equivalents	$ **1,834**	$ 1,521
Short term investments	**229**	281
Accounts receivable	**1,375**	1,329
Credit card receivables	**3,518**	3,309
Inventories	**5,270**	5,001
Prepaid expenses and other assets	**256**	370
Assets held for sale	**203**	44
Total Current Assets	**12,685**	11,855
Fixed Assets	**11,773**	12,101
Right-of-Use Assets	**4,074**	–
Investment Properties	**4,888**	4,847
Equity Accounted Joint Ventures	**605**	734
Intangible Assets	**7,488**	7,958
Goodwill	**4,775**	4,781
Deferred Income Taxes	**250**	286
Security Deposits	**76**	87
Franchise Loans Receivable	**19**	78
Other Assets	**1,180**	1,087
Total Assets	$ **47,813**	$ 43,814
LIABILITIES		
Current Liabilities		
Bank indebtedness	$ **18**	$ 56
Trade payables and other liabilities	**5,906**	5,762
Loyalty liability	**191**	228
Provisions	**147**	205
Income taxes payable	**53**	171
Short term debt	**1,489**	1,579
Long term debt due within one year	**1,842**	1,343
Lease liabilities due within one year	**857**	–
Associate interest	**280**	260
Total Current Liabilities	**10,783**	9,604
Provisions	**90**	167
Long Term Debt	**12,712**	13,975
Lease Liabilities	**4,250**	–
Trust Unit Liability	**3,601**	2,658
Deferred Income Taxes	**2,245**	2,515
Other Liabilities	**957**	691
Total Liabilities	**34,638**	29,610
EQUITY		
Share Capital	**3,626**	3,583
Retained Earnings	**4,766**	5,017
Contributed Surplus	**(979)**	(799)
Accumulated Other Comprehensive Income	**196**	239
Total Equity Attributable to Shareholders of the Company	**7,609**	8,040
Non-Controlling Interests	**5,566**	6,164
Total Equity	**13,175**	14,204
Total Liabilities and Equity	$ **47,813**	$ 43,814

Consolidated Statements of Cash Flows

(millions of Canadian dollars) For the periods ended as indicated	Dec. 31, 2019 (12 weeks)	Dec. 31, 2018[(3)] (12 weeks)	Dec. 31, 2019 (52 weeks)	Dec. 31, 2018[(3)] (52 weeks)
Operating Activities				
Net earnings	$ 578	$ 412	$ 823	$ 998
Add:				
Net interest expense and other financing charges	7	218	1,704	948
Income taxes	133	60	431	639
Depreciation and amortization	548	416	2,318	1,746
Asset impairments, net of recoveries	50	4	54	21
Adjustment to fair value of investment properties	27	4	85	48
Foreign currency translation gain	(1)	(1)	–	(17)
Change in provisions	15	(39)	(54)	(188)
	1,357	1,074	5,361	4,195
Change in credit card receivables	(255)	(286)	(209)	(307)
Change in non-cash working capital	239	(282)	(7)	(644)
Income taxes paid	(110)	(45)	(656)	(557)
Interest received	7	11	35	44
Interest received from finance leases	–	–	4	–
Other	34	(17)	27	(12)
Cash Flows from Operating Activities	1,272	455	4,555	2,719
Investing Activities				
Fixed asset and investment properties purchases	(441)	(546)	(1,155)	(1,250)
Intangible asset additions	(102)	(74)	(403)	(343)
Business acquisition, net of cash acquired	–	5	–	(1,619)
Cash assumed on initial consolidation of franchises	5	4	20	18
Proceeds from disposal of assets	37	124	87	189
Lease payments received from finance leases	2	–	8	–
Change in short term investments	(9)	(58)	52	832
Change in security deposits	(18)	397	7	(1)
Other	21	31	(108)	(82)
Cash Flows used in Investing Activities	(505)	(117)	(1,492)	(2,256)
Financing Activities				
Change in bank indebtedness	(134)	(210)	(38)	(54)
Change in short term debt	237	237	(90)	321
Proceeds from other financing	9	–	435	–
Interest paid	(181)	(224)	(891)	(992)
Long term debt – Issued	123	1,020	1,438	4,880
– Repayments	(126)	(1,324)	(1,690)	(3,565)
Cash rent paid on lease liabilities - Interest	(49)	–	(214)	–
Cash rent paid on lease liabilities - Principal	(84)	–	(520)	–
Share capital – Issued	1	126	40	134
– Purchased and held in trusts	–	–	(6)	–
– Purchased and cancelled	(25)	(67)	(25)	(123)
Loblaw common share capital – Issued	2	16	82	78
– Purchased and held in trusts	(42)	(36)	(62)	(36)
– Purchased and cancelled	(163)	(238)	(937)	(1,082)
Choice Properties units – Issued	–	–	345	–
– Issuance costs	–	–	(14)	–
Dividends – To common shareholders	–	–	(319)	(241)
– To preferred shareholders	(3)	(3)	(44)	(44)
– To minority shareholders	–	–	(228)	(228)
Other	8	25	(12)	(35)
Cash Flows used in Financing Activities	(427)	(678)	(2,750)	(987)
Effect of foreign currency exchange rate changes on cash and cash equivalents	(1)	8	–	11
Change in Cash and Cash Equivalents	339	(332)	313	(513)
Cash and Cash Equivalents, Beginning of Period	1,495	1,853	1,521	2,034
Cash and Cash Equivalents, End of Period	$ 1,834	$ 1,521	$ 1,834	$ 1,521

Basic and Diluted Net Earnings per Common Share

(millions of Canadian dollars except where otherwise indicated) For the periods ended as indicated	**Dec. 31, 2019 (12 weeks) (unaudited)**	Dec. 31, 2018 (12 weeks) (unaudited)	**Dec. 31, 2019 (52 weeks) (audited)**	Dec. 31, 2018 (52 weeks) (audited)
Net earnings attributable to shareholders of the Company	**$ 443**	$ 281	**$ 242**	$ 574
Prescribed dividends on preferred shares in share capital	**(10)**	(10)	**(44)**	(44)
Net earnings available to common shareholders of the Company	**$ 433**	$ 271	**$ 198**	$ 530
Reduction in net earnings due to dilution at Loblaw	**(1)**	–	**(4)**	(2)
Net earnings available to common shareholders for diluted earnings per share	**$ 432**	$ 271	**$ 194**	$ 528
Weighted average common shares outstanding (in millions)	**153.8**	145.4	**153.5**	131.8
Dilutive effect of equity-based compensation(i) (in millions)	**0.2**	0.3	**0.2**	0.4
Diluted weighted average common shares outstanding (in millions)	**154.0**	145.7	**153.7**	132.2
Basic net earnings per common share ($)	**$ 2.82**	$ 1.86	**$ 1.29**	$ 4.02
Diluted net earnings per common share ($)	**$ 2.81**	$ 1.86	**$ 1.26**	$ 3.99

(i) In the fourth quarter of 2019 and year-to-date, 520,992 (2018 – 825,683) and 955,551 (2018 – 674,981) potentially dilutive instruments, respectively, were excluded from the computation of diluted net earnings per common share as they were anti-dilutive.

Segment Information

The Company has three reportable operating segments: Loblaw, Choice Properties and Weston Foods. Other and Intersegment includes eliminations, intersegment adjustments related to consolidation, cash and short term investments held by the Company and all other company level activities that are not allocated to the reportable operating segments, as further illustrated below.

The accounting policies of the reportable operating segments are the same as those described in the Company's 2019 audited annual consolidated financial statements. The Company measures each reportable operating segment's performance based on adjusted EBITDA(1) and adjusted operating income(1). No reportable operating segment is reliant on any single external customer.

	12 weeks ended									
	Dec. 31, 2019					Dec. 31, 2018				
(unaudited) (millions of Canadian dollars)	Loblaw	Choice Properties	Weston Foods	Other and Intersegment	Total	Loblaw	Choice Properties	Weston Foods(3)	Other and Intersegment(3)	Total
Revenue	**$ 11,590**	**$ 318**	**$ 522**	**$ (323)**	**$ 12,107**	$ 11,218	$ 323	$ 507	$ (331)	$ 11,717
Operating income	$ 539	$ 220	$ 27	$ (68)	$ 718	$ 443	$ 202	$ 30	$ 15	$ 690
Net interest expense and other financing charges	176	(74)	–	(95)	7	95	(80)	(1)	204	218
Earnings before income tax	**$ 363**	**$ 294**	**$ 27**	**$ 27**	**$ 711**	$ 348	$ 282	$ 31	$ (189)	$ 472
Operating income	**$ 539**	**$ 220**	**$ 27**	**$ (68)**	**$ 718**	$ 443	$ 202	$ 30	$ 15	$ 690
Depreciation and amortization	589	–	36	(77)	548	356	1	28	31	416
Adjusting items(i)	75	5	(7)	12	85	94	30	1	(85)	40
Adjusted EBITDA(i)	$ 1,203	$ 225	$ 56	$ (133)	$ 1,351	$ 893	$ 233	$ 59	$ (39)	$ 1,146
Depreciation and amortization(ii)	473	–	33	(77)	429	236	1	28	31	296
Adjusted operating income(i)	**$ 730**	**$ 225**	**$ 23**	**$ (56)**	**$ 922**	$ 657	$ 232	$ 31	$ (70)	$ 850

	52 weeks ended									
	Dec. 31, 2019					Dec. 31, 2018				
(millions of Canadian dollars)	Loblaw	Choice Properties	Weston Foods	Other and Intersegment	Total	Loblaw	Choice Properties	Weston Foods(3)	Other and Intersegment(3)	Total
Revenue	**$ 48,037**	**$ 1,289**	**$ 2,155**	**$ (1,372)**	**$ 50,109**	$ 46,693	$ 1,148	$ 2,122	$ (1,395)	$ 48,568
Operating income	$ 2,262	$ 890	$ 72	$ (266)	$ 2,958	$ 1,915	$ 593	$ 92	$ (15)	$ 2,585
Net interest expense and other financing charges	747	1,472	1	(516)	1,704	564	(57)	(1)	442	948
Earnings before income tax	**$ 1,515**	**$ (582)**	**$ 71**	**$ 250**	**$ 1,254**	$ 1,351	$ 650	$ 93	$ (457)	$ 1,637
Operating income	**$ 2,262**	**$ 890**	**$ 72**	**$ (266)**	**$ 2,958**	$ 1,915	$ 593	$ 92	$ (15)	$ 2,585
Depreciation and amortization	2,524	1	147	(354)	2,318	1,497	1	130	118	1,746
Adjusting items(i)	118	23	4	62	207	108	230	11	(152)	197
Adjusted EBITDA(i)	$ 4,904	$ 914	$ 223	$ (558)	$ 5,483	$ 3,520	$ 824	$ 233	$ (49)	$ 4,528
Depreciation and amortization(ii)	2,016	1	138	(354)	1,801	976	1	121	118	1,216
Adjusted operating income(i)	**$ 2,888**	**$ 913**	**$ 85**	**$ (204)**	**$ 3,682**	$ 2,544	$ 823	$ 112	$ (167)	$ 3,312

(i) Certain items are excluded from operating income to derive adjusted EBITDA(1). Adjusted EBITDA(1) is used internally by management when analyzing segment underlying operating performance.

(ii) The fourth quarter and year ended December 31, 2019, excludes $116 million (2018 – $120 million) and $508 million (2018 – $521 million), respectively of amortization of intangible assets acquired with Shoppers Drug Mart, recorded by Loblaw and $3 million (2018 – nominal) and $9 million (2018 – $9 million), respectively of accelerated depreciation recorded by Weston Foods, related to restructuring and other related costs.

2019 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, 2019 are available in the Investor Centre section of the Company's website at www.weston.ca and have been filed on SEDAR and are available at www.sedar.com.

INVESTOR RELATIONS

Shareholders, security analysts and investment professionals should direct their requests to Tara Speers, Senior Director, Investor Relations, 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, a public company with shares trading on the Toronto Stock Exchange ("TSX"). For information regarding Loblaw, readers should refer to the materials filed by Loblaw on SEDAR from time to time. These filings are also maintained on Loblaw's corporate website at www.loblaw.ca.

This News Release also includes selected information on Choice Properties, a public real estate investment trust with units trading on the TSX. For information regarding Choice Properties, readers should refer to the materials filed by Choice Properties on SEDAR from time to time. These filings are also maintained on Choice Properties' website at www.choicereit.ca.

FOURTH QUARTER CONFERENCE CALL AND WEBCAST

George Weston Limited will host a conference call as well as an audio webcast on Tuesday, February 25, 2020 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: 7789047#. 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 5, 2020, at 11:00 a.m. (EDT) 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 of the Company's 2019 Annual Report, which includes the reconciliation of such non-GAAP measures to the most directly comparable GAAP measures.

(2) This News Release contains forward-looking information. See "Forward-Looking Statements" section of this News Release and the Company's 2019 Annual Report 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 and assumptions that were used when making these statements. This News Release should 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) Comparative figures have been restated to conform with current year presentation.