

Loblaws[®]

C O M P A N I E S L I M I T E D

2004

ANNUAL INFORMATION FORM

March 22, 2005

LOBLAW COMPANIES LIMITED

2004 ANNUAL INFORMATION FORM

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The information in this Annual Information Form is current to March 8, 2005, unless otherwise noted. All amounts are in Canadian dollars.

CORPORATE STRUCTURE

Incorporation

Loblaw Companies Limited was incorporated on January 18, 1956, although portions of its business originated before 1900. It was continued under the Canada Business Corporations Act by certificate of continuance dated May 7, 1980. The registered and principal executive office of the Company is located at 22 St. Clair Avenue East, Toronto, Canada M4T 2S7.

Intercorporate Relationships

Loblaw Companies Limited is a holding company, which carries on its business through its subsidiaries. A list of the subsidiaries of the Company that carry on its principal business operations is given below. In each case, the Company owns 100% of the voting and non-voting securities either directly or indirectly. Throughout this Annual Information Form, Loblaw Companies Limited and its subsidiaries are collectively referred to as the “Company”.

Subsidiary	Jurisdiction of Incorporation
Atlantic Wholesalers Ltd.	New Brunswick
Fortinos Supermarket Ltd.	Ontario
Glenhuron Bank Limited	Barbados
Kelly, Douglas & Company	British Columbia
Loblaw Brands Limited	Canada
Loblaw Financial Holdings Inc.	Ontario
Loblaw Properties Limited	Ontario
Loblaw Properties West Inc.	Canada
Loblaws Inc.	Ontario
Loblaws Supermarkets Limited	Ontario
National Grocers Co. Ltd.	Ontario
President’s Choice Bank	Canada
Provigo Distribution Inc.	Quebec
Provigo Inc.	Quebec
Provigo Properties Limited	Canada
Westfair Foods Ltd.	Canada
Westfair Supermarkets Holding Inc.	Canada
Zehrmart Inc.	Ontario

GENERAL DEVELOPMENT OF THE BUSINESS

During the three year period ended January 1, 2005, the Company continued to expand its asset base and to reinvest in existing assets in order to position the Company for sustainable future growth. During this period, cumulative capital investment, funded through cash flows from operating and financing activities, was \$3.61 billion in the aggregate comprised of \$1.26 billion, \$1.27 billion and \$1.08 billion in fiscal years 2004, 2003, and 2002 respectively.

During the latest three year period, total sales increased at a cumulative average annual rate of approximately 6.9%. Corporate and franchised stores' square footage increased at cumulative average annual growth rates of approximately 7.3% and 4.2%, respectively. The number of corporate stores over the same three year period increased from 617 to 658 with a trend towards expanded store size and increased variety of products and services. The number of franchised stores declined from 401 to 400 over the same three year period.

In 2004, the Company instituted several internal reorganizations involving its merchandising, procurement and operations groups, which are intended to make the Company more efficient and effective. In 2003, the Company announced the consolidation of its administrative and operating offices in Ontario to a new facility in Brampton, Ontario which is anticipated to be opened in the third quarter of 2005.

Products and Trends

The Company pursues a strategy of enhancing profitability on a market-by-market basis by using a multi-format approach. This multi-format approach enables the Company to serve a greater variety of consumers, compete on price and place the optimal offerings in the right markets. Traditional food offerings remain at the core of the Company's business and are the principal means of attracting consumers into its stores. The Company's food offerings are enhanced by a strong control label program which assists in creating customer loyalty and price competitiveness. The Company's food offerings are also complemented by an array of general merchandise offerings creating a one-stop shopping experience. These general merchandise offerings include pharmacies, photo/electronics, apparel, health and beauty, housewares, home accessories, flower markets and lawn and garden centres. The Company also provides gas bars adjacent to a number of its stores. In order to meet more of its customers' everyday household needs, the Company is constructing larger stores and retrofitting existing locations, where appropriate for the local market, allowing the Company to offer a wider variety of products and services.

The continued focus by the consumer on health and diet has resulted in the introduction of health-oriented control label products. The Company has been a leader in offering certified organic products and now has approximately 200 such products under the *President's Choice Organics* label. In 2004, the Company launched the *PC Mini Chefs* line of healthy-choice products for children. Early in 2005 the Company introduced its *PC Blue Menu* line of products for health and nutrition conscious consumers.

During 2003, the Company introduced *The Real Canadian Superstore* format to the Ontario market. The Company has successfully operated this format in western Canada for many years. The establishment of this large store program is expected to continue in 2005 and beyond, so that the Company can continue to deliver to its customers a unique shopping experience that includes an expanded selection of products and services at competitive prices. As part of a long term labour strategy to establish a competitive framework for *The RCSS* concept in Ontario, an agreement was reached with certain labour unions which resulted in a certain number of employees accepting early retirement.

The strength of the Company's control label program has also allowed the Company to expand its *President's Choice* brand to financial services. Since its launch in 1998, the number of customers using *President's Choice Financial* services has grown and the range of products and services now available includes chequing and savings accounts, mortgages, RRSPs, loans and lines of credit. These services are provided by Amicus Bank, a member of the CIBC group of companies. *President's Choice Bank*, a subsidiary of the Company, launched the *President's Choice Financial MasterCard®* in March 2001 throughout Canada except Quebec, where it was launched in February 2004. In 2004, *President's Choice Bank* securitized an additional \$227 million of its credit card receivables.

In connection with the offering of *President's Choice Financial* services and the *President's Choice Financial MasterCard®*, the Company operates a loyalty program known as *PC* points. Customers using such products and services can earn *PC* points which can be redeemed towards the purchase of goods at the Company's corporate and franchised stores and, more recently, a wide variety of rewards, including travel, gift certificates and home and living accessories from the *PC* points website.

In October 2003, the Company introduced *PC Financial* auto and home insurance through its subsidiary *PC Financial Insurance Agency Inc.* to selected markets in Ontario. These products are provided and underwritten by Aviva Canada Inc. Aviva Canada Inc. is the parent company of one of the largest and most experienced groups of property and casualty insurance providers in Canada. Rollout of this product across Ontario will continue and it is planned to be launched in other provinces throughout 2005. The Company intends to take advantage of opportunities to extend the *PC* brand to other financial services in the future.

In support of its retail and wholesale operations, the Company is also focusing on the optimization of its warehouse and distribution network, on creating national platforms for its procurement and information technology functions and on the consolidation of corporate and support functions. In recognition of the importance of an effective general merchandise distribution strategy, the Company has contracted with a third party logistics provider to construct and operate a state of the art facility in Pickering, Ontario. By adopting best practices across the Company in these functions, the resulting cost savings can be used to further improve its value proposition to its customers across all its formats and strengthen its competitive position in the future.

Further information on trends affecting the Company and the Company's strategies can be found in the Management's Discussion and Analysis section of the Company's 2004 Annual Report ("MD&A"). This information is incorporated by reference and is available at www.sedar.com or www.loblaw.com.

DESCRIPTION OF THE BUSINESS

Operations

Loblaw, a subsidiary of George Weston Limited, is Canada's largest food distributor and a leading provider of general merchandise products and services. It is committed to providing consumers across the country with the best one-stop shopping destination for their food and everyday household needs. For over 45 years, the Company has supplied the Canadian market with innovative products and services through corporate, franchised and associated stores. Corporate owned store banners include *Atlantic Superstore*, *Dominion* (in Newfoundland and Labrador), *Extra Foods*, *Loblaws*, *Maxi*, *Provigo*, *The Real Canadian Superstore* ("*The RCSS*") and *Zehrs Markets* and a number of wholesale outlets operating as *Cash & Carry*, *Presto* and *The Real Canadian Wholesale Club*. The Company's franchised and associated stores operate under the trade names *Atlantic SaveEasy*, *Fortinos*, *Lucky Dollar Foods*, *no*

frills, SuperValu, Valu-mart and Your Independent Grocer. The store network is supported by 32 warehouse facilities located across Canada.

In addition, the Company makes available to consumers *President's Choice* financial services and products, including the *President's Choice Financial MasterCard®*, and *PC Financial* auto and home insurance, as well as a loyalty program.

Geographic and Banner Summary

For the recently completed year, the Company operated across Canada as set out below:

	Corporate Stores	Franchised Stores	Associated Stores	Independent Accounts	Warehouses
Newfoundland and Labrador	17	7	9	549	2
Prince Edward Island	5	3	1	150	0
Nova Scotia	36	23	2	520	2
New Brunswick	22	24	6	339	2
Quebec	248	26	373	1,590	7
Ontario	169	249	18	87	9
Manitoba	22	4	45	65	1
Saskatchewan	33	14	30	1,739	2
Alberta	62	4	15	1,621	5
Northwest Territories	3	0	1	1	0
Yukon	1	2	0	0	0
British Columbia	40	44	19	8	2
Total	658	400	519	6,669	32

The average store size at year end 2004 for corporate stores and franchised stores was 53,600 and 26,000 square feet, respectively. The average store size for both corporate stores and franchised stores has increased by 15.5% and 13.5% respectively over the last three years.

Whenever practical, the Company follows the strategy of purchasing sites for future store locations. At year end 2004, the Company owned 70% of the real estate on which its corporate stores are located, as well as various properties under development or held for future development. The Company's owned properties are essentially unencumbered with \$41 million in mortgage debt on total fixed assets including real estate, having a net book value of approximately \$7.1 billion at year end 2004. The total square footage of the corporate stores is approximately 35.3 million square feet.

For the recently completed year, the Company operated directly through corporate stores and indirectly through franchised stores and associated stores under the following banners:

Corporate Banners	Number of Stores	Franchised and Associated Banners	Number of Stores
Atlantic Superstore	51	Atlantic SaveEasy	53
Cash and Carry (Ontario, Atlantic, Quebec under the name Presto)	59	Extra Foods	24
Dominion ¹ (in Newfoundland and Labrador)	15	Fortinos	21
Extra Foods	73	Lucky Dollar Foods	75
Loblaws	98	No Frills	124
Maxi (including Maxi & Cie)	103	Provigo	30
Provigo	85	Shop Easy Foods	55
The Real Canadian Superstore	77	SuperValu	27
The Real Canadian Wholesale Club	36	Valu-mart	70
Zehrs Markets	55	Your Independent Grocer	49
Other Corporate Banners	6	Other Franchised & Associated Banners	391
Total	658	Total	919

¹ Trademark used under license

Competitive Conditions

The retail industry in Canada is a changing and competitive market. Consumer needs drive changes in the industry, which is impacted by changing demographic and economic trends such as changes in disposable income, increasing ethnic diversity, nutritional awareness and time availability. Over the past several years, consumers have demanded more choice, value and convenience.

The Company competes with non-traditional competitors as well as regional and local retailers. Recent industry changes have seen the expansion of non-traditional competitors, such as mass merchandisers, warehouse clubs, limited assortment stores, discount stores, convenience stores, drug stores and specialty stores, which continue to increase their offerings of products typically associated with traditional supermarkets. Over the past several years, there has been an increase in the number of retail outlets that traditionally exclusively featured general merchandise or food items that now offer a selection of both resulting in what is commonly referred to in the industry as “channel blurring”. This evolution of the retail landscape presents a number of issues for traditional grocers: the need to re-position conventional supermarkets to either expand or, conversely, better focus their offerings; the reality of lower prices offered by discount models and the obvious need to reduce operating and labour costs in order to maintain earnings in light of lower prices and increased competition.

The Company believes that it is in a strong competitive position in Canada. The Company’s focus is on new store growth, expansion of departments and services and the renewal of the existing store base, while controlling operating costs and rationalizing and centralizing similar functions. This allows the Company to perform well in an increasingly competitive market, which is continuously evolving with the addition of warehouse clubs, the growth of discount food formats and the increasing marketing of food by mass merchandisers, drug stores and other specialty retailers. Another competitive advantage the Company has is its control label program, which promotes customer loyalty and allows pricing flexibility with respect to national brands.

Customers

The Company is not dependent upon a small number of customers or any single customer.

Products and Services

The Company has developed a highly successful line of control label products and services that are sold or made available in its corporate stores, and franchised and associated stores and are available on a limited basis to certain independent customers. The Company's product development team works closely with vendors in development of products for its control label brands. The *President's Choice* line of products is marketed in select supermarket chains in the following countries: Barbados, Bermuda, Cayman Islands, China (Hong Kong), Colombia, Chile, Israel, Jamaica, Trinidad, Russia, and the United States.

There are currently over 6,000 control label products marketed by the Company under brand names including *President's Choice*, *PC*, *no name*, *Club Pack*, *EXACT*, *President's Choice Organics*, *PC Mini Chefs*, *PC Blue Menu*, *Teddy's Choice* and *Life@Home*.

In recent years a selection of general merchandise items has been developed under the *PC* and *Life@Home* brands as part of the expansion into general merchandise departments. In 2004, approximately 1,100 new control label general merchandise products were introduced, which are sourced world wide, and cater to all areas of the home – bed, bath, kitchen, home decor and outdoor living.

The Company has also extended its *President's Choice* brand to include *President's Choice Financial* services which are provided by Amicus Bank, a member of the CIBC group of companies. The products and services included in the *President's Choice Financial* offering are available at attractive rates and the use of such products and services allows customers to earn *PC* points that are redeemable towards free products and other rewards. In March 2001, *President's Choice Bank* successfully launched the *President's Choice Financial MasterCard®* throughout Canada except Quebec, where it was launched in February 2004. Third party service providers process credit card transactions and provide call centres in addition to credit and fraud monitoring for the *President's Choice Financial MasterCard®*.

In October 2003, the Company introduced *PC Financial* auto and home insurance through its subsidiary *PC Financial Insurance Agency Inc.* to selected markets in Ontario with an expanded rollout to other provinces planned throughout 2005. With *PC Financial* insurance, customers currently enjoy low rates and some unique product features such as a disappearing deductible, and 24/7 superior claims service.

The Company entered into a relationship with Aviva Canada Inc., to provide and underwrite *PC Financial* auto and home insurance. Aviva Canada Inc. is the parent company of one of the largest and most experienced groups of property and casualty insurance providers in Canada. Aviva plc, the parent company of Aviva Canada Inc., is the world's seventh-largest insurance group and its main activities are long-term savings, fund management and general insurance.

Intellectual Property

The Company has established procedures to register or otherwise protect its intellectual property including the trademarks used in its store-trading or banner names and those associated with its control label programs. Store-trading or banner names are associated with specific retail concepts and are important to both corporate store and franchised store operations. Franchisees use the banner names associated with their franchised program pursuant to licensing arrangements. The Company's trademarks used in connection with its control label program are discussed under the section "Products and Services".

Other intellectual property of the Company includes domain names, packaging designs and product formulations and specifications. The intellectual property rights associated with and used in connection with the Company's business are important assets and are defended vigorously. The trademarks of the Company when used in this Annual Information Form are presented in *italics*.

Supply Chain

The Company's supply chain and distribution group is responsible for the flow of goods and information between its vendors and suppliers and the Company's warehouses and distribution centres and ultimately to its stores. In some cases certain goods flow directly to the Company's stores from the vendors as they deliver directly to the stores rather than to the warehouse, ensuring optimal usage of the supply chain and distribution network. In order to achieve these objectives, the Company continuously evaluates its methods of distribution including its relationship with vendors and suppliers, technology, facilities and modes of transportation. As part of this ongoing evaluation, the Company coordinates inbound and outbound flows to ensure optimal loads and delivery on a timely basis. When appropriate, the Company implements changes to its supply chain infrastructure to ensure a continued reliable and cost efficient system.

The Company's supply chain and distribution network is comprised of a total of 32 owned and leased warehouses and distribution centres. Third party logistics services are also used, including those in connection with the dedicated distribution centre located in Pickering, Ontario. The Company uses various modes of transportation including its own trucking fleet and the use of third party common carriers, railway and ship.

Seasonality

The Company's operations as they relate to food, specifically inventory levels, sales volume and product mix, are impacted to some degree by certain holiday periods in the year. As the Company expands the breadth of its general merchandise offerings it may increase the number of seasonal products offered and its operations may therefore be subject to more seasonal fluctuations.

Foreign Operations

Glenhuron Bank Limited, a wholly owned subsidiary of the Company, is engaged in financial activities including cash management and treasury-related services.

Employees

As of January 1, 2005, the Company and its franchisees together employ over 130,000 full-time and part-time employees.

Environmental and Health and Safety Matters

The Company has effective environmental programs in place and has established policies and procedures aimed at ensuring compliance with applicable environmental legislative requirements. To this end, the Company employs environmental risk assessments and audits using internal and external resources together with effective employee awareness programs throughout its operating locations.

The Company endeavours to be socially and environmentally responsible, and recognizes that the competitive pressures for economic growth and cost efficiency must be integrated with environmental stewardship and ecological considerations. Environmental protection requirements do not and are not

expected to have a material effect on the Company's financial performance. The Company has a health and safety program that is designed to address health and wellness and workplace safety and compliance with internal and regulatory guidelines for workplace health and safety. The Environmental, Health and Safety Committee of the Board of Directors receives regular reporting from management addressing current and potential future issues, identifying new legislative concerns and related communication efforts.

Food Safety and Labelling

The Company is subject to potential liabilities connected with its business operations, including potential exposures associated with product defects, food safety and product handling. Such liabilities may arise in relation to the storage, distribution and display of products and, with respect to the Company's control label products, in relation to the production, packaging and design of products.

A majority of the Company's sales are generated from food products and the Company could be vulnerable in the event of a significant outbreak of food-borne illness or increased public health concerns in connection with certain food products. Such an event could materially affect the Company's financial performance. Procedures are in place to manage such events, should they occur. These procedures identify risks, provide clear communication to employees and consumers and ensure that potentially harmful products are removed from inventory immediately. Food safety related liability exposures are insured by the Company's insurance program. In addition, the Company has food safety procedures and programs, which address safe food handling and preparation standards. The Company employs best practices for storage and distribution of food products and is intensifying the campaign for consumer awareness on safe food handling and consumption.

The Company strives to ensure its control label products have informative nutritional labelling so that today's health conscious consumer can make informed choices. Recently, the Company's portfolio of control label food products has undergone a redesign which makes this data more accessible.

Privacy and Ethics

The Company is committed to managing its activities in an ethical and proper manner in all aspects. The Company has established a Code of Business Conduct setting out the Company's expectations for the ethical and appropriate behaviour of all its directors, officers and employees. The Company also has a Privacy Policy that sets out the Company's commitment of protecting the privacy of personal information.

The Company has established a toll-free anonymous response line, which can be used by employees to report suspected accounting or auditing irregularities and unethical behaviour impacting the Company.

Risks and Risk Management

A detailed discussion of operating and financial risks and risk management strategies relating to the Company are included in the MD&A on pages 20 through 47 of the Company's 2004 Annual Report, which is incorporated herein by reference.

Further information on the Company's business can be found in the MD&A. This information is incorporated herein by reference.

CAPITAL STRUCTURE AND MARKET FOR SECURITIES

Common Share Capital

Loblaw Companies Limited's share capital is composed entirely of common shares with voting rights of one vote per common share. As at January 1, 2005, there were 274,255,914 common shares outstanding and 4,827 registered common shareholders. There are an unlimited number of authorized common shares.

Common Share Trading Price and Volume

Loblaw Companies Limited's common shares are listed on the Toronto Stock Exchange and trade under the share symbol "L". The monthly closing highs and lows and monthly average volume for Loblaw Companies Limited's common shares for the 52 weeks ended January 1, 2005 is as follows:

<u>Month</u>	<u>High</u> (\$ per common share)	<u>Low</u> (\$ per common share)	<u>Average Daily Volume by Month</u> (in shares)
January	68.45	64.50	203,146
February	67.20	63.08	246,392
March	66.60	61.70	244,787
April	64.20	58.20	304,355
May	63.75	58.31	292,691
June	63.60	60.09	204,049
July	63.00	59.61	179,199
August	62.20	59.34	140,591
September	65.30	59.52	195,813
October	66.75	62.90	190,546
November	70.25	65.65	226,536
December	72.36	68.15	493,030

Commercial Paper and Long Term Debt

The Company also has the following commercial paper and long term debt outstanding as at January 1, 2005:

<u>(\$ millions)</u>	<u>As at January 1, 2005</u>	<u>As at January 3, 2004</u>
Commercial Paper	\$473	\$ 603
Long Term Debt due within one year	216	106
Long Term Debt	<u>3,935</u>	<u>3,956</u>
	<u>\$4,624</u>	<u>\$ 4,665</u>

Loblaw Companies Limited's Debentures and Medium Term Notes ("MTN") are not listed or quoted on a recognized exchange. The following MTN were issued during 2004:

<u>(\$ millions)</u>	<u>Due Date</u>	<u>Face Value</u>	<u>Net Proceeds</u>
	January 20, 2035	\$200	\$198.5

Subsequent to year end 2004, the Company issued \$300 million of MTN due 2036 for net proceeds of \$298.1 million.

Credit Ratings (Canadian Standards)

Loblaw Companies Limited's credit ratings for its securities for the recently completed year are as follows:

	<u>Dominion Bond Rating Service</u>	<u>Standard & Poor's</u>
Commercial Paper	R-1 (low)	A-1 (mid)
Medium Term Notes	A (high)	A
Other Notes and Debentures	A (high)	A

The rating organizations base the ratings on quantitative and qualitative considerations which are relevant for Loblaw Companies Limited. These ratings are intended to give an indication of the risk that Loblaw Companies Limited will not fulfill its obligations in a timely manner and do not take certain factors into account such as market or pricing risk since these must be considered by investors as factors in their investment process. These ratings are not recommendations to buy, sell or hold securities and may be subject to revision or withdrawal at any time by the rating organization.

A definition of the categories of each rating has been obtained from the respective rating organization's website and is outlined below:

Dominion Bond Rating Service

Commercial Paper

Rating: R-1 (low)

Satisfactory credit quality. The overall strength and outlook for key liquidity, debt and profitability ratios is not normally as favorable as with higher rating categories, but these considerations are still respectable. Any qualifying negative factors which exist are considered manageable, and the entity is normally of sufficient size to have some influence in its industry.

Long Term Debt (Medium Term Notes, Other Notes and Debentures)

Rating: A (high)

Satisfactory credit quality. Protection of interest and principal is still substantial, but the degree of strength is less than with AA rated entities. While a respectable rating, entities in the "A" category are considered to be more susceptible to adverse economic conditions and have greater cyclical tendencies than higher rated companies.

Standard & Poor's

Commercial Paper

Rating: A-1 (mid)

A short-term obligation rated 'A-1' is rated in the highest category by Standard & Poor's. The obligor's capacity to meet its financial commitment on the obligation is strong.

Long Term Debt (Medium Term Notes, Other Notes and Debentures)

Rating: A

An obligation rated 'A' is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher-rated categories. However, the obligor's capacity to meet its financial commitment on the obligation is still strong.

COMMON DIVIDENDS

The declaration and payment of dividends is at the discretion of the Board. Loblaw Companies Limited's dividend policy is to maintain a dividend payment equal to approximately 20% to 25% of the prior year's normalized basic net earnings per common share, giving consideration to the year end cash position, future cash flow requirements and investment opportunities. Currently there are no restrictions that could prevent Loblaw Companies Limited from paying dividends. The amount of cash dividends declared per share for each of the three most recently completed years is as follows:

	<u>2004</u>	<u>2003</u>	<u>2002</u>
Dividends declared per common share	\$ 0.76	\$ 0.60	\$ 0.48

Subsequent to year end 2004, the Board of Directors declared a quarterly dividend of 21 cents per common share, payable April 1, 2005.

DIRECTORS AND OFFICERS

Directors

<u>Name, Province and Country of Residence</u>	<u>Principal Occupation</u>	<u>Director Since</u>
W. Galen Weston, O.C. ^{1*} Ontario, Canada	Chairman, Loblaw Companies Limited; Chairman and President, George Weston Limited	1972
John M. Cassaday ^{2,5*} Ontario, Canada	President and Chief Executive Officer, Corus Entertainment Inc.	1999
Camilla H. Dalglish ⁵ Ontario, Canada	Corporate Director	1991
Robert J. Dart ⁴ Ontario, Canada	Vice Chairman, Wittington Investments, Limited	1994
Anthony S. Fell, O.C. ^{3*,4} Ontario, Canada	Chairman, RBC Capital Markets Inc.	2001
Anne L. Fraser ⁵ Alberta, Canada	Corporate Director	2000
Anthony R. Graham ^{1,3,4} Ontario, Canada	President, Wittington Investments, Limited	1999
John A. Lederer ¹ Ontario, Canada	President, Loblaw Companies Limited	2002
Pierre Michaud, C.M. ⁵ Quebec, Canada	Chairman, Provigo Inc.	1999
Thomas C. O'Neill ² Ontario, Canada	Corporate Director	2003
G. Joseph Reddington ³ Arizona, USA	Corporate Director	1994
T. Iain Ronald ^{2*,4*} Ontario, Canada	Corporate Director	1992
Joseph H. Wright ^{2,3,4} Ontario, Canada	Managing Partner, Barnagain Capital	1996

1. Executive Committee
2. Audit Committee
3. Governance, Employee Development, Nominating and Compensation Committee
4. Pension and Benefits Committee

5. Environmental, Health and Safety Committee
 - * Chairman of the Committee

All directors hold office until the close of the next annual meeting of the shareholders of the Company or until their successors are duly elected or appointed.

Officers

<u>Name, Province and Country of Residence</u>	<u>Principal Occupation</u>
W. Galen Weston, O.C. Ontario, Canada	Chairman, Loblaw Companies Limited; Chairman and President, George Weston Limited
John A. Lederer Ontario, Canada	President
David K. Bragg Ontario, Canada	Executive Vice President
Carmen Fortino Ontario, Canada	Executive Vice President
David R. Jeffs Alberta, Canada	Executive Vice President
Violet A. Konkle Nova Scotia, Canada	Executive Vice President
Richard P. Mavrinac Ontario, Canada	Executive Vice President
Paul D. Ormsby Ontario, Canada	Executive Vice President
Pietro Satriano Ontario, Canada	Executive Vice President
Stephen A. Smith Ontario, Canada	Executive Vice President
Robert A. Balcom Ontario, Canada	Senior Vice President, Secretary and General Counsel
Roy R. Conliffe Ontario, Canada	Senior Vice President, Labour Relations
Louise M. Lacchin Ontario, Canada	Senior Vice President, Finance

Officers (continued)

Name, Province and Country
of Residence

Principal Occupation

Franca Smith
Ontario, Canada

Senior Vice President,
Financial Control

John Tavolieri
Ontario, Canada

Senior Vice President,
Sourcing and Procurement

Galen G. Weston
Ontario, Canada

Senior Vice President,
Corporate Development

Geoffrey H. Wilson
Ontario, Canada

Senior Vice President,
Investor Relations and Public Affairs

Manny DiFilippo
Ontario, Canada

Vice President,
Risk Management and Strategic Initiatives

J. Bradley Holland
Ontario, Canada

Vice President,
Taxation

Lawrence C. Griffin
Ontario, Canada

Vice President,
Food Safety

Michael N. Kimber
Ontario, Canada

Vice President,
Legal Counsel

Kirk W. Mondesire
Ontario, Canada

Vice President,
Corporate Systems

Lucy J. Paglione
Ontario, Canada

Vice President,
Pension and Benefits

Mark A. Rodrigues
Ontario, Canada

Vice President,
Internal Control Compliance

George D. Seslija
Ontario, Canada

Vice President,
Real Estate Development

Lisa R. Swartzman
Ontario, Canada

Vice President,
Treasurer

Ann Weir
Ontario, Canada

Vice President,
Internal Audit Services

Ann Marie Yamamoto
Ontario, Canada

Vice President,
Systems Audit

Officers (continued)

Name, Province and Country
of Residence

Principal Occupation

Marian M. Burrows
Ontario, Canada

Assistant Secretary

Swavek A. Czapinski
Ontario, Canada

Assistant Treasurer

M. Darryl Hanstead
Ontario, Canada

Assistant Treasurer

Walter H. Kraus
Ontario, Canada

Director,
Environmental Affairs

Joyce C. Lee
Ontario, Canada

Controller,
Financial Reporting

Laurel MacKay-Lee
Ontario, Canada

Corporate Controller

Irene Pinheiro
Ontario, Canada

Controller,
Financial Analysis

All the foregoing directors and executive officers have held their present occupations or other positions with the same or associated companies or organizations for the past five years except: Mr. A. S. Fell, who was Deputy Chairman for Royal Bank of Canada from 1999-2000 and is currently Chairman, RBC Capital Markets; Mr. T.C. O'Neill, who was Chairman of PricewaterhouseCoopers Consulting; Mr. P. Satriano, who was Senior Vice President at the Loyalty Group/Air Miles prior to December 2002; and Mr. J. Tavolieri, who held a number of positions (Vice President-Retail Services from 2000-2003, Senior Director in 2000 and Group Director-Retail Services from 1998-2000) at AC Nielsen of Canada prior to October 2003.

As at January 1, 2005, W. Galen Weston and George Weston Limited beneficially owned directly or indirectly through Weston Food Distribution Inc. and Weston Holdings Limited 173,344,635 common shares or 63.21% of the outstanding common shares. Other directors and senior officers as a group beneficially owned, exercised control or had direction over 504,564 or 0.2% of the issued and outstanding common shares of the Company.

TRANSFER AGENTS AND REGISTRARS

The transfer agent and registrar is Computershare Trust Company of Canada and they are located in Toronto, Canada.

AUDIT COMMITTEE INFORMATION

The Audit Committee Charter as approved by the Company's Board of Directors on May 5, 2004 is included in Appendix A. The Audit Committee Charter contains specific policies and procedures for the

engagement of non-audit services. External auditor service fees by category can be found in the Company's Management Proxy Circular dated March 8, 2005. This information is incorporated by reference and can be found at www.sedar.com. The members of the Audit Committee are indicated above. All members of the Audit Committee are financially literate and have the following education and experience which is relevant to their roles as Audit Committee Members:

Mr. Ronald is an FCA and Chairman of Transalta Power Ltd. and is a former Vice Chairman of the Canadian Imperial Bank of Commerce. He obtained an M.B.A. from Harvard Business School.

Mr. Cassaday is President and Chief Executive Officer and a Director of Corus Entertainment Inc. and is a former President and Chief Executive Officer of CTV Television Network. He obtained an M.B.A. from University of Toronto.

Mr. O'Neill is formerly CEO of PwC Consulting, COO of PricewaterhouseCoopers LLP, Global, and CEO of PricewaterhouseCoopers LLP, Canada. Mr. O'Neill has a Bachelor of Commerce Degree from Queen's University. He received his Chartered Accountant designation in 1970 and was made a Fellow (FCA) of the Institute of Chartered Accountants of Ontario in 1998.

Mr. Wright is Managing Partner of Barnagain Capital and is a former President and Chief Executive Officer of Swiss Bank Corporation (Canada).

ADDITIONAL INFORMATION

1. Additional information including directors' and officers' remuneration and indebtedness, principal holders of the Company securities, and securities authorized for issuance under equity compensation plans, where applicable, is contained in the Proxy Circular. Additional financial information is also provided in the Company's consolidated financial statements and MD&A for its most recently completed financial year.
2. Additional information has been filed on the System for Electronic Document Analysis and Retrieval (SEDAR) available online at www.sedar.com, and with the Office of the Superintendent of Financial Institutions (OSFI) as the primary regulator for the Company's subsidiary, President's Choice Bank.

The Company's internet address is: www.loblaw.com.

The foregoing, together with any information incorporated by reference, contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated herein in accordance with the requirements of this Annual Information Form or that is necessary to make a statement contained herein not misleading in light of the circumstances in which it was made.

DATED: March 22, 2005

“John A. Lederer”

JOHN A. LEDERER
President

“Richard P. Mavrinac”

RICHARD P. MAVRINAC
Executive Vice President

On behalf of the Board of Directors

“W. Galen Weston”

W. GALEN WESTON
Director

“T. Iain Ronald”

T. IAIN RONALD
Director

APPENDIX “A”

LOBLAW COMPANIES LIMITED

AUDIT COMMITTEE CHARTER

Approved by the Board of Directors
on May 5, 2004

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LOBLAW COMPANIES LIMITED

AUDIT COMMITTEE CHARTER

1. RESPONSIBILITY

The Audit Committee is responsible for assisting the Board of Directors of the Company (“Board”) in fulfilling its oversight responsibilities in relation to:

- the integrity of the Company’s financial statements;
- the Company’s compliance with legal and regulatory requirements as they relate to the Company’s financial statements;
- the qualifications, independence and performance of the Auditor;
- internal controls and disclosure controls;
- the performance of the Company’s internal audit function; and
- performing the additional duties set out in this Charter or otherwise delegated to the Audit Committee by the Board.

2. MEMBERS

The Board shall appoint a minimum of three directors to be members of the Audit Committee. The members of the Audit Committee shall be selected by the Board on recommendation of the Governance, Employee Development, Nominating and Compensation Committee of the Company, and shall be selected based upon the following, to the extent that the following are required under applicable law:

- each member shall be an unrelated and independent director;
- each member shall be financially literate or agree to become financially literate within a reasonable period of time following the member’s appointment;
- at least one member shall have accounting or financial expertise; and
- at least a majority of the members shall be residents of Canada.

For the purpose of this Charter, the term “unrelated director” shall have the meaning attributed thereto in the Toronto Stock Exchange Company Manual and the term “independent” shall have the meaning attributed thereto in Multilateral Instrument 52-110 *Audit Committees*, each as may be amended from time to time. The term “financial literacy” shall mean the ability to read and understand a balance sheet, an income statement, a cash flow statement and the notes attached thereto, or such other definition as may be acceptable to the Toronto Stock Exchange from time to time. The term

“accounting or related financial experience” shall mean the ability to analyze and interpret a full set of financial statements, including the notes thereto, in accordance with Canadian generally accepted accounting principles, or such other definition as may be acceptable to the Toronto Stock Exchange from time to time.

3. CHAIRMAN

Each year, the Board shall appoint one member to be Chairman of the Audit Committee. If, in any year, the Board does not appoint a Chairman, the incumbent Chairman shall continue in office until a successor is appointed.

4. TENURE

Each member shall hold office until his or her term as a member of the Audit Committee expires or is terminated.

5. REMOVAL AND VACANCIES

Any member may be removed and replaced at any time by the Board. The Board shall fill vacancies in the Audit Committee by appointment from among the members of the Board. If a vacancy exists on the Audit Committee, the remaining members may exercise all its powers so long as a quorum remains in office.

6. DUTIES

The Audit Committee shall have the duties set out below as well as any other duties that are specifically delegated to the Audit Committee by the Board.

(a) Appointment and Review of Auditor

The Auditor is ultimately accountable to the Audit Committee as representatives of the shareholders. Accordingly, the Audit Committee shall evaluate and be responsible for the Company’s relationship with the Auditor. Specifically, the Audit Committee shall:

- select, evaluate and nominate the Auditor to be proposed for appointment or reappointment, as the case may be, by the shareholders;
- review the Auditor’s engagement letter;
- at least annually, obtain and review a report by the Auditor describing:
 - the Auditor’s internal quality-control procedures; and
 - any material issues raised by the most recent internal quality-control review, peer review, review by any independent oversight body such as

the Canadian Public Accountability Board or the Public Company Accounting Oversight Board, or governmental or professional authorities within the preceding five years respecting one or more independent audits carried out by the Auditor and the steps taken to deal with any issues raised in these reviews.

(b) Confirmation of Independence of Auditor

At least annually, and before the Auditor issues its report on the annual financial statements, the Audit Committee shall:

- ensure that the Auditor submits a formal written statement describing all relationships between the Auditor and the Company;
- discuss with the Auditor any disclosed relationships or services that may affect the objectivity and independence of the Auditor; and
- obtain written confirmation from the Auditor that it is objective and independent within the meaning of the Rules of Professional Conduct/Code of Ethics adopted by the provincial institute or order of Chartered Accountants to which it belongs.

(c) Rotation of Engagement Partner/Lead Partners

The Audit Committee shall, after taking into account the opinions of management, evaluate the performance of the Auditor and the engagement partner/lead partners and shall rotate the engagement partner/lead partners when required or necessary.

(d) Pre-Approval of Non-Audit Services

The Audit Committee shall pre-approve the retaining of the Auditor for any non-audit service, provided that no approval shall be provided for any service that is prohibited under the rules of the Canadian Public Accountability Board or the Public Company Accounting Oversight Board, or the Independence Standards of the Canadian Institute of Chartered Accountants. Before the retaining of the Auditor for any non-audit service, the Audit Committee shall consider the compatibility of the service with the Auditor's independence. The Audit Committee may pre-approve the retaining of the Auditor for the engagement of any non-audit services by establishing policies and procedures to be followed prior to the appointment of the Auditor for the provision of such non-audit services. In addition, the Audit Committee may delegate to one or more members the authority to pre-approve the retaining of the Auditor for any non-audit service to the extent permitted by applicable law.

(e) Communications with Auditor

The Audit Committee shall meet privately with the Auditor as frequently as the Audit Committee feels is appropriate for the Audit Committee to fulfil its responsibilities (which shall not be less frequently than quarterly) to discuss any items of concern to the Audit Committee or the Auditor, such as:

- matters that will be referred to in the Auditor's management letter;
- whether or not the Auditor is satisfied with the quality and effectiveness of the financial recording procedures and systems;
- the extent to which the Auditor is satisfied with the nature and scope of the Auditor's examination.

(f) Review of Audit Plan

The Audit Committee shall review a summary of the Auditor's audit plan in advance for each audit.

(g) Review of Audit Fees

The Audit Committee has the direct responsibility for approving the Auditor's fee. In approving the Auditor's fee, the Audit Committee should consider, among other things, the number and nature of reports issued by the Auditors, the quality of the internal controls, the size, complexity and financial condition of the Company and the extent of internal audit and other support provided by the Company to the Auditor.

(h) Review of Annual Audited Financial Statements

The Audit Committee shall review the annual audited financial statements, together with the Auditor's report thereon, before recommending them for approval by the Board, to assess whether or not they present fairly in all material respects in accordance with GAAP the financial condition, results of operations and cash flows of the Company. The Audit Committee shall also review the MD&A relating to the annual audited financial statements and interim financial statements.

In conducting their review, the Audit Committee should:

- discuss the annual audited financial statements and MD&A with management and the Auditor;
- consider the quality of, and not just the acceptability of, the accounting principles applied, the reasonableness of management's judgments and estimates that have a significant effect upon the financial statements, and the clarity of the disclosures in the financial statements;
- discuss with the Auditor its report which addresses:
 - all critical accounting policies and practices to be used;
 - all alternative treatments of financial information within GAAP that have been discussed with management of the Company, ramifications of the use of alternative disclosures and treatments, and the treatment preferred by the Auditors; and

- other material written communication between the Auditor and management of the Company, such as any management letter or schedule of unadjusted differences;
- discuss any analyses prepared by management or the Auditor that set out significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analyses of the effects of alternative GAAP;
- discuss the effect of off-balance sheet transactions, arrangements, obligations (including contingent liabilities) and other relationships with unconsolidated entities or other persons that may have a material current or future effect on the Company's financial condition, changes in financial condition, results of operations, liquidity, capital expenditures, capital resources, or significant components of revenues and expenses;
- consider any changes in accounting practices or policies and their impact on financial statements of the Company;
- discuss with management, the Auditor and, if necessary, legal counsel, any litigation, claim or other contingency, including tax assessments, that could have a material effect upon the financial position of the Company, and the manner in which these matters have been disclosed in the financial statements;
- discuss with management and the Auditor correspondence with regulators or governmental agencies, employee complaints or published reports that raise material issues regarding the Company's financial statements or accounting policies;
- discuss with the Auditor any special audit steps taken in light of any material weaknesses in internal control;
- discuss with the Auditor any difficulties encountered in the course of the audit work, including any restrictions on the scope of their procedures and access to requested information, accounting adjustments proposed by the Auditor that were not applied (because they were immaterial or otherwise), and significant disagreements with management;
- consider any other matter which in its judgment should be taken into account in reaching its recommendation to the Board concerning the approval of the financial statements;
- satisfy itself that appropriate accounting policies and practices have been selected and applied consistently; and
- satisfy itself that management has established appropriate procedures to comply with applicable legislation for the remittance of taxes, pension monies and employee remuneration.

(i) Review of Interim Financial Statements

The Audit Committee shall also engage the Auditor to review the interim financial statements prior to the Audit Committee's review of such financial statements. The Audit Committee should discuss the interim financial statements and related MD&A with management and the Auditor and, if satisfied that the interim financial statements present fairly in all material respects in accordance with GAAP the financial condition, results of operations and cash flows, approve the interim financial statements and review the related MD&A on behalf of the Board.

(j) Review of Other Financial Information

The Audit Committee should generally discuss earnings releases, as well as the nature of financial information and earnings guidance provided to analysts and rating agencies in accordance with the Company's disclosure policy.

(k) Review of Prospectuses and Other Regulatory Filings

The Audit Committee shall review all other financial statements of the Company that require approval by the Board before they are released to the public, including, without limitation, financial statements for use in prospectuses or other offering or public disclosure documents and financial statements required by regulatory authorities.

(l) Review of Internal Audit Function

The Audit Committee shall review the mandate of the internal audit function, the budget, planned activities and organizational structure of the internal audit function to ensure that it is independent of management and has sufficient resources to carry out its mandate.

The members shall meet privately with the senior officer in charge of internal audit as frequently as the Audit Committee feels is appropriate for the Audit Committee to fulfil its responsibilities, which shall not be less frequently than quarterly, to discuss any areas of concern to the Audit Committee or to the senior officer in charge of internal audit to confirm that:

- significant resolved and any unresolved issues between auditors and management have been brought to its attention;
- the principal risks of the Company's businesses have been identified by management and appropriate policies and systems have been implemented to manage these risks; and
- the integrity of the Company's internal control and management information systems are satisfactory.

(m) Relations with Management

The members shall meet privately with management as frequently as the Audit Committee feels is appropriate to fulfil its responsibilities, which shall not be less frequently than quarterly, to discuss any areas of concern to the Audit Committee or management.

The Audit Committee shall recommend to the Board policies relating to hiring former partners or employees of the Auditor who were engaged on the Company's account.

(n) Oversight of Internal Controls and Disclosure Controls

The Audit Committee shall review with management the adequacy of the internal controls that have been adopted to safeguard assets from loss and unauthorized use and ensure the accuracy of the financial records.

The Audit Committee shall review with management the controls and procedures that have been adopted to ensure the disclosure of all material information about the Company and its subsidiaries that is required to be disclosed under applicable law or the rules of those exchanges on which securities of the Company are listed or quoted.

(o) Legal Compliance

The Audit Committee shall review with legal counsel any legal matters that may have a significant effect on the Company's financial statements. The Audit Committee should review with legal counsel material inquiries received from regulators and governmental agencies. The Audit Committee shall review with a representative of the Code of Conduct Committee any material matters arising from any known or suspected violation of the Company's Code of Conduct and any material concerns regarding questionable accounting or auditing matters raised through the Company's ethics response line.

(p) Risk Management

The Audit Committee shall meet periodically with management to discuss the Company's policies with respect to risk assessment and management.

(q) Taxation Matters

The Audit Committee shall review the status of taxation matters of the Company.

7. COMPLAINTS PROCEDURE

The Audit Committee shall establish a procedure for the receipt, retention and follow-up of complaints received by the Company regarding accounting, internal controls, disclosure controls or auditing matters and a procedure for the confidential, anonymous submission of concerns by employees of the Company regarding accounting, internal controls, or auditing matters.

8. REPORTING

The Audit Committee shall report to the Board on:

- the Auditor's independence;
- the performance of the Auditor and the Audit Committee's recommendations regarding the reappointment or termination of the Auditor;
- the performance of the internal audit function;
- the adequacy of the Company's internal controls and disclosure controls;
- the Audit Committee's review of the annual and interim financial statements of the Company and any GAAP reconciliation, including any issues with respect to the quality or integrity of the financial statements, and shall recommend whether or not the Board should approve the financial statements and any GAAP reconciliation;
- the Audit Committee's review of the annual and interim MD&A;
- the Company's compliance with legal and regulatory matters to the extent they affect the financial statements of the Company; and
- all other material matters dealt with by the Audit Committee.

9. REVIEW AND DISCLOSURE

This Charter should be reviewed by the Audit Committee at least annually and be submitted to the Governance, Employee Development, Nominating and Compensation Committee for consideration with such amendments as the Audit Committee proposes and for recommendation to the Board for approval with such further amendments as the Governance, Employee Development, Nominating and Compensation Committee proposes.

This Charter may also be posted on the Company's Web site.

10. FREQUENCY OF MEETINGS

The Audit Committee shall meet at least twice annually at the call of the Chairman, in addition to quarterly meetings prior to the release of quarterly interim financial statements.

11. RETENTION OF EXPERTS

The Audit Committee may engage such special legal, accounting or other experts, without Board approval and at the expense of the Company, as it considers necessary to perform its duties.