

18. OUTLOOK

The outlook for the consolidated results of George Weston Limited for 2008 reflects the underlying results of its operating segments as discussed below. The consolidated results continue to reflect the changes undertaken by both the Weston Foods and Loblaw operating segments in order to position them for strong growth in the future.

In 2008, Weston Foods anticipates challenging market conditions as unprecedented increases for ingredient and other input costs are expected. Weston Foods plans to offset these higher input costs by ongoing cost reduction initiatives and pricing as necessary.

Loblaw's sales volumes have been positively responding to its investments in lower prices to give value to its customers. Loblaw expects this to continue in 2008. Investments in price will also continue. However, Loblaw expects that cost reductions in 2008 will help to support its profitability. Sales, margins and profitability in the first half of 2008 in relation to 2007 may be affected by more difficult comparables.

This outlook should be read in conjunction with the Forward-Looking Statements section of the MD&A on page 5.