TSX: MFI
www.mapleleaffoods.com

Investor Contact: Nick Boland
VP Investor Relations: 905-285-5898
Media Contact: 888-995-5030

Maple Leaf Foods Reports Results for the Fourth Quarter 2015

Mississauga, Ontario, March 1, 2016 - Maple Leaf Foods Inc. (TSX: MFI) today reported its financial results for the fourth quarter and full year ended December 31, 2015.

- Adjusted EBITDA(1)(2) margin increased to 8.7% in the fourth quarter, compared to 1.5% last year and 7.1% in the third quarter of 2015
- Delivered Adjusted Earnings per Share(2)(3) of $0.25 in the quarter compared to a loss of $0.08 in the same quarter last year; and $0.58 for the year compared to a loss of $0.56 last year
- Net earnings from continuing operations in the quarter of $33.3 million and $41.6 million for the year, compared to net losses of $23.0 million and $213.8 million, respectively in the same periods last year
- Announced an increase to the regular quarterly dividend to $0.09 per share, effective in the first quarter of 2016

"We are very pleased with our consistent earnings growth in the year and fourth quarter, driven by our commercial performance and continued progress lowering operating costs in our new plant network," said Michael H. McCain, President and CEO. "We are entering 2016 with momentum, confident that the strategic goals of our transformational investments have been met, with only normal ramp-up inefficiencies in a single facility remaining. Additionally, Maple Leaf is now a North American leader in the evolution of sustainability in our industry and sustainable protein production, which will underpin our growth well into the future. This, combined with a strong balance sheet, exciting innovation and brand leadership, gives us great cause for optimism in the years ahead."

Consolidated Financial Overview

Fourth Quarter 2015

- Sales from continuing operations increased 10.0% from last year, or 7.0% after adjusting for the impact of foreign exchange, to $873.1 million, due to higher sales in the Meat Products Group and an additional week in 2015
- Adjusted Operating Earnings(2)(4) increased to $47.8 million compared to a loss of $13.7 million last year
- The primary drivers of earnings growth were strong commercial performance across all of the Meat Products Group businesses and increased efficiencies in the Company's new prepared meats plant network
- The aggregate effect of protein markets was neutral to earnings in the quarter versus long term averages, but positive to last year
- Adjusted EBITDA margin increased to 8.7% from 1.5% last year and 7.1% in the third quarter of 2015
- Adjusted Earnings per Share was $0.25 compared to a loss of $0.08 last year
- Net earnings from continuing operations was $33.3 million ($0.24 per share(5)) compared to a loss of $23.0 million (loss of $0.16 per share) last year due primarily to improved margins in the Meat Products Group
- Free Cash Flow(6) was $39.1 million compared to a use of $19.7 million last year

Full Year 2015

- Sales from continuing operations increased 4.3% from last year, or 2.4% after adjusting for the impact of foreign exchange, to $3,292.9 million, due to higher sales in the Meat Products Group and an additional week in 2015
- Adjusted Operating Earnings increased to $109.8 million compared to a loss of $75.5 million last year due to improved margins in the Meat Products Group
- Adjusted EBITDA margin increased to 6.7% from 0.5% last year
- Adjusted Earnings per Share was $0.58 compared to a loss of $0.56 last year
- Net earnings from continuing operations was $41.6 million ($0.30 per share) compared to a loss of $213.8 million (loss of $1.51 per share) last year due primarily to improved margins in the Meat Products Group, non-recurring financing costs that were incurred last year in relation to the repayment of the Company's outstanding debt and lower restructuring and other related costs
- Free Cash Flow was $11.7 million compared to a use of $621.4 million last year
- The Company largely completed its prepared meats network strategy, closing the two remaining legacy facilities in the first half of 2015 and reducing a majority of the ramp-up inefficiencies in its new scale facilities

Several items are excluded from the discussions of underlying earnings performance as they are not representative of ongoing operational activities. Refer to the section entitled Reconciliation of Non-IFRS Financial Measures at the end of this news release for a description and reconciliation of all non-IFRS financial measures.

Business Segment Review

Following is a summary of sales by business segment:

	Three months ended December 31, (Unaudited)		**Twelve months ended December 31,** (Audited)	
($ thousands)	**2015**	2014	**2015**	2014
Meat Products Group	**$ 868,542**	$ 789,725	**$ 3,276,994**	$ 3,135,376
Agribusiness Group	**4,581**	4,282	**15,938**	21,865
Total Sales(2)	**$ 873,123**	$ 794,007	**$ 3,292,932**	$ 3,157,241

The following table summarizes Adjusted Operating Earnings by business segment:

	Three months ended December 31, (Unaudited)		**Twelve months ended December 31,** (Audited)	
($ thousands)	**2015**	2014	**2015**	2014
Meat Products Group	**$ 54,619**	$ (19,069)	**$ 108,440**	$ (80,381)
Agribusiness Group	**(6,862)**	5,390	**1,360**	8,642
Protein Group	**$ 47,757**	$ (13,679)	**$ 109,800**	$ (71,739)
Non-Allocated Costs in Adjusted Operating Earnings(7)	**—**	—	**—**	(3,748)
Adjusted Operating Earnings(2)	**$ 47,757**	$ (13,679)	**$ 109,800**	$ (75,487)

Meat Products Group

Includes value-added prepared meats, lunch kits and snacks, and fresh pork and poultry products sold under leading Canadian brands such as Maple Leaf®, Schneiders® and many leading regional brands.

Fourth Quarter 2015

Sales of $868.5 million for the fourth quarter increased 10.0% from last year, or 7.0% after adjusting for the impacts of foreign exchange. This improvement was due to increased volume in fresh pork and poultry, a favourable sales mix in fresh poultry and an extra week in the fourth quarter of 2015, which was partially offset by lower selling prices for fresh pork and a slight decline in prepared meats volume.

Adjusted Operating Earnings for the fourth quarter was $54.6 million compared to a loss of $19.1 million last year. Earnings in prepared meats increased as a result of lower operating costs in the Company's new prepared meats plant network, improved sales mix resulting from a higher proportion of retail branded volume, and pricing. This was partially offset by a sharp rise in pork belly prices, which compressed margins. Fresh pork earnings grew due to increased volume and improved export margins. While industry pork processing margins strengthened compared to last year, when they were below the five year average, the benefit to the Company was partially offset by declining by-product values and a sharp rise in belly prices, which affected prepared meats margins. Earnings in fresh poultry increased due to higher volume, stronger industry processing margins, an improved sales mix reflecting higher retail branded volume and increased operating efficiencies.

Full Year 2015

Sales in the Meat Products Group for 2015 increased 4.5% to $3,277.0 million, or 2.6% after adjusting for the weaker Canadian dollar. Higher sales resulted from increased volume in fresh pork and poultry, pricing in prepared meats that was implemented in the second quarter of 2014, a favourable sales mix in fresh poultry and an extra week in the fourth quarter of 2015. This increase was partially offset by lower selling prices for fresh pork and a slight decline in prepared meats volume.

Adjusted Operating Earnings for 2015 increased to $108.4 million compared to a loss of $80.4 million last year. Earnings in prepared meats benefited from pricing, an improved sales mix, lower overall raw material costs and lower operating costs in the new prepared meats plant network. The Company benefited from the flow through of pricing implemented in the second quarter of 2014 to offset the impact of higher raw material costs driven by the outbreak of the PED virus in U.S. hog production herds. Although on average raw material costs returned to more normalized levels, this decrease was largely offset by the impact of a lower Canadian dollar on the Company's prepared meats business. Lower operating costs resulted primarily from a reduction of duplicative overhead costs, as the Company closed its two remaining legacy plants in the first half of 2015, eliminating the final components of its duplicative supply chain. In addition, during the second half of 2015 the Company continued to make progress in reducing ramp-up inefficiencies in its plant network, primarily at the new prepared meats facility in Hamilton, Ontario.

Fresh pork earnings increased largely as a result of increased volume and improved Canadian retail and export margins. Industry pork processing margins improved significantly over the same period last year, when they were below the five year average, however the benefit of higher prices was partially offset by declining by-product values. Fresh poultry earnings increased as a result of higher volume, improved poultry processing margins, an improved sales mix resulting from increased retail branded volume and increased operating efficiencies.

Agribusiness Group

Includes Canadian hog production operations that primarily supply the Meat Products Group with livestock as well as toll feed sales.

Fourth Quarter 2015

Agribusiness Group sales in the fourth quarter increased to $4.6 million from $4.3 million last year as a result of higher prices for toll feed and an extra week in the fourth quarter of 2015.

Adjusted Operating Earnings declined to a loss of $6.9 million from earnings of $5.4 million last year due to a substantial decline in hog prices, which was not fully offset by the Company's risk management program and the benefit of a lower Canadian dollar.

Full Year 2015

Agribusiness Group sales in 2015 were $15.9 million compared to $21.9 million last year, due to lower external sales volume for feed.

Adjusted Operating Earnings in 2015 decreased to $1.4 million from $8.6 million last year, as a result of a substantial decline in hog prices in the second half of 2015, which was not fully offset by the Company's risk management program and the benefit of a lower Canadian dollar. Also negatively impacting earnings was an increase in feed grain prices as a result of the weaker Canadian dollar. Increased operating costs were incurred in relation to the ongoing conversion of existing sow barns to loose housing, supporting the Company's animal care program. This was offset by lower costs relating to the prevention of the PED virus.

Other Matters

On February 29, 2016, the Board of Directors approved an increase in the quarterly cash dividend to $0.09 per share, $0.36 per share on an annual basis, from $0.08 per share, payable March 31, 2016, to shareholders of record at the close of business on March 11, 2016. Unless indicated otherwise by the Company in writing at or before the time the dividend is paid, the dividend will be considered an Eligible Dividend for the purposes of the “Enhanced Dividend Tax Credit System”.

Conference Call

An investor presentation related to the Company’s fourth quarter financial results is available at www.mapleleaffoods.com and can be found under *Investor Material* on the *Investors* page. A conference call will be held at 2:30 p.m. EDT on March 1, 2016, to review Maple Leaf Foods’ fourth quarter financial results. To participate in the call, please dial 416-340-2216 or 866-223-7781. For those unable to participate, playback will be made available an hour after the event at 905-694-9451 or 800-408-3053 (Passcode: 5947801).

A webcast presentation of the fourth quarter financial results will also be available at:

http://edge.media-server.com/m/p/xn5f29sx

The Company’s full financial statements and related Management’s Discussion and Analysis are available on the Company’s website.

Reconciliation of Non-IFRS Financial Measures

The Company uses the following non-IFRS measures: Adjusted Operating Earnings and Adjusted Earnings per Share. Management believes that these non-IFRS measures provide useful information to investors in measuring the financial performance of the Company for the reasons outlined below. These measures do not have a standardized meaning prescribed by IFRS 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 IFRS.

Adjusted Operating Earnings

Adjusted Operating Earnings, a non-IFRS measure, is used by Management to evaluate financial operating results. It is defined as earnings before income taxes from continuing operations adjusted for items that are not considered representative of ongoing operational activities of the business and items where the economic impact of the transactions will be reflected in earnings in future periods when the underlying asset is sold or transferred. The table below provides a reconciliation of net earnings from continuing operations as reported under IFRS to Adjusted Operating Earnings for the three months ended, as indicated below, and a reconciliation of net earnings from continuing operations as reported under IFRS in the audited consolidated statements of net earnings to Adjusted Operating Earnings for the years then ended, as indicated below. Management believes that this basis is the most appropriate on which to evaluate operating results, as they are representative of the ongoing operations of the Company.

($ thousands) *(Unaudited)*	**Three months ended December 31, 2015** **Meat Products Group**	**Agribusiness Group**	**Non-allocated costs**	**Consolidated**
Net earnings from continuing operations				**$ 33,221**
Income taxes				**12,403**
Earnings before income taxes from continuing operations				**$ 45,624**
Interest expense and other financing costs				**1,216**
Other (income) expense	**(144)**	**(162)**	**(5,604)**	**(5,910)**
Restructuring and other related costs	**(98)**	**—**	**12,409**	**12,311**
Earnings (loss) from continuing operations	**$ 54,619**	**$ (6,862)**	**$ 5,484**	**$ 53,241**
Decrease (increase) in fair value of biological assets[8]	**—**	**—**	**(14,344)**	**(14,344)**
Unrealized (gain) loss on futures contracts[8]	**—**	**—**	**8,860**	**8,860**
Adjusted Operating Earnings	**$ 54,619**	**$ (6,862)**	**$ —**	**$ 47,757**

($ thousands) *(Unaudited)*	Three months ended December 31, 2014 Meat Products Group	Agribusiness Group	Non-allocated costs	Consolidated
Net loss from continuing operations				$ (22,992)
Income taxes				(8,489)
Loss before income taxes from continuing operations				$ (31,481)
Interest expense and other financing costs				957
Other (income) expense	3,477	(238)	5,365	8,604
Restructuring and other related costs	7,675	—	3,868	11,543
Earnings (loss) from continuing operations	$ (19,069)	$ 5,390	$ 3,302	$ (10,377)
Decrease (increase) in fair value of biological assets [8]	—	—	5,529	5,529
Unrealized (gains) loss on futures contracts [8]	—	—	(8,831)	(8,831)
Adjusted Operating Earnings[2]	$ (19,069)	$ 5,390	$ —	$ (13,679)

($ thousands) *(Audited)*	**Twelve months ended December 31, 2015** **Meat Products Group**	**Agribusiness Group**	**Non-allocated costs**	**Consolidated**
Net earnings from continuing operations				**$ 41,580**
Income taxes				**11,071**
Earnings before income taxes from continuing operations				**$ 52,651**
Interest expense and other financing costs				**4,711**
Other (income) expense	**(884)**	**(275)**	**3,058**	**1,899**
Restructuring and other related costs	**15,321**	**—**	**18,504**	**33,825**
Earnings (loss) from continuing operations	**$ 108,440**	**$ 1,360**	**$ (16,714)**	**$ 93,086**
Decrease (increase) in fair value of biological assets[8]	**—**	**—**	**12,778**	**12,778**
Unrealized (gain) loss on futures contracts[8]	**—**	**—**	**3,936**	**3,936**
Adjusted Operating Earnings	**$ 108,440**	**$ 1,360**	**$ —**	**$ 109,800**

($ thousands) (Audited)	Twelve months ended December 31, 2014 Meat Products Group	Agribusiness Group	Non-allocated costs	Consolidated
Net loss from continuing operations				$ (213,813)
Income taxes				(74,556)
Loss before income taxes from continuing operations				$ (288,369)
Interest expense and other financing costs				126,874
Change in the fair value of non-designated interest rate swaps				(2,492)
Other (income) expense	4,462	(1,313)	13,642	16,791
Restructuring and other related costs	37,237	—	30,355	67,592
Earnings (loss) from continuing operations	$ (80,381)	$ 8,642	$ (7,865)	$ (79,604)
Decrease (increase) in fair value of biological assets(8)	—	—	(530)	(530)
Unrealized (gain) loss on futures contracts(8)	—	—	(4,087)	(4,087)
Modification impact to long-term incentive plan(9)	—	—	8,734	8,734
Adjusted Operating Earnings(2)	$ (80,381)	$ 8,642	$ (3,748)	$ (75,487)

Adjusted Earnings per Share

Adjusted Earnings per Share, a non-IFRS measure, is used by Management to evaluate financial operating results. It is defined as basic earnings per share from continuing operations attributable to common shareholders, and is adjusted on the same basis as Adjusted Operating Earnings. The table below provides a reconciliation of basic earnings per share from continuing operations as reported under IFRS to Adjusted Earnings per Share for the three months ended, as indicated below, and a reconciliation of basic earnings per share from continuing operations as reported under IFRS in the audited consolidated statements of net earnings to Adjusted Earnings per Share for the years then ended, as indicated below. Management believes this basis is the most appropriate on which to evaluate financial results as they are representative of the ongoing operations of the Company.

	Three months ended December 31, (Unaudited)		**Twelve months ended December 31,** (Audited)	
($ per Share)	**2015**	2014(10)	**2015**	2014(10)
Basic earnings (loss) per share from continuing operations	**$ 0.24**	$ (0.16)	**$ 0.30**	$ (1.51)
Restructuring and other related costs(11)	**0.07**	0.06	**0.18**	0.36
Items included in other income not considered representative of ongoing operations(12)	**(0.03)**	0.04	**0.02**	0.08
Change in the fair value of non-designated interest rate swaps(13)	**—**	—	**—**	(0.01)
Change in the fair value of unrealized (gains) losses on futures contracts(13)	**0.05**	(0.04)	**0.02**	(0.02)
Change in the fair value of biological assets(13)	**(0.08)**	0.03	**0.07**	—
Other financing costs(14)	**—**	—	**—**	0.50
Modification impact to long-term incentive plan(9)	**—**	—	**—**	0.05
Adjusted Earnings per Share(15)	**$ 0.25**	$ (0.08)	**$ 0.58**	$ (0.56)

Forward-Looking Statements

This document contains, and the Company's oral and written public communications often contain, "forward-looking information" within the meaning of applicable securities law. These statements are based on current expectations, estimates, forecasts, and projections about the industries in which the Company operates, as well as beliefs and assumptions made by the Management of the Company. Such statements include, but are not limited to, statements with respect to objectives and goals, in addition to statements with respect to beliefs, plans, objectives, expectations, anticipations, estimates, and intentions. Specific forward-looking information in this document includes, but is not limited to, statements with respect to: the anticipated benefits, timing, actions, costs, and investments associated with the Value Creation Plan; expectations regarding the use of derivatives, futures and options; expectations regarding improving efficiencies; the expected use of cash balances; source of funds for ongoing business requirements; capital investments and expectations regarding capital expenditures; expectations regarding the implementation of environmental sustainability initiatives; expectations regarding the adoption of new accounting standards and the impact of such adoption on financial position; expectations regarding pension plan performance and future pension plan liabilities and contributions; expectations regarding levels of credit risk; and expectations regarding outcomes of legal actions. Words such as “expect”, “anticipate”, “intend”, “may”, “will”, “plan”, “believe”, “seek”, “estimate”, and variations of such words and similar expressions are intended to identify such forward-looking information. These statements are not guarantees of future performance and involve assumptions and risks and uncertainties that are difficult to predict.

In addition, these statements and expectations concerning the performance of the Company’s business in general are based on a number of factors and assumptions including, but not limited to: the condition of the Canadian, U.S., and Japanese economies; the rate of exchange of the Canadian dollar to the U.S. dollar, and the Japanese yen; the availability and prices of raw materials, energy and supplies; product pricing; the availability of insurance; the competitive environment and related market conditions; improvement of operating efficiencies whether as a result of the Value Creation Plan or otherwise; continued access to capital; the cost of compliance with environmental and health standards; no adverse results from ongoing litigation; no unexpected actions of domestic and foreign governments; and the general assumption that none of the risks identified below or elsewhere in this document will materialize. All of these assumptions have been derived from information currently available to the Company, including information obtained by the Company from third-party sources. These assumptions may prove to be incorrect in whole or in part. In addition, actual results may differ materially from those expressed, implied, or forecasted in such forward-looking information, which reflect the Company’s expectations only as of the date hereof.

Factors that could cause actual results or outcomes to differ materially from the results expressed, implied, or forecasted by forward-looking information include, among other things:

- risks associated with the Company focusing solely on the protein business;
- risks related to the Company's decisions regarding any potential return of capital to shareholders;
- risks associated with completing the Value Creation Plan and the risk associated with the concentration of production in fewer facilities;
- risks associated with the availability of capital;
- risks associated with changes in the Company’s information systems and processes;
- risks posed by food contamination, consumer liability, and product recalls;
- risks associated with acquisitions, divestitures, and capital expansion projects;
- impact on pension expense and funding requirements of fluctuations in the market prices of fixed income and equity securities and changes in interest rates;
- cyclical nature of the cost and supply of hogs and the competitive nature of the pork market generally;
- risks related to the health status of livestock;
- impact of a pandemic on the Company’s operations;
- the Company’s exposure to currency exchange risks;
- ability of the Company to hedge against the effect of commodity price changes through the use of commodity futures and options;
- impact of changes in the market value of the biological assets and hedging instruments;
- impact of international events on commodity prices and the free flow of goods;
- risks posed by compliance with extensive government regulation;
- risks posed by litigation;
- impact of changes in consumer tastes and buying patterns;
- impact of extensive environmental regulation and potential environmental liabilities;
- risks associated with a consolidating retail environment;
- risks posed by competition;
- risks associated with complying with differing employment laws and practices, the potential for work stoppages due to non-renewal of collective agreements, and recruiting and retaining qualified personnel;
- risks associated with pricing the Company’s products;
- risks associated with managing the Company’s supply chain; and
- risks associated with failing to identify and manage the strategic risks facing the Company.

The Company cautions the reader that the foregoing list of factors is not exhaustive. These factors are discussed in more detail under the heading “Risk Factors” in the Company's Annual Management's Discussion and Analysis for the period ended December 31, 2015, that is available on SEDAR at www.sedar.com. The reader should review such section in detail. Some of the forward-looking information may be considered to be financial outlooks for purposes of applicable securities legislation including, but not limited to, statements concerning future Adjusted EBITDA margins; capital expenditures; and cash costs. These financial outlooks are presented to allow the Company to benchmark the results of the Value Creation Plan. These financial outlooks may not be appropriate for other purposes and readers should not assume they will be achieved. The Company does not intend to, and the Company disclaims any obligation to, update any forward-looking information, whether written or oral, or whether as a result of new information, future events or otherwise, except as required by law. Additional information concerning the Company, including the Company's Annual Information Form, is available on SEDAR at www.sedar.com.

Maple Leaf Foods Inc. is a leading Canadian consumer protein company, making high quality, innovative products under national brands including Maple Leaf®, Maple Leaf Prime®, Maple Leaf Natural Selections®, Schneiders®, Schneiders Country Naturals® and Mina™. The Company employs approximately 11,500 people across Canada and exports to global markets, including the U.S. and Asia. The Company is headquartered in Mississauga, Ontario and its shares trade on the Toronto Stock Exchange (MFI).

Footnote Legend

1. *Adjusted EBITDA is calculated as earnings from continuing operations before interest and income taxes plus depreciation and intangible asset amortization, adjusted for items that are not considered representative of ongoing operational activities of the business, and items where the economic impact of the transactions will be reflected in earnings in future periods when the underlying asset is sold or transferred. Please refer to the section entitled Non-IFRS Financial Measures in the Company's 2015 Management Discussion and Analysis*
2. *2014 figures exclude the results of the Bakery Products Group, which are reported as discontinued operations. Refer to Note 22 of the Company's 2015 audited consolidated financial statements.*
3. *Adjusted Earnings per Share, a non-IFRS measure, is used by Management to evaluate financial operating results. It is defined as basic earnings per share from continuing operations attributable to common shareholders, and is adjusted on the same basis as Adjusted Operating Earnings. Please refer to the section entitled Reconciliation of Non-IFRS Financial Measures in this news release.*
4. *Adjusted Operating Earnings, a non-IFRS measure, is used by Management to evaluate financial operating results. It is defined as earnings from continuing operations adjusted for items that are not considered representative of ongoing operational activities of the business, and items where the economic impact of the transactions will be reflected in earnings in future periods when the underlying asset is sold or transferred. Please refer to the section entitled Reconciliation of Non-IFRS Financial Measures in this news release.*
5. *Unless otherwise stated, all per share amounts are presented as per basic share attributable to common shareholders.*
6. *Free Cash Flow, a non-IFRS measure, is defined as cash flow from operations less additions to long-term assets.*
7. *Non-allocated costs are comprised of expenses not separately identifiable to business segment groups, and do not form part of the measures used by the Company when assessing the segments' operating results.*
8. *Regarding biological assets, please refer to Note 7 of the Company's 2015 annual audited consolidated financial statements. Unrealized gains/losses on futures contracts are reported within cost of sales and selling, general and administrative expenses respectively in the Company's 2015 annual audited consolidated financial statements.*
9. *Relates to an $8.7 million modification of long-term incentive compensation plan as a result of the costs being fixed and payments accelerated, which was a decision made conditional on the sale of Canada Bread, and is therefore not considered representative of ongoing operational activities of the business, net of tax.*
10. *2014 figures reflect the reclassification of the change in fair value of non-designated interest rate swaps to other income. Refer to Note 19 of the Company's 2015 audited consolidated financial statements.*
11. *Includes per share impact of restructuring and other related costs, net of tax.*
12. *Primarily includes a depreciation charge on assets servicing divested businesses, interest income and gains/losses associated with investment properties and assets held for sale, net of tax.*
13. *Includes per share impact of the change in fair value of non-designated interest rate swaps, unrealized (gains) losses on futures contracts and the change in fair value of biological assets, net of tax.*
14. *Includes a $76.3 million early repayment premium to lenders, $8.9 million write-off of deferred financing fees, $3.8 million of financing fees associated with the new credit facility, and a $9.6 million loss transferred from accumulated other comprehensive income (loss) into earnings due to the settlement of interest rate swaps that are no longer designated as hedging instruments, net of tax.*
15. *May not add due to rounding.*

Consolidated Balance Sheets

(In thousands of Canadian dollars) *(Audited)*	**As at December 31, 2015**	As at December 31, 2014
ASSETS		
Current assets		
Cash and cash equivalents	**$ 292,269**	$ 496,328
Accounts receivable	**57,958**	60,396
Notes receivable	**103,706**	110,209
Inventories	**257,671**	270,401
Biological assets	**103,877**	105,743
Prepaid expenses and other assets	**14,946**	20,157
Assets held for sale	**130**	1,107
	$ 830,557	$ 1,064,341
Property and equipment	**1,082,360**	1,042,506
Investment property	**7,336**	3,312
Employee benefits	**66,519**	88,162
Other long-term assets	**10,791**	9,881
Deferred tax asset	**66,911**	74,986
Goodwill	**428,236**	428,236
Intangible assets	**138,155**	165,066
Total assets	**$ 2,630,865**	$ 2,876,490
LIABILITIES AND EQUITY		
Current liabilities		
Accounts payable and accruals	**$ 256,473**	$ 275,249
Provisions	**32,531**	60,443
Current portion of long-term debt	**813**	472
Income taxes payable	**9,670**	26,614
Other current liabilities	**29,637**	24,383
	$ 329,124	$ 387,161
Long-term debt	**9,843**	10,017
Employee benefits	**203,241**	196,482
Provisions	**14,622**	17,435
Other long-term liabilities	**20,901**	20,899
Total liabilities	**$ 577,731**	$ 631,994
Shareholders' equity		
Share capital	**$ 882,770**	$ 936,479
Retained earnings	**1,172,864**	1,228,815
Contributed surplus	**—**	79,652
Accumulated other comprehensive income (loss) associated with continuing operations	**(414)**	(226)
Treasury stock	**(2,086)**	(224)
Total shareholders' equity	**$ 2,053,134**	$ 2,244,496
Total liabilities and equity	**$ 2,630,865**	$ 2,876,490

Consolidated Statements of Net Earnings (Loss)

(In thousands of Canadian dollars, except share amounts)	Three months ended December 31, 2015	Three months ended December 31, 2014	Twelve months ended December 31, 2015	Twelve months ended December 31, 2014
	(Unaudited)	(Unaudited)	(Audited)	(Audited)
Sales	**$ 873,123**	$ 794,007	**$ 3,292,932**	$ 3,157,241
Cost of goods sold	**756,277**	743,114	**2,911,791**	2,938,964
Gross margin	**$ 116,846**	$ 50,893	**$ 381,141**	$ 218,277
Selling, general and administrative expenses	**63,605**	61,270	**288,055**	297,881
Earnings (loss) from continuing operations before the following:	**$ 53,241**	$ (10,377)	**$ 93,086**	$ (79,604)
Restructuring and other related costs	**(12,311)**	(11,543)	**(33,825)**	(67,592)
Change in fair value of non-designated interest rate swaps	**—**	—	**—**	2,492
Other income (expense)	**5,974**	(8,604)	**(1,899)**	(16,791)
Earnings (loss) before interest and income taxes from continuing operations	**$ 46,904**	$ (30,524)	**$ 57,362**	$ (161,495)
Interest expense and other financing costs	**1,216**	957	**4,711**	126,874
Earnings (loss) before income taxes from continuing operations	**$ 45,688**	$ (31,481)	**$ 52,651**	$ (288,369)
Income taxes expense (recovery)	**12,403**	(8,489)	**11,071**	(74,556)
Earnings (loss) from continuing operations	**$ 33,285**	$ (22,992)	**$ 41,580**	$ (213,813)
Earnings (loss) from discontinued operations	**—**	(5,196)	**—**	925,719
Net earnings (loss)	**$ 33,285**	$ (28,188)	**$ 41,580**	$ 711,906
Attributed to:				
Common shareholders	**$ 33,285**	$ (28,188)	**$ 41,580**	$ 709,931
Non-controlling interest	**—**	—	**—**	1,975
	$ 33,285	$ (28,188)	**$ 41,580**	$ 711,906
Earnings (loss) per share attributable to common shareholders:				
Basic earnings (loss) per share	**$ 0.24**	$ (0.20)	**$ 0.30**	$ 5.03
Diluted earnings (loss) per share	**$ 0.24**	$ (0.20)	**$ 0.29**	$ 5.03
Basic earnings (loss) per share from continuing operations	**$ 0.24**	$ (0.16)	**$ 0.30**	$ (1.51)
Diluted earnings (loss) per share from continuing operations	**$ 0.24**	$ (0.16)	**$ 0.29**	$ (1.51)
Weighted average number of shares (millions)				
Basic	**136.7**	141.7	**140.2**	141.2
Diluted	**138.2**	141.7	**141.7**	141.2

Consolidated Statements of Other Comprehensive Income (Loss)

(In thousands of Canadian dollars)	Three months ended December 31, 2015	Three months ended December 31, 2014	Twelve months ended December 31, 2015	Twelve months ended December 31, 2014
	(Unaudited)	*(Unaudited)*	*(Audited)*	*(Audited)*
Net earnings (loss)	**$ 33,285**	$ (28,188)	**$ 41,580**	$ 711,906
Other comprehensive income (loss)				
Actuarial gains and losses that will not be reclassified to profit or loss (Net of tax of $4.7 million and $0.2 million; 2014: $14.4 million and $17.0 million)	**$ (13,603)**	$ (43,595)	**$ 389**	$ (50,869)
Items that are or may be reclassified subsequently to profit or loss:				
Change in accumulated foreign currency translation adjustment (Net of tax of $0.0 million)	**$ 550**	$ (305)	**$ 1,769**	$ (557)
Change in unrealized gains and losses on cash flow hedges (Net of tax of $0.6 million and $0.7 million; 2014: $0.0 million and $1.5 million)	**1,792**	(62)	**(1,957)**	4,125
Total items that are or may be reclassified subsequently to profit or loss	**$ 2,342**	$ (367)	**$ (188)**	$ 3,568
Other comprehensive income (loss) from continuing operations	**$ (11,261)**	$ (43,962)	**$ 201**	$ (47,301)
Other comprehensive income (loss) from discontinued operations[i] (Net of tax of $0.0 million and $0.0 million; 2014: $0.0 million and $1.3 million)	**—**	—	**—**	(569)
Total other comprehensive income (loss)	**$ (11,261)**	$ (43,962)	**$ 201**	$ (47,870)
Comprehensive income (loss)	**$ 22,024**	$ (72,150)	**$ 41,781**	$ 664,036
Attributed to:				
Common shareholders	**$ 22,024**	$ (72,150)	**$ 41,781**	$ 662,305
Non-controlling interest	**$ —**	$ —	**$ —**	$ 1,731

[i] *The above amount includes a loss of $3.6 million, net of tax of $1.2 million for the year ended December 31, 2014 relating to actuarial gains and losses that will not subsequently be re-classified to profit or loss.*

Consolidated Statements of Changes in Total Equity

(In thousands of Canadian dollars) (Audited)	Share capital	Retained earnings	Contributed surplus	Total accumulated other comprehensive income (loss) associated with continuing operations	Total accumulated other comprehensive income (loss) associated with assets held for sale	Treasury stock	Non-controlling interest	Total equity
	Attributable to Common Shareholders							
Balance at December 31, 2014	**$ 936,479**	**$ 1,228,815**	**$ 79,652**	**$ (226)**	**$ —**	**$ (224)**	**$ —**	**$ 2,244,496**
Net earnings	**—**	**41,580**	**—**	**—**	**—**	**—**	**—**	**41,580**
Other comprehensive income (loss)	**—**	**389**	**—**	**(188)**	**—**	**—**	**—**	**201**
Dividends declared ($0.32 per share)	**—**	**(44,668)**	**—**	**—**	**—**	**—**	**—**	**(44,668)**
Share-based compensation expense	**—**	**—**	**12,870**	**—**	**—**	**—**	**—**	**12,870**
Obligation for repurchase of shares	**(3,367)**	**(9,207)**	**—**	**—**	**—**	**—**	**—**	**(12,574)**
Repurchase of shares	**(53,377)**	**(38,956)**	**(90,216)**	**—**	**—**	**—**	**—**	**(182,549)**
Issuance of treasury stock	**—**	**(3,860)**	**(2,306)**	**—**	**—**	**3,326**	**—**	**(2,840)**
Exercise of stock options	**3,035**	**—**	**—**	**—**	**—**	**—**	**—**	**3,035**
Cash settlement of share based payment	**—**	**(1,229)**	**—**	**—**	**—**	**—**	**—**	**(1,229)**
Shares purchased by RSU trust	**—**	**—**	**—**	**—**	**—**	**(5,188)**	**—**	**(5,188)**
Balance at December 31, 2015	**$ 882,770**	**$ 1,172,864**	**$ —**	**$ (414)**	**$ —**	**$ (2,086)**	**$ —**	**$ 2,053,134**

(In thousands of Canadian dollars) (Audited)	Share capital	Retained earnings	Contributed surplus	Total accumulated other comprehensive income (loss) associated with continuing operations	Total accumulated other comprehensive income (loss) associated with assets held for sale	Treasury stock	Non-controlling interest	Total equity
	Attributable to Common Shareholders							
Balance at December 31, 2013	$ 905,216	$ 602,717	$ 79,139	$ (4,593)	$ —	$ (1,350)	$ 60,863	$ 1,641,992
Net earnings	—	709,931	—	—	—	—	1,975	711,906
Reclassification to assets held for sale	—	—	—	799	(799)	—	—	—
Other comprehensive income (loss)	—	(54,083)	—	3,568	2,889	—	(244)	(47,870)
Dividends declared ($0.16 per share)	—	(22,656)	—	—	—	—	(3,017)	(25,673)
Share-based compensation expense	—	—	27,501	—	—	—	—	27,501
Disposal of business	—	—	—	—	(2,090)	—	(59,577)	(61,667)
Issuance of treasury stock	—	(1,150)	(10,976)	—	—	12,126	—	—
Exercise of stock options	31,263	—	—	—	—	—	—	31,263
Shares purchased by RSU trust	—	—	—	—	—	(11,000)	—	(11,000)
Modification of share-based compensation plan	—	(5,944)	(16,012)	—	—	—	—	(21,956)
Balance at December 31, 2014	$ 936,479	$ 1,228,815	$ 79,652	$ (226)	$ —	$ (224)	$ —	$ 2,244,496

Consolidated Statements of Cash Flows

(In thousands of Canadian dollars)	Three months ended December 31, 2015	Three months ended December 31, 2014	Twelve months ended December 31, 2015	Twelve months ended December 31, 2014
CASH PROVIDED BY (USED IN):	*(Unaudited)*	*(Unaudited)*	*(Audited)*	*(Audited)*
Operating activities				
Net earnings (loss)	**$ 33,285**	$ (28,188)	**$ 41,580**	$ 711,906
Add (deduct) items not affecting cash:				
Change in fair value of biological assets	**(14,344)**	5,529	**12,778**	(530)
Depreciation and amortization	**28,529**	31,306	**123,480**	111,375
Share-based compensation	**6,198**	1,384	**12,870**	27,501
Deferred income taxes	**11,462**	(57,820)	**9,178**	(26,533)
Income tax current	**941**	48,031	**1,893**	59,100
Interest expense and other financing costs	**1,216**	957	**4,711**	127,660
Loss (gain) on sale of long-term assets	**(4,163)**	634	**(10,344)**	(718)
Loss (gain) on sale of business	**—**	6,497	**—**	(1,000,968)
Change in fair value of non-designated derivative financial instruments	**7,727**	(8,914)	**(1,429)**	(10,983)
Impairment of assets (net of reversals)	**—**	792	**1,907**	2,466
Change in net pension liability	**6,770**	6,148	**26,761**	18,794
Net income taxes paid	**(605)**	7,285	**(12,735)**	(1,442)
Net settlement of financial instruments	**—**	—	**—**	(23,631)
Early repayment premium	**—**	—	**—**	(76,311)
Interest paid	**(1,022)**	(861)	**(3,674)**	(39,897)
Change in provision for restructuring and other related costs	**6,011**	(860)	**(14,963)**	30,409
Settlement of cash-settled restricted share units	**(5,904)**	(21,640)	**(11,236)**	(21,640)
Other	**(2,796)**	27,069	**2,519**	(5,741)
Change in non-cash operating working capital	**4,048**	(1,784)	**(23,889)**	(243,035)
Cash provided by (used in) operating activities	**$ 77,353**	$ 15,565	**$ 159,407**	$ (362,218)
Financing activities				
Dividends paid	**$ (10,842)**	$ (5,705)	**$ (44,668)**	$ (22,656)
Dividends paid to non-controlling interest	**—**	—	**—**	(24,621)
Net increase (decrease) in long-term debt	**(83)**	250	**(125)**	(698,889)
Net drawings (payments) on the credit facility	**—**	—	**—**	(255,000)
Exercise of stock options	**847**	9,467	**3,035**	31,263
Repurchase of shares	**(44,194)**	—	**(182,549)**	—
Payment of financing fees	**—**	—	**(277)**	(3,769)
Cash provided by (used in) financing activities	**$ (54,272)**	$ 4,012	**$ (224,584)**	$ (973,672)
Investing activities				
Additions to long-term assets	**$ (38,204)**	$ (35,235)	**$ (147,699)**	$ (259,181)
Capitalization of interest expense	**—**	—	**—**	(5,504)
Adjustment to sale of business	**—**	—	**—**	(468)
Proceeds from sale of business	**—**	—	**—**	1,647,015
Transaction costs	**(1)**	785	**(64)**	(28,227)
Cash associated with divested business	**—**	—	**—**	(23,011)
Proceeds from sale of long-term assets	**4,854**	963	**14,069**	10,332
Purchase of treasury stock	**(4,000)**	—	**(5,188)**	(11,000)
Cash provided by (used in) investing activities	**$ (37,351)**	$ (33,487)	**$ (138,882)**	$ 1,329,956
Increase (decrease) in cash and cash equivalents	**$ (14,270)**	$ (13,910)	**$ (204,059)**	$ (5,934)
Net cash and cash equivalents, beginning of period	**306,539**	510,238	**496,328**	502,262
Net cash and cash equivalents, end of period	**$ 292,269**	$ 496,328	**$ 292,269**	$ 496,328

Segmented Financial Information

(In thousands of Canadian dollars)	Three months ended December 31, **2015**	Three months ended December 31, 2014	Twelve months ended December 31, **2015**	Twelve months ended December 31, 2014
	(Unaudited)	*(Unaudited)*	*(Audited)*	*(Audited)*
Sales				
Meat Products Group	**$ 868,542**	$ 789,725	**$ 3,276,994**	$ 3,135,376
Agribusiness Group	**4,581**	4,282	**15,938**	21,865
Bakery Products Group[(i)]	**—**	—	**—**	567,861
Total sales	**$ 873,123**	$ 794,007	**$ 3,292,932**	$ 3,725,102
Sales from discontinued operations	**—**	—	**—**	(567,861)
Sales from continuing operations	**$ 873,123**	$ 794,007	**$ 3,292,932**	$ 3,157,241
Earnings (loss) before restructuring and other related costs and other income				
Meat Products Group	**$ 54,619**	$ (19,069)	**$ 108,440**	$ (80,381)
Agribusiness Group	**(6,862)**	5,390	**1,360**	8,642
Bakery Products Group[(i)]	**—**	—	**—**	47,829
Non-allocated costs	**5,484**	3,302	**(16,714)**	(7,865)
Total earnings (loss) before restructuring and other related costs and other income	**$ 53,241**	$ (10,377)	**$ 93,086**	$ (31,775)
Earnings (loss) before restructuring and other related costs and other income from discontinued operations	**—**	—	**—**	(47,829)
Earnings (loss) before restructuring and other related costs and other income from continuing operations	**$ 53,241**	$ (10,377)	**$ 93,086**	$ (79,604)
Capital expenditures				
Meat Products Group	**$ 29,838**	$ 27,470	**$ 123,455**	$ 206,958
Agribusiness Group	**7,367**	4,281	**22,295**	9,063
Bakery Products Group[(i)]	**—**	—	**—**	17,789
	$ 37,205	$ 31,751	**$ 145,750**	$ 233,810
Depreciation and amortization				
Meat Products Group	**$ 25,870**	$ 25,066	**$ 102,302**	$ 86,027
Agribusiness Group	**1,819**	1,811	**6,588**	5,928
Non-allocated costs[(ii)]	**840**	4,429	**14,590**	14,278
Bakery Products Group[(i)]	**—**	—	**—**	5,142
	$ 28,529	$ 31,306	**$ 123,480**	$ 111,375

(i) *The prior year results of Canada Bread were included in the comparative results of the Bakery Products Group.*

(ii) *Includes depreciation on assets used to service divested business.*

(In thousands of Canadian dollars) *(Audited)*	**As at December 31, 2015**	As at December 31, 2014
Total assets		
Meat Products Group	**$ 1,853,146**	$ 1,965,280
Agribusiness Group	**188,890**	211,516
Non-allocated assets	**588,829**	699,694
	$ 2,630,865	$ 2,876,490
Goodwill		
Meat Products Group	**$ 428,236**	$ 428,236