SECOND QUARTER RESULTS 2014

July 31, 2014

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President and Chief Executive Officer

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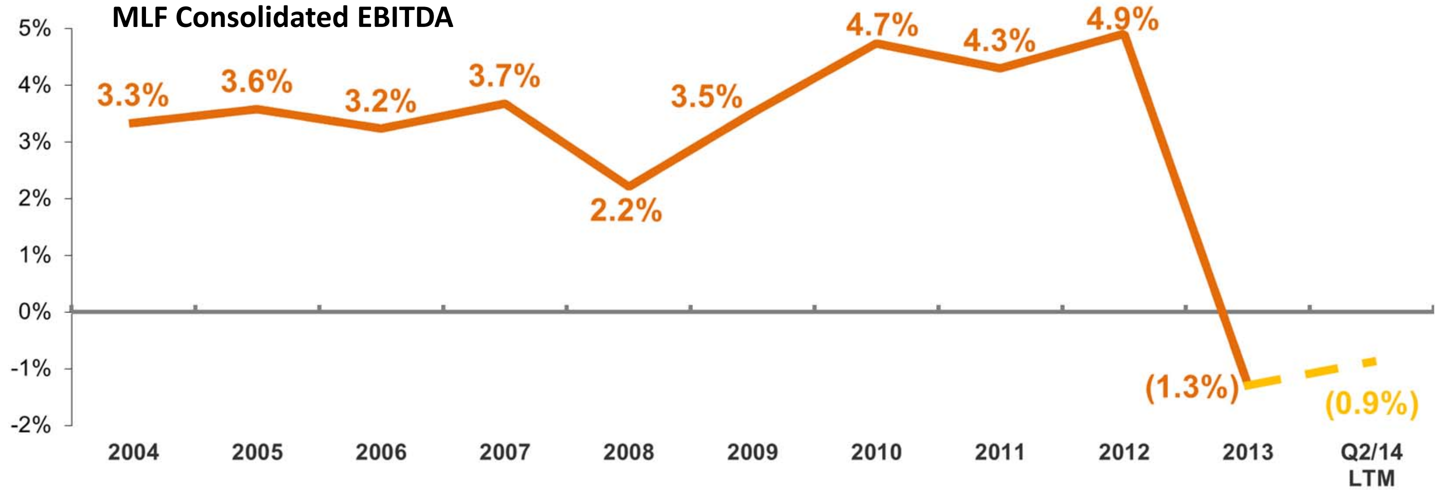
Second Quarter Headlines

- Implemented material price increases to match increased raw material costs
- Managing through demand response and volume declines
- Continued progress in conversion to new supply chain
- Protein markets improved substantially from prior year
- Closed sale of Canada Bread for $1.66 billion in proceeds
- Announced new organizational structure, sized for the protein business

Summary of Second Quarter Results

LTM EBITDA margin of -0.9% versus 2015 target of 10.0%

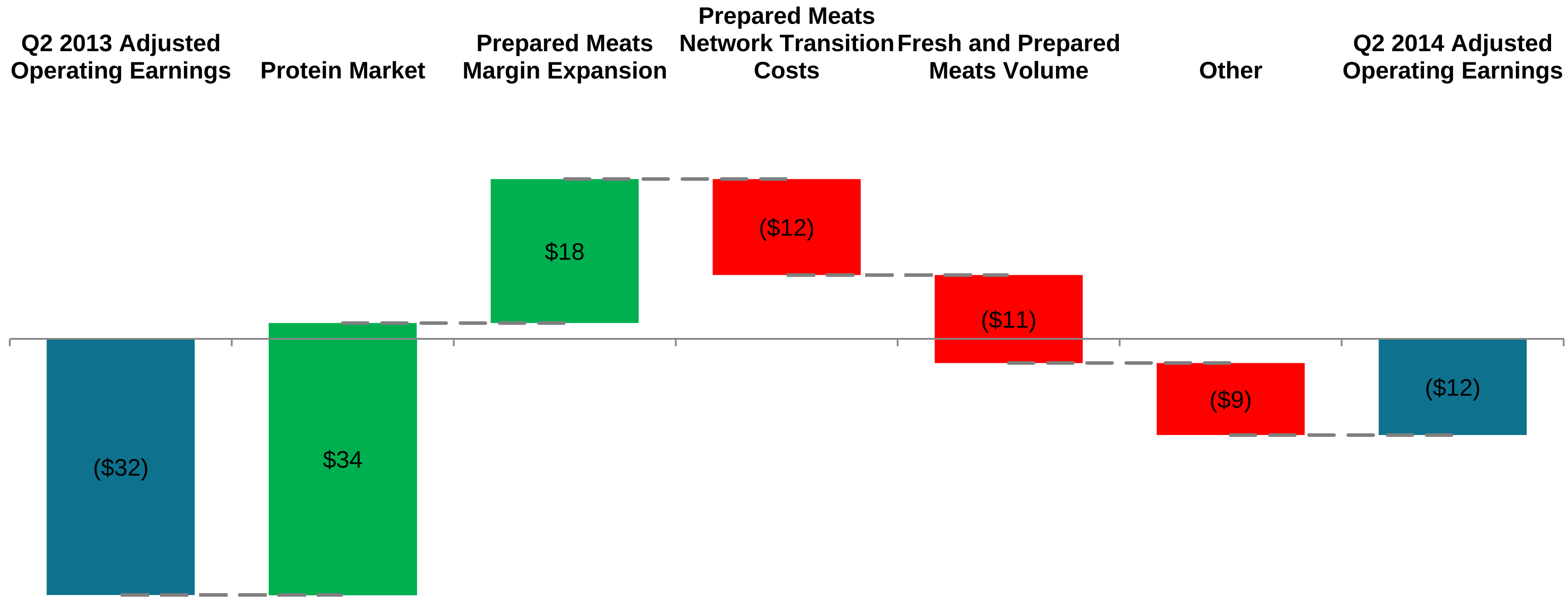


	Q2/14	Q2/13
Adjusted Operating Earnings	($12M)	($32M)
Adjusted Earnings per Share	($0.13)	($0.25)
Adjusted EBITDA Percentage	0.7%	(0.8%)

Figures exclude the results of Rothsay and the Bakery Products Group.

Improved Earnings from Protein Markets and Pricing

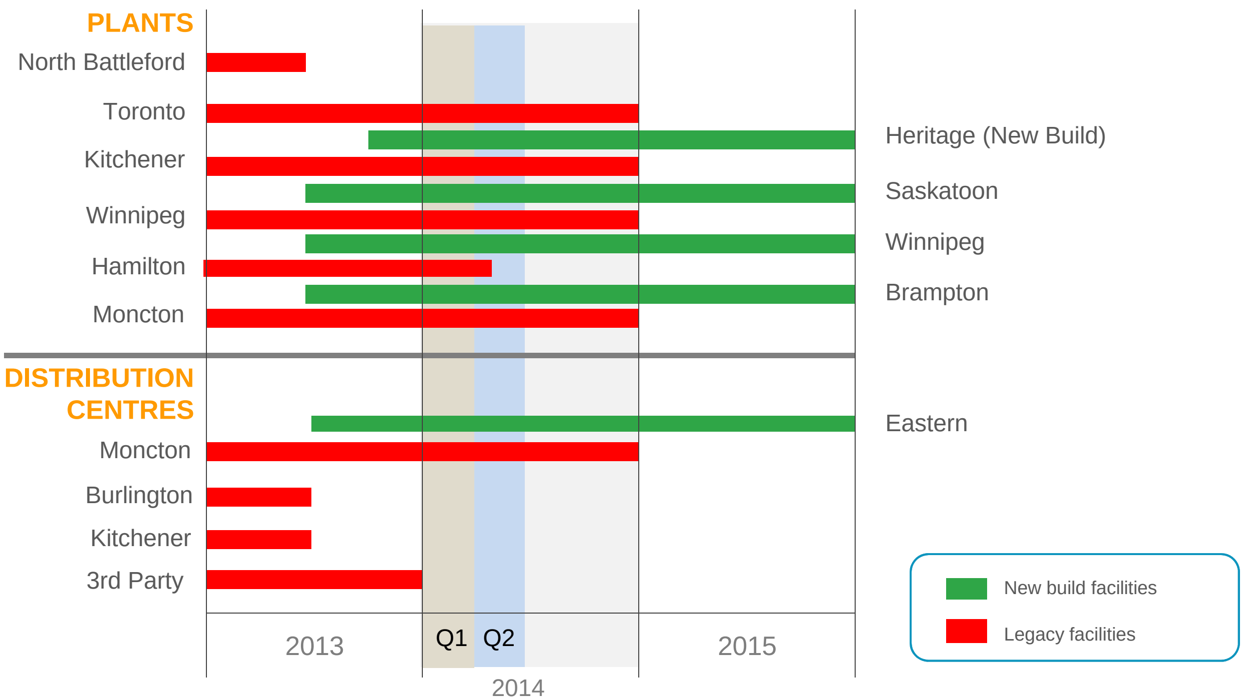
Offset by volume loss and costs of transition



Figures in millions.

2 for 1 Plant Network Continues

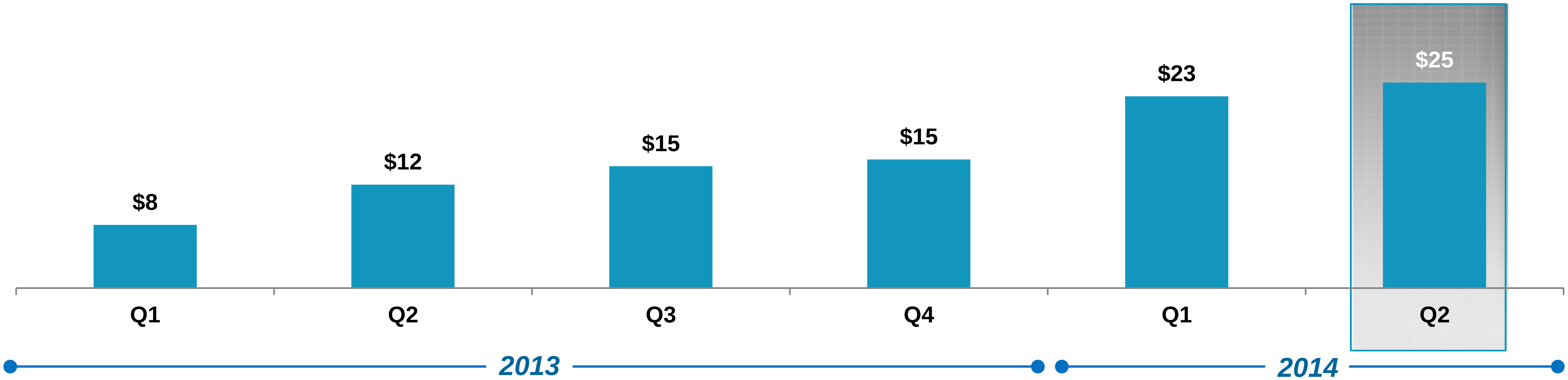
Duplicative overhead and inefficiencies will continue until 2015



- Overlapping supply chain in transition
- Expected to be largely complete in Q1 2015

Higher Transition Costs in Q2 2014

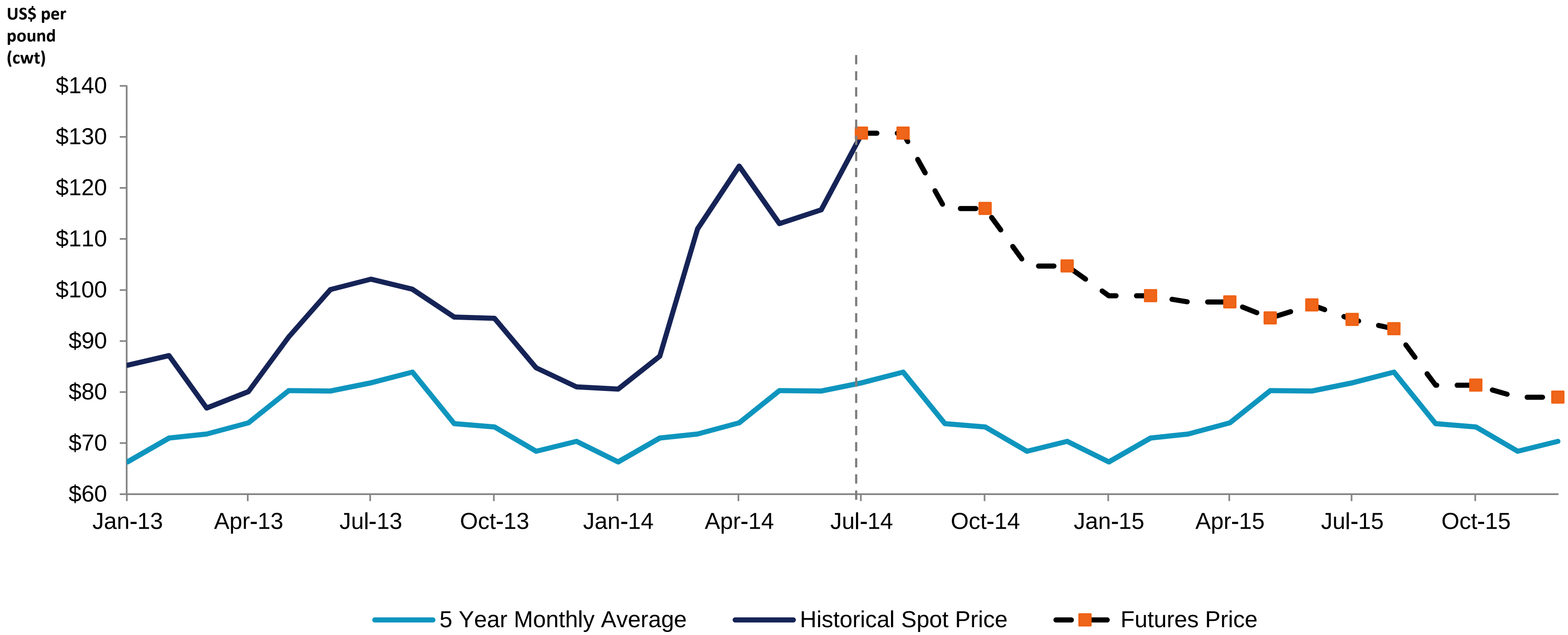
Increase in Heritage plant start-up costs offset improvement in western plants



Drivers of transition costs	
Commissioning costs	Continue throughout 2014, primarily related to the new Heritage plant
Duplicative Overhead	Eliminated when four legacy plants are closed - planned for Q4 2014
Incremental resources to support transition	Ramp down in Q1 2015

Hog Prices are at Record Highs

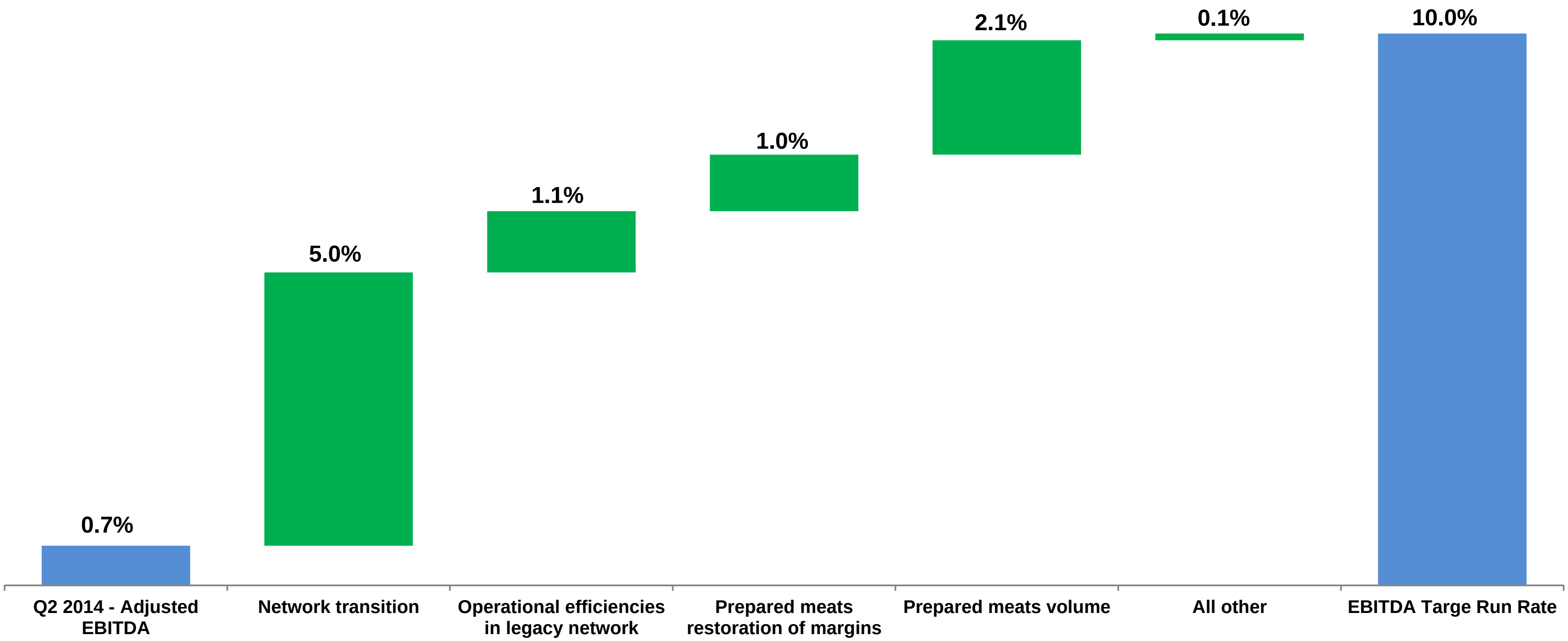
Hog futures decline in second half of 2014, but still well above 5 year average



Prepared Meats Transition

Facility	Progress Update
Brampton - Fresh and Frozen Sausage	▪ Project is substantially complete ▪ Optimizing line efficiencies
Winnipeg - Bacon & Ham	▪ All volume transfers completed – ham in Q4/13 and bacon in Q1/14 ▪ Consistent improvement in bacon and ham productivity and yields ▪ Financial gaps to expectations are materially closed
Saskatoon - Cooked Sausage	▪ Complex technology start-up ▪ Production volumes are improving ▪ Continued negative operational variances
Heritage (Hamilton) - Wieners/Meats	▪ Weiner production performing satisfactorily; final volume transfer to be complete in Q3/14 ▪ Received full occupancy and CFIA approval for Phase 2 & 3 sliced meats in Q2/14 ▪ All construction complete ▪ Commissioning sliced meats and SKU transfers has begun
Eastern Distribution Centre	▪ All volume was transferred out of legacy DCs in Q1/14 ▪ Cost optimization to be complete by Q3/14

EBITDA Bridge – Q2/14 to 2015 Run Rate



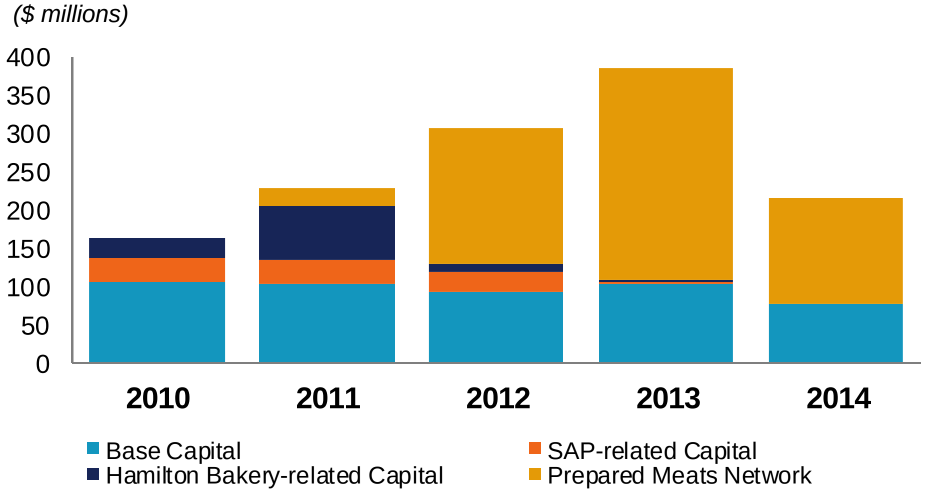
Strong Balance Sheet

- Sale of 90% ownership of Canada Bread closed on May 23
  - Gross proceeds $1.66 billion
  - All debt repaid on closing
  - $142 million of the $160 million cash costs related to sale have been recognized
- Cash used in operating activities was $341 million
  - Includes $100 million in one time financing costs
  - Cash used to restore working capital $226 million. This includes $100 million CBY impact.
- Cash on balance sheet at end of Q2 is $540 million
- Credit facility reduced to $200 million

New Organizational Structure For The Protein Business

- Announced new organizational structure aligned with mono-line protein business
  - $8.9 million in restructuring charges ($19.2 million YTD)
- Further adjustments when the Grupo Bimbo transition services agreement ends
- Negative synergies in shared services have been eliminated; consistent with 10% EBITDA margin target

Capital Expenditures



Net Strategic Capital ($ millions)	2010 – 2012 Actual	2013 Actual	2014 Forecast	2010 – 2014 Total
Prepared Meats Network	$202	$278	$140	$620
Hamilton Bakery	$109	$1	-	$110
SAP	$87	$3	-	$90
Total	**$398**	**$282**	**$140**	**$820**

- Q2 2014 capital spend from continuing operations was $74M vs. $78M in 2013
  - Q2 2014 strategic capital was $60M
- 2014 capital expenditure forecast at $215M ($140M strategic capital)
- 2015 capital expenditures in Protein business estimated to be $80M excluding new projects

Restructuring Charges – Q2 2014

Accounting view – charges on income statement

($ millions)	Q1/14	Q2/14	YTD
Prepared Meats Network Transition	$11.5	$11.1	$22.6
Management Structural Changes in SG&A	$10.3	$8.9	$19.2
Total	$21.8	$20.0	$41.8

Summary

- Unprecedented market conditions from PEDv Virus
- Responded to rising raw material costs with aggressive price actions
- Short-term impact on volume
- Network transition proceeding; start-up risk continues
- Expecting positive trend lines in second half of 2014

Non-IFRS measures

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 on-going 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.

Adjusted Earnings per Share: Adjusted Earnings per Share, a non-IFRS measure, is used by Management to evaluate on-going financial operating results. It is defined as basic earnings per share from continuing operations attributable to common shareholders, and is adjusted for all items that are not considered representative of on-going 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.

Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization: Adjusted EBITDA is calculated as earnings before interest and income taxes from continuing operations plus depreciation and intangible asset amortization, adjusted for items that are not considered representative of on-going 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. Adjusted EBITDA for 2010 and thereafter is calculated based on results reported in accordance with IFRS. Adjusted EBITDA for periods before 2010 is calculated based on results previously reported under Canadian GAAP.

Unless otherwise stated, all figures in this presentation have been restated for the presentation of the Rothsay business and the Bakery Products Group as discontinued operations. Please refer to Note 21 of the Company's 2014 second quarter unaudited condensed consolidated interim financial statements for more information.