FOURTH QUARTER RESULTS 2014

February 26, 2015

MICHAEL McCAIN
President and Chief Executive Officer

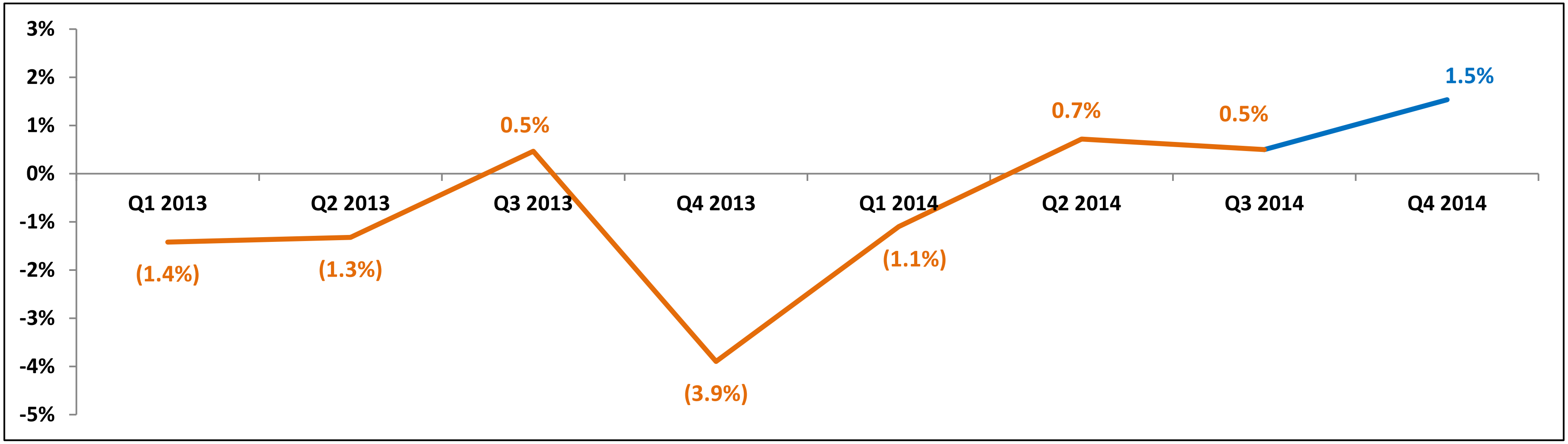
DEBBIE SIMPSON
Chief Financial Officer

Q4 provides positive momentum heading into 2015

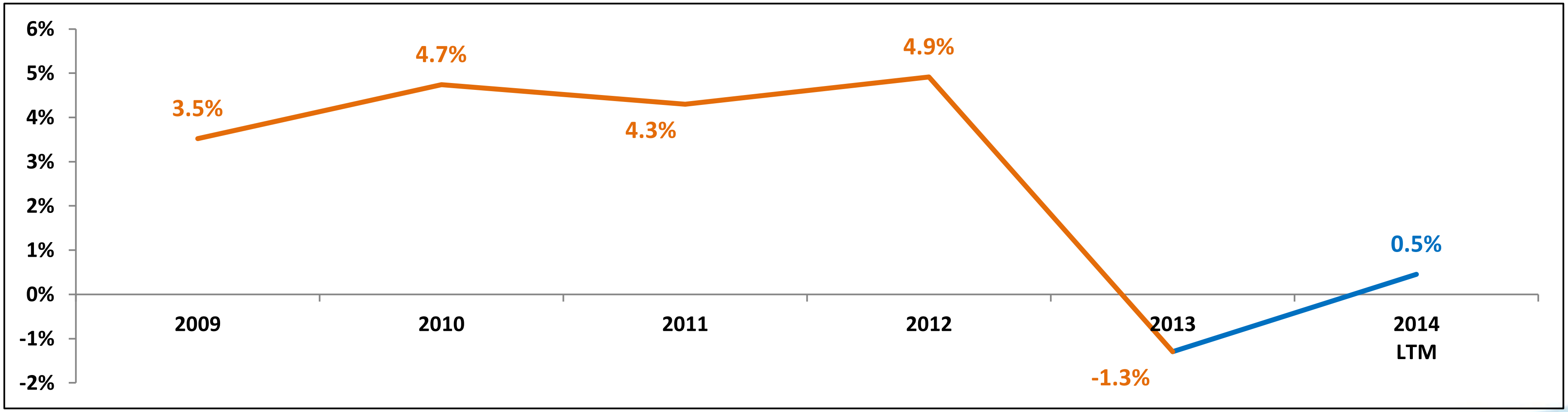
- Significant improvement in adjusted operating earnings over prior year
- Margins at strategic targets in Q4
- Demand response continues to impact prepared meats volume
- Supply chain conversion progressing; Kitchener plant closing Feb 27
- On track to deliver 10% EBITDA margin run rate in 2015
- Dividend increase is first step in broader capital allocation strategy

EBITDA margin trending upward; target 10% in 2015

Quarterly Consolidated Adjusted EBITDA Margin

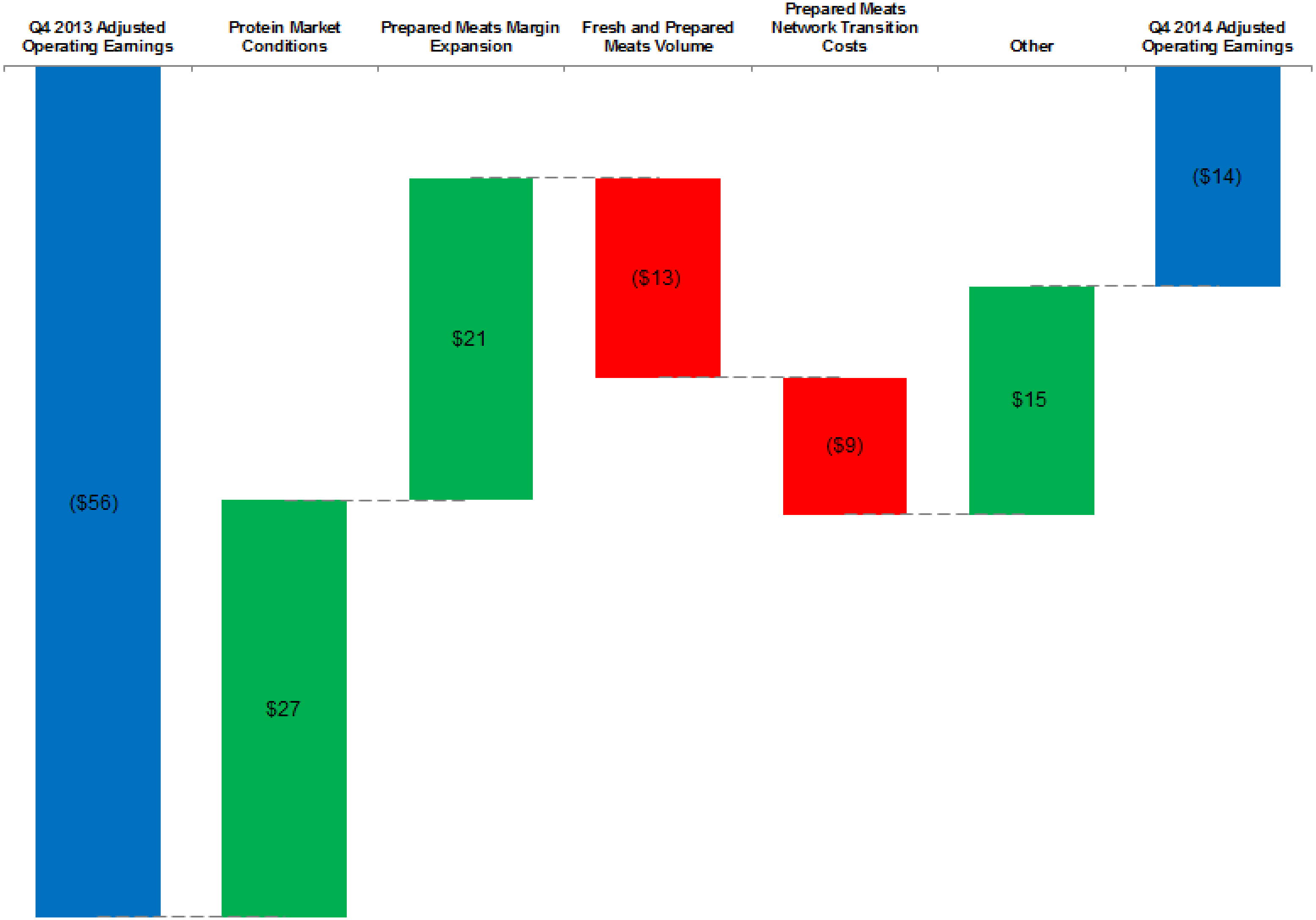


LTM Consolidated Adjusted EBITDA Margin



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

$42M positive swing in adjusted operating earnings

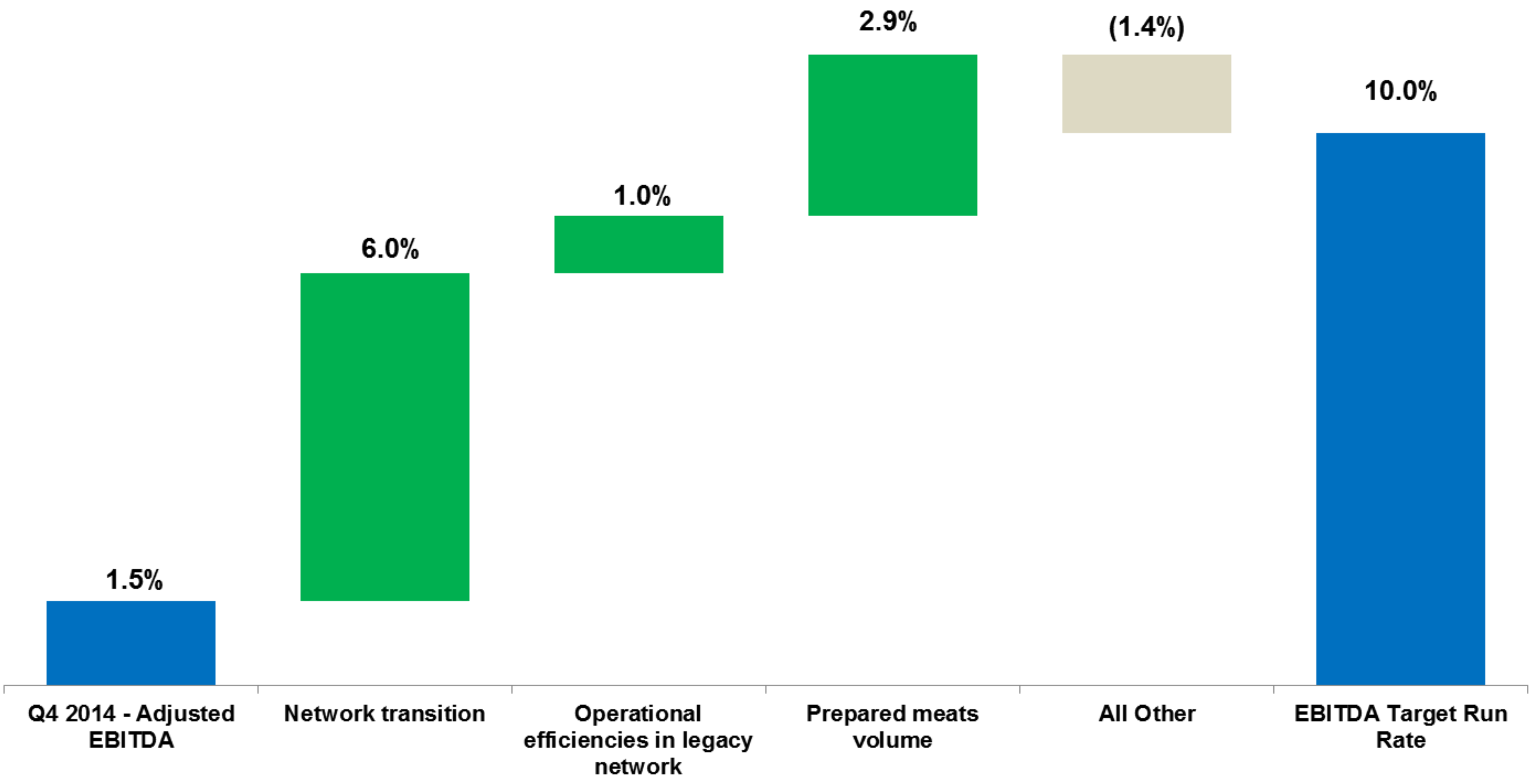


Figures in millions.

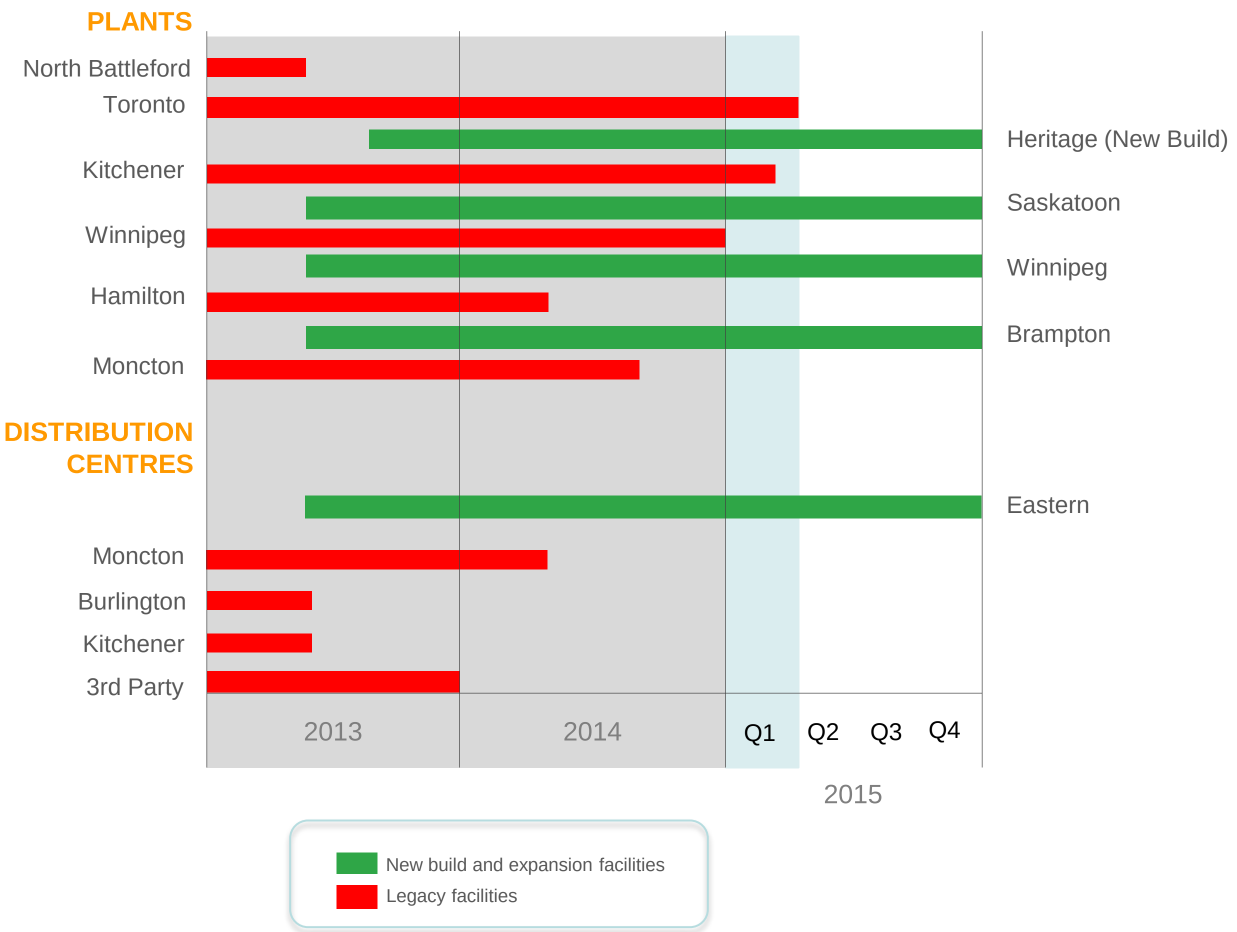
Managing margins and volume to optimize profitability

- Managed margin through turbulent markets
- Volume recovery lagging historical norms
- Maintaining a tactical and measured approach
- Positive longer-term macro environment expected to support volume growth
- Early indicators of volume recovery in Q1/2015

Path to 10% EBITDA margin target in 2015

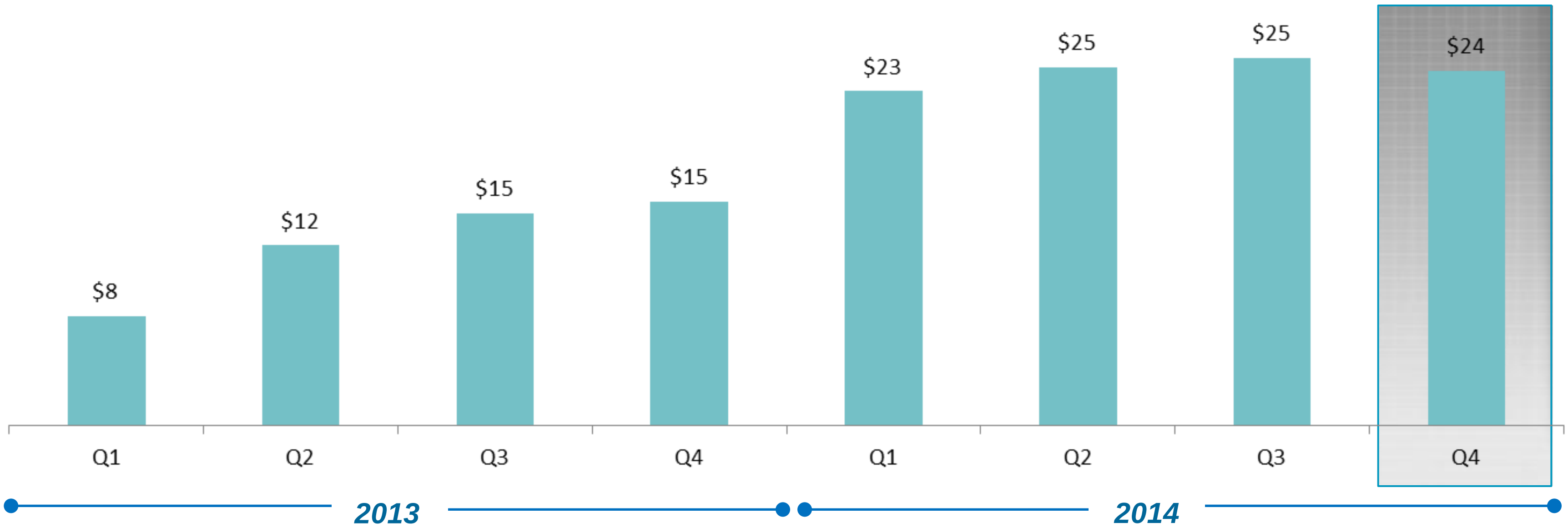


Duplicative costs ending; optimization continues



- Closed 3 manufacturing facilities in 2014
- Closing largest legacy plant end of Feb/2015
- SKU transfer to Heritage progressing
- Closure of final legacy facility targeted for Q1
- Optimization of new facilities continues through 2015

Transition costs expected to decline



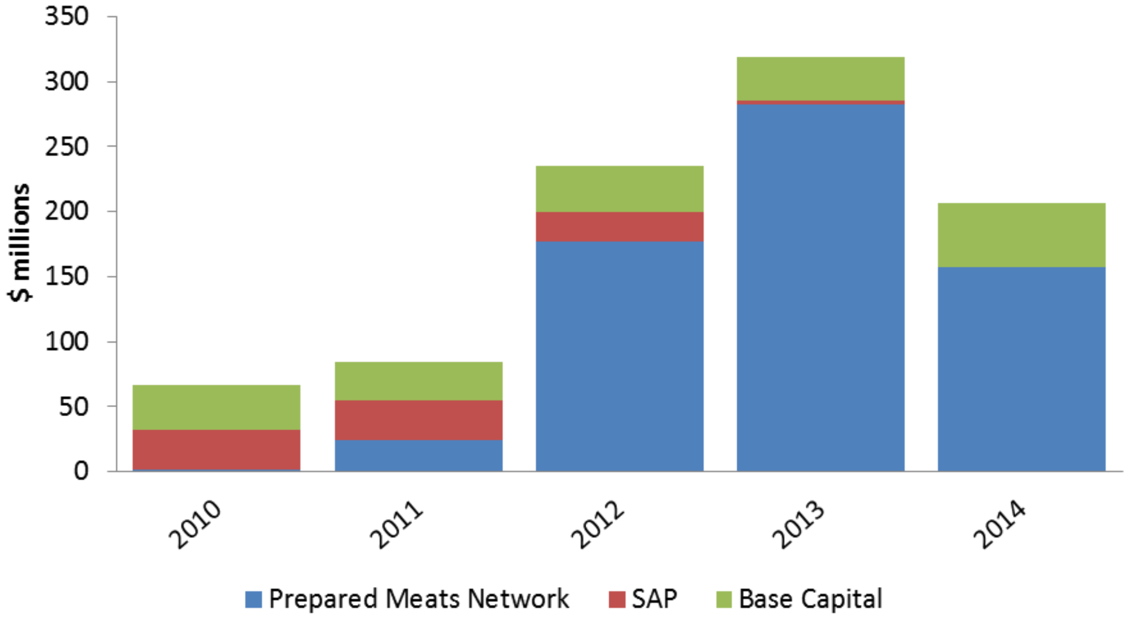
Drivers of transition costs	
Commissioning costs	Primarily related to the new Heritage plant
Duplicative overhead	Eliminated after two remaining legacy plants are closed
Incremental resources to support transition	Will decline as transition completed

Figures in millions.

First step of capital allocation strategy executed

- Dividend increase
  - Quarterly dividend increased from $0.04 per share to $0.08 per share
  - Yield now at 1.5%; at lower end of CPG peers
  - Follows completion of strategic capital investment in prepared meats supply chain
  - First step in broader capital allocation strategy
- $496M cash at the end of 2014; reduction of $14M from Q3
- Cash provided by operating activities of $16M in Q4; capital expenditures of $35M
- Focused on developing optimal capital allocation plan in 2015

Strategic capital investment substantially complete



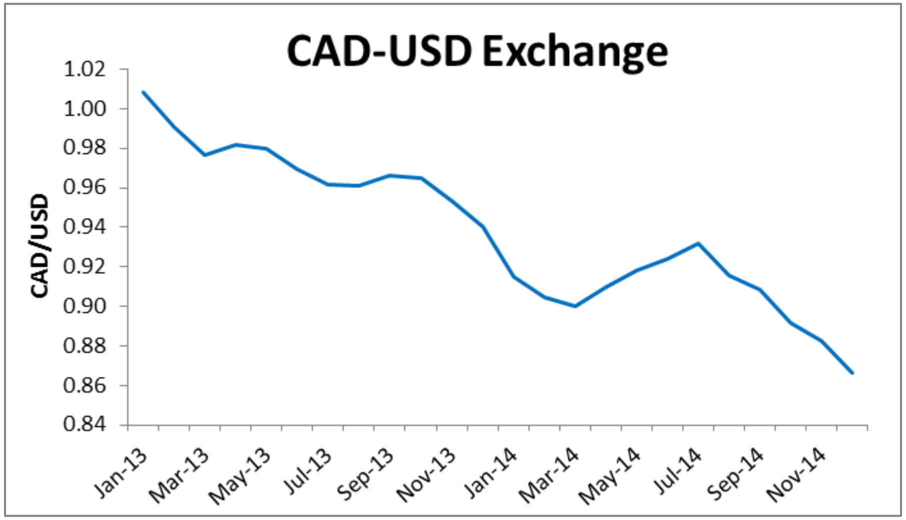
- 2014 capital investment was $216M (excluding bakery)
- 2015 total capital spend is forecasted at $120M
- Capital spending for prepared meats network transformation is substantially complete
- Total capital expenditures for transformation period (2010 to 2014) within 5% of original plan

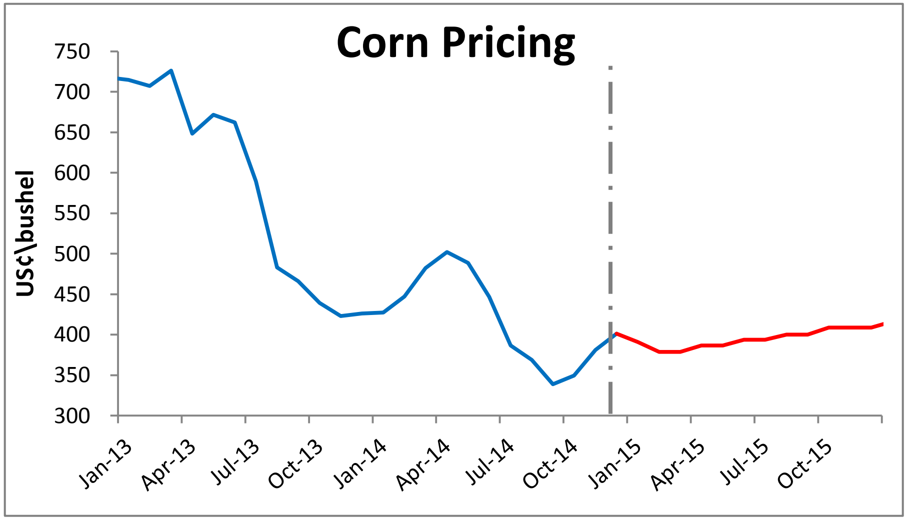
Restructuring charges substantially complete

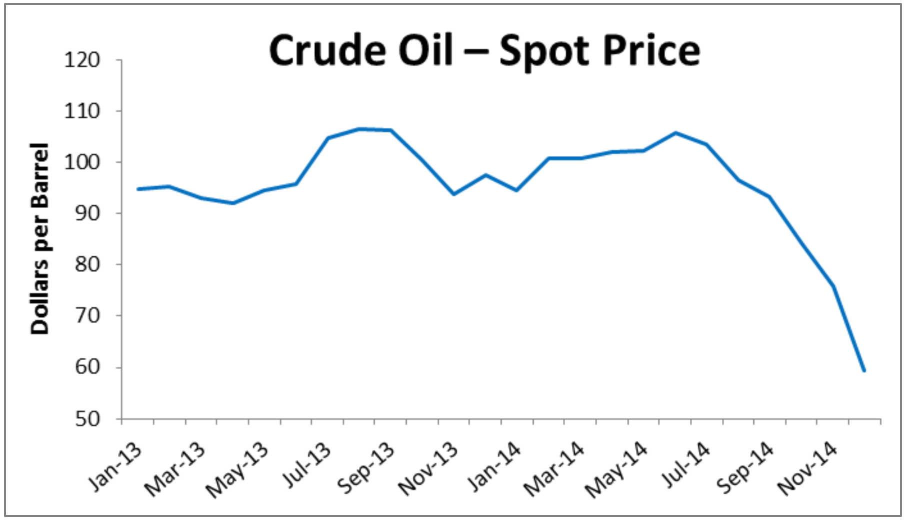
($ millions)	Cash	Non-Cash	Total
Prepared Meats Network Transformation	$16	$21	$37
SG&A right-sizing	$28	$2	$30
Total 2014	**$44**	**$23**	**$67**

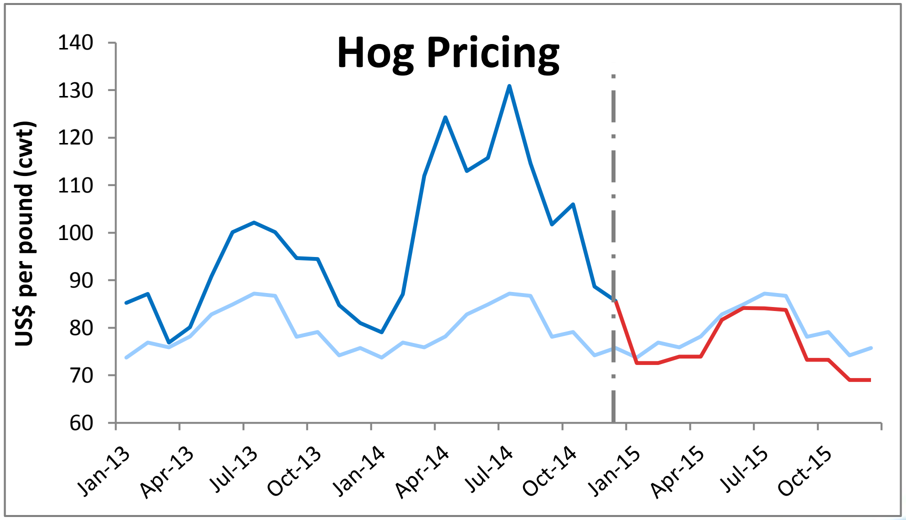
- Restructuring costs for prepared meats network transition $37M
- Restructuring costs related to our SG&A right-sizing of $30M
- 2015 restructuring costs are estimated at $13M ($9M cash costs)

Improving economic conditions forecasted









Historical Price Futures Price 5 Year Average

Summary

- Solid improvement in earnings; entering 2015 with momentum
- Focus on optimizing performance at new facilities; shedding final incremental costs
- Years of intense investment, change and increased costs behind us
- Margins at strategic level; carefully managing volume recovery
- Improving macro-economic factors
- Turning attention to growth agenda; optimal capital allocation

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 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.

Adjusted Earnings per Share: Adjusted Earnings per Share, a non-IFRS measure, is used by Management to evaluate ongoing 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 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. 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 25 of the Company's 2014 audited annual consolidated financial statements for more information.