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NEWS RELEASE

Winpak Reports Third Quarter Results

Winnipeg, Manitoba, October 22, 2015 - Winpak Ltd. (WPK) today reports consolidated results in US dollars for the third quarter of 2015, which ended on September 27, 2015.

	Quarter Ended		Year-To-Date Ended	
	September 27 2015	September 28 2014	September 27 2015	September 28 2014
(thousands of US dollars, except per share amounts)				
Revenue	193,726	192,982	591,423	580,485
Net income	23,063	19,902	73,426	55,896
Income tax expense	10,151	8,973	33,699	25,575
Net finance (income) expense	(20)	(73)	35	(29)
Depreciation and amortization	7,964	7,870	23,639	22,586
EBITDA (1)	41,158	36,672	130,799	104,028
Net income attributable to equity holders of the Company	22,305	19,448	71,613	55,017
Net income attributable to non-controlling interests	758	454	1,813	879
Net income	23,063	19,902	73,426	55,896
Basic and diluted earnings per share (cents)	34	30	110	85

Winpak Ltd. manufactures and distributes high-quality packaging materials and related packaging machines. The Company's products are used primarily for the packaging of perishable foods, beverages and in healthcare applications.

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[1] EBITDA is not a recognized measure under International Financial Reporting Standards (IFRS). Management believes that in addition to net income, this measure provides useful supplemental information to investors including an indication of cash available for distribution prior to debt service, capital expenditures and income taxes. Investors should be cautioned, however, that this measure should not be construed as an alternative to net income, determined in accordance with IFRS, as an indicator of the Company's performance. The Company's method of calculating this measure may differ from other companies, and accordingly, the results may not be comparable.

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Management's Discussion and Analysis (presented in US dollars)

Forward-looking statements: Certain statements made in the following Management's Discussion and Analysis contain forward-looking statements including, but not limited to, statements concerning possible or assumed future results of operations of the Company. Forward-looking statements represent the Company's intentions, plans, expectations and beliefs, and are not guarantees of future performance. Such forward-looking statements represent Winpak's current views based on information as at the date of this report. They involve risks, uncertainties and assumptions and the Company's actual results could differ, which in some cases may be material, from those anticipated in these forward-looking statements. Unless otherwise required by applicable securities law, we disclaim any intention or obligation to publicly update or revise this information, whether as a result of new information, future events or otherwise. The Company cautions investors not to place undue reliance upon forward-looking statements.

Financial Performance

Net income attributable to equity holders of the Company for the third quarter of 2015 of $22.3 million or 34 cents in earnings per share surpassed the comparable 2014 quarter by $2.9 million or 4 cents per share, an advancement of 14.7 percent. This represents the highest third quarter earnings performance in Winpak's history. Solid organic volume growth boosted earnings per share by 2.0 cents and expansion in gross profit margins added a further 0.5 cents. Favorable foreign exchange supplemented earnings per share by an additional 2.0 cents while a greater proportion of earnings attributable to non-controlling interests had a negative impact of 0.5 cents on earnings per share for the period.

For the nine months ended September 27, 2015, net income attributable to equity holders of the Company strengthened by 30.2 percent to $71.6 million or $1.10 in earnings per share compared to $55.0 million or 85 cents per share in the prior-year period. The current year favorable result was led by enhanced gross profit margins, organic volume growth, and foreign exchange impacts of 19.0 cents, 4.0 cents, and 4.5 cents respectively in earnings per share enrichment. This was only partially offset by a greater proportion of earnings attributable to non-controlling interests and higher operating expenses which reduced earnings per share by 1.5 cents and 1.0 cent accordingly.

Revenue

Revenue in the third quarter of 2015 grew marginally to $193.7 million from $193.0 million in the same period of 2014, an increase of 0.4 percent. However, volume growth was solid at 6.4 percent as all product groups advanced, but was particularly evident in flexible packaging. Modified atmosphere packaging shipments continued advancing in the high single-digit percentage range as did specialty films, both due in large part to new customer wins at large US meat and cheese accounts. Biaxially oriented nylon volumes also accelerated, producing low double-digit percentage gains. Rigid container and lidding volume growth was more modest in the low-to-mid single-digit percentage range. However, the resumption of lidding growth was especially encouraging, following two successive quarters of contraction. Packaging machinery and part sales had a strong three months, exceeding the 2014 third quarter by over 30 percent. Selling price/mix changes had an unfavorable effect of 4.0 percent on 2015 third quarter revenues as the impact of selling price indexing was very evident. The substantial decline in the value of the Canadian dollar in comparison to its US counterpart also negatively impacted the current period revenues versus the prior year third quarter by 2.0 percent.

For the first nine months of 2015, revenue climbed by 1.9 percent to $591.4 million from $580.5 million in the corresponding prior-year period, despite price-indexing and foreign exchange headwinds. Volumes increased by 4.3 percent, with all product groups advancing except for lidding, which experienced a low single-digit percentage decline. Sizable growth in Winpak's modified atmosphere packaging business at some of North America's largest meat and cheese companies drove volume enhancement of nearly 10 percent in this product group. Packaging machinery and part sales were also robust at an over 15 percent rise from the first three quarters of 2014. Biaxially oriented nylon and specialty film shipments expanded in the mid single-digit percentage range while rigid container volumes grew in low single-digit percentage terms. Selling price/mix changes had an unfavorable impact of 0.9 percent on revenues for the first nine months of 2015 while foreign exchange reduced reported revenues by a further 1.5 percent.

Gross profit margins

Gross profit margins for the third quarter of 2015 at 31.3 percent of revenue compared favorably to the 29.2 percent of revenue recorded in the comparable 2014 period. This contributed 0.5 cents in earnings per share, when the effects of foreign exchange are removed. The increased spread between raw material costs and selling prices was responsible for the favorable result due to a significant decline in cost for certain resins versus a year ago. Approximately 70 percent of the Company's revenues are indexed, whereby selling price adjustments related to raw material costs are reflected with a lag of approximately 90 days after the raw material costs change. Adjustments were made in the third quarter to selling prices for customers on price-indexing programs with the Company to reflect the lower raw material prices from previous quarters and as a result, the spread between selling prices and raw material costs narrowed from that of the second quarter of this year. The Board of Directors of the Company authorized a one-time payment of $1,000 CDN to every employee in the third quarter to commemorate the 40th anniversary of Winpak's incorporation. This resulted in an overall reduction in earnings per share of approximately 2 cents, spread amongst cost of sales and operating expenses, and decreased the gross profit margin by 0.8 percentage points. The Company also continues to work at improving manufacturing performance by reducing material waste and enhancing efficiencies. Some difficulties in this regard were experienced in the third quarter of 2015 with new line startups and capacity constraints in certain areas.

For the first three quarters of 2015, gross profit margins of 31.9 percent of revenue surpassed the previous year-to-date level of 28.1 percent. The significant decline in oil and natural gas prices and consequently its impact on resin prices, has resulted in a widening gap between lower raw material costs and selling prices. This was the main contributing factor to the expanded gross profit margins, resulting in an addition of 19.0 cents to earnings per share compared to the first nine months of 2014.

For reference, the following presents the weighted indexed purchased cost of Winpak's eight primary raw materials in the reported quarter and each of the preceding eight quarters, where base year 2001 = 100. The index was rebalanced as of December 29, 2014 to reflect the mix of the eight primary raw materials purchased in 2014.

Quarter and Year	3/15	2/15	1/15	4/14	3/14	2/14	1/14	4/13	3/13
Purchase Price Index	147.7	152.1	156.9	175.1	176.2	178.1	178.7	175.0	173.2

The purchase price index saw a small decline of 2.9 percent in the quarter in comparison to the second quarter of 2015. However, in the last 12 months, the decline in the index has been more pronounced at an average of 16.2 percent. The change in resin pricing has not been uniform across all materials as some specialty resins have remained stable while certain commodity resins have decreased by significantly more than the average. Going forward, resin prices are expected to remain fairly stable, on average, although this cannot be predicted with any degree of certainty.

Expenses and Other

Operating expenses, exclusive of foreign exchange impacts, increased in concert with sales volumes for the third quarter of 2015 when compared to the same period in 2014. Savings in freight costs due to reduced fuel surcharges and lower pre-production expenses in the quarter were offset by the effects on operating expenses of the 40th anniversary payments to employees and higher new product development spending. The weaker Canadian dollar in the third quarter of 2015 versus the comparable 2014 period contributed 2.0 cents to earnings per share from foreign exchange as Canadian dollar expenses exceeded revenues in that currency. On the other hand, a greater proportion of earnings attributable to non-controlling interests reduced earnings per share by 0.5 cents in the quarter versus the third quarter of the prior year.

On a year-to-date basis, operating expenses, after adjusting for foreign exchange, advanced at a slightly higher rate overall than the corresponding increase in sales volumes, resulting in a reduction of 1.0 cent in earnings per share in comparison to the prior year period. Greater general and administrative costs were the main catalyst due in part to higher incentive costs, increased bad debt reserves and the 40th anniversary employee payments. Higher spending on new product development in 2015 also played a role. A greater proportion of earnings attributable to non-controlling interests in the first three quarters of the current year further reduced earnings per share of 1.5 cents. More than offsetting these two factors was the positive contribution from foreign exchange on earnings per share of 4.5 cents in 2015. The substantially lower average value of the Canadian dollar compared to its US counterpart in the current year versus 2014 was very favorable when converting the Company's net Canadian dollar expenses into US funds.

Summary of Quarterly Results

Thousands of US dollars, except per share amounts (US cents)

	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Q4 2013
Revenue	193,726	198,257	199,440	206,269	192,982	199,426	188,077	187,964
Net income attributable to equity holders of the Company	22,305	26,845	22,463	23,343	19,448	19,406	16,163	20,951
EPS	34	41	35	36	30	30	25	32

Capital Resources, Cash Flow and Liquidity

The Company's cash and cash equivalents balance ended the third quarter of 2015 at $210.4 million, $20.9 million greater than the end of the second quarter. Winpak continued to generate strong and consistent cash flows from operating activities before changes in working capital of $42.0 million, eclipsing the prior year comparable quarter by $4.3 million. Working capital reductions, primarily in lower inventories, generated additional cash of $1.8 million. Cash was utilized for plant and equipment additions of $14.6 million, income tax payments of $6.7 million, and dividends to equity holders of the Company of $1.6 million. On September 17, 2015, in commemoration of its 40th anniversary, the Company declared a special dividend of $1.50 CDN per share for a total of $97.5 million CDN to shareholders of record on September 29, 2015, payable on October 15, 2015. This will reduce the cash and cash equivalents balance by approximately one-third.

For the first nine months of 2015, the cash and cash equivalents balance rose by $66.7 million from the start of the year. Cash flows generated from operating activities before changes in working capital swelled by $27.0 million from the corresponding period in the previous year to $130.0 million. Working capital reductions provided a further supplement to cash balances of $4.4 million. Cash was used for plant and equipment additions of $36.8 million, income tax payments of $19.8 million, dividends to equity holders of the Company of $4.8 million, the retirement of a multiemployer defined benefit pension plan withdrawal liability of $4.5 million, employee defined benefit plan contributions of $1.3 million and other items totaling $0.5 million. The company remains debt-free and has unutilized operating lines of $38 million, with the ability to increase borrowing capacity further should the need arise.

Looking Forward

The Company continues to remain optimistic with respect to volume growth and earnings performance for the balance of 2015 and into 2016. After a pause in the second quarter, volume growth resumed in the third quarter and opportunities in the sales pipeline should promote further success in expanding volumes for the foreseeable future. Raw material pricing is expected to remain relatively stable in the near term and gross profit margins should remain near current levels for the balance of the year, which are elevated in relation to historical norms. Manufacturing performance will remain a focus for the operations group and improvement is expected as familiarity increases with the production of new products but will be challenged in those areas where capacity is currently constrained. The weakness in the Canadian dollar versus its US counterpart, while reducing reported revenues, will increase earnings for the remainder of 2015 and into 2016, as Canadian dollar denominated costs exceed Canadian revenues. The effect will be spread out over time due to the Company's foreign exchange hedging policy whereby between 50 and 80 percent of the net requirement of Canadian dollars for the ensuing 9 to 15 months will be hedged at all times with forward or zero-option contracts. Capital spending for 2015 is on pace to finish between $55 to $65 million with a focus on expanding extrusion and converting capacity. The Company also continues to evaluate acquisition opportunities in Winpak's core competencies of sophisticated packaging for food, beverage and healthcare applications and is intent on executing a transaction when the proper fit and price are present to provide long-term shareholder value.

Future Changes to Accounting Standards

As more fully described in Note 3 to the Condensed Consolidated Financial Statements, two new accounting standards have been issued, IFRS 9 "Financial Instruments" and IFRS 15 "Revenue from Contracts with Customers". IFRS 9 and IFRS 15 are effective for annual periods beginning on or after January 1, 2018. The Company is currently assessing the impact of these new standards and does not intend to early adopt these standards in its consolidated financial statements. In addition, amendments to the existing standards IAS 16 "Property, Plant and Equipment", IAS 38 "Intangible Assets", and IAS 1 "Presentation of Financial Statements" were issued and are effective for annual periods beginning on or after January 1, 2016. The amendments to IAS 16 and IAS 38 are not expected to have any impact on the Company's consolidated financial statements. The Company is currently assessing the impact of the amendments to IAS 1 and does not intend to early adopt amended IAS 1 in its consolidated financial statements.

Controls and Procedures

Disclosure Controls

Management is responsible for establishing and maintaining disclosure controls and procedures in order to provide reasonable assurance that material information relating to the Company is made known to them in a timely manner and that information required to be disclosed is reported within time periods prescribed by applicable securities legislation. There are inherent limitations to the effectiveness of any system of disclosure controls and procedures, including the possibility of human error and the circumvention or overriding of the controls and procedures. Accordingly, even effective disclosure controls and procedures can only provide reasonable assurance of achieving their control objectives. Based on management's evaluation of the design of the Company's disclosure controls and procedures, the Company's Chief Executive Officer and Chief Financial Officer have concluded that these controls and procedures are designed as of September 27, 2015 to provide reasonable assurance that the information being disclosed is recorded, summarized and reported as required.

Internal Controls Over Financial Reporting

Management is responsible for establishing and maintaining adequate internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. Internal control systems, no matter how well designed, have inherent limitations and therefore can only provide reasonable assurance as to the effectiveness of internal controls over financial reporting, including the possibility of human error and the circumvention or overriding of the controls and procedures. Management used the Internal Control – Integrated Framework published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO 2013) as the control framework in designing its internal controls over financial reporting. Based on management's design of the Company's internal controls over financial reporting, the Company's Chief Executive Officer and Chief Financial Officer have concluded that these controls and procedures are designed as of September 27, 2015 to provide reasonable assurance that the financial information being reported is materially accurate. During the third quarter ended September 27, 2015, there have been no changes to the design of the Company's internal controls over financial reporting that have materially affected, or are reasonably likely to materially affect, its internal controls over financial reporting.

Winpak Ltd.
Interim Condensed Consolidated Financial Statements
Third Quarter Ended: September 27, 2015

These interim condensed consolidated financial statements have not been audited or reviewed by the Company's independent external auditor, KPMG LLP.

Winpak Ltd.
Condensed Consolidated Balance Sheets
(thousands of US dollars) (unaudited)

	Note	September 27 2015	December 28 2014
Assets			
Current assets:			
Cash and cash equivalents		210,429	143,761
Trade and other receivables	12	107,268	112,454
Income taxes receivable		65	2,873
Inventories	4	97,633	100,586
Prepaid expenses		4,883	4,344
		420,278	364,018
Non-current assets:			
Property, plant and equipment	7	360,890	348,002
Intangible assets	7	14,821	15,068
Employee benefit plan assets		4,589	5,249
Deferred tax assets		1,553	1,990
		381,853	370,309
Total assets		802,131	734,327
Equity and Liabilities			
Current liabilities:			
Trade payables and other liabilities	8	138,951	69,098
Provisions	5	-	427
Income taxes payable		6,783	690
Derivative financial instruments		2,404	875
		148,138	71,090
Non-current liabilities:			
Employee benefit plan liabilities		9,061	7,673
Deferred income		14,253	14,831
Provisions	5	760	6,571
Deferred tax liabilities		34,820	32,775
		58,894	61,850
Total liabilities		207,032	132,940
Equity:			
Share capital		29,195	29,195
Reserves		(1,436)	(641)
Retained earnings		549,037	555,697
Total equity attributable to equity holders of the Company		576,796	584,251
Non-controlling interests		18,303	17,136
Total equity		595,099	601,387
Total equity and liabilities		802,131	734,327

See accompanying notes to condensed consolidated financial statements.

Winpak Ltd.
Condensed Consolidated Statements of Income
(thousands of US dollars, except per share amounts) (unaudited)

	Note	Quarter Ended		Year-To-Date Ended	
		September 27 2015	September 28 2014	September 27 2015	September 28 2014
Revenue		193,726	192,982	591,423	580,485
Cost of sales		(133,033)	(136,607)	(402,544)	(417,548)
Gross profit		60,693	56,375	188,879	162,937
Sales, marketing and distribution expenses		(14,859)	(15,494)	(44,722)	(46,649)
General and administrative expenses		(7,611)	(7,299)	(23,791)	(20,820)
Research and technical expenses		(3,760)	(3,198)	(11,506)	(10,554)
Pre-production expenses		(356)	(617)	(790)	(868)
Other expenses	6	(913)	(965)	(910)	(2,604)
Income from operations		33,194	28,802	107,160	81,442
Finance income		102	163	273	427
Finance expense		(82)	(90)	(308)	(398)
Income before income taxes		33,214	28,875	107,125	81,471
Income tax expense		(10,151)	(8,973)	(33,699)	(25,575)
Net income for the period		23,063	19,902	73,426	55,896
Attributable to:					
Equity holders of the Company		22,305	19,448	71,613	55,017
Non-controlling interests		758	454	1,813	879
		23,063	19,902	73,426	55,896
Basic and diluted earnings per share - cents	9	34	30	110	85

Condensed Consolidated Statements of Comprehensive Income
(thousands of US dollars) (unaudited)

	Note	Quarter Ended		Year-To-Date Ended	
		September 27 2015	September 28 2014	September 27 2015	September 28 2014
Net income for the period		23,063	19,902	73,426	55,896
Items that will not be reclassified to the statements of income:					
Cash flow hedge losses recognized		(447)	-	(490)	-
Cash flow hedge losses transferred to property, plant and equipment		4	-	4	-
Income tax effect		-	-	-	-
		(443)	-	(486)	-
Items that are or may be reclassified subsequently to the statements of income:					
Cash flow hedge losses recognized		(1,963)	(690)	(2,910)	(868)
Cash flow hedge losses transferred to the statements of income	6	641	82	1,867	1,351
Income tax effect		353	163	279	(129)
		(969)	(445)	(764)	354
Other comprehensive (loss) income for the period - net of income tax		(1,412)	(445)	(1,250)	354
Comprehensive income for the period		21,651	19,457	72,176	56,250
Attributable to:					
Equity holders of the Company		20,893	19,003	70,363	55,371
Non-controlling interests		758	454	1,813	879
		21,651	19,457	72,176	56,250

See accompanying notes to condensed consolidated financial statements.

Winpak Ltd.
Condensed Consolidated Statements of Changes in Equity
(thousands of US dollars) (unaudited)

	Note	Attributable to equity holders of the Company					
	Note	Share capital	Reserves	Retained earnings	Total	Non-controlling interests	Total equity
Balance at December 30, 2013		29,195	(661)	547,891	576,425	16,188	592,613
Comprehensive income for the period							
Cash flow hedge losses, net of tax		-	(636)	-	(636)	-	(636)
Cash flow hedge losses transferred to the statements of income, net of tax		-	990	-	990	-	990
Other comprehensive income		-	354	-	354	-	354
Net income for the period		-	-	55,017	55,017	879	55,896
Comprehensive income for the period		-	354	55,017	55,371	879	56,250
Dividends	8	-	-	(63,857)	(63,857)	(344)	(64,201)
Balance at September 28, 2014		29,195	(307)	539,051	567,939	16,723	584,662
Balance at December 29, 2014		29,195	(641)	555,697	584,251	17,136	601,387
Comprehensive (loss) income for the period							
Cash flow hedge losses, net of tax		-	(2,166)	(455)	(2,621)	-	(2,621)
Cash flow hedge losses transferred to the statements of income, net of tax		-	1,367	-	1,367	-	1,367
Cash flow hedge losses transferred to property, plant and equipment		-	4	-	4	-	4
Other comprehensive loss		-	(795)	(455)	(1,250)	-	(1,250)
Net income for the period		-	-	71,613	71,613	1,813	73,426
Comprehensive (loss) income for the period		-	(795)	71,158	70,363	1,813	72,176
Dividends	8	-	-	(77,818)	(77,818)	(646)	(78,464)
Balance at September 27, 2015		29,195	(1,436)	549,037	576,796	18,303	595,099

See accompanying notes to condensed consolidated financial statements.

Winpak Ltd.
Condensed Consolidated Statements of Cash Flows
(thousands of US dollars) (unaudited)

	Note	Quarter Ended September 27 2015	Quarter Ended September 28 2014	Year-To-Date Ended September 27 2015	Year-To-Date Ended September 28 2014
Cash provided by (used in):					
Operating activities:					
Net income for the period		23,063	19,902	73,426	55,896
Items not involving cash:					
Depreciation		8,210	8,114	24,384	23,446
Amortization - deferred income		(395)	(392)	(1,193)	(1,271)
Amortization - intangible assets		149	148	448	411
Employee defined benefit plan expenses		769	873	2,494	2,706
Multiemployer defined benefit pension plan withdrawal liability settlement gain	5, 6	-	-	(1,815)	-
Net finance (income) expense		(20)	(73)	35	(29)
Income tax expense		10,151	8,973	33,699	25,575
Other		113	162	(1,445)	(3,730)
Cash flow from operating activities before the following		42,040	37,707	130,033	103,004
Change in working capital:					
Trade and other receivables		(769)	3,219	5,186	(6,172)
Inventories		2,166	(7,815)	2,953	(15,239)
Prepaid expenses		412	302	(539)	(1,652)
Trade payables and other liabilities		(37)	2,203	(3,154)	9,040
Provisions		-	(95)	(4,467)	(120)
Employee defined benefit plan contributions		(86)	(1,410)	(1,254)	(4,551)
Income tax paid		(6,697)	(2,155)	(19,781)	(14,764)
Interest received		79	95	207	224
Interest paid		(1)	(9)	(16)	(147)
Net cash from operating activities		37,107	32,042	109,168	69,623
Investing activities:					
Acquisition of property, plant and equipment - net		(14,553)	(13,896)	(36,819)	(35,588)
Acquisition of intangible assets		(57)	(49)	(226)	(411)
		(14,610)	(13,945)	(37,045)	(35,999)
Financing activities:					
Dividends paid	8	(1,583)	(1,829)	(4,809)	(63,931)
Dividend paid to non-controlling interests in subsidiary		-	-	(646)	(344)
		(1,583)	(1,829)	(5,455)	(64,275)
Change in cash and cash equivalents		20,914	16,268	66,668	(30,651)
Cash and cash equivalents, beginning of period		189,515	114,171	143,761	161,090
Cash and cash equivalents, end of period		210,429	130,439	210,429	130,439

See accompanying notes to condensed consolidated financial statements.

1. General

Winpak Ltd. is incorporated under the Canada Business Corporations Act. The Company manufactures and distributes high-quality packaging materials and related packaging machines. The Company's products are used primarily for the packaging of perishable foods, beverages and in healthcare applications. The address of the Company's registered office is 100 Saulteaux Crescent, Winnipeg, Manitoba, Canada R3J 3T3.

2. Basis of Presentation

The unaudited interim condensed consolidated financial statements were prepared in accordance with International Financial Reporting Standards (IFRS), using the same accounting policies as those used in the Company's consolidated financial statements for the year ended December 28, 2014. The unaudited interim condensed consolidated financial statements are in compliance with IAS 34. Accordingly, certain information and note disclosure normally included in annual consolidated financial statements prepared in accordance with IFRS as issued by the International Accounting Standards Board (IASB) have been omitted or condensed. These unaudited interim condensed consolidated financial statements should be read in conjunction with the Company's consolidated financial statements for the year ended December 28, 2014, which are included in the Company's 2014 Annual Report.

The fiscal year of the Company ends on the last Sunday of the calendar year. As a result, the Company's fiscal year is usually 52 weeks in duration, but includes a 53rd week every five to six years. The 2015 and 2014 fiscal years are both comprised of 52 weeks and each quarter of 2015 and 2014 are comprised of 13 weeks.

The unaudited interim condensed consolidated financial statements were approved by the Audit Committee on behalf of the Board of Directors on October 22, 2015.

3. Future Accounting Standards

(a) Financial Instruments:
IFRS 9 "Financial Instruments" was issued in November 2009, introducing new requirements for the classification and measurement of financial assets. IFRS 9 was amended in October 2010 to include requirements for the classification and measurement of financial liabilities and for derecognition. IFRS 9, which has yet to be adopted, retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. The basis of classification depends on an entity's business model and the contractual cash flow of the financial asset. Classification is made at the time the financial asset is initially recognized, namely when the entity becomes a party to the contractual provisions of the instrument. With regard to the measurement of financial liabilities designated as fair value through profit or loss, IFRS 9 requires that the amount of the change in the fair value of the financial liability, that is attributable to changes in the credit risk of that liability, is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in the statement of income. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to the statement of income. Previously, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss was presented in the statement of income. In November 2013, a new general hedge accounting standard was issued, forming part of IFRS 9. It will more closely align with risk management. This new standard does not fundamentally change the types of hedging relationships or the requirement to measure and recognize ineffectiveness, however it will provide more hedging strategies that are used for risk management to qualify for hedge accounting and introduce more judgment to assess the effectiveness of a hedging relationship. Another revised version of IFRS 9 was issued in July 2014 mainly to include i) impairment requirements for financial assets and ii) limited amendments to the classification and measurement requirements by introducing a fair value through other comprehensive income measurement category for certain simple debt instruments.

IFRS 9 is effective for annual periods beginning on or after January 1, 2018 with early adoption permitted. The Company is currently assessing the impact of this new standard and does not intend to early adopt IFRS 9 in its consolidated financial statements.

(b) Revenue From Contracts With Customers:
IFRS 15 "Revenue From Contracts With Customers" was issued in May 2014, specifying the steps and timing for recognizing revenue. The new standard also requires more informative, relevant disclosures. IFRS 15 supersedes IAS 11 "Construction Contracts" and IAS 18 "Revenue", as well as various IFRIC and SIC interpretations regarding revenue. IFRS 15 is effective for annual periods beginning on or after January 1, 2018 and is to be applied retrospectively. Early adoption is permitted. The Company is currently assessing the impact of this new standard and does not intend to early adopt IFRS 15 in its consolidated financial statements.

(c) Property, Plant and Equipment and Intangibles:
Amendments to IAS 16 "Property, Plant and Equipment" and IAS 38 "Intangible Assets" were issued in May 2014, prohibiting the use of revenue-based depreciation for property, plant and equipment and significantly limiting the use of revenue-based amortization for intangible assets. These amendments are effective for annual periods beginning on or after January 1, 2016 and are to be applied prospectively. The Company does not expect the amendments to have any impact on its consolidated financial statements.

(thousands of US dollars, unless otherwise indicated) (Unaudited)

(d) Financial Statement Presentation:
Amendments to IAS 1 "Presentation of Financial Statements" were issued in December 2014 as part of the IASB's major initiative to improve presentation and disclosure in financial reports. These amendments are effective for annual periods beginning on or after January 1, 2016 with early adoption permitted. The Company is currently assessing the impact of these amendments.

4. Inventories

	September 27 2015	December 28 2014
Raw materials	29,837	31,851
Work-in-process	15,779	18,466
Finished goods	45,380	44,130
Spare parts	6,637	6,139
	97,633	100,586

During the third quarter of 2015, the Company recorded, within cost of sales, inventory write-downs for slow-moving and obsolete inventory of $1,011 (2014 - $2,656) and reversals of previously written-down items of $193 (2014 - $308). On a year-to-date basis, the Company recorded, within cost of sales, inventory write-downs for slow-moving and obsolete inventory of $6,477 (2014 - $6,187) and reversals of previously written-down items of $1,929 (2014 - $1,917).

5. Provisions

	Multiemployer Withdrawal Liability	Asset Retirement Obligations	Total
Balance at December 29, 2014			
Current liabilities	427	-	427
Non-current liabilities	5,811	760	6,571
	6,238	760	6,998
2015 Annual activity			
Payments	(4,609)	-	(4,609)
Finance expense - unwinding of discount	44	-	44
Reversals	(1,815)	-	(1,815)
Change in discount rates	142	-	142
Balance at September 27, 2015	-	760	760
At September 27, 2015			
Current liabilities	-	-	-
Non-current liabilities	-	760	760
	-	760	760

The Company participated in one multiemployer defined benefit pension plan providing benefits to certain unionized employees in the US. The Company withdrew from the plan in 2011. Pursuant to US federal legislation, an employer who withdraws from a plan with unfunded vested benefits is responsible for a share of that underfunding. As a consequence of withdrawing from the plan, the Company was required to make monthly payments at a constant dollar value of $36, or $427 on an annual basis, until 2032. During the second quarter of 2015, the Company reached a Settlement and Release Agreement with the trustee of the plan, whereby the remaining withdrawal liability was settled with a lump sum payment of $4,466. As a result of the settlement, the Company reversed the residual balance pertaining to the liability and recorded a gain of $1,815. This amount was reflected within other expenses. See note 6.

6. Other Expenses

	Quarter Ended		Year-To-Date Ended	
Amounts shown on a net basis	September 27 2015	September 28 2014	September 27 2015	September 28 2014
Foreign exchange loss	(272)	(872)	(716)	(1,053)
Cash flow hedge losses transferred from other comprehensive income	(641)	(82)	(1,867)	(1,351)
Multiemployer defined benefit pension plan withdrawal liability settlement gain	-	-	1,815	-
Multiemployer defined benefit pension plan withdrawal liability expense - change in discount rates	-	(11)	(142)	(200)
	(913)	(965)	(910)	(2,604)

7. Property, Plant and Equipment and Intangible Assets

At September 27, 2015, the Company has commitments to purchase plant and equipment of $20,534 (December 28, 2014 - $19,612). No impairment losses or impairment reversals were recognized during the year-to-date period ended September 27, 2015 or September 28, 2014.

8. Dividends

During the third quarter of 2015, dividends in Canadian dollars of 3 cents per common share were declared (2014 - 3 cents) and on a year-to-date basis, 9 cents per common share were declared (2014 - 9 cents). In addition, on September 17, 2015, the Company declared a special dividend in Canadian dollars of $1.50 per common share ($73,222 US), payable on October 15, 2015. In the first quarter of 2014, the Company paid a special dividend in Canadian dollars of $1.00 per common share ($58,517 US) on March 20, 2014.

9. Earnings Per Share

	Quarter Ended		Year-To-Date Ended	
	September 27 2015	September 28 2014	September 27 2015	September 28 2014
Net income attributable to equity holders of the Company	22,305	19,448	71,613	55,017
Weighted average shares outstanding (000's)	65,000	65,000	65,000	65,000
Basic and diluted earnings per share - cents	34	30	110	85

10. Determination of Fair Values

The Company measures assets and liabilities under the following fair value hierarchy in accordance with IFRS. The different levels have been defined as follows:

Level 1 - unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2 - inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
Level 3 - inputs that are not based on observable market data.

The fair value of cash and cash equivalents, trade and other receivables, trade payables and other liabilities approximate their carrying value because of the short-term maturity of these instruments. The fair value of foreign currency forward contracts, designated as cash flow hedges, have been determined by valuing those contracts to market against prevailing forward foreign exchange rates as at the reporting date.

The following table presents assets and liabilities within the fair value hierarchy:

Financial Assets (Liabilities)	Level 1	Level 2	Level 3	Total
<u>At September 27, 2015</u>				
Foreign currency forward contracts - net	-	(2,404)	-	(2,404)
<u>At December 28, 2014</u>				
Foreign currency forward contracts - net	-	(875)	-	(875)

11. Financial Instruments

When the Company has a legally enforceable right to set off supplier rebates receivable against supplier trade payables and intends to settle the amount on a net basis or simultaneously, the balance is presented as an offset within Trade Payables and Other Liabilities on the condensed consolidated balance sheet. At September 27, 2015, the supplier rebate receivable balance that was offset was $4,648 (December 28, 2014 - $5,109).

12. Financial Risk Management

In the normal course of business, the Company has risk exposures consisting primarily of foreign exchange risk, interest rate risk, commodity price risk, liquidity risk, and credit risk. The Company manages its risks and risk exposures through a combination of derivative financial instruments, insurance, a system of internal and disclosure controls and sound business practices. The Company does not purchase any derivative financial instruments for speculative purposes.

Financial risk management is primarily the responsibility of the Company's corporate finance function. Significant risks are regularly monitored and actions are taken, when appropriate, according to the Company's approved policies, established for that purpose. In addition, as required, these risks are reviewed with the Company's Board of Directors.

Foreign Exchange Risk
Translation differences arise when foreign currency monetary assets and liabilities are translated at foreign exchange rates that change over time. These foreign exchange gains and losses are recorded in other expenses. As a result of the Company's CDN dollar net liability monetary position as at September 27, 2015, a one-cent change in the period-end foreign exchange rate from 0.7510 to 0.7410 (CDN to US dollars) would have increased net income by $31 for the third quarter of 2015. Conversely, a one-cent change in the period-end foreign exchange rate from 0.7510 to 0.7610 (CDN to US dollars) would have decreased net income by $31 for the third quarter of 2015.

The Company's Foreign Exchange Policy requires that between 50 and 80 percent of the Company's net requirement of CDN dollars for the ensuing 9 to 15 months will be hedged at all times with a combination of cash and cash equivalents and forward or zero-cost option foreign currency contracts. The Company may also enter into forward foreign currency contracts when equipment purchases and special dividend payments will be settled in foreign currencies. Transactions are only conducted with certain approved Schedule I Canadian financial institutions. All foreign currency contracts are designated as cash flow hedges. Certain foreign currency contracts matured during the third quarter of 2015 and the Company realized pre-tax foreign exchange losses of $645 (year-to-date - realized foreign exchange losses of $1,871). Of these foreign exchange differences, losses of $641 were recorded in other expenses (year-to-date losses - $1,867) and losses of $4 were recorded in property, plant and equipment (year-to-date losses - $4). During the third quarter of 2014, the Company realized pre-tax foreign exchange losses of $82 (year-to-date - realized pre-tax foreign exchange losses of $1,351) which were recorded in other expenses.

As at September 27, 2015, the Company had US to CDN dollar foreign currency forward contracts outstanding with a notional amount of US $26.0 million at an average exchange rate of 1.2353 maturing between October 2015 and July 2016 and US to Euro dollar foreign currency forward contracts outstanding with a notional amount of US $1.2 million at an average rate of 0.8676 (US dollars to Euros) maturing between December 2015 and February 2016. In addition, as at September 27, 2015, the Company had US to CDN dollar foreign currency forward contracts outstanding with a notional amount of US $55.0 million at an average exchange rate of 1.3205 maturing in October 2015 to partially fund the special dividend of CDN $97.5 million declared on September 17, 2015 and payable on October 15, 2015. The fair value of these financial instruments was negative $2,404 US and the corresponding unrealized loss has been recorded in other comprehensive income.

Interest Rate Risk
The Company's interest rate risk arises from interest rate fluctuations on the finance income that it earns on its cash invested in money market accounts and short-term deposits. The Company developed and implemented an investment policy, which was approved by the Company's Board of Directors, with the primary objective to preserve capital, minimize risk and provide liquidity. Regarding the September 27, 2015 cash and cash equivalents balance of $210.4 million, a 1.0 percent increase/decrease in interest rate fluctuations would increase/decrease income before income taxes by $2,104 annually.

Commodity Price Risk
The Company's manufacturing costs are affected by the price of raw materials, namely petroleum-based and natural gas-based plastic resins and aluminum. In order to manage its risk, the Company has entered into selling price-indexing programs with certain customers. Changes in raw material prices for these customers are reflected in selling price adjustments but there is a slight time lag. For the year-to-date period ended September 27, 2015, 70 percent of revenue was generated from customers with selling price-indexing programs. For all other customers, the Company's preferred practice is to match raw material cost changes with selling price adjustments, albeit with a slight time lag. This matching is not always possible, as customers react to selling price pressures related to raw material cost fluctuations according to conditions pertaining to their markets.

(thousands of US dollars, unless otherwise indicated) (Unaudited)

Liquidity Risk

Liquidity risk is the risk that the Company would not be able to meet its financial obligations as they come due. Management believes that the liquidity risk is low due to the strong financial condition of the Company. This risk assessment is based on the following: (a) cash and cash equivalents amounts of $210.4 million, (b) no outstanding bank loans, (c) unused credit facilities comprised of unsecured operating lines of $38 million, (d) the ability to obtain term-loan financing to fund an acquisition, if needed, (e) an informal investment grade credit rating, and (f) the Company's ability to generate positive cash flows from ongoing operations. Management believes that the Company's cash flows are more than sufficient to cover its operating costs, working capital requirements, capital expenditures and dividend payments in the next twelve months. The Company's trade payables and other liabilities and derivative financial instrument liabilities are virtually all due within twelve months.

Credit Risk

The Company is exposed to credit risk from its cash and cash equivalents held with banks and financial institutions, derivative financial instruments (foreign currency forward contracts), as well as credit exposure to customers, including outstanding trade and other receivable balances.

The following table details the maximum exposure to the Company's counterparty credit risk which represents the carrying value of the financial asset:

	September 27 2015	December 28 2014
Cash and cash equivalents	210,429	143,761
Trade and other receivables	107,268	112,454
	317,697	256,215

Credit risk on cash and cash equivalents and other financial instruments arises in the event of non-performance by the counterparties when the Company is entitled to receive payment from the counterparty who fails to perform. The Company has established an investment policy to manage its cash. The policy requires that the Company manage its risk by investing its excess cash on hand on a short-term basis, up to a maximum of six months, with several financial institutions and/or governmental bodies that must be rated 'AA' or higher for CDN financial institutions and 'A-1' or higher for US financial institutions by recognized international credit rating agencies or insured 100 percent by the US government or a 'AAA' rated CDN federal or provincial government. The Company manages its counterparty risk on its financial instruments by only dealing with CDN Schedule I financial institutions.

In the normal course of business, the Company is exposed to credit risk on its trade and other receivables from customers. To mitigate such risk, the Company performs ongoing customer credit evaluations and assesses their credit quality by taking into account their financial position, past experience and other pertinent factors. Management regularly monitors customer credit limits, performs credit reviews and, in certain cases insures trade and other receivables against credit losses.

As at September 27, 2015, the Company believes that the credit risk for trade and other receivables is mitigated due to the following: a) a broad customer base which is dispersed across varying market sectors and geographic locations, b) 98 percent of the gross trade and other receivables balance is within 30 days of the agreed upon payment terms with customers, and c) 24 percent of the trade and other receivables balance is insured against credit losses. The Company's exposure to the ten largest customer balances, on aggregate, accounted for 43 percent of the total trade and other receivables balance.

The carrying amount of trade and other receivables is reduced through the use of an allowance account and the amount of the loss is recognized in the statement of income within general and administrative expenses. When a receivable balance is considered uncollectible, it is written off against the allowance for doubtful accounts. Subsequent recoveries of amounts previously written off are credited against general and administrative expenses in the statement of income.

The following table sets out the aging details of the Company's trade and other receivables balances outstanding based on the status of the receivable in relation to when the receivable was due and payable and related allowance for doubtful accounts:

	September 27 2015	December 28 2014
Current - neither impaired nor past due	90,632	86,703
<u>Not impaired but past the due date</u>:		
Within 30 days	15,882	21,298
31 - 60 days	885	4,019
Over 60 days	1,066	1,134
	108,465	113,154
Less: Allowance for doubtful accounts	(1,197)	(700)
Total trade and other receivables, net	107,268	112,454

(thousands of US dollars, unless otherwise indicated) (Unaudited)

13. Segment Reporting

The Company operates in one reportable segment being the manufacture and sale of packaging materials. The Company operates principally in Canada and the United States. The following summary presents key information by geographic segment:

	United States	Canada	Other	Consolidated
Revenue				
Quarter ended September 27, 2015	156,914	23,584	13,228	193,726
Quarter ended September 28, 2014	153,024	26,329	13,629	192,982
Year-to-date ended September 27, 2015	481,039	72,392	37,992	591,423
Year-to-date ended September 28, 2014	465,334	77,231	37,920	580,485
Property, Plant and Equipment and Intangible Assets				
As at September 27, 2015	174,464	199,965	1,282	375,711
As at December 28, 2014	162,080	199,652	1,338	363,070

14. Seasonality

The Company experiences seasonal variation in revenue, with revenue typically being the highest in the second and fourth quarters, and lowest in the first quarter.