PREMIUM BRANDS HOLDINGS CORPORATION ANNOUNCES RECORD FOURTH QUARTER 2016 RESULTS AND 10.5% INCREASE IN ITS DIVIDEND

VANCOUVER, B.C., March 16, 2017. Premium Brands Holdings Corporation (TSX: PBH), a leading producer, marketer and distributor of branded specialty food products, announced today its results for the fourth quarter of 2016.

HIGHLIGHTS FOR THE QUARTER

- Record fourth quarter revenue of $532.6 million representing a 33.1% increase as compared to the fourth quarter of 2015
- Record fourth quarter adjusted EBITDA of $45.6 million representing a 44.8% increase as compared to the fourth quarter of 2015
- Record fourth quarter earnings, earnings per share and adjusted earnings per share of $20.0 million, $0.67 per share and $0.71 per share, respectively
- Record 2016 free cash flow of $121.5 million resulting in a dividend to free cash flow ratio of 36.6%
- Completed a $113.0 million issuance of convertible debentures bearing interest at 4.60% and maturing in December 2023
- Invested $81.4 million in four business acquisitions
- Subsequent to the quarter raised dividend rate by 10.5% and declared a quarterly dividend of $0.42 per share
- Also subsequent to the quarter invested $15.7 million in three business acquisitions

SUMMARY FINANCIAL INFORMATION

(In millions of dollars except per share amounts and ratios)

	14 weeks ended Dec 31, 2016	**13 weeks ended Dec 26, 2015**	**53 weeks ended Dec 31, 2016**	**52 weeks ended Dec 26, 2015**
Revenue	532.6	400.3	1,857.5	1,484.5
Adjusted EBITDA	45.6	31.5	154.8	111.6
Earnings	20.0	8.6	68.8	11.6
EPS	0.67	0.34	2.39	0.48
Adjusted earnings	21.1	13.4	71.3	44.1
Adjusted EPS	0.71	0.53	2.48	1.81

	Trailing Four Quarters Ended Dec 31, 2016	**Dec 26, 2015**
Free cash flow	121.5	81.1
Declared dividends	44.5	35.0
Declared dividend per share	1.5200	1.3800
Payout ratio	36.6%	43.2%

"We are pleased to announce another quarter of solid results. Our sales and earnings continued to reach record highs as we progress towards our goal of becoming one of North America's leading specialty foods companies," said Mr. Paleologou, President and CEO.

“A significant driver of our results has been and will continue to be the investments we have made in recent years in both organic growth initiatives and business acquisitions. Furthermore, our business model, which focuses on developing entrepreneurial cultures, continuous innovation and capitalizing on emerging consumer trends, has enabled us to grow our sales and earnings despite having faced several major challenges, including the downturn in western Canada’s economy,” added Mr. Paleologou.

“Looking forward, we are continuing to make investments that will further help to ensure the sustainability of our growth. In terms of capital projects, we have two major construction initiatives underway, namely a new 212,000 square foot sandwich plant in Phoenix and a new 105,000 square foot distribution and custom processing facility in Toronto. The sandwich plant, which will complement our facilities in Reno, Columbus, Montreal and Edmonton, will increase our sandwich production capacity to 610,000 square feet and will uniquely position us to service a wide range of customers across the U.S. and Canada. The new distribution facility, which will be somewhat unique to the Ontario market as it will have both seafood and traditional protein processing abilities, will not only provide our seafood distribution businesses with much needed capacity but will also enable our western Canada based foodservice distribution business to enter this market. Both of these projects are scheduled to come into operation in the second half of 2017.

“In terms of acquisitions, we have executed several small but very strategic transactions over the past few months and we fully expect to complete several more in 2017. These types of transactions not only expand the capabilities and capacities of our legacy platforms, both operationally and geographically, but also generally bring with them talented and entrepreneurial management teams that further strengthen our business,” added Mr. Paleologou.

“We are also pleased to announce a 10.5% increase in our quarterly dividend rate to $0.42 per share or $1.68 per share on an annual basis. This represents the third year in a row in which we have increased our dividend rate by 10% or more,” said Mr. Paleologou.

FOURTH QUARTER 2016 DIVIDEND

The Company’s Board of Directors approved a cash dividend of $0.42 per share for the first quarter of 2017, which will be payable on April 17, 2017 to shareholders of record at the close of business on March 31, 2017.

Unless indicated otherwise in writing at or before the time the dividend is paid, each dividend paid by the Company in 2017 or a subsequent year is an eligible dividend for the purposes of the Enhanced Dividend Tax Credit System.

ABOUT PREMIUM BRANDS

Premium Brands owns a broad range of leading specialty food manufacturing and differentiated food distribution businesses with operations in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, Nova Scotia, Nevada, Ohio, Arizona and Washington State. The Company services a diverse base of customers located across North America and its family of brands and businesses include Grimm’s, Harvest, McSweeney’s, Piller’s, Freybe, Expresco, Belmont Meats, Hempler’s, Isernio’s, Fletcher’s U.S., Direct Plus, Audrey’s, SK Food Group, OvenPride, Bread Garden Go, Hygaard, Quality Fast Foods, Deli Chef, Creekside Bakehouse, Stuyver’s Bakestudio, Island City Bakery, Conte Foods, Larosa Foods, Gourmet Chef, Duso’s, Centennial Foodservice, B&C Food Distributors, Shahir, Wescadia, Harlan Fairbanks, Maximum Seafood, Ocean Miracle, Hub City Fisheries, Diana’s Seafood, C&C Packing, Premier Meats and Interprovincial Meat Sales.

For further information, please contact George Paleologou, President and CEO or Will Kalutycz, CFO at (604) 656-3100.

www.premiumbrandsholdings.com

RESULTS OF OPERATIONS

Extra Week of Operations

The Company's fiscal year is the fifty-two week or fifty-three week period ending on the nearest Saturday on or before December 31. For 2016 this was the 53 week period ended on December 31, 2016 and for 2015 this was the 52 week period ended on December 26, 2015. Correspondingly, the Company's results for 2016 and for the fourth quarter of 2016 include an extra week of operations as compared to 2015 (the "Extra Week").

Revenue

(in millions of dollars except percentages)	14 weeks ended Dec 31, 2016	%	13 weeks ended Dec 26, 2015	%	53 weeks ended Dec 31, 2016	%	52 weeks ended Dec 26, 2015	%
Revenue by segment:								
Specialty Foods	326.9	61.4%	274.5	68.6%	1,136.6	61.2%	979.1	66.0%
Premium Food Distribution	205.7	38.6%	125.8	31.4%	720.9	38.8%	505.4	34.0%
Consolidated	532.6	100.0%	400.3	100.0%	1,857.5	100.0%	1,484.5	100.0%

Specialty Foods' revenue for the fourth quarter of 2016 as compared to the fourth quarter of 2015 increased by $52.4 million or 19.1% primarily due to: (i) business acquisitions which accounted for $22.6 million of the increase; (ii) the Extra Week which accounted for $16.7 million of the increase; and (iii) $14.1 million of organic growth across a range of products, representing a growth rate of 5.2%. These increases were partially offset by the loss of approximately $1.1 million of revenue due to the shutdown of Noble House, a northern Alberta based distribution business, at the end of 2015.

For 2016 as compared to 2015 Specialty Foods' revenue increased by $157.5 million or 16.1% primarily due to: (i) business acquisitions which accounted for $73.6 million of the increase; (ii) organic growth of $54.1 million, representing a growth rate of 5.5%; (iii) a $17.4 million increase in the translated value of its U.S. based businesses' sales; and (iv) the Extra Week which accounted for $16.7 million of the increase. These increases were partially offset by the loss of approximately $4.3 million of revenue due to the shutdown of Noble House.

After adjusting for the shutdown of Noble House, Specialty Foods organic volume growth rate for 2016 was 5.6% which was at the upper end of the Company's targeted range of 4% to 6%. For the fourth quarter of 2016 Specialty Foods' organic volume growth rate was 5.1%, which was within the Company's annual targeted range but below its 2016 annual rate due to several of its businesses choosing to exit certain lower margin sales in order to allocate their capacities to more sustainable and higher margin opportunities.

Looking forward (see *Forward Looking Statements*) Specialty Foods expects its organic volume growth in 2017 to exceed the Company's long term targeted range of 4% to 6% based on a variety of new sales and product development initiatives as well leveraging several major capacity expansion investments. These include:

- A new 212,000 square foot sandwich facility in Phoenix, AZ, which is expected to commence production early in the third quarter of 2017;
- New meat snack capacity at its Yorkton, SK facility, which commenced production in mid-2016; and
- New dry cured salami capacity at its Langley, BC facility, which also commenced production in mid-2016.

In terms of timing, Specialty Foods expects the majority of its organic volume growth in 2017 to be in the latter half of the year. This is primarily based on: (i) the projected start-up date for its new sandwich production facility being in the third quarter; and (ii) the planned launched dates for many of its new sales and product development initiatives being later in the year.

Premium Food Distribution's revenue for the fourth quarter of 2016 as compared to the fourth quarter of 2015 increased by $79.9 million or 63.5% primarily due to: (i) business acquisitions which accounted for $59.5 million of the increase; (ii) the Extra Week which accounted for $12.5 million of the increase; (iii) organic volume growth of $10.7 million representing a growth rate of 8.4%; and (iv) $3.0 million in inflation resulting from higher selling prices for certain seafood products that were in tight supply globally partially offset by a deflationary environment for beef products. These increases were partially offset by a decrease of $5.8 million in Premium Food Distribution's Worldsource food trading business due to reduced trading opportunities.

For 2016 as compared to 2015 Premium Food Distribution's revenue increased by $215.5 million or 42.6% primarily due to: (i) business acquisitions which accounted for $179.6 million of the increase; (ii) $13.8 million in inflation; (iii) the Extra Week which accounted for $12.5 million of the increase; and (iv) net organic volume growth of $14.7 million representing an organic volume growth rate of 3.2%. These increases were partially offset by a decrease of $5.2 million in Premium Food Distribution's Worldsource food trading business due to reduced trading opportunities

Excluding Worldsource, Premium Food Distribution's organic volume growth for 2016 of 3.2% was below the Company's long term targeted range of 4% to 6% primarily due to the impact on its foodservice operations of the economic slowdowns in Alberta and Saskatchewan. Excluding this factor as well as the impact of an unusually strong Chum salmon west coast fishery in the fourth quarter of 2016, Premium Food Distribution's organic volume growth rate was approximately 4.7%.

Premium Food Distribution's organic volume growth for the fourth quarter of 2016 of 8.4% exceeded its growth rate for the full year and the Company's long term targeted range primarily due to: (i) the success of its traditionally foodservice focused distribution network in selling its products into the retail channel; and (ii) an exceptionally strong Chum salmon west coast fishery. Weaker foodservice sales in Alberta and Saskatchewan that were primarily the result of the general economic slowdown in these provinces were offset by stronger foodservice sales in British Columbia. Excluding the growth associated with the Chum salmon fishery, Premium Food Distribution's organic volume growth for the quarter was 5.8%.

Looking forward (see *Forward Looking Statements*) Premium Food Distribution expects its organic volume growth in 2017 to be within or above the Company's long term targeted range of 4% to 6% based on:

- The continuation of its various seafood, premium meats and retail distribution growth initiatives;
- The start-up of its new facility in Toronto, ON in the third quarter of 2017; and
- The stabilization of the Alberta and Saskatchewan economies.

Similar to the Specialty Foods segment, Premium Food Distribution expects the majority of its organic volume growth in 2017 to be in the latter half of the year. This is primarily based on: (i) the expected start-up date for its new Toronto facility being late in the third quarter; and (ii) the projected stabilization of the Alberta and Saskatchewan economies unfolding as a slow and steady process over the course of the year.

Gross Profit

(in millions of dollars except percentages)	14 weeks ended Dec 31, 2016	%	13 weeks ended Dec 26, 2015	%	53 weeks ended Dec 31, 2016	%	52 weeks ended Dec 26, 2015	%
Gross profit by segment:								
Specialty Foods	71.5	21.9%	56.7	20.7%	234.4	20.6%	203.6	20.8%
Premium Food Distribution	33.1	16.1%	19.8	15.7%	116.4	16.1%	81.1	16.0%
Consolidated	104.6	19.6%	76.5	19.1%	350.8	18.9%	284.7	19.2%

Specialty Foods' gross profit as a percentage of its revenue (gross margin) for the fourth quarter of 2016 as compared to the fourth quarter of 2015 increased by 120 basis points primarily due to improved operating efficiencies at a number of its plants including its new sandwich plant in Columbus, OH which achieved expected operating efficiency levels by the end of the quarter. These efficiencies were the result of a variety of continuous improvement initiatives, some opportunistic raw material purchases and higher production volumes associated from Specialty Foods' organic volume growth. Partially offsetting these benefits were lower than average gross margins in Specialty Foods' recently acquired Belmont Meats business which, due to seasonal factors, has very low gross margins in the fourth and first quarters of the year. Excluding Belmont Meats, Specialty Foods' gross margin for the quarter was 22.6%.

For 2016 as compared to 2015 Specialty Foods' gross margin decreased slightly due to a variety of factors including: (i) changes in its sales mix, namely higher sandwich sales which usually generate lower margins but correspondingly have lower variable selling costs associated with them; (ii) higher turkey and chicken raw material costs earlier in the year; and (iii) operating inefficiencies at its new Columbus sandwich plant for most of 2016. These factors were mostly offset by the items that drove Specialty Foods' gross margin improvement in the fourth quarter of 2016.

Premium Food Distribution's gross margins for the fourth quarter of 2016 as compared to the fourth quarter of 2015 and for 2016 as compared to 2015 were relatively stable as improved margins on beef based products, resulting from a decline in raw material costs from record highs earlier in the year, were largely offset by the lower average gross margins, on a relative basis, of its recently acquired C&C Foods business. Excluding C&C Foods, Premium Food Distribution's gross margins for the quarter and for 2016 were 16.6% and 17.0%, respectively.

Selling, General and Administrative Expenses (SG&A)

(in millions of dollars except percentages)	14 weeks Ended Dec 31, 2016	%	13 weeks ended Dec 26, 2015	%	53 weeks ended Dec 31, 2016	%	52 weeks ended Dec 26, 2015	%
SG&A by segment:								
Specialty Foods	30.8	9.4%	27.1	9.9%	109.5	9.6%	101.4	10.4%
Premium Food Distribution	20.3	9.9%	14.8	11.8%	71.3	9.9%	59.2	11.7%
Corporate	7.9		3.1		15.2		12.5	
Consolidated	59.0	11.1%	45.0	11.2%	196.0	10.6%	173.1	11.7%

Specialty Foods' SG&A as a percentage of sales (SG&A ratio) for the fourth quarter of 2016 as compared to the fourth quarter of 2015 and for 2016 as compared to 2015 decreased primarily due to: (i) changes in its sales mix, namely higher sandwich sales which generally have lower selling costs associated with them; and (ii) the fixed nature of a variety of costs relative to its organic revenue growth.

Premium Food Distribution's SG&A ratio for the fourth quarter of 2016 as compared to the fourth quarter of 2015 and for 2016 as compared to 2015 decreased primarily due to: (i) the acquisition of C&C Foods, which has a lower SG&A ratio relative to Premium Food Distribution's other businesses; and (ii) the fixed nature of a variety of costs relative to its organic revenue growth. Excluding C&C Foods, Premium Food Distribution's SG&A ratios for the quarter and for 2016 were 11.1% and 11.3%, respectively.

Corporate SG&A for the fourth quarter of 2016 as compared to the fourth quarter of 2015 and for 2016 as compared to 2015 increased by $4.8 million and $2.7 million, respectively primarily due to increased discretionary variable compensation associated with: (i) the Company's improved performance including a 27.1% increase in its free cash flow per share to $4.22 per share from $3.32 per share in 2015; and (ii) the significant value realized by the Company's long-term shareholders both in 2016 and over the last three years through dividends and share price appreciation.

Adjusted EBITDA

(in millions of dollars except percentages)	14 weeks ended Dec 31, 2016	%	13 weeks ended Dec 26, 2015	%	53 weeks ended Dec 31, 2016	%	52 weeks ended Dec 26, 2015	%
Adjusted EBITDA by segment:								
Specialty Foods	40.7	12.5%	29.6	10.8%	124.9	11.0%	102.2	10.4%
Premium Food Distribution	12.8	6.2%	5.0	4.0%	45.1	6.3%	21.9	4.3%
Corporate	(7.9)		(3.1)		(15.2)		(12.5)	
Consolidated	45.6	8.6%	31.5	7.9%	154.8	8.3%	111.6	7.5%

For 2016 the Company's adjusted EBITDA as a percentage of sales (EBITDA margin) was 8.3% which was within the targeted range for the year of 8.0% to 8.5% that was set by the Company several years ago when its EBITDA margin was approximately 6.5%.

Looking forward (see *Forward Looking Statements*) for 2017 the Company is projecting its EBITDA margin, assuming its current mix of businesses, to be in the 8.5% to 9.0% range. The expected improvement in its EBITDA margin as compared to 2016 is based on a variety of assumptions, including:

- a full year of normal operating efficiencies at the Company's new Columbus sandwich plant, which for most of 2016 operated at well below standard efficiency levels;

- A general improvement in operating efficiencies in many of the Company's businesses resulting from projected organic sales volume growth; and
- For the first two quarters of 2017, continued year over year improvement in the gross margins on certain beef and poultry based products due to lower raw material costs.

These positive factors are expected to be partially offset by:

- Some short term margin compression in the Company's Premium Food Distribution segment due to the expansion of its foodservice distribution business model into Ontario; and
- Some short term margin compression in the Company's Specialty Food segment due to the start-up of its new sandwich production facility in Phoenix, AZ.

Interest and other financing costs

The Company's interest and other financing costs for the fourth quarter of 2016 as compared to the fourth quarter of 2015 increased by $0.9 million primarily due to the higher funded debt levels, partially offset by lower blended average interest costs that were mainly the result of reduced average interest rates on its outstanding convertible debentures.

The Company's interest and other financing costs for 2016 as compared to 2015 were flat primarily due to the impact of higher funded debt levels towards the end of the year being offset by: (i) by lower blended average interest costs that were mainly the result of reduced average interest rates on its outstanding convertible debentures; and (ii) lower funded debt levels earlier in 2016 relative to the comparable periods in 2015.

Premium Brands Holdings Corporation

Consolidated Balance Sheets

(in millions of Canadian dollars)

	December 31, 2016	December 26, 2015
Current assets:		
Cash and cash equivalents	19.4	11.3
Accounts receivable	180.9	159.9
Inventories	170.4	141.6
Prepaid expenses	7.5	6.4
Other assets	0.5	1.0
	378.7	320.2
Capital assets	251.7	227.3
Intangible assets	149.8	79.7
Goodwill	320.3	209.5
Investment in associates	9.5	9.3
Other assets	11.1	10.2
	1,121.1	856.2
Current liabilities:		
Cheques outstanding	12.4	6.8
Bank indebtedness	0.2	3.9
Dividends payable	11.4	9.4
Accounts payable and accrued liabilities	155.8	133.9
Current portion of long-term debt	2.2	3.7
Current portion of provisions	2.1	1.9
Current portion of puttable interest in subsidiaries	4.8	-
	188.9	159.6
Long-term debt	152.2	202.8
Puttable interest in subsidiaries	27.4	26.3
Deferred revenue	4.3	4.4
Provisions	20.8	4.1
Pension obligation	1.5	1.4
Deferred income taxes	44.8	15.5
	439.9	414.1
Convertible unsecured subordinated debentures	254.8	121.8
Equity attributable to shareholders:		
Deficit	(33.3)	(57.9)
Share capital	429.9	345.2
Reserves	29.3	32.4
Non-controlling interest	0.5	0.6
	426.4	320.3
	1,121.1	856.2

Premium Brands Holdings Corporation

Consolidated Statements of Operations

(in millions of Canadian dollars except per share amounts)

	53 weeks ended December 31, 2016	52 weeks ended December 26, 2015
Revenue	1,862.0	1,484.5
Cost of goods sold	1,511.2	1,199.8
Gross profit before depreciation, amortization, plant start-up costs	350.8	284.7
Selling, general and administrative expenses before depreciation, amortization, plant start-up costs	196.0	173.1
	154.8	111.6
Plant start-up and restructuring costs	-	2.9
	154.8	108.7
Depreciation of capital assets	27.4	25.3
Amortization of intangible assets	7.6	4.5
Interest and other financing costs	17.9	17.9
Acquisition transaction costs	1.6	0.2
Change in value of puttable interest in subsidiaries	4.1	5.9
Accretion of provisions	1.0	0.5
Unrealized loss (gain) on foreign currency contracts	0.7	(0.1)
Equity income in associates	(0.4)	(0.1)
Earnings before income taxes	94.9	54.6
Provision for income taxes		
Current	10.2	3.3
Deferred	15.9	34.8
	26.1	38.1
Earnings from continuing operations	68.8	16.5
Loss from discontinued operation, net of income taxes	-	(4.9)
Earnings	68.8	11.6
Earnings (loss) for the year attributable to:		
Shareholders	68.9	11.7
Non-controlling interest	(0.1)	(0.1)
	68.8	11.6
Earnings (loss) per share from:		
Continuing operations:		
Basic	2.39	0.68
Diluted	2.38	0.68
Discontinued operation – basic and diluted	-	(0.20)
Earnings attributable to shareholders – basic	2.39	0.48
Earnings attributable to shareholders – diluted	2.38	0.48

Premium Brands Holdings Corporation

Consolidated Statements of Cash Flows

(in millions of Canadian dollars)

	53 weeks ended December 31, 2016	52 weeks ended December 26, 2015
Cash flows from (used in) operating activities:		
Earnings from continuing operations	68.8	16.5
Items not involving cash:		
Depreciation of capital assets	27.4	25.3
Amortization of intangible assets	7.6	4.5
Change in value of puttable interest in subsidiaries	4.1	5.9
Gain on sales of capital assets	-	(0.2)
Net unrealized loss (gain) on foreign currency contracts	0.7	(0.1)
Equity income in associates	(0.4)	(0.1)
Deferred revenue	(0.2)	(0.2)
Non-cash financing costs	3.6	3.7
Accretion of provisions	1.0	0.5
Deferred income taxes	15.9	34.8
	128.5	90.6
Change in non-cash working capital	21.4	(17.1)
	149.9	73.5
Discontinued operation:		
Discontinued operation (net of income taxes)	-	(4.9)
Items not involving cash	-	(1.3)
	149.9	67.3
Cash flows from (used in) financing activities:		
Long-term debt – net	(53.5)	(14.8)
Bank indebtedness and cheques outstanding	1.9	2.2
Proceeds from convertible debentures – net of issuance costs	190.1	65.7
Repayment of convertible debentures	(0.7)	(4.2)
Dividends paid to shareholders, net of dividends received from cancelled shares	(42.5)	(32.5)
Share issuance and financing costs	(0.6)	(0.3)
	94.7	16.1
Cash flows from (used in) investing activities:		
Capital asset additions	(42.8)	(29.4)
Business acquisitions	(189.2)	(43.0)
Payments to shareholders of non-wholly owned subsidiaries	(1.7)	(1.7)
Payment of provisions	(1.7)	(1.2)
Purchase of shares for employee share loans	(1.6)	(7.5)
Net change in share purchase loans and notes receivable	0.4	0.3
Distribution from associates	0.2	0.3
Net proceeds from sales of assets	0.3	0.7
Other	(0.4)	-
	(236.5)	(81.5)
Increase in cash and cash equivalents	8.1	1.9
Cash and cash equivalents – beginning of year	11.3	9.4
Cash and cash equivalents – end of year	19.4	11.3

NON-IFRS FINANCIAL MEASURES

The Company uses certain non-IFRS financial measures including adjusted EBITDA, free cash flow, adjusted earnings and adjusted earnings per share, which are not defined under IFRS and, as a result, may not be comparable to similarly titled measures presented by other publicly traded entities, nor should they be construed as an alternative to other earnings measures determined in accordance with IFRS. These non-IFRS measures are calculated as follows:

Adjusted EBITDA

(in millions of dollars)	14 weeks ended Dec 31, 2016	13 weeks ended Dec 26, 2015	53 weeks ended Dec 31, 2016	52 weeks ended Dec 26, 2015
Earnings before income taxes	28.1	19.7	94.9	54.6
Plant start-up costs	-	-	-	2.9
Depreciation of capital assets	7.3	6.4	27.4	25.3
Amortization of intangible assets	2.4	1.2	7.6	4.5
Interest and other financing costs	4.8	3.9	17.9	17.9
Acquisition transaction costs	1.1	-	1.6	0.2
Change in value of puttable interest in subsidiaries	1.6	0.7	4.1	5.9
Accretion of provisions	0.3	0.1	1.0	0.5
Unrealized loss (gain) on foreign currency contracts	-	(0.2)	0.7	(0.1)
Equity income in associates	-	(0.3)	(0.4)	(0.1)
Consolidated adjusted EBITDA	45.6	31.5	154.8	111.6

Free Cash Flow

(in millions of dollars)	53 weeks ended Dec 31, 2016	52 weeks ended Dec 26, 2015
Cash flow from operating activities	149.9	67.3
Changes in non-cash working capital	(21.4)	17.1
Acquisition transaction costs	1.6	0.2
Plant start-up costs	-	2.9
Maintenance capital expenditures	(8.6)	(6.4)
Free cash flow	121.5	81.1

Adjusted Earnings and Adjusted Earnings per Share

(in millions of dollars except per share amounts)	14 weeks ended Dec 31, 2016	13 weeks ended Dec 26, 2015	53 weeks ended Dec 31, 2016	52 weeks ended Dec 26, 2015
Earnings from continuing operations	20.0	13.5	68.8	16.5
Plant start-up costs	-	-	-	2.9
Acquisition transaction costs	1.1	-	1.6	0.2
Accretion of provisions	0.3	0.1	1.0	0.5
Additional change in puttable interest expense resulting from SJ Fine Foods minority shareholder buyout	-	-	-	3.7
Unrealized loss (gain) on foreign currency contracts	-	(0.2)	0.7	(0.1)
	21.4	13.4	72.1	23.7
Current and deferred income tax effect of above items	(0.3)	-	(0.8)	(1.1)
Non-cash write-down of deferred income tax assets resulting from CRA settlement	-	-	-	21.5
Adjusted earnings	21.1	13.4	71.3	44.1
Weighted average shares outstanding	29.7	25.5	28.8	24.4
Adjusted earnings per share	0.71	0.53	2.48	1.81

FORWARD LOOKING STATEMENTS

This press release contains forward looking statements with respect to the Company, including its business operations, strategy and financial performance and condition. These statements generally can be identified by the use of forward looking words such as "may", "could", "should", "would", "will", "expect", "intend", "plan", "estimate", "project", "anticipate", "believe" or "continue", or the negative thereof or similar variations.

Although management believes that the expectations reflected in such forward looking statements are reasonable and represent the Company's internal expectations and belief as of March 16, 2017, such statements involve unknown risks and uncertainties beyond the Company's control which may cause its actual performance and results in future periods to differ materially from any estimates or projections of future performance or results expressed or implied by such forward looking statements.

Some of the factors that could affect future results and could cause results to differ materially from those expressed in the forward-looking statements contained herein include: (i) changes in the cost of raw materials used in the production of the Company’s products; (ii) seasonal and/or weather related fluctuations in the Company’s sales; (iii) changes in consumer discretionary spending resulting from changes in economic conditions and/or general consumer confidence levels; (iv) changes in the cost of finished products sourced from third party manufacturers; (v) changes in the Company’s relationships with its larger customers; (vi) access to commodity raw materials; (vii) potential liabilities and expenses resulting from defects in the Company’s products; (viii) changes in consumer food product preferences; (ix) competition from other food manufacturers and distributors; (x) execution risk associated with the Company’s growth and business restructuring initiatives; (xi) risks associated with the Company’s business acquisition strategies; (xii) changes in the value of the Canadian dollar relative to the U.S. dollar; (xiii) new government regulations affecting the Company’s business and operations; (xiv) the Company’s ability to raise the capital needed to fund its growth initiatives; (xv) labor related issues including potential disputes with employees represented by labor unions and labor shortages; (xvi) the loss and/or inability to attract key senior personnel; (xvii) fluctuations in the interest rates associated with the Company’s funded debt; (xviii) failure or breach of the Company’s information systems; (xix) financial exposure resulting from credit extended to the Company’s customers; (xx) the malfunction of critical equipment used in the Company’s operations; (xxi) livestock health issues; (xxii) international trade issues; and (xxiii) changes in environmental, health and safety standards. Details on these risk factors as well as other factors can be found in the Company's 2016 MD&A, which is filed electronically through SEDAR and is available online at www.sedar.com.

Unless otherwise indicated, the forward looking statements in this document are made as of March 16, 2017 and, except as required by applicable law, will not be publicly updated or revised. This cautionary statement expressly qualifies the forward looking statements in this press release.