TSX: SPB

Superior Plus

October 29, 2015

Superior Plus Corp. Announces 2015 Third Quarter Results and 2016 Financial Outlook

Highlights

- For the quarter ended September 30, 2015, Superior generated adjusted operating cash flow ("AOCF") per share of $0.20 which was modestly higher than the prior year quarter of $0.18 per share and consistent with management expectations. Results for the current quarter included $0.9 million in transaction costs related to the Canexus Corporation ("Canexus") acquisition.
- On October 6, 2015, Superior announced it had entered into an arrangement agreement with Canexus to acquire all the issued and outstanding common shares of Canexus by way of a court approved plan of arrangement (the "Arrangement"). Under terms of the Arrangement, Canexus shareholders will receive 0.153 of a Superior common share for each Canexus common share, representing the equivalent of $1.70 per Canexus share based on the 20-day volume weighted-average-price ("VWAP") of the Superior shares and Canexus shares on the Toronto Stock Exchange as of October 5, 2015. Based on the 20-day VWAP, the exchange ratio of 0.153 implies a total equity value of $316.0 million on a fully-diluted basis and an enterprise value of $932.0 million. The transaction is subject to receipt of regulatory approval, Canexus shareholder approval and the satisfaction of certain other commercial conditions. Superior anticipates that the transaction will close in the first half of 2016. Upon closing of the transaction, Superior anticipates total debt to EBITDA will be approximately 4.1X before any one-time transaction costs.
- Superior's Board of Directors has approved the reinstatement of the Dividend Reinvestment Program and Optional Share Purchase Program ("DRIP") and subject to receipt of regulatory approvals, it will commence with the payment of the December 2015 dividend payable January 15, 2016. Proceeds from the DRIP will be used for debt reduction and general corporate purposes. The DRIP will provide Superior's shareholders with the opportunity to reinvest their cash dividends in the future growth of the business at a 4% discount to the market price of Superior's common shares.
- On October 28, 2015 Superior closed the issue of 13.9 million common shares at a price of $10.35 per common share (the "offering"). The net proceeds for the issue including the full exercise of the over-allotment option granted to the underwriters, issue costs and commissions are approximately $138.0 million. Proceeds from the offering were used to reduce indebtedness and for general corporate purposes.
- Superior's 2015 financial outlook of AOCF per share has been confirmed at $1.65 to $1.85. The 2015 financial outlook does not include Canexus transaction related costs and costs related to Superior's corporate office relocation. See "2015 and 2016 Financial Outlook" for additional details.
- Superior is introducing its 2016 financial outlook of AOCF per share of $1.50 to $1.80. The 2016 financial outlook includes 13.9 million additional common shares issued under the offering which represents $0.20 per share of dilution and Construction Products Distribution ("CPD") estimated IT one-time integration costs of $7.0 million, and excludes estimated regulatory costs of $7.0 million related to the Canexus acquisition. In addition, Superior anticipates being in the targeted leverage range of 3.0X to 3.5X at December 31, 2016. The 2016 financial outlook and anticipated December 31, 2016 leverage does not include the impact of the Canexus acquisition. See "2015 and 2016 Financial Outlook" and "Debt Management Update" for additional details.
- Superior's total debt to EBITDA at September 30, 2015 was 3.3X. Superior's debt levels as at September 30, 2015 were impacted by a decrease in working capital requirements related to lower commodity prices and timing of vendor payments. Superior anticipates being within the targeted total debt to EBITDA range of 3.0X

to 3.5X as at December 31, 2015 as the proceeds of the offering were used to reduce indebtedness. See "Debt Management Update" for additional details.

- Energy Services results for the third quarter were higher than the prior year quarter and consistent with management's expectations. Third quarter results were higher than the prior year quarter due principally to improved supply portfolio management gross profits. Retail propane and heating oil gross profits benefitted from a lower wholesale cost of propane and heating oil in the current year quarter compared to the prior year quarter. Business improvement and cost reduction initiatives throughout the Energy Services business continue to track consistent with management's expectations.
- Specialty Chemicals results for the third quarter were lower than the prior year quarter but consistent with management's expectations. Sodium chlorate gross profits were lower than the prior year quarter due primarily to reduced sales volumes. Sales volumes were lower due to the reduction in the nomination of volume under the Tronox LLC ("Tronox") supply agreement related to weaker North American pulp mill demand and a decrease in export volumes. Chloralkali gross profits were lower than the prior year quarter due primarily to reduced hydrochloric acid pricing.
- The CPD business results were higher than the prior year quarter and consistent with management's expectations. Third quarter results were impacted by ongoing volume and margin improvements in U.S. markets, the impact of a stronger U.S. dollar and modestly higher Canadian results.

Third Quarter Financial Summary

	Three months ended September 30		Nine months ended September 30	
(millions of dollars except per share amounts)	**2015**	2014	**2015**	2014
Revenue	**750.2**	841.4	**2,500.7**	3,019.1
Gross profit	**190.4**	188.4	**672.9**	674.6
EBITDA from operations [(1)(2)]	**42.1**	42.8	**197.1**	209.2
Interest expense	**(11.6)**	(12.8)	**(37.0)**	(37.3)
Corporate costs	**(4.2)**	(6.9)	**(14.0)**	(17.7)
Cash income tax expense	**(0.7)**	(0.4)	**(2.0)**	(1.3)
Adjusted operating cash flow before restructuring costs	**25.6**	22.7	**144.1**	152.9
Restructuring costs	**-**	-	**-**	(11.1)
Adjusted operating cash flow	**25.6**	22.7	**144.1**	141.8
Adjusted operating cash flow per share before restructuring costs, basic [(1)(2)(3)]	**$0.20**	$0.18	**$1.14**	$1.21
Adjusted operating cash flow per share before restructuring costs, diluted [(1)(2)(3)]	**$0.20**	$0.18	**$1.14**	$1.18
Adjusted operating cash flow per share, basic [(1)(2)(3)]	**$0.20**	$0.18	**$1.14**	$1.12
Adjusted operating cash flow per share, diluted [(1)(2)(3)]	**$0.20**	$0.18	**$1.14**	$1.10
Dividends paid per share	**$0.18**	$0.15	**$0.54**	$0.45

(1) EBITDA from operations and adjusted operating cash flow are key performance measures used by management to evaluate the performance of Superior. These measures are defined under "Non-GAAP Financial Measures" in Superior's 2015 third quarter Management's Discussion and Analysis ("MD&A").

(2) The weighted average number of shares outstanding for the three months ended September 30, 2015 was 126.7 million (2014 – 126.2 million) and for the nine months ended September 30, 2015 was 126.5 million (2014 – 126.2 million).

(3) See "Supplemental Financial Information" for additional details on diluted per share amounts.

Segmented Information

(millions of dollars)	**Three months ended September 30** **2015**	2014	**Nine months ended September 30** **2015**	2014
EBITDA from operations:				
Energy Services	**13.8**	4.8	**111.6**	104.4
Specialty Chemicals	**16.1**	27.3	**56.6**	81.6
Construction Products Distribution	**12.2**	10.7	**28.9**	23.2
	42.1	42.8	**197.1**	209.2

Comparable GAAP Financial Information [(1)]

(millions of dollars except per share amounts)	**Three months ended September 30** **2015**	2014	**Nine months ended September 30** **2015**	2014
Net earnings (loss)	**(36.2)**	(42.4)	**(5.1)**	13.6
Net earnings (loss) per share basic	**$(0.29)**	$(0.34)	**$(0.04)**	$0.11
Net earnings (loss) per share diluted	**$(0.32)**	$(0.34)	**$(0.04)**	$0.11
Net cash flows from operating activities	**91.9**	69.2	**291.9**	241.8
Net cash flows from operating activities per share basic	**$0.73**	$0.55	**$2.31**	$1.92
Net cash flows from operating activities per share diluted	**$0.73**	$0.55	**$2.31**	$1.85

(1) See "Non-GAAP Financial Measures" in Superior's 2015 third quarter MD&A for additional details.

Energy Services

- EBITDA from operations for the third quarter was $13.8 million compared to $4.8 million in the prior year quarter.
- The Canadian propane business generated gross profit of $48.2 million in the third quarter compared to $49.9 million in the prior year quarter as higher average sales margins were offset by a reduction in sales volumes.
- Canadian propane average sales margins were 23.1 cents per litre in the third quarter compared to 21.7 cents per litre in the prior year quarter. Average sales margins in the third quarter of 2015 benefitted from a low price environment for the wholesale cost of propane, improved sales mix and the impact of ongoing pricing management initiatives. The low wholesale cost of propane is due largely to the reduced price of crude oil as compared to the prior year period and higher than average historical North American propane inventory levels. Historically, a low price environment for propane is conducive to higher margins. Superior anticipates that propane margins will moderate in the fourth quarter of 2015 as the spread between retail pricing and the wholesale cost of propane normalize.
- Canadian propane distribution sales volumes were 9% lower than the prior year quarter due to reduced industrial, commercial and agriculture sales volumes. Industrial sales volumes were impacted by weaker oil field sales volumes due to reduced customer activity as a result of the decline in crude oil prices. Commercial sales volumes were negatively impacted by economic conditions, including the indirect impact from the decline in crude oil prices, and the timing of first tank fills for the upcoming heating season. Agriculture sales volumes were impacted by drier weather in Western Canada and a slow start to the crop drying activities in Ontario.
- Average weather across Canada, as measured by degree days, for the third quarter was 2% warmer than the prior year and 6% colder than the 5-year average. Due to the seasonal nature of heating related volumes, weather in the third quarter does not typically have a material impact on the majority of end-use sales volumes.
- The U.S. refined fuels business generated gross profits of $22.7 million in the third quarter compared to $19.0 million in the prior year quarter. Gross profits benefitted from improved average sales margins and modestly higher sales volumes.
- U.S. refined fuels average sales margin of 6.6 cents per litre in the third quarter was higher than the prior year quarter of 5.7 cents per litre. Average sales margins in the third quarter were impacted by the stronger U.S. dollar on the translation of revenue and gross profit, offset in part by a less favourable sales mix.

- Sales volumes within the U.S. refined fuels business were modestly higher than the prior year quarter due to increased wholesale business and commercial sales volumes, partially offset by a decrease in retail propane and heating oil related to warmer temperatures.
- Average weather for the U.S. refined fuel business, as measured by degree days, for the third quarter was 53% warmer than the prior year and 50% warmer than the 5-year average. Similar to the Canadian propane business, the impact of weather on the third quarter results is typically not material due to the seasonal nature of heating related volumes.
- The supply portfolio management business generated gross profits of $12.5 million in the third quarter compared to $1.4 million in the prior year quarter. Gross profits in the current year quarter were impacted by a new long-term supply agreement for propane, improved basis differentials and improved market conditions relative to the prior year quarter.
- The fixed-price energy services business generated gross profits of $3.2 million compared to $3.5 million in the prior year quarter. Natural gas and electricity gross profits were consistent with the prior year quarter.
- Operating expenses were $80.5 million in the third quarter compared to $78.4 million in the prior year quarter. Operating expenses compared to the prior year quarter were impacted by a stronger U.S. dollar on the translation of U.S. denominated expenses. Operating costs continue to be positively impacted by the implementation of *The Superior Way* business process initiatives and reduced headcount.
- Superior continues to make excellent progress on sustainably reducing the cost structure of its Energy Services business as part of its ongoing expense reduction initiatives, including the implementation of *The Superior Way* project, which was successfully implemented across all operating regions in the second half of 2014. Superior anticipates seeing ongoing improvements in the cost structure relative to the prior year quarter, in particular the Canadian propane business throughout 2015.
- EBITDA from operations for 2015 for the Energy Services business is anticipated to be consistent to modestly higher than in 2014, consistent with the forecast provided in the second quarter of 2015. EBITDA from the Canadian propane and U.S. refined fuels businesses will benefit from ongoing operational improvements. Operating costs as a percentage of gross profits are anticipated to benefit from a full year run rate of business initiatives and *The Superior Way* project, offset in part, by the impact of reduced oil field gross profits. Gross profits in the Canadian Propane and U.S. refined fuels businesses are anticipated to be consistent with 2014 with the exception of industrial related gross profits in the Canadian propane business. Superior is forecasting a modest reduction in gross profits related to oil and gas sales volumes within the Canadian propane business as a result of ongoing volatility in crude oil. Gross profit from the supply portfolio management business is anticipated to be higher than in 2014 and gross profit from the fixed-price energy business will be higher in 2015 than in 2014 due to the absence of balancing losses resulting from commodity price volatility. Average weather, as measured by degree days, for the remainder of 2015 is anticipated to be consistent with the 5-year average period. Operating conditions for 2015 are anticipated to be similar to 2014 with the exception of the decline in the wholesale cost of propane which Superior anticipates will persist throughout 2015.
- EBITDA from operations for 2016 for the Energy Services business is anticipated to be consistent to modestly higher than in 2015. EBITDA from the Canadian propane business will benefit from ongoing operational improvements and improved sales and marketing initiatives. U.S. refined fuels will benefit from the impact of a stronger U.S. dollar on the translation of U.S. denominated EBITDA. Gross profits in the Canadian propane and U.S. refined fuels businesses are anticipated to be consistent to modestly higher than 2015. Gross profit from the supply portfolio business is anticipated to be higher than 2015 due to the impact of improved supply agreements and execution of procurement initiatives. Gross profit from the fixed-price energy business will be modestly lower than 2015 due to a wind-down of the business. Average weather, as measured by degree days, for 2016 is anticipated to be consistent with the 5-year average period. Operating conditions for 2016 are anticipated to be similar to 2015.

Specialty Chemicals

- EBITDA from operations for the third quarter was $16.1 million compared to $27.3 million in the prior year quarter. EBITDA from operations for the third quarter excluding foreign exchange hedging losses was $29.2 million compared to $30.6 million in the prior year quarter
- Sodium chlorate gross profits were lower than the prior year quarter due primarily to reduced sales volumes. Sodium chlorate sales volumes were 9% lower than the prior year quarter due to reduced North American pulp mill customer demand and lower export shipments. Compared to the second quarter of 2015, chlorate volumes were 13% higher as pulp mill customers returned to normalized operating rates after maintenance programs were completed throughout the second quarter of 2015. Gross margin per tonne was modestly higher than the prior year due primarily to the reduction in Tronox volumes compared to the prior quarter.
- As previously disclosed, Specialty Chemicals has provided notification that it will not be nominating any volume for fiscal 2016 related to its 130,000MT sodium chlorate supply agreement with Tronox. During the second quarter, Tronox provided formal notification to Superior that it will be commencing with a decommissioning of the facility upon completion of Superior's 2015 supply requirements. The decommissioning of the facility will result in the acceleration of certain fees, requiring Superior to make a payment to Tronox of approximately US $3.3 million in the first quarter of 2016.
- Chloralkali gross profits were lower than the prior year quarter due to a decrease in realized hydrochloric acid sales prices, increased low margin chlorine volumes and increased transportation costs. Hydrochloric acid pricing continues to be negatively impacted by reduced demand from the oil and gas industry. In addition to the impact of selling prices, chloralkali gross margins were negatively impacted by modestly lower potassium hydroxide sales volumes and higher electricity costs.
- Operating expenses of $39.6 million were $2.4 million higher than the prior year quarter due to the impact of a stronger U.S. dollar on the translation of U.S. denominated expenses and general inflationary increases.
- Superior expects EBITDA from operations for 2015 to be approximately $27 million lower than in 2014, which is consistent with the updated guidance provided in the second quarter. Sodium chlorate gross profits are anticipated to be consistent with guidance provided in the second quarter with lower volumes partially offset by improved average selling prices. The reduction in sodium chlorate sales volumes is due largely to higher than normal maintenance downtime in the second quarter, lower North American pulp mill demand and lower export shipments. Chloralkali gross profits are anticipated to be consistent with the guidance provided in the second quarter as Superior continues to forecast weakness in hydrochloric acid sales volumes and pricing for the remainder of 2015. Since the first quarter of 2015, there has been a significant reduction in demand for hydrochloric acid impacting sales volumes and average realized prices. Sales prices and sales volumes of caustic and chlorine are consistent with the previously provided forecast and are anticipated to be modestly higher than the prior year. Supply and demand fundamentals in the chloralkali markets in which Superior operates are anticipated to remain similar to 2014 with the exception of hydrochloric acid as noted above.
- Superior expects EBITDA from operations for 2016 to be consistent with 2015 due to continued weakness in the chloralkali segment as a result of lower hydrochloric acid pricing and volumes, offset in part by improved EBITDA from sodium chlorate. Hydrochloric sales prices are anticipated to be consistent and volumes are anticipated to be lower due to reduced demand related to the decline in oilfield activity experienced in 2015 and anticipated to continue into 2016. Sodium chlorate gross profits are anticipated to be consistent to modestly lower due to an increase in electricity costs, offset in part by an increase in average realized prices. Sodium chlorate operating expenses are anticipated to be lower due to the termination of the Tronox supply agreement. The positive impact of improved foreign exchange hedging rates will be fully offset by the continued weakness in the chloralkali market.

Construction Products Distribution

- EBITDA from operations for the third quarter was $12.2 million compared to $10.7 million in the prior year quarter. EBITDA from operations for the third quarter excluding foreign exchange hedging losses was $13.7 million compared to $10.9 million in the prior year quarter.
- Total gross profit of $61.0 million was $6.7 million higher than the prior year quarter due to improved sales volumes, higher average selling prices and sales margins and the impact of a stronger U.S. dollar.
- Gypsum revenues were higher than the prior year quarter due to improved U.S. sales volumes as a result of ongoing improvements in the U.S. residential construction sector, higher average selling prices and the impact of a stronger U.S. dollar on the translation of U.S. denominated revenues. Average sales margins in the U.S. were higher than the prior year quarter due to ongoing pricing and procurement initiatives and improved market conditions, which more than offset the impact of a higher mix of large industrial projects. Canadian revenues were modestly lower than the prior year quarter due to competitive pressures and continued weakness in Canadian construction activity which was partially offset by a modest increase in gross margins due to pricing initiatives.
- Commercial and industrial insulation ("C&I") revenues increased over the prior year quarter due to the impact of a stronger U.S. dollar on the translation of U.S. denominated revenues. Excluding the impact of foreign exchange, C&I revenue was down 7% compared to the prior year quarter due primarily to the slowdown in upstream oil and gas projects in Canada and the western U.S. C&I gross margins were modestly higher than the prior year quarter.
- Operating expenses for the third quarter were $48.8 million compared to $43.6 million in the prior year quarter. Operating costs were impacted by higher sales volumes and the impact of a stronger U.S. dollar on the translation of U.S. denominated expenses. Operating expenses as a percentage of sales were lower than the prior year.
- CPD has continued to make significant progress on the systems integration project that will replace two legacy ERP systems with a single, standardized solution. The updated system will provide enhanced procurement, pricing and operational effectiveness, enabling CPD to further improve margins and operating costs once complete. CPD anticipates that the project will be completed over the next two years at a total cost of approximately US$22.0 million which is split between capital investment of US$14.5 million and one-time operating costs of US$7.5 million (US$2.1 million 2015 and US$5.4 million 2016). Total costs incurred to date are US$5.8 million consisting of US$4.7 million in capital and US$1.1 million in operating expense.
- Superior anticipates that EBITDA from operations in 2015 will be higher than in 2014 due to continued improvements in the U.S. residential market, the product expansion of drywall into ceiling-only branches and benefits resulting from ongoing pricing and procurement initiatives. Superior anticipates that the U.S. commercial market will be modestly improved in 2015 compared to 2014 and that the Canadian residential market will continue to be challenging.
- Superior anticipates that EBITDA from operations in 2016 will be consistent with 2015 as continued improvements in the U.S. residential market, benefits resulting from ongoing pricing and procurement initiatives and improvements in the industrial market will be offset by the system integration project costs. As previously discussed, in 2016 Superior will incur US$5.4 million (CAD $7.0 million) in one-time operating costs related to the implementation and roll out of the system integration project. Superior anticipates that the U.S. commercial market will be modestly improved in 2016 compared to 2015 and that the Canadian residential, commercial and industrial markets will continue to be challenging.

Corporate Related

- Interest expense for the third quarter was $11.6 million compared to $12.8 million in the prior year quarter. Interest expense was lower than the prior year quarter due to lower average interest rates and lower average debt levels. Superior's average interest rate was positively impacted by settlements on interest rate swaps which more than offset the impact of higher rates due to Superior's 7-year, $200 million, 6.50% senior unsecured note offering which closed on December 9, 2014. Superior anticipates that interest costs will be consistent with the prior year for the fourth quarter of 2015 due to reduced debt levels and lower effective interest rates.
- Corporate costs were $4.2 million in the third quarter which was $2.7 million lower than the prior year quarter. The decrease in corporate costs is due primarily to reduced long-term incentive plan costs relative to the prior year quarter as a result of fluctuations in Superior's share price and the prior year quarter included one-time costs associated with the potential CPD sales process ($3.2 million), offset in part by costs in the current quarter related to the acquisition of Canexus and the relocation of Superior's corporate office.
- Superior's total debt (including convertible debentures) to Compliance EBITDA before restructuring costs was 3.3X as at September 30, 2015 (3.3X after restructuring costs) compared to 3.5X as at December 31, 2014 (3.6X after restructuring costs). The reduction in leverage is due to lower debt levels as a result of reduced working capital requirements. See "Debt Management Update" for additional details.
- Superior's Board of Directors has approved the reinstatement of the DRIP and subject to receipt of regulatory approvals, it will commence with the payment of the December 2015 dividend payable January 15, 2016. Proceeds from the DRIP will be used for debt reduction and general corporate purposes. The DRIP will provide Superior's shareholders with the opportunity to reinvest their cash dividends in the future growth of the business at a 4% discount to the market price of Superior's common shares. Under the terms of the DRIP, eligible shareholders of Superior may elect to automatically reinvest their regular monthly dividends in additional common shares of Superior, without incurring any commissions, service charges or brokerage fees. Shareholders who elect to reinvest cash dividends under the DRIP will receive common shares at a price (the Average Market Price) equal to the average closing price of the common shares on the Toronto Stock Exchange for the five day trading period ending on the business day immediately prior to the dividend payment date. The price of the common shares purchased with reinvested dividends will be 96% of the Average Market Price. Participation in Superior's DRIP program was approximately 20% when it was active in prior years.
- As announced on October 27, 2015, Ms. Beth Summers will assume the Chief Financial Officer role effective November 23, 2015. Mr. Bingham will continue at Superior to assist with an orderly transition until his retirement at the end of the year.
- On October 6, 2015, in conjunction with Superior's announcement of its acquisition of Canexus, Standard & Poor's confirmed Superior Plus Corp.'s corporate credit rating as BB and Superior Plus LP's senior secured debt rating as BBB- and Superior Plus LP's senior unsecured debt rating as BB. The outlook for the long-term corporate rating was revised to negative.
- On October 6, 2015, in conjunction with Superior's announcement of its acquisition of Canexus, DBRS confirmed Superior Plus Corp.'s corporate credit rating as BB high (under review with negative implications), Superior Plus LP's senior secured rating as BB high (under review with negative implications) and Superior Plus LP's senior unsecured debt rating as BB low (under review with negative implications).

Foreign Currency Hedging Contracts

Superior's foreign currency hedging contracts for the 2015 fiscal year were entered into in prior years when the Canadian dollar was stronger relative to the U.S. dollar. Beginning in 2016, lower value foreign currency hedging contracts expire and Superior's effective U.S. exchange rate is expected to improve.

The impact of these contracts are embedded in the divisional results as stated in the MD&A. Below is a table that summarizes the impact of the realized losses to the divisional results related to the foreign currency hedging contracts.

(millions of dollars)	Three months ended September 30 2015				Three months ended September 30 2014			
	Energy Services	**Specialty Chemicals**	**Construction Products Distribution**	**Total**	**Energy Services**	**Specialty Chemicals**	**Construction Products Distribution**	**Total**
EBITDA from operations[1]	**13.8**	**16.1**	**12.2**	**42.1**	4.8	27.3	10.7	42.8
Realized losses on foreign currency hedging contracts	**–**	**13.3**	**1.5**	**14.8**	–	3.3	0.3	3.6
EBITDA from operations before realized losses on foreign currency hedging contracts	**13.8**	**29.4**	**13.7**	**56.9**	4.8	30.6	11.0	46.4

(1) EBITDA from operations is a Non-GAAP financial measure. See "Non-GAAP Financial Measures" and "Reconciliation of Net Earnings to EBITDA from Operations".

(millions of dollars)	Nine months ended September 30 2015				Nine months ended September 30 2014			
	Energy Services	**Specialty Chemicals**	**Construction Products Distribution**	**Total**	**Energy Services**	**Specialty Chemicals**	**Construction Products Distribution**	**Total**
EBITDA from operations[1]	**111.6**	**56.6**	**28.9**	**197.1**	104.4	81.6	23.2	209.2
Realized losses on foreign currency hedging contracts	**4.6**	**28.3**	**3.1**	**36.0**	1.9	8.8	0.8	11.5
EBITDA from operations before realized losses on foreign currency hedging contracts	**116.2**	**84.9**	**32.0**	**233.1**	106.3	90.4	24.0	220.7

(1) EBITDA from operations is a Non-GAAP financial measure. See "Non-GAAP Financial Measures" and "Reconciliation of Net Earnings to EBITDA from Operations".

A summary of Superior's U.S. dollar forward contracts for 2015 and beyond is provided in the table below.

(US$ millions except exchange rates)	**2015**	**2016**	**2017**	**2018**	**2019**	**2020 and later**	**Total**
Net US$ forward sales	47.4	184.5	146.3	96.0	48.0	–	522.2
Net average external US$/CDN$ exchange rate	1.00	1.10	1.15	1.20	1.20	–	1.13

For additional details on Superior's financial instruments, including the amount and classification of gains and losses recorded in Superior's third quarter condensed consolidated financial statements, summary of fair values, notional balances, effective rates and terms, and significant assumptions used in the calculation of the fair value of Superior's financial instruments, see Note 14 to the unaudited condensed consolidated financial statements.

CRA Income Tax Update

On April 2, 2013, Superior received, from the CRA, Notices of Reassessment for Superior's 2009 and 2010 taxation years reflecting the CRA's intent to challenge the tax consequences of the Conversion. On November 7, 2014 and September 9, 2015 Superior received the Notices of Reassessment for the 2011 to 2013 and 2014 taxation years. The CRA's position is based on the acquisition of control rules and the general anti-avoidance rules in the *Income Tax Act* (Canada).

The table below summarizes Superior's estimated tax liabilities and payment requirements associated with the received and anticipated Notices of Reassessment. Upon receipt of the Notices of Reassessment, 50% of the taxes payable pursuant to such Notices of Reassessment, must be remitted to the CRA.

Taxation Year	Taxes Payable [1][2]	50% of the Taxes Payable [1][2]	Month/year - paid/payable
2009/2010	$13.0	$6.5	April 2013
2011	$12.8	$6.4	February 2015
2012	$8.8	$4.4	February 2015
2013	$9.4	$4.7	February 2015
2014	$16.0 [3]	$8.0	2015
2015	$16.0 [3]	$8.0	2016
Total	**$76.0**	**$38.0**	

[1] In millions of dollars.
[2] Includes estimated interest and penalties.
[3] Estimated based on Superior's previously filed tax returns, 2014 results and the midpoint of Superior's 2015 financial outlook.

On May 8, 2013 and August 7, 2013, respectively, Superior filed a Notice of Objection and a Notice of Appeal with respect to the Notice of Reassessments received on April 2, 2013. On February 4, 2015, Superior filed a Notice of Objection with respect to the Notice of Reassessments received on November 7, 2014. Superior anticipates that if the case proceeds in the Tax Court of Canada, the case could be heard within two years, with a decision rendered six to twelve months after completion of the court hearings. If a decision of the Tax Court of Canada were to be appealed, the appeal process could reasonably be expected to take an additional two years. If Superior receives a positive decision then any taxes, interest and penalties paid to the CRA will be refunded plus interest, and if Superior is unsuccessful, then any remaining taxes payable plus interest and penalties will have to be remitted to the CRA and Superior would not be able to use the tax attributes from the Conversion.

Superior remains confident in the appropriateness of its tax filing position and the expected tax consequences of the Conversion and currently intends to vigorously defend such position and to file its future tax returns on a basis consistent with its view of the outcome of the Conversion.

Interim tax payments made by Superior will be recorded to the balance sheet and will not materially impact either adjusted operating cash flow or net earnings.

Based on the midpoint of Superior's 2015 financial outlook of AOCF per share of $1.75, if the tax pools from the Conversion were not available to Superior, the impact would be an increase to cash income taxes of approximately $16.0 million or $0.12 per share for 2015. As previously stated, Superior intends to file its future income tax returns on a basis consistent with its view of the outcome of the Conversion.

2015 and 2016 Financial Outlook

Superior expects 2015 AOCF per share of $1.65 to $1.85, consistent with the financial outlook provided at the end of the second quarter of 2015. Superior's 2015 financial outlook is stated before the impact of regulatory costs related to the acquisition of Canexus and costs related to Superior's corporate office relocation.

Superior's 2016 financial outlook is presented without the impact of the acquisition of Canexus due to the fact that the closing date is not yet known. Upon successfully closing the acquisition, Superior will update its 2016 financial outlook, including the forecasted debt and total leverage levels.

Superior is introducing its 2016 financial outlook of AOCF per share of $1.50 to $1.80. In addition to the background provided in the individual business financial outlook sections, key elements of the 2016 financial outlook include:

- The 2016 financial outlook includes 13.9 million additional common shares issued under the offering which represents $0.20 per share of dilution;
- The 2016 financial outlook includes CPD IT one-time integration costs of $7.0 million or $0.05 per share;
- The 2016 financial outlook excludes Canexus regulatory costs of $7.0 million;
- Continued improvements in operational efficiencies and sales and marketing initiatives in Energy Services;
- Continued improvements in end-use markets in the U.S. for CPD; and
- Specialty Chemicals results will be consistent with 2015 as operating conditions are anticipated to be similar to 2015.

For additional details on the assumptions underlying the 2015 and 2016 financial outlook, see Superior's 2015 third quarter MD&A.

Debt Management Update

Superior remains focused on managing both its total debt and its total debt to EBITDA. Superior is currently forecasting a total debt to EBITDA ratio at December 31, 2015 of 3.0X to 3.4X compared to the previously provided range of 3.4X to 3.8X forecast at the second quarter of 2015, and within Superior's targeted leverage range of 3.0X to 3.5X. The change to Superior's forecasted debt and leverage levels is due to proceeds from the equity issuance being used to reduce indebtedness and a decrease in anticipated working capital levels.

Superior's total debt (including convertible debentures) to Compliance EBITDA before restructuring costs was 3.3X as at September 30, 2015 (3.3X after restructuring costs), lower than the 3.5X as at December 31, 2014 (3.6X after restructuring costs). Debt levels and the total leverage ratio as at September 30, 2015 were lower than December 31, 2014 levels due to debt repayment as a result of a decrease in working capital requirements and year to date free cash flow generation. Superior continues to focus on reducing its total leverage through ongoing debt reduction, including reducing working capital requirements and improving business operations.

Superior is currently forecasting a total debt to EBITDA ratio at December 31, 2016 of 3.1X to 3.5X which would maintain Superior within its targeted leverage range of 3.0X to 3.5X. Superior's anticipated debt repayment for 2016 and total debt to EBITDA leverage ratio as at December 31, 2016 is based on Superior's 2016 financial outlook, which does not include the acquisition of Canexus and is detailed in the chart below.

	Dollar Per Share	Millions of Dollars
2016 financial outlook AOCF per share before non-recurring costs - midpoint[1]	1.65	234.0
Canexus regulatory costs	(0.05)	(7.0)
AOCF after Canexus regulatory costs	1.60	227.0
Maintenance capital expenditures, net	(0.33)	(47.0)
Investment in chlorine railcars due to regulatory changes	(0.09)	(13.0)
Capital lease obligation repayments	(0.18)	(25.0)
Cash flow available for growth capital and dividends	1.00	142.0
Growth capital	(0.21)	(30.0)
Growth capital - CPD & USRF IT system capital costs	(0.12)	(17.0)
Tax payments to CRA (50%)	(0.05)	(7.0)
Estimated 2016 free cash flow available for dividends and debt repayment	0.62	88.0
Estimated Proceeds from the DRIP [2]	0.14	20.0
Dividends	(0.72)	(102.0)
Estimated reduction in debt	0.04	6.0
Estimated total debt to EBITDA as at December 31, 2016	3.1X – 3.5X	3.1X – 3.5X
Dividends	0.72	102.0
Calculated payout ratio after maintenance capital, CRA payments and capital lease repayments [3]		61%

(1) See "Financial Outlook" in Superior's 2015 third quarter MD&A for additional details including assumptions, definitions and risk factors.
(2) Superior's Board of Directors has approved the reinstatement of the DRIP and subject to receipt of regulatory approvals, it will commence with the payment of the December 2015 dividend payable January 15, 2016. The DRIP will provide Superior's shareholders with the opportunity to reinvest their cash dividends in the future growth of the business at a 4% discount to the market price of Superior's common shares. Participation in Superior's DRIP program was approximately 20% when it was active in prior years.
(3) Dividend payout ratio net of estimated proceeds from the DRIP program and excludes growth capital.

2015 Detailed Third Quarter Results

Superior's 2015 Third Quarter Management's Discussion and Analysis is attached and is also available on Superior's website at www.superiorplus.com under the Investor Relations section.

2015 Third Quarter Conference Call

Superior will be conducting a conference call and webcast for investors, analysts, brokers and media representatives to discuss the 2015 Third Quarter Results at 10:30 a.m. EST on Friday, October 30, 2015. To participate in the call, dial:1-800-396-7098. An archived recording of the call will be available for replay until midnight, December 30, 2015. To access the recording, dial: 1-800-408-3053 and enter pass code 3968319 followed by the # key. Internet users can listen to the call live, or as an archived call, on Superior's website at www.superiorplus.com.

Supplemental Financial Information

Diluted AOCF Per Share

There were no dilutive instruments for the three months and nine months ended September 30, 2015 and the three months ended September 30, 2014. For the nine months ended September 30, 2014, the dilutive impact of the 7.50%, October 31, 2016 convertible debentures was 6.6 million shares (132.8 million total shares on a dilutive basis) with a resulting impact on AOCF before restructuring costs of $4.2 million ($157.1 million total on a dilutive basis) and on AOCF of $4.2 million ($146.0 million total on a dilutive basis).

Forward Looking Information

Certain information included herein is forward-looking information within the meaning of applicable Canadian securities laws. Forward-looking information may include statements regarding the objectives, business strategies to achieve those objectives, expected financial results (including those in the area of risk management), economic or market conditions, and the outlook of or involving Superior, Superior LP and its businesses. Such information is typically identified by words such as “anticipate”, “believe”, “continue”, “could”, “estimate”, “expect”, “plan”, “intend”, “forecast”, “future”, “guidance”, “may”, “predict”, “project”, “should”, “strategy”, “target”, “will” or similar expressions suggesting future outcomes.

Forward-looking information in this document includes: future financial position, consolidated and business segment outlooks, expected EBITDA from operations, expected adjusted operating cash flow (AOCF) and adjusted operating cash flow per share, expected leverage ratios and debt repayment, debt management update, reinstatement of the DRIP, expectations in terms of the cost of operations, capital spend and maintenance and the variability of these costs, timing, costs and benefits of restructuring activities, nomination of sodium chlorate volumes under supply agreements and the related costs and potential benefits, future supply and demand fundamentals for North American sodium chlorate, business strategy and objectives, development plans and programs, business expansion and cost structure and other improvement projects, expected product margins and sales volumes, expected timing of commercial production and the costs and benefits associated therewith, anticipated timing and impact of Tronox zero nomination for 2016, market conditions in Canada and the U.S., expected tax consequences of the Conversion, the challenge by the CRA of the tax consequences of the Conversion (and the expected timing and impact of such process including any payment of taxes and the quantum of such payments), future income taxes, the impact of proposed changes to Canadian tax legislation or U.S. tax legislation, future economic conditions, future exchange rates, exposure to such rates and incremental earnings associated with such rates, dividend strategy, payout ratio, expected weather, expectations in respect to the global economic environment, our trading strategy and the risk involved in these strategies, the impact of certain hedges on future reported earnings and cash flows, commodity prices and costs, the impact of contracts for commodities, demand for propane, heating oil and similar products, demand for chemicals including sodium chlorate and chloralkali, effect of operational and technological improvements, anticipated costs and benefits of business enterprise system upgrade plans, future working capital levels, estimated CPD IT integration costs, expected governmental regulatory regimes and legislation and their expected impact on regulatory and legislative compliance costs, expectations for the outcome of existing or potential legal and contractual claims, our ability to obtain financing on acceptable terms, anticipated relocation costs, anticipated leverage and leverage ratios related to the acquisition of Canexus, estimated regulatory costs, expected use of proceeds from the offering, expected closing of the transaction, anticipated benefits of the acquisition of Canexus, expected life of facilities and statements regarding net working capital and capital expenditure requirements of Superior or Superior Plus LP.

Forward-looking information is provided for the purpose of providing information about management’s expectations and plans about the future and may not be appropriate for other purposes. Forward-looking information herein is based on various assumptions and expectations that Superior believes are reasonable in the circumstances. No assurance can be given that these assumptions and expectations will prove to be correct. Those assumptions and expectations are based on information currently available to Superior, including information obtained from third party industry analysts and other third party sources, and the historic performance of Superior’s businesses. Such assumptions include anticipated financial performance, current business and economic trends, the amount of future dividends paid by Superior, business prospects, availability and utilization of tax basis, regulatory developments, currency, exchange and interest rates, trading data, cost estimates, our ability to obtain financing on acceptable terms, the assumptions set forth under the “Financial Outlook” sections of our third quarter MD&A and are subject to the risks and uncertainties set forth below.

By its very nature, forward-looking information involves numerous assumptions, risks and uncertainties, both general and specific. Should one or more of these risks and uncertainties materialize or should underlying assumptions prove incorrect, as many important factors are beyond our control, Superior's or Superior LP's actual performance and financial results may vary materially from those estimates and intentions contemplated, expressed or implied in the forward-looking information. These risks and uncertainties include incorrect assessments of value when making acquisitions, increases in debt service charges, the loss of key personnel, fluctuations in foreign currency and exchange rates, inadequate insurance coverage, liability for cash taxes, counterparty risk, compliance with environmental laws and regulations, reduced customer demand, operational risks involving our facilities, force majeure, labour relations matters, our ability to access external sources of debt and equity capital, and the risks identified in (i) our MD&A under the heading "Risk Factors" and (ii) Superior's most recent Annual Information Form. The preceding list of assumptions, risks and uncertainties is not exhaustive.

When relying on our forward-looking information to make decisions with respect to Superior, investors and others should carefully consider the preceding factors, other uncertainties and potential events. Any forward-looking information is provided as of the date of this document and, except as required by law, neither Superior nor Superior LP undertakes to update or revise such information to reflect new information, subsequent or otherwise. For the reasons set forth above, investors should not place undue reliance on forward-looking information.

For more information about Superior, visit our website at www.superiorplus.com or contact:

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Management's Discussion and Analysis of 2015 Third Quarter Results

October 29, 2015

The following Management Discussion & Analysis ("MD&A") is a review of the financial performance and position of Superior Plus Corp. ("Superior") as at and for the three and nine months ended September 30, 2015 and 2014. The information in this MD&A is current to October 29, 2015. This MD&A should be read in conjunction with Superior's audited consolidated financial statements and notes to those statements as at and for the twelve months ended December 31, 2014 and its December 31, 2014 MD&A. Additional information regarding Superior, including the Annual Information Form, is available on SEDAR at www.sedar.com, and on Superior's website, www.superiorplus.com.

The accompanying unaudited condensed consolidated financial statements of Superior were prepared by and are the responsibility of Superior's management. Superior's unaudited condensed consolidated financial statements were prepared in accordance with *International Accounting Standard 34 Interim Financial Reporting* as issued by the International Accounting Standards Board ("IASB"). Dollar amounts in this MD&A are expressed in Canadian dollars and millions except where otherwise noted.

Overview of Superior

Superior is a diversified business corporation. Superior holds 99.9% of Superior Plus LP ("Superior LP"), a limited partnership formed between Superior General Partner Inc. ("Superior GP") as general partner and Superior as limited partner. Superior owns 100% of the shares of Superior GP and Superior GP holds 0.1% of Superior LP. The cash flow of Superior is solely dependent on the results of Superior LP and is derived from the allocation of Superior LP's income to Superior by means of partnership allocations. Superior, through its ownership of Superior LP and Superior GP, has three operating segments: the Energy Services segment, which includes a Canadian propane distribution business, a U.S. refined fuels distribution business, a fixed-price energy services business and a supply portfolio management business; the Specialty Chemicals segment; and the Construction Products Distribution segment.

FINANCIAL OVERVIEW

Summary of Adjusted Operating Cash Flow

	Three months ended September 30		Nine months ended September 30	
(millions of dollars except per share amounts)	**2015**	2014	**2015**	2014
Revenue	**750.2**	841.4	**2,500.7**	3,019.1
Gross profit	**190.4**	188.4	**672.9**	647.6
EBITDA from operations:[(1)]	**42.1**	42.8	**197.1**	209.2
Interest expense	**(11.6)**	(12.8)	**(37.0)**	(37.3)
Corporate costs	**(4.2)**	(6.9)	**(14.0)**	(17.7)
Cash income tax expense	**(0.7)**	(0.4)	**(2.0)**	(1.3)
Adjusted operating cash flow[(1)] before restructuring costs	**25.6**	22.7	**144.1**	152.9
Restructuring costs[(2)]	–	–	–	(11.1)
Adjusted operating cash flow[(1)]	**25.6**	22.7	**144.1**	141.8

Adjusted operating cash flow per share before restructuring costs, basic[(1)(2)(3)]	**$0.20**	$0.18	**$1.14**	$1.21
Adjusted operating cash flow per share before restructuring costs, diluted[(1)(2)(3)(4)]	**$0.20**	$0.18	**$1.14**	$1.18
Adjusted operating cash flow per share, basic[(1)(2)(3)]	**$0.20**	$0.18	**$1.14**	$1.12
Adjusted operating cash flow per share, diluted[(1)(2)(3)(4)]	**$0.20**	$0.18	**$1.14**	$1.10

(1) Earnings before interest, taxes, depreciation and amortization ("EBITDA") and adjusted operating cash flow ("AOCF") are not GAAP measures. See "Non-GAAP Financial Measures".

(2) Superior has presented its 2014 financial results on a before and after restructuring cost basis due to the one-time nature of these items. See "Non-GAAP Restructuring Costs" for further details.

(3) The weighted average number of shares outstanding for the three and nine months ended September 30, 2015, was 126.7 million and 126.5 million, respectively (three and nine months ended September 30, 2014 – 126.2 million).

(4) There were no dilutive instruments for the three and nine months ended September 30, 2015 and the three months ended September 30, 2014. For the nine months ended September 30, 2014, the dilutive impact of the 7.50%, October 31, 2016 convertible debentures was 6.6 million shares (132.8 million total shares on a dilutive basis) with a resulting impact on AOCF before restructuring costs of $4.2 million ($157.1 million total on a dilutive basis) and on AOCF of $4.2 million ($146.0 million total on a dilutive basis).

Comparable GAAP Financial Information [(1)]

	Three months ended September 30		Nine months ended September 30	
(millions of dollars except per share amounts)	**2015**	2014	**2015**	2014
Net earnings (loss)	**(36.2)**	(42.4)	**(5.1)**	13.6
Net earnings (loss) per share basic	**$(0.29)**	$(0.34)	**$(0.04)**	$0.11
Net earnings (loss) per share diluted	**$(0.32)**	$(0.34)	**$(0.04)**	$0.11
Net cash flows from (used in) operating activities	**91.9**	69.2	**291.9**	241.8
Net cash flows from (used in) operating activities per share basic	**$0.73**	$0.55	**$2.31**	$1.92
Net cash flows from (used in) operating activities per share diluted	**$0.73**	$0.55	**$2.31**	$1.85

(1) See "Non-GAAP Financial Measures".

Segmented Information

	Three months ended September 30		Nine months ended September 30	
(millions of dollars)	**2015**	2014	**2015**	2014
EBITDA from operations:[(1)]				
Energy Services	**13.8**	4.8	**111.6**	104.4
Specialty Chemicals	**16.1**	27.3	**56.6**	81.6
Construction Products Distribution	**12.2**	10.7	**28.9**	23.2
	42.1	42.8	**197.1**	209.2

(1) See "Non-GAAP Financial Measures".

AOCF Reconciled to Net Cash Flow from Operating Activities [(1)]

(millions of dollars)	Three months ended September 30 **2015**	2014	Nine months ended September 30 **2015**	2014
Net cash flow from operating activities	**91.9**	69.2	**291.9**	241.8
Add: Non-cash interest expense	**1.6**	1.6	**7.1**	4.8
Increase (decrease) in non-cash working capital	**(54.1)**	(33.4)	**(108.9)**	(61.5)
Cash income tax expense	**(0.7)**	(0.4)	**(2.0)**	(1.3)
Finance expense recognized in net earnings	**(13.1)**	(14.3)	**(44.0)**	(42.0)
AOCF[(2)]	**25.6**	22.7	**144.1**	141.8

(1) See the unaudited condensed consolidated financial statements for net cash flow from operating activities and changes in non-cash working capital.
(2) See "Non-GAAP Financial Measures".

Third quarter AOCF was $25.6 million, an increase of $2.9 million or 13% from the prior year quarter AOCF of $22.7 million. The increase in AOCF was primarily due to lower interest and corporate costs. AOCF per share of $0.20 per share was $0.02 or 11% higher than the prior year quarter of $0.18 per share due to the increase in AOCF and partially offset by modestly higher weighted average shares outstanding. The weighted average shares outstanding increased slightly due to the conversion of $5.3 million of convertible debentures in the first half of 2015.

Adjusted operating cash flow for the nine months ended September 30, 2015 was $144.1 million, a decrease of $8.8 million or 6% from the prior year AOCF of $152.9 million (before restructuring costs of $11.1 million). The decrease in AOCF was primarily due to lower operating results at Specialty Chemicals, partially offset by lower corporate costs. AOCF per share of $1.14 per share was $0.07 or 6% lower than the prior year nine month period of $1.21 per share (before restructuring costs) due to the decrease in AOCF and a modest increase in weighted average shares outstanding as noted above.

Third Quarter Comparison to Prior Year Quarter

Net loss for the third quarter was $36.2 million, compared to a net loss of $42.4 million in the prior year quarter. The increase in net earnings was due primarily to lower unrealized losses on derivative financial instruments and higher income tax recoveries, partially offset by higher operating costs.

Revenue of $750.2 million was $91.2 million lower than in the prior year's quarter due primarily to decreased Energy Services and Specialty Chemicals revenue, partially offset by increased Construction Products Distribution (CPD) revenue. Energy Services revenue decreased due to lower commodity prices. Specialty Chemicals revenue decreased due to lower sodium chlorate volumes and lower hydrochloric acid selling prices. CPD revenues increased due to higher sales volumes of gypsum and commercial and industrial insulation products and the impact of foreign exchange on U.S. denominated revenues.

Operating expenses of $185.9 million in the third quarter were $8.1 million higher than operating expenses in the prior year quarter primarily due to the impact of the weaker Canadian dollar on the translation of U.S. denominated operating expenses. Finance expenses were lower due to realized gains on an interest rate swap.

Acquisition of Canexus Corporation

On October 6, 2015, the Company announced that it has entered into an arrangement agreement with Canexus Corporation (Canexus), pursuant to which the Company has agreed to acquire all the issued and outstanding common shares of Canexus by way of a court approved plan of arrangement (the Arrangement).

The acquisition of Canexus enhances Superior's specialty chemicals business and cost position as well as provides growth opportunities for the Company. Completion of the Arrangement will allow the Specialty Chemicals business to better serve its customers and aligns with the Company's core strategy of investing in businesses that generate strong free cash flow and attractive future growth opportunities. This will also enhance Superior's ability to service customers by combining the technical strengths of both companies, and allow for better optimization of plants and improved logistics resulting in more consistent, efficient and reliable delivery of products.

Under the terms of the Arrangement, Canexus shareholders will receive 0.153 of a Superior common share for each Canexus common share, representing the equivalent of $1.70 per Canexus common share, resulting in an expected purchase price of approximately $932.0 million which includes the assumption of $616.0 million of debt.

The implementation of the Arrangement will be subject to the approval of at least 66 2/3% of the votes cast by holders of Canexus shares at a special meeting of Canexus shareholders expected to take place in December, 2015. In addition to shareholder approval, the Arrangement is also subject to the receipt of certain regulatory, court and stock exchange approvals. Closing of the transaction is expected to occur by mid-2016.

Share Offering

On October 6, 2015, the Company announced that it had entered into an agreement with a syndicate of underwriters co-led by National Bank Financial Inc. and JP Morgan Securities Canada Inc., under which the underwriters agreed to purchase from Superior and sell to the public 12,077,300 common shares of Superior (the "Common Shares") at price of $10.35 per share (the "Offer Price") for gross proceeds of $125 million (the "Offering"). Superior granted the underwriters an option to purchase, in whole or in part, up to an additional 1,811,595 Common Shares at the Offer Price to cover over-allotments. On October 28, 2015 Superior closed the issue of 13.9 million common shares at a price of $10.35 per common share. The net proceeds for the issue including the full exercise of the over-allotment option granted to the underwriters, issue costs and commissions are approximately $138.0 million. Proceeds from the Offering were used to reduce indebtedness and for general corporate purposes.

Dividend Reinvestment Program

On October 29, 2015, Superior's Board of Directors approved the reinstatement of the Dividend Reinvestment Program and Optional Share Purchase Program ("DRIP") and subject to receipt of regulatory approvals, it will commence with the payment of the December 2015 dividend payable January 15, 2016. Proceeds from the DRIP will be used for debt reduction and general corporate purposes. The DRIP will provide Superior's shareholders with the opportunity to reinvest their cash dividends in the future growth of the business at a 4% discount to the market price of Superior's common shares.

Year-to-Date Comparison to Prior Year-to-Date

The net loss for the nine months ended September 30, 2015 was $5.1 million, compared to net earnings of $13.6 million in the prior year. The decrease was due primarily to lower revenue, higher operating expenses, finance costs and unrealized losses on derivative financial instruments.

Revenue for the nine months ended September 30, 2015 of $2,500.7 million was $518.4 million or 17% lower than the prior year due primarily to decreased Energy Services revenue, decreased Specialty Chemicals revenue, partially offset by increased CPD revenue. Energy Services revenue was lower due to the decrease in commodity prices. Specialty Chemicals revenue decreased due to lower volumes. CPD revenue increased primarily due to the favourable impact of foreign exchange and higher volumes.

Operating expenses for the nine months ended September 30, 2015 of $581.2 million were $19.3 million higher than operating expenses in the prior year quarter primarily due to the negative impact of the weaker Canadian dollar on the translation of U.S. denominated operating expenses. Finance expenses were higher primarily due to the interest on the high-yield debenture issuance, partially offset by the impact of interest rate swaps.

OPERATING RESULTS

Energy Services

Energy Services' condensed operating results for 2015 and 2014:

	Three months ended September 30		Nine months ended September 30	
(millions of dollars)	**2015**	2014	**2015**	2014
Revenue(1)	**349.1**	454.4	**1,328.5**	1,912.3
Cost of sales(1)	**(254.8)**	(371.2)	**(955.7)**	(1,548.2)
Gross profit	**94.3**	83.2	**372.8**	364.1
Less: Cash operating and administrative costs(1)	**(80.5)**	(78.4)	**(261.2)**	(259.7)
EBITDA from operations(2)(3)	**13.8**	4.8	**111.6**	104.4
Net earnings(2)(3)	**(4.4)**	(12.6)	**90.2**	69.4

(1) In order to better reflect the results of its operations, Superior has reclassified certain amounts for purposes of this MD&A to present its results as if it had accounted for various transactions as accounting hedges. See "Reconciliation of Divisional Segmented Revenue, Cost of Sales and Cash Operating and Administrative Costs Included in this MD&A" for detailed amounts.

(2) For the nine months ended September 30, 2014, Energy Services restructuring cost of $11.1 million has been excluded from EBITDA from operations. See "Non-GAAP Restructuring Costs" for further details.

(3) EBITDA from operations is a Non-GAAP financial measure. See "Non-GAAP Financial Measures" and "Reconciliation of Net Earnings to EBITDA from Operations".

Revenues for the third quarter of 2015 were $349.1 million, a decrease of $105.3 million or 23% from revenues of $454.4 million in 2014. The decrease in revenues was primarily due to lower commodity prices as compared to the prior year quarter. The average wholesale cost of propane in the third quarter of 2015 was 58% lower than the prior year quarter. Total gross profit for the third quarter of 2015 was $94.3 million, an increase of $11.1 million or 13% as compared to the prior year quarter. The increase in gross profit was primarily due to higher U.S. refined fuels distribution and supply portfolio management gross profits. A summary and detailed review of gross profit is provided below.

Gross Profit Detail

	Three months ended September 30		Nine months ended September 30	
(millions of dollars)	**2015**	2014	**2015**	2014
Canadian propane distribution	**48.2**	49.9	**184.3**	187.7
U.S. refined fuels distribution	**22.7**	19.0	**127.7**	106.4
Other services	**7.7**	9.4	**21.8**	26.7
Supply portfolio management	**12.5**	1.4	**30.5**	41.0
Fixed-price energy services	**3.2**	3.5	**8.5**	2.3
Total gross profit	**94.3**	83.2	**372.8**	364.1

Canadian Propane Distribution

Canadian propane distribution gross profit for the third quarter was $48.2 million, a decrease of $1.7 million from the prior year quarter. Average weather across Canada for the third quarter, as measured by degree days, was 2% warmer than the prior year and 6% colder than the five-year average. Due to the seasonal nature of heating related volumes, weather in the third quarter did not have a material impact on sales volumes.

Residential sales volumes decreased by 2 million litres or 12% as the distribution system implemented in the prior year has optimized deliveries and this has impacted the timing of residential customers' first tank fill of the upcoming heating season. Commercial sales volumes decreased 4 million litres or 10% due to economic conditions, including the indirect impact from the decline in crude oil prices, and the timing of first tank fills as noted above in residential. Agriculture sales volumes decreased by 3 million litres or 30% due to weather in Western Canada and a slower start to crop drying season in Ontario. Industrial sales volumes decreased by 12 million litres or 9% due to lower oil field demand due to reduced customer activity as a result of the decline in crude oil prices.

Average propane sales margins for the third quarter increased to 23.1 cents per litre from 21.7 cents per litre in the prior year quarter. Average sales margins in the third quarter of 2015 benefitted from a low price environment for the wholesale cost of propane, improved sales mix and the impact of ongoing pricing management initiatives.

Canadian Propane Distribution Sales Volumes

Volumes by End-Use Application

	Three months ended September 30	
(millions of litres)	**2015**	2014
Residential	**15**	17
Commercial	**36**	40
Agricultural	**7**	10
Industrial	**128**	140
Automotive	**23**	23
	209	230

Volumes by Region [(1)]

	Three months ended September 30	
(millions of litres)	**2015**	2014
Western Canada	**109**	125
Eastern Canada	**79**	85
Atlantic Canada	**21**	20
	209	230

Volumes by End-Use Application

	Nine months ended September 30	
(millions of litres)	**2015**	2014
Residential	**91**	96
Commercial	**189**	210
Agricultural	**32**	35
Industrial	**487**	539
Automotive	**62**	60
	861	940

Volumes by Region [(1)]

	Nine months ended September 30	
(millions of litres)	**2015**	2014
Western Canada	**446**	525
Eastern Canada	**334**	336
Atlantic Canada	**81**	79
	861	940

(1) Regions: Western Canada region consists of British Columbia, Alberta, Saskatchewan, Manitoba, Northwest Ontario, Yukon and Northwest Territories; Eastern Canada region consists of Ontario (except for Northwest Ontario) and Quebec; and Atlantic Canada region consists of New Brunswick, Newfoundland & Labrador, Nova Scotia and Prince Edward Island.

U.S. Refined Fuels Distribution

U.S. refined fuels distribution gross profit for the third quarter was $22.7 million, an increase of $3.7 million or 19% from the prior year quarter. The increase in gross profit was due primarily to higher average sales margins and higher volumes. Average weather in the Northeastern U.S., as measured by heating degree days, for the third quarter was 53% warmer than the prior year quarter and 50% warmer than the 5-year average. Similar to the Canadian propane business, the impact of weather on the third quarter results is typically not material due to the seasonal nature of heating related volumes.

Sales volumes of 342 million litres were 8 million litres or 2% higher than the prior year quarter due primarily to increased wholesale volumes. Average U.S. refined fuels sales margins of 6.6 cents per litre increased from 5.7 cents per litre in the prior year quarter. Sales margins were positively impacted by the lower wholesale cost of propane and heating oil, ongoing price and supply management initiatives, the implementation of a standardized delivery charge for residential propane customers, and favourable foreign exchange translation contribution.

U.S. Refined Fuels Distribution Sales Volumes

Volumes by End-Use Application [1]

(millions of litres)	Three months ended September 30 2015	2014
Residential	**22**	25
Commercial	**168**	169
Wholesale	**152**	140
	342	334

Volumes by Region [2]

(millions of litres)	Three months ended September 30 2015	2014
Northeast United States	**342**	334
	342	334

Volumes by End-Use Application [1]

(millions of litres)	Nine months ended September 30 2015	2014
Residential	**215**	229
Commercial	**557**	558
Wholesale	**401**	387
	1,173	1,174

Volumes by Region [2]

(millions of litres)	Nine months ended September 30 2015	2014
Northeast United States	**1,173**	1,174
	1,173	1,174

(1) Volume: Volume of heating oil, propane, diesel and gasoline sold (millions of litres).
(2) Regions: Northeast United States region consists of Pennsylvania, Connecticut, New York, and Rhode Island.

Other Services

Other services gross profit was $7.7 million in the third quarter, a decrease of $1.7 million from the prior year quarter due primarily to a significant reduction in service technicians in the U.S. refined fuels business as part of the restructuring activities in 2013 and 2014.

Supply Portfolio Management

Supply portfolio management gross profits were $12.5 million in the third quarter, an increase of $11.1 million from the prior year quarter. Results in the current year quarter benefitted from improved market conditions and improved procurement from a new long-term supply agreement for propane compared to the prior year quarter.

Fixed-Price Energy Services

Fixed-Price Energy Services Gross Profit

(millions of dollars except volume and per unit amounts)	**Three months ended September 30, 2015**			Three months ended September 30, 2014		
	Gross Profit	**Volume**	**Per Unit**	Gross Profit	Volume	Per Unit
Natural gas[1]	**1.7**	**4.6 GJ**	**37.0¢/GJ**	2.6	4.1 GJ	63.4¢/GJ
Electricity[2]	**1.5**	**169.6 KWh**	**0.88¢/KWh**	0.9	139.0 KWh	0.65¢/KWh
Total	**3.2**			3.5		
(millions of dollars except volume and per unit amounts)	**Nine months ended September 30, 2015**			Nine months ended September 30, 2014		
	Gross Profit	**Volume**	**Per Unit**	Gross Profit	Volume	Per Unit
Natural gas[1]	**5.0**	**14.0 GJ**	**35.7¢/GJ**	2.2	13.5 GJ	16.3¢/GJ
Electricity[2]	**3.5**	**457.6 KWh**	**0.76¢/KWh**	0.1	539.8 KWh	0.02¢/KWh
Total	**8.5**			2.3		

(1) Natural gas volumes are expressed in thousands of gigajoules (GJ).
(2) Electricity volumes are expressed in thousands of kilowatt hours (KWh).

Fixed-price energy services gross profit was $3.2 million in the third quarter, a decrease of $0.3 million from the prior year quarter. Natural gas gross profit was $1.7 million, a decrease of $0.9 million from the prior year quarter due to lower margins. Natural gas gross profit per unit was 37.0 cents per gigajoule (GJ), a decrease of 26.4 cents per GJ from the prior year mainly related to customer mix. Sales volumes of natural gas were 4.6 million GJ, an increase of 0.5 GJ from the prior year quarter. Electricity gross profit in the third quarter of 2015 was $1.5 million, an increase of $0.6 million from the prior year quarter. This was a result of exit costs incurred in Q3 2014 related to the sale of the U.S. customer base in 2014.

Operating Costs – Energy Services

Energy Services cash operating and administrative costs were $80.5 million in the third quarter of 2015, an increase of $2.1 million or 3% from the prior year quarter. The increase in expenses was primarily due to the impact from a stronger U.S. dollar on the translation of U.S. denominated expenses, offset in part by the reduced headcount and operational improvements from *The Superior Way* initiatives.

Financial Outlook

EBITDA from operations for 2015 for the Energy Services business is anticipated to be consistent to modestly higher than in 2014, consistent with the forecast provided in the second quarter of 2015. EBITDA from the Canadian propane and U.S. refined fuels businesses will benefit from ongoing operational improvements. Operating costs as a percentage of gross profits are anticipated to benefit from a full year run rate of business initiatives and The Superior Way project, offset in part, by the impact of reduced oil field gross profits. Gross profits in the Canadian Propane and U.S. refined fuels business are anticipated to be consistent with 2014 with the exception of industrial related gross profits in the Canadian propane business. Superior is forecasting a modest reduction in gross profits related to oil and gas sales volumes within the Canadian propane business as a result of ongoing volatility in crude oil. Gross profit from the supply portfolio management business is anticipated to be higher than in 2014 and gross profit from the fixed-price energy business will be higher in 2015 than in 2014 due to the absence of balancing losses resulting from commodity price volatility. Average weather, as measured by degree days, for the remainder of 2015 is anticipated to be consistent with the 5-year average period. Operating conditions for 2015 are anticipated to be similar to 2014 with the exception of the decline in the wholesale cost of propane which Superior anticipates will persist throughout 2015.

EBITDA from operations for 2016 for the Energy Services business is anticipated to be consistent to modestly higher than in 2015. EBITDA from the Canadian propane will benefit from ongoing operational improvements and improved sales and marketing initiatives. U.S. refined fuels will benefit from the impact of a stronger U.S. dollar on the translation of U.S. denominated EBITDA. Gross profits in the Canadian propane and U.S. refined fuels businesses are anticipated to be consistent to modestly higher than 2015. Gross profit from the supply portfolio business is anticipated to be higher than 2015 due to the impact of improved supply agreements and execution of procurement initiatives. Gross profit from the fixed-price energy business will be modestly lower than 2015 due to a wind-down of the business. Average weather, as measured by degree days, for 2016 is anticipated to be consistent with the 5-year average period. Operating conditions for 2016 are anticipated to be similar to 2015.

In addition to the significant assumptions detailed above, refer to “Risk Factors to Superior” for a detailed review of the significant business risks affecting Superior’s Energy Services’ segment.

SPECIALTY CHEMICALS

Specialty Chemicals' condensed operating results for 2015 and 2014:

(millions of dollars except per metric tonne (MT) amounts)	**Three months ended September 30**				**Nine months ended September 30**			
	2015		2014		**2015**		2014	
		$ per MT		$ per MT		**$ per MT**		$ per MT
Chemical revenue(1)	**155.6**	**717**	163.5	730	**475.5**	**749**	488.9	720
Chemical cost of sales(1)	**(99.9)**	**(460)**	(99.0)	(442)	**(295.2)**	**(465)**	(292.8)	(431)
Chemical gross profit	**55.7**	**257**	64.5	288	**180.3**	**284**	196.1	289
Less: Cash operating and administrative costs(1)	**(39.6)**	**(182)**	(37.2)	(166)	**(123.7)**	**(195)**	(114.5)	(169)
EBITDA from operations(2)	**16.1**	**75**	27.3	122	**56.6**	**89**	81.6	120
Net earnings (loss)(2)	**(4.3)**		14.6		**8.9**		44.6	
Chemical volumes sold (thousands of MTs)		**217**		224		**635**		679

(1) In order to better reflect the results of its operations, Superior has reclassified certain amounts for purposes of this MD&A related to derivative financial instruments, non-cash amortization and foreign currency translation losses or gains related to U.S.-denominated working capital. See "Reconciliation of Divisional Segmented Revenue, Cost of Sales and Cash Operating and Administrative Costs Included in this MD&A" for detailed amounts.

(2) EBITDA from operations is a Non-GAAP financial measure. See "Non-GAAP Financial Measures" and "Reconciliation of Net Earnings to EBITDA from Operations".

Chemical revenue for the third quarter of $155.6 million was $7.9 million or 5% lower than in the prior year quarter due primarily to a decrease in sodium chlorate sales volumes and lower hydrochloric acid selling prices. Sodium chlorate sales volumes were 9% lower than the prior year quarter due to reduced customer demand related to reduced North American pulp customer demand and lower export shipments. Chloralkali sales volumes increased due to higher production and sales of chlorine, hydrochloric acid and caustic.

Third quarter gross profit of $55.7 million was $8.8 million or 14% lower than in the prior year quarter due primarily to the impact of lower sodium chlorate volumes and lower hydrochloric acid average selling prices.

Cash operating and administrative costs of $39.6 million were $2.4 million or 6% higher than in the prior year quarter due to impact of a weaker Canadian dollar on the translation of U.S. dollar denominated expenses and general inflationary increases.

Strategic Supply Agreement

As previously disclosed, Specialty Chemicals has provided notification that it will not be nominating any volume for fiscal 2016 related to its 130,000MT sodium chlorate supply agreement with Tronox. During the second quarter, Tronox provided formal notification to Superior that it will be commencing with a decommissioning of the facility upon completion of Superior's 2015 supply requirements. The decommissioning of the facility will result in the acceleration of certain fees, requiring Superior to make a payment to Tronox of approximately US $3.3 million in the first quarter of 2016.

Financial Outlook

Superior expects EBITDA from operations for 2015 to be approximately $27 million lower than in 2014, which is consistent with the updated guidance provided in the second quarter. Sodium chlorate gross profits are anticipated to be consistent with guidance provided in the second quarter with lower volumes partially offset by improved average selling prices. The reduction in sodium chlorate sales volumes is due largely to higher than normal maintenance downtime in the second quarter, lower North American pulp mill demand and lower export shipments. Chloralkali gross profits are anticipated to be consistent with the guidance provided in the second quarter as Superior continues to forecast weakness in hydrochloric acid sales volumes and pricing for the remainder of 2015. Since the first quarter of 2015, there has been a significant reduction in demand for hydrochloric acid impacting sales volumes and average realized prices. Sales prices and sales volumes of caustic and chlorine are consistent with the previously provided forecast and are anticipated to be modestly higher than the prior year. Supply and demand fundamentals in the chloralkali markets in which Superior operates are anticipated to remain similar to 2014 with the exception of hydrochloric acid as noted above.

Superior expects EBITDA from operations for 2016 to be consistent with 2015 due to continued weakness in the chloralkali segment as a result of lower hydrochloric acid pricing and volumes, offset in part by improved EBITDA from sodium chlorate. Hydrochloric sales prices are anticipated to be consistent and volumes are anticipated to be lower due to reduced demand related to the decline in oilfield activity experienced in 2015 and anticipated to continue into 2016. Sodium chlorate gross profits are anticipated to be consistent to modestly lower due to an increase in electricity costs, offset in part by an increase in average realized prices. Sodium chlorate operating expenses are anticipated to be lower due to the termination of the Tronox supply agreement. The positive impact of improved foreign exchange hedging rates will be fully offset by the continued weakness in the chloralkali market.

In addition to the significant assumptions detailed above, refer to "Risk Factors to Superior" for a detailed review of the significant business risks affecting Superior's Specialty Chemicals' segment.

CONSTRUCTION PRODUCTS DISTRIBUTION

Construction Products Distribution's condensed operating results for 2015 and 2014:

	Three months ended September 30		Nine months ended September 30	
(millions of dollars)	**2015**	2014	**2015**	2014
Revenue[(1)]	**250.2**	225.6	**706.3**	620.4
Cost of sales[(1)]	**(189.2)**	(171.3)	**(532.2)**	(468.0)
Gross profit	**61.0**	54.3	**174.1**	152.4
Less: Cash operating and administrative costs	**(48.8)**	(43.6)	**(145.2)**	(129.2)
EBITDA from operations[(2)]	**12.2**	10.7	**28.9**	23.2
Net earnings[(2)]	**10.2**	7.8	**23.0**	17.7

(1) In order to better reflect the results of its operations, Superior has reclassified certain amounts for purposes of this MD&A to present its results as if it had accounted for various transactions as accounting hedges. See "Reconciliation of Divisional Segmented Revenue, Cost of Sales and Cash Operating and Administrative Costs Included in this MD&A" for detailed amounts.

(2) EBITDA from operations is a Non-GAAP financial measure. See "Non-GAAP Financial Measures" and "Reconciliation of Net Earnings to EBITDA from Operations".

Revenues of $250.2 million for the third quarter of 2015 were $24.6 million or 11% higher than in the prior year quarter due to increased gypsum and commercial and industrial insulation (C&I) revenues. Gypsum revenues were higher than the prior year quarter due to improved U.S. sales volumes as a result of ongoing improvements in the U.S. residential construction sector, higher average selling prices and the impact of a stronger U.S. dollar on the translation of U.S. denominated revenues. Canadian revenues were lower than the prior year quarter due to delays in the timing of construction projects. Commercial and industrial insulation (C&I) revenues increased over the prior year quarter due to the impact of a stronger U.S. dollar on the translation of U.S. denominated revenues. Excluding the impact of foreign exchange, C&I revenue was down 7% compared to the prior year quarter due primarily to the slowdown in upstream oil and gas projects in Canada and the western U.S. C&I gross margins were modestly higher than the prior year quarter.

Gross profits of $61.0 million in the third quarter were $6.7 million or 12% higher than in the prior year quarter primarily due to improved sales volumes, effective price management and the impact of the stronger U.S. dollar. Average sales margins were higher than the prior year quarter due to ongoing pricing and procurement initiatives and improved market conditions.

Cash operating and administrative costs were $48.8 million in the third quarter, an increase of $5.2 million or 12% from the prior year quarter. The increase was primarily due to higher sales volumes and the impact of the stronger U.S. dollar on the translation of U.S. denominated operating costs.

System Integration
CPD has continued to make significant progress on the systems integration project that will replace two legacy ERP systems with a single, standardized solution. The updated system will provide enhanced procurement, pricing and operational effectiveness, enabling CPD to further improve margins and operating costs once complete. CPD anticipates that the project will be completed over the next two years at a total cost of approximately US$22.0 million which is split between capital investment of US$14.5 million and one-time operating costs of US$7.5 million (US$2.1 million 2015 and US$5.4 million 2016). Total costs incurred to date are US$5.8 million consisting of US$4.7 million in capital and US$1.1 million in operating expense.

Financial Outlook
Superior anticipates that EBITDA from operations in 2015 will be higher than in 2014 due to continued improvements in the U.S. residential market, the product expansion of drywall into ceiling-only branches and benefits resulting from ongoing pricing and procurement initiatives. Superior anticipates that the U.S. commercial market will be modestly improved in 2015 compared to 2014 and that the Canadian residential market will continue to be challenging.

Superior anticipates that EBITDA from operations in 2016 will be consistent with 2015 as continued improvements in the U.S. residential market, benefits resulting from ongoing pricing and procurement initiatives and improvements in the industrial market will be offset by the system integration project costs. As previously discussed, in 2016 Superior will incur US$5.4 million (CAD $7.0 million) in one-time operating costs related to the implementation and roll out of the system integration project. Superior anticipates that the U.S. commercial market will be modestly improved in 2016 compared to 2015 and that the Canadian residential, commercial and industrial markets will continue to be challenging.

In addition to the Construction Products Distribution segment's significant assumptions detailed above, refer to "Risk Factors to Superior" for a detailed review of the significant business risks affecting Superior's Construction Products Distribution segment.

Foreign Currency Hedging Contracts

Superior's foreign currency hedging contracts for the 2015 fiscal year were entered into in prior years when the Canadian dollar was stronger relative to the U.S. dollar. Beginning in 2016, lower value foreign currency hedging contracts expire and Superior's effective U.S. exchange rate is expected to improve.

The impact of these contracts are embedded in the divisional results as stated in the MD&A. Below is a table that summarizes the impact of the realized losses to the divisional results related to the foreign currency hedging contracts.

(millions of dollars)				**Three months ended September 30 2015**				**Three months ended September 30 2014**
	Energy Services	**Specialty Chemicals**	**Construction Products Distribution**	**Total**	**Energy Services**	**Specialty Chemicals**	**Construction Products Distribution**	**Total**
EBITDA from operations[1]	**13.8**	**16.1**	**12.2**	**42.1**	4.8	27.3	10.7	42.8
Realized losses on foreign currency hedging contracts	**–**	**13.3**	**1.5**	**14.8**	–	3.3	0.3	3.6
EBITDA from operations before realized losses on foreign currency hedging contracts	**13.8**	**29.4**	**13.7**	**56.9**	4.8	30.6	11.0	46.4

(2) EBITDA from operations is a Non-GAAP financial measure. See "Non-GAAP Financial Measures" and "Reconciliation of Net Earnings to EBITDA from Operations".

(millions of dollars)				**Nine months ended September 30 2015**				**Nine months ended September 30 2014**
	Energy Services	**Specialty Chemicals**	**Construction Products Distribution**	**Total**	**Energy Services**	**Specialty Chemicals**	**Construction Products Distribution**	**Total**
EBITDA from operations[1]	**111.6**	**56.6**	**28.9**	**197.1**	104.4	81.6	23.2	209.2
Realized losses on foreign currency hedging contracts	**4.6**	**28.3**	**3.1**	**36.0**	1.9	8.8	0.8	11.5
EBITDA from operations before realized losses on foreign currency hedging contracts	**116.2**	**84.9**	**32.0**	**233.1**	106.3	90.4	24.0	220.7

(2) EBITDA from operations is a Non-GAAP financial measure. See "Non-GAAP Financial Measures" and "Reconciliation of Net Earnings to EBITDA from Operations".

For a summary of Superior's outstanding U.S. dollar forward contracts for 2015 and beyond, refer to "Financial Instruments – Risk Management." For additional details on Superior's financial instruments, including the amount and classification of gains and losses recorded in Superior's third quarter condensed consolidated financial statements, summary of fair values, notional balances, effective rates and terms, and significant assumptions used in the calculation of the fair value of Superior's financial instruments, see Note 14 to the unaudited condensed consolidated financial statements.

Consolidated Capital Expenditure Summary

	Three months ended September 30		Nine months ended September 30	
(millions of dollars)	**2015**	2014	**2015**	2014
Efficiency, process improvement and growth-related	**14.2**	12.0	**31.5**	37.3
Other capital	**16.6**	11.9	**30.6**	28.7
	30.8	23.9	**62.1**	66.0
Proceeds on disposition of capital and intangible assets	**(0.3)**	(1.3)	**(1.4)**	(5.9)
Proceeds from finance lease arrangement termination	**–**	–	**–**	(8.2)
Acquisitions	**–**	–	**1.8**	–
Total net capital expenditures	**30.5**	22.6	**62.5**	51.9
Investment in finance leases	**4.5**	1.3	**14.7**	7.8
Total expenditures including finance leases	**35.0**	23.9	**77.2**	59.7

Efficiency, process improvement and growth related expenditures were $14.2 million in the third quarter compared to $12.0 million in the prior year quarter and are primarily related to Energy Services' purchases of rental assets and truck related expenditures. Other capital expenditures were $16.6 million in the third quarter compared to $11.9 million in the prior year quarter, consisting primarily of required maintenance and general capital across all of Superior's segments.

CORPORATE AND INTEREST COSTS

Corporate costs for the third quarter were $4.2 million, compared to $6.9 million in the prior year quarter. The $2.7 million decrease was primarily due to reduced long-term incentive plan costs relative to the prior year quarter as a result of fluctuations in Superior's share price. Additionally, corporate costs in the prior year quarter included one-time costs associated with the potential CPD sales process.

Interest expense on borrowing and finance lease obligations for the third quarter was $11.6 million, compared to $12.8 million in the prior year quarter. Interest expense was positively impacted by settlements on interest rate swaps which more than offset the impact of higher interest rates due to Superior's 7-year, $200 million, 6.50% senior unsecured note offering which closed on December 9, 2014.

Superior Plus Office Relocation

As previously disclosed, Superior relocated its corporate office to Toronto, Ontario from the previous location of Calgary, Alberta as of September 8, 2015. The relocation of the corporate office will provide closer proximity for Superior's corporate executive team to Superior's operating businesses. Superior's President and Chief Executive Officer and Chief Legal Officer, along with other members of Superior's corporate team have relocated to Toronto as part of the corporate office relocation.

Appointment of Chief Financial Officer

As announced on October 27, 2015, Ms. Beth Summers will assume the Chief Financial Officer role beginning November 23, 2015. Mr. Bingham will continue at Superior to assist with an orderly transition until his retirement at the end of the year.

Non-GAAP Restructuring Costs
Superior's restructuring costs incurred during 2014 were categorized together and excluded from segmented results. Below is a table summarizing these costs for comparative purposes:

	Three months ended September 30		Nine months ended September 30	
(millions of dollars)	**2015**	2014	**2015**	2014
Severance costs	–	–	–	5.2
Branch closure costs and lease termination costs	–	–	–	2.0
Consulting costs	–	–	–	3.9
Total restructuring costs	–	–	–	11.1

Restructuring costs incurred during 2014 consisted of both costs included in, and excluded from, the restructuring provision. Superior did not incur any restructuring costs during the third quarter. Total restructuring costs incurred during 2014 and 2013 in order to complete the restructuring projects were $26.6 million.

Income Taxes
Consistent with prior periods, Superior recognizes a provision for income taxes for its subsidiaries that are subject to current and deferred income taxes, including United States and Chilean income tax.

Total income tax (recovery) expense, comprised of current taxes and deferred taxes for the three and nine months ended September 30, 2015 was $(10.4) million and $10.1 million respectively, compared to $(2.0) million recovery and $17.8 million expense in the comparative period. For the three and nine months ended September 30, 2015, deferred income tax expense (recovery) from operations in Canada, the United States and Chile was $(11.1) million and $8.1 million, respectively, which resulted in a corresponding total net deferred income tax asset of $267.0 million at September 30, 2015.

Canada Revenue Agency ("CRA") Income Tax Update
On April 2, 2013, Superior received, from the CRA, Notices of Reassessment for Superior's 2009 and 2010 taxation years reflecting the CRA's intent to challenge the tax consequences of the Conversion. On November 7, 2014 and September 9, 2015 Superior received the Notices of Reassessment for the 2011 to 2013 and 2014 taxation years. The CRA's position is based on the acquisition of control rules and the general anti-avoidance rules in the Income Tax Act (Canada).

The table below summarizes Superior's estimated tax liabilities and payment requirements associated with the received and anticipated Notices of Reassessment. Upon receipt of the Notices of Reassessment, 50% of the taxes payable pursuant to such Notices of Reassessment, must be remitted to the CRA.

Taxation Year	**Taxes Payable** [(1)(2)]	**50% of the Taxes Payable** [(1)(2)]	**Month/Year Paid/Payable**
2009/2010	$13.0	$6.5	April 2013
2011	$12.8	$6.4	February 2015
2012	$8.8	$4.4	February 2015
2013	$9.4	$4.7	February 2015
2014	$16.0 [(3)]	$8.0	2015
2015	$16.0 [(3)]	$8.0	2016
Total	**$76.0**	**$38.0**	

(1) In millions of dollars.
(2) Includes estimated interest and penalties.
(3) Estimated based on Superior's previously filed tax returns, 2014 financial results and the midpoint of Superior's 2015 outlook.

On May 8, 2013 and August 7, 2013, respectively, Superior filed a Notice of Objection and a Notice of Appeal with respect to the Notice of Reassessments received on April 2, 2013. On February 4, 2015, Superior filed a Notice of Objection with respect to the Notice of Reassessments received on November 7, 2014. Superior anticipates that if the case proceeds in the Tax Court of Canada, the case could be heard within two years, with a decision rendered six to twelve months after completion of the court hearings. If a decision of the Tax Court of Canada were to be appealed, the appeal process could reasonably be expected to take an additional two years. If Superior receives a positive decision then any taxes, interest and penalties paid to the CRA will be refunded plus interest and, if Superior is unsuccessful, then any remaining taxes payable plus interest and penalties will have to be remitted and Superior would not be able to use the tax attributes from the Conversion.

Superior remains confident in the appropriateness of its tax filing position and the expected tax consequences of the Conversion and currently intends to vigorously defend such position and to file its future tax returns on a basis consistent with its view of the outcome of the Conversion.

Interim tax payments made by Superior will be recorded to the balance sheet and will not materially impact either adjusted operating cash flow or net earnings.

Based on the midpoint of Superior's 2015 financial outlook of AOCF per share of $1.75, if the tax pools from the Conversion were not available to Superior, the impact would be an increase to cash income taxes of approximately $16.0 million or $0.12 per share for 2015. As previously stated, Superior intends to file its future income tax returns on a basis consistent with its view of the outcome of the Conversion.

FINANCIAL OUTLOOK

Superior expects 2015 AOCF per share of $1.65 to $1.85, consistent with the financial outlook provided at the end of the second quarter of 2015. Superior's 2015 financial outlook is stated before the impact of regulatory costs related to the acquisition of Canexus anticipated to be incurred in the fourth quarter and costs related to Superior's corporate office relocation.

Superior is introducing its 2016 financial outlook of AOCF per share of $1.50 to $1.80. Key highlights include:

- The 2016 financial outlook includes 13.9 million additional common shares issued under the offering which represents $0.20 per share of dilution;
- The 2016 financial outlook includes one-time CPD IT integration costs of $7.0 million which represents $0.05 per share;
- The 2016 financial outlook excludes Canexus regulatory costs of $7.0 million;
- Continued improvements in operational efficiencies and sales and marketing initiatives in Energy Services;
- Continued improvements in end-use markets in the U.S. for CPD; and
- Specialty Chemicals results will be consistent with 2015 as operating conditions are anticipated to be similar to 2015.

Achieving Superior's adjusted operating cash flow depends on the operating results of its three operating segments.

In addition to the operating results of Superior's three operating segments, significant assumptions underlying Superior's 2015 and 2016 outlooks are:

- Economic growth in Canada and the U.S. is expected to be similar for the remainder of 2015 and increase modestly in 2016;
- Superior is expected to continue to attract capital and obtain financing on acceptable terms;
- Superior's estimated total debt to EBITDA ratio is based on maintenance and growth related expenditures of $107.0 million in 2016 and working capital funding requirements which do not contemplate any significant commodity price changes;
- As at October 31, 2015, Superior is substantively hedged for its estimated U.S. dollar exposure for 2015, and due to the hedge position, a change in the Canadian to U.S, dollar exchange rate for 2015 would not have a material impact to Superior. The foreign currency exchange rate between the Canadian dollar and US dollar is expected to average 0.77 in 2015 and 2016 on all unhedged foreign currency transactions;

- Financial and physical counterparties are expected to continue fulfilling their obligations to Superior;
- Regulatory authorities are not expected to impose any new regulations impacting Superior;
- Superior's average interest rate on floating-rate debt is expected to remain consistent with 2014 levels for 2015 and 2016; and
- Canadian and U.S. based cash taxes are expected to be minimal for 2015 and 2016 based on existing statutory income tax rates and the ability to use available tax basis.

Energy Services

- Average weather across Canada and the Northeast U.S, as measured by degree days, is expected to be consistent with the recent five-year average for the remainder of the year and 2015;
- Total propane and U.S. refined fuels-related sales volumes are expected to decrease modestly in 2015 due primarily to lower oilfield customer demand related to the decline in the price of oil and lower residential volumes as weather is expected to be consistent with the five-year average, partially offset by customer growth initiatives and retention programs;
- Gross profit in the Canadian propane and U.S. refined fuels businesses in 2016 are anticipated to be consistent to modestly higher than 2015.
- Wholesale propane and U.S. refined fuels-related prices are not anticipated to significantly affect demand for propane and refined fuels and related services;
- Supply portfolio management gross profit for 2015 is expected to be higher compared to normalized 2014 gross profit. Gross profit is anticipated to be higher in 2016 due to the impact of improved supply agreements and execution of procurement initiatives;
- Fixed-price energy services results for 2015 are expected to increase from 2014 due to assumptions weather will be consistent with the five-year average, and the absence of market challenges experienced during the first quarter of 2014. For 2016, gross profit will be modestly lower than 2015 due to a wind-down of the business; and
- Operating costs are expected to decrease in 2015 from 2014 due to improvements in operational efficiencies from the completion of restructuring activities, and 2016 operating costs are anticipated to be similar to 2015.

Specialty Chemicals

- Sodium chlorate contribution will decrease from 2014 due to lower sales volumes, higher electricity and plant operating costs. Sodium chlorate contribution are anticipated to be consistent to modestly lower in 2016 due to increases in electricity costs, offset in part by an increase in average realized prices.
- Chloralkali contribution will decrease from 2014 due to lower sales prices for hydrochloric acid and caustic. The chloralkali segment will have higher sales volumes associated with the completion of the Port Edwards and Saskatoon HCl burner expansions. Sales volumes of caustic soda, potassium caustic and hydrochloric acid are anticipated to be modestly higher than in 2014. Supply and demand fundamentals in the chloralkali markets in which Superior operates are anticipated to remain similar to 2014 with the exception of hydrochloric acid as noted above. In 2016, hydrochloric sales prices are anticipated to be consistent and volumes are anticipated to be lower due to reduced demand related to the decline in oil field activity experienced in 2015 and anticipated to continue into 2016; and
- Average plant utilization will approximate 90%-95% in 2015 and 2016.

Construction Products Distribution

- Revenues will increase over 2014 due to continued growth in U.S.-based GSD sales as the U.S. residential market continues to improve, higher C&I sales revenue due to improvement in the U.S. industrial construction segment, a stronger U.S. dollar, and the product expansion of drywall into ceiling-only branches. The Canadian residential market remains challenging. Superior anticipates that the U.S. commercial market will be modestly improved in 2016 compared to 2015 and that the Canadian residential, commercial and industrial markets will continue to be challenging;
- Sales margins will increase from 2014 due to the continued focus on price management, customer profitability and procurement. Gross profit for 2015 will increase due to higher revenue and higher gross margins;

- Operating costs as a percentage of revenue will be comparable to 2014 due to anticipated savings from restructuring efforts and other cost management activities, offset in part by investments in sales and supply chain capability and system integration costs. Operating costs will increase modestly from 2014 due to higher sales volumes and activity, partially offset by further improvements in operational efficiency; and
- EBITDA from operations in 2016 is expected to be consistent with 2015 as continued improvements in the U.S. residential market, benefits resulting from ongoing pricing and procurement initiatives and the system integration project and improvements in the industrial market will be offset by the system integration project costs.

Debt Management Update

Superior remains focused on managing both its total debt and its total debt to EBITDA. Superior is currently forecasting a total debt to EBITDA ratio at December 31, 2015 of 3.0X to 3.4X compared to the previously provided range of 3.4X to 3.8X forecast at the second quarter of 2015, and within Superior's targeted leverage range of 3.0X to 3.5X. The change to Superior's forecasted debt and leverage levels is due to proceeds from the equity issuance being used to reduce indebtedness and a decrease in anticipated working capital levels.

Superior is currently forecasting a total debt to EBITDA ratio at December 31, 2016 of 3.1X to 3.5X which would maintain Superior within its targeted leverage range of 3.0X to 3.5X. Superior's anticipated debt repayment for 2016 and total debt to EBITDA leverage ratio as at December 31, 2016, based on Superior's 2016 financial outlook, which does not include the acquisition of Canexus and is detailed in the chart below.

	Dollar Per Share	Millions of Dollars
2016 financial outlook AOCF per share before non-recurring costs - midpoint[(1)]	1.65	234.0
Canexus regulatory costs	(0.05)	(7.0)
AOCF after Canexus regulatory costs	1.60	227.0
Maintenance capital expenditures, net	(0.33)	(47.0)
Investment in chlorine railcars due to regulatory changes	(0.09)	(13.0)
Capital lease obligation repayments	(0.18)	(25.0)
Cash flow available for growth capital and dividends	1.00	142.0
Growth capital	(0.21)	(30.0)
Growth capital - CPD & USRF IT system capital costs	(0.12)	(17.0)
Tax payments to CRA (50%)	(0.05)	(7.0)
Estimated 2016 free cash flow available for dividends and debt repayment	0.62	88.0
Estimated Proceeds from the DRIP [(2)]	0.14	20.0
Dividends	(0.72)	(102.0)
Estimated reduction in debt	0.04	6.0
Estimated total debt to EBITDA as at December 31, 2016	3.1X – 3.5X	3.1X – 3.5X
Dividends	0.72	102.0
Calculated payout ratio after maintenance capital, CRA payments and capital lease repayments [(3)]		61%

(1) See "Financial Outlook" for additional details including assumptions, definitions and risk factors.

(2) Superior's Board of Directors has approved the reinstatement of the DRIP and subject to receipt of regulatory approvals, it will commence with the payment of the December 2015 dividend payable January 15, 2016. The DRIP will provide Superior's shareholders with the opportunity to reinvest their cash dividends in the future growth of the business at a 4% discount to the market price of Superior's common shares. Participation in Superior's DRIP program was approximately 20% when it was active in prior years.

(3) Dividend payout ratio net of estimated proceeds from the DRIP program and excludes growth capital.

Superior's total debt (including convertible debentures) to Compliance EBITDA before restructuring costs was 3.3X as at September 30, 2015 (3.3X after restructuring costs), lower than the 3.5X as at December 31, 2014 (3.6X after restructuring costs). Debt levels and the total leverage ratio as at September 30, 2015 were lower than December 31, 2014 levels due to debt repayment as a result of a decrease in working capital requirements and year to date free cash flow generation. Superior continues to focus on reducing its total leverage through ongoing debt reduction, including reducing working capital requirements and improving business operations.

In addition to Superior's significant assumptions detailed above, refer to "Risk Factors to Superior" for a detailed review of Superior's significant business risks.

LIQUIDITY AND CAPITAL RESOURCES

Superior's revolving syndicated bank facility (credit facility), term loans and finance lease obligations (collectively borrowing) before deferred financing fees totaled $640.1 million as at September 30, 2015, an increase of $106.9 million from December 31, 2014. The increase in borrowing was primarily due to the redemption of the $172.5 million 5.75% debentures, offset in part by cash flow from operating activities.

On May 26, 2015, Superior extended the maturity date of its credit facility to June 27, 2019. Financial covenant ratios were unchanged with a consolidated secured debt to consolidated EBITDA ratio and a consolidated debt to consolidated EBITDA ratio of 3.0x and 5.0x, respectively. Superior maintains the flexibility to expand the facility up to $750.0 million. See "Summary of Cash Flow" for details on Superior's sources and uses of cash.

On December 9, 2014, Superior completed an offering of $200.0 million 6.50% senior unsecured notes (senior notes). The senior notes were issued at par value and mature on December 9, 2021. The senior notes contain certain early redemption options under which Superior has the option to redeem all or a portion of the senior notes at various redemption prices, which include the principal amount plus accrued and unpaid interest, if any, to the applicable redemption date. Interest is payable semi-annually on June 9 and December 9, commencing June 9, 2015. Under the terms of the agreement, Superior must maintain a fixed-charge coverage ratio of no less than 2.0 to 1.0. As at September 30, 2015, the fixed-charge coverage ratio for purposes of this agreement was 4.5 to 1.0.

As at September 30, 2015, convertible debentures (before deferred issuance fees and discount values) issued by Superior totaled $316.3 million, $177.9 million lower than December 31, 2014 due to the $172.5 million redemption of the 5.75% convertible debentures plus costs and interest. See Note 13 to the unaudited condensed consolidated financial statements for additional details on Superior's convertible debentures.

Consolidated net working capital was $196.4 million as at September 30, 2015, a decrease of $68.4 million from net working capital of $264.8 million as at December 31, 2014. The decrease was due primarily to the seasonal decline in net working capital requirements at Energy Services, offset in part by higher net working capital requirements at CPD related to the pickup in U.S. construction activity. Superior's net working capital requirements are financed from its credit facility.

As at September 30, 2015, when calculated in accordance with the credit facility, the consolidated secured debt to compliance EBITDA ratio was 1.5 to 1.0 (December 31, 2014 – 1.2 to 1.0) and the consolidated debt to compliance EBITDA ratio was 2.2 to 1.0 (December 31, 2014 – 1.9 to 1.0). For both of these covenants, convertible debentures are excluded. These ratios are within the requirements of Superior's debt covenants. In accordance with the credit facility, Superior must maintain a consolidated secured debt to compliance EBITDA ratio of not more than 3.0 to 1.0 and not more than 3.5 to 1.0 as a result of acquisitions.

In addition, Superior must maintain a consolidated debt to compliance EBITDA ratio of not more than 5.0 to 1.0, excluding convertible debentures. Superior's total debt to compliance EBITDA ratio was 3.3 to 1.0 as at September 30, 2015. Also, Superior is subject to several distribution tests and the most restrictive stipulates that distributions (including debenture holders and related payments) cannot exceed compliance EBITDA less cash income taxes, plus $35.0 million on a trailing 12-month rolling basis. On a 12-month rolling basis as at September 30, 2015, Superior's available distribution amount was $128.1 million under the above noted distribution test.

As of September 30, 2015, US$30 million of U.S. notes, issued October 29, 2003 by way of private placement, were outstanding. On March 30, 2010, certain financial covenant ratios of the U.S. Note Agreement were amended to make them consistent with the financial covenant ratios under the amended credit facility other than the exclusion of any obligations owing under an accounts receivable securitization program from the calculation of consolidated secured debt for purposes of the consolidated secured debt to compliance EBITDA ratio calculation.

On October 6, 2015, in conjunction with Superior's announcement of its acquisition of Canexus, Standard & Poor's confirmed Superior Plus Corp.'s corporate credit rating as BB and Superior Plus LP's senior secured debt rating as BBB- and Superior Plus LP's senior unsecured debt rating as BB. The outlook for the long-term corporate rating was revised to negative. Also on October 6, 2015, DBRS confirmed Superior Plus Corp.'s corporate credit rating as BB high (under review with negative implications), Superior Plus LP's senior secured rating as BB high (under review with negative implications) and Superior Plus LP's senior unsecured debt rating as BB low (under review with negative implications).

As at September 30, 2015, Superior had an estimated defined benefit pension solvency deficiency of approximately $15.2 million (December 31, 2014 – $12.3 million) and a going concern surplus of approximately $24.0 million (December 31, 2014 – surplus of $22.6 million). Funding requirements required by applicable pension legislation are based upon going concern and solvency actuarial assumptions. These assumptions differ from the going concern actuarial assumptions used in Superior's financial statements. Superior has sufficient liquidity through its existing credit facility and anticipated future operating cash flow to fund this deficiency over the prescribed period.

In the normal course of business, Superior is subject to lawsuits and claims. Superior believes the resolution of these matters will not have a material adverse effect, individually or in the aggregate, on Superior's liquidity, consolidated financial position or results of operations. Superior records costs as they are incurred or when they become determinable.

SHAREHOLDERS' CAPITAL

The weighted average number of common shares issued and outstanding at the end of the third quarter was 126.5 million shares, which was a 0.3 million increase from the prior year quarter related to conversions of the 7.50% debentures in 2015.

As at October 29, 2015, September 30, 2015 and December 31, 2014, the following common shares and securities convertible into common shares were issued and outstanding:

	October 29, 2015		**September 30, 2015**		December 31, 2014	
(millions of dollars)	**Convertible Securities**	**Shares**	**Convertible Securities**	**Shares**	Convertible Securities	Shares
Common shares outstanding		**140.4**		**126.5**		126.2
5.75% Debentures[1]	**–**	**–**	**–**	**–**	$172.5	9.1
6.00% Debentures[2]	**$150.0**	**9.9**	**$150.0**	**9.9**	$150.0	9.9
7.50% Debentures[3]	**$69.3**	**6.1**	**$69.3**	**6.1**	$74.7	6.6
6.00% Debentures[4]	**$97.0**	**5.8**	**$97.0**	**5.8**	$97.0	5.8
Shares outstanding and issuable upon conversion of debentures		**162.2**		**148.2**		157.6

(1) Convertible at $19.00 per share.
(2) Convertible at $15.10 per share.
(3) Convertible at $11.35 per share.
(4) Convertible at $16.75 per share.

Dividends Paid to Shareholders

Dividends paid to Superior's shareholders depend on its cash flow from operating activities with consideration for Superior's changes in working capital requirements, investing activities and financing activities. See "Summary of Adjusted Operating Cash Flow" and "Summary of Cash Flow" for additional details.

On October 30, 2014, Superior announced that its monthly dividend would be increased by 20% to $0.06 per share or $0.72 per share on an annualized basis from the previous dividend of $0.05 or $0.60 per share on an annualized basis. Dividends paid to shareholders for 2015 were $68.3 million or $0.54 per share compared to $56.8 million or $0.45 per share in 2014. The increase of $11.5 million was due to the higher dividend rate. See "Debt Management Update" for further details. Dividends to shareholders are declared at the discretion of Superior's Board of Directors.

SUMMARY OF CASH FLOWS

Superior's primary sources and uses of cash are detailed below[1]:

	Three months ended September 30		Nine months ended September 30	
(millions of dollars)	**2015**	2014	**2015**	2014
Cash flow from operating activities	**88.4**	64.7	**242.8**	209.0
Investing activities[2]:				
Purchase of property, plant and equipment	**(30.8)**	(23.9)	**(62.1)**	(66.0)
Proceeds from finance lease arrangement termination	**–**	–	**–**	8.2
Proceeds from disposal of property, plant and equipment and intangible assets	**0.3**	1.3	**1.4**	5.9
Acquisitions	**-**	–	**(1.6)**	–
Cash flow used in investing activities	**(30.5)**	(22.6)	**(62.3)**	(51.9)
Financing activities:				
Net (repayment of) provision from revolving term bank credits and other debt	**(29.4)**	(12.2)	**77.2**	(77.2)
Redemption of 5.75% convertible debentures	**–**	–	**(172.5)**	–
Repayment of finance lease obligation	**(7.8)**	(5.2)	**(18.1)**	(14.9)
Dividends paid to shareholders	**(22.8)**	(18.9)	**(68.3)**	(56.8)
Cash flow used in financing activities	**(60.0)**	(36.3)	**(181.7)**	(148.9)
Net (decrease) increase in cash and cash equivalents	**(2.1)**	5.8	**(1.2)**	8.2
Cash and cash equivalents, beginning of period	**4.6**	10.5	**3.1**	8.3
Effect of translation of foreign currency-denominated cash and cash equivalents	**0.6**	0.4	**1.2**	0.2
Cash and cash equivalents, end of period	**3.1**	16.7	**3.1**	16.7

(1) See the consolidated statement of cash flow for additional details.
(2) See "Consolidated Capital Expenditure Summary" for additional details.

FINANCIAL INSTRUMENTS – RISK MANAGEMENT

Derivative and non-financial derivatives are used by Superior to manage its exposure to fluctuations in foreign currency exchange rates, interest rates, share-based compensation and commodity prices. Superior assesses the inherent risks of these instruments by grouping derivative and non-financial derivatives related to the exposures these instruments mitigate. Superior's policy is not to use derivative or non-financial derivative instruments for speculative purposes. Superior does not formally designate its derivatives as hedges and, as a result, Superior does not apply hedge accounting and is required to designate its derivatives and non-financial derivatives as held for trading. Refer to Superior's 2014 Annual MD&A for further details on financial instrument risk management.

As at September 30, 2015, Superior has substantively hedged its estimated U.S. dollar exposure for 2015 and 93% for 2016. Due to the hedge position, a change in the Canadian to U.S, dollar exchange rate for 2015 would not have a material impact to Superior. A summary of Superior's U.S. dollar forward contracts for 2015 and beyond is provided in the table below.

(US$ millions except exchange rates)	2015	2016	2017	2018	2019	2020 and later	Total
Energy Services – US$ forward sales	11.0	–	–	–	–	–	11.0
Construction Products Distribution – US$ forward sales	6.0	33.0	24.0	–	–	–	63.0
Specialty Chemicals – US$ forward sales	38.5	164.4	123.0	96.0	48.0	–	469.9
Energy Services – US$ forward purchases	(7.0)	(12.9)	(0.7)	–	–	–	(20.6)
Corporate	(1.1)	–	–	–	–	–	(1.1)
Net US$ forward sales	47.4	184.5	146.3	96.0	48.0	–	522.2
Energy Services – Average US$ forward sales rate	1.08	–	–	–	–	–	1.08
Construction Products Distribution – Average US$ forward sales rate	1.10	1.14	1.20	–	–	–	1.16
Specialty Chemicals – Average US$ forward sales rate	1.02	1.10	1.13	1.20	1.20	–	1.13
Energy Services – US$ forward purchases rate	1.29	1.27	1.33	–	–	–	1.28
Corporate	1.31	–	–	–	–	–	1.31
Net average external US$/CDN$ exchange rate	1.00	1.10	1.15	1.20	1.20	–	1.13

Superior's foreign currency hedge contracts for the 2015 fiscal year were entered into in prior years when the Canadian dollar was stronger relative to the U.S. dollar. Beginning in 2016, lower value foreign currency contracts expire and Superior's effective U.S. exchange rate is expected to improve. For additional details on Superior's financial instruments, including the amount and classification of gains and losses recorded in Superior's third quarter condensed consolidated financial statements, summary of fair values, notional balances, effective rates and terms, and significant assumptions used in the calculation of the fair value of Superior's financial instruments, see Note 14 to the unaudited condensed consolidated financial statements.

CHANGES IN INTERNAL CONTROLS OVER FINANCIAL REPORTING

Superior's Management is responsible for establishing and maintaining disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as those terms are defined in National Instrument 52-109 "Certification of Disclosure in Issuers' Annual and Interim Filings". The objective of this instrument is to improve the quality, reliability and transparency of information that is filed or submitted under securities legislation.

Superior's President and Chief Executive Officer ("CEO") and the Executive Vice President and Chief Financial Officer ("CFO"), with the assistance of Superior employees, have designed DC&P and ICFR to provide reasonable assurance that material information relating to Superior's business is communicated to them, reported on a timely basis, financial reporting is reliable, and the financial statements for external purposes are in accordance with IFRS.

During the third quarter of 2015, there were no changes made to Superior's ICFR that materially affected, or are reasonably likely to materially affect, Superior's ICFR.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Superior's unaudited condensed consolidated financial statements have been prepared in accordance with IFRS. The significant accounting policies are described in the unaudited condensed consolidated financial statements for the period ended September 30, 2015. Certain of these accounting policies, as well as estimates made by management in applying such policies, are recognized as critical because they require management to make subjective or complex judgments about matters that are inherently uncertain. Our critical accounting estimates relate to the allowance for doubtful accounts, employee future benefits, future income tax assets and liabilities, the valuation of derivatives and non-financial derivatives and asset impairments and the assessment of potential provision retirement obligations.

Recent Accounting Pronouncements

Certain new standards, interpretations, amendments or improvements to existing standards were issued by the IASB or the International Financial Reporting Interpretations Committee ("IFRIC") that are mandatory for accounting periods beginning on January 1, 2015 or later. The affected standards are consistent with those disclosed in Superior's 2014 annual consolidated financial statements.

New and revised IFRS standards issued but not yet effective

IFRS 9 – *Financial Instruments: Classification and Measurement*

IFRS 9 was issued in November 2009 and is intended to replace IAS 39 – *Financial Instruments: Recognition and Measurement*. IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. Requirements for financial liabilities were added in October 2010 and they largely carried forward existing requirements in IAS 39 except that fair value changes due to credit risk for liabilities designated at fair value through profit and loss would generally be recorded in other comprehensive income. Another revised version of IFRS 9 was issued in July 2014 to include impairment requirements for financial assets and limited amendments to the classification and measurement requirements by introducing the fair value through other comprehensive income measurement category for certain simple debt instruments. This standard must be applied for accounting periods beginning on or after January 1, 2018, with earlier adoption permitted. Superior is assessing the effect of IFRS 9 on its financial results and financial position; changes, if any, are not expected to be material.

IFRS 15 – *Revenue from Contracts with Customers*

In May 2014, IFRS 15 was issued, establishing a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. IFRS 15 supersedes the current revenue recognition guidance including IAS 18 – *Revenue*, IAS 11 – *Construction Contracts* and the related interpretation when it becomes effective. Under IFRS 15, an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. An entity is required to recognize revenue when the performance obligation is satisfied. Either a full or modified retrospective application is required for annual periods beginning on or after January 1, 2018 with early adoption permitted. Superior is currently assessing the impact of IFRS 15 and plans to adopt the new standard on the required effective date.

IAS 16 and IAS 38 – *Property, Plant and Equipment and Intangible Assets*

The amendments to IAS 16 prohibit entities from using a revenue-based depreciation method for items of property, plant, and equipment. The amendments to IAS 38 introduce a rebuttable presumption that revenue is not an appropriate basis for amortization of an intangible asset. This presumption can only be rebutted in the event when the intangible asset is expressed as a measure of revenue or, when it can be demonstrated that revenue and consumption of the economic benefits of the intangible assets are highly correlated. This standard must be applied for accounting periods beginning on or after January 1, 2016, with earlier adoption permitted. Superior currently amortizes property, plant and equipment and intangible assets using the straight-line method and therefore, does not anticipate the application of these amendments to IAS 16 and IAS 18 having a material impact on Superior's consolidated financial statements.

NON-GAAP FINANCIAL MEASURES

Throughout the MD&A, Superior has used the following terms that are not defined by GAAP, but are used by management to evaluate performance of Superior and its business. Since Non-GAAP financial measures do not have standardized meaning prescribed by GAAP and are therefore unlikely to be comparable to similar measures presented by other companies, securities regulations require that Non-GAAP financial measures are clearly defined, qualified and reconciled to their nearest GAAP financial measures. Except as otherwise indicated, these

Non-GAAP financial measures are calculated and disclosed on a consistent basis from period to period. Specific adjusting items may only be relevant in certain periods.

The intent of Non-GAAP financial measures is to provide additional useful information to investors and analysts and the measures do not have any standardized meaning under IFRS. The measures should not, therefore, be considered in isolation or used in substitute for measures of performance prepared in accordance with IFRS. Other issuers may calculate Non-GAAP financial measures differently.

Investors should be cautioned that EBITDA and AOCF should not be construed as alternatives to net earnings, cash flow from operating activities or other measures of financial results determined in accordance with GAAP as an indicator of Superior's performance.

Non-GAAP financial measures are identified and defined as follows:

Adjusted Operating Cash Flow
AOCF is equal to cash flow from operating activities as defined by IFRS, adjusted for changes in non-cash working capital, other expenses, non-cash interest expense, current income taxes and finance costs. Superior may deduct or include additional items in its calculation of AOCF; these items would generally, but not necessarily, be items of a non-recurring nature. AOCF is the main performance measure used by management and investors to evaluate Superior's performance. AOCF represents cash flow generated by Superior that is available for, but not necessarily limited to, changes in working capital requirements, investing activities and financing activities of Superior.

The seasonality of Superior's individual quarterly results must be assessed in the context of annualized AOCF. Adjustments recorded by Superior as part of its calculation of AOCF include, but are not limited to, the impact of the seasonality of Superior's businesses, principally the Energy Services segment, by adjusting for non-cash working capital items, thereby eliminating the impact of the timing between the recognition and collection/payment of Superior's revenues and expenses, which can differ significantly from quarter to quarter. Adjustments are also made to reclassify the cash flow related to natural gas and electricity customer contract-related costs in a manner consistent with the income statement's recognition of these costs. AOCF is reconciled to net cash flow from operating activities on page 16.

EBITDA
EBITDA represents earnings before taxes, depreciation, amortization, finance expense and certain other non-cash expenses, and is used by Superior to assess its consolidated results and those of its operating segments. The EBITDA of Superior's operating segments may be referred to as EBITDA from operations. Net earnings before income taxes are reconciled to EBITDA from operations on page 38.

Compliance EBITDA
Compliance EBITDA represents earnings before interest, taxes, depreciation, amortization and certain other non-cash expenses calculated on a 12-month trailing basis, giving pro forma effect to acquisitions and divestitures, and is used by Superior to calculate compliance with its debt covenants and other credit information. See Note 16 to the audited consolidated financial statements for a reconciliation of net earnings to compliance EBITDA.

Payout Ratio
Payout ratio represents dividends as a percentage of AOCF less other capital expenditures, CRA payments and capital lease repayments and is used by Superior to assess its financial results and leverage. Payout ratio is not a defined performance measure under GAAP. Superior's calculation of payout ratio may differ from similar calculations used by comparable entities. See page 30 "Debt Management Update" for Superior's anticipated payout ratio for 2016.

QUARTERLY FINANCIAL AND OPERATING INFORMATION

GAAP Measures

(millions of dollars except per share and volume amounts)	2015 Quarters			2014 Quarters[2]				2013
	Third	Second	First	Fourth	Third	Second	First	Fourth
Canadian propane sales volumes (millions of litres)	**209**	228	424	377	230	255	454	405
U.S. refined fuels sales volumes (millions of litres)	**342**	338	494	407	335	347	492	411
Natural gas sales volumes (millions of GJs)	**5**	5	5	4	4	5	5	5
Electricity sales volumes (millions of KWh)	**170**	145	143	137	139	157	244	228
Chemical sales volumes (thousands of MT)	**217**	195	223	231	224	232	223	220
Revenues	**750.2**	743.9	1,006.6	956.8	841.4	895.4	1,282.3	1,034.7
Gross profit	**190.4**	192.8	289.7	244.9	188.4	196.0	290.2	240.8
Net (loss) earnings	**(36.2)**	40.9	(9.8)	36.5	(42.4)	5.9	50.1	10.9
Per share, basic	**$(0.29)**	$0.32	$(0.08)	$0.34	$(0.34)	$0.05	$0.40	$0.09
Per share, diluted	**$(0.32)**	$0.25	$(0.08)	$(0.03)	$(0.34)	($0.02)	$0.34	$0.05
Net working capital[1]	**196.4**	247.9	273.6	264.1	225.1	248.9	345.8	293.1

(1) Net working capital reflects amounts as at the quarter-end and is comprised of trade and other receivables, prepaid expenses and inventories, less trade and other payables, deferred revenue, and dividends and interest payable.

(2) The first and second quarters of 2014 have been adjusted and include the impact of the first and second quarter 2014 adjustments as disclosed in the March 31, 2015 and June 30, 2015 quarterly reports.

Non-GAAP Measures

(millions of dollars except per share amounts)	2015 Quarters			2014 Quarters[1]				2013
	Third	Second	First	Fourth	Third	Second	First	Fourth
Adjusted operating cash flow	**25.6**	23.3	95.2	83.3	22.7	23.2	95.9	55.9
Per share, basic	**$0.20**	$0.18	$0.75	$0.68	$0.18	$0.18	$0.76	$0.44
Per share, diluted	**$0.20**	$0.18	$0.73	$0.66	$0.18	$0.18	$0.73	$0.43
Adjusted operating cash flow before restructuring costs	**25.6**	23.3	95.2	83.5	22.7	32.5	97.7	70.1
Per share, basic	**$0.20**	$0.18	$0.75	$0.68	$0.18	$0.26	$0.77	$0.56
Per share, diluted	**$0.20**	$0.18	$0.73	$0.66	$0.18	$0.26	$0.75	$0.54

(1) The first and second quarters of 2014 have been adjusted and include the impact of the first and second quarter 2014 adjustments as disclosed in the March 31, 2015 and June 30, 2015 quarterly reports.

Reconciliation of Net Earnings Before Income Taxes to EBITDA From Operations[1][2]

For the three months ended September 30, 2015 *(millions of dollars)*	**Energy Services**	**Specialty Chemicals**	**Construction Products Distribution**
Net Earnings before income taxes	**(4.4)**	**(4.3)**	**10.2**
Add: Depreciation included in selling, distribution and administrative costs and amortization of intangible assets	**14.6**	**–**	**1.8**
Depreciation included in cost of sales	**–**	**15.9**	**–**
Customer contract-related costs	**–**	**–**	**–**
Losses on disposal of assets	**1.0**	**–**	**–**
Finance expense	**0.7**	**0.2**	**0.2**
Unrealized (gains) losses on derivative financial instruments	**1.9**	**4.3**	**–**
EBITDA from operations	**13.8**	**16.1**	**12.2**

For the three months ended September 30, 2014 *(millions of dollars)*	Energy Services	Specialty Chemicals	Construction Products Distribution
Net Earnings before income taxes	(12.6)	14.6	7.8
Add: Depreciation included in selling, distribution and administrative costs and amortization of intangible assets	11.5	–	2.8
Depreciation included in cost of sales	–	11.5	–
Customer contract-related costs	(0.3)	–	–
Gains on disposal of assets	(0.4)	–	–
Restructuring costs	–	–	–
Finance expense	0.6	0.3	0.1
Unrealized gains on derivative financial instruments	6.0	0.9	–
EBITDA from operations	4.8	27.3	10.7

For the nine months ended September 30, 2015 *(millions of dollars)*	**Energy Services**	**Specialty Chemicals**	**Construction Products Distribution**
Net Earnings before income taxes	**90.2**	**8.9**	**23.0**
Add: Depreciation included in selling, distribution and administrative costs and amortization of intangible assets	**40.5**	**–**	**5.3**
Depreciation included in cost of sales	**–**	**44.7**	**–**
Customer contract-related costs	**(0.7)**	**–**	**–**
Losses on disposal of assets	**1.0**	**0.2**	**–**
Finance expense	**2.0**	**0.6**	**0.6**
Unrealized losses (gains) on derivative financial instruments	**(21.4)**	**2.2**	**–**
EBITDA from operations	**111.6**	**56.6**	**28.9**

For the nine months ended September 30, 2014 *(millions of dollars)*	Energy Services	Specialty Chemicals	Construction Products Distribution
Net Earnings before income taxes	69.4	44.6	17.7
Add: Depreciation included in selling, distribution and administrative costs and amortization of intangible assets	32.1	–	4.9
Depreciation included in cost of sales	–	35.5	–
Customer contract-related costs	(1.0)	–	–
(Gains) losses on disposal of assets	(4.3)	–	0.1
Restructuring costs	11.1	–	–
Finance expense	2.1	0.8	0.5
Unrealized gains on derivative financial instruments	(5.0)	0.7	–
EBITDA from operations	104.4	81.6	23.2

(1) See the unaudited condensed consolidated financial statements for net earnings before income taxes, depreciation of property, plant, equipment, intangible assets and accretion of convertible debenture issuance costs, depreciation included in cost of sales, customer contract-related costs and unrealized gains or losses on derivative financial instruments.

(2) See “Non-IFRS Financial Measures” for additional details.

Reconciliation of Divisional Segmented Revenue, Cost of Sales and Cash Operating and Administrative Costs Included in this MD&A

	For the three months ended September 30, 2015			For the three months ended September 30, 2014		
	Energy Services	**Specialty Chemicals**	**Construction Products Distribution**	Energy Services	Specialty Chemicals	Construction Products Distribution
Revenue per financial statements	**349.1**	**150.9**	**250.2**	454.4	161.4	225.6
Foreign currency gains related to working capital	**–**	**4.7**	**–**	–	2.1	–
Revenue per the MD&A	**349.1**	**155.6**	**250.2**	454.4	163.5	225.6
Cost of products sold per financial statements	**(254.8)**	**(115.8)**	**(189.2)**	(371.2)	(110.5)	(171.3)
Non-cash amortization	**–**	**15.9**	**–**	–	11.5	–
Cost of products sold per the MD&A	**(254.8)**	**(99.9)**	**(189.2)**	(371.2)	(99.0)	(171.3)
Gross profit	**94.3**	**55.7**	**61.0**	83.2	64.5	54.3
Cash selling, distribution and administrative costs per financial statements	**(96.1)**	**(34.9)**	**(50.6)**	(89.2)	(35.1)	(46.4)
Amortization and depreciation expenses	**14.6**	–	**1.8**	11.5	–	2.8
Losses (gains) on disposal of assets	**1.0**	–	–	(0.4)	–	–
Customer contract-related costs	**–**	–	–	(0.3)	–	–
Reclassification of foreign currency gains related to working capital	**–**	**(4.7)**	–	–	(2.1)	–
Cash operating and administrative costs per the MD&A	**(80.5)**	**(39.6)**	**(48.8)**	(78.4)	(37.2)	(43.6)

	For the nine months ended September 30, 2015			For the nine months ended September 30, 2014		
	Energy Services	**Specialty Chemicals**	**Construction Products Distribution**	Energy Services	Specialty Chemicals	Construction Products Distribution
Revenue per financial statements	**1,328.5**	**465.9**	**706.3**	1,912.3	486.4	620.4
Foreign currency gains related to working capital	–	**9.6**	–	–	2.5	–
Revenue per the MD&A	**1,328.5**	**475.5**	**706.3**	1,912.3	488.9	620.4
Cost of products sold per financial statements	**(955.7)**	**(339.9)**	**(532.2)**	(1,548.2)	(328.3)	(468.0)
Non-cash amortization	–	**44.7**	–	–	35.5	–
Cost of products sold per the MD&A	**(955.7)**	**(295.2)**	**(532.2)**	(1,548.2)	(292.8)	(468.0)
Gross profit	**372.8**	**180.3**	**174.1**	364.1	196.1	152.4
Cash selling, distribution and administrative costs per financial statements	**(302.0)**	**(114.3)**	**(150.5)**	(297.6)	(112.0)	(134.2)
Amortization and depreciation expenses	**40.5**	–	**5.3**	32.1	–	4.9
Losses (gains) on disposal of assets	**1.0**	**0.2**	–	(4.3)	–	0.1
Customer contract-related costs	**(0.7)**	–	–	(1.0)	–	–
Restructuring costs	–	–	–	11.1	–	–
Reclassification of foreign currency gains related to working capital	–	**(9.6)**	–	–	(2.5)	–
Cash operating and administrative costs per the MD&A	**(261.2)**	**(123.7)**	**(145.2)**	(259.7)	(114.5)	(129.2)

RISK FACTORS TO SUPERIOR

The risks factors and uncertainties detailed below are a summary of Superior's assessment of its material risk factors as detailed in Superior's 2014 Annual Information Form under "Risk Factors" which is filed on the Canadian Securities Administrators' website, www.sedar.com, and on Superior's website, www.superiorplus.com.

Risks to Superior

Superior depends entirely on the operations and assets of Superior LP. Superior's ability to make dividend payments to its shareholders depends on Superior LP's ability to make distributions on its outstanding limited partnership units, as well as on the operations and business of Superior LP.

There is no assurance regarding the amount of cash to be distributed by Superior LP or generated by Superior LP and, therefore, there is no assurance regarding funds available for dividends to shareholders. The amount distributed in respect of the limited partnership units will depend on a variety of factors including, without limitation, the performance of Superior LP's operating businesses, the effect of acquisitions or dispositions on Superior LP, and other factors that may be beyond the control of Superior LP or Superior. In the event significant sustaining capital expenditures are required by Superior LP or the profitability of Superior LP declines, there would be a decrease in the amount of cash available for dividends to shareholders and such decrease could be material.

Superior's dividend policy and the distribution policy of Superior LP are subject to change at the discretion of the Board of Directors of Superior or the Board of Directors of Superior General Partner Inc., the general partner of Superior LP, as applicable. Superior's dividend policy and the distribution policy of Superior LP are also limited by contractual agreements including agreements with lenders to Superior and its affiliates and by restrictions under corporate law.

On April 2, 2013, Superior received, from the CRA, Notices of Reassessment for Superior's 2009 and 2010 taxation years reflecting the CRA's intent to challenge the tax consequences of the Conversion. On November 7, 2014 and September 9, 2015 Superior received the Notices of Reassessment for the 2011 to 2013 and 2014 taxation years. The CRA's position is based on the acquisition of control rules and the general anti-avoidance rules in the *Income Tax Act (Canada).*

On May 8, 2013 and August 7, 2013, respectively, Superior filed a Notice of Objection and a Notice of Appeal with respect to the Notice of Reassessments received on April 2, 2013. On February 4, 2015 Superior filed a Notice of Objection with respect to the Notice of Reassessments received on November 7, 2014. The outcome of this litigation cannot be predicted with any certainty. Superior anticipates that if the case proceeds in the Tax Court of Canada, the case could be heard within two years, with a decision rendered six to twelve months after completion of the court hearings. If a decision of the Tax Court of Canada were to be appealed, the appeal process could reasonably be expected to take an additional two years. If Superior receives a positive decision then any taxes, interest and penalties paid to the CRA will be refunded plus interest and, if Superior is unsuccessful, then any remaining taxes payable plus interest and penalties will have to be remitted and Superior would not be able to use the tax attributes from the Conversion.

Superior remains confident in the appropriateness of its tax filing position and the expected tax consequences of the conversion and currently intends to vigorously defend such position. Superior also strongly believes that there was no acquisition of control of Ballard and that the general anti-avoidance rule does not apply to the conversion and, accordingly, Superior intends to file its future tax returns on a basis consistent with its view of the outcome of the conversion.

Upon receipt of the Notices of Reassessment, 50% of the reassessed taxes payable must be remitted to the CRA. Superior would also be required to make a payment of 50% of the taxes the CRA claims are owed in any future tax year if the CRA were to issue a similar notice of reassessment for such years and Superior were to appeal such other years. See "CRA Income Tax Update" for further details on the amounts paid and estimated amounts payable.

The credit facilities and U.S. notes of Superior LP contain covenants that require Superior LP to meet certain financial tests and that restrict, among other things, the ability of Superior LP to incur additional debt, dispose of assets or pay dividends/distributions in certain circumstances. These restrictions may preclude Superior LP from returning capital or making distributions on the limited partnership units.

The payout by Superior LP of substantially all of its available cash flow means that capital expenditures to fund growth opportunities can only be made in the event that other sources of financing are available. Lack of access to such additional financing could limit the future growth of the business of Superior LP and, over time, have a material adverse effect on the amount of cash available for dividends to shareholders.

To the extent that external sources of capital, including public and private markets, become limited or unavailable, Superior's and Superior LP's ability to make the necessary capital investments to maintain or expand the current business and to make necessary principal payments and debenture redemptions under its term credit facilities may be impaired.

Superior maintains substantial floating interest rate exposure through a combination of floating interest rate borrowing and the use of derivative instruments. Demand levels for approximately half of Energy Services' sales and substantially all of Specialty Chemicals' and Construction Products Distribution's sales are affected by general economic trends. Generally speaking, when the economy is strong, interest rates increase, as does demand from Superior's customers, thereby increasing Superior's sales and its ability to pay higher interest costs, and vice-versa. In this way, there is a common relationship among economic activity levels, interest rates and Superior's ability to pay higher or lower rates. Increased interest rates, however, will affect Superior's borrowing costs, which may have an adverse effect on Superior.

A portion of Superior's net cash flow is denominated in U.S. dollars. Accordingly, fluctuations in the Canadian/U.S. dollar exchange rate can affect profitability. Superior attempts to mitigate this risk with derivative financial instruments.

The timing and amount of capital expenditures incurred by Superior LP or its subsidiaries will directly affect the amount of cash available to Superior for dividends to shareholders. Dividends may be reduced, or even eliminated, at times when significant capital expenditures are incurred or other unusual expenditures are made.

If the Board of Directors of Superior decides to issue additional common shares, preferred shares or securities convertible into common shares, existing shareholders may suffer significant dilution.

There can be no assurance that income tax laws in the numerous jurisdictions in which Superior operates will not be changed, interpreted or administered in a manner which adversely affects Superior and its shareholders. In addition, there can be no assurance that the CRA (or a provincial tax agency), the U.S. Internal Revenue Service (or a state or local tax agency), or the Chilean Internal Revenue Service will agree with how Superior calculates its income for tax purposes or that these various tax agencies reference herein will not change their administrative practices to the detriment of Superior or its shareholders.

Acquiring complementary businesses is often required to optimally execute our business strategy. Services, technologies, key personnel or businesses of companies we acquire may not be effectively assimilated into our business, or our alliances may not be successful. There is also no assurance regarding the completion of a planned acquisition as Superior may be unable to obtain shareholder approval for a planned acquisition or Superior may be unable to obtain government and regulatory approvals required for a planned acquisition, or required government and regulatory approvals may result in delays. There may be penalties associated with not completing a planned acquisition. We also may not be able to successfully complete certain divestitures on satisfactory terms, if at all. Divestitures may reduce our total revenues and net income by more than the sales price.

RISKS TO SUPERIOR'S SEGMENTS

Energy Services

Canadian Propane Distribution and U.S. Refined Fuels

Propane is sold in competition with other energy sources such as fuel oil, electricity and natural gas, some of which are less costly on an energy-equivalent basis. While propane is usually more cost-effective than electricity, electricity is a major competitor in most areas. Fuel oil is also used as a residential, commercial and industrial source of heat and, in general, is less costly on an equivalent-energy basis, although operating efficiencies, environmental and air quality factors help make propane competitive with fuel oil. Except for certain industrial and commercial applications, propane is generally not competitive with natural gas in areas with natural gas service. Other alternative energy sources such as compressed natural gas, methanol and ethanol are available or could be further developed and could have an impact on the future of the propane industry in general and Canadian propane distribution in particular.

The trend towards increased conservation measures and technological advances in energy efficiency may have a detrimental effect on propane demand and Canadian propane distribution's sales. Demand for traditional propane end-use applications is increasing marginally with general economic growth. However, increases in the cost of propane encourage customers to reduce fuel consumption and to invest in more energy efficient equipment, reducing demand.

Automotive propane demand is currently stabilizing after several years of decline but the decline trend could resume depending on propane pricing, the market's acceptance of propane conversion options and the availability of infrastructure.

Competition in the U.S. refined fuels business' markets generally occurs on a local basis between large, full-service, multi-state marketers and smaller, independent local marketers. Marketers primarily compete based on price and service and tend to operate in close proximity to customers, typically within a 35-mile marketing radius from a central depot, in order to minimize delivery costs and provide prompt service.

Weather and general economic conditions affect distillates market volumes. Weather influences the immediate demand for distillates, primarily for heating, while longer-term demand declines due to economic conditions as customers trend towards conservation and supplement heating with alternative sources such as wood pellets. Also, harsh weather can create conditions that exacerbate demand for propane, impede the transportation and delivery of propane, or restrict the ability for Superior to obtain propane from its suppliers. Such conditions may also increase Superior's operating costs and may reduce customers' demand for propane, any of which may have an adverse effect on Superior. Spikes in demand caused by weather or other factors can stress the supply chain and hamper Superior's ability to obtain additional quantities of propane. Transportation providers (rail and truck) have limited ability to provide resources in times of extreme peak demand. Changes in propane supply costs are normally passed through to customers, but timing lags (between when Superior purchases the propane and when the customer purchases the propane) may result in positive or negative gross margin fluctuations.

Superior offers its customers various fixed-price propane and heating oil programs. In order to mitigate the price risk from offering these services, Superior uses its physical inventory position, supplemented by forward commodity transactions with various third parties having terms and volumes substantially the same as its customers' contracts. In periods of high propane price volatility the fixed-price programs create exposure to over or under-supply positions as the demand from customers may significantly exceed or fall short of supply procured. In addition, if propane prices decline significantly subsequent to customers signing up for a fixed-price program, there is a risk that customers will default on their commitments.

Superior's operations are subject to the risks associated with handling, storing and transporting propane in bulk. To mitigate risks, Superior has established a comprehensive environmental, health and safety protection program. It consists of an environmental policy, codes of practice, periodic self-audits, employee training, quarterly and annual reporting and emergency prevention and response.

The U.S. refined fuels business, through a centralized safety and environment management system, ensures that safety practices and regulatory compliance are an important part of its business. The storage and delivery of refined fuels pose the risk of spills which could adversely affect the soil and water of storage facilities and customer properties.

Superior's fuel distribution businesses are based and operate in Canada and the United States and, as a result, such operations could be affected by changes to laws, rules or policies which could either be more favourable to competing energy sources or increase compliance costs or otherwise negatively affect the operations of Energy Services in comparison with such competing energy sources. Any such changes could have an adverse effect on the operations of Energy Services.

Approximately 19% of Superior's Canadian propane distribution business employees and 5% of U.S. refined fuels distribution business employees are unionized. Collective bargaining agreements are renegotiated in the normal course of business. While labour disruptions are not expected, there is always risk associated with the renegotiation process that could have an adverse impact on Superior.

Fixed-price Energy Services Business

There may be new market entrants in the energy retailing business that compete directly for the customer base that Superior targets, slowing or reducing its market share.

Fixed-price energy services purchases natural gas to meet its estimated commitments to its customers based on their historical consumption of gas. Depending on a number of factors, including weather, customer attrition and poor economic conditions affecting commercial customers' production levels, customer natural gas consumption may vary from the volume purchased. This variance must be reconciled and settled at least annually and may require fixed-price energy services to purchase or sell natural gas at market prices, which may have an adverse impact on the results of this business. To mitigate potential balancing risk, fixed-price energy services closely monitors its balancing position and takes measures such as adjusting gas deliveries and transferring gas between pools of customers, minimizing imbalances. The reserve is reviewed monthly to ensure that it is sufficient to absorb any balancing losses.

Fixed-price energy services matches its customers' estimated electricity requirements by entering into electricity swaps. Depending on several factors, including weather, customers' energy consumption may vary from the volumes purchased by fixed-price energy services. Fixed-price energy services is able to invoice existing commercial electricity customers for balancing charges when the amount of energy used is greater or less than the tolerance levels set initially. In certain circumstances, there can be balancing issues for which fixed-price energy services is responsible when customer aggregation forecasts are not realized.

Fixed-price energy services resources its fixed-price term natural gas sales commitments by entering into various physical and financial natural gas and U.S. dollar foreign exchange purchase contracts for similar terms and volumes to create an effective Canadian dollar fixed-price cost of supply. Superior transacts with nine financial and physical natural gas counterparties. There can be no assurance that any of these counterparties will not default on any of their obligations to Superior. The financial condition of each counterparty is, however, evaluated and credit limits are established to minimize Superior's exposure to this risk. There is also a risk that supply commitments and foreign exchange positions may become mismatched; this is monitored daily, however, in compliance with Superior's risk management policy.

Fixed-price energy services must retain qualified sales agents in order to properly execute its business strategy. The continued growth of fixed-price energy services is reliant on the services of agents to sign up new customers. There can be no assurance that competitive conditions will allow these agents to achieve these customer additions. Lack of success in the marketing programs of fixed-price energy services would limit future growth of cash flow.

Fixed-price energy services operates in the highly regulated energy industry in Ontario, Quebec, Alberta and British Columbia. Changes to laws could impact this business' operations. As part of the current regulatory framework, local delivery companies are mandated to perform certain services on behalf of fixed-price energy services, including invoicing, collection, assuming specific bad debt risks, and storage and distribution of natural gas. Any elimination or changes to these rules could have a significant adverse effect on the results of this business.

Specialty Chemicals

Specialty Chemicals competes with sodium chlorate, chloralkali and potassium producers on a worldwide basis. Key competitive factors include price, product quality, logistics capability, reliability of supply, technical capability and service. The end-use markets for products are correlated to the general economic environment and the competitiveness of customers, all of which are outside of the segment's control, along with market pricing for pulp.

Specialty Chemicals has long-term electricity contracts or electricity contracts that renew automatically with power producers in each of the jurisdictions where its plants are located. There is no assurance that Specialty Chemicals will remain able to secure adequate supplies of electricity at reasonable prices or on acceptable terms.

Potassium chloride (KCl) is a major raw material used in the production of potassium hydroxide at the Port Edwards, Wisconsin facility. Substantially all of Specialty Chemicals' KCl is received from Potash Corporation of Saskatchewan. Specialty Chemicals has limited ability to source KCl from additional suppliers.

Specialty Chemicals is exposed to fluctuations in the U.S. dollar and the euro versus the Canadian dollar. Specialty Chemicals manages its exposure to fluctuations between the U.S. dollar and Canadian dollar by entering into hedge contracts with external third parties and internally with other Superior businesses.

Specialty Chemicals' operations involve the handling, production, transportation, treatment and disposal of materials that are classified as hazardous and are regulated by environmental, health and safety laws, regulations and requirements. There is potential for the release of highly toxic and lethal substances, including chlorine from a facility or transportation equipment. Equipment failure could result in damage to facilities, death or injury and liabilities to third parties. If at any time the appropriate regulatory authorities deem any of the segment's facilities unsafe, they may order that such facilities be shut down.

Specialty Chemicals' operations and activities in various jurisdictions require regulatory approval for the handling, production, transportation and disposal of chemical products and waste substances. The failure to obtain or comply fully with such applicable regulatory approval may materially adversely affect Specialty Chemicals.

Specialty Chemicals' does not directly operate or control Tronox's Hamilton, Mississippi sodium chlorate facility. A major production outage or unplanned downtime could harm Specialty Chemicals' reputation and its ability to meet customer requirements.

Specialty Chemicals' production facilities maintain complex process and electrical equipment. The facilities have existed for many years and undergone upgrades and improvements. Routine maintenance is regularly completed to ensure equipment is operated within appropriate engineering and technical requirements. Notwithstanding Specialty Chemicals' operating standards and history of limited downtime, breakdown of electrical transformer or rectifier equipment would temporarily reduce production at the affected facility. Although the segment has insurance to mitigate substantial loss due to equipment outage, Specialty Chemicals' reputation and its ability to meet customer requirements could be harmed by a major electrical equipment failure.

Approximately 25% of Specialty Chemicals' employees are unionized. Collective bargaining agreements are renegotiated in the normal course of business. While labour disruptions are not expected, there is always risk associated with the negotiation process that could have an adverse impact on Superior.

Construction Products Distribution

Activity in the Construction Products Distribution segment is subject to changes in general economic activity and, in particular, residential and non-residential construction. New residential construction is subject to such factors as household income, employment levels, customer confidence, population changes and the local supply of residential units. Residential renovation is not as sensitive to these factors and can provide some balance in the demand for residential construction product distribution. Non-residential activity can be subdivided into commercial, industrial and institutional. New construction in these sectors is subject to many of the same general economic factors as residential activity. In the industrial and institutional subsectors, government and regulatory programs can also have a significant impact on the outlook for product distribution, particularly as related to Superior's insulation businesses. As a result, changes to general economic activity or other factors mentioned above that affect the amount of construction or renovation in residential and non-residential markets can have an adverse effect on the segment's business and Superior.

Construction Products Distribution competes with other specialty construction distributors servicing the builder/contractor market, in addition to big-box home centres and independent lumber yards. The ability to remain competitive depends on the segment's ability to provide reliable service at competitive prices.

The GSD market is driven largely by residential and non-residential construction. Demand for wall and ceiling building materials is affected by changes in general and local economic factors including demographic trends, employment levels, interest rates, consumer confidence and overall economic growth. These factors in turn affect existing housing sales, new home construction, new non-residential construction, and office/commercial space turnover, all of which are significant factors in determining demand for products and services.

The C&I market is driven largely by C&I construction spending and economic growth. Demand is influenced by commercial construction and renovation, the construction, maintenance and expansion of industrial process facilities (such as oil refineries, petrochemical plants and power generation facilities) and institutional facilities in the government, healthcare and education sectors.

The distribution of walls and ceilings and C&I products involves risks, including the failure or substandard performance of equipment, human error, natural disasters, suspension of operations and new government statutes, regulations, guidelines or policies. Operations are also subject to various hazards incidental to the handling, processing, storage and transportation of certain hazardous materials, including industrial chemicals. These hazards can result in personal injury including fatalities, damage to and destruction of property and equipment and environmental damage. There can be no assurance that as a result of past or future operations, there will not be claims of injury by employees or members of the public due to exposure, or alleged exposure, to these materials. There can be no assurance as to the actual amount of these liabilities or their timing, if any. The business maintains safe working practices through proper procedures, direction and utilization of equipment such as forklifts, boom trucks, fabrication equipment and carts/dollies. The business handles and stores a variety of construction materials and maintains appropriate material handling compliance programs in accordance with local, state/provincial and federal regulations.

Construction Products Distribution has approved and begun a system integration project to fully integrate its C&I and GSD enterprise resource planning (ERP) systems. The project will consist of adopting best practice common business processes, and integrating all operations onto a single, standardized ERP system. The updated ERP system will provide enhanced procurement, pricing and operational effectiveness, enabling CPD to further improve margins and operating costs once complete. Business process development in preparation of the implementation is underway. The project is expected to be completed over the next two years. Upon full commencement of the project, the scoping, requirements definition, business process definition, design, and testing of the integrated ERP system could take approximately one year with the branch conversions taking place the following year. Implementation problems could result in disruption to the business and/or inaccurate information for management and financial reporting. Risk will be mitigated by a project governance structure, extensive testing and a regionally phased implementation.

Approximately 5% of Construction Products Distribution's employees are unionized. Collective bargaining agreements are renegotiated in the normal course of business. While labour disruptions are not expected, there is always risk associated with the negotiation process that could have an adverse impact on the segment and Superior.

SUPERIOR PLUS CORP.
Condensed Consolidated Balance Sheets

(unaudited, millions of Canadian dollars)	Note	September 30 2015	December 31 2014
Assets			
Current Assets			
Cash and cash equivalents		**3.1**	3.1
Trade and other receivables	**5&14**	**348.1**	428.7
Prepaid expenses		**45.8**	48.2
Inventories		**182.3**	184.5
Unrealized gains on derivative financial instruments	**14**	**5.1**	10.7
Total Current Assets		**584.4**	675.2
Non-Current Assets			
Property, plant and equipment	**7**	**990.1**	932.2
Intangible assets		**21.4**	18.7
Goodwill		**196.0**	194.2
Notes and finance lease receivables		**2.9**	3.3
Employee future benefits		**5.9**	3.4
Deferred tax	**15**	**277.7**	284.4
Unrealized gains on derivative financial instruments	**14**	**1.0**	3.5
Total Non-Current Assets		**1,495.0**	1,439.7
Total Assets		**2,079.4**	2,114.9
Liabilities and Equity			
Current Liabilities			
Trade and other payables	**9**	**355.7**	379.0
Deferred revenue	**10**	**10.6**	9.1
Borrowing	**12**	**71.5**	66.7
Dividends and interest payable		**13.5**	8.5
Unrealized losses on derivative financial instruments	**14**	**66.5**	62.4
Total Current Liabilities		**517.8**	525.7
Non-Current Liabilities			
Borrowing	**12**	**562.0**	459.5
Convertible unsecured subordinated debentures	**13**	**301.9**	473.8
Other liabilities	**11**	**3.3**	1.9
Provisions	**8**	**23.6**	22.7
Employee future benefits		**24.6**	26.2
Deferred tax	**15**	**10.7**	8.3
Unrealized losses on derivative financial instruments	**14**	**84.5**	46.4
Total Non-Current Liabilities		**1,010.6**	1,038.8
Total Liabilities		**1,528.4**	1,564.5
Equity			
Capital		**1,793.2**	1,788.2
Deficit		**(1,334.5)**	(1,261.1)
Accumulated other comprehensive income		**92.3**	23.3
Total Equity	**16**	**551.0**	550.4
Total Liabilities and Equity		**2,079.4**	2,114.9

See accompanying Notes to the Condensed Consolidated Financial Statements.

SUPERIOR PLUS CORP.
Condensed Consolidated Statement of Changes in Equity

(unaudited, millions of Canadian dollars)	Share Capital	Contributed Surplus[(1)]	**Total Capital[(1)]**	**Deficit**	**Accumulated other comprehensive income**	**Total**
January 1, 2014	1,786.5	1.4	**1,787.9**	**(1,239.8)**	**(7.9)**	**540.2**
Net earnings	–	–	**–**	**13.6**	**–**	**13.6**
Conversion of 7.5% convertible unsecured subordinated debentures	0.3	–	**0.3**	**–**	**–**	**0.3**
Dividends declared to shareholders	–	–	**–**	**(56.8)**	**–**	**(56.8)**
Unrealized foreign currency gains on translation of foreign operations	–	–	**–**	**–**	**20.6**	**20.6**
Actuarial defined benefit loss	–	–	**–**	**–**	**(6.8)**	**(6.8)**
Income tax recovery on other comprehensive income	–	–	**–**	**–**	**1.8**	**1.8**
September 30, 2014	1,786.8	1.4	**1,788.2**	**(1,283.0)**	**7.7**	**512.9**
Net earnings	–	–	**–**	**43.3**	**–**	**43.3**
Dividends declared to shareholders	–	–	**–**	**(21.4)**	**–**	**(21.4)**
Unrealized foreign currency gains on translation of foreign operations	–	–	**–**	**–**	**15.4**	**15.4**
Actuarial defined benefit gain	–	–	**–**	**–**	**1.2**	**1.2**
Reclassification of derivatives losses previously deferred	–	–	**–**	**–**	**(0.5)**	**(0.5)**
Income tax expense on other comprehensive income	–	–	**–**	**–**	**(0.5)**	**(0.5)**
December 31, 2014	1,786.8	1.4	**1,788.2**	**(1,261.1)**	**23.3**	**550.4**
Net loss	**–**	**–**	**–**	**(5.1)**	**–**	**(5.1)**
Conversion of 7.5% convertible unsecured subordinated debentures	5.2	**–**	**5.2**	**–**	**–**	**5.2**
Option value associated with redemption of convertible debentures	**–**	(0.2)	**(0.2)**	**–**	**–**	**(0.2)**
Dividends declared to shareholders	**–**	**–**	**–**	**(68.3)**	**–**	**(68.3)**
Unrealized foreign currency gain on translation of foreign operations	**–**	**–**	**–**	**–**	**68.5**	**68.5**
Actuarial defined benefit gain	**–**	**–**	**–**	**–**	**0.6**	**0.6**
Income tax expense on other comprehensive income	**–**	**–**	**–**	**–**	**(0.1)**	**(0.1)**
September 30, 2015	1,792.0	1.2	**1,793.2**	**(1,334.5)**	**92.3**	**551.0**

(1) Contributed surplus represents Superior's equity reserve for the option value associated with the issuance of convertible unsecured subordinated debentures and warrants.

See accompanying Notes to the Condensed Consolidated Financial Statements.

SUPERIOR PLUS CORP.
Condensed Consolidated Statement of Net (Loss) Earnings and Total Comprehensive Income (Loss)

(unaudited, millions of Canadian dollars except per share amounts)	Note	Three months ended September 30 **2015**	2014	Nine months ended September 30 **2015**	2014
Revenues	**19**	**750.2**	841.4	**2,500.7**	3,019.1
Cost of sales (includes products & services)	**19**	**(559.8)**	(653.0)	**(1,827.8)**	(2,344.5)
Gross profit		**190.4**	188.4	**672.9**	674.6
Expenses					
Selling, distribution and administrative costs	**19**	**(185.9)**	(177.8)	**(581.2)**	(561.9)
Finance expense	**19**	**(13.1)**	(14.3)	**(44.0)**	(42.0)
Unrealized losses on derivative financial instruments	**14**	**(38.0)**	(40.7)	**(42.7)**	(39.3)
		(237.0)	(232.8)	**(667.9)**	(643.2)
Net (loss) earnings before income taxes		**(46.6)**	(44.4)	**5.0**	31.4
Income tax recovery (expense)	**15**	**10.4**	2.0	**(10.1)**	(17.8)
Net (loss) earnings		**(36.2)**	(42.4)	**(5.1)**	13.6
Net (loss) earnings		**(36.2)**	(42.4)	**(5.1)**	13.6
Other comprehensive income:					
Unrealized foreign currency gains on translation of foreign operations		**35.7**	21.6	**68.5**	20.6
Actuarial defined benefit gains (loss)		**2.7**	(4.8)	**0.6**	(6.8)
Income tax recovery on other comprehensive income		**(0.7)**	1.3	**(0.1)**	1.8
Other comprehensive income for the period		**37.7**	18.1	**69.0**	15.6
Total comprehensive income (loss) for the period		**1.5**	(24.3)	**63.9**	29.2
Net (loss) earnings per share					
Basic	**17**	**$(0.29)**	$(0.34)	**$(0.04)**	$0.11
Diluted	**17**	**$(0.32)**	$(0.34)	**$(0.04)**	$0.11

See accompanying Notes to the Condensed Consolidated Financial Statements.

SUPERIOR PLUS CORP.
Condensed Consolidated Statement of Cash Flows

(unaudited, millions of Canadian dollars)	Notes	Three months ended September 30 **2015**	2014	Nine months ended September 30 **2015**	2014
OPERATING ACTIVITIES					
Net (loss) earnings for the period		**(36.2)**	(42.4)	**(5.1)**	13.6
Adjustments for:					
Depreciation included in selling, distribution and administrative costs	**7**	**14.9**	13.0	**41.2**	34.4
Amortization of intangible assets		**1.6**	1.5	**5.0**	3.0
Depreciation included in cost of sales	**7**	**15.9**	11.5	**44.7**	35.5
Gain on sale of customer list		**–**	–	**(0.3)**	(3.7)
Loss (Gain) on disposal of assets		**1.0**	(0.4)	**1.5**	(0.5)
Unrealized losses on derivative financial instruments	**14**	**38.0**	40.7	**42.7**	39.3
Customer contract-related costs		**(0.1)**	(0.4)	**(0.8)**	(1.1)
Finance expense recognized in net earnings		**13.1**	14.3	**44.0**	42.0
Income tax (recovery) expense recognized in net earnings		**(10.4)**	(2.0)	**10.1**	17.8
Decrease in non-cash operating working capital	**18**	**54.1**	33.4	**108.9**	61.5
Net cash flows from operating activities		**91.9**	69.2	**291.9**	241.8
Income taxes paid		**–**	(0.6)	**(17.0)**	(2.4)
Interest paid		**(3.5)**	(3.9)	**(32.1)**	(30.4)
Cash flows from operating activities		**88.4**	64.7	**242.8**	209.0
INVESTING ACTIVITIES					
Purchase of property, plant and equipment	**7**	**(30.8)**	(23.9)	**(62.1)**	(66.0)
Proceeds from finance lease arrangement termination		**–**	–	**–**	8.2
Proceeds from disposal of property, plant and equipment and intangible assets	**7**	**0.3**	1.3	**1.4**	5.9
Acquisitions	**4**	**–**	–	**(1.6)**	–
Cash flows used in investing activities		**(30.5)**	(22.6)	**(62.3)**	(51.9)
FINANCING ACTIVITIES					
Net repayment of revolving term bank credits and other debt		**(29.4)**	(12.2)	**77.2**	(77.2)
Redemption of 5.75% convertible debentures	**13**	**–**	–	**(172.5)**	–
Repayment of finance lease obligations		**(7.8)**	(5.2)	**(18.1)**	(14.9)
Dividends paid to shareholders		**(22.8)**	(18.9)	**(68.3)**	(56.8)
Cash flows used in financing activities		**(60.0)**	(36.3)	**(181.7)**	(148.9)
Net (decrease) increase in cash and cash equivalents		**(2.1)**	5.8	**(1.2)**	8.2
Cash and cash equivalents, beginning of period		**4.6**	10.5	**3.1**	8.3
Effect of translation of foreign currency-denominated cash and cash equivalents		**0.6**	0.4	**1.2**	0.2
Cash and cash equivalents, end of period		**3.1**	16.7	**3.1**	16.7

See accompanying Notes to the Condensed Consolidated Financial Statements.

1. ORGANIZATION

Superior Plus Corp. (Superior) is a diversified business corporation, incorporated under the Canada Business Corporations Act. The registered office is at suite 401, 200 Wellington Street West, Toronto, Ontario. Superior holds 100% of Superior Plus LP (Superior LP), a limited partnership formed between Superior General Partner Inc. as general partner and Superior as limited partner. Superior holds 100% of the interest of Superior General Partner Inc. Superior does not conduct active business operations but rather distributes to shareholders a portion of the income it receives from Superior Plus LP in the form of partnership allocations, net of expenses and interest payable on the convertible unsecured subordinated debentures (the debentures). Superior's investments in Superior Plus LP are financed by share capital and debentures. Superior is a publicly traded company with its common shares trading on the Toronto Stock Exchange (TSX) under the exchange symbol SPB.

The accompanying unaudited condensed consolidated financial statements (consolidated financial statements) of Superior as at September 30, 2015 and the three and nine months ended September 30, 2015 and 2014 were authorized for issuance by the Board of Directors on October 29, 2015.

Reportable Operating Segments

Superior operates three distinct reportable operating segments: Energy Services, Specialty Chemicals and Construction Products Distribution. Superior's Energy Services' operating segment provides distribution, wholesale procurement and related services in relation to propane, heating oil and other refined fuels under the following: Canadian propane division and U.S. refined fuels division. Energy Services also provides fixed-price natural gas and electricity supply services under Superior Energy Management. Specialty Chemicals is a leading supplier of sodium chlorate and technology to the pulp and paper industries and a regional supplier of potassium and chloralkali products in the U.S. Midwest. Construction Products Distribution is one of the largest distributors of commercial and industrial insulation in North America and the largest distributor of specialty construction products to the walls and ceilings industry in Canada (See Note 21).

2. BASIS OF PRESENTATION

The accompanying consolidated financial statements were prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting* (IAS 34) as issued by the International Accounting Standards Board (IASB) using the accounting policies Superior adopted in its annual consolidated financial statements as at and for the year ended December 31, 2014 other than the standards adopted as at January 1, 2015. The accounting policies are based on the International Financial Reporting Standards (IFRS) and International Financial Reporting Interpretations Committee (IFRIC) interpretations that were applicable at that time. These accounting policies have been applied consistently to all periods presented in these consolidated financial statements, and have been applied consistently throughout the consolidated entities.

The consolidated financial statements are presented in Canadian dollars, Superior's functional currency. All financial information presented in Canadian dollars has been rounded to the nearest hundred-thousand. These consolidated financial statements should be read in conjunction with Superior's 2014 annual consolidated financial statements.

The consolidated financial statements were prepared on the historical cost basis except for certain financial instruments that are measured at fair value as explained in Superior's 2014 annual consolidated financial statements and incorporate the accounts of Superior and its wholly-owned subsidiaries. Subsidiaries are all entities over which Superior has the power to govern the financial and operating policies generally accompanying a shareholding of more than one-half of the voting rights. The results of subsidiaries are included in Superior's statement of net earnings from date of acquisition or, in the case of disposals, up to the effective date of disposal. All transactions and balances between Superior and Superior's subsidiaries are eliminated upon consolidation. Superior's subsidiaries are all wholly owned directly or indirectly by Superior Plus Corp.

Significant Accounting Policies

(a) Significant Accounting Judgments, Estimates and Assumptions

The preparation of Superior's consolidated financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, net earnings and related disclosure. The estimates and associated assumptions are based on historical experience and various other factors deemed reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The areas involving a higher degree of judgment or complexity, or where assumptions and estimates are significant to the financial statements are consistent with those disclosed in Superior's 2014 annual consolidated financial statements.

(b) Recent Accounting Pronouncements

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB or IFRIC that are mandatory for accounting periods beginning January 1, 2015 or later periods. The affected standards are consistent with those disclosed in Superior's 2014 annual consolidated financial statements.

New and revised IFRS standards issued but not yet effective

IFRS 9 – *Financial Instruments: Classification and Measurement*

IFRS 9 was issued in November 2009 and is intended to replace IAS 39 – *Financial Instruments: Recognition and Measurement*. IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. Requirements for financial liabilities were added in October 2010 and they largely carried forward existing requirements in IAS 39 except that fair value changes due to credit risk for liabilities designated at fair value through profit and loss would generally be recorded in other comprehensive income. Another revised version of IFRS 9 was issued in July 2014 to include impairment requirements for financial assets and limited amendments to the classification and measurement requirements by introducing the fair value through other comprehensive income measurement category for certain simple debt instruments. This standard must be applied for accounting periods beginning on or after January 1, 2018, with earlier adoption permitted. Superior is assessing the effect of IFRS 9 on its financial results and financial position; changes, if any, are not expected to be material.

IFRS 15 – *Revenue from Contracts with Customers*

In May 2014, IFRS 15 was issued, establishing a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. IFRS 15 supersedes the current revenue recognition guidance including IAS 18 – *Revenue*, IAS 11 – *Construction Contracts* and the related interpretation when it becomes effective. Under IFRS 15, an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. An entity is required to recognize revenue when the performance obligation is satisfied. Either a full or modified retrospective application is required for annual periods beginning on or after January 1, 2018 with early adoption permitted. Superior is currently assessing the impact of IFRS 15 and plans to adopt the new standard on the required effective date.

IAS 16 and IAS 38 – *Property, Plant and Equipment and Intangible Assets*
The amendments to IAS 16 prohibit entities from using a revenue-based depreciation method for items of property, plant, and equipment. The amendments to IAS 38 introduce a rebuttable presumption that revenue is not an appropriate basis for amortization of an intangible asset. This presumption can only be rebutted in the event when the intangible asset is expressed as a measure of revenue or, when it can be demonstrated that revenue and consumption of the economic benefits of the intangible assets are highly correlated. This standard must be applied for accounting periods beginning on or after January 1, 2016, with earlier adoption permitted. Superior currently amortizes property, plant and equipment and intangible assets using the straight-line method and therefore, does not anticipate the application of these amendments to IAS 16 and IAS 18 having a material impact on Superior's consolidated financial statements.

3. SEASONALITY OF OPERATIONS

Energy Services
Sales typically peak in the first quarter when approximately one-third of annual propane and other refined fuels sales volumes and gross profits are generated due to the demand from heating end-use customers. They then decline through the second and third quarters, rising seasonally again in the fourth quarter with heating demand. Similarly, net working capital is typically at seasonal highs during the first and fourth quarters, and normally declines to seasonal low in the second and third quarters. Net working capital is also significantly influenced by wholesale propane prices and other refined fuels.

Construction Products Distribution
Sales typically peak during the second and third quarters with the seasonal increase in building and renovation activities. They then decline through the fourth quarter and into the subsequent first quarter. Similarly, net working capital is typically at seasonally high levels during the second and third quarters, and normally decline to seasonal lows in the fourth and first quarters.

4. ACQUISITIONS
On April 1, 2015, Superior acquired the assets of Warner's Gas Service Inc. (Warner's) which is a small private propane and fuel distribution business in Vestal, New York for an aggregate purchase price of $5.5 million including adjustments to net working capital and deferred consideration. The operations will provide U.S. refined fuels with access to additional propane customers.

Warner's Acquisition	Fair Value Recognized on Acquisition
Property, plant and equipment	1.9
Intangible assets	3.5
Trade and other payables	(0.7)
	4.7
Net identifiable assets and liabilities	4.7
Goodwill arising on acquisition	0.8
Total consideration	**5.5**
Purchase consideration components:	
Cash (paid on April 1, 2015)	1.6
Deferred consideration	3.9
Total purchase consideration	**5.5**

Revenue and net earnings for the three months ended September 30, 2015 would have been $1.0 million and $(0.1) million, respectively, if the acquisition had occurred on January 1, 2015. Revenue and net earnings for the nine months ended September 30, 2015 would have been $7.0 million and $0.4 million, respectively, if the acquisition had occurred on January 1, 2015. Subsequent to the acquisition date of April 1, 2015, the acquisition contributed revenue and net earnings, respectively, of $2.4 million and $(0.3) million to Energy Services for the period ended September 30, 2015.

5. TRADE AND OTHER RECEIVABLES

A summary of trade and other receivables is as follows:

	Note	**September 30 2015**	December 31 2014
Trade receivables, net of allowances	**14**	**327.7**	392.5
Accounts receivable – other		**20.4**	36.2
Trade and other receivables		**348.1**	428.7

6. INVENTORIES

The cost of inventories recognized as an expense during the three and nine months ended September 30, 2015 was $479.0 million (September 30, 2014 – $525.7 million) and $1,574.2 million (September 30, 2014 – $2,066.7 million); respectively. Superior recorded an inventory write-down during the three and nine months ended September 30, 2015 of $0.1 million (September 30, 2014 – $0.3 million) and $1.6 million (September 30, 2014 – $8.1 million); respectively. Superior recorded a write-down reversal during the three and nine months ended September 30, 2015 of $1.1 million (September 30, 2014 – $nil) and $6.9 million (September 30, 2014 – $nil); respectively.

7. PROPERTY, PLANT AND EQUIPMENT

Cost	**Land**	**Buildings**	**Specialty Chemicals Plant & Equipment**	**Energy Services Retailing Equipment**	**Construction Products Distribution Equipment**	**Leasehold Improvements**	**Total**
Balance at December 31, 2014	30.6	171.3	891.3	684.2	54.2	11.9	1,843.5
Balance at September 30, 2015	**32.5**	**190.1**	**970.9**	**737.8**	**70.1**	**13.5**	**2,014.9**
Accumulated Depreciation							
Balance at December 31, 2014	–	58.2	443.5	369.9	30.9	8.8	911.3
Balance at September 30, 2015	**–**	**72.4**	**508.1**	**401.0**	**33.6**	**9.7**	**1,024.8**
Carrying Amount							
Balance at December 31, 2014	30.6	113.1	447.8	314.3	23.3	3.1	932.2
Balance at September 30, 2015	**32.5**	**117.7**	**462.8**	**336.8**	**36.5**	**3.8**	**990.1**

Depreciation per cost category:

	Three months ended September 30		**Nine months ended September 30**	
	2015	2014	**2015**	2014
Cost of sales	**15.9**	11.5	**44.7**	35.5
Selling, distribution and administrative costs	**14.9**	13.0	**41.2**	34.4
Total	**30.8**	24.5	**85.9**	69.9

The carrying amount of Superior's property, plant, and equipment includes $81.3 million of leased assets as at September 30, 2015 (December 31, 2014 – $86.6 million).

8. PROVISIONS

	Restructuring	Decommissioning	Environmental	Total
Balance at December 31, 2014	**7.4**	**18.7**	**1.2**	**27.3**
Additions	**–**	**0.1**	**–**	**0.1**
Utilization	**(5.8)**	**(0.1)**	**(0.1)**	**(6.0)**
Amounts reversed during the year	**(0.8)**	**–**	**–**	**(0.8)**
Unwinding of discount	**–**	**1.3**	**–**	**1.3**
Impact of change in discount rate	**–**	**0.4**	**–**	**0.4**
Net foreign currency exchange difference	**–**	**1.9**	**0.2**	**2.1**
Balance at September 30, 2015	**0.8**	**22.3**	**1.3**	**24.4**

	Note	September 30 2015	December 31 2014
Current	**9**	**0.8**	4.6
Non-current		**23.6**	22.7
		24.4	27.3

Restructuring

Restructuring costs under the provision are recorded in selling, distribution, and administrative costs. For the three and nine months ended September 30, 2015 restructuring costs was $nil (September 30, 2014 – $nil) and $nil (September 30, 2014 – $11.1 million), respectively. Provisions for restructuring are recorded in provisions, except for the current portion, which is recorded in trade and other payables. As at September 30, 2015, the current portion of restructuring costs was $0.8 million (December 31, 2014 – $4.6 million). As at September 30, 2015, the long term portion of restructuring costs was $nil (December 31, 2014 – $2.9 million). The provision is primarily for severance, lease costs and consulting fees.

Decommissioning

The provisions are on a discounted basis and are based on existing technologies at current prices or long-term price assumptions, depending on the activity's expected timing.

Specialty Chemicals

Superior makes full provision for the future cost of decommissioning Specialty Chemicals' chemical facilities. As at September 30, 2015, the discount rate used in Superior's calculation was 2.21% (December 31, 2014 – 2.33%). Superior estimates the total undiscounted expenditures required to settle its decommissioning liabilities to be approximately $12.7 million (December 31, 2014 – $21.4 million) which will be paid over the next 17 to 25 years. While Superior's provision for decommissioning costs is based on the best estimate of future costs and the economic lives of the chemical facilities, the amount and timing of these costs is uncertain.

Energy Services

Superior makes full provision for the future costs of decommissioning certain assets associated with the Energy Services segment. Superior estimates the total undiscounted expenditures required to settle its decommissioning liabilities to be approximately $11.9 million at September 30, 2015 (December 31, 2014 – $9.6 million) which will be paid over the next 17 years. The discount rate of 2.21% at September 30, 2015 (December 31, 2014 – 2.33%) was used to calculate the present value of the estimated cash flows.

Environmental
Provisions for environmental remediation are made when a clean-up is probable and the amount of the obligation can be reliably estimated. Generally, this coincides with commitment to a formal plan or, if earlier, on divestment or closure of inactive sites. Superior estimates the total undiscounted expenditures required to settle its environmental expenditures to be approximately $1.3 million at September 30, 2015 (December 31, 2014 – $1.2 million) which will be paid over the next two years. The provision for environmental expenditures has been estimated using existing technology, at current prices and discounted using a discount rate of 2.21% at September 30, 2015 (December 31, 2014 – 2.33%). The extent and cost of future remediation programs are inherently difficult to estimate. They depend on the scale of any possible contamination, the timing and extent of corrective actions, and Superior's share of the liability.

9. TRADE AND OTHER PAYABLES

A summary of trade and other payables is as follows:

	Notes	September 30 2015	December 31 2014
Trade payables		**255.0**	279.5
Other payables		**67.5**	76.7
Net benefit obligation		**27.8**	4.6
Restructuring provision	**8**	**0.8**	4.6
Amounts due to customers under construction contracts		**–**	1.6
Share-based payments		**4.6**	12.0
Trade and other payables		**355.7**	379.0

10. DEFERRED REVENUE

	September 30 2015	December 31 2014
Balance at the beginning of the period	**9.1**	24.8
Deferred during the period	**11.2**	17.9
Released to net earnings (loss)	**(9.9)**	(34.3)
Foreign exchange impact	**0.2**	0.7
Balance at the end of the period	**10.6**	9.1

The deferred revenue relates to Energy Services' unearned service and product revenue and Specialty Chemicals' unearned product-related revenues.

11. OTHER LIABILITIES

	September 30 2015	December 31 2014
Supply agreement	**3.3**	1.9
	3.3	1.9

The supply agreement above relates to Specialty Chemicals' supply agreement with Tronox LLC (Tronox) to purchase 130,000 metric tonnes (MT) of sodium chlorate per year from Tronox's Hamilton, Mississippi facility as nominated annually by Specialty Chemicals. Specialty Chemicals has provided notification that it will not be nominating any volume for fiscal 2016 related to this agreement.

12. BORROWING

	Year of Maturity	Effective Interest Rate	**September 30 2015**	December 31 2014
Revolving Term Bank Credit Facilities[1]				
Bankers' Acceptances (BA)	2019	Floating BA rate plus applicable credit spread	**262.6**	71.8
Canadian Prime Rate Loan	2019	Prime rate plus applicable credit spread	**9.1**	16.4
LIBOR Loans (U.S. $29.0 million; 2014 – U.S. $92.0 million)	2019	Floating LIBOR rate plus applicable credit spread	**38.8**	106.7
US Base Rate Loan (U.S. $2.9 million; 2014 – U.S. $19.8 million)	2019	US Prime rate plus credit spread	**3.9**	23.0
			314.4	217.9
Other Debt				
Accounts receivable factoring program[2]	–	Floating BA Plus	**2.8**	5.6
Deferred consideration	2015-2018	Non-interest-bearing	**6.7**	2.8
			9.5	8.4
Senior Secured Notes[3]				
Senior secured notes subject to fixed interest rates (U.S. $30.0 million; 2014 – U.S. $30.0 million)	2015	7.62%	**40.2**	34.8
Senior Unsecured Notes				
Senior unsecured notes[4]	2021	6.50%	**200.0**	200.0
Finance Lease Obligations				
Finance lease obligation			**76.0**	72.1
Total borrowing before deferred financing fees			**640.1**	533.2
Deferred financing fees			**(6.6)**	(7.0)
Borrowing			**633.5**	526.2
Current maturities			**(71.5)**	(66.7)
Borrowing			**562.0**	459.5

(1) On May 27, 2015, Superior and its wholly-owned subsidiaries, Superior Plus US Financing Inc. and Commercial E Industrial (Chile) Limitada, extended the maturity date of its credit facility, which totals $570.0 million, to June 27, 2019. The credit facility, which includes eight lenders, can be expanded up to $750.0 million. Superior maintains the flexibility to expand the facility up to $750.0 million. As at September 30, 2015, Superior had $31.8 million of outstanding letters of credit (December 31, 2014 – $30.6 million) and approximately $146.3 million of outstanding financial guarantees (December 31, 2014 – $128.6 million). The fair value of Superior's revolving term bank credit facilities, other debt, letters of credit, and financial guarantees approximates their carrying value as a result of the market-based interest rates, the short-term nature of the underlying debt instruments and other related factors.

(2) Superior has entered into a Master Receivables Purchase Agreement with a financial institution by which it may purchase from time to time, on an uncommitted revolving basis, a 100% interest in receivables from Superior. The maximum aggregate amount of purchased receivables purchased by the financial institution under this agreement and outstanding at any time is limited to $15.0 million. As at September 30, 2015, the accounts receivable factoring program totalled CDN $2.8 million (December 31, 2014 – CDN $5.6 million).

(3) Senior secured notes (the notes) totalling U.S. $30.0 million at September 30, 2015 and December 31, 2014 (CDN $40.2 million CDN $34.8 million, respectively) are secured by a general charge over the assets of Superior and certain of its subsidiaries. Principal repayments began in the fourth quarter of 2009. Management has estimated the fair value of the notes based on comparisons to U.S. Treasury instruments with similar maturities, interest rates and credit risk profiles. The estimated fair value of the notes as at September 30, 2015 was CDN $41.6 million (December 31, 2014 – CDN $36.6 million).

(4) On December 9, 2014, Superior completed an offering of $200.0 million 6.50% senior unsecured notes (the senior notes). The senior notes were issued at par value and mature on December 9, 2021. The senior notes contain certain early redemption options under which Superior has the option to redeem all or a portion of the senior notes at various redemption prices, which include the principal amount plus accrued and unpaid interest, if any, to the application redemption date. Interest is payable semi-annually on June 9 and December 9, commencing June 9, 2015.

Repayment requirements of borrowing before deferred financing fees are as follows:

Current maturities	**71.5**
Due in 2016	**22.1**
Due in 2017	**10.0**
Due in 2018	**8.4**
Due in 2019	**321.5**
Due in 2020	**6.6**
Subsequent to 2020	**200.0**
Total	**640.1**

13. CONVERTIBLE UNSECURED SUBORDINATED DEBENTURES

Superior's debentures are as follows:

Maturity	June 2017[1]	June 2018	October 2016	June 2019	**Total**
Interest rate	5.75%	6.00%	7.50%	6.00%	**Carrying**
Conversion price per share	$19.00	$15.10	$11.35	$16.75	**Value**
Debentures outstanding as at September 30, 2015	**–**	**146.7**	**68.4**	**86.8**	**301.9**
Debentures outstanding as at December 31, 2014	169.6	145.9	73.1	85.2	473.8
Quoted market value as at September 30, 2015	**–**	**153.0**	**69.9**	**99.9**	**322.8**
Quoted market value as at December 31, 2014	176.0	155.3	80.9	100.4	512.6

(1) Superior redeemed $172.5 million being the total outstanding amount of the 5.75% June 2017 convertible unsecured subordinated debentures on June 30, 2015.

Superior's convertible debentures due in October 2016, June 2018, and June 2019 carry multiple settlement options at conversion. The debentures may be converted into shares at the option of the holder, at the conversion price, at any time prior to the earlier of redemption by Superior or maturity. Superior may elect to pay interest and principal upon maturity or redemption by issuing shares to a trustee in the case of interest payments, and to the debenture holders in the case of payment of principal. The number of any shares issued to the debenture holders will be determined based on the market price per share at the time of issuance. Superior may elect to pay the debenture holders cash in lieu of delivering common shares upon conversion.

The principal amount of all convertible debentures as at September 30, 2015 was $316.3 million (December 31, 2014 - $494.2 million).

14. FINANCIAL INSTRUMENTS

IFRS requires disclosure around fair value and specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect Superior's market assumptions. These two types of input create the following fair-value hierarchy:

- *Level 1* – Quoted prices in active markets for identical instruments.
- *Level 2* – Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs and significant value drivers are observable in active markets.
- *Level 3* – Valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable.

The fair value of a financial instrument is the consideration estimated to be agreed upon in an arm's-length transaction between knowledgeable, willing parties who are under no compulsion to act. Fair values are determined by reference to quoted bid or asking prices, as appropriate, in the most advantageous active market for that instrument to which Superior has immediate access (Level 1). Where bid and ask prices are unavailable, Superior uses the closing price of the instrument's most recent transaction. In the absence of an active market, Superior estimates fair values based on prevailing market rates (bid and ask prices, as appropriate) for instruments with similar characteristics and risk profiles or internal or external valuation models, such as discounted cash flow analysis using, to the extent possible, observable market-based inputs (Level 2). Superior uses internally developed methodologies and unobservable inputs to determine the fair value of some financial instruments when required (Level 3).

Fair values determined using valuation models require assumptions concerning the amount and timing of estimated future cash flows and discount rates. In determining those assumptions, Superior looks primarily to available readily observable external market inputs including forecast commodity price curves, interest rate yield curves, currency rates, and price and rate volatilities as applicable.

With respect to the valuation of Specialty Chemicals' fixed-price electricity agreement, the valuation of this agreement requires Superior to make assumptions about the long-term price of electricity in electricity markets for which active market information is not available. The impact of the assumption for the long-term forward price curve of electricity has a material impact on the fair value of this agreement. A $1/MWh change in the forecast price of electricity would result in a change in the fair value of this agreement of $0.5 million, with a corresponding impact to net earnings (loss) before income taxes.

All financial and non-financial derivatives are designated as held-for-trading upon their initial recognition.

As at				**September 30, 2015**
	Level 1	**Level 2**	**Level 3**	**Total**
Assets				
Foreign currency forward contracts, net sale	**1.2**	–	–	**1.2**
Forward currency forward contracts, balance sheet related	**0.8**	–	–	**0.8**
Natural gas financial swaps - AECO	–	**0.4**	–	**0.4**
Interest rate swaps – CDN$	–	**2.8**	–	**2.8**
Equity derivative contracts	–	**0.1**	–	**0.1**
Propane wholesale purchase and sale contracts, net sale – Energy Services	–	**0.8**	–	**0.8**
Total assets	**2.0**	**4.1**	–	**6.1**
Liabilities				
Natural gas financial swaps - AECO	–	**19.8**	–	**19.8**
Electricity swaps – Energy Services	–	**3.4**	–	**3.4**
Foreign currency forward contracts, net sale	**107.0**	–	–	**107.0**
Interest rate swaps – CDN$	–	**0.1**	–	**0.1**
Debenture-embedded derivative	–	–	**12.0**	**12.0**
Propane wholesale purchase and sale contracts, net sale – Energy Services	–	**2.6**	–	**2.6**
Butane wholesale purchase and sale contracts, net sale – Energy Services	–	**0.1**	–	**0.1**
Diesel wholesale purchase and sale contracts, net sale – Energy Services	–	**0.3**	–	**0.3**
Fixed-price electricity purchase agreements – Specialty Chemicals	–	–	**5.7**	**5.7**
Total liabilities	**107.0**	**26.3**	**17.7**	**151.0**
Total net liability	**(105.0)**	**(22.2)**	**(17.7)**	**(144.9)**
Current portion of assets	**2.0**	**3.1**	–	**5.1**
Current portion of liabilities	**46.3**	**17.3**	**2.9**	**66.5**

As at				December 31, 2014
	Level 1	Level 2	Level 3	Total
Assets				
Natural gas financial swaps - AECO	–	0.2	–	0.2
Electricity swaps – Energy Services	–	0.1	–	0.1
Interest rate swaps – CDN$	–	5.9	–	5.9
Equity derivative contracts	–	0.4	–	0.4
Propane wholesale purchase and sale contracts, net sale – Energy Services	–	7.6	–	7.6
Total assets	–	14.2	–	14.2
Liabilities				
Natural gas financial swaps - AECO	–	22.6	–	22.6
Electricity swaps – Energy Services	–	4.0	–	4.0
Foreign currency forward contracts, net sale	49.6	–	–	49.6
Interest rate swaps – CDN$	–	0.1	–	0.1
Debenture-embedded derivative	–	–	14.2	14.2
Propane wholesale purchase and sale contracts, net sale – Energy Services	–	14.1	–	14.1
Diesel wholesale purchase and sale contracts, net sale – Energy Services	–	0.6	–	0.6
WTI wholesale purchase and sale contract, net sale – Energy Services	–	0.1	–	0.1
Fixed-price electricity purchase agreements – Specialty Chemicals	–	–	3.4	3.4
Fixed-price natural gas purchase agreements – Specialty Chemicals	–	0.1	–	0.1
Total liabilities	49.6	41.6	17.6	108.8
Total net liability	(49.6)	(27.4)	(17.6)	(94.6)
Current portion of assets	–	10.7	–	10.7
Current portion of liabilities	28.0	32.9	1.5	62.4

The following table outlines quantitative information about how the fair values of these financial and non-financial assets and liabilities are determined, including valuation techniques and inputs used:

Description	Notional[(1)]	Term	Effective Rate	Valuation Technique(s) and Key Input(s)
Level 1 fair value hierarchy:				
Foreign currency forward contracts, net sale	US$522.2[(3)]	2015-2019	1.13	Quoted bid prices in the active market.
Foreign currency forward contracts, balance sheet-related	$30.0	2015	1.31	Quoted bid prices in the active market.
Level 2 fair value hierarchy:				
Natural gas financial swaps−AECO	20.2 GJ[(2)]	2015-2020	CDN $3.68 /GJ	Discounted cash flow – Future cash flows are estimated based on forward market prices (from observable yield curves at the end of the reporting period) applied to contract volumes, discounted at a rate that reflects the credit risk of various counterparties.
Interest rate swaps (fixed and floating) – CDN$	$87.5[(3)]	2016-2017	6-month BA rate plus 2.67% / 1-month BA rate	Discounted cash flow – Future cash flows are estimated based on forward interest rates and contract interest rates, discounted at a rate that reflects the credit risk of various counterparties.
Equity derivative contracts	$16.4[(3)]	2015-2018	$12.39 /share	Discounted cash flow – Future cash flows are estimated based on equity derivative contracts.
Diesel wholesale purchase and sale contracts, net sale – Energy Services	0.6 USG[(4)]	2015	$1.60 /USG	Quoted bid prices for similar products in the active market.
Propane wholesale purchase and sale contracts, net sale – Energy Services	7.9 USG[(4)]	2015-2017	$0.60 /USG	Quoted bid prices for similar products in the active market.
Electricity swaps – Energy Services	0.5MWh[(5)]	2015-2018	$35.90 /MWh	Discounted cash flow – Future cash flows are estimated based on forward market prices (from observable yield curves at the end of the reporting period) applied to contract volumes, discounted at a rate that reflects the credit risk of various counterparties.
Heating oil purchase and sale contracts – Energy Services	2.4 USG[(4)]	2015	US $2.02 /USG	Quoted bid prices for similar products in the active market.
Fixed-price natural gas purchase agreements – Specialty Chemicals	Nil DTH[(7)]	NA	$Nil/DTH	Quoted bid prices for similar products in the active market.
Level 3 fair value hierarchy:				
Debenture-embedded derivative	$316.3[(3)]	2016-2019	–	Black-Scholes model – see "Valuation techniques and significant unobservable inputs" for further details.
Fixed-price electricity purchase agreements – Specialty Chemicals	32-45 MW[(6)]	2015-2017	$45 /MWh	Discounted cash flow – see "Valuation techniques and significant unobservable inputs" for further details.

(1) Notional values as at September 30, 2015.
(2) Millions of gigajoules (GJ) purchased.
(3) Millions of dollars.
(4) Millions of United States gallons (USG) purchased.
(5) Millions of mega-watt hours (MWh).
(6) Megawatts (MW) on a 24/7 continual basis per year purchased.
(7) Dekatherms (DTH) purchased.

Valuation techniques and significant unobservable inputs

Financial Instrument	Valuation Technique	Significant Unobservable Inputs	Sensitivity of Input to Fair Value
Debenture-embedded derivative	Black-Scholes model	Volatility – 25.91%-26.57% (Dec 2014 – 23.47%-24.22%) Risk-free rate – 0.81%-1.11% (Dec 2014 – 1.34%-1.46%)	The estimated fair value would increase (decrease) if: - Volatility decreased (increased) - Risk-free rate decreased (increased)
Fixed-price electricity purchase agreements	Discounted cash flow	Forward electricity prices[1] – $34.17-$38.25 (Dec 2014 - $35.40-$44.50) WACC – 9% (Dec 2014 – 9%)	The estimated fair value would increase (decrease) if: - Forward prices increased (decreased) - WACC decreased (increased)

[1] Net of greenhouse gas charge of $4/MWh.

The change in the fair value of Superior's Level 3 financial instruments for the periods ended September 30, 2015 and December 31, 2014 are as follows:

Description	**Debenture - Embedded Derivative**	**Fixed Price Electricity Purchase Agreements**	**Total**
Balance at December 31, 2014	(14.2)	(3.4)	(17.6)
Unrealized losses[1]	**2.2**	**(2.3)**	**(0.1)**
Other	–	–	–
Balance at September 30, 2015	**(12.0)**	**(5.7)**	**(17.7)**

[1] Recorded in "Unrealized losses on derivative financial instruments" through net income in the Statement of Net Earnings and Total Comprehensive Income.

	For the three months ended September 30, 2015		For the three months ended September 30, 2014	
Description	**Realized Gain (Loss)**	**Unrealized Gain (Loss)**	Realized Gain (Loss)	Unrealized Gain (Loss)
Natural gas financial swaps – AECO	**(3.6)**	**(1.2)**	(1.1)	(2.1)
Energy Services electricity swaps	**(1.5)**	**2.5**	(1.7)	(1.9)
Foreign currency forward contracts, net sale	**(14.8)**	**(34.7)**	(3.6)	(17.5)
Foreign currency forward contracts, balance sheet-related	–	**0.8**	–	1.5
Interest rate swaps	**1.3**	**(1.0)**	0.1	0.2
Equity derivative contracts	–	**(2.1)**	–	0.2
Energy Services' propane wholesale purchase and sale contracts	–	**0.2**	–	–
Energy Services' WTI wholesale purchase and sale contracts	–	–	–	(0.3)
Energy Services' butane wholesale purchase and sale contracts	–	–	–	–
Energy Services' heating oil purchase and sale contracts	**1.9**	**(3.0)**	1.7	(1.7)
Energy Services' diesel purchase and sale contracts	–	**(0.3)**	–	–
Specialty Chemicals' fixed-price electricity purchase agreements	**(0.8)**	**(4.3)**	0.9	(0.9)
Total (losses) on financial and non-financial derivatives	**(17.5)**	**(43.1)**	(3.7)	(22.5)
Foreign currency translation of senior secured notes	**(0.1)**	**(2.8)**	(0.1)	(3.1)
Gain on debenture redemptions	–	–	–	–
Unrealized change in fair value of debenture-embedded derivative	–	**7.9**	–	(15.1)
Total (losses)	**(17.6)**	**(38.0)**	(3.8)	(40.7)

Description	For the nine months ended September 30, 2015 Realized Gain (Loss)	Unrealized Gain (Loss)	For the nine months ended September 30, 2014 Realized Gain (Loss)	Unrealized Gain (Loss)
Natural gas financial swaps – AECO	**(12.5)**	**2.9**	(1.6)	7.4
Energy Services electricity swaps	**(4.2)**	**0.5**	6.0	2.5
Foreign currency forward contracts, net sale	**(35.9)**	**(56.1)**	(10.9)	(12.4)
Foreign currency forward contracts, balance sheet-related	**–**	**0.8**	–	1.5
Interest rate swaps	**4.3**	**(3.1)**	1.4	0.4
Equity derivative contracts	**0.8**	**(0.4)**	–	2.2
Energy Services' propane wholesale purchase and sale contracts	**(15.6)**	**14.7**	–	(3.3)
Energy Services' WTI wholesale purchase and sale contracts	**0.2**	**0.1**	–	–
Energy Services' butane wholesale purchase and sale contracts	**–**	**(0.1)**	–	–
Energy Services' heating oil purchase and sale contracts	**(11.9)**	**3.1**	1.0	(1.6)
Energy Services' diesel purchase and sale contracts	**–**	**0.3**	–	–
Specialty Chemicals' fixed-price electricity purchase agreements	**(2.5)**	**(2.2)**	1.2	(0.7)
Total (losses) on financial and non-financial derivatives	**(77.3)**	**(39.5)**	(2.9)	(4.0)
Foreign currency translation of senior secured notes	**0.3**	**(5.4)**	(0.1)	(3.4)
Gain on debenture redemptions	**0.1**	**–**	–	–
Unrealized change in fair value of debenture-embedded derivative	**–**	**2.2**	–	(31.9)
Total (losses)	**(76.9)**	**(42.7)**	(3.0)	(39.3)

Realized gains or losses on financial and non-financial derivatives and foreign currency translation gains or losses on the revaluation of Canadian domiciled U.S.-denominated working capital have been classified on the statement of net earnings based on the underlying nature of the financial statement line item and/or the economic exposure being managed.

Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported on the consolidated balance sheets when Superior currently has a legally enforceable right to set-off the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. In the normal course of business, Superior enters into various master netting agreements or other similar arrangements that do not meet the criteria for offsetting, but that do, however, still allow for the related amount to be set-off in certain circumstances, such as bankruptcy or the termination of contracts.

Derivative Assets		**Amounts Offset**		**Amounts not offset**		
September 30, 2015	Gross Assets	Gross Liabilities Offset	Net Amounts Presented	Financial Instruments	Cash Collateral Pledged	Net
Natural gas financial swaps – AECO(1)	**0.4**	–	**0.4**	–	–	**0.4**
Electricity swaps – Energy Services(1)	**0.2**	**(0.2)**	–	–	–	–
Total	**0.6**	**(0.2)**	**0.4**	–	–	**0.4**

(1) Subject to an enforceable master netting agreement in the form of an International Swaps and Derivatives Association (ISDA) agreement.

Derivative Liabilities		**Amounts Offset**		**Amounts not offset**		
September 30, 2015	Gross Liabilities	Gross Assets Offset	Net Amounts Presented	Financial Instruments	Cash Collateral Pledged	Net
Natural gas financial swaps – AECO[(1)]	**19.9**	**(0.1)**	**19.8**	–	–	**19.8**
Electricity swaps – Energy Services[(1)]	**3.9**	**(0.5)**	**3.4**	–	–	**3.4**
Propane wholesale purchase and sale contracts – Energy Services[(3)]	**3.5**	**(0.9)**	**2.6**	–	–	**2.6**
Heating oil purchase and sale contracts – Energy Services[(2)]	**3.8**	**(3.8)**	–	–	–	–
Fixed-price electricity purchase agreements – Specialty Chemicals[(4)]	**31.6**	**(25.9)**	**5.7**	–	–	**5.7**
Total	**62.7**	**(31.2)**	**31.5**	–	–	**31.5**

(1) Subject to an enforceable master netting agreement in the form of an ISDA agreement.
(2) Regularly settled net in the normal course of business and considered standardized brokerage accounts.
(3) Regularly settled gross in the normal course of business.
(4) Standard terms of the Power Purchase Agreement (PPA) allowing net settlement of payments in the normal course of business.

Derivative Assets		**Amounts Offset**		**Amounts not offset**		
December 31, 2014	Gross Assets	Gross Liabilities Offset	Net Amounts Presented	Financial Instruments	Cash Collateral Pledged	Net
Natural gas financial swaps – AECO[(1)]	0.2	–	0.2	–	–	0.2
Electricity swaps – Energy Services[(1)]	0.2	(0.1)	0.1	–	–	0.1
Propane purchases and sale contracts – Energy Services [(2)(3)]	0.1	–	0.1	–	–	0.1
Total	0.5	(0.1)	0.4	–	–	0.4

(1) Subject to an enforceable master netting agreement in the form of an ISDA agreement.
(2) Regularly settled net in the normal course of business and considered standardized brokerage accounts.
(3) Regularly settled gross in the normal course of business.

Derivative Liabilities		**Amounts Offset**		**Amounts not offset**		
December 31, 2014	Gross Liabilities	Gross Assets Offset	Net Amounts Presented	Financial Instruments	Cash Collateral Pledged	Net
Natural gas financial swaps – AECO[(1)]	22.9	(0.3)	22.6	–	–	22.6
Electricity swaps – Energy Services[(1)]	4.8	(0.8)	4.0	–	–	4.0
Propane wholesale purchase and sale contracts – Energy Services[(3)]	24.4	(10.3)	14.1	–	–	14.1
Heating oil purchase and sale contracts – Energy Services[(2)]	7.5	(7.5)	–	–	–	–
Fixed-price electricity purchase agreements – Specialty Chemicals[(4)]	41.8	(38.4)	3.4	–	–	3.4
Fixed-price natural gas agreements – Specialty Chemicals[(4)]	0.1	–	0.1	–	–	0.1
Total	101.5	(57.3)	44.2	–	–	44.2

(1) Subject to an enforceable master netting agreement in the form of an ISDA agreement.
(2) Regularly settled net in the normal course of business and considered standardized brokerage accounts.
(3) Regularly settled gross in the normal course of business.
(4) Standard terms of the PPA allowing net settlement of payments in the normal course of business.

The following summarizes Superior's classification and measurement of financial assets and liabilities:

	Classification	Measurement
Financial Assets		
Cash and cash equivalents	Loans and receivables	Amortized cost
Trade and other receivables	Loans and receivables	Amortized cost
Derivative assets	FVTNEL	Fair Value
Notes and finance lease receivables	Loans and receivables	Amortized cost
Financial liabilities		
Trade and other payables	Other liabilities	Amortized cost
Dividends and interest payable	Other liabilities	Amortized cost
Borrowing	Other liabilities	Amortized cost
Convertible unsecured subordinated debentures(1)	Other liabilities	Amortized cost
Derivative liabilities	FVTNEL	Fair Value

(1) Except for derivatives embedded in the related financial instruments that are classified as FVTNEL and measured at fair value.

Non-Derivative Financial Instruments

The fair value of Superior's cash and cash equivalents, trade and other receivables, notes and finance lease receivables, trade and other payables, and dividends and interest payable approximates their carrying value due to the short-term nature of these amounts. The carrying value and the fair value of Superior's borrowing and convertible unsecured subordinated debentures are provided in Notes 12 and 13.

Financial Instruments – Risk Management

Market Risk

Derivative and non-financial derivatives are used by Superior to manage its exposure to fluctuations in foreign currency exchange rates, interest rates and commodity prices. Superior assesses the inherent risks of these instruments by grouping derivative and non-financial derivatives related to the exposures these instruments mitigate. Superior's policy is not to use derivative or non-financial derivative instruments for speculative purposes. Superior does not formally designate its derivatives as hedges and, as a result, Superior does not apply hedge accounting and is required to designate its derivatives and non-financial derivatives as held-for-trading.

Energy Services enters into natural gas financial swaps to manage its economic exposure of providing fixed-price natural gas to its customers and maintains its historical natural gas swap positions with six counterparties. Energy Services monitors its fixed-price natural gas positions on a daily basis to monitor compliance with established risk management policies. Energy Services maintains a substantially balanced fixed-price natural gas position in relation to its customer supply commitments.

Energy Services enters into electricity financial swaps with four counterparties to manage the economic exposure of providing fixed-price electricity to its customers. Energy Services monitors its fixed-price electricity positions on a daily basis to monitor compliance with established risk management policies. Energy Services maintains a substantially balanced fixed-price electricity position in relation to its customer supply commitments.

Specialty Chemicals has entered into a fixed-price electricity purchase agreement to manage the economic exposure of certain chemical facilities to changes in the market price of electricity, in a market where the price of electricity is not fixed. The fair value with respect to this agreement is with a single counterparty.

Energy Services enters into various propane forward purchase and sale agreements with more than 20 counterparties to manage the economic exposure of its wholesale customer supply contracts. Energy Services monitors its fixed-price propane positions on a daily basis to monitor compliance with established risk management policies. Energy Services maintains a substantially balanced fixed-price propane gas position in relation to its wholesale customer supply commitments.

Superior, on behalf of its operating divisions, enters into foreign currency forward contracts with various counterparties to manage the economic exposure of its operations to movements in foreign currency exchange rates. Energy Services contracts a portion of its fixed-price natural gas, and propane purchases and sales in U.S. dollars and enters into forward U.S. dollar purchase contracts to create an effective Canadian dollar fixed-price purchase cost. Specialty Chemicals enters into U.S. dollar forward sales contracts on an ongoing basis to mitigate the impact of foreign exchange fluctuations on sales margins on production from its Canadian plants that is sold in U.S. dollars. Interest expense on Superior's U.S. dollar debt is also used to mitigate the impact of foreign exchange fluctuations.

Superior has interest rate swaps with four counterparties to manage the interest rate mix of its debt portfolio and related overall cost of borrowing. Superior manages its overall liquidity risk in relation to its general funding requirements by utilizing a mix of short-term and longer-term debt instruments. Superior reviews its mix of short-term and longer-term debt instruments on an ongoing basis to ensure it is able to meet its liquidity requirements.

Credit Risk

Superior utilizes a variety of counterparties in relation to its derivative and non-financial derivative instruments in order to mitigate its counterparty risk. Superior assesses the credit-worthiness of its significant counterparties at the inception and throughout the term of a contract. Superior is also exposed to customer credit risk. Energy Services deals with a large number of small customers, thereby reducing this risk. Specialty Chemicals, due to the nature of its operations, sells its products to a relatively small number of customers. Specialty Chemicals mitigates its customer credit risk by actively monitoring the overall credit-worthiness of its customers. Fixed Price Energy Services has minimal exposure to customer credit risk as local natural gas and electricity distribution utilities have been mandated, for a nominal fee, to provide Energy Services with invoicing, collection and the assumption of bad debt risk for residential customers. Energy Services actively monitors the credit-worthiness of its commercial customers. Overall, Superior's credit quality is enhanced by its portfolio of customers, which is diversified across geographical (primarily Canada and the United States) and end-use (primarily commercial, residential and industrial) markets.

Allowances for doubtful accounts and past due receivables are reviewed by Superior at each balance sheet date. Superior updates its estimate of the allowance for doubtful accounts based on the evaluation of the recoverability of trade receivables with each customer, taking into account historical collection trends of past due accounts and current economic conditions. Trade receivables are written-off once it is determined they are uncollectible.

Pursuant to their respective terms, trade receivables, before deducting an allowance for doubtful accounts, are aged as follows:

	September 30 2015	December 31 2014
Current	**244.0**	282.4
Past due less than 90 days	**73.5**	101.4
Past due over 90 days	**18.5**	17.2
Trade receivables	**336.0**	401.0

The current portion of Superior's trade receivables is neither impaired nor past due and there are no indications as of the reporting date that the debtors will not make payment.

Superior's trade receivables are stated after deducting a provision of $8.3 million as at September 30, 2015 (December 31, 2014 − $8.5 million). The movement in the provision for doubtful accounts is as follows:

	September 30 2015	December 31 2014
Allowance for doubtful accounts, at the beginning of the period	**(8.5)**	(7.3)
Additions	**(5.4)**	(10.7)
Impairment losses recognized on receivables	**–**	–
Amounts written off during the year as uncollectible	**3.8**	8.2
Amounts recovered	**1.8**	1.3
Allowance for doubtful accounts at the end of the period	**(8.3)**	(8.5)

Liquidity Risk

Liquidity risk is the risk that Superior cannot meet a demand for cash or fund an obligation as it comes due. Liquidity risk also includes the risk of not being able to liquidate assets in a timely manner at a reasonable price.

To ensure it is able to react to contingencies and investment opportunities quickly, Superior maintains sources of liquidity at the corporate and subsidiary levels. The main sources of liquidity are cash and other financial assets, the undrawn committed revolving-term bank credit facility, equity markets and debenture markets.

Superior is subject to the risks associated with debt financing, including the ability to refinance indebtedness at maturity. Superior believes these risks are mitigated through the use of long-term debt secured by high-quality assets, maintaining debt levels that in management's opinion are appropriate, and by diversifying maturities over an extended period. Superior also seeks to include in its agreements terms that protect it from liquidity issues of counterparties that might otherwise impact liquidity.

Superior's contractual obligations associated with its financial liabilities are as follows:

	2015	**2016**	**2017**	**2018**	**2019**	**2020 and thereafter**	**Total**
Borrowing	71.5	22.1	10.0	8.4	321.5	206.6	640.1
Convertible unsecured subordinated debentures	–	68.4	–	146.7	86.8	–	301.9
US$ foreign currency forward sales contracts	47.4	184.5	146.3	96.0	48.0	–	522.2
US$ foreign currency forward contracts, balance sheet related	30.0	–	–	–	–	–	30.0
CDN$ natural gas purchases	5.5	7.6	0.2	–	–	–	13.3
CDN$ WTI purchases	0.2	–	–	–	–	–	0.2
CDN$ diesel purchases	0.3	–	–	–	–	–	0.3
US$ natural gas purchases	0.2	–	–	–	–	–	0.2
US$ propane purchases	6.0	9.9	0.5	–	–	–	16.4
US$ heating oil purchases	5.3	12.6	0.6	–	–	–	18.5
Fixed-price electricity purchase commitments	4.4	17.7	17.7	–	–	–	39.8

Superior's contractual obligations are considered normal-course operating commitments and do not include the impact of mark-to-market fair values on financial and non-financial derivatives. Superior expects to fund these obligations through a combination of cash flow from operations, proceeds on revolving term bank credit facilities and proceeds on the issuance of share capital. Superior's financial instruments' sensitivities as at September 30, 2015 are consistent with those disclosed in Superior's 2014 annual consolidated financial statements.

15. INCOME TAXES

Consistent with prior periods, Superior recognizes a provision for income taxes for its subsidiaries that are subject to current and deferred income taxes, including United States income tax and Chilean income tax.

Total income tax (recovery) expense, comprised of current taxes and deferred taxes for the three and nine months ended September 30, 2015 was $(10.4) million and $10.1 million respectively, compared to $(2.0) million and $17.8 million in the comparative period. For the three and nine months ended September 30, 2015, deferred income tax expense (recovery) from operations in Canada, the United States and Chile was $(11.1) million and $8.1 million, respectively, which resulted in a corresponding total net deferred income tax asset of $267.0 million at September 30, 2015.

On April 2, 2013 Superior received, from the CRA, Notices of Reassessment for Superior's 2009 and 2010 taxation years reflecting the CRA's intention to challenge the tax consequences of Superior's corporate conversion transaction (Conversion) which occurred on December 31, 2008. Subsequently on November 7, 2014 and September 9, 2015, Superior received the Notices of Reassessment for the 2011 to 2013 and 2014 taxation years. The CRA's position is based on the acquisition of control rules and the general anti-avoidance rules in the *Income Tax Act* (Canada).

The table below summarizes Superior's estimated tax liabilities and payment requirements associated with the received and anticipated Notices of Reassessment. Upon receipt of the Notices of Reassessment, 50% of the taxes payable pursuant to such Notices of Reassessment must be remitted to the CRA.

Taxation Year	**Taxes Payable(1)(2)**	**50% of the Taxes Payable(1)(2)**	**Month/Year Paid/Payable**
2009/2010	$13.0	$6.5	April 2013
2011	$12.8	$6.4	February 2015
2012	$8.8	$4.4	February 2015
2013	$9.4	$4.7	February 2015
2014	$16.0 (3)	$8.0	2015
2015	$16.0 (3)	$8.0	2016
Total	**$76.0**	**$38.0**	

(1) In millions of dollars.
(2) Includes estimated interest and penalties.
(3) Estimated based on Superior's previously filed tax returns, 2014 results and the midpoint of Superior's 2015 outlook.

On May 8, 2013 and August 7, 2013, respectively, Superior filed a Notice of Objection and a Notice of Appeal with respect to the Notice of Reassessment received on April 2, 2013. On February 4, 2015 Superior filed a Notice of Objection with respect to the Notice of Reassessment received on November 7, 2014. Superior anticipates that if the case proceeds in the Tax Court of Canada, the case could be heard within two years, with a decision rendered six to 12 months after completion of the court hearings. If a decision of the Tax Court of Canada were to be appealed, the appeal process could reasonably be expected to take an additional two years. If Superior receives a positive decision then any taxes, interest and penalties paid to the CRA will be refunded plus interest and, if Superior is unsuccessful, then any remaining taxes payable plus interest and penalties will have to be remitted and Superior would not be able to use the tax attributes from the Conversion.

Superior remains confident in the appropriateness of its tax filing position and the expected tax consequences of the Conversion and currently intends to vigorously defend such position and intends to file its future tax returns on a basis consistent with its view of the outcome of the Conversion.

16. TOTAL EQUITY

Superior is authorized to issue an unlimited number of common shares and an unlimited number of preferred shares. The holders of common shares are entitled to dividends if, as and when, declared by the Board of Directors; to one vote per share at shareholders' meetings; and upon liquidation, dissolution or winding up of Superior to receive pro rata the remaining property and assets of Superior, subject to the rights of any shares having priority over the common shares, of which none is outstanding.

Preferred shares are issuable in series with each class of preferred share having such rights as the Board of Directors may determine. Holders of preferred shares are entitled, in priority over holders of common shares, to be paid ratably with holders of each other series of preferred shares the amount of accumulated dividends, if any, specified to be payable preferentially to the holders of such series upon liquidation, dissolution or winding up of Superior. Superior has no preferred shares outstanding.

	Issued Number of Common Shares (millions)	Total Equity
Total Equity, December 31, 2014	**126.2**	**550.4**
Net loss	**–**	**(5.1)**
Other comprehensive income	**–**	**69.0**
Conversion of 7.5% convertible unsecured subordinated debentures	**0.5**	**5.2**
Option value associated with the redemption of the convertible debentures	**–**	**(0.2)**
Dividends declared to shareholders (1)	**–**	**(68.3)**
Total Equity, September 30, 2015	**126.7**	**551.0**

(1) Dividends to shareholders are declared at the discretion of Superior's Board of Directors. During the nine months ended September 30, 2015, Superior paid dividends of $68.3 million or $0.54 per share (September 30, 2014 – $56.8 million or $0.45 per share).

	September 30 2015	December 31 2014
Accumulated other comprehensive loss before reclassification		
Currency translation adjustment		
Balance at the beginning of the period	**40.0**	4.0
Unrealized foreign currency gains on translation of foreign operations	**68.5**	36.0
Balance at the end of the period	**108.5**	40.0
Actuarial defined benefits		
Balance at the beginning of the period	**(9.8)**	(5.5)
Actuarial defined benefit gains (losses)	**0.6**	(5.6)
Income tax (expense) recovery on actuarial gain	**(0.1)**	1.3
Balance at the end of the period	**(9.3)**	(9.8)
Total accumulated other comprehensive income before reclassification	**99.2**	30.2
Amounts reclassified from accumulated other comprehensive income		
Accumulated derivative losses		
Balance at the beginning of the period	**(6.9)**	(6.4)
Reclassification of derivative losses previously deferred(1)	–	(0.5)
Balance at the end of the period	**(6.9)**	(6.9)
Total amounts reclassified from accumulated other comprehensive income	**(6.9)**	(6.9)
Accumulated other comprehensive income at the end of the period	**92.3**	23.3

(1) The reclassification of derivative losses previously deferred is included in unrealized losses on derivative financial instruments on the statement of net earnings and total comprehensive income.

Other Capital Disclosures

Additional Capital Disclosure

Superior's objectives when managing capital are: (i) to maintain a flexible capital structure to preserve its ability to meet its financial obligations, including potential obligations from acquisitions; and (ii) to safeguard its assets while maximizing the growth of its businesses and returns to its shareholders.

In the management of capital, Superior includes shareholders' equity (excluding accumulated other comprehensive gain (loss)), current and long-term borrowing, convertible unsecured subordinated debentures, securitized accounts receivable and cash and cash equivalents. Superior manages its capital structure and makes adjustments in light of changes in economic conditions and the nature of the underlying assets. In order to maintain or adjust the capital structure, Superior may adjust the amount of dividends to Shareholders, issue additional share capital, issue new debt or convertible unsecured subordinated debentures with different characteristics.

Superior monitors its capital based on the ratio of senior and total debt outstanding to net earnings before interest, taxes, depreciation, amortization and other non-cash expenses (EBITDA), as defined by its revolving term credit facility, and the ratio of total debt outstanding to EBITDA. Superior's reference to EBITDA as defined by its revolving term credit facility may be referred to as compliance EBITDA in its other public reports.

Superior is subject to various financial covenants in its credit facility agreements, including senior debt, total debt to EBITDA ratio and restricted payments test, which are measured on a quarterly basis. As at September 30, 2015 and December 31, 2014 Superior was in compliance with all of its financial covenants.

Superior's financial objectives and strategy related to managing its capital as described above remained unchanged from the prior fiscal year. Superior believes that its debt to EBITDA ratios are within reasonable limits, in light of Superior's size, the nature of its businesses and its capital management objectives.

Financial Measures Utilized for Bank Covenant Purposes

Compliance EBITDA

Compliance EBITDA represents earnings before interest, taxes, depreciation, amortization and other non-cash expenses calculated on a 12-month trailing basis giving pro forma effect to acquisitions and divestitures and is used by Superior to calculate its debt covenants and other credit information. Compliance EBITDA is not a defined performance measure under IFRS. Superior's calculation of compliance EBITDA may differ from similar calculations used by comparable entities.

The capital structure of Superior and the calculation of its key capital ratios are as follows:

As at	**September 30 2015**	December 31 2014
Total shareholders' equity	**551.0**	550.4
Exclude accumulated other comprehensive gain	**(92.3)**	(23.3)
Shareholders' equity excluding accumulated other comprehensive gain	**458.7**	527.1
Current borrowing[1]	**71.5**	66.7
Borrowing[1]	**568.6**	466.5
Less: Senior unsecured debt	**(200.0)**	(200.0)
Consolidated secured debt	**440.1**	333.2
Add: Senior unsecured debt	**200.0**	200.0
Consolidated debt	**640.1**	533.2
Convertible unsecured subordinated debentures[1]	**316.3**	494.2
Total debt	**956.4**	1,027.4
Total capital	**1,415.1**	1,554.5

(1) Borrowing and convertible unsecured subordinated debentures are before deferred financing fees and option value.

Twelve months ended	**September 30 2015**	December 31 2014
Net earnings	**38.2**	56.9
Adjusted for:		
Finance expense	**54.7**	52.7
Realized gains on derivative financial instruments included in finance expense	**8.7**	5.6
Depreciation included in selling, distribution and administrative costs	**54.0**	47.2
Depreciation included in cost of sales	**59.2**	50.0
Losses on disposal of assets	**3.0**	1.0
Gain on sale of customer list	**(0.3)**	(3.7)
Amortization of intangible assets	**6.9**	4.9
Income tax expense	**8.1**	15.8
Unrealized losses on derivative financial instruments	**55.4**	52.0
Compliance EBITDA	**287.9**	282.4

(1) EBITDA, as defined by Superior's revolving-term credit facility, is calculated on a trailing 12-month basis taking into consideration the pro-forma impact of acquisitions and dispositions in accordance with the requirements of Superior's credit facility. Superior's calculation of EBITDA and debt to EBITDA ratios may differ from those of similar entities.

	September 30 2015	December 31 2014
Consolidated secured debt to compliance EBITDA	**1.5:1**	1.2:1
Consolidated debt to compliance EBITDA	**2.2:1**	1.9:1
Total debt to compliance EBITDA	**3.3:1**	3.6:1

17. NET EARNINGS PER SHARE

	Three months ended September 30		Nine months ended September 30	
	2015	2014	**2015**	2014
Net (loss) earnings per share computation, basic				
Net (loss) earnings for the period	**$(36.2)**	$(42.4)	**$(5.1)**	$13.6
Weighted average shares outstanding (millions)	**126.7**	126.2	**126.5**	126.2
Net (loss) earnings per share, basic	**$(0.29)**	$(0.34)	**$(0.04)**	$0.11

	Three months ended September 30		Nine months ended September 30	
	2015	2014	**2015**	2014
Net (loss) earnings per share computation, diluted				
Net (loss) earnings for the period	**$(45.1)**	$(42.4)	**$(5.1)**	$13.6
Weighted average shares outstanding (millions)	**142.7**	126.2	**126.5**	126.2
Net (loss) earnings per share, diluted	**$(0.32)**	$(0.34)	**$(0.04)**	$0.11

The following potential ordinary shares are anti-dilutive and are therefore excluded from the weighted average number of ordinary shares for the purposes of diluted earnings per share in each period.

			Three months ended September 30		Nine months ended September 30	
(millions)	Maturity	**Note**	**2015**	2014	**2015**	2014
Convertible Debentures						
5.75% (redeemed June 2015)	June 2017	**13**	**–**	9.1	**–**	9.1
6.00%	June 2018	**13**	**–**	9.9	**9.9**	9.9
7.50%	October 2016	**13**	**–**	6.6	**6.1**	6.6
6.00%	June 2019	**13**	**5.8**	5.8	**5.8**	5.8
Total anti-dilutive instruments			**5.8**	31.4	**21.8**	31.4

18. SUPPLEMENTAL DISCLOSURE OF NON-CASH OPERATING WORKING CAPITAL CHANGES

	Three months ended September 30		Nine months ended September 30	
	2015	2014	**2015**	2014
Changes in non-cash working capital:				
Trade receivables and other	**0.6**	6.1	**83.4**	98.5
Inventories	**(11.4)**	(1.2)	**2.2**	18.4
Trade and other payables	**53.9**	19.7	**(25.3)**	(48.6)
Other	**11.0**	8.8	**48.6**	(6.8)
	54.1	33.4	**108.9**	61.5

19. SUPPLEMENTAL DISCLOSURE OF CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Three months ended September 30		Nine months ended September 30	
	2015	2014	**2015**	2014
Revenues				
Revenue from products	**744.7**	821.1	**2,488.1**	2,962.2
Revenue from the rendering of services	**13.5**	14.2	**40.5**	43.9
Rental revenue	**6.8**	7.4	**17.2**	19.5
Construction contract revenue	**–**	2.2	**1.8**	2.5
Realized losses on derivative financial instruments	**(14.8)**	(3.5)	**(46.9)**	(9.0)
	750.2	841.4	**2,500.7**	3,019.1
Cost of sales (includes products and services)				
Cost of products and services	**(540.3)**	(641.5)	**(1,747.8)**	(2,313.7)
Depreciation included in cost of sales	**(15.9)**	(11.5)	**(44.7)**	(35.5)
Realized (losses) gains on derivative financial instruments	**(3.6)**	–	**(35.3)**	4.7
	(559.8)	(653.0)	**(1,827.8)**	(2,344.5)
Selling, distribution and administrative costs				
Selling, general and administrative costs	**(51.9)**	(49.1)	**(160.9)**	(159.4)
Restructuring costs	–	–	**–**	(11.1)
Employee costs	**(98.4)**	(94.8)	**(312.3)**	(288.9)
Employee future benefit expense	**(1.1)**	(1.0)	**(3.1)**	(3.0)
Vehicle operating expense	**(14.2)**	(14.6)	**(44.3)**	(47.6)
Facilities maintenance expense	**(7.5)**	(7.2)	**(23.6)**	(21.2)
Depreciation included in selling, distribution and administrative costs	**(14.9)**	(13.0)	**(41.2)**	(34.4)
Amortization of intangible assets	**(1.6)**	(1.5)	**(5.0)**	(3.0)
(Loss) gain on disposal of assets	**(1.0)**	0.4	**(1.2)**	4.2
Realized gains on LTIP	–	–	**0.8**	–
Realized gains on the translation of U.S. denominated net working capital	**4.7**	3.0	**9.6**	2.5
	(185.9)	(177.8)	**(581.2)**	(561.9)
Finance expense				
Interest on borrowing	**(6.8)**	(4.3)	**(18.2)**	(12.8)
Interest on convertible unsecured subordinated debentures	**(5.1)**	(7.7)	**(20.2)**	(22.8)
Interest on obligations under finance leases	**(1.0)**	(0.8)	**(2.9)**	(3.0)
Unwinding of discount on debentures, borrowing and decommissioning liabilities	**(1.4)**	(1.5)	**(7.1)**	(4.7)
Realized gain recorded to finance expense	**1.2**	–	**4.4**	1.3
	(13.1)	(14.3)	**(44.0)**	(42.0)

20. Related Party Transactions

Transactions between Superior and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note.

For the three and nine months ended September 30, 2015, Superior incurred $0.6 million (September 30, 2014 – $0.4 million) and $1.0 million (September 30, 2014 – $0.6 million), respectively, in legal fees, with Norton Rose Canada LLP, a related party with Superior because a member of Superior's Board of Directors is a Partner at the law firm.

21. Reportable Segment Information

Superior has adopted IFRS 8 – *Operating Segments*, which requires operating segments to be identified on the basis of internal reports about components of the Company that are regularly reviewed by the chief operating decision-maker in order to allocate resources to the segments and to assess their performance.

Superior operates three distinct reportable operating segments: Energy Services, Specialty Chemicals and Construction Products Distribution. Superior's Energy Services' operating segment provides distribution, wholesale procurement and related services in relation to propane, heating oil and other refined fuels under the following: Canadian propane division and U.S. refined fuels division. Energy Services also provides fixed-price natural gas and electricity supply services under Superior Energy Management. Specialty Chemicals' is a leading supplier of sodium chlorate and technology to the pulp and paper industries and a regional supplier of potassium and chloralkali products in the U.S. Midwest. Construction Products Distribution is one of the largest distributors of commercial and industrial insulation in North America and the largest distributor of specialty construction products to the walls and ceilings industry in Canada.

Superior's corporate office arranges intersegment foreign exchange contracts from time to time. Realized gains and losses pertaining to intersegment foreign exchange gains and losses are eliminated under the corporate cost column. All of Superior's operating segments conduct business with customers of various sizes and do not rely extensively on any single customer for their revenue stream.

For the three months ended September 30, 2015	**Energy Services**	**Specialty Chemicals**	**Construction Products Distribution**	**Corporate**	**Total Consolidated**
Revenue	**349.1**	**150.9**	**250.2**	**–**	**750.2**
Cost of sales (includes products & services)	**(254.8)**	**(115.8)**	**(189.2)**	**–**	**(559.8)**
Gross Profit	**94.3**	**35.1**	**61.0**	**–**	**190.4**
Expenses					
Depreciation included in selling, distribution and administrative costs	**(13.1)**	**–**	**(1.8)**	**–**	**(14.9)**
Amortization of intangible assets	**(1.5)**	**–**	**–**	**(0.1)**	**(1.6)**
Selling, distribution and administrative costs	**(81.5)**	**(34.9)**	**(48.8)**	**(4.2)**	**(169.4)**
Finance expense	**(0.7)**	**(0.2)**	**(0.2)**	**(12.0)**	**(13.1)**
Unrealized loss on derivative financial instruments	**(1.9)**	**(4.3)**	**–**	**(31.8)**	**(38.0)**
	(98.7)	**(39.4)**	**(50.8)**	**(48.1)**	**(237.0)**
Net (loss) earnings before income taxes	**(4.4)**	**(4.3)**	**10.2**	**(48.1)**	**(46.6)**
Income tax recovery	**–**	**–**	**–**	**10.4**	**10.4**
Net (Loss) Earnings	**(4.4)**	**(4.3)**	**10.2**	**(37.7)**	**(36.2)**

For the three months ended September 30, 2014	Energy Services	Specialty Chemicals	Construction Products Distribution	Corporate	Total Consolidated
Revenue	454.4	161.4	225.6	–	841.4
Cost of sales (includes products & services)	(371.2)	(110.5)	(171.3)	–	(653.0)
Gross Profit	83.2	50.9	54.3	–	188.4
Expenses					
Depreciation included in selling, distribution and administrative costs	(10.2)	–	(2.8)	–	(13.0)
Amortization of intangible assets	(1.3)	–	–	(0.2)	(1.5)
Selling, distribution and administrative costs	(77.7)	(35.1)	(43.6)	(6.9)	(163.3)
Finance expense	(0.6)	(0.3)	(0.1)	(13.3)	(14.3)
Unrealized loss on derivative financial instruments	(6.0)	(0.9)	–	(33.8)	(40.7)
	(95.8)	(36.3)	(46.5)	(54.2)	(232.8)
Net (loss) earnings before income taxes	(12.6)	14.6	7.8	(54.2)	(44.4)
Income tax recovery	–	–	–	2.0	2.0
Net (Loss) Earnings	(12.6)	14.6	7.8	(52.2)	(42.4)

For the nine months ended September 30, 2015	Energy Services	Specialty Chemicals	Construction Products Distribution	Corporate	Total Consolidated
Revenue	**1,328.5**	**465.9**	**706.3**	**–**	**2,500.7**
Cost of sales (includes products & services)	**(955.7)**	**(339.9)**	**(532.2)**	**–**	**(1,827.8)**
Gross Profit	**372.8**	**126.0**	**174.1**	**–**	**672.9**
Expenses					
Depreciation included in selling, distribution and administrative costs	**(35.9)**	**–**	**(5.3)**	**–**	**(41.2)**
Amortization of intangible assets	**(4.6)**	**–**	**–**	**(0.4)**	**(5.0)**
Selling, distribution and administrative costs	**(261.5)**	**(114.3)**	**(145.2)**	**(14.0)**	**(535.0)**
Finance expense	**(2.0)**	**(0.6)**	**(0.6)**	**(40.8)**	**(44.0)**
Unrealized gain (loss) on derivative financial instruments	**21.4**	**(2.2)**	**–**	**(61.9)**	**(42.7)**
	(282.6)	**(117.1)**	**(151.1)**	**(117.1)**	**(667.9)**
Net earnings (loss) before income taxes	**90.2**	**8.9**	**23.0**	**(117.1)**	**5.0**
Income tax expense	**–**	**–**	**–**	**(10.1)**	**(10.1)**
Net Earnings (Loss)	**90.2**	**8.9**	**23.0**	**(127.2)**	**(5.1)**

For the nine months ended September 30, 2014	Energy Services	Specialty Chemicals	Construction Products Distribution	Corporate	Total Consolidated
Revenue	1,912.3	486.4	620.4	–	3,019.1
Cost of sales (includes products & services)	(1,548.2)	(328.3)	(468.0)	–	(2,344.5)
Gross Profit	364.1	158.1	152.4	–	674.6
Expenses					
Depreciation included in selling, distribution and administrative costs	(29.5)	–	(4.9)	–	(34.4)
Amortization of intangible assets	(2.6)	–	–	(0.4)	(3.0)
Selling, distribution and administrative costs	(265.5)	(112.0)	(129.3)	(17.7)	(524.5)
Finance expense	(2.1)	(0.8)	(0.5)	(38.6)	(42.0)
Unrealized gain (loss) on derivative financial instruments	5.0	(0.7)	–	(43.6)	(39.3)
	(294.7)	(113.5)	(134.7)	(100.3)	(643.2)
Net earnings (loss) before income taxes	69.4	44.6	17.7	(100.3)	31.4
Income tax expense	–	–	–	(17.8)	(17.8)
Net Earnings (Loss)	69.4	44.6	17.7	(118.1)	13.6

Net Working Capital, Total Assets, Total Liabilities, and Purchase of Property, Plant and Equipment

	Energy Services	Specialty Chemicals	Construction Products Distribution	Corporate	Total Consolidated
As at September 30, 2015					
Net working capital[(1)]	**11.2**	**50.7**	**140.6**	**(6.1)**	**196.4**
Total assets	**609.8**	**634.7**	**287.6**	**547.3**	**2,079.4**
Total liabilities	**270.6**	**152.0**	**121.1**	**984.7**	**1,528.4**
As at December 31, 2014					
Net working capital [(1)]	88.9	56.4	128.9	(9.4)	264.8
Total assets	685.8	637.1	246.2	545.8	2,114.9
Total liabilities	298.3	162.5	104.0	999.7	1,564.5
For the three months ended September 30, 2015					
Purchase of property, plant and equipment	**15.7**	**9.1**	**5.0**	**1.0**	**30.8**
For the three months ended September 30, 2014[(2)]					
Purchase of property, plant and equipment	6.6	16.5	0.8	–	23.9
For the nine months ended September 30, 2015					
Purchase of property, plant and equipment	**26.5**	**24.1**	**10.5**	**1.0**	**62.1**
For the nine months ended September 30, 2014[(2)]					
Purchase of property, plant and equipment	20.2	43.1	2.7	–	66.0

(1) Net working capital reflects amounts as at the period end and is comprised of trade and other receivables, prepaid expenses and inventories less trade and other payables, deferred revenue, and dividends and interest payable.

(2) The three and nine months ended September 30, 2014 have been revised to include the reclassification of previously disclosed discontinued operations into continuing operations.

22. GEOGRAPHICAL INFORMATION

	Canada	United States	Other	Total Consolidated
Revenues for the three months ended September 30, 2015	**245.1**	**482.1**	**23.0**	**750.2**
Revenues for the nine months ended September 30, 2015	**839.0**	**1,581.2**	**80.5**	**2,500.7**
Property, plant and equipment as at September 30, 2015	**473.7**	**466.0**	**50.4**	**990.1**
Intangible assets as at September 30, 2015	**14.2**	**7.2**	**–**	**21.4**
Goodwill as at September 30, 2015	**188.3**	**7.7**	**–**	**196.0**
Total assets as at September 30, 2015	**1,303.2**	**718.1**	**58.1**	**2,079.4**
Revenues for the three months ended September 30, 2014	285.7	527.7	28.0	841.4
Revenues for the nine months ended September 30, 2014	1,156.9	1,788.4	73.8	3,019.1
Property, plant and equipment as at December 31, 2014	477.2	409.1	45.9	932.2
Intangible assets as at December 31, 2014	15.0	3.7	–	18.7
Goodwill as at December 31, 2014	188.2	6.0	–	194.2
Total assets as at December 31, 2014	1,382.1	676.6	56.2	2,114.9

23. SUBSEQUENT EVENT

Acquisition of Canexus Corporation

On October 6, 2015, Superior announced that it has entered into an arrangement agreement with Canexus Corporation (“Canexus”), pursuant to which Superior has agreed to acquire all the issued and outstanding common shares of Canexus by way of a court approved plan of arrangement (the “Arrangement”).

Under the terms of the Arrangement, Canexus shareholders will receive 0.153 of a Superior common share for each Canexus common share, representing the equivalent of $1.70 per Canexus common share, resulting in an expected purchase price of approximately $932.0 million which includes the assumption of $616.0 million of debt.

The implementation of the Arrangement will be subject to the approval of at least 66 2/3% of the votes cast by holders of Canexus Shares at a special meeting of Canexus shareholders expected to take place in December, 2015. In addition to shareholder approval, the Arrangement is also subject to the receipt of certain regulatory, court and stock exchange approvals. Closing of the transaction is expected to occur by mid-2016.

Share Offering

On October 6, 2015, the Company announced that it had entered into an agreement with a syndicate of underwriters co-led by National Bank Financial Inc. and JP Morgan Securities Canada Inc., under which the underwriters agreed to purchase from Superior and sell to the public 12,077,300 common shares of Superior (the "Common Shares") at price of $10.35 per share (the "Offer Price") for gross proceeds of $125 million (the "Offering"). Superior granted the underwriters an option to purchase, in whole or in part, up to an additional 1,811,595 Common Shares at the Offer Price to cover over-allotments. On October 28, 2015 Superior closed the issue of 13.9 million common shares at a price of $10.35 per common share. The net proceeds for the issue including the full exercise of the over-allotment option granted to the underwriters, issue costs and commissions are approximately $138.0 million. Proceeds from the Offering were used to reduce indebtedness and for general corporate purposes.

Dividend Reinvestment Program

On October 29, 2015, Superior’s Board of Directors approved the reinstatement of the Dividend Reinvestment Program and Optional Share Purchase Program (“DRIP”) and subject to receipt of regulatory approvals, it will commence with the payment of the December 2015 dividend payable January 15, 2016. Proceeds from the DRIP will be used for debt reduction and general corporate purposes. The DRIP will provide Superior’s shareholders with the opportunity to reinvest their cash dividends in the future growth of the business at a 4% discount to the market price of Superior’s common shares.