TSX: SPB

Superior Plus

February 19, 2015

Superior Plus Corp. Announces 2014 Annual and Fourth Quarter Results

Highlights

- For the quarter ended December 31, 2014, Superior generated adjusted operating cash flow (AOCF) per share of $0.68 which was $0.12 per share or 21% higher than the prior year quarter of $0.56 per share.
- For the year ended December 31, 2014, Superior generated AOCF per share before restructuring costs of $1.89 compared to $1.69 per share in the prior year. Results for 2014 were in line with Superior's previously provided 2014 financial outlook of $1.75 to $1.95 per share before restructuring costs.
- Superior's 2015 financial outlook of AOCF per share has been confirmed at $1.80 to $2.10. See "2015 Financial Outlook" for additional details.
- Superior's total debt to EBITDA at December 31, 2014 was 3.5X. Superior's forecasted December 31, 2015, total debt to EBITDA ratio is 3.0X to 3.4X, unchanged from the update provided in the third quarter of 2014. Superior anticipates being at the bottom end of its targeted leverage range of 3.0X to 3.4X by December 31, 2015. Superior's forecasted total debt to EBITDA is within its target range of 3.0X to 3.5X. See "Debt Management Update" for additional details.
- Energy Services results for the fourth quarter were higher than the prior year quarter due to improved gross profits in the Canadian propane and U.S. refined fuels business and lower operating expenses, offset in part, by modestly lower gross profits within the supply portfolio management business. Retail propane and heating oil gross profits benefited from a significantly 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 fourth quarter were modestly lower than the prior year and consistent with management's expectations. Sodium chlorate gross profits were consistent with the prior year as higher average electricity costs more than offset the impact of higher sales volumes from the Tronox LLC (Tronox) agreement. Chloralkali gross profits were modestly higher than the prior year due to an improved contribution from hydrochloric acid due to the completion of the acid burner expansions in Port Edwards, Wisconsin and Saskatoon, Saskatchewan.
- The Construction Products Distribution ("CPD") business results were higher than the prior year quarter due to ongoing volume and margin improvements in U.S. markets and the impact of a stronger U.S. dollar. Canadian results were modestly higher than the prior year.
- On November 17, 2014, Superior appointed Mike Farrell as President of the CPD business. Mr. Farrell has a proven track record of improving operational and financial results in the construction distribution industry.
- On December 9, 2014, Superior plus closed a 7-year, $200 million, 6.50% senior unsecured note offering. Net proceeds from the offering were used to repay drawn amounts under Superior's syndicated bank facility. The issuance of the notes provides Superior with enhanced financial flexibility.

Fourth Quarter Financial Summary

(millions of dollars except per share amounts)	**Three months ended December 31** **2014**	2013	**Twelve months ended December 31** **2014**	2013
Revenue	**956.8**	1,034.7	**3,975.9**	3,752.8
Gross profit	**247.5**	240.8	**922.1**	868.8
EBITDA from operations [(1)]	**99.2**	86.7	**308.4**	284.4
Interest expense	**(10.8)**	(12.4)	**(48.0)**	(58.7)
Cash income tax recovery (expense)	**(0.4)**	0.2	**(1.7)**	(0.2)
Corporate costs	**(2.2)**	(4.4)	**(20.0)**	(17.9)
Adjusted operating cash flow before restructuring costs	**85.8**	70.1	**238.7**	207.6
Restructuring costs [(2)]	**(0.2)**	(14.2)	**(11.3)**	(15.3)
Adjusted operating cash flow	**85.6**	55.9	**227.4**	192.3
Adjusted operating cash flow per share before restructuring costs, basic [(1)(2)(3)(4)]	**$0.68**	$0.56	**$1.89**	$1.69
Adjusted operating cash flow per share before restructuring costs, diluted [(1)(2)(3)(4)]	**$0.66**	$0.54	**$1.84**	$1.64
Adjusted operating cash flow per share, basic [(1)(2)(3)(4)]	**$0.68**	$0.44	**$1.80**	$1.56
Adjusted operating cash flow per share, diluted [(1)(2)(3)(4)]	**$0.66**	$0.43	**$1.75**	$1.53
Dividends paid per share	**$0.16**	$0.15	**$0.61**	$0.60

(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 2014 Fourth Quarter Financial Discussion and Analysis (FD&A).

(2) Superior has restated its 2013 financial results to present them on a before and after restructuring cost basis due to the one-time nature of these costs. See “Restructuring Costs” in Superior’s 2014 Fourth Quarter FD&A for additional details.

(3) The weighted average number of shares outstanding for the three months ended December 31, 2014 is 126.2 million (2013 – 126.2 million) and for the twelve months ended December 31, 2014 is 126.2 million (2013 – 123.1 million).

(4) See “Supplemental Financial Information” for additional details on diluted per share amounts.

Comparable GAAP Financial Information [(1)]

(millions of dollars except per share amounts)	**Three months ended December 31** **2014**	2013	**Twelve months ended December 31** **2014**	2013
Net earnings	**43.3**	10.9	**56.9**	52.7
Net earnings per share basic	**$0.34**	$0.09	**$0.45**	$0.43
Net earnings per share diluted	**$(0.03)**	$0.05	**$0.41**	$0.40
Net cash flows from operating activities	**50.3**	(5.1)	**292.1**	250.3
Net cash flows from operating activities per share basic	**$0.40**	$(0.04)	**$2.31**	$2.03
Net cash flows from operating activities per share diluted	**$0.39**	$(0.04)	**$2.24**	$1.97

(1) See “Non-GAAP Financial Measures” in Superior’s 2014 Fourth Quarter FD&A for additional details.

Segmented Information

(millions of dollars)	**Three months ended December 31** **2014**	2013	**Twelve months ended December 31** **2014**	2013
EBITDA from operations:				
Energy Services	**59.0**	45.8	**163.4**	137.5
Specialty Chemicals	**28.6**	31.1	**110.2**	113.7
Construction Products Distribution	**11.6**	9.8	**34.8**	33.2
	99.2	86.7	**308.4**	284.4

Energy Services

- EBITDA from operations for the fourth quarter was $59.0 million compared to $45.8 million in the prior year quarter. Results benefited from improved gross profits and lower operating costs.
- The Canadian propane business generated gross profit of $76.3 million in the fourth quarter compared to $75.5 million in the prior year quarter as higher average sales margins more than offset a reduction in sales volumes.
- Canadian propane average sales margins were 20.3 cents per litre in the fourth quarter compared to 18.6 cents per litre in the prior year quarter. Average sales margins in the fourth quarter of 2014 benefitted from a declining price environment for the wholesale cost of propane, improved sales mix and the impact of ongoing pricing management initiatives. The declining wholesale cost of propane is due largely to the falling price of crude oil experienced throughout the fourth quarter of 2014. Historically, a falling price environment is conducive to higher margins. Superior anticipates that propane margins will benefit from the low cost environment throughout the first quarter of 2015 and will moderate afterwards as both retail pricing and the wholesale cost of propane normalize.
- Canadian propane distribution sales volumes were 7% lower than the prior year quarter due to modest reductions in all lines of business. Residential and commercial sales volumes were negatively impacted by warmer than average temperatures, offset in part, by new customer sales volumes as a result of ongoing sales and marketing initiatives. Agricultural volumes were impacted by reduced crop drying volumes; the prior year quarter realized above average demand due to high levels of precipitation. Industrial sales volumes were impacted by reduced oil field demand due to reduced customer activity as a result of the shutdown of low performing well sites and the gasification of certain operating sites.
- Average weather across Canada, as measured by degree days, for the fourth quarter was 11% warmer than the prior year and 4% warmer than the 5-year average. As noted above, warmer than average temperatures in the fourth quarter of 2014 had a negative impact on sales volumes.
- The U.S. refined fuels business generated gross profits of $43.8 million in the fourth quarter compared to $36.0 million in the prior year quarter. Gross profits benefited from margin management initiatives which more than offset the impact of modestly lower sales volumes.
- U.S. refined fuels average sales margin of 9.6 cents per litre in the fourth quarter was higher than the prior year quarter of 8.8 cents per litre. Similar to the Canadian propane business, average sales margins benefitted from the falling price environment for both wholesale propane and heating oil. In addition, residential margins benefitted from ongoing margin management initiatives, strategic supply initiatives and the implementation of standardized delivery charges for propane.
- Sales volumes within the U.S. refined fuels business were consistent with the prior year quarter as higher commercial and automotive sales volumes were fully offset by reduced residential sales volumes. Commercial and automotive sales volumes benefitted from a return to normalized operating conditions as the prior year volumes were negatively impacted by difficult conditions due to non-typical pricing dynamics. Residential sales volumes were negatively impacted by warmer temperatures relative to the prior year quarter.
- Average weather for the U.S. refined fuel business, as measured by degree days, for the fourth quarter was 13% warmer than the prior year and 7% warmer than the 5-year average. As noted above, warmer than average temperatures in the fourth quarter of 2014 had a negative impact on residential sales volumes
- The fixed-price energy services business generated gross profits of $2.1 million compared to $3.7 million in the prior year quarter. Lower natural gas profits were due to a reduction in sales volumes and sales margins from the continued run-down in residential volumes as a result of focusing marketing efforts towards the commercial segment. Gross profit from the electricity segment was impacted by reduced contributions from the Ontario market and reduced contributions from the U.S. business due to the sale of the business on May 1, 2014.

- The supply portfolio management business generated gross profits of $7.3 million in the fourth quarter which was consistent with the prior year quarter. Gross profits were consistent with the prior year quarter despite a falling price environment for wholesale propane experienced throughout the fourth quarter of 2014 as a result of the falling price of crude oil. The wholesale cost of propane had stabilized throughout the first quarter of 2015.
- Operating expenses were $81.1 million in the fourth quarter, a reduction of $7.2 million compared to $88.3 million in the prior year quarter. Operating expenses in the current year quarter were positively impacted by the implementation of *The Superior Way* business process initiatives, reduced headcount and the capitalization of approximately $5.0 million in tank refurbishment costs that were previously expensed, which more than offset the impact of a stronger U.S. dollar on U.S. denominated expenses.
- 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. With the completion of the ADD IT system and *The Superior Way* project, and a reduction in headcount of approximately 215 during 2014, Superior has completed the key components of its expense reduction initiatives. Superior anticipates seeing ongoing improvements in the cost structure, in particular the Canadian propane business throughout 2015.
- EBITDA from operations for 2015 for the Energy Services business is anticipated to be consistent with 2014. EBITDA from the Canadian propane and U.S. refined fuels businesses will benefit from ongoing operational improvements offset by modestly lower gross profits. Operating costs as a percentage of gross profits are anticipated to continue to improve in 2015 due to a full year run rate of business initiatives and *The Superior Way* project. Gross profits in 2015 compared to 2014 will be impacted by the absence of record or near record cold temperatures experienced in the first quarter of 2014 which positively impacted 2014 gross profits. In addition, 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 similar to 2014 whereas gross profit from the fixed-price energy business will be higher in 2014 than in 2014 due to the absence of losses that resulted from the temperatures experienced in the first quarter of 2015. Average weather, as measured by degree days, for 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 experienced in the fourth quarter of 2014 which Superior anticipates will persist throughout 2015.

Specialty Chemicals

- EBITDA from operations for the fourth quarter was $28.6 million compared to $31.1 million in the prior year quarter.
- Sodium chlorate gross profits were consistent with the prior year as improved sales volumes resulting from the Tronox agreement announced in the fourth quarter of 2013 were offset by reduced average gross margins. Gross margin per tonne was modestly lower than the prior year due primarily to higher electricity costs. Gross margin per tonne was also impacted by a higher mix of international sales volumes and higher cost of sales associated with Tronox volumes.
- Sodium chlorate sales volumes were 5% higher than the prior year quarter due to sales volumes associated with the Tronox agreement which was announced on October 31, 2013.
- Chloralkali gross profits were higher than the prior year quarter as improved hydrochloric acid pricing and higher sales volume more than offset modestly lower caustic selling prices. Sales volumes of hydrochloric acid and chlorine were impacted by the completion of Superior’s hydrochloric acid production capacity at

Saskatoon, Saskatchewan and Port Edwards, Wisconsin. The production of hydrochloric acid results in Superior converting a larger proportion of its existing chlorine into higher margin hydrochloric acid.

- Operating expenses of $40.4 million were $3.3 million higher than the prior year quarter due to costs associated with the Tronox agreement, the impact of a stronger U.S. dollar on the translation of U.S. denominated expenses and general inflationary increases.
- Work on the hydrochloric acid burner expansion in Saskatoon, Saskatchewan was commissioned and commenced production in the fourth quarter of 2014. Completion of the related rail loading facilities is anticipated in the first quarter of 2015. The total estimated costs of the Saskatoon expansion are estimated to be $33 million compared to the previously provided estimate of $25 million. The increase in the budget is due to higher than anticipated complexity of the project resulting in an extended construction time frame which combined with a tight Western Canada labour market resulted in an increase in overall labour and contractor costs. To date, cumulative costs of $46 million have been incurred with respect to the Saskatoon project and the Port Edwards, Wisconsin project which was completed in the third quarter of 2014.
- Superior expects EBITDA from operations for 2015 to be consistent with 2014. Sodium chlorate gross profits are anticipated to be lower in 2015 due to higher electricity and plant operating costs, and modestly lower sales volumes. EBITDA from the chloralkali segment is anticipated to be higher in 2015 as a result of the hydrochloric acid expansions completed in the third and fourth quarters of 2014. Sales volumes of caustic soda, potassium caustic and hydrochloric acid are anticipated to be modestly higher than in 2014 with sales prices consistent to modestly higher than in 2014. Superior anticipates that pricing for hydrochloric acid may soften in the second half of 2015 due to reduced demand from the oil and gas industry. 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.

Construction Products Distribution

- EBITDA from operations for the fourth quarter was $11.6 million compared to $9.8 million in the prior year quarter. Results in the fourth quarter benefitted from a weaker Canadian dollar and continued U.S. market recovery, offset in part, by softer fundamentals in the Canadian market.
- Total gross profit was $4.2 million higher than the prior year quarter due to improved sales volumes and higher average selling prices. Average sales margins on a total basis were modestly lower than the prior year due to the timing of the recognition of annual rebates in 2014 compared to 2013, a higher mix of large industrial projects and the impact of Canada/U.S. sales mix.
- 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 modestly higher than the prior year quarter and gross margins were consistent with the prior year quarter.
- Commercial and industrial insulation (C&I) revenues increased over the prior year quarter due to higher industrial market activity, modest improvements in end-use markets, an increase in market share due to investments in sales and marketing, and the impact of a stronger U.S. dollar on the translation of U.S. denominated revenues. C&I gross margins were modestly lower than the prior year due to a higher proportion of lower margin direct-ship industrial sales which realized strong growth in the current year quarter, partially offset by, the impact of intelligent pricing initiatives.
- Operating expenses for the fourth quarter were $43.6 million compared to $41.2 million in the prior year quarter. Operating costs were impacted by $1.5 million in non-recurring severance costs incurred in the current year quarter, the impact of a stronger U.S. dollar on the translation of U.S. denominated expenses, and the full quarter impact of costs from the Baton Rouge, Louisiana branch which opened in the fourth quarter of 2013.

Operating expenses as a percentage of sales were modestly lower than the prior year quarter due to a higher percentage of direct-ship industrial sales projects which have a lower associated operating cost.

- During the fourth quarter of 2014, Mike Farrell was appointed President of the CPD business. Mr. Farrell was most recently the President and CEO of Roofing Supply Group, LLC, the fourth largest wholesale distributor of roofing supplies in the United States where he played an instrumental role in improving pricing and procurement. Mr. Farrell, with the other members of the executive team, will be located in Dallas, TX.
- 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.

Corporate Related

- Interest expense for the fourth quarter was $10.8 million compared to $12.4 million in the prior year quarter. Interest expense was lower than the prior year quarter as a result of lower average effective interest rates and reduced average debt levels.
- Corporate costs were $2.2 million in the fourth quarter which was $2.2 million lower than the prior year quarter. The decrease in corporate costs is due primarily to reduced long-term incentive plan costs as a result of changes in Superior's share price.
- Superior's total debt (including convertible debentures) to Compliance EBITDA before restructuring costs was 3.5X as at December 31, 2014 (3.6X after restructuring costs) compared to 3.9X as at December 31, 2013. The reduction in leverage is due to lower debt levels as a result of reduced working capital requirements and improved EBITDA. See "Debt Management Update" for additional details.
- Superior will be relocating its corporate office to Toronto, Ontario from the current location of Calgary, Alberta during the second half of 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, Chief Financial Officer and Chief Legal Officer, along with other members of Superior's corporate team will be relocating to Toronto as part of the corporate office relocation.

CRA Income Tax Update

As previously disclosed, 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. Subsequently on November 7, 2014, Superior received the Notices of Reassessment for the 2011 to 2013 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 payable
2009/2010	$13.0	$6.5	April 2013
2011	$10.0 [3]	$5.0	February 2015
2012	$10.0 [3]	$5.0	February 2015
2013	$10.0 [3]	$5.0	February 2015
2014	$20.0 [3]	$10.0	2015
2015	$20.0 [3]	$10.0	2016
Total	**$83.0**	**$41.5**	

[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 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.

Superior remains confident in the appropriateness of its tax filing position and the expected tax consequences of the Conversion and 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.

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 $1.95, if the tax pools from the Conversion were not available to Superior, the impact would be an increase to cash income taxes of approximately $20.0 million or $0.15 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 Financial Outlook

Superior's 2015 financial outlook of AOCF per share of $1.80 to $2.10 is consistent with the financial outlook provided at the end of the third quarter of 2014. Superior sees its 2015 financial results as modestly higher to consistent with its 2014 financial results as ongoing operational and financial improvements in the Energy Services and CPD businesses will be largely offset by the absence of record or near record cold temperatures experienced in 2014, higher interest costs associated with the issuance of high-yield term debt and the impact of lower crude oil prices on certain customer segments. Specialty Chemicals results in 2015 are anticipated to be consistent with 2014.

Superior's AOCF per share for the year ended December 31, 2014 of $1.89 was consistent with the previously provided outlook of $1.75 to 1.95 per share before restructuring charges.

For additional details on the assumptions underlying the 2015 financial outlook, see Superior's 2014 fourth quarter FD&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 which would bring Superior into its targeted leverage range of 3.0X to 3.5X. Superior's anticipated debt repayment for 2015 and total debt to EBITDA leverage ratio as at December 31, 2015, based on Superior's 2015 financial outlook is detailed in the chart below.

	Dollar Per Share	Millions of Dollars
2015 financial outlook AOCF per share – midpoint [(1)]	1.95	247.0
Maintenance capital expenditures, net	(0.36)	(46.0)
Capital lease obligation repayments	(0.19)	(24.0)
Cash flow available for dividends and debt repayment before growth capital	1.40	177.0
Growth capital expenditures	(0.22)	(28.0)
Tax payments to CRA (50%)	(0.20)	(25.0)
Estimated 2015 free cash flow available for dividends and debt repayment	0.98	124.0
Conversion of 7.50% convertible debentures to equity-callable no earlier than October 31, 2015	0.59	75.0
Dividends	(0.72)	(92.0)
Total estimated reduction in debt	0.85	107.0
Estimated total debt to EBTIDA as at December 31, 2015	3.0X – 3.4X	3.0X – 3.4X
Dividends	0.72	92.0
Calculated payout ratio after all capital (excluding tax payments to CRA)	61%	61%

(1) See "Financial Outlook" in Superior's 2014 Fourth Quarter FD&A for additional details including assumptions, definitions and risk factors.

Superior's total debt (including convertible debentures) to Compliance EBITDA before restructuring costs was 3.5X as at December 31, 2014 (3.6X after restructuring costs), lower than the 3.9X as at December 31, 2013. Debt levels and total leverage as at December 31, 2014 were lower than December 31, 2013 levels due to reduced working capital levels in the Energy Services business due to reduced commodity prices and the impact of higher EBITDA. Superior continues to focus on reducing its total leverage through ongoing debt reduction, including reducing working capital requirements and improving business operations.

Superior's total debt to Compliance EBITDA before restructuring costs of 3.5X as at December 31, 2014 was lower than the previously provided forecast of 3.6X to 4.0X due to higher than anticipated EBITDA.

2014 Detailed Fourth Quarter Results

Superior's 2014 Fourth Quarter Financial Discussion and Analysis is attached and is also available on Superior's website at www.superiorplus.com under the Investor Relations section.

2014 Fourth Quarter Conference Call

Superior will be conducting a conference call and webcast for investors, analysts, brokers and media representatives to discuss the 2014 Fourth Quarter Results at 8:30 a.m. MST on Friday, February 20, 2015. To participate in the call, dial:1-800-355-4959. An archived recording of the call will be available for replay until midnight, April 20, 2015. To access the recording, dial: 1-800-408-3053 and enter pass code 6492762 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

For the three months ended December 31, 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 $1.4 million ($87.2 million total on a dilutive basis) and on AOCF of $1.4 million ($87.0 million total on a dilutive basis). For the three months ended December 31, 2013, 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 $5.6 million ($75.7 million total on a dilutive basis) and on AOCF of $5.6 million ($61.5 million total on a dilutive basis). For the year ended December 31, 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 $5.6 million ($244.3 million total on a dilutive basis) and on AOCF of $5.6 million ($233.0 million total on a dilutive basis). For the year ended December 31, 2013, the dilutive impact of the 7.50%, October 31, 2016 convertible debentures was 6.6 million shares (129.7 million total shares on a dilutive basis) with a resulting impact on AOCF before restructuring costs of $5.6 million ($213.2 million total on a dilutive basis) and on AOCF of $5.6 million ($197.9 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 summary, 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, business strategy and objectives, development plans and programs, business expansion and improvement projects, expected product margins, expected timing of commercial production and the costs and benefits associated therewith, 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 and exposure to 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, 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, 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 fourth quarter financial discussion and analysis ("FD&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, 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 FD&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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Financial Discussion of 2014 Fourth Quarter and 2014 Year End Results

February 19, 2015

The following Financial Discussion is a review of the financial performance and position of Superior Plus Corp. (Superior) as at December 31, 2014 and for the three and twelve months ended December 31, 2014 and 2013. The information in this Financial Discussion is current to February 19, 2015. This Financial Discussion should be read in conjunction with Superior's audited consolidated financial statements and notes thereto as at and for the twelve months ended December 31, 2014 and its unaudited condensed consolidated financial statements as at and for the three and twelve months ended December 31, 2014 and 2013.

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 Financial Discussion 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.

Fourth Quarter Financial Summary

(millions of dollars except per share amounts)	Three months ended December 31 **2014**	2013	Twelve months ended December 31 **2014**	2013
Revenue	**956.8**	1,034.7	**3,975.9**	3,752.8
Gross profit	**247.5**	240.8	**922.1**	868.8
EBITDA from operations (1)	**99.2**	86.7	**308.4**	284.4
Interest expense	**(10.8)**	(12.4)	**(48.0)**	(58.7)
Cash income tax (expense) recovery	**(0.4)**	0.2	**(1.7)**	(0.2)
Corporate costs	**(2.2)**	(4.4)	**(20.0)**	(17.9)
Adjusted operating cash flow before restructuring costs	**85.8**	70.1	**238.7**	207.6
Restructuring costs (2)	**(0.2)**	(14.2)	**(11.3)**	(15.3)
Adjusted operating cash flow	**85.6**	55.9	**227.4**	192.3
Adjusted operating cash flow per share before restructuring costs, basic (1)(2)(3)(4)	**$0.68**	$0.56	**$1.89**	$1.69
Adjusted operating cash flow per share before restructuring costs, diluted (1)(2)(3)(4)	**$0.66**	$0.54	**$1.84**	$1.64
Adjusted operating cash flow per share, basic (1)(2)(3)(4)	**$0.68**	$0.44	**$1.80**	$1.56
Adjusted operating cash flow per share, diluted (1)(2)(3)(4)	**$0.66**	$0.43	**$1.75**	$1.53
Dividends paid per share	**$0.16**	$0.15	**$0.61**	$0.60

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

(2) Superior has restated its 2013 financial results and presented its 2014 financial results on a before and after restructuring cost basis due to the one-time nature of these items. See Restructuring Costs for further details.

(3) The weighted average number of shares outstanding for the three months ended December 31, 2014, is 126.2 million (December 31, 2013 – 126.2 million) and for the twelve months ended December 31, 2014, is 126.2 million (December 31, 2013 – 123.1 million).

(4) For the three months ended December 31, 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 $1.4 million ($87.2 million total on a dilutive basis) and on AOCF of $1.4 million ($87.0 million total on a dilutive basis). For the three months ended December 31, 2013, 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 $5.6 million ($75.7 million total on a dilutive basis) and on AOCF of $5.6 million ($61.5 million total on a dilutive basis). For the year ended December 31, 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 $5.6 million ($244.3 million total on a dilutive basis) and on AOCF of $5.6 million ($233.0 million total on a dilutive basis). For the year ended December 31, 2013, the dilutive impact of the 7.50%, October 31, 2016 convertible debentures was 6.6 million shares (129.7 million total shares on a dilutive basis) with a resulting impact on AOCF before restructuring costs of $5.6 million ($213.2 million total on a dilutive basis) and on AOCF of $5.6 million ($197.9 million total on a dilutive basis).

Comparable GAAP Financial Information (1)

(millions of dollars except per share amounts)	Three months ended December 31 **2014**	2013	Twelve months ended December 31 **2014**	2013
Net earnings	**43.3**	10.9	**56.9**	52.7
Net earnings per share basic	**$0.34**	$0.09	**$0.45**	$0.43
Net earnings per share diluted	**$(0.03)**	$0.05	**$0.41**	$0.40
Net cash flows from (used in) operating activities	**50.3**	(5.1)	**292.1**	250.3
Net cash flows from (used in) operating activities per share basic	**$0.40**	$(0.04)	**$2.31**	$2.03
Net cash flows from (used in) operating activities per share diluted	**$0.39**	$(0.04)	**$2.24**	$1.97

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

Segmented Information

	Three months ended December 31		Twelve months ended December 31	
(millions of dollars)	**2014**	2013	**2014**	2013
EBITDA from operations:				
Energy Services	**59.0**	45.8	**163.4**	137.5
Specialty Chemicals	**28.6**	31.1	**110.2**	113.7
Construction Products Distribution	**11.6**	9.8	**34.8**	33.2
	99.2	86.7	**308.4**	284.4

Adjusted Operating Cash Flow Reconciled to Net Cash Flow from Operating Activities [1]

		Three months ended December 31		Twelve months ended December 31	
(millions of dollars)		**2014**	2013	**2014**	2013
Net cash flows from (used in) operating activities		**50.3**	(5.1)	**292.1**	250.3
Add:	Non cash interest expense	**1.5**	2.9	**6.3**	8.8
	Increase (decrease) in non-cash working capital	**44.9**	72.0	**(16.6)**	(0.3)
Less:	Cash income tax (expense) recovery	**(0.4)**	0.3	**(1.7)**	(0.2)
	Finance expense recognized in net earnings	**(10.7)**	(20.3)	**(52.7)**	(71.8)
	Loss on debenture redemptions	**-**	6.2	**-**	5.5
Adjusted operating cash flow		**85.6**	55.9	**227.4**	192.3

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

Fourth quarter adjusted operating cash flow (before restructuring costs of $0.2 million) was $85.8 million, an increase of $15.7 million or 22% from the prior year quarter. The increase in adjusted operating cash flow (AOCF) was primarily due to higher operating results at Energy Services and Construction Products Distribution and lower interest and corporate costs.

AOCF (before restructuring costs) of $0.68 per share, increased by $0.12 per share or 21% from the prior year quarter due to the increase in adjusted operating cash flow offset in part by a modest increase in weighted average number of shares.

Adjusted operating cash flow for the year ended December 31, 2014 (before restructuring costs of $11.3 million) was $238.7 million ($227.4 million after restructuring costs), an increase of $31.1 million or 15% from the prior year before restructuring costs. The increase in AOCF was due to increased EBITDA from the operations of Energy Services and Construction Products Distribution and lower interest costs offset in part by higher corporate costs, lower contribution from Specialty Chemicals and higher cash taxes.

AOCF per share (before restructuring costs) was $1.89 per share ($1.80 per share after restructuring costs) for the year ended December 31, 2014, an increase of $0.20 per share or 12% before restructuring costs and an increase of $0.24 per share or 15% after restructuring costs from the prior year. The increase in AOCF as noted above was partially offset by the 3% increase in the weighted average number of shares outstanding. The number of weighted average shares outstanding increased due to the full year's impact of the equity offering of 13.0 million shares on March 27, 2013.

Net earnings for the fourth quarter were $43.3 million, an increase of $32.4 million or 297% in the prior year quarter. Net earnings increased primarily due to higher revenue and gross profit, lower finance and operating expenses and lower income taxes. The decrease in expenses was due to an impairment charge of $15.5 million recognized during 2013 in the U.S. refined fuels business, and lower finance expenses.

Revenue of $956.8 million was $77.9 million lower than the prior year quarter due to decreased Energy Services revenue, partially offset by increased Specialty Chemicals and CPD revenue. Energy Services revenue decreased due to lower propane prices and sales volumes. Specialty Chemicals revenue increased due to higher sales volumes and pricing. CPD revenue increased due to higher sales volumes related to improvements in end-use markets and the impact of the strengthening U.S. dollar on U.S. denominated sales.

Gross profit of $247.5 million was $6.7 million higher than the prior year quarter primarily due to increased Energy Services, Specialty Chemicals and CPD gross profits. Energy Services gross profits were higher due to increased unit margins associated with effective price management and customer retention and growth initiatives, partially offset by lower volumes. CPD gross profits increased due to improved sales volumes and higher average selling prices. Specialty Chemicals gross profits were modestly higher due to an improved contribution from hydrochloric acid due to the completion of the acid burner expansions in Port Edwards, Wisconsin and Saskatoon, Saskatchewan.

Operating expenses of $182.8 million in the fourth quarter were $18.1 million lower than the prior year quarter due to decreased restructuring costs, the capitalization of tank refurbishment costs that were previously expensed and decreased employee costs related to headcount reduction initiatives at Energy Services, partially offset by an increase in operating expenses at Specialty Chemicals and Construction Products Distribution related to the impact of the appreciation of the U.S. dollar on U.S. dollar denominated expenses. Total income tax recovery for the fourth quarter was $1.3 million, a decrease of $5.9 million compared to the prior year quarter. The decrease in deferred income tax recovery was due to higher net earnings in the fourth quarter of 2014 and decreased impact from permanent items.

Superior had net earnings of $56.9 million for 2014, an increase of $4.2 million from 2013. The increase was due to higher gross profits and lower interest costs, offset in part by higher unrealized losses on financial instruments in 2014 due to the appreciation of the U.S. dollar, higher operating expenses and higher income tax expense.

Consolidated revenues of $3,975.9 million in 2014 were $223.1 million higher than in the prior year. The increase in revenue was due primarily to higher Energy Services revenue, higher Specialty Chemicals revenue and higher Construction Products Distribution revenue. Energy Services revenue was higher due primarily to increased commodity prices in the first quarter and effective price management. Specialty Chemicals revenue is higher due to increased sales volumes and increased chlorate pricing. Construction Products Distribution revenue is higher due to increased sales volumes and the impact of the appreciation of the U.S. dollar on U.S. denominated sales. Gross profit of $919.5 million was $50.7 million higher than in the prior year due to improved gross profit at Energy Services, Specialty Chemicals and Construction Products Distribution.

Operating expenses were $744.7 million in 2014, an increase of $26.7 million or 4% from the prior year, due primarily to higher employee costs and the impact of the appreciation of the U.S. dollar on U.S.-denominated expenses, offset in part by lower restructuring costs and amortization expense. Total restructuring costs of $11.3 million were incurred by Energy Services and Construction Products Distribution as part of Superior's operational improvement efforts. The decrease in amortization expense was due to fully amortizing certain intangible assets during 2013. Corporate costs were higher than in the prior year due to expenses incurred for the Construction Products Distribution strategic review process, partially offset by a decrease in long-term incentive costs related to the decline in Superior's share price.

Total finance expense of $52.7 million was $19.1 million lower than the prior year due principally to lower average debt throughout the year and the full year benefit of redeeming Superior's 8.25% $150.0 million senior unsecured debentures on October 28, 2013, completion of an equity offering on March 27, 2013 and partially offset by the interest on the 6.50% senior unsecured notes. Unrealized losses on derivative financial instruments of $54.1 million was $49.0 million higher than prior year due to an increase in unrealized losses in the current year on Superior's foreign exchange forward contracts related to the appreciation of the U.S. dollar. Gains and losses on Superior's various financial instruments are without consideration of the fair value of the underlying customer or supplier commitment. Total income tax expense of $16.5 million was $10.8 million higher than the prior year due to an increase in net earnings before tax in 2014, changes in statutory tax rates and decreased impact from permanent items.

Energy Services

Energy Services' condensed operating results for 2014 and 2013:

	Three months ended December 31		Twelve months ended December 31	
(millions of dollars)	**2014**	2013	**2014**	2013
Revenue(1)	**568.9**	682.9	**2,481.2**	2,372.9
Cost of sales(1)	**(428.8)**	(548.8)	**(1,977.0)**	(1,907.7)
Gross profit	**140.1**	134.1	**504.2**	465.2
Less: Cash operating and administrative costs(1)(2)	**(81.1)**	(88.3)	**(340.8)**	(327.7)
EBITDA from operations(3)	**59.0**	45.8	**163.4**	137.5

(1) In order to better reflect the results of its operations, Superior has reclassified certain non-cash expenses for purposes of this Financial Discussion. See "Reconciliation of Divisional Segmented Revenue, Cost of Sales and Cash Operating and Administrative Costs Included in this Financial Discussion" for detailed amounts.

(2) Energy Services EBITDA from operations has been restated and restructuring cost have been excluded from EBITDA from operations. The above results exclude restructuring costs for the three and twelve months ended December 31, 2014 of $nil and $11.1 million, respectively and for the three and twelve months ended December 31, 2013, $8.5 million and $10.3 million, respectively. See Restructuring Costs for further details.

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

Revenues for the fourth quarter of 2014 were $568.9 million, a decrease of $114.0 million or 17% compared to the prior year quarter. The decrease is primarily due to lower commodity prices and sales volumes compared to the prior year quarter. Total gross profit for the fourth quarter of 2014 was $140.1 million, an increase of $6.0 million or 4% over the prior year quarter. The increase in gross profit is primarily due to higher gross margins within the Canadian propane and U.S. refined fuels segments offset in part by lower fixed-price energy services and supply portfolio management gross profits. A detailed review of gross profit is provided below.

Gross Profit Review

	Three months ended December 31		Twelve months ended December 31	
(millions of dollars)	**2014**	2013	**2014**	2013
Canadian propane distribution	**76.3**	75.5	**264.0**	250.4
U.S. refined fuels distribution	**43.8**	36.0	**150.2**	130.2
Other services	**10.6**	12.0	**37.3**	42.1
Supply portfolio management	**7.3**	6.9	**45.7**	24.9
Fixed-price energy services	**2.1**	3.7	**4.4**	17.6
Total gross profit	**140.1**	134.1	**501.6**	465.2

Canadian Propane Distribution

Canadian propane distribution gross profit for the fourth quarter was $76.3 million, an increase of $0.8 million or 1% compared to the prior year quarter, due to higher unit margins, partially offset by lower volumes. Residential and commercial sales volumes decreased by 8 million litres or 6% from the prior year quarter due primarily to warmer weather during the fourth quarter of 2014 as compared to the prior year quarter. Average weather across Canada for the fourth quarter, as measured by degree days, was 11% warmer than the prior year and 4% warmer than the five-year average. Industrial volumes decreased by 12 million litres or 6%, due to lower oilfield demand as a result of customer site gasification and lower customer activity. Agriculture volumes decreased by 8 million litres or 19% due to a delay in crop drying season and unfavourable weather for higher crop drying demand.

Average propane sales margins for the fourth quarter increased to 20.3 cents per litre from 18.6 cents per litre in the prior year quarter. The increase was principally due to improved pricing management in a declining price environment and favourable movement in the sales mix as the current quarter included a higher proportion of higher-margin sales volumes.

Canadian Propane Distribution Sales Volumes

Volumes by End-Use Application		
	Three months ended December 31	
(millions of litres)	**2014**	2013
Residential	**43**	47
Commercial	**81**	85
Agricultural	**34**	42
Industrial	**200**	212
Automotive	**18**	19
	376	405

Volumes by Region [1]		
	Three months ended December 31	
(millions of litres)	**2014**	2013
Western Canada	**212**	234
Eastern Canada	**135**	142
Atlantic Canada	**29**	29
	376	405

Volumes by End-Use Application		
	Twelve months ended December 31	
(millions of litres)	**2014**	2013
Residential	**139**	135
Commercial	**291**	278
Agricultural	**69**	73
Industrial	**738**	764
Automotive	**79**	81
	1,316	1,331

Volumes by Region [1]		
	Twelve months ended December 31	
(millions of litres)	**2014**	2013
Western Canada	**737**	766
Eastern Canada	**472**	465
Atlantic Canada	**107**	100
	1,316	1,331

[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 fourth quarter was $43.8 million, an increase of $7.8 million or 22% compared to the prior year quarter. The increase in gross profit was due to lower sales volumes offset in part by higher gross margins. Sales volumes of 407 million litres decreased by 4 million litres or 1% from the prior year quarter. The decrease was primarily due to warmer weather. Weather as measured by heating degree days for the fourth quarter was 13% lower than the prior year quarter and 7% warmer than the five-year average. Average U.S. refined fuels sales margins of 9.6 cents per litre increased from 8.8 cents per litre in the prior year quarter. Sales margins were positively impacted by declining commodity costs and improved price management.

U.S. Refined Fuels Distribution Sales Volumes

Volumes by End-Use Application [1]		
	Three months ended December 31	
(millions of litres)	**2014**	2013
Residential	**85**	96
Commercial	**194**	190
Automotive	**128**	125
	407	411

Volumes by Region [2]		
	Three months ended December 31	
(millions of litres)	**2014**	2013
Northeast United States	**407**	411
	407	411

Volumes by End-Use Application [1]		
	Twelve months ended December 31	
(millions of litres)	**2014**	2013
Residential	**314**	304
Commercial	**752**	775
Automotive	**515**	554
	1,581	1,633

Volumes by Region [2]		
	Twelve months ended December 31	
(millions of litres)	**2014**	2013
Northeast United States	**1,581**	1,633
	1,581	1,633

[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 $10.6 million in the fourth quarter, a decrease of $1.4 million or 12% from the prior year quarter due to decreased installations and the impact of exiting non-core service business lines associated with restructuring.

Supply Portfolio Management
Supply portfolio management gross profits were $7.3 million in the fourth quarter, consistent with the prior year quarter gross profit of $6.9 million.

Fixed-Price Energy Services

Fixed-Price Energy Services Gross Profit

	Three months ended December 31, 2014			Three months ended December 31, 2013		
(millions of dollars except volume and per unit amounts)	**Gross Profit**	**Volume**	**Per Unit**	Gross Profit	Volume	Per Unit
Natural gas [1]	**1.7**	**4.5 GJ**	**36.8¢/GJ**	1.9	4.6 GJ	41.3¢/GJ
Electricity [2]	**0.3**	**136.9KWh**	**0.26¢/KWh**	1.8	228.0KWh	0.79¢/KWh
Total	**2.0**			3.7		

	Twelve months ended December 31, 2014			Twelve months ended December 31, 2013		
(millions of dollars except volume and per unit amounts)	**Gross Profit**	**Volume**	**Per Unit**	Gross Profit	Volume	Per Unit
Natural gas [1]	**3.9**	**18.0 GJ**	**21.3/GJ**	11.1	18.8 GJ	59.0¢/GJ
Electricity [2]	**0.5**	**676.7KWh**	**0.08¢/KWh**	6.5	891.4KWh	0.73¢/KWh
Total	**4.4**			17.6		

[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 $2.0 million in the fourth quarter, a decrease of $1.7 million or 46% from the prior year quarter. Natural gas gross profit was $1.7 million, consistent with the prior year quarter. Electricity gross profit in the fourth quarter of 2014 was $0.3 million, a decrease of $1.5 million or 83% from the prior year quarter due to sales mix as the current quarter includes a higher proportion of lower margin customers, and the impact of selling the U.S. business.

Operating Costs
Cash operating and administrative costs were $81.1 million in the fourth quarter of 2014, a decrease of $7.2 million or 8% from the prior year quarter. The decrease in expenses was primarily due to the capitalization of approximately $5.0 million in tank refurbishment costs that were previously expensed, the impact of lower employee costs associated with headcount reductions, and lower maintenance costs, partially offset by the impact of a stronger U.S. dollar on U.S. denominated expenses.

Financial Outlook
EBITDA from operations for 2015 for the Energy Services business is anticipated to be consistent with 2014. EBITDA from the Canadian propane and U.S. refined fuels businesses will benefit from ongoing operational improvements offset by modestly lower gross profits. Operating costs as a percentage of gross profits are anticipated to continue to improve in 2015 due to a full year run rate of business initiatives and The Superior Way project. Gross profits in 2015 compared to 2014 will be impacted by the absence of record or near record cold temperatures experienced in the first quarter of 2014 which positively impacted 2014 gross profits. In addition, Superior is forecasting a 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 similar to 2014 whereas gross profit from the fixed-price energy business will be higher in 2015 than in 2014 due to the absence of losses that resulted from the temperatures experienced in the first quarter of 2015. Average weather, as measured by degree days, for 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 experienced in the fourth quarter of 2014 which Superior anticipates will persist throughout 2015.

Initiatives to improve results in the Energy Services business continued during the fourth quarter of 2014 in conjunction with Superior's *Destination 2015* initiative and Superior's goal for each of its businesses to become best-in-class. Business improvement projects for 2014 include: a) improving customer service, b) improving overall logistics and procurement functions, c) enhancing the management of margins, d) working capital management e) improving existing and implementing new technologies to facilitate improvements to the business, f) headcount reductions and g) execution of the detailed restructuring plan.

The restructuring plan for the Canadian Propane distribution and U.S. refined fuels businesses are expected to accelerate realization of operating efficiencies by implementing a more disciplined and consistent management operating system across the segment designed to leverage the new processes and information system investments and by sizing the organization to efficiently meet its operational business needs. The restructuring plans have been completed by the end of 2014. All costs associated with the restructuring plans have been recognized and no additional costs are anticipated.

System Conversion

In 2013, Canadian propane distribution commenced the implementation of an order-to-cash, billing and logistics IT system to replace the distribution and invoicing functions of the present enterprise system. During the second quarter of 2014, the new system was successfully rolled out to the final three regions of Ontario, Quebec and Alberta. A total of $21.8 million was incurred in order to complete the entire project.

During 2014, Canadian propane distribution commenced the migration of its current data center located in Calgary, Alberta to a new location in New Jersey, U.S. along with approximately 140 servers and more than 70 applications. The migration was completed in the third quarter.

In addition to the significant assumptions detailed above, refer to "Risk Factors to Superior" for a detailed review of significant business risks affecting the Energy Services' businesses.

Specialty Chemicals

Specialty Chemicals' condensed operating results for 2014 and 2013:

(millions of dollars except per metric tonne (MT) amounts)	**Three months ended December 31**				**Twelve months ended December 31**			
	2014		2013		**2014**		2013	
		$ per MT		$ per MT		**$ per MT**		$ per MT
Chemical revenue[1]	**170.4**	**738**	156.7	712	**659.3**	**724**	582.6	705
Chemical cost of sales[1]	**(101.4)**	**(439)**	(88.5)	(402)	**(394.2)**	**(433)**	(330.8)	(400)
Chemical gross profit	**69.0**	**299**	68.2	310	**265.1**	**291**	251.8	305
Less: Cash operating and administrative costs[1]	**(40.4)**	**(175)**	(37.1)	(169)	**(154.9)**	**(169)**	(138.1)	(167)
EBITDA from operations[2]	**28.6**	**124**	31.1	141	**110.2**	**122**	113.7	138
Chemical volumes sold (thousands of MTs)		**231**		220		**910**		826

[1] In order to better reflect the results of its operations, Superior has reclassified certain amounts for purposes of this Financial Discussion 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 Financial Discussion" for detailed amounts.

[2] See "Non-GAAP Financial Measures".

Chemical revenue for the fourth quarter of $170.4 million was $13.7 million or 9% higher than in the prior year quarter primarily due to higher sales volumes and average selling prices for sodium chlorate. Fourth quarter gross profit of $69.0 million was $0.8 million or 1% higher than the prior year quarter due to higher chloralkali/potassium gross profits.

Sodium chlorate gross profits were consistent with the prior year quarter. Sodium chlorate sales volumes increased by 7,000 tonnes or 5% compared to the prior year quarter due primarily to additional sales volume contribution from the Strategic Supply Agreement. Chloralkali/potassium products gross profits were higher than the prior year quarter due primarily to higher hydrochloric sales volumes, offset in part by lower average margins for caustic. Chloralkali/potassium products sales volumes increased by 4,000 tonnes or 6% due primarily to higher hydrochloric sales volumes due to increased production and sales associated with the expansion at the Port Edwards plant.

Cash operating and administrative costs of $40.4 million were $3.3 million or 9% higher than in the prior year quarter due to a full 3 months of operating expenses related to Tronox strategic supply agreement and general inflationary pressures.

Major Capital Projects
As announced in the first quarter of 2012, Superior approved an $18.0 million expansion of hydrochloric acid production capacity at the Port Edwards, Wisconsin chloralkali facility. The plant's capacity of 110,000 wet metric tonnes (WMT), or 36,000 dry metric tonnes, is being increased to approximately 220,000 WMT. The Port Edwards burner expansion was completed and commissioned during September 2014 and hydrochloric acid shipments from the new burner commenced in September.

As announced in the third quarter of 2012, Superior has approved a $25.0 million expansion of hydrochloric acid production capacity at the Saskatoon, Saskatchewan Chloralkali facility. The plant's capacity of 70,000 WMT, or 22,000 dry metric tonnes, will be increased to approximately 140,000 WMT. The hydrochloric acid burner expansion was commissioned and commenced commercial production in December 2014 and the rail loading facilities are expected to be completed during the first quarter of 2015. The total estimated costs are expected to be $33 million as compared to the previously provided estimate of $25 million due to higher than anticipated complexity of the project which extended construction time combined with a tight Western Canada labour market which increased overall contractor costs.

As at December 31, 2014, a total of $46 million had been spent on the two projects. Upon completion of both projects, Superior will have total hydrochloric acid production capacity of approximately 360,000 WMT. The two expansions will allow Superior to optimize overall returns at both facilities by converting a larger portion of its chlorine into higher-value hydrochloric acid.

On June 29, 2014, the Hargrave, Manitoba sodium chlorate facility, which represents 8% of Superior's North American sodium chlorate manufacturing capacity, was impacted by local area flooding. The plant was properly shut-down in advance of the flooding; however certain pumps and motors and some electrical equipment were damaged as a result of the flooding. The facility was successfully restarted during the third quarter and is operating at normal capacity utilization. Physical damage to the property and loss of production is covered by Superior's insurance program subject to customary deductibles and waiting periods.

Strategic Supply Agreement
In October 2013, Specialty Chemicals entered into a supply agreement with Tronox LLC ("Tronox") to purchase up to 130,000 MT of sodium chlorate per year from Tronox's Hamilton, Mississippi facility, as nominated annually by Specialty Chemicals. The initial term of the agreement extends to December 31, 2016 and may be automatically extended in one year increments thereafter. Under the agreement, Tronox will continue to own and operate the facility, and Specialty Chemicals will purchase sodium chlorate to meet customer demands under certain customer contracts being assumed and to supply other existing and new customers. Specialty Chemicals paid an initial fee of $4.3 million and will incur a quarterly fee of $0.8 million during the initial term, plus a cost for sodium chlorate delivered and monthly operating expenses. As part of the Agreement, Specialty Chemicals will acquire finished inventory and assume existing railcar leases and customer contracts, as assigned. Additionally, the parties have entered into a strategic long-term agreement for the supply of chloralalkali product by Specialty Chemicals to service Tronox's requirements in North America. Under the agreement, if the annual nominated volume by Specialty Chemicals is less than the specified volume of product set out in the agreement, Tronox may terminate the agreement early, at its sole option and its sole cost to permanently shut down the plant for the manufacture of sodium chlorate.

Financial Outlook

Superior's 2015 financial outlook of AOCF per share of $1.80 to $2.10 is consistent with the financial outlook provided at the end of the third quarter of 2014. Superior sees its 2015 financial results as modestly higher to consistent with its 2014 financial results as ongoing operational and financial improvements in the Energy Services and CPD businesses will be largely offset by the absence of record or near record cold temperatures experienced in 2014, higher interest costs associated with the issuance of high-yield term debt and the impact of lower crude oil prices on certain customer segments. Specialty Chemicals results in 2015 are anticipated to be consistent with 2014.

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 2014 and 2013:

	Three months ended December 31		Twelve months ended December 31	
(millions of dollars)	**2014**	2013	**2014**	2013
Revenue[1]	**219.8**	196.7	**840.2**	800.2
Cost of sales[1]	**(164.6)**	(145.7)	**(632.6)**	(604.2)
Gross profit	**55.2**	51.0	**207.6**	196.0
Less: Cash operating and administrative costs	**(43.6)**	(41.2)	**(172.8)**	(162.8)
EBITDA from operations[2][3]	**11.6**	9.8	**34.8**	33.2

(1) In order to better reflect the results of its operations, Superior has reclassified certain non-cash expenses for purposes of this Financial Discussion. See "Reconciliation of Divisional Segmented Revenue, Cost of Sales and Cash Operating and Administrative Costs Included in this Financial Discussion" for detailed amounts.

(2) Construction Products Distribution EBITDA from operations has been restated and restructuring cost have been excluded from EBITDA from operations. The above results exclude restructuring costs for the three and twelve months ended December 31, 2014 of $0.4 million and $0.4 million, respectively and for the three and twelve months ended December 31, 2013, $5.7 million and $6.2 million, respectively. See Restructuring costs for further details.

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

Revenues of $219.8 million for the fourth quarter of 2014 were $23.1 million or 12% higher than in the prior year quarter. Gypsum Specialty Distribution (GSD) 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, increases in average selling prices and the impact of a stronger U.S. dollar on the translation of U.S. denominated revenues. Canadian revenues were modestly higher than the prior year quarter. Commercial and Industrial (C&I) revenues increased over the prior year quarter due to higher industrial market activity, modest improvements in end-use markets, an increase in market share due to investments in sales and marketing, and the impact of a stronger U.S. dollar on the translation of U.S. denominated revenues.

Gross profits of $55.2 million in the fourth quarter were $4.2 million or 8% higher than in the prior year quarter due to improved sales volumes and higher average selling prices. Average sales margins on a total basis were modestly lower than the prior year due to the timing of the recognition of annual rebates in 2014 compared to 2013, a higher mix of large industrial projects and the impact of Canada/U.S. sales mix.

Cash operating and administrative costs were $43.6 million in the fourth quarter, an increase of $2.4 million or 6% from the prior year quarter. Operating costs were impacted by $1.5 million in non-recurring severance costs incurred in the current year quarter, the impact of a stronger U.S. dollar on the translation of U.S. denominated expenses, and the full quarter impact of costs from the Baton Rouge, Louisiana branch which opened in the fourth quarter of 2013.

Financial Outlook

Superior anticipates that EBITDA from operations in 2015 will be higher than in 2014 due to continued improvements in U.S. residential construction markets, 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.

Initiatives to improve results in the Construction Products Distribution business continued during the fourth quarter of 2014. Ongoing business improvement projects include: a) assessment of overall logistics and existing branch network, b) review of supply chain management including procurement and transportation, c) review of product pricing, d) working capital management, e) sales growth in select focus products/markets, and f) execution of the detailed restructuring plan.

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.

Consolidated Capital Expenditure Summary

	Three months ended December 31		**Twelve months ended December 31**	
(millions of dollars)	**2014**	2013	**2014**	2013
Efficiency, process improvement and growth-related	**13.7**	13.9	**51.0**	44.3
Other capital	**20.4**	12.5	**49.1**	34.2
	34.1	26.4	**100.1**	78.5
Proceeds from finance lease arrangement termination	**–**	–	**(8.2)**	–
Proceeds on disposition of capital and intangible assets	**(0.7)**	(0.8)	**(6.6)**	(6.6)
Investment in supply agreement	**–**	4.3	**–**	4.3
Acquisitions	**–**	7.6	**–**	7.6
Total net capital expenditures	**33.4**	37.5	**85.3**	83.8
Investment in finance lease	**6.0**	34.2	**13.8**	36.9
Total expenditures including finance leases	**39.4**	71.7	**99.1**	120.7

Efficiency, process improvement and growth related expenditures were $13.7 million in the fourth quarter consistent with the prior year quarter. Other capital expenditures were $20.4 million in the fourth quarter compared to $12.5 million in the prior year quarter, an increase of $7.9 million due primarily to higher tank refurbishment costs at Canadian propane distribution.

During October 2013, Specialty Chemicals entered into a strategic supply agreement which required an initial investment of $4.3 million (see Strategic Supply Agreement).

On November 27, 2013, Superior completed the acquisition of certain assets constituting a retail propane and commercial fuels distribution business (Townsend) in Le Roy, New York for an aggregate price of $9.6 million including deferred consideration and net of adjustments for net working capital. The operations will provide U.S. refined fuels with access to additional propane customers.

Proceeds on the disposal of capital were $0.7 million in the fourth quarter and consisted of Superior's disposition of surplus tanks, cylinders and other assets. During the fourth quarter Superior entered into new leases with capital equivalent value of $6.0 million primarily related to delivery vehicles for the Energy Services and Construction Products Distribution segments. In the prior quarter, Superior entered into a finance lease of $21.5 million related to the strategic supply agreement.

Corporate and Interest Costs

Corporate costs for the fourth quarter were $2.2 million, compared to $4.4 million in the prior year quarter. The decrease was primarily due to lower long term incentive costs as a result of a decrease in Superior's share price.

Interest expense on borrowing and finance lease obligations for the fourth quarter was $10.8 million compared to $12.4 million in the prior year quarter. The decrease was due to lower average effective interest rates and lower average debt. See "Liquidity and Capital Resources" for further details on the change in average debt levels.

Interest on Superior's convertible unsecured subordinated debentures ("Debentures" which include all series of convertible unsecured subordinated debentures) for the fourth quarter was $6.2 million and consistent with the prior year quarter of $6.3 million.

Non-GAAP Restructuring Costs
Superior's restructuring costs have been categorized together and excluded from segmented results. Below is a table summarizing these costs:

	Three months ended December 31		**Twelve months ended December 31**	
(millions of dollars)	**2014**	2013	**2014**	2013
Severance costs	**0.2**	5.1	**5.4**	5.7
Branch closure costs and lease termination costs	**–**	4.2	**2.0**	4.7
Consulting costs	**–**	1.3	**3.9**	1.3
Inventory write-downs	**–**	3.6	**–**	3.6
Total restructuring costs	**0.2**	14.2	**11.3**	15.3

Restructuring costs incurred during the fourth quarter of 2014 and 2013 consists of both costs included and excluded from the restructuring provision. During the fourth quarter 2014, Superior recognized restructuring costs of $0.2 million, which were not recognized under the restructuring provision. During the fourth quarter 2013, Superior recognized restructuring costs of $14.2 million, of which, only $9.0 million was recognized under the restructuring provision. Total restructuring costs incurred during 2013 and 2014 in order to complete the restructuring projects was $26.6 million, higher than the range provided in Superior's first-quarter MD&A of $22 million to $25 million due to higher than expected facility termination costs.

Income Taxes
Total income tax recovery for the fourth quarter was $2.0 million and consists of $0.4 million in cash income tax expense and $2.4 million in deferred income tax recovery, compared to a total income tax recovery of $7.2 million in the prior year quarter, which consisted of $0.2 million in cash income tax recovery and a $7.0 million deferred income tax recovery.

Cash income tax expense for the fourth quarter was $0.4 million and consisted of income tax expense in the U.S. of $0.4 million (2013 Q4 - $0.2 million of U.S. cash tax recovery). Deferred income tax recovery for the fourth quarter was $2.4 million (2013 Q4 - $7.0 million deferred income tax recovery), resulting in a corresponding net deferred income tax asset of $276.1 million as at December 31, 2014. The decrease in deferred income tax recovery was due to higher net earnings in the fourth quarter of 2014 and decreased impact from permanent items.

CRA Income Tax Update
As previously disclosed, 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. Subsequently on November 7, 2014, Superior received the Notice of Reassessment for the 2011 to 2013 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 Notice of Reassessment, must be remitted to the CRA.

Taxation Year	Taxes Payable (1)(2)	50% of the Taxes Payable (1)(2)	Month/year payable
2009/2010	$13.0	$6.5	April 2013
2011	$10.0 (3)	$5.0	February 2015
2012	$10.0 (3)	$5.0	February 2015
2013	$10.0 (3)	$5.0	February 2015
2014	$20.0 (3)	$10.0	2015
2015	$20.0 (3)	$10.0	2016
Total	**$83.0**	**$41.5**	

(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 in late 2015, 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.

Superior remains confident in the appropriateness of its tax filing position and the expected tax consequences of the Conversion and 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.

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 outlooks of AOCF per share of $1.95, if the tax pools from the Conversion were not available to Superior, the impact would be an increase to cash income taxes of approximately $20.0 million or $0.15 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 achieved adjusted operating cash flow per share for 2014 of $1.89 (before restructuring costs), within the 2014 financial outlook range provided in its third-quarter MD&A. See the detailed discussion on each segment for a breakdown of the results achieved.

Superior's 2015 financial outlook of AOCF per share of $1.80 to $2.10 is consistent with the financial outlook provided at the end of the third quarter of 2014. Superior sees its 2015 financial results as modestly higher to consistent with its 2014 financial results as ongoing operational and financial improvements in the Energy Services and CPD businesses will be largely offset by the absence of record or near record cold temperatures experienced in 2014, higher interest costs associated with the issuance of high-yield term debt and the impact of lower crude oil prices on certain customer segments. Specialty Chemicals results in 2015 are anticipated to be consistent with 2014.

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

- Economic growth in Canada will be similar to 2014 while economic growth in the U.S. will increase modestly in 2015;
- Superior will 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 $74.0 million in 2015 and working capital funding requirements which do not contemplate any significant commodity price changes;
- The foreign currency exchange rate between the Canadian dollar and US dollar will average 0.80 in 2015 on all unhedged foreign currency transactions;
- Financial and physical counterparties will fulfil their obligations to Superior;
- Regulatory authorities will not impose any new regulations adversely affecting Superior;
- Superior's average interest rate on floating-rate debt will remain consistent with 2014; and
- Canadian and U.S.-based cash taxes will be minimal for 2015 based on existing statutory income tax rates and Superior's ongoing ability to use available tax basis.

Energy Services

- Average weather across Canada and the Northeast U.S, as measured by degree days, for 2015 is anticipated to be consistent with the 5-year average period;
- 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;
- 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 consistent with 2014;
- 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; and
- Operating costs are expected to decrease in 2015 from 2014 due to improvements in operational efficiencies from the completion of restructuring activities.

Specialty Chemicals

- Sodium chlorate contribution will decrease from 2014 due to higher electricity and plant operating costs, and modestly lower sales volumes;
- Chloralkali contribution will increase from 2014 due to 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 with sales prices consistent to modestly higher than in 2014. Supply and demand fundamentals in the chloralkali markets in which Superior operates are anticipated to remain similar to 2014 ; and
- Average plant utilization will approximate 90%-95% in 2015.

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. Canada revenue will grow modestly as the Canadian residential market remains 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; and
- 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 related to restructuring in 2013 and 2014.

Restructuring Charges

- Superior has incurred a total of $11.3 million of restructuring costs during 2014 associated with the restructuring efforts announced during the fourth quarter of 2013. Total restructuring costs incurred during 2013 and 2014 in order to complete the restructuring projects was $26.6 million, higher than the range provided in Superior's first-quarter MD&A of $22 million to $25 million due to higher than expected facility termination costs. These costs are excluded from Superior's 2014 financial outlook.

Superior's anticipated debt repayment for 2015 and total debt to EBITDA leverage ratio as at December 31, 2015, based on Superior's 2015 financial outlook and year-to-date results, are detailed in the chart below.

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 which would bring Superior into its targeted leverage range of 3.0X to 3.5X. Superior's anticipated debt repayment for 2015 and total debt to EBITDA leverage ratio as at December 31, 2015, based on Superior's 2015 financial outlook is detailed in the chart below.

Debt Management Summary

	Dollar Per Share	Millions of Dollars
2015 financial outlook AOCF per share – midpoint [1]	1.95	247.0
Maintenance capital expenditures, net	(0.36)	(46.0)
Capital lease obligation repayments	(0.19)	(24.0)
Cash flow available for dividends and debt repayment before growth capital	1.40	177.0
Growth capital expenditures	(0.22)	(28.0)
Tax payments to CRA (50%)	(0.20)	(25.0)
Estimated 2015 free cash flow available for dividend and debt repayment	0.98	124.0
Conversion of 7.50% convertible debentures to equity-callable October 31, 2015	0.59	75.0
Dividends	(0.72)	(92.0)
Total estimated reduction in debt	0.85	107.0
Estimated total debt to EBTIDA as at December 31, 2015	3.0X – 3.4X	3.0X – 3.4X
Dividends	0.72	92.0
Calculated payout ratio after all capital (excluding tax payments to CRA)	61%	61%

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

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 $533.2 million as at December 31, 2014, a decrease of $45.5 million from December 31, 2013. The decrease in Borrowing was primarily due to lower net working capital requirements associated with the exit of the heating season and cash flow from operating activities offset in part by capital expenditures and dividend payments.

On June 20, 2014, and November 26, 2014, Superior extended the maturity date of its Credit Facility to June 27, 2018. 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 (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.

As at December 31, 2014, Debentures (before deferred issuance fees and discount values) issued by Superior totaled $494.2 million which was $0.3 million lower than the balance as at December 31, 2013 due to the conversion of $0.3 million of 7.50% convertible debentures into common shares. See Note 15 to the unaudited condensed consolidated financial statements for additional details on Superior's Debentures.

As at December 31, 2014, approximately $321.5 million was available under the Credit Facility, which Superior considers sufficient to meet its expected net working capital, capital expenditure and refinancing requirements during 2015.

Consolidated net working capital was $264.8 million as at December 31, 2014, a decrease of $28.3 million from $293.1 million as at December 31, 2013. The decrease was primarily due to the decline in net working capital requirements at Energy Services related to lower commodity prices, offset in part by higher net working capital requirements at Construction Products Distribution associated with increased accounts receivable from the pickup in construction activity. Superior's net working capital requirements are financed from its Credit Facility.

As at December 31, 2014, when calculated in accordance with the Credit Facility, the consolidated secured debt to compliance EBITDA ratio was 1.2:1 (December 31, 2013 – 2.2:1) and the consolidated debt to compliance EBITDA ratio was 1.9:1 (December 31, 2013 – 2.2:1). For both of these covenants, 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 3.0:1 and not more than 3.5:1 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 Debentures. As at December 31, 2014, Superior's total debt to compliance EBITDA ratio was 3.6 to 1.0, and 3.5 to 1.0 on a before restructuring cost basis. 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 December 31, 2014, Superior's available distribution amount was $130.0 million under the above noted distribution test.

As of December 31, 2014, 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 its 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 June 27, 2014, Standard & Poor's confirmed Superior and Superior LP's long-term corporate credit rating of BB and the senior secured debt rating of BBB-. The outlook rating for Superior remains stable. On June 27, 2014, Dominion Bond Rating Service confirmed Superior LP's senior secured rating of BB (high) and Superior LP's senior unsecured rating of BB (low). The trend for both ratings is stable.

As at December 31, 2014, Superior had an estimated defined benefit pension solvency deficiency of approximately $12.3 million (December 31, 2013 – $12.8 million deficiency) and a going-concern surplus of approximately $22.6 million (December 31, 2013 – $11.5 million surplus). Funding requirements required by applicable pension legislation are based on 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 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 during the fourth quarter was 126.2 million shares, consistent with prior year quarter.

As at February 19, 2015, December 31, 2014 and December 31, 2013, the following common shares and securities convertible into common shares were issued and outstanding:

	February 19, 2015		**December 31, 2014**		**December 31, 2013**	
(millions)	**Convertible Securities**	**Shares**	**Convertible Securities**	**Shares**	**Convertible Securities**	**Shares**
Common shares outstanding		**126.2**		**126.2**		126.2
5.75% Debentures [1]	**$172.5**	**9.1**	**$172.5**	**9.1**	$172.5	9.1
6.00% Debentures [2]	**$150.0**	**9.9**	**$150.0**	**9.9**	$150.0	9.9
7.50% Debentures [3]	**$74.7**	**6.6**	**$74.7**	**6.6**	$75.0	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		**157.6**		**157.6**		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 the monthly dividend will be increased by 20% to $0.06 per share or $0.72 per share on an annualized basis from the current dividend of $0.05 or $0.60 per share on an annualized basis. Dividends paid to shareholders for 2014 were $77.0 million (before DRIP proceeds of $nil) or $0.62 per share compared to $73.7 million (before DRIP proceeds of $4.9 million) or $0.60 per share in 2013. Dividends paid to shareholders increased by $3.3 million due primarily to the higher dividend and a higher number of shares outstanding associated with the equity offering completed on March 27, 2013. See "Debt Management Update" for further details. Dividends to shareholders are declared at the discretion of Superior's Board of Directors.

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

Summary of Cash Flow [(1)]

(millions of dollars)	Three months ended December 31 **2014**	2013	Twelve months ended December 31 **2014**	2013
Cash flow from (used in) operating activities	**28.8**	(27.7)	**237.8**	185.3
Investing activities[(2)]:				
Purchase of property, plant and equipment	**(34.1)**	(26.4)	**(100.1)**	(78.5)
Proceeds from finance lease arrangement termination	**–**	–	**8.2**	**–**
Proceeds on disposal of property, plant and equipment and intangible assets	**0.7**	0.8	**6.6**	6.6
Investment in supply agreement	**–**	(4.3)	–	(4.3)
Acquisitions	**–**	(7.6)	–	(7.6)
Cash flow used in investing activities	**(33.4)**	(37.5)	**(85.3)**	(83.8)
Financing activities:				
Net (repayment) proceeds of revolving term bank credits and other debt	**(145.9)**	270.5	**(223.1)**	87.4
Proceeds from issuance of 6.50% senior unsecured notes	**200.0**	–	**200.0**	**–**
Issuance costs incurred for 6.50% senior unsecured notes	**(4.4)**	–	**(4.4)**	**–**
Repayment of senior secured notes	**(33.4)**	(34.0)	**(33.4)**	(34.0)
Repayment of finance lease obligations	**(5.5)**	(3.8)	**(20.4)**	(15.9)
Redemption of senior unsecured debentures	**–**	(150.0)	**–**	(150.0)
Redemption premium on senior unsecured debentures	**–**	(6.2)	**–**	(6.2)
Redemption of 5.85% convertible debentures	**–**	–	**–**	(75.0)
Redemption of 7.50% convertible debentures	**–**	–	**–**	(68.9)
Proceeds from issuance of 6.00% convertible debentures	**–**	–	**–**	97.0
Issuance costs incurred of 6.00% convertible debentures	**–**	–	**–**	(3.8)
Proceeds from issuance of common shares	**–**	–	**–**	143.9
Issuance costs of common shares	**–**	–	**–**	(6.3)
Proceeds from the Dividend Reinvestment Plan	**–**	–	**–**	4.9
Dividends paid to shareholders	**(20.2)**	(18.9)	**(77.0)**	(73.7)
Cash flow (used in) from financing activities	**(9.4)**	57.6	**(158.3)**	(100.6)
Net (decrease) increase in cash and cash equivalents	**(14.0)**	(7.6)	**9.4**	0.9
Cash and cash equivalents, beginning of period	**16.7**	16.1	**8.3**	7.6
Effect of translation of foreign currency-denominated cash and cash equivalents	**0.4**	(0.2)	**0.6**	(0.2)
Cash and cash equivalents, end of period	**3.1**	8.3	**18.3**	8.3

(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 February 19, 2015, Superior had hedged approximately 97% of 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. 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 Thereafter	Total
Energy Services – US$ forward sales	26.0	–	–	–	–	–	26.0
Construction Products Distribution – US$ forward sales	12.0	12.0	–	–	–	–	24.0
Specialty Chemicals – US$ forward sales	148.0	101.4	51.0	–	–	–	300.4
Corporate – US$ forward purchases	–	–	–	–	–	–	–
Net US$ forward sales	186.0	113.4	51.0	–	–	–	350.4
Energy Services – Average US$ forward sales rate	1.01	–	–	–	–	–	1.01
Construction Products Distribution – Average US$ forward sales rate	1.00	1.03	–	–	–	–	1.01
Specialty Chemicals – Average US$ forward sales rate	1.02	1.04	1.04	–	–	–	1.03
Corporate – US$ forward purchases rate	–	–	–	–	–	–	–
Net average external US$/CDN$ exchange rate	1.01	1.04	1.04	–	–	–	1.02

For additional details on Superior's financial instruments, including the amount and classification of gains and losses recorded in Superior's year-end 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 16 to the unaudited condensed consolidated financial statements.

Disclosure Controls and Procedures (DC&P) and Internal Controls Over Financial Reporting (ICFR)
Disclosure controls and procedures are designed by or designed under the supervision of Superior's President and Chief Executive Officer (CEO) and the Executive Vice President and Chief Financial Officer (CFO) in order to provide reasonable assurance that all material information relating to Superior is communicated to them by others in the organization as it becomes known and is appropriately disclosed as required under the continuous disclosure requirements of securities legislation and regulation. In essence, these types of controls are related to the quality and timeliness of financial and non-financial information in securities filings. The CEO and CFO are assisted in this responsibility by a Disclosure Committee (DC), which is composed of senior managers of Superior. The DC has established procedures so that it becomes aware of any material information affecting Superior in order to evaluate and discuss this information and determine the appropriateness and timing of its public releases.

Internal Controls over Financial Reporting are also designed by or under the supervision of Superior's President and CEO and the Executive Vice President and CFO and effected by Superior's board of directors, management and other personnel in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

As previously disclosed in the third quarter 2014 MD&A, management discovered that certain controls in Superior's ICFR at Supply portfolio management and U.S. refined fuels were not operating as intended. The following accounting practices led to adjustments in Superior's third quarter results:

- Certain freight charges at Supply portfolio management were over accrued; and
- Certain inventory balances at U.S. refined fuels were overstated due to inaccurate inventory costing as a result of inappropriately recognizing book to physical inventory adjustments.

Based on an analysis by management, these errors were the result of the following:

- Former senior management at supply portfolio management had a lack of understanding of the key controls around freight charges within the segment. Such management did not adequately establish and enforce compliance with certain accrual related controls. Management at U.S. refined fuels also did not adequately enforce compliance with certain inventory related controls. This led to the override of inventory controls by some operational employees and a lack of focus on inventory controls in general.
- Internal controls over journal entries recognition were not operating as intended at Supply portfolio management. Staff turnover and a lack of knowledge transfer of existing controls led to over accrual of freight costs.

Management was able to detect these issues through compensating controls within the organization. Management assessed the impact of these issues on its ICFR and concluded that there was no material weakness in the design or operation of Superior's ICFR as at December 31, 2013, nor any material weakness in the design of Superior's ICFR at September 30, 2014.

Please refer to the 2014 Annual MD&A for a summary of the financial impact of the accounting adjustments.

Changes in ICFR

Since September 30, 2014 and prior to December 31, 2014, Superior implemented certain changes to its ICFR that have materially affected such ICFR. These changes were designed to strengthen corporate governance, compliance and control processes, specifically at Supply portfolio management and U.S. refined fuels to address the issues identified, and, more generally, to enhance Superior's overall compliance and control processes.

- Superior has enhanced the internal control testing function with the support of an independent third party, senior management and the audit committee. This has resulted in the standardization of the 2014 testing across the organization and should allow for a higher level of assurance for this function;
- Increasing organizational awareness and understanding of the importance of internal controls;
- Completed a formal review of all process documents and the performance of walkthroughs with the assistance of an expert third party service provider in order to evaluate and, as necessary, enhance the existing controls;
- Enhancing certain freight accrual and inventory controls; and
- Adding additional oversight and reviews, enhancing training, and hiring additional qualified personnel.

No other changes were made in Superior’s internal controls over financial reporting that have materially affected, or are reasonably likely to materially affect, Superior’s internal control over financial reporting in the year ended December 31, 2014.

Effectiveness

The evaluation of the effectiveness of the design and operation of Superior’s DC&P was conducted as at December 31, 2014 by and under the supervision of Superior’s management, including the CEO and CFO. Based on this evaluation, the CEO and CFO have concluded that Superior’s DC&P were effective as at December 31, 2014.

The evaluation of the effectiveness of Superior’s internal controls over financial reporting was conducted as at December 31, 2014 by and under the supervision of Superior’s management, including the CEO and CFO. Based on this evaluation, the CEO and CFO have concluded that Superior’s internal controls over financial reporting were effective as at December 31, 2014.

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 year ended December 31, 2014. 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 asset 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, 2014 or later. The affected standards that apply to Superior are as follows:

International Accounting Standard (IAS) 32 – *Financial Instruments*: *Presentation*

The amendments to IAS 32 clarify the requirements relating to the offsetting of financial assets and financial liabilities. Specifically, the amendments clarify the meaning of “currently has a legally enforceable right of off-set” and “simultaneous realization and settlement”. Superior adopted the amendments on January 1, 2014, with no impact to Superior.

IAS 36 – *Impairment of Assets*
The IASB issued *Recoverable Amount Disclosures for Non-Financial Assets (Amendments to IAS 36)* on May 29, 2013. Superior has applied the amendments to IAS 36 for the first time in the current year. The amendments to IAS 36 remove the requirement to disclose the recoverable amount of a cash-generating unit (CGU) to which goodwill or other intangible assets with indefinite useful lives has been allocated when there has been no impairment or reversal of impairment of the related CGU. Additionally, there are disclosure requirements applicable to when the recoverable amount of an asset of a CGU is measured at fair value less costs of disposal. These new disclosure requirements include the fair value hierarchy, key assumptions and valuation techniques used. Adoption of the amendments is required retrospectively for fiscal years beginning January 1, 2014, with earlier adoption permitted. Superior adopted the amendments on January 1, 2014, with no impact to Superior.

IFRIC 21 – *Levies*
The interpretation was issued on May 20, 2013 and provides guidance on when to recognize a liability for a levy imposed by a government, both for levies that are accounted for in accordance with IAS 37 - *Contingent Liabilities and Contingent Assets* and those where the timing and amount of the levy are certain. The interpretation covers the accounting for outflows imposed on entities by governments (including government agencies and similar bodies) in accordance with laws and/or regulations. However, it does not include income taxes (see IAS 12 – *Income Taxes*), fines and other penalties, liabilities arising from emissions trading schemes and outflows within the scope of other standards. It also provides the following guidance on recognition of a liability to pay levies: the liability is recognized progressively if the obligating event occurs over a period of time and, if an obligation is triggered on reaching a minimum threshold, the liability is recognized when that minimum threshold is reached. This standard must be applied for accounting periods beginning on or after January 1, 2014, with retrospective application from December 31, 2012. Superior adopted the interpretation on January 1, 2014, with no impact to Superior.

IFRS 10 – *Consolidated Financial Statements*, IFRS 12 – *Disclosure of Interests in Other Entities* and IAS 27 – *Separate Financial Statements*
The amendments to IFRS 10 define an investment entity and require a reporting entity that meets the definition of an investment entity not to consolidate its subsidiaries but instead to measure its subsidiaries at fair value through profit or loss in its consolidated and separate financial statements. Consequently, IFRS 12 and IAS 27 were amended to introduce new disclosure requirements for investment entities. Superior adopted the amendments on January 1, 2014, with no impact to Superior.

New and revised IFRS standards 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, 2017 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.

IAS 19 – *Defined Benefit Plans: Employee Contributions*
The amendments to IAS 19 clarify how an entity should account for contributions made by employees or third parties to defined benefit plans, based on whether those contributions are dependent on the employee's number of years of service. For contributions independent of the number of years of services, the entity may either recognize the contributions as a reduction in the service cost in the period in which the related service is rendered, or attribute them to the employee's periods of service using the projected unit credit method; whereas for contributions that are dependent on the number of years of service, the entity is required to attribute them to the employee's period of service. This standard must be applied for accounting periods beginning on or after July 1, 2014, with earlier adoption permitted. Superior is assessing the effect of IAS 19 *amendments* on its financial results and financial position; changes, if any, are not expected to be material.

Quarterly Financial and Operating Information

GAAP Measures

	2014 Quarters (2)				2013 Quarters			
(millions of dollars except per share amounts)	**Fourth**	**Third**	**Second**	**First**	Fourth	Third	Second	First
Canadian propane sales volumes (millions of litres)	**377**	**230**	**255**	**454**	405	232	265	429
U.S. refined fuels sales volumes (millions of litres)	**407**	**335**	**347**	**492**	411	326	383	512
Natural gas sales volumes (millions of GJs)	**4**	**4**	**5**	**5**	5	5	5	5
Electricity sales volumes (millions of KwH)	**137**	**139**	**157**	**244**	228	249	205	205
Chemical sales volumes (thousands of metric tonnes)	**231**	**224**	**232**	**223**	220	204	199	203
Revenues	**956.8**	**841.4**	**895.4**	**1,282.3**	1,034.7	813.8	854.4	1,049.9
Gross profit	**247.5**	**188.4**	**196.0**	**290.2**	240.8	184.9	190.0	253.1
Net (loss) earnings	**43.3**	**(42.4)**	**5.9**	**50.1**	10.9	35.9	(25.5)	31.4
Per share, basic	**$0.34**	**$(0.34)**	**$0.05**	**$0.40**	$0.09	$0.28	$(0.20)	$0.28
Per share, diluted	**$(0.03)**	**$(0.34)**	**$(0.02)**	**$0.34**	$0.05	$0.12	$(0.20)	$0.27
Net working capital (1) (millions of dollars)	**264.8**	**225.1**	**248.9**	**345.8**	293.1	202.0	242.3	280.5

(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 as disclosed in the Third Quarter MD&A.

Non-GAAP Measures

(millions of dollars except per share amounts)	**2014 Quarters (1)**				2013 Quarters			
	Fourth	**Third**	**Second**	**First**	Fourth	Third	Second	First
Adjusted operating cash flow	**85.6**	**22.7**	**23.2**	**95.9**	55.9	24.2	30.2	82.0
Per share, basic	**$0.68**	**$0.18**	**$0.18**	**$0.76**	$0.44	$0.19	$0.24	$0.72
Per share, diluted	**$0.66**	**$0.18**	**$0.18**	**$0.73**	$0.43	$0.19	$0.24	$0.69
Adjusted operating cash flow before restructuring costs	**85.8**	**22.7**	**32.5**	**97.7**	70.1	24.4	30.9	82.2
Per share, basic	**$0.68**	**$0.18**	**$0.26**	**$0.76**	$0.56	$0.19	$0.24	$0.72
Per share, diluted	**$0.66**	**$0.18**	**$0.26**	**$0.75**	$0.54	$0.19	$0.24	$0.72

(1)The first and second quarters of 2014 have been adjusted as disclosed in the Third Quarter MD&A.

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 measures. Except as otherwise indicated, these Non-GAAP 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 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 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 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. Readers are cautioned that it is not a defined performance measure under IFRS and cannot be assured. Superior's calculation of AOCF may differ from similar calculations used by comparable entities. 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 13.

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. EBITDA is not a defined performance measure under IFRS. Superior's calculation of EBITDA may differ from similar calculations used by comparable entities. 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 34.

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. 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. See Note 18 to the unaudited condensed 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, and is used by Superior to assess its financial results and leverage. Payout ratio is not a defined performance measure under IFRS. Superior's calculation of payout ratio may differ from similar calculations used by comparable entities.

Reconciliation of Net Earnings before Income Taxes to EBITDA from Operations (1) (2)

For the three months ended December 31, 2014	**Energy Services**	**Specialty Chemicals**	**Construction Products Distribution**
Net earnings before income taxes	**5.8**	**8.4**	**9.5**
Add: Depreciation included in selling, distribution and administrative costs and amortization of intangible assets	**13.1**	**–**	**1.6**
Depreciation included in cost of sales	**–**	**14.5**	**–**
Losses on disposal of assets	**0.7**	**0.8**	**–**
Customer contract related costs	**(0.3)**	**–**	**–**
Restructuring costs	**(0.1)**	**–**	**0.3**
Finance expense	**1.2**	**0.2**	**0.2**
Unrealized losses on derivative financial instruments	**38.6**	**4.7**	**–**
EBITDA from operations	**59.0**	**28.6**	**11.6**

For the three months ended December 31, 2013	**Energy Services**	**Specialty Chemicals**	**Construction Products Distribution**
Net earnings before income taxes	20.9	17.5	2.4
Add: Depreciation included in selling, distribution and administrative costs and amortization of intangible assets	14.4	–	1.5
Depreciation included in cost of sales	–	10.9	–
Losses on disposal of assets	0.1	0.2	–
Customer contract related costs	(0.2)	–	–
Impairment of property, plant and equipment, intangible assets and goodwill	15.5	–	–
Restructuring costs	8.5	–	5.7
Finance expense	0.8	0.2	0.2
Unrealized (gains) losses on derivative financial instruments	(14.2)	2.3	–
EBITDA from operations	45.8	31.1	9.8

For the twelve months ended December 31, 2014	**Energy Services**	**Specialty Chemicals**	**Construction Products Distribution**
Net Earnings before income taxes	**75.2**	**53.0**	**27.2**
Add: Depreciation included in selling, distribution and administrative costs and amortization of intangible assets	**45.2**	**–**	**6.5**
Depreciation included in cost of sales	**–**	**50.0**	**–**
(Gains) losses on disposal of assets	**(3.6)**	**0.8**	**0.1**
Customer contract-related costs	**(1.3)**	**–**	**–**
Restructuring costs	**11.0**	**–**	**0.3**
Finance expense	**3.3**	**1.0**	**0.7**
Unrealized losses on derivative financial instruments	**33.6**	**5.4**	**–**
EBITDA from operations	**163.4**	**110.2**	**34.8**

For the twelve months ended December 31, 2013	**Energy Services**	**Specialty Chemicals**	**Construction Products Distribution**
Net Earnings before income taxes	94.5	72.1	20.3
Add: Depreciation included in selling, distribution and administrative costs and amortization of intangible assets	55.1	–	6.0
Depreciation included in cost of sales	–	41.3	–
(Gains) losses on disposal of assets	(3.2)	0.2	0.1
Customer contract-related costs	(0.8)	–	–
Impairment of property, plant and equipment, intangible assets and goodwill	15.5	–	–
Restructuring costs	9.1	–	6.2
Finance expense	2.7	0.4	0.6
Unrealized gains on derivative financial instruments	(35.4)	(0.3)	–
EBITDA from operations	137.5	113.7	33.2

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

(2) See "Non-GAAP Financial Measures" for additional details.

Reconciliation of Segmented Revenue, Cost of Sales and Cash Operating and Administrative Costs included in this Financial Discussion

(millions of dollars)	Energy Services	Specialty Chemicals	Construction Products Distribution	Energy Services	Specialty Chemicals	Construction Products Distribution
	For the three months ended December 31, 2014			For the three months ended December 31, 2013		
Revenue per financial statements	**568.9**	**168.1**	**219.8**	682.9	155.1	196.7
Foreign currency gains related to working capital	**–**	**2.3**	–	–	1.6	–
Revenue per the Financial Discussion	**568.9**	**170.4**	**219.8**	682.9	156.7	196.7
Cost of products sold per financial statements	**(428.8)**	**(115.9)**	**(164.6)**	(548.8)	(99.4)	(145.7)
Non-cash amortization	**–**	**14.5**	**–**	–	10.9	–
Cost of products sold per the Financial Discussion	**(428.8)**	**(101.4)**	**(164.6)**	(548.8)	(88.5)	(145.7)
Gross profit	**140.1**	**69.0**	**55.2**	134.1	68.2	51.0
Cash selling, distribution and administrative costs per financial statements	**(81.4)**	**(38.9)**	**(43.9)**	(96.7)	(35.7)	(46.9)
Gains on disposal of assets	**0.7**	**0.8**	**–**	0.1	0.2	–
Customer contract related costs	**(0.3)**	**–**	**–**	(0.2)	–	–
Restructuring costs	**(0.1)**	–	**0.3**	8.5	–	5.7
Reclassification of foreign currency gains related to working capital	**–**	**(2.3)**	**–**	–	(1.6)	–
Cash operating and administrative costs per the Financial Discussion	**(81.1)**	**(40.4)**	**(43.6)**	(88.3)	(37.1)	(41.2)

(millions of dollars)	Energy Services	Specialty Chemicals	Construction Products Distribution	Energy Services	Specialty Chemicals	Construction Products Distribution
	For the twelve months ended December 31, 2014			For the twelve months ended December 31, 2013		
Revenue per financial statements	**2,481.2**	**654.5**	**840.2**	2,372.9	579.7	800.2
Foreign currency gains related to working capital	**–**	**4.8**	–	–	2.9	–
Revenue per the Financial Discussion	**2,481.2**	**659.3**	**840.2**	2,372.9	582.6	800.2
Cost of products sold per financial statements	**(1,979.6)**	**(444.2)**	**(632.6)**	(1,907.7)	(372.1)	(604.2)
Non-cash amortization	**–**	**50.0**	**–**	–	41.3	–
Cost of products sold per the Financial Discussion	**(1,979.6)**	**(394.2)**	**(632.6)**	(1,907.7)	(330.8)	(604.2)
Gross profit	**501.6**	**265.1**	**207.6**	465.2	251.8	196.0
Cash selling, distribution and administrative costs per financial statements	**(346.9)**	**(150.9)**	**(173.2)**	(332.8)	(135.4)	(169.1)
(Gains) losses on disposal of assets	**(3.6)**	**0.8**	**0.1**	(3.2)	0.2	0.1
Customer contract related costs	**(1.3)**	**–**	**–**	(0.8)	–	–
Restructuring costs	**11.0**	**–**	**0.3**	9.1	–	6.2
Reclassification of foreign currency gains related to working capital	–	**(4.8)**	–	–	(2.9)	–
Cash operating and administrative costs per the Financial Discussion	**(340.8)**	**(154.9)**	**(172.8)**	(327.7)	(138.1)	(162.8)

Risk Factors to Superior
The risk 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.

As previously disclosed, 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. Subsequently on November 7, 2014, Superior received the Notices of Reassessment for the 2011 to 2013 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). See "CRA Income Tax Update".

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.

Superior remains confident in the appropriateness of its tax filing position and the expected tax consequences of the conversion and 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.

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.

During 2014, Canadian propane distribution completed the conversion to a new order to cash, billing and logistics information technology system to replace the distribution and invoicing functions of the present enterprise system across all its regions. No significant financial or business issues have resulted from completing the system change. Superior migrated its data centre located in Calgary, Alberta to a new location in New Jersey, United States during 2014; approximately 140 computer servers and more than 70 applications were transferred. There have been no disruptions in the business applications as a result of the migration.

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. As of May 1, 2014 fixed-price energy services no longer markets electricity in Pennsylvania and New York state or natural gas in New York state.

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.

In late 2013, Construction Products Distribution initiated a system integration project to fully integrate its C&I and GSD enterprise resource planning (ERP) systems. The project was suspended in February 2014, pending the outcome of Construction Products Distribution’s strategic review, and will recommence early 2015 consisting of realigning the management structure along business segments, adopting best practice common business processes, and integrating all operations onto a single ERP system. Business process development in preparation of the implementation is underway. The project is expected to take approximately 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 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	**December 31 2014**	December 31 2013
Assets			
Current Assets			
Cash and cash equivalents		**3.1**	8.3
Trade and other receivables	**5&16**	**428.7**	479.8
Prepaid expenses		**48.2**	35.3
Inventories	**6**	**184.5**	206.3
Unrealized gains on derivative financial instruments	**16**	**10.7**	13.7
Total Current Assets		**675.2**	743.4
Non-Current Assets			
Property, plant and equipment	**7**	**932.2**	877.9
Intangible assets	**8**	**18.7**	19.0
Goodwill	**9**	**194.2**	193.7
Notes and finance lease receivables		**3.3**	10.2
Future employee benefits		**3.4**	–
Deferred tax	**17**	**284.4**	292.3
Unrealized gains on derivative financial instruments	**16**	**3.5**	4.6
Total Non-Current Assets		**1,439.7**	1,397.7
Total Assets		**2,114.9**	2,141.1
Liabilities and Equity			
Current Liabilities			
Trade and other payables	**11**	**379.0**	396.2
Deferred revenue	**12**	**9.1**	24.8
Borrowing	**14**	**66.7**	67.0
Dividends and interest payable		**8.5**	7.3
Unrealized losses on derivative financial instruments	**16**	**62.4**	25.1
Total Current Liabilities		**525.7**	520.4
Non-Current Liabilities			
Borrowing	**14**	**459.5**	509.1
Convertible unsecured subordinated debentures	**15**	**473.8**	469.4
Other liabilities	**13**	**1.9**	0.4
Provisions	**10**	**22.7**	19.5
Employee future benefits		**26.2**	23.3
Deferred tax	**17**	**8.3**	4.0
Unrealized losses on derivative financial instruments	**16**	**46.4**	54.8
Total Non-Current Liabilities		**1,038.8**	1,080.5
Total Liabilities		**1,564.5**	1,600.9
Equity			
Capital		**1,788.2**	1,787.9
Deficit		**(1,261.1)**	(1,239.8)
Accumulated other comprehensive gain (loss)		**23.3**	(7.9)
Total Equity	**18**	**550.4**	540.2
Total Liabilities and Equity		**2,114.9**	2,141.1

See accompanying Notes to the Condensed Consolidated Financial Statements.

SUPERIOR PLUS CORP.
Condensed Consolidated Statement of Changes in Equity

(millions of Canadian dollars)	Share Capital	Contributed Surplus[(1)]	**Total Capital**	**Deficit**	**Accumulated Other Comprehensive Loss**	**Total**
January 1, 2013	1,644.0	2.5	**1,646.5**	**(1,218.2)**	**(53.9)**	**374.4**
Net earnings	–	–	**–**	**52.7**	**–**	**52.7**
Option value associated with redemption of convertible debentures	–	(1.1)	**(1.1)**	**–**	**–**	**(1.1)**
Shares issued under the Dividend Reinvestment Plan	4.9	–	**4.9**	**–**	**–**	**4.9**
Issuance of common shares	137.6	–	**137.6**	**–**	**–**	**137.6**
Dividends declared to shareholders	–	–	**–**	**(74.3)**	**–**	**(74.3)**
Unrealized foreign currency gains on translation of foreign operations	–	–	**–**	**–**	**26.6**	**26.6**
Actuarial defined benefit gains	–	–	**–**	**–**	**26.4**	**26.4**
Reclassification of derivatives losses previously deferred	–	–	**–**	**–**	**(0.4)**	**(0.4)**
Income tax expense on other comprehensive income	–	–	**–**	**–**	**(6.6)**	**(6.6)**
December 31, 2013	1,786.5	1.4	**1,787.9**	**(1,239.8)**	**(7.9)**	**540.2**
Net earnings	–	–	**–**	**56.9**	**–**	**56.9**
Conversion of 7.50% convertible unsecured debentures	0.3	–	**0.3**	**–**	**–**	**0.3**
Dividends declared to shareholders	–	–	**–**	**(78.2)**	**–**	**(78.2)**
Unrealized foreign currency gains on translation of foreign operations	–	–	**–**	**–**	**36.0**	**36.0**
Actuarial defined benefit losses	–	–	**–**	**–**	**(5.6)**	**(5.6)**
Reclassification of derivatives losses previously deferred	–	–	**–**	**–**	**(0.5)**	**(0.5)**
Income tax expense on other comprehensive income	–	–	**–**	**–**	**1.3**	**1.3**
December 31, 2014	1,786.8	1.4	**1,788.2**	**(1,261.1)**	**23.3**	**550.4**

[(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 Consolidated Financial Statements.

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

		Three Months Ended December 31		Twelve Months Ended December 31	
(unaudited, millions of Canadian dollars except per share amounts)	**Note**	**2014**	2013	**2014**	2013
Revenues	**21**	**956.8**	1,034.7	**3,975.9**	3,752.8
Cost of sales (includes products and services)	**21**	**(709.3)**	(793.9)	**(3,053.8)**	(2,884.0)
Gross profit		**247.5**	240.8	**922.1**	868.8
Expenses					
Selling, distribution and administrative costs	**21**	**(182.8)**	(200.9)	**(744.7)**	(718.0)
Finance expense	**21**	**(10.7)**	(20.3)	**(52.7)**	(71.8)
Impairment of property, plant and equipment, intangible assets and goodwill	**9**	**–**	(15.5)	**–**	(15.5)
Unrealized losses on derivative financial instruments	**16**	**(12.7)**	(0.4)	**(52.0)**	(5.1)
		(206.2)	(237.1)	**(849.4)**	(810.4)
Net earnings before income taxes		**41.3**	3.7	**72.7**	58.4
Income tax recovery (expense)	**17**	**2.0**	7.2	**(15.8)**	(5.7)
Net earnings		**43.3**	10.9	**56.9**	52.7
Net earnings		**43.3**	10.9	**56.9**	52.7
Other comprehensive income:					
Unrealized foreign currency gains on translation of foreign operations	**18**	**15.4**	13.7	**36.0**	26.6
Actuarial defined benefit gains (losses)	**18**	**1.2**	2.1	**(5.6)**	26.4
Reclassification of derivatives losses previously deferred	**18**	**(0.5)**	(0.4)	**(0.5)**	(0.4)
Income tax (expense) recovery on other comprehensive income	**17**	**(0.5)**	(0.2)	**1.3**	(6.6)
Total comprehensive income for the period		**58.9**	26.1	**88.1**	98.7
Net earnings (losses) per share					
Basic	**19**	**$0.34**	$0.09	**$0.45**	$0.43
Diluted	**19**	**$(0.03)**	$0.05	**$0.41**	$0.40

See accompanying Notes to the Condensed Consolidated Financial Statements.

SUPERIOR PLUS CORP.
Condensed Consolidated Statement of Cash Flows

(unaudited, millions of Canadian dollars)	Note	Three Months Ended December 31 2014	2013	Twelve Months Ended December 31 2014	2013
OPERATING ACTIVITIES					
Net earnings for the period		**43.3**	10.9	**56.9**	52.7
Adjustments for:					
Depreciation included in selling, distribution and administrative costs	**7**	**12.8**	10.9	**47.2**	42.2
Amortization of intangible assets		**1.9**	5.1	**4.9**	19.4
Depreciation included in cost of sales	**7**	**14.5**	10.9	**50.0**	41.3
Gain on sale of customer list		**–**	–	**(3.7)**	–
Losses (gains) on disposal of assets		**1.5**	0.3	**1.0**	(2.9)
Impairment of property, plant and equipment, intangible assets, and goodwill		**–**	15.5	**–**	15.5
Unrealized losses on derivative financial instruments	**16**	**12.7**	0.4	**52.0**	5.1
Customer contract-related costs		**(0.2)**	(0.2)	**(1.3)**	(0.8)
Finance expense recognized in net earnings		**10.7**	20.3	**52.7**	71.8
Income tax (recovery) expense recognized in net earnings		**(2.0)**	(7.2)	**15.8**	5.7
(Increase) decrease in non-cash operating working capital	**20**	**(44.9)**	(72.0)	**16.6**	0.3
Net cash flows from (used in) operating activities		**50.3**	(5.1)	**292.1**	250.3
Income taxes paid		**–**	–	**(2.4)**	(6.5)
Interest paid		**(21.5)**	(22.6)	**(51.9)**	(58.5)
Cash flows from (used in) operating activities		**28.8**	(27.7)	**237.8**	185.3
INVESTING ACTIVITIES					
Purchase of property, plant and equipment	**7**	**(34.1)**	(26.4)	**(100.1)**	(78.5)
Proceeds from termination of sales lease		**–**	–	**8.2**	–
Proceeds from disposal of property, plant and equipment and intangible assets	**7&8**	**0.7**	0.8	**6.6**	6.6
Investment in supply agreement		**–**	(4.3)	**–**	(4.3)
Acquisitions	**4**	**–**	(7.6)	**–**	(7.6)
Cash flows used in investing activities		**(33.4)**	(37.5)	**(85.3)**	(83.8)
FINANCING ACTIVITIES					
Net (repayment) proceeds of revolving term bank credits and other debt		**(145.9)**	270.5	**(223.1)**	87.4
Proceeds from issuance of 6.50% senior unsecured notes	**14**	**200.0**	–	**200.0**	–
Issuance costs incurred for 6.50% senior unsecured notes		**(4.4)**	–	**(4.4)**	–
Repayment of senior secured notes		**(33.4)**	(34.0)	**(33.4)**	(34.0)
Repayment of finance lease obligations		**(5.5)**	(3.8)	**(20.4)**	(15.9)
Redemption of senior unsecured debentures		**–**	(150.0)	**–**	(150.0)
Redemption premium on senior unsecured debentures		**–**	(6.2)	**–**	(6.2)
Redemption of 5.85% convertible debentures	**15**	**–**	–	**–**	(75.0)
Redemption of 7.50% convertible debentures	**15**	**–**	–	**–**	(68.9)
Proceeds from issuance of 6.00% convertible debentures	**15**	**–**	–	**–**	97.0
Issue costs incurred for the 6.00% convertible debentures		**–**	–	**–**	(3.8)
Proceeds from issuance of common shares		**–**	–	**–**	143.9
Issuance costs for common shares		**–**	–	**–**	(6.3)
Proceeds from the Dividend Reinvestment Program		**–**	–	**–**	4.9
Dividends paid to shareholders	**18**	**(20.2)**	(18.9)	**(77.0)**	(73.7)
Cash flows (used in) from financing activities		**(9.4)**	57.6	**(158.3)**	(100.6)
Net (decrease) increase in cash and cash equivalents		**(14.0)**	(7.6)	**(5.8)**	0.9
Cash and cash equivalents, beginning of period		**16.7**	16.1	**8.3**	7.6
Effect of translation of foreign currency-denominated cash and cash equivalents		**0.4**	(0.2)	**0.6**	(0.2)
Cash and cash equivalents, end of period		**3.1**	8.3	**3.1**	8.3

See accompanying Notes to the Condensed Consolidated Financial Statements.

Notes to the Unaudited Condensed Consolidated Financial Statements

(unaudited, Tabular amounts in millions of Canadian dollars, except per share amounts and as otherwise noted. Tables labelled "2013" and "2014" are for the full year ended December 31.)

1. ORGANIZATION

Superior Plus Corp. (Superior) is a diversified business corporation, incorporated under the Canada Business Corporations Act. The registered office is at suite 1400, 840 – 7th Avenue S.W., Calgary, Alberta. 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 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 December 31, 2014 and the three and twelve months ended December 31, 2014 and 2013 were authorized for issuance by the Board of Directors on February 19, 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 23).

2. BASIS OF PRESENTATION

The accompanying consolidated financial statements were prepared in accordance with International Accounting Standards *Interim Financial Reporting* (IAS 34) as issued by the International Accounting Standard Board (IASB) using the accounting policies Superior adopted in its annual consolidated financial statements as at and for the year ended December 31, 2014. 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 its subsidiaries are eliminated on 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 (loss) 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, 2014 or later periods. The affected standards are consistent with those disclosed in Superior's 2014 annual consolidated financial statements.

Superior adopted the following standard on January 1, 2014:

IAS 32 – *Financial Instruments*: *Presentation*
The amendments to IAS 32 clarify the requirements relating to the offsetting of financial assets and liabilities. Specifically, the amendments clarify the meaning of "currently has a legally enforceable right of off-set" and "simultaneous realization and settlement". The amendments to IAS 32 must be adopted retrospectively for annual periods beginning on or after January 1, 2014. Superior adopted the amendments on January 1, 2014, with no impact to Superior.

IAS 36 – *Impairment of Assets*
The IASB issued *Recoverable Amount Disclosures for Non-Financial Assets (Amendments to IAS 36)* on May 29, 2013. Superior has applied the amendments to IAS 36 for the first time in the current year. The amendments to IAS 36 remove the requirement to disclose the recoverable amount of a cash-generating unit (CGU) to which goodwill or other intangible assets with indefinite useful lives has been allocated when there has been no impairment or reversal of impairment of the related CGU. Additional disclosure requirements apply to when the recoverable amount of an asset or a CGU is measured at fair value less costs of disposal. These new disclosure include the fair value hierarchy, key assumptions and valuation techniques used. The amendments must be adopted retrospectively for fiscal years beginning January 1, 2014, with earlier adoption permitted. Superior adopted the amendments on January 1, 2014, with no impact to Superior.

IFRIC 21 – *Levies*
The interpretation was issued on May 20, 2013, providing guidance on when to recognize a liability for a levy imposed by a government, both for levies that are accounted for in accordance with IAS 37 – *Provisions, Contingent Liabilities and Contingent Assets* and those where the timing and amount of the levy is certain. The Interpretation covers the accounting for outflows imposed on entities by governments (including government agencies and similar bodies) in accordance with laws and/or regulations. However, it does not include income taxes (see IAS 12 – *Income Taxes*), fines and other penalties, liabilities arising from emissions trading schemes and outflows within the scope of other Standards. It also provides the following guidance on recognition of a liability to pay levies: The liability is recognized progressively if the obligating event occurs over a period of time, and if an obligation is triggered on reaching a threshold, the liability is then recognized. This standard must be applied for accounting periods beginning on or after January 1, 2014, with retrospective application from December 31, 2012. Superior adopted the interpretation on January 1, 2014, with no impact to Superior.

IFRS 10 – *Consolidated Financial Statements*, IFRS 12 – *Disclosure of Interests in Other Entities* and IAS 27 – *Separate Financial Statements*
The amendments to IFRS 10 define an investment entity and require a reporting entity that meets the definition of an investment entity not to consolidate its subsidiaries but instead to measure its subsidiaries at fair value through profit or loss in its consolidated and separate financial statements. Consequently, IFRS 12 and IAS 27 were

amended to introduce new disclosure requirements for investment entities. Superior adopted the amendments on January 1, 2014, with no impact to Superior.

New and revised IFRS standards 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 a 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*
IFRS 15 was issued in May 2014, 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* and IAS 11 – *Construction Contracts*, as well as 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, 2017 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 that 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 that the application of these amendments to IAS 16 and IAS 18 will have a material impact on its consolidated financial statements.

IAS 19- *Defined Benefit Plans: Employee Contributions*
The amendments to IAS 19 clarify how an entity should account for contributions made by employees or third parties to defined benefit plans, based on whether those contributions are dependent on the employee’s number of years of service. For contributions that are independent of the number of years of services, the entity may either recognize the contributions as a reduction in the service cost in the period in which the related service is rendered, or attribute them to the employee’s periods of service using the projected unit credit method; whereas for contributions that are dependent on the number of years of service, the entity is required to attribute them to the employee’s period of service. This standard must be applied for accounting periods beginning on or after July 1, 2014, with earlier adoption permitted. Superior is assessing the effect of IAS 19 *amendments* on its financial results and financial position; changes, if any, are not expected to be material.

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 quarter, rising seasonally again in the fourth quarter with heating demand. Similarly, net working capital is typically at seasonal highs during the first and fourth quarter, and normally declines to seasonal low in the second and third quarter. 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 highs levels during the second and third quarter, and normally declines to seasonally lows in the fourth and first quarter.

4. Acquisitions

On November 27, 2013, Superior completed the acquisition of certain assets constituting a retail propane and commercial fuels distribution business (Townsend Energy) in Le Roy, New York for an aggregate purchase price of $9.6 million including adjustments to net working capital and deferred consideration. The operations will provide U.S. refined fuels with access to additional propane customers.

Townsend Energy Acquisition	Fair Value Recognized on Acquisition
Property, plant and equipment	2.6
Intangible assets	3.5
Trade and other payables	(2.0)
	4.1
Net identifiable assets and liabilities	4.1
Goodwill arising on acquisition	5.5
Total consideration	**9.6**
Purchase consideration components:	
Cash (paid on November 27, 2013)	7.6
Deferred consideration	2.0
Total purchase consideration	**9.6**

Revenue and net earnings for the 12 months ended December 31, 2013 would have been $102.1 million and $0.4 million, respectively, if the acquisition had occurred on January 1, 2013. Subsequent to the acquisition date of November 27, 2013, the acquisition contributed revenue and net earnings, respectively, of $6.3 million and $0.1 million to Energy Services for the period ended December 31, 2013.

5. Trade and Other Receivables

A summary of trade and other receivables is as follows:

	Note	**December 31 2014**	December 31 2013
Trade receivables, net of allowances	**16**	**392.5**	443.2
Accounts receivable – other		**36.2**	35.7
Finance lease receivable		**–**	0.9
Trade and other receivables		**428.7**	479.8

6. INVENTORIES

The cost of inventories recognized as an expense during the three and twelve months ended December 31, 2014 was $613.4 million (three months ended December 31, 2013 – $636.5 million) and $2,680.1 million (twelve months ended December 31, 2013 – $2,540.1 million). Superior recorded an inventory write down during the three and twelve months ended December 31, 2014 of $6.4 million (three months ended December 31, 2013 – $3.6 million) and $14.6 million (twelve months ended December 31, 2013 – $3.6 million), respectively. No write-down reversals were recorded for the three and twelve months ended December 31, 2014 and 2013.

7. PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings	Specialty Chemicals Plant & Equipment	Energy Services Retailing Equipment	Construction Products Distribution Equipment	Leasehold Improvements	Total
Cost							
Balance at December 31, 2013	29.5	154.8	816.2	629.4	48.1	11.2	1,689.2
Balance at December 31, 2014	**30.6**	**171.3**	**891.3**	**684.2**	**54.2**	**11.9**	**1,843.5**
Accumulated Depreciation							
Balance at December 31, 2013	-	50.0	389.1	334.7	29.4	8.1	811.3
Balance at December 31, 2014	**-**	**58.2**	**443.5**	**369.9**	**30.9**	**8.8**	**911.3**
Carrying Amount							
Balance at December 31, 2013	29.5	104.8	427.1	294.7	18.7	3.1	877.9
Balance at December 31, 2014	**30.6**	**113.1**	**447.8**	**314.3**	**23.3**	**3.1**	**932.2**

Superior's property, plant and equipment was tested for impairment as at December 31, 2014 and 2013 and the Company did not identify any indicators of impairment. Therefore, the carrying value was not adjusted – see Note 9 for further details. The carrying value of Superior's property, plant, and equipment includes $86.6 million of leased assets as at December 31, 2014 (December 31, 2013 - $68.9 million).

Depreciation per cost category:

	Three Months Ended December 31		Twelve Months Ended December 31	
	2014	2013	**2014**	2013
Cost of sales[(1)]	**14.5**	10.9	**50.0**	41.3
Selling, distribution and administrative costs	**12.8**	10.9	**47.2**	42.2
Total	**27.3**	21.8	**97.2**	83.5

[(1)] The cost of Specialty Chemical finished goods inventory includes an allocation of fixed production overheads, which includes depreciation. Depreciation included in costs of sales includes a charge of $0.1 million which is reflected in the cost of inventory (December 31, 2013 – $0.5 million).

8. INTANGIBLE ASSETS

	Customer Contract Related Costs	Energy Services Trademarks & Non-Compete Agreements	Construction Products Distribution Intangible Assets	Specialty Chemicals Royalty Assets and Patents	Investment Property	Total
Cost						
Balance at December 31, 2013	16.6	30.2	1.7	65.4	0.3	114.2
Balance at December 31, 2014	**12.2**	**33.5**	**1.8**	**65.4**	**0.4**	**113.3**
Accumulated Amortization and Impairment						
Balance at December 31, 2013	12.3	16.1	1.4	65.4	–	95.2
Balance at December 31, 2014	**9.1**	**18.7**	**1.4**	**65.4**	**–**	**94.6**
Carrying value						
As at December 31, 2013	4.3	14.1	0.3	–	0.3	19.0
As at December 31, 2014	**3.1**	**14.8**	**0.4**	**–**	**0.4**	**18.7**

(1) Superior has pledged 100% of the intangible assets balance as at December 31, 2014 excluding leased assets as security on Superior's borrowing.

Superior's intangibles were tested for impairment as at December 31, 2014 and 2013 and the Company did not identify any indicators of impairment as at December 31, 2014. Therefore, the carrying value was not adjusted for the current period. An impairment charge was recorded to the intangible assets of Superior's Energy Services' segment during the fourth quarter; see Note 9 for further details.

Depreciation per cost category:	**2014**	2013
Selling, distribution and administrative costs	**4.9**	19.4
Total	**4.9**	19.4

9. GOODWILL

	2014	2013
Balance at the beginning of the period	**193.7**	189.1
Effect of foreign currency differences	**0.5**	–
Additional amounts recognized from business combinations during the year	**–**	5.5
Impairment of Energy Services	**–**	(0.9)
Balance at the end of the period	**194.2**	193.7

Goodwill is a result of a number of previous business combinations and is generally attributable to anticipated synergies expected from those acquisitions. Goodwill by definition has no useful life and, therefore, is not amortized.

Impairment of property, plant and equipment, goodwill and intangible assets

Goodwill is subject to impairment tests at least annually. For purposes of impairment testing, Superior assesses goodwill at the CGU level and allocated to the following: Energy Services, Specialty Chemicals and Construction Products Distribution.

Before recognition of impairment losses, the carrying amount of goodwill was allocated to the CGUs as follows:

	2014	2013
Energy Services	**194.2**	193.7
Specialty Chemicals	**–**	–
Construction Products	**–**	–
	194.2	193.7

Superior conducts assessments for indicators of impairment on a quarterly basis and performs a detailed impairment assessment at least annually. An impairment test was performed for each CGU as at December 31, 2014, and no impairment was identified. The recoverable amount of the CGU was based on its value in use and was determined by estimating the future cash flows that would be generated from the continuing use of the CGU, incorporating the following assumptions:

Basis on which recoverable amount was determined
The recoverable amount for each CGU is determined using a detailed cash flow model which is based on evidence from an internal budget approved by the Board of Directors. Management's internal budgets are based on past experience and are adjusted to reflect market trends and economic conditions.

Key rates used in calculation of recoverable amount

<u>Growth rate to perpetuity</u>
The first five years of cash flow projections used in the model are based on management's internal budgets and projections after five years are extrapolated using growth rates in line with historical long-term growth rates. The long-term growth rate used in determining the recoverable amount for each CGU is 2.0%.

<u>Discount rates</u>
Cash flows in the model are discounted using a discount rate specific to each CGU which is adjusted based on risk assessments for each CGU. Discount rates reflect the current market assessments of the time value of money and are derived from the CGU's weighted average cost of capital. The weighted average cost of capital is then adjusted to reflect the impact of tax in order to calculate an equivalent pre-tax discount rate. The after-tax discount rates used in determining the recoverable amount for the CGU's range from 11.5% to 13.0%.

<u>Inflation rates</u>
Inflation rates used in the cash flow model are based on a blend of a number of publicly available inflation forecasts. The inflation rate used in determining the recoverable amount for each CGU is 2.0%.

<u>Key assumptions</u>
In determining the recoverable amount of each CGU, business, market and industry factors were considered.

Energy Services
As at December 31, 2014, using the assumptions outlined above, Superior did not identify any indicators of impairment for the Energy Services CGU. Therefore, the carrying values of Energy Services' property, plant and equipment, goodwill and intangibles were not adjusted. During the fourth quarter of 2013, after a detailed assessment of the CGU's operations, it was determined that the Energy Services CGU was impaired. The recoverable amount of the Energy Services CGU was determined using a detailed cash flow model based on current market assumptions surrounding the U.S. refined fuels industry, which was adversely affected by challenging wholesale market conditions and lower-than-expected customer growth. Based on the calculated recoverable amount, a goodwill impairment charge of $0.9 million and an intangible assets impairment charge of $14.6 million was recognized as reductions in the carrying values of the respective balances during the fourth quarter of 2013. The impairment charge was recognized as an expense against Superior's net earnings for the year ended December 31, 2013.

Specialty Chemicals

As at December 31, 2014 and 2013, using the assumptions outlined above, Superior did not identify any indicators of impairment for the Specialty Chemicals CGU. Therefore, the carrying value of Specialty Chemicals' property, plant and equipment was not adjusted. Specialty Chemicals' intangibles are fully amortized.

Construction Products Distribution

As at December 31, 2014 and 2013, using the assumptions outlined above, Superior did not identify any indicators of impairment for the Construction Products Distribution CGU. Therefore, the carrying values of Construction Products Distribution's property, plant and equipment and intangibles were not adjusted.

10. PROVISIONS

	Restructuring	Decommissioning	Environmental	Total
Balance at the beginning of the period	**12.2**	**14.3**	**1.3**	**27.8**
Utilization	**(9.9)**	**–**	**(0.5)**	**(10.4)**
Additions	**5.0**	**0.3**	**0.3**	**5.6**
Unwinding of discount	**–**	**0.3**	**–**	**0.3**
Impact of change in discount rate	**–**	**3.0**	**–**	**3.0**
Net foreign currency exchange difference	**0.1**	**0.8**	**0.1**	**1.0**
Balance at the end of the period	**7.4**	**18.7**	**1.2**	**27.3**

	Note	December 31 2014	December 31 2013
Current	**11**	**4.6**	8.3
Non-current		**22.7**	19.5
		27.3	27.8

Restructuring

Restructuring costs are recorded in selling, distribution, and administrative costs. For the three and twelve months ended December 31, 2014, restructuring expense was $0.2 million (December 31, 2013 – $8.5 million) and $11.3 million (December 31, 2013 – $9.5 million), respectfully. Provisions for restructuring are recorded in provisions, except for the current portion, which is recorded in trade and other payables. As at December 31, 2014, the current portion of restructuring costs was $4.6 million (December 31, 2013 – $8.3 million). As at December 31, 2014, the long-term portion of restructuring costs was $2.9 million (December 31, 2013 – $3.9 million). The provision is primarily for severance, lease costs and consulting fees.

Decommissioning

Specialty Chemicals

Superior makes full provision for the future cost of decommissioning Specialty Chemicals' chemical facilities. The provision is on a discounted basis and is based on existing technologies at current prices or long-term price assumptions, depending on the activity's expected timing. As at December 31, 2014, the discount rate used in Superior's calculation was 2.33% (December 31, 2013 – 3.14%). Superior estimates the total undiscounted expenditures required to settle its decommissioning liabilities to be approximately $21.4 million (December 31, 2013 – $20.6 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 incurring 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 asset retirement obligations to be approximately $9.6 million at December 31, 2014 (December 31, 2013 – $9.5 million) which will be paid over the next 17 years. The credit-adjusted free-risk rate of 2.33% at December 31, 2014 (December 31, 2013 – 3.14%) 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 $1.2 million at December 31, 2014 (December 31, 2013 – $1.3 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 risk-free discount rate of 2.33% at December 31, 2014 (December 31, 2013 – 3.14%). 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.

11. TRADE AND OTHER PAYABLES

A summary of trade and other payables is as follows:	**Note**	**December 31 2014**	December 31 2013
Trade payables		**279.5**	300.7
Net benefit obligation		**4.6**	3.8
Restructuring	**10**	**4.6**	8.3
Other payables		**76.7**	63.2
Amounts due to customers under construction contracts		**1.6**	1.3
Share-based payments		**12.0**	18.9
Trade and other payables		**379.0**	396.2

12. DEFERRED REVENUE

	December 31 2014	December 31 2013
Balance at the beginning of the period	**24.8**	19.2
Deferred during the period	**17.9**	32.8
Released to net earnings	**(34.3)**	(28.5)
Foreign exchange impact	**0.7**	1.3
Balance at the end of the period	**9.1**	24.8

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

13. OTHER LIABILITIES

	December 31 2014	December 31 2013
Supply agreement	**1.9**	0.4
	1.9	0.4

The supply agreement above relates to the Specialty Chemicals supply agreement with Tronox LLC (Tronox) to purchase up to 130,000 metric tonnes (MT) of sodium chlorate per year from Tronox's Hamilton, Mississipi facility as nominated annually by Specialty Chemicals.

14. BORROWING

	Year of Maturity	Effective Interest Rate	**2014**	2013
Revolving Term Bank Credit Facilities[1]				
Bankers' Acceptances (BA)	2016	Floating BA rate plus applicable credit spread	**71.8**	246.5
Canadian Prime Rate Loan	2016	Prime rate plus credit spread	**16.4**	26.3
LIBOR Loans (US$92.0 million; 2013 – US$129.0 million)	2016	Floating LIBOR rate plus applicable credit spread	**106.7**	137.3
US Base Rate Loan (US$19.8 million; 2013 – US$11.5 million)	2016	U.S. prime rate plus credit spread	**23.0**	12.2
			217.9	422.3
Other Debt				
Accounts receivable factoring program[2]	–	Floating BA Plus	**5.6**	9.3
Deferred consideration	2015-2018	Non-interest-bearing	**2.8**	4.0
			8.4	13.3
Senior Secured Notes[3]				
Senior secured notes subject to fixed interest rates (US$30.0 million; 2013 – US$60.0 million)	2015	7.62%	**34.8**	63.8
Senior Unsecured Notes				
Senior unsecured notes [4]	2021	6.50%	**200.0**	–
Finance Lease Obligations				
Finance lease obligations			**72.1**	79.3
Total borrowing before deferred financing fees			**533.2**	578.7
Deferred financing fees			**(7.0)**	(2.6)
Borrowing			**526.2**	576.1
Current maturities			**(66.7)**	(67.0)
Borrowing			**459.5**	509.1

(1) On June 20, 2014, and November 26, 2014, 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, 2018. 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 December 31, 2014, Superior had $30.6 million of outstanding letters of credit (December 31, 2013 – $27.9 million) and approximately $128.6 million of outstanding financial guarantees (December 31, 2013 – $115.3 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 December 31, 2014, the accounts receivable factoring program totalled CDN $5.6 million (December 31, 2013 – CDN $9.3 million).

(3) Senior secured notes (the notes) totalling US $30.0 million and US $60.0 million (respectively, CDN $34.8 million at December 31, 2014 and CDN $63.8 million at December 31, 2013) 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 December 31, 2014 was CDN $36.6 million (December 31, 2013 – CDN $68.5 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	66.7
Due in 2016	22.3
Due in 2017	9.9
Due in 2018	224.6
Due in 2019	4.9
Due in 2020	4.8
Subsequent to 2020	200.0
Total	**533.2**

15. CONVERTIBLE UNSECURED SUBORDINATED DEBENTURES

Superior's debentures are as follows:

Maturity	June 2017	June 2018	October 2016	June 2019	**Total Carrying Value**
Interest rate	5.75%	6.00%	7.50%	6.00%	
Conversion price per share	$19.00	$15.10	$11.35	$16.75	
Debentures outstanding as at December 31, 2014	**169.6**	**145.9**	**73.1**	**85.2**	**473.8**
Debentures outstanding as at December 31, 2013	168.6	144.9	72.7	83.2	469.4
Quoted market value as at December 31, 2014	**176.0**	**155.3**	**80.9**	**100.4**	**512.6**
Quoted market value as at December 31, 2013	174.4	156.8	86.3	99.5	517.0

Superior's convertible debentures due in October 2016, June 2017, 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 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 conversion price per share at the time of issuance. Superior, at its option, may elect to pay the debenture holders cash in lieu of delivering common shares upon conversion.

As Superior has the option to pay the debenture holders cash in lieu of issuing common shares upon conversion, the convertible debentures are a financial liability with an embedded conversion option derivative. The embedded conversion option derivatives and liability components of the convertible debentures due in October 2016, June 2017, June 2018, and June 2019 were separated. The liability components, net of transaction costs, are accounted for at amortized cost with interest expense recognized on an effective yield basis. The embedded conversion option derivatives are accounted for at FVTNE with changes in their fair value recognized in finance income (expense). See Note 16 for further details.

16. 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 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, valuation requires Superior to make assumptions about the long-term price of electricity in electricity markets for which there is no active market information 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 $0.7 million, with a corresponding impact to net earnings before income taxes.

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

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**

As at				December 31, 2013
	Level 1	Level 2	Level 3	Total
Assets				
Natural gas financial swaps – AECO(1)	1.1	–	–	1.1
Electricity swaps – Energy Services	–	0.4	–	0.4
Foreign currency forward contracts, net sale	0.4	–	–	0.4
Foreign currency forward contracts, balance sheet-related	1.6	–	–	1.6
Interest rate swaps – CDN$	–	6.3	–	6.3
Equity derivative contracts	–	1.5	–	1.5
Propane wholesale purchase and sale contracts, net sale – Energy Services	–	4.8	–	4.8
Heating oil purchase and sale contracts – Energy Services	–	0.3	–	0.3
Fixed-price electricity purchase agreements – Specialty Chemicals	–	–	1.9	1.9
Total assets	3.1	13.3	1.9	18.3
Liabilities				
Natural gas financial swaps - AECO(1)	13.8	–	–	13.8
Electricity swaps – Energy Services	–	6.5	–	6.5
Foreign currency forward contracts, net sale	29.6	–	–	29.6
Interest rate swaps – CDN$	–	0.1	–	0.1
Debenture-embedded derivative	–	–	26.9	26.9
Propane wholesale purchase and sale contracts, net sale – Energy Services	–	2.9	–	2.9
Heating oil purchase and sale contracts – Energy Services	–	0.1	–	0.1
Total liabilities	43.4	9.6	26.9	79.9
Total net liability	(40.3)	3.7	(25.0)	(61.6)
Current portion of assets	3.1	9.6	1.0	13.7
Current portion of liabilities	18.7	6.4	–	25.1

(1) Management annually assesses valuation techniques used by divisions in measuring fair value of financial instruments at the end of each fiscal year. Additional information was gained relating to the valuation process and, as a result, the natural gas financial swaps net liability of $22.4 million was moved from Level 1 to Level 2 in the fair-value hierarchy as of December 31, 2014.

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$350.4[(3)]	2015-2017	1.02	Quoted bid prices in the active market.
Foreign currency forward contracts, balance sheet-related	$Nil	N/A	N/A	Quoted bid prices in the active market.
Level 2 fair value hierarchy:				
Natural gas financial swaps−AECO	24.9 GJ[(2)]	2015-2019	CDN $3.90 /GJ	Discounted cash flow – Future cash flows are estimated based on forward market prices (from observable yield curves at the end of the reporting period) applied to contract volumes, discounted at a rate that reflects the credit risk of various counterparties.
Interest rate swaps – CDN$	$200.0[(3)]	2015-2017	Six-month BA rate plus 2.65%	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	$19.2[(3)]	2015-2017	$12.02 /share	Discounted cash flow – Future cash flows are estimated based on equity derivative contracts.
Diesel wholesale purchase and sale contracts, net sale – Energy Services	2.2 USG[(4)]	2015	$1.70 /USG	Quoted bid prices in the active market.
Propane wholesale purchase and sale contracts, net sale – Energy Services	14.15 USG[(4)]	2015-2016	$0.82 /USG	Quoted bid prices in the active market.
Electricity swaps – Energy Services	0.7MWh[(5)]	2015-2018	$38.10 /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	2.2 USG[(4)]	2015	US $1.99 / USG	Quoted bid prices in the active market.
Fixed-price natural gas purchase agreements – Specialty Chemicals	67,620 DTH[(7)]	2015	$4.25-$5.64/DTH	Quoted electrical prices in the active market.
Level 3 fair value hierarchy:				
Debenture-embedded derivative	$321.7[(3)]	2015-2019	–	Black-Scholes model – see “Valuation techniques and significant unobservable inputs” for further details.
Fixed-price electricity purchase agreements – Specialty Chemicals	35-45 MW[(6)]	2015-2017	$45 /MWh	Discounted cash flow – see “Valuation techniques and significant unobservable inputs” for further details.

(1) Notional values as at December 31, 2014.
(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 – 23.47%-24.22% (2013 – 21.20%-21.33%) Risk-free rate – 1.34%-1.46% (2013 – 1.90%-2.17%)	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 – $35.40-$44.50 (2013 – $45.25-$49.25) WACC – 9% (2013 – 9%)	The estimated fair value would increase (decrease) if: -Forward prices increased (decreased) -WACC decreased (increased)

The change in the fair value of Superior's Level 3 financial instruments for the years ended December 31, 2013 and 2014 are as follows:

Description	Debenture - Embedded Derivative	Fixed Price Electricity Purchase Agreements	Total
Balance at December 31, 2012	(19.8)	1.6	(18.2)
Unrealized change in fair value(1)	3.6	0.3	3.9
Issuance – option valuation	(10.6)	–	(10.6)
Other	(0.1)	–	(0.1)
Balance at December 31, 2013	(26.9)	1.9	(25.0)
Unrealized gains (losses)(1)	**12.7**	**(5.3)**	**7.4**
Balance at December 31, 2014	**(14.2)**	**(3.4)**	**(17.6)**

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

Superior's realized and unrealized financial instrument gains (losses) for the three months ended December 31, 2014 and 2013 are as follows:

	Three Months Ended December 31, 2014		Three Months Ended December 31, 2013	
Description	**Realized Gain (Loss)**	**Unrealized Gain (Loss)**	Realized Gain (Loss)	Unrealized Gain (Loss)
Natural gas financial swaps – AECO	**(1.6)**	**(17.1)**	(5.6)	10.6
Electricity swaps – Energy Services	**(2.3)**	**(0.3)**	(1.5)	1.7
Foreign currency forward contracts, net sale	**(5.8)**	**(7.5)**	(0.4)	(17.3)
Foreign currency forward contracts, balance sheet-related	**3.0**	**(3.1)**	1.3	(0.2)
Interest rate swaps	**1.1**	**(0.8)**	1.1	(0.7)
Equity derivative contracts	**0.1**	**(3.1)**	1.0	0.8
Propane wholesale purchase and sale contracts – Energy Services	**8.7**	**(15.4)**	0.1	1.6
Butane wholesale purchase and sale contracts – Energy Services	**0.2**	**–**	–	0.1
Diesel wholesale purchase and sale contracts – Energy Services	**–**	**(0.7)**	–	–
Heating oil purchase and sale contracts – Energy Services	**2.6**	**(5.0)**	(0.7)	0.3
WTI wholesale purchase and sale contracts – Energy Services	**–**	**(0.1)**	–	–
Fixed-price electricity purchase agreements – Specialty Chemicals	**(0.6)**	**(4.6)**	(0.1)	(2.3)
Fixed-price natural gas purchase agreements – Specialty Chemicals	**–**	**(0.1)**	–	–
Total gains (losses) on financial and non-financial derivatives	**5.4**	**(57.8)**	(4.8)	(5.4)
Foreign currency translation of senior secured notes	**(1.4)**	**0.5**	(0.8)	(1.0)
Change in fair value of debenture-embedded derivative	**–**	**44.6**	–	6.0
Total gains (losses)	**4.0**	**(12.7)**	(5.6)	(0.4)

Superior's realized and unrealized financial instrument gains (losses) for the years ended December 31, 2014 and 2013 are as follows:

Description	**Twelve Months Ended December 31, 2014**		Twelve Months Ended December 31, 2013	
	Realized Gain (Loss)	**Unrealized Gain (Loss)**	Realized Gain (Loss)	Unrealized Gain (Loss)
Natural gas financial swaps – AECO	**(3.2)**	**(9.7)**	(26.9)	29.5
Electricity swaps – Energy Services	**3.7**	**2.2**	(6.7)	4.2
Foreign currency forward contracts, net sale	**(16.7)**	**(19.9)**	3.9	(39.5)
Foreign currency forward contracts, balance sheet-related	**3.0**	**(1.6)**	1.3	1.5
Interest rate swaps	**2.5**	**(0.4)**	2.4	(3.2)
Equity derivative contracts	**0.1**	**(0.9)**	1.5	0.8
Propane wholesale purchase and sale contracts – Energy Services	**8.7**	**(18.7)**	0.2	1.2
Butane wholesale purchase and sale contracts – Energy Services	**0.2**	**–**	–	0.2
Diesel wholesale purchase and sale contracts – Energy Services	**–**	**(0.7)**	–	–
Heating oil purchase and sale contracts – Energy Services	**3.6**	**(6.6)**	–	0.4
WTI wholesale purchase and sale contracts – Energy Services	**–**	**(0.1)**	–	–
Fixed-price electricity purchase agreements – Specialty Chemicals	**0.6**	**(5.3)**	0.2	0.3
Fixed-price natural gas purchase agreements – Specialty Chemicals	**–**	**(0.1)**	–	–
Total gains (losses) on financial and non-financial derivatives	**2.5**	**(61.8)**	(24.1)	(4.6)
Foreign currency translation of senior secured notes	**(1.5)**	**(2.9)**	(0.8)	(4.1)
Change in fair value of debenture-embedded derivative	**–**	**12.7**	–	3.6
Total gains (losses)	**1.0**	**(52.0)**	(24.9)	(5.1)

Realized gains or losses on financial and non-financial derivatives and foreign currency translation gains or losses on the revaluation of Canadian domiciled US-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	
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 purchase 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 International Swaps and Derivatives Association (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 (Received)	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.

Derivative Assets		Amounts Offset			Amounts not offset	
December 31, 2013	Gross Assets	Gross Liabilities Offset	Net Amounts Presented	Financial Instruments	Cash Collateral Pledged	Net
Natural gas financial swaps – AECO [1]	1.2	(0.1)	1.1	–	–	1.1
Energy Services electricity swaps [1]	0.7	(0.3)	0.4	–	–	0.4
Energy Services propane purchase and sale contracts [2][4]	1.1	(0.2)	0.9	3.9	–	4.8
Energy Services heating oil purchase and sale contracts [2]	0.3	–	0.3	–	0.4	0.7
Specialty Chemicals fixed-price electricity purchase agreements [3]	56.1	(54.2)	1.9	–	–	1.9
Total	59.4	(54.8)	4.6	3.9	0.4	8.9

(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. As at December 31, 2013, Energy Services had pledged cash of $0.4 million under a standardized agreement with respect to open derivative contracts.
(3) Standard terms of the PPA allowing net settlement of payments in the normal course of business.
(4) Regularly settled gross in the normal course of business.

Derivative Liabilities		Amounts Offset			Amounts not offset	
December 31, 2013	Gross Liabilities	Gross Assets Offset	Net Amounts Presented	Financial Instruments	Cash Collateral Pledged (Received)	Net
Natural gas financial swaps – AECO (1)	14.9	(1.1)	13.8	–	–	13.8
Energy Services electricity swaps (1)	6.9	(0.4)	6.5	–	–	6.5
Energy Services propane purchase and sale contracts (3)	–	–	–	2.9	–	2.9
Energy Services heating oil purchase and sale contracts (2)	0.2	(0.1)	0.1	–	–	0.1
Total	22.0	(1.6)	20.4	2.9	–	23.3

(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.

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	FVTNE	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	FVTNE	Fair Value

(1) Except for derivatives embedded in the related financial instruments that are classified as FVTNE 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 debentures is provided in Notes 14 and 15.

Financial Instruments – Risk Management

Market Risk

Financial derivatives 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 financial 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 financial derivatives and non-financial derivatives as fair value through net earnings. Details on Superior's market risk policies are consistent with those disclosed in Superior's 2013 annual consolidated financial statements.

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. 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 not collectable.

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

	December 31 2014	December 31 2013
Current	**282.4**	317.8
Past due less than 90 days	**101.4**	118.0
Past due over 90 days	**17.2**	14.7
Trade receivables	**401.0**	450.5

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 $8.5 million as at December 31, 2014 (December 31, 2013 − $7.3 million). The movement in the provision for doubtful accounts was as follows:

	December 31 2014	December 31 2013
Allowance for doubtful accounts, beginning of the year	**(7.3)**	(7.2)
Additions	**(10.7)**	(3.6)
Amounts written off during the year as uncollectible	**8.2**	3.0
Amounts recovered	**1.3**	0.5
Allowance for doubtful accounts, end of the year	**(8.5)**	(7.3)

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 affect liquidity.

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

	2015	2016	2017	2018	2019	2020 and thereafter	Total
Borrowing	**66.7**	**22.3**	**9.9**	**224.6**	**4.9**	**204.8**	**533.2**
Convertible unsecured subordinated debentures	**–**	**73.1**	**169.6**	**145.9**	**85.2**	**–**	**473.8**
US$ foreign currency forward sales contracts	**186.0**	**113.4**	**51.0**	**–**	**–**	**–**	**350.4**
CDN$ natural gas purchases	**15.9**	**0.4**	**0.2**	**–**	**–**	**–**	**16.5**
US$ natural gas purchases	**1.2**	**–**	**–**	**–**	**–**	**–**	**1.2**
CDN$ diesel purchases	**0.6**	**–**	**–**	**–**	**–**	**–**	**0.6**
US$ propane purchases	**55.3**	**–**	**–**	**–**	**–**	**–**	**55.3**
US$ WTI purchases	**0.1**	**–**	**–**	**–**	**–**	**–**	**0.1**
US$ heating oil purchases	**42.8**	**3.1**	**–**	**–**	**–**	**–**	**45.9**
US$ fixed-price natural gas commitments	**0.4**	**–**	**–**	**–**	**–**	**–**	**0.4**
Fixed-price electricity purchase commitments	**17.7**	**17.7**	**17.7**	**–**	**–**	**–**	**53.1**

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 credits and proceeds on the issuance of share capital. Superior's financial instruments' sensitivities as at December 31, 2014 are consistent with those disclosed in Superior's 2014 annual consolidated financial statements.

17. 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 twelve months ended December 31, 2014 was $2.0 million and $(15.8) million, respectively, compared to $7.2 million and $(5.7) million in the comparative periods. For the three and twelve months ended December 31, 2014, deferred income tax recovery (expense) from operations in Canada, the United States and Chile was $2.4 million and $(14.1) million, respectively, which resulted in a corresponding total deferred net income tax asset of $276.1 million.

As previously disclosed, 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, Superior received the Notices of Reassessment for the 2011 to 2013 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 payable
2009/2010	$13.0	$6.5	Paid in April 2013
2011	$10.0(3)	$5.0	February 2015
2012	$10.0(3)	$5.0	February 2015
2013	$10.0(3)	$5.0	February 2015
2014	$20.0(3)	$10.0	2015
2015	$20.0(3)	$10.0	2016
Total	**$83.0**	**$41.5**	

(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 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.

Superior remains confident in the appropriateness of its tax filing position and the expected tax consequences of the Conversion and 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.

18. 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 CommonShares (Millions)	Total Equity
Total equity, December 31, 2013	126.2	540.2
Net earnings	–	**56.9**
Other comprehensive income	–	**31.2**
Conversion of 7.50% convertible unsecured debentures	–	**0.3**
Dividends declared to shareholders (2)	–	**(78.2)**
Total equity, December 31, 2014	**126.2**	**550.4**

(1) Dividends to shareholders are declared at the discretion of Superior's Board of Directors. During the year ended December 31, 2014, Superior paid dividends of $77.0 million or $0.62 per share (year ended December 31, 2013 – $73.7 million or $0.60 per share).

	2014	2013
Accumulated other comprehensive loss before reclassification		
Currency translation adjustment		
Balance at the beginning of the year	**4.0**	(22.6)
Unrealized foreign currency gains (losses) on translation of foreign operations	**36.0**	26.6
Balance at the end of the year	**40.0**	4.0
Actuarial defined benefits		
Balance at the beginning of the year	**(5.5)**	(25.3)
Actuarial defined benefit gains	**(5.6)**	26.4
Income tax expense on other comprehensive loss	**1.3**	(6.6)
Balance at the end of the year	**(9.8)**	(5.5)
Total accumulated other comprehensive loss before reclassification	**30.2**	(1.5)
Amounts reclassified from accumulated other comprehensive loss		
Accumulated derivative losses		
Balance at the beginning of the year	**(6.4)**	(6.0)
Reclassification of derivative losses previously deferred[1]	**(0.5)**	(0.4)
Balance at the end of the year	**(6.9)**	(6.4)
Total amounts reclassified from accumulated other comprehensive loss	**(6.9)**	(6.4)
Accumulated other comprehensive loss at the end of the year	**23.3**	(7.9)

[1] The reclassification of derivative losses previously deferred is included in unrealized (losses) gains on derivative financial instruments on the statement of net earnings.

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 (loss) income), current and long-term debt, convertible 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, conduct additional borrowing or issue convertible unsecured subordinated debentures, or conduct additional borrowing or issue convertible unsecured subordinated debentures with different characteristics.

Superior monitors its capital based on the ratio of senior 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 tests, which are measured on a quarterly basis. As at December 31, 2014 and December 31, 2013 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 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.

Non-IFRS 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 December 31	**2014**	2013
Total shareholders' equity	**550.4**	540.2
Exclude accumulated other comprehensive (gain) loss	**(23.3)**	7.9
Shareholders' equity excluding accumulated other comprehensive loss	**527.1**	548.1
Current borrowing [(1)]	**66.7**	67.0
Borrowing [(1)]	**466.5**	511.7
Less: Senior unsecured debt	**(200.0)**	–
Consolidated secured debt	**333.2**	578.7
Add: Senior unsecured debt	**200.0**	–
Conslidated debt	**533.2**	578.7
Convertible unsecured subordinated debentures [(1)]	**494.2**	494.5
Total debt	**1,027.4**	1,073.2
Total capital	**1,554.5**	1,621.3

(1) Borrowing and convertible unsecured subordinated debentures are before deferred issuance costs and option value.

	2014	2013
Net earnings	**56.9**	52.7
Adjusted for:		
Finance expense	**52.7**	71.8
Realized gains on derivative financial instruments included in finance expense	**5.6**	3.9
Depreciation included in selling, distribution and administrative costs	**47.2**	42.2
Depreciation included in cost of sales	**50.0**	41.3
Losses (gains) on disposal of assets	**1.0**	(2.9)
Gain on sale of customer list	**(3.7)**	–
Amortization of intangible assets	**4.9**	19.4
Impairment of property, plant and equipment, intangible assets, and goodwill	**–**	15.5
Income tax expense	**15.8**	5.7
Unrealized losses on derivative financial instruments	**52.0**	5.1
Pro-forma impact of acquisitions	**–**	8.5
Compliance EBITDA [(1)]	**282.4**	263.2

(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.

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

	December 2014	December 31 2013
Consolidated secured debt to compliance EBITDA	**1.2:1**	2.2:1
Consolidated debt to compliance EBITDA	**1.9:1**	2.2:1
Total debt to compliance EBITDA	**3.6:1**	4.1:1

19. NET EARNINGS (LOSSES) PER SHARE

	Three Months Ended December 31		Twelve Months Ended December 31	
	2014	2013	**2014**	2013
Net earnings per share computation, basic				
Net earnings for the period	**43.3**	10.9	**56.9**	52.7
Weighted average shares outstanding (millions)	**126.2**	126.2	**126.2**	123.1
Net earnings per share, basic	**$0.34**	$0.09	**$0.45**	$0.43

	Three Months Ended December 31		Twelve Months Ended December 31	
	2014	2013	**2014**	2013
Net earnings (losses) per share computation, diluted				
Net (losses) earnings for the period	**(4.5)**	7.5	**54.2**	52.1
Weighted average shares outstanding (millions)	**157.6**	141.9	**132.8**	128.9
Net (losses) earnings per share, diluted	**$(0.03)**	$0.05	**$0.41**	$0.40

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 December 31		Twelve Months Ended December 31	
(millions)	Maturity	**Note**	**2014**	2013	**2014**	2013
Convertible Debentures						
5.75%	June 2017	**15**	**–**	9.1	**9.1**	9.1
6.00%	June 2018	**15**	**–**	–	**9.9**	9.9
7.50%	October 2016	**15**	**–**	6.6	**–**	6.6
6.00%	June 2019	**15**	**–**	–	**5.8**	–
Total anti-dilutive instruments			**–**	15.7	**24.8**	25.6

20. SUPPLEMENTAL DISCLOSURE OF NON-CASH OPERATING WORKING CAPITAL CHANGE

	Three Months Ended December 31		Twelve Months Ended December 31	
	2014	2013	**2014**	2013
Changes in non-cash working capital				
Trade receivables and other	**(53.4)**	(137.3)	**45.1**	(105.7)
Inventories	**3.4**	(22.5)	**21.8**	7.4
Trade and other payables	**17.6**	83.6	**(31.0)**	86.4
Purchased working capital	**–**	(2.0)	**–**	(2.0)
Other	**(12.5)**	6.2	**(19.3)**	14.2
	(44.9)	(72.0)	**16.6**	0.3

21. SUPPLEMENTAL DISCLOSURE OF CONDENSED CONSOLIDATED STATEMENT OF TOTAL COMPREHENSIVE INCOME

	Three Months Ended December 31		Twelve Months Ended December 31	
	2014	2013	**2014**	2013
Revenues				
Revenue from products	**930.1**	1,007.6	**3,889.2**	3,659.8
Revenue from the rendering of services	**19.0**	20.1	**62.8**	63.8
Rental revenue	**7.3**	8.0	**26.7**	27.3
Construction contract revenue	**(0.2)**	(0.5)	**2.3**	(0.4)
Realized gains (losses) on derivative financial instruments	**0.6**	(0.5)	**(5.1)**	2.3
	956.8	1,034.7	**3,975.9**	3,752.8
Cost of sales (includes products and services)				
Cost of products and services	**(691.9)**	(775.1)	**(3,005.6)**	(2,810.8)
Depreciation included in cost of sales	**(14.5)**	(10.9)	**(50.0)**	(41.3)
Realized losses (gains) on derivative financial instruments	**(2.9)**	(7.9)	**1.8**	(31.9)
	(709.3)	(793.9)	**(3,053.8)**	(2,884.0)
Selling, distribution and administrative costs				
Other selling, distribution and administrative costs	**(72.3)**	(83.0)	**(289.2)**	(281.6)
Restructuring costs	**(0.2)**	(9.0)	**(11.3)**	(9.5)
Employee future benefit expense	**(1.2)**	(1.5)	**(4.2)**	(6.2)
Employee costs	**(95.2)**	(92.7)	**(395.4)**	(364.9)
Depreciation included in selling, distribution and administrative costs	**(12.8)**	(10.9)	**(47.2)**	(42.2)
Amortization of intangible assets	**(1.9)**	(5.1)	**(4.9)**	(19.4)
(Losses) gains on disposal of assets	**(1.5)**	(0.3)	**2.7**	2.9
Realized gains on the translation of U.S.-denominated net working capital	**2.3**	1.6	**4.8**	2.9
	(182.8)	(200.9)	**(744.7)**	(718.0)
Finance expense				
Interest on borrowing	**(4.4)**	(5.1)	**(17.2)**	(27.0)
Interest on convertible unsecured subordinated debentures	**(7.5)**	(7.6)	**(30.3)**	(31.1)
Interest on obligations under finance leases	**(1.5)**	(1.1)	**(4.5)**	(3.3)
Loss on debenture redemptions	**–**	(6.1)	**–**	(5.5)
Unwinding of discount on debentures, borrowing and decommissioning liabilities	**(1.6)**	(3.0)	**(6.3)**	(8.8)
Realized gains on derivative financial instruments	**4.3**	2.6	**5.6**	3.9
	(10.7)	(20.3)	**(52.7)**	(71.8)

22. 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 twelve months ended December 31, 2014, Superior incurred $0.5 million (December 31, 2013 – $0.1 million) and $0.9 million (December 31, 2013 – $1.0 million) in legal fees respectively, 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.

23. 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. Segment revenues reported below represents revenues generated from external customers.

For the three months ended December 31, 2014	**Energy Services**	**Specialty Chemicals**	**Construction Products Distribution**	**Corporate**	**Total Consolidated**
Revenue	**568.9**	**168.1**	**219.8**	**–**	**956.8**
Cost of sales (includes product and services)	**(428.8)**	**(115.9)**	**(164.6)**	**–**	**(709.3)**
Gross Profit	**140.1**	**52.2**	**55.2**	**–**	**247.5**
Expenses					
Depreciation included in selling, distribution and administrative costs	**(11.2)**	**–**	**(1.6)**	**–**	**(12.8)**
Amortization of intangible assets	**(1.9)**	**–**	**–**	**–**	**(1.9)**
Selling, distribution and administrative costs	**(81.4)**	**(38.9)**	**(43.9)**	**(3.9)**	**(168.1)**
Finance expense	**(1.2)**	**(0.2)**	**(0.2)**	**(9.1)**	**(10.7)**
Impairment of property, plant, and equipment, intangible assets and goodwill					
Unrealized (losses) gains on derivative financial instruments	**(38.6)**	**(4.7)**	**–**	**30.6**	**(12.7)**
	(134.3)	**(43.8)**	**(45.7)**	**17.6**	**(206.2)**
Net earnings before income taxes	**5.8**	**8.4**	**9.5**	**17.6**	**41.3**
Income tax recovery	**–**	**–**	**–**	**2.0**	**2.0**
Net Earnings	**5.8**	**8.4**	**9.5**	**19.6**	**43.3**

For the three months ended December 31, 2013	**Energy Services**	**Specialty Chemicals**	**Construction Products Distribution**	**Corporate**	**Total Consolidated**
Revenue	682.9	155.1	196.7	–	1,034.7
Cost of sales (includes product and services)	(548.8)	(99.4)	(145.7)	–	(793.9)
Gross Profit	134.1	55.7	51.0	–	240.8
Expenses					
Depreciation included in selling, distribution and administrative costs	(9.5)	–	(1.4)	–	(10.9)
Amortization of intangible assets	(4.9)	–	(0.1)	(0.1)	(5.1)
Selling, distribution and administrative costs	(96.7)	(35.7)	(46.9)	(5.6)	(184.9)
Finance expense	(0.8)	(0.2)	(0.2)	(19.1)	(20.3)
Impairment of property, plant, and equipment, intangible assets and goodwill	(15.5)	–	–	–	(15.5)
Unrealized gains (losses) on derivative financial instruments	14.2	(2.3)	–	(12.3)	(0.4)
	(113.2)	(38.2)	(48.6)	(37.1)	(237.1)
Net earnings (loss) before income taxes	20.9	17.5	2.4	(37.1)	3.7
Income tax recovery	–	–	–	7.2	7.2
Net Earnings (Loss)	20.9	17.5	2.4	(29.9)	10.9

For the year ended December 31, 2014	**Energy Services**	**Specialty Chemicals**	**Construction Products Distribution**	**Corporate**	**Total Consolidated**
Revenue	**2,481.2**	**654.5**	**840.2**	**–**	**3,975.9**
Cost of sales (includes product and services)	**(1,977.0)**	**(444.2)**	**(632.6)**	**–**	**(3,053.8)**
Gross Profit	**504.2**	**210.3**	**207.6**	**–**	**922.1**
Expenses					
Depreciation included in selling, distribution and administrative costs	**(40.7)**	**–**	**(6.5)**	**–**	**(47.2)**
Amortization of intangible assets	**(4.5)**	**–**	**–**	**(0.4)**	**(4.9)**
Selling, distribution and administrative costs	**(346.9)**	**(150.9)**	**(173.2)**	**(21.6)**	**(692.6)**
Finance expense	**(3.3)**	**(1.0)**	**(0.7)**	**(47.7)**	**(52.7)**
Unrealized losses on derivative financial instruments	**(33.6)**	**(5.4)**	**–**	**(13.0)**	**(52.0)**
	(429.0)	**(157.3)**	**(180.4)**	**(82.7)**	**(849.4)**
Net earnings (loss) before income taxes	**75.2**	**53.0**	**27.2**	**(82.7)**	**72.7**
Income tax expense	**–**	**–**	**–**	**(15.8)**	**(15.8)**
Net Earnings (Loss)	**75.2**	**53.0**	**27.2**	**(98.5)**	**56.9**

For the year ended December 31, 2013	**Energy Services**	**Specialty Chemicals**	**Construction Products Distribution**	**Corporate**	**Total Consolidated**
Revenue	2,372.9	579.7	800.2	–	3,752.8
Cost of sales (includes product and services)	(1,907.7)	(372.1)	(604.2)	–	(2,884.0)
Gross Profit	465.2	207.6	196.0	–	868.8
Expenses					
Depreciation included in selling, distribution and administrative costs	(36.4)	–	(5.8)	–	(42.2)
Amortization of intangible assets	(18.7)	–	(0.2)	(0.5)	(19.4)
Selling, distribution and administrative costs	(332.8)	(135.4)	(169.1)	(19.1)	(656.4)
Finance expense	(2.7)	(0.4)	(0.6)	(68.1)	(71.8)
Impairment of property, plant, and equipment, intangible assets and goodwill	(15.5)	–	–	–	(15.5)
Unrealized gains (losses) on derivative financial instruments	35.4	0.3	–	(40.8)	(5.1)
	(370.7)	(135.5)	(175.7)	(128.5)	(810.4)
Net earnings (loss) before income taxes	94.5	72.1	20.3	(128.5)	58.4
Income tax expense	–	–	–	(5.7)	(5.7)
Net Earnings (Loss)	94.5	72.1	20.3	(134.2)	52.7

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

	Energy Services	Specialty Chemicals	Construction Products Distribution	Corporate	Total Consolidated
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**
As at December 31, 2013					
Net working capital [(1)]	178.7	28.5	103.1	(17.2)	293.1
Total assets	779.3	651.3	209.6	500.9	2,141.1
Total liabilities	317.9	178.0	96.4	1,008.6	1,600.9
For the three months ended December 31, 2014					
Purchase of property, plant and equipment	**19.7**	**12.7**	**1.7**	**–**	**34.1**
For the three months ended December 31, 2013					
Acquisitions	7.6	4.3	–	–	11.9
Purchase of property, plant and equipment	9.2	15.7	1.5	–	26.4
For the year ended December 31, 2014					
Purchase of property, plant and equipment	**39.9**	**55.8**	**4.4**	**–**	**100.1**
For the year ended December 31, 2013					
Acquisitions	7.6	4.3	–	–	11.9
Purchase of property, plant and equipment	35.5	40.3	2.7	–	78.5

(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.

24. GEOGRAPHICAL INFORMATION

	Canada	United States	Other	Total Consolidated
Revenue for the three months ended December 31, 2014	**371.4**	**563.8**	**21.6**	**956.8**
Revenue for the year ended December 31, 2014	**1,528.3**	**2,352.1**	**95.5**	**3,975.9**
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**
Revenue for the three months ended December 31, 2013	432.8	583.3	18.6	1,034.7
Revenue for the year ended December 31, 2013	1,413.6	2,248.5	90.7	3,752.8
Property, plant and equipment as at December 31, 2013	458.9	374.6	44.4	877.9
Intangible assets as at December 31, 2013	15.2	3.8	–	19.0
Goodwill as at December 31, 2013	188.2	5.5	–	193.7
Total assets as at December 31, 2013	1,388.1	691.4	61.6	2,141.1