ANDREW PELLER LIMITED REPORTS INCREASED PROFITABILITY IN FIRST QUARTER OF FISCAL 2016

This news release contains forward-looking information that is based upon assumptions and is subject to risks and uncertainties as indicated in the cautionary note contained elsewhere in this news release.

GRIMSBY, Ontario – August 12, 2015 – Andrew Peller Limited ADW.A/ADW.B ("APL" or the "Company") announced strong growth and increased net earnings for the three months ended June 30, 2015.

Q1 FISCAL 2016 HIGHLIGHTS:

- Sales up 4.5% on solid organic growth and successful launch of new products
- Gross margins strengthen on revenue increase and cost savings
- EBITA up 26% on revenue growth and improved profitability
- Adjusted earnings rise to $6.9 million.
- Net earnings increase to $0.48 per Class A share.
- Common share dividends increased 7.1% in June
- Development of new Wayne Gretzky Estate Winery and Craft Distillery announced

"Following record performance in fiscal 2015, we generated a strong performance in the first quarter of fiscal 2016 as we benefited from solid organic growth, the launch of new products and carry-over of cost savings achieved in the second half of fiscal 2015" commented John Peller, President & Chief Executive Officer, Andrew Peller Limited. "Looking ahead, we are confident fiscal 2016 will be another year of solid growth and performance for the Company."

Sales for the three months ended June 30, 2015 rose 4.5% to $83.1 million from $79.5 million in the same prior year period. The increase was due to strong organic growth as well as the introduction of new products and categories over the prior twelve months.

Gross margin as a percentage of sales rose for the three months ended June 30, 2015 to 38.3% from 36.8% in the same prior year period. Gross margin benefited from a full quarter's positive impact of the Company's cost control initiatives to improve productivity and raw material cost savings implemented over the last six months.

Selling and administrative expenses were lower in the first quarter of fiscal 2016 due primarily to timing of marketing activities. Management expects selling expenses will increase through the balance of the year to support the recent launch of new products. As a percentage of sales, selling and administrative expenses for the three months ended June 30, 2015 improved to 22.8% from 24.1% in last year's first quarter.

Earnings before interest, amortization, restructuring costs, unrealized derivative losses, other expenses, and income taxes ("EBITA") were $12.8 million for the three months ended June 30, 2015, up 26.4% from $10.2 million in the first quarter of fiscal 2015. The increase in EBITA is the result of the higher sales, an improved gross margin and reduced selling and administrative expenses in the current year. Interest expense decreased for the three months ended June 30, 2015 compared to the same prior year period both due to lower interest rates and lower debt levels.

The Company recorded an unrealized non-cash loss in the first quarters of fiscal 2016 and fiscal 2015 related to mark-to-market adjustments on an interest rate swap and foreign exchange contracts. The Company has elected not to apply hedge accounting and accordingly the change in fair value of these financial instruments is reflected in the Company's statement of earnings each reporting period. These instruments are considered to be effective economic hedges and have enabled management to mitigate the volatility of changing costs and interest rates during the year.

Other income in the first quarter of fiscal 2016 related primarily to income from the temporary expropriation of the Company's Port Moody property. In fiscal 2015 other expenses related primarily to a write-down of certain grapevines harmed by the extreme cold weather experienced over the period's winter season, partially offset by income from the temporary expropriation of the Port Moody property.

Adjusted earnings, defined as net earnings not including unrealized losses and gains on derivative financial instruments, and other expenses or income, were $6.9 million for the three months ended June 30, 2015 compared to $4.9 million in the same prior year period.

Net earnings for the three months ended June 30, 2015 were $6.7 million or $0.48 per Class A Share compared to $4.0 million or $0.29 per Class A Share in the first quarter of fiscal 2015.

Strong Financial Position

Working capital at June 30, 2015 increased to $73.7 million compared to $69.0 million at March 31, 2015. Overall bank debt declined to $87.2 million as at June 30, 2015 compared to $89.0 million at March 31, 2015 due to the improved earnings performance and working capital management. As a result, the Company's debt to equity ratio decreased to 0.57:1 at June 30, 2015 compared to 0.60:1 at March 31, 2015. Shareholders' equity as at June 30, 2015 was $153.4 million or $10.73 per common share compared to $147.4 million or $10.31 per common share as at March 31, 2015. The increase in shareholders' equity is due to net earnings for the year partially offset by the payment of dividends.

The Company generated cash from operating activities in the first quarter of fiscal 2016, after changes in non-cash working capital items, of $5.0 million compared to $0.6 million in the same prior year period. Strong earnings and lower inventory levels were partially offset by an increase in accounts receivable and lower accounts payable.

Increase in Common Share Dividends

On June 3, 2015 the Company's Board of Directors announced a 7.1% increase in common share dividends for shareholders of record on June 30, 2015 payable on July 10, 2015. The annual dividend on Class A Shares was increased to $0.450 per share from $0.420 per share, and the annual dividend on Class B Shares was increased to $0.391 per share from $0.365 per share. This was the Company's seventh dividend increase in the last nine years. The Company has consistently paid common share dividends since 1979.

Wayne Gretzky Estate Winery and Craft Distillery

One June 4, 2015 the Company announced that it had filed planning documents for the development of the new Wayne Gretzky Estate Winery and Craft Distillery in Niagara-on-the-Lake, Ontario. Located on land adjacent to the Company's Trius Winery, the proposed 15,000 square foot facility will include a winery, craft distillery, barrel aging cellars, tasting rooms, retail and hospitality facilities, all surrounded by landscaping and vineyards. The Company established its strategic alliance with the Wayne Gretzky Estate Winery in 2011, and has generated significant growth in their brands to where their wines are now among the top-ten best sellers across Canada. The new winery is expected to open in the spring of 2017 and will add to the significant investments the Company has made in its Peller Estates, Trius, Thirty Bench, Sandhill and Red Rooster estate wineries.

Financial Highlights (Unaudited)
(Condensed consolidated financial statements to follow)

For the three months ended June 30, **(in $000)**	**2015**	2014[1]
Sales	**$ 83,118**	$ 79,517
Gross margin	**31,811**	29,298
Gross margin (% of sales)	**38.3%**	36.8%
Selling and administrative expenses	**18,965**	19,133
EBITA	**12,846**	10,165
Unrealized losses on financial instruments	**315**	1,125
Other (income) expenses	**(61)**	104
Adjusted net earnings	**6,877**	4,903
Net earnings	**6,689**	3,994
Earnings per share – Class A	**$0.48**	$0.29
Earnings per share – Class B	**$0.42**	$0.25
Dividend per share – Class A (annual)	**$0.450**	$0.420
Dividend per share – Class B (annual)	**$0.391**	$0.365
Cash provided by operations (after changes in non-cash working capital items)	**5,017**	607
Working capital	**73,654**	64,967
Shareholders' equity per share	**$10.73**	$9.81

1. Restated to reflect the early adoption of the amendments to IAS 16 and IAS 41.

The Company calculates adjusted net earnings as follows:

For the three months ended June 30, **(in $000)**	**2015**	2014[1]
Net earnings	**$ 6,689**	$ 3,994
Net unrealized losses (gains) on derivatives	**315**	1,125
Other (income) expenses	**(61)**	104
Income tax effect of the above	**(66)**	(320)
Adjusted earnings	**$ 6,877**	$ 4,903

1. Restated to reflect the early adoption of the amendments to IAS 16 and IAS 41.

About Andrew Peller Limited

Andrew Peller Limited is a leading producer and marketer of quality wines in Canada. With wineries in British Columbia, Ontario, and Nova Scotia, the Company markets wines produced from grapes grown in Ontario's Niagara Peninsula, British Columbia's Okanagan and Similkameen Valleys, and from vineyards around the world. The Company's award-winning premium and ultra-premium VQA brands include *Peller Estates*, *Trius, Hillebrand, Thirty Bench*, *Crush*, *Wayne Gretzky*, *Sandhill, Calona Vineyards Artist Series*, and *Red Rooster*. Complementing these premium brands are a number of popularly priced varietal brands including *Peller Estates French Cross* in the East, *Peller Estates Proprietors Reserve* in the West, *Copper Moon, XOXO*, *skinnygrape, Black Cellar* and *Verano. Hochtaler, Domaine D'Or*, *Schloss Laderheim, Royal*, and *Sommet* are our key value priced brands. The Company produces wine based liqueurs and cocktails under the brand *Panama Jack* and wine based spritzers under the *skinnygrape* brand. The Company imports wines from major wine regions around the world to blend with domestic wine to craft these popularly priced and value priced brands. With a focus on serving the needs of all wine consumers, the Company produces and markets premium personal winemaking products through its wholly-owned subsidiary, Global Vintners Inc., the recognized leader in personal winemaking products. Global Vintners distributes products through over 170 Winexpert authorized retailers and more than 600 independent retailers across Canada, the United

States, the United Kingdom, New Zealand, Australia, and China. Global Vintners award-winning premium and ultra-premium winemaking brands include *Selection, Vintners Reserve, Island Mist, KenRidge, Cheeky Monkey, Ultimate Estate Reserve, Traditional Vintage, and Cellar Craft*. The Company owns and operates over 100 well-positioned independent retail locations in Ontario under The Wine Shop, Wine Country Vintners, and Wine Country Merchants store names. The Company also owns Andrew Peller Import Agency and The Small Winemaker's Collection Inc.; both of these wine agencies are importers of premium wines from around the world and are marketing agents for these fine wines. The Company's products are sold predominantly in Canada with a focus on export sales for its icewine and personal winemaking products. More information about the Company can be found at www.andrewpeller.com.

The Company utilizes EBITA (defined as earnings before interest, amortization, unrealized derivative losses (gains), other expenses (income), and income taxes). EBITA is not a recognized measure under IFRS. Management believes that EBITA is a useful supplemental measure to net earnings, as it provides readers with an indication of cash available for investment prior to debt service, capital expenditures, and income taxes. Readers are cautioned that EBITA should not be construed as an alternative to net earnings determined in accordance with IFRS as an indicator of the Company's performance or to cash flows from operating, investing, and financing activities as a measure of liquidity and cash flows. The Company also utilizes gross margin (defined as sales less cost of goods sold, excluding amortization) and adjusted earnings as defined above. The Company's method of calculating EBITA, gross margin, and adjusted earnings may differ from the methods used by other companies and, accordingly, may not be comparable to measures used by other companies.

Andrew Peller Limited common shares trade on the Toronto Stock Exchange (symbols ADW.A and ADW.B).

FORWARD-LOOKING INFORMATION

Certain statements in this news release may contain "forward-looking statements" within the meaning of applicable securities laws, including the "safe harbour provision" of the Securities Act (Ontario) with respect to Andrew Peller Limited and its subsidiaries. Such statements include, but are not limited to, statements about the growth of the business in light of the Company's recent acquisitions; its launch of new premium wines; sales trends in foreign markets; its supply of domestically grown grapes; and current economic conditions. These statements are subject to certain risks, assumptions, and uncertainties that could cause actual results to differ materially from those included in the forward-looking statements. The words "believe", "plan", "intend", "estimate", "expect", or "anticipate" and similar expressions, as well as future or conditional verbs such as "will", "should", "would", and "could" often identify forward-looking statements. We have based these forward-looking statements on our current views with respect to future events and financial performance. With respect to forward-looking statements contained in this news release, the Company has made assumptions and applied certain factors regarding, among other things: future grape, glass bottle, and wine prices; its ability to obtain grapes, imported wine, glass, and its ability to obtain other raw materials; fluctuations in the U.S./Canadian dollar exchange rates; its ability to market products successfully to its anticipated customers; the trade balance within the domestic Canadian wine market; market trends; reliance on key personnel; protection of its intellectual property rights; the economic environment; the regulatory requirements regarding producing, marketing, advertising, and labeling its products; the regulation of liquor distribution and retailing in Ontario; and the impact of increasing competition.

These forward-looking statements are also subject to the risks and uncertainties discussed in this news release, in the "Risk Factors" section and elsewhere in the Company's MD&A and other risks detailed from time to time in the publicly filed disclosure documents of Andrew Peller Limited which are available at www.sedar.com. Forward-looking statements are not guarantees of future performance and involve risks, uncertainties, and assumptions which could cause actual results to differ materially from those conclusions, forecasts, or projections anticipated in these forward-looking statements. Because of these risks, uncertainties and assumptions, you should not place undue reliance on these forward-looking statements. The Company's forward-looking statements are made only as of the date of this news release, and except as required by applicable law, the Company undertakes no obligation to update or revise these forward-looking statements to reflect new information, future events or circumstances or otherwise.

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ANDREW PELLER LIMITED

Condensed Consolidated Balance Sheets

Unaudited

These financial statements have not been reviewed by our auditors

(in thousands of Canadian dollars)	June 30 2015 $	March 31 2015 Restated(1) $	April 1 2014 Restated(1) $
Assets			
Current Assets			
Accounts receivable	**29,414**	25,616	22,693
Inventory	**110,119**	117,812	120,751
Biological assets	**2,990**	1,129	1,062
Prepaid expenses and other assets	**1,651**	2,207	1,381
Income taxes recoverable	**-**	-	240
	144,174	146,764	146,127
Property, plant, and equipment	**104,565**	104,951	104,945
Intangibles	**12,024**	12,331	13,209
Goodwill	**37,473**	37,473	37,473
	298,236	301,519	301,754
Liabilities			
Current Liabilities			
Bank indebtedness	**31,711**	32,522	54,407
Accounts payable and accrued liabilities	**29,027**	36,712	37,371
Dividends payable	**1,564**	1,460	1,391
Income taxes payable	**3,405**	1,902	-
Current portion of derivative financial instruments	**637**	992	1,002
Current portion of long-term debt	**4,176**	4,194	7,392
	70,520	77,782	101,563
Long-term debt	**51,276**	52,269	38,328
Long-term derivative financial instruments	**1,447**	1,447	268
Post-employment benefit obligations	**4,650**	6,165	6,132
Deferred income	**404**	506	910
Deferred income taxes	**16,498**	15,975	16,003
	144,795	154,144	163,204
Shareholders' Equity			
Capital stock	**7,026**	7,026	7,026
Retained earnings	**146,415**	140,349	131,524
	153,441	147,375	138,550
	298,236	301,519	301,754

Commitments

(1) Restated to reflect the early adoption of the amendments to IAS 16 and IAS 41.

The above statements should be read in conjunction with the entire interim consolidated financial statements and notes.

They will be available on the Investor Relations section of www.andrewpeller.com or at www.sedar.com.

ANDREW PELLER LIMITED

Condensed Consolidated Statements of Earnings

Unaudited

These financial statements have not been reviewed by our auditors

(in thousands of Canadian dollars)	For the three months ended June 30, 2015 $	For the three months ended June 30, 2014 Restated(1) $
Sales	**83,118**	79,517
Cost of goods sold	**51,307**	50,219
Amortization of plant and equipment used in production	**1,566**	1,526
Gross profit	**30,245**	27,772
Selling and administration	**18,965**	19,133
Amortization of plant, equipment, and intangibles used in selling and administration	**808**	696
Interest	**1,081**	1,323
Operating earnings	**9,391**	6,620
Net unrealized losses on derivative financial instruments	**315**	1,125
Other (income) expenses	**(61)**	104
Earnings before income taxes	**9,137**	5,391
Provision for income taxes		
Current	**2,256**	1,619
Deferred	**192**	(222)
	2,448	1,397
Net earnings for the period	**6,689**	3,994
Net earnings per share		
Basic and diluted		
Class A shares	**0.48**	0.29
Class B shares	**0.42**	0.25

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ANDREW PELLER LIMITED

Condensed Consolidated Statements of Comprehensive Income

Unaudited

These financial statements have not been reviewed by our auditors

(in thousands of Canadian dollars)	For the three months ended June 30, 2015 $	For the three months ended June 30, 2014 Restated(1) $
Net earnings for the period	**6,689**	3,994
Items that are never reclassified to net income		
Net actuarial gains (losses) on post-employment benefit plans	**1,272**	(430)
Deferred income tax (provision) recovery	**(331)**	112
Other comprehensive income (loss) for the period	**941**	(318)
Net comprehensive income for the period	**7,630**	3,676

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ANDREW PELLER LIMITED
Condensed Consolidated Statements of Cash Flows
Unaudited

These financial statements have not been reviewed by our auditors

(in thousands of Canadian dollars)	For the three months ended June 30, 2015 $	For the three months ended June 30, 2014 Restated[1] $
Cash provided by (used in)		
Operating activities		
Net earnings for the period	**6,689**	3,994
Adjustments for:		
Loss on disposal of property, plant, and equipment	**-**	148
Amortization of plant, equipment, and intangibles	**2,374**	2,222
Interest expense	**1,081**	1,323
Provision for income taxes	**2,448**	1,397
Post-employment benefits	**(243)**	(230)
Deferred income	**(102)**	(101)
Net unrealized loss on derivative financial instruments	**315**	1,125
Interest paid	**(1,103)**	(1,221)
Income taxes paid	**(753)**	(1,128)
	10,706	7,529
Changes in non-cash working capital items related to operations	**(5,689)**	(6,922)
	5,017	607
Investing activities		
Purchase of property, equipment, and biological assets	**(1,728)**	(656)
Purchase of intangibles	**-**	(65)
	(1,728)	(721)
Financing activities		
Decrease in bank indebtedness	**(811)**	(12,252)
Issuance of long-term debt	**-**	15,020
Repayment of long-term debt	**(1,018)**	(667)
Deferred financing costs	**-**	(596)
Dividends paid	**(1,460)**	(1,391)
	(3,289)	114
Increase (decrease) in cash during the period	**-**	-
Cash, beginning of period	**-**	-
Cash, end of period	-	-

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