***ANDREW PELLER LIMITED REPORTS STRONG RESULTS FOR FISCAL 2014***
***AND 5% INCREASE IN COMMON SHARE DIVIDENDS***

***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** – June 4, 2014 – Andrew Peller Limited ADW.A/ADW.B ("APL" or the "Company") announced continued growth and strong operating and financial performance for the three months and year ended March 31, 2014.

**FISCAL 2014 HIGHLIGHTS:**

- Sales up 3.8% in fourth quarter, 3.0% for full fiscal year on new product launches and solid performance across majority of trade channels
- Selling and administrative expenses decrease due to restructuring initiatives
- Cash flow from operating activities rises to $25.0 million from $13.3 million in fiscal 2013
- 5% increase in common share dividends announced

"Fiscal 2014 was another strong year for the Company as we successfully launched a number of new products and continued to build our presence across all of our trade channels, specifically with our high-margin premium and ultra-premium brands," commented John Peller, President and CEO. "We are also pleased to see recent improvement in our gross margin as we benefit from programs implemented over the last two years to reduce costs and enhance production efficiencies. We look for this progress to continue in fiscal 2015."

Sales for the three months ended March 31, 2014 rose 3.8% to $66.0 million from $63.6 million in the same quarter last year. For the year ended March 31, 2014 sales increased 3.0% to $297.8 million. The Company experienced solid performance across the majority of its sales channels, including provincial liquor stores, the network of company-owned retail stores in Ontario, our export business, and from our award-winning estate wineries. Performance also improved at the Company's consumer-made wine business.

Gross margin was 34.2% of sales in the fourth quarter of fiscal 2014 compared to 35.6% in the same period last year. For the year ended March 31, 2014 gross margin was 36.3% of sales compared to 38.0% in fiscal 2013. Gross margins in fiscal 2014 have been affected by higher costs for wine, juice, and concentrate purchased on international markets and intense price competition in Western and Atlantic Canada. The decrease in gross margin was partially offset by successful cost control initiatives to reduce distribution, operating, and packaging expenses. A special levy implemented by the Ontario government on July 1, 2010 served to reduce sales and gross margin by approximately $2.0 million in fiscal 2014 and fiscal 2013.

Selling and administrative expenses declined in fiscal 2014 due to the ongoing restructuring that began in the fourth quarter of fiscal 2013 in the Company's personal winemaking division. As a percentage of sales, selling and administrative expenses for the year ended March 31, 2014 improved to 24.9% from 26.4% last year.

Earnings before interest, amortization, unrealized derivative gains (losses), other expenses, and income taxes ("EBITA") were $3.7 million and $33.7 million for the three months and year ended March 31, 2014 compared to $3.1 million and $33.5 million for the same periods in fiscal 2013.

In fiscal 2014 the Company incurred restructuring charges of $1.4 million in the personal winemaking division related to ongoing cost savings initiatives to outsource distribution and reduce marketing and administrative expenses.

The Company recorded a non-cash gain in fiscal 2014 related to mark-to-market adjustments on an interest rate swap and foreign exchange contracts aggregating approximately $0.8 million compared to a non-cash gain of $1.3 million in the prior year. The Company has elected not to apply hedge accounting and accordingly these financial instruments are reflected in the Company's financial statements at fair value 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 expenses in fiscal 2014 relate primarily to pension liabilities incurred for prior service that were negotiated as part of the new collective agreement with the BC labour union signed in June 2013 which were partially offset by income from the expropriation of the Company's Port Moody facility which was closed effective December 31, 2005. The property is temporarily being used as a staging area for the construction of a rapid transit project. Payments amounting to $2.0 million for the use of the property were received in advance and were recorded as deferred income and are being recognized as other income over the five-year term of the expropriation which began on July 1, 2012.

Adjusted net earnings, defined as net earnings not including restructuring charges, unrealized losses and gains on derivative financial instruments, and other expenses or income were $14.6 million for the year ended March 31, 2014 compared to $14.0 million in the prior year.

Net earnings (loss) for the three months and year ended March 31, 2014 were $(0.6) million or $(0.04) per Class A Share and $14.0 million or $1.01 per Class A Share compared to $(0.9) million or $(0.07) per Class A Share and $14.5 million or $1.04 per Class A Share for the comparable prior year periods. The reduction in net earnings in fiscal 2014 is primarily due to the decrease in gross margins, the one-time restructuring charges, the change in non-cash gains on derivative financial instruments, and other income and expenses between the two fiscal years.

**Strong Financial Position**

Working capital at March 31, 2014 increased to $44.6 million compared to $41.7 million at March 31, 2013. An increase in inventory and a decrease in bank indebtedness more than offset an increase in accounts payable and accrued charges and a decrease in accounts receivable. The Company's debt to equity ratio was 0.73:1 at March 31, 2014 compared to 0.83:1 at March 31, 2013. Shareholders' equity as at March 31, 2014 was $138.0 million or $9.65 per common share compared to $129.7 million or $9.07 per common share as at March 31, 2013. The increase in shareholders' equity is due to solid net earnings for the year partially offset by the payment of dividends.

In fiscal 2014 the Company generated cash from operating activities, after changes in non-cash working capital items, of $25.0 million compared to $13.3 million in the prior year. Cash flow from operating activities increased due to strong earnings performance and improved use of working capital compared to the prior year.

On April 28, 2014 the Company renegotiated its credit facilities to support its strategic direction and to capitalize on lower debt service costs. These facilities now mature on April 28, 2019. The operating loan facility was increased to $90.0 million and the term loan was increased to $60.0 million. The interest rate on the term loan was effectively fixed at 4.93% through August 31, 2015 and at 3.91% for the period from September 1, 2015 to April 28, 2019. The Company also added a $15.0 million facility to fund future capital expenditures that will also mature on April 28, 2019. Monthly amortization payments on the term loan were reduced to $0.333 million.

**Increase in Common Share Dividends**

On June 4, 2014 the Company's Board of Directors announced a 5% increase in common share dividends for shareholders of record on June 30, 2014 payable on July 4, 2014. The annual dividends on Class A Shares were increased to $0.420 from $0.400 per share and the dividends on Class B Shares were increased to $0.365 per share from $0.348 per share.

"We are very pleased to be increasing our common share dividends, the 6th increase in 9 years, and a testament to our commitment to enhance shareholder value over the long term." Mr. Peller stated.

**Investor Conference Call**

An investor conference call hosted by John Peller, President and CEO and Peter Patchet, CFO, will be held Thursday, June 5, 2014 at 10:00 a.m. EST. The telephone numbers for the conference call are: Local/International: (416) 340-2216, North American Toll Free: (866) 226-1792. The telephone numbers to listen to the call after it is completed (Instant Replay) are local/international (905) 694-9451 or North American toll free (800) 408-3053. The Passcode for the Instant Replay is 6016172#. The Instant Replay will be available until midnight, June 12, 2014. The call will also be archived on the Company's website at www.andrewpeller.com

## Financial Highlights (Unaudited)

(Condensed consolidated financial statements to follow)

| For the three months and year ended March 31, | Three Months | | Year | |
|---|---|---|---|---|
| **(in $000 )** | **2014** | 2013(1) | **2014** | 2013(1) |
| Sales | **66,026** | 63,586 | **297,824** | 289,143 |
| Gross margin | **22,606** | 22,635 | **107,982** | 109,743 |
| Gross margin (% of sales) | **34.2%** | 35.6% | **36.3%** | 38.0% |
| Selling and administrative expenses | **18,951** | 19,557 | **74,253** | 76,254 |
| EBITA | **3,655** | 3,078 | **33,729** | 33,489 |
| Restructuring charge | **1,056** | 1,118 | **1,409** | 1,118 |
| Net unrealized gains on derivatives | **(231)** | (216) | **(750)** | (1,295) |
| Other (income) expenses | **(97)** | (331) | **145** | (544) |
| Net earnings | **(578)** | (935) | **14,021** | 14,519 |
| Earnings per share – Class A | **$(0.04)** | $(0.07) | **$1.01** | $1.04 |
| Earnings per share – Class B | **$(0.03)** | $(0.06) | **$0.88** | $0.91 |
| Dividend per share – Class A (annual) | | | **$0.400** | $0.360 |
| Dividend per share – Class B (annual) | | | **$0.348** | $0.314 |
| Cash provided by operations (after changes in non-cash working capital items) | | | **25,018** | 13,325 |
| Working capital | | | **44,564** | 41,670 |
| Shareholders' equity per share | | | **$9.65** | $9.07 |

(1) Amounts for the periods ended March 31, 2013 were restated to reflect the adoption of the amendments to IAS 19. Please refer to the Notes to the Consolidated Financial Statements for the year.

The Company calculates adjusted earnings as follows:

| For the three months and year ended March 31, 2014 and 2013 | Three Months | | Year | |
|---|---|---|---|---|
| **(in $000)** | | | | |
| ***Unaudited*** | **2014** | 2013(1) | **2014** | 2013(1) |
| Net earnings | **(578)** | (935) | **14,021** | 14,519 |
| Restructuring costs | **1,056** | 1,118 | **1,409** | 1,118 |
| Net unrealized gains on derivatives | **(231)** | (216) | **(750)** | (1,295) |
| Other expenses (income) | **(97)** | (331) | **145** | (544) |
| Income tax effect of the above | **(189)** | (148) | **(209)** | 187 |
| Adjusted earnings | **(39)** | (512) | **14,616** | 13,985 |

(1) Amounts for the periods ended March 31, 2013 were restated to reflect the adoption of the amendments to IAS 19. Please refer to the Notes to the Consolidated Financial Statements for the year.

### 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 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 250 Winexpert and Wine Kitz authorized retailers and franchisees 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 more 102 well-positioned independent retail locations in Ontario under The Wine Shop, Wine Country Vintners, and Wine Country Merchants store names. The Company also owns Grady Wine Marketing Inc. based in Vancouver and The Small Winemaker's Collection Inc. based in Ontario; both of these wine agencies are importers of premium wines from around the world and are marketing agents for these fine wines. The Company has entered into an agreement to produce and market the *Wayne Gretzky* brands across Canada. 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 (gain) loss, other expenses, 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.*

For more information, please contact:
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# Andrew Peller Limited
## *Consolidated Balance Sheets*

***Unaudited***
(in thousands of Canadian dollars)

| | March 31, 2014 | March 31, 2013 (1) | April 1, 2012 (1) |
|---|---|---|---|
| **Assets** | | | |
| **Current assets** | | | |
| Accounts receivable | $ 22,693 | $ 25,484 | $ 24,937 |
| Inventories | 120,751 | 115,931 | 110,256 |
| Current portion of biological assets | 1,062 | 938 | 881 |
| Prepaid expenses and other assets | 1,381 | 1,573 | 1,338 |
| Income taxes recoverable | 240 | 268 | - |
| | 146,127 | 144,194 | 137,412 |
| **Property, plant and equipment** | 90,152 | 88,841 | 84,490 |
| **Biological assets** | 14,054 | 13,405 | 12,556 |
| **Intangible assets** | 13,209 | 12,606 | 13,621 |
| **Goodwill** | 37,473 | 37,473 | 37,473 |
| | $ 301,015 | $ 296,519 | $ 285,552 |
| **Liabilities** | | | |
| **Current liabilities** | | | |
| Bank indebtedness | $ 54,407 | $ 60,099 | $ 57,495 |
| Accounts payable and accrued liabilities | 37,371 | 33,616 | 37,118 |
| Dividends payable | 1,391 | 1,252 | 1,252 |
| Income taxes payable | - | - | 40 |
| Current portion of derivative financial instruments | 1,002 | 1,107 | 1,272 |
| Current portion of long-term debt | 7,392 | 6,450 | 5,366 |
| | 101,563 | 102,524 | 102,543 |
| **Long-term debt** | 38,328 | 41,473 | 41,456 |
| **Long-term derivative financial instruments** | 268 | 1,215 | 1,943 |
| **Post-employment benefit obligations** | 6,132 | 6,411 | 6,665 |
| **Deferred income** | 910 | 1,314 | - |
| **Deferred income taxes** | 15,811 | 13,881 | 12,038 |
| | 163,012 | 166,818 | 164,645 |
| **Shareholders' Equity** | | | |
| **Capital stock** | 7,026 | 7,026 | 7,026 |
| **Retained earnings** | 130,977 | 122,675 | 113,881 |
| | 138,003 | 129,701 | 120,907 |
| | $ 301,015 | $ 296,519 | $ 285,552 |

**Commitments**

(1) Restated to reflect the adoption of IAS 19.

The above statements should be read in conjunction with the entire annual consolidated financial statements and notes.
They will be available on the Investor Relations section of www.andrewpeller.com or at www.sedar.com on June 26, 2014.

# Andrew Peller Limited
## *Consolidated Statements of Earnings*
### For the years ended March 31, 2014 and 2013

***Unaudited***

(in thousands of Canadian dollars, except per share amounts)

| | 2014 | 2013 [1] |
|---|---|---|
| **Sales** | $ 297,824 | $ 289,143 |
| Cost of goods sold | 189,842 | 179,400 |
| Amortization of plant and equipment used in production | 4,979 | 5,098 |
| **Gross profit** | 103,003 | 104,645 |
| Selling and administration | 74,253 | 76,254 |
| Amortization of equipment and intangible assets used in selling and administration | 3,316 | 3,030 |
| Interest | 5,386 | 5,427 |
| Restructuring costs | 1,409 | 1,118 |
| **Operating earnings** | 18,639 | 18,816 |
| Net unrealized gains on derivative financial instruments | (750) | (1,295) |
| Other expenses (income) | 145 | (544) |
| **Earnings before income taxes** | 19,244 | 20,655 |
| **Provision for income taxes** | | |
| Current | 3,239 | 4,045 |
| Deferred | 1,984 | 2,091 |
| | 5,223 | 6,136 |
| **Net earnings for the year** | $ 14,021 | $ 14,519 |
| **Net earnings per share** | | |
| Basic and diluted | | |
| Class A shares | $ 1.01 | $ 1.04 |
| Class B shares | $ 0.88 | $ 0.91 |

[1] Restated to reflect the adoption of IAS 19.

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# Andrew Peller Limited
## *Consolidated Statements of Comprehensive Income*
### For the years ended March 31, 2014 and 2013

***Unaudited***
(in thousands of Canadian dollars)

| | 2014 | 2013[1] |
|---|---|---|
| **Net earnings for the year** | $ 14,021 | $ 14,519 |
| **Items that are never reclassified to net earnings** | | |
| Net actuarial losses on post-employment benefit plans | (210) | (964) |
| Deferred income taxes | 54 | 248 |
| Other comprehensive loss for the year | (156) | (716) |
| **Net comprehensive income for the year** | $ 13,865 | $ 13,803 |

(1) Restated to reflect the adoption of IAS 19.

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# Andrew Peller Limited

## *Consolidated Statements of Cash Flows*

**For the years ended March 31, 2014 and 2013**

***Unaudited***

(in thousands of Canadian dollars)

| | 2014 | 2013 [1] |
|---|---|---|
| **Cash provided by (used in)** | | |
| **Operating activities** | | |
| Net earnings for the year | $ 14,021 | $ 14,519 |
| Adjustments for | | |
| Loss (gain) on disposal of property and equipment | 154 | (536) |
| Amortization of plant, equipment and intangible assets | 8,295 | 8,128 |
| Interest expense | 5,386 | 5,427 |
| Provision for income taxes | 5,223 | 6,136 |
| Revaluation of biological assets - net of insurance recovery | 67 | (33) |
| Net unrealized loss on derivative financial instruments | (750) | (1,295) |
| Post-employment benefits | (489) | (1,218) |
| Deferred income | (404) | 1,718 |
| Interest paid | (4,904) | (5,108) |
| Income taxes paid | (3,211) | (4,353) |
| | 23,388 | 23,385 |
| Change in non-cash working capital items related to operations | 1,630 | (10,060) |
| | 25,018 | 13,325 |
| **Investing activities** | | |
| Proceeds from disposal of property, plant and equipment | 18 | 533 |
| Purchase of property, equipment and vine biological assets | (9,388) | (12,949) |
| Purchase of intangible assets | (1,797) | - |
| Proceeds from disposal of a business | - | 1,000 |
| | (11,167) | (11,416) |
| **Financing activities** | | |
| (Decrease) increase in bank indebtedness | (5,692) | 2,604 |
| Issuance of long-term debt | 4,086 | 6,500 |
| Repayment of long-term debt | (6,821) | (5,849) |
| Deferred financing costs | - | (155) |
| Dividends paid | (5,424) | (5,009) |
| | (13,851) | (1,909) |
| **Cash - Beginning and end of year** | $ - | $ - |

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[1] Restated to reflect the adoption of IAS 19

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They will be available on the Investor Relations section of www.andrewpeller.com or at www.sedar.com on June 26, 2014.