Q3 QUARTERLY REPORT

Richards Packaging Income Fund

Quarter ended September 30, 2015

Report Contents

Richards Packaging Income Fund

CEO'S REPORT TO UNITHOLDERS

September 30, 2015

Richards Packaging has been providing packaging solutions to small-and medium-sized North American businesses since 1912. Over this period Richards Packaging has developed into the leading packaging distributor in Canada, and the third largest in North America, with one of the most diverse product and service offerings available to product marketers.

Third quarter performance was strong with organic growth of 8.7% and a further 12.5% on the translation impact of Richards Packaging US, as the Canadian dollar weakened by 15¢ to U.S./Cdn.$0.76. Revenue exceeded the first half growth of 4.5% due to an unusually weak third quarter and strong fourth quarter in 2014 as 2015 organic growth for the second half is fully reflected in the third quarter. Gross profit and EBITDA[1] as a percent of sales were slightly higher than the first half at 16.9% and 12.1% respectively. EBITDA was up $2.1 million due to higher sales and the translation impact of Richards Packaging US. Net income was up $2.2 million to $4.8 million, or 12.9¢ per Unit, mainly due to higher EBITDA and the mark-to-market gain on the exchangeable shares offset by higher income tax expense.

Nine month revenue was up due to organic revenue growth of 5.7% and a U.S./Cdn.12¢ weakening of the dollar. EBITDA[1] was up $3.8 million due to higher sales volumes and the translation impact of Richards Packaging US. Net income was up $3.9 million, or 35.4¢ per Unit, when compared to the previous year as higher EBITDA and lower amortization were offset by higher taxes.

The $2.0 million of free cash flow[2] generated in the third quarter was utilized to pay down $0.9 million of revolving debt and pay $0.9 million of 2014 income taxes, with future payments now tracking with current income tax for the remainder of the year. The higher growth we continue to enjoy yields an unusually high investment in inventory and we continue to closely monitor the levels on an ongoing basis.

On October 1st, Richards Packaging acquired all the outstanding shares of Healthmark Services Ltd. ("Healthmark"), a leading Canadian provider of sterile IV, chemo and oral drug packaging and dispensing systems to the health care industry, for an aggregate net purchase price of $15.8 million, subject to adjustment depending on future earnings. The purchase price was financed by a draw on term and revolving debt facilities. We are excited by Healthmark's prospects and welcome their employees to the Richards' family.

The Fund paid monthly distributions of 7.35¢ per Unit during the third quarter, which represented an annualized yield of 5.6% on the September 30th closing price of $15.65 per Unit. The payout ratio[3] for the third quarter was 56%.

We appreciate the support of our customers, suppliers, employees and investors and will continue to execute on our commitments with the highest degree of quality, care and integrity.

"Gerry Glynn" Oct. 29, 2015

Chief Executive Officer
Richards Packaging Inc.
6095 Ordan Drive
Mississauga, Ontario
L5T 2M7

Richards Packaging Income Fund

MANAGEMENT'S DISCUSSION AND ANALYSIS

October 29, 2015

This management's discussion and analysis ("MD&A") of Richards Packaging Income Fund for the third quarter should be read in conjunction with the attached condensed interim financial statements dated September 30, 2015, the second quarter report dated July 29, 2015, the first quarter report dated May 6, 2015, the 2014 Annual Report and the 2014 Annual Information Form dated March 5, 2015 respectively. Results are reported in Canadian dollars and have been prepared in accordance with International Financial Reporting Standards ("IFRS") on a consistent basis with the 2014 annual financial statements.

Fund Profile and Description of the Business

Richards Packaging Income Fund (the "Fund") is an open-ended, limited purpose trust established under the laws of the Province of Ontario, Canada by a Declaration of Trust dated February 26, 2004. The Fund completed an initial public offering of trust Units (the "Units") on April 7, 2004, to facilitate the acquisition of Richards Packaging Inc. Units are listed on the Toronto Stock Exchange under the symbol RPI.UN.

Richards Packaging serves a wide customer base that is comprised of approximately 12,500 regional food, beverage, cosmetic, specialty chemical, pharmaceutical and other companies. The primary source of revenue is from the distribution of over 5,000 different types of packaging containers and related components sourced from over 600 suppliers and its three dedicated manufacturing facilities. Sales from these manufacturing facilities represent approximately 13% of the total revenues of Richards Packaging (2014 – 14%). In addition to providing its customers with a wide range of packaging solutions, Richards Packaging provides design and development services and comprehensive logistics management through 17 sales offices and one agency location.

Highlights and Selected Financial Information

Highlights of the overall performance for the third quarter include:

- Revenue up $11.2 mil. due to organic growth of 8.7% and 12.5% foreign exchange,
- EBITDA[1] up $2.1 mil. representing an increase of 1.5% to 12.1% of sales,
- Current income taxes up $0.7 mil. due to higher EBITDA,
- Net income increased $2.2 mil. due primarily to higher EBITDA as higher taxes were offset by mark-to-market gain on the exchangeable shares,
- Non-cash working capital decreased $0.2 mil. due to higher accounts receivable ($1.4 mil.) and inventory ($1.0 mil.) to fund organic growth, offset by increased payables of $2.4 mil.,
- Free cash flow[2] of $2.0 mil. was deployed to repay $0.9 mil. of revolving debt, build a cash balance of $0.9 mil. and increase working capital,
- Distributable cash flow[2] increased by $1.1 mil., or 8.7¢ per Unit, which resulted in a 56% payout ratio[3],
- Monthly distributions of 7.35¢ per Unit representing a 5.6% annualized return on the Sept. 30th closing price of $15.65 per Unit., and
- Subsequent to the end of the third quarter, all the outstanding shares of Healthmark were acquired for an aggregate net purchase price of $15.8 mil. which was financed by a draw on our credit facilities.

MANAGEMENT'S DISCUSSION AND ANALYSIS

October 29, 2015

This MD&A covers the three and nine months ended September 30, 2015 generally referred to in this MD&A as the "third quarter" and the "nine months", respectively. The following table sets out selected consolidated financial information:

($ thousands)	Qtr. 3		Nine months	
	2015	**2014**	**2015**	**2014**
INCOME STATEMENT DATA:				
Revenue	**64,174**	52,942	**180,807**	157,379
EBITDA[1]	**7,737**	5,617	**21,347**	17,518
Diluted per Unit	***66.0¢***	*47.9¢*	***$1.82***	*$1.49*
Net income	**4,847**	2,695	**9,152**	5,286
Diluted per Unit	***38.1¢***	*25.2¢*	***84.8¢***	*49.4¢*
FINANCIAL POSITION DATA:				
Working capital	**52,196**	42,187		
Net operating assets	**144,099**	126,724		
Bank debt	**32,448**	33,500		
Debt/EBITDA	***1.1***	*1.4*		
CASH FLOW STATEMENT DATA:				
Distributions	**2,609**	2,597	**7,815**	7,595
Diluted per Unit	***22.3¢***	*22.1¢*	***66.7¢***	*64.8¢*
Payout ratio [3]	***56%***	*73%*	***61%***	*70%*
Unit purchases	—	—	—	—
Debt repayment	**866**	500	—	2,000

Distribution policy is set by the Trustees after giving careful consideration to the projected cash flows of the Fund, the long-term sustainability of the distribution level and the balance of risks and future prospects of the investments of the Fund. This policy is not set based upon net income due to various non-cash accounting charges that depress net income such as amortization, mark-to-market gains and losses on exchangeable shares and deferred income taxes. Factors considered when setting this level included the foreign exchange outlook, the current low interest rates and the cash needs of the operations.

Review of Operations

Operations were approximately 60% in the United States half and 40% in Canada. Forty percent of sales are concentrated in Los Angeles, Reno and Portland and one-quarter in Toronto, Montreal and Vancouver.

Revenue increased by $11.2 million for the third quarter from the same period in 2014 due to organic growth of 8.7% ($4.6 million), of which half represents growth due to the shift in revenues from the third quarter to the fourth quarter in 2014, along with the translation impact of Richards

Packaging US, with the Canadian dollar weakening by 15.4¢ to U.S./Cdn.$0.76 ($6.6 million). Revenue increased by $23.4 million for the nine months from the same period in 2014 due to organic growth of 5.7% ($9.0 million) and the translation impact of Richards Packaging US, with the Canadian dollar weakening by 12.1¢ to U.S./Cdn.$0.79 ($14.4 million).

($ thousands)	**Qtr. 3**		**Nine months**	
	2015	**2014**	**2015**	**2014**
Revenue	**64,174**	52,942	**180,807**	157,379
Cost of products sold	**53,326**	44,795	**151,067**	132,617
Gross profit	**10,848**	8,147	**29,740**	24,762
	16.9%	*15.4%*	***16.4%***	*15.7%*
Administrative expenses	**3,022**	2,434	**8,208**	7,171
Foreign currency loss	**89**	96	**185**	73
EBITDA[1]	**7,737**	5,617	**21,347**	17,518
	12.1%	*10.6%*	***11.8%***	*11.1%*
Amortization	**689**	733	**2,086**	3,103
Financial expenses	**525**	542	**1,562**	1,602
Exchangeable shares	**(382)**	305	**3,049**	3,565
Share of income - Vision	**(52)**	(28)	**(106)**	(67)
Income tax expense	**2,110**	1,370	**5,604**	4,029
Net Income	**4,847**	2,695	**9,152**	5,286

Cost of products sold (before amortization) for the third quarter and the nine months increased by $8.5 million and by $18.5 million from the same periods in 2014, respectively. Gross profit margins were up 0.6% from the second quarter level to 16.9% commensurate with the 6.7% increase in revenue over that period. Resin price volatility did not have a material impact on margins as a result of management's practice of passing through increases and decreases to customers.

Administrative expenses (before amortization) for the third quarter and nine months were $0.6 million and $1.0 million higher from the same periods in 2014, respectively primarily due to foreign exchange translation and $0.1 million of fees associated with the Healthmark acquisition.

The foreign currency loss from operations resulted from exchange rate changes applied to our U.S. dollar denominated working capital position within our Canadian operations.

EBITDA[1] for the third quarter increased by $2.1 million. As a percent of sales, EBITDA was up 1.5% for the third quarter and 0.7% for the nine months, reflective of significant revenue increases from the same periods in 2014. Changes were a result of the factors referred to above.

Amortization of $0.7 million for the third quarter and $2.1 million for the nine months was comprised of $0.4 million and $1.1 million respectively for intangibles assets amortization, which represents a charge for customer relationships and patents. Depreciation for capital assets was $0.3

million and $1.0 million for the third quarter and the nine months respectively, which annualized, is approximately Richards Packaging's annual maintenance capital expenditure requirement.

Financial expenses were flat for the third quarter compared to the same period in 2014 as lower costs on less term debt was offset by higher credit card discounting fees.

Exchangeable shares mark-to-market loss (gain) reflects a 70¢ per Unit decrease during the third quarter to $15.65 and an increase of $2.36 per Unit for the nine months. Exchangeable shares monthly distributions were 7.35¢ per share for the nine months and total distributions decreased due to the conversion of 178,000 shares in the second quarter.

Income tax expense increased $0.7 million for the third quarter and $1.6 million for the nine months compared to the same periods in 2014, respectively, with current tax increases due to higher income and lower deferred taxes associated with the drop in intangible amortization.

Net income for the third quarter was $4.8 million and $9.2 million for the nine months, which represented 38.1¢ and 84.8¢ per Unit on a diluted basis, respectively.

A time-weighted average of 10,786,508 Units and 933,805 exchangeable shares, exchangeable into Units on a one-for-one basis, were outstanding for the nine months.

Distributable Cash Flow[2]

The distributable cash flow definition excludes changes in working capital and capital expenditures for the expansion of the business, as they are necessary to drive organic growth and are expected to be financed by a $5.0 million revolving debt facility, currently undrawn, or free cash flow.

Distributable cash flow[2] for the third quarter and nine months was $1.1 million and $1.9 million higher than in the same periods in 2014, respectively. Overall the increase was mainly due to higher EBITDA[1] which was offset by higher current taxes and maintenance capital. Current income taxes for the third quarter increased $0.7 million from the same period in 2014 due to the increase in earnings.

Free cash flow[2] of $2.0 million for the third quarter was deployed to pay income taxes of $0.4 million, repay $0.9 million of revolving debt and build up the cash balance. For the nine months free cash flow of $4.9 million and cash on hand was deployed to fund working capital of $4.3 million for revenue growth, pay taxes of $0.9 million and fund expansion capital.

Monthly distributions paid of 7.35¢ per Unit for the third quarter represent a payout ratio[3] of 56%. Monthly distributions were increased in March of the first quarter of 2014 by 0.8¢ to 7.35¢ per Unit and represent an annual yield of 5.6% on a $15.65 price per Unit at September 30, 2015.

($ thousands)	Qtr. 3		Nine months	
	2015	**2014**	**2015**	**2014**
Cash provided by operating activities	**5,293**	4,540	**10,148**	9,888
Dividends - Vision	**(50)**	(189)	**(50)**	(189)
Working capital changes	**(155)**	231	**4,285**	2,937
Income tax payments	**2,649**	1,035	**6,964**	4,882
EBITDA[1]	**7,737**	5,617	**21,347**	17,518
Interest[a)]	**525**	542	**1,555**	1,534
Dividends - Vision	**(50)**	(189)	**(50)**	(189)
Current income tax	**2,212**	1,538	**6,048**	4,826
Maintenance capital	**401**	164	**1,079**	484
Distributable cash flow[2]	**4,649**	3,562	**12,715**	10,863
Diluted per Unit	***39.7¢***	*30.4¢*	***$1.08***	*$0.93*
Distributions	**2,609**	2,597	**7,815**	7,595
Diluted per Unit	***22.3¢***	*22.1¢*	***66.7¢***	*64.8¢*
Payout ratio [3]	***56%***	*73%*	***61%***	*70%*
Free cash flow[2]	**2,040**	965	**4,900**	3,268
Units outstanding *(average)*				
Diluted basis 000's	**11,720**	**11,727**	**11,720**	**11,727**

a) financial expenses less bank refinancing fees

Liquidity and Financing

Cash flows from operating activities

Cash flow from operating activities for the third quarter was up 0.8 million from the same period in 2014 primarily due to the higher profit from operations offset by higher income tax payments. During the third quarter, working capital decreased by $0.2 million mainly due to higher receivables of $1.4 million and higher inventories of $1.0 million offset by an increase in accounts payable of $2.4 million. For the nine months, cash flow from operating activities was up $0.3 million primarily due to higher profit from operations offset by higher working capital and tax payments. Working capital increased $4.3 million as inventory increased $4.8 million and accounts receivable increased $3.0 million, while maintaining the same past due profile, offset by the increase in accounts payable of $3.9 million. Inventory purchasing continued to support the growth levels we had seen up to the third quarter.

The financial structure of the Fund allows for maximum distributions of cash flow from operations to the Unitholders and exchangeable shareholders as outlined above in the distributable cash discussion. Actual distributions paid during the third quarter, including those declared for June 2015, were $2.6 million with $0.9 million declared for September, which was paid October 14th.

Normal Course Issuer Bid

On March 13, 2015, the Fund renewed the normal course issuer bid to purchase up to 200,000 Units prior to March 12, 2016. During the nine months, no Units were purchased (2014 – 400 Units at an average price of $12.75 per Unit).

Current income taxes

Current income tax expense increased $0.7 million for the third quarter and $1.2 million for the nine months mainly due to higher income. Income tax payments in excess of current income tax of $0.4 million and $0.9 million respectively, were made on account of 2014 income taxes.

Capital expenditures

Maintenance capital expenditures for the nine months were up $0.6 million mainly comprised of refurbishment of moulds for replacement packaging and computer equipment upgrades. Expansion capital expenditures for the nine months were $0.3 million primarily for the addition of new moulds for new customer programs.

Financing activities

Credit facilities include a $32.5 million term loan (2014 – $33.5 million) with maturity on September 30, 2017 and up to $5.0 million in revolving debt to fund working capital expansion. The revolving and term loan facilities bear interest at BA's plus a premium of 1.30% to 1.80% (2014 – 1.55% to 1.80%). The $0.9 million in revolving debt borrowed in the second quarter was repaid in the third quarter. There were no term debt payments made during the nine months as free cash flow[2] was deployed for working capital investment and pay 2014 income taxes.

On October 1, 2015, the term debt facility was increased by $15 million and $0.8 million was drawn on the revolving debt facility to finance the acquisition of Healthmark.

The credit facilities are subject to a number of covenants including the leverage ratio which is to maintain debt less than 2.75 times the trailing twelve months EBITDA[1]. As at September 30, 2015, our leverage ratio was 1.1 times. Combined with cash flow from operations, management believes that adequate financing will be available for the foreseeable future[4].

Outlook[4]

Management believes that the performance of Richards Packaging is on track to meet ongoing requirements for working capital, capital expenditures and to sustain monthly distributions to Unitholders at the current level through 2015.

Revenue growth for the third quarter exceeded our second quarter outlook by 4.2% therefore we do not expect any organic growth for the fourth quarter. The impact of exchange translation is expected to increase revenue by $4 million for the fourth quarter on a weakening of 12¢ at current exchange rates of U.S./Cdn.$0.76.

EBITDA[1] for the third quarter and nine months was up $2.1 million and $3.8 million against the same periods in 2014 respectively and continues to track at levels exceeding 11% of revenue. The impact of exchange translation is expected to increase EBITDA by $0.5 million for the fourth quarter at current exchange rates.

Current income tax expense is expected to be $0.2 million higher for the fourth quarter against the same period in 2014 commensurate with the EBITDA[1] increase.

Maintenance expenditures will continue to be funded by cash flow from operations and is expected to be $1.3 million in 2015, higher than historically due to computer equipment upgrades. We expect an additional expansion capital investment of $0.6 million in machinery to fund new revenue growth opportunities.

Distributable cash flow[2] sensitivity on annual basis to foreign currency fluctuations is $0.1 million for every U.S./Cdn.1¢ movement.

Revolving debt of $0.8 million for the acquisition is expected to be paid down in the fourth quarter with excess free cash flow[2].

Distributable cash flow[2] from Richards Packaging US and Richards Canada's current tax profile are expected to allow for a full return of capital to Unitholders in 2015.

On October 1, 2015 Richards Packaging acquired all the outstanding shares of Healthmark Services Ltd., a leading Canadian provider of sterile IV, chemo and oral drug packaging and dispensing systems to the health care industry, for an aggregate net purchase price of $15,800, subject to adjustment depending on future earnings. The purchase price was financed by a draw on the revolving and term debt credit facilities. Further disclosures are impractical at this time and will be made in our annual financial statements.

Risks and Uncertainties

Investment in Units involves risks inherent in the ordinary course of business of Richards Packaging including: sustainability of customer and supplier relationships, financial stability of customers, lack of written customer and supplier agreements, competition from other packaging companies, the extent and duration of an economic downturn, patent and trademark challenges, inventory obsolescence, trade risks, resin price and exchange rate fluctuations, interest rate volatility, liquidity risks, income taxes and reliance on key personnel. For a detailed description of these and other risks and uncertainties facing investors in the Fund please refer to the 2014 Annual Information Form dated March 5, 2015. To management's knowledge, no significant changes to these risks and uncertainties have occurred in the nine months of 2015.

Critical Accounting Estimates

Preparation of the consolidated financial statements in conformity with IFRS requires the Fund to make estimates and assumptions which affect the reported, and disclosure of, amounts for assets and liabilities as at September 30, 2015 and revenue and expenses for the period then ended. There have not been any significant changes in the critical accounting estimates of the Fund in the nine months of 2015, relative to December 31, 2014. For more information on critical accounting estimates, see the Management's Discussion and Analysis, the audited consolidated financial statements and the notes to the consolidated financial statements included in the Fund's 2014 Annual Report.

Disclosure Controls and Internal Controls over Financial Reporting

There have been no changes in the Fund's internal controls over financial reporting during the first half that have materially affected, or are reasonably likely to materially affect, its internal controls over financial reporting.

Additional Information

Additional information relating to the Fund is available on Richards Packaging's website at www.richardspackaging.com, SEDAR at www.sedar.com or TSX at www.tmx.com

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1 *Management defines EBITDA as earnings before amortization, financial expenses,, unrealized losses and dividends on exchangeable shares, share of income – Vision and taxes. EBITDA is the same as profit from operations as outlined in the interim financial statements after adding back amortization. Management believes that in addition to net income, EBITDA is a useful supplemental measure for investors of earnings available for distribution prior to debt service, capital expenditures and taxes. Management uses this measure as a starting point in the determination of earnings available for distribution to Unitholders and exchangeable shareholders. In addition, EBITDA is intended to provide additional information on operating performance. This earnings measure should not be construed as an alternative to net income or as an alternative to cash flows from operating, investing and financing activities as a measure of liquidity and cash flows. EBITDA does not have a standardized meaning prescribed by IFRS and therefore the method of calculating EBITDA may not be comparable to similar measures presented by other companies.*

2 *Management defines distributable cash flow, in accordance with Richards Packaging's credit agreement, as EBITDA less interest, cash income tax expense, and maintenance capital expenditures. Free cash flow is distributable cash flow less distributions. The objective of presenting this measure is to calculate the amount which is available for distribution to Unitholders or exchangeable shareholders and to determine the amount available to fund increases in working capital or expansion capital. Investors are cautioned that distributable cash flow should not be construed as an alternative to cash flow from operating, investing and financing activities as a measure of liquidity and cash flows. Distributable cash flow does not have a standardized meaning prescribed by IFRS and therefore the method of calculating distributable cash flow may not be comparable to similar measures presented by other companies.*

3 *Management defines payout ratio as distributions declared over distributable cash flow[2]. The objective of presenting this measure is to calculate the percentage of distributions compared to the amount available for distribution. Payout ratio does not have a standardized meaning prescribed by IFRS. The method of calculating payout ratio may not be comparable to similar measures presented by other companies.*

4 *The Report to Unitholders and this MD&A contains forward-looking information within the meaning of applicable securities laws. The forward-looking information reflects management's current beliefs and expectations regarding the future growth, results of operations, performance and business prospects and opportunities of the Fund and Richards Packaging. We use words such as "may", "will", "should", "anticipate", "plan", "expect", "believe", "predict", "estimate" and similar terminology to identify forward-looking information. It is based on assumptions, estimates and analysis made by us in light of our experience and our perception of trends, current conditions and expected developments, as well as other factors we believe to be reasonable and relevant in the circumstances. Forward-looking information involves significant known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements to be materially different from those predicted, expressed or implied by the forward-looking information. Readers should not place undue reliance on forward-looking information as a number of factors could cause actual events, results and prospects to differ materially from those expressed in or implied by the forward-looking information. The risks and uncertainties include, among other things, changes in customer and supplier relationships, the extent and duration of the worldwide recession and the impact on order volumes and pricing, competition in the industry, inventory obsolescence, trade risks in respect of foreign suppliers, the ability to finance additional acquisitions and to successfully integrate the acquired businesses, fluctuations in raw material prices, fluctuations in foreign exchange and interest rates, liability claims, reliance on key personnel, compliance with environmental, trade and other laws, changes to applicable tax laws, as well as other risks and uncertainties, as more fully described in other reports and filings made by us with securities regulatory authorities and available at www.sedar.com. While management believes the expectations expressed and the assumptions underlying same are reasonable, there can be no assurance that such expectations and assumptions will prove to be correct. In evaluating forward-looking information, readers should carefully consider the foregoing factors and various other factors which could cause actual results or events to differ materially from those indicated in the forward-looking information. Neither the Fund nor Richards Packaging assumes any obligation to publicly update or revise any such assumptions or any of the forward-looking information contained herein to reflect subsequent information, events, developments or changes in risk factors.*

Notice to Unitholders
The attached consolidated financial statements have not been reviewed
by the Fund's external auditors

Richards Packaging Income Fund

STATEMENTS OF NET INCOME AND COMPREHENSIVE INCOME

Unaudited

For the three and nine months ended September 30 *[Consolidated]*

		Three months		Nine months	
Cdn$ thousands	**Notes**	**2015**	**2014**	**2015**	**2014**
Revenue		**64,174**	52,942	**180,807**	157,379
Cost of products sold		**53,995**	45,506	**153,099**	135,664
Administrative expenses		**3,042**	2,456	**8,262**	7,227
Foreign currency loss		**89**	96	**185**	73
Profit from operations		**7,048**	4,884	**19,261**	14,415
Financial expenses		**525**	542	**1,562**	1,602
Exchangeable shares					
Mark-to-market loss (gain)		**(593)**	72	**2,376**	2,883
Distributions		**211**	233	**673**	682
Share of income - Vision		**(52)**	(28)	**(106)**	(67)
Income before income taxes		**6,957**	4,065	**14,756**	9,315
Income tax expense (income)					
Current taxes	*3*	**2,212**	1,538	**6,048**	4,826
Deferred taxes	*3*	**(102)**	(168)	**(444)**	(797)
		2,110	1,370	**5,604**	4,029
Net income for the period		**4,847**	2,695	**9,152**	5,286
Basic income per Unit	*4*	***44.6¢***	*25.2¢*	***84.8¢***	*49.4¢*
Diluted income per Unit	*4*	***38.1¢***	*25.2¢*	***84.8¢***	*49.4¢*
Other comprehensive income					
(subsequently recyclable to net income)					
Richards Packaging US					
Currency translation adjustment		**5,677**	3,320	**11,118**	3,511
Comprehensive income for the period		**10,524**	6,015	**20,270**	8,797

See accompanying notes

"Wayne McLeod"	*"Gerry Glynn"*	*"Enzio Di Gennaro"*
Chair – Audit Committee	CEO – Richards Packaging Inc.	CFO – Richards Packaging Inc.

Richards Packaging Income Fund

STATEMENTS OF FINANCIAL POSITION
Unaudited

As at September 30 and December 31 *[Consolidated]*

Cdn$ thousands	Notes	Sept. 30 2015	Sept. 30 2014	Dec. 31 2014	Dec. 31 2013
Current Assets					
Cash and cash equivalents		**878**	782	**1,127**	2,649
Accounts receivable		**28,174**	23,339	**23,262**	20,938
Inventory		**51,756**	41,845	**42,892**	37,235
Prepaid expenses and deposits		**2,756**	2,305	**2,211**	2,056
		83,564	68,271	**69,492**	62,878
Current Liabilities *(excluding debt)*					
Accounts payable and accruals		**(29,017)**	(23,654)	**(23,383)**	(20,674)
Income tax payable	*3*	**(425)**	(682)	**(1,341)**	(738)
Distributions payable		**(870)**	(865)	**(865)**	(770)
Due to previous shareholder		**(1,056)**	(883)	**(914)**	(838)
		(31,368)	(26,084)	**(26,503)**	(23,020)
WORKING CAPITAL		**52,196**	42,187	**42,989**	39,858
Long-term Assets					
Plant and equipment		**3,696**	3,336	**3,190**	3,421
Investment - Vision		**684**	612	**628**	734
Intangible assets		**11,023**	10,771	**10,688**	12,489
Goodwill		**81,100**	74,289	**75,514**	72,507
		96,503	89,008	**90,020**	89,151
Long-term Liabilities *(excluding debt)*					
Deferred income taxes	*3*	**(4,600)**	(4,471)	**(4,435)**	(5,052)
NET OPERATING ASSETS		**144,099**	126,724	**128,574**	123,957
Debt					
Term debt		**32,448**	33,500	**32,428**	35,500
Exchangeable shares - current	*4*	**13,184**	13,398	**13,593**	10,515
		45,632	46,898	**46,021**	46,015
Equity					
Unitholders' capital	*4*	**50,434**	57,231	**54,790**	64,144
Retained earnings		**33,617**	21,729	**24,465**	16,443
Accumulated other comprehensive income (loss)		**14,416**	866	**3,298**	(2,645)
		98,467	79,826	**82,553**	77,942
CAPITAL		**144,099**	126,724	**128,574**	123,957

See accompanying notes

Richards Packaging Income Fund

STATEMENT OF CHANGES IN EQUITY
Unaudited

For the three and nine months ended September 30 *[Consolidated]*

Cdn$ thousands	**Notes**	**Unitholders' capital**	**Retained earnings**	**AOCI[a)]**	
June 30, 2014		59,596	19,034	(2,454)	76,176
Share of comprehensive income			2,695	3,320	6,015
Distributions		(2,365)			(2,365)
Purchased for cancellation, net	*4*	—			—
September 30, 2014		57,231	21,729	866	79,826
June 30, 2015		**52,832**	**28,770**	**8,739**	**90,341**
Share of comprehensive income			**4,847**	**5,677**	**10,524**
Distributions		**(2,398)**			**(2,398)**
Purchased for cancellation, net	*4*	—			—
September 30, 2015		**50,434**	**33,617**	**14,416**	**98,467**
December 31, 2013		64,144	16,443	(2,645)	77,942
Share of comprehensive income			5,286	3,511	8,797
Distributions		(6,913)			(6,913)
Purchased for cancellation, net	*4*	—			—
September 30, 2014		57,231	21,729	866	79,826
December 31, 2014		**54,790**	**24,465**	**3,298**	**82,553**
Share of comprehensive income			**9,152**	**11,118**	**20,270**
Distributions		**(7,142)**			**(7,142)**
Share conversion	*4*	**2,786**			**2,786**
Purchased for cancellation, net	*4*	—			—
September 30, 2015		**50,434**	**33,617**	**14,416**	**98,467**

a) AOCI - Accumulated other comprehensive income (loss) reflects the foreign currency translation of the net investment in Richards Packaging US.

See accompanying notes

Richards Packaging Income Fund

STATEMENT OF CASH FLOWS

Unaudited

For the three and nine months ended September 30 *[Consolidated]*

		Three months		Nine months	
Cdn$ thousands	**Notes**	**2015**	**2014**	**2015**	**2014**
OPERATING ACTIVITIES					
Profit from operations		**7,048**	4,884	**19,261**	14,415
Add items not involving cash					
Plant and equipment depreciation		**339**	304	**981**	885
Intangible assets amortization		**350**	429	**1,105**	2,218
Income taxes payments	*3*	**(2,649)**	(1,035)	**(6,964)**	(4,882)
Dividends - Vision		**50**	189	**50**	189
Changes in non-cash working capital	*5*	**154**	(231)	**(4,286)**	(2,937)
Cash provided by operating activities		**5,292**	4,540	**10,147**	9,888
INVESTING ACTIVITIES					
Additions to plant and equipment		**(426)**	(164)	**(1,310)**	(661)
Cash used in investing activities		**(426)**	(164)	**(1,310)**	(661)
FINANCING ACTIVITIES					
Repayment of revolving debt		**(866)**	—	**—**	—
Repayment of term debt		**—**	(500)	**—**	(2,000)
Financial expenses paid		**(509)**	(609)	**(1,521)**	(1,594)
Distributions to Exchangeable Shareholders		**(211)**	(233)	**(673)**	(682)
Distributions to Unitholders		**(2,398)**	(2,364)	**(7,142)**	(6,827)
Cash used in financing activities		**(3,984)**	(3,706)	**(9,336)**	(11,103)
Net cash flow for the period		**882**	670	**(499)**	(1,876)
Cash and cash equivalents, beginning of period		**—**	—	**1,127**	2,649
Foreign exchange effect		**(4)**	112	**250**	9
Cash and cash equivalents, end of period		**878**	782	**878**	782

See accompanying notes

September 30, 2015 [Cdn$ thousands]

1. FORMATION OF THE FUND

Richards Packaging Income Fund [the "Fund"] is an open-ended, limited purpose trust established under the laws of the Province of Ontario, Canada by a Declaration of Trust dated February 26, 2004. The Fund completed an initial public offering of trust units [the "Units"] on April 7, 2004, through the Toronto Stock Exchange, to facilitate the acquisition of Richards Packaging Inc.

2. BASIS OF PRESENTATION

These condensed interim financial statements of the Fund have been prepared in accordance with International Financial Reporting Standard ["IFRS"] IAS 34 *Interim Financial Reporting*. As such these statements do not contain all the explanatory notes, descriptions or accounting policies or other disclosures that can be found in the Fund's 2014 audited annual financial statements. The accounting policies used in the preparation of these condensed interim financial statements are consistent with the 2014 audited annual financial statements.

3. INCOME TAXES

The income tax expense differs from the amount computed at statutory rates due to the various adjustments outlined below:

	Three months		Nine months	
	2015	**2014**	**2015**	**2014**
Profit from operations	**7,048**	4,884	**19,261**	14,415
Financial expenses	**(525)**	(542)	**(1,562)**	(1,602)
Income subject to income taxes	**6,523**	4,342	**17,699**	12,813
Statutory tax rate	*26.6%*	*26.5%*	*26.5%*	*26.5%*
Income tax expense at statutory tax rate	**1,735**	1,151	**4,696**	3,395
Deferred income taxes	**102**	168	**444**	797
Current period adjustments				
Foreign tax differential	**(226)**	(212)	**(641)**	(670)
Foreign rate differential	**444**	352	**1,325**	1,157
Withholding tax	**80**	84	**190**	191
Other items	**77**	(5)	**34**	(44)
Current income taxes	**2,212**	1,538	**6,048**	4,826

The statutory tax rate increase reflects a 2% tax increase from the province of Alberta effective in July 2015.

September 30, 2015 [Cdn$ thousands]

4. UNITS AND EXCHANGEABLE SHARES

Number outstanding	**Units basic**	**Weighted average**	**Exchangeable Shares**	**Units diluted**	**Weighted average**
December 31, 2014	10,695,878	10,700,972	1,024,435	11,720,313	11,725,407
Share conversion	178,000		(178,000)		
Units purchased	—			—	
June 30, 2015	**10,873,878**	**10,787,812**	**846,435**	**11,720,313**	**11,720,313**
Units purchased	—			—	
September 30, 2015	**10,873,878**	**10,873,878**	**846,435**	**11,720,313**	**11,720,313**
nine months		**10,786,508**	**933,805**		**11,720,313**

Exchangeable shares mark-to-market loss reflects a unit price increase during the nine months ended September 30, 2015 of $2.36 to $15.65 per Unit. The share conversion occurred in May 2015.

The impact on income per Unit of the mark-to-market loss and distributions to shareholders is anti-dilutive for the three month period in 2014 and the nine month periods in 2014 and 2015 which reverts back to basic income per Unit. The calculation of the diluted income per Unit would yield 25.6¢ for the three month period in 2014 and $1.04 for the nine month period of 2015 [2014 – 75.5¢].

5. ADDITIONAL CASH FLOW INFORMATION

The net change in working capital consists of the following:

	Three months		**Nine months**	
	2015	**2014**	**2015**	**2014**
Accounts receivable	**(1,381)**	343	**(3,024)**	(1,814)
Inventory	**(962)**	(2,830)	**(4,833)**	(3,425)
Prepaid expenses and deposits	**115**	102	**(332)**	(189)
Accounts payable and accruals	**2,383**	2,154	**3,904**	2,491
	155	(231)	**(4,285)**	(2,937)

For the three and nine month periods, the foreign exchange translation impact excluded from the above was $2,384 gain [2014 – $1,274] and $4,428 gain [2014 – $1,423] respectively.

6. SUBSEQUENT EVENT

On October 1, 2015 Richards Packaging acquired all the outstanding shares of Healthmark Services Ltd., a leading Canadian provider of sterile IV, chemo and oral drug packaging and dispensing systems to the health care industry, for an aggregate net purchase price of $15,800, subject to adjustment depending on future earnings. The purchase price was financed by a draw on revolving and term debt credit facilities. Further disclosures are impractical at this time and will be made in our annual financial statements.