UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10 - K

Annual Report Pursuant to Section 13 or 15(d) of
The Securities Exchange Act of 1934

For the fiscal year ended March 31, 2015 Commission File Number 0 - 01989

SENECA FOODS CORPORATION
(Exact name of registrant as specified in its charter)

New York (State or other jurisdiction of incorporation or organization)	16 - 0733425 (I.R.S. Employer Identification No.)
3736 South Main Street, Marion, New York (Address of principal executive offices)	14505 (Zip Code)
Registrant's telephone number, including area code	(315) 926-8100

Securities registered pursuant to Section 12(b) of the Exchange Act:

Title of Each Class	Name of Each Exchange on Which Registered
Common Stock Class A, $.25 Par	NASDAQ Global Market
Common Stock Class B, $.25 Par	NASDAQ Global Market

Securities registered pursuant to Section 12(g) of the Act:

None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes __ No _X_

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.

Yes __ No _X_

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes _X_ No __

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes _X_ No __

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of the registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. __

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer __ Accelerated filer _X_ Non-accelerated filer ___ Smaller reporting company___

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act)

Yes __ No _X_

The aggregate market value of the Registrant's voting and non-voting common equity held by non - affiliates based on the closing sales price per market reports by the NASDAQ Global Market System on October 1, 2014 was approximately $236,271,000.

As of June 5, 2015, there were 7,926,280 shares of Class A common stock and 1,967,958 shares of Class B common stock outstanding.

Documents Incorporated by Reference:

(1) Portions of the Annual Report to shareholders for fiscal year ended March 31, 2015 (the "2015 Annual Report") applicable to Part I, Item 1, Part II, Items 5 - 9A and Part IV, Item 15 of Form 10 - K.

(2) Portion of the Proxy Statement to be issued in connection with the Registrant's annual meeting of stockholders (the "Proxy Statement") applicable to Part III, Items 10-14 of Form 10-K.

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SENECA FOODS CORPORATION

Forward-Looking Statements

Certain of the statements contained in this annual report on Form 10-K are forward-looking statements made within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 (Exchange Act). Forward-looking statements involve numerous risks and uncertainties. Forward-looking statements are not in the present or past tense and, in some cases, can be identified by the use of the words "will," "anticipate," "estimate," "expect," "project," "intend," "plan," "believe," "seeks," "should," "likely," "targets," "may", "can" and other expressions that indicate future trends and events. A forward-looking statement speaks only as of the date on which such statement is made and reflects management's analysis only as of the date thereof. The Company undertakes no obligation to update any forward-looking statement. The following factors, among others discussed herein and in the Company's filings under the Exchange Act, could cause actual results and future events to differ materially from those set forth or contemplated in the forward-looking statements: costs and availability of raw materials, competition, cost controls, sales levels, governmental regulation, consumer preferences, industry trends, weather conditions, crop yields, natural disasters, recalls, litigation, reliance on third-parties, wage rates, and other factors. See also the factors described in "Part I, Item 1A. Risk Factors" and elsewhere in this report, and those described in the Company's filings under the Exchange Act.

PART I
Item 1

Business

History and Development of Seneca Foods Corporation

SENECA FOODS CORPORATION (the "Company") is North America's leading provider of packaged fruits and vegetables with facilities located throughout the United States. The Company's product offerings include canned, frozen and bottled produce and snack chips and its products are sold under private label as well as national and regional brands that the Company owns or licenses, including Seneca®, Libby's®, Green Valley®, Aunt Nellie's®, READ®, and Seneca Farms®. The Company packs Green Giant, Le Sueur and other brands of canned vegetables as well as select Green Giant frozen vegetables for General Mills Operations, LLC ("GMOL") under our long-term Alliance Agreement that was amended and restated during the second quarter of fiscal year 2010.

As of March 31, 2015, the Company's facilities consisted of 22 packaging plants strategically located throughout the United States, three can manufacturing plants, two seed packaging operations, a farming operation and a logistical support network. The Company also maintains warehouses which are generally located adjacent to its packaging plants. The Company is a New York corporation and its headquarters is located at 3736 South Main Street, Marion, New York and its telephone number is (315) 926-8100.

The Company was founded in 1949 and during its 66 years of operation, the Company has made over 50 strategic acquisitions including the purchase of the long-term license for the Libby's brand in 1983, the purchase of General Mills' Green Giant packaging assets and entry into the Alliance Agreement with GMOL in 1995 and the acquisition of Chiquita Processed Foods in 2003. The Company believes that these acquisitions have enhanced the Company's leadership position in the private label and foodservice canned vegetable markets in the United States and significantly increased its international sales. In August 2006, the Company acquired Signature Fruit Company, LLC, a leading producer of canned fruits located in Modesto, California. This acquisition allowed the Company to broaden its product offerings to become a leading producer and distributor of canned fruit and to achieve cost advantages through the realization of distribution and other synergies with the Company's canned vegetable business. In 2013, the Company completed its acquisition of 100% of the membership interest in Independent Foods, LLC. The business is based in Sunnyside, Washington, is a packer of canned pears, apples and cherries in the United States. The rationale for the acquisition was twofold: (1) the business is a complementary fit with the Company's existing business and (2) it provides an extension of the Company's product offerings. In April 2014, the Company purchased a 50% equity interest in Truitt Bros. Inc.

Available Information

The Company's Internet address is www.senecafoods.com. The Company's annual report on Form 10-K, the Company's quarterly reports on Form 10-Q, current reports on Form 8-K and any amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act are available on the Company's web site, as soon as reasonably practicable after they are electronically filed with or furnished to the SEC. All such filings on the Company's web site are available free of charge. Information on our website is not part of the Annual Report on Form 10-K.

In addition, the Company's website includes items related to corporate governance matters, including charters of various committees of the Board of Directors and the Company's Code of Business Conduct and Ethics. The Company intends to disclose on its website any amendment to or waiver of any provision of the Code of Business Conduct and Ethics that would otherwise be required to be disclosed under the rules of the SEC and NASDAQ.

Financial Information about Industry Segments

The Company manages its business on the basis of two reportable segments – the primary segment is the packaging and sale of fruits and vegetables and the secondary segment is the packaging and sale of chip products. These two segments constitute the food operation. The food operation constitutes 98% of total sales, of which approximately 69% is canned vegetable packaging, 19% is canned fruit packaging, 11% is frozen fruit and vegetable packaging and 1% is fruit chip packaging. The non-food operation, which is primarily related to the sale of cans and ends and outside revenue generated from our trucking and aircraft operations, represents 2% of the Company's total sales.

Narrative Description of Business

Principal Products and Markets

Food Packaging

The principal products include canned fruits and vegetables, frozen vegetables and other food products. The products are sold nationwide by major grocery outlets, including supermarkets, mass merchandisers, limited assortment stores, club stores and dollar stores. Additionally, products are sold to food service distributors, industrial markets, other food packagers, export customers in 90 countries and federal, state and local governments for school and other feeding programs. Food packaging operations are primarily supported by plant locations in New York, California, Wisconsin, Washington, Idaho, Illinois, and Minnesota. See Note 14 of Item 8, Financial Statements and Supplementary Data, for additional information about the Company's segments.

The following table summarizes net sales by major product category for the years ended March 31, 2015, 2014, and 2013:

Classes of similar products/services:	2015	2014	2013
		(In thousands)	
Net Sales:			
GMOL *	$ 161,993	$ 177,881	$ 165,684
Canned vegetables	754,556	753,318	746,892
Frozen *	94,648	107,109	84,935
Fruit	234,918	264,549	245,596
Snack	11,667	11,496	11,357
Other	28,568	25,855	21,833
Total	$ 1,286,350	$ 1,340,208	$ 1,276,297

* GMOL includes frozen vegetable sales exclusively for GMOL.

Source and Availability of Raw Materials

The Company's food packaging plants are located in major vegetable producing states and in two fruit producing states. Fruits and vegetables are primarily obtained through supply contracts with independent growers.

Intellectual Property

The Company's most significant brand name, Libby's®, is held pursuant to a trademark license granted to the Company in March 1982 and renewable by the Company every 10 years for an aggregate period expiring in March 2081. The original licensor was Libby, McNeill & Libby, Inc., then an indirect subsidiary of Nestlé, S. A. ("Nestlé") and the license was granted in connection with the Company's purchase of certain of the licensor's canned vegetable operations in the United States. Corlib Brands Management, LTD acquired the license from Nestlé during 2006. The license is limited to vegetables which are shelf-stable, frozen, and thermally packaged, and includes the Company's major vegetable varieties – corn, peas and green beans – as well as certain other thermally packaged vegetable varieties and sauerkraut.

The Company is required to pay an annual royalty and Corlib Brands now known as Libby's Brand Holding, Ltd., which may terminate the license for non-payment of royalty, use of the trademark in sales outside the licensed territory, failure to achieve a minimum level of sales under the licensed trademark during any calendar year or a material breach or default by the Company under the agreement (which is not cured within the specified cure period). With the purchase of Signature Fruit Company, LLC, which also uses the Libby's® brand name, the Company re-negotiated the license agreement and created a new, combined agreement based on Libby's® revenue dollars for fruits, vegetables, and dry beans. A total of $379,000 was paid as a royalty fee for the year ended March 31, 2015.

The Company also sells canned fruits and vegetables, frozen vegetables and other food products under several other brands for which the Company has obtained registered trademarks, including, Aunt Nellie's®, Green Valley®, Stokely®, Read®, Seneca Farms®, and Seneca® and other regional brands.

Seasonal Business

While individual fruits and vegetables have seasonal cycles of peak production and sales, the different cycles are somewhat offsetting. Minimal food packaging occurs in the Company's last fiscal quarter ending March 31, which is the optimal time for maintenance, repairs and equipment changes in its packaging plants. The supply of commodities, current pricing, and expected new crop quantity and quality affect the timing and amount of the Company's sales and earnings. When the seasonal harvesting periods of the Company's major fruits and vegetables are newly completed, inventories for these packaged fruits and vegetables are at their highest levels. For peas, the peak inventory time is mid-summer and for corn, the Company's highest volume vegetable, the peak inventory is in mid-autumn. For peaches, the Company's highest volume fruit, the peak inventory time is early-autumn. For pears, the peak inventory is late-summer.

These seasonal fluctuations are illustrated in the following table, which presents certain unaudited quarterly financial information for the periods indicated:

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
		(In thousands)		
Year ended March 31, 2015:				
Net sales	$ 240,043	$ 312,161	$ 456,207	$ 277,939
Gross margin	16,996	16,804	26,084	23,273
Net (loss) earnings	(107)	(578)	7,819	2,765
Inventories (at quarter end)	467,290	731,527	547,149	472,412
Revolver outstanding (at quarter end)	180,050	302,220	255,000	233,000
Year ended March 31, 2014:				
Net sales	$ 232,127	$ 336,628	$ 477,694	$ 293,759
Gross margin	19,680	22,379	31,178	17,726
Net earnings (loss)	1,347	6,603	6,846	(1,017)
Inventories (at quarter end)	484,694	758,654	550,723	451,250
Revolver outstanding (at quarter end)	151,026	282,000	226,000	175,000

Backlog

In the food packaging business, an end of year sales order backlog is not considered meaningful. Traditionally, larger customers provide tentative bookings for their expected purchases for the upcoming season. These bookings are further developed as data on the expected size of the related national harvests becomes available. In general, these bookings serve as a yardstick rather than as a firm commitment, since actual harvest results can vary notably from early estimates. In actual practice, the Company has substantially all of its expected seasonal production identified to potential sales outlets before the seasonal production is completed.

Competition and Customers

Competition in the food business is substantial with brand recognition and promotion, quality, service, and pricing being the major determinants in the Company's relative market position. The Company believes that it is a major producer of canned fruits and vegetables, but some producers of canned, frozen and other forms of fruit and vegetable products have sales which exceed the Company's sales. The Company is aware of approximately 14 competitors in the U.S. packaged vegetable industry, many of which are privately held companies. The Company is aware of approximately nine competitors in the U.S. packaged fruit industry. In addition, there are significant quantities of fruit that are imported from Europe, Asia and South America.

During the past year, approximately 12% of the Company's packaged foods sales were packed for retail customers under the Company's branded labels of Seneca®, Libby's®, Green Valley®, Aunt Nellie's®, Read®, and Seneca Farms®. About 24% of packaged foods sales were packed for institutional food distributors and 51% were retail packed under the private label of our customers. The remaining 13% was sold under the Alliance Agreement with GMOL (see note 12 of Item 8, Financial Statements and Supplementary Data). Termination of the Alliance Agreement would substantially reduce the Company's sales and profitability unless the Company was to enter into a new substantial supply relationship with GMOL or another major vegetable marketer. The non-Alliance customers represent a full cross section of the retail, institutional, distributor, and industrial markets; and the Company does not consider itself dependent on any single sales source other than sales attributable to the Alliance Agreement.

The Company's principal branded products are its Libby's canned fruit and vegetable products, which rate among the top three national brands according to a leading market research firm.

The information under the heading "Results of Operations in Management's Discussion and Analysis of Financial Condition and Results of Operations" in the 2015 Annual Report is incorporated by reference.

Environmental Regulation

Environmental Protection

Environmental protection is an area that has been worked on diligently at each food packaging facility. In all locations, the Company has cooperated with federal, state, and local environmental protection authorities in developing and maintaining suitable antipollution facilities. In general, we believe our pollution control facilities are equal to or somewhat superior to those of our competitors and are within environmental protection standards. The Company does not expect any material capital expenditures to comply with environmental regulations in the near future.

There has been a broad range of proposed and promulgated state, national and international regulations aimed at reducing the effects of climate change. In the United States, there is a significant possibility that some form of regulation will be forthcoming at the federal level to address the effects of climate change. Such regulation could result in the creation of additional costs in the form of taxes, the restriction of output, investments of capital to maintain compliance with laws and regulations, or required acquisition or trading of emission allowances.

Environmental Litigation and Contingencies

In the ordinary course of its business, the Company is made a party to certain legal proceedings seeking monetary damages, including proceedings involving product liability claims, worker's compensation and other employee claims, tort and other general liability claims, for which it carries insurance as well as patent infringement and related litigation. The Company is in a highly regulated industry and is also periodically involved in government actions for regulatory violations and other matters surrounding the manufacturing of its products, including, but not limited to, environmental, employee, and product safety issues. While it is not feasible to predict or determine the ultimate outcome of these matters, the Company does not believe that an adverse decision in any of these legal proceedings would have a material adverse impact on its financial position, results of operations, or cash flows.

Employment

At our fiscal year end 2015, the Company had approximately 3,400 employees of which 3,000 full time and 300 seasonal employees work in food packaging and 100 full time employees work in other activities. The number of employees increases by approximately 7,000 due to an increase in seasonal employees during our peak pack season.

The Company has six collective bargaining agreements with three unions covering approximately 875 of its full-time employees. The terms of these agreements result in wages and benefits which are substantially the same for comparable positions for the Company's non-union employees. There is one agreement that will expire in calendar 2016. There is one agreement that will expire in 2018, two agreements that will expire in calendar 2019 and two agreements that will expire in calendar 2020.

Domestic and Export Sales

The following table sets forth domestic and export sales:

	Fiscal Year 2015	Fiscal Year 2014	Fiscal Year 2013
	(In thousands, except percentages)		
Net Sales:			
United States	$ 1,170,522	$ 1,217,238	$ 1,150,831
Export	115,828	122,970	125,466
Total Net Sales	$ 1,286,350	$ 1,340,208	$ 1,276,297
As a Percentage of Net Sales:			
United States	91.0 %	90.8 %	90.2%
Export	9.0 %	9.2 %	9.8%
Total	100.0 %	100.0 %	100.0%

Item 1A

Risk Factors

The following factors as well as factors described elsewhere in this Form 10-K or in other filings by the Company with the Securities and Exchange Commission, could adversely affect the Company's consolidated financial position, results of operations or cash flows. Other factors not presently known to us or that we presently believe are not material could also affect our business operations or financial results. The Company refers to itself as "we", "our" or "us" in this section.

Fruit and Vegetable Industry Risks

Excess capacity in the fruit and vegetable industry has a downward impact on selling price.

Our financial performance and growth are related to conditions in the United States' fruit and vegetable packaging industry which is a mature industry with a modest growth rate during the last 10 years. Our net sales are a function of product availability and market pricing. In the fruit and vegetable packaging industry, product availability and market prices tend to have an inverse relationship: market prices tend to decrease as more product is available and to increase if less product is available. Product availability is a direct result of plantings, growing conditions, crop yields and inventory levels, all of which vary from year to year. Moreover, fruit and vegetable production outside the United States, particularly in Europe, Asia and South America, is increasing at a time when worldwide demand for certain products, such as peaches, is being impacted by the global economic slowdown. These factors may have a significant effect on supply and competition and create downward pressure on prices. In addition, market prices can be affected by the planting and inventory levels and individual pricing decisions of our competitors. Generally, market prices in the fruit and vegetable packaging industry adjust more quickly to variations in product availability than an individual packager can adjust its cost structure; thus, in an oversupply situation, a packager's margins likely will weaken. We typically have experienced lower margins during times of industry oversupply.

In the past, the fruit and vegetable packaging industry has been characterized by excess capacity, with resulting pressure on our prices and profit margins. We have closed packaging plants in past years in response to the downward pressure on prices. There can be no assurance that our margins will improve in response to favorable market conditions or that we will be able to operate profitably during depressed market conditions.

Growing cycles and adverse weather conditions may decrease our results from operations.

Our operations are affected by the growing cycles of the fruits and vegetables we package. When the fruits and vegetables are ready to be picked, we must harvest and package them quickly or forego the opportunity to package fresh picked fruits and vegetables for an entire year. Most of our fruits and vegetables are grown by farmers under contract with us. Consequently, we must pay the contract grower for the fruits and vegetables even if we cannot or do not harvest or package them. Most of our production occurs during the second quarter (July through September) of our fiscal year, which corresponds with the quarter that the growing season ends for most of the produce packaged by us. A majority of our sales occur during the third and fourth quarters of each fiscal year due to seasonal consumption patterns for our products. Accordingly, inventory levels are highest during the second and third quarters, and accounts receivable levels are highest during the third and fourth quarters. Net sales generated during our third and fourth fiscal quarters have a significant impact on our results of operations. Because of these seasonal fluctuations, the results of any particular quarter, particularly in the first half of our fiscal year, will not necessarily be indicative of results for the full year or for future years.

We set our planting schedules without knowing the effect of the weather on the crops or on the entire industry's production. Weather conditions during the course of each fruit and vegetable crop's growing season will affect the volume and growing time of that crop. As most of our vegetables are produced in more than one part of the U.S., this somewhat reduces the risk that our entire crop will be subject to disastrous weather. The upper Midwest is the primary growing region for the principal vegetables which we pack, namely peas, green beans and corn, and it is also a substantial source of our competitors' vegetable production. California is the primary growing region for the fruits we pack, namely peaches, pears, apricots and grapes. The adverse effects of weather-related reduced production may be partially mitigated by higher selling prices for the fruits and vegetables which are produced.

The commodity materials that we package or otherwise require are subject to price increases that could adversely affect our profitability.

The materials that we use, such as fruits and vegetables, steel (used to make cans), ingredients, pouches and other packaging materials as well as the electricity and natural gas used in our business, are commodities that may experience price volatility caused by external factors, including market fluctuations, availability, currency fluctuations and changes in governmental regulations and agricultural programs. General inventory positions of major commodities, such as field corn, soybeans and wheat, all commodities with which we must compete for acreage, can have dramatic effects on prices for those commodities, which can translate into similar swings in prices needed to be paid for our contracted commodities. These programs and other events can result in reduced supplies of these commodities, higher supply costs or interruptions in our production schedules. If prices of these commodities increase beyond what we can pass along to our customers, our operating income will decrease.

Risks Associated With Our Operations

The termination or non-renewal of the Alliance Agreement with GMOL could negatively affect our business and operations.

Since 1995, we have had an Alliance Agreement with GMOL, whereby we package canned and frozen vegetables for GMOL, primarily under the Green Giant brand name. GMOL continues to be responsible for all of the sales, marketing and customer service functions for the Green Giant products. General Mills, Inc. guarantees various GMOL financial obligations under the Alliance Agreement.

The Alliance Agreement ends December 31, 2019 but may be extended indefinitely unless terminated by either party in accordance with the provisions of the Alliance Agreement. We are subject to extensive covenants in the Alliance Agreement with respect to quality and delivery of products, maintenance of the Alliance Agreement production plants and other standards of our performance. If we were to fail in our performance of these covenants, GMOL would be entitled to terminate the Alliance Agreement. Upon virtually all of the causes of termination enumerated in the Alliance Agreement, GMOL will acquire legal title to two production plants and certain of the other assets which we acquired under the Alliance Agreement and various financial adjustments between the parties will occur. If GMOL or the Company terminates the Alliance Agreement without cause, the terminating party must pay a substantial termination payment.

Termination of the Alliance Agreement would, in most cases, entitle our principal lenders, including our long-term lenders, to declare a default under our loan agreements with them. The principal lenders have a security interest in certain payments that we receive from GMOL both during and upon termination of the Alliance Agreement. Unless we were to enter into a new substantial supply relationship with GMOL or another major vegetable marketer and acquire substantial production capacity to replace the GMOL production plants, any such termination would reduce our sales by approximately 13%.

We depend upon key customers.

Our products are sold in a highly competitive marketplace, which includes increased concentration and a growing presence of large-format retailers and discounters. Dependence upon key customers could lead to increased pricing pressure by these customers.

Green Giant products packed by us in fiscal years 2015 and 2014 constituted approximately 13% and 13%, respectively, of our total sales. Our sales of Green Giant product and financial performance under the Alliance Agreement depend to a significant extent on our success in producing quality Green Giant vegetables at competitive costs and GMOL's success in marketing the products produced by us. The ability of GMOL to successfully market these products will depend upon GMOL's sales efforts as well as the factors described above under "Excess capacity in the fruit and vegetable industry has a downward impact on selling price." We cannot give assurance as to the volume of GMOL's sales and cannot control many of the key factors affecting that volume.

Additionally, purchases by the United Sates Department of Agriculture ("USDA") in fiscal year 2015 represented approximately 4% of our total sales. The purchase of our products by the USDA is done through the government's competitive bid process. We bid on stated product requirements and needs as presented by the USDA and, if we are the successful bidder, we fulfill the contract and deliver the product. The government contracting process is complex and subject to numerous regulations and requirements. Failure by us to comply with the regulations and requirements for government contracts could jeopardize our ability to contract with the government and could result in reduced sales or prohibition on submitting bids to the USDA. The government procurement process could also change and result in our inability to meet the new requirements. Additionally, the government's need for our products could decrease, which would result in reduced sales to the USDA.

If we lose a significant customer or if sales to a significant customer materially decrease, our business, financial condition and results of operations may be materially and adversely affected.

If we do not maintain the market shares of our products, our business and revenues may be adversely affected.

All of our products compete with those of other national and regional food packaging companies under highly competitive conditions. The vegetable products which we sell under our own brand names not only compete with vegetable products produced by vegetable packaging competitors, but also compete with products we produce and sell to other companies who market those products under their own brand names, such as the Green Giant vegetables we sell to GMOL under the Alliance Agreement and the fruits and vegetables we sell to various retail grocery chains which carry our customer's own brand names.

The customers who buy our products to sell under their own brand names control the marketing programs for those products. In recent years, many major retail food chains have been increasing their promotions, offerings and shelf space allocations for their own fruit and vegetable brands, to the detriment of fruit and vegetable brands owned by the packagers, including our own brands. We cannot predict the pricing or promotional activities of our customers/competitors or whether they will have a negative effect on us. There are competitive pressures and other factors, which could cause our products to lose market share or result in significant price erosion that could materially and adversely affect our business, financial condition and results of operations.

Increases in logistics and other transportation-related costs could materially adversely impact our results of operations.

Our ability to competitively serve our customers depends on the availability of reliable and low-cost transportation. We use multiple forms of transportation to bring our products to market. They include trucks, intermodal, rail cars, and ships. Disruption to the timely supply of these services or increases in the cost of these services for any reason, including availability or cost of fuel, regulations affecting the industry, or labor shortages in the transportation industry, could have an adverse effect on our ability to serve our customers, and could materially and adversely affect our business, financial condition and results of operations.

If we are subject to product liability claims, we may incur significant and unexpected costs and our business reputation could be adversely affected.

Food packagers are subject to significant liability should the consumption of their products cause injury or illness. We work with regulators, the industry and suppliers to stay abreast of developments. A product liability judgment against us could also result in substantial and unexpected expenditures, affect consumer confidence in our products, and divert management's attention from other responsibilities. Product liability claims may also lead to increased scrutiny by federal and state regulatory agencies and could have a material adverse effect on our financial condition and results of operation. Although we maintain comprehensive general liability insurance coverage, there can be no assurance that this level of coverage is adequate or that we will be able to continue to maintain our existing insurance or obtain comparable insurance at a reasonable cost, if at all. A product recall or a partially or completely uninsured judgment against us could materially and adversely affect our business, financial condition and results of operations.

We generate agricultural food packaging wastes and are subject to substantial environmental regulation.

As a food packager, we regularly dispose of produce wastes (silage) and processing water as well as materials used in plant operation and maintenance, and our plant boilers, which generate heat used in packaging, produce generally small emissions into the air. These activities and operations are regulated by federal and state laws and the respective federal and state environmental agencies. Occasionally, we may be required to remediate conditions found by the regulators to be in violation of environmental law or to contribute to the cost of remediating waste disposal sites, which we neither owned nor operated, but in which, we and other companies deposited waste materials, usually through independent waste disposal companies. Future possible costs of environmental remediation, contributions and penalties could materially and adversely affect our business, financial condition and results of operations.

Our production capacity for certain products and commodities is concentrated in a limited number of facilities, exposing us to a material disruption in production in the event that a disaster strikes.

We only have two plants that produce fruit products and one plant that produces pumpkin products. We have three plants that manufacture empty cans, one with substantially more capacity than the other two, which are not interchangeable since each plant cannot necessarily produce all the can sizes needed. Although we maintain property and business interruption insurance coverage, there can be no assurance that this level of coverage is adequate in the event of a catastrophe or significant disruption at these or other Company facilities. If such an event occurs, it could materially and adversely affect our business, financial condition and results of operations.

We may undertake acquisitions or product innovations and may have difficulties integrating them or may not realize the anticipated benefits.

In the future, we may undertake acquisitions of other businesses or introduce new products, although there can be no assurances that these will occur. Such undertakings involve numerous risks and significant investments. There can be no assurance that we will be able to identify and acquire acquisition candidates on favorable terms, to profitably manage or to successfully integrate future businesses it may acquire or new products it may introduce without substantial costs, delays or problems. Any of these outcomes could materially and adversely affect our business, financial condition and results of operations.

We are dependent upon a seasonal workforce and our inability to hire sufficient employees may adversely affect our business.

At the end of our 2015 fiscal year, we had approximately 3,400 employees of which 2,900 full time and 400 seasonal employees worked in food packaging and 100 employees worked in other activities. During the peak summer harvest period, we hire up to approximately 7,000 seasonal employees to help package fruits and vegetables. If there is an increase to minimum wage rates, this could have a negative impact cost of operations. Many of our packaging operations are located in rural communities that may not have sufficient labor pools, requiring us to hire employees from other regions. An inability to hire and train sufficient employees during the critical harvest period could materially and adversely affect our business, financial condition and results of operations.

There may be increased governmental legislative and regulatory activity in reaction to consumer perception related to BPA.

There has been increased state legislative activity to ban Bisphenol-A ("BPA") from food contact packaging. These legislative decisions are predominantly driven by consumer perception that BPA may be harmful. These actions have been taken despite the scientific evidence and general consensus of United States and international government agencies that BPA is safe and does not pose a risk to human health. The legislative actions combined with growing public perception about food safety may require us to change some of the materials used as linings in our packaging materials. Failure to do so could result in a loss of sales as well as loss in value of the inventory utilizing BPA containing materials. The Company, in collaboration with other can makers as well as enamel suppliers, has decided to aggressively work to find alternative materials for can linings not manufactured using BPA. However, commercially acceptable alternatives are not immediately available for some applications and there can be no assurance that these steps will be successful. About 21% of our canned product volume (excluding GMOL and purchased canned products) still includes BPA.

The implementation of the Food Safety Modernization Act of 2011 may affect operations

The Food Safety Modernization Act ("FSMA") was enacted with the goal of enabling the Food and Drug Administration ("FDA") to better protect public health by strengthening the food safety system. FSMA was designed to focus the efforts of FDA on preventing food safety problems rather than relying primarily on reacting to problems after they occur. The law also provides FDA with new enforcement authorities designed to achieve higher rates of compliance with prevention and risk-based food safety standards and to better respond to and contain problems when they do occur. The increased inspections, mandatory recall authority of the FDA, increased scrutiny of foreign sourced or supplied food products, and increased records access may have an impact on our business. As we are already in a highly regulated business, operating under the increased scrutiny of more FDA authority does not appear likely to negatively impact our business. The law also gives FDA important new tools to hold imported foods to the same standards as domestic foods.

The Company's results are dependent on successful marketplace initiatives and acceptance by consumers of the Company's products.

The Company's product introductions and product improvements, along with its other marketplace initiatives, are designed to capitalize on new customer or consumer trends. The FDA recently issued a statement on sodium which referred to an Institute of Medicine statement that too much sodium is a major contributor to high blood pressure. Some of our products contain a moderate amount of sodium per recommended serving, which is based on consumer's preferences for taste. In order to remain successful, the Company must anticipate and react to these new trends and develop new products or packages to address them. While the Company devotes significant resources to meeting this goal, we may not be successful in developing new products or packages, or our new products or packages may not be accepted by customers or consumers.

New regulations related to "conflict minerals" may cause us to incur additional expenses and could limit the supply and increase the cost of certain metals used primarily in manufacturing our canned products.

On August 22, 2012, the SEC adopted a new rule requiring disclosures of specified minerals, known as conflict minerals, that are necessary to the functionality or production of products manufactured or contracted to be manufactured by companies filing public reports. The new rule, which is effective for the 2013 calendar year and requires a disclosure report to be filed by May 31 each year, will require companies to perform country of origin inquiries, due diligence as required, disclosure, and reporting whether such minerals originate from the Democratic Republic of Congo or an adjoining country. The new rule could affect sourcing at competitive prices and availability in sufficient quantities of certain minerals, including tantalum, tin, gold, and tungsten, used primarily in the manufacture of our cans. The number of suppliers, who provide conflict-free minerals in steel production, or other components, may be limited. In addition, there may be significant costs associated with complying with the disclosure requirements, such as costs related to determining the source of certain minerals used in the manufacture of our cans, as well as costs of possible changes to products, packages, or sources of supply as a consequence of such verification activities. Since our supply chain is complex, we may not be able to sufficiently verify the origins of the relevant minerals used in our products through the procedures that we implement, which may hurt our business. In addition, we may encounter significant challenges to satisfy those customers who require that all of the components of our products be certified as conflict-free, which could place us, as well as our competitors, at a disadvantage if we are unable to do so.

Financing Risks

Global economic conditions may materially and adversely affect our business, financial condition and results of operations.

Unfavorable economic conditions, including the impact of recessions in the United States and throughout the world, may negatively affect our business and financial results. These economic conditions could negatively impact (i) consumer demand for our products, (ii) the mix of our products' sales, (iii) our ability to collect accounts receivable on a timely basis, (iv) the ability of suppliers to provide the materials required in our operations and (v) our ability to obtain financing or to otherwise access the capital markets. The strength of the U.S. dollar versus other world currencies could result in increased competition from imported products and decreased sales to our international customers. A prolonged recession could result in decreased revenue, margins and earnings. Additionally, the economic situation could have an impact on our lenders or customers, causing them to fail to meet their obligations to us. The occurrence of any of these risks could materially and adversely affect our business, financial condition and results of operations.

Our ability to manage our working capital and our Revolver is critical to our success.

As of March 31, 2015, we had approximately $284.1 million of total indebtedness, including various debt agreements and a $233.0 million outstanding balance on our $300.0 million to $400.0 million revolving credit facility ("Revolver"). Scheduled debt service for fiscal 2016 is $2.5 million. The Company will evaluate its alternatives related to these payments. During our second and third fiscal quarters, our operations generally require more cash than is available from operations. In these circumstances, it is necessary to borrow under our Revolver. We renewed our Revolver during fiscal 2012 for five years so it now matures on July 20, 2016. Our ability to obtain financing in the future through credit facilities will be affected by several factors, including our creditworthiness, our ability to operate in a profitable manner and general market and credit conditions. Significant changes in our business or cash outflows from operations could create a need for additional working capital. An inability to obtain additional working capital on terms reasonably acceptable to us or access the Revolver would materially and adversely affect our operations. Additionally, if we need to use a portion of our cash flows to pay principal and interest on our debt, it will reduce the amount of money we have for operations, working capital, capital expenditures, expansions, acquisitions or general corporate or other business activities.

Failure to comply with the requirements of our debt agreements and Revolver could have a material adverse effect on our business.

Our debt agreements and Revolver contain financial and other restrictive covenants which, among other things, limit our ability to borrow money, including with respect to the refinancing of existing indebtedness. These provisions may limit our ability to conduct our business, take advantage of business opportunities and respond to changing business, market and economic conditions. In addition, they may place us at a competitive disadvantage relative to other companies that may be subject to fewer, if any, restrictions. Failure to comply with the requirements of our Revolver and debt agreements could materially and adversely affect our business, financial condition and results of operations. We have pledged our accounts receivable, inventory and the capital stock or other ownership interests that we own in our subsidiaries to secure the credit facility. If a default occurred and was not cured, secured lenders could foreclose on this collateral.

Risks Relating to Our Stock

Our existing shareholders, if acting together, may be able to exert control over matters requiring shareholder approval.

Holders of our Class B common stock are entitled to one vote per share, while holders of our Class A common stock are entitled to one-twentieth of a vote per share. In addition, holders of our 10% Cumulative Convertible Voting Preferred Stock, Series A, our 10% Cumulative Convertible Voting Preferred Stock, Series B and, solely with respect to the election of directors, our 6% Cumulative Voting Preferred Stock, which we refer to as our voting preferred stock, are entitled to one vote per share. As of March 31, 2015, holders of Class B common stock and voting preferred stock held 88.5% of the combined voting power of all shares of capital stock then outstanding and entitled to vote. These shareholders, if acting together, would be in a position to control the election of our directors and to effect or prevent certain corporate transactions that require majority or supermajority approval of the combined classes, including mergers and other business combinations. This may result in us taking corporate actions that you may not consider to be in your best interest and may affect the price of our common stock.

As of March 31, 2015, our current executive officers and directors beneficially owned 12.8% of our outstanding shares of Class A common stock, 47.2% of our outstanding shares of Class B common stock and 63.3% of our voting preferred stock, or 48.0% of the combined voting power of our outstanding shares of capital stock. This concentration of voting power may inhibit changes in control of the Company and may adversely affect the market price of our common stock.

Our certificate of incorporation and bylaws contain provisions that discourage corporate takeovers.

Certain provisions of our certificate of incorporation and bylaws and provisions of the New York Business Corporation Law may have the effect of delaying or preventing a change in control. Various provisions of our certificate of incorporation and bylaws may inhibit changes in control not approved by our directors and may have the effect of depriving shareholders of any opportunity to receive a premium over the prevailing market price of our common stock in the event of an attempted unsolicited takeover. In addition, the existence of these provisions may adversely affect the market price of our common stock. These provisions include:

- a classified board of directors;
- a requirement that special meetings of shareholders be called only by our directors or holders of 25% of the voting power of all shares outstanding and entitled to vote at the meeting;
- our board of directors has the power to classify and reclassify any of our unissued shares of capital stock into shares of capital stock with such preferences, rights, powers and restrictions as the board of directors may determine;
- the affirmative vote of two thirds of the shares present and entitled to vote is required to amend our bylaws or remove a director; and
- under the New York Business Corporation Law, in addition to certain restrictions which may apply to "business combinations" involving us and an "interested shareholder", a plan for our merger or consolidation must be approved by two-thirds of the votes of all outstanding shares entitled to vote thereon. See "Our existing shareholders, if acting together, may be able to exert control over matters requiring shareholder approval."

We do not pay dividends on our common stock and do not expect to pay common dividends in the future.

We have not declared or paid any cash dividends on our common stock in more than 25 years and we have no intention to do so in the near future. In addition, payment of cash dividends on our common stock is not permitted by the terms of our revolving credit facility.

Other Risks

Tax legislation could impact future cash flows.

The Company uses the Last-In, First-Out (LIFO) method of inventory accounting. As of March 31, 2015, we had a LIFO reserve of $164.1 million which, at the U.S. corporate tax rate, represents approximately $57.4 million of income taxes, payment of which is delayed to future dates based upon changes in inventory costs. From time-to-time, discussions regarding changes in U.S. tax laws have included the potential of LIFO being repealed. Should LIFO be repealed, the $57.4 million of postponed taxes, plus any future benefit realized prior to the date of repeal, would likely have to be repaid over some period of time. Repayment of these postponed taxes will reduce the amount of cash that we would have available to fund our operations, working capital, capital expenditures, expansions, acquisitions or general corporate or other business activities. This could materially and adversely affect our business, financial condition and results of operations.

The tax status of our insurance subsidiary could be challenged resulting in an acceleration of income tax payments.

In conjunction with our workers' compensation program, we operate a wholly owned insurance subsidiary, Dundee Insurance Company, Inc. We recognize this subsidiary as an insurance company for federal income tax purposes with respect to our consolidated federal income tax return. In the event the Internal Revenue Service ("IRS") were to determine that this subsidiary does not qualify as an insurance company, we could be required to make accelerated income tax payments to the IRS that we otherwise would have deferred until future periods.

Item 1B

Unresolved Staff Comments

The Company does not have any unresolved comments from the SEC staff regarding its periodic or current reports under the Exchange Act.

Item 2

Properties

The following table details the Company's manufacturing plants and warehouses:

Manufacturing Plants and Warehouses

	Square Footage ('000)	Acres
Food Group		
Modesto, California	2,213	114
Buhl, Idaho	616	144
Payette, Idaho	382	43
Princeville, Illinois	271	308
Arlington, Minnesota	264	536
Blue Earth, Minnesota	286	346
Bricelyn, Minnesota	57	7
Glencoe, Minnesota	646	786
LeSueur, Minnesota	23	2
Montgomery, Minnesota	559	1,010
Rochester, Minnesota	1,078	840
Geneva, New York	769	602
Leicester, New York	198	91
Marion, New York	348	181
Lebanon, Pennsylvania	138	16
Dayton, Washington	253	41
Sunnyside, Washington	570	50
Yakima, Washington	122	8
Baraboo, Wisconsin	584	11
Cambria, Wisconsin	412	406
Clyman, Wisconsin	435	724
Cumberland, Wisconsin	375	304
Gillett, Wisconsin	320	105
Janesville, Wisconsin	1,201	302
Mayville, Wisconsin	297	367
Oakfield, Wisconsin	227	2,228
Ripon, Wisconsin	589	75
Non-Food Group		
Penn Yan, New York	27	4
Total	13,260	9,651

These facilities primarily package various fruit and vegetable products. Most of the facilities are owned by the Company. The Company is a lessee under a number of operating leases for equipment and real property used for packaging and warehousing.

The Company believes that these facilities are suitable and adequate for the purposes for which they are currently intended. All locations, although highly utilized, have the ability to expand as sales requirements justify. Because of the seasonal production cycles, the exact extent of utilization is difficult to measure. In certain circumstances, the theoretical full efficiency levels are being reached; however, expansion of the number of production days or hours could increase the output by up to 20% for a season.

Certain of the Company's facilities are mortgaged to financial institutions to secure long-term debt. See Notes 3, 4 and 5 of Item 8, Financial Statements and Supplementary Data, for additional information about the Company's long-term debt and lease commitments.

Item 3

Legal Proceedings

See Note 14, "Legal Proceedings and Other Contingencies" to the Consolidated Financial Statements included in Item 8, Financial Statements and Supplemental Data.

See also Item 1, Business -- Environmental Regulation, for information regarding environmental legal proceedings.

Item 4

Mine Safety Disclosures

Not Applicable.

PART II

Item 5

Market for Registrant's Common Stock, Related Security Holder Matters and Issuer Purchases of Equity Securities

Each class of preferred stock receives preference as to dividend payment and declaration over any common stock. In addition, refer to the information in the 2015 Annual Report, "Shareholder Information and Quarterly Results", which is incorporated by reference.

Securities Authorized for Issuance Under Equity Compensation Plans

On August 10, 2007, the 2007 Equity Incentive Plan (the "2007 Equity Plan") was approved by shareholders at the Company's annual meeting. The 2007 Equity Plan has a 10-year term and authorized the issuance of up to 100,000 shares of either Class A Common Stock and Class B Common Stock or a combination of the two classes of stock. A total of 3,366 were awarded in fiscal year 2015 under the terms of the 2007 Equity Plan. As of March 31, 2015, there were 68,593 shares available for distribution as part of future awards under the 2007 Equity Plan. No additional shares have been awarded under the 2007 Equity Plan through the date of this Form 10-K.

Common Stock Performance Graph

Refer to the information in the 2015 Annual Report, "Shareholder Information and Quarterly Results", which is incorporated by reference.

Issuer Purchases of Equity Securities

	Total Number of Shares Purchased (1)		Average Price Paid per Share		Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number (or Approximate Dollar Value) of Shares that May Yet Be Purchased Under the Plans or Programs
Period	Class A Common	Class B Common	Class A Common	Class B Common		
1/01/15 - 1/31/15	-	45,380	$ -	$ 32.46	-	
2/01/15 - 2/28/15	-	2,301	$ -	$ 32.23	-	
3/01/15 - 3/31/15	874,400	34	$ 26.03	$ 33.97	817,400	
Total	874,400	47,715	$ 26.03	$ 32.45	817,400	1,267,414

(1) All purchases were made in open market transactions by the Trustees of the Seneca Foods Corporation Employees' Savings Plan, Trustees of Dundee Insurance, Inc and the Seneca Foods, L.L.C. 401(k) Retirement Savings Plan to provide employee matching contributions under the Plans.

Item 6

Selected Financial Data

Refer to the information in the 2015 Annual Report, "Five Year Selected Financial Data", which is incorporated by reference.

Item 7

Management's Discussion and Analysis of Financial Condition and Results of Operations

Refer to the information in the 2015 Annual Report, "Management's Discussion and Analysis of Financial Condition and Results of Operations", which is incorporated by reference.

Item 7A

Quantitative and Qualitative Disclosures about Market Risk

Refer to the information in the 2015 Annual Report, "Quantitative and Qualitative Disclosures about Market Risk", which is incorporated by reference.

Item 8

Financial Statements and Supplementary Data

Refer to the information in the 2015 Annual Report, "Consolidated Financial Statements and Notes thereto including Report of Independent Registered Public Accounting Firm," which is incorporated by reference.

Item 9

Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

Item 9A

Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act), as of March 31, 2015. Based upon this evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of March 31, 2015, the Company's disclosure controls and procedures: (1) were designed to ensure that material information relating to the Company is made known to our Chief Executive Officer and Chief Financial Officer by others within those entities, particularly during the period in which this report was being prepared, so as to allow timely decisions regarding required disclosure and (2) were effective, in that they provide reasonable assurance that information required to be disclosed by the Company in the reports we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms.

Management's Annual Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over the Company's financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act). Because of its inherent limitations, internal control over financial reporting may not prevent or detect all misstatements. Projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Our management assessed the effectiveness of the Company's internal control over financial reporting as of March 31, 2015. In making this assessment, our management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in *Internal Control-Integrated Framework (2013).* Based on our assessment, management believes that, as of March 31, 2015, our internal control over financial reporting is effective based on those criteria.

The Company's independent registered public accountant has issued its report on the effectiveness of the Company's internal control over financial reporting. The report appears on the next page.

Report of Independent Registered Public Accounting Firm

Board of Directors and Stockholders
Seneca Foods Corporation
Marion, New York

We have audited Seneca Foods Corporation's internal control over financial reporting as of March 31, 2015, based on criteria established in *Internal Control-Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (the COSO criteria). The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Item 9A, Management's Annual Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of March 31, 2015, based on the COSO criteria.

We have also audited, in accordance with the standards of the Public Company Accounting Standards Board (United States), the consolidated balance sheets of Seneca Foods Corporation as of March 31, 2015 and 2014, and the related consolidated statements of net earnings, comprehensive income, stockholders' equity and cash flows for each of the three years in the period ended March 31, 2015 and our report dated June 9, 2015 expressed an unqualified opinion thereon.

/s/ BDO USA, LLP
Milwaukee, Wisconsin

June 9, 2015

Changes in Internal Control over Financial Reporting

There was no change in our internal control over financial reporting (as defined in rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the quarter ended March 31, 2015 that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

Item 9B

Other Information

None.

PART III

Item 10
Directors, Executive Officers and Corporate Governance

The information regarding directors is incorporated herein by reference from the section entitled "Proposal One: Election of Directors" in the Company's definitive Proxy Statement ("Proxy Statement") to be filed pursuant to Regulation 14A of the Securities Exchange Act of 1934, as amended, for the Company's Annual Meeting of Stockholders to be held on July 31, 2015. The Proxy Statement will be filed within 120 days after the end of the Company's fiscal year ended March 31, 2015.

The information regarding executive officers is incorporated herein by reference from the section entitled "Executive Officers" in the Proxy Statement.

The information regarding compliance with Section 16(a) of the Exchange Act is incorporated herein by reference from the section entitled "Section 16(a) Beneficial Ownership Reporting Compliance" in the Proxy Statement.

Information regarding the Company's code of business conduct and ethics found in the subsection captioned "Available Information" in Item 1 of Part I hereof is also incorporated herein by reference into this Item 10.

The information regarding the Company's audit committee, its members and the audit committee financial experts is incorporated herein by reference from the subsection entitled "Audit Committee" in the section entitled "Board Governance" in the Proxy Statement.

Item 11
Executive Compensation

The information included under the following captions in the Proxy Statement is incorporated herein by reference: "Compensation Discussion and Analysis," "Summary Compensation Table," "Grants of Plan-Based Awards in Fiscal Year 2015," "Outstanding Equity Awards at 2015 Fiscal Year-End," "Stock Vested in Fiscal Year 2015," "Pension Benefits," "Compensation of Directors" and "Compensation Committee Interlocks." The information included under the heading "Compensation Committee Report" in the Proxy Statement is incorporated herein by reference; however, this information shall not be deemed to be "soliciting material" or to be "filed" with the SEC or subject to Regulation 14A or 14C, or to the liabilities of Section 18 of the Exchange Act.

Item 12
Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

Information regarding security ownership of certain beneficial owners and management is incorporated herein by reference from the sections entitled "Security Ownership of Certain Beneficial Owners" and "Security Ownership of Management and Directors" in the Proxy Statement.

Item 13
Certain Relationships and Related Transactions, and Director Independence

The information regarding transactions with related parties and director independence is incorporated herein by reference from the sections entitled "Independent Directors" and "Certain Transactions and Relationships" in the Proxy Statement.

Item 14
Principal Accountant Fees and Services

The information regarding principal accountant fees and services is incorporated herein by reference from the section entitled "Principal Accountant Fees and Services" in the Proxy Statement.

PART IV

Item 15

Exhibits and Financial Statement Schedule

A.Exhibits, Financial Statements, and Supplemental Schedule

1.Financial Statements - the following consolidated financial statements of the Registrant, included in the 2015 Annual Report, are incorporated by reference in Item 8:

Consolidated Statements of Net Earnings – Years ended March 31, 2015, 2014 and 2013

Consolidated Statements of Comprehensive Income (Loss) – Years ended March 31, 2015, 2014 and 2013

Consolidated Balance Sheets - March 31, 2015 and 2014

Consolidated Statements of Cash Flows – Years ended March 31, 2015, 2014 and 2013

Consolidated Statements of Stockholders' Equity – Years ended March 31, 2015, 2014 and 2013

Notes to Consolidated Financial Statements – Years ended March 31, 2015, 2014 and 2013

Reports of Independent Registered Public Accounting Firm

	Pages
2.Supplemental Schedule:	
Report of Independent Registered Public Accounting Firm on Schedule	18
Schedule II—Valuation and Qualifying Accounts	19

Other schedules have not been filed because the conditions requiring the filing do not exist or the required information is included in the consolidated financial statements, including the notes thereto.

3.Exhibits:

Exhibit Number	Description
3.1	The Company's Restated Certificate of Incorporation, (incorporated by reference to the Company's Current Report on Form 8-K dated August 11, 2010).
3.2	The Company's Bylaws (incorporated by reference to Exhibit 3.3 to the Company's Quarterly Report on Form 10-Q/A filed August 18, 1995 for the quarter ended July 1, 1995)
3.3	Amendment to the Company's Bylaws (incorporated by reference to Exhibit 3 to the Company's Current Report on Form 8-K dated November 6, 2007)
10.1**	Second Amended and Restated Alliance Agreement (incorporated by reference to Exhibit 10 to the Company's Quarterly Report on Form 10-Q filed with the SEC on November 5, 2009)
10.2**	First Amendment to the Second Amended and Restated Alliance Agreement by and among Seneca Foods Corporation and General Mills Operations, LLC dated June 11, 2010 (incorporated by reference to Exhibit 10 to the Company's Form 10-Q for the quarter ended July 3, 2010)
10.3	Second Amended and Restated Loan and Security Agreement dated as of July 20, 2011 by and among Seneca Foods Corporation, Seneca Foods, LLC, Seneca Snack Company, certain other subsidiaries of Seneca Foods Corporation, the financial institutions party thereto as lenders, Bank of America, N.A., as agent and issuing bank, RBS Citizens, N.A., as syndication agent, and Merrill Lynch, Pierce, Fenner & Smith Incorporated with RBS Citizens, N.A., as joint lead arrangers (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated July 26, 2011).
10.4	First Amendment to the Second Amended and Restated Loan and Security Agreement dated as of August 1, 2011 by and among Seneca Foods Corporation, Seneca Foods, LLC, Seneca Snack Company, certain other subsidiaries of Seneca Foods Corporation, the financial institutions party thereto as lenders, Bank of America, N.A., as agent and issuing bank, RBS Citizens, N.A., as syndication agent, and Merrill Lynch, Pierce, Fenner & Smith Incorporated with RBS Citizens, N.A., as joint lead arrangers (incorporated by reference to Exhibit 10.4 to the Company's Annual Report on Form 10-K filed with the SEC for the fiscal year ended March 31, 2013).
10.5	Second Amendment to the Second Amended and Restated Loan and Security Agreement dated as of December 20, 2012 by and among Seneca Foods Corporation, Seneca Foods, LLC, Seneca Snack Company, certain other subsidiaries of Seneca Foods Corporation, the financial institutions party thereto as lenders, Bank of America, N.A., as agent and issuing bank, RBS Citizens, N.A., as syndication agent, and Merrill Lynch, Pierce, Fenner & Smith Incorporated with RBS Citizens, N.A., as joint lead arrangers (incorporated by reference to Exhibit 10.5 to the Company's Annual Report on Form 10-K filed with the SEC for the fiscal year ended March 31, 2013).

10.6 Third Amendment to the Second Amended and Restated Loan and Security Agreement dated as of March 5, 2013 by and among Seneca Foods Corporation, Seneca Foods, LLC, Seneca Snack Company, certain other subsidiaries of Seneca Foods Corporation, the financial institutions party thereto as lenders, Bank of America, N.A., as agent and issuing bank, RBS Citizens, N.A., as syndication agent, and Merrill Lynch, Pierce, Fenner & Smith Incorporated with RBS Citizens, N.A., as joint lead arrangers (incorporated by reference to Exhibit 10.6 to the Company's Annual Report on Form 10-K filed with the SEC for the fiscal year ended March 31, 2013).

10.7 Fourth Amendment to the Second Amended and Restated Loan and Security Agreement dated as of December 16, 2013 by and among Seneca Foods Corporation, Seneca Foods, LLC, Seneca Snack Company, certain other subsidiaries of Seneca Foods Corporation, the financial institutions party thereto as lenders, Bank of America, N.A., as agent and issuing bank, RBS Citizens, N.A., as syndication agent, and Merrill Lynch, Pierce, Fenner & Smith Incorporated with RBS Citizens, N.A., as joint lead arrangers (incorporated by reference to Exhibit 10.7 to the Company's Annual Report on Form 10-K filed with the SEC for the fiscal year ended March 31, 2014).

10.8 Fifth Amendment to the Second Amended and Restated Loan and Security Agreement dated as of April 1, 2014 by and among Seneca Foods Corporation, Seneca Foods, LLC, Seneca Snack Company, certain other subsidiaries of Seneca Foods Corporation, the financial institutions party thereto as lenders, Bank of America, N.A., as agent and issuing bank, RBS Citizens, N.A., as syndication agent, and Merrill Lynch, Pierce, Fenner & Smith Incorporated with RBS Citizens, N.A., as joint lead arrangers (incorporated by reference to Exhibit 10.8 to the Company's Annual Report on Form 10-K filed with the SEC for the fiscal year ended March 31, 2014).

10.9 Sixth Amendment to the Second Amended and Restated Loan and Security Agreement dated as of June 17, 2014 by and among Seneca Foods Corporation, Seneca Foods, LLC, Seneca Snack Company, certain other subsidiaries of Seneca Foods Corporation, the financial institutions party thereto as lenders, Bank of America, N.A., as agent and issuing bank, RBS Citizens, N.A., as syndication agent, and Merrill Lynch, Pierce, Fenner & Smith Incorporated with RBS Citizens, N.A., as joint lead arrangers (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q filed with the SEC for the quarter ended June 28, 2014).

10.10 Seventh Amendment to the Second Amended and Restated Loan and Security Agreement dated as of November 6, 2014 by and among Seneca Foods Corporation, Seneca Foods, LLC, Seneca Snack Company, certain other subsidiaries of Seneca Foods Corporation, the financial institutions party thereto as lenders, Bank of America, N.A., as agent and issuing bank, RBS Citizens, N.A., as syndication agent, and Merrill Lynch, Pierce, Fenner & Smith Incorporated with RBS Citizens, N.A., as joint lead arrangers (filed herewith).

10.11 Indemnification Agreement between the Company and the directors of the Company (incorporated by reference to Exhibit 10 to the Company's Annual report on Form 10-K for the fiscal year ended March 31, 2002)

10.12* Seneca Foods Corporation Executive Profit Sharing Bonus Plan (incorporated by reference to Exhibit 99.1to the Company's Registration Statement on Form S-8 (No. 333-166846))

10.13* Seneca Foods Corporation Manager Profit Sharing Bonus Plan (incorporated by reference to Exhibit 99.2 to the Company's Registration Statement on Form S-8 (No. 333-166846))

13 The material contained in the 2015 Annual Report to Shareholders under the following headings: "Five Year Selected Financial Data", "Management's Discussion and Analysis of Financial Condition and Results of Operations", Consolidated Financial Statements and Notes thereto including Independent Auditors' Report, "Quantitative and Qualitative Disclosures about Market Risk", and "Shareholder Information and Quarterly Results" (filed herewith)

21 List of Subsidiaries (filed herewith)

23 Consent of BDO USA, LLP (filed herewith)

24 Powers of Attorney (filed herewith)

31.1 Certification of Kraig H. Kayser pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith)

31.2 Certification of Timothy J. Benjamin as Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith)

32 Certifications pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (filed herewith)

101 The following materials from Seneca Foods Corporation's Annual Report on Form 10-K for the year ended March 31, 2015, formatted in XBRL (eXtensible Business Reporting Language): (i)consolidated balance sheets, (ii) consolidated statements of net earnings, (iii) consolidated statements of comprehensive income, (iv) consolidated statements of cash flows, (v) consolidated statement of stockholders' equity and (vi) the notes to the consolidated financial statements

* Indicates management or compensatory agreement

**Certain provisions of this exhibit have been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect of such omitted portions

Report of Independent Registered Public Accounting Firm

Board of Directors and Stockholders
Seneca Foods Corporation
Marion, New York

The audits referred to in our report dated June 9, 2015 relating to the consolidated financial statements of Seneca Foods Corporation, which is incorporated in Item 8 of Form 10-K by reference to the Annual Report to Shareholders for the year ended March 31, 2015, also included the audit of the financial statement schedule listed in the accompanying index. This financial statement schedule is the responsibility of the Company's management. Our responsibility is to express an opinion on this financial statement schedule based on our audits.
In our opinion, such financial statement schedule, when considered in relation to the basic consolidated financial statements taken as a whole, presents fairly, in all material respects, the information set forth therein.

/s/ BDO USA, LLP
Milwaukee, Wisconsin

June 9, 2015

Schedule II
VALUATION AND QUALIFYING ACCOUNTS
(In thousands)

	Balance at beginning of period	Charged/ (credited) to income	Charged to other accounts		Deductions from reserve		Balance at end of period
Year-ended March 31, 2015:							
Allowance for doubtful accounts	$ 160	$ 45	$		$ (60)	(a)	$ 145
Income tax valuation allowance	$ 390	$ 1,397	$		$		$ 1,787
Year-ended March 31, 2014:							
Allowance for doubtful accounts	$ 201	$ 23	$		$ (64)	(a)	$ 160
Income tax valuation allowance	$ 758	$ (368)	$		$		$ 390
Year-ended March 31, 2013:							
Allowance for doubtful accounts	$ 206	$ (55)	$ 44	(b)	$ 6	(a)	$ 201
Income tax valuation allowance	$ 906	$ (148)	$		$		$ 758

(a) Accounts written off, net of recoveries.
(b) Acquired via the Sunnyside acquisition.

SIGNATURES

Pursuant to the requirements of Section 13 or 15 (d) of the Exchange Act, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

SENECA FOODS CORPORATION June 9, 2015

/s/Timothy J. Benjamin
Timothy J. Benjamin
Senior Vice President, Chief Financial Officer and Treasurer

Pursuant to the requirements of the Exchange Act, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated:

Signature	Title	Date
/s/Arthur S. Wolcott Arthur S. Wolcott	Chairman and Director	June 9, 2015
/s/Kraig H. Kayser Kraig H. Kayser	President, Chief Executive Officer, Director	June 9, 2015
/s/Timothy J. Benjamin Timothy J. Benjamin	Senior Vice President, Chief Financial Officer and Treasurer	June 9, 2015
/s/Jeffrey L. Van Riper Jeffrey L. Van Riper	Vice President, Controller, and Secretary (Principal Accounting Officer)	June 9, 2015
* Arthur H. Baer	Director	June 9, 2015
* Peter R. Call	Director	June 9, 2015
* John P. Gaylord	Director	June 9, 2015
Susan A. Henry	Director	June 9, 2015
* Samuel T. Hubbard, Jr.	Director	June 9, 2015
* Thomas Paulson	Director	June 9, 2015
* Susan W. Stuart	Director	June 9, 2015

/s/Kraig H. Kayser
*By Kraig H. Kayser,
Attorney-in-fact

SEVENTH AMENDMENT AGREEMENT

SEVENTH AMENDMENT AGREEMENT (this "**Agreement**") dated as of November 6, 2014 by and among (1) Seneca Foods Corporation, a New York corporation (the "**Parent**"), Seneca Snack Company, a Washington corporation ("**Seneca Snack**"), Seneca Foods, LLC, a Delaware limited liability company ("**Seneca LLC**"), Green Valley Foods, LLC, a Delaware limited liability company (the "**New Borrower**" and together with the Parent, Seneca Snack and Seneca LLC, collectively, the "**Borrowers**"), (2) Marion Foods, Inc., a New York corporation, Lebanon Valley Cold Storage, LLC, and Lebanon Valley Cold Storage, LP (collectively, the "**Guarantors**" and together with the Borrowers, collectively, the "**Obligors**"), (3) the financial institutions party to the Loan and Security Agreement (as defined below) as lenders (collectively, the "**Lenders**" and individually, a "**Lender**"), and (4) Bank of America, N.A. ("**Bank of America**") as agent (the "**Agent**") for the Lenders and as Issuing Bank with respect to a certain Second Amended and Restated Loan and Security Agreement dated as of July 20, 2011, by and among the Borrowers (other than the New Borrower), the Guarantors, the Lenders, the Agent, the Issuing Bank and RBS Citizens, N.A. as Syndication Agent, as amended by that certain First Amendment Agreement dated as of August 1, 2011, by that certain Second Amendment Agreement dated as of December 20, 2012, by that Third Amendment Agreement dated as of March 5, 2013, by that certain Fourth Amendment Agreement dated as of December 16, 2013, by that certain Fifth Amendment Agreement dated as of April 1, 2014 and that certain Sixth Amendment Agreement dated as of June 17, 2014 (as further amended, the "**Loan and Security Agreement**").

W I T N E S S E T H:

WHEREAS, the Borrowers (other than the New Borrower) have requested that the Lenders agree (a) to join the New Borrower as a borrower under the Loan and Security Agreement and (b) with the Borrowers to amend certain other provisions of the Loan and Security Agreement; and

WHEREAS, the Lenders have agreed to such amendments, on the terms and conditions set forth herein.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

§1. **Definitions**. Capitalized terms used herein without definition that are defined in the Loan and Security Agreement shall have the same meanings herein as therein.

§2. **Ratification of Existing Agreements**. All of the Obligors' obligations and liabilities to the Agent, the Issuing Bank and the Lenders as evidenced by or otherwise arising under the Loan and Security Agreement, the Notes and the other Loan Documents, are, by each Obligor's execution of this Agreement, ratified and confirmed in all respects. In addition, by each Obligor's execution of this Agreement, each of the Obligors represents and warrants that no Obligor has any counterclaim, right of set-off or defense of any kind with respect to such obligations and liabilities.

§3. **Representations and Warranties**. Each of the Obligors hereby represents and warrants to the Agent, the Issuing Bank and Lenders that all of the representations and warranties made by the Obligors in the Loan and Security Agreement, the Notes and the other Loan Documents are true in all material respects on the date hereof as if made on and as of the date hereof, except to the extent that such representations and warranties relate expressly to an earlier date.

§4. **Conditions Precedent**. The effectiveness of the amendments contemplated hereby shall be subject to the satisfaction on or before the date hereof of each of the following conditions precedent:

(a) Representations and Warranties. All of the representations and warranties made by the Obligors herein, whether directly or incorporated by reference, shall be true and correct on the date hereof except as provided in §3 hereof.

(b) Performance; No Event of Default. The Obligors shall have performed and complied in all respects with all terms and conditions herein required to be performed or complied with by them prior to or at the time hereof, and there shall exist no Default or Event of Default.

(c) Fees and Expenses. The Borrowers shall have paid to the Agent the reasonable fees and expenses of counsel to the Agent in connection with the preparation of this Agreement.

(d) Delivery.

(i) The Obligors, the Agent, the Issuing Bank and the Required Lenders shall have executed and delivered this Agreement.

(ii)The Borrowers shall have executed and delivered Notes to each Lender that requires issuance of a Note.

(iii)The Parent and the Agent shall have executed and delivered a letter agreement amending the Second Amended and Restated Pledge Agreement.

(iv)The Agent shall have received a certificate of a duly authorized officer of the New Borrower, certifying (i) that attached copies of the New Borrower's Organic Documents are true and complete, and in full force and effect, without amendment except as shown; (ii) that an attached copy of resolutions authorizing execution and delivery of this Agreement and the other applicable Loan Documents is true and complete, and that such resolutions are in full force and effect, were duly adopted, have not been amended, modified or revoked, and constitute all resolutions adopted with respect to this credit facility; and (iii) to the title, name and signature of each Person authorized to sign this Agreement and the other applicable Loan Documents.

(v)The Agent shall have received copies of the Organic Documents of the New Borrower, certified by the Secretary of State or other appropriate official of the New Borrower's jurisdiction of organization. The Agent shall have received good standing certificates for the New Borrower, issued by the Secretary of State or other appropriate official of the New Borrower's jurisdiction of organization and each jurisdiction where the New Borrower's conduct of business or ownership of Property necessitates qualification.

(vi)The Agent shall have received a written opinion addressed to Agent and Lenders of Jaeckle Fleischmann & Mugel, LLP, counsel to the Borrowers and their Subsidiaries in form and substance satisfactory to the Agent.

(e) Insurance Certificates. The Agent shall have received copies of policies or certificates of insurance for the insurance policies carried by Borrowers, all in compliance with the Loan Documents.

(f) Perfection of Liens. The Agent shall have received acknowledgments of all filings or recordations necessary to perfect its Liens in the Collateral granted to it by the New Borrower, as well as other evidence satisfactory to the Agent that such Liens are the only Liens upon such Collateral, except Permitted Liens.

(g) Other Documents. The Obligors shall have executed and delivered such further instruments and taken such further action as the Agent and the Required Lenders may have reasonably requested, in each case further to effect the purposes of this Agreement, the Loan and Security Agreement and the other Loan Documents.

§5. **Joinder by New Borrower**.

(a) The New Borrower hereby acknowledges, agrees and confirms that, by its execution of this Agreement, the New Borrower will be deemed to be a Borrower under Loan and Security Agreement and an Obligor for all purposes of the Loan and Security Agreement and the other Loan Documents, including, without limitation, the grant pursuant to Section 7 of the Loan and Security Agreement of a security interest to the Agent in the property and property rights of the New Borrower constituting Collateral, and shall have all of the obligations of a Borrower and an Obligor thereunder as if it had executed the Loan and Security Agreement. The New Borrower hereby ratifies, as of the date hereof, and agrees to be bound by, all of the terms, provisions and conditions contained in the Loan and Security Agreement, including without limitation all of the covenants set forth in Sections 7, 8 and 10, as applicable to Obligors, of the Loan and Security Agreement. The New Borrower acknowledges and confirms that all of the representations and warranties of the Borrowers set forth in Section 9 of the Loan and Security Agreement, as updated with the supplemental schedules provided to the Agent by the Borrowers in accordance with the terms of the Loan and Security Agreement, are true and correct in all respects as of the date hereof with respect to the New Subsidiary.

(b) Without limiting the generality of the foregoing terms of Section 5(a) above, the New Borrower, (i) adopts the Loan and Security Agreement, assumes in full (and the New Borrower hereby acknowledges that it shall be jointly and severally liable for the payment, discharge, satisfaction and performance of) all Obligations, including without limitation those arising under the Loan and Security Agreement and the other Loan Documents (including, without limitation, the Notes), as if it were an original signatory to and Borrower under the Loan and Security Agreement and the other Loan Documents, and (ii) in order to secure the prompt payment and performance of all Obligations, hereby grants to the Agent, for the benefit of the Secured Parties, a continuing security interest in and Lien upon the Collateral of the New Borrower, whether now owned or hereafter acquired, and wherever located, and the Agent is authorized to file such UCC-1 financing statements, and to file such other documents and take such other action, as Agent may deem to be necessary or appropriate in order to perfect or protect the Liens granted to the Agent, for the benefit of the Secured Parties, and the priority of the Agent with respect thereto.

§6. Amendment to the Loan and Security Agreement.

(a) Amendment to Section 1.1 of the Loan and Security Agreement. The defined term "Fixed Charge Coverage Ratio" in Section 1.1 of the Loan and Security Agreement is hereby amended and restated in its entirety to read as follows:

"Fixed Charge Coverage Ratio: the ratio, determined on a consolidated basis for Borrowers and Subsidiaries for the most recent four Fiscal Quarters, of (a) EBITDA (determined on a first-in, first-out method of accounting inventory) minus Capital Expenditures made (except those (x) financed with Borrowed Money other than Loans or (y) made solely with the proceeds of insurance to repair, rebuild or replace the asset as to which the insurance proceeds were received), cash taxes paid and Distributions made (exclusive of Distributions made consisting of repurchases of the Equity Interests of Parent to the extent the amount of such repurchase has been deducted in calculating net income when determining EBITDA), to (b) Fixed Charges."

(b) Amendment to Section 1.1 of the Loan and Security Agreement. The defined term "Restricted Investment" in Section 1.1 of the Loan and Security Agreement is hereby amended and restated in its entirety to read as follows:

"Restricted Investment: any Investment by a Borrower or Subsidiary, other than (a) Investments in Subsidiaries to the extent existing on the Effective Date; (b) Cash Equivalents that are subject to Agent's Lien and control, pursuant to documentation in form and substance satisfactory to Agent; (c) loans and advances permitted under **Section 10.2.6**; (d) Permitted Acquisitions; (e) Investments existing on the Effective Date and listed on Schedule 2; (f) Investments consisting of promissory notes received as proceeds of Permitted Asset Dispositions; (g) other Investments in an aggregate amount not in excess of $2,000,000; (h) Investments by the Borrowers in Subsidiaries that have guarantied the Obligations and otherwise complied with the provisions of **Section 10.1.9**; (i) Investments by a Borrower in another Borrower; (j) Dundee Investments; and (k) Investments with respect to Indebtedness permitted by **Section 10.2.1(h)** so long as the Person in which such Investments are made remains a Borrower; provided, however, that, with the exception of loans and advances referred to in **Section 10.2.6(a)** and clause (h) above, such Investments will be considered Investments permitted by hereunder only if all actions have been taken to the satisfaction of Agent to provide to Agent, for the benefit of Secured Parties, a first priority perfected security interest in all of such Investments free of all Liens other than Permitted Liens."

(c) Exhibit A to the Loan and Security Agreement is hereby amended by deleting such Exhibit in its entirety and replacing it with Exhibit A attached hereto.

(d) Exhibit B to the Loan and Security Agreement is hereby amended by deleting such Exhibit in its entirety and replacing it with Exhibit B attached hereto.

(e) Exhibit C to the Loan and Security Agreement is hereby amended by deleting such Exhibit in its entirety and replacing it with Exhibit C attached hereto.

(f) Exhibit D to the Loan and Security Agreement is hereby amended by deleting such Exhibit in its entirety and replacing it with Exhibit D attached hereto.

(g) Exhibit E to the Loan and Security Agreement is hereby amended by deleting such Exhibit in its entirety and replacing it with Exhibit E attached hereto.

(h) Schedule 1.1 to the Loan and Security Agreement is hereby amended by deleting such Schedule in its entirety and replacing it with Schedule 1.1 attached hereto.

(i) Schedule 8.6.1 to the Loan and Security Agreement is hereby amended by deleting such Schedule in its entirety and replacing it with Schedule 8.6.1 attached hereto.

(j) Schedule 9.1.4 to the Loan and Security Agreement is hereby amended by deleting such Schedule in its entirety and replacing it with Schedule 9.1.4 attached hereto.

(k) Schedule 9.1.11 to the Loan and Security Agreement is hereby amended by deleting such Schedule in its entirety and replacing it with Schedule 9.1.11 attached hereto.

§7. Miscellaneous Provisions.

(a) Except as otherwise expressly provided by this Agreement, all of the respective terms, conditions and provisions of the Loan and Security

Agreement, the Notes and the other Loan Documents shall remain the same. The Loan and Security Agreement, as amended hereby, shall continue in full force and effect, and this Agreement and the Loan and Security Agreement shall be read and construed as one instrument.

(b) THIS AGREEMENT, UNLESS OTHERWISE SPECIFIED, SHALL BE GOVERNED BY THE LAWS OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO ANY CONFLICT OF LAW PRINCIPLES (BUT GIVING EFFECT TO FEDERAL LAWS RELATING TO NATIONAL BANKS).

(c) This Agreement may be executed in any number of counterparts, but all such counterparts shall together constitute but one instrument. In making proof of this Agreement it shall not be necessary to produce or account for more than one counterpart signed by each party hereto by and against which enforcement hereof is sought. A facsimile or other electronic transmission of an executed counterpart shall have the same effect as the original executed counterpart.

[*Intentionally Left Blank - Signature Page Follows*]

IN WITNESS WHEREOF, the undersigned have duly executed this Seventh Amendment Agreement as of the date first set forth above.

SENECA FOODS CORPORATION

By:/s/Timothy Benjamin
Name: Timothy Benjamin
Title: CFO

SENECA SNACK COMPANY

By:/s/Timothy Benjamin
Name: Timothy Benjamin
Title: CFO

SENECA FOODS, LLC

By:/s/Timothy Benjamin
Name: Timothy Benjamin
Title: CFO

MARION FOODS, INC.

By:/s/Timothy Benjamin
Name: Timothy Benjamin
Title: CFO

LEBANON VALLEY COLD STORAGE, LLC

By: /s/Timothy Benjamin
Name: Timothy Benjamin
Title: CFO

LEBANON VALLEY COLD STORAGE, LP
By:Lebanon Valley Cold Storage, LLC,
Its General Partner

By:/s/Timothy Benjamin
Name: Timothy Benjamin
Title: CFO

GREEN VALLEY FOODS, LLC

By:/s/Timothy Benjamin
Name: Timothy Benjamin
Title: CFO

BANK OF AMERICA, N.A.,
as Agent, Lender and Issuing Bank

By:/s/Edgar Ezerins
Name: Edgar Ezerins
Title: SVP

CITIZENS BUSINESS CAPITAL, a division of CITIZENS ASSET FINANCE, INC., (f/k/a RBS CITIZENS BUSINESS CAPITAL, a division of RBS ASSET FINANCE, INC., a subsidiary of RBS CITIZENS, N.A.), as a Lender

By:/s/ John D. Bobbin
Name: John D. Bobbin
Title: Senior Vice President

COÖPERATIEVE CENTRALE RAIFFEISEN-BOERENLEENBANK B.A., "RABOBANK NEDERLAND", NEW YORK BRANCH, as a Lender

By:/s/Aurelie Vancauwenberghe
Name: Aurelie Vancauwenberghe
Title: Vice President

By:/s/Michael T. Harder
Name: Michael T. Harder
Title: Executive Director

MANUFACTURERS AND TRADERS TRUST COMPANY, as a Lender

By:/s/Brian Bennett
Name: Brian Bennett
Title: Assistant Vice President

U.S. BANK NATIONAL ASSOCIATION,
as a Lender

By:/s/Katie McDonald
Name: Katie McDonald
Title: Vice President

WELLS FARGO BANK, N.A., as a Lender

By:/s/Matt Harbour
Name: Matt Harbour
Title: Authorized Signatory

BMO HARRIS BANK N.A., as a Lender

By:/s/Quinn Heiden
Name: Quinn Heiden
Title: Director

GENERAL ELECTRIC CAPITAL CORPORATION, as a Lender

By:/s/Philip F. Carfora
Name: Philip F. Carfora
Title: Duly Authorized Signatory

GE ASSET BASED MASTER NOTE LLC, as a Lender

By:/s/Philip F. Carfora
Name: Philip F. Carfora
Title: Duly Authorized Signatory

SCHEDULE 1.1

to

Second Amended and Restated Loan and Security Agreement

COMMITMENTS OF LENDERS

Lender	**Commitment for the period from April 1 through and including July 31 of each year**	**Commitment for the period from August 1 through and including March 31 of each year**	**Percentage of Aggregate Commitments of all Lenders**
Bank of America, N.A.	$ 78,750,000	$ 105,000,000	26.250000000%
Citizens Business Capital, a division of Citizens Asset Finance, Inc. (f/k/a RBS Citizens Business Capital, a division of RBS Asset Finance, Inc., a subsidiary of RBS Citizens, N.A.)	$ 45,000,000	$ 60,000,000	15.000000000%
Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A., "Rabobank Nederland", New York Branch	$ 46,500,000	$ 62,000,000	15.500000000%
Manufacturers and Traders Trust Company	$ 34,500,000	$ 46,000,000	11.500000000%
U.S. Bank National Association	$ 36,000,000	$ 48,000,000	12.000000000%
Wells Fargo Bank, N.A.	$ 26,250,000	$ 35,000,000	8.750000000%
BMO Harris Bank N.A.	$ 19,500,000	$ 26,000,000	6.500000000%
General Electric Capital Corporation	$ 6,750,000	$ 9,000,000	2.250000000%
GE Asset Based Master Note LLC	$ 6,750,000	$ 9,000,000	2.250000000%
Total	$ 300,000,000	$ 400,000,000	100%

EXHIBIT A

to

Second Amended and Restated Loan and Security Agreement

[SECOND AMENDED AND RESTATED] [1] REVOLVER NOTE

[Date] $[____________________] New York, New York

SENECA FOODS CORPORATION, a New York corporation, **SENECA FOODS, LLC**, a Delaware limited liability company, **SENECA SNACK COMPANY**, a Washington corporation and **GREEN VALLEY FOODS, LLC**, a Delaware limited liability company (collectively, "Borrowers"), for value received, hereby unconditionally promise to pay, on a joint and several basis, to the order of [______________________________] ("Lender"), the principal sum of [________________________________] DOLLARS ($[___________]), or such lesser amount as may be advanced by Lender as Loans and owing as LC Obligations from time to time under the Loan Agreement described below, together with all accrued and unpaid interest thereon. Terms are used herein as defined in the Second Amended and Restated Loan and Security Agreement dated as of July 20, 2011, among Borrowers, Bank of America, N.A., as Agent, Lender, and certain other financial institutions and parties thereto, as amended (as such agreement may be amended, modified, renewed or extended from time to time "Loan Agreement").

Principal of and interest on this [Second Amended and Restated] Revolver Note from time to time outstanding shall be due and payable as provided in the Loan Agreement. This [Second Amended and Restated] Revolver Note is issued pursuant to and evidences Loans and LC Obligations under the Loan Agreement, to which reference is made for a statement of the rights and obligations of Lender and the duties and obligations of Borrowers. The Loan Agreement contains provisions for acceleration of the maturity of this [Second Amended and Restated] Revolver Note upon the happening of certain stated events, and for the borrowing, prepayment and reborrowing of amounts upon specified terms and conditions.

The holder of this [Second Amended and Restated] Revolver Note is hereby authorized by Borrowers to record on a schedule annexed to this [Second Amended and Restated] Revolver Note (or on a supplemental schedule) the amounts owing with respect to Loans and LC Obligations, and the payment thereof. Failure to make any notation, however, shall not affect the rights of the holder of this [Second Amended and Restated] Revolver Note or any obligations of Borrowers hereunder or under any other Loan Documents.

Time is of the essence of this [Second Amended and Restated] Revolver Note. Each Borrower and all endorsers, sureties and guarantors of this [Second Amended and Restated] Revolver Note hereby severally waive demand, presentment for payment, protest, notice of protest, notice of intention to accelerate the maturity of this [Second Amended and Restated] Revolver Note, diligence in collecting, the bringing of any suit against any party, and any notice of or defense on account of any extensions, renewals, partial payments, or changes in any manner of or in this [Second Amended and Restated] Revolver Note or in any of its terms, provisions and covenants, or any releases or substitutions of any security, or any delay, indulgence or other act of any trustee or any holder hereof, whether before or after maturity. Borrowers jointly and severally agree to pay, and to save the holder of this [Second Amended and Restated] Revolver Note harmless against, any liability for the payment of all costs and expenses (including without limitation reasonable attorneys' fees) if this [Second Amended and Restated] Revolver Note is collected by or through an attorney-at-law.

In no contingency or event whatsoever shall the amount paid or agreed to be paid to the holder of this [Second Amended and Restated] Revolver Note for the use, forbearance or detention of money advanced hereunder exceed the highest lawful rate permitted under Applicable Law. If any such excess amount is inadvertently paid by Borrowers or inadvertently received by the holder of this [Second Amended and Restated] Revolver Note, such excess shall be returned to Borrowers or credited as a payment of principal, in accordance with the Loan Agreement. It is the intent hereof that Borrowers not pay or contract to pay, and that holder of this [Second Amended and Restated] Revolver Note not receive or contract to receive, directly or indirectly in any manner whatsoever, interest in excess of that which may be paid by Borrowers under Applicable Law.

[This [Second Amended and Restated] Revolver Note amends and restates and is given, in part, in substitution for, but not in satisfaction of, that certain Amended and Restated Revolver Note, dated [___________] issued by the Borrowers in favor of [___________] in the original principal amount of $[___________].]

This [Second Amended and Restated] Revolver Note shall be governed by the laws of the State of New York, without giving effect to any conflict of law principles (but giving effect to federal laws relating to national banks).

IN WITNESS WHEREOF, this [Second Amended and Restated] Revolver Note is executed as of the date set forth above.

SENECA FOODS CORPORATION
By____
Title:
SENECA FOODS, LLC
By____
Title:
SENECA SNACK COMPANY
By____
Title:
GREEN VALLEY FOODS, LLC
By____
Title:

[1] Amended and restated language may not be applicable to all Lenders.

Five Year Selected Financial Data

Summary of Operations and Financial Condition
(In thousands of dollars, except per share data and ratios)

Years ended March 31,	2015	2014	2013(a)	2012	2011(b)
Net sales	$ 1,286,350	$ 1,340,208	$ 1,276,297	$ 1,257,805	$ 1,189,585
Operating income before interest (c)	$ 19,148	$ 23,604	$ 70,934	$ 25,623	$ 32,294
Interest expense, net	5,656	6,262	7,486	8,102	8,827
Net earnings (c)	9,899	13,779	41,413	11,256	17,671
Basic earnings per common share (c)	$ 0.91	$ 1.24	$ 3.59	$ 0.93	$ 1.45
Diluted earnings per common share (c)	0.90	1.23	3.57	0.92	1.45
Working capital	$ 463,545	$ 452,771	$ 446,899	$ 425,082	$ 294,712
Inventories	472,412	451,250	479,730	432,433	455,236
Net property, plant, and equipment	185,557	183,917	188,407	192,825	188,012
Total assets	805,694	768,853	798,456	738,036	744,708
Long-term debt					
less current portion	271,634	216,239	230,016	226,873	90,060
Stockholders' equity	351,730	393,632	367,166	354,673	353,832
Additions to property, plant, and equipment	$ 23,734	$ 19,448	$ 16,371	$ 27,425	$ 19,473
Net earnings/average equity	2.7%	3.6%	11.5%	3.2%	5.1%
Earnings before taxes/sales	1.1%	1.3%	5.0%	1.4%	2.0%
Net earnings/sales	0.8%	1.0%	3.2%	0.9%	1.5%
Long-term debt/equity (d)	77.2%	54.9%	62.6%	64.0%	25.5%
Total debt/equity ratio	1.3:1	1.0:1	1.2:1	1.1:1	1.1:1
Current ratio	4.8:1	4.5:1	3.8:1	4.6:1	2.1:1
Total stockholders' equity per equivalent common share (e)	$ 34.81	$ 35.25	$ 32.83	$ 29.15	$ 28.96
Stockholders' equity per common share	35.33	36.12	33.62	29.81	29.61
Class A Global Market System					
closing price range	32.65-25.06	36.07-27.80	33.63-21.42	29.73-18.34	32.68-22.02
Class B Global Market System					
closing price range	41.00-27.91	36.29-27.42	33.40-21.41	29.70-19.20	32.99-22.30
Price earnings ratio	31.5	25.6	9.2	28.7	20.5

(a) The fiscal 2013 financial results include two and one-half months of operating activity related to the Sunnyside acquisition.
(b) The fiscal 2011 financial results include eight months of operating activity related to the Lebanon acquisition.
(c) The effect of using the LIFO inventory valuation method in fiscal 2015 was to reduce operating earnings by $10.7 million and net earnings by $6.9 million or $0.64 per share ($0.63 diluted). The effect of using the LIFO inventory valuation method in fiscal 2014 was to reduce operating earnings by $20.4 million and net earnings by $13.2 million or $1.19 per share ($1.19 diluted). The effect of using the LIFO inventory valuation method in fiscal 2013 was to increase operating earnings by $4.2 million and net earnings by $2.7 million or $0.24 per share ($0.24 diluted). The effect of using the LIFO inventory valuation method in Fiscal 2012 was to reduce operating earnings by $47.4 million and net earnings by $30.8 million or $2.53 per share ($2.52 diluted). The effect of using the LIFO inventory valuation method in fiscal 2011 was to increase operating earnings by $7.9 million and net earnings by $5.1 million or $0.42 per share ($0.42 diluted).
(d) The long-term debt to equity percentage for fiscal 2015-2012 include the Revolving Credit Facility as discussed in Note 4, Long-Term Debt. During fiscal 2011, the Revolving Credit Facility was included in current liabilities. If calculated on a comparable basis to other fiscal years, the fiscal 2011 percentage would be 63.8%.
(e) Equivalent common shares are either common shares or, for convertible preferred shares, the number of common shares that the preferred shares are convertible into. See Note 7 of the Notes to Consolidated Financial Statements for conversion details.

Management's Discussion and Analysis of
Financial Condition and Results of Operations

OVERVIEW

Our Business

Seneca Foods is North America's leading provider of packaged fruits and vegetables, with facilities located throughout the United States. Its high quality products are primarily sourced from over 2,000 American farms.

Seneca holds the largest share of the retail private label, food service, and export canned vegetable markets, distributing to over 90 countries. Products are also sold under the highly regarded brands of Libby's®, Green Valley®, Aunt Nellie's®, READ®, Seneca Farms® and Seneca labels, including Seneca snack chips. In addition, Seneca provides vegetable products under an alliance with General Mills Operations, LLC, a subsidiary of General Mills, Inc., under the Green Giant label.

The Company's business strategies are designed to grow the Company's market share and enhance the Company's sales and margins and include: 1) expand the Company's leadership in the packaged fruit and vegetable industry; 2) provide low cost, high quality fruit and vegetable products to consumers through the elimination of costs from the Company's supply chain and investment in state-of-the-art production and logistical technology; 3) focus on growth opportunities to capitalize on higher expected returns; and 4) pursue strategic acquisitions that leverage the Company's core competencies.

All references to years are fiscal years ended March 31 unless otherwise indicated.

Restructuring

During 2015, the Company recorded a restructuring charge of $1.4 million related to the closing of a plant in the Midwest and the realignment of two other plants, one in the Midwest and the other in the Northwest, of which $0.8 million was related to severance cost, $0.3 million was related to equipment costs (contra fixed assets), and $0.3 million was related to equipment relocation costs.

During 2013, the Company implemented a product rationalization program and recorded a restructuring charge of $3.5 million for related equipment costs (contra fixed assets), lease impairment costs (net of realizable value), and certain inventory costs. During 2014, the Company adjusted the costs of the product rationalization program, started in 2013, by $0.5 million, mostly related to equipment costs.

These charges are included under Plant Restructuring in the Consolidated Statements of Net Earnings.

Divestitures, Other Charges and Credits

Other operating income in 2015 included a gain of $5.0 million related to a contractual payment received in connection with the closing of a Midwest plant and a charge of $0.3 million related to environmental costs related to a Company-owned plant in New York State. The Company also recorded a gain of $0.1 million from the sale of other fixed assets.

Other operating income in 2014 included a gain of $2.9 million from a break-up fee earned as a result of the Company being named the stalking horse bidder in an attempt to acquire substantially all the operating assets of Allens, Inc. in a bankruptcy court supervised auction, a gain of $0.7 million from the sale of two aircraft and a gain of $0.1 million as a result of adjustments related to the purchase of Sunnyside. The Company also recorded a loss of $0.5 million on the disposal of a warehouse located in Sunnyside, Washington and a net gain of $0.2 million from the sale of other fixed assets.

Other operating income in 2013 included a gain of $2.0 million as a result of the estimated fair market value of the net assets acquired exceeding the purchase price of Sunnyside. The Company also recorded a gain of $0.3 million from the sale of property located in Cambria, Wisconsin and a net loss of $0.3 million on the disposal of certain other fixed assets.

Liquidity and Capital Resources

The Company's primary cash requirements are to make payments on the Company's debt, finance seasonal working capital needs and to make capital expenditures. Internally generated funds and amounts available under the revolving credit facility are the Company's primary sources of liquidity, although the Company believes it has the ability to raise additional capital by issuing additional stock, if it desires.

Revolving Credit Facility

The Company completed the closing of a five year revolving credit facility ("Revolver") on July 20, 2011. The available borrowings under the Revolver are $300.0 million from April through July and $400.0 million from August through March of each year under the Revolver. The Revolver balance as of March 31, 2015 was $233.0 million and is included in Long-Term Debt in the accompanying Consolidated Balance Sheet. In order to maintain availability of funds under the facility, the Company pays a commitment fee on the unused portion of the Revolver. The Revolver is secured by the Company's accounts receivable and inventories and contains a financial covenant and borrowing base requirements. The Company utilizes its Revolver for general corporate purposes, including seasonal working capital needs, to pay debt principal and interest obligations, and to fund capital expenditures and acquisitions. Seasonal working capital needs are affected by the growing cycles of the vegetables and fruits the Company packages. The majority of vegetable and fruit inventories are produced during the months of June through November and are then sold over the following year. Payment terms for vegetable and fruit produce are generally three months but can vary from a few days to seven months. Accordingly, the Company's need to draw on the Revolver may fluctuate significantly throughout the year.

The Company believes that cash flows from operations and availability under its Revolver will provide adequate funds for the Company's working capital needs, planned capital expenditures and debt service obligations for at least the next 12 months.

Seasonality

The Company's revenues typically are higher in the second and third fiscal quarters. This is due, in part, because the Company sells, on a bill and hold basis, Green Giant canned and frozen vegetables to GMOL at the end of each pack cycle, which typically occurs during these quarters. GMOL buys the product from the Company at cost plus an equivalent case tolling fee. See the Critical Accounting Policies section for further details. The Company's non-Green Giant sales also exhibit seasonality with the third fiscal quarter generating the highest sales due to increased retail sales during the holiday season.

The seasonality of the Company's business is illustrated by the following table:

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
		(In thousands)		
Year ended March 31, 2015:				
Net sales	$ 240,043	$ 312,161	$ 456,207	$ 277,939
Gross margin	16,996	16,804	26,084	23,273
Net (loss) earnings	(107)	(578)	7,819	2,765
Inventories (at quarter end)	467,290	731,527	547,149	472,412
Revolver outstanding (at quarter end)	180,050	302,220	255,000	233,000
Year ended March 31, 2014:				
Net sales	$ 232,127	$ 336,628	$ 477,694	$ 293,759
Gross margin	19,680	22,379	31,178	17,726
Net earnings (loss)	1,347	6,603	6,846	(1,017)
Inventories (at quarter end)	484,694	758,654	550,723	451,250
Revolver outstanding (at quarter end)	151,026	282,000	226,000	175,000

Short-Term Borrowings

During 2015, the Company entered into some interim lease notes which financed down payments for various equipment orders at market rates. As of March 31, 2015, these interim notes had not been converted into operating leases since the equipment was not yet delivered. These notes, which total $9.9 million and $12.3 million as of March 31, 2015 and March 31, 2014, respectively, are included in notes payable in the accompanying Consolidated Balance Sheets. These notes are expected to be converted into operating leases within the next twelve months. Until then, they bear interest at an annual rate of 1.67% in 2015 and 1.65% in 2014.

The maximum level of short-term borrowings during 2015 was affected by the 50% investment in Truitt Bros. Inc. of $16.2 million, which took place in April 2014, and the purchase of treasury stock totaling $33.5 million. During 2014, the maximum level of short-term borrowings was affected by the payoff of a $36.7 million loan to a third party lender, which took place in August 2013. Details of the Truitt acquisition are outlined in Note 2 of the Notes to Consolidated Financial Statements.

General terms of the Revolver include payment of interest at LIBOR plus an agreed upon spread.

The following table documents the quantitative data for Short-Term Borrowings during 2015 and 2014:

	Fourth Quarter		Year Ended	
	2015	2014	2015	2014
	(In thousands)			
Reported end of period:				
Revolver outstanding	$ 233,000	$ 175,000	$ 233,000	$ 175,000
Weighted average interest rate	1.92%	1.65%	1.92%	1.65%
Reported during period:				
Maximum Revolver	$ 263,627	$ 239,482	$ 323,646	$ 318,601
Average Revolver outstanding	$ 252,013	$ 213,487	$ 234,726	$ 214,528
Weighted average interest rate	1.93%	1.49%	1.63%	1.60%

Long-Term Debt

At March 31, 2015, the Company has two mortgages outstanding for $16.9 million, and four industrial revenue bonds ("IRBs"), totaling $22.6 million. As discussed in Note 4 to the Notes to Consolidated Financial Statements, the Company classified its Revolver balance as long-term debt at March 31, 2015. On August 1, 2013, the Company paid a final $36.7 million principal payment due on a secured note payable to John Hancock Life Insurance Company. The Company issued a $1.5 million new economic development note during 2014. The Company did not issue any significant long-term debt in 2015, other than the Revolver.

As of March 31, 2015, scheduled maturities of long-term debt in each of the five succeeding fiscal years and thereafter are presented below. The March 31, 2015 Revolver balance of $233.0 million is presented as being due in fiscal 2017, based upon the Revolver's July 20, 2016 maturity date (in thousands):

2016	$ 2,530
2017	235,667
2018	7,904
2019	3,034
2020	2,531
Thereafter	22,498
Total	$ 274,164

Restrictive Covenants

The Company's debt agreements, including the Revolver, contain covenants that restrict the Company's ability to incur additional indebtedness, pay dividends on the Company's capital stock, make other restricted payments, including investments, sell the Company's assets, incur liens, transfer all or substantially all of the Company's assets and enter into consolidations or mergers. The Company's debt agreements also require the Company to meet a minimum fixed charge coverage ratio. The Revolver also contains borrowing base requirements related to accounts receivable and inventories. These financial requirements and ratios generally become more restrictive over time and are subject to allowances for seasonal fluctuations. The most restrictive financial covenant in the debt agreements is the fixed charge coverage ratio within the Master Reimbursement Agreement with General Electric Commercial Finance, which relates to the Secured Industrial Revenue Development Bonds. In connection with the Company's decision to adopt the LIFO method of inventory accounting, effective December 30, 2007, the Company executed amendments to its debt agreements, which enable the Company to compute its financial covenants as if the Company were on the FIFO method of inventory accounting. The Company was in compliance with all such financial covenants as of March 31, 2015.

Capital Expenditures

Capital expenditures in 2015 totaled $26.2 million and there were two major projects in 2015 as follows: 1) $7.5 million to complete a warehouse project in Sunnyside, Washington started in 2014, and 2) $2.1 million to buyout a Clyman, Wisconsin equipment lease. Capital expenditures in 2014 totaled $17.0 million and included $7.6 million towards the completion of a pouch building project in Janesville, Wisconsin, and $3.6 million for the start of a warehouse project in Sunnyside, Washington, equipment replacements and other improvements, and cost saving projects. Capital expenditures in 2013 totaled $17.0 million and included $3.3 million to complete a warehouse expansion in Ripon, Wisconsin started in 2012 and $0.5 million to complete a dock expansion project in Lebanon, Pennsylvania started in 2012, equipment replacements and other improvements, and cost saving projects.

Accounts Receivable

In 2015, accounts receivable decreased by $7.1 million or 9.3% versus 2014, due to the impact of decreased sales volume in the fourth quarter of 2015 compared to 2014. In 2014, accounts receivable decreased by $1.3 million or 1.6% versus 2013, due to the impact on cash receipts due to the timing of year end, partially offset by higher sales volume in the fourth quarter of 2014 compared to the 2013.

Inventories

In 2015, inventories increased by $21.1 million primarily reflecting the effect of higher finished goods quantities and higher work in process quantities. The LIFO reserve balance was $164.1 million at March 31, 2015 versus $153.4 million at the prior year end.

In 2014, inventories decreased by $28.5 million primarily reflecting a $46.3 million decrease in finished goods due to the increase in the LIFO reserve balance and the short 2013 pack (fiscal 2014) of certain commodities, partially offset by the effect of higher raw material quantities. The LIFO reserve balance was $153.4 million at March 31, 2014 versus $133.0 million at the prior year end.

The Company believes that the use of the LIFO method better matches current costs with current revenues.

Critical Accounting Policies

During the year ended March 31, 2015, the Company sold for cash, on a bill and hold basis, $138.6 million of Green Giant finished goods inventory to GMOL. As of March 31, 2015, $60.5 million of this product, included in 2015 sales, remained unshipped. At the time of the sale of the Green Giant vegetables to GMOL, title of the specified inventory transferred to GMOL. The Company believes it has met the criteria required by the accounting standards for bill and hold treatment.

Trade promotions are an important component of the sales and marketing of the Company's branded products and are critical to the support of the business. Trade promotion costs, which are recorded as a reduction of net sales, include amounts paid to encourage retailers to offer temporary price reductions for the sale of the Company's products to consumers, amounts paid to obtain favorable display positions in retail stores, and amounts paid to retailers for shelf space in retail stores. Accruals for trade promotions are recorded primarily at the time of sale of product to the retailer based on expected levels of performance. Settlement of these liabilities typically occurs in subsequent periods primarily through an authorized process for deductions taken by a retailer from amounts otherwise due to the Company. As a result, the ultimate cost of a trade promotion program is dependent on the relative success of the events and the actions and level of deductions taken by retailers for amounts they consider due to them. Final determination of the permissible deductions may take extended periods of time.

The Company assesses its long-lived assets for impairment whenever there is an indicator of impairment. Property, plant, and equipment are depreciated over their assigned lives. The assigned lives and the projected cash flows used to test impairment are subjective. If actual lives are shorter than anticipated or if future cash flows are less than anticipated, a future impairment charge or a loss on disposal of the assets could be incurred. Impairment losses are evaluated if the estimated undiscounted value of the cash flows is less than the carrying value. If such is the case, a loss is recognized when the carrying value of an asset exceeds its fair value.

Obligations and Commitments

As of March 31, 2015, the Company was obligated to make cash payments in connection with its debt, operating leases, and purchase commitments. The effect of these obligations and commitments on the Company's liquidity and cash flows in future periods are listed below. All of these arrangements require cash payments over varying periods of time. Certain of these arrangements are cancelable on short notice and others require additional payments as part of any early termination.

Contractual Obligations
March 31, 2015

	2016	2017-18	2019-20	2021 and beyond	Total
			(In thousands)		
Long-term debt	$ 2,530	$ 243,571	$ 5,565	$ 22,498	$ 274,164
Interest	5,373	3,657	1,524	2,081	12,635
Operating lease obligations	42,585	71,236	52,550	33,239	199,610
Purchase commitments	204,722	—	—	—	204,722
Total	$ 255,210	$ 318,464	$ 59,639	$ 57,818	$ 691,131

In addition, the Company's defined benefit plan has an unfunded pension liability of $55.0 million which is subject to certain actuarial assumptions. The unfunded status increased by $39.1 million during 2015 reflecting the actual fair value of plan assets and the projected benefit obligation as of March 31, 2015. This unfunded status increase was recognized via the actual gain on plan assets and the increase in accumulated other comprehensive loss of $20.6 million after the income tax benefit of $13.2 million. The increase in projected benefit obligation was a function of a decrease in the discount rate from 4.85% to 4.15% and the change to using an updated mortality table. During 2015, the Company converted to the RP-2014 Blue Collar and Generational Improvement mortality table for calculating the pension obligation and the related pension expense. This change increased the projected benefit obligation by $6.6 million and had no impact on 2015 pension expense. This conversion is expected to increase the 2016 defined benefit pension plan expense by $1.2 million. Plan assets increased from $154.7 million as of March 31, 2014 to $157.9 million as of March 31, 2015 due to a continued recovery in market conditions and the $0.4 million contribution by the Company. The Company made this contribution to maintain its funding status at an acceptable level.

During 2015, the Company entered into new operating leases of approximately $47.9 million, based on the if-purchased value, which was primarily for agricultural and packaging equipment.

Purchase commitments represent estimated payments to growers for crops that will be grown during the calendar 2015 season.

Due to uncertainties related to FASB Accounting Standards Codification ("ASC") 740, Income Taxes, the Company is not able to reasonably estimate the cash settlements required in future periods.

The Company has no off-balance sheet debt or other unrecorded obligations other than operating lease obligations and purchase commitments noted above.

Standby Letters of Credit

The Company has standby letters of credit for certain insurance-related requirements. The majority of the Company's standby letters of credit are automatically renewed annually, unless the issuer gives cancellation notice in advance. On March 31, 2015, the Company had $11.0 million in outstanding standby letters of credit. These standby letters of credit are supported by the Company's Revolver and reduce borrowings available under the Revolver.

Cash Flows

In 2015, the Company's cash and cash equivalents decreased by $3.2 million, which is due to the net impact of $19.4 million provided by operating activities, $42.1 million used in investing activities, and $19.5 million provided by financing activities.

Operating Activities

Cash provided by operating activities decreased to $19.4 million in 2015 from $55.6 million in 2014. The decrease is primarily attributable to increased inventories, exclusive of LIFO, and a decrease in net earnings in 2015 versus 2014, partially offset by a decrease in accounts receivable and a decrease in other current assets (mostly lease deposits). The 2015 LIFO charge of $10.7 million resulted in an increase in the tax payment deferral of $3.7 million.

Cash provided by operating activities increased to $55.6 million in 2014 from $30.3 million in 2013. The increase is primarily attributable to a lower increase in other current assets (mostly lease deposits) and decreased inventories, exclusive of LIFO, partially offset by a decrease in net earnings in 2014 versus 2013. The 2014 LIFO charge of $20.4 million resulted in an increase in the tax payment deferral of $7.1 million.

The cash requirements of the business fluctuate significantly throughout the year to coincide with the seasonal growing cycles of vegetables and fruits. The majority of the inventories are produced during the packing months, from June through November, and are then sold over the following year. Cash flow from operating activities is one of the Company's main sources of liquidity.

Investing Activities

Cash used in investing activities was $42.1 million for 2015, principally reflecting capital expenditures and a purchase of an equity method investment of $16.2 million. Capital expenditures aggregated $26.2 million in 2015 versus $17.0 million in 2014. The increase was primarily attributable to more large projects in 2015. There were two major projects in 2015 as follows: 1) $7.5 million to complete a warehouse project in Sunnyside, Washington started in 2014, and 2) $2.1 million to buyout a Clyman, Wisconsin equipment lease.

Cash used in investing activities was $16.0 million for 2014, principally reflecting capital expenditures. Capital expenditures aggregated $17.0 million in 2014 and in 2013. There were two major projects in 2014 as follows: 1) $7.6 million towards the completion of pouch building project in Janesville, Wisconsin, and 2) $3.6 million for the start of a warehouse project in Sunnyside, Washington.

Financing Activities

Cash provided by financing activities was $19.5 million in 2015 representing a net increase in the Revolver of $55.6 million partially offset by a partial payoff of interim funding of $2.4 million and the purchase of $33.5 million of treasury stock during 2015 versus $0.7 million purchased in 2014.

Cash used by financing activities was $39.9 million in 2014 representing a net pay down on the Revolver of $51.7 million partially offset by interim funding of $12.3 million. The Company purchased $0.7 million of treasury stock during 2014 versus $28.4 million purchased in 2013.

RESULTS OF OPERATIONS

Classes of similar products/services:	2015	2014	2013
		(In thousands)	
Net Sales:			
GMOL *	$ 161,993	$ 177,881	$ 165,684
Canned vegetables	754,556	753,318	746,892
Frozen *	94,648	107,109	84,935
Fruit	234,918	264,549	245,596
Snack	11,667	11,496	11,357
Other	28,568	25,855	21,833
Total	$ 1,286,350	$ 1,340,208	$ 1,276,297

* GMOL includes frozen vegetable sales exclusively for GMOL.

Fiscal 2015 versus Fiscal 2014

Net sales for 2015 decreased $53.9 million, from $1,340.2 million to $1,286.3 million. The decrease primarily reflects a $15.9 million decrease in GMOL sales, a $29.6 million decrease in fruit sales, a $12.5 million decrease in frozen sales, a $1.2 million increase in canned vegetables sales and a $2.7 million increase in other sales. The decrease in sales is attributable to decreased sales volume of $95.5 million partially offset by higher selling prices/more favorable sales mix of $41.6 million. The increased selling prices/more favorable sales mix is primarily due to canned fruit.

Cost of product sold as a percentage of sales increased from 93.2% in 2014 to 93.5% in 2015 primarily as a result of higher commodity costs and the impact of lower production volume with fixed costs, partially offset by a $9.7 million LIFO charge decrease in 2015 versus 2014.

Selling, general and administrative expense was unchanged at 5.2% of sales in 2015 and 2014.

Other operating income in 2015 included a gain of $5.0 million related to a contractual payment received in connection with the closing of a Midwest plant, a charge of $0.3 million related to environmental costs related to a Company-owned plant in New York State. The Company also recorded a gain of $0.1 million from the sale of other fixed assets. Other operating income in 2014 included a gain of $2.9 million from a break-up fee earned as a result of the Company being named the stalking horse bidder in an attempt to acquire substantially all the operating assets of Allens, Inc. in a bankruptcy court supervised auction, a gain of $0.7 million from the sale of two aircraft and a gain of $0.1 million as a result of adjustments related to the purchase of Sunnyside. The Company also recorded a loss of $0.5 million on the disposal of a warehouse located in Sunnyside, Washington and a net gain of $0.2 million from the sale of other fixed assets.

Plant restructuring costs, which are described in detail in the Restructuring section of Management's Discussion and Analysis of Financial Condition and Results of Operations, increased from $0.5 million in 2014 to $1.4 million in 2015. This $1.4 million charge was mostly due to the closing of a plant in the Midwest in 2015. Product rationalization costs incurred in 2013 were adjusted in 2014.

Interest expense, net, decreased from $6.3 million in 2014 to $5.7 million in 2015 due to the continuing pay down of higher cost debt in 2015 partially offset by higher average Revolver borrowings in 2015 versus 2014.

As a result of the aforementioned factors, pre-tax earnings decreased from $17.3 million in 2014 to $14.1 million in 2015. The effective tax rate was 29.9% in 2015 and 20.5% in 2014. Of the 9.4 percentage point increase in the effective tax rate for the year, the major contributors to this increase are the following items, 1) the establishment of a valuation allowance related to the New York State investment tax credit, 2) with lower pre-tax earnings, the permanent items have a larger impact on the effective rate, and 3) less federal credits generated in the current year compared to the prior year. The impact of these increases was partially offset by the manufacturer's deduction being a higher percentage of current year earnings than the prior year.

Fiscal 2014 versus Fiscal 2013

Net sales for 2014 increased $63.9 million, from $1,276.3 million to $1,340.2 million. The increase primarily reflects a $22.2 million increase in frozen sales, a $19.0 million increase in fruit sales in part due to the January 2013 Sunnyside acquisition, a $12.2 million increase in GMOL sales, a $6.4 million increase in canned vegetables sales and a $4.0 million increase in other sales. The increase in sales is attributable to increased sales volume of $79.1 million partially offset by lower selling prices/less favorable sales mix of $15.2 million. The decreased selling prices/less favorable sales mix is primarily due to canned and frozen vegetables.

Cost of product sold as a percentage of sales increased from 88.9% in 2013 to 93.2% in 2014 primarily as a result of a $24.6 million LIFO charge increase in 2014 versus 2013, due to higher commodity costs, and somewhat lower selling prices in 2014 versus 2013.

Selling, general and administrative expense was 5.2% of sales in 2014 and 5.4% of sales in 2013.

Other operating income in 2014 included a gain of $2.9 million from a break-up fee earned as a result of the Company being named the stalking horse bidder in an attempt to acquire substantially all the operating assets of Allens, Inc. in a bankruptcy court supervised auction, a gain of $0.7 million from the sale of two aircraft and a gain of $0.1 million as a result of adjustments related to the purchase of Sunnyside. The Company also recorded a loss of $0.5 million on the disposal of a warehouse located in Sunnyside, Washington and a net gain of $0.2 million from the sale of other fixed assets. Other operating income in 2013 consisted of a gain of $2.0 million as a result of the estimated fair market value of the assets acquired exceeding the purchase price of Sunnyside.

Plant restructuring costs, which are described in detail in the Restructuring section of Management's Discussion and Analysis of Financial Condition and Results of Operations, decreased from $3.5 million in 2013 to $0.5 million in 2014. This was due to the product rationalization costs incurred in 2013 and adjusted in 2014.

Interest expense, net, decreased from $7.5 million in 2013 to $6.2 million in 2014 due to the continuing pay down of higher cost debt in 2014 partially offset by higher average Revolver borrowings in 2014 versus 2013.

As a result of the aforementioned factors, pre-tax earnings decreased from $63.4 million in 2013 to $17.3 million in 2014. The effective tax rate was 20.5% in 2014 and 34.7% in 2013. Of the 14.2 percentage point decrease in the effective tax rate for the year, the major contributors to this decrease are the following items, 1) with lower pre-tax earnings due to part to a large LIFO charge versus a credit in the prior year, the permanent items have a larger impact on the effective rate, 2) the manufacturers deduction is a higher percentage of current year earnings than the prior year, 3) the reversal of certain tax reserves related to New York State investment tax credit and 4) work opportunity credit, research and experimentation credit and fuel tax credit and miscellaneous permanent items.

Recently Issued Accounting Standards

In April 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2014-08, Reporting Discontinued Operations and Disclosures of Disposals of Components of an Entity ("ASU 2014-08"). ASU 2014-08 changes the definition of discontinued operations and modifies related disclosure requirements. The new guidance is effective on a prospective basis for fiscal years beginning after December 15, 2014, and interim periods within annual periods beginning on or after December 15, 2015. This new guidance did not have a material impact on the Company's Consolidated Financial Statements.

In May 2014, the FASB issued ASU 2014-09, Revenue from Contracts with Customers, which requires an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. The ASU will replace most existing revenue recognition guidance in U.S. GAAP when it becomes effective. The new standard effective date was recently proposed to be delayed a year and if approved will be effective for the Company on April 1, 2018 (beginning of fiscal 2019). Early adoption is permitted. The standard permits the use of either the retrospective or cumulative effect transition method. The Company is evaluating the effect that ASU 2014-09 will have on its consolidated financial statements and related disclosures. The Company has not yet selected a transition method nor has it determined the effect of the standard on its ongoing financial reporting. The Company does not anticipate a material impact on the Company's financial position, results of operations or cash flows as a result of this change.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Interest Rate Risk

The Company maintained $10.6 million in cash equivalents as of March 31, 2015. As a result of its regular borrowing activities, the Company's operating results are exposed to fluctuations in interest rates, which it manages primarily through its regular financing activities. The Company uses a revolving credit facility with variable interest rates to finance capital expenditures, acquisitions, seasonal working capital requirements and to pay debt principal and interest obligations. In addition, long-term debt includes secured notes payable. Long-term debt bears interest at fixed and variable rates. With $257.4 million in average variable-rate debt during fiscal 2015, a 1% change in interest rates would have had a $2.6 million effect on interest expense. The following table provides information about the Company's financial instruments that are sensitive to changes in interest rates. The table presents principal cash flows and related weighted average interest rates by expected maturity date. Weighted average interest rates on long-term variable-rate debt are based on rates as of March 31, 2015.

Interest Rate Sensitivity of Long-Term Debt and Short-Term Investments
March 31, 2015
(In thousands)

	PAYMENTS BY YEAR							
	2016	2017	2018	2019	2020	Thereafter	Total/ Weighted Average	Estimated Fair Value
Fixed-rate L/T debt:								
Principal cash flows	$ 2,530	$ 2,667	$ 2,844	$ 3,034	$ 2,531	$ 4,928	$ 18,534	$ 19,369
Average interest rate	6.57%	6.59%	6.62%	6.67%	6.71%	6.68%	6.66%	
Variable-rate L/T debt:								
Principal cash flows	$ -	$ 233,000	$ 5,060	$ -	$ -	$ 17,570	$ 255,630	$ 255,630
Average interest rate	-%	1.92%	2.97%	-%	-%	2.97%	2.02%	
Average Revolver debt:								
Principal cash flows							$ 234,726	$ 234,726
Average interest rate							1.63%	
Short-term investments:								
Average balance							$ 8,006	$ 8,006
Average interest rate							0.07%	

Commodity Risk

The materials that the Company uses, such as vegetables, fruits, steel, ingredients, and packaging materials, as well as the electricity and natural gas used in the Company's business, are commodities that may experience price volatility caused by external factors including market fluctuations, availability, weather, currency fluctuations, and changes in governmental regulations and agricultural programs. These events may result in reduced supplies of these materials, higher supply costs, or interruptions in the Company's production schedules. If prices of these raw materials increase and the Company is not able to effectively pass such price increases along to its customers, operating income will decrease. With $204.7 million in produce costs expected during 2016, a 1% change would have a $2.0 million effect on inventory costs. A 1% change in steel unit costs would equate to a $1.0 million cost impact.

The Company does not currently hedge or otherwise use derivative instruments to manage interest rate or commodity risks.

Consolidated Statements of Net Earnings

Seneca Foods Corporation and Subsidiaries
(In thousands, except per share amounts)

Years ended March 31,	2015	2014	2013
Net sales	$ 1,286,350	$ 1,340,208	$ 1,276,297
Costs and expenses:			
Cost of products sold	1,203,193	1,249,245	1,134,985
Selling, general, and administrative expense	67,381	70,129	68,852
Other operating income, net	(4,748)	(3,271)	(1,971)
Plant restructuring	1,376	501	3,497
Total costs and expenses	1,267,202	1,316,604	1,205,363
Operating income	19,148	23,604	70,934
Earnings from equity investment	(628)	-	-
Interest expense, net of interest income of $18, $4, and $179, respectively	5,656	6,262	7,486
Earnings before income taxes	14,120	17,342	63,448
Income tax expense	4,221	3,563	22,035
Net earnings	$ 9,899	$ 13,779	$ 41,413
Basic earnings per common share	$ 0.91	$ 1.24	$ 3.59
Diluted earnings per common share	$ 0.90	$ 1.23	$ 3.57

See notes to consolidated financial statements.

Consolidated Statements of Comprehensive Income (Loss)

Seneca Foods Corporation and Subsidiaries
(In thousands)

Years ended March 31,	2015	2014	2013
Comprehensive income (loss):			
Net earnings	$ 9,899	$ 13,779	$ 41,413
Change in pension and postretirement benefits (net of income tax of $13,140, $7,222, and $493, respectively)	(20,552)	11,296	771
Total	$ (10,653)	$ 25,075	$ 42,184

See notes to consolidated financial statements.

Consolidated Balance Sheets

Seneca Foods Corporation and Subsidiaries
(In thousands)

March 31,	2015	2014
Assets		
Current Assets:		
Cash and cash equivalents	$ 10,608	$ 13,839
Accounts receivable, less allowance for doubtful accounts of $145 and $160, respectively	69,837	76,964
Inventories:		
Finished products	301,705	304,955
In process	10,167	12,353
Raw materials and supplies	160,540	133,942
	472,412	451,250
Deferred income taxes, net	6,997	8,412
Other current assets	27,439	33,594
Total Current Assets	587,293	584,059
Deferred income tax asset, net	14,829	-
Other assets	18,015	877
Property, plant, and equipment:		
Land	20,971	19,639
Buildings and improvements	200,739	180,202
Equipment	347,169	347,935
	568,879	547,776
Less accumulated depreciation and amortization	383,322	363,859
Net property, plant, and equipment	185,557	183,917
Total Assets	$ 805,694	$ 768,853
Liabilities and Stockholders' Equity		
Current Liabilities:		
Notes payable	$ 9,903	$ 12,255
Accounts payable	68,105	71,219
Accrued vacation	11,347	10,997
Accrued payroll	6,344	7,516
Other accrued expenses	23,732	26,111
Current portion of long-term debt	2,530	2,277
Income taxes payable	1,787	913
Total Current Liabilities	123,748	131,288
Long-term debt, less current portion	271,634	216,239
Pension liabilities	54,960	15,828
Other liabilities	3,622	11,527
Deferred income taxes, net	-	339
Total Liabilities	453,964	375,221
Commitments and contingencies		
Stockholders' Equity:		
Preferred stock	2,119	5,332
Common stock	3,010	2,958
Additional paid-in capital	96,578	93,260
Treasury stock, at cost	(61,277)	(29,894)
Accumulated other comprehensive loss	(31,804)	(11,252)
Retained earnings	343,104	333,228
Total Stockholders' Equity	351,730	393,632
Total Liabilities and Stockholders' Equity	$ 805,694	$ 768,853

See notes to consolidated financial statements.

Consolidated Statements of Cash Flows

Seneca Foods Corporation and Subsidiaries
(In thousands)

Years ended March 31,	2015	2014	2013
Cash flows from operating activities:			
Net earnings	$ 9,899	$ 13,779	$ 41,413
Adjustments to reconcile net earnings to			
net cash provided by operations:			
Depreciation and amortization	21,834	23,281	23,251
Deferred income tax benefit	(612)	(3,798)	(2,950)
Loss (gain) on the sale of assets	2	(325)	-
Impairment provision	264	341	1,216
Earnings from equity investment	(628)	-	-
Changes in operating assets and liabilities (net of acquisitions):			
Accounts receivable	7,127	1,276	4,485
Inventories	(21,162)	28,320	(20,134)
Other current assets	6,155	(8,295)	(16,238)
Accounts payable, accrued expenses,			
and other liabilities	(4,321)	4,236	(5,129)
Income taxes	874	(3,187)	4,416
Net cash provided by operating activities	19,432	55,628	30,330
Cash flows from investing activities:			
Additions to property, plant, and equipment	(26,213)	(17,027)	(17,047)
Purchase of an equity method investment	(16,242)	-	-
Collection of loan receivable	-	-	10,000
Cash paid for acquisition (net of cash acquired)	-	-	(5,016)
Proceeds from the sale of assets	337	998	370
Net cash used in investing activities	(42,118)	(16,029)	(11,693)
Cash flows from financing activities:			
Proceeds from issuance of long-term debt	384,510	393,972	558,288
Payments of long-term debt	(328,862)	(445,642)	(544,047)
(Payments) borrowings on notes payable	(2,352)	12,255	-
Change in other assets	(312)	248	276
Purchase of treasury stock	(33,506)	(674)	(28,447)
Preferred stock dividends paid	(23)	(23)	(23)
Net cash provided by (used in) financing activities	19,455	(39,864)	(13,953)
Net (decrease) increase in cash and cash equivalents	(3,231)	(265)	4,684
Cash and cash equivalents, beginning of year	13,839	14,104	9,420
Cash and cash equivalents, end of year	$ 10,608	$ 13,839	$ 14,104
Supplemental disclosures of cash flow information:			
Cash paid during the year for:			
Interest	$ 5,116	$ 6,586	$ 7,305
Income taxes	6,003	10,695	20,352

See notes to consolidated financial statements.

Consolidated Statements of Stockholders' Equity

Seneca Foods Corporation and Subsidiaries
(In thousands, except share amounts)

	Preferred Stock	Common Stock	Additional Paid-In Capital	Treasury Stock	Accumulated Other Comprehensive Loss	Retained Earnings
Balance March 31, 2012	$ 6,268	$ 2,938	$ 92,139	$ (1,435)	$ (23,319)	$ 278,082
Net earnings	-	-	-	-	-	41,413
Cash dividends paid on preferred stock	-	-	-	-	-	(23)
Equity incentive program	-	-	72	-	-	-
Stock issued for profit sharing plan	-	-	29	-	-	-
Purchase of treasury stock	-	-	-	(29,769)	-	-
Preferred stock conversion	(846)	17	829	-	-	-
Change in pension and postretirement benefits adjustment (net of tax $493)	-	-	-	-	771	-
Balance March 31, 2013	5,422	2,955	93,069	(31,204)	(22,548)	319,472
Net earnings	-	-	-	-	-	13,779
Cash dividends paid on preferred stock	-	-	-	-	-	(23)
Equity incentive program	-	-	100	-	-	-
Stock issued for profit sharing plan	-	-	4	-	-	-
Contribution of 401(k) match	-	-	-	1,984	-	-
Purchase of treasury stock	-	-	-	(674)	-	-
Preferred stock conversion	(90)	3	87	-	-	-
Change in pension and postretirement benefits adjustment (net of tax $7,222)	-	-	-	-	11,296	-
Balance March 31, 2014	5,332	2,958	93,260	(29,894)	(11,252)	333,228
Net earnings	-	-	-	-	-	9,899
Cash dividends paid on preferred stock	-	-	-	-	-	(23)
Equity incentive program	-	-	100	-	-	-
Stock issued for profit sharing plan	-	1	56	-	-	-
Contribution of 401(k) match	-	-	-	2,123	-	-
Purchase of treasury stock	-	-	-	(33,506)	-	-
Preferred stock conversion	(3,213)	51	3,162	-	-	-
Change in pension and postretirement benefits adjustment (net of tax $13,140)	-	-	-	-	(20,552)	-
Balance March 31, 2015	$ 2,119	$ 3,010	$ 96,578	$ (61,277)	$ (31,804)	$ 343,104

	Preferred Stock				Common Stock	
	6% Cumulative Par Value $.25 Callable at Par Voting	10% Cumulative Par Value $.025 Convertible Voting	Participating Convertible Par Value $.025	2003 Series Participating Convertible Par Value $.025	Class A Common Stock Par Value $.25	Class B Common Stock Par Value $.25
Shares authorized and designated:						
March 31, 2015	200,000	1,400,000	90,826	50,500	20,000,000	10,000,000
Shares outstanding:						
March 31, 2013	200,000	807,240	91,962	262,790	8,705,243	2,055,424
March 31, 2014	200,000	807,240	90,901	257,790	8,735,714	2,013,953
March 31, 2015	200,000	807,240	90,826	50,500	7,926,280	1,967,958
Stock amount	$ 50	$ 202	$ 1,084	$ 783	$ 2,506	$ 504

See notes to consolidated financial statements.

Notes to Consolidated Financial Statements

Seneca Foods Corporation and Subsidiaries

1. Summary of Significant Accounting Policies

Nature of Operations — Seneca Foods Corporation and subsidiaries (the "Company") conducts its business almost entirely in food packaging, operating 24 plants and 30 warehouses in eight states. The Company markets private label and branded packaged foods to retailers and institutional food distributors.

Principles of Consolidation — The consolidated financial statements include the accounts for the parent company and all of its wholly-owned subsidiaries after elimination of intercompany transactions, profits, and balances.

Revenue Recognition — Sales and related cost of product sold are recognized when legal title passes to the purchaser, which is primarily upon shipment of products. When customers, under the terms of specific orders, request that the Company invoice but hold the goods ("Bill and Hold") for future shipment, the Company recognizes revenue when legal title to the finished goods inventory passes to the purchaser. Generally, the Company receives cash from the purchaser when legal title passes. During the years ended March 31, 2015 and 2014, the Company sold for cash, on a bill and hold basis, $138.6 million and $150.3 million, respectively, of Green Giant finished goods inventory to General Mills Operations, LLC ("GMOL"). At the time of the sale of the Green Giant vegetables to GMOL, title of the specified inventory transferred to GMOL. The Company believes it has met the criteria required by the accounting standards for Bill and Hold treatment. As of March 31, 2015, $60.5 million of 2015 product remained unshipped.

Trade promotions are an important component of the sales and marketing of the Company's branded products, and are critical to the support of the business. Trade promotion costs, which are recorded as a reduction of sales, include amounts paid to retailers for shelf space, to obtain favorable display positions and to offer temporary price reductions for the sale of our products to consumers. Accruals for trade promotions are recorded primarily at the time of sale to the retailer based on expected levels of performance. Settlement of these liabilities typically occurs in subsequent periods primarily through an authorized process for deductions taken by a retailer from amounts otherwise due to the Company. As a result, the ultimate cost of a trade promotion program is dependent on the relative success of the events and the actions and level of deductions taken by retailers. Final determination of the permissible deductions may take extended periods of time.

Concentration of Credit Risk — Financial instruments that potentially subject the Company to credit risk consist of trade receivables and interest-bearing investments. Wholesale and retail food distributors comprise a significant portion of the trade receivables; collateral is generally not required. A relatively limited number of customers account for a large percentage of the Company's total sales. GMOL sales represented 13% of net sales in each of 2015, 2014 and 2013. The top ten customers, including GMOL, represented approximately 49%, 50% and 47% of net sales for 2015, 2014 and 2013, respectively. The Company closely monitors the credit risk associated with its customers. The Company places substantially all of its interest-bearing investments with financial institutions and monitors credit exposure. Cash and short-term investments in certain accounts exceed the federal insured limit; however, the Company has not experienced any losses in such accounts.

Cash Equivalents — The Company considers all highly liquid instruments purchased with an original maturity of three months or less as cash equivalents.

Fair Value of Financial Instruments — The carrying values of cash and cash equivalents (Level 1), accounts receivable, short-term debt (Level 2) and accounts payable approximate fair value because of the immediate or short-term maturity of these financial instruments. See Note 9, Fair Value of Financial Instruments, for a discussion of the fair value of long-term debt.

The three-tier value hierarchy is utilized to prioritize the inputs used in measuring fair value. The hierarchy gives the highest priority to quoted prices in active markets (Level 1) and the lowest priority to unobserved inputs (Level 3). The three levels are defined as follows:

Level 1- Quoted prices for identical instruments in active markets.

Level 2- Quoted prices for similar instruments; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs or significant value-drivers are observable.

Level 3- Model-derived valuations in which one or more inputs or value-drivers are both significant to the fair value measurement and unobservable.

Deferred Financing Costs — Deferred financing costs incurred in obtaining debt are amortized on a straight-line basis over the term of the debt, which is not materially different than using the effective interest rate method. As of March 31, 2015, there were $0.5 million of unamortized financing costs included in other assets on the Consolidated Balance Sheets.

Inventories — Substantially all inventories are stated at the lower of cost; determined under the last-in, first-out ("LIFO") method; or market.

Income Taxes — The provision for income taxes includes federal and state income taxes currently payable and those deferred because of temporary differences between the financial statement and tax basis of assets and liabilities and tax credit carryforwards. The Company uses the flow-through method to account for its investment tax credits.

The Company evaluates the likelihood of realization of its net deferred income tax assets by assessing its valuation allowance and by adjusting the amount of such allowance, if necessary. The factors used to assess the likelihood of realization are the Company's forecast of future taxable income, the projected reversal of temporary differences and available tax planning strategies that could be implemented to realize the net deferred income tax assets.

Current rules on the accounting for uncertainty on income taxes prescribe a minimum recognition threshold for a tax position taken or expected to be taken in a tax return that is required to be met before being recognized in the financial statements. Those rules also provide guidance on derecognition, measurement, classification, interest and penalties, accounting in interim periods, disclosure and transition. The Company recognizes interest and penalties accrued on unrecognized tax benefits as well as interest received from favorable settlements within income tax expense.

Shipping and Handling Costs — The Company includes all shipping and handling costs billed to customers in net sales and the corresponding costs in cost of products sold.

Advertising Costs — Advertising costs are expensed as incurred. Advertising costs charged to operations were $1.7 million, $1.5 and $1.4 million in 2015, 2014 and 2013, respectively.

Accounts Receivable and Doubtful Accounts — Accounts receivable is stated at invoice value, which is net of any off invoice promotions. A provision for doubtful accounts is recorded based upon an assessment of credit risk within the accounts receivable portfolio, experience of delinquencies (accounts over 15 days past due) and charge-offs (accounts removed from accounts receivable for expectation of non-payment), and current market conditions. Management believes these provisions are adequate based upon the relevant information presently available.

Earnings per Common Share — The Company has three series of convertible preferred stock, which are deemed to be participating securities that are entitled to participate in any dividend on Class A common stock as if the preferred stock had been converted into common stock immediately prior to the record date for such dividend. Basic earnings per share for common stock is calculated using the "two-class" method by dividing the earnings attributable to common stockholders by the weighted average of common shares outstanding during the period. Restricted stock is included in all earnings per share calculations.

Diluted earnings per share is calculated by dividing earnings attributable to common stockholders by the sum of the weighted average common shares outstanding plus the dilutive effect of convertible preferred stock using the "if-converted" method, which treats the contingently-issuable shares of convertible preferred stock as common stock.

Years ended March 31,	2015	2014	2013
	(In thousands, except per share amounts)		
Basic			
Net earnings	$ 9,899	$ 13,779	$ 41,413
Deduct preferred stock dividends	23	23	23
Undistributed earnings	9,876	13,756	41,390
Earnings attributable to participating preferred shareholders	160	438	1,406
Earnings attributable to common shareholders	$ 9,716	$ 13,318	$ 39,984
Weighted average common shares outstanding	10,690	10,747	11,147
Basic earnings per common share	$ 0.91	$ 1.24	$ 3.59
Diluted			
Earnings attributable to common shareholders	$ 9,716	$ 13,318	$ 39,984
Add dividends on convertible preferred stock	20	20	20
Earnings attributable to common stock on a diluted basis	$ 9,736	$ 13,338	$ 40,004
Weighted average common shares outstanding-basic	10,690	10,747	11,147
Additional shares to be issued related to the equity compensation plan	5	5	5
Additional shares to be issued under full conversion of preferred stock	67	67	67
Total shares for diluted	10,762	10,819	11,219
Diluted earnings per share	$ 0.90	$ 1.23	$ 3.57

Depreciation and Valuation — Property, plant, and equipment are stated at cost. Interest incurred during the construction of major projects is capitalized. For financial reporting, the Company provides for depreciation on the straight-line method at rates based upon the estimated useful lives of the various assets. Depreciation was $21.5 million, $22.9 million, and $22.8 million in 2015, 2014, and 2013, respectively. The estimated useful lives are as follows: buildings and improvements — 30 years; machinery and equipment — 10-15 years; computer software — 3-5 years; vehicles — 3-7 years; and land improvements — 10-20 years. The Company assesses its long-lived assets for impairment whenever there is an indicator of impairment. Impairment losses are evaluated if the estimated undiscounted cash flows from using the assets are less than carrying value. A loss is recognized when the carrying value of an asset exceeds its fair value. There were $1.2 million of impairment losses in 2013 included in Plant Restructuring (see Note 14, Plant Restructuring). There were no significant impairment losses in 2015 and 2014.

Use of Estimates in the Preparation of Financial Statements — The preparation of financial statements in conformity with accounting principles generally accepted in the United States ("GAAP") requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, as well as the related revenues and expenses during the reporting period. Actual amounts could differ from those estimated.

Recently Issued Accounting Standards — In April 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2014-08, Reporting Discontinued Operations and Disclosures of Disposals of Components of an Entity ("ASU 2014-08"). ASU 2014-08 changes the definition of discontinued operations and modifies related disclosure requirements. The new guidance is effective on a prospective basis for fiscal years beginning after December 15, 2014, and interim periods within annual periods beginning on or after December 15, 2015. This new guidance did not have a material impact on the Company's Consolidated Financial Statements.

In May 2014, the FASB issued ASU 2014-09, Revenue from Contracts with Customers, which requires an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. The ASU will replace most existing revenue recognition guidance in U.S. GAAP when it becomes effective. The new standard effective date was recently proposed to be delayed a year and if approved will be effective for the Company on April 1, 2018 (beginning of fiscal 2019). Early adoption is permitted. The standard permits the use of either the retrospective or cumulative effect transition method. The Company is evaluating the effect that ASU 2014-09 will have on its consolidated financial statements and related disclosures. The Company has not yet selected a transition method nor has it determined the effect of the standard on its ongoing financial reporting. The Company does not anticipate a material impact on the Company's financial position, results of operations or cash flows as a result of this change.

Reclassifications — Certain previously reported amounts have been reclassified to conform to the current period classification.

2. Acquisition of Equity Interest

In April 2014, the Company purchased a 50% equity interest in Truitt Bros. Inc. ("Truitt") for $16.2 million. The purchase agreement grants the Company the right to acquire the remaining 50% ownership of Truitt in the future under certain conditions. Truitt is known for its industry innovation related to packing shelf stable foods in trays, pouches and bowls. Truitt has two state-of-the-art plants located in Oregon and Kentucky. This investment is included in Other Assets in the Consolidated Balance Sheets as of March 31, 2015 and is accounted for using the equity method of accounting.

3. Short-Term Borrowings

The Company completed the closing of a five year revolving credit facility ("Revolver") on July 20, 2011. The available borrowings under the Revolver are $300.0 million from April through July and $400.0 million from August through March of each year under the Revolver. The maturity date for the Revolver is July 20, 2016. As of March 31, 2015, the outstanding balance of the Revolver was $233.0 million, with a weighted average interest rate of 1.92% (LIBOR plus a spread), and is included in the Long-Term Debt on the Consolidated Balance Sheet. The Revolver is secured by accounts receivable and inventories with a carrying value of $542.4 million. The Company had $11.0 million and $10.6 million of outstanding standby letters of credit as of March 31, 2015 and 2014, respectively, which reduces borrowing availability under the Revolver. See Note 4, Long-Term Debt, for additional comments related to the Revolver.

During 2015, the Company entered into some interim lease notes which financed down payments for various equipment orders at market rates. As of March 31, 2015, these interim notes had not been converted into operating leases since the equipment was not yet delivered. These notes, which total $9.9 million as of March 31, 2015 and $12.3 million as of March 31, 2014, are included in notes payable in the accompanying Consolidated Balance Sheets. These notes are expected to be converted into operating leases within the next twelve months. Until then, they bear interest at an annual rate of 1.67% as of March 31, 2015 and 1.65% as of March 31, 2014.

4. Long-Term Debt

	2015	2014
	(In thousands)	
Revolving credit facility,		
1.92% and 1.65%, due through 2017	$ 233,000	$ 175,000
Secured Industrial Revenue Development Bonds,		
2.97%, and 3.23%, due through 2029	22,630	22,630
Secured promissory note,		
6.98%, due through 2022	13,769	15,313
Secured promissory note,		
6.35%, due through 2020	3,122	3,731
Economic development note,		
2.00%, due through 2021	1,398	1,500
Other	245	342
	274,164	218,516
Less current portion	2,530	2,277
	$ 271,634	$ 216,239

See Note 3, Short-Term Borrowings, for discussion of the Revolver.

The Company's debt agreements, including the Revolver, contain covenants that restrict the Company's ability to incur additional indebtedness, pay dividends on the Company's capital stock, make other restricted payments, including investments, sell the Company's assets, incur liens, transfer all or substantially all of the Company's assets and enter into consolidations or mergers. The Company's debt agreements also require the Company to meet certain financial covenants, including a minimum fixed charge coverage ratio. The Revolver also contains borrowing base requirements related to accounts receivable and inventories. These financial requirements and ratios generally become more restrictive over time and are subject to allowances for seasonal fluctuations. The most restrictive financial covenant in the debt agreements is the fixed charge coverage ratio within the Master Reimbursement Agreement with General Electric Commercial Finance, which relates to the Secured Industrial Revenue Development Bonds. In connection with the Company's decision to adopt the LIFO method of inventory accounting, effective December 30, 2007, the Company executed amendments to its debt agreements, which enable the Company to compute its financial covenants as if the Company were on the FIFO method of inventory accounting. The Company was in compliance with all such financial covenants as of March 31, 2015.

The Company's debt agreements limit the payment of dividends and other distributions. There is an annual total distribution limitation of $50,000, less aggregate annual dividend payments totaling $23,000 that the Company presently pays on two outstanding classes of preferred stock.

The Company has four outstanding Industrial Revenue Development Bonds ("IRBs"), totaling $22.6 million that are secured by direct pay letters of credit. The interest rates shown for these IRBs in the table above reflect the costs of the direct pay letters of credit and amortization of other related costs of those IRBs. A Master Reimbursement Agreement with General Electric Commercial Finance, which provides for the direct pay letters of credit, expires in July 2016.

On August 1, 2013, the Company paid a final $36.7 million principal payment due on a secured note payable to John Hancock Life Insurance Company.

The carrying value of assets pledged for secured debt, including the Revolver, is $657.9 million.

Debt repayment requirements for the next five fiscal years are (in thousands):

Years ending March 31:		
2016	$	2,530
2017		235,667
2018		7,904
2019		3,034
2020		2,531
Thereafter		22,498
Total	$	274,164

5. Leases

The Company had no capital leases as of March 31, 2015 and 2014. The Company has operating leases expiring at various dates through 2025. Operating leases generally provide for early purchase options one year prior to expiration.

The following is a schedule, by year, of minimum operating lease payments due as of March 31, 2015 (in thousands):

Years ending March 31:		
2016	$	42,585
2017		37,760
2018		33,476
2019		28,367
2020		24,183
2021-2025		33,239
Total minimum payment required	$	199,610

Lease expense in fiscal 2015, 2014 and 2013 was $49.6 million, $43.9 million and $38.1 million, respectively.

Notes to Consolidated Financial Statements

6. Income Taxes

The Company files a consolidated federal and various state income tax returns. The provision for income taxes is as follows:

	2015	2014	2013
		(In thousands)	
Current:			
Federal	$ 4,380	$ 7,238	$ 21,356
State	453	123	3,629
	4,833	7,361	24,985
Deferred:			
Federal	(925)	(3,231)	(2,770)
State	313	(567)	(180)
	(612)	(3,798)	(2,950)
Total income taxes	$ 4,221	$ 3,563	$ 22,035

A reconciliation of the expected U.S. statutory rate to the effective rate follows:

	2015	2014	2013
Computed (expected tax rate)	35.0%	35.0%	35.0%
State income taxes (net of federal tax benefit)	2.9	3.4	3.8
State tax credits	(8.7)	(1.6)	(0.8)
Federal credits	(2.4)	(3.6)	(0.2)
Manufacturer's deduction	(5.0)	(4.6)	(3.4)
(Reversal of) addition to uncertain tax positions	(1.0)	(0.8)	0.2
State VDA/Nexus Changes	-	(1.7)	-
Other permanent differences not deductible	0.7	0.5	0.1
Change in valuation allowance	9.9	(2.1)	-
Tax effect of pension contribution	-	0.4	-
Other	(1.5)	(4.4)	-
Effective income tax rate	29.9%	20.5%	34.7%

The effective tax rate was 29.9% in 2015, 20.5% in 2014 and 34.7% in 2013. Of the 9.4 percentage point increase in the effective tax rate for the year, the major contributors to this increase are the following items, 1) the establishment of a valuation allowance related to the New York State investment tax credit, 2) with lower pre-tax earnings, the permanent items have a larger impact on the effective rate, and 3) less federal credits generated in the current year compared to the prior year. The impact of these increases was partially offset by the manufacturer's deduction being a higher percentage of current year earnings than the prior year.

The following is a summary of the significant components of the Company's deferred income tax assets and liabilities as of March 31:

	2015	2014
	(In thousands)	
Deferred income tax assets:		
Future tax credits	$ 4,021	$ 3,042
Inventory valuation	2,348	3,353
Employee benefits	3,009	2,884
Insurance	816	1,244
Other comprehensive loss	20,335	7,194
Interest	46	138
Deferred gain on sale/leaseback	-	26
Prepaid revenue	701	1,118
Other	1,364	859
Pension	1,372	-
Severance	256	87
	34,268	19,945
Deferred income tax liabilities:		
Property basis and depreciation difference	9,129	10,757
481(a) adjustment	1,281	-
Earnings from equity investment	245	-
Pension	-	725
	10,655	11,482
Valuation allowance - non-current	1,787	390
Net deferred income tax asset	$ 21,826	$ 8,073

Net current deferred income tax assets of $7.0 million and $8.4 million as of March 31, 2015 and 2014, respectively, are recognized in the Consolidated Balance Sheets. Also recognized are net non-current deferred income tax assets of $14.8 million as of March 31, 2015 and net non-current deferred income tax liabilities of $0.3 million as of March 31, 2014.

The Company has State tax credit carryforwards amounting to $1.3 million (California, net of Federal impact), $0.8 million (New York, net of Federal impact), and $1.8 million (Wisconsin, net of Federal impact), which are available to reduce future taxes payable in each respective state through 2030 (Wisconsin), through 2030 (New York), and through 2025 (California). The Company has performed the required assessment regarding the realization of deferred tax assets and at March 31, 2015, the Company has recorded a valuation allowance amounting to $1.8 million, which relates primarily to tax credit carryforwards which management has concluded it is more likely than not they will not be realized in the ordinary course of operations. Although realization is not assured, management has concluded that it is more likely than not that the deferred tax assets for which a valuation allowance was determined to be unnecessary will be realized in the ordinary course of operations. The amount of net deferred tax assets considered realizable, however, could be reduced if actual future income or income taxes rates are lower than estimated or if there are differences in the timing or amount of future reversals of existing taxable or deductible temporary differences.

Current rules on the accounting for uncertainty on income taxes prescribe a minimum recognition threshold for a tax position taken or expected to be taken in a tax return that is required to be met before being recognized in the financial statements. Those rules also provide guidance on derecognition, measurement, classification, interest and penalties, accounting in interim periods, disclosure and transition. The Company classifies the liability for uncertain tax positions in other accrued expenses or other long-term liabilities depending on their expected settlement. The change in the liability for the years ended March 31, 2015 and 2014 consists of the following:

	2015	2014
	(In thousands)	
Beginning balance	$ 2,273	$ 2,470
Tax positions related to current year:		
Additions	13	46
Tax positions related to prior years:		
Reductions	(1,822)	(181)
Lapses in statues of limitations	-	(62)
Balance as of March 31,	$ 464	$ 2,273

Included in the balances at March 31, 2015 and 2014 are none and $1.9 million, respectively, of tax positions that are highly certain but for which there is uncertainty about the timing. Because of the impact of deferred tax accounting, other than interest and penalties, the disallowance of these positions would not impact the annual effective tax rate but would accelerate the payment of cash to the tax authority to an earlier period.

The Company recognizes interest and penalties accrued on unrecognized tax benefits as well as interest received from favorable settlements within income tax expense. During the years ended March 31, 2015 and 2014, the Company recognized approximately $0.1 million decrease and none, respectively, in interest and penalties. As of March 31, 2015 and 2014, the Company had approximately $0.1 million and $0.2 million, respectively, of interest and penalties accrued associated with unrecognized tax benefits.

Although management believes that an adequate provision has been made for uncertain tax positions, there is the possibility that the ultimate resolution could have an adverse effect on the earnings of the Company. Conversely, if resolved favorably in the future, the related provisions would be reduced, thus having a positive impact on earnings. It is anticipated that audit settlements will be reached during 2016 with federal and state taxing authorities that could have an impact on earnings. Due to the uncertainty of amounts and in accordance with its accounting policies, the Company has not recorded any potential impact of these settlements.

The federal income tax returns for years after March 31, 2011 are subject to examination. The Internal Revenue Service is currently auditing the year ended March 31, 2013.

7. Stockholders' Equity

Preferred Stock — The Company has authorized three classes of preferred stock consisting of 200,000 shares of Six Percent (6%) Voting Cumulative Preferred Stock, par value $0.25 ("6% Preferred"); 30,000 shares of Preferred Stock Without Par Value to be issued in series by the Board of Directors, none of which are currently designated or outstanding; and 8,200,000 shares of Preferred Stock with $.025 par value, Class A, to be issued in series by the Board of Directors ("Class A Preferred"). The Board of Directors has designated four series of Class A Preferred including 10% Cumulative Convertible Voting Preferred Stock—Series A ("Series A Preferred"); 10% Cumulative Convertible Voting Preferred Stock—Series B ("Series B Preferred"); Convertible Participating Preferred Stock; and Convertible Participating Preferred Stock, Series 2003.

The Convertible Participating Preferred Stock and Convertible Participating Preferred Stock, Series 2003 are convertible at the holders' option on a one-for-one basis into shares of Class A Common Stock, subject to antidilution adjustments. These series of preferred stock have the right to receive dividends and distributions at a rate equal to the amount of any dividends and distributions declared or made on the Class A Common Stock. No dividends were declared or paid on this preferred stock in fiscal 2015, 2014 or 2013. In addition, these series of preferred stock have certain distribution rights upon liquidation. Upon conversion, shares of these series of preferred stock become authorized but unissued shares of Class A Preferred and may be reissued as part of another series of Class A Preferred. As of March 31, 2015, the Company has an aggregate of 6,658,674 shares of non-designated Class A Preferred authorized for issuance.

The Convertible Participating Preferred Stock has a liquidation preference of $12 per share and a stated value of $11.931 per share. There were 90,826 shares outstanding as of March 31, 2015 after conversions of 75 shares into Class A Common Stock during the year. The Convertible Participating Preferred Stock, Series 2003 was issued as partial consideration of the purchase price in the Chiquita Processed Foods acquisition. The 967,742 shares issued in that 2003 acquisition were valued at $16.60 per share which represented the then market value of the Class A Common Stock into which the preferred shares were immediately convertible. This series has a liquidation preference of $15.50 per share and has 50,500 shares outstanding as of March 31, 2015 after conversion of 207,290 shares into Class A Common Stock during the year.

There are 407,240 shares of Series A Preferred outstanding as of March 31, 2015 which are convertible into one share of Class A Common Stock and one share of Class B Common stock for every 20 shares of Series A Preferred. There are 400,000 shares of Series B Preferred outstanding as of March 31, 2015 which are convertible into one share of Class A Common Stock and one share of Class B Common Stock for every 30 shares of Series B preferred. There are 200,000 shares of 6% Preferred outstanding as of March 31, 2015 which are callable at their par value at any time at the option of the Company. The Company paid dividends of $20,000 on the Series A and Series B Preferred and $3,000 on the 6% Preferred during each of fiscal 2015, 2014 and 2013.

Common Stock — The Class A Common Stock and the Class B Common Stock have substantially identical rights with respect to any dividends or distributions of cash or property declared on shares of common stock, and rank equally as to the right to receive proceeds on liquidation or dissolution of the Company after payment of the Company's indebtedness and liquidation right to the holders of preferred shares. However, holders of Class B Common Stock retain a full vote per share, whereas the holders of Class A Common Stock have voting rights of 1/20th of one vote per share on all matters as to which shareholders of the Company are entitled to vote. During 2015, there were 1,720 shares, or $56,000 of Class B Common Stock issued in lieu of cash compensation under the Company's Profit Sharing Bonus Plan.

Unissued shares of common stock reserved for conversion privileges of designated non-participating preferred stock were 33,695 of both Class A and Class B as of March 31, 2015 and 2014. Additionally, there were 141,326 and 348,691 shares of Class A reserved for conversion of the Participating Preferred Stock as of March 31, 2015 and 2014, respectively.

Treasury Stock — During 2015, the Company repurchased $32.0 million, or 1,166,795 shares of its Class A Common Stock and $1.5 million, or 47,715 shares of its Class B Common Stock. As of March 31, 2015, there is a total of $61.3 million, or 2,146,314 shares, of repurchased stock. These shares are not considered outstanding. The Company contributed $2.1 million or 83,240 treasury shares for the 401(k) match in 2015 as described in Note 8, Retirement Plans.

8. Retirement Plans

The Company has a noncontributory defined benefit pension plan (the "Plan") covering all employees who meet certain age-entry requirements and work a stated minimum number of hours per year. Annual contributions are made to the Plan sufficient to satisfy legal funding requirements.

The following tables provide a reconciliation of the changes in the Plan's benefit obligation and fair value of plan assets over the two-year period ended March 31, 2015 and a statement of the unfunded status as of March 31, 2015 and 2014:

	2015	2014
	(In thousands)	
Change in Benefit Obligation		
Benefit obligation at beginning of year	$ 170,478	$ 163,531
Service cost	8,515	7,752
Interest cost	8,236	7,592
Plan amendments	952	-
Actuarial loss (gain)	30,556	(3,109)
Benefit payments and expenses	(5,829)	(5,288)
Benefit obligation at end of year	$ 212,908	$ 170,478
Change in Plan Assets		
Fair value of plan assets at beginning of year	$ 154,650	$ 135,016
Actual gain on plan assets	8,777	22,922
Employer contributions	350	2,000
Benefit payments and expenses	(5,829)	(5,288)
Fair value of plan assets at end of year	$ 157,948	$ 154,650
Unfunded Status	$ (54,960)	$ (15,828)

The unfunded status increased by $39.1 million during 2015 reflecting the actual fair value of plan assets and the projected benefit obligation as of March 31, 2015. This unfunded status increase was recognized via the actual gain on plan assets and the increase in accumulated other comprehensive loss of $20.6 million after the income tax benefit of $13.2 million. The increase in projected benefit obligation was a function of a decrease in the discount rate from 4.85% to 4.15% and the change to using an updated mortality table. During 2015, the Company converted to the RP-2014 Blue Collar and Generational Improvement mortality table for calculating the pension obligation and the related pension expense. This change increased the projected benefit obligation by $6.6 million and had no impact on 2015 pension expense. This conversion is expected to increase the 2016 defined benefit pension plan expense by $1.2 million. Plan assets increased from $154.7 million as of March 31, 2014 to $157.9 million as of March 31, 2015 due to a continued recovery in market conditions and the $0.4 million contribution by the Company. The Company made this contribution to maintain its funding status at an acceptable level.

Amounts Recognized in Accumulated Other Comprehensive Pre-Tax Loss	2015	2014
	(In thousands)	
Prior service cost	$ (952)	$ -
Net loss	$ (50,883)	$ (18,094)
Accumulated other comprehensive pre-tax loss	$ (51,835)	$ (18,094)

Accumulated Other Comprehensive Loss	Pension and post retirement plan adjustments, net of tax (In thousands)
Balance at March 31, 2014	$ (11,252)
Other comprehensive loss before reclassifications	(20,552)
Reclassified from accumulated other comprehensive loss	-
Net current period other comprehensive loss	(20,552)
Balance at March 31, 2015	$ (31,804)

The following table provides the components of net periodic benefit cost for the Plan for fiscal years 2015, 2014, and 2013:

	2015	2014	2013
		(In thousands)	
Service cost	$ 8,515	$ 7,752	$ 6,988
Interest cost	8,236	7,592	7,265
Expected return on plan assets	(11,360)	(9,938)	(8,603)
Amortization of net loss	350	2,434	3,190
Net periodic benefit cost	$ 5,741	$ 7,840	$ 8,840

The Plan's accumulated benefit obligation was $188.5 million at March 31, 2015, and $152.2 million at March 31, 2014.

Prior service costs are amortized on a straight-line basis over the average remaining service period of active participants. Gains and losses in excess of 10% of the greater of the benefit obligation and the market-related value of assets are amortized over the average remaining service period of active participants.

The assumptions used to measure the Company's benefit obligation and pension expense are shown in the following table:

	2015	2014
Discount rate - benefit obligation	4.15%	4.85%
Discount rate - pension expense	4.85%	4.70%
Expected return on plan assets	7.25%	7.50%
Rate of compensation increase	3.00%	3.00%

The Company's plan assets consist of the following:

	Target Allocation	Percentage of Plan Assets at March 31,	
	2016	2015	2014
Plan Assets			
Equity securities	99%	97%	99%
Debt securities	-	-	-
Real estate	-	-	-
Cash	1	3	1
Total	100%	100%	100%

All securities, which are valued at fair market value, are considered to be level 1 due to their public active market.

Expected Return on Plan Assets

The expected long-term rate of return on Plan assets is 7.25%. The Company expects 7.25% to fall within the 40-to-50 percentile range of returns on investment portfolios with asset diversification similar to that of the Plan's target asset allocation.

Investment Policy and Strategy

The Company maintains an investment policy designed to achieve a long-term rate of return, including investment income through dividends and equity appreciation, sufficient to meet the actuarial requirements of the Plan. The Company seeks to accomplish its return objectives by prudently investing in a diversified portfolio of public company equities with broad industry representation seeking to provide long-term growth consistent with the performance of relevant market indices, as well as maintain an adequate level of liquidity for pension distributions as they fall due. The strategy of being fully invested in equities has historically provided greater rates of return over extended periods of time. The Company's gain on plan assets during 2015 was 5.7% as compared to the S&P 500 unaudited gain (including dividends) of 12.7%. Plan assets include Company common stock with a fair market value of $14.4 million as of March 31, 2015 and $11.6 million as of March 31, 2014.

Cash Flows

Expected contributions for fiscal year ending March 31, 2016 (in thousands):

Expected Employer Contributions	$	-
Expected Employee Contributions		-

Estimated future benefit payments reflecting expected future service for the fiscal years ending March 31 (in thousands):

2016	$	6,184
2017		6,630
2018		7,315
2019		7,978
2020		8,729
2021-2024		55,676

401(k) Plans

The Company also has employees' savings 401(k) plans covering all employees who meet certain age-entry requirements and work a stated minimum number of hours per year. Participants may make contributions up to the legal limit. The Company's matching contributions are discretionary. Costs charged to operations for the Company's matching contributions amounted to $2.3 million, $2.3 million, and $1.7 million in fiscal 2015, 2014, and 2013, respectively. In fiscal 2015, the matching contribution included $2.2 million of treasury stock and $0.1 million of cash match. In fiscal 2014, the matching contribution included $2.0 million of treasury stock and $0.1 million of cash match. The stock portion of the matching contribution is valued at current market value while the treasury stock is valued at cost.

Multi-employer Plan

The Company contributes to the Teamsters California State Council of Cannery and Food Processing Unions, International Brotherhood of Teamsters Pension Fund (Western Conference of Teamsters Pension Plan# 91-6145047/001) ("Teamsters Plan") under the terms of a collective-bargaining agreement with some of its Modesto, California employees. The term of the current collective bargaining agreement is June 1, 2012 through June 30, 2015.

For the fiscal years ended March 31, 2015, March 31, 2014 and March 31, 2013, contributions to the Teamsters Plan were $2.4 million each year. The contributions to this plan are paid monthly based upon the number of hours worked by covered employees. They represent less than 5% of the total contributions received by this plan during the most recent plan year.

The risks of participating in multi-employer plans are different from single-employer plans in the following aspects: (a) assets contributed to a multi-employer plan by one employer may be used to provide benefits to employees of other participating employers, (b) if a participating employer stops contributing to the multi-employer plan, the unfunded obligations of the plan may be borne by the remaining participating employers and (c) if the Company chooses to stop participating in the plan, the Company may be required to pay a withdrawal liability based on the underfunded status of the plan.

The Teamsters Plan received a Pension Protection Act "green" zone status for the plan year beginning January 1, 2014. The zone status is based on information the Company received from the plan and is certified by the plan's actuary. Among other factors, plans in the green zone are at least 80 percent funded.

9. Fair Value of Financial Instruments

The carrying amount and estimated fair values of the Company's debt are summarized as follows:

	2015		2014	
	Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value
		(In thousands)		
Long-term debt, including current portion	$274,164	$274,999	$218,516	$219,981

The estimated fair value for long-term debt is determined by the quoted market prices for similar debt (comparable to the Company's financial strength) or current rates offered to the Company for debt with the same maturities which is Level 2 from the fair value hierarchy. Since quoted prices for identical instruments in active markets are not available (Level 1), the Company makes use of observable market based inputs to calculate fair value, which is Level 2.

10. Inventories

Effective December 30, 2007 (beginning of 4th quarter of Fiscal Year 2008), the Company changed its inventory valuation method from the lower of cost, determined under the FIFO method, or market to the lower of cost, determined under the LIFO method, or market. In the high inflation environment that the Company was experiencing, the Company believed that the LIFO inventory method was preferable over the FIFO method because it better compares the cost of current production to current revenue. The effect of LIFO was to reduce net earnings by $6.9 million in 2015, reduce net earnings by $13.2 million in 2014 and increase net earnings by $2.7 million in 2013, compared to what would have been reported using the FIFO inventory method. The reduction in earnings per share was $0.64 ($0.63 diluted) in 2015, reduce earnings per share was $1.19 ($1.19 diluted) in 2014, and increase in earnings per share was $0.24 ($0.24 diluted) in 2013. During 2015 and 2014, certain inventory quantities accounted for on the LIFO method were reduced, resulting in the liquidation of certain quantities carried at costs prevailing in prior years. The impact on net earnings of these liquidations was no impact in 2015 and 2013, and an increase of $4.8 million during 2014. The inventories by category and the impact of using the LIFO method are shown in the following table:

	2015	2014	2013
		(In thousands)	
Finished products	$ 414,154	$ 418,368	$ 445,278
In process	22,651	16,056	18,107
Raw materials and supplies	199,674	170,210	149,359
	636,479	604,634	612,744
Less excess of FIFO cost over LIFO cost	164,067	153,384	133,014
Total inventories	$ 472,412	$ 451,250	$ 479,730

11. Other Operating Income and Expense

Other operating income in 2015 included a gain of $5.0 million related to a contractual payment received in connection with the closing of a Midwest plant and a charge of $0.3 million related to environmental costs related to a Company-owned plant in New York State. The Company also recorded a net gain of $0.1 million from the sale of other fixed assets.

Other operating income in 2014 included a gain of $2.9 million from a break-up fee earned as a result of the Company being named the stalking horse bidder in an attempt to acquire substantially all the operating assets of Allens, Inc. in a bankruptcy court supervised auction, a gain of $0.7 million from the sale of two aircraft and a gain of $0.1 million as a result of adjustments related to the purchase of the Sunnyside facility. The Company also recorded a loss of $0.5 million on the disposal of a warehouse located in Sunnyside, Washington and a net gain of $0.2 million from the sale of other fixed assets.

Other operating income in 2013 included a gain of $2.0 million as a result of the estimated fair market value of the net assets acquired exceeding the purchase price of Sunnyside. The Company also recorded a gain of $0.3 million from the sale of property located in Cambria, Wisconsin and a net loss of $0.3 million on the disposal of certain other fixed assets.

12. Segment Information

The Company manages its business on the basis of two reportable segments — the primary segment is the packaging and sale of fruits and vegetables and secondarily, the packaging and sale of snack products. The Company markets its product almost entirely in the United States. Export sales represented 9.0%, 9.2%, and 9.8% of total sales in 2015, 2014, and 2013, respectively. In 2015, 2014, and 2013, the sale of Green Giant vegetables accounted for 13%, 13%, and 13% of net sales, respectively. "Other" in the table below represents activity related to can sales, trucking, seed sales, and flight operations.

	Fruit and Vegetable	Snack	Other	Total
	(In thousands)			
2015:				
Net sales	$ 1,246,115	$ 11,667	$ 28,568	$ 1,286,350
Operating income	17,659	779	710	19,148
Interest expense, net	5,572	12	72	5,656
Income tax expense	3,775	225	221	4,221
Identifiable assets	797,886	3,235	4,573	805,694
Capital expenditures	22,177	157	1,400	23,734
Depreciation and amortization	20,445	367	1,022	21,834
2014:				
Net sales	$ 1,302,857	$ 11,496	$ 25,855	$ 1,340,208
Operating income	21,063	872	1,669	23,604
Interest expense, net	6,113	27	122	6,262
Income tax expense	3,118	189	256	3,563
Identifiable assets	761,078	3,770	4,005	768,853
Capital expenditures	17,339	-	2,109	19,448
Depreciation and amortization	21,842	394	1,045	23,281
2013:				
Net sales	$ 1,243,107	$ 11,357	$ 21,833	$ 1,276,297
Operating income	70,313	174	447	70,934
Interest expense, net	7,319	35	132	7,486
Income tax expense	21,831	53	151	22,035
Identifiable assets	791,643	4,038	2,775	798,456
Capital expenditures	16,125	-	246	16,371
Depreciation and amortization	22,146	404	701	23,251

The fruit and vegetable segment, consisting of GMOL, canned fruit and vegetables and frozen products, represented 99%, 99% and 99% of assets and 102%, 93% and 101% of pre-tax earnings in 2015, 2014 and 2013, respectively.

Classes of similar products/services:	2015	2014	2013
		(In thousands)	
Net Sales:			
GMOL *	$ 161,993	$ 177,881	$ 165,684
Canned vegetables	754,556	753,318	746,892
Frozen *	94,648	107,109	84,935
Fruit	234,918	264,549	245,596
Snack	11,667	11,496	11,357
Other	28,568	25,855	21,833
Total	$ 1,286,350	$ 1,340,208	$ 1,276,297

* GMOL includes frozen vegetables exclusively for GMOL.

13. Legal Proceedings and Other Contingencies

In the ordinary course of its business, the Company is made a party to certain legal proceedings seeking monetary damages, including proceedings involving product liability claims, workers' compensation along with other employee claims, tort and other general liability claims, for which it carries insurance, as well as patent infringement and related litigation. The Company is in a highly regulated industry and is also periodically involved in government actions for regulatory violations and other matters surrounding the manufacturing of its products, including, but not limited to, environmental, employee, and product safety issues. While it is not feasible to predict or determine the ultimate outcome of these matters, the Company does not believe that an adverse decision in any of these legal proceedings would have a material adverse impact on its financial position, results of operations, or cash flows.

In June 2010, the Company received a Notice of Violation of the California Safe Drinking Water and Toxic Enforcement Act of 1986, commonly known as Proposition 65, from the Environmental Law Foundation ("ELF"). This notice was made to the California Attorney General and various other government officials, and to 49 companies including Seneca Foods Corporation whom ELF alleges manufactured, distributed or sold packaged peaches, pears, fruit cocktail and fruit juice that contain lead without providing a clear and reasonable warning to consumers. Under California law, proper notice must be made to the State and involved firms at least 60 days before any suit under Proposition 65 may be filed by private litigants like ELF. That 60-day period has expired and to date neither the California Attorney General nor any appropriate district attorney or city attorney has initiated an action against the Company. However, private litigant ELF filed an action against the Company and 27 other named companies on September 28, 2011, in Superior Court of Alameda County, California, alleging violations of Proposition 65 and seeking various measures of relief, including injunctive and declaratory relief and civil penalties. The Company, along with the other named companies, vigorously defended the claim. A responsive answer was filed, the discovery process was completed and a trial on liability was held beginning in April of 2013 in accordance with court schedules. The trial was completed on May 16, 2013 and, on July 15, 2013 the judge issued a tentative and proposed statement of decision agreeing with the Company, and the other defendants, that the "safe harbor" defense had been met under the regulations relating to Proposition 65 and the Company will not be required to place a Proposition 65 warning label on the products at issue in the case. The trial decision was finalized and the decision was appealed by ELF with a filing dated October 3, 2013. The California Court of Appeal, First Appellate District, Division One unanimously rejected the appeal by ELF in a decision dated March 17, 2015. ELF has filed a petition for review with the California Supreme Court. A decision by the California Supreme Court to grant or deny the petition has not yet been made, as it is still early in the process. The Company is unable to determine the scope or the likelihood of success of the petition for review. The Company, along with other defendants are planning on vigorously defending ELF's petition for review, and any review if the petition is granted. With the successful defense of the case, the remedies portion of the case was not litigated. So far, our portion of legal fees in defense of this action have been sizable, as would be expected with litigation resulting in trial, and the appeal, but have not had a material adverse impact on the Company's financial position, results of operations, or cash flows. Additionally, in the ordinary course of its business, the Company is made party to certain legal proceedings seeking monetary damages, including proceedings invoking product liability claims, either directly or through indemnification obligations, and we are not able to predict the probability of the outcome or estimate of loss, if any, related to any such matter.

14. Plant Restructuring

During 2015, the Company recorded a restructuring charge of $1.4 million related to the closing of a plant in the Midwest and the realignment of two other plants, one in the Midwest and the other in the Northwest, of which $0.8 million was related to severance cost, $0.3 million was related to equipment costs (contra fixed assets), and $0.3 million was related to equipment relocation costs.

During 2013, the Company implemented a product rationalization program and recorded a restructuring charge of $3.5 million for related equipment costs (contra fixed assets), lease impairment costs (net of realizable value), and certain inventory costs. During 2014, the Company adjusted the costs of the product rationalization program, started in 2013, by $0.5 million, mostly related to equipment costs.

The following table summarizes the restructuring and related asset impairment charges recorded and the accruals established during 2013, 2014 and 2015:

	Severance	Long-Lived Asset Charges	Other Costs	Total
		(In thousands)		
Balance March 31, 2012	$ 37	$ -	$ -	$ 37
Third-quarter charge to expense	-	1,107	1,403	2,510
Fourth-quarter charge to expense	-	109	878	987
Cash payments/write offs	(17)	(42)	(1,974)	(2,033)
Balance March 31, 2013	20	1,174	307	1,501
First-quarter charge to expense	-	-	154	154
Second-quarter charge to expense	-	341	6	347
Cash payments/write offs	(10)	(1,515)	(467)	(1,992)
Balance March 31, 2014	10	-	-	10
Third-quarter charge to expense	533	316	40	889
Fourth-quarter charge to expense	309	(52)	230	487
Cash payments/write offs	(137)	-	-	(137)
Balance March 31, 2015	$ 715	$ 264	$ 270	$ 1,249

15. Certain Transactions

A small percentage (less than 1% in fiscal 2015, 2014 and 2013) of vegetables supplied to the Company's New York packaging plants are grown by a director of Seneca Foods Corporation, which supplied the Company approximately $0.8 million, $1.1 million, and $1.2 million pursuant to a raw vegetable grower contract in fiscal 2015, 2014 and 2013, respectively. The Chairman of the Audit Committee reviewed the relationship and determined that the contract was negotiated at arm's length and on no more favorable terms than to other growers in the marketplace.

16. Assets Held For Sale

On March 19, 2015, the Company entered into an asset purchase agreement to sell the Company's Modesto, California fruit processing facility and its related business to Pacific Coast Producers. On May 26, 2015, both companies received a Request for Additional Information and Documentary Material from the Department of Justice which would extend the waiting period under the Hart-Scott-Rodino Act of 1976. In light of the delay associated with this request relative to the upcoming production season, both companies agreed to terminate the asset purchase agreement. On May 28, 2015, the Company and Pacific Coast Producers jointly terminated the Asset Purchase Agreement related to this proposed sale of the Company's Modesto, California fruit processing facility and related business to Pacific Coast Producers. In conjunction with this potential sale, the assets held for sale at March 31, 2015, primarily inventories and property, plant and equipment, represented 11.3% of total assets on the Consolidated Balance Sheet.

Report of Independent Registered Public Accounting Firm

Board of Directors and Stockholders
Seneca Foods Corporation
Marion, New York

We have audited the accompanying consolidated balance sheets of Seneca Foods Corporation as of March 31, 2015 and 2014 and the related consolidated statements of net earnings, comprehensive income (loss), stockholders' equity, and cash flows for each of the three years in the period ended March 31, 2015. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Seneca Foods Corporation at March 31, 2015 and 2014, and the results of its operations and its cash flows for each of the three years in the period ended March 31, 2015 in conformity with accounting principles generally accepted in the United States of America.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), Seneca Foods Corporation's internal control over financial reporting as of March 31, 2015, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and our report dated June 9, 2015 expressed an unqualified opinion thereon.

/s/ BDO USA, LLP
Milwaukee, Wisconsin

June 9, 2015

Management's Annual Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over the Company's financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act). Because of its inherent limitations, internal control over financial reporting may not prevent or detect all misstatements. Projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Our management assessed the effectiveness of the Company's internal control over financial reporting as of March 31, 2015. In making this assessment, our management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in *Internal Control-Integrated Framework (2013)*. Based on our assessment, management believes that, as of March 31, 2015, our internal control over financial reporting is effective based on those criteria.

The Company's independent registered public accountant has issued its report on the effectiveness of the Company's internal control over financial reporting. Their report appears on the next page.

Report of Independent Registered Public Accounting Firm on Internal Control Over Financial Reporting

Board of Directors and Stockholders
Seneca Foods Corporation
Marion, New York

We have audited Seneca Foods Corporation's internal control over financial reporting as of March 31, 2015, based on criteria established in *Internal Control-Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (the COSO criteria). The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the Form 10-K, Management's Annual Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of March 31, 2015, based on the COSO criteria.

We have also audited, in accordance with the standards of the Public Company Accounting Standards Board (United States), the consolidated balance sheets of Seneca Foods Corporation as of March 31, 2015 and 2014, and the related consolidated statements of net earnings, comprehensive income (loss), stockholders' equity and cash flows for each of the three years in the period ended March 31, 2015 and our report dated June 9, 2015 expressed an unqualified opinion thereon.

/s/ BDO USA, LLP
Milwaukee, Wisconsin

June 9, 2015

Shareholder Information and Quarterly Results

The Company's common stock is traded on The NASDAQ Global Stock Market. The 8.0 million Class A outstanding shares and 2.0 million Class B outstanding shares are owned by 212 and 219 shareholders of record, respectively. The high and low closing prices of the Company's common stock during each quarter of the past two years are shown below:

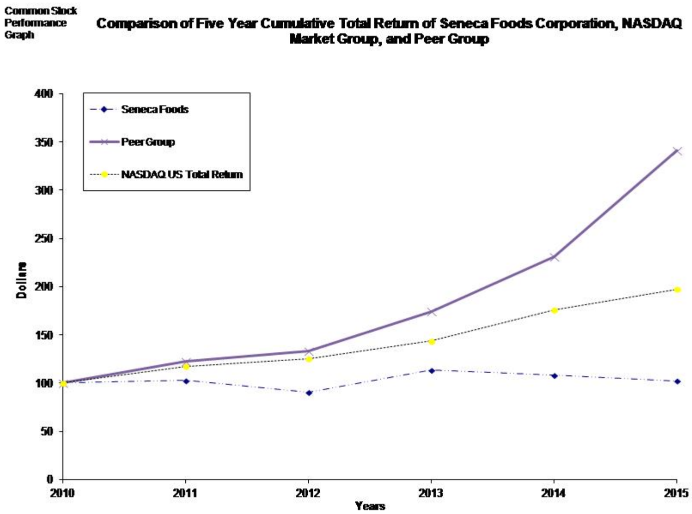
Class A:	2015		2014	
Quarter	High	Low	High	Low
First	$ 32.65	$ 27.55	$ 35.80	$ 29.81
Second	31.80	28.08	36.07	27.80
Third	29.99	25.06	33.67	28.13
Fourth	30.08	25.25	32.30	29.01

Class B:	2015		2014	
Quarter	High	Low	High	Low
First	$ 35.99	$ 27.91	$ 35.41	$ 30.13
Second	32.97	30.30	36.29	27.42
Third	33.25	30.40	33.33	29.30
Fourth	41.00	30.50	32.08	29.68

Common Stock Performance Graph

The graph below shows the cumulative, five year total return for the Company's Common Stock compared with the NASDAQ Market Total U.S. Return Index (which includes the Company) and a peer group of companies (described below).

Performance data assumes that $100.00 was invested on March 31, 2010, in the Company's Class A Common Stock, the NASDAQ Market, and the peer group. The data assumes the reinvestment of all cash dividends and the cash value of other distributions. Stock price performance shown in the graph is not necessarily indicative of future stock price performance. The companies in the peer group are Fresh Del Monte, Hanover Foods Corporation, John B. Sanfilippo & Son Inc., Treehouse Foods, Inc. and Hain Celestial Group, Inc. The peer group members are in related food businesses, but not direct competitors in canning.



Shareholder Information and Quarterly Results

As of March 31, 2015, the most restrictive credit agreement limitation on the Company's payment of dividends, to holders of Class A or Class B Common Stock is an annual total limitation of $50,000, reduced by aggregate annual dividend payments totaling $23,000 that the Company presently pays on two outstanding classes of preferred stock. Payment of dividends to common stockholders is made at the discretion of the Company's Board of Directors and depends, among other factors, on earnings; capital requirements; and the operating and financial condition of the Company. The Company has not declared or paid a common dividend in many years.

Quarterly Results

The following is a summary of the unaudited interim results of operations by quarter:

	First	Second	Third	Fourth
	(In thousands, except per share data)			
Year ended March 31, 2015:				
Net sales	$ 240,043	$ 312,161	$ 456,207	$ 277,939
Gross margin	16,996	16,804	26,084	23,273
Net (loss) earnings	(107)	(578)	7,819	2,765
Basic (loss) earnings per common share	(0.01)	(0.05)	0.72	0.26
Diluted (loss) earnings per common share	(0.01)	(0.05)	0.71	0.26
Year ended March 31, 2014:				
Net sales	$ 232,127	$ 336,628	$ 477,694	$ 293,759
Gross margin	19,680	22,379	31,178	17,726
Net earnings (loss)	1,347	6,603	6,846	(1,017)
Basic earnings (loss) per common share	0.12	0.59	0.62	(0.09)
Diluted earnings (loss) per common share	0.12	0.59	0.61	(0.09)

Earnings for the fourth quarter have historically reflected adjustments of previously estimated raw material cost and production levels. Due to the dependence on the fruit and vegetable yields of the Company's food packaging, interim costing must be estimated.

Exhibit 21

LIST OF SUBSIDIARIES

The following is a listing of significant subsidiaries 100% owned by Seneca Foods Corporation, directly or indirectly:

Name	State
Dundee Insurance Company, Inc.	Utah
Green Valley Foods LLC	Delaware
Lebanon Valley Cold Storage, LLC	Pennsylvania
Lebanon Valley Cold Storage, LP	Pennsylvania
Marion Foods, Inc.	New York
Seneca Foods, LLC	Delaware
Seneca Snack Company	Washington

Exhibit 23

Consent of Independent Registered Public Accounting Firm

Seneca Foods Corporation
Marion, New York

We hereby consent to the incorporation by reference in the Registration Statements on Form S-8 (Nos. 333-12365, 333-145916, and 333-166846) of Seneca Foods Corporation of our reports dated June 9, 2015, relating to the consolidated financial statements, and the effectiveness of Seneca Foods Corporation's internal control over financial reporting, which appear in the Annual Report to Shareholders which is incorporated by reference in this Annual Report on Form 10-K. We also consent to the incorporation by reference of our report dated June 9, 2015 relating to the financial statement schedule which appears in this Form 10-K.

/s/ BDO USA, LLP
Milwaukee, Wisconsin

June 9, 2015

EXHIBIT 24

POWERS OF ATTORNEY

SENECA FOODS CORPORATION
POWER OF ATTORNEY

The undersigned Director of Seneca Foods Corporation, a New York corporation, hereby constitutes and appoints Kraig H. Kayser or Timothy J. Benjamin as the true and lawful Attorney-in-fact and Agent of the undersigned to sign on behalf of the undersigned: (a) the Annual Report of the Company on Form 10-K (or such other form as may be required) for the year ended March 31, 2015 to be filed with the Securities and Exchange Commission ("SEC"); and (b) any and all amendments to such Report as may be required to be filed with the SEC.

/s/Arthur H. Baer
Arthur H. Baer
Director

SENECA FOODS CORPORATION
POWER OF ATTORNEY

The undersigned Director of Seneca Foods Corporation, a New York corporation, hereby constitutes and appoints Kraig H. Kayser or Timothy J. Benjamin as the true and lawful Attorney-in-fact and Agent of the undersigned to sign on behalf of the undersigned: (a) the Annual Report of the Company on Form 10-K (or such other form as may be required) for the year ended March 31, 2015 to be filed with the Securities and Exchange Commission ("SEC"); and (b) any and all amendments to such Report as may be required to be filed with the SEC.

/s/Peter R. Call
Peter R. Call
Director

SENECA FOODS CORPORATION
POWER OF ATTORNEY

The undersigned Director of Seneca Foods Corporation, a New York corporation, hereby constitutes and appoints Kraig H. Kayser or Timothy J. Benjamin as the true and lawful Attorney-in-fact and Agent of the undersigned to sign on behalf of the undersigned: (a) the Annual Report of the Company on Form 10-K (or such other form as may be required) for the year ended March 31, 2015 to be filed with the Securities and Exchange Commission ("SEC"); and (b) any and all amendments to such Report as may be required to be filed with the SEC.

/s/John P. Gaylord
John P. Gaylord
Director

SENECA FOODS CORPORATION
POWER OF ATTORNEY

The undersigned Director of Seneca Foods Corporation, a New York corporation, hereby constitutes and appoints Kraig H. Kayser or Timothy J. Benjamin as the true and lawful Attorney-in-fact and Agent of the undersigned to sign on behalf of the undersigned: (a) the Annual Report of the Company on Form 10-K (or such other form as may be required) for the year ended March 31, 2015 to be filed with the Securities and Exchange Commission ("SEC"); and (b) any and all amendments to such Report as may be required to be filed with the SEC.

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Susan A. Henry
Director

SENECA FOODS CORPORATION
POWER OF ATTORNEY

The undersigned Director of Seneca Foods Corporation, a New York corporation, hereby constitutes and appoints Kraig H. Kayser or Timothy J. Benjamin as the true and lawful Attorney-in-fact and Agent of the undersigned to sign on behalf of the undersigned: (a) the Annual Report of the Company on Form 10-K (or such other form as may be required) for the year ended March 31, 2015 to be filed with the Securities and Exchange Commission ("SEC"); and (b) any and all amendments to such Report as may be required to be filed with the SEC.

/s/Samuel T. Hubbard, Jr.
Samuel T. Hubbard, Jr.
Director

SENECA FOODS CORPORATION
POWER OF ATTORNEY

The undersigned Director of Seneca Foods Corporation, a New York corporation, hereby constitutes and appoints Kraig H. Kayser or Timothy J. Benjamin as the true and lawful Attorney-in-fact and Agent of the undersigned to sign on behalf of the undersigned: (a) the Annual Report of the Company on Form 10-K (or such other form as may be required) for the year ended March 31, 2015 to be filed with the Securities and Exchange Commission ("SEC"); and (b) any and all amendments to such Report as may be required to be filed with the SEC.

/s/Thomas Paulson

Thomas Paulson
Director

SENECA FOODS CORPORATION
POWER OF ATTORNEY

The undersigned Director of Seneca Foods Corporation, a New York corporation, hereby constitutes and appoints Kraig H. Kayser or Timothy J. Benjamin as the true and lawful Attorney-in-fact and Agent of the undersigned to sign on behalf of the undersigned: (a) the Annual Report of the Company on Form 10-K (or such other form as may be required) for the year ended March 31, 2015 to be filed with the Securities and Exchange Commission ("SEC"); and (b) any and all amendments to such Report as may be required to be filed with the SEC.

/s/Susan W. Stuart
Susan W. Stuart
Director

EXHIBIT 31.1

CERTIFICATION

I, Kraig H. Kayser, certify that:

1. I have reviewed this annual report on Form 10-K of Seneca Foods Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and

5. The Registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Dated: June 9, 2015

By: /s/Kraig H. Kayser
____

Kraig H. Kayser
President and Chief Executive Officer

EXHIBIT 31.2

CERTIFICATION

I, Timothy J. Benjamin, certify that:

1. I have reviewed this annual report on Form 10-K of Seneca Foods Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and

5. The Registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Dated: June 9, 2015

By: /s/ Timothy J. Benjamin
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Timothy J. Benjamin
Senior Vice President, Chief Financial Officer and Treasurer

EXHIBIT 32

CERTIFICATION PURSUANT TO
18. U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Seneca Foods Corporation (the "Registrant") on Form 10-K for the period ended March 31, 2015 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), we, Kraig H. Kayser, President, Chief Executive Officer and Timothy J. Benjamin, Chief Financial Officer of the Registrant, certify, pursuant to 18 U.S.C. 1350, as adopted pursuant to 906 of the Sarbanes-Oxley Act of 2002, that, to our knowledge:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

By: /s/Kraig H. Kayser
____

Kraig H. Kayser
President and Chief Executive Officer
June 9, 2015

By: /s/Timothy J. Benjamin
____

Senior Vice President, Chief Financial Officer and Treasurer
June 9, 2015