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TSX Symbol: SQP

For Immediate Release

Strongco Announces First Quarter 2018 Results
—Streamlining initiatives underpin positive trends
in sales, margins, expense management and profitability—

Mississauga, Ontario – May 9, 2018 – Strongco Corporation (TSX: SQP) today reported financial results for the first quarter ended March 31, 2018.

Financial Summary

(\$ thousands except per share amounts)

Period Ended March 31	3 Months	
	2018	2017
Revenues	89,025	89,967
Gross Profit	17,461	17,362
Operating Income	2,144	1,167
EBITDA*	6,741	4,633
Interest Expense	1,995	1,590
Pretax Income (Loss)	149	(1,101)
Net Income (Loss)	149	(1,101)
Basic and Diluted Income (Loss) Per Share	0.01	(0.08)
Equipment Inventory	154,207	126,341
Equipment Notes Payable	131,604	103,621

“In the first quarter of 2018, progress continued in our efforts to generate greater stability for the business. Despite slightly lower revenues year-over-year, we were pleased to record a small profit, the result of substantial improvements in our operations that led to lower expenses and higher margins,” said Robert Beutel, Executive Chairman of Strongco. “Top-line performance was driven largely by a 33% increase in construction equipment sales and stronger rental revenues, offset by weaker cranes sales. As markets show improvement, the business is responding well, and – while there continue to be uncertainties in key regions – it is clear that the transformation within our business has better positioned Strongco for long-term stability and growth.”

Highlights (First Quarter 2018 and First Quarter 2017)

- Income Statement
 - Revenues of \$89.0 million, compared to \$90.0 million, impacted by the following factors:
 - Higher sales of construction equipment in all regions of the country, led by strong sales from RPO conversions in Western Canada
 - Lower crane sales due to weaker markets for cranes in Alberta and Ontario

- Increased rental revenue particularly in Eastern Canada
 - Lower revenues from warranty recovery from the OEM. Excluding warranty recovery, product support revenues (sales of parts and service) were higher
 - Gross profit of \$17.5 million (19.6% of revenues), compared to \$17.4 million (19.3% of revenues).
 - Operating income, before restructuring costs, of \$2.1 million, compared to \$1.2 million, from higher margins and lower operating expenses.
 - EBITDA of \$6.7 million, compared to \$4.6 million, due to improved operating income.
 - Pretax earnings of \$149 thousand, up from a pre-tax loss of \$0.4 million before restructuring charges.
 - Net income of \$149 thousand (\$0.01 per share) compared to net loss of \$1.1 million (loss of \$0.08 per share).
- **Balance Sheet**
 - Equipment inventory of \$154.2 million, up from \$153.3 million at December 31, 2017 and \$126.3 million at March 31, 2017. The increase is largely to support increased rental activity.
 - Equipment notes payable of \$131.6 million, compared to \$131.0 million at December 31, 2017 and \$103.6 million at March 31, 2017.

First Quarter Results Materials

The complete first quarter 2018 MD&A and Unaudited Interim Condensed Consolidated Financial Statements are available on our website at www.strongco.com/en/investor-relations/financial-reports/.

Conference Call Details

Strongco will hold a conference call on Thursday, May 10 at 10:00am ET to discuss first quarter results. Analysts and investors can participate by dialing **1-800-319-4610** or **+1-604- 638-5340** outside of Canada and the USA. Following management's introductory remarks, a question and answer session will take place for analysts and institutional investors.

An archived recording will be available to listeners following the call until midnight on June 10, 2018. To access it, dial 1-855-669-9658 or +1-604-674-8052 outside of Canada and the U.S., and enter passcode 2202#.

About Strongco Corporation

Strongco Corporation is a major multiline mobile equipment dealer with operations across Canada. Strongco sells, rents and services equipment used in diverse sectors such as construction, infrastructure, mining, oil and gas, utilities, municipalities, waste management and forestry. The Company has approximately 500 employees serving customers from 26 branches in Canada. Strongco represents leading equipment manufacturers with globally recognized brands, including Volvo Construction Equipment, Case Construction, Manitowoc Crane, including National and Grove, Terex Cedarapids, Terex Trucks, Fassi, Sennebogen, Konecranes and SDLG. Strongco is listed on the Toronto Stock Exchange under the symbol SQP.

Forward-Looking Statements

This news release contains forward-looking statements that involve assumptions and estimates that may not be realized and other risks and uncertainties. These statements relate to future events or future performance and reflect management's current expectations and assumptions which are based on information currently available to the Company's management. The forward-looking statements include but are not limited to: (i) the ability of the Company to meet contractual obligations through cash flow generated from operations, (ii) the expectation that customer support revenues will grow following the warranty period on new machine sales, and (iii) the outlook for

2018. There is significant risk that forward-looking statements will not prove to be accurate. These statements are based on a number of assumptions, including, but not limited to, continued demand for Strongco's products and services. A number of factors could cause actual events, performance or results to differ materially from the events, performance and results discussed in the forward-looking statements. The inclusion of this information should not be regarded as a representation of the Company or any other person that the anticipated results will be achieved and investors are cautioned not to place undue reliance on such information. These forward-looking statements are made as of the date of this press release, or as otherwise stated and the Company does not assume any obligation to update or revise them to reflect new events or circumstances.

Additional information, including the Company's Annual Information Form, may be found on SEDAR at www.sedar.com.

Footnotes

* "EBITDA" refers to earnings before interest, income taxes, amortization of capital assets, amortization of equipment inventory on rent and amortization of rental fleet. EBITDA is presented as a measure used by many investors to compare issuers on the basis of ability to generate cash flow from operations. EBITDA is not a measure of financial performance or earnings recognized under International Financial Reporting Standards ("IFRS") and therefore has no standardized meaning prescribed by IFRS and may not be comparable to similar terms and measures presented by other similar issuers. The Company's management believes that EBITDA is an important supplemental measure in evaluating the Company's performance and in determining whether to invest in shares. Readers of this information are cautioned that EBITDA should not be construed as an alternative to net income or loss determined in accordance with IFRS as an indicator of the Company's performance or to cash flows from operating, investing and financing activities as a measure of the Company's liquidity and cash flows.

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