

STRONGCO

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TSX Symbol: SQP

For Immediate Release

Strongco Announces Move to a Smaller Facility in Fort McMurray, Alberta

Mississauga, Ontario – May 31, 2018 – Strongco Corporation announced today that it has reached an agreement to terminate the lease of its branch at 205 McAlpine Crescent in Fort McMurray, Alberta, effective July 1, 2018, and has entered into a separate agreement to sublet a smaller building at 310 MacKenzie Boulevard as its new branch in Fort McMurray. The total cost for termination of the existing lease plus real estate fees, legal fees and relocation costs is anticipated to be approximately \$3 million. The net savings from exiting the current leased facility in favour of the smaller sublet facility are expected to exceed \$9 million.

“While there will be upfront costs to terminate our current property lease and relocate, the savings over the remaining 11-year term of the current lease are substantial,” said Robert Beutel, Executive Chairman of Strongco. “The new facility will enable us to more efficiently provide exceptional service to our customers in the region.”

About Strongco

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 expectation that Strongco will enter into a sublet at a building located in Fort McMurray, and (ii) the anticipated total cost for termination of Strongco’s existing Fort McMurray lease and any net savings from Strongco exiting the current leased facility in favour of the sublet facility. There is significant risk that forward-looking statements will not prove to be accurate. These statements are based on a number of assumptions. 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 or savings 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.

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