Exchange Income Corporation

**NEWS RELEASE**

# Exchange Income Corporation Demonstrates Adaptability and Stability Delivering Strong Results During Pandemic

***Company Posts Annual Record for Revenue of $1.4 Billion and for Adjusted EBITDA of $330 Million***

**WINNIPEG, Manitoba – February 23, 2022** – Exchange Income Corporation (TSX: EIF) ("EIC" or the "Corporation") a diversified, acquisition-oriented company focused on opportunities in the aviation, aerospace, and manufacturing sectors, reported its financial results for the three- and twelve-month periods ended December 31, 2021. All amounts are in Canadian currency.

**2021 Financial Highlights**

- Generated record high Revenue of $1.4 billion, an increase of $264 million or 23%
- Earned consolidated Adjusted EBITDA[1] of $330 million, a new record that represents growth of $45 million or 16%
- Net Earnings was $69 million or $1.84 per share, an increase of $41 million or 144%
- Produced Adjusted Net Earnings[2] of $86 million or $2.31 per share, an improvement of $39 million or 82%
- Free Cash Flow less Maintenance Capital Expenditures[3] was a record $147 million, rising by $34 million or 30%
- Trailing Twelve Month Free Cash Flow less Maintenance Capital Expenditures payout ratio[4] improved to 58% from 71%

**Q4 Financial Highlights**

- Generated Revenue of $390 million, an increase of $89 million or 29%
- Earned consolidated Adjusted EBITDA of $89 million, representing growth of $7 million or 9%
- Net Earnings was $23 million or $0.61 per share, an increase of $10 million or 71%
- Produced Adjusted Net Earnings of $28 million or $0.74 per share, an improvement of $9 million or 49%
- Acquired Telcon Datvox Inc., a wireline installation and maintenance company in Southern Ontario which, when combined with WesTower's leading presence in the wireless tower industry, will further our ability to provide a fully integrated service to the telecommunication companies across Canada, for $9 million
- Acquired Ryko Telecommunications Inc., which specializes in all facets of the installation of aerial and underground fibre optic and copper cable and the maintenance and construction of cable systems in Western Canada, for $15 million, further enhancing WesTower's fully integrated service model
- Acquired Crew Training International, a Memphis, Tennessee-based company with 30 years of experience developing and delivering training solutions for pilots and sensor operators on both manned and unmanned aircraft for the US government and commercial applications, for $57 million
- Closed a $115 million bought deal offering of convertible debentures, including the exercise of the over-allotment by the underwriters
- Awarded contract to provide a dedicated air reconnaissance capacity for the Dutch Caribbean Coastguard. This future contract will see PAL Aerospace upgrade and operate two fully missionized DHC-8 maritime patrol aircraft, provide crew training on all systems, and support the operation of the aircraft for a minimum ten-year period, with options to extend.

**Highlights Subsequent to Quarter End**

- Redeemed the 5 year, 5.25% convertible debentures which were due on December 31, 2022

[1] Adjusted EBITDA is a non-IFRS measure. See Appendix A for more information.
[2] Adjusted Net Earnings, and the related per share amounts, are non-IFRS measures. See Appendix A for more information.
[3] Free Cash Flow less Maintenance Capital Expenditures, and the related per share amounts, are non-IFRS measures. See Appendix A for more information.
[4] The Corporation's payout ratios are non-IFRS measures. See Appendix A for more information.

## CEO Commentary

Mike Pyle, CEO of EIC, commented, "As the pandemic finally appears to be waning, it leaves in its wake an economic environment that is uncertain and unstable. Supply chain challenges, inflation rates that have not been seen in decades and rising interest rates are all the new realities that every business, including EIC, is facing today. Despite this, our 2021 results once again spotlight the stability of our operations and our business model. Our financial results have dramatically surpassed 2020's results and, in fact, most metrics have returned to or exceeded all-time highs achieved in 2019, the last full year before the onset of the pandemic."

"One of the most remarkable aspects of 2021's performance is that it was achieved with a focus on dealing with the challenges of the current environment and without sacrificing the long-term prospects for the Company," continued Mr. Pyle. "In fact, our commitment to preparing the Company for the future has inarguably positioned us stronger than we were prior to the pandemic. During the year we closed five acquisitions, the most we have ever completed in a calendar year. We completed three public market securities offerings and extended the maturity of our long-term debt facility, improving our liquidity and ensuring our leverage remains well within our long-established goalposts. Significantly, we also reaffirmed our commitment to sustainability and ESG matters, particularly in the area of investment in Canada's Northern First Nation Communities."

## Selected Financial Highlights

(All amounts in thousands except % and share data)

| | FY 2021 | FY 2020 | % Change | Q4 2021 | Q4 2020 | % Change |
|---|---|---|---|---|---|---|
| Revenue | $1,413,146 | $1,149,629 | 23% | $390,327 | $301,710 | 29% |
| Adjusted EBITDA | $329,880 | $284,535 | 16% | $89,421 | $81,971 | 9% |
| Net Earnings | $68,588 | $28,055 | 144% | $23,056 | $13,479 | 71% |
| per share (basic) | $1.84 | $0.80 | 130% | $0.61 | $0.38 | 61% |
| Adjusted Net Earnings | $86,012 | $47,176 | 82% | $28,027 | $18,847 | 49% |
| per share (basic) | $2.31 | $1.35 | 71% | $0.74 | $0.53 | 40% |
| Trailing Twelve Month Adjusted Net Earnings Payout Ratio (basic) | 99% | 169% | | | | |
| Free Cash Flow[5] | $243,317 | $198,400 | 23% | $71,581 | $59,497 | 20% |
| per share (basic) | $6.53 | $5.66 | 15% | $1.88 | $1.68 | 12% |
| Free Cash Flow less Maintenance Capital Expenditures | $147,154 | $113,331 | 30% | $42,895 | $41,270 | 4% |
| per share (basic) | $3.95 | $3.23 | 22% | $1.13 | $1.17 | -3% |
| Trailing Twelve Month Free Cash Flow less Maintenance Capital Expenditures Payout Ratio (basic) | 58% | 71% | | | | |
| Dividends declared | $85,387 | $80,012 | 7% | $21,911 | $20,200 | 8% |

## Review of 2021 Financial Results

Consolidated revenue for the year was $1.4 billion, which was an increase of $264 million or 23% over 2020. Consolidated Adjusted EBITDA for the year was $330 million, which was an increase of $45 million or 16% compared to last year.

Revenue in the Aerospace & Aviation segment grew by $230 million and Adjusted EBITDA generated by the Aerospace & Aviation segment increased by $70 million to $288 million, an increase of 32%. Passenger and charter revenue drove the most significant increases in revenue from the prior year as the impact of the

[5] Free Cash Flow, and the related per share amounts, are non-IFRS measures. See Appendix A for more information.

pandemic on the airlines diminished in the second through fourth quarters of 2021 relative to the prior year. Passenger volumes increased in each of the second and third quarters before leveling off in the fourth quarter, but still at higher levels than the preceding year. These improvements were partially offset by a weaker first quarter, as most of the first quarter of 2020 was unaffected the pandemic and its related restrictions. Medevac, cargo, and rotary wing operations have remained strong throughout the pandemic and also contributed to the increases. Prior investments in the aerospace division continue to generate positive returns and on-demand ISR aircraft utilization remains strong. Regional One's revenue for the current year increased by $75 million or 54%, driven by a material recovery in parts and whole aircraft and engine sales which reflects the travel rebound, particularly in the United States. In addition to the revenue impacts, cost reduction measures such as scheduled frequency reductions, labour rationalization, and various other strategies that took some time to implement in 2020 were meaningfully realized in 2021 and benefited EBITDA during the year.

Revenue in the Manufacturing segment increased by $34 million to $496 million and Adjusted EBITDA decreased by $15 million to $73 million. The Manufacturing segment has been negatively impacted during the year by increased raw materials and transportation costs and by labour shortages. Quest's operations have been the most severely impacted by the COVID-19 pandemic as many projects were delayed, creating openings in Quest's productions schedule that could not be filled on short notice due to the longer-term procurement cycle of the projects in which Quest's products are used. The entities within the segment are leveraging their collective expertise and supply chains for the benefit of each other to access materials required in their operations.

In the year, EIC recorded Adjusted Net Earnings of $86 million, or $2.31 per share, compared to $47 million, or $1.35 per share last year, an increase of 82%.

The Corporation generated Free Cash Flow of $243 million, a $45 million increase over $198 million in the prior year primarily due to the year's higher Adjusted EBITDA. Free Cash Flow less Maintenance Capital Expenditures is $147 million in 2021 compared to $113 million in 2020. The increase in Adjusted EBITDA was partially offset by an $11 million increase in Maintenance Capital Expenditures[6] as a result of higher flight hours in 2021. The Corporation's Trailing Twelve-Month Free Cash Flow less Maintenance Capital Expenditures payout ratio is 58% for the year.

**Review of Q4 Financial Results**

Revenue generated by the Corporation during the fourth quarter was $390 million, an increase of $89 million or 29% over the comparative period. Revenue in the Aerospace & Aviation segment increased by $86 million while revenue in the Manufacturing segment increased by $3 million. The reduced impact of the COVID-19 pandemic was the main driver for the improvement in both segments and the acquisition of Carson Air in the third quarter of 2021 also contributed to the increase in the Aerospace and Aviation segment.

Adjusted EBITDA generated by the Corporation during the fourth quarter was $89 million compared to $82 million in the fourth quarter of 2020, an increase of 9%. Adjusted EBITDA in the Aerospace & Aviation segment was up $17 million compared to the prior period while Adjusted EBITDA in the Manufacturing segment decreased by $6 million. The Adjusted EBITDA changes were largely driven by factors described in the annual results. Head office costs were also higher by $4 million as costs in the fourth quarter of 2020 were unusually low because the company recorded significantly reduced performance-based compensation in 2020 as a result of the pandemic.

Carmele Peter, President of EIC, stated, "The strong performance in 2021 does not happen without the convergence of many factors. It is the product of numerous discrete elements within EIC being brought together. Our diversification between industries and even within each industry provides us with a competitive

[6] Maintenance Capital Expenditures is a non-IFRS measure. See Appendix A for more information.

advantage. However, this advantage would be lost or lessened without entrepreneurial, dedicated leaders and employees running these companies. We then leverage the talents of our entire workforce as the subsidiaries work with each other, communicating and collectively sharing ideas and best practices, to draw the best out of each other."

Adam Terwin, CCDO of EIC, commented, "Even though the pandemic made it difficult to travel, the pandemic also prompted us to adjust our acquisition process and utilize the management strengths in our subsidiaries, and the relationships those management teams had, to source acquisition opportunities and conduct the necessary due diligence. This proved to be very effective, as we closed five transactions during the year which, although smaller than our previous average, were accretive on a standalone basis and strategic to our existing operations."

"We undertook three balance sheet initiatives in 2021, despite the pandemic, that have put us in a stronger financial position than we were heading into the pandemic," noted Darryl Bergman, EIC's CFO. "Knowing that we had a strong acquisition pipeline, in April we completed an $88 million share offering to allow us to move on the acquisition opportunities without increasing our leverage. We completed two convertible debenture offerings, raising an aggregate $259 million to redeem two convertible debenture series that were due to mature in 2022 and 2023, eliminating potential future financing uncertainty caused by the pandemic and the residual effects of government initiatives to combat it. Finally, we extended the maturity of our syndicated long-term debt facility through 2025. The combined effect of these transactions is that we have strengthened our balance sheet by increasing our equity, enhancing liquidity, and removing all debt maturities prior to 2025."

**Outlook**

"Like all of us, I am hopeful we are seeing the light at the end of the tunnel for the pandemic," stated Mr. Pyle. "Omicron, with its high transmissibility, has impacted our aviation operations in the first quarter of 2022 as our remote First Nations communities were hit hard by the virus and as hospitals have had to further delay elective and non-emergent procedures. Inflation and supply chain challenges also remain, although this is nothing new for our companies during the pandemic. We are seeing operations improve as we move into the latter part of the quarter and the virus appears to be running its course. We are confident that our investments made during the pandemic will provide the returns we expect, although the exact pace of the recovery cannot be known as long as the virus lingers."

Mr. Pyle concluded by saying, "The pandemic has tested our business model, and it has passed with flying colours. Sustainability is a bit of a buzzword in business these days, but it is, and has always been, the core of what EIC is all about. The financial stability of our results and our continued ability to pay our dividend is the outcome of doing the right things, the right way, to ensure the sustainability of the business. Keeping employees and customers safe, reliably providing the essential services upon which our customers depend, investing in the communities we serve and minimizing our impact on the environment are the foundation for our sustainable business model."

EIC's complete annual financial statements and management's discussion and analysis for the year ended December 31, 2021 can be found at www.ExchangeIncomeCorp.ca or at www.sedar.com.

**Conference Call Notice**

Management will hold a conference call to discuss its 2021 fourth quarter financial results on Thursday, February 24, 2021 at 8:30am ET. To join the conference call, dial 1-888-847-3440 or 1-646-307-1966 (International). Please dial in 15 minutes prior to the call to secure a line. The conference call will be archived for replay until March 3, 2022 at midnight. To access the archived conference call, please dial 1-800-770-2030 and enter the encore code 5783729#.

A live audio webcast of the conference call will be available at www.ExchangeIncomeCorp.ca and www.newswire.ca. Please connect at least 15 minutes prior to the conference call to ensure adequate time for any software download that may be required to join the webcast. An archived replay of the webcast will be available for 90 days.

**About Exchange Income Corporation**
Exchange Income Corporation is a diversified acquisition-oriented company, focused in two sectors: aerospace & aviation services and equipment, and manufacturing. The Corporation uses a disciplined acquisition strategy to identify already profitable, well-established companies that have strong management teams, generate steady cash flow, operate in niche markets and have opportunities for organic growth. For more information on the Corporation, please visit www.ExchangeIncomeCorp.ca. Additional information relating to the Corporation, including all public filings, is available on SEDAR (www.sedar.com).

***Caution concerning forward-looking statements***

*The statements contained in this news release that are forward-looking are based on current expectations and are subject to a number of uncertainties and risks, and actual results may differ materially. These uncertainties and risks include, but are not limited to, COVID-19 and pandemic related risks, the dependence of Exchange Income Corporation on the operations and assets currently owned by it, the degree to which its subsidiaries are leveraged, the fact that cash distributions are not guaranteed and will fluctuate with the Corporation's financial performance, dilution, restrictions on potential future growth, the risk of shareholder liability, competitive pressures (including price competition), changes in market activity, the cyclicality of the industries, seasonality of the businesses, poor weather conditions, and foreign currency fluctuations, legal proceedings, commodity prices and raw material exposure, dependence on key personnel, and environmental, health and safety and other regulatory requirements. Except as required by Canadian Securities Law, Exchange does not undertake to update any forward-looking statements; such statements speak only as of the date made. Further information about these and other risks and uncertainties can be found in the disclosure documents filed by Exchange Income Corporation with the securities regulatory authorities, available at www.sedar.com.*

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## Appendix A

Adjusted EBITDA, Adjusted Net Earnings, Free Cash Flow, and Maintenance and Growth Capital Expenditures are not recognized measures under IFRS and are, therefore, defined below.

On May 27, 2021, the Canadian Securities Administrators issued National Instrument 52-112 – Non-GAAP and Other Financial Measures Disclosure along with the companion policy for that instrument that came into effect for financial years ending after October 15, 2021. As a result of the requirements under this instrument, the Corporation will present “Adjusted EBITDA” which is determined in the exact same manner as “EBITDA” was presented in its prior publications. As such, all amounts presented as “Adjusted EBITDA” are directly comparable to amounts presented as “EBITDA” in prior publications.

**Adjusted EBITDA:** is defined as earnings before interest, income taxes, depreciation, amortization, other non-cash items such as gains or losses recognized on the fair value of contingent consideration items, asset impairment, and restructuring costs, and any unusual non-operating one-time items such as acquisition costs. It is used by management to assess its consolidated results and the results of its operating segments. Adjusted EBITDA is a performance measure utilized by many investors to analyze the cash available for distribution from operations before allowance for debt service, capital expenditures, and income taxes. The most comparable IFRS measure, presented in the Corporation’s Statements of Income as an additional IFRS measure, is Operating profit before Depreciation, Amortization, Finance Costs, and Other. The Corporation has reconciled Adjusted EBITDA to Earnings before taxes below. All amounts presented in the chart below are presented on the Corporation’s Statement of Income, with Adjusted EBITDA presented as Operating profit before Depreciation, Amortization, Finance Costs, and Other.

| | **Three Months December 31, 2021** | Three Months December 31, 2020 | **Twelve Months December 31, 2021** | Twelve Months December 31, 2020 |
|---|---|---|---|---|
| Adjusted EBITDA | **89,421** | 81,971 | **329,880** | 284,535 |
| Depreciation of capital assets | **40,466** | 35,860 | **144,946** | 139,898 |
| Amortization of intangible assets | **4,788** | 6,624 | **16,897** | 17,573 |
| Finance costs - interest | **11,571** | 11,145 | **48,955** | 47,000 |
| Depreciation of right of use assets | **6,340** | 6,396 | **24,542** | 25,374 |
| Interest expense on right of use liabilities | **755** | 924 | **3,243** | 3,934 |
| Acquisition costs | **1,526** | 734 | **3,034** | 1,816 |
| Impairment loss | **-** | - | **-** | 6,117 |
| Other | **(6,000)** | - | **(6,000)** | (177) |
| Earnings before taxes | **29,975** | 20,288 | **94,263** | 43,000 |

**Adjusted Net Earnings:** is defined as Net Earnings adjusted for acquisition costs, amortization of intangible assets, interest accretion on acquisition contingent consideration, accelerated interest accretion on convertible debentures, and non-recurring items. Adjusted Net Earnings is a performance measure, along with Free Cash Flow less Maintenance Capital Expenditures, which the Corporation uses to assess cash flow available for distribution to shareholders. The most comparable IFRS measure is Net Earnings. Interest accretion on contingent consideration is recorded in the period subsequent to an acquisition after the expected payment to the vendors is discounted. The value recorded on acquisition is accreted to the expected payment over the earn out period. Accelerated interest accretion on convertible debentures reflects the additional interest accretion recorded in a period that, but for the actions to early redeem the debenture series, would have been recorded over the remaining term to maturity. This interest reflects the difference in the book value of the convertible debentures and the par value outstanding.

The Corporation presents Adjusted Net Earnings per share, which is calculated by dividing Adjusted Net Earnings, as defined above, by the weighted average number of shares outstanding during the period, as presented in the Corporation’s Financial Statements and Notes.

The Corporation presents an Adjusted Net Earnings payout ratio, which is calculated by dividing dividends declared during a period, as presented in the Corporation’s Financial Statements and Notes, by Adjusted Net Earnings, as defined above. The Corporation uses this metric to assess cash flow available for distribution to shareholders.

Exchange Income Corporation

| Year Ended December 31, | 2021 | 2020 |
|---|---|---|
| **Net Earnings** | **$ 68,588** | $ 28,055 |
| Acquisition costs (net of tax of $122 and $268) | **2,912** | 1,548 |
| Amortization of intangible assets (net of tax of $4,562 and $4,745) | **12,335** | 12,828 |
| Interest accretion on acquisition contingent consideration (net of tax of nil and nil) | **286** | 272 |
| Accelerated interest accretion on redeemed debentures (net of tax of $700) | **1,891** | - |
| Impairment loss (net of tax of $1,644) | **-** | 4,473 |
| **Adjusted Net Earnings** | **$ 86,012** | $ 47,176 |
| per share - Basic | **$ 2.31** | $ 1.35 |
| per share - Diluted | **$ 2.26** | $ 1.31 |

| Three Months Ended December 31 | 2021 | 2020 |
|---|---|---|
| **Net Earnings** | **$ 23,056** | $ 13,479 |
| Acquisition costs (net of tax $122 and nil) | **1,404** | 466 |
| Amortization of intangible assets (net of tax $1,293 and $1,789) | **3,495** | 4,835 |
| Interest accretion on acquisition contingent consideration (net of tax of nil and nil) | **72** | 67 |
| **Adjusted Net Earnings** | **$ 28,027** | $ 18,847 |
| per share - Basic | **$ 0.74** | $ 0.53 |
| per share - Diluted | **$ 0.71** | $ 0.52 |

**Free Cash Flow:** for the year is equal to cash flow from operating activities as defined by IFRS, adjusted for changes in non-cash working capital, acquisition costs, principal payments on right of use lease liabilities, and any unusual non-operating one-time items. Free Cash Flow is a performance measure used by management and investors to analyze the cash generated from operations before the seasonal impact of changes in working capital items or other unusual items. The most comparable IFRS measure is Cash Flow from Operating Activities. Adjustments made to Cash Flow from Operating Activities in the calculation of Free Cash Flow include other IFRS measures, including adjusting the impact of changes in working capital and deducting principal payments on right of use lease liabilities.

The Corporation presents Free Cash Flow per share, which is calculated by dividing Free Cash Flow, as defined above, by the weighted average number of shares outstanding during the period, as presented in the Corporation's Financial Statements and Notes.

| FREE CASH FLOW — Year Ended December 31, | 2021 | 2020 |
|---|---|---|
| Cash flows from operations | **$ 285,047** | $ 259,974 |
| Change in non-cash working capital | **(20,755)** | (38,455) |
| Acquisition costs (net of tax of $122 and $268) | **2,912** | 1,548 |
| Principal payments on right of use lease liabilities | **(23,887)** | (24,667) |
| | **$ 243,317** | $ 198,400 |
| per share - Basic | **$ 6.53** | $ 5.66 |
| per share - Fully Diluted | **$ 5.78** | $ 5.03 |

| FREE CASH FLOW | | | | |
|---|---|---|---|---|
| Three Months Ended December 31 | | **2021** | | 2020 |
| Cash flows from operations | **$** | **79,001** | $ | 63,888 |
| Change in non-cash working capital items | | **(2,515)** | | 2,370 |
| Acquisition costs (net of tax of $122 and nil) | | **1,404** | | 466 |
| Principal payments on right of use lease liabilities | | **(6,309)** | | (7,227) |
| | **$** | **71,581** | $ | 59,497 |
| per share - Basic | **$** | **1.88** | $ | 1.68 |
| per share - Fully Diluted | **$** | **1.62** | $ | 1.48 |

**<u>Free Cash Flow less Maintenance Capital Expenditures:</u>** for the year is equal to Free Cash Flow, as defined above, less Maintenance Capital Expenditures, as defined below. The Corporation uses this metric to assess cash flow available for distribution to shareholders.

The Corporation presents Free Cash Flow less Maintenance Capital Expenditures per share, which is calculated by dividing Free Cash Flow less Maintenance Capital Expenditures, as defined above, by the weighted average number of shares outstanding during the period, as presented in the Corporation's Financial Statements and Notes.

The Corporation presents a Free Cash Flow less Maintenance Capital Expenditures payout ratio, which is calculated by dividing dividends declared during a period, as presented in the Corporation's Financial Statements and Notes, by Free Cash Flow less Maintenance Capital Expenditures, as defined above. The Corporation uses this metric to assess cash flow available for distribution to shareholders.

**<u>Maintenance and Growth Capital Expenditures:</u>** Maintenance Capital Expenditures is defined as the capital expenditures made by the Corporation to maintain the operations of the Corporation at its current level. Other capital expenditures are classified as Growth Capital Expenditures as they will generate new cash flows and are not considered by management in determining the cash flows required to sustain the current operations of the Corporation. While there is no comparable IFRS measure for Maintenance Capital Expenditures or Growth Capital Expenditures, the total of Maintenance Capital Expenditures and Growth Capital Expenditures is equivalent to the total of capital asset and intangible asset purchases, net of disposals, on the Statement of Cash Flows.

| | **Year Ended December 31, 2021** | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | **Aerospace & Aviation** | | **Manufacturing** | | **Head Office** | | **Total** |
| Maintenance Capital Expenditures | **$** | **92,257** | **$** | **3,793** | **$** | **113** | **$** | **96,163** |
| Growth Capital Expenditures | | **128,836** | | **2,131** | | **-** | | **130,967** |
| Total Net Capital Asset and Intangible Asset Purchases, per Statement of Cash Flows | **$** | **221,093** | **$** | **5,924** | **$** | **113** | **$** | **227,130** |

| | Year Ended December 31, 2020 | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| CAPITAL EXPENDITURES | | Aerospace & Aviation | | Manufacturing | | Head Office | | Total |
| Maintenance Capital Expenditures | $ | 81,101 | $ | 2,326 | $ | 1,642 | $ | 85,069 |
| Growth Capital Expenditures | | 44,404 | | 3,519 | | - | | 47,923 |
| Total Net Capital Asset and Intangible Asset Purchases, per Statement of Cash Flows | $ | 125,505 | $ | 5,845 | $ | 1,642 | $ | 132,992 |

Investors are cautioned that Adjusted EBITDA, Adjusted Net Earnings, Free Cash Flow, and Maintenance Capital Expenditures and Growth Capital Expenditures should not be viewed as an alternative to measures that are recognized under IFRS such as Net Earnings or cash from operating activities. The Corporation's method of calculating Adjusted EBITDA, Adjusted Net Earnings, Free Cash Flow, and Maintenance Capital Expenditures and Growth Capital Expenditures may differ from that of other entities and therefore may not be comparable to measures utilized by them. For additional information on the Corporation's non-IFRS measures, refer to *Section 5 – Dividends and Payout Ratios* and *Section 13 – Non-IFRS Measures and Glossary* of the Corporation's MD&A, which is available on SEDAR at www.sedar.com.