

Altus Group Reports Second Quarter 2019 Financial Results

Record Property Tax Performance Drives 30% Growth in Consolidated Adjusted EBITDA to \$31 Million

TORONTO (August 8, 2019) - Altus Group Limited ("Altus Group" or "the Company") (TSX: AIF), a leading provider of software, data solutions and independent advisory services to the global commercial real estate industry, announced today its financial and operating results for the second quarter ended June 30, 2019.

Second Quarter 2019 Summary:

All amounts are in Canadian dollars and percentages are in comparison to the same period in 2018.

- Consolidated revenues were \$153.7 million, up 14.5%
- Consolidated profit, in accordance with IFRS, was \$13.3 million, a \$13.0 million improvement
- Consolidated profit, in accordance with IFRS, was \$0.34 per share basic and \$0.33 per share diluted, compared to \$0.01 per share, basic and diluted
- Consolidated adjusted EBITDA¹ was \$31.0 million, up 30.3%
- Adjusted earnings per share² ("adjusted EPS") was \$0.52, compared to \$0.40
- Altus Analytics revenues increased 6.8% to \$50.2 million and adjusted EBITDA¹ was \$11.2 million, down 12.9% reflecting investments
- Altus Analytics recurring revenues³ (*as defined below*) grew 16.9% to \$38.1 million
- Commercial Real Estate ("CRE") Consulting revenues increased 20.8% to \$93.1 million and adjusted EBITDA¹ increased by 67.3% to \$32.0 million, driven primarily by record Property Tax performance

"The record performance in our global Property Tax business drove consolidated adjusted EBITDA to \$31 million, the strongest quarter in our history," said Robert Courteau, Chief Executive Officer at Altus Group. "This performance reflects our past investments in this business, along with excellent execution. In parallel, our Altus Analytics business posted healthy growth as we launch our ARGUS Enterprise solution to the cloud and build out a global asset and investment management platform for the CRE industry."



Summary of Operating and Financial Performance by Business Segment:

All amounts are in Canadian dollars and percentages are in comparison to the same period in 2018, as applicable.

| CONSOLIDATED <i>In thousands of dollars, except for per share amounts</i> | Three months ended Jun. 30, | | | Six months ended Jun. 30, | | |
|--|-----------------------------|------------|----------|---------------------------|------------|----------|
| | 2019 | 2018 | % Change | 2019 | 2018 | % Change |
| Revenues | \$ 153,654 | \$ 134,218 | 14.5% | \$ 281,652 | \$ 258,908 | 8.8% |
| Adjusted EBITDA ¹ | \$ 30,970 | \$ 23,771 | 30.3% | \$ 44,854 | \$ 39,279 | 14.2% |
| Adjusted EBITDA ¹ Margin | 20.2% | 17.7% | | 15.9% | 15.2% | |
| Profit (loss) | \$ 13,321 | \$ 330 | 3,936.7% | \$ 12,886 | \$ (1,997) | 745.3% |
| Earnings (loss) per share: | | | | | | |
| Basic | \$0.34 | \$0.01 | 3,300.0% | \$0.33 | (\$0.05) | 760.0% |
| Adjusted | \$0.52 | \$0.40 | 30.0% | \$0.74 | \$0.63 | 17.5% |

| Altus Analytics <i>In thousands of dollars</i> | Three months ended Jun. 30, | | | Six months ended Jun. 30, | | |
|---|-----------------------------|-----------|----------|---------------------------|-----------|----------|
| | 2019 | 2018 | % Change | 2019 | 2018 | % Change |
| Revenues | \$ 50,163 | \$ 46,972 | 6.8% | \$ 96,944 | \$ 87,508 | 10.8% |
| Adjusted EBITDA ¹ | \$ 11,206 | \$ 12,870 | (12.9%) | \$ 21,027 | \$ 21,100 | (0.3%) |
| Adjusted EBITDA ¹ Margin | 22.3% | 27.4% | | 21.7% | 24.1% | |

| CRE Consulting <i>In thousands of dollars</i> | Three months ended Jun. 30, | | | Six months ended Jun. 30, | | |
|--|-----------------------------|-----------|----------|---------------------------|------------|----------|
| | 2019 | 2018 | % Change | 2019 | 2018 | % Change |
| Revenues | | | | | | |
| Property Tax | \$ 65,288 | \$ 50,059 | 30.4% | \$ 109,986 | \$ 98,678 | 11.5% |
| Valuation and Cost Advisory | 27,778 | 27,003 | 2.9% | 53,753 | 52,252 | 2.9% |
| Revenues | \$ 93,066 | \$ 77,062 | 20.8% | \$ 163,739 | \$ 150,930 | 8.5% |
| Adjusted EBITDA¹ | | | | | | |
| Property Tax | \$ 28,516 | \$ 15,418 | 85.0% | \$ 38,114 | \$ 28,491 | 33.8% |
| Valuation and Cost Advisory | 3,485 | 3,710 | (6.1%) | 5,985 | 6,305 | (5.1%) |
| Adjusted EBITDA ¹ | \$ 32,001 | \$ 19,128 | 67.3% | \$ 44,099 | \$ 34,796 | 26.7% |
| Adjusted EBITDA ¹ Margin | 34.4% | 24.8% | | 26.9% | 23.1% | |

| Geomatics <i>In thousands of dollars</i> | Three months ended Jun. 30, | | | Six months ended Jun. 30, | | |
|---|-----------------------------|-----------|----------|---------------------------|-----------|----------|
| | 2019 | 2018 | % Change | 2019 | 2018 | % Change |
| Revenues | \$ 10,523 | \$ 10,367 | 1.5% | \$ 21,173 | \$ 20,813 | 1.7% |
| Adjusted EBITDA | \$ 990 | \$ 859 | 15.3% | \$ 1,451 | \$ 909 | 59.6% |
| Adjusted EBITDA Margin | 9.4% | 8.3% | | 6.9% | 4.4% | |

On a consolidated basis, revenues grew 14.5% year-over-year to \$153.7 million and adjusted EBITDA¹ increased 30.3% to \$31.0 million. Exchange rate movements against the Canadian dollar, namely the U.S. and U.K. currencies, benefitted consolidated revenues by 0.6% and adjusted EBITDA¹ by 1.1%. Acquisitions represented 1.2% of the 14.5% revenue growth in the second quarter.



Consolidated Profit, in accordance with IFRS, was \$13.3 million compared to \$0.3 million in the same period in 2018, impacted by higher adjusted EBITDA¹, as well as a decrease in amortization of intangibles and restructuring costs, partly offset by incremental depreciation and finance costs on the implementation of IFRS 16, *Leases*, as well as higher income tax expense on higher earnings. Profit was \$0.34 per share basic and \$0.33 per share diluted, compared to \$0.01 per share, basic and diluted, in the same period in 2018.

Adjusted EPS² was \$0.52, compared to \$0.40 in the second quarter of 2018.

Altus Analytics revenues increased 6.8% to \$50.2 million, driven by double-digit growth from Appraisal Management solutions, robust ARGUS on Demand sales, higher maintenance revenues (supported by 97% maintenance renewal rates⁴ for its flagship ARGUS Enterprise product) and strong software consulting and education services revenues. As the second quarter of 2018 included a sizable global subscription license contract (of which a high portion of revenues was recognized upfront), the software business faced a tough comparison on AE license sales. The double-digit growth in Appraisal Management solutions was driven by existing customer growth, new customer wins and growing revenues from international markets, as well as higher revenues from non-recurring due diligence assignments. The acquisition of Taliance represented 3.4% of the revenue growth. Recurring revenues³, as defined below, grew 16.9% to \$38.1 million. Although adjusted EBITDA benefited from higher software and Appraisal Management revenues, ongoing product, sales and delivery investments impacted Altus Analytics earnings. While product investments have now started to level off, expenses were still higher in the second quarter of 2019 compared to the second quarter of 2018, contributing to the decrease in adjusted EBITDA. Changes in the exchange rates against the Canadian dollar benefited revenues by 2.0% and adjusted EBITDA by 2.9%. The Company remains well positioned to meet its recently announced guidance for the year, expecting total Altus Analytics revenue growth between 7% and 12% (and 16% to 19% recurring revenue³ growth) to achieve annual revenues between \$197 to \$205 million, with adjusted EBITDA margins between 17% and 20% during, reflecting the run-rate of the 2018 investments and the shift to subscriptions in the second half of the year.

CRE Consulting revenues increased 20.8% to \$93.1 million and adjusted EBITDA¹ increased 67.3% to \$32.0 million, driven primarily by record performance at Property Tax. Property Tax revenues increased 30.4% to \$65.3 million and adjusted EBITDA¹ increased 85.0% to \$28.5 million. Property Tax revenue and earnings performance was strong across the board, with double-digit organic growth in Canada and the U.S., and especially strong in the U.K. where cyclical/seasonal annuity billing⁵ was a significant contributor, representing \$9.9 million in revenues (compared to \$4.7 million the previous period), reflecting the increased cumulative number of 2017 cycle cases settled. In Canada, growth was driven by strong performance in western Canada, and in the U.S. in Texas. Management continues to expect 2019 to be a record revenue year for Property Tax, driven by an anticipated rebound of case settlement activity from Ontario and the U.K. expected in the second half of the year. Valuation and Cost Advisory revenues increased by 2.9% to \$27.8 million, led by the Cost practice, and adjusted EBITDA¹ decreased by 6.1% to \$3.5 million. Changes in the exchange rates against the Canadian dollar had a negligible impact to CRE Consulting revenues and adjusted EBITDA¹.

Geomatics' revenues improved by 1.5% to \$10.5 million, and adjusted EBITDA¹ improved 15.3% to \$1.0 million. Following various cost cutting and optimization initiatives undertaken in 2018, management expects Geomatics to remain profitable for the remainder of 2019.

Corporate Costs were \$13.2 million, compared to \$9.1 million in the same period in 2018, reflecting higher accrual of variable compensation costs and various corporate initiatives to scale the business for growth and some one-time professional advisory fees. Corporate costs as a percentage of revenues were 8.6%, compared to 6.8% in the same period in 2018.



Altus Group's balance sheet remains strong, reinforcing the Company's financial flexibility to pursue its growth strategy. At the end of the second quarter, bank debt stood at \$150.0 million, representing a funded debt to EBITDA leverage ratio of 1.90 times (compared to 1.79 times at the end of 2018). As at June 30, 2019, cash and cash equivalents was \$51.6 million (compared to \$48.7 million as at December 31, 2018). The Company's credit facilities mature on April 28, 2020, and hence have been presented as current liabilities. Management is in the process of reviewing and renewing its bank credit facilities and expects to complete the process prior to maturity.

Q2 2019 Results Conference Call & Webcast

| | |
|------------|--|
| Date: | Thursday, August 8, 2019 |
| Time: | 5:00 p.m. (ET) |
| Webcast: | altusgroup.com (under the Investor Relations tab) |
| Live Call: | 1-800-273-9672 (toll-free) or 416-340-2216 (Toronto area) |
| Replay: | A replay of the call will be available via the webcast at altusgroup.com |

About Altus Group Limited

Altus Group Limited is a leading provider of software, data solutions and independent advisory services to the global commercial real estate industry. Our businesses, Altus Analytics and Altus Expert Services, reflect decades of experience, a range of expertise, and technology-enabled capabilities. Our solutions empower clients to analyze, gain insight and recognize value on their real estate investments. Headquartered in Canada, we have approximately 2,500 employees around the world, with operations in North America, Europe and Asia Pacific. Our clients include some of the world's largest commercial real estate industry participants. Altus Group pays a quarterly dividend of \$0.15 per share and our shares are traded on the TSX under the symbol AIF.

For more information on Altus Group, please visit: www.altusgroup.com.

Definitions & Notes

¹The Company's definition of adjusted Earnings before Interest, Taxes, Depreciation and Amortization ("**adjusted EBITDA**"), a non-GAAP measure used to measure financial performance, has been modified subsequent to the adoption of IFRS 16, Leases, on January 1, 2019, to adjust for the effects of occupancy costs calculated on a consistent basis to 2018.

²The Company's definition of **adjusted EPS**, a non-GAAP measure used to measure financial performance, has been modified subsequent to the adoption of IFRS 16, Leases, on January 1, 2019, to adjust for the effects of occupancy costs calculated on a consistent basis to 2018, and depreciation of right-of-use assets and finance costs related to leases recorded in accordance with IFRS 16.

³**Recurring revenues**, a non-GAAP measure, represent revenues related to software and data subscriptions, maintenance for perpetual licenses and appraisal management solutions, where the contract value for software subscriptions is recognized ratably over the contract term. Consistent with recurring revenues disclosed in prior years, this depicts the economics of renewable contracts.



⁴**Maintenance renewal rate**, a non-GAAP measure, represents the percentage of the available renewal opportunity in a fiscal period that renews, calculated on a dollar basis, excluding any growth in user count or product expansion.

⁵**Annuity billing** was implemented in 2018 and takes place in the UK at the Property Tax division only, starting in the second year of a new cycle; the revenues of the annuity invoicing grow cumulatively over the cycle as more cases are settled and as the volume of billable clients increases concurrent with case settlements.

Non-IFRS Measures

Altus Group uses certain non-IFRS measures as indicators of financial performance. Readers are cautioned that they are not defined performance measures, and do not have any standardized meaning under IFRS and may differ from similar computations as reported by other similar entities and, accordingly, may not be comparable to financial measures as reported by those entities. We believe that these measures are useful supplemental measures that may assist investors in assessing an investment in our shares and provide more insight into our performance.

Adjusted Earnings before Interest, Taxes, Depreciation and Amortization, (“Adjusted EBITDA”), represents profit (loss) before income taxes adjusted for the effects of occupancy costs calculated on a consistent basis to 2018, finance costs (income), amortization of intangibles, depreciation of property, plant and equipment, depreciation of right-of-use assets, acquisition and related transition costs (income), restructuring costs, unrealized foreign exchange gains (losses), gains (losses) on disposal of property, plant and equipment, gains (losses) on investments, impairment charges, non-cash Executive Compensation Plan costs, gains (losses) on derivative transactions, gains (losses) on equity derivatives net of mark-to-market adjustments on related restricted share units (“RSUs”) and deferred share units (“DSUs”) being hedged and other costs or income of a non-operating and/or non-recurring nature. Subsequent to the adoption of IFRS 16, on January 1, 2019, the measurement of Adjusted EBITDA has been modified to reflect occupancy costs on a consistent basis as 2018. Adjusted EBITDA margin represents the percentage factor of Adjusted EBITDA to revenues.

Adjusted Earnings (Loss) per Share, (“Adjusted EPS”), represents basic earnings (loss) per share adjusted for the effects of occupancy costs calculated on a consistent basis to 2018, depreciation of right-of-use assets, finance costs (income), net - leases, amortization of intangibles acquired as part of business acquisitions, net of changes in fair value of related equity derivatives, acquisition and related transition costs (income), restructuring costs, unrealized foreign exchange gains (losses), gains (losses) on disposal of property, plant and equipment, gains (losses) on investments, interest accretion on contingent consideration payables, impairment charges, non-cash Executive Compensation Plan costs, gains (losses) on derivative transactions, gains (losses) on equity derivatives net of mark-to-market adjustments on related RSUs and DSUs being hedged and other costs or income of a non-operating and/or non-recurring nature. The basic weighted average number of shares is adjusted for the effects of weighted average number of restricted shares. All of the adjustments are made net of tax.

Forward-Looking Information

Certain information in this press release may constitute “forward-looking information” within the meaning of applicable securities legislation. All information contained in this press release, other than statements of current and historical fact, is forward-looking information. Forward-looking information includes, but is not limited to, the discussion of our business and operating initiatives, focuses and strategies, our expectations of future performance for our various business units and our consolidated financial results, including the guidance on financial expectations, and our expectations with respect to cash flows and liquidity. Generally, forward-looking information can be identified by use of words such as “may”, “will”, “expect”, “believe”, “plan”, “would”, “could”, “remain” and other similar terminology. All of the forward-looking information in this press release is qualified by this cautionary statement.

Forward-looking information is not, and cannot be, a guarantee of future results or events. Forward-looking information is based on, among other things, opinions, assumptions, estimates and analyses that, while considered reasonable by us at the date the forward-looking information is provided, inherently are subject to significant risks, uncertainties, contingencies and other factors that may cause actual results, performance or achievements, industry results or events to be materially different from those expressed or implied by the forward-looking information. The material factors or assumptions that we identified and applied in drawing conclusions or making forecasts or projections set out in the forward-looking information include, but are not limited to: engagement and product pipeline opportunities in Altus Analytics will result in associated definitive agreements; settlement volumes in Property Tax will occur on a timely basis and that assessment authorities will process appeals in a manner consistent with expectations; the successful execution of our business strategies;



consistent and stable economic conditions or conditions in the financial markets; consistent and stable legislation in the various countries in which we operate; no disruptive changes in the technology environment; the opportunity to acquire accretive businesses; the successful integration of acquired businesses; and the continued availability of qualified professionals.

Inherent in the forward-looking information are known and unknown risks, uncertainties and other factors that could cause our actual results, performance or achievements, or industry results, to differ materially from any results, performance or achievements expressed or implied by such forward-looking information. Those risks, uncertainties and other factors that could cause actual results to differ materially from the forward-looking information include, but are not limited to: general state of the economy; currency risk; ability to maintain profitability and manage growth; commercial real estate market; competition in the industry; acquisitions; oil and gas sector; ability to attract and retain professionals; information from multiple sources; reliance on larger enterprise transactions with longer and less predictable sales cycles; success of new product introductions; ability to respond to technological change and develop products on a timely basis; protection of intellectual property or defending against claims of intellectual property rights of others; ability to implement technology strategy and ensure workforce adoption; transition of our Altus Analytics business to a subscription model; ability to drive cloud adoption with our Altus Analytics customers and convert their contracts to subscriptions; renewal rates of subscription and maintenance contracts; information technology governance and security, including cyber security; increasing regulatory focus on privacy issues; engagement and product pipeline opportunities do not result in sufficient definitive agreements; property tax assessment regulators do not process appeals in a manner consistent with expectations; fixed-price and contingency engagements; appraisal and appraisal management mandates; Canadian multi-residential market; weather; legislative and regulatory changes; customer concentration and loss of material clients; interest rate risk; credit risk; income tax matters; revenue and cash flow volatility; health and safety hazards; performance of contractual obligations and client satisfaction; risk of legal proceedings; insurance limits; ability to meet solvency requirements to pay dividends; leverage and financial covenants; unpredictability and volatility of common share price; capital investment; and issuance of additional common shares diluting existing shareholders' interests, as well as those described in our annual publicly filed documents, including the MD&A for the quarter ended June 30, 2019 (which are available on SEDAR at www.sedar.com).

Given these risks, uncertainties and other factors, investors should not place undue reliance on forward-looking information as a prediction of actual results. The forward-looking information reflects management's current expectations and beliefs regarding future events and operating performance and is based on information currently available to management. Although we have attempted to identify important factors that could cause actual results to differ materially from the forward-looking information contained herein, there are other factors that could cause results not to be as anticipated, estimated or intended. The forward-looking information contained herein is current as of the date of this MD&A and, except as required under applicable law, we do not undertake to update or revise it to reflect new events or circumstances. Additionally, we undertake no obligation to comment on analyses, expectations or statements made by third parties in respect of Altus Group, our financial or operating results, or our securities.

Certain information in this press release may be considered as "financial outlook" within the meaning of applicable securities legislation including revenue guidance and expected Adjusted EBITDA margin and other targets and goals for Altus Analytics. The purpose of this financial outlook is to provide readers with disclosure regarding Altus Group's reasonable expectations as to the anticipated results of its proposed business activities for the periods indicated. Readers are cautioned that the financial outlook may not be appropriate for other purposes.

FOR FURTHER INFORMATION PLEASE CONTACT:

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Interim Condensed Consolidated Statements of Comprehensive Income (Loss) For the Three and Six Months Ended June 30, 2019 and 2018 (Unaudited)

(Expressed in Thousands of Canadian Dollars, Except for Per Share Amounts)

| | Three months ended June 30 | | Six months ended June 30 | |
|--|----------------------------|--------------------|--------------------------|--------------------|
| | 2019 | 2018 | 2019 | 2018 |
| Revenues | \$ 153,654 | \$ 134,218 | \$ 281,652 | \$ 258,908 |
| Expenses | | | | |
| Employee compensation | 90,007 | 83,412 | 176,600 | 165,521 |
| Occupancy | 2,110 | 5,244 | 3,923 | 10,651 |
| Office and other operating | 28,403 | 24,827 | 53,020 | 47,450 |
| Depreciation of right-of-use assets | 3,299 | - | 6,949 | - |
| Depreciation of property, plant and equipment | 1,681 | 1,995 | 3,597 | 3,804 |
| Amortization of intangibles | 7,345 | 10,686 | 15,772 | 21,421 |
| Acquisition and related transition costs (income) | 171 | 1,339 | 153 | 2,073 |
| Restructuring costs (recovery) | (453) | 3,789 | (453) | 6,642 |
| (Gain) loss on investments | 12 | 46 | (95) | (39) |
| Finance costs (income), net - leases | 713 | - | 1,445 | - |
| Finance costs (income), net - other | 1,718 | 1,690 | 3,368 | 3,118 |
| Profit (loss) before income taxes | 18,648 | 1,190 | 17,373 | (1,733) |
| Income tax expense (recovery) | 5,327 | 860 | 4,487 | 264 |
| Profit (loss) for the period attributable to shareholders | \$ 13,321 | \$ 330 | \$ 12,886 | \$ (1,997) |
| Other comprehensive income (loss): | | | | |
| Items that may be reclassified to profit or loss in subsequent periods: | | | | |
| Currency translation differences | (7,820) | 1,053 | (12,894) | 9,056 |
| Items that are not reclassified to profit or loss in subsequent periods: | | | | |
| Change in fair value of FVOCI investments | 1,297 | (14,392) | 1,171 | (39,646) |
| Other comprehensive income (loss), net of tax | (6,523) | (13,339) | (11,723) | (30,590) |
| Total comprehensive income (loss) for the period, net of tax, attributable to shareholders | \$ 6,798 | \$ (13,009) | \$ 1,163 | \$ (32,587) |
| Earnings (loss) per share attributable to the shareholders of the Company during the period | | | | |
| Basic earnings (loss) per share | \$0.34 | \$0.01 | \$0.33 | \$(0.05) |
| Diluted earnings (loss) per share | \$0.33 | \$0.01 | \$0.33 | \$(0.05) |



Interim Condensed Consolidated Balance Sheets
As at June 30, 2019 and December 31, 2018
(Unaudited)

(Expressed in Thousands of Canadian Dollars)

| | June 30, 2019 | December 31, 2018 |
|---|-------------------|-------------------|
| Assets | | |
| Current assets | | |
| Cash and cash equivalents | \$ 51,559 | \$ 48,738 |
| Trade receivables and other | 178,794 | 154,298 |
| Income taxes recoverable | 4,497 | 6,021 |
| Derivative financial instruments | 816 | 478 |
| | 235,666 | 209,535 |
| Non-current assets | | |
| Trade receivables and other | 2,252 | 8,975 |
| Derivative financial instruments | 3,935 | 614 |
| Investments | 13,296 | 4,903 |
| Deferred tax assets | 18,734 | 19,581 |
| Right-of-use assets | 66,661 | - |
| Property, plant and equipment | 29,942 | 33,197 |
| Intangibles | 95,353 | 114,894 |
| Goodwill | 259,851 | 266,483 |
| | 490,024 | 448,647 |
| Total Assets | \$ 725,690 | \$ 658,182 |
| Liabilities | | |
| Current liabilities | | |
| Trade payables and other | \$ 107,538 | \$ 117,520 |
| Income taxes payable | 5,703 | 6,802 |
| Lease liabilities | 12,081 | 192 |
| Borrowings | 149,715 | 666 |
| | 275,037 | 125,180 |
| Non-current liabilities | | |
| Trade payables and other | 18,162 | 29,825 |
| Lease liabilities | 65,328 | 74 |
| Borrowings | 369 | 128,435 |
| Deferred tax liabilities | 14,073 | 16,242 |
| | 97,932 | 174,576 |
| Total Liabilities | 372,969 | 299,756 |
| Shareholders' Equity | | |
| Share capital | 497,907 | 491,542 |
| Contributed surplus | 20,554 | 21,882 |
| Accumulated other comprehensive income (loss) | 42,835 | 54,558 |
| Retained earnings (deficit) | (208,575) | (209,556) |
| Total Shareholders' Equity | 352,721 | 358,426 |
| Total Liabilities and Shareholders' Equity | \$ 725,690 | \$ 658,182 |



Interim Condensed Consolidated Statements of Cash Flows For the Six Months Ended June 30, 2019 and 2018 (Unaudited)

(Expressed in Thousands of Canadian Dollars)

| | Six months ended June 30 | |
|--|--------------------------|------------|
| | 2019 | 2018 |
| Cash flows from operating activities | | |
| Profit (loss) before income taxes | \$ 17,373 | \$ (1,733) |
| Adjustments for: | | |
| Amortization of intangibles | 15,772 | 21,421 |
| Depreciation of property, plant and equipment | 3,597 | 3,804 |
| Depreciation of right-of-use assets | 6,949 | - |
| Amortization of lease inducements | - | 142 |
| Finance costs (income), net - leases | 1,445 | - |
| Finance costs (income), net - other | 3,368 | 3,118 |
| Share-based compensation | 4,715 | 4,512 |
| Unrealized foreign exchange (gain) loss | 1,127 | (807) |
| (Gain) loss on investments | (95) | (39) |
| (Gain) loss on disposal of property, plant and equipment and intangibles | 292 | 1,092 |
| (Gain) loss on equity derivatives and currency forward contracts | (4,069) | (100) |
| Net changes in operating working capital | (35,803) | (14,655) |
| Net cash generated by (used in) operations | 14,671 | 16,755 |
| Less: interest paid on borrowings | (2,360) | (2,580) |
| Less: interest paid on leases | (1,445) | - |
| Less: income taxes paid | (7,508) | (8,360) |
| Add: income taxes refunded | 1,774 | 981 |
| Net cash provided by (used in) operating activities | 5,132 | 6,796 |
| Cash flows from financing activities | | |
| Proceeds from exercise of options | 1,069 | 456 |
| Proceeds from borrowings | 21,600 | 46,701 |
| Repayment of borrowings | (831) | (8,352) |
| Payments of principal on lease liabilities | (5,654) | - |
| Dividends paid | (8,384) | (10,355) |
| Treasury shares purchased under the Restricted Share Plan | (4,268) | (2,966) |
| Net cash provided by (used in) financing activities | 3,532 | 25,484 |
| Cash flows from investing activities | | |
| Purchase of investments | (525) | (1,487) |
| Purchase of intangibles | (149) | (354) |
| Purchase of property, plant and equipment | (2,405) | (6,788) |
| Proceeds from disposal of property, plant and equipment and intangibles | 70 | 90 |
| Acquisitions, net of cash acquired | - | (3,073) |
| Net cash provided by (used in) investing activities | (3,009) | (11,612) |
| Effect of foreign currency translation | (2,834) | (728) |
| Net increase (decrease) in cash and cash equivalents | 2,821 | 19,940 |
| Cash and cash equivalents, beginning of period | 48,738 | 28,070 |
| Cash and cash equivalents, end of period | \$ 51,559 | \$ 48,010 |