

WILMINGTON ANNOUNCES 2018 YEAR-END RESULTS

TORONTO, March 12, 2019 - Wilmington Capital Management Inc. (“Wilmington” or the “Corporation”) reported a net income attributable to shareholders for the three months ended December 31, 2018 of \$1.8 million or \$0.17 per share compared to a net loss of \$0.1 million or (\$0.01) per share for the same period in 2017. For the year ended December 31, 2018, the Corporation recognized net income attributable to shareholders of \$1.4 million or \$0.13 per share compared to a net loss of \$1.9 million or (\$0.19) per share for the previous year.

2018 HIGHLIGHTS

The financial highlights of the Corporation and those of its associated entities are set out below. Investments in associated entities, where the Corporation is deemed to have significant influence account for the majority of the financial results and are accounted for using the equity method of accounting. Investments in entities where the Corporation does not have significant influence, are recorded at fair market value and the results of the investees are not recorded by the Corporation.

Self-storage facilities (Real Storage Private Trust – 41.3% Ownership)

-) On February 5, 2019, the Corporation’s board of directors approved a definitive agreement entered into with StorageVault Canada Inc. (the “Purchaser”) and other vendors, whereby the Purchaser will purchase all of the equity interests in the Trust, Real Storage GP Inc. and 2242907 Ontario Inc. and related self-storage entities (the “vendor”).
-) The gross purchase price payable to the vendors is \$275 million which is subject to holdbacks of \$4.25 million and customary adjustments. Repayment of indebtedness of the Trust and related entities of approximately \$106 million will be paid out of the proceeds on closing which is expected in mid-April 2019. The Corporation’s share of net proceeds after tax proceeds is estimated at approximately \$48 million.
-) The closing of the transaction is subject to Competition Act approval and the approval of shareholders of Wilmington.

Private equity

-) Northbridge’s assets under management amounted to approximately \$31.9 million; a decrease of \$8.2 million from December 31, 2017, due to the payment of a \$0.7 million distribution and a decline in the valuation of the underlying investments in certain funds.

Special Situations (Maple Leaf Partnerships – 18.15% Ownership)

-) Maple Leaf Partnerships paid distributions of \$1.04 million to the limited partners during the year ended (Wilmington’s share - \$188,000), representing an annual return of 6% of invested capital.
-) The Corporation earned management fees of \$147,000 from the Maple Leaf Partnerships during the year ended December 31, 2018.

As at December 31, 2018, Wilmington had assets under management in its operating platforms of approximately \$204.4 million (\$67 million representing Wilmington’s share).

OPERATIONS REVIEW

Self-Storage Facilities

Real Storage Private Trust

The Trust's revenues increased 10% year over year, primarily due to the impact of revenues generated from acquisitions completed in 2017 and 2018 and improved ancillary revenues. Funds flow from operations increased 5% compared to 2017 due to the increase in revenues, offset by an increase in financing costs.

During the year, the Trust generated net operating income of \$11.7 million for the year ended December 31, 2018, an 11% increase year over year. Rental activity in Western and Eastern Canada increased, helping to improve occupancy levels.

In August 2018, the Trust acquired a self-storage facility in Ontario for total consideration of \$1.8 million and in June 2018, the Trust acquired a facility in Alberta for total consideration of \$4.0 million.

Private Equity

Northbridge Capital Partners Ltd. ("Northbridge") and Northbridge Fund 2016 Limited Partnership

The Northbridge Fund 2016 value decreased 19% in 2018 due to the decline in the value of the underlying energy investments. Northbridge Fund 2016 has approximately \$4.7 million of undeployed capital remaining as at December 31, 2018.

The Corporation's expects the Network 2012 Fund maturity date to be extended up to December 31, 2019, with its remaining share of invested capital of \$1.0 million to be realized within that timeframe.

Special Situations

Maple Leaf Partnerships

For the year ended December 31, 2018, the Maple Leaf Partnerships successfully leased approximately 80% of its marina slips (under previous ownership - 66%). Maple Leaf Partnerships are also focused on improving its service department performance in 2019.

A re-development plan for the Bay Moorings Marina was initiated which calls for the former 344-boat slip marina to be re-developed into a water-front residential community. The re-zoning application is expected to be approved in the spring of 2019.

The Corporation owns 33.3% interest in Marina Asset Manager, which has entered into an asset management agreement with the Maple Leaf Partnerships. The Marina Asset Manager is responsible for oversight of the operations of and strategic planning for the Maple Leaf Partnerships. The Corporation has received \$147,000 in management fees during the year ended December 31, 2018.

OUTLOOK

The transaction involving the sale of the Corporation's interest in the Trust represents a compelling valuation for the Corporation and is in keeping with its strategy of seeking undervalued investment opportunities and optimizing the timing of realization. Post-closing, the Corporation will have the financial flexibility to continue to add value to its remaining operating platforms and to actively seek out additional investment opportunities where it can add value.

FINANCIAL RESULTS

CONSOLIDATED STATEMENTS OF INCOME (LOSS)

	For the three months ended December 31,		For the year ended December 31, (audited)	
(CDN \$ Thousands, except per share amounts)	2018	2017	2018	2017
Management fee revenue	29	---	147	---
Interest and other income	124	20	293	100
	153	20	440	100
Share of net income (loss) from equity accounted investees:				
Real Storage Private Trust	217	96	671	810
Northbridge Capital Partners Ltd.	10	---	17	(47)
Network 2012 Limited Partners	382	(1,923)	(23)	(1,949)
Marina Asset Manager Inc.	---	11	(11)	11
Gain on ownership change in Northbridge Capital Partners Ltd.	---	31	19	31
Expenses				
General and administrative	(306)	(311)	(939)	(935)
Stock-based compensation	(53)	(53)	(257)	(122)
Income (loss) from continuing operations before income tax	403	(2,129)	(83)	(2,101)
Income tax recovery	1,423	245	1,510	275
Net income (loss) from continuing operations	1,826	(1,884)	1,427	(1,826)
Net income (loss) from discontinued operations, net of tax	---	3,041	---	(126)
Net income (loss)	1,826	1,157	1,427	(1,952)
Net income (loss) from continuing operations attributable to:				
Owners of the Corporation	1,826	(1,884)	1,427	(1,826)
Net income (loss) from discontinued operations attributable to:				
Owners of the Corporation	---	1,797	---	(75)
Non-controlling interest	---	1,244	---	(51)
	---	3,041	---	(126)
Net income (loss) per share from continuing operations:				
Basic	0.18	(0.19)	0.14	(0.18)
Diluted	0.18	(0.19)	0.14	(0.18)

CONSOLIDATED BALANCE SHEETS

As at (CDN \$ Thousands)	(audited) December 31, 2018	(audited) December 31, 2017
Assets		
NON-CURRENT ASSETS		
Investment in Real Storage Private Trust	13,953	13,884
Investment in Northbridge Capital Partners Ltd.	250	233
Investment in Northbridge Fund 2016 Limited Partnership	811	600
Investment in Network 2012 Limited Partnership	1,021	1,304
Investment in Maple Leaf Partnerships	3,530	3,530
Investment in Marina Asset Management Inc.	---	11
Deferred income tax assets	2,158	623
	21,723	20,185
CURRENT ASSETS		
Accounts receivables and other	164	1,626
Cash	3,077	1,642
	3,241	3,268
Total assets	24,964	23,453
Liabilities		
CURRENT LIABILITIES		
Accounts payable and other	624	633
Total liabilities	624	633
Equity		
Shareholders' equity	24,340	22,820
Total equity	24,340	22,820
Total liabilities and equity	24,964	23,453

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

(CDN \$ Thousands)	For the three months ended		(audited)	
	December 31,		For the year ended	
	2018	2017	2018	2017
Net income (loss)	1,826	1,157	1,427	(1,952)
Other comprehensive income				
<i>Items that may be reclassified to net income (loss)</i>				
Share of other comprehensive income from equity accounted investees	---	1,932	---	1,849
Income tax relating to these items	---	(259)	---	(258)
<i>Items that will not be reclassified to net income (loss)</i>				
Change in fair value of Northbridge Fund 2016	(196)	---	(189)	---
Share of other comprehensive loss from equity accounted investees	(387)	---	---	---
Income tax relating to these items	78	---	25	---
Other comprehensive income (loss), net of tax	(505)	1,673	(164)	1,591
Total comprehensive income (loss)	1,321	2,830	1,263	(361)
Comprehensive income (loss) attributable to:				
Owners of the Corporation	1,321	1,586	1,263	(310)
Non-controlling interest	---	1,244	---	(51)
	1,321	2,830	1,263	(361)

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Executive Officers of the Corporation will be available at 403-705-8038 to answer any questions on the Corporation's financial results.

STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Certain statements included in this news release may constitute forward-looking statements or information under applicable securities legislation. Forward-looking statements that are predictive in nature, depend upon or refer to future events or conditions, include statements regarding the operations, business, financial conditions, expected financial results, performance, opportunities, priorities, ongoing objectives, strategies and outlook of the Corporation and its investee entities and contain words such as "anticipate", "believe", "expect", "plan", "intend", "estimate", "propose", or similar expressions and statements relating to matters that are not historical facts constitute "forward-looking information" within the meaning of applicable Canadian securities legislation.

While the Corporation believes the anticipated future results, performance or achievements reflected or implied in those forward-looking statements are based upon reasonable assumptions and expectations, the reader should not place undue reliance on forward-looking statements and information because they involve known and unknown risks, uncertainties and other factors, many of which are beyond the Corporation's control, which may cause the actual results, performance and achievements of the Corporation to differ materially from anticipated future results, performance or achievement expressed or implied by such forward-looking statements and information.

These risks and uncertainties include but are not limited to: the ability of management of Wilmington and its investee entities to execute its and their business plans; health, safety and environmental risks; uncertainties as to the availability and cost of financing; general economic and business conditions; the possibility that government policies or laws may change or governmental or regulatory approvals may be delayed or withheld; risks associated with existing and potential future law suits and regulatory actions against Wilmington; and other risks and uncertainties described in Wilmington's filings with Canadian securities regulatory authorities.

The foregoing list of important factors that may affect future results is not exhaustive. When relying on the forward-looking statements, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. Except as required by law, the Corporation undertakes no obligation to publicly update or revise any forward-looking statements or information, that may be as a result of new information, future events or otherwise. These forward-looking statements are effective only as of the date of this document.

This new release contains natural gas volumes which have been converted on the basis of six thousand cubic feet of natural gas to one barrel of oil equivalent. Barrels of oil equivalent ("boe") may be misleading, particularly if used in isolation. A boe conversion ratio of six thousand cubic feet to one barrel of oil is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.