WesternOne Inc. Reports 2016 Q1 Results and Election of Directors at 2016 Annual Meeting

VANCOUVER, BC (May 13, 2016) WesternOne Inc. ("**WesternOne**") (Toronto Stock Exchange: WEQ, WEQ.DB, and WEQ.DB.C) today announced the release of its financial results for the three months ended March 31, 2016.

The results, consisting of WesternOne's unaudited financial statements for the three months ended March 31, 2016 and Management's Discussion and Analysis ("**MD&A**") dated May 13, 2016, are available on SEDAR (www.sedar.com).

2016 Q1 financial summary:

- Consolidated revenue of $32.0 million, gross profit of $13.2 million and adjusted EBITDA[(1)] of $6.2 million, compared to the respective amounts of $88.3 million, $26.6 million and $16.2 million in Q1 of 2015.

- Generated $17.9 million of cash from operating activities of continuing operations. Sources of cash primarily attributable to operating earnings after adjusting for non-cash items and collection of accounts receivable relating to the previous construction heat season and workforce accommodations projects.

- Continued to execute on strengthening balance sheet through debt reduction. Outstanding senior bank loan balance was $38.4 million as at March 31, 2016, down from $46.4 million as at December 31, 2015.

- Adjusted workload capacity by reducing company-wide headcount by 119 or 17.4% during the quarter, compared to the year ended December 31, 2015. General and administration expenses declined 14.9% or $2.3 million as compared to Q1 of 2015 as a result of cost rationalization measures implemented.

- Net loss from continuing operations attributable to shareholders was $0.7 million ($0.02 per share), compared with net income of $4.2 million ($0.11 per share) in Q1 of 2015.

WIS, WesternOne's infrastructure services division, recorded Q1 revenue of $22.3 million and adjusted EBITDA of $7.5 million, compared to the respective amounts of $30.3 million and $12.9 million in the prior year. The decline was primarily due to decreased rental fleet utilization, driven by: (i) lower rental volume and rate compression as a result of increased competition and excess supply of fleet primarily in the Alberta markets; and (ii) mild winter temperatures which negatively impacted construction heat rentals and fuel sales. The decline was partially offset by higher aerial fleet utilization as a result of increased demand from the film and TV production sectors in BC.

Britco, WesternOne's modular construction and modular space rental division, recorded Q1 revenue of $9.7 million and adjusted EBITDA of $0.1 million, compared to the respective amounts of $58.0 million and $5.6 million in the prior year. The decline was primarily due to Britco's reduced manufacturing output and on-site work in light of the continued low demand for temporary modular buildings from the industrial sector in Canada and the United States. Included in these results were Britco's modular space rental revenue of $2.7 million and adjusted EBITDA of $1.3 million, largely consistent with the respective amounts of $2.8 million and $1.3 million in the prior year.

Corporate overhead before amortization and share-based compensation for Q1 was $1.4 million, down from $2.3 million in the prior year primarily due to reduced payroll-related expenses and professional fees.

Summary Financial Overview *(\$ millions except per share amounts)*	**Three months ended March 31,**	
	2016	**2015**
Revenue	**$ 32.0**	**$ 88.3**
Gross Profit	13.2	26.6
Adjusted EBITDA (1) (2)	**6.2**	**16.2**
Net Income (Loss) from Continuing Operations (2)	**(0.7)**	**4.2**
Net Gain (Loss) from Discontinued Operations (2)	0.4	(0.1)
Net Income (Loss) (2)	**(0.3)**	**4.1**
Earnings (Loss) per Share from Continuing Operations (2)	(0.02)	0.11
Earnings (Loss) per Share (2)	(0.01)	0.10

(1) "Adjusted EBITDA" is not a recognized measure under IFRS and does not have a standardized meaning prescribed by IFRS. "Adjusted EBITDA" refers to net income (loss) from continuing operations before interest, income and commodity taxes, depreciation, amortization, non-controlling interest, gain/loss on financial derivatives relating to changes in the fair market value of the fixed interest rate swap, business acquisition costs, debenture issuance costs, gain/loss on debentures relating to changes in their fair market values, share based compensation, severance costs, foreign exchange gains/losses, and write-down of fleet assets, intangible assets and goodwill. For a full description of adjusted EBITDA, refer to "Non-IFRS Measures" in the MD&A dated May 13, 2016.

(2) Represents amount attributable to shareholders.

"Our Q1 operating results reflected ongoing economic challenges prevalent in the industrial sectors in which we operate. To ensure financial flexibility we continued to strengthen the balance sheet by means of generating positive operating cash flow and reducing indebtedness, through disciplined management of capital allocation and operating costs," said Peter Blake, CEO of WesternOne.

"We also actively seek to generate earnings by continued diversification of our revenue base, including further penetration of the permanent modular construction markets for Britco and refining the sales strategy in both existing and potentially new markets for WIS," said Mr. Blake.

Conference Call

Peter Blake, CEO, and the management team will host a conference call at 9:00am (Eastern time) or 6:00am (Pacific time), on Monday, May 16, 2016, to review the financial results and corporate developments for the three months ended March 31, 2016.

To participate in this conference call, please dial one of the following numbers approximately 10 minutes prior to the commencement of the call, and ask to join the WesternOne conference call.

Dial in numbers: Toll Free 1-888-390-0546
International or Local Toronto 1-416-764-8688

Conference Call Replay

If you cannot participate on May 16, 2016, a replay of the conference call will be available by dialing one of the following replay numbers. You will be able to dial in and listen to the conference two hours after the meeting end time, and the replay will be available until May 23, 2016. Please enter the Replay ID number 817996 followed by the # key.

Replay Dial-In: Toll Free 1-888-390-0541
International or Local Toronto 1-416-764-8677

Election of Directors

WesternOne today also announced that at its annual meeting of shareholders held on May 6, 2016 (the "**Meeting**"), all individuals nominated as listed in the information circular dated April 6, 2016 were elected as directors of WesternOne for the ensuing year. As a ballot was not required, the number of votes disclosed in the below table reflects only the proxies received by management of WesternOne in advance of the Meeting:

	Votes For		Withhold Votes	
Director	**Number**	**Percentage**	**Number**	**Percentage**
Robert W. King	3,951,272	89.98%	440,036	10.02%
Stockwell Day	3,920,357	89.06%	481,751	10.94%
Douglas R. Scott	3,967,972	90.14%	434,136	9.86%
T. Richard Turner	3,925,410	89.17%	476,698	10.83%
Stephen J. Evans	4,153,291	94.35%	248,817	5.65%

WesternOne has also filed a report of voting results of all resolutions voted on at the Meeting on SEDAR at www.sedar.com.

Forward-looking Information

Certain statements in this press release may constitute "forward-looking" information that involves known and unknown risks, uncertainties and other factors, and it may cause actual results, performance or achievements or industry results, to be materially different from any future results, performance or achievements or industry results expressed or implied by such forward-looking information. Forward-looking information is identified by the use of terms and phrases such as “anticipate”, “believe”, “could”, “estimate”, “expect”, “intend”, “may”, “plan”, “predict”, “project”, “will”, “would”, and similar terms and phrases, including references to assumptions. Such information includes, without limitation, statements with respect to: WesternOne’s intention to seek to generate earnings by continued diversification of its revenue base, including further penetration of the permanent modular construction markets for Britco and refining the sales strategy in both existing and potentially new markets for WIS. Actual events or results may differ materially.

Forward-looking information contained in this press release is based on certain key expectations and assumptions made by WesternOne, including, without limitation: the outlook of WesternOne’s business and the economy in Western Canada and the US, the supply and demand for WesternOne’s products and services and management’s assessment of future plans and operations. Although the forward-looking information contained in this press release is based upon what WesternOne’s management believes to be reasonable assumptions, WesternOne cannot assure investors that actual results will be consistent with such information. Forward-looking information reflects current expectations of management regarding future events and operating performance as of the date of this press release. Such information involves significant risks and uncertainties, should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not such results will be achieved. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking information, and a description of these factors can be found under “Risk Factors” in WesternOne’s Annual Information Form dated March 30, 2016 and Management’s Discussion and Analysis dated May 13, 2016, which are both available on SEDAR (www.sedar.com).

The forward-looking information contained herein is expressly qualified in its entirety by this cautionary statement. Forward-looking information reflects management’s current beliefs and is based on information currently available to WesternOne. The forward-looking information is made as of the date of this press release and WesternOne assumes no obligation to update or revise such information to reflect new events or circumstances, except as may be required by applicable law.

About WesternOne

WesternOne seeks to acquire and grow businesses in the construction and infrastructure services sectors in order to generate value for its shareholders.

Additional Information

Additional information relating to WesternOne and other public filings, is available on SEDAR at www.sedar.com or on WesternOne’s website at www.weq.ca.

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Trading Symbols

Toronto Stock Exchange: WEQ, WEQ.DB, and WEQ.DB.C