



November 12, 2015  
*For Immediate Release*

*News Release*

***Circa Reports Sales and Operating results for  
the Third Quarter Ended September 30, 2015  
and Declares a Special Cash Dividend***

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Calgary, AB – Circa Enterprises Inc. (CTO-TSXV) (the "Company" or "Circa"), a manufacturer of equipment for the telecommunication, electrical utility, and construction industries, reports results of operations for the third quarter ended September 30, 2015.

Summary of third quarter operating results:

- Q3 2015 consolidated sales of \$6.9 million, representing a 1.5% decrease compared to Q3 2014 sales of \$7.0 million
- Profit for the period from continuing operations for Q3 2015 of \$601,000 compared to profit from continuing operations of \$394,000 for Q3 2014
- Earnings per share of \$0.06 for Q3 2015 compared to earnings per share of \$0.04 in Q3 2014
- EBITDA of \$777,000 for Q3 2015 compared to EBITDA of \$551,000 for Q3 2014 (see below for explanation and calculation of EBITDA)
- Adjusted EBITDA of \$747,000 for Q3 2015, compared to Adjusted EBITDA of \$614,000 for Q3 2015 (see below for explanation and calculation of Adjusted EBITDA).
- Working capital of \$9.3 million, including \$1.6 million in cash and no outstanding debt at September 30, 2015

Summary of year-to date operating results:

- Consolidated sales of \$19.2 million for the nine months ended September 30, 2015, compared to sales of \$21.4 million for the nine months ended September 30, 2014
- Profit for the period from operations for the nine months ended September 30, 2015 of \$772,000, compared to profit for the period of \$985,000 for the same period in 2014
- EBITDA of \$1.1 million for the nine month period ended September 30, 2015, compared to EBITDA of \$1.5 million for the same period in 2014
- Adjusted EBITDA of \$1.5 million for the nine months ended September 30, 2015 compared to Adjusted EBITDA of \$1.6 million for the nine months ended September 30, 2014

Special dividend:

- A special cash dividend of \$0.05 per share was declared by the Board of Directors

EBITDA is earnings before interest, taxes, depreciation and amortization. Adjusted EBITDA is earnings before interest, taxes, depreciation and amortization and is adjusted for exchange differences on the translation of foreign currency before tax. EBITDA and Adjusted EBITDA are a non-IFRS financial measures and do not have any standardized meaning prescribed by International Financial Reporting Standards and, therefore, may not to be comparable to similar measures presented by other issuers. Management believes that EBITDA and Adjusted EBITDA are useful supplemental measures, which provides an indication of the results generated by Circa's primary business activities prior to consideration of how those activities are financed, amortized or taxed. Readers are cautioned, however, that EBITDA and Adjusted EBITDA should not be construed as an alternative to comprehensive income determined in accordance with IFRS as an indicator of the Company's financial performance. EBITDA and Adjusted EBITDA are calculated by the Company as follows:

	(unaudited) Nine months 30 Sep 2015 \$000's	(unaudited) Nine months 30 Sep 2014 \$000's	(unaudited) Three months 30 Sep 2015 \$000's	(unaudited) Three months 30 Sep 2014 \$000's
Profit for the period from operations	772	985	601	394
Income taxes	183	378	120	97
Interest	1	2	1	1
Depreciation and amortization	167	162	55	59
<b>EBITDA</b>	<b>1,123</b>	1,527	<b>777</b>	551
Other Comprehensive Income:				
Exchange differences on translating foreign operations, before tax	328	86	(30)	63
<b>Adjusted EBITDA</b>	<b>1,451</b>	1,613	<b>747</b>	614

Consolidated sales for the third quarter of 2015 were \$6.9 million -- a 1.5% decrease over the same period in 2014. Although sales were lower, profit from continuing operations increased to \$601,000 from \$394,000 in the second quarter of 2014. The decrease in sales is from the Metals segment, which saw a 3.6% decline in sales over the same period in 2014, due to a decline in custom metal fabrication activity. This was partially offset by increase in orders of its Hydel branded products. Telecom division sales were lower, although the strong U.S. dollar boosted top line sales to U.S. customers.

The improvement in the Company's after tax profit of \$601,000 in the third quarter compared to after tax profit of \$394,000 in the third quarter of 2014, was due to exchange rate gains. The strong U.S. dollar positively impacted the U.S. dollar denominated cash and accounts receivable at quarter end and improved reported profitability. Total comprehensive income of 722,000 in Q3 2015 increased by \$205,000; from \$517,000 in Q3 2014. Other Comprehensive Income is attributable to currency exchange on the translation of the Company's U.S subsidiary.

Grant Reeves, Circa's President and Chief Executive Officer, stated:

"Circa's strong third quarter performance reflects volume growth from our Hydrel brand and significant margin improvement from our Telecomm segment. Our US dollar denominated Telecomm sales and earnings converted favorably compared to currency exchange rates a year ago, however there was an offset in higher domestic cost of US dollar denominated purchases of Hydrel materials that had a negative impact on Metal's margins. We are evaluating pricing and sourcing initiatives to address our domestic costs influenced by the current exchange rates and expect to restore margins by next year. The Company has maintained a strong balance sheet with \$9.3 million of working capital (\$1.6 million cash and no debt) and generated Adjusted EBITDA of \$1.5 million through the first nine months. As a result of the solid results and favorable outlook the board of directors declared a special dividend of 5 cents per share for holders of record on December 15, 2015"

**CIRCA ENTERPRISES INC.**  
**Consolidated Statements of Comprehensive Income**

*Unaudited*

	<b>Nine months ended 30 Sep 2015 \$000's</b>	Nine months ended 30 Sep 2014 \$000's	<b>Three months ended 30 Sep 2015 \$000's</b>	Three months ended 30 Sep 2014 \$000's
<b>Sales</b>	<b>19,169</b>	21,370	<b>6,879</b>	6,986
Cost of sales	<b>(14,685)</b>	(16,558)	<b>(4,984)</b>	(5,381)
<b>Gross profit</b>	<b>4,484</b>	4,812	<b>1,895</b>	1,605
Selling, general and administrative expenses	<b>(3,530)</b>	(3,451)	<b>(1,175)</b>	(1,113)
<b>Operating profit</b>	<b>954</b>	1,361	<b>720</b>	492
Other income	<b>2</b>	4	<b>2</b>	-
Finance costs	<b>(1)</b>	(2)	<b>(1)</b>	(1)
<b>Profit before tax</b>	<b>955</b>	1,363	<b>721</b>	491
Income tax expense	<b>(183)</b>	(378)	<b>(120)</b>	(97)
<b>Profit for the period from operations attributable to shareholders of the Company</b>	<b>772</b>	985	<b>601</b>	394
<b>Other comprehensive income:</b>				
Exchange differences on translating foreign operations, net of tax	<b>525</b>	148	<b>121</b>	123
<b>Total comprehensive income for the period attributable to shareholders of the Company</b>	<b>1,297</b>	1,133	<b>722</b>	517
<b>Earnings per share (in \$'s)</b>				
Basic and diluted	<b>0.08</b>	0.10	<b>0.06</b>	0.04

## DECLARATION OF SPECIAL DIVIDEND

The Company announced today that its Board of Directors has declared a special cash dividend of \$0.05 per share on its common shares payable January 6, 2016 to shareholders of record at the close of business December 15, 2015. The Dividend is deemed to be an eligible dividend for purposes of the Income Tax Act (Canada).

Circa Enterprises Inc. is a public company with operations in Alberta, Ontario and Florida. The outstanding common shares of Circa Enterprises Inc. are listed and trade on the TSX Venture Exchange under the trading symbol CTO. Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

The Company's quarterly financial statements and related management's discussion and analysis have been filed with certain securities regulatory authorities in Canada and may be accessed electronically through the SEDAR website at [www.sedar.com](http://www.sedar.com).

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