



November 10, 2016
For Immediate Release

News Release

Circa Reports Sales and Operating results for the Third Quarter Ended September 30, 2016

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, 2016.

Summary of third quarter operating results:

- Q3 2016 consolidated sales of \$5.7 million, representing a 13.1% decrease compared to Q3 2015 sales of \$6.6 million
- Profit for the period from continuing operations for Q3 2016 of \$189,000 compared to profit from continuing operations of \$601,000 for Q3 2015
- Earnings per share of \$0.02 for Q3 2016 compared to earnings per share of \$0.06 in Q3 2015
- EBITDA of \$317,000 for Q3 2016 compared to EBITDA of \$777,000 for Q3 2015 (see below for explanation and calculation of EBITDA)
- Working capital of \$8.6 million, including \$0.7 million in cash and no outstanding debt at September 30, 2016
- Declared and paid cash dividend of \$0.05 per share in the quarter

Summary of year-to date operating results:

- Consolidated sales of \$17.4 million for the nine months ended September 30, 2016, compared to sales of \$18.5 million for the nine months ended September 30, 2015
- Loss for the period from operations for the nine months ended September 30, 2016 of \$4,000, compared to profit for the period from operations of \$772,000 for the same period in 2015
- EBITDA of \$283,000 for the nine month period ended September 30, 2016, compared to EBITDA of \$1,123,000 for the same period in 2015
- Adjusted EBITDA of \$592,000 for the nine month period ended September 30, 2016 compared to Adjusted EBITDA of \$1,123,000 for the nine months ended September 30, 2015

EBITDA is earnings before interest, taxes, depreciation and amortization. Adjusted EBITDA is earnings before interest, taxes, depreciation and amortization and is adjusted for restructuring cost related to the acquisition of ACC. 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 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 2016 \$000's	(unaudited) Nine months 30 Sep 2015 \$000's	(unaudited) Three months 30 Sep 2016 \$000's	(unaudited) Three months 30 Sep 2015 \$000's
Profit for the period from operations	(4)	772	189	601
Income taxes	93	183	67	120
Interest	1	1	1	1
Depreciation and amortization	193	167	60	55
EBITDA	283	1,123	317	777
Restructuring costs	309	-	-	-
Adjusted EBITDA	592	1,123	317	777

Consolidated sales for the third quarter of 2016 were \$5.7 million -- a 13.1% decrease over the same period in 2015. U.S. Telecom sales were \$1.5 million less than last year's third quarter primarily due to the completion of a project underlying the Telecom OEM products. This decline was partially offset by an improvement in Canadian Telecom sales of \$0.4 million as a result of the new cabling and wiring harnesses product line that was added in late 2015. Sales in the Circa Metals segment were up \$0.2 million over the third quarter in the prior year.

Selling, general and administrative costs were in line with the same quarter in the previous year. The addition of sales and administrative costs assumed with the acquisition of the ACC business in December 2015 have largely been absorbed in the existing business. Management took numerous steps in the first half of 2016 to reduce costs associated with this acquisition by combining the manufacturing and warehousing facilities, reducing redundancy and streamlining operations. The one-time costs associated with these activities were incurred in the first half of the year and are separated in the financial statements as restructuring costs.

The Company recorded after tax profit of \$189,000 in the quarter, down from \$601,000 in the third quarter of 2015 as a result of the Telecom OEM project reaching completion. The Company's gross profit as a percentage of sales declined on US dollar denominated Telecom sales, however margins remained strong on Canadian dollar denominated sales.

Total comprehensive income of \$186,000 was recorded in Q3 2016, compared to \$722,000 in Q3 2015. The decline in Other Comprehensive Income is attributable to currency exchange on the translation of the Company's U.S subsidiary as the U.S. dollar was relatively stable in the quarter compared to the prior year.

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

“Prior year results benefited from a large project which is now complete. Excluding the comparative impact, the business climate for Circa's core products remained steady in the Q3, extending the improvement over last year that began with our strong first half. Our core Telecom sales, excluding the project OEM business, was 10% better than last year for the quarter and 34% better year-to-date, Our Metals segment revenue improved 5% over last year for the quarter and 10% year-to-date. The addition of cable and connectivity products are replacing the telecom project OEM business as intended. The Company's current product mix is expected to result in modest growth and margin improvement going forward. Management is focused on improving working capital effectiveness, cost savings from strategic capital investments and continuing to evaluate acquisition targets.”

CIRCA ENTERPRISES INC.
Condensed Consolidated Statements of Comprehensive (Loss) Income

Unaudited

	Nine months ended 30 Sep 2016 \$000's	Nine months ended 30 Sep 2015 \$000's	Three months ended 30 Sep 2016 \$000's	Three months ended 30 Sep 2015 \$000's
Sales	17,432	18,488	5,748	6,611
Cost of sales	(12,987)	(14,004)	(4,304)	(4,716)
Gross profit	4,445	4,484	1,444	1,895
Selling, general and administrative expenses	(4,050)	(3,530)	(1,188)	(1,175)
Restructuring costs	(309)	-	-	-
Operating profit	86	954	256	720
Other income	4	2	1	2
Finance costs	(1)	(1)	(1)	(1)
Profit before tax	89	955	256	721
Income tax expense	(93)	(183)	(67)	(120)
(Loss) profit for the period from operations attributable to shareholders of the Company	(4)	772	189	601
Other comprehensive (loss) income:				
Exchange differences on translating foreign operations, net of tax	(111)	525	(3)	121
Total comprehensive (loss) income for the period attributable to shareholders of the Company	(115)	1,297	186	722
(Loss) earnings per share (in \$'s)				
Basic and diluted	(0.00)	0.08	0.02	0.06

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.

Contact: Mr. Grant Reeves
President and CEO
Circa Enterprises Inc.
(403) 258-2011

Mr. Cory Tamagi
VP Finance and CFO
Circa Enterprises Inc.
(403) 258-2011

E-Mail: investor@circaent.com
Website: www.circaent.com