BRAMPTON BRICK Limited

FOR IMMEDIATE RELEASE

BRAMPTON BRICK REPORTS RESULTS FOR THE THIRD QUARTER ENDED SEPTEMBER 30, 2018

(All amounts are stated in thousands of Canadian dollars, except per share amounts.)

BRAMPTON, ONTARIO, November 7, 2018 – Brampton Brick Limited (TSX:BBL.A) today reported net income of $5,359, or $0.49 per share, for the three months ended September 30, 2018, compared to net income of $7,232, or $0.66 per share, for the corresponding quarter in 2017. The aggregate weighted average number of Class A Subordinate Voting shares and Class B Multiple Voting shares outstanding for the third quarter of 2018 and 2017 were 10,966,602 and 10,973,754, respectively.

DISCUSSION OF OPERATIONS

Three months ended September 30, 2018

Revenues for the third quarter of 2018 were $49,832 compared to $50,194 for the same quarter of 2017 due to lower shipments in the Landscape Products business segment. The momentum in residential construction experienced in the first half of 2018 in Ontario, Canada began to taper off slightly during the third quarter of 2018. The decrease in housing starts during the third quarter of 2018 was the result of fiscal measures recently introduced to curtail the overheated housing markets in Ontario and Vancouver. As a result, slower activity in home sales affected both masonry and landscape shipments.

Cost of sales for the third quarter ended September 30, 2018 increased to $37,472 from $35,325 for the corresponding quarter in 2017. The comparative increase in the cost of sales was due to higher per unit costs of production on lower production volumes to optimize inventory levels. In addition, higher trucking expenses were incurred for product transfers to the Company's distribution sites that facilitated customer delivery. The increase in the average U.S. dollar exchange rate during the third quarter of 2018 compared to the same period of 2017 also contributed to an increase in cost of sales of the U.S. operations after currency translation. The increase in cost of sales was partially offset by lower natural gas costs during the third quarter of 2018.

Selling expenses for the third quarter of 2018 increased to $3,192 compared to $3,075 for the same quarter of 2017. Marketing costs to improve the customer experience on multiple social media platforms, as well as higher costs related to a cloud-based customer relationship application that has been implemented to enhance an interactive marketing appeal, were incurred during the period. Personnel costs were also higher during the third quarter of 2018.

General and administrative expenses for the quarter ended September 30, 2018, increased to $2,199 from $1,948 for the same period of 2017. A number of legal and other onetime expenses pertaining to the consolidation of the financial statements of Universal Resource Recovery Inc. ("Universal"), effective April 2, 2018, resulted in an increase in the general and administrative expenses during the third quarter of 2018.

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Operating income for the quarter ended September 30, 2018 decreased to $7,029 from $9,649 for the same quarter in 2017, for the reasons noted above.

Finance expense for the three months ended September 30, 2018 was $144 compared to finance income of $71 for the corresponding quarter in 2017. Excluding the change in the fair value of the interest rate swap, which amounted to an unrealized gain of $141 (2017 – unrealized gain of $388), net interest expense for the current quarter decreased to $285 compared to $317 in the third quarter of 2017, due to lower outstanding debt balances. The decrease in these debt balances was the result of scheduled repayments amounting to $1,170 made during the third quarter of 2018 and $1,950 during the second half of 2017.

Provision for income taxes totaled $1,526 for the third quarter of 2018 compared to $2,488 for the same quarter of 2017. The provision for income taxes in the third quarters of 2018 and 2017, respectively, related to the pre-tax income of the Company's Canadian operations. Income taxes payable on pre-tax income of the Company's U.S. operations were offset by prior period losses. As a result, the provision for income taxes on the U.S. operations was nil. The Company had not recorded a deferred tax asset with respect to the potential deferred tax benefit pertaining to losses incurred by its U.S. operations in prior periods.

Nine months ended September 30, 2018

The Company recorded net income of $12,453, or $1.14 per share for the nine-month period ended September 30, 2018, compared to net income of $9,010, or $0.82 per share for the corresponding period in 2017. The aggregate weighted average number of Class A Subordinate Voting shares and Class B Multiple Voting shares outstanding for the periods ended September 30, 2018 and September 30, 2017 was 10,970,955 and 10,967,639, respectively.

Revenues for the nine months ended September 30, 2018 increased by 5% to $125,641 from $119,677 for the same period in 2017, due to higher shipments in both the Masonry Products and Landscape Products business segments. The increase in Masonry Products revenues was due to higher residential housing starts in the first half of 2018, which were supported by the carry over of some projects from 2017. The effect of legislative and economic measures adopted in the prior year moderated the momentum in the housing market, and negatively impacted activity during the third quarter of 2018.

The strength in landscape shipments during the first half of 2018 compared to the same period in 2017 was due to an increase in shipments under the Company's 2017–2018 dealer winter booking program, in advance of anticipated seasonal demand. These shipments were deferred from the last quarter of 2017 due to production capacity constraints in 2017. Shipments decreased in the third quarter of 2018 as business conditions experienced in 2017 were stronger on robust home sales and could well have been influenced by the uncertainty related to economic policy.

Cost of sales for the nine months ended September 30, 2018 increased to $93,284 from $89,626 for the corresponding period in 2017. The increase in cost of sales on higher shipments was partially offset by lower repair and maintenance expenses incurred at the Brampton and Markham plants during the period ended September 30, 2018, compared to the first nine months of 2017. In addition, lower natural gas costs and efficiencies in electric power consumption during the nine-month period of 2018 favourably impacted per unit costs on higher production volumes. The increase in production volumes also supported the early commencement of the 2018-2019 landscape winter booking program in September 2018, offered to the Company's dealer network. Additionally, the favourable effect of the decrease in the average U.S. dollar exchange rate on the Company's U.S. operations during the first half of 2018 was somewhat pared in the third quarter of 2018, due to a relative increase in the average U.S. dollar exchange rate, increasing cost of sales compared to the same period of 2017.

Selling expenses for the nine months ended September 30, 2018 were $9,677 compared to $9,054 for the same period in 2017. In addition to the reasons described above, in the discussion of operations for the three months ended September 30, 2018, this increase in selling expenses was due to higher marketing costs for promotional displays of both masonry and landscape products in the Company's Eastern markets in order to expand its geographic market profile. Additionally, an increase in marketing costs for new products and the design and engineering expenses related to potential new products were incurred in the first nine months of 2018.

General and administrative expenses for the nine-month period ended September 30, 2018 decreased to $6,331 from $6,824 for the corresponding period of 2017. This decrease was mainly due to the exercise of certain cash-settled stock options in the 2017 period. Share-based compensation costs amounting to $771 to recognize the increase in the fair market value ("FMV") at the date of settlement over the FMV at grant date were expensed during the second quarter of 2017. In addition, share-based compensation costs recorded on equity-settled stock options totaled $67 for the nine months ended September 30, 2018 compared to $189 during the corresponding period in the prior year. Share-based compensation costs on equity-settled stock options are front-loaded and decrease over the term of the vesting period.

The Company's share of income from its joint venture interest in Universal amounted to $762 for the nine months ended September 30, 2018. On April 2, 2018, the Company acquired the remaining 50% interest in Universal, a 50% joint venture entity, for a purchase consideration of $6,500. This acquisition increased the Company's investment in Universal to 100%. The Company intends to utilize this facility to support the expansion of its product portfolio.

The acquisition of the remaining 50% interest in Universal is accounted for as an effective sale of the existing 50% interest in the joint venture and the acquisition of a 100% interest in Universal at fair value on the acquisition date. Based on the fair value of the underlying property in Universal, which was estimated to be $13,000 at the date of acquisition of the remaining 50% interest, the Company recognized a net gain of $762. This gain effectively represented the Company's partial recovery of the previously recorded impairment charges on its investment in the joint venture.

Other income was $79 for the nine-month period ended September 30, 2018 compared to other expense of $207 for the corresponding period of 2017. This primarily relates to the gain (loss) on translation of foreign currency transactions as a result of currency exchange fluctuations attributed to the U.S. dollar during the period.

Operating income for the nine months ended September 30, 2018 increased 24% to $17,211 from $13,924 for the same period in 2017.

Finance expense for the nine-month period ended September 30, 2018 totaled $613 compared to $507 for the corresponding period in 2017. Excluding the change in the fair value of the interest rate swap, which amounted to an unrealized gain of $252 (2017 – unrealized gain of $473), net interest expense for the first nine months of 2018 decreased to $865 compared to $980 for the corresponding period of 2017, due to lower outstanding debt balances as noted in the discussion of operations for the three months ended September 30, 2018.

The provision for income taxes totaled $4,145 for the first nine months of 2018 compared to $4,407 for the same period in 2017. The provision for income taxes for the first nine months of 2018 and 2017 related to the pre-tax income of the Company's Canadian operations. Income taxes payable on pre-tax income of the Company's U.S. operations were offset by prior period losses. As a result, the provision for income taxes on the U.S. operations was nil. The Company has not recorded a deferred tax asset with respect to the potential deferred tax benefit pertaining to losses incurred by its U.S. operations in prior periods.

The following paragraphs explain each operating business segment in more detail.

MASONRY PRODUCTS

Revenues of the Masonry Products business segment was $32,962 for the quarter ended September 30, 2018, compared to $32,911 for the corresponding quarter of 2017. During the third quarter of 2018, residential masonry revenues were impacted by a gradual deceleration in the pace of home construction in Ontario, Canada as a result of lower housing starts for both single-family detached housing and multi-family housing units. This decrease in revenues was offset by an increase in commercial construction demand for masonry products.

Cost of sales for the third quarter of 2018 increased to $24,292 compared to $23,465 for the corresponding quarter in 2017, due to higher per unit production costs on lower production volumes at the Brampton clay brick plant in order to optimize inventory levels. This increase in cost was partially offset by lower natural gas costs attributed to the Brampton clay brick facility, and lower per unit production costs at the Farmersburg, Indiana clay brick plant due to higher production volumes and cost effective improvements to the product mix. Production volumes in the masonry concrete plant network were higher in the third quarter of 2018 reducing per unit costs of production. However, these decreases in costs were offset by higher freight costs for product transfers to facilitate customer deliveries and by the impact of an increase in the value of the average U.S. dollar exchange rate on the Company's U.S. operations during the third quarter of 2018.

As a result, the operating income for the third quarter of 2018 decreased to $5,299 from $6,194 for the corresponding quarter of 2017.

For the nine months ended September 30, 2018, revenues of the Masonry Products business segment increased by 6% to $89,244 compared to $84,364 for the corresponding period in 2017. This increase in revenues was supported by strong shipments in the first half of 2018 on higher housing starts, a reduction in the backlog of residential construction carried forward from 2017, higher demand for new products and an integrated product marketing approach. Revenues during the third quarter of 2018 were impacted for the reasons noted above for the three months ended September 30, 2018.

Cost of sales for the nine months ended September 30, 2018 decreased to $64,447 compared to $64,790 for the corresponding period in 2017. The decrease in cost of sales was supported by the favourable impact of lower planned repair and maintenance costs in 2018, lower natural gas costs and improved efficiencies in electric power consumption, largely attributed to the Brampton clay brick facility. In addition, higher production volumes and cost effective improvements in the product mix at the Farmersburg, Indiana clay brick plant positively contributed to lower per unit production costs.

To optimize inventory levels, production was increased in the third quarter of 2018 to offset lower comparative levels in the second quarter of 2018 due to scheduled equipment maintenance. The resulting decrease in cost of sales was offset, in part, by higher freight costs for product transfers to facilitate customer deliveries. The favourable impact of the decrease in the value of the average U.S. dollar exchange rate relating to U.S. operations, during the first six months of 2018, reduced in the third quarter of 2018 due to the relative increase in the average U.S. dollar exchange rate, increasing costs of sales in that period.

The decrease in general and administrative expenses noted above under the discussion for the nine months ended September 30, 2018 also positively impacted operating costs of the Masonry Products business segment.

As a result, the operating income for the nine months ended September 30, 2018 increased to $13,846, compared to $8,497 for the corresponding period in 2017.

LANDSCAPE PRODUCTS

Revenues of the Landscape Products business segment for the three months ended September 30, 2018 was $16,836, compared to $17,283 for the corresponding quarter of 2017. During the third quarter of 2018, landscape shipments were affected by the momentum in the housing market which eased off slightly during the third quarter of 2018, impacting customer demand for exterior renovation and remodeling.

Cost of sales for the quarter ended September 30, 2018 increased to $13,002 from $11,860 for the corresponding quarter of 2017. The increase in production volumes during the third quarter of 2018 favourably impacted per unit production costs and supported the early commencement of the 2018–2019 dealer winter booking program in September 2018. However, higher freight costs on product transfers to meet customer demand were incurred during the three months ended September 30, 2018. In addition, the increase in the value of the average U.S. dollar exchange rate on the Company's U.S. operations during the third quarter of 2018 also increased costs of sales.

As a result, operating income for the third quarter of 2018 decreased to $1,945 compared to $3,455 for the same quarter in 2017.

Revenues of the Landscape Products business segment for the nine months ended September 30, 2018 increased to $36,329 from $35,313 for the corresponding period of 2017. The increase in revenues during the nine-month period of 2018 was primarily due to the increase in first-half shipments under the 2017–2018 dealer winter booking program that were only delivered in the first three months of 2018, due to production capacity constraints in the Company's landscape products' facilities in 2017. The winter booking program is a landscape sales program designed to help the Company's dealer network pre-order landscape inventory in the fourth quarter of the year to ensure their yard inventory levels are optimized when the season opens in the spring. Shipments in the second quarter of 2018 were affected by unfavourable weather conditions. During the third quarter of 2018, the subdued pace in the home buyers' market impacted shipments.

Cost of sales for the nine months ended September 30, 2018 increased to $28,495 from $24,835 for the corresponding period of 2017. The increase in cost of sales on higher shipments was partially offset by lower per unit costs on higher production volumes. However, higher freight costs on product transfers to meet customer demand and higher related selling expenses were incurred as described under the discussion of operations for the nine months ended September 30, 2018. In addition, the favourable impact of the decrease in the value of the average U.S. dollar exchange rate during the first half of 2018 reduced during the third quarter of 2018 due to the relative increase in the average U.S. dollar exchange rate, increasing the operating costs of the U.S. operations.

As a result, the operating income for the nine months ended September 30, 2018 decreased to $3,032 from $5,427 for the same period in 2017.

CASH FLOWS

Cash provided from operating activities was $10,174 for the nine months ended September 30, 2018 compared to $11,062 for the corresponding period in 2017. Higher trade payable disbursements were partially offset by higher collections from trade and other receivables due to timing differences, improved operating results and lower income tax payments. Income tax payments in the first nine months of 2017 included the final income tax remittances for the 2016 taxation year.

Cash utilized for purchases of property, plant and equipment totaled $3,928 in the nine-month period of 2018 compared to $4,993 for the same period of 2017. This amount includes additions during the nine months of 2018 totaling $4,780 (2017 – 4,399) and net amounts paid relating to additions in the prior period. Non-cash capital expenditure relating to estimated future quarry rehabilitation costs amounted to $206 (2017 - $11).

Additions included $3,066 (2017 - $2,215) for production process equipment and $1,215 (2017 - $1,010) for mobile equipment, of which $449 was financed by finance leases in 2018 (2017 - $323).

Cash paid for the purchase of the remaining 50% interest in Universal, a 50% joint venture entity, totaled $6,500 and is described in more detail under the discussion of operations for the nine months ended September 30, 2018.

FINANCIAL CONDITION

The Company's Masonry Products and Landscape Products business segments are seasonal in nature. The Landscape Products business is affected by seasonality to a greater degree than the Masonry Products business. As a result of this seasonality, operating results are impacted accordingly and cash requirements are generally expected to increase through the first half of the year and decline through the second half of the year.

There were no bank operating advances outstanding as of September 30, 2018 and as of December 31, 2017.

Trade payables totaled $20,576 at September 30, 2018 compared to $20,485 at December 31, 2017.

The ratio of total liabilities to shareholders' equity was 0.50:1 at September 30, 2018 compared to 0.54:1 at December 31, 2017. This decrease in the ratio was primarily due to an increase in retained earnings on improved operating results, and an increase in accumulated other comprehensive income due to an increase in the value of the exchange rate of the U.S. dollar, as at the end of September 30, 2018, over the year-end exchange rate as at December 31, 2017.

As at September 30, 2018, the Company's current ratio was 2.92:1, representing working capital of $55,645, compared to 2.74:1 and $48,365, respectively, as at December 31, 2017. The increase in the current ratio was due to an increase in trade and other receivables and other assets, which were partially offset by a decrease in cash and cash equivalents and an increase in other liabilities outstanding, due to higher sales taxes outstanding at September 30, 2018 compared to December 31, 2017. Cash and cash equivalents totaled $20,452 at September 30, 2018, compared to $22,010 at December 31, 2017.

As noted above, under the discussion of operations for the nine months ended September 30, 2018, the Company acquired the remaining 50% interest in Universal, a 50% joint venture entity, increasing its investment to 100%. Upon purchase of this investment on April 2, 2018, the secured, non-interest bearing, loan payable by Universal to its former 50% joint venture owner totaling $5,691 became payable to the Company. As a result, the secured, non-interest bearing, non-current loan receivable from Universal totaled $12,084 as at September 30, 2018 (December 31, 2017 - $6,393). In accordance with IAS 10, *Consolidated Financial Statements*, inter-company assets and liabilities held by the Company and its wholly-owned subsidiaries offset each other and therefore are not presented in the Condensed Interim Consolidated Financial Statements.

The Company's demand operating facility provides for borrowings of up to $22,000 based on margin formulae for trade receivables, certain other qualified receivables and inventories, less priority claims. It is a demand facility secured by a general security agreement over all assets. The agreement also contains certain financial covenants.

As at September 30, 2018, the borrowing limit based on the margin formulae was $22,000, of which $365 in outstanding letters of credit was utilized.

The Company was in compliance with all financial covenants under its term financing agreement and operating credit facility as at September 30, 2018, and anticipates that it will maintain compliance throughout the year.

The Company expects that future cash flows from operations, cash and cash equivalents on hand, and the unutilized balance of its operating credit facility will be sufficient to satisfy its obligations as they become due.

FORWARD-LOOKING STATEMENTS

Certain statements contained herein constitute "forward-looking statements". All statements that are not historical facts are forward-looking statements, including, among others, statements regarding the future development plans for the Universal property, forecasts of sufficient cash flows from operations and other sources of financing, anticipated compliance with financial covenants under debt agreements, anticipated sales of masonry and landscape products, and other statements regarding future plans, objectives, production levels, costs, productivity, results, business outlook and financial performance. There can be no assurance that such forward-looking statements will prove to be accurate.

Such forward-looking statements are based on information currently available to management, and are based on assumptions and analyses made by management in light of its experience and its perception of historical trends, current conditions and expected future developments, including, among others, assumptions regarding pricing, weather and seasonal expectations, production efficiency, and there being no significant disruptions affecting operations or other material adverse changes.

Such forward-looking statements also involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements of the Company to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such risks and uncertainties include, among others: changes in economic conditions, including the demand for the Company's primary products and the level of new home, commercial and other construction; large fluctuations in production levels; fluctuations in energy prices and other production costs; changes in transportation costs; foreign currency exchange and interest rate fluctuations; legislative and regulatory developments; as well as those assumptions, risks, uncertainties and other factors identified and discussed under "Risks and Uncertainties" in the 2017 annual MD&A, included in the Company's 2017 Annual Report, and those identified and reported in the Company's other public filings (including the Annual Information Form for the year ended December 31, 2017), which may be accessed at www.sedar.com.

The forward-looking information contained herein is made as of the date hereof. Other than as specifically required by law, the Company undertakes no obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise. Readers are cautioned not to place undue reliance on forward-looking statements.

Brampton Brick Limited is Canada's second largest manufacturer of clay brick, serving markets in Ontario, Quebec and the Northeast and Midwestern United States from its brick manufacturing plants located in Brampton, Ontario and Farmersburg, Indiana. To complement the clay brick product line, the Company also manufactures a range of concrete masonry products, including concrete brick and block as well as stone veneer products. Concrete interlocking paving stones, retaining walls, garden walls and enviro products are manufactured and distributed from facilities in Markham, Hillsdale, Brockville and Brampton, Ontario, in Boisbriand, Quebec and in Wixom, Michigan and sold to markets in Ontario, Quebec, Michigan, New York, Pennsylvania, Ohio, Kentucky, Illinois and Indiana under the Oaks™ trade name. The Company's products are used for residential construction and for industrial, commercial, and institutional building projects.

SELECTED FINANCIAL INFORMATION

(unaudited)(in thousands of Canadian dollars)

CONDENSED INTERIM CONSOLIDATED BALANCE SHEETS	September 30 2018	December 31 2017
ASSETS		
Current assets		
Cash and cash equivalents	**$ 20,452**	$ 22,010
Trade and other receivables	**30,318**	21,287
Inventories	**31,794**	31,666
Other assets	**1,895**	1,065
Loan receivable	**93**	94
Current derivative financial instrument	**100**	-
	84,652	76,122
Non-current assets		
Loans receivable	**-**	6,457
Property, plant and equipment	**168,626**	157,365
Non-current derivative financial instrument	**388**	258
Other assets	**138**	181
	169,152	164,261
Total assets	**$ 253,804**	$ 240,383
LIABILITIES		
Current liabilities		
Trade payables	**$ 20,576**	$ 20,485
Income tax payable	**393**	746
Current portion of debt	**2,340**	2,129
Current derivative financial instrument	**-**	21
Current provision on share appreciation rights	**550**	308
Decommissioning provisions	**31**	31
Other liabilities	**5,117**	4,037
	29,007	27,757
Non-current liabilities		
Non-current portion of debt	**32,934**	34,037
Non-current provision on share appreciation rights	**180**	143
Decommissioning provisions	**6,914**	6,571
Deferred tax liabilities	**15,519**	15,885
	55,547	56,636
Total liabilities	**84,554**	84,393
EQUITY		
Share capital	**$ 33,873**	$ 33,915
Contributed surplus	**3,213**	3,146
Accumulated other comprehensive income	**9,076**	8,240
Retained earnings	**123,088**	110,689
	169,250	155,990
Total liabilities and equity	**$ 253,804**	$ 240,383

SELECTED FINANCIAL INFORMATION

(unaudited)(in thousands of Canadian dollars, except per share amounts)

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)	Three months ended September 30		Nine months ended September 30	
	2018	2017	2018	2017
Revenues	**$ 49,832**	$ 50,194	**$ 125,641**	$ 119,677
Cost of sales	**37,472**	35,325	**93,284**	89,626
Selling expenses	**3,192**	3,075	**9,677**	9,054
General and administrative expenses	**2,199**	1,948	**6,331**	6,824
(Gain) loss on disposal of property, plant and equipment	**(93)**	118	**(21)**	42
Share of income from joint venture interest in Universal	**-**	-	**(762)**	-
Other expense (income)	**33**	79	**(79)**	207
	42,803	40,545	**108,430**	105,753
Operating income	**7,029**	9,649	**17,211**	13,924
Finance (expense) income	**(144)**	71	**(613)**	(507)
Income before income taxes	**6,885**	9,720	**16,598**	13,417
(Provision for) recovery of income taxes				
Current	**(1,606)**	(2,497)	**(4,511)**	(4,653)
Deferred	**80**	9	**366**	246
	(1,526)	(2,488)	**(4,145)**	(4,407)
Net income for the period	**$ 5,359**	$ 7,232	**$ 12,453**	$ 9,010
Other comprehensive income (loss)				
Items that will be reclassified subsequently to profit or loss when specific conditions are met:				
Foreign currency translation (loss) gain	**$ (706)**	$ (1,503)	**$ 836**	$ (2,963)
Total comprehensive income for the period	**$ 4,653**	$ 5,729	**$ 13,289**	$ 6,047
Net income per Class A Subordinate Voting share and Class B Multiple Voting share	**$ 0.49**	$ 0.66	**$ 1.14**	$ 0.82
Weighted average Class A Subordinate Voting shares and Class B Multiple Voting shares outstanding (000's)	**10,967**	10,974	**10,971**	10,968

SELECTED FINANCIAL INFORMATION

(unaudited)(in thousands of Canadian dollars)

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS	Nine months ended September 30 2018	2017
Cash provided by (used for)		
Operating activities		
Net income for the period	**$ 12,453**	$ 9,010
Items not affecting cash and cash equivalents		
Depreciation	**7,104**	7,704
Current taxes provision	**4,511**	4,653
Deferred taxes recovery	**(366)**	(246)
(Gain) loss on disposal of property, plant and equipment	**(21)**	42
Share of income from joint venture investment in Universal	**(762)**	-
Unrealized foreign currency exchange (gain) loss	**(188)**	411
Net interest expense	**865**	980
Derivative financial instrument gain	**(252)**	(473)
Other	**349**	503
	23,693	22,584
Changes in non-cash items		
Trade and other receivables	**(8,943)**	(10,132)
Inventories	**228**	95
Other assets	**(767)**	(846)
Trade payables	**(156)**	4,512
Other liabilities	**983**	1,187
	(8,655)	(5,184)
Income tax payments	**(4,864)**	(6,338)
Cash provided from operating activities	**10,174**	11,062
Investing activities		
Purchase of property, plant and equipment	**(3,928)**	(4,993)
Purchase of investment in Universal	**(6,500)**	-
Cash acquired on purchase of investment in Universal	**769**	-
Proceeds from repayments of loans receivable	**65**	62
Proceeds from disposal of property, plant and equipment	**192**	245
Cash used for investment activities	**(9,402)**	(4,686)
Financing activities		
Payment of term loans	**(1,178)**	(1,178)
Interest paid	**(864)**	(964)
Payments on obligations under finance leases	**(169)**	(642)
Proceeds from exercise of stock options	**-**	135
Repurchase of Class A Subordinate Voting shares	**(96)**	-
Cash used for financing activities	**(2,307)**	(2,649)
Foreign exchange on cash held in foreign currency	**(23)**	(110)
(Decrease) increase in cash and cash equivalents	**(1,558)**	3,617
Cash and cash equivalents at the beginning of the period	**22,010**	10,923
Cash and cash equivalents at the end of the period	**$ 20,452**	$ 14,540

SELECTED FINANCIAL INFORMATION

(unaudited)(in thousands of Canadian dollars)

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY	Share Capital	Contributed Surplus	Accumulated Other Comprehensive Income (Loss)	Retained Earnings	Total Equity
Balance - January 1, 2017	**$ 33,755**	**$ 3,101**	**$ 10,829**	**$ 104,745**	**$ 152,430**
Net income for the period	-	-	-	9,010	**9,010**
Other comprehensive loss (net of taxes, $nil)	-	-	(2,963)	-	**(2,963)**
Total comprehensive (loss) income for the period	**-**	**-**	**(2,963)**	**9,010**	**6,047**
Cash-settled, share-based compensation	-	(167)			**(167)**
Stock options exercised	160	(25)	**-**	**-**	**135**
Share-based compensation	-	189	-	-	**189**
Balance - September 30, 2017	**$ 33,915**	**$ 3,098**	**$ 7,866**	**$ 113,755**	**$ 158,634**
Balance - January 1, 2018	**$ 33,915**	**$ 3,146**	**$ 8,240**	**$ 110,689**	**$ 155,990**
Net income for the period	-	-	-	12,453	**12,453**
Other comprehensive income (net of taxes, $nil)	-	-	836	-	**836**
Total comprehensive income for the period	**-**	**-**	**836**	**12,453**	**13,289**
Share-based compensation	-	67	-	-	**67**
Repurchase of Class A Subordinate Voting shares	(42)	-	-	(54)	**(96)**
Balance - September 30, 2018	**$ 33,873**	**$ 3,213**	**$ 9,076**	**$ 123,088**	**$ 169,250**

For more information please contact:

Jeffrey G. Kerbel, President and Chief Executive Officer

OR

Trevor M. Sandler, Vice-President, Finance and Chief Financial Officer

Brampton Brick Limited

Tel: 905-840-1011

Fax: 905-840-1535

e-mail: investor.relations@bramptonbrick.com

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