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Unaudited Condensed Interim Report
to the shareholders
for the three and six months ended
March 31, 2019

CONTENTS

	Three Months Ended March 31		Six Months Ended March 31	
(in $ thousands except per share amounts)				
	2019	2018	**2019**	2018
Sales	**$123,465**	$148,390	**$265,589**	$283,261
Net income	**$8,564**	$10,556	**$12,382**	$19,472
Basic earnings per share	**$0.21**	$0.25	**$0.30**	$0.46
Diluted earnings per share	**$0.21**	$0.25	**$0.30**	$0.46
Weighted avg basic common shares o/s (000's)	**41,364**	42,363	**41,409**	42,365

The following management's interim discussion and analysis of operations and financial position are prepared as at May 1, 2019 and should be read in conjunction with the consolidated financial statements and Management's Discussion and Analysis ("MD&A") in the Company's 2018 Annual Report.

This MD&A has been prepared by reference to the MD&A disclosure requirements established under National Instrument 51-102 "Continuous Disclosure Obligations" ("NI 51-102") of the Canadian Securities Administrators. Additional information regarding Exco, including copies of its continuous disclosure materials such as its annual information form, is available on its website at www.excocorp.com or through the SEDAR website at www.sedar.com.

In this MD&A, reference may be made to Adjusted EBITDA, Adjusted EBITDA Margin, adjusted EPS, pretax profit and free cash flow which are not measures of financial performance under International Financial Reporting Standards ("IFRS"). Exco calculates Adjusted EBITDA as earnings before other income/expense, interest, taxes, depreciation and amortization and Adjusted EBITDA Margin as Adjusted EBITDA divided by sales. Exco calculates adjusted EPS as earnings before other income/expense and pretax profit as earnings before other income/expense, interest and taxes. Free cash flow is calculated as cash provided by operating activities less interest paid less investment in fixed assets net of proceeds of disposal. Adjusted EBITDA, Adjusted EBITDA Margin, adjusted EPS, pretax profit and free cash flow are used by management, from time to time, to facilitate period-to-period operating comparisons and we believe some investors and analysts use these measures as well when evaluating Exco's financial performance. These measures, as calculated by Exco, do not have any standardized meaning prescribed by IFRS and are not necessarily comparable to similar measures presented by other issuers.

MANAGEMENT DISCUSSION AND ANALYSIS

Consolidated sales for the second quarter ended March 31, 2019 were $123.5 million compared to $148.4 million in the same quarter last year – a decrease of $24.9 million, or 17%. Year-to-date sales were $265.6 million compared to $283.3 million the prior year – a decrease of $17.7 million or 6%. Essentially all of the sales decline during the quarter and year-to-date periods was driven by the previously disclosed voluntary liquidation (see below) and the consequential deconsolidation of ALC from Exco's results. The average USD/CAD exchange rate was 4% higher in the quarter ($1.32 versus $1.27) and 5% higher year-to-date

($1.33 versus $1.27), increasing sales by $3.6 million and $7.4 million in the respective periods. The average EUR/CAD exchange rate was 4% lower in the quarter ($1.50 versus $1.56) and 2% lower year-to-date ($1.51 versus $1.54), reducing sales by $0.9 million and $0.8 million in the respective periods.

As previously disclosed, ALC filed a liquidation petition in Bulgaria on January 17, 2019. During the three months ended March 31, 2019 the Company lost control of ALC and it was deconsolidated from Exco's financial statements. Given the immaterial amounts of ALC until production cessation in context of Exco's overall income statement, Exco did not record any sales or related expenses for ALC during the quarter apart from a residual net expense on deconsolidation of $0.3 million that is included in Other Expense.

The Automotive Solutions segment reported sales of $73.3 million in the second quarter – a decrease of $25.1 million, or 26% from the same quarter last year. Year-to-date, segment sales totaled $162.7 million – a decrease of $24.0 million, or 13% compared to last year. Foreign exchange rate movements increased segment sales by $1.4 million in the quarter and $3.8 million year-to-date. Excluding $26.5 million of revenues generated by ALC in the second quarter of fiscal 2018 and further excluding foreign exchange rate movements, segment sales were down $0.1 million (or 0%) in the quarter and $1.4 million (or 1%) year-to-date. During the quarter and year-to-date periods, overall industry vehicle production volumes were modestly lower in both North America and Europe. Segment sales were nonetheless supported by a number of program launches for both new and existing products, particularly at Polydesign and Neocon. More broadly, the group's four businesses continue to focus their efforts on higher margin activity. Relatedly, the curtailment of uneconomic programs modestly dampened sales during the quarter and year-to-date periods, particularly at AFX. Despite generally softer vehicle industry production levels, management continues to see ample opportunity for future growth supported by robust quoting activity for new programs in both North America and Europe.

The Casting and Extrusion segment reported sales of $50.2 million for the second quarter – an increase of $0.2 million, or 0%, from the same period last year. Year-to-date, the segment reported sales of $102.9 million – an increase of $6.3 million, or 7%. Foreign exchange movements increased segment sales by $1.3 million in the quarter and $2.9 million year-to-date. During the quarter and year-to-date periods, sales were modestly higher at both the Extrusion and Castool groups helped by generally favorable market conditions and continuing product and productivity enhancement initiatives. In particular, the Extrusion group continues to benefit from its ongoing efficiency initiatives and widespread demand growth for aluminum extrusions in North America. The group's new Extrusion facility in Mexico is now operational, however it only began commercial production on April 1, 2019 and therefore did not contribute sales during the quarter. At Castool, the group continues to experience higher demand for its capital equipment globally. Demand for its consumable products however has been more varied, with modestly softer market demand evident throughout the latest quarter, particularly in Asia. The Large Mould group reported lower sales during the second quarter and higher sales year-to-date with the year over year variance mostly attributable to the completion/wind-down of uneconomic programs and customer timing requirements. Within the segment, the pass through of costs related to US steel tariffs continued to have a positive influence on revenues, however certain steel distributors began to receive an exemption of these tariffs during the quarter and the associated reduction in costs is now making its way through the supply chain. Market conditions and quoting activity remain generally solid across the segment, particularly within the Large Mould group, which management expects will bode well for future results.

Consolidated net income for the second quarter was $8.6 million or basic and diluted earnings of $0.21 per share compared to $10.6 million or $0.25 per share in the same quarter last year – a decrease in net income of 19%. Year-to-date, consolidated net income was $12.4 million or $0.30 per basic share compared to $19.5 million or $0.46 per basic share last year – a decrease in net income of 36%. Excluding a net expense of $0.3 million related to the deconsolidation of ALC, adjusted net income totaled $8.9 million ($0.22 per basic share) in the quarter, or a 16% reduction in adjusted net income. Adjusted net income on a year-to-date basis, which additionally excludes a $6.1 million impairment charge in Q1 fiscal 2019 related to ALC totaled $18.8 million ($0.45 per basic share), or a 3% reduction in adjusted net income. Exco's effective income tax rate was 23% during the quarter, which was consistent with the prior year period. Year-to-date, Exco's effective tax rate was 33% compared to 24% the prior year period. Excluding the $6.1 million provision related to ALC in the first quarter of fiscal 2019 (which was not tax effected), Exco's year-to-date consolidated tax rate was 25%.

The Automotive Solutions segment reported pretax profit of $9.1 million in the second quarter – a decrease of $1.6 million or 15% over the same quarter last year. Year-to-date, the segment reported pretax profit of $18.9 million – a decrease of $1.2 million or 6% compared to the prior year period. Current period results benefited from the elimination of ALC's operations, which contributed losses of $2.0 million in the second quarter of fiscal 2018 ($0 in the second quarter of fiscal 2019) and losses of $3.4 million in first half of fiscal 2018 ($2.2 million in the first half of fiscal 2019). Segment pretax profits however were adversely impacted by a number of factors in the current quarter versus the prior year period. In particular, our Polytech and AFX operations were adversely impacted by a widespread labour strike in the city of Matamoros, Mexico that lasted for roughly two weeks in January 2019 associated with annual wage negotiations. While the strike was ultimately settled – and Polytech's and AFX's operations have largely returned to normal – higher wages and bonus payments to production staff have suppressed segment profitability. The impact of the bonus payments totaled roughly $1.0 million in the current quarter and will continue through the remainder of Exco's fiscal year at an approximate cost of $1.5 million in each of the next two quarters. At this time management does not expect similar bonus payments in 2020 and consequently segment profitability will recover by a similar magnitude next year. As well, both AFX and Polytech experienced meaningful freight and overtime costs in the latest quarter associated with lost production days during the strike while severance costs associated with improving future efficiencies within the segment have also increased current period costs. Together, management estimates these factors increased costs by roughly $1.0 million during the quarter. As production levels and inventory levels have now returned to normal, management does not expect these costs will be repeated beyond Q2 fiscal 2019. Lastly, costs in the current quarter were also adversely impacted by front end inefficiencies associated with several new product launches, particularly at Polydesign and Neocon. While such costs may continue into future quarters, management expects they will continue at lower levels than experienced in the current quarter and ultimately support higher segment profitability as the underlying programs mature.

The Casting and Extrusion segment reported $4.6 million of pretax profit in the second quarter – a decrease of $0.4 million or 8% from the same quarter last year. Year-to-date, the segment reported pretax profit of $10.1 million – an increase of $0.5 million or 5% compared to the prior year period. During the quarter, overall gross profit within the segment was up by approximately $0.2 million compared to the prior year while year-to-date gross profit was ahead by $1.0 million. On the same basis, each of the Extrusion, Castool and Large Mould groups recorded relatively stable to higher results. Nonetheless, modestly higher general and administrative costs together with adverse year over year foreign exchange rate movements within the segment caused pre-tax profitability to decline during the current quarter. Management remains focused on reducing its overall cost structure and improving manufacturing efficiencies and expects such activities together with its sales efforts should lead to improved segment profitability through the remainder of the year.

The Corporate segment expenses were $2.0 million in the second quarter compared to $1.6 million in the prior year quarter. Year-to-date, Corporate expenses totaled $3.5 million compared to $3.4 million the prior year period. Year over year variances were mainly due to foreign exchange rate movements and changes to non-cash stock-based compensation expense related to the Stock Option Plan and the Board of Directors Deferred Stock Unit Plan.

Consolidated adjusted EBITDA for the second quarter totaled $16.3 million compared to $19.0 million in the same quarter last year – a decrease of $2.7 million, or 14%. Year-to-date, consolidated adjusted EBITDA totaled $34.9 million compared to $36.3 million last year – a decrease of 4%. Adjusted EBITDA as a percentage of sales increased to 13.2% in the current period compared to 12.8% the prior year. The adjusted EBITDA margin in the Casting and Extrusion segment declined to 15.2% from 16.3% last year while the adjusted EBITDA margin in the Automotive Solutions segment increased to 14.5% compared to 12.7% last year. Also during the quarter, Corporate segment cash expenses increased to 1.6% of consolidated sales versus 1.1% last year.

Financial Resources, Liquidity and Capital Resources

Operating cash flow before net change in non-cash working capital totaled $14.2 million in the second quarter compared to $16.0 million in the same period last year. Year-to-date, operating cash flow before net change in non-working capital totaled $29.4 million compared to $31.1 million the prior year period. The year over year reduction was mostly driven by the lower net income in the current year periods somewhat offset by $0.3 million and $6.4 million of non-cash costs related to ALC in the current quarter and year-to-date periods respectively. As well, current period results included higher amounts for deferred income taxes while income in the first quarter of fiscal 2019 was reduced by $0.7 million of losses related to asset disposals. Non-cash working capital contributed $0.5 million of cash in the second quarter compared to a use of $8.1 million in the same quarter last year. Year-to-date, non-cash working capital consumed $9.7 million of cash compared to a use of $10.9 million the prior year period. The non-cash working capital movements were mainly driven by accounts receivable movements and modestly higher inventory levels. Consequently, net cash provided by operating activities amounted to $14.8 million in the current quarter compared to $7.9 million in the same quarter last year. Year-to-date, net cash provided by operating activities amounted to $19.7 million compared to $20.2 million the prior year period.

Cash used in financing activities in the current quarter was $10.4 million compared to $2.9 million of cash used in the same quarter last year. Year-to-date, cash used in financing activities totaled $24.7 million compared to $8.2 million the prior year period. The increased cash use in the respective periods was primarily due to the net reduction of indebtedness this year compared to an increase the prior year, but also due to higher dividend payments and increased share repurchases.

Cash used in investing activities in the second quarter totaled $6.3 million compared to $4.7 million in the same quarter last year. Year-to-date, cash used in investing activities totaled $14.9 million compared to $14.2 million the prior year. The difference was due to the timing of planned capital expenditures.

The Company's financial position and liquidity remain strong. The Company's conservative financial policies have served it well throughout the years and has allowed it to take advantage of acquisition opportunities and fund organic growth initiatives as circumstances permit.

Exco's net debt totaled $6.3 million as at March 31, 2019. Exco's principal sources of liquidity include generated free cash flow, $14.1 million of balance sheet cash and $34.5 million of unused availability under its $50 million committed credit facility, which matures February 2021. Pursuant to the terms of the credit facility, Exco is required to maintain compliance with certain financial covenants. The Company was in compliance with these covenants as at March 31, 2019.

In addition to the obligations disclosed on the balance sheet, Exco also enters into operating lease arrangements from time to time. Exco owns all 15 of its manufacturing facilities and essentially all of its production equipment. The Company leases sales and support centers in Troy, Michigan, Port Huron, Michigan and a warehouse in Brownsville, Texas. The following table summarizes all short-term and long-term commitments Exco has entered.

	March 31, 2019			
	Total	< 1 year	1-3 years	4-5 years
Bank Indebtedness	$600	$ 600	-	-
Trade accounts payable	40,994	40,994	-	-
Long term debt	19,833	4,239	15,594	-
Operating leases	779	258	459	62
Purchase commitments	34,355	34,355	-	-
Capital expenditures	7,228	7,228	-	-
	$103,789	$87,674	$16,053	$62

∗ Exco leases facilities, automobiles, material handling vehicles and other miscellaneous office equipment. It is not Exco's policy to purchase these assets at the expiry of their terms but occasionally it may purchase the assets at the end of the lease terms when the purchase options are favorable. Exco does not expect any material liquidity or capital resource impacts from these possible purchases.

Quarterly results

The following table sets out financial information for each of the eight quarters through to the second quarter ended March 31, 2019:

($ thousands except per share amounts)	March 31, 2019	December 31, 2018[1]	September 30, 2018	June 30, 2018
Sales	$123,465	$142,124	$139,538	$152,755
Net income	$8,564	$3,818	$11,587	$11,211
Earnings per share				
Basic	$0.21	$0.09	$0.27	$0.27
Diluted	$0.21	$0.09	$0.27	$0.27

($ thousands except per share amounts)	March 31, 2018	December 31, 2017	September 30, 2017	June 30, 2017
Sales	$148,390	$134,871	$131,416	$145,909
Net income	$10,556	$8,916	$7,521	$10,933
Earnings per share				
Basic	$0.25	$0.21	$0.18	$0.26
Diluted	$0.25	$0.21	$0.18	$0.26

[1] Net income in the first quarter of fiscal 2019 was reduced by the recognition of a $6.1 million ($0.15 per share) provision related to the voluntary liquidation of ALC Bulgaria

Exco typically experiences softer sales and profits in the first and fourth fiscal quarters, which coincides with our customers' plant shutdowns during the holiday season and summer months.

Recent Accounting Changes and Effective Dates

Please see the notes to the Company's consolidated financial statements for the year ended September 30, 2018, and the consolidated interim financial statements for the quarter ended March 31, 2019 for information regarding the accounting changes effective October 1, 2018.

Controls and Procedures

Based on the current Canadian Securities Administrators (the "CSA") rules under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings, the Chief Executive Officer and Chief Financial Officer (or individuals performing similar functions as a chief executive officer or chief financial officer) are required to certify as at March 31, 2019 that they are responsible for establishing and maintaining disclosure controls and procedure and internal control over financial reporting.

No changes were made in the Corporation's internal control over financial reporting during the Corporation's most recent interim period, that have materially affected, or are reasonably likely to materially affect, the Corporation's internal control over financial reporting.

Outstanding Share Capital

As at March 31, 2019 Exco had 41,328,081 common shares issued and outstanding and stock options outstanding to purchase up to 903,900 common shares at exercise prices ranging from $7.09 to $14.58.

This Management Discussion and Analysis contains forward-looking information and forward-looking statements within the meaning of applicable securities laws. We use words such as "may", "will", "should", "expect", "believe", "estimates" and similar expressions to identify forward-looking information and statements especially with respect to growth and financial performance of the Company's business units, contribution of our start-up business units, contribution of awarded programs yet to be launched, margin performance, financial performance of acquisitions and operating efficiencies are forward-looking statements. Readers are cautioned not to place undue reliance on forward-looking statements throughout this document and are also cautioned that the foregoing list of important factors is not exhaustive. These forward-looking statements are based on our plans, intentions or expectations which are based on, among other things, assumptions about the number of automobiles produced in North America and Europe, the number of extrusion dies required in North America and South America, the rate of economic growth in North America, Europe and emerging market countries, investment by OEMs in drivetrain architecture and other initiatives intended to reduce fuel consumption and/or the weight of automobiles, raw material prices, economic conditions including the availability and cost of labor, currency fluctuations, trade restrictions, our ability to turnaround, close or otherwise dispose of unprofitable operations in a timely manner, our ability to integrate acquisitions and the rate at which our operations in Brazil and Mexico achieve sustained profitability. These forward-looking statements include known and unknown risks, uncertainties, assumptions and other factors which may cause actual results or achievements to be materially different from those expressed or implied. The Company will update its disclosure upon publication of each fiscal quarter's financial results and otherwise disclaims any obligations to update publicly or otherwise revise any such factors or any of the forward-looking information or statements contained herein to reflect subsequent information, events or developments, changes in risk factors or otherwise. For a more extensive discussion of Exco's risks and uncertainties see the 'Risks and Uncertainties' section in our 2018 Annual

Report, our 2018 Annual Information Form ("AIF") and other reports and securities filings made by the Company. This information is available at www.sedar.com.

NOTICE TO READER

The attached unaudited condensed interim consolidated financial statements have been prepared by management of the Company. The condensed interim consolidated financial statements for the three- and six- month periods ended March 31, 2019 and 2018 have not been reviewed by the auditors of the Company.

EXCO TECHNOLOGIES LIMITED
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Unaudited)
$ (000)'s

	As at March 31, 2019	As at September 30, 2018
ASSETS		
Current		
Cash and cash equivalents	**$14,153**	$31,343
Accounts receivable	**106,168**	102,520
Unbilled revenue	**21,328**	24,438
Inventories	**60,415**	63,771
Prepaid expenses and deposits	**3,148**	3,585
Derivative instruments	**-**	779
Income taxes recoverable	**-**	3,170
Total current assets	**205,212**	229,606
Property, plant and equipment, net (note 4)	**123,732**	117,270
Intangible assets, net (note 5)	**35,853**	36,639
Goodwill (note 5)	**64,345**	63,122
Deferred tax assets	**786**	1,247
Total assets	**$429,928**	$447,884
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Bank indebtedness	**$600**	$11,764
Trade accounts payable	**40,994**	46,966
Accrued payroll liabilities	**10,488**	14,498
Other accrued liabilities	**9,353**	9,834
Derivative instruments	**294**	-
Provisions	**1,252**	1,267
Income taxes payable	**246**	0
Customer advance payments	**2,228**	2,865
Long-term debt - current portion (note 7)	**4,239**	4,108
Total current liabilities	**69,694**	91,302
Long-term debt - long-term portion (note 7)	**15,594**	18,181
Deferred tax liabilities	**8,912**	8,238
Total liabilities	**94,200**	117,721
Shareholders' equity		
Share capital (note 8)	**51,447**	51,230
Contributed surplus	**4,277**	4,391
Accumulated other comprehensive income	**16,290**	10,895
Retained earnings	**263,714**	263,647
Total shareholders' equity	**335,728**	330,163
Total liabilities and shareholders' equity	**$429,928**	$447,884

The accompanying notes are an integral part of these condensed unaudited interim consolidated financial statements.

EXCO TECHNOLOGIES LIMITED
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME (LOSS)
(Unaudited)
$ (000)'s except for income per common share

	Three months ended March 31		Six months ended March 31	
	2019	2018	**2019**	2018
Sales	**$123,465**	$148,390	**$265,589**	$283,261
Cost of sales	**95,502**	118,558	**208,645**	225,094
Selling, general and administrative expenses	**11,690**	10,743	**22,094**	21,035
Depreciation (note 4)	**3,572**	3,820	**7,338**	7,546
Amortization (note 5)	**1,006**	1,229	**2,044**	2,458
Loss (gain) on disposal of property, plant and equipment	**(31)**	49	**(34)**	787
Interest expense, net	**226**	270	**479**	577
Other expense (note 12)	**333**	-	**6,409**	-
	112,298	134,669	**246,975**	257,497
Income before income taxes	**11,167**	13,721	**18,614**	25,764
Provision for income taxes (note 11)	**2,603**	3,165	**6,232**	6,292
Net income for the period	**8,564**	10,556	**12,382**	19,472
Other comprehensive income (loss)				
Items that may be reclassified to profit or loss in subsequent periods:				
Net unrealized loss on derivatives designated as cash flow hedges (a)	**585**	1,446	**(791)**	(183)
Unrealized gain on foreign currency translation	**(5,890)**	9,673	**6,186**	10,194
	(5,305)	11,119	**5,395**	10,011
Comprehensive income	**$3,259**	$21,675	**$17,777**	$29,483
Income per common share				
Basic	**$0.21**	$0.25	**$0.30**	$0.46
Diluted	**$0.21**	$0.25	**$0.30**	$0.46
Weighted average number of common shares outstanding				
Basic	**41,364**	42,363	**41,409**	42,365
Diluted	**41,382**	42,394	**41,432**	42,401

(a) Net of income tax payable of $209 and income tax recoverable of $282 for the three- and six- month periods ended March 31,2019 (2018 - net of income tax payable of $ 516 and income tax recoverable of $65 for the three- and six- month periods ended March 31,2018)

The accompanying notes are an integral part of these condensed unaudited interim consolidated financial statements.

EXCO TECHNOLOGIES LIMITED
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Unaudited)
$ (000)'s

				Accumulated other comprehensive income			
	Share capital	Contributed surplus	Retained earnings	Net unrealized gain (loss) on derivatives designated as cash flow hedges	Unrealized gain (loss) on foreign currency translation	Total accumulated other comprehensive income (loss)	Total shareholders' equity
Balance, October 1, 2018	$51,230	$4,391	$263,647	$572	$10,323	$10,895	$330,163
Net income for the period	-		3,818				3,818
Dividend paid (note 3)	-		(3,524)				(3,524)
Stock option grants	-	110					110
Exercise of stock options	111	(34)					77
Repurchase of Share Capital (note 8)	(507)		(3,445)				(3,952)
Other comprehensive income (loss)	-			(1,376)	12,076	10,700	10,700
Balance, December 31, 2018	$50,834	$4,467	$260,496	($804)	$22,399	$21,595	$337,392
Net income for the period			8,564			-	8,564
Dividend paid (note 3)			(3,717)			-	(3,717)
Stock option grants		64				-	64
Exercise of stock options	849	(254)				-	595
Repurchase of Share Capital (note 8)	(236)		(1,629)			-	(1,865)
Other comprehensive income (loss)				585	(5,890)	(5,305)	(5,305)
Balance, March 31, 2019	$51,447	$4,277	$263,714	($219)	$16,509	$16,290	$335,728

				Accumulated other comprehensive income			
	Share capital	Contributed surplus	Retained earnings	Net unrealized gain (loss) on derivatives designated as cash flow hedges	Unrealized gain on foreign currency translation	Total accumulated other comprehensive income (loss)	Total shareholders' equity
Balance, October 1, 2017	$51,707	$3,998	$241,321	($233)	$4,465	$4,232	$301,258
Net income for the period	-	-	8,916	-	-	-	8,916
Dividend paid (note 3)	-	-	(3,396)	-	-	-	(3,396)
Stock option grants	-	126	-	-	-	-	126
Repurchase of Share Capital (note 8)	(66)	-	(475)	-	-	-	(541)
Other comprehensive income (loss)	-	-	-	(1,629)	521	(1,108)	(1,108)
Balance, December 31, 2017	$51,641	$4,124	$246,366	($1,862)	$4,986	$3,124	$305,255
Net income for the period	-	-	10,556	-	-	-	10,556
Dividend paid (note 3)	-	-	(3,597)	-	-	-	(3,597)
Stock option grants	-	127	-	-	-	-	127
Exercise of stock options	370	(111)	-	-	-	-	259
Repurchase of Share Capital (note 8)	(198)	-	(1,406)	-	-	-	(1,604)
Other comprehensive income	-	-	-	1,446	9,673	11,119	11,119
Balance, March 31, 2018	$51,813	$4,140	$251,919	($416)	$14,659	$14,243	$322,115

The accompanying notes are an integral part of these condensed unaudited interim consolidated financial statements.

EXCO TECHNOLOGIES LIMITED
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
$ (000)'s

	Three months ended March 31		Six months ended March 31	
	2019	2018	**2019**	2018
OPERATING ACTIVITIES:				
Net income for the period	**$8,564**	$10,556	**$12,382**	$19,472
Add non-operating and items not involving a current outlay of cash				
Depreciation (note 4)	**3,572**	3,820	**7,338**	7,546
Amortization (note 5)	**1,006**	1,229	**2,044**	2,458
Stock-based compensation expense	**169**	79	**251**	250
Deferred income taxes	**383**	-	**536**	17
Net interest expense	**226**	270	**479**	577
Non-cash provision for ALC and Other expense (note 12)	**333**	-	**6,409**	-
Loss (gain) on disposal of property, plant and equipment	**(31)**	49	**(34)**	787
	14,222	16,003	**29,405**	31,107
Net change in non-cash working capital (note 10)	**538**	(8,126)	**(9,673)**	(10,929)
Cash provided by operating activities	**14,760**	7,877	**19,732**	20,178
FINANCING ACTIVITIES:				
Increase (decrease) in bank indebtedness	**(12,454)**	3,208	**(9,334)**	(1,936)
Financing from long-term debt	**7,315**	-	**-**	3,175
Repayment of long-term debt	**-**	(870)	**(2,456)**	-
Interest paid, net	**(226)**	(270)	**(479)**	(577)
Dividends paid (note 3)	**(3,717)**	(3,597)	**(7,241)**	(6,993)
Repurchase of share capital	**(1,865)**	(1,604)	**(5,817)**	(2,145)
Issuance of share capital	**595**	259	**672**	259
Cash used in financing activities	**(10,352)**	(2,874)	**(24,655)**	(8,217)
INVESTING ACTIVITIES:				
Purchase of property, plant and equipment (note 4)	**(6,259)**	(4,606)	**(14,865)**	(14,223)
Purchase of intangible assets (note 5)	**(160)**	(246)	**(200)**	(411)
Proceeds from disposal of property, plant and equipment	**91**	155	**117**	435
Cash used in investing activities	**(6,328)**	(4,697)	**(14,948)**	(14,199)
Effect of exchange rate changes on cash	**1,964**	1,375	**3,645**	1,621
Net increase (decrease) in cash during the period	**44**	1,681	**(16,226)**	(617)
De-consolidation of ALC cash (note 12)	**(964)**	-	**(964)**	-
Cash, beginning of period	**15,073**	33,578	**31,343**	35,876
Cash, end of period	**$14,153**	$35,259	**$14,153**	$35,259

The accompanying notes are an integral part of these condensed unaudited interim consolidated financial statements.

1. CORPORATE INFORMATION

Exco Technologies Limited (the "Company") is a global designer, developer and manufacturer of dies, moulds, components and assemblies, and consumable equipment for the die-cast, extrusion and automotive industries. Through 15 strategic locations in 7 countries (see Note 12), the Company services a diverse and broad customer base. The Company is incorporated and domiciled in Canada. The registered office is located at 130 Spy Court, Markham, Ontario, Canada.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Company's significant accounting policies are outlined below:

Basis of preparation
These unaudited condensed interim consolidated financial statements present the Company's financial results of operations and financial position as at and for the three- month and six- month periods ended March 31, 2019 and have been prepared in accordance with International Accounting Standard ("IAS") 34, *Interim Financial Reporting* as issued by the International Accounting Standards Board ("IASB"). The accounting policies used in preparing these unaudited condensed interim financial statements are consistent with those used in the preparation of the 2018 audited annual consolidated financial statements except as noted below.

The Company's preparation of unaudited condensed interim financial statements in accordance with IAS 34 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the application of the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements were essentially the same as those that applied to the Company's consolidated financial statements as at and for the year ended September 30, 2018.

These unaudited condensed interim consolidated financial statements should be read in conjunction with the Company's 2018 audited annual consolidated financial statements, which are available at www.sedar.com and on the Corporation's website at www.excocorp.com. The unaudited condensed interim consolidated financial statements and accompanying notes for the three- and six- month periods ended March 31, 2019 were authorized for issue by the Board of Directors on May 1, 2019.

Basis of consolidation
The condensed interim consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company, its subsidiaries. Control exists when the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Company controls an investee if and only if the Company has all of the following: power over the investee; exposure or rights to variable returns from its involvement with the investee; and the ability to use its power over the investee to affect its returns. The financial statements of the subsidiaries are included in the condensed interim consolidated financial statements from the date that control commences until the date that control ceases (see Note 12). All intercompany transactions and balances have been eliminated on consolidation.

The Company has an interest in a joint operation, whereby the joint operators have a contractual arrangement that establishes joint control over the economic activities of the individual entity. The Company recognized its share of the joint operation's assets, liabilities, revenues and expenses in the condensed interim consolidated financial statements.

Accounting standards adopted in fiscal year 2019

IFRS 15, *Revenue from Contracts with Customers* ("IFRS 15")

Effective October 1,2018 the Company adopted IFRS 15, in accordance with the modified retrospective approach. The adoption of the standard did not result in any restatement of previously reported results and did not have a material impact on the presentations and disclosure in the consolidated financial statements.

The following should be read as a modification to the significant accounting policies in note 2 of the Company's annual audited consolidated financial statements for the year ended September 30, 2018 and is applicable to the three and six month periods ended March 31,2019.

Revenue Recognition
The Company recognizes sales primarily from two categories of goods: production contracts (including finished production parts and assemblies, short-term die cast tooling contracts, extrusion and other tooling), and long-term large die cast mould contracts.

Revenue for production contracts is recognized at the point in time control of the goods is transferred to the customer. Control of finished production parts, assemblies and tooling transfers when the goods are shipped from the Company's manufacturing facilities to the customer.

The Company recognizes revenue from long-term large die cast mould contracts over time using the percentage-of-completion input method, which recognizes revenue as performance of the contract progresses. Contracts that do not meet the criteria for over time recognition are recognized at a point in time. Input methods recognize revenue on the basis of an entity's efforts or inputs toward satisfying a performance obligation (for example, resources consumed, labor hours expended, costs incurred, time lapsed, or machine hours used) relative to the total expected inputs to satisfy the performance obligation. The estimation of revenue and costs-to-complete is complex, subject to variables and requires significant judgement. The contract value may include fixed amounts, variable amounts or both. The Corporation estimates variable consideration at the most likely amount to which the Corporation expects to be entitled. The estimated variable amount is included in the transaction price to the extent that it is probable that a significant reversal of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is resolved. The estimation of variable consideration is largely based on assessment of the Company's historical, current and forecasted information that is reasonably available.

IFRS 9, *Financial Instruments* ("IFRS 9")

The Company has adopted IFRS 9 using the modified retrospective approach effective October 1,2018.The adoption of IFRS 9 did not have a material impact on the consolidated financial statements. In accordance with the transitional provisions in the standard, comparative figures have not been restated.

The following should be read as a modification to the significant accounting policies in note 2 of the Company's annual audited consolidated financial statements for the year ended September 30, 2018 and is applicable to the three and six month periods ended March 31,2019:

Financial instruments
(a) Financial assets and liabilities

The Company recognizes financial assets and financial liabilities initially at fair value and subsequently measures these at either fair value or amortized cost based on their classification under IFRS 9 as described below:

Amortized cost:
The Company classifies financial assets held to collect contractual cash flows at amortized cost, including trade and other receivables. The Company initially recognizes the carrying amount of such assets on the consolidated balance sheet at fair value plus directly attributable transaction costs, and subsequently measures these at amortized cost using the effective interest rate method, less any impairment losses.

Fair value through profit or loss (FVTPL):
Financial assets and financial liabilities purchased or incurred, respectively, with the intention of generating earnings in the near term, and derivatives other than cash flow hedges, are classified as FVTPL. This category includes cash and cash equivalents, and derivative assets and derivative liabilities that do not qualify for hedge accounting. For items classified as FVTPL, the Company initially recognizes such financial assets and liabilities on the consolidated balance sheet at fair value and recognizes subsequent changes in the consolidated statement of operations. Transaction costs incurred are expensed in the consolidated statement of operations.

Loans and borrowings
The Company initially recognized the carrying amount of such liabilities on the consolidated balance sheet at fair value net of directly attributable transaction costs. After initial recognition, they are subsequently measured at amortized cost using the effective interest rate method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the effective interest rate method amortization process.

(b) Impairment of financial assets:
IFRS 9 replaces the "incurred loss" model in IAS 39 with a forward-looking "expected credit loss" (ECL) model. The ECL model is used in determining the allowance for doubtful accounts as it relates to trade and other receivables. The Company's ECL model aligns with the simplified approach under IFRS 9, which measures lifetime ECL and forward-looking information and did not result in a signifcant change as compared to the Company's pre-IFRS 9 approach. The Company's allowance is determined by historical experiences, and considers factors including, the aging of the balances, the customer's credit worthiness, and updates based on the current economic conditions, expectation of bankruptcies, and the political and economic volatility in the markets/location of customers.

(c) Hedge Accounting
The Company has applied hedge accounting prospectively. At the date of initial application of IFRS 9, all of the Company's existing hedging relationships were eligible to be treated as continuing hedging relationships. Consistent with prior periods, the Company has continued to designate the change in fair value of the entire forward contract in the Company's cash flow hedge relationship in other comprehensive earnings (loss) to the extent the hedge continues to be highly effective. The related other comprehensive earnings (loss) amounts are allocated to the consolidated statements of earnings in the same period in which the hedged item affects earnings. The adoption of the new hedge accounting requirements resulted in no transitional adjustment to how the Company has applied hedge accounting under IFRS 9.

Accounting standards issued but not yet applied
The following standards are not yet effective for the year ending September 30, 2019. The Company is in the process of reviewing the standards to determine the impact on its consolidated financial statements.

IFRS 16, *Leases* ("IFRS 16")
In January 2016, the IASB issued IFRS 16 in which lessees will have a single accounting model for all leases, with certain exemptions and lessor accounting is substantially unchanged. The guidance would require lessees to recognize most leases on their balance sheets as lease liabilities with corresponding right-of-use assets. IFRS 16 is effective for annual periods beginning on or after January 1, 2019, which will be October 1, 2019 for the Company using a modified retrospective approach with the option to elect certain practical expedients. The Company is currently evaluating the impact of IFRS 16 on its consolidated financial statements but application of IFRS 16 will result in an increase in

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liabilities and assets from the recognition of right to use assets and lease liabilities, as well as a decrease in cost of sales and selling, general and administrative expenses and an increase in interest expense and depreciation.

3. CASH DIVIDEND

During the three- and six- month periods ended March 31, 2019, the Company paid quarterly cash dividends totaling $3,717 and $7,241 (2018 -$3,597 and $6,993). The quarterly dividend rate in the first quarter of 2019 was $0.09 per common share (2018 - $0.085).

4. PROPERTY, PLANT AND EQUIPMENT

	Machinery and Equipment	Tools	Buildings	Land	Assets under Construction	Total
Cost						
Balance as at September 30, 2018	203,702	22,923	71,289	12,012	2,631	312,557
Additions	546	975	249	-	13,095	14,865
Reclassification	5,082	252	333	-	(5,667)	-
Disposals	(2,723)	(65)	-	-	-	(2,788)
Deconsolidation of ALC (note 12)	(6,962)	(601)	-	-	-	(7,563)
Foreign exchange movement	2,457	329	927	139	25	3,877
Balance as at March 31, 2019	**$202,102**	**$23,813**	**$72,798**	**$12,151**	**$10,084**	**$320,948**

	Machinery and Equipment	Tools	Buildings	Land	Assets under Construction	Total
Accumulated depreciation and impairment losses						
Balance as at September 30, 2018	143,946	17,893	33,448	-	-	195,287
Depreciation for the period	5,018	833	1,487	-	-	7,338
Disposals	(2,666)	(39)	-	-	-	(2,705)
Deconsolidation of ALC (note 12)	(4,269)	(473)	-	-	-	(4,742)
Foreign exchange movement	1,434	287	317	-	-	2,038
Balance as at March 31, 2019	**$143,463**	**$18,501**	**$35,252**	**$-**	**$-**	**$197,216**
Carrying amounts						
As at September 30, 2018	$59,756	$5,030	$37,841	$12,012	$2,631	$117,270
As at March 31, 2019	**$58,639**	**$5,312**	**$37,546**	**$12,151**	**$10,084**	**$123,732**

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5. INTANGIBLE ASSETS AND GOODWILL

	Computer Software and Other	Acquisition Intangibles*	Assets under Construction (Software)	Total Intangible Assets	Goodwill
Cost					
Balance as at September 30, 2018	21,460	46,266	99	67,825	63,122
Additions	161	-	39	200	-
Reclassifications	35	-	(35)	-	-
Disposals	(180)	-	-	(180)	
Deconsolidation of ALC (note 12)	(321)	-	-	(321)	
Foreign exchange movement	108	1,354	2	1,464	1,223
Balance as at March 31, 2019	**$21,263**	**$47,620**	**$105**	**$68,988**	**$64,345**

	Computer Software and Other	Acquisition Intangibles*	Assets under Construction (Software)	Total Intangible Assets	Goodwill
Accumulated amortization and impairment losses					
Balance as at September 30, 2018	19,797	11,389	-	31,186	-
Amortization for the period	424	1,620	-	2,044	-
Disposals	(180)	-	-	(180)	-
Deconsolidation of ALC (note 12)	(273)	-	-	(273)	-
Foreign exchange movement	101	257	-	358	-
Balance as at March 31, 2019	**$19,869**	**$13,266**	**$-**	**$33,135**	**$-**
Carrying amounts					
As at September 30, 2018	$1,663	$34,877	$99	$36,639	$63,122
As at March 31, 2019	**$1,394**	**$34,354**	**$105**	**$35,853**	**$64,345**

*Acquisition intangibles are comprised primarily of customer relationships and trade names resulting from business acquisitions.

6. FINANCIAL INSTRUMENTS

Fair value represents point-in-time estimates that may change in subsequent reporting periods due to market conditions or other factors. Presented below is a comparison of the fair value of each financial instrument to its carrying value.

The fair value of cash and cash equivalents, bank indebtedness, trade and other receivables and trade and other payables approximates their carrying amounts due to the short-term maturities of these instruments. The estimated fair value of long-term debt approximates its carrying value since debt is subject to terms and conditions similar to those available to the Company for instruments with comparable terms, and the interest rates are market-based.

The fair value of derivative instruments that are not traded in an active market such as over-the-counter foreign exchange options and collars is determined using quoted forward exchange rates at the consolidated statement of financial position dates and are Level 2 instruments.

During the six-month period ended March 31, 2019 there were no transfers between Level 1 and Level 2 fair value measurements.

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The carrying value and fair value of all financial instruments are as follows:

	March 31, 2019		September 30, 2018	
	Carrying Amount of Asset (Liability)	**Fair Value of Asset (Liability)**	Carrying Amount of Asset (Liability)	Fair Value of Asset (Liability)
Cash and cash equivalents	**$14,153**	**$14,153**	$31,343	$31,343
Accounts receivable	**106,168**	**106,168**	102,520	102,520
Trade accounts payable	**(40,994)**	**(40,994)**	(46,966)	(46,966)
Bank indebtedness	**(600)**	**(600)**	(11,764)	(11,764)
Customer advance payments	**(2,228)**	**(2,228)**	(2,865)	(2,865)
Accrued liabilities	**(19,841)**	**(19,841)**	(24,332)	(24,332)
Derivative instruments	**(294)**	**(294)**	779	779
Long-term debt	**($19,833)**	**($19,833)**	($22,289)	($22,289)

7. LONG-TERM DEBT

On February 22, 2018, the Company closed an amendment to renew the $50,000 Committed Revolving Credit Facility with JP Morgan Chase Bank N.A, of which $15,500 was utilized as at March 31, 2019. The facility has a 3 year term and is collateralized by a general security agreement covering all assets of the Company's subsidiaries located in Canada and the US, with the exception of real property. There are no specific repayment terms prior to maturity.

The components of long-term debt are as follows:

	March 31, 2019	September 30, 2018
Bank debt	**$15,500**	$18,000
Term notes	**4,145**	4,017
Promissory note	**188**	272
Subtotal	**19,833**	22,289
Less: current portion	**(4,239)**	(4,108)
Long-term debt, long-term portion	**$15,594**	$18,181

Pursuant to the terms of the credit facility, Exco is required to maintain compliance with certain financial covenants. The Company was in compliance with these covenants as at March 31, 2019.

8. SHARE CAPITAL

The Company received approval from the Toronto Stock Exchange for a normal course issuer bid for a 12-month period beginning February 18, 2019. The Company's Board of Directors authorized the purchase of up to 2,100,000 common shares representing approximately 5% of the Company's outstanding common shares. During the quarter and year-to-date 193,200 and 553,700 common shares were repurchased (2018 - 162,800 and 217,300) for a total cost of $1,865 and $5,817 respectively (2018 - $1,604 and $2,145). The cost to repurchase the common shares in the year exceeded their stated value by $5,074 (2018 - $1,881) which was recorded against retained earnings.

As at March 31, 2019 the Company had 41,328,081 common shares issued and outstanding.

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9. SEGMENTED INFORMATION

Business segments
The Company operates in two business segments: Casting and Extrusion Technology ("Casting and Extrusion") and Automotive Solutions. The accounting policies followed in the operating segments are consistent with those outlined in note 2 to the consolidated financial statements.

The Casting and Extrusion segment designs and engineers tooling and other manufacturing equipment. Its operations are substantially for automotive and other industrial markets in North America.

The Automotive Solutions segment produces automotive interior components and assemblies primarily for seating, cargo storage and restraint for sale to automotive manufacturers and Tier 1 suppliers (suppliers to automakers). (See Note 12)

The Company evaluates the performance of its operating segments primarily based on pre-tax income before interest and other expense.

The Corporate segment involves administrative expenses that are not directly related to the business activities of the above two operating segments.

	Three Months Ended March 31, 2019			
	Casting and Extrusion	**Automotive Solutions**	**Corporate**	**Total**
Sales	**$52,916**	**$74,429**	**$-**	**$127,345**
Intercompany sales	**(2,747)**	**(1,133)**	**-**	**(3,880)**
Net sales	**50,169**	**73,296**	**-**	**123,465**
Depreciation	**2,902**	**649**	**21**	**3,572**
Amortization	**169**	**837**	**-**	**1,006**
Pre-tax income (loss) before interest and other expense	**4,569**	**9,122**	**(1,965)**	**11,726**
Other expense	**-**	**(333)**	**-**	**(333)**
Net interest expense				**(226)**
Income before income taxes				**11,167**
Property, plant and equipment additions	**5,807**	**452**	**-**	**6,259**
Property, plant and equipment, net	**99,564**	**22,730**	**1,438**	**123,732**
Intangible asset additions	**121**	**39**	**-**	**160**
Intangible assets, net	**1,175**	**34,676**	**2**	**35,853**
Goodwill	**274**	**64,071**	**-**	**64,345**
Total assets	**224,946**	**214,758**	**(9,776)**	**429,928**
Total liabilities	**30,978**	**39,054**	**24,168**	**94,200**

$(000)'s except per share amounts

	Three Months Ended March 31, 2018			
	Casting and Extrusion	Automotive Solutions	Corporate	Total
Sales	$51,138	$98,534	$-	$149,672
Intercompany sales	(1,166)	(116)	-	(1,282)
Net sales	49,972	98,418	-	148,390
Depreciation	2,973	836	11	3,820
Amortization	231	997	1	1,229
Pre-tax income (loss) before interest and other expense	4,948	10,689	(1,646)	13,991
Net interest expense				(270)
Income before income taxes				13,721
Property, plant and equipment additions	3,421	1,183	2	4,606
Property, plant and equipment, net	90,751	27,598	1,259	119,608
Intangible asset additions	194	52	-	246
Intangible assets, net	1,630	37,382	4	39,016
Goodwill	291	63,964	-	64,255
Total assets	196,173	252,991	3,971	453,135
Total liabilities	28,664	64,293	38,063	131,020

	Six Months Ended March 31, 2019			
	Casting and Extrusion	**Automotive Solutions**	**Corporate**	**Total**
Sales	**$108,159**	**$170,918**	**$-**	**$279,077**
Intercompany sales	**(5,243)**	**(8,245)**	**-**	**(13,488)**
Net sales	**102,916**	**162,673**	**-**	**265,589**
Depreciation	**5,848**	**1,456**	**34**	**7,338**
Amortization	**351**	**1,693**	**-**	**2,044**
Pre-tax income (loss) before interest and other expense	**10,094**	**18,928**	**(3,520)**	**25,502**
Other expense		**(6,409)**		**(6,409)**
Net interest expense				**(479)**
Income before income taxes				**18,614**
Property, plant and equipment additions	**13,724**	**1,043**	**98**	**14,865**
Property, plant and equipment, net	**99,564**	**22,730**	**1,438**	**123,732**
Intangible asset additions	**161**	**39**	**-**	**200**
Intangible assets, net	**1,175**	**34,676**	**2**	**35,853**
Goodwill	**274**	**64,071**	**-**	**64,345**
Total assets	**224,946**	**214,758**	**(9,776)**	**429,928**
Total liabilities	**30,978**	**39,054**	**24,168**	**94,200**

$(000)'s except per share amounts

	Six Months Ended March 31, 2018			
	Casting and Extrusion	Automotive Solutions	Corporate	Total
Sales	$99,588	$186,955	$-	$286,543
Intercompany sales	(3,003)	(279)	-	(3,282)
Net sales	96,585	186,676	-	283,261
Depreciation	5,888	1,635	23	7,546
Amortization	461	1,996	1	2,458
Pre-tax income (loss) before interest and other expense	9,614	20,148	(3,421)	26,341
Net interest expense				(577)
Income before income taxes				25,764
Property, plant and equipment additions	7,891	6,330	2	14,223
Property, plant and equipment, net	90,751	27,598	1,259	119,608
Intangible asset additions	303	108	-	411
Intangible assets, net	1,630	37,382	4	39,016
Goodwill	291	63,964	-	64,255
Total assets	196,173	252,991	3,971	453,135
Total liabilities	28,664	64,293	38,063	131,020

10. NET CHANGE IN NON-CASH WORKING CAPITAL

	Six months ended March 31	
	2019	2018
Accounts receivable	**($13,482)**	($13,403)
Unbilled revenue	**2,590**	2,623
Inventories	**(3,502)**	3,685
Prepaid expenses and deposits	**28**	(443)
Trade accounts payable	**2,345**	(179)
Accrued payroll liabilities	**(2,988)**	(1,780)
Other accrued liabilities	**2,641**	(580)
Provisions	**(15)**	29
Customer advance payments	**(593)**	(1,955)
Income taxes payable	**3,303**	1,074
	($9,673)	($10,929)

11. INCOME TAXES

The consolidated effective income tax rate for the six-month period ended March 31, 2019 was 33.5% (six- month period ended March 31, 2018 – 24.4%). The effective income tax rate for the six- month period was adversely impacted by the non-deductibility of Other Expense related to the de-consolidation of ALC in the amount of $6,409 (note 12). Excluding ALC, the effective income tax rate for the six-month period ended March 31, 2019 would have been 24.9% (six-month period ended March 31, 2018 – 24.4%).

12. DECONSOLIDATION OF ALC AND OTHER EXPENSE

On January 17, 2019, the Company's indirect wholly owned subsidiary ALC Bulgaria EOOD ("ALC") voluntarily filed a liquidation petition in Bulgaria. Consequently, all seat-cover production at ALC was ceased on that date. On April 8, 2019, the local courts declared the company insolvent effective January 1, 2019 and a receiver was appointed to liquidate ALC.

During the three months ended March 31, 2019, the Company has lost control of and de-consolidated it from the Company's financial statements.

The Company had recorded a $6.1 million provision during the three months ended December 31, 2018 in respect to ALC, the result of which was that the net assets of ALC were $nil.

During the three months ended March 31,2019, the Company recorded Other Expense of $333 which included net expenses of $356 related to the realization of deferred foreign exchange losses included in Other Comprehensive Income associated with ALC and as well as entities in South Africa and Germany, the net impact of losses incurred between December 31, 2018 and the date of deconsolidation (these resulting in a gain on deconsolidation) and the net impact of the elimination of intercompany amounts with ALC.

CORPORATE INFORMATION

Exco Technologies Limited is a global supplier of innovative technologies servicing the die-cast, extrusion and automotive industries. Through our 15 strategic locations in 7 countries, we employ 5,437 people and service a diverse and broad customer base.

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