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Unaudited Condensed Interim Report
to the shareholders
for the six months ended
March 31, 2020

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	Three Months Ended March 31		Six Months Ended March 31	
(in $ thousands except per share amounts)				
	2020	2019	**2020**	2019
Sales	**$120,244**	$123,465	**$240,667**	$265,589
Net income	**$9,495**	$8,564	**$17,553**	$12,382
Basic earnings per share	**$0.24**	$0.21	**$0.44**	$0.30
Diluted earnings per share	**$0.24**	$0.21	**$0.44**	$0.30
Weighted avg basic common shares o/s (000's)	**39,914**	41,364	**39,946**	41,409

The following management's interim discussion and analysis of operations and financial position are prepared as at April 29, 2020 and should be read in conjunction with the condensed interim consolidated financial statements as at and for the three and six months ended March 31, 2020 and 2019 and the consolidated financial statements and Management's Discussion and Analysis ("MD&A") in the Company's 2019 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.

Use of Non-IFRS Measures

In this MD&A, reference may be made to Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted EPS, Adjusted Net Income, Adjusted 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 divided by the weighted average number of shares. Adjusted Net Income is calculated as net income before other income/expense and Adjusted Pretax Profit as segmented 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

In response to the unprecedented global COVID-19 crises, Exco is taking the necessary actions to protect the health and safety of our employees, meet the ongoing needs of essential customers, minimize the adverse impact on our finances, while making the necessary investments to further strengthen our various businesses for the recovery when it eventually takes hold.

Consolidated sales for the second quarter ended March 31, 2020 were $120.2 million compared to $123.5 million in the same quarter last year – a decrease of $3.3 million, or 3%. Year-to-date sales were $240.7 million compared to $265.6 million the prior year – a decrease of $24.9 million or 9%. The average USD/CAD exchange rate was 3% higher in the quarter ($1.36 versus $1.32) and 1% higher year-to-date ($1.34 versus $1.33), increasing sales by $2.5 million and $1.1 million in the respective periods. The average EUR/CAD exchange rate was stable in the quarter ($1.50) and 2% lower year-to-date ($1.48 versus $1.51), having no impact on sales during the quarter and reducing sales by $0.7 million year-to-date.

The Automotive Solutions segment reported sales of $73.4 million in the second quarter – effectively unchanged from the prior year quarter. Year-to-date segment sales totaled $141.7 million – a decrease of $20.9 million, or 13% compared to last year. Foreign exchange rate movements increased segment sales by $1.5 million in the quarter but had no impact on segment sales year-to-date. Reductions in year-to-date sales were primarily driven by $19.8 million of revenues generated by ALC in the first quarter of fiscal 2019 before that entity was deconsolidated from Exco's results. Excluding foreign exchange rate movements and the impact of ALC on Exco's results, segment revenues were lower by $1.4 million, or 2% during the quarter and $1.1 million, or 1% year-to-date. This compares favorably to combined overall industry vehicle production volumes in North America and Europe, which were lower by roughly 16% during the quarter and 12% year-to-date. Segment sales were supported by a number of program launches for both new and existing products, particularly at Polydesign and AFX. Sales were softer year over year at both Neocon and Polytech, however both these entities outperformed the market due to the strength of their product portfolios and aided – in part – by accessory product sales, which may not always be in sync with OEM production schedules. Automotive production is virtually at a standstill in Exco's key markets as a result of the global COVID-19 response measures. Looking forward several OEM's are currently planning to restart production of facilities in Europe and North America beginning in early May 2020, however there remains considerable uncertainly around the exact timing and how fast these facilities will ramp-up volume. Exco remains focused on ensuring it is able to meet demand once production recommences, while complying with stay-at-home orders in the regions where we operate.

The Casting and Extrusion segment reported sales of $46.8 million for the second quarter – a decrease of $3.4 million, or 7%, from the same period last year. Year-to-date, the segment reported sales of $98.9 million – a decrease of $4.0 million, or 4%. Foreign exchange movements increased segment sales by $1.0 million in the quarter and $0.4 million year-to-date. Segment sales held up better during the quarter than general economic conditions would otherwise suggest given the long cycle and/or essential nature of much of the segment's products, which feed into many critical industries. Within the group, sales were relatively stable in the Large Mould group for both the quarter and year-to-date periods. The programs of this group tend to be relatively long cycle and have continued to advance despite the vehicle production stoppage at virtually all OEM's ultimately served by the group through April 2020. In addition, quoting activity remains decent with discussions ongoing with both current and new potential customers, holding promise for an improvement in future results. Extrusion group sales were lower during the quarter and year-to-date periods as sales from the new Extrusion facility in Mexico (which commenced commercial production April 1, 2019) were more than offset by lower sales elsewhere in North America due to softer overall market conditions. At Castool, the group's revenues were also modestly lower as market conditions softened for both consumable and capital equipment goods in the quarter, particularly within the extrusion industry. Within the segment, steel price surcharges and steel tariffs continued to reduce during the quarter. As Exco generally aims to pass such amounts on to its customers, they positively impact on revenues when higher, but have the opposite impact when lower.

Consolidated net income for the second quarter was $9.5 million or basic and diluted earnings of $0.24 per share compared to $8.6 million or $0.21 per share in the same quarter last year – an increase in net income of 11%. Year-to-date, consolidated net income was $17.6 million or $0.44 per basic share compared to $12.4 million or $0.30 per basic share last year – an increase in net income of 42%. Excluding a net expense of $0.3 million and $6.4 million in the prior year periods related to the deconsolidation of ALC, Adjusted Net Income was higher by 7% in the quarter and lower by 7% year-to-date. The consolidated effective income tax rate for the current quarter was 22% compared to 23% the prior year period. Year-to-date, the consolidated effective income tax rate was 20% compared to 33% last year. The income tax rate in the prior year-to-date period was unfavorably impacted by the non-deductibility of Other Expense related to the write-down of ALC in the amount of $6.4 million and $2.1 million of operating losses at ALC. Excluding these items, the effective income tax rate for the prior year-to-date period was 23%. The income tax rate in the current year periods was also favorably impacted by the recognition of $0.2 million of deferred tax assets in the first quarter of fiscal 2020 and an increase in earnings in jurisdictions with lower tax rates in both the first and second quarters of fiscal 2020.

The Automotive Solutions segment reported pretax profit of $9.4 million in the second quarter – an increase of $0.3 million or 3% over the same quarter last year. Year-to-date, the segment reported pretax profit of $17.4 million – a decrease of $1.5 million or 8% compared to the prior year period. For the quarter, segment profitability was enhanced by improved overhead absorption at Polydesign and AFX, reduced bonus payments to production workers in Mexico, as well as greater operating efficiencies and favorable foreign exchange rate movements across the segment in general. The benefit of these factors outweighed an increase in accounts receivable and other provisions during the quarter to address likely near-term stresses associated with the current global downturn. Year-to-date results additionally benefited from the elimination of ALC's operations, which contributed operating losses of $2.1 million in the first quarter of fiscal 2019, but were hampered by the impact of the strike at General Motors and unfavorable product mix shifts in the first quarter of fiscal 2020. To counter ongoing pricing pressures and rising input costs, management remains focused on improving the efficiency of its operations and reducing its overall cost structure. Pricing discipline also remains a focus, although there is typically limited, if any, ability to attain increased pricing for the duration of current programs, which typically range from three to five years. Pricing for new programs however embed management's expectations for higher future costs.

The Casting and Extrusion segment reported $4.5 million of pretax profit in the second quarter – a decrease of $0.1 million or 2% from the same quarter last year. Year-to-date, the segment reported pretax profit of $8.8 million – a decrease of $1.3 million, or 13% compared to the prior year period. Profitability reduction occurred within the Extrusion group for the quarter due to adverse overhead absorption given the decline in extrusion die volumes, while year-to-date results were additionally impacted by start-up losses for the Extrusion facility in Mexico. Separately, profitability at the Large Mould group was higher during the quarter and year-to-date as progress with various efficiency initiatives continued to move ahead. Castool's profitability was up during the quarter due to a reduction in steel prices and favorable foreign exchange rate movements though the group's profitability was down very modestly year-to-date due to higher delivery and selling costs as well as reduced overhead absorption and a mix shift towards lower margin products.

The Corporate segment expenses were $1.6 million in the second quarter compared to $2.0 million in the prior year quarter. Year-to-date, Corporate expenses totaled $3.9 million compared to $3.5 million the prior year period. Year over year variances were mainly due to foreign exchange rate movements, changes to non-cash stock-based compensation expense related to the Stock Option Plan and the Board of Directors Deferred Stock Unit Plan, partially offset by an increase in accounts receivable allowance and other provisions in the current year period.

Consolidated Adjusted EBITDA for the second quarter totaled $17.6 million compared to $16.3 million in the same quarter last year – an increase of $1.3 million, or 8%. Year-to-date, consolidated adjusted EBITDA totaled $33.0 million compared to $34.9 million last year – a decrease of $1.9 million, or 5%. For the quarter, Adjusted EBITDA as a percentage of sales increased to 14.7% in the current period compared to 13.2% the prior year driven by an improvement in segment margins in both the Automotive Solutions and Casting & Extrusion segments, as well as a reduction in Corporate cash expenses.

Financial Resources, Liquidity and Capital Resources

Operating cash flow before net change in non-cash working capital totaled $15.0 million in the second quarter compared to $14.2 million in the same period last year. Year-to-date, operating cash flow before net change in non-working capital totaled $28.6 million compared to $29.4 million the prior year period. The year over year variance in the respective periods is primarily driven by Adjusted Net Income, which was higher in the current quarter and lower year-to-date. As well, current period results included higher amounts for depreciation driven by the addition of our extrusion tooling facility in Mexico, which started commercial production April 1, 2019. Deferred income taxes, a non-cash charge to earnings, were also higher in the prior year period. Non-cash working capital contributed $3.5 million of cash in the current quarter compared to $0.5 million the prior year period. Year-to-date, non-cash working capital consumed $0.2 million of cash compared to a use of $9.7 million the prior year period. The non-cash working capital movements were mainly driven by improvements in accounts receivable collection. Consequently, net cash provided by operating activities amounted to $18.6 million in the current quarter compared to $14.8 million in the same quarter last year. Year-to-date, net cash provided by operating activities amounted to $28.3 million compared to $19.7 million the prior year period.

Cash used in financing activities in the current quarter was $0.7 million compared to $10.4 million of cash used in the same quarter last year. Year-to-date, cash used in financing activities totaled $7.8 million compared to $24.7 million the prior year period. The reduced cash use in the respective periods was primarily due to an increase in debt in the second quarter of 2020, which the company availed to strengthen its cash position given the uncertain economic backdrop driven by the COVID-19 crises. Year over year variances were also due to modestly higher dividend payments and increased share repurchases in the current year periods.

Cash used in investing activities in the second quarter totaled $5.9 million compared to $6.3 million in the same quarter last year. Year-to-date, cash used in investing activities totaled $12.4 million compared to $14.9 million the prior year. The difference was due to the timing of planned capital expenditures.

The Company's financial position and liquidity remain strong. Exco's net cash position totaled $11.9 million as at March 31, 2020. Principal sources of liquidity include generated Free Cash Flow, $35.7 million of balance sheet cash and $27.0 million of unused availability under its $50 million committed credit facility, renewed during the quarter, which matures February 2023. Pursuant to the terms of the credit facility, Exco is required to maintain compliance with certain financial covenants, which the Company was in compliance with as at March 31, 2020. In response to the developments resulting from the COVID-19 pandemic, the Company has stress tested its financial and liquidity position and expects to remain Free Cash Flow positive through the second half of fiscal 2020 while remaining in compliance with its financial covenants.

Exco's operating leases have been recognized as Right of Use assets in accordance with IFRS 16 Leases and included in the balance sheet within Property, plant and equipment and other accrued liabilities. 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 warehouses in Brownsville, Texas. The following table summarizes all short-term and long-term commitments Exco has entered.

	March 31, 2020			
	Total	< 1 year	1-3 years	4-5 years
Bank Indebtedness	$623	$ 623	-	-
Trade accounts payable	38,749	38,749	-	-
Long term debt	23,099	99	23,000	-
Lease commitments	1,569	524	1,002	43
Purchase commitments	34,826	34,826	-	-
Capital expenditures	5,582	5,582	-	-
	$104,448	$80,403	$24,002	$43

Quarterly results

The following table sets out financial information for each of the eight quarters through to the second quarter ended March 31, 2020:

($ thousands except per share amounts)	March 31, 2020	December 31, 2019	September 30, 2019	June 30, 2019
Sales	$120,244	$120,423	$121,815	$119,944
Net income	$9,495	$8,058	$6,773	$7,477
Earnings per share				
Basic	$0.24	$0.20	$0.17	$0.18
Diluted	$0.24	$0.20	$0.17	$0.18

($ 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

[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.

Non-IFRS Measures

The following table provides a reconciliation of net income for the periods to Adjusted Net Income, Adjusted Pretax Profit, Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted EPS as well as a reconciliation of cash provided by operating activities to Free Cash Flow.

	Three Months ended March 31		Six Months ended March 31	
	(in $ thousands)			
	2020	2019	**2020**	2019
Net income	**$9,495**	$8,564	**$17,553**	$12,382
Other expense	**-**	333	**-**	6,409
Adjusted net income	**9,495**	8,897	**17,553**	18,791
Provision for income tax	**2,669**	2,603	**4,437**	6,232
Adjusted Pretax Profit	**12,164**	11,500	**21,990**	25,023
Depreciation	**4,294**	3,572	**8,672**	7,338
Amortization	**1,027**	1,006	**2,026**	2,044
Net interest expense	**157**	226	**336**	479
Adjusted EBITDA	**17,642**	16,304	**33,024**	34,884
Sales	**$120,244**	**$123,465**	**$240,667**	$265,589
Adjusted EBITDA margin	**14.7%**	13.2%	**13.7%**	13.1%
Weighted average basic shares outstanding	**39,914**	41,364	**39,946**	41,409
Adjusted EPS	**$0.24**	$0.22	**$0.44**	$0.45
Cash provided by operating activities	**$18,552**	$14,760	**$28,316**	$19,732
Interest	**(157)**	(226)	**(336)**	(479)
Investment in Fixed assets net of proceeds of disposal	**(5,903)**	(6,328)	**(12,442)**	(14,948)
Free Cash Flow	**$12,492**	$8,206	**$15,538**	$4,305

Recent Accounting Changes and Effective Dates

Please see the notes to the Company's consolidated financial statements for the year ended September 30, 2019 and the condensed interim financial statements for the periods ended March 31, 2020 for information regarding the accounting changes effective October 1, 2019.

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, 2020 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, 2020 Exco had 39,750,597 common shares issued and outstanding and stock options outstanding to purchase up to 1,017,900 common shares at exercise prices ranging from $8.56 to $14.58.

Forward-Looking Statements

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, liquidity 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, the current uncertain global economic impact of the COVID-19 pandemic or similar outbreak of epidemic, pandemic, or contagious diseases that may emerge in the human population, which may have a material effect on how we and our customers operate our businesses and the duration and extent to which this will impact our future operating results, financial performance, and overall demand for our products, 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 in response to rising climate risk , 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 2019 Annual Report, our 2019 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, 2020 and 2019 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, 2020	As at September 30, 2019
		(note 2)
ASSETS		
Current		
Cash and cash equivalents	**$35,651**	$26,488
Accounts receivable	**99,725**	93,552
Inventories	**68,507**	73,260
Prepaid expenses and deposits	**2,717**	2,874
Income taxes recoverable	**-**	1,875
Total current assets	**206,600**	198,049
Property, plant and equipment, net (note 4)	**133,683**	126,787
Intangible assets, net (note 5)	**34,364**	33,891
Goodwill (note 5)	**67,512**	62,834
Deferred tax assets	**1,283**	1,174
Total assets	**$443,442**	$422,735
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Bank indebtedness	**$623**	$578
Trade accounts payable	**38,749**	44,183
Accrued payroll liabilities	**8,683**	12,643
Other accrued liabilities	**11,629**	8,041
Derivative instruments	**4,432**	278
Provisions	**2,614**	2,672
Income taxes payable	**2,062**	-
Customer advance payments	**2,523**	1,747
Long-term debt - current portion (note 7)	**99**	93
Total current liabilities	**71,414**	70,235
Long-term debt - long-term portion (note 7)	**23,000**	17,093
Deferred tax liabilities	**8,027**	8,920
Total liabilities	**102,441**	96,248
Shareholders' equity		
Share capital (note 8)	**49,569**	50,538
Contributed surplus	**4,529**	4,349
Accumulated other comprehensive income	**19,655**	9,480
Retained earnings	**267,248**	262,120
Total shareholders' equity	**341,001**	326,487
Total liabilities and shareholders' equity	**$443,442**	$422,735

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	
	2020	2019	**2020**	2019
Sales	**$120,244**	$123,465	**$240,667**	$265,589
Cost of sales	**91,443**	95,502	**185,304**	208,645
Selling, general and administrative expenses	**11,160**	11,690	**22,381**	22,094
Depreciation (note 4)	**4,294**	3,572	**8,672**	7,338
Amortization (note 5)	**1,027**	1,006	**2,026**	2,044
(Gain) on disposal of property, plant and equipment	**(1)**	(31)	**(42)**	(34)
Interest expense, net	**157**	226	**336**	479
Other expense (note 12)	**-**	333	**-**	6,409
	108,080	112,298	**218,677**	246,975
Income before income taxes	**12,164**	11,167	**21,990**	18,614
Provision for income taxes (note 11)	**2,669**	2,603	**4,437**	6,232
Net income for the period	**9,495**	8,564	**17,553**	12,382
Other comprehensive income (loss)				
Items that may be reclassified to profit or loss in subsequent periods:				
Net unrealized gain (loss) on derivatives designated as cash flow hedges (a)	**(4,182)**	585	**(3,061)**	(791)
Unrealized gain (loss) on foreign currency translation	**15,054**	(5,890)	**13,236**	6,186
	10,872	(5,305)	**10,175**	5,395
Comprehensive income	**$20,367**	$3,259	**$27,728**	$17,777
Income per common share				
Basic	**$0.24**	$0.21	**$0.44**	$0.30
Diluted	**$0.24**	$0.21	**$0.44**	$0.30
Weighted average number of common shares outstanding				
Basic	**39,914**	41,364	**39,946**	41,409
Diluted	**39,914**	41,382	**39,946**	41,432

(a) Net of income tax recoverable of $1,492 and $1,092 for the three- and six- month periods ended March 31, 2020 (2019 - net of payable of $209 and income tax recoverable of $282 for the three- and six- month periods ended March 31, 2019)

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, 2019	$50,538	$4,349	$262,120	($207)	$9,687	$9,480	$326,487
Net income for the period	-	-	8,058	-	-	-	8,058
Dividend paid (note 3)	-	-	(3,617)	-	-	-	(3,617)
Stock option grants	-	86	-	-	-	-	86
Exercise of stock options	-	-	-	-	-	-	-
Repurchase of Share Capital (note 8)	(421)	-	(2,230)	-	-	-	(2,651)
Other comprehensive income (loss)	-	-	-	1,121	(1,818)	(697)	(697)
Balance, December 31, 2019	$50,117	$4,435	$264,331	$914	$7,869	$8,783	$327,666
Net income for the period			9,495				9,495
Dividend paid (note 3)			(3,777)				(3,777)
Stock option grants		94					94
Exercise of stock options							0
Repurchase of Share Capital (note 8)	(548)		(2,801)				(3,349)
Other comprehensive income (loss)				(4,182)	15,054	10,872	10,872
Balance, March 31, 2020	$49,569	$4,529	$267,248	($3,268)	$22,923	$19,655	$341,001

				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
Adjustment to Opening Retained earnings (note 2)	-	-	(2,994)	-	-	-	($2,994)
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	$257,502	($804)	$22,399	$21,595	$334,398
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	-	-	-	585	(5,890)	(5,305)	(5,305)
Balance, March 31, 2019	$51,447	$4,277	$260,720	($219)	$16,509	$16,290	$332,734

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 **2020**	2019	Six months ended March 31 **2020**	2019
OPERATING ACTIVITIES:				
Net income for the period	**$9,495**	$8,564	**$17,553**	$12,382
Add non-operating and items not involving a current outlay of cash				
Depreciation (note 4)	**4,294**	3,572	**8,672**	7,338
Amortization (note 5)	**1,027**	1,006	**2,026**	2,044
Stock-based compensation expense	**(44)**	169	**112**	251
Deferred income taxes	**86**	383	**(95)**	536
Net interest expense	**157**	226	**336**	479
Non-cash provision for ALC and Other expense (note 12)	**-**	333	**-**	6,409
(Gain) on disposal of property, plant and equipment	**(1)**	(31)	**(42)**	(34)
	15,014	14,222	**28,562**	29,405
Net change in non-cash working capital (note 10)	**3,538**	538	**(246)**	(9,673)
Cash provided by operating activities	**18,552**	14,760	**28,316**	19,732
FINANCING ACTIVITIES:				
Increase (decrease) in bank indebtedness	**(4,308)**	(12,454)	**45**	(9,334)
Financing from long-term debt	**10,917**	7,315	**10,917**	-
(Repayment) of long-term debt	**-**	-	**(5,004)**	(2,456)
Interest paid, net	**(157)**	(226)	**(336)**	(479)
Dividends paid (note 3)	**(3,777)**	(3,717)	**(7,394)**	(7,241)
Repurchase of share capital	**(3,349)**	(1,865)	**(6,000)**	(5,817)
Issuance of share capital	**-**	595	**-**	672
Cash used in financing activities	**(674)**	(10,352)	**(7,772)**	(24,655)
INVESTING ACTIVITIES:				
Purchase of property, plant and equipment (note 4)	**(5,736)**	(6,259)	**(13,378)**	(14,865)
Purchase of intangible assets (note 5)	**(191)**	(160)	**(257)**	(200)
Proceeds from disposal of property, plant and equipment	**24**	91	**1,193**	117
Cash used in investing activities	**(5,903)**	(6,328)	**(12,442)**	(14,948)
Effect of exchange rate changes on cash	**1,111**	1,964	**1,061**	3,645
Net increase (decrease) in cash during the period	**13,086**	44	**9,163**	(16,226)
De-consolidation of ALC cash (note 12)	**-**	(964)	**-**	(964)
Cash, beginning of period	**22,565**	15,073	**26,488**	31,343
Cash, end of period	**$35,651**	$14,153	**$35,651**	$14,153

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, 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

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- and six- month periods ended March 31, 2020 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 2019 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 the same as those that applied to the Company's consolidated financial statements as at and for the year ended September 30, 2019 with the exception of the adoption of IFRS 16. These areas of critical accounting estimates were impacted when the World Health Organization characterized the COVID-19 virus as a global pandemic in March 2020. There is significant uncertainty as to the likely effects of this outbreak which may, among other things, impact our suppliers and customers businesses.

Effective October 1, 2018 the Company adopted IFRS 15, in accordance with the modified retrospective approach. During the first quarter of fiscal 2020 management identified an error related to the adoption of IFRS 15. Specifically, in evaluating its long-term large die cast mould contracts, certain cancelation provisions do not meet the requirements and as a result, the Company should have recognized revenue for these contracts at a point in time (i.e. completed contract) rather than over time (i.e. percentage of completion). Management evaluated the quantitative and qualitative aspects of this change and determined that the impact was not material to the fiscal 2019 annual consolidated financial statements nor to the fiscal 2019 interim condensed consolidated financial statements. The Company recorded an adjustment to October 1, 2018 retained earnings of $2,994 to reflect the IFRS 15 transition adjustment. In addition, in the September 30, 2019 consolidated statement of financial position the Company recorded a decrease to deferred tax liabilities of $1,052, reclassified progress billings of $737 from unbilled revenue to customer advance payments and reclassified the remaining $15,410 of unbilled revenues to inventories.

These unaudited condensed interim consolidated financial statements should be read in conjunction with the Company's 2019 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, 2020 were authorized for issue by the Board of Directors on April 29, 2020.

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 2020

The Company's significant accounting policies are as outlined in the Company's consolidated financial statements as at and for the year ended September 30, 2019 except as follows:

IFRS 16, *Leases* ("IFRS 16")

In January 2016, the IASB issued the final publication of IFRS 16, superseding IAS 17, Leases and IFRIC 4, Determining whether an arrangement contains a lease. IFRS 16 introduced a single accounting model for lessees unless the underlying asset is of low value or short term in nature. A lessee is required to recognize, on its statement of financial position, a right-of-use asset, representing its right to use the underlying leased asset, and a lease liability, representing its obligation to make lease payments. As a result of adopting IFRS 16, the Company has recognized an increase to both assets and liabilities on its interim condensed consolidated balance sheet, as well as a decrease in operating rent expense, and increases in finance and depreciation expenses, as recognized in the interim condensed consolidated statement of operations. The standard did not have a significant impact on the Company's overall consolidated operating results.

The Company adopted IFRS 16, effective October 1, 2019, under the modified retrospective approach. Comparatives for 2019 were not restated. At transition, the Company elected to use the practical expedient available under the standard that allows lease assessments made under IAS 17 and IFRIC 4 to be used for existing contracts. Therefore, the definition of a lease under IFRS 16 was applied only to contracts entered into or modified after October 1, 2019.

Upon initial application, lease liabilities were measured at the present value of the remaining lease payments, discounted at the relevant incremental borrowing rates as at October 1, 2019. For leases previously classified as operating leases under IAS 17, the Company measured right-of-use assets equal to the corresponding lease liabilities adjusted for any accrued payments related to that lease. For short-term leases and leases of low value assets, the Company has opted to recognize a lease expense on a straight-line basis, and this expense is presented within selling, general and administrative expenses in the consolidated statements of operations and comprehensive loss.

As such, on October 1, 2019, the Company recorded lease liabilities of $1,687 in Other Accrued Liabilities and right-of-use assets of $1,687 are included in Property, plant and equipment, recognized in the interim condensed consolidated balance sheet immediately before the date of initial application, with no net impact on retained earnings.

The Company elected to use the following practical expedients upon initial application in accordance with the provisions of IFRS 16:

- Accounting for all leases with a lease term that ends within 12 months of initial application in the same way as short-term leases;
- Exclusion of initial direct costs from the measurement of the right-of-use asset on the date of initial application; and
- Use of hindsight in determining the lease term where the contract contains purchase, extension, or termination options.

On transition, the Company elected to use the recognition exemptions on short-term leases or low-value leases, however, in the future, may choose to elect the recognition exemptions on a class-by-class and lease-by-lease basis.

New Lease Accounting Policy

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether the contract: involves the use of an identified asset; provides the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use; and provides the right to direct the use of the asset.
This policy is applied to contracts entered into, or modified, on or after October 1, 2019.

A right-of-use asset and lease liability are recorded on the date that the underlying asset is available for use, representing the commencement date.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that are tied to an index or rate defined in the contract;
- amounts expected to be payable under a residual value guarantee;
- the exercise price under a purchase option that the Company is reasonably likely to exercise; and
- lease payments under an optional extension if the Company is reasonably certain to exercise the extension option, and early termination penalties required under a termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether or not it will exercise a purchase, extension or termination option. When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The right-of-use asset is initially measured at cost, consisting of:

- the initial measurement of the lease liability, adjusted for any lease payments made at or before the commencement date;
- any initial direct costs incurred; and
- an estimate of costs to dismantle and remove the underlying asset or restore the site on which it is located; less
- any lease incentives received.

The right-of-use asset is subsequently depreciated on a straight-line basis from the commencement date to the earlier of the end of the useful life of the asset or the end of the lease term. The lease term consists of the non-cancellable period of the lease; periods covered by options to extend the lease, when the Company is reasonably certain to exercise the option to extend; and periods covered by options to terminate the lease, when the Company is reasonably certain not to exercise the option. The right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability as described above.

Short term and low-value leases

The Company has elected to not recognise right-of-use assets and lease liabilities for short-term leases (i.e., those leases that have a lease term of twelve months or less) and leases with assets of low value (i.e., those assets with a fair market value of less than $5,000 US). The expenses associated with such leases are recognized in the interim condensed consolidated statement of operations on a straight-line basis over the lease term.

$(000)'s except per share amounts

Variable lease payments

Certain leases contain provisions that result in changes to lease payments over the term in relation to market indices quoted in the contract. The Company reassesses the lease liabilities related to these leases when the index or other data is available to calculate the change in lease payment.

Certain leases require the Company to make payments that relate to property taxes, insurance, or other non-rental costs. These costs are typically variable and are not included in the calculation of the right-of-use asset or lease liability, but are recorded as an expense in cost of sales in the interim condensed consolidated statement of operations in the period in which they are incurred.

3. CASH DIVIDEND

During the three- and six- month periods ended March 31, 2020, the Company paid quarterly cash dividends totaling $3,777 and $7,394 (2019 -$3,717 and $7,241). The quarterly dividend rate in the second quarter of 2020 was $0.095 per common share (2018 - $0.09).

4. PROPERTY, PLANT AND EQUIPMENT

	Machinery and Equipment	Tools	Buildings	Land	Assets under Construction	Right of Use Assets	TOTAL
Cost							
Balance as at September 30, 2019	203,928	24,407	75,263	11,978	6,552	-	322,128
Initial recognition IFRS16 assets (note 2)	-	-	-	-	-	1,687	1,687
Additions	3,961	613	276	865	7,631	32	13,378
Less: disposals	(3,928)	(73)	(24)	-	-	(10)	(4,035)
Reclassification	5,057	642	3,693	-	(9,392)	-	-
Foreign exchange movement	3,663	503	1,723	56	(18)	119	6,046
Balance as at March 31, 2020	**$212,681**	**$26,092**	**$80,931**	**$12,899**	**$4,773**	**$1,828**	**$339,204**

	Machinery and Equipment	Tools	Buildings	Land	Assets under Construction	Right of Use Assets	TOTAL
Accumulated depreciation and impairment losses							
Balance as at September 30, 2019	140,567	18,294	36,480	-	-	-	195,341
Depreciation	5,845	985	1,557	-	-	285	8,672
Less: disposals	(2,824)	(51)	(1)	-	-	(8)	(2,884)
Foreign exchange movement	2,936	544	904	-	-	8	4,392
Balance as at March 31, 2020	**$146,524**	**$19,772**	**$38,940**	**$-**	**$-**	**$285**	**$205,521**

$(000)'s except per share amounts

Carrying amounts							
As at September 30, 2019	$63,361	$6,113	$38,783	$11,978	$6,552	$-	$126,787
As at March 31, 2020	**$66,157**	**$6,320**	**$41,991**	**$12,899**	**$4,773**	**$1,543**	**$133,683**

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, 2019	$21,326	$47,224	$106	$68,656	$62,834
Additions	130	-	127	257	-
Reclassifications	190	-	(190)	-	-
Foreign exchange movement	184	3,137	6	3,327	4,678
Balance as at March 31, 2020	**$21,830**	**$50,361**	**$49**	**$72,240**	**$67,512**

	Computer Software and Other	Acquisition Intangibles*	Assets under Construction (Software)	Total Intangible Assets	Goodwill
Accumulated amortization and impairment losses					
Balance as at September 30, 2019	19,974	14,791	-	34,765	-
Amortization for the period	394	1,632	-	2,026	-
Foreign exchange movement	178	907	-	1,085	-
Balance as at March 31, 2020	**$20,546**	**$17,330**	**$-**	**$37,876**	**$-**
Carrying amounts					
As at September 30, 2019	$1,352	$32,433	$106	$33,891	$62,834
As at March 31, 2020	**$1,284**	**$33,031**	**$49**	**$34,364**	**$67,512**

*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 variable and a reflection of market-based rates.

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.

$(000)'s except per share amounts

During the six-month period ended March 31, 2020 there were no transfers between Level 1 and Level 2 fair value measurements.

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

	March 31, 2020		September 30, 2019	
	Carrying Amount of Asset (Liability)	**Fair Value of Asset (Liability)**	Carrying Amount of Asset (Liability)	Fair Value of Asset (Liability)
Cash and cash equivalents	**$35,651**	**$35,651**	$26,488	$26,488
Accounts receivable	**99,725**	**99,725**	93,552	93,552
Trade accounts payable	**(38,749)**	**(38,749)**	(44,183)	(44,183)
Bank indebtedness	**(623)**	**(623)**	(578)	(578)
Customer advance payments	**(2,523)**	**(2,523)**	(1,747)	(1,747)
Accrued liabilities	**(20,312)**	**(20,312)**	(20,684)	(20,684)
Derivative instruments	**(4,432)**	**(4,432)**	(278)	(278)
Long-term debt	**($23,099)**	**($23,099)**	($17,186)	($17,186)

7. LONG-TERM DEBT

On February 7, 2020, the Company renewed the $50,000 Committed Revolving Credit Facility to February 28, 2023. As at March 31, 2020 $23,000 was utilized (2019 - $15,500). The facility 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, 2020	September 30, 2019
Bank debt	**$23,000**	$17,000
Term notes	**-**	-
Promissory note	**99**	186
Subtotal	**23,099**	17,186
Less: current portion	**(99)**	(93)
Long-term debt, long-term portion	**$23,000**	$17,093

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, 2020.

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, 2020. The Company's Board of Directors authorized the purchase of up to 2,000,000 common shares representing approximately 5% of the Company's outstanding common shares. During the quarter and year-to-date 439,066 and 777,066 common shares were repurchased (2019 - 193,200 and 553,700) for a total cost of $3,349 and $6,000 respectively (2019 - $1,865 and $5,817). The cost to repurchase the common shares in the year exceeded their stated value by $5,031 (2019 - $5,074) which was recorded against retained earnings.

As at March 31, 2020 the Company had 39,750,597 common shares issued and outstanding.

$(000)'s except per share amounts

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, 2020			
	Casting and Extrusion	Automotive Solutions	Corporate	Total
Sales	**$49,279**	**$73,543**	**$-**	**$122,822**
Intercompany sales	**(2,460)**	**(118)**	**-**	**(2,578)**
Net sales	**46,819**	**73,425**	**-**	**120,244**
Depreciation	**3,458**	**814**	**22**	**4,294**
Amortization	**161**	**866**	**-**	**1,027**
Pre-tax income (loss) before interest and other expense	**4,488**	**9,391**	**(1,558)**	**12,321**
Net interest expense				**(157)**
Income before income taxes				**12,164**
Property, plant and equipment additions	**5,264**	**472**	**-**	**5,736**
Property, plant and equipment, net	**106,000**	**26,297**	**1,386**	**133,683**
Intangible asset additions	**185**	**6**	**-**	**191**
Intangible assets, net	**1,080**	**33,283**	**1**	**34,364**
Goodwill	**-**	**67,512**	**-**	**67,512**
Total assets	**205,948**	**226,387**	**11,107**	**443,442**
Total liabilities	**25,905**	**41,610**	**34,926**	**102,441**

$(000)'s except per share amounts

	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	99,838	22,730	1,438	124,006
Intangible asset additions	121	39	-	160
Intangible assets, net	1,175	34,676	2	35,853
Goodwill	-	64,071	-	64,071
Total assets	221,637	214,758	(9,776)	426,619
Total liabilities	30,663	39,054	24,168	93,885

	Six Months Ended March 31, 2020			
	Casting and Extrusion	**Automotive Solutions**	**Corporate**	**Total**
Sales	**$102,654**	**$141,966**	**$-**	**$244,620**
Intercompany sales	**(3,720)**	**(233)**	**-**	**(3,953)**
Net sales	**98,934**	**141,733**	**-**	**240,667**
Depreciation	**6,796**	**1,831**	**45**	**8,672**
Amortization	**322**	**1,703**	**1**	**2,026**
Pre-tax income (loss) before interest and other expense	**8,808**	**17,439**	**(3,921)**	**22,326**
Net interest expense				**(336)**
Income before income taxes				**21,990**
Initial recognition IFRS 16 assets	**389**	**1,266**	**32**	**1,687**
Property, plant and equipment additions	**11,759**	**1,619**	**-**	**13,378**
Property, plant and equipment, net	**106,000**	**26,297**	**1,386**	**133,683**
Intangible asset additions	**251**	**6**	**-**	**257**
Intangible assets, net	**1,080**	**33,283**	**1**	**34,364**
Goodwill	**-**	**67,512**	**-**	**67,512**
Total assets	**205,948**	**226,387**	**11,107**	**443,442**
Total liabilities	**25,905**	**41,610**	**34,926**	**102,441**

$(000)'s except per share amounts

	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	99,838	22,730	1,438	124,006
Intangible asset additions	161	39	-	200
Intangible assets, net	1,175	34,676	2	35,853
Goodwill	-	64,071	-	64,071
Total assets	221,637	214,758	(9,776)	426,619
Total liabilities	30,663	39,054	24,168	93,885

10. NET CHANGE IN NON-CASH WORKING CAPITAL

	Six months ended March 31	
	2020	2019
Accounts receivable	**($2,769)**	($13,482)
Inventories	**7,368**	(912)
Prepaid expenses and deposits	**184**	28
Trade accounts payable	**(6,937)**	2,345
Accrued payroll liabilities	**(4,352)**	(2,988)
Other accrued liabilities	**1,237**	2,641
Provisions	**(58)**	(15)
Customer advance payments	**775**	(593)
Income taxes payable	**4,306**	3,303
	($246)	($9,673)

11. INCOME TAXES

The consolidated effective income tax rate for the six-month period ended March 31, 2020 was 20.2% (six-month period ended March 31, 2019 – 33.5%).The income tax rate for the six-month period ended March 31, 2020 was favorably impacted by higher income in lower tax jurisdictions. The income tax rate for the six-month period ended March 31, 2019 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%

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. As a result, the Company lost control of and de-consolidated it from the Company's financial statements. The Company had recorded a $6.4 million provision during the six months ended March 31, 2019 in respect to ALC, the result of which was that the net assets of ALC were $nil.

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 approximately 5,400 people and service a diverse and broad customer base.

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TORONTO STOCK EXCHANGE LISTING

XTC

DIRECTORS

Edward H. Kernaghan
Darren M. Kirk, President and CEO
Robert B. Magee, Lead Director
Colleen M. McMorrow
Paul E. Riganelli
Brian A. Robbins, Executive Chairman
Anne Marie Turnbull

CORPORATE OFFICERS

Brian A. Robbins, PEng
Executive Chairman

Darren M. Kirk, CFA, MBA
President and CEO

Matthew Posno, CPA, CA, MBA
Vice President Finance, CFO and Secretary

Paul E. Riganelli, MA, MBA, LLB
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