Wajax London Ontario Branch

Wajax Financial Results – Q1 2020

May 5, 2020

Cautionary Statement Regarding Forward-Looking Information

This presentation contains certain forward-looking statements and forward-looking information, as defined in applicable securities laws (collectively, "**forward-looking statements**"). These forward-looking statements relate to future events or the Corporation's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "anticipates", "intends", "predicts", "expects", "is expected", "scheduled", "believes", "estimates", "projects" or "forecasts", or variations of, or the negatives of, such words and phrases or state that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors beyond the Corporation's ability to predict or control which may cause actual results, performance and achievements to differ materially from those anticipated or implied in such forward-looking statements. There can be no assurance that any forward-looking statement will materialize. Accordingly, readers should not place undue reliance on forward-looking statements. The forward-looking statements in this presentation are made as of the date of this presentation, reflect management's current beliefs and are based on information currently available to management. Although management believes that the expectations represented in such forward-looking statements are reasonable, there is no assurance that such expectations will prove to be correct. Specifically, this presentation includes forward-looking statements regarding, among other things, our target leverage ratio range of 1.5 – 2.0; our actions and plans in response to uncertainties and changing conditions caused by COVID-19 as well as the recent and significant decrease in oil prices, including our main objectives in managing the business through this difficult time; our expectation that category revenues will decline in the second quarter of 2020 when compared to 2019, particularly in new equipment sales; our expectation that anticipated declines in category revenue/volume will be partially offset by cost reductions, while we manage customer service levels, working capital and capital spending accordingly; our expectation that, as and when public health conditions improve and limitations on commercial activity are lifted, volumes from "essential" workplaces and businesses, as well as opportunities to serve additional customers, will increase; and our expectation that cost management programs and current sources of liquidity will allow the Corporation to weather this difficult time. These statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to, assumptions regarding general business and economic conditions; the supply and demand for, and the level and volatility of prices for, oil, natural gas and other commodities; financial market conditions, including interest rates; our ability to execute our updated Strategic Plan, including our ability to develop our core capabilities, execute our organic growth priorities, complete and effectively integrate acquisitions, such as Delom and NorthPoint, and to successfully implement new information technology platforms, systems and software; the future financial performance of the Corporation; our costs; market competition; our ability to attract and retain skilled staff; our ability to procure quality products and inventory; and our ongoing relations with suppliers, employees and customers. The foregoing list of assumptions is not exhaustive. Factors that may cause actual results to vary materially include, but are not limited to, the geographic spread and ultimate impact of the COVID-19 virus and the duration of the coronavirus pandemic; the duration of travel, business and other restrictions imposed by governments and public authorities in response to COVID-19, as well as other measures that may be taken by such authorities; actions taken by our customers in relation to the COVID-19 pandemic, including slowing, reducing or halting operations; a continued or prolonged deterioration in general business and economic conditions (including as a result of the COVID-19 pandemic); volatility in the supply and demand for, and the level of prices for, oil, natural gas and other commodities; a continued or prolonged decrease in the price of oil or natural gas; fluctuations in financial market conditions, including interest rates; the level of demand for, and prices of, the products and services we offer; levels of customer confidence and spending; market acceptance of the products we offer; termination of distribution or original equipment manufacturer agreements; unanticipated operational difficulties (including failure of plant, equipment or processes to operate in accordance with specifications or expectations, cost escalation, our inability to reduce costs in response to slow-downs in market activity, unavailability of quality products or inventory, supply disruptions (including disruptions caused by the COVID-19 pandemic), job action and unanticipated events related to health, safety and environmental matters); our ability to attract and retain skilled staff and our ability to maintain our relationships with suppliers, employees and customers. The foregoing list of factors is not exhaustive. Further information concerning the risks and uncertainties associated with these forward-looking statements and the Corporation's business may be found in our Annual Information Form for the year ended December 31, 2019 (the "AIF"), filed on SEDAR. The forward-looking statements contained in this presentation are expressly qualified in their entirety by this cautionary statement. The Corporation does not undertake any obligation to publicly update such forward-looking statements to reflect new information, subsequent events or otherwise unless so required by applicable securities laws.

Readers are cautioned that the risks described in the AIF are not the only risks that could impact the Corporation. We cannot accurately predict the full impact that COVID-19 will have on our business, results of operations, financial condition or the demand for our products and services due to the uncertainties related to the spread of the virus. Risks and uncertainties not currently known to the Corporation, or currently deemed to be immaterial, may have a material effect on the Corporation's business, financial condition or results of operations.

Highlights – First Quarter

-8%	Revenue	$344.1 million	• Consolidated revenue reduction driven primarily by a weak March due to COVID-19 impact (January and February were comparable year-over-year) • Western Canada volume further affected by low oil prices
-26%	EBIT[1]	$11.4 million	• EBIT decreased $4.0 million, compared to the prior year primarily attributable to lower revenue • Cost reductions began to take effect late in the first quarter and did not offset Q1 revenue decline
-33%	Adjusted Basic EPS[1]	$0.29 per share	• Adjusted to exclude restructuring and other related costs and non-cash losses on mark to market of derivative instruments of $1.4 million[2]
17%	TRIF[3,4]	1.57	• Excellent workplace safety results • Recordable incidents down 21% • 2020 TRIF of 1.57 is 17% lower than 2019[3]

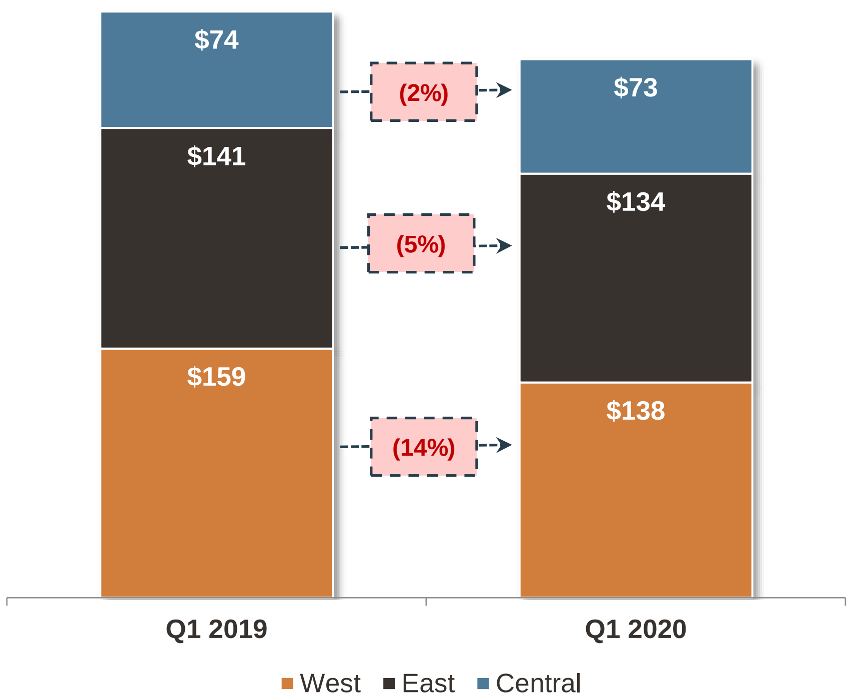
[1] This measure does not have a standardized meaning prescribed by GAAP. See Non-GAAP and Additional GAAP measures in Appendix 1.
[2] See the Results of Operations section of the Q1 2020 Management's Discussion and Analysis.
[3] Total Recordable Incident Frequency ("TRIF") measures the company's injury frequency. This is calculated as the total number of recordable incidents times 200,000 hours of work divided by the actual number of hours worked. A recordable incident is one that requires medical treatment beyond first aid.
[4] For comparison purposes, the 2019 TRIF includes NorthPoint data (NorthPoint was acquired by Wajax in January 2020).

Percentage change from Q1 2019

Revenue by Region

Q1 2020[1]

- Revenue decreased $30.5 million, or **8.1%**, to $344.1 million in Q1 2020 versus $374.6 million for the same period in 2019
- Decrease was due to lower sales in all regions, partly offset by higher ERS sales in central and eastern Canada due partially to the acquisition of NorthPoint on January 13, 2020

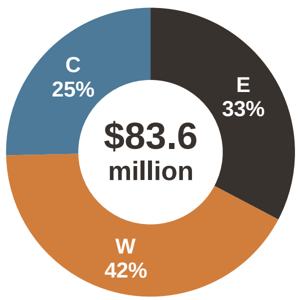


[1] *Totals may not add due to rounding.*

Revenue Analysis

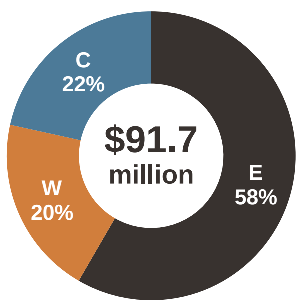
Q1 2020

Equipment Sales



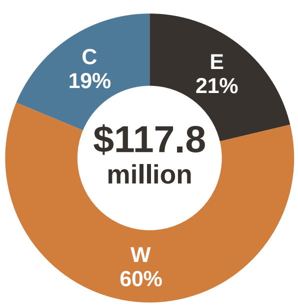
- $28.5 million (-25.4%) decrease compared to Q1 2019
- Lower construction sales across all regions, lower forestry sales in western and eastern Canada, lower power generation sales in central and eastern Canada, and lower material handling sales in eastern Canada

Industrial Parts



- $1.7 million (-1.8%) decrease compared to Q1 2019
- Higher sales in eastern Canada were more than offset by weakness in western and central Canada

Product Support



- $6.5 million (-5.2%) decrease compared to Q1 2019
- Weakness in engines and transmissions sales in western Canada, lower construction sales in western Canada, lower on-highway sales in all regions offset by higher mining parts sales in western Canada

Revenue by Category

Category[1]	Q1 2020	Q1 2019	Change	YTD 2020	YTD 2019	Change	YTD* E	YTD* W	YTD* C
Construction	$ 41.9	$ 55.4	$ (13.5)				↓	↓	↓
Material Handling	39.4	41.7	(2.3)				↓	↑	↑
ERS	45.0	37.1	7.9				↑	↑	↑
Industrial Parts	91.7	93.4	(1.7)				↑	↓	↓
Forestry	24.8	33.2	(8.4)				↓	↓	↑
On-Highway	22.5	25.1	(2.7)				↓	↓	↓
Power & Marine	14.8	20.3	(5.5)				↓	↓	↓
Mining	43.7	39.1	4.6				↑	↑	↑
Engines & Transmissions	17.5	22.5	(5.0)				↑	↓	↓
Crane & Utility	5.4	7.9	(2.5)				↓	↓	↓
Total[2]	**$ 344.1**	**$ 374.6**	**$ (30.5)**				↓	↓	↓
Change			***(8.1%)***						

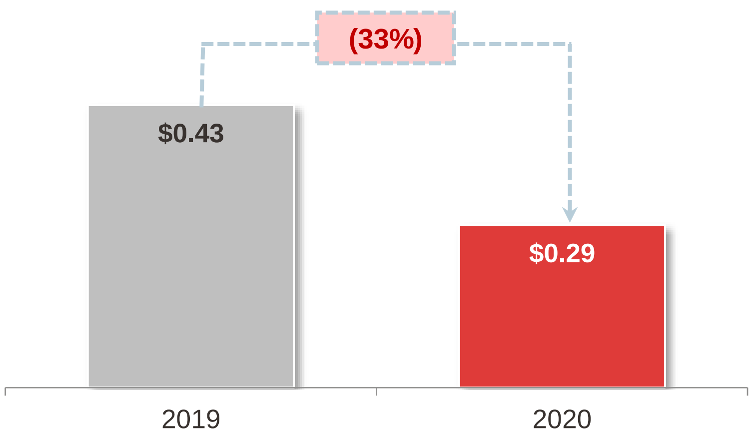
** Directional arrows applied to changes of +/- 2% year over year*

[1] Category values contain equipment sales and rental, parts and related services, where applicable. [2] Totals may not add due to rounding.

Adjusted Basic EPS[1]

Q1 2020

- Q1 adjusted net earnings of $5.8 million, or $0.29 per share, representing a $2.9 million decrease over the prior year period[1]
- Decrease is primarily attributable to lower revenue and higher finance costs

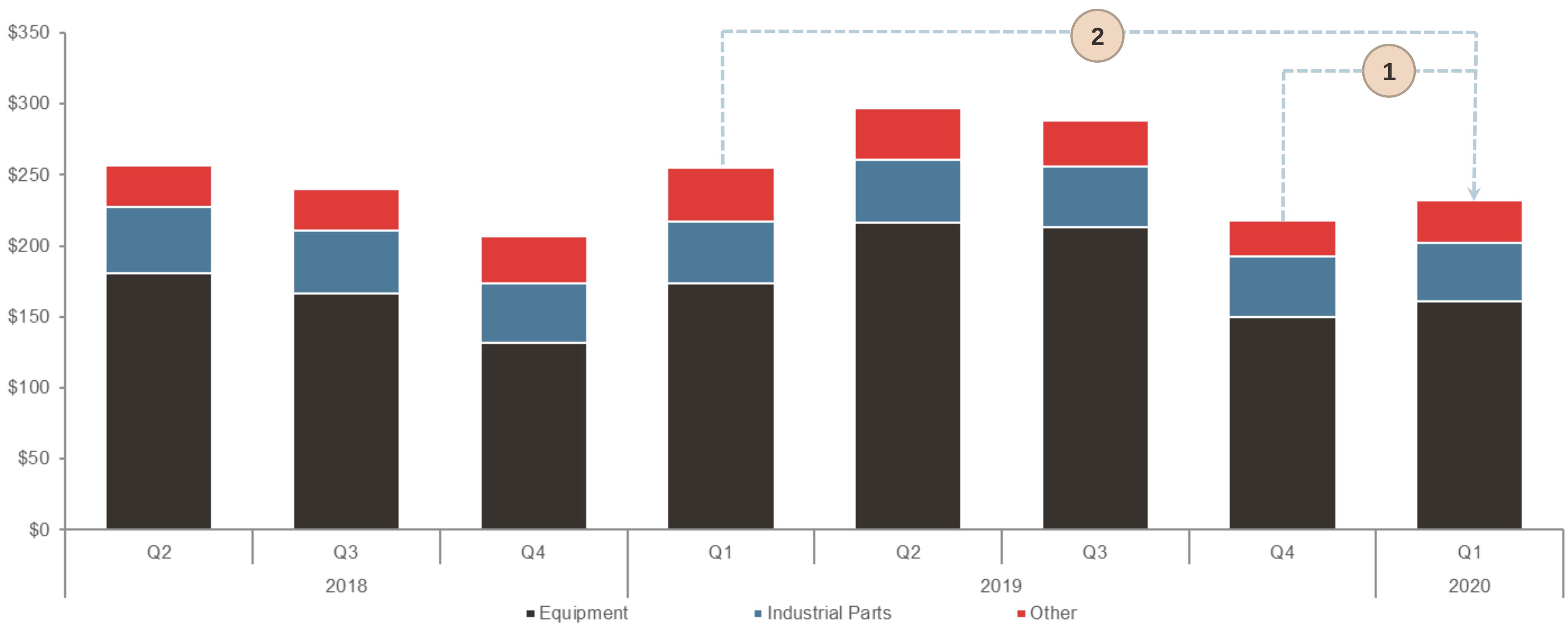


[1] *This measure does not have a standardized meaning prescribed by GAAP. See Non-GAAP and Additional GAAP measures in Appendix 1.*

\\ Backlog[1]

1. Backlog increased by $13.7 million (6%) from Q4 2019 to $231.8 million
   - Equipment backlog increased $10.8 million driven primarily by higher construction orders

2. Backlog decreased by $23.5 million (-9%) compared to Q1 2019
   - Equipment backlog decreased $12.6 million driven by lower material handling and power generation orders offset partially by higher mining orders

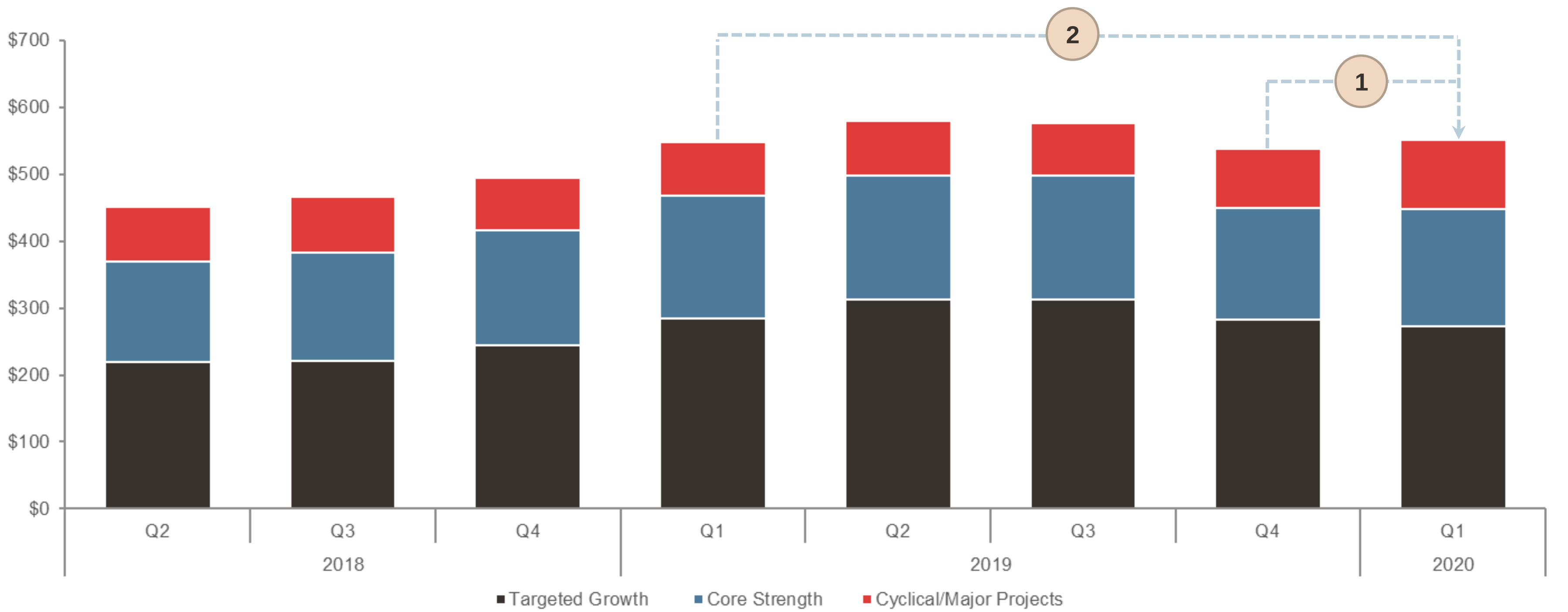


[1] *This measure does not have a standardized meaning prescribed by GAAP. See Non-GAAP and Additional GAAP measures in Appendix 1.*

\\ Inventory

1. Inventory (including consignment) increased by $12.5 million from Q4 2019 to $550.7 million[1]
   - Net of consignment, balance sheet inventory increased by $27.8 million as a result of higher equipment inventory in the forestry, construction and mining categories, including the receipt of a large mining shovel at the end of the quarter
   - Consignment inventory decreased $15.4 million and consists primarily of construction excavators

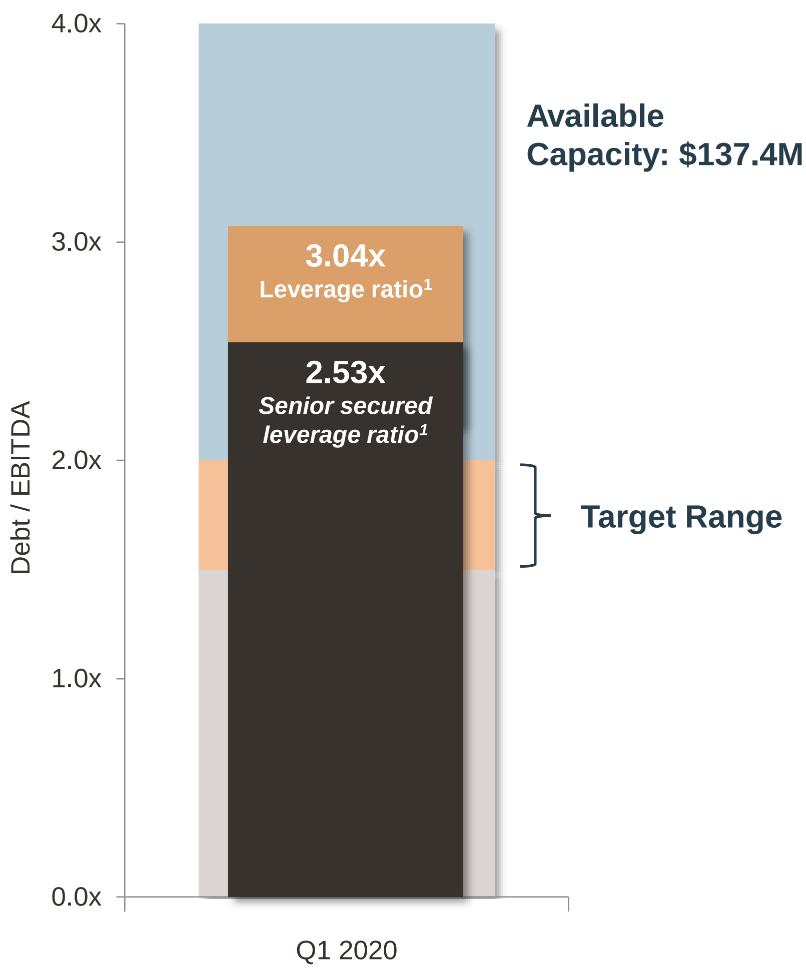
2. Inventory (including consignment) increased by $2.7 million compared to Q1 2019[1]
   - Net of consignment, balance sheet inventory increased by $50.5 million
   - Inventory increased as a result of higher equipment inventory in the construction and mining categories, including the receipt of a large mining shovel at the end of the quarter
   - Consignment inventory decreased $47.8 million and consists primarily of construction excavators



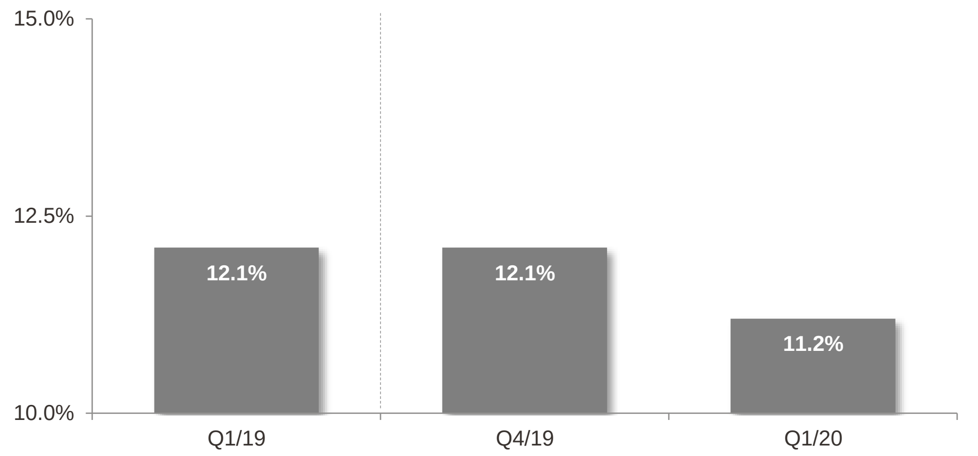
[1] Equipment received on consignment is not included as inventory on the balance sheet as it is not owned by Wajax. Consignment balance at March 31, 2020 was $107.9m (December 31, 2019 - $123.3m).

Balance Sheet

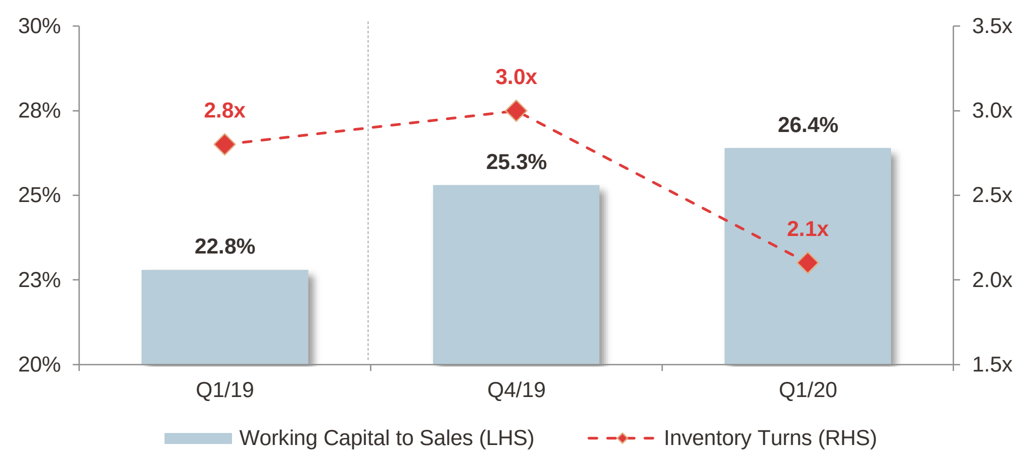
Credit Capacity



Adjusted Return On Net Assets (RONA)[1]



Working Capital Efficiency[1]



[1] *This measure does not have a standardized meaning prescribed by GAAP. See Non-GAAP and Additional GAAP measures in Appendix 1.*

COVID-19 and Market Conditions

- The coronavirus pandemic and the measures implemented to stop the spread of COVID-19 have had a significant effect on Wajax.
- The table below summarizes the Corporation's four main objectives in managing through this difficult period, as well as key actions taken to date in furtherance of these objectives.

Objective	Actions Include:
Protecting the health, safety and well-being of employees.	• To achieve physical distancing, approximately 40% of employees temporarily work from home. To further protect frontline employees whose roles require them to be in branches or at customer sites, protocols have been implemented to promote operational physical distancing, restrict site access, change shift rotations and enhance pre-work hazard assessments. • Employees required to be in isolation or quarantine are receiving 10 days of paid leave. • Employees on temporary layoff are receiving full health and dental benefits for an initial period of 90 days. • All-employee meetings are held weekly to provide updates on health and safety, government assistance programs, the Corporation's progress and regional business conditions.
Providing strong service to customers.	• To date, no material disruptions to the branch network or supply chain have occurred. • Volume-appropriate staffing levels have been maintained for field, branch and support operations. • Enhanced outreach programs have been developed for "essential" workplace and business customers (as defined by each province).
Protecting the financial health of the Corporation.	**Cost Reductions** • As at April 27th, 541 employees have been placed on temporary layoff and a further 341 employees are on reduced work weeks or participating in workshare programs. In total, approximately 34% of employees have been impacted by layoffs (97% temporary), reduced work weeks, work share programs and salary reductions. The Corporation will continue to review workforce changes in relation to business volumes and customer requirements. • Temporary salary reductions have been implemented, including reductions of 20% for the CEO, 10% for senior executives and between 5-10% for managers. Board member retainers have been temporarily reduced by 20%. • Discretionary expenses have been significantly reduced and cost concessions have been sought from business partners where appropriate. **Liquidity and Working Capital Management** • As at March 31, 2020, the Corporation had access to $137.4 million in liquidity within its current credit facility and has no debt maturing before 2024. • Selected used equipment inventory reductions are being considered. • Balance-of-year capital investment has been reduced to a minimum level. • The real estate monetization program previously disclosed by the Corporation will continue when conditions are more favourable. • The Corporation is working closely with customers on credit limits to support their businesses through this difficult period.
Continuing to be well-positioned to execute the Corporation's growth strategy.	• The planned 2020 second quarter implementation of the Corporation's new ERP system has been temporarily deferred. • The Corporation continues to focus on category growth strategies with emphasis on Industrial Parts and Engineered Repair Services (ERS) where volumes are more stable. • ERS acquisition opportunities continue to be reviewed for execution when conditions improve.

2020 Outlook

- Current business conditions had a negative effect on the Corporation's results during the first quarter of 2020, due primarily to volume declines in March. While the ongoing COVID-19 pandemic remains the primary challenge, the significant decline in oil prices has also negatively affected the Corporation's volumes in western Canada. Actions taken to reduce costs began late in the month of March and as such, did not have a material impact on offsetting the negative earnings impact of the volume decline in the first quarter.
- Based on internal estimates, approximately 90% of the Corporation's customers fall within the definition of "essential" workplaces or businesses, as defined by provinces where commercial activity has been limited to help stop the spread of COVID-19, and the majority of categories in which the Corporation provides products and services remain operational in all regions of the country. Volume from "essential" workplace and business customers has declined, however, due to temporary constraints on operations and/or production curtailments.
- Category revenue declines are expected in the second quarter of 2020 when compared to last year, particularly in new equipment sales. Cost reductions are anticipated to partially offset the effect of the expected declines in category revenue.
- As the full impact of the COVID-19 pandemic remains unknown, the duration and magnitude of any revenue declines beyond the second quarter is uncertain. As and when public health conditions improve and provincial limitations on commercial activity are lifted, volumes derived from "essential" customers and the opportunity to serve additional customers is expected to increase.
- **Wajax's focus is to manage the business according to four objectives: protecting the health and safety of its employees, providing strong service to its customers, protecting the financial health of the Corporation and positioning the Corporation to execute its growth strategy as conditions improve. Wajax expects to partially offset volume declines with cost reductions while managing customer service levels, working capital and capital spending accordingly. Cost management programs and current sources of liquidity are expected to allow the Corporation to weather this difficult period while preparing to return to growing its business and supporting its customers as conditions improve.**

Appendix

Non-GAAP[1] and Additional GAAP Measures

Except where noted, all figures are in millions of Canadian dollars, except per share data and ratio calculations.

This presentation contains certain non-GAAP and additional GAAP measures that do not have a standardized meaning prescribed by GAAP. Therefore, these financial measures may not be comparable to similar measures presented by other issuers. Investors are cautioned that these measures should not be construed as an alternative to net earnings or to cash flow from operating, investing, and financing activities determined in accordance with GAAP as indicators of the Corporation's performance. The Corporation's management believes that:

(i) these measures are commonly reported and widely used by investors and management;

(ii) the non-GAAP measures are commonly used as an indicator of a company's cash operating performance, profitability and ability to raise and service debt;

(iii) the additional GAAP measures are commonly used to assess a company's earnings performance excluding its capital and tax structures; and

(iv) "Adjusted net earnings" and "Adjusted basic and diluted earnings per share" provide indications of the results by the Corporation's principal business activities prior to recognizing non-recurring costs (recoveries) and non-cash losses (gains) on mark to market of derivative instruments. These adjustments to net earnings and basic and diluted earnings per share allow the Corporation's management to consistently compare periods by removing infrequent charges incurred outside of the Corporation's principal business activities and the impact of fluctuations in interest rates and the Corporation's share price.

(v) "Adjusted EBITDA" provides an indication of the results by the Corporation's principal business activities prior to recognizing non-recurring costs (recoveries) and non-cash losses (gains) on mark to market of derivative instruments. These adjustments to EBITDA allow the Corporation's management to consistently compare periods by removing infrequent charges incurred outside of the Corporation's principal business activities and the impact of fluctuations in finance costs related to the Corporation's capital structure, tax rates, long-term assets and the Corporation's share price.

(vi) "Pro-forma adjusted EBITDA" used in calculating the Leverage ratio and Senior secured leverage ratio provides an indication of the results by the Corporation's principal business activities adjusted for the EBITDA of business acquisitions made during the period as if they were made at the beginning of the trailing 12-month period pursuant to the terms of the bank credit facility and the deduction of payments of lease liabilities, and prior to recognizing non-recurring costs (recoveries) and non-cash losses (gains) on mark to market of derivative instruments.

Non-GAAP financial measures are identified and defined below:

Funded net debt — Funded net debt includes bank indebtedness, debentures and total long-term debt, net of cash. Funded net debt is relevant in calculating the Corporation's funded net debt to total capital, which is a non-GAAP measure commonly used as an indicator of a company's ability to raise and service debt.

Debt — Debt is funded net debt plus letters of credit. Debt is relevant in calculating the Corporation's leverage ratio, which is a non-GAAP measure commonly used as an indicator of a company's ability to raise and service debt.

1. Generally accepted accounting principles.

Non-GAAP[1] and Additional GAAP Measures

EBITDA	Net earnings (loss) before finance costs, income tax expense, depreciation and amortization. EBITDA is a non-GAAP measure commonly used as an indicator of a company's cash operating performance.
Adjusted net earnings	Net earnings (loss) before after-tax restructuring and other related costs (recoveries), non-cash losses (gains) on mark to market of derivative instruments, CSC project costs, and NorthPoint transaction costs.
Adjusted basic and diluted earnings per share	Basic and diluted earnings (loss) per share before after-tax restructuring and other related costs (recoveries), non-cash losses (gains) on mark to market of derivative instruments, CSC project costs, and NorthPoint transaction costs.
Adjusted EBIT	EBIT before restructuring and other related costs (recoveries), non-cash losses (gains) on mark to market of derivative instruments, CSC project costs, and NorthPoint transaction costs.
Adjusted EBITDA	EBITDA before restructuring and other related costs (recoveries), (gain) loss recorded on sales of properties, non-cash losses (gains) on mark to market of derivative instruments, CSC project costs, and NorthPoint transaction costs.
Pro-forma adjusted EBITDA	Defined as adjusted EBITDA adjusted for the EBITDA of business acquisitions made during the period as if they were made at the beginning of the trailing 12-month period pursuant to the terms of the bank credit facility and the deduction of payments of lease liabilities.
Leverage ratio	The leverage ratio is defined as Debt at the end of a particular quarter divided by trailing 12-month Pro-forma adjusted EBITDA. The Corporation's objective is to maintain this ratio between 1.5 times and 2.0 times.
Senior secured leverage ratio	The senior secured leverage ratio is defined as Debt excluding debentures at the end of a particular quarter divided by trailing 12-month Pro-forma adjusted EBITDA.
Backlog	Backlog is a management measure which includes the total sales value of customer purchase commitments for future delivery or commissioning of equipment, parts and related services. This differs from the remaining performance obligations as defined by IFRS 15 *Revenue from Contracts with Customers*.
Working capital	Working capital is defined as current assets less current liabilities as presented in the unaudited condensed consolidated interim statements of financial position.
Working capital to sales ratio	The working capital to sales ratio is defined as the trailing four-quarter average working capital divided by the trailing 12 months revenue.

1. Generally accepted accounting principles.

Non-GAAP[1] and Additional GAAP Measures

Net assets	Net assets are defined as total current and non-current assets excluding cash, income taxes receivable, derivative instruments, deferred tax asset and lease assets, less total current and non-current liabilities excluding bank indebtedness, income taxes payable, derivative instruments, lease liabilities, deferred tax liabilities and long-term debt, as presented on the unaudited condensed consolidated interim statements of financial position. Net assets excludes the impact of IFRS 16 *Leases*.
Return on Net Assets (RONA)	The return on net assets is defined as the trailing 12-month Adjusted EBIT divided by the trailing 12-month average Net Assets and excludes the impact of IFRS 16 *Leases*.

Additional GAAP measures are identified and defined below:

Earnings before finance costs and income taxes (EBIT)	Earnings before finance costs and income taxes, as presented on the unaudited condensed consolidated interim statements of earnings.
Earnings before income taxes (EBT)	Earnings before income taxes, as presented on the unaudited condensed consolidated interim statements of earnings.

1. Generally accepted accounting principles.

Non-GAAP[1] and Additional GAAP Measures

Reconciliation of the Corporation's net earnings to adjusted net earnings and adjusted basic and diluted earnings per share is as follows:

	Three months ended March 31			
		2020		2019
Net earnings	**$**	**4.1**	$	7.9
Restructuring and other related costs, after-tax		**0.1**		0.7
Non-cash losses (gains) on mark to market of derivative instruments, after-tax		**1.4**		(0.4)
NorthPoint transaction costs, after-tax		**0.2**		-
CSC project costs, after-tax		**-**		0.5
Adjusted net earnings	**$**	**5.8**	$	8.7
Adjusted basic earnings per share(1)(2)	**$**	**0.29**	$	0.43
Adjusted diluted earnings per share(1)(2)	**$**	**0.28**	$	0.43

(1) For the three months ended March 31, 2020, the numbers of basic and diluted shares outstanding were 20,016,429 and 20,394,497, respectively.

(2) For the three months ended March 31, 2019, the numbers of basic and diluted shares outstanding were 19,977,618 and 20,343,535, respectively.

1. Generally accepted accounting principles.

Non-GAAP[1] and Additional GAAP Measures

Reconciliation of the Corporation's net earnings to EBT, EBIT, EBITDA and Adjusted EBITDA is as follows:

		For the twelve months ended March 31
		2020
Net earnings	$	35.7
Income tax expense		12.8
EBT		48.5
Finance costs		21.0
EBIT		69.5
Depreciation and amortization		53.0
EBITDA		122.4
Restructuring and other related costs(1)		4.7
Gain recorded on sales of properties		(2.3)
Non-cash losses on mark to market of derivative instruments(2)		2.0
NorthPoint transaction costs(3)		0.2
CSC project costs(4)		0.6
Adjusted EBITDA	$	127.8
NorthPoint acquisition pro-forma adjusted EBITDA(5)		0.6
Payment of lease liabilities(6)		(22.8)
Pro-forma adjusted EBITDA	$	105.6

(1) For 2020, restructuring and other related costs includes costs relating to the Finance Reorganization Plan. The Finance Reorganization Plan commenced in the first quarter of 2018 and consists of severance, project management and interim duplicate labour costs as the Corporation redesigns its finance function.
For 2019, restructuring and other related costs includes costs relating to the Finance Reorganization Plan and the Management Realignment. The Management Realignment commenced in the third quarter of 2019 and consists primarily of severance costs as the Corporation simplifies its regional management structure, strengthens the partnership between sales and product support, and integrates the Corporation's legacy ERS business with Delom.

(2) Non-cash losses on mark to market of non-hedged derivative instruments.

(3) In 2020, the Corporation incurred transaction costs in order to acquire NorthPoint. These costs were primarily for advisory services.

(4) In 2020 and in 2019, the Corporation incurred professional fees relating to the CSC project.

(5) Pro-forma adjusted EBITDA for NorthPoint for pre-acquisition periods, to adjust for the EBITDA of business acquisitions made during the period as if they were made at the beginning of the trailing 12-month period pursuant to the terms of the bank credit facility.

(6) Effective with the reporting period beginning on January 1, 2019 and the adoption of IFRS 16, the Corporation amended the definition of Funded net debt to exclude lease liabilities not considered part of debt. As a result, the corresponding lease costs must also be deducted from EBITDA for the purpose of calculating the leverage ratio

1. Generally accepted accounting principles.

Non-GAAP[1] and Additional GAAP Measures

Calculation of the Corporation's funded net debt, debt and leverage ratio is as follows:

		March 31 2020
Bank indebtedness	**$**	**6.0**
Debentures		**54.2**
Long-term debt		**254.5**
Funded net debt	**$**	**314.7**
Letters of credit		**6.5**
Debt	**$**	**321.2**
Leverage ratio(1)		**3.04**
Senior secured leverage ratio(2)		**2.53**

(1) Calculation uses debt divided by the trailing four-quarter Pro-forma adjusted EBITDA. This leverage ratio is calculated for purposes of monitoring the Corporation's objective target leverage ratio of between 1.5 times and 2.0 times, and is different from the leverage ratio calculated under the Corporation's bank credit facility agreement.

(2) Calculation uses debt excluding debentures divided by the trailing four-quarter Pro-forma adjusted EBITDA.
While the calculation contains some differences from the leverage ratio calculated under the Corporation's bank credit facility agreement, the resulting leverage ratio under the bank credit facility agreement is not significantly different.

Calculation of the Corporation's working capital and working capital to sales ratio is as follows:

		2020		2019						
		March 31		December 31		September 30		June 30		March 31
Total current assets	**$**	**767.0**	$	727.5	$	699.2	$	686.0	$	678.7
Total current liabilities		**343.8**		323.4		296.8		305.5		293.8
Working capital	**$**	**423.3**	$	404.1	$	402.4	$	380.5	$	384.9
Working capital – trailing four-quarter average	**$**	**402.6**	$	393.0	$	375.6	$	359.0	$	344.8
Revenue – trailing 12 months	**$**	**1,522.6**	$	1,553.0	$	1,538.9	$	1,540.8	$	1,513.7
Working capital to sales ratio		**26.4%**		25.3%		24.4%		23.3%		22.8%

1. Generally accepted accounting principles.

Non-GAAP[1] and Additional GAAP Measures

Reconciliation of the Corporation's net earnings to EBT, EBIT and Adjusted EBIT and the calculation of the Corporation's RONA is as follows:

		For the twelve months ended March 31 2020		For the twelve months ended December 31 2019		For the twelve months ended March 31 2019
Net earnings	**$**	**35.7**	$	39.5	$	34.5
Income tax expense		**12.8**		14.3		13.4
EBT		**48.5**		53.8		47.9
Finance costs		**21.0**		19.7		11.6
EBIT		**69.5**		73.5		59.5
Restructuring and other related costs(1)		**4.7**		5.6		3.5
Gain recorded on sales of properties		**(2.3)**		(2.3)		-
Non-cash losses (gains) on mark to market of derivative instruments(2)		**2.0**		(0.5)		1.7
Delom transaction costs(3)		**-**		-		0.5
NorthPoint transaction costs(4)		**0.2**		-		-
CSC project costs(5)		**0.6**		1.2		0.7
Pro-forma occupancy costs(6)		**(3.8)**		(3.2)		(0.7)
Adjusted EBIT	**$**	**71.0**	$	74.2	$	65.0
Trailing 12-month average Net Assets	**$**	**633.9**	$	614.0	$	533.6
RONA		**11.2%**		12.1%		12.1%

(1) For 2020, restructuring and other related costs includes costs relating to the Finance Reorganization Plan. The Finance Reorganization Plan commenced in the first quarter of 2018 and consists of severance, project management and interim duplicate labour costs as the Corporation redesigns its finance function.
For 2019, restructuring and other related costs includes costs relating to the Finance Reorganization Plan and the Management Realignment. The Management Realignment commenced in the third quarter of 2019 and consists primarily of severance costs as the Corporation simplifies its regional management structure, strengthens the partnership between sales and product support, and integrates the Corporation's legacy ERS business with Delom.

(2) Non-cash losses (gains) on mark to market of non-hedged derivative instruments.

(3) In the fourth quarter of 2018, the Corporation incurred transaction costs in order to acquire Delom. These costs were primarily for advisory services.

(4) In 2020, the Corporation incurred transaction costs in order to acquire NorthPoint. These costs were primarily for advisory services.

1. Generally accepted accounting principles.

Non-GAAP[1] and Additional GAAP Measures

(5) In 2020 and in 2019, the Corporation incurred professional fees relating to the CSC project.

(6) For the twelve months ended March 31, 2019 – Includes the $1.3 million pro-forma occupancy costs that would be incurred in the first quarter of 2020, the $0.9 million pro-forma occupancy costs that would be incurred in the fourth quarter of 2019, the $0.9 million pro-forma occupancy costs that would be incurred in the third quarter of 2019 and the $0.7 million pro-forma occupancy costs that would be incurred in the second quarter of 2019 assuming the Corporation did not adopt IFRS 16 on January 1, 2019.
For the twelve months ended December 31, 2019 – Includes the $0.9 million pro-forma occupancy costs that would be incurred in the fourth quarter of 2019, $0.9 million pro-forma occupancy costs that would be incurred in the third quarter of 2019, the $0.7 million pro-forma occupancy costs that would be incurred in the second quarter of 2019 and the $0.7 million pro-forma occupancy costs that would be incurred in the first quarter of 2019 assuming the Corporation did not adopt IFRS 16 on January 1, 2019.
For the twelve months ended March 31, 2019 – Includes the $0.7 million pro-forma occupancy costs that would be incurred in the first quarter of 2019 assuming the Corporation did not adopt IFRS 16 on January 1, 2019.

1. Generally accepted accounting principles.

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