

# TOROMONT

For immediate release

## TOROMONT ANNOUNCES RESULTS FOR THE FIRST QUARTER OF 2025 AND QUARTERLY DIVIDEND

Toronto, Ontario (April 30, 2025) – Toromont Industries Ltd. (TSX: TIH) today reported its financial results for the first quarter ended March 31, 2025.

(\$ millions, except per share amounts)	Three months ended March 31		
	2025	2024	% change
Revenue	\$ 1,089.6	\$ 1,016.3	7 %
Operating income	\$ 98.5	\$ 106.6	(8)%
Net earnings	\$ 74.4	\$ 83.9	(11)%
Basic earnings per share ("EPS")	\$ 0.92	\$ 1.02	(10)%

"I am pleased with the performance of the team in the quarter. In a somewhat challenging market, we had consolidated revenue growth of 7% overall with growth in both the Equipment Group and CIMCO. Although we did not match our bottom-line performance from last year, due largely to business mix and lower interest income, the team managed expenses very well and enhanced our already solid financial position," stated Michael S. McMillan, President and Chief Executive Officer of Toromont Industries Ltd. "The Equipment Group executed well with improved new equipment deliveries in construction, mining and power segments. Rental markets improved slightly in the first quarter, reflecting the larger fleet. CIMCO revenue and bottom-line improvements demonstrated the team's strong execution while we continued to exercise disciplined capital management."

### HIGHLIGHTS:

#### Consolidated Results

- Revenue increased \$73.3 million (up 7%) to \$1.1 billion for the quarter. Revenue increased in both groups, with the Equipment Group up 7% and CIMCO up 9% compared to 2024. Growth reflects higher new equipment sales and solid execution against order backlog. Rental revenue improved on higher utilization in a slower market, while used equipment sales were lower. Product support revenue decreased in the Equipment group with lower parts demand, which was partially offset by higher product support at CIMCO. Our moderate growth in technician labour workforce continues to reflect our long-term strategic objectives.
- Operating income decreased 8% in the quarter, and was 9.0% of revenue compared to 10.5% in the similar period last year. Although revenue was higher, lower gross margins in the Equipment Group (unfavourable sales mix and a strong comparator) and slightly higher expenses dampened results.

- For the quarter, net earnings decreased \$9.5 million or 11% to \$74.4 million compared to the similar period last year. EPS was \$0.92 (basic) and \$0.91 (fully diluted), 10% lower compared to last year.
- Bookings<sup>(1)</sup> decreased 12% compared to the similar period last year. Equipment Group bookings decreased mainly reflecting lower mining orders versus a strong comparable last year, which included several large orders. CIMCO bookings decreased reflective of the cautious tone related to economic uncertainty resulting in delays in customer buying decisions, with lower new orders in both markets and regions. Booking activity can be lumpy, resulting in variability quarter over quarter, reflecting market-related factors and customer buying patterns.
- Backlog<sup>(1)</sup> of \$1.3 billion as at March 31, 2025, was down slightly from \$1.4 billion as at March 31, 2024. Backlog remains healthy, reflecting deliveries and progress on construction schedules. Backlog includes a \$230.0 million order book at the acquired company, which is expected to deliver over the next two years.

## **Equipment Group**

- Revenue was up \$65.2 million or 7% to \$993.3 million for the quarter. New equipment sales increased 24% on good deliveries in mining and power systems. Rental activity increased 11%, with higher light equipment rentals and rentals with a purchase option. Lower used equipment sales (-21%) and product support revenues (-3%) reflect cautious end customer demand and activity levels.
- Operating income decreased \$9.9 million or 10% to \$88.9 million in the quarter. Higher revenue was more than offset by lower gross margins and slightly higher expenses. Operating income margin decreased to 8.9% versus 10.6% in the comparable period last year, primarily reflecting lower gross margins related to changes in sales mix.
- Bookings in the first quarter of 2025 were \$501.9 million, a decrease of \$19.7 million or 4% versus the prior year, reflecting lower mining orders against a strong comparable, which included several large customer orders. Power system orders were healthy and construction orders increased modestly compared to the prior period.
- Backlog of \$982.0 million at the end of March 2025 was lower by \$102.7 million or 9% from the end of March 2024. Backlog includes \$230.0 million order backlog at the acquired company. Excluding this, backlog was 32% lower compared to the same time last year, reflecting good deliveries against customer orders over the last twelve months.

- As previously announced, on January 31, 2025, the Company acquired 60% of the shares of AVL Manufacturing Inc. ("AVL") for consideration of \$67.5 million cash plus the issuance of 110.4 thousand Toromont shares (\$12.8 million). In addition, the Company has committed to purchase the remaining 40% at various dates through to 2031. The initial cash consideration of the purchase was funded with cash on hand. AVL is a leader in the design and fabrication of power generation and storage enclosures. AVL has operations in Hamilton, Ontario and currently serves the data centre market across eastern North America. The Company has not yet finalized its determination of fair value of the assets acquired and liabilities assumed. The acquisition, while accretive, is not expected to have an overall material impact on Toromont's combined revenue, earnings or balance sheet in the near-term.

## **CIMCO**

- Revenue increased \$8.1 million or 9% to \$96.3 million for the quarter. Package revenue was up 15% on good execution on project construction in both Canada (+14%) and the US (+17%). Product support activity increased 5%, with higher activity in both Canada and in the US reflecting good execution.
- Operating income was up \$1.8 million or 23% to \$9.6 million for the quarter, reflecting improved gross margins and higher revenue. Operating income margin increased to 10.0% (2024 – 8.9%) reflecting higher gross margins again on good execution.
- Bookings decreased 54% to \$47.7 million in the first quarter of 2025. Both markets and regions were lower, reflective of the lumpy nature of project bookings and the current economic uncertainty causing delays in customer buying decisions.
- Backlog of \$347.7 million as at March 31, 2025 was up \$24.5 million or 8% from March 2024. Backlog in the US was strong, up 54% from this time last year, while backlog in Canada was down 12%.

## **Financial Position**

- During the quarter, and in advance of an upcoming debt maturity in September 2025, the Company issued \$300 million senior debentures, maturing in 2030 and bearing interest of 3.76%.
- Toromont's share price of \$112.63 at the end of March 2025, translated to a market capitalization<sup>(1)</sup> of \$9.2 billion and a total enterprise value<sup>(1)</sup> of \$9.1 billion.
- The Company maintained a strong financial position. Leverage as represented by the net debt to total capitalization<sup>(1)</sup> ratio was -1% at the end of March 2025, compared to -9% at the end of December 2024 and -14% at the end of March 2024. The change in ratio from this time last year reflects continuing cash inflow from operations, more than offset by investment in working capital, capital expenditures and two business acquisitions.

- The Company purchased and cancelled 204,900 common shares for \$25.2 million under the Normal Course Issuer Bid program in the three-month ended March 31, 2025 (195,700 common shares for \$25.0 million in 2024).
- The Board of Directors approved the regular quarterly dividend of \$0.52 cents per share, payable on July 3, 2025 to shareholders on record on June 6, 2025.
- The Company's return on equity<sup>(1)</sup> was 18.5% at the end of March 2025, on a trailing twelve-month basis, compared to 19.2% at the end of December 2024 and 22.0% at the end of March 2024. Trailing twelve-month pre-tax return on capital employed<sup>(1)</sup> was 24.1% at the end of March 2025, compared to 25.7% at the end of December 2024 and 29.0% at the end of March 2024.

"We continue to be mindful of the variability due to the uncertain economic and political environment and are monitoring and focusing on controllables," stated John M. Doolittle, Executive Vice President and Chief Financial Officer of Toromont Industries Ltd. "The challenging and changing trade related announcements between the US and Canada have created additional economic turbulence for every company engaged in cross border trade. Our team is engaged, monitoring and developing an appropriate action plan to navigate the potential impacts over the short and longer term when details become available. We will maintain our focus on operating and financial disciplines to manage our cost structure, while we invest in capacity and capabilities to provide exceptional service to our customers today and in the future. The strong order backlog and improved operating disciplines, along with our strong financial position, position us well for the future."

## **FINANCIAL AND OPERATING RESULTS**

All comparative figures in this press release are for the three months ended March 31, 2025 compared to the three months ended March 31, 2024. All financial information presented in this press release has been prepared in accordance with International Financial Reporting Standards ("IFRS"), except as noted below, and are reported in Canadian dollars. This press release contains only selected financial and operational highlights and should be read in conjunction with Toromont's unaudited interim condensed consolidated financial statements and related notes and Management's Discussion and Analysis ("MD&A"), as at and for the three months ended March 31, 2025, which are available on SEDAR at [www.sedarplus.ca](http://www.sedarplus.ca) and on the Company's website at [www.toromont.com](http://www.toromont.com).

Additional information is contained in the Company's filings with Canadian securities regulators, including the 2024 Annual Report and 2025 Annual Information Form, which are available on SEDAR and the Company's website.

## **ANNUAL GENERAL MEETING OF SHAREHOLDERS**

The Company will be holding its Annual General Meeting of Shareholders at the Novotel Toronto Vaughan Centre, Concord Room, 200 Bass Pro Mills Drive Vaughan, Ontario, on Thursday, May 1, 2025, at 10:00 a.m. (EDT).

For those unable to attend in-person, a recording of the meeting will be available through a link on Toromont's website at: [www.toromont.com](http://www.toromont.com).

## **QUARTERLY CONFERENCE CALL AND WEBCAST**

Interested parties are invited to join the quarterly conference call with investment analysts, in listen-only mode, on Thursday, May 1, 2025 at 8:00 a.m. (EDT). The call may be accessed by telephone at 1-888-699-1199 (North American toll free) or 416-945-7677 (Toronto area). A replay of the conference call will be available until Thursday, May 8, 2025 by calling 1-888-660-6345 (North American toll free) or 289-819-1450 (Toronto area) and quoting passcode 68383#. The live webcast can also be accessed at [www.toromont.com](http://www.toromont.com).

Presentation materials to accompany the call will be available on our website.

## **NON-GAAP AND OTHER FINANCIAL MEASURES**

Management believes that providing certain non-GAAP measures provides users of the Company's unaudited interim condensed consolidated financial statements and MD&A with important information regarding the operational performance and related trends of the Company's business. By considering these measures in combination with the comparable IFRS measures set out below, management believes that users are provided a better overall understanding of the Company's business and its financial performance during the relevant period than if they simply considered the IFRS measures alone.

The non-GAAP measures used by management do not have any standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other issuers. Accordingly, these measures should not be considered as a substitute or alternative for net income or cash flow, in each case as determined in accordance with IFRS.

Management also uses key performance indicators to enable consistent measurement of performance across the organization. These KPIs are non-GAAP financial measures, do not have a standardized meaning under IFRS and may not be comparable to similar measures presented by other issuers.

### **Gross Profit / Gross Profit Margin**

Gross Profit is defined as total revenue less cost of goods sold.

Gross Profit Margin is defined as gross profit (defined above) divided by total revenue.

### Operating Income / Operating Income Margin

Operating income is defined as net earnings from operations before interest expense, interest and investment income and income taxes and is used by management to assess and evaluate the financial performance of its operating segments. Financing and related interest charges cannot be attributed to business segments on a meaningful basis that is comparable to other companies. Business segments do not correspond to income tax jurisdictions and it is believed that the allocation of income taxes distorts the historical comparability of the performance of the business segments.

Operating income margin is defined as operating income (defined above) divided by total revenue.

(\$ thousands)	Three months ended March 31	
	2025	2024
Net earnings	\$ 74,436	\$ 83,919
<i>plus:</i> Interest expense	7,446	6,994
<i>less:</i> Interest and investment income	(11,179)	(15,687)
<i>plus:</i> Income taxes	27,782	31,359
<b>Operating income</b>	<b>\$ 98,485</b>	<b>\$ 106,585</b>
Total revenue	\$ 1,089,622	\$ 1,016,349
<b>Operating income margin</b>	<b>9.0%</b>	<b>10.5%</b>

### Net Debt to Total Capitalization/Equity

Net debt to total capitalization/equity are calculated as net debt divided by total capitalization and shareholders' equity, respectively, as defined below, and are used by management as measures of the Company's financial leverage.

Net debt is calculated as long-term debt plus current portion of long-term debt less cash and cash equivalents. Total capitalization is calculated as shareholders' equity plus net debt.

The calculations are as follows:

<i>(\$ thousands)</i>	<b>March 31 2025</b>	December 31 2024	March 31 2024
Long-term debt	\$ 795,683	\$ 498,518	\$ 647,964
Current portion of long-term debt	149,941	149,910	—
<i>less: Cash and cash equivalents</i>	977,461	890,815	983,355
<b>Net debt</b>	<b>(31,837)</b>	<b>(242,387)</b>	<b>(335,391)</b>
Shareholders' equity	2,972,561	2,955,393	2,754,769
<b>Total capitalization</b>	<b>\$ 2,940,724</b>	<b>\$ 2,713,006</b>	<b>\$ 2,419,378</b>
<b>Net debt to total capitalization</b>	<b>(1)%</b>	<b>(9)%</b>	<b>(14)%</b>
<b>Net debt to equity</b>	<b>(0.01):1</b>	<b>(0.08):1</b>	<b>(0.12):1</b>

## Market Capitalization & Total Enterprise Value

Market capitalization represents the total market value of the Company's equity. It is calculated by multiplying the closing share price of the Company's common shares by the total number of common shares outstanding.

Total enterprise value represents the total value of the Company and is often used as a more comprehensive alternative to market capitalization. It is calculated by adding debt/net debt (defined above) to market capitalization.

The calculations are as follows:

<i>(\$ thousands, except for shares and share price)</i>	<b>March 31 2025</b>	December 31 2024	March 31 2024
Outstanding common shares	81,262,767	81,300,574	82,213,286
<i>times: Ending share price</i>	\$ 112.63	\$ 113.64	\$ 130.35
<b>Market capitalization</b>	<b>\$ 9,152,625</b>	<b>\$ 9,238,997</b>	<b>\$ 10,716,502</b>
Long-term debt	\$ 795,683	\$ 498,518	\$ 647,964
Current portion of long-term debt	149,941	149,910	—
<i>less: Cash and cash equivalents</i>	977,461	890,815	983,355
<b>Net debt</b>	<b>\$ (31,837)</b>	<b>\$ (242,387)</b>	<b>\$ (335,391)</b>
<b>Total enterprise value</b>	<b>\$ 9,120,788</b>	<b>\$ 8,996,610</b>	<b>\$ 10,381,111</b>

## Order Bookings and Backlog

Order bookings represent the retail value of firm equipment or project orders received during a period. Backlog is defined as the retail value of equipment units ordered by customers with future delivery, and the remaining

retail value of package/project orders remaining to be recognized in revenue under the percentage of completion method. Management uses order backlog as a measure of projecting future equipment and project deliveries. There are no directly comparable IFRS measures for order bookings or backlog.

## Return on Capital Employed ("ROCE")

ROCE is utilized to assess both current operating performance and prospective investments. The adjusted earnings numerator used for the calculation is income before income taxes, interest expense and interest income (excluding interest on rental conversions). The denominator in the calculation is the monthly average capital employed, which is defined as net debt plus shareholders' equity, also referred to as total capitalization, adjusted for discontinued operations.

	Trailing twelve months ended		
	March 31 2025	December 31 2024	March 31 2024
(\$ thousands)			
Net earnings	\$ 497,033	\$ 506,516	\$ 522,627
<i>plus:</i> Interest expense	29,107	28,655	28,188
<i>less:</i> Interest and investment income	(49,129)	(53,637)	(51,383)
<i>plus:</i> Interest income – rental conversions	4,528	3,635	3,684
<i>plus:</i> Income taxes	185,061	188,638	191,111
Adjusted net earnings	\$ 666,600	\$ 673,807	\$ 694,227
Average capital employed	\$ 2,763,165	\$ 2,621,627	\$ 2,396,373
<b>Return on capital employed</b>	<b>24.1%</b>	<b>25.7%</b>	<b>29.0%</b>

## Return on Equity ("ROE")

ROE is monitored to assess profitability and is calculated by dividing net earnings by opening shareholders' equity (adjusted for shares issued and shares repurchased and cancelled during the period), both calculated on a trailing twelve month period.

	Trailing twelve months ended		
	March 31 2025	December 31 2024	March 31 2024
(\$ thousands)			
Net earnings	\$ 497,033	\$ 506,516	\$ 522,627
Opening shareholder's equity (net of adjustments)	\$ 2,689,760	\$ 2,636,834	\$ 2,374,586
<b>Return on equity</b>	<b>18.5%</b>	<b>19.2%</b>	<b>22.0%</b>

## ADVISORY

Information in this press release that is not a historical fact is "forward-looking information". Words such as "plans", "intends", "outlook", "expects", "anticipates", "estimates", "believes", "likely", "should", "could", "would", "will", "may" and similar expressions are intended to identify statements containing forward-looking information. Forward-looking information in this press release reflects current estimates, beliefs, and assumptions, which are based on Toromont's perception of historical trends, current conditions and expected future developments, as well as other factors management believes are appropriate in the circumstances. Toromont's estimates, beliefs and assumptions are inherently subject to significant business, economic, competitive and other uncertainties and contingencies regarding future events and as such, are subject to change. Toromont can give no assurance that such estimates, beliefs and assumptions will prove to be correct.

Numerous risks and uncertainties could cause the actual results to differ materially from the estimates, beliefs and assumptions expressed or implied in the forward-looking statements, including, but not limited to: business cycles, including general economic conditions in the countries in which Toromont operates; new tariffs and counter-tariffs imposed on cross-border trade, commodity price changes, including changes in the price of precious and base metals; inflationary pressures; potential risks and uncertainties relating to a potential new world health issue; increased regulation of or restrictions placed on our businesses; changes in foreign exchange rates, including the Cdn\$/US\$ exchange rate; the termination of distribution or original equipment manufacturer agreements; equipment product acceptance and availability of supply, including reduction or disruption in supply or demand for our products stemming from external factors; increased competition; credit of third parties; additional costs associated with warranties and maintenance contracts; changes in interest rates; the availability and cost of financing; level and volatility of price and liquidity of Toromont's common shares; potential environmental liabilities and changes to environmental regulation; information technology failures, including data or cybersecurity breaches; failure to attract and retain key employees as well as the general workforce; damage to the reputation of Caterpillar, product quality and product safety risks which could expose Toromont to product liability claims and negative publicity; new, or changes to current, federal and provincial laws, rules and regulations including changes in infrastructure spending; any requirement to make contributions or other payments in respect of registered defined benefit pension plans or postemployment benefit plans in excess of those currently contemplated; increased insurance premiums; and risk related to integration of acquired operations including cost of integration and ability to achieve the expected benefits. Readers are cautioned that the foregoing list of factors is not exhaustive.

Any of the above mentioned risks and uncertainties could cause or contribute to actual results that are materially different from those expressed or implied in the forward-looking information and statements included herein. For a further description of certain risks and uncertainties and other factors that could cause or contribute to actual results that are materially different, see the risks and uncertainties set out under the heading "Risks and Risk Management" and "Outlook" sections of Toromont's most recent annual Management Discussion and Analysis, as filed with Canadian securities regulators at [www.sedarplus.ca](http://www.sedarplus.ca) or at our website [www.toromont.com](http://www.toromont.com). Other factors, risks and uncertainties not presently known to Toromont or that Toromont currently believes are not material could also cause actual results or events to differ materially from those expressed or implied by statements containing forward-looking information.

Readers are cautioned not to place undue reliance on statements containing forward-looking information, which reflect Toromont's expectations only as of the date of this press release, and not to use such information for anything other than their intended purpose. Toromont disclaims any obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by law.

## **ABOUT TOROMONT**

Toromont Industries Ltd. operates through two business segments: the Equipment Group and CIMCO. The Equipment Group includes one of the larger Caterpillar dealerships by revenue and geographic territory, spanning the Canadian provinces of Newfoundland and Labrador, Nova Scotia, New Brunswick, Prince Edward Island, Québec, Ontario and Manitoba, in addition to most of the territory of Nunavut. The Equipment Group includes industry-leading rental operations and a complementary material handling business. CIMCO is one of North America's leading suppliers of thermal management solutions that enable customers to reduce energy consumption and emissions, use natural refrigerants, and monitor and control their operating environments autonomously. Both segments offer comprehensive product support capabilities. This press release and more information about Toromont Industries Ltd. can be found at [www.toromont.com](http://www.toromont.com).

For more information contact:

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## **FOOTNOTE**

- (1) These financial metrics do not have a standardized meaning under International Financial Reporting Standards (IFRS), which are also referred to herein as Generally Accepted Accounting Principles (GAAP), and may not be comparable to similar measures used by other issuers. These measurements are presented for information purposes only. The Company's Management's Discussion and Analysis (MD&A) includes additional information regarding these financial metrics, including definitions and a reconciliation to the most directly comparable GAAP measures, under the headings "Additional GAAP Measures", "Non-GAAP Measures" and "Key Performance Indicators."

**TOROMONT INDUSTRIES LTD.**  
**INTERIM CONDENSED CONSOLIDATED STATEMENTS OF INCOME**  
**(Unaudited)**

	<b>Three months ended March 31</b>	
<i>(\$ thousands, except share amount)</i>	<b>2025</b>	2024
<b>Revenue</b>	<b>\$ 1,089,622</b>	\$ 1,016,349
Cost of goods sold	<b>846,047</b>	766,175
Gross profit	<b>243,575</b>	250,174
Selling and administrative expenses	<b>145,090</b>	143,589
<b>Operating income</b>	<b>98,485</b>	106,585
Interest expense	<b>7,446</b>	6,994
Interest and investment income	<b>(11,179)</b>	(15,687)
Income before income taxes	<b>102,218</b>	115,278
Income taxes	<b>27,782</b>	31,359
<b>Net earnings</b>	<b>\$ 74,436</b>	\$ 83,919
<b>Earnings per share</b>		
Basic	<b>\$ 0.92</b>	\$ 1.02
Diluted	<b>\$ 0.91</b>	\$ 1.01
<b>Weighted average number of shares outstanding</b>		
Basic	<b>81,311,867</b>	82,309,309
Diluted	<b>81,852,574</b>	82,975,125