



July 31, 2012

## Toromont Announces Results for the Second Quarter of 2012

TORONTO, ONTARIO -- (Marketwire) -- 07/31/12 -- Toromont Industries Ltd. (TSX: TIH) today reported strong financial results for the second quarter ending June 30, 2012. Net earnings from continuing operations were up 8%, reflecting record second quarter revenues.

	Three months ended June 30			Six months ended June 30		
millions, except per			%			%
share amounts	2012	2011	change	2012	2011	change
Continuing operations basis:						
Revenues	\$ 379.6	\$ 344.6	10%	\$ 661.1	\$ 606.3	9%
Operating income	\$ 37.1	\$ 34.5	7%	\$ 61.5	\$ 55.7	10%
Net earnings	\$ 25.7	\$ 23.7	8%	\$ 42.9	\$ 37.5	14%
Earnings per share -						
basic	\$ 0.34	\$ 0.31	10%	\$ 0.56	\$ 0.49	14%
Discontinued operations:						
Net earnings	\$ -	\$ 136.0	n/m	\$ -	\$ 143.8	n/m
Earnings per share -						
basic	\$ -	\$ 1.77	n/m	\$ -	\$ 1.87	n/m
Total:						
Net earnings	\$ 25.7	\$ 159.7	(84%)	\$ 42.9	\$ 181.3	(76%)

Earnings per share -

basic	\$	0.34	\$	2.08	(84%)	\$	0.56	\$	2.36	(76%)
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"We are pleased with our results for the second quarter and first half of 2012. Revenues increased 10% versus a year ago driven by strong deliveries to the mining sector and record levels for product support," said Scott J. Medhurst, President and Chief Executive Officer of Toromont Industries Ltd. "Bookings in the quarter were strong, up 33% from a year ago, with healthy increases in mining, power systems and refrigeration."

Highlights:

- Equipment Group revenues set a new second quarter record of \$334 million, up 16% from 2011 on higher new and used equipment sales and product support. Operating income was also a record at \$33.8 million, up 15% in the quarter compared to 2011 on the higher revenues.
- For the first half of 2012, Equipment Group revenues were a record \$580 million, up 14% from 2011 on higher new and used equipment sales and product support. Operating income was also a record at \$56.7 million, up 18% year-over-year on the higher revenues and improved gross margins.
- Equipment Group bookings of \$195 million in the second quarter were 26% higher than the second quarter of 2011. Bookings in the year-to-date were 21% higher than the prior year. Mining and power systems reported strong activity levels in the quarter. Equipment Group backlogs were \$260 million at June 30, 2012 compared to \$224 million at December 31, 2011 and \$280 million at this time last year.
- CIMCO revenues were \$45 million in the quarter and \$81 million for the first half of 2012, down 18% and 16% respectively from the comparable periods last year. The decline in recreational package sales revenues was expected given the end of the Recreational Infrastructure Canada

stimulus program which contributed to 2011 results. Operating income decreased 36% in the quarter and 37% year-to-date on the lower revenues.

-- CIMCO bookings were a record for a second quarter at \$42 million, up 72% from the similar period last year, on strong industrial orders. Bookings in the first six months of 2012 were also a record \$117 million on a large order from Maple Leaf Foods for their announced facilities expansion program. Backlogs were a record \$126 million at June 30, 2012.

-- Net earnings from continuing operations were \$25.7 million in the quarter, \$0.34 per share basic, up 8% and 10% respectively from last year on higher revenues. Net earnings from discontinued operations in the second quarter of 2011 were \$136.0 million (\$1.77 per share basic) and included a net gain of \$133 million on the spinoff of Enerflex.

-- Total debt net of cash to total capitalization increased to 34%, within stated capital targets, versus 13% at year-end and 24% a year ago. Increased debt levels are substantially due to an increased investment in working capital.

-- During the quarter, the Company purchased and cancelled 528,438 shares under its normal course issuer bid. Total cost for the shares purchased was \$11.2 million (average cost of \$21.22 per share).

-- The regular quarterly dividend of \$0.12 per common share was paid on July 2, 2012. The Company has paid dividends every year since going public in 1968.

-- Subsequent to the end of the quarter, Toromont entered into an agreement

with Caterpillar to secure the assets associated with the former Bucyrus distribution network. Under this agreement, Toromont will pay US \$18 million inclusive of working capital of \$4.5 million. The transaction is expected to close on August 1, 2012. The addition of the Bucyrus products will strengthen our mining offering for surface and underground.

"We have leading market positions, healthy backlogs and momentum in product support," continued Mr. Medhurst. "These factors, together with expanded product offerings, position the Company well for long-term growth."

#### Quarterly Results Materials

The complete second quarter report for 2012, including MD&A and unaudited interim financial statements, is available on our 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 Tuesday, July 31, 2012 at 5:00 p.m. (ET). The call may be accessed by telephone at 1-866-226-1792 (toll free) or 416-340-2216 (Toronto area). A replay of the conference call will be available until Tuesday, August 14, 2012 by calling 1-800-408-3053 or 905-694-9451 and quoting passcode 3022778.

Both the live webcast and the replay of the quarterly conference call can be accessed at [www.toromont.com](http://www.toromont.com).

#### 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", "will", "may" and similar expressions are intended to identify statements containing forward-looking information. Forward-looking information in this press release is based on current objectives, strategies, expectations and assumptions which management considers appropriate and reasonable at the time including, but not limited to, general economic and industry growth rates, commodity prices, currency exchange and interest rates, competitive intensity and shareholder and regulatory approvals.

By its nature, forward-looking information is subject to risks and uncertainties which may be beyond the ability of Toromont to control or predict. The actual results, performance or achievements of Toromont could differ materially from those expressed or implied by forward-looking information. Factors that could cause actual results, performance, achievements or events to differ from current expectations include, among others, risks and uncertainties related to: business cycles, including general economic conditions in the countries in which Toromont operates; commodity price changes, including changes in the price of precious and base metals; 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; increased competition; credit of third parties; additional costs associated with warranties and maintenance contracts; changes in interest rates; the availability of financing; and, environmental regulation.

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 in this press release. 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 in the "Risks and Risk Management" and "Outlook" sections of Toromont's most recent annual or interim Management Discussion and Analysis, as filed with Canadian securities regulators at [www.sedar.com](http://www.sedar.com) and may also be found at [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 that are included in this press release, which are made 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 or intention to update or revise any forward-looking information,

whether as a result of new information, future events or otherwise, except as required by applicable securities legislation.

## 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 in addition to industry leading rental operations. CIMCO is a market leader in the design, engineering, fabrication and installation of industrial and recreational refrigeration systems. Both segments offer comprehensive product support capabilities. This press release and more information about Toromont Industries can be found at [www.toromont.com](http://www.toromont.com).

TOROMONT INDUSTRIES LTD.

### INTERIM CONSOLIDATED INCOME STATEMENTS

(Unaudited)

	Three months ended		Six months ended	
	June 30		June 30	
(\$ thousands, except share amounts)	2012	2011	2012	2011
Revenues	\$ 379,607	\$ 344,644	\$ 661,066	\$ 606,253
Cost of goods sold	289,938	260,891	496,152	457,357
Gross profit	89,669	83,753	164,914	148,896
Selling and administrative expenses	52,619	49,277	103,429	93,191
Operating income	37,050	34,476	61,485	55,705
Interest expense	2,249	2,307	4,370	4,849
Interest and investment income	(442)	(506)	(1,637)	(1,056)
Income before income taxes	35,243	32,675	58,752	51,912
Income taxes	9,590	8,953	15,859	14,387

Net earnings from					
continuing operations	25,653	23,722	42,893	37,525	
Net gain on spinoff of					
Enerflex	-	133,164	-	133,164	
Earnings from					
discontinued operations	-	2,796	-	10,617	
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Net Earnings	\$ 25,653	\$ 159,682	\$ 42,893	\$ 181,306	
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Earnings (losses)					
attributable to :					
Common shareholders	\$ 25,653	\$ 160,088	\$ 42,893	\$ 181,929	
Non-controlling					
interests	\$ -	\$ (406)	\$ -	\$ (623)	

Basic earnings per share					
Continuing operations	\$ 0.34	\$ 0.31	\$ 0.56	\$ 0.49	
Discontinued					
operations	-	1.77	-	1.87	
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	\$ 0.34	\$ 2.08	\$ 0.56	\$ 2.36	
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Diluted earnings per					
share					
Continuing operations	\$ 0.33	\$ 0.30	\$ 0.55	\$ 0.48	
Discontinued					
operations	-	1.76	-	1.86	

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\$ 0.33 \$ 2.06 \$ 0.55 \$ 2.34  
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Weighted average number  
of shares outstanding

Basic	76,760,731	77,203,562	76,773,193	77,183,293
Diluted	77,336,473	77,601,299	77,399,535	77,542,503

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