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BRAMPTON BRICK LIMITED FIRST QUARTER REPORT 2017

FOR THE FIRST QUARTER ENDED MARCH 31, 2017
PREPARED AS OF MAY 3, 2017

The following management's discussion and analysis of financial condition and results of operations ("MD&A") for the interim period ended March 31, 2017, should be read in conjunction with the condensed interim consolidated financial statements as at and for the three months ended March 31, 2017, and with the audited 2016 annual consolidated financial statements and the 2016 annual MD&A included in the Company's 2016 Annual Report, which may be found on SEDAR at www.sedar.com. All amounts are stated in thousands of Canadian dollars, except per share amounts, unless otherwise indicated.

DISCUSSION OF OPERATIONS

For the first quarter ended March 31, 2017, the Company recorded a net loss of $2,901, or $0.26 per share, compared to a net loss of $3,738, or $0.34 per share, for the corresponding quarter in 2016. The aggregate weighted average number of Class A Subordinate Voting shares and Class B Multiple Voting shares outstanding for the first quarter of 2017 and 2016 were 10,956,182 and 10,947,254, respectively.

Revenues increased by 16% to $21,669 for the first quarter of 2017 from $18,658 for the corresponding quarter of 2016 due to higher shipments in the Masonry Products business segment. The sustained momentum in the demand for new housing construction carried forward from 2016 contributed to the increase in shipments during the quarter.

Cost of sales for the first quarter ended March 31, 2017 increased by 10% to $19,724, from $17,901 for the corresponding quarter in 2016, primarily due to the increase in shipments. In addition, higher production volumes during the current quarter had a favourable effect on per unit fixed manufacturing costs, which helped to support the increase in the gross margin percentage over the corresponding prior year's quarter. Cost of sales for the first three months of 2016 were unfavourably impacted by the temporary shutdown of the Farmersburg, Indiana clay brick facility for maintenance and enhancements to the plant's manufacturing equipment processes.

Selling expenses for the first quarter of 2017 increased to $2,816 from $2,675 for the corresponding quarter of 2016. This increase was due to a relative increase in license fees for customer relationship management tools and an increase in personnel costs related to higher shipments.

General and administrative expenses increased to $1,886 for the first quarter ended March 31, 2017, from $1,604 for the corresponding period in 2016 due to moderate increases in personnel-related expenses, legal expenses and provisions for bad debt.

Other expense decreased to $40 compared to $213 for the corresponding prior period due to comparatively lower fluctuations in the U.S. dollar currency exchange rates impacting operations during the first quarter of 2017. Other expense includes the net gains and losses on the translation of foreign currency transactions, converted into the functional currency using exchange rates prevailing at the dates of the transactions.

The operating loss decreased to $2,761 for the quarter ended March 31, 2017, from $3,735 for the same quarter in 2016.

Finance expense for the three months ended March 31, 2017 was $460, compared to $773 for the corresponding quarter in 2016. Excluding the change in the fair value of the interest rate swap which amounted to an unrealized loss of $142 (2016 – unrealized loss of $395), net interest expense for the current quarter decreased to $318 compared to $378 in the first quarter of 2016 due to lower debt balances. The decrease in outstanding debt balances was the result of scheduled repayments amounting to $2,500 made in the second half of 2016.

Recovery of income taxes totaled $320 for the first quarter of 2017 compared to $770 for the same quarter of 2016. The decrease was due to the improvement in operating results of the Canadian operations in the first quarter of 2017 compared to the same period in 2016. The income tax recovery, in both periods, relates to the pre-tax loss of the Company's Canadian operations. The Company has not recorded a deferred tax asset with respect to the potential deferred tax benefit pertaining to losses incurred by its U.S. operations.

The following paragraphs explain each operating business segment in more detail:

MASONRY PRODUCTS

Revenues of the Masonry Products business segment increased by 18% to $19,966 for the quarter ended March 31, 2017, compared to $16,855 for the corresponding quarter of 2016. Favourable weather conditions combined with the robust pace of residential construction in Ontario contributed to the increase in shipments.

The increase in cost of sales was attributable to higher shipments and was positively impacted by comparatively higher production volumes, increasing the gross margin percentage over the prior period. During the corresponding prior period, process improvement expenses and costs associated with the temporary shutdown of the Farmersburg, Indiana clay brick facility were incurred, which negatively impacted the gross margin.

The operating loss for the first quarter of 2017 decreased to $945, compared to $1,727 for the same quarter in 2016.

LANDSCAPE PRODUCTS

Revenues of the Landscape Products business segment for the three months ended March 31, 2017 decreased to $1,703, from $1,803 for the corresponding quarter of 2016. Revenues from this business segment are seasonal in nature and are substantially generated from demand for exterior landscaping during the spring and summer months. Historically, revenues are lower in the first and fourth quarters with an upturn in shipments during the second and third quarters of the year.

Cost of sales for the quarter ended March 31, 2017 decreased to $2,550 from $2,706, primarily due to lower shipments and the effect of higher production volumes on lower per unit fixed manufacturing costs.

As a result, the operating loss for the first quarter of 2017 was $1,816 compared to $2,008 for the same quarter in 2016.

CASH FLOWS

Cash used for operating activities decreased to $8,627 for the three months ended March 31, 2017, compared to $12,060 for the comparative period in 2016. A decrease in accounts payable disbursements was offset by higher inventories, comparatively lower collections of accounts receivable and higher income tax payments during the first quarter of 2017. The increase in cash used during the first quarter of 2016 was due to the $5,500 acquisition cost pertaining to the Eurobloq Inc. transaction that was placed in escrow in March 2016, prior to the completion of the asset purchase in April 2016.

Cash utilized for purchases of property, plant and equipment totaled $2,092 in the first quarter of 2017. This amount primarily includes additions during the quarter of $1,240 and net amounts paid relating to additions in the prior period. Additions included $488 for mobile equipment and $277 for production process equipment. During the corresponding prior quarter, cash utilized for purchases of property, plant and equipment was $1,718, and comprised primarily of equipment upgrades at both U.S. facilities and at certain of the Canadian plants.

FINANCIAL CONDITION

The Company's Masonry Products and Landscape Products business segments are seasonal in nature. The Landscape Products business is affected by seasonality to a greater degree than the Masonry Products business. As a result of this seasonality, operating results are impacted accordingly and cash requirements are generally expected to increase through the first half of the year and decline through the second half of the year.

As at March 31, 2017, the bank operating advances outstanding total was $2,239, with no outstanding balance as at December 31, 2016.

Trade payables totaled $14,250 at March 31, 2017 compared to $15,956 at December 31, 2016.

The ratio of total liabilities to shareholders' equity was 0.54:1 at March 31, 2017 compared to 0.55:1 at December 31, 2016. The decrease in the ratio was due to a decrease both in accounts payables outstanding and income taxes payable. This decrease was partially offset by the increase in bank operating advances and the decrease in retained earnings owing to the net loss for the first quarter of 2017.

As at March 31, 2017, the Company's current ratio was 2.58:1, representing working capital of $34,890, compared to 2.43:1 and $36,382, respectively, as at December 31, 2016. The decrease in working capital was due to comparatively lower cash and cash equivalents and trade receivables and an increase in bank operating advances. This decrease was offset by an increase in inventories and income taxes recoverable. Cash and cash equivalents totaled $1,767 at March 31, 2017, compared to $10,923 at December 31, 2016.

The Company's demand operating facility provides for borrowings of up to $22,000 based on margin formulae for trade receivables, certain other qualified receivables and inventories, less priority claims. It is a demand facility secured by a general security agreement over all assets. The agreement also contains certain financial covenants.

As at March 31, 2017, the borrowing limit based on the margin formulae was $22,000, of which $2,616 was utilized comprising of bank operating advances totaling $2,239 and $377 in outstanding letters of credit.

The Company was in compliance with all financial covenants under its term financing agreement and operating credit facility as at March 31, 2017 and anticipates that it will maintain compliance throughout the year.

The Company expects that future cash flows from operations, cash and cash equivalents on hand and the unutilized balance of its operating credit facility will be sufficient to satisfy its obligations as they become due.

Information with respect to the Company's material off-balance sheet arrangements, which consist primarily of operating leases, purchase commitments and natural gas supply and transportation contracts, is disclosed in the table of contractual obligations in the annual MD&A included with the Company's 2016 Annual Report and in Note 14 to the condensed interim consolidated financial statements.

With respect to contractual obligations outstanding as at March 31, 2017, changes during the first quarter include scheduled payments of principal and interest on debt and finance lease obligations and operating leases. Additional changes include reductions in the remaining balances of the Company's purchase obligations under its natural gas supply and transportation contracts. These are more fully described in Note 14 to the condensed interim consolidated financial statements.

SELECTED QUARTERLY FINANCIAL INFORMATION

The following is a summary of selected quarterly financial information for each of the eight most recently completed quarters (in thousands of dollars, except per share amounts):

TOTAL OPERATIONS	March 31		December 31		September 30		June 30	
	2017	2016	2016	2015	2016	2015	2016	2015
Revenues	$ 21,669	$ 18,658	$ 36,739	$ 32,362	$ 43,811	$ 40,465	$ 43,818	$ 39,138
Net income (loss) attributable to shareholders of Brampton Brick Limited								
	$ (2,901)	$ (3,738)	$ 1,304	$ (524)	$ 4,636	$ 4,324	$ 5,272	$ 5,507
Net income (loss)								
	$ (2,901)	$ (3,738)	$ 1,304	$ (534)	$ 4,636	$ 4,324	$ 5,272	$ 5,667
Net income (loss) per share								
Basic	$ (0.26)	$ (0.34)	$ 0.12	$ (0.05)	$ 0.42	$ 0.39	$ 0.48	$ 0.50
Diluted	$ (0.26)	$ (0.34)	$ 0.12	$ (0.05)	$ 0.41	$ 0.39	$ 0.47	$ 0.49

The quarterly financial information presented reflects the seasonal nature of the Company's Masonry Products and Landscape Products business segments. Historically, sales of these business segments are greater in the second and third quarters of each year than in the first and fourth quarters. Consequently, the results of operations and cash flows reported each quarter are not necessarily indicative of the results to be expected for the year, and the financial condition of the Company at the end of each quarter reflects these seasonal fluctuations.

Major factors affecting the comparability of the quarterly results are described below:

QUARTERS ENDED MARCH 31

Revenues during the first quarter of 2017 increased in the Masonry Products business segment compared to the corresponding three months of 2016. The strong momentum in residential construction during 2016, which continued through the first quarter of 2017, combined with favourable weather conditions contributed to the increase in revenues.

Costs of sales were higher due to the increase in shipments and were positively impacted by lower per unit manufacturing costs on favourably higher production levels. The temporary shutdown for maintenance and process improvements at the Farmersburg plant unfavourably impacted costs in the corresponding prior quarter.

Selling expenses were higher during the first quarter of 2017, due to an increase in license fees for customer relationship management tools and personnel-related costs associated with higher revenues.

As a result, the net loss for the first quarter of 2017 decreased to $2,901 from $3,738 for the same quarter in 2016.

QUARTERS ENDED DECEMBER 31

Revenues for the fourth quarter of 2016 increased 14% over the same period in 2015 due to higher masonry and landscape product shipments. Costs of sales in the last quarter of 2016 increased by 8% due to higher shipments. This increase was partially offset by lower per unit manufacturing costs on higher production volumes.

In addition, the unrealized gain on the interest rate swap in the fourth quarter of 2016 amounted to $619, compared to an unrealized loss of $26 recognized in the corresponding prior period.

An increase in the income tax provision, which was recorded on pre-tax income of the Canadian operations, was the result of a significant improvement in operating results due to the continued strength in demand for the Company's product portfolios.

Net income improved significantly in the fourth quarter of 2016 for the reasons discussed above.

QUARTERS ENDED SEPTEMBER 30

The increase in shipment volumes in both the Masonry Products and Landscape Products business segments during the third quarter ended September 30, 2016, compared to the corresponding quarter of 2015, was primarily supported by the underlying strength in residential construction in Ontario, Canada. Costs of sales increased due to higher shipments and higher per unit production costs incurred at the Farmersburg, Indiana clay brick plant. Upgrades to process equipment at Farmersburg, Indiana continued through the third quarter of 2016, which impacted production activity and increased overall operating costs at the facility.

QUARTERS ENDED JUNE 30

Favourable weather conditions, sustained momentum in the housing market, as well as an expanded product portfolio produced an increase in revenues for the quarter ended June 30, 2016, compared to the same quarter of 2015. The increase in costs of sales during the second quarter of 2016 were due to increases in shipments and costs associated with both upgrades to process equipment installed at the Farmersburg, Indiana clay brick plant and the retrofit and other costs associated with the April 2016 acquisition of the Boisbriand, Quebec facility. In addition, higher selling expenses due to an increase in sales promotion and personnel costs related to the increase in revenues increased operating expenses during the second quarter of 2016.

For the quarter ended June 30, 2015, transactions that positively impacted the results were a property tax credit of $537, decreases in bad debt and other provisions, and an unrealized gain on the change in the fair value of the interest rate swap.

As a result, net income for the quarter ended June 30, 2016 was $5,272, compared to $5,667 for the same period in 2015.

OTHER

Information with respect to 'Changes in Accounting Policies' is contained in Note 2 to the 2016 annual consolidated financial statements included in the Company's 2016 Annual Report. The condensed interim consolidated financial statements as at and for the three-month period ended March 31, 2017 have been prepared using the same accounting policies applied to the Company's annual consolidated financial statements for the year ended December 31, 2016, along with applicable changes in accounting policies effective January 1, 2017, as described in Note 2 to the 2016 annual consolidated financial statements. On March 31, 2017, share appreciation rights, with cash settlement on exercise, were granted by the Board of Directors. This transaction and the associated accounting policy is further described in Note 10 to the condensed interim consolidated financial statements.

Information with respect to 'Critical Accounting Judgments and Estimates' is disclosed in the 2016 annual MD&A and in Note 3 to the 2016 annual consolidated financial statements included in the Company's 2016 Annual Report. To date, there have not been any significant changes to the Company's critical accounting judgments and estimates.

Information with respect to transactions with related parties is disclosed: (a) for the year ended December 31, 2016, in Note 22 to the 2016 annual consolidated financial statements included in the Company's 2016 Annual Report; and (b) for the three months ended March 31, 2017, in Note 15 to the condensed interim consolidated financial statements.

The aggregate number of issued and outstanding Class A Subordinate Voting shares and Class B Multiple Voting shares as at March 31, 2017 is disclosed in Note 9 to the condensed interim consolidated financial statements. There have been no changes to the issued and outstanding shares to the date of this MD&A.

During the second quarter of 2016, The Toronto Stock Exchange (the "TSX") accepted a notice of intention (the "Notice') filed by the Company to make a normal course issuer bid ("NCIB"). The Notice provided that the Company, during the 12-month period which commenced on May 16, 2016 and ends on May 15, 2017, could purchase on the TSX up to 460,431 Class A Subordinate Voting shares in total, being approximately 5% of the total number of Class A Subordinate Voting shares outstanding as of May 5, 2016. The Company did not repurchase any Class A Subordinate Voting shares under this NCIB.

The aggregate number of outstanding stock options as at March 31, 2017 that were fully vested and convertible to Class A Subordinate Voting shares upon exercise by the option holders is disclosed in Note 10 to the condensed interim consolidated financial statements for the period ended March 31, 2017. There have been no changes to the outstanding number of stock options to the date of this MD&A.

On March 21, 2017, the Board of Directors approved the Brampton Brick Limited Share Appreciation Rights Plan (the "SARs Plan"). Under the SARs Plan, the Company may grant share appreciation rights to the officers, full-time employees and directors of the Company and its subsidiaries. The base price of each share appreciation right is determined by the Board of Directors and cannot be less than the volume weighted average trading price ("VWAP") of the Company's Class A Subordinate Voting shares for the five trading days immediately preceding the effective date of the grant, and the maximum exercise term of a share appreciation right is ten years. Upon exercise of the share appreciation right, the excess of the fair market value ("FMV"), being the five-day VWAP, as of the day preceding the date of exercise, over the base price will be payable to the participant.

For accounting purposes, share appreciation rights are measured at FMV using the Black-Scholes option pricing model. Compensation expense is recorded for the increase in the FMV of the share appreciation rights over the base price until settlement or expiration. The offsetting liability is recognized as Current and Non-Current based on the estimated timing of settlement. Compensation expense is recognized for vested share appreciation rights over the vesting period. Each vesting period represents a tranche, which is treated as a separate grant. Forfeitures are estimated in the determination of vested rights. For the period ended March 31, 2017, no compensation cost was recognized with respect to the share appreciation rights as described in Note 10 to the condensed interim consolidated financial statements.

Additional information relating to the Company, including the Company's Annual Report and Annual Information Form for the year ended December 31, 2016 and the Management Information Circular issued in connection with the Annual General Meeting of Shareholders to be held on May 25, 2017, may be found on SEDAR at **www.sedar.com**.

INTERNAL CONTROL OVER FINANCIAL REPORTING

There have been no changes in the Company's internal control over financial reporting during the three months ended March 31, 2017 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

OUTLOOK

The Company's Masonry Products and Landscape Products business segments are cyclical. Demand for masonry products fluctuates in accordance with the level of new residential construction as well as industrial, commercial and institutional construction activity. Demand for landscape products fluctuates in accordance with the level of industrial, commercial and institutional construction activity, as well as consumer spending patterns.

Both business segments are seasonal, with the Landscape Products business affected to a greater degree than the Masonry Products business.

The improvement in results during the first quarter of 2017 was aided by an increase in residential housing and construction activity in the current quarter compared to the corresponding quarter in 2016. In anticipation of higher sales demand that was experienced in 2016, manufacturing output was increased across the Company's plant network, with a higher capacity utilization resulting in improved operating efficiencies. If executed as planned, production volume for the balance of 2017 should result in higher production output and greater efficiencies than in 2016.

Although residential housing in the Company's U.S. clay brick market remains at historically low levels, the facility is forecasted to produce clay products for some Canadian residential customers and to utilize its newly modified equipment to produce high quality commercial sector products in addition to its residential product portfolio in 2017. These increased volumes should result in lower per unit costs and higher margins for this business segment.

The Company's landscape and concrete masonry business is forecasted to grow in 2017 both organically, with the help of previously executed strategic initiatives around new product development and enhanced customer support programs, and through regional expansion into the Quebec market which will be aided by the full year's inclusion of the Boisbriand, Quebec facility.

Since the signing of the Universal Resource Recovery Inc. ("Universal") lease with its tenant, Universal has been self-sufficient on a cash basis. As a result, the Company does not expect to fund any cash shortfalls in 2017. Additionally, any excess cash flow at Universal is expected to be used to repay the loan receivable of the Company and the other joint venture partner during the lease period.

Collectively, given the positive outlook for the Company's various products and the expected enhancement in operational and manufacturing performance, the results for 2017 can be favourable to those achieved in 2016.

FORWARD-LOOKING STATEMENTS

Certain statements contained herein constitute "forward-looking statements". All statements that are not historical facts are forward-looking statements, including, among others, statements regarding the expected repayment of the loan receivable from Universal and the expected self-sufficiency on a cash basis of Universal, forecasts of sufficient cash flows from operations and other sources of financing, anticipated compliance with financial covenants under debt agreements, anticipated sales of masonry and landscape products, and other statements regarding future plans, objectives, production levels, costs, productivity, results, business outlook and financial performance, including the statements contained in the 'Outlook' section of this MD&A. There can be no assurance that such forward-looking statements will prove to be accurate.

Such forward-looking statements are based on information currently available to management, and are based on assumptions and analyses made by management in light of its experience and its perception of historical trends, current conditions and expected future developments, including, among others, assumptions regarding pricing, weather and seasonal expectations, production efficiency, and there being no significant disruptions affecting operations or other material adverse changes.

Such forward-looking statements also involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements of the Company to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such risks and uncertainties include, among others: changes in economic conditions, including the demand for the Company's primary products and the level of new home, commercial and other construction; large fluctuations in production levels; fluctuations in energy prices and other production costs; changes in transportation costs; foreign currency exchange and interest rate fluctuations; legislative and regulatory developments; as well as those assumptions, risks, uncertainties and other factors identified and discussed under "Risks and Uncertainties" in the 2016 annual MD&A included in the Company's 2016 Annual Report and those identified and reported in the Company's other public filings (including the Annual Information Form for the year ended December 31, 2016), which may be accessed at **www.sedar.com**.

The forward-looking information contained herein is made as of the date hereof. Other than as specifically required by law, the Company undertakes no obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise. Readers are cautioned not to place undue reliance on forward-looking statements.

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL REPORT

Under National Instrument 51-102, Part 4, Subsection 4.3(3)(a), if an auditor has not performed a review of an interim financial report, the interim financial report must be accompanied by a notice indicating that the interim financial report has not been reviewed by an auditor.

The accompanying unaudited condensed interim consolidated financial statements of the company have been prepared by and are the responsibility of the company's management.

No auditor has performed a review of these condensed interim consolidated financial statements.

Jeffrey G. Kerbel
President and Chief Executive Officer

Trevor M. Sandler
Vice President, Finance and
Chief Financial Officer

Dated as of the 3rd day of May, 2017.

Condensed Interim Consolidated Balance Sheets

(unaudited)(in thousands of Canadian dollars)	Notes	March 31, 2017	December 31, 2016
ASSETS			
Current Assets			
Cash and cash equivalents		**$ 1,767**	$ 10,923
Trade and other receivables		**18,034**	21,108
Inventories		**34,453**	29,031
Taxes recoverable	11	**1,263**	-
Other assets		**1,410**	756
Loan receivable	4	**91**	89
		57,018	61,907
Non-current assets			
Loans receivable	4	**4,390**	4,408
Property, plant and equipment	5	**168,449**	170,072
		172,839	174,480
Total assets	16	**$ 229,857**	$ 236,387
LIABILITIES			
Current liabilities			
Bank operating advances	6, 13	**$ 2,239**	$ -
Trade payables		**14,250**	15,956
Income tax payable	11	**-**	2,822
Current portion of debt	7, 13	**2,172**	2,638
Current derivative financial instrument	8	**229**	155
Decommissioning provisions		**30**	30
Other liabilities		**3,208**	3,924
		22,128	25,525
Non-current liabilities			
Non-current portion of debt	7, 13	**35,882**	35,910
Non-current derivative financial instrument	8	**272**	204
Decommissioning provisions		**6,464**	6,429
Deferred tax liabilities	11	**15,720**	15,889
		58,338	58,432
Total liabilities		**$ 80,466**	$ 83,957
EQUITY			
Share capital	9	**$ 33,911**	$ 33,755
Contributed surplus	10	**3,171**	3,101
Accumulated other comprehensive income		**10,465**	10,829
Retained earnings		**101,844**	104,745
Total equity		**149,391**	152,430
Total liabilities and equity		**$ 229,857**	$ 236,387

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

Condensed Interim Consolidated Statements of Comprehensive Income (Loss)

(unaudited)(in thousands of Canadian dollars, except per share amounts)	Notes	Three months ended March 31, 2017	2016
Revenues	15, 16, 17	**$ 21,669**	$ 18,658
Cost of sales		**19,724**	17,901
Selling expenses		**2,816**	2,675
General and administrative expenses		**1,886**	1,604
Gain on disposal of property, plant and equipment		**(36)**	-
Other expense		**40**	213
		24,430	22,393
Operating loss	16	**(2,761)**	(3,735)
Finance expense	6, 7, 8	**(460)**	(773)
Loss before income taxes		**(3,221)**	(4,508)
Recovery of income taxes	11		
Current		**152**	676
Deferred		**168**	94
		320	770
Net loss for the period		**$ (2,901)**	$ (3,738)
Other comprehensive (loss) income			
Items that will be reclassified subsequently to profit or loss when specific conditions are met:			
Foreign currency translation loss		**$ (364)**	$ (2,886)
Total comprehensive loss for the period		**$ (3,265)**	$ (6,624)
Net loss per Class A Subordinate Voting share and Class B Multiple Voting share			
Basic	12	**$ (0.26)**	$ (0.34)
Diluted	12	**$ (0.26)**	$ (0.34)

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

Condensed Interim Consolidated Statements of Changes in Equity

(unaudited) (in thousands of Canadian dollars)	Notes	Attributable to shareholders of Brampton Brick Limited Share Capital	Contributed Surplus	Accumulated Other Comprehensive Income (loss)	Retained Earnings	Total	Non-Controlling interest	Total Equity
Balance – January 1, 2016		**$ 33,755**	**$ 2,641**	**$ 12,176**	**$ 97,270**	**$145,842**	**$ 37**	**$145,879**
Net loss for the period					(3,738)	**(3,738)**	-	**(3,738)**
Other comprehensive loss (net of taxes, $nil)				(2,886)		**(2,886)**		**(2,886)**
Total comprehensive loss for the period		**-**	**-**	**(2,886)**	**(3,738)**	**(6,624)**	**-**	**(6,624)**
Share-based compensation	10		72			**72**		**72**
Balance – March 31, 2016		**$ 33,755**	**$ 2,713**	**$ 9,290**	**$ 93,532**	**$139,290**	**$ 37**	**$139,327**
Balance – January 1, 2017		**$ 33,755**	**$ 3,101**	**$ 10,829**	**$104,745**	**$152,430**	**$ -**	**$152,430**
Net loss for the period					(2,901)	**(2,901)**	-	**(2,901)**
Other comprehensive loss (net of taxes, $nil)				(364)		**(364)**		**(364)**
Total comprehensive loss for the period		**-**	**-**	**(364)**	**(2,901)**	**(3,265)**	-	**(3,265)**
Stock options exercised	9	156	(25)			**131**		**131**
Share-based compensation	10		95			**95**		**95**
Balance – March 31, 2017		**$ 33,911**	**$ 3,171**	**$ 10,465**	**$101,844**	**$149,391**	**$ -**	**$149,391**

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

Condensed Interim Consolidated Statements of Cash Flows

(unaudited)(in thousands of Canadian dollars)	Notes	Three months ended March 31, 2017	2016
Cash provided by (used for)			
Operating activities			
Net loss for the period		**$ (2,901)**	$ (3,738)
Items not affecting cash and cash equivalents			
Depreciation	5	**2,515**	2,294
Current tax recovery	11	**(152)**	(676)
Deferred tax recovery	11	**(168)**	(94)
Gain on disposal of property, plant and equipment		**(36)**	-
Unrealized foreign currency exchange loss		**41**	112
Net interest expense	6, 7	**318**	378
Derivative financial instrument loss	8	**142**	395
Other	10	**95**	72
		(146)	(1,257)
Changes in non-cash items			
Trade and other receivables		**3,058**	4,756
Inventories		**(5,478)**	(2,009)
Other assets		**(655)**	(5,390)
Trade payables		**(804)**	(5,647)
Other liabilities		**(669)**	(366)
		(4,548)	(8,656)
Income tax payments		**(3,933)**	(2,147)
Cash used for operating activities		**(8,627)**	(12,060)
Investing activities			
Purchase of property, plant and equipment		**(2,092)**	(1,718)
Proceeds from repayments of loans receivable		**17**	16
Proceeds from disposal of property, plant and equipment		**42**	-
Cash used for investing activities		**(2,033)**	(1,702)
Financing activities			
Increase in bank operating advances	6, 13	**2,239**	10,936
Payment of term loans	7, 13	**(3)**	(79)
Interest paid	6, 7	**(358)**	(332)
Payments on obligations under finance leases	13	**(490)**	(321)
Proceeds from exercise of stock options	9	**131**	-
Cash provided by financing activities		**1,519**	10,204
Foreign exchange on cash held in foreign currency		**(15)**	(21)
Decrease in cash and cash equivalents		**(9,156)**	(3,579)
Cash and cash equivalents at the beginning of the period		**10,923**	4,021
Cash and cash equivalents at the end of the period		**$ 1,767**	$ 442

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

1. GENERAL INFORMATION

Brampton Brick Limited and its subsidiaries, together referred to as the ("Company"), primarily manufacture and sell masonry and landscape products. The Company has clay brick manufacturing plants located in Brampton, Ontario and in Farmersburg, Indiana. Plants located in Markham, Hillsdale, Brampton and Brockville, Ontario, in Boisbriand, Quebec and in Wixom, Michigan manufacture concrete masonry and landscape products.

Brampton Brick Limited is incorporated and domiciled in Canada. The address of its registered office is 225 Wanless Drive, Brampton, Ontario.

The Company's Class A Subordinate Voting shares trade on the Toronto Stock Exchange under the ticker symbol "BBL.A". The Company's Class B Multiple Voting shares do not trade on any public market.

2. BASIS OF PREPARATION

These condensed interim consolidated financial statements as at and for the three months ended March 31, 2017 are unaudited and include all adjustments that management considers necessary for a fair presentation in accordance with IAS 34 ***Interim Financial Reporting***. The Company's business is seasonal. Results for the three months ended March 31, 2017 are not necessarily indicative of results for the full fiscal year or any other future period.

These condensed interim consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Company's annual consolidated financial statements. The condensed interim consolidated financial statements as at and for the three months ended March 31, 2017 have been prepared using the same accounting policies applied to the Company's annual consolidated financial statements for the year ended December 31, 2016, along with applicable changes in accounting policies effective January 1, 2017, as described in Note 2 to the annual consolidated financial statements. On March 31, 2017, share appreciation rights, with cash settlement on exercise, were granted by the Board of Directors. This transaction and the associated accounting policy is further described in Note 10.

STATEMENT OF COMPLIANCE

These condensed interim consolidated financial statements as at and for the three months ended March 31, 2017 have been prepared in accordance with IAS 34 ***Interim Financial Reporting***.

These condensed interim consolidated financial statements were approved by the Board of Directors on May 3, 2017.

3. ACCOUNTING STANDARDS ISSUED BUT NOT YET APPLIED

The following is a brief overview of accounting standard changes and amendments that the Company will be required to adopt in future years.

IFRS 9 *Financial Instruments* is effective for annual periods beginning on or after January 1, 2018 and addresses classification and measurement of financial assets. It replaces the multiple category and measurement models in IAS 39, Financial Instruments: Recognition and Measurement ("IAS 39") for debt instruments with a new mixed measurement model having only two categories: amortized cost and fair value through profit or loss. IFRS 9 also replaces the models for measuring equity instruments. Such instruments are either recognized at fair value through profit or loss or at fair value through other comprehensive income. Where equity instruments are measured at fair value through other comprehensive income, dividends are recognized in profit or loss to the extent that they do not clearly represent a return of investment; however, other gains and losses (including impairments) associated with such instruments remain in accumulated comprehensive income indefinitely.

Requirements for financial liabilities largely carry forward existing requirements in IAS 39, except that fair value changes due to credit risk for liabilities designated at fair value through profit and loss would generally be recorded in other comprehensive income.

The Company has not completed evaluating the impact of this standard on its consolidated financial statements. The standard outlines the expected credit loss approach to monitor changes in credit risk for the recognition of credit impairment losses, which will apply in the measurement of trade and other receivables and loans receivable. No significant changes to the consolidated financial statements are expected to result from the adoption of the standard.

IFRS 15 *Revenue from contracts with customers* is effective for annual periods beginning on or after January 1, 2018 and is based on the principle that revenues should reflect the consideration to which the entity expects to be entitled to, in exchange for the transfer of promised goods or services. The standard provides a single, principle-based, five-step model for revenue recognition to be applied to all customer contracts and requires enhanced disclosures.

The Company has not completed evaluating the impact of this standard on the consolidated financial statements. The standard requires revenue recognized to be determined by estimating the impact of variable consideration on the transaction price which is allocated over multiple, time-based performance obligations. The accounting treatment prescribed will apply to variable consideration in the transaction price due to customer volume and prompt payment rebates. No significant changes to the consolidated financial statements are expected to result from the adoption of the standard.

IFRIC 22 *Foreign currency transactions and advance consideration* consideration is effective for annual reporting periods beginning on or after January 1, 2018. The Interpretation clarifies that the exchange rate to be used on initial recognition in the functional currency for a foreign currency denominated asset, expense or income, where advance consideration had been previously paid or received resulting in a non-monetary asset or non-monetary liability, is the spot exchange rate as of the date of recognition of the advance consideration. In case of multiple payments or receipts of advance consideration, exchange rates for each of these transaction dates must be applied. No significant changes to the consolidated financial statements are expected to result from the adoption of the standard.

IFRS 16 *Leases* is effective for annual periods beginning on or after January 1, 2019. It eliminates the classification of leases as either operating leases or finance leases as is required by IAS 17, Leases. It establishes principles for the recognition, measurement, presentation and disclosure of leases with the objective of ensuring that lessees and lessors provide relevant information for all leases with a term of more than 12 months, unless the underlying asset is of low value for those transactions.

The standard introduces a single lessee accounting model which requires a lessee to recognize:

a) assets by recognizing the present value of the lease payments;
b) liabilities by recognizing its obligation to make future payments; and
c) depreciation of lease assets separately from interest on lease liabilities in the income statement.

The Company has not completed evaluating the impact of this standard on the consolidated financial statements. The standard specifies the measurement and disclosure requirements where an asset is represented by the lessee's right to use the underlying asset. A right-of-use asset and an offsetting liability must be recognized at inception of the lease. The transitional provisions on adoption of this standard are expected to have disclosure requirements in the consolidated financial statements.

Amendment to IFRS 2, *Share-based payment* is effective for annual periods beginning on or after January 1, 2018 and clarifies that:

a) the accounting for the impact of vesting and non-vesting conditions on the measurement of cash-settled, share-based payments should follow the equity-settled, share-based payments approach which is based on an assessment of the satisfaction of market conditions and performance conditions;
b) a share-based payment transaction with a net settlement feature, permitting an entity to settle the net share-based payment arrangement by withholding a portion of the equity instruments to meet the statutory tax withholding obligation, should be classified as an equity-settled transaction in its entirety if the transaction would have otherwise been classified as equity-settled if it had not included the net settlement feature; and
c) where the classification of a cash-settled, share-based payment is changed to an equity-settled, share-based payment, then the transaction is measured at the fair value of the equity instrument at the modification date and recognized for services rendered up to the modification date. Any difference between the carrying amount of the liability with respect to the cash-settled, share-based payment and the amount recognized in equity is recorded in profit or loss, immediately.

This amendment is not expected to impact the consolidated financial statements.

4. LOANS RECEIVABLE

The secured, non-interest bearing, non-current loan receivable ("loan receivable") from Universal Resource Recovery Inc. ("Universal") totaled $4,250 as at March 31, 2017 (December 31, 2016 - $4,250). A repayment in the amount of $450 was received in July 2016.

In relation to this loan receivable, the Company has registered, as security, a mortgage on Universal's property located in Welland, Ontario.

Other Loans Receivable as at March 31, 2017 total $231 (December 31, 2016 - $247), of which $140 (December 31, 2016 - $158) is classified as non-current.

5. PROPERTY, PLANT AND EQUIPMENT

	Land and Land Improvements	Buildings	Machinery and Equipment	Mobile Equipment	Total
As at December 31, 2016					
Cost	89,462	35,774	159,149	7,712	292,097
Accumulated depreciation and impairment loss	(18,807)	(17,859)	(79,239)	(6,120)	(122,025)
Net book value	**70,655**	**17,915**	**79,910**	**1,592**	**170,072**
For the three months ended March 31, 2017					
Additions	65	-	687	488	1,240
Disposals	-	-	-	(6)	(6)
Depreciation for the period	(268)	(262)	(1,743)	(242)	(2,515)
Exchange differences	(50)	(57)	(230)	(5)	(342)
	(253)	**(319)**	**(1,286)**	**235**	**(1,623)**
As at March 31, 2017					
Cost	89,418	35,649	159,311	8,178	292,556
Accumulated depreciation and impairment loss	(19,016)	(18,053)	(80,687)	(6,351)	(124,107)
Net book value	**70,402**	**17,596**	**78,624**	**1,827**	**168,449**

For the three-month period ended March 31, 2017, depreciation expense totaled $2,515 (2016 - $2,294) of which $2,431 (2016 - $2,217) was included in Cost of sales and $84 (2016 - $77) was included in General and administrative expenses.

Mobile equipment and machinery and equipment includes the following amounts acquired by means of finance leases:

	March 31, 2017	December 31, 2016
Cost – financed leases	$ 5,129	$ 6,580
Accumulated depreciation	(4,860)	(5,081)
	$ 269	**$ 1,499**

6. BANK OPERATING ADVANCES

The Company's operating credit facility provides for borrowings of up to $22,000 (2016 - $22,000) based on margin formulae for trade receivables and inventories, less priority claims. It is a demand facility secured by a general security agreement over all assets. The agreement contains certain financial covenants. As at March 31, 2017, the Company was in compliance with all the financial covenants.

As at March 31, 2017, the borrowing limit was $22,000 (December 31, 2016 - $22,000). The utilization was $2,616 (December 31, 2016 - $333) and comprised of bank operating advances totaling $2,239 (December 31, 2016 - Nil) and outstanding letters of credit for $377 (December 31, 2016 - $333).

As at March 31, 2017, the rate of interest on the current account overdraft is based on the Canadian bank prime rate plus a credit spread of 0.25%.

7. DEBT

Debt consists of the following:

		March 31, 2017 $	December 31, 2016 $
Committed term A credit facility – monthly instalments commence July 2017 to November 2019, maturing December 29, 2019	(a)	**27,000**	27,000
Committed term B credit facility – monthly instalments commence July 2017 to November 2019, maturing December 29, 2019	(b)	**10,665**	10,665
Other term loans		**16**	19
		37,681	37,684
Obligations under finance leases		**373**	864
		38,054	38,548
Less: Payments due within one year – current portion		**2,172**	2,638
Non-current portion of debt		**35,882**	35,910

The loans under the credit agreement are secured by a general security agreement over all assets and a first-priority mortgage over certain properties located in Canada. The following credit facilities were availed of:

(a) The committed term A credit facility is a non-revolving term loan, which bears interest at the bankers' acceptance rate plus 1.60% totaled $27,000. The term of the loan is three years and requires monthly interest payments for the duration of the loan. This term loan will be repaid by way of principal repayments of $290 per month from July to November each year, commencing from 2017 to 2019, with the loan balance payable on December 29, 2019.

On December 29, 2016, the Company entered into a floating-to-fixed interest rate swap agreement to fix the interest rate on this term loan, as further described in Note 8, 'Derivative Financial Instrument'.

(b) The committed term B credit facility is a non-revolving term loan, bearing interest at the bankers' acceptance rate plus 1.60% and provides up to a maximum borrowing of $10,665, which was fully drawn down. The term of the loan is three years and requires monthly interest payments for the duration of the loan. This term loan will be repaid by way of principal repayments of $100 per month from July to November each year, commencing from 2017 to 2019, with the loan balance payable on December 29, 2019.

This credit agreement includes a revolving, committed capital expenditure credit facility, which provides up to a maximum amount of $5,000, none of which has been utilized as at March 31, 2017.

The agreements for these loans contain certain financial covenants. As at March 31, 2017, the Company is in compliance with all the financial covenants.

8. DERIVATIVE FINANCIAL INSTRUMENT

The Company entered into a floating-to-fixed interest rate swap with a current notional value of $27,000 to minimize its exposure to fluctuations in cash flows from changes in interest rates on term debt of the same amount. The swap notional value will decrease proportionately with the outstanding balance of the underlying committed term A credit facility as scheduled repayments are made over its duration. As a result of this transaction, the Company's interest rate for the committed term A credit facility is fixed at 3.48%.

The Company has not applied hedge accounting for the period ended March 31, 2017 or in the prior period. The change in fair value of the interest rate swap recognized in 'Finance expense' on the Consolidated Statement of Comprehensive Income (Loss) for the period ended March 31, 2017 amounted to an unrealized loss of $142 (2016 - unrealized loss of $395). The fair value of the interest rate swap derivative in the amounts of $229 (December 31, 2016 - $155) and $272 (December 31, 2016 - $204) were classified as current and non-current derivative financial liabilities, respectively.

9. SHARE CAPITAL

The authorized capital of the Company consists of an unlimited number of Preference shares, Class A Subordinate Voting shares and Class B Multiple Voting shares. The Class B Multiple Voting shares are convertible into Class A Subordinate Voting shares on a share-for-share basis at any time. Class A Subordinate Voting shares may be converted into Class B Mutiple Voting shares in certain circumstances in connection with a takeover bid. Class A Subordinate Voting shareholders are entitled to one vote per share and Class B Multiple Voting shareholders are entitled to ten votes per share at any meeting of shareholders. The shares issued do not have a specified par value.

As at March 31, 2017 issued and outstanding share capital consisted of 9,234,123 Class A Subordinate Voting shares (December 31, 2016 – 9,208,623) and 1,738,631 Class B Multiple Voting shares (December 31, 2016 – 1,738,631).

There were no Class A Subordinate Voting shares purchased under the Company's Normal Course Issuer Bid, which commenced May 16, 2016 and ends on May 15, 2017.

During the quarter ended March 31, 2017, 25,500 stock options were exercised at an average price of $5.14. Proceeds from the issue of an equal number of Class A Subordinate Voting shares amounted to $131. No stock options were exercised during the corresponding prior quarter of 2016.

10. SHARE-BASED COMPENSATION

a) Equity-settled stock options:

Under the Brampton Brick Limited Stock Option Incentive Plan ("the Plan"), the Company may grant stock options to the directors, officers and full-time employees of the Company and its subsidiaries up to an aggregate of 1,680,965 (December 31, 2016 – 1,680,965) Class A Subordinate Voting shares. The exercise price of each stock option is equal to the volume weighted average trading price of the Company's Class A Subordinate Voting shares for the five trading days immediately preceding the date of the grant and the maximum term of each option is ten years. As at March 31, 2017, a total of 62,265 (December 31, 2016 – 62,265) stock options were available for grant under the Plan.

For the three months ended March 31, 2017, the total compensation cost charged against income with respect to the equity-settled stock options granted was $95 (2016 - $72).

As at March 31, 2017, an aggregate of 1,263,000 (December 31, 2016 – 1,372,500) stock options were outstanding, of which 964,200 (December 31, 2016 – 1,004,500) were fully vested and exercisable by the holders thereof at a weighted average exercise price of $5.90 (December 31, 2016 - $6.43) per share.

b) Share appreciation rights:

On March 21, 2017, the Board of Directors approved the Brampton Brick Limited Share Appreciation Rights Plan (the "SARs Plan"). Under the SARs Plan, the Company may grant share appreciation rights to the officers, full-time employees and directors of the Company and its subsidiaries. The base price of each share appreciation right is determined by the Board of Directors and cannot be less than the volume weighted average trading price ("VWAP") of the Company's Class A Subordinate Voting shares for the five trading days immediately preceding the effective date of the grant, and the maximum exercise term of a share appreciation right is ten years. Upon exercise of the share appreciation right, the excess of the fair market value ("FMV"), being the five-day VWAP, as of the day preceding the date of exercise, over the base price will be payable to the participant.

For accounting purposes, share appreciation rights are measured at FMV using the Black-Scholes option pricing model. Compensation expense is recorded for the increase in the FMV of the share appreciation rights over the base price until settlement or expiration. The offsetting liability is recognized as Current and Non-Current based on the estimated timing of settlement. Compensation expense is recognized for vested share appreciation rights over the vesting period. Each vesting period represents a tranche, which is treated as a separate grant. Forfeitures are estimated in the determination of vested rights.

The Company granted share appreciation rights to all executive officers, certain employees and to all non-management members of the Board of directors of the Company on March 31, 2017. Share appreciation rights in each grant vest as follows: 20% on the date immediately following the date of the grant; and an additional 20% on each anniversary of the grant date thereof until fully vested. Accordingly, none of the share appreciation rights have vested as at March 31, 2017.

Date of grant	**March 31, 2017**
Number of share appreciation rights granted	**205,500**
Base price	**$ 9.01**
Fair value of each share appreciation right as at March 31, 2017	**$ 4.82**
Assumptions:	
Risk-free interest rate	**1.5%**
Expected life	**8.3 years**
Volatility (determined by reference to historically observed prices of the Class A Subordinate Voting shares)	**47.47%**
Expected dividend yield	**0.0%**
Expected forfeitures	**Nil**

No compensation cost was recorded for the period ended March 31, 2017 with respect to the share appreciation rights granted on March 31, 2017, as the first tranche of rights vest on April 1, 2017

11. INCOME TAX

The Company computes an income tax recovery (provision) in each of the jurisdictions in which it operates. However, actual amounts of income tax expense only become final upon filing and acceptance of the tax return by the relevant authorities, which occur subsequent to the issuance of the financial statements. Additionally, estimation of income taxes includes evaluating the recoverability of deferred tax assets based on an assessment of the ability to use the underlying future tax deductions before they expire against future taxable income. The assessment is based upon existing tax laws and estimates of future taxable income. To the extent estimates differ from the final tax return, earnings would be affected in a subsequent period. The operations in Canada and the United States are subject to income tax at the following rates 26.5% (2016 – 26.5%) in the Canadian jurisdictions and from 34.0% to 38.1% (2016 – 34.0% to 38.2%) in the U.S. jurisdictions.

In interim periods, the income tax recovery (provision) is based on actual earnings by jurisdiction. The Company has not recorded a deferred tax asset with respect to the potential future income tax benefit pertaining to the losses incurred by its U.S. operations.

12. NET LOSS PER SHARE

Net loss per share is calculated on net loss attributable to the shareholders of Brampton Brick Limited using the weighted average number of shares outstanding for the period. The diluted loss per share is calculated to reflect the dilutive effect of the exercise of the outstanding stock options on loss per share.

The weighted average number of Class A Subordinate Voting shares and Class B Multiple Voting shares outstanding utilized in the calculations of net loss per share is as follows:

	Three months ended March 31					
	2017			2016		
	Net loss $	Shares (thousands)	Per share amount $	Net loss $	Shares (thousands)	Per share amount $
Basic and diluted loss per share attributable to shareholders of Brampton Brick Limited	**(2,901)**	**10,956**	**(0.26)**	(3,738)	10,947	(0.34)

Dilutive employee stock options have no effect in the calculation of the diluted loss per share due to the loss incurred for the periods ended March 31, 2017 and March 31, 2016.

13. CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

For the period ended March 31, 2017, cash provided by (used for) financing activities resulted in the following changes to the Company's financing liabilities.

	Bank operating advances	Term loans	Finance leases
Balance as at December 31, 2016	**$ -**	**$ 37,684**	**$ 864**
Cash flows:			
Increase in financial obligations	2,239		
Payments during the period		(3)	(490)
Changes from financing cash flows	2,239	(3)	(490)
Changes from cash flows	2,239	(3)	(490)
Non-cash changes:			
Impact of exchange rates on payments			(1)
Effects of changes in foreign exchange rates			(1)
Non-cash changes	-	-	(1)
Balance as at March 31, 2017	**$ 2,239**	**$ 37,681**	**$ 373**

14. COMMITMENTS AND CONTINGENCIES

As at March 31, 2017, the Company had capital expenditure commitments with suppliers totaling $3,412.

The Company normally enters into supply and transportation contracts for natural gas to satisfy its future requirements. As at March 31, 2017, the Company has contracted for its estimated remaining 2017 Canadian natural gas supply requirements at an aggregate estimated cost of $1,403, none of which was at fixed prices, and for its estimated remaining 2017 Canadian transportation requirements at an aggregate estimated cost of $881, of which 80% was at fixed prices. The potential unrealized gain on the fixed price contracts was approximately $25 (2016 – unrealized gain of approximately $47), which was not taken to income since these are supply contracts that will be charged to operations in the period the gas is consumed.

Letters of credit are issued by the Company's banker to provide security to certain service providers and in connection with certain governmental operating permits. The aggregate amount of letters of credit outstanding as at March 31, 2017 is $377 (December 31, 2016 - $333).

The Company is involved in various claims and legal actions arising in the ordinary course of business. In the opinion of management, the ultimate disposition of these matters will not have a material adverse effect on the Company's financial position or liquidity.

15. RELATED PARTY TRANSACTIONS

The Company has determined which of its customers are related to the Company via common directors or shareholders. Sales to these customers are made under competitive terms and conditions. These customers accounted for 6.8% (2016 – 6.5%) of revenues in aggregate for the three-month period ended March 31, 2017. As at March 31, 2017, there was no trade receivable balance outstanding from related customers (December 31, 2016 - $12).

Purchases from related parties were $11 (2016 - $10) for the three months ended March 31, 2017. Trade payables to related parties totaled $93 as at March 31, 2017 (December 31, 2016 - $118).

All related party transactions are accounted for at the exchange amount which is the amount of consideration established and agreed to by the related parties.

BRAMPTON BRICK Limited

16. OPERATING SEGMENTS

The Company considers that for purposes of operating decision making and assessing performance it operates within two dominant business segments: Masonry Products and Landscape Products. Although the Company operates several plants, the nature of products, production methods and type of customers for their products and services share similar economic characteristics within each segment.

MASONRY PRODUCTS

Manufacture of clay brick and a range of concrete masonry products including stone veneer, concrete brick and block for use in residential construction and institutional, commercial and industrial building projects.

LANDSCAPE PRODUCTS

Manufacture of concrete paving stones, retaining walls, garden walls and sales of accessory products for use in residential construction and institutional, commercial and industrial building projects.

OTHER

Other business operations and assets consist primarily of a loan receivable from Universal.

Segmented information, with comparative information for 2016, is as follows:

	Three months ended March 31	
i) Revenues	**2017 $**	**2016 $**
Masonry Products	**19,966**	16,855
Landscape Products	**1,703**	1,803
Revenues	**21,669**	18,658
ii) Operating loss		
Masonry Products	**(945)**	(1,727)
Landscape Products	**(1,816)**	(2,008)
Operating loss	**(2,761)**	(3,735)
Finance expense	**(460)**	(773)
Income taxes	**320**	770
Net loss for the period	**(2,901)**	(3,738)

iii) Total assets	**March 31, 2017 $**	**December 31, 2016 $**
Masonry and Landscape Products	**225,607**	232,134
Other	**4,250**	4,253
Total assets	**229,857**	236,387

Certain long-term assets are used for both the Masonry Products and Landscape Products business segments. Assets do not form part of management’s evaluation of performance of individual business units and therefore are not reported on a segmented basis.

Geographical information is as follows:

	March 31, 2017 Revenues $	March 31, 2016 Revenues $	March 31, 2017 Property, plant and equipment $	December 31, 2016 Property, plant and equipment $
Canada	**19,617**	16,726	**128,256**	129,067
United States	**2,052**	1,932	**40,193**	41,005
	21,669	18,658	**168,449**	170,072

17. SEASONAL FLUCTUATIONS

The Company's business is seasonal. Historically, sales and results are greater in the second and third quarters of each year than in the first and fourth quarters. The Landscape Products business segment is affected by seasonality to a greater degree than the Masonry Products business. Consequently, the results of operations and cash flows for the three months ended March 31, 2017 are not necessarily indicative of the results to be expected for the full year.

BRAMPTON BRICK Limited
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