



**NEWS RELEASE**

## **BOYD GROUP SERVICES INC. UPDATES ON COVID-19 PANDEMIC**

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**Winnipeg, Manitoba — March 27, 2020** — Boyd Group Services Inc. (TSX: BYD) (“BGSI”, “the Boyd Group”, “Boyd” or the “Company”), along with businesses throughout the world, is continuing to address the impact of the COVID-19 pandemic. Boyd remains focused on minimizing the risk and impact to our business as well as employees, customers and shareholders.

Subject to the external environment, Boyd is committed to business continuity, both during the pandemic and in the recovery period that will follow. At this time, Boyd’s business has been identified by the Cybersecurity and Infrastructure Security Agency in the United States as essential critical infrastructure, as well as in Ontario’s list of Essential Workplaces. In order to continue to offer the quality service customers, insurance clients and government authorities are expecting from the Company during this period of uncertainty, all locations remain open at this time; however, certain locations may be closed in the future to comply with local mandatory government orders or to address decreased customer demand. Notwithstanding that we continue to be open in all locations, in the days since our March 18 news release, the Company has experienced significant COVID-19 related reductions in demand and now estimates demand to be down in the range of 40% to 50% from normal levels. While we cannot yet draw conclusions about the duration of this lower demand, the Company is responding by immediately beginning to implement temporary staffing reductions, which will take place over the next few weeks. To the extent that demand changes, either positively or negatively, staffing levels will be adjusted accordingly.

Boyd’s strong client relationships, variable cost structure and conservative financial strategy has positioned the Company with a strong balance sheet and financial flexibility. As many other companies have done, and out of an abundance of caution, Boyd has fully drawn on available financing facilities, other than swing lines of US\$40 million and an accordion feature of US\$275 million, providing significant available cash liquidity of approximately CDN\$575 million. Additionally, as was previously disclosed, while in the long-term, the Company will continue to pursue accretive growth through a combination of organic growth as well as acquisitions and new store development, the immediate focus is on preserving financial flexibility as we deal with the uncertain impacts of COVID-19 and Boyd is therefore taking a near-term pause on closing and funding acquisitions and all non-essential capital expenditures. These, and other measures already taken or available, position the Company well to weather the uncertain impact of the economic fall-out of COVID -19.

In order to address the health and safety of the workforce and broader community, Boyd has implemented measures aimed at preventing the spread of COVID-19 both at its operating locations as well as within its support services. These include stringent operating practices to ensure cleanliness and distancing and overall employee and customer safety, work from home protocols wherever possible, halting all non-essential travel, halting all cross-border travel, and following established guidelines in the event an infected employee is identified.

“While events continue to unfold, we continue to adjust and adapt”, said Tim O’Day, President & CEO. “We are closely monitoring the impact of this pandemic on our business. Recent “Shelter in Place” and similar government orders as well as social distancing and self-isolation practices have resulted in a weakening of demand in recent days, which, in turn has resulted in the painful decision to temporarily layoff some of our workforce. These temporary layoffs are not expected to impact service levels, and they will help to preserve liquidity in this uncertain time period as well as assist in the more rapid recovery of our business. Although there will be near term pain, with our strong balance sheet, including cash balances of \$575 million, and our ability to adjust expenses and capital spend, we are confident that we will ride out the COVID-19 storm and come out the other end of it preserving, and possibly even strengthening, our position as a strong industry leader.

We are well positioned and we will continue to work to minimize the risk and impact of the COVID-19 pandemic to our employees, customers and shareholders.”

#### **About Boyd Group Services Inc.**

Boyd Group Services Inc. is a Canadian corporation and controls The Boyd Group Inc. and its subsidiaries. Boyd Group Services Inc. shares on the Toronto Stock Exchange (TSX) under the symbol BYD. For more information on The Boyd Group Inc. or Boyd Group Services Inc., please visit our website at <http://www.boydgroup.com>

#### **About The Boyd Group Inc.**

The Boyd Group Inc. (the “Company”) is one of the largest operators of non-franchised collision repair centres in North America in terms of number of locations and sales. The Company operates locations in Canada under the trade names Boyd Autobody & Glass (<http://www.boydautobody.com>) and Assured Automotive (<http://www.assuredauto.ca>) as well as in the U.S. under the trade name Gerber Collision & Glass (<http://www.gerbercollision.com>). In addition, the Company is a major retail auto glass operator in the U.S. with operations under the trade names Gerber Collision & Glass, Glass America, Auto Glass Service, Auto Glass Authority and Autoglassonly.com. The Company also operates a third party administrator, Gerber National Claims Services (“GNCS”), that offers glass, emergency roadside and first notice of loss services. For more information on The Boyd Group Inc. or Boyd Group Services Inc., please visit our website at (<http://www.boydgroup.com>).

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#### **Caution concerning forward-looking statements**

*Statements made in this press release, other than those concerning historical financial information, may be forward-looking and therefore subject to various risks and uncertainties. Some forward-looking statements may be identified by words like “may”, “will”, “anticipate”, “estimate”, “expect”, “intend”, or “continue” or the negative thereof or similar variations. Readers are cautioned not to place undue reliance on such statements, as actual results may differ materially from those expressed or implied in such statements. Factors that could cause results to vary include, but are not limited to: pandemic risk & economic downturn; operational performance; acquisition risk; employee relations and staffing; brand management and reputation; market environment change; reliance on technology; foreign currency risk; loss of key customers; decline in number of insurance claims; margin pressure and sales mix changes; weather conditions and climate change; competition; access to capital; dependence on key personnel; tax position risk; corporate governance; increased government regulation and tax risk; environmental, health and safety risk; fluctuations in operating results and seasonality; risk of litigation; execution on new strategies; insurance risk; dividends not guaranteed; interest rates; U.S. health care costs and workers compensation claims; low capture rates; supply chain risk; capital expenditures; and energy costs and the BGSi’s success in anticipating and managing the foregoing risks.*

*We caution that the foregoing list of factors is not exhaustive and that when reviewing our forward-looking statements, investors and others should refer to the “Risk Factors” section of BGSi’s Annual Information Form, the “Risks and Uncertainties” and other sections of our Management’s Discussion and Analysis of Operating Results and Financial Position and our other periodic filings with Canadian securities regulatory authorities. All forward-looking statements presented herein should be considered in conjunction with such filings.*