

**REKO INTERNATIONAL
GROUP INC.**

469 Silver Creek Industrial Drive
Lakeshore, Ontario
N8N 4W2

SUBSIDIARIES/DIVISIONS:

Canada:

- Concorde Precision Machining Inc.
- Reko Manufacturing Group Inc.

United States:

- Reko International Sales Inc.
- Reko International Holdings Inc.
- Concorde USA, LLC

Reko reports highest quarterly profit of the fiscal year

(Windsor, Ontario – June 6, 2019) - Reko International Group Inc. (TSX-V: REKO) today announced results for its third quarter ended April 30, 2019.

Financial Highlights:

	Three Months (unaudited)		Nine Months (unaudited)	
	Fiscal 2019	Fiscal 2018	Fiscal 2019	Fiscal 2018
	Sales	\$14,277	\$11,776	\$37,330
Net income	610	647	1,052	1,322
EPS basic	0.10	0.10	0.17	0.21
Working capital			16,025	15,714*
Shareholders' equity			46,163	44,461
Shareholders' Equity per Share			7.20	6.90

(*Calculation amended as a result of reclassification previously discussed in July 31, 2018 financial statements.)

Consolidated sales for the quarter ended April 30, 2019, were \$14.3 million, compared to \$11.8 million in the prior year, an increase of \$2.5 million or 21.2%. The increase in sales was related to improved order volumes, improved throughput and a continued strong exchange rate.

Gross profit for the quarter ended April 30, 2019, was \$2.7 million, or 18.8% of sales, compared to a gross profit of \$1.9 million, or 16.3% of sales in the prior year. The increase in gross profit is consistent with the increase in sales.

Selling and administrative expenses for the quarter ended April 30, 2019 were \$1.4 million, or 9.7% of sales, compared to \$1.2 million, or 10.0% of sales in the prior year. The increase in SG&A relates to expenses such as employee benefits and wages in conjunction with new hires since the prior year's third quarter.

Operating income for the quarter ended April 30, 2019 was \$1.3 million, compared to operating income of \$0.7 million in the prior year, an increase of 86%. Net income was relatively flat for the quarter compared to the quarter last year due to foreign exchange losses in 2019 versus gains in 2018.

For the first nine months revenues increased 16.4% to \$37.3 million. Operating Income increased 31.7% to \$2 million, while earnings per share were 17 cents compared to 21 cents in the previous year.

"The quarter ended April 30, 2019 was Reko's best so far this fiscal year," stated Diane Reko, chief executive officer. "With sales at acceptable levels and start up costs largely behind us, we were able to grow operating income significantly, although the impact of foreign exchange resulted in the same \$0.10 EPS as Q3 last year."

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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**Third Quarter Report
Nine Months Ended
April 30, 2019**

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www.rekointl.com

About Reko International Group Inc.

Reko International Group Inc. (TSX-V:REKO) is a diversified, technology-driven manufacturing organization located in Southwestern Ontario, just minutes from the U.S. border. Areas of expertise include robotic factory automation solutions, the precision machining of large critical parts, and plastic injection and low compression acoustic tooling. Reko's family-oriented culture embraces past experience, fosters innovation, and always ensures the highest standard of quality. Reko believes in strengthening communities by advancing manufacturing. For more information, visit, or contact Marilyn Crowley, Chief Financial Officer at (519) 727-3287.

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