

Pacific Insight Announces Fiscal 2017 Second Quarter Results

For immediate release

Vancouver, BC, February 13, 2017 – Pacific Insight Electronics Corp. (“Pacific Insight” or the “Company”) (TSX: PIH), a global electronics and full service solutions provider to the transportation industry, today announced its financial results for the second quarter ended December 31, 2016. All figures are in Canadian dollars unless otherwise stated.

Financial Highlights

In thousands of dollars (except EPS)	For the 3 months ended		For the 6 months ended	
	December 31, 2016	December 31, 2015	December 31, 2016	December 31, 2015
	\$	\$	\$	\$
Revenues	29,841	30,495	60,521	60,931
Net income for the period	1,754	2,404	2,841	4,392
Earnings per fully diluted share	0.24	0.36	0.38	0.69

For the second quarter ended December 31, 2016, revenues were \$29.8 million compared to \$30.5 million in the prior year period, a decrease of \$0.7 million, or 2.1%. The small decrease in revenues was driven by lower volume from existing commercial and automotive programs as a result of general market conditions, offset by the impact of new program launches.

Net income for the three months ended December 31, 2016 was \$1.8 million or 24¢ per diluted share compared with \$2.4 million or 36¢ per diluted share in the prior year quarter. Net income decreased compared with the prior period as a result of revenue declines, increases in amortization of intangible assets from program development activity, and favourable foreign exchange impacts in the prior year period.

During the second quarter, launch activities were finalized and costs and gross margins associated with the Company’s new electric vehicle OEM customer, as previously disclosed, were consistent with other automotive programs.

The Company’s primary fiscal 2017 focus is to optimize operational efficiency, productivity, and production capacity and develop new opportunities. During the six months ended December 31, 2016, the Company generated \$4.9 million in operating cash flow, reduced

indebtedness by \$2.2 million, and reduced inventory levels by \$2.8 million through supply chain and stock level efficiencies.

This news release should be read in conjunction with Pacific Insight's condensed interim consolidated financial statements for the three months ended December 31, 2016 and the related Management's Discussion and Analysis, which can be found under the Company's profile on sedar.com.

About Pacific Insight

Pacific Insight Electronics Corp (TSX: PIH) is a global solutions provider offering design, development, manufacturing and delivery of electronic products and full service solutions to the automotive, commercial vehicle and speciality markets. We provide OEMs as well as Tier 1 and Tier 2 customers with a range of cost competitive products including LED lighting systems, electronic control modules and wire harnesses. For further information about our business, please visit the Company's website at pacificinsight.com.

The information in this news release was prepared in accordance with International Financial Reporting Standards. To view the full December 31, 2016 Condensed Interim Consolidated Financial Statements and Management's Discussion and Analysis please visit sedar.com. Email enquiries may be sent directly to investor@pacificinsight.com or via telephone: 1-800-995-1155. Pacific Insight is listed on the Toronto Stock Exchange and its trading symbol is PIH.

Cautionary Note Regarding Forward-Looking Information

Certain statements made in this news release, including, but not limited to, statements relating to expected future events, revenues, non-recurring costs and anticipated future margins associated with the new OEM program for ambient lighting for an electric vehicle, financial and operating results, guidance, objectives, plans, and other statements that are not historical facts, may constitute forward-looking statements within the meaning of applicable securities laws concerning the business, operations and financial performance and condition of the Company. Generally, the words "may", "would", "could", "will", "likely", "estimate", "believe", "expect", "plan", "forecast" and similar expressions or the negative thereof are intended to identify forward looking statements.

By their nature, forward-looking statements require management to make assumptions and predictions and are subject to inherent risks and uncertainties, thus there is risk that the forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause actual future results and events to differ materially from that expressed in the forward-looking statements. Accordingly, our comments are subject to the disclaimer and qualified by the assumptions and risk factors referred to in Pacific Insight's Management's



Discussion and Analysis (MD&A) for the period ended December 31, 2016, which can be found on www.sedar.com. The Company does not intend or undertake to publically update any forward-looking statements that are included in this news release, whether as a result of new information, future events or otherwise, except as required by applicable securities laws.

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