CLARKE

Clarke Inc. Reports 2017 First Quarter Results

Halifax, Nova Scotia – May 4, 2017 – Clarke Inc. ("Clarke" or the "Company") (TSX: CKI) today announced its results for the three months ended March 31, 2017.

First Quarter Results

Net income of the Company for the three months ended March 31, 2017 was $4.2 million compared with a net loss of $4.6 million for the same period in 2016. During the three months ended March 31, 2017, the Company had unrealized gains on its investments of $3.9 million compared to unrealized losses of $4.2 million for the same period in 2016. The Company had realized gains on its investments of $0.5 million for the three months ended March 31, 2017 compared with realized losses of $0.2 million for the same period in 2016.

The Company's equity holdings generated dividends of $0.9 million in the three months ended March 31, 2017 compared to $0.8 million for the same period in 2016. The Company's debt and cash holdings generated interest income of $0.2 million in the three months ended March 31, 2017 compared to $0.5 million for the same period in 2016. This decrease is mainly due to the decrease in cash holdings.

First Quarter Review and Outlook

In the first quarter of 2017, the Company's book value per share increased by $0.32 or 2.8%. Our book value per share at the end of the quarter was $11.93 and our share price was $10.80.

The first quarter was uneventful and was marked by gradually improving prices for the securities we own. Net of purchases and sales, Clarke's securities portfolio increased in value by $3.9 million in the first quarter. We expect this improvement in securities prices to continue throughout the year as energy commodity prices continue their recovery.

During, and subsequent to, the end of the first quarter, we sold all of our Holloway Lodging Corp. 6.25% debentures maturing February 2020. We purchased these debentures between 2012 and 2014 and as their price has risen closer to par value, we prefer to monetize a fully-priced debt security and reinvest the proceeds in higher-yielding assets.

Clarke's current cash balance is approximately $16.3 million. As Clarke's energy and other investments are monetized, Clarke will be in a position to either reinvest that capital in new opportunities should they present themselves or to return that capital to shareholders should we not see attractive investment opportunities or the prospect of such opportunities in an appropriate time frame. As always, we expect to continue repurchasing our Common Shares as opportunities arise, whether under our normal course issuer bid, which we expect will resume in the second quarter of 2017, or otherwise.

Other Information

Further information about Clarke, including Clarke's Interim Condensed Consolidated Financial Statements and Management's Discussion & Analysis for the three months ended March 31, 2017, is available at www.sedar.com and www.clarkeinc.com.

Highlights of the interim condensed consolidated financial statements for the three months ended March 31, 2017 compared to the three months ended March 31, 2016 are as follows:

(in millions, except per share amounts)	**March 31, 2017** **$**	March 31, 2016 $
Realized and unrealized gains (losses) on investments	**4.4**	(4.4)
Dividend income	**0.9**	0.8
Interest income	**0.2**	0.5
Revenue and other income*	**0.1**	0.1
Net income (loss)	**4.2**	(4.6)
Comprehensive income (loss)	**5.0**	(6.2)
Basic and diluted earnings (loss) per share ("EPS")		
Net income (loss)	**0.28**	(0.29)
Total assets	**182.2**	190.7
Long-term financial liabilities	**1.0**	1.6
Cash dividends declared per share	**—**	0.10
Book value per share	**11.93**	11.72

**Revenue and other income includes pension recovery, gains on sale of fixed assets, foreign exchange gains/losses, and service revenue.*

About Clarke

Halifax-based Clarke invests in a variety of private and publicly-traded businesses and participates actively where necessary to enhance the performance of such businesses and increase its return. Clarke's securities trade on the Toronto Stock Exchange (CKI); for more information about Clarke Inc., please visit our website at www.clarkeinc.com.

Cautionary Statement Regarding Use of Non-IFRS Accounting Measures

This press release makes reference to the Company's book value per share as a measure of the performance of the Company as a whole. Book value per share is measured by dividing shareholders' equity at the date of the statement of financial position by the number of Common Shares outstanding at that date. Clarke's method of determining this amount may differ from other companies' methods and, accordingly, this amount may not be comparable to measures used by other companies. This amount is not a performance measure as defined under IFRS and should not be considered either in isolation of, or as a substitute for, net earnings prepared in accordance with IFRS.

Note on Forward-Looking Statements and Risks

This press release may contain or refer to certain forward-looking statements relating, but not limited, to the Company's expectations, intentions, plans and beliefs with respect to the Company. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "does not expect", "is expected", "budgets", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", "believes", or equivalents or variations of such words and phrases, or state that certain actions, events or results, "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Forward-looking statements include, without limitation, those with respect to the future or expected performance of the Company's investee companies, the future price and value of securities held by the Company, changes in these securities holdings, the future price of oil and value of securities held in the Company's energy basket, changes to the Company's hedging practices, currency fluctuations and requirements for additional capital. Forward-looking statements rely on certain underlying assumptions that, if not realized, can result in such forward-looking statements not being achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause the actual results of the Company to be materially different from the historical results or from any future results expressed or implied by such forward-looking statements. Such risks and uncertainties include, among others, the Company's investment strategy, legal and regulatory risks, general market risk, potential lack of diversification in the Company's investments, interest rates, foreign currency fluctuations, the sale of Company investments, the fact that dividends from investee companies are not guaranteed, reliance on key executives, commodity market risk, risks associated with investment in derivative instruments and other factors. With respect to the Company's investment in a ferry operation, such risks and uncertainties include, among others, weather conditions, safety, claims and insurance, labour relations, and other factors.

Although the Company has attempted to identify important factors that could cause actions, events or results not to be as estimated or intended, there can be no assurance that forward-looking statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. Other than as required by applicable Canadian securities laws, the Company does not update or revise any such forward-looking statements to reflect events or circumstances after the date of this document or to reflect the occurrence of unanticipated events. Accordingly, readers should not place undue reliance on forward-looking statements.

For further information, please contact Michael Rapps, President and CEO, at (416) 855-1925 or Kim Langille, CFO, at (902) 442-0328.