



FOR IMMEDIATE RELEASE

Vicwest Inc. Reports First Quarter Results

Record First Quarter Revenue, Strong Operating Results Offset By Non-Recurring Items

OAKVILLE, ONTARIO, May 3, 2012 - Vicwest Inc. (the "Company") (*TSX: VIC, VIC.DB*) today reported its financial results for the three months ended March 31, 2012 including record first quarter revenue from its growing portfolio of value-added products for agricultural, construction, and oil and gas markets.

First Quarter Consolidated Results Summary

- Revenue increased 6.6% to a first quarter record of \$87.5 million, up from \$82.1 million in 2011.
- Gross profit increased 4.1% to \$16.5 million (18.9% gross margin) compared to \$15.9 million (19.3% gross margin) a year ago.
- EBITDA¹ was \$7.0 million excluding non-recurring costs of \$0.8 million for post-ERP implementation expenses, \$0.7 million of management restructuring costs and a \$0.5 million fair market value adjustment on the deferred share unit plan due to an increase in share price of 34%.
- Adjusted EBITDA increased by 31.4% compared to the same period in 2011 due to strong operating performance at Westeel as well as sales growth and operational improvement at Vicwest Building Products.
- Including the non-recurring expenses EBITDA¹ was \$5.0 million compared to \$5.3 million a year ago.
- Net income (excluding the change in fair value of the embedded derivative) was \$0.6 million (\$0.03 per share basic) compared to \$3.0 million (\$0.17 per share basic) a year ago, due primarily to changes in income tax treatment and higher financing costs. Inclusive of the change in fair value of the embedded derivative of \$2.5 million, the net loss was \$1.9 million or \$0.11 loss per share basic.
- Dividend payments of \$0.15 per share were made on April 13, 2012.

"Revenue performance to open 2012 was strong and reflects advancements to our new product lines and good execution on our sales strategies," said Colin Osborne, President and CEO. "We are particularly pleased with growth in agricultural markets where we saw strong domestic demand and increasing traction in overseas markets. As expected, construction markets reflect seasonally low activity, but we outpaced last year's volumes, showing strength in Western Canada and in the United States with All Weather."

Consolidated operating results were also strong, reflecting record first quarter contribution at Westeel. "Overall operating results showed improvement over prior year, however these were masked to a large degree by one-time costs associated with a successful transition to our new ERP, and one-time restructuring costs in building products" said Kent Harris, Chief Financial Officer. "When taking these

¹ Earnings before finance expense, taxes (other than capital taxes), depreciation and amortization and fair value adjustments to financial instruments. EBITDA and EBITDA margin are non-IFRS measures.

items into account it demonstrates improving operational performance and the opportunity for margin growth commensurate with an improving market.”

Dividend

On May 2, 2012 the Board declared a dividend of \$0.15 per share, payable on July 13, 2012 for shareholders of record on June 29, 2012.

First Quarter Divisional Results

- Westeel Storage Solution’s revenue increased 12.2% to \$42.3 million from \$37.7 million in the first quarter of 2011 on higher liquid storage product shipments and sales of domestic and international agricultural products. Westeel’s net income before finance expense, income taxes and change in fair value of embedded derivative was \$8.2 million compared to \$7.9 million a year ago.
- Vicwest Building Product’s revenue was \$45.2 million, 1.8% higher than a year ago due to higher sales to light commercial and ICI markets. Despite higher sales and All Weather’s positive contribution, less favourable sales mix, ERP post implementation and management restructuring costs contributed to a net loss before finance expense, income taxes and change in fair value of embedded derivative of \$5.6 million compared to a loss of \$4.6 million a year ago.

Financial Position

At March 31, 2012, the Company had \$48.6 million of unused availability under its new \$100 million senior revolving credit facility secured February 27, 2012 with a syndicate of lenders. Net debt at period end was \$100.4 compared to \$85.4 million at December 31, 2011 as a result of strategic investments in working capital. At March 31, 2012, senior debt to EBITDA¹ was 2.0 to 1.

Outlook

The Company’s positive 2012 outlook includes expectations of revenue growth in both divisions and gradual margin improvements over the year dependent on input cost trends, the pace of economic recovery and competitive market dynamics.

“We continue to forecast record revenue this year and our backlogs, while lower at quarter end, are beginning to pick up, in line with our seasonal expectations,” said Mr. Osborne. “We are also making good progress with several important growth initiatives, including construction of our newest insulated metal panel plant for the North American market. Equipment is now being installed, and we are on track to commence operations in Little Rock, Arkansas in the fourth quarter of 2012. This plant will complement our existing facilities and increase our participation in an important and growing segment of North America’s construction industry.”

“We also continue to see very positive fundamentals in the domestic agricultural space, including a significant increase in planted acreage and strong farm income, as well as positive momentum in overseas agricultural markets, as reflected in strong overseas sales in the first quarter, and increasing quoting activity through our new Madrid office.”

“In terms of building products margins, we expect only modest market condition improvements in the near term, and so continue to focus on internal efficiencies, including leveraging our new ERP system as we progress through 2012.”

First Quarter Conference Call and Webcast

Vicwest Inc. will host its first quarter 2012 conference call and webcast on Friday, May 04,

2012 at 11:00 a.m. (ET). To participate in the teleconference, the numbers are **416-644-3415 or 1-877-974-0445**. Callers are advised to call in at least 10 minutes in advance. To participate in the webcast, please visit Vicwest's website at www.vicwestinc.com (News & Events section).

ABOUT VICWEST INC.

Vicwest Inc. is a leading manufacturer and distributor of building construction products, and steel containment products for agricultural grain, fertilizer and liquid storage. Through its Vicwest Building Products division, the Company fabricates and markets metal roofing, siding and other metal building products under the trade names Vicwest, Mercury Metals, Valley Truss & Metal, RCA Metal and AWIP-Vicwest USA. The Company's Westeel Storage Solutions division manufactures storage solutions for agricultural grain and fertilizer, as well as liquid storage tanks and accessories. These products are manufactured and distributed under the trade names Westeel, Northern Steel Industries and NSI. Through a global alliance, Westeel distributes Buhler Industries-manufactured grain handling equipment in Canada under the Westeel brand while Buhler Industries markets and sells Westeel-manufactured products through its US distribution network. Westeel's European branch serves the growing international demand for agricultural grain storage and handling equipment. In Canada, Westeel also represents Skandia, Europe's most advanced elevator and conveyor grain handling systems. With approximately 1,200 dedicated employees and strategically located manufacturing facilities, the Company delivers superior quality products and excellent service to customers in chosen markets. Vicwest Inc. is a member of the S&P/TSX SmallCap Index. For more information, visit www.vicwestinc.com.

FORWARD-LOOKING STATEMENTS

Certain statements in this news release constitute forward-looking statements within the meaning of applicable securities laws. Forward-looking statements include, but are not limited to, management's beliefs, plans, estimates, and intentions, and similar statements concerning anticipated future events, results, circumstances, performance or expectations that are not historical facts. Forward-looking statements generally can be identified by the use of forward-looking terminology such as "outlook", "objective", "may", "will", "expect", "intend", "estimate", "anticipate", "believe", "should", "plans" or "continue", or similar expressions suggesting future outcomes or events. Such forward-looking statements reflect management's current beliefs and are based on information currently available to management. Forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those contemplated by such statements. Readers are encouraged to review the most recently filed Management's Discussion and Analysis and other disclosure documents filed by the Company with Canadian securities regulatory agencies and commissions. Readers are cautioned not to place undue reliance on the Company's forward-looking statements. The forward-looking statements contained herein are made as of the date of this press release and except as required by applicable law, the Company undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

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