



**D-BOX Technologies announces  
a 58% increase in quarterly revenue  
and a second consecutive quarter positive net income**

**Longueuil, Québec, August 12, 2015** – D-BOX Technologies inc. (TSX:DBO), a leader in immersive motion technology, today announced a 58% increase in revenues to \$7.2 M in comparison to \$4.6 M for the quarter ended June 30, 2014 and a second consecutive quarter of positive net income.

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**FINANCIAL HIGHLIGHTS**

- Growth in revenue:
  - ✓ Quarterly revenue up by 58% to \$7,188 k;
  - ✓ Entertainment market:
    - System sales to commercial theatres up by 37% to \$2,564 k
    - Revenue for rights for use, rental and maintenance up by nearly 100% to \$2,276 k mostly as a result of the box office performance of featured movies
  - ✓ Industrial market:
    - Revenue up by 53% mostly attributable to systems sold to clients in the simulation and training and amusement parks sub-markets.
- A second consecutive quarter of positive net income:
  - ✓ Net income of \$30 k for the quarter compared to a net loss of \$1,205 k last year.
- Record adjusted EBITDA\*:
  - ✓ Adjusted EBITDA of \$1,151 k for the quarter compared to \$19 k last year.
- Five-year interest bearing loan of \$5,000 k received from the Caisse de dépôt et placement du Québec on August 5, 2015 and issuance of 4,500,000 warrants at \$0.50.

| <b>First quarter ended June 30</b><br>(in thousands of \$, except per share amounts) |             |             |
|--|-------------|-------------|
|  | <b>2015</b> | <b>2014</b> |
| Revenue  | 7,188       | 4,560       |
| Adjusted EBITDA*   | 1,151       | 19          |
| Net income (loss)  | 30          | (1,205)     |
| Basic and diluted net income (loss) per share  | 0.0002      | (0.0074)    |

  

| <b>Information from the consolidated balance sheet</b> |                            |                             |
|--|----------------------------|-----------------------------|
|  | <b>As at June 30, 2015</b> | <b>As at March 31, 2015</b> |
| Cash and cash equivalents                              | 6,240                      | 6,710                       |

\* See the reconciliation table of adjusted EBITDA to the net income (loss) below.

**OPERATIONAL HIGHLIGHTS**

- Ongoing installations throughout the quarter with, among others, Cinemark and Cineplex, two of the largest commercial theatre exhibitors in the Americas;
- Six movies from Hollywood's main studios with D-BOX motion code were presented in theatres during the quarter including five which ranked no. 1 at the North American box office on opening weekend. This list also includes the top three grossing movies at the North American box office; and
- 402 screens installed or in backlog as at June 30, 2015 in comparison to 282 screens a year ago representing an increase of 43%.



Commenting on the quarterly results, Mr. Claude Mc Master, President and Chief Executive Officer of D-BOX, declared: "The significant revenue increase as well as the second consecutive quarter of positive net income reflect the success of our growth strategy. Our solid financial situation should lead to a very promising future for the Corporation."

## **ADDITIONAL INFORMATION WITH RESPECT TO FIRST QUARTER ENDED JUNE 30, 2015**

The financial information relating to the first quarter ended June 30, 2015 should be read in conjunction with the Corporation's unaudited interim condensed consolidated financial statements and Management's Discussion and Analysis dated August 11, 2015. These documents are available at [www.sedar.com](http://www.sedar.com)

## **OUTLOOK**

D-BOX focuses on two major development areas: the entertainment market and the industrial market which have their respective sub-markets. In light of the business development activities in each of these two markets, D-BOX anticipates the general upward trend in revenue to continue.

In combination with this expected growth of revenue, D-BOX also forecasts to gradually increase the level of its operating expenses aiming, amongst others, to support the sales and marketing of technological innovations that will help solidify D-BOX's position in existing sub-markets and will facilitate entering new ones. Generally speaking, the Corporation aims to maintain a positive adjusted EBITDA and intends to manage its operations accordingly.

## **RECONCILIATION OF ADJUSTED EBITDA TO NET INCOME (LOSS)\*\***

The adjusted EBITDA provides useful and complementary information which allows, among other things, the evaluation of profitability and cash flows provided by operations. It is comprised of net income (loss) but excludes the following: items not affecting cash, foreign exchange gain or loss, financial expenses, interest income and income taxes.

The following table explains the reconciliation of adjusted EBITDA to the net income (loss).

| (in thousands of \$)                       | First quarter ended<br>June 30 |         |
|--|--------------------------------|---------|
|  | 2015                           | 2014    |
| <b>Net income (loss)</b>                   | <b>30</b>                      | (1,205) |
| Amortization of property and equipment     | <b>599</b>                     | 515     |
| Amortization of intangible assets          | <b>130</b>                     | 76      |
| Amortization of other assets               | <b>63</b>                      | 21      |
| Write-off of property and equipment        | <b>90</b>                      | 54      |
| Gain on disposal of property and equipment | <b>—</b>                       | (36)    |
| Share-based payment expense                | <b>57</b>                      | 115     |
| Foreign exchange loss                      | <b>159</b>                     | 471     |
| Financial expenses (income)                | <b>12</b>                      | 3       |
| Income taxes                               | <b>11</b>                      | 5       |
| <b>Adjusted EBITDA</b>                     | <b>1,151</b>                   | 19      |

\*\* See the "Non-IFRS" measures section in the Management Discussion and Analysis dated August 11, 2015.



## **ABOUT D-BOX**

D-BOX Technologies Inc. designs, manufactures and commercialize cutting-edge motion systems intended for the entertainment and industrial markets. This unique and patented technology uses motion effects specifically programmed for each visual content which are sent to a motion system integrated into either a platform, a seat or any other product. The resulting motion is perfectly synchronized with the on-screen action, thus creating an unparalleled realistic immersive experience.

D-BOX®, D-BOX Motion Code®, LIVE THE ACTION®, MOTION ARCHITECTS® and MOVE THE WORLD® are trademarks of D-BOX Technologies Inc. Other names are for informational purposes only and may be trademarks of their respective owners.

## **DISCLAIMER IN REGARDS TO FORWARD-LOOKING STATEMENTS**

Certain statements included herein, including those that express management's expectations or estimates of our future performance, constitute "forward-looking statements" within the meaning of applicable securities laws. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by management at this time, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Investors are cautioned not to put undue reliance on forward-looking statements. The Corporation disclaims any intent or obligation to update publicly these forward looking statements, whether as a result of new information, future events or otherwise.

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## **FOR FURTHER INFORMATION, PLEASE CONTACT:**

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