



D-BOX Technologies Announces Its Best First Quarter Revenues

Longueuil, Québec, August 11, 2016 – D-BOX Technologies Inc. (TSX:DBO), a leader in immersive motion technology, announced today revenues of \$7.7 million for the quarter ended June 30, 2016 which represents a 7% increase in comparison to revenues of \$7.2 million for the quarter ended June 30, 2015.

FINANCIAL HIGHLIGHTS

- Quarterly increase in revenues:
 - Quarterly revenues increased by 7% to \$7,662 k, including \$6,022 k of system sales and \$1,640 k of revenues from rights for use, rental and maintenance in the entertainment market.
- Quarterly net loss of \$426 k compared to net income of \$30 k last year.
- Adjusted EBITDA* of \$439 k for the first quarter compared to \$1,151 k last year.
- Cash and cash equivalents of \$13,111 k as at June 30, 2016 compared to \$16,454 k as at March 31, 2016.

Data from the consolidated statements of net income (loss) and other comprehensive income (loss)		
For the first quarter ended June 30		
(in thousands of CAD, except per share amounts)	2016	2015
Revenues	7,662	7,188
Adjusted EBITDA *	439	1,151
Net income (loss)	(426)	30
Basic and diluted net income (loss) per share	(0.002)	0.000
Information from the consolidated balance sheet		
	As at June 30, 2016	As at March 31, 2016
Cash and cash equivalents	13,111	16,454

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

OPERATIONAL HIGHLIGHTS

- Growth of 49% of screens installed or in backlog from 402 as at June 30, 2015 to 600 as at June 30, 2016.
- Continuous development of our entertainment business activities in China with the hiring of local sales and marketing resources and the opening of a Beijing office.
- Introduction of a second generation of actuators (D-BOX Gen II) for the simulation and training market. This latest evolution of its motion-cueing solutions provides adopters an unprecedented range of creativity and flexibility and will contribute opening new markets for D-BOX.
- Partnership with The Virtual Reality Company (VRC) to collaborate on numerous upcoming projects. VRC is a Los Angeles based virtual reality (VR) content studio production company. Through this partnership, D-BOX will be part of the movie-creating process and will hold a better position in the value creation chain surrounding the production of new content.



Commenting on the first quarter achievements, Mr. Claude Mc Master, President and Chief Executive Officer of D-BOX, declared: "Over and above these financial results, the latest quarter was characterized by the implementation of new strategic alliances and the concretization of our presence in China. Furthermore, considering our strong financial situation, we are in an excellent position to accelerate penetration of our main markets and pursue our growth."

ADDITIONAL INFORMATION WITH RESPECT TO FIRST QUARTER ENDED JUNE 30, 2016

The financial information relating to the first quarter ended June 30, 2016 should be read in conjunction with the Corporation's unaudited interim condensed consolidated financial statements and the Management Discussion and Analysis dated August 11, 2016. These documents are available at www.sedar.com.

OUTLOOK

D-BOX focuses on two major development areas: the entertainment market and the simulation and training market which have their respective sub-markets. In light of the business development activities in each of these two markets, D-BOX anticipates the long-term upward trend in revenue to continue. In combination with this expected growth of revenue, D-BOX intends to 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, D-BOX aims to maintain a positive adjusted EBITDA and intends to manage its operations accordingly.

With the advent of the VR world and with D-BOX expertise in immersive motion and true-to-life simulation, D-BOX has actively been developing new applications for VR and other key markets. D-BOX is well-positioned to become a key player in the VR industry given that its technology can remove motion sickness sometimes associated with such experiences and may be the missing link that will solve one of the main challenges virtual reality needs to overcome. This new and upcoming market will bring significant changes to the entertainment sub-markets (i.e. home and commercial theatres), in addition to obvious immediate applications for simulation and training. D-BOX is particularly excited to be part of the new trend as the size of the virtual and augmented reality markets may soon reach billions of dollars according to many industry sources.

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 loss (gain), financial expenses (income) and income taxes. The following table explains the reconciliation of adjusted EBITDA to the net income (loss).

	First quarter ended June 30	
	2016	2015
Net income (loss)	(426)	30
Amortization of property and equipment	579	599
Amortization of intangible assets	151	130
Amortization of other assets	2	63
Write-off of property and equipment	—	90
Share-based payments	41	57
Foreign exchange loss (gain)	(14)	159
Financial expenses (income)	106	12
Income taxes	—	11
Adjusted EBITDA	439	1 151

** See the "Non-IFRS" measures section in the Management Discussion and Analysis dated August 11, 2016.



ABOUT D-BOX

D-BOX Technologies Inc. designs, manufactures and commercializes cutting-edge motion systems intended for the entertainment and the simulation and training 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. D-BOX 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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