



## D-BOX Technologies Announces its First Quarter Results

**Longueuil, Quebec, August 9, 2017** – D-BOX Technologies Inc. (TSX:DBO), a leader in immersive motion technology, announced today revenues of \$8.1 million for its first quarter ended June 30, 2017, a 6% increase over last year.

### FINANCIAL HIGHLIGHTS

- Quarterly revenue up by 6% to \$8,141K, including an increase of 31% in recurring revenues for the entertainment market.
- Net loss of \$984K for the quarter compared to a net loss of \$426K last year.
- Quarterly adjusted EBITDA\* of \$120K compared to \$439K last year.

<b>Data from the interim consolidated statements of net loss and other comprehensive loss</b>		
<b>First quarter ended June 30</b>		
<b>(in thousands of dollars, except per share amounts)</b>		
	<b>2017</b>	<b>2016</b>
Revenues	8,141	7,662
Net loss	(984)	(426)
Adjusted EBITDA*	120	439
Basic and diluted net loss per share	(0.006)	(0.002)

  

<b>Information from the consolidated balance sheet</b>		
	<b>As at June 30, 2017</b>	<b>As at March 31, 2017</b>
Cash and cash equivalents	7,838	8,867

\* See the reconciliation table of adjusted EBITDA to the net loss below and the "Non-IFRS measures" section in the Management Discussion and Analysis dated August 9, 2017.

### OPERATIONAL HIGHLIGHTS

- 9% increase in screens installed or in backlog to 651 at quarter-end including additional screens installed with Cineplex in Canada and with Cinemark in United States.
- Selected by the National Football League, *NFL Experience Times Square*, to take part in the creation by Cirque du Soleil of a thrilling state-of-the-art sports-themed immersive attraction in the heart of New York City.
- 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.
- Launch of the partnership with ICAR, Canada's largest racing motion simulator center in Mirabel, Canada's ultimate motorsports complex.



Commenting on the quarterly results, Mr. Claude Mc Master, President and Chief Executive Officer of D-BOX, declared: "Again this quarter, our current and past business development initiatives produced encouraging outcomes. We are pleased with the overall sales increase and positive adjusted EBITDA and we envision this pattern to proceed throughout the following quarters."

## **ADDITIONAL INFORMATION WITH RESPECT TO THE FIRST QUARTER ENDED JUNE 30, 2017**

The financial information relating to the first quarter ended June 30, 2017 should be read in conjunction with the Corporation's unaudited interim condensed consolidated financial statements and the Management Discussion and Analysis dated August 9, 2017. 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 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, accelerating the Chinese market penetration and support the sales and marketing of technological innovations. This strategy will help solidify D-BOX's position in existing sub-markets and will facilitate entering new ones.

With the advent of the VR world and with D-BOX's expertise in immersive motion and true-to-life simulation; D-BOX has actively been developing new applications for VR and other key markets. De facto, D-BOX is well positioned to become a key player in the VR industry given that its technology can reduce motion dizziness sometimes associated with such experiences and may be the missing link that will solve one of the main challenges virtual reality needs to overcome. D-BOX is particularly keen 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 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 items not affecting cash and the following: 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	
	2017	2016
<b>Net loss</b>	<b>(984)</b>	(426)
Amortization of property and equipment	594	579
Amortization of intangible assets	161	151
Amortization of other assets	1	2
Share-based payments	56	41
Foreign exchange loss (gain)	155	(14)
Financial expenses (net of interest income)	136	106
Income taxes	1	—
<b>Adjusted EBITDA</b>	<b>120</b>	439

\*\* See the "Non-IFRS measures" section in the Management Discussion and Analysis dated August 9, 2017.



## **ABOUT D-BOX**

D-BOX is a company of visionaries, artists, and innovators. We create hyper-realistic, immersive entertainment experiences by moving the body and sparking the imagination through motion. This expertise is one of the reasons why we have collaborated with some of the best companies of the world to deliver new ways to tell great stories. Whether it's movies, video games, virtual reality applications, themed entertainment or professional simulation, our mission is to move the world.

The trademarks D-BOX, MOVE THE WORLD, MOTION ARCHITECTS, LIVE THE ACTION, Synchro Cinema, HEMC, D-BOX MOTION CODE, and D-BOX HIGH-FIDELITY MOTION, whether in text or graphical form, are owned by the Corporation and in most cases are registered or in the process of being registered in Canada and in the countries or territories in which these trademarks are used.

## **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.

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

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