

Mediagrif announces the results of its first quarter of fiscal 2016

First quarter highlights:

- Stable revenues of \$17.7 million.
- Adjusted EBITDA¹ reached \$6.5 million (including non-recurring expenses of \$0.3 million).
- Operating profit of \$5.1 million compared to \$4.9 million.
- Profit of \$3.4 million (\$0.22 per share), compared to \$3.1 million (\$0.20 per share).
- Repurchased of 417,709 shares for \$7.0 million.

Quarterly dividend:

- Declaration of a quarterly dividend of \$0.10 per share payable on October 15, 2015 to shareholders of record on October 1, 2015.

Longueuil, Canada, August 4, 2015 – Mediagrif Interactive Technologies Inc. (TSX: MDF), a Canadian leader in information technology, today announced its financial results for the first quarter of fiscal 2016. Unless indicated otherwise, all amounts are in Canadian dollars.

SUMMARY OF CONSOLIDATED RESULTS

In thousands of Canadian dollars, except per share amounts. Unaudited and not reviewed by independent auditors.	Three months ended June 30,	
	2015 \$	2014 \$
Revenues	17,709	17,731
Adjusted EBITDA¹	6,478	6,619
Operating profit	5,117	4,891
Profit for the period	3,420	3,132
Earnings per share (basic and diluted)	0.22	0.20
Weighted average number of shares outstanding (in thousands) - Basic and diluted	15,460	15,817
Number of shares outstanding at end of period (in thousands)	15,125	15,815

¹ See reconciliation of adjusted EBITDA and profit.

FIRST QUARTER ENDED JUNE 30, 2015 (“FIRST QUARTER OF FISCAL 2016”)

For the first quarter of fiscal 2016, revenues remained stable at \$17.7 million when compared to the first quarter of fiscal 2015.

During the first quarter of fiscal 2016, increase in revenues is mainly due to higher revenues at Merx, InterTrade and Market Velocity for a total of \$0.7 million. Moreover, fluctuations in the Canadian dollar against the U.S. dollar, combined with hedges in place, generated a positive impact on revenues of \$0.5 million during the first quarter of fiscal 2016.

These increases were mostly offset by a decrease in the revenues of The Broker Forum, Jobboom and LesPAC for a total amount of \$0.9 million and also by lower software development revenues of an amount of \$0.2 million.

Total operating expenses for the first quarter of fiscal 2016, including the cost of revenues, totaled \$12.6 million compared to \$12.8 million for the first quarter of fiscal 2015.

The decrease in operating expenses is due to a reduction in the amortization expense of certain acquired intangible assets in the amount of \$0.4 million, by the recording of additional tax credits also of an amount of \$0.4 million and by the recording of additional internally developed software for an amount of \$0.3 million. These decreases were partly offset by the increases in the sales and marketing and technology workforces for a total amount of \$0.6 million.

Also, during the first quarter of fiscal 2016, the Company incurred \$0.3 million in due diligence costs on potential business acquisitions. Following such reviews, the Company decided not to pursue these opportunities.

Adjusted EBITDA totaled \$6.5 million or 36.6% of revenues in the first quarter of fiscal 2016 compared to \$6.6 million or 37.3% of revenues during the same quarter of fiscal 2015.

Profit reached \$3.4 million (\$0.22 per share), compared to \$3.1 million (\$0.20 per share) during the first quarter of fiscal 2015.

CASH FLOWS AND FINANCIAL POSITION

During the first quarter of fiscal 2016, cash flows generated by operating activities remain stable at \$4.0 million when compared to the first quarter of fiscal 2015.

The Company used these funds and funds available on its credit facility to repurchase, under the normal course issuer bid in place, a total of 417,709 shares (500,000 shares authorized) at an average price of \$16.75 per share for a total consideration of \$7.0 million.

Total outstanding number of shares as at June 30, 2015, stood at 15,124,546 compared to 15,815,155 as at June 30, 2014.

As at June 30, 2015, the Company had \$7.3 million of cash and cash equivalents and \$28.7 million available on its revolving credit facility of \$60 million.

QUARTERLY DIVIDEND

The Board of Directors of Mediagrif declared a quarterly dividend of \$0.10 per share payable on October 15, 2015, to shareholders of record on October 1, 2015.

RECONCILIATION OF ADJUSTED EBITDA AND PROFIT

Adjusted EBITDA represents earnings before interest, taxes, depreciation, amortization, foreign exchange gain (loss) and other revenues (expenses) as historically calculated by the Company.

In thousands of Canadian dollars Unaudited and not reviewed by independent auditors	Three months ended June 30,	
	2015 \$	2014 \$
Profit	3,420	3,132
Income tax expense	1,395	1,163
Depreciation of property, plant and equipment and amortization of intangible assets	463	353
Amortization of acquired intangible assets	894	1,364
Amortization of deferred financing costs	-	48
Amortization of deferred lease inducement	(36)	(30)
Foreign exchange loss	150	315
Financial expenses	196	274
Gain on disposal of property, plant and equipment	(4)	-
Adjusted EBITDA	6,478	6,619

About Mediagrif Interactive Technologies Inc.

[Mediagrif Interactive Technologies Inc.](http://www.mediagrif.com) (TSX: MDF) is a Canadian leader in information technology, owner of several recognized web and mobile platforms including Jobboom, LesPAC, Réseau Contact, MERX, InterTrade, Carrus, BidNet and SourceSuite. Mediagrif's e-commerce solutions are used by millions of consumers and businesses in North America and around the world. The Company has offices in Canada, the United States and China. For more information, please visit us at www.mediagrif.com or call 1 877 677-9088.

In addition to providing profit measures in accordance with IFRS, the Company shows operating profit and earnings before interest, taxes, depreciation, amortization, foreign exchange gain (loss) and other revenues (expenses) ("Adjusted EBITDA") as supplementary earnings measures. Operating profit and adjusted EBITDA are not intended to be measures that should be regarded as an alternative to other financial operating performance measures prepared in accordance with IFRS. Those measures do not have a standardized meaning prescribed by IFRS and may not be comparable to similar measures presented by other companies.

This press release contains certain forward-looking statements with respect to the Company. These forward-looking statements, by their nature, necessarily involve risks and uncertainties that could cause actual results to differ materially from those expected by these forward-looking statements. We consider the assumptions on which these forward-looking statements are based to be reasonable, but caution the reader that these assumptions regarding future events, many of which are beyond our control, may ultimately prove to be incorrect since they are subject to risks and uncertainties that affect us. We disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable securities legislation. Unless otherwise indicated, all amounts are in Canadian dollars.

Unaudited condensed consolidated interim financial statements, accompanying notes and MD&A are available on www.mediagrif.com and have been filed with SEDAR at the following address: www.sedar.com.

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