

*Mediagrif reports results  
for its third quarter of fiscal 2017*

**Second quarter highlights:**

- Revenues up 4% to reach \$19.3 million.
- Adjusted EBITDA<sup>1</sup> of \$7.1 million or 37% of revenues.
- Profit of \$4.0 million (\$0.27 per share).
- Cash flow from operating activities totalled \$5.1 million.

**Quarterly dividend:**

- Declaration of a quarterly dividend of \$0.10 per share payable on April 17, 2017 to shareholders of record on April 3, 2017.

**Longueuil, Canada, February 7, 2017** – Mediagrif Interactive Technologies Inc. (TSX: MDF), a Canadian leader in information technology, today announced its financial results for the third quarter of fiscal 2017. 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 December 31,		Nine months ended December 31,	
	2016 \$	2015 \$	2016 \$	2015 \$
<b>Revenues</b>	<b>19,267</b>	18,541	<b>57,742</b>	54,203
<b>Adjusted EBITDA<sup>1</sup></b>	<b>7,090</b>	8,003	<b>22,170</b>	22,020
<b>Operating profit</b>	<b>5,178</b>	6,619	<b>16,868</b>	17,853
<b>Profit for the period</b>	<b>3,985</b>	4,851	<b>12,263</b>	13,360
<b>Earnings per share (basic and diluted)</b>	<b>0.27</b>	0.32	<b>0.82</b>	0.88
<b>Weighted average number of shares outstanding – in thousands</b>	<b>14,999</b>	15,011	<b>14,999</b>	15,187

<sup>1</sup> See reconciliation of adjusted EBITDA and profit and “About Mediagrif Interactive Technologies Inc.”

## **CHANGE IN THE MANAGEMENT TEAM**

Richard Lampron has stepped down from his position as Chief Operating Officer as of February 6, 2017. Mr. Lampron has put his high level expertise and dedication to the service of Mediagrif over the past years. We thank him for his contribution and wish him great success in his future endeavors. Claude Roy, Chief Executive Officer, will take over some of the responsibilities of Richard Lampron while Jean-Michel Stam, currently Vice-President, electronic networks, will assume a greater role in the management of Mediagrif's operations, as Vice-President, Canadian Operations.

## **THIRD QUARTER OF FISCAL 2017**

For the third quarter of fiscal 2017, revenues increased by 4% or \$0.7 million to reach \$19.3 million when compared to the third quarter of fiscal 2016.

The increase in revenues this quarter is mainly driven by continued organic growth in Mediagrif's InterTrade, MERX and BidNet platforms. The newly acquired ASC Networks Inc. also contributed positively to this quarter's revenues but only to the extent of \$1.2 million out of the total \$1.4 million generated this quarter, due to the adjustment made to recognize the fair value of deferred revenues at the acquisition date of ASC on May 31, 2016. The revenues of Jobboom and LesPAC decreased during the quarter, mainly due to lower advertising revenues and adjustments in the prices of our services to meet market conditions.

During the third quarter, the Company continued to invest in its technology, infrastructure, and also in sales and marketing in order to seize market opportunities, respond to competitive environments and to strengthen its position in its growing businesses areas.

Adjusted EBITDA totalled \$7.1 million or 37% of revenues compared to \$8.0 million or also 43% of revenues during the third quarter of fiscal 2016.

Profit reached \$4.0 million (\$0.27 per share) compared to \$4.9 million (\$0.32 per share) during the third quarter of fiscal 2016. Profit for the third quarter of fiscal 2017 includes a foreign exchange gain on assets denominated in U.S. dollars of \$0.2 million compared to a \$0.5 million gain recorded in the corresponding quarter of fiscal 2016.

## **FIRST NINE MONTHS OF FISCAL 2017**

Revenues for the first nine months of fiscal 2017 reached \$57.7 million compared to revenues of \$54.2 million recorded in the first nine months of fiscal 2016.

Adjusted EBITDA totaled \$22.2 million or 38% of revenues, compared to \$ 22.0 million or 41% of revenues in the first nine months of fiscal 2016.

Profit reached \$12.3 million (\$0.82 per share), compared to \$13.4 million (\$0.88 per share) during the first nine months of fiscal 2016. Profit for the first nine months of fiscal 2017 includes a foreign exchange gain on assets denominated in U.S. dollars of \$0.5 million compared to a \$1.1 million gain recorded in the corresponding period of fiscal 2016.

## **FINANCIAL POSITION AND FINANCING**

During the first nine months of fiscal 2017, cash flows generated by operating activities reached \$15.5 million, compared to \$16.3 million for the nine months of fiscal 2016. The Company used a portion of these funds and funds available on its credit facility to proceed with the acquisition of ASC and also to

cover for the acquisitions of capital assets. The Company also paid out \$4.5 million in dividends during the first nine months of fiscal 2017.

As at December 31, 2016, the Company had \$11.5 million of cash and cash equivalents and \$44.8 million available on its revolving credit facility of \$80.0 million.

## QUARTERLY DIVIDEND

The Board of Directors of Mediagrif declared a quarterly dividend of \$0.10 per share payable on April 17, 2017, to shareholders on record on April 3, 2017.

## 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 December 31,		Nine months ended December 31,	
	2016 \$	2015 \$	2016 \$	2015 \$
<b>Profit</b>	<b>3,985</b>	4,851	<b>12,263</b>	13,360
Income tax expense	<b>1,168</b>	1,966	<b>4,284</b>	5,025
Depreciation of property, plant and equipment and amortization of intangible assets	<b>644</b>	517	<b>1,891</b>	1,489
Amortization of acquired intangible assets	<b>1,268</b>	875	<b>3,573</b>	2,650
Amortization of deferred financing costs	<b>10</b>	-	<b>30</b>	-
Amortization of deferred lease inducement	<b>(32)</b>	(37)	<b>(252)</b>	(113)
Foreign exchange gain	<b>(236)</b>	(453)	<b>(519)</b>	(1,065)
Interest on long-term debt	<b>283</b>	223	<b>729</b>	617
Loss (gain) on disposal of property, plant and equipment	-	-	<b>171</b>	(4)
Loss on disposal of intangible assets	-	61	-	61
<b>Adjusted EBITDA</b>	<b>7,090</b>	8,003	<b>22,170</b>	22,020

## 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, ASC, InterTrade, Carrus and BidNet. 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](http://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. Adjusted EBITDA is provided to assist investors in determining the Company's ability to generate profitability from its operations and to evaluate its financial performance.*

*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](http://www.mediagrif.com) and have been filed with SEDAR at the following address: [www.sedar.com](http://www.sedar.com).

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