

Mediagrif announces Fourth Quarter & Year end Results of Fiscal 2014

Fiscal year 2014:

- Acquisitions of Jobboom and Réseau Contact completed respectively on June 1 and November 29, 2013.
- Revenues of \$65.4 million, an increase of 8%.
- Adjusted EBITDA¹ of \$24.3 million (including acquisition costs of \$0.3 million) compared to \$25.2 million.
- Repayment of \$19.0 million on the revolving credit facility since June 1, 2013.
- Profit of \$12.7 million compared to \$14.0 million.

Quarterly dividend:

- Declaration of a quarterly dividend of \$0.10 per share payable on July 15, 2014 to shareholders of record on July 2, 2014.

Appointment of the Board of Directors:

- The Company announces the appointment of Ms. Lyne Groulx as member of the Board of Directors of the Company.

Longueuil, Canada, June 10, 2014 – Mediagrif Interactive Technologies Inc. (TSX: MDF), a Canadian leader in information technology, today announced its financial results for the year ended March 31, 2014. Unless indicated otherwise, all amounts are in Canadian dollars.

SUMMARY OF CONSOLIDATED RESULTS

| in thousands of Canadian dollars, except for numbers related to shares unaudited | Three months ended March 31, | | Fiscal years ended March 31, | |
|--|---------------------------------|--------------------|---------------------------------|--------------------|
| | 2014 | 2013 (restated) | 2014 | 2013 (restated) |
| | \$ | \$ | \$ | \$ |
| Revenues | 17,296 | 15,009 | 65,376 | 60,711 |
| Adjusted EBITDA¹ | 6,767 | 6,359 | 24,331 | 25,165 |
| Operating profit | 4,671 | 5,032 | 17,091 | 19,864 |
| Profit for the period | 3,968 | 3,436 | 12,711 | 13,973 |
| Earnings per share (basic & diluted) | 0.25 | 0.22 | 0.80 | 0.97 |
| Weighted average number of shares outstanding (in thousands) | | | | |
| - Basic | 15,832 | 15,812 | 15,833 | 14,421 |
| - Diluted | 15,832 | 15,827 | 15,833 | 14 448 |

¹ See reconciliation of adjusted EBITDA and profit.

The profit analysis takes into consideration the impact of the acquisitions of Jobboom and Réseau Contact completed respectively on June 1, 2013 and November 29, 2013. In connection with these acquisitions, acquired deferred revenues were adjusted to fair value as part of the valuation made as of the date of acquisition. Therefore, the acquired deferred revenues were reduced by \$3.1 million.

FISCAL YEAR ENDED MARCH 31, 2014

For fiscal year 2014, revenues totaled \$65.4 million, an increase of 7.7% or \$4.7 million compared to fiscal year 2013 revenues of \$60.7 million.

During the fiscal year, Jobboom and Réseau Contact services were used for an amount of \$10.8 million. However, of that amount, only \$8.6 million is included in revenues in the fiscal year due to the adjustment made to recognize the fair value of deferred revenues in the purchase price allocation.

The addition of revenues from Jobboom and Réseau Contact combined with the increase in revenues of InterTrade Systems, LesPAC and BidNet amounting to \$1.8 million during the fiscal year were partly offset by a \$3.1 million decrease in the business network of MERX and by a decrease in the business networks of The Broker Forum, Market Velocity, Power Source OnLine and revenues from software development for a total amount of \$2.9 million. The decrease in the business network of MERX is primarily due to the non-renewal of the contractual agreement with Public Works and Government Services Canada ("PWGSC"), which expired on May 31, 2013.

Total operating expenses of fiscal 2014, including cost of revenues, totaled \$48.3 million, compared to \$40.8 million for fiscal 2013. The increase in operating expenses is mainly due to the addition of Jobboom and Réseau Contact activities for \$6.2 million (including additional amortization of the acquired intangible assets of \$2.0 million), acquisition costs of \$0.3 million, termination benefits and increase in workforce, partially offset by additional tax credits.

During fiscal 2014, adjusted EBITDA totaled \$24.3 million or 37% of revenues compared to \$25.2 million or 41% of revenues during fiscal 2013.

Profit for fiscal 2014 reached \$12.7 million (\$0.80 per share), compared to \$14.0 million (\$0.97 per share) during fiscal 2013.

FOURTH QUARTER OF FISCAL 2014

Revenues for the fourth quarter of fiscal 2014 reached \$17.3 million, an increase of 15.3% or \$2.3 million when compared to the fourth quarter of fiscal 2013.

During the fourth quarter, Jobboom and Réseau Contact services were used for an amount of \$4.2 million. However, of that amount, only \$3.6 million is included in revenues in the quarter due to the adjustment made to recognize the fair value of deferred revenues in the purchase price allocation.

The addition of revenues from Jobboom and Réseau Contact combined with the increase in revenues from InterTrade Systems of \$0.1 million during the quarter were partly offset by a \$0.8 million decrease in the business network of MERX and by a decrease in the business networks of The Broker Forum, LesPAC, Market Velocity, Power Source OnLine as well as lower revenues from software development for a total amount of \$0.8 million. Revenues were also positively impacted by \$0.2 million attributable to changes in the Canadian dollar against the U.S. dollar. The decrease in the business network MERX is primarily due to the non-renewal of the contractual agreement with Public Works and Government Services Canada ("PWGSC"), which expired on May 31, 2013.

Total operating expenses for the fourth quarter of fiscal 2014, including cost of revenues, totaled \$12.6 million, compared to \$10.0 million for the fourth quarter of fiscal 2013. The increase in operating expenses is mainly due to the addition of Jobboom and Réseau Contact activities for \$2.2 million (including additional amortization of the acquired intangible assets of \$0.8 million) and to an increase in workforce, partially offset by additional tax credits.

Adjusted EBITDA totaled \$6.8 million or 39% of revenues compared to \$6.4 million or 42% of revenues during the fourth quarter of fiscal 2013.

Profit for the fourth quarter of fiscal 2014 reached \$4.0 million (\$0.25 per share), compared to \$3.4 million (\$0.22 per share) during the fourth quarter of fiscal 2013.

CASH FLOW AND FINANCIAL POSITION

During fiscal 2014, the Company used \$56.0 million of its revolving credit facility in order to finance the acquisitions of Jobboom and Réseau Contact.

Also during fiscal 2014, cash flows generated by operating activities reached \$22.2 million, compared to \$18.0 million in fiscal 2013. The Company used a portion of these funds to repay an amount of \$19.0 million on the revolving credit facility.

As at March 31, 2014, the Company had \$6.9 million of cash and cash equivalents and \$23.0 million available on its revolving credit facility of \$60.0 million.

NORMAL COURSE ISSUER BID

On February 20, 2014, the Company obtained approval from the Toronto Stock Exchange in order to proceed with a Normal Course Issuer Bid. The program allows the Company to acquire for cancellation up to a maximum of 300,000 common shares during a twelve-month period beginning February 24, 2014. As at March 31, 2014, the Company had repurchased 16,420 shares for a consideration of \$0.3 million.

QUARTERLY DIVIDEND

The Board of Directors of Mediagrif declared a quarterly dividend of \$0.10 per share payable on July 15, 2014, to shareholders of record on July 2, 2014.

APPOINTMENT OF THE BOARD OF DIRECTORS

The Company announces today the appointment of Ms. Lyne Groulx as member of the Board of Directors of the Company. Ms. Groulx is a member of the Ordre des conseillers en ressources humaines agréés and currently holds the position of Manager, Executive Search with Raymond Chabot Grant Thornton.

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. The Company modified the terminology used to comply with regulatory requirements.

| In thousands of Canadian dollars Unaudited | Three months ended March 31 | | Fiscal years ended March 31 | |
|---|--------------------------------|--------------------|--------------------------------|--------------------|
| | 2014 | 2013 (restated) | 2014 | 2013 (restated) |
| | \$ | \$ | \$ | \$ |
| Profit | 3,968 | 3,436 | 12,711 | 13,973 |
| Income tax expense recognized in profit | 888 | 1,790 | 4,227 | 5,176 |
| Depreciation of property, plant and equipment and amortization of intangible assets | 298 | 284 | 1,154 | 1,158 |
| Amortization of acquired intangible assets | 1,716 | 1,029 | 6,048 | 4,049 |
| Amortization of deferred financing costs | 47 | 45 | 190 | 169 |
| Amortization of deferred lease inducement | (32) | (30) | (124) | (121) |
| Foreign exchange gain | (398) | (222) | (881) | (146) |
| Interest on long-term debt and interest income, net amount | 283 | 27 | 1,004 | 742 |
| Other expenses (revenues) | (3) | - | 2 | 165 |
| Adjusted EBITDA | 6,767 | 6,359 | 24,331 | 25,165 |

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, Reseau 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.

Audited consolidated 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.

- 30 -

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