

Mediagrif reports results for its fiscal year 2016

Fiscal year 2016 highlights:

- Revenue up 4% to reach \$73.0 million.
- Adjusted EBITDA¹ of \$28.6 million (39% of revenue), including non-recurring expenses of \$0.5 million, compared to \$27.5 million.
- Profit of \$15.8 million (\$1.05 per share) compared to \$15.6 million (\$1.00 per share).
- Cash flow from operating activities totalled \$22.3 million.
- Repurchase of 543,276 shares (3.5% of shares outstanding) for a consideration of \$9.1 million.

Quarterly dividend:

- Declaration of a quarterly dividend of \$0.10 per share payable on July 15, 2016 to shareholders of record on July 4, 2016.

Business acquisition:

- Subsequent to the end of year ended March 31, 2016, the Company acquired the assets of Advanced Software Concepts Inc. («ASC») for a cash consideration of \$18.5 million on May 31, 2016.

Longueuil, Canada, June 7, 2016 – Mediagrif Interactive Technologies Inc. (TSX: MDF), a Canadian leader in information technology, today announced its financial results for the year ended March 31, 2016. Unless indicated otherwise, all amounts are in Canadian dollars.

SUMMARY OF CONSOLIDATED RESULTS

| | Three months ended March 31, | | Fiscal years ended March 31, | |
|--|---------------------------------|--------|---------------------------------|--------|
| | 2016 | 2015 | 2016 | 2015 |
| (in thousands of Canadian dollars, except for numbers related to shares – unaudited) | \$ | \$ | \$ | \$ |
| Revenue | 18,817 | 17,467 | 73,020 | 70,247 |
| Adjusted EBITDA¹ | 6,556 | 6,750 | 28,576 | 27,509 |
| Operating profit | 5,182 | 5,373 | 23,035 | 20,860 |
| Profit for the period | 2,472 | 4,583 | 15,832 | 15,633 |
| Earnings per share (basic and diluted) | 0.16 | 0.30 | 1.05 | 1.00 |
| Weighted-average number of shares outstanding (in thousands) | | | | |
| Basic and diluted | 14,999 | 15,542 | 15,140 | 15,711 |

¹ See reconciliation of adjusted EBITDA and profit.

FOURTH QUARTER OF FISCAL 2016

For the fourth quarter of fiscal 2016, revenue increased by 8% or \$1.4 million to reach \$18.8 million when compared to the fourth quarter of fiscal 2015.

Adjusted EBITDA totalled \$6.6 million or 35% of revenue compared to \$6.8 million during the fourth quarter of fiscal 2015.

Adjusted EBITDA of the quarter includes non-recurring expenses totalling \$0.4 million related to the recording of a provision for a U.S. legislative contingency and due diligence expenses related to ASC acquisition.

Profit reached \$2.5 million compared to \$4.6 million during the fourth quarter of fiscal 2015.

In addition of the items mentioned above, profit for the fourth quarter of fiscal 2016 includes a foreign exchange loss on assets denominated in U.S. dollars of \$1.0 million compared to a foreign exchange gain of \$0.9 million during the fourth quarter of fiscal 2015, as well as interest expense of \$0.4 million related to a tax settlement.

FISCAL YEAR ENDED MARCH 31, 2016

For fiscal year 2016, revenue reached \$73.0 million, an increase of \$2.8 million or 4% when compared to fiscal year 2015.

In connection with the increase in revenue, adjusted EBITDA reached \$28.6 million or 39% of revenue, an increase of \$1.1 million when compared to fiscal year 2015.

Adjusted EBITDA of fiscal year 2016 includes non-recurring expenses related to due diligence expenses of potential business acquisitions including ASC, for an amount of \$0.5 million and related to a provision for a U.S. legislative contingency of \$0.4 million. These elements were partially offset by higher tax credits related to previous periods of \$0.4 million.

Profit reached \$15.8 million (\$1.05 per share), compared to \$15.6 million (\$1.00 per share) during fiscal year 2015.

In addition of the items mentioned above, profit for fiscal year 2016 includes a foreign exchange gain on assets denominated in U.S. dollars of \$0.1 million compared to a foreign exchange gain of \$1.2 million during fiscal year 2015 as well as interest expense of \$0.4 million related to a tax settlement. These elements were partially offset by a decrease in amortization expense of \$1.0 million during fiscal year 2016.

RENEWAL OF THE CREDIT FACILITY

On December 18, 2015, the Company announced the renewal and amendment of its credit facility. The facility's term has been extended to December 18, 2020.

The amended credit facility provides for a maximum borrowing capacity of \$80.0 million, which shall be used for general corporate purposes including acquisitions. The agreement also provides for an accordion feature to increase the maximum borrowing capacity by \$40.0 million, subject to meeting certain criteria and obtaining additional commitments from lenders.

The facility has no scheduled principal repayments prior to maturity and contains usual representations, warranties and covenants.

FINANCIAL POSITION AND FINANCING

During fiscal 2016, cash flows generated by operating activities reached \$22.3 million, compared to \$24.1 million in fiscal year 2015. The Company used a portion of these funds and funds available on its credit facility to repurchase, under the normal course issuer bid in place, a total of 543,276 shares at an average price of \$16.77 per share for a total consideration of \$9.1 million. The Company also paid out \$6.1 million in dividends.

As at March 31, 2016, the Company had \$10.9 million of cash and cash equivalents and \$53.5 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 July 15, 2016, to shareholders on record on July 4, 2016.

RECONCILIATION OF ADJUSTED EBITDA AND PROFIT

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

| | Three months ended | | Fiscal years ended | |
|---|--------------------|--------------|--------------------|---------------|
| | March 31 | | March 31 | |
| | 2016 | 2015 | 2016 | 2015 |
| (in thousands of Canadian dollars, unaudited) | \$ | \$ | \$ | \$ |
| Profit | 2,472 | 4,583 | 15,832 | 15,633 |
| Income tax expense recognized in profit | 1,126 | 1,502 | 6,151 | 5,543 |
| Depreciation of property, plant and equipment and amortization of intangible assets | 571 | 435 | 2,060 | 1,586 |
| Amortization of acquired intangible assets | 816 | 921 | 3,466 | 4,971 |
| Amortization of deferred financing costs | 10 | - | 10 | 120 |
| Amortization of deferred lease inducement | (35) | (32) | (148) | (125) |
| Foreign exchange loss (gain) | 950 | (854) | (115) | (1,174) |
| Interest on long-term debt and interest related to a tax settlement | 622 | 195 | 1,239 | 955 |
| Gain on disposal of property, plant and equipment | - | - | (4) | - |
| Loss on disposal of intangible assets | 24 | - | 85 | - |
| Adjusted EBITDA | 6,556 | 6,750 | 28,576 | 27,509 |

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 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 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 revenue (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.

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