

*Mediagrif reports results  
for its second quarter of fiscal 2018*

**Second quarter highlights of fiscal 2018:**

- Revenues up 2.7% to reach \$20.0 million.
- Adjusted EBITDA<sup>1</sup> of \$5.5 million including non-recurring expenses of \$1.1 million.
- Profit of \$1.7 million (\$0.11 per share).
- Cash flow from operating activities totaled \$2.1 million.

**Quarterly dividend:**

- Declaration of a quarterly dividend of \$0.10 per share payable on January 15, 2018 to shareholders of record on January 2, 2018.

**Board of Directors:**

- Appointment of Ms. Vivianne Gravel as a member of the Corporation's Board of Directors.

**Longueuil, Canada, November 7, 2017** – Mediagrif Interactive Technologies Inc. (TSX: MDF), a Canadian leader in information technology, today announced its financial results for the second quarter of fiscal 2018. 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 September 30,		Six months ended September 30,	
	2017 \$	2016 \$	2017 \$	2016 \$
<b>Revenues</b>	20,031	19,509	40,002	38,475
<b>Adjusted EBITDA<sup>1</sup></b>	5,522	8,118	11,667	15,080
<b>Operating profit</b>	3,528	6,159	7,703	11,690
<b>Profit for the period</b>	1,710	4,544	4,126	8,278
<b>Earnings per share (basic and diluted)</b>	0.11	0.30	0.28	0.55
<b>Weighted average number of shares outstanding basic and diluted (in thousands)</b>	14,886	14,999	14,890	14,999

<sup>1</sup> See reconciliation of adjusted EBITDA and profit as well as the "About Mediagrif Interactive Technologies Inc." section.

## **SECOND QUARTER OF FISCAL 2018 ENDED SEPTEMBER 30, 2017**

For the second quarter of fiscal 2018, revenues increased by 2.7% or \$0.5 million to reach \$20.0 million when compared to the second quarter of fiscal 2017.

The increase in revenues is mainly attributable to the addition of Orchestra revenues of \$1.2 million during the second quarter and to the ongoing organic growth of InterTrade and BidNet platforms for a total amount of \$0.3 million. These revenue increases were partially offset by lower revenues at Jobboom and LesPAC for a total amount of \$0.6 million.

During the second quarter, the Corporation continued to invest in its technology and infrastructure as well as in sales and marketing in order to seize market opportunities, respond to competitive environments and strengthen its position in its growing businesses areas including solutions offered by Orchestra. As such, Orchestra has benefited from the addition of resources to continue the development of its solution and to support its customers in their growth, through the implementation of their digital commerce solutions. These investments will continue throughout the current fiscal year.

With respect to LesPAC, strategic initiatives launched by the Corporation have shown good results. Online ads has continued to rise significantly (167%) and advertising revenues increased slightly when compared to the second quarter of fiscal 2017. The decrease of \$0.3 million in revenues from LesPAC was mainly due to the introduction of free ad posting to consumers on several ad categories since March 1, 2017.

Adjusted EBITDA for the second quarter of fiscal 2018 includes non-recurring expenses mostly related to termination benefits for \$0.9 million and to retention incentives for \$0.2 million. In addition, adjusted EBITDA for the quarter includes a \$0.5 million loss from Orchestra.

Profit for the second quarter of fiscal 2018 also includes a foreign exchange loss on assets denominated in U.S. dollars of \$0.7 million (due to the appreciation of the Canadian dollar) compared to a \$0.3 million gain for the corresponding quarter of 2017.

## **QUARTERLY DIVIDEND**

The Board of Directors of Mediagrif declared a quarterly dividend of \$0.10 per share payable on January 15, 2018, to shareholders on record on January 2, 2018.

## **FIRST SIX MONTHS OF FISCAL 2018**

Revenues for the first six months of fiscal 2018 reached \$40.0 million compared to \$38.5 million recorded in the first six months of fiscal 2017.

Adjusted EBITDA totaled \$11.7 million compared to \$15.1 million during the first six months of fiscal 2017. Adjusted EBITDA for the first six months of fiscal 2018 includes non-recurring expenses for a total of \$1.4 million.

Profit reached \$4.1 million (\$0.28 per share), compared to \$8.3 million (\$0.55 per share) during the first six months of fiscal 2017. Profit for the first six months of fiscal 2018 includes a foreign exchange loss on assets denominated in U.S. dollars of \$1.1 million compared to a \$0.3 million gain for the corresponding six-month period of 2017.

## **FINANCIAL POSITION AND FINANCING**

During the first six months of fiscal 2018, cash flows generated from operating activities reached \$4.2 million, compared to \$10.3 million for the first six months of fiscal year 2017. The Corporation used a portion of

these funds and funds available on its credit facility to proceed with the acquisition of Orchestra and also to cover for the acquisitions of capital assets.

The Corporation also paid out \$3.0 million in dividends during the first six months of fiscal 2018.

As at September 30, 2017, the Corporation had \$11.5 million of cash and cash equivalents and \$45.0 million available on its revolving credit facility of \$80.0 million.

## APPOINTMENT TO THE BOARD OF DIRECTORS

The Corporation today announces the appointment of Ms. Vivianne Gravel to serve on its Board of Directors. Ms. Gravel is the founder and president of Metix Inc., Metix Capital Inc., and B-CITI Solutions Inc. After years of experience in C-level positions with international scope at top companies, she co-founded and successfully sold LIPSO, the first integrated mobile platform company in Quebec. She subsequently launched and propelled METIX, Chronometriq, METO, METIX Capital and, more recently, B-CITI Solutions, an integrated intelligent platform that leverages Artificial Intelligence to efficiently connect cities to their residents, while simultaneously connecting cities to each other.

## 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 Corporation.

In thousands of Canadian dollars Unaudited and not reviewed by independent auditors	Three months ended September 30,		Six months ended September 30,	
	2017 \$	2016 \$	2017 \$	2016 \$
<b>Profit</b>	1,710	4,544	4,126	8,278
Income tax expense	912	1,689	2,051	3,116
Depreciation of property, plant and equipment and amortization of intangible assets	793	622	1,570	1,247
Amortization of acquired intangible assets	1,183	1,321	2,366	2,305
Amortization of deferred financing costs	10	10	20	20
Amortization of deferred lease inducement	(36)	(38)	(71)	(220)
Foreign exchange loss (gain)	686	(274)	1,117	(283)
Interest on long-term debt	264	244	488	446
Loss on disposal of property, plant and equipment	-	-	-	171
<b>Adjusted EBITDA</b>	<b>5,522</b>	<b>8,118</b>	<b>11,667</b>	<b>15,080</b>

## 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 MERX, BidNet, ASC, Orchestra, InterTrade, Jobboom, LesPAC, Réseau Contact and Carrus. Mediagrif's e-commerce solutions are used by millions of consumers and businesses in North America and around the world. The Corporation has offices in Canada, the United States, Denmark 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 Corporation 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 Corporation'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 Corporation. 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).

- 30 -

### For further information:

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