

Mediagrif reports its results for fiscal 2017

Fiscal year 2017 highlights:

- Revenues up 6% to reach \$77.7 million.
- Adjusted EBITDA¹ of \$28.6 million or 37% of revenues.
- Profit of \$15.8 million (\$1.06 per share).
- Cash flow from operating activities totaled \$23.7 million.
- Acquisition of Advanced Software Concepts Inc. completed on May 31, 2016.

Quarterly dividend:

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

Board of Directors:

- The Company announces the appointment of Mrs. Natalie Larivière as a member of the Board of Directors of the Company.

Longueuil, Canada, June 6, 2017 – Mediagrif Interactive Technologies Inc. (TSX: MDF), a Canadian leader in information technology, today announced its financial results for the year ended March 31 2017. Unless otherwise indicated, all amounts are in Canadian dollars.

SUMMARY OF CONSOLIDATED RESULTS

In thousands of Canadian dollars, except per share amounts Unaudited by independent auditors	Three months ended March 31,		Fiscal years ended March 31,	
	2017	2016	2017	2016
	\$	\$	\$	\$
Revenues	19,996	18,817	77,738	73,020
Adjusted EBITDA¹	6,384	6,556	28,554	28,576
Operating profit	4,579	5,182	21,447	23,035
Profit	3,578	2,472	15,841	15,832
Earnings per share (basic and diluted)	0.24	0.16	1.06	1.05
Basic and diluted weighted average number of shares outstanding (in thousands)	14,975	14,999	14,993	15,140

¹ See reconciliation of adjusted EBITDA and profit as well as the “About Mediagrif Interactive Technologies Inc.” section.

FISCAL YEAR ENDED MARCH 31, 2017

For fiscal year 2017, revenues reached \$77.7 million compared to \$73.0 million in fiscal year 2016.

Revenue growth was mainly due to continued organic growth in the InterTrade, BidNet and MERX platforms. The ASC acquisition also contributed positively to the revenue growth during the fiscal year 2017, as their services were used for an amount of \$4.8 million. Of that amount, only \$4.2 million is included in revenues of fiscal 2017 due to the adjustment made to recognize the fair value of deferred revenues at the acquisition date on May 31, 2016.

During fiscal 2017, the Company 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.

The Company also continued its strategic initiatives on LesPAC and Jobboom in order to meet the evolving market conditions. As such, on March 1, 2017, after conducting tests, the Company launched, on a permanent basis, free ad posting to consumers on several ad categories on the platform. Following this initiative, the Company witnessed an increase of 369% in consumer ad posting in March 2017 when compared to February 2017.

With respect to Jobboom, initiatives to address competitive environments have begun to show positive results with a 10% increase in the number of packages sold compared to fiscal 2016.

For fiscal 2017, adjusted EBITDA remained stable at \$28.6 million or 37% of revenue compared to fiscal 2016. Profit also remained stable at \$15.8 million or \$1.06 per share.

FOURTH QUARTER OF FISCAL 2017

For the fourth quarter of fiscal 2017, revenues increased by 6% or \$1.2 million to reach \$20.0 million when compared to the fourth quarter of fiscal 2016.

Adjusted EBITDA totaled \$6.4 million or 32% of revenues compared to \$6.6 million or 35% of revenues during the fourth quarter of fiscal 2016.

Profit reached \$3.6 million (\$0.24 per share) compared to \$2.5 million (\$0.16 per share) during the fourth quarter of fiscal 2016. Profit for the fourth quarter of fiscal 2017 includes a foreign exchange loss on assets denominated in U.S. dollars of \$0.1 million compared to a \$1.0 million foreign exchange loss and an interest expense related to a tax settlement of \$0.4 million recorded in the corresponding quarter of fiscal 2016.

FINANCIAL POSITION AND FINANCING

During fiscal 2017, cash flows generated by operating activities reached \$23.7 million, compared to \$22.3 million in 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 cover acquisitions of capital assets.

Also during fiscal 2017, the Company paid out a total of \$6.0 million in dividends and repurchased, under the normal course issuer bid in place, a total of 104,100 shares for a total consideration of \$1.7 million.

As at March 31, 2017, the Company had \$11.3 million in cash and cash equivalents and \$48.4 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 17, 2017, to shareholders of record on July 3, 2017.

APPOINTMENT TO THE BOARD OF DIRECTORS

The Company announces today the appointment of Mrs. Natalie Larivière to serve on its Board of Directors. Mrs. Larivière holds a bachelor degree in Finance and an MBA from UQAM. She is currently president of Yuma Strategies, a talent development, consulting and project management firm.

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 by independent auditors	Three months ended March 31,		Fiscal years ended March 31,	
	2017 \$	2016 \$	2017 \$	2016 \$
Profit	3,578	2,472	15,841	15,832
Income tax expense	795	1,126	5,079	6,151
Depreciation of property, plant and equipment and amortization of intangible assets	686	571	2,575	2,060
Amortization of acquired intangible assets	1,105	816	4,679	3,466
Amortization of deferred financing costs	10	10	40	10
Amortization of deferred lease inducement	(32)	(35)	(284)	(148)
Foreign exchange loss (gain)	82	950	(437)	(115)
Interest on long-term debt and interest related to a tax settlement, net amount	155	622	885	1,239
Loss (gain) on disposal of property, plant and equipment	-	-	171	(4)
Loss on disposal of intangible assets	5	24	5	85
Adjusted EBITDA	6,384	6,556	28,554	28,576

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, 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 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. 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.

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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