

*Mediagrif reports results  
for its first quarter of fiscal year 2018*

**First quarter highlights:**

- Acquisition of the assets of Orchestra completed on June 23, 2017.
- Revenue up 5.3% to reach \$20.0 million.
- Adjusted EBITDA<sup>1</sup> of \$6.1 million or 31% of revenues, including non-recurring expenses of \$0.3 million.
- Profit of \$2.4 million (\$0.16 per share).
- Cash flow from operating activities totalled \$2.2 million.

**Quarterly dividend:**

- Declaration of a quarterly dividend of \$0.10 per share payable on October 16, 2017 to shareholders of record on October 2, 2017.

**Longueuil, Canada, August 8, 2017** – Mediagrif Interactive Technologies Inc. (TSX: MDF), a Canadian leader in information technology, today announced its financial results for the first quarter of fiscal 2018. Unless indicated otherwise, all amounts are in Canadian dollars.

**SUMMARY OF CONSOLIDATED RESULTS**

	Three months ended June 30,	
	2017	2016
(in thousands of Canadian dollars, except for numbers related to shares – unaudited)	\$	\$
<b>Revenues</b>	<b>19,971</b>	18,966
<b>Adjusted EBITDA<sup>1</sup></b>	<b>6,145</b>	6,962
<b>Operating profit</b>	<b>4,175</b>	5,531
<b>Profit for the period</b>	<b>2,416</b>	3,734
<b>Earnings per share (basic and diluted)</b>	<b>0.16</b>	0.25
<b>Weighted-average number of shares outstanding basic and diluted (in thousands)</b>	<b>14,895</b>	14,999

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

## **FIRST QUARTER OF FISCAL 2018 ENDED JUNE 30, 2017**

For the first quarter of fiscal 2018, revenues increased by 5.3% or \$1.0 million to reach \$20.0 million when compared to the first quarter of fiscal 2017.

Revenue growth was mainly due to organic growth in the InterTrade and BidNet platforms for an amount of \$0.4 million and to ASC revenues of \$1.5 million for a full period of three months compared to \$0.2 million for a period of one month during the first quarter ended June 30, 2016.

Revenues from LesPAC and Jobboom decreased during the first quarter. However, the strategic initiatives put forward by the Company during the last fiscal year have shown a good outcome.

As such, concerning LesPAC, following the launch of free ad posting to consumers on several ad categories, ad posted by consumers increased by 177% during the first quarter of fiscal 2018 when compared to the first quarter of fiscal 2017. Concerning Jobboom, initiatives to address competitive environments continued to show a positive outcome as the number of packages sold slightly increased when compared to the first quarter of fiscal 2017.

During fiscal 2018, the Company will continue 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, an entity acquired on June 23, 2017.

Adjusted EBITDA totalled \$6.1 million or 31% of revenues compared to \$7.0 million or 37% during the first quarter of fiscal 2017. Adjusted EBITDA for the first quarter of fiscal 2018 includes professional fees totalling \$0.3 million related to the acquisition of Orchestra.

Profit reached \$2.4 million (\$0.16 per share) compared to \$3.7 million (\$0.25 per share) during the first quarter of fiscal 2017. Profit for the first quarter of fiscal 2018 includes a foreign exchange loss of \$0.4 million on assets denominated in US dollars compared to nil for the first quarter of fiscal 2017.

## **FINANCIAL POSITION AND FINANCING**

During the first quarter of fiscal 2018, cash flows generated by operating activities reached \$2.2 million, compared to \$4.5 million for the first quarter of fiscal year 2017. The Company 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 Company also paid out \$1.5 million in dividends during the first quarter of fiscal 2018.

As at June 30, 2017, the Company had \$12.0 million in cash and cash equivalents and \$45.8 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 October 16, 2017, to shareholders on record on October 2, 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.

	Three months ended June 30	
	2017	2016
(in thousands of Canadian dollars, unaudited by independent auditors)	\$	\$
<b>Profit</b>	<b>2,416</b>	3,734
Income tax expense	1,139	1,427
Depreciation of property, plant and equipment and amortization of intangible assets	777	625
Amortization of acquired intangible assets	1,183	984
Amortization of deferred financing costs	10	10
Amortization of deferred lease inducement	(35)	(182)
Foreign exchange loss (gain)	431	(9)
Interest on long-term debt	224	202
Loss on disposal of property, plant and equipment	-	171
<b>Adjusted EBITDA</b>	<b>6,145</b>	6,962

### **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 Company 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 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. 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](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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**For further information:**

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