

Attention Business/Financial Editors:

Evertz Technologies Third Quarter Fiscal 2014 Revenue Up 30%.

Burlington, March 4, 2014, Evertz Technologies Limited (TSX:ET), the leader in Software Defined Video Network ('SDVN') technology, today reported its results for the third quarter ended January 31, 2014 of its fiscal 2014 year.

Quarterly Highlights

- Revenue of \$93.2 million, up \$21.4 million from prior quarter ending January 31, 2013
- United States/Canada region revenue up 63% compared to the same quarter last year
- Adoption of the recently released state-of-the-art technology in DreamCatcher replay for a major sports league, and the EXE 46Tb/s Ethernet SDN switching platform for a major network, resulted in over \$15 million in total sales
- Net earnings of \$21.3 million for the quarter
- Fully diluted earnings per share increased 61% to \$0.29 for the quarter as compared to \$0.18 one year ago

Selected Financial Information

Consolidated Statement of Earnings Data

(in thousands of dollars, except per share amounts)

	<u>Q3 ' 14</u>	<u>Q3 ' 13</u>
Revenue	\$ 93,185	\$ 71,771
Gross Margin	53,737	40,272
Earnings from operations	28,223	17,108
Net earnings	21,349	13,179
Fully-diluted earnings per share	\$ 0.29	\$ 0.18

Selected Financial Information

Consolidated Balance Sheet Data

(in thousands of dollars)

	<u>Q3 ' 14</u>	<u>YE ' 13</u>
Cash and instruments held for trading	\$ 118,782	\$ 220,668
Working capital	271,609	352,164
Total assets	388,797	465,307
Shareholders' equity	329,222	406,797

Revenue

For the quarter ended January 31, 2014, revenues were \$93.2 million as compared to revenues of \$71.8 million for the quarter ended January 31, 2013. For the quarter, revenues in the United States/Canada region were \$55.0 million, an increase of \$21.2 million as compared to \$33.8 million in the same quarter last year. The International region had revenues of \$38.2 million, an increase of \$0.2 million as compared to \$38.0 million in the same quarter last year.

Gross Margin

For the quarter ended January 31, 2014 gross margin was \$53.7 million compared to \$40.3 million in the same quarter last year. Gross margin percentage was approximately 58% compared to 56% in the same quarter last year.

Earnings

For the quarter ended January 31, 2014 net earnings were \$21.3 million as compared to \$13.2 million in the corresponding period last year.

For the quarter ended January 31, 2014, earnings per share on a fully-diluted basis were \$0.29 as compared to \$0.18 in the same period in 2013.

Operating Expenses

For the quarter ended January 31, 2014 selling and administrative expenses were \$14.9 million, an increase of \$1.2 million or 9% compared to \$13.7 million for the quarter ended January 31, 2013.

For the quarter ended January 31, 2014 gross research and development expenses increased by \$1.9 million or 15% as compared to the corresponding period in 2013. Gross research and development expenses represented approximately 16% of revenue for the quarter ended January 31, 2014.

Liquidity and Capital Resources

The Company's working capital as at January 31, 2014 was \$271.6 million as compared to \$352.2 million on April 30, 2013.

Cash and instruments held for trading were \$118.8 million as at January 31, 2014 as compared to \$220.7 million on April 30, 2013.

Cash generated by operations was \$24.4 million for the quarter ended January 31, 2014 as compared to \$22.0 million for the quarter ended January 31, 2013. Before taking into account taxes and the changes in non-cash working capital, the Company generated \$24.5 million from operations for the quarter ended January 31, 2014 compared to \$16.8 million for the same period last year.

The Company used \$2.6 million in investing activities largely a result of purchases in capital assets during the quarter ended January 31, 2014, compared to \$6.2 million used during the quarter ended January 31, 2013.

For the quarter ended January 31, 2014, the Company used cash in financing activities of \$112.6 million which was principally a result of the payment of dividends of \$115.8 million, including a special dividend of \$104.0 million, offset by the issuance of capital stock of \$3.5 million.

Shipments and Backlog

Purchase order backlog at the end of February 2014 was in excess of \$43 million and shipments during the month of February 2014 were \$25 million.

Dividend Declared

Evertz Board of Directors declared a regular quarterly dividend on March 4, 2014 of \$0.16 per share.

The dividend is payable to shareholders of record on March 14, 2014 and will be paid on or about March 21, 2014.

Selected Consolidated Financial Information

(Unaudited)

(in thousands of dollars, except earnings per share and share data)

	Three month period ended		Nine month period ended	
	January 31,		January 31,	
	2014	2013	2014	2013
Revenue	\$ 93,185	\$ 71,771	\$ 238,287	\$ 250,890
Cost of goods sold	39,448	31,499	101,184	106,103
Gross margin	53,737	40,272	137,103	144,787
Expenses				
Selling and administrative	14,913	13,659	40,196	39,118
General	2,438	1,393	5,365	4,290
Research and development	15,049	13,098	43,133	37,502
Investment tax credits	(3,168)	(3,519)	(9,033)	(9,569)
Foreign exchange gain	(3,718)	(1,467)	(7,183)	(2,790)
	25,514	23,164	72,478	68,551
Earnings before undemoted	28,223	17,108	64,625	76,236
Finance income	496	699	1,720	1,576
Finance costs	(61)	(103)	(275)	(269)
Other income and expenses	47	276	(38)	272
Earnings before income taxes	28,705	17,980	66,032	77,815
Provision for (recovery of) income taxes				
Current	7,672	3,968	19,387	19,280
Deferred	(316)	833	(2,140)	1,505
	7,356	4,801	17,247	20,785
Net earnings for the period	\$ 21,349	\$ 13,179	\$ 48,785	\$ 57,030
Net earnings attributable to non-controlling interest	68	195	349	550
Net earnings attributable to shareholders	21,281	12,984	48,436	56,480
Net earnings for the period	\$ 21,349	\$ 13,179	\$ 48,785	\$ 57,030
Earnings per share				
Basic	\$ 0.29	\$ 0.18	\$ 0.65	\$ 0.77
Diluted	\$ 0.29	\$ 0.18	\$ 0.65	\$ 0.77
Consolidated Balance Sheet Data		As at		As at
		January 31, 2014		April 30, 2013
Cash and instruments held for trading	\$	118,782	\$	220,668
Inventory		125,324		111,619
Working capital		271,609		352,164
Total assets		388,797		465,307
Shareholders' equity		329,222		406,797
Number of common shares outstanding:				
Basic		74,279,746		73,632,566
Fully-diluted		78,068,346		78,246,966
Weighted average number of shares outstanding:				
Basic		73,994,700		73,300,647
Fully-diluted		74,398,758		73,816,338

Forward-Looking Statements

The report contains forward-looking statements reflecting Evertz's objectives, estimates and expectations. Such forward looking statements use words such as "may", "will", "expect", "believe", "anticipate", "plan", "intend", "project", "continue" and other similar terminology of a forward-looking nature or negatives of those terms.

Although management of the Company believes that the expectations reflected in such forward-looking statements are reasonable, all forward-looking statements address matters that involve known and unknown risks, uncertainties and other factors. Accordingly, there are or will be a number of significant factors which could cause the Company's actual results, performance or achievements, or industry results to be materially different from any future results performance or achievements expressed or implied by such forward-looking statements.

Conference Call

The Company will hold a conference call with financial analysts to discuss the results on March 4, 2014 at 5:00 p.m. (EDT). Media and other interested parties are invited to join the conference call in listen-only mode. The conference call may be accessed by dialing 1-416-849-6166 or toll-free (North America) 1-866-250-6267.

For those unable to listen to the live call, a rebroadcast will also be available until April 4, 2014. The rebroadcast can be accessed at 1-416-915-1035 or toll-free 1-866-245-6755. The pass code for the rebroadcast is 988819.

About Evertz

Evertz Technologies Limited (TSX: ET) designs, manufactures and markets video and audio infrastructure solutions for the television, telecommunications and new-media industries. The Company's solutions are purchased by content creators, broadcasters, specialty channels and television service providers to support their increasingly complex multi-channel digital, high definition television (HDTV) and next generation high bandwidth low latency IP network environments, and by telecommunications and new-media companies. The Company's products allow its customers to generate additional revenue while reducing costs through the more efficient signal routing, distribution, monitoring and management of content as well as the automation of previously manual processes.