

Attention Business/Financial Editors:

Evertz Technologies reports Record Revenue in Fiscal 2015.

Burlington, June 10, 2015, Evertz Technologies Limited (TSX:ET), the leader in Software Defined Video Network (“SDVN”) technology, today reported its results for the fourth quarter and year ended April 30, 2015.

Fiscal 2015 Highlights

- Record annual revenue of \$363.6 million, up 12% year over year
- United States / Canada region revenue up 19% to \$204.5 million from the prior year
- Net earnings of \$66.4 million for the year
- Fully diluted earnings per share of \$0.87

Fourth Quarter 2015 Highlights

- Revenue of \$92.0 million, up 5% from the same quarter in the prior year
- United States / Canada revenue up 16% to \$50 million from the prior year
- Earnings from operations before FX of \$21.3 million, up 13% year over year
- Net earnings were \$11.2 million or \$0.15 per share for the quarter, inclusive of a foreign exchange (“FX”) loss of \$6.7 million

Selected Financial Information

Consolidated Statement of Earnings Data

(in thousands of dollars, except per share amounts)

	<u>Q4'15</u>	<u>Q3'15</u>	<u>YE'15</u>	<u>Q4'14</u>	<u>YE'14</u>
Revenue	\$ 91,977	\$ 90,726	\$363,606	\$ 87,237	\$325,524
Gross margin	52,728	51,017	206,131	49,083	186,186
Earnings from operations	14,583	27,878	88,504	18,538	83,163
Earnings from operations before FX	21,296	21,134	87,093	18,804	76,246
Net earnings	11,154	21,207	66,410	14,754	63,539
Fully-diluted earnings per share	\$ 0.15	\$ 0.28	\$ 0.87	\$ 0.20	\$ 0.85

Selected Financial Information

Consolidated Balance Sheet Data

(in thousands of dollars)

	<u>YE ' 15</u>	<u>YE ' 14</u>
Cash and cash equivalents	\$ 100,681	\$ 101,956
Working capital	294,895	273,914
Total assets	426,162	401,280
Shareholders' equity	353,471	333,478

Revenue

For the quarter ended April 30, 2015, revenues were \$92.0 million, an increase of 5% compared to revenues of \$87.2 million for the quarter ended April 30, 2014. For the quarter, revenues in the United States/Canada region were \$50.0 million compared to \$43.2 million in the same quarter last year. The International region had revenues of \$41.9 million compared to \$44.1 million in the same quarter last year.

For the year ended April 30, 2015, sales were \$363.6 million, an increase of \$38.1 million or 12% as compared to sales of \$325.5 million for the prior year. For the year, revenues in the United States/Canada region were \$204.5 million compared to \$172.3 million in the prior year. The International region had revenues of \$159.2 million compared to \$153.2 million in the prior year.

Gross Margin

For the quarter ended April 30, 2015 gross margin was \$52.7 million compared to \$49.1 million in the same quarter last year. Gross margin percentage was approximately 57.3% compared to 56.3% in the quarter ended April 30, 2014.

For the year ended April 30, 2015, gross margin was \$206.1 million as compared to \$186.2 million for the year ended April 30, 2014. Gross margin percentage was approximately 56.7% for the year ended April 30, 2015 compared to 57.2% for the prior year.

Earnings

For the quarter ended April 30, 2015 net earnings were \$11.2 million, compared to \$14.8 million in the corresponding period last year.

For the year ended April 30, 2015, net earnings were \$66.4 million as compared to \$63.5 million in the corresponding period last year.

For the quarter ended April 30, 2015, earnings per share on a fully-diluted basis were \$0.15 compared to \$0.20 in the corresponding period last year.

For the year ended April 30, 2015, earnings per share on a fully-diluted basis were \$0.87 as compared to \$0.85 in the same period in 2014.

Operating Expenses

For the quarter ended April 30, 2015 selling and administrative expenses were \$15.5 million compared to \$15.0 million for the quarter ended April 30, 2014.

For the year ended April 30, 2015, selling and administrative expenses were \$58.8 million compared to \$55.2 million for the year ended April 30, 2014.

For the quarter ended April 30, 2015 gross research and development expenses increased by \$0.6 million or 3% as compared to the corresponding period in 2014. Gross research and development expenses represented approximately 19% of revenue for the quarter ended April 30, 2015.

For the year ended April 30, 2015, gross research and development expenses increased by 7% or \$4.1 million as compared to the prior year. Research and development expenses represented approximately 18% of sales.

Liquidity and Capital Resources

The Company's working capital as at April 30, 2015 was \$294.9 million as compared to \$273.9 million on April 30, 2014.

Cash and cash equivalents were \$100.7 million as at April 30, 2015 as compared to \$102.0 million on April 30, 2014.

Cash generated from operations was \$12.3 million for the quarter ended April 30, 2015 as compared to cash used of \$1.3 million for the quarter ended April 30, 2014. Before taking into account taxes and the changes in non-cash working capital and current taxes, the Company generated \$14.1 million from operations for the quarter ended April 30, 2015 compared to \$17.5 million for the same period last year.

Cash provided by operations was \$54.4 million for the 2015 fiscal year as compared to cash provided by operations of \$35.5 million for the 2014 fiscal year. Before taking into account taxes and the changes in non-cash working capital, the Company generated \$78.7 million from operations for fiscal 2015 as compared to \$74.2 million for fiscal 2014.

For the quarter, the Company used \$1.6 million in investing activities largely a result of purchases in capital assets of \$1.7 million.

For the year, the Company used \$8.1 million in investing activities for the year ended April 30, 2015, largely a result of purchases in capital assets of \$8.3 million.

For the quarter ended April 30, 2015, the Company used cash in financing activities of \$13.7 million which was principally a result of the payment of dividends.

For the year ended April 30, 2015, the Company used cash in financing activities of \$49.5 which was principally a result of the payment of dividends.

Shipments and Backlog

At the end of May 2015, purchase order backlog was in excess of \$57 million and shipments during the month of May 2015 were \$29 million.

Dividend Declared

Evertz Board of Directors declared a regular quarterly dividend on June 10, 2015 of \$0.18 per share.

The dividend is payable to shareholders of record on June 19, 2015 and will be paid on or about June 26, 2015.

Selected Consolidated Financial Information

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

	Three month periods ended		Twelve month periods ended	
	April 30,		April 30,	
	2015	2014	2015	2014
Revenue	\$ 91,977	\$ 87,237	\$ 363,606	\$ 325,524
Cost of goods sold	39,249	38,154	157,475	139,338
Gross margin	52,728	49,083	206,131	186,186
Gross margin %	57.3%	56.3%	56.7%	57.2%
Expenses				
Selling and administrative	15,526	14,966	58,833	55,162
General	1,368	1,509	6,136	6,874
Research and development	17,623	17,063	64,332	60,196
Investment tax credits	(3,085)	(3,259)	(10,263)	(12,292)
Foreign exchange loss (gain)	6,713	266	(1,411)	(6,917)
	38,145	30,545	117,627	103,023
	14,583	18,538	88,504	83,163
Finance income	227	281	830	2,001
Finance costs	(64)	(123)	(240)	(398)
Other income and expenses	160	76	325	38
Earnings before income taxes	14,906	18,772	89,419	84,804
Provision for (recovery of) income taxes				
Current	4,817	5,142	25,154	24,529
Deferred	(1,065)	(1,124)	(2,145)	(3,264)
	3,752	4,018	23,009	21,265
Net earnings for the period	\$ 11,154	\$ 14,754	\$ 66,410	\$ 63,539
Net earnings attributable to non-controlling interest	\$ 228	\$ 55	\$ 910	\$ 404
Net earnings attributable to shareholders	10,926	14,699	65,500	63,135
Net earnings for the period	\$ 11,154	\$ 14,754	\$ 66,410	\$ 63,539
Earnings per share				
Basic	\$ 0.15	\$ 0.20	\$ 0.88	\$ 0.85
Diluted	\$ 0.15	\$ 0.20	\$ 0.87	\$ 0.85

	April 30, 2015	April 30, 2014	April 30, 2013
Assets			
Current assets			
Cash and cash equivalents	\$ 100,681	\$ 101,956	\$ 208,658
Instruments held for trading	-	-	12,010
Trade and other receivables	95,403	87,981	53,813
Prepaid expenses	8,426	4,704	3,274
Inventories	154,259	134,561	111,619
Income tax receivable	-	1,735	7,233
	358,769	330,937	396,607
Assets held for sale	-	-	3,781
Property, Plant and Equipment	49,080	51,831	46,637
Goodwill	18,313	18,269	17,724
Intangible assets	-	243	558
	\$ 426,162	\$ 401,280	\$ 465,307
Liabilities			
Current liabilities			
Trade and other payables	\$ 44,265	\$ 44,888	\$ 36,237
Provisions	2,229	1,624	1,104
Deferred revenue	15,427	10,096	6,712
Current portion of long term debt	254	415	390
Income tax payable	1,699	-	-
	63,874	57,023	44,443
Long term debt	996	1,372	1,539
Deferred taxes	4,432	6,468	9,590
	69,302	64,863	55,572
Equity			
Capital stock	95,708	92,931	81,453
Share based payment reserve	12,418	10,217	10,727
Accumulated other comprehensive income (loss)	3,077	2,966	(1,063)
Retained earnings	242,268	227,364	315,680
	245,345	230,330	314,617
Total equity attributable to shareholders	353,471	333,478	406,797
Non-controlling interest	3,389	2,939	2,938
	356,860	336,417	409,735
	\$ 426,162	\$ 401,280	\$ 465,307

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 June 10, 2015 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 toll-free (North America) 1-888-244-2521.

For those unable to listen to the live call, a rebroadcast will also be available until July 10, 2015. The rebroadcast can be accessed at 1-416-915-1035 or toll-free 1-866-245-6755. The pass code for the rebroadcast is 541866.

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 and 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.