



D-BOX Technologies Announces Annual Revenues Up 13% and Strong Adjusted EBITDA for Fiscal Year 2018

Longueuil, Quebec, June 14, 2018 – D-BOX Technologies Inc. (TSX:DBO), a world leader in immersive entertainment experiences, announced today annual revenues of \$35.5 million, a 13% increase over last year, and adjusted EBITDA of \$2.6 million for the fiscal year ended March 31, 2018.

FINANCIAL HIGHLIGHTS

Highlights for the year ended March 31, 2018

Compared with the year ended March 31, 2017:

- Annual revenues grew 13% to \$35.5 million from \$31.4 million.
- Recurring revenues totalled \$8.4 million, up 24% from \$6.8 million.
- Adjusted EBITDA surged 172% to \$2.6 million from \$0.9 million.
- Adjusted EBITDA margin rose to 7% from 3%.
- Net loss of \$(1.8) million compared with \$(2.9) million.
- Cash flows generated by operating activities totalled \$2.7 million, up \$8.2 million from \$(5.5) million.

Highlights for the fourth quarter ended March 31, 2018

Compared with the fourth quarter ended March 31, 2017:

- Revenues totalled \$9.3 million down 13% from \$10.6 million.
- Recurring revenues climbed 15% to \$2.0 million from \$1.7 million.
- Quarterly adjusted EBITDA was \$0.9 million compared with \$1.0 million.
- Adjusted EBITDA margin rose to 10% from 9%.
- Net income totalled \$12K compared with \$286K.

Fourth quarter and fiscal year ended March 31 (in thousands of dollars, except per share amounts)				
	Fourth Quarter		Fiscal Year	
	2018	2017	2018	2017
Revenues	9,284	10,613	35,478	31,409
Net income (loss)	12	286	(1,761)	(2,892)
Adjusted EBITDA*	906	998	2,573	945
Basic and diluted net income (loss) per share	0.000	0.001	(0.010)	(0.017)
Information from the consolidated balance sheet				
	March 31, 2018		March 31, 2017	
Cash and cash equivalents	10,141		8,867	

* See the "Non-IFRS" measures section in the Management's Discussion and Analysis dated June 14, 2018.



OPERATIONAL HIGHLIGHTS

- Recurring revenues rose to 24% of total revenues for fiscal 2018.
- D-BOX launched its first VR Cinematic Experience at the Scotiabank Theatre in Ottawa, Canada in December 2017.
- D-BOX collaborated with Cirque du Soleil and the NFL to offer a first-of-its-kind *NFL Experience* in Times Square, NYC.
- D-BOX signed an agreement with Ster-Kinekor, a division of Primedia (Pty) Ltd. and entered into its first collaboration with the largest cinema exhibitor in South Africa.

Commenting on the annual results, Claude Mc Master, President and Chief Executive Officer of D-BOX, stated his strong satisfaction: “I’m proud to say our company continues to grow, with over \$35 million in sales and \$2.6 million in adjusted EBITDA. Recurring revenues are up 24% in the Entertainment market, showing that the Corporation’s strong expertise and proven technology are valuable assets for exhibitors. After two decades of hard work and innovation, D-BOX is a world leader in immersive entertainment experiences, and we’re proud of it.”

ADDITIONAL INFORMATION REGARDING THE FOURTH QUARTER AND FISCAL YEAR ENDED MARCH 31, 2018

The financial information relating to the fourth quarter and fiscal year ended March 31, 2018 should be read in conjunction with the Corporation’s consolidated financial statements, the Management’s Discussion and Analysis, and the Annual Information Form (AIF) dated June 14, 2018. These documents are available at www.sedar.com.

OUTLOOK

D-BOX operates in two major areas: the Entertainment market and the Simulation and Training market, which have their respective sub-markets. Business development in both markets focuses, in particular, on expanding recurring revenue opportunities. This strategy will help solidify D-BOX’s position in existing sub-markets and facilitate entering new segments.

D-BOX’s expertise in immersive motion and true-to-life simulation positions us to be an active participant in the growing virtual reality market. The company is actively developing new applications for VR and other related markets. D-BOX proprietary technology may also enhance the expansion of VR by potentially reducing the motion dizziness sometimes associated with VR experiences. D-BOX is particularly focused on this new trend as the size of the virtual and augmented reality markets grow, potentially to billions of dollars in the near future, according to many industry sources.



RECONCILIATION OF ADJUSTED EBITDA TO NET INCOME (LOSS)*

Adjusted EBITDA provides useful and complementary information, which can be used, in particular, to assess profitability and cash flows provided by operations. It consist of net income (loss) excluding amortization, financial expenses net of income, income taxes, write-off of property and equipment and intangible assets, shared-based payments, foreign exchange loss (gain) and non-recurring expenses related to restructuring costs.

	Fiscal year ended March 31		Fourth quarter ended March 31	
	2018	2017	2018	2017
Net Income (loss)	(1,761)	(2,892)	12	286
Amortization of property and equipment	2,332	2,198	569	343
Amortization of intangible assets	748	602	261	156
Amortization of other assets	5	9	2	—
Financial expenses (income)	525	470	124	129
Income taxes	5	6	—	6
Write-off of property and equipment	1	13	1	3
Write-off of intangible assets	145	—	93	—
Share-based payments	226	132	20	38
Foreign exchange loss (gain)	90	(26)	(176)	2
Restructuring costs	257	433	—	35
Adjusted EBITDA	2,573	945	906	998

* See the "Non-IFRS" measures section in the Management's Discussion and Analysis dated June 14, 2018.

ABOUT D-BOX

D-BOX is redefining the entertainment experience by creating hyper-realistic, immersive entertainment experiences that move the body and spark the imagination through motion. This expertise is one of the reasons why we have collaborated with some of the world's best companies to deliver new ways to tell great stories. Whether for movies, video games, virtual reality applications, themed entertainment or professional simulation, our mission is to move the world.

DISCLAIMER REGARDING FORWARD-LOOKING STATEMENTS

Certain statements included herein, including those that express management's expectations or estimates of our future performance, constitute "forward-looking statements" within the meaning of applicable securities laws. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by management at this time, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Investors are cautioned not to place undue reliance on forward-looking statements. D-BOX disclaims any intent or obligation to publicly update these forward-looking statements, whether as a result of new information, future events or otherwise.

FOR FURTHER INFORMATION, PLEASE

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