

Attention Business/Financial Editors:

Evertz Technologies reports Results for the First Quarter Ended July 31, 2013.

Burlington, September 11, 2013, Evertz Technologies Limited (TSX:ET), a global leader in video infrastructure solutions for production, playout and delivery systems for television broadcasters, telecom and multi-system operators, today reported its results for the first quarter ended July 31, 2013 of its fiscal 2014 year.

Quarterly Highlights

- Revenue of \$63.9 million
- Net earnings of \$11.8 million for the quarter, up \$3.7 million from prior quarter ending April 30, 2013
- Continue growth in R&D with a gross investment of \$13.5 million, an increase of 14% compared to the same quarter last year
- Fully diluted earnings per share of \$0.16, up 45% from prior quarter
- Quarterly dividend of \$0.16 per share declared in the quarter

Selected Financial Information

Consolidated Statement of Earnings Data

(in thousands of dollars, except per share amounts)

	<u>Q1 ' 14</u>	<u>Q1 ' 13</u>
Revenue	\$ 63,858	\$ 95,961
Gross Margin	36,714	55,655
Earnings from operations	15,547	33,234
Net earnings	11,816	24,759
Fully-diluted earnings per share	\$ 0.16	\$ 0.34

Selected Financial Information

Consolidated Balance Sheet Data

(in thousands of dollars)

	<u>Q1 ' 14</u>	<u>YE ' 13</u>
Cash and instruments held for trading	\$ 210,996	\$ 220,668
Working capital	352,901	352,164
Total assets	455,173	465,307
Shareholders' equity	411,429	406,797

Revenue

For the quarter ended July 31, 2013, revenues were \$63.9 million as compared to revenues of \$96.0 million for the quarter ended July 31, 2012. For the quarter, revenues in the United States/Canada region were \$35.9 million, compared to \$59.4 million in the same quarter last year. The International region had revenues of \$27.9 million, as compared to \$36.6 million in the same quarter last year.

Gross Margin

For the quarter ended July 31, 2013 gross margin was \$36.7 million compared to \$55.7 million in the same quarter last year. Gross margin percentage was approximately 57.5% compared to 58.0% in the same quarter last year.

Earnings

For the quarter ended July 31, 2013 net earnings were \$11.8 million as compared to \$24.8 million in the corresponding period last year.

For the quarter ended July 31, 2013, earnings per share on a fully-diluted basis were \$0.16 as compared to \$0.34 in the same period in 2012.

Operating Expenses

For the quarter ended July 31, 2013 selling and administrative expenses were \$11.6 million, a decrease of \$0.8 million or 6%, compared to \$12.4 million for the quarter ended July 31, 2012.

For the quarter ended July 31, 2013 gross research and development expenses increased by \$1.7 million or 14% as compared to the corresponding period in 2012. Gross research and development expenses represented approximately 21% of revenue for the quarter ended July 31, 2013.

Liquidity and Capital Resources

The Company's working capital as at July 31, 2013 was \$352.9 million as compared to \$352.2 million on April 30, 2013.

Cash and instruments held for trading were \$211.0 million as at July 31, 2013 as compared to \$220.7 million on April 30, 2013.

Cash provided by operations was \$2.7 million for the quarter ended July 31, 2013 as compared to \$9.6 million for the quarter ended July 31, 2012. Before taking into account taxes and the changes in non-cash working capital, the Company generated \$12.8 million from operations for the quarter ended July 31, 2013 compared to \$27.4 million for the same period last year.

The Company used \$3.5 million in investing activities largely a result of purchases in capital assets during the quarter ended July 31, 2013, compared to \$3.1 million in capital assets purchased for the quarter ended July 31, 2012.

For the quarter ended July 31, 2013, the Company used cash in financing activities of \$8.5 million which was principally a result of the payment of dividends of \$12.4 million offset by the issuance of capital stock of \$4.2 million.

Shipments and Backlog

Purchase order backlog at the end of August 2013 was in excess of \$53 million and shipments during the month of August 2013 were \$25 million.

Dividend Declared

Evertz Board of Directors declared a dividend on September 11, 2013 of \$0.16 per share.

The dividend is payable to shareholders of record on September 20, 2013 and will be paid on or about September 27, 2013.

Selected Consolidated Financial Information

(Unaudited)

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

	Three months ended July 31, 2013		Three months ended July 31, 2012	
Revenue	\$	63,858	\$	95,961
Cost of goods sold		27,144		40,306
Gross margin	\$	36,714	\$	55,655
Expenses				
Selling and administrative		11,612		12,367
General		1,462		1,450
Research and development		13,459		11,792
Investment tax credits		(2,857)		(3,186)
Foreign exchange gain		(2,509)		(2)
		21,167		22,421
Earnings before undernoted	\$	15,547	\$	33,234
Finance income		621		449
Finance costs		(102)		(88)
Other income and expenses		7		115
Earnings before income taxes	\$	16,073	\$	33,710
Provision for (recovery of) income taxes				
Current		6,370		8,988
Deferred		(2,113)		(37)
	\$	4,257	\$	8,951
Net earnings for the period	\$	11,816	\$	24,759
Net earnings attributable to non-controlling interest		83		170
Net earnings attributable to shareholders		11,733		24,589
Net earnings for the period	\$	11,816	\$	24,759
Earnings per share:				
Basic	\$	0.16	\$	0.34
Diluted	\$	0.16	\$	0.34
Consolidated Balance Sheet Data		As at July 31, 2013		As at April 30, 2013
Cash and instruments held for trading	\$	210,996	\$	220,668
Inventory	\$	112,637		111,619
Working capital	\$	352,901		352,164
Total assets	\$	455,173		465,307
Shareholders' equity	\$	411,429		406,797
Number of common shares outstanding:				
Basic		74,007,946		73,632,566
Fully-diluted		78,119,846		78,246,966
Weighted average number of shares outstanding:				
Basic		73,784,853		73,300,647
Fully-diluted		74,053,544		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 September 11, 2013 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 October 11, 2013. The rebroadcast can be accessed at 1-416-915-1035 or toll-free 1-866-245-6755. The pass code for the rebroadcast is 524216.

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") broadcast 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.