

Attention Business/Financial Editors:

Evertz Technologies Second Quarter Fiscal 2013 Revenue and Earnings up 18%.

Burlington, December 4, 2012, 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 that revenue and earnings per share rose 18% in its results for the second quarter of its fiscal 2013 year.

Quarterly Highlights

- Revenue of \$83.2 million, an increase of 18% year over year for the quarter
- US/Canada region revenue was up \$10.8 million or 30% compared to a year ago
- Revenue in the International region rose 5% compared to a year ago, to \$36.4 million
- Gross margin rose to 59%
- Fully diluted earnings per share increased 18% to \$0.26 for the quarter as compared to \$0.22 a year ago
- Cash and instruments held for trading increased to over \$215 million

Selected Financial Information

Consolidated Statement of Earnings Data

(in thousands of dollars, except per share amounts)

	<u>Q2 ' 13</u>	<u>Q2 '12</u>
Revenue	\$ 83,158	\$ 70,487
Gross margin	48,860	40,376
Earnings from operations	25,894	21,983
Net earnings	19,092	16,097
Fully-diluted earnings per share	\$ 0.26	\$ 0.22

Selected Financial Information

Consolidated Balance Sheet Data

(in thousands of dollars)

	<u>Q2 ' 13</u>	<u>YE ' 12</u>
Cash and instruments held for trading	\$ 215,342	\$ 185,669
Working capital	349,281	325,677
Total assets	446,714	431,864
Shareholders' equity	402,075	378,417

Revenue

For the quarter ended October 31, 2012, revenues were \$83.2 million, an increase of \$12.7 million or 18% as compared to revenues of \$70.5 million for the quarter ended October 31, 2011. For the quarter, revenues in the United States/Canada region were \$46.7 million, an increase of \$10.8 million or 30% when compared to the same quarter last year. The International region had revenues of \$36.4 million, an increase of 5% when compared to the same quarter last year.

Gross Margin

For the quarter ended October 31, 2012 gross margin was \$48.9 million compared to \$40.4 million in the same quarter last year. Gross margin percentage was approximately 59% compared to 57% for the quarter ended October 31, 2011.

Earnings

For the quarter ended October 31, 2012 net earnings were \$19.1 million as compared to \$16.1 million in the corresponding period last year.

For the quarter ended October 31, 2012, earnings per share on a fully-diluted basis were \$0.26 as compared to \$0.22 in the same period in 2011.

Operating Expenses

For the quarter ended October 31, 2012 selling and administrative expenses were \$13.1 million compared to \$11.7 million for the quarter ended October 31, 2011. Selling and administrative expenses represented approximately 16% of revenue in the quarter compared to 17% for the same period last year.

For the quarter ended October 31, 2012 gross research and development expenses increased by \$2.6 million or 26% as compared to the corresponding period in 2011. Gross research and development expenses represented approximately 15% of revenue for the quarter ended October 31, 2012.

Liquidity and Capital Resources

The Company's working capital as at October 31, 2012 was \$349.3 million as compared to \$325.7 million on April 30, 2012.

Cash and instruments held for trading were \$215.3 million as at October 31, 2012 as compared to \$185.7 million on April 30, 2012.

Cash provided by operations was \$46.4 million for the quarter ended October 31, 2012 as compared to \$22.3 million for the quarter ended October 31, 2011. Before taking into account the changes in non-cash working capital, the Company generated \$22.5 million from operations for the quarter ended October 31, 2012 compared to \$19.0 million for the same period last year.

The Company spent \$1.4 million on the purchase of capital assets for the quarter ended October 31, 2012 and \$3.4 million for the quarter ended October 31, 2011.

For the quarter ended October 31, 2012, the Company used cash from financing activities of \$11.0 million which was principally a result of the payment of dividends of \$10.6 million.

Shipments and Backlog

Purchase order backlog at the end of November 2012 was in excess of \$41 million and shipments during the month of November 2012 exceeded \$21 million.

Dividend Declared

Evertz Board of Directors declared a dividend on December 4, 2012 of \$0.14 per share.

The dividend is payable to shareholders of record on December 14, 2012 and will be paid on or about December 21, 2012.

Selected Consolidated Financial Information
(Unaudited)

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

	Three month period ended		Six month period ended	
	October 31,		October 31,	
	2012	2011	2012	2011
Revenue	\$ 83,158	\$ 70,487	\$ 179,119	\$ 145,615
Cost of goods sold	34,298	30,111	74,604	62,392
Gross margin	48,860	40,376	104,515	83,223
Expenses				
Selling and administrative	13,090	11,739	25,459	22,121
General	1,449	1,789	2,897	3,098
Research and development	12,612	10,041	24,404	20,360
Investment tax credits	(2,864)	(2,454)	(6,050)	(4,736)
Foreign exchange gain	(1,321)	(2,722)	(1,323)	(3,065)
	22,966	18,393	45,387	37,778
Earnings before undemoted	25,894	21,983	59,128	45,445
Finance income	428	453	877	876
Finance costs	(78)	(46)	(166)	(97)
Other income and expenses	(119)	(242)	(4)	(225)
Earnings before income taxes	26,125	22,148	59,835	45,999
Provision for income taxes				
Current	6,324	6,126	15,312	13,481
Deferred	709	(75)	672	(1,203)
	7,033	6,051	15,984	12,278
Net earnings for the period	\$ 19,092	\$ 16,097	\$ 43,851	\$ 33,721
Net earnings attributable to non-controlling interest	185	101	355	198
Net earnings attributable to shareholders	18,907	15,996	43,496	33,523
Net earnings for the period	\$ 19,092	\$ 16,097	\$ 43,851	\$ 33,721
Earnings per share				
Basic	\$ 0.26	\$ 0.22	\$ 0.59	\$ 0.45
Diluted	\$ 0.26	\$ 0.22	\$ 0.59	\$ 0.45
Consolidated Balance Sheet Data		As at		As at
		October 31, 2012		April 30, 2012
Cash and instruments held for trading	\$	215,342	\$	185,669
Inventory	\$	107,927	\$	109,211
Working capital	\$	349,281	\$	325,677
Total assets	\$	446,714	\$	431,864
Shareholders' equity	\$	402,075	\$	378,417
Number of common shares outstanding:				
Basic		73,172,986		73,225,786
Fully-diluted		77,924,586		77,904,086
Weighted average number of shares outstanding:				
Basic		73,166,072		73,612,759
Fully-diluted		73,382,083		73,812,767

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 December 4, 2012 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 January 4, 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 235180.

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.