

Attention Business/Financial Editors:

Evertz Technologies reports Results for the Third Quarter Ended January 31, 2015.

Burlington, March 4, 2015, Evertz Technologies Limited (TSX:ET), the leader in Software Defined Video Network (“SDVN”) technology, today reported its results for the third quarter of its fiscal 2015.

Quarterly Highlights

- Revenue of \$90.7 million, up 9% from sequential quarter
- United States / Canada region revenue up 18% to \$53.6 million from the sequential quarter
- Order for over \$10 million in the quarter from a leading U.S. National Broadcast Network customer, based on the adoption of Evertz new Integrated Receiver/Decoder technology
- Net earnings of \$21.2 million for the quarter
- Fully diluted earnings per share of \$0.28

Selected Financial Information

Consolidated Statement of Earnings Data

(in thousands of dollars, except per share amounts)

	<u>Q3 ' 15</u>	<u>Q3 ' 14</u>
Revenue	\$ 90,726	\$ 93,185
Gross Margin	51,017	53,737
Earnings from operations	27,878	28,223
Net earnings	21,207	21,349
Fully-diluted earnings per share	\$ 0.28	\$ 0.29

Selected Financial Information

Consolidated Balance Sheet Data

(in thousands of dollars)

	<u>Q3 ' 15</u>	<u>YE ' 14</u>
Cash and cash equivalents	\$ 103,303	\$ 101,956
Working capital	297,397	273,914
Total assets	430,062	401,280
Shareholders' equity	356,297	333,478

Revenue

For the quarter ended January 31, 2015, revenues were \$90.7 million as compared to revenues of \$93.2 million for the quarter ended January 31, 2014. For the quarter, revenues in the United States/Canada region were \$53.6 million compared to \$55.0 million in the same quarter last year. The International region had revenues of \$37.2 million compared to \$38.2 million in the same quarter last year.

Gross Margin

For the quarter ended January 31, 2015 gross margin was \$51.0 million compared to \$53.7 million in the same quarter last year. Gross margin percentage was approximately 56.2% compared to 57.7% in the quarter ended January 31, 2014.

Earnings

For the quarter ended January 31, 2015 net earnings were \$21.2 million, compared to \$21.3 million in the corresponding period last year.

For the quarter ended January 31, 2015, earnings per share on a fully-diluted basis were \$0.28 compared to \$0.29 in the corresponding period last year.

Operating Expenses

For the quarter ended January 31, 2015 selling and administrative expenses were \$14.8 million compared to \$14.9 million for the quarter ended January 31, 2014.

For the quarter ended January 31, 2015 gross research and development expenses increased by \$0.8 million or 5% as compared to the corresponding period in 2014. Gross research and development expenses represented approximately 17.4% of revenue for the quarter ended January 31, 2015.

Liquidity and Capital Resources

The Company's working capital as at January 31, 2015 was \$297.4 million as compared to \$273.9 million on April 30, 2014.

Cash and cash equivalents were \$103.3 million as at January 31, 2015 as compared to \$102.0 million on April 30, 2014.

Cash generated from operations was \$27.5 million for the quarter ended January 31, 2015 as compared to cash provided of \$24.4 million for the quarter ended January 31, 2014. Before taking into account taxes and the changes in non-cash working capital and current taxes, the Company generated \$25.9 million from operations for the quarter ended January 31, 2015 compared to \$24.5 million for the same period last year.

The Company used cash of \$2.1 million in investing activities largely a result of purchases in capital assets of \$2.2 million, compared to \$2.6 million in capital assets purchased for the quarter ended January 31, 2014.

For the quarter ended January 31, 2015, the Company used cash in financing activities of \$13.4 million which was principally a result of the payment of dividends.

Shipments and Backlog

At the end of February 2015, purchase order backlog was in excess of \$65 million and shipments during the month of February 2015 were \$19 million.

Dividend Declared

Evertz Board of Directors declared a regular quarterly dividend on March 4, 2015 of \$0.18 per share.

The dividend is payable to shareholders of record on March 13, 2015 and will be paid on or about March 20, 2015.

Selected Consolidated Financial Information

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

	Three month period ended		Nine month period ended	
	January 31,		January 31,	
	2015	2014	2015	2014
Revenue	\$ 90,726	\$ 93,185	\$ 271,629	\$ 238,287
Cost of goods sold	39,709	39,448	118,226	101,184
Gross margin	51,017	53,737	153,403	137,103
Expenses				
Selling and administrative	14,805	14,913	43,307	40,196
General	1,635	2,438	4,768	5,365
Research and development	15,768	15,049	46,709	43,133
Investment tax credits	(2,325)	(3,168)	(7,178)	(9,033)
Foreign exchange gain	(6,744)	(3,718)	(8,124)	(7,183)
	23,139	25,514	79,482	72,478
Earnings before undernoted	27,878	28,223	73,921	64,625
Finance income	209	496	603	1,720
Finance costs	(33)	(61)	(176)	(275)
Other income and expenses	138	47	165	(38)
Earnings before income taxes	28,192	28,705	74,513	66,032
Provision for (recovery of) income taxes				
Current	5,777	7,672	20,337	19,387
Deferred	1,208	(316)	(1,080)	(2,140)
	6,985	7,356	19,257	17,247
Net earnings for the period	\$ 21,207	\$ 21,349	\$ 55,256	\$ 48,785
Net earnings attributable to non-controlling interest	193	68	682	349
Net earnings attributable to shareholders	21,014	21,281	54,574	48,436
Net earnings for the period	\$ 21,207	\$ 21,349	\$ 55,256	\$ 48,785
Earnings per share				
Basic	\$ 0.28	\$ 0.29	\$ 0.73	\$ 0.65
Diluted	\$ 0.28	\$ 0.29	\$ 0.73	\$ 0.65

Consolidated Balance Sheet Data	As at	
	January 31, 2015	April 30, 2014
Cash and cash equivalents	\$ 103,303	\$ 101,956
Inventory	\$ 150,763	\$ 134,561
Working capital	\$ 297,397	\$ 273,914
Total assets	\$ 430,062	\$ 401,280
Shareholders' equity	\$ 356,297	\$ 333,478
Number of common shares outstanding:		
Basic	74,459,346	74,310,146
Fully-diluted	79,221,346	79,513,846
Weighted average number of shares outstanding:		
Basic	74,379,667	74,064,205
Fully-diluted	74,981,067	74,485,461

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, 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 1-416-849-1967 or toll-free (North America) 1-866-253-4709.

For those unable to listen to the live call, a rebroadcast will also be available until April 4, 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 827696.

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.