

Attention Business/Financial Editors:

Evertz Technologies reports results for the First Quarter Ended July 31, 2015.

Burlington, September 8, 2015, Evertz Technologies Limited (TSX:ET), the leader in Software Defined Video Network (“SDVN”) technology, today reported its results for the first quarter ended July 31, 2015.

Quarterly Highlights

- Quarterly revenue of \$84.9 million, including \$50.0 million in the United States/Canada region
- Net earnings of \$18.6 million for the quarter
- Fully diluted earnings per share of \$0.25 for the quarter

Selected Financial Information

Consolidated Statement of Earnings Data

(in thousands of dollars, except per share amounts)

	<u>Q1 ' 16</u>	<u>Q1 ' 15</u>
Revenue	\$ 84,869	\$ 98,014
Gross Margin	47,829	55,821
Earnings from operations	25,376	26,515
Net earnings	18,598	19,706
Fully-diluted earnings per share	\$ 0.25	\$ 0.26

Selected Financial Information

Consolidated Balance Sheet Data

(in thousands of dollars)

	<u>Q1 ' 16</u>	<u>YE ' 15</u>
Cash and cash equivalents	\$ 97,128	\$ 100,681
Working capital	306,614	294,895
Total assets	429,588	426,162
Shareholders' equity	365,432	353,471

Revenue

For the quarter ended July 31, 2015, revenues were \$84.9 million compared to revenues of \$98.0 million for the quarter ended July 31, 2014. For the quarter, revenues in the United States/Canada region were \$50.0 million compared to \$55.5 million in the same quarter last year. The International region had revenues of \$34.9 million compared to \$42.5 million in the same quarter last year.

Gross Margin

For the quarter ended July 31, 2015 gross margin was \$47.8 million compared to \$55.8 million in the same quarter last year. Gross margin percentage was approximately 56.4% compared to 57.0% in the quarter ended July 31, 2014.

Earnings

For the quarter ended July 31, 2015 net earnings were \$18.6 million, compared to \$19.7 million in the corresponding period last year.

For the quarter ended July 31, 2015, earnings per share on a fully-diluted basis were \$0.25 compared to \$0.26 in the corresponding period last year.

Operating Expenses

For the quarter ended July 31, 2015 selling and administrative expenses were \$14.8 million compared to \$13.4 million for the quarter ended July 31, 2014.

For the quarter ended July 31, 2015 gross research and development expenses increased by \$0.5 million or 3% as compared to the corresponding period in 2014. Gross research and development expenses represented approximately 19.2% of revenue for the quarter ended July 31, 2015.

Liquidity and Capital Resources

The Company's working capital as at July 31, 2015 was \$306.6 million as compared to \$294.9 million on April 30, 2015.

Cash and cash equivalents were \$97.1 million as at July 31, 2015 as compared to \$100.7 million on April 30, 2015.

Cash generated from operations was \$7.8 million for the quarter ended July 31, 2015 as compared to cash generated of \$15.3 million for the quarter ended July 31, 2014. Before taking into account taxes and the changes in non-cash working capital and current taxes, the Company generated \$20.9 million from operations for the quarter ended July 31, 2015 compared to \$21.2 million for the same period last year.

For the quarter, the Company used \$0.9 million in investing activities largely a result of purchases in capital assets.

For the quarter ended April 30, 2015, the Company used cash in financing activities of \$10.3 million which was principally a result of the payment of dividends of \$13.4 million, partially offset by the issuance of capital stock pursuant to the Company Stock Option Plan of \$4.1 million.

Shipments and Backlog

At the end of August 2015, purchase order backlog was in excess of \$70 million and shipments during the month of August 2015 were \$29 million.

Dividend Declared

Evertz Board of Directors declared a regular quarterly dividend on September 8, 2015 of \$0.18 per share.

The dividend is payable to shareholders of record on September 18, 2015 and will be paid on or about September 25, 2015.

Selected Consolidated Financial Information

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

	Three months ended July 31, 2015	Three months ended July 31, 2014
Revenue	\$ 84,869	\$ 98,014
Cost of goods sold	37,040	42,193
Gross margin	\$ 47,829	\$ 55,821
Expenses		
Selling and administrative	14,802	13,399
General	1,595	1,810
Research and development	16,252	15,820
Investment tax credits	(2,484)	(2,466)
Foreign exchange gain	(7,712)	743
	22,453	29,306
Earnings before undernoted	\$ 25,376	\$ 26,515
Finance income	158	193
Finance costs	(122)	(67)
Other income and expenses	(38)	140
Earnings before income taxes	\$ 25,374	\$ 26,781
Provision for (recovery of) income taxes		
Current	7,973	9,311
Deferred	(1,197)	(2,236)
	\$ 6,776	\$ 7,075
Net earnings for the period	\$ 18,598	\$ 19,706
Net earnings attributable to non-controlling interest	187	295
Net earnings attributable to shareholders	18,411	19,411
Net earnings for the period	\$ 18,598	\$ 19,706
Earnings per share:		
Basic	\$ 0.25	\$ 0.26
Diluted	\$ 0.25	\$ 0.26
Consolidated Balance Sheet Data	As at July 31, 2015	As at April 30, 2015
Cash and cash equivalents	\$ 97,128	\$ 100,681
Inventory	\$ 158,862	\$ 154,259
Working capital	\$ 306,614	\$ 294,895
Total assets	\$ 429,588	\$ 426,162
Shareholders' equity	\$ 365,432	\$ 353,471
Number of common shares outstanding:		
Basic	74,726,446	74,459,346
Fully-diluted	79,405,446	79,195,846
Weighted average number of shares outstanding:		
Basic	74,593,296	74,399,096
Fully-diluted	75,060,553	75,033,398

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 8, 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 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 October 8, 2015. The rebroadcast can be accessed at 416-915-1035 or toll-free 1-866-245-6755. The pass code for the rebroadcast is 598944.

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.