

Attention Business/Financial Editors:

Evertz Technologies reports Revenue of \$100 million for the Third Quarter Fiscal 2016.

Burlington, March 2, 2016, Evertz Technologies Limited (TSX:ET), the leader in Software Defined Video Network (“SDVN”) technology, today reported its results for the third quarter ended January 31, 2016.

Quarterly Highlights

- Revenue of \$99.8 million, an increase of 10% year over year
- International revenue of \$46.2 million, up 24% year over year
- Net earnings of \$24.4 million for the quarter, up 15%
- Fully diluted earnings per share of \$0.32 for the quarter, up 14% year over year

Selected Financial Information

Consolidated Statement of Earnings Data

(in thousands of dollars, except per share amounts)

	<u>Q3 ' 16</u>	<u>Q3 ' 15</u>
Revenue	\$ 99,754	\$ 90,726
Gross Margin	56,991	51,017
Earnings from operations	33,031	27,878
Net earnings	24,390	21,207
Fully-diluted earnings per share	\$ 0.32	\$ 0.28

Selected Financial Information

Consolidated Balance Sheet Data

(in thousands of dollars)

	<u>Q3 ' 16</u>	<u>YE ' 15</u>
Cash and cash equivalents	\$ 129,924	\$ 100,681
Working capital	319,879	294,895
Total assets	454,449	426,162
Shareholders' equity	374,574	353,471

Revenue

For the quarter ended January 31, 2016, revenues were \$99.8 million compared to revenues of \$90.7 million for the quarter ended January 31, 2015. For the quarter, revenues in the United States/Canada region were \$53.6 million compared to \$53.6 million in the same quarter last year. The International region had revenues of \$46.2 million compared to \$37.2 million in the same quarter last year.

Gross Margin

For the quarter ended January 31, 2016 gross margin was \$57.0 million compared to \$51.0 million in the same quarter last year. Gross margin percentage was approximately 57.1% compared to 56.2% in the quarter ended January 31, 2015.

Earnings

For the quarter ended January 31, 2016 net earnings were \$24.4 million, compared to \$21.2 million in the corresponding period last year.

For the quarter ended January 31, 2016, earnings per share on a fully-diluted basis were \$0.32 compared to \$0.28 in the corresponding period last year.

Operating Expenses

For the quarter ended January 31, 2016 selling and administrative expenses were \$15.1 million compared to \$14.8 million for the quarter ended January 31, 2015.

For the quarter ended January 31, 2016 gross research and development expenses were \$17.2 million, compared to \$15.8 million for the quarter ended January 31, 2015.

Liquidity and Capital Resources

The Company's working capital as at January 31, 2016 was \$319.9 million as compared to \$294.9 million on April 30, 2015.

Cash and cash equivalents were \$129.9 million as at January 31, 2016 as compared to \$100.7 million on April 30, 2015.

Cash generated from operations was \$49.6 million for the quarter ended January 31, 2016 as compared to cash used of \$27.5 million for the quarter ended January 31, 2015. Before taking into account taxes and the changes in non-cash working capital and current taxes, the Company generated \$29.8 million from operations for the quarter ended January 31, 2016 compared to \$25.9 million for the same period last year.

For the quarter, the Company used \$1.0 million in investing activities largely a result of purchases in capital assets.

For the quarter ended, the Company used cash in financing activities of \$14.4 million which was principally a result of the payment of dividends of \$13.4 million and the repurchase of Capital Stock costing \$1.0 million.

Shipments and Backlog

At the end of February 2016, purchase order backlog was in excess of \$60 million and shipments during the month of February 2016 were \$28 million.

Dividend Declared

Evertz Board of Directors declared a regular quarterly dividend on March 2, 2016 of \$0.18 per share.

The dividend is payable to shareholders of record on March 11, 2016 and will be paid on or about March 18, 2016.

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,	
	2016	2015	2016	2015
Revenue	\$ 99,754	\$ 90,726	\$ 285,183	\$ 271,629
Cost of goods sold	42,763	39,709	122,829	118,226
Gross margin	56,991	51,017	162,354	153,403
Expenses				
Selling and administrative	15,121	14,805	44,750	43,307
General	1,502	1,635	4,740	4,768
Research and development	17,229	15,768	49,608	46,709
Investment tax credits	(2,519)	(2,325)	(7,414)	(7,178)
Foreign exchange gain	(7,373)	(6,744)	(14,452)	(8,124)
	23,960	23,139	77,232	79,482
Earnings before undemoted	33,031	27,878	85,122	73,921
Finance income	117	209	455	603
Finance costs	(128)	(33)	(450)	(176)
Other income and expenses	211	138	361	165
Earnings before income taxes	33,231	28,192	85,488	74,513
Provision for (recovery of) income taxes				
Current	7,344	5,777	23,312	20,337
Deferred	1,497	1,208	(431)	(1,080)
	8,841	6,985	22,881	19,257
Net earnings for the period	\$ 24,390	\$ 21,207	\$ 62,607	\$ 55,256
Net earnings attributable to non-controlling interest	165	193	485	682
Net earnings attributable to shareholders	24,225	21,014	62,122	54,574
Net earnings for the period	\$ 24,390	\$ 21,207	\$ 62,607	\$ 55,256
Earnings per share				
Basic	\$ 0.33	\$ 0.28	\$ 0.83	\$ 0.73
Diluted	\$ 0.32	\$ 0.28	\$ 0.83	\$ 0.73
Consolidated Balance Sheet Data			As at	As at
			January 31, 2016	April 30, 2015
Cash and cash equivalents	\$	129,924	\$	100,681
Inventory	\$	158,308	\$	154,259
Working capital	\$	319,879	\$	294,895
Total assets	\$	454,449	\$	426,162
Shareholders' equity	\$	374,574	\$	353,471
Number of common shares outstanding:				
Basic		74,173,746		74,459,346
Fully-diluted		78,715,246		79,195,846
Weighted average number of shares outstanding:				
Basic		74,418,199		74,399,096
Fully-diluted		74,871,783		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 March 2, 2016 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 April 2, 2016. The rebroadcast can be accessed at 416-915-1035 or toll-free 1-866-245-6755. The pass code for the rebroadcast is 937986.

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.