



**FOR IMMEDIATE RELEASE**

## **SENSIO reports its financial results for second quarter 2011**

### **Highest-ever sales over six-month period**

**MONTREAL — January 28, 2011** — SENSIO Technologies Inc. (SENSIO) (TSX-V: SIO), inventor of SENSIO® Hi-Fi 3D technology, today presented its financial results for the second quarter of fiscal year 2010-2011 and the six-month period. As of November 30, 2010, this year has yielded the highest-ever sales for the Montreal 3D technology company.

"Following the success of the FIFA World Cup, we continued to generate revenue through the installation of our decoding technology in digital cinemas. The continued expansion of the SENSIO® 3D Live Network proves to us that confidence is high in live 3D as a revenue stream," said Nicholas Routhier, President and CEO.

"Our efforts to build a solid foundation in the semiconductor arena also came to fruition with no less than three agreements for consumer electronics applications. In addition, Vizio 3DTVs began to hit the market in the middle of our third quarter, and look set to make a solid impact. The release of a Vizio polarized 'Theater' TV, using inexpensive passive 3D glasses, and integrating SENSIO® Hi-Fi 3D technology, in time for the biggest consumer electronics event in the western world, should follow up on this success and should further increase demand. At this time, we are optimistic that the wider availability of our technology in both the consumer market and the broadcast market, through the addition of the established technologies acquired from Alolith at the beginning of our third quarter, will validate our format as synonymous with quality and performance, ensuring success in the near future."

### **Highlights of second quarter**

- Increase of 89.6% in SENSIO revenues for the first half of the financial year
- Integration of SENSIO® Hi-Fi 3D technology into the 3DTV products of three semiconductor manufacturers, including MediaTek and Trident Microsystems
- Grant of a patent in India for the SENSIO® S2D Switch
- Integration by Ubisoft of SENSIO® Hi-Fi 3D technology into a second stereoscopic 3D (S3D) console game: "Shaun White Skateboarding"
- Selection, by Videotron, of SENSIO® Hi-Fi 3D technology enabling a 3D content offering to its customers as early as December 2010
- Recognition of SENSIO's know-how at IBC2010, the European broadcasting trade show

### **Live 3D – continued expansion of network**

Much of SENSIO's revenue in the second quarter derived from the expansion of the SENSIO® 3D Live Network, with SENSIO's decoding technology being installed in more digital cinemas around the world.

"The continued expansion of our network and the world-class reference that our participation in the live 3D distribution of the 2010 FIFA World Cup constitutes are compelling arguments for other rights holders to entrust us with their revenue-generating events in the coming quarters," said Richard LaBerge, Executive Vice-President and Chief Marketing Officer.

### **Chip strategy – continued demand from CE manufacturers**

SENSIO signed three licence agreements during the second quarter, further to demand by the clients of these major semiconductor manufacturers for chips capable of decoding the SENSIO<sup>®</sup> Hi-Fi 3D format for 3DTVs. They include MediaTek, another unnamed manufacturer and Trident Microsystems. As well as confirming existing demand for SENSIO's technology, these agreements simplify any future integration of SENSIO<sup>®</sup> Hi-Fi 3D format-capability within 3DTVs: Manufacturers can simply select their preferred chip from the list of available components, with no further integration testing required, and thereby accelerate time-to-market.

### **Recognition of SENSIO know-how by the broadcasting industry**

SENSIO was recognized Best 3D Technology by Cable and Satellite magazine's annual awards, presented at IBC2010. The same major show also saw SENSIO listed as a technology partner for ESPN's shortlisted nomination for an IBC Innovation Award for the broadcast of the NCAA championship game. SENSIO was also proud to see its partners in the 2010 FIFA World Cup receive the prestigious accolade of the Judges' Prize at the same awards.

### **Summary of financial results**

SENSIO's revenues for the second quarter of fiscal year 2011 were \$116,114 compared to \$184,247 in the same quarter of the previous year. These revenues were mainly generated by the licensing of SENSIO<sup>®</sup> 3D decoding technology to digital cinemas in anticipation of further live 3D events. They are lower than the comparable period of the previous year, because of a non-recurrent sale related the 2010 FIFA world cup that was realized a year ago. These additional revenues bring total sales for the first half of the 2011 fiscal year to \$747,661, representing an increase of 89.6% over the previous year. Gross profit for the second quarter also increased, at 89% of sales compared to 73% for the same period the previous year.

Selling expenses rose from \$340,834 in the second quarter of fiscal 2010 to \$580,351 for the comparative quarter in fiscal 2011. This 70.3% increase can be mainly explained by the additional staff supporting marketing efforts and an increase in promotional and related travel expenses.

During the quarter, R&D expenses rose by 82.9% from \$116,524 to \$207,857 over previous year. The variance is primarily due to new staff hires and the cost of external consultants.

Administrative expenses stood at \$438,669 in the second quarter ended November 30, 2010 compared to \$315,938 in the comparative quarter the previous year, an increase of 38.8%. The increase can be explained by the hiring of administrative staff, an increase in operating costs following the extension of our office space and additional legal expenses relative to the acquisition of intellectual property and other assets from Algorith, which was concluded on December 1, 2010.

SENSIO's net loss for the quarter ended November 30, 2010 came to \$1,172,978 (\$0.0227 per share) compared to \$645,194 (\$0.0140 per share) as of November 30, 2009. This increase can be explained by the factors described above, which are intended to position SENSIO as a major player in the industry, offering a vast array of technologies to its potential clients in the coming years.

## Principal Financial Information

	Quarter ended November 30 Unaudited		Six-month period ended November 30 Unaudited	
	2010	2009	2010	2009
Sales	116 114	184 247	747 724	394 408
Gross profit	103 378	134 471	728 018	254 251
Net loss	1 172 978	645 194	1 581 132	1 098 656
Net loss per common share	0.0227	0.0140	0.0306	0.0250

### **About SENSIO Technologies Inc. (SENSIO):**

Founded in 1999, SENSIO Technologies Inc. ([www.sensio.tv](http://www.sensio.tv)) is a pioneer in the 3D industry. Its vision, expertise and state-of-the-art solutions, based on diversified stereoscopic image-processing technologies, have been trusted by some of the biggest names in the broadcasting and consumer electronics sectors, as well as for live 3D events in cinemas, to power numerous industry firsts, initiate new business models and generate immediate revenue with a distinctive 3D offering.

SENSIO enables its clients to deliver the best possible 3D experience for the end-user through a broad portfolio of licensed products, based on quality, content, usability and compatibility. These include its flagship, award-winning technology, SENSIO® Hi-Fi 3D, the premium-quality frame-compatible format.

SENSIO's technologies are the object of patents and intellectual property protection proceedings worldwide. SENSIO is listed on the Toronto TSX Venture Exchange (SIO).

SENSIO® is a registered trademark of SENSIO Technologies Inc.

*This news release contains forward-looking statements that reflect the company's expectations with regard to future events. Actual events could differ significantly from those anticipated in this document.*

*Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.*

### **Contacts:**

#### **Investor Relations Contact**

Sylvain Archambault  
President  
Groupe Évolution Inc.  
Tel: +1 866 703-4887  
E-mail: [s.archambault@evolutiongrp.com](mailto:s.archambault@evolutiongrp.com)

#### **SENSIO Contact**

Éric Choquette  
Chief Financial Officer  
Tel.: +1 514 846-2022 x17  
E-mail: [eric.choquette@sensio.tv](mailto:eric.choquette@sensio.tv)