



**FOR IMMEDIATE RELEASE**

## **SENSIO reports its financial results for third quarter 2011 and grants stock options to Board**

**Year-to-date sales exceed \$1 million – an apex in the history of SENSIO**

**MONTREAL — April 29, 2011** — SENSIO Technologies Inc. (SENSIO) (TSX-V: SIO), inventor of SENSIO® Hi-Fi 3D technology, today presented its financial results for the third quarter of fiscal year 2010-2011. The sales figures for this quarter bring year-to-date revenue past the one-million-dollar mark for the first time in the history of the company.

“This is a milestone for SENSIO and all the more important because our revenues come primarily from royalties on our intellectual property, generating substantial gross margins. We are therefore happy to see our hard work rewarded in this way and will keep up our intensive promotion efforts, expecting to see results in the quarters to come,” said Nicholas Routhier, President and CEO.

In addition, as part of their annual remuneration and pursuant to the terms of the Stock Option Plan of SENSIO currently in effect, the members of its Board of Directors approved, effective April 29, 2011, the grant of 20,000 stock options to Jacques Malo, as Chairman of the Board, and 10,000 stock options to each of the members of the Board excluding SENSIO management. These stock options entitle them to purchase that same number of shares at the price of \$0.81 per share, representing the closing price of the stock on April 28, 2011. The options expire on April 29, 2016.

### **Highlights of third quarter**

- 176.8% increase in SENSIO's revenues in the first nine months of the fiscal year;
- Acquisition of Algolith's intellectual property and know-how, thus enhancing SENSIO's offer of 3D-image processing;
- Presentation of NBA All-Star Saturday Night and the NBA All-Star Game on two continents via the SENSIO® 3D Live Network;
- Addition of SENSIO® Autodetect to the array of solutions already offered by SENSIO;
- Presentation of the video-on-demand SENSIO® 3D Content Library at the Consumer Electronics Show (CES);
- Addition of a decoding patent to the Company's patent portfolio;
- Integration of SENSIO® Hi-Fi 3D technology into the Zoran system-on-chip solution.

### **Live 3D – revenue driver**

SENSIO has continued to deploy its SENSIO® Hi-Fi 3D decoding technology in digital 3D cinemas, expanding the SENSIO® 3D Live Network. The network now comprises 742 screens across the five continents. Its uniqueness enabled the company to gain the confidence of the NBA for the broadcasting of the NBA All-Star weekend in 100 cinemas outside Canada and the USA, in February.

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"We are starting to see our efforts to expand our network and negotiate with rights holders come to fruition," said Richard LaBerge, Executive Vice-President and Chief Marketing Officer. "Several thousand cinemas across the world are now compatible with our technology but cannot yet receive a signal in real time. The SENSIO® 3D Live Network represents therefore only a fraction of the actual potential. Over the coming months, we'll be making concerted efforts, by pursuing a two-pronged approach, to connect and certify great numbers of screens around the world, and to supply them with live 3D events of international interest, such as the FIFA World Cup and the NBA."

#### **Broadening of SENSIO's technology portfolio**

The acquisition of Alolith's patents right at the beginning of the quarter added technologies recognized as best-in-class to SENSIO's portfolio. This enabled the company to continue, after launching the SENSIO® S2D Switch, to broaden its offering beyond the format. In addition, SENSIO® Autodetect was launched at the Consumer Electronics Show (CES) and was very well received by the industry. This technology automatically detects the format of the input feed, whether 2D, side-by-side, top-and-bottom, or SENSIO® Hi-Fi 3D. Officially available in the first quarter of fiscal 2011-2012, it has applications in both the broadcasting and consumer electronics industries.

#### **Increase in available 3D content – value-added for customers**

During the third quarter, SENSIO contributed directly to an increase in available 3D content over different platforms. These two announcements were made during CES. First, SENSIO launched the SENSIO® 3D Content Library at the show and it will be officially available during the summer of 2011. Consumers that buy a product from one of SENSIO's clients, such as a Vizio 3DTV, will have access via a video-on-demand (VOD) platform to these films and documentaries encoded in the SENSIO® Hi-Fi 3D format.

In the console-game sector, Darkworks signed an agreement to integrate SENSIO® Hi-Fi 3D with their TriOviz® for Games Technology, which eases creation of stereoscopic 3D games for developers and publishers. The availability of SENSIO's format with this technology adds value by enabling games creators to offer a superior-quality 3D—up to 1080p when supported by the gaming platform—even on consoles that require compression.

"The availability of 3D content is the key to widespread adoption and represents significant added value for our partners. The content library enables them to differentiate their products, to increase their market share, and to gain competitive advantage in a market where there is a scarcity of content," explained Nicholas Routhier. "As pioneers in this domain as well, we are promoting the adoption of 3D and positioning ourselves as 3D enablers."

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

SENSIO signed a licence agreement with another top chip manufacturer – the fifth of the fiscal year. This agreement with Zoran was initiated further to demand by the chipmaker's clients for chips capable of decoding the SENSIO® Hi-Fi 3D format for 3DTVs and 3D set-top boxes.

#### **Summary of financial results**

SENSIO's revenues for the third quarter of fiscal year 2011 were \$410,651 compared to \$24,018 in the same quarter of the previous year. These revenues were mainly generated by the licensing of SENSIO® Hi-Fi 3D decoding technology to digital cinemas in anticipation of further live 3D events. The third-quarter revenues bring total sales for the nine months of the 2011 fiscal year to \$1,158,312,

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representing an increase of 176.8% over the previous year. Gross profit for the third quarter remained stable, at 98.8% of sales compared to 98.4% for the same period the previous year.

During the quarter, R&D expenses rose by 181.8% from \$133,347 to \$375,734 over previous year. Selling expenses rose by 30.3%, from \$719,822 in the third quarter of fiscal 2010 to \$937,794 for the comparative quarter in fiscal 2011. For the nine-month period, the increase in selling expenses was 53.1% total. Administrative expenses saw a slight increase of 6.2%, standing at \$401,190 compared to \$377,807 in the comparative quarter the previous year.

The increase in the company's sales over the previous fiscal year reflects the growing adoption of the SENSIO® Hi-Fi 3D format in the industry. In parallel, SENSIO has continued its R&D efforts to develop the next generation of technologies, aiming to diversify sources of revenue and ensure the continued growth of the company in the future. The acquisition of Algorith's know-how, represented by its key personnel, contributes directly to achieving this goal and explains the bulk of the increase in R&D expenses. During the quarter, SENSIO took to market one of the technologies developed through the efforts of the R&D department over the past two years, with the aid of additional personnel and by increasing its visibility in appropriate settings such as CES. This has brought with it a corresponding increase in selling expenses.

SENSIO's net loss for the quarter ended February 28, 2011 came to \$1,329,155 (\$0.0256 per share) compared to \$1,223,698 (\$0.0245 per share) as of February 28, 2010. For the nine-month period ending February 28, 2011, the company registered a net loss of \$2,910,287 (\$0.0563 per share) compared to \$2,322,354 (\$0.0506 per share) at February 28, 2010. 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, thus ensuring sustainable growth for the company.

### Main financial information

	Quarter ended		Nine-month period ended	
	February 28		February 28	
	Unaudited		Unaudited	
	2011	2010	2011	2010
	\$	\$	\$	\$
Sales	410,651	24,018	1,158,312	418,425
Gross profit	405,626	23,635	1,133,644	277,885
Net loss	1,329,155	1,223,698	2,910,287	2,322,354
Net loss per common share	0.0256	0.0245	0.0563	0.0506

For more details, please consult the Management Discussion and Analysis report and the Financial statements for the referenced quarter on SENSIO's website: [www.sensio.tv](http://www.sensio.tv)

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**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.*

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