



## **SENSIO reports its financial results for first quarter 2012**

### **Quarterly revenue increase driven by NBA Finals and Consumer electronics licences**

**MONTREAL — November 24, 2011** — SENSIO Technologies Inc. (SENSIO) (TSX-V: SIO) today presented its financial results for the first quarter of fiscal year 2011-2012. Compared to the previous quarter, revenue more than doubled and came from all three of the corporation's target markets.

"We're happy with the progress we have made over this first quarter," said Nicholas Routhier, President and CEO. "Our game plan is aligned with our strategic vision and understanding of the challenges that the launch of new technologies represents. From the promotion of live-3D content in cinemas to the aggregation of 3D content for the Consumer electronics market, we have been working very hard to structure our new lines of business. The first results are already starting to show with the success of the NBA Finals presented live in Europe by SENSIO and, more importantly, revenues from the Consumer electronics market are finally starting to materialize, representing an important turning point for SENSIO. There is no doubt in our minds that 2012 will mark the true beginning of 3D in this market, with more content, better products and smarter industry marketing. The investments that we are making today in building our various lines of business should pay off in the months and years to come. We remain extremely confident about the future of 3D and are totally committed to bringing the best 3D experience to homes."

### **Highlights of first quarter**

- Quarterly revenues of \$250,275 from all target markets
- Successful live-3D distribution of the last three games of the NBA Finals in Europe, generating SENSIO's first revenues from its content-distribution activity in the Live 3D market
- Significant increase in revenues from the Consumer electronics market
- Increasing revenues from the Professional market pursuant to the acquisition of Algolith
- Sale of licenses of SENSIO® Hi-Fi 3D technology to CGR Cinemas, 3<sup>rd</sup> largest cinema chain in France, expanding the SENSIO® 3D Live Network

### **Live 3D – Successful launch of new line of business with NBA Finals**

Revenues for the Live 3D market amounted to \$118,307 for the first quarter, driven by the distribution of the NBA Finals. These revenues compare to \$17,003 for the previous quarter and \$628,389 in the same quarter of the previous year, which were due to technology-licensing for the presentation of the FIFA World Cup – an exceptional event. The SENSIO® 3D Live Network continued to expand in the first quarter of 2012 with the addition of CGR's screens in Europe. Also, a first agreement was signed with XDC, the leading pan-European digital cinema service company, for distribution of SENSIO® 3D Live events to its partner cinemas throughout Europe and the Middle East.

"Revenues in the Live 3D market depend heavily on the presentation of high-value 3D events in cinemas," said Richard LaBerge, Executive Vice-President and co-founder. "Successful events are



the key to the sustainability of live 3D and the ability to deliver a live-3D signal to a cinema is only one element of a far more comprehensive and financially-viable solution. Our worldwide partnerships and demonstrated ability to successfully deliver events to our growing network of certified SENSIO® 3D Live screens are therefore essential to our Live 3D development plan. The expansion of the network is planning to be fuelled by series of high-profile events which we have been driving directly based on our NBA experience. We are therefore optimistic about the outlook for this market.”

### **Consumer electronics – recurrent revenues beginning**

Revenues from the Consumer electronics market grew to \$87,500 for the first quarter of the year compared to \$15,756 for the previous quarter and \$3,158 for the first quarter of the previous year. Products integrating SENSIO® Hi-Fi 3D and SENSIO® S2D Switch are finally launching on the market and, as a result, recurrent revenues are beginning to come in.

“Although revenues from the CE market are still relatively small, the fact that products featuring our technologies are actually becoming available to consumers is a crucial achievement,” said Nicholas Routhier. “With a growing installed base of SENSIO® Hi-Fi 3D-enabled devices on the market, we will rapidly reach the critical mass needed to officially launch our SENSIO® Hi-Fi 3D content library where the long-term value for consumers resides. We believe that the combination of great technology and high-value content will be key to our ongoing success in the CE market.”

### **Professional – new offering well received**

In the first quarter, SENSIO generated \$44,468 in revenue from the Professional market, validating the change in strategy from the previous year where no revenues were recorded for the first quarter. By acquiring Algorith’s assets and technologies, SENSIO aimed to transform its activities in the Professional space from a mainly promotional effort for its SENSIO® Hi-Fi 3D format to a revenue-generating line of business with a comprehensive suite of technologies. The revenues generated in the first quarter are a result of this strategy.

“While 3D experiments continue in the broadcast market, we still anticipate that it will take years before 3D broadcasting becomes a daily reality, and our expectations are set accordingly,” said Richard LaBerge. “Building a 3D distribution infrastructure takes time and this is why we have developed a comprehensive offering, which we announced at NAB in April and demonstrated at IBC in September. This new offer was very well received at both shows. With the announcement of the production and the broadcast of the 2012 London Summer Olympics in 3D, and in preparation for the future, we are firmly committed to positioning SENSIO’s 3D technologies in the Professional market.

### **Summary of financial results**

SENSIO’s revenues for the first quarter of fiscal year 2012 were \$250,275 compared to \$631,547 in the same quarter of the previous year. The previous year’s revenues were generated mainly by the licensing of SENSIO® Hi-Fi 3D decoding technology to digital cinemas for the transmission of the FIFA World Cup in live 3D, which was an exceptional event in terms of scale. Gross profit for the first quarter was \$203,832 or 81.4% of sales. This compares to \$624,640 or 98.9% of sales for the same period the previous year. This can be explained by the development of a content-distribution activity in Live 3D, thereby increasing costs.



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During the quarter, R&D expenses rose by 34.9% from \$170,743 to \$230,360 over previous year. Selling expenses rose by 13.4%, from \$499,279 in the first quarter of fiscal 2011 to \$566,302 for the comparative quarter in fiscal 2012. Administrative expenses remained stable at \$321,384 compared to \$313,372 in the comparative quarter the previous year.

The difference in these expenses relative to the previous fiscal year are attributable to the addition of personnel further to the acquisition of Algolith's assets and know-how.

SENSIO's net loss for the quarter ended August 31, 2011 came to \$971,190 (\$0.0185 per share) compared to \$408,154 (\$0.0079 per share) as of August 31, 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.

### Principal Financial Information

	Quarters ended	
	August 31	
	Unaudited	
	2011	2010
Sales - 3D Live	\$ 118,307	\$ 628,389
Sales - Consumer	87,500	3158
Sales - Professional	44,468	-
Gross profit	203,832	624,640
Net loss fully diluted	(971,190)	(408,154)
Net loss per common share	\$ (0.0185)	\$ (0.0079)
Weighted average number of shares	52,486,710	51,595,949

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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