Mood Media Reports 2015 Financial and Operating Results
Achieving Revenues of $475.1 Million & EBITDA of $98.4 Million

Grew Underlying Revenues for First Time as a Consolidated Company; up 3.1% Year Over Year

Improves Underlying Free Cash Flow $14.7M Year Over Year; Targets Positive Free Cash Flow in 2016

Transformation Progressing Solidly; Positive Trends and Incremental Gains Targeted for 2016

TORONTO, Thursday, March 10, 2016 – Mood Media Corporation ("Mood Media," "Mood" or "the Company") (ISIN: CA61534J1057) (TSX:MM), the world's largest integrated provider of in-store customer experience solutions, today reported results for its 2015 fiscal year and provided an update on the Company's progress executing against its strategic and operational plans.

Recent Highlights

- In 2015, Mood achieved revenues of $475.1 million and EBITDA of $98.4 million, in line with its most recent guidance.
- 2015 EBITDA of $98.4 million was essentially flat year over year or -0.6% on an underlying basis (excluding the impact of foreign exchange and asset disposals).
- 2015 revenues of $475.1 million increased by 3.1% year over year, as reflected on an underlying basis. Mood achieved underlying revenue gains for the first time as a consolidated entity***.*** Underlying rendering of services revenues increased 1.5% year over year, sale of goods revenues increased 6.7% year over year, and royalty revenues increased 6.0% year over year.
- Mood's revenue enhancement initiatives are trending positively, evidenced by the improvements in each of the above revenue categories, which were driven by higher equipment, installation and service activities, coupled with a moderated pace of decline in underlying recurring subscriber revenues.
- The Company's 2016 global transformation, integration and consolidation initiatives are at or above target, with Mood expected to deliver incremental annualized efficiencies of $3-$4 million from Wave 5 of its integration and synergy program. That will raise the total annualized transformation savings delivered since the program began to $24 million in just two plus years.
- Mood's 2016 EBITDA is expected to be flat relative to 2015, with potential for end of year growth. Higher revenues related to equipment, service and installation activities, and continuing gains from its cost transformation activities, are expected to be largely offset by margin erosion from lower recurring subscriber revenues and by ongoing investments in sales and business development activities, though the pace of decline in recurring revenues is expected to be further moderated year over year.
- Mood expects to deliver positive Free Cash Flow in 2016, driven by reduced capital expenditures to a range of $28-$30 million, or down approximately 25%, which contemplates a strategically focused dedication of capital expenditure and investment dollars in 2016 toward sales, product and business development activities, along with incremental operating and working capital improvements.

"The two years of transformation activity at Mood are showing positive gains as evidenced by higher underlying revenues, stabilized EBITDA and improved free cash flow in 2015," said Steve Richards, President and CEO of Mood Media. "We have materially arrested the declines experienced by the business in 2012 and 2013 achieving positive momentum in many key financial and operational metrics. In 2015, Mood underlying revenues grew 3.1% over 2014, marking the first time Mood achieved revenue growth as a Company with its present collection of assets."

"With a significantly improved operational foundation, we are now accelerating Mood's sales and business development activities in 2016, with incremental investments in talent and solutions to benefit Mood in 2016 and beyond. We continue to achieve efficiency improvements via our Wave consolidation programs, with cumulative annualized savings since we began of more than $24 million, including an expected $3-$4 million from 2016 initiatives. Our process improvements have produced a leaner operating cost structure, and have enhanced Mood's capabilities as a far more effective, customer oriented organization that is increasing its wins in the Experience Design marketplace.

"We've laid the groundwork for further improvements in 2016. We expect to generate positive free cash flow even after our incremental investments in business development, and expect stable EBITDA year over year. We will significantly reduce capital spending in 2016 by 25%, reflecting fewer infrastructure investments as we emphasize greater sales, product and business development initiatives. We will also benefit from increasing working capital and tax efficiencies we've accomplished since beginning our efforts two years ago.

"The transformation of Mood is well underway. We expect 2016 to be a year of further operational gains, as we augment Mood's capabilities as the global leader for Experience Design solutions," Richards concluded.

2015 Financial Results

The Company reported 2015 revenues of $475.1 million and EBITDA of $98.4 million. Reported revenues in 2015 declined by $18.9 million relative to the prior year. The decrease was related primarily to the negative impact of foreign exchange translation which produced a $30.8 million negative impact to revenues in 2015. Assets disposed in mid-2014 represented an additional $2.2 million negative variance to revenues. On an underlying basis, 2015 revenues rose by $14.1 million or 3.1% relative to the prior year with rendering of services, sale of goods and royalties revenues each rising relative to prior year. In 2015, the Company's rendering of services revenues rose by 1.5% year over year with growth in its equipment, installation and service revenues and a 4.0% year over year decline in recurring subscriber revenues. The 2015 revenue performance was the strongest by Mood in its current consolidated form, and reflects the benefits of its revenue enhancement initiatives that include the firm's Local sales rebuild efforts, partnership deployments, Visual cross and up-sell activities, and enhanced service delivery.

2015 reported gross margin was $245.2 million, for a decline of $21.0 million relative to the prior year. The decrease was driven by a $17.5 million negative variance related to foreign exchange translation, a $0.9 million negative variance related to 2014 asset disposals and $2.6 million (1.1%) negative variance related to underlying operations.

The Company's reported operating expenses were $146.8 million, for a decline of $16.8 million in 2015 relative to the prior year, of which $14.8 million was related to the impact of foreign exchange and $2.0 million (1.4%) was related to underlying operations, reflecting continued gains from its integration and synergy activities, which were offset to some degree by investments in sales and business development efforts.

Mood's EBITDA in 2015 declined by only $0.6 million relative to the prior year, on an underlying basis. Additionally, reported EBITDA was negatively affected by $2.7 million related to foreign exchange and $0.9 million related to mid 2014 asset disposals.

Other Expenses totaled $10.3 million in 2015 compared with $28.2 million in the prior year. Other Expenses in 2015 consisted primarily of severance costs, information technology integration, relocation expenses, real estate consolidations, rebranding and other integration and transition costs. These restructuring and integration activities are a result of integrating various businesses, given previous acquisitions.

Net loss per share for 2015 was ($0.44) compared with a net loss per share of ($0.46) in the prior year. The 2015 net loss included a $25 million ($0.14 per share) impairment charge on the goodwill allocated to Mood International. Influences on net loss in 2015 include the negative impact of foreign exchange which resulted in a $2.7 million reduction to EBITDA, 2014 asset disposals which reduced reported EBITDA by $0.9 million, lower underlying EBITDA results which reduced EBITDA by $0.6 million, lower other expenses and lower finance costs.

CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

For the three months and the year ended December 31, 2015

In thousands of US dollars, except per share information

	Three months ended		Year ended	
	December 31, 2015	December 31, 2014	December 31, 2015	December 31, 2014
Revenue	**$125,034**	**$127,052**	**$475,116**	**$494,060**
Expenses				
Cost of sales	62,403	58,781	229,946	227,888
Operating expenses	38,617	39,329	146,783	163,575
Depreciation and amortization	16,792	18,725	66,648	72,263
Impairment of goodwill	25,000	-	25,000	-
Share-based compensation	396	401	1,264	1,392
Other expenses	3,793	11,588	10,305	28,229
Foreign exchange loss on financing transactions	6,102	6,679	20,356	17,097
Finance costs, net	13,459	14,687	57,216	70,057
Loss for the period before taxes	**(41,528)**	**(23,138)**	**(82,402)**	**(86,441)**
Income tax credit	(540)	(892)	(2,439)	(4,067)
Loss for the period	**(40,988)**	**(22,246)**	**(79,963)**	**(82,374)**
Net loss attributable to:				
Owners of the parent	(41,011)	(22,265)	(80,022)	(82,442)
Non-controlling interests	23	19	59	68
	$(40,988)	**$(22,246)**	**$(79,963)**	**$(82,374)**
Net loss per share attributable to shareholders				
Basic and diluted	$(0.22)	$(0.12)	$(0.44)	$(0.46)
Loss for the period	**$(40,988)**	**$(22,246)**	**$(79,963)**	**$(82,374)**
Items that may be reclassified subsequently to the loss for the year:				
Exchange gain (loss) on translation of foreign operations	1,766	(605)	4,501	(3,392)
Other comprehensive income (loss) for the period, net of tax	**1,766**	**(605)**	**4,501**	**(3,392)**
Total comprehensive loss for the period, net of tax	**(39,222)**	**(22,851)**	**(75,462)**	**(85,766)**
Comprehensive loss attributable to:				
Owners of the parent	(39,246)	(22,870)	(75,521)	(85,834)
Non-controlling interests	23	19	59	68
	$(39,222)	**$(22,851)**	**$(75,462)**	**$(85,766)**

Mood Media 2015 Revenue and EBITDA Movements

($000)	Reported 2014	Foreign Exchange	Asset Disposals	Underlying	Reported 2015
Rendering of services	336,653	(14,955)	(2,198)	4,648	324,148
Sale of goods	154,407	(15,368)	-	9,283	148,322
Royalty revenues	3,000	(504)	-	149	2,646
Total	494,060	(30,827)	(2,198)	14,080	475,116
Cost of sales	227,888	(13,336)	(1,298)	16,692	229,946
Gross margin	266,172	(17,491)	(900)	(2,612)	245,170
Operating expenses	163,575	(14,754)	-	(2,038)	146,783
EBITDA	102,597	(2,737)	(900)	(574)	98,387

Key Performance Indicators

In the fourth quarter of 2015, the number of total Company-owned sites increased by 350 relative to the prior quarter. The Company grew its visual site count by 322 and its audio site count by 28 relative to the prior quarter.

Monthly churn was 0.9% in the fourth quarter, which was the lowest rate of any quarter in 2015. Audio churn declined to 0.9% from 1.1% in the prior quarter while Visual churn rose to 1.6% in the quarter from 0.8% in the prior quarter. The increase in Visual churn was related to its International unit where a non-core Visual equipment leasing contract was discontinued.

Blended ARPU remained stable at $42.24 in the fourth quarter relative to the prior quarter and declined by 4.8% relative to the prior year. On a year-over-year basis the decline in ARPU was primarily related to foreign exchange translation, which reduced reported ARPU by 3.6%. On a constant currency basis Q4 ARPU declined by 1.2% relative to the prior year with Audio ARPU declining by 1.4% and Visual ARPU rising by 1.4%.

	Q1.14	Q2.14	Q3.14	Q4.14	Q1.15	Q2.15	Q3.15	Q4.15
Audio sites	423,796	418,513	406,139	408,457	402,690	401,428	398,745	398,773
Visual sites	12,997	13,821	13,558	14,061	12,872	13,050	13,437	13,759
Total sites	436,793	432,334	419,697	422,518	415,562	414,478	412,182	412,532
Audio ARPU	$ 45.35	$ 45.17	$ 44.83	$ 43.09	$ 41.71	$ 41.70	$ 40.97	$ 41.10
Visual ARPU	$ 84.59	$ 85.08	$ 83.60	$ 82.12	$ 78.76	$ 81.93	$ 82.26	$ 75.12
Blended ARPU	$ 46.50	$ 46.40	$ 46.09	$ 44.37	$ 42.90	$ 42.96	$ 42.29	$ 42.24
Audio gross additions	10,112	6,981	9,279	12,394	8,625	10,136	9,850	10,947
Visual gross additions	478	996	761	685	1,006	698	829	876
Total gross additions	10,590	7,977	10,040	13,079	9,631	10,834	10,679	11,823
Audio monthly churn	1.1%	1.0%	0.9%	0.8%	1.2%	0.9%	1.1%	0.9%
Visual monthly churn	0.4%	0.4%	1.3%	0.4%	5.2%	1.3%	0.8%	1.6%
Total monthly churn	1.1%	0.9%	0.9%	0.8%	1.3%	1.0%	1.0%	0.9%

Note: For the full year in 2014, the Company's site base decreased by 18,243 sites. The decrease in sites was primarily attributable to the sale of its Canadian commercial accounts and to a lesser degree to a one-time adjustment to its site base reflecting the settlement of the Muzak IA agreement in 2013 in connection with its acquisition and integration of DMX. These factors represented a decrease of 11,653 sites in the third quarter of 2014.

Mood Media presents EBITDA/Adjusted EBITDA information as a supplemental figure because management believes it provides useful information regarding operating performance. The Company uses the terms EBITDA and Adjusted EBITDA interchangeably and recognizes that neither is a recognized measure under IFRS, does not have standardized meaning, and may not be comparable to similar measures used by other companies. Accordingly, investors are cautioned that Adjusted EBITDA should not be construed as an alternative to net earnings or (loss) determined in accordance with IFRS as an indicator of the financial performance of Mood Media or as a measure of Mood Media's liquidity and cash flows.

Reconciliation of Segment Profit to Consolidated Group Loss for the Year Before Taxes

	2015	**2014**
Segment profit (i)	**$98,387**	**$102,597**
Depreciation and amortization	66,648	72,263
Impairment of goodwill	25,000	-
Share-based compensation	1,264	1,392
Other expenses	10,305	28,229
Foreign exchange loss on financing transactions	20,356	17,097
Finance costs, net	57,216	70,057
Loss for the year before income taxes	**$(82,402)**	**$(86,441)**

(i) Segment profit is management's additional GAAP metric internally referred to as Adjusted EBITDA and is prepared on a consistent basis. Adjusted EBITDA is considered by executive management as one of the key drivers for the purpose of making decisions about performance assessment and resource allocation of each operating segment.

Free Cash Flow ("FCF") is another non-IFRS measure that Mood Media uses to explain positive or negative net cash flows. The company defines FCF as the change in net debt from the end of the prior period to the end of the current period being reported. Contractual debt less unrestricted cash is used to calculate net debt at the respective balance sheet dates. The Company uses the contractual principal amount of its debt instruments and financing leases. Following is a table which sets forth the calculation of net debt and FCF from December 31, 2014 to December 31, 2015. The Company cautions that net debt and free cash flow do not have standardized meanings and may not be comparable to similar measures used by other companies. Accordingly, investors are cautioned that FCF and change in net debt should not be construed as an alternative to net earnings or (loss) determined in accordance with IFRS as an indicator of the financial performance of Mood Media or as a measure of Mood Media's liquidity and cash flows.

Reconciliation of Consolidated Group Free Cash Flow

Description		Dec. 31, 2015		Dec. 31, 2014		Increase or Decrease in Debt & Cash
First lien credit facility	$	236,888	$	233,238		$3,650
Senior unsecured notes		350,000		350,000		$0
MMG Notes		50,000		-		$50,000
Convertible debentures		-		50,266		($50,266)
Finance leases		3,413		761		$2,652
Total Contractual Principal of Debt	**$**	**640,301**	**$**	**634,265**	**$**	**6,036**
Less: Unrestricted cash		17,326		25,573		(8,247)
Net debt	**$**	**622,975**	**$**	**608,692**	**$**	**14,283**
Free Cash Flow / (Increase) or Decrease in Net Debt						**($14,283)**

Conference Call

As previously announced, the Company will hold a conference call on March 11, 2016, at 8:00 a.m. Eastern Time to discuss its results and respond to questions from the investment community. To participate, please dial 416-764-8658 or toll free at 1-888-886-7786. A replay will be available within 24 hours following the teleconference by dialing 416-764-8691or toll free at 1-877-674-6060 (passcode 383499#).

This earnings release, which is current as of March 10, 2016, is a summary of the Company's 2015 and fourth quarter results and should be read in conjunction with the Company's 2015 Management Discussion and Analysis ("MD&A") and Consolidated Financial Statements and Notes thereto and our other recent regulatory filings.

The financial information presented herein has been prepared on the basis of International Financial Reporting Standards ("IFRS") for consolidated financial statements and is expressed in United States dollars unless otherwise stated.

This news release includes certain non-IFRS financial measures. Mood Media uses these non-IFRS financial measures as supplemental indicators of its operating performance and financial position. These measures do not have any standardized meanings prescribed by IFRS and therefore may not be comparable to the calculation of similar measures used by other companies, and should not be viewed as alternatives to measures of financial performance calculated in accordance with IFRS.

In this earnings release, the terms "we," "us," "our," "Mood Media," "Mood" and "the Company" refer to Mood Media Corporation and its subsidiaries.

About Mood Media Corporation
Mood (TSX:MM) is the largest provider of Experience Design solutions. With more than 500,000 active client locations around the globe, Mood enhances the customer experience through interactive mobile marketing, visual, audio and sensory solutions. Mood’s clients include businesses of all sizes and market sectors, from the world’s most recognized retailers and hotels to quick-service restaurants, local banks and thousands of small businesses. For more details: http://us.moodmedia.com/.

Cautionary Statement Regarding Forward-Looking Statements
This press release contains forward-looking statements. The words "believe," "expect," "anticipate," "estimate," "intend," "may," "will," "would", “is planning” and similar expressions and the negative of such expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. These forward-looking statements are subject to important assumptions, including the following specific assumptions: general industry and economic conditions; and changes in regulatory requirements affecting the businesses of Mood Media. While Mood Media considers these factors and assumptions to be reasonable based on information currently available, they are inherently subject to significant uncertainties and contingencies and may prove to be incorrect.

Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements. Such factors include, but are not limited to: the impact of general market, industry, credit and economic conditions, currency fluctuations as well as the risk factors identified in Mood Media's Management Discussion and Analysis dated March 10, 2016 and Mood Media's annual information form dated March 31, 2015, both of which are available on www.sedar.com.

Given these uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. All of the forward-looking statements made in this press release are qualified by these cautionary statements and other cautionary statements or factors contained herein, and there can be no assurance that the actual results or developments will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, Mood Media.

Forward-looking statements are given only as at the date hereof and Mood Media disclaims any obligation to update or revise the forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable laws.

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