Mood Media Reports Fourth Quarter and Full Year 2014 Financial and Operating Results, Achieving 2014 EBITDA of $102.6 Million

Successfully Implemented Wave 2 and 3 of Efficiency Gains of More Than $8M annualized, Achieving Targets as Established

Expects to Achieve Annualized Cost Savings of $4 to $5 Million from Incremental Synergy Activities in 2015 While Supporting Growth Initiatives

Establishes 2015 EBITDA and Free Cash Flow Expectations

TORONTO, March 12, 2015 – 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 the fourth quarter and full year of 2014, provided an update on the Company's progress executing against its strategic and operational plans and established 2015 EBITDA and free cash flow guidance.

Recent Highlights

- Mood achieved Q4 revenues of $127.1 million and EBITDA of $28.9 million.
- Strong EBITDA performance in Q4 with growth of 10% sequentially and 21% relative to the prior year; Mood's best performance in the past eight quarters.
- All four Mood business units –North America, International, Technomedia and BIS –posted EBITDA gains in Q4 relative to the prior quarter, and three of four relative to last year.
- The Company successfully implemented Waves 2 and 3 of its global transformation, integration and consolidation activities, with expected benefits of nearly $9 million in annualized savings; Wave 4 annualized savings expected to reach at least $4 to $5 million in 2015.
- Mood forecasts positive free cash flow generation in 2015 and for EBITDA to rise moderately relative to 2014.
- Mood is on track to finalize a resolution for the refinancing of its convertible debentures in advance of their maturity, in October 2015.

"The enhancements to profitability from our comprehensive operational and efficiency program clearly showed through in our financial results in the fourth quarter and second half of the year as we expected and outlined earlier in 2014," said Steve Richards, President and CEO of Mood Media. "We concluded our Wave 2 and 3 initiatives and are embarking upon Wave 4 with an expectation of a further $4 to $5 million in annualized savings to be produced in 2015. Beyond the numbers, the operational and efficiency program is fundamentally re-shaping the foundation of our operations and providing streamlined systems to enable growth. We are pleased with the revenue development initiatives we have implemented, including the launch of new solutions, more active cross-selling activities, local sales channel development and progress with new partners for distribution and solutions. "

"The accumulation of our combined efforts to date is expected to enable positive free cash generation in 2015 through continued EBITDA growth, reduced transaction/restructuring disbursements, stable capital expenditures and cash taxes," Richards continued." We expect our positive free cash flow will reflect a reduction in our net debt balances in 2015 and will represent a significant positive milestone for Mood, which is derived from the efforts and achievements of our Team. Free Cash Flow (increase in net debt) for 2014 was negative $11.3m while we expect 2015 to be positive."

"EBITDA is expected to grow moderately in 2015 from the $102.6 million we generated in 2014, even after including the negative effects of foreign exchange and asset disposals on reported EBITDA," said Richards. "These effects represent $4 million of headwinds in 2015 via $3 million owing to lower Euro exchange rate relative to the U.S. dollar and an additional $1 million resulting from the sale of our DMX Canada accounts in mid-2014. Excluding the above-mentioned items, underlying EBITDA is expected to grow by mid-single digits. We expect our 2015 EBITDA results will show a similar quarterly seasonal pattern as 2014 with Q4 being the strongest quarter and the second half performance being stronger than the first half."

"Our 2015 cash flow generation is expected to benefit from the significant efforts delivered in 2014 in terms of implementing our operational and efficiency program, retooling our management team and eliminating legacy items and their associated disbursements," Richards stated. "Accordingly, we expect transaction and restructuring expenses will fall to the range of $5-$10 million in 2015, versus the $28 million recorded in 2014. Current efforts should cause cash disbursements associated with current and past accruals to decline from $18 million in 2014 to approximately $12 million in 2015."

Fourth Quarter Financial Results

The Company reported Q4 revenues of $127.1 million and EBITDA of $28.9 million, both of which rose sequentially compared with Q3. Net loss per share from continuing operations was ($0.12) compared with a net loss per share of ($0.07) in the prior-year period and net loss per share of ($0.11) in Q3. The Company's fourth quarter revenue and EBITDA performance was impacted by the sale of its Latin American and Canadian accounts as well as foreign exchange translation. Before adjusting for these disposals, the Company's revenues were down 3.9% and EBITDA grew by 20.8% relative to the prior year. Adjusting for these items, the Company's revenues would have increased by 1% and EBITDA would have improved by 27% on an underlying basis relative to the prior year. EBITDA performance was also aided by a $5.7 million reduction in operating expenses relative to the prior year, which was attributable primarily to the positive impact of its integration and synergy programs in its North American, International and head office operations.

Other expenses totaled $11.6 million in the quarter compared with $5.5 million in the prior year. Other expenses in the quarter was comprised primarily of transaction expenses and related to the amended Technomedia share purchase agreement and recognition of the earnout. Restructuring and integration expense related primarily to severance and integration expenses in Mood International.

Key Performance Indicators

	Q1.13	Q2.13	Q3.13	Q4.13	**2013**	Q1.14	Q2.14	Q3.14	Q4.14	**2014**
Audio sites	428,835	427,038	428,085	428,095	428,095	423,796	418,513	406,139	408,457	408,457
Visual sites	11,552	12,115	12,479	12,666	12,666	12,997	13,821	13,558	14,061	14,061
Total sites	440,387	439,153	440,564	440,761	440,761	436,793	432,334	419,697	422,518	422,518
Audio ARPU	$ 47.19	$ 46.25	$ 45.65	$ 45.62	$ 46.17	$ 45.35	$ 45.17	$ 44.83	$ 43.09	$ 44.57
Visual ARPU	$ 89.78	$ 83.42	$ 89.21	$ 81.27	$ 84.30	$ 84.59	$ 85.08	$ 83.60	$ 82.12	$ 83.72
Blended ARPU	$ 48.28	$ 47.25	$ 46.87	$ 46.64	$ 47.23	$ 46.50	$ 46.40	$ 46.09	$ 44.37	$ 45.79
Audio gross additions	11,599	9,960	9,208	9,765	40,532	10,112	6,981	9,279	12,394	38,766
Visual gross additions	1,092	699	497	1,219	3,507	478	996	761	685	2,920
Total gross additions	12,691	10,659	9,705	10,984	44,039	10,590	7,977	10,040	13,079	41,686
Audio monthly churn	0.8%	0.9%	0.6%	0.8%	0.8%	1.1%	1.0%	0.9%	0.8%	0.9%
Visual monthly churn	1.4%	0.4%	0.4%	2.8%	1.3%	0.4%	0.4%	1.3%	0.4%	0.7%
Total monthly churn	0.8%	0.9%	0.6%	0.8%	0.8%	1.1%	0.9%	0.9%	0.8%	0.9%

In the fourth quarter, the number of total Company-owned sites increased by 2,821 relative to the prior quarter. The Company grew its site base in the quarter in both its North American and International business units. Similarly, its audio and visual sites also rose in both business units.

For the full year, 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.

Monthly churn was 0.8% in the fourth quarter compared with 0.9% in the prior quarter, with Audio churn of 1.0% and Visual churn of 0.4%. The Company grew its Visual site base by 503 sites relative to the third quarter.

On a constant currency basis, blended ARPU declined by 2.1% year-over-year in the fourth quarter while on a reported basis blended ARPU declined by 4.8% year-over-year in the fourth quarter to $44.37 per month. Blended ARPU was negatively affected by the decline in the translation rate for the Euro relative to the U.S. dollar and to the true up of IA revenues following the ERP conversion in Mood Media North America. Audio ARPU decreased by 5.5% relative to the prior year to $43.09 while Visual ARPU rose by 1.0% year-over-year to $82.12. Audio ARPU decreased in both the North American and International business units. Visual ARPU rose by 15% year-over-year in North America and decreased in its International operations, although increased on a constant currency basis.

Conference Call

As previously announced, the Company will hold a conference call on March 13, 2015, at 8:00 a.m. Eastern Time to discuss its results and respond to questions from the investment community. The call can be accessed by telephone by dialing 416-764-8658, or 1 888-886-7786 for international callers. Listeners are advised to dial in at least five minutes prior to the call.

This earnings release, which is current as of March 12, 2015, is a summary of the Company's fourth quarter and full year 2014 results, and should be read in conjunction with the Company's fourth quarter 2014 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 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 our subsidiaries.

Mood Media Corporation

CONSOLIDATED STATEMENTS OF LOSS

For the three months and the year ended December 31, 2014

In thousands of US dollars, unless otherwise stated

	Three months ended		Year ended		
	December 31, 2014	**December 31, 2013**	**December 31, 2014**	**December 31, 2013**	**December 31, 2012**
Continuing operations					
Revenue	**$127,052**	**$132,253**	**$494,060**	**$513,270**	**$443,823**
Expenses:					
Cost of sales	58,781	63,243	227,888	233,877	183,759
Operating expenses	39,329	45,047	163,575	175,891	148,404
Depreciation and amortization	18,725	18,037	72,263	69,182	57,856
Impairment of goodwill	-	-	-	75,000	-
Share-based compensation	401	415	1,392	2,275	3,758
Other expenses	11,588	5,521	28,229	30,791	39,812
Foreign exchange loss (gain) on financing transactions	6,679	(2,202)	17,097	(6,979)	(1,428)
Finance costs, net	14,687	13,919	70,057	38,279	51,045
Loss for the period before taxes	**(23,138)**	**(11,727)**	**(86,441)**	**(105,046)**	**(39,383)**
Income tax charge (credit)	(892)	898	(4,067)	**7,773**	**(14,219)**
Loss for the period from continuing operations	**(22,246)**	**(12,625)**	**(82,374)**	**(112,819)**	**(25,164)**
Discontinued operations					
Loss after tax from discontinued operations	-	68	-	(16,419)	(54,067)
Loss for the period	**(22,246)**	**(12,557)**	**(82,374)**	**(129,238)**	**(79,231)**
Attributable to:					
Owners of the parent	(22,265)	(12,540)	(82,442)	(129,549)	(79,502)
Non-controlling interests	19	(17)	68	311	271
	$(22,246)	**$(12,557)**	**$(82,374)**	**$(129,238)**	**$(79,231)**
Net loss per share:					
Basic and diluted	$(0.12)	$(0.07)	$(0.46)	$(0.76)	$(0.50)
Basic and diluted from continuing operations	(0.12)	(0.07)	(0.46)	(0.66)	(0.16)
Basic and diluted from discontinued operations	-	-	-	(0.10)	(0.34)

About Mood Media Corporation
Mood Media Corporation (TSX:MM), is one of the world's largest designers of in-store consumer experiences, including audio, visual, interactive, scent, voice and advertising solutions. Mood Media's solutions reach over 150 million consumers each day through more than half a million subscriber locations in over 40 countries throughout North America, Europe, Asia and Australia.

Mood Media Corporation's client base includes more than 850 U.S. and international brands in diverse market sectors that include: retail, from fashion to financial services; hospitality, from hotels to health spas; and food retail, including restaurants, bars, quick-serve and fast casual dining. Our marketing platforms include 77% of the top 100 retailers in the United States and all of the top 50 quick-serve and fast-casual restaurant companies.

For further information about Mood Media, please visit www.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" 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 without limitation, expected growth, results of operations, performance, financial condition, strategy and business prospects and opportunities. 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 12, 2015 and Mood Media's annual information form dated March 28, 2014, 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.

Mood Media Corporation 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 International Financial Reporting Standards ("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 from continuing operations

	2014	2013
Segment profit (i)	**$102,597**	**$103,502**
Depreciation and amortization	72,263	69,182
Impairment of goodwill	-	75,000
Share-based compensation	1,392	2,275
Other expenses	28,229	30,791
Foreign exchange loss (gain) on financing transactions	17,097	(6,979)
Finance costs, net	70,057	38,279
Loss for the year before taxes from continuing operations	**$(86,441)**	**$(105,046)**

(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 as set forth in footnote 18 to the consolidated financial statements. Following is a table which sets forth the calculation of net debt and FCF from December 31, 2013 to December 31, 2014. 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 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.

Contractual obligations - Financial Statements	**December 31, 2014**	**December 31, 2013**	**Increase or Decrease in Debt and Cash**
Description			
First lien credit facility	$233,238	$217,897	$15,341
Senior unsecured notes	350,000	350,000	$0
Convertible debentures	50,266	50,266	$0
Finance leases	761	1,663	($902)
Total Contractual Principal of Debt	**$634,265**	**$619,826**	**$14,439**
Less: Unrestricted Cash	25,573	22,410	$3,163
Net Debt	**$608,692**	**$597,416**	**$11,276**
Free Cash Flow/(Increase) or Decrease in Net Debt			**($11,276)**

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