Mood Media Reports First Quarter 2015 Financial and Operating Results, EBITDA of $24.1 Million

Successfully Grew EBITDA Year-Over-Year in Line with Previous Guidance

On Track to Deliver Significant Enhancement in Free Cash Flow in 2015 and to Grow EBITDA

Raises Expectation for 2015 Cost Savings to Greater than $5 Million from Incremental Synergy Activities in 2015 While Supporting Growth Initiatives

Announces Successful Resolution for the Maturity of the Convertible Debentures

TORONTO, May 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 first quarter of 2015 and provided an update on the Company's progress executing against its strategic and operational plans.

Recent Highlights

- Mood achieved Q1 revenues of $114.3 million and EBITDA of $24.1 million.
- Q1 EBITDA rose by 3% relative to last year, and rose by 4% on an underlying basis (excluding foreign exchange impact and asset disposals). Underlying revenues rose by 1% year over year in Q1 (excluding foreign exchange and asset disposals).
- Mood's North America and International subscriber businesses grew EBITDA by 5.5% year over year on an underlying basis.
- The Company is successfully implementing its 2015 global transformation, integration and consolidation activities, and is tracking to achieve more than $5 million in annualized savings in 2015, with $2.4M implemented or in process to date, all ahead of its original plans.
- Mood maintains its guidance for positive free cash flow generation in 2015 and for EBITDA to rise moderately relative to 2014.
- Mood announced a successful resolution for the maturity of the convertible debentures to occur in October 2015, which lengthens its maturity schedule and reduces dilutive potential.

"We are pleased with our first quarter results and that they are in line with our expectation of increasing EBITDA despite headwinds from foreign exchange and asset disposals", said Steve Richards, President and CEO of Mood Media. "The transformation of Mood is well underway and our first quarter results reflect our second consecutive quarter of positive underlying revenue growth and third consecutive quarter of EBITDA gains relative to the prior year. These are marked improvements relative to where the business was a year ago. Our results are on track with expectations and our performance should enable us to meet the financial outlook we provided to investors, calling for moderate growth in EBITDA in 2015 relative to 2014. We expect positive free cash flow generation in 2015 through continued EBITDA growth, reduced transaction/restructuring disbursements, stable capital expenditures and cash taxes."

"In the quarter we continued our positive momentum and achieved our highest gross gain sales performance in North America in several years, completed the roll out of our Mobile solution across our North American platform, saw a substantial build in our Technomedia and BIS revenue pipelines which bodes well for improved performance in future quarters. We also achieved notable client wins and increased upsell and cross-sell activity. We made significant progress in implementing our integration, consolidation and efficiency programs, and have increased our targeted cost savings for 2015 to greater than $5 million", continued Mr. Richards.

"We are also very pleased with our announcement of a fully backstopped $50 million private placement of foreign subsidiary debt that will enable us to fully repay our Convertible Debentures at maturity. It marks the culmination of months of diligent effort to improve Mood's capital structure. The transaction delivers upon yet another Mood commitment, finalizing a solution for the convertible debentures in advance of their maturity in October 2015. We can now look forward to accelerated execution of our strategic plan as we drive growth, generate free cash flow, integrate global platforms, deliver new and compelling client solutions, and enhance Mood shareholder value. We remain committed to delivering on the strategic priorities outlined in the fall of 2013, when we began our transformation of Mood Media. We have been relentless in our focus for ensuring greater accountability across our business, benefitting all Mood stakeholders."

First Quarter Financial Results

The Company reported Q1 revenues of $114.3 million and EBITDA of $24.1 million. Reported revenues in Q1 declined by $8.7 million relative to the prior year with underlying revenues growing by $793k, or 0.6% year over year (after the foreign exchange impact and asset dispositions). However, this underlying growth was more than offset by $9.5 million of the combined negative impact from foreign exchange translation related to the devaluation of the Euro relative to the U.S. dollar and from asset disposals (see table below). Its rendering of services revenues declined by $4.4 million relative to the prior year with foreign exchange and asset disposals contributing $5.2 million to the decline while underlying organic revenues rose by $0.8 million, or 1%. Foreign exchange also contributed to declines in sale of goods and royalty revenues, although these revenues remained stable on an underlying basis. In the first quarter, the average Euro / USD exchange rate used to translate its Euro results was $1.128 compared with $1.370 in the same period of the prior year.

The Company's total expenses declined by $9.5 million in Q1 relative to the prior year and were stable on an underlying basis with cost of sales increasing 2% year over year on higher equipment sales in its International segment and operating expenses declining by 3% on an underlying basis reflecting continued gains from its integration and synergy activities.

Mood's EBITDA in Q1 rose by $770k relative to the prior year with underlying gains of $886k, positive foreign exchange influence of $334k, which were partially offset by $450k in lower EBITDA related to asset disposals. By business segment, Mood generated underlying EBITDA gains in its North America and International business units of 5.4% and 6.3%, respectively, year-over-year. It also improved underlying EBITDA in its Corporate segment. These gains were partially offset by lower underlying EBITDA at its Technomedia and BIS units owing to the timing of A/V installations. Technomedia and BIS have successfully grown their revenue pipelines and it remains Management's expectations that they will record positive underlying EBITDA growth for the full year in 2015.

Mood Media Revenue and EBITDA Movements

($000)	Reported Q1.14	Asset Disposals	Foreign Exchange	Underlying	Reported Q1.15
Rendering of services	$ 84,316	$ (1,099)	$ (4,120)	$ 813	$ 79,910
Sale of goods	37,958	-	(4,183)	(96)	33,679
Royalty revenues	716	-	(126)	76	666
Total	122,990	(1,099)	(8,429)	793	114,255
Cost of sales	57,424	(649)	(3,683)	1,152	54,244
Operating expenses	42,216	-	(5,080)	(1,245)	35,891
Total	99,640	(649)	(8,763)	(93)	90,135
EBITDA	$ 23,350	$ (450)	$ 334	$ 886	$ 24,120

Other expenses totaled $0.9 million in the quarter compared with ($0.6) million in the prior year and with $11.6 million in its fourth quarter of 2014. Other expenses in the quarter were comprised primarily of restructuring expenses related primarily to severance and integration activities.

Net loss per share from continuing operations was ($0.15) compared with a net loss per share of ($0.04) in the prior-year period. The impact of foreign exchange from financing transactions contributed ($0.11) to the net loss per share in the current period compared with $0.01 in the comparative period. On a comparative basis the Company's first quarter revenue and EBITDA performance was impacted by the sale of its Canadian accounts in June 2014 as well as foreign exchange translation. Before adjusting for the asset disposals, the Company's revenues were down 7.1% (due primarily to the impact of foreign exchange) and EBITDA grew by 3.3% relative to the prior year. Adjusting for these items, the Company's revenues would have increased by 0.6% and EBITDA would have improved by 3.8% on an underlying basis relative to the prior year.

Mood Media Corporation

INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
Unaudited

In thousands of US dollars, except per share information

	Notes	Three months ended March 31, 2015	Three months ended March 31, 2014
Revenue	5	**$114,255**	**$122,990**
Expenses			
Cost of sales		54,244	57,424
Operating expenses		35,891	42,216
Depreciation and amortization		16,749	18,514
Share-based compensation	11	216	816
Other expenses (income)	6	897	(635)
Foreign exchange loss (gain) on financing transactions	10	19,003	(1,006)
Finance costs, net	7	14,080	13,726
Loss for the period before taxes		**(26,825)**	**(8,065)**
Income tax charge (credit)	8	146	(569)
Loss for the period		**(26,971)**	**(7,496)**
Net loss attributable to:			
Owners of the parent		(26,968)	(7,503)
Non-controlling interests		(3)	7
		$(26,971)	**$(7,496)**
Net loss per share attributable to shareholders			
Basic and diluted		$(0.15)	$(0.04)

Key Performance Indicators

In the first quarter of 2015, the number of total Company-owned sites decreased by 6,956 relative to the prior quarter. The Company's site base declined in both its North American and International business units. Similarly, its Audio and Visual sites also declined in both business units.

Monthly churn was 1.3% in the first quarter of 2015 compared with 0.8% in the prior quarter and 1.1% in the comparative quarter of 2014, with Audio churn of 1.2% and Visual churn of 5.2%. In the quarter, the Company and its client partners terminated solutions for two low-ARPU low-profit client contracts representing 2,000 Visual sites and 400 Audio sites in Mood's International division. Adjusting for these two specific contracts, the Company's underlying churn rate was near average at 1.1% in the first quarter and reflects the seasonality of client churn which tends to be higher in Q1.

For Q1 blended ARPU declined by 7.8% year over year in the first quarter, which is primarily related to the decline in the value of the Euro relative to the U.S. dollar. On a constant currency basis, blended ARPU declined by 2.5% year-over-year in the first quarter with Audio ARPU declining by 3.2% year over year and Visual ARPU rising by 7.0% year over year. The decline in Audio ARPU is related to a 2.0% decrease in underlying Audio ARPU and 1.2% related to the changing mix of sites within its site base. The underlying Audio ARPU trend remained stable in North America and improved in its International segment.

	Q1.14	Q2.14	Q3.14	Q4.14	**2014**	Q1.15
Audio sites	423,796	418,513	406,139	408,457	408,457	402,690
Visual sites	12,997	13,821	13,558	14,061	14,061	12,872
Total sites	436,793	432,334	419,697	422,518	422,518	415,562
Audio ARPU	$ 45.35	$ 45.17	$ 44.83	$ 43.09	$ 44.57	$ 41.71
Visual ARPU	$ 84.59	$ 85.08	$ 83.60	$ 82.12	$ 83.72	$ 78.76
Blended ARPU	$ 46.50	$ 46.40	$ 46.09	$ 44.37	$ 45.79	$ 42.90
Audio gross additions	10,112	6,981	9,279	12,394	38,766	8,625
Visual gross additions	478	996	761	685	2,920	1,006
Total gross additions	10,590	7,977	10,040	13,079	41,686	9,631
Audio monthly churn	1.1%	1.0%	0.9%	0.8%	0.9%	1.2%
Visual monthly churn	0.4%	0.4%	1.3%	0.4%	0.7%	5.2%
Total monthly churn	1.1%	0.9%	0.9%	0.8%	0.9%	1.3%

Conference Call

As previously announced, the Company will hold a conference call on May 14, 2015, at 10:00 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 May 12, 2015, is a summary of the Company's first quarter results and should be read in conjunction with the Company's first quarter 2015 MD&A and Interim 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.

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 May 12, 2015 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.

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 period before income taxes from operations

	Three months ended March 31, 2015	Three months ended March 31, 2014
Segment profit (i)	**$24,120**	**$23,350**
Depreciation and amortization	16,749	18,514
Share-based compensation	216	816
Other expenses	897	(635)
Foreign exchange loss (gain) on financing transactions	19,003	(1,006)
Finance costs, net	14,080	13,726
Loss for the period before income taxes	**$(26,825)**	**$(8,065)**

(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 March 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 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

Description	**March 31, 2015**	**December 31, 2014**	**Increase or Decrease in Debt & Cash**
First lien credit facility	$ 232,650	$ 233,238	$ (588)
Senior unsecured notes	350,000	350,000	-
Convertible deventures	50,266	50,266	-
Finance leases	399	761	(362)
Total Contractual Principal of Debt	**$ 633,315**	**$ 634,265**	**$ (950)**
Less: Unrestricted cash	25,717	25,573	144
Net Debt	**$ 607,598**	**$ 608,692**	**$ (1,094)**
Free Cash Flow / (Increase) or Decrease in Net Debt			**$ 1,094**

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