



## D-BOX ANNOUNCES ITS FIRST QUARTER RESULTS

*Longueuil, (Québec), August 20, 2009*— D-Box Technologies Inc. (DBO.A on the TSX venture exchange) announces revenues of \$1,188,779 for the first quarter of its 2010 fiscal year which ended June 30, 2009 which compares to revenues of \$1,133,533 for the first quarter of the 2009 fiscal year or a 4.9% increase. The net loss for the quarter amounts to \$1,414,501 (\$0.0151 per share) which compares to a net loss of \$1,061,822 (\$0.0116 per share) for the corresponding quarter of the fiscal 2009 year.

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### Selected Financial Highlights

For the three-month period ended June, 30,  
(in dollars, except loss per share)

	Q1/2010 June 30, 2009	Q1/2009 June 30, 2008
Revenues	1,188,779	1,133,533
Net loss and comprehensive loss	(1,414,501)	(1,061,822)
Basic and diluted loss per share	(\$0.0151)	(\$0.0116)

### Balance sheet data

	As at June 30, 2009 *	As at March 31, 2009
Cash and cash equivalents	1,417,113	2,982,806
Short-term investments	1,615,772	1,614,677
Total short-term liquidities *	3,032,885	4,597,483

\* A financing for an additional gross amount of \$3.5 million was completed on July 23, 2009.

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### Additional Highlights

- D-BOX enters the commercial theatre market with 166 systems installed in seven North-American cities as at August 19, 2009, the presentation of three feature presentations incorporating its motion technology and two additional titles announced for the following weeks, including a first 3-D feature presentation.

D-BOX continues to actively develop this new market, targeting a commercial model based for the most part on a royalty on each ticket sold.

- The Corporation completes after the end of the first quarter a financing for a gross amount of \$3,500,000 consisting of the issuance of 8,750,000 common shares and 4,375,000 purchase warrants. Each purchase warrant entitles the holder to purchase one additional common share of D-BOX at a price of \$0.65 for an eighteen month period ending January 23, 2011.
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Commenting the quarterly accomplishments, Mr. Claude Mc Master, President and Chief Executive Officer of D-BOX stated: "We are very enthusiastic about the significant progress we achieved in the last few months. More precisely, the receptivity towards our commercial theatre systems was excellent, suggesting a quite promising future for D-BOX. We intend over the next few quarters to wisely deploy our capital, accelerating the development of this new market while launching new and more affordable systems in the video gaming and home theatre markets. "

### **Three-month period ending June 30, 2009**

For the first quarter of the 2010 fiscal year ended June 30, 2009, revenues increased 4.9%, amounting to \$1,188,779 compared to \$1,133,533 for the corresponding quarter of last year. The increase in sales generated from the commercial entertainment sector more than compensated for the decrease in sales of home entertainment systems. For the quarter ended June 30, 2009, gross profit amounted to \$546,410 (46% of revenues) compared to \$465,585 (41% of revenues) for the corresponding quarter of the 2009 fiscal year. This favourable evolution of the gross profit is explained by the increase in revenues, a more favourable mix of products sold and by the positive impact of the variation of the CAN \$ in comparison to the US \$.

For the period, sales and marketing expenses amounted to \$989,795 compared to \$753,853 for the corresponding quarter last year. This increase is mostly explained by additional expenses incurred in regards to the deployment of the D-BOX technology in the commercial theatre market.

Research and development expenses reached \$308,200 for the first quarter of the current fiscal year which compares to \$245,298 for the corresponding period last year reflecting expenses in regards to the development of new and more affordable products.

Administration expenses amounted to \$520,143 for the quarter ended June 30, 2009 compared to \$522,055 for the corresponding quarter of last year.

Financial expenses net of investment income and foreign exchange gains and losses amounted to \$142,773 compared to \$6,201 for the corresponding quarter of last year. This variation is mostly explained by the fluctuation of the exchange rate between the CAN \$ and US \$ and by lower interest income on investments.

### **Additional information in regards to the three-month period ending June 30, 2009**

The financial information in regards to the three-month period ended June 30, 2009 should be read in conjunction with the Corporation's financial statements and interim management and discussion analysis dated August 19, 2009. These documents are available at [www.sedar.com](http://www.sedar.com)

### **Outlook**

Generally speaking, D-BOX will focus its development initiatives on three major areas: movie theatres, video games, and home theatre. In the commercial theatre market, the Corporation intends to continue signing agreements with new exhibitors, to increase the number of seats installed at existing ones and to obtain additional content from movie studios. In regards to the home entertainment segment which includes the video gaming and home theatre markets, the Corporation mostly aims at expanding its sales and marketing network coinciding with the launch of the new hybrid GPH-120 system scheduled to be available shortly. D-BOX believes that further tapping into these markets could drive significant revenues while boosting recognition of its technology.

## **About D-BOX**

D-BOX Technologies designs and manufactures leading edge high-technology motion systems mainly suited to the needs of the entertainment industry. With its unique patented technology, D-BOX Motion Code(TM), it uses motion codes specifically programmed for each film, TV program or video game, which are sent to a motion generating system integrated within either a platform or a seat. The resulting motion is perfectly synchronised with all onscreen action, creating an unmatched realistic, immersive experience. To date, D-BOX Motion Code(TM) is available on over 850 titles. Accordingly, many prominent Hollywood studios have started embedding D-BOX Motion Code(TM) on selected high definition Blu-ray(TM) releases. By reaching agreements with the leaders of both the motion picture and gaming industries, D-BOX's award-winning motion technology is gradually proving itself as a new global standard in the entertainment world.

D-BOX is a publicly traded company listed on the TSX Venture exchange under the symbol DBO.A. For further information please see [www.d-box.com](http://www.d-box.com).

D-BOX(R) is a registered trademark and D-BOX Motion Code is a trademark of D-BOX Technologies Inc. Other names are for informational purposes only and may be trademarks of their respective owners.

## **Disclaimer in regards to Forward-Looking Statements**

Certain statements included herein, including those that express management's expectations or estimates of our future performance constitute "forward-looking statements" within the meaning of applicable securities laws. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by management at this time, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Investors are cautioned not to put undue reliance on forward looking statements. We disclaim any intent or obligation to update publicly these forward-looking statements, whether as a result of new information, future events or otherwise.

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### **For further information please contact:**

Mr. Luc Audet  
Chief financial officer  
D-Box Technologies Inc.  
450-442-3003, extension : 296  
[laudet@d-box.com](mailto:laudet@d-box.com)

Mr. Marc Jasmin CMA, Partner  
Jasmin-Dumais Financial Communications Inc.  
514-231-2360  
[marc@comjamais.com](mailto:marc@comjamais.com)