



FOR IMMEDIATE RELEASE

## D-BOX realises a significant breakthrough in Commercial Theatres

*Statistics of the most recent fiscal year demonstrate the strong potential of this new promising sector for the Company*

**LONGUEUIL, Quebec, June 15, 2010** – D-BOX Technologies Inc. “D-BOX”, (DBO.A on the TSX Venture Exchange) announces revenues of \$4,539,904 for its 2010 fiscal year which ended March 31, 2010 which compares to revenues of \$4,442,655 for the 2009 fiscal year which ended March 31, 2009. The net loss for the year amounts to \$5,975,956 (\$0.0581 per share) which compares to a net loss of \$5,327,138 (\$0.0572 per share) for the 2009 fiscal year.

### Financial Highlights

For the three-month period and fiscal year ended March 31 <i>(in dollars)</i>				
	Q4 2010	Q4 2009	2010	2009
Revenues	1,127,362	1,076,872	4,539,904	4,442,655
Net loss	(1,567,476)	(1,521,511)	(5,975,956)	(5,327,138)
Basic and diluted loss per share	(0.0137)	(0.0162)	(0.0581)	(0.0572)
	<b>Data from the Consolidated Balance sheet</b>			
	March 31, 2010		March 31, 2009	
Cash, cash equivalents and short term investments	7,724,497		4,597,483	

### Additional Highlights

- D-BOX realises a significant breakthrough in commercial theatres :
  - As at March 31, 2010, for the first year of gradual deployment in 19 movie theatres, the 448 movie theatre seats (MFX) generated revenues of \$211,956. As at June 14, 2010, 628 movie theatre seats (MFX) were installed in 27 movie theatres in Canada, the United-States and Japan.
  - As at June 14, 2010, 17 motion pictures had been obtained and encoded from nine different studios since April 2009.
- The Corporation completes during the fiscal year two distinct financings for a total gross amount of \$10.7 million.

Commenting the yearly realisations, Mr. Claude Mc Master, President and Chief Executive Officer of D-BOX stated:

*“We have just experienced one of the most fantastic years of our history. The breakthrough realised in the commercial theatre segment was executed with diligence while benefiting from the support of Hollywood and movie exhibitors in North-America and Japan. Given the confidence provided by the support received to this date, we will continue to develop this very promising business segment generating recurring revenues and reinforcing the D-BOX brand in support of the Corporation’s other business segments.”*

## **Fiscal Year ended March 31, 2010**

Revenues for the fiscal 2010 year ending March 31, 2010, which include the sale of entertainment products to Original Equipment Manufacturers (*OEM*) and revenues derived from the sale of admission tickets in commercial theatres amounted to \$4,539,904, a 2% increase compared to \$4,442,655 in 2009.

Sales to Original Equipment Manufacturers (*OEM*) amounted to \$4,327,948 in 2010 which compares to \$4,442,655 in 2009. This 3% decrease is explained by a 19% decrease of home entertainment products, largely dependent of general economic situations, compensated by a 28% increase of sales to our main customer in the arcade business.

At the beginning of the fiscal year, the Corporation embedded motion codes on a first feature presentation earmarked for commercial theatres and started the deployment of its technology with the installation of 37 MFX seats in two movie theatres. Considering their gradual deployment, as at March 31, 2010, 448 MFX seats were installed in 19 movie theatres which generated revenues of \$211,956 during the fiscal year. Gross profit for the fiscal year ended March 31, 2010, amounted to \$2,040,443 (45% of revenues) which compares to \$1,686,828 (38% of revenues) in 2009. This increase is mostly explained by the favorable impact on margins of revenues generated by the sale of tickets in commercial theatres.

For the fiscal year ended March 31, 2010, net loss and comprehensive loss amounted to \$5,975,956 (\$0.0581 per share) which compares to \$5,327,138 (\$0.0572 per share) in 2009. The increase in net loss and comprehensive loss for the fiscal year is mostly attributable to an increase in expenses associated to the development of the commercial theatre segment and to marketing initiatives undertaken to increase sales and the development of new business opportunities.

## **Fourth Quarter ended March 31 2010**

For the fourth quarter of the 2010 fiscal year, sales amounted to \$1,127,362 which compares to \$1,076,872 in the corresponding quarter last year or a 5% increase. Sales of products to Original Equipment Manufacturers (*OEM*) amounted to \$1,038,714 representing a 4% decrease when compared to the \$1,076,872 of sales realized in the fourth quarter of 2009. During the quarter, sales of home entertainment products increased by 23% and sales to our main customer in the arcade business decreased by 22%, reflecting normal quarterly sales fluctuations specific to this customer. As for revenues derived from commercial theatres, they amounted to \$88,648.

Gross profit amounted to \$532,170 (47% of revenues) compared with \$338,748 (31% of revenues) for the corresponding period last year. This fluctuation of gross profit is mostly explained by the favorable impact of income derived from commercial theatres and by lower manufacturing costs.

For the fourth quarter of 2010 fiscal year, net loss and comprehensive loss amounted to \$1,567,476 (\$0.0137 per share) compared with \$1,521,511 (\$0.0162 per share) last year.

## **Additional Information in regards to the Fiscal Year and the Three-month Period ending March 31, 2010**

The financial information in regards to the three-month and fiscal year ended March 31, 2010 should be read in conjunction with the Corporation's financial statements and management and discussion analysis dated June 14, 2010. These documents are available at [www.sedar.com](http://www.sedar.com).

## **Outlook**

Generally speaking, D-BOX will set its priorities on two significant development paths, namely commercial theatres and the clientele of Original Equipment Manufacturers (*OEM*) each one of them addressing their specific market. In the short term, D-BOX intends to allocate the vast majority of its human, financial and material resources to the commercial theatre market.

To this manner, D-BOX intends to continue signing agreements with new movie exhibitors, to increase the number of motion units installed at existing exhibitors and to obtain new titles from movie studios.

As for the OEM market, the Corporation intends to continue its quest for established and recognized partners within their respective markets while possessing an international scope. The Corporation believes this strategy will allow for a reduction of its sales and marketing expenses while allowing for a more rapid deployment of a critical mass of

motion generation systems in the market. By increasing its visibility and brand awareness, the Corporation believes that all of its business segments will eventually experience sustained growth.

## **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™, uses motion effects specifically programmed for each film, TV series or video game, which are sent to a motion generating system integrated within either a platform or a seat. The resulting motion is perfectly synchronized with all onscreen action, creating an unmatched realistic, immersive experience. To date, D-BOX Motion Code™ is available on more than 900 titles. Accordingly, many prominent Hollywood studios have started embedding D-BOX Motion Code™ on selected high definition Blu-ray™ and theatrical 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® 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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