

Route1 Reports Sixth Consecutive Quarter of Subscriber Growth

Route1 Reports 2015 Third Quarter Financial Results

Toronto, November 25, 2015 - [Route1 Inc.](#) (TSXV: ROI) (the “Company” or “Route1”), a leading provider of secure access technologies for the mobile workspace to protect businesses and government agencies, today announced its third quarter (Q3) and year to date (YTD) financial results for the period ended September 30, 2015.

For Q3 2015, total revenue increased to \$1.61 million from \$1.43 million in Q3 2014. Gross profit also increased during the third quarter of 2015 to \$1.29 million or 80% of revenue compared to gross profit of \$1.11 million or 78% of revenue in Q3 2014.

Total Revenue <i>in 000s of CAD dollars</i>	Q3 2015	Q3 2014	YTD 2015	YTD 2014
Devices	42	33	147	524
Services	1,572	1,399	4,602	4,054
Other	-	-	23	14
Total Revenue	1,614	1,432	4,772	4,592

During the third quarter of 2015 Route1 realized further growth in revenue from subscribers (recurring revenue). The net increase in MobiKEY application software users (subscriber revenue being the largest component of Route1’s services revenue) continues to come from a variety of new U.S. government non Department of Defense based agencies and enterprise accounts, and continued growth from accounts within the U.S. Department of Defense.

Revenue from Subscribers <i>In 000s of CAD dollars</i>	Sep 30 2015	Jun 30 2015	Mar 31 2015	Dec 31 2014	Sep 30 2014
Closing number of subscribers	15,989	15,410	15,012	14,792	14,645
Average number of subscribers	15,725	15,278	14,983	14,631	14,588
Revenue per subscriber	\$362	\$353	\$334	\$334	\$332
Subscriber Revenue	\$1,424	\$1,346	\$1,252	\$1,221	\$1,211

Earnings before interest, tax, depreciation, and amortization (Adjusted EBITDA) during the third quarter of 2015 amounted to approximately \$242,000 compared to \$110,000 in Q3 2014.

	Sep 30	June 30	Mar 31	Dec 31	Sep 30
	2015	2015	2015	2014	2014
Adjusted EBITDA					
<i>in 000s of CAD dollars</i>					
Revenue	1,614	1,620	1,538	1,485	1,432
Adjusted EBITDA	242	227	404	107	110
Amortization	118	99	90	87	89
Operating profit before stock based compensation	124	128	314	20	21

Route1's third quarter 2015 total comprehensive gain was \$0.102 million compared to \$0.210 million during the same period in 2014.

Route1 used cash in operating activities of approximately \$0.874 million during Q3 2015 compared with \$0.879 million in Q3 2014. As at September 30, 2015, the Company had no bank debt and a cash balance of \$2,433,425.

Balance Sheet Extracts	Sep 30	Dec 31	Sep 30
<i>In 000s of CAD dollars</i>	2015	2014	2014
Cash	2,433	1,533	2,601
Total current assets	3,161	2,246	3,349
Total current liabilities	3,155	1,927	2,870
Net working capital	6	319	479
Total assets	4,466	2,976	4,095
Bank debt	0	0	0
Total liabilities	3,256	2,032	2,940

Business Update

On October 15, 2015 Route1 provided an update on market drivers, its operations and business development activity. A copy of the news release can be found at www.route1.com/investors/press-releases.html.

MobiKEY 5.0

On November 12, 2015 Route1 released MobiKEY 5.0, the latest version of its mobile access solution that uses comprehensive multi-factor authentication and identity management to securely connect an organization's digital assets with its employees, mobile workers, and contractors. A copy of the news release can be found at www.route1.com/investors/press-releases.html.

[ABOUT ROUTE1, INC.](#)

Route1 enables the mobile workspace without compromising on security. Its flagship technology MobiKEY uniquely combines secure mobile access, with high assurance identity validation and plug-and-play usability. Remote and mobile workers are able to securely and cost effectively access their workspace from any device without exposing the organization to the risk of data loss or malware propagation. MobiKEY customers include enterprises as well as the U.S. Department of Defense, the Department of Homeland Security, the Department of Commerce and the Government of Canada. Headquartered in Toronto, Canada, Route1 is listed on the TSX Venture Exchange.

For more information, visit our website at www.route1.com.

For More Information Contact:

Tony Busseri, CEO

+1 416 814-2635

tony.busseri@route1.com

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The DEFIMNET and MobiNET platforms, the MobiKEY, MobiKEY Classic, MobiKEY Classic 2 and MobiKEY Fusion devices, and MobiLINK are protected by U.S. Patents 7,814,216, 7,739,726, 9,059,962 and 9,059,997, Canadian Patent 2,578,053, and other patents pending. The MobiKEY Classic 2 is also protected by U.S. Patents 6,748,541 and 6,763,399, and European Patent 1001329 of Aladdin Knowledge Systems Ltd. and used under license. Other patents are registered or pending in various countries around the world.

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