iFABRIC CORP REPORTS SECOND QUARTER 2015 RESULTS

***Markham, Ontario, May 28, 2015**. iFabric Corp (“IFA.V”), hereinafter referred to as “iFabric” or the “Company”, today announced its financial results for the second quarter ended March 31, 2015. iFabric’s year end is September 30.*

Q2 2015 HIGHLIGHTS:

- *Revenues of $3,251,478*
- *Revenues up 12% over $2,911,274 in Q2 2014*
- *Gross profit of $1,654,287 compared to $1,628,489 in Q2 2014*
- *Operating income of $159,087 compared to $342,308 in Q2 2014. The reduction is mainly due to increased administrative and operating expenses attributable to increased regulatory and testing costs as well as increased payroll costs incurred to support future growth in both the intelligent fabrics and the ladies apparel divisions*
- *Net after tax income of $127,713 compared to $280,088 in Q2 2014*
- *EBITDA of $312,149 compared to $481,472 in Q2 2014*

“We are continuing to make significant progress in both the ladies apparel and intelligent fabrics divisions. In addition to our core products in the ladies intimate apparel program, our designers are currently developing new ranges in respect of the additional categories that were added to the recently renewed Maidenform Brands agreement, which was signed with a subsidiary of Hanes Brands Inc. (“Hanes”). Hanes acquired Maidenform in October 2013. These apparel programs will have initial bookings by the end of 2015 for delivery commencing in the third calendar quarter of 2016. We anticipate that the new Maidenform ranges will have a significant impact on the sales of apparel in 2016 and beyond with the potential to double apparel sales within a period of three years. I am confident that the relationship that we are building with Hanes will also yield additional opportunities, with their various brands, for our intelligent fabric technologies”, stated Mr. Hylton Karon, President and CEO.

“With respect to our intelligent fabrics division, we are nearing completion of the bulk trials phase for current major customers, who have now cleared PROTX2 for production, and we are expecting to soon receive their projections for purchases of PROTX2 for their major programs. We will provide further updates in this regard in due course,” added Mr. Karon.

“Our regulatory efforts to secure additional Environmental Protection Agency (“EPA”) claims approvals, in order to supplement the Company’s existing EPA registrations, are well underway. Whilst our current registrations allow us to freely sell PROTX2 in all markets in the USA, at the current time we are primarily focused on the sportswear market. The additional claims we are seeking are deemed necessary for entry into the wider medical market, which by our reckoning, is by far the largest market opportunity for PROTX2. We are also currently reviewing the prospects of doing a clinical trial at a major healthcare facility in the USA,” concluded Hylton Karon.

In the quarter ended March 31, 2015, revenues increased to $3,251,478 compared to $2,911,274 in the corresponding quarter of 2014, an increase of 12%. Gross profit in the quarter was $1,654,287 or 51% of sales, compared to $1,628,489 or 56% of sales in the corresponding quarter of 2014. The 5% reduction in gross profit margins is due to non-recurring, vendor non-compliance charges, resulting from late deliveries caused by a strike at the port of entry into the USA, clearance of end of season merchandise at lower margins as well as the product mix during the quarter. As at the date hereof this port strike has been resolved and is no longer an issue.

EBITDA (Earnings before interest, taxes, depreciation and amortization) for the second quarter ended March 31, 2015 was $312,149 ($0.012 per share) compared with $481,472 ($0.019 per share) in the corresponding quarter of 2014. Net profit after tax for the second quarter ended March 31, 2015 was $127,713 compared to $280,088 in the second quarter of 2014.

For the six months ended March 31, 2014 revenue amounted to $6,293,882 compared to $5,917,058 in respect of the six months ended March 31, 2014, representing an increase of $376,824 or 6%.

Earnings before taxes for the six months ended March 31, 2015 were $69,538 compared with $743,048 in the corresponding six months in 2014. The decrease in earnings for the six months is mainly attributable to severance *payments of $93,000 to a former director and officer, increased regulatory expenses of $110,000 and increased payroll costs of $216,000 incurred to support future growth.*

Gross profit for the six months ended March 31, 2014 amounted to $3,032,838 (or 48% of sales) compared to $3,200,900 (or 54%) in 2014. The decrease in gross margin percentage in 2015 was mainly attributable to the factors discussed above.

ABOUT PROTX2:
PROTX2 is effective against a wide range of microorganisms including mold, mildew, fungi and odor causing bacteria. It provides long-term, effective control of microorganisms. Its efficacy and safety has been documented in numerous peer reviewed publications, trade articles and certified tests. It is durable to deterioration through repeated washing and is clinically proven to kill bacteria associated with hospital acquired infections. Medical facility uses for PROTX2 include bedding, curtaining, air filters, scrubs, masks, plastic components and most other surfaces.

Complete Financial Statements are available on www.sedar.com.

FINANCIAL HIGHLIGHTS

	Quarter Ended March 31		Six Months Ended March 31	
	2015	2014	2015	2014
	$	$	$	$
Revenue	3,251,478	2,911,274	6,293,882	5,917,058
Income from operations	159,087	342,308	27,362	656,331
EBITDA	312,149	481,472	204,534	867,277
Net income (loss) before tax	244,498	422,076	69,538	743,048
Net income (loss) after tax	127,713	280,088	(32,507)	493,418
Net income (loss) after tax per share	0.005	0.011	(0.001)	0.019
EBITDA per share	0.012	0.019	0.008	0.034

ABOUT iFABRIC CORP:

Headquartered in Markham, Ontario, iFabric Corp (www.ifabriccorp.com) currently has 25.9 million shares issued and outstanding.

Through its wholly-owned subsidiaries, Intelligent Fabric Technologies (North America) Inc. ("IFTNA") and Coconut Grove Pads Inc. ("Coconut Grove"), the Company offers a variety of products and services in both of its strategic divisions:

IFTNA is focused on proprietary chemical formulations that render fabrics, foams, plastics and numerous other surfaces intelligent, thereby improving the safety and well-being of the consumer.

Coconut Grove, operating as Coconut Grove Intimates, is a designer, manufacturer, distributor, licensor and licensee of ladies intimate apparel products, accessories and sleepwear.

FORWARD-LOOKING STATEMENTS:

Forward-looking statements provide an opinion as to the effect of certain events and trends on the business. Certain statements contained in this news release constitute forward looking statements. The use of any words such as "anticipate", "continue", "estimate", "expect", "may", "will", "project", "should", "believe" and similar expressions are intended to identify forward-looking statements. These forward-looking statements are based on current expectations and various estimates, factors and assumptions and involve known and unknown risks, uncertainties and other factors. Forward-looking information includes, but is not limited to, statements with respect to the development potential of the Company's products.

Forward-looking statements are based on the opinions and estimates of management as of the date such statements are made. Readers are cautioned not to place undue reliance on these statements as the Company's actual results, performance, or achievements may differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements if known or unknown risks, uncertainties or other factors affect the Company's business, or if the Company's estimates or assumptions prove inaccurate. Therefore, the Company cannot provide any assurance that forward-looking statements will materialize. The Company assumes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or any other reason except as required by applicable securities laws.

Any financial outlook or future oriented financial information in this news release, as defined by applicable securities legislation, has been approved by management of iFabric. Such financial outlook or future oriented financial information is provided for the purpose of providing information about management's reasonable expectations as to the anticipated results of its proposed business activities. Readers are cautioned that reliance on such information may not be appropriate for other purposes. The forward-looking statements contained in this press release are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

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