AcuityAds Announces Q1 2015 Financial Results

- Continued Growth in US and SaaS Revenues -

TORONTO, Ont. – May 26, 2015 – AcuityAds Holdings Inc. (TSXV:AT) ("AcuityAds" or "Company"), a leader in online and mobile advertising, today announced first quarter (Q1) financial results for the three month period ended March 31, 2015.

"We are delighted to have continued our revenue growth in Q1 2015, during a quarter that is typically the slowest in the advertising industry," said Tal Hayek, CEO of AcuityAds. "Furthermore, as a result of investments made in earlier quarters, we saw our US revenues grow by 54% and our SaaS-based Self Service revenues improve by 157% year over year. "

"The Company is seeing significant signs for a strong second quarter," continued Mr. Hayek. "With this anticipated strong revenue growth in Q2 2015 and the rigorous cost cutting completed in early Q1 2015, we expect to return to EBITDA positive in the next few quarters."

<u>Financial Highlights</u>

- In line with expectations, total revenue for Q1 2015 increased by 10% to $3,048,732, compared to $2,776,817 in Q1 2014, while gross profit over the same period improved 13%.
- Self-Service revenue for Q1 2015 increased by 157% to $588,303, compared to $228,849 in Q1 2014.
- US Revenue for Q1 2015 increased by 54% to $746,535, compared to $485,507 in Q1 2014.
- The Company surpassed expectations by reducing operating expenses to $2,673,966 in Q1 2015 from $3,220,527 in Q4 2014.
- Adjusted EBITDA loss of $960,695 in Q1 2015, compared to an adjusted EBITDA loss of $392,348 in Q1 2014. Adjusted EBITDA was consistent with the adjusted EBITDA loss of $864,051 in Q4 2014, which saw revenues of nearly $1.4M higher in that period.
- Net loss and comprehensive loss for Q1 2015 was $1,437,999, compared to loss of $732,244 in Q1 2014.
- As at March 31, 2015, the Company's cash balance was $981,158 compared to $1,428,642 as at December 31, 2014.
- Subsequent to the quarter the Company raised gross proceeds of approximately $3,000,000 via a brokered Short Form Prospectus Offering.

Operational Highlights

- During the quarter the Company increased its active licensees of its self-service technology (SaaS) to 22 from 19 in previous quarter.
- During the quarter, David Andrews, CPA, CA, joined the Company as the new Chief Financial Officer.
- During the quarter, the Company entered into a partnership with SlimCut Media to deliver in-stream video ad units across SlimCut Media's video platform.
- Subsequent to the quarter, Acuity received a $500,000 media order from a leading North American automotive dealer.

The Company also announces that it has granted an aggregate amount of 145,000 stock options on today's date to directors and employees of the Company in accordance of the provisions of the Company's Stock Option Plan, subject to approval of the TSXV. Each option entitles the holder to purchase one common share of the Company at an exercise price of $0.78 for a period of five years. The options granted to the directors will vest immediately, and options granted to employees will vest in equal instalments over the next 36 months.

About AcuityAds:

AcuityAds has developed a Programmatic Marketing Platform powered by proprietary machine learning technology that allows advertisers to target and connect intelligently with their audiences across online display, video, social and mobile campaigns. With sales operations in Toronto, Montreal, New York, Boston and Los Angeles, AcuityAds Holding's customers include both large Fortune 500 enterprises and small to mid-sized businesses. For more information, visit www.acuityads.com.

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Disclaimer in regards to Forward-looking Statements

Certain statements included herein 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. Except as required by law, AcuityAds does not intend, and undertakes no obligation, to update any forward-looking statements to reflect, in particular, new information or future events.