



AcuityAds Reports First Quarter Financial Results

- Q1 Revenue Increased 71% Year over Year -

TORONTO and NEW YORK – May 11th, 2016 – AcuityAds Holdings Inc. (TSXV:AT) (“AcuityAds” or “Company”), a technology leader that provides targeted digital media solutions enabling advertisers to connect intelligently with audiences across online display, video, social and mobile campaigns, today announced financial results for the three month period ended March 31, 2016.

“We are extremely pleased with our Q1 results particularly in a quarter that is traditionally weaker due to the seasonality of our industry,” stated Tal Hayek, CEO of AcuityAds. “We continued to build on the strong momentum from 2015 and experienced significant growth in both our U.S. and our SaaS-based Self-Service revenues which grew 69% and 352% respectively year over year. This growth is attributed to the value our clients continue to derive from our programmatic platform to successfully enable their digital initiatives. This also validates our recently announced decision to expand our service offerings into the European market in Q2 to better serve our clients’ needs on a global level.”

First Quarter Financial Highlights

- Total revenue for Q1 2016 increased 71% to \$5,202,647, compared to \$3,048,732 in Q1 2015.
- AcuityAds grew its Self-Service partner base by adding 14 additional platform Licensees in Q1 2016. Total Licensees of our SaaS-based Self-Service platform now stands at 78 compared to 28 at the end of Q1 2015.
- SaaS-based Self-Service revenue for Q1 2016 increased 352% to \$2,660,481, compared to \$588,303 in Q1 2015 and represented 51% of overall revenue compared to 19% in the same period last year.
- US revenue for Q1 2016 increased by 69% to \$1,264,826 compared to \$746,535 in Q1 2015.
- Revenue less media costs (gross margin) remained strong at 50% for Q1 2016 compared to 49% for the twelve months ended December 31, 2015.
- Operating expenses for the quarter were \$3,146,307 before adjusting for an approximate \$400,000 reduction attributable to Investment Tax Credits (“ITC”) from 2011, 2012, 2013 and 2014 as reported on April 15, 2016. Excluding the ITC related adjustment, operating expenses increased by 21% against a backdrop of 71% revenue growth in the same period. Operating expenses for the quarter net of ITC were \$2,746,307. Adjusted EBITDA and comprehensive loss have both been positively affected as a result of this ITC adjustment.
- The Company posted an adjusted EBITDA loss of \$81,178 in Q1 2016 compared to an adjusted EBITDA loss of \$960,695 in Q1 2015.
- Net loss and comprehensive loss for Q1 2016 was \$500,991 compared to a net loss of \$1,437,999 in Q1 2015.
- As at March 31, 2016, the Company’s cash and restricted cash balance was \$3,461,780 compared to \$4,252,754 at the end of Q4 2015. During the quarter approximately \$1,300,000 of payables were retired.



- Subsequent to the quarter, the Company issued an aggregate of 47,220 Deferred Share Units ("DSUs") pursuant to the Company's Deferred Share Unit Plan to the six independent directors of the Company, in lieu of quarterly cash compensation. In addition, an aggregate of 141,200 DSUs were issued to officers and senior employees of the Company, in lieu of quarterly cash bonus compensation and long term incentive compensation.

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 New York, Boston, Los Angeles, Toronto and Montreal, AcuityAds' customers include both large Fortune 500 enterprises and small to mid-sized businesses. For more information, visit www.acuityads.com.

For further information, please contact:

Babak Pedram
Investor Relations
Virtus Advisory Group Inc.
416-644-5081
bpedram@virtusadvisory.com

Tal Hayek
Chief Executive Officer
AcuityAds Holdings Inc.
416-218-9888
tal.hayek@acuityads.com

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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.

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