



## **IPLAYCO Announces Financial Results for its Second Quarter Ended March 31, 2016**

**Langley, BC / TheNewswire / May 11, 2016/** Iplayco Corporation Limited (TSX VENTURE: IPC) ("Iplayco" or the "Corporation") announces financial results for its second quarter ended March 31, 2016. All amounts are in Canadian dollars unless otherwise noted.

This news release contains financial information derived from Iplayco's unaudited condensed consolidated interim financial statements for the three and six months ended March 31, 2016. More detailed information can be found in the unaudited condensed consolidated interim financial statements and Management's Discussion and Analysis for the three and six months ended March 31, 2016, which are being filed with the applicable Canadian regulatory authorities.

"We incurred a net loss of \$884,752, or loss per share of \$0.04, for the three months ended March 31, 2016 ("Q2-16"). Due to the significant strengthening of the Canadian dollar against the U.S. dollar in Q2-16, a substantial portion of our operating loss in Q2-16 was due to a pre-tax, and substantially unrealized and non-cash, net foreign exchange loss of \$575,543 resulting from the translation of \$5.9 million U.S. dollar net assets into Canadian dollars, the reporting currency for our financial statements. With the currency hedges we have in place, we anticipate the reversal of a substantial portion of the unrealized foreign exchange loss from Q2-16 in our third quarter ending June 30, 2016. The other portion of our operating loss in Q2-16 was due primarily to cost overruns on a fixed-priced contract, a severance payment to a former employee, an increase in the bad debt expense and higher selling expenses. With the recent announcements of nearly \$4 million in large sales orders, and commitments from our largest customer, Billy Beez, to continue placing large orders with us, we are anticipating a significant improvement in our operating results for the second half of our financial year ending September 30, 2016" said Scott Forbes, President & Chief Executive Officer and Director of Iplayco.

### **Results for the three months ended March 31, 2016 ("Q2-16") as compared to the three months ended March 31, 2015 ("Q2-15")**

Sales increased by 3.3% to \$3,304,442 in Q2-16 from \$3,198,377 in Q2-15. Gross profit percentage decreased to 28.8% of sales in Q2-16 from 40.2% in Q2-15. Operating expenses, including foreign exchange gains and losses and finance costs, increased to \$2,139,716, or 64.8% of sales, in Q2-16 from \$1,109,154, or 34.7% of sales, in Q2-15. The net loss amounted to \$884,752, or net loss per share of \$0.04, in Q2-16 as compared to net income of \$130,478, or diluted net income per share of \$0.01, in Q2-15.

### **Results for the three months ended March 31, 2016 ("Q2-16") as compared to the three months ended December 31, 2015 ("Q1-16")**

Sales decreased by 8.7% to \$3,304,442 in Q2-16 from \$3,618,561 in Q1-16. Gross profit percentage decreased to 28.8% of sales in Q2-16 from 39.3% in Q1-16. Operating expenses, including foreign exchange gains and losses and finance costs, increased to \$2,139,716, or 64.8% of sales, in Q2-16 from \$1,179,052, or 32.6% of sales, in Q1-16. The net loss in Q2-16 amounted to \$884,752, or net loss per share of \$0.04, as compared to net income of \$176,773, or diluted net income per share of \$0.01, in Q1-16.

### **Results for the six months ended March 31, 2016 ("YTD – Q2-16") as compared to the six months ended March 31, 2015 ("YTD – Q2-15")**

Sales decreased by 8.3% to \$6,923,003 for YTD – Q2-16 from \$7,548,097 for YTD – Q2-15. Gross profit percentage decreased to 34.3% of sales for YTD – Q2-16 from 41.0% for YTD – Q2-15. Operating expenses, including foreign exchange gains and losses and finance costs, increased to \$3,318,768 or 47.9% of sales for YTD – Q2-16 from \$2,615,452 or 34.7% of sales for YTD – Q2-15. The net loss amounted to \$707,979, or net loss per share of \$0.03, for YTD – Q2-16 as compared to net income of \$350,787, or diluted net income per share of \$0.02, for YTD – Q2-15.



## About Iplayco Corporation Limited

Iplayco is a global leader in the design and supply of premium-quality, fun, safe and durable indoor playgrounds for children. In its 16-year history, Iplayco has sold over 2,700 playgrounds to over 50 countries worldwide. Iplayco is very proud to have built the world's largest children's indoor soft-play park for Billy Beez, a family entertainment centre of 2,316.79 square meters (24,937.72 square feet) inaugurated on 25 May 2013 in the Mall of Dhahran, Al Khobar, Saudi Arabia. Iplayco also owns and operates a family entertainment centre ("The Great Escape") in Langley, British Columbia. For more information, please visit [www.iplaycoltd.com](http://www.iplaycoltd.com).

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## Cautionary Note Regarding Forward-looking Statements

This news release contains certain forward-looking statements. All statements, other than statements of historical fact, included herein, including without limitation statements regarding the Corporation's business, results or future plans, are forward looking statements that involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from the Corporation's expectations are disclosed elsewhere in documents that are available to the public.

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