

Solium Releases 2015 Second Quarter Financial Results

- **Revenue increased by 15%**
- **Adjusted EBITDA decreased by 18%**
- **Cash position strong at \$62.0 million**

CALGARY, August 11, 2015 — Solium Capital Inc. (“Solium” or the “Company”) today announced its financial results for the second quarter ended June 30, 2015.

Financial and operating highlights for the three and six month periods ended June 30, 2015:

- Revenue increased by 15% to \$22.9 million in the second quarter of 2015 and by 14% to \$47.5 million for the six month period ended June 30, 2015;
- Adjusted EBITDA¹ decreased by 18% to \$4.4 million in the second quarter of 2015 and by 14% to \$10.8 million in the six month period ended June 30, 2015;
- Earnings from operations decreased by 22% to \$3.2 million in the second quarter of 2015 and by 16% to \$8.5 million for the six month period ended June 30, 2015;
- Net earnings decreased by 7% to \$2.3 million in the second quarter of 2015 and by 6% to \$6.6 million in the six month period ended June 30, 2015; and
- Cash on hand as at June 30, 2015 totaled \$62.0 million.

Key factors affecting financial results in the three and six month periods ended June 30, 2015:

- **Strategic initiatives** - Strategically driven expenses that were accelerated through the second half of 2014 impacted operating expenses in the three and six months ended June 30, 2015 as compared to the same periods in 2014. The accelerated spending in 2014 was in anticipation of positive future business opportunities and related to the building out of regional teams directly servicing international operations, further development of the Company’s global equity administration platform, and adding to the associated shared services capabilities in Canada. To illustrate this, the Company’s full-time equivalent employees (FTEs) directly servicing the U.S. and international operations grew from 170 at the end of Q2 2014 to 206 FTEs at the end of the second quarter of 2015. In addition, the Company increased its expenditures on marketing initiatives focused on enhancing its market profile particularly in the U.S. but internationally as well.
- **Foreign exchange** – The strength of the U.S. dollar (USD) against the Canadian dollar (CAD) increased during the three and six months ended June 30, 2015 compared to the same periods in 2014. This had a positive impact on the Company’s overall financial results due to the translation of USD financial results into CAD for consolidated financial reporting purposes.
- **Organic growth** - The Company experienced increased license and subscription fees during the three and six months ended June 30, 2015 as compared to the same periods in 2014. The Company experienced a decline in the number of trades per participant in the three and six months ended June 30, 2015 as compared to the same periods in 2014. However, in line with a higher client and participant count resulting from organic growth, the Company had higher transactional based revenue in the three and six months ended June 30, 2015 as compared to the same periods in 2014. Certain seasonal factors typically contribute to higher trades per participant and the associated transaction based revenue in the first quarter of a given year. Similar to past years, the second quarter of 2015 displayed a seasonal decline in trades per participant compared to the first quarter of 2015.

Selected financial information for the second quarter and six month period ended June 30, 2015:

(Expressed in thousands of Canadian dollars except per share amounts)

	Three Months Ended June 30,			Six Months Ended June 30,		
	2015	2014	% Change	2015	2014	% Change
Revenue	\$22,936	\$20,029	15%	\$47,534	\$41,770	14%
Operating Expenses	\$19,692	\$15,868	24%	\$38,993	\$31,582	23%
Adjusted EBITDA ¹	\$4,388	\$5,368	(18%)	\$10,824	\$12,622	(14%)
Earnings from operations	\$3,244	\$4,161	(22%)	\$8,541	\$10,188	(16%)
Net earnings	\$2,259	\$2,434	(7%)	\$6,591	\$7,005	(6%)
Net earnings per share ²						
Basic	\$0.047	\$0.052	(10%)	\$0.137	\$0.148	(7%)
Diluted	\$0.045	\$0.049	(8%)	\$0.132	\$0.141	(6%)
Issued and outstanding Common shares				48,416,958	47,332,612	2%
Diluted ³				52,170,095	51,591,863	1%

Revenue from Canadian operations was \$8.2 million in the second quarter of 2015 (2014: \$8.6 million) and \$17.0 million in the six month period ended June 30, 2015 (2014: \$17.7 million).

Revenue from U.S. operations was \$10.9 million in the second quarter of 2015 (2014: \$9.4 million) and \$22.7 million in the six month period ended June 30, 2015 (2014: \$19.5 million).

Revenue from International operations was \$3.8 million in the second quarter of 2015 (2014: \$2.1 million) and \$7.8 million in the six month period ended June 30, 2015 (2014: \$4.6 million).

Adjusted EBITDA¹ in Canada was \$2.8 million in the second quarter of 2015 (2014: \$3.4 million) and \$6.4 million in the six month period ended June 30, 2015 (2014: \$7.5 million).

Adjusted EBITDA¹ in the U.S. was \$1.7 million in the second quarter of 2015 (2014: \$2.6 million) and \$3.8 million in the six month period ended June 30, 2015 (2014: \$5.8 million).

Adjusted EBITDA¹ in International operations was a loss of \$0.1 million in the second quarter of 2015 (2014: loss of \$0.6 million) and \$0.6 million in the six month period ended June 30, 2015 (2014: loss of \$0.7 million).

Basic net earnings per share was \$0.047 in the second quarter of 2015 (2014: \$0.052) and \$0.137 for the six month period ended June 30, 2015 (2014: \$0.148).

During the six month period ended June 30, 2015, the Company had a net cash inflow of \$11.0 million (2014: outflow \$3.5 million). Funds from operations were \$13.4 million during the six month period ended June 30, 2015 (2014: \$14.4 million), while total cash inflow from operations was \$3.8 million during the six month period ended June 30, 2015 (2014: inflow \$6.3 million). As a result of the issuance of common shares for employee stock option exercises, cash inflow from financing activities was \$0.9 million for the six month period ended June 30, 2015 (2014: inflow \$0.1 million). Cash inflow from investing activities was \$5.8 million in the six month period ended June 30, 2015 (2014: outflow of 10.0 million) as a result of the maturity of short-term investments.

Working capital as at June 30, 2015 was \$64.4 million (December 31, 2014: \$54.3 million). Included in working capital was trade and other receivables of \$19.2 million (December 31, 2014: \$13.2 million), which increased as at June 30, 2015 compared to December 31, 2014 mainly as a result of increased recurring license, subscription and maintenance fees as at June 30, 2015.

Outlook

Solium will continue to invest significantly in Shareworks, the first and only equity administration platform with end-to-end global capabilities on a single platform, and, as a result of strong global client and revenue growth, will continue to build out the Company's international operations. This investment in product and organizational capacity is in response to very positive business opportunities across various regions.

Notes:

- Earnings before interest, taxes, depreciation and amortization ("EBITDA") and Adjusted EBITDA are non-IFRS financial measures which do not have any standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other issuers. EBITDA and Adjusted EBITDA provide useful information to users as they reflect the net earnings prior to the effect of non-operating expenses such as finance costs, income tax, amortization, and foreign exchange gain or loss (on translation of working capital assets), gain on reversal and extinguishment of amounts due to Computershare, and intangibles and goodwill charges. Management uses Adjusted EBITDA in measuring the financial performance of the Company. Management monitors Adjusted EBITDA against budget and past results on a regular basis. The measure is a component in determining the annual bonus pool for staff and management.

The following is a reconciliation of Adjusted EBITDA to net earnings:

	Three months ended June 30		Six months ended June 30	
	2015	2014	2015	2014
Adjusted EBITDA	4,388	5,368	10,824	12,622
Foreign exchange gain (loss)	(176)	(553)	835	345
EBITDA	4,212	4,815	11,659	12,967
Finance income	209	184	450	320
Amortization expense	(1,144)	(1,207)	(2,283)	(2,434)
Income tax expense	(1,018)	(1,358)	(3,235)	(3,848)
Net earnings	2,259	2,434	6,591	7,005

- Diluted net earnings per share is calculated using the treasury stock method.
- Diluted shares as presented equals issued and outstanding common shares plus outstanding stock options and restricted share units.

About Solium Capital Inc.

Solium Capital Inc. (TSX: SUM) provides cloud-enabled services for global equity administration, financial reporting and compliance. From offices in the United States, Canada, the United Kingdom, Europe and Australia, our innovative software-as-a-service (SaaS) technology powers share plan administration and equity transactions for more than 3,000 corporate clients with employee participants in more than 100 countries. Follow us @Solium and visit us at solium.com.

Certain statements included or incorporated by reference in this press release constitute forward-looking statements or forward-looking information under applicable securities legislation. Forward-looking statements or information typically contain statements with words such as "anticipate", "believe", "expect", "plan", "intend", "estimate", "propose", or similar words suggesting future outcomes or statements regarding an outlook. Specific forward-looking statements in this press release include statements with respect to continued investment in Shareworks, and the growth of international operations and international markets. Such forward-looking statements or information are based on a number of assumptions which may prove to be incorrect, including assumptions with respect to the ability of the Company to identify, hire, train, motivate and retain qualified personnel, the Company's ability to maintain or accurately forecast revenue from its products and services, and the competitive environment in which the Company operates. Although Solium believes that the expectations reflected in such forward-looking statements or information are reasonable, undue reliance should not be placed on forward-looking statements or information because Solium can give no assurance that such expectations will

prove to be correct. The forward-looking statements and information are based on Solium's current expectations, estimates and projections, and are subject to a number of significant risks and uncertainties that could cause actual results to differ materially from those anticipated, including general business and economic conditions, actions of competitors and partners, the regulatory environment and product capability and acceptance. Accordingly, readers are advised not to place undue reliance on forward-looking statements or information.

The Management's Discussion and Analysis and the condensed consolidated interim financial statements for the three and six months ended June 30, 2015 referred to herein will be available on SEDAR at www.sedar.com under Solium Capital Inc., or at www.solium.com.

For further information:

Investor relations

Conrad Seguin
NATIONAL | Equicom
416.815.0700 x 251
cseguin@tmxequicom.com

###