

Solium Releases 2015 Fourth Quarter and Year-end Financial Results

- **Revenue increased by 17% year over year**
- **Adjusted EBITDA decreased by 9% year over year**
- **Cash position strong at \$73.0 million**

CALGARY, March 15, 2016 — Solium Capital Inc. (“Solium” or the “Company”) today announced its financial results for the fourth quarter and year ended December 31, 2015.

Financial and operating highlights for the fourth quarter and year ended December 31, 2015:

- Revenue increased by 21% to \$22.6 million for the fourth quarter of 2015 and by 17% to \$92.6 million for the year ended December 31, 2015;
- Earnings from operations decreased by 17% to \$1.7 million for the fourth quarter of 2015 and decreased by 12% to \$12.9 million for the year ended December 31, 2015;
- Adjusted EBITDA¹ decreased by 5% to \$2.8 million in the fourth quarter of 2015 and decreased by 9% to \$17.5 million in the year ended December 31, 2015;
- Net earnings increased by 76% to \$1.8 million in the fourth quarter of 2015 and increased by 11% to \$10.7 million in the year ended December 31, 2015; and
- Cash on hand as at December 31, 2015 totaled \$73.0 million with no debt on the balance sheet.

Key factors affecting financial results for the fourth quarter and year ended December 31, 2015:

- **Operating expenses** - Expenses increased during the fourth quarter and year ended December 31, 2015 as compared to the same periods in 2014 as the Company continued to significantly build out its international operations and global product capabilities ahead of revenue. The Company also increased its sales and marketing investment in the U.S. and international regions.
- **Organic growth** - The Company experienced increased license and subscription fees during the fourth quarter and year ended December 31, 2015 as compared to the same periods in 2014. Trade activity per participant declined year over year as a result of declining market performance, in particular in the Canadian markets. In spite of lower per participant trade activity, overall revenue from trade activity increased as a result of a larger and growing client and participant base.
- **Foreign exchange** - The strength of the U.S. dollar (USD) against the Canadian dollar (CAD) increased during the year ended December 31, 2015 compared to 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.

Selected financial information for the fourth quarter and year ended December 31, 2015:

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

	Fourth Quarter			Year Ended December 31,		
	2015	2014	% Change	2015	2014	% Change
Revenue	\$22,586	\$18,680	21%	\$92,571	\$79,146	17%
Operating expenses	\$20,879	\$16,631	26%	\$79,644	\$64,398	24%
Earnings from operations	\$1,707	\$2,049	(17%)	\$12,927	\$14,748	(12%)
Adjusted EBITDA ¹	\$2,761	\$2,897	(5%)	\$17,459	\$19,218	(9%)
Net earnings	\$1,809	\$1,028	76%	\$10,686	\$9,631	11%
Net earnings per share ²						
Basic	\$0.037	\$0.021	76%	\$0.221	\$0.203	9%
Diluted	\$0.036	\$0.021	71%	\$0.213	\$0.193	10%
Issued and outstanding						
Common shares				49,178	47,820	3%
Diluted ³				53,027	52,344	1%

Regional breakdown of results *(expressed in thousands of Canadian dollars):*

	Canada		U.S.		International	
	2015	2014	2015	2014	2015	2014
<u>Fourth Quarter</u>						
Revenues	\$8,017	\$7,137	\$11,285	\$9,670	\$3,284	\$1,873
Adjusted EBITDA ¹	\$1,764	\$2,413	\$2,258	\$2,095	(\$1,261)	(\$1,611)
<u>Fiscal Year</u>						
Revenues	\$32,040	\$32,203	\$45,470	\$38,253	\$15,061	\$8,690
Adjusted EBITDA ¹	\$9,945	\$12,457	\$8,165	\$10,056	(\$651)	(\$3,295)

Basic net earnings per share was \$0.037 in the fourth quarter of 2015 (2014: \$0.021) and \$0.221 in the year ended December 31, 2015 (2014: \$0.203).

During the year ended December 31, 2015, the Company had an overall cash inflow of \$22.0 million (2014: \$26.6 million). Funds from operations were \$24.6 million for the year ended December 31, 2015 (2014: \$22.9 million), while total cash inflow from operations inclusive of working capital changes was \$12.8 million for the year ended December 31, 2015 (2014: \$14.8 million). Cash inflow from financing activities was \$2.8 million in 2015 (2014: \$0.6 million). Cash inflow from investing activities was \$5.6 million in 2015 (2014: \$10.8 million) mainly as a result of the maturity of short term bearer deposit notes of \$6.6 million (2014: \$15.6 million).

Working capital as at December 31, 2015 was \$73.9 million (December 31, 2014: \$53.8 million). Included in working capital was trade and other receivables of \$20.0 million (December 31, 2014: \$12.9 million), which increased as at December 31, 2015 compared to December 31, 2014 as a result of the positive impact of foreign currency translation, growth of license and subscription fees, increased transactional based revenue, and increased income tax receivable balances as at December 31, 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. The Company anticipates positive business opportunities across various regions, however, expects dampened market conditions to continue in the Canadian market.

Notes:

1. 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 foreign exchange gain or loss, finance income and costs, amortization, and income tax expense or recovery. 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:

	Fourth Quarter		Fiscal Year	
	2015	2014	2015	2014
Adjusted EBITDA	2,761	2,897	17,459	19,218
Foreign exchange gain	1,694	14	3,230	473
EBITDA	4,455	2,911	20,689	19,691
Finance income	182	147	793	655
Amortization expense	(1,054)	(848)	(4,532)	(4,470)
Income tax expense	(1,774)	(1,182)	(6,264)	(6,245)
Net earnings	1,809	1,028	10,686	9,631

2. Diluted net earnings per share is calculated using the treasury stock method.
3. 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, the growth of international operations and international markets, and future business opportunities and market conditions. 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 Consolidated Financial Statements for the year ended December 31, 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:

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