



# Intermap Technologies Reports 2017 Second Quarter Financial Results



**10 Aug, 2017**

**DENVER – August 10, 2017 (TSX: IMP) (ITMSF:BB)** – Intermap Technologies Corporation (“Intermap” or the “Company”) today reported financial results for the second quarter ended June 30, 2017.

All amounts in this news release are in United States dollars, unless otherwise noted.

For the second quarter of 2017, Intermap reported total revenue of \$4.5 million, compared to \$0.9 million last year. Approximately 84% of consolidated revenue came from growing markets outside the United States, compared to 57% for the same period in 2016. A large portion of the increase was generated by customers utilizing Intermap’s upgraded multi-frequency radar system. The mix of value-added revenue also improved, reflecting demand for our advanced data processing, software, and analytics. On a year-over-year basis, revenue for the second quarter derived from value-added data services, and software and solutions, increased by 123%, and 24%, respectively. Net operating loss for the second quarter decreased 94% to \$0.2 million from \$3.5 million in 2016. Second quarter adjusted EBITDA, a non-GAAP and non-IFRS financial measure, was positive \$0.3 million, compared with negative \$3.3 million for the same period last year.

“Intermap’s gradual return to profitability extends our runway as we balance growth between government and commercial, recurring and project, international and domestic revenue sources”, commented Patrick Blott, Intermap’s Chairman and CEO. “In particular, healthy trends in contract renewals, project extensions, new bookings, and growth

market penetration demonstrate customer confidence in Intermap's unique capabilities and execution.”

As a reminder, last fall the Company adopted a no further guidance disclosure policy until it is profitable and its debt burden has been reduced.

## **Financial Review**

The Company is focused on growing revenue and profitability.

Consolidated revenue for the quarter ended June 30, 2017 totaled \$4.5 million, compared to \$0.9 million for the same period in 2016, representing a 418% increase. Approximately 84% of consolidated revenue was generated outside the United States, compared to 57% for the same period in 2016.

Acquisition services revenue for the quarter ended June 30, 2017 totaled \$3.0 million, compared to \$0.1 million for the same period in 2016. The increase is due to new contracts for our upgraded, high resolution, multi-frequency radar system.

Value-added data services recognized revenue for the quarters ended June 30, 2017 and 2016 totaling \$1.1 million and \$0.5 million, respectively. The increase primarily resulted from recurring service contracts that reflect growing global demand for our advanced data processing.

Software and solutions revenue for the quarters ended June 30, 2017 and 2016 increased 24%, to \$0.3 million from \$0.2 million.

Personnel expense for the second quarter of 2017 was \$2.2 million, a 15% decrease from \$2.6 million the prior year. The decrease was primarily due to decreases in headcount on a year-over-year basis, following restructuring actions designed to focus the Company's resources on its core business.

Second quarter adjusted EBITDA, a non-GAAP and non-IFRS financial measure, was positive \$0.3 million, compared with negative \$3.3 million last year. Adjusted EBITDA is defined as earnings before interest, taxes, depreciation and amortization, and excludes non-recurring and non-cash payments; restructuring costs, share-based compensation

expense, gain or loss on foreign currency translation, and fair value adjustments to derivative instruments. Adjusted EBITDA is not a recognized performance measure under IFRS. The most directly comparable measure to adjusted EBITDA calculated in accordance with IFRS is net income (loss). See Non-IFRS Measures below for a reconciliation of the Company's net loss to adjusted EBITDA for the second quarter of 2017 as compared to 2016.

The Company's consolidated financial statements and management's discussion and analysis will be filed on SEDAR at: [www.sedar.com](http://www.sedar.com). Important factors, including those discussed in the Company's regulatory filings ([www.sedar.com](http://www.sedar.com)) could cause actual results to differ from the Company's expectations and those differences may be material.

## Non-IFRS Measures

Adjusted EBITDA is not a recognized performance measure under IFRS and does not have a standardized meaning prescribed by IFRS. The term EBITDA consists of net income (loss) and excludes interest, taxes, depreciation, and amortization. Adjusted EBITDA is included as a supplemental disclosure because management believes that such measurement provides a better assessment of the Company's operations on a continuing basis by eliminating certain non-cash charges and charges that are nonrecurring. The most directly comparable measure to adjusted EBITDA calculated in accordance with IFRS is net income (loss).

(UNAUDITED) U.S. \$ millions	Three months ended June 30,	
	2017	2016
Net loss	\$ (0.9)	\$ (3.8)
Financing costs	0.6	1.0
Depreciation of property and equipment	0.1	0.2
<b>EBITDA</b>	<b>\$ (0.2)</b>	<b>\$ (2.6)</b>
Change in value of derivative instruments	-	(0.7)
Restructuring costs	0.1	-
Share-based compensation	0.2	-
Loss (gain) on foreign currency translation	0.2	-
<b>Adjusted EBITDA</b>	<b>\$ 0.3</b>	<b>\$ (3.3)</b>

## About Intermap Technologies

Headquartered in Denver, Colorado, Intermap ([www.intermap.com](http://www.intermap.com)) is an industry leader in geospatial intelligence solutions. These geospatial solutions are used in a wide range of applications including, but not limited to, location-based information, risk assessment, geographic information systems, engineering, utilities, global positioning systems, oil and gas, renewable energy, hydrology, environmental planning, land management, wireless

communications, transportation, advertising, and 3D visualization. Intermap generates revenue from three primary business activities, comprised of i) data acquisition and collection, using proprietary, multi-frequency, radar sensor technologies, ii) value-added data products and services, which leverage the Company's proprietary NEXTMap® database, together with proprietary software and fusion technologies, and iii) commercial applications and solutions, including a webstore and software sales targeting selected industry verticals that rely on accurate high resolution elevation data. The Company is a world leader in data fusion, analytics, and orthorectification, and has decades of experience aggregating data derived from a number of different sensor technologies and data sources. For more information please visit [www.intermap.com](http://www.intermap.com).

### **Intermap Reader Advisory**

*Certain information provided in this news release constitutes forward-looking statements, including the Company's profitability and revenue generating activities. The words "anticipate", "expect", "project", "estimate", "forecast" and similar expressions are intended to identify such forward-looking statements. Although Intermap believes that these statements are based on information and assumptions which are current, reasonable and complete, these statements are necessarily subject to a variety of known and unknown risks and uncertainties. You can find a discussion of such risks and uncertainties in our Annual Information Form and other securities filings. While the Company makes these forward-looking statements in good faith, should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary significantly from those expected. Accordingly, no assurances can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits that the Company will derive therefrom. All subsequent forward-looking statements, whether written or oral, attributable to Intermap or persons acting on its behalf are expressly qualified in their entirety by these cautionary statements. The forward-looking statements contained in this news release are made as at the date of this news release and the Company does not undertake any obligation to update publicly or to revise any of the forward-looking statements made herein, whether as a result of new information, future events or otherwise, except as may be required by applicable securities law.*

### **For more information, please contact Intermap Technologies:**

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