

## **XPEL Announces 54% Growth in First Quarter Revenue**

San Antonio, TX – June 1, 2015 -- XPEL Technologies Corp. (TSXV: DAP.U), a leading supplier of automotive paint and headlamp protection films, announced results for the quarter ended March 31, 2015.

Mr. Ryan Pape, President and Chief Executive Officer of XPEL, commented, "We are pleased to have achieved another solid quarter with strong growth and enhanced profitability. The XPEL brand continues to gain recognition domestically and internationally and we're seeing increased market demand as we execute on our strategy to bring our product and service offerings closer to our customers."

### **For the Quarter Ended March 31, 2015:**

*Revenue:* Revenue in the first quarter of fiscal 2015 was \$8.1 million, a 54% increase as compared to revenue of \$5.3 million in the same prior year quarter and a 7% increase sequentially as compared to the fourth quarter of 2014.

*Gross Margin:* Gross profit as a percentage of sales increased slightly to 35% as compared to 34% in the previous year.

*Expenses:* Selling, general and administrative expenses as a percentage of revenue was 24.9%, an increase compared to 21.5% in the first quarter last year. The increase is primarily due to marketing and IT expenses to support the anticipated long term growth of the business, one-time acquisition related expenses, and the additional cost structure of Parasol Canada.

*Net Earnings:* Net income for the fiscal 2015 first quarter was \$672,208 or \$0.03 per basic and diluted share based on 25,784,950 shares outstanding, compared with net income of \$459,285, or \$0.02 per basic and diluted share based on 25,784,950 shares outstanding, for the corresponding prior year period.

Mr. Pape continued, "Our international expansion strategy is proceeding well and, as previously announced, during the first quarter we acquired Parasol Canada, a distributor of paint protection and window tint products for the Canadian market. In addition to expanding our portfolio of products, Parasol brings a dedicated Canadian sales force which we are leveraging to bring our successful U.S. marketing initiatives to this important market. Additionally, our U.K. facility, established to address market demand in Europe and additional regions, is performing well, fulfilling customer needs and offering regularly scheduled training courses. Our sales efforts in the region are gaining traction, resulting in a solid pipeline of new customers throughout Europe.

"XPEL's ability to deliver a high quality product coupled with training and support programs differentiates us from our competitors and positions us well to continue to grow our brand recognition and expand our international network of independent installers and dealerships."

### **CONFERENCE CALL INFORMATION**

The Company will host a conference call to discuss the first quarter results today, June 1, 2015 at 11:00 a.m. Eastern Time.

To access the live webcast, log onto the XPEL Technologies website at <http://www.xpel.com>, and click on "Investor Relations".

To participate in the call by phone, dial (877) 407-8033 approximately five minutes prior to the scheduled start time. International callers please dial (201) 689-8033.

A replay of the teleconference will be available until July 1, 2015 and may be accessed by dialing (877) 660-6853. International callers may dial (201) 612-7415. Callers should use conference ID: 13610867.

## **About XPEL Technologies Corp.**

XPEL is the leading supplier of automotive paint and headlamp protection films with over 70,000 vehicle-specific applications and a worldwide network of trained installers. XPEL is the developer of the Design Access Program software, and manufacturer of XPEL™ Automotive Paint and Headlamp Protection Products. XPEL has forged the cutting-edge of automotive protection technology, and leads the industry in quality, technical support and customer service. Additional information can be found on the Company's website at [www.xpel.com](http://www.xpel.com)

## **Safe harbor statement**

*This release includes forward-looking statements regarding XPEL Technologies Corp. and its business, which may include, but is not limited to, anticipated use of proceeds from capital transactions, expansion into new markets, and execution of the company's growth strategy. Often, but not always, forward-looking statements can be identified by the use of words such as "plans," "is expected," "expects," "scheduled," "intends," "contemplates," "anticipates," "believes," "proposes" or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may," "could," "would," "might" or "will" be taken, occur or be achieved. Such statements are based on the current expectations of the management of XPEL. The forward-looking events and circumstances discussed in this release may not occur by certain specified dates or at all and could differ materially as a result of known and unknown risk factors and uncertainties affecting the company, performance and acceptance of the company's products, economic factors, competition, the equity markets generally and many other factors beyond the control of XPEL. Although XPEL has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. No forward-looking statement can be guaranteed. Except as required by applicable securities laws, forward-looking statements speak only as of the date on which they are made and XPEL undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.*

*Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.*

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**XPEL TECHNOLOGIES CORP.****Condensed Consolidated Statements of Income and Comprehensive Income**

(Expressed in United States Dollars)

(unaudited)

	<b>Three Months Ended March 31,</b>	
	<b>2015</b>	<b>2014</b>
<b>Revenue</b>	<b>\$ 8,133,932</b>	<b>\$ 5,271,873</b>
<b>Expenses</b>		
Direct costs	5,287,895	3,492,738
Selling, general and administrative expenses	2,024,531	1,133,173
Unrealized foreign currency loss	5,134	-
<b>Income from operations</b>	<b>816,372</b>	<b>645,962</b>
Interest expense	38,164	2,542
Loss on sale of property, plant and equipment	-	(865)
	<b>38,164</b>	<b>1,677</b>
<b>Net income before income taxes</b>	<b>778,208</b>	<b>644,285</b>
Deferred income tax expense (recovery)	106,000	(13,000)
Current income tax expense	-	198,000
	<b>106,000</b>	<b>185,000</b>
<b>Net income</b>	<b>\$ 672,208</b>	<b>\$ 459,285</b>
<b>Items that may be reclassified to profit or loss:</b>		
Exchange differences on translating foreign operations	(117,238)	-
<b>Total comprehensive income</b>	<b>\$ 554,970</b>	<b>\$ 459,285</b>
<b>Net income attributable to equity holders of the Company</b>	<b>697,443</b>	<b>459,285</b>
<b>Non-controlling interest</b>	<b>(25,235)</b>	<b>-</b>
	<b>\$ 672,208</b>	<b>\$ 459,285</b>
<b>Earnings per Share</b>		
Basic and diluted	<b>\$ 0.026</b>	<b>\$ 0.018</b>
<b>Weighted Average Number of Common Shares</b>		
Basic and diluted	<b>25,784,950</b>	<b>25,784,950</b>

**XPEL TECHNOLOGIES CORP.**  
**Condensed Consolidated Balance Sheet**  
(Expressed in United States Dollars)  
(unaudited)

	March 31, 2015	December 31, 2014
<b>Assets</b>		
<b>Current</b>		
Cash and cash equivalents	\$ 2,397,744	\$ 1,474,130
Accounts receivable	3,148,204	2,287,342
Inventory	5,765,534	6,235,137
Prepaid expenses and sundry assets	449,121	347,472
Total current assets	11,760,603	10,344,081
Property, plant and equipment	890,996	790,343
Intangible assets	2,452,322	784,510
Deferred tax asset	57,000	163,000
Goodwill	1,622,488	526,243
Total assets	\$ 16,783,409	\$ 12,608,177
<b>Liabilities</b>		
<b>Current</b>		
Bank operating facility	\$ 1,750,000	\$ 900,000
Accounts payable and accrued liabilities	2,899,957	4,121,590
Customer deposits	12,350	12,350
Vehicle notes payable	83,475	90,413
Current portion of Promissory note	377,928	-
Current portion of Bank loan payable	380,000	-
Total current liabilities	5,503,710	5,124,353
Promissory note	1,307,213	-
Bank loan payable	1,488,334	-
Deferred tax liability	445,359	-
Total liabilities	8,744,616	5,124,353
<b>Equity</b>		
Capital stock	6,635,133	6,635,133
Contributed surplus	2,165,130	2,165,130
Accumulated other comprehensive income	(132,959)	(15,721)
Deficit	(690,540)	(1,387,982)
	7,976,764	7,396,560
Non-controlling interest	62,029	87,264
Total liabilities and equity	\$ 16,783,409	\$ 12,608,177