

XPEL Announces 53% Growth in Fourth Quarter Revenue

San Antonio, TX – March 31, 2015 -- XPEL Technologies Corp. (TSXV: DAP.U), a leading supplier of automotive paint and headlamp protection films, announced results for the quarter and fiscal year ended December 31, 2014.

Mr. Ryan Pape, President and Chief Executive Officer of XPEL, commented, “2014 was a strong year for our Company, marked by significant revenue growth, international expansion, and the continued strategic development of our distribution channels. We are seeing growing market demand for and recognition of the XPEL brand, both domestically and internationally and are executing on our strategy to ensure that our products and services are available to meet the demands of existing and potential customers worldwide.”

For the Quarter Ended December 31, 2014:

Revenue: Revenue in the fourth quarter of fiscal 2014 was \$7.6 million, a 53% increase as compared to revenue of \$5.0 million in the same prior year quarter.

Gross Margin: Gross profit as a percentage of sales declined slightly to 31.2% as compared to 31.7% in the previous year.

Expenses: Selling, general and administrative expenses as a percentage of revenue was 25.5%, a slight increase compared to 24.4% in the fourth quarter last year. The increase is primarily due to marketing, IT and acquisition costs to support the anticipated long term growth of the business.

Net Earnings: Net income for the fiscal 2014 fourth quarter was \$1,542,460 or \$0.06 per basic and diluted share based on 25,784,950 shares outstanding, compared with net income of \$280,776, or \$0.01 per basic and diluted share based on 25,784,950 shares outstanding, for the corresponding prior year period. Net income for the fourth quarter of 2014 included a tax gain of \$1,127,400 due to a change in tax estimate.

Mr. Pape continued, “International expansion and moving closer to our international customers has been a key focus of ours in the back half of 2014 and into 2015. Our new XPEL U.K. facility established a strategic beachhead to service Europe and regions beyond. The facility provides readily available inventory to efficiently fulfill customer orders and in February we began offering regular onsite training courses. We are ramping our sales efforts targeting potential European customers and building a pipeline through both existing and new relationships. Subsequent to the close of the fourth quarter, we announced our acquisition of Parasol Canada, a distributor of paint protection and window tint products for the Canadian market. This acquisition adds to our portfolio of products, provides a dedicated Canadian sales force and allows us to bring our proven U.S. marketing initiatives to this key international market.”

For the Year Ended December 31, 2014:

Revenue: Revenue in fiscal 2014 was \$29.6 million, a 66% increase as compared to revenue of \$17.9 million in the same prior year period.

Gross Margin: Gross profit as a percentage of sales declined slightly to 31.2% as compared to 32.1% in the previous year.

Expenses: Selling, general and administrative expenses as a percentage of revenue increased slightly to 21.8% from 20.7% last year.

Net Earnings: Net income for fiscal 2014 was \$3,070,117, or \$0.12 per basic and diluted share based on 25,784,950 shares outstanding. Net income for 2014 included a \$317,475 tax gain due to a change in tax estimate. For fiscal 2013, the company had net income of \$1,320,268, or \$0.05 per basic and diluted share based on 25,784,950 shares outstanding. Net income for fiscal 2013 includes \$714,000 in tax expense.

Mr. Pape concluded, "We made great progress in 2014 growing our sales, expanding our base of independent installers and dealerships and broadening our international footprint. We look forward to introducing new products while also continuing to deliver the training and support that differentiates XPEL from our competitors."

CONFERENCE CALL INFORMATION

The Company will host a conference call to discuss the fourth quarter results today, March 31, 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 May 1, 2015 and may be accessed by dialing (877) 660-6853. International callers may dial (201) 612-7415. Callers should use conference ID: 13604517.

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

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.
Statement of Comprehensive Income
(Expressed in United States Dollars)

	Three Months Ended December 31,		Twelve Months Ended December 31,					
	2014	2013	2014	2013				
			(audited)	(audited)				
Revenue	\$	7,599,908	\$	4,965,912	\$	29,630,179	\$	17,898,812
Expenses								
Direct costs		5,228,015		3,389,278		20,373,246		12,153,098
Selling, general and administrative		1,939,475		1,121,259		6,464,660		3,702,819
Income from operations		432,418		455,375		2,792,273		2,042,895
Interest expense		(16,085)		(3,599)		(36,748)		(6,772)
Gain on sale of capital assets		(1,273)		-		(2,883)		(1,855)
		(17,358)		(3,599)		(39,631)		(8,627)
Net income before income tax		415,060		451,777		2,752,642		2,034,268
Provision for income tax								
Current tax benefit (expense)		724,400		-		(66,525)		-
Deferred tax recovery (expense)		403,000		(171,000)		384,000		(714,000)
Net Income	\$	1,542,460	\$	280,777	\$	3,070,117	\$	1,320,268
Exchange differences on translating foreign operations		15,721		-		15,721		-
Total comprehensive income	\$	1,558,181	\$	280,777	\$	3,085,838	\$	1,320,268
Net income attributable to equity holders of the Company		1,585,166		280,777		3,097,102		1,320,268
Non-controlling interest		(26,985)		-		(26,985)		-
		1,558,181		280,777		3,070,117		1,320,268
Earnings per share								
Basic and diluted	\$	0.06	\$	0.01	\$	0.12	\$	0.05
Weighted average number of shares outstanding		25,784,950		25,784,950		25,784,950		25,784,950

XPEL TECHNOLOGIES CORP.**Balance Sheets**

(Expressed in United States Dollars)

	December 31, 2014 <u>(audited)</u>	December 31, 2013 <u>(audited)</u>
Assets		
Current		
Cash	\$ 1,474,130	\$ 1,414,913
Accounts receivable	2,287,342	1,018,956
Inventory	6,235,137	2,716,612
Prepaid expenses and sundry assets	347,472	259,233
Total current assets	<u>10,344,081</u>	<u>5,409,714</u>
Property, plant and equipment	790,343	517,925
Intangible assets	784,510	518,559
Deferred tax asset	163,000	-
Goodwill	526,243	-
Total assets	<u><u>\$ 12,608,177</u></u>	<u><u>\$ 6,446,198</u></u>
Liabilities		
Current		
Bank indebtedness	900,000	-
Accounts payable and accrued liabilities	4,121,590	1,829,164
Customer deposits	12,350	12,350
Notes payable	90,413	68,505
	<u>5,124,353</u>	<u>1,910,019</u>
Deferred tax liability	-	221,000
Total liabilities	<u>5,124,353</u>	<u>2,131,019</u>
Equity		
Capital Stock	6,635,133	6,635,133
Contributed surplus	2,165,130	2,165,130
Accumulated other comprehensive income	(15,721)	-
Deficit	(1,387,982)	(4,485,084)
	<u>7,396,560</u>	<u>4,315,179</u>
Non-controlling interest	87,264	-
Total liabilities and equity	<u><u>\$ 12,608,177</u></u>	<u><u>\$ 6,446,198</u></u>