

Ackroo Announces Financial Results for the second quarter of 2015

Ackroo achieves double digit year over year revenue growth and completes several key operational tasks to position the Company for continued growth

OTTAWA, July 31, 2015 /CNW/ - **Ackroo Inc.** (TSX-V: AKR), a gift card, loyalty and rewards technology and services provider, today announced that it has filed financial results for the three months ended June 30th, 2015.

The results for the three months ended June 30th, 2015 reflect revenue growth of 10% and operating cost reduction of 21% over the same period the previous year. The results were driven by the Company's focus on growth while managing costs and operational efficiencies for their market leading gift card and loyalty solution offering.

"Q2 was an important quarter to position the Company for a very successful 2015 and beyond" said Steve Lively, chief executive officer at Ackroo. "This quarter is traditionally a slower revenue quarter for the Company from a seasonality perspective so it was important that the Company delivered on other initiatives to keep driving us forward. The Company not only completed the operational migration of our acquisition of PhotoGIFTCARD, we also acquired Dealer Rewards Canada. Both of these acquisitions play key roles in our long term success as we were able to better position ourselves from both a product and market perspective while also adding significant revenue, margin and important key talent to the organization. In response to these acquisitions the Company has already began reorganizing the business internally to both support these transactions and to align with our low cost, product and sales focused operational strategy. With the bulk of the reorganization done in Q2 the Company is now very well positioned for achieving a very successful balance of 2015 from a revenue, cost and focus perspective. An area of improvement for Q3 and onwards is in regards to our resellers as the Company did not see the organic growth through this channel that we expected during the quarter as we learned there is a much greater support required. This has resulted in the Company pausing on this initiative until we better define the right model to scale through this channel and instead we continue to focus on both our direct sales via our channel partners and our M&A initiatives. The Company also made significant advancements in our product with the addition of Ackroo Pay and the announcement of our Campaigns feature for our loyalty platform. These solutions combined with many other additions to the product have allowed us to migrate several customers from our legacy platforms to our new platform and assist in our ability to both attract merchants and cross sell/upsell our current customers as we have an even richer product suite. We accomplished all of the above and also drove over 10% of year over year revenue growth for the quarter. I am very happy with the accomplishments the Company has made this quarter and I look forward to a very exciting second half of the year."

The complete financial results for Ackroo are available at www.sedar.com. Highlights include:

- Sales of \$315,562 for the three month period ended June 30th, 2015 as compared to \$285,673 for the three month period ended June 30th, 2014 (10% growth);
- Software and subscription revenue of \$272,715 for the three month period ended June 30th, 2015 as compared to \$239,144 for the three month period ended June 30th, 2014 (14% growth);
- Gross margin of \$224,534 (71%) for the three month period ended June 30th, 2015 as compared to \$196,073 (69%) for the three month period ended June 30th, 2014 (15% growth);
- Loss from operations before depreciation, amortization, and stock based compensation was \$290,246 for the three month period ended June 30th, 2015 as compared to \$368,926 for the three month period ended June 30th, 2014 (21% reduction);

Business Outlook

The following statements are based on current expectations. These statements are forward-looking, and actual results may differ materially. These statements do not give effect to the potential impact of mergers, acquisitions, divestitures or business combinations that may be announced or closed after the date hereof. These statements supersede all prior statements made by Ackroo regarding 2015 financial results.

- Consolidated revenues are expected to exceed \$2 million for 2015
- Gross margins are expected to continue to exceed 70% in 2015
- Company plans for at least 1 more merger or acquisition in 2015
- Company expects to grow locations by 75% in 2015 and retain at least 90% of their customer base
- Continued focus on organic growth through channel partnerships

About Ackroo

Ackroo provides gift card and loyalty solutions into the \$160 billion North American gift card and loyalty market. Their solutions enable businesses, merchants and business networks to increase profitability and build long-term customer relationships through customized gift card and loyalty programs. Ackroo's web-based solutions provide the power of a massively scalable software platform in a lightweight online tool that works with existing point-of-sale equipment, making it easy and affordable for businesses to launch gift card & loyalty programs that deliver immediate return on investment. Ackroo is headquartered in Ottawa, Canada. For more information, visit: www.ackroo.com.

The TSX Venture Exchange has neither approved nor disapproved the contents of this press release. Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Forward Looking Statements

These forecasts and forward-looking statements are not guarantees of future performance and activities and are subject to risks and uncertainties. The company has based these forward-looking statements on assumptions and assessments made by its management in light of their experience and their perception of historical trends, current conditions, expected future developments and other factors they believe to be appropriate. Important factors that could cause actual results, developments and business decisions to differ materially from those anticipated in these forward-looking statements include, but are not limited to: the company's ability to raise enough capital to support the company's go forward plans; the overall global economic environment; the impact of competition and new technologies; general market, political and economic conditions in the countries in which the company operates; projected capital expenditures and liquidity; changes in the company's strategy; government regulations and approvals; changes in customers' budgeting priorities; plus other factors that may arise. Any forward-looking statements in this press release are made as of the date hereof, and the company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

SOURCE Ackroo Inc.

%SEDAR: 00018766E

For further information: Steve Lively, Chief Executive Officer | Ackroo, Tel: 613-599-2396 x730, Email: slevely@ackroo.com

CO: Ackroo Inc.

CNW 08:00e 31-JUL-15