

BluMetric Posts Profitable Second Quarter

OTTAWA, May 28, 2015 /CNW/ - BluMetric Environmental Inc. (TSXV: BLM), an Ottawa-based cleantech company, announces the following unaudited results for the second quarter of fiscal 2015 ended March 31, 2015.

Financial Highlights

- Revenues rose to \$7.8 million in the second quarter of fiscal 2015 from \$6.6 million in the same quarter of fiscal 2014. In the six months, revenues rose to \$15.6 million from \$14.2 million in the same period of the previous year.
- Gross margins improved to 20% from 14% in the previous period. In the six-month period, gross margins grew to 21% from 18% in the previous year.
- Sales, general, and administrative (SGA) expenses continued to reduce to \$1.1 million from \$1.8 million in the quarter, and to \$2.6 million from \$3.3 million in the six-month period.
- EBITDA (a non-IFRS measure of net income before interest expense, income taxes, depreciation, and amortization) rose significantly to \$644,000 and \$1.2 million respectively for the three- and six-month periods ended March 31, 2015 compared to the same periods in the previous year.
- Net income increased to \$246,000 in the second quarter of fiscal 2015 from a loss of \$985,000 in the same quarter of fiscal 2014. In the six months, net income increased to \$360,000 from a loss of \$967,000 in the previous year.

"BluMetric delivered a solid performance in the second quarter, a significant improvement over last year," said Roger Woeller, CEO of BluMetric Environmental. "This can be attributed to focus on our strategic plan and excellent execution by management and staff. The Professional Services group improved its margins and the Water Systems group contributed substantially to both revenue and profit during this quarter. Historically, the second quarter has been the slowest of our year, usually running at a loss. Both groups will aggressively pursue the new opportunities we have developed to increase revenue while supporting continuous improvement."

Highlights of the Quarter

- The new strategic business development team is putting intensified focus on revenue growth within our defined target areas through cross-group sales opportunities and initiatives.
- Professional Services group:
 - Profits were higher on lower revenues;
 - Improved project management, careful cost containment, and aggressive pursuit of remote project work resulted in an increase of gross margin;
 - Leveraged strong existing client relationships to build ongoing business and expand service offerings, especially in geomatics, hydrology, and the North.
- Water Systems group:
 - Posted increases in specialized design-build wastewater treatment solutions in the mining and development sectors;
 - Continued to strengthen sales rep network in the Americas;
 - First full-scale new COmbined membrane BioReActor (COBRA™) signed for a food processing client in Central America;
 - Continued to streamline operations and production functions.

Outlook

Our focus remains on building revenues and improving margins in tandem, while tightly managing overhead. The Company is targeting organic revenue growth as well as partnering and co-venturing with technology suppliers in related fields and sectors.

Professional Services will work to maintain and build margins in new and ongoing projects, and sees its growth coming from the strongly emerging areas of geomatics, UAVs (drones), and hydrology. The group will continue to emphasize initiatives in the Canadian North, given its technical excellence in that difficult environment.

Water Systems will continue to support its existing military business while developing its design-build side by providing unique solutions to industrial problems.

Financial Summary

	Three Months Ended		Six Months Ended	
	Mar 31, 2015	Mar 31, 2014	Mar 31, 2015	Mar 31, 2014
	\$	\$	\$	\$
Revenue	7,781	6,618	15,561	14,243
Cost of Sales	6,197	5,675	12,252	11,671
Gross margin	1,584	943	3,309	2,573
Gross margin %	20%	14%	21%	18%
Operating Expenses	1,140	1,790	2,576	3,271
EBITDA ¹	644	(638)	1,176	(280)
Adjusted EBITDA ²	477	(689)	1,033	(212)
Net income (loss)	246	(985)	360	(967)
Net gain (loss) per share - basic	0.01	(0.04)	0.01	(0.04)
Net gain (loss) per share - diluted	0.01	(0.04)	0.01	(0.04)

Note 1: EBITDA is a non-IFRS measure and is calculated as net income before interest expense, income taxes, depreciation, and amortization.

Note 2: Adjusted EBITDA is a non-IFRS measure and is calculated as EBITDA before gain or loss on foreign exchange, stock based compensation, gain or loss on sale of property, plant and equipment and unrealized gains on investments held for sale.

For additional information on these financial results, please refer to the Company's filings at www.sedar.com.

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About BluMetric

BluMetric, a cleantech company, delivers sustainable solutions to complex environmental issues. The Company serves clients in many industrial sectors, and at all levels of government, in Canada and abroad.

BluMetric operates through two groups:

- **Professional Services group**, providing environmental earth sciences and engineering solutions, including site assessment, contaminated site remediation, environmental consulting and assessment, water resource management, and industrial hygiene, occupational health & safety, and renewable energy expertise.
- **Water Systems group**, focusing on design-build and pre-engineered product solutions to industrial/commercial water and wastewater treatment needs.

More information can be obtained at www.blumetric.ca.

Forward-Looking Statements

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. The TSX Venture Exchange has neither approved nor disapproved of the information contained herein. Some of the statements in this press release, including those relating to the Company's strategies and other statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as "expects", "anticipates", "intends", "plans", "believes", "estimates" or similar expressions, are forward-looking statements within the meaning of securities laws. Forward-looking statements include, without limitation, the information concerning possible or assumed future results of operations of the Company. These statements are not historical facts but instead represent only the Company's expectations, estimates and projections regarding future events. The Company does not undertake any obligation to update or release any revisions to these forward-looking statements to reflect events or circumstances after the date of this presentation or to reflect the occurrence of unanticipated events, except as required by law.

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