



## **Score Media Reports Record Revenue and Earnings Growth in 2010**

*EBITDA increases by 100% to \$7.6 million on strong revenue growth across all platforms*

TORONTO, October 20th, 2010 – [Score Media Inc.](#) (TSX: SCR) today announced its financial results for the fourth quarter and year ended August 31, 2010:

- Revenue for the year ended August 31<sup>st</sup>, 2010 increased by \$4.9 million, or 12.6%, to \$43.8 million compared to \$38.9 million in the year ended August 31, 2009. Revenue increased across the Company's TV and digital media platforms.
- EBITDA for the year ended August 31, 2010 was \$7.6 million compared to \$3.8 million in the previous year, due mostly to the increases in TV and digital media revenues.
- Net income for the year ended August 31, 2010 was \$2.5 million, compared to a net loss of \$1.4 million in the previous year, due primarily to the above noted increases in revenues.
- Fourth quarter revenue increased by \$1.6 million, or 18%, to \$10.5 million compared to \$8.9 million in the prior year. Fourth quarter EBITDA was \$1.4 million compared to \$0.7 million in the prior year.

"Fiscal 2010 was a breakthrough year for Score Media," says John Levy, Chairman and CEO, Score Media Inc. "We achieved tremendous growth with TV and mobile experiencing exceptional revenue increases. We look forward to continuing to make our mark during the next year and beyond."

- In Fiscal 2010, ScoreMobile and ScoreMobile FC attracted over 1.4 million monthly unique visitors who viewed over 50 million pages of content in peak months
- ScoreMobile continued to impress sports fans worldwide while ScoreMobile FC – launched on June 10, 2010, just in time for the 2010 FIFA World Cup™ – quickly attracted numerous soccer fans around the globe including ones from the United Kingdom, the United States and Indonesia. The soccer app is a free, comprehensive source of information for world football fans that provides live scores, stats and standings of over 50 international soccer leagues from over 15 countries worldwide.
- ScoreMobile also received a great deal of media attention in Fiscal 2010. The app was crowned a "Top 10 Sports App" in Beckett Media's Guide to Phone Apps and a "Top 20 free BlackBerry App" by PC Magazine. ScoreMobile also continues to be the #1 free sports app on BlackBerry anywhere in the world.
- Audiences on theScore were up more than 50% in fiscal 2010 compared to the prior year. Additionally, in the strategic 18-34 male demographic, audiences were up over 75% in the comparative periods. Viewers are increasingly tuning in for the Company's continued creation, production, and acquisition of authentic and engaging sports

content. In addition, theScore's ratings benefited from the launch of BBM Canada's Portable People Meter (PPM) which more effectively captures out of home and group viewing and generally increased viewer ratings for sports television networks.

- Score Media and World Wrestling Entertainment, Inc. continued their partnership and announced a 3-year agreement on September 24, 2009 that brings WWE fans a full slate of exciting WWE programming
- On December 9, 2009, Score Media Inc. and presenting sponsor Gillette crowned Paul Brothers the winner of *Gillette DRAFTED: The Search for Canada's Next Sportscaster*. In a fierce competition that attracted over 3,000 entrants, Paul Brothers prevailed as the winner of both a one-year sportscaster contract with Score Media contributing to theScore Television Network, theScore.com and ScoreMobile, as well as a one-year spokesperson contract with Gillette. On May 5, 2010 Score Media revealed the return of the program with the announcement of Gillette DRAFTED Season 2.
- Score Media was, once again, the exclusive home of the NCAA Division I Men's Basketball tournament. All of the excitement from the 65 team championship was made available on theScore Television Network, with NCAA March Madness highlights and coverage appearing on theScore.com, ScoreMobile and theScore Satellite Radio.
- On April 14, 2010, Score Media announced that it secured the exclusive Canadian media rights to Serie A, Italy's world-renowned professional soccer league. The two-year deal, which includes full digital rights, represents the first time a major Canadian sports network secured the rights to deliver exciting high-definition Serie A action to sports fans across Canada.
- In April, 2010, Score Media and the Canadian Broadcasting Corporation (CBC) inked a partnership to deliver exclusive 2010 FIFA World Cup South Africa™ content to viewers on theScore Television Network. The deal gave theScore access to extended highlights of each FIFA World Cup™ match as well as the ability to create additional exclusive FIFA World Cup™ content, including in-depth news content and behind-the-scenes coverage of every team.
- The launch of theScore iPad Edition was an important milestone for the company. On July 27, 2010, the app – offering sports fans the latest stats, news, scores and standings from every major sports league, while integrating the best content from theScore's multiplatform properties – became one of the first free sports apps on the market.

### **About Score Media Inc.**

Score Media is a media company committed to delivering interactive and authentic sports entertainment. Created in 1997 in response to the growing desire for increased participation in the consumption of sports, the Company has now established itself as the home for hardcore sports fans. Score Media's primary asset, theScore Television Network ("theScore"), is a national specialty television service providing sports news, information, highlights and live event programming in more than 6.8 million homes across Canada. The Company's digital media assets include theScore.com, theScore iPad Edition and the mobile sports applications ScoreMobile and ScoreMobile FC which are available on BlackBerry, iPhone and Android

devices. Score Media also operates theScore Satellite Radio which is available across North America on SIRIUS Satellite Radio Channel 98. Growing from a team of 60 in 1997 to over 240 employees in 2010, Score Media is a revolutionizing interactive media company.

**Forward-looking (safe harbour) statement**

Statements made in this news release that relate to future plans, events or performances are forward-looking statements. Any statement containing words such as "believes", "plans", "expects" or "intends" and other statements which are not historical facts contained in this release are forward-looking, and these statements involve risks and uncertainties and are based on current expectations. Consequently, actual results could differ materially from the expectations expressed in these forward-looking statements.

## FOURTH QUARTER RESULTS

The following tables reconcile net income to EBITDA:

	<b>Three months ended August 31, 2010</b>	<b>Three months ended August 31, 2009</b>
Net income (loss) for the period	\$ 1,100	\$ (676)
Less:		
Future income tax recovery	1,020	-
Add back:		
Depreciation and amortization	1,188	1,165
Interest expense, net	174	162
Loss on disposal of fixed assets	-	10
Future income tax expense	-	16
EBITDA	\$ 1,442	\$ 677

  

	<b>Year ended August 31, 2010</b>	<b>Year ended August 31, 2009</b>
Net income (loss) for the period	\$ 2,494	\$ (1,433)
Less:		
Gain on sale of investments	18	-
Add back:		
Loss on disposal of fixed assets	-	49
Depreciation and amortization	4,352	4,550
Interest expense, net	622	423
Future income tax expense	169	165
EBITDA	\$ 7,619	\$ 3,754

Score Media Inc.  
Consolidated Balance Sheets  
(in thousands of dollars)  
(unaudited)

	August 31, 2010	August 31, 2009 (restated)
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 184	\$ 276
Accounts receivable	9,828	6,875
Prepaid expenses and other assets	1,254	616
Future tax assets	847	663
	<u>12,113</u>	<u>8,430</u>
Fixed assets	15,193	17,174
Intangible assets	2,818	1,735
Future tax assets	6,658	7,011
	<u>\$ 36,782</u>	<u>\$ 34,350</u>
<b>Liabilities and Shareholders' Equity</b>		
Current liabilities:		
Accounts payable and accrued liabilities	6,285	5,132
Revolving credit facility	9,511	11,449
Shareholders' equity	20,986	17,769
	<u>\$ 36,782</u>	<u>\$ 34,350</u>

Score Media Inc.  
Consolidated Statements of Operations  
(in thousands of dollars, except share and per share amounts)  
(unaudited)

	Three months ended		Twelve months ended	
	August 31, 2010	August 31, 2009 (restated)	August 31, 2010	August 31, 2009 (restated)
Revenue	\$ 10,523	\$ 8,909	\$ 43,838	\$ 38,884
Production and other direct expenses	5,279	4,029	17,950	17,020
Selling, general and administration expenses	3,412	3,244	12,747	12,766
Program rights	390	959	5,522	5,344
	<u>9,081</u>	<u>8,232</u>	<u>36,219</u>	<u>35,130</u>
Income before undernoted	1,442	677	7,619	3,754
Interest expense, net	174	162	622	423
Gain on sale of investments	-	-	(18)	-
Loss on disposal of fixed assets	-	10	-	49
Depreciation and amortization	<u>1,188</u>	<u>1,165</u>	<u>4,352</u>	<u>4,550</u>
Income (loss) before income taxes	80	(660)	2,663	(1,268)
Future income tax expense (recovery)	<u>(1,020)</u>	<u>16</u>	<u>169</u>	<u>165</u>
Net income (loss)	<u>\$ 1,100</u>	<u>\$ (676)</u>	<u>\$ 2,494</u>	<u>\$ (1,433)</u>
Income (loss) per share - basic and diluted	<u>\$ 0.01</u>	<u>\$ (0.01)</u>	<u>\$ 0.03</u>	<u>\$ (0.02)</u>
Weighted average number of Class A Subordinate Voting and Special Voting Shares outstanding				
Basic	81,357,794	81,146,781	81,232,182	91,504,735
Diluted	<u>82,669,667</u>	<u>81,146,781</u>	<u>81,524,086</u>	<u>91,504,735</u>

Score Media Inc.  
Consolidated Statements of Cash Flows  
(in thousands of dollars)  
(unaudited)

	Three months ended		Twelve months ended	
	August 31, 2010	August 31, 2009 (restated)	August 31, 2010	August 31, 2009 (restated)
Cash provided by (used in):				
Operations:				
Net income (loss)	\$ 1,100	\$ (677)	\$ 2,494	\$ (1,433)
Items not involving cash:				
Depreciation and amortization	1,188	1,166	4,352	4,550
Loss on disposal of fixed assets	-	10	-	49
Stock-based compensation expense	87	231	547	429
Gain on sale of investments	(18)	-	(18)	-
Future income tax expense (recovery)	(1,020)	16	169	165
Change in fair value of derivative instruments	26	-	26	-
Change in non-cash operating working capital:				
Accounts receivable	393	1,232	(2,953)	776
Prepaid expenses and other assets	(990)	113	(638)	(47)
Accounts payable and accrued liabilities	1,387	(343)	1,591	940
	2,153	1,748	5,570	5,429
Financing:				
Draws from credit facility	12,121	11,905	41,623	52,349
Repayments to credit facility	(13,315)	(12,954)	(43,561)	(44,703)
Repurchase of Class A Subordinate Voting shares	-	-	-	(7,271)
Issuance of Class A Subordinate Voting shares	72	-	148	13
	(1,122)	(1,049)	(1,790)	388
Investments:				
Proceeds from sale of investments	18	-	18	-
Additions to fixed assets	(233)	(798)	(1,412)	(2,605)
Change in non-cash working capital related to fixed assets	(319)	165	(438)	(2,166)
Acquisition and development of intangible assets	(858)	(3)	(2,040)	(1,062)
	(1,392)	(636)	(3,872)	(5,833)
Decrease in cash and cash equivalents	(361)	63	(92)	(16)
Cash and cash equivalents, beginning of period	545	213	276	292
Cash and cash equivalents, end of period	\$ 184	\$ 276	\$ 184	\$ 276
Supplemental cash flow information				
Interest paid	\$ 84	\$ 106	\$ 418	\$ 431

The following selected quarterly financial data of the Corporation relates to the eight quarters ended August 31, 2010.

Quarterly Results	Revenue	EBITDA	Net income (loss)	Income (loss) per share – basic and diluted
	(\$000's)	(\$000's)	(\$000's)	(\$)
August 31, 2010	10,523	1,442	1,100	0.01
May 31, 2010	11,986	1,916	568	0.01
February 28, 2010	9,958	980	(239)	0.00
November 30, 2009	11,371	3,281	1,065	0.01
August 31, 2009	8,909	677	(676)	(0.01)
May 31, 2009	10,816	1,654	12	0.00
February 28, 2009	8,662	204	(1,017)	(0.01)
November 30, 2008	10,498	1,220	248	0.00

The Company's revenues have historically reflected a seasonality trend, with the third quarter (ending May 31<sup>st</sup>) being the strongest, followed by the first quarter (ending November 30<sup>th</sup>), the fourth quarter (ending August 31<sup>st</sup>), and finally the second quarter (ending February 28<sup>th</sup>). This seasonality reflects general trends for sports media advertising, which in turn reflects the schedules (particularly the playoffs) of the major sports leagues.

**Want to connect with Score Media?**



For more information, contact:

Tom Hearne  
 Chief Financial Officer  
 Score Media Inc.  
 416-977-6787 x2206  
[thearne@scoremedia.com](mailto:thearne@scoremedia.com)

Sharon Lassman  
 Director, Communications  
 Score Media Inc.  
 416-977-6787 x2217  
[slassman@scoremedia.com](mailto:slassman@scoremedia.com)