



FOR IMMEDIATE RELEASE

AirIQ Announces September 30, 2015 Financial Results 144% Net Income Growth

Toronto, Ontario – November 4, 2015 – AirIQ Inc. (“AirIQ”) (TSXV:IQ), a supplier of wireless asset management services, today announced its financial results for the three months and six months ended September 30, 2015.

“Once again, we are pleased that the Company is continuing to produce growth, profit and positive results in all areas,” said Michael Robb, President and Chief Executive Officer of AirIQ. “We will continue to focus on our key strategies to drive revenue growth and profitability for future periods,” continued Mr. Robb.

Unless otherwise noted herein, and except share and per share amounts, all references to dollar amounts from this point forward are in thousands of Canadian dollars.

The main highlights of the quarter were as follows with comparisons to the same quarter the previous year (except as otherwise noted):

- Revenue improved by 13% to \$757 from \$672
- Recurring revenue improved by 22% to \$564 from \$463
- EBITDAS improved by 79% to \$159 from \$89
- Net income improvement of 144% to \$127 from \$52
- Service contract gross profit improvement of 23% to \$437 from \$328
- Positive cash flows from operations of \$119 representing, representing a \$46 improvement
- Positive working capital of \$299 from \$211 at March 31, 2015
- Future revenue pools increased to \$868 from \$765 at March 31, 2015

Financial Highlights

	Three months ended 30-Sep-2015	Three months ended 30-Sep-2014
Total Revenue	\$757	\$672
Gross Margin	\$490	\$417
Gross Margin %	65%	62.1%
Expenses ⁽¹⁾	\$331	\$328
EBITDAS ⁽²⁾	\$159	\$89
Other expenses ⁽³⁾	\$32	\$37
Net Income (loss)	\$127	\$52
Net Income (loss) per share, basic and diluted	\$0.01	\$0.00

(1) Excludes share-based compensation.

(2) EBITDAS represents earnings before interest, tax, depreciation, amortization, share-based compensation expense and gain on business acquisition.

(3) Includes non-cash notional charges such as interest, depreciation and amortization, impairment of long lived assets, share-based compensation expense.

Business Review

The Company continues to focus on its key strategy elements to build revenues and reduce costs to achieve sustained profitability and positive cash flow, and to seek opportunities to form value creating strategic partnerships.

Overview

The Company's unaudited consolidated condensed interim financial statements include the accounts of AirIQ and its subsidiaries, AirIQ U.S. Holdings, Inc., AirIQ U.S., Inc., and AirIQ, LLC. All inter-company balances and transactions have been eliminated on consolidation.

The Company's unaudited consolidated condensed interim financial statements as at and for the three months ended June 30, 2015, including notes thereto, and Management's Discussion and Analysis for the same period were filed with the Canadian securities regulatory authorities on November 4, 2015, and will be available on the Company's website (www.airiq.com) and on the System for Electronic Document Analysis and Retrieval ("SEDAR") website (www.sedar.com).

Revenues

Revenues for the three months ended September 30, 2015, increased 13% to \$757 from \$672 for the three months ended September 30, 2014. Revenues for the six months ended September 30, 2015, increased 17% to \$1,579 from \$1,349 for the six months ended September 30, 2014. Approximately 70% of the total revenue for the period represents recurring revenue from the Company's airtime customers.

Revenues received from equipment sold in connection with service contracts are recorded as deferred revenue and recognized over the initial term of the service contract.

Sales of hardware units associated with service contracts recorded to deferred revenues were approximately \$200 and \$418, respectively, during the three months and six months ended September 30, 2015, compared to \$182 and \$426, respectively, during the three months and six months ended September 30, 2014. Revenues recognized from deferred hardware revenues for the three months and six months ended September 30, 2015 were approximately \$164 and \$315, respectively, compared to \$149 and \$271, respectively, during the three months and six months ended September 30, 2014.

Overall, revenues related to service contracts sold in connection with hardware equipment increased by \$101 and \$169, respectively, from \$463 and \$937, respectively, for the three months and six months ended September 30, 2014 to \$564 and \$1,106, respectively, for the three months and six months ended September 30, 2015.

Included in the Company's revenues are sales of units that were sold without a fixed term service contract of approximately \$21 and \$137, respectively, during the three months and six months ended September 30, 2015 compared to \$58 and \$133 respectively during the three months and six months ended September 30, 2014 respectively.

Included in the Company's reported revenues are miscellaneous parts, repair, warranty and lost unit sales of approximately \$8 and \$21, respectively, during the three months and six months ended September 30, 2015, compared to \$2 and \$8, respectively, for the three months and six months ended September 30, 2014.

Gross Profit

Overall, gross profit for the three months ended September 30, 2015 increased by 18% to \$490, and 9% to \$935 for the six months ended September 30, 2015 compared to \$417 and \$858 for the three months and six months ended September 30, 2014.

Equipment gross profits decreased by approximately \$13 and \$34, respectively, to \$53 and \$92, respectively, during the three months and six months ended September 30, 2015 from \$66 and \$126, respectively, for the three months and six months ended September 30, 2014.

Service contract gross profits increased by approximately 33% and 23%, respectively, to \$437 and \$843, respectively, for the three months and six months ended September 30, 2015 from \$328 and \$685, respectively, for the three months and six months ended September 30, 2014.

Expenses and Other Items

Sales and marketing, research and development and general and administrative expenses totalled \$351 and \$689, respectively, for the three months and six months ended September 30, 2015 compared to \$339 and \$676, respectively, for the three months and six months ended September 30, 2014.

Overall these expenses were increased by \$12 and \$13, respectively, for the three months and six months ended September 30, 2015, when compared to the three months and six months ended September 30, 2014.

Expense reductions for the three months ended September 30, 2015 when compared to the three months ended September 30, 2014 were achieved in the following areas; (a) rent and maintenance of approximately \$13, (b) public reporting costs of \$5, and (c) legal expenses of approximately \$1. These savings were offset by an increase in (a) consulting fees of approximately \$20, (b) wage and related expenses by \$5, (c) stock based compensation costs by \$3, and (c) other increases of approximately \$3 related primarily to computer operating costs and insurance costs.

Expense reductions for the six months ended September 30, 2015 when compared to the six months ended September 30, 2014 were achieved in the following areas; (a) rent and maintenance of approximately \$16, (b) computer operating costs of approximately \$6, c) miscellaneous expenses of \$7, and d) public reporting costs of \$4, These savings were offset by an increase in (a) consulting fees of approximately \$34, (b) wage and related expenses by \$5, (c) stock based compensation costs by \$5, and (c) other increases of approximately \$2 related primarily to legal and insurance costs.

Net income/loss

The Company's generated net income for the three months and six months ended September 30, 2015 of \$127 and \$201, respectively, or \$0.01 and \$0.01, respectively, per share as compared to \$52 and \$106, respectively, or \$0.00 and \$0.00 per share, respectively, for the three months and six months ended September 30, 2014, an improvement of \$75 and \$95, respectively.

The increase in net income for the three months ended September 30, 2015 when compared to the three months ended September 30, 2014 can be attributed to improvement in the following areas, a) decreased interest expense of \$10, b) increased gross profits of \$73, and (c) a decrease in foreign exchange of approximately \$6. These improvements were offset by an increase in. a) expense increase of approximately \$12, b) increase in amortization of approximately \$2.

The increase in net income for the six months ended September 30, 2015 when compared to the six months ended September 30, 2014 can be attributed to improvement in the following areas, a) decreased interest expense of \$21, b) decrease in amortization of approximately \$8, (c) a decrease in foreign exchange of approximately \$2, and d) increased gross profits of \$77. These improvements were offset by an expense increase of approximately \$13.

Financial Statements & MDA

The Company's unaudited consolidated condensed interim financial statements for the three months and six months ended September 30, 2015 including notes thereto, and Management's Discussion and Analysis for the same period are being filed with the Canadian securities regulatory authorities on today's date, and will be available on the Company's website (www.airiq.com) and on the System for Electronic Document Analysis and Retrieval ("SEDAR") website (www.sedar.com). The Company's financial statements include the accounts of AirIQ and its subsidiaries, AirIQ U.S. Holdings, Inc., AirIQ U.S., Inc., and AirIQ, LLC. All inter-company balances and transactions have been eliminated on consolidation.

About AirIQ

AirIQ currently trades on the TSX Venture Exchange under the symbol IQ. AirIQ's office is located in Pickering, Ontario, Canada. The Company offers a suite of asset management services that generate recurring revenues from each device deployed. AirIQ provides vehicle owners with the ability to monitor, manage and protect their mobile assets. Services include: instant vehicle locating, boundary notification, automated inventory reports, maintenance reminders, security alerts and vehicle disabling and unauthorized movement alerts. For additional information on AirIQ or its products and services, please visit the Company's website at www.airiq.com.

Forward-looking Statements

This news release contains forward-looking information based on management's best estimates and the current operating environment. These forward-looking statements are related to, but not limited to, AirIQ's operations, anticipated financial performance, business prospects and strategies. Forward-looking information typically contains statements with words such as "hope", "goal", "anticipate", "believe", "expect", "plan" or similar words suggesting future outcomes. These statements are based upon certain material factors or assumptions that were applied in drawing a conclusion or making a forecast or projection as reflected in the forward-looking statements, including AirIQ's perception of historical trends, current conditions and expected future developments as well as other factors management believes are appropriate in the circumstances. Such forward-looking statements are as of the date which such statement is made and are subject to a number of known and unknown risks, uncertainties and other factors, which could cause actual results or events to differ materially from future results expressed, anticipated or implied by such forward-looking statements. Such factors include, but are not limited to, changes in market and competition, technological and competitive developments and potential downturns in economic conditions generally. Therefore, actual outcomes may differ materially from those expressed in such forward-looking statements. Forward-looking statements are provided for the purpose of providing information about management's current expectations and plans relating to the future. Readers are cautioned that such information may not be appropriate for other purposes. Other than as may be required by law, AirIQ disclaims any intention or obligation to update or revise any such forward-looking statements, whether as a result of such information, future events or otherwise.

* * *

For more information please contact

AirIQ Inc.
Michael Robb
President and Chief Executive Officer
(905) 831-6444, Ext. 4371
mrobb@airiq.com

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.