



FOR IMMEDIATE RELEASE

Immunotec Announces Third Quarter 2014 Results

*Canadian platform supported solid revenue increase of 47%,
While taxation challenges experienced in Mexico*

VAUDREUIL-DORION, QC, 29 September 2014 – Immunotec Inc. (TSXV: IMM), a direct-to-consumer company and a leader in the nutritional industry (the “Company” or “Immunotec”), released results for the three- and nine-month periods ending on 31 July 2014. All amounts in this press release are denominated in Canadian dollars unless otherwise indicated.

Third Quarter three-month period Operational and Financial Highlights:

- Revenues increased by 55.0% to \$22.3M
- Currency-adjusted growth in Mexican and U.S. markets of 99.4% and 27.0%
- Adjusted EBITDA¹ increased 151.7% to \$1.7M or 7.5% of Revenues
- Net loss of \$4.3M comprised of a provision of \$4.5M related to the uncertainty derived from a recent taxation court ruling and \$0.7M of financing fees associated with suspending indefinitely the 2 July 2014 preliminary short form prospectus.

“In spite of the taxation challenges experienced by our industry in Mexico in the absence of clear laws, we are pleased to report year-to-date adjusted EBITDA¹ of \$3.8M, reflecting continued leverage of our Canadian platform and our ability, via our direct-to-consumer model, to take advantage of significant growth opportunities in the U.S. and in Mexico,” said Mr. Charles L. Orr, Chief Executive Officer.

In 2010, we assumed control of the distribution channel in Mexico and, as a result, we have built a growing and sustainable business in that country. While business opportunities remain significant in Mexico, more importantly, we are confident in our ability to replicate our success in other countries in upcoming years.

“At this stage, our growth in the U.S. is being fuelled by our collaboration with the Hispanic population which is growing rapidly and benefitting from enhanced economic power. Industry studies indicate above industry growth rates in this segment of the population and good opportunities to reach them via the direct-to-consumer sales model,” concluded Mr. Orr.

“A recent unfavourable court decision increased the uncertainty with regard to the applicability of value-added taxes (“VAT”) on our products. We have taken steps to

¹ Refer to the non-GAAP measures section of the most recent Management’s Discussion and Analysis filed on www.sedar.com.

appeal this decision. However, until matters are resolved, we have decided to record a provision during the period” said Mr. Patrick Montpetit, Vice-President and Chief Financial Officer.

Financial Results

For the periods ended 31 July (‘000s of C\$)	Three-month			Nine-month		
	2014	2013	Growth	2014	2013	Growth
Network sales	20,703	12,953	59.8%	52,964	35,353	49.8%
Other revenue	1,560	1,408	10.8%	4,517	3,817	18.3%
	22,263	14,361	55.0%	57,481	39,170	46.7%

Network sales in key markets in local currency	Three-month			Nine-month		
	2014	2013	Growth	2014	2013	Growth
Mexico (‘000s of Mexican Pesos)	153,711	77,089	99.4%	379,982	206,395	84.1%
United States (‘000s of US\$)	4,142	3,262	27.0%	11,255	8,866	26.9%
Canada (‘000s of C\$)	2,983	3,235	-7.8%	8,683	9,465	-8.3%

Revenues in the three-month period reached \$22.3M compared to \$14.4M for the same period in the previous year, representing an increase of 55.0%. The increase in revenues was due primarily to continued sales momentum in Mexico and U.S. with currency-adjusted growth, respectively of 99.4% and 27.0%.

For the three-month period, costs of goods sold were \$3.5M or 16.3% of total product revenues¹ compared to \$2.6M or 19.0% of total product revenues¹ for the same period last year. This improvement is due primarily from a more efficient product mix.

For the three-month period, field incentives and selected expenses¹ comprised of field incentives, administrative, marketing and selling and quality and development costs were \$15.9M compared to \$10.2M for the same period in the previous year. In percentage of total revenues, these expenses remain flat at 71.2%. While field incentives have increased as a percentage of total revenues, all other expenses declined due to the operational leverage provided by solid revenue growth. For the nine-month period, field incentives increased to 53.1% of revenue as compared to 47.1% in the same period in the previous year, primarily due to the addition of a significant number of new consultants resulting in upfront costs related to incentives, training and seminars. Excluding these upfront expenses, the residual portion of field incentives has remained stable as a percentage of total revenues at 41.9% in the two periods.

For the three-month period, adjusted EBITDA¹ was \$1.7M compared to \$0.7M in the same period in the previous year, representing an increase of 151.7% over the same period in the previous year. This increase primarily reflects an improved product mix (as discussed above) combined with operational leverage and is partially offset by higher field incentives reflecting the upfront costs related to new consultants.

Net loss for the three-month period ended 31 July 2014 totalled \$4.3M, as compared to net loss of \$0.1M for the same period in the previous year. Total basic and fully diluted (loss) profit per common share for the three-month period ended 31 July 2014 was (\$0.06), as compared to (\$0.00) in the same period in the previous year. The loss for the

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period reflects positive growth in adjusted EBITDA¹ mitigated by a provision further discussed in the “Contingencies and guarantee” section of note 13 of the Unaudited Interim Consolidated Financial Statements and the Management’s Discussion and Analysis and \$0.7M of financing fees associated with suspending indefinitely the 2 July 2014 preliminary short form prospectus (see note 10 of the Unaudited Interim Consolidated Financial Statements).

Network Results after nine months

Sponsoring of new Customers and Consultants in key markets	Three-month			Nine-month		
	2014	2013	Growth	2014	2013	Growth
Mexico	18,332	8,579	113.7%	45,614	23,399	94.9%
United States	3,652	2,638	38.4%	9,619	5,501	74.9%
Canada	1,619	1,726	-6.2%	4,256	3,871	9.9%
	23,603	12,943	82.4%	59,489	32,771	81.5%

The Company’s success in attracting new customers and consultants is once again well reflected in the third quarter and after nine months in both Mexico and United States. During the nine-month period in Mexico, sponsoring of new customers and consultants increased by 22,215 or 94.9%, over the same period in the previous year. The increase primarily reflects the geographic expansion of the network in Mexico, the 6th largest Direct Selling market in the world. Considering the current geographic reach of our network and the size of Mexico’s population, significant growth opportunities remain to increase the Company’s penetration of this key market.

During the nine-month period in the United States sponsoring of new customers and consultants increased by 4,118 or 74.9%, over the same period in the previous year. The increase primarily reflects the Company’s continued success in attracting customers and consultants among the Hispanic population in the southwestern United States. In Canada, the number of customers and consultants declined in the three-month period, but remains positive after nine-month period by 9.9%.

Extension of the Term of the CEO’s Employment Agreement

Immunotec’s Board of Directors is pleased to announce that the term of the employment agreement of Mr. Charles L. Orr, Chief Executive Officer, has been extended for an additional one-year period until 31 May 2016. Mr. Orr has been CEO of the Corporation since 1 June 2013 and was employed at the time for a determinate term of 2 years. “We are pleased that Mr. Orr’s contract has been extended”, said Mr. Rod Budd, Chairman of the Board of Directors. “This will provide continuity as well as additional time for Mr. Orr to lead the implementation of the Corporation’s strategies going forward.”

About Immunotec Inc.

Immunotec is a Canadian-based Company that develops, manufactures, markets and sells research-driven nutritional products through direct-to-consumer sales channels in Canada, the U.S. and Mexico. The Company offers an extensive family of nutritional products targeting health, wellness, weight management, as well as energy and fitness. The Immunocal family of products is supported by over 40 published articles and supporting science in medical and scientific literature.

Please visit us at www.immunotec.com for additional information.

The Company files its continuous disclosure documents on the SEDAR database at www.sedar.com and on the Company's website at www.immunotec.com. The common shares of the Company are listed on the TSX Venture Exchange under the ticker symbol IMM. 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.

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CAUTION REGARDING FORWARD-LOOKING STATEMENTS: Certain statements contained in this news release are forward looking and are subject to numerous risks and uncertainties, known and unknown. For information identifying known risks and uncertainties and other important factors that could cause actual results to differ materially from those anticipated in the forward-looking statements, please refer to the heading Risks and Uncertainties in Immunotec's most recent Management's Discussion and Analysis, Annual Information Form and Preliminary Short Form Prospectus, which can be found at www.sedar.com. Consequently, actual results may differ materially from the anticipated results expressed in these forward-looking statements.