Altus Group Reports First Quarter 2016 Financial Results

Altus Analytics Recurring Revenues Increased 43.4%

TORONTO (May 5, 2016) - Altus Group Limited ("Altus Group" or "the Company") (TSX: AIF) a leading provider of independent advisory services, software, and data solutions to the global commercial real estate industry, announced today its financial and operating results for the first quarter ended March 31, 2016.

First Quarter 2016 Highlights:

- Formed Altus Analytics Solutions, a high growth business unit, through the combination of Altus Group's market leading ARGUS Software and Research, Valuation and Advisory's U.S., Europe and Voyanta operations
- Altus Analytics total revenues increased 39.2%, and Adjusted EBITDA increased 53.8%
- Property Tax expanded its market leadership position with revenues increasing 15.1%, while Adjusted EBITDA increased 42.1%
- Consolidated revenues increased 8.4% to $106.7 million
- Consolidated Adjusted EBITDA increased 1.7% to $12.4 million
- Geomatics impacted overall results with a decline of 37.5% in revenues and 120% in Adjusted EBITDA as a result of reduced activity in the oil and gas sector

"We experienced a very strong start to the year with robust top-line growth and margin contribution coming from Altus Analytics while maintaining our leadership position across all of our business practices," said Robert Courteau, Chief Executive Officer at Altus Group. "Our performance during the first quarter reflects the market's rapid adoption rate and need for our value-add innovative technology offerings, complemented by our ability to grow with existing and new customers on a global basis."

Summary of Operating and Financial Performance:

All amounts are in Canadian dollars and percentages are in comparison to the first quarter of 2015

Altus Analytics					**Quarter ended March 31,**
In thousands of dollars		**2016**		2015	% Change
Revenues					
Recurring - Data & Software Subscriptions, Maintenance	$	27,665	$	19,288	43.4%
Non-recurring - Licenses and Services		9,019		7,074	27.5%
Revenues	$	36,684	$	26,362	39.2%
Adjusted EBITDA	$	8,807	$	5,725	53.8%
Adjusted EBITDA Margin		24.0%		21.7%	

Commercial Real Estate Consulting					Quarter ended March 31,
In thousands of dollars		**2016**		2015	% Change
Revenues					
Property Tax	$	35,746	$	31,063	15.1%
Valuation and Cost Advisory		22,683		22,297	1.7%
Revenues	$	58,429	$	53,360	9.5%
Adjusted EBITDA					
Property Tax	$	7,941	$	5,590	42.1%
Valuation and Cost Advisory		2,486		2,855	(12.9%)
Adjusted EBITDA	$	10,427	$	8,445	23.5%
Adjusted EBITDA Margin		17.8%		15.8%	

Geomatics					Quarter ended March 31,
In thousands of dollars		**2016**		2015	% Change
Revenues	$	11,827	$	18,919	(37.5%)
Adjusted EBITDA	$	(644)	$	3,225	(120.0%)
Adjusted EBITDA Margin		(5.4%)		17.0%	

First Quarter 2016 Review:

Altus Analytics benefitted from a 39.2% increase in revenues driven by a 43.4% increase in recurring revenues and a 27.5% increase in non-recurring revenues. Recurring revenues accelerated by 43.4% on increased subscriptions for ARGUS Enterprise, Voyanta and data products as well as from, appraisal management and maintenance revenues. Growth in non-recurring revenues was driven by ARGUS software perpetual licenses sales and services. License sales increased by 43.1% over the prior year. In addition, improvements in the exchange rate against the Canadian dollar benefitted revenues by 7.6%. The 53.8% improvement to Adjusted EBITDA was the result of robust revenue growth, taking into account investments made to fund the early growth of Voyanta, and enhancements to platform and product development. Changes in foreign exchange benefitted Adjusted EBITDA by 6.6%.

Commercial Real Estate Consulting ("CRE") revenues increased 9.5% to $58.4 million when compared to the first quarter of 2015. The CRE Consulting business showed healthy growth with Property Tax revenues up 15.1% and Valuation and Cost Advisory revenues holding steady. The increase in Property Tax revenues was driven by strong organic growth in Canada and the U.S. Exchange rates benefitted revenues by 2.2%. Adjusted EBITDA increased 23.5% to $10.4 million, as a result of strong revenue growth in Property Tax and offset by slightly lower earnings from Valuation and Cost Advisory.

Geomatics continued to be adversely impacted by the low price of oil and reduced overall activity in the oil and gas sector resulting in revenues decreasing by 37.5% to $11.8 million. Adjusted EBITDA was a loss of $0.6 million, down 120.0%, as compared to the same period in 2015, driven by reduced revenues and charges related to downsizing operational capacity for current market conditions.

Corporate Costs (Recovery) were $6.2 million for the quarter ended March 31, 2016, as compared to $5.2 million in the same period in 2015. The increase in corporate costs was due to higher variable compensation.

During the first quarter of 2016, on a consolidated basis, favourable exchange rates against the Canadian dollar benefitted consolidated revenues by 3.2%.

Under IFRS accounting, profit (loss) for the first quarter of 2016, was ($2.2) million and ($0.06) per share basic and diluted, compared to $0.7 million and $0.02 per share basic and diluted during the same period in 2015.

At the end of the first quarter, Altus Group's balance sheet remained strong, with bank debt at $124.0 million, representing a funded debt to EBITDA leverage ratio of 1.86 times.

Q1 2016 Results Conference Call & Webcast

Date:	Thursday, May 5, 2016
Time:	5:00 p.m. (ET)
Webcast:	altusgroup.com (under the Investors tab)
Live Call:	1- 866-223-7781 (toll-free) or 416-340-2216 (Toronto area)
Replay:	A replay of the call will be available via the webcast at altusgroup.com

About Altus Group Limited

Altus Group Limited is a leading provider of independent advisory services, software, and data solutions to the global commercial real estate industry. Our businesses, Altus Analytics and Expert Services, reflect decades of experience, a range of expertise, and technology-enabled capabilities. Our solutions empower clients to analyze, gain market insight and recognize value on their real estate investments. Headquartered in Canada, we have approximately 2,300 employees around the world, with operations in North America, Europe and Asia Pacific. Our clients include some of the world's largest real estate industry participants across a variety of sectors. Altus Group pays a quarterly dividend of $0.15 per share and our securities are traded on the TSX under the symbols AIF and AIF.DB.A.

For more information on Altus Group, please visit: www.altusgroup.com.

Non-IFRS Measures

Altus Group uses certain non-IFRS measures as indicators of financial performance. Readers are cautioned that they are not defined performance measures under IFRS and may differ from similar computations as reported by other similar entities and, accordingly, may not be comparable to financial measures as reported by those entities. We believe that these measures are useful supplemental measures that may assist investors in assessing an investment in our shares and provide more insight into our performance.

Adjusted Earnings before Interest, Taxes, Depreciation and Amortization, ("Adjusted EBITDA"), represents operating profit (loss) adjusted for the effects of amortization of intangibles, depreciation of property, plant and equipment, acquisition-related expenses (income), restructuring costs, share of profit (loss) of associates, unrealized foreign exchange gains (losses), gains (losses) on sale of property, plant and equipment, gains (losses) on sale of business assets, impairment charges, non-cash Executive Compensation Plan costs, gains (losses) on hedging transactions, gains (losses) on equity derivatives net of mark-to-market adjustments on related restricted share units ("RSUs") and deferred share units ("DSUs") being hedged and other costs or income of a non-operating and/or non-recurring nature.

Adjusted Earnings (Loss) per Share, ("Adjusted EPS"), represents basic earnings per share adjusted for the effects of amortization of intangibles acquired as part of business acquisitions, non-cash finance costs (income) related to the revaluation of amounts payable to UK unitholders, net of changes in fair value of related equity derivatives, distributions related to amounts payable to UK unitholders, acquisition-related expenses (income), restructuring costs, share of profit (loss) of associates, unrealized foreign exchange gains (losses), gains (losses) on sale of property, plant and equipment, gains (losses) on sale of certain business assets, interest accretion on contingent consideration payables, impairment charges, non-cash Executive Compensation Plan costs, gains (losses) on hedging transactions, gains (losses) on equity derivatives net of mark-to-market adjustments on related RSUs and DSUs being hedged and other costs or income of a non-operating and/or non-recurring nature. All of the adjustments are made net of tax.

Forward-Looking Information

Certain information in this press release may constitute "forward-looking information" within the meaning of applicable securities legislation. All information contained in this press release, other than statements of current and historical fact, is forward-looking information. Forward-looking information includes, but is not limited to, the discussion of our business and operating initiatives, focuses and strategies, our expectations of future performance for our various business units and our consolidated financial results, and our expectations with respect to cash flows and liquidity. Generally, forward-looking information can be identified by use of words such as "may", "will", "expect", "believe", "plan", "would", "could" and other similar terminology. All of the forward-looking information in this press release is qualified by this cautionary statement.

Forward-looking information is not, and cannot be, a guarantee of future results or events. Forward-looking information is based on, among other things, opinions, assumptions, estimates and analyses that, while considered reasonable by us at the date the forward-looking information is provided, inherently are subject to significant risks, uncertainties, contingencies and other factors that may cause actual results, performance or achievements, industry results or events to be materially different from those expressed or implied by the forward-looking information. The material factors or assumptions that we identified and were applied by us in drawing conclusions or making forecasts or projections set out in the forward-looking information include, but are not limited to: the successful execution of our business strategies; consistent and stable economic conditions or conditions in the financial markets; consistent and stable legislation in the various countries in which we operate; no disruptive changes in the technology environment; the opportunity to acquire accretive businesses; the successful integration of acquired businesses; and the continued availability of qualified professionals.

Inherent in the forward-looking information are known and unknown risks, uncertainties and other factors that could cause our actual results, performance or achievements, or industry results, to differ materially from any results, performance or achievements expressed or implied by such forward-looking information. Those risks, uncertainties and other factors that could cause actual results to differ materially from the forward-looking information include, but are not limited to: general state of the economy; currency risk; oil and gas sector; ability to maintain profitability and manage growth; commercial real estate market; competition in the industry; ability to attract and retain professionals; information from multiple sources; reliance on larger software transactions with longer and less predictable sales cycles; success of new product introductions; ability to respond to technological change and develop products on a timely basis; protection of intellectual property or defending against claims of intellectual property rights of others; information technology governance and security; integration of acquisitions; fixed-price and contingency engagements; appraisal and appraisal management mandates; Canadian multi-residential market; weather; legislative and regulatory changes; customer concentration; interest rate risk; credit risk; income tax matters; revenue and cash flow volatility; operating risks; performance of obligations/maintenance of client satisfaction; risk of future legal proceedings; insurance limits; ability to meet solvency requirements to pay dividends; leverage and restrictive covenants; unpredictability and volatility of common share price; capital investment; and issuance of additional common shares diluting existing shareholders' interests, as well as those described in Altus Group's publicly filed documents, including the Annual Information Form for the year ended December 31, 2015 (which are available on SEDAR at www.sedar.com).

Given these risks, uncertainties and other factors, investors should not place undue reliance on forward-looking information as a prediction of actual results. The forward-looking information reflects management's current expectations and beliefs regarding future events and operating performance and is based on information currently available to management. Although we have attempted to identify important factors that could cause actual results to differ materially from the forward-looking information contained herein, there are other factors that could cause results not to be as anticipated, estimated or intended. The forward-looking information contained herein is current as of the date of this press release and, except as required under applicable law, we do not undertake to update or revise it to reflect new events or *circumstances. Additionally, we undertake no obligation to comment on analyses, expectations or statements made by third parties in respect of Altus Group, our financial or operating results, or our securities.*

FOR FURTHER INFORMATION PLEASE CONTACT:

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Interim Condensed Consolidated Statements of Comprehensive Income (Loss)
For the Three Months Ended March 31, 2016 and 2015
(Unaudited)

(Expressed in Thousands of Canadian Dollars, Except for Shares and Per Share Amounts)

	Three months ended March 31	
	2016	2015
Revenues	**$ 106,688**	$ 98,465
Expenses		
Employee compensation	**70,913**	64,303
Occupancy	**5,216**	4,265
Office and other operating	**20,257**	16,929
Amortization of intangibles	**7,145**	8,180
Depreciation of property, plant and equipment	**1,767**	1,508
Acquisition related expenses (income)	**161**	-
Share of (profit) loss of associates	**1,112**	34
Restructuring costs	**1,710**	-
Operating profit (loss)	**(1,593)**	3,246
Finance costs (income), net	**1,725**	2,657
Profit (loss) before income taxes	**(3,318)**	589
Income tax expense (recovery)	**(1,106)**	(127)
Profit (loss) for the period attributable to equity holders	**(2,212)**	716
Other comprehensive income (loss):		
Items that may be reclassified to profit or loss in subsequent periods:		
Cash flow hedges	**-**	92
Currency translation differences	**(15,690)**	16,927
Share of other comprehensive income (loss) of associates	**(709)**	342
Other comprehensive income (loss), net of tax	**(16,399)**	17,361
Total comprehensive income (loss) for the period, net of tax, attributable to equity holders	**$ (18,611)**	$ 18,077
Earnings (loss) per share attributable to the equity holders of the Company during the period		
Basic earnings (loss) per share	**$(0.06)**	$0.02
Diluted earnings (loss) per share	**$(0.06)**	$0.02

Interim Condensed Consolidated Balance Sheets
As at March 31, 2016 and December 31, 2015
(Unaudited)

(Expressed in Thousands of Canadian Dollars)

	March 31, 2016	December 31, 2015
Assets		
Current assets		
Cash and cash equivalents	**$ 22,994**	$ 19,604
Trade receivables and other	**126,016**	134,501
Income taxes recoverable	**1,031**	794
Derivative financial instruments	**126**	33
	150,167	154,932
Non-current assets		
Trade receivables and other	**592**	594
Derivative financial instruments	**328**	43
Investment in associates	**15,523**	17,447
Deferred income taxes	**19,580**	19,712
Property, plant and equipment	**28,632**	30,778
Intangibles	**121,183**	134,872
Goodwill	**231,803**	239,346
	417,641	442,792
Total Assets	**$ 567,808**	$ 597,724
Liabilities		
Current liabilities		
Trade payables and other	**$ 70,835**	$ 81,282
Income taxes payable	**1,012**	1,015
Borrowings	**1,675**	2,129
Amounts payable to unitholders	**2,707**	-
	76,229	84,426
Non-current liabilities		
Trade payables and other	**19,530**	13,890
Borrowings	**131,685**	134,302
Derivative financial instruments	**1,640**	1,398
Deferred income taxes	**8,755**	10,586
Amounts payable to unitholders	**-**	2,527
	161,610	162,703
Total Liabilities	**237,839**	247,129
Shareholders' Equity		
Share capital	**454,770**	452,472
Equity component of convertible debentures	**295**	312
Contributed surplus	**15,337**	14,084
Accumulated other comprehensive income (loss)	**44,159**	60,558
Deficit	**(184,592)**	(176,831)
Total Shareholders' Equity	**329,969**	350,595
Total Liabilities and Shareholders' Equity	**$ 567,808**	$ 597,724

Interim Condensed Consolidated Statements of Cash Flows
For the Three Months Ended March 31, 2016 and 2015
(Unaudited)
(Expressed in Thousands of Canadian Dollars)

	Three months ended March 31	
	2016	2015
Cash flows from operating activities		
Profit (loss) before income taxes	**$ (3,318)**	$ 589
Adjustments for:		
Amortization of intangibles	**7,145**	8,180
Depreciation of property, plant and equipment	**1,767**	1,508
Amortization of lease inducements	**36**	147
Amortization of capitalized software development costs	**137**	128
Finance costs (income), net	**1,725**	2,657
Share-based compensation	**1,824**	1,179
Unrealized foreign exchange (gain) loss	**1,243**	(1,117)
(Gain) loss on disposal of property, plant and equipment	**48**	17
(Gain) loss on equity derivatives	**(355)**	376
Share of (profit) loss of associates	**1,112**	34
Net changes in operating working capital	**3,113**	(4,371)
Net cash generated by (used in) operations	**14,477**	9,327
Less: interest paid	**(951)**	(1,360)
Less: income taxes paid	**(1,392)**	(5,338)
Add: income taxes received	**180**	185
Net cash provided by (used in) operating activities	**12,314**	2,814
Cash flows from financing activities		
Proceeds from exercise of options	**295**	212
Financing fees paid	**(55)**	(10)
Proceeds from borrowings	**-**	8,000
Repayment of borrowings	**(2,678)**	(1,584)
Dividends paid	**(4,630)**	(3,984)
Interest paid to Altus UK LLP Class B and D unitholders	**(32)**	(21)
Net cash provided by (used in) financing activities	**(7,100)**	2,613
Cash flows from investing activities		
Purchase of intangibles	**(308)**	(154)
Purchase of property, plant and equipment	**(557)**	(1,263)
Proceeds from disposal of property, plant and equipment	**50**	9
Net cash provided by (used in) investing activities	**(815)**	(1,408)
Effect of foreign currency translation	**(1,009)**	626
Net increase (decrease) in cash and cash equivalents	**3,390**	4,645
Cash and cash equivalents		
Beginning of period	**19,604**	17,452
End of period	**$ 22,994**	$ 22,097