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**Insignia Systems, Inc. Announces
Preliminary Expectations for Fourth Quarter 2014 Results**

MINNEAPOLIS, MN – December 15, 2014 – Insignia Systems, Inc. (Nasdaq: ISIG) (“Insignia” or “the Company”) today provided certain preliminary information regarding its expected financial results for the fourth quarter of 2014. As discussed in Insignia’s press release, dated October 29, 2014, announcing financial results for the third quarter of 2014 (the “third quarter 2014 release”), the Company’s business currently faces increasing challenges in the market, driven primarily by recent overall cost reduction efforts among consumer packaged goods (CPG) manufacturers and changes in promotional spending by two of the Company’s larger CPG customers. In the third quarter release, the Company disclosed that, as of the date of that release, its year-over-year bookings for the fourth quarter of 2014 were down by approximately 12%. Insignia now expects net sales for the fourth quarter of 2014 will range from \$5.8 million to \$6.1 million, down 12% to 16% compared to the fourth quarter of 2013. Given the Company’s investments in sales and marketing thus far in 2014 to sustain and grow Insignia’s core products and launch The Like Machine™, the Company now expects a net loss for the fourth quarter of 2014 ranging from \$300,000 to \$500,000, including certain restructuring costs described below. Fourth quarter 2014 expected results are preliminary and are subject to the Company’s management and independent auditor completing their customary closing and audit procedures following the quarter, among other factors.

A restructuring plan has been approved and will be implemented to reduce costs moving forward. The Company anticipates a pre-tax restructuring charge of approximately \$130,000, primarily consisting of an office lease reserve, which will be reflected in its fourth quarter 2014 results. Current backlog for programs running in 2015 is \$8.3 million, while the backlog one year ago for programs running in 2014 was \$7.4 million.

Glen Dall, President and CEO, commented, “We are disappointed in our fourth quarter 2014 results. While we are encouraged by the increase in backlog, it is too early to predict 2015 sales levels. Moving forward, we are committed to aligning our expenses to revenue, while continuing efforts to grow our core business, and successfully launch The Like Machine. We have confidence in our team and remain dedicated to focusing on delivering long-term value.”

About Insignia Systems, Inc.

Insignia Systems, Inc. is a developer and marketer of innovative in-store products, programs, and services that help consumer goods manufacturers and retail partners drive sales at the point of purchase. Insignia provides at-shelf media solutions in approximately 13,000 retail supermarkets, 2,000 mass merchants and 8,000 dollar stores. With a client list of over 200 major consumer goods manufacturers, including General Mills, Kellogg Company, Kraft Foods, Nestlé, and P&G,

Insignia helps major brands deliver on their key engagement, promotion, and advertising objectives right at the point-of-purchase. For additional information, contact (888) 474-7677, or visit the Insignia website at www.insigniasystems.com.

Cautionary Statement for the Purpose of Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995

Statements in this press release which are not statements of historical or current facts are considered forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, as amended. The words “believes,” “expects,” “anticipates,” “seeks” and similar expressions identify forward-looking statements. Readers are cautioned not to place undue reliance on these or any forward-looking statements, which speak only as of the date of this press release. Statements made in this press release regarding, for instance: current expectations as to fourth quarter 2014 or future financial performance; backlog; ability to implement and achieve benefits from restructuring efforts; benefits of sales and marketing investments; and ability to sustain and grow core products and launch new products, are forward-looking statements. These forward-looking statements are based on current information, which we have assessed and which by its nature is dynamic and subject to rapid and even abrupt changes. As such, actual results may differ materially from the results or performance expressed or implied by such forward-looking statements. Forward-looking statements involve known and unknown risks, uncertainties and other factors, including: (i) the risk that management may be unable to fully or successfully implement its business plan, including restructuring efforts, to achieve and maintain profitability in the future; (ii) the risk that backlog will not result in actual sales; (iii) the risk that the Company will not be able to sustain and grow core product offerings or to develop, implement and grow new product offerings in a successful manner, including our ability to gain retailer acceptance of new product offerings; (iv) the unexpected loss of a major consumer packaged goods manufacturer relationship or retailer agreement or termination of our relationship with News America; (v) prevailing market conditions in the in-store advertising industry, including intense competition for agreements with retailers and consumer packaged goods manufacturers and the effect of any delayed or cancelled customer programs; (vi) potentially incorrect assumptions by management with respect to the financial effect of cost containment or reduction initiatives, current strategic decisions, current sales trends for fiscal year 2015; and (vi) other economic, business, market, financial, competitive and/or regulatory factors affecting the Company’s business generally, including those set forth in our Annual Report on Form 10-K for the year ended December 31, 2013 and additional risks, if any, identified in our Quarterly Reports on Form 10-Q and our Current Reports on Forms 8-K filed with the SEC. Such forward-looking statements should be read in conjunction with the Company's filings with the SEC. The Company assumes no responsibility to update the forward-looking statements contained in this press release or the reasons why actual results would differ from those anticipated in any such forward-looking statement, other than as required by law.

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