ANNUAL REPORT OF IDW MEDIA HOLDINGS, INC
FOR THE THREE MONTHS AND FISCAL YEAR ENDED OCTOBER 31, 2015

Item 5 Financial Statements

Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following information should be read in conjunction with the accompanying audited consolidated financial statements and the notes thereto contained in this Annual Report.

As used below, unless the context otherwise requires, the terms "the Company," "we," "us," and "our" refer to IDW Media Holdings, Inc., a Delaware corporation, and our subsidiaries.

Forward-Looking Statements

This Quarterly Report contains forward-looking statements. Statements that are not historical facts are forward-looking statements. Examples of forward-looking statements include:

- statements about the Company and its divisions' future performance;
- projections of the Company and its divisions' results of operations or financial condition; and
- statements regarding the Company plans, objectives or goals, including those relating to its strategies, initiatives, competition, acquisitions, dispositions and/or its products.

Words such as "believe," "anticipate," "plan," "expect," "intend," "target," "estimate," "project," "predict," "forecast," "guideline," "aim," "will," "should," "likely," "continue" and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. Readers are cautioned not to place undue reliance on these forward-looking statements and all such forward-looking statements are qualified in their entirety by reference to the following cautionary statements.

Forward-looking statements are based on the Company's current expectations, estimates and assumptions and because forward-looking statements address future results, events and conditions, they, by their very nature, involve inherent risks and uncertainties, many of which are unforeseeable and beyond the Company's control. Such known and unknown risks, uncertainties and other factors may cause the Company's actual results, performance or other achievements to differ materially from the anticipated results, performance or achievements expressed, projected or implied by these forward-looking statements.

These factors include those discussed under the headings "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the Company's annual financial statements.

The Company cautions that such factors are not exhaustive and that other risks and uncertainties may cause actual results to differ materially from those in forward-looking statements.

Forward-looking statements speak only as of the date they are made and are statements of the Company's current expectations concerning future results, events and conditions and the Company is under no obligation to update any of the forward-looking statements, whether as a result of new information, future events or otherwise.

OVERVIEW

Our principal businesses consist of:

> Our majority interest in IDW, Inc., owner of Idea and Design Works, LLC ("IDW"), an entertainment company that includes IDW Publishing, IDW Games and IDW Entertainment, and
>
> CTM Media Group, Inc. ("CTM"), our brochure and digital distribution company and other advertising-based product initiatives focused on small to medium sized businesses.

IDW

Idea and Design Works, LLC ("IDW"), is an entertainment company that includes IDW Publishing, IDW Games and IDW Entertainment.

On December 12, 2014, IDW purchased principally all of the assets of Top Shelf Productions, a publisher of graphic novels. The purchase increased the properties and products of IDW.

IDW's revenues represented 58.9% and 56.4% of our consolidated revenues in the three months ended October 31, 2015 and 2014, respectively, and 58.1% and 56.2% in the fiscal years ended October 31, 2015 and 2014, respectively.

CTM

CTM develops and distributes print and digital-based advertising and information in targeted tourist markets. CTM operates four integrated and complimentary business lines: Brochure Distribution, Publishing, RightCard™, and Digital Distribution offering its customers a comprehensive media marketing approach through these business lines. CTM owns and services more than 13,400 display stations in over 32 states and provinces in the United States and Canada. CTM, through Ettractions, Inc., its digital operating company, sells its Ettractions ExploreBoard touchscreen advertising and information delivery system and services and maintains content on systems sold to third parties.

On February 13, 2015, CTM acquired the assets of the brochure distribution network of a company in New England. This acquisition expanded CTM's network in the area and added over 1,200 display stations.

On July 31, 2014, CTM acquired a substantial portion of the brochure distribution network of a company in the Southeast United States that includes Georgia, North Carolina, South Carolina, and parts of Tennessee. In addition to the geographical expansion of CTM distribution network, this purchase added over 1,000 display stations to CTM's network.

CTM's display stations and digital kiosks are located in travel, tourism and entertainment venues, including hotels and other lodgings, corporate and community venues, transportation terminals and hubs, tourist attractions and entertainment venues. CTM's revenues represented 41.1% and 43.6% of our consolidated revenues in the three months ended October 31, 2015 and 2014, respectively, and 41.9% and 43.8% in the fiscal years ended October 31, 2015 and 2014, respectively.

REPORTABLE SEGMENTS

We have the following two reportable business segments: IDW and CTM.

PRESENTATION OF FINANCIAL INFORMATION

Basis of presentation

The consolidated financial statements for the periods reflect our financial position, results of operations, and cash flows. The financial statements have been prepared using the historical basis for the assets and liabilities and results of operations.

CRITICAL ACCOUNTING POLICIES

Our consolidated financial statements and accompanying notes are prepared in accordance with accounting principles generally accepted in the United States. Our significant accounting policies are described in Note 1 to the consolidated financial statements. The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses as well as the disclosure of contingent assets and liabilities. Critical accounting policies are those that require application of management's most subjective or complex judgments, often as a result of matters that are inherently uncertain and may change in subsequent periods. Our critical accounting policies include those related to the allowance for doubtful accounts and intangible assets with indefinite useful lives and valuation of long-lived assets including intangible assets with finite useful lives. Management bases its estimates and judgments on historical experience and other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates under different assumptions or conditions.

Effective July 27, 2015, the Company amended its Certificate of Incorporation to provide for the following changes:

- Conversion of each outstanding share of the Company's Class A Common Stock into one share of the Company's Class B Common Stock, thereby eliminating the Company's Class A Common Stock, and providing for the conversion of the Company's Class C Common Stock into Class B Common Stock instead of Class A Common Stock under certain conditions set forth therein.

- Effect a ten-for-one stock split of each share of the Company's Class B Common Stock and Class C Common Stock (the "Stock Split").

- Increase the number of the Company's authorized shares of: (i) Class B Common Stock from 600,000 shares to 12,000,000 shares, (ii) Class C Common Stock from 125,000 shares to 2,500,000 shares, and (iii) Preferred Stock from 25,000 shares to 500,000 shares.

- Change the Company's name from CTM Media Holdings, Inc. to IDW Media Holdings, Inc.

On October 31, 2013, the Company's Board of Directors granted Howard Jonas, the Company's Chairman of the Company's Board of Directors and its majority stockholder, 38,796 restricted shares (387,960 restricted shares after giving effect to the ten for one Stock Split) of the Company's Class B common stock with a value of $2,327,760 on the date of grant in lieu of a bonus for fiscal 2013 and a cash base salary for the period October 14, 2014 through December 31, 2019. Total unrecognized compensation cost on the date of grant was $2,277,760. The unrecognized compensation is recognized over the vesting period. The stock-based compensation related to this grant was approximately $93,000 and $0 for the three months ended October 31, 2015 and October 31, 2014, respectively, and $367,000 and $15,000 for the fiscal years ended October 31, 2015 and October 31, 2014, respectively.
The restricted shares vest as follows:

Date	Number of shares	Number of shares (after giving effect to the 10 for 1 Stock Split)
10/31/13	833	8,330
9/30/15	5,834	58,340
9/30/16	6,417	64,170
9/30/17	7,058	70,580
9/30/18	7,764	77,640
9/30/19	8,541	85,410
12/31/19	2,349	23,490

On October 14, 2009, our Board of Directors had granted Howard Jonas, 1,785,714 restricted shares (approximately 892,850 restricted shares after giving effect to the 1 for 20 Reverse Split and 10 for 1 Stock Split) of our Class B common stock with a value of $1,250,000 on the date of grant in lieu of a cash base salary for the following five years. The restricted shares vested in equal thirds on each of October 14, 2011, October 14, 2012 and October 14, 2013. This arrangement did not impact Mr. Jonas's cash compensation from the date of the Spin-Off through the pay period including the grant date. Total unrecognized compensation cost on the grant date was $1,250,000. The unrecognized compensation cost was recognized over the vesting period from October 14, 2009 through October 14, 2014. No stock-based compensation related to this grant was recognized for the three months and fiscal years ended October 31, 2015 and October 31, 2014.

Net income attributable to IDW Media Holdings, Inc. and non-controlling interests

(in thousands) (unaudited)			Change	
Three months ended October 31,	**2015**	**2014**	**$**	**%**
Income from operations	**$ 2,104**	$ 1,743	$ 361	20.7%
Interest income (expense), net	**(20)**	20	(40)	(200.0%)
Other income, net	**2**	28	(26)	(92.9%)
Provision for income taxes	**(683)**	(620)	(63)	(10.2%)
Net income	**1,403**	1,171	232	19.8%
Less: Net income attributable to non-controlling interest	**(217)**	(241)	24	10.0%
Net income attributable to IDW Media Holdings, Inc.	**$ 1,186**	$ 930	$ 256	27.5%

(in thousands) (unaudited)			Change	
Fiscal years ended October 31,	**2015**	**2014**	**$**	**%**
Income from operations	**$ 4,831**	$ 5,646	$ (815)	(14.4%)
Interest income (expense), net	**(38)**	67	(105)	(156.7%)
Other income (expense), net	**(97)**	14	(111)	(792.9%)
(Provision for) benefit from income taxes	**(1,636)**	506	(2,142)	(423.3%)
Net income	**3,060**	6,233	(3,173)	(50.9%)
Less: Net income attributable to non-controlling interest	**(729)**	(955)	226	23.7%
Net income attributable to IDW Media Holdings, Inc.	**$ 2,331**	$ 5,278	$ (2,947)	(55.8%)

Income from operations. Income from operations increased for the three months ended October 31, 2015 compared to the three months ended October 31, 2014 primarily due to increased revenue of $1,000,000 in the IDW segment and $150,000 in the CTM segment, offset by increased selling general and administrative expenses of approximately $669,000. This increase was primarily due to IDW's increase in Selling, General and Administrative expenses of $562,000 comprised of $301,000 in salaries and benefits, principally as a result of an increase in personnel for building of infrastructure, marketing of $119,000 principally due to increased tradeshow and convention attendance as well as IDW Entertainment development expenses, and occupancy of $94,000, due to IDW's move into new larger corporate facilities during the fiscal year ended October 31, 2015.

Income from operations decreased for the fiscal year ended October 31, 2015 compared to the fiscal year ended October 31, 2014 primarily due to the IDW and CTM segment increased selling, general and administrative expenses. IDW's increase of $1,903,000 was due to the building of infrastructure for its recent acquisition and IDW Entertainment operations ($183,000), CTM's increase of $338,000 due to its recent acquisitions in the Southeast and Northeast, depreciation and amortization primarily related to the acquisitions of $498,000, non-cash compensation and executive payroll of $444,000. Selling, general and administrative expense increases were offset by increases in revenue that generated gross profit of $1,680,000 for IDW and $706,000 for CTM.

Income Taxes. Income tax expense increased for the three months and fiscal year ended October 31, 2015 compared to the three months and fiscal year ended October 31, 2014 increased by approximately $63,000 and $2,142,000. The increase for the three month periods was principally due to an increase in taxable income. The increase in income tax expense for the fiscal year is due primarily to the release of the valuation allowance on the IRC section 382 limited net operating loss carry forwards that were no longer limited during the fiscal year ended October 31, 2014.

Income attributable to non-controlling interest. On April 1, 2015 the Company's newly formed corporation, IDW, Inc., acquired 100% of the ownership of Idea and Design Works, LLC in exchange for IDW, Inc. stock. As a result of this transaction, the Company increased its ownership in IDW to 83%. Minority stockholders own the remaining 17% of the stock of IDW, Inc. Non-controlling interests arise from the previous 23.335% interest in IDW not held by the Company through March 31, 2015, and the 17% interest in IDW not held by the Company thereafter.

IDW

(in thousands) (unaudited) Three months ended October 31,		2015		2014*	Change $		Change %
Revenues	$	**8,208**	$	7,208	$	1,000	13.9%
Direct cost of revenues		**4,298**		4,210		88	2.1%
Selling, general and administrative		**2,878**		1,960		918	46.8%
Depreciation and amortization		**80**		6		74	1233.3%
Bad debt expense		**11**		-		11	100.0%
Income from operations	$	**941**	$	1,032	$	(91)	(8.8%)

(in thousands) (unaudited) Fiscal years ended October 31,		2015		2014*	Change $		Change %
Revenues	$	**28,740**	$	25,411	$	3,329	13.1%
Direct cost of revenues		**15,455**		13,806		1,649	11.9%
Selling, general and administrative		**10,570**		7,474		3,096	41.4%
Depreciation and amortization		**231**		24		207	862.5%
Bad debt expense		**11**		-		11	100.0%
Income from operations	$	**2,473**	$	4,107	$	(1,634)	(39.8%)

* During the three months and fiscal year ended October 31, 2015, the Company changed its allocation of overhead to its operating segments. The result of this change was an increase in IDW's selling, general and administrative expenses and a corresponding decrease in operating income of $358,000 and $1,193,000 for the three months and fiscal year ended October 31, 2015, respectively. Had this change been applied to the three months and fiscal year ended October 31, 2014, it would have resulted in an increase in selling, general and administrative expenses with a corresponding decrease in operating income of $256,000 and $897,000, respectively.

Revenues. The $1,000,000 increase in IDW's revenues in the three months ended October 31, 2015 compared to the three months ended October 31, 2014 was primarily due to increases in IDW Games revenue of approximately $1,018,000, net publishing revenue of 242,000, principally related to the Top Shelf acquisition, offset by a decrease digital publishing revenue of approximately $309,000 due industry changes in the way digital is sold on a leading platform.

The $3,329,000 increase in IDW's revenues in the fiscal year ended October 31, 2015 compared to the fiscal year ended October 31, 2014 was primarily due to increases in IDW's publishing revenue of $1,198,000, principally related to the Top Shelf acquisition, and revenue from the new IDW Games product category of $2,262,000.

Direct Cost of Revenues. Direct cost of revenues consists primarily of printing expenses and costs of artists and writers. Direct costs of revenues in the three months and fiscal year ended October 31, 2015 increased by $88,000 and $1,649,000, respectively, compared to the three months and fiscal year ended October 31, 2014. The increase for the three month periods was marginal principally due to lower Micro Fun Pack revenue which carries a higher cost and higher IDW Games revenue which carries a lower cost. The increase of $1,649,000 for the fiscal year ended October 31, 2015 compared to the fiscal year ended October 31, 2014 was primarily due to the increases in revenue, including IDW Games, IDW's product mix and related print costs and royalty arrangements with respect to products sold during the quarter.

IDW's gross margin for the three months ended October 31, 2015 increased to 47.6% from 41.6% for the three months ended October 31, 2014. The increase in gross profit was principally due to the mix of products and their associated print costs and royalty arrangements.

IDW's gross margin for the fiscal year ended October 31, 2015 increased to 46.2% from 45.7% for the fiscal year ended October 31, 2014. The increase in gross profit was principally due to increased royalty costs principally by the addition of the IDW Games product category revenue and the mix of products and their associated print costs and royalty arrangements.

Selling, General and Administrative. IDW has been building its infrastructure to support and grow the higher level of revenues experienced during the latter part of the previous fiscal year through the three months and fiscal year ended October 31, 2015. This build-up is a result of IDW's recent acquisition of Top Shelf Productions and the expansion of the IDW Entertainment division, a new business commenced last fiscal year that develops properties for video production.

Selling, general and administrative expenses increased by $918,000 and $3,096,000 in the three months and fiscal year ended October 31, 2015, respectively, compared to the three months and fiscal year ended October 31, 2014. Expenses increased for the three month period ended October 31, 2015 primarily due to net increases in allocations of overhead, principally executive compensation of $358,000. In addition, there were increases in IDW Publishing salaries and related benefits of $249,000, due to Top Shelf and expanded product offerings, IDW Entertainment expenses, principally compensation and benefits of $86,000, rent and occupancy related to IDW's recent move of $94,000, and marketing, consisting primarily of trade shows and travel of $84,000, due to increased presence at trade shows.

Expenses increased for the fiscal year ended October 31, 2015 primarily due to net increases in allocations of overhead, principally executive compensation, professional fees and other costs of $1,193,000, and employee compensation and related benefits of $1,023,000. Other expense increases were rent, occupancy and upgrades related to IDW's recent move of $270,000, and IDW Entertainment expenses, principally salaries and benefits of $130,000. IDW also experienced increases in legal fees and marketing of $53,000, selling and distribution of $149,000, warehouse freight and postage of $134,000 all principally due to the Top Shelf Productions acquisition and the IDW Games new product category, and trade shows and travel increases of $118,000 as IDW increased its attendance at trade shows.

As a percentage of IDW's revenues, selling, general and administrative expenses in the three months and fiscal year ended October 31, 2015 were 35.1% and 36.8%, respectively, compared to 27.2% and 29.4% in the three months and fiscal year ended October 31, 2014.

CTM

(in thousands) (unaudited)			Change	
Three months ended October 31,	**2015**	**2014***	**$**	**%**
Revenues	**$ 5,728**	$ 5,577	$ 151	2.7%
Direct cost of revenues	**1,548**	1,597	(49)	(3.1%)
Selling, general and administrative	**2,651**	2,900	(249)	(8.6%)
Depreciation and amortization	**291**	353	(62)	(17.6%)
Bad debt expense	**75**	16	59	368.8%
Income from operations	**$ 1,163**	$ 711	$ 452	63.6%

(in thousands) (unaudited)			Change	
Fiscal years ended October 31,	**2015**	**2014***	**$**	**%**
Revenues	**$ 20,716**	$ 19,836	$ 880	4.4%
Direct cost of revenues	**6,304**	6,130	174	2.8%
Selling, general and administrative	**10,569**	11,026	(457)	(4.1%)
Depreciation and amortization	**1,395**	1,106	289	26.1%
Bad debt expense	**90**	35	55	157.1%
Income from operations	**$ 2,358**	$ 1,539	$ 819	53.2%

*During the three months and fiscal year ended October 31, 2015, the Company changed its allocation of overhead to its operating segments. The result of this change was a decrease in CTM's selling, general and administrative expenses and a corresponding increase in operating income of $254,000 and $860,000, in the three months and fiscal year ended October 31, 2015, respectively. Had this change been applied to the three months and fiscal year ended October 31, 2014, it would have resulted in a decrease in selling, general and administrative expenses with a corresponding increase in operating income of $256,000 and $897,000, respectively.

Revenues. The increase in CTM's revenues during the three months ended October 31, 2015 compared to the three months ended October 31, 2014 was primarily due to increased U.S. distribution revenue of $178,000, principally by the Southeast and New England business acquisitions, print and publishing revenue of $28,000 and digital distribution revenue of $31,000, partially offset by a decrease in Canadian distribution revenue due to foreign exchange rates of $80,000.

The increase in CTM's revenues during the fiscal year ended October 31, 2015 compared to the fiscal year ended October 31, 2014 was primarily due to increased U.S. distribution revenue of $887,000 principally due to acquisitions and growth of markets in acquisition areas, and digital revenue of $91,000, net of a decrease Canadian distribution revenue of $142,000, principally due to exchange rate factors. Acquisition based increases relate to the Southeast and New England business acquisitions, and digital revenue increases resulted from the expansion of the ExploreBoard touchscreen footprint.

Direct Cost of Revenues. Direct cost of revenues consists primarily of distribution and fulfillment payroll, warehouse and distribution vehicle expenses, print and design expenses and digital content costs. Direct cost of revenues for the three months and fiscal year ended October 31, 2015 decreased by $49,000 and increased by $174,000, respectively, compared to the three months and fiscal year ended October 31, 2014. Costs decreased for the three month periods ending October 31 due to lower fuel and distribution subcontractor costs.

Direct cost of revenues increased for the fiscal years ending October 31 reflecting costs, principally related to payroll of $145,000 associated with CTM's Southeast and New England acquisitions.

CTM's gross margin percentage increased in the three months and fiscal year ended October 31, 2015 to 73.0% and 69.6%, respectively, compared to 71.4% and 69.1% in the three months and fiscal year ended October 31, 2014. The changes were due primarily to changes in the mix of distribution and digital product revenues.

Selling, General and Administrative. Selling, general and administrative expenses consist primarily of payroll and related benefits, facilities costs and insurance. Selling, general and administrative expenses decreased in the three months ended October 31, 2015 compared to the three months ended October 31, 2014 by $249,000. The decrease was related principally to a reduction in allocations of executive compensation, professional fees and other costs of $229,000.

Selling, general and administrative expenses decreased in the fiscal year ended October 31, 2015 compared to the fiscal year ended October 31, 2014 by $457,000. The decrease related principally to a reduction in allocations of executive compensation, professional fees and other costs of $768,000, decreases in company offsite meetings and advertising of $52,000 and recruiting of $51,000, offset by increases in compensation and benefits of $376,000, principally related to CTM's Southeast and New England business acquisitions, increased commissions principally due to the acquisitions and employer 401(k) match.

As a percentage of CTM's revenue, selling, general and administrative expenses for the three months and fiscal year ended October 31, 2015 were 46.3% and 51.0%, respectively, compared to 52.0% and 55.6% in the three months and fiscal year ended October 31, 2014.

Bad Debt Expense. Bad debt expense for the three months and fiscal year ended October 31, 2015 increased by $59,000 and $55,000 compared to the three months and fiscal year ended October 31, 2014 reflecting an increased expense driven by seasonal collection experience.

LIQUIDITY AND CAPITAL RESOURCES

We satisfied our cash requirements primarily through cash provided by the Company's operating activities.

(in thousands) (unaudited)	Fiscal years ended October 31,	
	2015	2014
Cash flows provided by (used in):		
Operating activities	$ **2,373**	$ 5,845
Investing activities	**(3,396)**	(1,977)
Financing activities	**(3,808)**	(1,782)
Net (decrease) increase in cash and cash equivalents	$ **(4,831)**	$ 2,086

Operating Activities. Our cash flow from operations varies from quarter to quarter and from year to year, depending on our operating results and the timing of operating cash receipts and payments, specifically trade accounts receivable and trade accounts payable. Cash flows were provided by operating activities based on these factors amounting to approximately $2,373,000 and $5,845,000 for the fiscal years ended October 31, 2015 and 2014, respectively.

Investing Activities. Our capital expenditures were approximately $2,073,000 and $920,000 in the fiscal years ended October 31, 2015 and 2014, respectively. Our business acquisitions were $1,763,000 and $2,400,000 for the fiscal years ended October 31, 2015 and 2014, respectively. We currently anticipate that total capital expenditures for all of our segments in fiscal 2016 will be approximately $2,000,000. We expect to fund our capital expenditures with our cash and cash equivalents on hand.

Financing Activities. During the fiscal years ended October 31, 2015 and October 31, 2014, we paid our stockholders cash dividends in the amounts of approximately $3,031,000 and $2,411,000, respectively, and recorded distributions to non-controlling interest holders in IDW in the amounts of $1,118,000 and $785,000, respectively. We also repaid capital lease obligations of approximately $282,000 and $223,000 in the fiscal years ended October 31, 2015 and October 31, 2014, respectively. Proceeds from term loans were $500,000 and $1,500,000 for the fiscal years ended October 31, 2015 and 2014, respectively.

CHANGES IN TRADE ACCOUNTS RECEIVABLE AND ALLOWANCE FOR DOUBTFUL ACCOUNTS

Gross trade accounts receivable increased to approximately $6,036,000 at October 31, 2015 compared to $4,883,000 at October 31, 2014, reflecting higher revenues and increased IDW Games revenue that have longer payment terms. The allowance for doubtful accounts as a percentage of gross trade accounts receivable was 2.0% at October 31, 2015 compared to 1.6% at October 31, 2014, reflecting CTM segment collection experience.

OTHER SOURCES AND USES OF RESOURCES

We intend to, where appropriate, make strategic investments and acquisitions to complement, expand, and/or enter into new businesses. In considering acquisitions and investments, we search for opportunities to profitably grow our existing businesses, to add qualitatively to the range of businesses in our portfolio and to achieve operational synergies. Historically, such acquisitions have not exceeded $500,000, however, in the last fiscal year ended October 31, 2014, CTM purchased its Southeast distribution network, and in the fiscal year ended October 31, 2015, IDW purchased Top Shelf Productions and CTM purchased the New England distribution network, as discussed in the Overviews above. Subsequent to CTM's transactions, CTM secured term loans of $2,000,000, which replaced a portion of the cash used for its purchases. If we were to pursue additional acquisitions in excess of $500,000 we would likely need to secure financing arrangements. At this time, we cannot guarantee that we will be presented with acquisition opportunities that meet our return on investment criteria, or that our efforts to make acquisitions that meet our criteria will be successful.

With the exception of IDW Entertainment's shows currently in production, we expect that our fiscal 2016 operations, the balance of cash and cash equivalents that we held as of October 31, 2015, a portion of which was provided by the $2,000,000 term loans described above, a $2,000,000 IDW line of credit and a $1,000,000 CTM line of credit with our primary bank, will be sufficient to meet our currently anticipated working capital and capital expenditure requirements, pay capital lease obligations, make limited acquisitions and investments, pay any currently announced and any future declared dividends, and fund any potential operating cash flow deficits within any of our segments for at least the next twelve months.

We believe that additional sources of financing, including a larger line of credit, will be needed to finance the IDW Entertainment current production schedule.

While our expected cash balances, as well as cash flows from our operations, will be sufficient to meet our long-term operational liquidity needs, additional sources of financing may be needed to meet the production plans of IDW Entertainment. The foregoing is based on a number of assumptions, including that we will collect on our receivables, effectively manage our working capital requirements, and maintain our revenue levels and liquidity. Predicting these matters is particularly difficult in the current worldwide and national economic situations. Failure to generate sufficient revenues and operating income could have a material adverse effect on our results of operations, financial condition and cash flows.

FOREIGN CURRENCY RISK

Revenues from our international operations, all located in Canada, represented 3.9% and 3.5% of our consolidated revenues for the fiscal years ended October 31, 2015 and October 31, 2014, respectively. Our foreign currency exchange risk is somewhat mitigated by our ability to offset the majority of Canadian Dollar-denominated revenues with operating expenses that are paid in the same currency. While the impact from fluctuations in foreign exchange rates affects our revenues and expenses denominated in the foreign currency, the net amount of our exposure to foreign currency exchange rate changes at the end of each reporting period is generally not material.

OFF-BALANCE SHEET ARRANGEMENTS

We do not have any “off-balance sheet arrangements,” as defined in relevant SEC regulations that are reasonably likely to have a current or future effect on our financial condition, results of operations, liquidity, capital expenditures or capital resources.

IDW MEDIA HOLDINGS, INC

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REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

To the Board of Directors and Stockholders of IDW Media Holdings, Inc. and Subsidiaries

We have audited the accompanying consolidated financial statements of IDW Media Holdings, Inc. and Subsidiaries, which comprise the consolidated balance sheets as of October 31, 2015 and 2014, and the related consolidated statements of operations, comprehensive income, stockholders' equity, and cash flows for the fiscal years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of IDW Media Holdings, Inc. and Subsidiaries, as of October 31, 2015 and 2014, and the consolidated results of its operations, comprehensive income, stockholders' equity and its cash flows for the fiscal years then ended in accordance with accounting principles generally accepted in the United States of America.

/s/ZWICK & BANYAI, PLLC

Southfield, Michigan
January 29, 2016

IDW MEDIA HOLDINGS, INC

CONSOLIDATED BALANCE SHEETS

(in thousands)	October 31, 2015	October 31, 2014
Assets		
Current assets:		
Cash and cash equivalents	$ **6,596**	$ 11,427
Trade accounts receivable, net	**5,915**	4,803
Inventory – print and production costs	**5,688**	2,850
Prepaid expenses	**2,015**	1,239
Deferred taxes – current portion	**200**	115
Note receivable – current portion	**372**	340
Total current assets	**20,786**	20,774
Property and equipment, net	**3,039**	2,078
Non-current assets		
Note receivable – non-current portion	**310**	935
Deferred taxes – non-current portion	**12,705**	14,080
Intangible Assets, net	**1,769**	1,221
Goodwill	**1,700**	1,000
Other assets	**498**	354
Total non-current assets	**16,982**	17,590
Total assets	$ **40,807**	$ 40,442
Liabilities and stockholders' equity		
Current liabilities:		
Trade accounts payable	**1,302**	$ 1,989
Accrued expenses	**3,907**	3,518
Deferred revenue	**2,131**	1,610
Income taxes payable	**936**	680
Deferred taxes payable	**441**	551
Capital lease obligations – current portion	**257**	201
Term loans payable – current portion	**431**	300
Other current liabilities	**359**	159
Total current liabilities	**9,764**	9,008
Non-current liabilities		
Capital lease obligations – long term portion	**527**	396
Term loans payable – long term portion	**1,199**	1,175
Other liabilities	**-**	3
Total non-current liabilities	**1,726**	1,574
Total liabilities	**11,490**	10,582
Stockholders' Equity (see note 1):		
IDW Media Holdings, Inc. stockholders' equity:		
Preferred stock, $.01 par value; authorized shares – 500; no shares issued at October 31, 2015 and October 31, 2014	**-**	-
Class A common stock, $0.01 par value; authorized shares – 300; 64 shares issued and outstanding at October 31, 2014	**-**	1
Class B common stock, $0.01 par value; authorized shares – 12,000; 4,624 shares and 394 shares issued and outstanding at October 31, 2015 and October 31, 2014, respectively	**46**	4
Class C common stock, $0.01 par value; authorized shares – 2,500; 545 shares and 55 shares issued and outstanding at October 31, 2015 and October 31, 2014	**5**	1
Additional paid-in capital	**47,419**	49,752
Accumulated other comprehensive income (loss)	**(153)**	51
Accumulated deficit	**(18,780)**	(19,620)
Treasury stock, at cost, consisting of 520 shares of Class B common stock at October 31, 2015, and 9 shares of Class A common stock and 43 shares of Class B common stock at October 31, 2014	**(1,196)**	(1,196)
Total IDW Media Holdings, Inc. stockholders' equity	**27,341**	28,993
Non-controlling interests	**1,976**	867
Total stockholders' equity	**29,317**	29,860
Total liabilities and stockholders' equity	$ **40,807**	$ 40,442

See accompanying notes to consolidated financial statements.

IDW MEDIA HOLDINGS, INC

CONSOLIDATED STATEMENTS OF OPERATIONS

(in thousands, except per share data)	Three Months Ended October 31, (unaudited) 2015	2014	Fiscal Years Ended October 31, 2015	2014
Revenues	**$ 13,936**	$ 12,785	**$ 49,456**	$ 45,248
Costs and expenses:				
Direct cost of revenues	**5,847**	5,807	**21,759**	19,936
Selling, general and administrative (i)	**5,529**	4,860	**21,138**	18,501
Depreciation and amortization	**370**	359	**1,627**	1,129
Bad debt expense	**86**	16	**101**	36
Total costs and expenses	**11,832**	11,042	**44,625**	39,602
Income from operations	**2,104**	1,743	**4,831**	5,646
Interest income (expense), net	**(20)**	14	**(38)**	49
Other income (expense), net	**2**	34	**(90)**	32
Income before income taxes	**2,086**	1,791	**4,703**	5,727
(Provision for) benefit from income taxes	**(683)**	(620)	**(1,636)**	506
Net income	**1,403**	1,171	**3,067**	6,233
Less: net income attributable to non-controlling interests	**(217)**	(241)	**(729)**	(955)
Net income attributable to IDW Media Holdings, Inc.	**$ 1,186**	$ 930	**$ 2,338**	$ 5,278
Basic and diluted income per share attributable to IDW Media Holdings, Inc. common stockholders (see notes 1 and 3):				
Net income per share	**$ .26**	$ .20	**$ .50**	$ 1.15
Weighted-average number of shares used in the calculation of basic and diluted income per share:	**4,649**	4,610	**4,640**	4,580
Dividend declared per common share:	**$ 0.163**	$ 0.163	**$ 0.652**	$ 0.523
Interest Expense	**$ 22**	$ 6	**$ 79**	$ 18
(i) Stock-based compensation included in selling, general and administrative expenses	**$ 93**	$ 380	**$ 367**	$ 395

See accompanying notes to consolidated financial statements.

IDW MEDIA HOLDINGS, INC

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(in thousands)	Three Months Ended October 31, (unaudited) 2015	2014	Fiscal Years Ended October 31, 2015	2014
Net income	**$ 1,403**	1,171	**$ 3,067**	$ 6,233
Foreign currency translation adjustments	**(84)**	(43)	**(204)**	(106)
Comprehensive income	**1,319**	1,128	**2,863**	6,127
Comprehensive income attributable to non-controlling interests	**(217)**	(241)	**(729)**	(955)
Comprehensive income attributable to IDW Media Holdings, Inc.	**$ 1,102**	887	$ **2,134**	$ 5,172

See accompanying notes to consolidated financial statements

IDW MEDIA HOLDINGS, INC

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

FOR THE FISCAL YEARS ENDED OCTOBER 31, 2015 and 2014
(in thousands)

	Class A Common Stock		Class B Common Stock		Class C Common Stock		Additional Paid-In Capital	Treasury Stock	Accumulated Other Comprehensive Income	Accumulated Deficit	Non-controlling Interests	Total Stockholders' Equity
	Shares	Amount	Shares	Amount	Shares	Amount						
BALANCE AT October 31, 2013	**64**	**$ 1**	**388**	**$ 4**	**55**	**$ 1**	**$ 51,794**	**$ (1,196)**	**$ 157**	**$ (24,898)**	**$ 697**	**$ 26,560**
Stock-based compensation	—	—	6	—	—	—	369	—	—	—	—	369
Dividends ($5.23 per common share)	—	—	—	—	—	—	(2,411)	—	—	—	—	(2,411)
Distributions	—	—	—	—	—	—	—	—	—	—	(785)	(785)
Foreign currency translation adjustment	—	—	—	—	—	—	—	—	(106)	—	—	(106)
Net income for the year ended October 31, 2014	—	—	—	—	—	—	—	—	—	5,278	955	6,233
Comprehensive income	—	—	—	—	—	—	—	—	(106)	5,278	955	6,127
BALANCE AT October 31, 2014	**64**	**$ 1**	**394**	**$ 4**	**55**	**$ 1**	**$ 49,752**	**$ (1,196)**	**$ 51**	**$ (19,620)**	**$ 867**	**$ 29,860**
Stock-based compensation	—	—	4	—	—	—	744	—	—	—	—	744
Conversion of Class A Common Stock to Class B Common Stock	(64)	(1)	64	1	—	—	—	—	—	—	—	—
10 for 1 Stock Dividend	—	—	4,162	41	490	4	(45)	—	—	—	—	—
Dividends ($0.65 per common share)	—	—	—	—	—	—	(3,032)	—	—	—	—	(3,032)
Non-controlling interests in subsidiary										(1,498)	1,498	—
Distributions	—	—	—	—	—	—	—	—	—	—	(1,118)	(1,118)
Foreign currency translation adjustment	—	—	—	—	—	—	—	—	(204)	—	—	(204)
Net income for the year ended October 31, 2015	—	—	—	—	—	—	—	—	—	2,338	729	3,067
Comprehensive income	—	—	—	—	—	—	—	—	(204)	2,338	729	2,863
BALANCE AT October 31, 2015	**—**	**$ —**	**4,624**	**$ 46**	**545**	**$ 5**	**$ 47,419**	**$ (1,196)**	**$ (153)**	**$ (18,780)**	**$ 1,976**	**$ 29,317**

See accompanying notes to consolidated financial statements.

IDW MEDIA HOLDINGS, INC

CONSOLIDATED STATEMENTS OF CASH FLOWS

Fiscal years ended October 31, (in thousands)	**2015**	**2014**
Operating activities:		
Net income	**$ 3,067**	$ 6,233
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	**1,627**	1,129
Bad debt expense	**101**	36
Stock based compensation	**367**	395
Changes in assets and liabilities:		
Trade accounts receivable	**(1,213)**	(1,450)
Inventory, prepaid expenses and other current assets	**(3,758)**	22
Deferred taxes	**1,180**	(518)
Note receivable – current portion	**153**	-
Trade accounts payable, accrued expenses and other current liabilities	**328**	(290)
Deferred revenue	**521**	288
Net cash provided by operating activities	**2,373**	5,845
Investing activities:		
Business acquisitions	**(1,763)**	(2,400)
Maturity of short term investment	**-**	1,003
Capital expenditures	**(2,073)**	(920)
Payments received from notes receivable on sale of assets	**440**	340
Net cash used in investing activities	**(3,396)**	(1,977)
Financing activities:		
Distributions to holders of non-controlling interests	**(1,118)**	(785)
Dividends paid	**(3,031)**	(2,411)
Financing under capital leases	**468**	162
Repayments of capital lease obligations	**(282)**	(223)
Proceeds from term loan	**500**	1,500
Repayments of term loans	**(345)**	(25)
Net cash used in financing activities	**(3,808)**	(1,782)
Net (decrease) increase in cash and cash equivalents	**(4,831)**	2,086
Cash and cash equivalents at beginning of period	**11,427**	9,341
Cash and cash equivalents at end of period	**$ 6,596**	$ 11,427
Supplemental schedule of investing and financing activities		
Cash paid for interest	**$ 79**	**$** 18
Cash paid for income taxes	**$ 203**	**$** 17

The effect of exchange rate changes on cash and cash equivalents is not material.

See accompanying notes to consolidated financial statements.

IDW MEDIA HOLDINGS, INC

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FISCAL YEARS ENDED OCTOBER 31, 2015 AND 2014

Note 1—Basis of Presentation

The accompanying consolidated financial statements of IDW Media Holdings, Inc. and its subsidiaries (the "Company") have been prepared by Management in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). In the opinion of management, all adjustments (consisting principally of normal recurring accruals) considered necessary for a fair presentation have been included.

Each reference below to a fiscal year refers to the fiscal year ending in the calendar year indicated (e.g., fiscal 2015 refers to the fiscal year ending October 31, 2015).

The Company is a holding company consisting of the following principal businesses:

> Our majority interest in IDW, Inc., owner of Idea and Design Works, LLC ("IDW"), an entertainment company that includes IDW Publishing, IDW Games and IDW Entertainment, and;
>
> CTM Media Group ("CTM"), the Company's brochure and digital distribution companies and other advertising-based product initiatives focused on small to medium sized businesses.

The Company was formerly a subsidiary of IDT Corporation. On September 14, 2009, the Company was spun-off by IDT Corporation and became an independent public company (the "Spin-Off") incorporated in the state of Delaware. IDT Corporation transferred its ownership in all of the entities that became the Company's consolidated subsidiaries prior to the Spin-Off. The entities that became direct or indirect subsidiaries are: IDT Internet Mobile Group, Inc. ("IIMG"). IIMG previously owned approximately 76.665% of the equity interests in IDW; CTM; Beltway Acquisition Corporation; IDT Local Media, Inc. (which conducted certain operations related to CTM that are no longer active). All indebtedness owed by any of these entities to IDT Corporation or its affiliates was converted into a capital contribution.

On April 1, 2015, the Company's newly formed corporation, IDW, Inc., acquired 100% of the ownership of IDW in exchange for IDW, Inc. stock. As a result of this transaction, the Company increased its ownership in IDW to 83%. Minority stockholders own the remaining 17% of the stock of IDW, Inc.

Effective July 27, 2015, the Company amended its Certificate of Incorporation to provide for the following changes:

- Conversion of each outstanding share of the Company's Class A Common Stock into one share of the Company's Class B Common Stock, thereby eliminating the Company's Class A Common Stock, and providing for the conversion of the Company's Class C Common Stock into Class B Common Stock instead of Class A Common Stock under certain conditions set forth therein.

- Effect a ten-for-one stock split of each share of the Company's Class B Common Stock and Class C Common Stock (the "Stock Split").

- Increase the number of the Company's authorized shares of: (i) Class B Common Stock from 600,000 shares to 12,000,000 shares, (ii) Class C Common Stock from 125,000 shares to 2,500,000 shares, and (iii) Preferred Stock from 25,000 shares to 500,000 shares.

- Change the Company's name from CTM Media Holdings, Inc. to IDW Media Holdings, Inc.

Note 1—Basis of Presentation (continued)

Use of Estimates
The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Revenue Recognition
Revenues from CTM brochure and digital distribution services are recognized on a straight-line basis over the services arrangement, which is typically between six months and one year. Brochure distribution services include distribution of marketing materials to display stations and straightening and refilling of the stations. Digital distribution services include electronic distribution of marketing materials to video touchscreen displays. Revenues from CTM printing services are recognized based on payment by customer to print vendor. Revenues from CTM publication guides are recognized based on the publication release date of guides, which is the same date as distribution. IDW's primary revenue is recognized, net of an allowance for estimated sales returns, at the time of shipment of its graphic novels and comic books by IDW's distributor to its customers, and when all of the conditions specified by 'ASC 605-15-25' are met.

Revenue Recognition When Right of Return Exists
Sales returns allowances represent a reserve for products that may be returned due to dating, competition or other marketing matters, or certain destruction in the field. Sales returns are generally estimated and recorded based on historical sales and returns experience and current trends that are expected to continue. Licensing revenues are recognized upon execution of the agreement for such rights, and other creative revenues are recognized upon completion of services rendered on a contractual basis.

Direct Cost of Revenues
Direct cost of revenues excludes depreciation and amortization expense. Direct cost of revenues for CTM consists primarily of distribution and fulfillment payroll, warehouse and vehicle distribution expenses, and print and design expenses. Direct cost of revenues for IDW consists primarily of printing expenses and costs of artist and writers.

Cash and Cash Equivalents
The Company considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Inventory
Inventory consists of IDW's graphic novels and comic books (print), and costs related to IDW Entertainment productions (production costs). Inventory is stated at the lower of cost or market determined by the first in, first out method for print and amortized over the forecasted revenue stream for production costs.

Property and Equipment
Equipment, vehicles and computer software are recorded at cost and are depreciated on a straight-line basis over their estimated useful lives, which range as follows: equipment - 5 & 7 years; vehicles - 5 years; and computer software - 2, 3 & 5 years. Leasehold improvements are recorded at cost and are depreciated on a straight-line basis over the term of the lease or their estimated useful lives, whichever is shorter.

Note 1—Basis of Presentation (continued)

Intangible Assets
Customer lists, non-compete covenants, location lists and other intangible assets are recorded at cost and are amortized on a straight-line basis over their contractual or estimated useful lives, whichever is shorter, which range as follows: customer lists, non-compete covenant, location lists and acquisition costs, 5 - 7 years, purchased contract and licensing rights, 1 - 5 years.

Long-Lived Assets
In accordance with ‘ASC 360’ - *Accounting for the Impairment or Disposal of Long Lived Assets-* , the Company tests the recoverability of its long-lived assets with finite useful lives whenever events or changes in circumstances indicate that the carrying value of the asset may not be recoverable. The Company tests for impairment based on the projected undiscounted cash flows to be derived from such asset. If the projected undiscounted future cash flows are less than the carrying value of the asset, the Company will record an impairment loss based on the difference between the estimated fair value and the carrying value of the asset. The Company generally measures fair value by considering sale prices for similar assets or by discounting estimated future cash flows from such asset using an appropriate discount rate. Cash flow projections and fair value estimates require significant estimates and assumptions by management. Should the estimates and assumptions prove to be incorrect, the Company may be required to record impairments in future periods and such impairments could be material.

Advertising Expense
Non-direct response advertising is expensed as incurred. In fiscal 2015 and fiscal 2014, advertising expenses were approximately $321,000 and $395,000, respectively.

Repairs and Maintenance
The Company charges the cost of repairs and maintenance, including the cost of replacing minor items not constituting substantial betterment, to selling, general and administrative expenses as these costs are incurred.

Foreign Currency Translation
Assets and liabilities of foreign subsidiaries denominated in foreign currencies are translated to U.S. Dollars at end-of-period rates of exchange, and their monthly results of operations are translated to U.S. Dollars at the average rates of exchange for that month. Gains or losses resulting from such foreign currency translations are recorded in “Accumulated other comprehensive income” in the accompanying consolidated balance sheets.

Income Taxes
The Company recognizes deferred tax assets and liabilities for the future tax consequences attributable to temporary differences between the financial statements carrying amounts of existing assets and liabilities and their respective tax bases. A valuation allowance is provided when it is more likely than not that some portion or all of a deferred tax asset will not be realized. The ultimate realization of deferred tax assets depends on the generation of future taxable income during the period in which related temporary differences become deductible. Management considers the scheduled reversal of deferred tax liabilities, projected future taxable income and tax planning strategies in its assessment of a valuation allowance. Deferred tax assets and liabilities are measured using the enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date of such change.

Note 1—Basis of Presentation (continued)

Income Taxes (continued)
The Company uses a two-step approach for recognizing and measuring tax benefits taken or expected to be taken in a tax return. The Company determines whether it is more-likely-than-not that a tax position will be sustained upon examination, including resolution of any related appeals or litigation processes, based on the technical merits of the position. In evaluating whether a tax position has met the more-likely-than-not recognition threshold, the Company presumes that the position will be examined by the appropriate taxing authority that has full knowledge of all relevant information. Tax positions that meet the more-likely-than-not recognition threshold are measured to determine the amount of tax benefit to recognize in the financial statements. The tax position is measured at the largest amount of benefit that is greater than 50 percent likely of being realized upon ultimate settlement. Differences between tax positions taken in a tax return and amounts recognized in the financial statements will generally result in one or more of the following: an increase in a liability for income taxes payable, a reduction of an income tax refund receivable, a reduction in a deferred tax asset, or an increase in a deferred tax liability.

Commitments and Contingencies
The Company accrues for loss contingencies when both (a) information available prior to issuance of the financial statements indicates that it is probable that a liability had been incurred at the date of the financial statements and (b) the amount of loss can reasonably be estimated. When the Company accrues for loss contingencies and the reasonable estimate of the loss is within a range, the Company records its best estimate within the range. When no amount within the range is a better estimate than any other amount, the Company accrues the minimum amount in the range. The Company discloses an estimated possible loss or a range of loss when it is at least reasonably possible that a loss may have been incurred.

Earnings per Share
Basic earnings per share is computed by dividing net income attributable to all classes of common stockholders by the weighted average number of shares of all classes of common stock outstanding during the applicable period. Diluted earnings per share is computed in the same manner as basic earnings per share, except that the number of shares is increased to include restricted stock still subject to risk of forfeiture (non-vested) using the treasury stock method, unless the effect of such increase is anti-dilutive.

The weighted-average number of shares used in the calculation of basic and diluted earnings per share attributable to the Company's common stockholders consists of the following:

Fiscal Year ended October 31 (in thousands)	2015	2014
Basic weighted-average number of shares	**4,640**	4,580
Effect of dilutive securities:		
Non-vested restricted common stock	**-**	-
Diluted weighted-average number of shares	**4,640**	4,580

Stock-Based Compensation
The Company accounted for stock-based compensation granted to its employees in accordance with the fair value recognition provisions of 'ASC' 718 *Share-Based Payment*. Under 'ASC' 718, compensation costs are recognized based on the grant-date fair value. Stock-based compensation is included in selling, general and administrative expense.

Vulnerability Due to Certain Concentrations
Financial instruments that potentially subject the Company to concentration of credit risk consist principally of cash, cash equivalents, short term investment and trade accounts receivable. The Company holds cash and cash equivalents at several major financial institutions, which often exceed FDIC insurance limits. Historically, the Company has not experienced any losses due to such concentration of credit risk. The Company's temporary cash investments policy is to limit the dollar amount of investments with any one financial institution and monitor the credit ratings of those institutions. While the Company may be exposed to credit losses due to the nonperformance of its counterparties, the Company does not expect the settlement of these transactions to have a material effect on its results of operations, cash flows or financial condition.

Note 1—Basis of Presentation (continued)

IDW has one major customer, Diamond Comic Distributors, Inc., which is the major distributor of comic books in the United States. Revenues from this customer represented approximately 40.4% and 45.7% of the total consolidated revenues for the fiscal years ended October 31, 2015 and October 31, 2014, respectively. No other single customer accounted for more than 10% of consolidated revenues in fiscal 2015 or fiscal 2014 or in the three months ended October 31, 2015 and 2014. The receivable balances from this customer represented approximately 43.6% and 44.8% of the total consolidated trade accounts receivable at October 31, 2015 and October 31, 2014, respectively. This concentration of customers increases the Company's risk associated with nonpayment by those customers. For CTM, concentration of credit risk with respect to trade accounts receivable is limited due to the large number of customers in various geographic regions comprising CTM's customer base.

Sales Returns and Allowances
IDW offers its sole distributor, Diamond Comic Distributors, a right of return with no expiration date. Diamond Comic Distributors then offers this same right of return to its largest chain retailers. IDW records an estimate for sales return reserves from such retailers based on historical sales and return experience and current trends that are expected to continue. In fiscal 2015 actual returns exceeded estimated returns by approximately $67,000 and in fiscal 2014, estimated returns exceeded actual returns by approximately $135,000.

The change in the allowance for sales returns is as follows:

Fiscal Year ended October 31 (in thousands)	Balance at beginning of year	Additions charged to revenues	Actual returns	Balance at end of year
2015				
Reserves deducted from accounts receivable:				
Allowance for sales returns	$ 337	$ 2,509	$ (2,576)	$ 270
2014				
Reserves deducted from accounts receivable:				
Allowance for sales returns	$ 202	$ 2,001	$ (1,866)	$ 337

Allowance for Doubtful Accounts
The allowance for doubtful accounts reflects the Company's best estimate of probable losses inherent in the accounts receivable balance. The allowance is determined based on known troubled accounts, historical experience and other currently available evidence.
The change in the allowance for doubtful accounts is as follows:

Fiscal Year ended October 31 (in thousands)	Balance at beginning of year	Additions charged to costs and expenses	Deductions (1)	Balance at end of year
2015				
Reserves deducted from accounts receivable:				
Allowance for doubtful accounts	$ 80	$ 101	$ (60)	$ 121
2014				
Reserves deducted from accounts receivable:				
Allowance for doubtful accounts	$ 88	$ 36	$ (44)	$ 80

(1) Uncollectible accounts written off, net of recoveries.

Fair Value of Financial Instruments
The estimated fair value of financial instruments has been determined using available market information or other appropriate valuation methodologies. However, considerable judgment is required in interpreting this data to develop estimates of fair value. Consequently, the estimates are not necessarily indicative of the amounts that could be realized or would be paid in a current market exchange.

Note 1—Basis of Presentation (continued)

At October 31, 2015 and 2014, the carrying value of the Company’s trade accounts receivable, inventory, prepaid expenses, trade accounts payable, accrued expenses, deferred revenue, capital lease obligations-current portion, and other current liabilities approximate fair value because of the short period of time to maturity. At October 31, 2015 and 2014, the carrying value of the long term portion of the Company’s capital lease obligations approximate fair value as their contractual interest rates approximate market yields for similar debt instruments.

On December 13, 2011, the Company filed the Form 15 with the Securities and Exchange Commission (the “SEC”) suspending its registration under the Exchange Act, thus suspending its filing of periodic reports with the SEC. The Company's Class B Common Stock continues to trade on the OTC Pink Sheets on the Pink tier. The Company continues to make information public by making filings publicly available through the OTC Disclosure & News Service pursuant to OTC Markets Group Guidelines for Providing Adequate Current Information.

Principles of Consolidation
All significant intercompany accounts and transactions have been eliminated in consolidation. All amounts in these Consolidated Financial Statements and notes to the Consolidated Financial Statements are reflected on a consolidated basis for all periods presented.

Note 2—Dividends

On October 2, 2015 the Company, paid cash dividends in the amount of $1.63 per share ($0.163 per share after giving effect to the Stock Split) on each date (approximately $758,000 each date in the aggregate) to stockholders of record as of September 22, 2015 of the Company’s Class B common stock and Class C common stock.

On June 30, 2015, March 31, 2015 and February 19, 2015 the Company, paid cash dividends in the amount of $1.63 per share ($0.163 per share after giving effect to the Stock Split) on each date (approximately $758,000 each date in the aggregate) to stockholders of record as of June 22, 2015, March 23, 2015 and February 6, 2015, respectively, of the Company’s Class A common stock, Class B common stock and Class C common stock.

On September 29, 2014 the Company paid cash dividends in the amount of $1.63 per share ($0.163 per share after giving effect to the Stock Split) (approximately $750,000 in the aggregate) to stockholders of record as of September 20, 2014 of the Company’s Class A common stock, Class B common stock and Class C common stock.

On January 24, 2014, April 2, 2014 and July 2, 2014 the Company paid cash dividends in the amount of $1.20 per share ($0.120 per share after giving effect to the Stock Split) on each date (approximately $553,000 each date in the aggregate) to stockholders of record as of January 20, 2014, March 26, 2014 and June 24, 2014, respectively, of the Company’s Class A common stock, Class B common stock and Class C common stock.

The declaration of future dividends will be at the discretion of our Board of Directors and will depend on our financial condition, results of operations, capital requirements, business conditions and other factors, as well as a determination by the Board that dividends are in the best interest of our stockholders at that time, subject to confirmation by the Company’s management that there is sufficient surplus as of the proposed future payment dates and other circumstances existing at the relevant times.

Note 3—Earnings Per Share

Basic earnings per share is computed by dividing net income attributable to all classes of common stockholders by the weighted average number of shares of all classes of common stock outstanding during the applicable period. The number of shares outstanding has been increased to include unvested restricted Class B stock issued to the Company's founder and Chairman of the Board, Howard Jonas. Diluted earnings per share is computed in the same manner as basic earnings per share except that the number of shares is increased to include any potentially dilutive shares. During the three months and fiscal years ended October 31, 2015 and October 31, 2014, there were no shares that were potentially dilutive. As a result, basic earnings per share and diluted earnings per share were the same. Per share values reflect the Company's ten-for-one Stock Split.

Note 4—Equity

Changes in the components of stockholders' equity were as follows:

	Fiscal Years Ended October 31, 2015 and 2014		
	Attributable to IDW Media Holdings, Inc.	**Non-controlling Interests**	**Total**
		(in thousands)	
Balance, October 31, 2013	**$ 25,863**	**$ 697**	**$ 26,560**
Stock based compensation	**369**	**-**	**369**
Cash distributions	**-**	**(785)**	**(785)**
Cash dividends	**(2,411)**	**-**	**(2,411)**
Comprehensive income:			
Net income	**5,278**	**955**	**6,233**
Other comprehensive income	**(106)**	**-**	**(106)**
Total comprehensive income	**5,172**	**955**	**6,127**
Balance, October 31, 2014	**28,993**	**867**	**29,860**
Stock based compensation	**744**	**-**	**744**
Distributions	**-**	**(1,118)**	**(1,118)**
Non-controlling interests in subsidiary	**(1,498)**	**1,498**	**-**
Cash dividends	**(3,032)**	**-**	**(3,032)**
Comprehensive income:			
Net income	**2,338**	**729**	**3,067**
Other comprehensive income (loss)	**(204)**	**-**	**(204)**
Total comprehensive income	**2,134**	**729**	**2,863**
Balance, October 31, 2015	**$ 27,341**	**$ 1,976**	**$ 29,317**

Note 4—Equity (continued)

On October 31, 2013, the Company's Board of Directors granted Howard Jonas, the Company's Chairman of the Board of Directors and majority stockholder, 38,796 (387,960 shares after the Stock Split) restricted shares of the Company's Class B common stock with a value of $2,327,760 on the date of grant in lieu of a bonus for fiscal 2013 and a cash base salary for the period October 14, 2014 to December 31, 2019. Total unrecognized compensation cost on the date of grant was $2,277,760. The unrecognized compensation is recognized over the vesting period. The restricted shares vest as follows:

Date	Number of shares	Number of shares (after giving effect to the 10 for 1 Stock Split)
10/31/13	833	8,330
9/30/15	5,834	58,340
9/30/16	6,417	64,170
9/30/17	7,058	70,580
9/30/18	7,764	77,640
9/30/19	8,541	85,410
12/31/19	2,349	23,490

On October 14, 2009, the Company's Board of Directors granted its Chairman/majority stockholder, 1,785,714 restricted shares (approximately 892,850 restricted shares after giving effect to the 1 for 20 Reverse Split and 10 for 1 Stock Split) of the Company's Class B common stock with a value of $1,250,000 on the date of grant in lieu of a cash base salary for the next five years. The restricted shares vested in equal thirds on each of October 14, 2011, October 14, 2012 and October 14, 2013. Total unrecognized compensation cost on the grant date was $1,250,000. The unrecognized compensation was recognized over the vesting period from October 14, 2009 through October 14, 2014.

On September 3, 2009, the Company's Compensation Committee ratified the Company's 2009 Stock Option and Incentive Plan (the "Company's Stock Option and Incentive Plan"), which was previously adopted by the Company's Board of Directors and approved by IDT Corporation as the Company's sole stockholder at the time, to provide incentives to executive officers, employees, directors and consultants of the Company and/or its subsidiaries. The maximum number of shares of the Company's Class B common stock reserved for the grant of awards under the Company's Stock Option and Incentive Plan is 383,020 shares (approximately 191,510 shares after giving effect to the 1 for 20 Reverse Split and 10 for 1 Stock Split), subject to adjustment. Incentives available under the Company's Stock Option and Incentive Plan may include stock options, stock appreciation rights, limited stock appreciation rights, restricted stock and deferred stock units.

Under the Company's Stock Option and Incentive Plan, the option price of each option award shall not be less than one hundred percent of the fair market value of the Company's Class B common stock on the date of grant. Each option agreement shall provide the exercise schedule for the option as determined by the Compensation Committee. The exercise period will be ten years from the date of the grant of the option unless otherwise determined by the Compensation Committee. No awards have been granted under the Company's Stock Option and Incentive Plan to date.

Note 5—Asset Purchases

On February 13, 2015, CTM Media Group, Inc., a subsidiary of the Company, acquired a 1,200 display station distribution network and assets of a company in New England that expanded its network throughout New England.

On December 12, 2014, Idea and Design Works, LLC, a subsidiary of the Company, purchased principally all of the assets of Top Shelf Productions, a publisher of graphic novels.

On July 31, 2014, CTM Media Group, Inc., a subsidiary of the Company, acquired a substantial portion of the brochure distribution network of a company in the Southeast United States that includes Georgia, North Carolina, South Carolina and parts of Tennessee.

Note 6—Notes Payable and Lines of Credit

On July 31, 2015, Idea and Design Works, LLC (IDW, LLC) a subsidiary of the Company, entered into a loan agreement with IDW Media Holdings, Inc.'s primary bank that provides for a $2,000,000 revolving line of credit, renewable annually, with interest payable monthly. IDW, LLC has pledged its fixed assets, inventory and receivables as collateral under the agreement. Any outstanding balance of interest and principal is payable no later than the expiration date of the agreement. The agreement requires IDW, LLC to maintain certain ratios related to liquidity and net worth, among other provisions. At October 31, 2015, no balance was outstanding under the line of credit.

On March 4, 2015, CTM Media Group, Inc., a subsidiary of the Company, entered into a term loan agreement with its primary bank for $500,000 payable in equal monthly installments of $11,256 including principal and interest at 3.81%, with the final payment due on February 28, 2019.

On October 3, 2014, CTM Media Group, Inc., a subsidiary of the Company, entered into a term loan agreement with its primary bank for $1,500,000 payable in equal monthly installments of $25,000, plus interest at 3.76%, with the final balance of principal payable on August 31, 2018.

The Company has pledged substantially all of its CTM Segment assets in guarantee of the loans and the Company's CTM Segment subsidiaries have also provided guarantees under the agreement. The agreement requires the company to maintain certain ratios related to liquidity and profitability, among other provisions. On October 31, 2015, $1,700,108 was outstanding under the term loans.

On July 28, 2012, CTM Media Group Inc., entered into a loan agreement with its primary bank that had provided for a $1.5 million revolving line of credit, renewable annually, with interest payable monthly. In conjunction with the October 3, 2014 term loan described above, the revolving line of credit was reduced to $1,000,000. Amendments dated June 13, 2013, November 22, 2013, April 24, 2014 and March 4, 2015 renewed and extended the line of credit through April 30, 2016. Any outstanding balance of interest and principal is payable no later than the expiration date of the agreement. The Company has pledged substantially all of its CTM Segment assets in guarantee of the loan and the Company's CTM Segment subsidiaries have also provided guarantees under the agreement. The agreement requires the company to maintain certain ratios related to liquidity and profitability, among other provisions. At October 31, 2015, no balance was outstanding under the line of credit.

Maturities under the term loans are as follows:

Fiscal years ended	Amount
10/31/16	$ 431,000
10/31/17	426,000
10/31/18	731,000
10/31/19	42,000
Total	**$1,630,000**

Note 7—Business Segment Information

The Company has the following two reportable business segments: IDW and CTM. Idea and Design Works, LLC ("IDW") is an entertainment company that includes IDW Publishing, IDW Games and IDW Entertainment.

CTM consists of the Company's brochure and digital advertising distribution company and other advertising-based product initiatives focused on small to medium sized businesses.

The Company's reportable segments are distinguished by types of service, customers and methods used to provide their services. The operating results of these business segments are regularly reviewed by the Company's chief operating decision maker.

The accounting policies of the segments are the same as the accounting policies of the Company as a whole. The Company evaluates the performance of its business segments based primarily on operating income. There are no other significant asymmetrical allocations to segments.

Operating results for the business segments of the Company are as follows:

(in thousands) (unaudited)	IDW	CTM	Total
Three months ended October 31, 2015			
Revenues	**$ 8,208**	**$ 5,728**	**$ 13,936**
Income from operations	**$ 941**	**$ 1,163**	**$ 2,104**
Depreciation and amortization	**$ 80**	**$ 290**	**$ 370**
Net income	**$ 703**	**$ 700**	**$ 1,403**
Total assets at October 31, 2015	**$ 15,961**	**$ 24,846**	**$ 40,807**
Three months ended October 31, 2014			
Revenues	$ 7,208	$ 5,577	$ 12,785
Income from operations	$ 1,032	$ 711	$ 1,743
Net income	$ 800	$ 371	$ 1,171
Depreciation and amortization	$ 6	$ 353	$ 359
Total assets at October 31, 2014	$ 13,062	$ 27,380	$ 40,442

(in thousands)	IDW	CTM	Total
Fiscal year ended October 31, 2015			
Revenues	**$ 28,740**	**$ 20,716**	**$ 49,456**
Income from operations	**$ 2,473**	**$ 2,358**	**$ 4,831**
Depreciation and amortization	**$ 231**	**$ 1,396**	**$ 1,627**
Net income	**$ 1,780**	**$ 1,287**	**$ 3,067**
Total assets at October 31, 2015	**$ 15,961**	**$ 24,846**	**$ 40,807**
Fiscal year ended October 31, 2014			
Revenues	$ 25,411	$ 19,837	$ 45,248
Income from operations	$ 4,108	$ 1,538	$ 5,646
Depreciation and amortization	$ 23	$ 1,106	$ 1,129
Net income	$ 3,188	$ 3,045	$ 6,233
Total assets at October 31, 2014	$ 13,062	$ 27,380	$ 40,442

Note 8—Trade Accounts Receivable

Trade accounts receivable consists of the following:

October 31 (in thousands)	2015	2014
Trade accounts receivable	**$ 6,306**	$ 5,220
Less allowance for sales returns	**(270)**	(337)
Less allowance for doubtful accounts	**(121)**	(80)
Trade accounts receivable, net	**$ 5,915**	$ 4,803

Allowance for Doubtful Accounts

The allowance for doubtful accounts reflects the Company's best estimate of probable losses inherent in the accounts receivable balance. The allowance is determined based on known troubled accounts, historical experience and other currently available evidence.

Note 9—Inventory

Inventory consists of the following:

October 31 (in thousands)	2015	2014
Print	**$ 3,053**	$ 2,578
Production costs	**2,635**	272
Total	**$ 5,688**	$ 2,850

Note 10—Accrued Expenses

Accrued expenses consist of the following:

October 31 (in thousands)	2015	2014
Royalties	**$ 1,181**	$ 1,155
Payroll & payroll taxes	**627**	584
Bonus	**1,525**	1,489
Other	**574**	290
Total	**$ 3,907**	$ 3,518

Note 11—Property and Equipment

Property and equipment consists of the following:

October 31 (in thousands)	2015	2014
Equipment	**$ 8,782**	$ 8,284
Vehicles	**2,483**	2,460
Leasehold improvements	**1,122**	348
Computer software	**1,239**	1,161
	13,626	12,253
Less accumulated depreciation and amortization	**(10,587)**	(10,175)
Property and equipment, net	**$ 3,039**	$ 2,078

Property and equipment under capital leases were $1,587,000 and $1,348,000 at October 31, 2015 and 2014, respectively. The accumulated depreciation related to these assets under capital leases was $810,000 and $801,000 at October 31, 2015 and 2014, respectively. Depreciation of fixed assets under capital leases is included in depreciation and amortization expense in the accompanying consolidated statements of operations. Depreciation and amortization expense of property and equipment was $1,112,000 and $1,024,000 in fiscal 2015 and 2014, respectively.

Note 12— Intangible Assets

The table below presents information on the Company's licenses and other intangible assets:

(in thousands)	Amortization Period	Gross Carrying Amount	Accumulated Amortization	Net Balance
As of October 31, 2015:				
Amortized intangible assets:				
Customer lists	**7years**	**$ 150**	**$ (25)**	**$ 125**
Non-compete covenant	**5-7 years**	**760**	**(136)**	**624**
Location lists	**7 years**	**300**	**(51)**	**249**
Purchasing Contracts	**1 year**	**250**	**(250)**	**0**
Licensing Contracts	**7 years**	**893**	**(149)**	**744**
Acquisition costs	**7 years**	**32**	**(5)**	**27**
Total intangible assets		**$ 2,385**	**$ (616)**	**$ 1,769**
As of October 31, 2014:				
Amortized intangible assets:				
Customer lists	**7years**	**$ 100**	**$ (4)**	**$ 96**
Non-compete covenant	**7 years**	**750**	**(27)**	**723**
Location lists	**7 years**	**200**	**(7)**	**193**
Purchasing Contracts	**1 year**	**250**	**(62)**	**188**
Acquisition costs	**7 years**	**22**	**(1)**	**21**
Total intangible assets		**$ 1,322**	**$ (101)**	**$ 1,221**

Amortization expense of intangible assets was $515,000 and $105,000 in fiscal 2015 and 2014, respectively.

Future estimated amortization expense as of October 31, 2015 is as follows:

2016	$ 366,000
2017	366,000
2018	366,000
2019	291,000
2020	213,000
Thereafter	167,000
Total	$ 1,769,000

Note 13—Income Taxes

Significant components of the Company's deferred tax assets and deferred tax liabilities consist of the following:

Fiscal Year Ended October 31 (in thousands)	**2015**	**2014**
Deferred tax assets:		
Bad debt reserve	**$ 48**	$ 32
Accrued expenses	**449**	414
Exercise of stock options and lapsing of restrictions on restricted stock	**(676)**	(823)
Impairment	**12,407**	12,610
Net operating loss	**36**	1,411
Total deferred tax assets	**12,264**	13,644
Valuation allowance	—	—
Net Deferred Tax Assets	**$ 12,264**	$ 13,644

Note 13—Income Taxes (continued)

The provision for income taxes consists of the following:

Fiscal Year ended October 31 (in thousands)	**2015**	2014
Current:		
Federal	**$ -**	$ (312)
State and local	**327**	386
Foreign	**-**	(62)
	$ 327	$ 12
Deferred:		
Federal	**$ 1,314**	$ (551)
State and local	**(5)**	33
	$ 1,309	$ (518)
Provision for (benefit from) income taxes	**$ 1,636**	$ (506)

Note 13—Income Taxes (continued)

The differences between income taxes expected at the U.S. federal statutory income tax rate and income taxes provided are as follows:

Fiscal year ended October 31 (in thousands)	2015	2014
U.S. federal income tax at statutory rate	**$ 1,641**	$ 2,004
Change in valuation allowance	**-**	(2,063)
Foreign tax rate differential	**-**	(1)
State and local income tax, net of federal benefit	**213**	252
Prior Year	**-**	(388)
Non-deductible expenses	**(218)**	(310)
Provision for (benefit from) income taxes	**$ 1,636**	$ (506)

At October 31, 2015, the Company had federal and state net operating loss carry-forwards of approximately $106,000. This carry-forward loss is available to offset future U.S. federal and state taxable income. The net operating loss carry-forwards will start to expire in fiscal 2026. The Company has no foreign net operating losses.

The Company has not recorded U.S. income tax expense for foreign earnings as such earnings are permanently reinvested outside the U.S. The cumulative undistributed foreign earnings are included in accumulated deficit in the Company's consolidated balance sheets and amounted to approximately $763,000 at October 31, 2015. Upon distribution of these foreign earnings, the Company may be subject to U.S. income taxes and foreign withholding taxes, however, it is not practicable to determine the amount, if any, which would be paid.

The Company classifies interest and penalties on income taxes as a component of income tax expense. In fiscal 2015 and fiscal 2014, the Company recorded no additional interest expense in either year. As of October 31, 2015 and 2014, accrued interest expense included in current income taxes payable was $0 in both years.

The Company currently remains subject to examinations of its tax returns as follows: U.S. federal tax returns for fiscal 2011 to fiscal 2015, state and local tax returns generally for fiscal 2011 to fiscal 2015 and foreign tax returns generally for fiscal 2010 to fiscal 2015.

Income tax expense increased for the three months and fiscal year ended October 31, 2015 compared to the three months and fiscal year ended October 31, 2014 increased by approximately $63,000 and $2,142,000. The increase for the three month periods was principally due to an increase in taxable income. The increase in income tax expense for the fiscal year is due primarily to the release of the valuation allowance on the IRC section 382 limited net operating loss carry forwards that were no longer limited during the fiscal year ended October 31, 2014.

Note 14—Commitments

Legal Proceedings
None.

Lease Commitments
The future minimum payments for capital and operating leases as of October 31, 2015 are as follows:

(in thousands)	Operating Leases	Capital Leases
Fiscal years ending October 31:		
2016	$ 1,370	$ 259
2017	1,219	237
2018	1,010	159
2019	675	116
2020	574	17
Thereafter	727	-
Total payments	$ 5,575	788
Less amount representing interest		(4)
Less current portion principal		(257)
Capital lease obligations—long-term portion principal		$ 527

Rental expense under operating leases was $1,475,000 in fiscal 2015 and $1,220,000 in fiscal 2014.

Other commitments
The Company is committed through a subsidiary to guaranteed minimum payments of $5,000,000, net of the Company's contracted pre-sales pursuant to an agreement, which has been assigned by a vendor to a third party bank. In accordance with the delivery schedule set forth in the agreement, all payments under the guarantee are scheduled to be made by October 31, 2016.

Note 15—Related Party Transactions

On October 31, 2013, the Company's Board of Directors granted Howard S. Jonas, the Company's founder and Chairman, 38,796 restricted shares of the Company's Class B common stock with a value of $2,327,760 on the date of grant in lieu of a bonus for fiscal 2013 and a cash base salary for the period October 14, 2014 to December 31, 2019. The Company advanced $1,035,000 to Mr. Jonas to satisfy the income taxes due on the transaction. Mr. Jonas repaid the Company on December 31, 2013.

CTM distributes brochures for ETR Brochures, Inc. ("ETR"), a brochure distribution firm controlled by Howard S. Jonas. ETR also distributes brochures for CTM. In fiscal 2015, CTM there was no billing to ETR and ETR billed CTM approximately $132,000 for distribution services. In fiscal 2014, CTM billed ETR approximately $400 for distribution services and ETR billed CTM approximately $83,000 for distribution services. The balance owed to ETR by CTM was approximately $6,800 and $8,400 as of October 31, 2015 and 2014, respectively. The balance owed by ETR to CTM was approximately $0 and $0 as of October 31, 2015 and 2014, respectively. These transactions were approved in accordance with Related Person Transaction policy described in the Company's 2010 Proxy Statement. The Company intends for the relationship between CTM and ETR to continue in the future.

On October 22, 2013, the Company's Board of Directors elected to donate $200,000 to The CTM Media Charitable Foundation ("Foundation"), an IRS Section 501(c)(3) non-profit corporation. The donation consisted of $20,000 in cash and $180,000 in the Company's Class B common stock. The Company is the sole member of the Foundation, and the Company's COO and CFO are the directors and officers of the Foundation. There were no balances outstanding between the Company and the Foundation as of October 31, 2015 and 2014.

Note 16—Defined Contribution Plans

The Company has 401(k) Plans that are available to all its employees meeting certain eligibility criteria. The 401(k) Plans permit participants to contribute a portion of their salary with no minimum deferred required, not to exceed the limits established by the Internal Revenue Code. The Plans provide for discretionary matching contributions as determined in the Company's sole discretion, which vest either immediately or over six years, depending upon the specific plan's documents. All contributions made by participants vest immediately into the participant's account.

The Company also has 401(k) matching plans whereby the Company matches a percentage of employee 401(k) contributions, based on maximum employee deferral rates of calendar year W-2 compensation, as defined in the plans. Funds are added to accounts of employees that are actively employed in a given calendar year, as defined. Although the Company is fully committed to the plans, the company's match and the terms of the match are subject to cancellation and/or change, at any time, without notice.

The Company expensed approximately $341,000 and $184,000 for the fiscal years ended October 31, 2015 and October 31, 2014 respectively.

Note 17— Subsequent events

Management has evaluated subsequent events through January 29, 2016, the date on which the consolidated financial statements were available to be issued. There were no material subsequent events that require recognition or additional disclosures in these condensed consolidated financial statements, except as shown below:

On January 13, 2016, the Board of Directors, in light of the Company's cash position, declared the payment of a cash dividend in the amount of $0.163 per share (approximately $758,000 in the aggregate), which will paid on or about February 6, 2016 to stockholders of record as of January 30, 2016 of the Company's Class B common stock and Class C common stock.

Item 10 Certifications.

I, Theodore B. Adams, certify that:

1. I have reviewed this annual disclosure statement of IDW Media Holdings, Inc.;

2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and

3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

Date: January 29, 2016

/s/ Theodore B. Adams

Chief Executive Officer

I, Leslie B. Rozner, certify that:

1. I have reviewed this annual disclosure statement of IDW Media Holdings, Inc.;

2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and

3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

Date: January 29, 2016

/s/ Leslie B. Rozner

Chief Financial Officer