



Radiant Communications Announces 2010 Year-End Results

Vancouver, Canada, April 4, 2011 - Radiant Communications Corp. (“Radiant”) (TSX-V:RCN), Canada's leading supplier of Broadband Solutions for Business™, today announced its financial results for the fourth quarter and year ended December 31, 2010.

HIGHLIGHTS:

- Record revenue of \$31.3 million for the year ended December 31, 2010 an increase of 4.3% compared with \$30.0 million for the year ended December 31, 2009. Fourth quarter revenue was \$7.9 million, an increase of 2.9% compared with the fourth quarter of 2009.
- Gross margin was 39.9% for the year and 39.7% in the fourth quarter.
- EBITDA for the year ended December 31, 2010 was \$1.4 million and EBITDA in the fourth quarter was \$358,144. (see EBITDA section for the reconciliation of EBITDA to Net Income).
- The Net Loss for the year was \$84,395 or \$0.01 per share and a loss of \$34,153 or \$0.00 per share in the fourth quarter of 2010.
- The Company ended the year with cash and short-term investments of \$4.3 million and generated \$425,590 of cash from operating activities during the year.
- During 2010 Radiant re-signed several existing customer relationships, continued to add new services with existing customers and sold new services to many small and medium businesses.
- In November of 2010 Radiant announced the opening of its AlwaysThere Enterprise Cloud Computing Platform in Toronto. This second virtual hosting environment allows Radiant to offer faster and more reliable services to Eastern Canadian customers as well as geographically redundant back-up services to customers hosted in Vancouver.
- In 2010 Radiant signed a National Broadband Network Services Agreement with MTS Allstream Inc. The agreement enabled Radiant to deliver business ethernet services out of MTS Allstream facilities. Radiant launched its Surelink™ service in April of 2010 and has since expanded the service to 31 central offices and signed more than 115 customers.
- In April Radiant completed a \$4.2 million non-brokered private placement to fund the Surelink roll-out and appointed Johnny Ciampi to the Board of Directors.

“Although 2010 was a challenging year marked by slower economic activity in the retail sector where we have several multi-location customers, Radiant was able to achieve a number of successes that we will continue to build on in 2011,” said David Buffett, Radiant’s President and CEO. “In addition to launching our Toronto-based data-centre, we introduced several new business Internet and cloud computing solutions including the AlwaysThere Virtual Data Centre and SureLink Business Ethernet. Both of these offerings will allow us to sell more services to existing customers.



“A key strategy for growing our business continues to centre on providing a friendly and customer focused alternative to large incumbents. Each and every day our staff live the mantra ‘small enough to care, big enough to deliver.’” Continued Buffett: “Going forward, our key financial objectives include increasing revenue while continuing to carefully control costs and continued investments in strategic research and product development activities that will provide the maximum potential return on investment. We believe that we have assembled the right team, technological breadth and market presence to provide a simple yet comprehensive set of leading edge solutions to the bandwidth bottleneck many small, midsize and enterprise level customers experience today.”

Financial Review

Revenues for the year ended December 31, 2010 increased 4.3% to \$31.3 million compared to \$30.0 million in 2009. The increase is a result of ongoing sales of new services directed at retailers and larger national businesses as well as the significant addition of new Surelink and AlwaysThere customers. The Company’s revenues are primarily recurring in nature and due to extended two, and three year customer contracts, revenue growth is relatively predictable and consistent over time.

For the year ended December 31, 2010, the Company’s gross profit was flat at \$12.5 million. Gross profit as a percent of revenue was 39.9% for the year ended December 31, 2010 compared to 41.8% for the same period in 2009. Approximately 90% of all the Company’s access and bandwidth costs are directly variable with revenue, and accordingly, margin percentages are relatively predictable. Overall margin percentage can vary with revenue mix, as hardware and installation revenues carry lower margins than the Company’s higher value connectivity and managed services. During the year ended December 31, 2010, Radiant provisioned 31 Central Offices with MTS Allstream as part of the new Surelink product offering. Associated backhaul and connection costs impacted margins as well as reduced margins on the re-signing of existing customers to new long term contracts. As new, higher margin products are sold and installed it is anticipated that margins will recover and move upward.

Operating expenses, including sales and marketing, general and administrative, and amortization increased by 6.2% to \$12.6 million in the year ended December 31, 2010 compared to \$11.8 million in 2009.

Sales and marketing expenses include compensation expenses, agent and channel distribution, and marketing costs. For the year ended December 31, 2010, sales and marketing expense increased 20.6% to \$2.4 million compared to \$2.0 million in 2009. The Company has invested significantly in additional headcount and marketing efforts with respect to the new Surelink product offering including the addition of six new sales heads during the year and more than \$500,000 invested in marketing and sales programs.



General and administrative expenses, which include customer care, technical, network, executive and administrative staff, systems development, hardware, software, premises, office and general expenses, grew 1.5% to \$9.0 million for the year ended December 31, 2010 compared to \$8.9 million in the year ended December 31, 2009. This increase in expense is primarily attributable to additional resources to support the increase in managed services connections as well as development costs related to improvements and enhancements to the provisioning and billing systems.

For the year ended December 31, 2010, amortization expenses of \$1.2 million were 19.2% higher than amortization expenses in 2009 of \$1.0 million. The increase in amortization costs is attributable to the significant capital investments made in rights of access to central offices made with MTS Allstream.

The Company had a net loss of \$84,395 or a loss of \$0.01 per share for the year ended December 31, 2010 compared to a net income of \$73,584 or \$0.01 per share for the year ended 2009. The weighted average number of shares outstanding for the year ended December 31, 2010 was 13.9 million compared to 10.9 million for the year ended December 31, 2009.

LIQUIDITY AND CAPITAL RESOURCES

At December 31, 2010 Radiant had cash and short term investments of \$4.3 million compared to \$3.8 million at December 31, 2009. Radiant has established a consistent record of positive cash flows from operating activities that are sufficient to fund all expected capital acquisitions and non-cash working capital requirements for the existing business. Existing future commitments are primarily for premises and equipment leases and amount to \$1.5 million for 2011 and \$1.3 million for the remaining four years to 2015. During the second quarter of 2010 Radiant completed two non-brokered private placements for net proceeds of \$4.0 million. The use of proceeds is specifically targeted at rolling out the Surelink product and accelerating the time to market of the new product. The Company believes it has sufficient funds to ensure ongoing operations and will not require additional funding from capital markets or other sources in 2011.



EBITDA

Earnings before Interest, Taxes, Depreciation and Amortization is calculated as follows:

(\$000s)	Q4 2010	Q4 2009
Operating Income (loss)	\$ (40)	\$ (31)
Amortization	354	232
Stock-based compensation expense	44	75
EBITDA	\$ 358	\$ 276

In the fourth quarter of 2010, Radiant achieved EBITDA of \$358,144 compared to EBITDA of \$276,005 in the fourth quarter of 2009.

(\$000s)	Year ended December 31, 2010	Year ended December 31, 2009
Operating Income (loss)	\$ (68)	\$ 708
Amortization	1,204	1,010
Stock-based compensation expense	237	287
EBITDA	\$ 1,373	\$ 2,005

In the twelve months ended December 31, 2010 Radiant achieved positive EBITDA of \$1.4 million compared to positive EBITDA of \$2.0 million in the comparable period of 2009.

Additional details on the quarter results, including the unaudited Financial Statements and Management Discussion and Analysis, will be made available at www.sedar.com under Radiant Communications Corp.

Radiant will hold a conference call to discuss its results for the year ended December 31, 2010 on April 4, 2011, at 2:00 p.m. PDT (5:00 p.m. EDT). Access to the call may be obtained by calling the operator at **1.888.231.8191** (Toll Free North America), or **1.647.427.7450** (International) 10 minutes prior to the scheduled start time or 7 days after the call at **1.800.642.1687** (Toll Free North America) or 416-849-0833 (International). The passcode for the playback and the call is **56250804**. The audio web cast will be archived for replay on Radiant's web site at www.radiant.net.

Non-GAAP Measures

The Company reports EBITDA because it is a key measure used by management to evaluate the Company's performance. The Company believes that EBITDA is useful supplemental information as it provides an indication of the results generated by the Company's main business activities prior to taking into consideration how those activities are financed and taxed and also prior to taking into consideration asset depreciation and other non-cash expenses. EBITDA is not



a recognized measure under Canadian GAAP, and accordingly investors are cautioned that EBITDA should not be construed as an alternative to net earnings or loss determined in accordance with Canadian GAAP as an indicator of the financial performance of the Company or as a measure of the Company's liquidity and cash flows. The Company's method of calculating EBITDA differs from other issuers and, accordingly, EBITDA may not be comparable to similar measures presented by other issuers. Please see the schedule below that sets out the Company's EBITDA calculations.

About Radiant

In operation since 1996, Radiant currently serves over 20,000 business locations in Canada and the United States from its offices in Vancouver, Toronto and Montreal.

Headquartered in Vancouver, Canada, Radiant Communications (www.radiant.net) provides businesses across Canada with a comprehensive and innovative suite of data communications and cloud computing services: the largest on-net DSL footprint across Canada & the US, T1 and E10/E100 fibre broadband, MPLS private networking, and AlwaysThere Cloud Computing services. Many of Canada's largest retail chains and thousands of other small to mid-sized businesses depend on Radiant solutions for their mission-critical data networks and enterprise-level applications.

For More Information:

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This press release may contain forward-looking statements, including statements regarding the business and anticipated financial performance of Radiant, which involve risks and uncertainties. These risks and uncertainties may cause Radiant's actual results to differ materially from those contemplated by the forward-looking statements. Factors that might cause or contribute to such differences include, among others, competitive pressures, the growth rate of the Internet and telecommunications concerns, constantly changing technology and market acceptance of Radiant's products and services. Investors are also directed to consider the other risks and uncertainties discussed in Radiant's required financial statements and filings. All other companies and products listed herein may be trademarks or registered trademarks of their respective holders.

The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.



RADIANT COMMUNICATIONS CORP.

BALANCE SHEET

(Expressed in Canadian dollars)

	December 31, 2010	December 31, 2009
Assets		
Current assets		
Cash and cash equivalents	\$ 3,748,225	\$ 3,412,781
Short-term investment	533,376	424,376
Restricted short-term investment	–	109,000
Trade accounts receivable	3,051,469	2,512,832
Inventories	296,888	358,136
Prepaid expenses and deposits	278,830	295,052
Deferred costs	811,520	1,473,487
	8,720,308	8,585,664
Property and equipment	2,276,688	1,568,829
Right of Access	2,097,065	–
Goodwill	1,574,228	1,574,228
	\$ 14,668,289	\$ 11,728,721
Liabilities and Shareholders' Equity		
Current liabilities		
Accounts payable and accrued liabilities	\$ 2,539,863	\$ 3,244,082
Customer deposits	86,484	122,115
Deferred revenue	4,283,058	4,679,804
Current portion of deferred lease inducements	31,007	16,050
Current portion of obligations under capital leases	41,069	49,700
	6,981,481	8,111,751
Deferred lease inducements	33,788	75,192
Obligations under capital leases	–	44,040
	7,015,269	8,230,983
Shareholders' equity		
Share capital	7,511,130	3,601,872
Contributed surplus	4,764,350	4,433,931
Deficit	(4,622,460)	(4,538,065)
	7,653,020	3,497,738
	\$ 14,668,289	\$ 11,728,721



RADIANT COMMUNICATIONS CORP.

STATEMENTS OF OPERATIONS, COMPREHENSIVE INCOME (LOSS) AND DEFICIT

(Expressed in Canadian dollars)

	Three months ended December 31,		Year ended December 31,	
	2010 (Unaudited)	2009 (Unaudited)	2010	2009
Revenue	\$ 7,936,135	\$ 7,715,284	\$ 31,329,131	\$ 30,031,215
Cost of sales	4,787,277	4,603,913	18,838,547	17,492,839
Gross profit	3,148,858	3,111,371	12,490,584	12,538,376
Expenses				
Sales and marketing	601,910	567,861	2,362,550	1,958,762
General and administrative	2,233,410	2,342,496	8,992,015	8,860,954
Amortization	353,924	231,584	1,204,463	1,010,573
	3,189,244	3,141,941	12,559,028	11,830,289
Income (loss) before undernoted	(40,386)	(30,570)	(68,444)	708,087
Interest expense	1,169	8,514	14,738	40,518
Other (income) expenses	(7,402)	480,760	1,213	593,985
Income and comprehensive income (loss) for the year	(34,153)	(519,844)	(84,395)	73,584
Deficit, beginning of period	(4,588,307)	(4,018,221)	(4,538,065)	(4,611,649)
Deficit, end of period	\$ (4,622,460)	\$ (4,538,065)	\$ (4,622,460)	\$ (4,538,065)
Basic and diluted earnings (loss) per share	\$ (0.00)	\$ (0.05)	\$ (0.01)	\$ 0.01
Weighted average common shares, used in computing basic and diluted earnings (loss) per share	15,125,664	10,925,664	13,917,445	10,925,664



RADIANT COMMUNICATIONS CORP.
STATEMENTS OF CASH FLOWS
(Expressed in Canadian dollars)

	Three months ended		Year ended	
	December 31,		December 31,	
	2010	2009	2010	2009
	(Unaudited)	(Unaudited)		
Cash flows from operating activities:				
Income (loss) for the period	\$ (34,153)	\$ (519,844)	\$ (84,395)	\$ 73,584
Items not involving cash:				
Amortization	353,924	231,584	1,204,463	1,010,573
Stock-based compensation	44,606	74,991	237,419	286,886
Amortization of deferred lease inducements	(8,469)	2,671	(26,447)	10,683
Foreign exchange (gain) loss	15,813	8,560	30,346	124,700
	371,721	(202,038)	1,361,386	1,506,426
Change in non-cash working capital:				
Trade accounts receivable	(138,214)	228,563	(538,637)	21,965
Inventories	(29,781)	65,200	61,248	316,581
Prepaid expenses and deposits	165,110	161,927	16,222	(19,139)
Deferred costs	100,623	(16,671)	661,967	(219,178)
Accounts payable and accrued liabilities	(1,815,933)	899,656	(704,219)	910,860
Customer deposits	(35,631)	(38,000)	(35,631)	(39,971)
Deferred revenue	(52,023)	(12,021)	(396,746)	350,453
	(1,434,128)	1,086,616	425,590	2,827,997
Cash flows from investing activities:				
Purchase of property and equipment	(163,980)	(427,593)	(1,810,741)	(930,937)
Payments for right of access	(377,444)	–	(2,203,399)	–
Short-term investments	–	–	(109,000)	(376)
Restricted short-term investment	–	–	109,000	–
	(541,424)	(427,593)	(4,014,140)	(931,313)
Cash flows from financing activities:				
Payments under capital leases	(11,847)	(21,901)	(47,918)	(169,681)
Proceeds from issuance of common shares	–	–	4,002,258	–
	(11,847)	(21,901)	3,954,340	(169,681)
Foreign exchange gain (loss) on cash held in foreign currency	(15,813)	(8,560)	(30,346)	(124,700)
Increase (decrease) in cash and cash equivalents	(2,003,212)	628,562	335,444	1,602,303
Cash and cash equivalents, beginning of period	5,751,437	2,784,219	3,412,781	1,810,478
Cash and cash equivalents, end of period	\$ 3,748,225	\$ 3,412,781	\$ 3,748,225	\$ 3,412,781