

Radiant Communications Announces Second Quarter 2012 Results

Vancouver, Canada, August 30, 2012 - Radiant Communications Corp. ("Radiant") (TSX-V:RCN), a leading provider of managed network and cloud hosting solutions for medium-size enterprises today announced its financial results for the second quarter and six months ended June 30, 2012.

HIGHLIGHTS:

- Revenue of \$8.1 million for the second quarter ended June 30, 2012 was flat compared to revenue of \$8.1 million for the second quarter ended June 30, 2011. For the six months ended June 30, 2012, revenue of \$16.3 million is a record for Radiant and is 1.4% higher than the YTD revenue from the prior year.
- Gross margin increased to 41.9% for the quarter compared to 38.2% in the second quarter of 2011 due to a combination of recurring and one-time activities.
- EBITDA for the second quarter ended June 30, 2012, was a record \$710,568 compared to \$143,171 in the second quarter of 2011. (See EBITDA section for the reconciliation of EBITDA to Net Income). Year-to-date EBITDA for the six months ended June 30, 2012, is \$1.1 million compared to \$468,684 for the same period of 2011.
- Net income for the second quarter ended June 30, 2012 was \$306,940 or \$0.02 per share compared with a net loss of \$237,569 or \$0.02 per share in the second quarter of 2011.
- The Company ended the quarter with cash and short-term investments of \$5.5 million and generated \$1.1 million of cash from operating activities during the second quarter. In the first six months of 2012 Radiant has generated \$1.7 million from operations.
- During the quarter ended June 30, 2012, the Company entered into an agreement with a vendor to provide services at fixed prices over a period of three years. The minimum purchase commitment over this three-year period is \$11.6 million.

"I am very pleased to report record EBITDA and cash flows from operations for the second quarter and first six months of 2012." said Paul Healey, President and CEO. "We have made a concerted effort over the past 10 months to re-engineer our business processes, services and solutions to create a sustainable high value business that benefits both our customers and our shareholders. We have successfully managed our cost base to achieve both recurring and one-time savings. As a result our higher margins, reduced operating costs and revenue growth are all excellent indicators that we are progressing towards our goals. Developing and maintaining strong customer relationships is a key driver of our future success in creating return for our shareholders and we expect to utilize the benefit of our efficiencies to invest in our brand and growth opportunities. Radiant will continue to focus on providing a premier customer experience with robust and reliable solutions as a core aspect of our business development strategy."

EBITDA

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

(\$000s)	Q2 2012	Q2 2011
Operating Income (loss)	\$ 287	\$(236)
Amortization	381	364
Stock-based compensation expense	42	15
EBITDA	\$ 710	\$ 143

In the second quarter of 2012, Radiant achieved EBITDA of \$710,568 compared to EBITDA of \$143,171 in the second quarter of 2011

(\$000s)	Six months ended June 30, 2012	Six months ended June 30, 2011
Operating Income (loss)	\$ 337	\$(279)
Amortization	745	713
Stock-based compensation expense	62	35
EBITDA	\$ 1,144	\$ 469

In the six months ended June 30, 2012 Radiant achieved positive EBITDA of \$1.1 million compared to positive EBITDA of \$468,684 in the comparable period of 2011.

About Radiant

Radiant Communications is a leading provider of managed network and cloud hosting solutions for medium-size enterprises. Leveraging one of the largest Internet footprints across Canada, Radiant offers a comprehensive portfolio of reliable, secure and scalable IT infrastructure services, simplified under a single point of contact. For over 15 years, many of Canada's most recognized brand names have been relying on Radiant to support their mission-critical business operations.

For More Information

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PRESS RELEASE



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