

Radiant Communications Announces Third Quarter 2012 Results

Vancouver, Canada, November 7, 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 third quarter and nine months ended September 30, 2012.

HIGHLIGHTS:

- Revenue of \$8.2 million for the third quarter ended September 30, 2012 was up 1.1% compared to revenue of \$8.1 million for the third quarter ended September 30, 2011. For the nine months ended September 30, 2012, revenue of \$24.4 million is a record for Radiant and is 1.3% higher than the year-to-date revenue from the prior year.
- Gross margin increased to 40.3% for the quarter compared to 40.1% in the third quarter of 2011.
- EBITDA for the third quarter ended September 30, 2012, was \$645,452 compared to \$455,617 in the third quarter of 2011. (See EBITDA section for the reconciliation of EBITDA to Net Income). Year-to-date EBITDA for the nine months ended September 30, 2012, is \$1.8 million compared to \$924,301 for the same period of 2011.
- Net income for the third quarter ended September 30, 2012 was \$213,683 or \$0.01 per share compared with a net loss of \$383,576 or \$0.03 per share in the third quarter of 2011. Net income for the nine months ended September 30, 2012 was \$560,337, (\$0.04 per share), compared to a net loss of \$683,615, (\$0.05 per share), for the same period in 2011.
- The Company ended the quarter with cash and short-term investments of \$6.1 million and generated \$730,482 of cash from operating activities during the third quarter. In the first nine months of 2012 Radiant has generated \$2.5 million from operations.
- During the quarter ended September 30, 2012, the Company re-signed several existing customers to new multi-year contracts and added two new significant retailers under contract for managed connectivity and cloud services.
- In July at the Annual Meeting Mr. Greg Gutmanis joined the Board of Directors and assumed the role of Chair of the Audit Committee.

“Over the past twelve months, we’ve made significant progress on process improvements and several strategic programs. We are continuing to build on our strength, delivering managed network and cloud hosting solutions to meet the critical needs of our customers,” said Paul Healey, President and CEO. “Our highly secure and reliable solution offering allows our customers to gain flexibility and improve their resource efficiencies. With our customer centric approach, we are delivering on our growth plans and generating cash flow and profits to our shareholders. I am very pleased with our continued progress, and look forward to continuing our efforts and successes.”

EBITDA

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

(\$000s)	Q3 2012	Q3 2011
Operating Income (loss)	\$ 234	\$(447)
Amortization	366	365
Stock-based compensation expense	45	15
Restructuring Costs		523
EBITDA	\$ 645	\$ 456

In the third quarter of 2012, Radiant achieved EBITDA of \$645,452 compared to EBITDA of \$455,617 in the second quarter of 2011.

(\$000s)	Nine months ended September 30, 2012	Nine months ended September 30, 2011
Operating Income (loss)	\$ 571	\$(727)
Amortization	1,110	1,078
Stock-based compensation expense	108	49
Restructuring Costs		523
EBITDA	\$ 1,789	\$ 924

In the nine months ended September 30, 2012 Radiant achieved positive EBITDA of \$1.8 million compared to positive EBITDA of \$924,031 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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The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.