



NEWS RELEASE

SANGOMA REPORTS THIRD QUARTER 2010-2011 RESULTS

MARKHAM, ONTARIO, May 18, 2011 – [Sangoma Technologies Corporation](#) (TSX VENTURE:STC), a leading provider of hardware and software components that enable or enhance IP Communications Systems for both voice and data, today announced highlights of its unaudited financial results for the quarter ended March 31, 2011.

	Q3 FY2011	Q2 FY2011	Change	Q3 FY2010	Change
Sales	\$3.12 m	\$2.98 m	5%	\$3.13 m	0%
Gross profit	\$2.27 m	\$2.30 m	-1%	\$2.33 m	-3%
Net income before provision for taxes	\$0.46 m	\$0.45 m	2%	\$0.69 m	-33%
Net income	\$0.35 m	\$0.34 m	3%	\$0.42 m	-17%
Net earnings per share (fully diluted)	\$0.011	\$0.011	0%	\$0.014	-21%
EBITDA	\$0.97 m	\$0.95 m	2%	\$1.02 m	-5%

Sales for the third quarter of fiscal 2011 ended March 31, 2011 were \$3.12 million. This compares with sales of \$2.98 million during the Corporation's immediately preceding second quarter of fiscal 2011, a 5% increase with growth in both North America and the rest of the world. Sales of \$3.12 million were not materially different from the \$3.13 million in the same quarter last year, ended March 31, 2010.

Sangoma is continuing to increase its investment in new marketing and sales initiatives, and the Corporation is pleased to have a second consecutive quarter of revenue growth despite a further weakening of the US dollar in which most of the Corporation's sales are denominated. While the third quarter improvement is very positive, it will be a few more quarters before a longer term trend can be identified.

Gross margins for the quarter were 73%, 4% below the Corporation's immediately preceding second quarter of fiscal 2011, and 2% lower than those of the quarter ended March 31, 2010. This is a return to the more typical mix of orders between hardware and software after an unusually attractive mix in the second quarter. Expenses for the quarter

ended March 31, 2011 were \$1.81 million, 2% lower than those of fiscal second quarter ended December 31, 2010, and 11% higher than those of the comparable quarter last year. The change year over year is mainly due to the increase in development cost amortization following the ramp in spending late in fiscal 2010 and to increased Sales and Marketing investment for the expected benefit of higher sales in future quarters. Net income was \$0.35 million (\$0.011 per share fully diluted) compared to net income of \$0.34 million last quarter and \$0.42 million (\$0.014 per share fully diluted) for the quarter ended March 31, 2010. EBITDA for the quarter ended March 31, 2011 was \$0.97 million, up slightly from the \$0.95 million last quarter, and 5% below the same quarter one year ago.

On March 31, 2011 Sangoma had working capital of \$11.23 million, as compared to \$10.00 million on March 31, 2010. Working capital on March 31, 2011 included \$7.66 million in cash and equivalents.

President and CEO, Bill Wignall, and CFO, David Moore will host a conference call on Friday May 20, 2011 at 11 a.m. Eastern Standard Time to discuss the quarter's results. The dial-in number for the call is 1-800-319-4610 (International 1-604-638-5340). Investors are requested to dial in 5 to 10 minutes before the scheduled start time and ask to join the Sangoma call.

About Sangoma Technologies Corporation

Sangoma is a leading provider of hardware and software components that enable or enhance IP Communications Systems for both telecom and datacom applications. Sangoma's data boards, voice boards, gateways and connectivity software are used in leading PBX, IVR, contact center and data-communication applications worldwide. The product line includes both hardware and software components that offer a comprehensive toolset for deploying cost-effective, powerful, and flexible communication solutions.

Founded in 1984, Sangoma Technologies Corporation is publicly traded on the TSX Venture Exchange (TSX VENTURE: STC). Additional information on Sangoma can be found at: www.sangoma.com.

Cautionary Statement Regarding Forward Looking Statements

This press release contains forward-looking statements, including statements regarding the future success of our business, development strategies and future opportunities.

Forward-looking statements include, but are not limited to, statements concerning estimates of expected expenditures, statements relating to expected future production and cash flows, and other statements which are not historical facts. When used in this document, the words such as "could", "plan", "estimate", "expect", "intend", "may", "potential", "should" and similar expressions indicate forward-looking statements.

Although Sangoma believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements. Forward-looking statements are based on the opinions and estimates of management at the date that the statements are made, and are subject to a variety of risks

and uncertainties and other factors that could cause actual events or results to differ materially from those projected in forward-looking statements. Sangoma undertakes no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change except as required by law.

Readers are cautioned not to place undue reliance on forward-looking statements, as there can be no assurance that the plans, intentions or expectations upon which they are based will occur. By their nature, forward-looking statements involve numerous assumptions, known and unknown risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and other events contemplated by the forward-looking statements will not occur. Although Sangoma believes that the expectations represented by such forward-looking statements are reasonable, there can be no assurance that such expectations will prove to be correct as these expectations are inherently subject to business, economic and competitive uncertainties and contingencies. Some of the risks and other factors which could cause results to differ materially from those expressed in the forward-looking statements contained in the management's discussion and analysis include, but are not limited to changes in exchange rate between the Canadian Dollar and other currencies, changes in technology, changes in the business climate, changes in the regulatory environment, the decline in the importance of the PSTN and new competitive pressures. The forward-looking statements contained in this press release are expressly qualified by this cautionary statement.

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

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