



## ***NEWS RELEASE***

### ***SANGOMA REPORTS RESULTS FOR FIRST QUARTER OF FISCAL 2016 Revenue Up 70% from Same Quarter in Previous Year***

**MARKHAM, ONTARIO, November 18, 2015** – 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 consolidated interim financial statements for the first quarter of fiscal 2016, ended September 30, 2015.

Sales for the first quarter of fiscal 2016 were \$4.71 million, growing 70% from the \$2.77 million in the first quarter of fiscal 2015. As in previous years, Sangoma's revenue in the first quarter was somewhat below that of the fourth quarter in the prior fiscal year, owing to seasonally lower demand during summer months, a trend that the company expects will continue.

“It is very gratifying to see Sangoma continue its forward progress, with sales up 70% year-over-year, in what is historically a challenging quarter for us”, said Bill Wignall, President and CEO of Sangoma. “It is reassuring to see the seasonal decline in revenue from the fourth quarter, shrink this year, as the portion of revenue that is recurring continues to grow, a trend we will seek to build on this as the year unfolds. I remain pleased with the contribution from the new businesses, especially at a time when we experienced softer demand for our older products. And finally, I'm encouraged by the strengthening profitability over last year, on both the EBITDA and Operating Income lines, as our sales grow.”

	<b>Q1 FY2016</b>	<b>Q1 FY2015</b>	<b>Change</b>	<b>Q4 FY2015</b>	<b>Change</b>
Sales	\$4.71 m	\$2.77 m	70%	\$5.34 m	(12%)
Gross profit	\$3.35 m	\$1.83 m	83%	\$3.57 m	(6%)
Operating Expense	\$3.20 m	\$1.81 m	77%	\$3.07 m	4%
Operating Income <sup>1</sup>	\$0.15 m	\$0.02 m		\$0.50 m	
Net income	\$0.09 m	\$0.02 m		\$0.15 m	
Net earnings per share (fully diluted)	\$0.003	\$0.001		\$0.005	
EBITDA <sup>1</sup>	\$0.38 m	\$0.13 m		\$0.75 m	

<sup>1</sup> Operating Income and EBITDA are metrics used by the Company to monitor its performance and the definitions may be found in the accompanying MD&A posted today at [www.sedar.com](http://www.sedar.com).

Gross profit was \$3.35 million for the quarter, up over 80% from last year and gross margin at 71% was slightly higher than expected, due to product mix.

Operating expense for the first quarter was \$3.20 million, 77% higher than the same quarter in fiscal 2015 reflecting the higher expenses resulting from the addition of staff and other expenses from the companies acquired on January 1, 2015.

EBITDA was \$0.38 million for the first quarter of fiscal 2016, up from \$0.13 million in the same period last year. Operating income in the first quarter was \$0.15 million, up from \$0.02 million in the first quarter of fiscal 2015.

Net income for the first quarter ended September 30, 2015 was \$0.09 million (\$0.003 per share fully diluted), compared to a net profit of \$0.02 million (\$0.001 per share fully diluted) for the quarter ended September 30, 2014.

Sangoma had working capital of \$6.43 million on September 30, 2015, up slightly compared to \$6.36 million on June 30, 2015, and finished the quarter with a cash balance of \$1.80 million, down \$0.72 million also compared to June 30.

President and CEO, Bill Wignall, and CFO, David Moore will host a conference call on Friday November 20, 2015 at 12 noon Eastern Standard Time to discuss the quarterly 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](http://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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*Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.*

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