

COMMUNITY PRESS RELEASE

Uniserve Communications Corporation TSX.V: USS

www.uniserve.com | Corporate Relations: 604-395-3922

Uniserve reports substantial EBITDA increase after restructuring 'Strengthening internal infrastructure' saw major payoff in Q2

Vancouver, BC: January 31, 2017 – Uniserve Communications Corporation (the “Company”) is pleased to announce that as a result of the second quarter corporate restructuring activity, the fiscal Q2 2017 financial results show a 28% reduction in operating expenses, a 16.6% increase in revenues and a 145% improvement in EBITDA versus the Q2 2016 results.

The Company finished the quarter with:

- A positive Q2 2017 EBITDA of \$85K vs Q2 2016 loss of \$188k
- Gross revenues for the quarter ending November 2016 of \$1.8m representing an 16.6% increase over the comparable quarter in 2016
- A positive EBITDA of \$50K in the first six months of fiscal 2017

	Three Months Ended November 30		Year To Date November 30	
	2016	2015	2016	2015
	\$	\$	\$	\$
Revenue	1,807,242	1,550,239	3,430,800	3,055,834
Cost of Revenues	1,052,544	811,560	1,860,972	1,539,254
	754,698	738,679	1,569,828	1,516,580
Expenses				
Operations and Service Delivery Expenses	575,345	792,628	1,335,993	1,477,180
Sales and Marketing	94,035	133,805	184,329	252,782
EBITDA	85,318	(187,755)	49,506	(213,382)
Amortization of Property and Equipment	74,002	85,658	150,148	165,805
Operating Profit/(Loss)	11,316	(273,413)	(100,641)	(379,187)
Other Expenses (Income)				
Finance Charges	157,657	142,061	306,914	248,646
Foreign Exchange	13,415	9,279	8,824	9,697
	171,072	151,340	315,738	258,343
Net Loss and Comprehensive Loss	(159,756)	(424,753)	(416,380)	(637,530)

These excellent results are directly attributed to the company’s restructuring activity. Uniserve focused on strengthening its internal infrastructure, its leadership group and its investment into its data centre. Product expansion has also resulted in investments into infrastructure as well as building out of the consumer offering in the broadband arena. The external efforts focused on directing the sales team to source and sign larger Enterprise size IT projects, where Uniserve has started to build a portfolio of on-premise managed services.

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As part of the overall strategy acceleration the Company will continue its efforts to improve its financial structure by addressing its working capital deficit and other liabilities.

Uniserve's President and COO, Hashim Mitha: "Having a clear vision and a dedicated team of exceptional people has made this process fun. I am delighted that our efforts spent on building out the strategy are paying off so quickly."

The company aims to strengthen all three pillars of its audience offerings (Consumer, Business to Business and Enterprise IT) which will continue to boost the company's growth, overall revenues, and profitability.

ABOUT UNISERVE

Uniserve Communications Corporation (TSX-V:USS) is a leader in the integration and delivery of voice and data services over multiple IP networks directly and through wholesale partnerships to businesses and retail consumers throughout western Canada.

Uniserve currently has over 13,000 active business, residential and wholesale customers combined, providing over 45,000 active services.

Uniserve offers a comprehensive portfolio of managed services ranging from storage, disaster recovery firewalls, application hosting and a redundant resilient network, all backed by 24/7 technical support.

This news release was prepared on behalf of the Board of Directors, which accepts full responsibility for its contents.

Learn more at www.uniserve.com or at www.sedar.com.

Michael C. Scholz
Chairman of the Board

For more information please contact **Mr. Mark Stanton** at 604-395-3908 or email us at mark.stanton@uniserveteam.com.

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