



TELLZA ANNOUNCES 2014 YEAR-END FINANCIAL RESULTS

2014 Represents Tellza's Third Consecutive Year of Profitability Tellza Revenue Up 56% to \$243 Million USD

TORONTO, ONTARIO--(Marketwired – March 25, 2015) - Tellza Communications Inc. ("Tellza") (TSX:TEL) announced today its audited financial results for 2014.

2014 represents Tellza's third consecutive year of profitability. Revenue for 2014 was \$243 Million USD compared to \$155 Million USD in 2013, representing year over year growth of 56%.

The Company's cash position at December 31, 2014 was \$6.5 Million, or \$0.04/share of cash, compared to \$3.0 Million, or \$0.02/share, in 2013. In 2014, Tellza also expanded availability under its senior debt facility to \$5.0 Million from \$3.5 Million in 2013. The Company had no borrowings under its senior debt facility at each of December 31, 2014 and 2013.

Tellza has acquired and cancelled 26 million shares or 15% of its outstanding shares over the last three years. Management considers this purchase and cancellation to be a benefit to shareholders as if the Company had issued, in each of the past three years, a 5% tax-free stock dividend on its common shares. Tellza will continue to acquire and cancel shares as long as shares remain available for acquisition at favorable pricing. In 2014, Tellza retired 10.5 million common shares, 8.5 million common shares in 2013 and 7.5 million common shares in 2012.

In addition to the above financial metrics, the Company also achieved other key milestones in 2014 and has plans to achieve additional goals in 2015:

Tellza Technologies

- Ali Kivilcim was promoted to Chief Executive Officer of Tellza Technologies.
- Tellza Technologies completed development on **Console Enterprise**, its platform version of its ERP solution for Telecommunication Carriers.
- Tellza Technologies deployed of its **VoIP.net proprietary Softswitch** technology at Phonetime in 2014.
- Tellza Technologies to deploy its Console Enterprise and VoIP.net platform at Matchcom in 2015.
- Tellza Technologies to offer third party carriers the ability to deploy its Softswitch and ERP platform starting in 2015.

Tellza Communications

- Mike Vazquez was named Chief Executive Officer of Tellza Communications in 2014.
- Tellza Communications acquired 90% of Matchcom Communications (International voice business) in February 2014.
- MatchCom to deploy Tellza Technologies ERP platform and Softswitch technology in 2015.

“We want to thank our shareholders for their continued support. Management remain focused on our core business and we are excited about the prospect of bringing our technology to third party carriers in 2015.” said, Gary Clifford, Chairman.

The Company's financial statements and other disclosures are available on SEDAR.

About Tellza

Tellza is a global communications company operating under several brands including Route Dynamix, Phonetime, Tel3, and MatchcoM. Tellza Technologies develops platform based technology for deployments at Telecommunications carriers. Tellza is a public company listed on the Toronto Stock Exchange (TEL).

Caution Regarding Forward Looking Information:

This press release contains forward-looking statements, which may be identified by words like "expects", "anticipates", "plans", "intends", "indicates" or similar expressions. These statements are not a guarantee of future performance and are inherently subject to risks and uncertainties. Tellza's actual results could differ materially from those currently anticipated due to a number of factors set forth in reports and other documents filed by the Company with Canadian securities regulatory authorities from time to time. See www.sedar.com which contains all securities files.

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Tellza Communications Inc.**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

[amounts in thousands of U.S. dollars]

As at December 31

	2014	2013
	\$	\$
ASSETS		
Current		
Cash and cash equivalents	6,486	2,990
Accounts receivable, net <i>[note 13]</i>	17,070	11,808
Prepaid expenses and deposits	1,381	1,099
Total current assets	24,937	15,897
Deferred tax assets <i>[note 10]</i>	37	12
Property and equipment, net <i>[note 4]</i>	1,455	1,092
Intangible assets, net <i>[notes 3 and 5]</i>	4,908	4,984
Goodwill <i>[notes 3 and 6]</i>	11,679	11,195
	43,016	33,180
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable	9,507	6,029
Accrued liabilities	13,750	8,334
Customer deposits	952	976
Income taxes payable <i>[note 10]</i>	481	29
Total current liabilities	24,690	15,368
Deferred tax liabilities	450	235
Total liabilities	25,140	15,603
Shareholders' equity <i>[note 8]</i>		
Common shares	16,197	16,601
Contributed surplus	2,547	2,721
Deficit	(1,019)	(1,745)
Equity attributable to shareholders	17,725	17,577
Non-controlling interest	151	—
Total shareholders' equity	17,876	17,577
	43,016	33,180

Tellza Communications Inc.

CONSOLIDATED STATEMENTS OF OPERATIONS

[amounts in thousands of U.S. dollars, except per share information]

Years ended December 31

	2014	2013
	\$	\$
Revenue	242,779	155,506
Cost of revenue	233,570	146,903
Gross margin	9,209	8,603
Operating expenses <i>[note 9]</i>	6,244	4,639
Depreciation of property and equipment	298	127
Amortization of intangible assets	1,281	556
Stock-based compensation	—	12
Interest and debt costs	28	33
	7,851	5,367
Income before income taxes	1,358	3,236
Provision for income taxes <i>[note 10]</i>		
Current	271	215
Deferred	121	661
	392	876
Net income and comprehensive income for the year	966	2,360
Net income and comprehensive income attributable to		
Shareholders	948	2,360
Non-controlling interests	18	—
	966	2,360
Earnings per share attributable to shareholders		
- basic and diluted	0.01	0.02
Weighted-average number of common shares outstanding		
- basic and diluted	185,853,378	155,723,491

Tellza Communications Inc.**CONSOLIDATED STATEMENTS OF CASH FLOWS**

[amounts in thousands of U.S. dollars]

Years ended December 31

	2014	2013
	\$	\$
OPERATING ACTIVITIES		
Net income and comprehensive income for the year attributable to Shareholders	948	2,360
Add items not affecting cash		
Depreciation of property and equipment	298	127
Amortization of intangible assets	1,281	556
Stock-based compensation	—	11
Minority interest	18	—
Deferred income taxes	120	658
	2,665	3,712
Changes in non-cash working capital balances related to operations		
Accounts receivable, net	(3,650)	(4,420)
Prepaid expenses and deposits	(282)	(966)
Accounts payable and accrued liabilities	6,800	3,940
Income taxes payable	452	(3)
Customer deposit	(24)	207
	3,296	(1,242)
Cash provided by operating activities	5,961	2,470
INVESTING ACTIVITIES		
Purchase of property and equipment and intangible assets	(814)	(866)
Cash acquired (used) on Acquisition	(243)	6
Cash used in investing activities	(1,057)	(860)
FINANCING ACTIVITIES		
Share issuance cost	(20)	(70)
Cancellation of common shares	(1,388)	(838)
Cash used in financing activities	(1,408)	(908)
Net increase in cash during the year	3,496	702
Cash and cash equivalents, beginning of year	2,990	2,288
Cash and cash equivalents, end of year	6,486	2,990