



Digerati Provides Financial Outlook and Update on Acquisition Integration

- Records Fiscal Fourth Quarter Revenues of \$1.6 Million -**
- Foundation Set for Growth During Fiscal 2019 -**

San Antonio, TX – September 6, 2018 - Digerati Technologies, Inc. (OTCQB: DTGI) ("Digerati" or the "Company") recorded fourth quarter revenues of \$1.6 million, compared to revenues of \$55,000 during the same period last fiscal year. The recent result includes the positive impact of two acquisitions closed during FY2018: Synergy Telecom ("Synergy"), a leading provider of cloud communication services in Texas, which was acquired on December 1, 2017, and T3 Communications, Inc. ("T3"), a leading provider of cloud communications and broadband solutions in Southwest Florida, which was acquired on May 2, 2018.

Based on the most recent quarter's result, Digerati's projected annualized revenue run-rate of \$6.4 million moves the Company meaningfully toward profitability and creates a solid operational and financial foundation for future growth.

The acquisition of Synergy and T3 contributed approximately \$5.6 million in annualized revenue to Digerati, of which approximately 95% is contracted monthly recurring revenue. During the quarter ended July 31, 2018, the Company achieved monthly revenue per customer (ARPU) of \$824. Monthly customer churn was approximately 0.8% during the same period.

From an operational standpoint, Digerati reports that it realized meaningful cost synergies related to the consolidation of telecommunications infrastructure and integration of cloud PBX platforms and back-office systems. In addition, the Company has also integrated product lines led by its UCaaS (Unified Communications as a Service) solutions that are in high demand as businesses migrate from traditional phone systems to cloud-based telephony systems. Also, the acquisition of T3 enhanced the Company's product portfolio by introducing leading-edge network solutions that allows for cross selling that results in increased revenue per customer, a key operating metric for Digerati.

Arthur L. Smith, CEO of Digerati, commented, "Targeting accretive acquisitions is a key element of our growth strategy and we continue to take a disciplined approach to evaluating additional transactions. Although we have completed a majority of the integration on our acquisitions that yield cost savings, we still have work to do in the coming months. We also continue to work on our integrated quote-to-cash back office system that will improve responsiveness to our customers, streamline order processing, and automate help desk operations."

Mr. Smith added, “We are pleased to have delivered on our stated corporate objectives for the last fiscal year that set the foundation for continued growth, both organic and through acquisition of UCaaS operators that meet our criteria for a service culture with that ‘local’ touch, financial performance, and technology platforms.”

Complete financial results for fiscal year 2018 will be provided in the Company’s Form 10K Annual Report that the Company plans to file with SEC by the end of October 2018.

About Digerati Technologies, Inc.

Digerati is a publicly-traded holding company serving the Unified Communications as a Service marketplace. Through its subsidiaries Synergy Telecom and T3 Communications, the Company is meeting the global needs of businesses seeking simple, flexible, efficient, and cost-effective communication and network solutions, including cloud PBX, Internet broadband, SD-WAN, SIP trunking, and customized VoIP services, all delivered on its carrier-grade network. For more information about Digerati Technologies, please visit www.digerati-inc.com.

FORWARD-LOOKING STATEMENTS

The information in this news release includes certain forward-looking statements that are based upon assumptions that in the future may prove not to have been accurate and are subject to significant risks and uncertainties, including statements related to the future financial performance of the Company. Although the Company believes that the expectations reflected in the forward-looking statements are reasonable, it can give no assurance that such expectations or any of its forward-looking statements will prove to be correct. Factors that could cause results to differ include, but are not limited to, successful execution of growth strategies, product development and acceptance, the impact of competitive services and pricing, general economic conditions, and other risks and uncertainties described in the Company’s periodic filings with the Securities and Exchange Commission.

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