



TAGLICH BROTHERS

The Standard of Excellence in the Microcap Market

Member: FINRA, SIPC

Research Report – Update

Investors should consider this report as only a single factor in making their investment decision.

Radiant Logistics, Inc

Rating: Speculative Buy

Luis Martins

RLGT \$0.32 (OTC BB)

June 4, 2009

| | FY2006A* | FY2007A | FY2008A | FY2009E | FY2010E |
|---------------------------|----------|---------|----------|----------|----------|
| Revenues (millions) | \$54.58 | \$75.53 | \$100.20 | \$133.83 | \$152.33 |
| Earnings (loss) per share | \$(0.00) | \$0.00 | \$0.00** | \$(0.27) | \$0.05 |

| | | | |
|----------------------------------|-----------------|-----------------------|--------|
| 52-Week Range | \$0.32 - \$0.06 | Fiscal Year Ends | June |
| Shares Outstanding as of 5/11/09 | 34.7 million | Revs/Share (TTM) | \$3.76 |
| Approximate Float | 22.2 million | Price/Sales(TTM) | 0.1X |
| Market Capitalization | \$11 million | Price/Sales(2010)E | 0.1X |
| Tangible Book Value/Share | NMF | Price/Earnings(TTM) | NMF |
| Price/Tangible book | NMF | Price/Earnings(2010)E | 6.4X |

* Pro-forma results inclusive of Airgroup Corp. ** excluding one time items resulting from the reduction in estimate of liabilities assumed in the acquisition of Airgroup *** includes \$11.4 million charge for impairment of goodwill

Radiant Logistics, Inc. (OTC BB: RLGT) is a global transportation and supply chain management company operating through a non-asset based business model. The Company has been operating under this model since October 2005.

Key Considerations

We are maintaining coverage of Radiant Logistics, Inc. (OTC BB: RLGT) with a Speculative Buy rating and increasing our 12-month price target to \$0.60 from \$0.40 per share. Our price target is based on a relative P/EBITDA and P/E applied to our fiscal 2010 estimates. At expected profitability levels, the shares remain a compelling investment opportunity.

On May 15, 2009, RLGT reported fiscal third quarter revenues of \$29.7 million and net income of \$0.293 million or \$0.01 per share (inclusive of a one time \$0.190 million credit for the reversal of impairment of goodwill). In the year ago period, RLGT reported revenues of \$25.8 million and net income of \$0.087 million or \$0.00 per share. Revenue increased due to sales from the Adcom acquisition acquired in September 2008. This acquisition contributed \$6.4 million to revenues in the quarter. Excluding the Adcom acquisition, revenue decreased over 21%.

We are revising our fiscal 2009 and 2010 models based on recent results, comments made on the conference call and in its 10Q, as well as the macroeconomic outlook for the next several quarters. Our revised projections for fiscal 2009 call for revenues of \$133.8 million and a net loss of \$9.4 million or \$(0.27) per diluted share (inclusive of \$11.2 million in one time charges). Our prior projections called for revenues of \$158.7 million and a net loss of \$9.3 million or \$(0.27) per diluted share. Our revised projections for fiscal 2010 call for revenues of \$152.3 million and net income of \$1.8 million or \$0.05 per diluted share. Our prior projections for fiscal 2010 called for revenues of \$175.6 million and net income of \$2.2 million or \$0.06 per diluted share.

As the economy improves, we believe that RLGT will be well positioned to regain revenue and profit momentum primarily due to its non-asset based model.

**Please view our disclaimer located on Page 13.*

405 Lexington Avenue, 51st Floor, New York, N.Y. 10174

(800) 383-8464 • Fax (631) 757-1333

www.taglichbrothers.com

Company Overview

Radiant Logistics, Inc. (OTC BB: RLGT) operates primarily through a non-asset based freight forwarder business model that calls for the Company to arrange for the shipment of customers' freight from point of origin to point of destination. It provides a turn key cost for the movement of their freight depending upon the customer's time-definite needs (first day through fifth day delivery), special handling needs (heavy equipment, delicate items, environmentally sensitive goods, electronic components, etc.) and the means of transport (truck, air, ocean, or rail). RLGT assumes the responsibility for arranging and paying for the underlying means of transportation. As a non-asset based provider, the Company does not own the transportation equipment used to transport the freight. It simply arranges for transportation of shipments via commercial airlines, air cargo carriers, and other assets and non-asset based third-party providers. It selects the carrier for a shipment based on route, departure time, available cargo capacity, and cost.

Management's strategic plan is to achieve growth through domestic and international freight forwarding services. Management expects to grow the business organically and by completing acquisitions of other companies with complementary geographical and logistics service offerings. Its organic strategy relies on Radiant's ability to retain existing and secure new exclusive agency locations, negotiate attractive pricing with transportation providers, as well as strengthen existing and expanding new customer relationships.

On January 1, 2006, RLGT completed the acquisition of Airgroup Corporation; thereby, accomplishing the first step in its growth strategy. Airgroup is a Seattle, Washington based non-asset based logistics company that provides domestic and international freight forwarding services through a network of exclusive agent offices across North America. Airgroup services a diversified account base including manufacturers, distributors, and retailers using a network of independent carriers and over 100 international agents positioned strategically around the world.

On September 8, 2008, Radiant Logistics announced that it acquired Adcom Worldwide for \$11.1 million, consisting of \$5.0 million in cash at closing and an additional \$6.1 million payable over the next four years in a combination of cash and common stock based on the future performance of the acquired operation. Adcom, founded in 1978, services a diversified account base including manufacturers, distributors, and retailers through a combination of three company owned and twenty seven agency offices across North America. Based on historical financial statements, Adcom generated approximately \$58 million in revenues for the twelve months ended June 30, 2008.

On May 18, 2009, RLGT's Board of Directors authorized the repurchase of up to five million common shares through 2010.

Competitive Overview

The global logistics services and transportation industries are intensively competitive and are expected to remain so for the foreseeable future. According to Company statistics, there are over 1,000 regional logistics company with revenues between \$5 million and \$50 million. Competition is based primarily on rates (price), quality of service (i.e. reliability, responsiveness, expertise, and convenience), damage-free shipments, on-time delivery, consistent transit times, reliable pickup and delivery, and scope of operations (geographic coverage).

Management believes that its competitive advantages include:

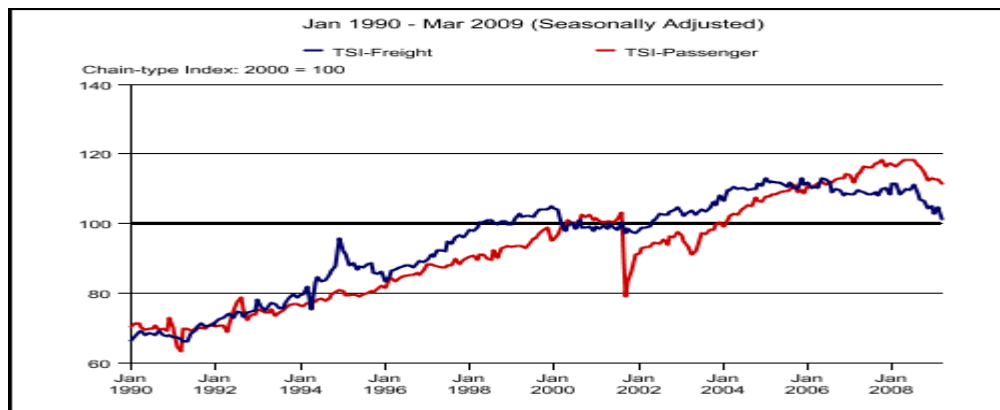
- Tangible and intangible strengths (i.e. People, Process, and Technology);
- Strong customer relationships;
- Diverse customer base; and

- Low cost, non-asset based business model. The non-asset based approach allows the Company to scale with market demand, maintain a high level of operating flexibility, and leverage a cost structure that is highly variable in nature. Short-term fluctuations in operating activity have less of an impact on the Company's financials than they have on asset based companies that assume substantially all of the fixed cost.

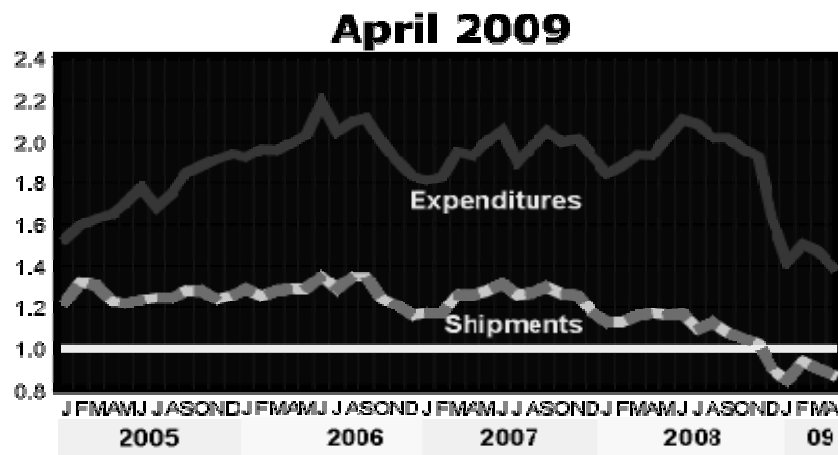
In recent years, the logistics/freight forwarding industry has been experiencing a general increase in demand due to greater outsourcing of non-core logistics functions, globalization of demand and supply chains, increased complexity of supply chains, desire of companies to minimize inventory levels, increased need for time-definite delivery, consolidation of global logistics providers, and increased importance of e-business and the Internet. However, with the recent turbulent economic landscape, investors should more than ever follow economic statistics that affect the transportation sector and the Company. **Research indicates that the industry is an early cycle indicator of economic growth/decline and closely tracks GDP growth. Success is directly related to the economic growth of the nation. Given the current economic conditions it should be no surprise that the overall industry metrics are weak.**

The following are key economic indicators that are vital to gauge the future:

- Industry sales decreased 21% in the most recent quarter, as compared to the year ago period (according to Reuters Investor, a global information company providing indispensable information tailored for professionals in the financial services, media and corporate markets).
- In May 2009, the government announced that GDP decreased at an annual rate of 5.7% in the first quarter of 2009. This decline followed a 6.3% decline in fourth quarter of 2008. **Economists are forecasting continued contraction at least until the end of 2009. In November 2008, the National Bureau of Economic Research said that a recession began in December 2007.**
- In April 2009, the government said real exports of goods and services decreased 28.7% in the first quarter, in contrast to a decrease of 23.6% in the fourth. Real imports of goods and services decreased 34.1%, compared with a decrease of 17.5%.
- In February 2009, the National Association for Business Economics forecasted a GDP decline of 0.9% in 2009, based on an economic recovery in the second half of 2009 of 1.6%. The NABE concluded that the downturn will rival that of 1973-75. Economic weakness will be dominated by a retrenchment in consumer spending reflecting large employment and wealth losses. Business investment will experience an exaggerated cyclical decline characteristic of economic downturns.
- In April 2009, the IMF forecasted the U.S. economy will decrease 2.8% in 2008 and will not see any growth in 2010 (0.0%). It predicted that this recession will be worst since the Great Depression and recovery will not be easy and likely to take a considerable amount of time due to the fact that it has its root in financial crises and is synchronized among leading world economies. World GDP is projected to decline by 1.3% in 2009 and to recover only gradually in 2010, growing by 1.9%.
- A United States Department of Transportation (DOT) May 2009 report indicated that the Freight Transportation Services Index (TSI) fell 3.3% in March from its February level. In the first three months of 2009, the decline was 3.6%. According to the DOT, in 2008 the index declined 3.0%, the third consecutive annual decline and the largest since 2000. From March 2008 to March 2009, the index declined 6.4%.



- In May 2009, the Cass Freight Index from Cass Information Systems, a leading provider of freight invoice payment, audit and rating services in North America, showed that April expenditures and shipments decreased as compared to April 2008 and March 2009. The following chart depicts the fall in recent months.



- In May 2009, The Conference Board (CB), an independent membership organization that conducts research, convenes conferences, makes forecasts, assesses trends, publishes information and analysis, and brings executives together to learn from one another, announced that the April U.S. leading economic index (LEI) showed an increase of 1.0%. According to the CB, the six-month rate of decline in the leading index was -0.6% (a -1.2% annual rate).

Investors should monitor the above statistics as new information becomes available in order to gauge possible industry strength or further deterioration. Other important factors that could impact the growth of the industry include: hurricanes, fuel prices, insurance claims, regulatory issues, homeland security, logistics, infrastructure, inflation, and driver availability.

Recent Results

On May 15, 2009, Radiant Logistics reported results for its 2009 fiscal third quarter, ended March 31, 2009. The Company reported revenues of \$29.7 million and net income of \$0.293 million or \$0.01 per share (inclusive of a one time \$0.190 million credit for the reversal of impairment of goodwill). In the year ago period, RLGT reported revenues of \$25.8 million and net income of \$0.087 million or \$0.00 per share.

Radiant Logistics, Inc.

In comparison, Taglich Brothers' estimates called for revenues of \$40.8 million and net income of \$0.254 million or \$0.01 per share.

Revenue increased due to the Adcom acquisition. On September 8, 2008, Radiant Logistics announced that it acquired Adcom Worldwide. This acquisition contributed \$6.4 million to revenues in the quarter. Excluding the Adcom acquisition, revenue decreased over 21%. The following table indicates domestic and international revenue from RLGT's historical operations and Adcom:

| Fiscal 3Q2009 \$ millions | Domestic | International |
|---------------------------|----------|---------------|
| RLGT | 13.5 | 9.8 |
| Adcom | 3.5 | 2.9 |

| Fiscal 3Q2008 \$ millions | Domestic | International |
|---------------------------|----------|---------------|
| RLGT | 17.0 | 12.7 |

The fiscal third quarter marked the first quarter in which the Company experienced a drop off in revenues associated with the economic environment. In the past two quarters, RLGT had managed to post modest revenues gains in comparison to prior strong gains. These gains were impressive in a period in which transportation statistics pointed to a horrible operating environment and peers posted sharp drop in revenues.

On an operating basis, RLGT reported income of \$0.293 million, as compared to \$0.087 million in the year ago period. On an adjusted EBITDA basis, the Company reported a gain of \$0.758 million, as compared to \$0.495 million for the year ago period. The Company managed to operate profitably in the face of a sharp drop off in revenues due to its non-asset based model.

The Company also reported the following for its second quarter of fiscal 2009, as compared to the year ago period:

- Gross profit increased to \$10.7 million (or 36.2% of revenues) from \$9.5 million (or 36.9% of revenues).
- Total operating expenses, on a dollar basis, increased to \$10.5 million from \$9.3 million. Operating expenses, as a percentage of revenues, decreased to approximately 35.2% of revenues, as compared to 36.2%. Operating expenses were elevated as RLGT digested the acquisition and integration of Adcom. Cost savings are expected in the coming quarters as operations are adjusted;
- Non-operating expenses increased to approximately \$0.378 million from \$0.107 million. Included in expenses for the 3Q09 was a \$0.172 million credit for reversal of goodwill impairment;
- Income tax expense amounted to \$0.063 million, as compared to an expense of \$0.036 million; and
- Weighted average shares outstanding were 34.7 million as compared to 34.1 million.

Balance Sheet

At the end of its 2009 fiscal third quarter, RLGT had cash of \$0.5 million, working capital of approximately \$3.0 million, long-term debt of \$7.7 million, and a stockholders' deficit of \$0.5 million.

The Company believes that its current working capital and anticipated cash flow from operations are adequate to fund existing operations and its organic growth strategy. However, its ability to finance further acquisitions is limited by the availability of additional capital; therefore, it may use common stock for some portion of the consideration of acquisition payments.

Credit Facility

In September 2008, the Company's revolving credit facility was increased to \$14.5 million from \$9.5 million. The facility is collateralized by accounts receivable and other assets of the Company and its subsidiaries. Advances are available to fund future acquisitions, capital expenditures, or for other corporate purposes. Borrowings under the facility bear interest, at the Company's option, at the Bank's prime rate minus 0.15% to 1.00% or LIBOR plus 1.55% to 2.25%, and can be adjusted up or down during the term based on the Company's performance relative to certain financial covenants. The facility provides for advances of up to 80% of the Company's eligible accounts receivable.

At March 31, 2009, the Company had advances of \$6.8 million under the facility and \$0.9 million in outstanding checks. Based on available collateral and \$0.2 million in outstanding letter of credit commitments, there was \$2.3 million of remaining availability under the facility.

Projections

We are revising our fiscal 2009 and 2010 models based on recent results, comments made on the Company's third quarter conference call and in its 10Q, as well as the macroeconomic outlook for the next several quarters.

Our revised projections for fiscal 2009 call for revenues of \$133.8 million and a net loss of \$9.4 million or \$(0.27) per diluted share (inclusive of \$11.2 million or 0.32 per share in one time charges). Our prior projections called for revenues of \$158.7 million and a net loss of \$9.3 million or \$(0.27) per diluted share.

Our revised projections for fiscal 2010 call for revenues of \$152.3 million and net income of \$1.8 million or \$0.05 per diluted share. Our prior projections for fiscal 2010 called for revenues of \$175.6 million and net income of \$2.2 million or \$0.06 per diluted share.

Given the large non-cash charge in 2009, we are providing a comparison of EBITDA and operating income for the respective period to show the underlying operating growth of the Company.

| \$ millions | Operating Income | EBITDA |
|-------------|------------------|--------|
| FY2008A | 0.5 | 1.5 |
| FY2009E | 2.1 | 3.9 |
| FY2010E | 3.4 | 5.4 |

If our estimates through fiscal 2010 are achieved, it would translate to compounded annual growth for operating income and EBITDA of 149% and 89%, respectively, as compared to fiscal 2008.

Our estimates are based on historical revenue/cost trends, demand for the Company's product and service offerings, recent acquisition of Adcom, industry trends, and our projected outlook. We are forecasting revenues to increase by 33% in fiscal 2009 and 149% in fiscal 2010. Excluding Adcom, revenue growth is projected to drop 1% in 2009 and grow 1% in 2010. As compared to our prior estimates, we have adjusted projected revenue growth due to the current economic and operating environment. Investors should note the horrible economic environment that resulted in the fall off of key transportation and logistics statistics such as the DOT's Freight Transportation Services Index and Cass Freight Index.

As the economy improves, we believe that RLGT will be well positioned to regain revenue and profit momentum. Our belief is based on its non-asset based model, which allowed the Company to maintain profitability in an environment which saw considerable stress on the industry. Additionally, its track record of building out its network, such as the recent additions in New Hampshire and the Mid Atlantic region, will likely yield revenue and profit enhancements.

Risks

Economic Risk

Industry success is directly related to the economic success of the nation. The logistics business is directly impacted by the volume of domestic and international trade. The volume of such trade is influenced by many factors, including economic and political conditions in the United States and abroad, major work stoppages, exchange controls, currency fluctuations, acts of war, terrorism and other armed conflicts, United States and international laws relating to tariffs, trade restrictions, foreign investments and taxation. If the economy falters further, RLGT's financial results and equity value may be adversely impacted.

Credit Facility

RLGT's credit facility features a variable interest rate tied to the prime or LIBOR rate. If interest rates rise or the Company becomes increasingly indebted, debt service will increase. This will adversely impact financial results. Additionally, the Company's assets are pledged to secure its credit facility. The terms of the facility are subject to certain financial and operational covenants which may limit the amount otherwise available under the facility.

Investors should note that the main component of working capital is account receivables. This may have credit risk implications.

Acquisitions

The Company's business strategy calls for potential strategic acquisitions and/or mergers. Issues that may come up in the integration process include, differing corporate cultures, customer relationships, and management styles. These issues may cause a clash resulting in a lack of synergies and the inability to execute stated goals and financial objectives. There is no assurance that the Company may be able to identify suitable acquisition candidates or on acceptable terms.

Its acquisition strategy relies on the Company's ability to identify and acquire target businesses that fit within its general acquisition criteria. The Company may have to secure additional sources of capital to fund its obligations under its acquisition agreements. If its common stock does not attain or maintain a sufficient market value or potential acquisition candidates are otherwise unwilling to accept stock as part of the purchase price for the sale of their businesses, RLGT may be required to utilize more of cash resources, if available, in order to continue its acquisition program. As its acquisition strategy is executed, it will be required to make significant payments in the future if the earn-out installments under acquisitions agreements become due. A portion of the earn-outs are payable in common stock.

In November 2008, the Company amended the Airgroup Stock Purchase Agreement and agreed to unconditionally pay the former Airgroup shareholders an earn-out payment of \$0.633 million for the period ending June 30, 2009 on or about October 1, 2009 by delivery of common shares. In March 2009, the former shareholders agreed to receive the earn-out in cash on an accelerated basis (\$0.443 million or less \$0.190 million).

Dilution

According to the Company's SEC filings, it expects to pursue an additional equity offering to fund its acquisition strategy or fund any shortfall in working capital for organic operations.

Seasonality

Investors should note that the Company's revenues and operating results for any particular quarter may not be indicative of its performance in future quarters. The Company's financial results may be subject to seasonality. The impact of which will depend on numerous factors, including holiday seasons, consumer demand, and economic conditions.

Growth Management

As the Company becomes increasingly successful, it must meet the challenges associated with growth. If the Company is not successful in meeting these challenges, its business or financial results will be adversely impacted. Growth will require the Company to continue to implement and improve financial, accounting, and management information systems and to hire, train, motivate, and manage additional employees. A failure to manage growth effectively would have a material adverse effect on business, financial condition, and results of operations, and on its ability to execute on the overall business strategy successfully.

Internal Controls

Management disclosed the following in its latest 10Q:

“An evaluation of the effectiveness of our “disclosure controls and procedures” (as such term is defined in Rules 13a-15(e) or 15d-15(e) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) as of December 31, 2008 was carried out by our management under the supervision and with the participation of our Chief Executive Officer (“CEO”) who also serves as our Chief Financial Officer (“CFO”). Based upon that evaluation, our CEO/CFO concluded that, as of December 31, 2008, our disclosure controls and procedures were not effective to provide reasonable assurance that information we are required to disclose in reports that we file or submit under the Exchange Act is (i) recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission rules and forms and (ii) accumulated and communicated to our management, including our CEO/CFO, as appropriate to allow timely decisions regarding disclosure.

In connection with its review of our quarterly results for the period ended December 31, 2008, our independent auditor identified a material adjustment that was required to recognize an impairment to goodwill. As a result, we have concluded that there is a material weakness regarding our goodwill and intangible assets impairment analysis process. We are currently evaluating how to effectively remediate this material weakness. In this regard, we continue to review our disclosure controls and procedures, including our internal control over financial reporting, and intend to make changes aimed at enhancing their effectiveness and to ensure that our systems evolve with our business.”

Competition

The Company and its independent transportation providers operate in the Transportation Sector, which is highly competitive and fragmented. Competition in the freight forwarding, logistics and supply chain management industry is also highly competitive and fragmented. There are a multitude of public and private companies that operate in this market space. Competition also comes from national, regional and local freight forwarders, cargo sales agents and brokers, carriers, and associations of shippers organized for the purpose of consolidating their members’ shipments to obtain lower freight rates from carriers. Some of these competitors have greater financial and business resources (i.e. company-owned equipment and company drivers) than the Company.

Public non-asset based transportation providers that can be considered peers include: AutoInfo (OTC BB: AUTO), CH Robinson Worldwide (NASDAQ: CHRW), Expeditors International (NASDAQ: EXPD), Express-1 Expedited Solutions (AMEX: XPO), Landstar System (NASDAQ: LSTR), Pacer International (NASDAQ: PACR), and US 1 Industries (OTC BB: USOO). Additionally, asset based providers may also provide non-asset based services to supplement its financial results. International competitors may also compete for the same business as the Company.

Industry Concerns

Recently, there has been considerable industry consolidation. This may lead to increased competition which could adversely impact on the Company’s financial results. According to various industry sources, consolidation is expected to continue. Consolidation has occurred to mitigate the impact of Industry risks

and concerns, as well as increase margins. To maximize margins, companies must maximize equipment utilization, freight volumes, miles, and loads.

Reliance on Third Parties

The Company's operating performance is reliant upon customers whose shipments are dependent upon consumer demand and just-in-time production schedules. The timing of actual revenue is often beyond its control. Factors such as shifting demand for retail goods and/or manufacturing production delays could unexpectedly affect the timing of RLGT's revenue.

If Company's partners are unsuccessful in their efforts or obligations, it could have a material adverse effect on the Company's business, results of operations, financial position, and equity value.

Government Regulation

Legislative or regulatory proposals may be introduced that affect the Company's operations and business plans, its financial results, and equity value.

Fuel Prices

The financial success of companies in the sector is highly dependent on fuel prices, which is highly volatile. Although fuel prices may not directly impact the Company's financial results, a sharp rise may directly impact its pool of transportation providers. These carriers may be forced out of business or forced to consolidate due to the high cost of doing business.

Dependence on Independent Commission Agents

The Company has exclusive and long-term relationships with these agents; however, the agency agreements are terminable by either party on 10-days notice. The loss of one or more of these exclusive agents could negatively impact the Company's financial results.

Shareholder Control

A few investors, including Bohn Crain (its Founder and CEO), own a substantial stake in RLGT. Small investors should be aware that investors with significant stakes can control the outcome of certain shareholder votes. These outcomes may not be in the best interests of all shareholders. If a sizable stake is liquidated in the open market, there could be substantial selling pressure on the shares. **According to Form 4's filed with the SEC, Mr. Crain bought an additional 853,591 shares of the Company's stock between January 2009 and May 2009.**

Legal Proceedings

Management disclosed the following in RLGT's latest 10Q:

"In December of 2008, a dispute arose between the Company and Robert Freidman, the former shareholder of Adcom regarding, among other things, the final purchase price based upon the closing date working capital, as adjusted, of Adcom. In addition to the working capital dispute the Company also asserted claims which it believes constitute breaches of representations and warranties included in the stock purchase agreement. In response to the Company's claims and as provided in the stock purchase agreement, on or about February 19, 2009, Robert Friedman, filed an arbitration claim against us with the American Arbitration Association ("AAA") in Minneapolis, MN alleging breach of the securities purchase between the Company and Mr. Friedman. Mr. Friedman alleges that we have breached the agreement in connection with the calculation and payment of the final purchase price and payment of certain other post closing amounts. Mr. Friedman is seeking payment of approximately \$1,000,000. We have denied all claims and raised a number of defenses, including set off rights based on breaches of certain representations and warranties included in the stock purchase agreement. We have fully accrued for all amounts potentially due Mr. Friedman in connection with the stock purchase agreement, but believe these amounts could be reduced

by more than \$630,000 pending the resolution of the disputed amounts in our favor. Expedited discovery is proceeding and we expect to vigorously defend all claims.”

Microcap Concerns

Shares of RLGT have risks common to those of the microcap segment of the market. Often these risks cause microcap stocks to trade at discounts to their peers. The most common of these risks is liquidity risk, which is typically caused by small trading floats and very low trading volume and can lead to large spreads and high volatility in stock price. The Company has approximately 22 million shares in the float. On average, approximately 26,000 shares are traded daily.

Investors should note that shares of RLGT trade on the OTC bulletin board. This market is relatively thinly traded as compared to the NASDAQ, AMEX, and NYSE. This may present increased risk and liquidity concerns to shareholders.

Miscellaneous Risks

The Company's financial results and equity values are subject to other risks and uncertainties known and unknown, including but not limited to competition, operations, financial markets, regulatory risk, and/or other events. These risks may cause actual results to differ from expected results.

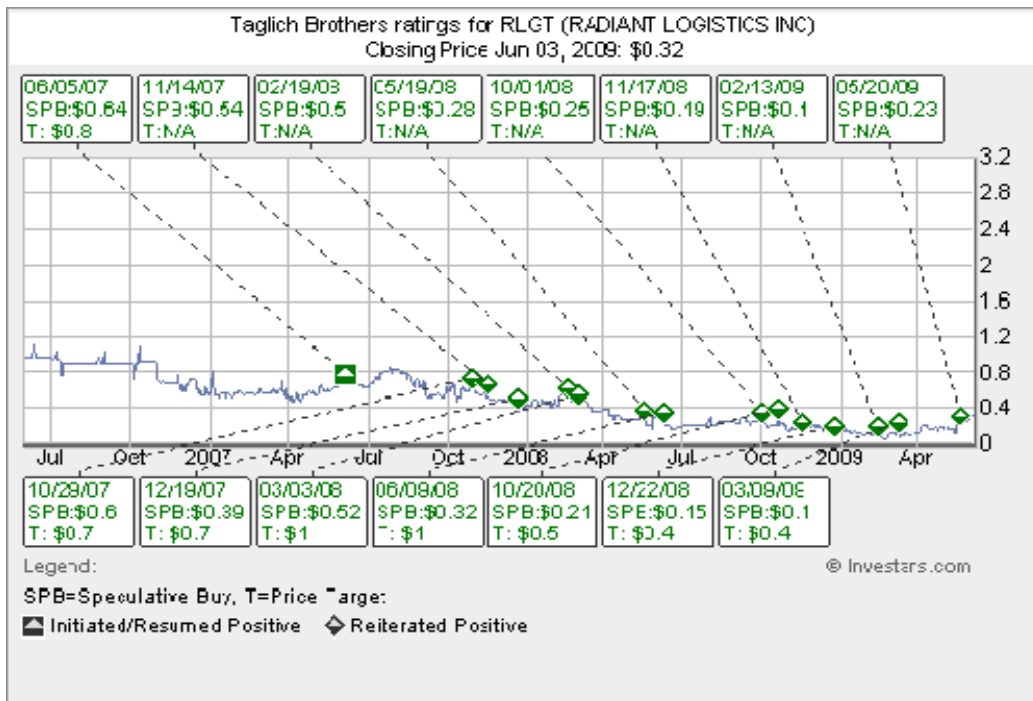
Conclusion

We are maintaining coverage of Radiant Logistics, Inc. (OTC BB: RLGT) with a Speculative Buy rating and increasing our 12-month price target to \$0.60 from \$0.40 per share. Our price target is based on a relative P/E and P/EBITDA analysis. The following provides our methodology:

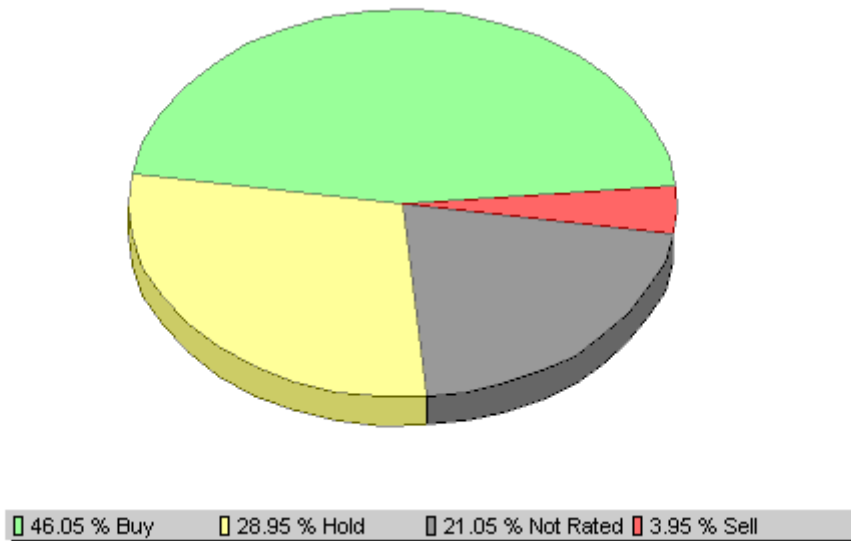
- Applying a multiple of 8.3X to our estimated fiscal 2010 EBITDA per share of \$0.16 per share. We arrived at this multiple by taking the industry P/EBITDA as compiled by Capital IQ.
- Applying a multiple of 24.6X to our estimated fiscal 2010 EPS per share of \$0.05 per share. We arrived at this multiple by taking the industry P/E as compiled by Capital IQ.
- Discounting the average of the above two valuation methodologies by 50% to account for Company risks (including microcap risk) and current market conditions.

Although we believe that shares RLGT are a compelling investment opportunity for investors seeking equity with exposure to the rapidly evolving and growing logistics industry, investors should be cognizant of such risks and concerns as:

- Competition;
- Industry concerns;
- Economic growth;
- Integration of acquisitions;
- Growth management;
- Shareholder control concerns; and
- Stock liquidity.



Taglich Brothers Current Ratings Distribution



Investment Banking Services for Companies Covered in the Past 12 Months

| Rating | # | % |
|-----------|---|--------|
| Buy | 1 | 4.00% |
| Hold | 1 | 14.29% |
| Sell | 0 | 0 |
| Not Rated | 0 | 0 |

Meaning of Ratings

Buy

We believe the Company is undervalued relative to its market and peers. We believe its risk reward ratio strongly advocates purchase of the stock relative to other stocks in the marketplace. Remember, with all equities there is always downside risk.

Speculative Buy

We believe that the long run prospects of the Company are positive. We believe its risk reward ratio advocates purchase of the stock. We feel the investment risk is higher than our typical “buy” recommendation. In the short run, the stock may be subject to high volatility and continue to trade at a discount to its market.

Neutral

We will remain neutral pending certain developments.

Underperform

We believe that the Company may be fairly valued based on its current status. Upside potential is limited relative to investment risk.

Sell

We believe that the Company is significantly overvalued based on its current status. The future of the Company's operations may be questionable and there is an extreme level of investment risk relative to reward.

Some notable Risks within the Microcap Market

Stocks in the Microcap segment of the market have many risks that are not as prevalent in Large-cap, Blue Chips or even Small-cap stocks. Often it is these risks that cause Microcap stocks to trade at discounts to their peers. The most common of these risks is liquidity risk, which is typically caused by small trading floats and very low trading volume which can lead to large spreads and high volatility in stock price. In addition, Microcaps tend to have significant company specific risks that contribute to lower valuations. Investors need to be aware of the higher probability of financial default and higher degree of financial distress inherent in the microcap segment of the market.

From time to time our analysts may choose to withhold or suspend a rating on a company. We continue to publish informational reports on such companies; however, they have no ratings or price targets. In general, we will not rate any company that has too much business or financial uncertainty for our analysts to form an investment conclusion, or that is currently in the process of being acquired.

Public Companies Mentioned in this report

Auto Info (OTC BB: AUTO)
CH Robinson Worldwide (NASDAQ: CHRW)
Expeditors International (NASDAQ: EXPD)
Express-1 Expedited Solutions (AMEX: XPO)
Landstar System (NASDAQ: LSTR)
Pacer International (NASDAQ: PACR)
US 1 Industries (OTC BB: USOO)
Federal Express Corporation (NYSE: FDX)
United Parcel Service (NYSE: UPS)

* The information and statistical data contained herein have been obtained from sources, which we believe to be reliable but in no way are warranted by us as to accuracy or completeness. We do not undertake to advise you as to change in figures or our views. This is not a solicitation of any order to buy or sell. Taglich Brothers, Inc. is fully disclosed with its clearing firm, Pershing, LLC, is not a market maker and does not sell to or buy from customers on a principal basis. The above statement is the opinion of Taglich Brothers, Inc. and is not a guarantee that the target price for the stock will be met or that predicted business results for the company will occur. There may be instances when fundamental, technical and quantitative opinions contained in this report are not in concert. We, our affiliates, any officer, director or stockholder or any member of their families may from time to time purchase or sell any of the above-mentioned or related securities. Analysts and members of the Research Department are prohibited from buying or selling securities issued by the companies that Taglich Brothers, Inc. has a research relationship with, except if ownership of such securities was prior to the start of such relationship, then an analyst or member of the Research Department may sell such securities after obtaining expressed written permission from the Director of Research.

As of the date of this report, we, our affiliates, any officer, director or stockholder, or any member of their families do not have a position in the stock of the company mentioned in this report. Taglich Brothers, Inc. does not have an investment banking relationship with the company mentioned in this report and was not a manager or co-manger of any offering for the company within the last three years.

All research issued by Taglich Brothers, Inc. is based on public information. The company paid for the creation and dissemination of research reports for the first year a monetary fee of \$21,000 (USD) on March 2007 and since July 2008 pays a monthly monetary fee of \$1,750 (USD) to Taglich Brothers, Inc. for the creation and dissemination of research reports.

I, Luis Martins, the research analyst of this report, hereby certify that the views expressed in this research report accurately reflect my personal views about the subject securities and issuers; and that no part of my compensation was, is, or will be directly or indirectly related to the specific recommendations or views contained in the research report.

Radiant Logistics, Inc.
Annual Income Statement Model
For Fiscal Year Ended June 30
(in thousands)

| | <u>F6/2006A</u> | <u>F6/2007A</u> | <u>F6/2008A</u> | <u>F6/2009E</u> | <u>F6/2010E</u> |
|-------------------------------|------------------|-----------------|-----------------|-------------------|-----------------|
| Total Revenues | \$ 54,580 | \$ 75,527 | \$ 100,201 | \$ 133,828 | \$ 152,326 |
| Cost of Transportation | <u>35,192</u> | <u>48,812</u> | <u>64,372</u> | <u>87,953</u> | <u>102,435</u> |
| Net Revenues | 19,388 | 26,715 | 35,829 | 45,875 | 49,890 |
| <i>Gross Margins</i> | 35.52% | 35.37% | 35.76% | 34.28% | 32.75% |
| Agent Commissions | 14,341 | 20,048 | 25,210 | 30,250 | 32,750 |
| Personnel Costs | 2,313 | 2,916 | 5,303 | 7,301 | 7,382 |
| S, G& A | 1,728 | 2,508 | 3,804 | 4,432 | 4,355 |
| D & A | <u>793</u> | <u>830</u> | <u>964</u> | <u>1,747</u> | <u>2,000</u> |
| Operating Expensess | <u>19,175</u> | <u>26,302</u> | <u>35,281</u> | <u>43,730</u> | <u>46,488</u> |
| Operating Income | 213 | 413 | 548 | 2,145 | 3,403 |
| <i>Operating Margin</i> | 0.39% | 0.55% | 0.55% | 1.60% | 2.23% |
| <i>EBITDA</i> | | 1,243 | 1,512 | 3,892 | 5,403 |
| Interest Income | 23 | 16 | 4 | 8 | 89% |
| Interest Expense | (33) | (22) | (120) | (236) | (400) |
| Other | <u>(12)</u> | <u>(43)</u> | <u>1,819</u> | <u>(11,398)</u> | <u>-</u> |
| Total -other | (22) | (49) | 1,703 | (11,626) | (400) |
| Pre-Tax Income | 191 | 364 | 2,251 | (9,481) | 3,003 |
| <i>Pre-Tax Margins</i> | 0.35% | 0.48% | 2.25% | -7.08% | 1.97% |
| Taxes (Benefit) | <u>217</u> | <u>156</u> | <u>907</u> | <u>(31)</u> | <u>1,201</u> |
| <i>Tax Rate</i> | 113.61% | 42.80% | 40.29% | 0.33% | 40.00% |
| <i>Minority interest</i> | | 46 | (69) | (34) | (40) |
| Net Income | \$ (26) | \$ 163 | \$ 1,413 | \$ (9,416) | \$ 1,842 |
| EPS-fully diluted | \$ (0.00) | \$ 0.00 | \$ 0.04 | \$ (0.27) | \$ 0.05 |
| Avg Shares Out-fully diluted | <u>30,607</u> | <u>34,325</u> | <u>34,359</u> | <u>34,732</u> | <u>34,725</u> |
| <u>Percent of Revenue</u> | | | | | |
| Cost of Transportation | 64.48% | 64.63% | 64.24% | 65.72% | 67.25% |
| Agent Commissions | 26.28% | 26.54% | 25.16% | 22.60% | 21.50% |
| Personnel Costs | 4.24% | 3.86% | 5.29% | 5.46% | 4.85% |
| S, G& A | 3.17% | 3.32% | 3.80% | 3.31% | 2.86% |
| D & A | 1.45% | 1.10% | 0.96% | 1.31% | 1.31% |
| Operating Expensess | 35.13% | 34.82% | 35.21% | 32.68% | 30.52% |
| Net Margin | -0.05% | 0.22% | 1.41% | -7.04% | 1.21% |
| <u>YEAR / YEAR GROWTH</u> | | | | | |
| Total Revenues | 5.94% | 38.38% | 32.67% | 33.56% | 13.82% |

* Pro-forma results inclusive of Airgroup Corp.

Radiant Logistics, Inc.
Quarterly Income Statement Model
For Fiscal Year Ended June 30, 2007
(in thousands)

| | <u>Q1(9/06)A</u> | <u>Q2(12/06)A</u> | <u>Q3(3/07)A</u> | <u>Q4(6/07)A</u> | <u>F6/2007A</u> |
|------------------------------|------------------|-------------------|------------------|------------------|-----------------|
| Total Revenues | \$ 14,416 | \$ 18,345 | \$ 19,394 | \$ 23,372 | \$ 75,527 |
| Cost of Transportation | <u>9,423</u> | <u>11,656</u> | <u>12,278</u> | <u>15,455</u> | <u>48,812</u> |
| Net Revenues | 4,993 | 6,689 | 7,116 | 7,917 | 26,715 |
| <i>Gross Margins</i> | 34.64% | 36.46% | 36.69% | 33.87% | 35.37% |
| | | | | | |
| Agent Commissions | 3,727 | 5,243 | 5,420 | 5,658 | 20,048 |
| Personnel Costs | 507 | 581 | 659 | 1,169 | 2,916 |
| S, G& A | 406 | 613 | 742 | 747 | 2,508 |
| D & A | <u>186</u> | <u>205</u> | <u>209</u> | <u>230</u> | <u>830</u> |
| Operating Expenses | <u>4,826</u> | <u>6,642</u> | <u>7,030</u> | <u>7,804</u> | <u>26,302</u> |
| Operating Income | 167 | 47 | 86 | 113 | 413 |
| <i>Operating Margin</i> | 1.16% | 0.26% | 0.44% | 0.48% | 0.55% |
| | | | | | |
| <i>EBITDA</i> | 353 | 252 | 295 | 343 | 1,243 |
| | | | | | |
| Interest Income | 2 | 3 | 2 | 9 | 16 |
| Interest Expense | (8) | (3) | (5) | (6) | (22) |
| Other | <u>-</u> | <u>(3)</u> | <u>(22)</u> | <u>(18)</u> | <u>(43)</u> |
| Total -other | (6) | (3) | (25) | (15) | (49) |
| Pre-Tax Income | 161 | 44 | 61 | 98 | 364 |
| <i>Pre-Tax Margins</i> | 1.12% | 0.24% | 0.31% | 0.42% | 0.48% |
| | | | | | |
| Taxes (Benefit) | <u>2</u> | <u>(21)</u> | <u>37</u> | <u>138</u> | <u>156</u> |
| <i>Tax Rate</i> | 1.12% | -47.73% | 60.66% | 140.82% | 42.80% |
| | | | | | |
| <i>Minority interest</i> | | | | 46 | 46 |
| | | | | | |
| Net Income | <u>\$ 159</u> | <u>\$ 65</u> | <u>\$ 24</u> | <u>\$ (86)</u> | <u>\$ 163</u> |
| EPS-fully diluted | <u>\$ 0.00</u> | <u>\$ 0.00</u> | <u>\$ 0.00</u> | <u>\$ (0.00)</u> | <u>\$ 0.00</u> |
| Avg Shares Out-fully diluted | <u>36,137</u> | <u>34,469</u> | <u>34,163</u> | <u>34,210</u> | <u>34,325</u> |
| | | | | | |
| <u>Percent of Revenue</u> | | | | | |
| Cost of Transportation | 65.36% | 63.54% | 63.31% | 66.13% | 64.63% |
| Agent Commissions | 25.85% | 28.58% | 27.95% | 24.21% | 26.54% |
| Personnel Costs | 3.52% | 3.17% | 3.40% | 5.00% | 3.86% |
| S, G& A | 2.81% | 3.34% | 3.83% | 3.20% | 3.32% |
| D & A | 1.29% | 1.12% | 1.07% | 1.07% | 1.10% |
| Operating Expenses | 33.48% | 36.21% | 36.25% | 33.39% | 34.82% |
| Net Margin | 1.10% | 0.35% | 0.12% | -0.37% | 0.22% |
| | | | | | |
| <u>YEAR / YEAR GROWTH</u> | | | | | |
| Total Revenues | 7.32% | 24.99% | 63.76% | 59.80% | 38.38% |

Radiant Logistics, Inc.
Quarterly Income Statement Model
For Fiscal Year Ended June 30, 2008
(in thousands)

| | <u>Q1(9/07A)</u> | <u>Q2(12/07A)</u> | <u>Q3(3/08A)</u> | <u>Q4(6/08A)</u> | <u>F6/2008A</u> |
|-------------------------------|-----------------------|-----------------------|-----------------------|-------------------------|-----------------------|
| Total Revenues | \$ 25,557 | \$ 23,109 | \$ 25,765 | \$ 25,770 | \$ 100,201 |
| Cost of Transportation | <u>17,116</u> | <u>14,712</u> | <u>16,264</u> | <u>16,280</u> | <u>64,372</u> |
| Net Revenues | 8,441 | 8,397 | 9,501 | 9,490 | 35,829 |
| <i>Gross Margins</i> | 33.03% | 36.34% | 36.88% | 36.83% | 35.76% |
| Agent Commissions | 5,852 | 6,154 | 6,611 | 6,593 | 25,210 |
| Personnel Costs | 1,547 | 1,090 | 1,199 | 1,467 | 5,303 |
| S, G& A | 695 | 742 | 1,269 | 1,098 | 3,804 |
| D & A | <u>240</u> | <u>242</u> | <u>239</u> | <u>243</u> | <u>964</u> |
| Operating Expensess | 8,334 | 8,228 | 9,318 | 9,401 | 35,281 |
| Operating Income | 107 | 169 | 183 | 89 | 548 |
| <i>Operating Margin</i> | 0.42% | 0.73% | 0.71% | 0.35% | 0.55% |
| <i>EBITDA</i> | 347 | 411 | 422 | 332 | 1,512 |
| Interest Income | 1 | 1 | 1 | 1 | 4 |
| Interest Expense | (25) | (48) | (27) | (20) | (120) |
| Other | <u>(20)</u> | <u>1,931</u> | <u>(48)</u> | <u>(44)</u> | <u>1,819</u> |
| Total -other | (44) | 1,884 | (74) | (63) | 1,703 |
| Pre-Tax Income | 63 | 2,053 | 109 | 26 | 2,251 |
| <i>Pre-Tax Margins</i> | 0.25% | 8.88% | 0.42% | 0.10% | 2.25% |
| Taxes (Benefit) | <u>(8)</u> | <u>744</u> | <u>36</u> | <u>135</u> | <u>907</u> |
| <i>Tax Rate</i> | -12.70% | 36.24% | 33.03% | 519.23% | 40.29% |
| <i>Minority interest</i> | (18) | (14) | (14) | (23) | (69) |
| Net Income | <u>\$ 88</u> | <u>\$ 1,324</u> | <u>\$ 87</u> | <u>\$ (86)</u> | <u>\$ 1,413</u> |
| EPS-fully diluted | <u>\$ 0.00</u> | <u>\$ 0.04</u> | <u>\$ 0.00</u> | <u>\$ (0.00)</u> | <u>\$ 0.04</u> |
| Avg Shares Out-fully diluted | <u>34,442</u> | <u>34,079</u> | <u>34,134</u> | <u>34,616</u> | <u>34,359</u> |
| <u>Percent of Revenue</u> | | | | | |
| Cost of Transportation | 66.97% | 63.66% | 63.12% | 63.17% | 64.24% |
| Agent Commissions | 22.90% | 26.63% | 25.66% | 25.58% | 25.16% |
| Personnel Costs | 6.05% | 4.72% | 4.65% | 5.69% | 5.29% |
| S, G& A | 2.72% | 3.21% | 4.93% | 4.26% | 3.80% |
| D & A | 0.94% | 1.05% | 0.93% | 0.94% | 0.96% |
| Operating Expensess | 32.61% | 35.61% | 36.17% | 36.48% | 35.21% |
| Net Margin | 0.00% | 5.73% | 0.34% | -0.42% | 1.41% |
| <u>YEAR / YEAR GROWTH</u> | | | | | |
| Total Revenues | 77.28% | 25.97% | 32.85% | 10.26% | 32.67% |

Radiant Logistics, Inc.
Quarterly Income Statement Model
For Fiscal Year Ended June 30, 2009
(in thousands)

| | <u>Q1(9/08)A</u> | <u>Q2(12/08)A</u> | <u>Q3(3/09)A</u> | <u>Q4(6/09)E</u> | <u>F6/2009E</u> |
|-------------------------------|------------------|--------------------|------------------|------------------|-------------------|
| Total Revenues | \$ 32,403 | \$ 42,513 | \$ 29,719 | \$ 29,193 | \$ 133,828 |
| Cost of Transportation | 21,220 | 29,024 | 18,972 | 18,738 | 87,953 |
| Net Revenues | 11,184 | 13,489 | 10,747 | 10,455 | 45,875 |
| <i>Gross Margins</i> | <i>34.52%</i> | <i>31.73%</i> | <i>36.16%</i> | <i>35.81%</i> | <i>34.28%</i> |
| Agent Commissions | 7,553 | 9,001 | 6,982 | 6,714 | 30,250 |
| Personnel Costs | 1,614 | 2,110 | 1,825 | 1,752 | 7,301 |
| S, G& A | 1,117 | 1,026 | 1,189 | 1,100 | 4,432 |
| D & A | 315 | 473 | 479 | 480 | 1,747 |
| Operating Expenses | 10,599 | 12,610 | 10,475 | 10,046 | 43,730 |
| Operating Income | 585 | 879 | 272 | 409 | 2,145 |
| <i>Operating Margin</i> | <i>1.81%</i> | <i>2.07%</i> | <i>0.92%</i> | <i>1.40%</i> | <i>1.60%</i> |
| <i>EBITDA</i> | <i>900.00</i> | <i>1,352.00</i> | <i>751.00</i> | <i>889.05</i> | <i>3,892</i> |
| Interest Income | 1 | 5 | 2 | | 8 |
| Interest Expense | (26) | (72) | (68) | (70) | (236) |
| Other | (167) | (11,403) | 172 | - | (11,398) |
| Total -other | (192) | (11,470) | 106 | (70) | (11,626) |
| Pre-Tax Income | 393 | (10,591) | 378 | 339 | (9,481) |
| <i>Pre-Tax Margins</i> | <i>1.21%</i> | <i>-24.91%</i> | <i>1.27%</i> | <i>1.16%</i> | <i>-7.08%</i> |
| Taxes (Benefit) | 153 | (383) | 63 | 136 | (31) |
| <i>Tax Rate</i> | <i>38.93%</i> | <i>3.62%</i> | <i>16.67%</i> | <i>40.00%</i> | <i>0.33%</i> |
| <i>Minority interest</i> | <i>(10)</i> | <i>8</i> | <i>(22)</i> | <i>(10)</i> | <i>(34)</i> |
| Net Income | \$ 250 | \$ (10,216) | \$ 293 | \$ 213 | \$ (9,416) |
| EPS-fully diluted | \$ 0.01 | \$ (0.29) | \$ 0.01 | \$ 0.01 | \$ (0.27) |
| Avg Shares Out-fully diluted | 34,800 | 34,702 | 34,702 | 34,725 | 34,732 |
| <u>Percent of Revenue</u> | | | | | |
| Cost of Transportation | 65.49% | 68.27% | 63.84% | 64.00% | 65.72% |
| Agent Commissions | 23.31% | 21.17% | 23.49% | 23.00% | 22.60% |
| Personnel Costs | 4.98% | 4.96% | 6.14% | 6.00% | 5.46% |
| S, G& A | 3.45% | 2.41% | 4.00% | 3.77% | 3.31% |
| D & A | 0.97% | 1.11% | 1.61% | 1.64% | 1.31% |
| Operating Expenses | 32.71% | 29.66% | 35.25% | 34.41% | 32.68% |
| Net Margin | 0.77% | -24.03% | 0.99% | 0.73% | -7.04% |
| <u>YEAR / YEAR GROWTH</u> | | | | | |
| Total Revenues | 26.79% | 83.97% | 15.35% | 13.28% | 33.56% |

Radiant Logistics, Inc.
Quarterly Income Statement Model
For Fiscal Year Ended June 30, 2010
(in thousands)

| | <u>Q1(9/09)E</u> | <u>Q2(12/09)E</u> | <u>Q3(3/10)E</u> | <u>Q4(6/10)E</u> | <u>F6/2010E</u> |
|------------------------------|------------------|-------------------|------------------|------------------|-----------------|
| Total Revenues | 35,308 | 39,200 | 38,965 | 38,853 | \$ 152,326 |
| Cost of Transportation | 23,744 | 26,361 | 26,203 | 26,127 | 102,435 |
| Net Revenues | 11,564 | 12,839 | 12,762 | 12,725 | 49,890 |
| <i>Gross Margins</i> | 32.75% | 32.75% | 32.75% | 32.75% | 32.75% |
| Agent Commissions | 7,591 | 8,428 | 8,377 | 8,353 | 32,750 |
| Personnel Costs | 1,765 | 1,882 | 1,870 | 1,865 | 7,382 |
| S, G& A | 1,059 | 1,117 | 1,091 | 1,088 | 4,355 |
| D & A | 500 | 500 | 500 | 500 | 2,000 |
| Operating Expenses | 10,916 | 11,927 | 11,839 | 11,806 | 46,488 |
| Operating Income | 648 | 912 | 923 | 919 | 3,403 |
| <i>Operating Margin</i> | 1.84% | 2.33% | 2.37% | 2.37% | 2.23% |
| <i>EBITDA</i> | 1,148.36 | 1,412.15 | 1,423.16 | 1,419.06 | 5,403 |
| Interest Expense | (100) | (100) | (100) | (100) | (400) |
| Other | - | - | - | - | - |
| Total -other | (100) | (100) | (100) | (100) | (400) |
| Pre-Tax Income | 548 | 812 | 823 | 819 | 3,003 |
| <i>Pre-Tax Margins</i> | 1.55% | 2.07% | 2.11% | 2.11% | 1.97% |
| Taxes (Benefit) | 219 | 325 | 329 | 328 | 1,201 |
| <i>Tax Rate</i> | 40.00% | 40.00% | 40.00% | 40.00% | 40.00% |
| <i>Minority interest</i> | (10) | (10) | (10) | (10) | (40) |
| Net Income | \$ 339 | \$ 497 | \$ 504 | \$ 501 | \$ 1,842 |
| EPS-fully diluted | \$ 0.01 | \$ 0.01 | \$ 0.01 | \$ 0.01 | \$ 0.05 |
| Avg Shares Out-fully diluted | 34,725 | 34,725 | 34,725 | 34,725 | 34,725 |
| - | | | | | |
| <u>Percent of Revenue</u> | | | | | |
| Cost of Transportation | 67.25% | 67.25% | 67.25% | 67.25% | 67.25% |
| Agent Commissions | 21.50% | 21.50% | 21.50% | 21.50% | 21.50% |
| Personnel Costs | 5.00% | 4.80% | 4.80% | 4.80% | 4.85% |
| S, G& A | 3.00% | 2.85% | 2.80% | 2.80% | 2.86% |
| D & A | 1.42% | 1.28% | 1.28% | 1.29% | 1.31% |
| Operating Expenses | 30.92% | 30.43% | 30.38% | 30.39% | 30.52% |
| Net Margin | 0.96% | 1.27% | 1.29% | 1.29% | 1.21% |
| <u>YEAR / YEAR GROWTH</u> | | | | | |
| Total Revenues | 8.96% | -7.79% | 31.11% | 33.09% | 13.82% |

Radiant Logistics, Inc.
Consolidate Balance Sheet
For Fiscal Year Ended June 30:
(in thousands)

| | <u>F2008A</u> | <u>1Q(9/08)09A</u> | <u>2Q(12/08)09A</u> | <u>3Q(3/09)09A</u> |
|-----------------------------------------------|------------------|--------------------|---------------------|--------------------|
| Assets | | | | |
| Current Assets | | | | |
| Cash & Equivalents | \$ 392 | \$ 898 | \$ 1,024 | \$ 514 |
| Net Receivables | 14,404 | 25,123 | 21,048 | 16,366 |
| Deferred taxes | 292 | 168 | - | 607 |
| Prepaid Expense & Other | <u>494</u> | <u>1,312</u> | <u>3,124</u> | <u>1,880</u> |
| Total Current Assets | 15,582 | 27,500 | 25,196 | 19,367 |
| Plant, Property, & Equipment-net | 718 | 962 | 977 | 872 |
| Goodwill/intangibles-net | 9,067 | 15,106 | 3,877 | 3,528 |
| Long Term Investments | 40 | 40 | 40 | 40 |
| Other | <u>196</u> | <u>510</u> | <u>464</u> | <u>415</u> |
| Total Assets | <u>\$ 25,603</u> | <u>\$ 44,118</u> | <u>\$ 30,554</u> | <u>\$ 24,221</u> |
| Liabilities & Shareholders' Equity | | | | |
| Current Liabilities | | | | |
| Notes payable | \$ 113 | \$ 113 | \$ 633 | \$ - |
| Accounts payable | 9,915 | 18,553 | 12,341 | 11,945 |
| Accruals | 222 | 1,149 | 903 | 804 |
| Commissions | 1,137 | 2,426 | 1,361 | 1,369 |
| Income tax payable/deferred taxes | 498 | - | 1,113 | - |
| Due to Adcom shareholder | <u>-</u> | <u>2,402</u> | <u>2,202</u> | <u>2,244</u> |
| Total Current Liabilities | 11,885 | 24,644 | 18,553 | 16,362 |
| LTD-net of current | 4,272 | 8,577 | 12,050 | 7,686 |
| Deferred taxes | 422 | 1,562 | 800 | 685 |
| Minority interest | - | - | | |
| Total Shareholders' Equity | <u>9,024</u> | <u>9,334</u> | <u>(849)</u> | <u>(513)</u> |
| Total Liabilities & Equity | <u>\$ 25,603</u> | <u>\$ 44,118</u> | <u>\$ 30,554</u> | <u>\$ 24,221</u> |
| SHARES OUT | 34,660 | 34,702 | 34,702 | 34,702 |

Radiant Logistics, Inc.
Consolidated Cash Flow Statement
For Period Ended
(in thousands)

| | <u>2008A</u> | <u>9M09A</u> |
|---------------------------------------------|-----------------------|-----------------------|
| <i>Cash Flows from Operating Activities</i> | | |
| Net Income | \$ 1,413 | \$ (9,672) |
| Depreciation & Amortization | 944 | 1,267 |
| Other non cash items | (1,565) | 135 |
| Write-off and disposals | 254 | 11,213 |
| Other | <u>(312)</u> | <u>(1,114)</u> |
| | 734 | 1,829 |
| <i>Changes In:</i> | | |
| Receivables | 405 | 8,354 |
| Prepaid Expense | (279) | 75 |
| Accounts Payable | (2,127) | (6,914) |
| Accrued Expenses & Other | <u>588</u> | <u>(1,024)</u> |
| Net Changes in Working Capital | <u>(1,413)</u> | <u>491</u> |
| Net cash Provided by Operations | <u>(680)</u> | <u>2,320</u> |
| <i>Cash Flows from Investing Activities</i> | | |
| Capital Expenditures | (245) | (216) |
| Acquisitions | (1,461) | (4,839) |
| Other | <u>(25)</u> | <u>(557)</u> |
| Net cash used in Investing | <u>(1,731)</u> | <u>(5,612)</u> |
| <i>Cash Flows from Financing Activities</i> | | |
| Minority interest contribution | (14) | - |
| Proceeds from Borrowings | 2,598 | 3,414 |
| Note payable for Airgroup | <u>(500)</u> | <u>-</u> |
| Net cash provided by Financing | <u>2,084</u> | <u>3,414</u> |
| Net change in Cash | (327) | 122 |
| Cash Beginning of Period | <u>720</u> | <u>392</u> |
| Cash End of Period | <u>\$ 392</u> | <u>\$ 514</u> |