



FOR IMMEDIATE RELEASE

Rand Worldwide Reports Second Quarter Fiscal Year 2014 Results

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Highest Revenue Levels in Five Years

FRAMINGHAM, MA – February 14, 2014 – Rand Worldwide, Inc. (OTCBB: RWWI), a global provider of technology solutions to organizations with engineering design and information technology requirements, announces its financial results for the three and six months ended December 31, 2013.

For the three months ended December 31, 2013, Rand Worldwide, Inc. reported total revenues of \$24.5 million as compared with \$20.1 million in the same quarter for the prior fiscal year. The Company's overall gross margin percentage for the current quarter was 49.3%, down from the 52.1% reported for the quarter ended December 31, 2012 as a result of a single larger sale that yielded a lower margin percentage. Total selling, general and administrative expenses as a percentage of total revenues were 36.3% for the current quarter, down significantly from 42.8% in the same quarter for the prior fiscal year. As a result, the Company reported net income from continuing operations of \$1,559,000, or \$0.03 per share per fully diluted share, compared to \$716,000, or \$0.01 per share, for the same period in the prior year.

For the six months ended December 31, 2013, the Company reported total revenues of \$43.0 million as compared with \$39.5 million in the prior year. Year to date net income from continuing operations was \$1,283,000, or \$0.02 per fully diluted share, as compared with net income of \$1,090,000, or \$0.02 per share, reported for the same period in the prior year.

"This was an outstanding quarter for us aided by a number of larger deals, including one particularly noteworthy sale to a customer in the Education market," said Lawrence Rychlak, president and chief financial officer at Rand Worldwide. "We were able to show good growth in all of our revenue categories which combined with continued controls over our operating expenses, resulted in a very profitable second fiscal quarter."

"We have consistently shown our customers the great value of our experience and expertise and are very pleased in the confidence that they have placed with us," added Marc Dulude, chief executive officer at Rand Worldwide. "Our recent designation as a Platinum Partner with Autodesk adds further support to our standing as an elite company in the Autodesk marketplace. In addition, we continue to show significant bookings growth in our Rand Secure Data division and the other important groups within Rand Worldwide and continue to be very excited about the future for the Company."

Forward-looking Statement

This press release contains forward-looking statements about the expectations, beliefs, plans, intentions, and strategies of Rand Worldwide, Inc. There are a number of important factors that could cause actual results to differ materially from those anticipated by any forward-looking information. Statements that are not historical in nature, including those that include the words “goal,” “expect,” “anticipate,” “estimate,” “should,” “believe,” “intend,” and similar expressions, are based on current expectations, estimates and projections about, among other things, the industry and the markets in which Rand Worldwide operates, and they are not guarantees of future performance. Whether actual results will conform to expectations and predictions is subject to known and unknown risks and uncertainties, including risks and uncertainties discussed in this report; general economic, market, or business conditions; changes in interest rates, and demand for our products and services; changes in our competitive position or competitive actions by other companies; the ability to manage growth; changes in laws or regulations or policies of federal and state regulators and agencies; and other circumstances beyond our control. Consequently, all of the forward-looking statements made in this document are qualified by these cautionary statements, and there can be no assurance that the actual results anticipated will be realized, or, if substantially realized, will have the expected consequences on our business or operations.

(Tables Below)

Rand Worldwide, Inc. Summary Consolidated Financial Data

	Three Months Ended December 31,		Six Months Ended December 31,	
	2013	2012	2013	2012
Revenues-				
Product sales	\$13,229,000	\$9,569,000	\$22,962,000	\$19,619,000
Service revenue	5,630,000	5,191,000	10,755,000	10,151,000
Commission revenue	5,603,000	5,356,000	9,288,000	9,698,000
Total revenues	<u>24,462,000</u>	<u>20,116,000</u>	<u>43,005,000</u>	<u>39,468,000</u>
Cost of revenues-				
Cost of product sales	8,509,000	6,113,000	14,759,000	12,306,000
Cost of service revenue	<u>3,888,000</u>	<u>3,513,000</u>	<u>7,650,000</u>	<u>6,958,000</u>
Total cost of revenues	<u>12,397,000</u>	<u>9,626,000</u>	<u>22,409,000</u>	<u>19,264,000</u>
Gross margin	\$12,065,000	\$10,490,000	\$20,596,000	\$20,204,000
Operating income	2,707,000	1,365,000	2,146,000	2,110,000
Income from continuing operations before income taxes	2,495,000	1,271,000	1,927,000	1,987,000
Loss on sale of discontinued operations, net of tax	(374,000)	-	(374,000)	-
Loss from discontinued operations, net of tax	-	(220,000)	-	(18,000)
Net income	1,185,000	496,000	909,000	1,072,000
Net income from continuing operations available to common stockholders	1,532,000	688,000	1,228,000	1,034,000
Net income available to common stockholders	1,158,000	468,000	854,000	1,016,000

Earnings per share:

Basic earnings per common share:				
Continuing operations	\$ 0.03	\$ 0.01	\$ 0.02	\$ 0.02
Discontinued operations	(0.01)	-	(0.01)	-
Basic earnings per common share	<u>\$ 0.02</u>	<u>\$ 0.01</u>	<u>\$ 0.01</u>	<u>\$ 0.02</u>
Diluted earnings per common share:				
Continuing operations	\$ 0.03	\$ 0.01	\$ 0.02	\$ 0.02
Discontinued operations	(0.01)	-	(0.01)	-
Diluted earnings per common share	<u>\$ 0.02</u>	<u>\$ 0.01</u>	<u>\$ 0.01</u>	<u>\$ 0.02</u>

Weighted average common shares outstanding:

Basic	<u>54,099,998</u>	<u>53,990,589</u>	<u>54,052,138</u>	<u>53,906,012</u>
Diluted	<u>56,955,741</u>	<u>55,040,285</u>	<u>55,522,027</u>	<u>54,955,708</u>

	<u>December 31,</u> <u>2013</u>	<u>June 30,</u> <u>2013</u>
Current assets	\$28,296,000	\$20,077,000
Long term assets	<u>27,114,000</u>	<u>28,089,000</u>
Total assets	<u>\$55,410,000</u>	<u>\$48,166,000</u>
Current liabilities	\$20,001,000	\$13,460,000
Long term liabilities	1,078,000	1,506,000
Total stockholders' equity	<u>34,331,000</u>	<u>33,200,000</u>
Total liabilities and stockholders' equity	<u>\$55,410,000</u>	<u>\$48,166,000</u>

	<u>Three months ended</u>	
	<u>12/31/2013</u>	<u>12/31/2012</u>

AEC and Manufacturing Sales as a % of Total Sales:

AEC	40%	49%
Manufacturing	28%	32%

Suites % of Product and Subscription Revenue

70%	57%
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Top Autodesk products by % of product & subscription sales

Building Design Suite	22%	15%
Product Design Suite	18%	22%
Education Suite	15%	n/a - < 1%
AutoCAD	11%	13%
Infrastructure Design Suite	9%	n/a - 5%
Revit	n/a - 1%	11%
Civil 3D	n/a - 4%	10%

About Rand Worldwide

Rand Worldwide is one of the world's leading professional services and technology companies for the engineering community, targeting organizations in the building, infrastructure, and manufacturing industries. The company advances the way organizations design, develop, and manage building, infrastructure, and manufacturing projects. *Fortune 500* and *Engineering News Record's* Top 100 companies work with Rand Worldwide to gain a competitive advantage through technology consulting, implementation, training, and support services. One of the world's largest integrators of Autodesk software, the company also provides data archiving based upon solutions from Autonomy, facilities management software from ARCHIBUS, CAD and PLM courseware through their ASCENT division and provides training and support solutions on Dassault Systèmes and PTC products. For more information, visit rand.com

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