

ICTC GROUP, INC.

For Immediate Release

ICTC GROUP, INC. Reports Results for First Quarter of 2015

Nome, ND – May 11, 2015 – ICTC Group, Inc. (“ICTC”; OTC Pink[®]: ICTG) today announces its financial results for the first quarter of 2015. (See Attachment A). ICTC’s operating subsidiaries, Inter-Community Telephone Company, LLC, a rural local exchange carrier (“RLEC”), and Valley Communications, Inc., a competitive local exchange carrier (“CLEC”), provide telecommunications services in southeastern North Dakota.

First Quarter Results – During the first quarter of 2015, our revenues were \$959,000, an increase of \$29,000 or 3.2% from the first quarter of 2014. This increase was due primarily to an increase in internet customers and circuit leases. EBITDA before corporate costs was \$336,000 versus \$356,000 in the first quarter of 2014, a decrease of \$20,000 or 5.5%, due primarily to the addition of a salesperson and increased administrative expenses.

Regulated revenues were \$755,000 compared with \$733,000 in 2014, an increase of \$22,000 or 2.9%. Non-regulated revenues were \$205,000, compared with \$197,000 in 2014, an increase of \$8,000 or 4.1%. Operating profit was \$53,000 as compared with \$133,000 in the first quarter of 2014, a decrease of \$80,000 due primarily to the Company’s adjustment of its depreciation rates during the fourth quarter of 2014 to be more consistent with industry norms. Net income in the first quarter of 2015 was \$137,000 compared to \$188,000 in 2014, a decrease of \$51,000; again, this was due primarily to increased depreciation expense in the first quarter of 2015.

Earnings per share, excluding unusual items, were \$0.36 during the first quarter versus \$0.46 in 2014. As with operating profit and net income, this decrease in earnings per share resulted primarily from higher depreciation expense.

ICTC has substantial investments in three other telecommunications providers: Dakota Carrier Network, a state-wide North Dakota fiber network owned by North Dakota RLECs; and two providers of wireless voice and broadband communications services in Southeastern North Dakota, North Dakota RSA # 3 and North Dakota RSA # 5, both operated by Verizon Wireless. These investments contributed \$170,000 to ICTC’s first quarter of 2015 income before income taxes, as compared to \$175,000 in 2014. These investments provided ICTC with cash distributions of \$236,000 for the first quarter, as compared to cash distributions of \$63,000 for the first quarter of 2014.

Capital Expenditures – Total capital expenditures were \$142,000 in the first quarter of 2015 and \$344,000 in the first quarter of 2014. These amounts include funds spent under our American Recovery and Reinvestment Act stimulus project. Our capital expenditures represent continued investment in our network infrastructure, particularly our broadband facilities. The expenditure amounts are net of grants received under the stimulus project and contributions in aid to construction received from our customers. The Company has incurred costs of \$247,000 which are expected to be reimbursed through the stimulus funding during the second quarter of 2015. By extending fiber optic cable further throughout our network and installing upgraded electronics, we are improving the speed and reliability of our broadband network and will continue to do so through 2015.

Federal Regulation – In November 2011, the Federal Communications Commission ("FCC") ordered significant modifications to Intercarrier Compensation ("ICC") and the Universal Service Fund ("USF"), both of which provide revenues to the Company. Since that time, the FCC has issued a number of additional orders clarifying and modifying its ICC and USF mechanisms. Most recently, in April 2014 and March 2015, the FCC announced that it is making further reforms, the details of which are not yet available, which will impact companies such as ICTC. ICC and USF programs generate, on a combined basis, approximately 60% of our revenues. It is not possible to predict the impact these regulatory actions will have on the Company's future revenues at this time. We believe that government policy will continue to encourage and support communication services in rural areas, but there is no certainty that such support will be continued at historical levels. Because of this and because of the opportunities created by the Internet and new technologies, we are developing unregulated, high-speed services and seeking opportunities outside our franchised telephone service area, as well as expanding the products and services we provide in our traditional telephone business.

Balance Sheet – As of March 31, 2015, ICTC had approximately \$2,935,000 in cash and \$2,653,000 in total debt, resulting in net cash of \$282,000 (See Attachment B). This compares to net debt of \$409,000 as of March 31, 2014. These figures exclude amounts of \$247,000 at March 31, 2015 and \$481,000 at December 31, 2014 recoverable under the stimulus program.

Additional Repurchase Authorization – In March 2015, the Board of Directors authorized the repurchase of an additional 25,000 shares of the Company's stock. As previously announced, in November 2014 the Company's Board of Directors had authorized the repurchase of 25,000 shares of the Company's stock. Under this authorization, the Company has to date repurchased a total of 20,290 shares at an average price of \$19.46 (260 shares were purchased in the first quarter of 2015). There are currently 4,710 shares remaining for repurchase under the November 2014 authorization, as well as the 25,000 shares authorized by the Board in March 2015. The Company plans to continue to repurchase stock in the open market from time to time as it deems appropriate.

Business Initiatives for 2015 – ICTC seeks to expand its broadband capacities and other communication services. The Company is currently planning the extension of its fiber optic facilities and the associated electronics to support enhanced communications services both within and outside its franchised telephone service territory, in growing North Dakota markets nearby.

This release contains certain forward-looking information within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, including without limitation anticipated financial results, capital expenditures and corporate transactions. It should be recognized that such information is based upon certain assumptions, projections and forecasts, including without limitation business conditions and financial markets, regulatory and other approvals, and the cautionary statements set forth in documents filed by ICTC on its website, www.ictcgroup.net. As a result, there can be no assurance that any possible transactions will be accomplished or be successful or that financial targets will be met, and such information is subject to uncertainties, risks and inaccuracies that could be material.

ICTC is a holding company with subsidiaries in voice, broadband and other telecommunications services that may seek acquisitions, principally in its existing business areas.

ICTC is listed on the OTC Pink Sheets[®] under the symbol ICTG. Its World Wide Web address is <http://www.ictcgroup.net>.

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ICTC Group Inc.

	Three Months Ended	
	March 31	
	2015	2014
Revenues	\$959,340	\$929,940
Costs and expenses:		
Cost of revenue, excluding depreciation	462,149	424,780
General and administrative costs at operations	160,747	149,258
Corporate office expense	71,711	66,309
Depreciation	212,022	156,856
Total Expenses	906,629	797,204
Operating Profit	52,711	132,736
Other income(expense):		
Dividend income	78,144	64,036
Other Income (Loss)	(1,386)	--
Interest expense	(34,863)	(34,329)
Equity in earnings of investee	94,973	111,690
Total Other Income	136,868	141,397
Income before income taxes	189,579	274,133
Income tax provision	(52,151)	(86,192)
Net Income	\$137,428	\$187,941
Average Shares Outstanding	384,263	404,426
Earnings Per Share	\$0.36	\$0.46
Actual Shares Outstanding	384,136	404,426

ICTC Group, Inc.
Condensed Consolidated Balance Sheet

Attachment B

	March 31,	December 31,
	2015	2014
ASSETS		
Current Assets		
Cash and cash equivalents	\$2,935,252	\$2,145,235
Accounts receivable	365,904	470,088
Grant funds receivable	247,338	481,058
Materials and supplies	86,563	72,333
Deferred income taxes	86,563	82,899
Prepaid tax benefit	90,059	88,246
Prepayments	96,910	121,809
Total Current Assets	3,894,360	3,461,668
Telecommunications Plant & Equipment		
Cost	22,459,217	22,319,248
Accumulated depreciation	15,939,854	15,729,753
	6,519,363	6,589,495
Other Assets:		
Investments	1,732,431	1,798,462
Other investments	247,063	244,810
Goodwill	1,772,179	1,772,179
	3,751,673	3,815,451
Total Assets	\$14,165,395	\$13,866,614
LIABILITIES AND STOCKHOLDERS EQUITY		
Current Liabilities		
Accounts payable	\$192,284	\$173,283
Accrued Income Taxes	74,799	--
Other current liabilities	331,444	339,655
Current maturities of long-term debt	17,600	17,600
Total current liabilities	616,107	530,538
Long-Term Debt	2,635,244	2,537,357
Other Liabilities		
Construction deposits	32,080	32,080
Deferred income taxes	2,459,617	2,476,768
Total other liabilities	2,491,697	2,508,848
	5,743,048	5,576,743
Stockholders' Equity:		
Preferred stock	--	--
Common stock	40	40
Treasury Stock at cost	(394,784)	(389,831)
Additional paid in capital	1,759,992	1,759,992
Retained earnings	7,057,099	6,919,670
Total stockholders' equity	8,422,347	8,289,872
Total liabilities and stockholders' equity	\$14,165,395	\$13,866,614

