ICTC GROUP, INC.

For Immediate Release

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

Nome, ND – October 27, 2015 – ICTC Group, Inc. ("ICTC"; the "Company"; OTC Pink ®: ICTG) today announces its financial results for the third 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.

Third Quarter Results – During the third quarter of 2015, our revenues were $904,000, a decrease of $49,000 or 5.1% from the third quarter of 2014. This decrease was due primarily to an increase in NECA's DSL tariff rate. Regulated revenues were $694,000 compared with $740,000 in 2014, a decrease of $46,000 or 6.2%. Non-regulated revenues were $210,000, compared with $213,000 in 2014.

Reflecting the revenue decrease, EBITDA generated from the company's operations in the third quarter of 2015 fell to $320,000 from $365,000, a $45,000 or 12.1% decrease. Corporate expenses increased to $119,000 during the quarter, from $63,000 in 2014, due to certain compensation measures initiated in the second quarter of 2015, which shifted costs from operating to corporate and will ultimately reduce costs on an overall basis in 2015 and beyond.

The Company incurred an operation loss of $27,000 in the third quarter of 2015 as compared with an operating profit of $151,000 in the third quarter of 2014, a decrease of $178,000. Other than the variances discussed above, operating profit declined due to the Company adjusting its depreciation rates during the fourth quarter of 2014 to be more consistent with industry norms. This change resulted in an additional $62,000 of depreciation expense in the third quarter 2015 results.

Net income in the third quarter of 2015 was $421,000 compared to $205,000 in 2014, an increase of $216,000. This increase was due to increased distributions from our cellular partnerships, offset by decreased revenue and the increases in depreciation expense and corporate expense. Special distributions from the cellular partnerships, due to cash generated from a sale and leaseback arrangement, added $383,000 or $332,000 after taxes to the third quarter results.

Earnings per share were $1.10 during the third quarter versus $0.51 in 2014. As with net income, this increase in earnings per share resulted from higher distributions from our cellular partnerships.

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 $540,000 to ICTC's third quarter 2015 income before income taxes, as compared to $180,000 in 2014. These investments provided ICTC with cash distributions of $750,000 for the first nine months of 2015, as compared to cash distributions of $471,000 for 2014.

<u>Capital Expenditures</u> – Total capital expenditures were $143,000 in the third quarter of 2015 and $277,000 in the third 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, primarily focused on expanding our fiber optic and other broadband facilities. The expenditure amounts are net of grants received under the stimulus project and contributions in aid to construction received from our customers. By extending fiber optic cable further throughout our network and installing upgraded electronics, we are rapidly improving the speed and reliability of our broadband network and will continue to do so through 2015.

<u>Federal Regulation</u> – Beginning in November 2011, the Federal Communications Commission ("FCC") has been adopting significant modifications to Intercarrier Compensation ("ICC") and the Universal Service Fund ("USF"), both of which provide revenues to the Company. Most recently, in March 2015, the FCC announced that it will be making additional changes, 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 other new technologies, we are developing un-regulated broadband 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.

<u>Balance Sheet</u> – As of Sept 30, 2015, ICTC had approximately $3,113,000 in cash and $2,751,000 in total debt, resulting in net cash of $362,000 (See Attachment B). This compares to net cash of $242,000 as of Sept 30, 2014.

<u>Additional Repurchase Authorization</u> – 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 repurchased a total of 21,497 shares at an average price of $19.70. There are currently 28,503 shares remaining for repurchase under the November 2014 and March 2015 authorizations by the Board. The Company plans to continue to

repurchase stock in the open market from time to time on a discretionary basis and as it deems appropriate.

<u>Business Initiatives for 2015</u> – ICTC actively 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.

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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 OTC Pink ® under the symbol ICTG. Its website address is http://www.ictcgroup.net.

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ICTC Group Inc.

	Three Months Ended Sept 30		Nine Months Ended Sept 30	
	2015	**2014**	**2015**	**2014**
Revenues	$904,373	$953,087	$2,978,668	$2,902,671
Costs and expenses:				
Cost of revenue, excluding depreciation	429,190	459,828	1,373,026	1,362,956
General and administrative costs at operations	154,735	128,698	521,111	452,163
Corporate office expense	119,428	62,613	287,973	188,776
Depreciation	227,566	150,958	658,963	462,936
Total Expenses	930,920	802,097	2,841,074	2,466,831
Operating Profit	(26,547)	150,990	137,613	435,840
Other income(expense):				
Dividend income	450,397	74,941	593,950	121,554
Other Income (Loss)	1,300	--	(86)	--
Interest expense	(22,479)	(35,338)	(89,923)	(69,718)
Equity in earnings of investee	89,506	106,488	277,964	226,965
Total Other Income	518,725	146,091	781,904	278,801
Income before income taxes	492,178	297,081	919,517	563,651
Income tax provision	(70,905)	(91,814)	(195,980)	(180,059)
Net Income	$421,273	$205,267	$723,538	$383,592
Average Shares Outstanding	383,447	404,426	383,946	404,426
Earnings Per Share	$1.10	$0.51	$1.88	$1.46
Actual Shares Outstanding	382,929	404,426	382,929	404,426

ICTC Group, Inc. **Attachment B**

Condensed Consolidated Balance Sheet

	Sept 30, 2015	**December 31, 2014**
ASSETS		
Current Assets		
Cash and cash equivalents	$3,112,684	$2,145,235
Accounts receivable	386,979	470,088
Grant funds receivable	--	481,058
Materials and supplies	520,708	72,333
Deferred income taxes	93,432	82,899
Prepaid tax benefit	104,349	88,246
Prepayments	128,646	121,809
Total Current Assets	4,346,799	3,461,668
Telecommunications Plant & Equipment		
Cost	23,958,562	22,319,248
Accumulated depreciation	17,209,660	15,729,753
	6,748,902	6,589,495
Other Assets:		
Investments	1,915,422	1,798,462
Other investments	266,619	244,810
Goodwill	1,772,179	1,772,179
	3,954,220	3,815,451
Total Assets	$15,049,922	$13,866,614
LIABILITIES AND STOCKHOLDERS EQUITY		
Current Liabilities		
Accounts payable	$249,530	$173,283
Accrued Income Taxes	308,840	--
Other current liabilities	343,989	339,655
Current maturities of long-term debt	24,000	17,600
Total current liabilities	926,359	530,538
Long-Term Debt	2,726,662	2,537,357
Other Liabilities		
Construction deposits	32,080	32,080
Deferred income taxes	2,385,144	2,476,768
Total other liabilities	2,417,224	2,508,848
	6,070,244	5,576,743
Stockholders' Equity:		
Preferred stock	--	--
Common stock	40	40
Treasury Stock at cost	(423,562)	(389,831)
Additional paid in capital	1,759,992	1,759,992
Retained earnings	7,643,208	6,919,670
Total stockholders' equity	8,979,678	8,289,872
Total liabilities and stockholders' equity	$15,049,922	$13,866,614

EBITDA

EBITDA is an established measure of operating performance and liquidity that is commonly reported and widely used by analysts, investors and other interested parties in the telecommunications industry because it eliminates many differences in financial, capitalization and tax structures, as well as non-cash and non-operating charges to earnings. We believe that EBITDA trends are a valuable indicator of whether our operations are able to produce sufficient operating cash flow to fund working capital needs, service debt obligations and fund capital expenditures.

EBITDA equals net income (loss), before interest expense, income tax expense (benefit), depreciation and amortization expense, investment income, equity in earnings of affiliated companies, gain (loss) on sale of investments, impairment charges and net income from discontinued operations.

	Three Months Ended Sept 30,		**Nine Months Ended Sept 30,**	
	2015	**2014**	**2015**	**2014**
EBITDA				
Operations	$320,448	$364,560	$1,084,550	$1,087,552
Corporate Office Expense	(119,428)	(62,613)	(287,973)	(188,776)
Total EBITDA	201,020	301,948	796,577	898,776
Depreciation and amortization	(227,566)	(150,958)	(658,963)	(462,936)
Operating profit	($26,547)	$150,990	$137,613	$435,840