

December 20, 2016



# **InterCloud Systems Awarded Additional New Contracts Valued at Approximately \$600,000**

## **Company provides outlook for 2017**

NEW YORK, Dec. 20, 2016 (GLOBE NEWSWIRE) -- InterCloud Systems, Inc. (the "Company" or "InterCloud") (OTCQB:ICLD), a leading provider of cloud networking orchestration and automation solutions and services, today announced that it was recently awarded approximately \$600,000 in new contracts for professional and managed services in connection with next generation network services for new and existing customers. A majority of the work is expected to begin immediately.

Mark Munro, CEO of InterCloud Systems stated: "As we close out 2016, I would like to take this opportunity to reflect upon the last year and our outlook for 2017. From an operational perspective, 2016 showed increases in gross revenues after factoring in our February sale of our data storage assets. We have reported consistent annual revenue growth. Despite challenges, we continue to grow our core businesses.

Since the beginning of 2016, we set out to reduce our balance sheet liabilities and SG&A expenses. Some of our debt was reduced through the use of cash on hand and other debt was reduced through the issuance of our common stock. Overall, we reduced our balance sheet liabilities over the course of the last six months by over \$20 Million. Simultaneous with our reduction of balance sheet debt, we also significantly reduced our SG&A expenses. With revenue growth, reduced debt and operating expenses, the Company is clearly on a path to profitability. We are determined to make this company more attractive to conventional financing opportunities to support our growth.

Certain lenders have been exercising their rights to convert their debt into equity. While this has steadfastly reduced our balance sheet liabilities, it has also put pressure on our stock price. We believe we can reduce these conversions with a refinancing or restructuring of such debt. We are working aggressively to secure this more conventional financing to help in that regard. We are also exploring the sale of non-core assets to eliminate some of this debt.

As one of the largest shareholders in InterCloud, I am deeply disappointed in our current share price. I do not believe that our share price accurately reflects the value of our Company, the achievements made to date and our future prospects. I am heavily invested in InterCloud, and am working diligently to rebuild shareholder value. In the near term, we expect to be a smaller, yet more profitable company. We plan to continue to market our industry leading cloud and automation platforms. We anticipate that a stronger balance

sheet, reduced operating expenses and continued marketing of our more profitable products and services will produce improved shareholder value in the future.”

#### About InterCloud Systems, Inc.

InterCloud Systems, Inc. is a leading provider of cloud networking orchestration and automation, for Software Defined Networking (SDN) and Network Function Virtualization (NFV) cloud environments to the telecommunications service provider (carrier) and corporate enterprise markets through cloud solutions and professional services. InterCloud's cloud solutions offer enterprise and service-provider customers the opportunity to adopt an operational expense model by outsourcing cloud deployment and management to InterCloud rather than the capital expense model that has dominated in recent decades in IT infrastructure management. Additional information regarding InterCloud may be found on InterCloud's website at [www.intercloudsys.com](http://www.intercloudsys.com).

#### Forward-looking statements:

The above news release contains forward-looking statements. The statements contained in this document that are not statements of historical fact, including but not limited to, statements identified by the use of terms such as "anticipate," "appear," "believe," "could," "estimate," "expect," "hope," "indicate," "intend," "likely," "may," "might," "plan," "potential," "project," "seek," "should," "will," "would," and other variations or negative expressions of these terms, including statements related to expected market trends and the Company's performance, are all "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 and involve a number of risks and uncertainties. These statements are based on assumptions that management believes are reasonable based on currently available information, and include statements regarding the intent, belief or current expectations of the Company and its management. Prospective investors are cautioned that any such forward-looking statements are not guarantees of future performances, and are subject to a wide range of external factors, uncertainties, business risks, and other risks identified in filings made by the company with the Securities and Exchange Commission. Actual results may differ materially from those indicated by such forward-looking statements. The Company expressly disclaims any obligation or undertaking to update or revise any forward-looking statement contained herein to reflect any change in the company's expectations with regard thereto or any change in events, conditions or circumstances upon which any statement is based except as required by applicable law and regulations.

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