

## **Q4 Strengthens Balance Sheet; Enhances Cash Position and Reduces Debt by Over \$5 Million**

ROLLING MEADOWS, Ill., Jan. 2, 2014 (GLOBE NEWSWIRE) -- Q4 Systems Corporation, ("Q4" or the "Company") (OTCQB:QFOR), an IT software company that develops and implements mission-critical, cloud-based enterprise systems and proprietary healthcare exchange platforms, announced today that it has received more than \$1 million from two institutional investors through the exercise of warrants. The warrants were converted to restricted stock which must be held for a minimum of six months.

The Company expects to generate additional funds of over \$3 million from the exercise of warrants from institutional investors over the next 30-90 days. All warrants will convert to restricted stock with a minimum six month holding period.

Q4 Systems also announced that it has begun executing its debt restructuring plan which reduces its liabilities by \$5.4 million through a combination of cash payments and the issuance of restricted stock with a 24 month holding period to its debtors.

Dhru Desai, Chairman and Chief Financial Officer said "We are very pleased with our year-end results. Our balance sheet is significantly strengthened; we recorded record revenue, and we launched our healthcare exchange platform with stellar results. The continued early adoption of our healthcare exchange technology will be an important catalyst to our revenue and earnings growth in 2014."

Desai also stated, "We are projecting double digit revenue growth in 2014 and expect to reach profitability post non-cash charges. It is important for our current and future shareholders to understand that we have maintained positive cash flow while servicing our debt load. Now that we have reduced our debt by nearly 45% in last two quarters of 2013 and added significant cash to our balance sheet, we are poised for a stronger performance in all our divisions."

As stated in its release of December 6, 2013, Q4 has already enrolled 50,000 members to its healthcare exchange platform and is now finalizing over 20 new private healthcare exchanges for businesses across the U.S. The Company estimates that these exchanges will connect between 2.5 million to 3 million new members by the fourth quarter of 2014.

Q4's healthcare exchange platform allows employers and employees to plug in data such as age, budget, and other details and shop for a wide variety of benefits with ease and convenience. Members can choose from up to 20 different plans.

### **About Q4 Systems Corporation**

Q4 Systems is an IT software company that develops and implements mission-critical cloud-based enterprise systems for both Fortune 500 companies and smaller enterprises. With over 1000 associates spanning multiple countries, Q4 Systems services over 150 companies

worldwide. The company is a leading provider of Health Exchange platforms (QHIX) and a proprietary set of SMAC (social media, mobility, analytics and cloud computing) technology solutions to enterprise clients in the Financial Services, Health Care, Retail, Media and Manufacturing sectors. More information about Q4 Systems can be found at <http://www.qfor.com>.

## **Forward-Looking Statements**

This release contains forward-looking statements, which are subject to the inherent uncertainties in predicting future results and conditions. Any statements that are not statements of historical fact should be considered to be forward-looking statements. Certain factors could cause actual results and conditions to differ materially from those projected in such forward-looking statements. We do not undertake any obligation to release publicly revised or updated forward-looking information, and such information included in this release is based on information currently available and may not be reliable after this date.

CONTACT: Androniki Bossonis  
VP of Marketing  
Phone: 949.236.6038  
Email: [androniki.bossonis@qfor.com](mailto:androniki.bossonis@qfor.com)

Investor Relations  
Mike Bowdoin  
RedChip Companies  
Phone: 800.733.2447, ext. 110  
Email: [mike@redchip.com](mailto:mike@redchip.com)