

Q4 Systems Announces Revenue Guidance of \$37 Million for Fiscal 2013, Up 40% Over Fiscal 2012

Company Projects EBITDA of \$4.5 Million, Up From \$2.2 Million or 50% Year-Over-Year

ROLLING MEADOWS, Ill., Jan. 15, 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 for both Fortune 500 companies and smaller enterprises, expects to report more than \$37 million in fiscal 2013 revenue, up 40% from fiscal 2012 revenue of \$26.6 million.

The Company also expects to report 50% year-over-year gross margin growth for fiscal 2013 and EBITDA of \$4.5 million, up 50% from fiscal 2012.

Q4 added more than 10 new clients in its core verticals and signed contracts with three clients for its state-of-the-art private healthcare exchange platform. 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. Also, members can choose from up to 20 different plans. According to global strategy consultants Booz & Co., up to 20 million American's will participate in private exchanges by 2018, while Accenture sees as many as 40 million.

Dhru Desai, Chairman and CFO of Q4, stated "We're definitely trending in a very positive direction. Our successful integration of multiple acquisitions drove significant financial performance improvements in 2013. Cross-selling and up-selling to our current client base has improved yields by over 300 basis points."

Desai continued, "As reported previously, we've seen significant strengthening of our balance sheet, and we now expect to report approximately \$5 million in debt reduction for the fourth quarter. We are most excited about the strong growth and acceptance of our healthcare exchange platform which we expect to generate double digit organic growth in 2014."

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.

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