CIBL, Inc. and Subsidiaries

Condensed Consolidated Financial Statements

March 31, 2015

CIBL, Inc. and Subsidiaries
Condensed Consolidated Balance Sheets
(In Thousands, Except Common Share Data)

	March 31 2015	December 31, 2014	March 31, 2014
Assets			
Current Assets			
Cash and cash equivalents	$27,288	$26,783	$31,366
Accounts receivable	366	470	296
Amounts due from sale of broadcasting interests	13	13	413
Amounts due under Stimulus Broadband Program	247	481	413
Deferred income taxes	87	83	--
Prepaid expenses	185	218	--
Prepaid income tax	273	225	231
Total Current Assets	28,459	28,273	32,719
Telecommunications, plant and equipment, net	6,519	6,589	6,571
Note receivable due from an affiliate	109	145	362
Investments in equity method affiliated entities	1,732	1,798	1,757
Other investments, at cost	348	346	345
Goodwill	1,772	1,772	1,772
	$38,939	$38,923	$43,526
Liabilities and Equity			
Current Liabilities			
Accounts payable and accrued expenses	$262	$197	$275
Income tax payable	75	87	3,195
Other current liabilities	331	340	301
Current maturities of long-term debt	18	18	18
Total Current Liabilities	686	642	3,789
Long-term debt	2,635	2,537	2,550
Deferred income taxes	2,695	2,690	2,425
Construction deposit	32	32	64
Total Liabilities	6,048	5,901	8,828
Equity			
Common stock, par value $.01, 30,000 shares authorized; 25,115 issued; 17,977, 18,105, and 19,246 outstanding	--	--	--
Contributed capital	3,116	3,116	3,099
Retained earnings	32,879	32,910	32,945
Treasury stock, 7,138, 7,010 and 5,869 shares at cost	(7,924)	(7,750)	(6,220)
Total CIBL, Inc.'s Stockholders' Equity	28,071	28,276	29,824
Non-controlling interests	4,820	4,746	4,874
Total Equity	32,891	33,022	34,698
	$38,939	$38,923	$43,526

See notes to condensed consolidated financial statements

CIBL, Inc. and Subsidiaries
Condensed Consolidated Statements of Operations
(In Thousands, Except Share and Per Share Data)

	Three Months March 31,	
	2015	2014
Revenues		
Broadband data/communications	$959	$930
Total Revenues	959	930
Costs and Expenses		
Cost of operating revenue, excluding depreciation	463	426
General and administrative costs of operations	161	148
Management fees	63	75
Corporate office expense at ICTC	47	41
Corporate office expense at CIBL	66	60
Depreciation	212	157
Total Costs and Expenses	1,012	907
Operating Profit(Loss)	(53)	23
Other Income (Expense)		
Investment income	80	69
Interest expense	(35)	(34)
Equity in earnings of affiliated entities	95	112
Total Other Income, Net	140	147
Net Income Before Income Taxes	87	170
Income tax expense	(39)	(71)
Net Income	48	99
Non-controlling interests	(79)	(112)
Net Loss Attributable to CIBL, Inc.'s Stockholders	($31)	($13)
Basic and diluted weighted average shares outstanding	18,026	19,675
Net income per share	$2.65	$5.02
Net loss per share attributable to CIBL	($1.72)	($0.66)

See notes to condensed consolidated financial statements

CIBL, Inc. and Subsidiaries

Condensed Consolidated Statements of Changes in Equity

(In Thousands, except common shares data)

	CIBL, Inc. Stockholders' Equity							
	Common Shares Outstanding	Common Stock	Contributed Capital	Retained Earnings	Treasury Shares	Total	Non-Controlling Interests	Total Equity
Balance at December 31, 2015	18,105	$--	$3,116	$32,910	($7,750)	$28,276	$4,746	$33,022
Net income (loss)	--	--	--	(31)	--	(31)	79	48
Purchase of ICTC Group Inc. Shares	--	--	--	--	--	--	(5)	(5)
Purchase of treasury stock	(128)	--	--	--	(174)	(174)	--	(174)
Balance at March 31, 2015	17,977	$--	$3,116	$32,879	($7,924)	$28,071	$4,820	$32,891

See notes to condensed consolidated financial statements

CIBL, Inc. and Subsidiaries
Condensed Consolidated Statements of Cash Flows
(In Thousands)

	Three Months Ended March 31, 2015	Three Months Ended March 31, 2014
Cash Flows Provided By Operating Activities		
Net loss attributable to CIBL, Inc.'s stockholders	($31)	($13)
Non-controlling interests	79	112
Net income	48	99
Adjustments to reconcile net income to net cash from operating activities		
Equity in earnings of affiliated entities	(95)	(112)
Distributions from affiliated entities	161	2,029
Depreciation	212	157
Deferred income taxes	1	(3,319)
Interest income (in-kind)	(1)	(5)
Management fees (in-kind)	38	75
Unrealized gain on investments	(2)	--
Changes in operating assets and liabilities		
Accounts receivable	154	(106)
Other current assets	32	93
Accounts payable and accrued expenses	15	(143)
Income tax payable/prepaid income tax	(61)	3,176
Other current liabilities	(8)	49
Net Cash Provided By Operating Activities	494	1,993
Cash Flows Provided By Investing Activities		
Capital spending	(142)	(238)
Funds recovered under BIP grant program	234	--
Proceeds from sale of Capital Communications Inc.	--	7,771
Acquisition of ICTC Group, Inc. Shares	(5)	(12)
Net Cash Provided By Investing Activities	87	7,521
Cash Flows Used In Financing Activities		
Purchase of treasury stock	(174)	(3,061)
Principal payments on loan term debt	(5)	(5)
Advances under BIP Loan	103	--
Net Cash Used In Financing Activities	(76)	(3,066)
Net Change in Cash and Cash Equivalents	505	6,448
Cash and Cash Equivalents		
Beginning of year	26,783	24,918
End of year	$27,288	$31,366
Supplemental Cash Flow Information		
Cash paid for income taxes	$98	$105
Cash paid for interest	$35	$34

See notes to condensed consolidated financial statements

1. Organization

CIBL, Inc. (the "Company" or "CIBL") currently holds an investment in a broadband data transport/communications company. At March 31, 2015, the Company holds a 42.77% interest in the ICTC Group, Inc. ("ICTC"), a broadband data transport/communications company in North Dakota that is deemed to be under common control with CIBL (see Note 4). Under a Voting Rights Agreement, the Company's voting interest in ICTC is 54.75% and, accordingly, it reports ICTC results on a consolidated basis.

In addition, CIBL and ICTC hold, or have held, investments in affiliates in which they do not have majority voting control but had or have the ability to significantly influence management decisions (either through an ownership of 20% or more structured as a partnership or limited liability company treated as a partnership). These investments are accounted for in accordance with the equity method, and consist of:

- Broadcasting interests - Coronet Communications Company (20% owned) and Capital Communications Company, Inc. (49% owned); as more fully described below, CIBL sold its broadcasting interests in 2013, and additional payments were received in 2014 (see Note 4).

- Broadband data transport - Dakota Carrier Network, LLC ("DCN") is a limited liability company treated as a partnership that is 3.4% owned by ICTC (see Note 5).

2. Summary of Significant Accounting Policies

Principles of Consolidation

The accompanying financial statements include the operations of the Company and its majority owned or controlled subsidiaries. All inter-company transactions and balances have been eliminated in consolidation.

The non-controlling interests represent the financial results of ICTC that are not owned by CIBL.

Interim Financial Statements

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America for interim financial information. Accordingly, they are not audited and do not include all of the information and footnotes required for complete financial statements. These consolidated financial statements and footnotes should be read in conjunction with the consolidated financial statements and notes thereto included in the Company's annual report for the year ended December 31, 2014. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the three month period ended March 31, 2015 are not necessarily indicative of the results that may be expected for the year ending December 31, 2015. The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Regulatory Accounting

ICTC's public utility activities are regulated by the Federal Communications Commission ("FCC"). The North Dakota Public Service Commission does not regulate Rural Local Exchange Carriers ("RLECs") with fewer than 8,000 access lines, such as Inter-Community Telephone Company, LLC, an indirect, wholly-owned subsidiary of ICTC. The Company follows the Federal Communication Commission's (FCC) Uniform System of Accounts, Part 32 of the FCC Rules and Regulations.

Where applicable, this regulated accounting recognizes the economic effects of rate regulation by recording costs and a return on investment; as such, amounts are recovered through rates authorized by regulatory authorities. Developments that could give rise to substantial modifications of regulatory accounting practices include (1) increasing competition restricting ICTC's wireline business' ability to establish prices to recover specific costs, and (2) significant changes in the manner in which rates are set by regulators from cost based regulation to another form of regulation. The Company periodically reviews the applicability of regulatory accounting guidelines based on the developments in its current regulatory and competitive environments.

Cash and Cash Equivalents

The Company considers all highly liquid investments with maturities of three months or less at the date of purchase to be cash equivalents.

Short-term Investments

The Company considers all highly liquid investments with maturities in excess of three months, and not greater than six months at the date of purchase, to be short-term investments.

Accounts Receivable

Trade receivables are uncollateralized customer obligations due under normal trade terms requiring payment within 30 days from the invoice date. The receivables are non-interest bearing. Payments on trade receivables are applied to the applicable unpaid invoices. The carrying amount of the trade receivables is reduced by an amount that reflects management's best estimate of the amounts that will not be collected.

Materials and Supplies

Inventories are stated at the lower of average cost or market.

Investments in Affiliated Entities, Equity Basis

The Company accounts for its investments in affiliates in which it does not have majority voting control, but has the ability to significantly influence financial and operating policies, using with the equity method, based upon information in such equity investees' financial statements. See Note 5 for summarized financial information on the Company's equity method investment.

Cost Method Investments

The Company accounts for certain investments, listed below, using the cost method because the Company does not exercise significant influence over the management.

The Company's 1.36% ownership interest in Solix, Inc. ("Solix") is accounted for using the cost method because the Company does not exercise significant influence over the management of Solix. Solix is an outsourcing firm that provides services such as billing and collection to the telecommunications industry. The carrying value of such investment at March 31, 2015, December 31, 2014 and March 31, 2014 was $100. During the three ended March 31, 2015 and 2014, CIBL received no cash distributions from Solix.

ICTC has an ownership interest in two North Dakota entities, each of which in turn holds an interest in one of two partnerships that provide cellular telephone service to Rural Service Area ("RSA") 3 and RSA 5 in North Dakota. ICTC's interests in these RSA partnerships amount to of 1.33% and 1.53%, respectively. The combined carrying value of these investments at March 31, 2015, December 31, 2014 and March 31, 2014 was $148. During the three months ended March 31, 2015 and 2014, ICTC received combined distributions from these investments of $75 and $63, respectively.

ICTC has an ownership interest in two additional entities that are accounted for on the cost method. The Company has invested $98 in these two companies.

Goodwill

Goodwill is tested annually for impairment, or more frequently if deemed necessary. ICTC tests goodwill for impairment using a two-step process. The first step is a screen for potential impairment in which ICTC determines its fair value based on a number of subjective factors, including: (a) appropriate weighting of valuation approaches (income approach, market approach and comparable company approach), (b) estimates of its future cost structure, (c) discount rates for estimated cash flows, (d) selection of peer group companies for its market approach, (e) required level of working capital, (f) assumed terminal value, and (g) time horizon of cash flow forecasts. ICTC estimates the fair value using Level 3 inputs as defined in the fair value hierarchy.

If such tests indicate potential impairment due to the carrying value of the reporting unit exceeding its fair value, then a second step measures the amount of impairment, if any. The Company performed the required annual tests as of December 31, 2014, and determined that there was no impairment at that time. There were no impairment losses recorded during the three month periods ended March 31, 2015 and 2014.

Telecommunications Plant and Equipment

Additions to plant and equipment are recorded at cost, which includes contracted work, direct labor and materials, and allocable overheads. When units of plant and equipment are retired, sold, or otherwise disposed of in the ordinary course of business, their average book cost less net salvage is charged to accumulated depreciation. Maintenance and repair costs and the replacement and renewal of items determined to be less than units of plant and equipment are charged to expense.

Depreciation

The majority of ICTC's plant and equipment is plant used for the wireline telephone business. Depreciation is based on the composite group remaining life method and straight-line composite rates. This methodology provides for the recognition of the cost of the remaining investment in telephone plant and equipment less anticipated positive net salvage value, over the remaining asset lives. When depreciable telephone plant is replaced or retired, the carrying amount of such plant is deducted from the respective accounts and charged to accumulated depreciation, and no gain or loss is recognized. Use of this methodology requires the periodic revision of depreciation rates. In the evaluation of asset lives, multiple factors are considered, including expected future retirements, technology changes and the adequacy of depreciation reserves.

Fair Value of Financial Instruments

The Company follows Accounting Standards Codification (ASC) guidance on fair value measurements, which defines fair value and establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with unadjusted quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets, which may include quoted prices for similar assets or liabilities or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist.

Impairment of Long-Lived Assets

Long-lived assets, such as telecommunications plant, and purchased intangibles subject to amortization, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset group to estimated undiscounted future cash flows expected to be generated by the asset group. If the carrying amount of an asset group exceeds its estimated future cash flows, an impairment charge is recognized in the amount by which the carrying amount of the asset group exceeds the fair value of the asset group. There were no asset impairments recorded during the three month periods ended March 31, 2015 and 2014.

Income Taxes

Income taxes are provided for the tax effects of transactions reported in the financial statements. Income taxes consist of taxes currently payable and those deferred due to temporary differences between the financial reporting and tax basis of the Company's assets and liabilities, using tax rates in effect in the period in which the temporary differences are expected to reverse. The Company establishes valuation allowances relating to deferred tax assets when management concludes that it is more likely than not that the Company will not realize a benefit from the reversal of such temporary differences. The Company and ICTC file separate tax returns.

Accounting for Uncertainty in Income Taxes

The Company recognizes the effect of income tax positions only when the tax position is more likely than not to be sustained. Management is not aware of any exposure to uncertain tax positions that would require financial statement recognition or disclosure. The Company is no longer subject to federal or state income tax examinations for periods prior to the year ended December 31, 2011.

Revenue Recognition

Telephone service revenue is primarily derived from regulated local, intrastate and interstate access services and recognized as services are provided.

Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is May 15, 2015.

3. Acquisition of Interest in ICTC Group, Inc.

Beginning in 2012, CIBL acquired 164,307 shares of Class A Common Stock of ICTC Group, Inc. for a total price of $3,712, or $22.59 per share. As of March 31, 2015, these shares represent 42.77% of ICTC s shares outstanding. The Company's percent ownership was 42.74 at December 31, 2014 and 40.63% at March 31, 2014. Effective April 11, 2013, a Voting Rights Agreement brought the Company's voting interest in ICTC to over 50%, 54.75% at March 31, 2015, and it began reporting ICTC results on a consolidated basis. Due to common ownership of both CIBL and ICTC, the acquired assets and liabilities were accounted for at their net book values and the difference between the acquisition price and the book value of the net assets was charged to contributed capital.

4. Sale of Broadcasting Interests

Capital Communications, Inc.

On September 16, 2013, Lynch Entertainment Corporation II ("LENCO II', a wholly-owned subsidiary of CIBL), along with the other shareholders agreed to sell all of its interest in Capital Communications, Inc. ("Capital") for $17,750, subject to adjustment. Capital was the owner and operator of Station WOI-TV in the Des Moines/Ames, Iowa market. At that date, LENCO II owned (a) 10,000 shares of Capital Series B Preferred Stock, which were convertible into 10 shares of Capital's Common Stock, and (b) 490 shares of Capital's Common Stock, representing 49% of Capital's common shares outstanding. The Preferred Shares were converted to Common Shares prior to the closing of the transaction, giving LENCO II a 50% ownership in Capital.

Effective September 16, 2013, the buyer assumed the operations of Station WOI-TV, and under a Time Brokerage Agreement became entitled to all the economic benefits of owning and operating the Station.

In September 2013, the buyer in this transaction funded $10,500 of the Purchase Price, of which $2,027 was contributed to Capital to repay LENCO II's share of Capital's debt outstanding at that time. On March 13, 2014, after approval from the FCC was obtained, the transaction closed and the remainder of the Purchase Price ($7,500) was paid, which included an additional $250 adjustment based on reallocation of proceeds between the sellers of Capital. An additional $28 working capital adjustment was also received.

In addition to the sale proceeds noted above, certain other assets, net of liabilities, of Capital, not included in the transaction were liquidated and distributed to the previous shareholders of Capital, including LENCO II. At December 31, 2013, $1,408 was recorded as an accounts receivable and a total of $1,456 was received in 2014 as a result of this liquidation.

A total of $813 of expenses associated with the sale were paid in 2014. These expenses were included in accounts payable and accrued expenses at December 31, 2013.

Due to the contractual obligations of the buyer to fund the remaining purchase price even without FCC approval, CIBL recorded the gain on the sale of Capital in its financial statements for the year ended December 31, 2013. The pre-tax gain in 2013, was $16,604, net of sale expenses of $870.

Coronet Communications Company

Coronet Communications Company, a partnership in which Lynch Entertainment LLC ("LENCO", a wholly owned subsidiary of CIBL) owned a 20% partnership interest, was the owner and operator of Station WHBF-TV in the Quad Cities of the Iowa/Illinois market. In addition to its 20% ownership, LENCO is entitled to a 5% share of the Capital Proceeds, as defined in the partnership documentation, from the sale of Station WHBF-TV, prior to the allocation of the partnership assets.

On September 16, 2013, Coronet agreed to sell substantially all of the assets, primarily fixed equipment and other physical assets, and the FCC license associated with Station WHBF-TV for $28,700, plus or minus working capital adjustments. On that date, certain tangible personal property assets of Station WHBF-TV were transferred from Coronet to the buyer. Also effective September 16, 2013, the buyer assumed operation of Station WHBF-TV, and under a Time Brokerage Agreement became entitled to all of the economic benefits of owning and operating the Station.

(In Thousands)

In September 2013, the buyer funded $24,500 of the Purchase Price, of which $7,720 was used to repay Coronet's debt. After the repayment of debt and an additional amount retained to pay the estimated expenses of sale, Coronet distributed $3,016 to LENCO. On March 13, 2014, after approval from the FCC was obtained, the transaction closed and the remainder of the Purchase Price $4,200 was paid, from which $6 for working capital adjustment was deducted.

In addition to the sale proceeds noted above, certain other assets, net of liabilities, of Coronet, not included in the transaction, are being liquidated and distributed to the partners of Coronet, including LENCO. In March 2014, $1,232 was received as a result of this liquidation, which includes LENCO's 5% share of the Capital Proceeds.

Accordingly, in March 2014, CIBL received from Coronet $2,029 representing its share of the proceeds of sale and liquidation of assets, net of Coronet's expense associated with the sale.

Due to the contractual obligations of the buyer to fund the remaining purchase price even without FCC approval, CIBL recorded the gain on the sale of the assets of WHBF-TV in its financial statement for the year ended December 31, 2013. LENCO's allocated share of the gain was $4,674.

In addition, after recording this gain, which is included in equity in earnings of affiliates, and recognizing the remaining cash distributions to be received from Coronet, LENCO will have a negative $790 investment in Coronet, when ultimately liquidated. Accordingly, this negative investment was recorded as a gain in the consolidated statement of income for the year ended December 31, 2013.

5. Equity Method Investment in DCN

Summarized financial information for the investment in DCN as of and for the three months ended March 31, 2015 and 2014 is as follows:

	2015	2014
Current assets	$5,186	$3,600
Property, plant and equipment, net	45,616	43,828
Other assets	127	200
Total Assets	$50,929	$47,628
Current liabilities	$463	$465
Equity	50,466	47,163
Total liabilities and equity	$50,929	$47,628
Revenues	$10,928	$11,304
Expenses	$8,303	$8,257
Net Income	$2,767	$3,254

(In Thousands)

ICTC recognized equity earnings from DCN of $95 and $112 during the three months ended March 31, 2015 and 2014, respectively. ICTC received distributions from DCN of $161 the three month period ended March 31, 2015. No distributions were received in the three month period ended March 31, 2014.

6. Telecommunications, Plant and Equipment

At March 31, 2015, December 31, 2014 and March 31, 2014, the telecommunications plant and equipment accounts at ICTC consisted of the following:

	Mar. 31 2015	Dec. 31 2014	Mar. 31 2014	Depreciation Rate
Land and support assets	$2,251	$2,257	$2,240	2.9%-20.0%
Central office switching equipment	5,061	4,983	5,954	6.67%-20.0%
Cable and wire facilities	14,744	14,741	14,021	3.9%-6.67%
Internet equipment	321	321	319	15.0%
Total in service	22,377	22,302	22,534	
Under construction	82	17	778	
	22,459	22,319	23,312	
Accumulated depreciation	15,940	15,730	16,741	
	$6,519	$6,589	$6,571	

7. Note Receivable

The Company has a promissory note due from Lynch Paging Corporation, a subsidiary of LICT, with an original principal amount of $1,500. The note was obtained in connection with the 2007 spin off of the Company from LICT. The note bears interest at 5% with interest to be paid in-kind. The note will mature in ten years or earlier predicated on the occurrence of certain events. Subsequent to the spin-off, management and other service fees and expenses owed by CIBL to LICT are offset against the note on a periodic basis. As of March 31, 2015, December 31, 2014 and March 31, 2014, there was $109, $145 and $362, respectively, outstanding on the note receivable. During the three month periods ended March 31, 2015 and 2014, $38 and $75 was offset against the note by LICT (see Note 11) and interest accrued on the note was $1 and $5 in 2015 and 2014, respectively.

8. Long-Term Debt

At March 31, 2015, December 31, 2014, and March 31, 2014, ICTC's long-term debt consisted of:

	Mar. 31 2015	Dec. 31 2014	Mar. 31 2014
RUS Broadband Loan	$581	$483	$496
Subordinated notes	2,072	2,072	2,072

(In Thousands)

	2,653	2,555	2,568
Less current maturities	(18)	(18)	(18)
	$2,635	$2,537	$2,550

ICTC has subordinated notes with former shareholders of Inter-Community for $2,072 as of March 31, 2015. The interest rate on the notes is 6% and the maturity date is December 31, 2022. Interest on the notes is paid quarterly. The notes may be prepaid at any time without penalty.

ICTC received an advance of $605 on the Broadband Initiatives Program ("BIP") Loan (see Note 9). The loan is due in monthly payments of principal and interest over 23 years at an average interest rate of 3.11%. The BIP loan/grant agreement also includes certain financial and other covenant requirements.

9. Broadband Initiatives Program

ICTC was awarded a stimulus loan and grant pursuant to the American Recovery and Reinvestment Act of 2009 to finance the construction of a broadband infrastructure project in rural areas. The $2,339 project was completed during 2014. The project is being funded through a broadband loan from the Rural Utilities Service (RUS) of $713 and a grant through the Broadband Initiatives Program administered by RUS, of $1,625. Construction costs related to the project through March 31, 2015 were $2,368. ICTC has received $605 in advances on the broadband loan and $1,378 in grant funds relating to the project. Unadvanced funds available on the broadband loan were $109 as of March 31, 2015. The company is expecting to receive $247 in grant funds in Second Quarter of 2015.

10. Treasury Stock

Since CIBL was spun off by LICT Corporation, on November 19, 2007, under authorizations by the Board of Directors the Company has acquired 2,392 shares of its common stock at an average price of $1,130 per share. During the three months ended March 31, 2015, CIBL acquired 128 shares at an average price $1,358 per share. 632 shares are remaining under the Board authorized share repurchase program.

In addition to its open-market repurchase programs, the Company has conducted two tender offers for its shares, purchasing a total of 4,746 shares at an average price of $1,100 per share. The most recent of these offers was commenced during December 2013, when CIBL's Board of Directors authorized a modified "Dutch Auction" tender offer to purchase up to 2,200 shares of common stock. Under the offer, the Board had the right to accept additional shares tendered in an amount of up to 2% of its shares outstanding, or 432 additional shares. In January 2014, the Company purchased 2,286 shares from the Dutch auction, at an investment of $1,320 per share.

11. Related Party Transactions (Not Disclosed Elsewhere)

LICT Corporation, an affiliate, provides administrative and management services to CIBL based on a contractual agreement. As compensation for these services, LICT received a fee for the three month periods ended March 31, 2015 and 2014 of $38 and $75 respectively. Effective January 1, 2015, CIBL's fee is $150 per year and ICTC pays LICT a management fee equal to $100 per year.

At March 31, 2015, December 31, 2014 and March 31, 2014, cash and short-term investments of $25,860, $26,018 and $30,887, respectively, were invested in United States Treasury money market funds for which affiliates of one of the Company's Directors serve as investment managers.

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CIBL, Inc. and Subsidiaries

Supplementary Information

March 31, 2015

CIBL, Inc. and Subsidiaries
Consolidating Balance Sheets
March 31, 2015
(In Thousands)

	CIBL Consolidated, Excluding ICTC Group, Inc.	ICTC Group, Inc. Consolidated	Eliminations	Consolidated
Assets				
Current Assets				
Cash and cash equivalents	$24,353	$2,935	$--	$27,288
Accounts receivable, net of allowance of $4	--	366	--	366
Funds due for broadband stimulus project	--	247	--	247
Amounts due from sale of broadcasting interests	13	--	--	13
Prepaid income taxes	183	90	--	273
Deferred income taxes	--	87	--	87
Prepaid expenses	15	169	1	185
Total Current Assets	24,564	3,894	1	28,459
Telecommunications, plant and equipment, net	--	6,519	--	6,519
Note receivable due from an affiliate	109	--	--	109
Investments in equity method affiliated entities	4,349	1,732	(4,349)	1,732
Other investments, at cost	100	248	--	348
Goodwill	--	1,772	--	1,772
Total Assets	$29,122	$14,165	($4,348)	$38,939
Liabilities and Equity				
Current Liabilities				
Accounts payable and accrued expenses	$70	$192	$--	$262
Income tax payable	--	75	--	75
Other current liabilities	--	331	--	331
Current maturities of long-term debt	--	18	--	18
Total Current Liabilities	70	616	--	686
Long-term debt	--	2,635	--	2,635
Deferred income taxes	235	2,460	--	2,695
Construction deposit	--	32	--	32
Total Liabilities	305	5,743	--	6,048
Equity				
Common stock, par value $.01, 30,000 shares authorized; 25,115 issued; and 17,977 outstanding	--	--	--	--
Contributed capital	3,862	1,760	(2,506)	3,116
Retained earnings	32,879	7,057	(7,057)	32,879
Treasury stock, 7,138 shares at cost	(7,924)	(395)	395	(7,924)
Total CIBL, Inc.'s Stockholders' Equity	28,817	8,422	(9,168)	28,071
Non-controlling interest	--	--	4,820	4,820
Total Equity	28,817	8,422	(4,348)	32,891
Total Liabilities and Equity	$29,122	$14,165	($4,348)	$38,939

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CIBL, Inc. and Subsidiaries
Consolidating Statements of Income
Three Months Ended March 31, 2015
(In Thousands, Except Share and Per Share Data)

	CIBL Consolidated Excluding ICTC Group, Inc.	ICTC Group, Inc. Consolidated	Elimination	Consolidated
Revenue				
Broadband data/communications	$--	$959	--	$959
Total Revenue	--	959	--	959
Costs and Expenses				
Cost of operating revenue, excluding depreciation	--	463	--	463
General and administrative costs of operations	--	161	--	161
Management fee	38	25	--	63
Corporate office expense at ICTC	--	47	--	47
Corporate office expense at CIBL	66	--	--	66
Depreciation	--	212	--	212
Total Operating Expenses	104	908	--	1,012
Operating Income (Loss)	(104)	51	-	(53)
Other Income (Expense)				
Investment income	1	79	--	80
Interest expense	--	(35)	--	(35)
Equity in earnings of affiliated entities	59	95	(59)	95
Total Other Income (Expense)	60	139	(59)	140
Net Income (Loss) Before Income Taxes	(44)	190	(59)	87
Income tax benefit (expense)	13	(52)	--	(39)
Net Income (Loss)	(48)	138	(59)	48
Non-controlling interests	--	--	(79)	(79)
Net Income (Loss) Attributable to CIBL, Inc.'s Stockholders	($48)	$138	($138)	($31)

CIBL, Inc. and Subsidiaries
Consolidating Statements of Cash Flows
Three Months Ended March 31, 2015
(In Thousands)

	CIBL Consolidated, Excluding ICTC Group, Inc.	ICTC Group, Inc. Consolidated	Elimination	Consolidated
Cash Flows Provided By (Used In) Operating Activities				
Net income (loss) attributable to CIBL, Inc.'s stockholders	($31)	$138	($138)	($31)
Non-controlling interests	--	--	79	79
Net income (loss)	(31)	138	(59)	48
Adjustments to reconcile net income to net cash from operating activities:				
Equity in earnings of affiliated entities	(59)	(95)	59	(95)
Distributions from affiliated entities	--	161	--	161
Depreciation	--	212	--	212
Deferred income taxes	22	(21)	--	1
Interest income (in-kind)	(1)	--	--	(1)
Management fees (in-kind)	38	--	--	38
Unrealized gains on investments	--	(2)	--	(2)
Changes in operating assets and liabilities:				
Accounts receivable	25	104	25	154
Other current assets	7	25	--	32
Accounts payable and accrued expenses	22	18	(25)	15
Income tax payable/prepaid income tax	(134)	73	--	(61)
Other liabilities	--	(8)	--	(8)
Net Cash Provided By (Used In) Operating Activities	(111)	605	--	494
Cash Flows Provided By (Used In) Investing Activities				
Capital spending	--	(142)	--	(142)
BIP grant funds received	--	234	--	234
Acquisition of shares in ICTC Group, Inc.	--	--	(5)	(5)
Net Cash Provided By (Used In) Investing Activities	--	92	(5)	87
Cash Flows Provided By (Used In) Financing Activities				
Purchase of treasury stock	(174)	(5)	5	(174)
Advances under BIP Loan	--	103	--	103
Principal payments of long-term debt	--	(5)	--	(5)
Net Cash Provided By (Used In) Financing Activities	(174)	93	5	(76)
Net Change in Cash and Cash Equivalents	(285)	790	--	505
Cash and Cash Equivalents				
Beginning of year	24,638	2,145	--	26,783
End of year	$24,353	$2,935	$--	$27,288
Supplemental Cash Flow Information				
Cash paid for income taxes	$98	$--	$--	$98
Cash paid for interest	$--	$35	$--	$35