

PARETEUM CORPORATION AND SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS
(In thousands except for per share amounts)

	Three Month Period Ended		Nine Month Period Ended	
	September 30,	September 30,	September 30,	September 30
	2017	2016	2017	2016
REVENUES	\$ 3,499	\$ 3,171	\$ 9,533	\$ 9,711
COST AND OPERATING EXPENSES				
Cost of service	791	892	2,579	2,996
Product development	497	668	1,055	2,767
Sales and marketing	413	207	1,103	1,094
General and administrative	1,579	3,304	5,435	8,985
Restructuring charges	253	-	841	-
Depreciation and amortization	1,433	1,109	3,149	3,320
Impairment for assets held and used	-	851	-	851
Impairment of goodwill	-	3,229	-	3,229
Loss on sale of assets	-	1,747	-	1,747
Total cost and operating expenses	4,966	12,006	14,163	24,989
LOSS FROM OPERATIONS	(1,467)	(8,835)	(4,630)	(15,278)
Total other income (expense)	(694)	(4,195)	(234)	(4,870)
INCOME TAXES	(2,162)	(13,030)	(4,864)	(20,148)
Provision for income taxes	148	8	81	28
NET LOSS	(2,309)	(13,038)	(4,945)	(20,175)
OTHER COMPREHENSIVE LOSS				
Foreign currency translation (loss) gain	2	425	(9)	421
COMPREHENSIVE LOSS	\$ (2,307)	\$ (12,613)	\$ (4,954)	\$ (19,754)
Net loss per common share	\$ (0.16)	\$ (1.90)	\$ (0.41)	\$ (3.01)
Weighted average shares - basic	14,304,340	6,627,708	12,201,452	6,563,148
Non-GAAP Reconciliation				
	Three Month Period Ended	Three Month Period Ended	Nine Month Period Ended	Nine Month Period Ended
	September 30,	September 30,	September 30,	September 30
	2017	2016	2017	2016
NET LOSS	\$ (2,309)	\$ (13,038)	\$ (4,945)	\$ (20,175)
Total interest & other income (expense)	694	4,195	234	4,870
Depreciation and amortization	1,433	1,109	3,149	3,320
Provision for income taxes	148	8	81	28
EBITDA	(35)	(7,727)	(1,481)	(11,958)
Restructuring costs	253	-	841	-
Stock based compensation adjustments	385	796	1,509	2,102
	-	-	-	-
Adjusted EBITDA	\$ 603	\$ (6,931)	\$ 869	\$ (9,856)

PARETEUM CORPORATION AND SUBSIDIARIES
UNAUDITED CONDENSED COSOLIDATED BALANCE SHEET INFORMATION
(In thousands)

	September 30, 2017	December 31, 2016
Cash and cash equivalents	\$ 700	\$ 931
Restricted cash	699	564
Accounts receivable	335	615
Prepaid expenses and other current assets	797	1,085
Total current assets	2,531	3,195
Total assets	10,283	13,045
Total current liabilities	10,283	13,293
Total liabilities	15,161	22,410
Total stockholders' equity	(4,878)	(9,365)

PARETEUM CORPORATION AND SUBSIDIARIES
UNAUDITED CONDENSED COSOLIDATED STATEMENT OF CASH FLOWS INFORMATION
(In thousands)

	For the Nine Months Ended	
	September 30, 2017	September 30 2016
CASH FLOWS FROM OPERATING ACTIVITIES:	\$ (1,410)	\$ (1,707)
CASH FLOWS FROM INVESTING ACTIVITIES:	(538)	1,068
CASH FLOWS FROM FINANCING ACTIVITIES:	2,068	2,158
EFFECT OF EXCHANGE RATES ON CASH AND CASH EQUIVALENTS	(217)	(160)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(97)	1,359