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FOR IMMEDIATE RELEASE

GCI REPORTS DETAILED FIRST QUARTER 2002 FINANCIAL RESULTS

ANCHORAGE, AK -- GCI (NASDAQ:GNCMA) today reported its detailed first quarter 2003 results. For the first quarter of 2003, the company recorded net income of \$2.6 million or \$0.04 per share on a diluted basis, after the cumulative effect of a change in accounting principle of \$0.5 million or \$(0.01) per share on a diluted basis, net of income tax benefit. The first quarter 2003 net income compares to net income of \$2.2 million or \$0.03 per share for the first quarter of 2002.

Revenues totaled \$92.8 million for the first quarter of 2003, an increase of 5.2 percent as compared to \$88.2 million in the first quarter of 2002. Earnings before interest, taxes, depreciation, amortization and accretion (EBITDA) increased to \$28.9 million for the first quarter of 2003, an increase of \$3.8 million or 15.1 percent when compared to first quarter 2002 EBITDA of \$25.1 million. Revenues for the first quarter increased sequentially 0.5 percent to \$92.8 million as compared to revenues of \$92.3 million in the fourth quarter of 2002. GCI's first quarter EBITDA of \$28.9 million compares to EBITDA of \$28.1 million in the fourth quarter of 2002. The first quarter EBITDA of \$28.9 million includes a net \$1.9 million refund in 2003 from a local exchange carrier for access services rendered in previous years. GCI's first quarter 2003 EBITDA of \$28.9 million exceeded guidance of \$25.1 million to \$28.1 million.

The company's local services business added 3,000 access lines during the first quarter and now serves 99,000 access lines, an estimated 20 percent share of the total access line market in Alaska. GCI's statewide Internet platform remained steady at approximately 71,600 customers. More than 38,600 Internet customers are using GCI cable modem service, an increase of 2,400 over the fourth quarter of 2002. GCI cable television services now pass 198,380 homes and serve 136,283 basic subscribers. Basic subscribers increased sequentially by 228 subscribers from the fourth quarter of 2002. Digital revenues for the first quarter of 2003 are up 18.8 percent sequentially when compared to the fourth quarter of 2002. GCI serves 30,200 digital customers in Anchorage, Fairbanks, Juneau and Kenai.

"The results of the first quarter contained no surprises and our expectations for the year remain unchanged," said Ron Duncan, GCI president. "In the most challenging environment ever faced by the telecommunications industry GCI continues to deliver steady growth. We have now completed a major amendment to our senior credit facility which extends the term of the facility and increases our flexibility."

"On a percentage basis growth for 2003 will likely be less than previous years. However our continued focus on our customers and the careful investment of new capital should enable us to accelerate growth in 2004. Our internal goal is to grow run rate cash flow to \$150 million before the end of 2005 and I believe we are on track to do so."

Highlights:

- Consolidated revenues increased 5.2 percent to \$92.8 million for the first quarter of 2003 as compared to \$88.2 million in 2002. First quarter 2003 revenues increased approximately 0.5 percent sequentially over revenues of \$92.3 million in the fourth quarter of 2002.
- Consolidated EBITDA increased 15.1 percent to \$28.9 million in the first quarter 2003 as compared to \$25.1 million in 2002. Consolidated first quarter EBITDA of \$28.9 million increased \$0.8 million sequentially, an increase of 2.8 percent, from \$28.1 million for the fourth quarter of 2002. First quarter 2003 EBITDA of \$28.9 million includes a net \$1.9 million refund in 2003 from a local exchange carrier for access services rendered in previous years.
- Broadband, private line and other data revenues increased 9.8 percent to \$14.6 million during the first quarter of 2003 as compared to \$13.3 million in the same period of 2002.
- GCI had approximately 99,000 local service access lines in service at the end of the first quarter 2003 representing an increase of 3,000 access lines over the fourth quarter or an annualized sequential growth rate of 12.5 percent. The company estimates it has an approximate 20 percent share of the total access line market in Alaska. Approximately 87 percent of GCI's access lines are provisioned on its own facilities or on resold local loops.
- GCI's statewide Internet platform remained steady at approximately 71,600 customers.
- GCI provides cable modem Internet access in the Anchorage, Fairbanks, Juneau, Valdez, Sitka, Nome, Seward, Kenai, Soldotna, Wasilla, Cordova, Petersburg, Wrangell, Homer, Bethel and Kodiak. The company had more than 38,600 cable modem customers at the end of the first quarter 2003, as compared to 30,000 at the end of the first quarter of 2002. We believe GCI's cable modem penetration rate is one of the highest in the nation. More than 96 percent of GCI's cable customers are able to receive cable modem service.
- During the three months ending March 31, 2003 we decreased our capital expenditures for all of our product lines as compared to the same period in 2002. The decrease was due to capital expenditure limitations required by our Senior Facility, which we closed on November 1, 2002. In April 2003 we amended our Senior Facility agreement which, among other items, increases the amount we may incur for capital expenditures.
- GCI estimates that second quarter revenues will total approximately \$92 million to \$95 million and EBITDA is expected to exceed \$28.9 million.
- GCI will discuss further first quarter highlights and provide additional non-material commentary during its Investor and Analyst Conference call on Thursday, May 8 at 2:00 p.m. EDT. More information about the call can be found at www.gci.com, click on "Investors."

Long Distance Results

Long distance and related revenues for the first quarter of 2003 increased 0.5 percent to \$56.3 million as compared to \$56.0 million for the first quarter of 2002. For the first quarter of 2003 long distance EBITDA totaled \$18.6 million as compared to \$17.0 million in the first quarter of 2002, an increase of 9.4 percent over the prior year. Revenue growth in broadband, private line and dedicated data services revenues, product sales, managed services and long haul fiber lease revenues offset a decrease in switched

minutes revenues. EBITDA growth for the first quarter of 2003 is primarily attributable to a net \$1.9 million refund in 2003 from a local exchange carrier for access services rendered in previous years.

Long distance revenues of \$56.3 million for the first quarter of 2003 are relatively unchanged from the fourth quarter of 2002. Long distance EBITDA of \$18.6 million for the first quarter of 2003 increased 3.3 percent from \$18.0 million in the fourth quarter of 2002. The sequential increase in EBITDA is primarily attributable to the previously mentioned net \$1.9 million non-recurring refund in 2003.

Total minutes-of-use was down 3.5 percent in the first quarter of 2003 as compared to the first quarter of 2002 and 1.8 percent sequentially from the fourth quarter of 2002.

Revenues from broadband, private line and other data services increased 9.8 percent to \$14.6 million during the first quarter of 2003 as compared to \$13.3 million in the same period of 2002 and were up 2.1 percent from \$14.3 million in the fourth quarter of 2002. The increase in revenue results from growing demand for data services by Internet service providers, commercial and governmental customers and others, and delivery of broadband services into rural Alaska.

The total number of billed long distance customers decreased by 0.9 percent from the fourth quarter of 2002.

Cable Television Results

Cable television revenues for the first quarter increased 9.9 percent to \$23.4 million from \$21.3 million in the first quarter of 2002, and were up slightly from the fourth quarter of 2002. Sequential revenues were flat due primarily to strong political insertion ad sales for the fourth quarter of 2002. EBITDA increased 12.8 percent to \$10.6 million from \$9.4 million in the first quarter of 2002, and increased 1.9 percent from the fourth quarter of 2002. The increase in revenues and EBITDA year-over-year is due, in part, to the increase in basic subscribers and more sales of higher margin products such as digital television and cable modem services.

Gross margins as a percentage of revenues are relatively unchanged year-over-year and down 226 basis points sequentially. The decline in gross margin sequentially was due primarily to strong political insertion ad sales in the fourth quarter and first quarter programming cost increases. The growth rate in higher value products such as digital cable service and cable modems is expected to help mitigate the margin effects of increasing programming and copyright costs.

As of March 31, 2003, the company's cable television operations passed 198,380 homes and served 136,283 basic subscribers (112,251 equivalent basic subscribers). Average revenue per equivalent basic subscriber increased 8.8 percent to \$69.49 for the first quarter of 2003 as compared to \$63.88 for the first quarter of 2002, and was up slightly from \$69.38 from the fourth quarter of 2002. The company added 228 basic subscribers to its system during the first quarter.

The company offers digital cable television service in Anchorage, Fairbanks, Juneau, Kenai and Soldotna. GCI served 30,200 digital customers at the end of the first quarter of 2003.

In October 2002 we, along with the other largest publicly traded multiple system operators, signed a pledge to support and adhere to new voluntary reporting guidelines on common operating statistics to provide investors and others with a better understanding of our operations. The operating statistics below include capital expenditures and customer information from our cable television, cable telephony and cable modem services. These

statistics do not include capital expenditures or customer relationships for our long distance, local access services and Internet services.

Our capital expenditures by standard reporting category for the three months ending March 31, 2003 and 2002 follows (amounts in thousands):

	<u>2003</u>	<u>2002</u>
Customer premise equipment ("CPE")	\$ 1,276	\$ 1,333
Commercial	68	176
Scalable infrastructure	135	1,131
Line extensions	88	124
Upgrade/rebuild	72	1,286
Support capital	<u>77</u>	<u>2,358</u>
	<u>\$ 1,716</u>	<u>\$ 6,408</u>

The standardized definition of a customer relationship is the number of customers that receive at least one level of service, encompassing voice, video, and data services, without regard to which services customers purchase. At March 31, 2003 and 2002 our cable business had 124,007 and 122,273 customer relationships, respectively.

The standardized definition of a revenue generating unit is the sum of all primary analog video, digital video, high-speed data, and telephony customers, not counting additional outlets. At March 31, 2003 and 2002 our cable business had 300,421 and 289,206 revenue generating units, respectively.

Local Telephone Results

Local telephone service revenues for the first quarter increased 15.1 percent to \$8.4 million as compared to \$7.3 million in the first quarter of 2002, and decreased 2.3 percent sequentially from \$8.6 million in the fourth quarter of 2002. The decrease in sequential local service revenues is attributable to a reallocation of pooled access revenues from intrastate long distance carriers, including GCI.

Local services generated a \$1.2 million EBITDA loss for the first quarter, an improvement of \$0.1 million over the first quarter of 2002. The first quarter EBITDA loss of \$1.2 million compares to \$1.1 million of reported EBITDA loss in the fourth quarter of 2002. If the local telephone business was given credit for approximately \$1.8 million in access cost savings on calls placed by GCI long distance customers who are also GCI local customers, the company's local telephone business would have reported positive EBITDA. GCI's local telephone business has been generating positive cash flow on a stand-alone basis for several quarters.

GCI provided local service for approximately 99,000 access lines at the end of the first quarter of 2003, an increase of 3,000 access lines or 3.1 percent from the 96,000 access lines in service at the end of the fourth quarter of 2002. The company estimates it has attained a 20 percent share of the total access line market in Alaska.

Internet Access Results

As of March 31, 2003 GCI's statewide Internet platform customer count remained relatively unchanged at approximately 71,600 customers. Internet access revenues for the first quarter of 2003 totaled \$4.6 million, an increase of 27.8 percent year-over-year and 9.5 percent sequentially when compared to first quarter 2002 revenues of \$3.6 million and fourth quarter 2002 revenues of \$4.2 million. The increase in Internet access revenues is attributed to existing subscribers adding additional features and services including cable modem service.

The first quarter EBITDA of \$1.0 million is an improvement of \$1.0 million over the EBITDA of \$0.0 million in the first quarter of 2002 and an improvement of \$0.2 million over the EBITDA of \$0.8 million in the fourth quarter of 2002. Internet access results continue to improve, reflecting increasing economies of scale and operating cost controls.

During the first quarter of 2003 GCI began offering a new cable modem service called LiteSpeed as an alternative product to our dial-up Internet service and our HyperNet 360/64 K cable modem service priced at \$39.99 per month to GCI long distance customers. LiteSpeed is a 64/32K transfer rate Internet service offered at \$24.99 per month to GCI long distance customers. HyperNet and LiteSpeed are priced at \$54.99 and \$39.99 per month, respectively, to customers who do not take our long distance service.

GCI began offering Internet access services during 1998 and its dial-up Internet service is offered in most major Alaska markets. Due to the completion of major cable plant upgrades, GCI can now offer cable modem service to 96 percent of its cable entertainment subscribers. GCI is now providing cable modem Internet access in the Anchorage, Fairbanks, Juneau, Valdez, Sitka, Nome, Seward, Kenai, Soldotna, Wasilla, Cordova, Petersburg, Wrangell, Homer, Bethel and Kodiak. The company had 38,600 cable modem customers at the end of the first quarter of 2003, an increase of 8,600 customers when compared to the first quarter of 2002. We believe GCI's cable modem penetration rate is one of the highest in the nation. When expansion plans are completed almost all GCI cable television customers will be able to receive cable modem service. GCI plans to offer high speed Internet service to substantially all communities it serves by 2004.

The foregoing contains forward-looking statements regarding the company's expected results which are based on management's expectations as well as on a number of assumptions concerning future events. Actual results might differ materially from those projected in the forward looking statements due to uncertainties and other factors, many of which are outside GCI's control. Additional information concerning factors that could cause actual results to differ materially from those in the forward looking statements is contained in GCI's cautionary statements sections of Form 10K and 10-Q filed with the Securities and Exchange Commission.

GCI will host a conference call to discuss the quarter's results on Thursday, May 8 beginning at 2 p.m. (Eastern). To access the briefing, call 1-800-779-0488 and identify your call as GCI. A replay of the call will be available for 72-hours by dialing 1-800-234-2079, access code 7461. The call can also be accessed through web conferencing available at www.gci.com.

Based on revenues, GCI is the largest Alaska-based and operated integrated telecommunications provider and provides local, wireless, and long distance telephone, cable television, Internet and data communication services throughout Alaska. More information about the company can be found at www.gci.com.

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GENERAL COMMUNICATION, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

Assets	(Unaudited) March 31, 2003	December 31, 2002
(Amounts in thousands)		
Current assets:		
Cash and cash equivalents	\$ 18,173	\$ 11,940
Receivables:		
Trade	58,717	63,111
Employee	318	391
Other	2,493	3,093
	61,528	66,595
Less allowance for doubtful receivables	13,929	14,010
Net receivables	47,599	52,585
Deferred income taxes, net	8,875	8,509
Prepaid and other current assets	8,541	9,171
Inventories	1,088	400
Property held for sale	1,037	1,037
Notes receivable with related parties	775	697
Total current assets	86,088	84,339
Property and equipment in service, net of depreciation	378,995	381,394
Construction in progress	13,190	16,958
Net property and equipment	392,185	398,352
Cable certificates, net of amortization of \$26,857 and \$26,884 at March 31, 2003 and December 31, 2002, respectively	191,159	191,132
Goodwill, net of amortization of \$7,200 at March 31, 2003 and December 31, 2002	43,284	41,972
Other intangible assets, net of amortization of \$1,178 and \$1,848 at March 31, 2003 and December 31, 2002, respectively	3,513	3,460
Deferred loan and senior notes costs, net of amortization of \$5,374 and \$4,110 at March 31, 2003 and December 31, 2002, respectively	8,900	9,961
Notes receivable with related parties	5,184	5,142
Other assets, at cost, net of amortization of \$119 and \$24 at March 31, 2003 and December 31, 2002, respectively	5,091	4,424
Total other assets	257,131	256,091
Total assets	\$ 735,404	\$ 738,782

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GENERAL COMMUNICATION, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Continued)

Liabilities and Stockholders' Equity	(Unaudited) March 31, 2003	December 31, 2002
(Amounts in thousands)		
Current liabilities:		
Current maturities of obligations under long-term debt and capital leases	\$ 16,804	\$ 1,857
Accounts payable	27,528	33,605
Deferred revenue	16,628	18,290
Accrued payroll and payroll related obligations	12,823	11,821
Accrued liabilities	5,372	5,763
Accrued interest	4,819	7,938
Subscriber deposits	825	889
Total current liabilities	<u>84,799</u>	<u>80,163</u>
Long-term debt, excluding current maturities	342,700	357,700
Obligations under capital leases, excluding current maturities	43,653	44,072
Obligations under capital leases due to related party, excluding current maturities	697	703
Deferred income taxes, net of deferred income tax benefit	18,411	16,061
Other liabilities, net of accumulated accretion of \$589 and \$0 at March 31, 2003 and December 31, 2002, respectively	6,665	4,956
Total liabilities	<u>496,925</u>	<u>503,655</u>
Redeemable preferred stocks:	<u>26,907</u>	<u>26,907</u>
Stockholders' equity		
Common stock (no par):		
Class A. Authorized 100,000 shares; issued 52,032 and 51,795 shares at March 31, 2003 and December 31, 2002, respectively	201,216	199,903
Class B. Authorized 10,000 shares; issued 3,874 and 3,875 shares at March 31, 2003 and December 31, 2002, respectively; convertible on a share-per-share basis into Class A common stock	3,274	3,274
Less cost of 338 and 317 Class A common shares held in treasury at March 31, 2003 and December 31, 2002, respectively	(1,917)	(1,836)
Paid-in capital	11,338	11,222
Notes receivable with related parties issued upon stock option exercise	(5,650)	(5,650)
Retained earnings	3,889	1,847
Accumulated other comprehensive loss	(578)	(540)
Total stockholders' equity	<u>211,572</u>	<u>208,220</u>
Commitments and contingencies		
Total liabilities and stockholders' equity	<u>\$ 735,404</u>	<u>\$ 738,782</u>

GENERAL COMMUNICATION, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS

	(Unaudited)	
	Three Months Ended March 31,	
	2003	2002
	(Amounts in thousands, except per share amounts)	
Revenues	\$ 92,777	88,210
Cost of sales and services	30,248	31,237
Selling, general and administrative expenses	32,993	31,301
Bad debt expense	597	581
Depreciation, amortization and accretion expense	13,501	13,958
Operating income	15,438	11,133
Other income (expense):		
Interest expense	(9,154)	(6,591)
Deferred loan and senior notes fee expense	(1,073)	(757)
Interest income	166	73
Other expense, net	(10,061)	(7,275)
Net income before income taxes and cumulative effect of a change in accounting principle	5,377	3,858
Income tax expense	2,282	1,646
Net income before cumulative effect of a change in accounting principle	3,095	2,212
Cumulative effect of a change in accounting principle, net of income tax benefit of \$367	(544)	-
Net income	\$ 2,551	2,212
Basic and diluted net income per common share:		
Net income before cumulative effect of a change in accounting principle	\$ 0.05	0.03
Cumulative effect of a change in accounting principle, net of income tax benefit of \$367	(0.01)	-
Net income	\$ 0.04	0.03

Traditional Summary	Quarter Ended March 31, 2003					Quarter Ended March 31, 2002					
	Long Distance	Cable	Local Services	Internet	Combined	Long Distance	Cable	Local Services	Internet	Combined	
Revenues	\$ 56,323	23,438	8,426	4,590	92,777	55,983	21,346	7,308	3,573	88,210	
Cost of sales	16,738	6,457	5,649	1,404	30,248	19,378	5,956	4,709	1,194	31,237	
Contribution	39,585	16,981	2,777	3,186	62,529	36,605	15,390	2,599	2,379	56,973	
Selling, general and administrative expenses	20,560	6,249	4,001	2,183	32,993	19,077	5,980	3,878	2,366	31,301	
Bad debt expense	448	149	-	-	597	559	22	-	-	581	
EBITDA	18,577	10,583	(1,224)	1,003	28,939	16,969	9,388	(1,279)	13	25,091	
Depreciation & amortization	6,989	4,766	864	882	13,501	8,087	4,171	810	890	13,958	
Operating income (loss)	\$ 11,588	5,817	(2,088)	121	15,438	8,882	5,217	(2,089)	(877)	11,133	
Integrated Summary EBITDA											
	Quarter Ended March 31, 2003				Quarter Ended March 31, 2002						
	Voice	Data	Enter-tainment	Combined	Voice	Data	Enter-tainment	Combined			
Traditional Summary EBITDA:											
Long Distance	\$ 18,577			18,577	16,969			16,969			
Cable			10,583	10,583			9,388	9,388			
Local Services	(1,224)			(1,224)	(1,279)			(1,279)			
Internet		1,003		1,003		13		13			
	17,353	1,003	10,583	28,939	15,690	13	9,388	25,091			
EBITDA Reallocations:											
Long Distance	(7,710)	7,710		-	(7,898)	7,898		-			
Cable		2,116	(2,116)	-		1,396	(1,396)	-			
Local Services	(27)	27		-	(34)	34		-			
Integrated Summary EBITDA	\$ 9,616	10,856	8,467	28,939	7,758	9,341	7,992	25,091			

Traditional Summary	Quarter Ended March 31, 2003					Quarter Ended December 31, 2002					
	Long Distance	Cable	Local Services	Internet	Combined	Long Distance	Cable	Local Services	Internet	Combined	
Revenues	\$ 56,323	23,438	8,426	4,590	92,777	56,243	23,366	8,561	4,172	92,342	
Cost of sales	16,738	6,457	5,649	1,404	30,248	18,721	5,909	5,241	1,220	31,091	
Contribution	39,585	16,981	2,777	3,186	62,529	37,522	17,457	3,320	2,952	61,251	
Selling, general and administrative expenses	20,560	6,249	4,001	2,183	32,993	19,337	7,001	4,442	2,154	32,934	
Bad debt expense	448	149	-	-	597	156	94	-	-	250	
EBITDA	18,577	10,583	(1,224)	1,003	28,939	18,029	10,362	(1,122)	798	28,067	
Depreciation & amortization	6,989	4,766	864	882	13,501	8,991	3,826	919	857	14,593	
Operating income (loss)	\$ 11,588	5,817	(2,088)	121	15,438	9,038	6,536	(2,041)	(59)	13,474	
Integrated Summary EBITDA											
	Quarter Ended March 31, 2003				Quarter Ended December 31, 2002						
	Voice	Data	Enter-tainment	Combined	Voice	Data	Enter-tainment	Combined			
Traditional Summary EBITDA:											
Long Distance	\$ 18,577			18,577	18,029			18,029			
Cable			10,583	10,583			10,362	10,362			
Local Services	(1,224)			(1,224)	(1,122)			(1,122)			
Internet		1,003		1,003		798		798			
	17,353	1,003	10,583	28,939	16,907	798	10,362	28,067			
EBITDA Reallocations:											
Long Distance	(7,710)	7,710		-	(8,464)	8,464		-			
Cable		2,116	(2,116)	-		1,953	(1,953)	-			
Local Services	(27)	27		-	(51)	51		-			
Integrated Summary EBITDA	\$ 9,616	10,856	8,467	28,939	8,392	11,266	8,409	28,067			

Non-GAAP Financial Reconciliation Schedule

(Amounts in Millions)

	Three Months Ended		
	March 31, 2003	March 31, 2002	December 31, 2002
EBITDA (Note 1)	\$ 28.9	25.1	28.1
Depreciation, amortization and accretion expense	13.5	14.0	14.6
Operating income	15.4	11.1	13.5
Other income (expense):			
Interest expense	(9.2)	(6.6)	(9.0)
Deferred loan and senior notes fee expense	(1.1)	(0.8)	(3.2)
Interest income	0.2	0.1	0.2
Other expense, net	(10.1)	(7.3)	(12.0)
Net income before income taxes and cumulative effect of a change in accounting principle	5.3	3.8	1.5
Income tax expense	2.2	1.6	1.0
Net income before cumulative effect of a change in accounting principle	3.1	2.2	0.5
Cumulative effect of a change in accounting principle, net of income tax benefit of \$0.4	(0.5)	-	-
Net income	\$ 2.6	2.2	0.5

Notes:

(1) EBITDA (Earnings Before Interest, Taxes, Depreciation, Amortization and Accretion) is the sum of Net Income, Net Interest expense, Taxes, Depreciation, Amortization and Accretion. EBITDA is not presented as an alternative measure of Net Income, Operating income or cash flow from operations, as determined in accordance with Generally Accepted Accounting Principals (GAAP.) GCI's management uses EBITDA to evaluate the operating performance of its business, and as a measure of performance for incentive compensation purposes. GCI believes EBITDA is a measure used as an analytical indicator of income generated to service debt and fund capital expenditures. In addition, multiples of current or projected EBITDA are used to estimate current or prospective enterprise value. EBITDA does not give effect to cash used for debt service requirements, and thus does not reflect funds available for investment or other discretionary uses. EBITDA as presented herein may not be comparable to similarly titled measures reported by other companies.