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FOR IMMEDIATE RELEASE

GCI REPORTS DETAILED THIRD QUARTER 2002 FINANCIAL RESULTS

ANCHORAGE, AK -- GCI (NASDAQ:GNCMA) today reported its detailed third quarter 2002 results with revenues growing to \$94.6 million, an increase of \$6.6 million or 7.5 percent as compared to \$88.0 million for the third quarter of 2001. Earnings before interest, taxes, depreciation, and amortization (EBITDA) increased to \$30.3 million for the third quarter of 2002, an increase of \$6.0 million or 24.7 percent when compared to third quarter 2001 EBITDA of \$24.3 million. Revenues for the third quarter increased sequentially 2.0 percent to \$94.6 million as compared to revenues of \$92.7 million in the second quarter of 2002. Third quarter EBITDA of \$30.3 million compares to EBITDA of \$18.7 million in the second quarter of 2002.

GCI recorded net income of \$5.1 million or \$0.08 per share on a diluted basis. The third quarter 2002 net income compares to net income of \$1.5 million or \$0.02 per share for the third quarter of 2001. For the nine-months ended September 30, 2002, GCI recorded net income of \$6.2 million or \$0.08 per share on a diluted basis. GCI recorded net income of \$4.1 million or \$0.05 per share on a diluted basis for the nine-months ending September 30, 2001.

EBITDA of \$30.3 million for the third quarter of 2002 includes an expense deduction of \$1.2 million to increase the reserve for bad debts for third quarter accounts receivable that were uncollected prior to WorldCom's filing for reorganization under Chapter 11 of the Federal Bankruptcy Code on July 21, 2002. Including the second quarter 2002 increase, GCI's bad debt reserve now totals \$11.6 million against WorldCom's pre-petition accounts receivable of approximately \$12.9 million.

"We announced another record high quarter with EBITDA surpassing the \$30 million mark two weeks ago and we announced the refinancing of GCI's senior debt on Monday of this week," said Ron Duncan, GCI president. "The reported operating results and liquidity provided by the refinancing will insure that GCI continues to be the only communication company committed to investing in statewide infrastructure in the near future. These recent announcements are good news for our customers, employees and shareholders."

The company's local services business grew to an estimated 20 percent share of the total access line market in Alaska during the third quarter of 2002.

GCI's statewide dial-up Internet platform remained steady at approximately 71,200 customers compared to the second quarter of 2002. More than 33,000 Internet customers are using GCI cable modem service, an increase of 1,800 over the second quarter of 2002. GCI cable television services now pass 195,923 homes and serve 134,581 basic subscribers.

Basic subscribers decreased sequentially by 541 subscribers from the second quarter of 2002. GCI added 2,100 digital customers during the third quarter and now serves 28,500 digital customers in Anchorage, Fairbanks, Juneau, Kenai and Soldotna.

Highlights:

- Consolidated revenues increased 7.5 percent to \$94.6 million for the third quarter of 2002 as compared to \$88.0 million in 2001. Third quarter 2002 revenues increased approximately 2.0 percent sequentially over revenues of \$92.7 million in the second quarter of 2002.
- Consolidated EBITDA increased 24.7 percent to \$30.3 million in the third quarter 2002 as compared to \$24.3 million in 2001. Excluding an expense deduction of \$1.2 million to increase the third quarter bad debt reserve due to WorldCom, EBITDA for the quarter would have increased almost 30 percent on a year-over-year basis. EBITDA is up substantially on a sequential basis from the second quarter of 2002 due primarily to an expense deduction in the second quarter of \$9.7 million that increased the bad debt reserve for accounts receivable due from WorldCom.
- Broadband, private line and other data revenues increased 5.6 percent to \$13.3 million during the third quarter of 2002 as compared to \$12.6 million in the same period of 2001 and decreased 2.9 percent sequentially from 13.7 million in the second quarter of 2002.
- GCI estimates it has an approximate 20 percent share of the total access line market in Alaska. Approximately 85 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 71,200 customers compared to the second quarter of 2002. The company expects future quarters may report slightly declining customer counts due to the conversion of dial-up customers to cable modem customers.
- GCI provides cable modem Internet access in 16 communities including Anchorage, Fairbanks, Juneau, Valdez, Sitka, Nome, Seward, Kenai, Soldotna, Wasilla, Cordova, Petersburg, Wrangell, Homer, Bethel and Kodiak. The company had more than 33,000 cable modem customers at the end of the third quarter 2002, as compared to 21,500 at the end of the third quarter of 2001. GCI's cable modem penetration rate is one of the highest in the nation. Almost 96 percent of GCI's cable customers are now able to receive cable modem service.
- GCI recently announced closing a \$225 million senior bank loan to refinance debt totaling approximately \$180 million. The new facility, lead by Credit Lyonnais, refinances existing senior debt of approximately \$120 million and \$60 million of debt outstanding from the company's Alaska United Fiber System. The \$225 million loan is a two-year facility priced at LIBOR plus 650 basis points. The facility should allow the company to make \$55 million in capital investment in 2003.

- GCI estimates that fourth quarter 2002 revenues will total approximately \$92 million to \$94 million and EBITDA is expected to exceed \$27.5 million.

Long Distance Results

Long distance and related revenues for the third quarter of 2002 increased 1.7 percent to \$60.5 million as compared to \$59.5 million for the third quarter of 2001. For the third quarter of 2002, long distance EBITDA totaled \$21.5 million as compared to \$16.9 million in the third quarter of 2001. The increase in EBITDA for the third quarter of 2002 is primarily attributable to reductions in access costs from interstate access reform and from increasing numbers of long distance customers who are also GCI local service customers.

Long distance revenues of \$60.5 million for the third quarter of 2002 are up from \$58.8 or 2.9 percent sequentially from the second quarter of 2002. Long distance EBITDA of \$21.5 million for the third quarter of 2002 compares to \$9.1 million reported in the second quarter of 2002. EBITDA increased substantially on a sequential basis due to the \$9.7 million WorldCom receivable reserve recorded in the second quarter. Excluding the WorldCom impact for the second and third quarter, sequential EBITDA for the third quarter of 2002 would have increased \$3.9 million, an increase of 20.7 percent over the second quarter of 2002. The sequential increase in EBITDA is primarily attributable to revenue increases and access cost reductions.

Minutes-of-use were up 3.2 percent in the third quarter of 2002 as compared to the third quarter of 2001 and 1.1 percent sequentially from the second quarter of 2002. The increase in minutes is primarily due to increases in minutes carried for other common carriers.

Revenues from broadband, private line and other data services increased 5.6 percent to \$13.3 million during the third quarter of 2002 as compared to \$12.6 million in the same period of 2001 and were down 2.9 percent from \$13.7 million in the second quarter of 2002.

The total number of billed long distance customers decreased 3.3 percent from the second quarter of 2002 due to seasonality.

Cable Television Results

Cable television revenues for the third quarter increased 15.7 percent to \$22.1 million from \$19.1 million in the third quarter of 2001, and were up 0.9 percent from the second quarter of 2002. EBITDA increased 21.3 percent to \$9.7 million from \$8.0 million in the third quarter of 2001, and was down slightly when compared to the second quarter of 2002.

The increase in revenues and EBITDA year-over-year is due, in part, to the acquisition of the Rogers Cable, Inc. Alaska properties, the increase in basic subscribers and more sales of higher margin products such as digital cable and cable modem services.

Gross margins as a percentage of revenues increased 110 basis points year-over-year and increased 140 basis points sequentially. Provision of additional higher value products such as digital cable service and cable modems is expected to mitigate the effect on margins of increasing programming and copyright costs.

As of September 30, 2002, the company's cable and entertainment operations passed 195,923 homes and served 134,581 basic subscribers (110,690 equivalent basic subscribers). Average revenue per equivalent basic subscriber increased 4.3 percent to \$66.38 for the third quarter of 2002 as compared to \$63.62 for the third quarter of 2001, and was up 1.1 percent from \$65.64 from the second quarter of 2002. Basic subscribers decreased sequentially by 541 subscribers from the second quarter of 2002 due to seasonality.

The company offers digital cable television service in Anchorage, Fairbanks, Juneau, Kenai and Soldotna. GCI served 28,500 digital customers at the end of the third quarter of 2002.

Local Telephone Results

Local telephone service revenues for the third quarter increased 26.6 percent to \$8.1 million as compared to \$6.4 million in the third quarter of 2001, and were flat sequentially. Local services generated a \$1.4 million EBITDA loss for the third quarter, an increased loss of \$1.0 million compared to the third quarter of 2001. The third quarter EBITDA loss compares to \$0.9 million of reported EBITDA loss in the second quarter of 2002, an increased loss of \$0.5 million. The year-over-year increases in revenues are due to substantial increases in customers. The flat revenues on a sequential basis are due to reductions in access revenues resulting from interstate access reform.

The increase in EBITDA losses was anticipated due, in part, to increases in operating costs as a result of the company's continued rollout of competitive local service in the Fairbanks and Juneau markets, and to the intercompany elimination of local service access revenues for customers who are also GCI long distance customers. If the local telephone business were given credit for approximately \$1.3 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 only slightly negative EBITDA.

GCI estimates it has attained a 20 percent share of the total access line market in Alaska. Approximately 85 percent of GCI's access lines are provisioned on its own facilities or on resold local loops.

Internet Access Results

As of September 30, 2002 GCI's statewide Internet platform served approximately 71,200 customers, an increase of 3,200 customers over the prior year and customer counts remained steady as compared to the second quarter of 2002. Internet access revenues for the third quarter of 2002 totaled \$3.9 million, an increase of 30.0 percent year-over-year and were flat sequentially. The increase in Internet access revenues is attributed to the increase in the number of new Internet subscribers and existing subscribers adding additional features and services including cable modem service.

The third quarter EBITDA of \$0.6 million is an improvement of \$0.8 million over the loss of \$0.2 million in the third quarter of 2001 and is steady when compared to EBITDA of \$0.6 million in the second quarter of 2002. Internet access results continue to improve, reflecting increasing economies of scale and operating cost controls.

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 almost 96 percent of its cable

and entertainment subscribers. GCI is now providing cable modem Internet access in Anchorage, Fairbanks, Juneau, Valdez, Sitka, Nome, Seward, Kenai, Soldotna, Wasilla, Cordova, Petersburg, Wrangell, Homer, Bethel & Kodiak. The company had more than 33,000 cable modem customers at the end of the third quarter of 2002, an increase of 11,500 customers when compared to the third quarter of 2001. GCI's cable modem penetration rate is one of the highest in the nation.

Detailed text and financial tables can be found at www.gci.com. GCI will also hold a conference call on November 7, 2002 at 2 p.m. Eastern. To access the briefing, dial 888-455-3612 (international callers should dial 630-395-0018) and identify your call as "GCI." In addition to the conference call, GCI will make available net conferencing. To access the call or an archive of the call, log onto www.gci.com and follow the instructions.

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. 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) September 30, 2002	December 31, 2001
	(Amounts in thousands)	
Current assets:		
Cash and cash equivalents	\$ 8,821	11,097
Receivables:		
Trade	72,947	58,895
Employee	382	358
Other	2,468	1,678
	<u>75,797</u>	<u>60,931</u>
Less allowance for doubtful receivables	14,753	4,166
Net receivables	<u>61,044</u>	<u>56,765</u>
Deferred income taxes, net	4,525	4,690
Inventories	4,704	3,462
Prepaid and other current assets	2,148	3,061
Property held for sale	1,037	481
Notes receivable with related parties	108	182
Total current assets	<u>82,387</u>	<u>79,738</u>
Property and equipment in service, net of depreciation	401,814	395,887
Construction in progress	13,769	8,121
Net property and equipment	<u>415,583</u>	<u>404,008</u>
Cable certificates, net of amortization of \$26,884,000 at September 30, 2002 and December 31, 2001	191,132	191,132
Goodwill, net of amortization of \$7,200,000 at September 30, 2002 and December 31, 2001	41,191	40,940
Other intangible assets, net of amortization of \$1,625,000 and \$1,252,000 at September 30, 2002 and December 31, 2001, respectively	2,820	3,387
Deferred loan and senior notes costs, net of amortization of \$7,017,000 and \$5,568,000 at September 30, 2002 and December 31, 2001, respectively	6,344	7,630
Notes receivable with related parties	5,625	3,246
Other assets, at cost, net of amortization of \$19,000 and \$70,000 at September 30, 2002 and December 31, 2001, respectively	5,561	4,598
Total other assets	<u>252,673</u>	<u>250,933</u>
Total assets	<u>\$ 750,643</u>	<u>734,679</u>

(Continued)

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

Liabilities and Stockholders' Equity	(Unaudited) September 30, 2002	December 31, 2001
	(Amounts in thousands)	
Current liabilities:		
Current maturities of obligations under long-term debt and capital leases	\$ 1,557	7,346
Accounts payable	36,917	36,464
Deferred revenue	16,040	11,129
Accrued payroll and payroll related obligations	10,745	15,289
Accrued liabilities	6,177	4,938
Accrued interest	3,256	8,049
Subscriber deposits	934	1,121
Total current liabilities	<u>75,626</u>	<u>84,336</u>
Long-term debt, excluding current maturities	360,125	346,000
Obligations under capital leases, excluding current maturities	44,843	44,933
Obligations under capital leases due to related party, excluding current maturities	709	703
Deferred income taxes, net of deferred income tax benefit	29,251	25,069
Other liabilities	5,617	4,339
Total liabilities	<u>516,171</u>	<u>505,380</u>
Redeemable preferred stocks:	<u>26,907</u>	<u>26,907</u>
Stockholders' equity		
Common stock (no par):		
Class A. Authorized 100,000,000 shares; issued 51,721,337 and 50,967,196 shares at September 30, 2002 and December 31, 2001, respectively	199,368	195,647
Class B. Authorized 10,000,000 shares; issued 3,877,134 and 3,882,843 shares at September 30, 2002 and December 31, 2001, respectively; convertible on a share-per-share basis into Class A common stock	3,276	3,281
Less cost of 316,554 and 296,554 Class A common shares held in treasury at September 30, 2002 and December 31, 2001, respectively	(1,836)	(1,659)
Paid-in capital	11,117	10,474
Notes receivable with related parties issued upon stock option exercise	(5,650)	(2,588)
Retained earnings (deficit)	1,869	(2,771)
Accumulated other comprehensive income (loss)	(579)	8
Total stockholders' equity	<u>207,565</u>	<u>202,392</u>
Commitments and contingencies		
Total liabilities and stockholders' equity	<u>\$ 750,643</u>	<u>734,679</u>

GENERAL COMMUNICATION, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2002	2001	2002	2001
	(Amounts in thousands, except per share amounts)			
Revenues	\$ 94,550	88,019	275,500	270,471
Cost of sales and services	30,375	32,743	92,473	108,660
Selling, general and administrative expenses	32,209	30,106	96,095	84,723
Bad debt expense	1,677	851	12,874	3,676
Depreciation and amortization expense	14,257	14,127	43,255	41,767
Operating income	<u>16,032</u>	<u>10,192</u>	<u>30,803</u>	<u>31,645</u>
Interest expense	7,477	7,510	20,304	24,467
Interest income	107	35	335	297
Interest expense, net	<u>7,370</u>	<u>7,475</u>	<u>19,969</u>	<u>24,170</u>
Net income before income taxes	8,662	2,717	10,834	7,475
Income tax expense	<u>3,599</u>	<u>1,190</u>	<u>4,662</u>	<u>3,359</u>
Net income	<u>\$ 5,063</u>	<u>1,527</u>	<u>6,172</u>	<u>4,116</u>
Basic and diluted net income per common share	<u>\$ 0.08</u>	<u>0.02</u>	<u>0.08</u>	<u>0.05</u>

Traditional Summary	Nine Months Ended September 30, 2002					Nine Months Ended September 30, 2001					
	Long		Local			Long		Local			
	Distance	Cable	Services	Internet	Combined	Distance	Cable	Services	Internet	Combined	
Revenues	\$ 175,256	65,322	23,510	11,412	275,500	187,129	56,032	18,538	8,772	270,471	
Cost of sales	56,197	17,740	14,964	3,572	92,473	79,674	15,192	10,181	3,613	108,660	
Contribution	119,059	47,582	8,546	7,840	183,027	107,455	40,840	8,357	5,159	161,811	
Selling, general and administrative expenses	58,638	18,597	12,159	6,701	96,095	53,084	16,629	9,173	5,837	84,723	
Bad debt expense	12,874	-	-	-	12,874	3,676	-	-	-	3,676	
EBITDA	47,547	28,985	(3,613)	1,139	74,058	50,695	24,211	(816)	(678)	73,412	
Depreciation & amortization	25,985	12,056	2,547	2,667	43,255	22,542	15,039	2,539	1,647	41,767	
Operating income (loss)	\$ 21,562	16,929	(6,160)	(1,528)	30,803	28,153	9,172	(3,355)	(2,325)	31,645	
Integrated Summary EBITDA											
	Nine Months Ended September 30, 2002				Nine Months Ended September 30, 2001						
	Voice	Data	Enter-tainment	Combined	Voice	Data	Enter-tainment	Combined			
Traditional Summary EBITDA:											
Long Distance	\$ 47,547			47,547	50,695			50,695			
Cable			28,985	28,985			24,211	24,211			
Local Services	(3,613)			(3,613)	(816)			(816)			
Internet		1,139		1,139		(678)		(678)			
	43,934	1,139	28,985	74,058	49,879	(678)	24,211	73,412			
EBITDA Reallocations:											
Long Distance	(23,521)	23,521		-	(26,408)	26,408		-			
Cable		4,930	(4,930)	-		2,743	(2,743)	-			
Local Services	(113)	113		-	(78)	78		-			
Integrated Summary EBITDA	\$ 20,300	29,703	24,055	74,058	23,393	28,551	21,468	73,412			

Traditional Summary	Quarter Ended September 30, 2002					Quarter Ended June 30, 2002				
	Long		Local			Long		Local		
	Distance	Cable	Services	Internet	Combined	Distance	Cable	Services	Internet	Combined
Revenues	\$ 60,470	22,057	8,096	3,927	94,550	58,803	21,919	8,106	3,912	92,740
Cost of sales	18,058	5,759	5,331	1,227	30,375	18,761	6,025	4,924	1,151	30,861
Contribution	42,412	16,298	2,765	2,700	64,175	40,042	15,894	3,182	2,761	61,879
Selling, general and administrative expenses	19,242	6,647	4,187	2,133	32,209	20,341	5,948	4,094	2,202	32,585
Bad debt expense	1,677	-	-	-	1,677	10,616	-	-	-	10,616
EBITDA	21,493	9,651	(1,422)	567	30,289	9,085	9,946	(912)	559	18,678
Depreciation & amortization	8,378	3,790	879	1,210	14,257	8,763	4,095	858	567	14,283
Operating income (loss)	\$ 13,115	5,861	(2,301)	(643)	16,032	322	5,851	(1,770)	(8)	4,395
Integrated Summary EBITDA										
	Quarter Ended September 30, 2002				Quarter Ended June 30, 2002					
	Voice	Data	Enter-tainment	Combined	Voice	Data	Enter-tainment	Combined		
Traditional Summary EBITDA:										
Long Distance	\$ 21,493			21,493	9,085			9,085		
Cable			9,651	9,651			9,946	9,946		
Local Services	(1,422)			(1,422)	(912)			(912)		
Internet		567		567		559		559		
	20,071	567	9,651	30,289	8,173	559	9,946	18,678		
EBITDA Reallocations:										
Long Distance	(11,423)	11,423		-	(4,200)	4,200		-		
Cable		1,829	(1,829)	-		1,705	(1,705)	-		
Local Services	(38)	38		-	(41)	41		-		
Integrated Summary EBITDA	\$ 8,610	13,857	7,822	30,289	3,932	6,505	8,241	18,678		

Traditional Summary	Quarter Ended September 30, 2002					Quarter Ended September 30, 2001					
	Long		Local			Long		Local			
	Distance	Cable	Services	Internet	Combined	Distance	Cable	Services	Internet	Combined	
Revenues	\$ 60,470	22,057	8,096	3,927	94,550	59,490	19,113	6,397	3,019	88,019	
Cost of sales	18,058	5,759	5,331	1,227	30,375	22,809	5,197	3,545	1,192	32,743	
Contribution	42,412	16,298	2,765	2,700	64,175	36,681	13,916	2,852	1,827	55,276	
Selling, general and administrative expenses	19,242	6,647	4,187	2,133	32,209	18,965	5,940	3,205	1,996	30,106	
Bad debt expense	1,677	-	-	-	1,677	851	-	-	-	851	
EBITDA	21,493	9,651	(1,422)	567	30,289	16,865	7,976	(353)	(169)	24,319	
Depreciation & amortization	8,378	3,790	879	1,210	14,257	7,622	5,014	917	574	14,127	
Operating income (loss)	\$ 13,115	5,861	(2,301)	(643)	16,032	9,243	2,962	(1,270)	(743)	10,192	
Integrated Summary EBITDA											
	Quarter Ended September 30, 2002				Quarter Ended September 30, 2001						
	Voice	Data	Enter-tainment	Combined	Voice	Data	Enter-tainment	Combined			
Traditional Summary EBITDA:											
Long Distance	\$ 21,493			21,493	16,865			16,865			
Cable			9,651	9,651			7,976	7,976			
Local Services	(1,422)			(1,422)	(353)			(353)			
Internet		567		567		(169)		(169)			
	20,071	567	9,651	30,289	16,512	(169)	7,976	24,319			
EBITDA Reallocations:											
Long Distance	(11,423)	11,423		-	(6,728)	6,728		-			
Cable		1,829	(1,829)	-		1,045	(1,045)	-			
Local Services	(38)	38		-	(40)	40		-			
Integrated Summary EBITDA	\$ 8,610	13,857	7,822	30,289	9,744	7,644	6,931	24,319			