

October 31, 2007



GCI Reports Third Quarter 2007 Financial Results

*** Consolidated revenue of \$133.9 million**

*** Net income of \$2.2 million or \$0.04 per diluted share**

*** EBITDAS of \$38.7 million**

ANCHORAGE, Alaska, Oct. 31 /PRNewswire-FirstCall/ -- GCI (Nasdaq: GNCMA) today reported net income of \$2.2 million, or earnings per diluted share of \$0.04, for the third quarter of 2007. The company's third quarter net income compares to income of \$6.5 million, or earnings per diluted share of \$0.12 in the same period of 2006.

GCI's third quarter 2007 revenues totaled \$133.9 million, an increase of 7.0 percent over the third quarter of 2006. Revenue increases from video, data and wireless were partially offset, as expected, from decreasing voice revenues. Voice revenues decreased across the company's business segments as a result of lower rates and fewer long distance minutes carried on its network.

Third quarter 2007 earnings before interest, taxes, depreciation, amortization and share based compensation expense (EBITDAS) totaled \$38.7 million. EBITDAS decreased \$2.6 million or 6.4 percent from the third quarter of 2006. The decrease in EBITDAS was primarily attributable to a decrease in EBITDAS from the network access and commercial segments, offset in part, by strong growth in the consumer segment.

Sequentially, revenues for the company increased \$4.3 million, an increase of 3.3 percent, over second quarter 2007 revenues of \$129.6 million. Third quarter EBITDAS of \$38.7 million decreased 6.4 percent from \$41.3 million in the second quarter of 2007. Sequential increases in revenue occurred in all business segments. The increase in EBITDAS from the consumer segment was offset by decreases from the network access, commercial and managed broadband segments.

"Our consumer business had a spectacular quarter," said GCI president, Ron Duncan. "Customer metrics were up all across the board including solid increases in wire line, wireless, high speed data and video customers. We significantly outpaced our largest competitor in each of these categories adding more than three times as many high speed customers and almost twice as many wireless customers."

"We are also doing very well with the efforts to grow our local service footprint and convert all of our local services to our own facilities. We had an increase of 5,300 access lines on our own facilities in the third quarter and ended the quarter with more than half of our total access lines exclusively on our own facilities. Our plan for complete facilities independence

is making excellent progress."

"Unfortunately our strong success in the marketplace was offset by continued challenges in our carrier business which is down significantly from the prior year. The reductions in carrier traffic and some sluggishness in our commercial sector overwhelmed the success of our consumer business to produce very disappointing financial results for the quarter."

"The carrier market has been volatile this year and we have confronted both pricing pressures and traffic shifts. We are working aggressively to address the challenges in the carrier market and our goal going forward is to maintain carrier EBITDA at this year's levels. If we can do that we expect that continued strong growth in customer and operating metrics will allow us to achieve the previously stated goals of our five year plan."

"I am also very pleased to announce that our wireless subsidiary signed a five year agreement with Sprint that will make Alaska DigiTel Sprint's preferred roaming partner throughout Alaska."

GCI will discuss year end financial guidance during its third quarter conference call beginning at 2 pm Eastern time, November 1, 2007. Details for participating in the call are listed near the end of this news release.

Highlights

- * Consumer revenues totaled \$56.6 million, an increase of 25.1 percent over the prior year and an increase of 3.1 percent from the second quarter of 2007. The increases were across all products and services.
- * GCI local access lines increased by 900 for the quarter. Consumer, network access and commercial local access lines totaled 114,800 at the end of the third quarter of 2007, representing an estimated 27 percent share of the total access lines market in Alaska. GCI began offering competitive local service to Kodiak in August, 2007, Wasilla in September, 2007, and Sitka, Kenai and Soldotna in October, 2007.
- * GCI has provisioned 57,800 consumer and commercial access lines on its own facilities at the end of the third quarter of 2007, an increase of 5,300 lines over the second quarter of 2007 and an increase of 22,300 lines when compared to the prior year. The company had provisioned 35,500 consumer and commercial access lines on its own facilities at the end of the third quarter of 2006.
- * GCI had 92,400 consumer and commercial cable modem access customers at the end of the third quarter of 2007, an increase of 1,700 over the 90,700 cable modem customers at the end of the second quarter 2007. Average monthly revenue per cable modem totaled \$33.59 for the third quarter of 2007 as compared to \$32.54 for the second quarter of 2007, an increase of 3.2 percent.
- * GCI had 73,300 wireless subscribers (including the subscribers of its consolidated subsidiary, Alaska DigiTel), an increase of 3,700 subscribers from the second quarter of 2007.
- * Effective October 30, 2007, Alaska DigiTel has entered into a Strategic Roaming Agreement ("SRA") with Sprint. Under the five year agreement, Alaska DigiTel will provide certain voice and data roaming services to Sprint throughout the Alaska market. Additionally, Sprint has agreed to provide voice and data roaming services to Alaska DigiTel on Sprint

network throughout the L48.

- * Following the third quarter of 2007 and prior to GCI's blackout period beginning October 12, 2007, the company purchased approximately 218,300 of its shares at an average cost of \$12.08 per share. The company is authorized to purchase an additional \$13.8 million of its shares through the end of 2007.
- * GCI announced its Southeast Alaska fiber project that will connect communities with more than 50,000 customers in the cities of Ketchikan, Wrangell, Petersburg, Angoon, and Sitka. The Southeast fiber system, slated to be active by November 2008, will comprise 754 miles of fiber extending from our Alaska United West line first to Ketchikan and then through the communities of Southeast Alaska and back up to Juneau where it will connect to the Alaska United east fiber thus creating a SONET ring.
- * On October 15, 2007 GCI announced the purchase of the telecommunications subsidiaries of United Companies, Inc. in a \$40 million stock purchase transaction. The subsidiaries' assets include a long-haul microwave network and a rural local exchange carrier with more than 12,000 access lines. The subsidiaries have net debt of approximately \$30 million.

GCI will hold a conference call to discuss the quarter's results on Thursday, November 1, 2007 beginning at 2 p.m. (Eastern). To access the briefing on November 1, dial 888-913-9965 (International callers should dial 210-234-0001) and identify your call as "GCI." In addition to the conference call, GCI will make available net conferencing. To access the call via net conference, log on to www.gci.com and follow the instructions. A replay of the call will be available for 72-hours by dialing 800-216-3057, access code 7461 (International callers should dial 402-220-3763.)

Full text and tables can be found at www.gci.com

GCI is the largest telecommunications company in Alaska. A pioneer in bundled services, GCI 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.

The foregoing contains forward-looking statements regarding the company's expected results that are based on management's expectations as well as on a number of assumptions concerning future events. Actual results may 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 statement sections of Form 10-K and 10-Q filed with the Securities and Exchange Commission.

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