

GCI Successfully Transitions All Traffic to Galaxy 18 Satellite

New Satellite to Provide Alaska Rural Telecommunication Services for Next 14 Years

ANCHORAGE, Alaska, June 3 /PRNewswire-FirstCall/ -- GCI (Nasdaq: GNCMA) announced today that it successfully transitioned all of its rural telecommunication services last night to the Galaxy 18 satellite. This satellite will provide long-distance, Internet, distance education and telehealth services throughout rural Alaska for the next 14 years.

"The success of last night means rural Alaskans will stay connected to the most advanced network in Alaska," said Ron Duncan, GCI president and CEO. "It also provides major businesses in Alaska and carriers in the lower 48 states the ability to directly touch customers virtually anywhere in Alaska."

GCI owns nine transponders on Galaxy 18 and will take possession of a tenth transponder in approximately two weeks. Galaxy 18 was manufactured by Lockheed Martin for Intelsat using its flight proven SS/L-1300 spacecraft. It replaces Galaxy 10R. The satellite is equipped with 24 C-band and 24-Ku band transponders. The satellite was successfully lifted to geosynchronous orbit on May 21, 2008. The spacecraft is located at 123 West Longitude.

GCI will lease the transponder capacity from Intelsat. However, GCI will be required to account for this arrangement as a capital lease. This will result in a capital lease obligation, and corresponding long-term asset, in the approximate amount of \$98 million.

GCI is the largest telecommunications company in Alaska. GCI operates Alaska's most extensive terrestrial/subsea fiber optic network. The fiber network extends from the North Slope oil production facilities through Fairbanks, Juneau and Anchorage. The company's satellite network provides communications services to small towns throughout rural Alaska. The company is in the process of constructing Alaska's first, truly statewide mobile wireless network which will seamlessly link urban and rural Alaska for the first time. GCI is also the leading provider of communications services to enterprise customers, particularly large business customers with complex data networking needs. More information about the company can be found at http://www.gci.com.

SOURCE GCI