

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549

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FORM 8-K/A  
AMENDMENT NO. 1

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES AND EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported): May 9, 2003 (May 7, 2003)

GENERAL COMMUNICATION, INC.  
(Exact Name of Registrant as Specified in its Charter)

Alaska	0-15279	92-0072737
----- (State or Other Jurisdiction of Incorporation)	----- (Commission File Number)	----- (IRS Employer Identification Number)
2550 Denali Street Suite 1000 Anchorage, Alaska		99503
----- (Address of Principal Executive Offices)		----- (Zip Code)

Registrant's telephone number, including area code: (907) 265-5600

N/A

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(Former Name or Former Address, if Changed Since Last Report)

Explanatory Note

This Form 8-K/A amends the Form 8-K dated as of May 7, 2003 wherein General Communication, Inc. (GCI) issued a press release announcing first quarter 2003 earnings. This amendment corrects the number of revenue generating units reported as of March 31, 2003 and March 31, 2002 in the press release under the section heading "Cable Television Results".

The corrected section is included below.

"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 173,281 and 162,580 revenue generating units, respectively."

The full press release, as corrected, is attached as Exhibit 99.1.

Item 7. Financial Statements and Exhibit.

- (a) Financial statements of businesses acquired: None
- (b) Pro forma financial information: None
- (c) Exhibit:

This exhibit is furnished pursuant to Item 9 hereof and is not deemed to be "filed" under the Securities Exchange Act of 1934.

99.1 Press release dated May 7, 2003 (corrected May 9, 2003)

Item 9. Regulation FD Disclosure and disclosure under Item 12 - Results of Operations and Financial Condition.

On May 7, 2003, General Communication, Inc. (GCI) issued a press release announcing first quarter 2003 earnings. A copy of the corrected press release as of May 9, 2003 is attached as Exhibit 99.1. This information furnished under "Item 9. Regulation FD Disclosure" is intended to be furnished under "Item 12. Results of Operations and Financial Condition" in accordance with SEC Release No. 33-8216.

The information in this Form 8-K and Exhibit 99.1 attached hereto shall not be deemed "filed" for purposes of Section 18 of the Securities Act of 1934, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, except as shall be expressly set forth by specific reference in such filing.

The earnings release attached as Exhibit 99.1 discloses the non-GAAP financial measure of EBITDA (Earnings Before Interest, Taxes, Depreciation, Amortization and Accretion). EBITDA has been reconciled to the closely related GAAP financial measure, Net Income, within the earnings release.

EBITDA is the sum of Net Income, Net Interest expense, Taxes, and Depreciation, Amortization and Accretion. EBITDA is not presented as an alternative measure of Net Income as determined in accordance with Generally Accepted Accounting Principles. 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.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

GENERAL COMMUNICATION, INC.

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(Registrant)

Date: May 9, 2003

By /s/ John M. Lowber

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Name: John M. Lowber  
Title: Senior Vice President,  
Chief Financial Officer,  
Secretary and Treasurer  
(Principal Financial Officer)

EXHIBIT INDEX

Exhibit No.	Description
99.1	Press release of General Communication, Inc., dated May 7, 2003 and corrected May 9, 2003.

May 7, 2003 (corrected May 9, 2003)

John Lowber, (907) 868-5628; jlowber@gci.com  
 Bruce Broquet, (907) 868-6660; bbroquet@gci.com  
 David Morris, (907) 265-5396; dmorris@gci.com

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% 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 \$92-95 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 pm EDT. More information about the call can be found at [www.gci.com](http://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):

	2003	2002
	-----	-----
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	77	2,358
	-----	-----
	\$ 1,716	\$ 6,408
	-----	-----

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 173,281 and 162,580 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 64/32 K 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.

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](http://www.gci.com).

# # #

A CONFERENCE CALL TO DISCUSS OPERATING RESULTS WILL TAKE PLACE ON THURSDAY, MAY 8, 2003 FROM 2 P.M. TO 3 P.M. (EASTERN TIME). SENIOR MANAGEMENT WILL CONDUCT THE BRIEFING.

TO ACCESS THE BRIEFING ON MAY 8, CALL THE WORLDCOM CONFERENCE OPERATOR BETWEEN 1:50 P.M. AND 2 P.M. (EASTERN) AT 800-779-0488. (INTERNATIONAL CALLERS SHOULD DIAL 630 395-0017). IDENTIFY YOUR CALL AS "GCI." CALLERS WILL BE PLACED ON MUSIC HOLD UNTIL THE BRIEFING COMMENCES. AFTER THE DIRECT BY GCI, CALLERS MAY ASK QUESTIONS VIA THE CONFERENCE OPERATOR.

TO ACCESS THE CALL ONLINE VIA NET CONFERENCE, LOG ON TO [WWW.GCI.COM](http://WWW.GCI.COM) AND FOLLOW THE INSTRUCTIONS. THE CALL WILL BE ARCHIVED FOR TWO WEEKS.

BEGINNING AT 4:00 P.M. (EASTERN) ON MAY 8, A REBROADCAST OF THE BRIEFING WILL BE AVAILABLE FOR 72-HOURS BY DIALING 800-234-2079, ACCESS CODE 7461 (INTERNATIONAL CALLERS SHOULD DIAL 402-220-9687). CALLERS MAY UTILIZE THE FOLLOWING OPTIONS DURING THE REBROADCAST.

- - - PRESS "7" TO REWIND THE CALL 30 SECONDS.
- - - PRESS "8" TO PAUSE THE CALL.
- - - PRESS "9" TO FAST-FORWARD THE CALL 30 SECONDS.

THIS PRESS RELEASE WILL APPEAR IN THE INVESTOR SECTION OF THE COMPANY'S WEBSITE AT [WWW.GCI.COM](http://WWW.GCI.COM).

<TABLE>

GENERAL COMMUNICATION, INC. AND SUBSIDIARIES  
CONSOLIDATED BALANCE SHEETS

<CAPTION>

	(Unaudited) March 31,	December
Assets	2003	2002
-----		
(Amounts in thousands)		
<S>	<C>	<C>
Current assets:		
Cash and cash equivalents	\$ 18,173	11,940
-----		
Receivables:		
Trade	58,717	63,111
Employee	318	391

Other	2,493	3,093
-----	-----	-----
Less allowance for doubtful receivables	61,528	66,595
	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
=====	=====	=====

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

<CAPTION>

	(Unaudited)	
	March 31,	December
31,		
Liabilities and Stockholders' Equity	2003	2002
-----	-----	-----

	(Amounts in thousands)		
<S>		<C>	<C>
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	84,799		80,163
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	496,925	503,655
-----	-----	-----
Redeemable preferred stocks	26,907	26,907
-----	-----	-----
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	211,572	208,220
Commitments and contingencie		
-----	-----	-----
Total liabilities and stockholders' equity	\$ 735,404	738,782
	=====	=====

</TABLE>  
<TABLE>

GENERAL COMMUNICATION, INC. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF OPERATIONS

<CAPTION>

	(Unaudited)	
	Three Months Ended March 31,	
	2003	2002
	-----	
	(Amounts in thousands, except per share amounts)	
<S>	<C>	<C>
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







	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Revenues 92,342	\$ 56,323	23,438	8,426	4,590	92,777	56,243	23,366	8,561	4,172
Cost of sales 31,091	16,738	6,457	5,649	1,404	30,248	18,721	5,909	5,241	1,220
Contribution 61,251	39,585	16,981	2,777	3,186	62,529	37,522	17,457	3,320	2,952
Selling, general and administrative expenses 32,934	20,560	6,249	4,001	2,183	32,993	19,337	7,001	4,442	2,154
Bad debt expense 250	448	149	-	-	597	156	94	-	-
EBITDA 28,067	18,577	10,583	(1,224)	1,003	28,939	18,029	10,362	(1,122)	798
Depreciation & amortization 14,593	6,989	4,766	864	882	13,501	8,991	3,826	919	857
Operating income (loss) 13,474	\$ 11,588	5,817	(2,088)	121	15,438	9,038	6,536	(2,041)	(59)

</TABLE>

Integrated Summary EBITDA

	Quarter Ended March 31, 2003				Quarter Ended December 31, 2002		
	Voice	Data	Enter- tainment	Combined	Voice	Data	Enter- tainment
Combined							
Long Distance 18,029	\$18,577			18,577	18,029		
Cable 10,362			10,583	10,583			10,362
Local Services (1,122)	(1,224)			(1,224)	(1,122)		
Internet 798		1,003		1,003		798	
EBITDA	17,353	1,003	10,583	28,939	16,907	798	10,362
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 28,067	\$ 9,616	10,856	8,467	28,939	8,392	11,266	8,409

</TABLE>