

FOR IMMEDIATE RELEASE

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GCI TERRA Project Forges Ahead With Expansion into Kotzebue and the Northwest Arctic Region of Alaska

GCI Announces Phase 3 of TERRA-Northwest Expansion

ANCHORAGE – GCI (NASDAQ:GNCMA) announced today that it is moving ahead with the expansion of the TERRA terrestrial broadband network into Northwest Alaska. Phase 3 of the TERRA-Northwest (TERRA-NW) initiative will build six new microwave sites between Shaktoolik and Kotzebue, and will enable future TERRA expansion throughout the Northwest Arctic.

Phase 3 of TERRA-NW will offer service to the residents, businesses, and government/not-for-profit institutions in Kotzebue. Two notable institutions are Maniilaq Association, the regional Native health corporation, and Northwest Arctic Borough School District, which are currently linked to the rest of Alaska and the world via satellite service. Access to low latency, high speed terrestrial broadband will enhance the ability of these organizations to deliver better care to patients and distance learning to schools and students.

GCI is currently deploying broadband cable modem service in Kotzebue. The deployment is expected to be complete by the end of October. When Phase 3 of TERRA-NW is completed, cable modem users in Kotzebue will have access to the same low latency, high speed terrestrial broadband service that Bethel users enjoy today.

Maniilaq Association has long been a GCI customer and a worldwide leader in telehealth. “Today, satellite latency continues to hinder our advanced applications like video teleconferencing and electronic health records. After the completion of the TERRA-NW project, latency will be massively reduced and our ability to deliver telehealth applications at our regional hospital will be greatly improved,” said Eugene Smith, chief information officer of Maniilaq Association.

“The main benefit of the Phase 3 expansion of TERRA-NW will be higher speed, lower latency data service, supporting education, healthcare and Internet, enhancing the quality of life and economic opportunity for rural communities throughout the Northwest Arctic Borough,” said Ron Duncan, president and chief executive officer of GCI. “GCI embarks on this project with the future of all Alaska in mind. We deeply appreciate the support provided to GCI by communities, their leaders, and our customers throughout the state.”

GCI has applied for the necessary permitting from the Bureau of Land Management and anticipates that Phase 3 construction will begin next year and will be complete by the end of 2014.

Phase 3 of TERRA-NW will include a 205 mile microwave extension of TERRA. This extension will include six new microwave towers and associated facilities, five of which will be remote, prime-power repeater sites. Phase 3 is projected to cost approximately \$28 million. It will be constructed and owned by GCI’s wholly owned subsidiary, Unicom.

A map of the Phase 3 TERRA-NW Project is attached.

In 2011, GCI completed TERRA-Southwest which included over 400 miles of new fiber optic cable and 13 new microwave towers connecting GCI's network in Anchorage, Alaska to 65 communities in Southwest Alaska. Phase 1 of TERRA-NW includes five new microwave towers connecting Shageluk, the northern end of TERRA-Southwest to the communities of Unalakleet and Shaktoolik. Phase 1 is being constructed this year and is scheduled for completion in December 2012. TERRA-NW Phase 2, which will connect Shaktoolik to Nome, Alaska is already permitted and will begin construction in 2013 with completion scheduled for December 2013.

More information, pictures and project updates on TERRA can be found at: <http://terra.gci.com>

GCI is the largest telecommunications company in Alaska. The company's cable plant, which provides voice, video, and broadband data services, passes 80 percent of Alaska households. GCI operates Alaska's most extensive terrestrial/subsea fiber optic network, which connects not only Anchorage but also Fairbanks, and Juneau/Southeast to the lower 48 states with a diversely routed, protected fiber network. The company's satellite network provides communications services to small towns and villages throughout rural Alaska. GCI 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 in the state's history.

A pioneer in bundled services, GCI is the top provider of voice, data, and video services to Alaska consumers with a 70 percent share of the consumer broadband market. GCI is also the leading provider of communications services to enterprise customers, particularly large enterprise customers with complex data networking needs. 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

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