



General Communication, Inc.
Peter Pounds - SVP & CFO
September 2016

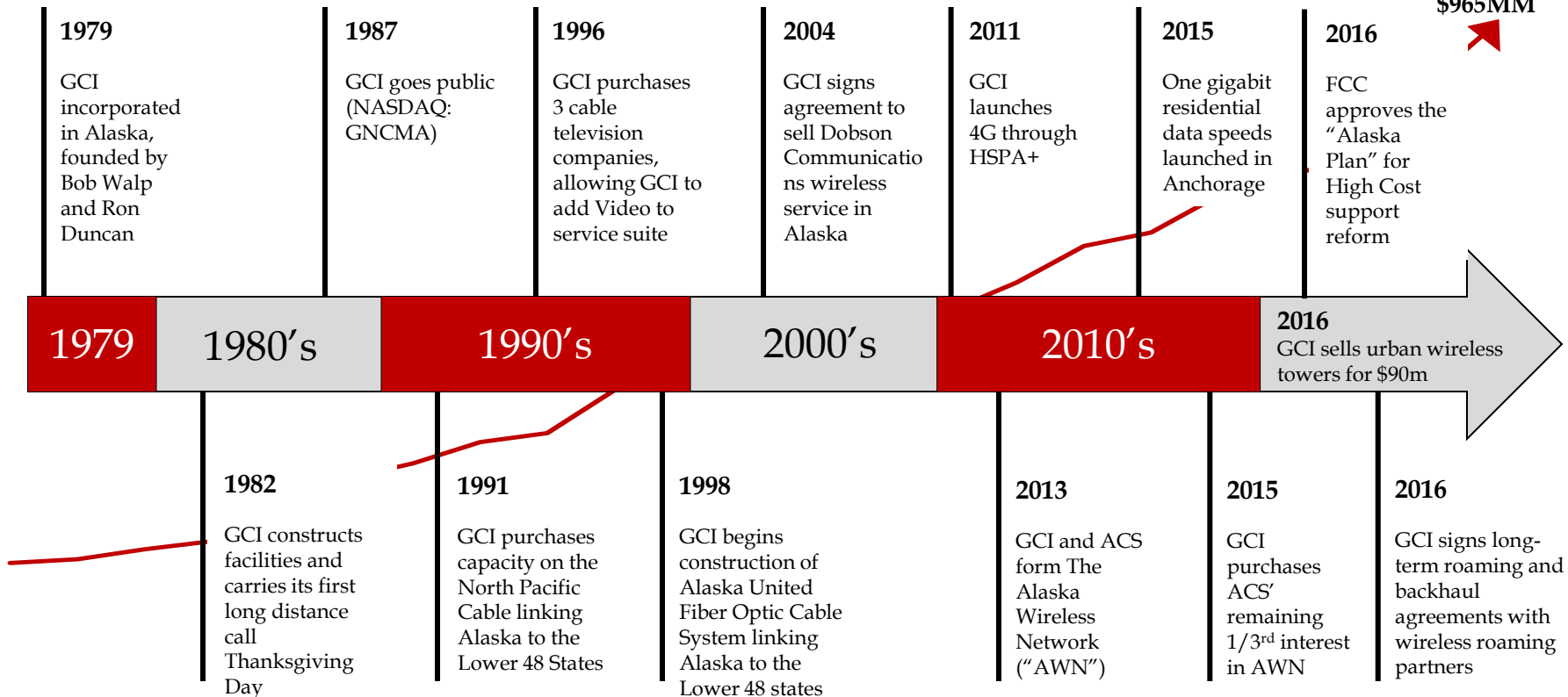


The following contains forward looking statements regarding the company's expected results which are based on management expectations as well as on a number of assumptions concerning future events. Actual results might differ materially from those projected in the forward looking statements due to uncertainties 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.

Company Timeline



TTM Revenue of \$965MM



General Communication Inc. (GNCMA) Company Profile



2016

- Largest communications provider to both residential and business customers in Alaska with a \$3+ billion network
- True quad play provider with a solid competitive position
- Cable systems pass over 90% of Alaskan households, and have achieved over 50% data penetration of residential homes passed
- Second largest wireless provider, with approximately 1/3rd market share

Wireline Segment - Consumer

Homes Passed	249,500
Data Subscribers	127,000
<i>% Penetration of homes passed</i>	51%
Basic Video Subscribers	110,000
<i>% Penetration of homes passed</i>	44%
Voice Subscribers	49,500
<i>% Penetration of homes passed</i>	20%
Data ARPU	\$88.32
Video ARPU	\$80.38

Wireline Segment - GCI Business

Data Subscribers	13,000
Basic Video Subscribers	22,700
Voice Subscribers	46,200

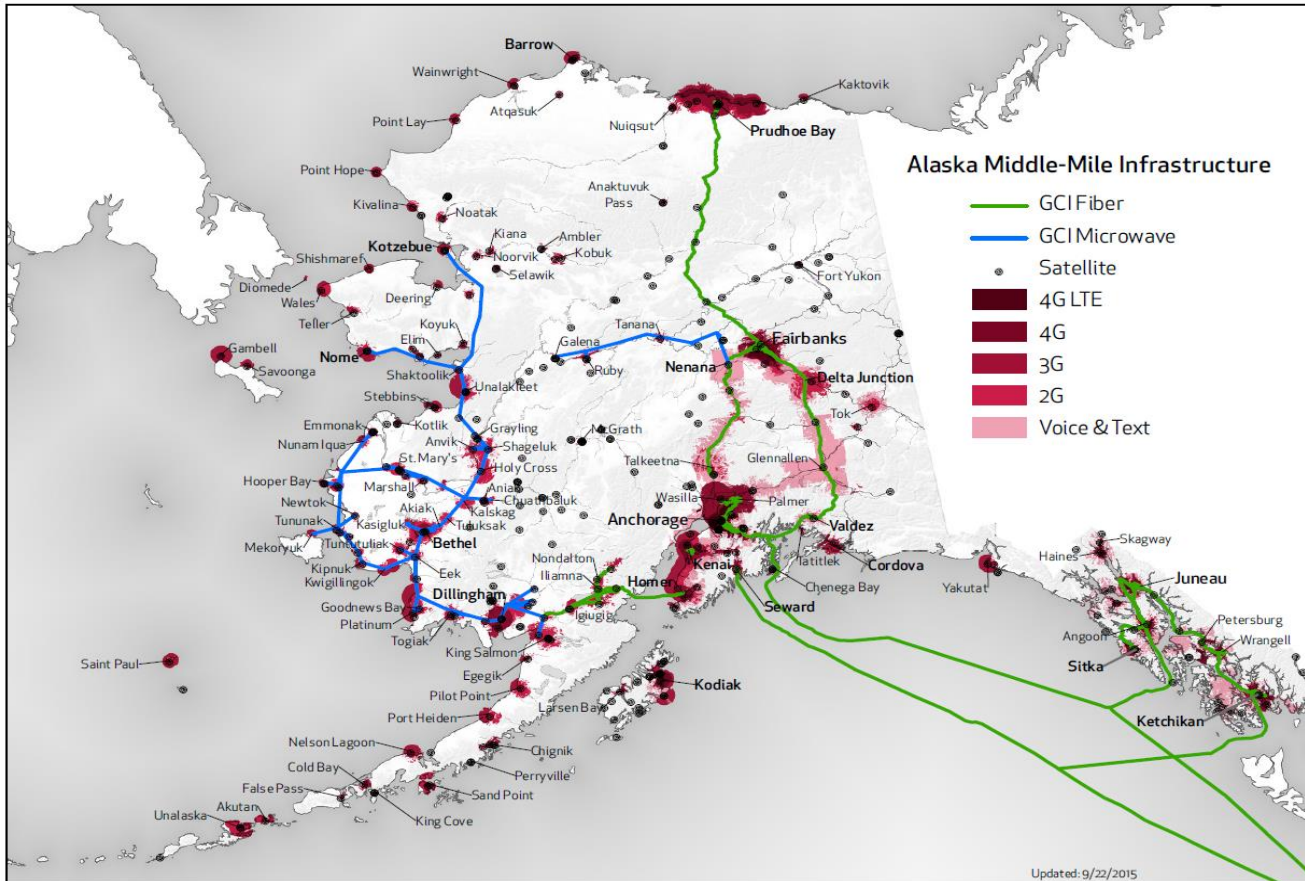
Total Wireline Segment

Data Subscribers	140,000
Video Subscribers	132,700
Voice Subscribers	95,700

Wireless Segment

Wireless Subscribers	228,100
Wireless ARPU	\$39.22

Powerful Statewide Network



Attractive Market and Demographics

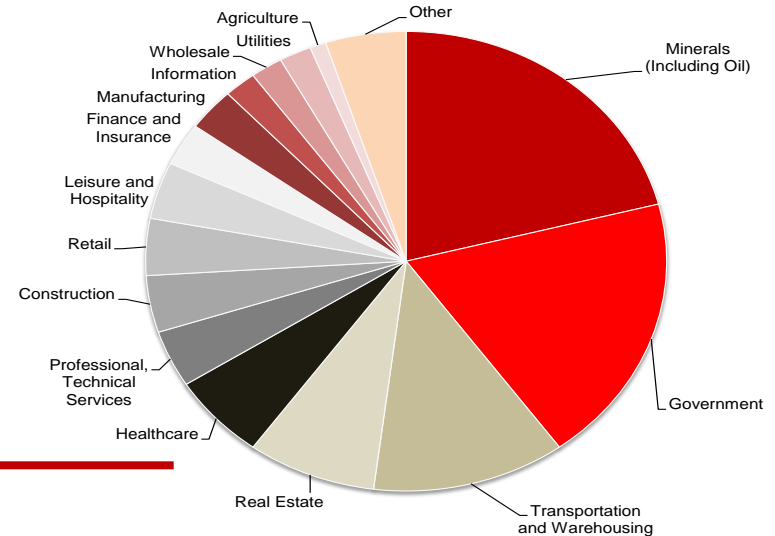


- Alaska's immense geography and lack of roads makes telecommunications essential and increases its value to users
- Alaska does not have a personal state income tax, and instead has made annual distributions of \$1,000 - \$2,000 per capita to state citizens
- Although less than half of Alaska GDP comes directly from energy related industries, oil revenues are still very important to the Alaska economy

Alaska's Economic Outlook

- State government shortfall of about \$4 billion
- Governor Walker reduced Permanent fund dividend to "only" \$1,000 per person from \$2,000 and eliminated inflation proofing of the fund this year.
- Some pullback and layoffs in the oil sector
- Slight recession is likely

Alaska GDP Composition - \$56.6 billion total



Transitioning 2015 to 2016



- **Two significant strategic changes going into 2016 focused on long-term stability and success**
 - New roaming and backhaul agreements provide cash flow certainty and positive NPV in our wireless business
 - Project to migrate our two primary billing systems into one unified system simplifies the way we interact with our customers and will enable cost and operational efficiencies

- **These two changes impact EBITDA comparability:**

(\$ in millions)	2016 (guidance)	2015	% Change (mid-point)
Adjusted EBITDA	\$295-325	\$330	-6%
Add back Roaming & Backhaul Reduction	\$25	\$0	
Add back Billing Platform Opex	\$8	\$0	
Comparable EBITDA	\$328-\$358	\$330	4%

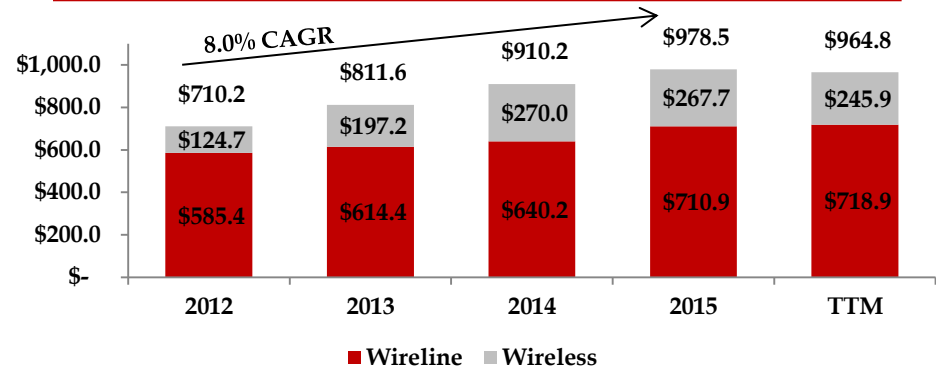
- **Continued Risk Reduction**
 - FCC adopted the “Alaska Plan” for high cost USF, which secures \$55 million per year in funding for the next 5-10 years.
- **Opportunistic tower sale executed at 20x tower cash flow**
- **Shifting focus to efficiencies and cash flow generation**
 - Maintain market leadership in fixed communications and increase share in mobile
 - Ready the organization for slowing industry growth
 - Emphasis on efficiencies to improve the customer experience and lower costs
 - Billing system simplification and consolidation
 - E-Commerce
 - Consolidate organizational functions
 - Lower capex
 - Increase cash flows and focus on balance sheet optimization
- **\$348 million in income tax NOLs push back cash tax payments**

Solid Financial Performance

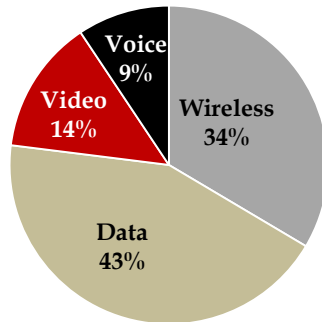


- Total Revenue has grown from \$710 million in 2012 to \$965 million for TTM Q2 16, representing a CAGR of 8%
- Adjusted EBITDA run rate of \$314 million versus guidance of \$295 - \$325 million
- Adj. EBITDA Margin improvement from 32% in 2011 to 34% TTM

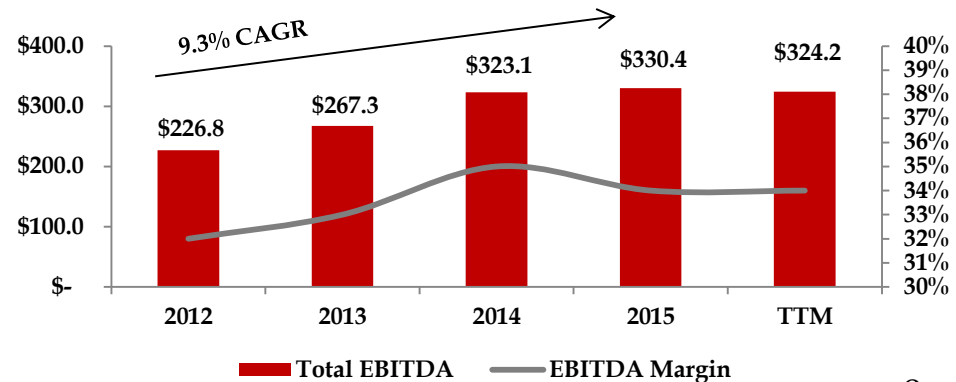
Historical Revenue



TTM Revenue Composition



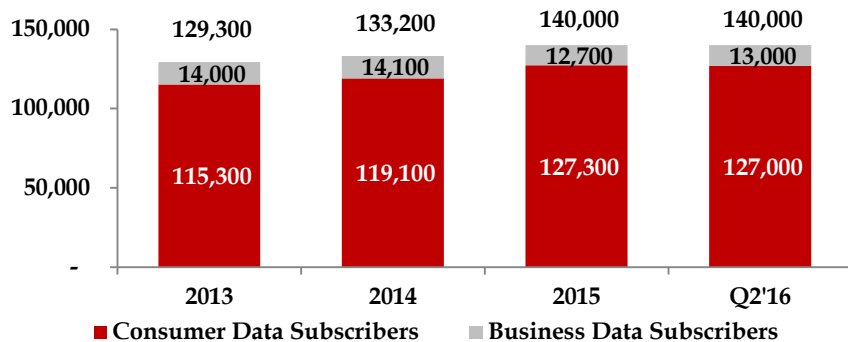
Historical Adjusted EBITDA and Margin



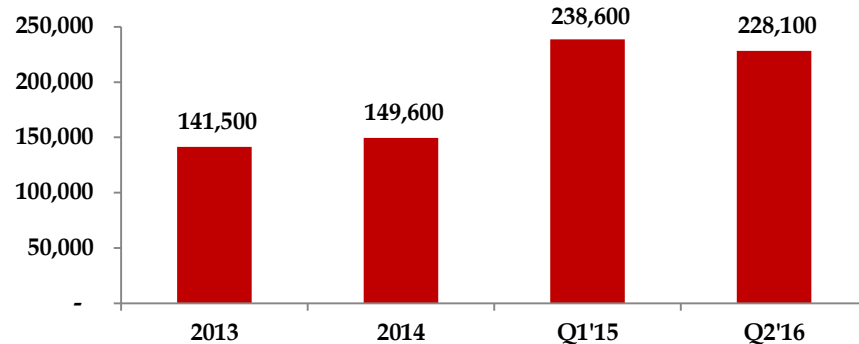
Strong Operating Metrics



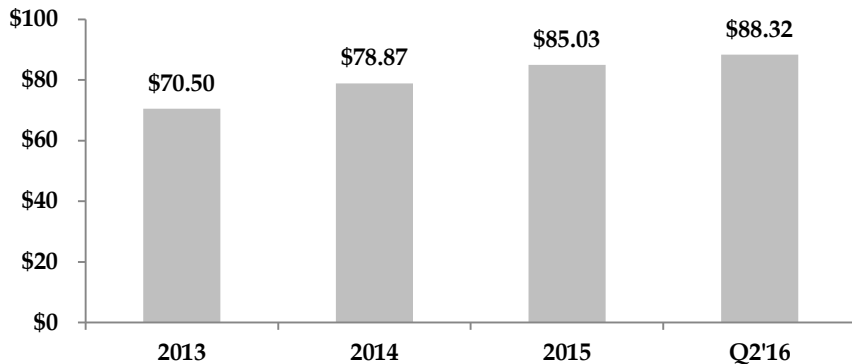
Data Subscribers



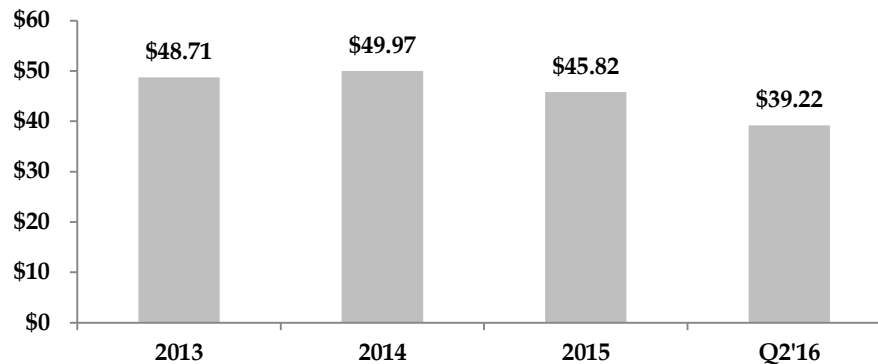
Wireless Subscribers



Historical Data ARPUs

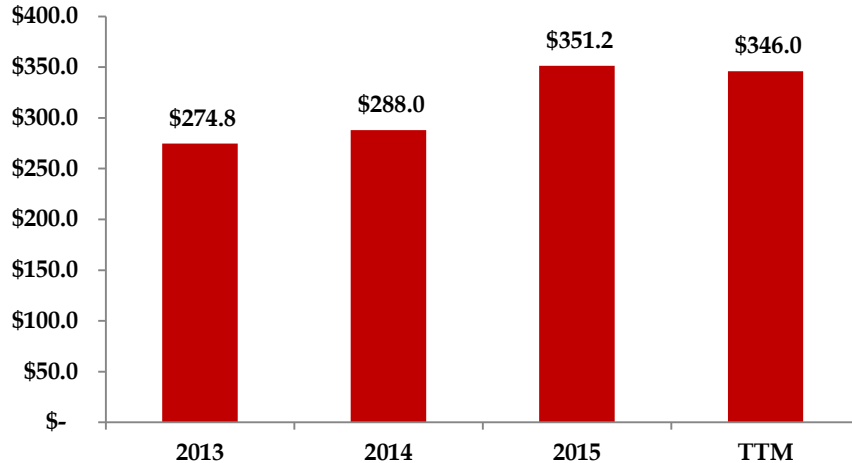


Historical Wireless ARPUs

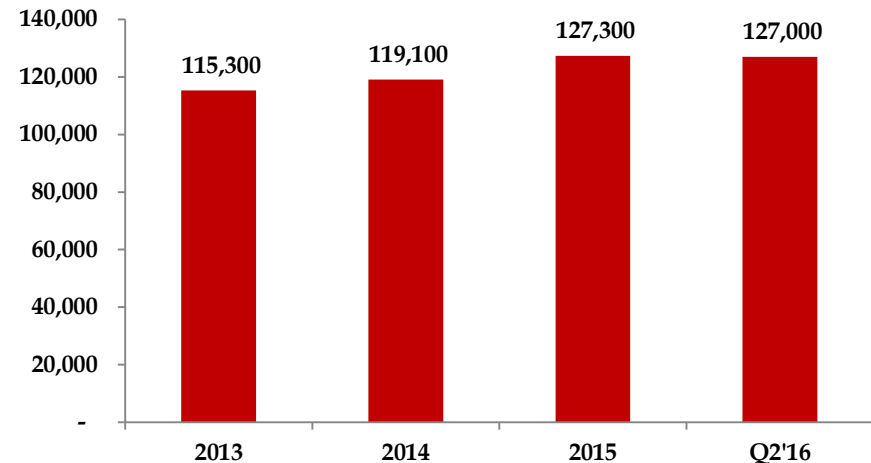


- GCI has grown revenues in the Consumer business at 11% CAGR since 2013
- The Company has a leading market position and consistent growth in the Consumer data product
- New data plans to reinvigorate growth start where our competitors leave off:
 - GCI's minimum of 50 Mbps at \$60/month vs. Competitors maximum of 50 Mbps at \$80/month

Historical Revenue

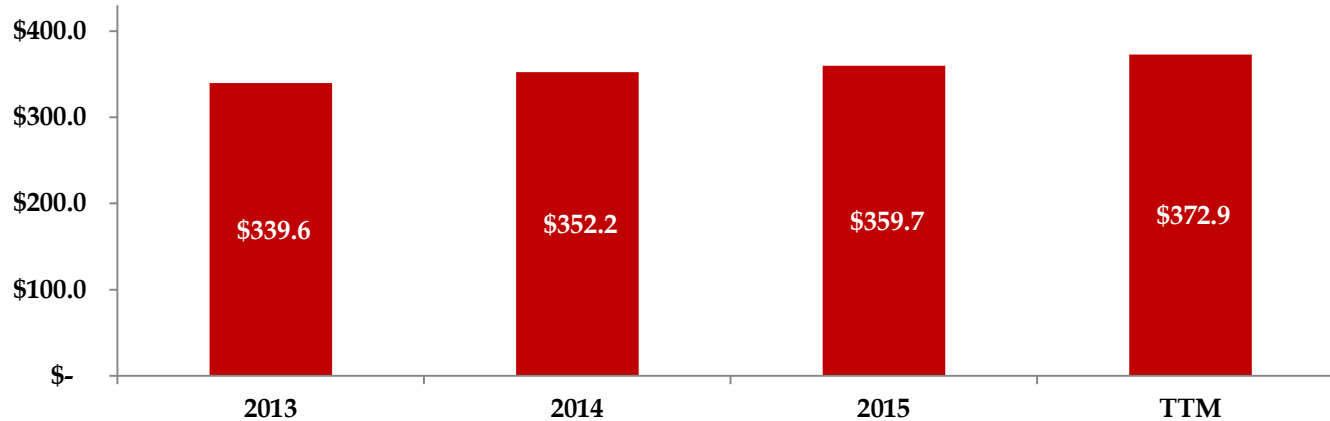


Historical Consumer Data Subscribers



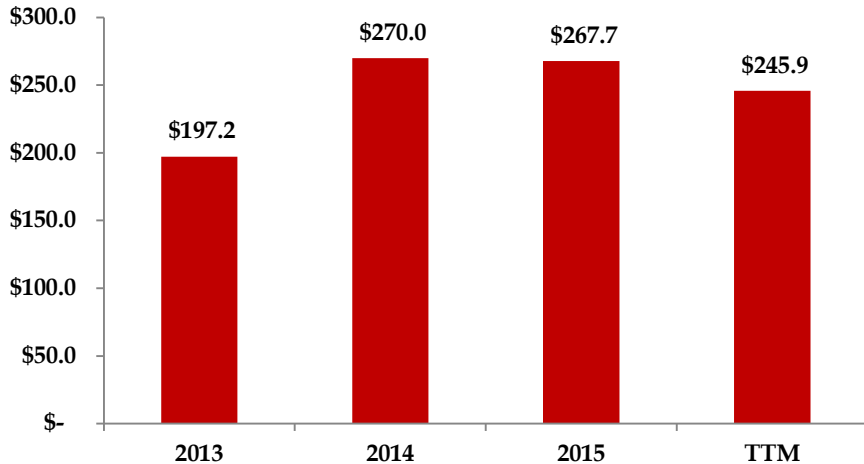
- GCI Business has grown data revenues at 6% annually since 2013
- The Company is the market leader in the Metro Fiber space
- We provide terrestrial broadband service in some of the most remote parts of the state
- 6,250 miles of owned fiber and an additional 1,100+ route miles of microwave network

Historical Revenue

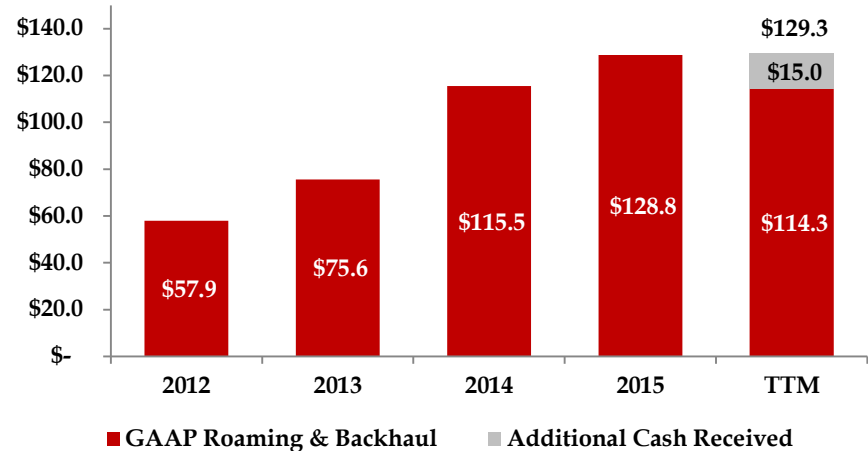


- Total Revenue more than doubled since forming the AWN partnership, primarily due to roaming and backhaul
- New long-term roaming agreements reduce revenue and EBITDA but secure this important source of revenues

Historical Revenue



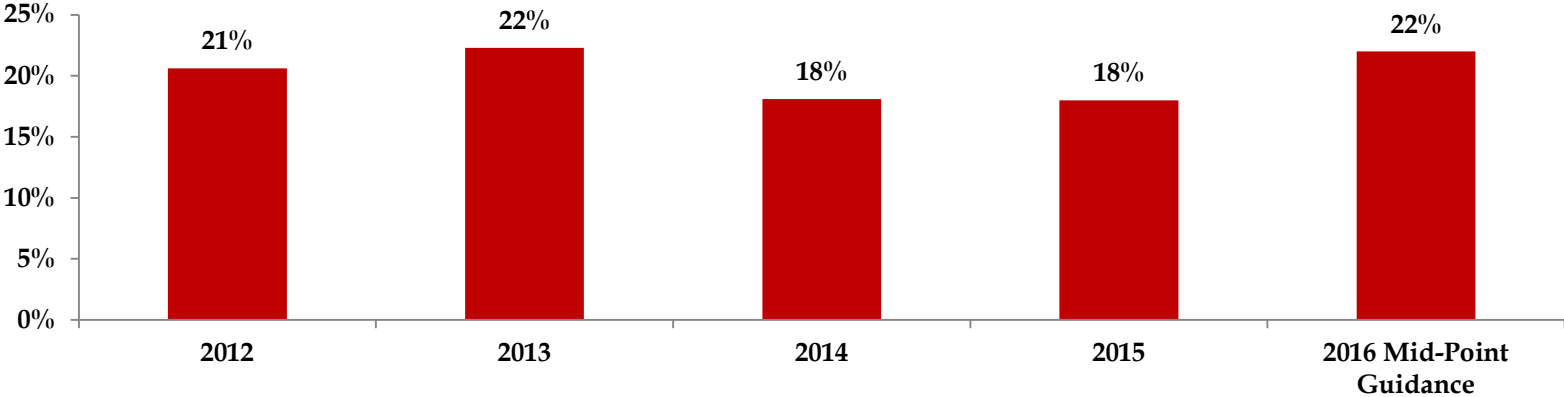
Historical Roaming and Backhaul Revenue





Outsized investments have driven EBITDA growth but are discretionary

Capital Expenditures as a % of Revenue



Current Leverage



<i>(\$ in Millions)</i>	Pro Forma	Mult. of EBITDA
Cash & cash equivalents	\$11.3	
Term Loan A due 2018	\$255.0	0.8x
Term Loan B due 2022	\$271.6	0.8x
Capital Leases	\$64.1	0.2x
Sr. Secured Debt	\$590.7	1.8x
6.875% Senior Notes due 2025	\$450.0	1.4x
6.750% Senior Notes due 2021	\$325.0	1.0x
Total Debt	\$1,365.7	4.2x
Searchlight Investment due 2023	\$75.0	0.2x
Equity value	\$498.2	1.5x
Total Capitalization	\$1,938.9	6.0x
Total Net Debt	\$1,354.4	4.2x
Pro Forma Trailing EBITDA	\$324.2	

Note: Equity Value @ 9/9/2016

Debt is long-term and largely fixed rate



Questions

