

# LYNCH INTERACTIVE CORPORATION

April 28, 2006

Dear Shareholders:

Enclosed is our 2005 Annual Report. We look forward to explaining to you our on-going business dynamics at our upcoming Annual Meeting and will notify you in the next several weeks of that date.

This is an unusual time for all of us. It has its challenges. It has its opportunities.

Let me also take this opportunity to announce Robert Dolan's appointment as the Interim Chief Executive Officer and the on-going Chief Financial Officer of Lynch.

I look forward to being an important guide to Bob who joined Lynch in 1990 as our Controller.

On another note let me also express thanks to John Ferrara and Morris Berkowitz who will no longer serve as a Director of our Company as well as to Paul Evanson and Daniel Lee who resigned before year end. On a personal note, Paul Evanson was the President of Lynch when Bob joined us. Paul has done an exceptional job as CEO at Allegheny Energy. The same accolade goes to Dan Lee who is the CEO of Pinnacle Entertainment. I note that both their companies are doing well.

Finally, let us welcome Avrum Gray and Salvatore Zizza to the Board of Lynch and we welcome their input.

With best regards, I am

Mario J. Gabelli  
Chairman