

LICT CORPORATION

For Immediate Release

LICT CORPORATION ANNOUNCES SECOND QUARTER EARNINGS

Rye, NY – August 18, 2009 – LICT Corporation (Pink Sheets®: LICT) announced today its second quarter 2009 earnings results (see attachment A).

SECOND QUARTER RESULTS

During the second quarter of 2009, our revenues were \$24.2 million, as compared to \$24.7 million in the second quarter of 2008, a decrease of \$0.5 million, or 2.0%. EBITDA (earnings before interest, taxes, depreciation and amortization), generated during the second quarter of 2009 by our operating subsidiaries was \$10.6 million, a \$0.8 million decrease, or 7.0%, from the \$11.4 million recorded in 2008. Interstate revenue, which relates to out-of-state calling in our telephone operations, decreased \$0.6 million primarily due to lower minutes of use in 2009 as well as reduced USF funding due to reductions in the rate base at several of our operations. Intrastate revenue, which relates to in-state calling, declined \$0.3 million primarily due to a decline in minutes of use at several of our operations and an unfavorable state commission ruling for our California operation. On the non-regulated front, revenues increased by \$0.5 million during the second quarter, primarily due to increased broadband penetration, both DSL and cable. Operating costs were higher in 2008 due to costs associated with the increased broadband penetration, and increased maintenance costs. Corporate office expenses increased by \$0.1 million in the second quarter of 2009.

Earnings per share for the second quarter of 2009 were \$89, compared to \$76 per share reported in the second quarter of 2008 (excluding \$48 per share from the dissolution of the Rural Telephone Bank (RTB), or \$124 per share including such dissolution).

FULL YEAR PROJECTED RESULTS

The company is currently projecting \$99 million in revenues and \$44 million in EBITDA from operations for the year ended December 31, 2009, approximately \$2 million and \$1 million, respectively, less than 2008 results. The projections represent a slight decline from the previous 2009 projections of \$100 million in revenue and \$45 million in EBITDA.

OPERATING STATISTICS

At June 30, 2009, the Company's in-territory DSL penetration based on ILEC voice lines was 44.3%, up from 40.6% at December 31, 2008. Our summary operating statistics are as follows:

| | June 30 2009 | Dec. 31 2008 | Increase (Decrease) | Percent Increase (Decrease) |
|-------------------|-----------------|-----------------|------------------------|-----------------------------------|
| ILEC voice lines | 45,550 | 46,124 | (574) | (1.2%) |
| CLEC voice lines | 5,262 | 5,263 | (1) | (0.0%) |
| Total voice lines | 50,812 | 51,387 | (575) | (1.1%) |
| DSL lines | 16,482 | 15,263 | 1,219 | 8.0% |
| ISP Subscribers | 25,114 | 23,355 | 1,759 | 7.5% |
| LD Resale lines | 22,599 | 21,360 | 1,239 | 5.8% |
| Cable TV Subs. | 5,946 | 4,473 | 1,473 | 32.9% |
| Cable Modem | 2,228 | 1,855 | 373 | 20.1% |

BALANCE SHEET

At June 30, 2009, the Company had approximately \$24 million in cash and \$140 million in total debt, resulting in net debt of \$116 million and compared to net debt of \$126 million at December 31, 2008. Due to debt covenants and other lender restrictions, our parent company does not have direct access to the majority of this cash which is held in various subsidiary companies.

LICT STOCK REPURCHASES

For the second quarter and six months ended June 30, 2009, LICT repurchased 29 and 121 shares of its common stock for \$78,000 and \$307,000, respectively. Since June 30, 2009, the Company repurchased the remaining 187 allowable shares under its bank credit agreement. The Company is currently negotiating an allowance for additional share repurchases as part of its overall re-negotiation of its \$17.5 million bank credit agreement, which expires in June 2010. As of June 30, 2009 the Company had 24,477 shares outstanding as compared to 24,598 at December 31, 2008.

STRATEGIC INITIATIVES

Our operating subsidiaries are in the process of developing and launching several wireless and wireline broadband initiatives. These initiatives will provide an excellent complement to our strong RLEC base, and provide the communities that we serve with the telecommunication and data transport tools necessary to compete in today's economy. During the second quarter of 2009, the Company's Utah operations acquired five CATV systems in rural Nevada and Utah with

1,500 subscribers. This acquisition will complement our existing Utah CATV operation and our CLEC initiative in West Wendover, Nevada. In addition, the Company will continue to review its portfolio, making acquisitions that will strategically fit its long-term objectives and selling assets when that is beneficial.

MONETIZATION OF ASSETS

The Company is also in the process of evaluating a refinancing plan to strengthen its financial platform. The Company anticipates that as part of this plan, it will continue to repurchase shares of our common stock in the open market, subject to regulatory and financial constraints, and continue developing plans to harvest some assets and compensate our shareholders in the form of distributions or share repurchases.

* * * *

This release contains certain forward-looking information within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, including without limitation, full year revenue and EBITDA expectations, and anticipated financing, capital expenditures and corporate transactions. It should be recognized that such information is based upon certain assumptions, projections and forecasts, including without limitation business conditions and financial markets, regulatory and other approvals, and the cautionary statements set forth in documents filed by LICT on its website, www.lictcorp.com. As a result, there can be no assurance that any possible transactions will be accomplished or be successful or that financial targets will be met, and such information is subject to uncertainties, risks and inaccuracies, which could be material.

LICT Corporation is a holding company with subsidiaries in telecommunications that actively seeks acquisitions, principally in its existing business areas.

LICT Corporation is listed on the Pink Sheets® under the symbol LICT. Its World Wide Web address is: <http://www.lictcorp.com>.

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914/921-8821

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LICT CORPORATION
Statements of Operations and Selected Balance Sheet Data
Unaudited

Attachment A

(In Thousands, Except Per Share Data)

STATEMENTS OF OPERATIONS

| | Quarter Ended June 30, | | Percent Increase (Decrease) | Six Months Ended June 30, | | |
|--|---------------------------|-----------------|-----------------------------------|------------------------------|-----------------|----------------|
| | 2009 | 2008 | | 2009 | 2008 | |
| Revenues | \$24,241 | \$24,740 | (2.0%) | \$48,682 | \$50,114 | (2.9%) |
| Cost and Expenses: | | | | | | |
| Cost of service and sales | 9,783 | 9,415 | | 19,281 | 18,399 | |
| Selling, general and administration | 3,848 | 3,912 | | 7,838 | 7,697 | |
| Corporate office expense | 1,045 | 906 | | 1,984 | 1,774 | |
| Depreciation and other amortization | 4,366 | 4,911 | | 8,797 | 10,158 | |
| Operating profit, in accordance with generally accepted accounting principles | 5,199 | 5,596 | (7.1%) | 10,782 | 12,086 | (10.8%) |
| Other Income(Expense) | | | | | | |
| Investment income | 119 | 219 | | 1,146 | 1,349 | |
| Interest expense | (1,964) | (2,505) | | (3,960) | (5,852) | |
| Equity in earnings of affiliated companies | 307 | 229 | | 526 | 372 | |
| Gains (losses) on sale of investments | | 1,928 | | | 7,543 | |
| | <u>(1,538)</u> | <u>(129)</u> | | <u>(2,288)</u> | <u>3,412</u> | |
| Income (Loss) Before Income Taxes Minority Interests | 3,661 | 5,467 | | 8,494 | 15,498 | |
| Minority Interests | (10) | (2) | | (19) | (17) | |
| (Provision) Benefit For Income Taxes | <u>(1,475)</u> | <u>(2,354)</u> | | <u>(3,404)</u> | <u>(6,076)</u> | |
| Net Income (Loss) | \$2,176 | \$3,111 | | \$5,071 | \$9,405 | |
| Weighted Average Shares Used In Earnings Per Share Computations | 24,497 | 25,047 | | 24,517 | 25,079 | |
| Basic and Diluted Earnings Per Share | \$88.83 | \$124.21 | | \$206.84 | \$375.01 | |

| Excluding gains on investments | | | | | |
|---------------------------------------|-------|-------|--|--------|--------|
| Operating profit | 5,199 | 5,596 | | 10,782 | 12,086 |
| Net income | 2,176 | 1,916 | | 5,071 | 4,728 |
| Earnings per share | 88.83 | 76.48 | | 206.84 | 188.53 |

| | | | | | | |
|--|----------------|----------------|---------------|-----------------|-----------------|----------------|
| Adjusted Operating Profit | | | | | | |
| Operating Subsidiaries | \$10,610 | \$11,413 | (7.0%) | \$21,563 | \$24,018 | (10.2%) |
| Corporate Office Expense | <u>(1,045)</u> | <u>(906)</u> | | <u>(1,984)</u> | <u>(1,774)</u> | |
| Total Adjusted Operating Profit | 9,565 | 10,507 | (9.0%) | 19,579 | 22,244 | (12.0%) |
| Depreciation and amortization | <u>(4,366)</u> | <u>(4,911)</u> | | <u>(8,797)</u> | <u>(10,158)</u> | |
| Operating profit, in accordance with generally accepted accounting principles | \$5,199 | \$5,596 | | \$10,782 | \$12,086 | |
| Capital Expenditures | \$2,708 | \$4,547 | | \$4,012 | \$8,758 | |

SELECTED BALANCE SHEET DATA

| | June 30, 2009 | Dec. 31, 2008 | June 30, 2008 |
|--|------------------|------------------|------------------|
| Cash and Cash Equivalents | 23,755 | 29,743 | 36,037 |
| Notes Payable | 6,100 | 12,299 | 11,500 |
| Long-Term Debt (including current portion) | 134,280 | 143,577 | 152,382 |
| Total Debt | 140,380 | 155,876 | 163,882 |
| Minority Interests | 190 | 171 | 148 |
| Shareholders' Equity | 54,005 | 49,186 | 46,004 |
| Shares Outstanding at Date | 24,477 | 24,598 | 25,013 |