

**Press Release
For Immediate Release**

**LYNCH INTERACTIVE ANNOUNCES SUCCESS IN RECENT FCC REAUTION OF NEXTWAVE
SPECTRUM**

RYE, New York, February 13, 2001 - Lynch Interactive Corporation (AMEX:LIC) Yesterday, Theta Communications, L.L.C., in which Interactive has a minority interest, as required, filed its long form application with the Federal Communications Commission, pursuant to the requirements under the reauction of Nextwave's C&F Block PCS spectrum. In that auction, which ended on January 25, 2001, Theta Communications, L.L.C. won a 10MHz license in Gainesville, Florida, an area, which covers a population of 250,000. The grant of licenses won in the auction is subject to the FCC review process.

Lynch Interactive plans in the near future to issue a press release to cover all of its spectrum initiatives

Lynch Interactive is a diversified company with subsidiaries in multimedia and services, and actively seeks acquisitions, principally in existing business areas. Lynch Interactive was split off from Lynch Corporation on September 1, 1999. Lynch Interactive is listed on the American Stock Exchange under the symbol LIC. The Company's World Wide Web address is:
<http://www.lynchinteractivecorp.com>.

This release contains certain forward-looking information. It should be recognized that such information is based upon certain assumptions, projections and forecasts. As a result, such information is subject to uncertainties, risks and inaccuracies, which could be material.

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Contact: Robert E. Dolan
Chief Financial Officer

Release 00-01

**Press Release
For Immediate Release**

LYNCH INTERACTIVE CORPORATION ANNOUNCES RECORD AND DISTRIBUTION DATE FOR THE
SUNSHINE SPIN OFF

RYE, New York, February 14, 2001 - Lynch Interactive Corporation (AMEX:LIC) announced that it has set the close of business on February 22, 2001, as the Record Date for the proposed spin off to its stockholders of the Class A Common Stock of Sunshine PCS Corporation held by it. Lynch Interactive shareholders will receive one share of Class A Common Stock of Sunshine for each share of Lynch Common Stock held as of the record date.

The distribution of stock is expected to take place on February 23, 2001 (or as soon thereafter as possible).

Sunshine will be the successor to Fortunet Communications, L.P., which holds three 15-megahertz PCS licenses for Tallahassee, Panama City and Ocala, Florida covering a population of approximately 900,000.

A registration statement relating to the Sunshine Class A Common Stock has been filed with the Securities and Exchange Commission and has become effective. This press release does not constitute an offer to sell or the solicitation of an offer to buy, nor may there be any sale of, the stock in any state in which such offer, solicitation or sale would be unlawful prior to registration or qualification of such stock under the securities laws of any such state. The offering will be made only by means of a prospectus.

This release contains certain forward-looking information, which is based on certain assumptions. As a result it is subject to uncertainties, risks and inaccuracies, which could be material.

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Contact: Robert E. Dolan
Chief Financial Officer

Release 00-02

LYNCH INTERACTIVE CORPORATION REPORTS OPERATING RESULTS AND UPDATES SHAREHOLDER
VALUE INITIATIVES

RYE, New York, April 2, 2001 - Lynch Interactive Corporation (AMEX:LIC) operates telecommunication and related multimedia businesses. In addition, Interactive has two portfolios of assets: investments in companies that it consolidates; that is The Morgan Group, Inc., and in investments in companies that Interactive does not consolidate, such as its broadcasting properties, stocks traded in the public arena, and investments in spectrum.

Today, Interactive reported that fourth quarter revenues in its multimedia operations climbed 8% to \$17.5 million from \$16.2 million a year earlier and EBITDA (earnings before interest, taxes, depreciation and amortization) rose to \$8.3 million from \$8.1 million for the three-month period ended December 31, 2000.

Anticipated industry related weakness at 56% owned The Morgan Group, Inc. (ASE:MG) (Interactive owns 1,361,100 shares out of 2,448,157 total shares outstanding) resulted in a fourth quarter plunge in Morgan's revenues to \$22.1 million, from the \$32.7 million reported in the fourth quarter of 1999. EBITDA at Morgan for the three months ended December 31, 2000 was a loss of \$1.2 million versus a loss of \$0.1 million last year. The declines were primarily attributable to the recessive economic conditions being experienced by manufactured housing, the major industry Morgan services.

Including multimedia and consolidated investments, revenues for Interactive were \$39.5 million and EBITDA was \$6.1 million versus last year's \$48.9 million and \$4.5 million, respectively. Of note, 1999 EBITDA included \$2.9 million of expense under the Company's Stock Appreciation Rights ("SAR") program; there was no SAR expense in 2000.

Multimedia

Revenues of the multimedia operations improved 8% to \$17.5 million from \$16.2 million recorded in the fourth quarter of 1999, due to continued growth in non-regulated telephone services.

Multimedia EBITDA grew to \$8.3 million from \$8.1 million in the fourth quarter of 1999, due to growth in operations offset by an incremental \$120,000 in development costs associated with initiatives in non-traditional wireline telephone operations.

On October 17, 2000, Lynch Interactive announced a definitive agreement to acquire Central Utah Telephone, Inc. of Fairview, Utah. The transaction is expected to close in the second quarter of 2001. Including the acquisition of two Qwest exchanges in which Central Utah has under contract, Central Utah is expected to add approximately \$8 million in annual revenues and 7,400 access lines to Interactive's operations. The closing of this transaction is subject to certain conditions.

On a pro forma basis including the operations of Central Utah and related Qwest exchanges, Interactive's multimedia operations consist of 53,700 access lines, 4,500 cable subscribers, 19,500 Internet subscribers, 3,500 CLEC customers, 680 alarm customers, 1,100 paging customers, and 9,300 long distance resale customers. In addition, through subsidiaries, Interactive holds licenses to provide various wireless telecommunication services: PCS (367,000 POPs) and cellular telephone (57,000 POPs).

Spectrum Initiatives

On February 23, 2001, Interactive distributed one share of Sunshine PCS Corporation (OTC:SUNPA) for each share of Interactive owned. Sunshine owns three 15 MHz licenses, all in Florida: Panama City, Tallahassee and Ocala. Interactive retained \$16.1 million of debt

(Interactive's book basis is \$3.4 million), preferred stock with a liquidation value of \$10 million and 4.3 million warrants to acquire Sunshine PCS Class A common stock at \$0.75 per share.

In January 2001, Theta Communications, L.L.C., in which Interactive holds a minority position, acquired a 10 MHz license in Gainesville, Florida.

The company continues to participate in spectrum auctions being conducted by the Federal Communications Commission.

On September 21, 2000, Lynch Interactive announced that, through PTPMS II Communications, L.L.C. in which an Interactive subsidiary has a 49.9% investment, Interactive extended and enhanced its spectrum portfolio by being the winning bidder for three licenses in the 700 MHz Guard Band Auction for licenses covering a population ("POPs") of 6.4 million, in the cities of Buffalo, NY, Des Moines-Quad Cities, IA, El Paso, TX and Albuquerque, NM areas.

Betapage Communications, L.L.C., in which we are also a 49.9% investor, was awarded licenses in the 929MHz and 931MHz paging service auction. Betapage was the winning bidder for 24 paging licenses covering a population of 76.7 million.

PTPMS Communications, L.L.C., another 49.9% investor interest, participated in the 39MHz auction for point-to-point and point-to-multipoint data transmission and was the winning bidder for 22 licenses covering a population of 27.6 million.

The Morgan Group, Inc.

Revenues at The Morgan Group, Inc. fell to \$22.0 million from \$32.7 million in the same quarter last year. The lower revenues primarily reflected a continued industry-wide decline in manufactured housing shipments during the period. Morgan's EBITDA was a loss of \$1.2 million in the fourth quarter of this year versus a loss of \$0.1 million in the fourth quarter of last year.

Anthony T. Castor, III, President and Chief Executive Officer of Morgan said: " While we are not pleased with these results, we are continuing to make progress in significantly reducing operating expenses to bring our cost structure in line with current demand. 2001 will reflect a full year benefit of these initiatives."

"The manufactured housing industry is still plagued by inventory levels that are higher than current demand justifies. While this situation may persist in the foreseeable future, we have identified initiatives within our control to mitigate the impact, including aggressively booking incremental sales, improving customer service, and enhancing our transportation claim experience. Further, the cycle is not unlike previous ones the Company has experienced in its more than sixty years of successful operations. With a leaner cost structure in place, a return to profitability should accompany improvement in the manufactured housing markets."

At December 31, 2000, Morgan was in default under its credit facility, which has provided Morgan with Letters of Credit totaling \$6.6 million, which are required for self-insurance retention reserves and other corporate needs. As a result of this default, the Report of Independent Auditors on Morgan's financial statements for the year ended December 31, 2000 contains an explanatory paragraph indicating that Morgan's financial statements have been prepared assuming that it will continue as a going concern, but that the default under the credit facility raises substantial doubt about its ability to do so. As a result of this default and report, Morgan provided a valuation reserve for \$3.2 million of its deferred tax assets. After minority interest effects, this resulted in a \$1.8 million earnings reduction in Interactive's fourth quarter results.

Interactive is in the preliminary stages of evaluating whether its continued ownership in Morgan fits into Interactive's long-term business strategy.

Non-Consolidated Investments

Interactive also has investments in two network affiliated television stations, WOI-TV, an ABC affiliate, serving the Des Moines, Iowa market (70th largest in the U.S.) and WHBF-TV, a CBS affiliate, serving the Quad-Cities markets (88th largest in the U.S.); 1.0 million shares of Spinnaker Industries, Inc. (AMEX:SKK); 156,000 shares of Hector Communications, Inc. (AMEX:HCT); 162,000 shares of Tremont Advisers, Inc. Class B common stock (NASD:TMAV); and the following investments in Sunshine PCS Corporation: a \$16.1 million note receivable, preferred stock with a liquidating preference of \$10.0 million, and warrants to acquire 4.3 million Class A Common Shares at \$0.75 per share. Interactive is considering ways to harvest these investments, as well as certain telephone operations where competitive local exchange carrier opportunities are not readily apparent.

Other Dynamics

Subject to regulatory constraints, Interactive will continue to make open market purchases on its stock repurchase program and will continue to explore ways to reduce dilution.

In early 2001, Interactive repurchased \$15.0 million of its \$25 million convertible note outstanding. This note is convertible into Interactive common stock at \$42.50 per share and the repurchase reduced the potential dilution of Interactive's shares outstanding by 353,000. Proceeds used to reacquire the note were obtained by refinancing one of Interactive's telephone operations.

In addition, Interactive reiterated that it is exploring a spin-off of a Newco that own all spectrum as well as explore opportunities in emerging technologies or participate in other spectrum auctions.

As previously announced, Lynch Interactive is searching for a president and chief operating officer who will accelerate efforts in expanding our broadband opportunities including wired and wireless telecommunications cable, CLEC, ISP, e-commerce and entry into new technologies.

Outlook

Interactive also reported that the internal targets for the multimedia operations for full year 2001 are for revenues of \$73 million and EBITDA of \$39 million. The attainment of such targets is predicated on continuation of current level of operations of the regulated telephone entities, closing its acquisition of Central Utah Telephone Company early in the second quarter of 2001, and moderate spending in building up its CLEC operations as well as other factors.

The multimedia segment plans to invest \$22 million in capital expenditures during 2001 as compared to \$17 million in 2000.

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, the operating outlook, expense reduction and financial debt covenant situation at Morgan, possible harvesting of certain investments, possible spin-off of a Newco, the search for a new president, the contracted for acquisition of Central Utah Telephone including its contracted for acquisition of two exchanges from Qwest, possible broadband acquisitions, spectrum investment and future spectrum auctions participation, and performance and financial targets for 2001. It should be recognized that such information is based upon certain assumptions, projections and forecasts, including without limitation business conditions and financial markets, regulatory approvals, and the cautionary statements set forth in documents filed by Lynch Interactive and The Morgan Group, Inc. with the Securities and Exchange Commission, as well as the Company's internal projections. 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.

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Contact: Robert E. Dolan
Chief Financial Officer
914/921-8821

Release 00-3

[Statements of Operations & Selected Balance Sheet Data](#)
(Three Months Ending December 31)

**Press Release
For Immediate Release**

LYNCH INTERACTIVE CORPORATION REPORTS OPERATING RESULTS AND STRATEGIC INITIATIVE
WITH RESPECT TO MORGAN

RYE, New York, May 22, 2001 - Lynch Interactive Corporation (AMEX:LIC) operates telecommunication and related multimedia businesses. In addition, Interactive has two portfolios of assets: investments in companies that it consolidates; that is The Morgan Group, Inc., and in investments in companies that Interactive does not consolidate, such as its broadcasting properties, stocks traded in the public arena, and investments in spectrum.

Multimedia Results

Interactive reported that first quarter revenues in its multimedia operations climbed 11% to \$17.2 million from \$15.6 million a year earlier due to continued growth in non-regulated telephone services. EBITDA (earnings before interest, taxes, depreciation and amortization) rose to \$8.6 million from \$8.2 million for the three-month period ended March 31, 2001, of note, current quarter results were hampered by \$111,000 in development costs associated with initiatives in non-traditional wireline telephone operations.

Morgan Initiatives

Interactive currently owns 55.6% of the equity of The Morgan Group, Inc. and 70.2% of the vote. For accounting purposes, it consolidates Morgan in its reported results. Morgan is actively seeking to replace its existing credit facility, which has expired, and currently has received several commitment letters. In connection with the attainment of the new credit facility, Morgan needs to secure some additional financial resources. Accordingly, the Board of Directors of Interactive has approved the acquisition of 1.0 million shares of Morgan's Class B common stock at \$2.00 per share. The investment by Interactive would increase Interactive's ownership in Morgan from 55.6% to 68.5%. The Board of Directors of Morgan approved the issuance of the additional Class B common stock, but the sale is subject to final negotiations with the potential lenders, appropriate documentation and approval of Morgan shareholders. In addition, the Morgan Board of Directors has also authorized its management to further develop plans to provide an opportunity for all shareholders to acquire additional equity investment in Morgan.

At the current time, Interactive is currently considering whether its investment in Morgan fits into its long-term strategy and should a decision be made that its investment be divested, it is exploring its options available in terms of maximizing shareholder value.

Consolidated Results

Including multimedia and consolidated investments, revenues for Interactive were \$37.9 million and EBITDA was \$7.5 million versus last year's \$44.0 million and \$6.9 million, respectively.

Telephone Growth Initiatives

On October 17, 2000, Lynch Interactive announced a definitive agreement to acquire Central Utah Telephone, Inc. of Fairview, Utah. The transaction is expected to close in the second quarter of 2001. The acquisition of Central Utah is expected to add approximately \$8 million in annual revenues and 7,400 access lines to Interactive's operations. The closing of this transaction is subject to certain conditions.

On a pro forma basis, including the operations of Central Utah, Interactive's multimedia operations

consist of 53,800 access lines, 4,500 cable subscribers, 21,200 Internet subscribers, 3,500 CLEC customers, 750 alarm customers, 800 paging customers, and 9,500 long distance resale customers. In addition, through subsidiaries, Interactive holds licenses to provide various wireless telecommunication services: PCS (267,000 POPs) and cellular telephone (57,900 POPs).

Spectrum Initiatives

On February 23, 2001, Interactive distributed one share of Sunshine PCS Corporation (OTC:SUNPA) for each share of Interactive owned. Sunshine owns three 15 MHz licenses, all in Florida: Panama City, Tallahassee and Ocala. Interactive retained \$16.1 million (face value) of debt (Interactive's book basis is \$3.4 million), preferred stock with a liquidation value of \$10 million and 4.3 million warrants to acquire Sunshine PCS Class A common stock at \$0.75 per share.

In January 2001, Theta Communications, L.L.C., in which Interactive holds a minority position, acquired a 10 MHz license in Gainesville, Florida.

On September 21, 2000, Lynch Interactive announced that, through PTPMS II Communications, L.L.C. in which an Interactive subsidiary has a 49.9% investment, Interactive extended and enhanced its spectrum portfolio by being the winning bidder for three licenses in the 700 MHz Guard Band Auction for licenses covering a population ("POPs") of 6.4 million, in the cities of Buffalo, NY, Des Moines-Quad Cities, IA, El Paso, TX and Albuquerque, NM areas.

Betapage Communications, L.L.C., in which we are also a 49.9% investor, was awarded licenses in the 929MHz and 931MHz paging service auction. Betapage was the winning bidder for 24 paging licenses covering a population of 76.7 million. Betapage has filed to participate in the upcoming paging auction scheduled for June 2001.

PTPMS Communications, L.L.C., another 49.9% investor interest, participated in the 39MHz auction for point-to-point and point-to-multipoint data transmission and was the winning bidder for 22 licenses covering a population of 27.6 million.

Morgan's Operating Results

Revenues at The Morgan Group, Inc. fell to \$20.7 million in the three months ended March 31, 2001 from \$28.4 million in the same quarter last year. The lower revenues primarily reflected a continued industry-wide decline in manufactured housing shipments during the period. Morgan's EBITDA was a loss of \$0.2 million in the first quarter of this year versus a loss of \$0.6 million in the first quarter of last year.

Anthony T. Castor III, President and Chief Executive Officer of The Morgan Group, said: "Compounding the continuing weakness in demand for our customers in the manufactured housing industry were the typical seasonal effects that usually serve to reduce our operating revenues in the first quarter. We are obviously unwilling to wait for the expected favorable housing industry recovery to improve our financial results. Accordingly, we have implemented a management profit-improvement program for Morgan that targets positive EBITDA and net income for 2001 operating at these significantly reduced revenue levels."

Morgan Drive Away President, Michael J. Archual, reported that the Morgan's claims experience in the first quarter were favorable, with liability claim expense decreasing by 43% from the prior year and cargo claim expense decreasing by 64%. While partly due to lower revenue, improvement on a per-mile basis was registered also. Archual also noted that Morgan has obtained several significant new customer contracts that are beginning to produce additional revenue. According to Archual: "We expect that positive trends set in place during the year's opening months to persist as we continue to benefit from our cost-reduction initiatives and contributions from new business secured during the quarter." Shipments of manufactured homes tend to decline in the winter months in areas where poor weather conditions inhibit transport. This usually reduced operating revenues in

the first and fourth quarters of the year. Morgan's operating revenues, therefore, tend to be stronger in the second and third quarters.

Non-Consolidated Investments

Interactive also has investments in two network affiliated television stations, WOI-TV, an ABC affiliate, serving the Des Moines, Iowa market (70th largest in the U.S.) and WHBF-TV, a CBS affiliate, serving the Quad-Cities markets (88th largest in the U.S.); 1.0 million shares of Spinnaker Industries, Inc. (AMEX:SKK); 156,000 shares of Hector Communications, Inc. (AMEX:HCT); 162,000 shares of Tremont Advisers, Inc. Class B common stock (NASDAQ:TMAV); and the following investments in Sunshine PCS Corporation: a \$16.1 million note receivable, preferred stock with a liquidating preference of \$10.0 million, and warrants to acquire 4.3 million Class A Common Shares at \$0.75 per share. Interactive is considering ways to harvest these investments.

Other Dynamics

Subject to regulatory constraints, Interactive will continue to make open market purchases on its stock repurchase program and will continue to explore ways to reduce dilution.

On February 14, 2001, Interactive repurchased \$15.0 million of its \$25 million convertible note outstanding. This note is convertible into Interactive common stock at \$42.50 per share and the repurchase reduced the potential dilution of Interactive's shares outstanding by 353,000. Proceeds used to reacquire the note were obtained by refinancing one of Interactive's telephone operations.

In addition, Interactive reiterated that it is exploring a spin-off of a Newco that own interests in spectrum as well as explore opportunities in emerging technologies or participate in other spectrum auctions.

As previously announced, Lynch Interactive is searching for a president/chief operating officer who will accelerate efforts in expanding our broadband opportunities including wired and wireless telecommunications cable, CLEC, ISP, e-commerce and entry into new technologies.

Outlook

Interactive also reported that the internal targets for the multimedia operations for full year 2001 are for revenues of \$72 million and EBITDA of \$40 million. The attainment of such targets is predicated on continuation of current level of operations of the regulated telephone entities, closing its acquisition of Central Utah Telephone Company in the second quarter of 2001, and moderate spending in building up its CLEC operations as well as other factors.

The multimedia segment plans to invest \$28 million in capital expenditures during 2001 as compared to \$17 million in 2000.

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, replacement of credit facilities at Morgan, Interactive's potential investment in Morgan, additional equity offerings of Morgan, Interactive's divesture of investment in Morgan, possible spin-off of a Newco, the search for a new president, the contracted for acquisition of Central Utah Telephone, possible broadband acquisitions, spectrum investment and future spectrum auctions participation, and performance and financial targets for 2001. It should be recognized that such information is based upon certain assumptions, projections and forecasts, including without limitation business conditions and financial markets, regulatory approvals, and the cautionary statements set forth in documents filed by Lynch Interactive and The Morgan Group, Inc. with the Securities and Exchange Commission, as well as the Company's internal projections. 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

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Contact: Robert E. Dolan
Chief Financial Officer

Release 00-04

[Statements of Operations & Selected Balance Sheet Data](#)
(Three Months Ending March 31)

**Press Release
For Immediate Release**

LYNCH INTERACTIVE CORPORATION ANNOUNCES FORMATION OF KANSAS BROADBAND
CORPORATION

RYE, New York, May 29, 2001 - Lynch Interactive Corporation (AMEX:LIC) announced today that its Kansas telecommunications and cable operations will be placed under Gene Morris, President of Lynch Kansas Telephone Corporation. As part of this restructuring, Interactive's interest in CLR Video, L.L.C., a cable television operation in northeast Kansas, will come under Lynch Kansas Telephone Corporation. Lynch Kansas Telephone Corporation's name will be changed to Kansas Broadband Corporation.

This restructuring will provide each operation with the ability to provide our customer base with a more comprehensive set of service offerings as well as operational and cost efficiencies.

The restructuring is subject to renegotiation and approval of debt holders.

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 transfer of the CLR interest to Lynch Kansas Telephone Corporation, achievement of operational and cost efficiencies and improvements to its service offerings. It should be recognized that such information is based upon certain assumptions, projections and forecasts, including without limitation business conditions and financial markets, regulatory approvals, and the cautionary statements set forth in documents filed by Lynch Interactive and The Morgan Group, Inc. with the Securities and Exchange Commission, as well as the Company's internal projections. 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.

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Contact: Robert E. Dolan
Chief Financial Officer

Release 00-5

**Press Release
For Immediate Release**

**LYNCH INTERACTIVE CORPORATION ANNOUNCES CREATION OF THE OFFICE OF THE PRESIDENT
AT DUNKIRK & FREDONIA TELEPHONE COMPANY**

RYE, New York, June 14, 2001 - Lynch Interactive Corporation (AMEX:LIC) announced today the creation of the Office of the President at its Dunkirk & Fredonia Telephone Company in Fredonia, New York. Kurt Maytum, 38 and Mark Maytum, 34, have been promoted to this office.

Mark Maytum will be responsible for administration and management and Kurt's responsibility will be technology, public relations and corporate development. Robert A. Maytum ("Bob") will remain Chairman and Chief Executive Officer.

Mario J. Gabelli, Chairman of Lynch Interactive stated that, "This is terrific for all as it reconfirms the commitment to the Western New York communities where the Maytum family has served Dunkirk & Fredonia Telephone Company for over 100 years as a springboard for growth.

Lynch Interactive is extremely pleased to support the continuity of leadership that the Maytum family has afforded Dunkirk & Fredonia Telephone Company for over 100 years. Bob Maytum, himself, has been involved with the company for over 40 years and his leadership has been invaluable, not only for the success of Dunkirk & Fredonia, but also the communities for which it provides exemplary service. Mark and Kurt are eminently suited to continue the tradition and bring Dunkirk & Fredonia forward as we embark on a new century.

The company now operates as DFT Communications and offers in addition to local telephone service, long distance, wireless, Internet access and security systems throughout Western New York and Northeast Pennsylvania.

DFT Communications, a Lynch Interactive company, continues to offer the newest in telecommunication innovations and services to residential and business customers.

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Contact: Robert E. Dolan
Chief Financial Officer

Release 00-6

**Press Release
For Immediate Release**

LYNCH INTERACTIVE ANNOUNCES PROMOTIONS AT CENTRAL SCOTT TELEPHONE COMPANY

RYE, New York, June 18, 2001 - Lynch Interactive Corporation (AMEX:LIC) announced today that Norman Harvey has been promoted to Vice Chairman of Central Scott Telephone Company, located in Eldridge, Iowa.

Lynch Interactive Corporation is extremely pleased that Norm Harvey will continue to guide the operations of Central Scott in the future. His leadership over the last 44 years has been invaluable to both the operating success of the company as well as his exemplary service to the community in which it operates.

In addition, Lynch Interactive announced that Charles "Butch" Rebman will be promoted to President and Chief Operating Officer of Central Scott. Butch has been with Central Scott for over nine years, most recently as Vice President of Operations. He brings with him 29 years of experience in the industry and is eminently suited to take on this leadership role.

Central Scott provides telephone service to the communities of Eldridge, Donahue, Park View, Long Grove, and McCausland in southeastern Iowa.

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Contact: Robert E. Dolan
Chief Financial Officer

Release 00-7

CENTRAL UTAH TELEPHONE COMPANY JOINS LYNCH INTERACTIVE

RYE, New York, June 22, 2001 - Lynch Interactive Corporation (ASE:LIC) announced that it has completed the previously announced acquisition of Central Utah Telephone, Inc., located in Fairview, Utah. Central Utah and its subsidiaries, Skyline Telecom and Bear Lake Communications, Inc., serve approximately 7,700 access lines located in Rich, Cache, Carbon, Sanpete, Wasatch, Juab and Toole counties of Utah.

Also, Lynch Interactive has acquired Central Telcom Services, LLC, a related entity, which has certain PCS and MMDS interests and Internet, long distant and telephone equipment businesses in the State of Utah.

The aggregate purchase prices, including debt assumed, are roughly comparable to Lynch's most recent telephone acquisitions.

This transaction brings Lynch Interactive's total access lines to approximately 53,000 in 11 telephone companies. Central Utah marks the entry of Lynch's telephone operations to the State of Utah.

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Contact: Robert E. Dolan
Chief Financial Officer

Release 00-08

**Press Release
For Immediate Release**

LYNCH INTERACTIVE CORPORATION ANNOUNCES RECEIPT OF ADMINISTRATIVE FEE,
ACQUISITION OF MORGAN SHARES AND NOTES ACQUISITION OF TREMONT ADVISERS, INC.

RYE, New York, July 12, 2001 - Lynch Interactive Corporation (ASE:LIC) announced today that in the third quarter of 2001, it is expecting to record an administrative fee of \$2.7 million of pretax income (\$1.6 million or \$0.54 per share after income tax effects) relating to services provided in a previously conducted auction for PCS Spectrum.

Lynch Interactive has previously recorded other administrative fees as part of its ongoing activity in the wireless spectrum arena as an operator, investor and service provider in the auctions.

The fee is being used to finance Lynch Interactive's additional investment in the The Morgan Group, Inc. ("Morgan"). On July 12, 2001, the Morgan shareholders approved a transaction whereby Morgan sold to Lynch Interactive 1 million shares of its Class B Common Stock at \$2.00 per share. The acquisition of these shares increases Lynch Interactive's ownership in Morgan's equity to 68.5% and in Morgan's voting control to 80.8%.

Lynch Interactive also noted the recent announcement that Tremont Advisers, Inc. (NASDAQ:TMAV) ("Tremont") has reached an agreement by which Oppenheimer Acquisition Company, the parent of OppenheimerFunds, Inc. will acquire all of the outstanding shares of Tremont's common stock at \$19 per share.

Prior to 1992, Tremont was a subsidiary of Lynch Corporation. In that year, Lynch Corporation distributed a significant portion of its interest in Tremont to its shareholders via a rights offering. At that time, for each share of Lynch Corporation common stock owned, a shareholder received the right to acquire one share of Tremont's Class A Common Stock at \$0.40 per share. Since that time, these shares have split on a 5 to 4 basis on two separate occasions.

In 1999, Lynch Corporation split off to its shareholders one share of Lynch Interactive Corporation common stock for each share of Lynch Corporation common stock owned. As part of the spin off, Lynch Interactive assets included the remaining shares of Tremont which currently stand at 155,000 shares of Class B Common Stock.

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This release contains certain forward-looking information including but not limited to the final accounting of the administration fee, the proposed acquisition of Tremont by Oppenheimer Acquisition Company and other matters. It should be recognized that such information is based upon certain assumptions, projections and forecasts. As a result, such information is subject to uncertainties, risks and inaccuracies, which could be material.

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Contact: Robert E. Dolan
Chief Financial Officer

Release 01-09

**Press Release
For Immediate Release**

**LYNCH INTERACTIVE CORPORATION NAMES JOHN FIKRE AS VICE PRESIDENT-CORPORATE
DEVELOPMENT, SECRETARY & GENERAL COUNSEL**

RYE, New York, August 3, 2001 - Lynch Interactive Corporation (ASE:LIC) announces the appointment of John Fikre as Vice President-Corporate Development, Secretary & General Counsel. Lynch Interactive is very pleased with the addition of Mr. Fikre, who will further strengthen the corporate team. Mr. Fikre was formerly an associate at the law firm of Willkie Farr & Gallagher specializing in mergers and acquisitions.

Mr. Fikre holds an electrical engineering degree from Northwestern University and a law degree from Harvard Law School. He resides in Greenwich, Connecticut, with his wife and their three children.

Lynch Interactive is a diversified company with subsidiaries in multimedia and services, and actively seeks acquisitions, principally in existing business areas. Lynch Interactive was split off from Lynch Corporation on September 1, 1999. Lynch Interactive is listed on the American Stock Exchange under the symbol LIC. The Company's World Wide Web address is:
<http://www.lynchinteractivecorp.com>.

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Contact: Robert E. Dolan
Chief Financial Officer

Release 01-10

LYNCH INTERACTIVE CORPORATION REPORTS RECORD OPERATING RESULTS AND ANNOUNCES
PLAN TO SPIN OFF THE MORGAN GROUP

RYE, New York, August 17, 2001 - Lynch Interactive Corporation (ASE:LIC) second quarter revenues in its multimedia operations rose to a record \$17.5 million, 9% higher than the \$16.0 million a year earlier due to continued growth in non-regulated telephone services. EBITDA (earnings before interest, taxes, depreciation and amortization) climbed 8% to \$9.1 million from \$8.4 million for the three-month period ended June 30, 2001. Results were net of \$0.1 million in incremental development costs associated with initiatives in non-traditional wireline telephone operations.

In addition to its telecommunication and related multimedia businesses, Interactive has two portfolios of assets: investments in companies that it consolidates; notably The Morgan Group, Inc. (ASE: MG), and in investments in companies that Interactive does not consolidate, such as its broadcasting properties, stocks traded in the public arena, and investments in spectrum. At a meeting held today, Interactive's Board of Directors authorized management to pursue plans to spin off its investment in The Morgan Group. It is contemplated that the shares of Morgan would be placed into a wholly-owned Newco and that the shares of Newco would be distributed to Interactive's stockholders in a tax-free transaction.

Reflecting continuing declines in the manufactured housing industry, Morgan's revenues fell from \$30.4 million to \$25.4 million in the second quarter of 2000. Despite the \$5.0 million decline in revenues, EBITDA increased to \$0.7 million from \$0.4 million as a result of stringent cost cutting measures.

Including multimedia and consolidated investments, revenues for Interactive for the second quarter were \$42.9 million and EBITDA was \$9.0 million versus last year's \$46.5 million and \$7.9 million, respectively.

Amortization of Goodwill

In June 2001, the Financial Accounting Standards Board issued Statements of Financial Accounting Standards No. 141, Business Combinations, and No. 142, Goodwill and Other Intangible Assets, effective for fiscal years beginning after December 15, 2001. Under the new rules, goodwill and intangible assets deemed to have indefinite lives will no longer be amortized but will be subject to annual impairment tests in accordance with the Statements. Other intangible assets will continue to be amortized over their useful lives.

The Company has not yet completed its analysis on how the new rules will affect its accounting for goodwill and other intangible assets, implementation is required beginning in the first quarter of 2002. Based on a preliminary analysis, application of the non-amortization provisions of FAS 141 would have resulted in an increase in net income of \$2.3 million, \$0.75 per share, for the year ended December 31, 2000 and \$1.1 million, \$0.37 per share for the six months ended June 30, 2001.

Telephone Growth Initiatives

On June 22, 2001, Interactive completed the acquisition of Central Utah Telephone, Inc. and related entities of Fairview, Utah. Central Utah adds approximately \$8 million in annual revenues and 7,400 access lines to Interactive's operations.

On June 30, 2001, Interactive's multimedia operations consist of 53,200 access lines, 4,200 cable subscribers, 21,200 Internet subscribers, 3,700 CLEC customers, 790 alarm customers, 1,010 paging customers, and 12,200 long distance resale customers. In addition, through subsidiaries,

Interactive holds licenses to provide various wireless telecommunication services: PCS (422,000 POPs) and cellular telephone (57,900 POPs).

Spectrum Initiatives

On February 23, 2001, Interactive distributed one share of Sunshine PCS Corporation (OTC:SUNPA) for each share of Interactive owned. Sunshine owns three 15 MHz licenses, all in Florida: Panama City, Tallahassee and Ocala. Interactive retained \$16.1 million of debt, preferred stock with a liquidation value of \$10 million and 4.3 million, five year warrants to acquire Sunshine PCS Class A common stock at \$0.75 per share.

In January 2001, Theta Communications, L.L.C., in which Interactive holds a minority position, was the high bidder for a yet to be issued 10 MHz PCS license in Gainesville, Florida.

On September 21, 2000, Interactive announced that, through PTPMS II Communications, L.L.C., in which an Interactive subsidiary has a 49.9% investment, Interactive extended and enhanced its spectrum portfolio by acquiring three licenses in the 700 MHz Guard Band Auction covering a population ("POPs") of 6.4 million, in the cities of Buffalo, NY, Des Moines-Quad Cities, IA, El Paso, TX and Albuquerque, NM areas.

Betapage Communications, L.L.C., in which we are also a 49.9% investor, was awarded licenses in the 929MHz and 931MHz paging service auction. Betapage was the winning bidder for 24 paging licenses covering a population of 76.7 million.

PTPMS Communications, L.L.C., another 49.9% investor interest, participated in the 39MHz auction for point-to-point and point-to-multipoint data transmission and was the winning bidder for 22 licenses covering a population of 27.6 million.

The Morgan Group, Inc.

On July 12, 2001 Interactive purchased 1.0 million shares of Morgan's Class B common stock at \$2.00 per share, increasing Interactive's ownership in Morgan from 55.6% to 68.5%.

Revenues at The Morgan Group, Inc. fell to \$25.4 million in the three months ended June 30, 2001 from \$30.4 million in the same quarter last year. The lower revenues primarily reflected a continued industry-wide decline in manufactured housing shipments during the period. Morgan's EBITDA was \$0.7 million in the second quarter of this year versus \$0.4 million in the second quarter of last year reflect Morgan's cost cutting initiatives.

Anthony T. Castor, III, President and CEO of The Morgan Group, said: "Our business plan to enhance shareholder value is not reliant on improved conditions in the manufactured housing industry. Our objectives remain the same: to produce positive earnings and cash flow in 2001 despite the lower revenue base. Our cost initiatives and the related earnings improvements positively reinforce this strategy."

Non-Consolidated Investments

Interactive also has investments in two network affiliated television stations, WOI-TV, an ABC affiliate, serving the Des Moines, Iowa market (70th largest in the U.S.) and WHBF-TV, a CBS affiliate, serving the Quad-Cities markets (88th largest in the U.S.); 1.0 million shares of Spinnaker Industries, Inc. (AMEX:SKK); about 4%, or 156,000 shares, of Hector Communications, Inc. (AMEX:HCT); 102,000 shares of Tremont Advisers, Inc. Class B common stock (NASD:TMAV); and the following investments in Sunshine PCS Corporation: a \$16.3 million note receivable, preferred stock with a liquidating preference of \$10.0 million, and warrants to acquire 4.3 million Class A Common Shares at \$0.75 per share. Interactive is considering ways to harvest these investments.

Other Dynamics

Subject to regulatory constraints, Interactive will continue to make open market purchases on its stock repurchase program.

In addition, Interactive reiterated that it is exploring a spin-off of a Newco that would own interests in spectrum and would be well-positioned to explore opportunities in emerging technologies or participate in other spectrum auctions.

As previously announced, Interactive is searching for a president/chief operating officer who will accelerate efforts in expanding our broadband opportunities including wired and wireless telecommunications cable, CLEC, ISP, e-commerce and entry into new technologies.

Outlook Interactive reported that its pro forma target for the multimedia operations for full year 2001 are revenues of \$76 million and EBITDA of \$39 million. This compares to revenues of \$67 million and EBITDA of \$35 million for the year 2000. The attainment of such targets is predicated on continuation of current level of operations of the regulated telephone entities and moderate spending in building up its CLEC operations as well as other factors.

In addition, Interactive expects to record, in the third quarter of 2001, an administrative fee of \$2.7 million of pretax income (\$1.6 million or \$0.54 per share after income tax effects) relating to services provided in a previously conducted auction for PCS Spectrum. But the Company cautions that a write-down may be required on certain of its long term investments and/or assets.

The multimedia segment plans to invest \$18 million in capital expenditures during 2001 about the same as 2000.

On the management front, Mario J. Gabelli, Interactive's Chairman and Chief Executive Officer, today resigned as Chairman and Chief Executive Officer of Lynch Corporation. As a result, and taken together with the planned spin off of The Morgan Group, he will now focus more fully on Interactive's rural telephony business.

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, the planned spin off of Interactive's investment in Morgan, search for a new president, possible broadband acquisitions, spectrum investment and future spectrum auctions participation, and performance and financial targets for 2001. It should be recognized that such information is based upon certain assumptions, projections and forecasts, including without limitation business conditions and financial markets, regulatory approvals, and the cautionary statements set forth in documents filed by Interactive and The Morgan Group, Inc. with the Securities and Exchange Commission, as well as the Company's internal projections. 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.

Interactive is a diversified company with subsidiaries in multimedia and services, and actively seeks acquisitions, principally in existing business areas.

Interactive is listed on the American Stock Exchange under the symbol LIC. The Company's World Wide Web address is: <http://www.lynchinteractivecorp.com>.

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Contact: Robert E. Dolan
Chief Financial Officer

Release 01-11

[Statements of Operations & Selected Balance Sheet Data](#)
[\(Three Months Ending June 30\)](#)

**Press Release
For Immediate Release**

LYNCH INTERACTIVE CORPORATION REPORTS RECORD OPERATING RESULTS

RYE, New York, November 12, 2001 - Lynch Interactive Corporation (ASE:LIC) reported today that third quarter revenues from its operations rose to a record \$21.2 million, 18% higher than the \$17.9 million a year earlier with \$2.7 million of the growth attributed to inclusion of Central Utah Telephone Company, which was acquired on June 22, 2001, and continued growth in non-regulated telephone services.

EBITDA (earnings before interest, taxes, depreciation and amortization) from ongoing operations climbed 15% to a record \$11.2 million from \$9.8 million for the three-month period ended September 30, 2001, with Central Utah's inclusion offsetting the absence of last year's regulatory true up's in two of our telephone operations.

As part of its ongoing effort to focus Interactive on its core multimedia operations, Interactive expects to spin off all of its interest in The Morgan Group, Inc., which comprises its services segment. Accordingly, Morgan's results will be presented as a single line item under the caption "Operating results of The Morgan Group, Inc." Interactive expects to file a preliminary registration statement shortly.

Administrative Fee

In addition, Interactive recorded as fee income \$2.8 million pretax income (\$1.6 million, or \$0.58 per share after income tax effects) relating to services provided in a previously conducted auction for PCS Spectrum.

Amortization of Goodwill

In June 2001, the Financial Accounting Standards Board issued Statements of Financial Accounting Standards ("SFAS") No. 141, Business Combinations, and No. 142, Goodwill and Other Intangible Assets, effective for fiscal years beginning after December 15, 2001. Under the new rules, goodwill and intangible assets deemed to have indefinite lives will no longer be amortized but will be subject to annual impairment tests in accordance with the Statements. Other intangible assets will continue to be amortized over their useful lives.

While Interactive has not yet completed its analysis on how the new rules will affect its accounting for goodwill and other intangible assets, implementation of the new rules is required beginning in the first quarter of 2002. Based on Interactive's preliminary analysis, application of the non-amortization provisions of SFAS 142 would have resulted in an increase in net income of \$2.1 million, or \$0.68 per share, for the year ended December 31, 2000, and \$1.7 million, or \$0.56 per share, for the nine months ended September 30, 2001.

Spinnaker Write-Off

Interactive currently holds 1,000,000 shares of Spinnaker Industries, Inc., common stock. Spinnaker has reported significant losses this year due, in part, to restructuring and impairment reserve. On October 15, 2001, Spinnaker announced that it would not be making scheduled interest payments on its 10 3/4% Senior Notes and that it was actively negotiating with its creditors the consensual restructuring of its debt. While the Spinnaker shares may be viewed as worthless, Accounting Standards require us to write-down to quoted market price and only provide a \$1.3 million pre-tax impairment reserve (\$0.9 million, or \$0.30 per share, after income tax effect) rather than write-down our investment in Spinnaker to realizable values, net of tax benefit.

Telephone Growth Initiatives

On September 30, 2001, Interactive's multimedia operations consisted of 54,330 access lines,

2,940 cable subscribers, 21,950 Internet subscribers, 3,740 CLEC customers, 780 alarm customers, 980 paging customers, and 14,220 long distance resale customers. In addition, through its subsidiaries, Interactive holds licenses to provide various wireless telecommunication services: PCS licenses covering areas with an aggregate population of approximately 422,000 and cellular telephone licenses covering areas with an aggregate population of approximately 58,000.

Based upon access lines at December 31, 2000, Interactive is the 36th largest LEC (local exchange carrier) in the United States as reported in "Phone Facts & Telecom Trends 2001" published by the United States Telecom Association.

Spectrum Initiatives

On February 23, 2001, Interactive distributed one share of Sunshine PCS Corporation (OTC: SUNPA) for each share of Interactive owned. Sunshine owns three 15 MHz licenses, all in Florida: Panama City, Tallahassee and Ocala. Interactive retained \$16.1 million of debt, preferred stock with a liquidation value of \$10 million, and \$4.3 million five-year warrants to acquire Sunshine PCS Class A common stock at \$0.75 per share.

In January 2001, Theta Communications, L.L.C., in which Interactive holds a minority interest, was the high bidder for a yet to be issued 10 MHz PCS license in Gainesville, Florida

On September 21, 2000, Interactive announced that, through PTPMS II Communications, L.L.C., in which an Interactive subsidiary has a 49.9% investment, Interactive extended and enhanced its spectrum portfolio by acquiring three licenses in the 700 MHz Guard Band Auction covering a population of 6.4 million in the cities of Buffalo, New York, Des Moines-Quad Cities, Iowa, El Paso, Texas and Albuquerque, New Mexico.

Betapage Communications, L.L.C., in which Interactive is also a 49.9% investor, was awarded licenses in the 929MHz and 931MHz paging service auction. Betapage was the winning bidder for 24 paging licenses covering a population of 76.7 million.

PTPMS Communications, L.L.C., another 49.9% interest of Interactive, participated in the 39MHz auction for point-to-point and point-to-multipoint data transmission and was the winning bidder for 22 licenses covering a population of 27.6 million.

Other Investments

Interactive also has investments in two network affiliated television stations, WOI-TV, an ABC affiliate, serving the Des Moines, Iowa market (70th largest in the U.S.) and WHBF-TV, a CBS affiliate, serving the Quad-Cities markets (88th largest in the U.S.); and approximately 4%, or 156,000 shares, of Hector Communications, Inc. (AMEX: HCT).

Other Dynamics

At September 30, 2001, Interactive has \$201 million of total debt, \$138 million at fixed interest rates averaging 7% and \$63 million at variable interest rates averaging 5.6%.

Subject to regulatory constraints, Interactive will continue to make open market purchases pursuant to its stock repurchase program. We bought back 1,800 shares in October and have repurchased a total of 4,900 shares out of our total authorization of 100,000 shares.

Outlook

Interactive pro forma targets for the operations for full year 2001 are revenues of \$75 million and EBITDA of \$40 million. This compares to revenues of \$67 million and EBITDA of \$35 million for the year 2000. The attainment of such targets is predicated on continuation of current level of operations of the regulated telephone entities and moderate spending in building up its CLEC operations as well as other factors.

The multimedia segment plans to invest \$18 million in capital expenditures during 2001, which is

about the same as 2000. Current plans contemplate \$25 million in 2002.

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, the planned spin-off of Interactive's investment in Morgan, the search for a new president, possible broadband acquisitions, spectrum investment and future spectrum auctions participation, and performance and financial targets for 2001. It should be recognized that such information is based upon certain assumptions, projections and forecasts, including without limitation business conditions and financial markets, regulatory approvals, and the cautionary statements set forth in documents filed by Interactive and The Morgan Group, Inc. with the Securities and Exchange Commission. 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.

Interactive is a diversified company with subsidiaries in multimedia and services, and actively seeks acquisitions, principally in existing business areas.

Interactive is listed on the American Stock Exchange under the symbol LIC. The Company's World Wide Web address is: <http://www.lynchinteractivecorp.com>.

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Contact:

Robert E. Dolan
Chief Financial Officer
John Fikre
Vice President of Corporate Development
914/921-8821
Release 01-12

[Statements of Operations & Selected Balance Sheet Data](#)
[\(Three Months Ending September 30\)](#)

LYNCH INTERACTIVE CORPORATION REPORTS RECORD OPERATING RESULTS

RYE, New York, November 13, 2001 - Lynch Interactive Corporation (ASE:LIC) reported today that third quarter revenues from its operations rose to a record \$21.2 million, 18% higher than the \$17.9 million a year earlier with \$2.7 million of the growth attributed to inclusion of Central Utah Telephone Company, which was acquired on June 22, 2001, and continued growth in non-regulated telephone services.

EBITDA (earnings before interest, taxes, depreciation and amortization) from ongoing operations climbed 15% to a record \$11.2 million from \$9.8 million for the three-month period ended September 30, 2001, with Central Utah's inclusion offsetting the absence of last year's regulatory true up's in two of our telephone operations.

For the nine months ended September 30, 2001, revenues grew by \$6.4 million, or 13%, to \$55.8 million from the revenues of \$49.5 million for the nine months ended September 30, 2000. EBITDA grew by \$2.5 million, or 9%, to \$28.9 million for the three quarters ended September 30, 2001 as compared to \$26.4 million for the comparable period in the prior year.

As part of its ongoing effort to focus Interactive on its core multimedia operations, Interactive expects to spin off all of its interest in The Morgan Group, Inc., which comprises its services segment. Accordingly, Morgan's results will be presented as a single line item under the caption "Operating results of The Morgan Group, Inc." Interactive expects to file a preliminary registration statement shortly in order to proceed with the spin-off.

Administrative Fee

In addition, Interactive recorded as fee income \$2.8 million pretax income (\$1.6 million, or \$0.58 per share after income tax effects) relating to services provided in a previously conducted auction for PCS Spectrum.

Tremont Advisers, Inc.

On February 11, 1992, Lynch Corporation, at the time the parent company of Interactive's operations, provided its stockholders, via a rights offering, the opportunity to acquire one share of Tremont Advisers, Inc., Class A Common Stock at \$0.40 per share. Since that time, these shares have split on a five-for-four basis on two separate occasions. On October 1, 2001, Oppenheimer Funds, Inc., acquired all of Tremont's outstanding common stock at \$19.00 per share. Accordingly, the Lynch shareholders who participated in the rights offering and held those shares recognized a 56% compounded annual return on the shares acquired.

We congratulate Sandra Manzke and Robert Schulman on their success and thank them for their fine efforts over the years for both the Corporation and its stockholders.

Over the years, Lynch Corporation and Lynch Interactive have provided their stockholders, through spin-offs and rights offerings, with the opportunity to directly participate in the growth of selective assets. Such examples have been Tremont, as noted above, East/West Communications, Inc. in 1995, and most recently in 2001, Sunshine PCS Corporation. The spin-off of The Morgan Group, Inc. is in process. Interactive will continue to provide its stockholders with these types of opportunities.

Spinnaker Write-Off

Interactive currently holds 1,000,000 shares of Spinnaker Industries, Inc., Class A common stock.

Spinnaker has reported significant losses this year due, in part, to restructuring and impairment reserve. On October 15, 2001, Spinnaker announced that it would not be making scheduled interest payments on its 10 3/4% Senior Notes and that it was actively negotiating with its creditors the consensual restructuring of its debt. While the Spinnaker shares may be viewed as worthless, Accounting Standards require us to write-down to quoted market price and only provide a \$1.3 million pre-tax impairment reserve (\$0.9 million, or \$0.30 per share, after income tax effect) rather than write-down our investment in Spinnaker to realizable values, net of tax benefit.

On November 13, 2001, Spinnaker announced that it has commenced voluntary proceedings under Chapter 11 of the U.S. Bankruptcy Code for the purpose of facilitating and accelerating its financial restructuring. Spinnaker also announced that it has reached agreement, subject to Bankruptcy Court approval, with its existing lenders to provide up to \$30 million in debtor-in possession financing, which Spinnaker believes will allow it to continue operating its business in the ordinary and customary manner.

Interactive will continue to monitor its investment in Spinnaker and record further impairments of such investment if and when appropriate.

Amortization of Goodwill

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Subject to regulatory constraints, Interactive will continue to make open market purchases pursuant to its stock repurchase program. We bought back 1,800 shares in October and since the spin-off from Lynch Corporation in September 1999, have repurchased a total of 4,900 shares.

Outlook

Interactive pro forma targets for the operations for full year 2001 are revenues of \$75 million and EBITDA of \$40 million. This compares to revenues of \$67 million and EBITDA of \$35 million for the year 2000. The attainment of such targets is predicated on continuation of current level of operations of the regulated telephone entities and moderate spending in building up its CLEC operations as well as other factors.

The multimedia segment plans to invest \$18 million in capital expenditures during 2001, which is about the same as 2000. Current plans contemplate \$25 million in 2002.

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, the planned spin-off of Interactive's investment in Morgan, the search for a new president, possible broadband acquisitions, spectrum investment and future spectrum auctions participation, and performance and financial targets for 2001. It should be recognized that such information is based upon certain assumptions, projections and forecasts, including without limitation business conditions and financial markets, regulatory approvals, and the cautionary statements set forth in documents filed by Interactive and The Morgan Group, Inc. with the Securities and Exchange Commission. 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.

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Contact:

Robert E. Dolan

Chief Financial Officer

John Fikre

Vice President of Corporate Development

914/921-8821

Release 01-12

[Statements of Operations & Selected Balance Sheet Data](#)
[\(Three Months Ending September 30\)](#)

**Press Release
For Immediate Release**

LYNCH INTERACTIVE CORPORATION ANNOUNCES THE ACQUISITION OF AMERICAN ALARM
COMPANY

RYE, New York, December 4, 2001 - Lynch Interactive Corporation (ASE:LIC) announced today that its subsidiary DFT Security, Inc., acquired American Alarm Company. American Alarm provides alarm services to western New York, including the Buffalo metropolitan region. With the addition of American Alarm, DFT Security will expand its security business to over 6,000 customers. DFT Security will also be well positioned to promote the telephone and Internet services of its parent company DFT Communications Corporation to its new customer base.

Messrs. Mark and Kurt Maytum, who comprise the Office of President of DFT Security, Inc., commented that "we are very excited by the acquisition of American Alarm Company and its customers. We look forward to providing an outstanding level of service to our new customers and expanding our presence in the Buffalo area."

This press release contains certain forward-looking statements 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, which are intended to be covered by the safe harbors created thereby. Investors are cautioned that all forward-looking statements involve risks and uncertainty, including without limitation, future action or inaction by the Board of Directors of Lynch Interactive Corporation with respect to the matters referred to in this press release. Although Lynch Interactive believes that the assumptions underlying the forward-looking statements contained herein are reasonable, any of the assumptions could be inaccurate, and therefore, there can be no assurance that the forward-looking statements included in this press release will prove to be accurate. In light of the significant uncertainties inherent in the forward-looking statements included herein, the inclusion of such information should not be regarded as a representation by Lynch Interactive or any other person that the objectives and plans of Lynch Interactive will be achieved.

Lynch Interactive Corporation is a diversified company with subsidiaries in multimedia and services, and actively seeks acquisitions, principally in existing business areas. Our World Wide Web address is: <http://www.lynchinteractivecorp.com>.

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Contact: Robert E. Dolan
Chief Financial Officer

John Fikre
Vice President of Corporate Development

Release 01-13

**Press Release
For Immediate Release**

LYNCH INTERACTIVE CORPORATION ANNOUNCES RECORD DATE FOR SPIN-OFF OF MORGAN
GROUP HOLDING CO.

RYE, New York, December 7, 2001 - Lynch Interactive Corporation (ASE:LIC) announced today that its Board of Directors yesterday declared a dividend to Lynch Interactive's stockholders of record on December 18, 2001 (the "Record Date") of one share of Morgan Group Holding Co.'s common stock, par value \$.01 per share, for each share of Lynch Interactive's common stock, par value \$.0001 per share, outstanding on the Record Date. The distribution will take place on the later to occur of December 28, 2001, or as soon as practicable following the date that the Registration Statement filed by Morgan Group Holding Co. relating to such distribution is declared effective by the Securities and Exchange Commission.

Morgan Group Holding Co. is a newly formed corporation whose primary asset on the distribution date will be Lynch Interactive's equity interests in The Morgan Group, Inc. (ASE:MG). Morgan Group Holding Co.'s common stock is not listed or registered on any national securities exchange or automated quotation system, nor is any such listing or registration presently anticipated.

American Stock Transfer & Trust Company, located at 59 Maiden Lane, New York, New York, will serve as the distribution agent and will also serve as Morgan Group Holding Co.'s transfer agent following the spin-off.

This distribution will be made solely by means of a prospectus delivered to Lynch Interactive's stockholders. The registration statement of which such prospectus is a part has been filed with but not yet declared effective by the Securities and Exchange Commission. The distribution may not occur prior to the time such registration statement becomes effective. This press release shall not constitute an offer to buy, nor shall there be any distribution of these securities in any state or other jurisdiction in which such distribution would be unlawful prior to registration or qualification under the securities laws of any such state or other jurisdiction.

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Contact: Robert E. Dolan
Chief Financial Officer

John Fikre
Vice President of Corporate Development

Release 01-14

**LYNCH INTERACTIVE CORPORATION ANNOUNCES INTEREST IN PURSUING FRIENDLY
ACQUISITION OF CONESTOGA ENTERPRISES**

RYE, New York, December 12, 2001 - Lynch Interactive Corporation (ASE:LIC) announced today that it has sent a letter to the President of Conestoga Enterprises, Inc., informing Conestoga that Lynch Interactive would be prepared to offer to acquire through a merger all the outstanding common shares of Conestoga Enterprises, Inc. for \$33 per share, all cash, less any breakup fees to be paid by Conestoga to D&E Communications, Inc. Lynch Interactive believes that an all cash offer would be superior to D&E Communications' offer of cash and stock.

Lynch Interactive believes that there are many merits in joining Conestoga with Lynch Interactive. Lynch Interactive has a long history of making friendly acquisitions and then providing the support and resources to help the acquired management to continue to provide an excellent level of service to its customers.

Lynch Interactive would only make an offer on a friendly basis and will not proceed further without an indication that Conestoga's board of directors would be interested in considering such an offer.

Lynch Interactive's offer would be subject to customary conditions including the satisfactory completion of due diligence, obtaining any regulatory approvals that may be required, and execution of definitive documentation.

This press release contains certain forward-looking statements 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, which are intended to be covered by the safe harbors created thereby. Investors are cautioned that all forward-looking statements involve risks and uncertainty, including without limitation, future action or inaction by the Board of Directors of Lynch Interactive Corporation with respect to the matters referred to in this press release. Although Lynch Interactive believes that the assumptions underlying the forward-looking statements contained herein are reasonable, any of the assumptions could be inaccurate, and therefore, there can be no assurance that the forward-looking statements included in this press release will prove to be accurate. In light of the significant uncertainties inherent in the forward-looking statements included herein, the inclusion of such information should not be regarded as a representation by Lynch Interactive or any other person that the objectives and plans of Lynch Interactive will be achieved.

Lynch Interactive Corporation is a diversified company with subsidiaries in multimedia and services, and actively seeks acquisitions, principally in existing business areas. Our World Wide Web address is: <http://www.lynchinteractivecorp.com>.

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Contact: John Fikre
Vice President of Corporate Development

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**Press Release
For Immediate Release**

**LYNCH INTERACTIVE ANNOUNCES WITHDRAWAL OF INDICATION OF INTEREST TO PURCHASE
CONESTOGA**

RYE, New York, December 27, 2001 - Lynch Interactive Corporation (ASE:LIC) announced today that it has withdrawn its indication of interest to acquire Conestoga Enterprises, Inc.

On December 17, 2001, Conestoga stated that it would not pursue Lynch Interactive's indication of interest to acquire Conestoga for \$33 per share, all cash, less any breakup fees.

Lynch Interactive Corporation is a diversified company with subsidiaries in multimedia and services, and actively seeks acquisitions, principally in existing business areas. Our World Wide Web address is: <http://www.lynchinteractivecorp.com>.

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Contact: John Fikre
Vice President of Corporate Development

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