

**Press Release
For Immediate Release**

**JOSEPH C. FARINA IS NAMED AS PRESIDENT AND CHIEF OPERATING OFFICER OF LYNCH
INTERACTIVE**

RYE, New York, February 10, 2003 - Lynch Interactive Corporation (ASE:LIC) Joseph C. Farina, the former President and Chief Operating Officer of Genuity Inc., a provider of enterprise IP networking services, has been appointed as President and Chief Operating Officer of Lynch Interactive Corporation (ASE:LIC). Mr. Farina will report to our Chief Executive Officer, Mario J. Gabelli.

Lynch Interactive, based in Rye, NY, is a diversified holding company engaged in telecommunications, cable TV and broadcasting, personal communications and related wireless services.

"Joe shares Lynch Interactive's vision of providing the communities we serve with state-of-the-art telecommunications services, allowing the communities to be competitive and create jobs in the twenty-first century" Mr. Gabelli stated.

Fred Salerno, Lynch Interactive's Chairman, who was previously Vice Chairman of Verizon and has worked closely with Mr. Farina at Bell Atlantic and NYNEX, commented "We are very fortunate to have Joe join us as COO. He is a talented telecommunications executive who has extensive knowledge and experience in our industry."

Prior to serving as the President and Chief Operating Officer of Genuity Inc., Mr. Farina served in key management positions at Bell Atlantic, including as President and Chief Executive Officer of Bell Atlantic's Data Solutions Group, Executive Vice President-Operations Assurance for Bell Atlantic, and as both Vice President-Corporate Business Development of NYNEX Corporation, a Regional Bell Operating Company that is now part of Verizon, and President of the NYNEX Network Systems Company, leading NYNEX's international expansion into Europe and Asia. Mr. Farina holds a B.S. from Fordham University and an M.B.A. from St. John's University.

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Contact: Mario J. Gabelli
Chief Executive Officer
(914) 921-8821

Release 03-01

**Press Release
For Immediate Release**

LYNCH INTERACTIVE CORPORATION REITERATES PREVIOUS GUIDANCE AND PROVIDES FOURTH
QUARTER GUIDANCE

RYE, New York, February 27, 2003 - Lynch Interactive Corporation (ASE:LIC) In light of market conditions, Lynch Interactive Corporation (ASE: LIC) today reiterated its previous guidance on revenues and EBITDA for the year ended December 31, 2002 and provided guidance for the fourth quarter of 2002.

We continue to expect that revenues will exceed \$83 million and EBITDA from operations will be approximately \$43 million for the year ended December 31, 2002. It should be noted that this EBITDA excludes corporate expenses of approximately \$3.5 million as well as an approximate \$1 million write-off of receivables from MCI/Worldcom and Global Crossing. Accordingly, for the fourth quarter of 2002 revenues should approximate the \$21 million recorded in the fourth quarter of 2001, and EBITDA from operations (excluding corporate expenses) should approximate the \$10 million recorded in the fourth quarter of 2001. We expect to issue a press release with final audited year-end results during the third week of March 2003.

We also reiterate our previous guidance for 2003 that we expect revenues to exceed \$87 million, EBITDA to be between \$44 and \$45 million and capital expenditures to be approximately \$23 million.

EBITDA (earnings before interest, taxes, depreciation and amortization) is presented because it is widely accepted financial indicator of value and ability to incur and service debt. EBITDA is not a substitute for operating income or cash flows from operating activities in accordance with generally accepted accounting principles.

Other Fourth Quarter Activity

As previously announced, on November 29, 2002, we repurchased from Cascade Investment, LLC, the remaining outstanding \$10 million in principal amount of our 6% convertible notes at 105%.

The notes were convertible into Lynch Interactive's common stock at a conversion price of \$42.50 per share, which represented 235,294 shares, or approximately 7.7% of the outstanding shares of common stock on a fully converted basis.

We also continue to actively seek acquisitions of rural telephone companies and during the fourth quarter of 2002 we were in discussions with several potential sellers. We believe that prices are continuing to come down, resulting in potentially attractive acquisitions.

Since September 30, 2002, as part of our stock acquisition program, we have reacquired 4,900 shares of our common stock, 3,600 of which were repurchased in the fourth quarter of 2002.

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 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 actively seeks acquisitions, principally in existing business areas. Our World Wide Web address is:
<http://www.lynchinteractivecorp.com>.

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Contact: Mario J. Gabelli
Chief Executive Officer
(914) 921-8821

Release 03-02

**Press Release
For Immediate Release**

LYNCH INTERACTIVE CORPORATION CONSIDERING OFFERING OF CONVERTIBLE NOTES AND
WARRANTS

RYE, New York, Month Day, 2003 - Lynch Interactive Corporation (ASE:LIC) announced that it planned to issue transferable rights to its common stockholders entitling them to purchase units consisting of a zero-coupon convertible note and a warrant to acquire shares of its common stock. Lynch Interactive anticipates raising approximately \$14 million in the planned rights offering, which it now expects to take place during the second quarter of 2003.

The terms of the rights offering, including the exercise price and the number of units into which rights are exercisable, will be determined on or prior to the issuance of the rights. The zero-coupon convertible note is expected to have a five-year maturity and an initial conversion price of \$40 per share, which then declines by 1% per month until maturity. The warrant is expected to have a ten-year term and will entitle the holder to purchase 25 shares of common stock at an exercise price of \$60 per share. The company will have a one-time right to reduce the exercise price of the warrant by 30% for a sixty-day period at any time when the trading price of the common stock exceeds \$60.00 for a period of at least ten consecutive days.

The purpose of the offering is to raise capital for future acquisitions and general corporate purposes.

The rights offering will be made solely by means of a prospectus delivered to Lynch Interactive stockholders. The registration statement of which such prospectus is a part has neither been filed with nor declared effective by the Securities and Exchange Commission. These securities may not be sold, nor may offers to subscribe for them be accepted, prior to the time such registration statement becomes effective. This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any state or other jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or other jurisdiction.

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 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 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

(914) 921-8821

Release 03-03

**Press Release
For Immediate Release**

LYNCH INTERACTIVE CORPORATION REPORTS FOURTH QUARTER OPERATING RESULTS

RYE, New York, March 26, 2003 - Lynch Interactive Corporation (ASE:LIC) reported today that fourth quarter revenues were \$21.2 million, 2.4% higher than the \$20.8 million of revenues for the fourth quarter of 2001.

Operating profit for the fourth quarter of 2002 was \$3.6 million compared to \$3.7 million for the fourth quarter of 2001.

Fourth quarter EBITDA (earnings before interest, taxes, depreciation and amortization) before corporate expenses was \$9.6 million, down slightly from \$9.7 million in the fourth quarter of 2001. Corporate expenses for the three months ended December 31, 2002 and 2001 were \$1.1 million and \$0.8 million, respectively.

See attachment A for an explanation of why EBITDA provides useful information to our investors and see attachment B for a reconciliation of EBITDA to operating profit.

Telephone Growth Initiatives

As of the end of 2002, Interactive's multimedia operations consist of 53,600 access lines, 2,900 cable subscribers, 22,000 Internet subscribers, 5,000 CLEC customers, 6,500 alarm customers, 700 paging customers, 14,700 long distance resale customers, 1,400 DSL customers and PCS licenses covering areas with an aggregate population of approximately 380,900. Access lines were essentially flat but the Company's other operations displayed good growth in 2002. Interactive internet subscribers were up by 2.1%, alarm customers grew by 16.1%, CLEC customers were up by 25.5%, and Long Distance Resale customers grew by 4.8% and DSL customers were up by 173.8%.

In addition, Interactive owns approximately 4.3% of Hector Communications, Inc. (AMEX:HCT), a 30,000 access line provider of telecommunications and cable service, primarily in Minnesota.

Wireless Initiatives

During 2002, Interactive was the successful bidder for eight 700 MHz licenses in the 2002. The markets included are Reno, NV; Santa Barbara, CA; Des Moines, IA; Quad Cities area of Davenport and Bettendorf, IA and Rock Island and Moline, IL; Las Cruces, NM; Elmira, NY; and two RSAs in the western part of New Mexico. Total population covered by these licenses is approximately 1.7 million and each license represents 12 MHz of spectrum.

Interactive has two minority-owned investments in cellular operations in New Mexico covering a net population of 35,000.

In November 2002, Interactive exchanged \$18.5 million in Subordinated Notes with Sunshine for \$14.5 million of Sunshine Preferred Stock. In this restructuring, Interactive forgave \$4.0 million of the subordinated notes by exchanging them for (a) \$12.5 million liquidation value of a non-convertible preferred stock and (b) \$2.0 million liquidation value of a convertible preferred stock, which is convertible into in Sunshine Class A Common Stock at \$1.00 per share. This exchange significantly strengthens Sunshine's balance sheet and improves its prospect for long-term survival.

Broadcasting

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.). Boosted by higher political

advertising, these station's fourth quarter revenues on a combined basis improved by 48% and fourth quarter broadcasting cash flow improved by over 80% on a combined basis from the previous year.

Stock Repurchase Program

Interactive will continue to make open market purchases of its common stock pursuant to its stock repurchase program. During 2002, we bought back 27,400 shares, 3,600 of which were acquired in the fourth quarter, at an acquisition price of approximately \$955,406. In addition, 2,000 shares were acquired since December 31, 2002.

Capital Expenditures

Interactive invested \$24 million in capital expenditures during 2002. Current plans contemplate about \$20 million in capital expenditures in 2003, of which approximately one third is for growth initiatives, which will be financed from external sources, and the remainder to maintain our state-of-the-art network.

Outlook

For the full year ended December 31, 2003, Interactive projects that revenues will exceed \$87 million, operating profit is expected to be approximately \$21 million and EBITDA before corporate expenses should be in the \$44 million range. The difference between our projected operating profit and projected EBITDA before corporate expenses is attributable to our projected corporate expenses of \$3.7 million and projected depreciation and amortization of \$20 million.

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, possible broadband acquisitions, spectrum investment and future spectrum auctions participation, and performance and financial targets for 2002. It should be recognized that such information is based upon certain assumptions, projections and forecasts, including without limitation business conditions and financial markets, regulatory actions and initiatives, and the cautionary statements set forth in documents filed by Interactive 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 holding company with subsidiaries in multimedia and actively seeks acquisitions, principally in existing business areas.

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

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Contact: Joseph C. Farina
President and Chief Operating Officer
(914) 921-8821

Release 03-04

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

**Press Release
For Immediate Release**

LYNCH INTERACTIVE ANNOUNCES GUIDANCE ON OPERATING RESULTS FOR FIRST QUARTER 2003

RYE, New York, April 30, 2003 - Lynch Interactive Corporation (ASE:LIC) announced today that it is currently estimating that revenues for the three months ended March 31, 2003 would approximately equal the revenues for the three months ended March 31, 2002 of \$20.1 million. As a result of higher expenses and depreciation, operating profit is expected to decrease by approximately 10% from the same period last year. EBITDA (earnings before interest, taxes, depreciation and amortization) is expected to be down slightly from the \$10.1 million of EBITDA reported in the same period last year. The Company cautions that these estimates are preliminary and subject to final closing procedures and review by the Company's independent auditors.

EBITDA is presented because it is a widely accepted indicator of value and ability to incur and service debt. The Company utilizes EBITDA as one of its metrics for valuing potential acquisitions. EBITDA is not a substitute for operating profit determined in accordance with generally accepted accounting principles (\$5.2 million for three months ended March 31, 2002). The difference between EBITDA and operating profit is depreciation and amortization.

In addition, as part of its on-going effort to acquire local telephone companies, the Company announced that it is in detailed negotiations regarding a potential acquisition of a local exchange company with approximately the same amount of access lines as our most recent acquisition, Central Utah Telephone Company.

Additionally, Interactive is in preliminary discussions with an affiliated company, in which it owns a minority position, regarding a potential sale. Interactive had made a substantial investment in this entity and will record a significant cash loss. The Company had previously recognized a book loss on this investment and accordingly should recognize a book gain in the final settlement if it should occur.

Finally, the Company wishes to clarify a statement made in its Annual Report to Stockholders by its Chief Executive Officer, who noted that he was "examining the strategy of selling my [Lynch Interactive Corporation] shares but keeping the vote..." The Chief Executive Officer has advised the Company that his strategy is evolving and is not in any way finalized. Notwithstanding that, it is the Company's understanding that he intends to participate in the rights offering for convertible debt.

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

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, possible broadband acquisitions, spectrum investment and future spectrum auctions participation, and performance and financial targets for 2002. It should be recognized that such information is based upon certain assumptions, projections and forecasts, including without limitation business conditions and financial markets, regulatory actions and initiatives, and the cautionary statements set forth in documents filed by Interactive 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:

Joseph C. Farina
President & Chief Operating Officer
(914) 921-8821

Release 03-05

**Press Release
For Immediate Release**

LYNCH INTERACTIVE CORPORATION REPORTS FIRST QUARTER OPERATING RESULTS

RYE, New York, May 14, 2003 - Lynch Interactive Corporation (ASE:LIC) reported today that first quarter revenues were \$21.3 million, 1.6% higher than the \$21.0 million of revenues for the first quarter of 2002. Revenues increased as a result of higher unregulated revenues and interstate access revenues offset by lower intra-state access revenues.

Operating profit for the first quarter of 2003 was \$4.8 million compared to \$5.2 million for the first quarter of 2002. Operating profit decreased as a result of higher operating expenses and depreciation.

First quarter EBITDA (earnings before interest, taxes, depreciation and amortization) was \$9.7 million, down slightly from \$10.1 million in the first quarter of 2002.

See [attachment A](#) for an explanation of why EBITDA has provided useful information to our investors and see [attachment B](#) for a reconciliation of EBITDA to operating profit.

Telephone Operations

Interactive's multimedia operations consist of 53,600 access lines, 2,800 cable subscribers, 21,000 Internet subscribers, 5,300 CLEC customers, 6,600 alarm customers, 700 paging customers, 15,000 long distance resale customers, 1,700 DSL customers and PCS licenses covering areas with an aggregate population of approximately 380,900. Access lines and internet subscribers were essentially flat year over year for the quarter but the Company's other operations displayed solid growth. Interactive's alarm customers grew by 7.4%, CLEC customers were up by 31.5%, long distance resale customers grew by 7.4% and DSL customers were up by 128.5%.

In addition, Interactive owns approximately 4.3% of Hector Communications, Inc. (AMEX:HCT), a 30,000 access line provider of telecommunications and cable service, primarily in Minnesota.

Wireless Operations

Interactive has two minority-owned investments in cellular operations in New Mexico covering a net population of 35,000. On a combined basis, cellular subscribers grew by 17.8% from the end of March 2002.

Interactive also owns eight 700 MHz licenses. The markets include Reno, NV; Santa Barbara, CA; Des Moines, IA; Quad Cities areas of Davenport and Bettendorf, IA and Rock Island and Moline, IL; Las Cruces, NM; and Elmira, NY. Total population covered by these licenses is approximately 1.7 million and each license represents 12 MHz of spectrum.

Broadcasting

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.).

Stock Repurchase Program

Interactive will continue to make open market purchases of its common stock pursuant to its stock repurchase program. During the three months ended March 31, 2003, Interactive bought back 2,000 shares and since the inception of the program has acquired 37,400 shares at a total cost of \$1,315,000. In addition, 3,100 shares were acquired since March 31, 2003.

Capital Expenditures

Interactive invested \$4.2 million in capital expenditures during the first quarter of 2003. Current plans contemplate about \$20 million in capital expenditures in 2003, of which approximately one third is for growth initiatives, which will be financed from external sources, and the remainder for maintaining our state-of-the-art network.

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, possible broadband acquisitions, spectrum investment and future spectrum auctions participation, and performance and financial targets for 2002. It should be recognized that such information is based upon certain assumptions, projections and forecasts, including without limitation business conditions and financial markets, regulatory actions and initiatives, and the cautionary statements set forth in documents filed by Interactive 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 holding company with subsidiaries in multimedia and actively seeks acquisitions, principally in existing business areas.

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

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Contact: Joseph C. Farina
President and Chief Operating Officer

Release 03-06

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

Attachment A

Use of EBITDA

EBITDA is presented because it is a widely accepted financial indicator of transaction values and ability to incur and service debt. The Company utilizes EBITDA as one of its metric for valuing potential acquisitions. EBITDA is not a substitute for operating profit determined in accordance with generally accepted accounting principles (\$4.8 million and \$5.2 million for the three months ended March 31, 2003 and 2002, respectively).

**Press Release
For Immediate Release**

LYNCH INTERACTIVE CORPORATION ANNOUNCES RESULTS OF RECENT FCC AUCTION NO. 49 OF
LOWER 700 MHZ SPECTRUM

RYE, New York, June 17, 2003 - Lynch Interactive Corporation (ASE:LIC) announced today that Lynch 3G Communications Corporation ("Lynch 3G"), a wholly owned subsidiary, was high bidder for four licenses in the Lower 700 MHz Auction No. 49 conducted by the Federal Communications Commission, which closed on Friday, June 13.

The markets in which Lynch 3G was the high bidder are Dubuque, IA, Gogebic, MI, San Juan, NM and Chautauqua, NY.

The total amount bid for these licenses was \$620,000 and the total population covered by these licenses is approximately 1.1 million. Each license represents 12 MHz of spectrum. The grant of the licenses for which Lynch 3G was high bidder is subject to the FCC review process.

The Company noted that it had also participated in the prior FCC auction of the Lower 700 MHz (Auction No. 44) in 2002. The San Juan, NM, license, for which the Company had withdrawn its bid in Auction No. 44, was successfully rebid on by the Company in Auction No. 49.

Subject to FCC review, the Company now has a total of twelve licenses in the Lower 700 MHz band covering a population of approximately 2.8 million. The Auction No. 44 licenses purchased by the Company are: Reno, NV; Santa Barbara, CA; Des Moines, IA; Quad Cities area of Davenport and Bettendorf, IA and Rock Island and Moline, IL; Las Cruces, NM; Elmira, NY; and two RSAs in the western part of New Mexico.

Interactive is a holding company with subsidiaries in multimedia 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>.

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. As a result, such information is subject to uncertainties, risks and inaccuracies, which could be material.

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John Fikre
Vice President of Corporate Development

Release 03-07

**Press Release
For Immediate Release**

JOSEPH C. FARINA TO PURSUE OTHER INTERESTS

RYE, New York, June 25, 2003 - Lynch Interactive Corporation (ASE:LIC) announces the planned departure of Joseph Farina, President and COO on June 30, 2003. Farina said, "Though I had a short and enjoyable stay at Lynch, I have decided that I prefer to pursue larger scale opportunities in the telecommunication sector after a much needed sabbatical with my family." Mr. Frederic V. Salerno, Chairman of Lynch said, "We wish Joe success in his future endeavors and appreciate his leadership while at Lynch."

Lynch Interactive, based in Rye, NY, is a diversified holding company engaged in telecommunications, cable TV and broadcasting, personal communications and related wireless services.

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Contact: Mario J. Gabelli
Chief Executive Officer

Release 03-08

**Press Release
For Immediate Release**

LYNCH INTERACTIVE CORPORATION REPORTS SECOND QUARTER OPERATING RESULTS

RYE, New York, August 15, 2003 - Lynch Interactive Corporation (ASE:LIC) reported second quarter revenues of \$21.3 million, 1.2% higher than the \$21.1 million of revenues for the second quarter of 2002. Revenues increased as a result of higher inter-state access revenues offset by lower intra-state access revenues.

Operating profit for the second quarter of 2003 was \$4.7 million compared to \$4.5 million for the second quarter of 2002. The second quarter of 2002 included a \$0.7 million allowance for doubtful accounts as a result of the bankruptcies of MCI/WorldCom and Global Crossings. In addition, the second quarter of 2003 included a \$0.3 million bonus accrual under the Company's shareholder approved Principal Executive Compensation Program.

Second quarter EBITDA (earnings before interest, taxes, depreciation and amortization) was \$9.6 million, up from \$9.2 million in the second quarter of 2002 reflecting the higher inter-state revenues.

Under the requirements of the Sarbanes-Oxley Act of 2002, when a non-GAAP measure is used an explanation on reconciliation is required. Accordingly, see [attachment A](#) for an explanation of why EBITDA has provided useful information to our investors and see [attachment B](#) for a reconciliation of EBITDA to operating profit.

Telephone Operations

Interactive's multimedia operations consist of 52,547 access lines, 2,800 cable subscribers, 21,000 Internet subscribers, 5,400 CLEC customers, 6,700 alarm customers, 700 paging customers, 15,000 long distance resale customers, 1,700 DSL customers and PCS licenses covering areas with an aggregate population of approximately 380,900. Both the access lines and Internet subscribers dropped by 1,700 and 400 respectively due to summer break at the State University of New York at Fredonia. Adjusting for this seasonal variance, access lines were unchanged over the last year but most of the Company's other operations displayed solid growth. Interactive's alarm customers grew by 2.6%, CLEC customers were up by 8.7%, long distance resale customers grew by 3.9% and DSL customers were up by 28.4%. Dial-up Internet subscribers are down by 5% from the previous year, June 30, 2002, due to growth in DSL, some of which is provided by us if the customers are in our serving territory, and other higher speed access lines.

In addition, Interactive owns approximately 4.3% of Hector Communications, Inc. (AMEX:HCT), a 30,000 access line provider of telecommunications and cable service, primarily in Minnesota.

Wireless Operations

The Company has recently announced the acquisition of four licenses in the Lower 700 MHz Auction which ended on June 13, 2003, which cover a total population of 1.1 million. The licenses were Dubuque, IA, Gogebic, MI, San Juan, NM and Chautauqua, NY. In addition from an auction that was held in 2002, Interactive also owns eight 700 MHz licenses in Reno, NV; Santa Barbara, CA; Des Moines, IA; Quad Cities areas of Davenport and Bettendorf, IA and Rock Island and Moline, IL; Las Cruces, NM; and Elmira, NY. Total population covered by these licenses is approximately 1.7 million and each license represents 12 MHz of spectrum.

Interactive owns three classes of preferred stock, with a total liquidation preference of \$26.2 million, in Sunshine PCS Corporation (BB:SUNPA) as well as 4.3 million warrants to acquire shares of Sunshine's Class A Common Stock, at \$0.75 per share, and 284,000 shares of Sunshine Class A Common Stock. The total book value of these investments on Interactive's books is \$3.6 million.

Sunshine continues to search for a viable long-term strategy. Interactive believes that it will recover more than its current book value from its investment in Sunshine but ultimately does not believe it will receive full liquidation preference on the preferred.

Interactive has two minority-owned investments in cellular operations in New Mexico covering a net population of 35,000. On a combined basis, cellular subscribers grew by 17.8% from the end of March 2002.

Broadcasting

Interactive also has two network affiliated television stations, a 50% interest in Station WOI-TV, an ABC affiliate, serving the Des Moines, Iowa, market (70th largest in the U.S.) and owns a 20% interest in Station WHBF-TV, a CBS affiliate, serving the Quad-Cities markets (88th largest in the U.S.).

Stock Repurchase Program

Interactive will continue to make open market purchases of its common stock pursuant to its stock repurchase program. During the three months ended June 30, 2003, Interactive bought back 7,900 shares at an average cost of \$21.65 and since the inception of the program has acquired 42,200 shares at a total cost of \$1,418,000.

Capital Expenditures Interactive invested \$5.7 million in capital expenditures during the second quarter of 2003. Current plans contemplate about \$22 million in capital expenditures in 2003, of which approximately one third is for growth initiatives, which will be financed from external sources, and the remainder for maintaining our state-of-the-art network.

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, possible broadband acquisitions, spectrum investment and future spectrum auctions participation, and performance and financial targets for 2002. It should be recognized that such information is based upon certain assumptions, projections and forecasts, including without limitation business conditions and financial markets, regulatory actions and initiatives, and the cautionary statements set forth in documents filed by Interactive 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

Release 03-09

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

Attachment A

Use of EBITDA

EBITDA is presented because it is a widely accepted financial indicator of transaction values and ability to incur and service debt. The Company utilizes EBITDA as one of its metric for valuing potential acquisitions. EBITDA is not a substitute for operating profit determined in accordance with generally accepted accounting principles (\$4.7 million and \$4.5 million for the three months ended June 30, 2003 and 2002, respectively).

**Press Release
For Immediate Release**

LYNCH INTERACTIVE CORPORATION ANNOUNCES AGREEMENT TO REDEEM PREFERRED STOCK OF
SUNSHINE PCS CORPORATION RESULTING IN CASH AND ECONOMIC LOSS

RYE, New York, August 18, 2003 - Lynch Interactive Corporation (ASE:LIC) announced today that as part of the transaction that was recently announced by Sunshine PCS Corporation (OTC:SUNPA.PK) pursuant to which Sunshine has agreed to sell its three PCS licenses to Cingular Wireless for a total of \$13.75 million Lynch Interactive has agreed to accept \$7.2 million in exchange for all its preferred stock of Sunshine. At June 30, 2003, all such preferred stock had a liquidation value of \$26.2 million and a cash cost to Lynch Interactive of \$21 million.

The final accounting for this transaction will be recorded when the sale of the licenses is consummated and will take into account the proceeds received by Lynch Interactive as well as certain indemnification obligations.

This transaction will result in substantial cash and economic loss to Lynch Interactive.

However, it is important to note that Lynch Corporation reserved for this potential loss and, indeed, appears to have over-reserved for book purposes. The perception of an over supply of spectrum, operating difficulties of many companies in the wireless industry and a bleak outlook by Wall Street analysts contributed to Sunshine's difficulties and also resulted in the bankruptcies of many of the companies that participated in PCS auctions, the most visible of which is Nextwave Telecom Inc.

In 1995, Lynch Corporation invested in the Federal Communications Commission's auction for C-Block PCS spectrum through various partnerships which formed the basis of Sunshine. At that time, Lynch Corporation invested approximately \$21 million. In 1997, as part of an FCC restructuring program, Fortunet returned to the FCC 28 licenses and half of the spectrum of the remaining three licenses, thereby retaining 15 MHz of spectrum in the three Florida cities of Tallahassee, Panama City and Ocala.

In 1999, Lynch Corporation spun off Lynch Interactive to its shareholders. In 2001, Lynch Interactive spun off most of its common equity investment in Sunshine.

Lynch Interactive, based in Rye, NY, is a diversified holding company engaged in telecommunications, cable TV and broadcasting, personal communications and related wireless services.

Lynch Interactive's World Wide Web address is: <http://www.lynchinteractivecorp.com>

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, possible broadband acquisitions, spectrum investment and future spectrum auctions participation, and performance and financial targets for 2003. It should be recognized that such information is based upon certain assumptions, projections and forecasts, including without limitation business conditions and financial markets, regulatory actions and initiatives, and the cautionary statements set forth in documents filed by Lynch Interactive 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: Mario J. Gabelli
Chief Executive Officer

Release 03-10

**Press Release
For Immediate Release**

LYNCH INTERACTIVE CORPORATION APPOINTS EVELYN JERDEN AS SENIOR VICE PRESIDENT -
OPERATIONS

RYE, New York, September 2, 2003 - Lynch Interactive Corporation (ASE:LIC) is privileged to announce that Evelyn Jerden has been promoted to Senior Vice President - Operations.

Evelyn joined Lynch in 1992 at our Western New Mexico Telephone Company, Inc. She has worked on Rural Local Exchange Carrier (RLEC) issues since 1979 when she began her telecommunications career with Ernst & Young's Telecommunications Group. She was a member of the Rural Task Force appointed by the Federal/State Joint Board on Universal Service to review the universal service support mechanisms for RLECs. Evelyn currently serves as the Co-Chairperson of the Western Alliance and is a member of the National Exchange Carrier Association's (NECA's) Cost Issue Task Group, National Rural Telecom Association's (NRTA's) Regulatory and Legislative Committee, and the United States Telephone Association's (USTA) Regulatory Tactics, Universal Service, Intercarrier Compensation and Separations, Access and Pricing committees.

In addition to her roles at Western New Mexico, she will serve as the interface between our Chief Executive Officer, Mario J. Gabelli, and our Chairman, Frederic V. Salerno, and the Presidents of the fourteen telephone companies that constitute the Lynch Interactive family. She will assist in making sure that our telephone operations remain world-class by having available the best broadband telephone and world-class communications services.

Ms. Jerden will continue to operate out of her office in Arizona.

Mario Gabelli said, "This is terrific that we have the depth and quality of individuals that are recognized by their peers and are knowledgeable about the telecom business and serve both the interest of all of the rural communities as well as those who belong to Lynch Interactive."

Fred Salerno added, "Evelyn's knowledge of the rural telephone business is second to none. Her coming on board will aid Lynch Interactive not just in the tactical day-to-day improvement of service to these communities, but she will also help implement our strategic vision for the future."

Lynch Interactive, based in Rye, NY, is a rural local exchange carrier (RLEC) with 52,547 access lines at June 30, 2003, and is also engaged in cable television, television broadcasting, personal communications and related wireless services.

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Contact: Mario J. Gabelli
Chief Executive Officer
Release 03-11

**Press Release
For Immediate Release**

LYNCH INTERACTIVE CORPORATION REPORTS THIRD QUARTER OPERATING RESULTS

RYE, New York, November 13, 2003 - Lynch Interactive Corporation (ASE:LIC) reported third quarter revenues of \$22.3 million, 2.9% lower than the \$23.0 million of revenues for the third quarter of 2002. Revenues decreased primarily as a result of lower inter-state access revenues, which were due to changes in the amount of regulatory true-ups made in the first two quarters, and lower intra-state access revenues, which were due to the effects of regulatory initiatives in certain state jurisdictions. Non-regulated revenues (security, CLEC, ISP, etc.) were up by \$0.5 million during the quarter.

During a given year, telecommunications providers, who participate in the National Exchange Carrier Association ("NECA") pools and who are regulated based upon a rate of return model, estimate their inter-state access revenue streams. During the next year, the estimate is "true-up" to actual financial data and filed with the NECA. The adjustments reflecting the "true-up" are then recorded in the third quarter of the following year. During the third quarter of 2003, Interactive recognized \$0.7 million of "true-up" revenue whereas during the third quarter of 2002 Interactive recognized \$1.1 million of true-up revenue.

Operating profit for the third quarter of 2003 was \$5.4 million compared to \$5.9 million for the third quarter of 2002. The above-noted lower inter and intra state access revenues were the primary factors resulting in this decrease.

Third quarter EBITDA (earnings before interest, taxes, depreciation and amortization) was \$10.4 million, down from \$10.7 million in the third quarter of 2002.

See [Attachment A](#) for an explanation of why EBITDA is useful information to our investors and see [Attachment B](#) for a reconciliation of EBITDA to operating profit.

Telephone Operations

Interactive's multimedia operations consist of 54,000 access lines, 2,700 cable subscribers, 20,000 Internet subscribers, 5,600 CLEC customers, 6,700 alarm customers, 700 paging customers, 15,300 long distance resale customers, 2,400 DSL customers and PCS licenses covering areas with an aggregate population of approximately 380,900. Access lines were down slightly from the same time last year but most of the Company's other operations displayed solid growth. Interactive's alarm customers grew by 2.6%, CLEC customers were up by 15.9%, long distance resale customers grew by 6.1% and DSL customers were up by 149%. Dial-up Internet subscribers were down by 18.0% from September 30, 2002, which we believe is due to growth in DSL and other higher speed access lines.

In addition, Interactive owns approximately 4.3% of Hector Communications, Inc. (AMEX:HCT), a 30,000 access line provider of telecommunications and cable service primarily in Minnesota.

Sunshine PCS Corporation

Sunshine PCS Corporation, in which Interactive has investments of preferred stock, common stock and warrants, has agreed to sell its three PCS licenses to Cingular Wireless for a total of \$13.75 million. As part of this sale, Interactive has agreed to accept \$7.2 million in exchange for all its preferred stock of Sunshine. At September 30, 2003, all such preferred stock had a liquidation value of \$26.4 million. Interactive's current book value is \$3.6 million as a result of previously recorded reserves for impairments. The sale transaction is conditioned upon FCC approval, which Interactive expects will be obtained, if granted, no later than the first quarter of 2004. The final accounting for this transaction will be recorded when the sale of the licenses is consummated and

will take into account the proceeds received by Interactive as well as certain indemnification obligations. There will be a sizeable economic loss when our investment in Sunshine PCS Corporation preferred stock is sold, but because we provided a reserve for impairment for \$17 million of our costs, we will recognize a book profit of up to \$3.6 million.

Wireless

Interactive has two minority-owned investments in cellular operations in New Mexico covering a net population of 35,000. On a combined basis, cellular subscribers grew by 17.8% from the end of September 2002.

Broadcasting

Interactive also has two network affiliated television stations, a 50% interest in Station WOI-TV, an ABC affiliate, serving the Des Moines, Iowa, market (70th largest in the U.S.) and owns a 20% interest in Station WHBF-TV, a CBS affiliate, serving the Quad-Cities markets (88th largest in the U.S.).

Office of the Chairman

The Company is creating the Office of the Chairman consisting of Frederic V. Salerno (current Chairman), Mario J. Gabelli (current Vice Chairman and CEO) and Marc J. Gabelli (currently a director). The objective is to combine the role of the CEO and the Chairman.

Stock Repurchase Program

Interactive will continue to make open market purchases of its common stock pursuant to its stock repurchase program. During the nine months ended September 30, 2003, Interactive bought back 10,500 shares at an average cost of \$22.63. Since the inception of the stock repurchase program Interactive has acquired 42,615 shares at a total cost of \$1,433,000.

Outlook

The Company had previously announced that it expected that Operating Profit for the year ended December 31, 2003, would be about \$20 million. EBITDA for the year 2003 should be in the area of \$40.0 million, \$44 million being generated by our operating subsidiaries, net of \$4 million in expenses of the Corporate Office. We continue to expect our actual results to be in line with this forecast. Accordingly, fourth quarter results are expected to increase from previous years results. Note the difference between Operating Profit and EBITDA is \$20 million of depreciation and amortization expense. See Attachment A for an explanation of why EBITDA is useful information to our investments.

Interactive invested \$4.8 million in capital expenditures during the third quarter of 2003. Current plans contemplate about \$21 million in capital expenditures in 2003, of which approximately one third is for growth initiatives, which will be financed from external sources, and the remainder for maintaining our state-of-the-art network.

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, possible broadband acquisitions, spectrum investment and future spectrum auctions participation, and performance and financial targets for 2003. It should be recognized that such information is based upon certain assumptions, projections and forecasts, including without limitation business conditions and financial markets, regulatory actions and initiatives, and the cautionary statements set forth in documents filed by Interactive 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 holding company with subsidiaries in multimedia and actively seeks acquisitions, principally in existing business areas.

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

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Contact: Robert E. Dolan
Chief Financial Officer

Release 03-12

**Press Release
For Immediate Release**

LYNCH INTERACTIVE CORPORATION ANNOUNCES AGREEMENT TO ACQUIRE CABLE SYSTEMS IN
UTAH AND GRANT OF FCC AUCTION 49 LICENSES

RYE, New York, Month Day, 2003 - Lynch Interactive Corporation (ASE:LIC) announced today that its subsidiary Central Telecom Services, LLC, based in Fairview, Utah, has entered into an agreement to acquire eight cable television systems located in central Utah from LB Cable LLC. The acquisition is expected to occur in early January 2004. With the addition of these 1,300 cable subscribers, Lynch Interactive will expand its cable services to over 4,000 customers. Central Telecom Services and its affiliates, including Central Utah Telephone Company, offer Internet and telephone services and will be well positioned to promote additional services to their new and existing customer base.

Eddie Cox, the General Manager of Central Utah Telephone, commented that "we are very excited by the acquisition of these cable systems. We look forward to providing an outstanding level of service to our new customers and expanding our presence in the central Utah area."

Lynch Interactive also announced today that the Federal Communications Commission has granted, subject to timely payment, Lynch 3G Communications Corporation, a wholly-owned subsidiary, four licenses from the Lower 700 MHz Auction No. 49 in the following markets: Dubuque, IA, Gogebic, MI, San Juan, NM, and Chautauqua, NY. The total amount to be paid for these licenses is \$620,000 and the total population covered by these licenses is approximately 1.1 million. Each license represents 12 MHz of spectrum. Together with the Auction No. 44 licenses purchased by the Company (Reno, NV, Santa Barbara, CA, Des Moines, IA, Quad Cities area of Davenport and Bettendorf, IA, and Rock Island and Moline, IL, Las Cruces, NM, Elmira, NY; and two RSAs in the western part of New Mexico), the Company will have a total of twelve licenses in the Lower 700 MHz band covering a total population of approximately 2.8 million.

Interactive is a holding company with subsidiaries in multimedia and actively seeks acquisitions, principally in existing business areas. Interactive's World Wide Web address is <http://www.lynchinteractivecorp.com>.

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Contact: Robert E. Dolan
Chief Financial Officer

Release 03-13

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. 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.

Attachment A

Use of EBITDA

EBITDA is presented because it is a widely accepted financial indicator of transaction values and the ability to incur and service debt. Interactive utilizes EBITDA as one of its metrics for valuing potential acquisitions. EBITDA is not a substitute for operating profit determined in accordance with generally accepted accounting principles (\$5.4 million and \$5.9 million for the three months ended September 30, 2003 and 2002, respectively).