LICT
CORPORATION

For Immediate Release

LICT CORPORATION ANNOUNCES SECOND QUARTER 2012 EARNINGS

Rye, NY – August 8, 2012 – LICT Corporation (Pink Sheets®: LICT) reported earnings for the second quarter of 2012, showing a 5% increase in revenues, approximately flat EBITDA and operating income, and a 9% increase in net income.

Lenny Higgins, Chief Operating Officer, said “I am very pleased with the growth of non-regulated revenues in the Second Quarter. The efforts of our local management teams are paying off with in-roads into out-of-territory markets. We have a number of initiatives underway that are delivering growth in the broadband, CLEC, fixed wireless and video business segments. Non-regulated revenues in the quarter were 38% of total revenues, versus 34% in the same quarter of 2011, and 32% and 28% for the years 2010 and 2009, respectively.”

SECOND QUARTER 2012 RESULTS –During the second quarter of 2012, our revenues were nearly $24.0 million as compared to $22.7 million in the second quarter of 2011, an increase of $1.2 million, or 5.1%. EBITDA, before corporate expenses, during the second quarter of 2012 was $10.0 million as compared to $10.2 million in the second quarter of 2011

Non-regulated revenues increased by $1.3 million during the second quarter from the prior year, due primarily to the sale of additional broadband circuits outside of our regulated service territory, additional video revenue (in part due a CATV acquisition in Utah), and increased DSL penetration. Regulated revenues were approximately the same as last year’s second quarter despite lower access lines and minutes, which were offset by $0.2 million favorable out of period adjustments. EBITDA from the company’s regulated operations was $0.4 million lower than last year, offset by increases from the company’s non-regulated operations. Corporate expenses were $0.9 million, an increase of $0.1 million compared to the 2011 quarter.

Earnings from continuing operations were $83.13 per share in the second quarter of 2012 as compared to the $74.88 of earnings in the second quarter of 2011

The numbers cited for the prior year periods reflect a change, beginning in the fourth quarter of 2011, in how the company records certain upfront payments by customers of our non-regulated businesses to cover the initial non-recurring charges for certain long-term service agreements. This resulted in relatively small restatements in the prior year period so that the numbers could be fairly compared between periods. We have provided a table with the Second Quarter 2012, originally reported 2011, and restated 2011 results.

FULL YEAR FORECAST – LICT Corporation currently expects 2012 revenues to be approximately $95 million, up from the 2011 full year revenues of $93 million, and 2012 EBITDA, before corporate expenses, including cash received from our equity affiliates, to be approximately the same as the $39 million of 2011. This forecast represents a slight increase in revenues from our previous forecast due to additional CLEC revenues, with roughly the same expectations for EBITDA.

CAPITAL EXPENDITURES - Capital expenditures were $3.7 million for in the second quarter of 2012 versus $4.4 million in the comparable quarter of 2011. The company expects to invest approximately $15 million in 2012 compared to $17.8 million in 2011.

BROADBAND REGULATION - In November 2011, the Federal Communications Commission ("FCC") ordered significant modifications to Intercarrier Compensation (‘ICC’) and the Universal Service Fund (“USF”), and issued a Further Notice of Proposed Rulemaking ("FNPRM"). Due to the numerous items in the FNPRM impacting rate-of-return carriers, such as our companies, it is not possible to fully predict the impact the FCC's ICC and USF reforms will have on LICT's future revenues at this time. However, such modifications may have a negative impact on already declining regulated revenues, which is why management has been focused on growing our non-regulated businesses. ICC and USF programs generate, on a combined basis, approximately 40% of our revenues, in part due to our cost structure necessary to serve our rural communities. The Company currently believes that the regulations now in place will likely result in a negative impact on 2012 revenue and EBITDA of approximately $0.7 million, which has been included in the full year forecast above.

OPERATING STATISTICS - As of June 30, 2012, the company’s in-territory DSL penetration, based on total RLEC voice lines, was 60.7%, compared to 58.6% as of December 31, 2011. As recently as 2007, penetration was only 30%. The overall trend in our rural markets has been a decrease in the number of phone lines (reflecting overall trends in the industry, as consumers reduce their number of traditional phone lines, often transitioning to cellular or VOIP communications), offset by increased demand for DSL or other internet service.

Our summary operating statistics are as follows:

	June 30, 2012	Dec. 31, 2011	Increase (Decrease)	Percent Increase (Decrease)
ILEC voice lines	38,199	38,420	(221)	(0.6%)
CLEC voice lines	6,690	6,535	155	2.4%
Total voice lines	44,889	44,955	(66)	(0.1%)
Broadband lines	26,685	25,623	1,062	4.1%
LD Resale lines	23,142	22,750	392	1.7%
Video Subscribers	7,460	7,594	(134)	(1.8%)

ILEC voice lines are telephone access lines within a service territory where one of our companies is designated the incumbent communications provider, under federal and state regulation. CLEC voice lines are telephone access lines in a service territory in which another company is the designated incumbent communications provider. Broadband lines are principally DSL internet service, usually provided within our normal service areas. LD Resale lines are access lines for which the subscriber has chosen our companies as the long distance carrier; for these lines we use third parties to complete the telephone call.

BALANCE SHEET - As of June 30, 2012, the Company had approximately $7.1 million in cash and $80.7 million in total debt, resulting in net debt of $73.6 million, or 2.1 times 2011 total EBITDA, This is a 17% reduction from the net debt of $88.6 million as of December 31, 2011 and a 19% reduction from the net debt as of June 30, 2011.

REFINANCING THE COMPANY –We have had a long-term goal of simplifying our financial structure. To date, we have paid off the debt associated with our Michigan and New Mexico operations. Such debt repayments, made with proceeds from the sale of spectrum as well as borrowings from our line of credit facility, permit the cash flow from these two operations to be up-streamed and used for general corporate purposes.

SHARE REPURCHASES - LICT repurchased 81 shares for $169,886 in the first six months of 2012 at an average price of $2,097 per share. As of June 30, 2012 and December 31, 2011, shares outstanding were 23,457 and 23,538, respectively.

STRATEGIC INITIATIVES - Our operating subsidiaries are in the process of developing and launching several wireless and wireline broadband initiatives. We anticipate that these initiatives will provide an excellent complement to our strong rural telephony (RLEC) base, and provide the communities that we serve with both the telephony and broadband tools necessary to participate successfully in today's economy.

* * * *

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 future financial results, anticipated financing, capital expenditures, business initiatives and corporate transactions. It should be recognized that such information is based upon certain assumptions, plans, projections and forecasts, including without limitation business conditions and financial markets, regulatory and other approvals, and is further qualified by the cautionary statements set forth in documents filed by LICT on its website, www.lictcorp.com. As a result, there can be no assurance that any possible business development or transactions will be accomplished or be successful, or that financial targets will be met, and such information is subject to uncertainties, risks and inaccuracies, which could be material.

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

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

Contact: Robert E. Dolan
Executive Vice President and Chief Financial Officer
914/921-8821

Release: 12-6

LICT CORPORATION **Exhibit A**
Statements of Operations and Selected Balance Sheet Data
Un-Audited
(In Thousands, Except Per Share Data)

STATEMENTS OF OPERATIONS

	Three Months Ended June 30,			Six Months Ended June 30,		
	2012	Restated 2011	As Reported 2011	2012	Restated 2011	As Reported 2011
Revenues	$23,972	$22,802	$22,716	$47,107	$44,997	$44,869
Cost and Expenses:						
Cost of service and sales	11,123	9,872	9,872	21,687	19,623	19,623
Selling, general and administration	3,503	3,474	3,474	6,940	6,961	6,961
Corporate office expense	937	852	852	1,836	1,566	1,566
Depreciation and other amortization	4,295	4,145	4,125	8,810	8,432	8,394
Operating profit (b)	4,114	4,459	4,393	7,834	8,415	8,325
Other Income(Expense)						
Investment income	29	67	67	584	729	729
Interest expense	(1,273)	(1,664)	(1,664)	(2,706)	(3,340)	(3,340)
Equity in earnings of affliated companies	351	553	553	668	1,117	1,117
Gains on sale of spectrum	2	0	0	11,561	0	0
	(891)	(1,044)	(1,044)	10,107	(1,494)	(1,494)
Income (Loss) Before Income Taxes	3,223	3,415	3,349	17,941	6,921	6,831
(Provision) Benefit For Income Taxes	(1,252)	(1,602)	(1,577)	(6,045)	(2,933)	(2,899)
Net Income from continuing operations	1,971	1,813	1,772	11,896	3,988	3,932
Net income from discontinued operations	--	--	--	--	--	--
Noncontrolling Interests	(19)	(19)	(19)	(37)	(39)	(39)
Net Income (Loss) attributable to LICT	$1,952	$1,794	$1,753	$11,859	$3,949	$3,893
Capital Expenditures	$3,705	$4,359	$4,359	$5,995	$7,908	$7,908
Weighted Average Shares Used In Earnings Per Share Computations	23,482	23,957	23,957	23,509	23,962	23,962
Basic and Diluted Earnings Per Share -LICT						
Net income attributable to LICT Before Special Items	$83.13	$74.88	$73.17	$165.84	$164.80	$162.46
Special Items	--	--	--	$338.61	--	--
Net income attributable to LICT After Special Items	$83.13	$74.88	$73.17	504.45	164.80	162.46

Special Items consist of the Gain on Sale of Spectrum, net of associated income tax expense, and expiration of certain income tax positions

SELECTED BALANCE SHEET DATA	June 30, 2012	Dec. 31, 2011	June 30, 2,011
Cash and Cash Equivalents	$7,083	$11,705	12,932
Notes Payable	$10,477	$15,535	14,010
Long-Term Debt (including current portion)	70,247	84,750	89,743
Total Debt	$80,724	$100,285	103,753
Noncontrolling Interests	$364	$327	348
Shareholders' Equity attributable to LICT	$79,903	$68,967	68,422
Shares Outstanding at Date	23,457	23,538	23,947

See EBITDA on page 2

(In Thousands, Except Per Share Data)

EBITDA

EBITDA is a significant measure of operating performance and liquidity that is commonly reported and widely used by analysts, investors, and other interested parties in the telecommunications industry because it eliminates many differences in financial, capitalization, and tax structures, as well as non-cash and non-operating charges to earnings. We believe that EBITDA trends are a valuable indicator of whether our operations are able to produce sufficient operating cash flow to fund working capital needs, service debt obligations, and fund capital expenditures.

EBITDA equals net income (loss) before depreciation and amortization expense, interest expense, investment income, equity in earnings of affiliated companies, gain (loss) on sale of investment, impairment charges, income tax expense (benefit), and net income from discontinued operations. EBITDA also includes the cash distributions we received from the equity in earnings of affiliated companies. Although we do not have majority voting control of such companies, we have the ability to significantly influence financial and accounting policies. The inclusion of cash received from equity companies is a change from past practice.

	Three Months Ended June 30,			Six Months Ended June 30,		
	2012	Restated 2011	As Reported 2011	2012	Restated 2011	As Reported 2011
EBITDA						
Operating Subsidiaries	$9,346	$9,456	$9,370	$18,480	$18,413	$18,285
Cash received from equity affiliates	696	751	751	1,253	1,513	1,513
	10,042	10,207	10,121	19,733	19,926	19,798
Corporate Office Expense	(937)	(852)	(852)	(1,836)	(1,566)	(1,566)
Total EBITDA	**9,105**	**9,355**	**9,269**	**17,897**	**18,360**	**18,232**
Depreciation and amortization	(4,295)	(4,145)	(4,125)	(8,810)	(8,432)	(8,394)
Less Cash received from equity affiliates, above	(696)	(751)	(751)	(1,253)	(1,513)	(1,513)
Operating profit	$4,114	$4,459	$4,393	$7,834	$8,415	$8,325