

LICT CORPORATION

For Immediate Release

LICT CORPORATION REPORTS SECOND QUARTER 2017 RESULTS

- **Revenues were up by 18%**
- **Non-regulated revenues increased 10.7%**
- **Earnings more than doubled to \$176 per share from \$85 per share in 2016**

Rye, NY – July 19, 2017 – LICT Corporation (“LIC^T”; OTC Pink[®]: LIC^T) reports results for the second quarter ended June 30, 2017.

SECOND QUARTER RESULTS – In 2017, second quarter revenues increased by \$4.0 million, or 18.0%, to \$26.6 million compared to the corresponding quarter in 2016. Non-regulated revenues surged 10.7%, to \$11.5 million from the prior year’s \$10.4 million due to increased broadband and competitive local exchange carrier (“CLEC”) revenues. Regulated revenues, including A-CAM, grew 24.2%, to \$15.1 million in the second quarter of 2017 from the prior year’s \$12.1 million.

EBITDA before corporate costs was \$12.2 million as compared to \$9.1 million in the previous year’s second quarter, a 34.6% increase. Non-regulated EBITDA, including affiliate distributions, increased to \$4.9 million, from \$4.7 million while regulated EBITDA increased to \$7.3 million, from \$4.4 million.

FULL YEAR RESULTS – Reflecting A-CAM, (Alternative Connect America Cost Model), the company is currently estimating that revenues in 2017 will be approximately \$106 million and EBITDA, prior to corporate costs but including cash received from our equity affiliates, will be approximately \$49 million, the same as the previous estimates.

EARNINGS PER SHARE – Diluted earnings during the second quarter were \$176 per share in 2017 versus \$85 per share in 2016. Shares outstanding at June 30, 2017, were 21,168 versus 22,282 at December 31, 2016.

CAPITAL EXPENDITURES AND DEPRECIATION EXPENSE – In 2017, capital expenditures were \$7.6 million for the first half of 2017, of which \$3.8 million was for non-regulated activities and \$3.7 million, for regulated activities. We expect capital expense in the \$18 million range for 2017. This reflects our commitment to provide the communities we serve with enhanced communication capabilities and higher broadband capacities, using A-CAM support. We are accomplishing this through our continued investment in the improvement of our products and network infrastructure, particularly the increased construction of fiber optic facilities for our broadband networks. Through upgraded electronics and fiber extensions deeper into our networks, we have improved the speed, the capacity and the reliability of our broadband service offerings. At June 30, 2017, LIC^T operations

were utilizing 4,272 miles of fiber optic cable, 11,236 miles of copper cable, and 588 miles of coaxial cable.

SHAREHOLDER DESIGNATED CHARITABLE CONTRIBUTION PROGRAM — On June 21, 2017 we announced we were continuing our shareholder Charitable Contribution Program in 2017 for all registered shareholders. The program was originally adopted in 2016 and all **registered shareholders** as of July 21, 2017, will be eligible to designate charities to which the company will make a donation of \$100 per share on behalf of the shareholder. During 2016, we conducted a similar Shareholder Designated Contribution Program, also at \$100 per share and our charitable contributions totaled \$991,000, or \$699,000 after tax.

BALANCE SHEET – Our net debt was \$19.2 million at June 30, 2017, as compared to \$22.6 million on December 31, 2016.

REFINANCING THE COMPANY – The Board of Directors and management have implemented measures which have improved liquidity and reduced the Company’s debt position. At this time, the Board is considering whether the Company should acquire additional leverage which would enable us to explore broader opportunities both within and outside our current industry. In April 2017, we increased our line of credit with CoBank, N.A from \$30 million to \$50 million and extended it for an additional two years, from December 2017 to December 2019.

SHARE REPURCHASES – During the six months ended June 30, 2017, the Company repurchased 149 shares for \$1.3 million at an average price of \$8,503 per share. Also during 2017, the company issued 35 shares as a management incentive measure. As of June 30, 2017, 21,168 shares were outstanding.

FCC SPECTRUM AUCTIONS – In this auction, LICT Wireless acquired two 10 MHz licenses in the lower peninsula of Michigan, covering the communities of Traverse City and Alpena, which are areas to which the company is expanding service. Total outlay for the licenses was \$686,000 and the company received its excess deposit of \$10.3 million in April 2017.

OPERATING STATISTICS – As of June 30, 2017, the Company’s DSL penetration in its franchised telephone service territories, based on its total RLEC voice lines, was 80.7%, compared to 78.5% as of December 31, 2016. Our summary operating statistics are as follows (note, some of the increase in ILEC voice lines represents seasonal activity):

	June 30, 2017	Dec. 31, 2016	Increase (Decrease)	Percent Increase (Decrease)
Broadband lines	31,784	30,647	1,137	3.7%
Voice Lines				
ILEC	26,513	26,680	(167)	(0.6%)
CLEC	6,542	6,243	299	4.8%
Total	33,055	32,923	132	0.4%
Video Subscribers	6,136	6,219	(83)	(1.3%)
Revenue Generating Units	70,975	69,789	1,186	1.7%

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 anticipated financial results, financing, capital expenditures and corporate transactions. It should be recognized that such information is based upon certain assumptions, projections and forecasts, including without limitation, business conditions and financial markets, regulatory and other approvals, and the cautionary statements set forth in documents filed by LICT on its website, www.lictcorp.com. As a result, there can be no assurance that any possible transactions will be accomplished or be successful, or that financial targets will be met. Such forward-looking 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 OTC Pink® under the symbol LICT. For further information visit our website at <http://www.lictcorp.com>.

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LICT CORPORATION
Statements of Operations and Selected Balance Sheet Data
(In Thousands, Except Per Share Data)

Exhibit A
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STATEMENTS OF OPERATIONS

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2017	2016	2017	2016
Revenues	\$26,554	\$22,509	\$52,640	\$44,037
Cost and Expenses:				
Cost of revenue, excluding depreciation	11,845	11,007	23,685	21,945
Selling, general and administration	2,951	2,817	5,764	5,576
Corporate Office Expenses	1,006	953	2,059	1,911
Depreciation and amortization	4,527	4,440	9,122	8,882
Total Costs and Expenses	20,329	19,217	40,630	38,314
Operating profit	6,225	3,292	12,010	5,723
Other Income (Expense)				
Investment income	51	48	326	390
Interest expense	(539)	(648)	(1,131)	(1,324)
Equity in earnings of affiliated companies	527	402	923	829
Other gains/(losses)	(2)	3	--	6
	37	(195)	118	(99)
Income Before Income Tax Provision	6,262	3,097	12,128	5,624
Provision For Income Taxes	(2,523)	(1,271)	(4,781)	(2,298)
Net Income	\$3,739	\$1,826	\$7,347	\$3,326
Capital Expenditures	\$4,102	\$3,578	\$7,573	\$6,344
Weighted Average Shares:				
Basic	21,140.52	21,439.18	21,158.08	21,495.07
Diluted	21,234.52	21,556.58	21,252.24	21,598.27
Actual shares outstanding at end of period	21,168.37	21,511.37	21,168.37	21,511.37
Earnings Per Share:				
Basic	\$176.86	\$85.14	\$347.24	\$154.68
Dilutive Earnings Per Share	\$176.08	\$84.61	\$345.70	\$153.98

See EBITDA on page 2

LICT Corporation
Statements of Operations and Selected Balance Sheet Data-Continued
Preliminary and Un-Audited
(in thousands, Except Per Share Data)

Exhibit A
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SELECTED BALANCE SHEET DATA	June 30, 2017	Dec. 31, 2016
Cash and Cash Equivalents	\$8,571	\$8,470
Auction 1002 Deposit	--	11,000
Note receivables and other deposits	3,250	3,250
Long-Term Debt (including current portion)	27,800	42,084
Liabilities, including taxes, other than debt	\$32,008	\$34,283
Shareholders' Equity	\$114,532	\$108,476
Shares Outstanding at Date	21,168.37	21,282.37

EBITDA

EBITDA is an established 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 interest expense, income tax expense (benefit), depreciation and amortization expense, investment income, equity in earnings of affiliated companies, gain (loss) on sale of investment, impairment charges, and net income from discontinued operations. EBITDA also now includes the cash distributions we receive 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,	
	2017	2016	2017	2016
EBITDA				
Operating Subsidiaries	\$11,758	\$8,685	\$23,191	\$16,516
Cash received from equity affiliates	437	375	650	750
	12,195	9,060	23,841	17,266
Corporate Office Expense	(1,006)	(953)	(2,059)	(1,911)
Total EBITDA	11,189	8,107	21,782	15,355
Depreciation and amortization	(4,527)	(4,440)	(9,122)	(8,882)
Less Cash received from equity affiliates, above	(437)	(375)	(650)	(750)
Operating profit	\$6,225	\$3,292	\$12,010	\$5,723