

LICT CORPORATION

For Immediate Release

LICT CORPORATION REPORTS PRELIMINARY FOURTH QUARTER 2014 RESULTS

Rye, NY – March 30, 2015 – LICT Corporation (“LICIT”; OTC Pink®: LICIT) reports preliminary, unaudited results for the fourth quarter ended December 31, 2014. LICIT’s financial statements for the year ended December 31, 2014 are in the process of being finalized, including final review of impairment of goodwill, and audited by the company’s firm of independent certified public accountants. This process could result in adjustments to our preliminary fourth quarter 2014 results.

FOURTH QUARTER RESULTS – Revenues increased by \$0.8 million, or 4.0%, to \$21.7 million compared to the corresponding quarter in 2013. EBITDA before corporate costs was \$9.4 million, as compared to \$9.1 million in the previous year’s fourth quarter.

Regulated revenues were \$13.3 million in the 2014 quarter, the same as the prior year quarter. Non-regulated revenues increased 10.1% to \$8.3 million from the prior year’s \$7.5 million, principally due to increased broadband and competitive local exchange carrier (“CLEC”) revenues. Operating costs, excluding depreciation, increased by \$0.6 million from \$12.1 million to \$12.8 million. Corporate expenses were \$0.3 million, which was \$0.4 million lower than the fourth quarter of 2013, due to certain accrual adjustments for compensation and audit fees.

In December 2014, the Company closed the sale of its DFT Communications Corporation (“DFT”) subsidiary to Brick Skirt Holdings, Inc., an entity owned by DFT’s founding family, the Maytums of Fredonia, NY. DFT provides broadband, voice and other telecommunications services in areas of western New York State, principally the Dunkirk/Fredonia, Cassadaga and Jamestown areas. Effective as of the sale, LICIT is treating the results of DFT as a discontinued operation and its contributions to LICIT’s consolidated operating results have been separated from amounts previously reported.

Earnings per share, excluding the results of DFT, during the fourth quarter were \$101 in 2014 versus \$80 in 2013, an increase of 26.7%. Shares outstanding at December 31, 2014, were 22,272 versus 22,486 at December 31, 2013.

FULL YEAR RESULTS – For the year ended December 31, 2014, LICIT recorded revenues of \$85.9 million and EBITDA, prior to corporate costs but including cash received from our equity affiliates, of \$37.8 million. The company is currently expecting that revenues in 2015 will be approximately \$87 million and EBITDA, prior to corporate costs but including cash received from our equity affiliates, will be approximately \$38 million.

CAPITAL EXPENDITURES AND DEPRECIATION EXPENSE – In 2014, capital expenditures were \$4.9 million for the fourth quarter and \$16.3 million for the full year. This reflects our

commitment to provide the communities we serve with enhanced communication capabilities and our continued investment in the improvement of our products and in our network infrastructure, particularly 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.

FCC SPECTRUM AUCTION 97-Advanced Wireless Service (AWS-3) – A subsidiary of the Company, Lynch 3G Communications Corporation, participated in the Federal Communications Commission (“FCC”) Auction 97, Advanced Wireless Services (AWS-3) Spectrum. We were outbid by behemoths, some of which received small business discounts. The Auction concluded in February 2014 and the subsidiary received back from the FCC its Auction deposit of \$19.0 million.

BROADBAND REGULATION – In April 2014, the FCC ordered further modifications to Intercarrier Compensation (“ICC”) and the Universal Service Fund (“USF”), and issued a Further Notice of Proposed Rulemaking (“FNPRM”). Due to the many unresolved items in the FNPRM, which may impact “rate-of-return carriers” including many of our companies, it is not possible to predict the impact that the FCC's ICC and USF reforms will have on LICT's future revenues at this time. ICC and USF programs generate, on a combined basis, approximately 40% of our revenues. We believe that government policy will continue to encourage and support communication services in rural areas, but there is no certainty that such support will be continued at historical levels. As a result of this, as well as opportunities created from new technologies, including the internet, we have focused on developing non-regulated, high speed businesses, such as broadband service by fiber optic and DSL technologies, to supplement our traditional rural telephone services.

OPERATING STATISTICS – As of December 31, 2014, the Company’s DSL penetration in its franchised telephone service territories, based on total RLEC voice lines, was 71.6%, compared to 68.5% as of December 31, 2013. Our summary operating statistics, excluding DFT in 2013, are as follows:

	Dec. 31, 2014	Dec. 31, 2013	Increase (Decrease)	Percent Increase (Decrease)
ILEC voice lines	28,001	29,018	(1,017)	(3.5%)
CLEC voice lines	5,019	4,165	854	20.5%
Total voice lines	33,020	33,183	(163)	(0.5%)
Broadband lines	26,072	24,546	1,526	6.2%
LD Resale lines	15,531	15,211	320	2.1%
Video Subscribers	6,117	6,575	(458)	(7.0%)

BALANCE SHEET - As of December 31, 2014, the company had approximately \$18.2 million in cash and \$73.5 million in total debt. In February 2015, the Auction 97 deposit was returned and the associated loan was repaid. Pro forma for the return of the deposit, the company’s net debt at December 31, 2014 was of \$36.3 million.

REFINANCING THE COMPANY – In December 2014, the Company secured a \$30 million line of credit agreement to replace its existing \$25 million line of credit. This replacement line expires in December 2017. The line provides the company with increased financial flexibility for potential

shareholder compensation, expanded business initiatives, higher borrowing capacity, and a lower interest rate.

SHARE REPURCHASES – During the year ended December 31, 2014, the Company repurchased 214 shares for \$0.8 million at an average price of \$3,618 per share. As of December 31, 2014, 22,272 shares were outstanding. We have 755 shares left in our 1,000 share buyback authorization.

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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, 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 OTC Pink[®] under the symbol LICT. For further information visit our website at <http://www.lictcorp.com>.

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

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

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STATEMENTS OF OPERATIONS

	Three Months Ended		Year Ended	
	December 31,		December 31,	
	2014	2013	2014	2013
Revenues	\$21,669	\$20,830	\$85,857	\$80,757
Cost and Expenses:				
Cost of revenue, excluding depreciation	9,918	9,333	38,064	36,342
Selling, general and administration	2,840	2,779	11,398	11,406
Corporate office expense	314	738	2,622	3,112
Depreciation and amortization	4,378	4,606	17,659	16,456
Operating profit (a)	4,219	3,374	16,114	13,441
Other Income(Expense)				
Investment income	28	26	446	492
Interest expense	(905)	(993)	(3,783)	(4,107)
Equity in earnings of affiliated companies	769	295	2,025	1,643
Other gains/(losses)	(106)	(131)	(51)	279
	<u>(214)</u>	<u>(803)</u>	<u>(1,363)</u>	<u>(1,693)</u>
Income Before Income Tax Provision	4,005	2,571	14,751	11,748
Provision For Income Taxes	(1,743)	(772)	(5,889)	(4,294)
Net Income before discontinued operations	2,262	1,799	8,862	7,454
Net Income (Loss) from discontinued operations	(258)	56	57	593
Net Gain from sale of discontinued operation	759	--	759	--
Noncontrolling Interests	--	--	--	(18)
Net Income attributable to LICT	\$2,763	\$1,855	\$9,678	\$8,065
Capital Expenditures	\$4,938	\$6,271	\$16,307	\$18,562
Weighted Average Shares Used In Earnings				
Per Share Computations	22,312	22,486	22,368	22,724
Actual shares outstanding at end of period	22,272	22,486	22,272	22,486
Basic and Diluted Earnings Per Share				
Net income	\$101.38	\$80.01	\$396.19	\$328.03
Net Income (Loss) from discontinued operations	(11.56)	2.49	2.55	26.10
Net Gain from sale of discontinued operation	34.02	--	33.93	--
Noncontrolling interests	--	--	--	0.79
Net income attributable to LICT	\$123.84	\$82.50	\$432.67	\$354.92

(a) 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	Dec. 31, 2014	Dec. 31, 2013 (Note)
Cash and Cash Equivalents	\$18,155	\$8,774
Auction 97 and 96 Deposits	19,000	11,000
Notes Payable	\$--	\$17,200
Long-Term Debt (including current portion)	58,466	46,129
Total Debt	\$58,466	\$63,329
Short-Term Loan from Affiliate	15,000	11,000
Liabilities, including taxes, other than debt	\$32,415	\$32,898
Shareholders' Equity attributable to LICT	\$98,504	\$89,563
Shares Outstanding at Date	22,272	22,486

Note: The December 31, 2013 Balance Sheet Data has been adjusted to exclude amounts associated with DFT Communications Corporation which is being treated as a discontinued operation.

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 Dec. 31,		Year Ended Dec. 31,	
	2014	2013	2014	2013
EBITDA				
Operating Subsidiaries	\$8,911	\$8,718	\$36,395	\$33,009
Cash received from equity affiliates	500	375	1,438	975
	9,411	9,093	37,833	33,984
Corporate Office Expense	(314)	(738)	(2,622)	(3,112)
Total EBITDA	9,097	8,355	35,211	30,872
Depreciation and amortization	(4,378)	(4,606)	(17,659)	(16,456)
Less Cash received from equity affiliates, above	(500)	(375)	(1,438)	(975)
Operating profit	\$4,219	\$3,374	\$16,114	\$13,441