

Investor Fact Sheet

Second Quarter Ended June 30, 2004

HickoryTech Corporation

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Executive Team

John Duffy
President & Chief Executive Officer

Jon Anderson
President – Enterprise Solutions

David Christensen
Chief Financial Officer

John Finke
President – Telecom Sector

Mary Jacobs
Vice President – Human Resources

Lane Nordquist
President – Information Solutions

HickoryTech Corporation is a diversified communications company headquartered in Mankato, Minnesota, with over 400 employees and operations in Minnesota and Iowa. HickoryTech is in its 107th year of operation with a full array of telecommunications products and services for business and residential customers, including competitive local, long distance, Internet and broadband services. From this base, it has expanded into information solutions (IT support and telecom billing software) and enterprise solutions for businesses (communications installation and service; networking equipment and data management solutions). To learn more about HickoryTech Corporation, visit the company's Web site at www.HickoryTech.com.

Market Data

NASDAQ Symbol: HTCO
Price 6/30/04: \$10.15

Total Shares Outstanding: 12,974,669
Market Capitalization: \$131,692,890

5-Year History *In thousands*

	2003	2002	2001	2000	1999
Operating Revenues:					
Telecom Sector	\$75,346	\$71,108	\$66,364	\$60,606	\$53,347
Enterprise Solutions and Information Solutions	17,546	20,030	24,459	22,798	26,944
Total Operating Revenues	\$92,892	\$91,138	\$90,823	\$83,404	\$80,291
Income From Continuing Operations	\$8,455	\$6,235	\$6,890	\$5,351	\$12,356
Net Income	(\$12,775)	(\$16,627)	\$8,738	\$7,705	\$14,666
Fully diluted Earnings Per Share - Continuing Operations	\$0.61	\$0.44	\$0.49	\$0.38	\$0.90
Fully diluted Earnings Per Share - Discontinued Operations	(\$1.53)	(\$1.62)	\$0.13	\$0.17	\$0.16
<i>See 2004 Q2 results on reverse side</i>	(\$0.92)	(\$1.18)	\$0.62	\$0.55	\$1.06

Share Price History

As of December 31, 2003

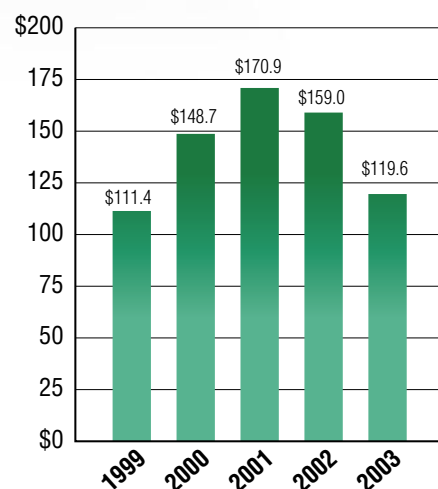
Year / Qtr.	High	Low	End of Qtr.
2003			
4th	\$12.20	\$10.76	\$11.47
3rd	12.35	10.82	11.60
2nd	11.48	8.43	11.21
1st	10.61	7.90	8.97
2002			
4th	\$13.34	\$8.39	\$9.53
3rd	16.05	11.21	13.25
2nd	17.80	12.75	15.00
1st	17.85	13.14	16.27

Dividend History *As of June 30, 2004*

Quarterly dividend payments have remained constant at **\$0.11 per share** for the past 28 quarters.

Debt Position 1999-2003

In millions



See 2004 Q2 results on reverse side

Safe Harbor Statement – Certain statements included in this fact sheet that are not historical facts are "forward-looking statements." Such forward-looking statements are based on current expectations, estimates and projections about the industry in which HickoryTech operates and management's beliefs and assumptions. The forward-looking statements are subject to uncertainties. These statements are not guarantees of future performance and involve certain risks, uncertainties and probabilities. Therefore, actual outcomes and results may differ materially from what is expressed or forecasted in such forward-looking statements. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date on which they were made. Except as required by federal securities laws, HickoryTech undertakes no obligation to update any of its forward-looking statements for any reason.

2004 Second Quarter Results

"We continue to position HickoryTech for the future, mindful that the industry is going through change. Business opportunities in this environment are best achieved by executing growth alternatives, continuing to improve our service delivery and customer satisfaction, and continuing to achieve solid financial results that enable us to pay down debt," noted John Duffy, HickoryTech's president and chief executive officer. "Overall, we are on track with our plan for the future. We have excellent talent and strong resources at HickoryTech, and we will continue to pursue available opportunities with the highest potential to expand and build upon our customer base."

Summary

- Sixth consecutive quarter of year-over-year increases in income from continuing operations – \$2.3 million in 2004 versus \$1.9 million in 2003.
- Fourth consecutive quarter of year-over-year decreases in total costs and expenses.
- Continued historical quarterly increase year-over-year in Telecom Sector revenues. Second quarter 2004 Telecom Sector revenues increased \$167,000, or 0.9 percent over second quarter 2003.
- Enterprise Solutions revenues increased \$1 million or 45.4 percent over the first quarter 2004. As compared to the previous year, however, total revenues for this sector are flat for second quarter and down for the six-month period.
- Tenth consecutive quarter of year-over-year decreases in interest expense, including a 23.1 percent decrease in the second quarter of 2004 versus second quarter 2003.
- Debt reduced by \$2.3 million in the second quarter, for a total reduction of \$10.7 million in the first half of 2004.
- Additional MetroLAN network customers added; Waseca digital TV service initiated; Faribault overbuild underway.

What is MetroLAN?

MetroLAN is an advanced fiber, Ethernet-based network that seamlessly links the customers' multiple locations and accommodates bandwidth-on-demand requirements. Recent sales include a Minn. Fortune 500 company and a major healthcare provider in Mankato, both with multiple facilities.

MetroLAN service interconnects a corporation's local area networks in such a way that employees who are a few blocks away or miles apart can communicate with each other, and can access remote servers as easily as if all of the employees and servers were located in the same building.

Selected Financial Data

Dollars in Thousands Except Share and Per Share Amounts

	Q2 2004	Q2 2003	2004	2003
	For Three Months Ended June 30		For Six Months Ended June 30	
Revenues				
Telecom				
Telephone	\$ 14,233	\$ 14,306	\$ 28,910	\$ 28,690
Communications Services	4,614	4,374	9,363	8,558
Total Telecom Revenues	18,847	18,680	38,273	37,248
Information Solutions	679	809	1,645	1,907
Enterprise Solutions	3,338	3,383	5,633	7,294
Total Revenues	22,864	22,872	45,551	46,449
Costs and Expenses				
Cost of Products Sold, Enterprise Solutions	2,296	2,550	3,805	5,069
Cost of Services, excluding Depreciation and Amortization	7,871	8,002	16,479	16,270
Selling, General and Administrative Expenses, excluding Depreciation and Amortization	3,626	3,672	7,282	7,496
Depreciation	3,881	3,731	7,757	7,233
Amortization of Intangibles	237	198	473	524
Total Costs and Expenses	17,911	18,153	35,796	36,592
Operating Income	4,953	4,719	9,755	9,857
Other Income/(Expense), Net, Including Interest Expense	(1,119)	(1,468)	(2,293)	(3,027)
Income Before Income Taxes	3,834	3,251	7,462	6,830
Income Taxes	1,551	1,329	3,018	2,791
Income from Continuing Operations	2,283	1,922	4,444	4,039
Discontinued Operations				
Income/(Loss) from Operations of Discontinued Component	-	996	(99)	1,386
Income Tax (Benefit)/Provision	-	408	(40)	568
Income/(Loss) from Discontinued Operations	-	588	(59)	818
Net Income	\$ 2,283	\$ 2,510	\$ 4,385	\$ 4,857
Basic and Fully Diluted Earnings Per Share for Continuing Operations	\$ 0.18	\$ 0.14	\$ 0.34	\$ 0.29
Basic and Fully Diluted Earnings/(Loss) Per Share for Discontinued Operations	-	0.04	-	0.06
	\$ 0.18	\$ 0.18	\$ 0.34	\$ 0.35
Weighted Average Shares Outstanding (Fully Diluted)	13,020,317	13,981,293	13,021,295	13,986,315
Dividend Per Share	\$ 0.11	\$ 0.11	\$ 0.22	\$ 0.22

Summarized Balance Sheet

	6/30/2004	12/31/2003
Current Assets		
Investments	\$ 18,718	\$ 22,041
Property, Plant and Equipment, Net	4,371	6,710
Other Assets	112,239	114,003
TOTAL ASSETS	\$ 168,271	\$ 175,712
Current Liabilities		
Long-Term Obligations, Net of Current Maturities	\$13,174	\$12,741
Deferred Income Taxes	107,280	118,040
Deferred Revenue and Benefits	10,628	10,331
Shareholders' Equity	6,215	5,883
TOTAL LIABILITIES AND EQUITY	\$ 168,271	\$ 175,712

Telecom Sector Metrics

	Q2 2004	Q2 2003
ILEC		
Access Lines	60,044	62,367
DSL Customers (ILEC only)	5,954	3,615
Communications Services		
Access Lines		
Overbuild	10,406	9,036
Unbundled Network Element (UNE)	1,699	1,338
Total Service Resale (TSR)	2,430	4,162
Total	14,535	14,536
Long Distance Customers	40,456	35,667
Internet Customers	16,707	15,307
DSL Customers (CLEC only)	2,992	2,076
Total Telecom Sector		
Customers	131,742	127,877
Total DSL Customers	8,946	5,691