



HickoryTech is a diversified communications company headquartered in Mankato, Minnesota. Established in 1898 as a local telephone exchange business, HickoryTech has grown to become the largest telephone provider headquartered in the state of Minnesota and the 29th largest telephone company in the United States. The company's operations in Minnesota and Iowa employ 500 people and generate more than \$100 million in annual revenues. In addition to local telephone service, HickoryTech provides wireless communications, long distance and Internet access. HickoryTech also develops billing/data processing software through its Information Solutions division and designs business telecommunications networks through its Enterprise Solutions division.

Investor Fact Sheet

Quarter Ended
9/30/2002

Financial Performance

Performance highlights for the quarter:

- **Quarterly revenue was \$28.7 million**, an increase of 4.2 percent from \$27.6 million from the same quarter of last year.
- **Lowered outstanding debt by \$2.4 million**, an \$8.6 million reduction year-to-date.
- **Net income was \$2.1 million** for the quarter (15 cents per diluted share), similar to the same period of 2001. During the quarter, HickoryTech recorded a charge of \$0.6 million to bad debt expense due to further estimated losses from long distance carrier bankruptcies. Had the company not recorded this additional expense, the after-tax effect would have been an increase of two cents per diluted share – seventeen cents in total.
- **Surpassed the 150,000 customer threshold**, reaching 152,728 customer units.
- **Lowered interest expense by \$1.0 million**, or 36.4 percent from the third quarter of 2001, and by \$0.1 million from the second quarter of this year.

High-Speed Internet Deployed to Eight New Communities

HickoryTech recently announced plans to deploy Digital Subscriber Line (DSL) service to eight rural communities in southern Minnesota, bringing advanced telecommunications services to residents and businesses. The high-speed connection will allow customers to access the Internet at speeds up to 20 times faster than what is available today.

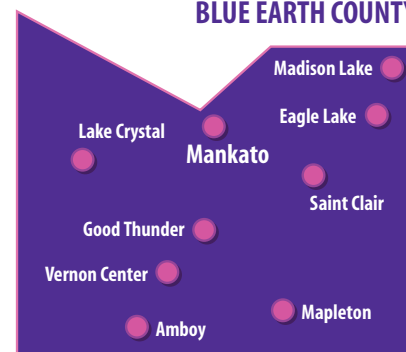
"DSL offers customers incredible value and we're pleased to bring another advanced service to these communities," said John E. Duffy, HickoryTech's President and Chief Executive Officer. "Our investment is one more example of HickoryTech's strong partnership with these communities, many of which we have served for more than 100 years. I look forward to another 100 years."

The service will be deployed in the communities of Amboy, Eagle Lake, Lake Crystal, Good Thunder, Madison Lake, Mapleton, St. Clair and Vernon Center.

By expanding DSL availability, HickoryTech is able to offer more homes and businesses the tools they need to fully leverage the opportunities the digital age provides. "Our DSL offerings provide a cost-effective, high-bandwidth solution for small to large-sized businesses to help improve their effectiveness and efficiencies," Duffy said.

HickoryTech currently serves 3,162 DSL subscribers. DSL is now available to more than 80% of the Company's local telephone customers.

BLUE EARTH COUNTY



DSL Availability

New Bundled Product Offerings

During the third quarter, HickoryTech launched three new bundled product offerings that integrate wireline telephone, wireless telephone, long distance, Internet and high-speed data services. The packages give HickoryTech a distinct competitive advantage in the markets it serves while offering the value and convenience of flat-rate pricing for customers.

HickoryTech customers can now save up to 25% by selecting a service package over individual services, while enjoying one-source billing.

1. **Connect Basic – \$55.00 per month:**
60 minutes nationwide long distance
8.9¢ per minute long distance
Mega Zone wireless
Local telephone service
Voice Mail
Call Forwarding
2. **Connect Deluxe – \$99.00 per month**
130 minutes nationwide long distance
8.9¢ per minute long distance
Mega Zone 130 wireless
Local telephone service
Voice Mail
Call Forwarding
Enhanced Dial-Up Internet

3. **Connect Premium – \$116.00 per month**
130 minutes nationwide long distance
8.9¢ per minute long distance
Mega Zone 130 wireless
Local telephone service
Voice Mail
Call Forwarding
DSL and Internet Access

Shareholder Information

Symbol/Exchange:
HTCO/Nasdaq

Typical newspaper listings:
Hickory Tch, Hickory

Share price (09/28/02):
\$13.25

52-week trading range:
\$10.70 to \$18.63

Shares outstanding:
14.1 million

Market capitalization:
\$189 million

Average daily volume:
13,142

Analyst coverage:
Joanne Henry, Bluefire Research
David Palmisano, Stephens, Inc.
Stephen DeLucia, Sidoti & Co.

Transfer Agent, Registrar and Dividend Disbursing Agent:
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For additional information:
Call Investor Relations, 507-387-3355
or e-mail, info@hickorytech.com

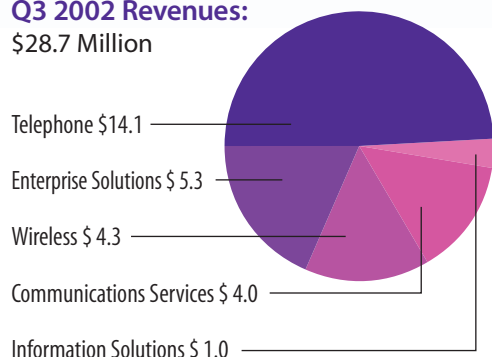
Certain statements included in this document that are not historical facts are "forward-looking statements." Such forward-looking statements are based on current expectations, estimates and projections about the industry in which HickoryTech operates, and management's beliefs and assumptions. The forward-looking 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. HickoryTech undertakes no obligation to update any of its forward-looking statements for any reason.

MISSION: As a team, we will grow and provide service of superior value to our customers. We will be a:

- Technological Innovator
- Bold and Ethical Competitor
- Market- and Sales-driven Company
- Responsible Employer
- Good Corporate Citizen

Through our efforts, we will provide greater long-term value for our shareholders.

Q3 2002 Revenues:
\$28.7 Million



Executive Team

John E. Duffy
President and Chief Executive Officer

Robert D. Alton, Jr.
Chairman

Jon L. Anderson
President, Enterprise Solutions

David A. Christensen
Vice President, Chief Financial Officer, Treasurer and Secretary

John W. Finke
President, Network Design and Operations

Mary T. Jacobs
Vice President, Human Resources

Jay C. Knauf
President, Consumer Markets

F. Ernest Lombard
President, Market and Strategic Planning

Lane C. Nordquist
President, Information Solutions

Christian E. Rothe
Manager of Public and Investor Relations



Corporate Headquarters:
221 East Hickory Street
Mankato, MN 56002-3258

www.hickorytech.com

Selected Financial Data

Dollars in Thousands Except Per Share Amounts.

Q3 2002 Q3 2001
For Three Months Ended Sept. 30.

2002 2001
For Nine Months Ended Sept. 30.

	Q3 2002	Q3 2001	2002	2001
Revenues				
Telephone	\$14,087	\$13,563	\$42,362	\$41,299
Communications Services	4,013	2,820	10,495	8,161
Wireless	4,374	4,490	11,739	13,654
Total Telecom Revenues	\$22,474	\$20,873	\$64,596	\$63,114
Information Solutions	981	1,207	3,064	3,150
Enterprise Solutions	5,257	5,479	11,655	15,480
Total Revenues	\$28,712	\$27,559	\$79,315	\$81,744
Direct Operating Expenses				
Telephone Network	\$1,539	\$2,298	\$5,290	\$6,314
Telephone Other Operating	716	546	1,997	1,768
Communications Services Network	877	702	2,522	2,012
Communications Services Other Operating	1,085	760	2,849	2,865
Wireless	1,671	1,548	4,488	4,702
Total Telecom Direct Operating Expenses	\$5,888	\$5,854	\$17,146	\$17,661
Information Solutions	1,575	1,665	4,563	4,161
Enterprise Solutions	3,688	3,866	7,905	10,503
Total Direct Operating Expenses	\$11,151	\$11,385	\$29,614	\$32,325
Indirect/Common Operating Expenses				
Marketing	\$551	\$312	\$1,375	\$1,186
Customer Care	417	345	1,207	1,198
Billing and Bad Debt	1,754	915	4,184	3,289
General and Administrative	3,693	3,654	10,936	11,560
Total Telecom Indirect/Common Operating Expenses	\$6,415	\$5,226	\$17,702	\$17,233
Information Solutions	549	427	1,567	1,359
Enterprise Solutions	1,222	1,272	3,718	3,871
Corporate and Intersegment Eliminations	(316)	(1,327)	(1,787)	(3,363)
Total Indirect/Common Operating Expenses	\$7,870	\$5,598	\$21,200	\$19,100
Depreciation and Amortization	\$4,433	\$4,337	\$12,918	\$11,861
Operating Income	\$5,258	\$6,239	\$15,583	\$18,458
Other Income/(Expense), Net, Including Interest Expense	(1,715)	(1,674)	(5,455)	(7,162)
Income Before Income Taxes	3,543	4,565	10,128	11,296
Income Taxes	1,449	1,825	4,142	4,589
Net Income	\$2,094	\$2,740	\$5,986	\$6,707
Net income Excluding Gains on Asset Sales	\$2,094	\$2,142	\$5,986	\$6,026
Basic and Fully Diluted Earnings Per Share	\$0.15	\$0.20	\$0.43	\$0.48
Diluted EPS Excluding Gains on Asset Sales	\$0.15	\$0.15	\$0.43	\$0.43
Weighted Average Shares Outstanding (Fully Diluted)	14,117,327	14,013,898	14,092,932	13,991,469
Dividend Per Share	\$0.11	\$0.11	\$0.33	\$0.33

Summarized Balance Sheet

	9/30/02	12/31/01
Current Assets	\$22,679	\$27,783
Investments	10,825	10,701
Property, Plant and Equipment, Net	136,319	135,644
Other Assets	108,583	109,164
Total Assets	\$278,406	\$283,292
Current Liabilities	\$14,735	\$14,046
Long-Term Obligations, net of current maturities	160,880	169,659
Deferred Income Taxes	13,876	13,876
Deferred Revenue and Benefits	5,435	4,946
Shareholders' Equity	83,480	80,765
Total Liabilities And Equity	\$278,406	\$283,292

Telecom Sector Metrics

	Q3 2002	Q3 2001
Telephone		
Access Lines	65,360	65,783
DSL Customers (ILEC only)	1,938	987
Average Revenue Per Unit (ARPU)	\$71.00	\$66.06
Communications Services		
Access Lines		
Overbuild	7,385	4,083
UNE	1,311	1,363
TSR	4,736	5,448
Total	13,432	10,894
Long Distance Customers	33,746	23,070
Internet Customers	13,936	14,089
DSL Customers (CLEC only)	1,224	393
Average Revenue Per Unit (ARPU)	\$41.24	\$35.14
Wireless		
Customers	26,254	26,328
Average Revenue Per Unit (ARPU)	\$26.80	\$30.70
Churn %	2.00%	1.84%
Total Telecom Sector		
Customers	152,728	140,164
Total DSL Customers	3,162	1,380