

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of The
Securities Exchange Act of 1934

Date of report (Date of earliest event reported): August 5, 2009

GENERAL COMMUNICATION, INC.

(Exact name of registrant as specified in its charter)

State of Alaska

(State or other Jurisdiction of
Incorporation or organization)

0-15279

Commission File Number

92-0072737

(I.R.S Employer
Identification No.)

**2550 Denali Street
Suite 1000**

Anchorage, Alaska

(Address of principal executive offices)

99503

(Zip Code)

Registrant's telephone number, including area code: (907) 868-5600

NONE

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligations of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Section 2 – Financial Information

Item 2.02 Results of Operations and Financial Condition

On August 5, 2009, General Communication, Inc. (GCI) issued a press release announcing earnings for the three and six months ended June 30, 2009. A copy of the press release is attached as Exhibit 99.1.

The information in this Form 8-K and the Exhibit attached hereto shall not be deemed "filed" for purposes of Section 18 of the Securities Act of 1934, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, except as shall be expressly set forth by specific reference in such filing.

The earnings release attached as Exhibit 99.1 discloses the non-GAAP financial measure of adjusted EBITDA (Earnings Before Interest, Taxes, Depreciation, Amortization, Share-based Compensation Expense and Non-cash Contribution Adjustment) for the three and six months ended June 30, 2009 and 2008. Adjusted EBITDA has been reconciled to the closely related GAAP financial measure, Net Income, within the earnings release.

Adjusted EBITDA is the sum of Net Income, Interest Expense (including Amortization of Deferred Loan Fees), Interest Income, Income Tax Expense, Depreciation and Amortization Expense, Share-based Compensation Expense and Non-cash Contribution Adjustment. Adjusted EBITDA is not presented as an alternative measure of net income, operating income or cash flow from operations, as determined in accordance with accounting principles generally accepted in the United States of America. GCI's management uses adjusted EBITDA to evaluate the operating performance of its business, and as a measure of performance for incentive compensation purposes. GCI believes adjusted EBITDA is a measure used as an analytical indicator of income generated to service debt and fund capital expenditures. In addition, multiples of current or projected adjusted EBITDA is used to estimate current or prospective enterprise value. Adjusted EBITDA does not give effect to cash used for debt service requirements, and thus does not reflect funds available for investment or other discretionary uses. Adjusted EBITDA as presented herein may not be comparable to similarly titled measures reported by other companies.

Section 9 – Financial Statements and Exhibits

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

<u>Exhibit Number</u>	<u>Description</u>
99.1	Press release issued by General Communication, Inc. on August 5, 2009

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

GENERAL COMMUNICATION, INC.

(Registrant)

Date: August 5, 2009

By /s/ John M. Lowber

Name: John M. Lowber

Title: Senior Vice President,
Chief Financial Officer,
Secretary and Treasurer
(Principal Financial Officer)

Exhibit Index

Exhibit No.	Description
99.1	Press release issued by General Communication, Inc. on August 5, 2009

GENERAL COMMUNICATION, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

(Amounts in thousands)

Assets	(Unaudited) June 30, 2009	December 31, 2008
Current assets:		
Cash and cash equivalents	\$ 27,431	29,904
Receivables	120,128	113,136
Less allowance for doubtful receivables	4,261	2,582
Net receivables	<u>115,867</u>	<u>110,554</u>
Inventories	8,688	7,085
Deferred income taxes	7,034	7,843
Prepaid expenses	6,228	5,960
Investment securities	883	1,563
Other current assets	4,756	647
Total current assets	<u>170,887</u>	<u>163,556</u>
Property and equipment in service, net of depreciation	806,020	793,051
Construction in progress	36,746	54,098
Net property and equipment	<u>842,766</u>	<u>847,149</u>
Cable certificates	191,565	191,565
Goodwill	68,586	66,868
Wireless licenses	25,967	25,967
Other intangible assets, net of amortization	20,568	22,976
Deferred loan and senior notes costs, net of amortization	5,903	6,496
Other assets	21,633	10,724
Total other assets	<u>334,222</u>	<u>324,596</u>
Total assets	<u>\$ 1,347,875</u>	<u>1,335,301</u>

(Continued)

GENERAL COMMUNICATION, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

(Continued)

(Amounts in thousands)	(Unaudited) June 30, 2009	December 31, 2008
Liabilities and Stockholders' Equity		
Current liabilities:		
Current maturities of obligations under long-term debt and capital leases	\$ 13,088	12,857
Accounts payable	32,371	40,497
Deferred revenue	21,866	22,095
Accrued payroll and payroll related obligations	19,911	22,632
Accrued liabilities	10,872	11,043
Accrued interest	9,616	10,224
Subscriber deposits	1,368	1,262
Total current liabilities	109,092	120,610
Long-term debt	724,200	708,406
Obligations under capital leases, excluding current maturities	91,698	94,029
Obligation under capital lease due to related party, excluding current maturity	1,872	1,868
Deferred income taxes	88,642	86,187
Long-term deferred revenue	50,785	49,998
Other liabilities	15,856	15,288
Total liabilities	1,082,145	1,076,386
Commitments and contingencies		
Stockholders' equity		
Common stock (no par):		
Class A. Authorized 100,000 shares; issued 49,976 and 50,062 shares at June 30, 2009 and December 31, 2008, respectively; outstanding 49,702 and 49,593 shares at June 30, 2009 and December 31, 2008, respectively	150,883	151,262
Class B. Authorized 10,000 shares; issued 3,192 and 3,203 shares at June 30, 2009 and December 31, 2008, respectively; outstanding 3,192 and 3,201 shares at June 30, 2009 and December 31, 2008, respectively; convertible on a share-per-share basis into Class A common stock	2,689	2,706
Less cost of 275 and 283 Class A and Class B common shares held in treasury at June 30, 2009 and December 31, 2008, respectively	(2,369)	(2,462)
Paid-in capital	30,474	27,233
Retained earnings	84,053	80,176
Total stockholders' equity	265,730	258,915
Total liabilities and stockholders' equity	\$ 1,347,875	1,335,301

GENERAL COMMUNICATION, INC. AND SUBSIDIARIES
CONSOLIDATED INCOME STATEMENT
(Unaudited)

(Amounts in thousands, except per share amounts)	Three Months Ended June 30,		Six Months Ended June 30,	
	2009	2008	2009	2008
Revenues	\$ 148,796	142,461	297,485	277,135
Cost of goods sold (exclusive of depreciation and amortization shown separately below)	47,348	52,448	95,205	103,759
Selling, general and administrative expenses	51,719	48,260	108,305	94,666
Depreciation and amortization expense	31,170	27,708	61,904	54,951
Operating income	<u>18,559</u>	<u>14,045</u>	<u>32,071</u>	<u>23,759</u>
Other income (expense):				
Interest expense (including amortization of deferred loan fees)	(13,273)	(11,778)	(25,920)	(20,686)
Interest income	11	402	19	483
Other expense, net	<u>(13,262)</u>	<u>(11,376)</u>	<u>(25,901)</u>	<u>(20,203)</u>
Income before income tax expense	5,297	2,669	6,170	3,556
Income tax expense	<u>2,733</u>	<u>1,783</u>	<u>3,252</u>	<u>3,210</u>
Net income	2,564	886	2,918	346
Net income attributable to the non-controlling interest	-	946	-	1,922
Net income attributable to General Communication, Inc	<u>\$ 2,564</u>	<u>1,832</u>	<u>2,918</u>	<u>2,268</u>
Basic net income per common share	<u>\$ 0.05</u>	<u>0.04</u>	<u>0.06</u>	<u>0.04</u>
Diluted net income per common share	<u>\$ 0.05</u>	<u>0.03</u>	<u>0.05</u>	<u>0.04</u>
Common shares used to calculate basic EPS	<u>52,499</u>	<u>52,320</u>	<u>52,487</u>	<u>52,289</u>
Common shares used to calculate diluted EPS	<u>52,906</u>	<u>52,745</u>	<u>53,101</u>	<u>52,950</u>

GENERAL COMMUNICATION, INC. AND SUBSIDIARIES
SUPPLEMENTAL SCHEDULES
(Unaudited)

(Amounts in thousands)

	Second Quarter 2009						Second Quarter 2008					
	Consumer	Network Access	Commercial	Managed Broadband	Regulated Operations	Totals	Consumer	Network Access	Commercial	Managed Broadband	Regulated Operations	Totals
Revenues												
Voice	\$ 12,988	13,444	7,701	-	6,368	40,501	12,117	23,213	7,280	-	1,879	44,489
Video	27,132	-	2,221	-	-	29,353	25,668	-	2,149	-	-	27,817
Data	12,166	16,073	15,409	10,998	-	54,646	10,386	17,988	16,584	9,134	-	54,092
Wireless	21,113	1,603	1,580	-	-	24,296	13,942	690	1,431	-	-	16,063
Total	73,399	31,120	26,911	10,998	6,368	148,796	62,113	41,891	27,444	9,134	1,879	142,461
Cost of goods sold (exclusive of depreciation and amortization)												
	24,011	6,556	12,977	2,357	1,447	47,348	23,689	11,529	13,912	3,020	298	52,448
Contribution	49,388	24,564	13,934	8,641	4,921	101,448	38,424	30,362	13,532	6,114	1,581	90,013
Less SG&A	27,740	9,370	8,600	3,411	2,598	51,719	26,055	9,578	8,312	3,093	1,222	48,260
Non-controlling interest	-	-	-	-	-	-	416	371	159	-	-	946
EBITDA	21,648	15,194	5,334	5,230	2,323	49,729	12,785	21,155	5,379	3,021	359	42,699
Add share-based compensation	607	452	246	122	-	1,427	638	521	317	117	-	1,593
Add non-cash contribution	37	25	12	6	-	80	-	-	-	-	-	-
Adjusted EBITDA	\$ 22,292	15,671	5,592	5,358	2,323	51,236	13,423	21,676	5,696	3,138	359	44,292

GENERAL COMMUNICATION, INC. AND SUBSIDIARIES
SUPPLEMENTAL SCHEDULES
(Unaudited)

(Amounts in thousands)

	Second Quarter 2009						First Quarter 2009					
	Consumer	Network Access	Commercial	Managed Broadband	Regulated Operations	Totals	Consumer	Network Access	Commercial	Managed Broadband	Regulated Operations	Totals
Revenues												
Voice	\$ 12,988	13,444	7,701	-	6,368	40,501	13,915	14,334	7,984	-	6,169	42,402
Video	27,132	-	2,221	-	-	29,353	27,370	-	2,050	-	-	29,420
Data	12,166	16,073	15,409	10,998	-	54,646	11,762	17,954	16,515	10,610	-	56,841
Wireless	21,113	1,603	1,580	-	-	24,296	17,672	911	1,443	-	-	20,026
Total	73,399	31,120	26,911	10,998	6,368	148,796	70,719	33,199	27,992	10,610	6,169	148,689
Cost of goods sold (exclusive of depreciation and amortization)	24,011	6,556	12,977	2,357	1,447	47,348	23,403	6,684	13,355	2,689	1,726	47,857
Contribution	49,388	24,564	13,934	8,641	4,921	101,448	47,316	26,515	14,637	7,921	4,443	100,832
Less SG&A	27,740	9,370	8,600	3,411	2,598	51,719	29,486	10,275	9,723	4,191	2,911	56,586
Add other income (expense)	-	-	-	-	-	-	-	-	-	-	-	-
EBITDA	21,648	15,194	5,334	5,230	2,323	49,729	17,830	16,240	4,914	3,730	1,532	44,246
Add share-based compensation	607	452	246	122	-	1,427	765	553	326	158	-	1,802
Add non-cash contribution	37	25	12	6	-	80	183	126	61	30	-	400
Adjusted EBITDA	\$ 22,292	15,671	5,592	5,358	2,323	51,236	18,778	16,919	5,301	3,918	1,532	46,448

GENERAL COMMUNICATION, INC. AND SUBSIDIARIES
SUPPLEMENTAL SCHEDULES
(Unaudited)

(Amounts in thousands)

	Six Months Ended June 30, 2009						Six Months Ended June 30, 2008					
	Network		Managed	Regulated	Totals		Network		Managed	Regulated	Totals	
	Consumer	Access	Commercial	Broadband			Operations	Consumer	Access	Commercial		Broadband
Revenues												
Voice	\$ 26,903	27,778	15,685	-	12,537	82,903	23,978	45,155	14,494	-	1,879	85,506
Video	54,502	-	4,271	-	-	58,773	51,315	-	3,969	-	-	55,284
Data	23,928	34,027	31,924	21,608	-	111,487	20,482	34,827	32,793	16,660	-	104,762
Wireless	38,785	2,514	3,023	-	-	44,322	27,721	1,083	2,779	-	-	31,583
Total	144,118	64,319	54,903	21,608	12,537	297,485	123,496	81,065	54,035	16,660	1,879	277,135
Cost of goods sold (exclusive of depreciation and amortization)	47,414	13,240	26,332	5,046	3,173	95,205	48,391	21,783	27,983	5,304	298	103,759
Contribution	96,704	51,079	28,571	16,562	9,364	202,280	75,105	59,282	26,052	11,356	1,581	173,376
Less SG&A	57,225	19,645	18,323	7,603	5,509	108,305	51,406	19,166	16,924	5,948	1,222	94,666
Non-controlling interest	-	-	-	-	-	-	844	754	324	-	-	1,922
Add other income (expense)	-	-	-	-	-	-	-	-	-	-	-	-
EBITDA	39,479	31,434	10,248	8,959	3,855	93,975	24,543	40,870	9,452	5,408	359	80,632
Add share-based compensation	1,371	1,005	572	281	-	3,229	1,134	943	569	207	-	2,853
Add non-cash contribution	220	151	73	36	-	480	-	-	-	-	-	-
Adjusted EBITDA	\$ 41,070	32,590	10,893	9,276	3,855	97,684	25,677	41,813	10,021	5,615	359	83,485

GENERAL COMMUNICATION, INC. AND SUBSIDIARIES
KEY PERFORMANCE INDICATORS
(Unaudited)

	June 30, 2009 as compared to				June 30, 2009 as compared to		
	June 30, <u>2009</u>	June 30, <u>2008</u>	March 31, <u>2009</u>	June 30, <u>2008</u>	March 31, <u>2009</u>	June 30, <u>2008</u>	March 31, <u>2009</u>
Consumer							
Voice							
Long-distance subscribers	88,600	89,800	88,700	(1,200)	(100)	-1.3%	-0.1%
Total local access lines in service	81,200	78,100	81,400	3,100	(200)	4.0%	-0.2%
Local access lines in service on GCI facilities	70,300	60,500	69,900	9,800	400	16.2%	0.6%
Video							
Basic subscribers	129,700	130,300	130,000	(600)	(300)	-0.5%	-0.2%
Digital programming tier subscribers	76,200	68,200	76,100	8,000	100	11.7%	0.1%
HD/DVR converter boxes	74,400	56,900	72,100	17,500	2,300	30.8%	3.2%
Homes passed	230,400	226,900	229,700	3,500	700	1.5%	0.3%
Data							
Cable modem subscribers	94,900	91,000	94,300	3,900	600	4.3%	0.6%
Wireless							
Wireless lines in service	103,600	77,000	97,100	26,600	6,500	34.5%	6.7%
Network Access Services							
Data:							
Total ISP access lines in service	1,700	2,000	1,700	(300)	-	-15.0%	0.0%
Commercial							
Voice:							
Long-distance subscribers	9,600	10,400	9,700	(800)	(100)	-7.7%	-1.0%
Total local access lines in service	47,300	45,400	46,900	1,900	400	4.2%	0.9%
Local access lines in service on GCI facilities	18,400	16,600	18,000	1,800	400	10.8%	2.2%
Video							
Hotels and mini-headend subscribers	20,300	15,700	18,300	4,600	2,000	29.3%	10.9%
Basic subscribers	1,700	2,000	1,700	(300)	-	-15.0%	0.0%
Total basic subscribers	<u>22,000</u>	<u>17,700</u>	<u>20,000</u>	<u>4,300</u>	<u>2,000</u>	<u>24.3%</u>	<u>10.0%</u>
Data							
Cable modem subscribers	10,400	9,000	10,200	1,400	200	15.6%	2.0%
Wireless							
Wireless lines in service	8,900	7,100	8,000	1,800	900	25.4%	11.3%
Regulated Operations							
Voice:							
Total local access lines in service	11,600	12,200	11,900	NA	NA	NA	NA

	Three Months Ended			June 30, 2009 as Compared to		June 30, 2009 as Compared to	
	June 30, <u>2009</u>	June 30, <u>2008</u>	March 31, <u>2009</u>	June 30, <u>2008</u>	March 31, <u>2009</u>	June 30, <u>2008</u>	March 31, <u>2009</u>
Consumer							
Voice							
Long-distance minutes carried (in millions)	28.3	32.0	29.6	(3.7)	(1.3)	-11.6%	-4.4%
Video							
Average monthly gross revenue per subscriber	\$ 69.59	\$ 65.86	\$ 69.50	\$ 3.73	\$ 0.09	5.7%	0.1%
Wireless							
Average monthly gross revenue per subscriber	\$ 57.88	\$ 57.39	\$ 58.63	\$ 0.49	\$ (0.75)	0.9%	-1.3%
Network Access Services							
Voice							
Long-distance minutes carried (in millions)	215.6	326.2	200.4	(110.6)	15.2	-33.9%	7.6%
Commercial							
Voice:							
Long-distance minutes carried (in millions)	31.8	32.9	32.2	(1.1)	(0.4)	-3.3%	-1.2%
Total							
Long-distance minutes carried (in millions)	275.7	391.1	262.2	(115.4)	13.5	-29.5%	5.1%

General Communication, Inc.
Non-GAAP Financial Reconciliation Schedule
(Unaudited, Amounts in Millions)

	Three Months Ended		
	June 30, 2009	June 30, 2008	March 31, 2009
Net income attributable to General Communication, Inc.	\$ 2.6	1.8	0.4
Net income attributable to the non-controlling interest	---	(0.9)	---
Net income	2.6	0.9	0.4
Income tax expense	2.7	1.8	0.5
Income before income tax expense	5.3	2.7	0.9
Other (income) expense:			
Interest expense (including amortization of deferred loan fees)	13.2	11.8	12.6
Interest income	---	(0.4)	---
Other expense, net	13.2	11.4	12.6
Operating income	18.5	14.1	13.5
Depreciation and amortization expense	31.2	27.7	30.7
Net income attributable to the non-controlling interest	---	0.9	---
EBITDA (Note 2)	49.7	42.7	44.2
Share-based compensation expense	1.4	1.6	1.8
Non-cash contribution adjustment	0.1	---	0.4
Adjusted EBITDA (Note 1)	\$ 51.2	44.3	46.4

General Communication, Inc.
Non-GAAP Financial Reconciliation Schedule
(Unaudited, Amounts in Millions)

	Six Months Ended	
	June 30, 2009	June 30, 2008
Net income attributable to General Communication, Inc.	\$ 2.9	2.3
Net income attributable to the non-controlling interest	---	(1.9)
Net income	2.9	0.4
Income tax expense	3.3	3.2
Income before income tax expense	6.2	3.6
Other (income) expense:		
Interest expense (including amortization of deferred loan fees)	25.9	20.7
Interest income	---	(0.5)
Other expense, net	25.9	20.2
Operating income	32.1	23.8
Depreciation and amortization expense	61.9	54.9
Net income attributable to the non-controlling interest	---	1.9
EBITDA (Note 2)	94.0	80.6
Share-based compensation expense	3.2	2.9
Non-cash contribution adjustment	0.5	---
Adjusted EBITDA (Note 1)	\$ 97.7	83.5

Notes:

- (1) EBITDA (as defined in Note 2 below) before deducting share-based compensation expense and non-cash contribution adjustment.
- (2) Earnings Before Interest, Taxes, Depreciation and Amortization is the sum of Net Income, Interest Expense (including Amortization of Deferred Loan Fees), Interest Income, Income Tax Expense, and Depreciation and Amortization Expense. EBITDA is not presented as an alternative measure of net income, operating income or cash flow from operations, as determined in accordance with accounting principles generally accepted in the United States of America. GCI's management uses EBITDA to evaluate the operating performance of its business, and as a measure of performance for incentive compensation purposes. GCI believes EBITDA is a measure used as an analytical indicator of income generated to service debt and fund capital expenditures. In addition, multiples of current or projected EBITDA are used to estimate current or prospective enterprise value. EBITDA does not give effect to cash used for debt service requirements, and thus does not reflect funds available for investment or other discretionary uses. EBITDA as presented herein may not be comparable to similarly titled measures reported by other companies.