

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): May 9, 2007

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 May 9, 2007, General Communication, Inc. (GCI) issued a press release announcing earnings for the three months ended March 31, 2007. 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 EBITDAS (Earnings Before Interest, Taxes, Depreciation, Amortization, and Share-based Compensation Expense) for the quarters ended March 31, 2007 and 2006. EBITDAS has been reconciled to the closely related GAAP financial measure, Net Income, within the earnings release.

EBITDAS is the sum of Net Income, Interest Expense, Amortization of Loan and Senior Notes Fees, Interest Income, Income Tax Expense, Depreciation and Amortization Expense, and Share-based Compensation Expense. EBITDAS 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 EBITDAS to evaluate the operating performance of its business, and as a measure of performance for incentive compensation purposes. GCI believes EBITDAS 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 EBITDAS is used to estimate current or prospective enterprise value. EBITDAS does not give effect to cash used for debt service requirements, and thus does not reflect funds available for investment or other discretionary uses. EBITDAS 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

- (a) Financial statements of businesses acquired: Not Applicable
- (b) Pro forma financial information: Not Applicable
- (c) Exhibit:

99.1 Press release issued by General Communication, Inc. on May 9, 2007

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: May 10, 2007

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 May 9, 2007

GENERAL COMMUNICATION, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

(Amounts in thousands)	Assets	(Unaudited) March 31, 2007	December 31, 2006
Current assets:			
Cash and cash equivalents		\$ 9,734	57,647
Restricted cash		-	4,612
Receivables		77,515	78,811
Less allowance for doubtful receivables		2,629	2,922
Net receivables		<u>74,886</u>	<u>75,889</u>
Deferred income taxes, net		17,675	20,685
Prepaid expenses		7,164	5,729
Inventories		4,933	3,362
Property held for sale		2,279	2,316
Notes receivable from related parties		69	1,080
Other current assets		1,018	1,988
Total current assets		<u>117,758</u>	<u>173,308</u>
Property and equipment in service, net of depreciation		466,266	454,879
Construction in progress		40,010	29,994
Net property and equipment		<u>506,276</u>	<u>484,873</u>
Cable certificates		191,565	191,565
Goodwill		42,181	42,181
Wireless certificates		26,914	1,497
Other intangible assets, net of amortization		11,210	7,011
Deferred loan and senior notes costs, net of amortization		6,917	7,091
Other assets		6,322	7,133
Total other assets		<u>285,109</u>	<u>256,478</u>
Total assets		<u>\$ 909,143</u>	<u>914,659</u>

(Continued)

GENERAL COMMUNICATION, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

(Continued)

(Amounts in thousands)	(Unaudited) March 31, 2007	December 31, 2006
Liabilities and Stockholders' Equity		
Current liabilities:		
Current maturities of obligations under long-term debt and capital leases	\$ 1,832	1,792
Accounts payable	28,863	28,404
Deferred revenue	16,458	16,566
Accrued payroll and payroll related obligations	14,561	14,598
Accrued liabilities	9,727	8,377
Accrued interest	2,949	8,710
Subscriber deposits	721	489
Total current liabilities	75,111	78,936
Long-term debt	477,947	487,737
Obligations under capital leases, excluding current maturities	2,242	2,229
Obligation under capital lease due to related party, excluding current maturity	541	561
Deferred income taxes, net of deferred income tax benefit	85,270	86,998
Minority interest	6,502	-
Other liabilities	12,845	12,725
Total liabilities	660,458	669,186
Commitments and contingencies		
Stockholders' equity		
Common stock (no par):		
Class A. Authorized 100,000 shares; issued 50,315 and 50,191 shares at March 31, 2007 and December 31, 2006, respectively; outstanding 50,028 and 49,804 at March 31, 2007 and December 31, 2006, respectively	155,888	157,502
Class B. Authorized 10,000 shares; issued 3,258 and 3,370 shares at March 31, 2007 and December 31, 2006, respectively; outstanding 3,256 and 3,368 at March 31, 2007 and December 31, 2006, respectively; convertible on a share-per-share basis into Class A common stock	2,752	2,846
Less cost of 250 and 258 Class A and Class B common shares held in treasury at March 31, 2007 and December 31, 2006, respectively	(1,391)	(1,436)
Paid-in capital	21,801	20,641
Notes receivable with related parties issued upon stock option exercise	-	(738)
Retained earnings	69,635	66,658
Total stockholders' equity	248,685	245,473
Total liabilities and stockholders' equity	\$ 909,143	914,659

GENERAL COMMUNICATION, INC. AND SUBSIDIARIES
CONSOLIDATED INCOME STATEMENT

(Unaudited)
Three Months Ended
March 31,
2006

(Amounts in thousands, except per share amounts)	2007	2006 (as amended)
Revenues	\$ 124,579	112,822
Cost of goods sold (exclusive of depreciation and amortization shown separately below)	43,113	36,184
Selling, general and administrative expenses	48,524	41,256
Depreciation and amortization expense	21,454	20,161
Operating income	11,488	15,221
Other income (expense):		
Interest expense	(8,700)	(8,554)
Interest income	184	157
Amortization of loan and senior notes fees	(180)	(251)
Other	13	(113)
Other expense, net	(8,683)	(8,761)
Income before income taxes and cumulative effect of a change in accounting principle	2,805	6,460
Income tax expense	1,275	3,210
Income before cumulative effect of a change in accounting principle	1,530	3,250
Cumulative effect of a change in accounting principle, net of income tax expense of \$44	-	64
Net income available to common shareholders	\$ 1,530	3,314
Basic net income available to common shareholders per common share:		
Income available to common shareholders before cumulative effect of a change in accounting principle	\$ 0.03	0.06
Cumulative effect of a change in accounting principle	-	-
Net income available to common shareholders	\$ 0.03	0.06
Diluted net income available to common shareholders per common share:		
Income available to common shareholders before cumulative effect of a change in accounting principle	\$ 0.02	0.06
Cumulative effect of a change in accounting principle	-	-
Net income available to common shareholders	\$ 0.02	0.06
Common shares used to calculate basic EPS	53,260	54,561
Common shares used to calculate diluted EPS	54,940	56,217

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

(Amounts in thousands)

	First Quarter 2007					First Quarter 2006 (as amended)				
	Network		Commercial	Managed		Network		Managed		Totals
	Consumer	Access		Broadband	Totals	Consumer	Access	Broadband	Totals	
Revenues										
Voice	\$ 11,271	24,437	7,778	-	43,486	11,311	24,485	8,023	-	43,819
Video	23,631	-	1,766	-	25,397	22,003	-	1,726	-	23,729
Data	7,874	15,034	13,926	6,920	43,754	6,961	13,338	15,910	6,208	42,417
Wireless	10,494	856	592	-	11,942	2,388	-	469	-	2,857
Total	53,270	40,327	24,062	6,920	124,579	42,663	37,823	26,128	6,208	112,822
Cost of goods sold	20,421	9,498	11,609	1,585	43,113	15,923	8,776	10,424	1,061	36,184
Contribution	32,849	30,829	12,453	5,335	81,466	26,740	29,047	15,704	5,147	76,638
Less SG&A	23,405	11,866	9,645	3,608	48,524	19,042	9,632	9,277	3,305	41,256
Add other income (expense)	6	5	2	-	13	-	-	-	(113)	(113)
EBITDA	9,450	18,968	2,810	1,727	32,955	7,698	19,415	6,427	1,729	35,269
Add share-based compensation	356	349	237	85	1,027	623	667	393	130	1,813
EBITDA, as adjusted	\$ 9,806	19,317	3,047	1,812	33,982	8,321	20,082	6,820	1,859	37,082

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

(Amounts in thousands)

	First Quarter 2007					Fourth Quarter 2006				
	Network		Commercial	Managed		Network		Managed		Totals
	Consumer	Access		Broadband	Totals	Consumer	Access	Broadband	Totals	
Revenues										
Voice	\$ 11,271	24,437	7,778	-	43,486	11,182	26,734	7,838	-	45,754
Video	23,631	-	1,766	-	25,397	23,410	-	2,212	-	25,622
Data	7,874	15,034	13,926	6,920	43,754	7,737	15,638	14,443	6,888	44,706
Wireless	10,494	856	592	-	11,942	4,493	-	784	-	5,277
Total	53,270	40,327	24,062	6,920	124,579	46,822	42,372	25,277	6,888	121,359
Cost of goods sold	20,421	9,498	11,609	1,585	43,113	17,409	9,824	11,938	1,169	40,340
Contribution	32,849	30,829	12,453	5,335	81,466	29,413	32,548	13,339	5,719	81,019
Less SG&A	23,405	11,866	9,645	3,608	48,524	21,885	11,499	10,122	2,508	46,014
Add other income	6	5	2	-	13	-	-	-	114	114
EBITDA	9,450	18,968	2,810	1,727	32,955	7,528	21,049	3,217	3,325	35,119
Add share-based compensation	356	349	237	85	1,027	591	858	368	139	1,956
EBITDA, as adjusted	\$ 9,806	19,317	3,047	1,812	33,982	8,119	21,907	3,585	3,464	37,075

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

	Three Months Ended			March 31, 2007 as compared to		March 31, 2007 as compared to	
	March 31, 2007	March 31, 2006	December 31, 2006	March 31, 2006	December 31, 2006	March 31, 2006	December 31, 2006
Consumer							
Voice							
Long-distance subscribers	89,600	93,800	89,800	(4,200)	(200)	-4.5%	-0.2%
Total local access lines in service	67,400	68,600	66,200	(1,200)	1,200	-1.7%	1.8%
Local access lines in service on GCI facilities	37,400	24,500	31,400	12,900	6,000	52.7%	19.1%
Video							
Basic subscribers	124,500	122,100	124,000	2,400	500	2.0%	0.4%
Digital programming tier subscribers	60,600	54,900	58,700	5,700	1,900	10.4%	3.2%
HD/DVR converter boxes	34,600	16,200	29,200	18,400	5,400	113.7%	18.5%
Homes passed	220,100	216,000	219,900	4,100	200	1.9%	0.1%
Data							
Cable modem subscribers	81,300	74,000	78,500	7,300	2,800	9.9%	3.6%
Wireless							
Wireless lines in service	60,000	17,000	24,400	43,000	35,600	252.9%	145.9%
Network Access Services							
Voice:							
Total ISP access lines in service	3,100	3,300	3,100	(200)	-	-6.1%	0.0%
Commercial							
Voice:							
Long-distance subscribers	11,100	10,400	11,100	700	-	6.7%	0.0%
Total local access lines in service	42,100	40,600	41,900	1,500	200	3.7%	0.5%
Local access lines in service on GCI facilities	9,100	7,200	8,400	1,900	700	26.4%	8.3%
Video							
Hotels and mini-headend subscribers	13,600	13,900	13,300	(300)	300	-2.2%	2.3%
Basic subscribers	2,100	1,500	1,900	600	200	40.0%	10.5%
Total basic subscribers	<u>15,700</u>	<u>15,400</u>	<u>15,200</u>	<u>300</u>	<u>500</u>	<u>1.9%</u>	<u>3.3%</u>
Data							
Cable modem subscribers	8,000	6,900	7,800	1,100	200	15.9%	2.6%
Wireless							
Wireless lines in service	6,200	3,100	4,600	3,100	1,600	100.0%	34.8%
Broadband							
SchoolAccess® customers	48	47	48	1	-	2.1%	0.0%
Rural health customers	21	21	21	-	-	0.0%	0.0%
Consumer							
Voice							
Long-distance minutes carried (in millions)	34.2	36.9	35.0	(2.7)	(0.8)	-7.3%	-2.3%
Video							
Average monthly gross revenue per subscriber	\$ 63.38	\$ 60.64	\$ 63.44	\$ 2.74	\$ (0.06)	4.5%	-0.1%
Wireless							
Average monthly gross revenue per subscriber	\$ 53.59	\$ 44.72	\$ 64.58	\$ 8.87	\$ (10.99)	19.8%	-17.0%
Network Access Services							
Voice							
Long-distance minutes carried (in millions)	315.8	288.0	323.4	27.8	(7.6)	9.7%	-2.4%
Commercial							
Voice:							
Long-distance minutes carried (in millions)	32.9	35.1	30.8	(2.2)	2.1	-6.2%	6.8%
Total							
Long-distance minutes carried (in millions)	382.9	360.0	389.2	22.9	(6.3)	6.5%	-1.6%

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

	Three Months Ended		
	March 31, 2007	March 31, 2006 (as amended)	December 31, 2006
Net income available to common shareholders	\$ 1.5	3.3	3.1
Income tax expense	1.3	3.2	2.6
Income before income tax expense	2.8	6.5	5.7
Cumulative effect of a change in accounting principle, net of income tax benefit of \$0.0	---	(0.1)	---
Income before income tax expense and cumulative effect of a change in accounting principle	2.8	6.4	5.7
Other (income) expense:			
Interest expense	8.7	8.6	8.2
Amortization of loan and senior notes fee expense	0.2	0.3	0.2
Interest income	(0.2)	(0.1)	(0.4)
Other	---	---	(0.1)
Other expense, net	8.7	8.8	7.9
Operating income	11.5	15.2	13.6
Depreciation and amortization expense	21.5	20.1	21.4
Other	---	---	0.1
EBITDA (Note 2)	33.0	35.3	35.1
Share-based compensation expense	1.0	1.8	2.0
EBITDA, as adjusted (Note 1) \$	<u>34.0</u>	<u>37.1</u>	<u>37.1</u>

Notes:

- (1) EBITDA (as defined in Note 2 below) before deducting share-based compensation expense.
- (2) EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) is the sum of Net Income, Interest Expense, Amortization of Loan and Senior Notes 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.