



**First Quarter 2011
Earnings Conference Call
May 3, 2011**



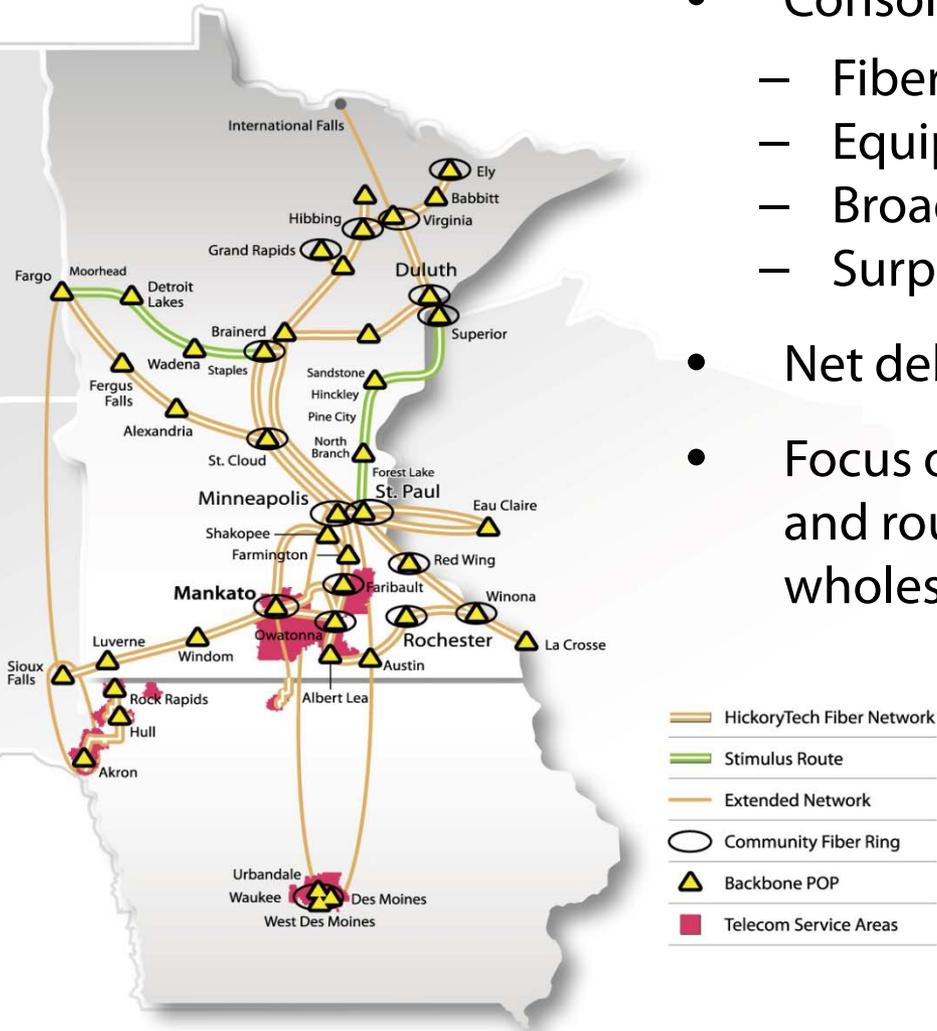
“Safe Harbor” Statement



Information set forth in this presentation contains financial estimates and other forward-looking statements that are subject to risks and uncertainties; therefore, actual results might differ materially from such statements, whether as a result of new information, future events or otherwise. You are cautioned not to place undue reliance on these forward-looking statements. A discussion of factors that may effect future results is contained in HickoryTech’s filings with the Securities and Exchange Commission. HickoryTech disclaims any obligation to update and revise statements contained in this presentation based on new information or otherwise. This presentation also contains certain non-GAAP financial measures. Reconciliations of these non-GAAP measures to the most directly comparable GAAP measures are available in our presentation.

First Quarter 2011 Highlights

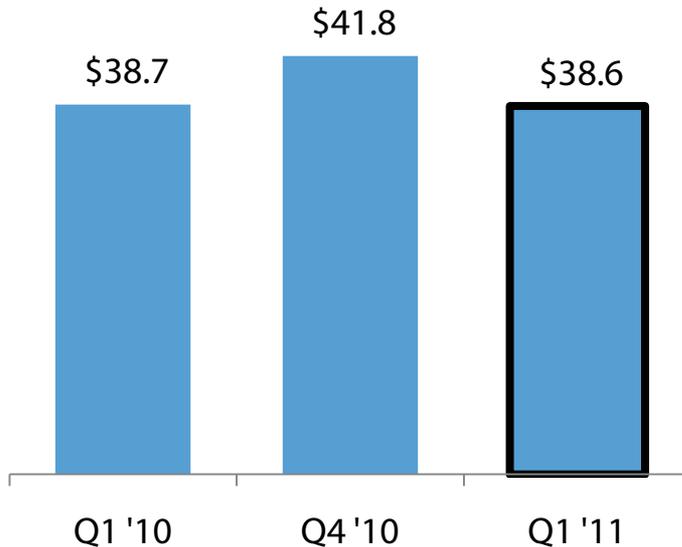
- Consolidated revenue totaled \$38.6 million
 - Fiber and data revenue grew 13%
 - Equipment support services revenue up 20%
 - Broadband revenue grew 14%
 - Surpassed 20,000 DSL subscribers
- Net debt position improved \$10 M
- Focus on leveraging fiber network upgrades and route expansion, pursuing business and wholesale services growth



Consolidated Revenue

(\$ in Millions)

Quarterly Revenue

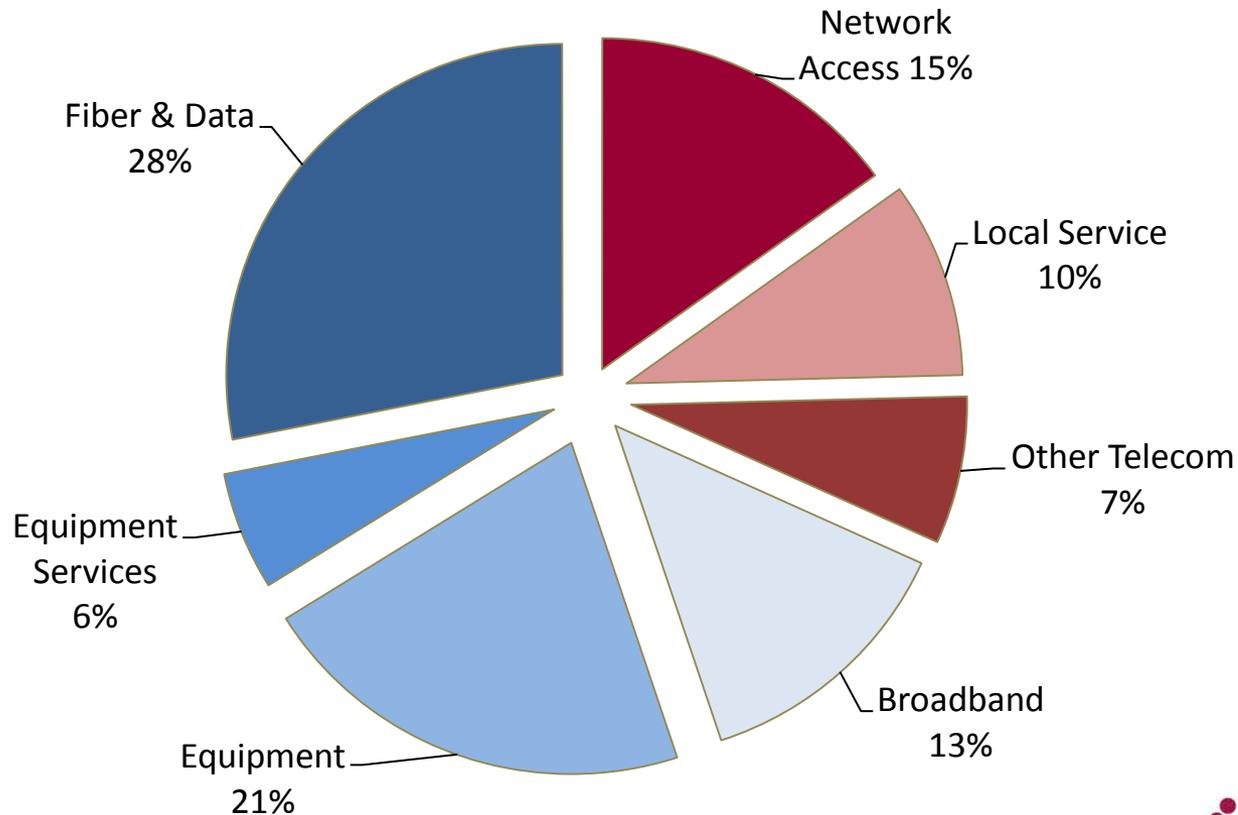


Q1 '11 compared to Q1 '10

- Fiber and data revenue +13%
- Equipment sales -17%
- Equip. support services +20%
- Broadband revenue +14%

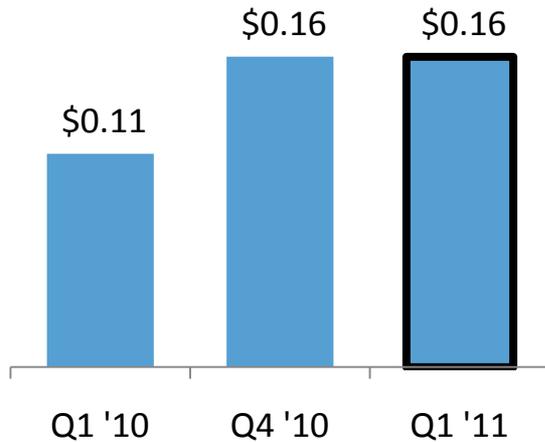
Revenue Diversification

68% of Q1-11 revenue was from Business Sector & Broadband Services



Earnings and Income

Diluted EPS



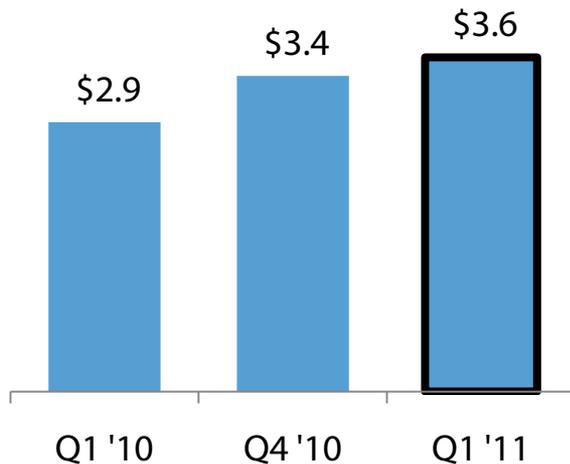
Q1 '11 compared to Q1 '10

- Interest expense is 33% lower
- Q1-10 included \$279,000 income tax expense due to the 2010 Patient Protection and Affordable Care Act and Health Care and Education Reconciliation Act

(\$ in Millions)

Income before Taxes

(continuing operations)



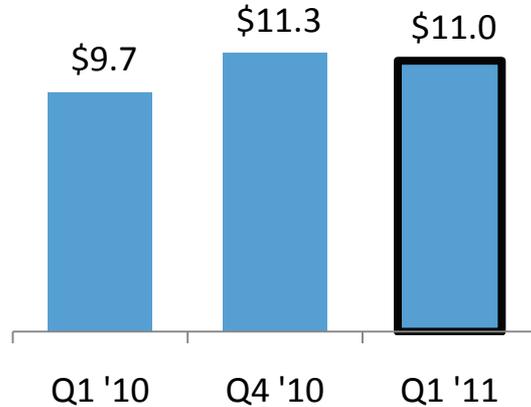
Q1 '11 compared to Q1 '10

- Interest expense 33%
- Strong fiber and data sales and equipment support services positively impacted income

Business Sector

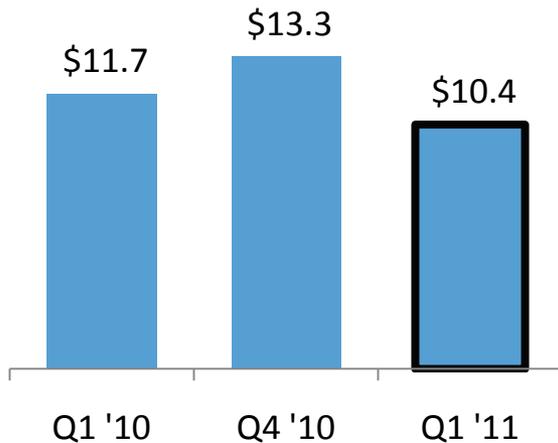
Formerly referred to as "Eventis Sector"

(\$ in Millions)
before intersegment
eliminations



Fiber and Data

- Fiber construction project (Dakotas expansion) added \$0.6 M in Q4 '10
- Steady wholesale services growth; SMB and enterprise market expansion



Equipment

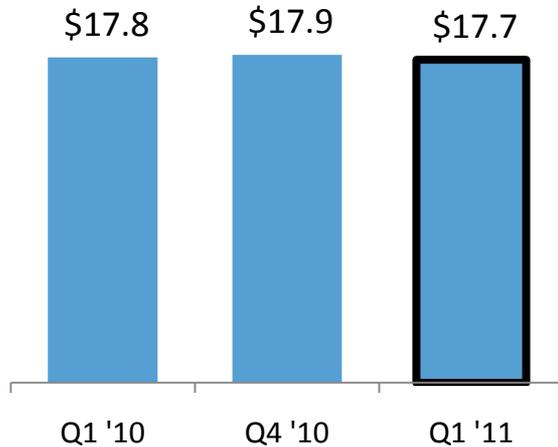
Q1 '11 compared to Q1 '10

- Equipment sales down 17%, fluctuate on a quarterly basis
- Support services up 20%
- Continued profitability within product line

Telecom Sector

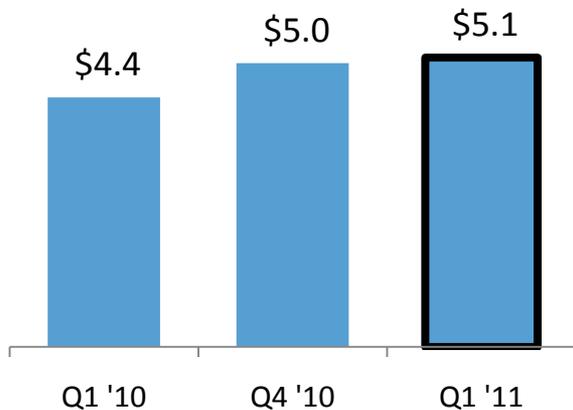
(\$ in Millions)
*before intersegment
eliminations*

Telecom Revenue



- Broadband revenue up 14%
- Network Access revenue down 5% and Local Service revenue down 4%
- Total costs and expenses down 1%

Broadband Revenue

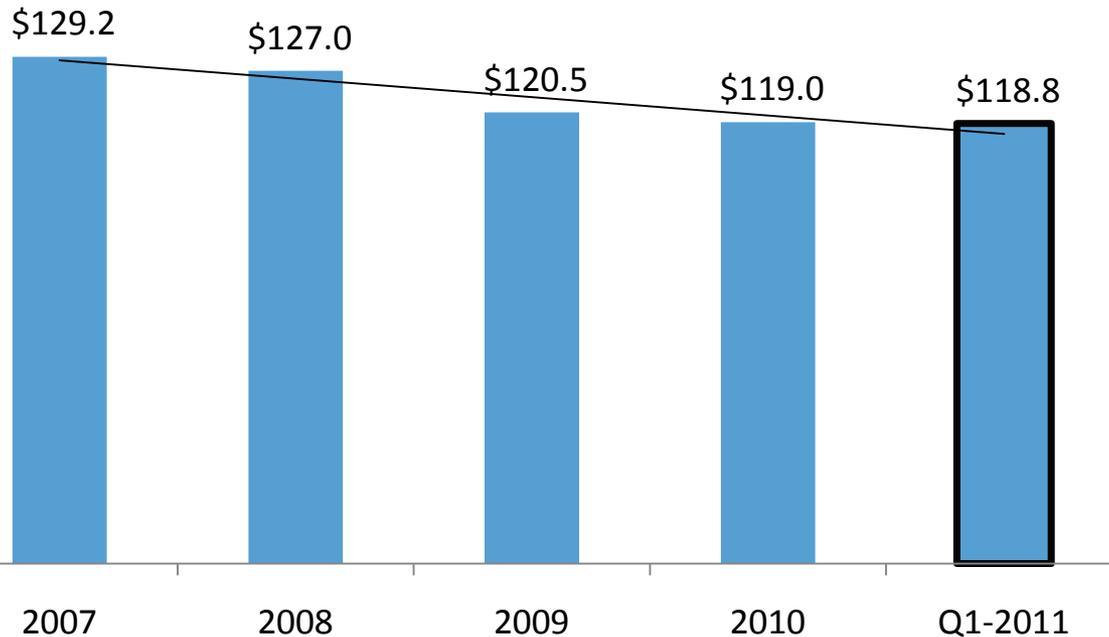


- Strong business Ethernet and data sales
- Digital TV subscribers +8%
- DSL subscribers exceeded 20,000

Debt Balance

Continued debt improvement

(\$ in Millions)



- Net debt was \$108.9 M, down \$10 M from 12/31/10
- Lower intra-quarter borrowing and interest rates in 2011 contributing to 33% reduction in interest expense
- New senior debt agreement expected by Q3-11

2011 Fiscal Outlook

Revenue

- \$158 M to \$164 M

Net Income

- \$7.4 M to \$8.7 M

Capital Spending

- \$20.5 M to \$24 M

EBITDA

- \$41 M to \$43.2 M

Debt (Year end)

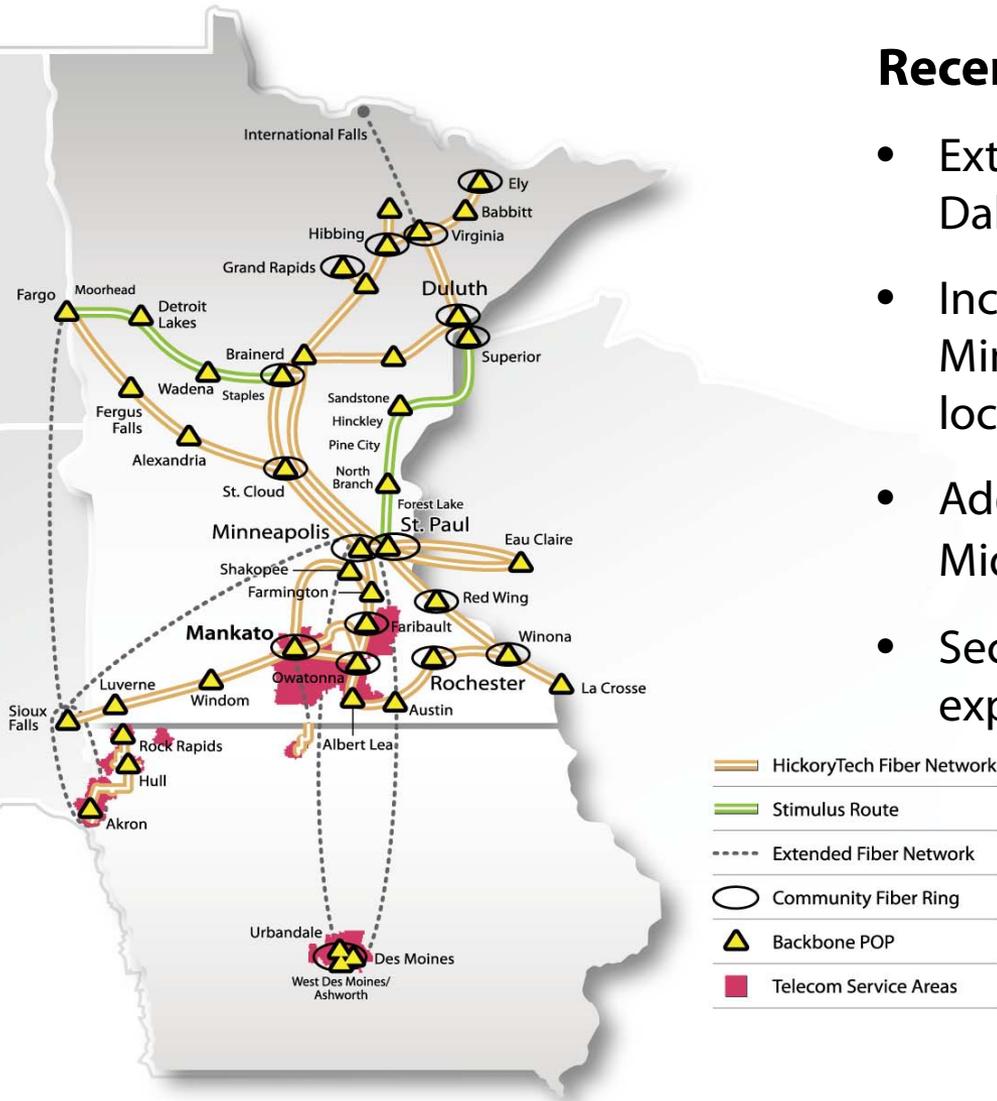
- \$118 M to \$123 M

2011 guidance provided in fourth quarter 2010 earnings release issued Feb. 28, 2011.

Strategic Initiatives Progress

Recent Network Expansion

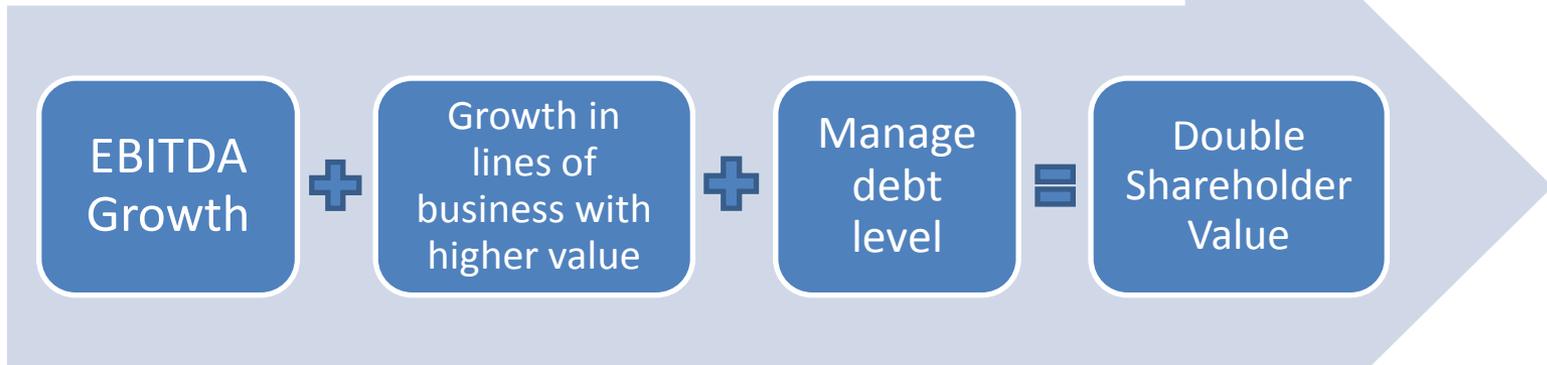
- Extended fiber network to Sioux Falls, So. Dakota and Fargo, No. Dakota
- Increased network capacity between Minnesota and Des Moines, Iowa, added local fiber network in Des Moines, Iowa
- Added network collocations to expand Mid-band Ethernet services.
- Secured Broadband stimulus grant, network expansion plans in progress



Five-Year Growth Goal

Our Goal: Double HickoryTech's value by 2014

By way of example using 2009 EBITDA of \$40 M and approximately \$120 M of debt, HickoryTech hypothetical shareholder value in 2009 was approximately \$170 M.



Our goal is to double shareholder value by the end of 2014 by growing EBITDA, driving growth in lines of business with higher value and management of our debt level.

This should not be construed as guidance.

Strategic Initiatives

- Focus on growing business services:
 - Fiber network expansion
 - Accelerated SMB market plan
 - Pursue fiber builds to wireless towers
 - Target last-mile fiber builds
 - Construction of broadband stimulus project
- Grow broadband services and focus on customer retention
- Increase capital spending on key strategic initiatives
- Manage free cash flow, manage costs and reduce debt in long term

Goal: double the value of HickoryTech over five years



HTCO Investment Highlights

- Stable growth and cash flows; 60+ years of dividend payments, yield approximately 5-6%
- Business transformation from a pure telephone company to an integrated communications company serving businesses and consumers
- Emerging growth through B2B strategy and fiber network expansion
- High level of recurring revenue, dominant consumer market share, expanded broadband service area
- Experienced Company with 112-year track record generating stable operating results and financial position with strong strategic plan

Appendix

Reconciliation of Non-GAAP Measures

(Dollars in thousands)

	Year Ending December 31, 2011 Guidance Range	
	Low	High
Reconciliation of net income to 2011 EBITDA guidance:		
Projected net income	\$ 7,400	\$ 8,700
Add back:		
Depreciation and amortization	23,700	23,000
Interest expense	5,900	5,400
Taxes	4,000	6,100
Projected EBITDA guidance ¹	\$ 41,000	\$ 43,200

¹ EBITDA, a non-GAAP financial measure, is as defined in our debt agreement

(Dollars in thousands)

	March 31, 2011	December 31, 2010
Reconciliation of net debt:		
Debt obligations, net of current maturities	\$ 56,418	\$ 114,067
Current maturities of long-term obligations	62,368	4,892
Total Debt	\$ 118,786	\$ 118,959
Less:		
Cash and cash equivalents	9,859	73
Net Debt	\$ 108,927	\$ 118,886