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For Immediate Release

Hawaiian Telcom Emerges from Chapter 11 Reorganization

Company Exits with Significantly Reduced Debt; Positioned for Growth

HONOLULU (Thursday, October 28, 2010) -- Hawaiian Telcom Communications, Inc. (together with its affiliates, the "Company") announced that effective today, the Company has successfully completed its reorganization and has emerged from its Chapter 11 proceedings, pursuant to the plan of reorganization (the "Plan") approved by the bankruptcy court. As expected, the new ownership and capital structure of the Company have been approved by the Federal Communications Commission and the Hawaii Public Utilities Commission.

"Thanks to the dedication of each of our employees statewide, the ongoing support of our customers and suppliers, and the cooperation of our lenders, we have successfully completed our reorganization which marks a new beginning for the Company," said Eric K. Yeaman, Hawaiian Telcom's president and CEO. "As was our goal, we have significantly reduced our debt through the Chapter 11 process and have emerged a much stronger, more financially secure company better positioned to address the growth opportunities as the leading communications provider in the Hawaii marketplace."

Through its reorganization, Hawaiian Telcom has reduced its debt by over \$850 million, or approximately 74 percent, and has emerged with \$300 million of debt.

"Providing the highest quality products and services has always remained our priority, and we are now in a stable position to commit even more energy to meeting, and hopefully surpassing, our customers' communications needs and expectations," said Yeaman. "We continue to implement our strategic plan focused on leveraging our advanced network infrastructure to introduce new products and services, while improving processes and systems so we can enhance our service delivery."

Throughout the reorganization, Hawaiian Telcom has launched several new services including its Business All-in-One package, a business communications service for small business customers. Based on voice over Internet Protocol (VoIP), Business All-in-One unifies all communication services on a single broadband IP connection.

The Company also launched this year its new customer portal, *hawaiiantel.net*, which offers its high-speed Internet subscribers a single on-line destination combining personalized account management, e-mail and voice mail with a rich content experience including the latest news, weather and sports together with a wide selection of streaming

music and video.

Additionally, ongoing strategic investments in its advanced fiber optic network has enabled Hawaiian Telcom to introduce leading class business data services such as Routed Network Services and Enhanced IP Data Services, drive its market share of high-speed Internet through broader reach and enhanced speeds as well as form the backbone of its future "Next Generation" IP-based TV service.

The Company has also been delivering competitive new promotions and services to consumers quicker than ever, in conjunction with new legislation enacted in 2009 and 2010. The new legislation has removed some of the long-standing regulatory approval requirements that lengthened the Company's timeline to offer these services.

In addition, as provided for in the Plan and effective with the emergence from Chapter 11, the Company has a new Board of Directors that brings both in-depth knowledge of Hawaiian Telcom and vast experience in the telecommunications industry. The Company's existing management team continues to lead Hawaiian Telcom.

"Today marks a new beginning for Hawaiian Telcom driven by the commitment of our incredibly dedicated employees and the Company's strong management team," said Yeaman. "Along with our new Board of Directors, we are charting a new course for the Company, shaping it for future growth so we can continue providing the people and businesses of Hawaii with solutions tailored to meet their communications needs."

Hawaiian Telcom has emerged a well capitalized company with \$300 million of senior secured debt and following post-emergence payables will have approximately \$75 million in cash, supplemented with an undrawn credit line of up to \$30 million. Holders of the Company's prepetition senior secured debt will receive 100 percent of the new common stock under the Plan, subject to dilution. Additionally, as provided for in the Plan, the Company is pursuing the listing of its common stock on a nationally recognized public exchange.

On December 1, 2008, the Company filed voluntary petitions for relief under Chapter 11 of the U.S. Bankruptcy Code in the United States Bankruptcy Court for the District of Delaware, later transferred to the District of Hawaii. In June 2009, the Company filed with the Bankruptcy Court a Chapter 11 plan of reorganization. The Bankruptcy Court confirmed the Plan at the conclusion of the confirmation hearing on November 13, 2009 and entered a written confirmation order on December 30, 2009. The Federal Communications Commission approved the Company's transfer of control applications on September 15, 2010. On September 22, 2010, the Hawaii Public Utilities Commission approved applicable portions of the Company's Plan of Reorganization. Hawaiian Telcom emerged from Chapter 11 protection on October 28, 2010.

Forward-Looking Statements

In addition to historical information, this release includes certain statements that may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. In particular, any statement, projection or estimate that includes or references the words "believes", "anticipates", "intends", "expects", or any

similar expression falls within the safe harbor of forward-looking statements contained in the Reform Act. Actual results or outcomes may differ materially from those indicated or suggested by any such forward-looking statement for a variety of reasons, including, but not limited to, Hawaiian Telcom's ability to maintain its market position in communications services, including wireless, wireline and Internet services; general economic trends affecting the purchase or supply of communication services; world and national events that may affect the ability to provide services; changes in the regulatory environment; any rulings, orders or decrees that may be issued by any court or arbitrator; restrictions imposed under various credit facilities and debt instruments; work stoppages caused by labor disputes; adjustments resulting from year-end audit procedures; and Hawaiian Telcom's ability to develop and launch new products and services. More information on potential risks and uncertainties is available in recent filings with the Securities and Exchange Commission, including Hawaiian Telcom's Form 10 report and amendments thereto. The information contained in this release is as of October 28, 2010. It is anticipated that subsequent events and developments will cause estimates to change.

About Hawaiian Telcom

Hawaiian Telcom is the state's leading communications provider, offering a wide spectrum of communications products and services, which include local and long distance service, high-speed Internet, advanced communication and network services, and wireless services.

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