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Telecommunication Industry (Total)
Comparative Balance Sheet
For the Year Ended December 31,
(\$000s)

	2011	2010	2009	2008	2007
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$62,093	\$65,465	\$60,171	\$61,157	\$517,920
2 Accounts Receivable (Net)	1,083,608	1,036,254	1,120,578	1,401,781	1,184,599
3 Current Deferred Income Taxes	303	254	237	245	243
4 Other Current Assets	143,577	146,126	199,214	287,668	255,199
5 Total Current Assets	1,289,582	1,248,099	1,380,200	1,750,852	1,957,961
NON-CURRENT ASSETS					
6 Investments	528,648	796,586	944,851	758,183	707,400
7 Unamortized Debt Issuance Costs	5,267	6,221	7,127	8,077	10,867
8 Deferred Charges	103,004	88,453	94,788	95,126	124,777
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes	11,873	10,841	10,176	9,971	10,392
11 Other Non-Current Assets	456,249	681,504	701,548	710,355	682,100
12 Total Non-Current Assets	1,105,041	1,583,605	1,758,490	1,581,712	1,535,536
REGULATED PLANT					
13 Total Telecommunications Plant	33,595,799	33,438,798	35,018,621	34,198,295	33,691,214
14 Less: Accumulated Depr and Amort.	22,095,151	21,903,048	23,483,253	22,712,098	22,112,044
15 Net Regulated Plant	11,500,649	11,535,750	11,535,368	11,486,197	11,579,170
16 Total Assets & Other Debits	\$13,895,272	\$14,367,455	\$14,674,058	\$14,818,761	\$15,072,667
CURRENT LIABILITIES					
17 Accounts Payable	\$768,200	\$643,386	\$612,501	\$992,314	\$957,424
18 Notes Payable	5,447,996	3,624,800	3,304,644	2,852,143	2,066,512
19 Advanced Billings	182,311	172,707	165,838	169,299	170,288
20 Customer Deposits	3,502	8,032	7,539	6,937	7,879
21 Current Maturities - Long-Term Debt	6,286	7,428	404,696	4,798	255,437
22 Current Deferred Income Taxes	(331,744)	(103,617)	(96,204)	(118,183)	33,392
23 Other Current Liabilities	178,978	433,939	558,153	614,490	634,606
24 Total Current Liabilities	6,255,530	4,786,675	4,957,166	4,521,798	4,125,537
LONG-TERM DEBT					
25 Long-Term Debt	1,266,266	2,269,733	2,277,240	2,680,811	2,688,367
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC	14,044	16,787	17,369	19,181	21,113
27 Non-Current Deferred Taxes	334,061	475,260	288,277	164,494	197,547
28 Other Deferred Credits	213,246	296,659	268,442	168,191	319,192
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	7,338,603	6,115,302	4,636,671	4,560,810	4,130,901
31 Total Other Liab. and Def. Credits	7,899,953	6,904,008	5,210,758	4,912,676	4,668,753
STOCKHOLDER'S EQUITY					
32 Common Stock	29,557	29,554	29,554	29,554	29,566
33 Preferred Stock	924	924	925	927	927
34 Other Paid in Capital	4,914,278	4,793,164	5,331,487	5,691,371	5,694,225
35 Retained Earnings	(6,471,235)	(4,416,604)	(3,133,073)	(3,018,377)	(2,134,708)
36 Total Stockholder's Equity	(1,526,477)	407,039	2,228,893	2,703,476	3,590,010
37 Total Liab. and Stockholder's Equity	\$13,895,272	\$14,367,455	\$14,674,058	\$14,818,761	\$15,072,667

Telecommunication Industry (Total)
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,
(\$000s)

INCOME STATEMENT	2011	2010	2009	2008	2007	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$1,763,052	\$1,970,127	\$2,244,511	\$2,535,741	\$2,752,108	1
Network Access Services	2,431,420	2,409,357	2,435,233	2,488,242	2,552,088	2
Long Distance Network Services	104,169	115,138	134,534	143,167	148,407	3
Miscellaneous Revenues	1,425,335	1,260,356	1,195,125	1,154,240	914,672	4
Less: Uncollectible Revenues	32,117	62,502	77,107	71,296	69,034	5
Total Operating Revenues	5,691,859	5,692,476	5,932,296	6,250,093	6,298,242	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	20,863	5,281	7,777	23,522	17,153	7
General Support Expenses	390,228	418,046	430,005	457,941	438,264	8
Central Office Switching	171,689	213,156	241,990	233,124	252,478	9
Operator Systems Expense	462	580	419	429	654	10
Central Office Transmission	126,410	148,719	149,932	136,578	141,796	11
Info. Origination/Termination	906,731	810,540	641,188	520,660	381,404	12
Cable & Wire Facilities	927,893	962,250	1,242,393	974,917	1,071,522	13
Total Plant Specific Operations	2,544,276	2,558,572	2,713,704	2,347,173	2,303,269	14
Other Plant, Property & Equipment	1,536	1,317	11,972	12,154	9,168	15
Network Operations	674,006	1,697,530	644,529	795,879	822,624	16
Access Expense	105,745	104,748	125,674	129,210	142,516	17
Depreciation and Amortization	1,365,793	1,371,267	1,386,223	1,498,255	1,580,776	18
Total Plant Non-Specific Operations	2,147,081	3,174,862	2,168,398	2,435,498	2,555,085	19
Marketing Expense	325,331	332,279	351,263	365,012	408,004	20
Services Expense	508,667	620,900	628,213	643,442	661,534	21
Total Customer Operations	833,998	953,179	979,476	1,008,454	1,069,538	22
Executive & Planning	44,991	50,112	64,370	74,158	40,897	23
General & Administrative	2,369,302	1,051,921	897,524	892,287	1,114,168	24
Provision - Uncollectible Notes Rec.						25
Other	40					26
Total Corporate Operations	2,414,334	1,102,032	961,894	966,445	1,155,066	27
Total Operations Expense	7,939,689	7,788,646	6,823,473	6,757,570	7,082,958	28
Other Operating Income & Expenses	25,319	66,455	37,430	46,282	87,379	29
State & Local Income Taxes	(4,877)	(12,250)	(8,646)	198	189	30
Other Taxes	502,662	465,409	501,179	517,954	530,981	31
Net Operating Income Before FIT	(2,720,296)	(2,482,875)	(1,346,280)	(979,347)	(1,228,507)	32
Investment Tax Credits - Net	2,743	582	1,811	1,932	2,152	33
Federal Income Taxes	(693,307)	(1,071,347)	(758,638)	(295,259)	(205,715)	34
Provision - Def. Operating Income Taxes - Net	(354,777)	119,566	139,176	(174,300)	(245,982)	35
Net Operating Income	(\$1,669,469)	(\$1,530,512)	(\$725,007)	(\$507,856)	(\$774,659)	36

Table 3 T

Telecommunication Industry (Total)
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,
(\$000s)

	2011	2010	2009	2008	2007
37 Net Operating Income	(1,669,469)	(1,530,512)	(725,007)	(507,856)	(774,659)
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income	159	263	84	132	482
39 Interest Income	(20,495)	4,991	9,514	32,287	49,619
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction	18,262	14,457	16,666	18,512	19,854
42 Gains/Losses - Disposal of Property	78	143	97	31	80
43 Equity in Earnings of Affiliated Companies	425,668	488,620	564,083	64,146	32,058
44 Other Non-Operating Income	(15,758)	(7,221)	(8,899)	14,477	19,610
45 Special Charges	3,094	11,184	8,982	8,451	10,782
46 Total Non-Operating Income & Expenses	402,581	490,068	572,563	121,135	110,921
NON-OPERATING TAXES					
47 Federal Income Taxes	3,477	12,447	15,531	12,318	13,903
48 Other	3,833	4,073	3,873	4,953	2,051
49 Total Non-Operating Taxes	7,310	16,519	19,404	17,271	15,954
50 Income Available Before Interest Charges	(1,274,198)	(1,056,963)	(171,848)	(403,992)	(679,691)
INTEREST CHARGES					
51 Interest on Funded Debt	152,781	171,443	187,818	190,731	204,603
52 Other Interest Expense	163,051	181,736	117,754	114,093	174,339
53 Total Interest Charges	315,832	353,179	305,572	304,823	378,942
54 Income Before Extraordinary & Nonreg Items	(1,590,030)	(1,410,142)	(477,419)	(708,815)	(1,058,633)
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items				547	19
56 Nonregulated Revenues	48,082	52,795	51,218	60,828	384,640
57 Total Extraordinary & Nonregulated Items	47,381	52,064	51,218	61,376	384,659
58 Net Income	(\$154,234)	(\$135,781)	(\$42,612)	(\$64,731)	(\$67,384)
RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	(\$4,788,636)	(\$3,601,060)	(\$3,226,267)	(\$2,285,501)	(\$334,009)
60 Transferred from Income	(2,018,296)	(1,901,650)	(1,036,964)	(769,325)	(763,015)
61 Appropriations	1,134	2,921		(1,140)	
Dividends Declared:					
62 Preferred Stock	48	48	49	2,049	3,149
63 Common Stock	406,825	267,348	159,860	176,194	211,985
64 Adjustments	381,155	984,392	822,080	5,662	(973,699)
65 Ending Year Balance	(6,838,176)	(4,788,636)	(3,601,060)	(3,226,267)	(2,285,857)
66 Appropriated/Undistr Affiliate Retained Earnings	378,304	372,033	467,987	207,890	151,149
67 Total Retained Earnings	(\$6,459,872)	(\$4,416,604)	(\$3,133,073)	(\$3,018,377)	(\$2,134,708)

Table 1 WT

Telecommunication Industry (Without New York Telephone)
Comparative Balance Sheet
For the Year Ended December 31,
(\$000s)

	2011	2010	2009	2008	2007
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$56,828	\$65,465	\$59,912	\$59,926	\$50,246
2 Accounts Receivable (Net)	244,709	189,603	235,984	195,279	199,495
3 Current Deferred Income Taxes	303	254	237	245	243
4 Other Current Assets	20,565	22,001	22,803	27,969	27,300
5 Total Current Assets	322,404	277,323	318,937	283,420	277,284
NON-CURRENT ASSETS					
6 Investments	89,291	359,873	413,010	391,849	366,026
7 Unamortized Debt Issuance Costs	123	118	164	202	259
8 Deferred Charges	5,511	5,221	4,951	5,446	5,366
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes	11,873	10,841	10,176	9,971	10,392
11 Other Non-Current Assets	207,810	209,955	211,031	210,599	211,874
12 Total Non-Current Assets	314,607	586,008	639,332	618,068	593,916
REGULATED PLANT					
13 Total Telecommunications Plant	3,792,101	3,753,128	3,699,667	3,656,191	3,606,646
14 Less: Accumulated Depr and Amort.	2,907,889	2,776,922	2,643,249	2,509,407	2,376,998
15 Net Regulated Plant	884,213	976,206	1,056,418	1,146,783	1,229,648
16 Total Assets & Other Debits	\$1,521,224	\$1,839,538	\$2,014,687	\$2,048,271	\$2,100,848
CURRENT LIABILITIES					
17 Accounts Payable	\$213,639	\$127,032	\$113,736	\$124,209	\$137,420
18 Notes Payable	10,657	6,146	4,174	3,365	3,078
19 Advanced Billings	12,721	13,362	12,851	13,073	13,871
20 Customer Deposits	56	71	134	124	189
21 Current Maturities - Long-Term Debt	4,967	6,150	3,574	3,666	3,770
22 Current Deferred Income Taxes	(60)	(2)	(65)	(44)	(44)
23 Other Current Liabilities	19,255	19,155	15,765	13,727	18,369
24 Total Current Liabilities	261,236	171,913	150,170	158,122	176,654
LONG-TERM DEBT					
25 Long-Term Debt	15,553	18,998	26,138	31,123	37,207
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					13
27 Non-Current Deferred Taxes	210,087	205,539	201,427	184,922	185,659
28 Other Deferred Credits	9,347	13,234	15,323	18,217	29,330
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	180,925	170,012	163,367	156,211	146,564
31 Total Other Liab. and Def. Credits	400,359	388,785	380,117	359,349	361,567
STOCKHOLDER'S EQUITY					
32 Common Stock	28,557	28,554	28,554	28,554	28,566
33 Preferred Stock	924	924	925	927	927
34 Other Paid in Capital	548,610	547,836	547,629	546,904	549,765
35 Retained Earnings	265,987	682,528	881,154	923,293	946,164
36 Total Stockholder's Equity	844,077	1,259,842	1,458,263	1,499,677	1,525,421
37 Total Liab. and Stockholder's Equity	\$1,521,224	\$1,839,538	\$2,014,687	\$2,048,271	\$2,100,848

Table 2 WT

Telecommunication Industry (Without New York Telephone)
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,
(\$000s)

INCOME STATEMENT	2011	2010	2009	2008	2007	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$220,121	\$239,194	\$267,908	\$296,370	\$315,834	1
Network Access Services	298,750	300,196	314,452	314,328	344,285	2
Long Distance Network Services	3,280	2,270	4,261	5,580	5,771	3
Miscellaneous Revenues	155,826	176,840	180,216	190,036	196,544	4
Less: Uncollectible Revenues	7,949	8,369	10,498	9,527	10,458	5
Total Operating Revenues	670,027	710,131	756,339	796,787	851,977	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	12,573	1,516	1,181	732	1,245	7
General Support Expenses	39,194	37,917	33,733	37,222	35,100	8
Central Office Switching	23,048	21,385	23,370	25,688	26,612	9
Operator Systems Expense	344	370	281	246	283	10
Central Office Transmission	13,005	13,649	13,693	13,653	13,222	11
Info. Origination/Termination	19,175	16,471	19,401	18,904	21,002	12
Cable & Wire Facilities	55,138	54,042	53,608	56,357	55,746	13
Total Plant Specific Operations	162,477	145,350	145,267	152,802	153,210	14
Other Plant, Property & Equipment	179	241	530	80	189	15
Network Operations	44,382	44,216	41,657	50,178	54,059	16
Access Expense	15,754	15,004	15,311	16,575	17,567	17
Depreciation and Amortization	152,287	153,300	157,223	164,789	176,518	18
Total Plant Non-Specific Operations	212,602	212,761	214,721	231,623	248,333	19
Marketing Expense	26,521	25,326	24,133	22,795	26,562	20
Services Expense	63,013	59,844	61,211	62,766	70,303	21
Total Customer Operations	89,535	85,170	85,344	85,561	96,865	22
Executive & Planning	16,298	20,157	15,784	15,504	17,830	23
General & Administrative	69,601	85,432	69,822	59,416	53,894	24
Provision - Uncollectible Notes Rec.						25
Other	40					26
Total Corporate Operations	85,939	105,589	85,606	74,920	71,724	27
Total Operations Expense	550,553	548,870	530,938	544,906	570,132	28
Other Operating Income & Expenses	(82)	10	24	23	41	29
State & Local Income Taxes	149	196	186	195	175	30
Other Taxes	39,289	45,332	50,487	51,411	49,854	31
Net Operating Income Before FIT	79,954	115,743	174,752	200,298	231,856	32
Investment Tax Credits - Net				12	2	33
Federal Income Taxes	(7,720)	(5,443)	35,079	62,673	82,711	34
Provision - Def. Operating Income Taxes - Net	19,039	27,459	12,195	7,306	(4,095)	35
Net Operating Income	\$68,635	\$93,727	\$127,477	\$130,331	\$153,242	36

Table 3 WT

Telecommunication Industry (Without New York Telephone)
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,
(\$000s)

	2011	2010	2009	2008	2007
37 Net Operating Income	\$68,635	\$93,727	\$127,477	\$130,331	\$153,242
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income					
39 Interest Income	703	749	9,102	26,595	26,590
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction	630	465	540	954	975
42 Gains/Losses - Disposal of Property	78	143	97	31	82
43 Equity in Earnings of Affiliated Companies	(976)	(181)	122	3,982	1,510
44 Other Non-Operating Income	2,656	7,565	5,378	12,662	19,031
45 Special Charges	(2,593)	3,096	949	1,269	1,043
46 Total Non-Operating Income & Expenses	5,683	5,645	14,290	42,955	47,145
NON-OPERATING TAXES					
47 Federal Income Taxes	11,440	13,445	17,213	12,143	7,764
48 Other	(37)	127	69	205	1,396
49 Total Non-Operating Taxes	11,404	13,572	17,282	12,347	9,159
50 Income Available Before Interest Charges	62,914	85,800	124,484	160,939	191,228
INTEREST CHARGES					
51 Interest on Funded Debt	1,242	1,534	1,648	2,068	2,676
52 Other Interest Expense	11,531	10,501	9,165	7,219	8,046
53 Total Interest Charges	12,773	12,036	10,813	9,287	10,723
54 Income Before Extraordinary & Nonreg Items	50,142	73,764	113,671	151,652	180,505
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items				547	19
56 Nonregulated Revenues	48,082	52,795	51,218	60,828	56,535
57 Total Extraordinary & Nonregulated Items	48,082	52,795	51,218	61,376	56,554
58 Net Income	\$98,224	\$126,559	\$164,889	\$213,027	\$237,059
RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$678,205	\$876,005	\$915,589	\$935,392	\$968,652
60 Transferred from Income	\$46,439	71,320	118,171	151,439	179,049
61 Appropriations	\$1,134	\$2,921		(1,140)	
Dividends Declared:					
62 Preferred Stock	\$48	48	49	2,049	3,149
63 Common Stock	\$406,825	267,348	159,860	176,194	211,985
64 Adjustments	(\$38,845)	1,198	2,153	5,860	2,470
65 Ending Year Balance	277,791	678,205	876,005	915,589	935,037
66 Appropriated/Undistr Affiliate Retained Earnings	3,950	4,323	5,149	7,703	11,127
67 Total Retained Earnings	\$281,740	\$682,528	\$881,154	\$923,293	\$946,164

Table 1 AT

Telecommunication Industry (Class A)
Comparative Balance Sheet
For the Year Ended December 31,
(\$000s)

	2011	2010	2009	2008	2007
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$5,650	\$1,720	\$1,090	\$1,771	\$464,346
2 Accounts Receivable (Net)	977,882	952,831	1,041,877	1,327,972	1,119,158
3 Current Deferred Income Taxes					
4 Other Current Assets	130,240	131,060	183,973	273,110	241,073
5 Total Current Assets	1,113,772	1,085,611	1,226,940	1,602,853	1,824,577
NON-CURRENT ASSETS					
6 Investments	375,552	564,885	731,794	571,274	521,416
7 Unamortized Debt Issuance Costs	5,144	6,103	6,963	7,874	10,608
8 Deferred Charges	97,508	83,248	89,853	89,952	119,515
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes					
11 Other Non-Current Assets	432,505	655,779	674,913	684,317	654,951
12 Total Non-Current Assets	910,709	1,310,015	1,503,522	1,353,417	1,306,491
REGULATED PLANT					
13 Total Telecommunications Plant	32,478,682	32,330,870	33,927,127	33,117,466	32,626,339
14 Less: Accumulated Depr and Amort.	21,266,084	21,103,326	22,714,222	21,978,483	21,415,686
15 Net Regulated Plant	11,212,598	11,227,545	11,212,905	11,138,984	11,210,654
16 Total Assets & Other Debits	\$13,237,079	\$13,623,171	\$13,943,367	\$14,095,254	\$14,341,722
CURRENT LIABILITIES					
17 Accounts Payable	\$697,736	\$585,422	\$564,829	\$936,334	\$919,815
18 Notes Payable	5,437,338	3,618,654	3,300,470	2,848,778	2,063,434
19 Advanced Billings	178,561	168,697	162,321	165,239	165,303
20 Customer Deposits	3,448	7,962	7,406	6,778	7,674
21 Current Maturities - Long-Term Debt	1,319	1,278	401,122	1,131	251,667
22 Current Deferred Income Taxes	(331,684)	(103,615)	(96,139)	(118,139)	33,435
23 Other Current Liabilities	165,996	422,168	550,412	609,883	625,335
24 Total Current Liabilities	6,152,714	4,700,566	4,890,419	4,450,005	4,066,664
LONG-TERM DEBT					
25 Long-Term Debt	1,250,714	2,250,736	2,251,103	2,649,688	2,651,160
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC	14,044	16,787	17,369	19,181	21,100
27 Non-Current Deferred Taxes	283,025	423,450	235,257	115,648	149,429
28 Other Deferred Credits	192,812	274,466	245,324	144,127	285,588
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	7,301,307	6,079,175	4,598,826	4,522,372	4,094,940
31 Total Other Liab. and Def. Credits	7,791,187	6,793,878	5,096,776	4,801,326	4,551,057
STOCKHOLDER'S EQUITY					
32 Common Stock	1,001	1,001	1,001	1,001	1,001
33 Preferred Stock					
34 Other Paid in Capital	4,816,905	4,696,565	5,235,094	5,595,704	5,595,697
35 Retained Earnings	(6,775,442)	(4,819,575)	(3,531,027)	(3,402,471)	(2,523,858)
36 Total Stockholder's Equity	(1,957,537)	(122,009)	1,705,068	2,194,235	3,072,840
37 Total Liab. and Stockholder's Equity	\$13,237,079	\$13,623,171	\$13,943,367	\$14,095,254	\$14,341,722

Table 2 AT

Telecommunication Industry (Class A)
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,
(\$000s)

INCOME STATEMENT	2011	2010	2009	2008	2007	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$1,694,551	\$1,899,104	\$2,167,692	\$2,455,141	\$2,665,193	1
Network Access Services	2,316,593	2,294,666	2,313,506	2,359,086	2,411,631	2
Long Distance Network Services	101,202	113,257	131,498	139,473	144,025	3
Miscellaneous Revenues	1,381,434	1,204,976	1,146,267	1,103,206	860,186	4
Less: Uncollectible Revenues	30,288	60,688	75,480	68,841	66,706	5
Total Operating Revenues	5,463,493	5,451,315	5,683,483	5,988,066	6,014,329	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	8,945	4,901	7,495	23,071	16,379	7
General Support Expenses	375,780	401,985	416,935	444,746	425,303	8
Central Office Switching	160,426	202,269	229,971	220,134	239,894	9
Operator Systems Expense	419	528	380	399	625	10
Central Office Transmission	118,968	141,713	142,635	128,847	134,630	11
Info. Origination/Termination	900,804	805,327	635,766	514,547	374,961	12
Cable & Wire Facilities	910,924	946,619	1,226,260	957,357	1,055,007	13
Total Plant Specific Operations	2,476,266	2,503,341	2,659,442	2,289,102	2,246,798	14
Other Plant, Property & Equipment	1,356	1,075	11,669	12,087	8,979	15
Network Operations	656,536	1,681,557	628,811	779,192	805,436	16
Access Expense	99,018	98,506	118,785	121,844	134,708	17
Depreciation and Amortization	1,322,733	1,326,501	1,337,827	1,446,423	1,525,445	18
Total Plant Non-Specific Operations	2,079,643	3,107,639	2,097,092	2,359,546	2,474,567	19
Marketing Expense	316,407	323,777	342,615	355,757	397,809	20
Services Expense	489,140	601,642	607,399	621,484	635,422	21
Total Customer Operations	805,547	925,419	950,014	977,241	1,033,231	22
Executive & Planning	33,933	38,415	53,475	62,673	28,329	23
General & Administrative	2,350,108	1,022,111	866,979	862,147	1,083,253	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	2,384,040	1,060,526	920,454	924,820	1,111,582	27
Total Operations Expense	7,745,496	7,596,925	6,627,002	6,550,709	6,866,178	28
Other Operating Income & Expenses	25,400	66,444	37,405	46,259	87,339	29
State & Local Income Taxes	(5,026)	(12,446)	(8,832)	3	14	30
Other Taxes	488,991	450,923	484,621	501,523	513,725	31
Net Operating Income Before FIT	(2,740,569)	(2,517,642)	(1,381,903)	(1,017,910)	(1,278,249)	32
Investment Tax Credits - Net	2,743	582	1,811	1,920	2,150	33
Federal Income Taxes	(686,682)	(1,071,342)	(773,288)	(311,015)	(228,919)	34
Provision - Def. Operating Income Taxes - Net	(366,926)	109,245	138,736	(176,283)	(242,781)	35
Net Operating Income	(\$1,684,217)	(\$1,554,963)	(\$745,539)	(\$528,692)	(\$804,399)	36

Table 3 AT

Telecommunication Industry (Class A)
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,
(\$000s)

	2011	2010	2009	2008	2007
37 Net Operating Income	(\$1,684,217)	(\$1,554,963)	(\$745,539)	(\$528,692)	(\$804,399)
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income					
39 Interest Income	(21,198)	4,242	5,559	21,554	38,101
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction	18,157	14,414	16,598	18,390	19,554
42 Gains/Losses - Disposal of Property				18	5
43 Equity in Earnings of Affiliated Companies	426,645	488,801	563,961	60,165	30,548
44 Other Non-Operating Income	(21,998)	(18,678)	(18,857)	(2,077)	(3,827)
45 Special Charges	5,709	8,254	8,336	7,555	10,014
46 Total Non-Operating Income & Expenses	395,897	480,525	558,925	90,496	74,367
NON-OPERATING TAXES					
47 Federal Income Taxes	649	9,230	13,793	7,505	10,826
48 Other	3,870	3,946	3,804	4,748	655
49 Total Non-Operating Taxes	4,518	13,176	17,597	12,253	11,481
50 Income Available Before Interest Charges	(1,292,838)	(1,087,615)	(204,212)	(450,449)	(741,513)
INTEREST CHARGES					
51 Interest on Funded Debt	151,539	169,909	186,170	188,662	201,926
52 Other Interest Expense	161,491	180,289	116,792	114,302	173,017
53 Total Interest Charges	313,030	350,198	302,962	302,965	374,943
54 Income Before Extraordinary & Nonreg Items	(1,605,867)	(1,437,813)	(507,173)	(753,414)	(1,116,456)
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues	43,081	47,212	46,659	60,126	384,689
57 Total Extraordinary & Nonregulated Items	43,081	47,212	46,659	60,126	384,689
58 Net Income	(\$1,562,786)	(\$1,390,600)	(\$460,514)	(\$693,288)	(\$731,768)
RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	(\$5,187,285)	(\$3,993,866)	(\$3,602,657)	(\$2,663,880)	(\$713,812)
60 Transferred from Income	(2,032,512)	(1,926,613)	(1,071,134)	(813,579)	(818,900)
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock	350,000	250,000	140,000	125,000	155,000
64 Adjustments	420,000	983,194	819,926	(199)	(976,169)
65 Ending Year Balance	(7,149,796)	(5,187,285)	(3,993,866)	(3,602,657)	(2,663,880)
66 Appropriated/Undistr Affiliate Retained Earnings	374,354	367,710	462,839	200,187	140,022
67 Total Retained Earnings	(\$6,775,442)	(\$4,819,575)	(\$3,531,027)	(\$3,402,471)	(\$2,523,858)

Table 1 BT

Telecommunication Industry (Class B)
Comparative Balance Sheet
For the Year Ended December 31,
(\$000s)

	2011	2010	2009	2008	2007
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$56,444	\$63,745	\$59,081	\$59,386	\$53,574
2 Accounts Receivable (Net)	105,726	83,423	78,701	73,809	65,441
3 Current Deferred Income Taxes	303	254	237	245	243
4 Other Current Assets	13,337	15,066	15,241	14,558	14,126
5 Total Current Assets	175,810	162,488	153,261	147,998	133,384
NON-CURRENT ASSETS					
6 Investments	153,097	231,701	213,057	186,909	185,984
7 Unamortized Debt Issuance Costs	123	118	164	202	259
8 Deferred Charges	5,495	5,205	4,935	5,174	5,262
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes	11,873	10,841	10,176	9,971	10,392
11 Other Non-Current Assets	23,744	25,725	26,636	26,039	27,148
12 Total Non-Current Assets	194,332	273,590	254,968	228,295	229,045
REGULATED PLANT					
13 Total Telecommunications Plant	1,117,117	1,107,927	1,091,494	1,080,828	1,064,875
14 Less: Accumulated Depr and Amort.	829,066	799,722	769,031	733,615	696,358
15 Net Regulated Plant	288,051	308,205	322,463	347,213	368,517
16 Total Assets & Other Debits	\$658,193	\$744,284	\$730,691	\$723,507	\$730,946
CURRENT LIABILITIES					
17 Accounts Payable	\$70,464	\$57,964	\$47,672	\$55,979	\$37,609
18 Notes Payable	10,657	6,146	4,174	3,365	3,078
19 Advanced Billings	3,750	4,010	3,517	4,060	4,985
20 Customer Deposits	54	70	132	159	205
21 Current Maturities - Long-Term Debt	4,967	6,150	3,574	3,666	3,770
22 Current Deferred Income Taxes	(60)	(2)	(65)	(44)	(44)
23 Other Current Liabilities	12,983	11,771	7,741	4,606	9,271
24 Total Current Liabilities	102,816	86,109	66,746	71,793	58,873
LONG-TERM DEBT					
25 Long-Term Debt	15,553	18,998	26,138	31,123	37,207
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC		0	0	0	13
27 Non-Current Deferred Taxes	51,036	51,810	53,020	48,847	48,118
28 Other Deferred Credits	20,434	22,193	23,117	24,064	33,604
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	37,296	36,126	37,845	38,438	35,961
31 Total Other Liab. and Def. Credits	108,765	110,129	113,982	111,350	117,696
STOCKHOLDER'S EQUITY					
32 Common Stock	28,556	28,553	28,553	28,553	28,565
33 Preferred Stock	924	924	925	927	927
34 Other Paid in Capital	97,373	96,599	96,393	95,667	98,528
35 Retained Earnings	304,207	402,971	397,954	384,094	389,150
36 Total Stockholder's Equity	431,059	529,048	523,825	509,241	517,170
37 Total Liab. and Stockholder's Equity	\$658,193	\$744,284	\$730,691	\$723,507	\$730,946

Table 2 BT

Telecommunication Industry (Class B)
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,
(\$000s)

INCOME STATEMENT

TELEPHONE OPERATING REVENUES

Local Network Services	\$68,501	\$71,022	\$76,819	\$80,599	\$86,915	1
Network Access Services	114,828	114,691	121,727	129,156	140,457	2
Long Distance Network Services	2,967	1,881	3,036	3,693	4,382	3
Miscellaneous Revenues	43,900	55,380	48,858	51,034	54,486	4
Less: Uncollectible Revenues	1,830	1,814	1,628	2,455	2,328	5
Total Operating Revenues	228,367	241,160	248,813	262,027	283,913	6

TELEPHONE OPERATING EXPENSES

Network Support Expenses	11,918	380	282	451	774	7
General Support Expenses	14,448	16,062	13,070	13,195	12,961	8
Central Office Switching	11,263	10,886	12,019	12,990	12,584	9
Operator Systems Expense	43	51	39	29	29	10
Central Office Transmission	7,441	7,006	7,297	7,731	7,166	11
Info. Origination/Termination	5,927	5,214	5,422	6,113	6,443	12
Cable & Wire Facilities	16,969	15,632	16,133	17,560	16,514	13
Total Plant Specific Operations	68,010	55,231	54,262	58,071	56,471	14
Other Plant, Property & Equipment	181	242	303	67	189	15
Network Operations	17,470	15,973	15,718	16,688	17,188	16
Access Expense	6,727	6,243	6,888	7,366	7,809	17
Depreciation and Amortization	43,059	44,766	48,396	51,832	55,332	18
Total Plant Non-Specific Operations	67,438	67,224	71,306	75,952	80,518	19
Marketing Expense	8,924	8,502	8,648	9,254	10,195	20
Services Expense	19,527	19,258	20,814	21,959	26,113	21
Total Customer Operations	28,451	27,760	29,463	31,213	36,308	22
Executive & Planning	11,059	11,697	10,895	11,485	12,568	23
General & Administrative	19,195	29,810	30,545	30,140	30,915	24
Provision - Uncollectible Notes Rec.						25
Other	40					26
Total Corporate Operations	30,293	41,506	41,440	41,625	43,483	27
Total Operations Expense	194,192	191,721	196,470	206,861	216,780	28
Other Operating Income & Expenses	(82)	10	24	23	41	29
State & Local Income Taxes	149	196	186	195	175	30
Other Taxes	13,671	14,486	16,558	16,431	17,256	31
Net Operating Income Before FIT	20,272	34,767	35,623	38,564	49,742	32
Investment Tax Credits - Net				12	2	33
Federal Income Taxes	(6,625)	(5)	14,650	15,756	23,204	34
Provision - Def. Operating Income Taxes - Net	12,150	10,321	440	1,984	(3,200)	35
Net Operating Income	\$14,748	\$24,451	\$20,532	\$20,836	\$29,740	36

Table 3 BT

Telecommunication Industry (Class B)
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,
(\$000s)

	2011	2010	2009	2008	2007
37 Net Operating Income	\$14,748	\$24,451	\$20,532	\$20,836	\$29,740
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income	\$159	263	84	132	482
39 Interest Income	\$703	749	3,955	10,732	11,518
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction	\$105	43	69	122	300
42 Gains/Losses - Disposal of Property	\$78	143	97	13	75
43 Equity in Earnings of Affiliated Companies	(\$976)	(181)	122	3,982	1,510
44 Other Non-Operating Income	\$6,240	11,456	9,958	16,554	23,437
45 Special Charges	(\$2,615)	2,930	646	896	768
46 Total Non-Operating Income & Expenses	\$6,684	9,543	13,639	30,639	36,555
NON-OPERATING TAXES					
47 Federal Income Taxes	\$2,829	3,216	1,738	4,813	3,077
48 Other	(\$37)	127	69	205	1,396
49 Total Non-Operating Taxes	\$2,792	3,343	1,807	5,018	4,473
50 Income Available Before Interest Charges	\$18,640	30,652	32,364	46,457	61,822
INTEREST CHARGES					
51 Interest on Funded Debt	\$1,242	1,534	1,648	2,068	2,676
52 Other Interest Expense	\$1,561	1,446	962	(210)	1,322
53 Total Interest Charges	\$2,802	2,981	2,610	1,858	3,999
54 Income Before Extraordinary & Nonreg Items	\$15,837	27,671	29,754	44,599	57,823
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items				547	19
56 Nonregulated Revenues	\$5,001	5,582	4,559	702	(49)
57 Total Extraordinary & Nonregulated Items	\$4,300	4,852	4,559	1,250	(30)
58 Net Income	\$20,137	\$32,523	\$34,313	\$45,848	\$57,793
RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$398,649	\$392,805	\$376,391	\$378,379	\$379,803
60 Transferred from Income	14,215	24,964	34,170	44,254	55,885
61 Appropriations	1,134	2,921		(1,140)	
Dividends Declared:					
62 Preferred Stock	48	48	49	2,049	3,149
63 Common Stock	56,825	17,348	19,860	51,194	56,985
64 Adjustments	(38,845)	1,198	2,153	5,860	2,470
65 Ending Year Balance	311,621	398,649	392,805	376,391	378,023
66 Appropriated/Undistr Affiliate Retained Earnings	3,950	4,323	5,149	7,703	11,127
67 Total Retained Earnings	\$315,570	\$402,971	\$397,954	\$384,094	\$389,150

ALLTEL New York, Inc.
Comparative Balance Sheet
For the Year Ended December 31,

	2011	2010	2009	2008	2007
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$31,833,484	\$29,119,453	\$26,645,968	\$29,008,854	\$19,797,189
2 Accounts Receivable (Net)	4,836,991	4,434,796	3,612,095	3,577,382	4,615,554
3 Current Deferred Income Taxes					
4 Other Current Assets	490,397	2,017,154	2,598,819	1,209,688	678,024
5 Total Current Assets	37,160,872	35,571,403	32,856,882	33,795,924	25,090,767
NON-CURRENT ASSETS					
6 Investments					
7 Unamortized Debt Issuance Costs					
8 Deferred Charges					
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes					
11 Other Non-Current Assets	346,414	484,446	613,142	752,341	837,230
12 Total Non-Current Assets	346,414	484,446	613,142	752,341	837,230
REGULATED PLANT					
13 Total Telecommunications Plant	223,507,156	219,783,008	213,305,524	210,477,351	207,552,726
14 Less: Accumulated Depr and Amort.	169,303,614	161,406,175	153,324,053	145,782,209	137,844,672
15 Net Regulated Plant	54,203,542	58,376,833	59,981,471	64,695,142	69,708,054
16 Total Assets & Other Debits	\$91,710,828	\$94,432,682	\$93,451,495	\$99,243,407	\$95,636,051
CURRENT LIABILITIES					
17 Accounts Payable	(\$113,197)	\$2,255,870	\$362,274	\$6,003,318	\$1,946,825
18 Notes Payable					
19 Advanced Billings	259,222	307,659	369,506	553,202	1,677,086
20 Customer Deposits	850	878	1,600	1,063	4,950
21 Current Maturities - Long-Term Debt					
22 Current Deferred Income Taxes					
23 Other Current Liabilities	2,001,108	1,587,876	1,413,201	2,053,624	2,012,036
24 Total Current Liabilities	2,147,983	4,152,283	2,146,581	8,611,207	5,640,897
LONG-TERM DEBT					
25 Long-Term Debt					
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	11,753,532	12,443,877	13,903,899	13,210,630	13,211,798
28 Other Deferred Credits	1,204,892	1,356,691	1,365,341	1,393,238	1,442,113
29 Other Jurisdictional Differences - Net					
30 Other Liabilities				285,074	285,074
31 Total Other Liab. and Def. Credits	12,958,424	13,800,568	15,269,240	14,888,942	14,938,985
STOCKHOLDER'S EQUITY					
32 Common Stock	16,705,393	16,705,393	16,705,393	16,705,393	16,705,393
33 Preferred Stock					
34 Other Paid in Capital	7,310,322	7,310,322	7,310,813	7,310,813	7,310,813
35 Retained Earnings	52,588,706	52,464,116	52,019,468	51,727,052	51,039,963
36 Total Stockholder's Equity	76,604,421	76,479,831	76,035,674	75,743,258	75,056,169
37 Total Liab. and Stockholder's Equity	\$91,710,828	\$94,432,682	\$93,451,495	\$99,243,407	\$95,636,051

ALLTEL New York, Inc.
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2011	2010	2009	2008	2007	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$14,753,010	\$15,657,419	\$16,874,261	\$17,842,159	\$18,502,938	1
Network Access Services	17,724,659	18,080,383	17,865,333	21,465,736	24,277,114	2
Long Distance Network Services	571,977	643,455	755,583	941,151	1,077,001	3
Miscellaneous Revenues	5,563,322	5,626,395	5,824,857	4,491,842	5,203,497	4
Less: Uncollectible Revenues	457,089	438,410	501,526	637,848	430,589	5
Total Operating Revenues	38,155,879	39,569,242	40,818,508	44,103,040	48,629,961	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	11,575,046	1,435	(15,005)	88,545	354,345	7
General Support Expenses	1,026,929	1,549,636	1,758,329	1,786,159	1,798,798	8
Central Office Switching	2,012,143	1,786,925	2,098,093	2,357,170	1,737,536	9
Operator Systems Expense						10
Central Office Transmission	1,585,113	1,392,894	1,436,086	1,332,331	973,909	11
Info. Origination/Termination	8,917	2,792	1,457	33,051	209,048	12
Cable & Wire Facilities	2,759,980	2,868,052	3,031,883	3,370,732	3,471,088	13
Total Plant Specific Operations	18,968,128	7,601,734	8,310,843	8,967,988	8,544,724	14
Other Plant, Property & Equipment	22,580	58,004	56,201	(62,532)	(9,927)	15
Network Operations	4,969,760	2,765,330	2,592,418	2,919,776	3,161,450	16
Access Expense	1,084,639	935,437	1,607,186	1,972,877	1,583,898	17
Depreciation and Amortization	8,403,704	8,767,317	8,385,425	8,815,437	10,218,267	18
Total Plant Non-Specific Operations	14,480,683	12,526,088	12,641,230	13,645,558	14,953,688	19
Marketing Expense	3,084,629	2,472,060	2,537,508	3,119,092	3,706,999	20
Services Expense	1,864,219	1,557,923	1,759,852	1,876,246	2,597,376	21
Total Customer Operations	4,948,848	4,029,983	4,297,360	4,995,338	6,304,375	22
Executive & Planning	364,945	422,852	459,516	525,022	481,060	23
General & Administrative	(8,421,774)	2,702,381	3,904,901	3,497,249	3,340,394	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	(8,056,829)	3,125,233	4,364,417	4,022,271	3,821,454	27
Total Operations Expense	30,340,830	27,283,038	29,613,850	31,631,155	33,624,241	28
Other Operating Income & Expenses						29
State & Local Income Taxes						30
Other Taxes	3,553,122	3,568,859	3,884,753	3,299,330	4,540,725	31
Net Operating Income Before FIT	4,261,927	8,717,344	7,319,905	9,172,555	10,464,995	32
Investment Tax Credits - Net						33
Federal Income Taxes	1,279,744	3,753,385	1,220,776	3,499,570	5,014,799	34
Provision - Def. Operating Income Taxes - Net	(690,345)	(1,460,022)	693,274	(1,171)	(1,356,320)	35
Net Operating Income	\$3,672,528	\$6,423,981	\$5,405,855	\$5,674,156	\$6,806,516	36

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ALLTEL New York, Inc.
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2011	2010	2009	2008	2007
37 Net Operating Income	\$3,672,528	\$6,423,981	\$5,405,855	\$5,674,156	\$6,806,516
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income					
39 Interest Income	263,510	244,188	276,609	813,610	318,779
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction	39,004	13,332	15,342	18,680	57,469
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies					
44 Other Non-Operating Income	(2,735,662)	(2,436,786)	(2,155,833)	(19,130)	11,661,169
45 Special Charges	776				
46 Total Non-Operating Income & Expenses	(2,433,924)	(2,179,266)	(1,863,882)	813,160	12,037,417
NON-OPERATING TAXES					
47 Federal Income Taxes					111,573
48 Other					
49 Total Non-Operating Taxes					111,573
50 Income Available Before Interest Charges	1,238,604	4,244,715	3,541,973	6,487,316	18,732,360
INTEREST CHARGES					
51 Interest on Funded Debt					
52 Other Interest Expense	14	67	91	227	219,468
53 Total Interest Charges	14	67	91	227	219,468
54 Income Before Extraordinary & Nonreg Items	1,238,590	4,244,648	3,541,882	6,487,089	18,512,892
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					
57 Total Extraordinary & Nonregulated Items					
58 Net Income	\$1,238,590	\$4,244,648	\$3,541,882	\$6,487,089	\$18,512,892
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RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$52,464,116	\$52,019,468	\$51,727,052	\$51,039,963	\$39,204,533
60 Transferred from Income	1,238,590	4,244,648	3,541,882	6,487,089	18,512,892
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock	1,114,000	3,800,000	3,249,466	5,800,000	6,677,462
64 Adjustments					
65 Ending Year Balance	52,588,706	52,464,116	52,019,468	51,727,052	51,039,963
66 Appropriated/Undistr Affiliate Retained Earnings					
67 Total Retained Earnings	\$52,588,706	\$52,464,116	\$52,019,468	\$51,727,052	\$51,039,963

**Armstrong Telephone Company
Comparative Balance Sheet
For the Year Ended December 31,**

	2011	2010	2009	2008	2007
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$1,489,922	\$1,182,733	\$1,042,906	\$829,465	\$1,031,414
2 Accounts Receivable (Net)	562,482	549,569	619,220	671,539	693,712
3 Current Deferred Income Taxes	22,295	21,720	20,966	20,081	19,044
4 Other Current Assets	152,131	143,925	165,648	177,511	165,881
5 Total Current Assets	2,226,830	1,897,947	1,848,740	1,698,595	1,910,052
NON-CURRENT ASSETS					
6 Investments					
7 Unamortized Debt Issuance Costs					
8 Deferred Charges					
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes	7,124	7,124	7,124	7,124	7,124
11 Other Non-Current Assets					
12 Total Non-Current Assets	7,124	7,124	7,124	7,124	7,124
REGULATED PLANT					
13 Total Telecommunications Plant	13,274,702	14,047,791	14,116,636	14,156,777	13,931,518
14 Less: Accumulated Depreciation and Amort.	9,721,513	9,858,109	9,474,784	8,993,217	8,305,193
15 Net Regulated Plant	3,553,188	4,189,682	4,641,852	5,163,560	5,626,325
16 Total Assets & Other Debits	\$5,787,142	\$6,094,752.2	\$6,497,716	\$6,869,279	\$7,543,501
CURRENT LIABILITIES					
17 Accounts Payable	\$153,998	\$192,455	\$308,230	\$269,796	\$412,574
18 Notes Payable					
19 Advanced Billings	129,387	98,165	92,663	96,828	94,520
20 Customer Deposits					
21 Current Maturities - Long-Term Debt	2,725,733	2,860,965	162,585	154,691	149,402
22 Current Deferred Income Taxes					
23 Other Current Liabilities	165,455	186,460	181,468	132,220	188,412
24 Total Current Liabilities	3,174,575	3,338,045	744,946	653,535	844,908
LONG-TERM DEBT					
25 Long-Term Debt		24,550	2,887,691	3,052,654	3,207,377
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	403,562	504,534	561,833	693,465	718,566
28 Other Deferred Credits	63,334	61,690	59,538	57,087	54,126
29 Other Jurisdictional Differences - Net					
30 Other Liabilities					
31 Total Other Liab. and Def. Credits	466,895	566,225	621,370	750,552	772,692
STOCKHOLDER'S EQUITY					
32 Common Stock	243,000	243,000	243,000	243,000	243,000
33 Preferred Stock					
34 Other Paid in Capital	21,000	21,000	21,000	21,000	21,000
35 Retained Earnings	1,881,668	1,901,933	1,979,709	2,148,538	2,454,523
36 Total Stockholder's Equity	2,145,668	2,165,933	2,243,709	2,412,538	2,718,523
37 Total Liab. and Stockholder's Equity	\$5,787,138	\$6,094,752.9	\$6,497,716	\$6,869,279	\$7,543,501

Armstrong Telephone Company
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2011	2010	2009	2008	2007	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$643,768	\$608,287	\$632,668	\$623,872	\$692,079	1
Network Access Services	3,084,430	3,553,063	3,299,090	3,212,572	3,311,468	2
Long Distance Network Services	2,383	3,277	2,383	2,860	13,910	3
Miscellaneous Revenues	804,972	449,743	493,057	515,521	646,532	4
Less: Uncollectible Revenues	36,887	8,570	(232)	40,083	38,627	5
Total Operating Revenues	4,498,666	4,605,800	4,427,430	4,314,742	4,625,362	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses						7
General Support Expenses	65,142	75,940	82,053	103,710	128,038	8
Central Office Switching	125,962	171,184	227,766	270,798	257,248	9
Operator Systems Expense						10
Central Office Transmission	476,850	443,813	331,483	293,840	261,258	11
Info. Origination/Termination	308,576	370,149	349,749	404,516	422,733	12
Cable & Wire Facilities	341,152	292,130	332,740	372,716	421,934	13
Total Plant Specific Operations	1,317,682	1,353,215	1,323,792	1,445,580	1,491,212	14
Other Plant, Property & Equipment						15
Network Operations	397,269	377,298	363,015	308,795	368,788	16
Access Expense	38,626	25,516	22,209	21,082	24,106	17
Depreciation and Amortization	787,618	757,128	933,528	940,595	897,049	18
Total Plant Non-Specific Operations	1,223,513	1,159,942	1,318,752	1,270,473	1,289,942	19
Marketing Expense	49,588	15,901	18,160	16,566	25,761	20
Services Expense	422,758	437,099	411,089	330,077	306,258	21
Total Customer Operations	472,346	453,000	429,249	346,644	332,018	22
Executive & Planning	487,759	486,146	488,541	478,809	470,641	23
General & Administrative	665,967	799,898	826,561	909,632	873,062	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	1,153,726	1,286,045	1,315,102	1,388,441	1,343,703	27
Total Operations Expense	4,167,267	4,252,203	4,386,895	4,451,138	4,456,876	28
Other Operating Income & Expenses						29
State & Local Income Taxes						30
Other Taxes	265,753	262,254	260,360	239,112	226,146	31
Net Operating Income Before FIT	65,646	91,344	(219,825)	(375,507)	(57,660)	32
Investment Tax Credits - Net						33
Federal Income Taxes	(53,045)	17,345	(172,316)	(220,981)	(83,823)	34
Provision - Def. Operating Income Taxes - Net						35
Net Operating Income	\$118,691	\$73,999	(\$47,509)	(\$154,526)	\$26,163	36

Armstrong Telephone Company
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2011	2010	2009	2008	2007
37 Net Operating Income	\$118,691	\$73,999	(\$47,509)	(\$154,526)	\$26,163
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income					
39 Interest Income	1,779	1,750	4,303	17,147	33,381
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction					
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies					
44 Other Non-Operating Income	5,296	3,019	55,262		
45 Special Charges	560	685	780	1,100	2,360
46 Total Non-Operating Income & Expenses	6,515	4,084	58,785	16,047	31,021
NON-OPERATING TAXES					
47 Federal Income Taxes	5,322	7,457	23,606	3,388	6,704
48 Other					
49 Total Non-Operating Taxes	5,322	7,457	23,606	3,388	6,704
50 Income Available Before Interest Charges	119,884	70,626	(12,330)	(141,867)	50,480
INTEREST CHARGES					
51 Interest on Funded Debt	140,147	148,400	156,500	164,118	171,343
52 Other Interest Expense					
53 Total Interest Charges	140,147	148,400	156,500	164,118	171,343
54 Income Before Extraordinary & Nonreg Items	(20,263)	(77,775)	(168,829)	(305,985)	(120,863)
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					
57 Total Extraordinary & Nonregulated Items					
58 Net Income	(\$20,263)	(\$77,775)	(\$168,829)	(\$305,985)	(\$120,863)
RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$1,901,932	\$1,979,709	\$2,148,538	\$2,454,523	\$2,575,386
60 Transferred from Income	(20,264)	(77,775)	(168,829)	(305,985)	(120,863)
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock					
64 Adjustments					
65 Ending Year Balance	1,881,668	1,901,934	1,979,709	2,148,538	2,454,523
66 Appropriated/Undistr Affiliate Retained Earnings					
67 Total Retained Earnings	\$1,881,668	\$1,901,934	\$1,979,709	\$2,148,538	\$2,454,523

Berkshire Telephone Corporation
Comparative Balance Sheet
For the Year Ended December 31,

	2011	2010	2009	2008	2007
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$13,991	\$9,862	\$14,731	\$34,411	\$15,234
2 Accounts Receivable (Net)	51,388	357,716	675,666	723,286	908,139
3 Current Deferred Income Taxes	12,051	11,370	11,048	13,350	18,699
4 Other Current Assets	66,622	74,636	66,610	97,133	28,461
5 Total Current Assets	144,053	453,585	768,055	868,180	970,534
NON-CURRENT ASSETS					
6 Investments	1,104,897	1,274,854	1,419,038	1,661,433	1,515,456
7 Unamortized Debt Issuance Costs					16,749
8 Deferred Charges					
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes			2,224	2,224	660,959
11 Other Non-Current Assets	650,704	650,616	649,664	646,226	634,459
12 Total Non-Current Assets	1,755,601	1,925,470	2,070,926	2,309,883	2,827,623
REGULATED PLANT					
13 Total Telecommunications Plant	17,391,060	17,265,764	16,965,175	16,919,304	15,966,007
14 Less: Accumulated Depr and Amort.	11,865,825	11,232,232	10,989,317	10,780,015	10,418,868
15 Net Regulated Plant	5,525,235	6,033,532	5,975,858	6,139,289	5,547,139
16 Total Assets & Other Debits	\$7,424,889	\$8,412,585	\$8,814,839	\$9,317,352	\$9,345,295
CURRENT LIABILITIES					
17 Accounts Payable	(\$1,727,221)	(1,237,179)	(\$932,014)	(\$138,293)	(\$1,259,152)
18 Notes Payable					
19 Advanced Billings	49,474	34,397	14,591		
20 Customer Deposits					
21 Current Maturities - Long-Term Debt					141,576
22 Current Deferred Income Taxes					
23 Other Current Liabilities	17,790	56,764	33,327	(619,912)	183,299
24 Total Current Liabilities	(1,659,958)	(1,146,018)	(884,096)	(758,205)	(934,277)
LONG-TERM DEBT					
25 Long-Term Debt					958,620
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	1,050,104	1,111,299	1,018,013	873,945	797,027
28 Other Deferred Credits			6,355	6,355	1,888,454
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	22,049	103,173	171,142		10,000
31 Total Other Liab. and Def. Credits	1,072,153	1,214,472	1,195,510	880,300	2,695,481
STOCKHOLDER'S EQUITY					
32 Common Stock	81,160	81,160	81,160	81,160	81,160
33 Preferred Stock					
34 Other Paid in Capital	(1,130,000)	(984,000)	(803,000)	195,000	1,140,000
35 Retained Earnings	9,061,533	9,246,971	9,225,265	8,919,098	5,404,311
36 Total Stockholder's Equity	8,012,693	8,344,131	8,503,425	9,195,258	6,625,471
37 Total Liab. and Stockholder's Equity	\$7,424,889	\$8,412,585	\$8,814,839	\$9,317,353	\$9,345,295

Berkshire Telephone Corporation
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2011	2010	2009	2008	2007	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$888,690	\$941,131	\$948,908	\$1,015,144	\$1,177,147	1
Network Access Services	1,423,465	1,852,527	2,074,998	2,076,863	2,671,872	2
Long Distance Network Services	1,449	4,434	5,144	9,254	10,428	3
Miscellaneous Revenues	340,979	307,061	346,701	356,005	416,541	4
Less: Uncollectible Revenues	35,899	50,475	63,625	78,821	65,299	5
Total Operating Revenues	2,618,684	3,054,678	3,312,126	3,378,445	4,210,689	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	188	35			1	7
General Support Expenses	482,383	766,161	275,477	231,365	304,074	8
Central Office Switching	194,099	238,567	305,905	310,021	234,816	9
Operator Systems Expense						10
Central Office Transmission	493	6,817	7,700	16,446	15,852	11
Info. Origination/Termination						12
Cable & Wire Facilities	374,045	293,203	355,880	274,076	176,994	13
Total Plant Specific Operations	1,051,208	1,304,783	944,962	831,908	731,736	14
Other Plant, Property & Equipment				2,213	426	15
Network Operations	119,398	197,173	245,134	258,969	254,011	16
Access Expense	97,115	96,680	80,184	78,621	114,959	17
Depreciation and Amortization	641,793	751,497	814,390	838,322	1,051,085	18
Total Plant Non-Specific Operations	858,306	1,045,350	1,139,708	1,178,125	1,420,482	19
Marketing Expense	82,426	80,936	86,203	44,192	61,971	20
Services Expense	299,193	327,171	360,619	388,593	654,312	21
Total Customer Operations	381,619	408,107	446,822	432,785	716,283	22
Executive & Planning	49,220	142,979	150,010	202,666	226,660	23
General & Administrative	415,702	380,627	641,404	519,519	495,619	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	464,922	523,606	791,414	722,186	722,279	27
Total Operations Expense	2,756,055	3,281,846	3,322,906	3,165,004	3,590,779	28
Other Operating Income & Expenses						29
State & Local Income Taxes						30
Other Taxes	80,464	196,345	179,120	239,717	204,183	31
Net Operating Income Before FIT	(217,835)	(423,512)	(189,900)	(26,276)	415,727	32
Investment Tax Credits - Net						33
Federal Income Taxes	(52,800)	(102,247)	(24,946)	(657,800)	426,046	34
Provision - Def. Operating Income Taxes - Net	(61,876)	(86,184)	(233,176)	108,237	(306,502)	35
Net Operating Income	(\$103,159)	(\$235,081)	\$68,222	\$523,287	\$296,183	36

Berkshire Telephone Corporation
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2011	2010	2009	2008	2007
37 Net Operating Income	(\$103,159)	(\$235,081)	\$68,222	\$523,287	\$296,183
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income					
39 Interest Income					3,329
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction					
42 Gains/Losses - Disposal of Property					21,093
43 Equity in Earnings of Affiliated Companies	(50,956)	(27,184)			176,028
44 Other Non-Operating Income					
45 Special Charges				191,660	575
46 Total Non-Operating Income & Expenses	(50,956)	(27,184)		(191,660)	199,875
NON-OPERATING TAXES					
47 Federal Income Taxes	25,144	205,948	406,505	646,479	
48 Other					(98,125)
49 Total Non-Operating Taxes	25,144	205,948	406,505	646,479	(98,125)
50 Income Available Before Interest Charges	(179,259)	(468,213)	(338,283)	(314,852)	594,183
INTEREST CHARGES					
51 Interest on Funded Debt				18,039	94,820
52 Other Interest Expense	87,868			7,405	99,882
53 Total Interest Charges	87,868			25,444	194,702
54 Income Before Extraordinary & Nonreg Items	(267,127)	(468,213)	(338,283)	(340,296)	399,481
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items				1,764,323	
56 Nonregulated Revenues	81,690	462,736	644,450	(1,146,937)	(2,145)
57 Total Extraordinary & Nonregulated Items	81,690	462,736	644,450	617,386	(2,145)
58 Net Income	(\$185,437)	(\$5,477)	\$306,167	\$277,090	\$397,336

RETAINED EARNINGS STATEMENT

Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$9,246,972	\$9,225,265	\$8,919,098	\$5,404,311	\$4,827,811
60 Transferred from Income	(134,481)	21,707	306,167	277,090	221,308
61 Appropriations				(1,140,000)	
Dividends Declared:					
62 Preferred Stock					
63 Common Stock					
64 Adjustments	(50,958)			2,097,698	
65 Ending Year Balance	9,061,533	9,246,972	9,225,265	8,919,098	5,049,119
66 Appropriated/Undistributed Affiliated Retained Earnings					355,192
67 Total Retained Earnings	\$9,061,533	\$9,246,972	\$9,225,265	\$8,919,098	\$5,404,311

**Cassadaga Telephone Corp.
Comparative Balance Sheet
For the Year Ended December 31,**

	2011	2010	2009	2008	2007
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$265	\$1,114	\$4,172	\$4,397	\$1,044
2 Accounts Receivable (Net)	60,452	57,093	48,574	59,672	59,655
3 Current Deferred Income Taxes	5,472	4,833	4,471	4,098	3,714
4 Other Current Assets	934,617	724,184	566,601	400,478	395,558
5 Total Current Assets	1,000,806	787,224	623,818	468,645	459,971
NON-CURRENT ASSETS					
6 Investments	3,055	24,454	(2,372)	(20,665)	(9,565)
7 Unamortized Debt Issuance Costs					
8 Deferred Charges					
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes	73,581	73,581	73,463	73,193	56,665
11 Other Non-Current Assets					
12 Total Non-Current Assets	76,636	98,035	71,091	52,528	47,100
REGULATED PLANT					
13 Total Telecommunications Plant	3,077,113	3,040,109	2,985,022	2,882,205	2,743,380
14 Less: Accumulated Depr and Amort.	1,997,282	1,879,152	1,768,048	1,659,158	1,518,940
15 Net Regulated Plant	1,079,831	1,160,957	1,216,974	1,223,047	1,224,440
16 Total Assets & Other Debits	\$2,157,273	\$2,046,216	\$1,911,883	\$1,744,220	\$1,731,511
CURRENT LIABILITIES					
17 Accounts Payable	\$4,321	\$15,274	\$56,888	\$1,886	\$40,321
18 Notes Payable					
19 Advanced Billings				1,600	
20 Customer Deposits	760	760	930	1,620	3,157
21 Current Maturities - Long-Term Debt					
22 Current Deferred Income Taxes					
23 Other Current Liabilities	15,961	29,297	3,784	17,953	15,435
24 Total Current Liabilities	21,042	45,331	61,602	23,059	58,913
LONG-TERM DEBT					
25 Long-Term Debt					
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	314,267	311,318	316,514	300,113	280,128
28 Other Deferred Credits	22,877	20,998	19,935	18,838	17,708
29 Other Jurisdictional Differences - Net					
30 Other Liabilities					
31 Total Other Liab. and Def. Credits	337,144	332,316	336,449	318,951	297,836
STOCKHOLDER'S EQUITY					
32 Common Stock	27,800	27,800	27,800	27,800	27,800
33 Preferred Stock					
34 Other Paid in Capital					
35 Retained Earnings	1,771,287	1,640,769	1,486,032	1,374,410	1,346,962
36 Total Stockholder's Equity	1,799,087	1,668,569	1,513,832	1,402,210	1,374,762
37 Total Liab. and Stockholder's Equity	\$2,157,273	\$2,046,216	\$1,911,883	\$1,744,220	\$1,731,511

Cassadaga Telephone Corp.
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2011	2010	2009	2008	2007	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$259,021	\$240,503	\$248,406	\$242,278	\$230,917	1
Network Access Services	544,891	570,446	587,503	601,950	618,505	2
Long Distance Network Services	291	416	569	649	982	3
Miscellaneous Revenues	59,556	63,512	80,811	83,658	88,929	4
Less: Uncollectible Revenues	(532)	2,208	1,287	1,371	2,958	5
Total Operating Revenues	864,291	872,669	916,002	927,164	936,375	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses		30				7
General Support Expenses	46,467	58,081	59,762	90,713	73,539	8
Central Office Switching	31,137	30,115	20,436	22,734	19,958	9
Operator Systems Expense						10
Central Office Transmission	61,331	62,442	44,698	102,039	55,247	11
Info. Origination/Termination						12
Cable & Wire Facilities	28,591	40,440	43,053	53,904	48,304	13
Total Plant Specific Operations	167,526	191,108	167,949	269,390	197,048	14
Other Plant, Property & Equipment	4,688	5,369	5,583	3,755	492	15
Network Operations	37,269	64,039	54,900	56,067	102,118	16
Access Expense	21,538	20,407	19,072	17,514	10,690	17
Depreciation and Amortization	149,054	145,691	142,181	154,886	157,022	18
Total Plant Non-Specific Operations	212,549	235,506	221,736	232,222	270,322	19
Marketing Expense	32,539	36,228	36,421	26,725	21,977	20
Services Expense	98,488	72,721	121,131	105,461	112,680	21
Total Customer Operations	131,027	108,949	157,552	132,186	134,657	22
Executive & Planning	67,228	83,695	163,320	158,766	259,537	23
General & Administrative	59,678	59,890	60,547	66,869	67,969	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	126,906	143,585	223,867	225,636	327,506	27
Total Operations Expense	638,008	679,148	771,104	859,434	929,533	28
Other Operating Income & Expenses		(5,435)	7,879	754	28	29
State & Local Income Taxes						30
Other Taxes	30,471	31,073	36,053	36,987	37,189	31
Net Operating Income Before FIT	195,812	157,013	116,724	31,497	(30,319)	32
Investment Tax Credits - Net						33
Federal Income Taxes	72,858	71,067	31,754	16,827	7,719	34
Provision - Def. Operating Income Taxes - Net	2,310	(5,679)	15,758	3,073	(13,703)	35
Net Operating Income	\$120,644	\$91,625	\$69,212	\$11,597	(\$24,335)	36

Cassadaga Telephone Corp.
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2011	2010	2009	2008	2007
37 Net Operating Income	\$120,644	\$91,625	\$69,212	\$11,597	(\$24,335)
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income					
39 Interest Income	20				
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction			(256)	4,155	1,415
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies	(21,399)	26,826	18,293	(11,100)	(33,163)
44 Other Non-Operating Income					
45 Special Charges					
46 Total Non-Operating Income & Expenses	(21,379)	26,826	18,037	(6,945)	(31,748)
NON-OPERATING TAXES					
47 Federal Income Taxes					
48 Other					
49 Total Non-Operating Taxes					
50 Income Available Before Interest Charges	99,265	118,451	87,249	4,652	(56,083)
INTEREST CHARGES					
51 Interest on Funded Debt					
52 Other Interest Expense	(31,253)	(36,286)	(24,373)	(22,796)	(24,543)
53 Total Interest Charges	(31,253)	(36,286)	(24,373)	(22,796)	(24,543)
54 Income Before Extraordinary & Nonreg Items	130,518	154,737	111,622	27,448	(31,540)
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					
57 Total Extraordinary & Nonregulated Items					
58 Net Income	\$130,518	\$154,737	\$111,622	\$27,448	(\$31,540)
RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$1,396,315	\$1,268,404	\$1,175,075	\$1,136,527	\$1,134,904
60 Transferred from Income	151,917	127,911	93,329	38,548	1,623
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock					
64 Adjustments					
65 Ending Year Balance	1,548,232	1,396,315	1,268,404	1,175,075	1,136,527
66 Appropriated/Undistr Affiliate Retained Earnings	223,055	244,454	217,628	199,335	210,435
67 Total Retained Earnings	\$1,771,287	\$1,640,769	\$1,486,032	\$1,374,410	\$1,346,962

**Champlain Telephone Company
Comparative Balance Sheet
For the Year Ended December 31,**

	2011	2010	2009	2008	2007
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$773	\$145,988	\$183,884	\$21,253	\$373,204
2 Accounts Receivable (Net)	2,459,153	2,335,548	2,019,210	2,109,981	1,582,393
3 Current Deferred Income Taxes	28,283	26,188	24,240	22,493	20,781
4 Other Current Assets	271,720	272,604	309,513	308,386	307,411
5 Total Current Assets	2,759,929	2,780,328	2,536,847	2,462,113	2,283,789
NON-CURRENT ASSETS					
6 Investments	64,535	147,767	25,514	87,598	135,293
7 Unamortized Debt Issuance Costs	5,431	6,881	8,329	9,778	11,227
8 Deferred Charges				105,846	114,681
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes	1,380,174	1,250,905	1,235,684	1,147,334	1,125,066
11 Other Non-Current Assets					
12 Total Non-Current Assets	1,450,140	1,405,553	1,269,527	1,350,556	1,386,267
REGULATED PLANT					
13 Total Telecommunications Plant	12,970,304	13,030,151	13,139,928	12,997,999	13,114,657
14 Less: Accumulated Depr and Amort.	8,693,199	8,297,599	8,075,363	7,619,496	7,415,128
15 Net Regulated Plant	4,277,105	4,732,552	5,064,565	5,378,503	5,699,529
16 Total Assets & Other Debits	\$8,487,174	\$8,918,433	\$8,870,939	\$9,191,172	\$9,369,585
CURRENT LIABILITIES					
17 Accounts Payable	\$956,095	\$779,815	\$584,874	\$676,871	\$306,169
18 Notes Payable					
19 Advanced Billings		20,625	11,175	2,964	188
20 Customer Deposits					
21 Current Maturities - Long-Term Debt	162,081	162,081	162,081	154,313	146,747
22 Current Deferred Income Taxes					
23 Other Current Liabilities	1,170,837	920,574	19,043	564,128	653,397
24 Total Current Liabilities	2,289,013	1,883,095	777,173	1,398,276	1,106,501
LONG-TERM DEBT					
25 Long-Term Debt	569,571	739,918	902,033	1,064,069	1,218,363
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	794,595	808,105	813,441	821,868	809,217
28 Other Deferred Credits	2,436,663	2,434,271	2,428,542	2,423,297	2,418,261
29 Other Jurisdictional Differences - Net					
30 Other Liabilities			790,918		
31 Total Other Liab. and Def. Credits	3,231,258	3,242,376	4,032,901	3,245,165	3,227,478
STOCKHOLDER'S EQUITY					
32 Common Stock	210,000	210,000	210,000	210,000	210,000
33 Preferred Stock	137,350	137,350	137,350	138,850	138,850
34 Other Paid in Capital	(61,342)	77,519	(26,533)	13,410	
35 Retained Earnings	2,111,324	2,628,175	2,838,015	3,121,402	3,468,393
36 Total Stockholder's Equity	2,397,332	3,053,044	3,158,832	3,483,662	3,817,243
37 Total Liab. and Stockholder's Equity	\$8,487,174	\$8,918,433	\$8,870,939	\$9,191,172	\$9,369,585

Champlain Telephone Company
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2011	2010	2009	2008	2007	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$1,146,408	\$1,108,748	\$1,183,604	\$1,274,564	\$1,430,372	1
Network Access Services	3,364,867	3,564,053	3,808,154	3,916,389	3,927,767	2
Long Distance Network Services						3
Miscellaneous Revenues	58,682	80,429	76,382	98,081	101,451	4
Less: Uncollectible Revenues	1,300	3,000	5,000	17,500	15,671	5
Total Operating Revenues	4,568,657	4,750,230	5,063,140	5,271,534	5,443,919	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	31,176	32,733	27,253	31,963	17,979	7
General Support Expenses	460,380	450,234	484,858	534,876	523,414	8
Central Office Switching	315,415	314,484	273,560	315,912	364,025	9
Operator Systems Expense						10
Central Office Transmission	393,537	413,642	436,826	342,015	386,224	11
Info. Origination/Termination						12
Cable & Wire Facilities	311,285	326,912	289,525	342,644	389,926	13
Total Plant Specific Operations	1,511,793	1,538,005	1,512,022	1,567,410	1,681,568	14
Other Plant, Property & Equipment						15
Network Operations	238,728	305,945	237,271	316,828	405,440	16
Access Expense	78,591	74,451	63,261	69,040	67,418	17
Depreciation and Amortization	529,340	516,505	551,547	586,952	657,119	18
Total Plant Non-Specific Operations	846,659	896,901	852,079	972,820	1,129,977	19
Marketing Expense	25,812	29,460	24,839	21,727	14,489	20
Services Expense	181,814	165,373	284,543	292,067	315,613	21
Total Customer Operations	207,626	194,833	309,382	313,794	330,102	22
Executive & Planning	837,070	801,741	804,857	837,057	566,073	23
General & Administrative	1,459,998	1,416,647	1,507,239	1,614,598	1,153,665	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	2,297,068	2,218,388	2,312,096	2,451,655	1,719,738	27
Total Operations Expense	4,863,146	4,848,127	4,985,579	5,305,679	4,861,385	28
Other Operating Income & Expenses		7	(5)			29
State & Local Income Taxes						30
Other Taxes	208,801	225,068	235,312	250,060	245,339	31
Net Operating Income Before FIT	(503,290)	(322,958)	(157,756)	(284,205)	337,195	32
Investment Tax Credits - Net						33
Federal Income Taxes	(115,588)	(38,292)	12,015	(94,881)	109,878	34
Provision - Def. Operating Income Taxes - Net	(72,473)	(76,002)	(77,943)	(18,275)	10,255	35
Net Operating Income	(\$315,229)	(\$208,664)	(\$91,828)	(\$171,049)	\$217,062	36

1 Restated in 2001

Champlain Telephone Company
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2011	2010	2009	2008	2007
37 Net Operating Income	(\$315,229)	(\$208,664)	(\$91,828)	(\$171,049)	\$217,062
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income					
39 Interest Income	73	763	645	2,587	17,162
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction					
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies	(83,232)	122,253	(62,084)	(47,695)	(68,981)
44 Other Non-Operating Income	27,640	22,600	18,100	27,100	22,600
45 Special Charges	38,714	29,497	24,241	22,145	16,512
46 Total Non-Operating Income & Expenses	(94,233)	116,119	(67,580)	(40,153)	(45,731)
NON-OPERATING TAXES					
47 Federal Income Taxes	(3,906)	(2,086)	(1,930)	2,575	7,905
48 Other					
49 Total Non-Operating Taxes	(3,906)	(2,086)	(1,930)	2,575	7,905
50 Income Available Before Interest Charges	(405,556)	(90,459)	(157,478)	(213,777)	163,426
INTEREST CHARGES					
51 Interest on Funded Debt	39,825	48,019	55,672	62,876	70,869
52 Other Interest Expense	2,655	2,547	1,422	1,426	1,434
53 Total Interest Charges	42,480	50,566	57,094	64,302	72,303
54 Income Before Extraordinary & Nonreg Items	(448,036)	(141,025)	(214,572)	(278,079)	91,123
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					
57 Total Extraordinary & Nonregulated Items					
58 Net Income	(\$448,036)	(\$141,025)	(\$214,572)	(\$278,079)	\$91,123
RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$2,568,006	\$2,900,099	\$3,121,402	\$3,468,393	\$3,446,182
60 Transferred from Income	(364,804)	(263,278)	(152,488)	(278,079)	91,123
61 Appropriations					
Dividends Declared:					
62 Preferred Stock	8,927	8,927	8,927	9,024	9,024
63 Common Stock	59,888	59,888	59,888	59,888	59,888
64 Adjustments					
65 Ending Year Balance	2,134,387	2,568,006	2,900,099	3,121,402	3,468,393
66 Appropriated/Undistr Affiliate Retained Earnings	(23,063)	60,169	(62,084)		
67 Total Retained Earnings	\$2,111,324	\$2,628,175	\$2,838,015	\$3,121,402	\$3,468,393

Chautauqua & Erie Telephone Corporation
Comparative Balance Sheet
For the Year Ended December 31,

	2011	2010	2009	2008	2007
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$600	\$4,447	\$5,206	\$17,435	\$19,101
2 Accounts Receivable (Net)	753,558	1,518,873	2,206,483	2,677,555	1,943,218
3 Current Deferred Income Taxes	12,392	21,551	24,283	30,606	16,611
4 Other Current Assets	458,554	398,013	381,199	415,888	404,808
5 Total Current Assets	1,225,105	1,942,884	2,617,171	3,141,484	2,383,738
NON-CURRENT ASSETS					
6 Investments	373,722	594,017	559,414	480,003	481,516
7 Unamortized Debt Issuance Costs					
8 Deferred Charges					
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes	775	3,678	8,220	15,032	19,883
11 Other Non-Current Assets					
12 Total Non-Current Assets	374,497	597,695	567,634	495,035	501,399
REGULATED PLANT					
13 Total Telecommunications Plant	30,155,794	30,068,775	30,186,736	30,093,303	29,778,357
14 Less: Accumulated Depr and Amort.	21,550,071	21,065,138	21,355,773	21,054,799	20,553,791
15 Net Regulated Plant	8,605,722	9,003,637	8,830,963	9,038,504	9,224,566
16 Total Assets & Other Debits	\$10,205,324	\$11,544,216	\$12,015,768	\$12,675,023	\$12,109,704
CURRENT LIABILITIES					
17 Accounts Payable	\$1,207,410	\$1,985,618	\$1,806,703	\$2,938,731	\$1,225,301
18 Notes Payable					257,500
19 Advanced Billings	55,017	38,064	22,745	24,555	22,448
20 Customer Deposits				31,988	50,821
21 Current Maturities - Long-Term Debt					
22 Current Deferred Income Taxes					
23 Other Current Liabilities	31,947	107,861	45,666	11,892	213,937
24 Total Current Liabilities	1,294,374	2,131,543	1,875,114	3,007,165	1,770,007
LONG-TERM DEBT					
25 Long-Term Debt					
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	1,884,742	1,993,234	1,835,934	1,646,981	1,461,296
28 Other Deferred Credits					
29 Other Jurisdictional Differences - Net					
30 Other Liabilities		112,263	671,194		
31 Total Other Liab. and Def. Credits	1,884,742	2,105,497	2,507,128	1,646,981	1,461,296
STOCKHOLDER'S EQUITY					
32 Common Stock	775,320	775,320	775,320	775,320	775,320
33 Preferred Stock					
34 Other Paid in Capital	3,922,500	3,922,500	3,922,500	3,922,500	3,922,500
35 Retained Earnings	2,328,387	2,609,356	2,935,706	3,323,057	4,180,581
36 Total Stockholder's Equity	7,026,207	7,307,176	7,633,526	8,020,877	8,878,401
37 Total Liab. and Stockholder's Equity	\$10,205,324	\$11,544,216	\$12,015,768	\$12,675,023	\$12,109,704

Chautauqua & Erie Telephone Corp.
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2011	2010	2009	2008	2007	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$1,538,194	\$1,579,064	\$1,688,714	\$1,858,345	\$2,022,737	1
Network Access Services	3,501,385	4,406,378	4,233,122	4,198,127	5,075,334	2
Long Distance Network Services	29,394	27,548	24,825	44,319	54,317	3
Miscellaneous Revenues	384,591	402,446	425,296	465,094	476,177	4
Less: Uncollectible Revenues	20,430	28,114	30,805	52,123	60,518	5
Total Operating Revenues	5,433,134	6,387,322	6,341,152	6,513,762	7,568,047	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses			(3,739)		3,266	7
General Support Expenses	886,168	1,284,237	510,716	466,712	489,826	8
Central Office Switching	389,729	360,405	405,279	475,244	547,078	9
Operator Systems Expense						10
Central Office Transmission	1,490	441	611		64	11
Info. Origination/Termination						12
Cable & Wire Facilities	490,508	556,364	660,826	643,382	655,235	13
Total Plant Specific Operations	1,767,895	2,201,447	1,573,693	1,585,338	1,695,469	14
Other Plant, Property & Equipment	(7,464)		16,189	27,656	41,254	15
Network Operations	409,744	360,965	334,600	382,461	394,895	16
Access Expense	181,108	130,210	175,313	178,346	215,413	17
Depreciation and Amortization	970,765	1,434,453	1,895,781	1,805,397	1,856,946	18
Total Plant Non-Specific Operations	1,554,153	1,925,628	2,421,883	2,393,860	2,508,508	19
Marketing Expense	249,461	210,933	337,724	325,930	426,837	20
Services Expense	384,763	423,575	487,027	595,655	761,798	21
Total Customer Operations	634,224	634,508	824,751	921,585	1,188,635	22
Executive & Planning	115,585	92,519	214,718	235,011	252,859	23
General & Administrative	1,046,281	1,033,566	1,294,337	1,363,437	1,345,051	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	1,161,866	1,126,085	1,509,055	1,598,448	1,597,910	27
Total Operations Expense	5,118,138	5,887,668	6,329,382	6,499,231	6,990,522	28
Other Operating Income & Expenses						29
State & Local Income Taxes				14,832	5,739	30
Other Taxes	418,613	463,633	549,868	458,928	473,935	31
Net Operating Income Before FIT	(103,617)	36,021	(538,098)	(459,229)	97,850	32
Investment Tax Credits - Net						33
Federal Income Taxes	11,047	182,759	108,325	52,313	299,143	34
Provision - Def. Operating Income Taxes - Net	(99,333)	(211,802)	(730,068)	176,540	(277,819)	35
Net Operating Income	(\$15,331)	\$65,064	\$83,645	(\$688,082)	\$76,527	36

Chautauqua & Erie Telephone Corp.
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2011	2010	2009	2008	2007
37 Net Operating Income	(\$15,331)	\$65,064	\$83,645	(\$688,082)	\$76,527
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income					
39 Interest Income					893
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction					
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies	489,705	419,603		297,486	303,232
44 Other Non-Operating Income					(8,137)
45 Special Charges	200	220	100	154	6,568
46 Total Non-Operating Income & Expenses	489,505	419,383	(100)	297,332	289,420
NON-OPERATING TAXES					
47 Federal Income Taxes	40,222	415,041	966,097	988	(883)
48 Other					
49 Total Non-Operating Taxes	40,222	415,041	966,097	988	(883)
50 Income Available Before Interest Charges	433,952	69,406	(882,552)	(391,738)	366,830
INTEREST CHARGES					
51 Interest on Funded Debt					
52 Other Interest Expense		(327)	4,607	9,566	17,018
53 Total Interest Charges		(327)	4,607	9,566	17,018
54 Income Before Extraordinary & Nonreg Items	433,952	69,733	(887,159)	(401,304)	349,812
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues	(4,921)	1,064,917	1,884,807	1,123,778	(11,145)
57 Total Extraordinary & Nonregulated Items	(4,921)	1,064,917	1,884,807	1,123,778	(11,145)
58 Net Income	\$429,031	\$1,134,650	\$997,648	\$722,474	\$338,667

RETAINED EARNINGS STATEMENT

Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$8,632,753	\$7,917,706	\$5,554,240	\$5,129,250	\$5,093,814
60 Transferred from Income	429,031	715,047	997,650	424,990	35,436
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock					
64 Adjustments			1,365,816		
65 Ending Year Balance	9,061,784	8,632,753	7,917,706	5,554,240	5,129,250
66 Appropriated/Undistr Affiliate Retained Earnings	(6,733,397)	(6,023,397)	(4,982,000)	(2,231,183)	(948,669)
67 Total Retained Earnings	\$2,328,387	\$2,609,356	\$2,935,706	\$3,323,057	\$4,180,581

Chazy & Westport Telephone Corporation
Comparative Balance Sheet
For the Year Ended December 31,

	2011	2010	2009	2008	2007
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$61,129	\$78,789	\$79,646	\$87,115	\$65,002
2 Accounts Receivable (Net)	3,753,625	4,189,509	3,591,585	3,288,247	3,333,165
3 Current Deferred Income Taxes					
4 Other Current Assets	362,195	326,075	237,686	220,056	250,653
5 Total Current Assets	4,176,949	4,594,373	3,908,917	3,595,418	3,648,820
NON-CURRENT ASSETS					
6 Investments	(802,042)	(744,313)	(217,922)	230,666	(122,801)
7 Unamortized Debt Issuance Costs			16	579	1,144
8 Deferred Charges					3,000
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes	190,577	283,170	323,438	464,748	534,698
11 Other Non-Current Assets	624,563	581,450	724,589	750,968	747,071
12 Total Non-Current Assets	13,098	120,307	830,121	1,446,961	1,163,112
REGULATED PLANT					
13 Total Telecommunications Plant	14,922,737	14,816,718	14,796,329	14,733,864	14,559,988
14 Less: Accumulated Depr and Amort.	11,303,711	10,594,616	9,962,878	9,336,635	8,740,535
15 Net Regulated Plant	3,619,026	4,222,102	4,833,451	5,397,229	5,819,453
16 Total Assets & Other Debits	\$7,809,073	\$8,936,782	\$9,572,489	\$10,439,608	\$10,631,385
CURRENT LIABILITIES					
17 Accounts Payable	\$178,915	\$388,121	\$574,709	\$403,005	\$605,667
18 Notes Payable	168,740	287,769	322,908	430,000	250,000
19 Advanced Billings	33,176	17,431	14,282	25,037	16,766
20 Customer Deposits	959	680	2,055	3,485	4,361
21 Current Maturities - Long-Term Debt	86,176	140,268	133,447	164,736	200,540
22 Current Deferred Income Taxes					
23 Other Current Liabilities	93,183	327,133	(38,109)	(97,334)	59,473
24 Total Current Liabilities	561,149	1,161,402	1,009,292	928,929	1,136,807
LONG-TERM DEBT					
25 Long-Term Debt	96,441	182,621	322,906	456,362	621,098
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	907,275	1,033,362	1,101,569	1,114,803	1,055,341
28 Other Deferred Credits	380,119	452,453	632,665	1,012,262	1,389,249
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	212,000	412,000	349,000	385,000	215,000
31 Total Other Liab. and Def. Credits	1,499,394	1,897,815	2,083,234	2,512,065	2,659,590
STOCKHOLDER'S EQUITY					
32 Common Stock	62,100	62,100	62,100	62,100	62,100
33 Preferred Stock	130,000	130,000	130,000	130,000	130,000
34 Other Paid in Capital	691	994	9,834	(11,832)	22,502
35 Retained Earnings	5,459,298	5,501,850	5,955,123	6,361,984	5,999,288
36 Total Stockholder's Equity	5,652,089	5,694,944	6,157,057	6,542,252	6,213,890
37 Total Liab. and Stockholder's Equity	\$7,809,073	\$8,936,782	\$9,572,489	\$10,439,608	\$10,631,385

Chazy & Westport Telephone Corporation
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2011	2010	2009	2008	2007	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$834,269	\$908,165	\$808,304	\$838,183	\$850,846	1
Network Access Services	1,371,923	1,353,941	1,495,528	1,581,152	1,655,074	2
Long Distance Network Services	3,255	39,275	42,420	23,605	30,128	3
Miscellaneous Revenues	212,155	308,532	527,103	516,186	424,289	4
Less: Uncollectible Revenues	4,181	5,748	4,150	10,275	8,611	5
Total Operating Revenues	2,417,421	2,604,165	2,869,205	2,948,851	2,951,726	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	9,578	7,827	9,226	11,261	11,183	7
General Support Expenses	98,689	96,213	93,461	100,568	106,406	8
Central Office Switching	168,581	203,822	206,718	191,309	201,688	9
Operator Systems Expense						10
Central Office Transmission	13,905	8,210	1,802	4,721	6,357	11
Info. Origination/Termination						12
Cable & Wire Facilities	191,071	254,760	258,441	361,286	309,814	13
Total Plant Specific Operations	481,824	570,832	569,648	669,145	635,448	14
Other Plant, Property & Equipment						15
Network Operations	150,887	127,657	92,917	80,791	68,906	16
Access Expense	54,002	56,147	58,926	54,519	37,798	17
Depreciation and Amortization	724,483	664,108	662,117	651,777	654,875	18
Total Plant Non-Specific Operations	929,372	847,912	813,960	787,087	761,579	19
Marketing Expense	24,044	34,461	55,402	50,597	33,499	20
Services Expense	231,596	223,544	231,083	264,877	282,160	21
Total Customer Operations	255,640	258,005	286,485	315,474	315,659	22
Executive & Planning	311,752	299,446	321,995	331,780	346,419	23
General & Administrative	261,718	512,780	493,569	621,443	454,700	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	573,470	812,226	815,564	953,223	801,119	27
Total Operations Expense	2,240,306	2,488,975	2,485,657	2,724,929	2,513,805	28
Other Operating Income & Expenses	110	172	787	762	402	29
State & Local Income Taxes						30
Other Taxes	130,466	141,410	152,487	155,134	160,113	31
Net Operating Income Before FIT	46,759	(26,048)	231,848	69,550	278,210	32
Investment Tax Credits - Net						33
Federal Income Taxes	53,734	18,303	(47,527)	(115,923)	23,843	34
Provision - Def. Operating Income Taxes - Net	(33,312)	(23,411)	116,913	147,100	40,412	35
Net Operating Income	\$26,337	(\$20,940)	\$162,462	\$38,373	\$213,955	36

Chazy & Westport Telephone Corporation
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2011	2010	2009	2008	2007
37 Net Operating Income	\$26,337	(\$20,940)	\$162,462	\$38,373	\$213,955
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income		481	1,261	1,853	3,255
39 Interest Income	3,015	3,954	884	570	16,548
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction					
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies	(57,193)	(410,448)	(472,409)	402,374	(495,557)
44 Other Non-Operating Income	4,628	17,032	(11,451)	2,400	30,783
45 Special Charges	3,613	3,261	42,289	13,585	11,887
46 Total Non-Operating Income & Expenses	(53,163)	(392,242)	(524,004)	393,612	(456,858)
NON-OPERATING TAXES					
47 Federal Income Taxes	669	5,270	(8,639)	(8,689)	11,088
48 Other					
49 Total Non-Operating Taxes	669	5,270	(8,639)	(8,689)	11,088
50 Income Available Before Interest Charges	(27,495)	(418,452)	(352,903)	440,674	(253,991)
INTEREST CHARGES					
51 Interest on Funded Debt	12,827	19,864	26,761	36,466	46,197
52 Other Interest Expense	(4,270)	8,457	20,697	35,012	50,127
53 Total Interest Charges	8,557	28,321	47,458	71,478	96,324
54 Income Before Extraordinary & Nonreg Items	(36,052)	(446,773)	(400,361)	369,196	(350,315)
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					
57 Total Extraordinary & Nonregulated Items					
58 Net Income	(\$36,052)	(\$446,773)	(\$400,361)	\$369,196	(\$350,315)

RETAINED EARNINGS STATEMENT

Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$6,706,745	\$6,749,570	\$6,684,022	\$6,723,700	\$6,584,958
60 Transferred from Income	21,141	(36,325)	72,048	(33,178)	145,242
61 Appropriations					
Dividends Declared:					
62 Preferred Stock	6,500	6,500	6,500	6,500	6,500
63 Common Stock					
64 Adjustments					
65 Ending Year Balance	6,721,386	6,706,745	6,749,570	6,684,022	6,723,700
66 Appropriated/Undistr Affiliate Retained Earnings	(1,262,088)	(1,204,895)	(794,447)	(322,038)	(724,412)
67 Total Retained Earnings	\$5,459,298	\$5,501,850	\$5,955,123	\$6,361,984	\$5,999,288

Citizens Telephone Company of Hammond, N. Y., Inc.
Comparative Balance Sheet
For the Year Ended December 31,

	2011	2010	2009	2008	2007
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$54,660	\$113,496	\$168,716	\$183,372	\$266,635
2 Accounts Receivable (Net)	1,242,785	1,122,839	1,431,543	1,307,947	1,280,142
3 Current Deferred Income Taxes					
4 Other Current Assets	159,036	180,376	178,985	189,162	229,888
5 Total Current Assets	1,456,481	1,416,711	1,779,244	1,680,482	1,776,665
NON-CURRENT ASSETS					
6 Investments	5,795,260	5,706,852	5,280,425	4,867,074	4,703,415
7 Unamortized Debt Issuance Costs	52,563	57,371	62,178	66,985	71,793
8 Deferred Charges					
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes	1,353,212	1,274,531	1,227,805	1,116,178	958,202
11 Other Non-Current Assets				233,077	245,344
12 Total Non-Current Assets	7,201,035	7,038,754	6,570,408	6,283,315	5,978,754
REGULATED PLANT					
13 Total Telecommunications Plant	9,425,992	9,306,939	8,907,927	8,626,657	9,287,377
14 Less: Accumulated Depr and Amort.	5,667,980	5,308,379	4,813,494	4,534,233	5,026,316
15 Net Regulated Plant	3,758,012	3,998,560	4,094,433	4,092,423	4,261,061
16 Total Assets & Other Debits	\$12,415,527	\$12,454,024	\$12,444,085	\$12,056,220	\$12,016,480
CURRENT LIABILITIES					
17 Accounts Payable	\$92,755	\$99,532	\$138,213	\$199,367	\$373,829
18 Notes Payable	222,038	18,213	124,209	124,642	
19 Advanced Billings		678	17,555	15,864	14,540
20 Customer Deposits	2,917	3,435	3,610	2,754	2,238
21 Current Maturities - Long-Term Debt					
22 Current Deferred Income Taxes					
23 Other Current Liabilities	(296,537)	(175,947)	(238,353)	(285,083)	(262,742)
24 Total Current Liabilities	21,173	(54,089)	45,233	57,544	127,865
LONG-TERM DEBT					
25 Long-Term Debt	2,954,338	3,182,227	3,399,939	3,222,938	3,250,063
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	424,586	412,835	408,160	571,541	545,993
28 Other Deferred Credits	1,242,491	1,249,755	1,261,177	1,257,660	1,280,358
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	2,411,375	2,299,555	2,092,480	1,746,745	1,639,820
31 Total Other Liab. and Def. Credits	4,078,452	3,962,145	3,761,817	3,575,946	3,466,171
STOCKHOLDER'S EQUITY					
32 Common Stock	42,000	42,000	42,000	42,000	42,000
33 Preferred Stock	23,000	23,000	23,000	23,000	23,000
34 Other Paid in Capital	(195,227)	(213,662)	(213,409)	(23,130)	(9,359)
35 Retained Earnings	5,491,790	5,512,403	5,385,505	5,157,922	5,116,741
36 Total Stockholder's Equity	5,361,563	5,363,741	5,237,096	5,199,792	5,172,382
37 Total Liab. and Stockholder's Equity	\$12,415,527	\$12,454,024	\$12,444,085	\$12,056,220	\$12,016,480

**Citizens Telephone Company Of Hammond, N. Y., Inc.
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,**

INCOME STATEMENT	2011	2010	2009	2008	2007	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$205,476	\$228,957	\$238,376	\$216,047	\$188,739	1
Network Access Services	1,335,887	1,513,418	1,731,528	1,938,080	2,174,427	2
Long Distance Network Services						3
Miscellaneous Revenues	83,005	98,080	135,773	191,976	179,337	4
Less: Uncollectible Revenues			17,655	3,393	6,804	5
Total Operating Revenues	1,624,368	1,840,455	2,088,021	2,342,709	2,535,700	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	1,054	581	1,484	185	1,023	7
General Support Expenses	163,506	149,561	140,093	181,412	172,168	8
Central Office Switching	125,740	119,702	117,926	115,572	134,532	9
Operator Systems Expense						10
Central Office Transmission	83,042	94,055	102,581	130,013	184,740	11
Info. Origination/Termination	16,738	4,850	31,106	71,066	70,219	12
Cable & Wire Facilities	101,328	86,966	81,135	94,022	107,791	13
Total Plant Specific Operations	491,408	455,715	474,324	592,271	670,473	14
Other Plant, Property & Equipment				194	880	15
Network Operations	108,658	100,921	121,952	198,800	311,362	16
Access Expense	53,850	56,372	42,833	37,814	32,589	17
Depreciation and Amortization	408,809	451,396	454,800	462,908	488,380	18
Total Plant Non-Specific Operations	571,317	608,689	619,585	699,716	833,211	19
Marketing Expense	4,796	12,792	38,734	43,875	15,334	20
Services Expense	136,261	177,591	164,662	165,063	157,343	21
Total Customer Operations	141,057	190,383	203,396	208,938	172,677	22
Executive & Planning	142,336	180,361	322,389	264,745	380,720	23
General & Administrative	386,475	424,251	529,983	420,925	436,751	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	528,811	604,611	852,372	685,670	817,471	27
Total Operations Expense	1,732,593	1,859,398	2,149,678	2,186,595	2,493,832	28
Other Operating Income & Expenses						29
State & Local Income Taxes						30
Other Taxes	95,954	154,190	124,650	121,120	107,149	31
Net Operating Income Before FIT	(204,179)	(173,133)	(186,306)	34,994	(65,281)	32
Investment Tax Credits - Net						33
Federal Income Taxes	(66,210)	(28,277)	(23,696)	(52,214)	(105,975)	34
Provision - Def. Operating Income Taxes - Net	(83,422)	(53,915)	(110,334)	1,275	(7,344)	35
Net Operating Income	(\$54,547)	(\$90,941)	(\$52,277)	\$85,933	\$48,038	36

Citizens Telephone Company Of Hammond, N. Y., Inc.
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2011	2010	2009	2008	2007
37 Net Operating Income	(\$54,547)	(\$90,941)	(\$52,277)	\$85,933	\$48,038
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income	1,250	1,262	1,334	2,036	73,953
39 Interest Income	4,038	11,824	17,588	1,876	21,806
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction					
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies	213,647	372,462	377,303	298,936	153,934
44 Other Non-Operating Income	29,417	42,890	31,544	43,331	38,793
45 Special Charges	22,142	21,172	24,112	25,498	31,324
46 Total Non-Operating Income & Expenses	226,210	407,267	403,657	320,680	257,163
NON-OPERATING TAXES					
47 Federal Income Taxes	11,063	11,864	7,635	9,148	(3,706)
48 Other					
49 Total Non-Operating Taxes	11,063	11,864	7,635	9,148	(3,706)
50 Income Available Before Interest Charges	160,600	304,462	343,745	397,465	308,907
INTEREST CHARGES					
51 Interest on Funded Debt	137,004	147,461	153,643	146,627	142,411
52 Other Interest Expense	24,789	30,102	30,528	93,047	132,194
53 Total Interest Charges	161,793	177,564	184,171	239,674	274,605
54 Income Before Extraordinary & Nonreg Items	(1,193)	126,898	159,574	157,791	34,302
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					
57 Total Extraordinary & Nonregulated Items					
58 Net Income	(\$1,193)	\$126,898	\$159,574	\$157,791	\$34,302

RETAINED EARNINGS STATEMENT

Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$2,461,780	\$2,707,343	\$2,931,385	\$3,076,530	\$3,301,159
60 Transferred from Income	(214,839)	(245,564)	(217,728)	(141,145)	(119,629)
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock				4,000	105,000
64 Adjustments	(20,958)		(6,314)		
65 Ending Year Balance	2,225,983	2,461,780	2,707,343	2,931,385	3,076,530
66 Appropriated/Undistr Affiliate Retained Earnings	3,265,807	3,050,623	2,678,162	2,226,537	2,040,211
67 Total Retained Earnings	\$5,491,790	\$5,512,403	\$5,385,505	\$5,157,922	\$5,116,741

Citizens Telecommunications Co. of New York, Inc.
Comparative Balance Sheet
For the Year Ended December 31,

	2011	2010	2009	2008	2007
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$1,050	(\$43,783)	(\$340,535)	\$222,711	(\$459,460)
2 Accounts Receivable (Net)	71,173,567	45,784,963	48,208,798	51,438,832	55,456,335
3 Current Deferred Income Taxes					
4 Other Current Assets	244,460	189,809	206,468	145,834	170,341
5 Total Current Assets	71,419,078	45,930,988	48,074,730	51,807,377	55,167,216
NON-CURRENT ASSETS					
6 Investments	(371,933,297)	(191,013,924)	(9,485,289)	49,707,378	23,768,275
7 Unamortized Debt Issuance Costs					
8 Deferred Charges	(273)	(273)	(273)	(273)	(272)
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes					
11 Other Non-Current Assets					
12 Total Non-Current Assets	(371,933,570)	(191,014,197)	(9,485,561)	49,707,105	23,768,003
REGULATED PLANT					
13 Total Telecommunications Plant	1,164,741,548	1,149,821,862	1,130,417,135	1,112,226,721	1,093,941,478
14 Less: Accumulated Depr and Amort.	894,580,853	852,975,688	811,820,320	772,302,675	729,927,311
15 Net Regulated Plant	270,160,696	296,846,174	318,596,815	339,924,046	364,014,166
16 Total Assets & Other Debits	(\$30,353,796)	\$151,762,966	\$357,185,984	\$441,438,528	\$442,949,385
CURRENT LIABILITIES					
17 Accounts Payable	\$56,822,290	26,095,176	\$24,568,387	\$27,104,192	\$27,068,974
18 Notes Payable					
19 Advanced Billings	5,538,030	5,719,758	5,685,693	5,585,884	5,481,313
20 Customer Deposits	(109)	537	1,326	(45,609)	(41,013)
21 Current Maturities - Long-Term Debt					
22 Current Deferred Income Taxes					
23 Other Current Liabilities	3,854,026	3,387,986	2,618,047	1,003,343	656,770
24 Total Current Liabilities	66,214,237	35,203,457	32,873,453	33,647,809	33,166,044
LONG-TERM DEBT					
25 Long-Term Debt					
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	92,076,931	88,029,223	83,981,515	78,617,888	77,332,883
28 Other Deferred Credits	13,230,947	12,947,091	12,138,498	12,637,181	13,277,822
29 Other Jurisdictional Differences - Net					
30 Other Liabilities					
31 Total Other Liab. and Def. Credits	105,307,878	100,976,314	96,120,014	91,255,069	90,610,705
STOCKHOLDER'S EQUITY					
32 Common Stock	1,000	1,000	1,000	1,000	1,000
33 Preferred Stock					
34 Other Paid in Capital					
35 Retained Earnings	(201,876,912)	15,582,195	228,191,518	316,534,650	319,171,636
36 Total Stockholder's Equity	(201,875,912)	15,583,195	228,192,518	316,535,650	319,172,636
37 Total Liab. and Stockholder's Equity	(\$30,353,796)	\$151,762,966	\$357,185,984	\$441,438,528	\$442,949,385

Citizens Telecommunications Co. of New York, Inc.
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2011	2010	2009	2008	2007	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$61,084,483	\$65,157,082	\$70,604,566	\$75,647,441	\$79,879,509	1
Network Access Services	86,324,491	87,642,700	98,342,953	103,808,177	115,702,130	2
Long Distance Network Services	(78)	(279)	(1,225)	(187)	(1,234)	3
Miscellaneous Revenues	51,360,974	55,223,661	55,310,576	57,020,390	54,868,078	4
Less: Uncollectible Revenues	3,449,669	2,844,290	4,015,728	3,399,801	3,570,242	5
Total Operating Revenues	195,320,201	205,178,874	220,241,142	233,076,020	246,878,241	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	1,531	246,869	274	3,050	114,040	7
General Support Expenses	10,428,168	9,180,239	9,293,831	9,642,927	8,509,642	8
Central Office Switching	5,133,304	4,808,606	5,340,714	5,489,499	5,459,255	9
Operator Systems Expense	117,415	137,974	104,852	75,603	70,763	10
Central Office Transmission	1,978,114	1,894,671	1,551,583	1,524,627	1,354,382	11
Info. Origination/Termination	7,405,576	6,874,290	7,586,948	7,627,496	8,997,864	12
Cable & Wire Facilities	14,951,112	13,763,790	13,493,068	13,179,094	13,050,063	13
Total Plant Specific Operations	40,015,220	36,906,438	37,371,272	37,542,296	37,556,010	14
Other Plant, Property & Equipment	(495)	81	2,952	5,511	114	15
Network Operations	10,338,009	12,965,097	11,937,482	12,338,571	11,901,558	16
Access Expense	3,623,756	3,410,336	2,925,071	3,335,015	3,566,861	17
Depreciation and Amortization	40,400,175	39,334,183	38,865,922	44,313,834	52,523,570	18
Total Plant Non-Specific Operations	54,361,445	55,709,696	53,731,427	59,992,931	67,992,103	19
Marketing Expense	6,074,314	6,370,452	5,890,245	5,169,752	4,928,176	20
Services Expense	12,710,996	10,422,336	9,611,905	8,590,711	9,369,908	21
Total Customer Operations	18,785,310	16,792,788	15,502,150	13,760,463	14,298,084	22
Executive & Planning	2,341,184	3,947,146	2,188,101	1,568,990	2,130,842	23
General & Administrative	16,293,656	19,322,816	12,411,503	11,520,889	7,847,813	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	18,634,840	23,269,961	14,599,604	13,089,879	9,978,655	27
Total Operations Expense	131,796,815	132,678,883	121,204,454	124,385,569	129,824,852	28
Other Operating Income & Expenses						29
State & Local Income Taxes						30
Other Taxes	9,127,361	10,569,920	12,843,386	14,296,918	12,402,373	31
Net Operating Income Before FIT	54,396,025	61,930,071	86,193,302	94,393,534	104,651,015	32
Investment Tax Credits - Net						33
Federal Income Taxes	14,659,819	16,146,331	16,110,067	20,118,945	27,925,867	34
Provision - Def. Operating Income Taxes - Net	(4,414,465)	(4,432,530)	5,017,032	4,047,714	1,384,645	35
Net Operating Income	\$44,150,671	\$50,216,270	\$65,066,203	\$70,226,875	\$75,340,503	36

Citizens Telecommunications Co. of New York, Inc.
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2011	2010	2009	2008	2007
37 Net Operating Income	\$44,150,671	\$50,216,270	\$65,066,203	\$70,226,875	\$75,340,503
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income					
39 Interest Income					
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction	209,405	222,854	277,840	396,990	222,445
42 Gains/Losses - Disposal of Property				18,750	7,028
43 Equity in Earnings of Affiliated Companies					
44 Other Non-Operating Income	(5,849,773)	(5,849,773)	(5,849,773)	(5,849,531)	(5,849,773)
45 Special Charges	297	116,904	45,944	100,309	42,085
46 Total Non-Operating Income & Expenses	(5,640,665)	(5,743,823)	(5,617,877)	(5,534,100)	(5,662,386)
NON-OPERATING TAXES					
47 Federal Income Taxes	5,969,021	7,081,653	7,791,409	7,329,536	4,686,248
48 Other					
49 Total Non-Operating Taxes	5,969,021	7,081,653	7,791,409	7,329,536	4,686,248
50 Income Available Before Interest Charges	32,540,985	37,390,794	51,656,917	57,363,239	64,991,869
INTEREST CHARGES					
51 Interest on Funded Debt					
52 Other Interest Expense	87	115	49	225	10,446
53 Total Interest Charges	87	115	49	225	10,446
54 Income Before Extraordinary & Nonreg Items	32,540,898	37,390,679	51,656,868	57,363,014	64,981,423
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues	25,122,986	28,228,259	25,829,921	25,345,935	20,906,695
57 Total Extraordinary & Nonregulated Items	25,122,986	28,228,259	25,829,921	25,345,935	20,906,695
58 Net Income	\$57,663,884	\$65,618,938	\$77,486,789	\$82,708,949	\$85,888,118

RETAINED EARNINGS STATEMENT

Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$15,582,198	\$228,191,518	\$316,534,650	\$319,171,636	\$329,190,212
60 Transferred from Income	32,540,890	37,390,680	51,656,868	57,363,014	64,981,423
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock	250,000,000	250,000,000	140,000,000	60,000,000	75,000,000
64 Adjustments					
65 Ending Year Balance	(201,876,912)	15,582,198	228,191,518	316,534,650	319,171,636
66 Appropriated/Undistr Affiliate Retained Earnings					
67 Total Retained Earnings	(\$201,876,912)	\$15,582,198	\$228,191,518	\$316,534,650	\$319,171,636

Crown Point Telephone Corporation
Comparative Balance Sheet
For the Year Ended December 31,

	2011	2010	2009	2008	2007
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$223,992	\$102,638	\$98,230	\$142,995	\$221,030
2 Accounts Receivable (Net)	294,678	271,542	243,661	278,929	250,546
3 Current Deferred Income Taxes					
4 Other Current Assets	166,547	172,828	190,364	230,120	178,025
5 Total Current Assets	685,218	547,008	532,256	652,043	649,601
NON-CURRENT ASSETS					
6 Investments	226,273	178,795	153,052	185,856	357,622
7 Unamortized Debt Issuance Costs	2,163	2,599	3,034	3,470	3,905
8 Deferred Charges					7,118
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes	482,430	537,260	579,580	534,390	551,415
11 Other Non-Current Assets					
12 Total Non-Current Assets	710,866	718,653	735,666	723,715	920,060
REGULATED PLANT					
13 Total Telecommunications Plant	7,109,595	7,075,526	7,052,722	6,925,292	7,090,646
14 Less: Accumulated Depr and Amort.	4,790,957	4,484,663	4,193,212	3,919,591	3,811,220
15 Net Regulated Plant	2,318,638	2,590,863	2,859,510	3,005,701	3,279,427
16 Total Assets & Other Debits	\$3,714,722	\$3,856,525	\$4,127,431	\$4,381,459	\$4,849,087
CURRENT LIABILITIES					
17 Accounts Payable	\$356,646	\$354,071	\$325,706	\$176,996	\$118,722
18 Notes Payable	8,679	10,495	11,036	11,669	29,972
19 Advanced Billings	4,400	4,400	4,400	4,400	4,400
20 Customer Deposits					
21 Current Maturities - Long-Term Debt					
22 Current Deferred Income Taxes					
23 Other Current Liabilities	150,458	74,070	3,095	2,513	4,337
24 Total Current Liabilities	520,183	443,035	344,236	195,578	157,430
LONG-TERM DEBT					
25 Long-Term Debt	2,878,967	3,069,017	3,226,266	3,387,032	3,540,007
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	393,119	445,588	480,057	508,425	543,896
28 Other Deferred Credits				1	5,790
29 Other Jurisdictional Differences - Net					
30 Other Liabilities					
31 Total Other Liab. and Def. Credits	393,119	445,588	480,057	508,426	549,686
STOCKHOLDER'S EQUITY					
32 Common Stock	24,300	24,300	24,300	24,300	24,300
33 Preferred Stock					
34 Other Paid in Capital	42,009	38,594	29,158	23,383	44,124
35 Retained Earnings	(143,857)	(164,011)	23,414	242,740	533,540
36 Total Stockholder's Equity	(77,548)	(101,117)	76,872	290,423	601,964
37 Total Liab. and Stockholder's Equity	\$3,714,720	\$3,856,523	\$4,127,431	\$4,381,459	\$4,849,087

Crown Point Telephone Corporation
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2011	2010	2009	2008	2007	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$280,224	\$262,754	\$262,493	\$222,565	\$272,122	1
Network Access Services	973,621	979,498	914,400	1,265,206	1,287,337	2
Long Distance Network Services	236,064	236,063	160,140	189,833	193,664	3
Miscellaneous Revenues	109,886	60,959	85,437	74,932	57,360	4
Less: Uncollectible Revenues	18,500	3,000	6,600	3,000	6,600	5
Total Operating Revenues	1,581,295	1,536,275	1,415,870	1,749,536	1,803,883	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	1,509	2,018	3,365	7,905	6,042	7
General Support Expenses	49,814	45,001	55,631	64,716	105,091	8
Central Office Switching	84,853	104,322	116,631	110,594	137,053	9
Operator Systems Expense						10
Central Office Transmission	64,010	84,770	63,393		19,853	11
Info. Origination/Termination	16,962	15,513	11,307	12,286	1,605	12
Cable & Wire Facilities	207,928	209,868	176,179	230,788	272,100	13
Total Plant Specific Operations	425,076	461,493	426,507	426,288	541,742	14
Other Plant, Property & Equipment						15
Network Operations	31,800	78,190	61,246	28,546	102,682	16
Access Expense	22,084	30,083	29,099	12,462	15,413	17
Depreciation and Amortization	301,905	299,899	291,226	292,991	250,138	18
Total Plant Non-Specific Operations	355,789	408,172	381,571	333,999	368,234	19
Marketing Expense	4,248	8,546	9,737	77,235	8,161	20
Services Expense	136,507	139,205	201,837	181,096	165,726	21
Total Customer Operations	140,755	147,751	211,574	258,331	173,887	22
Executive & Planning	197,941	232,096	190,481	238,338	130,256	23
General & Administrative	261,743	242,936	283,329	319,997	440,502	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	459,684	475,032	473,810	558,336	570,758	27
Total Operations Expense	1,381,304	1,492,447	1,493,462	1,576,954	1,654,621	28
Other Operating Income & Expenses						29
State & Local Income Taxes						30
Other Taxes	62,515	69,237	72,289	94,215	103,477	31
Net Operating Income Before FIT	137,476	(25,409)	(149,881)	78,367	45,784	32
Investment Tax Credits - Net						33
Federal Income Taxes				2,233	924	34
Provision - Def. Operating Income Taxes - Net	2,578	3,006	(71,421)	(7,761)	(40,731)	35
Net Operating Income	\$134,898	(\$28,415)	(\$78,460)	\$83,895	\$85,591	36

Crown Point Telephone Corporation
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2011	2010	2009	2008	2007
37 Net Operating Income	\$134,898	(\$28,415)	(\$78,460)	\$83,895	\$85,591
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income	4,664	5,088			
39 Interest Income		11		239	4,232
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction					
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies	42,305	11,446	(41,555)	(178,528)	(220,663)
44 Other Non-Operating Income	3,619		29	12	3,259
45 Special Charges	10,473	9,603	(70,071)	14,891	17,763
46 Total Non-Operating Income & Expenses	40,115	6,942	28,545	(193,168)	(230,935)
NON-OPERATING TAXES					
47 Federal Income Taxes	(1,975)	(16)	(5,113)	(2,233)	(924)
48 Other					
49 Total Non-Operating Taxes	(1,975)	(16)	(5,113)	(2,233)	(924)
50 Income Available Before Interest Charges	176,988	(21,457)	(44,802)	(107,039)	(144,420)
INTEREST CHARGES					
51 Interest on Funded Debt	154,653	162,741	171,467	179,469	189,876
52 Other Interest Expense	2,181	3,227	3,058	4,292	494
53 Total Interest Charges	156,834	165,968	174,525	183,761	190,370
54 Income Before Extraordinary & Nonreg Items	20,154	(187,425)	(219,326)	(290,800)	(334,790)
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					
57 Total Extraordinary & Nonregulated Items					
58 Net Income	\$20,154	(\$187,425)	(\$219,326)	(\$290,800)	(\$334,790)

RETAINED EARNINGS STATEMENT

Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$3,928,935	\$4,127,806	\$4,305,577	\$4,417,849	\$4,531,976
60 Transferred from Income	(22,151)	(198,871)	(177,771)	(112,272)	(114,127)
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock					
64 Adjustments					(1)
65 Ending Year Balance	3,906,784	3,928,935	4,127,806	4,305,577	4,417,849
66 Appropriated/Undistr Affiliate Retained Earnings	(4,050,641)	(4,092,946)	(4,104,392)	(4,062,836)	(3,884,309)
67 Total Retained Earnings	(\$143,857)	(\$164,011)	\$23,414	\$242,740	\$533,540

Delhi Telephone Company
Comparative Balance Sheet
For the Year Ended December 31,

	2011	2010	2009	2008	2007
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$912,246	\$960,142	\$2,609,211	\$3,953,902	\$3,259,823
2 Accounts Receivable (Net)	1,707,142	1,278,360	1,560,652	1,290,280	1,377,574
3 Current Deferred Income Taxes	6,864	6,078	5,252	4,360	3,523
4 Other Current Assets	310,608	380,987	257,979	296,706	185,089
5 Total Current Assets	2,936,859	2,625,567	4,433,094	5,545,248	4,826,009
NON-CURRENT ASSETS					
6 Investments	612,606	699,668	632,665	622,768	604,976
7 Unamortized Debt Issuance Costs	246	984	1,722	2,460	3,198
8 Deferred Charges					
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes	1,067,314	1,103,999	791,252	833,346	769,849
11 Other Non-Current Assets	359,511	335,257	311,883	288,533	338,097
12 Total Non-Current Assets	2,039,677	2,139,908	1,737,522	1,747,107	1,716,120
REGULATED PLANT					
13 Total Telecommunications Plant	17,969,891	17,729,715	16,315,770	15,374,007	14,169,524
14 Less: Accumulated Depr and Amort.	9,629,730	8,996,691	8,833,557	8,423,174	8,067,525
15 Net Regulated Plant	8,340,161	8,733,024	7,482,213	6,950,833	6,101,999
16 Total Assets & Other Debits	\$13,316,698	\$13,498,500	\$13,652,829	\$14,243,187	\$12,644,128
CURRENT LIABILITIES					
17 Accounts Payable	\$108,691	\$146,086	\$367,624	1,221,368	140,967
18 Notes Payable					
19 Advanced Billings					
20 Customer Deposits					
21 Current Maturities - Long-Term Debt					
22 Current Deferred Income Taxes					
23 Other Current Liabilities	264,288	168,328	192,312	22,800	200,841
24 Total Current Liabilities	372,979	314,414	559,936	1,244,168	341,808
LONG-TERM DEBT					
25 Long-Term Debt	111,849	315,529	504,479	679,981	842,829
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	1,630,991	1,550,511	1,142,937	964,861	709,704
28 Other Deferred Credits	1,185,324	1,338,328	1,491,675	1,623,459	1,731,476
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	809,698	802,403	792,106	789,564	467,217
31 Total Other Liab. and Def. Credits	3,626,013	3,691,242	3,426,718	3,377,884	2,908,397
STOCKHOLDER'S EQUITY					
32 Common Stock	110,000	110,000	110,000	110,000	110,000
33 Preferred Stock					
34 Other Paid in Capital					
35 Retained Earnings	9,095,856	9,067,315	9,051,696	8,831,155	8,441,094
36 Total Stockholder's Equity	9,205,856	9,177,315	9,161,696	8,941,155	8,551,094
37 Total Liab. and Stockholder's Equity	\$13,316,697	\$13,498,500	\$13,652,829	\$14,243,187	\$12,644,128

Delhi Telephone Company
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2011	2010	2009	2008	2007	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$790,168	\$869,519	\$821,714	\$818,758	\$864,799	1
Network Access Services	2,817,384	2,427,266	2,538,140	2,615,096	2,380,807	2
Long Distance Network Services	2,142	2,338	2,402	2,838	4,135	3
Miscellaneous Revenues	263,691	279,347	302,552	368,707	426,945	4
Less: Uncollectible Revenues	2,599	4,999	4,802	34,288	7,025	5
Total Operating Revenues	3,870,786	3,573,471	3,660,006	3,771,111	3,669,661	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	(2,586)	1,570	3,094	1,352	2,528	7
General Support Expenses	144,737	166,962	164,704	206,818	225,782	8
Central Office Switching	147,117	142,490	163,450	167,561	164,176	9
Operator Systems Expense						10
Central Office Transmission	131,023	82,015	63,127	121,664	83,011	11
Info. Origination/Termination	18,301	28,332	13,937	22,838	23,905	12
Cable & Wire Facilities	260,788	233,542	231,422	233,661	256,294	13
Total Plant Specific Operations	699,380	654,912	639,735	753,895	755,697	14
Other Plant, Property & Equipment	68	16,655	47,391	(42,454)	2,211	15
Network Operations	527,329	523,878	453,592	483,374	461,169	16
Access Expense	99,110	67,696	66,457	54,019	51,200	17
Depreciation and Amortization	839,283	791,281	641,075	732,581	741,306	18
Total Plant Non-Specific Operations	1,465,790	1,399,510	1,208,515	1,227,520	1,255,885	19
Marketing Expense	27,791	34,044	26,562	26,120	40,099	20
Services Expense	396,296	427,100	431,357	438,946	427,420	21
Total Customer Operations	424,087	461,144	457,918	465,066	467,519	22
Executive & Planning	241,978	216,519	167,894	206,292	255,073	23
General & Administrative	452,663	466,767	414,720	753,329	530,630	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	694,641	683,285	582,614	959,621	785,703	27
Total Operations Expense	3,283,898	3,198,852	2,888,782	3,406,101	3,264,804	28
Other Operating Income & Expenses						29
State & Local Income Taxes						30
Other Taxes	244,549	217,647	207,138	190,287	206,769	31
Net Operating Income Before FIT	342,339	156,972	564,086	174,722	198,088	32
Investment Tax Credits - Net						33
Federal Income Taxes	1,485	(5,036)	(17,389)	(131,578)	68,316	34
Provision - Def. Operating Income Taxes - Net	101,803	77,570	219,278	190,824	(24,759)	35
Net Operating Income	\$239,051	\$84,437	\$362,197	\$115,476	\$154,531	36

Delhi Telephone Company
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2011	2010	2009	2008	2007
37 Net Operating Income	\$239,051	\$84,437	\$362,197	\$115,476	\$154,531
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income					113,734
39 Interest Income	1,676	3,081	11,001	111,779	106,173
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction					
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies	(87,062)	67,004	9,897	17,792	(46,070)
44 Other Non-Operating Income		129		333,439	13,318
45 Special Charges	2,511	1,625	4,760	4,309	10,205
46 Total Non-Operating Income & Expenses	(87,897)	68,589	16,138	458,701	176,950
NON-OPERATING TAXES					
47 Federal Income Taxes	14,789	15,221	703	7,203	45,116
48 Other					
49 Total Non-Operating Taxes	14,789	15,221	703	7,203	45,116
50 Income Available Before Interest Charges	136,365	137,806	377,632	566,974	286,365
INTEREST CHARGES					
51 Interest on Funded Debt	16,351	31,174	44,709	57,443	69,164
52 Other Interest Expense	(47,128)	(47,587)	(26,217)	(19,131)	5,158
53 Total Interest Charges	(30,777)	(16,413)	18,492	38,312	74,322
54 Income Before Extraordinary & Nonreg Items	167,142	154,219	359,140	528,662	212,043
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					
57 Total Extraordinary & Nonregulated Items					
58 Net Income	\$167,142	\$154,219	\$359,140	\$528,662	\$212,043

RETAINED EARNINGS STATEMENT

Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$10,907,595	\$10,958,979	\$10,748,336	\$10,376,067	\$10,256,554
60 Transferred from Income	254,203	87,215	349,243	510,869	258,113
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock	138,600	138,600	138,600	138,600	138,600
64 Adjustments					
65 Ending Year Balance	11,023,198	10,907,595	10,958,979	10,748,336	10,376,067
66 Appropriated/Undistr Affiliate Retained Earnings	(1,927,340)	(1,840,278)	(1,907,283)	(1,917,181)	(1,934,973)
67 Total Retained Earnings	\$9,095,858	\$9,067,315	\$9,051,696	\$8,831,155	\$8,441,094

Deposit Telephone Company, Inc.
Comparative Balance Sheet
For the Year Ended December 31,

	2011	2010	2009	2008	2007
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$2,723,499	\$1,732,959	\$1,908,693	\$1,394,860	\$1,064,181
2 Accounts Receivable (Net)	1,093,726	1,103,992	1,287,736	1,063,908	1,209,294
3 Current Deferred Income Taxes					
4 Other Current Assets	95,518	99,383	169,816	129,995	342,281
5 Total Current Assets	3,912,743	2,936,334	3,366,245	2,588,763	2,615,756
NON-CURRENT ASSETS					
6 Investments					
7 Unamortized Debt Issuance Costs					
8 Deferred Charges	100	100	100	100	200
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes					
11 Other Non-Current Assets					
12 Total Non-Current Assets	100	100	100	100	200
REGULATED PLANT					
13 Total Telecommunications Plant	22,686,779	23,605,651	23,745,094	23,814,334	23,283,252
14 Less: Accumulated Depr and Amort.	15,670,568	16,131,593	16,334,925	15,726,378	14,780,352
15 Net Regulated Plant	7,016,211	7,474,058	7,410,168	8,087,956	8,502,900
16 Total Assets & Other Debits	\$10,929,054	\$10,410,492	\$10,776,514	\$10,676,819	\$11,118,856
CURRENT LIABILITIES					
17 Accounts Payable	\$670,637	\$701,282	\$789,437	\$612,539	\$843,210
18 Notes Payable					
19 Advanced Billings	211,837	209,718	228,497	212,287	223,762
20 Customer Deposits					
21 Current Maturities - Long-Term Debt	262	6,072	14,846	17,475	7,659
22 Current Deferred Income Taxes	(18,917)	(12,082)	(30,422)	(13,774)	(14,976)
23 Other Current Liabilities	458,566	145,532	221,760	177,656	144,956
24 Total Current Liabilities	1,322,385	1,050,522	1,224,118	1,006,183	1,204,611
LONG-TERM DEBT					
25 Long-Term Debt		262	6,334	17,772	4,201
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	1,491,536	1,524,469	1,414,311	1,419,096	1,468,214
28 Other Deferred Credits	328,370	440,954	553,538	666,122	778,706
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	46,019	(16,412)	(20,391)	112,540	134,518
31 Total Other Liab. and Def. Credits	1,865,925	1,949,011	1,947,458	2,197,758	2,381,438
STOCKHOLDER'S EQUITY					
32 Common Stock	322,250	322,250	322,250	322,250	322,250
33 Preferred Stock					
34 Other Paid in Capital	544,711	578,183	579,159	493,662	484,753
35 Retained Earnings	6,873,783	6,510,264	6,697,195	6,639,194	6,721,603
36 Total Stockholder's Equity	7,740,744	7,410,697	7,598,604	7,455,106	7,528,606
37 Total Liab. and Stockholder's Equity	\$10,929,054	\$10,410,492	\$10,776,514	\$10,676,819	\$11,118,856

Deposit Telephone Company, Inc.
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2011	2010	2009	2008	2007	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$1,601,559	\$1,693,248	\$1,812,188	\$1,952,125	\$2,153,804	1
Network Access Services	2,388,274	2,180,745	2,721,622	2,803,728	3,091,417	2
Long Distance Network Services	97	60	(31)	457	454	3
Miscellaneous Revenues	1,724,439	1,662,878	1,522,422	1,390,939	1,079,634	4
Less: Uncollectible Revenues	45,060	35,235	59,953	34,765	73,816	5
Total Operating Revenues	5,669,309	5,501,696	5,996,248	6,112,484	6,251,493	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	11,853	12,249	27,958	22,135	26,958	7
General Support Expenses	296,273	303,678	263,894	38,739	40,279	8
Central Office Switching	122,830	146,809	164,018	174,033	208,690	9
Operator Systems Expense						10
Central Office Transmission	391,649	278,574	335,946	428,271	356,460	11
Info. Origination/Termination	439,094	437,409	327,525	374,206	367,223	12
Cable & Wire Facilities	734,799	610,748	499,072	512,439	408,424	13
Total Plant Specific Operations	1,996,498	1,789,467	1,618,413	1,549,823	1,408,034	14
Other Plant, Property & Equipment						15
Network Operations	561,754	555,926	721,275	694,889	709,092	16
Access Expense	118,831	176,874	166,842	164,301	184,921	17
Depreciation and Amortization	938,015	756,914	1,044,456	1,247,144	1,388,220	18
Total Plant Non-Specific Operations	1,618,600	1,489,714	1,932,573	2,106,334	2,282,233	19
Marketing Expense	365,362	360,065	372,459	378,139	371,770	20
Services Expense	299,562	335,555	475,083	513,692	546,025	21
Total Customer Operations	664,924	695,620	847,542	891,831	917,795	22
Executive & Planning	197,258	184,246	136,100	107,071	204,656	23
General & Administrative	1,003,883	992,932	929,949	972,475	1,043,634	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	1,201,141	1,177,178	1,066,049	1,079,546	1,248,290	27
Total Operations Expense	5,481,163	5,151,979	5,464,577	5,627,534	5,856,352	28
Other Operating Income & Expenses			3,482			29
State & Local Income Taxes	(474)	44				30
Other Taxes	194,492	195,720	195,708	260,476	185,664	31
Net Operating Income Before FIT	(5,872)	153,953	339,445	224,474	209,477	32
Investment Tax Credits - Net						33
Federal Income Taxes	(23,538)	(113,649)	149,824	94,748	145,581	34
Provision - Def. Operating Income Taxes - Net	(14,421)	130,299	(69,546)	(55,472)	(158,588)	35
Net Operating Income	\$32,087	\$137,303	\$259,167	\$185,198	\$222,484	36

Deposit Telephone Company, Inc.
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2011	2010	2009	2008	2007
37 Net Operating Income	\$32,087	\$137,303	\$259,167	\$185,198	\$222,484
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income					
39 Interest Income	10,204	10,444	4,569	34,362	27,474
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction					
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies					
44 Other Non-Operating Income	(559)	(1,370)	(1,940)	(715)	2,170
45 Special Charges	(496,657)	506,769	1,889	2,404	2,658
46 Total Non-Operating Income & Expenses	506,302	(497,695)	740	31,243	26,986
NON-OPERATING TAXES					
47 Federal Income Taxes	173,532	(174,189)	323	10,891	9,420
48 Other	987				
49 Total Non-Operating Taxes	174,519	(174,189)	323	10,891	9,420
50 Income Available Before Interest Charges	363,870	(186,203)	259,584	205,550	240,050
INTEREST CHARGES					
51 Interest on Funded Debt					
52 Other Interest Expense	351	728	1,582	1,960	1,068
53 Total Interest Charges	351	728	1,582	1,960	1,068
54 Income Before Extraordinary & Nonreg Items	363,519	(186,931)	258,002	203,590	238,982
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					
57 Total Extraordinary & Nonregulated Items					
58 Net Income	\$363,519	(\$186,931)	\$258,002	\$203,590	\$238,982
RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$6,510,264	\$6,697,195	\$6,639,193	\$6,721,603	\$6,482,621
60 Transferred from Income	363,519	(186,931)	258,002	203,590	238,982
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock			200,000	286,000	
64 Adjustments					
65 Ending Year Balance	6,873,783	6,510,264	6,697,195	6,639,193	6,721,603
66 Appropriated/Undistr Affiliate Retained Earnings					
67 Total Retained Earnings	\$6,873,783	\$6,510,264	\$6,697,195	\$6,639,194	\$6,721,603

Dunkirk & Fredonia Telephone Company
Comparative Balance Sheet
For the Year Ended December 31,

	2011	2010	2009	2008	2007
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$122,156	\$107,531	\$131,237	\$153,109	\$560,971
2 Accounts Receivable (Net)	701,910	640,204	190,699	314,173	390,784
3 Current Deferred Income Taxes	31,555	32,992	21,512	19,492	17,369
4 Other Current Assets	709,820	2,104,094	1,979,890	1,883,572	1,698,892
5 Total Current Assets	1,565,441	2,884,821	2,323,338	2,370,346	2,668,016
NON-CURRENT ASSETS					
6 Investments	3,990,167	3,633,024	3,299,010	2,978,339	2,804,325
7 Unamortized Debt Issuance Costs					
8 Deferred Charges					
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes	860,635	836,001	812,801	807,840	781,745
11 Other Non-Current Assets	64,261	64,261	64,261	64,261	64,261
12 Total Non-Current Assets	4,915,063	4,533,286	4,176,072	3,850,440	3,650,331
REGULATED PLANT					
13 Total Telecommunications Plant	18,760,477	18,627,193	18,372,025	18,166,186	17,940,249
14 Less: Accumulated Depr and Amort.	15,381,995	15,075,916	14,747,133	14,147,299	13,594,045
15 Net Regulated Plant	3,378,482	3,551,277	3,624,892	4,018,887	4,346,204
16 Total Assets & Other Debits	\$9,858,986	\$10,969,384	\$10,124,302	\$10,239,673	\$10,664,551
CURRENT LIABILITIES					
17 Accounts Payable	\$446,144	\$253,779	\$141,148	\$312,934	\$135,529
18 Notes Payable	1,690,000	3,335,000	2,610,000	2,095,000	1,815,000
19 Advanced Billings	137,122	180,652	18,190	56,896	37,390
20 Customer Deposits	3,381	3,394	5,349	7,249	6,783
21 Current Maturities - Long-Term Debt	75,809	62,849	33,317	30,019	22,433
22 Current Deferred Income Taxes					
23 Other Current Liabilities	725,330	(28,257)	137,063	440,416	537,500
24 Total Current Liabilities	3,077,786	3,807,417	2,945,067	2,942,514	2,554,635
LONG-TERM DEBT					
25 Long-Term Debt	88,475	144,429	81,964	115,345	120,972
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	1,069,720	992,778	921,915	881,753	220,316
28 Other Deferred Credits	260,029	255,127	249,664	243,725	237,480
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	453,100	497,287	537,246	669,219	2,604,649
31 Total Other Liab. and Def. Credits	1,782,849	1,745,192	1,708,825	1,794,697	3,062,445
STOCKHOLDER'S EQUITY					
32 Common Stock	619,975	619,975	619,975	619,975	619,975
33 Preferred Stock					
34 Other Paid in Capital					
35 Retained Earnings	4,289,911	4,652,371	4,768,471	4,767,142	4,306,524
36 Total Stockholder's Equity	4,909,886	5,272,346	5,388,446	5,387,117	4,926,499
37 Total Liab. and Stockholder's Equity	\$9,858,986	\$10,969,384	\$10,124,302	\$10,239,673	\$10,664,551

Dunkirk & Fredonia Telephone Company
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2011	2010	2009	2008	2007	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$1,926,831	\$1,962,382	\$2,030,312	\$2,042,005	\$2,085,575	1
Network Access Services	2,869,960	2,731,335	2,887,933	3,015,548	3,595,748	2
Long Distance Network Services	1,683	2,760	3,461	4,308	6,073	3
Miscellaneous Revenues	494,187	524,181	768,596	779,124	849,628	4
Less: Uncollectible Revenues	(4,602)	25,140	6,133	11,530	8,202	5
Total Operating Revenues	5,297,263	5,195,518	5,684,169	5,829,455	6,528,822	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	113,493	76,617	80,644	36,594	49,609	7
General Support Expenses	528,201	502,373	534,923	645,116	575,723	8
Central Office Switching	103,668	118,819	334,508	166,370	84,764	9
Operator Systems Expense						10
Central Office Transmission	183,378	139,895	72,660	304,099	211,639	11
Info. Origination/Termination						12
Cable & Wire Facilities	134,915	149,372	177,998	183,122	166,419	13
Total Plant Specific Operations	1,063,655	987,076	1,200,733	1,335,301	1,088,154	14
Other Plant, Property & Equipment	79,649	60,491	87,896	88,139	15,440	15
Network Operations	155,154	197,450	221,961	221,975	248,423	16
Access Expense	115,166	109,122	106,199	84,359	89,247	17
Depreciation and Amortization	701,377	669,988	709,013	775,534	1,293,672	18
Total Plant Non-Specific Operations	1,051,346	1,037,051	1,125,069	1,170,007	1,646,782	19
Marketing Expense	437,998	364,568	389,746	362,014	312,510	20
Services Expense	633,732	606,228	721,284	897,870	846,063	21
Total Customer Operations	1,071,730	970,796	1,111,030	1,259,884	1,158,573	22
Executive & Planning	1,186,588	1,319,746	1,197,820	1,784,607	1,790,529	23
General & Administrative	1,085,470	1,024,128	1,006,814	1,298,647	1,421,069	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	2,272,058	2,343,874	2,204,634	3,083,254	3,211,598	27
Total Operations Expense	5,458,789	5,338,797	5,641,466	6,848,446	7,105,107	28
Other Operating Income & Expenses	51	1,069	483	3,362	32,054	29
State & Local Income Taxes	1	(400)			530	30
Other Taxes	315,063	298,608	333,532	345,166	351,714	31
Net Operating Income Before FIT	(476,539)	(440,418)	(290,346)	(1,360,795)	(896,475)	32
Investment Tax Credits - Net						33
Federal Income Taxes	(272,725)	(268,707)	(199,081)	(492,630)	(203,581)	34
Provision - Def. Operating Income Taxes - Net	53,745	36,183	33,182	(22,209)	(183,808)	35
Net Operating Income	(\$257,559)	(\$207,894)	(\$124,447)	(\$845,956)	(\$509,086)	36

Dunkirk & Fredonia Telephone Company
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2011	2010	2009	2008	2007
37 Net Operating Income	(\$257,559)	(\$207,894)	(\$124,447)	(\$845,956)	(\$509,086)
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income	1	1			492
39 Interest Income	14	10,726	1	3,784	66,842
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction		(4)	(47)	6,443	6,854
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies	301,555	367,093	176,484	198,933	62,083
44 Other Non-Operating Income			(4,036)	(4,341)	(7,326)
45 Special Charges	29,207	48,497	28,226	43,390	26,629
46 Total Non-Operating Income & Expenses	272,363	329,319	144,176	161,429	102,316
NON-OPERATING TAXES					
47 Federal Income Taxes	222,432				
48 Other					
49 Total Non-Operating Taxes	222,432				
50 Income Available Before Interest Charges	(207,628)	121,425	19,729	(684,527)	(406,770)
INTEREST CHARGES					
51 Interest on Funded Debt					38,772
52 Other Interest Expense	117,691	179,442	141,642	29,800	195,038
53 Total Interest Charges	117,691	179,442	141,642	29,800	233,810
54 Income Before Extraordinary & Nonreg Items	(325,319)	(58,017)	(121,913)	(714,327)	(640,580)
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items				(1,216,880)	18,821
56 Nonregulated Revenues	(37,141)	(58,083)	123,242	(41,935)	(35,559)
57 Total Extraordinary & Nonregulated Items	(37,141)	(58,083)	123,242	(1,258,815)	(16,738)
58 Net Income	(\$362,460)	(\$116,100)	\$1,329	(\$1,973,142)	(\$657,318)
RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	(\$58,888)	\$424,305	\$599,460	\$337,775	\$1,062,019
60 Transferred from Income	(664,015)	(483,193)	(175,155)	261,685	(719,401)
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock					
64 Adjustments					(4,843)
65 Ending Year Balance	(722,903)	(58,888)	424,305	599,460	337,775
66 Appropriated/Undistr Affiliate Retained Earnings	5,012,814	4,711,259	4,344,166	4,167,682	3,968,749
67 Total Retained Earnings	\$4,289,911	\$4,652,371	\$4,768,471	\$4,767,142	\$4,306,524

**Edwards Telephone Company
Comparative Balance Sheet
For the Year Ended December 31,**

	2011	2010	2009	2008	2007
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$1,711,930	\$1,997,362	\$1,999,537	\$1,571,150	\$1,572,980
2 Accounts Receivable (Net)	261,878	285,193	410,473	425,032	399,357
3 Current Deferred Income Taxes					
4 Other Current Assets	60,341	64,004	57,245	45,726	102,809
5 Total Current Assets	2,034,149	2,346,559	2,467,255	2,041,908	2,075,146
NON-CURRENT ASSETS					
6 Investments					
7 Unamortized Debt Issuance Costs					
8 Deferred Charges	70				
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes					
11 Other Non-Current Assets					
12 Total Non-Current Assets	70				
REGULATED PLANT					
13 Total Telecommunications Plant	11,097,315	10,922,943	10,710,287	10,570,252	10,925,922
14 Less: Accumulated Depr and Amort.	8,913,303	8,392,538	7,884,519	7,473,450	7,605,163
15 Net Regulated Plant	2,184,012	2,530,405	2,825,768	3,096,802	3,320,759
16 Total Assets & Other Debits	\$4,218,231	\$4,876,964	\$5,293,023	\$5,138,710	\$5,395,905
CURRENT LIABILITIES					
17 Accounts Payable	\$234,243	\$243,126	\$274,271	\$173,436	\$262,873
18 Notes Payable					
19 Advanced Billings	18,765	17,999	17,505	16,399	18,347
20 Customer Deposits					
21 Current Maturities - Long-Term Debt		1,867	3,733	11,502	9,322
22 Current Deferred Income Taxes	(8,937)	(5,589)	(6,888)	(4,334)	(4,011)
23 Other Current Liabilities	95,626	40,160	76,957	36,719	42,007
24 Total Current Liabilities	339,697	297,563	365,578	233,722	328,538
LONG-TERM DEBT					
25 Long-Term Debt			1,867	5,601	7,768
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	304,423	352,945	360,544	401,893	125,794
28 Other Deferred Credits	1,997,121	1,964,017	1,917,805	1,834,309	2,487,817
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	(20,513)	(27,450)	(24,551)	(2,575)	39,927
31 Total Other Liab. and Def. Credits	2,281,031	2,289,512	2,253,798	2,233,627	2,653,538
STOCKHOLDER'S EQUITY					
32 Common Stock	67,600	67,600	67,600	67,600	67,600
33 Preferred Stock					
34 Other Paid in Capital	38,311	44,107	44,979	27,316	2,333
35 Retained Earnings	1,491,592	2,178,182	2,559,201	2,570,844	2,336,128
36 Total Stockholder's Equity	1,597,503	2,289,889	2,671,780	2,665,760	2,406,061
37 Total Liab. and Stockholder's Equity	\$4,218,231	\$4,876,964	\$5,293,023	\$5,138,710	\$5,395,905

Edwards Telephone Company
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2011	2010	2009	2008	2007	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$372,964	\$390,055	\$409,027	\$509,778	\$592,990	1
Network Access Services	1,123,058	1,107,515	1,280,242	1,253,271	1,389,019	2
Long Distance Network Services						3
Miscellaneous Revenues	661,950	691,660	572,091	566,500	337,612	4
Less: Uncollectible Revenues	7,953	15,544	3,445	14,192	2,405	5
Total Operating Revenues	2,150,019	2,173,686	2,257,915	2,315,357	2,317,216	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	5,015	5,765	3,462	8,375	9,831	7
General Support Expenses	109,486	120,036	113,062	46,324	34,883	8
Central Office Switching	80,433	90,347	113,672	93,055	104,349	9
Operator Systems Expense						10
Central Office Transmission	173,578	127,968	135,955	141,058	147,414	11
Info. Origination/Termination	110,175	96,940	87,999	98,969	113,848	12
Cable & Wire Facilities	307,452	318,905	226,534	228,647	117,192	13
Total Plant Specific Operations	786,139	759,961	680,684	616,428	527,517	14
Other Plant, Property & Equipment						15
Network Operations	183,230	185,094	182,560	215,758	223,818	16
Access Expense	31,914	51,607	41,889	53,732	49,468	17
Depreciation and Amortization	582,860	502,669	565,631	568,645	602,925	18
Total Plant Non-Specific Operations	798,004	739,370	790,080	838,135	876,211	19
Marketing Expense	89,156	90,960	95,588	100,589	101,795	20
Services Expense	86,996	103,739	137,353	150,485	173,240	21
Total Customer Operations	176,152	194,699	232,941	251,074	275,035	22
Executive & Planning	51,926	49,434	37,017	28,280	50,622	23
General & Administrative	266,453	272,541	262,767	265,324	300,806	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	318,379	321,975	299,784	293,604	351,428	27
Total Operations Expense	2,078,674	2,016,005	2,003,489	1,999,241	2,030,191	28
Other Operating Income & Expenses			1,322		945	29
State & Local Income Taxes						30
Other Taxes	168,313	167,758	174,037	194,684	169,421	31
Net Operating Income Before FIT	(96,968)	(10,077)	81,711	121,432	118,549	32
Investment Tax Credits - Net						33
Federal Income Taxes	(9,145)	(25,644)	44,265	12,069	27,114	34
Provision - Def. Operating Income Taxes - Net	(47,388)	(4,552)	(55,427)	12,329	(33,457)	35
Net Operating Income	(\$40,435)	\$20,119	\$92,873	\$97,034	\$124,892	36

Edwards Telephone Company
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2011	2010	2009	2008	2007
37 Net Operating Income	(\$40,435)	\$20,119	\$92,873	\$97,034	\$124,892
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income					
39 Interest Income	10,506	12,196	15,694	43,578	64,712
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction					
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies					
44 Other Non-Operating Income				674,480	34,053
45 Special Charges	(275,380)	254,537	576	753	488
46 Total Non-Operating Income & Expenses	285,886	(242,341)	15,118	717,305	98,277
NON-OPERATING TAXES					
47 Federal Income Taxes	100,677	(84,836)	5,244	240,799	34,256
48 Other				28,834	24
49 Total Non-Operating Taxes	100,677	(84,836)	5,244	269,633	34,280
50 Income Available Before Interest Charges	144,774	(137,386)	102,747	544,706	188,889
INTEREST CHARGES					
51 Interest on Funded Debt					
52 Other Interest Expense	63,364	76,633	114,390	52,990	122,857
53 Total Interest Charges	63,364	76,633	114,390	52,990	122,857
54 Income Before Extraordinary & Nonreg Items	81,410	(214,019)	(11,643)	491,716	66,032
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					
57 Total Extraordinary & Nonregulated Items					
58 Net Income	\$81,410	(\$214,019)	(\$11,643)	\$491,716	\$66,032

RETAINED EARNINGS STATEMENT

Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$2,178,182	\$2,559,201	\$2,570,844	\$2,336,128	\$2,270,096
60 Transferred from Income	81,410	(214,019)	(11,643)	491,716	66,032
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock	768,000	167,000		257,000	
64 Adjustments					
65 Ending Year Balance	1,491,592	2,178,182	2,559,201	2,570,844	2,336,128
66 Appropriated/Undistr Affiliate Retained Earnings					
67 Total Retained Earnings	\$1,491,592	\$2,178,182	\$2,559,201	\$2,570,844	\$2,336,128

Empire Telephone Corporation
Comparative Balance Sheet
For the Year Ended December 31,

	2011	2010	2009	2008	2007
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$1,486,935	\$998,645	\$679,146	\$555,571	\$1,663,693
2 Accounts Receivable (Net)	1,303,305	1,177,314	1,360,129	2,081,281	1,188,207
3 Current Deferred Income Taxes	39,064	34,773	38,310	54,328	52,648
4 Other Current Assets	506,313	582,947	704,693	586,951	534,516
5 Total Current Assets	3,335,617	2,793,679	2,782,278	3,278,131	3,439,064
NON-CURRENT ASSETS					
6 Investments	9,051,184	8,655,793	7,837,697	7,938,646	9,273,984
7 Unamortized Debt Issuance Costs					
8 Deferred Charges	1,121	(7,364)	(4,396)	(17,153)	(19,295)
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes	412,131	466,396	512,550	520,326	503,992
11 Other Non-Current Assets	1,403,173	1,363,120	1,322,776	1,280,429	1,287,703
12 Total Non-Current Assets	10,867,609	10,477,945	9,668,627	9,722,248	11,046,384
REGULATED PLANT					
13 Total Telecommunications Plant	32,939,029	32,677,931	32,300,286	31,674,672	30,737,122
14 Less: Accumulated Depr and Amort.	20,567,904	19,704,497	18,897,880	17,927,835	17,130,464
15 Net Regulated Plant	12,371,125	12,973,434	13,402,406	13,746,837	13,606,658
16 Total Assets & Other Debits	\$26,574,351	\$26,245,058	\$25,853,311	\$26,747,216	\$28,092,106
CURRENT LIABILITIES					
17 Accounts Payable	\$223,665	154,828	\$157,141	\$839,273	\$470,302
18 Notes Payable					
19 Advanced Billings					
20 Customer Deposits				1,645	2,875
21 Current Maturities - Long-Term Debt					
22 Current Deferred Income Taxes					
23 Other Current Liabilities	119,757	(236,721)	(549,908)	(415,984)	(55,002)
24 Total Current Liabilities	343,422	(81,893)	(392,767)	424,934	418,175
LONG-TERM DEBT					
25 Long-Term Debt	223,717	172,691	185,819	304,133	453,362
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	2,752,250	2,921,933	2,968,661	2,704,876	2,834,781
28 Other Deferred Credits	1,137,856	1,981,148	2,189,406	2,308,964	2,357,606
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	74,295				
31 Total Other Liab. and Def. Credits	3,964,401	4,903,081	5,158,067	5,013,840	5,192,387
STOCKHOLDER'S EQUITY					
32 Common Stock	587,737	587,737	587,737	587,737	587,737
33 Preferred Stock					
34 Other Paid in Capital					
35 Retained Earnings	21,455,074	20,663,442	20,314,455	20,416,572	21,440,445
36 Total Stockholder's Equity	22,042,811	21,251,179	20,902,192	21,004,309	22,028,182
37 Total Liab. and Stockholder's Equity	\$26,574,351	\$26,245,058	\$25,853,311	\$26,747,216	\$28,092,106

Empire Telephone Corporation
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2011	2010	2009	2008	2007	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$1,125,445	\$1,121,356	\$1,152,545	\$1,177,954	\$1,241,183	1
Network Access Services	3,164,522	2,771,743	3,009,872	3,357,621	3,850,028	2
Long Distance Network Services	5,656	7,090	8,408	9,557	15,067	3
Miscellaneous Revenues	551,848	556,121	579,719	462,171	318,861	4
Less: Uncollectible Revenues	1,000		4,000	4,000	12,000	5
Total Operating Revenues	4,846,471	4,456,310	4,746,544	5,003,303	5,413,139	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	45,760	46,107	37,606	56,049	47,226	7
General Support Expenses	243,795	272,018	240,911	291,669	206,991	8
Central Office Switching	472,278	424,809	540,351	700,792	781,075	9
Operator Systems Expense						10
Central Office Transmission	58,770	47,927	65,540	65,452	23,738	11
Info. Origination/Termination	(478)	1,260	74	139	10,131	12
Cable & Wire Facilities	506,594	500,207	466,960	539,576	561,364	13
Total Plant Specific Operations	1,326,719	1,292,328	1,351,442	1,653,677	1,630,525	14
Other Plant, Property & Equipment	1,290	14,904	9			15
Network Operations	647,945	658,754	595,989	619,954	518,847	16
Access Expense	105,503	108,754	92,968	73,958	72,540	17
Depreciation and Amortization	1,143,797	1,244,591	1,209,136	1,176,522	1,192,627	18
Total Plant Non-Specific Operations	1,898,535	2,027,003	1,898,102	1,870,434	1,784,014	19
Marketing Expense	15,951	8,776	11,530	15,199	14,314	20
Services Expense	376,865	406,778	444,959	475,005	440,796	21
Total Customer Operations	392,816	415,554	456,489	490,204	455,110	22
Executive & Planning	408,102	256,005	230,195	302,313	237,911	23
General & Administrative	589,154	463,495	548,230	582,951	661,906	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	997,256	719,500	778,425	885,264	899,817	27
Total Operations Expense	4,615,326	4,454,385	4,484,458	4,899,579	4,769,466	28
Other Operating Income & Expenses		404	800	919	775	29
State & Local Income Taxes	97,431	143,432	102,328	113,252	93,600	30
Other Taxes	261,271	295,208	300,975	282,112	368,561	31
Net Operating Income Before FIT	(127,557)	(436,311)	(140,417)	(290,721)	182,287	32
Investment Tax Credits - Net						33
Federal Income Taxes	(223,883)	(300,655)	(245,552)	(375,104)	(4,329)	34
Provision - Def. Operating Income Taxes - Net	172,872	51,466	79,622	154,964	(60,265)	35
Net Operating Income	(\$76,546)	(\$187,122)	\$25,513	(\$70,581)	\$246,881	36

Empire Telephone Corporation
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2011	2010	2009	2008	2007
37 Net Operating Income	(\$76,546)	(\$187,122)	\$25,513	(\$70,581)	\$246,881
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income	50,175	191,894	1,205	1,140	1,425
39 Interest Income	6,993	230	157	19,814	19,593
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction					
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies	297,956	32,423	(289,206)	(160,129)	(511,504)
44 Other Non-Operating Income	788,775	915,751	14,814	138,459	38,946
45 Special Charges	13,080	17,980	3,313	54,521	82,464
46 Total Non-Operating Income & Expenses	1,130,819	1,122,318	(276,343)	(55,237)	(534,004)
NON-OPERATING TAXES					
47 Federal Income Taxes	259,246	322,365	3,232	51,409	12,565
48 Other	24,734				
49 Total Non-Operating Taxes	283,980	322,365	3,232	51,409	12,565
50 Income Available Before Interest Charges	770,293	612,831	(254,062)	(177,227)	(299,688)
INTEREST CHARGES					
51 Interest on Funded Debt	9,346	11,100	15,077	22,968	30,465
52 Other Interest Expense	10,758	17,830	48,967	48,040	78,869
53 Total Interest Charges	20,104	28,930	64,044	71,008	109,334
54 Income Before Extraordinary & Nonreg Items	750,189	583,901	(318,106)	(248,235)	(409,022)
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					
57 Total Extraordinary & Nonregulated Items					
58 Net Income	\$750,189	\$583,901	(\$318,106)	(\$248,235)	(\$409,022)

RETAINED EARNINGS STATEMENT

Unappropriated Retained Earnings:					
59 Beginning Year Balance	19,153,261	\$18,601,784	\$18,630,684	\$18,718,790	\$18,616,308
60 Transferred from Income	452,233	551,477	(28,900)	(88,106)	102,482
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock					
64 Adjustments	609,393				
65 Ending Year Balance	20,214,887	19,153,261	18,601,784	18,630,684	18,718,790
66 Appropriated/Undistr Affiliate Retained Earnings	1,240,187	1,510,181	1,712,671	1,785,888	2,721,655
67 Total Retained Earnings	\$21,455,074	\$20,663,442	\$20,314,455	\$20,416,572	\$21,440,445

Fishers Island Telephone Corporation
Comparative Balance Sheet
For the Year Ended December 31,

	2011	2010	2009	2008	2007
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$239,986	\$145,793	\$125,716	\$102,237	\$47,974
2 Accounts Receivable (Net)	125,076	162,865	166,860	140,506	161,816
3 Current Deferred Income Taxes					
4 Other Current Assets	46,958	67,066	68,452	72,812	81,334
5 Total Current Assets	412,020	375,724	361,028	315,555	291,124
NON-CURRENT ASSETS					
6 Investments	449,681	488,600	465,049	516,137	501,938
7 Unamortized Debt Issuance Costs					304
8 Deferred Charges					
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes					
11 Other Non-Current Assets					
12 Total Non-Current Assets	449,681	488,600	465,049	516,137	502,242
REGULATED PLANT					
13 Total Telecommunications Plant	2,509,209	2,498,274	2,445,089	2,380,159	2,310,153
14 Less: Accumulated Depr and Amort.	1,642,407	1,556,090	1,451,918	1,345,351	1,289,792
15 Net Regulated Plant	866,802	942,184	993,171	1,034,808	1,020,361
16 Total Assets & Other Debits	\$1,728,503	\$1,806,508	\$1,819,248	\$1,866,500	\$1,813,727
CURRENT LIABILITIES					
17 Accounts Payable	\$43,207	\$53,529	\$73,946	\$85,060	\$102,972
18 Notes Payable					
19 Advanced Billings					
20 Customer Deposits	1,173	2,051	1,550	1,350	1,808
21 Current Maturities - Long-Term Debt					
22 Current Deferred Income Taxes					
23 Other Current Liabilities	30,005	22,745	22,174	29,778	24,478
24 Total Current Liabilities	74,385	78,325	97,670	116,188	129,258
LONG-TERM DEBT					
25 Long-Term Debt	46,840	57,249	78,299	97,276	45,376
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	64,330	82,362	68,657	70,873	75,607
28 Other Deferred Credits	46,374	45,948			
29 Other Jurisdictional Differences - Net					
30 Other Liabilities					
31 Total Other Liab. and Def. Credits	110,704	128,310	68,657	70,873	75,607
STOCKHOLDER'S EQUITY					
32 Common Stock	78,518	78,518	78,518	78,518	78,518
33 Preferred Stock					
34 Other Paid in Capital					
35 Retained Earnings	1,418,056	1,464,106	1,496,104	1,503,645	1,484,968
36 Total Stockholder's Equity	1,496,574	1,542,624	1,574,622	1,582,163	1,563,486
37 Total Liab. and Stockholder's Equity	\$1,728,503	\$1,806,508	\$1,819,248	\$1,866,500	\$1,813,727

Fishers Island Telephone Corporation
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2011	2010	2009	2008	2007	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$311,737	\$353,418	\$300,397	\$288,818	\$285,135	1
Network Access Services	510,952	468,244	516,714	488,414	497,923	2
Long Distance Network Services						3
Miscellaneous Revenues	536,888	659,933	706,505	683,804	610,470	4
Less: Uncollectible Revenues						5
Total Operating Revenues	1,359,577	1,481,595	1,523,616	1,461,036	1,393,528	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses		1,756				7
General Support Expenses	174,978	195,799	174,037	148,878	129,234	8
Central Office Switching	81,307	68,578	73,562	108,833	133,577	9
Operator Systems Expense						10
Central Office Transmission	32,145	32,145	31,514	27,377	35,031	11
Info. Origination/Termination						12
Cable & Wire Facilities	170,332	174,448	133,195	155,424	133,355	13
Total Plant Specific Operations	458,762	472,726	412,308	440,512	431,197	14
Other Plant, Property & Equipment	1,362	10,063	1,050	884	1,610	15
Network Operations	113,341	112,448	117,753	124,818	27,465	16
Access Expense						17
Depreciation and Amortization	123,647	124,197	125,686	123,775	125,232	18
Total Plant Non-Specific Operations	238,350	246,708	244,489	249,477	154,307	19
Marketing Expense						20
Services Expense	25,494	26,900	28,741	32,732	40,290	21
Total Customer Operations	25,494	26,900	28,741	32,732	40,290	22
Executive & Planning	50,712	50,712	50,712	54,348	53,136	23
General & Administrative	591,040	642,214	707,344	608,300	711,252	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	641,752	692,926	758,056	662,648	764,388	27
Total Operations Expense	1,364,358	1,439,260	1,443,594	1,385,369	1,390,182	28
Other Operating Income & Expenses						29
State & Local Income Taxes	52,180	54,730	60,204	55,849	52,873	30
Other Taxes						31
Net Operating Income Before FIT	(56,961)	(12,395)	19,818	19,818	(49,527)	32
Investment Tax Credits - Net						33
Federal Income Taxes						34
Provision - Def. Operating Income Taxes - Net	(18,032)	13,705	(2,216)	(4,734)	3,044	35
Net Operating Income	(\$38,929)	(\$26,100)	\$22,034	\$24,552	(\$52,571)	36

Fishers Island Telephone Corporation
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2011	2010	2009	2008	2007
37 Net Operating Income	(\$38,929)	(\$26,100)	\$22,034	\$24,552	(\$52,571)
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income					
39 Interest Income	3,478	6,980	10,788	14,369	21,759
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction					
42 Gains/Losses - Disposal of Property				(2,678)	
43 Equity in Earnings of Affiliated Companies					
44 Other Non-Operating Income					
45 Special Charges	1,905	3,025	26,069		
46 Total Non-Operating Income & Expenses	1,573	3,955	(15,281)	11,691	21,759
NON-OPERATING TAXES					
47 Federal Income Taxes					
48 Other					
49 Total Non-Operating Taxes					
50 Income Available Before Interest Charges	(37,356)	(22,145)	6,753	36,243	(30,812)
INTEREST CHARGES					
51 Interest on Funded Debt	8,694	9,853	13,933	17,566	14,248
52 Other Interest Expense			361		
53 Total Interest Charges	8,694	9,853	14,294	17,566	14,248
54 Income Before Extraordinary & Nonreg Items	(46,050)	(31,998)	(7,541)	18,677	(45,060)
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					
57 Total Extraordinary & Nonregulated Items					
58 Net Income	(\$46,050)	(\$31,998)	(\$7,541)	\$18,677	(\$45,060)

RETAINED EARNINGS STATEMENT

Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$1,464,106	\$1,496,104	\$1,503,645	\$1,484,968	\$1,530,028
60 Transferred from Income	(46,050)	(31,998)	(7,541)	18,677	(45,060)
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock					
64 Adjustments					
65 Ending Year Balance	1,418,056	1,464,106	1,496,104	1,503,645	1,484,968
66 Appropriated/Undistr Affiliate Retained Earnings					
67 Total Retained Earnings	\$1,418,056	\$1,464,106	\$1,496,104	\$1,503,645	\$1,484,968

**Frontier Communications of AuSable Valley
Comparative Balance Sheet
For the Year Ended December 31,**

	2011	2010	2009	2008	2007
CURRENT ASSETS					
1 Cash and Temporary Cash Investments		(\$1,355)	(\$2,592)	(\$82,606)	\$10,567
2 Accounts Receivable (Net)	1,203,391	1,097,639	1,221,450	2,137,725	1,386,336
3 Current Deferred Income Taxes					
4 Other Current Assets	71,079	60,007	61,762	97,439	86,438
5 Total Current Assets	1,274,470	1,156,292	1,280,621	2,152,558	1,483,341
NON-CURRENT ASSETS					
6 Investments	7,838,601	8,312,925	8,910,967	6,398,431	7,317,367
7 Unamortized Debt Issuance Costs					
8 Deferred Charges					
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes					
11 Other Non-Current Assets	525,000	525,000	525,000	525,000	525,000
12 Total Non-Current Assets	8,363,601	8,837,925	9,435,967	6,923,431	7,842,367
REGULATED PLANT					
13 Total Telecommunications Plant	23,814,639	23,619,070	23,330,593	22,962,240	22,696,060
14 Less: Accumulated Depr and Amort.	19,782,078	19,015,684	18,077,451	17,116,168	16,335,007
15 Net Regulated Plant	4,032,561	4,603,386	5,253,142	5,846,072	6,361,053
16 Total Assets & Other Debits	\$13,670,632	\$14,597,602	\$15,969,731	\$14,922,061	\$15,686,761
CURRENT LIABILITIES					
17 Accounts Payable	\$1,035,402	466,521	\$454,128	\$517,959	\$921,275
18 Notes Payable					
19 Advanced Billings	129,753	126,548	127,118	141,140	125,541
20 Customer Deposits		105	100		
21 Current Maturities - Long-Term Debt					
22 Current Deferred Income Taxes					
23 Other Current Liabilities	48,233	98,451	83,819	30,138	14,616
24 Total Current Liabilities	1,213,388	691,626	665,166	689,238	1,061,432
LONG-TERM DEBT					
25 Long-Term Debt					
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	(481,614)	(298,602)	(115,590)	(98,866)	(783,723)
28 Other Deferred Credits	297,432	291,569	290,359	282,033	2,326,442
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	602,733	821,272	903,846	888,554	863,160
31 Total Other Liab. and Def. Credits	418,551	814,240	1,078,615	1,071,721	2,405,879
STOCKHOLDER'S EQUITY					
32 Common Stock					
33 Preferred Stock					
34 Other Paid in Capital	4,725,630	4,725,630	4,725,630	4,725,630	4,725,630
35 Retained Earnings	7,313,063	8,366,106	9,500,320	8,435,472	7,493,820
36 Total Stockholder's Equity	12,038,693	13,091,736	14,225,950	13,161,102	12,219,450
37 Total Liab. and Stockholder's Equity	\$13,670,632	\$14,597,602	\$15,969,731	\$14,922,061	\$15,686,761

**Frontier Communications of AuSable Valley
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,**

INCOME STATEMENT	2011	2010	2009	2008	2007	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$1,706,942	\$1,719,244	\$1,797,324	\$1,850,394	\$1,873,330	1
Network Access Services	2,059,723	2,014,025	2,077,997	2,367,082	2,987,160	2
Long Distance Network Services	(1,761)	(1,726)	11,466	25,455		3
Miscellaneous Revenues	1,352,299	1,423,183	1,381,066	1,331,619	1,383,267	4
Less: Uncollectible Revenues	87,385	68,150	121,387	72,232	77,730	5
Total Operating Revenues	5,029,818	5,086,576	5,146,466	5,502,318	6,166,027	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	39	6,336	7	75	242	7
General Support Expenses	307,621	268,961	264,681	271,197	252,729	8
Central Office Switching	158,837	198,828	228,019	218,201	197,208	9
Operator Systems Expense	3,251	3,738	2,719	1,866	1,677	10
Central Office Transmission	42,826	49,776	63,127	49,663	43,691	11
Info. Origination/Termination	105,782	62,688	109,414	73,375	67,398	12
Cable & Wire Facilities	409,351	439,139	508,933	545,400	423,868	13
Total Plant Specific Operations	1,027,707	1,029,465	1,176,899	1,159,778	986,813	14
Other Plant, Property & Equipment	12	876	690	892	624	15
Network Operations	268,218	272,959	261,800	274,612	256,163	16
Access Expense	350,294	320,753	308,299	318,789	315,955	17
Depreciation and Amortization	914,376	968,428	948,490	928,253	925,634	18
Total Plant Non-Specific Operations	1,532,900	1,563,017	1,519,280	1,522,545	1,498,376	19
Marketing Expense	154,710	156,998	132,235	113,728	124,532	20
Services Expense	342,523	276,892	254,378	211,978	302,247	21
Total Customer Operations	497,233	433,890	386,613	325,706	426,779	22
Executive & Planning	60,178	100,023	54,236	38,452	48,435	23
General & Administrative	373,933	458,036	257,727	248,114	210,203	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	434,111	558,059	311,963	286,567	258,638	27
Total Operations Expense	3,491,951	3,584,431	3,394,756	3,294,596	3,170,606	28
Other Operating Income & Expenses						29
State & Local Income Taxes						30
Other Taxes	117,468	196,948	306,190	314,869	274,860	31
Net Operating Income Before FIT	1,420,399	1,305,197	1,445,520	1,892,853	2,720,560	32
Investment Tax Credits - Net						33
Federal Income Taxes	29,957	(12,072)	526,511	845,504	1,186,162	34
Provision - Def. Operating Income Taxes - Net	268,135	236,404	(20,109)	(183,006)	(233,965)	35
Net Operating Income	\$1,122,307	\$1,080,865	\$939,118	\$1,230,355	\$1,768,363	36

Frontier Communications of AuSable Valley
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2011	2010	2009	2008	2007
37 Net Operating Income	\$1,122,307	\$1,080,865	\$939,118	\$1,230,355	\$1,768,363
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income					
39 Interest Income			229,443	608,374	1,168,968
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction	5,813	1,336	4,753	4,156	2,537
42 Gains/Losses - Disposal of Property					168
43 Equity in Earnings of Affiliated Companies					
44 Other Non-Operating Income				1,937,030	(1,934,146)
45 Special Charges	(648)	1,436	(672)	(423)	612
46 Total Non-Operating Income & Expenses	6,461	(100)	234,868	2,549,983	(763,085)
NON-OPERATING TAXES					
47 Federal Income Taxes	173,340	203,690	98,229	937,085	(323,854)
48 Other					
49 Total Non-Operating Taxes	173,340	203,690	98,229	937,085	(323,854)
50 Income Available Before Interest Charges	955,428	877,075	1,075,757	2,843,253	1,329,132
INTEREST CHARGES					
51 Interest on Funded Debt					
52 Other Interest Expense	8,494	11,291	10,909	(98,400)	117,653
53 Total Interest Charges	8,494	11,291	10,909	(98,400)	117,653
54 Income Before Extraordinary & Nonreg Items	946,934	865,784	1,064,848	2,941,653	1,211,479
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					
57 Total Extraordinary & Nonregulated Items					
58 Net Income	\$946,934	\$865,784	\$1,064,848	\$2,941,653	\$1,211,479
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RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$8,366,106	\$9,500,320	\$8,435,472	\$7,493,820	\$9,382,340
60 Transferred from Income	946,957	865,786	1,064,848	2,941,653	1,211,479
61 Appropriations					
Dividends Declared:					
62 Preferred Stock				2,000,000	3,100,000
63 Common Stock	2,000,000	2,000,000			
64 Adjustments					
65 Ending Year Balance	7,313,063	8,366,106	9,500,320	8,435,472	7,493,820
66 Appropriated/Undistr Affiliate Retained Earnings					
67 Total Retained Earnings	\$7,313,063	\$8,366,106	\$9,500,320	\$8,435,472	\$7,493,820

**Frontier Communications of New York
Comparative Balance Sheet
For the Year Ended December 31,**

	2011	2010	2009	2008	2007
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	(\$657)	(\$13,197)	\$42,019	\$40,820	(\$54,485)
2 Accounts Receivable (Net)	15,633,055	9,372,332	10,941,995	11,210,419	13,984,822
3 Current Deferred Income Taxes					
4 Other Current Assets	645,072	594,823	622,476	860,125	1,064,472
5 Total Current Assets	16,277,470	9,953,957	11,606,490	12,111,363	14,994,809
NON-CURRENT ASSETS					
6 Investments	66,092,807	125,595,433	106,161,146	88,715,698	87,783,956
7 Unamortized Debt Issuance Costs					
8 Deferred Charges	2,717,664	2,717,664	2,719,467	2,717,664	2,720,910
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes					
11 Other Non-Current Assets	6,190,000	6,190,000	6,190,000	6,190,000	6,190,000
12 Total Non-Current Assets	75,000,471	134,503,097	115,070,613	97,623,363	96,694,866
REGULATED PLANT					
13 Total Telecommunications Plant	190,242,799	189,200,097	187,292,929	185,748,087	185,007,673
14 Less: Accumulated Depr and Amort.	154,551,770	149,736,658	143,352,260	135,760,968	128,722,749
15 Net Regulated Plant	35,691,029	39,463,439	43,940,669	49,987,119	56,284,925
16 Total Assets & Other Debits	\$126,968,971	\$183,920,494	\$170,617,772	\$159,721,845	\$167,974,600
CURRENT LIABILITIES					
17 Accounts Payable	\$17,022,883	\$4,481,370	\$3,450,046	6,138,329	\$5,155,243
18 Notes Payable					
19 Advanced Billings	742,377	905,617	909,059	1,048,300	987,104
20 Customer Deposits	(374)	(318)	283	(2)	
21 Current Maturities - Long-Term Debt					
22 Current Deferred Income Taxes					
23 Other Current Liabilities	(580,940)	(16,203)	796,426	113,613	129,620
24 Total Current Liabilities	17,183,947	5,370,466	5,155,815	7,300,239	6,271,967
LONG-TERM DEBT					
25 Long-Term Debt					
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	4,680,015	4,477,227	4,274,439	3,574,166	4,742,433
28 Other Deferred Credits	4,425,510	4,284,610	4,117,272	3,974,376	3,842,116
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	16,372,687	16,748,846	17,407,931	17,292,064	16,990,125
31 Total Other Liab. and Def. Credits	25,478,212	25,510,682	25,799,642	24,840,606	25,574,674
STOCKHOLDER'S EQUITY					
32 Common Stock	2,280,411	2,280,411	2,280,411	2,280,411	2,280,411
33 Preferred Stock					
34 Other Paid in Capital	63,236,046	63,236,046	63,236,046	63,236,046	63,236,046
35 Retained Earnings	18,790,360	87,522,889	74,145,858	62,064,543	70,611,502
36 Total Stockholder's Equity	84,306,817	153,039,346	139,662,315	127,581,000	136,127,959
37 Total Liab. and Stockholder's Equity	\$126,968,976	\$183,920,494	\$170,617,772	\$159,721,845	\$167,974,600

Frontier Communications of New York
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2011	2010	2009	2008	2007	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$13,152,631	\$14,439,306	\$15,933,339	\$16,692,408	\$19,294,572	1
Network Access Services	21,095,763	20,685,364	20,972,860	21,761,428	22,148,083	2
Long Distance Network Services	(12,270)	(21,570)	28,538	135,821		3
Miscellaneous Revenues	14,047,211	16,190,170	17,766,130	20,090,261	23,259,170	4
Less: Uncollectible Revenues	346,367	279,995	75,376	775,732	539,613	5
Total Operating Revenues	47,936,969	51,013,275	54,625,491	57,904,186	64,162,212	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	375	51,862	503	732	781	7
General Support Expenses	2,168,536	1,925,032	1,893,226	2,072,980	2,155,873	8
Central Office Switching	501,923	524,725	725,089	887,020	928,662	9
Operator Systems Expense	23,234	27,868	21,460	16,238	15,871	10
Central Office Transmission	675,801	471,979	571,810	676,063	647,854	11
Info. Origination/Termination	2,282,657	1,710,673	1,976,473	2,276,987	2,498,330	12
Cable & Wire Facilities	2,402,142	1,461,401	1,845,019	2,294,535	1,909,412	13
Total Plant Specific Operations	8,054,668	6,173,541	7,033,580	8,224,556	8,156,784	14
Other Plant, Property & Equipment	(117)	20	672	1,334	28	15
Network Operations	2,090,982	2,129,347	2,314,743	2,496,889	2,813,495	16
Access Expense	2,205,981	2,054,120	2,282,705	2,517,607	3,104,084	17
Depreciation and Amortization	5,860,484	7,167,252	8,434,498	9,802,045	9,792,203	18
Total Plant Non-Specific Operations	10,157,330	11,350,739	13,032,618	14,817,875	15,709,810	19
Marketing Expense	1,302,107	1,322,470	1,250,163	1,055,201	1,324,859	20
Services Expense	4,050,420	3,700,196	4,105,766	4,283,147	5,708,866	21
Total Customer Operations	5,352,528	5,022,666	5,355,929	5,338,348	7,033,725	22
Executive & Planning	534,517	871,880	489,808	374,011	533,023	23
General & Administrative	3,184,805	3,856,858	2,310,556	2,400,990	2,510,010	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	3,719,321	4,728,738	2,800,364	2,775,001	3,043,033	27
Total Operations Expense	27,283,846	27,275,684	28,222,491	31,155,780	33,943,352	28
Other Operating Income & Expenses						29
State & Local Income Taxes						30
Other Taxes	2,358,571	2,288,810	3,230,911	3,633,873	3,206,998	31
Net Operating Income Before FIT	18,294,552	21,448,781	23,172,089	23,114,533	27,011,862	32
Investment Tax Credits - Net						33
Federal Income Taxes	(3,504,737)	(3,457,593)	7,562,971	7,887,302	9,699,017	34
Provision - Def. Operating Income Taxes - Net	8,767,234	9,269,606	593,390	202,785	(244,865)	35
Net Operating Income	\$13,032,055	\$15,636,768	\$15,015,728	\$15,024,446	\$17,557,710	36

Frontier Communications of New York
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2011	2010	2009	2008	2007
37 Net Operating Income	\$13,032,055	\$15,636,768	\$15,015,728	\$15,024,446	\$17,557,710
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income					
39 Interest Income			2,836,884	7,868,570	7,790,552
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction	20,531	11,625	27,709	42,457	30,353
42 Gains/Losses - Disposal of Property					1,638
43 Equity in Earnings of Affiliated Companies					
44 Other Non-Operating Income	183,285	162,414	131,797	107,651	105,095
45 Special Charges	334,248	334,011	282,373	261,450	233,566
46 Total Non-Operating Income & Expenses	(130,432)	(159,972)	2,714,017	7,757,228	7,694,072
NON-OPERATING TAXES					
47 Federal Income Taxes	520,357	1,096,165	746,609	2,520,800	2,289,830
48 Other					
49 Total Non-Operating Taxes	520,357	1,096,165	746,609	2,520,800	2,289,830
50 Income Available Before Interest Charges	12,381,266	14,380,631	16,983,136	20,260,874	22,961,952
INTEREST CHARGES					
51 Interest on Funded Debt					
52 Other Interest Expense	1,113,793	1,003,600	901,821	807,834	721,035
53 Total Interest Charges	1,113,793	1,003,600	901,821	807,834	721,035
54 Income Before Extraordinary & Nonreg Items	11,267,473	13,377,031	16,081,315	19,453,040	22,240,917
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues	2,590,351				
57 Total Extraordinary & Nonregulated Items	2,590,351				
58 Net Income	\$13,857,823	\$13,377,031	\$16,081,315	\$19,453,040	\$22,240,917
RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$87,522,889	\$74,145,858	\$62,064,543	\$70,611,502	\$72,370,585
60 Transferred from Income	11,267,473	13,377,031	16,081,315	19,453,040	22,240,917
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock	40,000,000		4,000,000	28,000,000	24,000,000
64 Adjustments	(40,000,002)				
65 Ending Year Balance	18,790,360	87,522,889	74,145,858	62,064,543	70,611,502
66 Appropriated/Undistr Affiliate Retained Earnings					
67 Total Retained Earnings	\$18,790,360	\$87,522,889	\$74,145,858	\$62,064,543	\$70,611,502

**Rochester Telephone Corporation
Comparative Balance Sheet
For the Year Ended December 31,**

	2011	2010	2009	2008	2007
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$383,059	\$1,764,009	\$1,171,639	\$317,386	(\$2,868,757)
2 Accounts Receivable (Net)	67,808,904	60,394,934	109,074,814	70,031,390	78,597,876
3 Current Deferred Income Taxes					
4 Other Current Assets	6,983,357	6,745,070	7,355,366	13,265,776	13,003,571
5 Total Current Assets	75,175,320	68,904,013	117,601,818	83,614,552	88,732,690
NON-CURRENT ASSETS					
6 Investments	308,127,834	319,186,085	209,437,779	155,233,271	156,274,047
7 Unamortized Debt Issuance Costs					
8 Deferred Charges	15,311	16,135	16,135	271,917	104,061
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes					
11 Other Non-Current Assets	184,065,250	184,230,250	184,395,250	184,560,250	184,725,250
12 Total Non-Current Assets	492,208,395	503,432,470	393,849,164	340,065,438	341,103,358
REGULATED PLANT					
13 Total Telecommunications Plant	1,510,242,331	1,495,378,697	1,477,756,362	1,463,135,558	1,447,829,751
14 Less: Accumulated Depr and Amort.	1,184,241,424	1,124,224,180	1,062,397,661	1,003,489,506	950,712,655
15 Net Regulated Plant	326,000,907	371,154,517	415,358,701	459,646,052	497,117,096
16 Total Assets & Other Debits	\$893,384,622	\$943,491,000	\$926,809,683	\$883,326,042	\$926,953,144
CURRENT LIABILITIES					
17 Accounts Payable	\$86,352,136	\$42,972,696	\$41,495,735	\$41,126,023	\$72,742,293
18 Notes Payable					
19 Advanced Billings	3,432,778	3,632,275	3,647,685	3,427,071	3,404,605
20 Customer Deposits	2,410	470	167	10,696	25,599
21 Current Maturities - Long-Term Debt					
22 Current Deferred Income Taxes					
23 Other Current Liabilities	2,418,074	3,995,711	5,406,199	8,117,022	8,441,952
24 Total Current Liabilities	92,205,398	50,601,153	50,549,785	52,680,812	84,614,450
LONG-TERM DEBT					
25 Long-Term Debt					
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	66,974,467	65,699,959	64,425,451	57,456,924	60,208,072
28 Other Deferred Credits	(24,317,882)	(21,906,258)	(19,933,084)	(18,484,872)	(17,551,263)
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	143,629,205	133,885,556	125,522,428	117,772,442	110,603,238
31 Total Other Liab. and Def. Credits	186,285,791	177,679,258	170,014,795	156,744,494	153,260,047
STOCKHOLDER'S EQUITY					
32 Common Stock					
33 Preferred Stock					
34 Other Paid in Capital	451,236,610	451,236,610	451,236,610	451,236,610	451,236,610
35 Retained Earnings	163,656,825	263,973,979	255,008,493	222,664,126	237,842,038
36 Total Stockholder's Equity	614,893,435	715,210,589	706,245,103	673,900,736	689,078,648
37 Total Liab. and Stockholder's Equity	\$893,384,624	\$943,491,000	\$926,809,683	\$883,326,042	\$926,953,144

Rochester Telephone Corporation
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2011	2010	2009	2008	2007	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$90,534,985	\$103,014,656	\$120,484,077	\$140,123,177	\$149,040,096	1
Network Access Services	97,597,486	97,861,876	94,381,432	81,363,743	88,125,531	2
Long Distance Network Services	312,902	389,165	1,226,548	1,887,000	1,389,688	3
Miscellaneous Revenues	60,564,701	66,237,004	76,047,683	81,982,154	87,189,468	4
Less: Uncollectible Revenues	2,669,899	3,710,937	4,854,247	3,672,497	4,559,224	5
Total Operating Revenues	246,340,175	263,791,764	287,285,493	301,683,576	321,185,560	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	653,729	889,101	898,789	278,027	356,807	7
General Support Expenses	14,317,387	12,675,071	11,370,039	14,383,701	13,629,509	8
Central Office Switching	6,651,373	5,690,219	6,010,448	7,208,399	8,568,931	9
Operator Systems Expense	183,889	180,758	136,768	140,762	183,173	10
Central Office Transmission	3,585,205	4,748,476	4,844,024	4,397,632	4,701,969	11
Info. Origination/Termination	5,842,199	4,382,540	6,392,939	5,163,107	5,561,025	12
Cable & Wire Facilities	23,218,008	24,646,746	23,981,234	25,617,616	26,181,564	13
Total Plant Specific Operations	54,451,790	53,212,911	53,634,240	57,189,244	59,182,978	14
Other Plant, Property & Equipment	(944)	(918)	224,100	7,693	126	15
Network Operations	16,573,258	15,277,841	14,001,775	21,152,056	24,969,320	16
Access Expense	5,403,621	5,351,137	5,497,275	5,874,711	6,190,979	17
Depreciation and Amortization	68,827,514	69,199,706	69,960,582	68,643,556	68,662,256	18
Total Plant Non-Specific Operations	90,803,449	89,827,766	89,683,733	95,678,016	99,822,681	19
Marketing Expense	11,522,853	10,452,812	9,594,650	8,370,341	11,439,028	20
Services Expense	30,775,124	30,164,026	30,784,728	32,216,833	34,820,141	21
Total Customer Operations	42,297,977	40,616,838	40,379,378	40,587,174	46,259,169	22
Executive & Planning	2,898,392	4,513,193	2,700,736	2,449,774	3,131,175	23
General & Administrative	34,112,679	36,299,311	26,865,708	17,755,135	15,131,154	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	37,011,071	40,812,504	29,566,444	20,204,909	18,262,329	27
Total Operations Expense	224,564,287	224,470,019	213,263,795	213,659,343	223,527,156	28
Other Operating Income & Expenses						29
State & Local Income Taxes						30
Other Taxes	16,490,634	20,275,136	21,085,940	20,683,254	20,195,685	31
Net Operating Income Before FIT	5,285,254	19,046,609	52,935,757	67,340,979	77,462,718	32
Investment Tax Credits - Net						33
Federal Income Taxes	(15,754,871)	(21,583,707)	4,319,277	26,798,339	31,580,964	34
Provision - Def. Operating Income Taxes - Net	11,304,142	21,571,000	6,737,964	1,274,506	(2,279,432)	35
Net Operating Income	\$9,735,983	\$19,059,316	\$41,878,516	\$39,268,134	\$48,161,186	36

Rochester Telephone Corporation
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2011	2010	2009	2008	2007
37 Net Operating Income	\$9,735,983	\$19,059,316	\$41,878,516	\$39,268,134	\$48,161,186
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income					
39 Interest Income			5,146,604	15,862,681	15,071,996
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction	315,569	198,987	193,102	434,968	452,486
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies					
44 Other Non-Operating Income	2,266,004	1,958,618	1,270,293	1,957,067	1,444,165
45 Special Charges	21,765	49,430	257,249	272,320	233,820
46 Total Non-Operating Income & Expenses	2,559,808	2,108,175	6,352,750	17,982,396	16,734,827
NON-OPERATING TAXES					
47 Federal Income Taxes	2,642,560	3,147,442	7,683,653		
48 Other					
49 Total Non-Operating Taxes	2,642,560	3,147,442	7,683,653		
50 Income Available Before Interest Charges	9,653,231	18,020,049	40,547,613	57,250,530	64,896,013
INTEREST CHARGES					
51 Interest on Funded Debt					
52 Other Interest Expense	9,970,383	9,054,562	8,203,246	7,428,441	6,713,539
53 Total Interest Charges	9,970,383	9,054,562	8,203,246	7,428,441	6,713,539
54 Income Before Extraordinary & Nonreg Items	(317,152)	8,965,487	32,344,367	49,822,089	58,182,474
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues	17,958,092	18,984,052	20,829,143	34,780,341	35,677,209
57 Total Extraordinary & Nonregulated Items	17,958,092	18,984,052	20,829,143	34,780,341	35,677,209
58 Net Income	\$17,640,940	\$27,949,539	\$53,173,511	\$84,602,430	\$93,859,683

RETAINED EARNINGS STATEMENT

Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$263,973,979	\$255,008,493	\$222,664,126	\$237,842,038	\$259,659,564
60 Transferred from Income	(317,152)	8,965,486	32,344,367	49,822,089	58,182,474
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock	100,000,000			65,000,000	80,000,000
64 Adjustments					
65 Ending Year Balance	163,656,827	263,973,979	255,008,493	222,664,126	237,842,038
66 Appropriated/Undistr Affiliate Retained Earnings					
67 Total Retained Earnings	\$163,656,827	\$263,973,979	\$255,008,493	\$222,664,126	\$237,842,038

**Frontier Communications of Seneca Gorham
Comparative Balance Sheet
For the Year Ended December 31,**

	2011	2010	2009	2008	2007
CURRENT ASSETS					
1 Cash and Temporary Cash Investments		(\$945)	\$4,511	\$15,944	\$40,252
2 Accounts Receivable (Net)	1,308,944	1,259,924	1,966,542	1,885,725	1,772,339
3 Current Deferred Income Taxes					
4 Other Current Assets	50,328	50,851	54,985	123,409	118,353
5 Total Current Assets	1,359,272	1,309,830	2,026,038	2,025,079	1,930,944
NON-CURRENT ASSETS					
6 Investments	2,344,724	5,122,393	7,244,201	4,974,126	7,044,572
7 Unamortized Debt Issuance Costs					
8 Deferred Charges	334,165	334,165	334,165	334,165	334,165
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes					
11 Other Non-Current Assets					
12 Total Non-Current Assets	2,678,889	5,456,558	7,578,366	5,308,291	7,378,737
REGULATED PLANT					
13 Total Telecommunications Plant	26,567,470	26,062,437	25,427,670	24,859,521	24,433,880
14 Less: Accumulated Depr and Amort.	22,257,499	21,573,258	20,844,630	20,128,627	19,554,560
15 Net Regulated Plant	4,309,971	4,489,179	4,583,040	4,730,894	4,879,320
16 Total Assets & Other Debits	\$8,348,132	\$11,255,567	\$14,187,445	\$12,064,264	\$14,189,001
CURRENT LIABILITIES					
17 Accounts Payable	1,103,775	757,011	600,550	\$619,567	\$1,635,454
18 Notes Payable					
19 Advanced Billings	226,756	231,167	232,172	269,675	272,388
20 Customer Deposits	(3)	35	101		
21 Current Maturities - Long-Term Debt					
22 Current Deferred Income Taxes					
23 Other Current Liabilities	67,857	92,047	107,191	30,014	20,014
24 Total Current Liabilities	1,398,385	1,080,261	940,014	919,257	1,927,856
LONG-TERM DEBT					
25 Long-Term Debt					
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	1,295,623	1,267,771	1,239,919	587,507	191,157
28 Other Deferred Credits	(12,954)	(3,217)	1,861	10,399	1,180,051
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	919,135	1,004,199	1,072,529	1,109,024	1,129,611
31 Total Other Liab. and Def. Credits	2,201,804	2,268,753	2,314,309	1,706,929	2,500,819
STOCKHOLDER'S EQUITY					
32 Common Stock	1	1	1	1	1
33 Preferred Stock					
34 Other Paid in Capital	5,736,563	5,736,563	5,736,563	5,736,563	5,736,563
35 Retained Earnings	(988,624)	2,169,989	5,196,558	3,701,515	4,023,762
36 Total Stockholder's Equity	4,747,940	7,906,553	10,933,122	9,438,079	9,760,326
37 Total Liab. and Stockholder's Equity	\$8,348,129	\$11,255,567	\$14,187,445	\$12,064,264	\$14,189,001

Frontier Communications of Seneca Gorham
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2011	2010	2009	2008	2007	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$1,660,533	\$1,745,691	\$1,895,443	\$1,937,174	\$2,029,508	1
Network Access Services	1,675,847	1,702,701	2,097,380	2,163,760	2,649,460	2
Long Distance Network Services	8,247	20,248	27,065	34,689		3
Miscellaneous Revenues	1,692,624	1,805,854	1,802,216	1,889,979	1,924,479	4
Less: Uncollectible Revenues	84,057	68,453	73,563	65,978	56,525	5
Total Operating Revenues	4,953,194	5,206,041	5,748,541	5,959,624	6,546,922	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	48	7,743	9	90	4,147	7
General Support Expenses	314,295	288,531	296,373	313,326	307,982	8
Central Office Switching	122,379	121,019	128,339	138,779	121,871	9
Operator Systems Expense	3,966	4,665	3,487	2,532	2,349	10
Central Office Transmission	152,053	93,892	80,360	72,477	76,238	11
Info. Origination/Termination	161,966	112,576	191,776	158,918	154,257	12
Cable & Wire Facilities	368,262	350,616	298,362	320,417	261,792	13
Total Plant Specific Operations	1,122,969	979,042	998,705	1,006,538	928,636	14
Other Plant, Property & Equipment	(14)	2	88	161	3	15
Network Operations	353,359	368,518	369,558	400,785	396,846	16
Access Expense	159,934	145,400	148,775	137,125	183,072	17
Depreciation and Amortization	742,285	771,103	802,886	814,600	1,013,529	18
Total Plant Non-Specific Operations	1,255,564	1,285,024	1,321,306	1,352,671	1,593,450	19
Marketing Expense	188,503	198,355	170,117	153,040	181,543	20
Services Expense	417,652	343,488	321,408	280,235	423,170	21
Total Customer Operations	606,155	541,843	491,525	433,275	604,713	22
Executive & Planning	70,479	121,276	66,715	46,791	63,313	23
General & Administrative	445,056	529,672	324,367	345,498	317,118	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	515,535	650,948	391,082	392,289	380,431	27
Total Operations Expense	3,500,223	3,456,857	3,202,618	3,184,773	3,507,230	28
Other Operating Income & Expenses						29
State & Local Income Taxes						30
Other Taxes	173,363	247,313	362,710	322,555	324,144	31
Net Operating Income Before FIT	1,279,608	1,501,871	2,183,213	2,452,296	2,715,548	32
Investment Tax Credits - Net						33
Federal Income Taxes	(672,211)	(604,798)	115,944	1,432,749	790,412	34
Provision - Def. Operating Income Taxes - Net	759,041	732,830	648,181	27,857	(47,153)	35
Net Operating Income	\$1,192,778	\$1,373,839	\$1,419,088	\$991,690	\$1,972,289	36

**Frontier Communications of Seneca Gorham
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,**

	2011	2010	2009	2008	2007
37 Net Operating Income	\$1,192,778	\$1,373,839	\$1,419,088	\$991,690	\$1,972,289
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income					
39 Interest Income		3	178,928	550,123	643,511
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction	4,713	1,637	607	2,864	1,918
42 Gains/Losses - Disposal of Property					210
43 Equity in Earnings of Affiliated Companies					
44 Other Non-Operating Income				1,098,150	(1,098,150)
45 Special Charges	11,682	7,807	(7,248)	(5,434)	(5,726)
46 Total Non-Operating Income & Expenses	16,395	(6,167)	186,783	1,656,571	(446,785)
NON-OPERATING TAXES					
47 Federal Income Taxes	323,425	354,264	74,909		
48 Other					
49 Total Non-Operating Taxes	323,425	354,264	74,909		
50 Income Available Before Interest Charges	885,748	1,013,408	1,530,962	2,648,261	1,525,504
INTEREST CHARGES					
51 Interest on Funded Debt					
52 Other Interest Expense	44,364	39,977	35,919	(29,492)	90,389
53 Total Interest Charges	44,364	39,977	35,919	(29,492)	90,389
54 Income Before Extraordinary & Nonreg Items	841,384	973,431	1,495,043	2,677,753	1,435,115
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					
57 Total Extraordinary & Nonregulated Items					
58 Net Income	\$841,384	\$973,431	\$1,495,043	\$2,677,753	\$1,435,115
RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$2,169,989	\$5,196,558	\$3,701,515	\$4,023,762	\$4,688,643
60 Transferred from Income	841,384	973,431	1,495,043	2,677,753	1,435,115
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock	4,000,000	4,000,000		3,000,000	2,100,000
64 Adjustments					4
65 Ending Year Balance	(988,627)	2,169,989	5,196,558	3,701,515	4,023,762
66 Appropriated/Undistr Affiliate Retained Earnings					
67 Total Retained Earnings	(\$988,626)	\$2,169,989	\$5,196,558	\$3,701,515	\$4,023,762

**Frontier Communications of Sylvan Lake
Comparative Balance Sheet
For the Year Ended December 31,**

	2011	2010	2009	2008	2007
CURRENT ASSETS					
1 Cash and Temporary Cash Investments		(\$1,834)	\$2,364	(\$37,307)	\$11,046
2 Accounts Receivable (Net)	1,405,663	1,245,919	1,657,292	2,049,262	2,880,241
3 Current Deferred Income Taxes					
4 Other Current Assets	156,969	143,388	55,464	232,784	135,760
5 Total Current Assets	1,562,632	1,387,473	1,715,120	2,244,739	3,027,047
NON-CURRENT ASSETS					
6 Investments	5,357,876	15,375,945	13,560,376	13,195,202	12,214,064
7 Unamortized Debt Issuance Costs					
8 Deferred Charges	277,935	277,935	277,935	277,935	279,797
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes					
11 Other Non-Current Assets	(321,000)	(321,000)	(321,000)	(321,000)	(321,000)
12 Total Non-Current Assets	5,314,811	15,332,880	13,517,311	13,152,137	12,172,861
REGULATED PLANT					
13 Total Telecommunications Plant	52,792,752	52,401,697	52,058,963	51,756,513	51,444,011
14 Less: Accumulated Depr and Amort.	42,985,210	41,593,758	40,036,826	37,829,281	35,035,016
15 Net Regulated Plant	9,807,542	10,807,939	12,022,137	13,927,232	16,408,995
16 Total Assets & Other Debits	\$16,684,985	\$27,528,292	\$27,254,568	\$29,324,108	\$31,608,903
CURRENT LIABILITIES					
17 Accounts Payable	1,662,180	891,597	852,080	\$1,666,559	\$2,024,408
18 Notes Payable					
19 Advanced Billings	143,134	174,623	175,282	220,866	203,454
20 Customer Deposits	(31)	71	(70)		
21 Current Maturities - Long-Term Debt					
22 Current Deferred Income Taxes					
23 Other Current Liabilities	63,728	196,641	182,983	40,939	32,149
24 Total Current Liabilities	1,869,012	1,262,931	1,210,275	1,928,364	2,260,011
LONG-TERM DEBT					
25 Long-Term Debt					
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	2,637,741	2,466,051	2,294,361	2,022,343	2,607,926
28 Other Deferred Credits	120,700	120,841	108,610	113,690	119,692
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	295,176	390,541	481,374	492,513	481,143
31 Total Other Liab. and Def. Credits	3,053,618	2,977,433	2,884,346	2,628,545	3,208,761
STOCKHOLDER'S EQUITY					
32 Common Stock					
33 Preferred Stock					
34 Other Paid in Capital	12,654,368	12,654,368	12,654,368	12,654,368	12,654,368
35 Retained Earnings	(892,015)	10,633,560	10,505,580	12,112,831	13,485,763
36 Total Stockholder's Equity	11,762,353	23,287,928	23,159,948	24,767,199	26,140,131
37 Total Liab. and Stockholder's Equity	\$16,684,983	\$27,528,292	\$27,254,568	\$29,324,108	\$31,608,903

**Frontier Communications of Sylvan Lake
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,**

320 B

INCOME STATEMENT	2011	2010	2009	2008	2007	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$2,219,038	\$2,435,216	\$2,645,315	\$3,301,222	\$3,816,678	1
Network Access Services	2,877,278	2,649,631	3,516,169	3,881,625	4,589,889	2
Long Distance Network Services	(2,886)	(3,795)	(1,426)	(245)		3
Miscellaneous Revenues	2,105,052	2,390,587	2,657,856	3,072,353	3,737,616	4
Less: Uncollectible Revenues	98,549	85,108	(19,940)	61,024	103,698	5
Total Operating Revenues	7,099,933	7,386,531	8,837,853	10,193,931	12,040,485	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	63	10,323	13	156	81	7
General Support Expenses	414,946	388,493	410,988	477,892	565,756	8
Central Office Switching	1,036,736	1,068,022	1,040,431	1,176,652	1,340,831	9
Operator Systems Expense	5,144	6,383	4,999	4,038	4,080	10
Central Office Transmission	129,390	143,545	153,090	195,405	211,042	11
Info. Origination/Termination	324,453	312,277	327,585	376,852	395,562	12
Cable & Wire Facilities	370,580	409,828	425,586	510,711	427,439	13
Total Plant Specific Operations	2,281,312	2,338,872	2,362,693	2,741,707	2,944,791	14
Other Plant, Property & Equipment	(21)	3	135	280	6	15
Network Operations	335,144	454,217	543,008	604,119	658,382	16
Access Expense	204,725	214,620	198,740	205,248	246,667	17
Depreciation and Amortization	1,589,673	1,806,573	2,514,667	3,059,689	3,034,273	18
Total Plant Non-Specific Operations	2,129,521	2,475,412	3,256,550	3,869,337	3,939,328	19
Marketing Expense	249,466	274,189	254,646	253,561	361,698	20
Services Expense	667,838	611,595	607,655	664,695	936,145	21
Total Customer Operations	917,304	885,784	862,301	918,256	1,297,843	22
Executive & Planning	98,536	172,562	101,865	80,575	118,128	23
General & Administrative	635,067	763,726	537,485	527,683	504,048	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	733,603	936,288	639,351	608,258	622,176	27
Total Operations Expense	6,061,740	6,636,356	7,120,894	8,137,558	8,804,138	28
Other Operating Income & Expenses						29
State & Local Income Taxes						30
Other Taxes	358,582	596,289	688,435	587,721	689,201	31
Net Operating Income Before FIT	679,611	153,886	1,028,524	1,468,653	2,547,146	32
Investment Tax Credits - Net						33
Federal Income Taxes	(3,236,335)	(2,382,196)	98,516	674,126	1,051,326	34
Provision - Def. Operating Income Taxes - Net	3,148,095	2,017,286	265,687	232,594	155,445	35
Net Operating Income	\$767,851	\$518,796	\$664,321	\$561,933	\$1,340,375	36

**Frontier Communications of Sylvan Lake
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,**

	2011	2010	2009	2008	2007
37 Net Operating Income	\$767,851	\$518,796	\$664,321	\$561,933	\$1,340,375
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income					
39 Interest Income					
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction	6,071	2,301	3,024	801	129
42 Gains/Losses - Disposal of Property					371
43 Equity in Earnings of Affiliated Companies					
44 Other Non-Operating Income	6,828				
45 Special Charges	(3)	(866)	(3,004)	(1,107)	(2,597)
46 Total Non-Operating Income & Expenses	12,896	3,167	6,028	1,908	3,097
NON-OPERATING TAXES					
47 Federal Income Taxes	282,093	370,410	169,296		
48 Other					
49 Total Non-Operating Taxes	282,093	370,410	169,296		
50 Income Available Before Interest Charges	498,654	151,553	501,053	563,841	1,343,472
INTEREST CHARGES					
51 Interest on Funded Debt				8,813	
52 Other Interest Expense	24,231	21,841	(391,696)	(1,072,039)	(995,958)
53 Total Interest Charges	24,231	21,841	(391,696)	(1,063,226)	(995,958)
54 Income Before Extraordinary & Nonreg Items	474,423	129,712	892,749	1,627,068	2,339,430
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues	931,727	1,196,488			
57 Total Extraordinary & Nonregulated Items	931,727	1,196,488			
58 Net Income	\$1,406,150	\$1,326,200	\$892,749	\$1,627,068	\$2,339,430
RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$10,633,560	\$10,505,580	\$12,112,831	\$13,485,763	\$14,146,333
60 Transferred from Income	474,423	127,981	892,749	1,627,068	2,339,430
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock			2,500,000	3,000,000	3,000,000
64 Adjustments	(636,786)				
65 Ending Year Balance	10,471,197	10,633,560	10,505,580	12,112,831	13,485,763
66 Appropriated/Undistr Affiliate Retained Earnings					
67 Total Retained Earnings	\$10,471,197	\$10,633,560	\$10,505,580	\$12,112,831	\$13,485,763

Germantown Telephone Company, Inc.
Comparative Balance Sheet
For the Year Ended December 31,

	2011	2010	2009	2008	2007
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$396,269	\$512,507	\$655,921	\$713,039	\$1,446,909
2 Accounts Receivable (Net)	413,398	275,418	301,731	354,790	378,628
3 Current Deferred Income Taxes	3,164	4,162	4,949	4,748	4,380
4 Other Current Assets	198,932	177,190	229,208	235,458	180,501
5 Total Current Assets	1,011,764	969,277	1,191,809	1,308,035	2,010,418
NON-CURRENT ASSETS					
6 Investments	4,342,488	4,420,858	4,421,010	4,330,392	3,128,540
7 Unamortized Debt Issuance Costs					
8 Deferred Charges					
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes	766,000	557,604	408,627	382,579	327,330
11 Other Non-Current Assets	2,002,912	1,904,925	1,800,435	1,672,980	1,720,444
12 Total Non-Current Assets	7,111,400	6,883,387	6,630,072	6,385,950	5,176,314
REGULATED PLANT					
13 Total Telecommunications Plant	9,110,923	9,241,224	10,012,848	9,785,946	9,591,609
14 Less: Accumulated Depr and Amort.	5,871,426	5,948,867	7,257,391	7,006,276	6,744,192
15 Net Regulated Plant	3,239,497	3,292,357	2,755,458	2,779,670	2,847,417
16 Total Assets & Other Debits	\$11,362,660	\$11,145,022	\$10,577,340	\$10,473,656	\$10,034,149
CURRENT LIABILITIES					
17 Accounts Payable	\$1,412,450	\$1,091,940	\$392,078	\$619,449	\$221,306
18 Notes Payable					
19 Advanced Billings	20,704	23,080	21,776	22,671	34,866
20 Customer Deposits					
21 Current Maturities - Long-Term Debt					
22 Current Deferred Income Taxes					
23 Other Current Liabilities	(246,700)	(188,425)	(102,303)	(344,678)	(81,116)
24 Total Current Liabilities	1,186,453	926,595	311,552	297,443	175,057
LONG-TERM DEBT					
25 Long-Term Debt					
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	623,474	481,901	204,607	120,458	135,964
28 Other Deferred Credits	9,306	12,240	14,556	13,965	12,880
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	1,643,223	1,283,562	1,264,572	1,268,425	1,224,537
31 Total Other Liab. and Def. Credits	2,276,003	1,777,703	1,483,734	1,402,848	1,373,381
STOCKHOLDER'S EQUITY					
32 Common Stock	80,000	80,000	80,000	80,000	80,000
33 Preferred Stock					
34 Other Paid in Capital	(222,587)	4,662	41,397	(37,772)	30,389
35 Retained Earnings	8,042,791	8,356,062	8,660,657	8,731,138	8,375,322
36 Total Stockholder's Equity	7,900,204	8,440,724	8,782,054	8,773,366	8,485,711
37 Total Liab. and Stockholder's Equity	\$11,362,660	\$11,145,022	\$10,577,340	\$10,473,656	\$10,034,149

Germantown Telephone Company, Inc.
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2011	2010	2009	2008	2007	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$640,643	\$611,371	\$494,763	\$459,747	\$448,343	1
Network Access Services	1,555,873	1,478,905	1,807,387	1,853,602	2,173,390	2
Long Distance Network Services						3
Miscellaneous Revenues	278,481	306,960	305,165	331,517	317,537	4
Less: Uncollectible Revenues	5,037	1,072	(2,527)	(2,351)	(3,885)	5
Total Operating Revenues	2,469,960	2,396,164	2,609,842	2,647,217	2,943,156	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	6,443	7,282	6,018	9,111	9,643	7
General Support Expenses	278,861	289,976	276,979	268,327	303,040	8
Central Office Switching	371,568	281,198	207,770	272,285	238,020	9
Operator Systems Expense						10
Central Office Transmission	70,860	64,337	93,218	129,805	90,962	11
Info. Origination/Termination	36,613	23,629	22,368	22,757	11,837	12
Cable & Wire Facilities	108,466	100,066	84,891	109,364	131,348	13
Total Plant Specific Operations	872,811	766,487	691,244	811,650	784,851	14
Other Plant, Property & Equipment						15
Network Operations	287,736	299,198	312,789	379,665	327,887	16
Access Expense	66,540	66,898	54,506	40,820	35,579	17
Depreciation and Amortization	292,802	231,857	455,215	581,178	573,361	18
Total Plant Non-Specific Operations	647,078	597,953	822,511	1,001,662	936,827	19
Marketing Expense	85,671	103,513	61,470	39,909	37,096	20
Services Expense	177,346	190,628	195,727	278,028	296,624	21
Total Customer Operations	263,017	294,140	257,197	317,937	333,720	22
Executive & Planning	271,180	276,079	262,998	310,576	266,559	23
General & Administrative	730,448	702,327	768,489	808,641	791,497	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	1,001,628	978,406	1,031,487	1,119,217	1,058,057	27
Total Operations Expense	2,784,534	2,636,986	2,802,438	3,250,465	3,113,454	28
Other Operating Income & Expenses						29
State & Local Income Taxes						30
Other Taxes	116,049	118,004	122,559	116,216	124,354	31
Net Operating Income Before FIT	(430,623)	(358,827)	(315,155)	(719,465)	(294,652)	32
Investment Tax Credits - Net						33
Federal Income Taxes	(269,817)	(239,402)	(114,042)	(211,883)	(71,247)	34
Provision - Def. Operating Income Taxes - Net	136,836	148,028	85,259	(35,129)	(50,198)	35
Net Operating Income	(\$297,642)	(\$267,453)	(\$286,372)	(\$472,453)	(\$173,207)	36

Germantown Telephone Company, Inc.
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2011	2010	2009	2008	2007
37 Net Operating Income	(\$297,642)	(\$267,453)	(\$286,372)	(\$472,453)	(\$173,207)
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income	1,076	2,366	14,980	42,039	47,903
39 Interest Income	12,764	13,256	2,140	17,062	47,577
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction					
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies	(78,370)	(152)	90,619	1,201,852	132,677
44 Other Non-Operating Income	2,370	69,287	(21,623)	(150,379)	52,687
45 Special Charges	(56,387)	(57,729)	(63,120)	67,228	84,706
46 Total Non-Operating Income & Expenses	(5,773)	142,486	149,235	1,043,345	196,139
NON-OPERATING TAXES					
47 Federal Income Taxes	859	23,628	(78,887)	(46,923)	36,451
48 Other					
49 Total Non-Operating Taxes	859	23,628	(78,887)	(46,923)	36,451
50 Income Available Before Interest Charges	(304,274)	(148,595)	(58,250)	617,816	(13,519)
INTEREST CHARGES					
51 Interest on Funded Debt					17,710
52 Other Interest Expense			233		4,735
53 Total Interest Charges			233		22,445
54 Income Before Extraordinary & Nonreg Items	(304,274)	(148,595)	(58,483)	617,816	(35,964)
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					
57 Total Extraordinary & Nonregulated Items					
58 Net Income	(\$304,274)	(\$148,595)	(\$58,483)	\$617,816	(\$35,964)
RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$6,460,954	\$6,765,397	\$6,926,498	\$7,772,533	\$7,957,601
60 Transferred from Income	(225,903)	(148,443)	(149,100)	(584,035)	(168,641)
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock	9,000	156,000	12,000	262,000	16,427
64 Adjustments					
65 Ending Year Balance	6,226,051	6,460,954	6,765,397	6,926,498	7,772,533
66 Appropriated/Undistr Affiliate Retained Earnings	1,816,738	1,895,108	1,895,260	1,804,641	602,789
67 Total Retained Earnings	\$8,042,789	\$8,356,062	\$8,660,657	\$8,731,138	\$8,375,322

**Hancock Telephone Company
Comparative Balance Sheet
For the Year Ended December 31,**

	2011	2010	2009	2008	2007
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$101,924	\$60,349	\$155,050	\$148,155	\$220,129
2 Accounts Receivable (Net)	139,074	166,688	168,068	186,941	187,421
3 Current Deferred Income Taxes	70,960	8,941	8,291	8,636	9,002
4 Other Current Assets	1,333,561	1,234,557	1,172,783	1,069,303	978,893
5 Total Current Assets	1,645,519	1,470,535	1,504,192	1,413,035	1,395,445
NON-CURRENT ASSETS					
6 Investments	1,598,630	1,489,272	1,459,304	1,458,714	1,406,713
7 Unamortized Debt Issuance Costs		985	2,221	3,457	4,693
8 Deferred Charges					
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes	467,501	560,132	566,707	455,210	433,124
11 Other Non-Current Assets					
12 Total Non-Current Assets	2,066,131	2,050,389	2,028,232	1,917,381	1,844,530
REGULATED PLANT					
13 Total Telecommunications Plant	5,166,639	5,296,924	5,236,759	5,734,818	5,335,420
14 Less: Accumulated Depr and Amort.	4,015,865	3,885,735	3,629,725	3,937,556	3,638,676
15 Net Regulated Plant	1,150,774	1,411,189	1,607,034	1,797,262	1,696,744
16 Total Assets & Other Debits	\$4,862,424	\$4,932,113	\$5,139,458	\$5,127,678	\$4,936,719
CURRENT LIABILITIES					
17 Accounts Payable	999,184	\$994,100	\$867,140	\$1,094,491	\$654,917
18 Notes Payable	386,000	436,000	410,000		
19 Advanced Billings					
20 Customer Deposits	140				
21 Current Maturities - Long-Term Debt	6,421	55,825	122,879	130,247	121,369
22 Current Deferred Income Taxes					
23 Other Current Liabilities	128,594	(123,178)	(51,806)	(53,737)	(53,929)
24 Total Current Liabilities	1,520,339	1,362,747	1,348,213	1,171,001	722,357
LONG-TERM DEBT					
25 Long-Term Debt	29,767	25,041	80,751	203,867	334,337
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	169,555	226,573	250,193	210,319	244,703
28 Other Deferred Credits	827,616	835,228	838,762	833,619	826,717
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	310,192	485,524	472,087	459,679	448,222
31 Total Other Liab. and Def. Credits	1,307,363	1,547,325	1,561,042	1,503,617	1,519,642
STOCKHOLDER'S EQUITY					
32 Common Stock	60,000	60,000	60,000	60,000	60,000
33 Preferred Stock					
34 Other Paid in Capital	(950,752)	(950,752)	(950,752)	(950,752)	(950,752)
35 Retained Earnings	2,895,707	2,887,752	3,040,204	3,139,945	3,251,135
36 Total Stockholder's Equity	2,004,955	1,997,000	2,149,452	2,249,193	2,360,383
37 Total Liab. and Stockholder's Equity	\$4,862,424	\$4,932,113	\$5,139,458	\$5,127,678	\$4,936,719

Hancock Telephone Company
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2011	2010	2009	2008	2007	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$351,851	\$337,473	\$328,758	\$347,581	\$370,193	1
Network Access Services	1,173,285	1,254,363	1,381,003	1,477,706	1,446,553	2
Long Distance Network Services	139	127	259	1,225	2,481	3
Miscellaneous Revenues	87,440	97,827	100,972	77,632	77,467	4
Less: Uncollectible Revenues	34	1,200	1,200	8,200	1,200	5
Total Operating Revenues	1,612,681	1,688,590	1,809,792	1,895,944	1,895,494	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	14,937	12,723	12,569	15,099	15,716	7
General Support Expenses	63,030	70,040	89,577	99,509	88,445	8
Central Office Switching	306,978	347,837	322,735	374,543	323,797	9
Operator Systems Expense						10
Central Office Transmission	512	1,415	698			11
Info. Origination/Termination						12
Cable & Wire Facilities	242,545	304,252	300,111	317,486	296,793	13
Total Plant Specific Operations	628,002	736,267	725,690	806,637	724,751	14
Other Plant, Property & Equipment						15
Network Operations	38,362	51,819	39,336	37,903	19,234	16
Access Expense	39,126	38,515	30,597	13,959	41,412	17
Depreciation and Amortization	242,660	255,104	281,275	299,759	297,837	18
Total Plant Non-Specific Operations	320,148	345,438	351,208	351,621	358,483	19
Marketing Expense	10,643	12,912	19,086	18,936	24,082	20
Services Expense	135,731	140,903	148,157	159,810	154,746	21
Total Customer Operations	146,374	153,815	167,243	178,746	178,828	22
Executive & Planning	264,341	290,252	295,251	346,932	392,649	23
General & Administrative	367,327	364,577	346,237	349,616	353,951	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	631,668	654,829	641,488	696,548	746,600	27
Total Operations Expense	1,726,192	1,890,349	1,885,629	2,033,552	2,008,662	28
Other Operating Income & Expenses						29
State & Local Income Taxes						30
Other Taxes	78,015	84,852	90,236	92,804	89,365	31
Net Operating Income Before FIT	(191,526)	(286,611)	(166,073)	(230,412)	(202,533)	32
Investment Tax Credits - Net						33
Federal Income Taxes				(31,500)	(47,900)	34
Provision - Def. Operating Income Taxes - Net	(89,590)	(112,772)	(74,185)	(59,611)	(17,510)	35
Net Operating Income	(\$101,936)	(\$173,839)	(\$91,888)	(\$139,301)	(\$137,123)	36

Hancock Telephone Company
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2011	2010	2009	2008	2007
37 Net Operating Income	(\$101,936)	(\$173,839)	(\$91,888)	(\$139,301)	(\$137,123)
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income				4,568	29,159
39 Interest Income	327	492	3,469		7,857
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction					
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies	109,358	29,968	590	60,254	41,420
44 Other Non-Operating Income				9,511	
45 Special Charges	(23,639)	(16,013)	(16,249)		9,755
46 Total Non-Operating Income & Expenses	133,324	46,473	20,308	74,333	68,681
NON-OPERATING TAXES					
47 Federal Income Taxes	2,739	1,413	(2,345)	(418)	4,670
48 Other					
49 Total Non-Operating Taxes	2,739	1,413	(2,345)	(418)	4,670
50 Income Available Before Interest Charges	28,649	(128,779)	(69,235)	(64,550)	(73,112)
INTEREST CHARGES					
51 Interest on Funded Debt	3,405	9,605	19,020	27,944	36,224
52 Other Interest Expense	17,289	14,068	11,486	1,236	1,236
53 Total Interest Charges	20,694	23,673	30,506	29,180	37,460
54 Income Before Extraordinary & Nonreg Items	7,955	(152,452)	(99,741)	(93,730)	(110,572)
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					
57 Total Extraordinary & Nonregulated Items					
58 Net Income	\$7,955	(\$152,452)	(\$99,741)	(\$93,730)	(\$110,572)

RETAINED EARNINGS STATEMENT

Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$1,404,991	\$1,587,411	\$1,687,742	\$1,859,186	\$2,028,638
60 Transferred from Income	(101,403)	(182,420)	(100,331)	(153,984)	(151,992)
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock				17,460	17,460
64 Adjustments					
65 Ending Year Balance	1,303,588	1,404,991	1,587,411	1,687,742	1,859,186
66 Appropriated/Undistr Affiliate Retained Earnings	1,592,119	1,482,761	1,452,793	1,452,203	1,391,949
67 Total Retained Earnings	\$2,895,707	\$2,887,752	\$3,040,204	\$3,139,945	\$3,251,135

Margaretville Telephone Co., Inc.
Comparative Balance Sheet
For the Year Ended December 31,

	2011	2010	2009	2008	2007
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$372,968	\$339,775	\$496,567	\$647,987	\$935,351
2 Accounts Receivable (Net)	433,546	525,788	481,655	614,040	421,999
3 Current Deferred Income Taxes	5,739	5,236	4,691	4,365	3,703
4 Other Current Assets	219,157	213,816	208,939	215,433	191,341
5 Total Current Assets	1,031,410	1,084,615	1,191,852	1,481,825	1,552,394
NON-CURRENT ASSETS					
6 Investments	3,136,320	2,910,987	3,314,176	3,600,113	3,031,521
7 Unamortized Debt Issuance Costs	2,066	2,409	2,923	3,437	3,951
8 Deferred Charges					
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes	157,863	74,834	80,294	84,807	85,510
11 Other Non-Current Assets	998,900	897,553	785,343	676,760	579,165
12 Total Non-Current Assets	4,295,149	3,885,783	4,182,736	4,365,117	3,700,147
REGULATED PLANT					
13 Total Telecommunications Plant	12,522,868	12,391,830	12,201,727	12,046,928	11,782,145
14 Less: Accumulated Depr and Amort.	10,415,885	10,073,838	9,649,813	9,326,696	8,967,713
15 Net Regulated Plant	2,106,983	2,317,992	2,551,914	2,720,232	2,814,432
16 Total Assets & Other Debits	\$7,433,542	\$7,288,390	\$7,926,502	\$8,567,174	\$8,066,973
CURRENT LIABILITIES					
17 Accounts Payable	\$101,829	\$96,409	\$108,606	\$105,475	\$123,823
18 Notes Payable	185,000				
19 Advanced Billings	19,758	23,532	24,318	26,454	28,092
20 Customer Deposits					
21 Current Maturities - Long-Term Debt					
22 Current Deferred Income Taxes					
23 Other Current Liabilities	203,277	36,911	36,872	402,083	347,783
24 Total Current Liabilities	509,864	156,852	169,796	534,012	499,698
LONG-TERM DEBT					
25 Long-Term Debt	105,130	128,294	160,153	241,280	318,851
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	144,035	147,540	175,699	177,853	138,261
28 Other Deferred Credits	220,861	235,507	249,963	262,279	262,395
29 Other Jurisdictional Differences - Net					
30 Other Liabilities					
31 Total Other Liab. and Def. Credits	364,896	383,047	425,662	440,132	400,656
STOCKHOLDER'S EQUITY					
32 Common Stock	130,000	130,000	130,000	130,000	130,000
33 Preferred Stock					
34 Other Paid in Capital	6,025	7,973	5,887	5,527	16,856
35 Retained Earnings	6,317,627	6,482,224	7,035,004	7,216,223	6,700,912
36 Total Stockholder's Equity	6,453,652	6,620,197	7,170,891	7,351,750	6,847,768
37 Total Liab. and Stockholder's Equity	\$7,433,542	\$7,288,390	\$7,926,502	\$8,567,174	\$8,066,973

Margaretville Telephone Co., Inc.
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2011	2010	2009	2008	2007	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$646,105	\$656,379	\$649,016	\$640,228	\$665,201	1
Network Access Services	1,261,328	1,240,315	1,381,321	1,477,878	1,630,620	2
Long Distance Network Services						3
Miscellaneous Revenues	344,405	349,042	376,609	363,924	397,925	4
Less: Uncollectible Revenues					6,000	5
Total Operating Revenues	2,251,838	2,245,736	2,406,946	2,482,030	2,687,746	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses		1,096	1,307	2,178	10,580	7
General Support Expenses	196,635	102,314	100,681	121,920	102,700	8
Central Office Switching	91,360	84,846	97,154	112,623	108,137	9
Operator Systems Expense						10
Central Office Transmission	126,247	125,622	135,975	123,064	117,216	11
Info. Origination/Termination	24,182	20,916	17,543	18,701	18,687	12
Cable & Wire Facilities	200,966	135,860	142,610	144,622	179,937	13
Total Plant Specific Operations	639,390	470,654	495,270	523,108	537,257	14
Other Plant, Property & Equipment						15
Network Operations	197,845	176,183	164,041	148,739	177,768	16
Access Expense	56,218	54,746	44,053	47,280	45,459	17
Depreciation and Amortization	414,780	464,658	420,705	473,546	518,328	18
Total Plant Non-Specific Operations	668,843	695,587	628,799	669,565	741,555	19
Marketing Expense	7,307	13,396	12,248	14,192	14,292	20
Services Expense	330,309	333,661	379,801	416,173	351,090	21
Total Customer Operations	337,616	347,057	392,049	430,365	365,382	22
Executive & Planning	358,237	352,480	354,200	405,539	331,094	23
General & Administrative	424,982	385,897	420,900	474,778	531,738	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	783,219	738,377	775,100	880,317	862,832	27
Total Operations Expense	2,429,068	2,251,675	2,291,218	2,503,355	2,507,026	28
Other Operating Income & Expenses						29
State & Local Income Taxes						30
Other Taxes	117,527	120,944	122,649	138,587	156,555	31
Net Operating Income Before FIT	(294,757)	(126,883)	(6,921)	(159,912)	24,165	32
Investment Tax Credits - Net						33
Federal Income Taxes	(10,412)	(21,113)	(4,722)	(102,047)	30,539	34
Provision - Def. Operating Income Taxes - Net	(86,033)	(24,319)	1,848	45,470	(5,405)	35
Net Operating Income	(\$198,312)	(\$81,451)	(\$4,047)	(\$103,335)	(\$969)	36

Margaretville Telephone Co., Inc.
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2011	2010	2009	2008	2007
37 Net Operating Income	(\$198,312)	(\$81,451)	(\$4,047)	(\$103,335)	(\$969)
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income	259	204	185	167	334
39 Interest Income	1,226	1,321	3,209	13,622	35,464
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction					
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies	245,967	127,555	112,093	848,881	170,421
44 Other Non-Operating Income	17,986	23,451	19,759	8,771	36,965
45 Special Charges	4,170	5,278	6,165	5,580	16,825
46 Total Non-Operating Income & Expenses	261,268	147,253	129,081	865,861	226,359
NON-OPERATING TAXES					
47 Federal Income Taxes	(974)	(1,303)	(646)	2,507	16,116
48 Other					
49 Total Non-Operating Taxes	(974)	(1,303)	(646)	2,507	16,116
50 Income Available Before Interest Charges	63,930	67,105	125,680	760,019	209,274
INTEREST CHARGES					
51 Interest on Funded Debt	6,974	6,899	9,832	13,900	17,640
52 Other Interest Expense	(5,947)	(5,717)	(2,933)	3,308	18,020
53 Total Interest Charges	1,027	1,182	6,899	17,208	35,660
54 Income Before Extraordinary & Nonreg Items	62,903	65,923	118,781	742,811	173,614
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					
57 Total Extraordinary & Nonregulated Items					
58 Net Income	\$62,903	\$65,923	\$118,781	\$742,811	\$173,614

RETAINED EARNINGS STATEMENT

Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$5,909,212	\$6,589,547	\$6,882,859	\$7,216,429	\$7,440,736
60 Transferred from Income	(183,064)	(61,632)	6,688	(106,070)	3,193
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock	227,500	618,703	300,000	227,500	227,500
64 Adjustments					
65 Ending Year Balance	5,498,648	5,909,212	6,589,547	6,882,859	7,216,429
66 Appropriated/Undistr Affiliate Retained Earnings	818,979	573,012	445,457	333,364	(515,517)
67 Total Retained Earnings	\$6,317,627	\$6,482,224	\$7,035,004	\$7,216,223	\$6,700,912

**Middleburgh Telephone Company
Comparative Balance Sheet
For the Year Ended December 31,**

	2011	2010	2009	2008	2007
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$957,408	\$1,179,530	\$1,585,978	\$2,111,275	\$2,542,323
2 Accounts Receivable (Net)	591,925	749,596	989,556	1,003,874	844,127
3 Current Deferred Income Taxes	17,760	16,396	14,960	13,517	12,070
4 Other Current Assets	440,648	443,780	342,914	285,686	300,924
5 Total Current Assets	2,007,741	2,389,302	2,933,408	3,414,352	3,699,444
NON-CURRENT ASSETS					
6 Investments	1,777,967	1,866,093	1,987,814	2,096,673	2,168,372
7 Unamortized Debt Issuance Costs	4,636	5,199	5,774	6,478	7,181
8 Deferred Charges					
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes	1,376,408	951,950	692,016	705,336	703,387
11 Other Non-Current Assets	1,416,690	1,416,690	1,416,690	1,416,690	1,416,690
12 Total Non-Current Assets	4,575,701	4,239,932	4,102,294	4,225,177	4,295,630
REGULATED PLANT					
13 Total Telecommunications Plant	23,907,710	23,248,706	22,185,653	21,301,335	20,688,636
14 Less: Accumulated Depr and Amort.	18,516,868	17,847,674	17,136,424	16,510,528	15,751,168
15 Net Regulated Plant	5,390,842	5,401,032	5,049,229	4,790,807	4,937,468
16 Total Assets & Other Debits	\$11,974,284	\$12,030,266	\$12,084,931	\$12,430,336	\$12,932,542
CURRENT LIABILITIES					
17 Accounts Payable	\$326,970	\$260,815	\$215,709	\$260,964	\$240,030
18 Notes Payable					
19 Advanced Billings	(73)				
20 Customer Deposits					
21 Current Maturities - Long-Term Debt					
22 Current Deferred Income Taxes					
23 Other Current Liabilities	169,763	(63,409)	71,918	(78,000)	57,405
24 Total Current Liabilities	496,660	197,406	287,627	182,964	297,435
LONG-TERM DEBT					
25 Long-Term Debt	1,048,844	1,126,773	1,199,096	1,483,962	1,755,110
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	722,204	521,432	244,275	163,296	48,705
28 Other Deferred Credits	1,415,693	1,465,483	1,486,510	1,494,272	1,441,280
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	586,110	537,796	492,828	520,000	563,000
31 Total Other Liab. and Def. Credits	2,724,007	2,524,711	2,223,613	2,177,568	2,052,985
STOCKHOLDER'S EQUITY					
32 Common Stock	64,200	64,200	64,200	64,200	64,200
33 Preferred Stock					
34 Other Paid in Capital	(840,336)	(840,336)	(840,336)	(840,336)	(840,336)
35 Retained Earnings	8,480,909	8,957,512	9,150,731	9,361,978	9,603,148
36 Total Stockholder's Equity	7,704,773	8,181,376	8,374,595	8,585,842	8,827,012
37 Total Liab. and Stockholder's Equity	\$11,974,284	\$12,030,266	\$12,084,931	\$12,430,336	\$12,932,542

Middleburgh Telephone Company
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2011	2010	2009	2008	2007	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$972,453	\$64,200	\$1,076,429	\$1,131,327	\$1,214,372	1
Network Access Services	2,917,962		3,002,508	3,074,457	3,943,387	2
Long Distance Network Services		(840,336)				3
Miscellaneous Revenues	519,563	8,957,512	561,677	568,938	582,192	4
Less: Uncollectible Revenues	150,200	106,525	71,550	104,325	23,800	5
Total Operating Revenues	4,259,778	8,074,851	4,569,064	4,670,397	5,716,151	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	17,403	14,694	14,091	19,042	16,041	7
General Support Expenses	194,560	227,325	279,254	240,523	223,214	8
Central Office Switching	281,965	186,702	221,500	190,735	198,743	9
Operator Systems Expense						10
Central Office Transmission	168,579	207,829	187,012	240,250	242,860	11
Info. Origination/Termination	36,401	22,269	26,392	27,113	46,284	12
Cable & Wire Facilities	318,766	223,818	273,043	256,916	208,985	13
Total Plant Specific Operations	1,017,674	882,637	1,001,292	974,579	936,127	14
Other Plant, Property & Equipment	2,359	1,617	2,075	2,524	2,789	15
Network Operations	273,232	285,153	254,335	291,574	285,989	16
Access Expense	123,002	116,622	92,734	94,811	86,505	17
Depreciation and Amortization	1,045,487	753,199	841,381	920,907	1,550,327	18
Total Plant Non-Specific Operations	1,444,080	1,156,591	1,190,525	1,309,816	1,925,610	19
Marketing Expense	22,799	38,374	36,912	36,641	36,083	20
Services Expense	369,816	470,070	462,404	501,538	499,388	21
Total Customer Operations	392,615	508,444	499,316	538,179	535,471	22
Executive & Planning	561,870	599,628	495,975	472,838	463,810	23
General & Administrative	764,275	700,589	786,755	791,394	791,716	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	1,326,145	1,300,217	1,282,730	1,264,232	1,255,526	27
Total Operations Expense	4,180,514	3,847,889	3,973,863	4,086,806	4,652,734	28
Other Operating Income & Expenses						29
State & Local Income Taxes						30
Other Taxes	310,904	301,695	310,325	319,357	325,835	31
Net Operating Income Before FIT	(231,640)	3,925,267	284,876	264,234	737,582	32
Investment Tax Credits - Net						33
Federal Income Taxes			(11,893)	(57,205)	424,761	34
Provision - Def. Operating Income Taxes - Net	(88,131)	64,639	85,886	113,775	(276,535)	35
Net Operating Income	(\$143,509)	\$3,860,628	\$210,883	\$207,664	\$589,356	36

Middleburgh Telephone Company
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2011	2010	2009	2008	2007
37 Net Operating Income	(\$143,509)	\$3,860,628	\$210,883	\$207,664	\$589,356
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income					74,015
39 Interest Income	2,756	6,412	11,228	48,842	95,740
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction					
42 Gains/Losses - Disposal of Property			(164)	(218)	(766)
43 Equity in Earnings of Affiliated Companies	(67,857)	(121,721)	(108,695)	(71,481)	(229,225)
44 Other Non-Operating Income	(129,229)	(109,578)	(122,929)	(163,868)	(148,683)
45 Special Charges	17,903	45,585	42,062	44,234	56,933
46 Total Non-Operating Income & Expenses	(212,233)	(270,472)	(262,622)	(230,959)	(265,852)
NON-OPERATING TAXES					
47 Federal Income Taxes	(40,985)	(48,852)	(50,985)	(52,690)	(3,093)
48 Other					
49 Total Non-Operating Taxes	(40,985)	(48,852)	(50,985)	(52,690)	(3,093)
50 Income Available Before Interest Charges	(314,757)	3,639,008	(754)	29,395	326,597
INTEREST CHARGES					
51 Interest on Funded Debt	81,860	87,477	97,828	113,219	127,841
52 Other Interest Expense	(18,614)	4,440	14,065	58,746	24,290
53 Total Interest Charges	63,246	91,917	111,893	171,965	152,131
54 Income Before Extraordinary & Nonreg Items	(378,003)	3,547,091	(112,647)	(142,570)	174,466
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					
57 Total Extraordinary & Nonregulated Items					
58 Net Income	(\$378,003)	\$3,547,091	(\$112,647)	(\$142,570)	\$174,466
RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$10,770,240	\$10,841,738	\$10,944,290	\$11,113,979	\$10,808,888
60 Transferred from Income	(310,146)	27,102	(3,952)	(71,089)	403,691
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock	98,600	98,600	98,600	98,600	98,600
64 Adjustments					
65 Ending Year Balance	10,361,494	10,770,240	10,841,738	10,944,290	11,113,979
66 Appropriated/Undistr Affiliate Retained Earnings	(1,880,585)	(1,812,728)	(1,691,007)	(1,582,312)	(1,510,831)
67 Total Retained Earnings	\$8,480,909	\$8,957,512	\$9,150,731	\$9,361,978	\$9,603,148

**New York Telephone Company
Comparative Balance Sheet
For the Year Ended December 31,**

	2011	2010	2009	2008	2007
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$5,265,453	(\$0)	\$258,820	\$1,231,034	\$467,674,475
2 Accounts Receivable (Net)	838,899,803	846,650,940	884,593,642	1,206,502,066	985,103,589
3 Current Deferred Income Taxes					
4 Other Current Assets	123,012,423	124,125,273	176,410,882	259,698,305	227,899,456
5 Total Current Assets	967,177,679	970,776,212	1,061,263,345	1,467,431,405	1,680,677,520
NON-CURRENT ASSETS					
6 Investments	439,357,149	436,712,627	531,841,230	366,333,851	341,373,640
7 Unamortized Debt Issuance Costs	5,144,330	6,103,024	6,962,850	7,874,213	10,608,440
8 Deferred Charges	97,493,072	83,232,170	89,836,693	89,679,857	119,410,987
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes					
11 Other Non-Current Assets	248,439,490	471,549,127	490,517,661	499,756,555	470,226,146
12 Total Non-Current Assets	790,434,041	997,596,948	1,119,158,435	963,644,475	941,619,213
REGULATED PLANT					
13 Total Telecommunications Plant	29,803,697,976	29,685,669,682	31,318,953,310	30,542,103,959	30,084,568,137
14 Less: Accumulated Depr and Amort.	19,187,261,951	19,126,125,850	20,840,004,083	20,202,690,437	19,735,045,854
15 Net Regulated Plant	10,616,436,025	10,559,543,832	10,478,949,227	10,339,413,522	10,349,522,283
16 Total Assets & Other Debits	\$12,374,047,745	\$12,527,916,992	\$12,659,371,007	\$12,770,489,402	\$12,971,819,017
CURRENT LIABILITIES					
17 Accounts Payable	\$554,561,533	516,354,150	\$498,764,485	\$868,104,167	\$820,003,636
18 Notes Payable	5,437,338,477	3,618,653,984	3,300,469,580	2,848,778,251	2,063,434,446
19 Advanced Billings	169,589,740	159,344,984	152,987,435	156,225,854	156,416,804
20 Customer Deposits	3,445,603	7,960,651	7,404,707	6,812,793	7,689,435
21 Current Maturities - Long-Term Debt	1,319,039	1,278,124	401,121,571	1,131,206	251,667,136
22 Current Deferred Income Taxes	(331,683,644)	(103,614,791)	(96,139,144)	(118,139,133)	33,435,279
23 Other Current Liabilities	159,723,435	414,784,399	542,387,579	600,762,946	616,236,537
24 Total Current Liabilities	5,994,294,183	4,614,761,501	4,806,996,212	4,363,676,084	3,948,883,272
LONG-TERM DEBT					
25 Long-Term Debt	1,250,713,781	2,250,735,680	2,251,102,617	2,649,688,104	2,651,160,078
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC	14,043,807	16,787,001	17,369,153	19,180,550	21,100,262
27 Non-Current Deferred Taxes	123,973,310	269,720,558	86,850,059	(20,427,301)	11,887,783
28 Other Deferred Credits	203,898,912	283,425,357	253,118,877	149,974,328	289,861,711
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	7,157,677,788	5,945,289,620	4,473,303,329	4,404,599,235	3,984,336,727
31 Total Other Liab. and Def. Credits	7,499,593,817	6,515,222,536	4,830,641,417	4,553,326,812	4,307,186,483
STOCKHOLDER'S EQUITY					
32 Common Stock	1,000,010	1,000,010	1,000,010	1,000,010	1,000,010
33 Preferred Stock				-	
34 Other Paid in Capital	4,365,667,928	4,245,328,446	4,783,857,776	5,144,467,671	5,144,460,733
35 Retained Earnings	(6,737,221,974)	(5,099,131,180)	(4,014,227,025)	(3,941,669,279)	(3,080,871,560)
36 Total Stockholder's Equity	(2,370,554,036)	(852,802,724)	770,630,761	1,203,798,402	2,064,589,184
37 Total Liab. and Stockholder's Equity	\$12,374,047,745	\$12,527,916,992	\$12,659,371,007	\$12,770,489,402	\$12,971,819,017

New York Telephone Company
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2011	2010	2009	2008	2007	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$1,542,931,776	\$1,730,932,492	\$1,976,603,179	\$2,239,370,515	\$2,436,273,605	1
Network Access Services	2,132,670,734	2,109,161,592	2,120,781,198	2,173,914,471	2,207,803,194	2
Long Distance Network Services	100,889,165	112,868,052	130,272,806	137,586,464	142,636,451	3
Miscellaneous Revenues	1,269,508,513	1,083,515,337	1,014,909,181	964,203,327	718,128,172	4
Less: Uncollectible Revenues	24,168,004	54,132,700	66,609,686	61,768,654	58,576,239	5
Total Operating Revenues	5,021,832,184	4,982,344,773	5,175,956,679	5,453,306,123	5,446,265,183	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	8,289,739	3,764,606	6,596,203	22,790,003	15,907,776	7
General Support Expenses	351,034,283	380,129,286	396,271,124	420,719,528	403,163,562	8
Central Office Switching	148,641,162	191,770,638	218,619,722	207,436,276	225,865,863	9
Operator Systems Expense	117,473	209,756	138,541	182,913	371,187	10
Central Office Transmission	113,405,060	135,069,457	136,239,381	122,924,973	128,573,306	11
Info. Origination/Termination	887,556,211	794,069,743	621,786,502	501,755,962	360,401,866	12
Cable & Wire Facilities	872,755,212	908,208,176	1,188,785,494	918,560,718	1,015,775,872	13
Total Plant Specific Operations	2,381,799,140	2,413,221,662	2,568,436,967	2,194,370,373	2,150,059,432	14
Other Plant, Property & Equipment	1,357,023	1,075,988	11,441,664	12,074,259	8,978,665	15
Network Operations	629,624,736	1,653,314,219	602,872,014	745,700,972	768,564,940	16
Access Expense	89,991,000	89,744,189	110,362,863	112,634,258	124,949,842	17
Depreciation and Amortization	1,213,505,532	1,217,966,993	1,229,000,198	1,333,465,921	1,404,258,778	18
Total Plant Non-Specific Operations	1,934,478,291	2,962,101,389	1,953,676,738	2,203,875,410	2,306,752,225	19
Marketing Expense	298,809,933	306,953,486	327,130,078	342,217,241	381,441,787	20
Services Expense	445,653,625	561,055,928	567,002,282	580,676,014	591,231,566	21
Total Customer Operations	744,463,558	868,009,414	894,132,361	922,893,255	972,673,353	22
Executive & Planning	28,692,957	29,954,221	48,586,521	58,654,058	23,067,084	23
General & Administrative	2,299,701,281	966,489,217	827,701,635	832,871,093	1,060,274,305	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	2,328,394,238	996,443,439	876,288,156	891,525,150	1,083,341,389	27
Total Operations Expense	7,389,135,227	7,239,775,904	6,292,534,222	6,212,664,189	6,512,826,400	28
Other Operating Income & Expenses	25,400,215	66,444,250	37,405,368	46,258,738	87,338,714	29
State & Local Income Taxes	(5,025,951)	(12,446,099)	(8,832,103)	2,580	13,726	30
Other Taxes	463,372,993	420,077,795	450,691,662	466,543,046	481,126,927	31
Net Operating Income Before FIT	(2,800,249,870)	(2,598,618,577)	(1,521,031,734)	(1,179,644,954)	(1,460,363,155)	32
Investment Tax Credits - Net	2,743,195	582,153	1,811,397	1,919,712	2,149,904	33
Federal Income Taxes	(685,586,990)	(1,065,904,580)	(793,717,459)	(357,932,280)	(288,425,716)	34
Provision - Def. Operating Income Taxes - Net	(373,816,100)	92,106,901	126,980,952	(181,605,544)	(241,886,639)	35
Net Operating Income	(\$1,738,103,585)	(\$1,624,238,746)	(\$852,483,830)	(\$638,187,418)	(\$927,900,896)	36

New York Telephone Company
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2011	2010	2009	2008	2007
37 Net Operating Income	(\$1,738,103,585)	(\$1,624,238,746)	(\$852,483,830)	(\$638,187,418)	(\$927,900,896)
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income					
39 Interest Income	(21,197,867)	4,242,021	411,903	5,691,622	23,028,555
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction	17,632,408	13,991,889	16,126,829	17,558,298	18,878,737
42 Gains/Losses - Disposal of Property				(423)	(1,814)
43 Equity in Earnings of Affiliated Companies	426,644,522	488,800,727	563,961,041	60,164,881	30,548,470
44 Other Non-Operating Income	(18,413,876)	(14,786,388)	(14,277,797)	1,815,285	578,574
45 Special Charges	5,686,851	8,087,887	8,032,330	7,182,118	9,738,226
46 Total Non-Operating Income & Expenses	398,978,336	484,160,363	558,189,647	78,047,546	63,294,295
NON-OPERATING TAXES					
47 Federal Income Taxes	(7,963,079)	(998,625)	(1,682,069)	175,146	6,139,401
48 Other	3,869,557	3,945,956	3,804,125	4,748,000	654,895
49 Total Non-Operating Taxes	(4,093,522)	2,947,331	2,122,056	4,923,146	6,794,296
50 Income Available Before Interest Charges	(1,335,031,727)	(1,143,025,714)	(296,416,239)	(565,063,019)	(871,400,897)
INTEREST CHARGES					
51 Interest on Funded Debt	151,538,961	169,908,763	186,170,072	188,662,235	201,926,420
52 Other Interest Expense	151,520,105	171,234,373	108,588,380	106,873,800	166,292,886
53 Total Interest Charges	303,059,066	341,143,136	294,758,451	295,536,035	368,219,306
54 Income Before Extraordinary & Nonreg Items	(1,638,090,793)	(1,484,168,850)	(591,174,690)	(860,599,054)	(1,239,620,202)
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					328,104,847
57 Total Extraordinary & Nonregulated Items					328,104,847
58 Net Income	(\$1,638,090,793)	(\$1,484,168,850)	(\$591,174,690)	(\$860,599,054)	(\$911,515,356)

RETAINED EARNINGS STATEMENT

Unappropriated Retained Earnings:					
59 Beginning Year Balance	(\$5,466,841,095)	(\$4,477,065,544)	(\$4,141,856,259)	(\$3,220,893,658)	(\$1,302,661,290)
60 Transferred from Income	(2,064,735,313)	(1,972,969,577)	(1,155,135,731)	(920,763,936)	(942,063,825)
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock					
64 Adjustments	419,999,997	983,194,026	819,926,447	(198,665)	(976,168,543)
65 Ending Year Balance	(7,111,576,411)	(5,466,841,095)	(4,477,065,544)	(4,141,856,259)	(3,220,893,658)
66 Appropriated/Undistr Affiliate Retained Earnings	374,354,437	367,709,915	462,838,518	200,186,980	140,022,099
67 Total Retained Earnings	(\$6,737,221,974)	(\$5,099,131,180)	(\$4,014,227,025)	(\$3,941,669,279)	(\$3,080,871,560)

Newport Telephone Company, Inc.
Comparative Balance Sheet
For the Year Ended December 31,

	2011	2010	2009	2008	2007
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$345,011	\$378,672	\$195,578	\$159,518	\$365,549
2 Accounts Receivable (Net)	167,734	175,872	185,255	195,590	206,598
3 Current Deferred Income Taxes					658
4 Other Current Assets	135,479	163,709	169,978	172,223	187,565
5 Total Current Assets	648,224	718,253	550,811	527,331	760,370
NON-CURRENT ASSETS					
6 Investments	2,905,114	2,240,185	2,237,447	2,611,098	2,715,021
7 Unamortized Debt Issuance Costs	1,836	2,052	4,775	5,175	6,361
8 Deferred Charges	6,425	4,861	4,981	123	14,186
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes	388,863	517,549	518,830	441,238	620,009
11 Other Non-Current Assets	15,786	13,889	12,071	9,992	8,628
12 Total Non-Current Assets	3,318,024	2,778,536	2,778,104	3,067,626	3,364,205
REGULATED PLANT					
13 Total Telecommunications Plant	11,397,962	11,272,940	11,153,316	10,987,092	10,906,892
14 Less: Accumulated Depr and Amort.	8,932,359	8,576,991	8,101,865	7,533,546	7,268,678
15 Net Regulated Plant	2,465,603	2,695,949	3,051,451	3,453,546	3,638,214
16 Total Assets & Other Debits	\$6,431,851	\$6,192,738	\$6,380,366	\$7,048,503	\$7,762,789
CURRENT LIABILITIES					
17 Accounts Payable	\$483,214	\$162,835	\$73,822	\$637,197	\$568,045
18 Notes Payable					
19 Advanced Billings	7,573	8,165	10,530	12,448	11,676
20 Customer Deposits	650	700	850	1,025	1,250
21 Current Maturities - Long-Term Debt					
22 Current Deferred Income Taxes					
23 Other Current Liabilities	(63,019)	(52,986)	(140,443)	(79,168)	(42,410)
24 Total Current Liabilities	428,418	118,714	(55,241)	571,502	538,561
LONG-TERM DEBT					
25 Long-Term Debt	673,792	752,292	805,387	842,938	878,535
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	391,101	393,027	417,775	392,453	461,818
28 Other Deferred Credits	267,406	334,682	364,259	636,476	1,076,476
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	844,319	1,104,758	1,120,195	502,433	790,622
31 Total Other Liab. and Def. Credits	1,502,826	1,832,467	1,902,229	1,531,362	2,328,916
STOCKHOLDER'S EQUITY					
32 Common Stock	119,650	119,650	119,650	119,650	119,650
33 Preferred Stock					
34 Other Paid in Capital					
35 Retained Earnings	3,707,165	3,369,615	3,608,341	3,983,051	3,897,127
36 Total Stockholder's Equity	3,826,815	3,489,265	3,727,991	4,102,701	4,016,777
37 Total Liab. and Stockholder's Equity	\$6,431,851	\$6,192,738	\$6,380,366	\$7,048,503	\$7,762,789

Newport Telephone Company, Inc.
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2011	2010	2009	2008	2007	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$1,027,691	\$959,945	\$1,127,731	\$1,278,439	\$1,189,111	1
Network Access Services	917,463	880,984	945,986	1,029,662	979,835	2
Long Distance Network Services	103,056	103,056	32,776	5,100	23,084	3
Miscellaneous Revenues	597,637	602,863	423,664	615,943	690,156	4
Less: Uncollectible Revenues	9,000	6,000	5,500	6,750	4,750	5
Total Operating Revenues	2,636,847	2,540,848	2,524,657	2,922,394	2,877,436	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	7,333	4,793	4,637	11,703	10,036	7
General Support Expenses	111,815	83,773	89,888	126,993	121,286	8
Central Office Switching	222,869	213,828	202,282	196,099	204,521	9
Operator Systems Expense						10
Central Office Transmission	60,072	61,888	55,457	38,301	43,566	11
Info. Origination/Termination	26,092	20,970	28,804	28,101	39,456	12
Cable & Wire Facilities	145,957	143,018	157,568	170,331	152,884	13
Total Plant Specific Operations	574,138	528,270	538,636	571,528	571,749	14
Other Plant, Property & Equipment						15
Network Operations	115,179	113,599	125,343	127,048	115,224	16
Access Expense	75,893	69,228	57,749	61,102	37,400	17
Depreciation and Amortization	406,963	511,246	563,765	588,068	583,106	18
Total Plant Non-Specific Operations	598,035	694,073	746,857	776,218	735,730	19
Marketing Expense	31,256	30,662	30,453	27,941	28,893	20
Services Expense	409,690	414,164	460,691	489,236	492,255	21
Total Customer Operations	440,946	444,826	491,144	517,177	521,148	22
Executive & Planning	439,330	464,136	544,126	113,507	500,902	23
General & Administrative	561,802	555,039	521,529	475,751	517,979	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	1,001,132	1,019,175	1,065,655	589,258	1,018,881	27
Total Operations Expense	2,614,251	2,686,344	2,842,292	2,454,181	2,847,508	28
Other Operating Income & Expenses						29
State & Local Income Taxes						30
Other Taxes	144,176	168,103	174,985	172,104	197,290	31
Net Operating Income Before FIT	(121,580)	(313,599)	(492,620)	296,109	(167,362)	32
Investment Tax Credits - Net						33
Federal Income Taxes	(67,393)	(65,119)	(167,499)	(183,901)	(48,344)	34
Provision - Def. Operating Income Taxes - Net	15,823	(42,935)	(43,836)	227,896	(43,045)	35
Net Operating Income	(\$70,010)	(\$205,545)	(\$281,285)	\$252,114	(\$75,973)	36

Newport Telephone Company, Inc.
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2011	2010	2009	2008	2007
37 Net Operating Income	(\$70,010)	(\$205,545)	(\$281,285)	\$252,114	(\$75,973)
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income		95		78	55,619
39 Interest Income	28,278	15,673	30,427	41,665	49,928
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction					
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies	182,355	(47,447)	25,744	263,887	236,578
44 Other Non-Operating Income	28,093	21,253	(55,911)	(145,243)	26,322
45 Special Charges	3,098	3,613	6,031	7,949	7,356
46 Total Non-Operating Income & Expenses	235,628	(14,039)	(5,771)	152,438	361,091
NON-OPERATING TAXES					
47 Federal Income Taxes	13,934	6,194	(20,482)	(49,088)	13,108
48 Other					
49 Total Non-Operating Taxes	13,934	6,194	(20,482)	(49,088)	13,108
50 Income Available Before Interest Charges	151,684	(225,778)	(266,574)	453,640	272,010
INTEREST CHARGES					
51 Interest on Funded Debt	29,248	47,974	61,925	64,653	69,211
52 Other Interest Expense	233	2,764	2,922	20,497	33,060
53 Total Interest Charges	29,481	50,738	64,847	85,150	102,271
54 Income Before Extraordinary & Nonreg Items	122,203	(276,516)	(331,421)	368,490	169,739
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					
57 Total Extraordinary & Nonregulated Items					
58 Net Income	\$122,203	(\$276,516)	(\$331,421)	\$368,490	\$169,739
RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$341,841	\$533,120	\$933,574	\$1,111,537	\$2,865,552
60 Transferred from Income	(60,152)	(229,069)	(357,165)	104,603	(66,839)
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock					1,700,000
64 Adjustments	215,347	37,790	(43,289)	(282,566)	12,824
65 Ending Year Balance	497,036	341,841	533,120	933,574	1,111,537
66 Appropriated/Undistr Affiliate Retained Earnings	3,210,129	3,027,774	3,075,221	3,049,477	2,785,590
67 Total Retained Earnings	\$3,707,165	\$3,369,615	\$3,608,341	\$3,983,051	\$3,897,127

Nicholville Telephone Company, Inc.
Comparative Balance Sheet
For the Year Ended December 31,

	2011	2010	2009	2008	2007
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$42,053	\$128,098	\$115,986	\$357,572	\$761,021
2 Accounts Receivable (Net)	598,086	370,223	296,236	982,538	1,297,610
3 Current Deferred Income Taxes					
4 Other Current Assets	188,155	189,347	212,929	256,903	227,449
5 Total Current Assets	828,294	687,668	625,151	1,597,013	2,286,080
NON-CURRENT ASSETS					
6 Investments	568,937	1,024,964	939,587	378,907	260,441
7 Unamortized Debt Issuance Costs	5,903	6,895	8,014	9,132	10,251
8 Deferred Charges				-	-
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes	778,359	679,723	644,451	471,853	401,445
11 Other Non-Current Assets					
12 Total Non-Current Assets	1,353,199	1,711,582	1,592,052	859,892	672,137
REGULATED PLANT					
13 Total Telecommunications Plant	9,860,287	9,852,205	9,988,951	11,366,583	11,061,819
14 Less: Accumulated Depr and Amort.	7,844,470	7,573,937	7,491,166	8,647,472	8,223,424
15 Net Regulated Plant	2,015,817	2,278,268	2,497,785	2,719,111	2,838,395
16 Total Assets & Other Debits	\$4,197,310	\$4,677,518	\$4,714,988	\$5,176,016	\$5,796,612
CURRENT LIABILITIES					
17 Accounts Payable	\$645,485	\$508,217	\$202,622	\$194,235	\$331,608
18 Notes Payable	31,387	49,890	27,205	37,338	64,112
19 Advanced Billings					
20 Customer Deposits					
21 Current Maturities - Long-Term Debt	168,395	180,100	239,263	223,045	212,044
22 Current Deferred Income Taxes					
23 Other Current Liabilities	156,088	172,521	141,966	(1,227)	185,233
24 Total Current Liabilities	1,001,355	910,728	611,056	453,391	792,997
LONG-TERM DEBT					
25 Long-Term Debt	1,148,343	1,316,784	1,498,984	1,741,894	1,965,865
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	270,780	289,363	299,033	272,870	190,888
28 Other Deferred Credits	650,107	782,353	905,649	1,051,112	1,060,724
29 Other Jurisdictional Differences - Net					
30 Other Liabilities					
31 Total Other Liab. and Def. Credits	920,887	1,071,716	1,204,682	1,323,982	1,251,612
STOCKHOLDER'S EQUITY					
32 Common Stock	41,000	41,000	41,000	41,000	41,000
33 Preferred Stock	100,000	100,000	100,000	100,000	100,000
34 Other Paid in Capital		(682,108)	(682,108)	(682,108)	(682,108)
35 Retained Earnings	985,724	1,919,398	1,941,374	2,197,857	2,327,247
36 Total Stockholder's Equity	1,126,724	1,378,290	1,400,266	1,656,749	1,786,139
37 Total Liab. and Stockholder's Equity	\$4,197,309	\$4,677,518	\$4,714,988	\$5,176,016	\$5,796,612

Nicholville Telephone Company, Inc.
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2011	2010	2009	2008	2007	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$585,320	\$605,797	\$667,164	\$466,266	\$487,175	1
Network Access Services	686,712	1,464,435	1,505,914	1,853,337	2,061,771	2
Long Distance Network Services	390,405					3
Miscellaneous Revenues	89,638	101,530	128,396	163,194	251,078	4
Less: Uncollectible Revenues	5,815	14,575	23,941	25,431	6,248	5
Total Operating Revenues	1,746,260	2,157,188	2,277,533	2,457,366	2,793,775	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	18,013	12,455	8,418	10,102	4,268	7
General Support Expenses	140,801	217,813	247,348	280,896	274,122	8
Central Office Switching	247,228	274,221	286,700	318,012	336,702	9
Operator Systems Expense						10
Central Office Transmission	26,893	17,558	31,290	52,340	117,907	11
Info. Origination/Termination	8,731	8,164	12,464	19,639	20,180	12
Cable & Wire Facilities	94,228	124,295	285,543	251,536	267,223	13
Total Plant Specific Operations	535,894	654,507	871,763	932,525	1,020,402	14
Other Plant, Property & Equipment	194	(724)	754	551	3,526	15
Network Operations	100,034	191,728	224,149	228,333	273,054	16
Access Expense	38,588	31,283	25,204	25,059	30,169	17
Depreciation and Amortization	257,511	259,412	265,627	410,645	525,701	18
Total Plant Non-Specific Operations	396,327	481,699	515,734	664,588	832,450	19
Marketing Expense	2,057	2,485	1,713	6,723	12,842	20
Services Expense	217,503	223,290	254,211	260,085	288,701	21
Total Customer Operations	219,560	225,775	255,924	266,808	301,543	22
Executive & Planning	304,143	126,714	152,263	177,340	181,000	23
General & Administrative	340,554	534,711	513,012	549,811	553,691	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	644,697	661,425	665,275	727,150	734,692	27
Total Operations Expense	1,796,478	2,023,406	2,308,696	2,591,071	2,889,087	28
Other Operating Income & Expenses		4,010		12,500		29
State & Local Income Taxes						30
Other Taxes	133,788	139,883	151,966	147,005	152,901	31
Net Operating Income Before FIT	(184,006)	(2,091)	(183,129)	(268,210)	(248,213)	32
Investment Tax Credits - Net						33
Federal Income Taxes	17,621	117	1,377	(131,118)	(149,849)	34
Provision - Def. Operating Income Taxes - Net	(116,787)	(54,578)	(105,690)	11,574	(35,772)	35
Net Operating Income	(\$84,840)	\$52,370	(\$78,816)	(\$148,666)	(\$62,592)	36

Nicholville Telephone Company, Inc.
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2011	2010	2009	2008	2007
37 Net Operating Income	(\$84,840)	\$52,370	(\$78,816)	(\$148,666)	(\$62,592)
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income		43	79	11,703	44,499
39 Interest Income	346	628	6,295	12,420	28,640
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction					
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies	(440,601)	75,168	(6,380)	182,381	(120,889)
44 Other Non-Operating Income			(1,614)	5,720	
45 Special Charges	15,915	14,116	16,167	16,087	17,744
46 Total Non-Operating Income & Expenses	(456,170)	61,723	(17,787)	196,139	(65,494)
NON-OPERATING TAXES					
47 Federal Income Taxes	(432)	1,422	947	5,551	199,127
48 Other		840	903	1,780	7,195
49 Total Non-Operating Taxes	(432)	2,262	1,850	7,331	206,322
50 Income Available Before Interest Charges	(540,578)	111,830	(98,453)	40,142	(334,408)
INTEREST CHARGES					
51 Interest on Funded Debt	83,332	97,404	112,085	125,921	138,661
52 Other Interest Expense	13,743	28,336	16,577	35,544	54,994
53 Total Interest Charges	97,075	125,740	128,662	161,465	193,655
54 Income Before Extraordinary & Nonreg Items	(637,653)	(13,909)	(227,115)	(121,323)	(528,063)
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					
57 Total Extraordinary & Nonregulated Items					
58 Net Income	(\$637,653)	(\$13,909)	(\$227,115)	(\$121,323)	(\$528,063)
RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$2,030,866	\$2,128,011	\$2,378,114	\$2,689,885	\$3,105,126
60 Transferred from Income	(197,053)	(89,077)	(242,036)	(303,704)	(407,174)
61 Appropriations					
Dividends Declared:					
62 Preferred Stock	6,000	6,000	6,000	6,000	6,000
63 Common Stock	1,034	2,067	2,067	2,067	2,067
64 Adjustments	(288,987)				
65 Ending Year Balance	1,537,792	2,030,866	2,128,011	2,378,114	2,689,885
66 Appropriated/Undistr Affiliate Retained Earnings	(552,070)	(111,469)	(186,637)	(180,257)	(362,638)
67 Total Retained Earnings	\$985,722	\$1,919,397	\$1,941,374	\$2,197,857	\$2,327,247

**Ogden Telephone Company
Comparative Balance Sheet
For the Year Ended December 31,**

	2011	2010	2009	2008	2007
CURRENT ASSETS					
1 Cash and Temporary Cash Investments		(\$1,532)	(\$5,041)	\$18,736	\$15,324
2 Accounts Receivable (Net)	1,589,578	1,598,620	2,064,627	2,474,830	1,791,123
3 Current Deferred Income Taxes					
4 Other Current Assets					11,738
5 Total Current Assets	1,589,578	1,597,088	2,059,585	2,493,566	1,818,185
NON-CURRENT ASSETS					
6 Investments	26,026,093	23,642,508	21,828,996	19,023,476	18,013,950
7 Unamortized Debt Issuance Costs		4,550	14,810	25,070	35,330
8 Deferred Charges	864,879	864,845	864,879	864,879	864,973
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes					
11 Other Non-Current Assets	129,110	129,110	129,110	129,110	129,110
12 Total Non-Current Assets	27,020,082	24,641,012	22,837,795	20,042,534	19,043,363
REGULATED PLANT					
13 Total Telecommunications Plant	47,619,193	47,030,296	46,510,739	45,806,661	44,820,527
14 Less: Accumulated Depr and Amort.	37,928,414	35,826,592	33,756,769	31,762,567	29,907,502
15 Net Regulated Plant	9,690,779	11,203,704	12,753,970	14,044,094	14,913,025
16 Total Assets & Other Debits	\$38,300,439	\$37,441,804	\$37,651,351	\$36,580,195	\$35,774,573
CURRENT LIABILITIES					
17 Accounts Payable	\$2,702,201	\$1,185,725	\$1,271,553	\$1,148,658	\$1,562,597
18 Notes Payable					
19 Advanced Billings	117,210	140,828	141,332	304,210	151,072
20 Customer Deposits				(8,517)	(8,517)
21 Current Maturities - Long-Term Debt	143,148	670,379	630,693	594,553	559,975
22 Current Deferred Income Taxes					
23 Other Current Liabilities	(41,460)	105,286	86,040	56,075	58,689
24 Total Current Liabilities	2,921,099	2,102,217	2,129,618	2,094,979	2,323,817
LONG-TERM DEBT					
25 Long-Term Debt	359,477	502,624	1,172,862	1,803,554	2,398,108
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	2,976,149	3,054,821	3,133,493	2,969,164	2,645,475
28 Other Deferred Credits	44,079	47,063	48,972	47,146	714,814
29 Other Jurisdictional Differences - Net					
30 Other Liabilities					
31 Total Other Liab. and Def. Credits	3,020,228	3,101,884	3,182,465	3,016,310	3,360,289
STOCKHOLDER'S EQUITY					
32 Common Stock	2,007,694	2,007,694	2,007,694	2,007,694	2,007,694
33 Preferred Stock					
34 Other Paid in Capital	196,769	196,769	196,769	196,769	196,769
35 Retained Earnings	29,795,171	29,530,616	28,961,942	27,460,888	25,487,896
36 Total Stockholder's Equity	31,999,634	31,735,079	31,166,405	29,665,351	27,692,359
37 Total Liab. and Stockholder's Equity	\$38,300,439	\$37,441,804	\$37,651,351	\$36,580,195	\$35,774,573

Ogden Telephone Company
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2011	2010	2009	2008	2007	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$3,586,814	\$3,632,998	\$3,931,949	\$4,103,996	\$4,537,437	1
Network Access Services	2,826,636	2,976,182	3,289,929	3,260,619	3,331,036	2
Long Distance Network Services	11,870	16,955	23,414	25,526		3
Miscellaneous Revenues	1,256,253	1,423,216	1,411,068	1,254,378	1,364,787	4
Less: Uncollectible Revenues	55,045	29,749	(117,455)	128,901	66,056	5
Total Operating Revenues	7,626,528	8,019,602	8,773,815	8,515,619	9,167,205	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	93	15,044	1	147	4	7
General Support Expenses	583,123	467,981	428,952	450,144	438,944	8
Central Office Switching	353,322	333,755	322,983	295,858	297,357	9
Operator Systems Expense	7,502	8,786	6,397	4,763	4,716	10
Central Office Transmission	58,226	34,183	30,186	56,381	54,917	11
Info. Origination/Termination	161,395	99,063	109,409	58,382	79,773	12
Cable & Wire Facilities	529,515	557,128	458,079	495,334	470,604	13
Total Plant Specific Operations	1,693,176	1,515,940	1,356,007	1,361,009	1,346,314	14
Other Plant, Property & Equipment	(23)	5	138	289	5	15
Network Operations	616,240	569,049	555,354	480,617	443,114	16
Access Expense	232,884	191,114	229,788	182,154	232,865	17
Depreciation and Amortization	2,158,526	2,128,298	2,095,799	2,079,198	2,064,042	18
Total Plant Non-Specific Operations	3,007,627	2,888,466	2,881,078	2,742,258	2,740,026	19
Marketing Expense	332,587	258,382	146,337	116,009	166,005	20
Services Expense	788,008	652,005	619,641	571,172	425,913	21
Total Customer Operations	1,120,595	910,388	765,979	687,180	591,918	22
Executive & Planning	125,056	204,667	94,317	67,268	93,875	23
General & Administrative	825,293	951,352	498,329	417,603	418,548	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	950,349	1,156,019	592,645	484,871	512,423	27
Total Operations Expense	6,771,747	6,470,813	5,595,709	5,275,319	5,190,682	28
Other Operating Income & Expenses						29
State & Local Income Taxes						30
Other Taxes	450,356	627,711	689,284	673,155	688,689	31
Net Operating Income Before FIT	404,425	921,078	2,488,822	2,567,145	3,287,834	32
Investment Tax Credits - Net						33
Federal Income Taxes	(162,766)	364,216	480,493	1,172,914	1,006,366	34
Provision - Def. Operating Income Taxes - Net	59,032	(337,464)	157,938	(78,677)	(168,112)	35
Net Operating Income	\$508,159	\$894,326	\$1,850,391	\$1,472,908	\$2,449,580	36

Ogden Telephone Company
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2011	2010	2009	2008	2007
37 Net Operating Income	\$508,159	\$894,326	\$1,850,391	\$1,472,908	\$2,449,580
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income					32
39 Interest Income					
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction	6,417	3,043	12,866	18,634	14,682
42 Gains/Losses - Disposal of Property					64,796
43 Equity in Earnings of Affiliated Companies					
44 Other Non-Operating Income				633,133	(627,479)
45 Special Charges	3,503	4,121	2,025	772	2,320
46 Total Non-Operating Income & Expenses	2,914	(1,078)	10,841	650,995	(550,289)
NON-OPERATING TAXES					
47 Federal Income Taxes	185,925	218,442	218,047		
48 Other					
49 Total Non-Operating Taxes	185,925	218,442	218,047		
50 Income Available Before Interest Charges	325,148	674,806	1,643,185	2,123,903	1,899,292
INTEREST CHARGES					
51 Interest on Funded Debt	56,046	95,872	131,870	166,448	197,937
52 Other Interest Expense	4,550	10,260	10,261	(15,537)	46,948
53 Total Interest Charges	60,596	106,132	142,131	150,911	244,885
54 Income Before Extraordinary & Nonreg Items	264,552	568,674	1,501,054	1,972,992	1,654,407
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues	700,810	730,270			
57 Total Extraordinary & Nonregulated Items					
58 Net Income	\$264,552	\$568,674	\$1,501,054	\$1,972,992	\$1,654,407
RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$29,530,616	\$28,961,942	\$27,460,888	\$25,487,896	\$23,833,489
60 Transferred from Income	264,552	568,674	1,501,054	1,972,992	1,654,407
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock					
64 Adjustments					
65 Ending Year Balance	29,795,168	29,530,616	28,961,942	27,460,888	25,487,896
66 Appropriated/Undistr Affiliate Retained Earnings					
67 Total Retained Earnings	\$29,795,171	\$29,530,616	\$28,961,942	\$27,460,888	\$25,487,896

**Oneida County Rural Telephone Company
Comparative Balance Sheet
For the Year Ended December 31,**

	2011	2010	2009	2008	2007
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$538,817	\$1,014,303	\$1,039,444	\$1,408,019	\$2,497,963
2 Accounts Receivable (Net)	1,645,142	1,515,190	1,129,383	1,209,751	801,405
3 Current Deferred Income Taxes					
4 Other Current Assets	471,374	285,525	232,006	234,896	238,750
5 Total Current Assets	2,655,333	2,815,018	2,400,833	2,852,666	3,538,118
NON-CURRENT ASSETS					
6 Investments	5,623,624	5,297,562	5,055,119	4,109,775	5,038,840
7 Unamortized Debt Issuance Costs					
8 Deferred Charges				104,782	104,782
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes	682,379	622,861	537,839	561,920	197,225
11 Other Non-Current Assets	3,237,147	3,118,121	3,010,719	2,726,788	2,664,838
12 Total Non-Current Assets	9,543,150	9,038,544	8,603,677	7,503,265	8,005,685
REGULATED PLANT					
13 Total Telecommunications Plant	13,823,094	13,784,397	15,335,235	15,307,937	15,274,977
14 Less: Accumulated Depr and Amort.	9,696,016	9,238,403	10,289,963	9,674,772	9,133,130
15 Net Regulated Plant	4,127,078	4,545,994	5,045,272	5,633,165	6,141,847
16 Total Assets & Other Debits	\$16,325,561	\$16,399,556	\$16,049,782	\$15,989,096	\$17,685,650
CURRENT LIABILITIES					
17 Accounts Payable	\$173,797	\$207,918	\$169,278	\$222,163	\$177,954
18 Notes Payable					
19 Advanced Billings	90,320	98,872	96,971	94,547	94,754
20 Customer Deposits	750	750	750	825	875
21 Current Maturities - Long-Term Debt					
22 Current Deferred Income Taxes					
23 Other Current Liabilities	1,700,344	1,472,524	737,994	1,080,898	(150,462)
24 Total Current Liabilities	1,965,211	1,780,064	1,004,993	1,398,433	123,121
LONG-TERM DEBT					
25 Long-Term Debt	3,348,800	3,687,392	3,895,443	4,503,467	5,207,588
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	994,080	965,912	947,592	582,260	982,452
28 Other Deferred Credits	259,110	304,739	350,370	280,208	291,936
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	98,000	150,000	202,000	255,000	307,000
31 Total Other Liab. and Def. Credits	1,351,190	1,420,651	1,499,962	1,117,468	1,581,388
STOCKHOLDER'S EQUITY					
32 Common Stock	85,100	85,100	85,100	85,100	85,100
33 Preferred Stock	33,150	33,350	34,750	34,850	34,850
34 Other Paid in Capital	(2,369,939)	(2,311,801)	(2,032,142)	(2,851,603)	(1,224,384)
35 Retained Earnings	11,912,049	11,704,800	11,561,676	11,701,381	11,877,987
36 Total Stockholder's Equity	9,660,360	9,511,449	9,649,384	8,969,728	10,773,553
37 Total Liab. and Stockholder's Equity	\$16,325,561	\$16,399,556	\$16,049,782	\$15,989,096	\$17,685,650

Oneida County Rural Telephone Company
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2011	2010	2009	2008	2007	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$744,043	\$807,829	\$739,441	\$703,676	\$754,130	1
Network Access Services	1,382,711	1,390,064	1,387,302	1,551,444	1,910,411	2
Long Distance Network Services	242,372	230,263	81,887	3,569	114,077	3
Miscellaneous Revenues	466,594	983,660	243,721	539,868	224,241	4
Less: Uncollectible Revenues	15,643	1,440		506	18	5
Total Operating Revenues	2,820,077	3,410,376	2,452,351	2,798,051	3,002,841	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	4,477	7,343	15,029	15,811	16,957	7
General Support Expenses	131,294	121,051	122,466	140,347	144,414	8
Central Office Switching	133,790	123,395	107,692	106,548	111,718	9
Operator Systems Expense						10
Central Office Transmission	209,235	160,221	179,982	212,636	301,179	11
Info. Origination/Termination	11,052	7,646	16,754	27,036	28,021	12
Cable & Wire Facilities	330,281	706,391	177,570	354,281	195,076	13
Total Plant Specific Operations	820,129	1,126,047	619,493	856,659	797,365	14
Other Plant, Property & Equipment						15
Network Operations	221,989	214,278	182,922	170,759	205,057	16
Access Expense	49,237	49,411	42,175	44,261	37,534	17
Depreciation and Amortization	555,350	586,851	606,765	711,121	848,036	18
Total Plant Non-Specific Operations	826,576	850,540	831,862	926,141	1,090,627	19
Marketing Expense	9,262	8,013	14,503	14,002	13,026	20
Services Expense	204,155	217,358	226,637	270,870	299,339	21
Total Customer Operations	213,417	225,371	241,140	284,872	312,365	22
Executive & Planning	186,586	160,624	158,878	181,937	147,117	23
General & Administrative	490,765	493,022	481,137	597,839	535,110	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	677,351	653,646	640,015	779,776	682,227	27
Total Operations Expense	2,537,473	2,855,604	2,332,510	2,847,448	2,882,584	28
Other Operating Income & Expenses						29
State & Local Income Taxes						30
Other Taxes	210,129	211,266	218,124	218,582	226,760	31
Net Operating Income Before FIT	72,475	343,506	(98,283)	(267,979)	(106,503)	32
Investment Tax Credits - Net						33
Federal Income Taxes	5,144	5,738	(61,930)	(242,008)	(127,548)	34
Provision - Def. Operating Income Taxes - Net	(7,687)	16,339	(114,120)	73,378	30,836	35
Net Operating Income	\$75,018	\$321,429	\$77,767	(\$99,349)	(\$9,791)	36

Oneida County Rural Telephone Company
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2011	2010	2009	2008	2007
37 Net Operating Income	\$75,018	\$321,429	\$77,767	(\$99,349)	(\$9,791)
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income	67,769	23,572	23,763	32,066	26,818
39 Interest Income	158,078	165,948	153,796	171,835	200,865
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction					
42 Gains/Losses - Disposal of Property				3,420	7,268
43 Equity in Earnings of Affiliated Companies	115,652	90,425	153,048	86,044	105,518
44 Other Non-Operating Income	(57,184)	(21,787)	(120,142)	(8,546)	41,627
45 Special Charges	(23,016)	9,777	235,051	33,941	(9,118)
46 Total Non-Operating Income & Expenses	307,331	248,381	(24,586)	250,878	391,214
NON-OPERATING TAXES					
47 Federal Income Taxes	1,696	80,071	(32,075)	67,647	58,860
48 Other					
49 Total Non-Operating Taxes	1,696	80,071	(32,075)	67,647	58,860
50 Income Available Before Interest Charges	380,653	489,739	85,256	83,882	322,563
INTEREST CHARGES					
51 Interest on Funded Debt	169,334	342,738	220,903	256,559	270,359
52 Other Interest Expense	284	64	170	41	4,753
53 Total Interest Charges	169,618	342,802	221,073	256,600	275,112
54 Income Before Extraordinary & Nonreg Items	211,035	146,937	(135,817)	(172,718)	47,451
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					
57 Total Extraordinary & Nonregulated Items					
58 Net Income	\$211,035	\$146,937	(\$135,817)	(\$172,718)	\$47,451
RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$9,241,349	\$9,188,650	\$9,481,403	\$9,744,053	\$9,806,008
60 Transferred from Income	95,383	56,512	(288,865)	(258,762)	(58,067)
61 Appropriations					
Dividends Declared:					
62 Preferred Stock	1,989	2,016	2,091	2,091	2,091
63 Common Stock	1,797	1,797	1,797	1,797	1,797
64 Adjustments					
65 Ending Year Balance	9,332,946	9,241,349	9,188,650	9,481,403	9,744,053
66 Appropriated/Undistr Affiliate Retained Earnings	2,579,103	2,463,451	2,373,026	2,219,978	2,133,934
67 Total Retained Earnings	\$11,912,049	\$11,704,800	\$11,561,676	\$11,701,381	\$11,877,987

Ontario Telephone Company, Inc.
Comparative Balance Sheet
For the Year Ended December 31,

	2011	2010	2009	2008	2007
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$356,302	\$664,568	\$310,926	\$290,331	\$690,752
2 Accounts Receivable (Net)	3,662,148	2,788,734	2,283,622	1,860,472	1,505,115
3 Current Deferred Income Taxes					
4 Other Current Assets	357,968	374,078	368,388	390,489	401,218
5 Total Current Assets	4,376,418	3,827,380	2,962,936	2,541,291	2,597,085
NON-CURRENT ASSETS					
6 Investments	147,603	132,201	144,151	136,228	105,046
7 Unamortized Debt Issuance Costs	1,200	2,400	3,600	4,800	6,000
8 Deferred Charges					
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes	583,430	634,225	589,463	489,415	563,375
11 Other Non-Current Assets	1,649,756	1,715,653	2,255,350	2,093,530	2,500,049
12 Total Non-Current Assets	2,381,989	2,484,479	2,992,564	2,723,973	3,174,470
REGULATED PLANT					
13 Total Telecommunications Plant	12,947,758	12,848,605	12,520,417	12,359,059	12,106,623
14 Less: Accumulated Depr and Amort.	5,747,843	5,206,547	4,596,333	4,033,379	3,475,124
15 Net Regulated Plant	7,199,915	7,642,058	7,924,084	8,325,680	8,631,499
16 Total Assets & Other Debits	\$13,958,322	\$13,953,917	\$13,879,584	\$13,590,944	\$14,403,053
CURRENT LIABILITIES					
17 Accounts Payable	\$79,964	\$84,822	\$136,301	\$126,311	\$382,469
18 Notes Payable	141,851	162,864	239,388	239,215	240,375
19 Advanced Billings	434,968	464,958	118,691	131,362	131,625
20 Customer Deposits					
21 Current Maturities - Long-Term Debt	154,899	154,899	206,532	206,532	206,532
22 Current Deferred Income Taxes		33,134			
23 Other Current Liabilities	518,471	505,523	518,592	525,172	541,768
24 Total Current Liabilities	1,330,153	1,406,200	1,219,503	1,228,592	1,502,769
LONG-TERM DEBT					
25 Long-Term Debt	671,217	826,116	1,032,648	1,239,180	1,445,712
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	1,893,886	1,846,101	1,854,734	1,651,696	1,787,140
28 Other Deferred Credits	415,181	341,666	247,052	245,719	170,847
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	334,447	377,629	369,768	279,604	620,540
31 Total Other Liab. and Def. Credits	2,643,514	2,565,396	2,471,554	2,177,019	2,578,527
STOCKHOLDER'S EQUITY					
32 Common Stock	115,000	115,000	115,000	115,000	115,000
33 Preferred Stock					
34 Other Paid in Capital	(1,388,418)	(1,398,151)	(1,463,952)	(1,596,853)	(1,541,392)
35 Retained Earnings	10,586,858	10,439,356	10,504,830	10,428,007	10,302,437
36 Total Stockholder's Equity	9,313,440	9,156,205	9,155,878	8,946,154	8,876,045
37 Total Liab. and Stockholder's Equity	\$13,958,323	\$13,953,917	\$13,879,584	\$13,590,944	\$14,403,053

Ontario Telephone Company, Inc.
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2011	2010	2009	2008	2007	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$648,937	\$646,084	\$733,704	\$770,004	\$846,354	1
Network Access Services	2,474,188	2,136,550	2,188,001	2,029,500	1,903,744	2
Long Distance Network Services						3
Miscellaneous Revenues	497,142	527,672	569,125	577,827	601,642	4
Less: Uncollectible Revenues	10,137	14,045	9,887	8,316	21,428	5
Total Operating Revenues	3,610,130	3,296,261	3,480,943	3,369,015	3,330,312	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	3,274	6,075	4,146	4,983	14,740	7
General Support Expenses	206,940	201,644	215,864	187,933	151,098	8
Central Office Switching	261,490	291,206	315,439	357,353	267,525	9
Operator Systems Expense						10
Central Office Transmission	69,244	68,153	105,073	61,548	116,388	11
Info. Origination/Termination	56,723	73,391	60,919	58,057	62,524	12
Cable & Wire Facilities	194,919	156,761	181,360	219,940	237,847	13
Total Plant Specific Operations	792,590	797,230	882,801	889,814	850,122	14
Other Plant, Property & Equipment	737	450	1	(132)		15
Network Operations	391,896	376,075	247,135	215,854	113,812	16
Access Expense	83,781	78,170	70,576	70,860	69,534	17
Depreciation and Amortization	601,433	599,124	592,098	586,010	510,884	18
Total Plant Non-Specific Operations	1,077,847	1,053,819	909,810	872,592	694,230	19
Marketing Expense	121,645	76,779	70,431	85,794	144,210	20
Services Expense	300,111	340,956	319,150	370,742	509,366	21
Total Customer Operations	421,756	417,735	389,581	456,536	653,576	22
Executive & Planning	270,802	298,673	244,259	221,437	246,716	23
General & Administrative	615,777	608,696	496,581	468,124	429,865	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	886,579	907,369	740,840	689,561	676,581	27
Total Operations Expense	3,178,772	3,176,153	2,923,032	2,908,503	2,874,509	28
Other Operating Income & Expenses		(5)			4,833	29
State & Local Income Taxes						30
Other Taxes	162,480	155,480	244,892	259,494	253,169	31
Net Operating Income Before FIT	268,878	(35,377)	313,019	201,018	207,467	32
Investment Tax Credits - Net						33
Federal Income Taxes		9,459	8,151	4,694	(620)	34
Provision - Def. Operating Income Taxes - Net	73,308	(33,554)	(28,744)	(33,538)	25,600	35
Net Operating Income	\$195,570	(\$11,282)	\$333,612	\$229,862	\$182,487	36

Ontario Telephone Company, Inc.
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2011	2010	2009	2008	2007
37 Net Operating Income	\$195,570	(\$11,282)	\$333,612	\$229,862	\$182,487
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income	13,532	14,875	16,102	14,293	5,500
39 Interest Income	15,426	17,946	13,957	27,026	33,482
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction	4,285	3,341	2,991	5,892	44,441
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies	16,588	(8,136)	2,923	31,182	16,662
44 Other Non-Operating Income	37,229	39,027	(95,763)	(39,770)	206,779
45 Special Charges	23,593	6,391	(1,035)	(1,371)	41,258
46 Total Non-Operating Income & Expenses	63,467	60,662	(58,755)	39,994	265,606
NON-OPERATING TAXES					
47 Federal Income Taxes		155	59,150	(4,694)	620
48 Other	12,307				
49 Total Non-Operating Taxes	12,307	155	59,150	(4,694)	620
50 Income Available Before Interest Charges	246,730	49,225	215,707	274,550	447,473
INTEREST CHARGES					
51 Interest on Funded Debt	47,603	59,882	72,699	88,535	115,423
52 Other Interest Expense	7,697	11,131	17,373	16,979	17,037
53 Total Interest Charges	55,300	71,013	90,072	105,514	132,460
54 Income Before Extraordinary & Nonreg Items	191,430	(21,788)	125,635	169,036	315,013
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					
57 Total Extraordinary & Nonregulated Items					
58 Net Income	\$191,430	(\$21,788)	\$125,635	\$169,036	\$315,013

RETAINED EARNINGS STATEMENT

Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$10,716,012	\$10,781,486	\$10,704,663	\$10,579,093	\$10,363,691
60 Transferred from Income	174,842	(13,652)	122,712	137,854	315,013
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock	43,928	43,686	43,531	43,466	70,829
64 Adjustments	16,588	(8,135)	(2,357)	31,182	(28,782)
65 Ending Year Balance	10,863,514	10,716,012	10,781,486	10,704,663	10,579,093
66 Appropriated/Undistr Affiliate Retained Earnings	(276,656)	(276,656)	(276,656)	(276,656)	(276,656)
67 Total Retained Earnings	\$10,586,858	\$10,439,356	\$10,504,830	\$10,428,007	\$10,302,437

Oriskany Falls Telephone Corporation
Comparative Balance Sheet
For the Year Ended December 31,

	2011	2010	2009	2008	2007
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$774,775	\$756,172	\$1,611,138	\$1,646,859	\$1,525,410
2 Accounts Receivable (Net)	43,901	119,295	54,369	39,466	55,446
3 Current Deferred Income Taxes					
4 Other Current Assets	8,680	9,446	6,432	7,296	22,813
5 Total Current Assets	827,356	884,913	1,671,939	1,693,621	1,603,669
NON-CURRENT ASSETS					
6 Investments					
7 Unamortized Debt Issuance Costs					
8 Deferred Charges					
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes					
11 Other Non-Current Assets					
12 Total Non-Current Assets					
REGULATED PLANT					
13 Total Telecommunications Plant	1,551,816	1,491,894	1,734,756	1,557,036	1,538,468
14 Less: Accumulated Depr and Amort.	723,973	636,427	1,134,953	1,035,205	991,859
15 Net Regulated Plant	827,843	855,467	599,803	521,831	546,609
16 Total Assets & Other Debits	\$1,655,199	\$1,740,380	\$2,271,742	\$2,215,452	\$2,150,278
CURRENT LIABILITIES					
17 Accounts Payable	\$49,439	48,201	\$41,379	\$37,737	\$44,465
18 Notes Payable					
19 Advanced Billings	4,679	4,947	4,804	4,878	5,045
20 Customer Deposits					
21 Current Maturities - Long-Term Debt					
22 Current Deferred Income Taxes	(1,852)	103	(1,209)	(3,531)	(3,386)
23 Other Current Liabilities	90,672	19,064	38,074	11,321	15,388
24 Total Current Liabilities	142,938	72,315	83,048	50,405	61,512
LONG-TERM DEBT					
25 Long-Term Debt					
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	172,012	178,672	122,029	146,836	152,219
28 Other Deferred Credits					
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	(43,139)	(42,768)	(39,441)	(46,831)	(43,478)
31 Total Other Liab. and Def. Credits	128,873	135,904	82,588	100,005	108,741
STOCKHOLDER'S EQUITY					
32 Common Stock	1,490	1,490	1,490	1,490	1,490
33 Preferred Stock					
34 Other Paid in Capital	23,078	21,865	20,629	28,162	26,890
35 Retained Earnings	1,358,820	1,508,806	2,083,987	2,035,390	1,951,644
36 Total Stockholder's Equity	1,383,388	1,532,161	2,106,106	2,065,042	1,980,024
37 Total Liab. and Stockholder's Equity	\$1,655,199	\$1,740,380	\$2,271,742	\$2,215,452	\$2,150,278

Oriskany Falls Telephone Corporation
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2011	2010	2009	2008	2007	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$143,590	\$160,185	\$181,083	\$204,995	\$249,041	1
Network Access Services	181,247	177,722	151,987	121,868	142,753	2
Long Distance Network Services						3
Miscellaneous Revenues	108,377	103,774	96,115	97,672	58,106	4
Less: Uncollectible Revenues	4,721	(2,866)	(2,972)	7,421	10,240	5
Total Operating Revenues	428,493	444,547	432,157	417,114	439,660	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	408	347	649	2,396	3,511	7
General Support Expenses	23,308	24,501	27,455	8,857	8,124	8
Central Office Switching	5,115	7,533	9,950	3,502	4,506	9
Operator Systems Expense						10
Central Office Transmission	14,143	2,914	2,093	1,902	1,937	11
Info. Origination/Termination	17,525	15,691	16,544	17,524	21,715	12
Cable & Wire Facilities	100,363	41,035	18,411	14,045	19,320	13
Total Plant Specific Operations	160,862	92,021	75,102	48,226	59,113	14
Other Plant, Property & Equipment						15
Network Operations	31,623	32,667	35,762	41,374	39,391	16
Access Expense	3,819	3,896	3,527	5,531	5,367	17
Depreciation and Amortization	106,226	96,163	87,805	53,696	54,163	18
Total Plant Non-Specific Operations	141,668	132,726	127,094	100,601	98,921	19
Marketing Expense	24,347	25,052	26,764	28,105	27,398	20
Services Expense	21,017	22,579	29,936	35,562	40,235	21
Total Customer Operations	45,364	47,631	56,700	63,667	67,633	22
Executive & Planning	12,700	12,480	9,624	7,569	13,540	23
General & Administrative	62,440	66,074	66,839	72,163	89,074	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	75,140	78,554	76,463	79,732	102,614	27
Total Operations Expense	423,034	350,932	335,359	292,226	328,281	28
Other Operating Income & Expenses			315			29
State & Local Income Taxes						30
Other Taxes	26,733	25,268	32,357	31,552	30,697	31
Net Operating Income Before FIT	(21,274)	68,347	64,756	93,336	80,682	32
Investment Tax Credits - Net						33
Federal Income Taxes	(1,175)	(32,024)	45,407	40,117	36,620	34
Provision - Def. Operating Income Taxes - Net	(5,787)	55,986	(22,711)	(5,718)	(5,933)	35
Net Operating Income	(\$14,312)	\$44,385	\$42,060	\$58,937	\$49,995	36

Oriskany Falls Telephone Corporation
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2011	2010	2009	2008	2007
37 Net Operating Income	(\$14,312)	\$44,385	\$42,060	\$58,937	\$49,995
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income					
39 Interest Income	4,755	5,972	10,308	38,555	71,021
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction					
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies					
44 Other Non-Operating Income					
45 Special Charges	(35,162)	25,289	205	203	115
46 Total Non-Operating Income & Expenses	39,917	(19,317)	10,103	38,352	70,906
NON-OPERATING TAXES					
47 Federal Income Taxes	13,590	(6,751)	3,566	13,401	24,817
48 Other					
49 Total Non-Operating Taxes	13,590	(6,751)	3,566	13,401	24,817
50 Income Available Before Interest Charges	12,015	31,819	48,597	83,888	96,084
INTEREST CHARGES					
51 Interest on Funded Debt					
52 Other Interest Expense	1			142	
53 Total Interest Charges	1			142	
54 Income Before Extraordinary & Nonreg Items	12,014	31,819	48,597	83,746	96,084
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					
57 Total Extraordinary & Nonregulated Items					
58 Net Income	\$12,014	\$31,819	\$48,597	\$83,746	\$96,084
RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$1,508,806	\$2,083,987	\$2,035,390	\$1,951,644	\$1,855,560
60 Transferred from Income	12,014	31,819	48,597	83,746	96,084
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock	162,000	607,000			
64 Adjustments					
65 Ending Year Balance	1,358,820	1,508,806	2,083,987	2,035,390	1,951,644
66 Appropriated/Undistr Affiliate Retained Earnings					
67 Total Retained Earnings	\$1,358,820	\$1,508,806	\$2,083,987	\$2,035,390	\$1,951,644

**Pattersonville Telephone Company
Comparative Balance Sheet
For the Year Ended December 31,**

	2011	2010	2009	2008	2007
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$425,289	\$664,902	\$680,178	\$457,328	\$536,676
2 Accounts Receivable (Net)	325,566	133,657	94,689	105,194	114,769
3 Current Deferred Income Taxes					
4 Other Current Assets	112,996	140,479	137,743	206,417	135,528
5 Total Current Assets	863,851	939,037	912,610	768,939	786,973
NON-CURRENT ASSETS					
6 Investments	262,218				
7 Unamortized Debt Issuance Costs					
8 Deferred Charges					
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes					10,840
11 Other Non-Current Assets					
12 Total Non-Current Assets	262,218				10,840
REGULATED PLANT					
13 Total Telecommunications Plant	3,919,466	4,786,964	4,823,738	4,794,085	4,724,139
14 Less: Accumulated Depr and Amort.	3,521,514	4,266,680	4,089,455	3,756,550	3,512,881
15 Net Regulated Plant	397,953	520,283	734,282	1,037,535	1,211,258
16 Total Assets & Other Debits	\$1,524,021	\$1,459,320	\$1,646,892	\$1,806,474	\$2,009,071
CURRENT LIABILITIES					
17 Accounts Payable	\$106,928	\$34,172	\$32,755	\$40,184	\$35,887
18 Notes Payable					
19 Advanced Billings	46,881	3,404	2,878	10,582	10,243
20 Customer Deposits	539	368	270	250	100
21 Current Maturities - Long-Term Debt					
22 Current Deferred Income Taxes					
23 Other Current Liabilities	41,581	36,856	35,902	12,052	38,035
24 Total Current Liabilities	195,929	74,799	71,805	63,068	84,266
LONG-TERM DEBT					
25 Long-Term Debt					
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC		0	163	291	599
27 Non-Current Deferred Taxes	143,470	210,889	258,899	315,535	338,816
28 Other Deferred Credits		3,436	8,018	12,600	52,522
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	0	(14,334)			
31 Total Other Liab. and Def. Credits	143,470	199,991	267,081	328,427	391,937
STOCKHOLDER'S EQUITY					
32 Common Stock	84,000	84,000	84,000	84,000	96,000
33 Preferred Stock					
34 Other Paid in Capital					(83,270)
35 Retained Earnings	1,100,622	1,100,530	1,224,006	1,330,980	1,520,137
36 Total Stockholder's Equity	1,184,622	1,184,530	1,308,006	1,414,980	1,532,867
37 Total Liab. and Stockholder's Equity	\$1,524,021	\$1,459,320	\$1,646,892	\$1,806,474	\$2,009,071

**Pattersonville Telephone Company
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,**

INCOME STATEMENT	2011	2010	2009	2008	2007	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$262,775	\$265,087	\$276,774	\$306,081	\$376,947	1
Network Access Services	324,682	363,511	362,591	370,980	381,878	2
Long Distance Network Services	368,699	454,897	561,647	570,737	594,521	3
Miscellaneous Revenues	245,169	231,264	163,983	172,308	192,132	4
Less: Uncollectible Revenues	1,992	1,537	3,149	3,318	2,693	5
Total Operating Revenues	1,199,333	1,313,222	1,361,845	1,416,789	1,542,785	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	9,119	10,353	15,293	6,095	4,392	7
General Support Expenses	215,441	82,316	85,408	87,478	101,975	8
Central Office Switching	168,157	167,543	192,744	169,779	190,841	9
Operator Systems Expense						10
Central Office Transmission	121,843	119,043	101,347	102,703	85,188	11
Info. Origination/Termination	21,387	26,071	27,783	22,005	27,864	12
Cable & Wire Facilities	104,719	133,103	108,725	97,092	81,511	13
Total Plant Specific Operations	640,666	538,430	531,301	485,152	491,771	14
Other Plant, Property & Equipment						15
Network Operations	59,294	68,556	74,883	79,927	75,205	16
Access Expense	22,782	17,942	12,585	11,508	29,091	17
Depreciation and Amortization	144,478	237,257	336,642	301,174	262,124	18
Total Plant Non-Specific Operations	226,554	323,755	424,110	392,608	366,420	19
Marketing Expense	1,312	2,970	1,965	2,066	4,128	20
Services Expense	133,236	159,176	155,291	157,838	186,350	21
Total Customer Operations	134,548	162,146	157,256	159,904	190,478	22
Executive & Planning	96,611	98,082	106,903	180,097	189,640	23
General & Administrative	267,229	264,664	252,048	316,983	308,634	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	363,840	362,746	358,951	497,080	498,274	27
Total Operations Expense	1,365,607	1,387,077	1,471,619	1,534,744	1,546,944	28
Other Operating Income & Expenses	2,321	1,570	5,177	5,036	1,691	29
State & Local Income Taxes						30
Other Taxes	70,092	67,380	70,421	70,673	84,141	31
Net Operating Income Before FIT	(234,044)	(139,665)	(175,017)	(183,592)	(86,608)	32
Investment Tax Credits - Net						33
Federal Income Taxes	(39,466)	4,755	3,722	(42,449)	2,727	34
Provision - Def. Operating Income Taxes - Net	(31,149)	(57,597)	(65,530)	(2,095)	(36,881)	35
Net Operating Income	(\$163,429)	(\$86,823)	(\$113,209)	(\$139,048)	(\$52,455)	36

Pattersonville Telephone Company
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2011	2010	2009	2008	2007
37 Net Operating Income	(\$163,429)	(\$86,823)	(\$113,209)	(\$139,048)	(\$52,455)
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income					
39 Interest Income	3,370	5,939	7,529	17,314	24,561
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction					
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies	177,218				
44 Other Non-Operating Income				22,661	1,657
45 Special Charges	754	754	1,204	1,077	1,329
46 Total Non-Operating Income & Expenses	179,834	5,185	6,325	38,898	24,889
NON-OPERATING TAXES					
47 Federal Income Taxes	64	572	821	3,510	3,116
48 Other					235
49 Total Non-Operating Taxes	64	572	821	3,510	3,351
50 Income Available Before Interest Charges	16,342	(82,210)	(107,705)	(103,660)	(30,917)
INTEREST CHARGES					
51 Interest on Funded Debt					
52 Other Interest Expense	(550)	(734)	(731)	(2,573)	1,880
53 Total Interest Charges	(550)	(734)	(731)	(2,573)	1,880
54 Income Before Extraordinary & Nonreg Items	16,892	(81,476)	(106,973)	(101,087)	(32,797)
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					
57 Total Extraordinary & Nonregulated Items					
58 Net Income	\$16,892	(\$81,476)	(\$106,973)	(\$101,087)	(\$32,797)
RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$1,100,530	\$1,224,006	\$1,330,980	\$1,520,137	\$1,678,933
60 Transferred from Income	(160,326)	(81,476)	(106,973)	(101,087)	(32,797)
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock	16,800	42,000		16,800	126,000
64 Adjustments				(71,270)	
65 Ending Year Balance	923,404	1,100,530	1,224,006	1,330,980	1,520,137
66 Appropriated/Undistr Affiliate Retained Earnings	177,218				
67 Total Retained Earnings	\$1,100,622	\$1,100,530	\$1,224,006	\$1,330,980	\$1,520,137

**Port Byron Telephone Company
Comparative Balance Sheet
For the Year Ended December 31,**

	2011	2010	2009	2008	2007
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$2,231,561	\$1,890,240	\$1,461,907	\$1,377,878	\$1,410,134
2 Accounts Receivable (Net)	394,666	336,475	495,001	438,731	473,388
3 Current Deferred Income Taxes					
4 Other Current Assets	41,276	58,077	57,509	44,536	84,633
5 Total Current Assets	2,667,503	2,284,792	2,014,417	1,861,145	1,968,155
NON-CURRENT ASSETS					
6 Investments	14,670	49,878	85,087	126,163	158,437
7 Unamortized Debt Issuance Costs					
8 Deferred Charges					
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes					
11 Other Non-Current Assets					
12 Total Non-Current Assets	14,670	49,878	85,087	126,163	158,437
REGULATED PLANT					
13 Total Telecommunications Plant	10,301,256	10,234,298	10,391,556	10,704,895	10,669,552
14 Less: Accumulated Depr and Amort.	7,498,539	7,035,781	6,704,062	6,803,549	6,424,571
15 Net Regulated Plant	2,802,717	3,198,517	3,687,494	3,901,346	4,244,981
16 Total Assets & Other Debits	\$5,484,890	\$5,533,187	\$5,786,998	\$5,888,654	\$6,371,573
CURRENT LIABILITIES					
17 Accounts Payable	\$307,116	\$286,538	\$357,924	\$292,690	\$396,005
18 Notes Payable					
19 Advanced Billings	5,404	5,571	3,542	5,005	10,970
20 Customer Deposits					
21 Current Maturities - Long-Term Debt	5,868	35,532	42,142	46,199	59,652
22 Current Deferred Income Taxes	(13,577)	(11,159)	(16,843)	(10,874)	(10,722)
23 Other Current Liabilities	106,272	32,522	38,765	38,693	53,594
24 Total Current Liabilities	411,083	349,004	425,530	371,713	509,499
LONG-TERM DEBT					
25 Long-Term Debt		8,802	41,400	83,933	127,218
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	501,158	571,272	595,614	607,090	541,200
28 Other Deferred Credits			32,832	68,876	350,591
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	(46,503)	(47,061)	(43,218)	12,866	35,726
31 Total Other Liab. and Def. Credits	454,655	524,211	585,228	688,832	927,517
STOCKHOLDER'S EQUITY					
32 Common Stock	60,002	60,002	60,002	60,002	60,002
33 Preferred Stock					
34 Other Paid in Capital	90,616	89,980	89,708	48,245	37,346
35 Retained Earnings	4,468,534	4,501,188	4,585,130	4,635,929	4,709,991
36 Total Stockholder's Equity	4,619,152	4,651,170	4,734,840	4,744,176	4,807,339
37 Total Liab. and Stockholder's Equity	\$5,484,890	\$5,533,187	\$5,786,998	\$5,888,654	\$6,371,573

Port Byron Telephone Company
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2011	2010	2009	2008	2007	
TELEPHONE OPERATING REVENUES						
Local Network Services	530,012	\$564,744	\$622,245	\$677,531	\$763,460	1
Network Access Services	895,814	1,040,370	1,154,004	1,304,198	1,506,129	2
Long Distance Network Services						3
Miscellaneous Revenues	737,655	699,728	645,096	643,427	425,365	4
Less: Uncollectible Revenues	22,275	34,029	45,841	41,394	35,309	5
Total Operating Revenues	2,141,206	2,270,813	2,375,504	2,583,762	2,659,645	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	6,147	4,821	4,851	12,252	15,480	7
General Support Expenses	153,090	145,932	140,226	66,603	59,069	8
Central Office Switching	38,647	46,318	73,317	74,694	85,797	9
Operator Systems Expense						10
Central Office Transmission	162,700	156,515	196,650	110,538	258,172	11
Info. Origination/Termination	163,619	131,206	124,581	162,208	195,326	12
Cable & Wire Facilities	292,473	223,454	227,094	166,280	154,403	13
Total Plant Specific Operations	816,676	708,246	766,719	592,575	768,247	14
Other Plant, Property & Equipment						15
Network Operations	201,937	200,301	200,893	246,189	268,663	16
Access Expense	46,947	69,405	64,075	74,397	82,429	17
Depreciation and Amortization	551,690	440,866	616,629	691,279	681,495	18
Total Plant Non-Specific Operations	800,574	710,572	881,597	1,011,865	1,032,587	19
Marketing Expense	131,631	132,432	138,459	143,150	143,510	20
Services Expense	99,966	122,350	165,368	192,407	220,513	21
Total Customer Operations	231,597	254,782	303,827	335,557	364,023	22
Executive & Planning	81,861	84,090	69,899	51,371	73,649	23
General & Administrative	357,485	362,392	352,026	372,767	403,734	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	439,346	446,482	421,925	424,138	477,383	27
Total Operations Expense	2,288,193	2,120,082	2,374,068	2,364,135	2,642,240	28
Other Operating Income & Expenses			1,992			29
State & Local Income Taxes						30
Other Taxes	146,300	99,642	107,287	172,824	174,860	31
Net Operating Income Before FIT	(293,287)	51,089	(103,859)	46,803	(157,455)	32
Investment Tax Credits - Net						33
Federal Income Taxes	(33,593)	24,933	(6,352)	49,161	2,165	34
Provision - Def. Operating Income Taxes - Net	(69,050)	(18,527)	(42,607)	(26,308)	(63,576)	35
Net Operating Income	(\$190,644)	\$44,683	(\$54,900)	\$23,950	(\$96,044)	36

Port Byron Telephone Company
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2011	2010	2009	2008	2007
37 Net Operating Income	(\$190,644)	\$44,683	(\$54,900)	\$23,950	(\$96,044)
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income					
39 Interest Income	9,579	8,330	8,296	36,075	52,738
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction					
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies					
44 Other Non-Operating Income	176	(15)	(164)	230,698	895
45 Special Charges	(233,564)	205,916	758	1,041	629
46 Total Non-Operating Income & Expenses	243,319	(197,601)	7,374	265,732	53,004
NON-OPERATING TAXES					
47 Federal Income Taxes	85,322	(69,203)	2,287	89,526	18,467
48 Other				9,636	
49 Total Non-Operating Taxes	85,322	(69,203)	2,287	99,162	18,467
50 Income Available Before Interest Charges	(32,647)	(83,715)	(49,813)	190,520	(61,507)
INTEREST CHARGES					
51 Interest on Funded Debt					
52 Other Interest Expense	7	227	986	(10,418)	14,612
53 Total Interest Charges	7	227	986	(10,418)	14,612
54 Income Before Extraordinary & Nonreg Items	(32,654)	(83,942)	(50,799)	200,938	(76,119)
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					
57 Total Extraordinary & Nonregulated Items					
58 Net Income	(\$32,654)	(\$83,942)	(\$50,799)	\$200,938	(\$76,119)
RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$4,501,188	\$4,585,130	\$4,635,929	\$4,709,991	\$4,786,110
60 Transferred from Income	(32,654)	(83,942)	(50,799)	200,938	(76,119)
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock				275,000	
64 Adjustments					
65 Ending Year Balance	4,468,534	4,501,188	4,585,130	4,635,929	4,709,991
66 Appropriated/Undistr Affiliate Retained Earnings					
67 Total Retained Earnings	\$4,468,534	\$4,501,188	\$4,585,130	\$4,635,929	\$4,709,991

**State Telephone Company
Comparative Balance Sheet
For the Year Ended December 31,**

	2011	2010	2009	2008	2007
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$218,351	\$12,029	\$408,145	\$255,241	\$204,294
2 Accounts Receivable (Net)	240,763	279,605	236,867	344,205	311,630
3 Current Deferred Income Taxes					
4 Other Current Assets	608,929	632,208	553,583	560,322	554,551
5 Total Current Assets	1,068,043	923,842	1,198,595	1,159,768	1,070,475
NON-CURRENT ASSETS					
6 Investments	1,036,364	983,318	952,129	886,016	794,458
7 Unamortized Debt Issuance Costs					
8 Deferred Charges	69,705	69,705	69,705	69,705	69,705
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes					
11 Other Non-Current Assets					
12 Total Non-Current Assets	1,106,069	1,053,023	1,021,834	955,721	864,163
REGULATED PLANT					
13 Total Telecommunications Plant	24,862,245	23,254,286	20,444,292	19,467,193	18,673,893
14 Less: Accumulated Depr and Amort.	17,415,001	16,595,785	15,855,505	15,180,801	14,367,805
15 Net Regulated Plant	7,447,244	6,658,501	4,588,787	4,286,392	4,306,088
16 Total Assets & Other Debits	\$9,621,356	\$8,635,366	\$6,809,216	\$6,401,881	\$6,240,726
CURRENT LIABILITIES					
17 Accounts Payable	\$90,218	\$115,080	\$279,769	\$60,320	\$79,459
18 Notes Payable	1,906,574	1,500,000			
19 Advanced Billings					
20 Customer Deposits	9,897	11,547	12,637	14,047	16,829
21 Current Maturities - Long-Term Debt					
22 Current Deferred Income Taxes					
23 Other Current Liabilities	2,811	(75,630)	75,794	25,165	(19,540)
24 Total Current Liabilities	2,009,500	1,550,997	368,200	99,532	76,748
LONG-TERM DEBT					
25 Long-Term Debt					
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	980,896	43,547	(192,070)	(192,918)	(203,842)
28 Other Deferred Credits	503,442	539,813	574,337	540,119	524,697
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	1,166,595	1,097,737	1,419,284	1,468,102	1,288,584
31 Total Other Liab. and Def. Credits	2,650,933	1,681,097	1,801,551	1,815,303	1,609,439
STOCKHOLDER'S EQUITY					
32 Common Stock	80,000	80,000	80,000	80,000	80,000
33 Preferred Stock					
34 Other Paid in Capital					
35 Retained Earnings	4,880,923	5,323,272	4,559,465	4,407,046	4,474,539
36 Total Stockholder's Equity	4,960,923	5,403,272	4,639,465	4,487,046	4,554,539
37 Total Liab. and Stockholder's Equity	\$9,621,356	\$8,635,366	\$6,809,216	\$6,401,881	\$6,240,726

State Telephone Company
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2011	2010	2009	2008	2007	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$1,280,970	\$1,376,189	\$1,309,614	\$1,296,313	\$1,231,626	1
Network Access Services	1,754,703	1,788,707	1,755,450	1,748,659	1,793,265	2
Long Distance Network Services	641,938	590,503	517,908	452,704	546,806	3
Miscellaneous Revenues	1,285,102	1,222,149	1,143,987	1,092,626	1,030,370	4
Less: Uncollectible Revenues	37,360	17,144	82,981	17,971	(1,956)	5
Total Operating Revenues	4,925,353	4,960,404	4,643,978	4,572,331	4,604,023	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	2,933		(1,515)	37,434	49,384	7
General Support Expenses	253,100	300,421	241,738	275,299	258,441	8
Central Office Switching	791,423	528,304	445,363	458,000	488,377	9
Operator Systems Expense						10
Central Office Transmission	79,749	79,341	73,340	92,974	27,353	11
Info. Origination/Termination	190,693	230,654	238,130	195,526	208,151	12
Cable & Wire Facilities	226,038	301,912	283,886	272,990	186,671	13
Total Plant Specific Operations	1,543,936	1,440,632	1,280,942	1,332,223	1,218,377	14
Other Plant, Property & Equipment	73,438	73,518	70,453	67,649	71,451	15
Network Operations	345,709	323,478	345,683	329,809	312,611	16
Access Expense	5,298	11,626	20,742			17
Depreciation and Amortization	819,216	782,346	730,717	812,996	1,021,071	18
Total Plant Non-Specific Operations	1,243,661	1,190,968	1,167,595	1,210,454	1,405,133	19
Marketing Expense	28,845	26,346	29,609	20,136	20,671	20
Services Expense	575,970	575,269	664,430	673,702	685,272	21
Total Customer Operations	604,815	601,615	694,039	693,838	705,943	22
Executive & Planning	352,564	314,340	337,198	339,485	371,357	23
General & Administrative	303,730	285,068	332,468	279,107	291,273	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	656,294	599,408	669,666	618,592	662,630	27
Total Operations Expense	4,048,706	3,832,623	3,812,242	3,855,107	3,992,083	28
Other Operating Income & Expenses						29
State & Local Income Taxes						30
Other Taxes	281,720	273,060	261,936	245,372	170,535	31
Net Operating Income Before FIT	594,927	854,721	569,800	471,852	441,405	32
Investment Tax Credits - Net						33
Federal Income Taxes	57,922	(57,606)	139,409	17,482	292,330	34
Provision - Def. Operating Income Taxes - Net	136,171	284,752	(50,560)	34,009	(227,007)	35
Net Operating Income	\$400,834	\$627,575	\$480,951	\$420,361	\$376,082	36

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State Telephone Company
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2011	2010	2009	2008	2007
37 Net Operating Income	\$400,834	\$627,575	\$480,951	\$420,361	\$376,082
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income					
39 Interest Income					
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction					
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies	53,046	31,189	66,113	91,558	2,674
44 Other Non-Operating Income					
45 Special Charges	67,800	11,673	12,128	15,169	12,262
46 Total Non-Operating Income & Expenses	(14,754)	19,516	53,985	76,389	(9,588)
NON-OPERATING TAXES					
47 Federal Income Taxes					
48 Other					
49 Total Non-Operating Taxes					
50 Income Available Before Interest Charges	386,080	647,091	534,936	496,750	366,494
INTEREST CHARGES					
51 Interest on Funded Debt					
52 Other Interest Expense	90,239	10,861	35	60	60
53 Total Interest Charges	90,239	10,861	35	60	60
54 Income Before Extraordinary & Nonreg Items	295,841	636,230	534,901	496,690	366,434
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					
57 Total Extraordinary & Nonregulated Items					
58 Net Income	\$295,841	\$636,230	\$534,901	\$496,690	\$366,434
RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$4,239,954	\$3,507,336	\$3,421,030	\$3,580,081	\$3,675,457
60 Transferred from Income	242,795	605,041	468,788	405,132	363,760
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock		360,000	360,000	384,000	384,000
64 Adjustments	(738,190)	487,577	(22,482)	(180,183)	(75,136)
65 Ending Year Balance	3,744,559	4,239,954	3,507,336	3,421,030	3,580,081
66 Appropriated/Undistr Affiliate Retained Earnings	1,136,364	1,083,318	1,052,129	986,016	894,458
67 Total Retained Earnings	\$4,880,923	\$5,323,272	\$4,559,465	\$4,407,046	\$4,474,539

**Taconic Telephone Corp.
Comparative Balance Sheet
For the Year Ended December 31,**

	2011	2010	2009	2008	2007
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$1,220	\$1,220	\$1,220	\$1,220	\$1,000
2 Accounts Receivable (Net)	3,050,683	5,696,221	5,964,401	6,900,415	3,922,641
3 Current Deferred Income Taxes	47,442	59,818	54,467	45,306	61,207
4 Other Current Assets	870,095	805,030	767,205	933,635	643,445
5 Total Current Assets	3,969,440	6,562,289	6,787,293	7,880,576	4,628,293
NON-CURRENT ASSETS					
6 Investments	1,629,670	2,932,328	2,527,960	2,652,308	2,650,125
7 Unamortized Debt Issuance Costs					
8 Deferred Charges					
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes	73,409	162,786	256,704	351,388	498,034
11 Other Non-Current Assets	3,132				
12 Total Non-Current Assets	1,706,211	3,095,114	2,784,664	3,003,696	3,148,159
REGULATED PLANT					
13 Total Telecommunications Plant	72,872,974	72,338,568	71,601,250	71,013,992	69,302,928
14 Less: Accumulated Depr and Amort.	51,654,205	51,440,686	51,158,089	50,407,696	49,554,744
15 Net Regulated Plant	21,218,769	20,897,882	20,443,160	20,606,296	19,748,185
16 Total Assets & Other Debits	\$26,894,420	\$30,555,285	\$30,015,117	\$31,490,568	\$27,524,637
CURRENT LIABILITIES					
17 Accounts Payable	\$4,166,127	\$6,533,120	\$5,503,433	\$7,822,553	\$3,223,364
18 Notes Payable					
19 Advanced Billings	5,511	(7,955)			
20 Customer Deposits				1,182	1,182
21 Current Maturities - Long-Term Debt					
22 Current Deferred Income Taxes					
23 Other Current Liabilities	151,406	177,465	147,003	383,646	650,261
24 Total Current Liabilities	4,323,044	6,702,630	5,650,436	8,207,381	3,874,807
LONG-TERM DEBT					
25 Long-Term Debt					
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					11,935
27 Non-Current Deferred Taxes	3,144,521	3,330,678	2,761,852	2,150,206	1,589,295
28 Other Deferred Credits	186,299	484,507	771,177	1,060,037	1,371,819
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	(143,732)	844,880	994,255	(958,180)	45,786
31 Total Other Liab. and Def. Credits	3,187,088	4,660,065	4,527,283	2,252,063	3,018,835
STOCKHOLDER'S EQUITY					
32 Common Stock	677,719	677,719	677,719	677,719	677,719
33 Preferred Stock					
34 Other Paid in Capital	1,581,615	1,581,615	1,581,615	1,581,615	1,581,615
35 Retained Earnings	17,124,954	16,933,257	17,578,064	18,771,790	18,371,660
36 Total Stockholder's Equity	19,384,288	19,192,590	19,837,397	21,031,124	20,630,994
37 Total Liab. and Stockholder's Equity	\$26,894,420	\$30,555,285	\$30,015,117	\$31,490,568	\$27,524,637

Taconic Telephone Corp.
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2011	2010	2009	2008	2007	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$5,900,350	\$6,291,137	\$6,777,829	\$6,947,570	\$6,992,604	1
Network Access Services	9,076,902	8,913,380	9,075,300	9,338,829	10,047,571	2
Long Distance Network Services	133,286	133,482	134,295	220,042	255,725	3
Miscellaneous Revenues	1,502,083	1,303,509	1,373,369	1,412,660	1,223,253	4
Less: Uncollectible Revenues	74,286	167,827	189,575	(87,569)	280,111	5
Total Operating Revenues	16,538,335	16,473,681	17,171,217	18,006,670	18,239,042	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	5,844	(2,809)	1,505	15,693	12,433	7
General Support Expenses	2,645,567	3,423,789	1,487,092	1,517,313	1,292,625	8
Central Office Switching	656,596	682,378	695,522	805,018	795,423	9
Operator Systems Expense						10
Central Office Transmission	78,379	71,443	79,643	73,512	95,093	11
Info. Origination/Termination						12
Cable & Wire Facilities	2,368,182	1,881,758	2,190,256	1,826,215	1,984,948	13
Total Plant Specific Operations	5,754,568	6,056,559	4,454,018	4,237,751	4,180,522	14
Other Plant, Property & Equipment	876		12,345	38,946	9,803	15
Network Operations	1,397,723	1,498,375	1,535,849	1,688,180	1,563,796	16
Access Expense	549,817	518,956	417,350	384,631	430,761	17
Depreciation and Amortization	3,039,119	2,638,257	2,631,331	2,769,964	2,666,490	18
Total Plant Non-Specific Operations	4,987,535	4,655,588	4,596,875	4,881,721	4,670,850	19
Marketing Expense	355,734	250,263	371,641	377,589	597,186	20
Services Expense	1,711,737	1,788,558	2,023,283	1,986,517	2,373,899	21
Total Customer Operations	2,067,471	2,038,821	2,394,924	2,364,106	2,971,084	22
Executive & Planning	306,032	256,914	571,201	616,510	644,037	23
General & Administrative	1,975,497	1,698,638	2,378,412	2,348,740	2,579,863	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	2,281,529	1,955,552	2,949,613	2,965,250	3,223,899	27
Total Operations Expense	15,091,103	14,706,520	14,395,430	14,448,828	15,046,355	28
Other Operating Income & Expenses						29
State & Local Income Taxes	(302)	(1,386)	23,714	11,427	22,365	30
Other Taxes	817,518	855,462	742,623	836,535	830,974	31
Net Operating Income Before FIT	630,016	913,085	2,009,450	2,709,880	2,339,348	32
Investment Tax Credits - Net				11,935	1,873	33
Federal Income Taxes	(14,209)	(46,790)	2,114,833	468,271	1,014,367	34
Provision - Def. Operating Income Taxes - Net	(66,071)	42,874	(457,199)	691,375	603,370	35
Net Operating Income	\$710,296	\$917,001	\$351,816	\$1,562,169	\$723,484	36

Taconic Telephone Corp.
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2011	2010	2009	2008	2007
37 Net Operating Income	\$710,296	\$917,001	\$351,816	\$1,562,169	\$723,484
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income					
39 Interest Income					
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction					
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies	1,531,342	1,542,368			1,789,585
44 Other Non-Operating Income					4,461,438
45 Special Charges	900	92	(150)	(383)	1,954
46 Total Non-Operating Income & Expenses	1,530,442	1,542,276	150	383	6,249,068
NON-OPERATING TAXES					
47 Federal Income Taxes	33,112	516,845	(778,650)	(138,343)	210,942
48 Other	(74,609)	125,801	68,320	94,229	1,486,416
49 Total Non-Operating Taxes	(41,497)	642,646	(710,330)	(44,114)	1,697,358
50 Income Available Before Interest Charges	2,282,235	1,816,631	1,062,296	1,606,666	5,275,194
INTEREST CHARGES					
51 Interest on Funded Debt					
52 Other Interest Expense	17,570	38,161	57,316	75,184	92,723
53 Total Interest Charges	17,570	38,161	57,316	75,184	92,723
54 Income Before Extraordinary & Nonreg Items	2,264,665	1,778,470	1,004,979	1,531,482	5,182,471
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues	738,375	2,186,090	1,906,295	767,269	
57 Total Extraordinary & Nonregulated Items	738,375	2,186,090	1,906,295	767,269	
58 Net Income	\$3,003,040	\$3,964,560	\$2,911,274	\$2,298,751	\$5,182,471
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RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$16,933,257	\$17,578,064	\$18,771,790	\$14,166,497	\$24,682,455
60 Transferred from Income	1,471,698	2,422,192	2,911,274	2,298,751	3,392,798
61 Appropriations	1,134,454	2,921,454			
Dividends Declared:					
62 Preferred Stock					
63 Common Stock			4,105,000	4,628,000	13,908,755
64 Adjustments	(145,546)	(145,545)		6,934,542	
65 Ending Year Balance	17,124,955	16,933,257	17,578,064	18,771,790	14,166,497
66 Appropriated/Undistr Affiliate Retained Earnings					4,205,163
67 Total Retained Earnings	\$17,124,955	\$16,933,257	\$17,578,064	\$18,771,790	\$18,371,660

Township Telephone Company, Inc.
Comparative Balance Sheet
For the Year Ended December 31,

	2011	2010	2009	2008	2007
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$1,030,522	\$3,002,866	\$2,622,609	\$2,234,501	\$2,339,492
2 Accounts Receivable (Net)	429,711	332,720	565,756	551,121	738,072
3 Current Deferred Income Taxes					
4 Other Current Assets	68,498	63,238	60,595	67,946	162,014
5 Total Current Assets	1,528,731	3,398,824	3,248,960	2,853,568	3,239,578
NON-CURRENT ASSETS					
6 Investments					
7 Unamortized Debt Issuance Costs					
8 Deferred Charges			100	100	100
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes					
11 Other Non-Current Assets					
12 Total Non-Current Assets			100	100	100
REGULATED PLANT					
13 Total Telecommunications Plant	18,266,906	17,883,607	18,418,292	18,796,724	18,654,522
14 Less: Accumulated Depr and Amort.	11,617,643	11,030,958	10,421,373	10,170,192	9,490,141
15 Net Regulated Plant	6,649,263	6,852,649	7,996,919	8,626,532	9,164,381
16 Total Assets & Other Debits	\$8,177,994	\$10,251,473	\$11,245,979	\$11,480,200	\$12,404,059
CURRENT LIABILITIES					
17 Accounts Payable	\$328,592	\$332,634	\$418,344	\$328,859	\$456,242
18 Notes Payable					
19 Advanced Billings	67,786	65,796	70,870	73,406	89,408
20 Customer Deposits					
21 Current Maturities - Long-Term Debt		855	3,656	13,048	12,980
22 Current Deferred Income Taxes	(9,397)	(3,575)	(5,375)	(5,873)	(6,344)
23 Other Current Liabilities	85,890	118,833	108,091	59,831	52,056
24 Total Current Liabilities	472,871	514,543	595,586	469,271	604,342
LONG-TERM DEBT					
25 Long-Term Debt			855	4,511	14,140
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	1,488,961	1,419,711	1,632,820	1,734,094	1,304,768
28 Other Deferred Credits					1,526,783
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	213,864	427,765	421,760	537,958	555,771
31 Total Other Liab. and Def. Credits	1,702,825	1,847,476	2,054,580	2,272,052	3,387,322
STOCKHOLDER'S EQUITY					
32 Common Stock	10,000	10,000	10,000	10,000	10,000
33 Preferred Stock					
34 Other Paid in Capital	3,689,759	3,613,927	3,611,919	3,527,330	3,574,886
35 Retained Earnings	2,302,539	4,265,527	4,973,039	5,197,036	4,813,369
36 Total Stockholder's Equity	6,002,298	7,889,454	8,594,958	8,734,366	8,398,255
37 Total Liab. and Stockholder's Equity	\$8,177,994	\$10,251,473	\$11,245,979	\$11,480,200	\$12,404,059

Township Telephone Company, Inc.
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2011	2010	2009	2008	2007	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$679,011	\$752,831	\$854,857	\$982,316	\$1,171,457	1
Network Access Services	1,516,745	1,518,030	1,909,905	1,971,262	2,085,789	2
Long Distance Network Services						3
Miscellaneous Revenues	652,996	602,803	538,493	589,900	535,872	4
Less: Uncollectible Revenues	7,014	18,615	3,841	16,773	16,303	5
Total Operating Revenues	2,841,738	2,855,049	3,299,414	3,526,705	3,776,815	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	9,247	8,711	7,397	3,808	18,175	7
General Support Expenses	193,003	194,170	201,783	72,638	77,060	8
Central Office Switching	157,583	129,530	150,446	160,689	202,903	9
Operator Systems Expense						10
Central Office Transmission	143,997	139,644	193,987	220,570	323,185	11
Info. Origination/Termination	148,723	149,873	128,422	186,849	174,843	12
Cable & Wire Facilities	298,221	265,715	296,076	254,235	210,510	13
Total Plant Specific Operations	950,774	887,643	978,111	898,789	1,006,676	14
Other Plant, Property & Equipment						15
Network Operations	306,268	321,099	332,553	365,421	372,395	16
Access Expense	43,183	71,198	60,191	90,217	94,751	17
Depreciation and Amortization	779,230	633,673	1,022,736	1,206,705	1,227,592	18
Total Plant Non-Specific Operations	1,128,681	1,025,970	1,415,480	1,662,343	1,694,738	19
Marketing Expense	192,186	200,460	219,055	235,298	234,487	20
Services Expense	147,807	174,264	248,981	287,490	310,149	21
Total Customer Operations	339,993	374,724	468,036	522,788	544,636	22
Executive & Planning	100,963	100,031	77,936	61,889	112,095	23
General & Administrative	424,287	552,598	543,477	510,791	664,984	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	525,250	652,629	621,413	572,680	777,079	27
Total Operations Expense	2,944,698	2,940,966	3,483,040	3,656,600	4,023,129	28
Other Operating Income & Expenses		(245)	1,037			29
State & Local Income Taxes						30
Other Taxes	164,142	163,901	179,243	212,054	206,135	31
Net Operating Income Before FIT	(267,102)	(250,063)	(361,832)	(341,949)	(452,449)	32
Investment Tax Credits - Net						33
Federal Income Taxes	(107,947)	124,289	8,953	(25,840)	(239,500)	34
Provision - Def. Operating Income Taxes - Net	15,031	(211,759)	(135,856)	(67,846)	50,501	35
Net Operating Income	(\$174,186)	(\$162,593)	(\$234,929)	(\$248,263)	(\$263,450)	36

Township Telephone Company, Inc.
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2011	2010	2009	2008	2007
37 Net Operating Income	(\$174,186)	(\$162,593)	(\$234,929)	(\$248,263)	(\$263,450)
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income					
39 Interest Income	15,222	17,625	19,110	62,147	105,218
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction					
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies					
44 Other Non-Operating Income			(11)	1,402,876	7,277
45 Special Charges	(863,219)	855,739	965	1,496	778
46 Total Non-Operating Income & Expenses	878,441	(838,114)	18,134	1,463,527	111,717
NON-OPERATING TAXES					
47 Federal Income Taxes	307,152	(293,339)	6,346	488,382	34,314
48 Other				66,762	(1)
49 Total Non-Operating Taxes	307,152	(293,339)	6,346	555,144	34,313
50 Income Available Before Interest Charges	397,103	(707,368)	(223,141)	660,120	(186,046)
INTEREST CHARGES					
51 Interest on Funded Debt					
52 Other Interest Expense	91	144	856	(72,547)	88,373
53 Total Interest Charges	91	144	856	(72,547)	88,373
54 Income Before Extraordinary & Nonreg Items	397,012	(707,512)	(223,997)	732,667	(274,419)
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					
57 Total Extraordinary & Nonregulated Items					
58 Net Income	\$397,012	(\$707,512)	(\$223,997)	\$732,667	(\$274,419)
RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$4,265,527	\$4,973,039	\$5,197,036	\$4,813,369	\$5,087,788
60 Transferred from Income	397,012	(707,512)	(223,997)	732,667	(274,419)
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock	2,360,000			349,000	
64 Adjustments					
65 Ending Year Balance	2,302,539	4,265,527	4,973,039	5,197,036	4,813,369
66 Appropriated/Undistr Affiliate Retained Earnings					
67 Total Retained Earnings	\$2,302,539	\$4,265,527	\$4,973,039	\$5,197,036	\$4,813,369

Trumansburg Home Telephone Company
Comparative Balance Sheet
For the Year Ended December 31,

	2011	2010	2009	2008	2007
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$1,372,288	\$1,305,928	\$1,196,954	\$1,181,920	\$1,701,042
2 Accounts Receivable (Net)	3,538,226	2,669,528	1,497,117	664,190	1,051,452
3 Current Deferred Income Taxes					
4 Other Current Assets	1,594,802	798,627	838,856	647,439	733,906
5 Total Current Assets	6,505,316	4,774,083	3,532,927	2,493,550	3,486,400
NON-CURRENT ASSETS					
6 Investments	3,296,910	3,743,466	3,645,432	3,761,401	2,959,889
7 Unamortized Debt Issuance Costs	2,400	4,800	7,200	9,600	12,000
8 Deferred Charges			5,832	5,832	5,832
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes	404,395	320,074	288,255	296,791	462,647
11 Other Non-Current Assets	2,196,702	2,312,740	2,814,230	2,590,117	3,290,215
12 Total Non-Current Assets	5,900,407	6,381,080	6,760,949	6,663,741	6,730,583
REGULATED PLANT					
13 Total Telecommunications Plant	24,189,786	25,797,237	25,150,618	25,424,547	24,900,195
14 Less: Accumulated Depr and Amort.	14,478,120	15,836,462	14,784,017	14,207,800	13,315,881
15 Net Regulated Plant	9,711,667	9,960,775	10,366,601	11,216,747	11,584,314
16 Total Assets & Other Debits	\$22,117,390	\$21,115,938	\$20,660,477	\$20,374,037	\$21,801,297
CURRENT LIABILITIES					
17 Accounts Payable	\$2,638,597	\$1,625,791	\$1,443,300	\$1,427,605	\$1,349,684
18 Notes Payable	317,196	345,460	429,275	427,219	420,782
19 Advanced Billings	437,713	458,149	478,585	499,021	518,747
20 Customer Deposits					
21 Current Maturities - Long-Term Debt	299,235	299,235	299,235	398,980	398,980
22 Current Deferred Income Taxes					
23 Other Current Liabilities	834,364	889,042	859,639	546,114	779,869
24 Total Current Liabilities	4,527,105	3,617,677	3,510,034	3,298,939	3,468,062
LONG-TERM DEBT					
25 Long-Term Debt	1,196,936	1,595,916	1,994,896	2,393,876	2,792,856
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	2,338,201	2,197,183	2,081,035	1,829,115	1,965,157
28 Other Deferred Credits	263,591	276,482	296,445	292,251	275,423
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	313,285	321,990	273,309	266,987	798,160
31 Total Other Liab. and Def. Credits	2,915,077	2,795,655	2,650,789	2,388,353	3,038,740
STOCKHOLDER'S EQUITY					
32 Common Stock	240,000	240,000	240,000	240,000	240,000
33 Preferred Stock					
34 Other Paid in Capital	(2,050,975)	(2,014,959)	(2,154,475)	(2,601,601)	(2,335,774)
35 Retained Earnings	15,289,247	14,881,648	14,419,233	14,654,469	14,597,413
36 Total Stockholder's Equity	13,478,272	13,106,689	12,504,758	12,292,868	12,501,639
37 Total Liab. and Stockholder's Equity	\$22,117,390	\$21,115,938	\$20,660,477	\$20,374,037	\$21,801,297

Trumansburg Home Telephone Company
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2011	2010	2009	2008	2007	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$1,400,284	\$1,493,827	\$1,626,544	\$1,617,781	\$1,683,511	1
Network Access Services	3,086,454	2,980,156	3,141,202	3,074,538	3,102,188	2
Long Distance Network Services						3
Miscellaneous Revenues	989,240	936,810	885,380	788,197	782,278	4
Less: Uncollectible Revenues	19,254	24,450	22,502	21,366	29,726	5
Total Operating Revenues	5,456,724	5,386,343	5,630,624	5,459,150	5,538,251	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	9,797	5,935	5,861	6,338	24,698	7
General Support Expenses	545,558	532,712	542,053	503,226	433,337	8
Central Office Switching	410,225	399,403	374,678	284,024	229,062	9
Operator Systems Expense						10
Central Office Transmission	130,498	123,954	161,704	144,632	209,145	11
Info. Origination/Termination	136,674	150,864	121,097	107,796	94,846	12
Cable & Wire Facilities	294,363	262,623	300,656	538,525	550,828	13
Total Plant Specific Operations	1,527,115	1,475,491	1,506,049	1,584,541	1,541,916	14
Other Plant, Property & Equipment	1,226	587	(1)	(2,866)	124	15
Network Operations	351,432	369,865	330,006	208,340	159,806	16
Access Expense	148,546	131,071	110,189	103,943	92,586	17
Depreciation and Amortization	1,116,781	1,108,670	1,090,497	1,031,017	1,269,163	18
Total Plant Non-Specific Operations	1,617,985	1,610,193	1,530,691	1,340,434	1,521,679	19
Marketing Expense	67,231	82,675	115,736	134,883	232,091	20
Services Expense	368,691	381,051	404,135	469,734	740,773	21
Total Customer Operations	435,922	463,726	519,871	604,617	972,864	22
Executive & Planning	379,826	436,073	394,502	373,871	369,173	23
General & Administrative	885,837	848,766	798,014	768,638	712,398	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	1,265,663	1,284,839	1,192,516	1,142,509	1,081,571	27
Total Operations Expense	4,846,685	4,834,249	4,749,127	4,672,101	5,118,030	28
Other Operating Income & Expenses						29
State & Local Income Taxes						30
Other Taxes	283,406	287,643	424,008	420,064	397,785	31
Net Operating Income Before FIT	326,633	264,451	457,489	366,985	22,436	32
Investment Tax Credits - Net						33
Federal Income Taxes	(3,856)	46,418	122,750	(126,558)	26,109	34
Provision - Def. Operating Income Taxes - Net	88,378	(2,246)	22,633	173,343	(154,959)	35
Net Operating Income	\$242,111	\$220,279	\$312,106	\$320,200	\$151,286	36

Trumansburg Home Telephone Company
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2011	2010	2009	2008	2007
37 Net Operating Income	\$242,111	\$220,279	\$312,106	\$320,200	\$151,286
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income	20,276	22,910	25,326	22,426	5,500
39 Interest Income	38,758	42,126	35,496	62,753	93,509
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction	17,983	6,295	1,679	17,640	71,014
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies	209,116	359,322	(254,756)	1,227	(346,601)
44 Other Non-Operating Income	96,144	92,746	(224,441)	(106,780)	723,120
45 Special Charges	24,135	14,692	13,414	8,176	38,972
46 Total Non-Operating Income & Expenses	358,142	508,707	(430,110)	(10,910)	507,570
NON-OPERATING TAXES					
47 Federal Income Taxes	39,914	83,768	(79,265)	(19,996)	288,883
48 Other					
49 Total Non-Operating Taxes	39,914	83,768	(79,265)	(19,996)	288,883
50 Income Available Before Interest Charges	560,339	645,218	(38,739)	329,286	369,973
INTEREST CHARGES					
51 Interest on Funded Debt	83,136	108,747	135,909	167,945	226,414
52 Other Interest Expense	15,459	20,239	6,841	50,726	32,129
53 Total Interest Charges	98,595	128,986	142,750	218,671	258,543
54 Income Before Extraordinary & Nonreg Items	461,744	516,232	(181,489)	110,615	111,430
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					
57 Total Extraordinary & Nonregulated Items					
58 Net Income	\$461,744	\$516,232	(\$181,489)	\$110,615	\$111,430

RETAINED EARNINGS STATEMENT

Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$15,298,662	\$14,836,247	\$15,071,483	\$15,014,427	\$15,001,003
60 Transferred from Income	461,745	516,232	73,267	110,615	111,430
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock	54,146	53,818	53,747	53,558	69,224
64 Adjustments			(254,756)		(28,782)
65 Ending Year Balance	15,706,261	15,298,662	14,836,247	15,071,483	15,014,427
66 Appropriated/Undistr Affiliate Retained Earnings	(417,014)	(417,014)	(417,014)	(417,014)	(417,014)
67 Total Retained Earnings	\$15,289,247	\$14,881,648	\$14,419,233	\$14,654,469	\$14,597,413

Vernon Telephone Company, Inc.
Comparative Balance Sheet
For the Year Ended December 31,

	2011	2010	2009	2008	2007
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$2,064,564	\$1,818,230	\$1,520,876	\$1,180,981	\$773,109
2 Accounts Receivable (Net)	199,894	164,182	409,826	209,740	242,228
3 Current Deferred Income Taxes					
4 Other Current Assets	40,105	39,945	39,639	35,339	104,754
5 Total Current Assets	2,304,563	2,022,357	1,970,341	1,426,060	1,120,091
NON-CURRENT ASSETS					
6 Investments					
7 Unamortized Debt Issuance Costs					
8 Deferred Charges					
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes					
11 Other Non-Current Assets					
12 Total Non-Current Assets					
REGULATED PLANT					
13 Total Telecommunications Plant	10,297,687	10,031,679	9,995,673	10,096,696	10,134,072
14 Less: Accumulated Depr and Amort.	6,335,403	5,915,780	5,580,663	5,230,848	4,863,914
15 Net Regulated Plant	3,962,284	4,115,899	4,415,010	4,865,848	5,270,158
16 Total Assets & Other Debits	\$6,266,847	\$6,138,256	\$6,385,351	\$6,291,908	\$6,390,249
CURRENT LIABILITIES					
17 Accounts Payable	\$285,105	\$215,609	\$371,155	\$241,428	\$242,995
18 Notes Payable					
19 Advanced Billings	20,100	20,450	20,262	22,411	25,212
20 Customer Deposits					
21 Current Maturities - Long-Term Debt			979	2,348	2,349
22 Current Deferred Income Taxes	(7,595)	(2,866)	(2,975)	(3,720)	(4,190)
23 Other Current Liabilities	34,890	40,566	32,962	51,638	62,024
24 Total Current Liabilities	332,500	273,759	422,383	314,105	328,390
LONG-TERM DEBT					
25 Long-Term Debt				978	3,327
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	945,615	922,381	955,207	919,947	860,739
28 Other Deferred Credits					86,258
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	(93,808)	(102,721)	(94,379)	53,692	142,507
31 Total Other Liab. and Def. Credits	851,807	819,660	860,828	973,639	1,089,504
STOCKHOLDER'S EQUITY					
32 Common Stock	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000
33 Preferred Stock					
34 Other Paid in Capital	2,834,069	2,838,758	2,838,902	2,742,037	2,690,954
35 Retained Earnings	(151,529)	(193,921)	(136,762)	(138,851)	(121,926)
36 Total Stockholder's Equity	5,082,540	5,044,837	5,102,140	5,003,186	4,969,028
37 Total Liab. and Stockholder's Equity	\$6,266,847	\$6,138,256	\$6,385,351	\$6,291,908	\$6,390,249

Vernon Telephone Company, Inc.
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2011	2010	2009	2008	2007	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$621,786	\$656,073	\$711,490	\$789,812	\$891,011	1
Network Access Services	717,192	700,400	857,812	813,731	896,281	2
Long Distance Network Services						3
Miscellaneous Revenues	382,640	361,918	317,185	322,931	243,540	4
Less: Uncollectible Revenues	4,675	13,683	1,554	19,080	12,312	5
Total Operating Revenues	1,716,943	1,704,708	1,884,933	1,907,394	2,018,520	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses	9,863	6,352	5,619	13,756	12,775	7
General Support Expenses	116,762	100,122	114,840	59,858	69,412	8
Central Office Switching	74,020	80,527	86,881	79,379	99,913	9
Operator Systems Expense						10
Central Office Transmission	89,030	58,765	73,178	93,979	161,240	11
Info. Origination/Termination	70,743	77,447	67,222	95,772	120,694	12
Cable & Wire Facilities	214,213	158,988	173,031	160,008	128,166	13
Total Plant Specific Operations	574,631	482,201	520,771	502,752	592,200	14
Other Plant, Property & Equipment						15
Network Operations	167,742	156,736	176,432	231,022	242,182	16
Access Expense	31,809	48,221	41,878	54,770	56,774	17
Depreciation and Amortization	404,278	381,182	524,127	535,205	538,834	18
Total Plant Non-Specific Operations	603,829	586,139	742,437	820,997	837,790	19
Marketing Expense	102,025	101,216	102,677	104,251	103,548	20
Services Expense	82,845	94,609	125,592	152,687	190,776	21
Total Customer Operations	184,870	195,825	228,269	256,938	294,324	22
Executive & Planning	56,961	52,598	41,921	33,397	56,407	23
General & Administrative	262,473	269,814	272,278	309,389	346,236	24
Provision - Uncollectible Notes Rec.						25
Other						26
Total Corporate Operations	319,434	322,412	314,199	342,786	402,643	27
Total Operations Expense	1,682,764	1,586,577	1,805,676	1,923,473	2,126,957	28
Other Operating Income & Expenses	1,086		887			29
State & Local Income Taxes						30
Other Taxes	85,469	81,438	86,730	112,602	111,606	31
Net Operating Income Before FIT	(50,204)	36,693	(6,586)	(128,681)	(220,043)	32
Investment Tax Credits - Net						33
Federal Income Taxes	(47,429)	55,677	65,052	(922)	(36,273)	34
Provision - Def. Operating Income Taxes - Net	30,017	(42,680)	(67,219)	(43,077)	(45,663)	35
Net Operating Income	(\$32,792)	\$23,696	(\$4,419)	(\$84,682)	(\$138,107)	36

Vernon Telephone Company, Inc.
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2011	2010	2009	2008	2007
37 Net Operating Income	(\$32,792)	\$23,696	(\$4,419)	(\$84,682)	(\$138,107)
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income					
39 Interest Income	9,002	8,927	10,983	22,582	24,307
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction					
42 Gains/Losses - Disposal of Property					
43 Equity in Earnings of Affiliated Companies					
44 Other Non-Operating Income		(15)	(65)	81,546	37,580
45 Special Charges	(106,655)	133,268	718	915	563
46 Total Non-Operating Income & Expenses	115,657	(124,356)	10,200	103,213	61,324
NON-OPERATING TAXES					
47 Federal Income Taxes	40,469	(43,524)	3,505	34,904	19,363
48 Other				3,471	(1)
49 Total Non-Operating Taxes	40,469	(43,524)	3,505	38,375	19,362
50 Income Available Before Interest Charges	42,396	(57,136)	2,276	(19,844)	(96,145)
INTEREST CHARGES					
51 Interest on Funded Debt					
52 Other Interest Expense	4	23	187	(2,919)	5,067
53 Total Interest Charges	4	23	187	(2,919)	5,067
54 Income Before Extraordinary & Nonreg Items	42,392	(57,159)	2,089	(16,925)	(101,212)
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					
57 Total Extraordinary & Nonregulated Items					
58 Net Income	\$42,392	(\$57,159)	\$2,089	(\$16,925)	(\$101,212)
RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	(\$193,921)	(\$136,762)	(\$138,851)	(\$121,926)	(\$20,714)
60 Transferred from Income	42,392	(57,159)	2,089	(16,925)	(101,212)
61 Appropriations					
Dividends Declared:					
62 Preferred Stock					
63 Common Stock					
64 Adjustments					
65 Ending Year Balance	(151,529)	(193,921)	(136,762)	(138,851)	(121,926)
66 Appropriated/Undistr Affiliate Retained Earnings					
67 Total Retained Earnings	(\$151,529)	(\$193,921)	(\$136,762)	(\$138,851)	(\$121,926)

Warwick Valley Telephone Company
Comparative Balance Sheet
For the Year Ended December 31,

	2011	2010	2009	2008	2007
CURRENT ASSETS					
1 Cash and Temporary Cash Investments	\$4,339,461	\$13,333,379	\$9,284,431	\$7,198,680	\$5,640,617
2 Accounts Receivable (Net)	49,502,807	33,064,219	26,270,647	18,380,437	11,680,077
3 Current Deferred Income Taxes					
4 Other Current Assets	931,681	979,468	1,114,390	1,616,373	1,977,002
5 Total Current Assets	54,773,949	47,377,066	36,669,468	27,195,490	19,297,696
NON-CURRENT ASSETS					
6 Investments	(1,773,288)	5,901,458	9,130,970	8,906,231	8,946,299
7 Unamortized Debt Issuance Costs	44,715	20,628	39,375	51,975	64,575
8 Deferred Charges	1,223,427	943,179	662,655	710,127	762,231
9 Other Jurisdictional Assets - Net					
10 Non-Current Deferred Income Taxes	366,056	(77,134)	18,234	208,898	119,165
11 Other Non-Current Assets	2,251,558	4,342,882	4,331,297	4,312,818	4,291,177
12 Total Non-Current Assets	2,112,468	11,131,013	14,182,531	14,190,049	14,183,447
REGULATED PLANT					
13 Total Telecommunications Plant	73,284,019	71,361,928	70,333,461	69,158,033	67,736,082
14 Less: Accumulated Depr and Amort.	50,576,212	46,882,002	42,975,607	38,831,682	34,977,723
15 Net Regulated Plant	22,707,807	24,479,926	27,357,854	30,326,351	32,758,359
16 Total Assets & Other Debits	\$79,594,224	\$82,988,005	\$78,209,853	\$71,711,890	\$66,239,502
CURRENT LIABILITIES					
17 Accounts Payable	\$31,906,723	\$31,197,145	\$25,401,170	\$18,600,219	\$12,055,594
18 Notes Payable	5,600,000				
19 Advanced Billings	331,528	332,497	268,093	163,455	175,185
20 Customer Deposits	32,376	45,818	102,460	99,425	115,878
21 Current Maturities - Long-Term Debt	1,138,974	1,518,633	1,518,633	1,518,633	1,518,633
22 Current Deferred Income Taxes			(1,148)	(1,584)	
23 Other Current Liabilities	4,466,913	5,071,101	2,412,130	(315,727)	2,617,178
24 Total Current Liabilities	43,476,514	38,165,194	29,701,338	20,064,421	16,482,468
LONG-TERM DEBT					
25 Long-Term Debt		1,138,974	2,657,606	4,176,238	5,694,870
OTHER LIAB. & DEFERRED CREDITS					
26 Unamortized ITC					
27 Non-Current Deferred Taxes	(234,808)	607,253	2,267,496	2,526,190	3,319,185
28 Other Deferred Credits	234,775	234,775	234,775		19
29 Other Jurisdictional Differences - Net					
30 Other Liabilities	9,914,990	6,554,035	5,766,912	10,050,995	4,323,960
31 Total Other Liab. and Def. Credits	9,914,957	7,396,063	8,269,183	12,577,185	7,643,164
STOCKHOLDER'S EQUITY					
32 Common Stock	62,188	59,975	59,908	59,845	59,846
33 Preferred Stock	500,000	500,000	500,000	500,000	500,000
34 Other Paid in Capital	(71,191)	(706,199)	(1,097,469)	(1,226,345)	(1,260,878)
35 Retained Earnings	25,711,756	36,433,998	38,119,287	35,560,546	37,120,032
36 Total Stockholder's Equity	26,202,753	36,287,774	37,581,726	\$34,894,046	\$36,419,000
37 Total Liab. and Stockholder's Equity	\$79,594,224	\$82,988,005	\$78,209,853	\$71,711,890	\$66,239,502

Warwick Valley Telephone Company
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

INCOME STATEMENT	2011	2010	2009	2008	2007	
TELEPHONE OPERATING REVENUES						
Local Network Services	\$3,061,579	\$2,875,748	\$3,026,623	\$3,171,932	\$3,437,353	1
Network Access Services	8,169,999	9,774,813	8,801,159	8,839,860	8,942,465	2
Long Distance Network Services	229,576	232,061	612,767	990,026	1,439,444	3
Miscellaneous Revenues	2,812,638	2,986,327	3,519,253	3,992,082	3,966,512	4
Less: Uncollectible Revenues	165,000	242,500	330,000	216,962	301,000	5
Total Operating Revenues	14,108,792	15,626,449	15,629,802	16,776,938	17,484,774	6
TELEPHONE OPERATING EXPENSES						
Network Support Expenses						7
General Support Expenses	413,200	568,732	560,798	614,284	616,969	8
Central Office Switching	415,925	473,539	622,072	730,264	701,625	9
Operator Systems Expense					88	10
Central Office Transmission	1,180,593	1,538,482	1,598,115	1,672,982	1,179,985	11
Info. Origination/Termination	1,023,343	1,000,452	974,710	1,162,764	958,748	12
Cable & Wire Facilities	433,695	334,528	431,718	643,380	538,320	13
Total Plant Specific Operations	3,466,756	3,915,733	4,187,413	4,823,674	3,995,734	14
Other Plant, Property & Equipment			1,523	(60,775)	48,225	15
Network Operations	666,205	888,670	694,823	728,698	709,825	16
Access Expense	86,449		(379)	9,027	1,055	17
Depreciation and Amortization	3,769,571	4,067,126	4,106,702	4,001,162	3,798,761	18
Total Plant Non-Specific Operations	4,522,225	4,955,796	4,802,669	4,678,112	4,557,866	19
Marketing Expense	1,009,146	1,424,758	1,401,199	1,665,320	1,207,287	20
Services Expense	2,400,099	2,594,317	2,381,235	2,537,056	2,849,868	21
Total Customer Operations	3,409,245	4,019,075	3,782,434	4,202,376	4,057,154	22
Executive & Planning	1,415,596	1,484,842	1,035,212	1,228,752	1,645,519	23
General & Administrative	4,770,990	3,121,980	3,874,853	2,890,724	3,776,284	24
Provision - Uncollectible Notes Rec.						25
Other	40,142					26
Total Corporate Operations	6,226,728	4,606,822	4,910,065	4,119,476	5,421,804	27
Total Operations Expense	17,624,954	17,497,426	17,682,581	17,823,638	18,032,559	28
Other Operating Income & Expenses	(85,137)	8,912				29
State & Local Income Taxes						30
Other Taxes	1,034,840	1,088,358	1,233,719	1,165,936	1,159,006	31
Net Operating Income Before FIT	(4,636,139)	(2,950,423)	(3,286,497)	(2,212,636)	(1,706,791)	32
Investment Tax Credits - Net						33
Federal Income Taxes	833,430	3,117,273	2,885,656	2,782,178	2,636,907	34
Provision - Def. Operating Income Taxes - Net						35
Net Operating Income	(\$5,469,569)	(\$6,067,696)	(\$6,172,153)	(\$4,994,814)	(\$4,343,698)	36

Warwick Valley Telephone Company
Comparative Income and Retained Earnings Statements
For the Year Ended December 31,

	2011	2010	2009	2008	2007
37 Net Operating Income	(\$5,469,569)	(\$6,067,696)	(\$6,172,153)	(\$4,994,814)	(\$4,343,698)
NON-OPERATING INCOME & EXPENSES					
38 Dividend Income					
39 Interest Income	98,156	132,512	51,665	69,631	321,601
40 Income - Sinking and Other Funds					
41 Allowance for Funds Used During Construction					69,380
42 Gains/Losses - Disposal of Property	77,594	143,261	97,202	12,181	(19,884)
43 Equity in Earnings of Affiliated Companies	(4,075,338)	(3,241,114)	323,799	467,728	391,465
44 Other Non-Operating Income	7,930,786	12,616,060	12,502,530	10,436,103	9,714,379
45 Special Charges	(1,131,423)	428,210	32,067	64,955	47,858
46 Total Non-Operating Income & Expenses	2,899,775	9,222,509	12,943,129	10,920,688	10,429,083
NON-OPERATING TAXES					
47 Federal Income Taxes					(47,536)
48 Other					
49 Total Non-Operating Taxes					(47,536)
50 Income Available Before Interest Charges	(2,569,794)	3,154,813	6,770,976	5,925,874	6,132,921
INTEREST CHARGES					
51 Interest on Funded Debt	161,933	99,231	148,159	328,803	590,810
52 Other Interest Expense	580	666	(47,519)	(218,114)	50,210
53 Total Interest Charges	162,513	99,897	100,640	110,689	641,020
54 Income Before Extraordinary & Nonreg Items	(2,732,307)	3,054,916	6,670,336	5,815,185	5,491,901
EXTRAORDINARY & NONREG ITEMS					
55 Extraordinary Items					
56 Nonregulated Revenues					
57 Total Extraordinary & Nonregulated Items					
58 Net Income	(\$2,732,307)	\$3,054,916	\$6,670,336	\$5,815,185	\$5,491,901
RETAINED EARNINGS STATEMENT					
Unappropriated Retained Earnings:					
59 Beginning Year Balance	\$36,433,998	\$37,795,488	\$35,092,818	\$36,728,567	\$33,340,131
60 Transferred from Income	(2,732,307)	3,036,167	6,346,536	5,347,459	5,100,437
61 Appropriations					
Dividends Declared:					
62 Preferred Stock	25,000	25,000	25,000	25,000	25,000
63 Common Stock	5,769,890	5,198,512	4,735,742	4,289,024	4,281,424
64 Adjustments	2,195,045	825,855	1,116,876	(2,669,184)	2,594,423
65 Ending Year Balance	25,711,756	36,433,998	37,795,488	35,092,818	36,728,567
66 Appropriated/Undistr Affiliate Retained Earnings			323,799	467,728	391,465
67 Total Retained Earnings	\$25,711,756	\$36,433,998	\$38,119,287	\$35,560,546	\$37,120,032