FRONTIER COMMUNICATIONS CORPORATE SERVICES INC.

(dollars in millions) STATEMENT OF OPERATIONS July-December 2010 10 **Operating Revenues Operating Expenses** 0 Cost of services and sales (exclusive of items shown below) 0 Selling, general and administrative expense Depreciation and amortization expense 6 **Total Operating Expense** 6 **Operating Income (Loss)** 4 Other income (expense), net 0 Interest Expense 0 **Income (Loss) Before Income Taxes** 4 Income tax benefit (provision) (0)Net Income (Loss) (dollars in millions) **BALANCE SHEET** 31-Dec 2010 **Assets** Current assets 5 Cash & equivalents Net receivables 241 Inventories 50 Prepaid accounts 76 Other current assets 0 372 Total current assets Total non-current assets 2 Plant, property and equipment 306 Less accumulated depreciation 5 **Total assets** 675 Liabilities and Shareowner's Investment Current liabilities 721 Accounts & notes payable **Current maturities** 0 Current taxes (16)Other current & accrued liabilities (72)Total current liabilities 634 Long-term debt 0 Other liabilities and deferred credits 12 Shareowner's investment Capital stock (1,648)Additional in capital 1,672 Treasury stock 0 5 **Retained Earnings** 29 Total shareowner's investment Total liabilities and shareowner investment 675

FRONTIER COMMUNICATIONS OF THE CAROLINAS INC.

(dollars in millions) STATEMENT OF OPERATIONS July-December 2010 **Operating Revenues** 144 **Operating Expenses** 44 Cost of services and sales (exclusive of items shown below) 31 Selling, general and administrative expense Depreciation and amortization expense 43 **Total Operating Expense** 118 **Operating Income (Loss)** 26 Other income (expense), net 5 Interest Expense 0 **Income (Loss) Before Income Taxes** 21 Income tax benefit (provision) 8 Net Income (Loss) 13 (dollars in millions) **BALANCE SHEET** 31-Dec 2010 **Assets** Current assets 0 Cash & equivalents Net receivables 54 Inventories 2 Prepaid accounts 0 Other current assets 1 Total current assets 56 Total non-current assets 31 Plant, property and equipment 1,779 Less accumulated depreciation 1,470 **Total assets** 396 Liabilities and Shareowner's Investment Current liabilities Accounts & notes payable (15)**Current maturities** 0 Current taxes 7 Other current & accrued liabilities (18)Total current liabilities (27)Long-term debt 0 Other liabilities and deferred credits 19 Shareowner's investment Capital stock 0 Additional in capital 391 Treasury stock 0 13 **Retained Earnings** Total shareowner's investment 404 Total liabilities and shareowner investment 396

FRONTIER COMMUNICATIONS OF THE SOUTHWEST INC.

(dollars in millions) STATEMENT OF OPERATIONS July-December 2010 17 **Operating Revenues Operating Expenses** 3 Cost of services and sales (exclusive of items shown below) 3 Selling, general and administrative expense 5 Depreciation and amortization expense **Total Operating Expense** 12 5 **Operating Income (Loss)** 0 Other income (expense), net Interest Expense 0 **Income (Loss) Before Income Taxes** 5 2 Income tax benefit (provision) Net Income (Loss) 3 (dollars in millions) **BALANCE SHEET** 31-Dec 2010 **Assets** Current assets 0 Cash & equivalents Net receivables (4)Inventories (0)Prepaid accounts 0 Other current assets 0 Total current assets (4) Total non-current assets 2 Plant, property and equipment 200 Less accumulated depreciation 169 **Total assets** 30 Liabilities and Shareowner's Investment Current liabilities (16)Accounts & notes payable **Current maturities** 0 Current taxes 3 Other current & accrued liabilities Total current liabilities (13)Long-term debt 0 Other liabilities and deferred credits 5 Shareowner's investment Capital stock 0 Additional in capital 34 Treasury stock 0 3 **Retained Earnings** Total shareowner's investment 38 Total liabilities and shareowner investment 30

487

(dollars in millions) STATEMENT OF OPERATIONS July-December 2010 345 **Operating Revenues Operating Expenses** 203 Cost of services and sales (exclusive of items shown below) 54 Selling, general and administrative expense 16 Depreciation and amortization expense **Total Operating Expense** 273 72 **Operating Income (Loss)** Other income (expense), net 8 Interest Expense 0 **Income (Loss) Before Income Taxes** 63 25 Income tax benefit (provision) Net Income (Loss) 39 (dollars in millions) **BALANCE SHEET** 31-Dec 2010 **Assets** Current assets 0 Cash & equivalents Net receivables 391 Inventories 12 Prepaid accounts 18 Other current assets 1 421 Total current assets Total non-current assets 8 Plant, property and equipment 70 Less accumulated depreciation 12 **Total assets** 487 Liabilities and Shareowner's Investment Current liabilities 226 Accounts & notes payable **Current maturities** 0 Current taxes 17 Other current & accrued liabilities 36 Total current liabilities 278 Long-term debt 0 Other liabilities and deferred credits (2)Shareowner's investment Capital stock 0 173 Additional in capital Treasury stock 0 38 **Retained Earnings** Total shareowner's investment 211

Total liabilities and shareowner investment

(dollars in millions) STATEMENT OF OPERATIONS July-December 2010 **Operating Revenues** 4 **Operating Expenses** Cost of services and sales (exclusive of items shown below) 1 2 Selling, general and administrative expense Depreciation and amortization expense 1 **Total Operating Expense** 4 **Operating Income (Loss)** (0)Other income (expense), net 0 Interest Expense 0 **Income (Loss) Before Income Taxes** (1) Income tax benefit (provision) (0)Net Income (Loss) (0)(dollars in millions) **BALANCE SHEET** 31-Dec 2010 Assets Current assets 0 Cash & equivalents Net receivables 3 0 Inventories Prepaid accounts 0 Other current assets 0 Total current assets 3 Total non-current assets 0 Plant, property and equipment 47 Less accumulated depreciation 37 **Total assets** 13 Liabilities and Shareowner's Investment Current liabilities 3 Accounts & notes payable **Current maturities** 0 Current taxes (0)Other current & accrued liabilities 0 Total current liabilities 3 Long-term debt 0 Other liabilities and deferred credits 2 Shareowner's investment Capital stock 2 Additional in capital (0)Treasury stock 0 **Retained Earnings** 7 Total shareowner's investment 9 Total liabilities and shareowner investment 13

(dollars in millions) STATEMENT OF OPERATIONS July-December 2010 10 **Operating Revenues Operating Expenses** 3 Cost of services and sales (exclusive of items shown below) 2 Selling, general and administrative expense Depreciation and amortization expense 4 **Total Operating Expense** 9 **Operating Income (Loss)** 1 Other income (expense), net 0 Interest Expense 0 **Income (Loss) Before Income Taxes** 0 Income tax benefit (provision) Net Income (Loss) 0 (dollars in millions) **BALANCE SHEET** 31-Dec 2010 **Assets** Current assets 0 Cash & equivalents Net receivables 27 Inventories (0)Prepaid accounts 0 Other current assets 0 27 Total current assets Total non-current assets 0 Plant, property and equipment 181 Less accumulated depreciation 150 **Total assets** 59 **Liabilities and Shareowner's Investment** Current liabilities Accounts & notes payable (2)**Current maturities** 0 Current taxes 1 Other current & accrued liabilities 0 Total current liabilities (1) Long-term debt 0 Other liabilities and deferred credits 5 Shareowner's investment Capital stock 27 Additional in capital 27 Treasury stock 0 0 **Retained Earnings** Total shareowner's investment 55 Total liabilities and shareowner investment 59

| STATEMENT OF OPERATIONS | (dollars in millions) July-December 2010 |
|--|--|
| Operating Revenues | 816 |
| Operating Expenses Cost of services and sales (exclusive of items shown below) Selling, general and administrative expense Depreciation and amortization expense Total Operating Expense | 267 181 232 681 |
| Operating Income (Loss) | 135 |
| Other income (expense), net | 21 |
| Interest Expense Income (Loss) Before Income Taxes | 7 107 |
| Income tax benefit (provision) Net Income (Loss) | 42 64 |
| | |
| BALANCE SHEET | (dollars in millions) 31-Dec 2010 |
| Assets | |
| Current assets Cash & equivalents Net receivables Inventories Prepaid accounts Other current assets Total current assets | 0 223 11 0 4 239 |
| Total non-current assets | 253 |
| Plant, property and equipment Less accumulated depreciation | 9,785 8,417 |
| Total assets | 1,860 |
| Liabilities and Shareowner's Investment Current liabilities | |
| Accounts & notes payable Current maturities Current taxes Other current & accrued liabilities Total current liabilities | (15) 0 49 157 191 |
| Long-term debt Other liabilities and deferred credits | 200 134 |
| Shareowner's investment Capital stock Additional in capital Treasury stock Retained Earnings Total shareowner's investment Total liabilities and shareowner investment | 978 293 0 64 1,336 1,860 |