

ATTACHMENT C: ARMIS RETURNS ON INVESTMENT

Company	Average Net Investment (\$000s)	Net Return (\$000s) (a)	% Return on Investment
	(1)	(2)	(2)/(1)
BellSouth Florida			
Intrastate			
Interstate	2,440,192	407,107	16.68%
BellSouth Georgia	1,103,189	339,174	30.74%
Intrastate			
Interstate	2,512,467	218,062	8.68%
BellSouth North Carolina	1,240,855	220,522	17.77%
Intrastate			
Interstate	1,165,570	125,831	10.80%
BellSouth South Carolina	538,867	118,964	22.08%
Intrastate			
Interstate	599,489	127,357	21.24%
BellSouth Alabama	277,858	65,205	23.47%
Intrastate			
Interstate	969,375	197,326	20.36%
BellSouth Kentucky	419,819	89,875	21.41%
Intrastate			
Interstate	506,737	85,930	16.96%
BellSouth Louisiana	224,041	49,443	22.07%
Intrastate			
Interstate	837,686	76,523	9.14%
BellSouth Mississippi	314,011	59,536	18.96%
Intrastate			
Interstate	643,718	147,305	22.88%
BellSouth Tennessee	236,165	37,810	16.01%
Intrastate			
Interstate	1,017,168	167,408	16.46%
	479,754	105,928	22.08%

Company	Average Net Investment (\$000s)	Net Return (\$000s) (a)	% Return on Investment
Qwest Arizona			
Intrastate	1,027,377	(40,739)	-3.97%
Interstate	525,493	85,908	16.35%
Qwest Colorado			
Intrastate	1,723,064	93,171	5.41%
Interstate	593,566	216,223	36.43%
Qwest Idaho South			
Intrastate	149,941	47,378	31.60%
Interstate	84,279	37,658	44.68%
Qwest Montana			
Intrastate	145,694	27,094	18.60%
Interstate	51,579	19,269	37.36%
Qwest New Mexico			
Intrastate	382,363	20,705	5.42%
Interstate	135,549	56,175	41.44%
Qwest Utah			
Intrastate	538,647	(25,635)	-4.76%
Interstate	230,472	75,065	32.57%
Qwest Wyoming			
Intrastate	65,138	7,427	11.40%
Interstate	42,252	24,532	58.06%
Qwest Iowa			
Intrastate	317,188	19,984	6.30%
Interstate	140,300	56,314	40.14%
Qwest Minnesota			
Intrastate	648,545	10,533	1.62%
Interstate	339,847	118,974	35.01%

Company	Average Net Investment (\$000s)	Net Return (\$000s) (a)	% Return on Investment
Qwest Nebraska			
Intrastate	152,469	15,250	10.00%
Interstate	74,639	24,229	32.46%
Qwest North Dakota			
Intrastate	39,791	19,864	49.92%
Interstate	29,403	13,570	46.15%
Qwest South Dakota			
Intrastate	69,492	34,961	50.31%
Interstate	54,294	11,405	21.01%
Qwest Idaho North			
Intrastate	13,397	1,518	11.33%
Interstate	6,451	2,736	42.41%
Qwest Oregon			
Intrastate	637,054	(3,142)	-0.49%
Interstate	256,259	78,131	30.49%
Qwest Washington			
Intrastate	1,280,692	28,868	2.25%
Interstate	392,783	145,888	37.14%
Southwestern Bell Arkansas			
Intrastate	276,845	81,370	29.39%
Interstate	129,028	58,299	45.18%
Southwestern Bell Kansa			
Intrastate	454,123	32,951	7.26%
Interstate	165,539	58,685	35.45%
Southwestern Bell Missouri			
Intrastate	744,057	123,336	16.58%
Interstate	428,655	123,698	28.86%
Southwestern Bell Oklahoma			
Intrastate	489,889	41,616	8.49%
Interstate	157,914	73,147	46.32%

Company	Average Net Investment (\$000s)	Net Return (\$000s) (a)	% Return on Investment
Southwestern Bell Texas			
Intrastate	3,478,834	406,028	11.67%
Interstate	1,855,510	262,110	14.13%
Pacific Bell California			
Intrastate	2,625,987	640,864	24.40%
Interstate	1,639,805	604,707	36.88%
Nevada Bell			
Intrastate	150,371	730	0.49%
Interstate	64,342	18,700	29.06%
AT&T/SNET			
Intrastate	790,797	113,906	14.40%
Interstate	399,082	109,056	27.33%
Illinois Bell			
Intrastate	1,606,189	168,523	10.49%
Interstate	809,019	240,711	29.75%
Indiana Bell			
Intrastate	187,948	104,612	55.66%
Interstate	281,510	72,074	25.60%
Michigan Bell			
Intrastate	695,689	171,381	24.63%
Interstate	588,292	167,994	28.56%
Ohio Bell			
Intrastate	1,190,655	132,604	11.14%
Interstate	538,694	132,268	24.55%
Wisconsin Bell			
Intrastate	290,770	97,591	33.56%
Interstate	303,211	85,801	28.30%

Company	Average Net Investment (\$000s)	Net Return (\$000s) (a)	% Return on Investment
Verizon D.C. Intrastate	241,549	39,942	16.54%
Interstate	219,334	32,011	14.59%
Verizon Maryland Intrastate	813,769	55,325	6.80%
Interstate	674,555	146,651	21.74%
Verizon Virginia Intrastate	1,331,585	54,740	4.11%
Interstate	692,491	204,870	29.58%
Verizon West Virginia Intrastate	162,853	18,166	11.15%
Interstate	129,028	32,567	25.24%
Verizon Delaware Intrastate	225,515	13,820	6.13%
Interstate	106,214	34,213	32.21%
Verizon Pennsylvania Intrastate	1,776,687	57,109	3.21%
Interstate	1,017,365	266,195	26.17%
Verizon New Jersey Intrastate	484,647	13,959	2.88%
Interstate	1,001,016	305,736	30.54%
Verizon NE Maine Intrastate	273,121	(3,131)	-1.15%
Interstate	121,892	25,791	21.16%
Verizon NE Massachusetts Intrastate	1,341,463	(44,835)	-3.34%
Interstate	978,908	59,423	6.07%

Company	Average Net Investment (\$000s)	Net Return (\$000s) (a)	% Return on Investment
Verizon NE New Hampshire			
Intrastate	384,274	(2,861)	-0.74%
Interstate	192,630	24,249	12.59%
Verizon NE Rhode Island			
Intrastate	101,689	(31,259)	-30.74%
Interstate	84,818	7,022	8.28%
Verizon NE Vermont			
Intrastate	101,840	14,618	14.35%
Interstate	81,407	14,545	17.87%
Verizon New York Telephone			
Intrastate	4,854,384	(151,738)	-3.13%
Interstate	2,507,014	(20,036)	-0.80%
GTE California			
Intrastate	532,829	106,707	20.03%
Interstate	860,033	274,800	31.95%
Contel Arizona			
Intrastate	2,932	(1,210)	-41.27%
Interstate	862	1,492	173.09%
Contel California			
Intrastate	207,755	27,383	13.18%
Interstate	71,224	26,385	37.05%
Contel Nevada			
Intrastate	25,120	1,028	4.09%
Interstate	13,849	3,695	26.68%
Verizon Florida			
Intrastate	946,112	62,740	6.63%
Interstate	421,075	148,469	35.26%

Company	Average Net Investment (\$000s)	Net Return (\$000s) (a)	% Return on Investment
Verizon NO Illinois			
Intrastate	153,474	13,544	8.82%
Interstate	157,996	39,435	24.96%
Verizon NO Indiana			
Intrastate	202,984	9,768	4.81%
Interstate	179,681	43,012	23.94%
Verizon NO Michigan			
Intrastate	152,035	48,224	31.72%
Interstate	158,883	30,722	19.34%
Verizon NO Ohio			
Intrastate	240,782	42,965	17.84%
Interstate	170,593	36,766	21.55%
Verizon NO Pennsylvania			
Intrastate	83,077	(38,268)	-46.06%
Interstate	104,273	50,851	48.77%
Verizon NO Wisconsin			
Intrastate	101,175	14,531	14.36%
Interstate	86,700	13,396	15.45%
Verizon NO Contel/Pennsylvania			
Intrastate	2,989	950	31.78%
Interstate	9,495	3,389	35.69%
Verizon Contel/Quaker State			
Intrastate	9,363	48	0.51%
Interstate	6,486	2,628	40.52%
Verizon NO Contel/Indiana			
Intrastate	36,547	14,794	40.48%
Interstate	29,249	15,907	54.38%

Company	Average Net Investment (\$000s)	Net Return (\$000s) (a)	% Return on Investment
Verizon NO Contel/Illinois			
Intrastate	25,260	6,357	25.17%
Interstate	25,988	11,349	43.67%
Verizon NW Idaho			
Intrastate	62,318	(2,499)	-4.01%
Interstate	31,092	14,260	45.86%
Verizon NW Oregon			
Intrastate	213,969	2,567	1.20%
Interstate	115,631	40,324	34.87%
Verizon NW Washington			
Intrastate	656,147	(5,521)	-0.84%
Interstate	208,022	72,663	34.93%
Verizon NW West Coast California			
Intrastate	8,062	(999)	-12.39%
Interstate	3,452	(1,175)	-34.04%
Verizon NW Contel Washington			
Intrastate	87,214	830	0.95%
Interstate	25,144	8,918	35.47%
Verizon SO North Carolina			
Intrastate	87,338	18,407	21.08%
Interstate	50,115	(7,337)	-14.64%
Verizon SO South Carolina			
Intrastate	72,651	12,872	17.72%
Interstate	29,180	10,305	35.32%
Verizon SO Virginia			
Intrastate	14,633	(1,449)	-9.90%
Interstate	7,386	2,151	29.12%

Company	Average Net Investment (\$000s)	Net Return (\$000s) (a)	% Return on Investment
Verizon SO Illinois			
Intrastate	27,094	(5)	-0.02%
Interstate	6,825	1,252	18.34%
Verizon SO Contel North Carolina			
Intrastate	63,042	8,603	13.65%
Interstate	26,858	2,480	9.23%
Verizon SO Contel South Carolina			
Intrastate	17,020	3,575	21.00%
Interstate	6,229	(1,310)	-21.03%
Verizon SO Contel Virginia			
Intrastate	240,436	29,336	12.20%
Interstate	119,630	60,923	50.93%
Verizon SW Texas			
Intrastate	779,146	21,176	2.72%
Interstate	431,243	82,673	19.17%
Verizon SW Contel Texas			
Intrastate	53,878	(2,060)	-3.82%
Interstate	21,010	2,546	12.12%

Source: FCC Report 43-01, ARMIS Annual Summary Report Table 1. Cost and Revenue.

(a) Net Return calculated as follows:

ARMIS 43-01 Row 1090	Total Operating Revenues
ARMIS 43-01 Row 1190	less: Total Operating Expenses
ARMIS 43-01 Row 1290	plus: Other Operating Income/Losses
ARMIS 43-01 Row 1390	less: Total Non-operating Items
ARMIS 43-01 Row 1490	less: Total Other Taxes
ARMIS 43-01 Row 1590	less: Federal Income Taxes