Verizon West Virginia Inc.

Condensed Financial Statements
Three Months Ended March 31, 2009 and 2008

Verizon West Virginia Inc.

CONDENSED STATEMENTS OF INCOME

(Dollars in Thousands) (Unaudited)	Three Months Ended March 31, 2009	2008
Operating Revenues		
(including $25,561 and $25,615 from affiliates)	**$ 136,710**	$ 142,150
Operating Expenses		
(including $32,348 and $33,730 to affiliates)		
Cost of services and sales (exclusive of items shown below)	**45,825**	47,039
Selling, general and administrative expense	**28,645**	29,651
Depreciation and amortization expense	**21,471**	21,016
Total Operating Expenses	**95,941**	97,706
Operating Income	**40,769**	44,444
Other income and (expense), net		
(including $--- and $66 from affiliates)	**(18)**	254
Interest expense		
(including $(631) and $(1,802) to affiliate)	**(1,452)**	(2,546)
Income Before Provision for Income Taxes	**39,299**	42,152
Provision for income taxes	**(14,875)**	(16,969)
Net Income	**$ 24,424**	$ 25,183

See Notes to Condensed Financial Statements

Verizon West Virginia Inc.

CONDENSED BALANCE SHEETS

(Dollars in Thousands) (Unaudited)	At March 31, 2009	At December 31, 2008
Assets		
Current assets		
Short-term investments	**$ 413**	$ 1,576
Accounts receivable:		
Trade and other, net of allowances for uncollectibles of $8,419 and $7,816	**63,192**	65,812
Affiliates	**24,438**	3,165
Materials and supplies	**1,495**	988
Prepaid expenses	**---**	9
Deferred income tax	**3,736**	3,134
Deferred charges and other	**8,565**	9,111
Total current assets	**101,839**	83,795
Plant, property and equipment	**2,329,814**	2,316,516
Less accumulated depreciation	**1,723,287**	1,704,963
	606,527	611,553
Intangible assets, net	**104**	142
Prepaid pension asset	**102,304**	101,953
Other assets	**7,072**	6,401
Total assets	**$ 817,846**	$ 803,844
Liabilities and Shareowner's Investment		
Current liabilities		
Debt maturing within one year:		
Notes payable to affiliate	**$ 177,462**	$ 173,757
Other	**41**	41
Accounts payable and accrued liabilities:		
Affiliates	**19,298**	18,760
Other	**54,168**	38,220
Other current liabilities	**29,410**	29,022
Total current liabilities	**280,379**	259,800
Long-term debt	**50,009**	50,020
Employee benefit obligations	**195,867**	198,339
Deferred credits and other liabilities		
Deferred income taxes	**61,804**	58,059
Unamortized investment tax credits	**1,405**	1,441
Other	**12,573**	14,799
	75,782	74,299
Shareowner's investment		
Common stock (one share, without par value)	**199,522**	208,979
Contributed capital	**---**	2
Reinvested earnings	**16,287**	12,405
Total shareowner's investment	**215,809**	221,386
Total liabilities and shareowner's investment	**$ 817,846**	$ 803,844

See Notes to Condensed Financial Statements

Verizon West Virginia Inc.

CONDENSED STATEMENTS OF CASH FLOWS

(Dollars in Thousands) (Unaudited)	Three Months Ended March 31, 2009	2008
Net Cash Provided by Operating Activities	**$ 41,418**	$ 57,337
Cash Flows from Investing Activities		
Capital expenditures (including capitalized software)	**(16,429)**	(14,533)
Net change in short-term investments	**1,227**	2,536
Other, net	**(87)**	---
Net cash used in investing activities	**(15,289)**	(11,997)
Cash Flows from Financing Activities		
Principal repayments of capital lease obligations	**(11)**	(9)
Change in notes payable to affiliate	**3,705**	(20, 474)
Dividends paid	**(20,542)**	(25,000)
Return of capital to parent	**(9,457)**	---
Net change in outstanding checks drawn on controlled disbursement accounts	**176**	143
Net cash used in financing activities	**(26,129)**	(45,340)
Net change in cash	---	---
Cash, beginning of period	---	---
Cash, end of period	**$ ---**	$ ---

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See Notes to Condensed Financial Statements

Verizon West Virginia Inc.

NOTES TO CONDENSED FINANCIAL STATEMENTS (Unaudited)

1. Basis of Presentation and Recent Accounting Pronouncements

Verizon West Virginia Inc. (Verizon West Virginia or the Company) is a wholly owned subsidiary of Verizon Communications Inc. (Verizon). The accompanying unaudited condensed financial statements have been prepared in accordance with generally accepted accounting principles for interim periods. These condensed financial statements reflect all adjustments that are necessary for a fair presentation of results of operations and financial position for the interim periods shown including normal recurring accruals and other items. The results for the interim periods are not necessarily indicative of results for the full year. The balance sheet at December 31, 2008 has been derived from the audited financial statements at that date but does not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. For a more complete discussion of significant accounting policies and certain other information, you should refer to our December 31, 2008 audited financial statements.

In April 2009, the Financial Accounting Standards Board (FASB) issued Staff Position (FSP) FAS No. 107-1 and APB 28-1, *Interim Disclosures about Fair Value of Financial Instruments* (FSP FAS 107-1 and APB 28-1), which amends Statement of Financial Accounting Standards (SFAS) No. 107, *Disclosures about Fair Value of Financial Instruments*, to require disclosures about the fair value of financial instruments for interim reporting periods, as well as annual reporting periods. FSP FAS 107-1 and APB 28-1 are effective for all interim and annual reporting periods ending after June 15, 2009 and shall be applied prospectively. We do not expect that the adoption of FSP FAS 107-1 and APB 28-1 will have a significant impact on our condensed consolidated financial statements.

2. Shareowner's Investment

(Dollars in Thousands)	**Common Stock**	**Contributed Capital**	**Reinvested Earnings**
Balance at December 31, 2008	$ 208,979	$ 2	$ 12,405
Net income	---	---	24,424
Dividends	---	---	(20,542)
Return of Capital	(9,457)	---	---
Other	---	(2)	---
Balance at March 31, 2009	$ 199,522	$ ---	$ 16,287

Net income and comprehensive income were the same for the three months ended March 31, 2009 and 2008.

3. Commitments and Contingencies

Various legal actions and regulatory proceedings are pending to which we are a party and claims which, if asserted, may lead to other legal actions. We have established reserves for specific liabilities in connection with regulatory and legal matters, including environmental matters that we currently deem to be probable and estimable. We do not expect that the ultimate resolution of pending regulatory and legal matters in future periods will have a material effect on our financial condition, but it could have a material effect on our results of operations.

From time to time, state regulatory decisions require us to assure customers that we will provide a level of service performance that falls within prescribed parameters. There are penalties associated with failing to meet those service parameters and we, from time to time, pay such penalties. We do not expect these penalties to have a material effect on our financial condition, but they could have a material effect on our results of operations.

4. Subsequent Events

Telephone Access Lines Spin-off

On May 13, 2009, Verizon announced a definitive agreement with Frontier Communications Corporation (Frontier) providing for Verizon to establish a separate entity, known as New Communications Holdings Inc. (Spinco), for its local exchange and related business assets in 14 states. At the closing of this transaction, Verizon will distribute all of the outstanding shares of Spinco to Verizon's stockholders, and then Spinco will immediately merge with and into Frontier (the Frontier Merger).

Prior to the closing of the Frontier Merger, Verizon West Virginia will become a wholly-owned subsidiary of Spinco, and Verizon West Virginia will become a wholly owned subsidiary of Frontier at the closing of the Frontier Merger.

All outstanding long-term debt of Verizon West Virginia will continue to remain the obligation of Verizon West Virginia and be payable by Verizon West Virginia in accordance with its terms both prior to and following the Frontier Merger. All inter-company debt between Verizon West Virginia and Verizon or any of its subsidiaries will be eliminated prior to the closing of the Frontier Merger.

The Frontier Merger is subject to the satisfaction of certain conditions, including receipt of state and federal telecommunications regulatory approvals. We anticipate that the Frontier Merger will close in mid-2010.

Return of Capital

On May 1, 2009, we declared a dividend in the amount of $30 million to our parent, Verizon.