

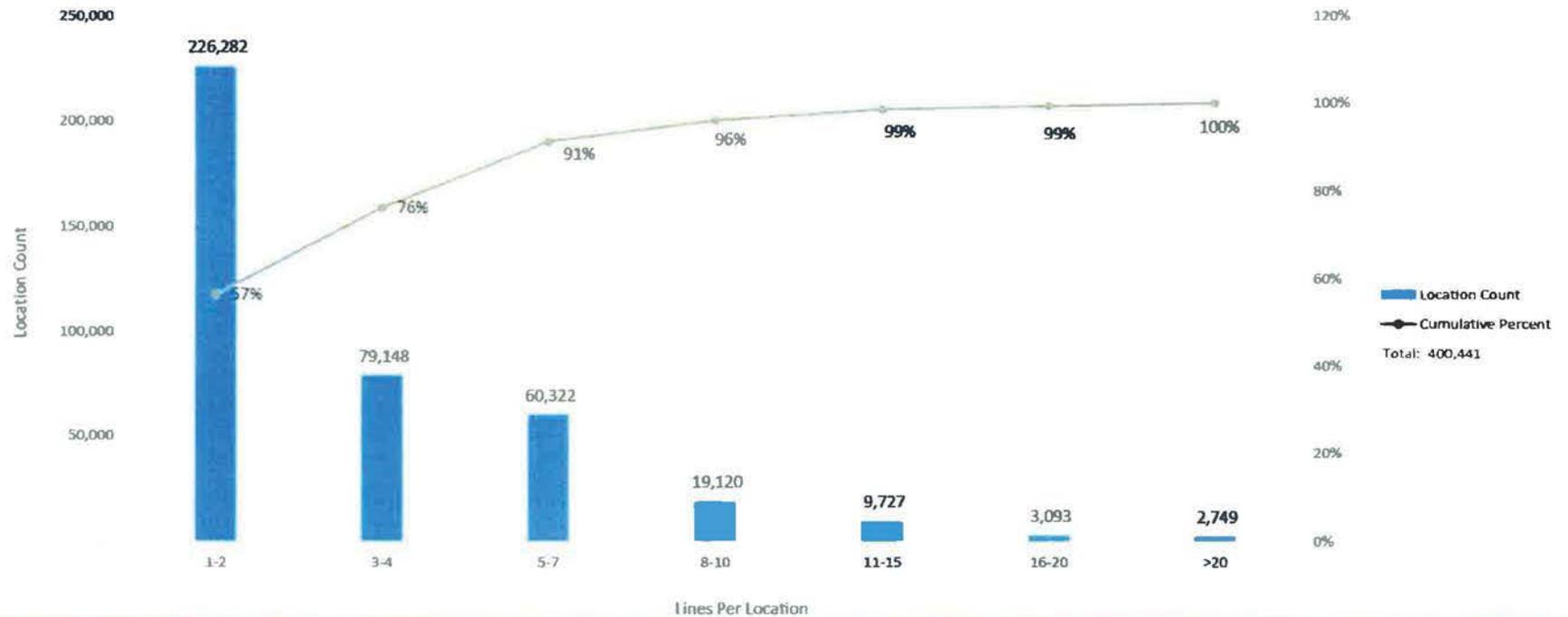


## GRANITE OVERVIEW

- 1.4 million business lines
- Focus on multi-location companies & gov't agencies
  - 86 of the *Fortune* 100
  - 400,000 customer locations
  - Serving 4,800 companies
  - Wide spread geographic footprint
  - Provide service in all 50 states
- Individual locations have profile of small businesses

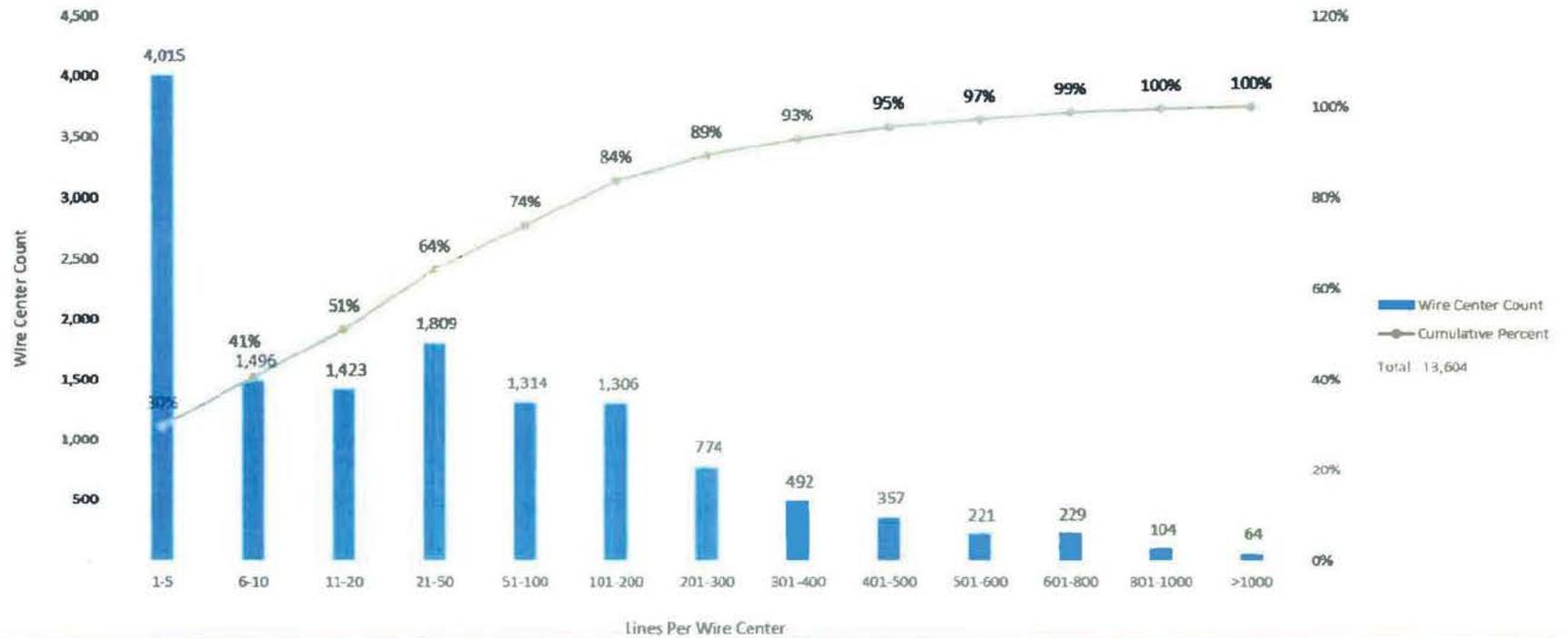


### Percent of Granite Customer Locations Number of Lines Per Granite Customer Location





### Wire Centers Serving Granite Customers Number of Granite Lines per Wire Center





- **Voice / POTS lines per customer location**
  - 57% of locations have only 1 or 2 Lines
  - Another 20% of locations have only 3 or 4 Lines
  - Only 1.5% of locations have more than 16 Lines
  
- **Total Granite lines per Wire Center**
  - 30% of Wire Centers serve only 5 or fewer Lines
  - Another 21% of Wire Centers serve only from 6 to 20 Lines
  
- ✓ **National customers require minimal lines at many locations and across many Wire Centers**
- ✓ **Neither Granite nor any other CLECs / service provider could economically construct a second, duplicate network for these customers**
- ✓ **Granite and other non-facility-based CLECs are dependent on wholesale ILEC networks**
  - Wholesale LWC, Wholesale Advantage, etc.



### CABLE AVAILABILITY (PREQUAL RESULTS FROM CARRIERS)

| CONSTRUCTION COST (\$)   |            |                       |             |               |             |
|--------------------------|------------|-----------------------|-------------|---------------|-------------|
|                          | Zero       | Under 3.5K (Not Zero) | Over 3.5K   | Prequal Fails | Total       |
| Total                    | <b>474</b> | <b>984</b>            | <b>1035</b> | <b>663</b>    | <b>3156</b> |
| % of Total               | 15%        | 31%                   | 33%         | 21%           | 100%        |
| ..... economically ..... |            |                       | Service:    | 54%           |             |



- On a national basis, 85% of customer locations do not have cable without construction to extend cable network
- Where construction required
  - 51% cost greater than \$3,500
  - 49% cost less than \$3,500
- ✓ In 51% - 85% of our customer locations, the ILECs will be the only provider available to the small business market, if wholesale use of RBOC/ILEC network is not continued.



## TOTAL NUMBER OF GRANITE COMMERCIAL BUILDINGS By Number of Businesses within Building

