

OTZ Telephone Cooperative Inc. And Subsidiary
 Consolidated Statement of Operations - Summarized
 Pro Forma Financial Forecast

	HISTORICAL			FORECASTED					
	Year Ended 12/31/10	Year Ended 12/31/11	Year Ended 12/31/12	Year Ended 12/31/13	Year Ended 12/31/14	Year Ended 12/31/15	Year Ended 12/31/16	Year Ended 12/31/17	Year Ended 12/31/18
Operating Revenues:									
Local Revenues	\$ 1,041,890	1,009,772	913,157	918,292	891,000	851,000	813,000	776,000	741,000
FCC-Impacted Revenues	6,284,051	7,300,856	7,748,903	7,604,510	7,246,000	6,743,000	6,244,000	5,748,000	5,255,000
Other Revenues	2,318,457	2,191,332	1,647,477	1,719,320	1,761,719	1,770,697	1,782,440	1,797,982	1,816,361
Total operating revenues	<u>9,644,398</u>	<u>10,501,960</u>	<u>10,309,537</u>	<u>10,242,122</u>	<u>9,898,719</u>	<u>9,364,697</u>	<u>8,839,440</u>	<u>8,321,982</u>	<u>7,812,361</u>
Operating Expenses:									
Operations Expense	7,488,608	7,618,152	7,840,123	7,963,509	7,599,568	7,691,000	7,786,000	7,932,000	8,080,000
Depreciation Expense	1,483,644	1,475,952	1,575,468	1,517,881	1,452,720	1,418,666	1,384,385	1,349,986	1,315,566
Interest Expense	510,002	500,640	465,418	460,474	272,299	240,868	152,099	96,747	49,637
Total operating expenses	<u>9,482,254</u>	<u>9,594,744</u>	<u>9,881,009</u>	<u>9,941,864</u>	<u>9,324,587</u>	<u>9,350,534</u>	<u>9,322,484</u>	<u>9,378,733</u>	<u>9,445,203</u>
Operating Income Before Taxes	\$ <u>162,144</u>	<u>907,216</u>	<u>428,528</u>	<u>300,258</u>	<u>574,132</u>	<u>14,163</u>	<u>(483,044)</u>	<u>(1,056,751)</u>	<u>(1,632,842)</u>