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CITIZENS COMMUNICATIONS CO

Form 8-K

March 08, 2002

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): March 7, 2002

CITIZENS COMMUNICATIONS COMPANY
(Exact name of Registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation)	001-11001 (Commission File Number)	06-0619596 (I.R.S. Employer Identification No.)
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3 High Ridge Park
Stamford, Connecticut 06905
(Address of Principal Executive Offices) (Zip Code)

(203) 614-5600
(Registrant's Telephone Number, Including Area Code)

No Change Since Last Report

(Former name or former address, if changed since last report)

Item 7. Financial Statements, Exhibits

(c) Exhibits

99.1 Press Release of Citizens Communications Company released March 7, 2002 announcing earnings for the year and quarter ended December 31, 2001.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the

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undersigned thereunto duly authorized.

CITIZENS COMMUNICATIONS COMPANY

(Registrant)

By: /s/ Robert J. Larson

Robert J. Larson
Vice President and Chief Accounting Officer

Date: March 7, 2002

Citizens Communications
3 High Ridge Park
Stamford, CT 06905
203.614.5600
Web site: www.czn.net

FOR IMMEDIATE RELEASE

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Citizens Communications Reports
2001 Year-End and Fourth-Quarter Financial Results

Stamford, Conn., March 7, 2002 -- Citizens Communications (NYSE:CZN, CZB) today reported financial results for the year and quarter ended December 31, 2001. The following information should be read in conjunction with our financial statements and footnotes contained in our Form 10-K to be filed with the Securities and Exchange Commission.

Consolidated revenue for 2001 was \$2.46 billion, up 36 percent from \$1.80 billion in 2000. Consolidated fourth-quarter revenue was \$665.8 million, an increase of 38 percent above 2000 fourth-quarter consolidated revenue of \$482.3 million.

Operating income from continuing operations was \$233.0 million for 2001, an increase of \$111.2 million or 91 percent above 2000 operating income of \$121.8 million. Fourth-quarter 2001 operating income was \$26.4 million, 296 percent above 2000 fourth-quarter operating income of \$6.7 million. Operating income reflects the impact of the write down of Global Crossing receivables, assimilation and restructuring expenses and the acceleration of depreciation of certain assets related to restructuring which are described below.

EBITDA from continuing operations was \$865.4 million for 2001, an increase of 70 percent above 2000 EBITDA of \$509.4 million. Fourth-quarter 2001 EBITDA was \$245.0 million, 112 percent above 2000 fourth-quarter EBITDA of \$115.8 million.

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EBITDA is operating income plus depreciation and amortization. EBITDA is a measure commonly used to analyze companies on the basis of operating performance. EBITDA is not a measure of financial performance nor is it an alternative to cash flow as a measure of liquidity and may not be comparable to similarly titled measures of other companies.

Consolidated net loss for 2001 was \$89.7 million, and net loss per share was 38 cents, compared to last year's consolidated net loss of \$28.4 million and 11 cents per share. Net loss for 2001 included: the pre-tax gain of \$139.3 million from the sale of gas operations in Louisiana; the write down of Global Crossing receivables of \$21.2 million as a result of Global Crossing filing for bankruptcy; the recognition of a \$79.0 million loss resulting from the decline in value of the company's investment in Adelphia Communications; extraordinary after tax expense of \$43.6 million related to discontinuation of the application of Statement of Financial Accounting Standard No. 71 (FAS 71); restructuring expenses of \$19.3 million related to the company's plans to close its Sacramento call center by the end of this month and its operations support center in Plano, Texas by April 2002 and restructuring expenses at Electric Lightwave, Inc.; and acquisition assimilation expense of \$21.4 million related to the completed acquisitions, representing incremental costs incurred in advance of the respective acquisitions which are solely related to the preparation for businesses to be acquired.

Fourth-quarter 2001 net loss was \$108.3 million or 39 cents per share, compared to a net loss of \$40.2 million or 15 cents per share in the fourth quarter of 2000.

Telecommunications - Incumbent Local Exchange Carrier Segment ("ILEC Segment")

2001 revenue from the company's ILEC Segment was \$1.59 billion, up 65 percent from \$963.7 million for 2000. Acquisitions of approximately 334,500 telephone access lines completed at various times during the second half of 2000 and the acquisition on June 29, 2001 of Frontier Corp.'s approximately 1.1 million lines accounted for \$569.8 million of the increase. The remainder is the result of internal growth. Excluding acquisitions, 2001 ILEC Segment revenue grew by 6 percent. Fourth-quarter 2001 revenue from this segment was \$510.7 million, up 94 percent from \$263.3 million for the 2000 fourth quarter. Acquisitions accounted for \$219.5 million of this increase.

On a GAAP reporting basis, ILEC Segment operating income for 2001 was \$221.0 million, up 40 percent from \$157.9 million for 2000 and EBITDA for 2001 was \$766.2 million, up 76 percent from \$434.1 million for 2000. However, one-time nonrecurring charges impacting both operating income and EBITDA totaled \$57.7 million for 2001 and \$39.9 million for 2000. These charges consisted of the write down of Global Crossing receivables in 2001 and assimilation and restructuring expenses in both years. Operating income also reflected accelerated depreciation of \$22.0 million in 2001 related to the change in useful lives of certain assets resulting from our restructuring.

On a GAAP reporting basis, ILEC Segment operating income for the fourth quarter of 2001 was \$33.0 million and EBITDA for the fourth quarter of 2001 was \$230.6 million, up 89 percent from \$122.1 million in the fourth quarter of 2000. However, one-time nonrecurring charges impacting operating income and EBITDA totaled \$27.1 million for the fourth quarter of 2001 and \$15.8 million for the 2000 quarter. Operating income also reflected accelerated depreciation of \$13.2 million in 2001 related to the change in useful lives of certain assets resulting from our restructuring.

On a sequential quarter basis, fourth quarter 2001 revenue increased 0.7 percent from \$507.2 million to \$510.7 million; access lines decreased 0.4 percent or 9,100 lines to 2,481,400, principally due to the soft business environment in

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Rochester as well as normal seasonality of winter migration. Average monthly revenue per access line increased 1.2 percent to \$68.48.

Competitive Local Exchange Carrier Segment; Electric Lightwave, Inc. (NASDAQ:ELIX) ("ELI-CLEC")

2001 revenue from ELI-CLEC totaled \$226.6 million compared to \$244.0 million for 2000, a decrease of 7 percent. Fourth-quarter revenue for 2001 was \$50.3 million compared to \$63.0 million in the prior year's fourth quarter, a decrease of 20 percent.

ELI-CLEC operating loss for 2001 was \$73.2 million, a \$13.3 million increase from the \$59.9 million operating loss for 2000. ELI-CLEC EBITDA for 2001 was \$5.8 million, a \$4.0 million increase over \$1.8 million EBITDA for 2000. ELI-CLEC operating income and EBITDA for the fourth quarter and the year ended December 31, 2001 was affected by workforce reductions, restructuring related to exiting certain long-haul markets with an associated expense of \$4.2 million and lower-than-anticipated revenue primarily due to a downturn in economic conditions that affected carriers, Internet service providers and related e-businesses; a decline in data services due to the expiration of a material contract; and a decrease in reciprocal compensation.

ELI-CLEC fourth-quarter operating loss for 2001 was \$19.8 million, a \$7.0 million increase from the \$12.8 million operating loss for 2000. ELI-CLEC fourth-quarter 2001 EBITDA was \$.6 million, a \$4.5 million decrease from \$5.1 million EBITDA for the 2000 fourth quarter.

ELI-CLEC's Class A Common Stock is currently traded on the Nasdaq National Market System, but the stock does not meet minimum bid price and market value of public float requirements for continued listing. If the stock is unable to regain compliance by May 15, 2002, the stock could be subject to delisting at that time.

Public Services Segment

The gas and electric segments accounted for \$639.5 million of 2001 consolidated revenue, compared to \$597.8 million in 2000.

The year-end results include \$83.3 million in operating income from the company's Public Services operations, compared to \$23.5 million for the same period in 2000.

The year-end results include \$90.3 million in EBITDA from the company's Public Services operations, compared to \$71.4 million for the same period in 2000.

In the fourth-quarter of 2001, the gas and electric segments accounted for \$105.0 million of consolidated revenue, compared to \$157.2 million in 2000. The decrease is primarily due to the sale of Louisiana Gas, the largest of Citizens' four gas divisions, on July 2, 2001, for \$363.4 million, resulting in a pre-tax gain of \$139.3 million.

Fourth-quarter 2001 operating income includes \$12.4 million in operating income from the company's Public Services operations, compared to a 2000 fourth-quarter operating loss for Public Services of \$21.7 million.

Fourth-quarter 2001 EBITDA includes \$12.9 million in EBITDA from the company's Public Services operations, compared to a 2000 fourth-quarter EBITDA loss for Public Services of \$12.8 million.

Discussion

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Citizens is monitoring the bankruptcy proceedings of Global Crossing Ltd. and its affiliates to determine the effect on Citizens' operations and financial position. Citizens purchased its Frontier local exchange telephone business from Global Crossing in June 2001 for \$3.37 billion, subject to final purchase price adjustment. Citizens is integrating the Frontier telephone business with Citizens' other telecommunications operations and has ongoing commercial relationships with Global Crossing affiliates. Citizens will reserve approximately \$30 million to reflect its best estimate of the net realizable value of receivables incurred from these commercial relationships during 2001 and up to the date of the bankruptcy filing in 2002. Citizens recorded a write down of such receivables in the amount of \$21.2 million for the fourth quarter of 2001, with the remainder recorded in the first quarter of 2002 for receivables generated after December 31, 2001 and prior to the Global Crossing bankruptcy filing on January 28, 2002.

On February 13, 2002, Citizens Communications announced that it would recognize a \$79 million write down in its year ended December 31, 2001, financial statements on its holdings of 3,059,000 shares of Class A Common Stock of Adelpia Communications Corp. This non-cash charge does not impact the carrying value of these securities, which were stated at current market values on prior balance sheets. This charge reflects a decline in current trading values that have persisted for more than a six-month period. Citizens has previously reported this decline as an item of comprehensive loss in the equity section of its balance sheets. Citizens continues to hold the Adelpia shares.

Beginning in the third quarter of 2001, Citizens' ILEC Segment operations no longer met the criteria for application of FAS No. 71. We recorded a non-cash extraordinary charge of \$43.6 million net of tax in our income statement to write off regulatory assets and liabilities recorded on our balance sheet in the past.

As previously announced, we completed the sale of our water and wastewater treatment operations on January 15, 2002, for \$855.7 million in cash and \$123.8 million in assumed debt and other liabilities. The pre-tax gain on this disposition, which will be reflected in the results of operations for the first quarter of 2002, is estimated to be \$303.6 million. On November 11, 2001, Citizens Communications completed the sale of its Colorado gas division to Kinder Morgan for \$8.9 million in cash. Citizens continues to pursue the disposition of its remaining utility assets.

Restructuring expense for the ILEC Segment for the year and quarter ended December 31, 2001 is \$15.1 million and \$2.1 million, respectively. This expense relates to Citizens' previously announced plans to close its operations support center in Plano, Texas and its Sacramento call center. The expense primarily consists of severance, benefits, retention, early lease termination costs and other planning and communication costs. We expect to incur additional costs of approximately \$1.4 million through the second quarter of 2002.

Guidance

Guidance for 2002 for the company's ILEC Segment and ELI-CLEC Segment is reaffirmed as follows: Guidance for the ILEC Segment is revenue of \$2.1 billion; adjusted EBITDA (operating income plus depreciation and amortization), before restructuring expenses of \$1.09 billion; capital expenditures of \$437.5 million; interest expense of \$420.0 million; and free cash flow of \$232.5 million, excluding purchase of leased assets.

About Citizens Communications

Citizens Communications serves 2.5 million access lines in 24 states. Citizens owns 85 percent of Electric Lightwave, Inc. (NASDAQ:ELIX), a facilities-based,

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integrated communications provider that offers a broad range of services to telecommunications-intensive businesses throughout the United States.

This document contains forward-looking statements that are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied in the statements. These and all forward-looking statements (including oral representations) are only predictions or statements of current plans that are constantly under review by the company. All forward-looking statements may differ from actual results because of, but not limited to, changes in the local and overall economy, changes in market conditions for debt and equity securities, the nature and pace of technological changes, the number and effectiveness of competitors in the company's markets, success in overall strategy, changes in legal or regulatory policy, changes in legislation, the company's ability to identify future markets and successfully expand existing ones, the mix of products and services offered in the company's target markets, the effects of acquisitions and dispositions and the ability to effectively integrate businesses acquired. These important factors should be considered in evaluating any statement contained herein and/or made by the company or on its behalf. The foregoing information should be read in conjunction with the company's filings with the U.S. Securities and Exchange Commission including, but not limited to, reports on Forms 10-K and 10-Q. The company does not intend to update or revise these forward-looking statements to reflect the occurrence of future events or circumstances.

TABLES TO FOLLOW

Citizens Communications Company Consolidated Financial Data (unaudited)

	For the quarter ended December 31,			For the Decem
	2001	2000	%	2001
(Amounts in thousands - except per-share amounts)			Change	
Income Statement Data				
Continuing operations (1)				
Revenue	\$ 665,849	\$ 482,339	38%	\$ 2,456,9
Cost of services	122,271	142,834	-14%	599,3
Depreciation and amortization	218,602	109,124	100%	632,3
Other operating expenses	267,358	208,570	28%	930,3
Restructuring expenses (2)	6,325	(649)	-	19,3
Write-down of Global Crossing receivables (2)	21,200	-	100%	21,2
Acquisition assimilation expenses	3,715	15,799	-76%	21,3
Operating income	26,378	6,661	296%	233,0
Investment and other income (loss), net (3)	(82,036)	(11,563)	-	(65,5
Gain on sale of assets	-	-	-	139,3
Interest expense	121,293	58,467	107%	379,3
Income tax expense (benefit)	(63,988)	(21,228)	-201%	(14,8
Convertible preferred dividends	1,552	1,552	-	6,2
Income (loss) from continuing operations	(114,515)	(43,693)	-162%	(63,9
Income from discontinued operations, net of tax	6,200	3,495	77%	17,8
Extraordinary expense - discontinuation of Statement of Financial Accounting Standards No. 71, net of tax	-	-	-	43,6
Net income (loss)	(108,315)	(40,198)	-169%	(89,6

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Carrying costs of equity forward contracts	-	-	-	(13,6
Available to common shareholders	(108,315)	(40,198)	-169%	(103,3
 EBITDA and Capital Expenditure Data (4)				
EBITDA from continuing operations	\$ 244,980	\$ 115,785	112%	\$ 865,3
Capital expenditures from continuing operations	164,009	105,834	55%	463,8
Capital expenditures from assets held for sale	16,225	21,464	-24%	66,8
Total cash capital expenditures	180,234	127,298	42%	530,7
 Cash Flow Data				
Cash flow - operating activities	\$ 116,936	\$ 36,541	220%	\$ 520,3
Cash flow - investing activities	(191,829)	(268,546)	29%	(3,650,2
Cash flow - financing activities	49,736	245,622	-80%	3,141,3
Cash flow - discontinued operations	43,902	(28,541)	254%	14,9
 Balance Sheet Data				
Cash and investments				\$ 357,0
Total assets				10,553,6
Net plant (continuing operations)				4,512,0
Assets held for sale				1,107,9
Assets of discontinued operations				746,7
Long-term debt (continuing operations)				5,994,9
Less: Equity units				460,0
Less: Cash and short-term investments				215,8
Net debt				----- 5,319,0 =====
Equity				1,946,1
Shares of common stock outstanding				281,2
Weighted average shares outstanding	279,675	261,295	7%	273,7
 Per-Share Data (5)				
Available to common shareholders from continuing operations per common share	\$ (0.41)	\$ (0.17)	-141%	\$ (0.2
Available to common shareholders per common share	(0.39)	(0.15)	-160%	(0.3
Book value per share				7.1
 Other Financial Data				
Long-term debt to long-term debt and equity				75%
Common equity market capitalization (in billions)				\$ 3.0
Equity market capitalization (in billions)				\$ 3.1
Market capitalization (in billions) (6)				\$ 9.2

(1) Includes our Incumbent Local Exchange Carrier (ILEC), Electric Lightwave, Inc. (ELI), (our Competitive Local Exchange Carrier) and our natural gas and electric businesses. The natural gas and electric businesses are presented in continuing operations in the selected income statement data and as assets held for sale in the balance sheet data. We report our water and wastewater businesses as discontinued operations.

Continuing operations reflect the elimination of intercompany transactions (see segment footnote in the SEC Form 10-K).

(2) Represents the write-down of the net realizable value of Global Crossing receivables as a result of Global's filing for bankruptcy. See footnote 21 in the SEC Form 10-K. See footnote 14 in the SEC 10-K Form for an explanation of restructuring expenses.

(3) Includes \$12,222 of minority interest for the year ended 12/31/2000.

(4) EBITDA is operating income plus depreciation and amortization. EBITDA is a measure commonly used to analyze companies on the basis of operating

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performance. It is not a measure of financial performance under generally accepted accounting principles and should not be considered as an alternative to net income as a measure of performance nor an alternative to cash flow as a measure of liquidity and may not be comparable to similarly titled measures of other companies (see segment footnote in the SEC Form 10-K).

- (5) Calculated based on weighted average shares outstanding.
 (6) Equity market capitalization plus long-term debt.

Citizens Communications Company Financial and Operating Data by Service

	For the quarter ended December 31,		
(Dollars in thousands, except operating data)	2001	2000	%
			Change
ILEC			
Select Income Statement Data			
Revenue			
Network access services	\$ 193,092	\$ 121,384	59%
Local network services	191,860	95,321	101%
Long distance and data services	73,130	31,258	134%
Directory services	25,433	10,125	151%
Other	27,203	5,180	425%
Total revenue	510,718	263,268	94%
Expenses			
Network access expense	48,414	15,688	209%
Depreciation and amortization	197,570	80,623	145%
Other operating expenses	204,674	110,732	85%
Restructuring expenses (1)	2,146	(1,008)	313%
Write-down of Global Crossing receivables (2)	21,200	-	100%
Acquisition assimilation expenses (3)	3,715	15,799	-76%
Total expense	477,719	221,834	115%
Operating income	32,999	41,434	-20%
EBITDA and Capital Expenditure Data			
EBITDA (4)	\$ 230,569	\$ 122,057	89%
EBITDA margin (5)	45%	46%	-
Cash capital expenditures	152,509	85,106	79%
Balance Sheet Data			
Total assets			
Net plant			
Operating Data			
Access lines:			
Embedded properties excluding acquisitions			
Acquired properties			
Total access lines			
Switched access minutes of use (in millions) (6)			
Excluding acquisitions	1,877	1,598	17%
Acquisitions	1,206	-	100%
Total MOU	3,083	1,598	93%
Employees			

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- (1) Represents expenses associated with our plan to close our operations support center in Plano, Texas by April 2002. See footnote 14 in the SEC 10-K Form for an explanation of restructuring expenses.
- (2) Represents the write-down of the net realizable value of Global Crossing receivables as a result of Global's filing for bankruptcy. See footnote 21 in the SEC 10-K Form for an explanation.
- (3) Represents expenses associated with the completed and pending acquisitions.
- (4) EBITDA is operating income plus depreciation and amortization. EBITDA is a measure commonly used to analyze companies on the basis of operating performance. It is not a measure of financial performance under generally accepted accounting principles and should not be considered as an alternative to net income as a measure of performance nor an alternative to cash flow as a measure of liquidity and may not be comparable to similarly titled measures of other companies (see segment footnote in the SEC Form 10-K).
- (5) EBITDA divided by total revenue.
- (6) Acquisitions represent minutes of use from entities acquired after December 31, 2000.

Citizens Communications Company Financial and Operating Data by Service

	For the quarter ended December 31,			%	For the y Decemb
(Dollars in thousands, except operating data)	2001	2000	Change		2001
Electric Lightwave, Inc.					
Select Income Statement Data					
Revenue					
Network services	\$ 23,372	\$ 22,633	3%		\$ 101,338
Local telephone services	15,177	23,231	-35%		73,291
Long distance services	2,980	3,728	-20%		12,294
Data services	8,790	13,377	-34%		39,717
Total revenue	50,319	62,969	-20%		226,640
Network access expense	16,596	17,294	-4%		67,610
Restructuring expense	4,179	359	1064%		4,179
Gross margin	29,544	45,316	-35%		154,851
Depreciation and amortization	20,375	17,882	14%		79,022
Other operating expenses	28,949	40,203	-28%		149,022
Total expense	70,099	75,738	-7%		299,833
Operating loss	(19,780)	(12,769)	-55%		(73,193)
EBITDA and Capital Expenditure Data					
EBITDA (1)	\$ 595	\$ 5,113	-88%		\$ 5,829
Cash capital expenditures (2)	10,683	15,817	-32%		54,589
Balance Sheet Data					
Total assets					\$ 902,348
Gross plant					1,037,349
Operating Data					

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Access Line Equivalents					148,787
Route miles					6,754
Fiber miles					354,083
Customers					2,243
Buildings connected					859
Employees					823
Revenue per employee	\$ 61,141	\$ 54,237	13%		\$ 275,383

- (1) EBITDA is operating income plus depreciation and amortization. EBITDA is a measure commonly used to analyze companies on the basis of operating performance. It is not a measure of financial performance under generally accepted accounting principles and should not be considered as an alternative to net income as a measure of performance nor an alternative to cash flow as a measure of liquidity and may not be comparable to similarly titled measures of other companies (see segment footnote in the SEC Form 10-K).
- (2) Excludes capitalized leases.

Citizens Communications Company Financial and Operating Data by Service

	For the quarter ended December 31,			For the year e December 31	
(Dollars in thousands, except operating data)	2001	2000	%	2001	2000
			Change		
Gas Sector (1)					
Select Income Statement Data					
Revenue					
Residential distribution	\$ 19,762	\$ 44,391	-55%	\$ 195,620	\$ 215,110
Commercial distribution	24,038	27,810	-14%	137,310	156,110
Industrial distribution	5,674	21,106	-73%	65,914	238,110
Total distribution	49,474	93,307	-47%	398,844	411,330
Other	1,673	10,692	-84%	12,690	12,690
Total revenue	51,147	103,999	-51%	411,534	411,534
Gas purchased	29,996	81,300	-63%	282,061	282,061
Gross margin	21,151	22,699	-7%	129,473	129,473
Depreciation and amortization (2)	152	153	-1%	609	609
Other operating expenses	15,296	38,438	-60%	80,948	80,948
Total expense	45,444	119,891	-62%	363,618	363,618
Operating income	5,703	(15,892)	-	47,916	47,916
EBITDA and Capital Expenditure Data					
EBITDA (3)	\$ 5,855	\$ (15,739)	-	\$ 48,525	\$ 48,525
Cash capital expenditures	7,949	15,413	-48%	34,138	34,138
Balance Sheet Data					
Assets held for sale				\$ 441,654	\$ 441,654
Net plant				354,991	354,991
Operating Data					
Customers				188,800	188,800
Employees				492	492
Customers per employee				384	384
Gross margin (net revenue) per employee	\$ 42,990	\$ 22,232	93%	\$ 263,157	\$ 263,157

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Billion Cubic Feet of gas throughput (BCF) 5.4 22.8 -76% 46.1

- (1) Our Louisiana and Colorado gas operations were disposed of by sale on July 2, 2001 and November 30, 2001, respectively. The sale of these operations affects comparability of data presented.
- (2) Our gas operations are reported as "held for sale". Accordingly, we ceased to record depreciation expense effective October 1, 2000.
- (3) EBITDA is operating income plus depreciation and amortization. EBITDA is a measure commonly used to analyze companies on the basis of operating performance. It is not a measure of financial performance under generally accepted accounting principles and should not be considered as an alternative to net income as a measure of performance nor an alternative to cash flow as a measure of liquidity and may not be comparable to similarly titled measures of other companies (see segment footnote in the SEC Form 10-K).

Citizens Communications Company Financial and Operating Data by Service

	For the quarter ended December 31,			%	For the Decem
(Dollars in thousands, except operating data)	2001	2000	Change		2001
Electric Sector					
Select Income Statement Data					
Revenue					
Residential distribution	\$ 22,533	\$ 21,037	7%		\$ 96,888
Commercial distribution	15,563	17,316	-10%		65,688
Industrial distribution	7,112	14,512	-51%		45,054
Total distribution	45,208	52,865	-14%		207,630
Other	8,693	327	2558%		20,385
Total revenue	53,901	53,192	1%		228,015
Electric energy and fuel oil purchased	27,419	29,450	-7%		123,223
Gross margin	26,482	23,742	12%		104,792
Depreciation and amortization (1)	299	8,822	-97%		6,434
Other operating expenses	19,455	20,767	-6%		63,023
Total expense	47,173	59,039	-20%		192,680
Operating income	6,728	(5,847)	-		35,335
EBITDA and Capital Expenditure Data					
EBITDA (2)	\$ 7,027	\$ 2,975	136%		\$ 41,769
Cash capital expenditures	8,276	6,051	37%		32,706
Balance Sheet Data					
Assets held for sale					\$ 666,283
Net plant					450,662
Operating Data					
Customers					128,432
Employees					337
Customers per employee					381
Gross margin (net revenue) per employee	\$ 78,582	\$ 71,512	10%		\$ 310,955
Megawatt hours sold	468,487	466,396	0%		1,988,732

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Megawatt hours generated	99,920	95,062	5%	415,690
Megawatt hours purchased	391,096	391,342	0%	1,725,884

- (1) Our electric operations are reported as "held for sale". Accordingly, we ceased to record depreciation expense effective January 1, 2001.
- (2) EBITDA is operating income plus depreciation and amortization. EBITDA is a measure commonly used to analyze companies on the basis of operating performance. It is not a measure of financial performance under generally accepted accounting principles and should not be considered as an alternative to net income as a measure of performance nor an alternative to cash flow as a measure of liquidity and may not be comparable to similarly titled measures of other companies (see segment footnote in the SEC form 10-K).