

# Uniti

The Communications REIT

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Citi 2018 Global TMT West  
Conference

*January 9-10, 2018*

# Safe Harbor

*Certain statements in this presentation may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, as amended from time to time. Those forward-looking statements include all statements that are not historical statements of fact, including, without limitation, those regarding our business strategies, growth prospects, industry trends, sales opportunities, operating and financial performance, and our 2017 financial results.*

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*This presentation may contain certain supplemental measures of performance that are not required by, or presented in accordance with, accounting principles generally accepted in the United States ("GAAP"). Such measures should not be considered as alternatives to GAAP. Further information with respect to and reconciliations of such measures to the nearest GAAP measure can be found herein.*

# Uniti Vision and Strategy

- **Building Unique REIT Investment Platform Across Communication Infrastructure Assets**
- **Taking Advantage of Favorable Industry Dynamics Driving Capital Investments**
- **Fiber is the New Mission Critical Asset in the Communications Ecosystem**
- **Substantial M&A Opportunities will Drive Significant Growth and Diversification**
- **Uniti Fiber and Uniti Towers Enhance Customer Relationships and Provide Opportunistic Growth Potential**

## Uniti Strategy

Engaged in Acquisition and Construction of Mission Critical Infrastructure in the Communications Industry

# Uniti Leadership Team

**Kenny Gunderman**  
*President & CEO,  
Uniti Group*

- Former Co-Head of investment banking at Stephens Inc.
- Member of telecom investment banking group at Lehman Brothers
- 18 years of investment banking and private equity experience focused on telecommunications

**Mark Wallace**  
*EVP, CFO and Treasurer,  
Uniti Group*

- Former Managing Director of Fortress Investment Group Inc.
- Former CFO and Treasurer of HCP, Inc. (NYSE: HCP), and Westwood Holdings Group Inc. (NYSE: WHG)
- 15 years of real estate investment trust (“REIT”) industry experience

**Daniel Heard**  
*EVP & General Counsel,  
Uniti Group*

- Former Partner of Kutak Rock LLP
- Focus on merger and acquisitions and public offerings of debt and equity securities
- 17 years of legal corporate finance experience representing public companies

**Ron Mudry**  
*President of Sales and  
Business Development,  
Uniti Fiber*

- Founder and former CEO of Tower Cloud and Progress Telecom
- Formerly with GTE Corporation
- 29 years of telecommunication leadership experience

**Andy Newton**  
*President Infrastructure and  
Operations,  
Uniti Fiber*

- Founder and former CEO of Southern Light
- 19 years of telecommunication leadership experience

**Lawrence M. Gleason, Jr.**  
*President,  
Uniti Towers*

- Founder and former CEO of Summit Wireless Infrastructure
- Former COO for American Tower in Latin America
- 15 years experience in telecommunications infrastructure

**Extensive Telecom, REIT, M&A and Capital Market Experience**

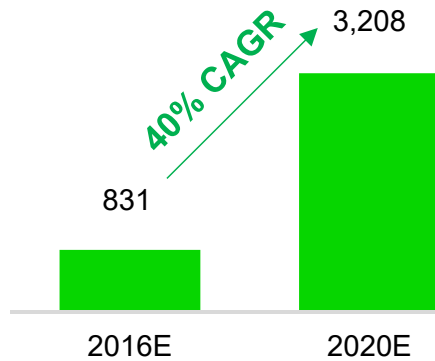
# Fiber is the New Mission Critical Asset

## Rapid Expansion in Wireless Data...

### Key Network Growth Drivers

- Mobile Video
- Internet of Things (IoT)
- Machine-to-Machine (M2M)
- Autonomous Vehicles
- Big Data
- Smart Cities

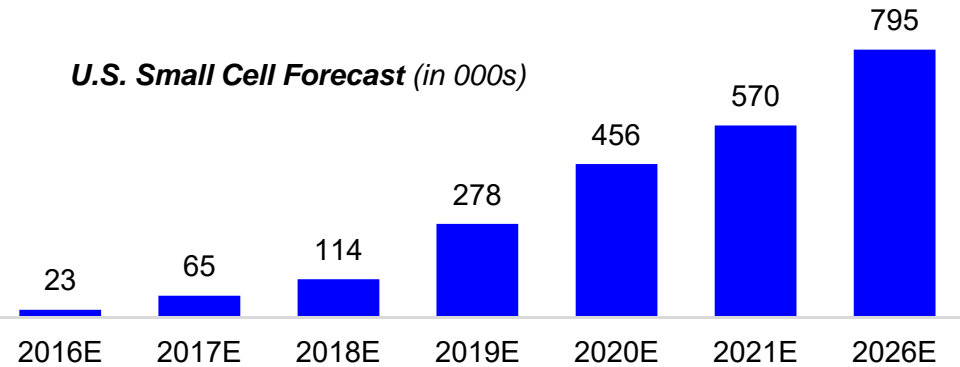
NA Mobile Internet Traffic  
(PBs of Traffic per Month)



## ...Will Require Significant Investment...

- Carriers Continue to Densify Networks
- Wireless Operators Preparing for 5G Deployment
- Small Cells Critical to Network Architecture

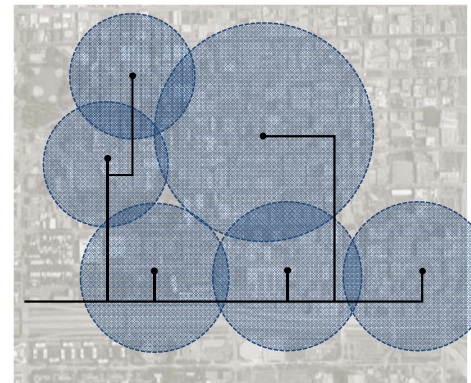
U.S. Small Cell Forecast (in 000s)



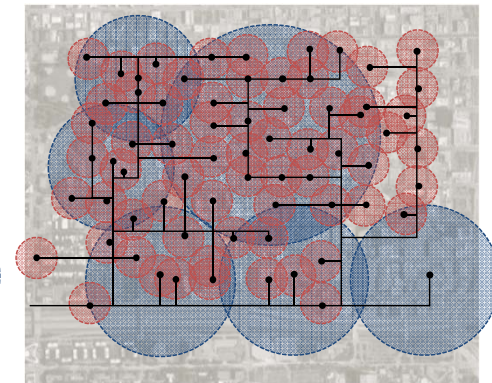
## ...Supported By Large-Scale and Dense Fiber Networks

- Future Devices Will Demand Ultra Low-Latency and Uninterrupted Coverage
- Fiber Infrastructure Is Critical to Future Wireless Networks
  - Existing Fiber Networks Generally not Sufficient to Satisfy Growing Demand
- Deep, Dense Fiber and Small Cells Will Be Critical to New Ecosystem
  - FCC is Supportive of Small Cell Deployment Expansion

### Wireless Networks of Today














### Wireless Networks of Tomorrow



**Uniti is Well Positioned to Benefit From Strong Growth in Wireless Networks**

# Growth Driven by Strategic Investments

Business Units	Acquisitions	Key Metrics			
	   	<b>Strand Miles</b> 1.3M	<b>Revenues Under Contract <sup>(1)</sup></b> > \$1.3B	<b>Avg. Remaining Contract Length <sup>(1)(2)</sup></b> 4.6 Years	<b>Capital Deployed <sup>(3)</sup></b> > \$1.5B
	   <b>Tower assets</b>	<b>Owned Towers <sup>(5)</sup></b> 683	<b>Revenues Under Contract <sup>(1)</sup></b> > \$84M	<b>Avg. Remaining Contract Length <sup>(1)(2)</sup></b> 7.2 Years	<b>Capital Deployed <sup>(3)</sup></b> ~ \$70M
	 <b>Lease</b>	<b>Strand Miles</b> 3.5M	<b>Revenues Under Contract <sup>(1)</sup></b> ~ \$8.5B	<b>Remaining Contract Length</b> ~ 12.5 Years <i>+ Potential 20 Year Extension</i>	<b>Capital Deployed <sup>(4)</sup></b> ~ \$8B

## Capitalizing on Carrier Investment Required for Communications Infrastructure

Note: All information is as of September 30, 2017 and gives effect to the towers in development from the acquisition of NMS.

(1) Revenues Under Contract as of September 30, 2017 and is pro-forma for the towers in development from the acquisition of NMS. Contracts are subject to termination under certain conditions and/or may not be renewed. Actual revenues under contract could vary materially.

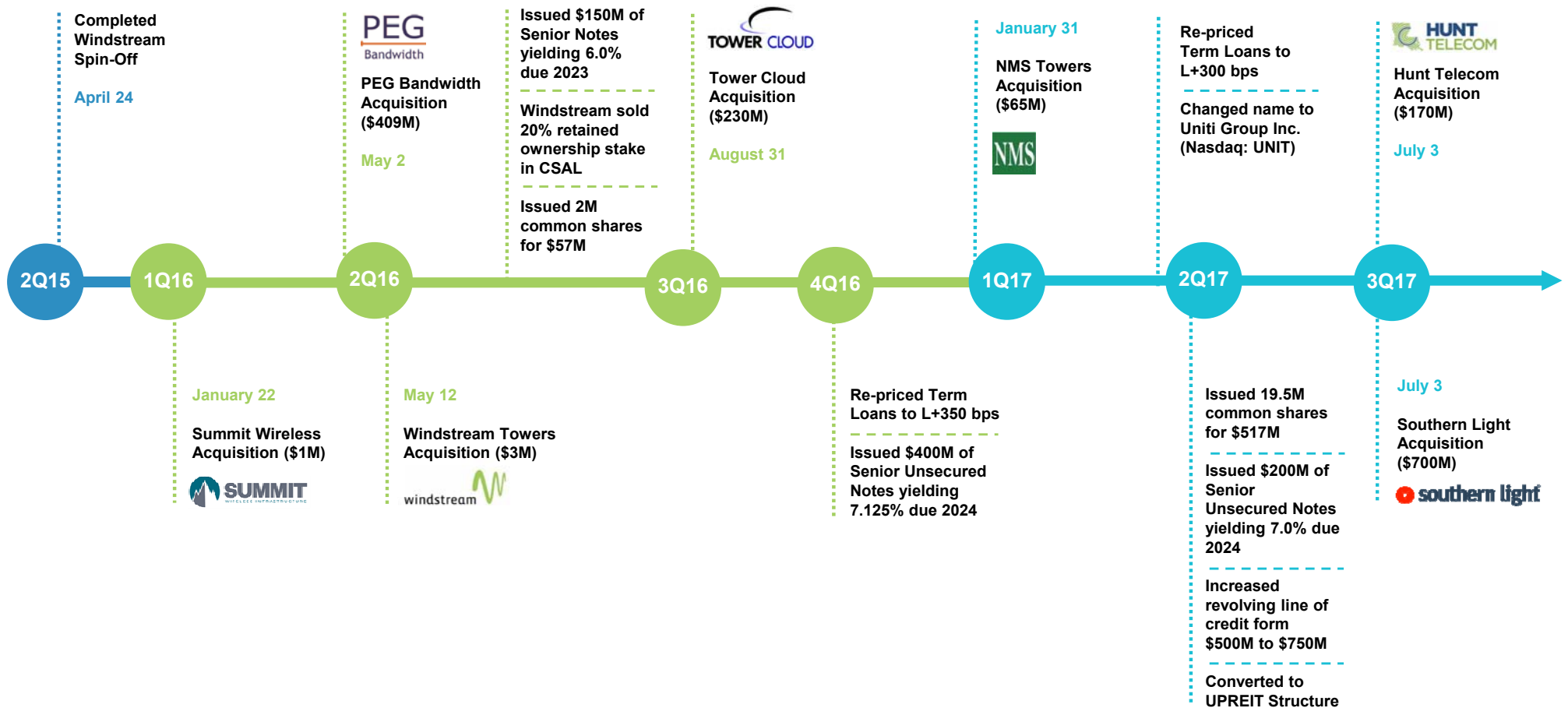
(2) Includes contracts for wireless, Enterprise and E-rate and Government. Contracts are subject to termination under certain conditions and/or may not be renewed.

(3) Capital deployed represents aggregate purchase price of acquired entities.

(4) Represents Enterprise Value at time of spin-off from Windstream. See Appendix for explanation of Enterprise Value calculation.















(5) Number of towers is pro-forma for 31 towers in development from the NMS acquisition.

# Strategic Investment History



Consistent Track Record of M&A Execution

# Uniti is Building a Unique REIT Investment Portfolio

	Ground Leases	Macro Towers	Small Cells	Dark Fiber	Lit Fiber	Fiber / Broadband	
Business Units	Uniti Towers		Uniti Fiber			Uniti Leasing	
Industry Participants	 	  	 	  	 	 	
REITable?	✓	✓	✓	✓	(A)	✓	
Initial Yields	6% – 8%	5% – 10%+	5% – 7%	5% – 7%	10% – 20%	8% - 12%	
Multi Tenant Leased Up “Shared Economics”		✓	✓	✓	✓	✓	
Initial Term (Years)	50 – 99	5 – 10	10 – 20	10 – 20	5 – 10	15 – 20	
Escalators	1% – 4%	1% – 3%	0% – 3%	0% – 3%	N/A	1% – 3%	

## Attractive Return Profiles Across all Asset Classes

(A) Lit fiber is generally not “REITable”; however, TRS structure and tax attributes for Uniti Fiber expected to provide substantial tax benefits. Future conversions of lit fiber to dark fiber may result in assets becoming REIT eligible.

Note: Statistics are indicative of current market characteristics. Uniti Group’s arrangements could differ materially from those stated.



# Uniti's Profile Has Rapidly Evolved

## Spin – April 2015 <sup>(1)</sup>

## Today <sup>(2)</sup>

**Scale**

Annual Revenue  
~ \$700M

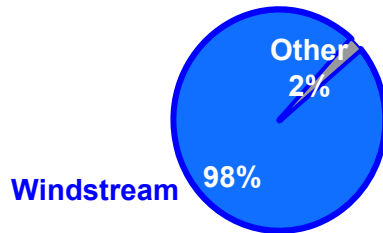
Adjusted EBITDA  
> \$650M

Annual Revenue  
~ \$980M

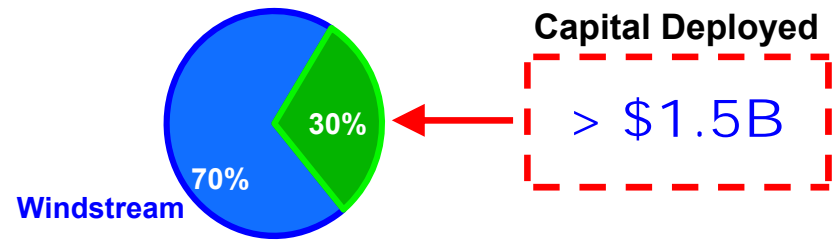
Adjusted EBITDA  
~ \$780M

**Diversification**

**Revenue Mix**



**Revenue Mix <sup>(4)</sup>**



**Customers**



**Operations**

Customers <sup>(3)</sup>  
**1**

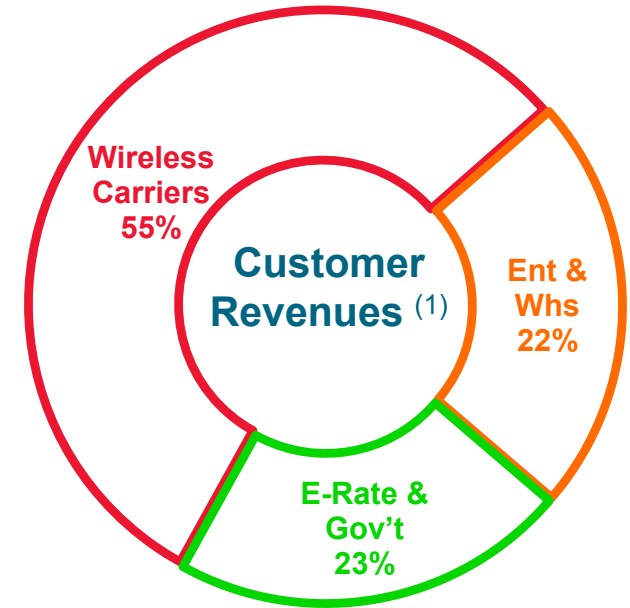
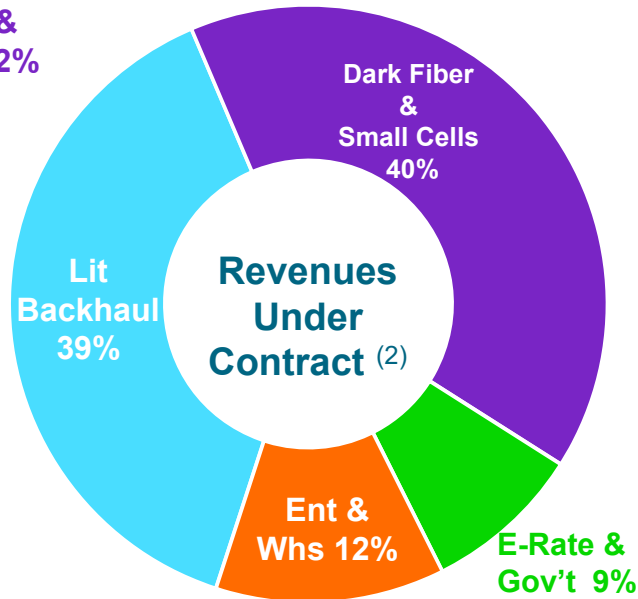
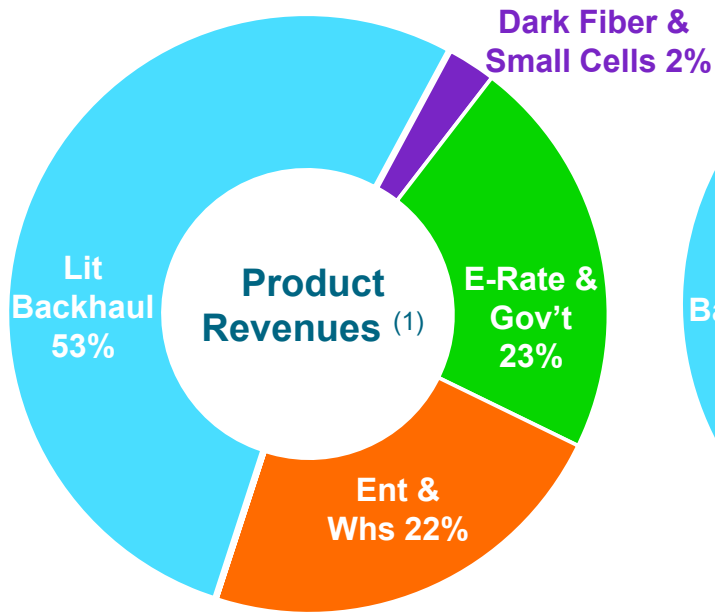
Strand Miles  
**3.5M**

Customers <sup>(3)</sup>  
**~ 16,300**

Strand Miles  
**4.8M**

(1) Information as of April 30, 2015.  
 (2) All information is as of September 30, 2017.  
 (3) Customers represent Customer Connections and exclude Connections related to Talk America.  
 (4) Based on 3Q17 revenues excluding amortized revenues from tenet capital improvements.

# Uniti Fiber at a Glance



## Financial Data (1)

\$ in Millions	3Q17 LQA
LQA Revenue	\$266
LQA Adjusted EBITDA	\$113
LQA Adjusted EBITDA Margin	43%
LQA Adjusted EBITDA Margin with synergies <sup>(4)</sup>	46%

## Operating Metrics (1)

Customer Connections (2)	~16,300
Revenues Under Contract (3)	> \$1.3 billion
Employees	~ 560
Maintenance Capex to Revenues	2%

## Diversified Customer Revenues

(1) Based on third quarter 2017 results. Third quarter 2017 results are unaudited. Actual results could differ materially.

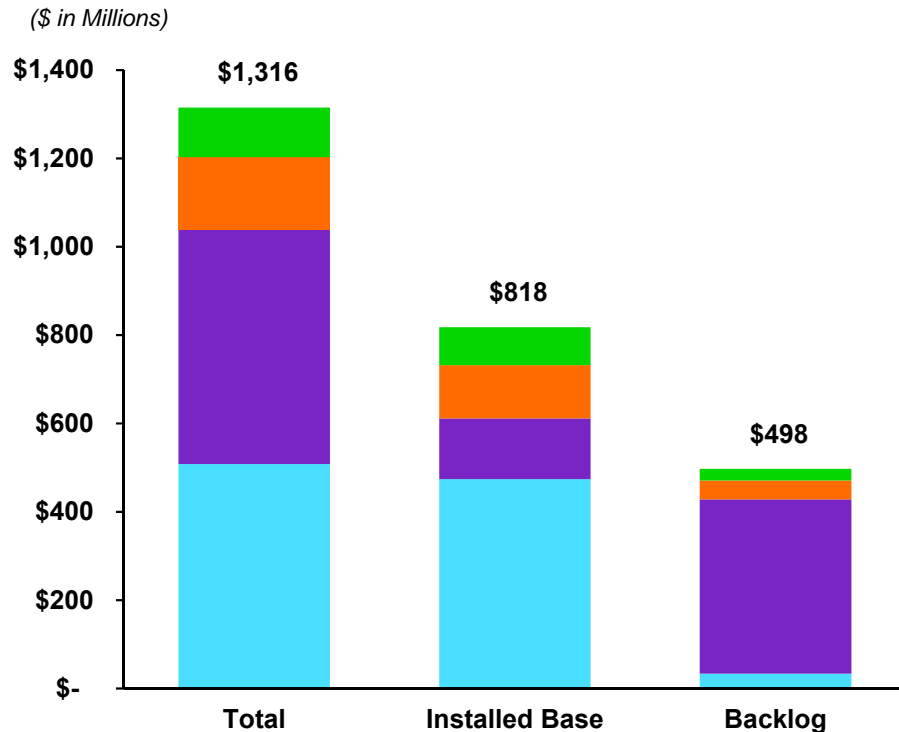
(2) Customer Connections are the sum of billing units for LIT circuits, dark fiber segments and small cell sites.

(3) Revenues under contract as of September 30, 2017. Contracts are subject to termination under certain conditions and/or may not be renewed. Actual revenue under contract could vary materially.

(4) Based on \$12.5M in target annual run-rate synergies.

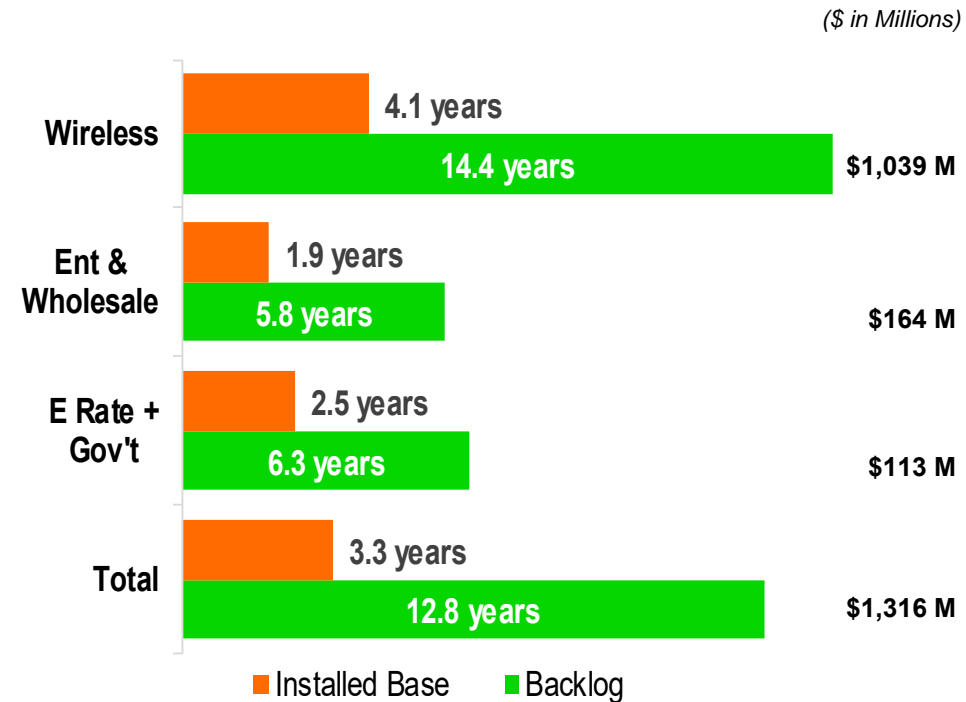
# Revenue Under Contract

## 3Q17 Revenue Under Contract <sup>(1)</sup>



■ E Rate + Gov't      ■ Wholesale/Enterprise  
■ Dark Backhaul & Small Cells    ■ Lit Backhaul

## Remaining Contract Life <sup>(1)</sup>



**Significant Backlog will Drive Revenue Growth**

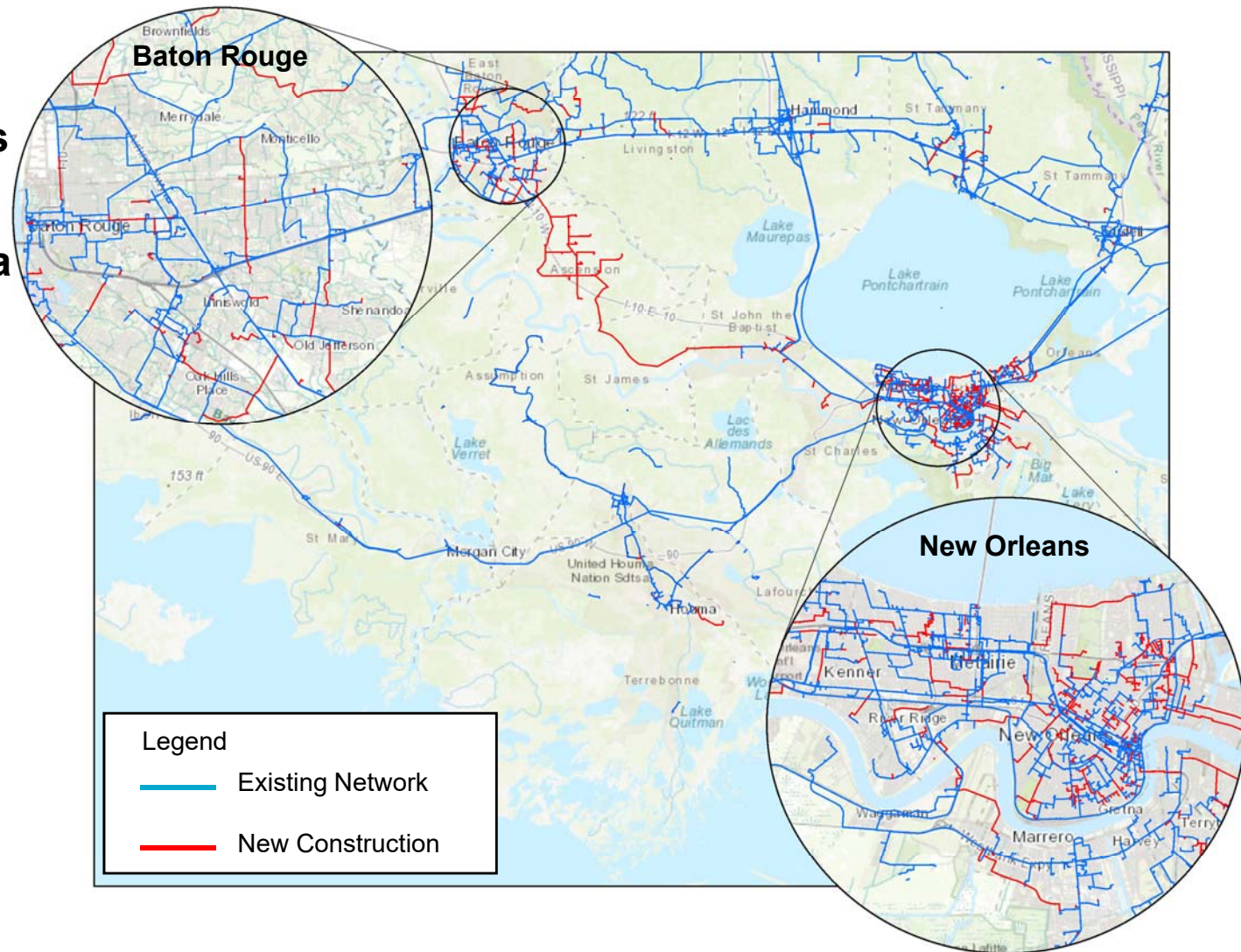
# Dark Fiber to Tower (“DFTT”) Strategy

- **Leverage DFTT Backhaul Awards to Grow Metro Fiber footprint with Deep, Dense and High Strand Count Fiber that can be Monetized for New Customers and Applications**
- **Won 7 DFTT orders in 2016 – 2017 with National Wireless Carriers as Anchor Tenant**
- **Investing > \$100 million in Net Capex to Build Dark Fiber in 2017 - 2019**
- **Growing Fiber Network by 2,800 Fiber Route Miles or 9% in 13 Metro tier 2 Markets**
- **Expect to Complete Construction in 1<sup>st</sup> half 2018 to 2<sup>nd</sup> half 2019**
- **Anchor Tenant Leases 7% - 15% of fiber strand miles leaving ~ 460,000 Fiber Strand Miles as “Inventory” for future Sales and Leasing**
- **Anchor Yields typically range from 5% - 7%**
- **Expect 20 Year Anchor Lease terms will provide Revenue Visibility and Minimal Churn**
- **Sold \$2.5 million of Pre-construction Lease-up Revenue to additional customers increasing the Yields by 250 basis points**
- **Expect Lease-up Sales to Accelerate as Construction is Completed in each Market**

**DFTT Provides the Foundation for Future Growth Potential to Achieve Lease-up Yields > 15%**

# Example of Lease-Up of DFTT Build with Small Cells

- 20 year Anchor Lease with National Wireless Carrier
- Connects 462 Macro Towers including 84 New Towers
- Doubles the Size of the Area Network when complete in 2<sup>nd</sup> half 2019
- Closes and Creates Redundant Network Ring between New Orleans and Baton Rouge
- Sold 475 near-net Small Cells to a 2<sup>nd</sup> Wireless Carrier leveraging DFTT Dense Fiber Network



2<sup>nd</sup> Tenant Increases Anchor Yield 2x

# Uniti Towers Strategy

- **Opportunity to Build and Acquire REITable Tower Real Estate**
- **Attractive Economics with High Credit Quality Tenants**
- **Synergistic with Uniti Fiber's Customers and Products**
- **Emerging Secular Tailwinds**
  - U.S. - FirstNet, Sprint Network Expansion Plan, 5G
  - Mexico - Red Compartida Network Growth, under-penetrated 3G & 4G
- **Proprietary Focus on Build-to-Suit Opportunities and Tower Portfolios**

**Niche Strategy to Complement Fiber Business**

# Dark Fiber and Towers – Highly Attractive Models

Key Criteria	Dark Fiber	Towers
Useful Life	✓ ~50+ Year	✓ ~ 50+ Year
Initial Term	✓ 10 – 20 Years	5 – 10 Years
Initial Yields	✓ 5 – 7%	✓ 5 – 10%+
Lease-up Potential	✓ 48-288 Fiber Strands per Cable	Generally limited to 3-4 Tenants Per Tower
Near Net Lease-Up	✓ Significant Potential	None
Customer Churn	✓ Very Low	✓ Very Low
Success-Based Builds	✓ Investment from Anchor Customer	✓ Occasional Capex Investment with Additional Customers
Incremental Margins	✓ Incremental Margins of ~90%	✓ Incremental Margins of ~90%
Quality of Tenants	✓ High Credit Quality Tenants	✓ High Credit Quality Tenants

**Shared Infrastructure with Similar Economics**

# Uniti Leasing Strategy

- **Proprietary Strategy to Acquire and Lease Shared Infrastructure Fiber Assets**
- **Target Acquiring National and Regional Carriers' Fiber Assets in U.S.**
  - Monetization of Whole or Partial Network Assets for Sellers to Fund:
    - M&A Transactions
    - Future Organic Capital Investments
  - Attractive Alternative to Traditional Debt and/or Equity Financing
  - Tax Advantages to Sellers
    - Consideration may include UpREIT partnership units
    - No interest deductibility limits under recent Tax Reform Act
- **Target Leasing Fiber to Carriers and Private Equity sponsored OpCos**
  - Low cost alternative to Enter New Markets or Increase Capacity of Existing Markets
  - Exclusive or Non-Exclusive Use Lease Arrangements

**Predictable, High Margin Lease Revenue with Minimal Maintenance Capex**



# Windstream & Lease Overview

(Nasdaq: WIN)

- **15 Year Exclusive-use Triple Net Lease of ~ 80% Of Windstream's Fiber Based Network that are Essential for Windstream to Provide Communication Services**
- **\$654 Million in Annual Rent with 0.5% Escalators Beginning in April 2018**
- **Strong Rent Coverage with Expected Favorable Impact from Windstream's Acquisitions of EarthLink and Broadview and ~ \$155 Million in Annual Synergies <sup>(5)</sup>**
- **Master Lease Structure with Strong Landlord Protections**
- **4 Five Year Renewal Options at Windstream Discretion with Potential to Extend Full Lease Term to 35 Years**
- **Capital Improvements Made in LEC Markets and Funded by Windstream Become Uniti Property Immediately Upon Construction Completion - \$392 Million Through September 2017**

## 2016 Windstream Financials Excludes EarthLink & Broadview <sup>(1)</sup>

<i>\$ in Billions</i>	2016
Revenue	\$5.4
Adjusted OIBDAR <sup>(2)</sup>	\$1.9
Rent Coverage Ratio <sup>(3)</sup>	2.9x
Net Leverage Ratio <sup>(4)</sup>	3.9x

## 3Q17 Annualized Windstream Financials Includes EarthLink & Broadview <sup>(5)</sup>

<i>\$ in Billions</i>	3Q17
Revenue	\$6.0
Adjusted OIBDAR w/ synergies <sup>(2)</sup>	\$2.1
Rent Coverage Ratio w/ synergies <sup>(3)</sup>	3.2x
Net Leverage Ratio w/ synergies <sup>(4)</sup>	4.0x

## EarthLink and Broadview Transactions are Credit Enhancing for Windstream

(1) 2016 financial results, and ratios are based on the Windstream 4Q16 Earnings Presentation.

(2) Adjusted OIBDAR is defined as Operating Income less depreciation, amortization, rent payment to Uniti Group, stock-based compensation expense and the impact, which may be recurring in nature, of acquisition and transaction related expenses.

(3) Rent coverage is defined as Adjusted OIBDAR divided by \$654 million annual rent payment to Uniti Group Inc.

(4) Net Leverage Ratio is defined as Debt less Cash divided by the sum of Adjusted OIBDAR less \$654 million annual rent payment to Uniti Group Inc.

(5) 3Q17 financials and ratios are based on the Windstream 3Q17 Earnings Presentation and includes expected synergies to be realized for EarthLink and Broadview acquisitions.

# Windstream Lease Protections

- **Windstream is Substantially Dependent on Network Leased from Uniti for its Business Operations**
  - WIN is Dependent on Lease and Access to Uniti's Network to Serve Vast Majority of Customers
  - WIN Replacement Cost to Overbuild the Uniti Leased Network would Exceed Several Billion Dollars
  - Time to Replicate, if Possible, Would be Several Years
  - No other Vendor Could Lease the Identical Network to WIN to Replace Uniti
- **Master Lease Provides Landlord Protections and Must Be Accepted or Rejected in Whole in Bankruptcy**
  - Single Indivisible Master Lease and Single Rent Payment (i.e. Cannot be Sub-Divided or "Cherry Picked" by Facility or Market)
  - Acceptance Requires Full Compliance with the Lease Terms, including Payment of All Rent Due
  - Court has No Authority to Reset Rent Amount or Terms
  - WIN has Recently Re-Stated its Intent and Ability to Pay Rent in Full Compliance with the Lease
- **WIN is Obligated as "Carrier of Last Resort" to Provide Service to Customers Under Regulatory Law and requires Access to Uniti's Network to Satisfy State PUC and FCC Obligations**
- **No Provision in the Lease Permits or Contemplates Re-Negotiation of Rent**

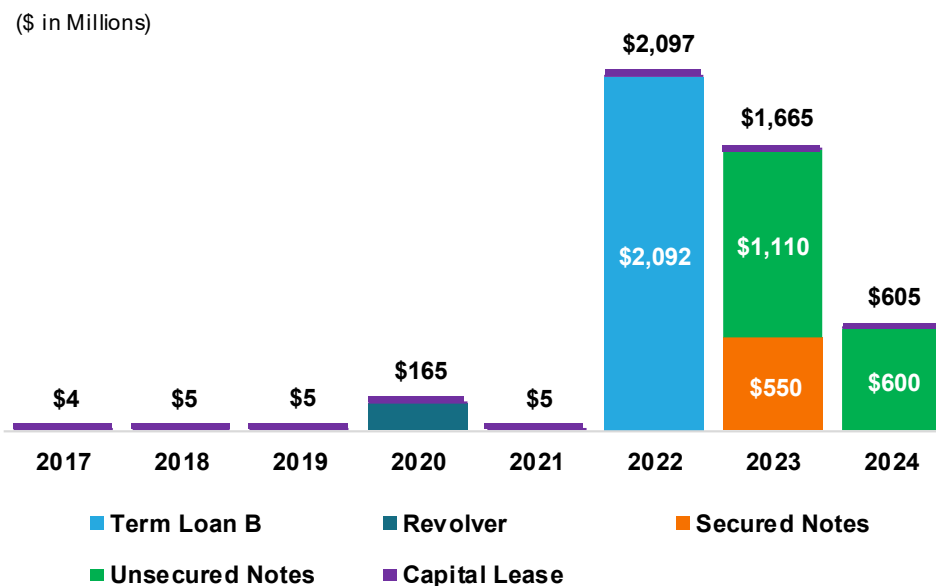
**Master Lease is Critical for Windstream to Continue as a Going Concern**

# Current and Pro Forma Capitalization

## Capitalization

(\$ in Millions)	9/30/2017 As reported
Term Loan B	2,092
Revolver	160
Secured Notes	550
Unsecured Notes	1,710
Capital Lease <sup>(1)</sup>	57
<b>Total Debt</b>	<b>\$ 4,569</b>
Less: Cash	(50)
<b>Net Debt</b>	<b>\$ 4,519</b>
Preferred Equity	83
Common Equity Market Capitalization	2,932
<b>Enterprise Value<sup>(3)</sup></b>	<b>\$ 7,534</b>
<b>LQA Adj. EBITDA<sup>(2)</sup></b>	<b>780</b>
<b>Net Debt / Enterprise Value</b>	<b>60%</b>
<b>Net Debt / LQA Adj. EBITDA</b>	<b>5.8x</b>
<b>Net Secured Debt / LQA Adj. EBITDA</b>	<b>3.6x</b>

## Debt Maturities



- Undrawn Revolver of \$590M as of 9/30/17
- Liquidity of ~\$640M as of 9/30/17
- All Debt except Revolver is Fixed Rate or Swapped to Fixed Rate

**Strong Capital Markets Access to Fund Acquisitions and Organic Growth**

Note: Presented in accordance with Debt Agreements and not GAAP accounting standards. Amounts may not foot due to rounding. Amounts not adjusted for unamortized discount and debt or equity issuance costs.

(1) Capital leases are related to IRUs.

(2) See Appendix for a reconciliation of Adjusted EBITDA to Net Income, the most closely comparable GAAP metric.

(3) See Appendix for explanation of Enterprise Value calculation. Market data as of October 18, 2017.

# Uniti Investment Highlights

- ✓ **Building Unique REIT Investment Platform Across Communication Infrastructure Assets**
- ✓ **Taking Advantage of Favorable Industry Dynamics Driving Capital Investments**
- ✓ **Fiber is the New Mission Critical Asset in the Communications Ecosystem**
- ✓ **Substantial M&A Opportunities Driving Significant Growth and Diversification**
- ✓ **Uniti Fiber and Uniti Towers Enhance Customer Relationships and Provide Opportunistic Growth Potential**
- ✓ **Predictable and Attractive Dividend**

# Combined Network Footprint

Combined Fiber Strand Miles in Service: 4,800,000  
Combined Fiber Route Miles in Service 96,000

- Uniti Leasing ●
- Uniti Fiber ●
- Southern Light ●
- Hunt Telecom ●

Top 10 Owner of Fiber Infrastructure in United States

# Q&A

# Appendix

# Uniti Facts – Pro Forma

**S&P 400  
Mid-Cap Company**

~ 7.5B

Enterprise Value

**Contractual Net Lease  
Revenues <sup>(1)</sup>**

~ \$8.5B

Revenues Under Contract

**Uniti Fiber**

> \$1.3B

Revenues Under Contract<sup>(4)</sup>

**Uniti Towers**

683

Owned Towers <sup>(2)</sup>

**Annual Revenue**

~ \$980M

**Net Leverage <sup>(3)</sup>**

5.8x

**Net Secured  
Leverage <sup>(3)</sup>**

3.6x

**Near Term Debt  
Maturities**

0%

**Fiber Strand Miles <sup>(3)</sup>**

4.8M

**Leasing Segment  
EBITDA Margin**

99%

**Cumulative  
Investments**

> \$1.5B

**Annual Maintenance  
Capex**

~ \$6M

**First Diversified Communication Infrastructure REIT**

*Note: All information is as of September 30, 2017.*

*(1) Lease revenues under the Master Lease with Windstream to be received over the remaining initial term of 15 years.*

*(2) Includes 31 NMS towers under development.*

*(3) Net Debt or Net Secured Debt, as applicable, to Annualized Adjusted EBITDA (based on last quarter annualized).*

*(4) Contracts are subject to termination under certain conditions and/or may not be renewed, so actual revenue under contract could vary materially.*



# Non-GAAP Financial Measures

We refer to EBITDA and Adjusted EBITDA in our analysis of our results of operations, which are not required by, or presented in accordance with, accounting principles generally accepted in the United States (“GAAP”). While we believe that net income, as defined by GAAP, is the most appropriate earnings measure, we also believe that EBITDA and Adjusted EBITDA are important non-GAAP supplemental measures of operating performance for a real estate investment trust (“REIT”).

We define EBITDA as net income, as defined by GAAP, before interest expense, provision for income taxes and depreciation and amortization. We define Adjusted EBITDA as EBITDA before stock-based compensation expense and the impact, which may be recurring in nature, of transaction and integration related costs, collectively “Transaction related costs”, the write off of unamortized deferred financing costs, costs incurred as a result of the early repayment of debt, changes in the fair value of contingent consideration and financial instruments, and other similar items. We believe EBITDA and Adjusted EBITDA are important supplemental measures to net income because they provide additional information to evaluate our operating performance on an unleveraged basis. In addition, Adjusted EBITDA is calculated similar to defined terms in our material debt agreements used to determine compliance with specific financial covenants. Since EBITDA and Adjusted EBITDA are not measures calculated in accordance with GAAP, they should not be considered as an alternative to net income determined in accordance with GAAP.

Further, our computations of EBITDA and Adjusted EBITDA may not be comparable to that reported by other REITs or companies that define EBITDA and Adjusted EBITDA differently than we do.

Annualized Adjusted EBITDA is calculated by multiplying Adjusted EBITDA for the most recently completed three month period by four. Our computation of Adjusted EBITDA and Annualized Adjusted EBITDA may differ from the methodology used by other REITs to calculate these measures, and, therefore, may not be comparable to such other REITs. Annualized Adjusted EBITDA has not been prepared on a pro forma basis in accordance with Article 11 of Regulation S-X.

# Reconciliation of Uniti Non-GAAP Financial Measures <sup>(1)</sup>

**\$ in Millions**

	<b>3Q17 Uniti</b>
Net income	\$ 4.8
Depreciation and amortization	113.4
Interest expense	78.8
Income tax benefit	(8.7)
<b>EBITDA</b>	<b>\$ 188.4</b>
Stock-based compensation	2.0
Transaction related costs & Other <sup>(2)</sup>	4.6
<b>Adjusted EBITDA</b>	<b>\$ 194.9</b>
<b>Annualized Adjusted EBITDA <sup>(3)</sup></b>	<b>\$ 779.8</b>

(1) Amounts may not foot due to rounding.

(2) Other at Uniti represents non-cash charges related to the change in fair value of contingent consideration arrangements.

(3) Annualized Adjusted EBITDA is defined as Adjusted EBITDA multiplied by 4.

# Reconciliation of Uniti Fiber Non-GAAP Financial Measures<sup>(1)</sup>

**\$ in Millions**

	<b>3Q17 Uniti Fiber</b>
Net income	\$ 6.9
Depreciation and amortization	24.1
Interest expense	1.1
Income tax benefit	(8.7)
<b>EBITDA</b>	<b>\$ 23.4</b>
Stock-based compensation	0.3
Transaction related costs	4.7
<b>Adjusted EBITDA</b>	<b>\$ 28.3</b>
<b>Annualized Adjusted EBITDA<sup>(2)</sup></b>	<b>\$ 113.4</b>

(1) Amounts may not foot due to rounding.

(2) Annualized Adjusted EBITDA is defined as Adjusted EBITDA multiplied by 4.

# Other Reporting Definitions

- **Adjusted EBITDA:** . Adjusted EBITDA is defined as EBITDA less stock-based compensation expense and the impact, which may be recurring in nature, of acquisition and transaction and integration related expenses, the write off of unamortized deferred financing costs, costs incurred as a result of the early repayment of debt, changes in the fair value of contingent consideration and financial instruments, and other similar items.
- **Enterprise Value:** Net Debt plus fair value of preferred equity plus market value of outstanding common stock and OP units
- **Net Debt:** Principal amount of debt outstanding, less unrestricted cash and cash equivalents
- **Net Secured Debt:** Principal amount of secured debt outstanding, less unrestricted cash and cash equivalents
- **Revenues Under Contract:** Total revenue contract value entitled to be received pursuant to existing contracts, some of which may be past their expiration date and currently on a month to month basis. A portion of these contracts is subject to renewal each year, and there can be no assurances that the contracts will be renewed at all or, if they are renewed, that the renewal will not provide for lower rates. Accordingly, our presentation of contractual revenue is not a guarantee of future revenues and should not be viewed as a predictor of future annual revenues

# Communications Infrastructure Key Terminology

- **4G:** The fourth generation of cellular wireless standards that is widely deployed by cellular operators today with the ability to transport data at rates up to 100 MBPS Internet access for mobile users
- **5G:** The fifth generation of cellular wireless standards that is in trail stages today with expected wide scale deployment in 2018-2020 with ability to transport data at rates up to 1 GBPS for initially stationary users and eventually mobile users.
- **Backbone:** A major fiber optic network that interconnects smaller networks including regional and metropolitan networks. It is the through-portion of a transmission network, as opposed to laterals and spurs which branch off to connect customer locations
- **Bandwidth Infrastructure:** Lit and dark bandwidth provided over fiber networks. These services are commonly used to transport telecom services, such as wireless, data, voice, Internet and video traffic between locations. These locations frequently include cellular towers, network-neutral and network specific data centers, carrier hotels, mobile switching centers, CATV head ends and satellite uplink sites, ILEC central offices, and other key buildings that house telecommunications and computer equipment. Bandwidth Infrastructure services that are lit (i.e., provided by using optronics that “light” the fiber) include Ethernet and Wavelength services. Bandwidth Infrastructure services that are not lit are sold as dark-fiber capacity
- **Cell Site:** A site where antennae and electronic communications equipment are placed on a radio mast or tower generally 200 to 400 feet above the ground to create a cell in a cellular network. A cell site is composed of a tower or other elevated structure for mounting antennae, and one or more sets of transmitter/receiver transceivers, digital signal processors, control electronics, a GPS receiver, regular and backup electrical power sources, and sheltering
- **Conduit:** A pipe, usually made of metal, ceramic or plastic, that protects buried fiber optic cables
- **Dark Fiber:** Fiber that has not yet been connected to telecommunications transmission equipment or optronics and, therefore, has not yet been activated or “lit”

# Communications Infrastructure Key Terminology

- **Ethernet:** Ethernet is the standard local area network (LAN) protocol. Ethernet was originally specified to connect devices on a company or home network as well as to a cable modem or DSL modem for Internet access. Due to its ubiquity in the LAN, Ethernet has become a popular transmission protocol in metropolitan, regional and long haul networks as well
- **Fiber Strand Miles:** Fiber strand miles are the number of route miles in a network multiplied by the number of fiber strands within each cable on the network. For example, if a ten mile network segment has a 24 count fiber installed, it would represent  $10 \times 24$  or 240 fiber miles
- **Fiber Optics:** Fiber, or fiber optic cables, are thin filaments of glass through which light beams are transmitted over long distances
- **FTT (Fiber-to-the-Tower):** FTT are laterals or spurs that connect cell sites to the wider terrestrial network via fiber optic connections
- **Lateral/Spur:** An extension from the main or core portion of a network to a customer's premises or other connection point
- **LTE Network:** Long-term evolution network can be used to provide 4G cellular networks that are capable of providing high speed (up to 100 Mbps) cellular data services
- **Mbps:** A measure of telecommunications transmission speed. One megabit equals one million bits of information

# Communications Infrastructure Key Terminology

- **Mobile Switching Centers:** Buildings where wireless service providers house their Internet routers and voice switching equipment
- **NOC:** Network operations center is a location that is used to monitor networks, troubleshoot network degradations and outages, and ensure customer network outages and other network degradations are restored
- **Optronics:** Various types of equipment that are commonly used to light fiber. Optronics include systems that are capable of providing Ethernet, Wavelengths, and other service over fiber optic cable
- **Route miles:** Route miles are the length, measured in non-overlapping miles, of a fiber network. Route miles are distinct from fiber strand miles, which is the number of route miles in a network multiplied by the number of fiber strands within each conduit on the network
- **Small Cells:** A site where antennae, electronic communications equipment and power are placed on a utility pole, street light pole or other structure that are generally 25 feet from the ground to create a cell with a smaller radius than that of a Cell Site. By reducing the distance between the antennae, electronic communication equipment and mobile user equipment, small cells can transport data at faster speeds than from a Cell Site. Small cells are connected the cellular network by fiber to a close Cell Site.
- **Switch:** A switch is an electronic device that selects the path that voice, data, and Internet traffic take or use on a network
- **Tower:** A free standing tower made of steel generally 200 to 400 feet above the ground with a triangular base and three to four sides built on leased parcels of land. Most towers can accommodate Multiple Cell Sites (and multiple tenants).
- **Transport:** A telecommunication service to move data, Internet, voice, video, or wireless traffic from one location to another
- **Wavelength:** A channel of light that carries telecommunications traffic through the process of wavelength division multiplexing