

Uniti

**Second Quarter
2020 Financial Results
Conference Call Presentation**

August 10, 2020

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, our 2020 financial outlook, our business strategies, growth prospects, industry trends, sales opportunities, impacts of the settlement with Windstream, and operating and financial performance.

Words such as "anticipate(s)," "expect(s)," "intend(s)," "estimate(s)," "foresee(s)," "plan(s)," "believe(s)," "may," "will," "would," "could," "should," "seek(s)" and similar expressions, or the negative of these terms, are intended to identify such forward-looking statements. These statements are based on management's current expectations and beliefs and are subject to a number of risks and uncertainties that could lead to actual results differing materially from those projected, forecasted or expected. Although we believe that the assumptions underlying the forward-looking statements are reasonable, we can give no assurance that our expectations will be attained. Factors which could materially alter our expectations include, but are not limited to, whether our settlement with Windstream, our largest customer, will be effectuated; whether Windstream will successfully emerge from bankruptcy; the future prospects of Windstream; changes in the accounting treatment of our settlement with Windstream; the ability and willingness of our customers to meet and/or perform their obligations under any contractual arrangements entered into with us, including master lease arrangements; the ability of our customers to comply with laws, rules and regulations in the operation of the assets we lease to them; the ability and willingness of our customers to renew their leases with us upon their expiration, and the ability to reposition our properties on the same or better terms in the event of nonrenewal or in the event we replace an existing tenant; the adverse impact of litigation affecting us or our customers; our ability to renew, extend or obtain contracts with significant customers (including customers of the businesses we acquire); the availability of and our ability to identify suitable acquisition opportunities and our ability to acquire and lease the respective properties on favorable terms; the risk that we fail to fully realize the potential benefits of acquisitions or have difficulty integrating acquired companies; our ability to generate sufficient cash flows to service our outstanding indebtedness; our ability to access debt and equity capital markets (including to fund required payments pursuant to our settlement with Windstream); the impact on our business or the business of our customers as a result of credit rating downgrades and fluctuating interest rates; our ability to retain our key management personnel; our ability to qualify or maintain our status as a real estate investment trust ("REIT"); changes in the U.S. tax law and other state, federal or local laws, whether or not specific to REITs; covenants in our debt agreements that may limit our operational flexibility; our expectations regarding the effect of the COVID-19 pandemic on our results of operations and financial condition; other risks inherent in the communications industry and in the ownership of communications distribution systems, including potential liability relating to environmental matters and illiquidity of real estate investments; and additional factors described in our reports filed with the SEC. Uniti expressly disclaims any obligation to release publicly any updates or revisions to any of the forward-looking statements set forth in this presentation to reflect any change in its expectations or any change in events, conditions or circumstances on which any statement is based.

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.

Agenda

- **Investment Highlights**
- **Second Quarter 2020 Financial Results**
- **Updated 2020 Outlook**
- **Expanded Strategic Partnership with Macquarie Infrastructure Partners**
- **Q&A**

Uniti's Investment Highlights⁽¹⁾

- **Strong Business Fundamentals Proving Resilient**
 - ~ 97% of Uniti's Revenue is Recurring with Adjusted EBITDA Margins Near 80%⁽²⁾
 - Nearly \$9 Billion of Revenues Under Contract with ~ 9 Years of Contract Term Remaining
 - Monthly Churn of ~0.3%

- **Proven Lease-Up at Attractive Incremental Margins**
 - ~ 75% of 2Q20 Bookings at Uniti Fiber are from Non-Wireless Opportunities
 - ~\$90 million of Proceeds from OpCo-PropCo and IRU Transactions in Past 2 Years
 - Windstream Agreement Expands Leasable Fiber Network Capacity By ~90%

- **Strengthened Balance Sheet and Liquidity**
 - ~\$550 Million of Available Liquidity⁽³⁾
 - Current Liquidity Covers Expected Requirements Through 2021

- **Proven Proprietary M&A Pipeline**

- **Valuable Communications Real Estate Portfolio**

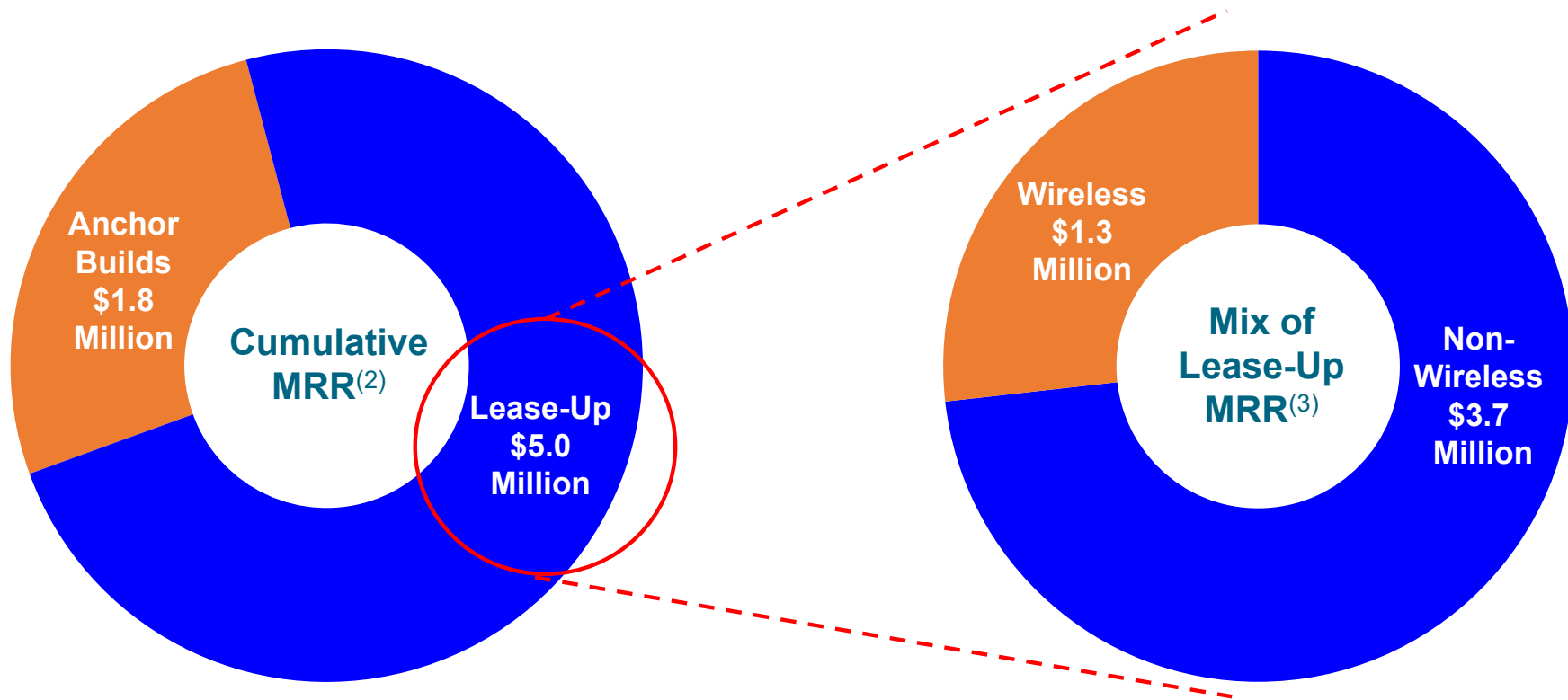
Substantial Valuation Discount Relative to Infrastructure REITs



(1) Assumes the Windstream lease continues in full force and effect, and that Windstream continues to make all lease payments on time and in accordance with the Master Lease's general terms.
(2) Excluding DOT/ITS construction and Talk America Services.
(3) As of July 1, 2020. Includes \$168 million of proceeds from the partial sale of Bluebird PropCo, which closed on July 1, 2020.

Uniti Fiber Lease-Up

- Initial Aggregate Yields on Major Wireless Anchor Builds of ~7%⁽¹⁾
- Booked Incremental Lease-up Revenue of Almost 3x Initial Anchor Build MRR Over the Past 4 Years
- Year to Date Lease-Up Sold Expected to Generate Incremental Cash Yields of ~40%⁽¹⁾

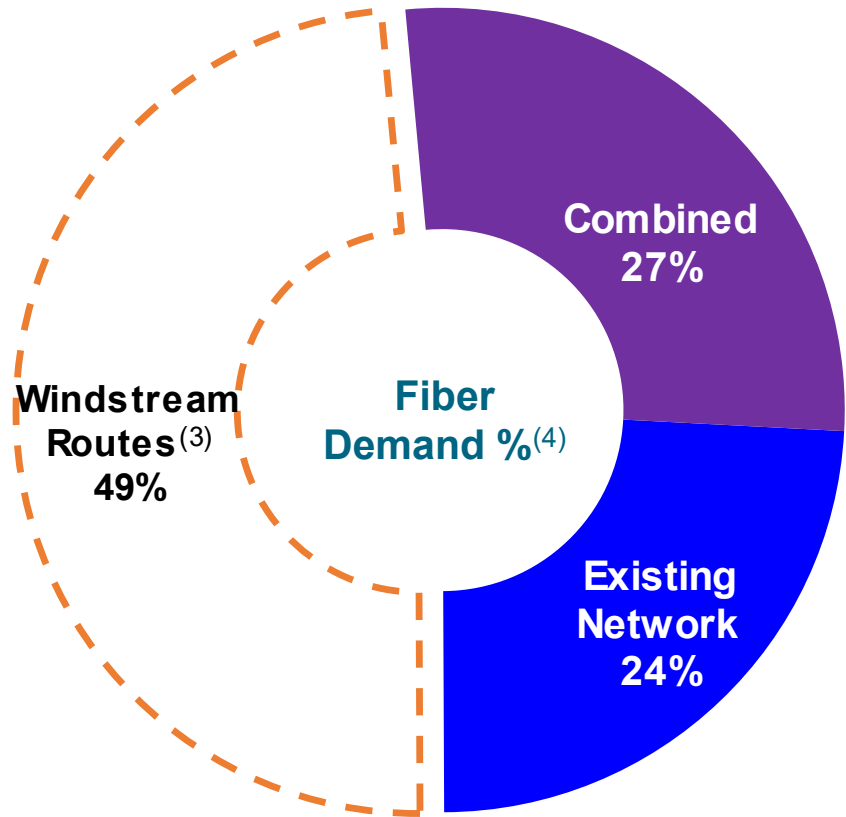
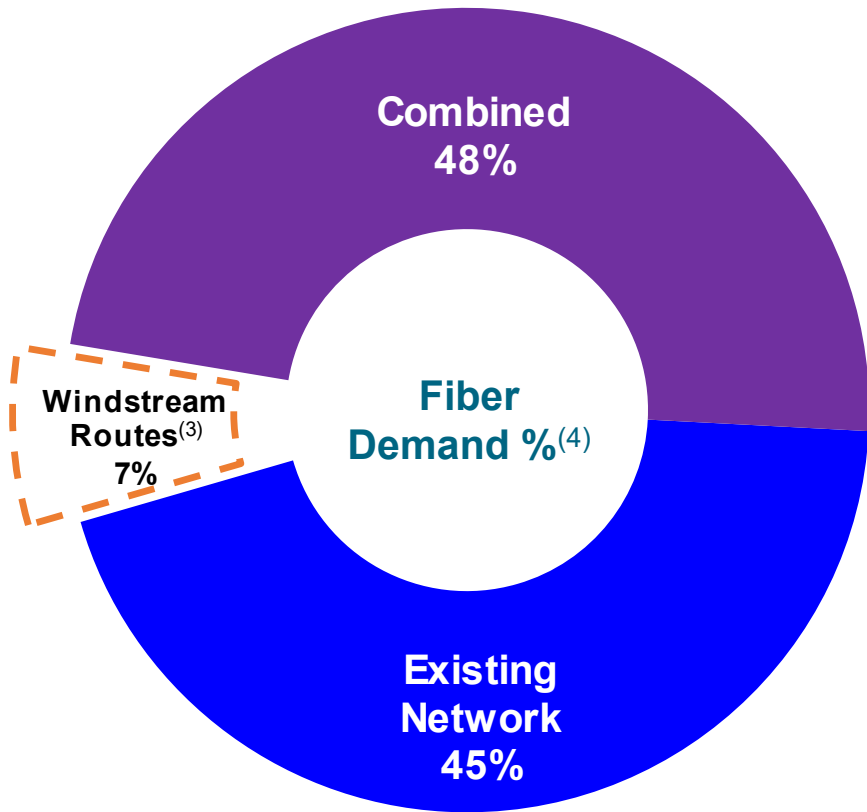


Sold ~\$7 Million of Annualized Lease-Up Revenue So Far in 2020

Uniti Leasing Sales Pipeline⁽¹⁾

Previous Pipeline⁽²⁾
 (~\$510 Million of Total Contact Value)

Current Pipeline⁽²⁾
 (~\$1 Billion of Total Contact Value)



Well Diversified Pipeline with Nearly \$1 Billion of Total Contract Value

(1) Previous pipeline as of March 31, 2020. Current pipeline as of June 30, 2020.
 (2) Reflects transactions we are currently pursuing as of June 30, 2020. We have not signed an agreement and are not otherwise committed to consummating any of these transactions and there can be no assurances that any of these transactions will be completed. Completed transactions may be realized over several years.
 (3) Represents fiber assets where Windstream relinquished its usage rights or where Uniti acquired certain fiber assets as part of the Windstream settlement agreement.
 (4) Reflects % of fiber type utilized by opportunities in the sales pipeline, and is weighted by total contract value, which is defined as MRR associated with the contract multiplied by the estimated contract term in months. Combined represents opportunities that utilize both Windstream routes and existing network.

Substantial Lease-Up Potential

	CenturyLink Routes	Windstream Routes ⁽¹⁾
Date Acquired	1Q 2018	Upon Effective Date of Settlement Agreement
Route Miles	11,000	~ 32,000
Fiber Strand Miles	270,000	~ 2.2 Million
Routes in Top 25 Metro Markets	No	Yes
Routes in Other Metro Markets	No	Yes
Wholesale Products Available to Sell	Dark Fiber, Waves & Spectrum	Dark Fiber, Waves & Spectrum
Other Services Available to Sell	None	Enterprise, Lit Services, Small Cells, Fiber to the Tower
Upfront IRU Lease-Up	~\$52 Million	TBD
Annual Recurring Revenue Lease-Up ⁽²⁾	~\$14 Million	TBD

(1) Represents fiber assets where Windstream relinquished its usage rights or where Uniti acquired certain fiber assets as part of the Windstream settlement agreement. Assumes Windstream agreement becomes effective on the earlier of Windstream's emergence from bankruptcy and February 28, 2021.

(2) Includes amortization of the upfront IRU payments received.

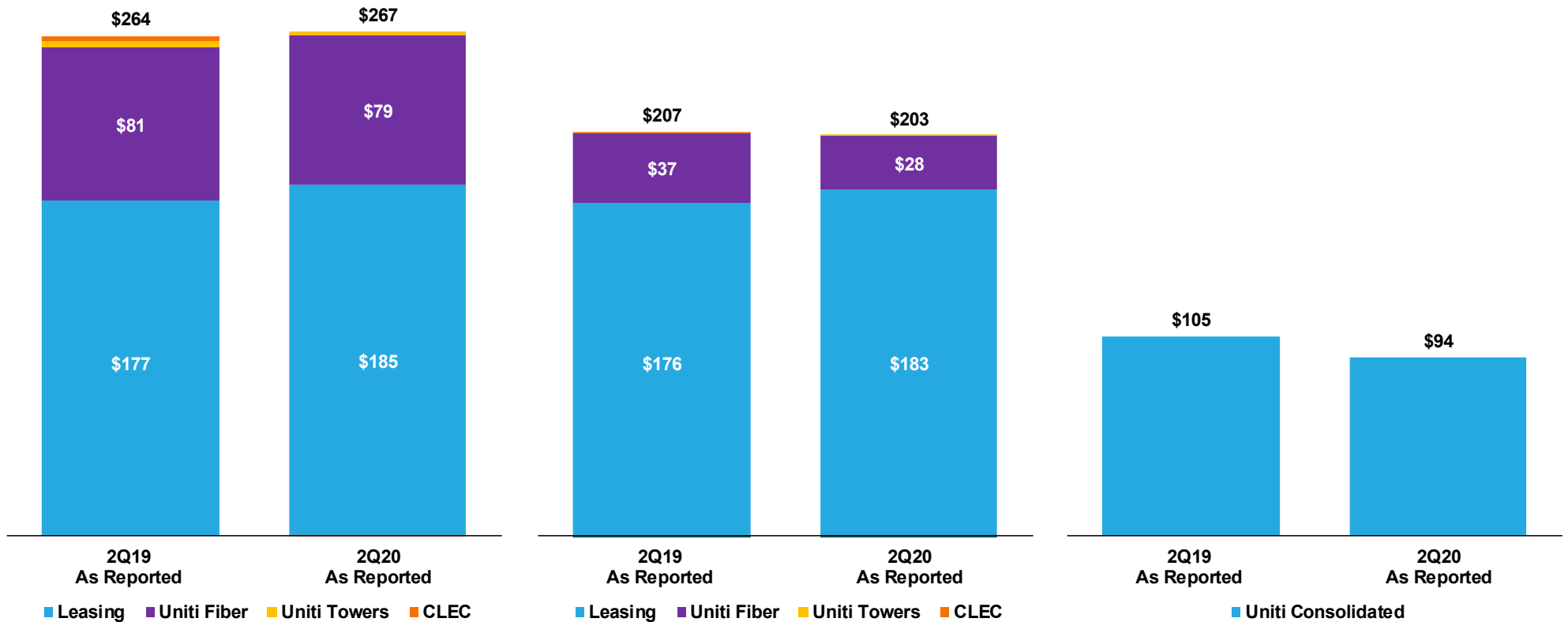
Second Quarter 2020 Consolidated Results

(\$ in millions)

Revenue

Adjusted EBITDA^{(1) (2)}

AFFO⁽¹⁾



Core Revenue and Adjusted EBITDA Grew 3% and 2%, Respectively⁽³⁾



(1) See Appendix for a reconciliation of non-GAAP metrics to the most closely comparable GAAP metric.

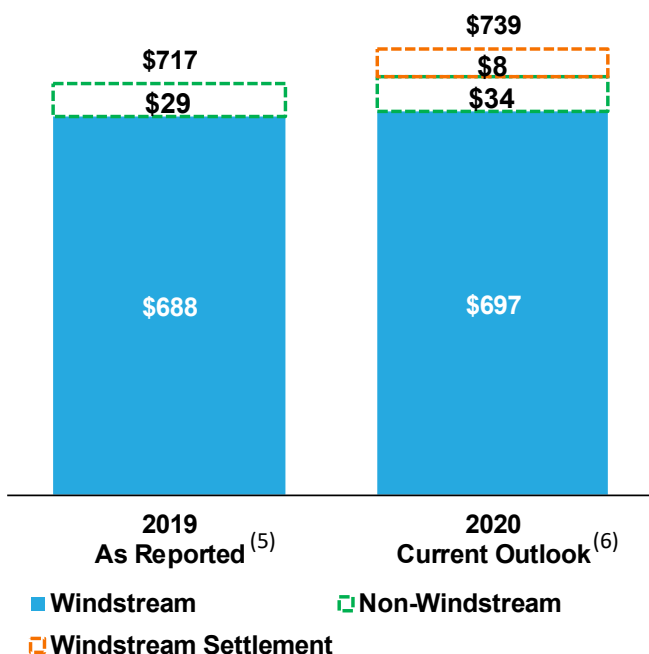
(2) Segment amounts do not foot to total as consolidated Adjusted EBITDA is net of corporate expenses of \$7 million and \$8 million in 2Q19 and 2Q20, respectively.

(3) Excludes Uniti Towers, DOT/ITS construction, and Talk America Services. 2Q19 as reported adjusted for the sale of Uniti Fiber's Midwest operations, and \$5.8 million of insurance recoveries related to Hurricane Michael. 2Q20 as reported adjusted for sale-leaseback of Uniti Fiber's Midwest network.

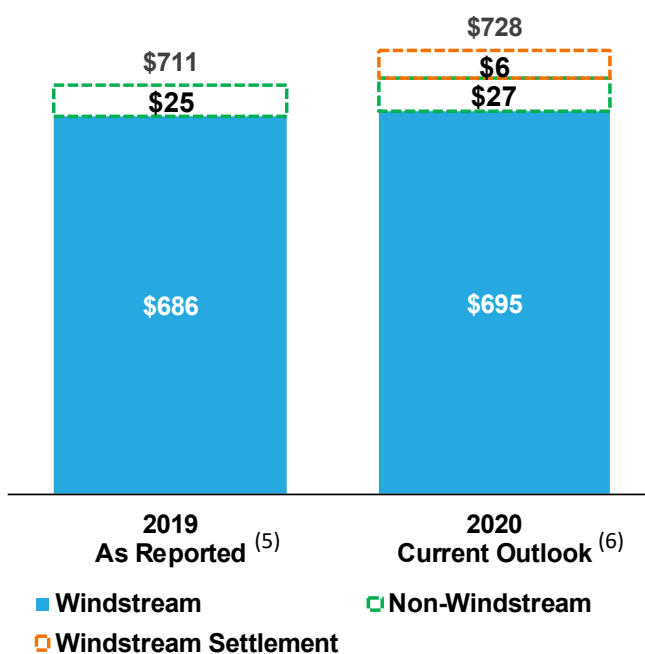
Uniti Leasing 2020 Outlook⁽¹⁾

(\$ in millions)

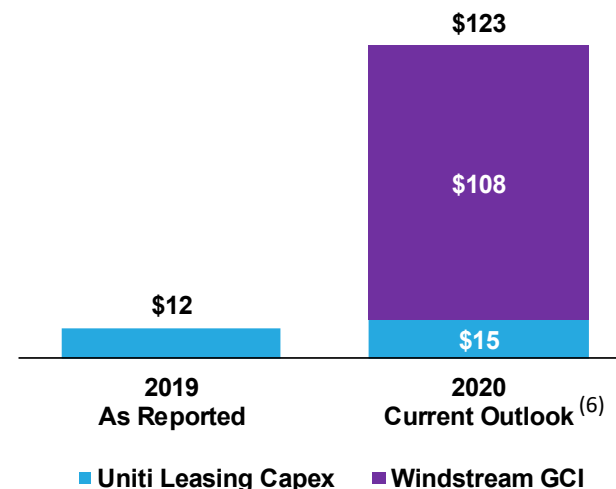
Leasing Revenue⁽²⁾



Leasing Adjusted EBITDA⁽³⁾



Net Capex⁽⁴⁾



Outlook Includes Preliminary Estimated Impact from Windstream Settlement Agreement

(1) 2020 Outlook is based on the mid-point of 2020 Outlook range provided in the Company's Earnings Release dated August 10, 2020.

(2) Windstream includes \$29 million of non-cash revenue in 2019 As Reported, and \$35 million in 2020 Current Outlook. Non-Windstream includes \$4 million of non-cash revenue in 2019 As Reported, and \$5 million in 2020 Current Outlook.

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

(4) Net Capex is defined as gross capital expenditures less up-front payments from customers.

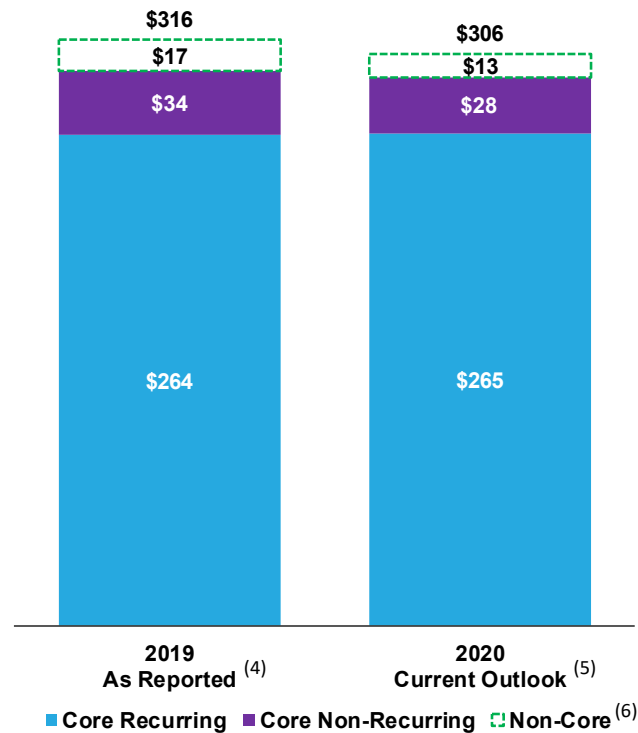
(5) 2019 As Reported revenue and Adjusted EBITDA reflects Bluebird transaction, which closed on August 30, 2019.

(6) 2020 Current Outlook reflects the partial sale of Bluebird PropCo, which closed on July 1, 2020, reflects the preliminary estimated impact from the court-approved Windstream settlement agreement, assumes that the settlement with Windstream will become effective on September 30, 2020, and assumes the Windstream lease continues in full force and effect, and that Windstream continues to make all lease payments on time and in accordance with the Master Lease's general terms.

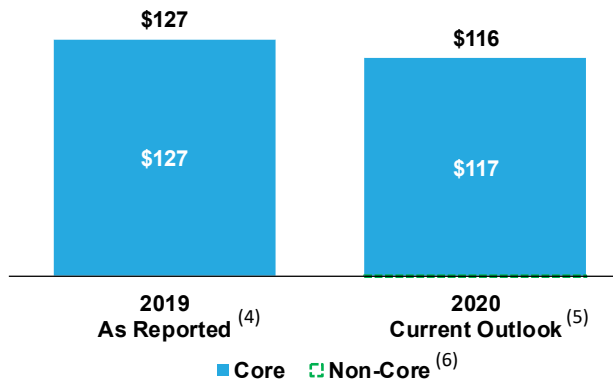
Uniti Fiber 2020 Outlook⁽¹⁾

(\$ in millions)

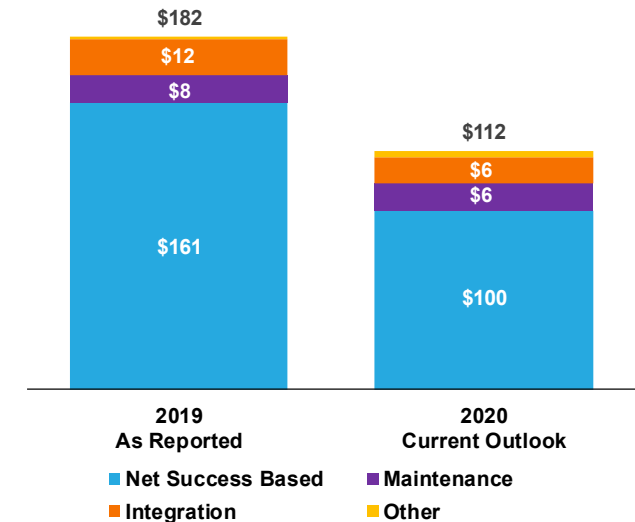
Revenue⁽²⁾



Adjusted EBITDA^{(2) (3)}



Net Capex^{(2) (4)}



Continued Focus on Lease-Up of Completed Anchor Wireless Builds

(1) 2020 Outlook is based on the mid-point of 2020 Outlook range provided in the Company's Earnings Release dated August 10, 2020.

(2) Revenue, Adjusted EBITDA, and Net Capex are net of intercompany eliminations related to the ITS transaction.

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

(4) Net Capex is defined as gross capital expenditures less up-front payments from customers.

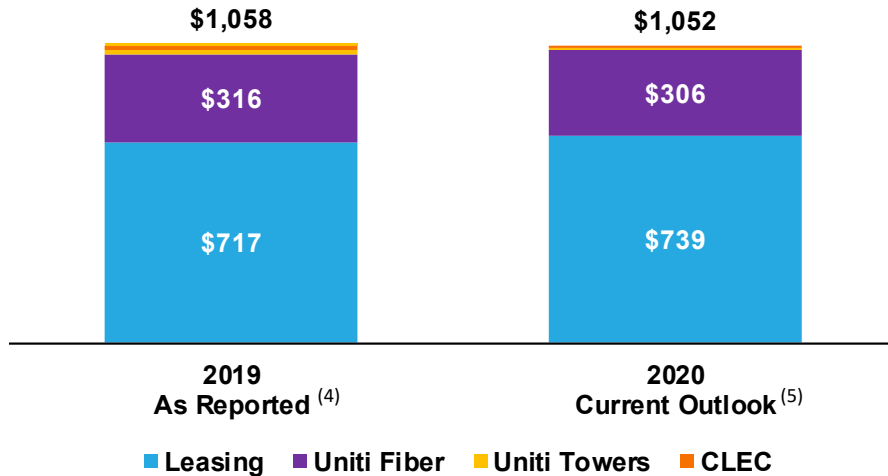
(5) 2019 As Reported includes Uniti Fiber's Midwest operations up to the closing sale date of August 30, 2019.

(6) Includes DOT/ITS construction. 2020 Current Outlook includes Adjusted EBITDA loss of \$1 million for Non-Core.

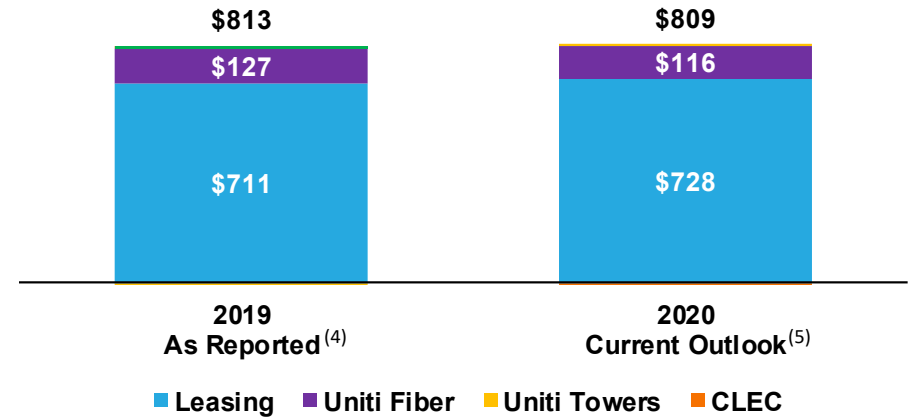
Full Year 2020 Consolidated Outlook⁽¹⁾

(\$ in millions, except per share data)

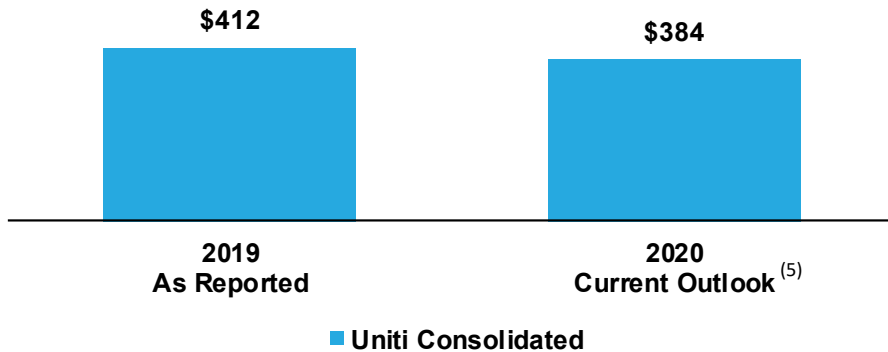
Revenue



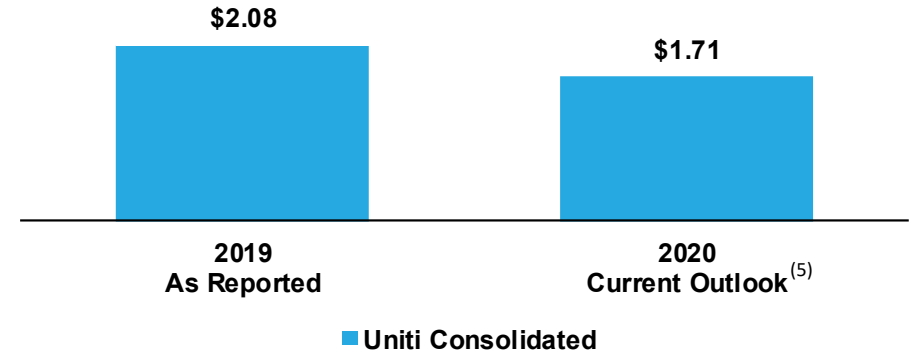
Adjusted EBITDA^{(2) (3)}



AFFO⁽²⁾



AFFO/Diluted Share^{(2) (6)}



Focus on Driving Recurring Revenue

(1) 2020 Outlook is based on the mid-point of 2020 Outlook range provided in the Company's Earnings Release dated August 10, 2020.

(2) See Appendix for a reconciliation of non-GAAP metrics to the most closely comparable GAAP metric.

(3) Segment amounts do not foot to total as consolidated Adjusted EBITDA is net of corporate expenses of \$26 million and \$34 million in 2019 and 2020 Outlook, respectively.

(4) 2019 As Reported revenue and Adjusted EBITDA reflects Bluebird transaction and the sale of Uniti Fiber's Midwest operations as of the closing date of August 30, 2019.

(5) 2020 Current Outlook reflects the partial sale of Bluebird PropCo, which closed on July 1, 2020, the sale of the U.S. towers business, which closed on June 1, 2020, the preliminary estimated impact from the court-approved Windstream settlement agreement, assumes the settlement with Windstream will become effective on September 30, 2020, and assumes the Windstream lease continues in full force and effect, and that Windstream continues to make all lease payments on time and in accordance with the Master Lease's general terms.

(6) AFFO/Diluted Share is based on average weighted common shares outstanding of 202 million and 232 million for 2019 As Reported and 2020 Current Outlook, respectively.

Reconciliation of 2020 Prior Outlook to Current Outlook⁽¹⁾

\$ in millions, except per share data

	Uniti Revenue	Uniti Adjusted EBITDA ⁽²⁾	Uniti AFFO ⁽²⁾	Uniti AFFO/Share ⁽²⁾
Full Year 2020 Midpoint Prior Outlook	\$1,054	\$810	\$387	\$1.81
Core Operations ⁽³⁾	1	2	-	-
Partial Sale of Bluebird PropCo ⁽³⁾⁽⁴⁾	(11)	(8)	(13)	(0.06)
Windstream Settlement Agreement ^{(3) (5)}	8	6	6	0.03
Windstream Settlement Share Issuance ⁽⁶⁾	-	-	-	(0.07)
Financings ⁽⁷⁾	-	-	4	0.01
Full Year 2020 Midpoint Current Outlook	\$1,052	\$809	\$384	\$1.71

Note: Amounts may not foot due to rounding.

(1) 2020 Prior and Current Outlook assume the Windstream lease continues in full force and effect, and that Windstream continues to make all lease payments on time and in accordance with the Master Lease's general terms.

(2) See Appendix for a reconciliation of non-GAAP metrics to the most closely comparable GAAP metric.

(3) AFFO and AFFO/Share exclude any allocable interest expense.

(4) Closed on July 1, 2020.

(5) Reflects revenue and Adjusted EBITDA from acquired assets and dark fiber IRU contracts as part of the Windstream settlement agreement. Preliminary estimates subject to change.

(6) Reflects the weighted average impact of 38.6 million common equity shares issued as part of the Windstream settlement agreement.

(7) Reflects net paydown of revolving credit facility with proceeds from the sale of the U.S. towers business and the partial sale of Bluebird PropCo.

Expanded Strategic Partnership with Macquarie

- **Sold Ownership Stake in the Entity that Controls Uniti's Midwest Fiber Network Assets ("Propco") to Macquarie Infrastructure Partners ("MIP") for ~\$168 Million**
 - Propco Assets Include Fiber Leased to MIP as Part of the Bluebird OpCo-PropCo Transaction
 - Uniti Has Retained an Investment Interest in the Assets
 - Fiber Network Will Continue to be Leased to MIP at Fixed Cash Yield of 8.5%
 - Uniti to Receive Additional Earnout Payment in Early 2023 of Up to ~\$20 Million if Bluebird Achieves Certain Milestones
- **Strategic Relationship with MIP Evolves**
 - Transaction Demonstrates Dynamic Structure of Our Strategic Relationship with MIP
 - Discussions Ongoing to Lease Additional Fiber to Bluebird, Including Fiber Acquired from Windstream
- **Provides Blueprint for Future OpCo-PropCo Partnerships to Access Efficient Capital**

Remain Focused on Pursuing Additional OpCo-PropCo Structures

Uniti vs. REIT Metrics Benchmarking



	Uniti ⁽¹⁾	Publicly Traded Tower REITs ⁽²⁾	Publicly Traded Data Center REITs ⁽³⁾
Recurring Revenue % of Total Revenue	~ 97%	~ 90%	~ 95%
Enterprise Value/ 2020E Adjusted EBITDA ⁽⁴⁾	8.4x	29.8x	24.8x
Net Leverage	6.1x	6.5x	6.3x
2020E Adjusted EBITDA Margin	~ 80%	~ 64%	~ 52%
2020E Adjusted EBITDA Growth	~ 1%	~ 5%	~ 8%
Monthly Churn % ⁽⁵⁾	~ 0.3%	~ 0.2%	~ 0.5%
2020E Maintenance Capex % ⁽⁶⁾	~ 1%	~ 2%	~ 3%
2020E Capital Intensity % ⁽⁷⁾	~ 30%	~ 17%	~ 71%
Average Remaining Contract Term ⁽⁸⁾	~ 9 Years	~ 7 Years	~ 4 Years
Diversification of Tenants ⁽⁵⁾	Low	Low	Medium to High

Expect to Improve Key Metrics Compared to Other REITs

Note: Source of REIT metrics – internally developed.

(1) Data as of 6/30/20, unless otherwise noted. Excludes DOT/ITS construction and Talk America Services.

(2) Includes: American Tower, Crown Castle, and SBA.

(3) Includes: CyrusOne, CoreSite Realty, QTS, Equinix, and Digital Realty.

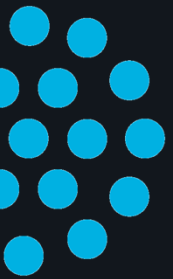
(4) Based on market data as of July 30, 2020.

(5) Data is estimated.

(6) Represents total annual maintenance capex as a percentage of total annual revenue.

(7) Represents total annual capex, less acquisition-related capex, as a percentage of total annual revenue.

(8) Reflects revenues under contract for Uniti as of June 30, 2020. Contracts are subject to termination under certain conditions and/or may not be renewed. Actual revenues under contract could vary materially. Assumes the Windstream lease continues in full force and effect, and that Windstream continues to make all lease payments on time and in accordance with the Master Lease's general terms.



Appendix

Key 2020 Outlook Ranges⁽¹⁾

In Millions, except per share data

	Leasing	Uniti Fiber	Uniti Towers	CLEC	Uniti Consolidated
Revenue	\$739	\$302 - \$310	\$6	\$1	\$1,048 - \$1,056
Adjusted EBITDA ⁽²⁾	\$728	\$111 - \$120	-	(\$1)	\$804 - \$813
Interest Expense, Net ⁽³⁾	-	-	-	-	\$492
Net Success-Based Capex	\$120 - \$125	\$90 - \$110	\$24	-	-
AFFO to Common Shareholder ⁽²⁾	-	-	-	-	\$380 - \$388
AFFO / Diluted Common Share ⁽²⁾	-	-	-	-	\$1.70 - \$1.73
Weighted-Average Common Shares Outstanding – Diluted	-	-	-	-	232

Note: Amounts may not foot due to rounding.

(1) 2020 Current Outlook is based on the mid-point of 2020 Outlook range provided in the Company's Earnings Release dated August 10, 2020. Our 2020 Outlook reflects the partial sale of the Bluebird PropCo, which closed on July 1, 2020, the sale of the U.S. towers business, which closed on June 1, 2020, the preliminary estimated impact from the court-approved Windstream settlement agreement, assumes that the settlement with Windstream will become effective on September 30, 2020, assumes the Windstream lease continues in full force and effect, and that Windstream continues to make all lease payments on time and in accordance with the Master Lease's general terms and that we will distribute all of our REIT taxable income such that we will not be subject to corporate level income taxes. Our current outlook excludes future acquisitions, capital market transactions, and future transaction related and other costs. Actual results could differ materially from these forward-looking statements.

(2) See Appendix for a reconciliation of non-GAAP metrics to the most closely comparable GAAP metric.

(3) Includes capitalized interest and amortization of deferred financing costs and debt discounts.

Reconciliation of Uniti Non-GAAP Financial Measures⁽¹⁾

\$ in Millions

	Uniti 2Q19	Uniti 2Q20
Net income (loss) ⁽²⁾	\$39.5	(\$598.3)
Depreciation and amortization	102.6	85.0
Interest expense	97.7	107.2
Income tax expense (benefit)	7.8	(5.9)
EBITDA	\$247.7	(\$412.0)
Stock-based compensation	3.2	4.1
Transaction related costs & Other ⁽²⁾	(44.0)	610.8
Adjusted EBITDA	\$206.9	\$202.9

Reconciliation of Uniti Non-GAAP Financial Measures⁽¹⁾

\$ in Millions

	2019					
	Leasing	Uniti Fiber	Uniti Towers	CLEC	Corporate	Uniti
Net income (loss)	\$419.9	\$15.9	\$14.1	-	(\$439.0)	\$10.9
Depreciation and amortization	282.1	114.6	6.5	1.9	0.7	405.8
Interest expense (income)	-	1.4	(0.7)	-	389.4	390.1
Income tax expense (benefit)	8.4	(10.9)	7.1	-	-	4.7
EBITDA	\$710.4	\$121.0	\$27.1	\$1.9	(\$48.9)	\$811.4
Stock-based compensation	0.5	2.1	0.8	-	7.4	10.8
Transaction related costs & Other	0.2	3.7	(28.4)	-	15.0	(9.5)
Adjusted EBITDA	\$711.1	\$126.8	(\$0.6)	\$1.9	(\$26.5)	\$812.7

Reconciliation of Uniti Non-GAAP Financial Measures⁽¹⁾

\$ in Millions	Uniti 2Q19	Uniti 2Q20	Uniti 2019
Net income (loss) attributable to common shares ⁽²⁾	\$38.2	(\$588.2)	\$8.4
Real estate depreciation and amortization	82.4	62.1	323.5
Gain on sale of real estate assets, net of tax ⁽³⁾	(24.2)	(63.8)	(24.4)
Participating securities' share in earnings	0.2	0.4	0.5
Participating securities' share in FFO	(0.5)	(0.4)	(1.2)
Adjustments for noncontrolling interests	(1.2)	-	(5.9)
FFO attributable to common shareholders	\$95.0	(\$589.8)	\$300.9
Transaction related costs	7.0	18.6	43.7
Change in fair value of contingent consideration	(22.3)	4.6	(28.5)
Amortization of deferred financing costs and debt discount	10.8	9.0	42.8
Stock based compensation	3.2	4.1	10.8
Non-real estate depreciation and amortization	20.1	22.9	82.2
Straight-line revenues	(0.7)	0.6	(0.2)
Maintenance capital expenditures	(1.9)	(2.3)	(8.0)
Amortization of discount on convertible preferred stock	0.2	-	1.0
Taxes related to cancellation of debt	-	-	4.6
Other, net ⁽²⁾	(6.0)	638.6	(34.8)
Adjustments for noncontrolling interests	(0.2)	(12.3)	(2.1)
Adjusted FFO attributable to common shareholders	\$105.3	\$94.0	\$412.5



(1) Amounts may not foot due to rounding.

(2) Includes \$650 million litigation settlement charge in 2Q20.

(3) Represents gain on sale of LATAM tower and U.S. ground lease portfolios in 2Q19, and the sale of the U.S. tower business in 2Q20.

Reconciliation of Uniti Non-GAAP Financial Measures⁽¹⁾

\$ in Millions

	2020 Current Outlook ⁽²⁾					
	Leasing ⁽²⁾	Uniti Fiber ⁽²⁾	Uniti Towers ⁽²⁾	CLEC ⁽²⁾	Corporate ⁽²⁾	Uniti ⁽²⁾
Net (loss) income ⁽³⁾	\$551	\$3	\$63	(\$1)	(\$1,228)	(\$612)
Depreciation and amortization	196	127	1	1	-	325
Interest expense	-	1	-	-	491	492
Income tax expense (benefit)	1	(18)	-	-	-	(17)
EBITDA	\$748	\$113	\$64	(\$1)	(\$736)	\$188
Stock-based compensation	1	3	-	-	10	14
Transaction related costs & Other ⁽³⁾	(21)	-	(64)	-	692	607
Adjusted EBITDA	\$728	\$116	-	(\$1)	(\$34)	\$809

(1) Amounts may not foot due to rounding.

(2) 2020 Current Outlook is based on the mid-point of 2020 Outlook range provided in the Company's Earnings Release dated August 10, 2020. Our 2020 Outlook reflects the partial sale of Bluebird PropCo, which closed on July 1, 2020, the sale of the U.S. towers business, which closed on June 1, 2020, the preliminary estimated impact from the court-approved Windstream settlement agreement, assumes that the settlement with Windstream will become effective on September 30, 2020, assumes the Windstream lease continues in full force and effect, and that Windstream continues to make all lease payments on time and in accordance with the Master Lease's general terms and that we will distribute all of our REIT taxable income such that we will not be subject to corporate level income taxes. Our current outlook excludes future acquisitions, capital market transactions, and future transaction related and other costs. Actual results could differ materially from these forward-looking statements.

(3) Includes pre-tax gain on the sale of the U.S. tower business and partial sale of Bluebird PropCo of \$64 million and \$23 million, respectively, and \$650 million litigation settlement charge.

Reconciliation of Uniti Non-GAAP Financial Measures⁽¹⁾

\$ in Millions

	Uniti 2020 Current Outlook ⁽²⁾
Net loss attributable to common shares ⁽³⁾	(\$603)
Real estate depreciation and amortization	238
Gain on sale of real estate assets, net of tax ⁽⁴⁾	(87)
Participating securities' share in earnings	1
Participating securities' share in FFO	(1)
Adjustments for noncontrolling interests	(2)
FFO attributable to common shareholders	(\$454)
Transaction related costs	35
Change in fair value of contingent consideration	6
Amortization of deferred financing costs and debt discount ⁽⁵⁾	111
Stock based compensation	14
Non-real estate depreciation and amortization	87
Straight-line revenues	(1)
Maintenance capital expenditures	(7)
Other, net ⁽³⁾	608
Adjustments for noncontrolling interests	(15)
Adjusted FFO attributable to common shareholders	\$384

(1) Amounts may not foot due to rounding.

(2) 2020 Current Outlook is based on the mid-point of 2020 Outlook range provided in the Company's Earnings Release dated August 10, 2020. Our 2020 Outlook reflects the partial sale of Bluebird PropCo, which closed on July 1, 2020, the sale of the U.S. towers business, which closed on June 1, 2020, the preliminary estimated impact from the court-approved Windstream settlement agreement, assumes that the settlement with Windstream will become effective on September 30, 2020, assumes the Windstream lease continues in full force and effect, and that Windstream continues to make all lease payments on time and in accordance with the Master Lease's general terms and that we will distribute all of our REIT taxable income such that we will not be subject to corporate level income taxes. Our current outlook excludes future acquisitions, capital market transactions, and future transaction related and other costs. Actual results could differ materially from these forward-looking statements.

(3) Includes \$650 million litigation settlement charge.

(4) Represents gain on the sale of the U.S. tower business and partial sale of Bluebird PropCo.

(5) Includes the write off of deferred financing costs and debt discount of \$73 million that was incurred at the time our term loan facility was fully repaid on February 10, 2020.

Non-GAAP Financial Measures

We refer to EBITDA, Adjusted EBITDA, Funds From Operations (“FFO”) as defined by the National Association of Real Estate Investment Trusts (“NAREIT”) and Adjusted Funds From Operations (“AFFO”) 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, Adjusted EBITDA, FFO and AFFO are important non-GAAP supplemental measures of operating performance for a 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, costs associated with Windstream’s bankruptcy, costs associated with litigation claims made against us, and costs associated with the implementation of our new enterprise resource planning system, collectively “Transaction Related and Other Costs”, the write off of unamortized deferred financing costs, costs incurred as a result of the early repayment of debt, gains or losses on dispositions, changes in the fair value of contingent consideration and financial instruments, and other similar or infrequent 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 alternatives to net income determined in accordance with GAAP.

Because the historical cost accounting convention used for real estate assets requires the recognition of depreciation expense except on land, such accounting presentation implies that the value of real estate assets diminishes predictably over time. However, since real estate values have historically risen or fallen with market and other conditions, presentations of operating results for a REIT that uses historical cost accounting for depreciation could be less informative. Thus, NAREIT created FFO as a supplemental measure of operating performance for REITs that excludes historical cost depreciation and amortization, among other items, from net income, as defined by GAAP. FFO is defined by NAREIT as net income attributable to common shareholders computed in accordance with GAAP, excluding gains or losses from real estate dispositions, plus real estate depreciation and amortization and impairment charges. We compute FFO in accordance with NAREIT’s definition.

The Company defines AFFO, as FFO excluding (i) transaction related and other costs; (ii) Windstream bankruptcy and litigation related expenses, including litigation settlement expenses; (iii) certain non-cash revenues and expenses such as stock-based compensation expense, amortization of debt and equity discounts, amortization of deferred financing costs, depreciation and amortization of non-real estate assets, straight line revenues, non-cash income taxes, and the amortization of other non-cash revenues to the extent that cash has not been received, such as revenue associated with the amortization of tenant capital improvements; and (iv) the impact, which may be recurring in nature, of the write-off of unamortized deferred financing fees, additional costs incurred as a result of early repayment of debt, including costs associated with the termination of related hedging activities, taxes associated with tax basis cancellation of debt, gains or losses on dispositions, changes in the fair value of contingent consideration and financial instruments and similar or infrequent items less maintenance capital expenditures. We believe that the use of FFO and AFFO, and their respective per share amounts, combined with the required GAAP presentations, improves the understanding of operating results of REITs among investors and analysts, and makes comparisons of operating results among such companies more meaningful. We consider FFO and AFFO to be useful measures for reviewing comparative operating performance. In particular, we believe AFFO, by excluding certain revenue and expense items, can help investors compare our operating performance between periods and to other REITs on a consistent basis without having to account for differences caused by unanticipated items and events, such as transaction and integration related costs. The Company uses FFO and AFFO, and their respective per share amounts, only as performance measures, and FFO and AFFO do not purport to be indicative of cash available to fund our future cash requirements. While FFO and AFFO are relevant and widely used measures of operating performance of REITs, they do not represent cash flows from operations or net income as defined by GAAP and should not be considered an alternative to those measures in evaluating our liquidity or operating performance.

Further, our computations of EBITDA, Adjusted EBITDA, FFO and AFFO may not be comparable to that reported by other REITs or companies that do not define FFO in accordance with the current NAREIT definition or that interpret the current NAREIT definition or define EBITDA, Adjusted EBITDA and AFFO differently than we do.

Glossary

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 began to be deployed in 2019, with expected wide scale deployment over the next year. 5G has the ability to transport data with low latency and at rates of up to 1 GBPS for both stationary and mobile users.

Adjusted EBITDA: Adjusted EBITDA is defined as EBITDA before stock-based compensation expense and the impact, which may be recurring in nature, of transaction and integration related costs, costs associated with Windstream's bankruptcy, costs associated with litigation claims made against us, and costs associated with the implementation of our new enterprise resource planning system (collectively, "Transaction Related and Other Costs"), the write off of unamortized deferred financing costs, costs incurred as a result of the early repayment of debt, gains or losses on dispositions, changes in the fair value of contingent consideration and financial instruments, and other similar or infrequent items.

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.

Glossary

Churn: Decline in MRR, such as disconnects, bandwidth downgrades, and price reductions. Includes decline in MRR related to lit backhaul sites converting to dark fiber.

Conduit: A pipe, usually made of metal, ceramic or plastic, that protects buried fiber optic cables.

Core Revenue: Represents revenue principally generated from leasing and lit services of the fiber network, as well as revenues that are ancillary to the fiber network, including managed services.

Dark Fiber: Fiber that has not yet been connected to telecommunications transmission equipment or optronics and, therefore, has not yet been activated or “lit”.

Enterprise Value: Net Debt plus fair value of preferred equity plus market value of outstanding common stock and OP units.

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 Optics: Fiber, or fiber optic cables, are thin filaments of glass through which light beams are transmitted over long distances.

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 10×24 or 240 fiber miles.

FTT (Fiber-to-the-Tower): FTT are laterals or spurs that connect cell sites to the wider terrestrial network via fiber optic connections.

Gross Installs: MRR related to services that have been installed and are billable in a given period. Includes MRR related to new services installed and bandwidth upgrades.

Glossary

Growth Capital Investments (“GCI”): Capital expenditures on long-term, value-accretive fiber and related assets in the ILEC and CLEC territories owned by Uniti and leased to Windstream.

Integration Capex: Capital expenditures made specifically with respect to recent acquisitions that are essential to integrating acquired companies in our business.

Lateral/Spur: An extension from the main or core portion of a network to a customer’s premises or other connection point.

Maintenance Capex: Capital expenditures related to maintaining and preserving the existing network and related equipment.

Mbps: A measure of telecommunications transmission speed. One megabit equals one million bits of information.

Mobile Switching Centers: Buildings where wireless service providers house their Internet routers and voice switching equipment.

Monthly Churn Rate: Monthly churn rate is calculated as monthly Churn divided by MRR on the last day of the preceding period.

MRR (Monthly recurring revenue): Monthly recurring revenue generated based on the price that the customer is expected to pay, including monthly revenue related to the amortization of upfront payments by customers. Our presentation of MRR is not a guarantee of future revenues and should not be viewed as a predictor of future annual revenues.

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.

Net Success-Based Capex: Success-Based Capex less associated upfront customer payments. Does not include net capital expenditures related to integration, maintenance, and other, such as IT-related capex.

Glossary

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.

Nodes: Points on a network that can receive, create, or transmit communication services.

NRC (non-recurring charge): Upfront customer payments that are primarily associated with an executed fiber-related contract that utilizes either newly constructed or already owned fiber, and the fiber is intended to be owned by Uniti on a long-term basis.

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.

Pipeline: Reflects sales opportunities or transactions we are currently pursuing. Sales pipeline values represent total contract value of the opportunities we are currently pursuing. M&A pipeline values represent estimated purchase price of deals we are currently pursuing. We have not signed an agreement and are not otherwise committed to consummating any of these sales opportunities or transactions and there can be no assurances that any of these sales opportunities or transactions will be completed. Completed transactions may be realized over several years.

Recurring Revenue: Revenue recognized for ongoing services based on the price that the customer is expected to pay, including revenue recognized related to the amortization of upfront payments by customers, at a given point in time.

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 are 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.

Glossary

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.

Sales Bookings: MRR in a given period relating to orders that have been signed by the customer and accepted by order management.

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.

Success-Based Capex: Gross capital expenditures related to installing existing or anticipated contractual customer service orders. Does not include capital expenditures related to integration, maintenance, and other, such as IT-related capex.

Switch: A switch is an electronic device that selects the path that voice, data, and Internet traffic take or use on a network.

Total Contract Value: Contract MRR multiplied by the remaining term of the contract in months.

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.