

# Uniti

J.P. Morgan Global Technology,  
Media and Telecom Conference

*May 22 – 24, 2017*

# 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 the anticipated closing of and benefits of the Hunt and Southern Light transactions.

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, the ability and willingness of our customers to meet and/or perform their obligations under any contractual arrangements entered into with us; 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; 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; 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; 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; the risk that the Hunt and Southern Light transaction agreements may be modified or terminated prior to expiration; risks related to satisfying the conditions to the Hunt and Southern Light transactions; and additional factors discussed in the risk factors section of 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.

1Q17 unaudited results for Hunt and Southern Light are preliminary and subject to audit and purchase accounting adjustments. Actual results for the period could differ materially. Investors should not place undue reliance on such numbers. Operating metrics have been provided by Hunt and Southern Light without verification and investors should not place undue reliance on those operating metrics.

This presentation contains certain supplemental measures of performance that are not required by, or presented in accordance with, U.S. 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 in the appendix hereto.

# 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**

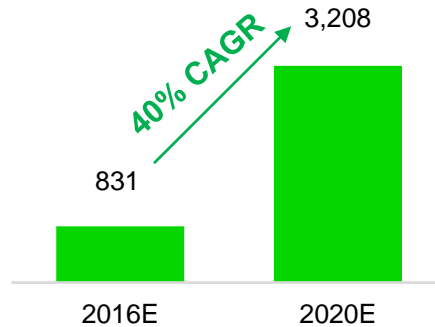
# Fiber is The New Mission Critical Asset

## 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

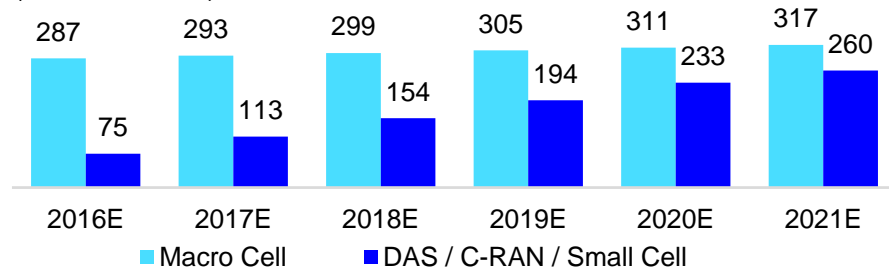
### NA Mobile Internet Traffic (PBs of Traffic per Month)



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

- Carriers Continue to Density Networks
- Wireless Operators Preparing for 5G Deployment
- FirstNet Network Expected To Depend On Small Cell Sites

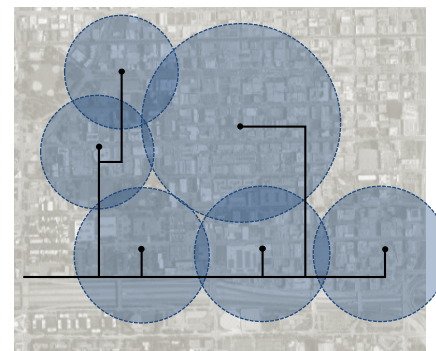
### U.S. Macro Sites and DAS/C-RAN/Small Cell Sites Forecast (Cell Sites in 000s)



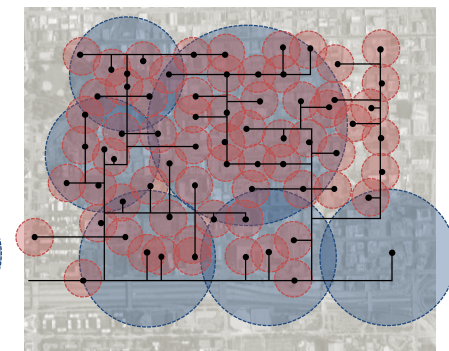
## ...Supported By Large-Scale and Dense Fiber Networks

- 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 Well Positioned to Benefit From Strong Growth in Wireless Networks**

# 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
Key Customers	  	  	 	 	 	  
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.

# Growth Driven by Strategic Investments

Business Units	Acquisitions	Key Metrics			
	   	<b>Strand Miles</b> 1.2M	<b>Revenues Under Contract (1)</b> > \$1.2B	<b>Avg. Remaining Contract Length(1)(2)</b> > 6 Years	<b>Capital Deployed(3)</b> > \$1.5B
	   <b>Tower assets</b>	<b>Owned Towers(5)</b> 708	<b>Revenues Under Contract (1)</b> > \$65M	<b>Avg. Remaining Contract Length(1)(2)</b> 8 Years	<b>Capital Deployed(3)</b> ~ \$70M
		<b>Strand Miles</b> 3.6M	<b>Revenues Under Contract (1)</b> ~ \$8.8B	<b>Remaining Contract Length</b> 13 Years <i>+ Potential 20 Year Extension</i>	<b>Capital Deployed(4)</b> ~ \$8B

## Capitalizing on Carrier Investment Required for Communications Infrastructure

Note: All information is as of March 31, 2017 and gives effect to the acquisitions of NMS, Southern Light, and Hunt.

- (1) Revenues Under Contract as of March 31, 2017. Contracts are subject to termination under certain conditions and/or may not be renewed. Actual revenues under contract could vary materially. Uniti Fiber Pro forma Revenues Under Contract includes \$61mm attributable to Hunt.
- (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 134 towers from the Hunt acquisition and 81 towers in development from the NMS acquisition.

# Uniti's Profile Has Rapidly Evolved

## Spin – April 2015 (1)

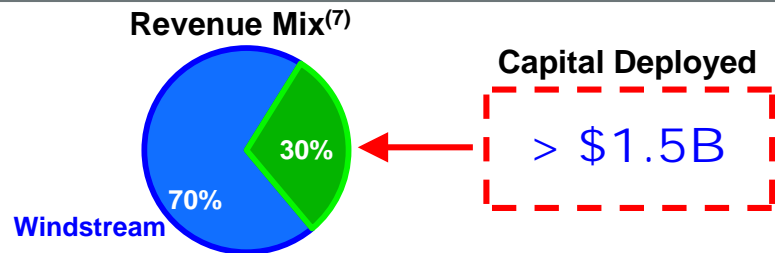
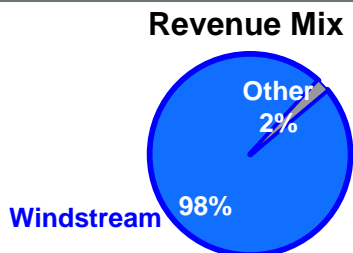
## Today (2)

Scale

Enterprise Value<sup>(3)</sup> ~ \$8B  
 Annual Revenue ~ \$700M  
 Adjusted EBITDA > \$650M

Enterprise Value<sup>(3)</sup> ~ \$8.6B  
 Annual Revenue<sup>(4)</sup> > \$950M  
 Adjusted EBITDA<sup>(5)</sup> > \$770M

Diversification



Customers



Operations

Customers<sup>(6)</sup> 1  
 Strand Miles 3.5M

Customers<sup>(6)</sup> 15,500  
 Strand Miles 4.8M

(1) Information as of April 30, 2015.  
 (2) All information is as of March 31, 2017 and gives effect to the acquisitions of NMS, Southern Light, and Hunt. Market data as of May 12, 2017.  
 (3) See Appendix for explanation of Enterprise Value calculation.  
 (4) Pro forma for NMS, Hunt, and Southern Light.  
 (5) Pro Forma for NMS, Hunt and Southern Light. Includes Run Rate synergies.  
 (6) Customers represent Customer Connections and exclude Connections related to Talk America.  
 (7) Based on 1Q17 pro-forma revenues excluding amortized revenues from tenet capital improvements.

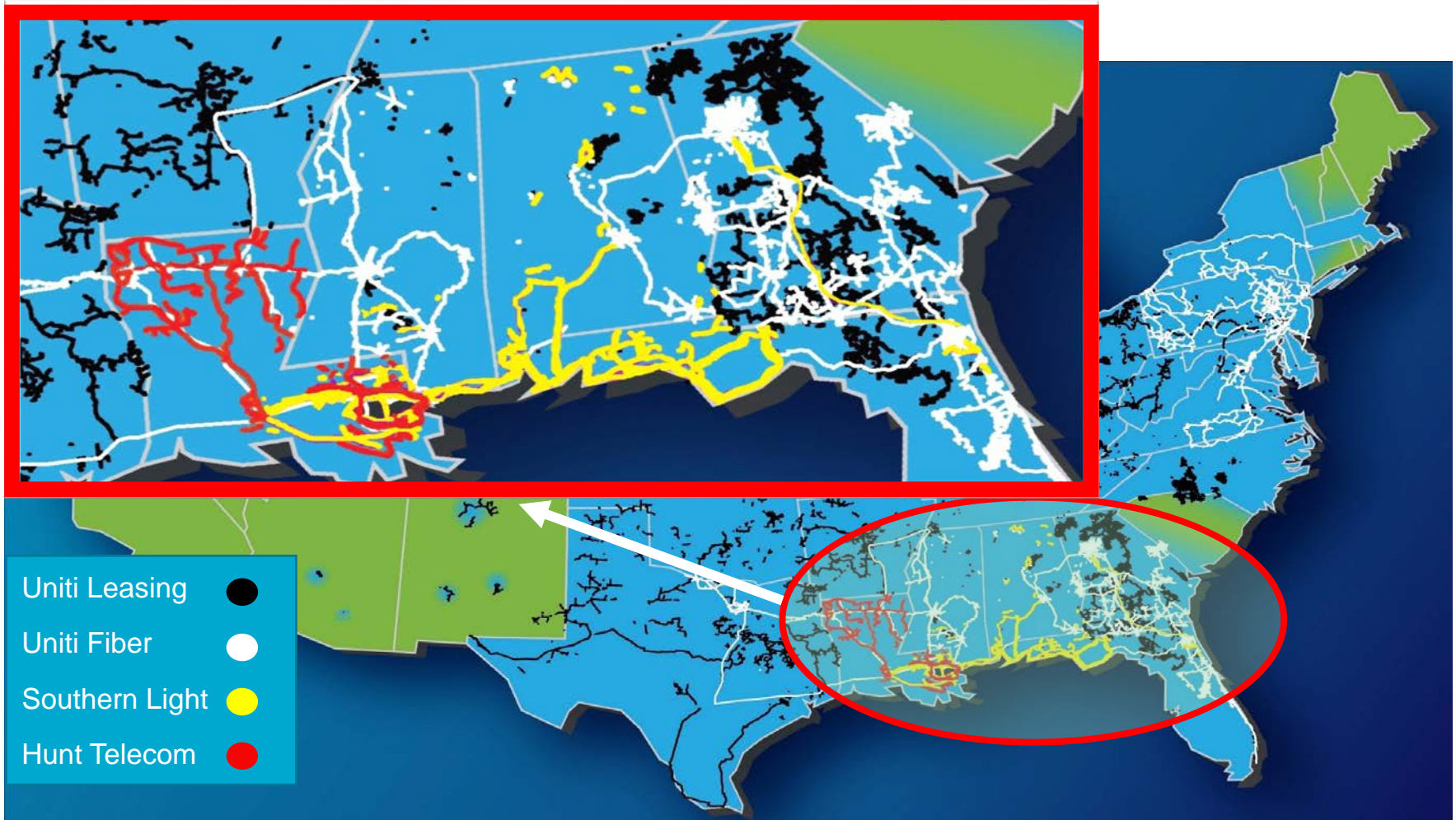
# Southern Light Investment Thesis

- **Expansive and Dense Fiber Network Comprising 540,000 Strand Miles**
- **Connects Uniti Fiber's Network across Southeast Region in Tier II and Tier III Markets**
- **Enhances Products and Services in the Government, Enterprise and Wireless Carrier Segments**
- **Substantial Synergies with Uniti Fiber and Recently Announced Hunt Telecom Acquisition**
  - Expected Annual Run-Rate Cost Savings of \$12.5 Million, Including \$2.5 Million from Hunt, within 24 Months
- **Transforms Uniti Fiber into one of the Largest Pure-Play Fiber Operators in the U.S.**
  - Pro-forma 2016 Annualized Adjusted EBITDA of ~\$100 Million and \$1.2 Billion of Revenues Under Contract<sup>(1)</sup>
  - 15,500 Customers Connections and Nearly 1.2 Million Fiber Strand Miles

**Drives Uniti Fiber Market Reach and Operational Scale**

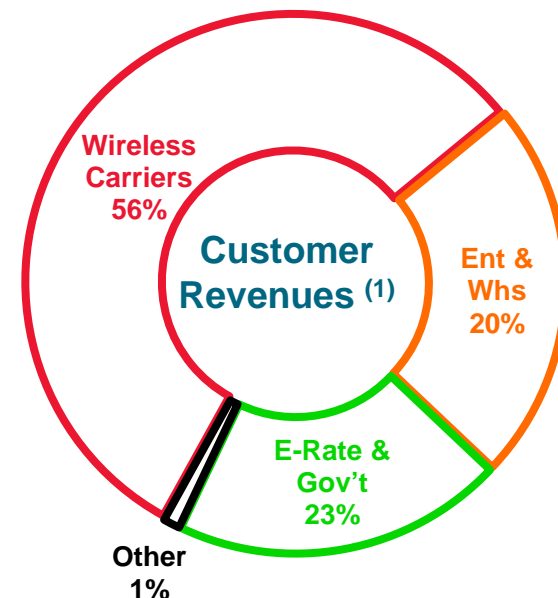
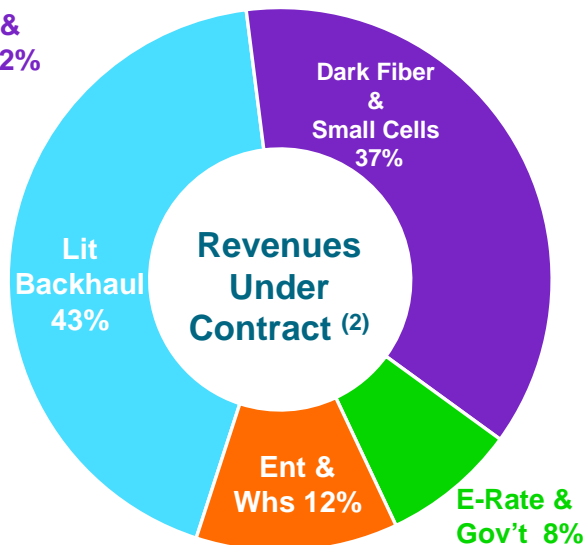
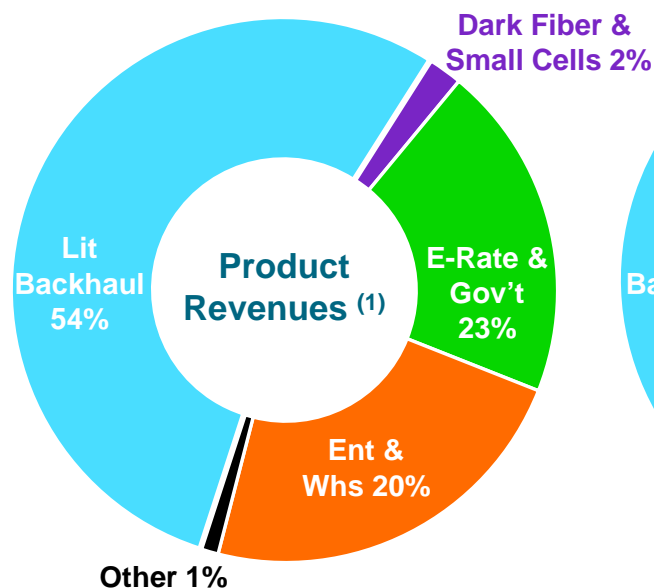


# Combined Benefits of Southern Light & Hunt Telecom



Connects Networks Across Southeast Region

# Pro Forma Uniti Fiber at a Glance



## Financial Data (1)

\$ in Millions	1Q17 LQA
LQA Revenue	\$258
LQA Adjusted EBITDA	~\$100
LQA Adjusted EBITDA Margin	38%
Maintenance Capex to Revenues	2%

## Operating Metrics (1)

Customer Connections (3)	15,500
Revenues Under Contract (2)	>\$1.2 billion
Average Remaining Contract Term (2)	> 6 years
Employees	~615

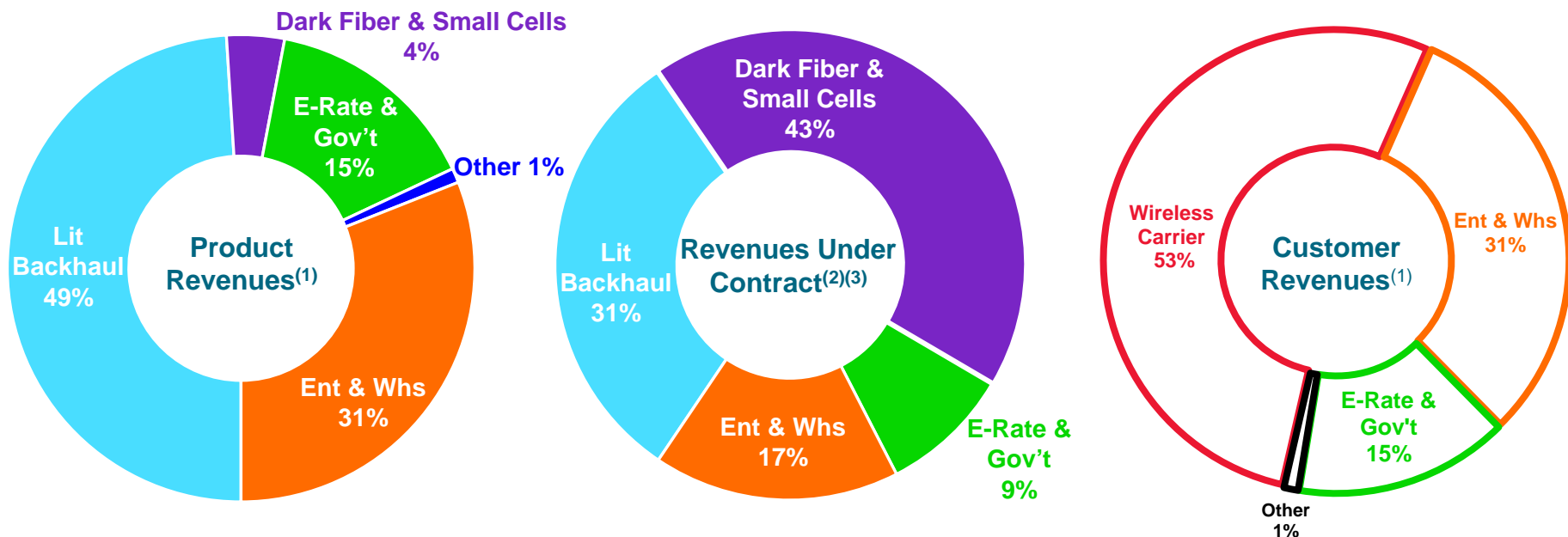
**Revenues Under Contract Exceed \$1.2 Billion**

(1) Based on first quarter 2017 results, adjusted for the pro forma impact of the acquisition of Hunt and Southern Light. First quarter 2017 results are unaudited. Actual results could differ materially. Operating metrics have been provided by Hunt and Southern Light without verification and investors should not place undue reliance on those operating metrics. Amounts do not include any anticipated synergies or related costs for the Hunt and Southern Light acquisitions.

(2) Revenues under contract as of March 31, 2017. Contracts are subject to termination under certain conditions and/or may not be renewed. Actual revenue under contract could vary materially.

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

# Southern Light at a Glance



## Financial Data<sup>(1)</sup>

\$ in Millions	1Q17 LQA
LQA Revenue	\$88
LQA Adjusted EBITDA	\$41
LQA Adj. EBITDA with Full Run-Rate Cost Savings	\$51
Maintenance Capex to Revenues	~2%

## Operating Metrics<sup>(1)</sup>

Customer Connections <sup>(4)</sup>	7,200
Revenues Under Contract <sup>(2)</sup>	~\$421M
Average Remaining Contract Term <sup>(2) (3)</sup>	>10 years
Employees	~270

## Diversified Revenue and Strong Anchor Tenants

(1) Operating metrics have been provided by Southern Light without verification and investors should not place undue reliance on those operating metrics.

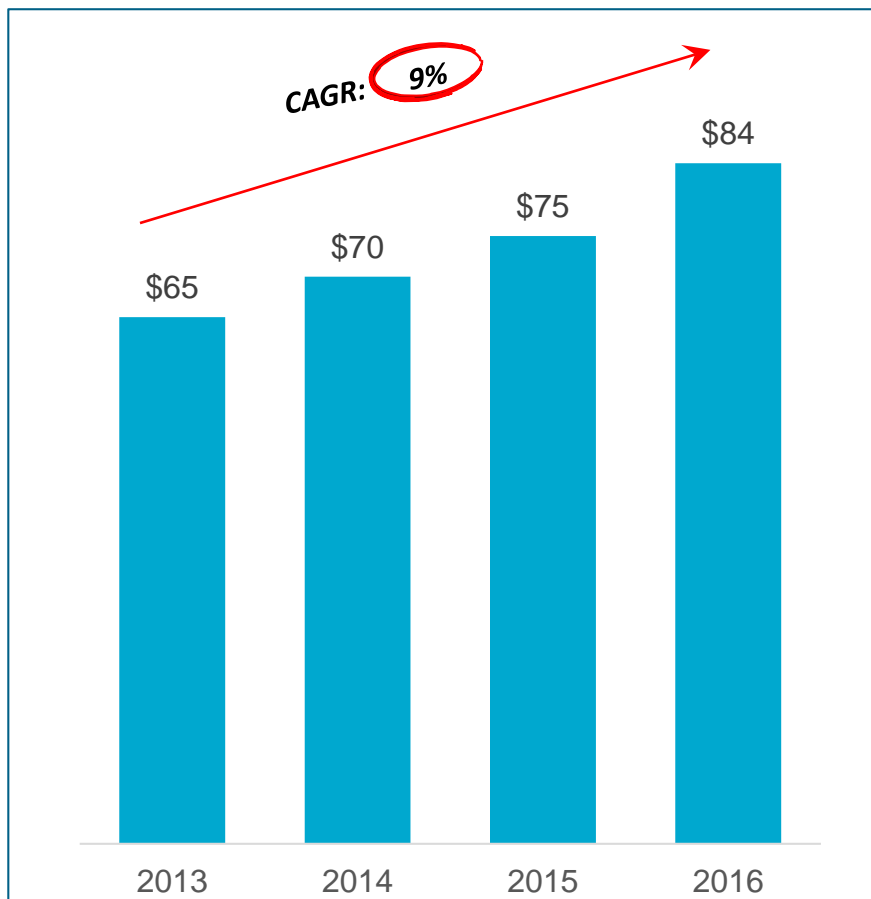
(2) Revenues under contract as of March 31, 2017. Contracts are subject to termination under certain conditions and/or may not be renewed. Actual revenue under contract could vary materially.

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

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

# Southern Light Strong & Consistent Growth Track Record

Revenue<sup>(1)</sup>



Adjusted EBITDA<sup>(1)</sup>

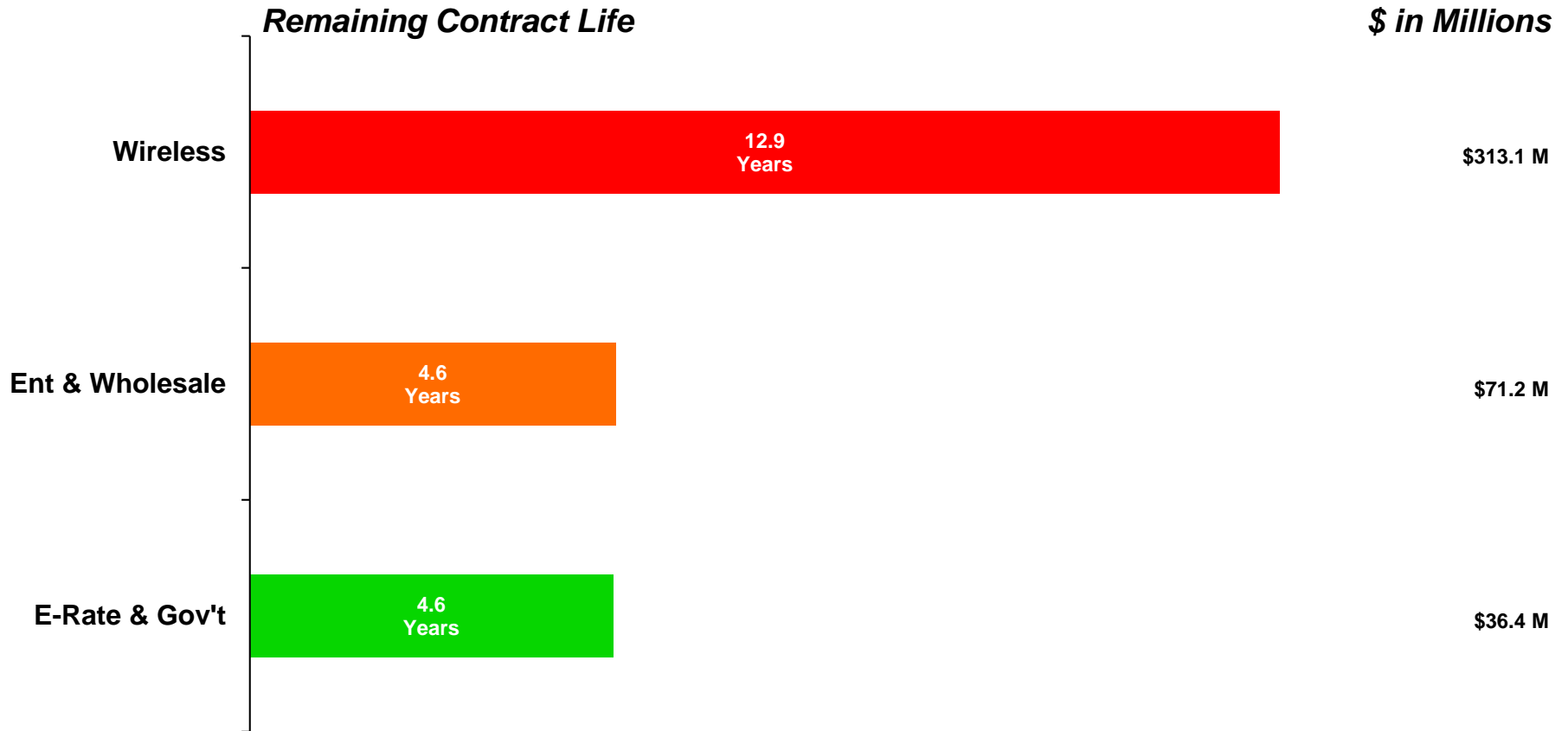


**Consistent Track Record of Organic Growth**

(1) 2013 results for Southern Light have not been subject to audit or review procedures by an independent registered public accounting firm in connection with the proposed offering. Actual results could differ materially. Investors should not place undue reliance on such numbers.

# Southern Light Long-Term Revenue Visibility

## Revenues Under Contract<sup>(1)</sup>



**Long-term Contracts and Robust Backlog Will Drive Future Growth**

(1) Revenues under contract as of March 31, 2017. Contracts are subject to termination under certain conditions and/or may not be renewed. Actual revenue under contract could vary materially.

# Uniti Towers Strategy

- **Potential to Bundle Tower and Tower Real Estate Infrastructure with Other Mission Critical Communication Infrastructure**
- **Strong Infrastructure Growth Potential Due to Low 4G / 5G Penetration**
- **U.S. Build-to-Suit Opportunities Utilizing Competitively Advantaged MLA's with Attractive REIT Economics**
- **Focus on Mexico with Strong Macro-Economic Fundamentals, Communications Infrastructure Growth Potential, and Common U.S. / Mexico Customers**
- **Opportunistic / Proprietary Acquisitions of Existing Tower Portfolios**

**Uniti Towers Strategy**  
**Acquire and Develop Mission Critical Towers and Tower Real Estate**  
**in the U.S. and LATAM**

# 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

- **First Mover Provides Competitive Advantage and Substantial Opportunity Set**
  - Active Dialogue with National and Regional Carriers and Private Equity
- **Opportunities for Leasing and IRU Transactions on Fiber and Next Generation Consumer Broadband**
  - Monetization of Assets for Sellers to Fund Future Organic Capital Investments
  - Facilitate M&A Transactions as Part of Permanent Capital Structure
  - Attractive Alternative to Traditional Debt and/or Equity Financing
- **Structuring Flexibility to Accommodate Sellers' Strategies and Requirements**
  - Whole or Partial Networks or Other Communication Real Estate
  - Tax Advantages Provided by Both REIT and UpREIT Organizational Structure
  - Exclusive and Non-Exclusive Use Agreements

**Uniti Leasing Strategy**  
**Lease Mission Critical Communications Real Estate**  
**in the U.S. and LATAM**



# Windstream Lease Overview

- **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>(6)</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 Unifi Property Immediately Upon Construction Completion - \$260 Million Through March 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
Net Secured Leverage Ratio <sup>(5)</sup>	1.6x

## 1Q17 Annualized Windstream Pro-forma Financials Includes EarthLink & Broadview<sup>(6)</sup>

<i>\$ in Billions</i>	1Q17
Revenue	\$6.3
Adjusted OIBDAR w/ synergies <sup>(2)</sup>	\$2.2
Rent Coverage Ratio w/ synergies <sup>(3)</sup>	3.4x
Net Leverage Ratio w/ synergies <sup>(4)</sup>	3.7x
Net Secured Leverage Ratio w/ synergies <sup>(5)</sup>	1.9x

## 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 Unifi 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 Unifi Group Inc.

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

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

(6) 1Q17 pro-forma financials and ratios are based on the Windstream1Q17 Earnings Presentation and Windstream Acquisition of Broadview Networks presentation dated 4/13/17.

# Windstream Lease Protections and Considerations

- **Windstream is Substantially Dependent on Network Leased from Uniti for its Business Operations**
  - WIN Replacement Cost to Overbuild the Uniti Leased Network are Estimated to 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 a Distress Situation. Acceptance Requires Full Compliance with the Lease Terms.**
- **In the Event of a Windstream Default on the Lease, Uniti Can Require Windstream to Sell Its “Communication Assets”<sup>(1)</sup> under the Terms of the Lease**
- **Acceptance of Lease in a Windstream Distressed Situation May Ultimately Strengthen Lease Arrangement**
- **Case History of Restructuring Distressed Wireless Providers with Going Concern Dependence on Leased Towers Indicates the Tower Lessors Incurred No Impairment on Existing Towers in Use**
  - See Ntelos 2003 Chapter 11 filing, Horizon PCS 2003-2004 Chapter 11 Filing
  - See SunCom Wireless Debt for Equity Exchange in 2007

## Master Lease Provides Strong Landlord Protections

(1) Communication Assets are defined under the master lease agreement includes, among other assets, the license to operate, the electronics, other equipment and other property used in the operation of the business, any customer relationship using the leased assets, all employees that are primarily dedicated to the support, maintenance or operation of the business.

# Current & Pro Forma Capitalization

**\$ in Millions**

	3/31/2017 As Reported	Pre-funding of SL and Hunt Transactions	Hunt Transaction Adjustments	SL Transaction Adjustments	Pro Forma as Adjusted for Transactions
Cash	\$ 69	\$697 <sup>(6)</sup>	\$ (115)	\$ (635)	\$ 16
Revolver	–	–	–	–	–
Term Loan B	2,103	–	–	–	2,103
Secured Notes	550	–	–	–	550
Unsecured Notes	1,510	–	–	–	1,510
New Unsecured Debt	–	200	–	–	200
Capital Leases <sup>(1)</sup>	54	–	–	3	57
<b>Total Debt</b>	<b>\$ 4,217</b>	<b>\$ 200</b>	<b>\$ –</b>	<b>\$ 3</b>	<b>\$ 4,420</b>
Convertible Preferred at Fair Value	81	–	–	–	81
1Q17 Annualized Adjusted EBITDA <sup>(5)</sup>	708	–	14 <sup>(4)</sup>	49 <sup>(3)</sup>	771
<b>Net Debt</b>	<b>\$ 4,148</b>				<b>\$ 4,404</b>
<b>Net Debt / LQA Adj. EBITDA</b>	<b>5.9x</b>				<b>5.7x</b>
<b>Net Secured Debt</b>	<b>\$ 2,638</b>				<b>\$ 2,694</b>
<b>Net Secured Debt / LQA Adj. EBITDA</b>	<b>3.7x</b>				<b>3.5x</b>

**Leverage Neutral Transaction**

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) Assumes \$114.5 million of cash consideration.

(3) Adjusted EBITDA represents annualized 1Q17 unaudited results for Southern Light, and includes \$8 million of synergies expected to be realized within 12 months of the acquisition close date.

(4) Adjusted EBITDA represents annualized 1Q17 unaudited results for Hunt and includes \$2 million of synergies expected to be realized within 12 months of the acquisition close date.

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

(6) Includes \$500 million of net proceeds from equity offering completed in April 2017 and \$197 million of net proceeds from issuance of 7.125% notes due 2024 priced in April 2017.

# Uniti Investment Highlights

- ✓ **Building Unique REIT Investment Platform across Communication Infrastructure Assets**
- ✓ **Taking Advantage of Favorable Industry Dynamics Driving Infrastructure Explosion**
- ✓ **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**

# Enhanced 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**

~ \$8.6B

Enterprise Value

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

~ \$8.8B

Revenues Under Contract

**Uniti Fiber**

> \$1.2B

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

**Uniti Towers**

708

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

**Annual Revenue**

> \$950M

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

5.7x

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

3.5x

**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**

~ \$8M

**First Diversified Communication Infrastructure REIT**

Note: All information is as of March 31, 2017 and is pro forma for the acquisition of NMS, Hunt, and Southern Light.

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

(2) Includes 81 NMS towers under development and 134 towers from the Hunt acquisition.

(3) Net Debt or Net Secured Debt, as applicable, to Annualized Adjusted EBITDA (based on last quarter annualized) pro forma for the acquisition of NMS, Hunt, and Southern Light.

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



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

**\$ in Millions**

	2013 <sup>(2)</sup>	2014 <sup>(2)</sup>	2015 <sup>(2)</sup>	2016 <sup>(2)</sup>
Net income	\$ 13.7	\$ 11.4	\$ 12.2	\$ 14.8
Depreciation and amortization	14.3	17.9	20.7	23.6
Interest expense	2.0	2.5	3.4	3.4
Income tax expense	—	—	—	—
<b>EBITDA</b>	<b>\$ 30.0</b>	<b>\$ 31.7</b>	<b>\$ 36.3</b>	<b>\$ 41.8</b>
Stock-based compensation	—	—	—	—
Transaction related costs	—	—	—	—
Other <sup>(4)</sup>	(0.3)	(0.3)	(0.5)	(0.7)
<b>Adjusted EBITDA</b>	<b>\$ 29.7</b>	<b>\$ 31.5</b>	<b>\$ 35.8</b>	<b>\$ 41.0</b>

(1) Financial information provided by Southern Light management. Results for 2013 and 1Q17 are unaudited. Actual results could differ materially. Investors should not place undue reliance on such numbers.

(2) Amounts may not subtotal due to rounding.

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

(4) Represents dividend income associated with an investment that will not be retained by Uniti post-acquisition.

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

*\$ in Millions*

	1Q17 Uniti Fiber	1Q17 Southern Light <sup>(2)</sup>	1Q17 Hunt <sup>(2)</sup>	1Q17 Uniti Fiber Pro Forma <sup>(3)</sup>
Net (loss) income	\$ (5.8)	\$ 2.1	\$ 1.9	\$ (1.8)
Depreciation and amortization	13.2	6.6	0.8	20.6
Interest expense	3.0	1.0	0.3	4.2
Income tax expense	(0.7)	–	–	(0.7)
<b>EBITDA</b>	<b>\$ 9.8</b>	<b>\$ 9.6</b>	<b>\$ 3.0</b>	<b>\$ 22.4</b>
Stock-based compensation	0.3	–	–	0.3
Transaction related costs & Other <sup>(4)</sup>	1.5	0.6	–	2.1
<b>Adjusted EBITDA<sup>(5)</sup></b>	<b>\$ 11.6</b>	<b>\$ 10.2</b>	<b>\$ 3.0</b>	<b>\$ 24.7</b>
<b>Annualized Adjusted EBITDA<sup>(6)</sup></b>	<b>\$ 46.3</b>	<b>\$ 40.7</b>	<b>\$ 11.9</b>	<b>\$ 98.9</b>

(1) Amounts may not foot due to rounding.

(2) Financial information provided by Hunt and Southern Light management and are unaudited. Actual results could differ materially. Investors should not place undue reliance on such numbers.

(3) Pro forma for the acquisitions of Hunt and Southern Light.

(4) Other includes dividend income associated with an investment that will not be retained by Uniti post-acquisition.

(5) Adjusted EBITDA values exclude synergies.

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

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

**\$ in Millions**

	1Q17 Uniti	1Q17 Southern Light <sup>(2)</sup>	1Q17 Hunt <sup>(2)</sup>	1Q17 Uniti Pro Forma <sup>(3)</sup>
Net (loss) income	\$ (20.0)	\$ 2.1	\$ 1.9	\$ (16.0)
Depreciation and amortization	101.4	6.6	0.8	108.8
Interest expense	73.4	1.0	0.3	74.6
Income tax expense	(0.4)	–	–	(0.4)
<b>EBITDA</b>	<b>\$ 154.3</b>	<b>\$ 9.6</b>	<b>\$ 3.0</b>	<b>\$ 166.9</b>
Stock-based compensation	1.6	–	–	1.6
Transaction related costs & Other <sup>(4)</sup>	21.0	0.6	–	21.6
<b>Adjusted EBITDA<sup>(5)</sup></b>	<b>\$ 177.0</b>	<b>\$ 10.2</b>	<b>\$ 3.0</b>	<b>\$ 190.1</b>
<b>Annualized Adjusted EBITDA<sup>(6)</sup></b>	<b>\$ 708.0</b>	<b>\$ 40.7</b>	<b>\$ 11.9</b>	<b>\$ 760.6</b>

(1) Amounts may not foot due to rounding.

(2) Financial information provided by Hunt and Southern Light management and are unaudited. Actual results could differ materially. Investors should not place undue reliance on such numbers.

(3) Pro forma for the acquisitions of Hunt and Southern Light.

(4) Other at Uniti represents non-cash charges related to the change in fair value of contingent consideration, and at Southern Light represents dividend income associated with an investment that will not be retained by Uniti post-acquisition.

(5) Adjusted EBITDA values exclude synergies.

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

# 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.

# 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
- **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