



BofA Securities 2024 Leveraged Finance Conference

December 3-4, 2024

Together, Building the Future

Cautionary Statement

No Offer or Solicitation

This communication and the information contained in it are provided for information purposes only and are not intended to be and shall not constitute a solicitation of any vote or approval, or an offer to sell or solicitation of an offer to buy, or an invitation or recommendation to subscribe for, acquire or buy securities of Uniti, Windstream Holdings II (“Windstream”) or Windstream Parent, Inc., the proposed combined company following the closing of the Merger (as defined below) (“New Uniti”) or any other financial products or securities, in any place or jurisdiction, nor shall there be any offer, solicitation or sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offer of securities shall be made in the United States absent registration under the U.S. Securities Act of 1933, as amended (the “Securities Act”), or pursuant to an exemption from, or in a transaction not subject to, such registration requirements

Additional Information and Where to Find It

In connection with the contemplated merger (the “Merger”), New Uniti has filed a registration statement on Form S-4 with the SEC that contains a proxy statement/prospectus and other documents, which has not yet become effective. Once effective, Uniti will mail the proxy statement/prospectus contained in the Form S-4 to its stockholders. This communication is not a substitute for any registration statement, proxy statement/prospectus or other documents that may be filed with the SEC in connection with the Merger.

THE PROXY STATEMENT/PROSPECTUS AND OTHER DOCUMENTS FILED WITH THE SEC IN CONNECTION WITH THE MERGER CONTAINS IMPORTANT INFORMATION ABOUT UNITI, WINDSTREAM, NEW UNITI, THE MERGER AND RELATED MATTERS. INVESTORS SHOULD READ THE PROXY STATEMENT/PROSPECTUS AND SUCH OTHER DOCUMENTS FILED WITH THE SEC CAREFULLY AND IN THEIR ENTIRETY, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS TO THE PROXY STATEMENT/PROSPECTUS AND SUCH DOCUMENTS, BEFORE THEY MAKE ANY DECISION WITH RESPECT TO THE MERGER. The proxy statement/prospectus, any amendments or supplements thereto and all other documents filed with the SEC in connection with the Merger will be available free of charge on the SEC’s website (at www.sec.gov). Copies of documents filed with the SEC by Uniti will be made available free of charge on Uniti’s investor relations website (at <https://investor.uniti.com/financial-information/sec-filings>).

Participants in the Solicitation

Uniti, Windstream and their respective directors and certain of their executive officers and other employees may be deemed to be participants in the solicitation of proxies from Uniti’s stockholders in connection with the Merger. Information about Uniti’s directors and executive officers is set forth in the sections titled “Proposal No. 1 Election of Directors” and “Security Ownership of Certain Beneficial Owners and Management” included in Uniti’s proxy statement for its 2024 annual meeting of stockholders, which was filed with the SEC on April 11, 2024 (and which is available at <https://www.sec.gov/Archives/edgar/data/1620280/000110465924046100/0001104659-24-046100-index.htm>), the section titled “Directors, Executive Officers and Corporate Governance” included in its Annual Report on Form 10-K for the fiscal year ended December 31, 2023, which was filed with the SEC on February 29, 2024 (and which is available at <https://www.sec.gov/ix?doc=/Archives/edgar/data/1620280/000162828024008054/unit-20231231.htm>), and subsequent statements of beneficial ownership on file with the SEC and other filings made from time to time with the SEC. Additional information regarding the persons who may, under the rules of the SEC, be deemed participants in the solicitation of Uniti stockholders in connection with the Merger, including a description of their direct or indirect interests, by security holdings or otherwise, is set forth in the proxy statement/prospectus and other relevant materials filed by New Uniti with the SEC. These documents can be obtained free of charge from the sources indicated above.

Cautionary Statement

Forward-Looking Statements

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 2024 financial outlook, expectations regarding lease-up of our network, strong demand trends, business strategies, growth prospects, and statements regarding our merger with Windstream and potential synergies, cost savings and the future performance of New Uniti (together with Windstream and Uniti, the “Merged Group”). In addition, this communication contains statements concerning the intentions, beliefs and expectations, plans, strategies and objectives of the directors and management of Uniti and Windstream for Uniti and Windstream, respectively, and the Merged Group, the anticipated timing for and outcome and effects of the Merger (including expected benefits to shareholders of Uniti), expectations for the final capital structure, ongoing development and growth potential of the Merged Group and the future operation of Uniti, Windstream and the Merged Group.

Words such as “anticipate(s),” “expect(s),” “intend(s),” “estimate(s),” “foresee(s),” “plan(s),” “believe(s),” “may,” “will,” “would,” “could,” “should,” “seek(s),” “appear(s),” “target(s),” “project(s),” “contemplate(s),” “predict(s),” “potential,” “continue(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 future prospects of Windstream, our largest customer; 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 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 and fund our capital funding commitments; 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; changes in the U.S. tax law and other state, federal or local laws, whether or not specific to real estate investment trusts; covenants in our debt agreements that may limit our operational flexibility; the possibility that we may experience equipment failures, natural disasters, cyber-attacks or terrorist attacks for which our insurance may not provide adequate coverage; 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 satisfaction of the conditions precedent to the consummation of the Merger, including, without limitation, the receipt of shareholder and regulatory approvals on the terms desired or anticipated; unanticipated difficulties or expenditures relating to the Merger, including, without limitation, difficulties that result in the failure to realize expected synergies, efficiencies and cost savings from the Merger within the expected time period (if at all); potential difficulties in Uniti’s and Windstream’s ability to retain employees as a result of the announcement and pendency of the Merger; risks relating to the value of New Uniti’s securities to be issued in connection with the Merger; disruptions of Uniti’s and Windstream’s current plans, operations and relationships with customers caused by the announcement and pendency of the Merger; legal proceedings that may be instituted against Uniti or Windstream following announcement of the Merger; funding requirements; regulatory restrictions (including changes in regulatory restrictions or regulatory policy); and additional factors described in our reports filed with the SEC.

There can be no assurance that the Merger will be implemented or that plans of the respective directors and management of Uniti and Windstream for the Merged Group will proceed as currently expected or will ultimately be successful. Investors are strongly cautioned not to place undue reliance on forward-looking statements, including in respect of the financial or operating outlook for Uniti, Windstream or the Merged Group (including the realization of any cost savings or expected synergies). See also “Additional Information and Where to Find it.”

All forward-looking statements are based on information and estimates available at the time of this communication and are not guarantees of future performance.

Except as required by applicable law, Uniti does not assume any obligation to, and expressly disclaims any duty to, provide any additional or updated information or to update any forward-looking statements, whether as a result of new information, future events or results, or otherwise. Nothing in this communication will, under any circumstances (including by reason of this communication remaining available and not being superseded or replaced by any other presentation or publication with respect to Uniti, Windstream or the Merged Group, or the subject matter of this communication), create an implication that there has been no change in the affairs of Uniti or Windstream since the date of this communication.

The background features a complex, abstract digital landscape. It consists of numerous glowing, curved lines in shades of blue and orange, creating a sense of depth and movement. Interspersed among these lines are various characters, including letters and numbers, some appearing as if they are floating or attached to the lines. The overall effect is that of a high-tech, data-driven environment.

Uniti + Windstream Merger Overview

Transaction Overview

Financial Terms	<ul style="list-style-type: none"> ▪ Consideration to Windstream shareholders to include \$425 million in cash, \$575 million of preferred equity in the new combined company, and common shares representing ~38% ownership of the outstanding common equity of the combined company⁽¹⁾ <ul style="list-style-type: none"> • Windstream shareholders will additionally receive non-voting warrants to acquire up to 6.9% of common shares of the combined company ▪ Key Windstream shareholders are rolling substantially all of their current holdings in both companies ▪ The current business plan of the combined entity is expected to be fully funded with existing facilities and liquidity
Transaction Structure	<ul style="list-style-type: none"> ▪ Existing debt structures of each company are expected to initially remain in place as separate credit silos ▪ Potential for tax basis step-up in most of Uniti's assets, resulting in future tax shield⁽²⁾ ▪ Combined company will be a taxable C corporation
Company Name & Headquarters	<ul style="list-style-type: none"> ▪ New combined company will retain the Uniti name and remain headquartered in Little Rock, Arkansas
Management & Board	<ul style="list-style-type: none"> ▪ The existing Uniti executive management team, supported by key members of Windstream's management team, will lead the combined company ▪ The combined company will benefit from the deep bench of fiber expertise across both Uniti and Windstream ▪ New 9-person Board of Directors will consist of: <ul style="list-style-type: none"> • Uniti's existing 5 board members; • 2 new board members selected by Elliott; and • 2 new board members jointly selected by Uniti and Elliott
Strategic Rationale & Capital Allocation Strategy	<ul style="list-style-type: none"> ▪ The combined company is expected to have substantial value accretive uses for its capital going forward ▪ As a result, Uniti will suspend its common dividend ▪ Uniti will consider reinstating a common dividend in the future as appropriate
Closing Conditions	<ul style="list-style-type: none"> ▪ Subject to Uniti shareholder vote, regulatory approvals and other customary closing conditions ▪ Targeted closing by the second half of 2025



(1) Ownership percentage excludes impact of non-voting warrants issued to certain shareholders of Windstream. Inclusive of non-voting warrants, existing Uniti shareholders will own ~58% of the outstanding common equity of the combined company and existing Windstream shareholders will own ~42% of the outstanding common equity of the combined company.
(2) The step-up in basis is dependent on Uniti's ability to obtain a private letter ruling from the IRS, and closing is not conditioned on that private letter ruling being obtained.

Transformative Combination Unlocks Significant Value



Uniti and Windstream to combine to create a premier insurgent fiber provider with ~\$4 billion in revenue and 239,000 fiber route miles covering 47 states within the U.S.



Existing Uniti shareholders will own ~62% and existing Windstream shareholders will own ~38% of the outstanding common equity of the combined company⁽¹⁾, with certain of Windstream's largest shareholders, including Elliott, rolling substantially all of their investment value in Windstream into the combined company



New combined company will be well-positioned in rapidly growing market for digital infrastructure services, particularly in Tier II and III markets



Combination accelerates growth, improves competitiveness and removes several dis-synergies and encumbrances, with additional levers for value creation and increased strategic optionality



Compelling financial profile with meaningful synergies, enhanced cash flow generation and improved leverage that supports increasing shareholder returns

Merger Pre-Close Priorities

STATUS

Execute Operationally at Uniti and Windstream

DONE

Present Unified Investor Relations Messaging with Windstream

DONE

Refine Strategy to Simplify Dual Silo Capital Structure for New Uniti

DONE

Refine Expanded FTTH Build Plan

On-Track

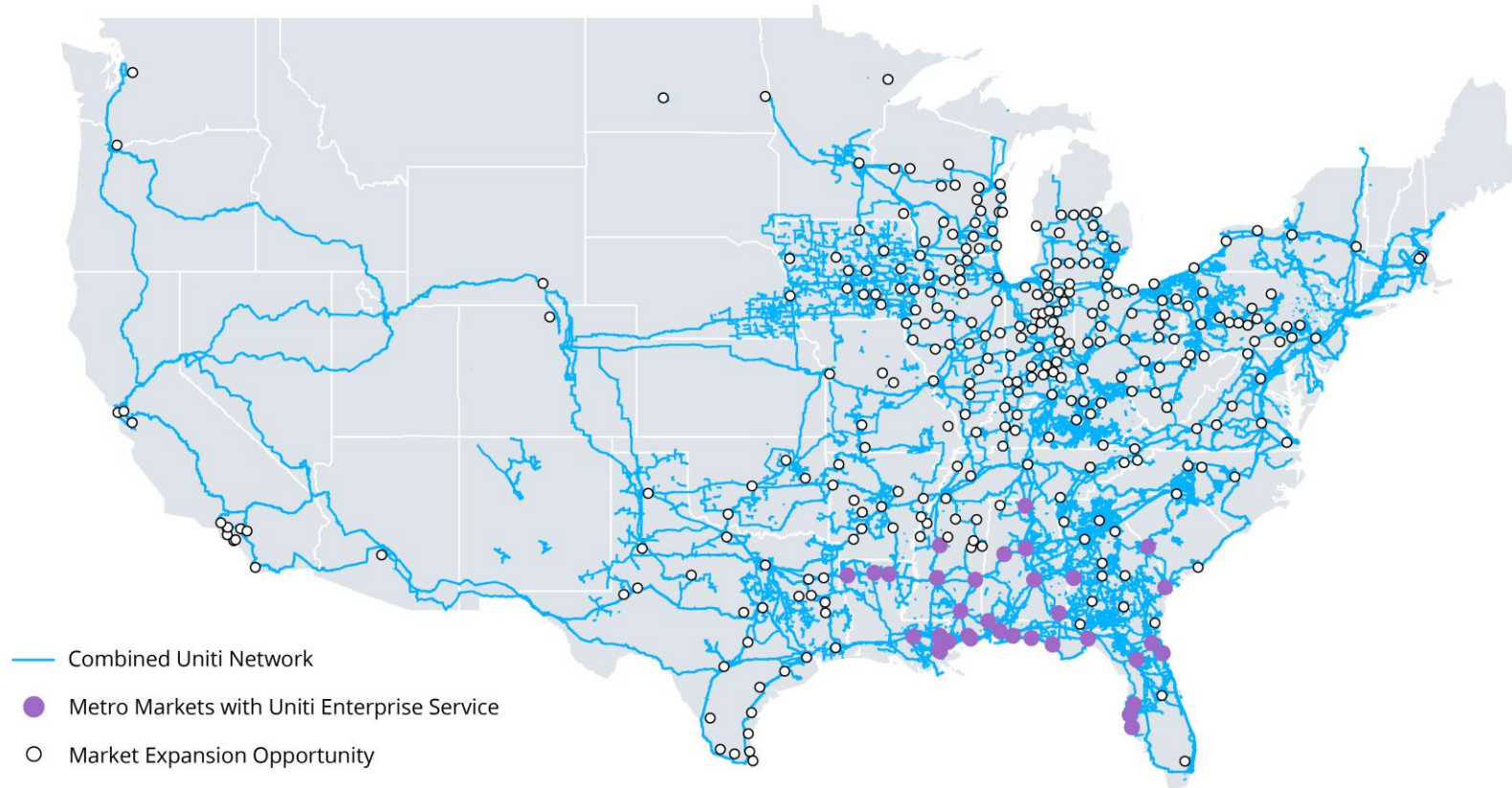
Develop Integration Plan to Achieve Planned Synergies

On-Track

Begin Strategic Review of New Asset Portfolio

On-Track

Creating a Premier Insurgent Fiber Provider



~239K

Fiber Route
Miles⁽¹⁾

~4.3M

Residential
Households

~75%

% Network Inventory
Available

~150K

On-Net
Locations⁽²⁾

~600K

Near-Net
Locations⁽³⁾

300+

Metro
Markets

~12.8K

Fiber-to-the-Tower
Connections

~2.6K

Small Cell
Connections

Company's Combined Tier II and III Market Footprint Creates Significant Competitive Advantage

Note: Data as of September 30, 2024.

(1) Excludes ~9K fiber route miles that overlap between the existing Uniti and Windstream networks.

(2) Represents on-net buildings connected to the combined network.

(3) Includes ~275,000 locations on Uniti network and ~325,000 locations on Windstream network that are within 2,000 feet of the overall network.

New Uniti Current Financial Profile

<i>(\$ in millions)</i>	YTD 2023	YTD 2024	Growth %
Kinetic	\$1,588	\$1,581	(0.4%)
Fiber Infrastructure	<u>\$605</u>	<u>\$623</u>	<u>3.0%</u>
Core Fiber Revenue	\$2,193	\$2,205	0.5%
Managed Services	\$793	\$740	(6.8%)
Total Revenue ⁽¹⁾	\$2,987	\$2,944	(1.4%)
Total Adjusted EBITDA ⁽²⁾⁽³⁾	\$1,281	\$1,330	3.8%

Growing Core Recurring Revenue Base with Attractive Margin Profile

Note: All financial data reflects the first nine months of 2023 and 2024.

(1) Excludes legacy Windstream revenue, impact of ACP funding step-down at Kinetic, and ETL and other one-time revenue at Uniti Fiber.

(2) Excludes corporate expenses. Core Fiber Adjusted EBITDA YTD 2024 year-over-year growth is 1.5%.

(3) See Appendix for a reconciliation of Uniti and Windstream full year 2023 Adjusted EBITDA to Net Income, the most closely comparable GAAP metric. A reconciliation for YTD 2024 Adjusted EBITDA cannot be calculated without unreasonable efforts due to several pro forma adjustments being made, which could cause actual YTD 2024 Adjusted EBITDA for New Uniti to differ materially.


New Uniti Intrinsic Value Supported by Recent Financing / Strategic Transactions

- Based on Current Fiber Build Plan, ~60% of Kinetic's 2028 Estimated Adjusted EBITDA will be Fiber Related
 - EXPECTED Kinetic Weighted Average Blended Multiple of 8.0x to 12.0x

\$ in Billions	2023 Adjusted EBITDA ⁽¹⁾	Recent Industry Multiples		CURRENT Weighted Average Blended Multiple		Public Market Multiples ⁽²⁾		
		ABS Leverage	Private Market M&A					
Kinetic – DSL	\$0.7	N/A	5.0x	6.0x	6.5x	9.5x	8.0x	10.0x
Kinetic – Fiber	\$0.3	9.0x	12.0x	10.0x	20.0x			
Fiber Infrastructure	\$0.4	8.0x	10.0x	10.0x	20.0x	9.0x	15.0x	16.0x
Managed Services	\$0.3	N/A	3.0x	5.0x	3.0x	5.0x	N/A	

Actionable Accretive Strategic and Financial Opportunities

FTTH Industry Benchmarks

			Industry Benchmark Range		
			Low	Average	High
Fiber Network Penetration <i>% of Homes Passed</i>	Year 1⁽¹⁾	~28%	9%	~20%	32%
	Maturity	>40.0%	27%	~40%	47%
Overbuilder Overlap⁽²⁾ <i>% of Network with One or More Overbuilders</i>		15%	10%	~17%	25%
Broadband ARPU⁽³⁾ <i>Avg. Total Broadband Revenue per Sub</i>		~\$90	\$43	~\$65	\$100
Cost per Passing⁽⁴⁾ <i>\$ per Passing</i>		~\$650	\$546	~\$990	\$1,936
FTTH Coverage⁽⁵⁾ <i>% of Network Covered with Fiber Once Build Plan is Complete</i>		~60%	41%	~60%	71%
Fiber Network Route Miles⁽⁶⁾		~239K	~15K	~105K	~350K

(1) Based on Windstream's 2023 cohort penetration rate.

(2) Kinetic overbuilder overlap % as of December 31, 2023.

(3) Includes average broadband internet ARPU of ~\$70, plus additional services, including modem rental, voice services, and other features.

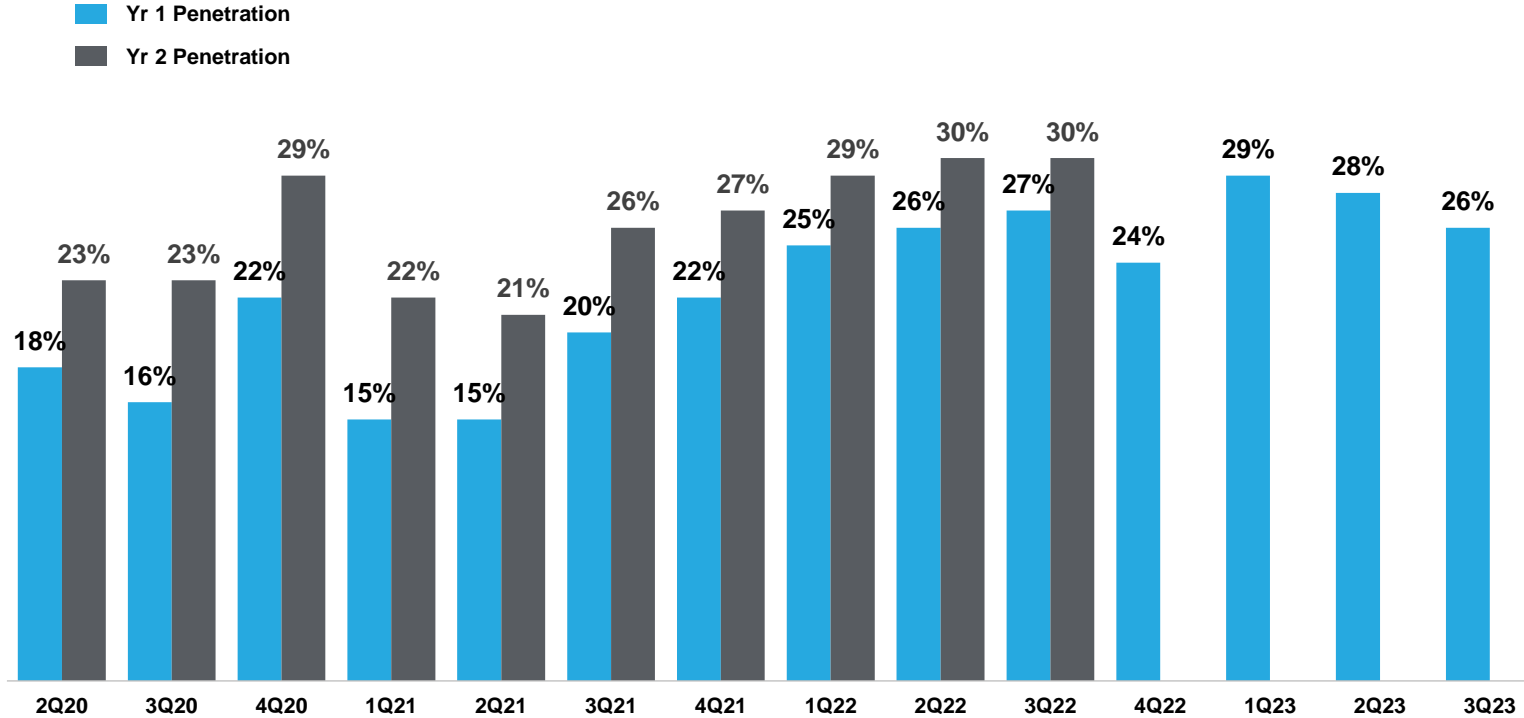
(4) Kinetic cost per passing excludes RDOF and PPP funding.

(5) Reflects expanded build plan of up to 1 million additional homes for Kinetic. Industry benchmark range based on Consolidated's, Frontier's, Lumen's, and TDS' recent announced build plans and total passings.

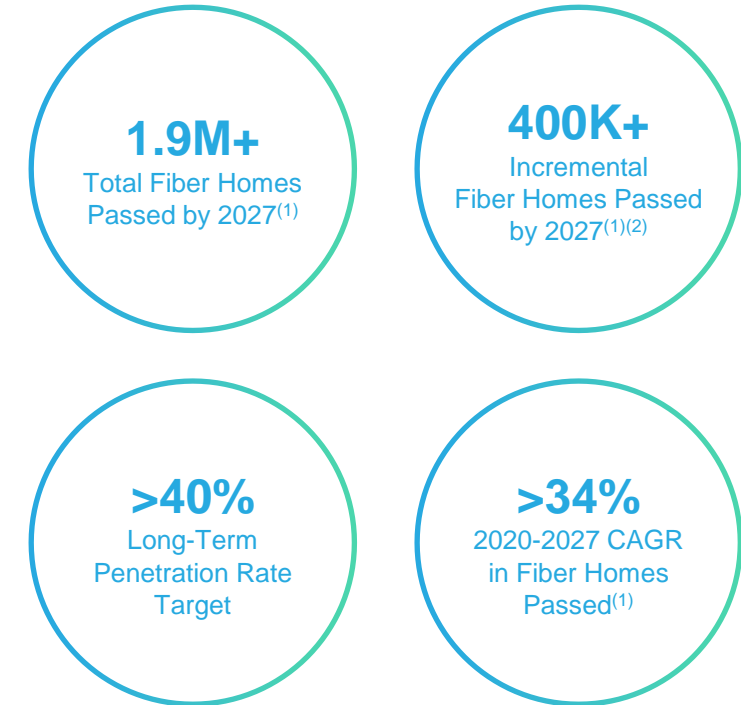
(6) Includes all owned fiber for both Uniti and Windstream. Industry benchmark range based on Kagan estimates of FTTH providers.

Kinetic's FTTH Focus Has Significant Upside Potential

2020 – 2023
Cohort Penetration Rates



Strong Fiber Expansion Opportunities



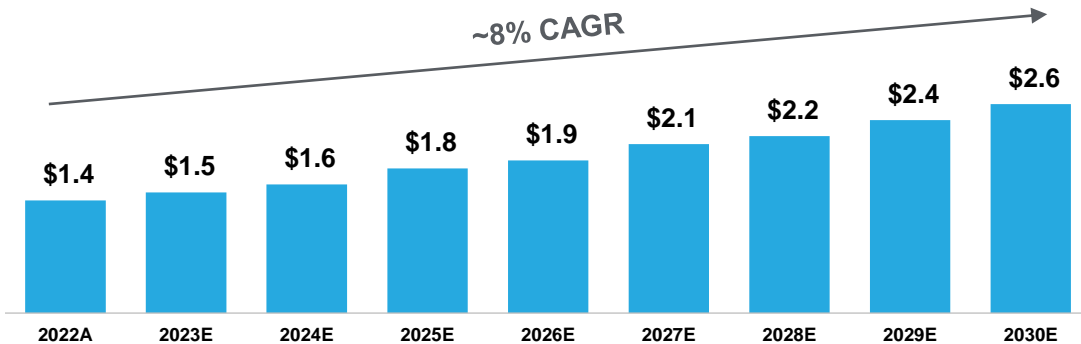
2023 Cohort Fiber Penetration Rates Outpacing Prior Years

Hyperscalers Fueling National Growth Opportunity

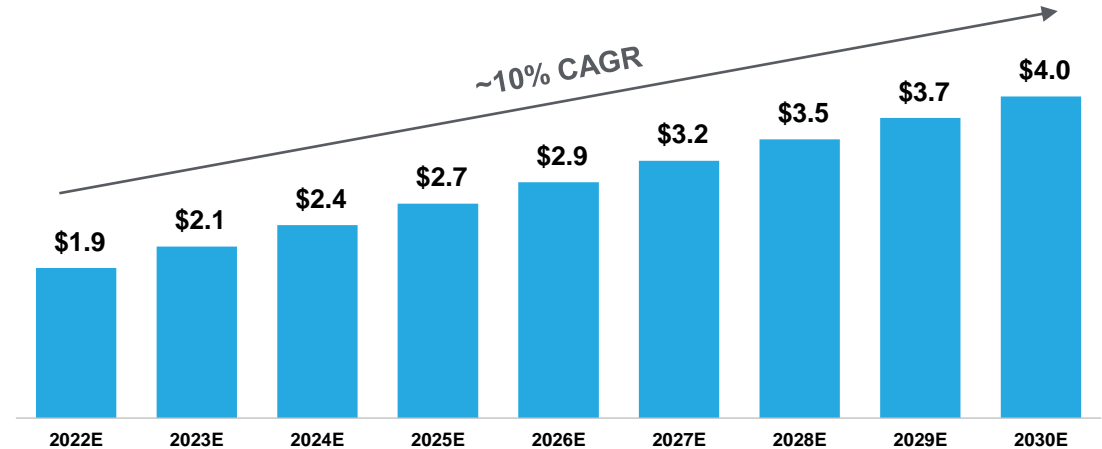
- Recent industry trends have created significant demand for lit and dark long-haul capacity
- Uniti's Dark Fiber Capabilities:
 - Nearly 200K Combined Fiber Route Miles Available Nationally to Lease / IRU
 - 300+ Metro Markets; ~325K On-Net / Near-Net Buildings
- Windstream's Lit Network Capabilities:
 - Wavelengths, Colocation, Ethernet, DIA
 - ~425K On-Net / Near-Net Buildings, 1,500 POPs, 150 On-Net Data Centers
 - Just Completed Industry's First 800G Service Trial
- Combined company will have many distinct Tier II and III intercity routes with both lit and dark fiber capabilities



North America Total Waves Spend (\$in Billions)⁽¹⁾

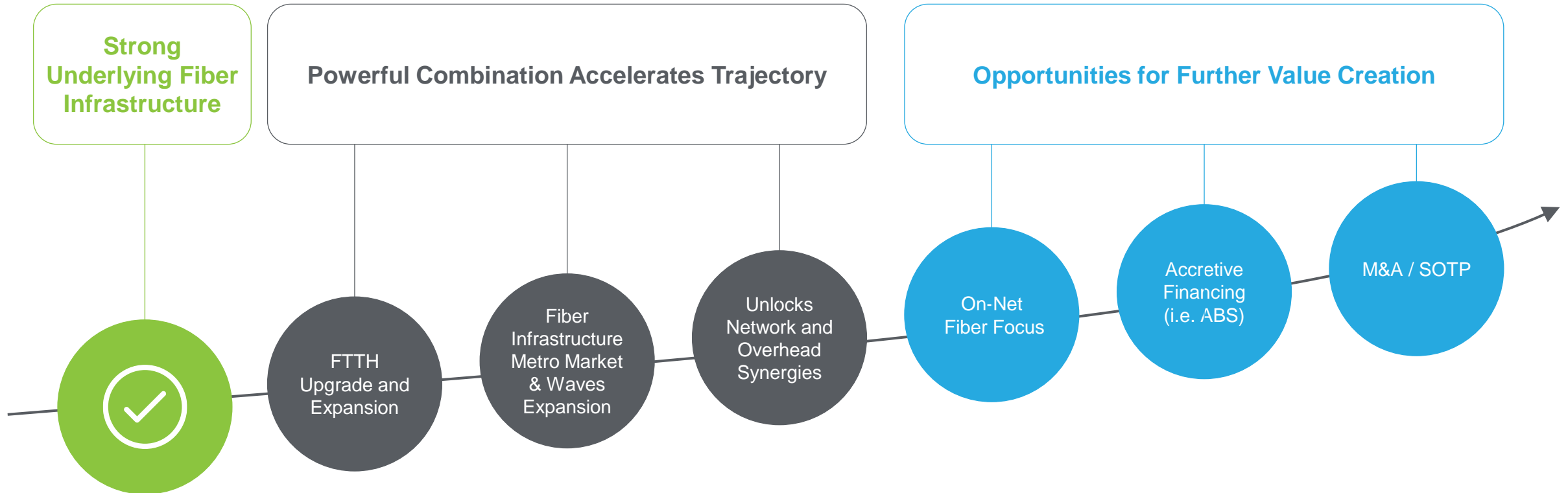


North American Dark Fiber Demand (\$ in Billions)⁽²⁾



Uniti's Path Forward

High Yielding Accretive Opportunities Actionable Following Combination



Combination Provides Complementary Coverage Networks and Avenues for Accelerated Growth & Cost Reduction

Creating a Premier Digital Infrastructure Company



Premier Digital Infrastructure Company

- Unifi is a premier insurgent fiber provider within the U.S.
- Combines Unifi's hard to replicate national network with scaled FTTH platform
- Differentiated position in large and growing Tier II/III markets



Compelling Financial Profile with Increased Cash Flow Generation

- Enhanced cash flow accelerates FTTH deployments
- Fully-funded current business plan & accretive free cash flow
- Option to expand broadband by up to one million additional homes in existing markets



Aligns Capital Allocation Objectives and Delivers Meaningful Synergies

- Removes several dis-synergies and disincentives
- Opex synergies: Targeted annual savings of up to \$100 million
- Capex synergies: Targeted annual savings of \$20-30 million



Stronger Balance Sheet

- Combined company 2023 net leverage ratio of 4.8x down from Unifi's net leverage of 6.0x
- Growth and free cash flow generation expected to improve leverage trajectory over time



Enhanced Strategic Optionality

- Substantial M&A opportunities
- Non-core asset sales to de-lever and fund future build plans

The background is a complex, abstract digital visualization. It features several thick, glowing, cylindrical beams that curve across the frame. These beams are covered in a dense pattern of small, multi-colored dots (blue, orange, red, green) and some larger, faintly visible characters and symbols, suggesting a data stream or a complex network. The overall color palette is dominated by dark blues and greys, with vibrant highlights from the glowing elements. The perspective is dynamic, with the beams appearing to recede into the distance, creating a sense of depth and movement.

Current Uniti Overview

Uniti Company Overview

Uniti Leasing

Owns, Acquires, and Leases Mission-Critical Communications Assets Nationwide to Wholesale Customers on Either an Exclusive or Shared-Tenant Basis

- ✓ Proprietary Strategy and Advantaged REIT Structure
- ✓ Key Metrics:
 - Annual Revenue of \$877 Million⁽¹⁾
 - Annual Adjusted EBITDA of \$848 Million⁽¹⁾
 - ~\$8.3 Billion of Capital Deployed⁽²⁾
 - ~\$4.8 Billion of Revenues Under Contract⁽³⁾
- ✓ High Margin, Minimal Working Capital and Capex Requirements⁽⁴⁾, Long-Term Leases with Escalators
- ✓ Focused on Additional Lease-Up Opportunities on Our National Long-Haul Network

Uniti Fiber

Leading Provider of Lit and Dark Fiber Solutions for Wireless Operators, Carriers, Enterprises, Schools and Government, Including Cell Site Backhaul, Small Cells, Internet Service and Wavelengths, with a Primary Focus in the Southeast

- ✓ ~29,600 New Fiber Route Miles and ~2.2 Million New Fiber Strand Miles Built Since 2018
- ✓ Key Metrics:
 - Annual Revenue of \$290 Million⁽¹⁾
 - Annual Adjusted EBITDA of \$115 Million⁽¹⁾
 - ~\$1.6 Billion of Capital Deployed⁽⁵⁾
 - ~\$1.2 Billion of Revenues Under Contract⁽³⁾
- ✓ ~29,400 Customer Connections⁽⁶⁾
- ✓ Focused on Lease-Up of Tier II & III Markets within Our Southeast Footprint

National Network of 144,000 Fiber Route Miles and 8.7 Million Fiber Strand Miles

Note: All information is as of September 30, 2024, unless otherwise noted.

(1) Based on the mid-point of 2024 Outlook range provided in the Company's Earnings Release dated October 31, 2024.

(2) Represents purchase price of TPx, CableSouth, and Bluebird, purchase price for fiber acquisition from Lumen Technologies (formerly CenturyLink), the net fair value of the dark fiber IRU and other assets acquired from Windstream as part of our settlement agreement, and Enterprise Value at time of spin-off from Windstream. See Glossary for explanation of Enterprise Value calculation.

(3) Contracts are subject to termination under certain conditions and/or may not be renewed. Actual Revenues Under Contract could vary materially.

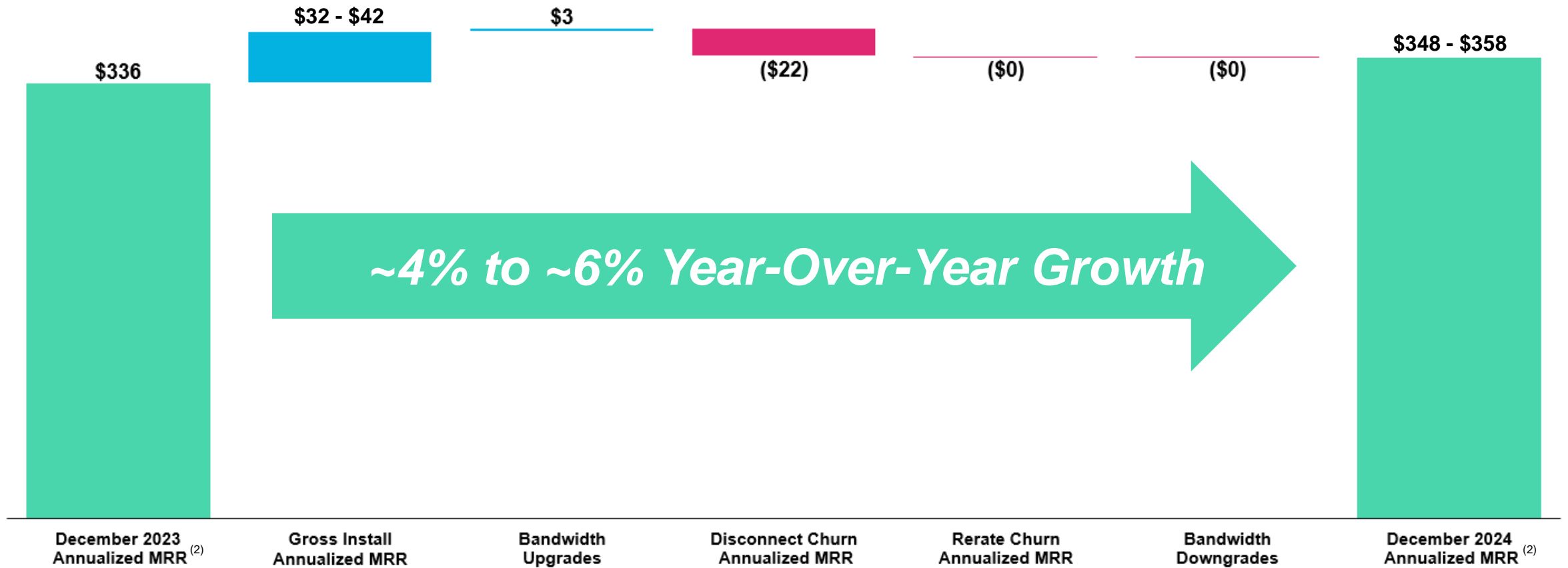
(4) Excludes capital commitments related to the GCI program.

(5) Represents aggregate purchase price of acquired entities at Uniti Fiber.

(6) Represents customer connections, both fiber and microwave.

Strategic Fiber Revenue 2024 MRR Growth Outlook ⁽¹⁾

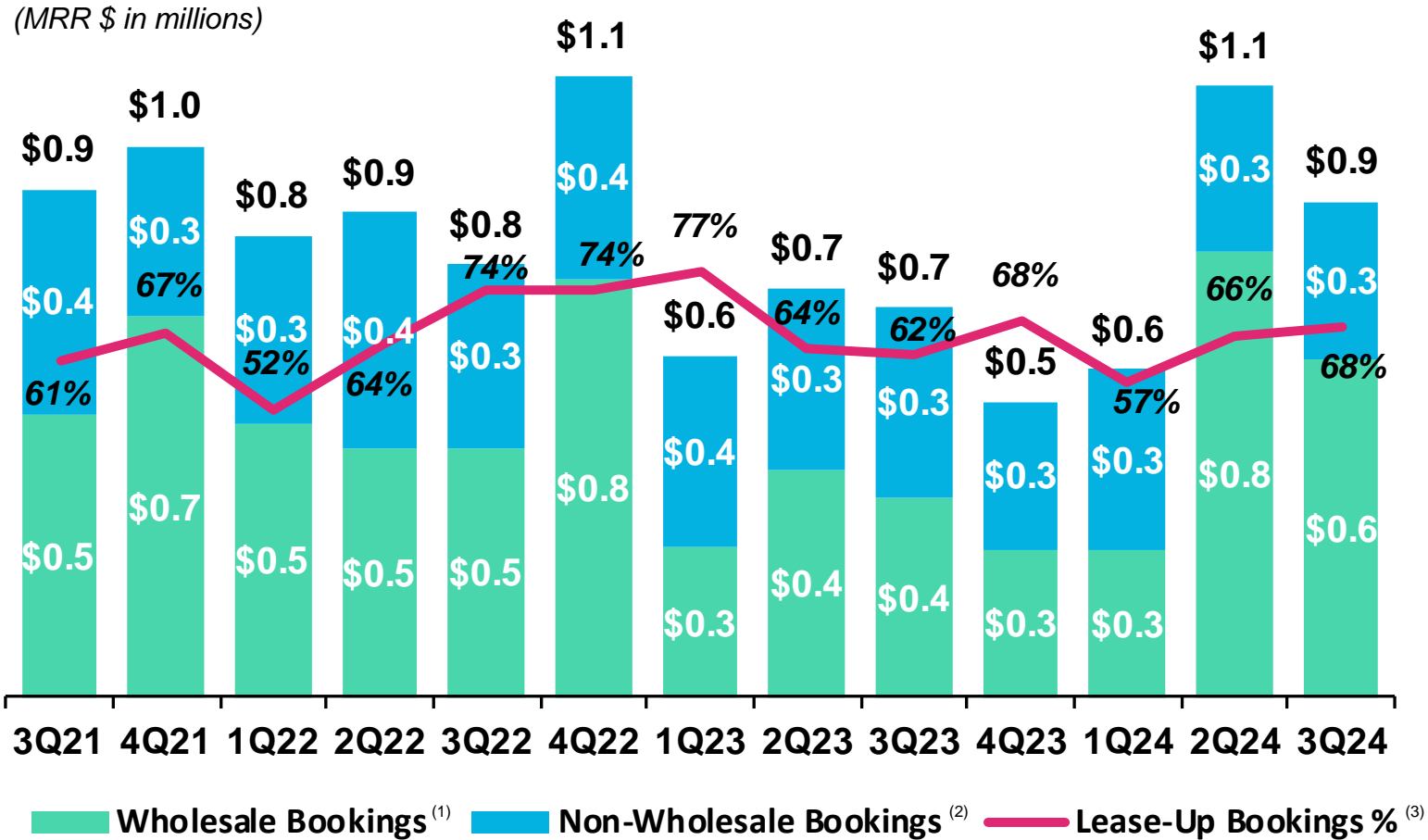
(\$ in millions)



Continue to Execute on Our Lease-Up Strategy

Consolidated New Sales Bookings

- Consolidated New Sales Bookings MRR of \$0.9 Million in the Third Quarter of 2024
- Driven by Hyperscalers and Generative AI Demand



Healthy Mix of Both Wholesale and Non-Wholesale Opportunities Driving Robust Growth



Note: Amounts may not foot due to rounding.

(1) Wholesale Bookings include Uniti Leasing bookings, and wireless and wholesale bookings at Uniti Fiber.

(2) Non-Wholesale Bookings include enterprise, E-Rate and government bookings at Uniti Fiber.

(3) Represents percentage of total bookings that comes from lease-up sold on our major wireless anchor builds and lease-up sold at Uniti Leasing.

Growth Capital Investments Overview

	2015 - 2023	YTD 2024 ⁽¹⁾	Cumulative
TCI Investment ⁽²⁾	~\$1.2 Billion	~\$59 Million	~\$1.3 Billion
GCI Investment ⁽³⁾	~\$794 Million	~\$231 Million	~\$1.0 Billion
Total Network Investment ⁽⁴⁾	~\$2.0 Billion	~\$290 Million	~\$2.3 Billion
TCI Revenue ⁽⁵⁾	~\$237 Million	~\$37 Million	~\$274 Million
Annualized Cash Rent from GCI Investments	~\$64 Million	~\$18 Million	~\$82 Million
Fiber Route Miles Constructed ⁽⁶⁾	~25,500	~4,100	~29,600

GCI Program “Facilitates Future Proofing” of Uniti’s Network

(1) As of September 30, 2024.

(2) Represents tenant capital improvements made by Windstream.

(3) Represents growth capital investments made by Uniti.

(4) Represents combined TCI and GCI investments.

(5) Represents reported non-cash revenue related to the amortization of tenant capital improvements made by Windstream.

(6) Represents new fiber route miles constructed at Uniti Fiber since 1/1/2018, and new fiber route miles constructed associated with the Windstream GCI program.

Appendix

A photograph of a city skyline at dusk. The sky is a deep blue with some light clouds. In the foreground, a river reflects the lights from the buildings and the bridge. A bridge with a decorative railing and a small tower-like structure on the right spans across the river. The bridge is illuminated with warm lights. In the background, several tall skyscrapers are visible. The most prominent one is a tall, blue-glass building with a distinctive top section. To its left is a white, rectangular skyscraper. Further left is a cylindrical building with a grid-like facade. Other buildings of various heights and colors (blue, white, brown) complete the skyline. The overall scene is a vibrant urban landscape at twilight.

Reconciliation of Non-GAAP Financial Measures⁽¹⁾

\$ in millions

	2023	
	Uniti	Windstream
Net loss ⁽²⁾	(\$82)	(\$210)
Depreciation and amortization	311	791
Interest expense	512	210
Income tax benefit	(68)	(61)
EBITDA	\$673	\$730
Stock-based compensation	13	13
Adjustments for unconsolidated entities ⁽²⁾	3	-
Transaction related costs & Other ⁽²⁾	235	172
Adjusted EBITDA	\$924	\$914



Reconciliation of Uniti Non-GAAP Financial Measures⁽¹⁾

\$ in millions

	2024 Outlook ⁽²⁾			
	Leasing ⁽²⁾	Uniti Fiber ⁽²⁾	Corporate ⁽²⁾	Uniti ⁽²⁾
Net income (loss)	\$681	(\$6)	(\$575)	\$100
Depreciation and amortization	178	135	-	313
Interest expense	-	-	514	514
Income tax expense (benefit)	2	(17)	-	(15)
EBITDA	\$861	\$112	(\$61)	\$912
Stock-based compensation	2	3	8	13
Gain on sale of real estate	(19)	-	-	(19)
Transaction related costs & Other	4	-	30	34
Adjusted EBITDA	\$848	\$115	(\$23)	\$940

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 enterprise resource planning system, (collectively, “Transaction Related and Other Costs”), costs related to the settlement with Windstream, goodwill impairment charges, severance costs, amortization of non-cash rights-of-use assets, the write off of unamortized deferred financing costs, costs incurred as a result of the early repayment of debt, including early tender and redemption premiums and costs associated with the termination of related hedging activities, gains or losses on dispositions, changes in the fair value of contingent consideration and financial instruments, and other similar or infrequent items (although we may not have had such charges in the periods presented). Adjusted EBITDA includes adjustments to reflect the Company’s share of Adjusted EBITDA from unconsolidated entities. 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, and includes adjustments to reflect the Company’s share of FFO from unconsolidated entities. We compute FFO in accordance with NAREIT’s definition.

The Company defines AFFO, as FFO excluding (i) Transaction Related and Other Costs; (ii) costs related to the litigation settlement with Windstream, accretion on our settlement obligation, and gains on the prepayment of our settlement obligation as these items are not reflective of ongoing operating performance; (iii) goodwill impairment charges; (iv) 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, amortization of non-cash rights-of-use 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 (v) the impact, which may be recurring in nature, of the write-off of unamortized deferred financing fees, additional costs incurred as a result of the early repayment of debt, including early tender and redemption premiums and costs associated with the termination of related hedging activities, severance costs, 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. AFFO includes adjustments to reflect the Company’s share of AFFO from unconsolidated entities. 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.

Capital Intensity: Capital expenditures as a percentage of revenue.

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.

Glossary

Core Adjusted EBITDA: Represents Adjusted EBITDA principally generated from leasing and lit services of the fiber network, as well as Adjusted EBITDA that are ancillary to the fiber network, including managed services. Core Adjusted EBITDA also includes non-recurring Adjusted EBITDA that is related to our core operations, such as equipment sales, certain construction projects, and early termination fees. Core Adjusted EBITDA excludes non-recurring Adjusted EBITDA that is not core to our operations, such as non-core construction projects.

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. Core Revenue also includes non-recurring revenue that is related to our core operations, such as equipment sales, certain construction projects, and early termination fees. Core Revenue excludes non-recurring revenue that is not core to our operations, such as non-core construction projects.

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 x 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 over the initial term, including any pricing escalators or discounts. MRR also includes 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.

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.

Glossary

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 over the initial term, including any pricing escalators or discounts. Recurring Revenue also includes revenue related to the amortization of upfront payments by customers. Our presentation of Recurring Revenue is not a guarantee of future revenues and should not be viewed as a predictor of future annual revenues.

Revenues Under Contract: Total contract value remaining 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.

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.

Glossary

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 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.