Uniti

Third Quarter 2020 Financial Results Conference Call Presentation

November 9, 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, the future prospects of Windstream; changes in the accounting treatment of our settlement with Windstream; our ability to delever and achieve the 'covenant reversion date' under our secured notes due 2025, which would permit us to pay additional dividends to shareholders; 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**
- **Third Quarter 2020 Financial Results**
- **Updated 2020 Outlook**
- **Strategic OpCo-PropCo Transaction with Everstream**
- **Q&A**

Uniti's Investment Highlights

- **Strong Business Fundamentals Proving Resilient**
  - ~ 97% of Uniti's Revenue is Recurring with Adjusted EBITDA Margins Near 80%(1)
  - Over $8 Billion of Revenues Under Contract with ~ 9 Years of Contract Term Remaining
  - Monthly Churn of ~0.3%
- **Proven Lease-Up at Attractive Incremental Margins**
  - ~ 93% of 3Q20 Bookings at Uniti Fiber are from Non-Wireless Opportunities
  - ~$225 million of Proceeds from OpCo-PropCo and IRU Transactions in Past 2 Years(2)
  - Windstream Agreement Expands Leasable Fiber Network Capacity By ~90%
- **Strengthened Balance Sheet and Liquidity**
  - ~$484 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

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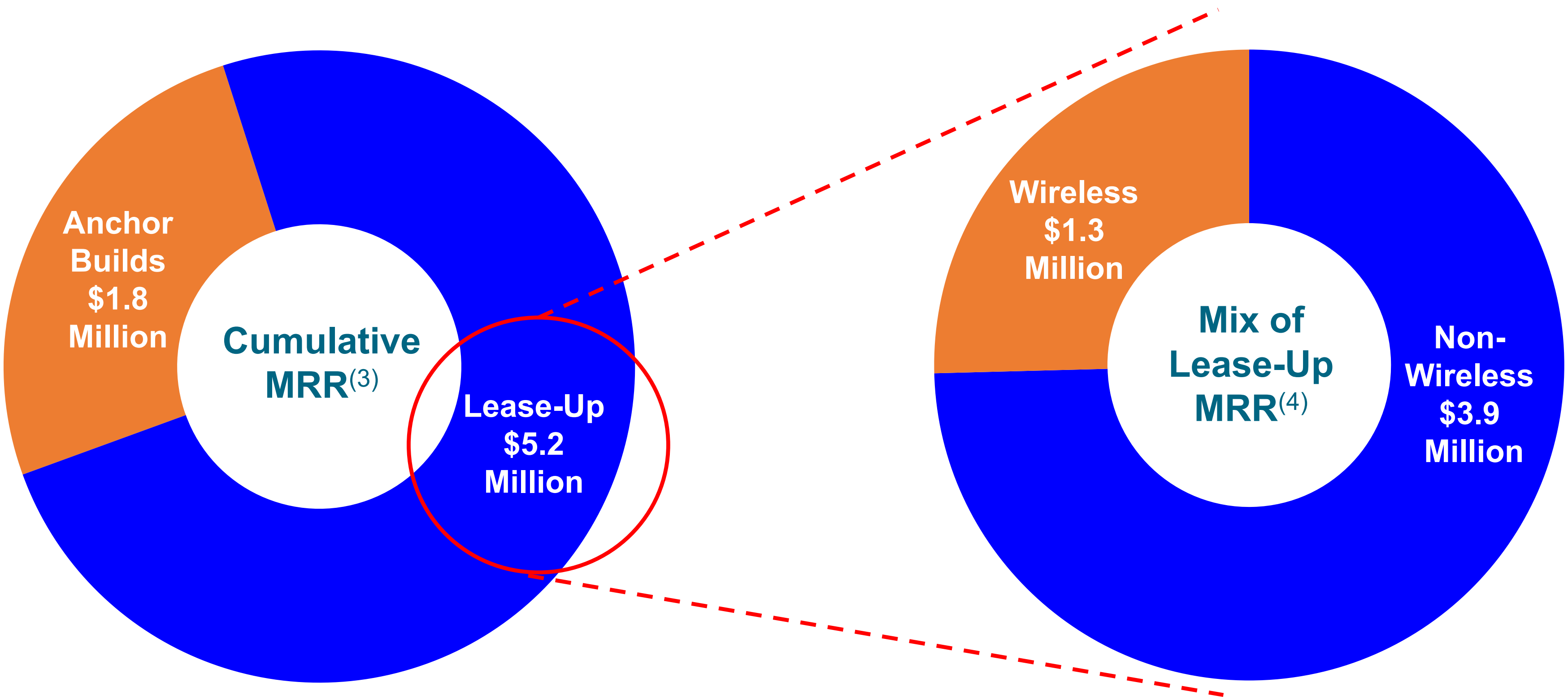
(1) *Excluding DOT/ITS construction and Talk America Services.*
(2) *Includes upfront proceeds from Everstream transaction, which is expected to close in 2Q21.*
(3) *As of September 30, 2020. Includes unrestricted cash and cash equivalents, and undrawn borrowing availability under our revolving credit agreement.*

Uniti Fiber Lease-Up(1)

- **Initial Aggregate Cash Yields on Major Wireless Anchor Builds of ~7%**
- **Cumulative Lease-Up Sold Expected to Generate Incremental Cash Yields of ~18%(2)**
- **Results in Combined Anchor and Lease-Up Cash Yield of ~14%**



Sold Over ~$10 Million of Annualized Lease-Up Revenue YTD 2020

(1) *Cash yields calculated as annualized recurring cash flow divided by estimated incremental net capital investment.*
(2) *Incremental cash yield calculated as annualized recurring cash flow from lease-up divided by estimated incremental net capital investment associated with the lease-up. Reflects lease-up sold on major wireless anchor builds from the time the project started through September 30, 2020.*
(3) *Anchor builds represent cumulative MRR installed or in backlog from major wireless builds. Lease-Up represents cumulative lease-up MRR installed or in backlog.*
(4) *Wireless MRR includes LIT backhaul, dark backhaul, and small cells. Non-wireless MRR includes enterprise, wholesale, E-Rate and government.*

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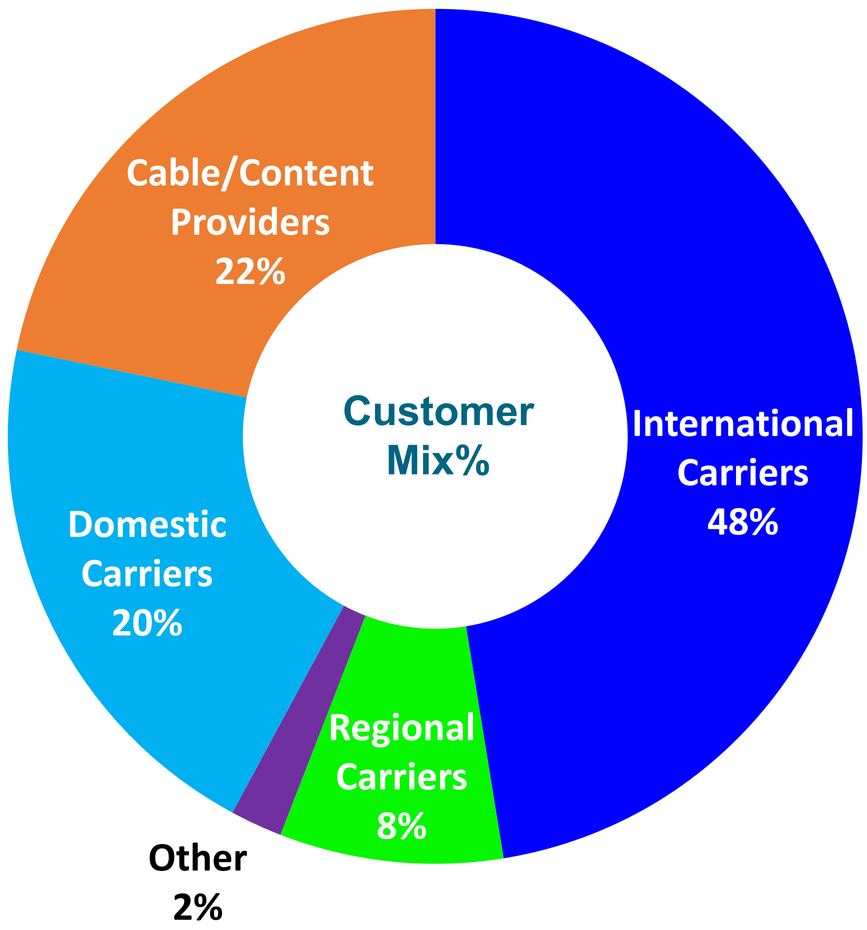
Uniti Leasing Sales Pipeline[1]



Uniti Leasing Sales Pipeline Overview

- **Number of Opportunities:** ~130
- **Total Contract Value:** ~$1.2 Billion
- **Upfront IRU Payments:** ~$358 Million
- **Annual Revenue**[2]**:** ~$57 Million
- **Fiber Strand Miles Utilized:** ~500,000

~75% of Opportunities Utilize Fiber Acquired from Windstream

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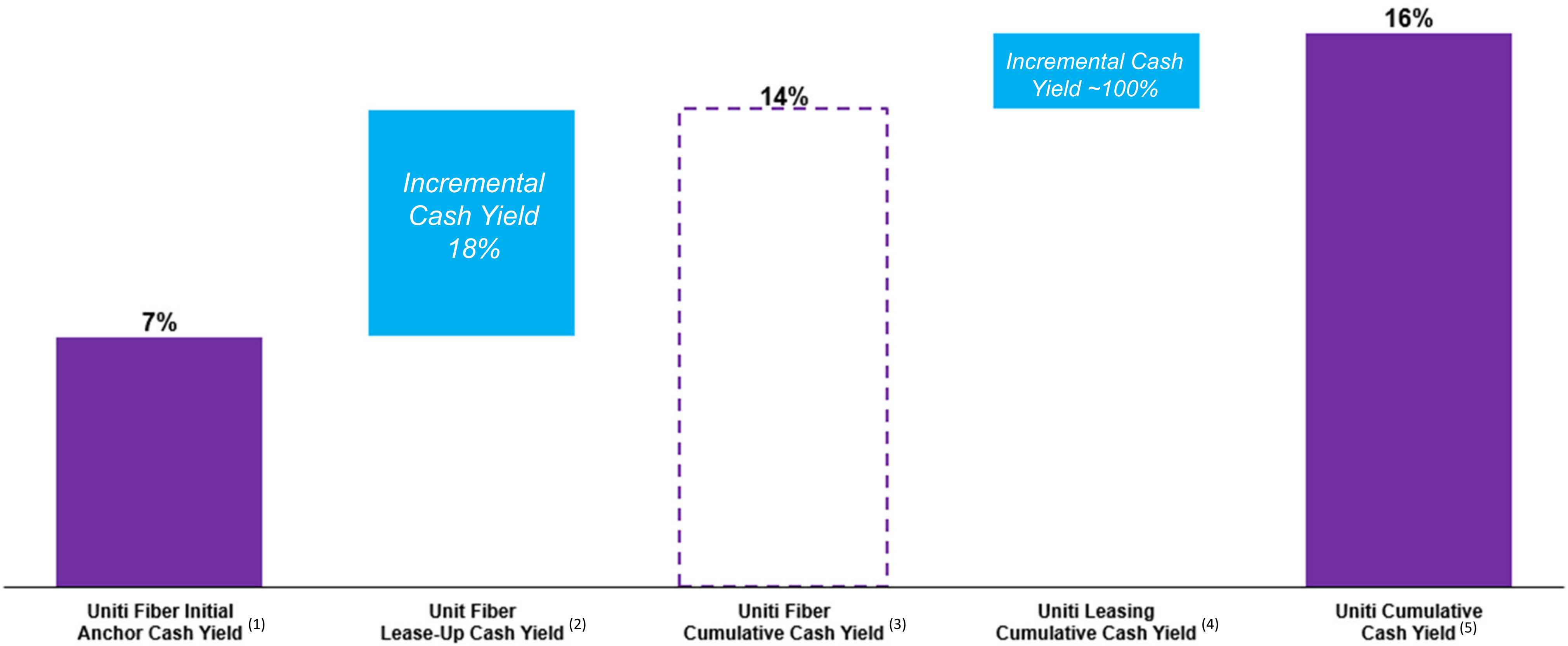
(1) *Reflects transactions we are currently pursuing as of September 30, 2020. We have not signed an agreement and are not otherwise committed to consummating any of these transactions and there can be no assurances that any of these transactions will be completed. Completed transactions may be realized over several years.*
(2) *Includes $18 million of annual revenue related to the amortization of the upfront IRU payments.*

Cumulative Uniti Lease-Up



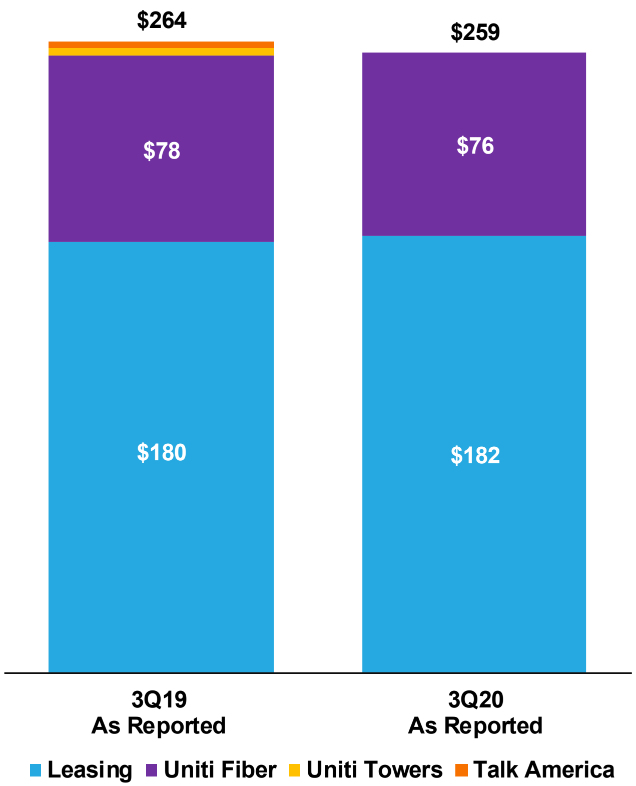
Fiber Acquired from Windstream Provides Additional Upside

(1) *Calculated as expected annualized recurring cash flow on major wireless anchor builds at Uniti Fiber divided by the related capital investment on the anchor builds, net upfront customer payments, of ~$194 million.*
(2) *Calculated as expected annualized recurring cash flow from lease-up sold on major wireless anchor builds from the time the project started through September 30,2020, divided by the related capital investment on the lease-up, net upfront customer payments, of ~$263 million.*
(3) *Represents expected initial cash yield on major wireless anchor builds plus expected incremental yield from lease-up sold to-date.*
(4) *Calculated as expected annualized recurring cash flow from lease-up sold to-date through September 30, 2020 at Uniti Leasing divided by capital spent to acquire fiber assets from Lumen Technologies (formerly CenturyLink), net of upfront customer IRU payments received.*
(5) *Represents expected cumulative cash yield on major wireless anchor builds plus lease-up at Uniti Fiber and reflects capital spent to acquire fiber assets from Lumen Technologies (formerly CenturyLink) and lease-up of those assets at Uniti Leasing.*

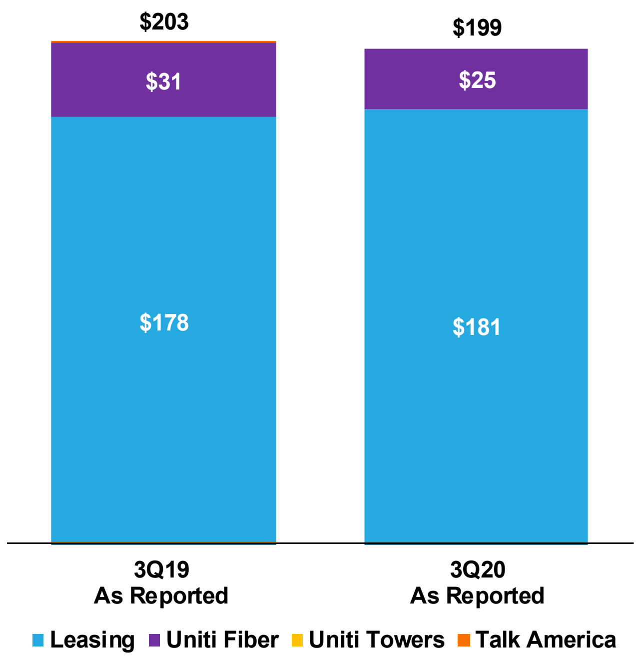
Third Quarter 2020 Consolidated Results

($ in millions)

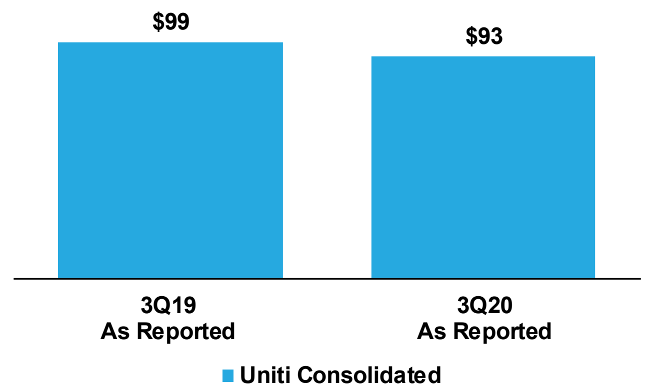
Revenue



Adjusted EBITDA[(1)] [(2)]



AFFO [(1)]



Results Consistent with Expectations[(3)]

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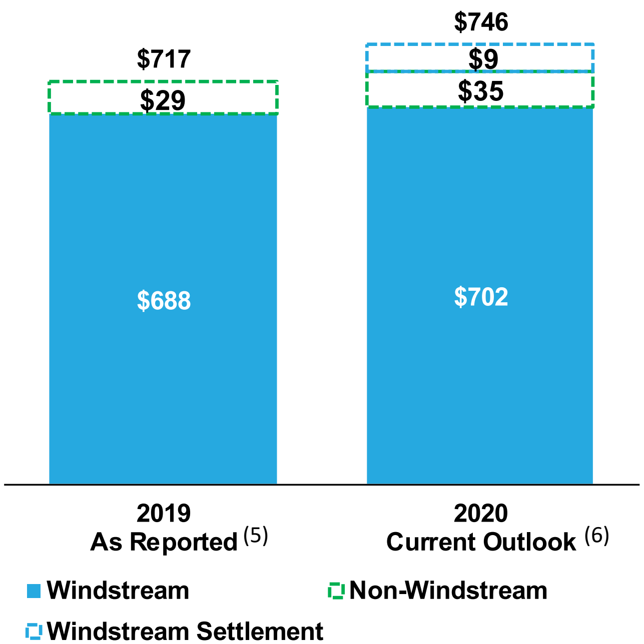
(1) See Appendix for a reconciliation of non-GAAP metrics to the most closely comparable GAAP metric.
(2) Segment amounts do not foot to total as consolidated Adjusted EBITDA is net of corporate expenses of $6 million and $8 million in 3Q19 and 3Q20, respectively.
(3) Excluding non-core DOT/ITS construction.

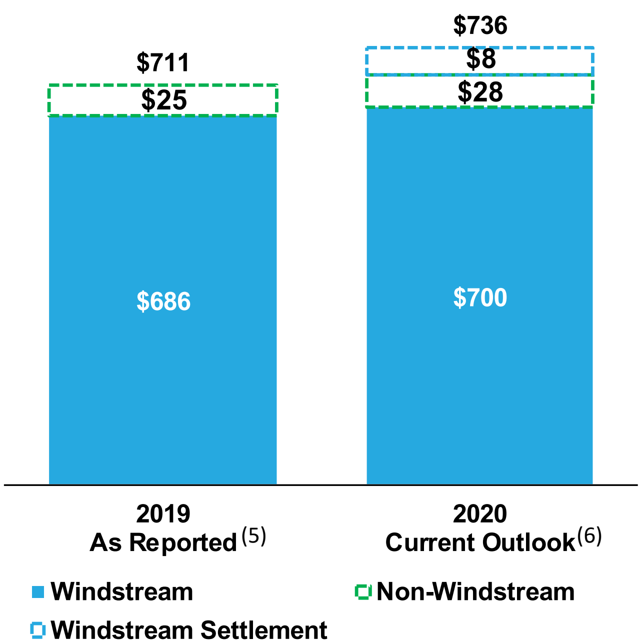
Uniti Leasing 2020 Outlook(1)

($ in millions)

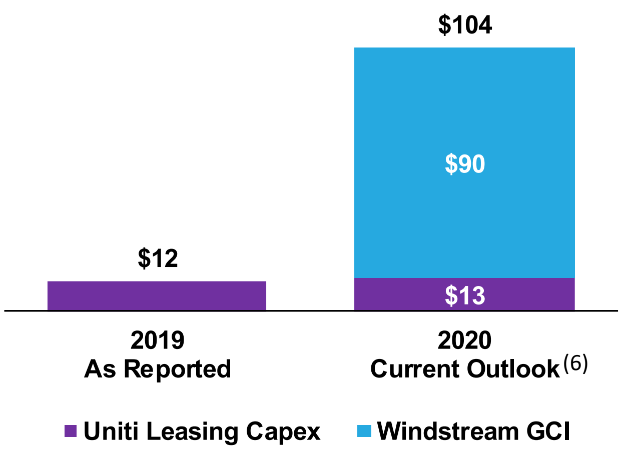
Leasing Revenue(2)



Leasing Adjusted EBITDA(3)



Net Capex(4)



Outlook Includes 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 November 9, 2020.

(2) Windstream includes $29 million of non-cash revenue in 2019 As Reported, and $41 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, and the impact from the Windstream settlement agreement, which became effective on September 21, 2020.

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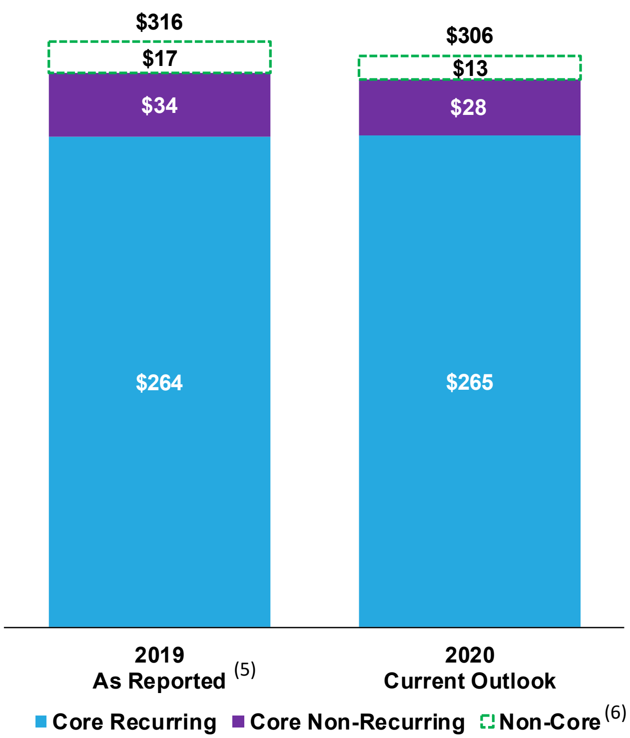
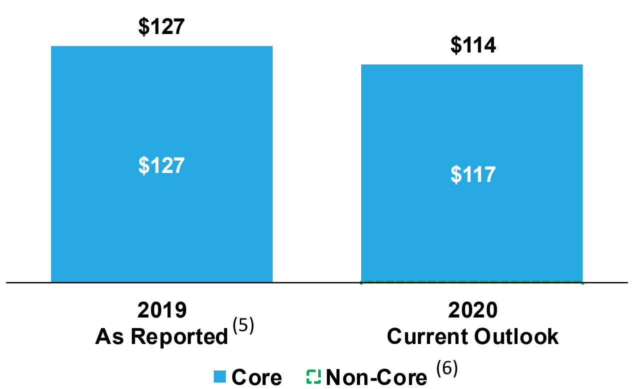
Uniti Fiber 2020 Outlook[1]

($ in millions)

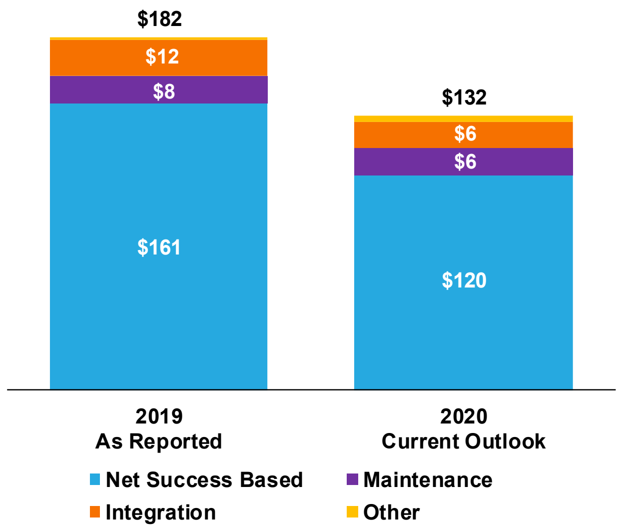
Revenue[2]



Adjusted EBITDA[2] [3]



Net Capex[2] [4]



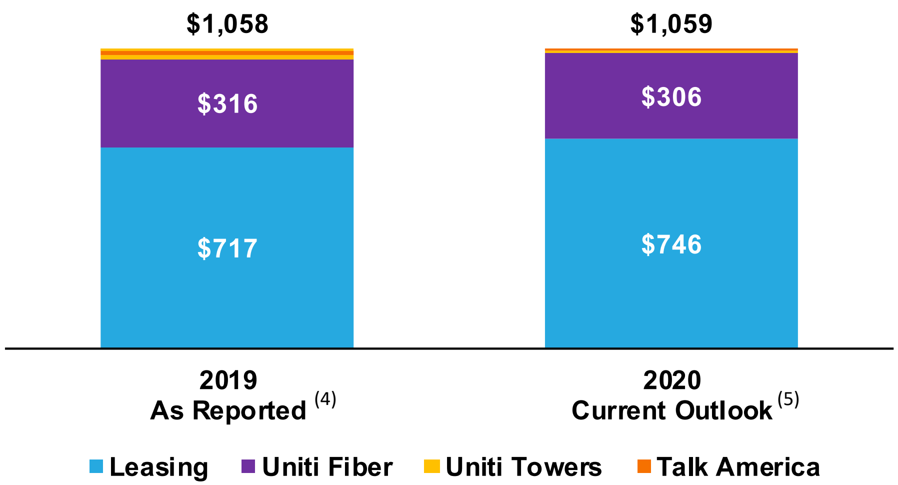
Continued Focus on Lease-Up of Completed Anchor Wireless Builds

(1) *2020 Outlook is based on the mid-point of 2020 Outlook range provided in the Company's Earnings Release dated November 9, 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 $3 million for Non-Core.*

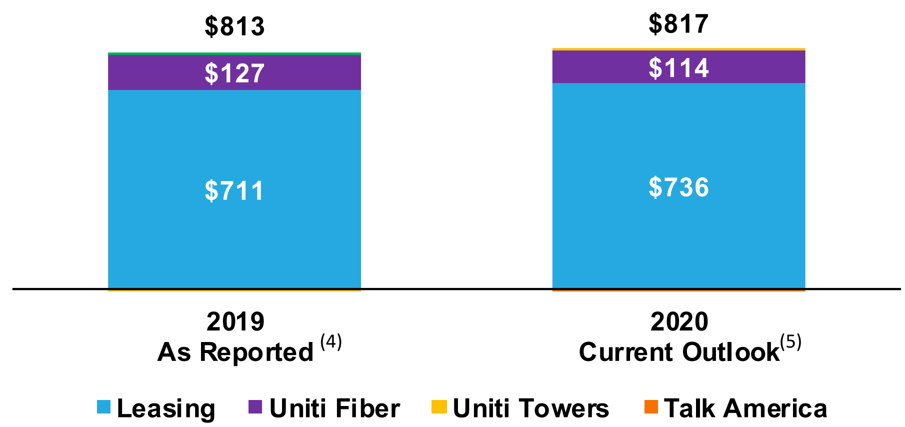
Full Year 2020 Consolidated Outlook[(1)]

($ in millions, except per share data)

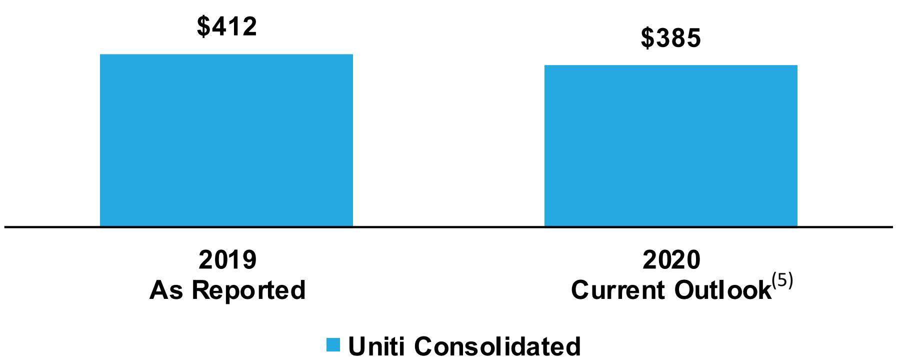
Revenue



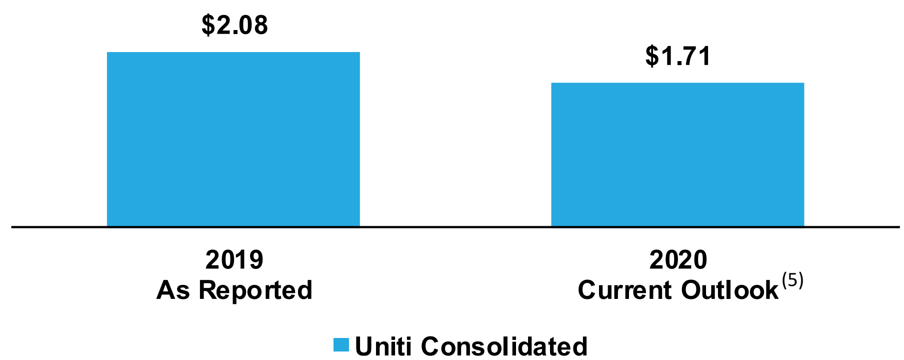
Adjusted EBITDA[(2) (3)]



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 November 9, 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 $32 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, and the impact from the Windstream settlement agreement, which became effective on September 21, 2020.
(6) AFFO/Diluted Share is based on average weighted common shares outstanding of 202 million and 233 million for 2019 As Reported and 2020 Current Outlook, respectively.

Reconciliation of 2020 Prior Outlook to Current Outlook

$ in millions, except per share data

	Uniti Revenue	Uniti Adjusted EBITDA(1)	Uniti AFFO(1)	Uniti AFFO/Share(1)
Full Year 2020 Midpoint Prior Outlook	**$1,052**	**$809**	**$384**	**$1.71**
Core Operations(2)	**1**	**4**	**3**	**0.01**
Hurricane Restoration Costs	**-**	**(1)**	**(1)**	**-**
Windstream Straight-Line Revenue Adjustment(3)	**6**	**6**	**-**	**-**
Non-Core Operations(4)	**-**	**(2)**	**(2)**	**(0.01)**
Full Year 2020 Midpoint Current Outlook	**$1,059**	**$817**	**$385**	**$1.71**

Note: Amounts may not foot due to rounding.

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

(2) Includes incremental Uniti Leasing revenue, Adjusted EBITDA, and AFFO of $1 million, $2 million, and $1 million, respectively, and lower than expected corporate SG&A costs of $2 million. AFFO and AFFO/Share exclude any allocable interest expense.

(3) Includes straight-line revenue recognition relating to the Windstream Master Leases of $5 million and GCI investments of $1 million.

(4) Represents DOT/ITS Construction at Uniti Fiber.

Strategic OpCo-PropCo Transaction with Everstream

- **Entered into Opco-PropCo Agreement with Everstream Solutions LLC ("Everstream") for Total Upfront Consideration of $135 Million**(1)
  - In Addition to Upfront Proceeds, Uniti will Receive Annual Fees of ~$3 Million Over the 20 Year Initial Term, Subject to an Annual Escalator of 2%
- **Transaction Includes Entering into Two 20 Year IRU Agreements to Lease Everstream 220,000 Fiber Strand Miles Across 10,000 Route Miles and 8 States In the Northeast & Midwest**
  - Includes 165,000 Fiber Strand Miles Uniti Acquired Rights to as Part of Windstream Settlement
  - Everstream Has Option for Two 10 Year Renewals at Fair Market Value
- **Agreed to Sell Portion of Uniti Fiber's Northeast Operations and Certain Dark Fiber IRU Contracts that Uniti Acquired as Part of Windstream Settlement**
  - Uniti Fiber Northeast Operations Currently Generate ~$20 Million of Annual Revenue
  - Dark Fiber IRU Contracts Currently Generate ~$4 Million of Annual Revenue
- **Transaction Subject to Regulatory and Other Customary Closing Conditions**
- **Expected to Close in Second Quarter of 2021**

Continue to Pursue Additional OpCo-PropCo Structures

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(1) *Total upfront consideration includes $73 million of upfront payments related to the IRU agreements and $62 million of proceeds from sale of portion of Uniti Fiber's Northeast Operations and certain dark fiber IRU contracts Uniti acquired as part of Windstream settlement.*

Everstream Transaction Rationale

- **Results in Total Increased Value to Uniti of ~$107 Million**
- **Margins Approaching 100% on Everstream IRU Agreements**
- **20 Year Term Remaining on Everstream IRUs vs. ~4.3 Years for Existing Contracts Sold**
- **Reduces Capital Requirements at Uniti Fiber**

	Everstream Transaction	Uniti Fiber Northeast Operations/ Windstream DF IRU Contracts
Transaction/ Contract Value(1)	~$206 Million	~$99 Million
Average Remaining Contract Term(2)	20 Years	~4.3 Years
Adjusted EBITDA Margins	~100%	~73%

Deal Locks in Long Term, Low Churn, High Margin Cash Flows

(1) *Everstream transaction value includes total upfront consideration of $135 million plus annual fees of ~$3 million received from Everstream over the initial 20 year lease, subject to annual escalator of 2%. Uniti Fiber Northeast Operations/Windstream DF IRU Contracts represent remaining total contract value of existing customers' initial term as part of the sale of Uniti Fiber's Northeast operations and certain dark fiber IRU contracts to Everstream.*

(2) *Represents initial term of dark fiber IRU lease agreements with Everstream and weighted average remaining initial term of existing customer contracts as part of the sale of Uniti Fiber's Northeast operations and certain dark fiber IRU contracts to Everstream.*

Appendix

Key 2020 Outlook Ranges[1]

In Millions, except per share data

	Leasing	Uniti Fiber	Uniti Towers	CLEC	Uniti Consolidated
Revenue	**$746**	**$302 - $310**	**$6**	**$1**	**$1,055 - $1,063**
Adjusted EBITDA[2]	**$736**	**$109 - $118**	**-**	**($1)**	**$812 - $821**
Interest Expense, Net[3]	**-**	**-**	**-**	**-**	**$497**
Net Success-Based Capex	**$100 - $105**	**$110 - $130**	**$24**	**-**	**-**
AFFO to Common Shareholder[2]	**-**	**-**	**-**	**-**	**$381 - $390**
AFFO / Diluted Common Share[2]	**-**	**-**	**-**	**-**	**$1.69 - $1.73**
Weighted-Average Common Shares Outstanding – Diluted	**-**	**-**	**-**	**-**	**233**

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 November 9, 2020. Our 2020 Outlook reflects the partial sale of the Bluebird PropCo, which closed on July 1, 2020, and the impact from the Windstream settlement agreement, which became effective on September 21, 2020. 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.

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Reconciliation of Uniti Non-GAAP Financial Measures[1]

$ in Millions

	Uniti 3Q19	Uniti 3Q20
Net income (loss)[2]	**($19.8)**	**$7.5**
Depreciation and amortization	**101.2**	**79.9**
Interest expense	**104.7**	**102.8**
Income tax expense (benefit)	**(1.7)**	**2.8**
EBITDA	**$184.3**	**$192.9**
Stock-based compensation	**2.8**	**3.3**
Adjustments for unconsolidated entities	**-**	**1.3**
Transaction related costs & Other[2]	**15.5**	**1.0**
Adjusted EBITDA	**$202.7**	**$198.6**

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(1) *Amounts may not foot due to rounding.*
(2) *Includes pre-tax gain on the partial sale of the Bluebird PropCo in Uniti 3Q20.*

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**

(1) Amounts may not foot due to rounding.

Reconciliation of Uniti Non-GAAP Financial Measures[1]

$ in Millions	Uniti 3Q19	Uniti 3Q20	Uniti 2019
Net income (loss) attributable to common shares	($19.5)	$7.0	$8.4
Real estate depreciation and amortization	81.1	59.3	323.5
Gain on sale of real estate assets, net of tax[2]	(0.2)	(22.5)	(24.4)
Participating securities' share in earnings	0.1	0.2	0.5
Participating securities' share in FFO	(0.3)	(0.3)	(1.2)
Adjustments for unconsolidated entities	-	0.4	-
Adjustments for noncontrolling interests	(1.5)	(0.6)	(5.9)
FFO attributable to common shareholders	**$59.7**	**$43.5**	**$300.9**
Transaction related costs	15.2	20.8	43.7
Change in fair value of contingent consideration	(3.0)	1.9	(28.5)
Amortization of deferred financing costs and debt discount	12.5	9.0	42.8
Stock based compensation	2.8	3.3	10.8
Non-real estate depreciation and amortization	20.1	20.6	82.2
Straight-line revenues	-	(1.7)	(0.2)
Maintenance capital expenditures	(1.5)	(1.6)	(8.0)
Amortization of discount on convertible preferred stock	-	-	1.0
Taxes related to cancellation of debt	-	-	4.6
Other, net	(6.3)	(3.5)	(34.8)
Adjustments for unconsolidated entities	-	0.9	-
Adjustments for noncontrolling interests	(0.7)	(0.8)	(2.1)
Adjusted FFO attributable to common shareholders	**$98.7**	**$92.5**	**$412.5**

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(1) Amounts may not foot due to rounding.
(2) Represents gain on the partial sale of the Bluebird PropCo in 3Q20.

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]	**$553**	**($11)**	**$63**	**($1)**	**($1,249)**	**($645)**
Depreciation and amortization	**202**	**127**	**1**	**1**	**-**	**331**
Interest expense	**-**	**2**	**-**	**-**	**495**	**497**
Income tax expense (benefit)	**-**	**(11)**	**-**	**-**	**-**	**(11)**
EBITDA	**$755**	**$107**	**$64**	**($1)**	**($754)**	**$172**
Stock-based compensation	**1**	**3**	**-**	**-**	**10**	**14**
Adjustments for unconsolidated entities	**1**	**-**	**-**	**-**	**-**	**1**
Transaction related costs & Other[3]	**(21)**	**3**	**(64)**	**-**	**713**	**631**
Adjusted EBITDA	**$736**	**$114**	**-**	**($1)**	**($32)**	**$817**

(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 November 9, 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, and the impact from the Windstream settlement agreement, which became effective on September 21, 2020. 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.

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Reconciliation of Uniti Non-GAAP Financial Measures[1]

$ in Millions	Uniti 2020 Current Outlook[2]
Net loss attributable to common shares[3]	**($635)**
Real estate depreciation and amortization	**243**
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 unconsolidated entities	**1**
Adjustments for noncontrolling interests	**(3)**
FFO attributable to common shareholders	**($480)**
Transaction related costs	**55**
Change in fair value of contingent consideration	**8**
Amortization of deferred financing costs and debt discount[5]	**116**
Stock based compensation	**14**
Non-real estate depreciation and amortization	**88**
Straight-line revenues	**(7)**
Maintenance capital expenditures	**(7)**
Other, net[3]	**614**
Adjustments for unconsolidated entities	**1**
Adjustments for noncontrolling interests	**(16)**
Adjusted FFO attributable to common shareholders	**$385**

(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 November 9, 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, and the impact from the Windstream settlement agreement, which became effective on September 21, 2020. 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.*

Uniti

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 (including the costs of our settlement with Windstream), 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. 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) Windstream bankruptcy and litigation related expenses, including litigation settlement expenses and accretion on our settlement obligation as these items are not reflective of ongoing operating performance; (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. 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.

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. 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.

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.

Glossary

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

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.

Glossary

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.

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 remaining 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 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.