



Second Quarter 2021 Financial Results Conference Call Presentation

August 5, 2021

Together, Building the Future

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 2021 financial outlook, expectations regarding strong demand trends, our business strategies, growth prospects, industry trends, sales opportunities, impacts of the settlement with Windstream, and operating and financial performance.

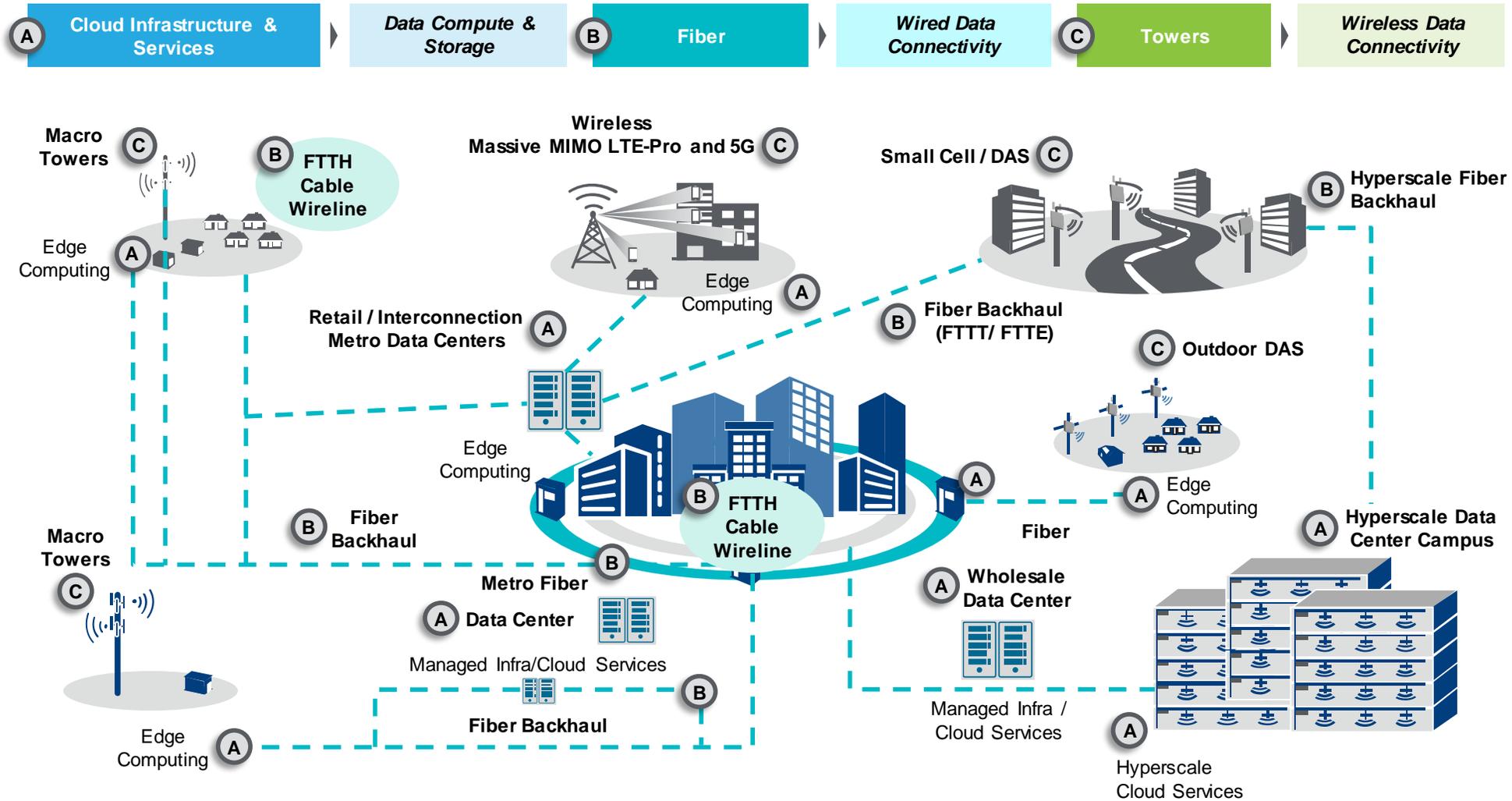
Words such as "anticipate(s)," "expect(s)," "intend(s)," "estimate(s)," "foresee(s)," "plan(s)," "believe(s)," "may," "will," "would," "could," "should," "seek(s)" and similar expressions, or the negative of these terms, are intended to identify such forward-looking statements. These statements are based 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, our largest customer; 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 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; 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

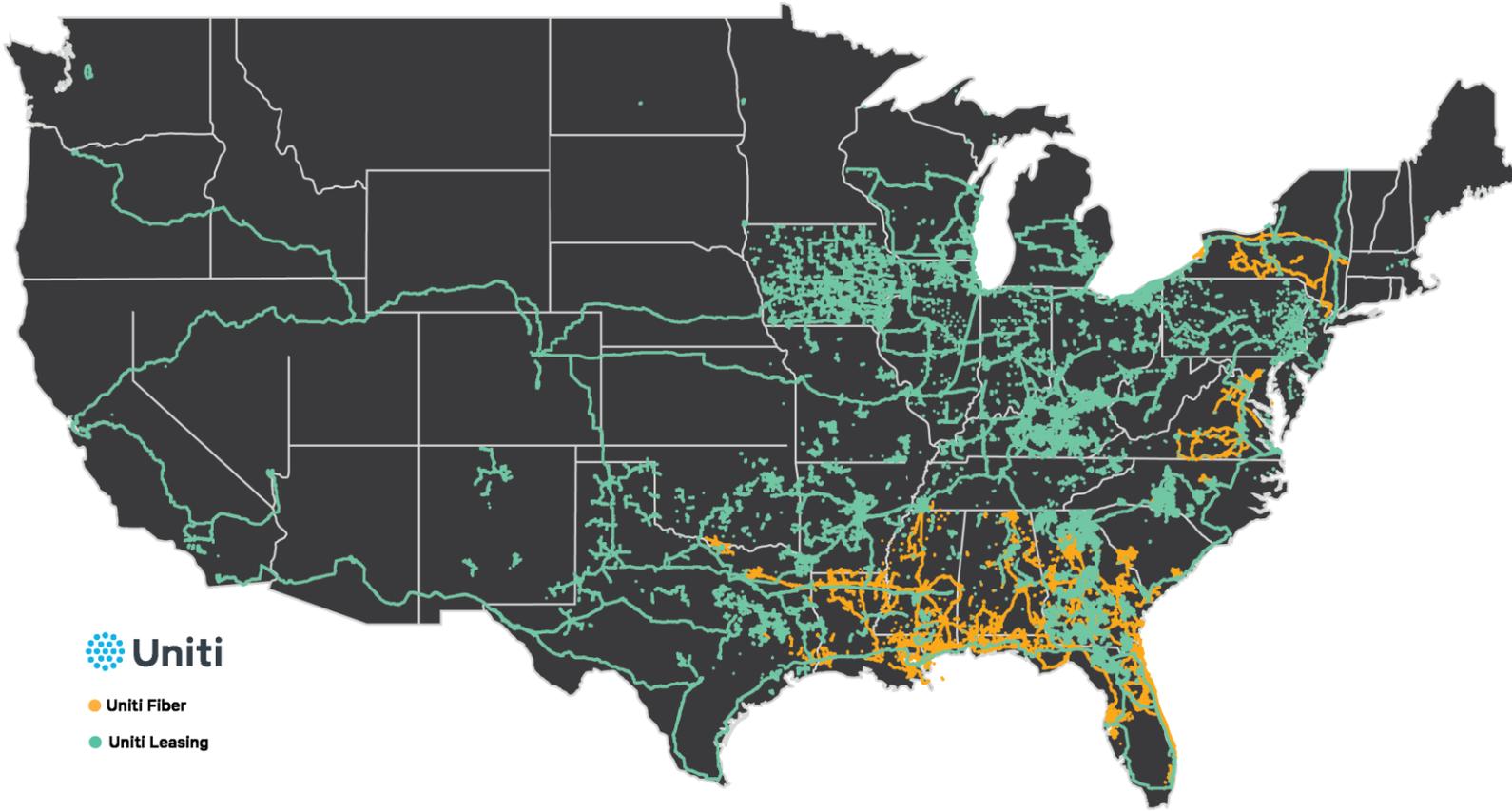
- **Uniti's Unique Fiber Platform**
- **Second Quarter 2021 Financial Results**
- **Current 2021 Outlook**
- **Q&A**

All Communication Infrastructure End Markets Rely on Fiber



Fiber is the Critical Component to Enabling Today's Communications Infrastructure

Uniti's National Fiber Network



● Uniti Fiber
● Uniti Leasing

Fiber Route Miles⁽¹⁾

~123,000

Fiber Strand Miles⁽¹⁾

~7,100,000

Route Miles Constructed⁽²⁾

~9,200

Small Cells⁽³⁾

~2,300

Buildings Passed⁽⁴⁾

250,000+

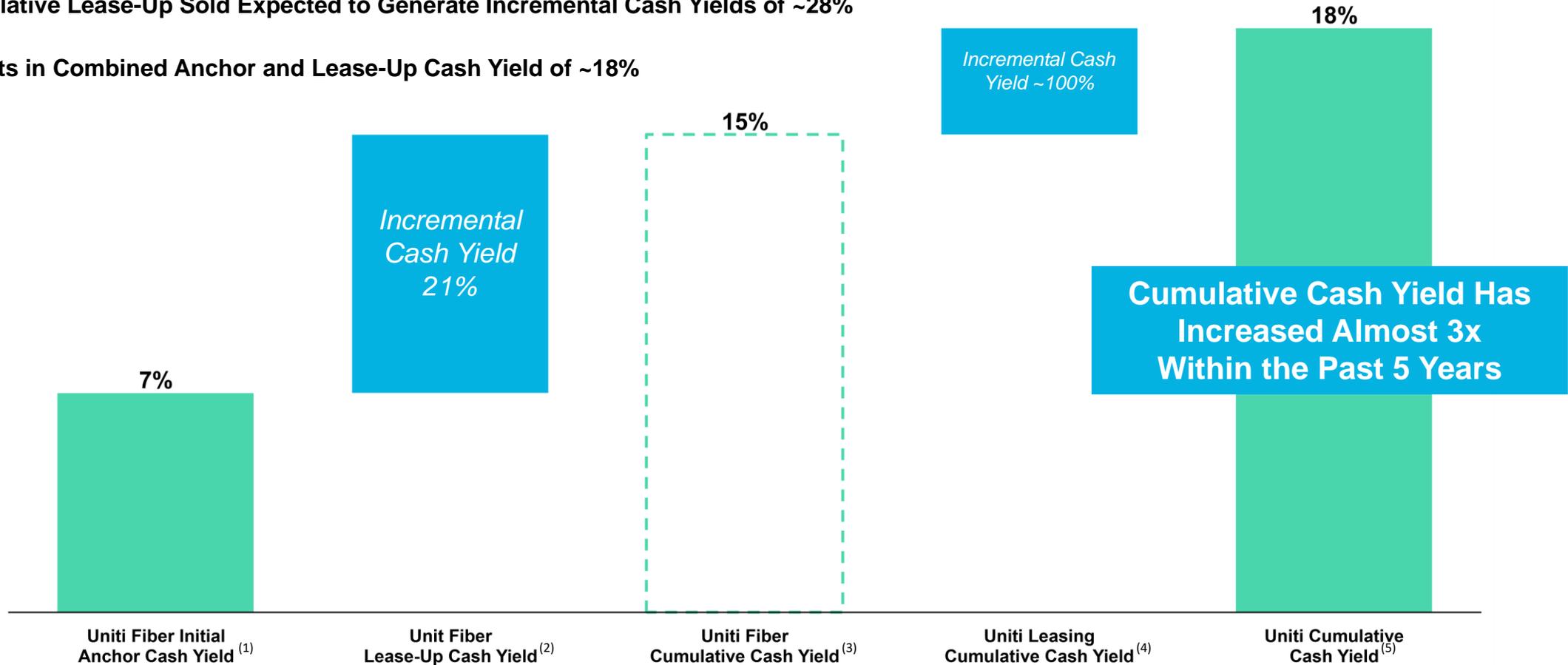
Top 10 Largest Fiber Provider in the U.S.⁽⁵⁾



(1) As of June 30, 2021.
 (2) 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.
 (3) Includes small cells in service or in backlog.
 (4) Represents on-net and near-net buildings passed on Uniti Fiber's network.
 (5) Source: Kagan and company estimates.

Cumulative Uniti Lease-Up

- Initial Aggregate Cash Yields on Major Wireless Anchor Builds of ~7%
- Cumulative Lease-Up Sold Expected to Generate Incremental Cash Yields of ~28%
- Results in Combined Anchor and Lease-Up Cash Yield of ~18%



Proven Track Record of Lease-up Provides Significant Upside on Fiber Acquired from Windstream

(1) Calculated as expected annualized recurring cash flow on major wireless anchor builds at Uniti Fiber divided by the related net capital investment on the anchor builds of ~\$205 million.

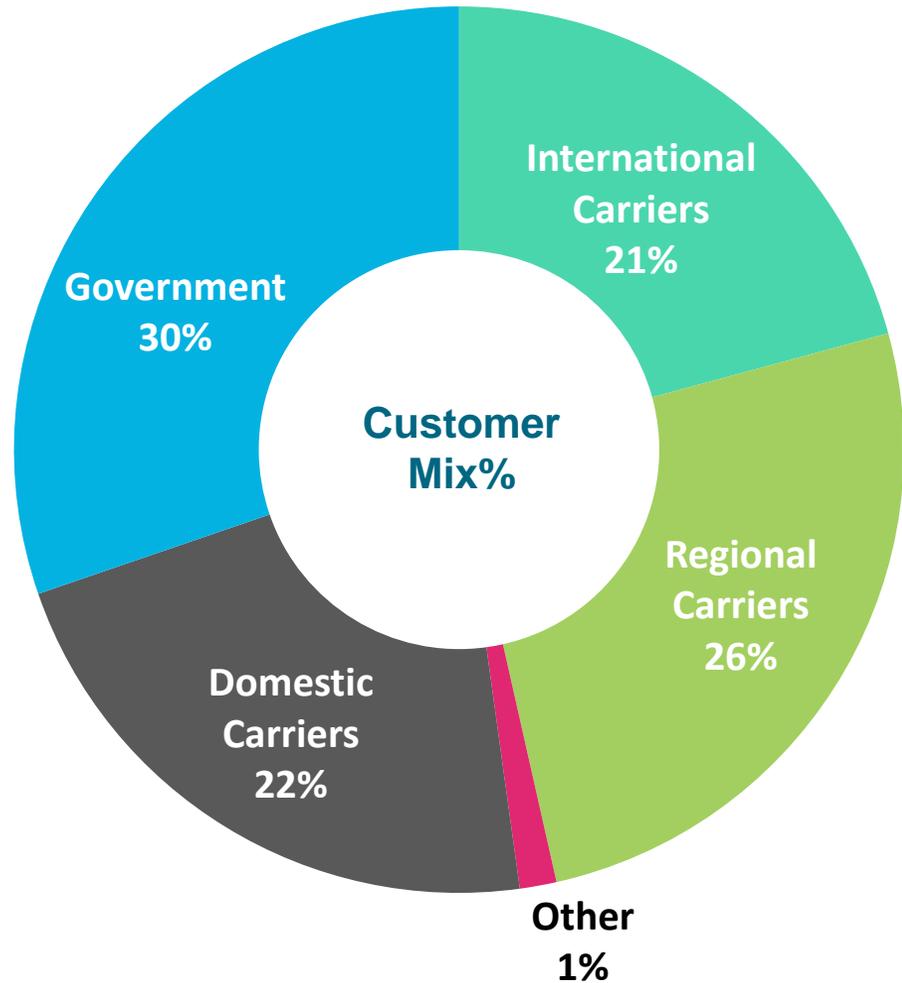
(2) Calculated as expected annualized recurring cash flow from lease-up sold on major wireless anchor builds from the time the project started through June 30, 2021, divided by the related net capital investment on the lease-up of ~\$279 million.

(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 June 30, 2021 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.

Uniti Leasing Sales Pipeline⁽¹⁾



Uniti Leasing Sales Pipeline Overview

- **Number of Opportunities:** 214
- **Total Contract Value in Pipeline:** ~ \$1.1 Billion
- **Annual Revenue in Pipeline⁽²⁾:** ~ \$65 Million

Uniti Leasing Contracted Revenue

- **Revenues Under Contract⁽³⁾:** ~ \$805 Million
- **Average Contract Term Remaining⁽³⁾:** ~ 14.4 Years

Over 70% of Opportunities Utilize Fiber Acquired from Windstream

Growth Capital Investments Overview

	2015 - 2020	YTD 2021 ⁽¹⁾	Cumulative
TCI Investment⁽²⁾	~\$846 Million	~\$107 Million	~\$953 Million
GCI Investment⁽³⁾	~\$85 Million	~\$92 Million	~\$177 Million
Total Network Investment⁽⁴⁾	~\$931 Million	~\$199 Million	~\$1.1 Billion
TCI Revenue⁽⁵⁾	~\$108 Million	~\$19 Million	~\$127 Million
Annualized Cash Rent from GCI Investments	~\$7 Million	~\$7 Million	~\$14 Million
% of Copper Network Overbuilt with Fiber⁽⁶⁾	~14% to ~18%	~20%	~20%
Fiber Route Miles Constructed⁽⁷⁾	~6,650	~2,550	~9,200

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

(1) As of June 30, 2021.

(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 the percentage of the copper network that is part of our Master Lease agreements with Windstream that has been overbuilt with fiber from TCI and GCI investments.

(7) 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.

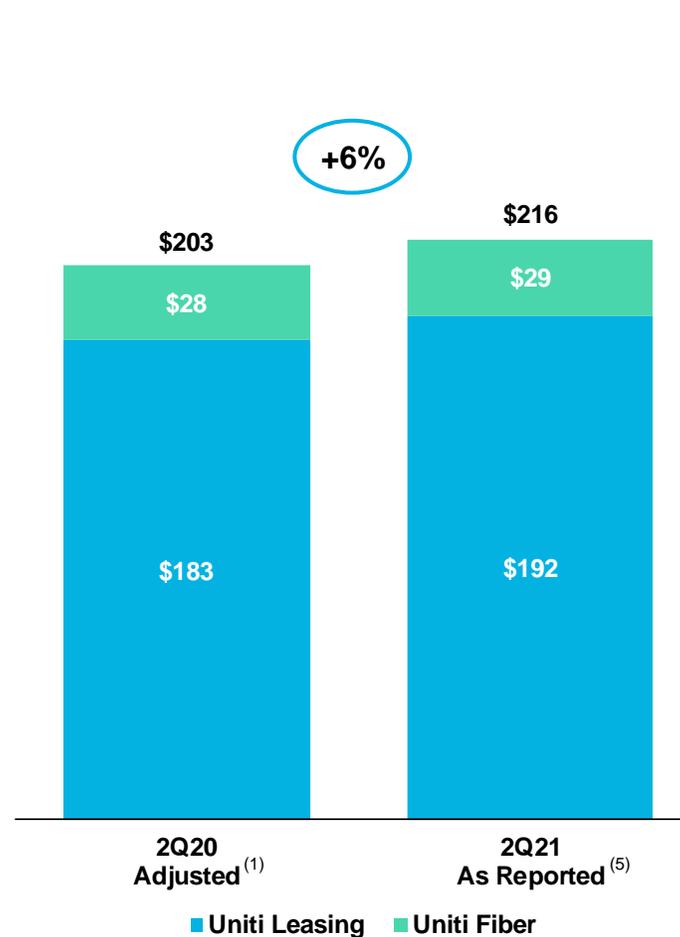
Second Quarter 2021 Consolidated Results⁽¹⁾

(\$ in millions)

Revenue⁽²⁾



Adjusted EBITDA^{(3) (4)}



AFFO⁽³⁾



Strong Results Reflect Robust Demand for Uniti's Fiber Infrastructure

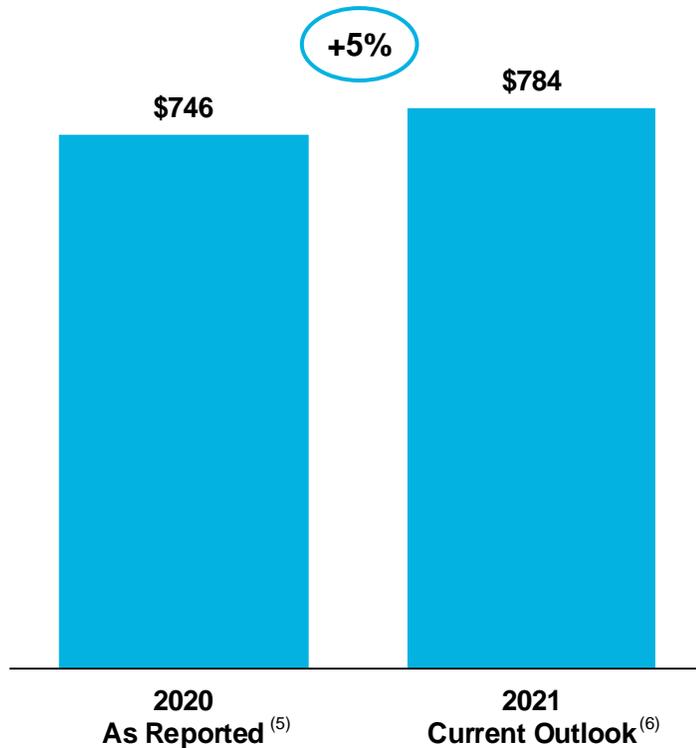


(1) Excludes revenue of \$2.4 million and Adjusted EBITDA loss of \$0.2 million related to Uniti Towers and Talk America. No other changes to financial information or transactions have been assumed. 2Q20 Adjusted results have not been prepared in accordance with Article 11 of Regulation S-X.
 (2) 2Q21 Uniti Leasing revenue includes \$6 million of straight-line rent recognition under the Windstream Master Leases and GCI Investments subsequent to our settlement agreement with Windstream.
 (3) See Appendix for a reconciliation of non-GAAP metrics to the most closely comparable GAAP metric.
 (4) Segment amounts do not foot to total as consolidated Adjusted EBITDA is net of corporate expenses of \$8 million and \$6 million in 2Q20 and 2Q21, respectively.
 (5) 2Q21 As Reported reflects the Everstream transaction, which closed on May 28, 2021.

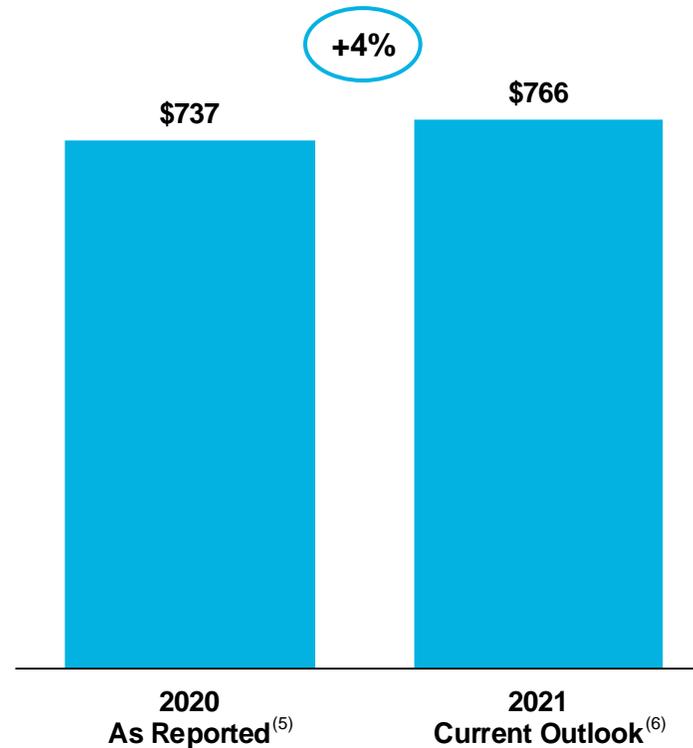
Uniti Leasing 2021 Outlook⁽¹⁾

(\$ in millions)

Revenue⁽²⁾



Adjusted EBITDA⁽³⁾



Net Capex⁽⁴⁾



Outlook Includes Full Year Impact of Windstream Settlement Agreement

(1) 2021 Current Outlook is based on the mid-point of 2021 Outlook range provided in the Company's Earnings Release dated August 5, 2021.

(2) Windstream includes \$40 million of non-cash revenue in 2020, and \$62 million in 2021 Outlook. Non-Windstream includes \$5 million of non-cash revenue in 2020, and \$8 million in 2021 Outlook.

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

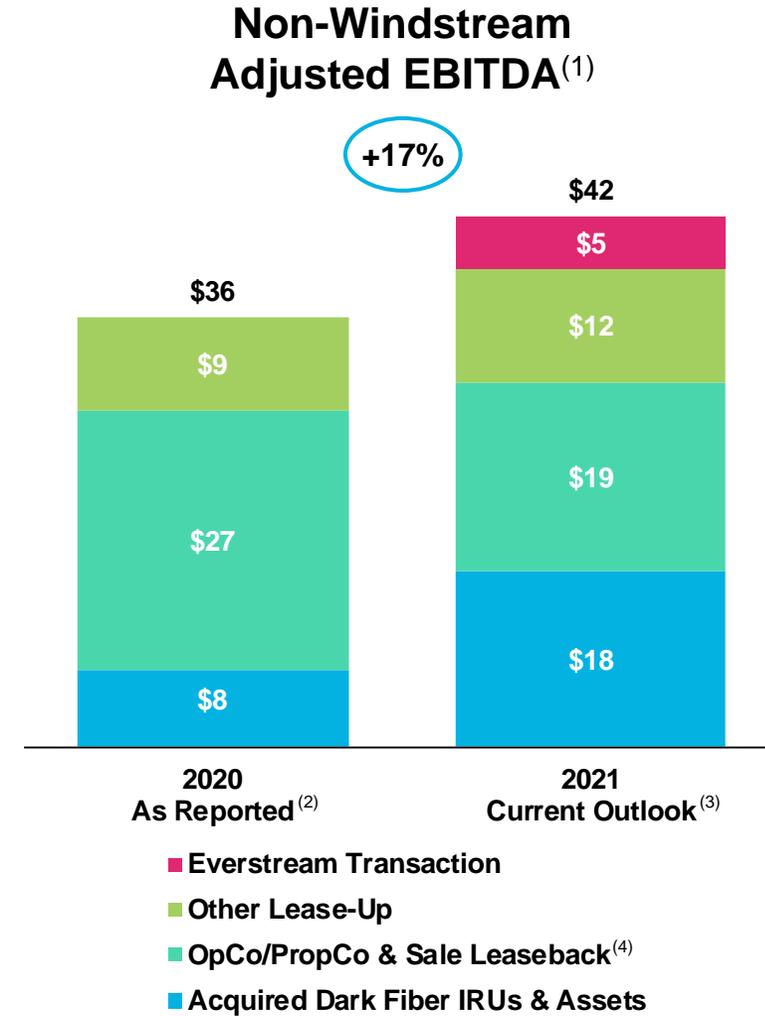
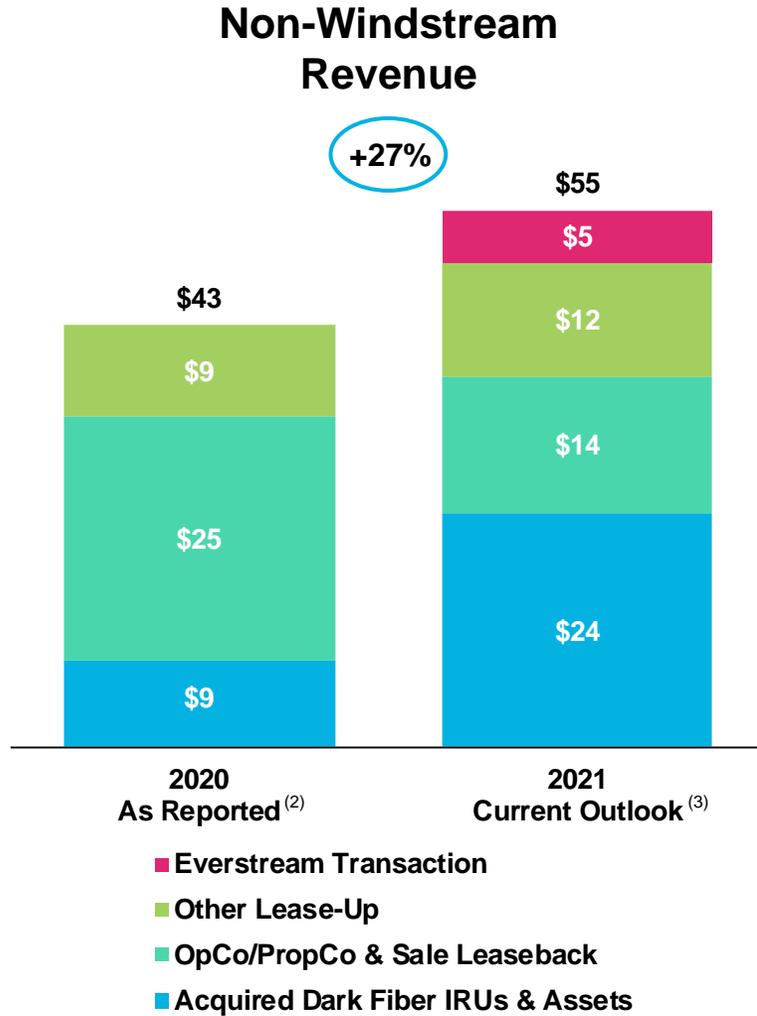
(4) Net Capex is defined as gross capital expenditures less associated up-front payments from customers.

(5) 2020 As Reported 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) 2021 Current Outlook reflects the Everstream transaction, which closed on May 28, 2021.

Uniti Leasing Non-Windstream

(\$ in millions)



Windstream Settlement Fiber Adds Significant Growth Potential



(1) Amounts do not foot to total as Non-Windstream Adjusted EBITDA is net of expenses of \$8 million and \$11 million in 2020 and 2021, respectively.
 (2) 2020 As Reported 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.
 (3) 2021 Current Outlook reflects the Everstream transaction, which closed on May 28, 2021.
 (4) Includes proportionate share of results from investment in Bluebird PropCo of \$2 million in 2020 As Reported and \$5 million in 2021 Current Outlook.

Uniti Fiber 2021 Outlook⁽¹⁾

(\$ in millions)

Revenue⁽²⁾

Adjusted EBITDA^{(2) (3)}

Net Capex^{(2) (4)}

Annual Adjusted Growth Rate⁽⁶⁾

Revenue: +6%

Adjusted EBITDA: +10%



Driving Additional Lease-Up on Completed Anchor Wireless Builds

(1) 2021 Current Outlook is based on the mid-point of 2021 Outlook range provided in the Company's Earnings Release dated August 5, 2021.

(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.

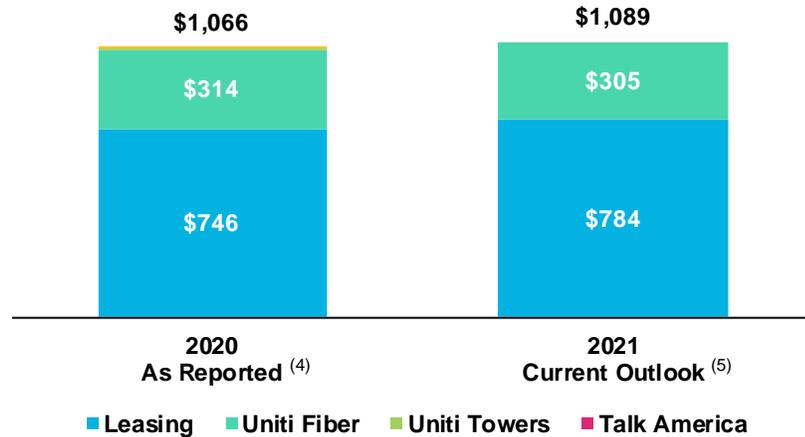
(5) 2021 Current Outlook reflects the partial sale of Uniti Fiber's Northeast operations related to the Everstream transaction, which closed on May 28, 2021.

(6) Annual Adjusted Growth Rates exclude revenue and Adjusted EBITDA loss of \$13 million and \$5 million, respectively, in 2020 relating to non-core DOT/ITS construction business, and excludes revenue of \$20 million in 2020 and \$5 million in 2021, and Adjusted EBITDA of \$12 million in 2020 and \$3 million in 2021 to reflect the full year impact of the partial sale of Uniti Fiber's Northeast operations as part of the Everstream transaction. No other changes to financial information or transactions have been assumed. Annual Adjusted Growth Rates have not been prepared in accordance with Article 11 of Regulation S-X.

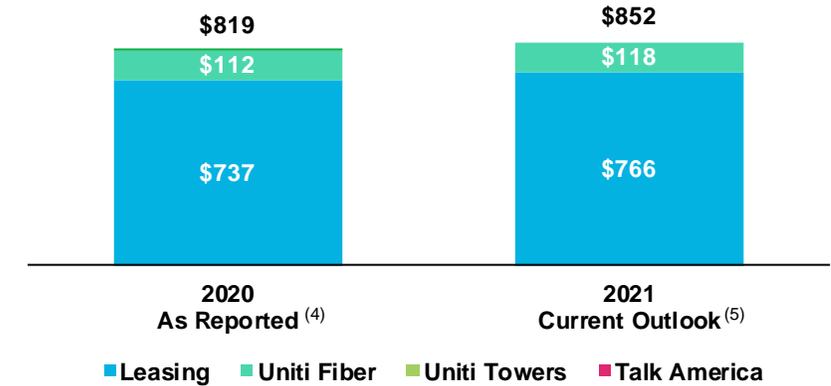
Full Year 2021 Consolidated Outlook⁽¹⁾

(\$ in millions, except per share data)

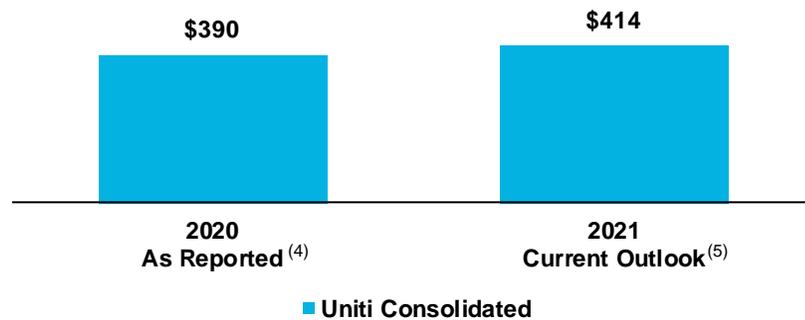
Revenue



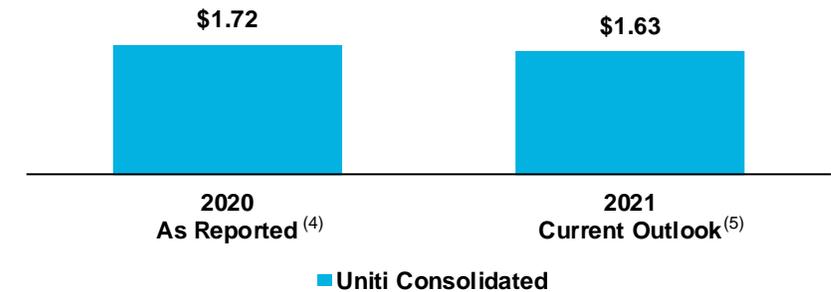
Adjusted EBITDA^{(2) (3)}



AFFO⁽²⁾



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



Focus on Driving Recurring Revenue

(1) 2021 Current Outlook is based on the mid-point of 2021 Outlook range provided in the Company's Earnings Release dated August 5, 2021.

(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 \$30 million and \$32 million in 2020 As Reported and 2021 Current Outlook, respectively.

(4) 2020 As Reported 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.

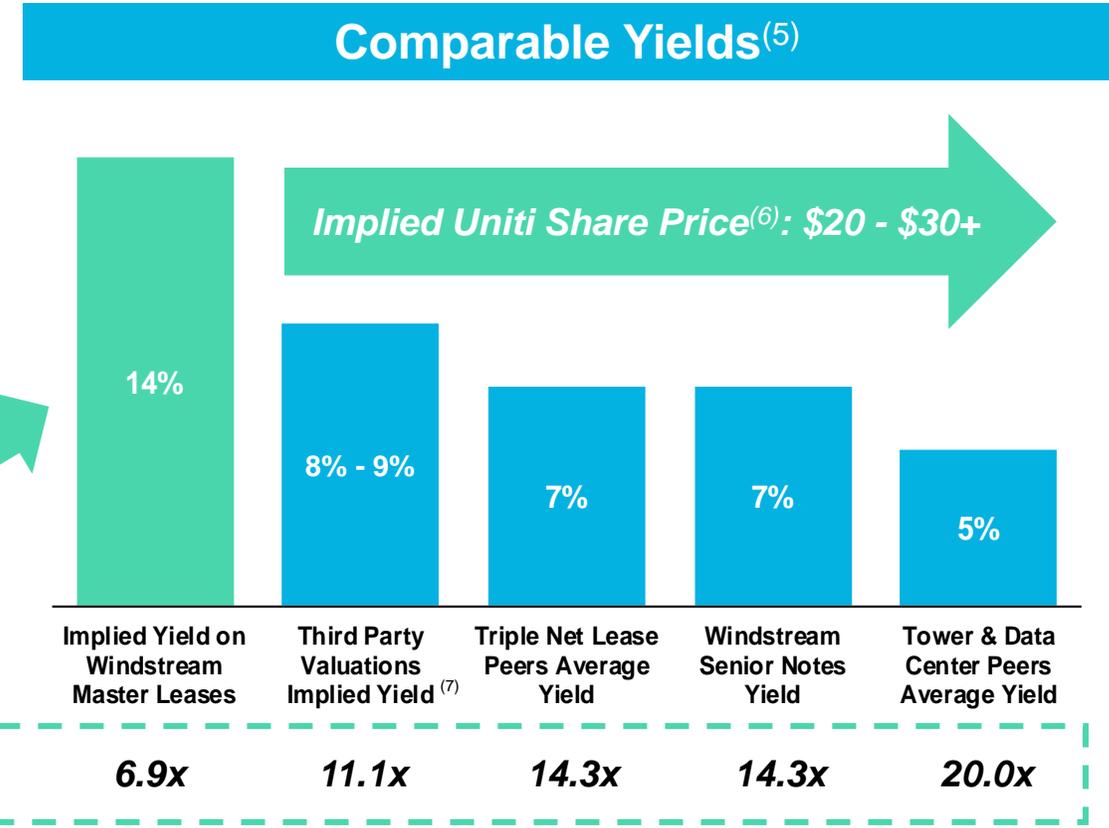
(5) 2021 Current Outlook reflects the Everstream transaction, including the partial sale of Uniti Fiber's Northeast operations, which closed on May 28, 2021.

(6) AFFO/Diluted Share is based on average weighted common shares outstanding of 234 million and 263 million for 2020 As Reported and 2021 Current Outlook, respectively.

Uniti Valuation Compared to Peers

\$ in millions

Current Firm Value⁽¹⁾	\$7,609
Uniti 2021 Non-Windstream Adjusted EBITDA ⁽²⁾	\$160
Assumed Valuation Multiple ⁽³⁾	15x - 20x
Non-Windstream Asset Value⁽⁴⁾	\$2,800
Implied Value of Windstream Master Leases	\$4,809
Uniti 2021 Remaining Adjusted EBITDA ⁽²⁾	\$692
Implied Yield on Windstream Master Leases	14%



Uniti Currently Trades at a Substantial Discount to its Peers

(1) Represents Uniti's enterprise value. Net debt is as of June 30, 2021. Market data is as of July 30, 2021.

(2) Based on the mid-point of 2021 Outlook range provided in the Company's Earnings Release dated August 5, 2021. Non-Windstream Adjusted EBITDA includes Uniti Fiber and non-Windstream Uniti Leasing Adjusted EBITDA. 2021 Remaining Adjusted EBITDA includes Adjusted EBITDA related to the Windstream Master Lease agreements, net of corporate expenses of \$32 million.

(3) Illustrative of representative precedent fiber transactions.

(4) Represents the mid-point of the assumed valuation multiple of 17.5x multiplied by 2021 Non-Windstream Adjusted EBITDA.

(5) Tower, data center, and triple net lease peers source: Green Street Research. Peers average reflects weighted average nominal cap rates for each sector. Windstream senior notes yield reflects recent yield to worst on Windstream's 7.750% 1st lien notes due 2028.

(6) Reflects implied share price range of Uniti common shares based on the implied comparable yield on the Windstream Master Lease agreements.

(7) Represents third party valuations received in 2015 as part of the spin-off from Windstream and received in 2020 in connection with Windstream's emergence from bankruptcy.

(8) Represents the implied cash flow multiple for each comparable yield.

Appendix



Key 2021 Outlook Ranges⁽¹⁾

In Millions, except per share data

	Leasing	Uniti Fiber	Uniti Consolidated
Revenue	\$782 - \$785	\$301 - \$309	\$1,083 - \$1,094
Adjusted EBITDA ⁽²⁾	\$764 - \$768	\$114 - \$122	\$846 - \$858
Interest Expense, Net ⁽³⁾	-	-	\$441
Net Success-Based Capex	\$205 - \$215	\$115 - \$135	\$320 - \$350
AFFO to Common Shareholder ⁽²⁾	-	-	\$408 - \$420
AFFO / Diluted Common Share ⁽²⁾	-	-	\$1.61 - \$1.65
Weighted-Average Common Shares Outstanding – Diluted	-	-	263

Note: Amounts may not foot due to rounding.



⁽¹⁾ 2021 Current Outlook is based on the mid-point of 2021 Outlook range provided in the Company's Earnings Release dated August 5, 2021. Our 2021 Current Outlook reflects the Everstream transaction, including the partial sale of Uniti Fiber's Northeast operations, which closed on May 28, 2021. Our 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 following slides for a reconciliation of non-GAAP metrics to the most closely comparable GAAP metric.

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

Reconciliation of Uniti Non-GAAP Financial Measures⁽¹⁾

\$ in Millions

	Uniti 2Q20	2Q20 Adjustments ⁽²⁾	Uniti 2Q20 Adjusted ⁽²⁾	Uniti 2Q21
Net income (loss)	(\$598.3)	\$0.9	(\$597.4)	\$49.6
Depreciation and amortization	85.0	(0.2)	84.8	69.7
Interest expense	107.2	0.1	107.3	106.4
Income tax expense (benefit)	(5.9)	0.1	(5.8)	5.1
EBITDA	(\$412.0)	\$0.8	(\$411.2)	\$230.7
Stock-based compensation	4.1	(0.1)	4.0	3.5
Adjustments for unconsolidated entities	-	-	-	0.9
Transaction related costs & Other ⁽³⁾	610.8	(0.5)	610.3	(19.3)
Adjusted EBITDA	\$202.9	\$0.2	\$203.1	\$215.7



(1) Amounts may not foot due to rounding.

(2) 2Q20 adjusted results are adjusted to exclude the results from Uniti Towers and Talk America. No other changes to financial information or transactions have been assumed. 2Q20 adjusted results have not been prepared in accordance with Article 11 of Regulation S-X.

(3) 2Q20 includes \$650 million litigation settlement charge. 2Q21 includes gain of \$28.1 million on the sale of a portion of Uniti Fiber's Northeast operations and certain dark fiber IRU contracts acquired as part of the Windstream settlement.

Reconciliation of Uniti Non-GAAP Financial Measures⁽¹⁾

\$ in Millions

	2020					
	Leasing	Uniti Fiber	Uniti Towers	CLEC	Corporate	Uniti
Net income (loss) ⁽²⁾	\$555.0	(\$80.8)	\$62.3	(\$1.0)	(\$1,254.3)	(\$718.8)
Depreciation and amortization	201.3	126.2	0.8	0.8	0.3	329.4
Interest expense (income)	-	1.8	(0.1)	-	495.4	497.1
Income tax benefit	(2.1)	(12.8)	-	(0.3)	-	(15.2)
EBITDA	\$754.2	\$34.4	\$63.0	(\$0.5)	(\$758.6)	\$92.5
Stock-based compensation	0.5	2.7	0.3	-	10.2	13.7
Adjustments for unconsolidated entities	2.3	-	-	-	-	2.3
Transaction related costs & Other ⁽²⁾	(19.7)	75.2	(63.1)	-	717.9	710.3
Adjusted EBITDA	\$737.3	\$112.3	\$0.1	(\$0.5)	(\$30.4)	\$818.8

Reconciliation of Uniti Non-GAAP Financial Measures⁽¹⁾

\$ in Millions

	Uniti 2Q20	Uniti 2Q21	Uniti 2020
Net income (loss) attributable to common shares ⁽²⁾	(\$588.2)	\$48.6	(\$707.4)
Real estate depreciation and amortization	62.1	52.2	246.7
Gain on sale of real estate assets, net of tax ⁽³⁾	(63.8)	(0.4)	(85.9)
Participating securities' share in earnings	0.4	0.3	1.1
Participating securities' share in FFO	(0.4)	(0.7)	(1.2)
Adjustments for unconsolidated entities	-	0.6	1.0
Adjustments for noncontrolling interests	-	(0.8)	(2.6)
FFO attributable to common shareholders	(\$589.8)	\$99.8	(\$548.2)
Transaction related costs	18.6	0.4	63.9
Change in fair value of contingent consideration	4.6	-	7.2
Amortization of deferred financing costs and debt discount ⁽⁴⁾	9.0	4.4	110.9
Stock based compensation	4.1	3.5	13.7
Costs related to the early repayment of debt	-	10.9	-
Non-real estate depreciation and amortization	22.9	17.5	82.7
Straight-line revenues	0.6	(7.3)	(6.9)
Maintenance capital expenditures	(2.3)	(2.4)	(7.1)
Other, net ⁽²⁾	638.6	(23.7)	688.6
Adjustments for unconsolidated entities	-	0.3	1.2
Adjustments for noncontrolling interests	(12.3)	(0.1)	(16.5)
Adjusted FFO attributable to common shareholders	\$94.0	\$103.2	\$389.5

(1) Amounts may not foot due to rounding.

(2) Includes \$650 million litigation settlement charge in 2Q20 and 2020. 2Q21 includes gain of \$28.1 million on the sale of a portion of Uniti Fiber's Northeast operations and certain dark fiber IRU contracts acquired as part of the Windstream settlement.

(3) 2Q20 represents gain on the sale of the U.S. tower business. 2020 represents gain on the sale of the U.S. tower business and partial sale of Bluebird PropCo.

(4) 2Q21 includes the write off of deferred financing costs of \$2.4 million related to the early repayment of debt. 2020 Includes the write off of deferred financing costs and debt discount of \$74 million that was incurred at the time our term loan facility was fully repaid on February 10, 2020.

Reconciliation of Uniti Non-GAAP Financial Measures⁽¹⁾

\$ in Millions

	2021 Current Outlook ⁽²⁾			
	Leasing ⁽²⁾	Uniti Fiber ⁽²⁾	Corporate ⁽²⁾	Uniti ⁽²⁾
Net income (loss) ⁽³⁾	\$593	\$35	(\$496)	\$132
Depreciation and amortization	164	114	-	278
Interest expense	-	-	441	441
Income tax expense (benefit)	5	(7)	-	(2)
EBITDA	\$762	\$142	(\$55)	\$849
Stock-based compensation	1	4	10	15
Adjustments for unconsolidated entities	3	-	-	3
Transaction related costs & Other ⁽³⁾	-	(28)	13	(15)
Adjusted EBITDA	\$766	\$118	(\$32)	\$852

 (1) Amounts may not foot due to rounding.

(2) 2021 Current Outlook is based on the mid-point of 2021 Outlook range provided in the Company's Earnings Release dated August 5, 2021. Our 2021 Current Outlook reflects the Everstream transaction, including the partial sale of Uniti Fiber's Northeast operations, which closed on May 28, 2021. Our 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 gain of \$28 million on the sale of a portion of Uniti Fiber's Northeast operations and certain dark fiber IRU contracts acquired as part of the Windstream settlement.

Reconciliation of Uniti Non-GAAP Financial Measures⁽¹⁾

\$ in Millions

	Uniti 2021 Current Outlook ⁽²⁾
Net income attributable to common shares	\$129
Real estate depreciation and amortization	208
Participating securities' share in earnings	1
Participating securities' share in FFO	(1)
Adjustments for unconsolidated entities	3
Adjustments for noncontrolling interests	(3)
FFO attributable to common shareholders	\$337
Transaction related costs	5
Amortization of deferred financing costs and debt discount ⁽³⁾	41
Stock based compensation	15
Costs related to the early repayment of debt	29
Non-real estate depreciation and amortization	70
Straight-line revenues	(30)
Maintenance capital expenditures	(6)
Other, net ⁽⁴⁾	(44)
Adjustments for noncontrolling interests	(1)
Adjusted FFO attributable to common shareholders	\$414

(1) Amounts may not foot due to rounding.

(2) 2021 Current Outlook is based on the mid-point of 2021 Outlook range provided in the Company's Earnings Release dated August 5, 2021. Our 2021 Current Outlook reflects the Everstream transaction, including the partial sale of Uniti Fiber's Northeast operations, which is expected to close in 2Q21. Our 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 the write off of deferred financing costs of \$23 million related to the tender of our 8.25% senior unsecured notes due 2023 on February 2, 2021, and the retirement of our 6.00% senior secured notes due 2023 on April 20, 2021.

(4) Includes gain of \$28 million on the sale of a portion of Uniti Fiber's Northeast operations and certain dark fiber IRU contracts acquired as part of the Windstream settlement.

Non-GAAP Financial Measures

We refer to EBITDA, Adjusted EBITDA, Funds From Operations (“FFO”) as defined by the National Association of Real Estate Investment Trusts (“NAREIT”) and Adjusted Funds From Operations (“AFFO”) in our analysis of our results of operations, which are not required by, or presented in accordance with, accounting principles generally accepted in the United States (“GAAP”). While we believe that net income, as defined by GAAP, is the most appropriate earnings measure, we also believe that EBITDA, Adjusted EBITDA, FFO and AFFO are important non-GAAP supplemental measures of operating performance for a REIT.

We define “EBITDA” as net income, as defined by GAAP, before interest expense, provision for income taxes and depreciation and amortization. We define “Adjusted EBITDA” as EBITDA before stock-based compensation expense and the impact, which may be recurring in nature, of transaction and integration related costs, costs associated with Windstream’s bankruptcy, costs associated with litigation claims made against us, and costs associated with the implementation of our new enterprise resource planning system, collectively “Transaction Related and Other Costs”, costs related to the settlement with Windstream, goodwill impairment charges, amortization of non-cash rights-of-use, the write off of unamortized deferred financing costs, costs incurred as a result of the early repayment of debt, including early tender 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. 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 use 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, and accretion on 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, 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 early repayment of debt, including early tender premiums and 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.

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 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.

Glossary

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.

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.

Glossary

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.

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.

Glossary

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.

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.

Glossary

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.