



Quarterly Investor Update

December 15th, 2020

Safe Harbor Statement

Forward-looking Language

This presentation contains "forward-looking statements," related to future events. Forward-looking statements address Frontier's expected future business, financial performance, and financial condition, and contain words such as "expect," "anticipate," "intend," "plan," "believe," "seek," "see," "may," "will," "would," or "target." Forward-looking statements by their nature address matters that are, to different degrees, uncertain. For Frontier, particular uncertainties that could cause actual results to be materially different than those expressed in such forward-looking statements include: our ability to continue as a going concern; our ability to successfully consummate a financial restructuring of our existing debt, existing equity interests, and certain other obligations (the Restructuring), and emerge from cases commenced under chapter 11 (the Chapter 11 Cases) of the United States Bankruptcy Code, including by satisfying the conditions and milestones in the restructuring support agreement; our ability to improve our liquidity and long-term capital structure and to address our debt service obligations through the Restructuring and the potential adverse effects of the Chapter 11 Cases on our liquidity and results of operations; our ability to maintain relationships with suppliers, customers, employees and other third parties as a result of the Restructuring and the Chapter 11 Cases; the effects of the Restructuring and the Chapter 11 Cases on Frontier and the interests of various constituents; risks and uncertainties associated with the Restructuring, including our ability to satisfy the conditions precedent for effectiveness of and successfully consummate the Restructuring; our ability to comply with the restrictions imposed by covenants in debtor-in-possession and expected to be imposed by our exit financing; the length of time that Frontier will operate under Chapter 11 protection and the continued availability of operating capital during the pendency of the Chapter 11 Cases; risks associated with third party motions in the Chapter 11 Cases, which may interfere with Frontier's ability to consummate the Restructuring; increased administrative and legal costs related to the Chapter 11 process; declines in revenue from our voice services, switched and nonswitched access and video and data services that we cannot stabilize or offset with increases in revenue from other products and services; our ability to successfully implement strategic initiatives, including opportunities to enhance revenue and realize productivity improvements; our ability to effectively manage our operations, operating expenses, capital expenditures, debt service requirement and cash paid for income taxes and liquidity; competition from cable, wireless and wireline carriers, satellite, and OTT companies, and the risk that we will not respond on a timely or profitable basis; our ability to successfully adjust to changes in the communications industry, including the effects of technological changes and competition on our capital expenditures, products and service offerings; risks related to disruption in our networks, infrastructure and information technology that result in customer loss and/or incurrence of additional expenses; the impact of potential information technology or data security breaches or other cyber-attacks or other disruptions; our ability to retain or attract new customers and to maintain relationships with customers, employees or suppliers; our ability to secure, continue to use or renew intellectual property and other licenses used in our business; changes to our board of directors and management team upon emergence from bankruptcy or in anticipation of emergence, and our ability to hire or retain key personnel; our ability to dispose of certain assets or asset groups on terms that are attractive to us, or at all; the effects of changes in the availability of federal and state universal service funding or other subsidies to us and our competitors and our ability to obtain future subsidies, including participation in the proposed RDOF program; our ability to meet our CAF II obligations and the risk of penalties or obligations to return certain CAF II funds; our ability to defend against litigation and potentially unfavorable results from current pending and future litigation; our ability to comply with applicable federal and state consumer protection requirements; the effects of state regulatory requirements that could limit our ability to transfer cash among our subsidiaries or dividend funds up to the parent company; the effects of governmental legislation and regulation on our business, including costs, disruptions, possible limitations on operating flexibility and changes to the competitive landscape resulting from such legislation or regulation; the impact of regulatory, investigative and legal proceedings and legal compliance risks; government infrastructure projects (such as highway construction) that impact our capital expenditures; continued reductions in switched access revenues as a result of regulation, competition or technology substitutions; our ability to effectively manage service quality in the states in which we operate and meet mandated service quality metrics; the effects of changes in income tax rates, tax laws, regulations or rulings, or federal or state tax assessments, including the risk that such changes may benefit our competitors more than us, as well as potential future decreases in the value of our deferred tax assets; the effects of changes in accounting policies or practices, including potential future impairment charges with respect to our intangible assets or additional losses on assets held for sale; the effects of increased medical expenses and pension and postemployment expenses; our ability to successfully renegotiate union contracts; changes in pension plan assumptions, interest rates, discount rates, regulatory rules and/or the value of our pension plan assets, which could require us to make increased contributions to the pension plan in 2020 and beyond; adverse changes in economic, political and market conditions in the areas that we serve, the U.S. and globally, including but not limited to, changes resulting from epidemics, pandemics and outbreaks of contagious diseases, including the COVID-19 pandemic, or other adverse public health developments; potential adverse impacts of the COVID-19 pandemic on our business and operations, including potential disruptions to the work of our employees arising from health and safety measures such as social distancing and working remotely, our ability to effectively manage increased demand on our network, our ability to maintain relationships with our current or prospective customers and vendors as well as their abilities to perform under current or proposed arrangements with us, and stress on our supply chain; trading price and volatility of our common stock and risks related to the delisting of our common stock from the Nasdaq Global Select Market; and the risks and other factors contained in Frontier's filings with the U.S. Securities and Exchange Commission, including our most recent report on Form 10-K and our Form 10-Q for the quarter ended September 30, 2020. These risks and uncertainties may cause actual future results to be materially different than those expressed in such forward-looking statements. Frontier has no obligation to update or revise these forward-looking statements and does not undertake to do so.

Non-GAAP Financial Measures

Frontier uses certain non-GAAP financial measures in evaluating its performance, including EBITDA, EBITDA margin, Adjusted EBITDA, Adjusted EBITDA margin, operating free cash flow, and adjusted operating expenses, each of which is described below. Management uses these non-GAAP financial measures internally to (i) assist in analyzing Frontier's underlying financial performance from period to period, (ii) analyze and evaluate strategic and operational decisions, (iii) establish criteria for compensation decisions, and (iv) assist in the understanding of Frontier's ability to generate cash flow and, as a result, to plan for future capital and operational decisions. Management believes that the presentation of these non-GAAP financial measures provides useful information to investors regarding Frontier's financial condition and results of operations because these measures, when used in conjunction with related GAAP financial measures (i) provide a more comprehensive view of Frontier's core operations and ability to generate cash flow, (ii) provide investors with the financial analytical framework upon which management bases financial, operational, compensation, and planning decisions and (iii) present measurements that investors and rating agencies have indicated to management are useful to them in assessing Frontier and its results of operations.

A reconciliation of these measures to the most comparable financial measures calculated and presented in accordance with

GAAP is included in the accompanying tables. These non-GAAP financial measures are not measures of financial performance or liquidity under GAAP, nor are they alternatives to GAAP measures and they may not be comparable to similarly titled measures of other companies.

EBITDA is defined as net income (loss) less income tax expense (benefit), interest expense, investment and other income (loss), pension settlement costs, gains/losses on extinguishment of debt, reorganization items and depreciation and amortization. EBITDA margin is calculated by dividing EBITDA by total revenue.

Adjusted EBITDA is defined as EBITDA, as described above, adjusted to exclude, certain pension/OPEB expenses, restructuring costs and other charges, stock-based compensation expense, goodwill impairment charges, and certain other non-recurring items. Adjusted EBITDA margin is calculated by dividing Adjusted EBITDA by total revenue.

Management uses EBITDA, EBITDA margin, Adjusted EBITDA and Adjusted EBITDA margin to assist it in comparing performance from period to period and as measures of operational performance. Management believes that these non-GAAP measures provide useful information for investors in evaluating Frontier's operational performance from period to period because they exclude depreciation and amortization expenses related to investments made in

prior periods and are determined without regard to capital structure or investment activities. By excluding capital expenditures, debt repayments and dividends, among other factors, these non-GAAP financial measures have certain shortcomings. Management compensates for these shortcomings by utilizing these non-GAAP financial measures in conjunction with the comparable GAAP financial measures.

Adjusted net income (loss) attributable to Frontier common shareholders is defined as net income (loss) attributable to Frontier common shareholders and excludes restructuring costs and other charges, pension settlement costs, goodwill impairment charges, certain income tax items and the income tax effect of these items, and certain other non-recurring items. Adjusting for these items allows investors to better understand and analyze Frontier's financial performance over the periods presented.

Management defines operating free cash flow, a non-GAAP measure, as net cash from operating activities less capital expenditures. Management uses operating free cash flow to assist it in comparing liquidity from period to period and to obtain a more comprehensive view of Frontier's core operations and ability to generate cash flow. Management believes that this non-GAAP measure is useful to investors in evaluating cash available to service debt. This non-GAAP financial measure has certain

shortcomings; it does not represent the residual cash flow available for discretionary expenditures, as items such as taxes, pension and OPEB costs, interest expense, and debt repayments are not deducted in determining such measure. Management compensates for these shortcomings by utilizing this non-GAAP financial measure in conjunction with the comparable GAAP financial measure.

Adjusted operating expenses is defined as operating expenses adjusted to exclude depreciation and amortization, restructuring and other charges, goodwill impairment charges, certain pension/OPEB expenses, stock-based compensation expense, and certain other non-recurring items. Investors have indicated that this non-GAAP measure is useful in evaluating Frontier's performance.

Projected GAAP financial measures are not provided herein because such figures are not available on a forward-looking basis and reconciliations of projected non-GAAP financial measures are not provided because they could not be derived without unreasonable effort.

The information in this presentation should be read in conjunction with the financial statements and footnotes contained in Frontier's documents filed with the U.S. Securities and Exchange Commission.

Unless otherwise indicated, the information presented herein, including operational and financial data, non-GAAP measures, and commentary pertains to the Remaining Properties only. “Remaining Properties” comprises the 25 states Frontier currently operates in as of September 30, 2020, and excludes Washington, Oregon, Idaho, and Montana due to the divestiture of operations and assets in these states effective May 1, 2020. “Consolidated” refers to the entire business, which may include financial data from Washington, Oregon, Idaho, and Montana for the periods through May 1, 2020. References to “Northwest Ops” refer to the metrics of the four Northwest states. Reconciliations for the Consolidated, Remaining Properties, and Northwest Ops financial results can be found in the Appendix section of this presentation, Frontier’s 10-Q for the quarter ended September 30, 2020, and Frontier’s Form 8-K containing supplemental financial information filed on November 4, 2020.

Today's Presenters



Robert A. Schriesheim

Director; Chairman of Finance Committee



Bernard L. Han

President and Chief Executive Officer



Sheldon Bruha

Chief Financial Officer

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1. Situation Overview: Transformation Status

Robert A. Schriesheim,
Chairman of Finance Committee

The Transformation of Frontier

Frontier is undergoing a holistic and transformative restructuring process built on 4 pillars. The comprehensive balance sheet restructuring is one element. Additionally, Frontier is executing an operational turnaround, strategic transformation and leadership transition which together will enable the Company to emerge from Chapter 11 in early 2021, well-positioned for value creation .

1

Restructured Balance Sheet

- Eliminated **\$10.9B** of Debt, for a PF leverage multiple of **2.4x**^{1,2}
- Reduced annual interest from **\$1.5B to \$430M**^{1,3}
- Completed a **\$4.95B** refinancing which cut annual interest by an additional **~\$60M**, extended maturity to 2027, and increased 1L capacity by **~\$800M**

2

Operational Turnaround

- Upgraded CEO leadership team to drive **\$400M** targeted annual EBITDA benefit by 2022
- Instituted strategies to focus on a higher performance product suite, as demonstrated in Q3 2020, the **5th straight quarter** with positive fiber BB net adds.

3

Strategic Repositioning

- Initiated strategic transformation by **expanding our fiber footprint**, including a 2020 FTTH pilot program resulting in fiber built to up to 60k homes
- Self-funding Modernization Plan implements **fiber builds with attractive returns** to transform the BB subscriber base from **45% to 87%** fiber subs

4

Talent Enhancement

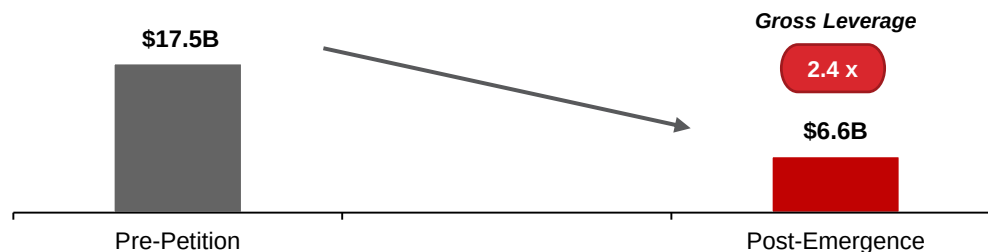
- Attracted key talent at critical stages:
- **Bernie Han** hired as CEO 12/2019 to lead 1st phase of operational transformation
- **John Stratton** to serve as Exec. Chairman upon Ch. 11 emergence
- **Nick Jeffery** to **assume CEO** position on March 1, 2021 to lead New Frontier

1. Illustratively assumes \$750M of takeback debt to Unsecured Bondholders at a 10% interest rate
2. Calculated as projected debt at emergence divided by LTM Q3 '20 Adj. EBITDA pro forma for the Remaining Properties
3. Annual expected cash interest expense at emergence as compared to filing date capital structure

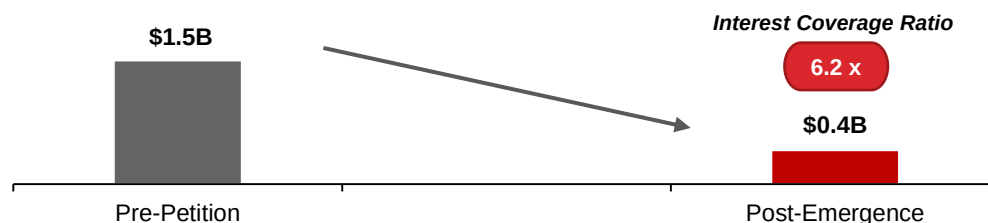
Restructured Balance Sheet through Expeditious Bankruptcy Process

Frontier expects to emerge from bankruptcy with a meaningfully deleveraged balance sheet and ample liquidity, through a reduction in debt of \$11B and a 70% reduction in annual interest expense providing financial flexibility to pursue operational and strategic initiatives

~\$11B
Debt Reduction¹



~\$1B
Annual Interest Expense Reduction¹



**Expeditious
Bankruptcy
Process**

93%
Plan of Reorganization accepted
by over 93% aggregate voter
claims (in amount)

**August
21**
Plan Confirmed ²

Early 2021
Expected Bankruptcy
Emergence (12 state PUCs
have already approved)

1. Illustratively assumes \$750M of takeback debt to Unsecured Bondholders at a 10% interest rate. Includes the impact of post Q3 refinancing activity
2. Court approved confirmation on 8/21/20 subject to final documentation, which occurred on 8/27/20.

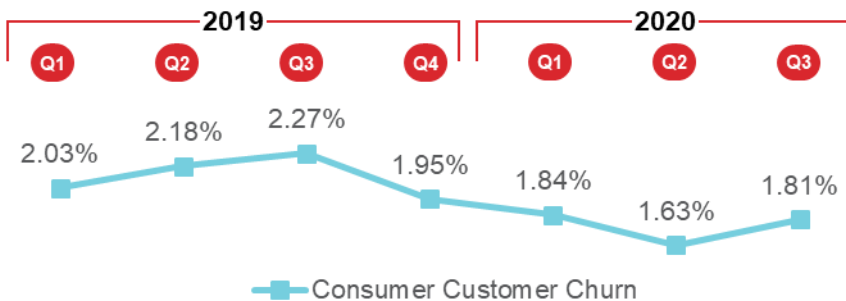
Note: The long-term targets on this slide are not projections or estimates of future results. Frontier's ability to achieve any such targets is subject to various risks and uncertainties. Accordingly, there are or will be important factors that could cause actual outcomes or results to differ materially from these targets, and there can be no assurance that we will achieve any such targets for any particular capex outlay within any particular timeframe, or at all. More on risk factors can be found in our 10-Q for the period ended September 30, 2020. See page 2 for more information on forward-looking statements

2 Operational Turnaround

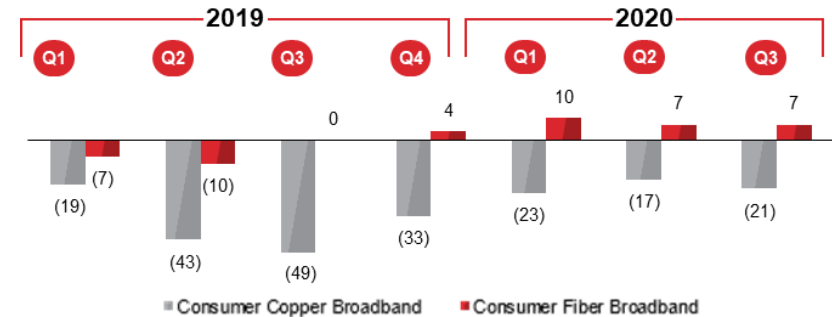
Key Operational Initiatives implemented by Frontier management led by CEO Bernie Han:

Consumer - Data: Improved Operational Key Performance Indicators, including significantly reduced YoY churn, leading to Frontier's 5th straight quarter of positive consumer fiber broadband net adds

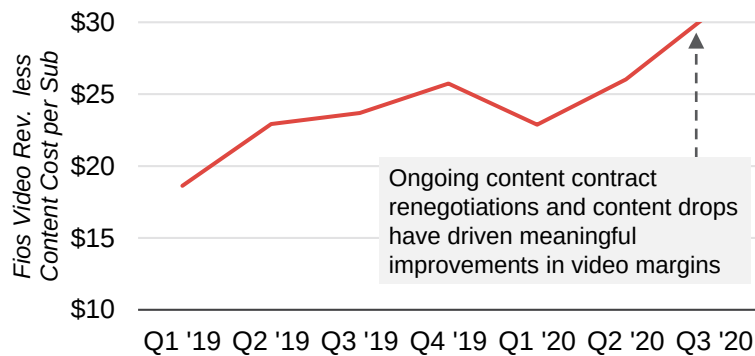
Customer Churn Trends



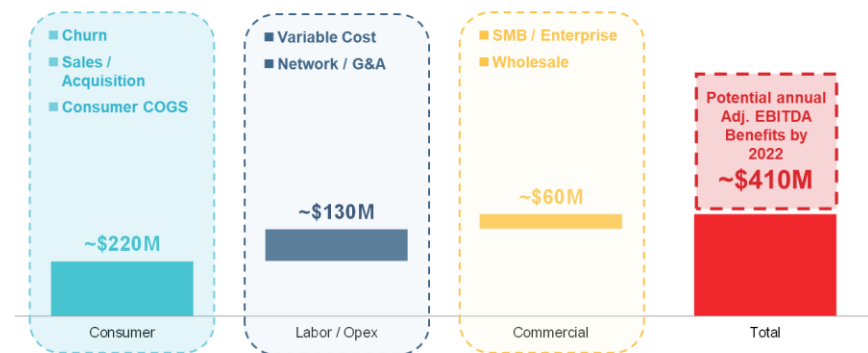
Consumer Unit Trends (Net Adds (000s))



Consumer – Video: Renegotiate contracts to lower content costs or drop channels entirely



Operational Initiatives with long-term target of \$400M+ of annual EBITDA benefit by 2022



Note: Figures are for Remaining Properties

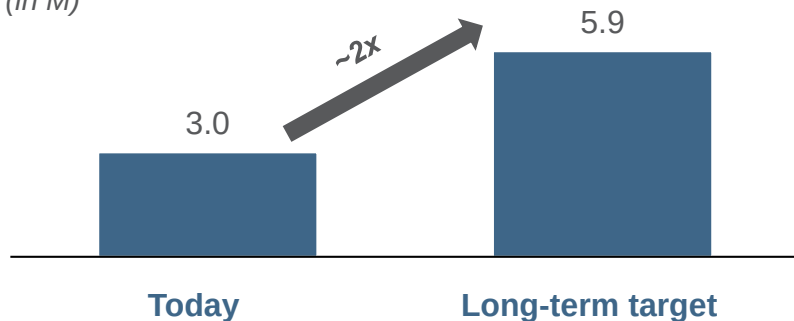
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3 Strategic Repositioning

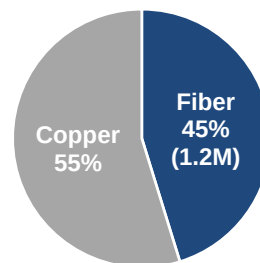
- Over past 18 months, Frontier has successfully initiated the transformation from a legacy provider of copper services by investing to expand its fiber footprint and strategically re-evaluating individual state operating performance and long-term positioning through a detailed “virtual separation” capital allocation framework
- In 2020, the Company has taken the first steps towards achieving this plan, through a pilot fiber-to-the home build to up to 60k homes, as well as winning \$370M of total government subsidy over ten years as part of the RDOF program
- Through the self-funding Modernization Plan, Frontier has a long-term target (within 10 years) of passing ~2.9M incremental homes with fiber, with strict return on capital hurdles allowing for attractive returns, to increase fiber availability in broadband capable homes

Fiber Broadband Homes Passed

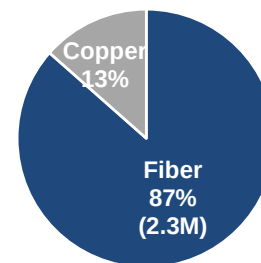
(in M)



Broadband Subscribers

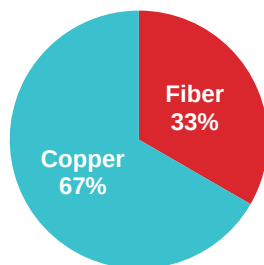


Today

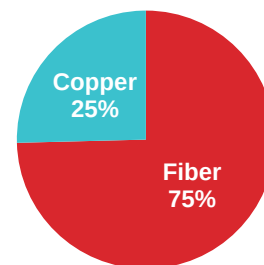


Long-term target

Fiber vs. Copper Revenue Mix ¹



2019

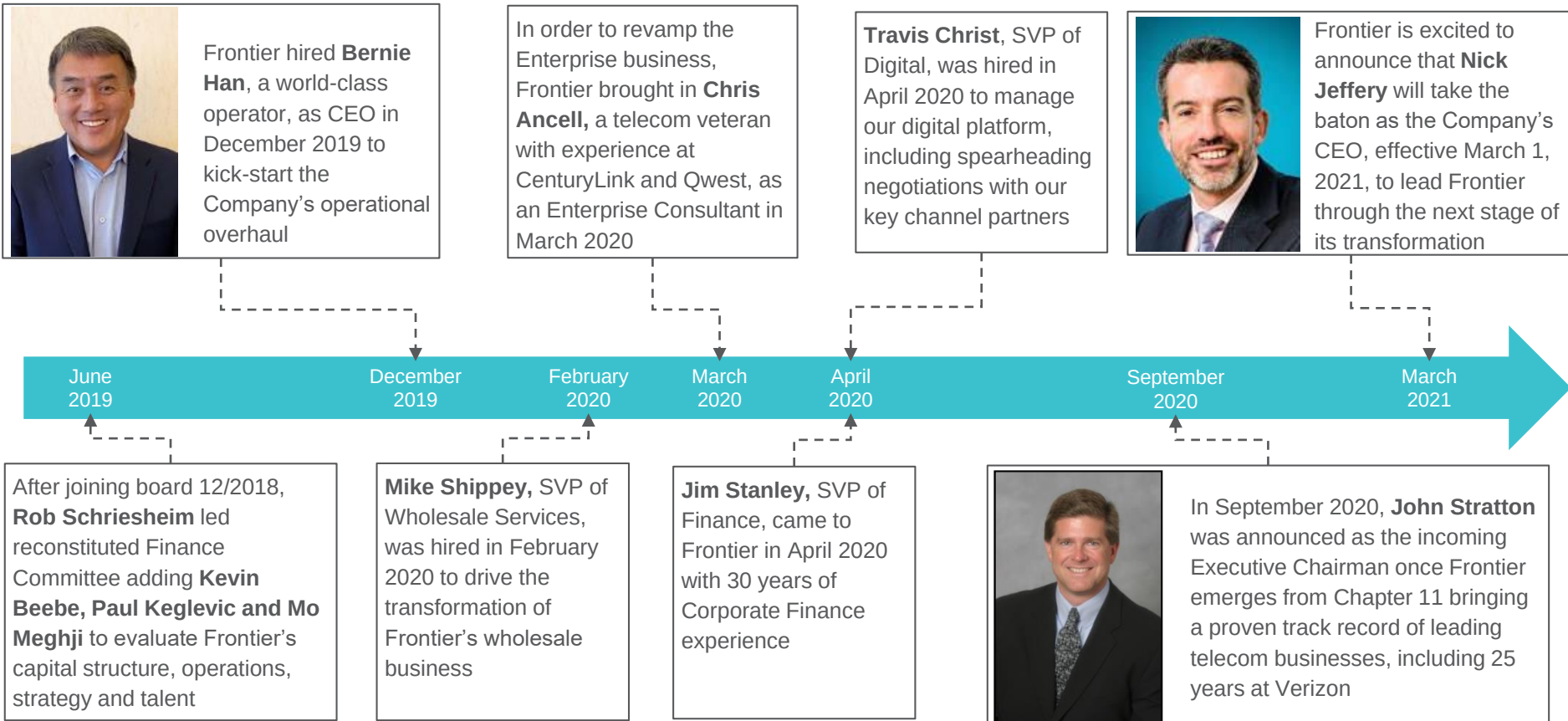


Long-term target

1. Fiber revenues are comprised of revenues from fiber broadband, related broadband equipment, fiber voice, fiber video, ethernet, and managed solution products

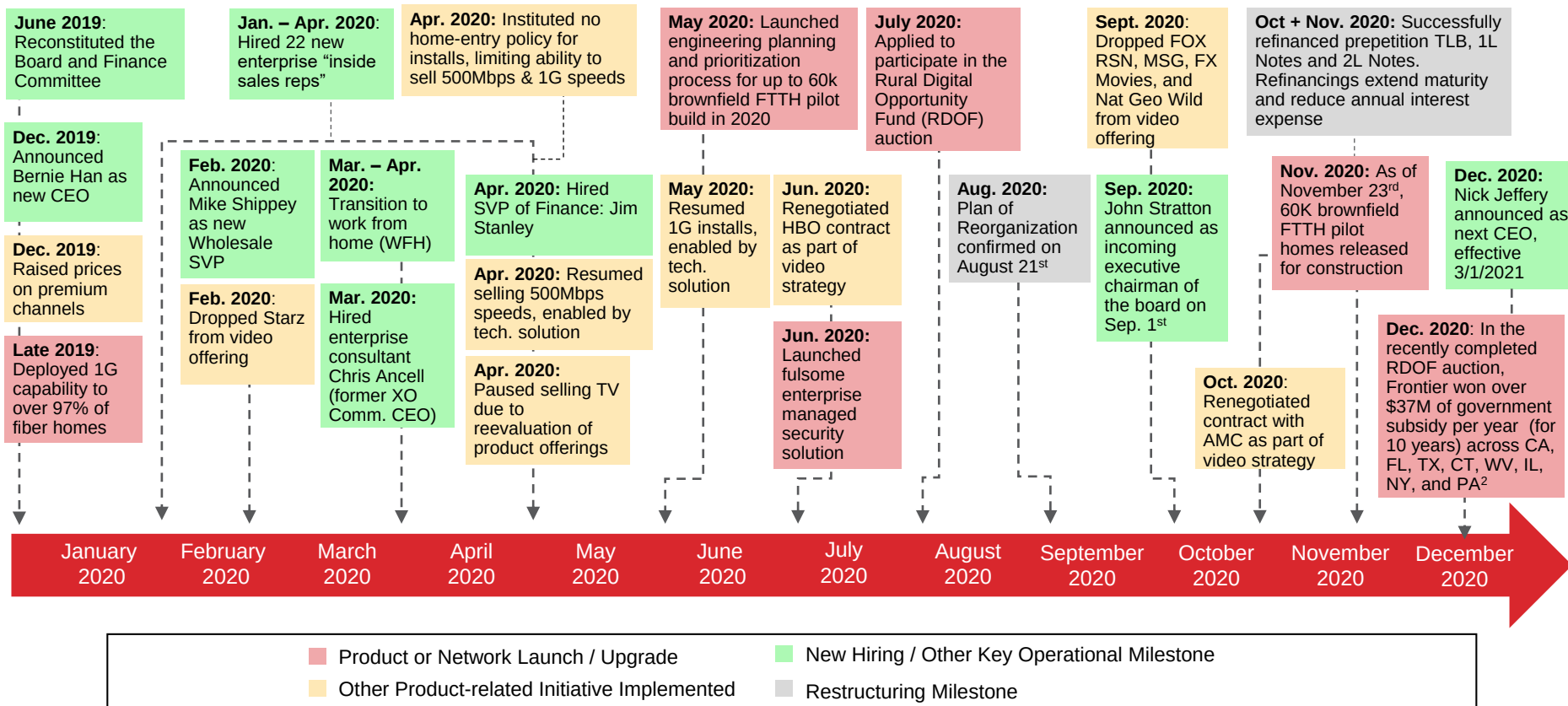
4 Talent Enhancement

Frontier has brought in key telecommunications, turn-around and restructuring talent at critical stages of the Company's transformation



Transformation Timeline and Key Milestones

Key Milestones



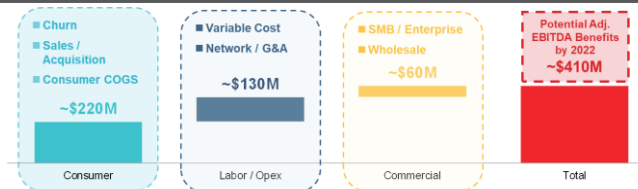
1. Court approved confirmation on 8/21/20 subject to final documentation, which occurred on 8/27/20.
2. On December 7th, the FCC released its public notice containing certain information related to the RDOF auction results. Frontier is still subject to the FCC Quiet Period rules related to the auction and is prohibited from discussing any further information related to the auction until January 29, 2021.

Frontier is on track to achieve the goals of our 4 Transformation Pillars Upon Emergence

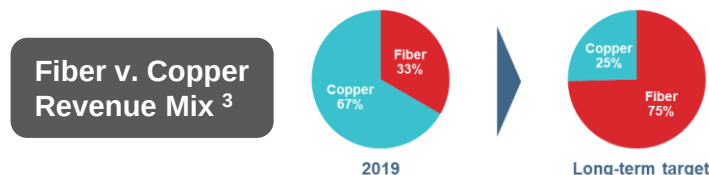
1 Restructured Balance Sheet
Significantly Deleveraged Capital Structure and Interest Expense Savings Create Optionality to Invest in Accretive Investment Opportunities ^{1, 2}



2 Operational Turnaround
Strategic Operational Initiatives Reduce Unprofitable Product Mix and Enhance Unit Economics while Reducing Customer Churn and Rationalizing Costs



3 Strategic Repositioning to Enhance Value
Repositioning the Business through Reinvestment via the Modernization Plan



4 Talent Enhancement
Attract key talent to lead the Company through Critical Stages of the Transformation process

- ✓ Bernie Han as CEO drove operational overhaul
- ✓ John Stratton appointed as Executive Chairman of New Frontier post-emergence
- ✓ Nick Jeffery announced as Frontier's next CEO

Frontier has made significant strides in the last year moving beyond recapitalizing the balance sheet to a holistic transformation. Upon emergence, Frontier will be on track to achieve the operational, strategic and financial objectives set by the Finance Committee while ensuring a seamless leadership transition.

1. Illustratively assumes \$750M of takeback debt to Unsecured Bondholders at a 10% interest rate
2. Calculated as projected debt at emergence divided by LTM Q3 '20 Adj. EBITDA pro forma for the Remaining Properties
3. Fiber revenues are comprised of revenues from fiber broadband, related broadband equipment, fiber voice, fiber video, ethernet, and managed solution products

Note: The long-term targets on this slide are not projections or estimates of future results. Frontier's ability to achieve any such targets is subject to various risks and uncertainties. Accordingly, there are or will be important factors that could cause actual outcomes or results to differ materially from these targets, and there can be no assurance that we will achieve any such targets for any particular capex outlay within any particular timeframe, or at all. More on risk factors can be found in our 10-Q for the period ended September 30, 2020. See slide 2 for more information on forward-looking statements



2. Key Initiatives Update

Bernard L. Han,
President and Chief Executive Officer

Key Q3 2020 Highlights

- Consumer customer churn of 1.81%, a YoY improvement
- Fifth consecutive quarter of positive fiber net adds and a YoY improvement in net losses in copper markets
- Significant repricing and reduction of video gross adds while still maintaining positive broadband net adds

\$1,726M

Total Revenue

Achieved four consecutive quarters of stable consumer broadband revenues

\$15M

Net Income

Includes \$131M of reorganization items related to balance sheet restructuring

\$690M

Adjusted EBITDA

Continued strong cost discipline

Network: Fiber to the Home Pilot Update

- Currently in the construction stage of the brownfield fiber to the home (“FTTH”) pilot, with penetration uptake in early stages
- Building up to ~60K homes across six states for a total of ~\$50M¹

FTTH Build Progress as of...

	September 30 th	November 30 th
<i>Cumulative Homes Engineered / Released for Construction</i>	~59K	~60K
<i>Cumulative Homes Constructed</i>	~6K	~36K
<i>Cumulative Homes Open for Sale</i>	~2K	~30K

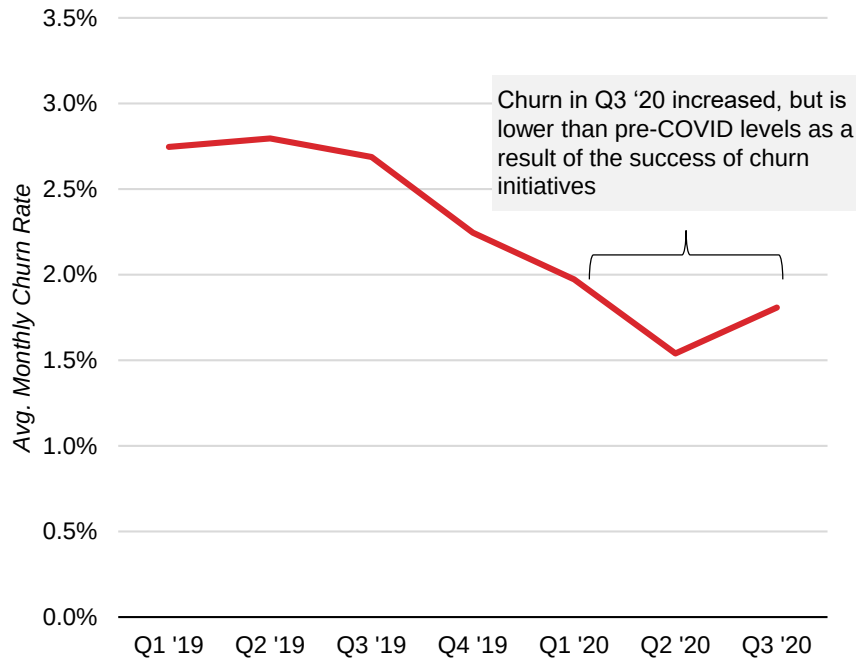
- Over 60k homes have been engineered, surpassing the 2020 goal
- \$50M of expected build cost is coming in at budget
- To date, all planning, permitting, construction, and training has been progressing without issue
- As of November 30th, have completed construction of ~60% of homes that have been engineered
- Penetration and ARPU are tracking at or above targets
- Majority of early penetration derived from net new subscribers (rather than existing subscribers converted from copper broadband)

1) The ~\$50M of total capex is comprised of a mix of lower and higher cost builds and is not indicative of broader post-2020 FTTH builds

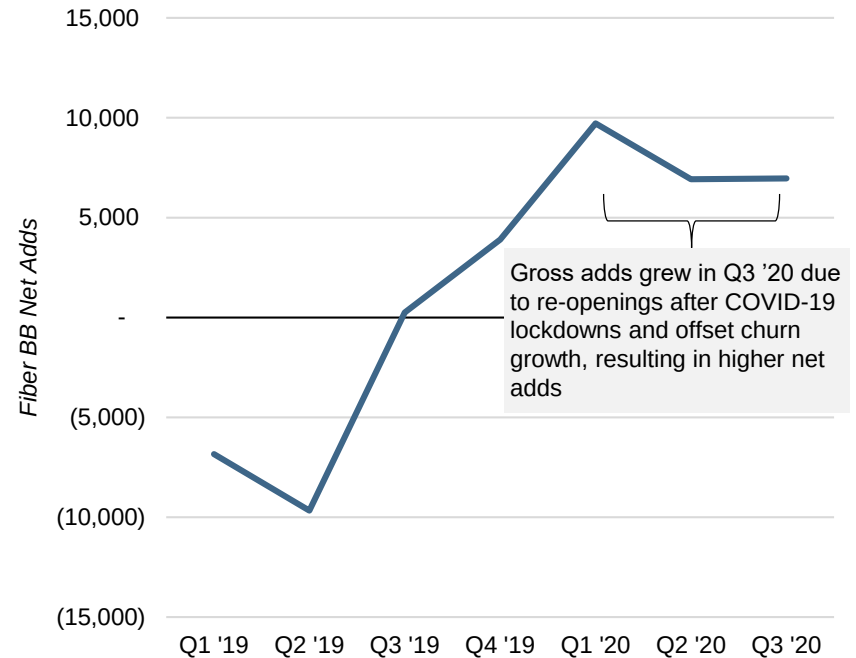
Customer Service / Churn: Fiber Broadband Net Adds

- Churn increased in Q3 2020 due to some seasonal increase in consumer activity as well as the impact of COVID-19 on Q2 2020, as customers generally avoided swapping providers during initial months of pandemic. However, **churn remains lower YoY benefitting from operational churn initiatives**
- Fiber broadband net adds were positive for the 5th straight quarter** due to the introduction of 1 Gig offering in Q4 2019 and improved operational churn management

Consumer Fiber Broadband Avg. Monthly Churn Rate



Consumer Fiber Broadband Quarterly Net Adds



Note: Figures are for Remaining Properties

Frontier continues to execute several other operational initiatives and plans, including modifying its video strategy and developing a plan for 2021 reinvestment in the network via fiber-to-the-home builds

- **Video Strategy** - Continued to renegotiate contracts with existing content providers and implement further content drops in Q3
 - Content drops in Q3, including the FOX regional sports networks, MSG, FX Movies, and Nat Geo Wild, amount to ~\$15M in total quarterly run rate net EBITDA savings
 - Further, in early Q4, AMC contract was renegotiated, achieving ~\$0.7M in quarterly savings
- **2021 FTTH Reinvestment** - Planning and engineering has begun for 2021 brownfield FTTH builds, which will upgrade Frontier's existing copper network in select regions
 - These will build on the success of on-going 2020 FTTH builds, which have laid a valuable framework for planning, engineering, constructing, and marketing new fiber locations
- **Service Code Simplification** - Implementing a multi-phased plan to simplify product offerings and pricing to promote quicker and cleaner execution and to improve customer experience
- **TSA Revenues** – Fully transitioned by November 1st, 2020 and essentially ended transition support services provided to Zipy for its acquisition of Washington, Oregon, Idaho, and Montana entities



3. Modernization Plan

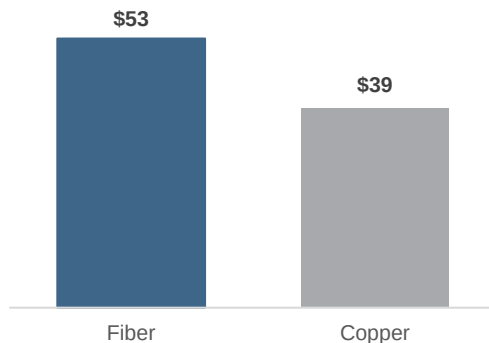
Bernard L. Han,
President and Chief Executive Officer

Introducing Frontier's Modernization Plan

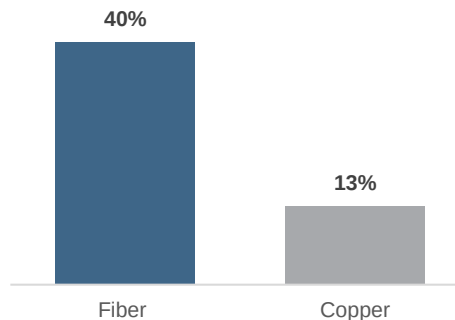
Under the Modernization Plan, Frontier expects to nearly double its fiber footprint and subscribers long-term, passing ~2.9M incremental homes with fiber and adding ~1.2M fiber broadband subs

- The management team, in conjunction with its advisors, has spent the last 18 months developing a comprehensive reinvestment plan ("Modernization Plan")
- The Modernization Plan is comprised of an extensive strategic fiber build-out plan combined with execution on aforementioned operational turnaround initiatives
 - Targets highest IRR project opportunities based on available reinvestment cash flows
 - Fully self-funding plan through organically generated operating cash flow
- Modernization Plan growth is driven by superior fiber economics and an attractive competitive environment
 - Superior economics of fiber expected to drive return to top line growth (better ARPU, penetration and churn), and maximize value creation
 - 92% of homes passed face one or no wireline competitors

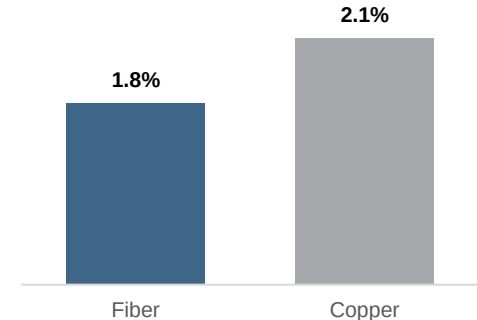
**Consumer Fiber vs
Copper ARPU¹ (\$/mo)²**



**Consumer Fiber vs
Copper Penetration²**



**Consumer Fiber vs
Copper Churn²**



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1. Broadband ARPUs exclude the sale of modems and other broadband equipment

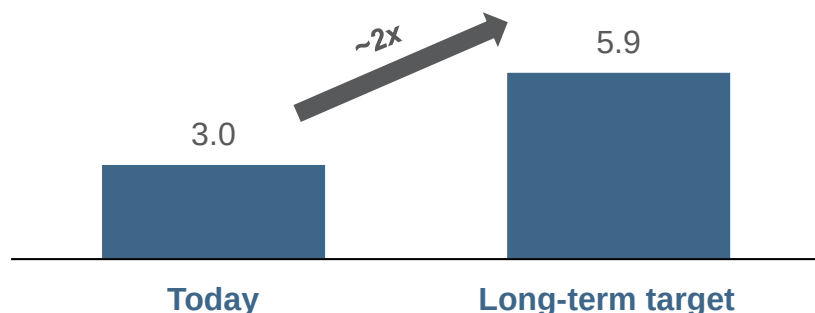
2. Broadband consumer metrics as of Q3 2020

Modernization Plan Overview

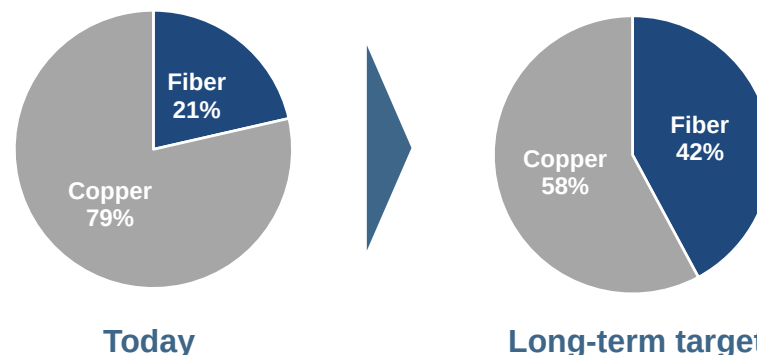
- Frontier plans to deploy capital and pursue overbuilds in key states with a high return potential
- Using available cash flow from the business, Frontier has a long-term target (within 10 years) of passing ~2.9M incremental homes with fiber and substantially increasing fiber availability in broadband capable homes

Fiber Broadband Homes Passed

(in M)

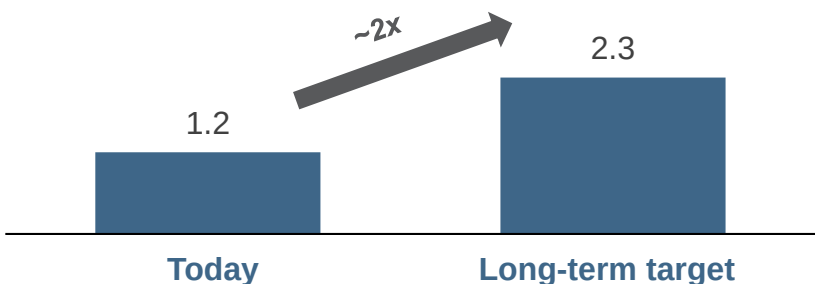


Broadband Homes Passed by Technology

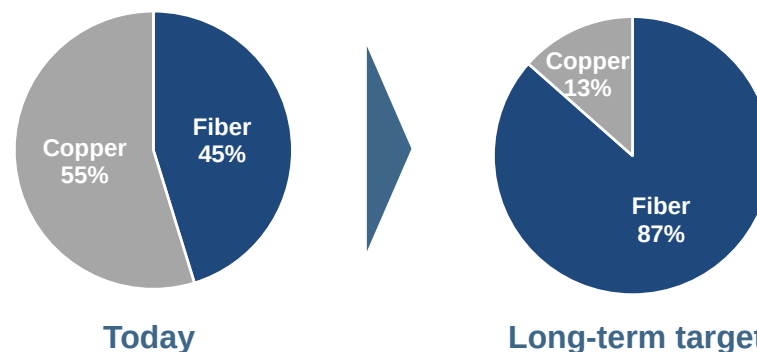


Fiber Broadband Subscribers

(in M)



Broadband Subscribers



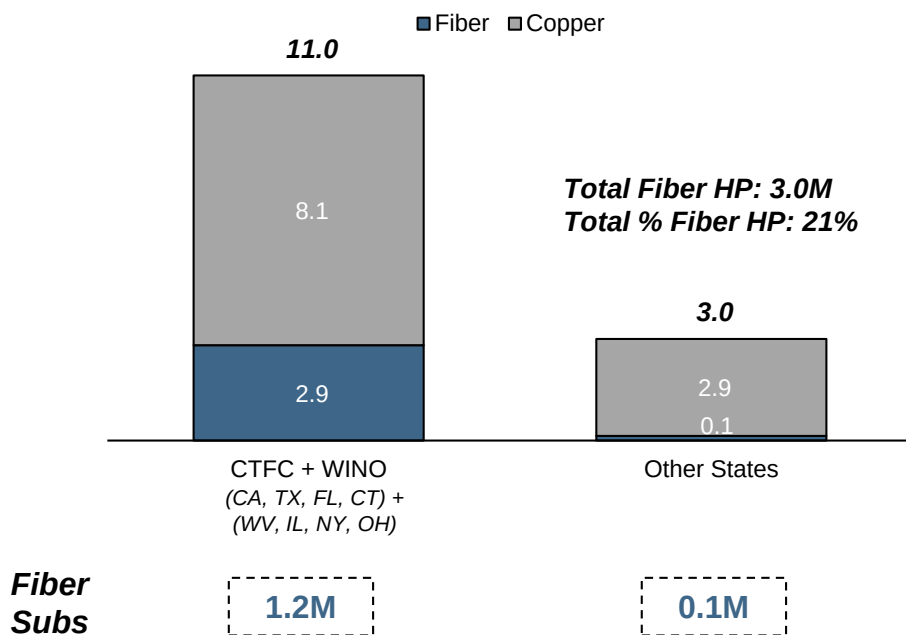
Note: The long-term targets on this slide are not projections or estimates of future results. Frontier's ability to achieve any such targets is subject to various risks and uncertainties. Accordingly, there are or will be important factors that could cause actual outcomes or results to differ materially from these targets, and there can be no assurance that we will achieve any such targets for any particular capex outlay within any particular timeframe, or at all. More on risk factors can be found in our 10-Q for the period ended September 30, 2020. See slide 2 for more information on forward-looking statements

Modernization Plan Looks to Expand Footprint in Attractive Geographies

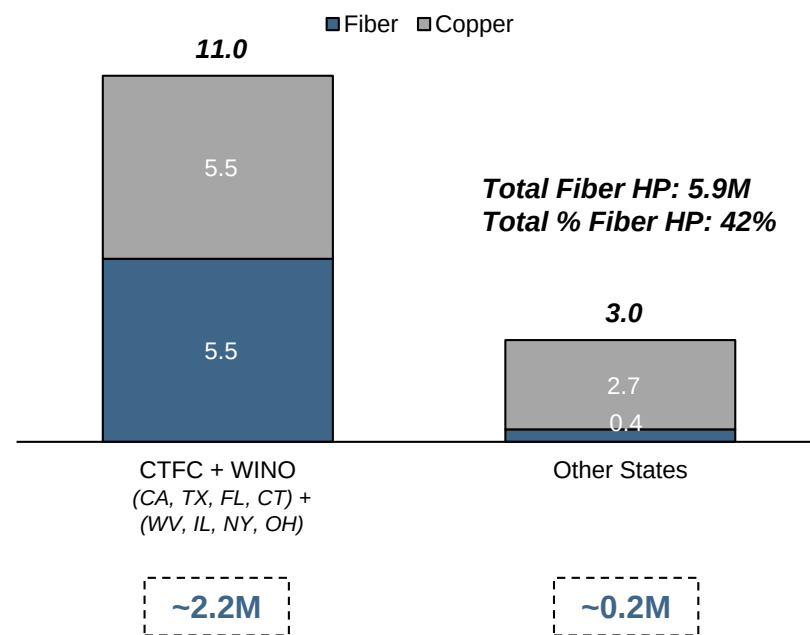
- ~2.6M of the ~2.9M targeted new fiber home passings in the Modernization Plan are aimed at increasing fiber density in “CTFC” (CA, TX, FL, and CT), and “WINO” (WV, IL, NY, and OH)
- Frontier constantly evaluates the composition of state groupings. IN & PA are two additional states among many currently being evaluated. Events such as the outcome of RDOF will play a role in where we will invest in the future as well as the timing of future investments

Homes Passed, Subscribers in Millions

Broadband Homes Passed (HP)¹ Today



Long-Term Target Homes Passed



Note: The long-term targets on this slide are not projections or estimates of future results. Frontier's ability to achieve any such targets is subject to various risks and uncertainties. Accordingly, there are or will be important factors that could cause actual outcomes or results to differ materially from these targets, and there can be no assurance that we will achieve any such targets for any particular capex outlay within any particular timeframe, or at all. More on risk factors can be found in our 10-Q for the period ended September 30, 2020. See slide 2 for more information on forward-looking statements

1. Residential broadband-capable housing units passed



4. Quarterly Financial Results

Sheldon Bruha,
Chief Financial Officer

Key Financial Highlights – Consolidated¹

(\$ in Millions)	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020
Total Revenue	\$2,101	\$2,067	\$1,997	\$1,942	\$1,933	\$1,801	\$1,726
Customer	\$2,009	\$1,972	\$1,906	\$1,851	\$1,843	\$1,705	\$1,627
Subsidy & Other ²	\$92	\$95	\$91	\$91	\$90	\$96	\$99
Net Income/(Loss)	(\$87)	(\$5,317)	(\$345)	(\$162)	(\$186)	(\$181)	\$15
Net Cash Provided from Operating Activities	\$282	\$575	\$246	\$405	\$477	\$473	\$542
Adjusted Operating Expenses	\$1,228	\$1,185	\$1,193	\$1,168	\$1,150	\$1,069	\$1,036
Adjusted EBITDA	\$873	\$882	\$804	\$774	\$783	\$732	\$690
Adjusted EBITDA Margin	41.6%	42.7%	40.3%	39.9%	40.5%	40.6%	40.0%
CapEx	\$305	\$275	\$318	\$328	\$286	\$225	\$314
LTM Operating FCF	\$643	\$592	\$563	\$282	\$496	\$444	\$744

- **Q2 and Q3 2020 columns** exclude NW Ops after May 1, 2020 divestiture
- **Q3 net income** includes \$134M of reorganization items and restructuring costs
- **LTM Operating FCF** increase reflects significant interest expense savings and the stay of pre-petition trade obligations from the Chapter 11 filing

¹ Q2 2020 includes one month of data from the NW Ops and may not be comparable to prior periods. See appendix slides for detail on Consolidated Frontier vs. Remaining Properties

² Includes \$10M and \$15M of revenue from transition services performed for purchaser of Northwest Operations in Q2 2020 and Q3 2020, respectively. More detail can be found in our 10-Q for the quarter ended September 30, 2020.

³ Adjusted Operating Expenses, Adjusted EBITDA, Adjusted EBITDA Margin and LTM Operating Free Cash Flow are non-GAAP measures. See page 32 for a reconciliation of Net Income (Loss) to Adjusted EBITDA. See page 34 for a reconciliation of Operating Expenses to Adjusted Operating Expenses. See page 36 for a reconciliation of Net Cash Provided from Operating Activities to LTM Operating Free Cash Flow. See page 3 for the definition of Adjusted EBITDA Margin.

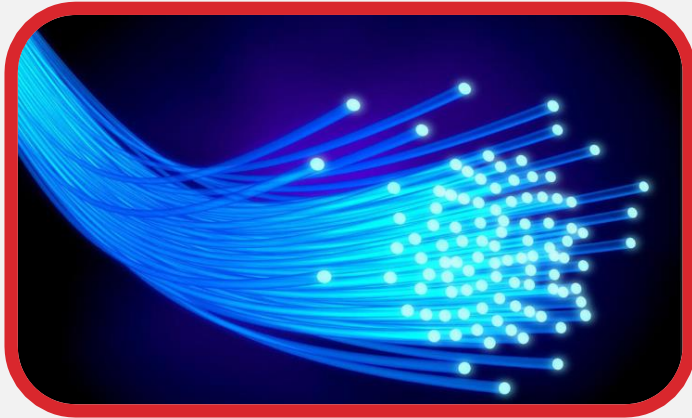
Revenue and Adj. EBITDA – Remaining Properties¹

(\$ in Millions)	Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2019	Q1 2020	Q2 2020	Q3 2020
Data & Internet Services	\$888	\$885	\$851	\$822	\$3,446	\$855	\$849	\$838
Voice Services	\$604	\$582	\$574	\$555	\$2,315	\$529	\$509	\$500
Video Services	\$255	\$248	\$233	\$222	\$958	\$212	\$197	\$186
Other	\$113	\$111	\$106	\$108	\$438	\$108	\$105	\$103
Total Customer Revenue	\$1,860	\$1,826	\$1,764	\$1,707	\$7,157	\$1,704	\$1,660	\$1,627
Consumer	\$996	\$969	\$943	\$923	\$3,831	\$894	\$874	\$859
Commercial	\$864	\$857	\$821	\$784	\$3,326	\$810	\$786	\$768
Total Customer Revenue	\$1,860	\$1,826	\$1,764	\$1,707	\$7,157	\$1,704	\$1,660	\$1,627
Subsidy & Other Revenue ¹	\$86	\$89	\$85	\$85	\$345	\$84	\$94	\$99
Total Revenue	\$1,946	\$1,915	\$1,849	\$1,792	\$7,502	\$1,788	\$1,754	\$1,726
Adjusted Oper. Expenses ²	\$1,175	\$1,134	\$1,144	\$1,119	\$4,572	\$1,102	\$1,051	\$1,036
Adjusted EBITDA²	\$771	\$781	\$705	\$673	\$2,930	\$686	\$703	\$690
Adjusted EBITDA Margin	39.6%	40.8%	38.1%	37.6%	39.1%	38.4%	40.1%	40.0%

- **Data and Internet Services revenue stable**
sequentially across most product offerings
- **Consumer revenue** declines vs prior year driven by secular declines in voice and video
- **Commercial** facing COVID pressures in the areas of voice and broadband
- **Adjusted OpEx** trends reflect ongoing cost disciplines and reduced video content costs

¹ Includes \$10M and \$15M of revenue from transition services performed for purchaser of Northwest Operations in Q2 2020 and Q3 2020, respectively. More detail can be found in our 10-Q for the quarter ended September 30, 2020.

² Adjusted Operating Expenses and Adjusted EBITDA are non-GAAP measures. See page 33 for a reconciliation of Net Income (Loss) to Adjusted EBITDA. See page 35 for a reconciliation of Operating Expenses to Adjusted Operating Expenses.



CapEx Spend¹

\$314M in Q3 2020
\$825M YTD

Projects Completed & Underway

- ✓ **CAF II: ~11K new locations** enabled with CAF II broadband in Q3, **605K** enabled to-date
- ✓ **Built fiber to over 35K greenfield locations YTD** (primarily housing developments within our remaining footprint) on top of over 30K built in FY 2019
- ✓ **Up to ~60k FTTH builds** planned for 2020, with 36K completed as of 11/30/20
- ✓ **RDOF:** In the recently completed RDOF auction, the FCC announced Frontier won over \$37M of government support per year (for 10 years) in CA, FL, TX, CT, WV, IL, NY, and PA²

¹ Capital expenditures are reported on a Consolidated basis and are not adjusted to exclude Northwest Ops.

² On December 7th, the FCC released its public notice containing certain information related to the RDOF auction results. Frontier is still subject to the FCC Quiet Period rules related to the auction and is prohibited from discussing any further information related to the auction until January 29, 2021.

YTD Q3'20 Actuals vs. Disclosure Statement – Remaining Properties

(\$ in Millions)	YTD Q3 2020	B/(W) vs. Disclosure Statement ¹	
		Abs (\$M)	%
Consumer	\$2,627	\$28	1.1
Commercial	\$2,364	\$11	0.5
Subsidy & Other Revenue ²	\$277	\$(5)	(1.6)
Total Revenue	\$5,268	\$35	0.7
Adj. Operating Expenses ³	\$3,189	\$37	1.1
Adjusted EBITDA³	\$2,079	\$72	3.6

- **Revenue \$35M favorable to Disclosure Statement**, primarily driven by lower consumer churn

- **Adj. Operating Expenses \$37M favorable**, primarily driven by lower consumer add activity and favorable variable cost per customer

¹ Represents the 2020 Base Case as presented in our Disclosure Statement filed with the United States Bankruptcy Court for the Southern District of New York, Case No. 20-22476, on June 17, 2020.

² Includes revenue from transition services performed for purchaser of NW Ops as described in our 10-Q for the quarter ended September 30, 2020.

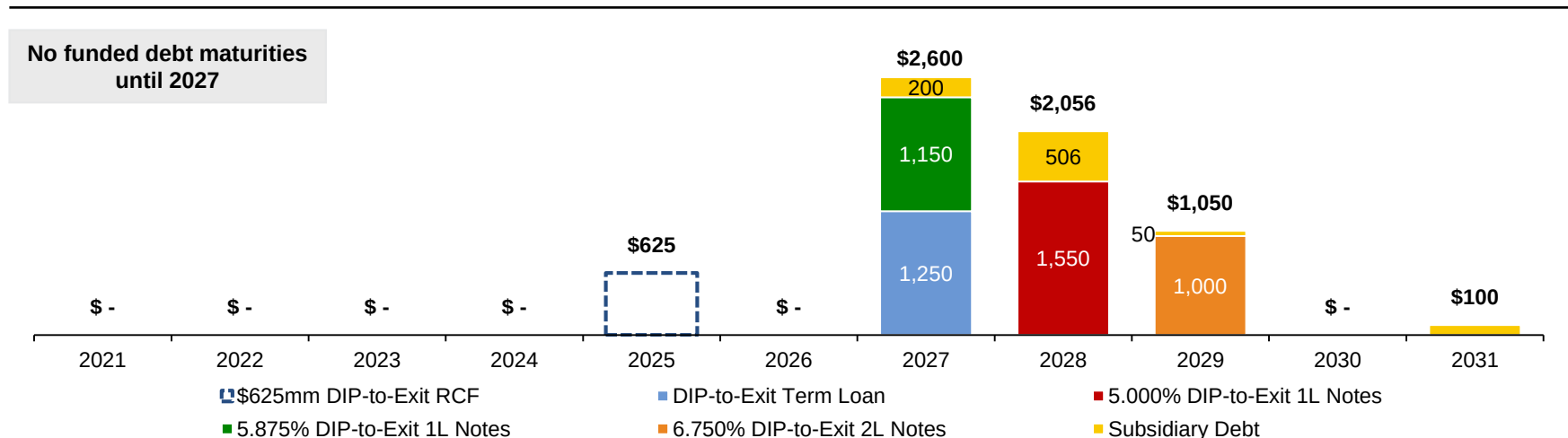
³ Adjusted Operating Expenses and Adjusted EBITDA are non-GAAP measures. See page 35 for a reconciliation of Operating Expenses to Adjusted Operating Expenses, and page 33 for a reconciliation of net income (loss) to Adjusted EBITDA.

Recent Financing Activities

(\$ in millions)

- Refinanced pre-petition \$1.7 billion Term Loan B due 2024, \$1.65 billion 1L Notes due 2027, and \$1.6 billion 2L Notes due 2026 in two separate transactions in October and November 2020
- In October 2020 we increased the commitments of DIP-to-Exit RCF to \$625 million (from \$460 million), and in November 2020 further amended to the RCF to extend its maturity by one year, decrease post-emergence interest rate by 50 bps, and increase First Lien Debt capacity
- Among other things, the refinancing transactions:
 - 1 Extended nearest funded debt maturity from 2024 to 2027, providing clear runway to execute modernization plan
 - 2 Reduced annual cash interest expense by \$60 million
 - 3 Expanded covenant flexibility, including broadening Frontier's secured debt capacity

Maturity Schedule at Emergence



Note: Maturity schedule excludes mandatory amortization and takeback debt (maturity date for takeback debt has not yet been set)

Update on Divestiture of NW Ops¹

PNW Stranded Costs

(\$ in Millions)

Beginning Indirect Expense
FY 2019

\$128

– Annualized Indirect Reductions

(\$51)

Current Run-Rate Stranded Cost
Q3 2020

\$77

Gap to End-State Target

(\$12)

End-State Stranded Cost Target

\$65

Memo: End-State Stranded Cost Target in Q1
Presentation²

\$42

- **Successfully transitioned buyer off of essentially all TSA support effective November 1st.** TSA revenues, which represented ~\$5M per month, discontinued at such time
- **Have already eliminated, or plan to eliminate by year-end, ~\$51M of annualized Stranded Costs**
- **End-state Stranded Cost is estimated to be \$65M**, representing a \$23M increase from Frontier's prior forecast of \$42M
 - Increases are the result of more thorough assessment completed on Frontier's cost structure and proportion of fixed expenses
 - Frontier will continue to assess opportunities to simplify the business and improve overall cost structure and operating results

¹ Represents sale of WA, MT, ID, OR state operations on May 1, 2020

² Represents estimated stranded costs reductions presented in Q1 2020 Quarterly Presentation



5. Appendix

Non-GAAP Financial Measures - Consolidated

	Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2019	Q1 2020	Q2 2020	Q3 2020
(\$ in Millions)								
Net Income (Loss)	(87)	(5,317)	(345)	(162)	(5,911)	(186)	(181)	15
Add back (Subtract):								
Income Tax Expense (Benefit)	18	(534)	(21)	(74)	(611)	(23)	(57)	(11)
Interest Expense	379	383	382	391	1,535	383	160	121
Investment and Other (Income) Loss, Net	9	9	10	9	37	(5)	20	14
Pension Settlement Costs	-	-	-	57	57	103	56	-
Loss on Extinguishment of Debt	20	-	-	-	20	-	-	-
Reorganization Items, Net	-	-	-	-	-	-	142	131
Operating Income (Loss)	339	(5,459)	26	221	(4,873)	272	140	270
Depreciation and Amortization	484	454	422	420	1,780	415	397	392
EBITDA	\$823	(\$5,005)	\$448	\$641	(\$3,093)	\$687	\$537	\$662
Add back:								
Pension/OPEB Expense	20	19	20	19	78	23	23	24
Restructuring Costs and Other Charges	28	31	27	82	168	48	36	3
Stock-based Compensation Expense	3	4	3	5	15	1	1	1
Storm Related Insurance Proceeds	(1)	-	-	(5)	(6)	-	(1)	-
Loss on disposal of Northwest Operations	-	384	30	32	446	24	136	-
Goodwill Impairment	-	5,449	276	-	5,725	-	-	-
Adjusted EBITDA	\$873	\$882	\$804	\$774	\$3,333	\$783	\$732	\$690
EBITDA Margin	39.1%	(242.1)%	22.4%	33.0%	(38.2)%	35.6%	29.8%	38.4%
Adjusted EBITDA Margin	41.6%	42.7%	40.3%	39.9%	41.1%	40.5%	40.6%	40.0%

Non-GAAP Financial Measures – Remaining Properties¹

(\$ in Millions)	Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2019	Q1 2020	Q2 2020	Q3 2020
Net Income (Loss)	(153)	(5,392)	(444)	(263)	(6,252)	(283)	(210)	15
Add back (Subtract):								
Income Tax Expense (Benefit)	18	(534)	(21)	(74)	(611)	(23)	(57)	(11)
Interest Expense	379	383	382	391	1,535	383	160	121
Investment and Other (Income) Loss, Net	9	9	10	9	37	(5)	20	14
Pension Settlement Costs	-	-	-	57	57	103	56	-
Loss on Extinguishment of Debt	20	-	-	-	20	-	-	-
Reorganization Items, Net	-	-	-	-	-	-	142	131
Operating Income (Loss)	273	(5,534)	(73)	120	(5,214)	175	111	270
Depreciation and Amortization	449	429	422	420	1,720	415	397	392
EBITDA	\$722	(\$5,105)	\$349	\$540	(\$3,494)	\$590	\$508	\$662
Add back:								
Pension/OPEB Expense	20	19	20	19	78	23	23	24
Restructuring Costs and Other Charges	27	30	27	82	166	48	36	3
Stock-based Compensation Expense	3	4	3	5	15	1	1	1
Storm Related Insurance Proceeds	(1)	-	-	(5)	(6)	-	(1)	-
Loss on disposal of Northwest Operations	-	384	30	32	446	24	136	-
Goodwill Impairment	-	5,449	276	-	5,725	-	-	-
Adjusted EBITDA	\$771	\$781	\$705	\$673	\$2,930	\$686	\$703	\$690
EBITDA Margin	37.1%	(266.6)%	18.9%	30.1%	(46.6)%	33.0%	29.0%	38.4%
Adjusted EBITDA Margin	39.6%	40.8%	38.1%	37.6%	39.1%	38.4%	40.1%	40.0%

1. For a reconciliation of the Remaining Properties Non-GAAP Financial Measures to the Consolidated Non-GAAP Financial Measures see Frontier's Form 8-K containing supplemental financial information filed on November 4, 2020.

Non-GAAP Financial Measures – Consolidated

(\$ in Millions)	Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2019	Q1 2020	Q2 2020	Q3 2020
Total Operating Expenses	\$1,762	\$7,526	\$1,971	\$1,721	\$12,980	\$1,661	\$1,661	\$1,456
Subtract:								
<i>Depreciation and Amortization</i>	484	454	422	420	1,780	415	397	392
<i>Goodwill Impairment</i>	-	5,449	276	-	5,725	-	-	-
<i>Loss on disposal of Northwest Operations</i>	-	384	30	32	446	24	136	-
<i>Pension/OPEB Expense</i>	20	19	20	19	78	23	23	24
<i>Restructuring Costs and Other Charges</i>	28	31	27	82	168	48	36	3
<i>Stock-based Compensation Expense</i>	3	4	3	5	15	1	1	1
<i>Storm Related Insurance Proceeds</i>	(1)	-	-	(5)	(6)	-	(1)	-
Adjusted Operating Expenses	\$1,228	\$1,185	\$1,193	\$1,168	\$4,774	\$1,150	\$1,069	\$1,036

Non-GAAP Financial Measures – Remaining Properties¹

(\$ in Millions)	Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2019	Q1 2020	Q2 2020	Q3 2020
Total Operating Expenses	\$1,673	\$7,449	\$1,922	\$1,672	\$12,716	\$1,613	\$1,643	\$1,456
Subtract:								
<i>Depreciation and Amortization</i>	449	429	422	420	1,720	415	397	392
<i>Goodwill Impairment</i>	-	5,449	276	-	5,725	-	-	-
<i>Loss on disposal of Northwest Operations</i>	-	384	30	32	446	24	136	-
<i>Pension/OPEB Expense</i>	20	19	20	19	78	23	23	24
<i>Restructuring Costs and Other Charges</i>	27	30	27	82	166	48	36	3
<i>Stock-based Compensation Expense</i>	3	4	3	5	15	1	1	1
<i>Storm Related Insurance Proceeds</i>	(1)	-	-	(5)	(6)	-	(1)	-
Adjusted Operating Expenses	\$1,175	\$1,134	\$1,144	\$1,119	\$4,572	\$1,102	\$1,051	\$1,036

1. For a reconciliation of the Remaining Properties Non-GAAP Financial Measures to the Consolidated Non-GAAP Financial Measures see Frontier's Form 8-K containing supplemental financial information filed on November 4, 2020.

Non-GAAP Financial Measures – Consolidated

Quarterly Results

(\$ in Millions)	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020
Net Cash Provided from Operating Activities	\$282	\$575	\$246	\$405	\$477	\$473	\$542
<i>Capital Expenditures</i>	(305)	(275)	(318)	(328)	(286)	(225)	(314)
Operating Free Cash Flow	(\$23)	\$300	(\$72)	\$77	\$191	\$248	\$228

Trailing Four Quarter Results

(\$ in Millions)	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020
Net Cash Provided from Operating Activities	\$1,843	\$1,746	\$1,706	\$1,508	\$1,703	\$1,601	\$1,897
<i>Capital Expenditures</i>	(1,200)	(1,154)	(1,143)	(1,226)	(1,207)	(1,157)	(1,153)
Operating Free Cash Flow	\$643	\$592	\$563	\$282	\$496	\$444	\$744

Update on Divestiture of NW Ops¹

- TSA revenues are (\$10M) unfavorable to Q1 projection due to earlier than forecasted discontinuation of TSA service on November 1, 2020
- 2020 exit run-rate of stranded cost savings are \$51M, \$5M favorable vs. projection provided in Q1 presentation
- End-state stranded costs are estimated to be higher than initial projections reported in Q1 presentation

NW Ops Stranded Impact

(\$ in Millions)	2020			End-State 2021+		
	Current Estimate ²	Q1 Pres. Estimate ³	Var B or (W)	Current Estimate ²	Q1 Pres. Estimate ³	Var B or (W)
TSA Revenue	\$30	\$40	(\$10)	-	-	-
Annualized Indirect Reductions	\$51	\$46	\$5	\$12	\$40	(\$28)
Exit Run-Rate Stranded Cost	\$77	\$82	\$5	\$65	\$42	(\$23)

¹ Represents sale of WA, MT, ID, OR state operations on May 1, 2020

² Represents the latest estimates of potential long term stranded cost reductions

³ Represents estimated stranded costs reductions presented in Q1 2020 Quarterly Presentation

Capitalization

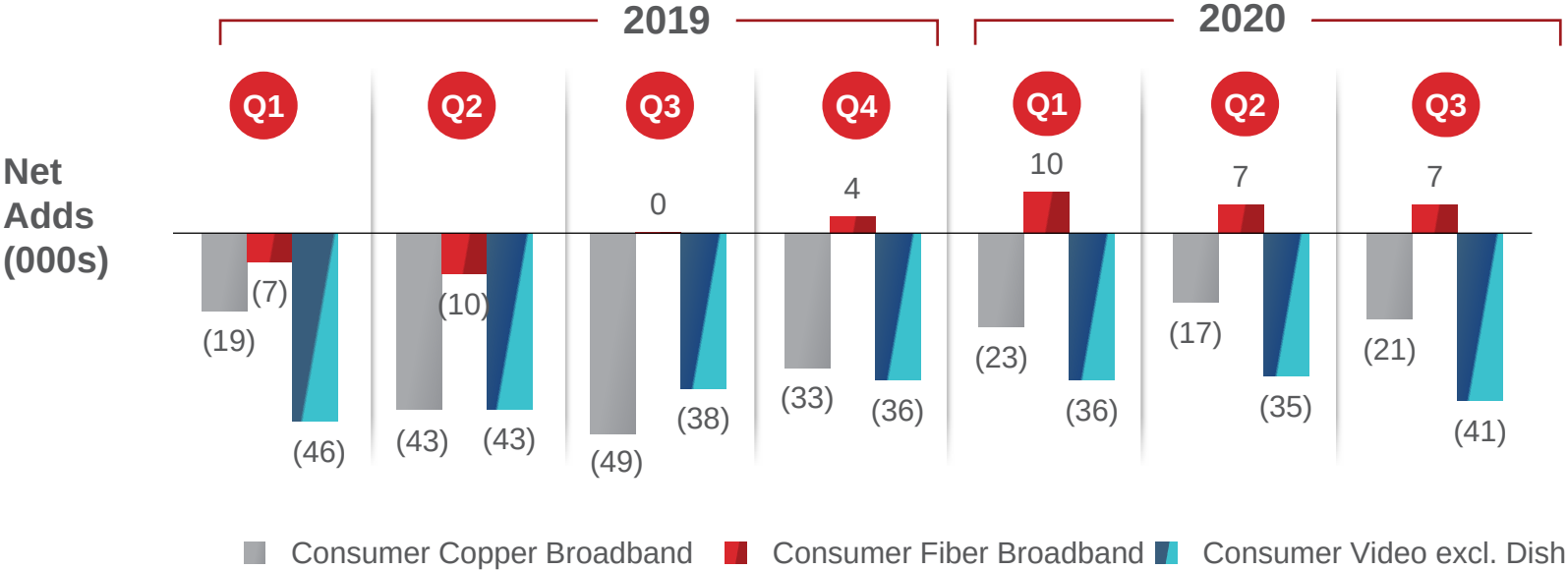
(\$ in millions)

	3Q20		Emergence		Cash Interest		
	Face	Adj.	Face	Coupon	Pre	Post	Maturity
\$625mm DIP-to-Exit RCF ¹	\$ -	-	\$ -	L + 350	\$ -	\$ -	4 years
Secured Term Loan B	1,694	(1,694)	-	L + 375	76	-	Jun-24
1L Notes	1,650	(1,650)	-	8.000%	132	-	Apr-27
DIP-to-Exit Term Loan	-	1,250	1,250	L + 475	-	72	Oct-27
DIP-to-Exit 1L Secured Notes	-	1,150	1,150	5.875%	-	68	Oct-27
DIP-to-Exit 1L Secured Notes	-	1,550	1,550	5.000%	-	78	May-28
Other Secured Debt	13	-	13	6.200%	1	1	Varies
Total 1L Debt	\$3,357	\$606	\$3,963		\$209	\$218	
2L Notes	\$1,600	(\$1,600)	\$ -	8.500%	\$136	\$ -	Apr-26
DIP-to-Exit 2L Notes	-	1,000	1,000	6.750%	-	68	May-29
Junior Lien / Unsecured Takeback Debt ²	-	750	750	TBD	-	75	TBD
Total Secured Debt	\$4,957	\$756	\$5,713		\$345	\$360	
Subsidiary Debt ³	\$856	\$ -	\$856	7.081%	\$61	\$61	Varies
Liabilities Subject to Compromise	10,949	(10,949)	-	Varies	1,027	-	Varies
Total Debt	\$16,762	(\$10,193)	\$6,569		\$1,433	\$421	

Frontier refinanced its prepetition TLB, 1L Notes and 2L Notes in bankruptcy to reduce annual interest expense by \$60 million and extend maturities to 2027

1. RCF coupon of L + 350 is for Exit only and matures 4 years after Emergence
2. Illustratively assumes \$750mm takeback debt at 10% interest rate. If 2L debt is reinstated, takeback debt required to be 3L. If 2L debt is repaid, takeback debt can be secured or unsecured, subject to agreement between Frontier and Consenting Noteholders. If takeback debt is 3L, interest rate to be no more than 2.5% higher than the interest rate of the next most junior secured debt facility, and if unsecured, no more than 3.5% higher than the interest rate of the next most junior secured debt facility
3. Subsidiary Debt includes \$100mm of Secured Subsidiary debt

Consumer Unit Trends – Remaining Properties

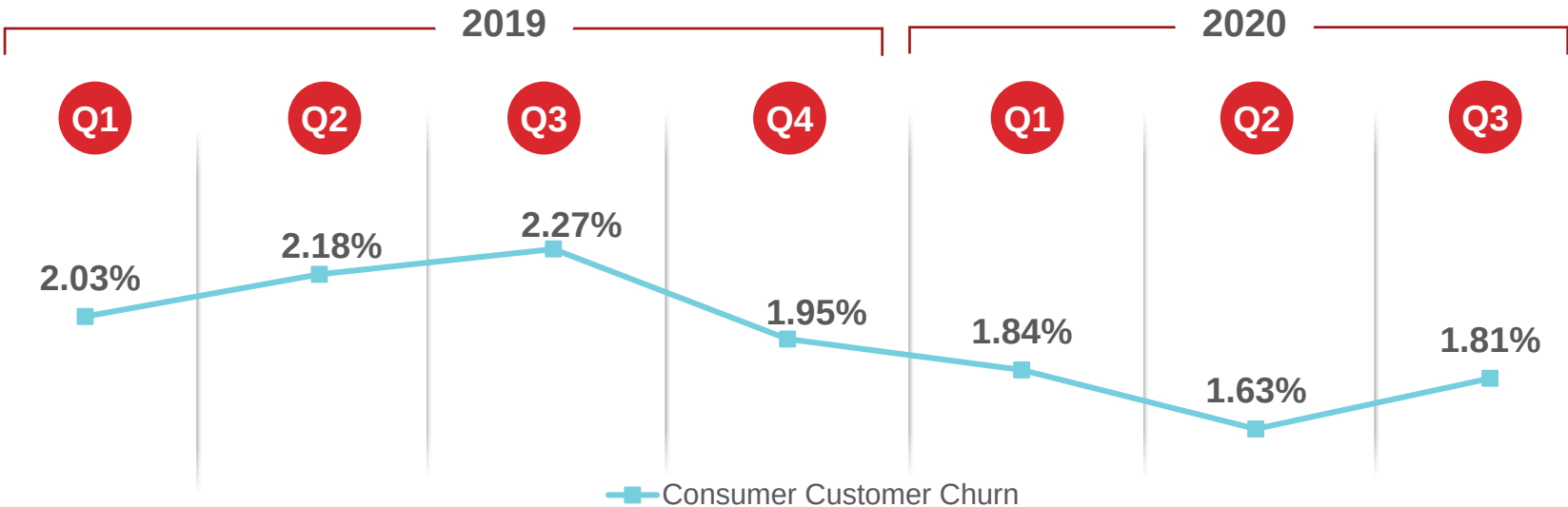


Continued positive fiber net adds reflects introduction of 1 Gig offering in Q4 2019 and improved churn management

Copper trends improving YoY despite lower gross adds due to more selective customer acquisition strategies

Video net losses reflect churn from channel drops and linear video industry decline

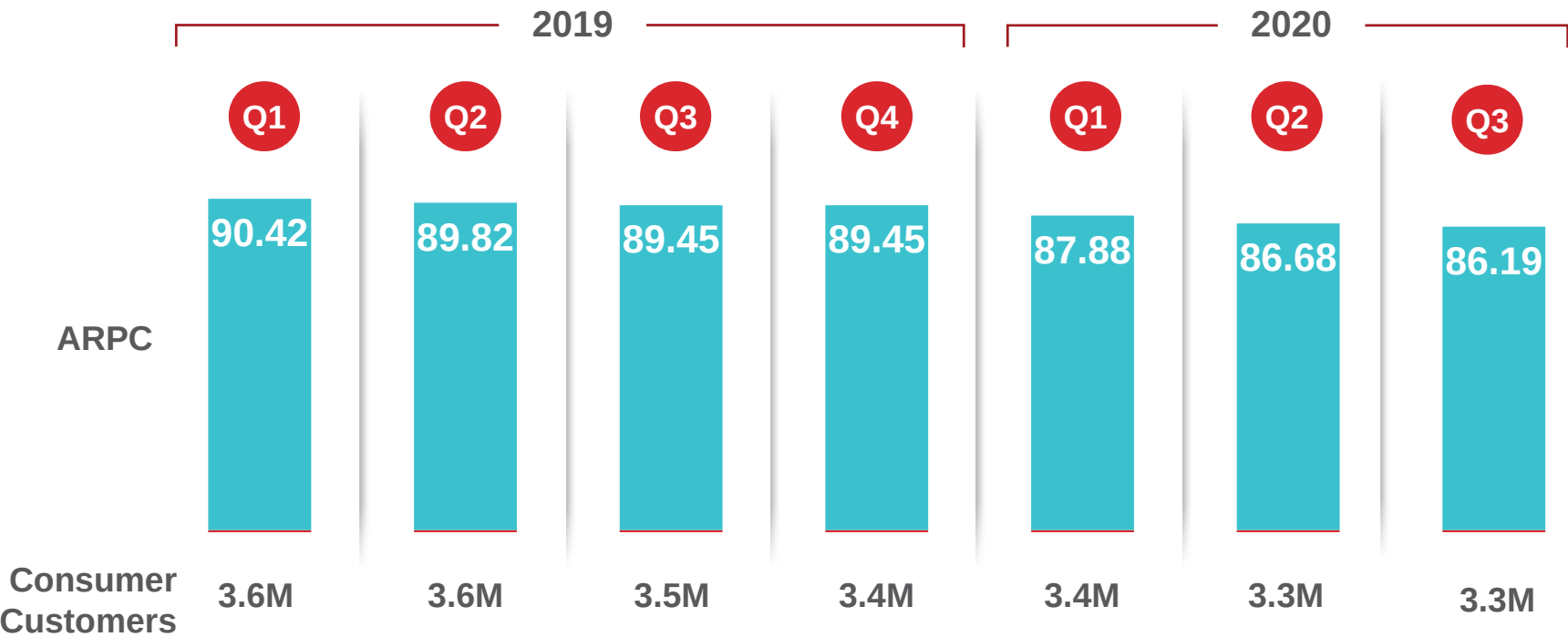
Customer Churn Trends – Remaining Properties



Q3 2020 churn higher sequentially due to some seasonal increase in consumer activity as well as impact of COVID-19 on Q2 2020

Continued YoY lower churn in both fiber and copper markets benefitting from operational churn initiatives

Consumer ARPC – Remaining Properties



Q3 2020 Consumer ARPC sequential decrease continues to be driven by video losses