

FRONTIER **SECOND QUARTER** **2022 RESULTS**

AUGUST 5, 2022

Safe Harbor Statement

Forward-Looking Statements

This release contains "forward-looking statements" related to future events, including the updated 2022 financial and operational outlook. Forward-looking statements address our expectations or beliefs concerning future events, including, without limitation, our outlook with respect to future operating and financial performance, expected results from our implementation of strategic and cost savings initiatives, and our ability to comply with the covenants in the agreements governing our indebtedness and other matters. These statements are made on the basis of management's views and assumptions, as of the time the statements are made, regarding future events and performance 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. A wide range of factors could materially affect future developments and performance, including but not limited to: our significant indebtedness, our ability to incur substantially more debt in the future, and covenants in the agreements governing our current indebtedness that may reduce our operating and financial flexibility; declines in Adjusted EBITDA relative to historical levels that we are unable to offset; our ability to successfully implement strategic initiatives, including our fiber buildout and other initiatives to enhance revenue and realize productivity and service improvements; our ability to secure necessary construction resources, materials and permits for our fiber buildout initiative in a timely and cost effective manner; potential disruptions in our supply chain and the effects of inflation resulting from the COVID-19 pandemic, the global microchip shortage, or otherwise, which could adversely impact our business and hinder our fiber expansion plans; 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, fiber "overbuilders" 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; our reliance on a limited number of key supplies and vendors; declines in revenue from our voice services, switched and non-switched access and video and data services that we cannot stabilize or offset with increases in revenue from other products and services; our ability to secure, continue to use or renew intellectual property and other licenses used in our business; our ability to hire or retain key personnel; our ability to dispose of certain assets or asset groups or to make acquisition of certain assets 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 comply with the applicable CAF II and RDOF requirements and the risk of penalties or obligations to return certain CAF II and RDOF 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 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; 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; the effects of changes in accounting policies or practices; our ability to successfully renegotiate union contracts; the effects of increased medical expenses and pension and postemployment expenses; changes in pension plan assumptions, interest rates, discount rates, regulatory rules

and/or the value of our pension plan assets; the likelihood that our historical financial information may no longer be indicative of our future performance and our implementation of fresh start accounting; the impact of adverse changes in economic, political and market conditions in the areas that we serve, the U.S. and globally, including, but not limited to, disruption in our supply chain, inflation in pricing for key materials or labor, or other adverse changes resulting from epidemics, pandemics and outbreaks of contagious diseases, including the COVID-19 pandemic, natural disasters, economic or political instability 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, working remotely and recent applicable federal, state, and local mandates, and prohibitions, 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; risks associated with our emergence from the Chapter 11 Cases, including, but not limited to, the continuing effects of the Chapter 11 Cases on us and our relationships with our suppliers, customers, service providers or employees and changes in the composition of our board of directors and senior management; volatility in the trading price of our common stock, which has a limited trading history; substantial market overhang from the substantial common stock holdings by our former creditors issued in the Chapter 11 reorganization; certain provisions of Delaware law and our certificate of incorporation that may prevent efforts by our stockholders to change the direction or management of our company; and certain other factors set forth in our other filings with the SEC. This list of factors that may affect future performance and the accuracy of forward-looking statements is illustrative and is not intended to be exhaustive. You should consider these important factors, as well as the risks and other factors contained in Frontier's filings with the U.S. Securities and Exchange Commission, including our most recent reports on Form 10-K and Form 10-Q. These risks and uncertainties may cause actual future results to be materially different than those expressed in such forward-looking statements. We do not intend, nor do we undertake any duty, to update any forward-looking statements.

Non-GAAP Financial Measures

Certain financial measures included herein, including Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Operating Expenses and Operating Free Cash Flow, are not made in accordance with U.S. GAAP, and use of such terms varies from others in the same industry. Non-GAAP financial measures should not be considered as alternatives to net income (loss), net income margin or any other performance measures derived in accordance with U.S. GAAP as measures of operating performance or cash flows as measures of liquidity. Non-GAAP financial measures have important limitations as analytical tools, and you should not consider them in isolation or as substitutes for results as reported under U.S. GAAP. This presentation includes a reconciliation of certain non-GAAP financial measures to the most directly comparable financial measures calculated in accordance with U.S. GAAP. Projected GAAP financial measures and reconciliations of projected non-GAAP financial measures are not provided herein because such GAAP financial measures are not available on a forward-looking basis and such reconciliations could not be derived without unreasonable effort.

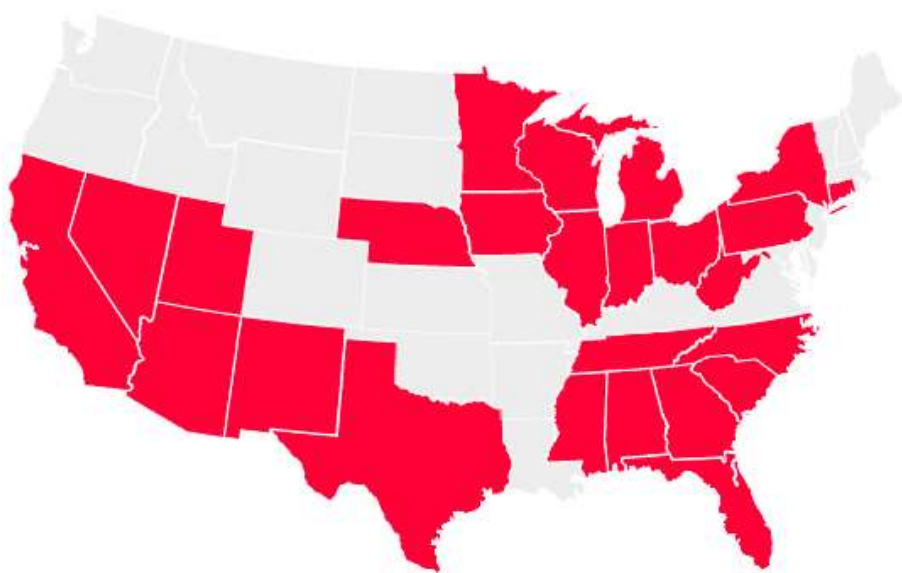
This presentation uses the term "Implied Enterprise Value", "Implied EV" and other similar terms, which is calculated using a trend line implied by our peers and certain assumed levels of broadband penetration. This term does not necessarily represent our actual enterprise value.

JOHN STRATTON

Executive Chairman of the Board

Frontier today: Company overview

Frontier Footprint



Key Operational & Financial Metrics

15.3M

Total Passings

4.4M

Fiber Passings

2.8M

Broadband Customers²

1.5M

Fiber Broadband
Customers²

\$6.0B

Revenue¹

\$2.7B

Fiber Revenue¹

\$2.2B

Adjusted EBITDA¹

\$1.1B

Fiber Adjusted EBITDA¹

1. All metrics reflect Last Twelve Months' as of 06/30/22, and have been normalized to reflect the impact of fresh start accounting. EBITDA and Adjusted EBITDA are non-GAAP measures. See Appendix slides for reconciliations to the closest GAAP measure. See Frontier's supplemental trending schedules, available at www.frontier.com/ir, for information regarding certain GAAP and non-GAAP measures, including the impact of fresh start accounting.

2. Including consumer and business broadband subscribers

Fiber is best positioned to meet long-term demand for data



The best product

Symmetrical upload and download speeds, **faster than cable and other emerging wireless technologies**, while also delivering the **lowest latency**



The highest usage

Frontier fiber customers already consume **0.9TB** of data per month on average, **multiples of what cable and emerging wireless alternatives support today**



Best economics as usage scales

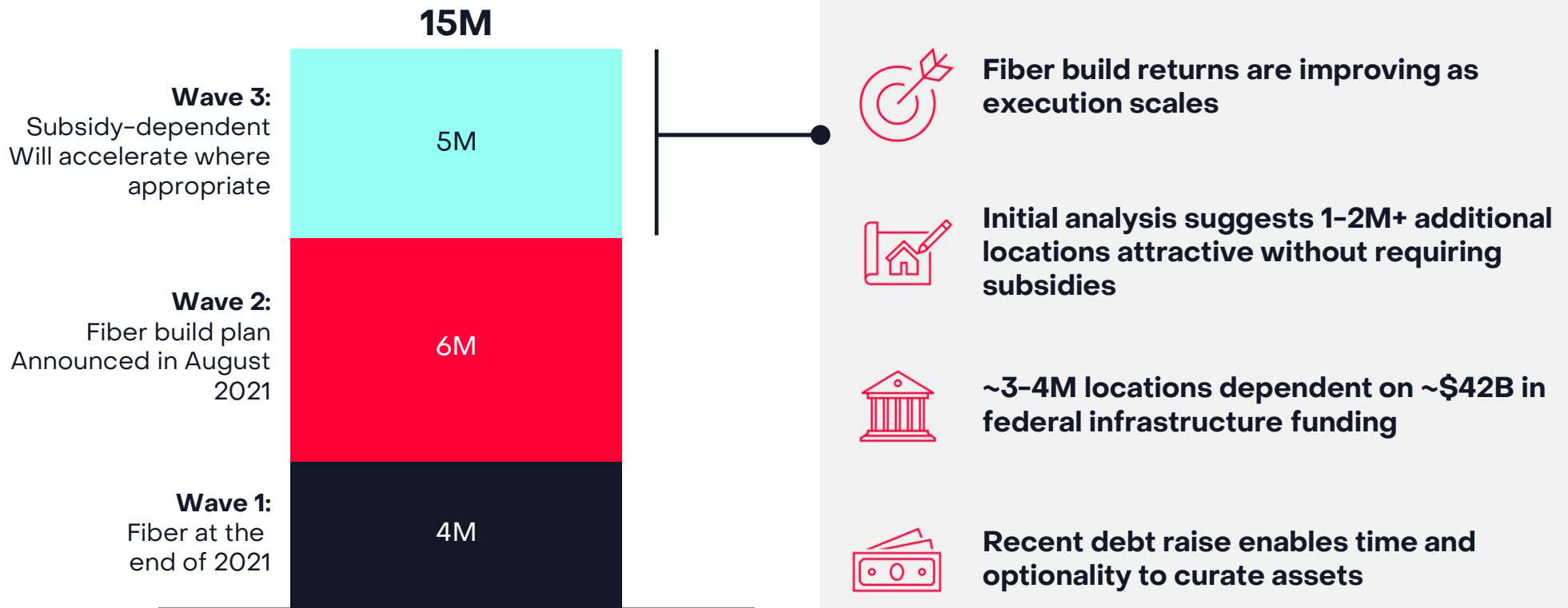
Clear path to **10 Gbps** service, at **lower capital intensity and lowest cost of delivery** given passive infrastructure



America's future-proof infrastructure

Fiber is the preferred infrastructure for government broadband stimulus given future-proof characteristics

Financial profile of Wave 3 has become more attractive as we improve our build and government subsidies become available



We affirmed our commitment to ESG in inaugural report

Environment



- Building energy-efficient fiber networks
- Reducing energy use and establishing Frontier Green initiatives
- Greening our fleet
- Reducing our greenhouse gas emissions

Social



- Building a great place to work
- Engaging our team members
- Focusing on worker safety
- Valuing diversity, equity and inclusion

Governance



- Diverse Board representation with oversight of material ESG issues
- Comprehensive compliance and ethics programs
- Robust Code of Conduct and practices, including data privacy and security

We are making rapid progress on our four levers of value creation



1

Fiber Deployment

Accelerate our fiber build



2

Fiber Penetration

Win customers in our fiber footprint



3

Customer Experience

Deliver an exceptional end-to-end customer journey



4

Operational Efficiency

Simplify and digitize operations

**BUILDING
GIGABIT
AMERICA™**

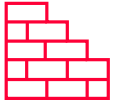
NICK JEFFERY

President & Chief Executive Officer

Our operating momentum remained strong in 2Q22



Achieved sequential EBITDA growth, demonstrating the earnings power of our business and helping drive an increase to 2022 EBITDA guidance



Built a record 281,000 new fiber locations and raised 2022 build target to 1.1-1.2M locations



54,000 fiber broadband customer net adds, ~4x higher than the same period a year ago



Achieved record SMB net adds driven by critical improvements in business segment



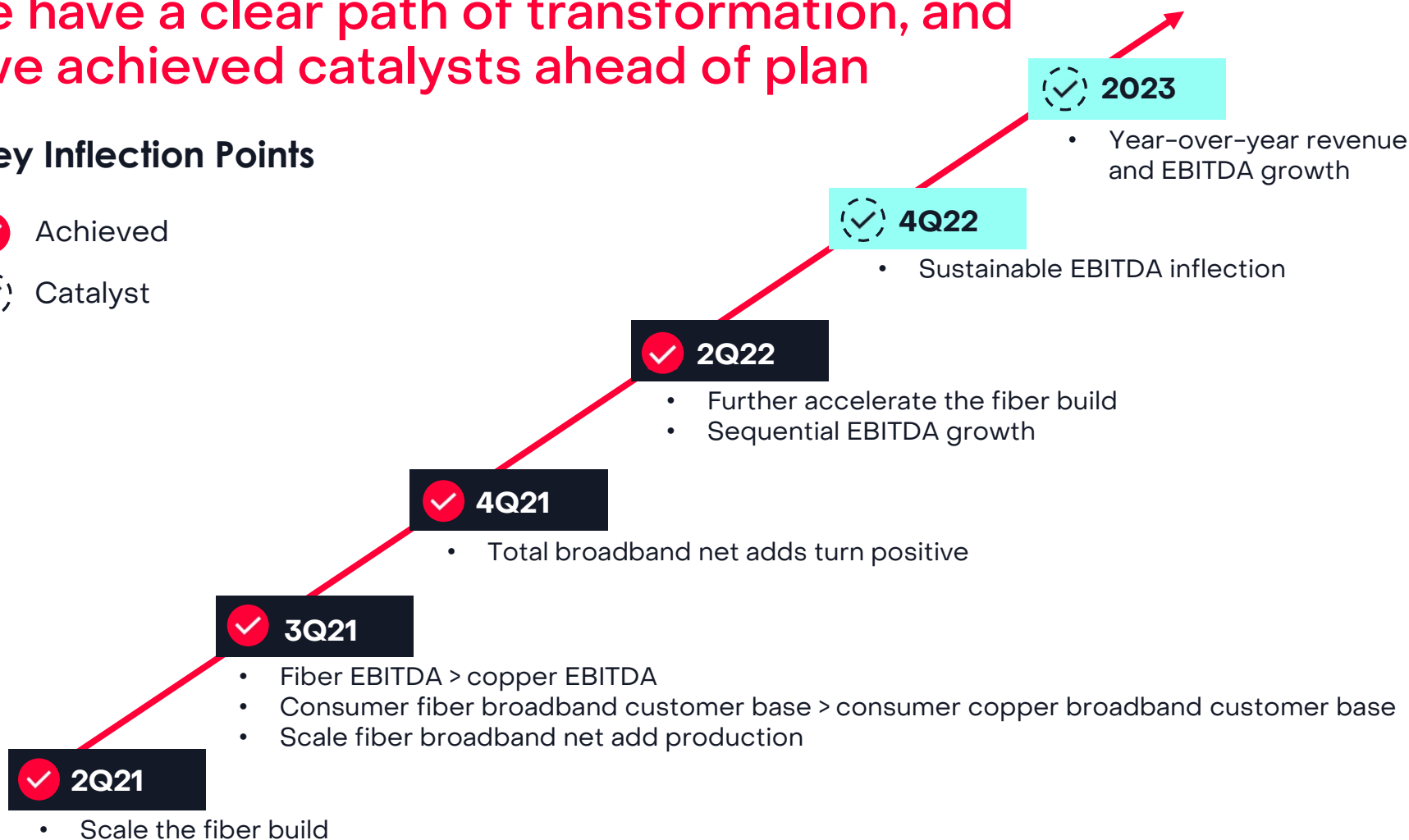
Raised \$1.2 billion of debt to secure funding for fiber build through mid-2024

We have a clear path of transformation, and have achieved catalysts ahead of plan

Key Inflection Points

✓ Achieved

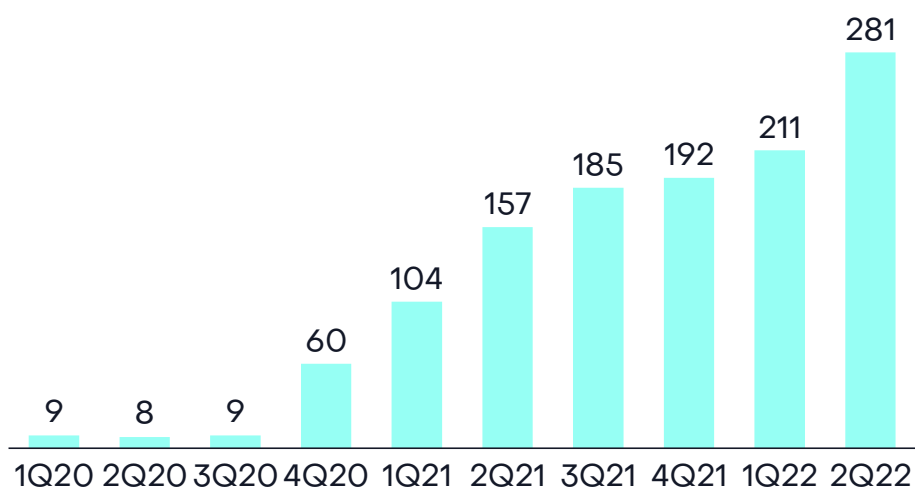
⊗ Catalyst



Fiber deployment: We further accelerated the scale of our build and raised our build target for 2022...

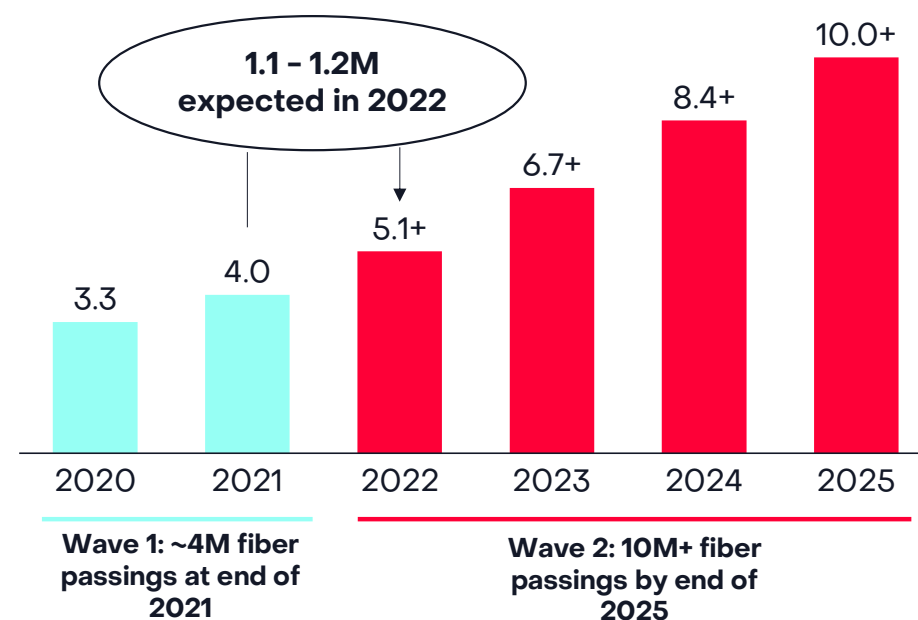
Quarterly Fiber Expansion Passings¹

Thousand passings



Projected Fiber Passings¹

Million passings



1. Consumer and business locations with less than 5 units per location included in expansion passings.

...and our strong foundation gives us confidence in accelerating the build even further in 2023



Expanded the fiber build into six additional states this year and plan to build in at least twelve states by the end of the year



Diversified supply chain with additional contracts for labor and equipment



Continue managing through inflation and labor challenges while realizing cost efficiencies as build scales

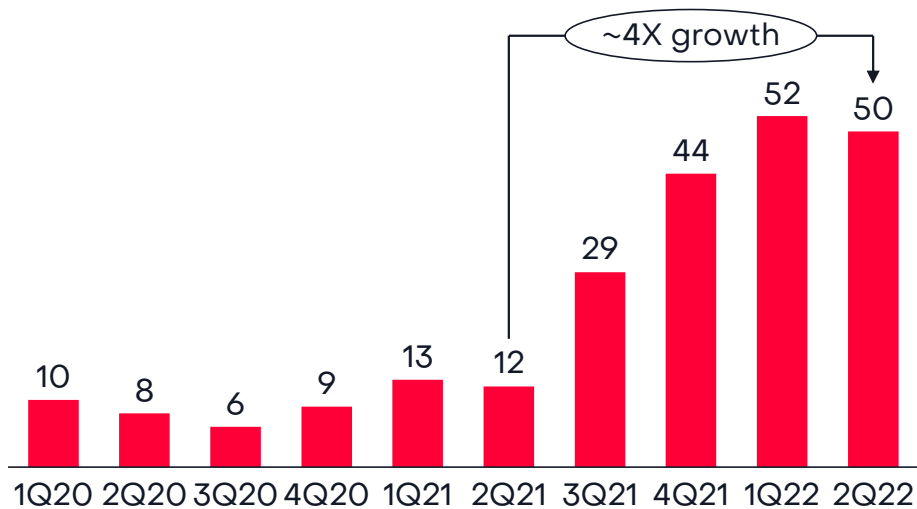


Improved permitting process to reduce time to permit

Consumer fiber penetration: Broadband customer growth continues to accelerate

Consumer Fiber Broadband Net Adds

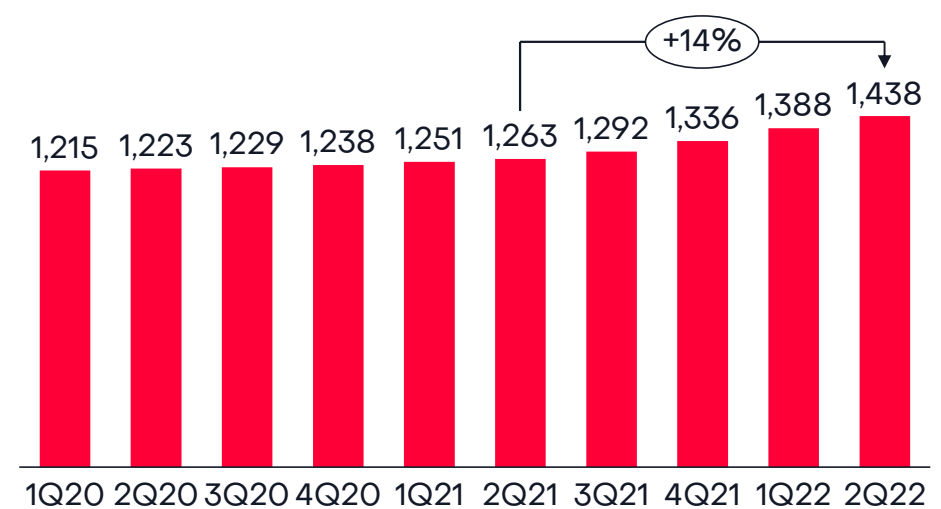
'000 customers



Consumer fiber broadband net adds increased
~4X the previous Q2...

Consumer Fiber Broadband Customers

'000 customers

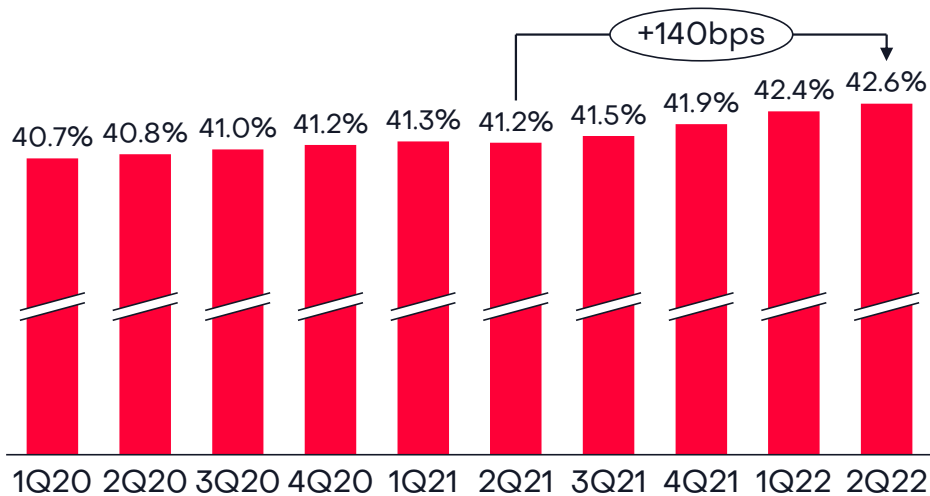


...driving fiber broadband customer growth of
14% in the past 12 months

Fiber penetration: Base fiber penetration improved to 42.6%; expansion fiber penetration is exceeding targets

Base Fiber Penetration

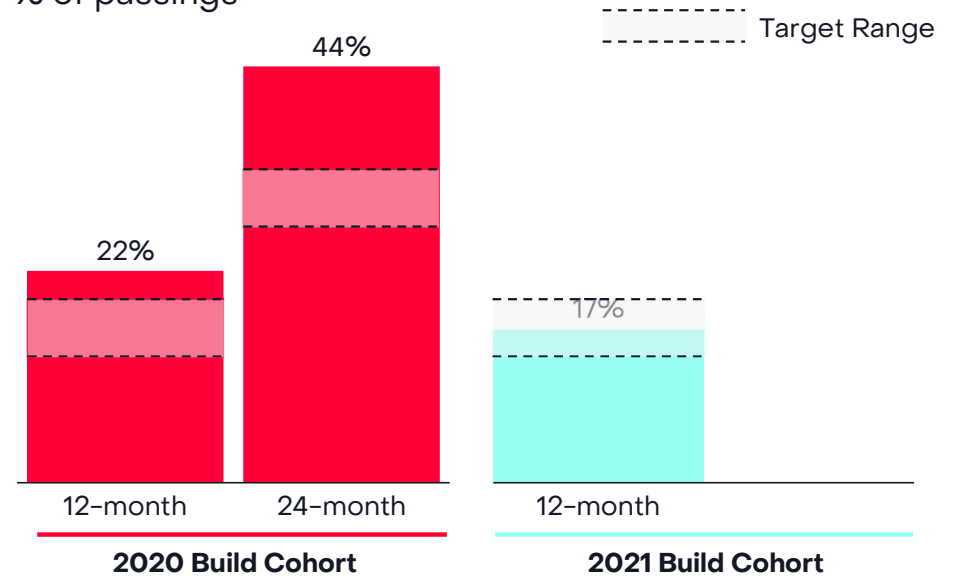
% of passings



Base fiber penetration improved 140bps year-over-year to 42.6%

Expansion Fiber Penetration

% of passings

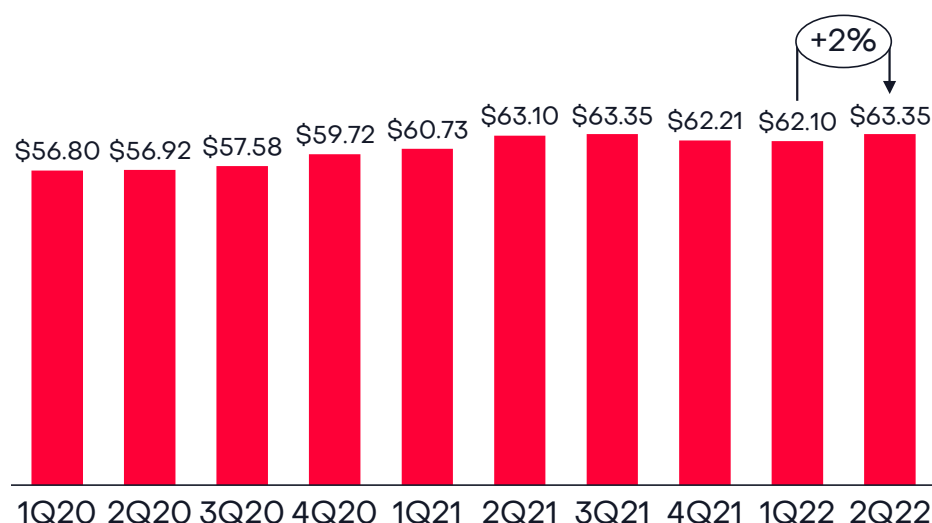


Expansion fiber penetration exceeding targets

Structural price increases and rising Gig+ speed adoption support long-term ARPU growth

Consumer Fiber Broadband ARPU

\$ per month



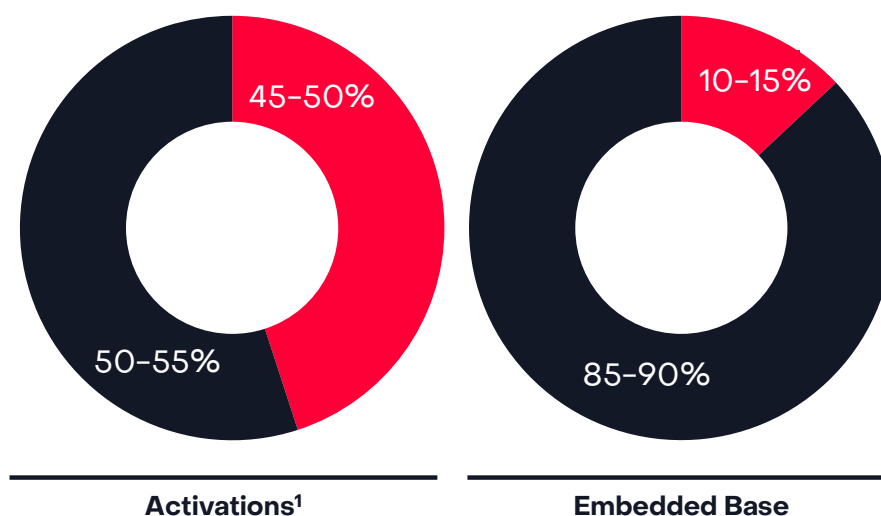
2% sequential increase in Consumer Fiber broadband ARPU, driven by annual price increases and improved speed mix

1. Activations include customers who are new to Frontier as well as migrations from copper

Consumer Fiber Gig+ Mix

%

■ Gig+ ■ < 1Gig



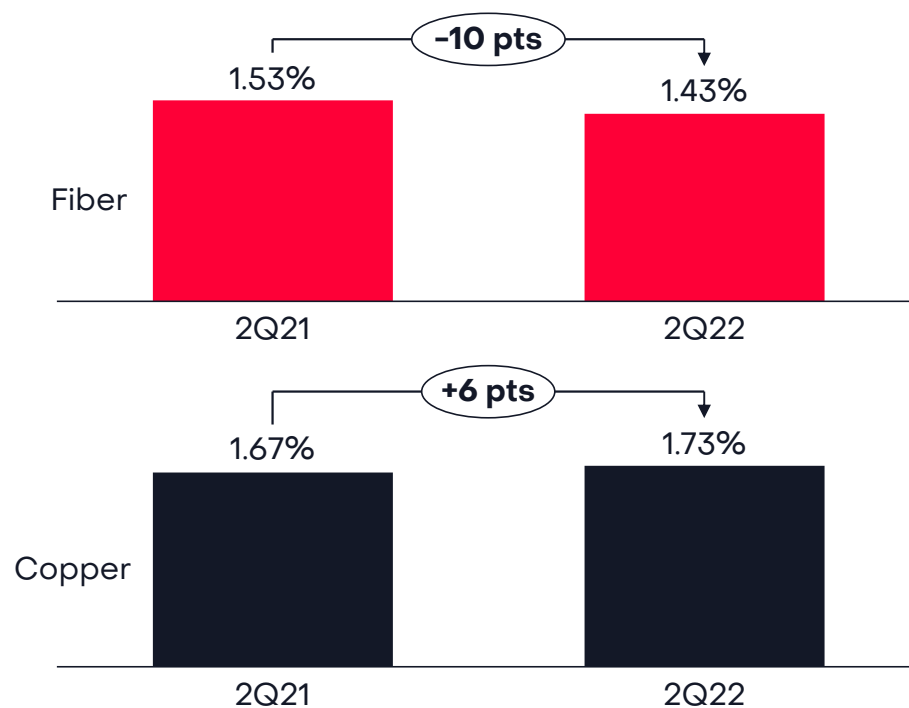
Gig+ mix of consumer fiber activations has climbed for new activations, with significant opportunity still in base

Customer experience: Key success indicators remain strong...

Early Success Indicators

- ✓ Fiber NPS up sequentially from March 2022, and continued to increase ~30 points year-over-year
- ✓ Fiber brand NPS increased 14 points from March 2022 and now ranks highest among our major competitors
- ✓ Call center volumes down ~10% since 2Q21
- ✓ 90-day fiber churn down ~50 pts since 2Q21

Consumer Broadband Churn, %



...as we systematically drive improvements every single week



Digital First Customer Experience

Deployed

- Interactive Virtual Assistant
- Digital self-service functionality
- Self-help videos

In process

- Scaled self-install capabilities
- Where's My Tech
- Enhanced mobile app



AI / Digital Workforce

- AI-supported dispatch logic
- Call center simplification

- Telematics for improved dispatch routing
- AI-enabled Chatbot



Modernized Agent Management

- Enhanced agent tools
- AI-guided workflows
- Innovation centers

- Mobile tech portal
- Natural language processing for improved diagnostics

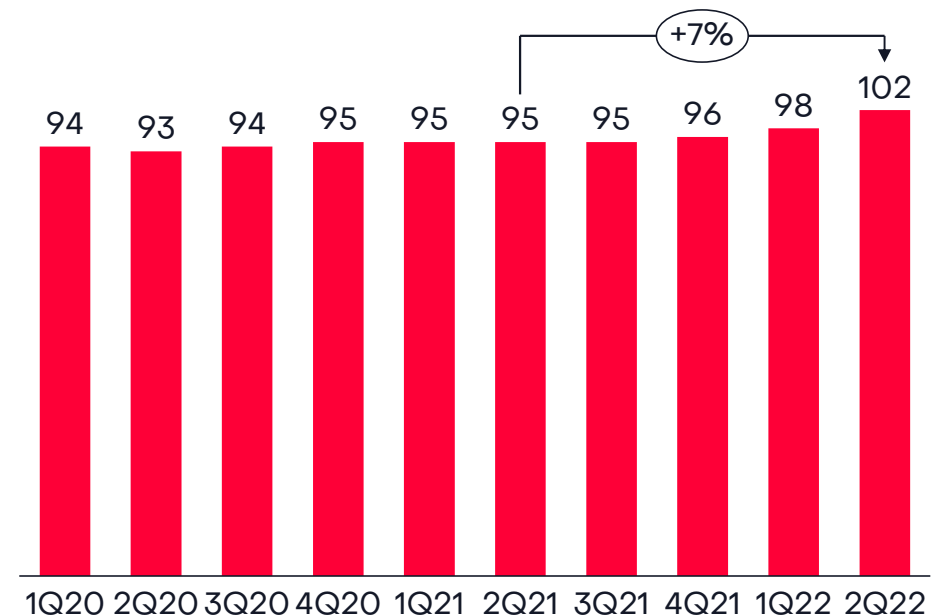
Small business is steadily improving

Key SMB Improvements

- ✓ **Strengthened product** with 2G offering and RingCentral partnership
- ✓ **Increased market awareness** through demand generation and lead identification campaigns
- ✓ **Expanded channels** in outbound telemarketing and D2D
- ✓ **Account management** team focused on cross/up-sell
- ✓ **Analytically driven retention efforts** focused on high risk of churn customers

Business Fiber Broadband Customers

'000 customers



SCOTT BEASLEY

Chief Financial Officer

Financial highlights

- **\$1.46B Revenue**, as sequentially higher Consumer revenue offset lower Business and Wholesale revenue
- **\$101M Net Income**
- **\$535M of Adjusted EBITDA**, higher sequentially driven by higher Fiber and Subsidy and Other adjusted EBITDA
- **\$292M of Adjusted EBITDA from Fiber Products**, up sequentially due to a combination of revenue growth and cost savings
- **\$229M of Net Cash from Operations**, driven by healthy operating performance and continued focus on liquidity and working capital management

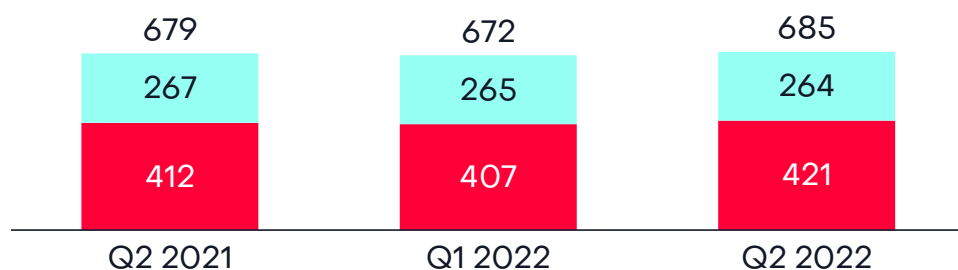


Q2
2022

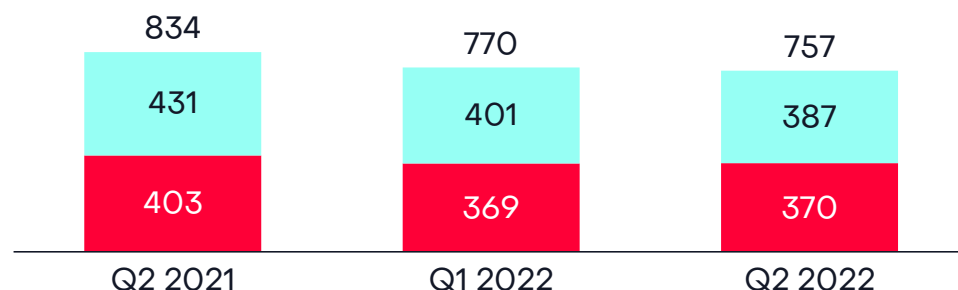
Strong fiber broadband revenue growth offset voice and video declines

Revenue from Fiber¹, \$M

Business and Wholesale
Consumer



Revenue from Copper¹, \$M



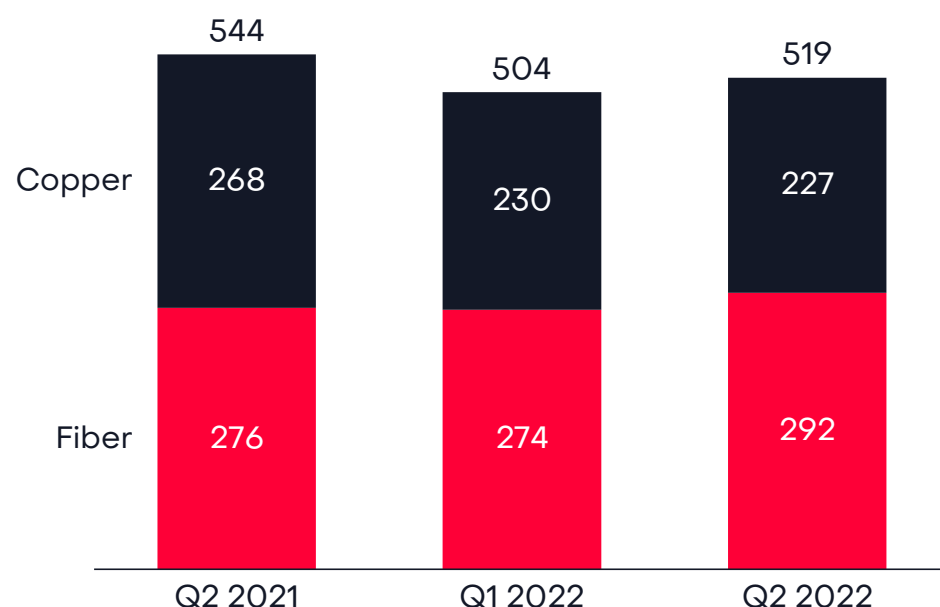
1. Excluding subsidy and other revenue. See the supplemental trending schedules, available at www.frontier.com/fir, for information regarding certain GAAP and non-GAAP financial measures, including the impact of fresh start accounting.

Revenue Commentary

- **Consumer Fiber broadband revenue** grew ~13% year-over-year, leading to **overall Consumer Fiber revenue growth**
- **Video and voice Fiber revenue** declined year-over-year but were roughly flat sequentially
- **Business and Wholesale Fiber revenue** declined ~1% year-over-year but was roughly flat sequentially
- **Revenue from Copper** products declined 9% year-over-year, driven by declines across consumer, business and wholesale
- **Consumer Copper revenue** declined 8% year-over-year, but was roughly flat sequentially as broadband growth offset voice and other declines

EBITDA growth from Fiber products accelerated, driving a sequential increase in consolidated EBITDA

Adjusted EBITDA¹, \$M



1. Excluding subsidy and other revenue. EBITDA and Adjusted EBITDA are non-GAAP financial measures. See the supplemental trending schedules, available at www.frontier.com/ir, and the Appendix hereto for information regarding Adjusted EBITDA from Fiber and Copper products.

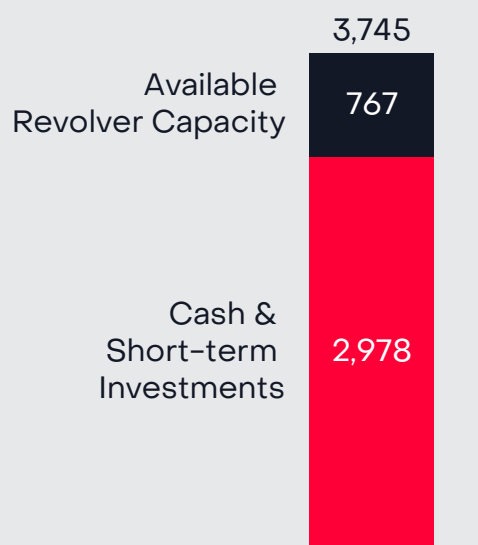
Adjusted EBITDA Commentary

- Adjusted EBITDA from Fiber products grew 6% year-over-year driven by strong consumer broadband growth and margin improvements
- Adjusted EBITDA from Fiber products represents 56% of total EBITDA, up from 51% in Q2 2021
- Adjusted EBITDA from Copper products was in-line with our expectations, and we continue to expect year-over-year declines to moderate in 2H22

We have \$3.7B of liquidity to fund the fiber build, with no significant debt maturities before 2027

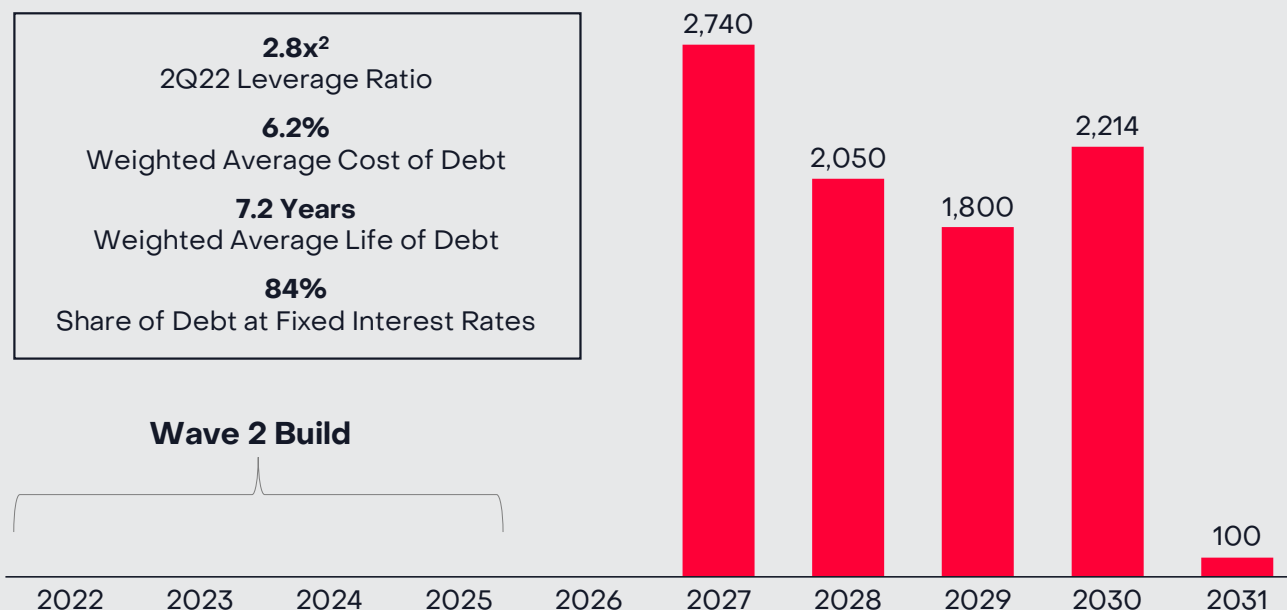
Liquidity

\$M, as of June 30, 2022



Maturity Profile¹

\$M, as of June 30, 2022



1. Excludes amortization payments of ~\$15 million per year on Term Loan.

2. Leverage ratio is a non-GAAP measure. See supplemental trending schedules available at www.frontier.com/ir.

Our business continues to generate healthy cash from operations, aided by our aggressive cost reduction program

Business simplification

- “Fit for the Future” cost program has realized ~\$200 million of gross annualized cost savings, and remains on track to exceed \$250 million savings goal by 2023

Strong cash flow generation

- We generated \$757M of net cash from operating activities in the first six months of the year

Prudent balance sheet management

- Net leverage of 2.8x¹ today, with target of “mid-threes”
- Liquidity of \$3.7 billion to fund fiber build through mid-2024

Rigorous capital allocation

- Fiber build will be primary focus of capital allocation; dynamic model to target highest IRR opportunities for revenue growth and cost reduction

1. Leverage ratio is a non-GAAP measure. See supplemental trending schedules available at www.frontier.com/ir.

We are well positioned to withstand economic environment and have not seen an impact on consumer payment behavior

Products that are critical for connecting to the digital society

- ✓ Provide a wide range of products and services with unmatched value
- ✓ Bringing more value to customers is at the core of everything we do
- ✓ Customer health metrics continue to trend favorably

Cost structure to endure inflationary environment

- ✓ Inflationary fuel, energy, and labor costs represent small portion of cost structure
- ✓ Multi-year agreements in place with key material and labor partners
- ✓ Fit for the Future cost reduction program ahead of plan, will help offset inflationary pressures

Balance sheet insulated from rising interest rates

- ✓ 84% of debt is at fixed interest rates¹
- ✓ No significant maturities until 2027
- ✓ 100 basis point increase in interest rates results in incremental annual cash interest expense of ~\$15M

1. As of 6/30/2022

Raising the midpoint of 2022 Adjusted EBITDA guidance

	Prior 2022 Outlook	Current 2022 Outlook
Capital Expenditures	\$2.40–2.50B	\$2.50–2.60B
Fiber Build Locations	1.0M	1.1–1.2M
Adjusted EBITDA	\$2.00–2.15B	\$2.05–2.15B

Note: Projected GAAP financial measures and reconciliations of projected non-GAAP financial measures are not provided herein because such GAAP financial measures are not available on a forward-looking basis and such reconciliations could not be derived without unreasonable effort. Adjusted EBITDA is a non-GAAP Financial measure.

Frontier investment thesis



Strong & growing demand



Superior product



Favorable market structure



Clear strategy & purpose



Ample liquidity & access to capital



Strong & experienced leadership team

Q & A

APPENDIX

Non-GAAP Financial Measures

(Millions)	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022
Net Income	\$60	\$4,580	\$126	\$189	\$65	\$101
Add back (Subtract)						
Income Tax Expense (Benefit)	87	(180)	31	12	30	69
Interest Expense	89	91	90	105	103	118
Investment and Other (Income) Loss, Net	(2)	3	37	(34)	(77)	(122)
Reorganization Items, Net	25	(4,196)	-	-	-	-
Operating Income	259	298	284	272	121	166
Depreciation and Amortization	387	298	273	282	284	290
EBITDA	\$646	\$596	\$557	\$554	\$405	\$456
Add back:						
Pension / OPEB Expense	\$23	\$21	\$18	\$19	\$19	\$18
Restructuring Costs and Other Charges	2	16	8	2	54	30
Rebranding Costs	-	-	-	-	8	11
Stock-based Compensation Expense	(1)	-	8	10	15	20
Legal Settlement	-	-	-	-	8	-
Storm Related Insurance Proceeds	-	-	(4)	-	-	-
Adjusted EBITDA	\$670	\$633	\$587	\$585	\$509	\$535
EBITDA margin	38.5%	36.9%	35.3%	35.9%	28.0%	31.3%
Adjusted EBITDA margin	40.0%	39.2%	37.2%	37.9%	35.2%	36.7%

