

Customer Metrics

Passings in millions; customers in thousands; unaudited



	2023					2024					2025		
	1Q	2Q	3Q	4Q	FY	1Q	2Q	3Q	4Q	FY	1Q	2Q	3Q
Passings ⁽¹⁾													
Base Fiber ⁽²⁾	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2
Expansion Fiber ⁽²⁾	2.3	2.6	2.9	3.3	3.3	3.6	4.0	4.4	4.6	4.6	4.9	5.3	5.6
Total Fiber	5.5	5.8	6.2	6.5	6.5	6.8	7.2	7.6	7.8	7.8	8.1	8.5	8.8
Total Copper	9.9	9.6	9.2	8.9	8.9	8.6	8.2	7.8	7.7	7.7	7.4	7.0	6.7
Total Passings	15.4	15.4	15.4	15.4	15.4	15.4	15.4	15.4	15.5	15.5	15.5	15.5	15.5
Consumer Customer Relationships ⁽³⁾													
Total Customers	3,140	3,127	3,118	3,129	3,129	3,140	3,154	3,176	3,193	3,193	3,232	3,283	3,335
Total Net Adds	7	(13)	(9)	11	(4)	11	14	22	17	64	39	51	52
Internet Customers ⁽⁴⁾													
Consumer													
Fiber Broadband Customers	1,659	1,722	1,797	1,878	1,878	1,963	2,053	2,157	2,249	2,249	2,352	2,472	2,597
Copper Broadband Customers	987	928	870	822	822	771	721	666	612	612	571	526	481
Total Broadband Customers	2,646	2,650	2,667	2,700	2,700	2,734	2,774	2,823	2,861	2,861	2,923	2,998	3,078
Fiber Broadband Net Adds	84	63	75	81	303	85	90	104	92	371	103	120	125
Copper Broadband Net Adds	(56)	(59)	(58)	(48)	(221)	(51)	(50)	(55)	(54)	(210)	(41)	(45)	(45)
Total Broadband Net Adds	28	4	17	33	82	34	40	49	38	161	62	75	80
Business and Wholesale													
Fiber Broadband Customers	118	122	126	129	129	132	134	138	143	143	147	153	161
Copper Broadband Customers	130	126	120	114	114	108	102	96	90	90	83	76	69
Total Broadband Customers	248	248	246	243	243	240	236	234	233	233	230	229	230
Fiber Broadband Net Adds	4	4	4	3	15	3	2	4	5	14	4	6	8
Copper Broadband Net Adds	(6)	(4)	(6)	(6)	(22)	(6)	(6)	(6)	(6)	(24)	(7)	(7)	(7)
Total Broadband Net Adds	(2)	-	(2)	(3)	(7)	(3)	(4)	(2)	(1)	(10)	(3)	(1)	1
Consumer Video Customers													
Fiber Video Customers	244	230	215	203	203	193	180	167	156	156	145	134	124
Copper Video Customers	32	25	21	19	19	14	13	12	11	11	10	10	9
Total Video Customers	276	255	236	222	222	207	193	179	167	167	155	144	133
Fiber Video Net Adds	(15)	(14)	(15)	(12)	(56)	(10)	(13)	(13)	(11)	(47)	(11)	(11)	(10)
Copper Video Net Adds	(3)	(7)	(4)	(2)	(16)	(5)	(1)	(1)	(1)	(8)	(1)	-	(1)
Total Video Net Adds	(18)	(21)	(19)	(14)	(72)	(15)	(14)	(14)	(12)	(55)	(12)	(11)	(11)

See footnotes on page 8.

Customer Metrics, Continued

ARPU in dollars; penetration in percent; unaudited



	2023					2024					2025		
	1Q	2Q	3Q	4Q	FY	1Q	2Q	3Q	4Q	FY	1Q	2Q	3Q
Internet Penetration ⁽⁵⁾													
Base Fiber ⁽⁶⁾	43.5%	43.4%	43.9%	44.5%	44.5%	44.9%	45.3%	45.7%	46.2%	46.2%	46.9%	47.2%	48.0%
Expansion Fiber ⁽⁶⁾	16.3%	17.0%	17.2%	17.5%	17.5%	17.9%	18.2%	18.8%	19.6%	19.6%	20.0%	21.0%	21.6%
Total Fiber	32.2%	31.6%	31.2%	30.9%	30.9%	30.7%	30.4%	30.2%	30.6%	30.6%	30.7%	30.9%	31.3%
Total Copper	11.3%	11.0%	10.7%	10.5%	10.5%	10.2%	10.0%	9.7%	9.2%	9.2%	8.9%	8.6%	8.2%
Total Broadband Penetration	18.8%	18.8%	18.9%	19.1%	19.1%	19.3%	19.5%	19.8%	20.0%	20.0%	20.3%	20.9%	21.4%
Average Revenue Per Unit (ARPU) ⁽⁷⁾													
Consumer													
Fiber Broadband ARPU	\$ 61.44	\$ 63.12	\$ 64.49	\$ 64.16	\$ 63.39	\$ 65.18	\$ 65.32	\$ 65.40	\$ 65.98	\$ 65.54	\$ 68.21	\$ 68.54	\$ 68.59
Copper Broadband ARPU	\$ 48.88	\$ 51.90	\$ 54.62	\$ 54.22	\$ 52.43	\$ 56.16	\$ 58.26	\$ 59.16	\$ 62.12	\$ 58.96	\$ 62.39	\$ 65.11	\$ 65.17
Fiber Video ARPU	\$ 127.92	\$ 131.15	\$ 131.66	\$ 132.05	\$ 130.77	\$ 135.63	\$ 137.33	\$ 138.01	\$ 139.53	\$ 137.49	\$ 144.15	\$ 142.71	\$ 141.87
Copper Video ARPU	\$ 130.65	\$ 134.86	\$ 135.04	\$ 128.84	\$ 132.32	\$ 133.18	\$ 123.10	\$ 106.42	\$ 97.73	\$ 117.53	\$ 95.89	\$ 91.25	\$ 92.18
Business and Wholesale													
Fiber Broadband ARPU	\$ 101.92	\$ 100.30	\$ 98.54	\$ 98.86	\$ 99.86	\$ 98.40	\$ 97.83	\$ 98.71	\$ 100.08	\$ 98.78	\$ 99.98	\$ 98.72	\$ 96.63
Copper Broadband ARPU	\$ 60.59	\$ 61.26	\$ 59.87	\$ 59.87	\$ 60.39	\$ 60.81	\$ 63.83	\$ 64.98	\$ 64.94	\$ 63.70	\$ 71.32	\$ 73.85	\$ 81.84
Churn ⁽⁸⁾													
Consumer													
Fiber Broadband Churn	1.20%	1.41%	1.47%	1.20%	1.32%	1.24%	1.40%	1.49%	1.31%	1.36%	1.20%	1.29%	1.41%
Copper Broadband Churn	1.71%	1.84%	2.18%	1.86%	1.90%	1.93%	2.02%	2.37%	2.54%	2.22%	2.06%	2.26%	2.57%
Business and Wholesale													
Fiber Broadband Churn	1.43%	1.29%	1.24%	1.17%	1.28%	1.32%	1.31%	1.50%	1.31%	1.36%	1.53%	1.37%	1.32%
Copper Broadband Churn	1.88%	1.69%	1.68%	1.73%	1.74%	2.01%	1.99%	2.05%	2.09%	2.03%	2.45%	2.85%	2.45%

See footnotes on page 8.

Revenue, Expense, and Adjusted EBITDA ^{(9) (16)}

\$ in millions; unaudited



	2023					2024					2025		
	1Q	2Q	3Q	4Q	FY	1Q	2Q	3Q	4Q	FY	1Q	2Q	3Q
Revenue													
Data and Internet Services	\$ 862	\$ 880	\$ 895	\$ 897	\$ 3,534	\$ 947	\$ 983	\$ 1,004	\$ 1,029	\$ 3,963	\$ 1,049	\$ 1,085	\$ 1,120
Voice Services	356	347	341	329	1,373	321	312	301	297	1,231	290	282	272
Video Services	117	112	104	97	430	94	88	83	79	344	74	68	63
Other	83	89	81	86	339	84	83	83	85	335	82	87	78
Revenue from Contracts with Customers	1,418	1,428	1,421	1,409	5,676	1,446	1,466	1,471	1,490	5,873	1,495	1,522	1,533
Subsidy and Other Revenue	22	21	15	17	75	16	14	18	16	64	16	17	17
Total Revenue	\$ 1,440	\$ 1,449	\$ 1,436	\$ 1,426	\$ 5,751	\$ 1,462	\$ 1,480	\$ 1,489	\$ 1,506	\$ 5,937	\$ 1,511	\$ 1,539	\$ 1,550
<i>Y/Y Growth</i>	-0.5%	-0.7%	-0.6%	-0.8%	-0.6%	1.5%	2.1%	3.7%	5.6%	3.2%	3.4%	4.0%	4.1%
Other Financial Data:													
Consumer Fiber Revenue	\$ 448	\$ 462	\$ 479	\$ 484	\$ 1,873	\$ 505	\$ 523	\$ 537	\$ 557	\$ 2,122	\$ 589	\$ 609	\$ 628
Business and Wholesale Fiber Revenue	281	284	281	278	1,124	300	317	330	333	1,280	324	330	328
Total Fiber Revenue	729	746	760	762	2,997	805	840	867	890	3,402	913	939	956
Consumer Copper Revenue	313	313	308	290	1,224	282	266	252	241	1,041	224	216	198
Business and Wholesale Copper Revenue	376	369	353	357	1,455	359	360	352	359	1,430	358	367	379
Total Copper Revenue	689	682	661	647	2,679	641	626	604	600	2,471	582	583	577
Regulatory & TSA Revenue	22	21	15	17	75	16	14	18	16	64	16	17	17
Total Revenue	\$ 1,440	\$ 1,449	\$ 1,436	\$ 1,426	\$ 5,751	\$ 1,462	\$ 1,480	\$ 1,489	\$ 1,506	\$ 5,937	\$ 1,511	\$ 1,539	\$ 1,550
Adjusted Operating Expenses													
Video Content Expense	\$ 76	\$ 71	\$ 65	\$ 61	\$ 273	\$ 61	\$ 57	\$ 53	\$ 47	\$ 218	\$ 49	\$ 43	\$ 41
Cost of Service, excluding Video Content	467	460	482	453	1,862	453	453	477	461	1,844	463	478	500
Selling, General and Administrative Expenses	378	385	363	363	1,489	401	410	410	403	1,624	416	411	372
Total Adjusted Operating Costs and Expenses	\$ 921	\$ 916	\$ 910	\$ 877	\$ 3,624	\$ 915	\$ 920	\$ 940	\$ 911	\$ 3,686	\$ 928	\$ 932	\$ 913
Adjusted EBITDA ⁽⁹⁾													
Fiber Adjusted EBITDA	\$ 322	\$ 323	\$ 328	\$ 356	\$ 1,329	\$ 360	\$ 382	\$ 394	\$ 438	\$ 1,574	\$ 451	\$ 463	\$ 496
Copper Adjusted EBITDA	176	189	183	177	725	172	165	137	142	616	117	128	126
Adjusted EBITDA excluding Subsidy and Other	498	512	511	533	2,054	532	547	531	580	2,190	568	591	622
Subsidy and Other Adjusted EBITDA	21	21	15	16	73	15	13	18	15	61	15	16	15
Total Adjusted EBITDA	\$ 519	\$ 533	\$ 526	\$ 549	\$ 2,127	\$ 547	\$ 560	\$ 549	\$ 595	\$ 2,251	\$ 583	\$ 607	\$ 637
<i>Y/Y Growth</i>	2.0%	-0.4%	3.5%	4.0%	2.3%	5.4%	5.1%	4.4%	8.4%	5.8%	6.6%	8.4%	16.0%
<i>Adjusted EBITDA margin</i>	36.0%	36.8%	36.6%	38.5%	37.0%	37.4%	37.8%	36.9%	39.5%	37.9%	38.6%	39.4%	41.1%

See footnotes on page 8.

Reconciliations of Non-GAAP Measures to GAAP Measures ⁽¹⁶⁾

\$ in millions; unaudited



	2023					2024					2025		
	1Q	2Q	3Q	4Q	FY	1Q	2Q	3Q	4Q	FY	1Q	2Q	3Q
Adjusted EBITDA													
Net Income (Loss)	\$ 3	\$ (2)	\$ 11	\$ 17	\$ 29	\$ 1	\$ (123)	\$ (82)	\$ (118)	\$ (322)	\$ (64)	\$ (123)	\$ (76)
<i>Add back (Subtract)</i>													
Income Tax Expense (Benefit)	1	-	-	87	88	2	(9)	(6)	(11)	(24)	(11)	(16)	(14)
Interest Expense	141	149	170	193	653	199	199	203	203	804	200	197	198
Investment and Other (Income) Loss, Net	(2)	(32)	(67)	(177)	(278)	(112)	24	(29)	12	(105)	(49)	(14)	9
Operating Income	143	115	114	120	492	90	91	86	86	353	76	44	117
Depreciation and Amortization	330	354	356	375	1,415	388	398	410	429	1,625	445	457	470
EBITDA, as reported ⁽⁹⁾	\$ 473	\$ 469	\$ 470	\$ 495	\$ 1,907	\$ 478	\$ 489	\$ 496	\$ 515	1,978	\$ 521	\$ 501	\$ 587
<i>Add back:</i>													
Pension / OPEB Expense	11	11	9	10	41	9	9	8	10	36	8	8	9
Restructuring Costs and Other Charges	8	24	16	25	73	34	26	28	36	124	36	16	21
Stock-based Compensation	24	27	30	27	108	26	11	17	14	68	15	13	20
Storm Related Costs	3	2	1	-	6	-	-	-	20	20	3	3	-
Legal Settlements (Recoveries)	-	-	-	(8)	(8)	-	25	-	-	25	-	66	-
Adjusted EBITDA, as reported ⁽⁹⁾	\$ 519	\$ 533	\$ 526	\$ 549	\$ 2,127	\$ 547	\$ 560	\$ 549	\$ 595	\$ 2,251	\$ 583	\$ 607	\$ 637

See footnotes on page 8.

Capital Investment⁽¹⁰⁾

\$ in millions; unaudited



	2023					2024					2025		
	1Q	2Q	3Q	4Q	FY	1Q	2Q	3Q	4Q	FY	1Q	2Q	3Q
Capital Investment													
Cash Capital Expenditures	1,154	1,057	671	329	3,211	666	626	699	792	2,783	757	845	819
Vendor Financing Payments	-	-	-	4	4	363	52	-	48	463	16	-	
Cash Capital Investment	1,154	1,057	671	333	3,215	1,029	678	699	840	3,246	773	845	819
Accounts Payable Increase / (Decrease)	(25)	(193)	(296)	188	(326)	(156)	85	68	(37)	(40)	124	49	88
Vendor Financing Liabilities Increase / (Decrease)	-	-	167	88	255	(205)	(50)	55	(39)	(239)	(16)	-	-
Inventory (Increase) / Decrease ⁽¹¹⁾	(111)	56	11	(8)	(52)	43	53	38	28	162	(20)	74	51
Capital Investment (Accrual Basis)	1,018	920	553	601	3,092	711	766	860	792	3,129	861	968	958
Subsidy-related Build Capital Expenditures (Accrual Basis) ⁽¹²⁾	37	35	25	29	126	29	44	43	48	164	56	83	115
Non-subsidy-related Build Capital Expenditures (Accrual Basis) ⁽¹³⁾	523	419	143	159	1,245	232	252	296	237	1,017	269	293	282

See footnotes on page 8.

Free Cash Flow ⁽¹⁶⁾

\$ in millions; unaudited



	2023					2024					2025		
	1Q	2Q	3Q	4Q	FY	1Q	2Q	3Q	4Q	FY	1Q	2Q	3Q
Free Cash Flow													
Adjusted EBITDA ⁽⁹⁾	\$ 519	\$ 533	\$ 526	\$ 549	\$ 2,127	\$ 547	\$ 560	\$ 549	\$ 595	\$ 2,251	\$ 583	\$ 607	\$ 637
Pension / OPEB Expense	(11)	(11)	(9)	(10)	(41)	(9)	(9)	(8)	(10)	(36)	(8)	(8)	(9)
Cash Interest	(83)	(231)	(135)	(262)	(711)	(149)	(263)	(153)	(270)	(835)	(141)	(265)	(104)
Cash Taxes	(5)	4	-	1	-	13	(4)	(1)	2	10	-	(2)	-
Pension / OPEB Contributions	(26)	(29)	(49)	(12)	(116)	(52)	(17)	(28)	(20)	(117)	(26)	(29)	(45)
Other	3	34	66	55	158	19	133	287	33	472	147	190	46
Restructuring Costs	(8)	(24)	(16)	(25)	(73)	(34)	(26)	(28)	(36)	(124)	(36)	(16)	(21)
Net Cash from Operating Activities	389	276	383	296	1,344	335	374	618	294	1,621	519	477	504
Cash Capital Investment ⁽¹⁰⁾	(1,154)	(1,057)	(671)	(333)	(3,215)	(1,029)	(678)	(699)	(840)	(3,246)	(773)	(845)	(819)
Operating Free Cash Flow ⁽¹⁴⁾	\$ (765)	\$ (781)	\$ (288)	\$ (37)	\$ (1,871)	\$ (694)	\$ (304)	\$ (81)	\$ (546)	\$ (1,625)	\$ (254)	\$ (368)	\$ (315)
Adjusted Operating Free Cash Flow ⁽¹⁴⁾	(757)	(757)	(272)	(12)	(1,798)	(660)	(278)	(53)	(510)	(1,501)	(218)	(352)	(294)

See footnotes on page 8.

Leverage

\$ in millions; unaudited



	2023					2024					2025		
	1Q	2Q	3Q	4Q	FY	1Q	2Q	3Q	4Q	FY	1Q	2Q	3Q
Leverage													
Total Debt	\$ 9,854	\$ 9,844	\$ 11,273	\$ 11,261	\$ 11,261	\$ 11,255	\$ 11,249	\$ 11,566	\$ 11,561	\$ 11,561	\$ 11,643	\$ 11,870	\$ 12,018
Cash	(1,132)	(662)	(948)	(1,125)	(1,125)	(1,296)	(1,197)	(1,320)	(750)	(750)	(506)	(412)	(336)
Short-term investments	(900)	(575)	(1,275)	(1,075)	(1,075)	(225)	-	-	-	-	-	-	-
Net Debt	7,822	8,607	9,050	9,061	9,061	9,734	10,052	10,246	10,811	10,811	11,137	11,458	11,682
Trailing Twelve Months Adjusted EBITDA ⁽⁹⁾	2,090	2,088	2,106	2,127	2,127	2,155	2,182	2,205	2,251	2,251	2,287	2,334	2,422
Net Leverage Ratio ⁽¹⁵⁾	3.7	4.1	4.3	4.3	4.3	4.5	4.6	4.6	4.8	4.8	4.9	4.9	4.8

See footnotes on page 8.

Notes



- 1) Passings represent our estimate of the number of locations, such as single family units, apartment and condominium units, and small and medium businesses, passed by our copper and fiber distribution network in the areas where we offer service. These locations are open to Frontier sales efforts. These estimates are based upon the information available at this time and may be updated for all periods presented when new information becomes available.
- 2) Base Fiber passings represent our pre-build fiber passings of 3.2M locations. Expansion Fiber passings represent our footprint where we have built fiber.
- 3) Consumer customer relationships include the number of customers that receive one or more levels of service, encompassing internet, video and voice services, without regard to which service(s) such customers receive. These estimates are based upon the information available at this time and may be updated for all periods presented when new information becomes available.
- 4) Internet customers in 2023 were updated in the fourth quarter of 2023 to include wholesale broadband customers, which do not include circuits or fiber-to-the-tower customers. The change resulted in Business and Wholesale fiber customer increases of 10,000 and Business and Wholesale copper customer increases of 22,000 as of December 31, 2023.
- 5) Penetration represents all customers as a percentage of estimated passings.
- 6) Base Fiber Penetration represents all customers as a percentage of estimated passings in our Base Fiber Footprint. Expansion Fiber Penetration represents all customers as a percentage of estimated passings in our Expansion Fiber Footprint.
- 7) Average Revenue Per Unit (ARPU) is calculated as quarterly revenue divided by three divided by average customers taking the respective products. Business and Wholesale ARPU in 2023 was updated in the fourth quarter of 2023 for new methodology which includes wholesale ARPU, excluding circuits or fiber-to-the-tower ARPU. The change resulted in decreases to Business and Wholesale fiber ARPU of \$2.65 and Business and Wholesale copper ARPU of \$6.87 as of December 31, 2023.
- 8) Churn is calculated as the quarterly average of monthly customer disconnects divided by customers at the beginning of the month. Business and Wholesale churn in 2023 was updated in the fourth quarter of 2023 to include wholesale churn, which does not include circuits or fiber-to-the-tower churn. The change resulted in decreases to Business and Wholesale fiber churn of 0.03% and Business and Wholesale copper churn of 0.15% as of December 31, 2023.
- 9) 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, and certain other non-recurring items. Adjusted EBITDA margin is calculated by dividing Adjusted EBITDA by total revenue. See footnote 16.
- 10) Capital investment includes capital expenditures and vendor financing payments.
- 11) Cash inventory changes may differ from balance sheet changes due to accounting treatment of inventory consumed after twelve months.
- 12) Subsidy-related Build Capital Expenditures represent direct capital expenditures related to CAF, RDOF, and other government grant opportunities, and are subject to various timing and accrual factors, including capital expenditures for locations that will be passed in subsequent periods.
- 13) Non-subsidy-related Build Capital Expenditures represent direct capital expenditures related to fiber expansion, new subdivisions, and new multi-dwelling units and are subject to various timing and accrual factors, including capital expenditures for locations that will be passed in subsequent periods. Build capital expenditures related to CAF, RDOF, and other government grant opportunities are excluded.
- 14) Operating Free Cash Flow, a non-GAAP measure, is defined as net cash provided from operating activities less capital expenditures, less payments on vendor financing related to capital expenditures. Adjusted Operating Free Cash Flow is defined as Operating Free Cash Flow excluding reorganization items and restructuring costs. See footnote 16.
- 15) Net Leverage Ratio is calculated as net debt (total debt less cash and cash equivalents) divided by Adjusted EBITDA for the most recent four quarters.
- 16) Certain financial measures contained herein, including EBITDA, Adjusted EBITDA, EBITDA Margin, Adjusted EBITDA Margin, Operating Free Cash Flow, Adjusted Operating Free Cash Flow and Net Leverage Ratio are non-GAAP financial measures. A description and reconciliation of each of these measures to the most comparable financial measures calculated and presented in accordance with GAAP is included herein. A wide range of factors could materially affect Frontier's future developments and performance, and may cause actual future results to be materially different than historical results and trends presented in this supplemental financial and operational trend information. These factors include, but are not limited to, the risks and other factors contained in Frontier's filings with the SEC, including Frontier's Form 10-K and most recent Form 10-Qs.