Cincinnati Bell

Bank of America Merrill Lynch Leveraged Finance Conference

Orlando, Florida

November 30-December 2, 2011

Safe Harbor

This presentation and the documents incorporated by reference herein contain forward-looking statements regarding future events and our future results that are subject to the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical facts, are statements that could be deemed forward-looking statements. These statements are based on current expectations, estimates, forecasts, and projections about the industries in which we operate and the beliefs and assumptions of our management. Words such as "expects," "anticipates," "predicts," "projects," "intends," "plans," "believes," "seeks," "estimates," "continues," "endeavors," "strives," "may," variations of such words and similar expressions are intended to identify such forward-looking statements. In addition, any statements that refer to projections of our future financial performance, our anticipated growth and trends in our businesses, and other characterizations of future events or circumstances are forward-looking statements. Readers are cautioned these forward-looking statements are based on current expectations and assumptions that are subject to risks and uncertainties, which could cause our actual results to differ materially and adversely from those reflected in the forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those discussed in this release and those discussed in other documents we file with the Securities and Exchange Commission (SEC). More information on potential risks and uncertainties is available in our recent filings with the SEC, including Cincinnati Bell's Form 10-K report, Form 10-Q reports and Form 8-K reports. Actual results may differ materially and adversely from those expressed in any forward-looking statements. We undertake no obligation to revise or update any forward-looking statements for any reason.

Non GAAP Financial Measures

This presentation contains information about adjusted earnings before interest, taxes, depreciation and amortization (Adjusted EBITDA), Adjusted EBITDA margin, free cash flow and net debt. These are non-GAAP financial measures used by Cincinnati Bell management when evaluating results of operations and cash flow. Management believes these measures also provide users of the financial statements with additional and useful comparisons of current results of operations and cash flows with past and future periods. Non-GAAP financial measures should not be construed as being more important than comparable GAAP measures. Detailed reconciliations of Adjusted EBITDA, free cash flow (including the Company's definition of these terms), and net debt to comparable GAAP financial measures can be found in the appendix of this presentation.

Company & Strategy Overview

Cincinnati Bell Overview

135 year old full-service provider of data and voice communications services over wireline and wireless networks in the Greater Cincinnati and Dayton areas

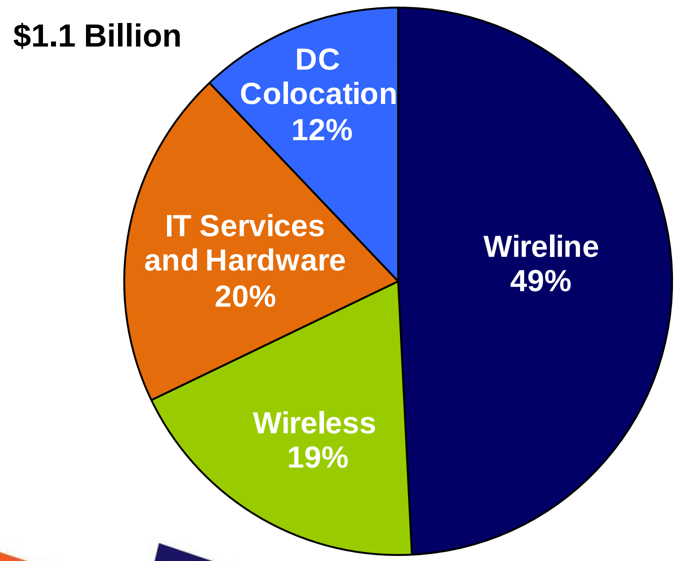
Provides business customers with outsourced data center colocation operations in world class, state-of-the-art data center facilities

Strong brand recognition and reputation for service

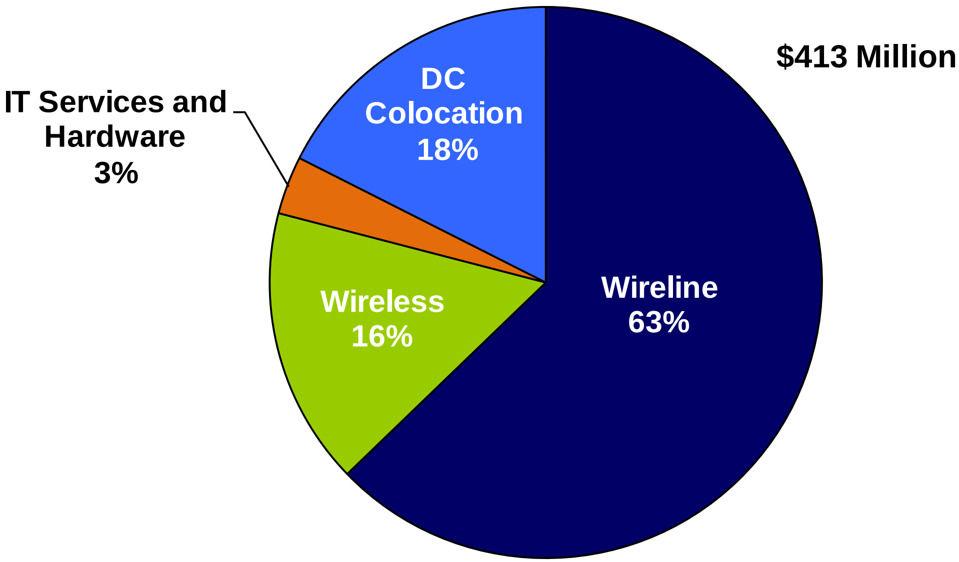
Proven capabilities with track record of delivering results

Well positioned for growth in the Data Center industry

Revenue - YTD Q3 2011



Adjusted EBITDA - YTD Q3 2011



Note: Excludes intercompany and corporate expenses

Cincinnati Bell℠

Cincinnati Bell Communications

As of September 30, 2011:

Wireline: 635K access lines

Wireless: 472K wireless subscribers

Broadband: 259K high-speed internet subscribers

Entertainment: 38K Fioptics subscribers

Regional market leader offering full bundle of integrated telecommunications services

Successfully defending market share in the face of intense competition

Now offering digital television and faster internet through a rapidly expanding fiber network

Cincinnati Bell[SM]

Cincinnati Bell Data Center Colocation

Locations: Cincinnati, Houston, Dallas, Austin, Chicago, South Bend, London and Singapore

As of September, 2011, total square footage was 736K square feet and utilization was 86%

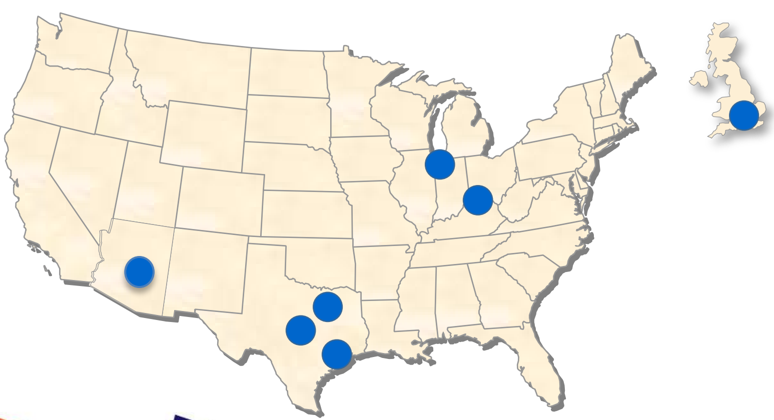
Added 67K square feet of DC space in Q3 2011

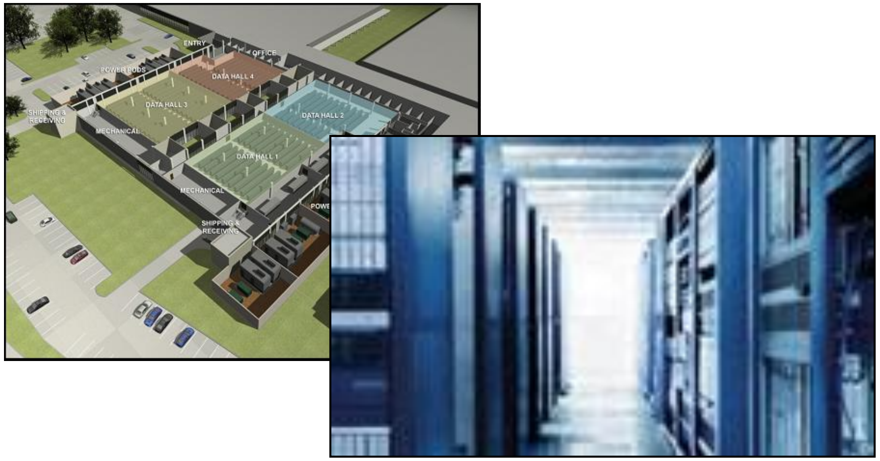
Plans in progress to construct a state-of-the-art data center facility in Phoenix, Arizona

Five years of organic data center growth enhanced by CyrusOne acquisition in June 2010

Premier regional facilities with growing domestic and international presence

Path forward to become preferred global provider of data center colocation to Fortune 1000

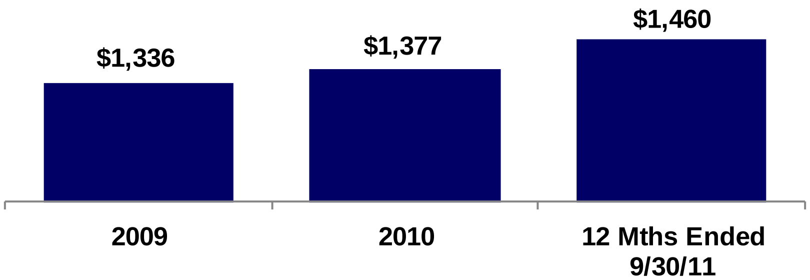




Proven Performance Track Record

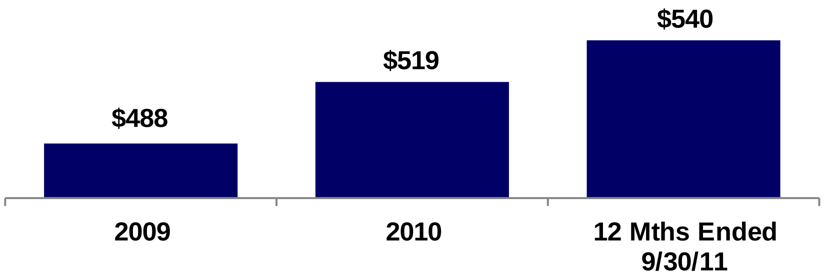
Revenue

($MM)



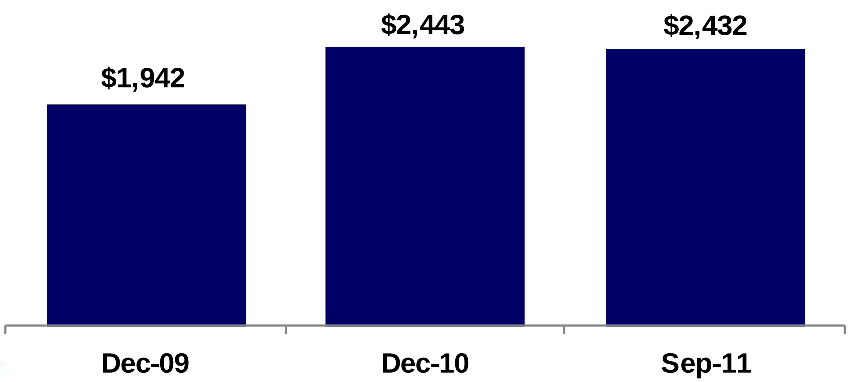
Adjusted EBITDA

($MM)



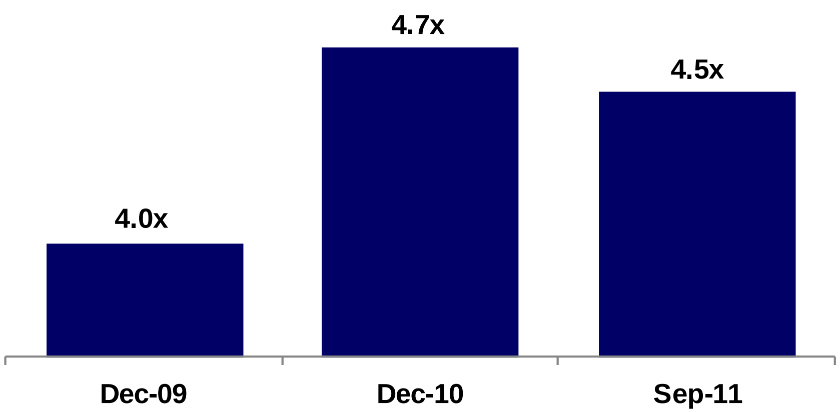
Net Debt

($MM)



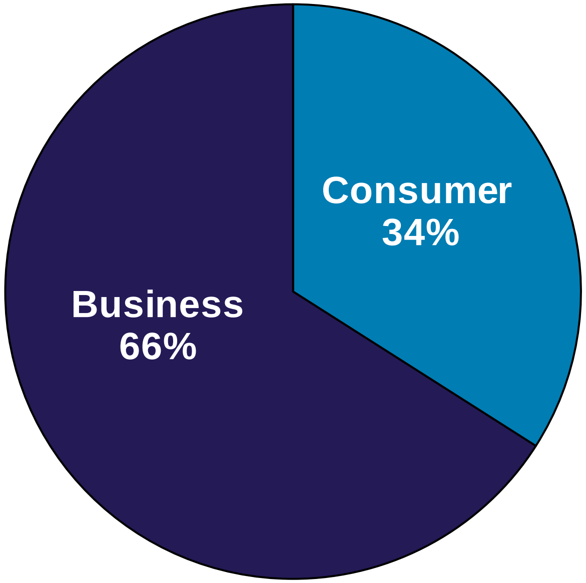
Net Debt / Adjusted EBITDA

(x)

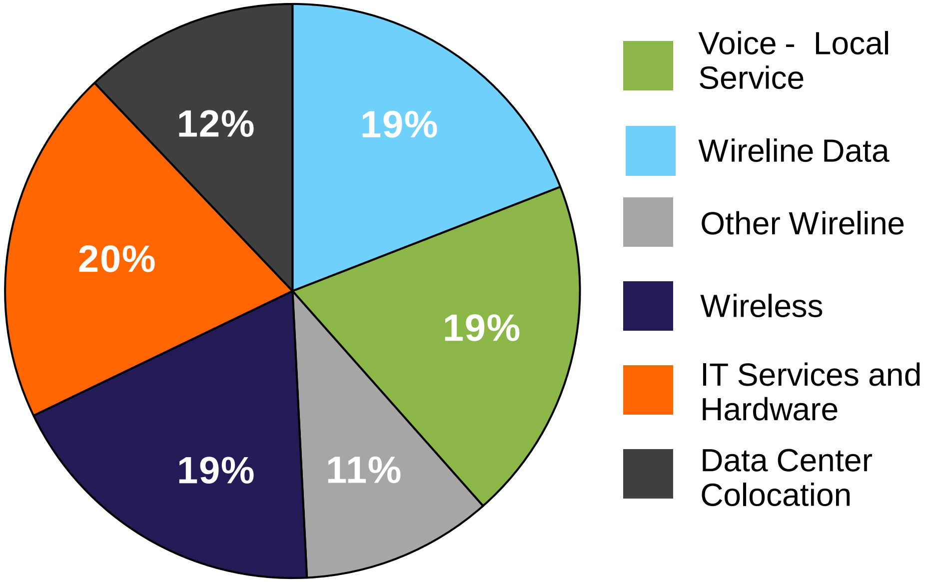


Revenue Diversification Strategy

Q3 YTD 2011 Customer Channel Mix*



Q3 YTD 2011 Product Mix By Revenues*



* Before intercompany eliminations

Clear Strategic Focus

Create Sustainable Shareholder Value	
Generate Strong Operating Cash Flows	Grow Data Center Colocation
Maintain profitability and cash flow of Communications through defending core business and aggressive cost reduction initiatives	Invest to establish national then global footprint to become preferred global provider to Fortune 1000 customers

Q3 2011 Financial Performance

2011 3rd Quarter Highlights –

Continued the momentum from first half of the year

Net Revenue of $369 million is $17 million, or 5%, higher than Q3 2010

Operating Income of $86 million is up 4% year over year and 11% over the prior quarter

Adjusted EBITDA continues to be strong at $133 million

Continued Investment in Data Center Colocation resulting in year over year revenue growth of 18%

Wireline Adjusted EBITDA margin continues to hold steady despite continued access line losses

- Highest quarterly revenue since 2003
- Operating income in the quarter is the second highest since 2008
- Pre-tax gain of $8 million realized from the sale of home security business
- Total of 115,000 units now passed with Fioptics
- Growth from the Fioptics suite of products continues to mitigate the revenue impact of access line losses

Cincinnati Bell

2011 3rd Quarter Segment Highlights

Data Center Colocation

- Revenue of $47 million is 18% higher than Q3 2010
- Adjusted EBITDA of $25 million, up 9% from Q3 2010
- 67K sq ft of new space added during the quarter; Utilization rate of 86% at Q3 2011

Wireline

- Continues to deliver solid results, with revenue down just 1% year over year and maintaining high Adjusted EBITDA margin of 48%
- Passed 25,000 units with Fioptics during Q3 2011
- Pre-tax gain of $8 million from sale of home security business

Wireless

- Adjusted EBITDA of $20 million and Adjusted EBITDA margin of 29%
- Postpaid ARPU stable at $50.36 as higher data ARPU fully offsets lower voice ARPU
- Added 5,000 net postpaid smartphone subscribers during the quarter

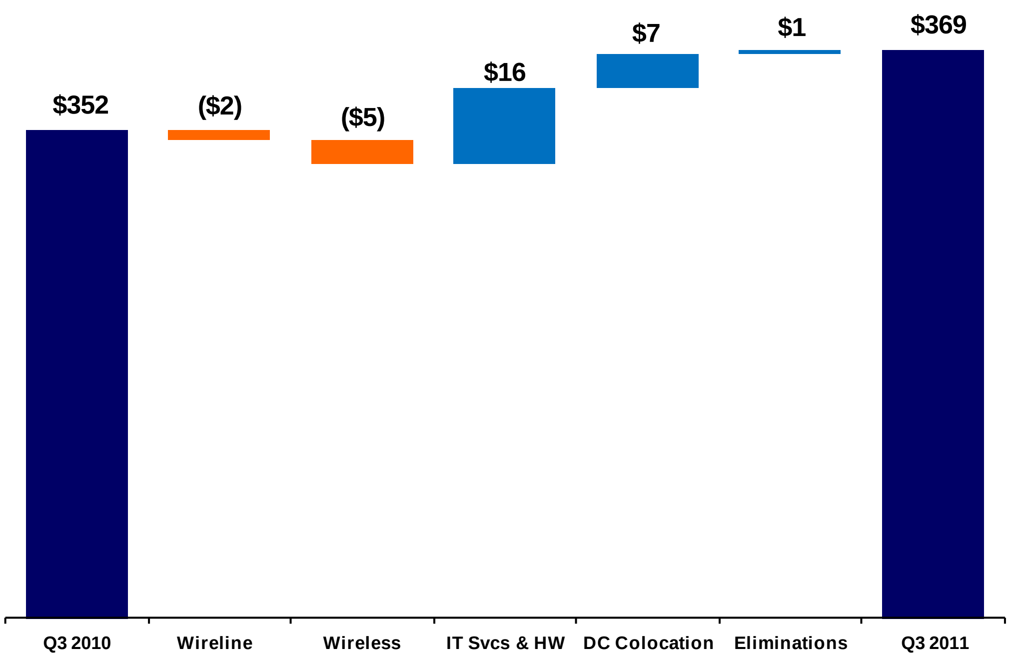
IT Services & Hardware

- Revenue of $79 million represents second consecutive quarter of growth in revenues this year
- Adjusted EBITDA of $6 million, up $2 million or 68% from prior year
- Adjusted EBITDA margins improved to 8% from 6% in Q3 2010

2011 3rd Quarter Year over Year Change in Revenue

Revenues up $17 million or 5% over 2010

($'s in millions)



$16 million increase in IT Services and Hardware

- $12 million or 29% increase in Telecom & IT Equipment
- $4 million or 20% increase in Managed Services & Professional Services

$7 million increase in Data Center Colocation

- Data center capacity has increased 19% year over year

($2 million) decrease in Wireline

- Fioptics growth continues to mostly offset lower access line revenue

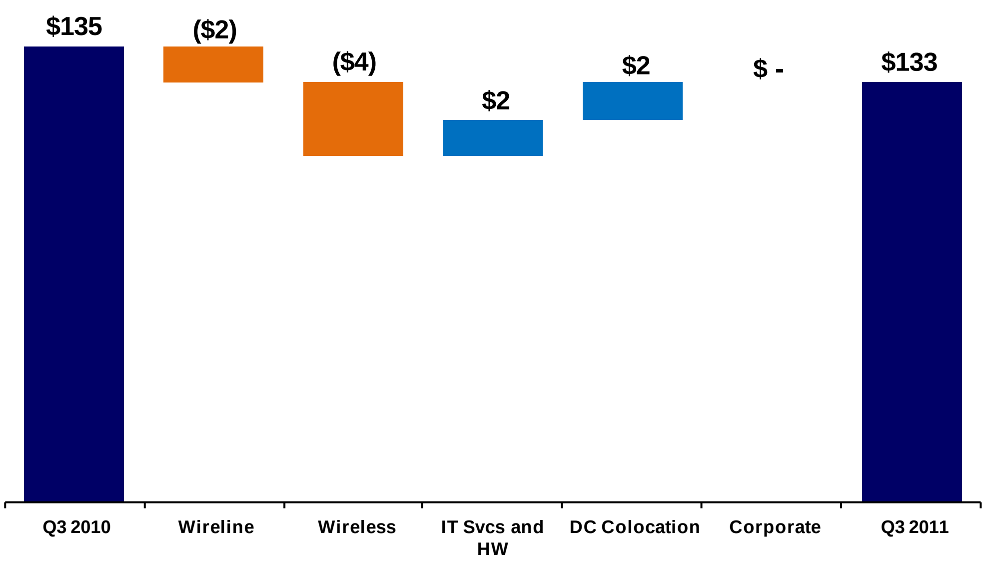
($5 million) decrease in Wireless

- Fewer postpaid subscribers
- Lower prepaid ARPU

2011 3rd Quarter Year over Year Change in Adjusted EBITDA

Continues to reflect stable trend

($'s in millions)



$2 million increase in Data Center Colocation

- Continued growth in this segment spurs higher revenues and Adjusted EBITDA
- Full quarter of CyrusOne in both periods

$2 million increase in IT Services and Hardware on higher revenue

- Drove increase in Adjusted EBITDA margin to 8%

($4 million) decrease in Wireless

- Postpaid subscribers continue to decrease

($2 million) decrease in Wireline

- Growth in Fioptics and cost initiatives largely offset access line loss
- Maintained an Adjusted EBITDA margin of 48%

Q3 2011 Free Cash Flow

($'s in millions)

FCF of $5M decreased $28M year over year

- Higher capital expenditures due to acceleration of data center expansion plans, expected to continue in Q4 2011
- Lower interest payments due to timing of cash payments following the refinancing of a Term Loan in Q4 2010
- FCF excludes proceeds from sale of home security business

2011 Guidance Reaffirmed

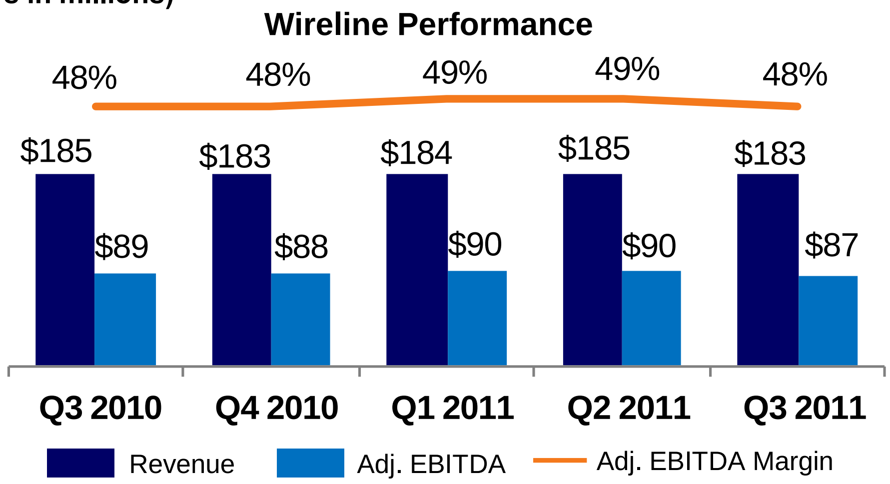
Category	2011 Guidance
Revenue	$ 1.4 billion
Adjusted EBITDA*	Approx. $545 million
Free Cash Flow	Approx. $5 million

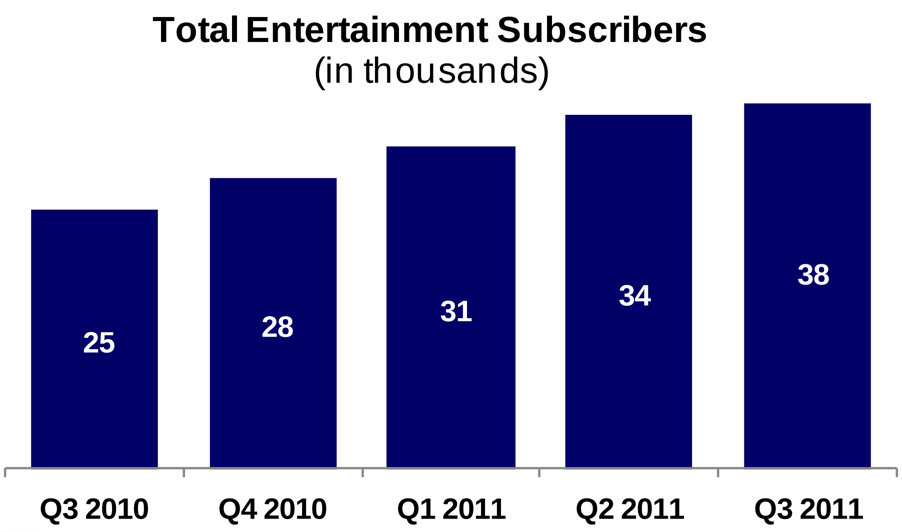
* Plus or minus 2 percent; reflects 2011 definition of Adjusted EBITDA

Q3 2011 Segment Performance

Wireline Overview

($'s in millions)





Stable levels of Revenue and Adjusted EBITDA margin

- Growth in Entertainment, Data, and VoIP products mostly offset lower voice revenue
- Adjusted EBITDA margin holding steady compared to prior quarters at 48%

7.5% total access line loss

- 7.8% ILEC access line loss, comparable to Q3 2010

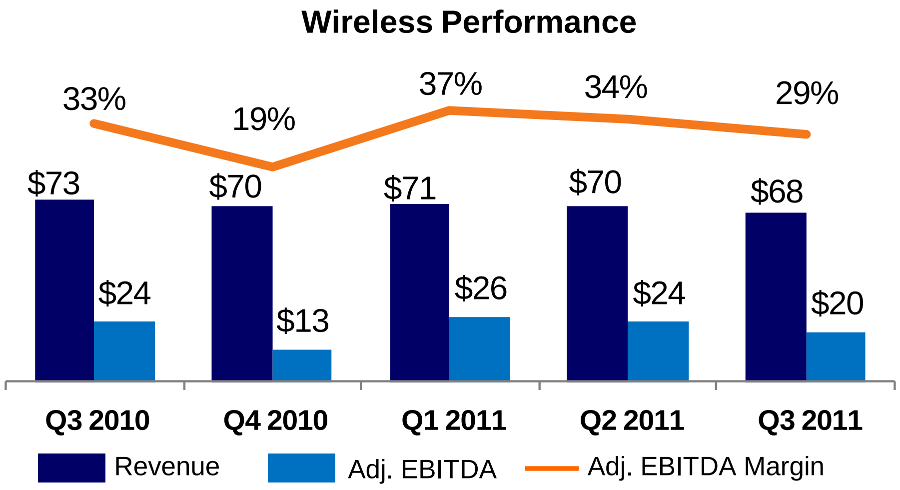
Fioptics product suite represents growth area

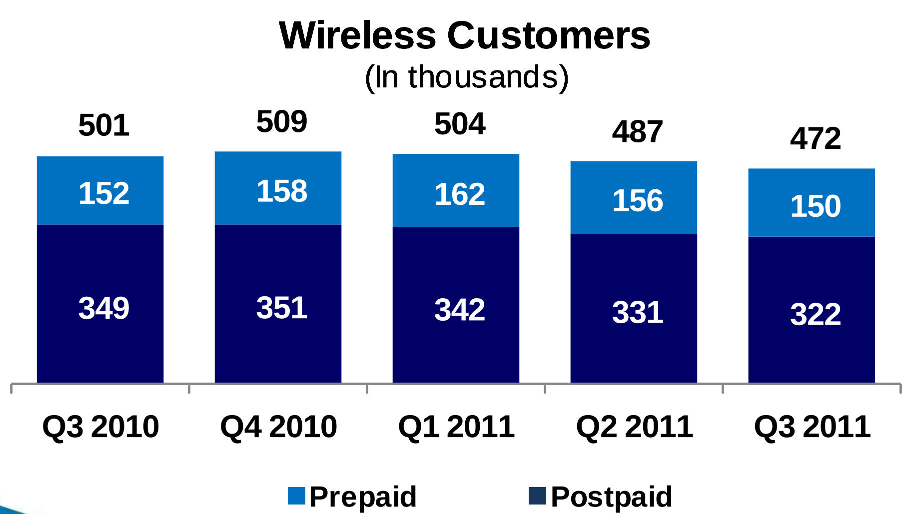
- 38K entertainment subs at September 30, 2011, an increase of 51% from Q3 2010
- Churn of 2.8% for the year-to-date period in 2011 is low given our high concentration of multiple dwelling units (MDUs)
- Penetration of homes passed after 12 months is strong at approximately 31%
- Consumer ARPU of $122 in Q3 2011, up from $114 in Q3 2010

Wireless Overview

Cincinnati Bell

($MM)





Postpaid churn improved to 2.1% from 2.3% in Q3 2010 and 2.2% in Q2 2011

Competition continues to put pressure on Wireless revenues

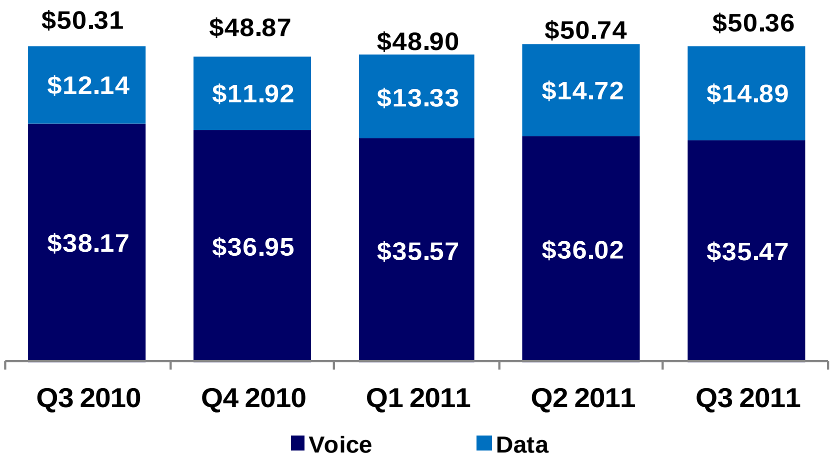
- Service revenue fell by $5 million, or 7%, from Q3 2010 due largely to 8% decline in postpaid subscribers

Adjusted EBITDA Margin at 29%

Cincinnati Bell℠

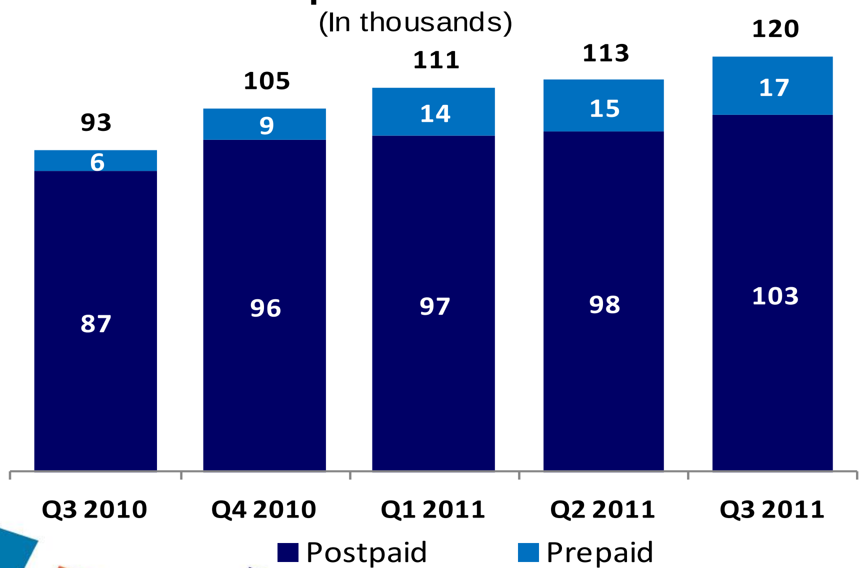
Postpaid ARPU and Smartphone Customers

Postpaid ARPU



Smartphone Customers

(In thousands)



Postpaid ARPU continues to hold steady

- Postpaid ARPU in Q3 2011 is comparable to both Q3 2010 and Q2 2011
- Year over year increase in Data ARPU of $2.75, or 23%, offsets the 7% decline in voice ARPU

Continued smartphone plan growth

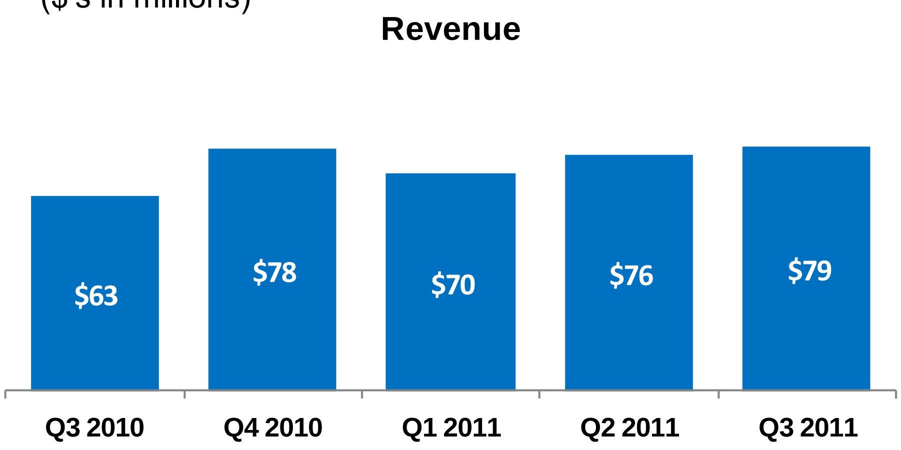
- Year-over-year growth of 29% in smartphone subscriber base
- Postpaid smartphone subscribers now represent 32% of total postpaid subscribers vs. 25% in Q3 2010
- 17K prepaid smartphone subscribers at Q3 2011, an increase of over 180% from Q3 2010

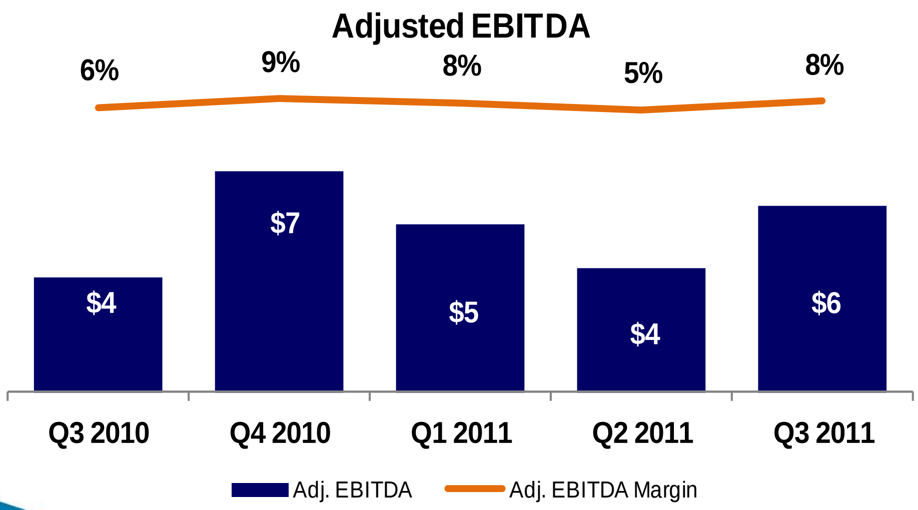
Wireless continues to add to its growing line-up of 4G handsets

- Recently launched six 4G smartphones, including the HTC Sensation™

IT Services and Hardware

($'s in millions)



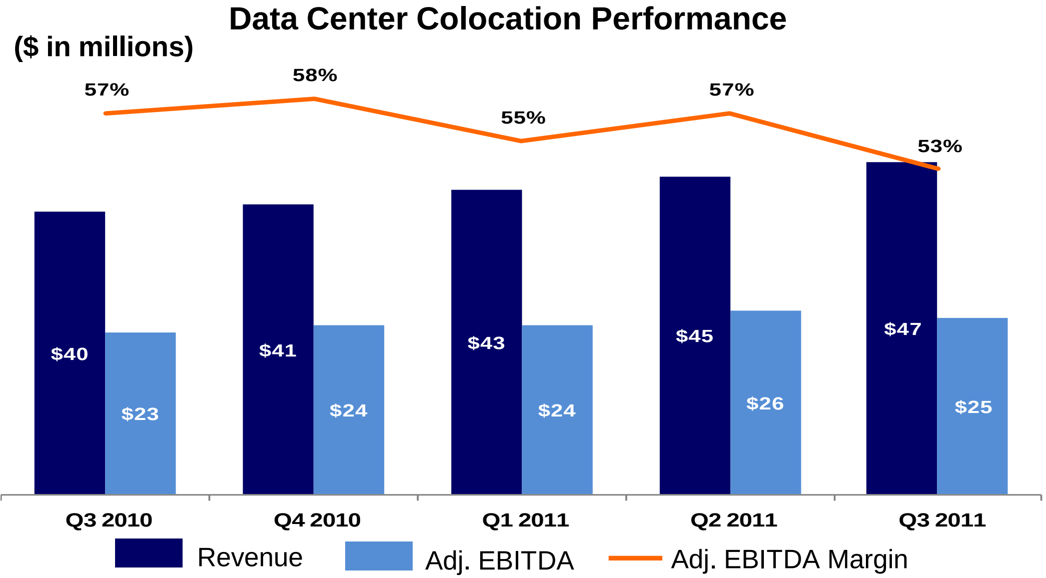


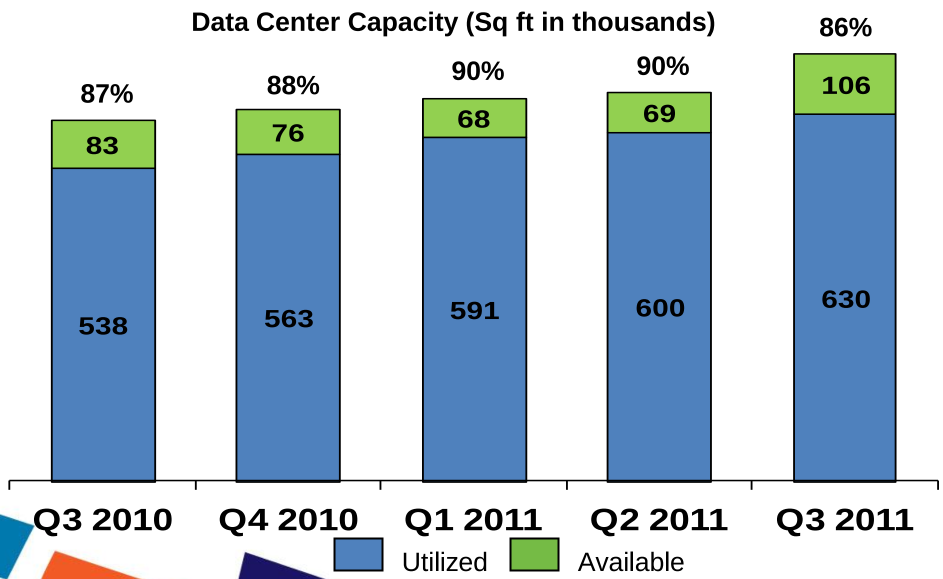
Revenue increased 26% over prior year

- Year over year increase of $12 million, or 29%, in Telecom & IT Equipment
- Year over year increase of $4 million, or 20%, in Managed and Professional Services

Adjusted EBITDA increased by $2 million, or 68%, year over year

Data Center Colocation
Revenue and Adjusted EBITDA





Revenue of $47 million in the quarter increased 18% year over year

Adjusted EBITDA of $25 million reflects a year over year increase of 9%

Adjusted EBITDA margin of 53%

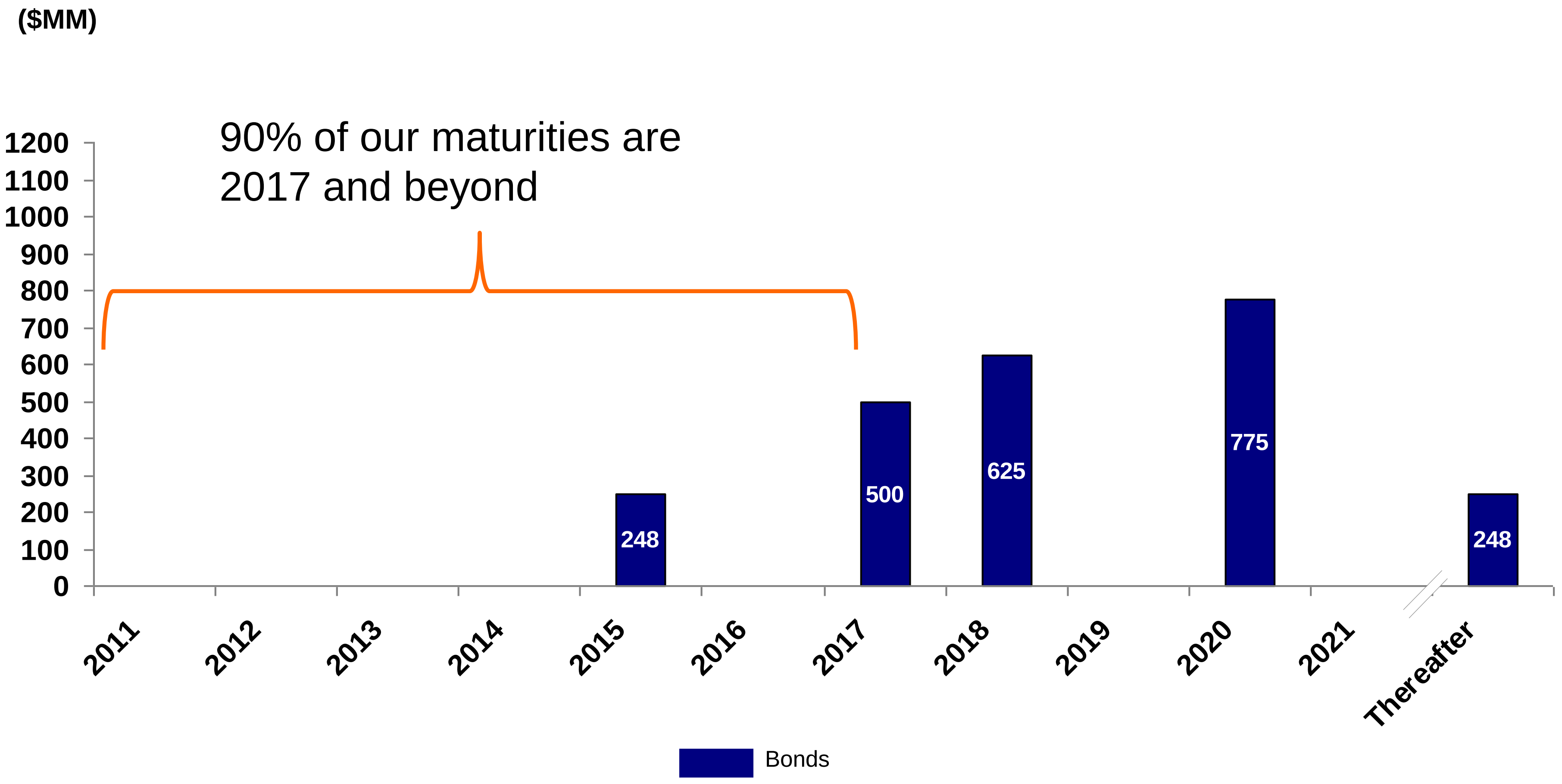
- Lower margin due largely to higher costs associated with business expansion plans

Completed construction on 67k square feet of space in the quarter

- Available capacity increased by 10% from the prior quarter to 736k sq ft
- Sold 30k sq ft of space during the quarter
- Quarter-end utilization at 86%
- London facility came online in Q3

Cincinnati Bell

No Significant Debt Maturities Until 2017



Note: Excludes capital lease obligations and unamortized call premiums on terminated interest rate swaps.

Question & Answer

Appendix

Non-GAAP Reconciliations

Adjusted EBITDA

($ in millions)

	Twelve Months Ended December 31,			
	2007	2008	2009	2010
Total Operating Income (GAAP)	$ 282.4	$ 305.2	$ 295.5	$ 299.3
Add:				
Depreciation and amortization	150.8	153.9	164.9	179.5
Restructuring charges and other	39.8	21.1	9.8	13.7
Pension and other retirement plan expenses	32.7	55.7	18.2	17.5
Acquisition costs	-	-	-	9.1
Total Adjusted EBITDA (Non-GAAP)	$ 505.7	$ 535.9	$ 488.4	$ 519.1

Non-GAAP Reconciliations

Adjusted EBITDA

($ in millions)

	Three Months Ended September 30, 2011					
	Wireline	Wireless	Data Center Colocation	IT Services & Hardware	Corporate	Total Company
Net Income (GAAP)						$ 17.6
Add:						
Income tax expense						15.4
Interest expense						53.3
Operating Income (GAAP)	$ 65.2	$ 11.6	$ 11.3	$ 4.0	$ (5.8)	$ 86.3
Add:						
Depreciation and amortization	25.6	8.0	13.2	2.2	0.1	49.1
Gain on sale of assets	(8.4)	-	-	-	-	(8.4)
Acquisition costs	-	-	-	-	0.7	0.7
Legal claim costs	-	-	0.4	-	-	0.4
Pension and other retirement plan expenses	4.8	-	-	-	0.3	5.1
Adjusted EBITDA (Non-GAAP)	$ 87.2	$ 19.6	$ 24.9	$ 6.2	$ (4.7)	$ 133.2

	Three Months Ended June 30, 2011					
	Wireline	Wireless	Data Center Colocation	IT Services & Hardware	Corporate	Total Company
Net Income (GAAP)						$ 13.5
Add:						
Income tax expense						10.7
Interest expense						53.4
Operating Income (GAAP)	$ 55.4	$ 15.2	$ 12.8	$ 1.5	$ (7.3)	$ 77.6
Add:						
Depreciation and amortization	25.1	8.4	13.0	2.2	0.1	48.8
Acquisition costs	-	-	-	-	0.8	0.8
Asset impairment	0.5	-	-	-	-	0.5
Pension and other retirement plan expenses	9.1	-	-	-	0.4	9.5
Adjusted EBITDA (Non-GAAP)	$ 90.1	$ 23.6	$ 25.8	$ 3.7	$ (6.0)	$ 137.2

Non-GAAP Reconciliations

Adjusted EBITDA (cont)

($ in millions)

	Three Months Ended September 30, 2010					
	Wireline	Wireless	Data Center Colocation	IT Services & Hardware	Corporate	Total Company
Net Income (GAAP)						$ 14.5
Add:						
Income tax expense						16.1
Interest expense						52.0
Operating Income (GAAP)	$ 58.9	$ 15.7	$ 11.0	$ 1.8	$ (4.8)	$ 82.6
Add:						
Depreciation and amortization	26.3	8.1	11.8	1.9	0.1	48.2
Restructuring charges	-	-	-	-	-	-
Acquisition costs	-	-	-	-	-	-
Pension and other retirement plan expenses	4.0	-	-	-	0.3	4.3
Adjusted EBITDA (Non-GAAP)	$ 89.2	$ 23.8	$ 22.8	$ 3.7	$ (4.4)	$ 135.1

Non-GAAP Reconciliations

Free Cash Flow

($ in millions)

	Three Months Ended September 30, 2011	Three Months Ended September 30, 2010	Nine Months Ended September 30, 2011	Nine Months Ended September 30, 2010
Reconciliation of GAAP Cash Flow to Free Cash Flow (as defined by the company)				
Net increase in cash and cash equivalents	$ 0.6	$ 17.1	$ 13.4	$ 11.2
Less adjustments:				
Proceeds from issuance of long-term debt	-	(2.1)	-	(1,353.4)
Net (decrease) increase in corporate credit and receivables facilities	-	10.0	(0.4)	85.9
Repayment of debt	2.8	6.5	9.0	791.6
Debt issuance costs	-	0.2	0.8	32.9
Common stock repurchase	10.0	-	10.0	-
Proceeds from sale of assets, net of expenses	(9.1)	-	(9.1)	-
Acquisitions, net of cash acquired	-	1.7	-	526.7
Acquisition costs	0.7	-	2.6	9.1
Free cash flow (as defined by the company)	$ 5.0	$ 33.4	$ 26.3	$ 104.0

Non-GAAP Reconciliations
Net Debt

($ in millions)

	December 31,			
	2007	2008	2009	2010
Total debt	2,009.7	1,960.7	1,979.1	2,523.6
Less: Interest rate swap adjustment	(2.9)	(22.4)	(14.6)	(3.8)
Less: Cash and cash equivalents	(26.1)	(6.7)	(23.0)	(77.3)
Net debt (as defined by the company)	$ 1,980.7	$ 1,931.6	$ 1,941.5	$ 2,442.5