Cincinnati Bell

Barclays Capital 2010 High Yield Bond and Syndicated Loan Conference

March 26, 2010

Safe Harbor

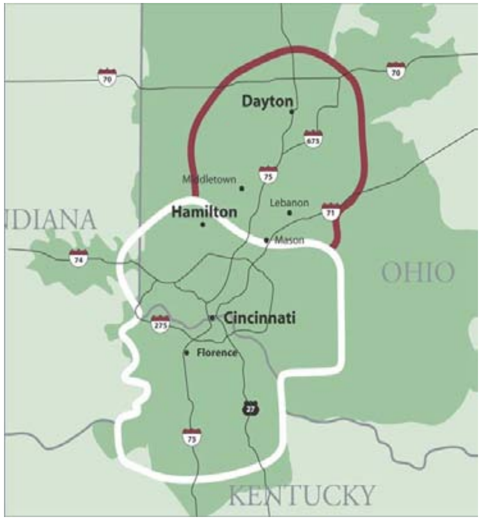
Certain of the statements and predictions contained in this presentation constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act. Statements that are not historical facts, including statements about the beliefs, expectations and future plans and strategies of the Company, are forward-looking statements. These include any statements regarding: future revenue, operating income, profit percentages, income tax refunds, realization of deferred tax assets, earnings per share or other results of operations; the continuation of historical trends; the sufficiency of cash balances and cash generated from operating and financing activities for future liquidity and capital resource needs; the effect of legal and regulatory developments; and the economy in general or the future of the communications services industries. Actual results may differ materially from those expressed or implied in forward-looking statements. The following important factors, among other things could cause or contribute to actual results being materially different from those described or implied by such forward-looking statements including, but not limited to: changing market conditions and growth rates within the telecommunications industry or generally within the overall economy; changes in competition in markets in which the Company operates; pressures on the pricing of the Company's products and services; advances in telecommunications technology; the ability to generate sufficient cash flow to fund the Company's business plan, repay debt and interest obligations, and maintain our networks; the ability to refinance the Company's indebtedness when required on commercially reasonable terms; changes in the telecommunications regulatory environment; changes in the demand for the services and products of the Company; the demand for particular products and services within the overall mix of products sold, as the Company's products and services have varying profit margins; the Company's ability to introduce new service and product offerings on a timely and cost effective basis; work stoppages caused by labor disputes; restrictions imposed under various credit facilities and debt instruments; the Company's ability to attract and retain highly qualified employees; the Company's ability to access capital markets and the successful execution of restructuring initiatives; changes in the funded status of the Company's retiree pension and healthcare plans; disruption in operations caused by a health pandemic, such as the H1N1 influenza virus; changes in the Company's relationships with current large customers, a small number of whom account for a significant portion of Company revenue; and disruption in the Company's back-office information technology systems, including its billing system. More information on potential risks and uncertainties is available in recent filings with the Securities and Exchange Commission, including Cincinnati Bell's Form 10-K reports, Form 10-Q reports and Form 8-K reports. The forward-looking statements included in this presentation represent estimates as of March 3, 2010. It is anticipated that subsequent events and developments will or may cause estimates to change.

Non-GAAP Financial Measures

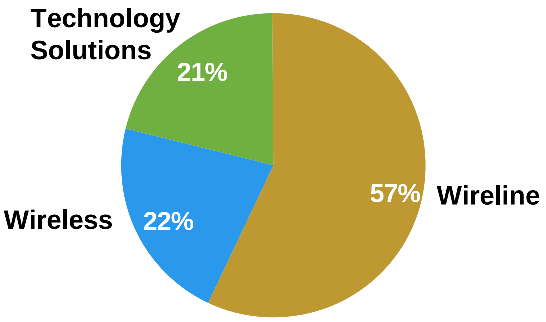
This presentation contains information about adjusted earnings before interest, taxes, depreciation and amortization (Adjusted EBITDA), Adjusted EBITDA margin and free cash flow. These are non-GAAP financial measures used by Cincinnati Bell management when evaluating results of operations and cash flow. 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 and free cash flow (including the Company's definition of these terms) to comparable GAAP financial measures have been included in the Company's earnings release tables which can be found in the Investor Relations section of www.cincinnatibell.com.

Company Overview

- 135 year old diversified communications company with wireline, wireless and data center assets
  - ~723k total access lines
  - ~533k wireless subs
  - ~271k square feet data center space
- Local ILEC and CLEC within licensed wireless area

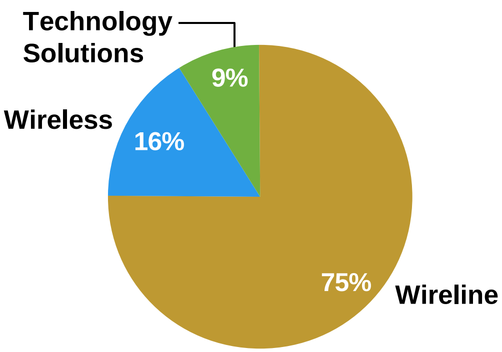


2009 Revenue Mix (1)



$1,336MM

2009 Adjusted EBITDA Mix (2)



$470MM

Notes:

(1) Before intercompany eliminations.

(2) Before corporate expenses.

Financial Strategy

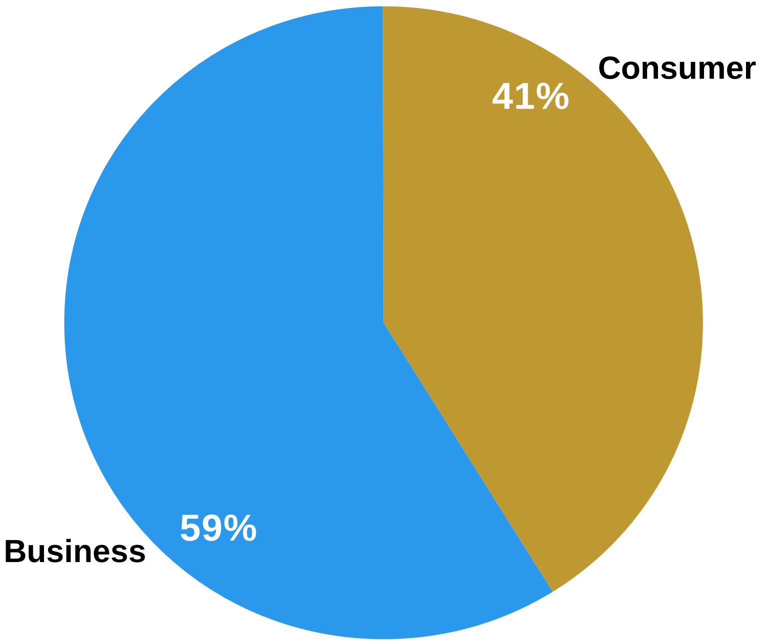
Sustained Revenue and Modest Adjusted EBITDA Growth Leads to Maintenance of Enterprise Value

Strong Cash Flow to be Used to Invest in Growth Business and Retire Debt

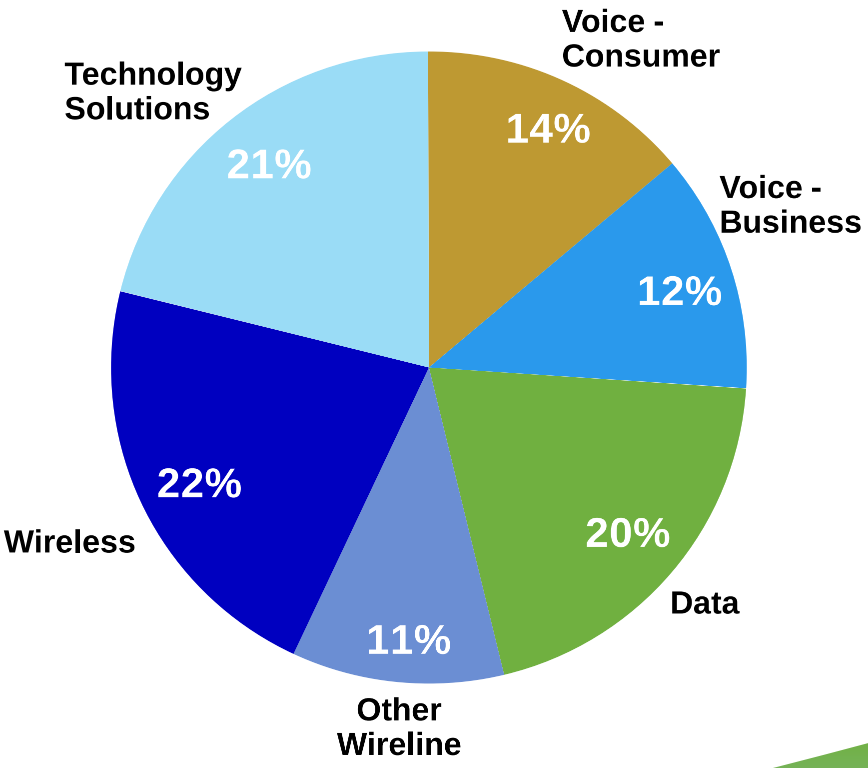
Shareholder Reward Through Larger Claim of Total CBB Value

Consistent Execution of Diversification Strategy

2009 Customer Channel Mix

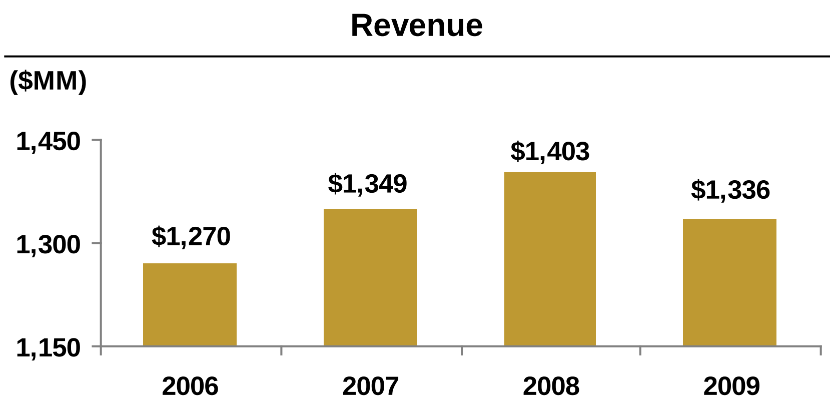


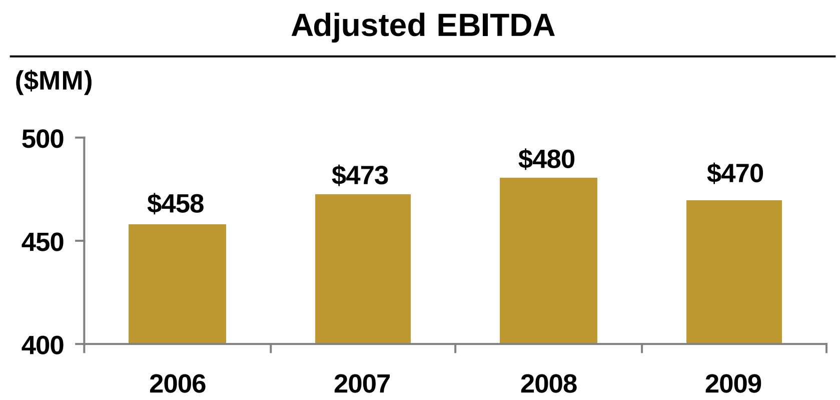
2009 Product Mix, by Revenues [(1)]

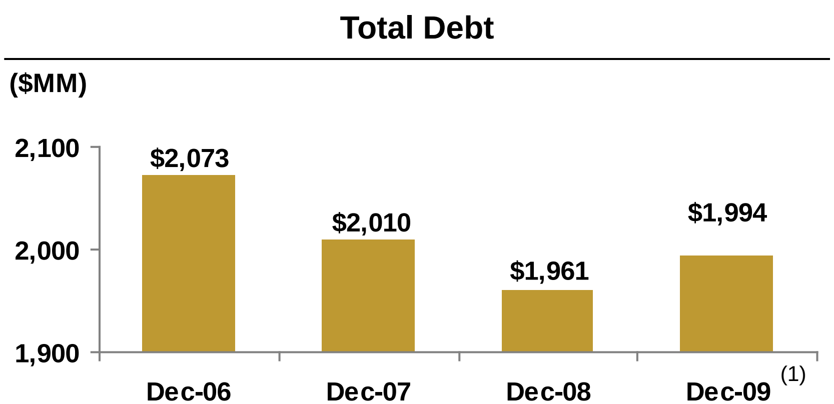


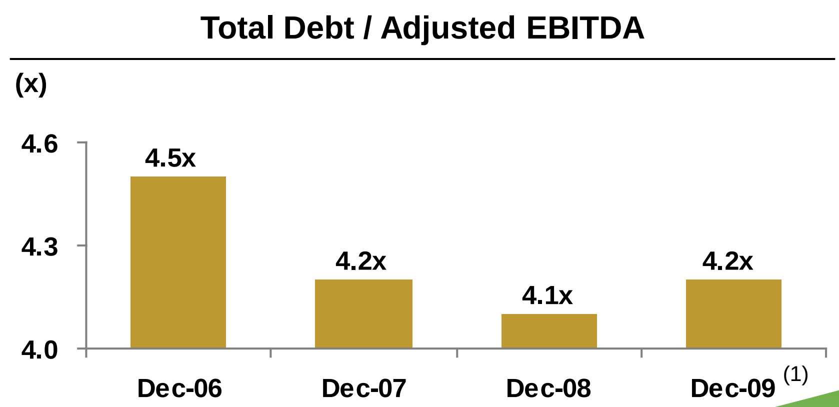
Notes: (1) Before intercompany eliminations.

Proven Track Record









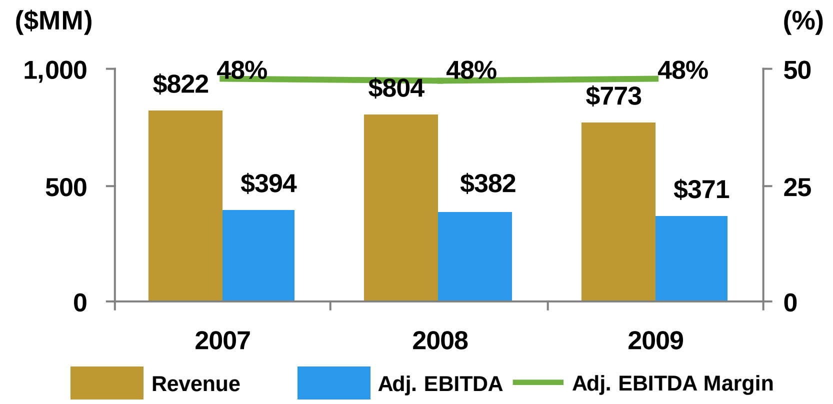
(1) Pro Forma for the proposed transaction.

The Company repurchased $141M of bonds in 2008 and 2009.

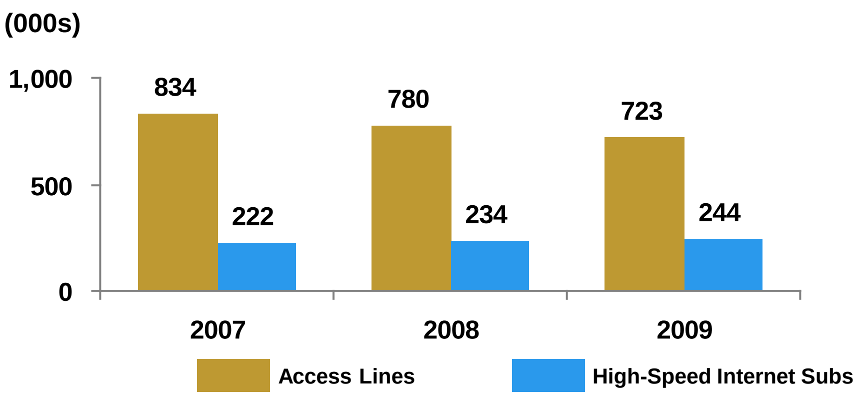
Overview of Wireline Business

- Provides local voice, data, long-distance, and other services to customers in southwestern Ohio, northern Kentucky, and southeastern Indiana
- Approximately 723k total access lines
  - ~650k ILEC territory
  - ~73k CLEC territory
- Focused on maintaining margin stability even in declining business
- Business line loss in 2009 essentially offset by 7K VoIP net additions

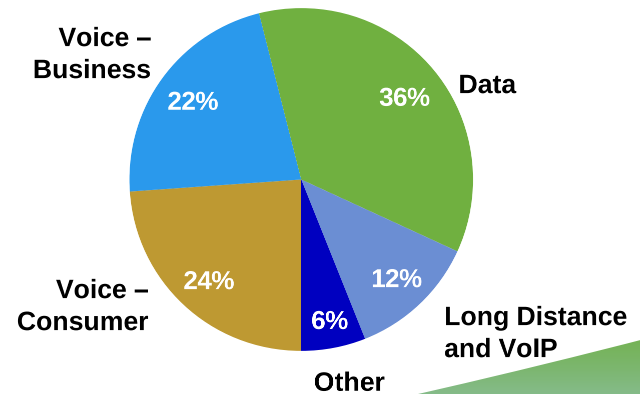
Wireline Performance



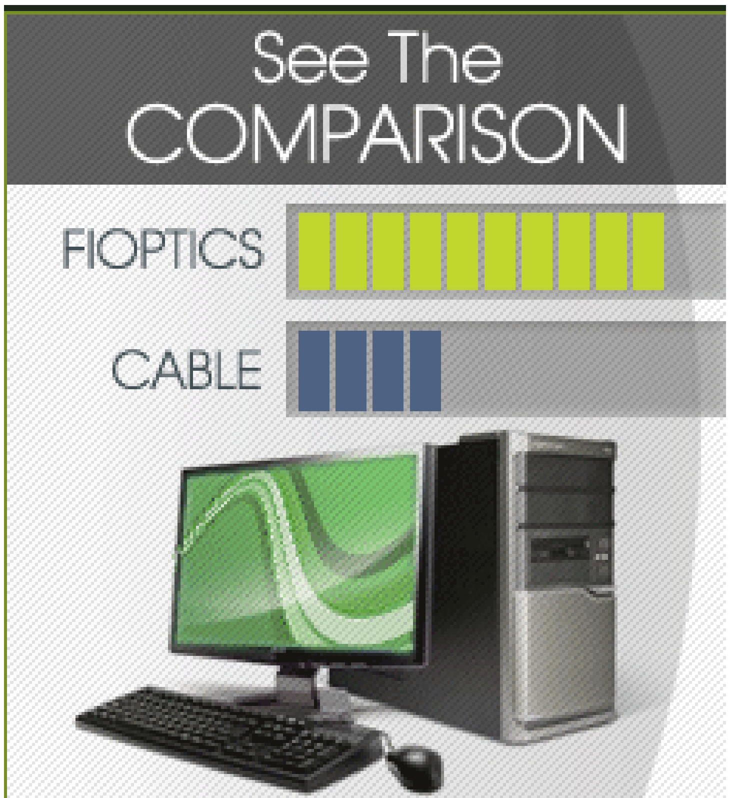
Access Lines & High-Speed Internet Subscribers



2009 Revenue Mix

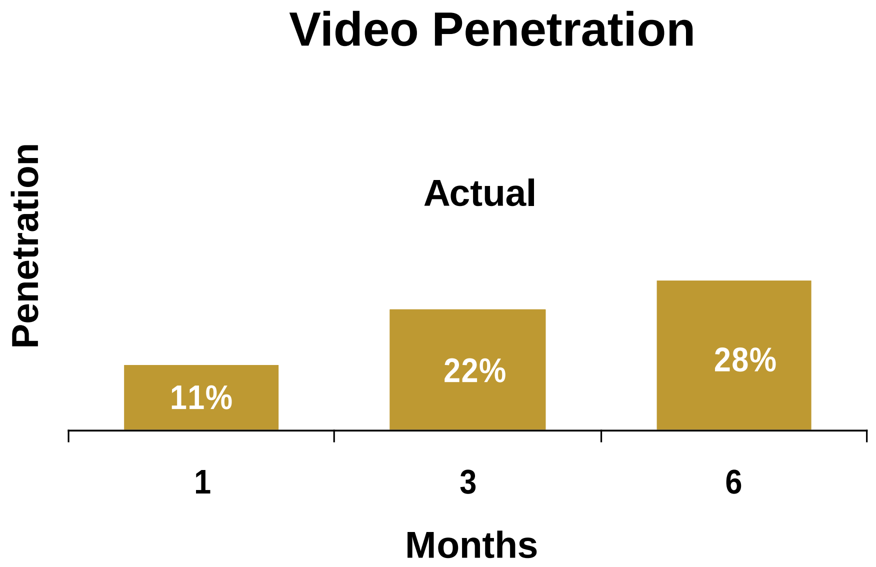


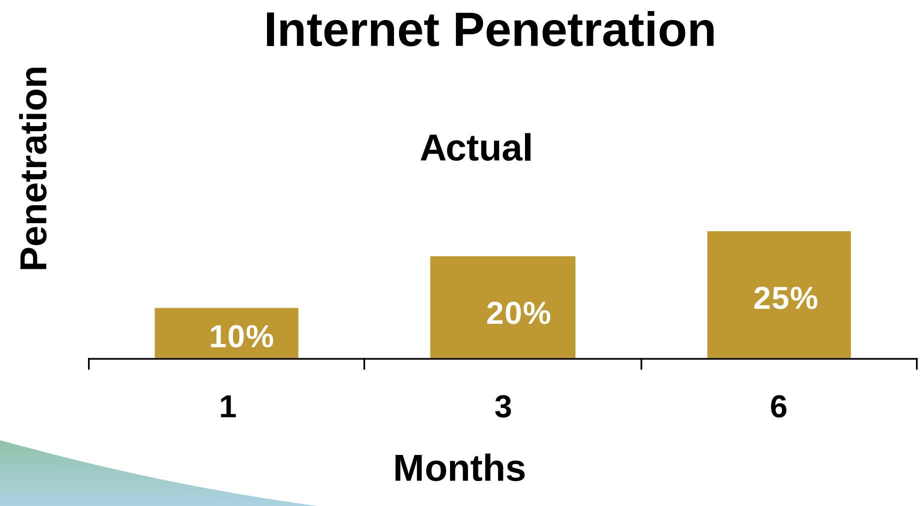
Cincinnati Bell Introduces Fioptics Product



- Wireline results include new Fioptics product
  - Provides entertainment, high-speed internet, and traditional voice via fiber line to the home
  - 300 channel line-up, 50 in HD resolution
  - Offers music, premium channels, on demand, DVR
  - Internet service sold in speeds up to 30mbps

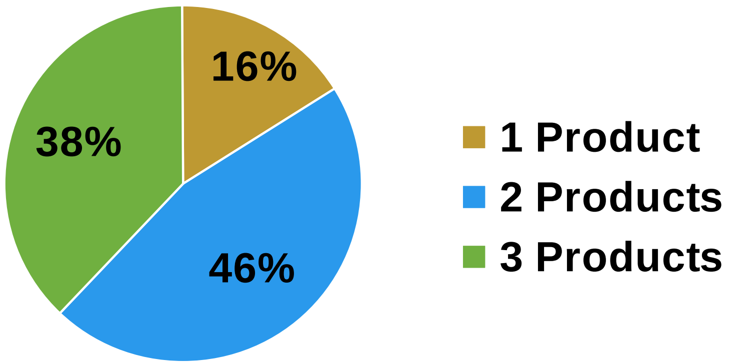
Fioptics Penetration

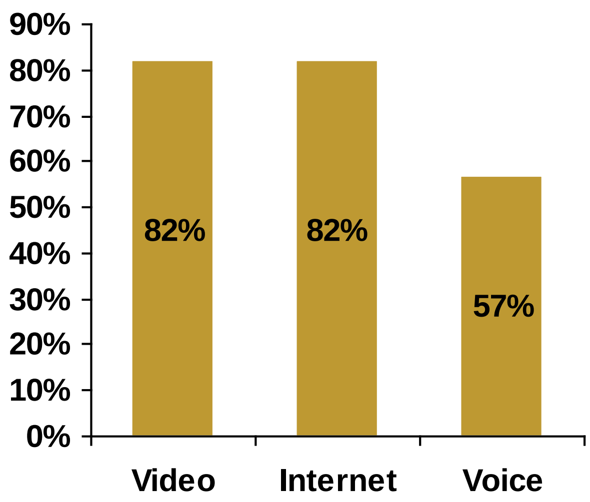




- Multiple Dwelling Unit (MDU) build strategy targets entire ILEC footprint
  - MDU build avoids cannibalizing our base and makes competitive response more difficult
  - Reach ~5% of ILEC households
- Fioptics subscribers
  - 41K units passed
  - Almost 30% video penetration after 6 months
  - 11K video subs
  - 10K internet subs
  - 7K voice subs

Fioptics Bundle



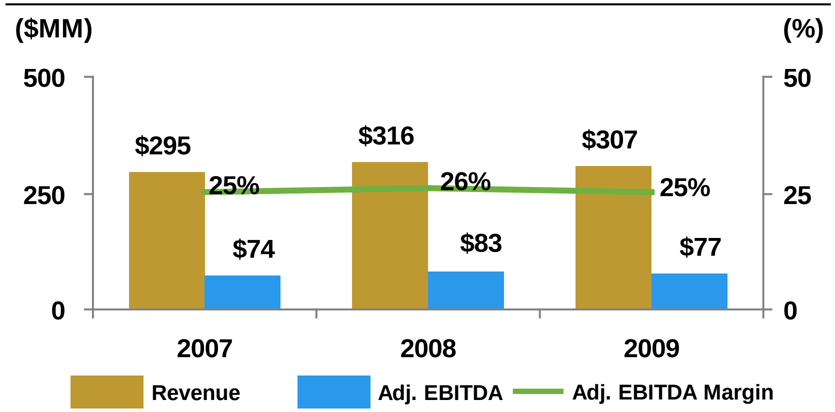


- Bundle driving multiple product adoption and high ARPU
  - 84% of subscribers take 2 or more products
  - 82% video take rate
  - Over 80% internet take rate
  - Household ARPU exceeds $100

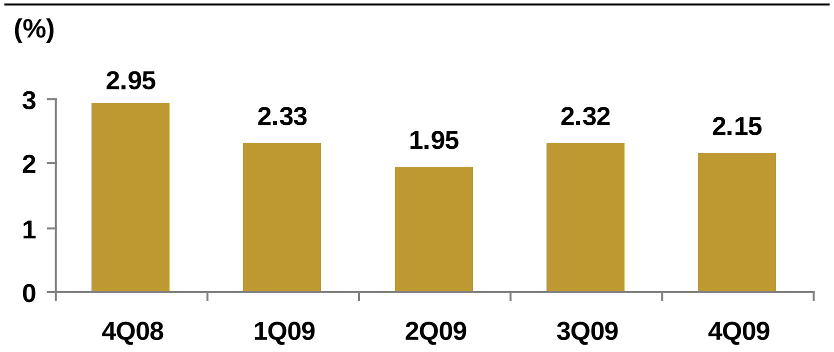
Overview of Wireless Business

- Provides wireless services to customers in the Greater Cincinnati and Dayton, Ohio operating areas on GSM network
  - Approximately 533k subs, ~71% of which are postpaid subs, at 12/31/09
- Strong smartphone plan and data growth
  - 22% smartphone penetration
- Sold substantially all owned towers to American Tower Corp. for appx. $100 million in cash on 12/23/09

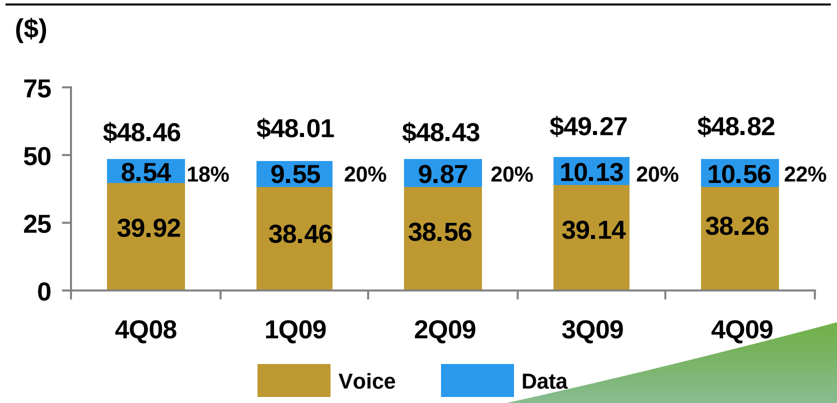
Wireless Performance



Postpaid Churn



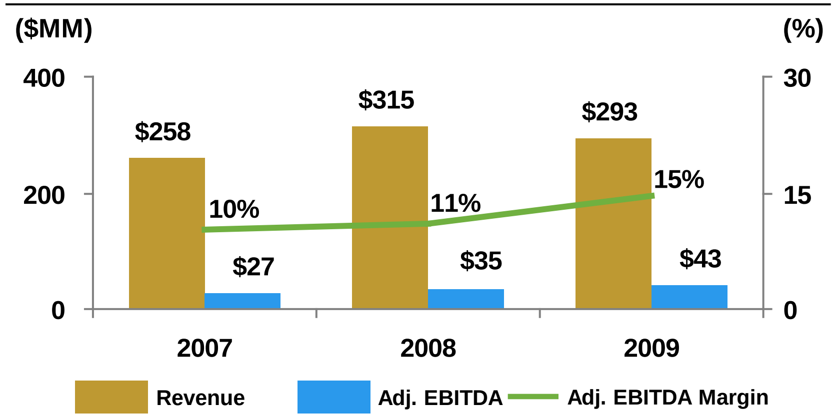
Postpaid ARPU



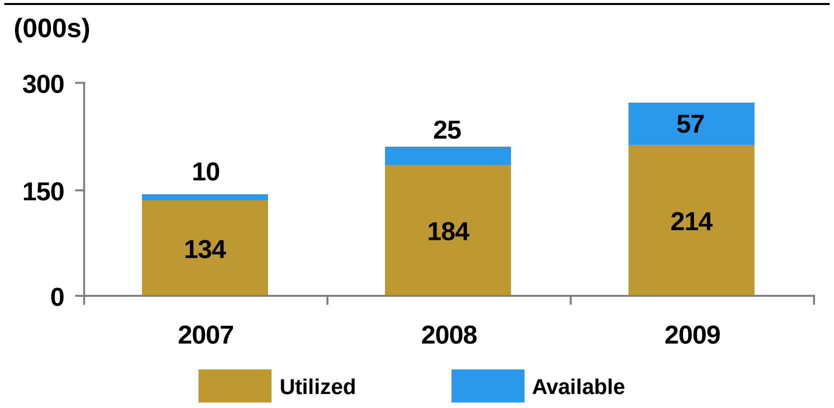
Overview of Technology Solutions Business

- Provides a range of fully managed IT services including data center colocation services and equipment sales
- ~62k square feet of capacity added in 2009
  - Success-based capex
  - 79% utilization as of 12/31/09
- Adj. EBITDA CAGR of 28% from 2005-2009

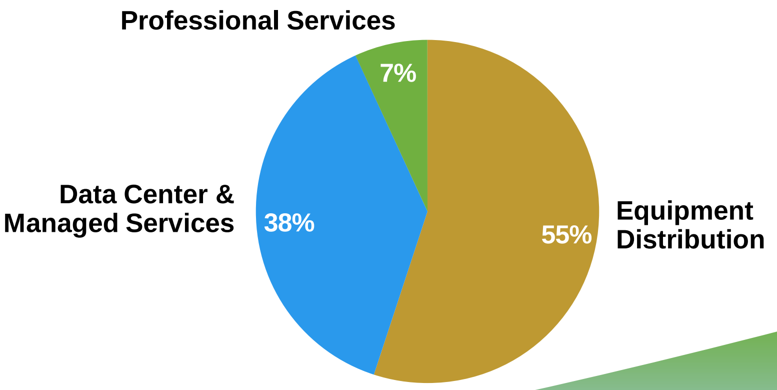
Tech Solutions Performance



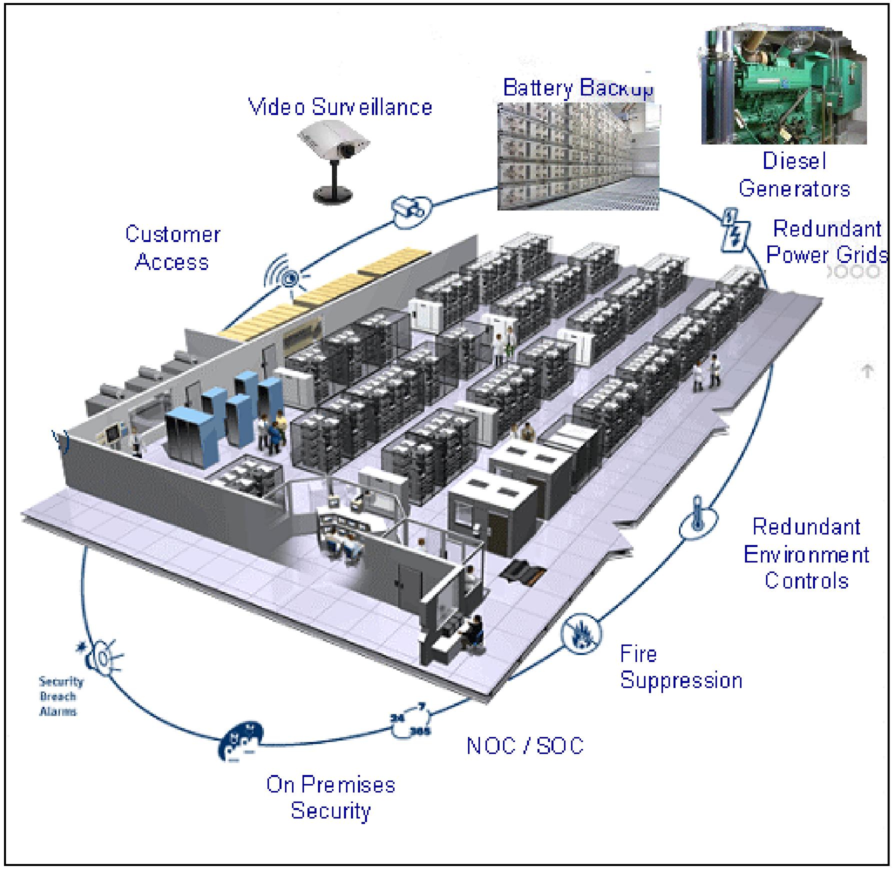
Square Feet Capacity



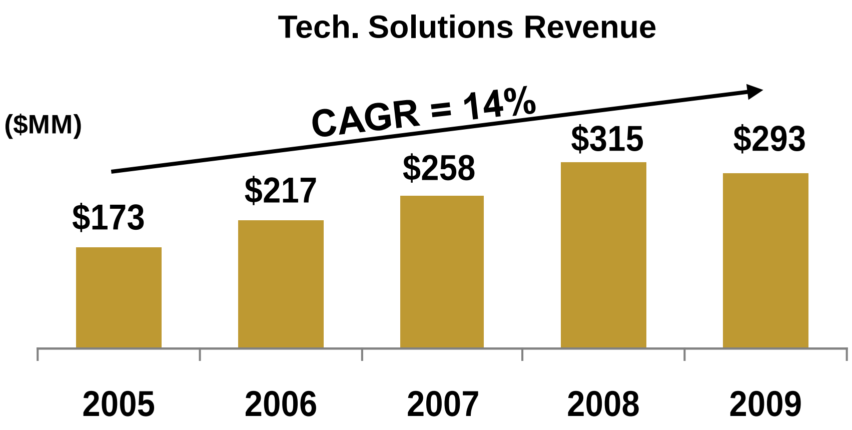
2009 Revenue Mix

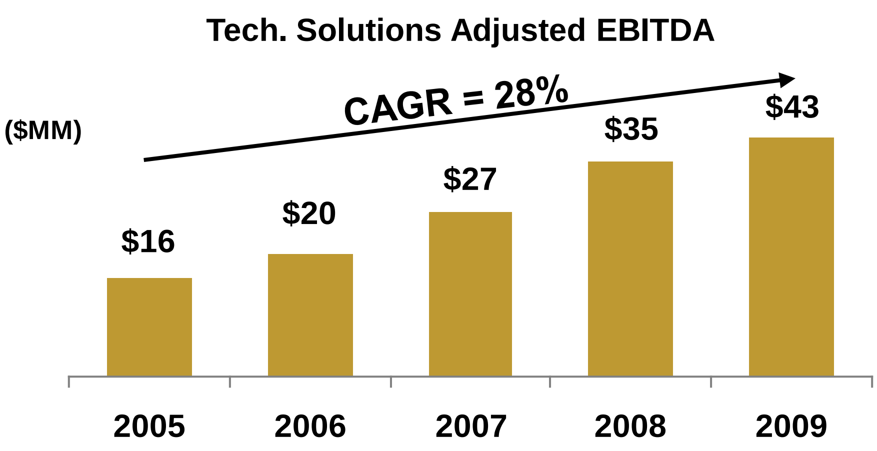


Data Centers - The Ultimate Business Bundle



Investing in Future Growth



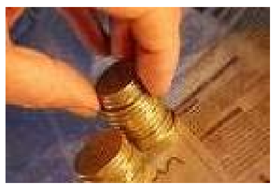


- Business is growing at 25%+ Adjusted EBITDA CAGR
- Natural extension of Wireline business given expertise in:
  - Management of networks
  - Interconnection with carriers
  - VoIP networks
- Repeatable business model that is not geographically constrained
- Success based capital spending
- Named service provider to new data center virtualization joint venture

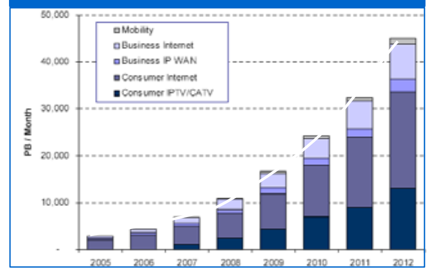
Data Usage Continues to Grow

Applications

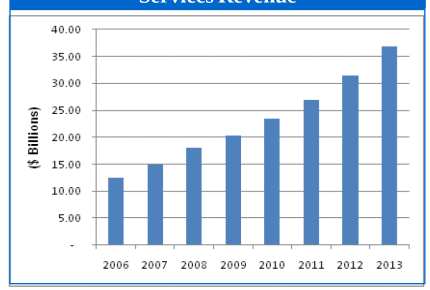
Industries



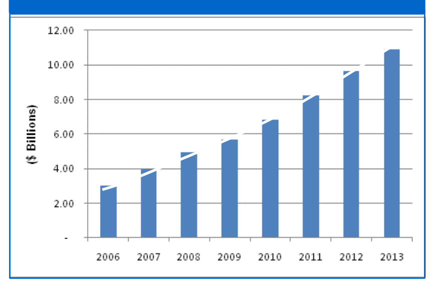
IP Traffic



Enterprise Internet Services Revenue

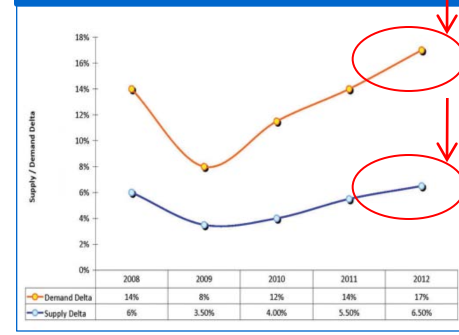


Ethernet Revenue



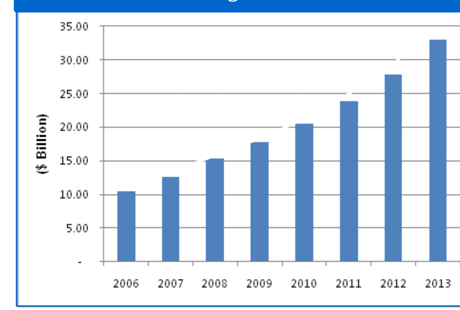
Increasing DC Demand vs. Supply

Global DC Supply and Demand



Increasing demand increases results

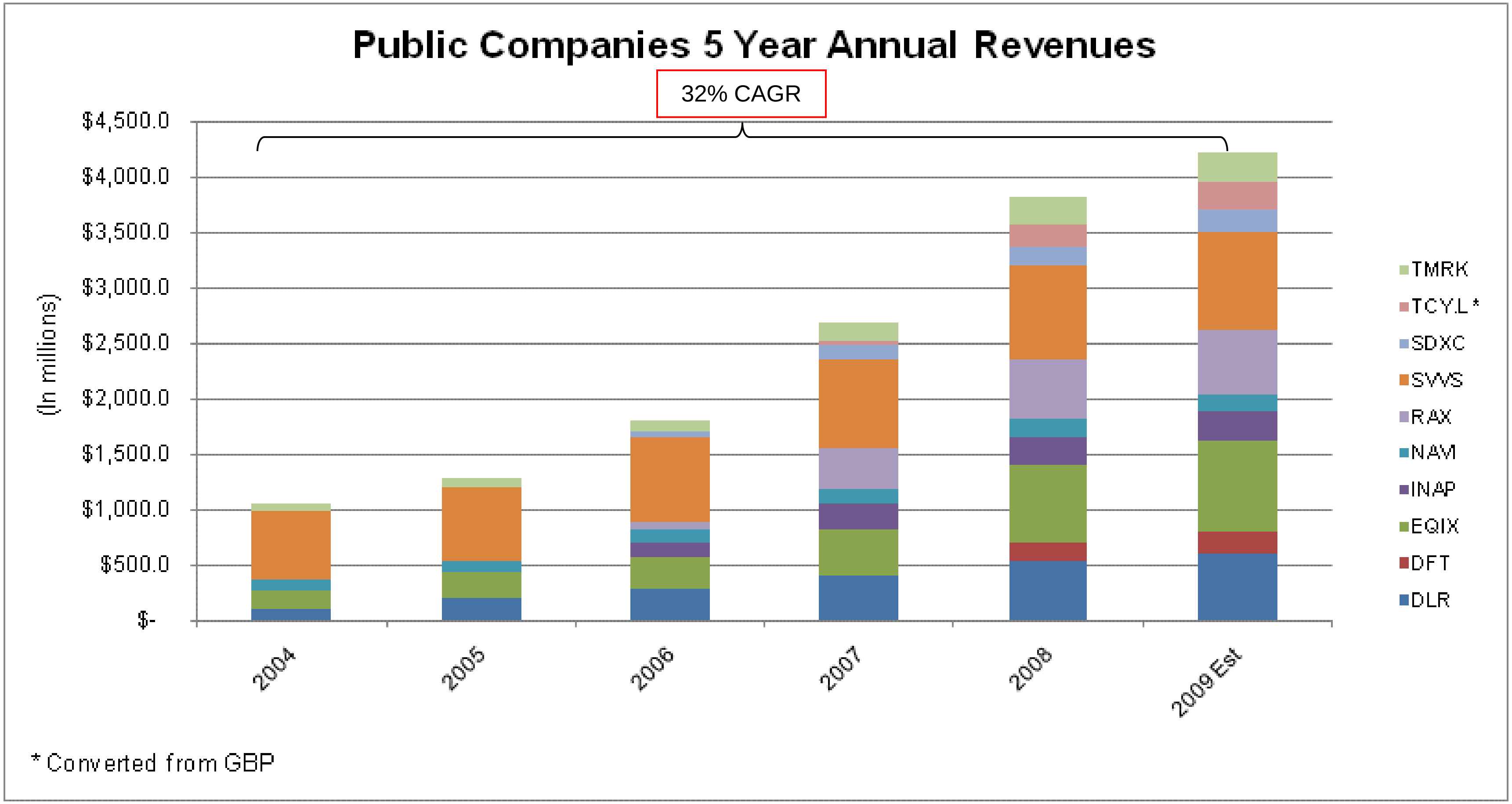
Hosting Revenue



Sources:
Gartner – G00167790 April 2009
Tier 1 – DC Supply/Demand 2009 Midyear
Can accord/Adams – Equity Research June 2009

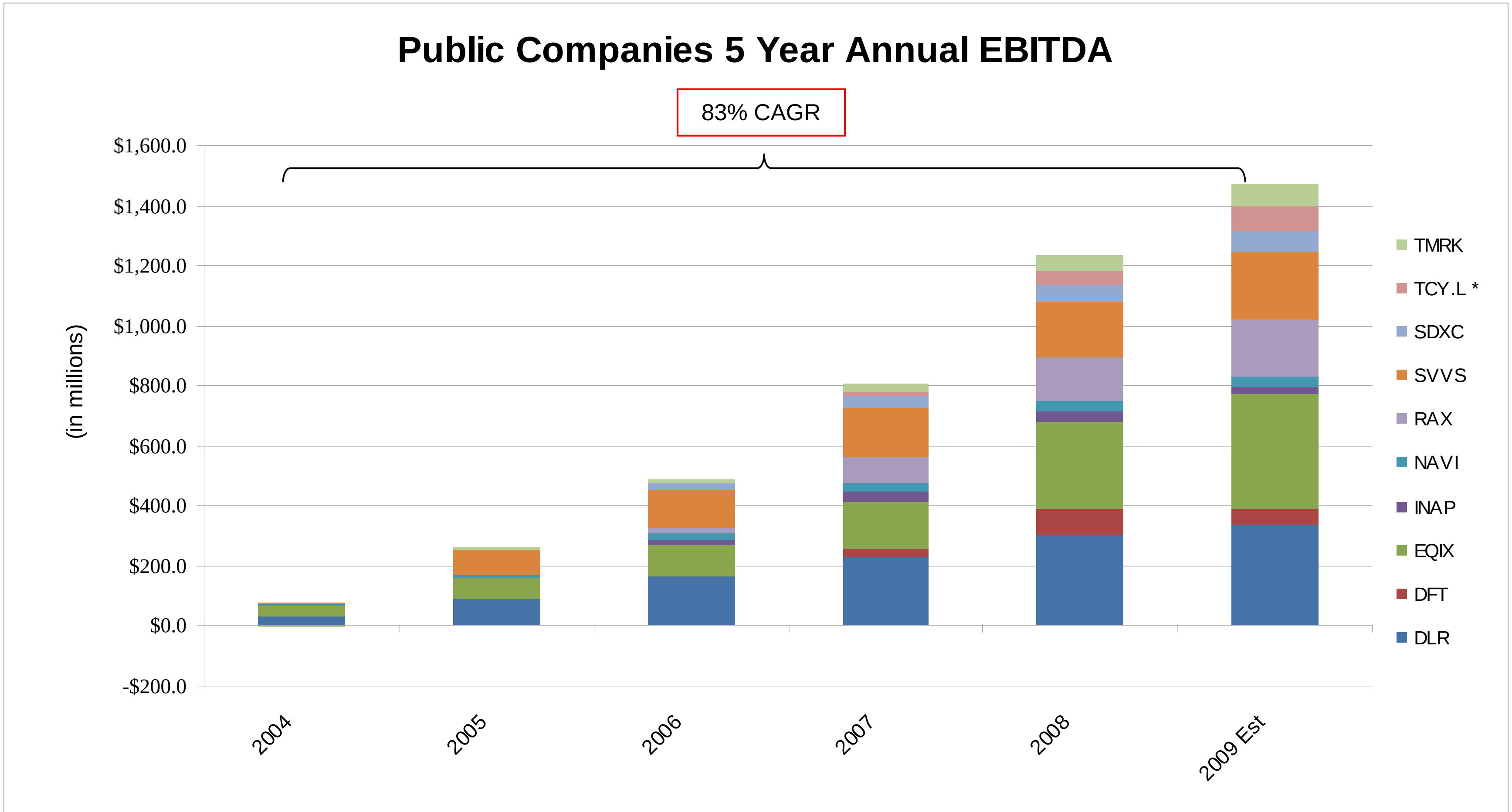
Drivers *increase* **Consumption** *which fuels* **Demand**

Growth Reflected in Peer Results



Source: DH Capital – Sept 2009

Bottom Lines Growing

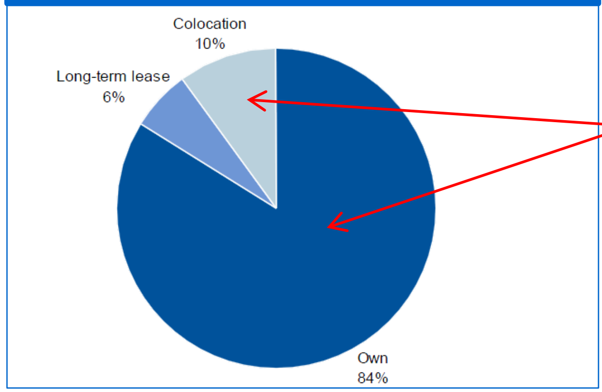


* Converted from GBP

Source: DH Capital – Sept 2009

Strong Customer Fundamentals

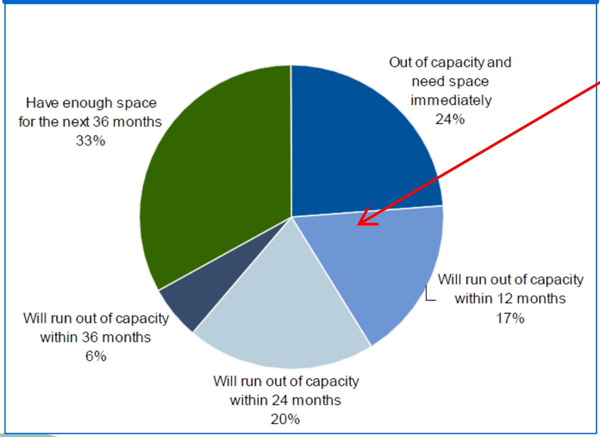
How do you Obtain DC Space?



10% of companies have outsource relationship

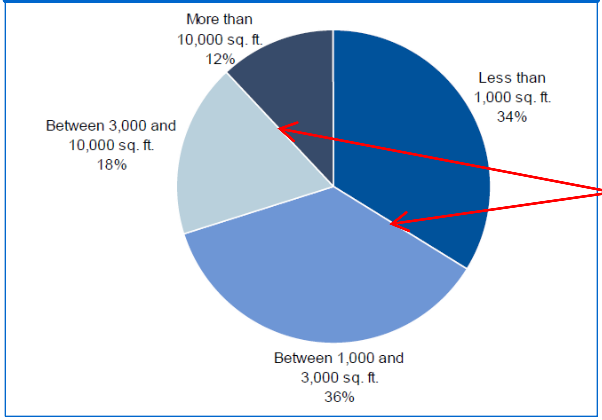
84% currently do not

What is Your Expected Need?



67% of companies will need space within 36 mo's

How much Space will you Need?



70% of companies will need at least 3K Sq Ft of Space – Mid Range Companies

30% will need greater than 3K – Enterprise Range

Source: Gartner – Jan 2009

Transforming Products to Solutions

Hardware	IT Services	Data Centers
• Data • Voice • Security • Storage • Software	• Monitoring • Management • Maintenance • Security Assessments • Staffing • Outsourcing	• Collocation • Wholesale • Virtual Hosting • Backup and Recovery • Business Continuance

Products

Combine Products and Services with Assets in different Managed Services Combinations

Managed Services

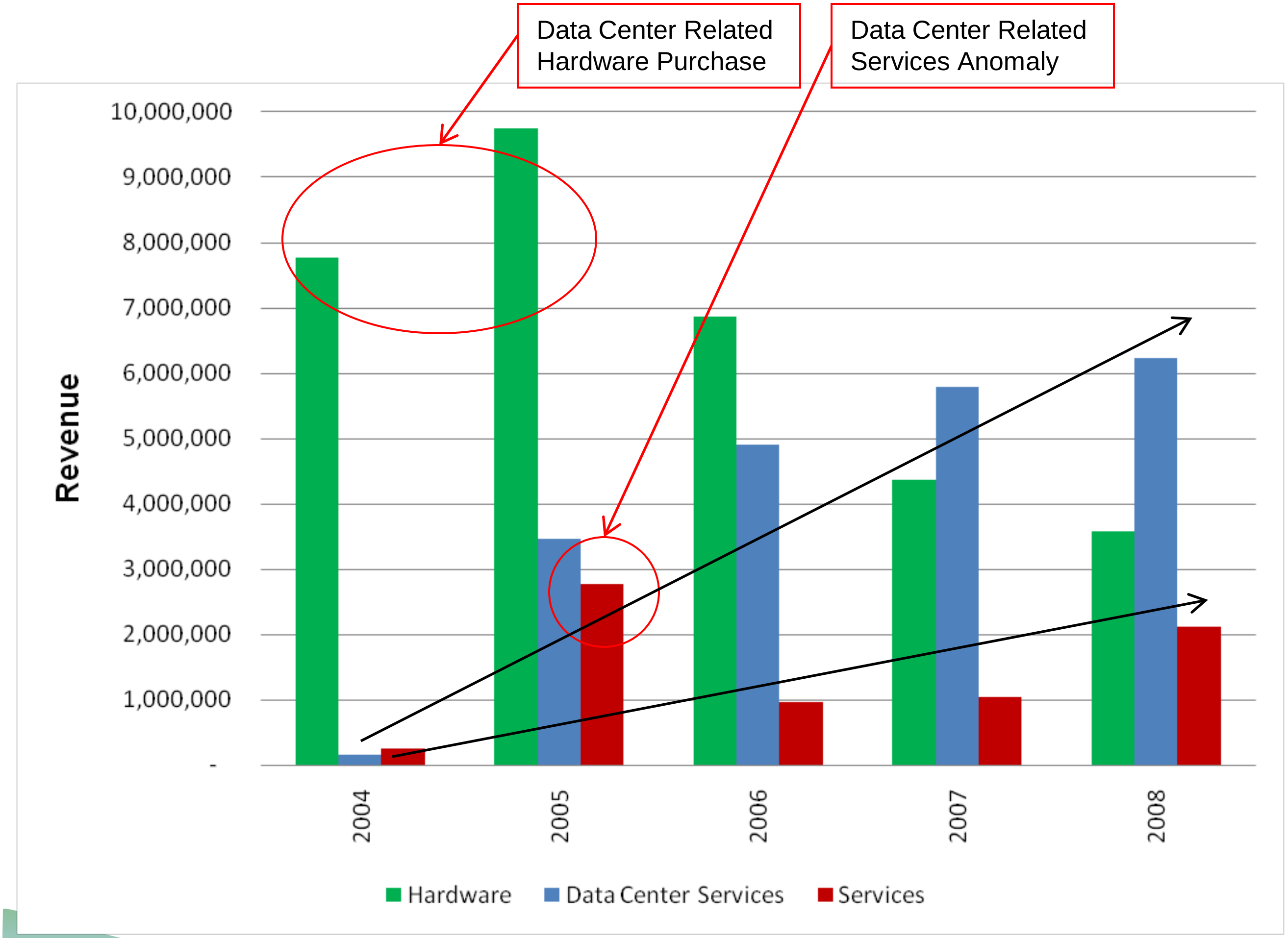
Build Complex **UTILITY** Solutions combining Products and Assets in complete outsourcing engagements

Solutions

Our products and services can be purchased individually, in various combinations, or as a part of a total or partial outsourcing arrangement.

The Approach Works

Large Enterprise Customer



- Low margin product sales high during DC integration but lower over time
- High margin services grow over time and become more complex

Segment Reporting Change

Effective Q1 2010

		Wireline		Technology Solutions
2009 Revenue, full year				
Current segment basis	$	773.1	$	293.1
Reclass of data center operations		(10.0)		10.0
Revised segment basis	**$**	**763.1**	**$**	**303.1**
2009 Adjusted EBITDA, full year				
Current segment basis	$	370.8	$	42.6
Reclass of data center operations		(6.3)		6.3
Revised segment basis	**$**	**364.5**	**$**	**48.9**

Data Center Square Feet	**Available Sq Ft**	**Billed Sq Ft**	**Utilization**
Current reporting	271,000	214,000	79%
Square feet included in Wireline	175,000	175,000	
Revised reporting	**446,000**	**389,000**	**87%**

Our Right to Win In the Data Center Business

- First-movers advantage in an industry in its early stages
  - We already have built a large successful organic data center business
- Network neutral
  - Approximately 60 carriers in our facilities
- Significant brand equity in our 135-year-old company
- Have successfully operated a 24 x 7 x 365 business with high reliability for Fortune 500 customers
- Have access to capital and can generate significant cash flow
- Only 10% of the market is currently outsourced

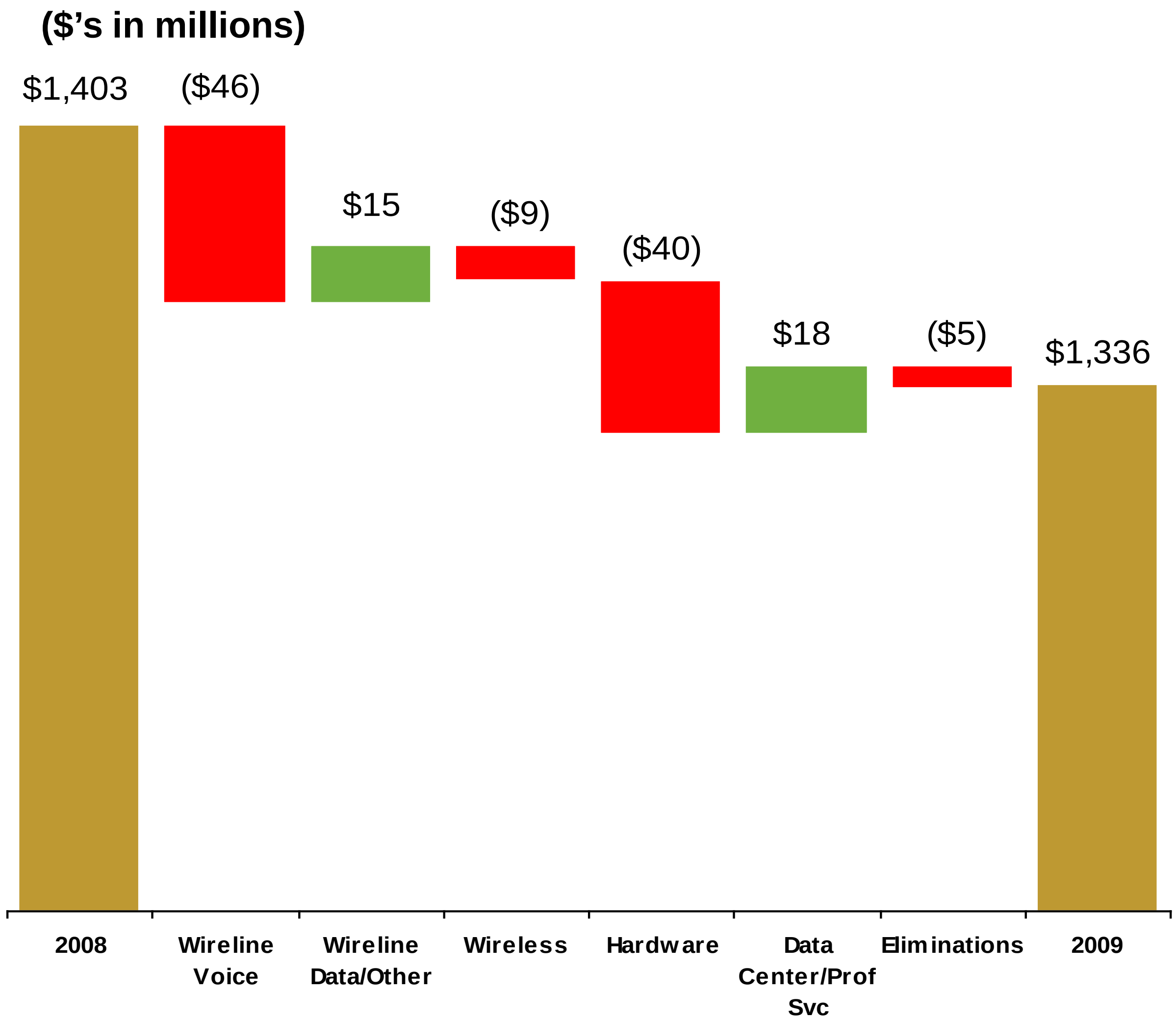
2009 Results and 2010 Guidance

	2009 Guidance	2009 Actual	2010 Guidance
Revenue	$1.3 – $1.4B	$1.3B	$1.3B
Adjusted EBITDA	Approx. $480M*	$470M	Approx. $460M*
Free Cash Flow	Approx. $150M*	$164M	Approx. $130M*

***Plus or Minus 2 percent**

- In February 2010, the Board approved a new $150M share repurchase program
  - The Company plans to repurchase shares to the extent its available cash is not needed for data center growth and other opportunities.

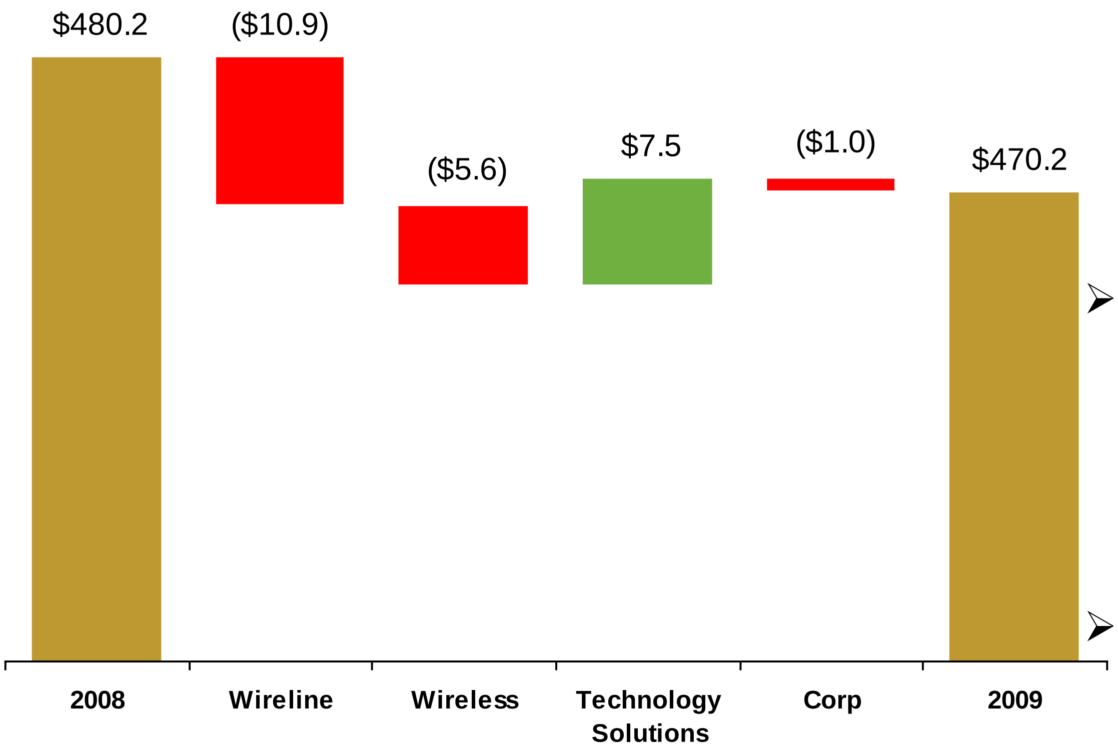
2009 Revenue



- Technology Solutions
  - $18M / 16% increase in data center, managed & professional services
  - ($40M) / (20)% decrease in hardware sales due to economy, particularly in first half
- Wireless
  - ($7.3M) postpaid
  - $1.1M prepaid
  - ($2.9M) equipment
- Wireline
  - 3% data growth, due to data transport
  - Fioptics–11K entertainment subs and 10K high-speed internet subs
  - Access line loss was 7.2% driving voice revenue decline

2009 Adjusted EBITDA

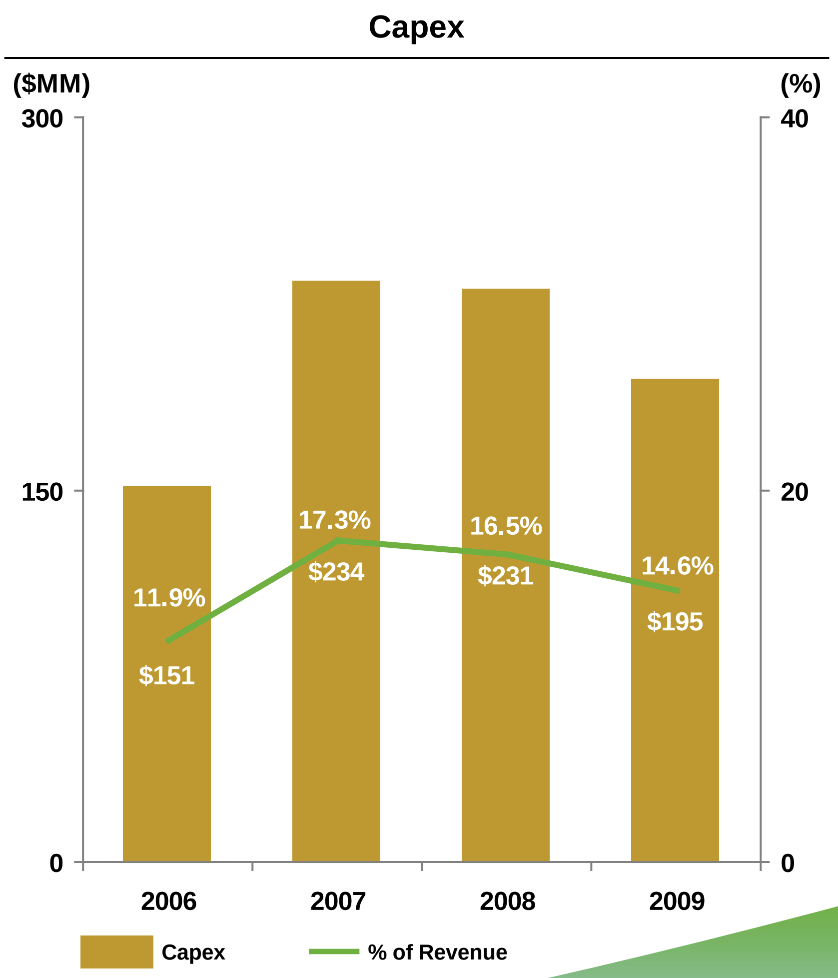
($'s in millions)



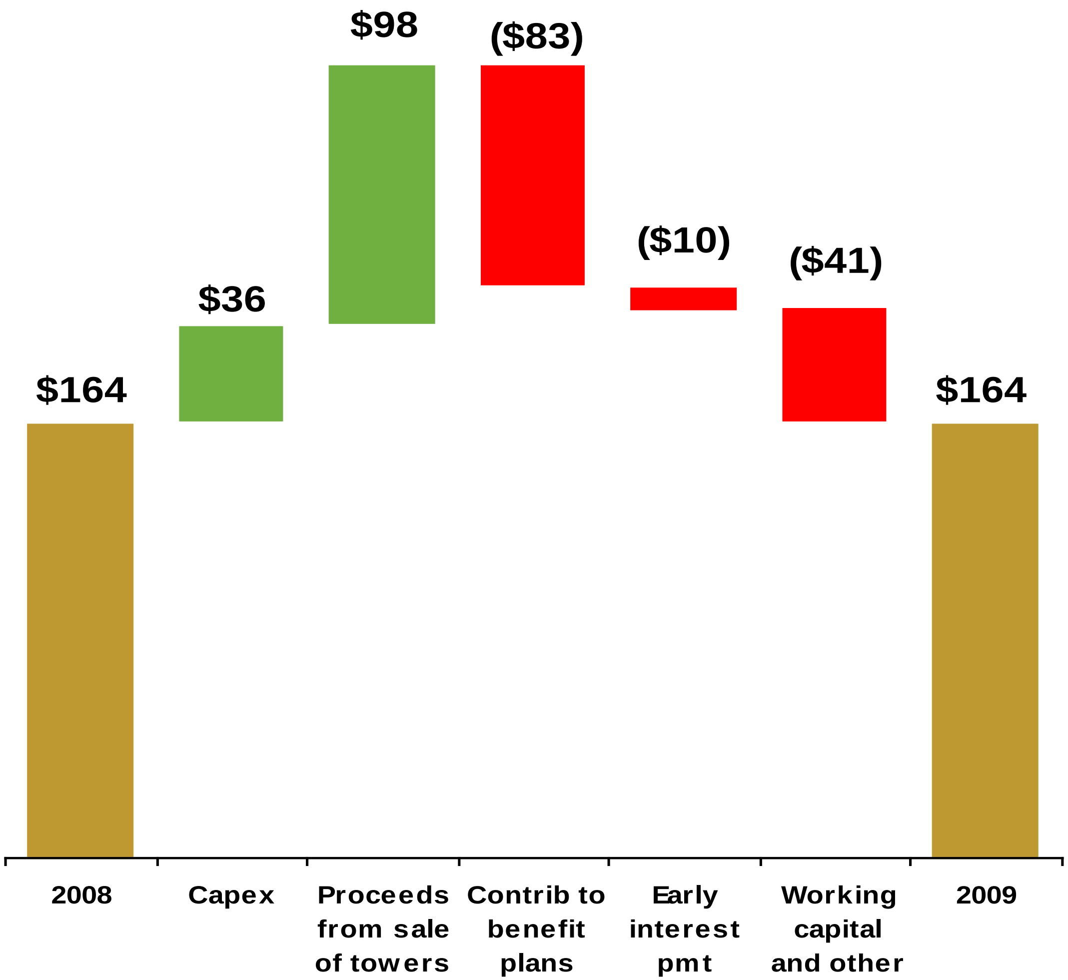
- 21% increase in Technology Solutions
  - $18M / 16% increase in data center, managed & professional services revenue
  - 14.5% Adjusted EBITDA margin (3.4 percentage point improvement vs. prior year)
- (7%) decrease in Wireless
  - $6.2M service revenue decline due to fewer postpaid subs
  - $6.0M in higher handset subsidies to support 95% smartphone growth
  - Lower operating costs of $6M
- (3%) decrease in Wireline
  - Cost saving programs offset $31M decline in revenue
  - Adjusted EBITDA margin improved slightly to 48%

Disciplined Expense and Capital Management

Annualized Cost Reductions ($MM)	
Pension and postretirement plan changes	$19
Payroll and employee-related	5
IT Outsourcing	4
401K match suspension	3
Total Cost Reductions	**$31**



2009 Free Cash Flow

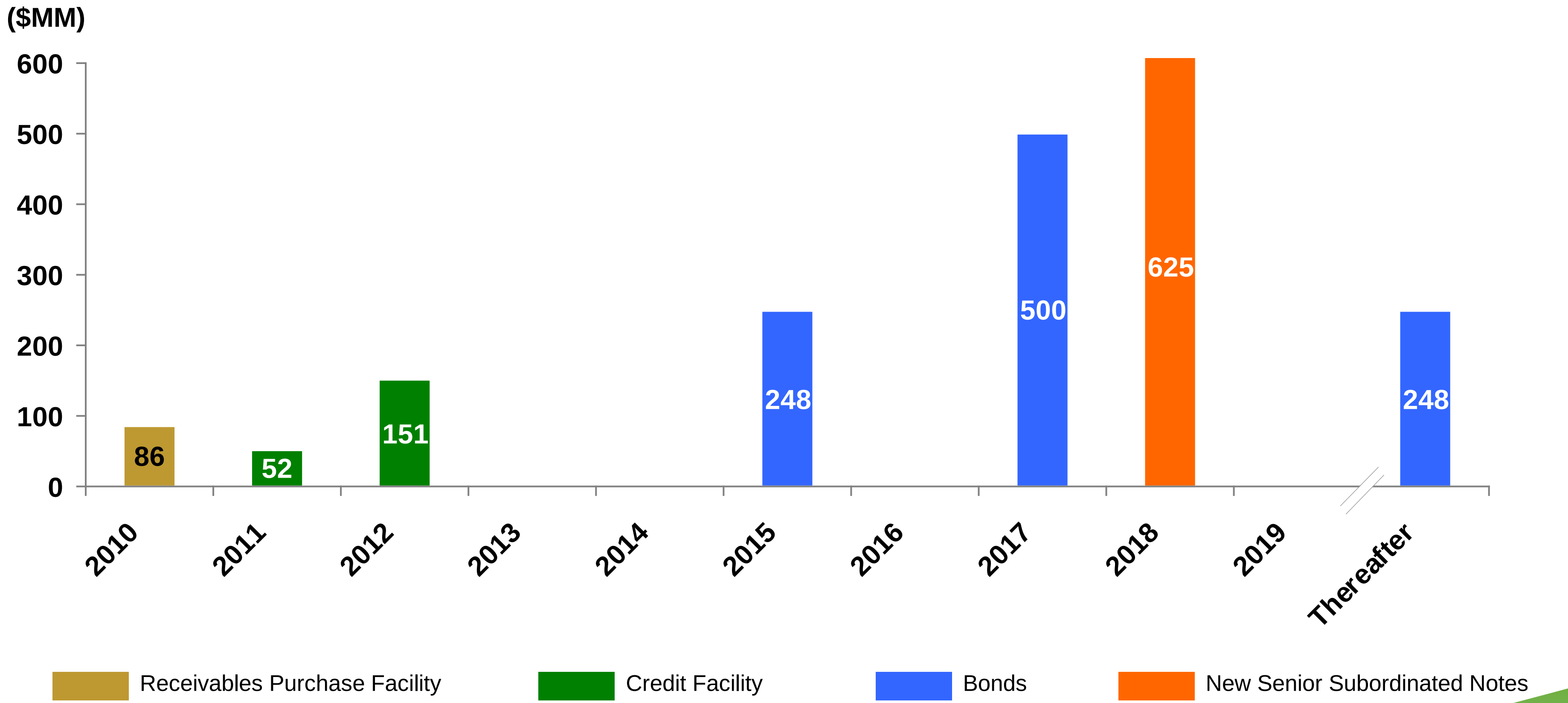


($'s in millions)

- 4Q FCF of $57M decreased $6M y/y
- Annual FCF of $164M is flat y/y
  - $98M from sale of wireless towers, net of transaction costs
  - ($83M) in contributions to medical, pension and postretirement plans
  - $36M from decrease in capital expenditures
  - ($10M) early interest payment from the redemption of the 7.25% senior notes
  - ($41M) increase in working capital and other mainly due to timing of payments of accounts payable and higher receivable balances
- FCF of $164M represents a 29% FCF Yield

Limited Near-Term Maturities

Pro Forma CBB Maturity Profile as of 12/31/09 (1)



Note: (1) Excludes capital leases and other debt of $126MM

Pro Forma Capitalization

($MM)	As of 12/31/09 Actual	Pro Forma	Cum. Lev. (1)
Revolver (2)	-	-	
Term Loan B	205	205	
Receivables Facility (3)	86	86	
Capital Lease Obligations	125	125	
7.25% Senior Secured Notes due 2023	40	40	
Total Secured Debt	**$456**	**$456**	**1.0x**
Cincinnati Bell Telephone Notes due 2023-2028	208	208	
7.00% Senior Notes dues 2015	248	248	
8.25% Senior Unsecured Notes due 2017	500	500	
Total Senior and Secured Debt	**$1,412**	**$1,412**	**3.0x**
8.375% Senior Sub Notes due 2014	560	185	
New Senior Sub Notes due 2018	-	400	
Total Debt (4)	**$1,972**	**$1,997**	**4.2x**

Notes: (1) Cumulative leverage calculated based on 2009 Adjusted EBITDA of $470MM
(2) Revolver has capacity of $210MM.
(3) Receivables facility represents debt at unrestricted subsidiary
(4) Excludes unamortized discount/premium and unamortized called amounts received on terminated interest rate swaps

Key Credit Strengths

Stable Operating Company With 135 year History

- Excellent reputation for managing a high quality network and service in local community for almost 135 years
- Innovative company and pioneer in acquiring wireless and data center assets
- Experienced management team with proven track record

Revenue and Adjusted EBITDA Visibility

- Significant recurring revenue allows company to consistently deliver annual revenue and Adjusted EBITDA guidance
- Successful in managing expenses, while maintaining margins and investing in growth

Strong Balance Sheet and Cash Flow

- 2009 Adjusted EBITDA of $470MM and free cash flow of $164MM
- Moderate leverage, solid liquidity and limited near-term maturities
- Opportunistic in purchasing debt at attractive prices
- Extremely disciplined capital allocation process and does not pay a common stock dividend
- Minimal cash taxes paid as a result of existing federal NOLs of $1.1Bn

Non-GAAP Reconciliations

(please refer to Investor Relations section of www.cincinnatibell.com website)