Cincinnati Bell
First Quarter 2018 Results
May 9, 2018

Safe Harbor

This presentation may contain "forward-looking" statements, as defined in federal securities laws including the Private Securities Litigation Reform Act of 1995, which are based on our current expectations, estimates, forecasts and projections. Statements that are not historical facts, including statements about the beliefs, expectations and future plans and strategies of the Company, are forward-looking statements. Actual results may differ materially from those expressed in any forward-looking statements. The following important factors, among other things, could cause or contribute to actual results being materially and adversely different from those described or implied by such forward-looking statements including, but not limited to: those discussed in this release; we operate in highly competitive industries, and customers may not continue to purchase products or services, which would result in reduced revenue and loss of market share; we may be unable to grow our revenues and cash flows despite the initiatives we have implemented; failure to anticipate the need for and introduce new products and services or to compete with new technologies may compromise our success in the telecommunications industry; our access lines, which generate a significant portion of our cash flows and profits, are decreasing in number and if we continue to experience access line losses similar to the past several years, our revenues, earnings and cash flows from operations may be adversely impacted; our failure to meet performance standards under our agreements could result in customers terminating their relationships with us or customers being entitled to receive financial compensation, which would lead to reduced revenues and/or increased costs; we generate a substantial portion of our revenue by serving a limited geographic area; a large customer accounts for a significant portion of our revenues and accounts receivable and the loss or significant reduction in business from this customer would cause operating revenues to decline and could negatively impact profitability and cash flows; maintaining our telecommunications networks requires significant capital expenditures, and our inability or failure to maintain our telecommunications networks could have a material impact on our market share and ability to generate revenue; increases in broadband usage may cause network capacity limitations, resulting in service disruptions or reduced capacity for customers; we may be liable for material that content providers distribute on our networks; cyber attacks or other breaches of network or other information technology security could have an adverse effect on our business; natural disasters, terrorists acts or acts of war could cause damage to our infrastructure and result in significant disruptions to our operations; the regulation of our businesses by federal and state authorities may, among other things, place us at a competitive disadvantage, restrict our ability to price our products and services and threaten our operating licenses; we depend on a number of third party providers, and the loss of, or problems with, one or more of these providers may impede our growth or cause us to lose customers; a failure of back-office information technology systems could adversely affect our results of operations and financial condition; if we fail to extend or renegotiate our collective bargaining agreements with our labor union when they expire or if our unionized employees were to engage in a strike or other work stoppage, our business and operating results could be materially harmed; the loss of any of the senior management team or attrition among key sales associates could adversely affect our business, financial condition, results of operations and cash flows; our debt could limit our ability to fund operations, raise additional capital, and fulfill our obligations, which, in turn, would have a material adverse effect on our businesses and prospects generally; our indebtedness imposes significant restrictions on us; we depend on our loans and credit facilities to provide for our short-term financing requirements in excess of amounts generated by operations, and the availability of those funds may be reduced or limited; the servicing of our indebtedness is dependent on our ability to generate cash, which could be impacted by many factors beyond our control; we depend on the receipt of dividends or other intercompany transfers from our subsidiaries and investments; the trading price of our common shares may be volatile, and the value of an investment in our common shares may decline; the uncertain economic environment, including uncertainty in the U.S. and world securities markets, could impact our business and financial condition; our future cash flows could be adversely affected if it is unable to fully realize our deferred tax assets; adverse changes in the value of assets or obligations associated with our employee benefit plans could negatively impact shareowners' deficit and liquidity; third parties may claim that we are infringing upon their intellectual property, and we could suffer significant litigation or licensing expenses or be prevented from selling products; third parties may infringe upon our intellectual property, and we may expend significant resources enforcing our rights or suffer competitive injury; we could be subject to a significant amount of litigation, which could require us to pay significant damages or settlements; we could incur significant costs resulting from complying with, or potential violations of, environmental, health and human safety laws; the timing and likelihood of completing the merger with Hawaiian Telcom, including the timing, receipt and terms and conditions of any required governmental and regulatory approvals for the proposed transaction that could reduce anticipated benefits or cause the parties to abandon the transaction; the possibility that competing offers or acquisition proposals for Hawaiian Telcom will be made; the occurrence of any event, change or other circumstance that could give rise to the termination of the proposed transaction; the possibility that the expected synergies and value creation from the proposed transaction involving Hawaiian Telcom will not be realized or will not be realized within the expected time period; the risk that the businesses of the Company and Hawaiian Telcom and other acquired companies will not be integrated successfully; disruption from the proposed transaction involving Hawaiian Telcom making it more difficult to maintain business and operational relationships; the risk that unexpected costs will be incurred; and the possibility that the proposed transaction involving Hawaiian Telcom does not close, including due to the failure to satisfy the closing conditions and the other risks and uncertainties detailed in our filings with the SEC, including our Form 10-K report, Form 10-Q reports and Form 8-K reports, as well as Hawaiian Telcom's filings with the SEC, including its Form 10-K reports, Form 10-Q reports and Form 8-K reports.

These forward-looking statements are based on information, plans and estimates as of the date hereof and there may be other factors that may cause our actual results to differ materially from these forward-looking statements. We assume no obligation to update the information contained in this release except as required by applicable law.

Cincinnati Bell
connecting what matters

Non-GAAP Financial Measures

This presentation contains information about adjusted earnings before interest, taxes, depreciation and amortization (Adjusted EBITDA), Adjusted EBITDA margin, net debt, net income (loss) applicable to common shareholders excluding special items 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 these non-GAAP financial measures to comparable GAAP financial measures have been included in the tables distributed with this release and are available in the Investor Relations section of www.cincinnatibell.com within the Investor Relations section.

Cincinnati Bell
connecting what matters

Call Participants

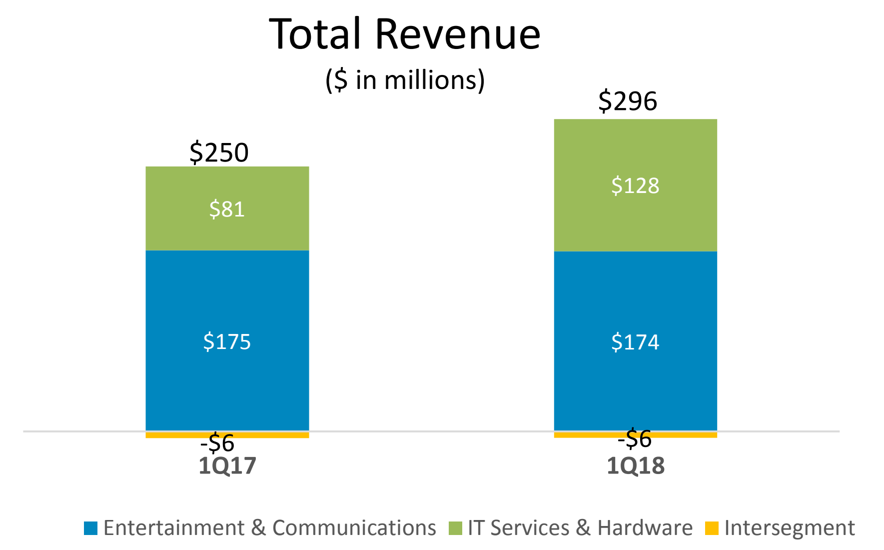
Leigh Fox
President and CEO, Cincinnati Bell

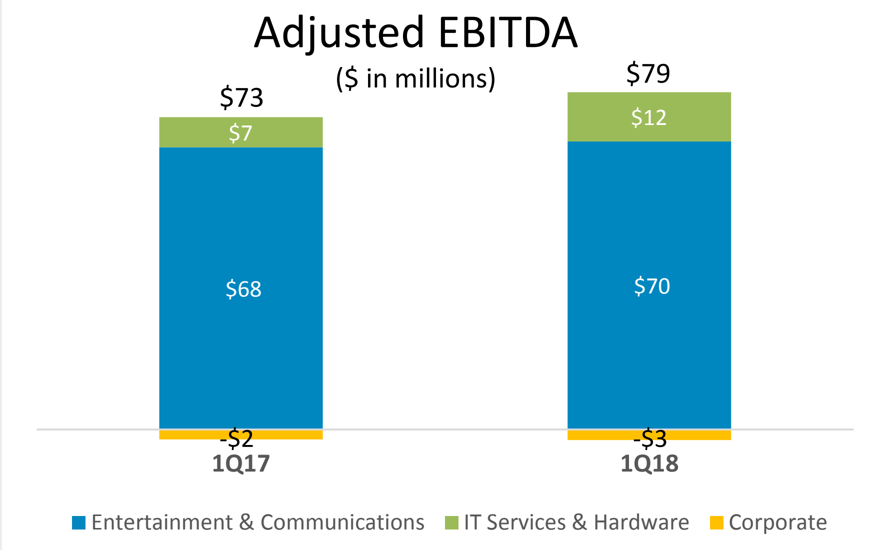
Andy Kaiser
CFO, Cincinnati Bell

Tom Simpson
COO, Cincinnati Bell

First Quarter 2018 Highlights

Key Financial Metrics





Entertainment & Communications

Fioptics

Revenue of

$83M

+13% y/y

580,800

addresses

+7% y/y

IT Services & Hardware

Communications

Revenue of

$41M

+11% y/y

Cloud Services

Revenue of

$23M

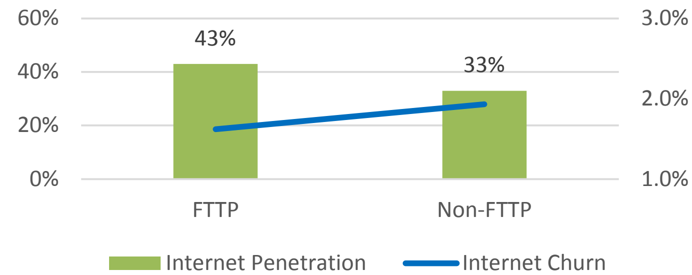
+8% y/y

Cincinnati Bell
connecting what matters

Progress Towards Strategic Transformation in 1Q18

	Entertainment & Communications	IT Services & Hardware
Focus on Investing Where We Are Winning	• Investments in fiber continue to differentiate Cincinnati Bell from traditional carriers	• Launched nationwide SD-WAN and Network as a Service (NaaS) during 2017 • Expanded geographic footprint to accelerate momentum in IT services • Attractive enterprise customer base adding diversification and cross-selling opportunities

Increased Scale	Hawaiian Telcom
	• **Pending merger with Hawaiian Telcom** expected to close in the early second half of 2018
	  • Received approval from the Hawaii Public Utilities Commission
	  • Regulatory approval underway from FCC
		OnX Enterprise Solutions
		• **Integration of OnX** progressing well – adding 20 offices with access to +2,000 customers
		• OnX recognized as “Major Player” in IDC MarketScape Report [1]



Increased Financial Transparency

Entertainment & Communications

Category	Products
Fioptics	High-speed Internet, Video, Voice
Enterprise Fiber	Metro-Ethernet, Dedicated Internet Access, Wavelength
Legacy	Access Lines, Consumer Long Distance, Switched Access, Digital Trunking, DSL

IT Services & Hardware

Practice	Products
Cloud Services	Design, Application Transformation, Implementation, Monitoring
Communications	UCaaS, SD-Wan, NaaS, Commercial LD & VoIP
Consulting Services	Professional Services Program, Application Consulting Services
Infrastructure Solutions	Hardware, Software, Maintenance

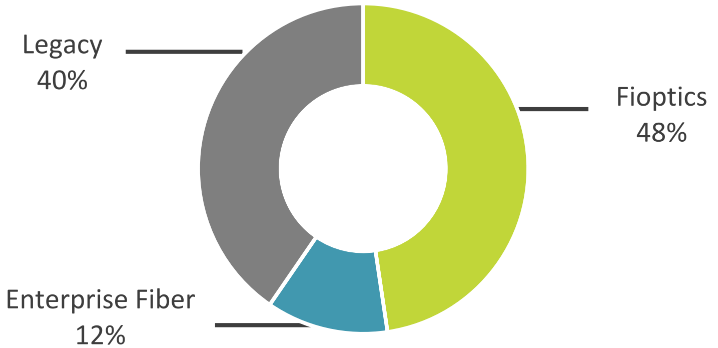
1. IDC MarketScape: Canadian Infrastructure as a Service 208 Vendor Assessment, Feb 2018.

Entertainment & Communications

Segment Results

($ in millions)	1Q18	Y/Y
Revenue	$174	-1%
Adj. EBITDA	$70	2%
Adj. EBITDA margin	40%	100 bps

Segment Revenue Elements



Highlights

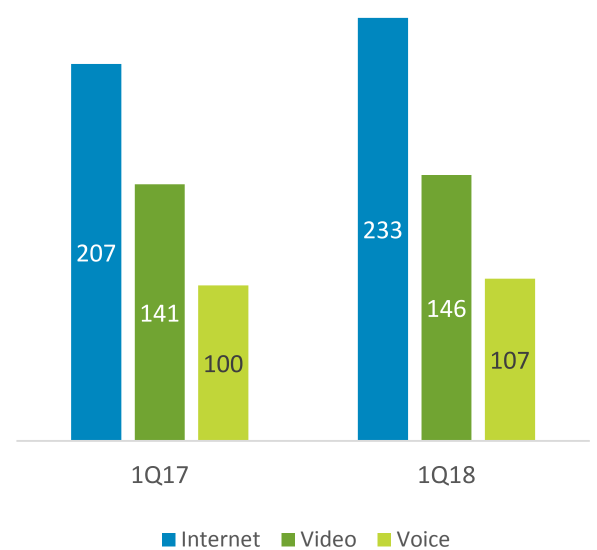
- Strong and consistent performance in the fiber network business
  - Fioptics internet subscribers of 232,800, up 12% y/y
  - Fioptics video subscribers of 146,300, up 4% y/y
- Internet subscriber net adds totaled 2,200 in 1Q18
- Pending merger with Hawaiian Telcom to add operational scale and expand the Company's fiber-centric footprint and commercial opportunity to Hawaii

($ in millions)	1Q18	Y/Y
Fioptics	$83	13%
Enterprise Fiber	21	6%
Legacy	70	-14%
Total	**$174**	**-1%**

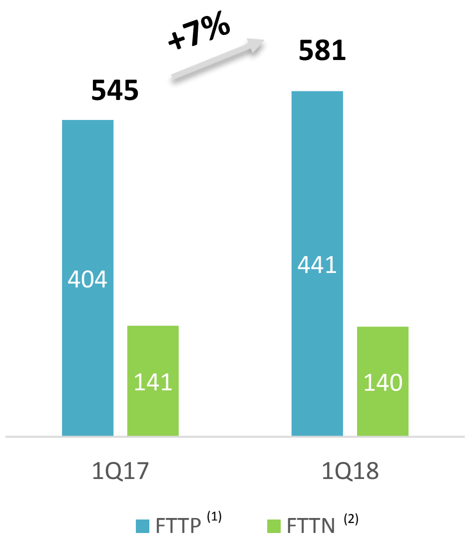
Cincinnati Bell
connecting what matters

Continued Strong Demand for Fiber

Total Fioptics Subscribers
(in thousands)



Fioptics Addresses
(in thousands)



Fioptics Penetration (y/y)

Video	25%	↓
Internet	40%	↑
Voice	18%	=

Fioptics Monthly ARPU

Video	$89	+4% y/y
Internet	$50	+3% y/y
Voice	$29	+6% y/y

- Fioptics is available to 580,800 addresses, reaching more than 70% of Greater Cincinnati – passed 9,200 new FTTP addresses in 1Q18

CBB continues to win with fiber in a very competitive environment

1. FTTP: fiber-to-the-premise 2. FTTN: fiber-to-the-node

Cincinnati Bell
connecting what matters

IT Services & Hardware

Segment Results

($ in millions)	1Q18	Y/Y
Revenue	$128	58%
Adj. EBITDA	$12	63%
Adj. EBITDA margin	9%	21 bps

Segment Revenue Elements

Highlights

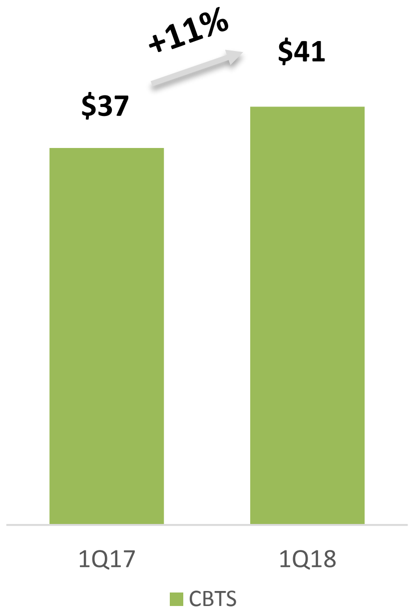
- Hybrid IT solutions provider well positioned to capitalize on significant market opportunities presented by UCaaS, cloud, security, and infrastructure needs
- Year-over-year revenue growth across each product practice
- Continued demand for Communications services– recent wins:
  - UCaaS contract to host 32,000 profiles across 96 locations
  - SD-WAN project to provide service to 18 sites

($ in millions)	1Q18	Y/Y
Consulting	$38	n/m
Cloud	23	8%
Communications	41	11%
Infrastructure Solutions	26	n/m
Total	**$128**	**58%**

Cincinnati Bell connecting what matters

Strong Momentum in Communications

Communications Revenue
($ in millions)



Communications Metrics (q/q)

NaaS Locations	564 ⬆
SD-WAN locations	117 ⬆
Hosted UCaaS Profiles	178,457 ⬆

Reporting Change

- Strength of growing UCaaS business further highlighted by transferring commercial CLEC operations out of E&C into IT services

Trusted provider of Voice services for more than 100 years

Cincinnati Bell
connecting what matters

Capital Structure and Free Cash Flow Performance

($ in millions)

Free Cash Flow

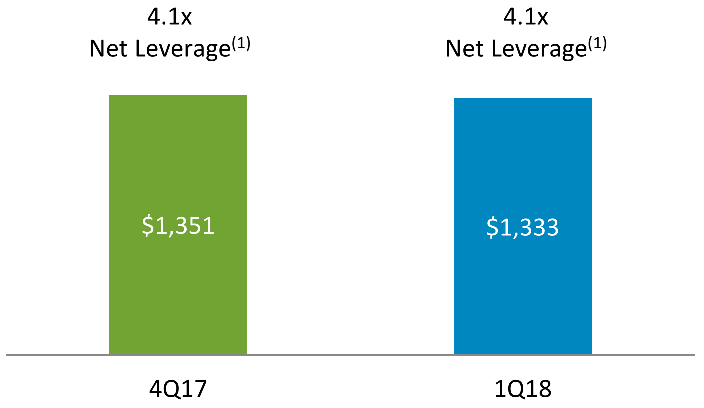
	Q1 2018	Y/Y Change
Adjusted EBITDA (Non-GAAP)	**$79**	**$6**
Interest Payments	(27)	(8)
Pension and OPEB Payments	(3)	-
Stock-based Compensation	1	(2)
Restructuring & Severance related payments	(7)	6
Transaction and Integration Costs	(2)	(2)
Working Capital and Other	18	5
Cash Provided by Operating Activities (GAAP)	**$59**	**$5**
Capital expenditures	(33)	22
Restructuring & severance related payments	7	(6)
Preferred stock dividends	(3)	-
Transaction and Integration Costs	2	2
Other	1	-
Free Cash Flow (Non-GAAP)	$33	$23

- Strong FCF performance primarily due to timing interest payments and capital expenditures

Capital Structure

- Amended Credit Agreement facility to reduce the LIBOR interest rate spread by 50 basis points from the previous 3.75% to 3.25% per annum – saving $3 million annually

Net Debt



1. Calculated as net debt divided by 2018 Adjusted EBITDA Guidance (mid-point)

Capital Expenditures

($ in millions)

Capital Expenditures

		1Q18	Y/Y	FY 2018 Guidance
Cincinnati Bell Fioptics	Construction	$6	-$9	$35 - $45
	Installation	7	-8	45 – 50
	Other	4	-2	15
	Total Fioptics	$17	-$19	$95 - $110
	Enterprise Fiber	5	1	20
	Maintenance	6	-1	40
Total Entertainment & Communications		**$28**	**-$19**	**$155- $170**
cbts cloud, covered				
Total IT Services & Hardware		**$5**	**-$3**	**$35 - $40**
Total		**$33**	**-$22**	**$190 - $210**

- Invested $17 million in Fioptics in Q1 2018
  - Passed an additional 8,600 addresses during the quarter
  - Remain on track to build 35,000 new addresses during 2018
- Enterprise Fiber and IT Services and Hardware capital represent success-based projects

Cincinnati Bell connecting what matters

2018 Outlook

Reaffirms 2018 Guidance	
Revenue	$1,200M – $1,275M
Adjusted EBITDA	$320M – $330M

- Revenue guidance reflects adoption of new revenue recognition standard
  - Infrastructure Solutions sales recognized net of product cost
- Guidance does not include contribution from the pending merger with Hawaiian Telcom

Selected 2018 Free Cash Flow Items	
Capital Expenditures	$190M – $210M
Interest payments	$115M – $125M
Pension and OPEB payments	$15M – $20M

Impact of New Revenue Standard

($ in millions)	**2018 (Guidance)**
As currently presented	$1,700 – $1,775
Impact of new revenue recognition	($500)
As Adjusted	$1,200 – $1,275

Cincinnati Bell
connecting what matters

2018 and Beyond

Enhanced Strategic Focus and Flexibility

Two Distinct Businesses with Separate Reporting and Organizational Structures	**Entertainment & Communications** Fiber continues to differentiate Cincinnati Bell from traditional carriers	**IT Services & Hardware** Transform to become an international hybrid cloud solutions provider

1 **Focus on investing where we are winning**	• Strong demand for our fiber suite of products
	  • Fioptics revenue increased 13% year-over-year
	  • Growth in Fioptics internet subscribers more than offset DSL declines
		• Strengthening North American platform
		• Growing UCAAS sales funnel – with wins nationwide

2 **Why we win**	• The more fiber, the greater the market penetration	• IT services business, combined with our network expertise, while being faster and more flexible than the competition
3 **How we win**	• Continued investments in high speed, high bandwidth fiber network creates future-proof asset that has a high barrier to entry	• Enhanced scale and expanded portfolio of complementary IT offerings to win larger, multi-faceted deals
4 **Significant market opportunity**	• Growth driven by IoT and 5G infrastructure spend	• Growth driven by UCaaS, cloud, and security
5 **Multiple upside**	• Network peers trading at ~8-11x	• IT peers trading at ~8-10x

Cincinnati Bell
connecting what matters

Appendix

Consolidated Results

($ in millions, except per share amounts)

	Three Months Ended March 31, 2018		Three Months Ended March 31, 2017	
Revenue	$	295.7	$	249.6
Costs and expenses				
Cost of services and products		149.4		124.1
Selling, general and administrative		68.4		55.3
Depreciation and amortization		51.2		45.8
Restructuring and severance related charges		0.3		25.6
Transaction and integration costs		2.2		0.6
Operating income (loss)		24.2		(1.8)
Interest expense		30.8		18.0
Other components of pension and postretirement benefit plans expense		3.3		3.2
Gain on sale of Investment in CyrusOne		—		(117.7)
Other income, net		(0.4)		(0.4)
(Loss) income before income taxes		(9.5)		95.1
Income tax (benefit) expense		(1.2)		34.5
Net (loss) income		(8.3)		60.6
Preferred stock dividends		2.6		2.6
Net (loss) income applicable to common shareowners	$	(10.9)	$	58.0
Basic net (loss) earnings per common share	$	(0.26)	$	1.38
Diluted net (loss) earnings per common share	$	(0.26)	$	1.37
Weighted average common shares outstanding (in millions)				
– Basic		42.3		42.1
– Diluted		42.3		42.3