Cincinnati Bell
First Quarter 2012 Results

May 3, 2012

Today's Agenda

Performance Highlights
Jack Cassidy, President & Chief Executive Officer

Review of Cincinnati Bell Communications
Ted Torbeck, President, Cincinnati Bell Communications

Review of CyrusOne
Gary Wojtaszek, President, CyrusOne

Financial Overview
Kurt Freyberger, Chief Financial Officer

Question & Answer
Cincinnati Bell Management Team

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 diluted earnings per share before special items. 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 and diluted earnings per share before special items (including the Company's definition of these terms) to comparable GAAP financial measures can be found in the earnings release on our website at www.cincinnatibell.com within the Investor Relations section.

Jack Cassidy

President and CEO

2012 1st Quarter Highlights –
Great start to kick-off 2012

Net revenue in the first quarter was $363 million, 1% higher than 2011

Generated strong Adjusted EBITDA of $139 million, a decrease of 3% from Q1 2011 and up 5% sequentially

Continued investment in Data Center Colocation yields growth of 21% for revenue and 20% for Adjusted EBITDA

Strong Adjusted EBITDA margins of 49% and 37% generated by legacy Wireline and Wireless businesses, respectively

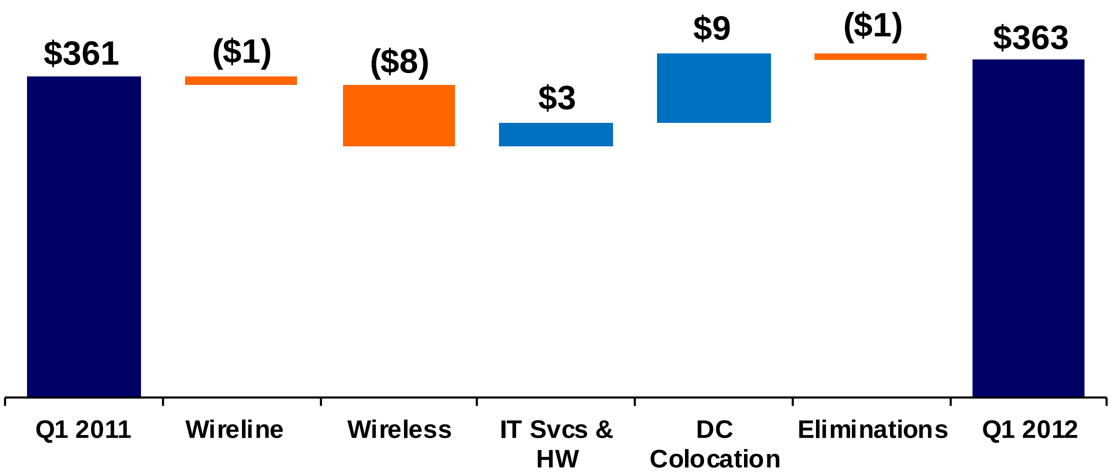
- Data Center and Fioptics year-over-year growth in revenue and Adjusted EBITDA offsets access line loss, wireless subscriber losses and $2M mark-to-market charge
  - MTM charge resulted from 33% increase in stock price during Q1
- Adjusted EBITDA increased $7 million sequentially
- Constructed 43,000 sq feet of new data center space during the quarter and sold 15,000 sq feet, maintaining high utilization of 85%
- Wireline maintains industry leading Adjusted EBITDA margin of 49% and Wireless Adjusted EBITDA margin in the quarter is the highest since 2004

Q1 2012 Year over Year Change in Revenue

Data Center Colocation continues its strong growth trend

Cincinnati Bell℠

($'s in millions)



$9 million or 21% increase in Data Center Colocation

- Utilized data center square footage increased by 17%

$3 million or 4% increase in IT Services and Hardware

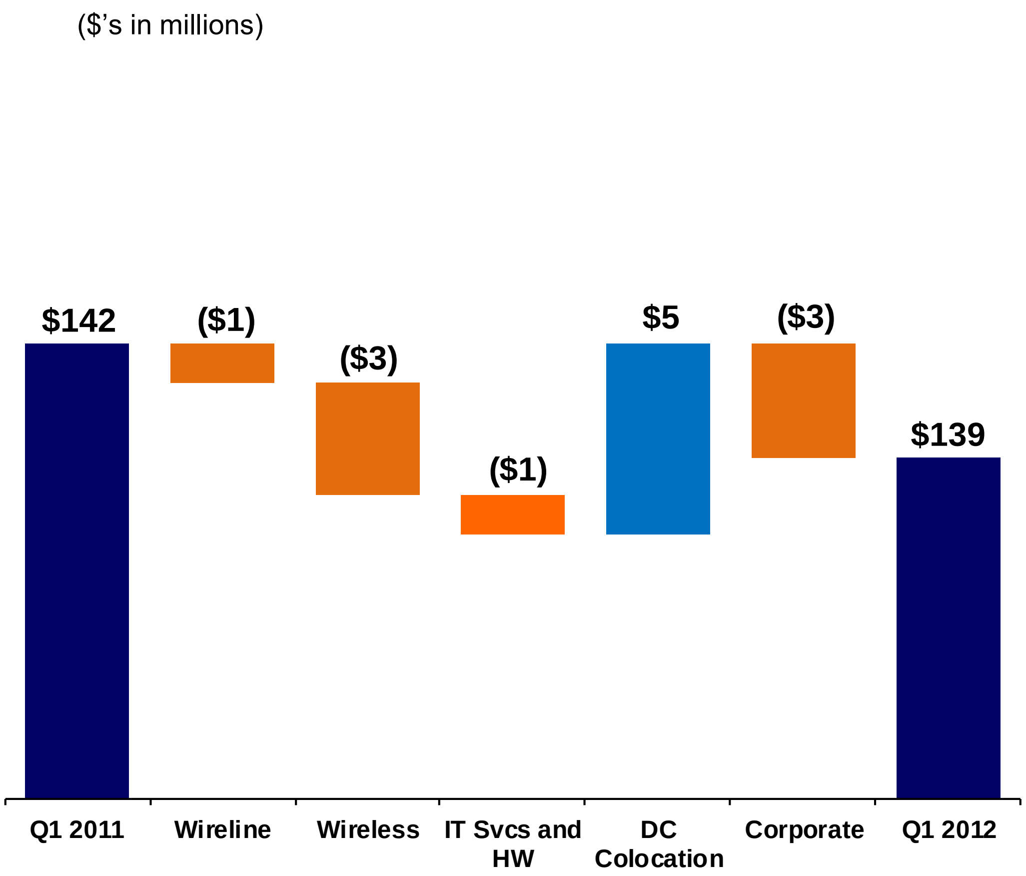
($1 million) decrease in Wireline

- Revenue growth from Fioptics and enterprise offsets continued access line losses and home security business sold in 2011

($8 million) decrease in Wireless

- Decline in total subscriber base is partially mitigated by postpaid ARPU growth

Q1 2012 Year over Year Change in Adjusted EBITDA



$5 million increase in Data Center Colocation

- Driven by new sales from added capacity

($1 million) decrease in Wireline

- Cost management initiatives continue to have a favorable impact on Adjusted EBITDA, more than offset by lower revenue

($3 million) decrease in Wireless

- 11% decline in total subscriber base year over year is partially offset by cost reductions

($3 million) increase in Corporate expenses

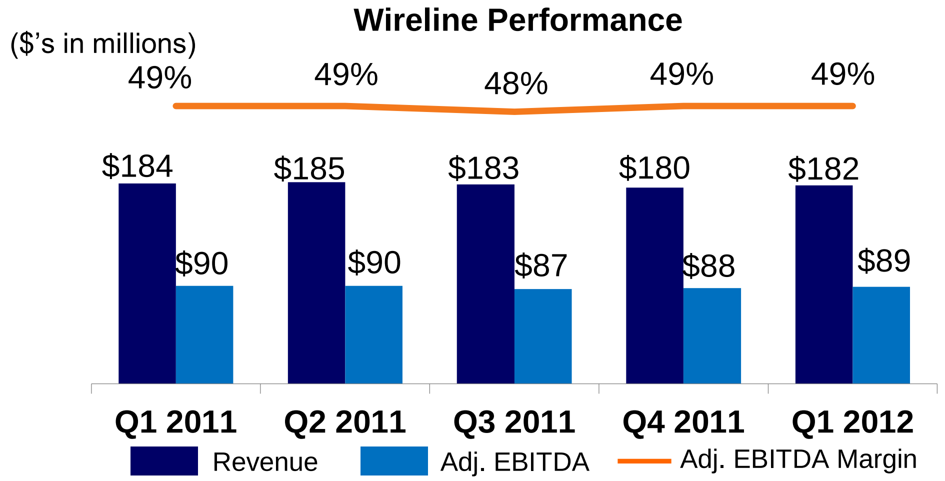
- $2M increase in mark-to-market expense on comp plans related to our 33% increase in stock price

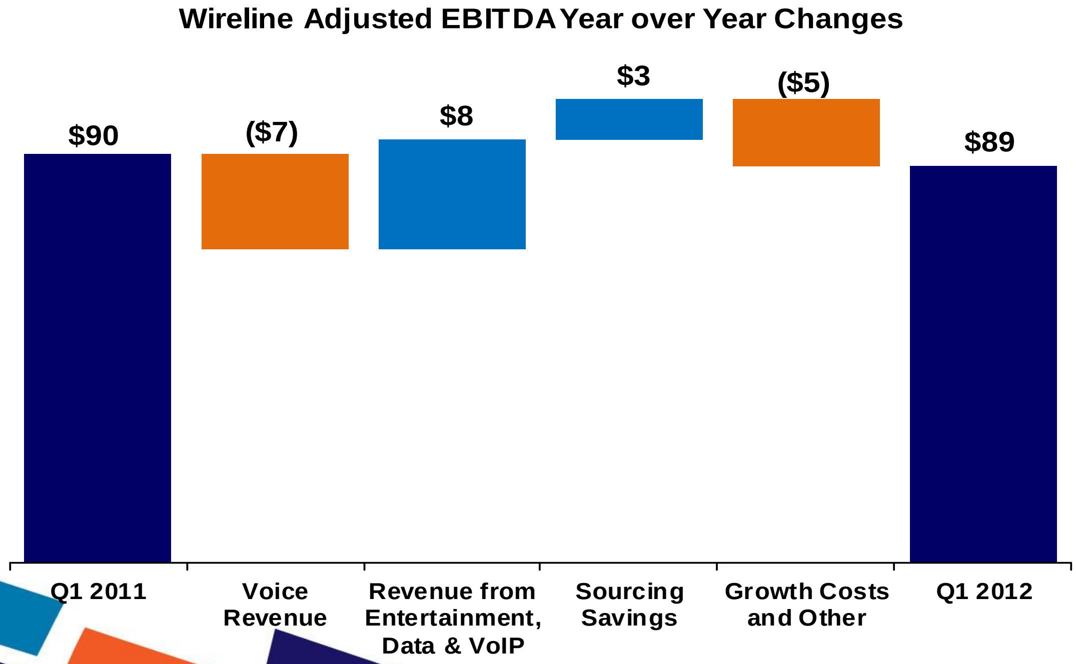
($1 million) decrease in IT Services and Hardware

Ted Torbeck

Cincinnati Bell Communications, President

Wireline Revenue and Adjusted EBITDA





High Adjusted EBITDA margin of 49%

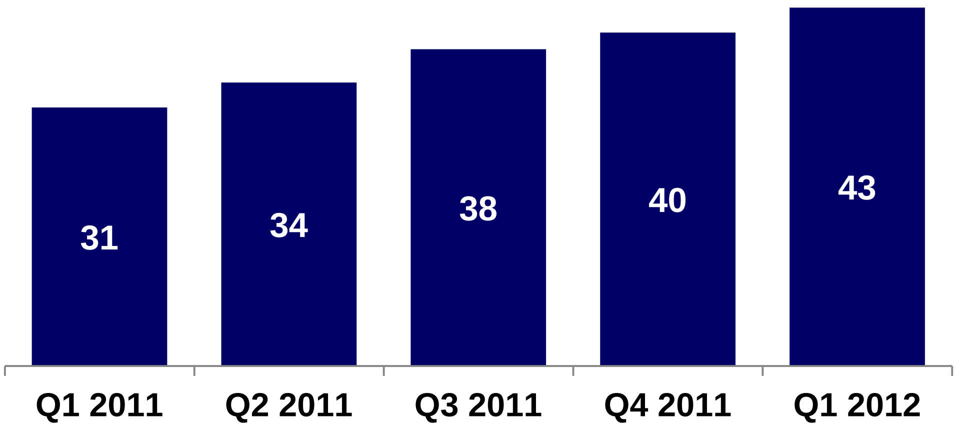
- Revenue and Adjusted EBITDA are comparable to Q1 2011 despite continued loss of access lines
- Fioptics revenue in the quarter was $15 million, up 47% from Q1 2011, mitigating lower voice revenues

Generated strong Adjusted EBITDA of $89 million in the quarter

- Access line losses drive $7M decline in voice revenue
- Fioptics growth contributed EBITDA increase of $2M
- Sourcing savings help to offset growth and other costs

Fioptics Activity

Total Entertainment Subscribers
(in thousands)



Fioptics offering well received by customers, with a 29% penetration rate of total units passed

Q1 2012 Fioptics subscribers

- 147K units now passed; added 13K in Q1
- 43K entertainment subs; added 3K in Q1
- 43K internet subs; added 4K in Q1
- 32K voice subs; added 3K in Q1

Churn for entertainment subscribers was 2.4% in the quarter, comparable to Q1 2011

- Churn rate is reasonable given the mix of single family and apartment units

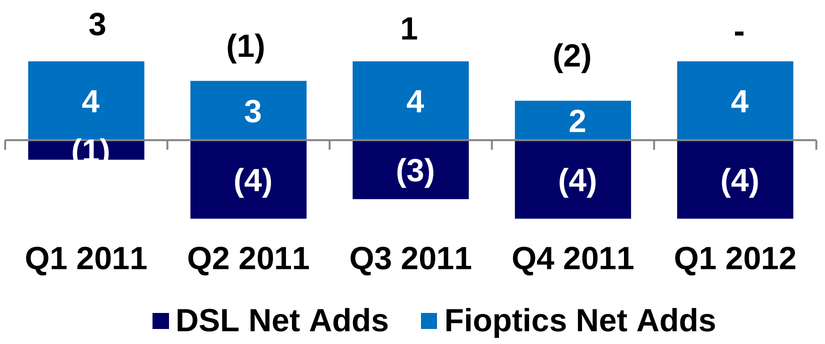
Fioptics consumer monthly ARPU was \$127, up from \$117 in Q1 2011

Cincinnati Bell℠

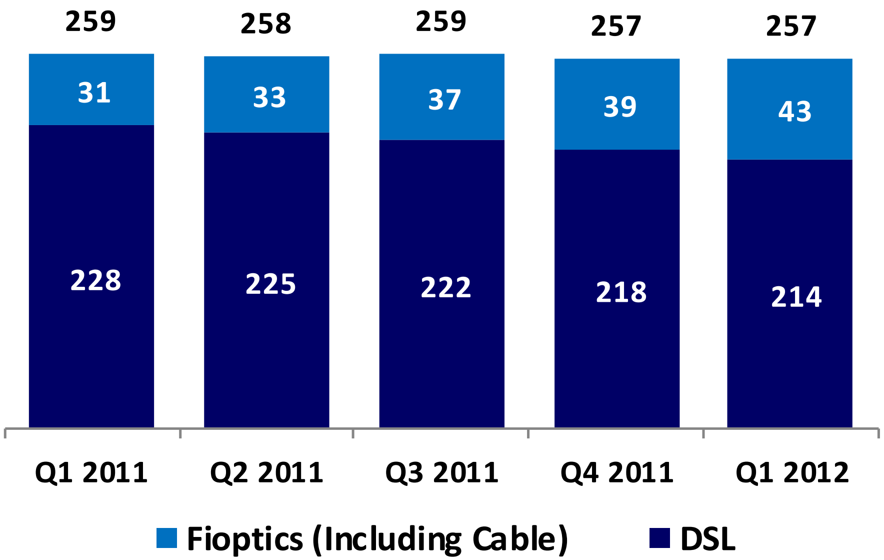
High-Speed Internet Subscriber Activity

(In thousands)

High-Speed Internet Net Adds



High-Speed Internet Customers (DSL & Fioptics)



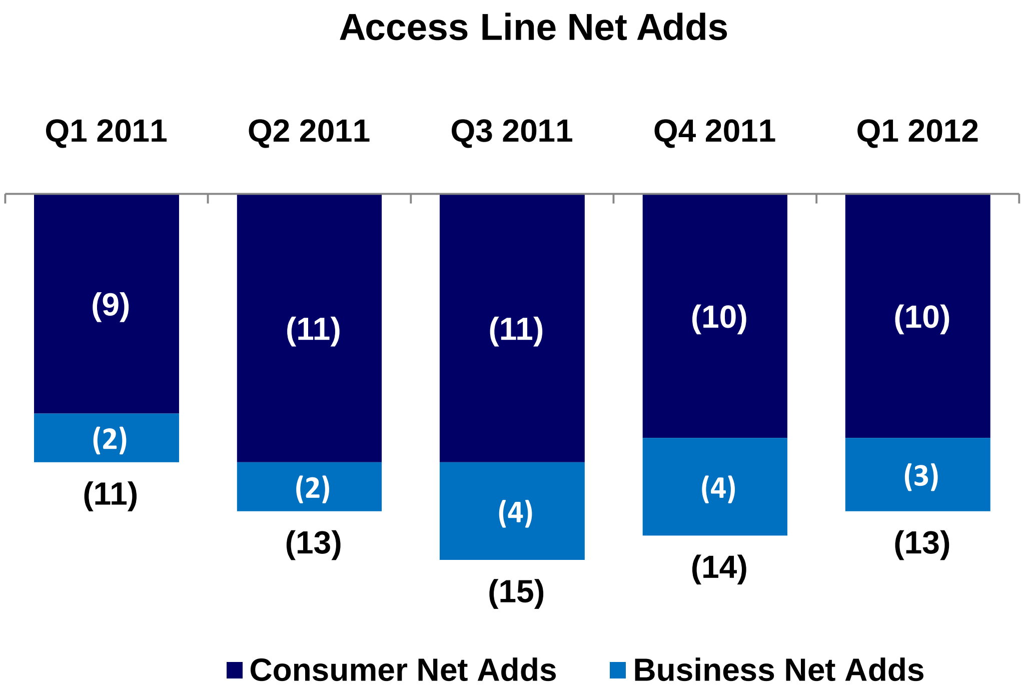
Added 4K Fioptics high-speed internet subscribers during the quarter, fully offsetting DSL losses

41% growth in Fioptics high-speed internet subs since Q1 2011

Churn of high-speed internet subscribers continues to be less than 2%

Access Line Loss – Consumer & Business

(In thousands)



Year over year total access line loss of 8.3%

- Reduced activities in low-margin Dayton CLEC markets
- 8.3% in-territory access line loss, compared to 8.0% at end of 2011

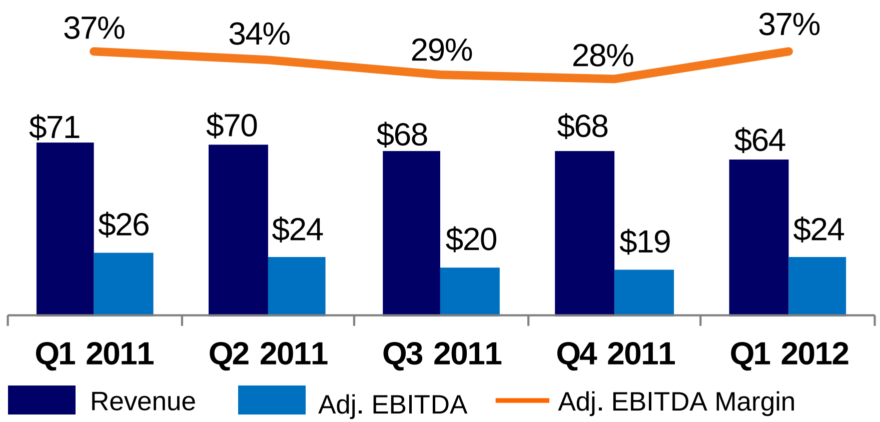
VoIP access line equivalents increased 15% year over year

Access line churn of 1.3% in the quarter is consistent with Q1 2011

Wireless Revenue & Adjusted EBITDA

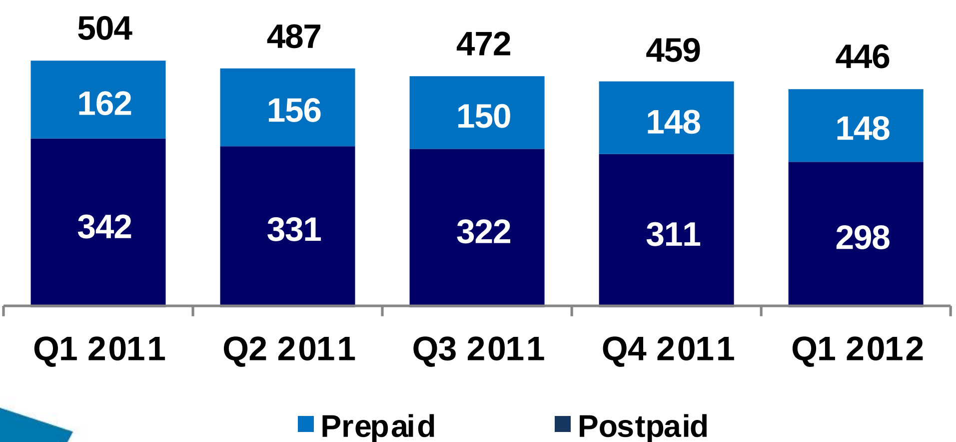
($'s in millions)

Wireless Performance



Wireless Customers

(In thousands)



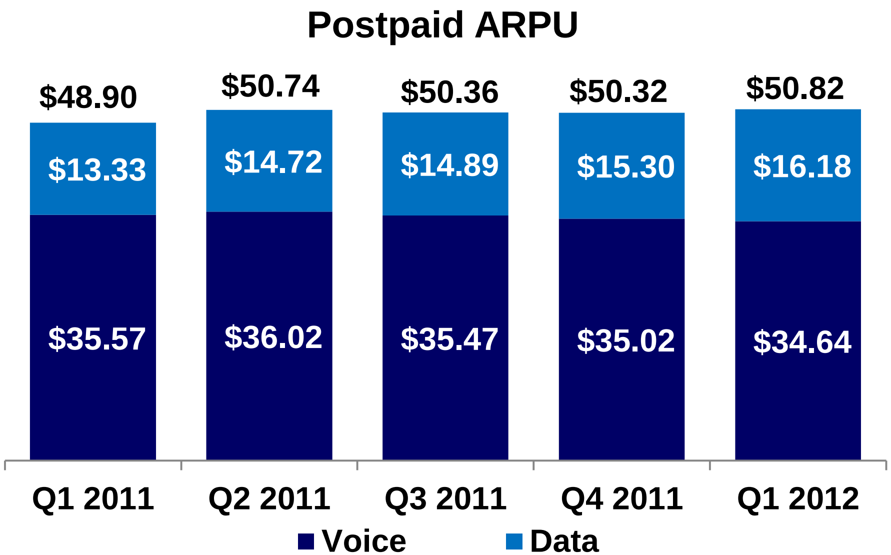
Continued focus on maximizing cash flows and profitability

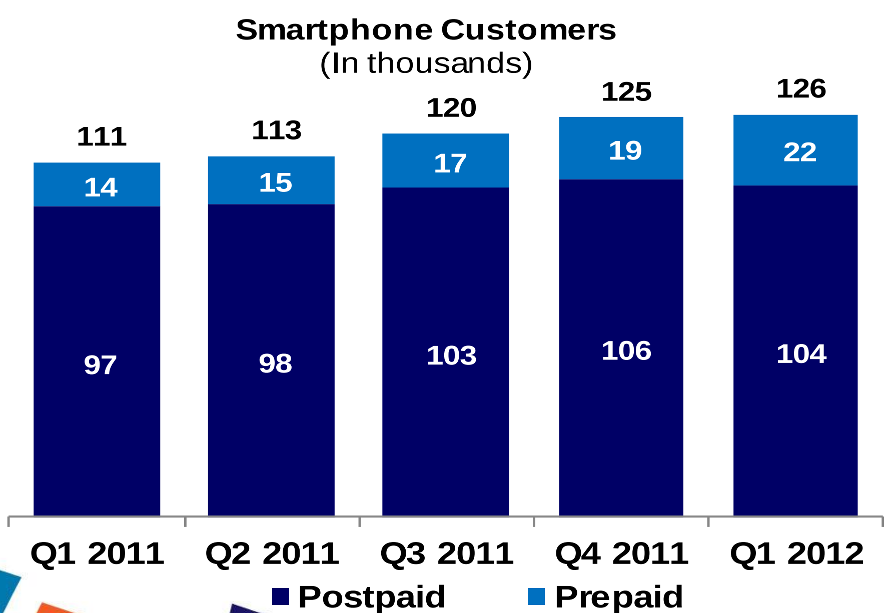
- Adjusted EBITDA margin of 37% in the quarter

Competitive environment expected to continue into the foreseeable future

Postpaid churn in the quarter was 2.2%, compared to 2.4% in Q4 2011 and 2.1% in Q1 2011

Postpaid ARPU and Smartphone Customers





Postpaid data ARPU continues to trend upwards

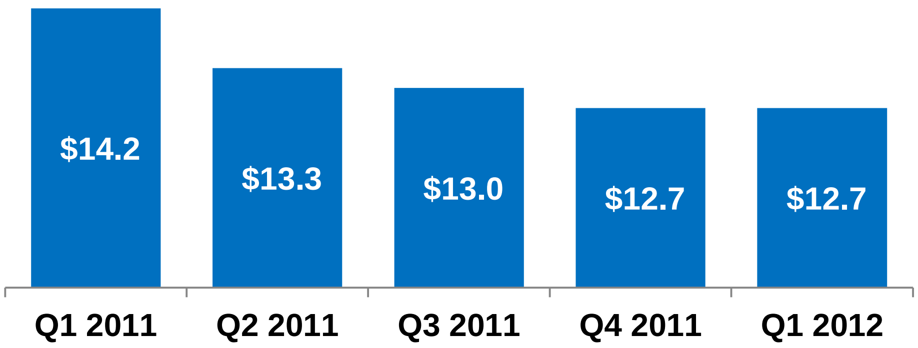
- Data ARPU is up 21% compared to Q1 2011
- Voice ARPU has been declining over the past 4 quarters, but higher data ARPU continues to provide stability to total postpaid ARPU

Smartphone subscribers continue to drive increase in data ARPU

- Total smartphone subscriber base has grown by 15% year over year
- Postpaid smartphone penetration now at 35% of total postpaid subscriber base, up from 28% at Q1 2011
- Prepaid smartphone subscribers of 22K have grown 65% since Q1 2011

Prepaid Wireless

Prepaid Service Revenue
($'s in millions)



Prepaid ARPU

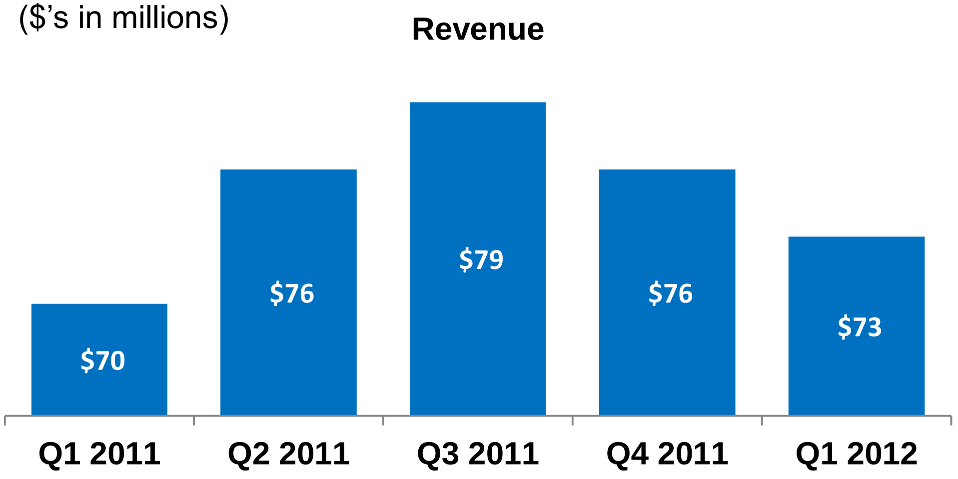
Prepaid subscribers decreased 8% from Q1 2011

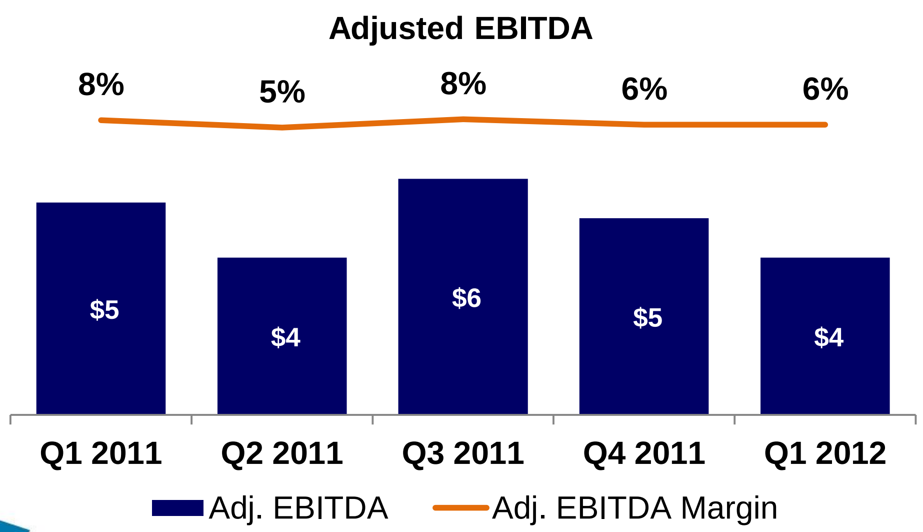
Prepaid ARPU is down 3% compared to Q1 2011, but is stable compared to the 2 immediately preceding quarters

- Sustained competitive environment continues to put pressure on voice ARPU
- Prepaid data ARPU increased 10% year over year, helping to offset decline in prepaid voice ARPU

IT Services and Hardware

($'s in millions)





Revenue in the quarter increased 4% from prior year

- Revenue from Managed and Professional Services increased $6 million, or 26%, from 2011
- Telecom & IT Equipment sales were 6% lower compared to same period in 2011

Adjusted EBITDA of $4 million decreased by $1 million compared to Q1 2011

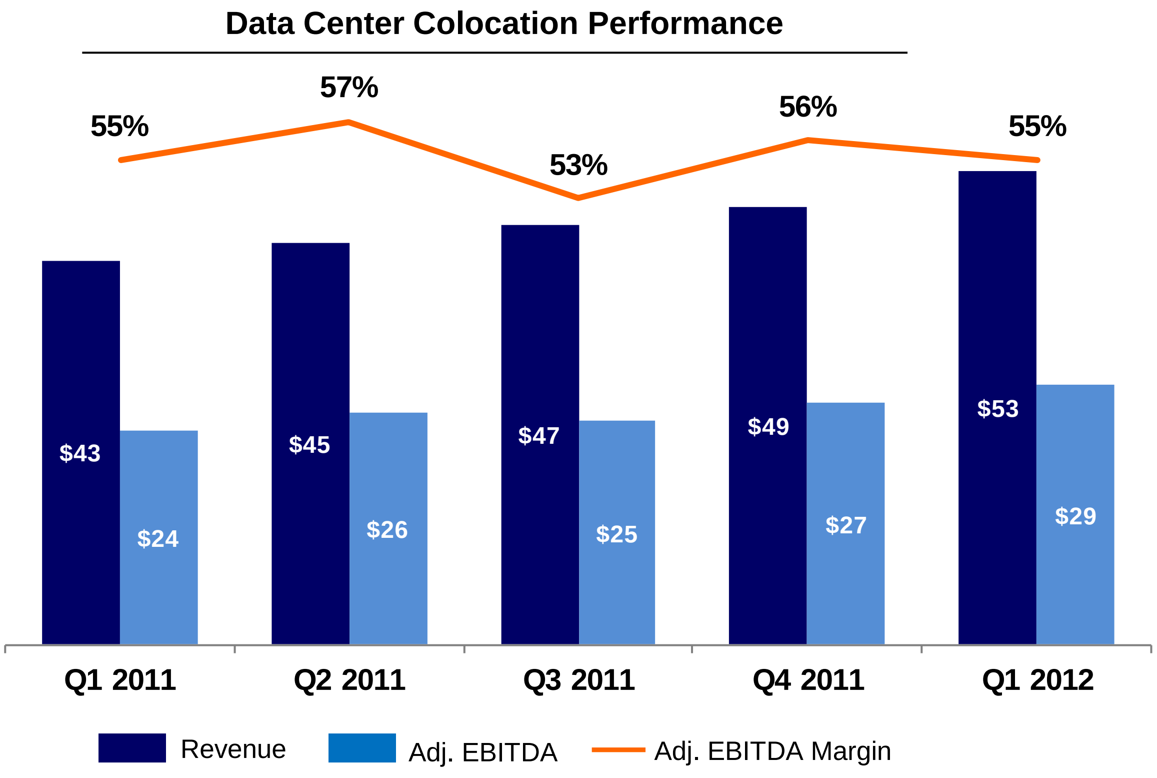
Cincinnati Bell℠

Gary Wojtaszek

President of CyrusOne

Data Center Colocation
Revenue and Adjusted EBITDA

($ in millions)

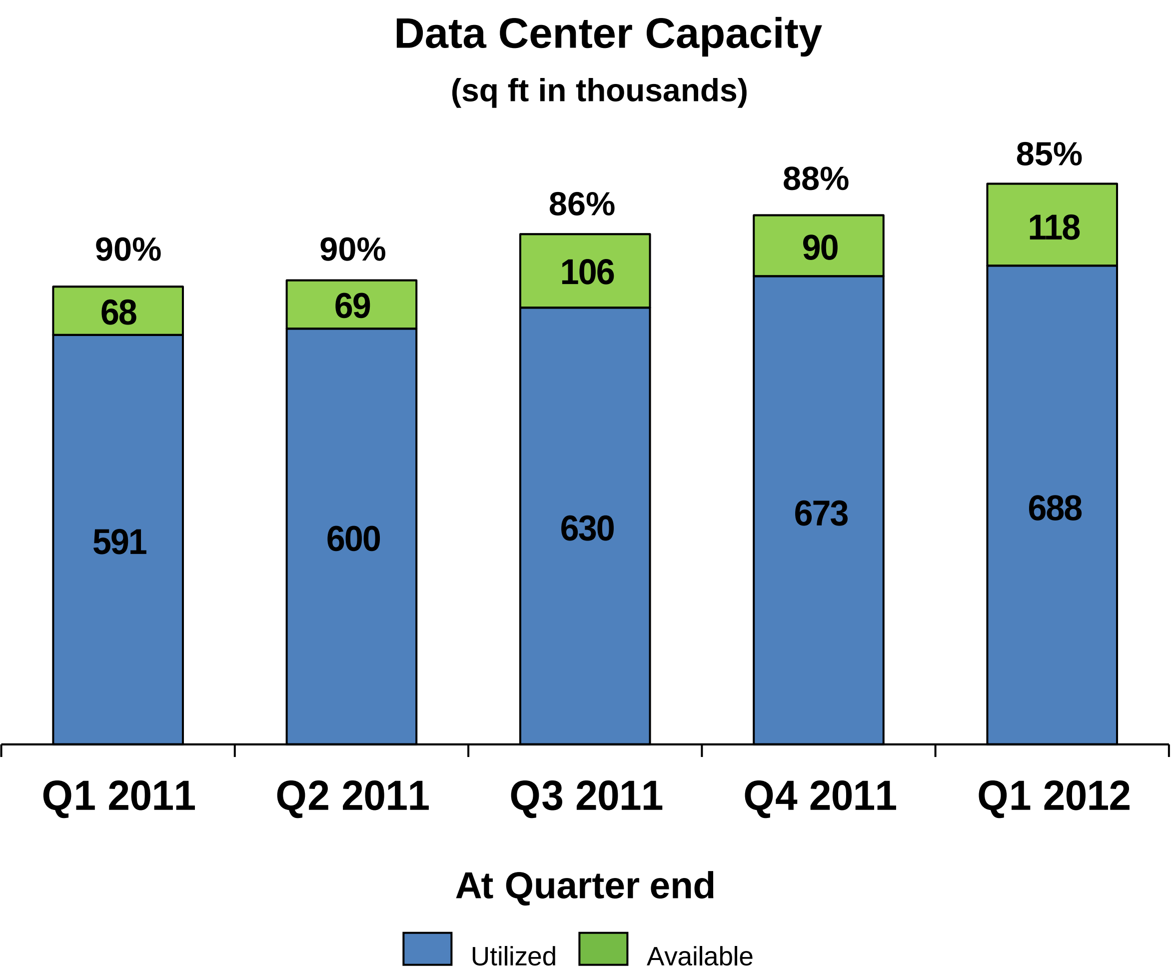


Revenue and Adjusted EBITDA increased 21% and 20%, respectively, from Q1 2011

- 22% increase in data center space

Adjusted EBITDA margin of 55% was consistent with Q1 2011

Data Center Utilization Update



Continued to execute on data center strategy while exploring strategic alternatives for the business

- Completed construction on 43k sq ft of space mostly in Austin
- Sold 15k sq ft during the quarter

Data Center Capacity and Utilization by Market

Market	# of Facilities	Capacity (Sq Ft)	% Utilized
Cincinnati	7	442,000	90%
Houston	3	153,000	98%
Dallas	4	124,000	85%
Austin	1	55,000	30%
Other Markets	5	32,000	64%
TOTAL	20	806,000	85%

Expect to add approx. 140k sq ft of new space during the remainder of 2012

- 45k sq ft in Dallas and 15k sq ft in Houston during Q2 2012
- 40k sq ft in San Antonio in Q3 2012
- 40k sq ft in Phoenix in Q4 2012

Kurt Freyberger

Chief Financial Officer

Q1 2012 and 2011 Income Statement

(Unaudited, $'s in millions except per share amounts)

	Three Months Ended March 31, 2012	Three Months Ended March 31, 2011	Change $	Change %
Revenue	$ 362.8	$ 360.8	$ 2.0	1%
Costs and expenses				
Cost of services and products	165.8	159.2	6.6	4%
Selling, general and administrative	64.0	64.6	(0.6)	(1)%
Depreciation and amortization	51.1	48.4	2.7	6%
Restructuring charges	0.9	-	0.9	n/m
Acquisition costs	-	1.1	(1.1)	n/m
Asset impairments	-	1.1	(1.1)	n/m
Operating income	81.0	86.4	(5.4)	(6)%
Interest expense	54.4	54.5	(0.1)	0%
Other expense, net	1.5	-	1.5	n/m
Income before income taxes	25.1	31.9	(6.8)	(21)%
Income tax expense	12.5	14.0	(1.5)	(11)%
Net income	12.6	17.9	(5.3)	(30)%
Preferred stock dividends	2.6	2.6	-	0%
Net income applicable to common shareowners	$ 10.0	$ 15.3	$ (5.3)	(35)%
Basic and diluted earnings per common share	$ 0.05	$ 0.08		

Q1 2012 Free Cash Flow

($63 million) negative Free Cash Flow for first quarter of 2012

- $32 million of higher capital expenditures from increased investment in data centers
- Remainder primarily due to working capital changes associated with timing of cash payments and receipts

Continue to expect negative Free Cash Flow for the full year 2012

<u>Significant items influencing 2012 FCF as compared to 2011:</u>

- Capital expenditures are expected to range between $300 million and $400 million for 2012 due to the increase in data center investments
- Pension and other post-retirement payments expected to be $20 million higher than 2011
- Adjusted EBITDA guidance of $530 million in 2012 compared to $545 million in 2011

Available Liquidity

Liquidity at March 31, 2012		
($ in millions)		
Cash and cash equivalents	$	7
Capacity under the Corporate credit facility		210
Capacity under the Receivables facility		80
	$	297

2012 Financial Guidance

Category	2012 Guidance
Revenue	$ 1.5 billion
Adjusted EBITDA*	Approx. $530 million

* Plus or minus 2 percent