Cincinnati Bell
First Quarter 2011 Results

May 5, 2011

Today's Agenda

Performance Highlights
Jack Cassidy, President & Chief Executive Officer

Review of Wireline, Wireless, IT Services & Hardware
Ted Torbeck, President, Cincinnati Bell Communications

Review of Data Center Colocation and Financial Overview
Gary Wojtaszek, Chief Financial Officer

Question & Answer
Cincinnati Bell Management Team

Safe Harbor

Certain of the statements and predictions contained in this presentation constitute forward-looking statements within the meaning of the Private Litigation Reform Act. In particular, statements, projections or estimates that include or reference the words “believes,” “anticipates,” “plans,” “intends,” “expects,” “will,” or any similar expression fall within the safe harbor for forward-looking statements contained in the Reform Act. Actual results or outcomes may differ materially from those indicated or suggested by any such forward-looking statement for a variety of reasons, 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 company products and services; advances in telecommunications technology; the ability to generate sufficient cash flow to fund the company’s business plan, repay the company’s debt and interest obligations, and maintain its networks; the ability to refinance indebtedness when required on commercially reasonable terms; changes in the telecommunications regulatory environment; changes in the demand for the company’s 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; changes in the company’s relationships with current large customers, a small number of whom account for a significant portion of company revenue; disruption in the company’s back-office information technology systems, including its billing system; the company’s ability to integrate successfully the business of Cyrus Networks, LLC with the company’s existing operations and to achieve the anticipated benefits of the acquisition of Cyrus Networks, LLC; and failure of or disruption in the operation of the company’s data center. 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 report, Form 10-Q reports and Form 8-K reports. The forward-looking statements included in this presentation represent company estimates as of May 5, 2011. Cincinnati Bell anticipates that subsequent events and developments will cause its 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, free cash flow (including the Company's definition of these terms), and net debt to comparable GAAP financial measures can be found on our website at www.cincinnatibell.com in the Investor Relations section.

Cincinnati Bell℠

Jack Cassidy

President and CEO

2011 1st Quarter Highlights – Solid Performance, Positive Outlook

Net Revenue of $361 million is $37 million or 11% higher than Q1 2010

Adjusted EBITDA of $142 million is up $15 million or 12% sequentially and year over year.

CyrusOne continues to drive growth contributing $22 million of revenue and $14 million of Adjusted EBITDA

Wireless Adjusted EBITDA improved by $13 million, double Q4 of 2010, and delivered 37% Adjusted EBITDA margin

- Sequential Revenue growth from 3 out of 4 segments
- Data Center Colocation segment increased revenue 117% and Adjusted EBITDA 122% year over year
- Access line loss below 7%
  - Our lowest rate of loss in 7 quarters
  - In-territory loss was the lowest in 4 years
- 97,000 postpaid smartphone subscribers
  - 28% of our total postpaid base

2011 1st Quarter Segment Highlights

Data Center Colocation

- Q1 2011 Adjusted EBITDA of $24 million, up 122% year-over-year driven primarily by CyrusOne acquisition
- CyrusOne Adjusted EBITDA margin of over 60%
- Q1 2011 utilization rate at 90%; 20K sq ft of new space constructed in Q1

Wireless

- Adjusted EBITDA of $26 million, double the Q4 2010 results
- Adjusted EBITDA margins consistent with Q1 2010 at 37%
- Churn in the quarter remained flat at 2.1% compared to prior year, while prepaid churn improved to 5.5%

Wireline

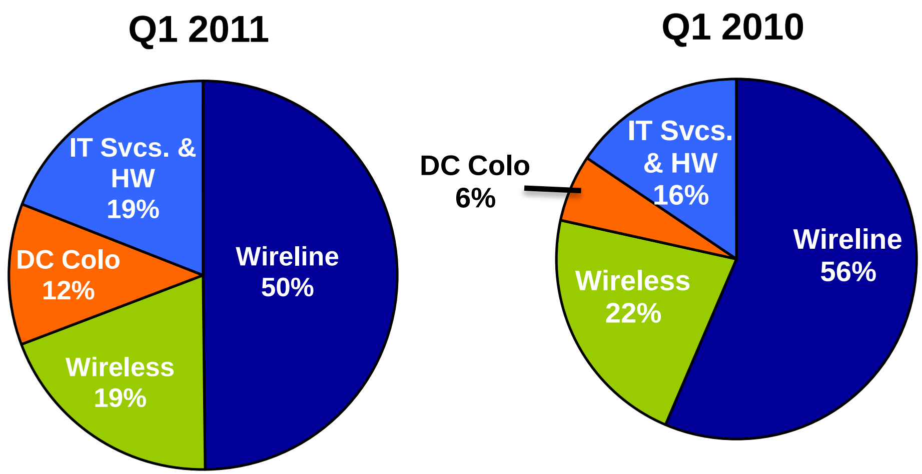
- Sequential increase in both Revenue and Adjusted EBITDA
- Solid Adjusted EBITDA margin at 49%
- Fioptics homes passed increased to 83,000 from 79,000 at year end

IT Services & Hardware

- Q1 2011 Revenue of $70 million, up $19 million or 36% from prior year
- Q1 2011 Adjusted EBITDA of $5 million, up $3 million or 135% from prior year

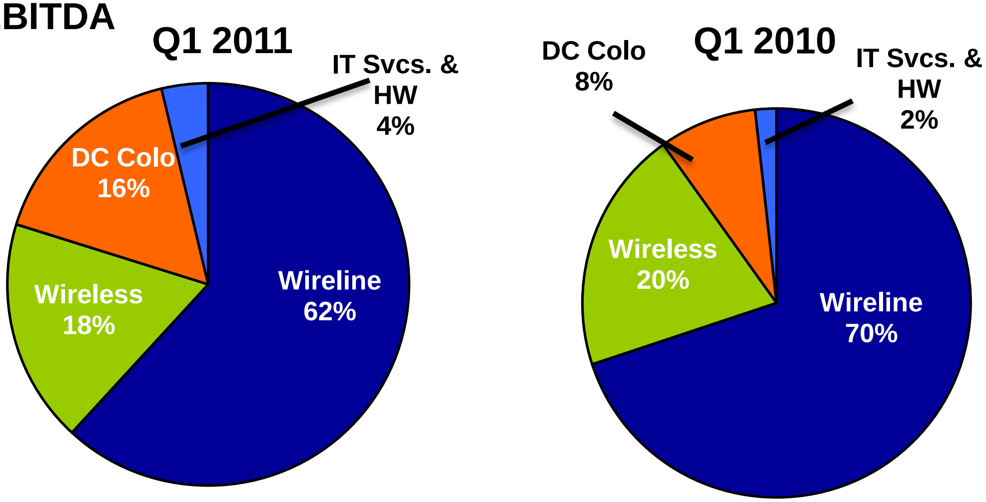
2011 1st Quarter Year over Year
Revenue and Adjusted EBITDA by Segment

Revenue



Note: Excludes intercompany

Adjusted EBITDA



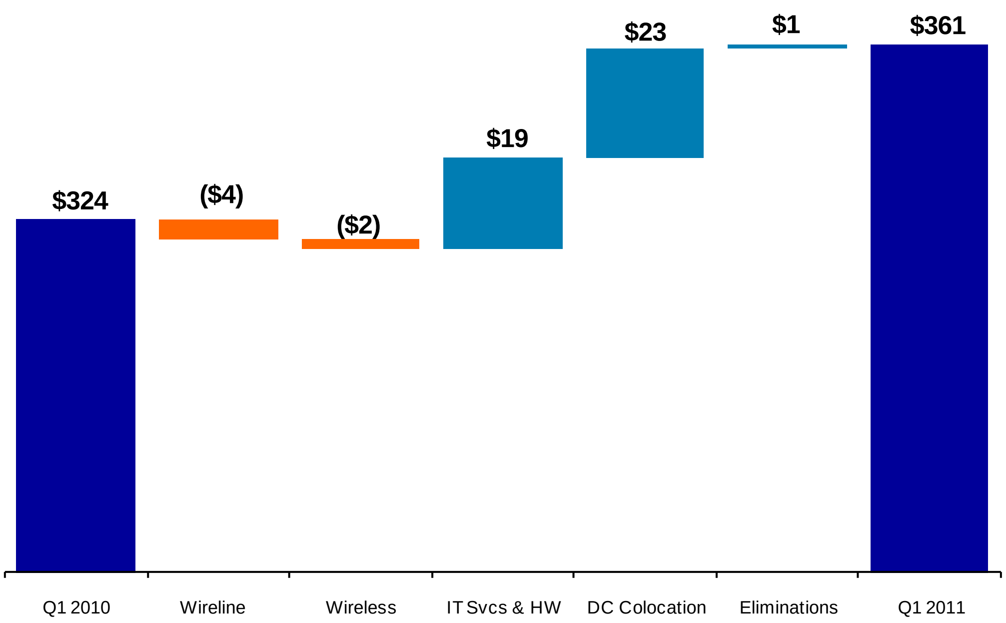
Note: Excludes Corporate expenses

- Data Center Colocation has doubled year over year, and now comprises 12% of overall revenue and 16% of overall Adjusted EBITDA

2011 1st Quarter Year over Year Change in Revenue

Revenues up $37 million or 11% over 2010

($'s in millions)



$23 million increase in Data Center Colocation

- Including $22 million from CyrusOne acquisition

$19 million increase in IT Services and Hardware

- $15 million or 46% increase in Telecom & IT Equipment
- $4 million or 19% increase in Managed Services & Professional Services

($2 million) decrease in Wireless

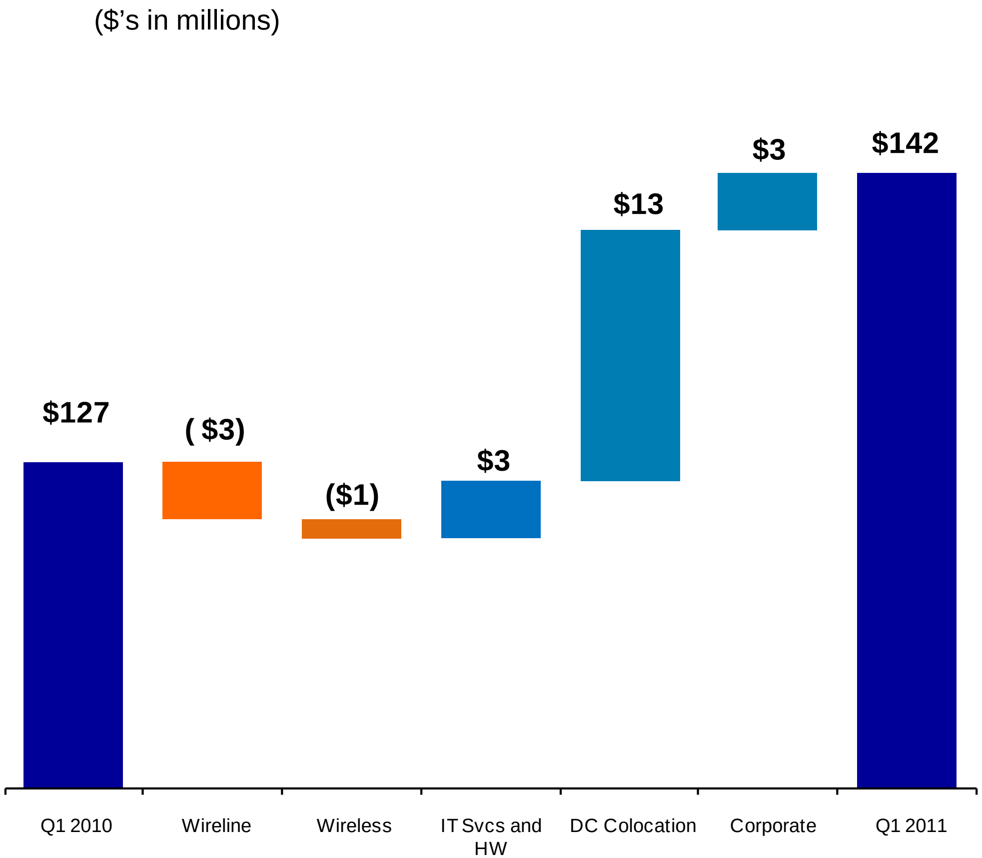
- Lower postpaid revenue on fewer subs, offset by higher prepaid and equipment revenue

($4 million) decrease in Wireline

- Access line loss was 6.76% driving revenue decline
- Added 3K fiber entertainment subs and 2K high-speed internet subs in the quarter

2011 1st Quarter Year over Year Change in Adjusted EBITDA

Increase of $15 million or 12% sequentially and year over year



$13 million increase in Data Center Colocation

- Addition of CyrusOne increased Adjusted EBITDA 122%

$3 million increase in IT Services and Hardware

- Stronger revenue and improvement in Adjusted EBITDA margin

($1 million) decrease in Wireless

- Adjusted EBITDA margin returns to 37%

($3 million) decrease in Wireline

- Maintained Adjusted EBITDA margin of 49% from first quarter 2010

$3 million decrease in Corporate expenses

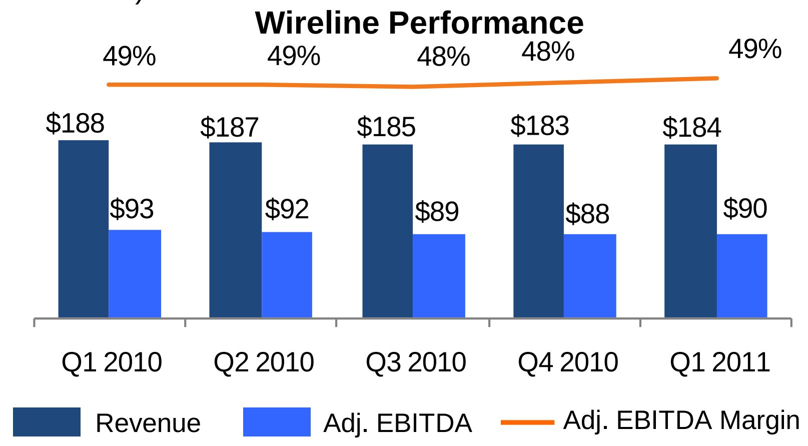
- Primarily related to the release of an indemnification reserve

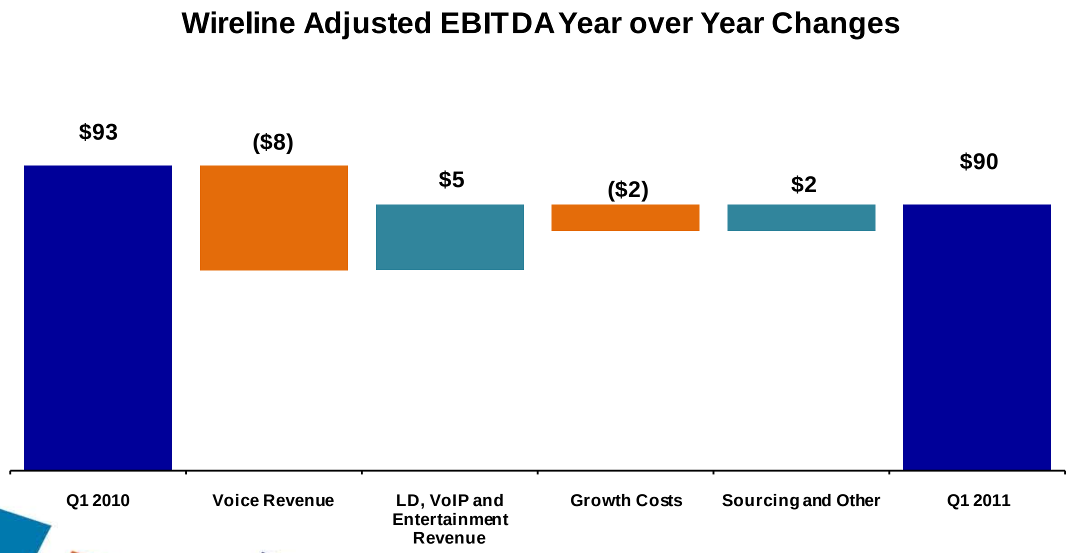
Ted Torbeck

President of Cincinnati Bell Communications

Wireline Revenue and Adjusted EBITDA

($'s in millions)





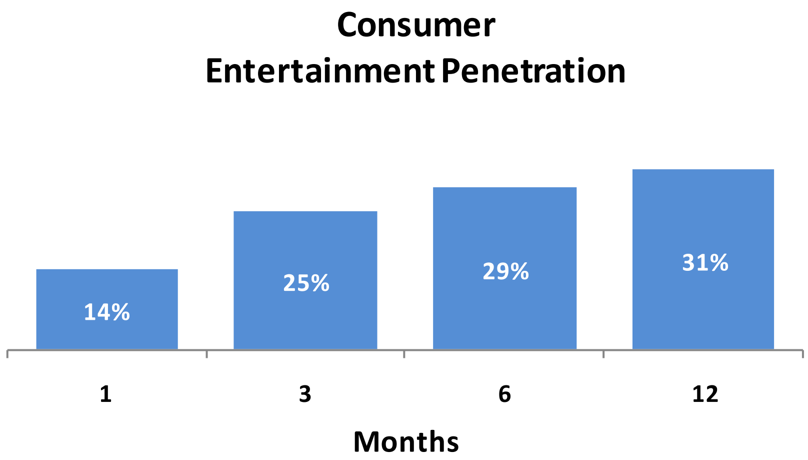
Sequential increase in Revenue and Adjusted EBITDA

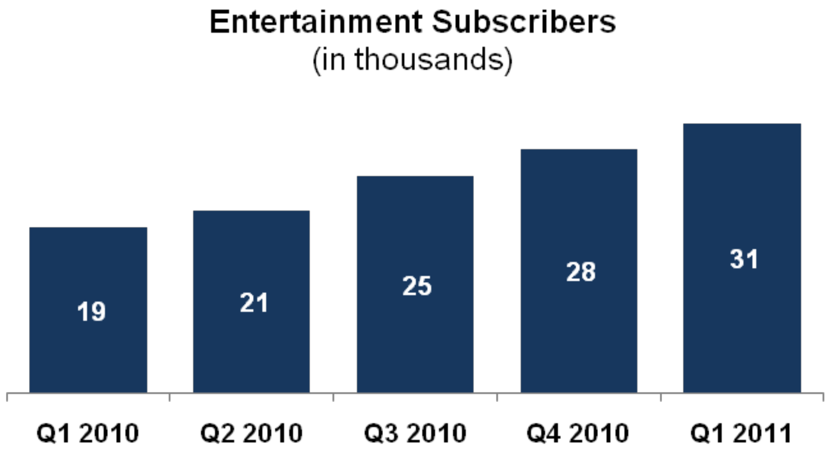
- Growth from Fioptics, audioconferencing, and VoIP products more than offset lower Voice revenue
- Adjusted EBITDA margin improved to 49% from Q4 2010

Adjusted EBITDA decreased 3% year over year

- Access line loss drove voice revenue decline of $8 million
- Higher cost of sales to support growth areas
- Cost reduction initiatives included procurement savings of $2 million

Fioptics Penetration





Q1 2011 Fioptics subscribers

- 83K units passed, 12% of ILEC households
- 31K entertainment subs
- 31K internet subs
- 23K voice subs

Churn improving as we build to more single-family homes

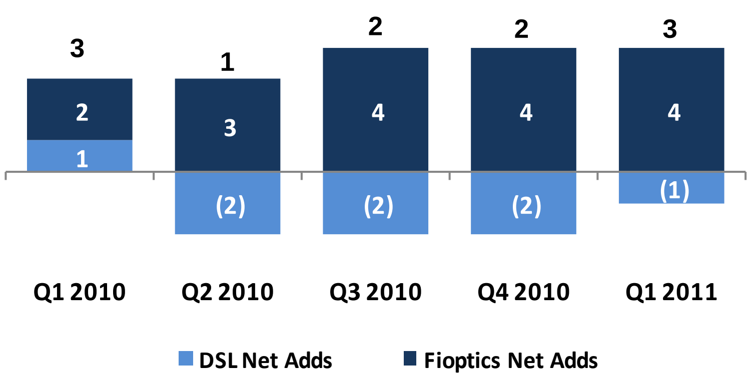
- Less than 3% for entertainment subscribers

Fioptics consumer monthly ARPU of $117 in Q1 2011, up from $113 in Q1 2010

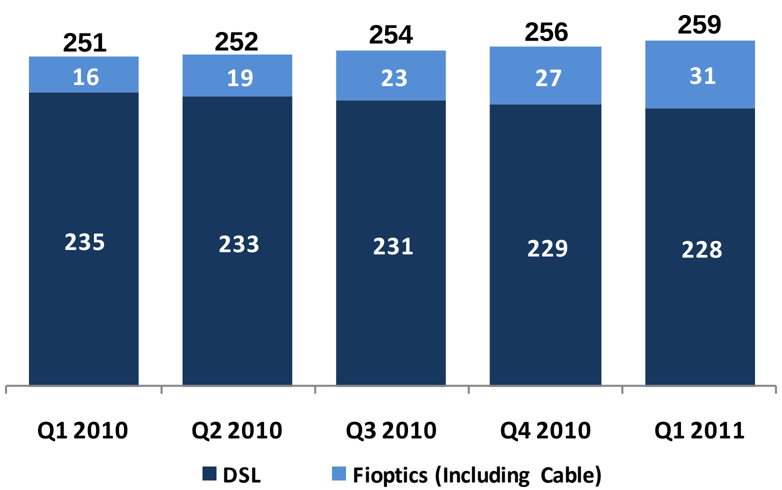
High-Speed Internet Subscriber Activity

(In thousands)

High Speed Internet Net Adds



High Speed Internet Customers (DSL & Fioptics)



Increase in subscribers of 3% from Q1 2010

259K high-speed internet subs at the end of Q1

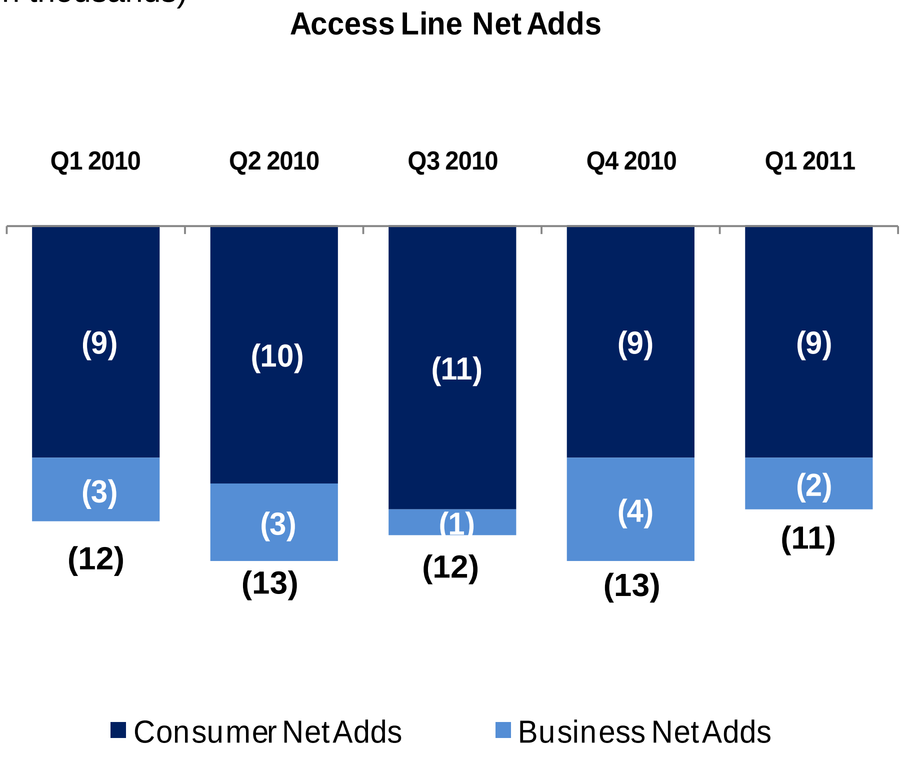
- 228K DSL customers
- 31K Fioptics customers

Churn of high-speed internet subscribers was 1.8% for Q1 2011

- Consistent with Q1 2010 and improved from Q4 2010

Access Line Loss – Consumer & Business

(In thousands)



Third consecutive quarterly improvement in rate of loss of total access lines

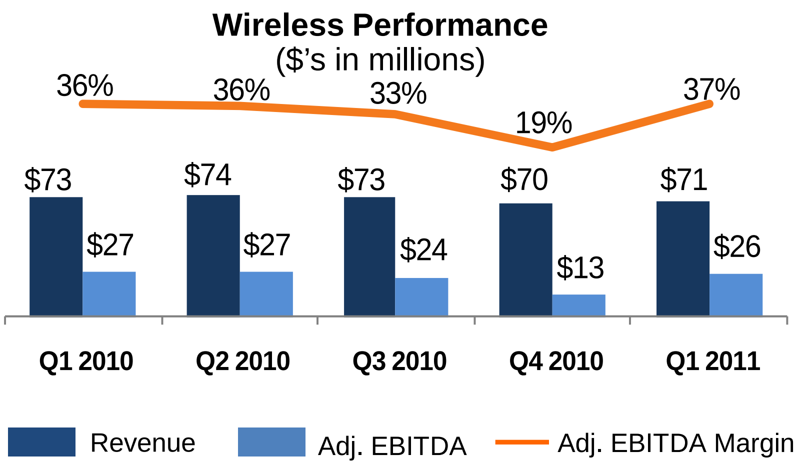
- Loss rate is stable at 6.76% and is our lowest rate in 7 quarters
- 7.37% ILEC access line loss improvement vs. 7.87% in Q1 10

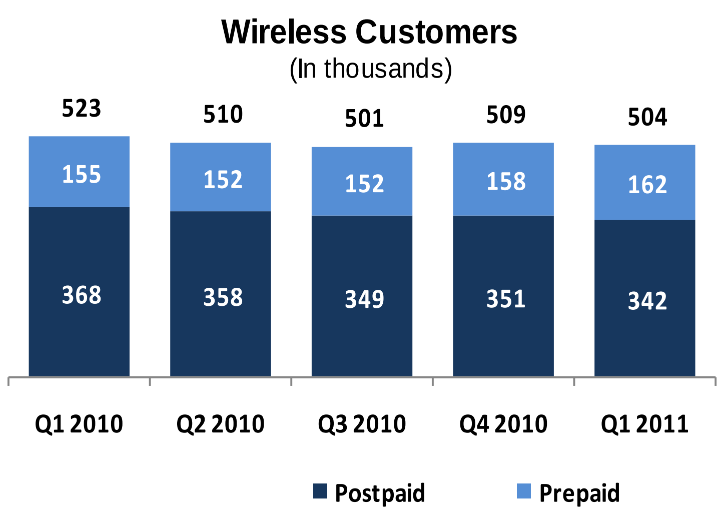
2,300 access line equivalents added in Q1 for VoIP customers

- More than offset the business access line loss in the quarter
- Including VoIP, access line and equivalent loss rate was 4.85% in Q1 2011

Q1 2011 access line churn improved by 10 bp from Q1 2010 to 1.3%

Wireless Revenue & Adjusted EBITDA





Sequential revenue growth from Q4 2010 however $2 million less than Q1 2010

- Service revenue flat to Q4 2010 but $4 million lower than Q1 2010 due to fewer subscribers

Q1 2011 Adjusted EBITDA Margin of 37%

- Consistent with Q1 2010 and continuing at the pace set last year
- Improvement over Q4 due to lower subscriber acquisition costs and continued cost management

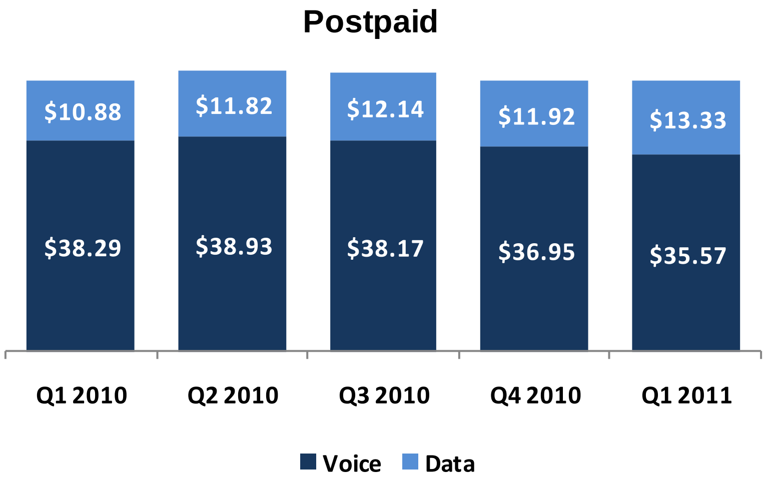
Postpaid subscribers decreased

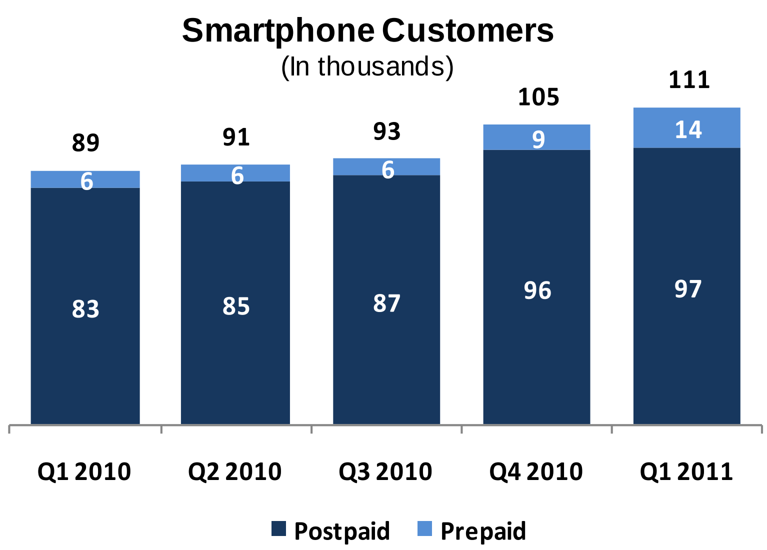
- 7% decline in subscribers from Q1 2010
- Churn consistent at 2.1%

Prepaid subscribers increased 4% from Q1 2010

- 2 quarters of consecutive positive net adds
- Churn improved to 5.5%

Postpaid ARPU and Smartphone Customers





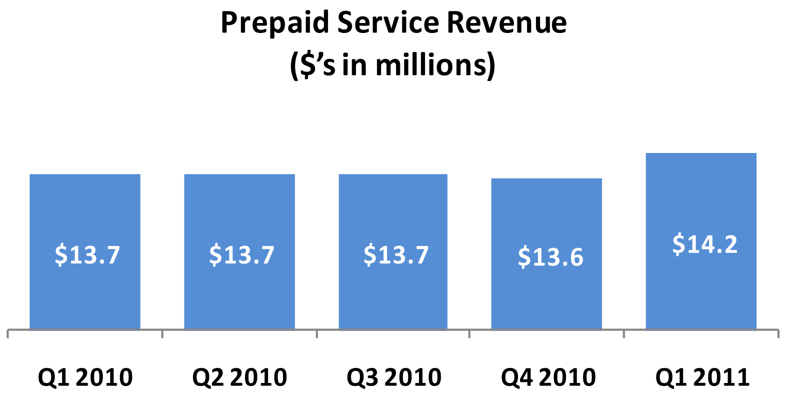
Q1 2011 Postpaid ARPU holding steady with Q1 2010

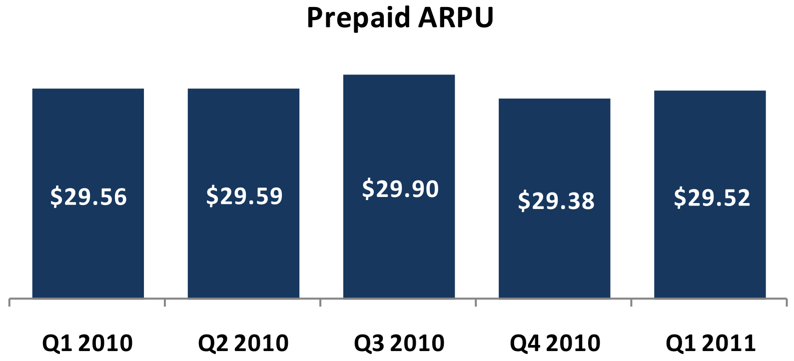
- $2.45 increase in Data ARPU mostly offset decline in Voice
- MOUs per subscriber down 8% from Q1 2010

Continued smartphone plan growth

- Smartphones represent 28% of postpaid and 8% of prepaid subscribers

Prepaid Wireless





Q1 2011 Prepaid service revenue increased by 4% over prior year

- Average subscribers are 5K higher

ARPU up slightly versus Q4 2010

- Maintain focus on marketing high-value rate plans, including data plans

43% increase in prepaid smartphone plans versus Q1 2010

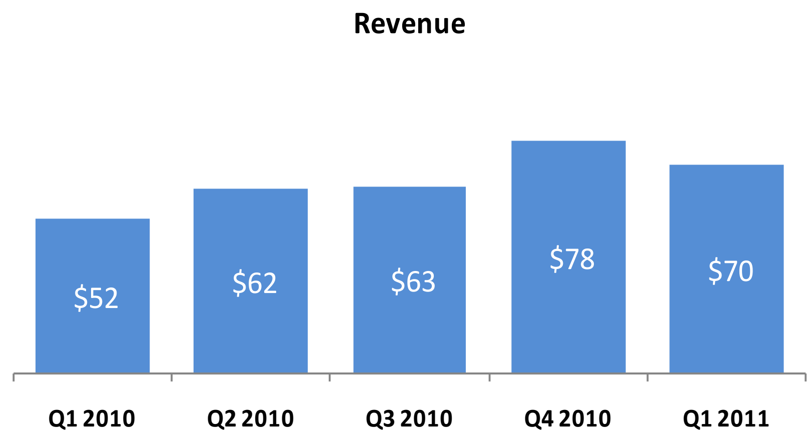
- Monthly plan offered in Q4 2010 that was previously only available weekly

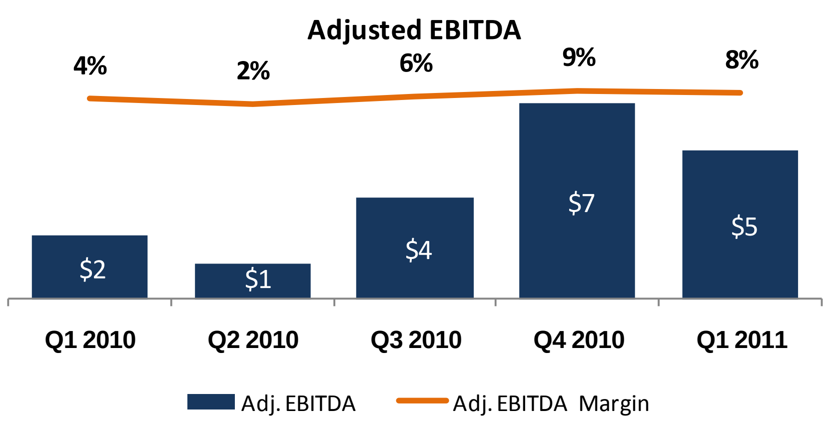
Prepaid churn of 5.5%

- Improved 65 basis points from Q1 2010

IT Services and Hardware

($'s in millions)





Q1 2011 Revenue increased over prior year by 36%

- $15 million increase in hardware sales
- $4 million increase in Managed and Professional Services
  - Virtual Data Center revenues up 300% from Q1 2010

Q1 2011 Revenue decline over prior quarter entirely due to hardware sales

- Fourth quarter is a seasonal peak, consistent with prior years

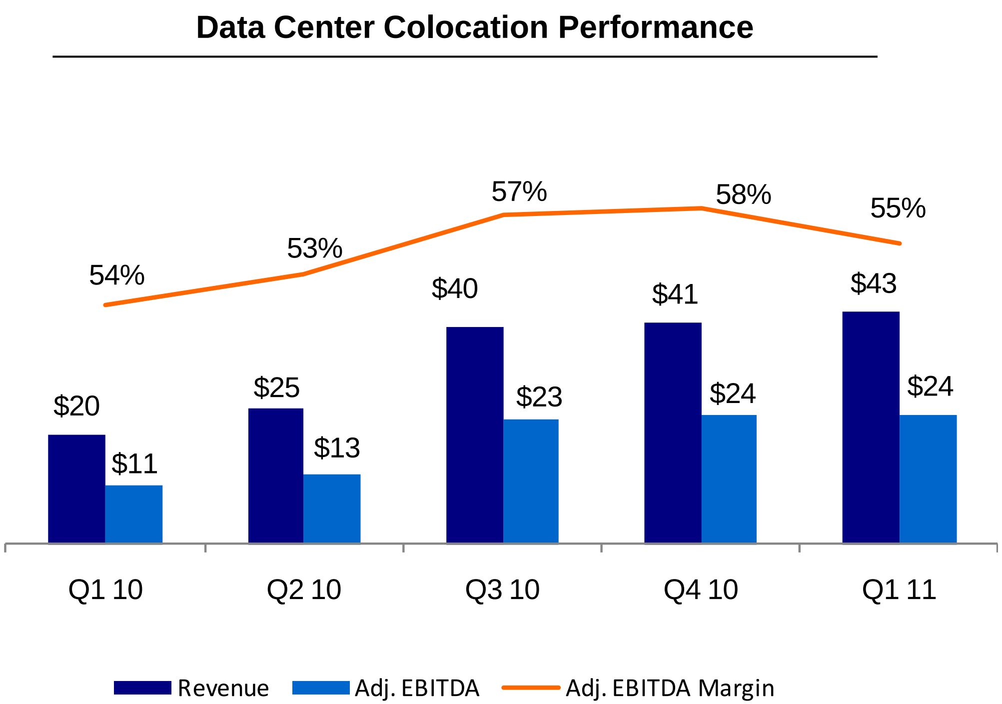
Adjusted EBITDA Margins improved to 8% this quarter from 4% in Q1 2010

Gary Wojtaszek

Chief Financial Officer

Data Center Colocation
Revenue and Adjusted EBITDA

($ in millions)



Revenue of $43 million increased 117% vs. prior year

- CyrusOne contributed $22 million

Adjusted EBITDA of $24 million increased 122% vs prior year

- CyrusOne contributed $14 million

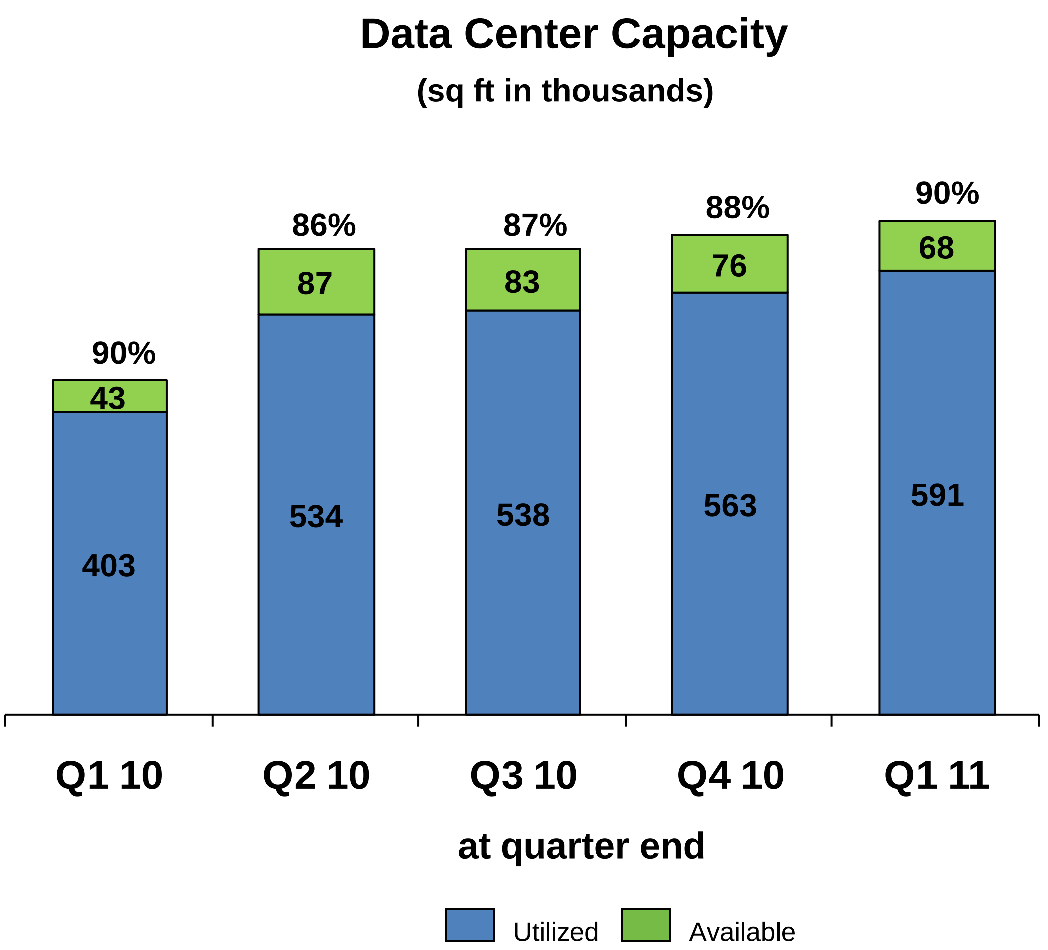
CyrusOne has performed as expected

- Q1 annualized Adjusted EBITDA implies a 9.7x purchase price multiple vs. original 12.8x at acquisition

Executed turn-key data center solution in London to meet customer demand

- Space will be ready for customers in Q2 2011

Data Center Utilization Update



Utilization increased to 90%

Square feet available increased to 659k

- Increase of 48% from Q1 2010

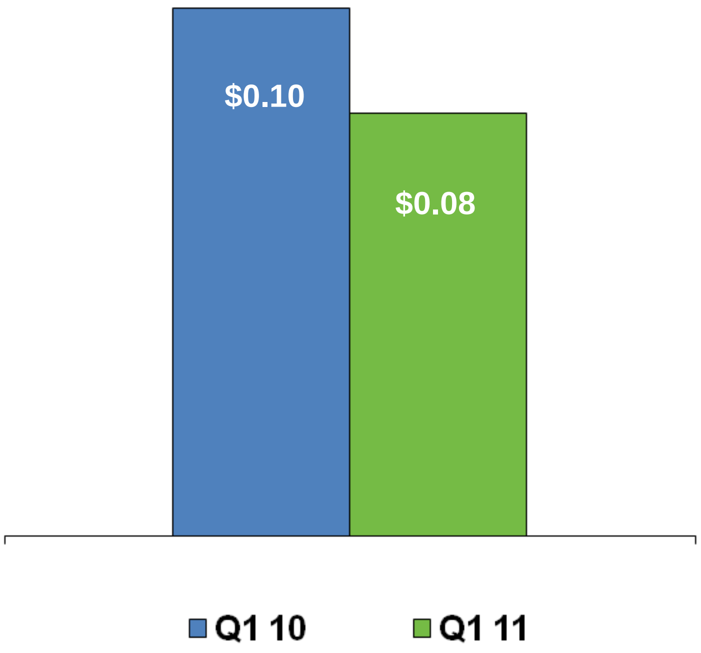
Revenue synergies are being realized with CyrusOne

Q1 2011 and 2010 Income Statement

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

	Three Months Ended March 31, 2011	Three Months Ended March 31, 2010	Change $	Change %
Revenue	$ 360.8	$ 323.7	$ 37.1	11%
Costs and expenses				
Cost of services and products	159.2	133.9	25.3	19%
Selling, general and administrative	64.6	67.2	(2.6)	(4%)
Depreciation and amortization	48.4	40.2	8.2	20%
Acquisition costs and other	2.2	-	2.2	n/m
Operating income	86.4	82.4	4.0	5%
Interest expense	54.5	37.1	17.4	47%
Other income, net	-	(0.1)	0.1	n/m
Income before income taxes	31.9	45.4	(13.5)	(30%)
Income tax expense	14.0	22.6	(8.6)	(38%)
Net income	17.9	22.8	(4.9)	(21%)
Preferred stock dividends	2.6	2.6	-	0%
Net income applicable to common shareowners	$ 15.3	$ 20.2	$ (4.9)	(24%)
Basic and diluted earnings per common share	$ 0.08	$ 0.10		

Diluted Earnings Per Share



Diluted EPS of $0.08

- Compared to diluted EPS of $0.10 for Q1 2010
- Higher Adjusted EBITDA was more than offset by increased interest expense, depreciation and amortization from the acquisition of CyrusOne and debt refinancings

Q1 2011 Free Cash Flow

Cincinnati Bell℠

($'s in millions)

FCF of $11M decreased $29M year over year

- $15M increase in Adjusted EBITDA
- ($25M) of additional capital spending
- ($3M) higher interest payments
- ($14M) from higher pension and post retirement contributions
- ($2M) decrease from working capital and other

2011 Earnings Guidance and Focus

- Generating strong operating cash flows
- Growing Data Center Colocation
- Maintaining financial discipline

	2011 Guidance
Revenue	$ 1.4 billion
Adjusted EBITDA*	Approx. $530 million
Free Cash Flow	Approx. $5 million

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