FairPoint communications

www.FairPoint.com

Investor Presentation

March 2012

Notices and Safe Harbors

The information contained herein is current only as of the date hereof. The business, prospects, financial condition or performance of FairPoint Communications, Inc. ("FairPoint") and its subsidiaries described herein may have changed since that date. FairPoint does not intend to update or otherwise revise the information contained herein. FairPoint makes no representation or warranty, express or implied, as to the completeness of the information contained herein. If any other information is given or any other representations are made, they should not be relied upon as having been authorized by FairPoint.

Market data used throughout this presentation is based on surveys and studies conducted by third parties, as well as industry and general publications. FairPoint has no obligation (express or implied) to update any or all of the information or to advise you of any changes; nor does FairPoint make any express or implied warranties or representations as to the completeness or accuracy nor does it accept responsibility for errors.

Some statements herein are known as "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements include, but are not limited to, statements about our plans, objectives, expectations and intentions and other statements contained herein that are not historical facts. When used herein, the words "expects," "anticipates," "intends," "plans," "believes," "seeks," "estimates" and similar expressions are generally intended to identify forward- looking statements. Because these forward-looking statements involve known and unknown risks and uncertainties, there are important factors that could cause actual results, events or developments to differ materially from those expressed or implied by these forward-looking statements, including our plans, objectives, expectations and intentions and other factors. You should not place undue reliance on such forward-looking statements, which are based on the information currently available to us and speak only as of the date hereof. FairPoint does not undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Throughout this presentation, reference is made to Consolidated EBITDAR or EBITDAR and Unlevered Free Cash Flow. EBITDAR and Unlevered Free Cash Flow are non-GAAP financial measures. Management believes that EBITDAR and Unlevered Free Cash Flow may be useful in assessing our operating performance and our ability to meet our debt service requirements. EBITDAR and Unlevered Free Cash Flow, as used herein, however, are not necessarily comparable to similarly titled measures of other companies. Furthermore, EBITDAR and Unlevered Free Cash Flow have limitations as analytical tools and should not be considered in isolation from, or as an alternative to, net income or loss, operating income, cash flow or other combined income or cash flow data prepared in accordance with GAAP. Because of these limitations, EBITDAR, Unlevered Free Cash Flow and related ratios should not be considered as measures of discretionary cash available to invest in business growth or reduce indebtedness. We compensate for these limitations by relying primarily on our GAAP results using EBITDAR and Unlevered Free Cash Flow only supplementally. The Securities and Exchange Commission ("SEC") has adopted rules to regulate the use in filings with the SEC and public disclosures and press releases of non-GAAP financial measures, such as EBITDAR and Unlevered Free Cash Flow, that are derived on the basis of methodologies other than in accordance with GAAP. Our presentation of EBITDAR and Unlevered Free Cash Flow may not comply with these rules.

We provide guidance as to certain financial information herein, which consists of forward-looking statements. Our guidance is not prepared with a view toward compliance with the published guidelines of the American Institute of Certified Public Accountants, and neither our independent registered public accounting firm nor any other independent expert or outside party compiles or examines the guidance and, accordingly, no such person expresses any opinion or any other form of assurance with respect thereto. Guidance is based upon a number of assumptions and estimates that, while presented with numerical specificity, are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond our control and are based upon specific assumptions with respect to future business decisions, some of which will change. We generally state possible outcomes as high and low ranges which are intended to provide a sensitivity analysis as variables are changed but are not intended to represent our actual results which could fall outside of the suggested ranges. The principal reason that we release this data is to provide a basis for our management to discuss our business outlook with analysts and investors. Notwithstanding this, we do not accept any responsibility for any projections or reports published by any such outside analysts or investors. Guidance is necessarily speculative in nature, and it can be expected that some or all of the assumptions or the guidance furnished by us will not materialize or will vary significantly from actual results. Accordingly, our guidance is only an estimate of what management believes is realizable as of the date hereof. Actual results may vary from the guidance and the variations may be material. Investors should also recognize that the reliability of any forecasted financial data diminishes the farther in the future that the data is forecast. In light of the foregoing, investors are urged to put the guidance in context and not to place undue reliance on it. Any inability to successfully implement our operating strategy or the occurrence of any of the events or circumstances discussed therein could result in the actual operating results being different than the guidance, and such differences may be material.

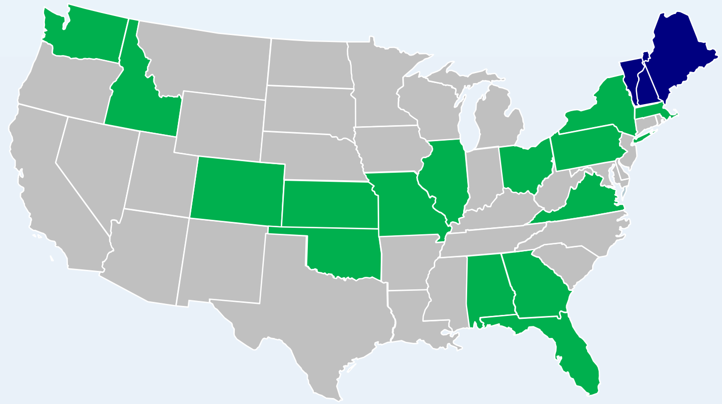
Unless otherwise indicated, financial information contained herein is as of December 31, 2011.

Company Overview

- Operate in 18 states with over 1.3M access line equivalents[1]
  - 80% northern New England (NNE)
  - 20% Telecom Group (TG)
- NNE: 3 contiguous states with ubiquitous next-generation network
  - Incumbent's network
  - Insurgent's market share
  - 27% broadband penetration[2]
- Telecom Group: 30 RLECs in 18 states with lower competitive profile
  - 47% broadband penetration[2]
- Broadband, voice, video and high-capacity bandwidth offerings
- Extensive capital investment to date
  - 15,000 fiber route miles
  - 85% avg. broadband availability in NNE
  - 90% avg. broadband availability in TG
- Over $1B annual revenue and ~3,500 employees

(1) Switched access lines plus broadband subscribers as of Dec. 31, 2011
(2) Broadband subscribers as a % of switched access lines
(3) UNE-P and Resale lines. Excludes UNE-L and Special Access circuits

Service Territory



Access Line Equivalents

as of Dec. 31, 2011	**Northern New England**	**Telecom Group**	**Total**
Switched access lines:			
Residential	514,256	131,197	645,453
Business	262,798	48,443	311,241
Wholesale[3]	76,065	NM	76,065
Total switched access lines	853,119	179,640	1,032,759
High-speed data	230,563	83,572	314,135
Total access line equivalents	1,083,682	263,212	1,346,894

Our Path to Increasing Free Cash Flow

FairPoint communications

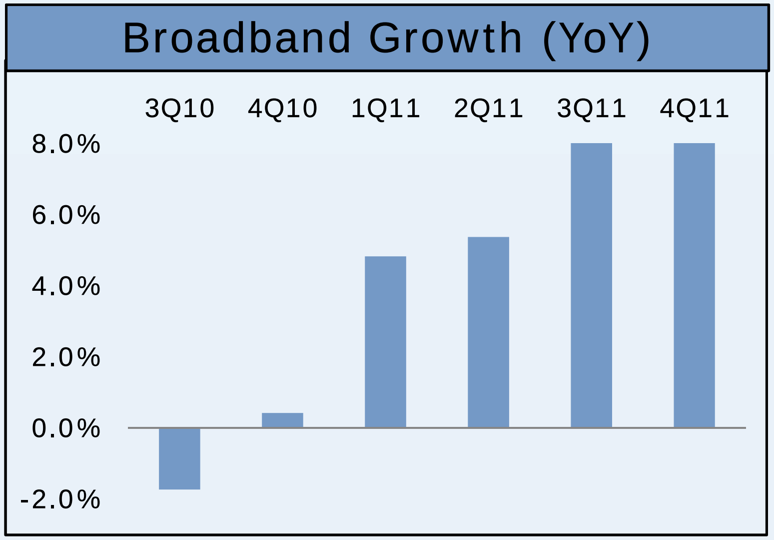
Increasing Free Cash Flow

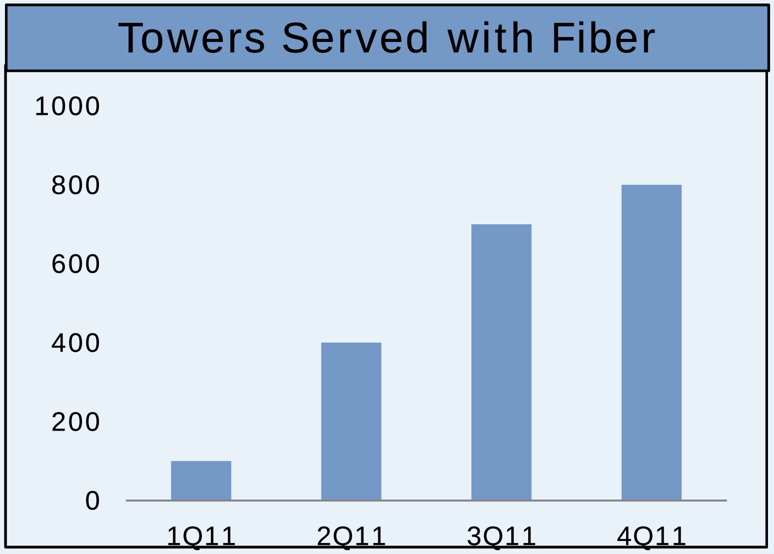
Operational Improvements	Regulatory Progress	Revenue Transformation	Human Resource Strategy

Operational Improvements

FairPoint made significant operational improvements in 2010 and 2011

- Broadband subscriber growth accelerated
  - 8.4% growth in 2011
  - 0.4% growth in 2010
- Fiber-to-the-Tower initiative
  - 800+ towers served with fiber
  - Opportunities for further expansion
- Enabled workforce reduction in 2H11
  - 12% reduction in workforce
  - $34 million in annual savings
- Service quality has improved
  - Call center volumes decreased
  - Installation intervals shortened
- Service quality penalties down
- Access line loss has slowed
  - 8.4% loss in 2011
  - 10.3% loss in 2010

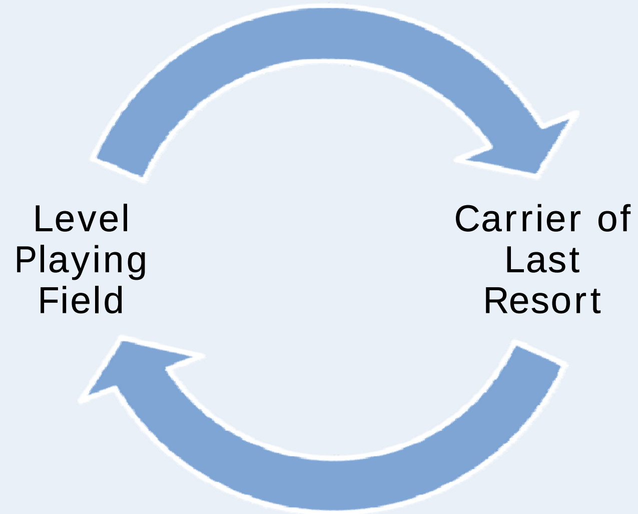




Regulatory Progress

Regulators in Maine, New Hampshire and Vermont are beginning to understand the need for a level playing field in order for FairPoint to be a strong carrier of last resort

- Maine LD 1466 – "An Act To Ensure Regulatory Parity among Telecommunications Providers"
  - Maine PUC submitted a plan to the Legislature describing actions necessary to ensure all telecom providers are regulated equally
  - Legislation is in process
  - Eliminated service quality penalty multiplier
  - Improved competitive responsiveness
- Vermont Incentive Regulation Plan
  - Decreased scope of regulation
  - Caps retail service quality penalties at $1.7M, down from $10.5M
  - Pricing discretion on all products except basic local voice service
- New Hampshire
  - Legislation pertaining to the retail deregulation of companies like FairPoint is advancing in the New Hampshire Legislature



Revenue Transformation

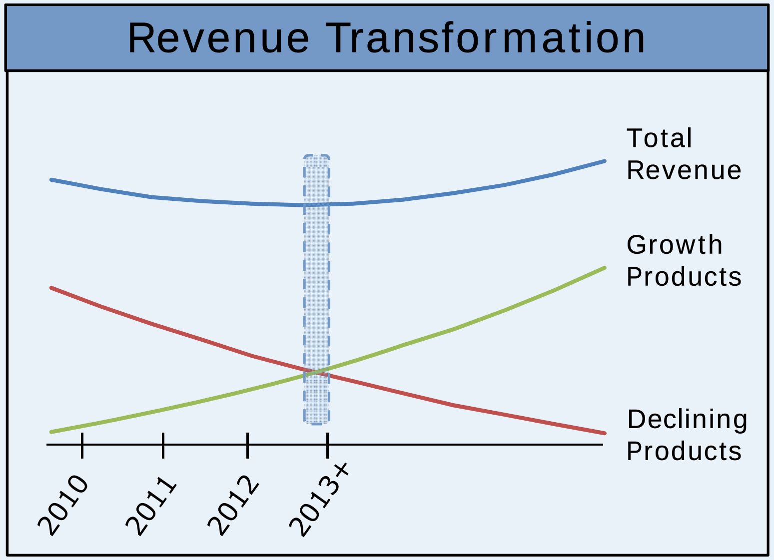
FairPoint plans to change the composition of its revenue base in order to stabilize and then grow our top line

- Legacy products in decline
  - Residential voice
  - Switched access
  - ATM/Frame
- Growth-oriented products
  - Broadband (residential and business)
  - Carrier Ethernet Service
  - Other high-capacity/special access circuits

Low market share, especially in business market, creates opportunity for organic growth in northern New England

Next-generation network in northern New England provides platform for growth

- 400G of capacity at the core
- 350 COs with inter-office fiber
- 14,000 fiber route miles



Human Resource Strategy

FairPoint must align its human resource assets with the changing telecom landscape

- 12% workforce reduction in 2011
  - Lump sum pension distributions of $25 million
- 3,500 employees as of Dec. 31, 2011
  - 1,250 management
  - 2,250 union
- 2,000 union employees covered by collective bargaining agreements with the CWA and IBEW in northern New England
  - Contract expires August, 2014
- Increased labor relations competencies with telecommunications focus
- Pension & OPEB liabilities arise from northern New England union contracts
  - GAAP figures represent status quo into perpetuity and reflect continuation of past practices
  - Pension and OPEB are highly sensitive to the discount rate assumption (i.e. interest rates)
  - OPEB liability is highly sensitive to the medical cost trend assumption

Pension & OPEB Liability

($ in millions)	**2010**	**2011**
Pension		
Plan assets	$176.5	$160.3
Projected benefit obligation	$265.8	$318.3
Key assumptions:		
Discount rate	5.56%	4.63%
OPEB		
Plan assets	$0.2	$1.0
Projected benefit obligation	$344.9	$533.2
Key assumptions:		
Discount rate	5.65%	4.66%
Healthcare cost trend (<65 years)	7.70%	8.40%
Healthcare cost trend (>65 years)	8.20%	8.40%

Pension & OPEB Sensitivity

($ in millions)	**Pension**	**OPEB**
Impact on liability given 1% change in the discount rate assumption	19%	23%
Impact on liability given 1% increase in healthcare cost trend assumption	N/A	$134.1
Impact on liability given 1% decrease in healthcare cost trend assumption	N/A	($101.1)

Capital Structure

As of December 31, 2011:

- Liquidity of $80 million
  - $17 million unrestricted cash
  - $63 million of revolver availability, after $12 million LOCs
- Leverage of 4.07x vs. 4.75x covenant
- Interest coverage of 3.94x vs. 3.25x covenant
- Covenant limiting capital expenditures to:

  2011: $200 million

  2012: $190 million

  2013: $170 million

  2014: $150 million

  2015: $150 million

Capital Structure Summary

as of Dec. 31, 2011	*(in millions)*
Cash and cash equivalents (unrestricted)	**$17**
Gross debt[1]	**$1,000**
Revolver[2]	**$75**
Amortization schedule:	
2011	*$0*
2012	*$10*
2013	*$10*
2014	*$25*
2015	*$38*
January 24, 2016	*$918*
L+450, with LIBOR floor of 200	
No dividends if leverage > 2.0x	
Interest coverage and leverage covenants	
Common stock outstanding[3]	**26.2**
Warrants (*7 yr, $48.81 strike*)	**3.6**

(1) Excludes letters of credit of $12 million and capital lease obligations of $4 million
(2) Before applying letters of credit of $12 million, which reduces revolver availability
(3) Includes management restricted stock and common stock held in reserve for certain pre-petition claims

Financial Results and Guidance

FairPoint generated nearly $74 million in Unlevered Free Cash Flow[1] in 2011 and grew cash from $10 million at emergence to over $17 million at Dec. 31, 2011

2011 Financial Highlights					
($ in millions)	**1Q11**	**2Q11**	**3Q11**	**4Q11**	**2011**
Revenue	$254.8	$262.6	$257.9	$254.2	$1,029.5
Consolidated EBITDAR[2]	49.1	70.5	60.5	70.0	250.0
Capital expenditures	53.7	52.1	35.2	35.1	176.1
Unlevered Free Cash Flow	($4.6)	$18.4	$25.3	$34.9	$73.9

2012 Guidance:

- Unlevered Free Cash Flow of $90 to $100 million
- Continued focus on improving EBITDAR
- Disciplined capital spending
- Interest of approximately $68 million
- Debt amortization of $10 million[3]

(1) Unlevered Free Cash Flow means Consolidated EBITDAR minus capital expenditures. Unlevered Free Cash Flow is a non-GAAP financial measure. For a reconciliation of Net Income (Loss) to Unlevered Free Cash Flow, see our fourth quarter 2011 earnings release furnished on March 7, 2012 on Form 8-K

(2) As defined in FairPoint's credit facility. Consolidated EBITDAR is a non-GAAP financial measure. For a reconciliation of Net Income (Loss) to Consolidated EBITDAR, see our fourth quarter 2011 earnings release furnished on March 7, 2012 on Form 8-K

(3) Before any possible cash flow sweep as required under FairPoint's credit facility

Summary

- Operational improvements create foundation for transformation
  - Broadband, FTTT and service quality improvements
  - Productivity enhancements and 12% workforce reduction
  - Focusing on productivity gains arising from process and systems enhancements
- Regulators want a strong carrier of last resort
  - Supportive of FairPoint's need for a level playing field
  - Legislation in process in Maine and New Hampshire
  - Incentive Regulation Plan in Vermont
- Transforming revenue by adding sustainable, growth-oriented revenues on our next-generation network in northern New England
  - 3 contiguous states with network ubiquity
  - 14,000 fiber route miles
  - 26% business market share
- Focus on increasing free cash flow to drive value