CS&L

The Communications REIT

Jefferies Media & Communications Conference

February 23, 2016

Safe Harbor

Certain statements in this presentation may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, as amended from time to time. Those forward-looking statements include all statements that are not historical statements of fact and those regarding our business strategies, growth prospects and operating and financial performance; and expectations regarding the impact and timing of the pending acquisition of PEG Bandwidth, LLC.

Words such as "anticipate(s)," "expect(s)," "intend(s)," “estimate(s),” “foresee(s),” "plan(s)," "believe(s)," "may," "will," "would," "could," "should," "seek(s)" and similar expressions, or the negative of these terms, are intended to identify such forward-looking statements. These statements are based on management's current expectations and beliefs and are subject to a number of risks and uncertainties that could lead to actual results differing materially from those projected, forecasted or expected. Although we believe that the assumptions underlying the forward-looking statements are reasonable, we can give no assurance that our expectations will be attained. Factors which could materially alter our expectations include, but are not limited to our ability to achieve some or all the benefits that we expect to achieve from the Spin-Off; the ability and willingness of Windstream and future customers to meet and/or perform their obligations under any contractual arrangements entered into with us, including master lease arrangements, and any of their obligations to indemnify, defend and hold us harmless from and against various claims, litigation and liabilities; the ability of Windstream and future customers to comply with laws, rules and regulations in the operation of the assets we lease to them; the ability and willingness of Windstream and our future customers to renew their leases with us upon their expiration, and the ability to reposition our properties on the same or better terms in the event of nonrenewal or in the event we replace an existing tenant; the availability of and our ability to identify suitable acquisition opportunities and our ability to acquire and lease the respective properties on favorable terms or operate and integrate the acquired business; our ability to generate sufficient cash flows to service our outstanding indebtedness; our ability to access debt and equity capital markets; credit rating downgrades; fluctuating interest rates; our ability to retain our key management personnel; our ability to qualify or maintain our status as a real estate investment trust (“REIT”); changes in the U.S. tax law and other state, federal or local laws, whether or not specific to REITs; covenants in our debt agreements that may limit our operational flexibility; other risks inherent in the communications industry and in the ownership of communications distribution systems, including potential liability relating to environmental matters and illiquidity of real estate investments; the risk that we fail to fully realize the potential benefits of the transaction or have difficulty integrating PEG; the possibility that the terms of the transaction as described in this presentation are modified; the possibility that PEG’s fourth quarter 2015 results differ from our current expectations; the risk that the transaction agreements may be terminated prior to expiration; risks related to satisfying the conditions to the transactions, including timing (including possible delays) and receipt of regulatory approvals from various governmental entities (including any conditions, limitations or restrictions placed on these approvals) and the risk that one or more governmental entities may deny approval; and additional factors discussed in the risk factors section of our Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2015, as well as those described from time to time in our reports filed with the SEC.CS&L expressly disclaims any obligation to release publicly any updates or revisions to any of the forward looking statements set forth in this presentation to reflect any change in its expectations or any change in events, conditions or circumstances on which any statement is based.

Fourth quarter and full year 2015 unaudited results for PEG are preliminary and subject to year end closing procedures, audit and purchase accounting adjustments. Actual results for these periods could differ materially. Investors should not place undue reliance on such numbers. PEG operating metrics have been provided by PEG without verification and investors should not place undue reliance on those operating metrics.

This presentation contains certain supplemental measures of performance that are not required by, or presented in accordance with, U.S. GAAP. Such measures should not be considered as alternatives to GAAP. Further information with respect to and reconciliations of such measures to the nearest GAAP measure can be found in the appendix hereto.

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The Communications REIT

Company Overview

- First Net Lease REIT Primarily Focused on Mission Critical Communication Assets
  - Private Letter Ruling in July 2014
  - First mover advantage
- Long Term Triple-Net Lease with Large Scale Anchor Customer Providing Predictable Cash Flows
  - Over $10 billion in contractual revenues
  - 15 year initial lease term with potential to extend for 20 additional years
- Substantial Liquidity and Capital Markets Access
  - Over $700 million of available liquidity
- Substantial Growth Potential
  - Robust Pipeline of Opportunities
  - Strong Industry Relationships
  - Sizable Addressable Market
- Acquisition of PEG Bandwidth expected to close in April 2016

Focused on Diversification and Growth

Triple-Net Lease … Same Structure, New Sector

Attractive Net Lease Structure

Predictable Cash Flows + **High Operating Margins** + **Growth Opportunities**

Selected Public Net Lease REITs

Retail	Healthcare	Entertainment	Infrastructure	Telecommunications
NATIONAL RETAIL PROPERTIES NYSE: NNN	HCP NYSE: HCP	GAMING&LEISURE PROPERTIES, INC. NASDAQ: GLPI	InfraREIT NYSE: HIFR	CS&L The Communications REIT NASDAQ: CSAL
REALTY INCOME New York Stock Exchange Symbol "O"	OMEGA Healthcare Investors, Inc. NYSE: OHI	EPR Properties Return on Insight NYSE: EPR	CORENERGY Infrastructure Trust, Inc. NYSE: CORR	

First Triple-Net Lease REIT Primarily Focused on Communication Distribution Assets

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Favorable Comparison to Triple-Net REITs

	Average Triple-Net REIT (1)	CS&L
Lease Term	12 Years	15 Years
Contractual Revenue Backlog (2)	~$4B	~$10B
Net Leverage Ratio	5.2x	5.2x
EBITDA Margin	87%	93% (3)
Floating Rate Debt as a % of Total Debt	21%	0% (4)
Debt Maturity (FY15-17) as a % of Total Debt	16%	0%
Available Liquidity	~$510M	~$710M (5)
G&A / Enterprise Value	66bps	37bps

(1) Average of triple-net REITs as of 7/6/15 which include: O, OHI, NNN, GLPI, MPW, EPR, LXP, NHI, SBRA, LTC, CTRE, GTY, STOR and SRC

(2) Figure calculated as the average of each REIT's weighted average remaining lease term multiplied by each REIT's FY14 rental revenue (pro forma revenue in CS&L's case)

(3) Margin represents EBITDA less estimated general & administrative costs associated with being an independent, publicly traded company divided by revenue

(4) On April 27, 2015, we entered into a swap agreement to fix the interest rate on the entire $2.14B variable rate debt associated with the Term Loan B

(5) Available Liquidity defined as available draw on revolver plus available cash; for CSAL, there is $500M available draw on revolver in addition to ~$210M in available cash as of 9/30/15

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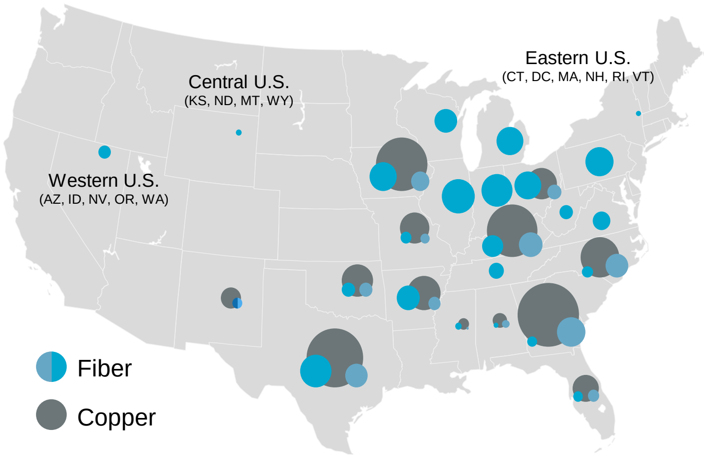
Asset Overview

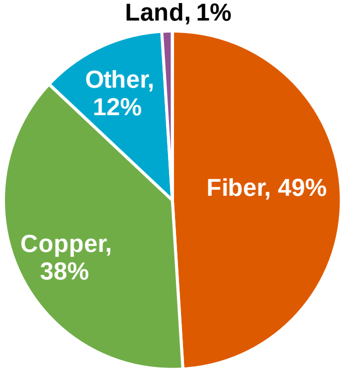
Key Metrics

- **3.5 million strand miles of fiber**
- **235,200 route miles of copper**
- **Other Assets:**
  - **Land**
  - **Buildings**
- **Lean, scalable operating business**
- **<50 Employees**

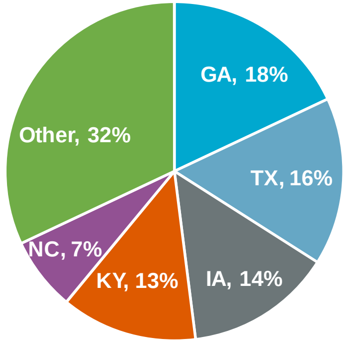
Network Map



Composition of Assets [1]



Assets by State [2]



Geographically Diverse, High Quality Asset Base

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(1) Based on Net Book Value at 12/31/2014

(2) Based on route miles

CS&L Business Strategy

Characteristics of Communication Infrastructure Assets

- Same customers and sales cycle
- Value increases over time
- Difficult to replicate
- Customers willing to lease on a long term basis
- Attractive economics
- REITable

	Fiber	Towers	Consumer Broadband	Ground Leases	Data Centers
U.S. Market Size (1)	**$129.0B**	**$72.3B**	**$180.5B**	**$61.0B**	**$136.4B**
Existing Market	2.14M U.S. metro & long haul fiber route miles $106.9B	124.7K North American cell towers $62.4B	133M U.S. connections $188.9B	124.7K ground leases $52.6B	$95.1B
Projected Construction Growth (1)	440K route miles $22.1B	19.9K towers $9.9B	Connections decrease to 127.1M	19.9K originations $8.4B	Estimated to grow to $136.4B in 2020
CS&L M&A Pipeline (3)	**59%**	**31%**	**9%**	**– (2)**	**1%**

Carriers Continue To Divest Critical Telco Real Estate

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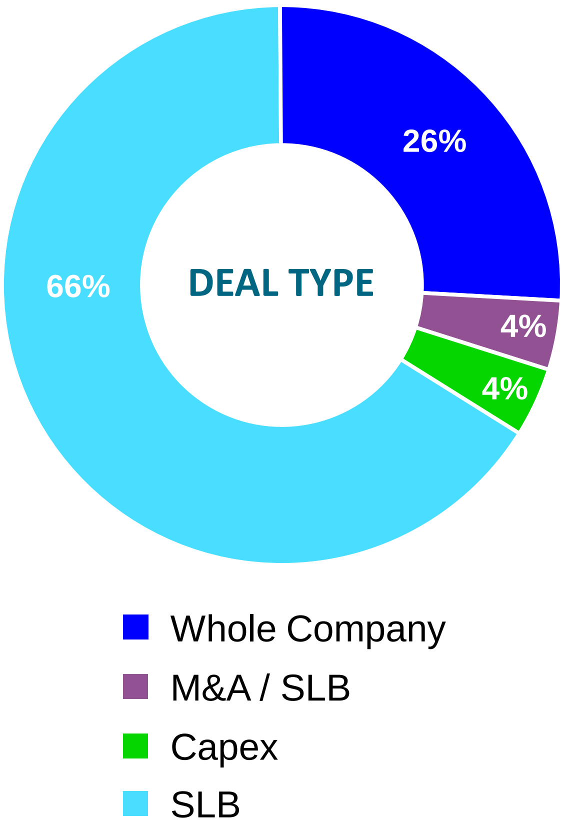
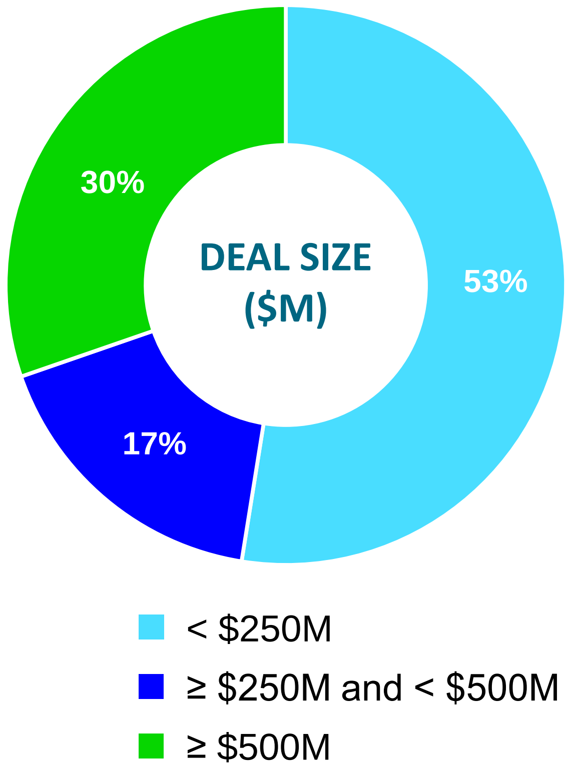
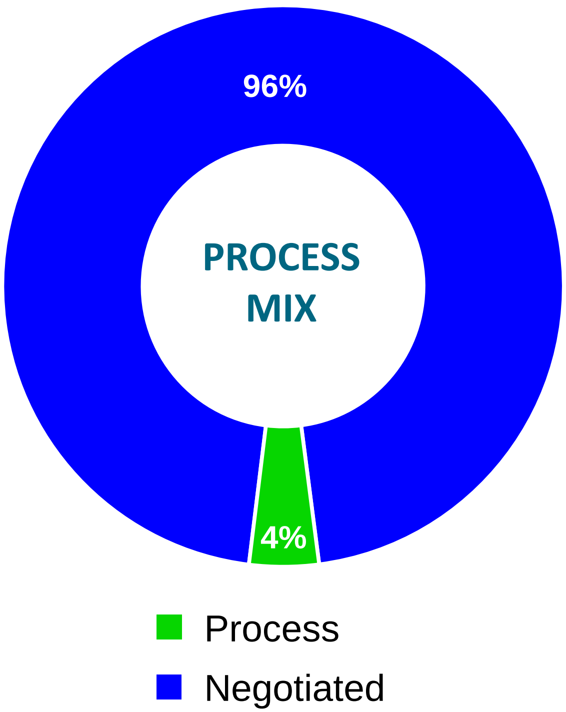
(1) Company estimates for U.S. market. Projections are five years forward.
(2) Included in towers.
(3) This is a summary of the transactions we are actively pursuing as of December 31, 2015. We have not signed a purchase agreement and are not otherwise committed to consummating any of these transactions and there can be no assurances that any of these transactions will be completed.

CS&L M&A Pipeline (1)







Pipeline Well Diversified and Privately Sourced

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(1) This is a summary of the transactions we are actively pursuing as of December 31, 2015. Other than the previously announced acquisition of PEG Bandwidth LLC, we have not signed a purchase agreement and are not otherwise committed to consummating any of these transactions and there can be no assurances that any of these transactions will be completed.

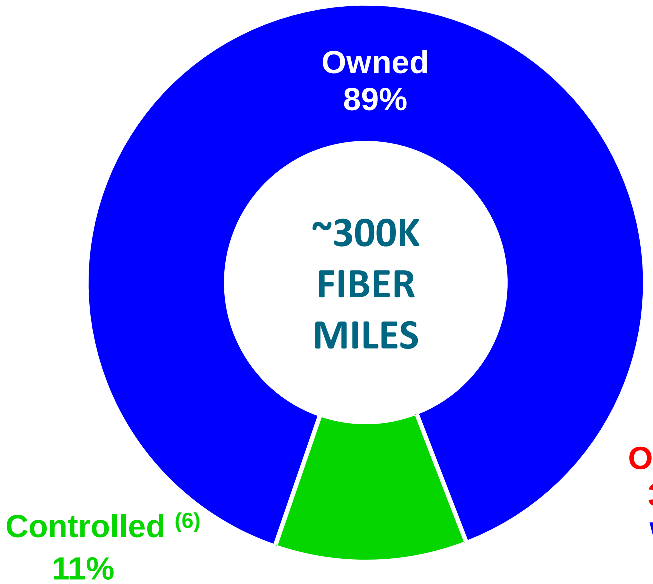
PEG

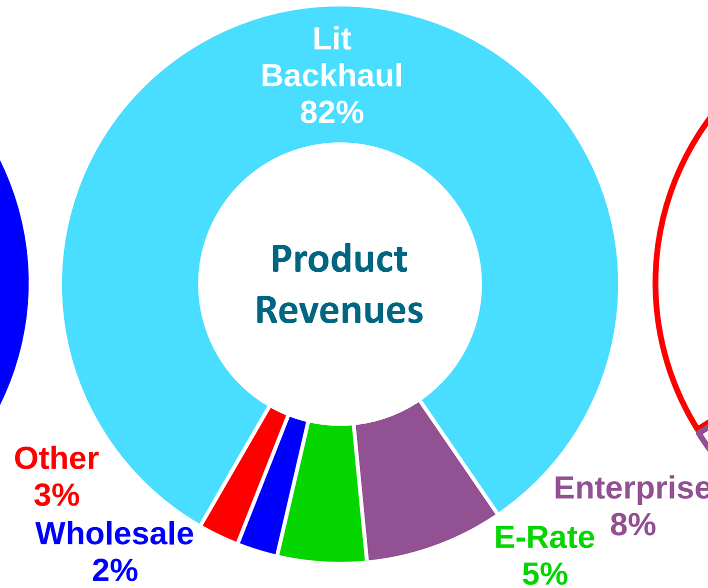
Bandwidth

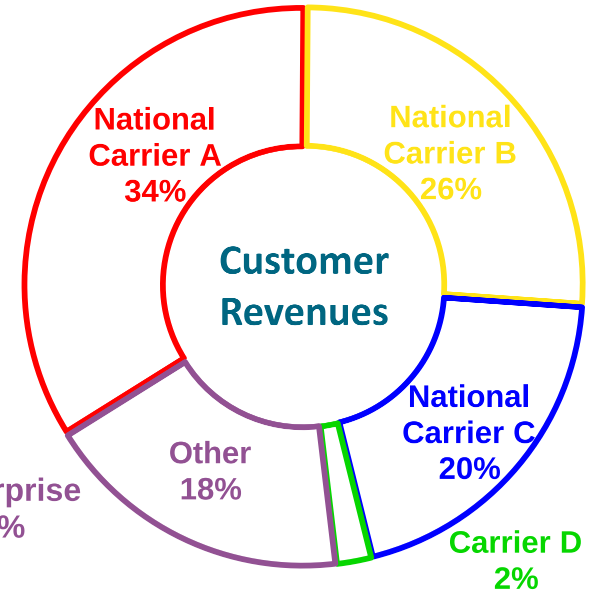
PEG Fiber Network
Planned Fiber Network
Markets Served

• Fiber Route Miles	14,900
• Fiber Strand Miles	300,200
• Route Miles Owned / Controlled	95%
• Tower Connections Owned / Controlled	95%

PEG At A Glance







Financial Data (1)

$ in Millions	4Q LQA
LQA Revenue	$80
LQA Normalized Adjusted EBITDA	$35
Revenue Y-o-Y Growth	25%
Normalized Adjusted EBITDA Margin	44%
Maintenance Capex to Revenues	~5%

Operating Metrics (1)

Employees	180
Customer Connections (2)	3,200
Avg. Backhaul Bandwidth Speed	108 Mbps
Monthly Revenue – MRR and MAR (3)	$6.2M
Avg. Remaining Contract Term (4)	57 months
Revenue Under Contract (5)	> $300M

High Growth FTTT Backhaul Provider

(1) Fourth quarter and full year unaudited results for PEG are preliminary and subject to year end closing procedures, audit and purchase accounting adjustments. Actual results for these periods could differ materially. Investors should not place undue reliance on such numbers. PEG operating metrics have been provided by PEG without verification and investors should not place undue reliance on those operating metrics.
(2) 2,500 Fiber and 700 Microwave customer connections as of November 2015.
(3) Expected Monthly Recurring Revenue (MRR) and Monthly Amortized Revenue (MAR) at closing.
(4) Represents average remaining contract length of Backhaul contracts only as of November 2015.
(5) See definition in Appendix.
(6) Controlled fiber principally represents Dark Fiber IRU's

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Transaction Rationale

- **Fiber-To-The-Tower focused connections**
  - **Mission critical communication infrastructure assets**
- **Long term contracts with strong credit quality customers**
  - **Contractual annual revenue of ~$70 million (1)**
  - **Strong relationships with major wireless carriers**
- **Organic growth allows deployment of success-based capital**
  - **Lit Backhaul, Enterprise, E-Rate, Wholesale, and Dark Fiber opportunities**
- **Experienced operations team to capture growth potential**
- **M&A platform to synergistically acquire other fiber operating companies**
- **Diversifies CS&L revenue mix and customer base**
  - **~10% of combined CS&L revenues (2)**

Highly Complementary and Leveragable Business

(1) Includes $3.5 million of estimated annualized MAR expected at transaction closing. A portion of these contracts is subject to renewal each year, and there can be no assurances that the contracts will be renewed at all or, if they are renewed, that the renewal will not provide for lower rates. Accordingly, our presentation of contractual revenue is not a guarantee of future revenues and should not be viewed as a predictor of future annual revenues.

(2) Fourth quarter and full year unaudited results for PEG are preliminary and subject to year end closing procedures, audit and purchase accounting adjustments. Actual results for these periods could differ materially. Investors should not place undue reliance on such numbers.

Investment Highlights

- **Strong revenue growth and operating performance**
  - **Success based deployments with large anchor tenant awards**
  - **Focused on Tier II and Tier III markets**
- **Robust sales opportunities to expand and diversify revenues**
  - **~11,000 near-net cell site backhaul opportunities within 1 mile**
  - **~7,000 near-net cell site backhaul opportunities within ½ mile**
- **Scalable operating platform to exploit growth potential**
  - **Nearly 80% of network capacity is available for future business**
  - **Opportunities in Wholesale, E-Rate, Enterprise and carrier Dark Fiber**
- **Total Revenue Under Contract exceeding $300 million [(1)]**
- **Accretive to CS&L AFFO in year 1**

Compelling Growth Opportunities

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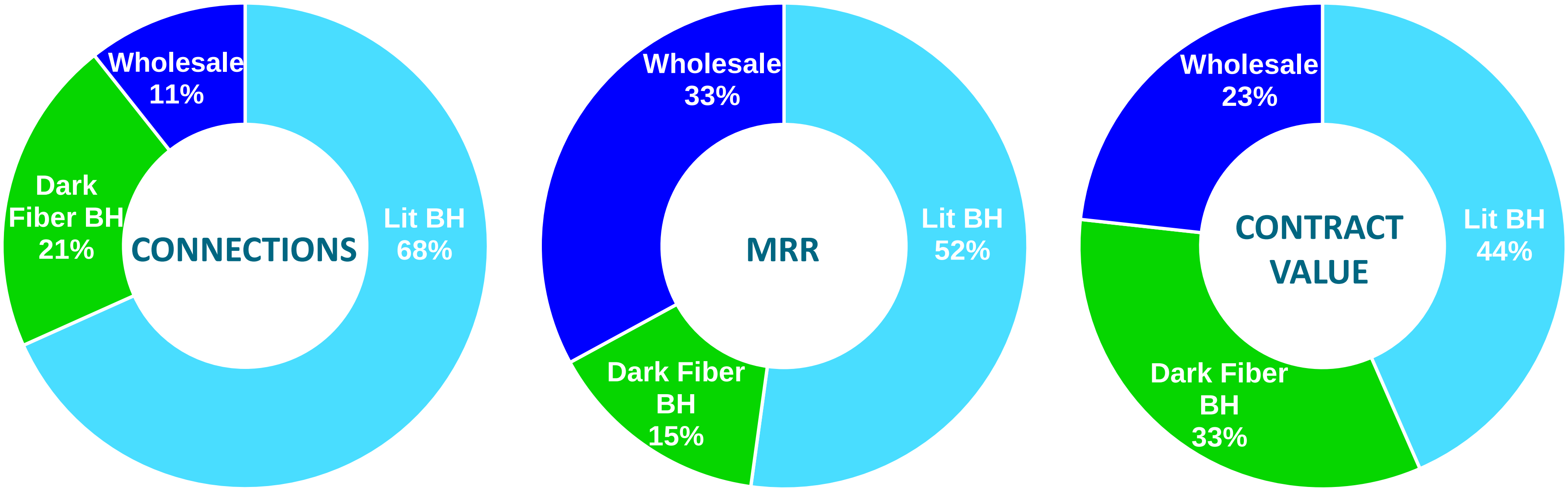
(1) See definition in Appendix.

PEG Sales Opportunities (1)



Robust Opportunities Across All Products

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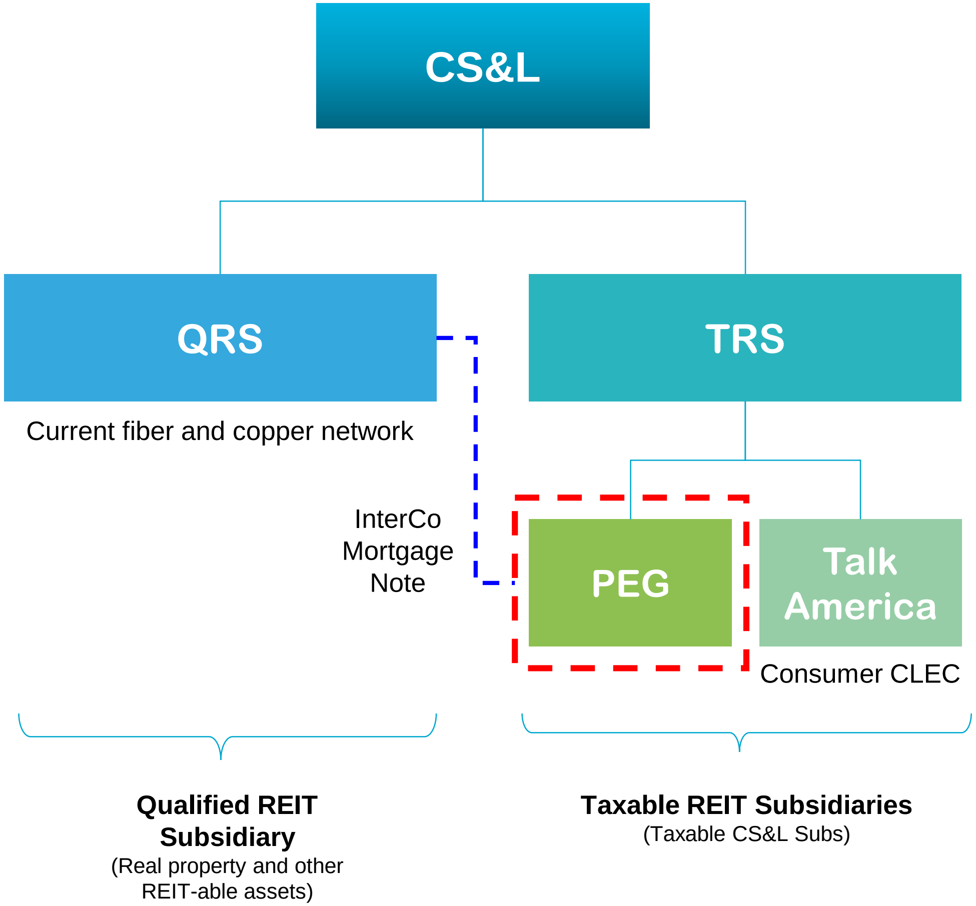
(1) Represents sales opportunities currently being pursued by PEG as of November 2015, and does not represent contractual backlog or committed revenue. There can be no assurances that any of these opportunities will be realized. “BH” abbreviation for Backhaul.

Transaction Summary

Overview	▪ Purchase price of $409 million for all outstanding equity interests of PEG Bandwidth LLC (1)
Consideration	▪ $315 million cash ▪ One million shares of CS&L common stock ▪ 87,500 shares of 3% Series A Convertible Preferred Stock; each with a liquidation preference of $1,000 or $87.5 million in the aggregate
Structure	▪ Privately negotiated transaction ▪ PEG to retain brand and operate as a separate business ▪ Taxable transaction with CS&L receiving step-up basis
Board of Directors	▪ Scott Bruce of Associated Partners expected to join the Company's Board of Directors following transaction close
Financing	▪ Cash consideration to be funded with available cash on hand and borrowings under CS&L's $500 million revolver
Closing Conditions and Timing	▪ Regulatory and other approvals required; customary closing conditions ▪ Expect to close in early 2Q16

(1) Excludes capital lease obligations expected to be assumed and transaction fees and expenses. Subject to customary purchase price adjustments.

Pro Forma CS&L Structure



- **Acquired and operated as a Taxable REIT Subsidiary (“TRS”)**
- **CS&L receives step-up in basis of assets**
- **REIT synergies include:**
  - **Mortgage Loans against PEG fiber network provide TRS tax shield**
  - **Future dark fiber asset and leases potentially qualifying REIT assets**
  - **Tax planning opportunities for future transactions**

Nearly $1 Billion of TRS Capacity Remains for Future Acquisitions

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Note: Structure for illustration only. Does not reflect actual legal structure.

Capitalization
(Debt Agreement Basis)

$ in Millions

	9/30/2015	Transaction Adjustment	Combined
Cash	$ 210	$ --	$ 210
Revolver [1]	--	321	321
Term Loan B	2,135	--	2,135
Secured Notes	400	--	400
Unsecured Notes	1,110	--	1,110
Capital Leases [2]	--	41	41
Total Debt	3,645	362	4,007
Convertible Preferred at Fair Value	--	75	75
LQA Revenue [3] [4]	694	80	775 [5]
LQA Adjusted EBITDA [3] [4]	660	35	695 [5]
Net Debt	**$ 3,435**	**$ 362**	**$ 3,797**
Net Debt / LQA Adjusted EBITDA	**5.2x**	**--**	**5.5x**

Note: Presented in accordance with Debt Agreements and not GAAP accounting standards. Amounts may not foot due to rounding.

(1) Cash portion of consideration expected to be funded on revolver. Includes estimated transaction fees and expenses of $6 million.

(2) Capital leases are related to IRU's.

(3) Fourth quarter and full year unaudited results for PEG are preliminary and subject to year end closing procedures, audit and purchase accounting adjustments. Actual results for these periods could differ materially. Investors should not place undue reliance on such numbers.

(4) LQA Adjusted EBITDA for CS&L is calculated as 3Q15 annualized Adjusted EBITDA. LQA Revenue and Adjusted EBITDA for PEG is calculated as annualized 4Q15 preliminary results as reported by PEG and subject to change.

(5) Represents simple summation of CS&L Revenue or EBITDA and PEG Revenue or EBITDA, as applicable, without any pro forma adjustments under Regulation S-X. Actual pro forma adjustments, including with respect to deferred revenue, could be material and could result in materially different pro forma results.

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Appendix

Non-GAAP Financial Measures

We refer to EBITDA, Adjusted EBITDA, Funds From Operations, or "FFO" (as defined by the National Association of Real Estate Investment Trusts ("NAREIT")), and Adjusted Funds From Operations, or "AFFO," in this presentation, which are not required by, or presented in accordance with, accounting principles generally accepted in the United States ("GAAP"). While we believe that net income, as defined by GAAP, is the most appropriate earnings measure, we also believe that EBITDA, Adjusted EBITDA, FFO and AFFO are important non-GAAP supplemental measures of operating performance for a real estate investment trust ("REIT").

We define "EBITDA" as net income, as defined by GAAP, before interest expense, provision for income taxes and depreciation and amortization. Adjusted EBITDA represents EBITDA, excluding stock-based compensation expense, and the impact, which may be recurring in nature, of acquisition and transaction related expenses, the write-off of unamortized deferred financing costs, costs incurred as a result of the early re-payment of debt, changes in the fair value of contingent consideration and financial instruments and other similar items.

We believe EBITDA and Adjusted EBITDA are important supplemental measures to net income because they provide additional information to evaluate our operating performance on an unleveraged basis, and serve as an indicator of our ability to service debt. Adjusted EBITDA is calculated similar to defined terms in our material debt agreements used to determine compliance with specific financial covenants. Since EBITDA and Adjusted EBITDA are not measures calculated in accordance with GAAP, they should not be considered as an alternative to net income determined in accordance with GAAP.

Non-GAAP Financial Measures

Because the historical cost accounting convention used for real estate assets requires the recognition of depreciation expense except on land, such accounting presentation implies that the value of real estate assets diminishes predictably over time. However, since real estate values have historically risen or fallen with market and other conditions, presentations of operating results for a REIT that uses historical cost accounting for depreciation could be less informative. Thus, NAREIT created FFO as a supplemental measure of operating performance for REITs that excludes historical cost depreciation and amortization, among other items, from net income, as defined by GAAP.

FFO is defined by NAREIT as net income computed in accordance with GAAP, excluding gains or losses from real estate dispositions, plus real estate depreciation and amortization and impairment charges. We compute FFO in accordance with NAREIT's definition.

We define AFFO as FFO excluding (i) noncash revenues and expenses such as stock-based compensation expense, amortization of debt discounts, amortization of deferred financing costs, amortization of intangible assets, straight-line rental revenue and revenue associated with the amortization of tenant funded capital improvements and (ii) the impact, which may be recurring in nature, of the following items: acquisition and transaction related expenses, the write off of unamortized deferred financing costs, costs incurred as a result of the early repayment of debt, changes in the fair value of contingent consideration and financial instruments, and other similar items.

We believe that the use of FFO and AFFO, combined with the required GAAP presentations, improves the understanding of operating results of REITs among investors and makes comparisons of operating results among such companies more meaningful. We consider FFO and AFFO to be useful measures for reviewing comparative operating and financial performance. In particular, we believe AFFO, by excluding certain revenue and expense items, can help investors compare our operating performance between periods and to other REITs on a consistent basis without having to account for differences caused by unanticipated items and events, such as acquisition and transaction related costs.

While FFO and AFFO are relevant and widely used measures of operating performance of REITs, they do not represent cash flows from operations or net income as defined by GAAP and should not be considered an alternative to those measures in evaluating our liquidity or operating performance. FFO and AFFO do not purport to be indicative of cash available to fund our future cash requirements.

Further, our computations of EBITDA, Adjusted EBITDA, FFO and AFFO may not be comparable to that reported by other REITs or companies that do not define FFO in accordance with the current NAREIT definition or that interpret the current NAREIT definition or define EBITDA, Adjusted EBITDA and AFFO differently than we do.

Other Reporting Definitions

- **Adjusted EBITDA Margin:** Adjusted EBITDA divided by consolidated revenue. Adjusted EBITDA margin is a supplemental measure of our operating margin that should be considered along with, but not as an alternative to our operating margins
- **Available Liquidity:** Includes cash on-hand and unused borrowings under our Revolving Credit Facility
- **Contract Value:** MRR and MAR under contract multiplied by the remaining contract term in months
- **Contractual Revenue Backlog:** Calculated as weighted average remaining lease term multiplied by FY14 rental revenue
- **Enterprise Value:** Net Debt plus market value of outstanding common stock
- **G&A:** General & Administrative expenses

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Other Reporting Definitions

- **Monthly Amortized Revenue (MAR):** Revenue related to the amortized portion of upfront charges and IRU's
- **Monthly Recurring Revenue (MRR):** Revenues for ongoing service from both contractual and month-to-month customer arrangements
- **Net Book Value:** Property, plant and equipment less accumulated depreciation
- **Net Debt:** Carrying amount of debt outstanding, net of discounts, less unrestricted cash and cash equivalents
- **Net Leverage Ratio:** Net debt divided by Net EBITDA
- **Revenue Under Contract:** Total revenue contract value that PEG is entitled to receive pursuant to existing contracts, some of which may be past their expiration date and currently on a month to month basis. A portion of these contracts is subject to renewal each year, and there can be no assurances that the contracts will be renewed at all or, if they are renewed, that the renewal will not provide for lower rates. Accordingly, our presentation of contractual revenue is not a guarantee of future revenues and should not be viewed as a predictor of future annual revenues

Financial Profile

	Actual		Pro Forma for
	Quarter Ending September 30, 2015	April 24 to September 30, 2015	Year Ending December 31, 2014
Revenue	$174 million (1)	$302 million (2)	$703 million (3)
EBITDA	$163 million	$285 million	$653 million (4)
FFO	$95 million	$167 million	$385 million (4)
AFFO	$97 million	$169 million	$387 million (4)
Annual Dividend / Share	$2.40		
Net Leverage Ratio	5.3x	5.2x	5.4x

Conservative Financial Profile with Reliable Cash Flows

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(1) $167.0 million of leasing and rental revenue (including straight line amortization) and $6.7 million of Consumer CLEC revenue

(2) $291.2 million of leasing and rental revenue (including straight line amortization) and $11.3 million of Consumer CLEC revenue

(3) $667.2 million of leasing and rental revenue (including straight line amortization) and $36.0 million of Consumer CLEC revenue

(4) Represents Net EBITDA, FFO, net of estimate G&A and AFFO, net of G&A, which reflects an estimated $25 million of general & administrative (G&A) expenses associated with being an independent, publicly traded company

Reconciliation of Non-GAAP Historical Financials

(Unaudited; $ in millions)

CS&L	Quarter Ending September 30, 2015	April 24 to September 30, 2015
Net Income	**$9.4**	**$17.7**
Interest Expense	66.5	115.3
Income Tax	0.3	0.5
Depreciation	86.3	150.1
Amortization	1.0	1.6
EBITDA (1)	**$163.5**	**$285.2**
Net Income Attributable to Common Shareholders	**$9.0**	**$16.9**
Real Estate Depreciation & Amortization	86.3	150.1
FFO (1)	**$95.3**	**$167.0**
Amortization of debt discounts and deferred financing costs	3.7	6.3
Stock Based Compensation	0.8	1.1
Acquisition and transaction related costs	0.8	0.9
Amortization of customer list intangibles	1.0	1.6
Straight-line rental revenue	(4.3)	(7.5)
Amortization of tenant funded capital improvements and other	(0.2)	(0.2)
AFFO (1)	**$97.0**	**$169.3**

(1) Amounts may not subtotal due to rounding

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Reconciliation of Non-GAAP Historical Financials

(Unaudited, $ in Millions)

CS&L		3Q15
Net Income	$	9.4
Depreciation & amortization		87.3
Interest expense		66.5
Income tax expense		0.3
EBITDA		**163.5**
Stock-based compensation		0.8
Acquisition and transaction costs		0.8
Adjusted EBITDA		165.0
Annualized Adjusted EBITDA (2)	**$**	**660.1**

PEG Bandwidth		4Q15E (1)
Net Income	$	(4.5)
Depreciation & amortization		8.0
Interest expense		5.7
Income tax expense		-
EBITDA		**9.2**
Stock-based compensation		0.2
Other (income) / expense		(0.7)
Adjusted EBITDA		8.8
Annualized Adjusted EBITDA (2)	**$**	**35.1**

Note: Subtotals may not foot due to rounding.
(1) Fourth quarter and full year unaudited results for PEG are preliminary and subject to year end closing procedures, audit and purchase accounting adjustments. Actual results for these periods could differ materially. Investors should not place undue reliance on such numbers.
(2) Annualized Adjusted EBITDA is calculated as Adjusted EBITDA multiplied by 4.

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CS&L Leverage Reconciliation

September 30, 2015
(Unaudited; $ in millions)

Capitalization ($ in Millions)

	Actual	**xEBITDA**
Cash & Cash Equivalents	$210	
$500M Revolver	–	
Term Loan B	2,135	
Senior Secured Notes	400	
Total Secured Debt	**$2,535**	**3.9x**
Senior Notes	1,110	
Total Debt	**$3,645**	**5.6x**
Total Net Debt	**$3,435**	**5.2x**
Annualized Adjusted EBITDA (1)	**$655**	

CS&L The Communications REIT

(1) Adjusted EBITDA is EBITDA plus stock-based compensation expense of $1.1 million and acquisition and transaction related costs of $0.9 million. Annualized adjusted EBITDA is Adjusted EBITDA divided by 160 days and multiplied by 365 days.

CS&L Leverage Reconciliation (Cont'd)

Pro Forma Year Ended December 31, 2014
(Unaudited; $ in millions)

Capitalization ($ in Millions)

	PF	xEBITDA
Cash & Cash Equivalents	$62	
$500M Revolver	–	
Term Loan B	2,140	
Senior Secured Notes	400	
Total Secured Debt	**$2,540**	**3.9x**
Senior Notes	1,110	
(Less) Discount	(76)	
Total Debt	**$3,575**	**5.5x**
Total Net Debt	**$3,513**	**5.4x**
12/31/14PF Net EBITDA [(1)]	**$653**	

CS&L The Communications REIT

(1) Net EBITDA is EBITDA less an amount for estimated general & administrative (G&A) expenses associated with being an independent, publicly traded company. Estimated G&A expenses will be approximately $20.0 million to $25.0 million to account for estimated G&A expense, although a precise estimate is not available. EBITDA has been adjusted by $25 million, although actual costs could vary materially from that estimate