

FOCUS Telecom
Technology and Services Group
U.S. Communications
Service Provider
Quarterly

Summer 2019 Report

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FOCUS

Investment Banking

Strategic, Personal, Dedicated

Investment Banking and Advisory Services
FOCUS Investment Banking LLC is a leading investment bank with specialized telecom technology and services expertise, concentrating on providing highly tailored services to emerging middle market and larger organizations in this sector:

Mergers & Acquisition Advisory
Corporate Development Consulting
Strategic Partnering & Alliances
Capital Financing, Debt & Equity
Corporate Valuations

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U.S. Communications Service Provider Quarterly

By Richard Pierce, FOCUS Managing Director and Telecom Technology and Services Team Leader

FOCUS believes that the need for communications services has never been greater. Large enterprises, small and medium sized businesses and individuals have all come to rely upon ubiquitous access to voice, video and data services to run their day-to-day activities. Furthermore, the importance of Communications Service Providers (CSPs) appears poised to increase further as they begin to enable a variety of new services ranging from hosted PBX and videoconferencing platforms to in-home security and energy management solutions. Access to capital and the benefits of scale will mean that a small number of large companies will continue to dominate certain areas such as mobile wireless and video. However, FOCUS continues to see opportunities for middle market CSPs. While not as large as the industry giants, they continue to thrive by developing innovative business models that share one or more characteristics such as capital efficiency, customer responsiveness, an advanced technology platform and a focus on an underserved industry vertical or geography. Furthermore, it is often the middle market CSPs that point the direction for the future of the industry. FOCUS is proud of its commitment to the CSP sector and we are excited about the prospects for middle market companies in this space.

The FOCUS Telecom Technology and Services group consists of four professionals with a mix of backgrounds that include both C-level operating expertise and experience at leading middle market investment banks. The FOCUS Telecom team is uniquely qualified to help middle market clients reach their strategic objectives because the group:

- Devotes significant senior level resources to executing transactions for lower middle market clients,
- Has a breadth of knowledge that covers most segments of the telecom industry,

- Has bankers with C-level operating experience in the telecom industry,
- Has a proven transaction methodology for delivering results,
- Is equally comfortable with buy side and sell side M&A,
- Leverages an experienced team of research professionals,
- Has a national presence with coverage of both east and west coasts.

Sub Sector Definitions

Large Cap: Large, diversified communications service providers that control a significant number of former RBOC access lines and/or have a nationwide wireless operation.

Alternative Telecom: Competitive carriers that primarily provide basic voice, data and transport services to businesses and other telecom service providers.

Hosted & Managed Services: Companies that provide hosted VoIP telecom services as well as additional hosted offerings such as audio and video conferencing.

ILEC & Diversified ILEC: Non-RBOC incumbent carriers, many of which have branched out into other sectors of communications services.

Cable & Video: Incumbent cable service providers, satellite video providers and competitive video providers whose core business is providing video services to residential customers.

Summary Comments

Public Markets

The FOCUS Communications Service Provider Index (CSPI) enjoyed a second straight reporting period with a positive return as the index gained 3.7% in the past three months. This gain exactly split the difference between the 3.8% gain in the S&P 500 and the 3.6% gain in the NASDAQ over the corresponding time period. For the full year, the CSPI is up 13.4%, a gain which significantly outperformed the annual gains of 8.2% and 6.6% in the S&P 500 and the NASDAQ, respectively. Sector multiples also closed out the period higher than they were at this same time last year. The sector revenue multiple now stands at 2.7x (up from 2.4x a year ago) while the sector EBITDA multiple climbed to 8.0x (up from 7.4x a year ago).

Large Cap

The Large Cap sub sector inched up 1.5% in the past three months. Sprint was the top performing stock in the sub sector with a three month gain of 16.3%, while AT&T also had a strong performance with a gain of 6.9%. Conversely, CenturyLink and Verizon both suffered modest losses. For the full year the Large Cap sub sector is up 6.7%. Every single company in the index was in positive territory over this time frame with the exception of CenturyLink, which plummeted 36.9% over the course of the past year. Sub sector multiples are modestly higher than they were a year ago. The sub sector revenue multiple increased from 2.4x to 2.6x, while the sub sector EBITDA multiple increased from 7.3x to 7.5x.

Alternative Telecom

After a strong gain in our spring report, the Alternative Telecom sub sector reversed course and dipped 1.5% in the summer reporting period. Three of the five stocks in the index were in negative territory, including a nearly 50% drop at GTT. The two companies in positive territory were both fiber network operators. Zayo Group gained 15.8% in the wake of the announcement that it would be taken private, while Cogent Communications was also up 9.4%. Unfortunately, the sub sector returns look even worse for the full year period. The Alternative Telecom sub sector dropped 22.6% in the past 12 months, making it the CSPI's worst performing sub sector over this time frame. GTT and Uniti both shed more than half their value, while Cogent Communications was the only company in the sub sector that managed to deliver a positive return. As one might expect, sub sector multiples also dropped over the past year. The sub sector revenue multiple fell from 5.9x to 4.8x, while the sub sector EBITDA multiple dropped from 12.8x to 11.3x.

Hosted and Managed Services

The Hosted and Managed Services sub sector delivered yet another strong performance with a gain of 6.8% in our summer reporting period. This was good enough to make it the CSPI's second best performing sub sector over this time frame. For the second straight reporting period all of the stocks in the index were in positive territory, with 8x8 (up 19.3%) and Vonage (up 12.8%) delivering particularly strong returns. The sub sector also retained its place as the top performing sub sector in the CSPI over the past 12 months with a gain of 56.4%. Twilio more than doubled during this time period, while RingCentral and 8x8 also turned in strong performances with gains of 63.4% and 20.2%, respectively. Sub sector multiples continued to climb and closed out the period at 9.2x revenue and 99.3x EBITDA. Both of these are significantly higher than year-ago multiples of 5.9x revenue and 43.0x EBITDA.

ILEC and Diversified ILEC

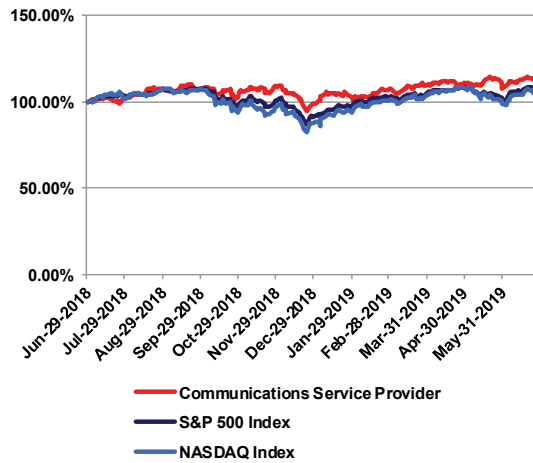
The picture for the ILEC and Diversified ILEC sub sector remained bleak as it plummeted 14.4% in the past three months. Every single stock in the sub sector was in negative territory over this time frame, with particularly steep losses at Consolidated Communications (down 54.8%) and Cincinnati Bell (down 48.1%). The sub sector's losses for the full year are slightly higher with a 12-month drop of 18.2%. Consolidated Communications, Cincinnati Bell and Frontier were all down more than 60% over this past year. Even with the stock price declines, sub sector multiples remained steady. The sub sector revenue multiple actually increased slightly over the past year from 1.7x to 1.8x, while the sub sector EBITDA multiple only fell slightly from 5.4x a year ago to 5.3x currently.

Cable and Video

The best performing sub sector in the CSPI this reporting period was the Cable and Video sub sector with a gain of 7.6%. Five of the companies in the index enjoyed strong returns, with four of these companies (Altice, Cable One, Charter and Dish Network) sporting double digit gains. The lone company in negative territory was WOW, which dropped 20.2% in the past three months. Cable and Video sub sector performance is also strong over the past year, with the sub sector's year-over-year gain of 29.0% making it the second best performing sub sector in the CSPI over this time frame. Multiple expansion certainly contributed to this gain. The sub sector revenue multiple now stands at 3.1x (up from 2.5x a year ago) and the sub sector EBITDA multiple ended the period at 9.9x (up from 8.0x a year ago).

U.S. Communications Service Provider Sector: Public Market Summary

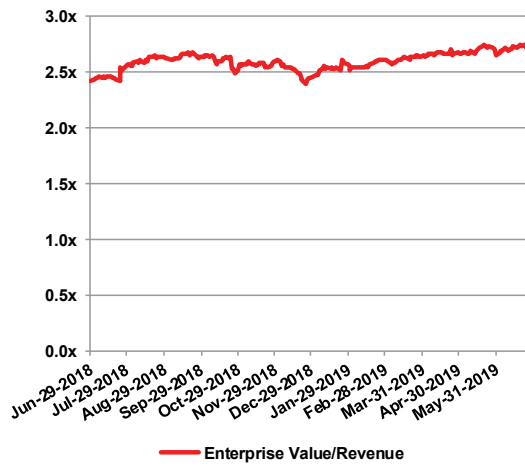
Twelve Month Index Returns



Sector and Sub Sector Returns

	12 Month	3 Month
Communications Service Provider	13.4%	3.7%
Large Cap	6.7%	1.5%
Alternative Telecom	-22.6%	-1.5%
Hosted and Managed Services	56.4%	6.8%
ILEC and Diversified ILEC	-18.2%	-14.4%
Cable and Video	29.0%	7.6%
S&P 500	8.2%	3.8%
NASDAQ	6.6%	3.6%

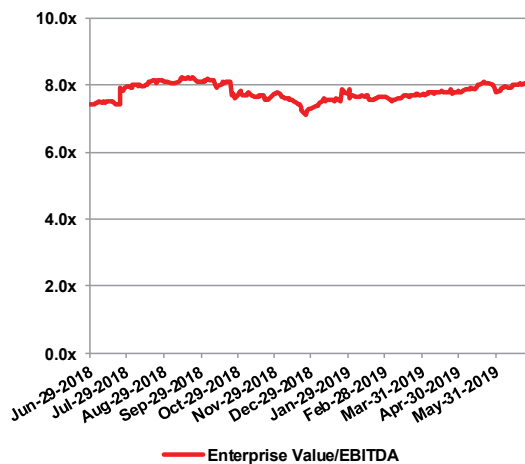
Revenue Multiple Trends



Sector and Sub Sector Revenue Multiples

	6/30/2019	6/30/2018
Communications Service Provider	2.7x	2.4x
Large Cap	2.6x	2.4x
Alternative Telecom	4.8x	5.9x
Hosted and Managed Services	9.2x	5.9x
ILEC and Diversified ILEC	1.8x	1.7x
Cable and Video	3.1x	2.5x

EBITDA Multiple Trends



Sector and Sub Sector EBITDA Multiples

	6/30/2019	6/30/2018
Communications Service Provider	8.0x	7.4x
Large Cap	7.5x	7.3x
Alternative Telecom	11.3x	12.8x
Hosted and Managed Services	99.3x	43.0x
ILEC and Diversified ILEC	5.3x	5.4x
Cable and Video	9.9x	8.0x

Source: Capital IQ

U.S. Communications Service Provider Stocks: M&A Summary

M&A

M&A activity in the Communications Service Provider sector remained relatively strong with 18 transactions this period with a total announced transaction dollar volume of \$16.1 billion. For the full year the sub sector is now up to 40 total transactions with a total announced transaction dollar volume of \$16.8 billion. This means that thus far 2019 is on track to be a solid year for M&A compared to the last five years, particularly in terms of overall transaction volume.

Alternative Telecom

The Alternative Telecom sub sector continued to be active with 11 transactions in the past three months. Five of these transactions involved operators of fiber networks, so these companies accounted for a significant portion of this period's activity. Not only was the take-private transaction for Zayo Group the period's largest transaction at \$14.3 billion, we also saw fiber network acquisitions by FirstLight Fiber, Great Plains Communications, Fiera Infrastructure and Everstream Solutions. With the exception of the Great Plains transaction, all of these deals for fiber operators involved either an infrastructure fund or a portfolio company of an infrastructure fund. Outside of transactions for fiber network operators, we noted two transactions for companies providing services to the hospitality industry (the Comcast Acquisition of Deep Blue Communications and the Single Digits acquisition of the Guest Wi-Fi business of RESOLUTE Partners) as well as another transaction involving a wireless broadband communications provider (the acquisition of SpeedConnect by TPT Global Tech).

Hosted and Managed Services

There were three transactions in the Hosted and Managed Services sub sector this period. Momentum Telecom continued to be an active acquirer in the sub sector with its acquisition of Ohio-based DCT Telecom Group. In addition, MagicJack VocalTec divested its Broadsmart hosted communications business to Ooma for \$7.4 million. Finally, private equity-backed Brightlink acquired hosted PBX provider Stichel Communications.

ILEC and Diversified ILEC

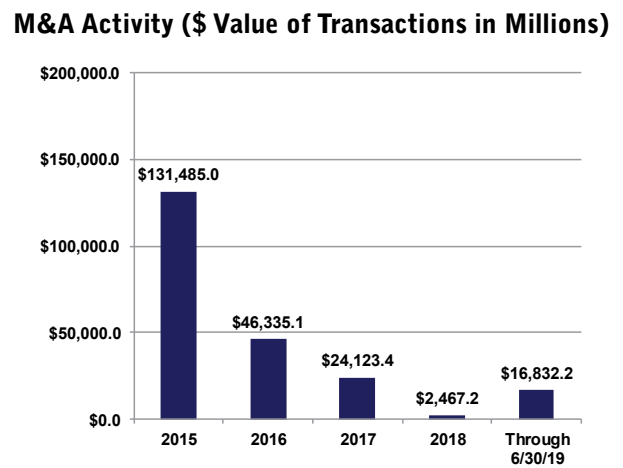
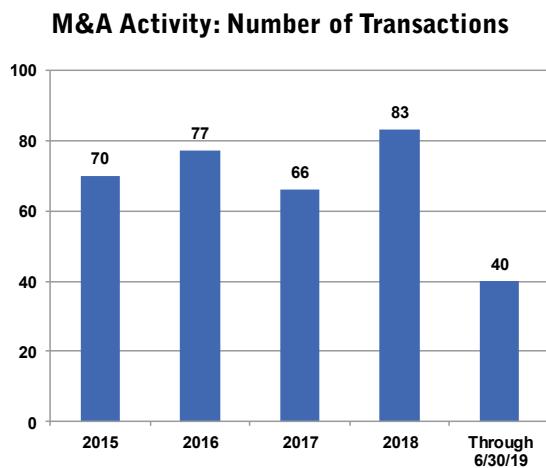
The ILEC and Diversified ILEC sub sector was relatively active with two transactions this period. This included the acquisition by a private equity consortium of Frontier's operations in Washington, Oregon and Idaho. At just shy of \$1.4 billion, this transaction had the second highest announced transaction dollar volume of any acquisition this period. In the sub sector's second transaction, iCON Infrastructure Partners announced that it would acquire South Carolina-based ILEC and fiber network operator The Chester Telephone Company.

Cable and Video

The Cable and Video sub sector also had two transactions in our summer reporting period. The largest of these was the \$526 million acquisition of Fidelity Communications by Cable One. In addition, Zito Media acquired cable television systems in California and Colorado from USA Communications.

continued on page 6

U.S. Communication Service Provider Sector: M&A Summary



Transactions with Announced Multiples

We were fortunate to have three transactions with announced multiples this period. Not surprisingly, the highest multiples belonged to the period's largest transaction; the acquisition of Zayo Group by Digital Colony Partners and EQT Infrastructure. This deal weighed in at 5.5x revenue and 12.0x EBITDA. The Cable One

acquisition of Fidelity Communications did not come in far behind this mark with an EBITDA multiple of 11.7x (the revenue multiple was not announced). Finally, the acquisition of Frontier's assets in the Northwest was done at a significantly lower multiple of 2.2x revenue and 5.0x EBITDA.

M&A Announced Transactions (1/1/19 – 6/30/19)

Acquiror	Target	Date Announced	Sector	Purchase Price	Description
iCON Infrastructure Partners	The Chester Telephone Company (dba TruVista)	5/29/19	Diversified ILEC	NA	Voice, internet and video television services to business and residential customers in South Carolina and Georgia.
WaveDivision Capital and Searchlight Capital Partners	Frontier (Operations in Washington, Oregon, Idaho and Montana)	5/29/19	Diversified ILEC	\$1,352.0	Communications services to consumer, commercial and wholesale customers in Washington, Oregon and Idaho.
Ooma	MagicJack VocalTec (Broadsmart Business)	5/21/19	Hosted and Managed Telecom Services	\$7.4	Hosted voice, audio and video conferencing, web collaboration, fiber connectivity and SIP trunking services.
FirstLight Fiber	Maine Fiber	5/16/19	Alternative Telecom Service Providers	NA	Operates a 1,300-route mile, middle mile dark fiber network in Maine.
Great Plains Communications	InterCarrier Networks	5/15/19	Alternative Telecom Service Providers	NA	Provides bandwidth infrastructure services over a fiber optic network covering 2,037 route miles.
Single Digits	RESOLUTE Partners (Guest Wi-Fi Business)	5/9/19	Alternative Telecom Service Providers	NA	Provides high speed internet services to the hospitality industry as well as MDUs and the healthcare industry.
Brightlink	Stitchel Communications	5/8/19	Hosted and Managed Telecom Services	NA	Provides managed telephone and wireless communications services as well as hosted PBX services for businesses globally.
Digital Colony Partners and EQT Infrastructure	Zayo Group	5/8/19	Alternative Telecom Service Providers	\$14,258.9	Provides bandwidth infrastructure solutions for the communications industry in the United States, Canada and Europe.
Comcast	Deep Blue Communications	5/1/19	Alternative Telecom Service Providers	NA	Wi-Fi integration, installation and support services for hotels, entertainment venues, waiting rooms and retail businesses.
Fiera Infrastructure	Conterra	5/1/19	Alternative Telecom Service Providers	NA	Fiber-based broadband connections and network support services to education, healthcare, business, government and rural communities.
ISSQUARED	Network Computing Architects	4/30/19	Alternative Telecom Service Providers	NA	Provider of services and telecommunication products to businesses of all sizes.
SherWeb	Pulsar360	4/30/19	Alternative Telecom Service Providers	NA	Provides voice, data and cloud-based solutions in the United States and Canada.
2050 Motors	CLEC Networks	4/22/19	Alternative Telecom Service Providers	NA	Facilities-based communications provider.
Momentum Telecom	DCT Telecom Group	4/19/19	Hosted and Managed Telecom Services	NA	Provider of cloud-based voice and network solutions based in Cleveland, Ohio.
Everstream Solutions	Arch Fiber Networks	4/17/19	Alternative Telecom Service Providers	NA	Provider of fiber-based telecommunications services in St. Louis, Missouri.
Zito Media	USA Communications (Assets in California and Colorado)	4/16/19	Cable and Video	NA	Digital video programming, high-speed Internet access, phone service and high definition programming services.
TPT Global Tech	SpeedConnect	4/8/19	Alternative Telecom Service Providers	\$2.0	Broadband and wireless Internet, fixed-line telephone, DISH TV services and Web hosting services for rural businesses.
Cable One	Fidelity Communications	4/1/19	Cable and Video	\$525.9	Cable operator serving customers in Arkansas, Illinois, Louisiana, Missouri, Oklahoma and Texas.
Pavlov Media	Velocity Online	3/12/19	Alternative Telecom Service Providers	NA	Provides broadband, colocation and hosted PBX services for multi-family real estate owners.
Shenandoah Telecommunications	Big Sandy Broadband	2/28/19	Cable and Video	NA	Kentucky-based provider of cable television, telephone and high-speed internet services.
Atlantic Broadband	Comcast (Springfield, WV Cable System)	2/20/19	Cable and Video	NA	Broadband cable system serving the Springfield, WV market.
Momentum Telecom	Metro Optical	2/20/19	Alternative Telecom Service Providers	NA	Provider of managed network, data and internet solutions to enterprise and carrier customers globally.
Lingo Communications	Fusion Connect (Select SMB Customers)	2/11/19	Alternative Telecom Service Providers	NA	Approximately 4,000 SMB customers in 30 states.
BCM One	Siptrunk	2/7/19	Hosted and Managed Telecom Services	NA	Business-class SIP trunk service provider for IP-PBX systems and analog/digital telephone adapters.

M&A Announced Transactions (1/1/19 – 6/30/19) continued

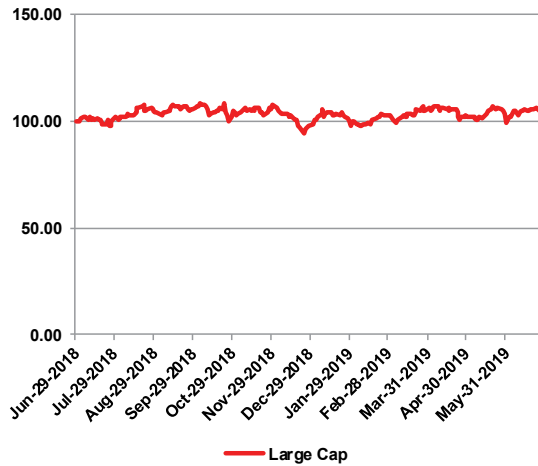
Acquiror	Target	Date Announced	Sector	Purchase Price	Description
Lingo Communications	Momentum Telecom (Select SMB Customers)	1/31/19	Alternative Telecom Service Providers	NA	Non-core landline SMB and consumer customers.
MetroNet Fiber	LightSpeed Fiber Communications	1/31/19	Alternative Telecom Service Providers	NA	Fiber-optic internet company serving Lansing, Grand Rapids, Southfield, Huntington Woods and Ypsilanti in Michigan.
Pensare Acquisition Corp	TPx Communications	1/31/19	Hosted and Managed Telecom Services	NA	Provider of unified communications and cloud-focused managed IT services.
Hargray Communications	Dark Fiber Systems	1/30/19	Alternative Telecom Service Providers	NA	Provides dark fiber network services to tier 1 and tier 2 carriers, enterprises and datacenters in Northeast Florida.
Hammer Communications	American Network	1/29/19	Alternative Telecom Service Providers	NA	New York CLEC with a number of interconnection agreements, wholesale agreements and numbering assets.
Post Road Group	Surf Air Wireless	1/18/19	Alternative Telecom Service Providers	NA	Provides fiber-optic and fixed wireless internet access for consumers and businesses in Indiana, Illinois and Michigan.
Single Digits	GX2 (HSIA Division)	1/16/19	Alternative Telecom Service Providers	NA	Offers high speed Internet access to hospitality and resort customers.
Bluebird Network	Uniti (Midwest Operations)	1/15/19	Alternative Telecom Service Providers	\$37.0	Fiber network serving the midwestern U.S.
Hargray Communications	USA Communications (Alabama Assets)	1/15/19	Cable and Video	NA	Wireless internet and cable provider to businesses and consumers in Alabama.
Macquarie Infrastructure Partners	Bluebird Networks	1/15/19	Alternative Telecom Service Providers	NA	High bandwidth network solutions within rural and urban areas throughout the Midwest.
Uniti	Fiber Network of Bluebird Network	1/15/19	Alternative Telecom Service Providers	\$319.0	Provides data services in the Midwest.
SDC Capital Partners	SummitIG	1/11/19	Alternative Telecom Service Providers	NA	Dark fiber infrastructure provider to carriers, data center operators, content providers and large enterprises in Virginia.
Oak Hill Capital Partners	Vast Broadband	1/9/19	Cable and Video	NA	Internet service provider to consumers and businesses in South Dakota, Iowa and Minnesota.
Vast Broadband	NTS Communications	1/9/19	Cable and Video	NA	Regional broadband fiber company offering high-speed data, video, and voice services to customers in Texas and Louisiana.
GI Partners	Single Digits	1/3/19	Alternative Telecom Service Providers	NA	Broadband internet services with a focus on hotels and other commercial and residential property owners.
Trive Capital	WindStream (Earthlink Assets)	1/2/19	Alternative Telecom Service Providers	\$330.0	Offers internet access, premium email, web hosting and privacy and data security products and services.

M&A Announced Transactions with Revenue Multiples (7/1/18 – 6/30/19)

Acquiror	Target	Date Announced	Sector	Purchase Price	Revenue Multiple	EBITDA Multiple	Description
WaveDivision Capital and Searchlight Capital Partners	Frontier (Operations in Washington, Oregon, Idaho and Montana)	5/29/19	Diversified ILEC	\$1,352.0	2.2 x	5.0 x	Communications services to consumer, commercial and wholesale customers in Washington, Oregon and Idaho.
Digital Colony Partners and EQT Infrastructure	Zayo Group	5/8/19	Alternative Telecom Service Providers	\$14,258.9	5.5 x	12.0 x	Provides bandwidth infrastructure solutions for the communications industry in the United States, Canada and Europe.
Cable One	Fidelity Communications	4/1/19	Cable and Video	\$525.9	NA	11.7 x	Cable operator serving customers in Arkansas, Illinois, Louisiana, Missouri, Oklahoma and Texas.
Trive Capital	WindStream (Earthlink Assets)	1/2/19	Alternative Telecom Service Providers	\$330.0	1.7 x	NA	Offers internet access, premium email, web hosting and privacy and data security products and services.
Pareteum	iPass	11/12/18	Alternative Telecom Service Providers	\$21.9	0.5 x	NM	Provides Wi-Fi connectivity services as well as mobile device management and authentication software.
Boingo Wireless	Elauwit Networks	8/1/18	Alternative Telecom Service Providers	\$28.0	3.5 x	NA	Provides high-speed Wi-Fi to 220 student housing and multifamily properties across the United States.

Sub Sector Analysis: Large Cap

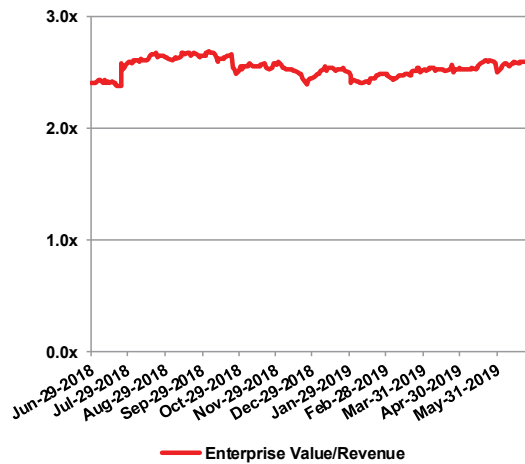
Twelve Month Index Returns



Company Returns

	12 Month	3 Month
Large Cap Index	6.7%	1.5%
AT&T	4.4%	6.9%
CenturyLink	-36.9%	-1.9%
Sprint	20.8%	16.3%
Verizon	13.6%	-3.4%

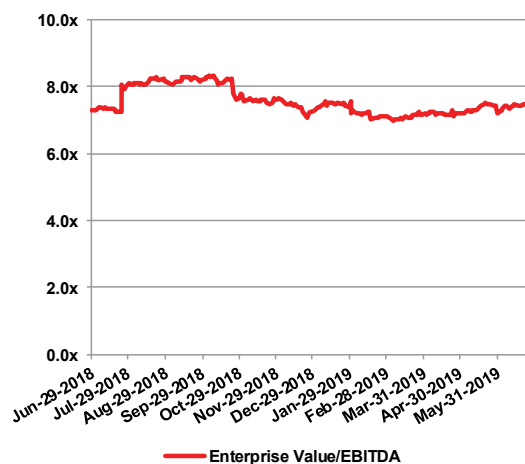
Revenue Multiple Trends



Company Revenue Multiples

	6/30/2019	6/30/2018
Large Cap Index	2.6x	2.4x
AT&T	2.5x	2.2x
CenturyLink	2.2x	2.9x
Sprint	1.8x	1.7x
Verizon	2.8x	2.6x

EBITDA Multiple Trends



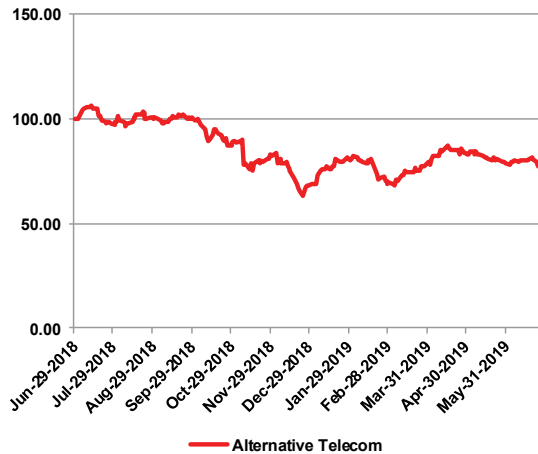
Company EBITDA Multiples

	6/30/2019	6/30/2018
Large Cap Index	7.5x	7.3x
AT&T	7.7x	7.6x
CenturyLink	5.5x	8.4x
Sprint	4.7x	4.9x
Verizon	7.7x	6.9x

Source: Capital IQ

Sub Sector Analysis: Alternative Telecom

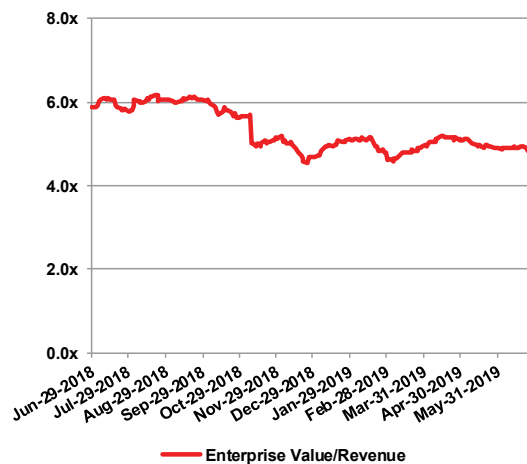
Twelve Month Index Returns



Company Returns

	12 Month	3 Month
Alternative Telecom Index	-22.6%	-1.5%
Boingo	-20.5%	-22.8%
Cogent Communications	11.2%	9.4%
GTT	-60.9%	-49.3%
Uniti	-52.6%	-15.1%
Zayo Group	-9.8%	15.8%

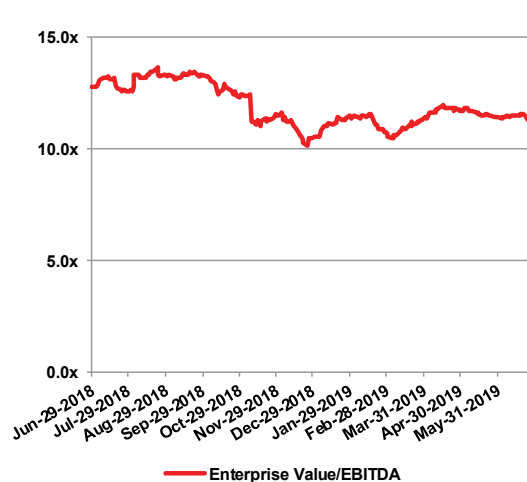
Revenue Multiple Trends



Company Revenue Multiples

	6/30/2019	6/30/2018
Alternative Telecom Index	4.8x	5.9x
Boingo	3.4x	4.3x
Cogent Communications	6.5x	5.9x
GTT	2.7x	4.0x
Uniti	6.7x	8.6x
Zayo Group	5.3x	5.6x

EBITDA Multiple Trends



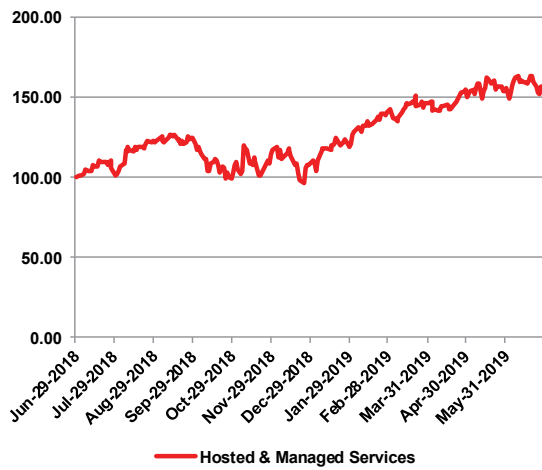
Company EBITDA Multiples

	6/30/2019	6/30/2018
Alternative Telecom Index	11.3x	12.8x
Boingo	11.3x	15.1x
Cogent Communications	19.4x	18.8x
GTT	12.0x	17.3x
Uniti	8.7x	10.8x
Zayo Group	11.6x	12.3x

Source: Capital IQ

Sub Sector Analysis: Hosted and Managed Services

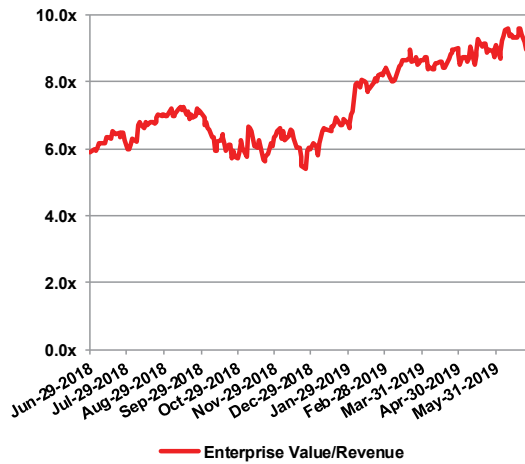
Twelve Month Index Returns



Company Returns

	12 Month	3 Month
Hosted & Managed Services Index	56.4%	6.8%
8x8	20.2%	19.3%
j2 Global	2.6%	2.6%
RingCentral	63.4%	6.6%
Twilio	143.4%	5.6%
Vonage	-12.1%	12.8%

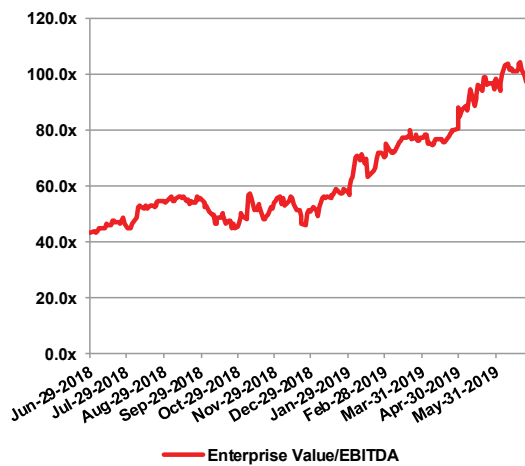
Revenue Multiple Trends



Company Revenue Multiples

	6/30/2019	6/30/2018
Hosted & Managed Services Index	9.2x	5.9x
8x8	6.2x	5.8x
j2 Global	4.3x	4.3x
RingCentral	12.8x	9.9x
Twilio	23.7x	11.5x
Vonage	3.1x	3.2x

EBITDA Multiple Trends



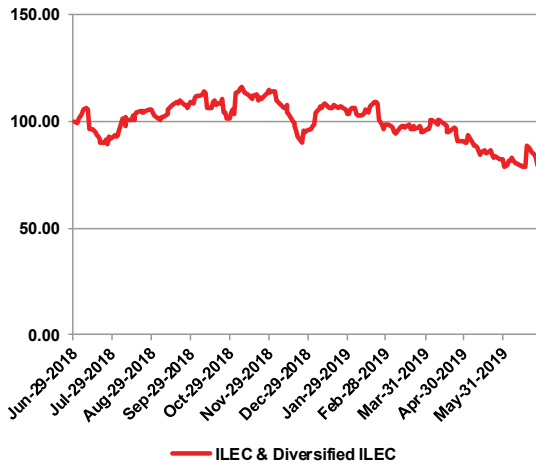
Company EBITDA Multiples

	6/30/2019	6/30/2018
Hosted & Managed Services Index	99.3x	43.0x
8x8	NM	NM
j2 Global	11.3x	11.9x
RingCentral	1388.6x	395.2x
Twilio	NM	NM
Vonage	27.6x	22.9x

Source: Capital IQ

Sub Sector Analysis: ILEC and Diversified ILEC

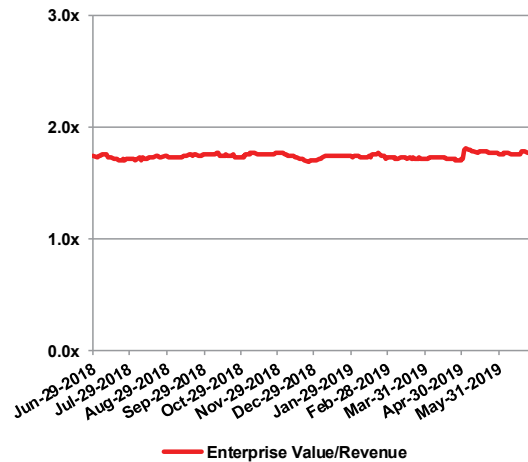
Twelve Month Index Returns



Company Returns

	12 Month	3 Month
ILEC & Diversified ILEC Index	-18.2%	-14.4%
Alaska Communications Systems	-3.4%	-10.9%
Consolidated Communications	-60.1%	-54.8%
Cincinnati Bell	-68.5%	-48.1%
Frontier	-67.4%	-12.1%
Otelco	7.2%	-2.0%
Telephone & Data Systems	10.9%	-1.1%

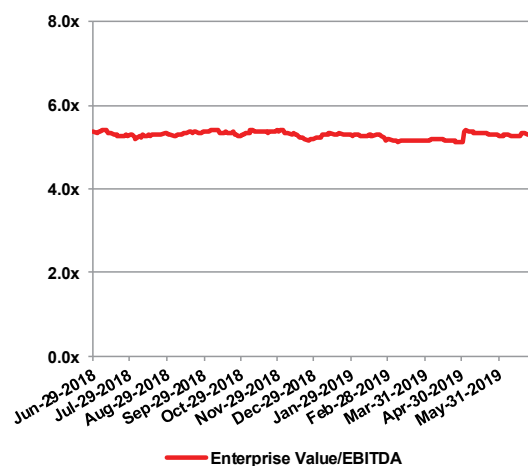
Revenue Multiple Trends



Company Revenue Multiples

	6/30/2019	6/30/2018
ILEC & Diversified ILEC Index	1.8x	1.7x
Alaska Communications Systems	1.4x	1.2x
Consolidated Communications	2.0x	2.6x
Cincinnati Bell	1.6x	2.3x
Frontier	2.0x	2.0x
Otelco	1.9x	1.9x
Telephone & Data Systems	1.3x	1.1x

EBITDA Multiple Trends



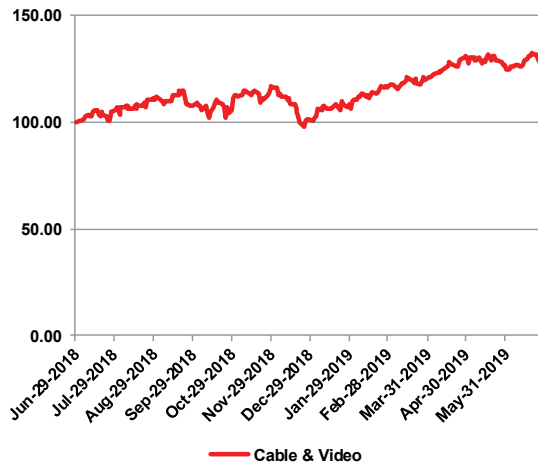
Company EBITDA Multiples

	6/30/2019	6/30/2018
ILEC & Diversified ILEC Index	5.3x	5.4x
Alaska Communications Systems	5.6x	4.9x
Consolidated Communications	5.9x	7.7x
Cincinnati Bell	6.3x	8.6x
Frontier	5.1x	5.0x
Otelco	5.0x	4.9x
Telephone & Data Systems	6.1x	5.3x

Source: Capital IQ

Sub Sector Analysis: Cable and Video

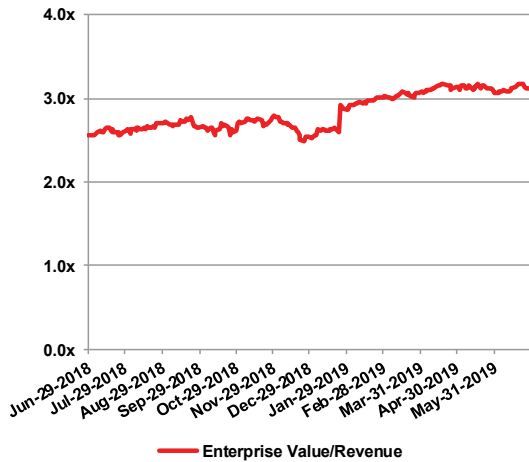
Twelve Month Index Returns



Company Returns

	12 Month	3 Month
Cable & Video Index	29.0%	7.6%
Altice	42.7%	13.4%
Cable One	59.7%	19.3%
Charter Communications	34.8%	13.9%
Comcast	28.9%	5.8%
Dish Network	14.3%	21.2%
WOW	-24.8%	-20.2%

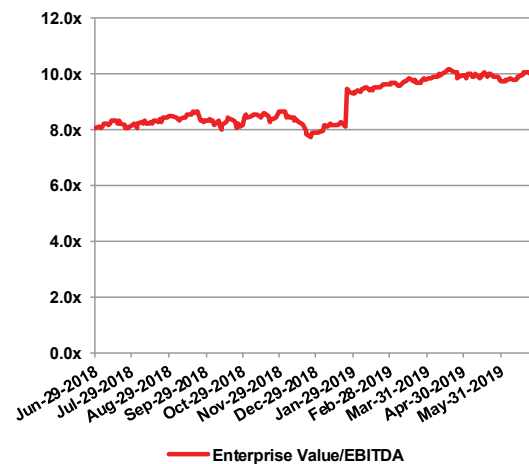
Revenue Multiple Trends



Company Revenue Multiples

	6/30/2019	6/30/2018
Cable & Video Index	3.1x	2.5x
Altice	4.1x	3.7x
Cable One	7.3x	5.1x
Charter Communications	3.9x	3.5x
Comcast	3.1x	2.5x
Dish Network	2.4x	2.1x
WOW	2.6x	2.6x

EBITDA Multiple Trends



Company EBITDA Multiples

	6/30/2019	6/30/2018
Cable & Video Index	9.9x	8.0x
Altice	9.6x	8.7x
Cable One	16.1x	11.4x
Charter Communications	10.6x	9.7x
Comcast	9.7x	7.7x
Dish Network	11.6x	10.9x
WOW	7.7x	7.6x

Source: Capital IQ

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