FRONTIER COMMUNICATIONS CORP
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Welcome to the New Frontier

May 13, 2009

Frontier Communications

Safe Harbor Statement

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FORWARD LOOKING STATEMENTS

This presentation contains forward-looking statements that are made pursuant to the safe harbor provisions of The Private Securities Litigation Reform Act of 1995. These statements are made on the basis of management s views and assumptions regarding future events and business performance. Words such as believe, anticipate, expect and similar expressions are intended to identify forward-looking statements. Forward-looking statements (including oral representations) involve risks and uncertainties that may cause actual results to differ materially from any future results, performance or achievements expressed or implied by such statements. These risks and uncertainties are based on a number of factors, including but not limited to: reductions in the number of our access lines and high-speed internet subscribers; the effects of competition from cable, wireless and other wireline carriers (through voice over internet protocol (VOIP) or otherwise); reductions in switched access revenues as a result of regulation, competition and/or technology substitutions; the effects of greater than anticipated competition requiring new pricing, marketing strategies or new product offerings and the risk that we will not respond on a timely or profitable basis; the effects of changes in both general and local economic conditions on the markets we serve, which can impact demand for our products and services, customer purchasing decisions, collectibility of revenue and required levels of capital expenditures related to new construction of residences and businesses; our ability to effectively manage service quality; our ability to successfully introduce new product offerings, including our ability to offer bundled service packages on terms that are both profitable to us and attractive to our customers; our ability to sell enhanced and data services in order to offset ongoing declines in revenue from local services, switched access services and subsidies; changes in accounting policies or practices adopted voluntarily or as required by generally accepted accounting principles or regulators; the effects of ongoing changes in the regulation of the communications industry as a result of federal and state legislation and regulation, including potential changes in state rate of return limitations on our earnings, access charges and subsidy payments, and regulatory network upgrade and reliability requirements; our ability to effectively manage our operations, operating expenses and capital expenditures, to pay dividends and to reduce or refinance our debt; adverse changes in the credit markets and/or in the ratings given to our debt securities by nationally accredited ratings organizations, which could limit or restrict the availability and/or increase the cost of financing; the effects of bankruptcies and home foreclosures, which could result in increased bad debts; the effects of technological changes and competition on our capital expenditures and product and service offerings, including the lack of assurance that our ongoing network improvements will be sufficient to meet or exceed the capabilities and quality of competing networks; the effects of increased medical, retiree and pension expenses and related funding requirements; changes in income tax rates, tax laws, regulations or rulings, and/or federal or state tax assessments; further declines in the value of our pension plan assets, which could require us to make contributions to the pension plan beginning in 2010, at the earliest; the effects of state regulatory cash management policies on our ability to transfer cash among our subsidiaries and to the parent company; our ability to successfully renegotiate union contracts expiring in 2009 and thereafter; our ability to pay a $1.00 per common share dividend annually, which may be affected by our cash flow from operations, amount of capital expenditures, debt service requirements, cash paid for income taxes (which will increase in 2009) and our liquidity; the effects of significantly increased cash taxes in 2009 and thereafter; the effects of any unfavorable outcome with respect to any of our current or future legal, governmental, or regulatory proceedings, audits or disputes; the possible impact of adverse changes in political or other external factors over which we have no control; and the effects of hurricanes, ice storms or other severe weather. These and other uncertainties related to our business are described in greater detail in our filings with the Securities and Exchange Commission (SEC), including our reports on Forms 10-K and 10-Q. We undertake no obligation to publicly update or revise any forward-looking statement or to make any other forward-looking statements, whether as a result of new information, future events or otherwise unless required to do so by securities laws.

ADDITIONAL INFORMATION AND WHERE TO FIND IT

This material is not a substitute for the prospectus/proxy statement Frontier Communications Corporation will file with the SEC. We urge investors to read the prospectus/proxy statement, which will contain important information, including detailed risk factors, when it becomes available. The prospectus/proxy statement and other documents which will be filed by Frontier Communications Corporation with the SEC will be available free of charge at the SEC s website, www.sec.gov, or by directing a request when such a filing is made to Frontier Communications Corporation, 3 High Ridge Park, Stamford, CT 06905, Attention: Investor Relations.

This communication shall not constitute an offer to sell or the solicitation of an offer to buy securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

Frontier Communications Corporation and certain of its directors, executive officers and other members of management and employees may, under SEC rules, be deemed to be participants in the solicitation of proxies in connection with the proposed transactions. Information about the directors and executive officers of Frontier Communications Corporation is set forth in the proxy statement for Frontier Communications Corporation s 2009 annual meeting of stockholders.

Management Presenters

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Maggie Wilderotter is Chairman and CEO of Frontier Communications. She joined Frontier in November 2004 as President, CEO and a member of the Board of Directors. Before this, Ms. Wilderotter was Senior Vice President of Worldwide Public Sector at Microsoft and prior to that, President and CEO of Wink Communications Inc. During her career, Ms. Wilderotter has held various executive positions including, Executive Vice President of National Operations for AT&T Wireless Services Inc.; Chief Executive Officer of AT&T's Aviation Communications Division; and Senior Vice President of McCaw Cellular Communications Inc.

Donald R. Shassian is Executive Vice President and Chief Financial Officer. He joined Frontier in April 2006 as Chief Financial Officer. Before starting with Frontier, Mr. Shassian provided consulting services to various telecommunications companies including AT&T Inc. and Consolidated Communications Inc. Prior to that, Mr. Shassian was Senior Vice President and CFO for Southern New England Telecommunications Corp. (SNET) and responsible for its successful sale and integration into SBC Communications (now AT&T). Mr. Shassian was also with Arthur Andersen for more than 16 years. His last position there was as the Partner-in-Charge of the Telecommunications Industry Practice in North America.

Maggie Wilderotter, Chairman & Chief Executive Officer

Donald Shassian, EVP and Chief Financial Officer

Introduction to the New Frontier

Maggie Wilderotter, Chairman & Chief Executive Officer

The New Frontier .

TRANSFORMATIONAL TRANSACTION for Frontier

Frontier becomes the largest pure rural provider of voice, broadband and video services with more than 7 million access lines in 27 states

Delivers substantial long-term shareholder value

Improves balance sheet strength; increases financial and operational flexibility

Creates a strong platform for continued growth and improves the company s overall strategic position

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The New Frontier .

The combination of Frontier and New Communications Holdings Inc. (SpinCo), will create one of the nation s leading communications service providers

5th largest ILEC in America, predominantly in rural communities

FY 2008 pro forma access lines of 7.0M and revenue of $6.5B

Compelling transaction for Frontier shareholders

Improves balance sheet strength, FY 2008 pro forma leverage of 2.6x

Attractive and sustainable dividend policy

Free cash flow per share accretive in year 2

Significant opportunity for ongoing value creation

Highly experienced management team

Frontier leadership will run the combined company

Proven ability to integrate acquired properties

Track record in producing best-in-class results

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Transaction Rationale

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Rural Profile

SpinCo properties have an average of 37 households per sq. mile

70% of lines in rural areas

Less than 1% of lines in urban areas

Complementary Footprint

Frontier currently has operations in 11 of the 14 states in which SpinCo operates

Attractive Demographics

Properties have a similar profile to Frontier s current footprint

Median income of $50.1K, 74% home ownership, average age of 48

Upside for Organic Growth

Ability to implement Frontier s proven go-to-market strategy

Local engagement model will improve customer loyalty and drive revenue performance

Ability to Leverage Scale

Leverage scalability of common support functions (e.g. IS, Accounting)

Ability to achieve synergies from operating and capital expenditures

Reasonable Capital Investment

Currently, broadband is only available to ~60% of households

Opportunity to expand broadband deployment

Free Cash Flow Accretive

The transaction drives significant free cash flow per share accretion in year 2 and beyond

Improves Dividend Payout Ratio

$0.75 per share dividend after closing

Payout ratio declines based on new dividend policy and increased cash flow

Serving Rural America IS our business

Frontier becomes the largest pure rural communications provider

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The New Frontier .

What differentiates this transaction from previous RBOC line purchases?

System Conversion Experience

13 states run on a separate billing platform that comes with SpinCo in the acquisition; Only one state, representing 13% of SpinCo access lines, required to be converted by closing

Deleveraging Transaction

This is a deleveraging transaction. FY 2008 pro forma combined leverage of 2.6x approaching investment grade

Strong Rural Markets

Substantially the same rural profiles as Frontier has today. Predominately rural markets (37 households / sq. mile); less than 1% of the footprint is urban

Track Record of Successful Integrations

Frontier management successfully operates a 2M + access line business, generating $2.2B of revenue in 24 states. We have successfully integrated Rochester Telephone, Commonwealth Telephone and Global Valley Networks realizing greater than anticipated synergies, and have consolidated 5 billing systems in the past 5 years

FY 2008 Key Metrics

Frontier
Standalone

Frontier

Pro Forma

Combined Company Snapshot

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*** New State for Frontier**

Frontier Properties

SpinCo Properties

Revenue:

$2.2B

$6.5B

EBITDA (a):

$1.2B

$3.1B

Ending Access Lines:

2.3M

7.0M

Number of States:

24

27

Pro Forma

% of

Footprint

Total

West Virginia

761

10.8%

Indiana

723

10.3%

New York

684

9.7%

Illinois

671

9.5%

Ohio

635

9.0%

Washington*

579

8.2%

Michigan

526

7.5%

Pennsylvania

427

6.1%

Wisconsin

343

4.9%

Oregon

323

4.6%

North Carolina*

263

3.7%

Minnesota

211

3.0%

California

168

2.4%

Arizona

152

2.2%

Idaho

133

1.9%

South Carolina*

128

1.8%

Tennessee

79

1.1%

Nevada

60

0.8%

Iowa

45

0.6%

Nebraska

43

0.6%

Alabama

26

0.4%

Utah

22

0.3%

Georgia

19

0.3%

New Mexico

8

0.1%

Montana

8

0.1%

Mississippi

5

0.1%

Florida

4

0.1%

Total

7,045

Pro Forma Access Lines By State

(a) Excludes synergies

Industry Leading Profile

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Source: Company filings and Wall Street research 2008 data.

(a) Reflects Embarq excluding Logistics and Qwest Wireline only.

2008 Revenue ($B) [(a)]

2008 EBITDA ($B) [(a)]

Total Access Lines (M)

Voice + Broadband Connections (M)

$2.2

$3.2

$6.5

$8.3

$13.0

$0

$5

$10

$15

$20

Frontier

WIN

Frontier

Pro

Forma

CTL + EQ

Q

2.3

3.0

7.0

7.7

11.6

0

5

10

15

Frontier

WIN

**Frontier
Pro
Forma**

CTL + EQ

Q

2.8

4.0

8.6

9.7

14.4

0

5

10

15

20

Frontier

WIN

Frontier

Pro

Forma

CTL + EQ

Q

$1.2

$1.6

$3.1

$3.9

$6.9

$0

$2

$4

$6

$8

Frontier

WIN

Frontier

Pro

Forma

CTL + EQ

Q

Operating Strategy

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Leverage Frontier s performance culture

Sales and service focus to drive best in class results

Local engagement model

Local ownership of market performance

Community involvement for competitive advantage

Drive customer acquisition and retention

Deliver a differentiated customer experience

Investment in network infrastructure

Expansion of broadband reach and speed

Support for new product and service offerings for customer revenue growth

Product quality and reliability

Margin expansion as economies of scale are realized

Scalability of people, systems, processes and functions

Operating Strategy

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Frontier s 3 P framework provides the building blocks for successful integration planning and execution

Migration to Frontier brand

Simplify/Improve the Customer Experience

Unique marketing campaigns and incentives to drive market share and wallet share

Expanded distribution channels

Innovative products and service differentiators

Pay for performance culture

Goals and incentives aligned to business objectives

Hire and retain athletes

Exceed Financial Targets by:

Network investments to expand HSI availability and drive revenue opportunity

Focus on owning small and medium size businesses

Achieve economies of scale through consolidation and standardization of systems and functions

Grow customer revenue and keep existing customers

People

Product

Profit

Transaction Overview & Financial Highlights

Donald R. Shassian, EVP & Chief Financial Officer

Transaction Overview

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Transaction Structure

Reverse Morris Trust

Simultaneous tax-free spin-off of SpinCo and merger with Frontier

Valuation

SpinCo Enterprise Value: $8.6B

Implied purchase multiple of 4.5x SpinCo s FY 2008 EBITDA

Financing

Equity consideration based on Frontier s 30 day average share price at

time of close

Subject to a collar of $7.00 $8.50, 66% - 71% VZ stockholder ownership

Fixed number of shares outside the collar

$3,208M of debt to be raised prior to closing

Proceeds to be paid to Verizon

Governance

Maggie Wilderotter, Chairman & Chief Executive Officer

Frontier management leadership

12 member board (Verizon elects 3 new members to Frontier existing board)

Post Closing Dividend Policy

Annual dividend of $0.75 per share

Estimated Synergies

Revenue upside from broadband, long distance, video and bundles

$500M of cash OpEx savings (21% of 2008 SpinCo cash OpEx)

Required Approvals

Hart Scott Rodino

Frontier shareholder approval

Verizon IRS ruling

FCC and certain state and local regulatory approvals

Expected Closing

Approximately 12 months

Transaction Summary

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Verizon

Stockholders

Frontier
Stockholders

Verizon

Frontier

(FTR + 4.8M
SpinCo Lines)

32%

$3,333M

SpinCo pays Verizon
$3,333M in cash or
debt relief

Verizon distributes
100% of SpinCo to
Verizon shareholders

SpinCo merges with
Frontier; Frontier is
the surviving entity

Parameter

Frontier (a)

SpinCo

Total

Price/Share

$ 7.75

$ 7.75

$ 7.75

Shares Outstanding

312

677

989

Equity Value

$ 2,421

$ 5,247

$ 7,668

Net Debt

4,547

3,333

8,005 (b)

Firm Value

$ 6,968

$ 8,580

$ 15,673

2008 EBITDA (c)

$ 1,214

$ 1,918

$ 3,132

FV/'08 EBITDA

5.7x

4.5x

5.0x

Net Debt/'08 EBITDA

3.8x

1.7x

2.6x

Share price collar of
$7.00 $8.50 per
share; 617 750M
shares (66-71%)
Verizon stockholder
ownership

(a)

As of 3/31/09

(b)

Includes $125 million of financing for integration costs

(c)

FY 2008 Pro forma EBITDA, excludes synergies

Key Financial Characteristics

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2.6x

$1.44

$1,423

9

(701)

(364)

(653)

48.0%

3,132

$6,524

Sub-Total

2008 Statistics

Frontier

SpinCo (b)

Synergies

Total

Revenue

$2,237

$4,287

$6,524

EBITDA

1,214

1,918

$500

3,632

% EBITDA Margin

54.3%

44.7%

55.7%

Bridge to Free Cash Flow:

Interest Expense

(363)

(290)

0

(653)

Cash Taxes

(79)

(285)

(190)

(554)

Capital Expenditures

(288)

(413)

0

(701)

Other

9

0

0

9

Free Cash Flow

$493

$930

$310

$1,733

FCF/Share

$1.58

$1.37

N/A

$1.75 (c)

Net Debt / EBITDA

3.8x

1.7x

2.2x

Dividends ($0.75 / share)

$742 (c)

Dividend Payout Ratio

43% (c)

(a)

Adjusted to exclude Severance and Early Retirement Costs and Legal Settlement Costs.

(b)

2008 audited financial statements adjusted for certain matters

(c)

Assuming Frontier issues share at the mid-point of the collar

(a)

Ongoing Value Creation

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Our ability to migrate the acquired properties to Frontier s performance metrics offers the potential for significant value creation

Access Line Decline

Long Distances Penetration

HSI Penetration

Satellite TV Penetration

Note: Data is as of 12/31/08.

Substantial Revenue & Cost Saving Opportunities

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Revenue
Opportunity

Increased Broadband availability

Frontier market approach improves critical customer metrics

Access line losses

HSI penetration

Long distance penetration

Video penetration

Synergies

Executive Management

Legal

Information Systems

Finance & Accounting

Increased purchasing power with vendors

~ $500M
Annually

Non-Recurring

Integration Costs

Branding

IT Development

Severance

CapEx ~ $126M

OpEx ~ $66M

Integration

Proven track record of successfully integrating acquired properties

Achieved 150% of synergy target for the 2007 Commonwealth acquisition

Frontier has successfully completed financial, business and operational support system conversions over the past 10 years

Proven track record in converting billing systems

Consolidated 5 billing systems into one over the past five years, converting 1.7M access lines

Current billing system is scalable to absorb this acquisition

Integration

Framework for successful RBOC line integration

Frontier has the scale, scope and experience to absorb these operations

Ensure that all key business processes work effectively **at closing**

Integration onto our current billing platform can be accomplished **over time**

Key Structure Benefit:

13 states (former GTE operations) will operate on existing systems as a stand-alone entity at closing

Only 1 state will need to convert to the Frontier platform at closing

Integration planning will commence immediately

Summary Financial Comparison

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Access Lines

2,250K

7,050K

Revenue

$2,250M

$6,525M

EBITDA (a)

$1,200M

$3,125M

CAPEX

$290M

$700M

Net Debt

$4,547M

$8,005M

Dividend / Share

$1.00

$0.75

Shares Outstanding

312M

989M

Net Leverage

3.8x

2.6x

Payout Ratio

64.6%

43.0%

Note: Data pro forma for the year ended December 31, 2008, except as noted.

(a) FY 2008 EBITDA, before synergies

(b) As of 3/31/09

(c) Subject to collar adjustment.

(b)

Frontier Standalone

Frontier Pro Forma

2008 Statistics

(c)

Closing Conditions

Required Approvals

Frontier shareholder approval

Hart Scott Rodino

FCC approval

Certain state and local regulatory approvals

Verizon IRS revenue ruling

Financing

$3.2B by closing

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Summary

Maggie Wilderotter, Chairman & Chief Executive Officer

The New Frontier .

TRANSFORMATIONAL TRANSACTION for Frontier

Frontier becomes the largest pure rural provider of voice, broadband and video services with more than 7 million access lines in 27 states

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Creates a strong platform for continued growth and improves the company s overall strategic position

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Appendix

Transformational, The New Frontier ..

Delivers substantial long-term shareholder value

Opportunity to grow customer revenue

$500 million of cash operating expense synergies

Accretive in year 2

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Improves balance sheet strength; increases financial/operational flexibility

Strong Capital Structure, FY 2008 Pro Forma Leverage of 2.6x

Dividend sustainability

Significant cash flow generation

Creates a strong platform for continued consolidation and improves the company s overall strategic position

Scalable people, processes, systems

Acquisition integration competencies

Track record for growth

Solid industry experience and relationships

Access Line Detail

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As of 12/31/08	**Frontier**	**SpinCo**	**Combined**
West Virginia	143,982	617,036	761,018
Indiana	4,647	718,251	722,898
Illinois	97,461	573,321	670,782

Ohio

552

634,153

634,705

Michigan

19,102

507,462

526,564

Wisconsin

62,007

281,350

343,357

Oregon

12,626

309,904

322,530

California

143,871

24,205

168,076

Arizona

145,241

6,297

151,538

Idaho

20,035

113,002

133,037

Nevada

23,701

35,989

59,690

673,225

3,820,970

4,494,195

Washington

-

578,506

578,506

North Carolina

-

263,479

263,479

South Carolina

-

127,718

127,718

-

969,703

969,703

New York

683,880

-

683,880

Pennsylvania

427,489

-

427,489

Minnesota

210,983

-

210,983

Tennessee

79,014

-

79,014

Iowa

44,891

-

44,891

Nebraska

43,106

-

43,106

Alabama

25,980

-

25,980

Utah

21,718

-

21,718

Georgia

19,167

-

19,167

New Mexico

8,001

-

8,001

Montana

7,659

-

7,659

Mississippi

5,474

-

5,474

Florida

3,746

-

3,746

1,581,108

-

1,581,108

2,254,333

4,790,673

7,045,006