

Company Presentation

May 2012





Use of Non-GAAP Financial Measures

Included in this presentation are certain non-GAAP financial measures that are not determined in accordance with US generally accepted accounting principles. These financial performance measures are not indicative of cash provided or used by operating activities and exclude the effects of certain operating, capital and financing costs and may differ from comparable information provided by other companies, and they should not be considered in isolation, as an alternative to, or more meaningful than measures of financial performance determined in accordance with US generally accepted accounting principles. These financial performance measures are commonly used in the industry and are presented because Lumos Networks Corp. believes they provide relevant and useful information to investors. The Company utilizes these financial performance measures to assess its ability to meet future capital expenditure and working capital requirements, to incur indebtedness if necessary, and to fund continued growth. Lumos Networks Corp. uses these financial performance measures to evaluate the performance of its business, for budget planning purposes and as factors in its employee compensation programs.

Special Note Regarding Forward-Looking Statements

Any statements contained in this presentation that are not statements of historical fact, including statements about our beliefs and expectations, are forward-looking statements and should be evaluated as such. The words “anticipates,” “believes,” “expects,” “intends,” “plans,” “estimates,” “targets,” “projects,” “should,” “may,” “will” and similar words and expressions are intended to identify forward-looking statements. Such forward-looking statements reflect, among other things, our current expectations, plans and strategies, and anticipated financial results, all of which are subject to known and unknown risks, uncertainties and factors that may cause our actual results to differ materially from those expressed or implied by these forward-looking statements. Many of these risks are beyond our ability to control or predict. Because of these risks, uncertainties and assumptions, you should not place undue reliance on these forward-looking statements. Furthermore, forward-looking statements speak only as of the date they are made. We do not undertake any obligation to update or review any forward-looking information, whether as a result of new information, future events or otherwise. Important factors with respect to any such forward-looking statements, including certain risks and uncertainties that could cause actual results to differ from those contained in the forward-looking statements, include, but are not limited to: rapid development and intense competition in the telecommunications industry; our ability to achieve benefits from our separation from NTELOS Holdings Corp.; our ability to successfully increase revenues and manage churn in the recently acquired FiberNet business; our ability to offset expected revenue declines in our RLEC business related to the recent regulatory developments and carriers grooming their networks; adverse economic conditions; operating and financial restrictions imposed by our senior credit facility; our cash and capital requirements; declining prices for our services; the potential to experience a high rate of customer turnover; federal and state regulatory fees, requirements and developments; our reliance on certain suppliers and vendors; and other unforeseen difficulties that may occur. These risks and uncertainties are not intended to represent a complete list of all risks and uncertainties inherent in our business, and should be read in conjunction with the more detailed cautionary statements and risk factors included in our SEC filings, including our Annual Report filed on Form 10-K.

Enhancing efficiencies for our customers...

Lumos Networks provides next-generation communication solutions and personalized service to customers in the Mid-Atlantic region, over an advanced fiber network.

Next-generation communication solutions

Flagship Products

Metro Ethernet

- Ethernet connectivity among multiple locations in the same city or region
- Speeds ranging from 1.5 Mbps to 10 Gbps

IP Services

- IP-enabled product offerings that combine voice and data services over a dedicated broadband facility utilizing VoIP protocols
- Enables advanced features and dynamic bandwidth allocation

Broadband

- Dedicated Internet connections – up to 10 Gbps
- Broadband XL high speed Internet over fiber – 10 to 20 Mbps
- DSL over copper with speeds up to 6 Mbps

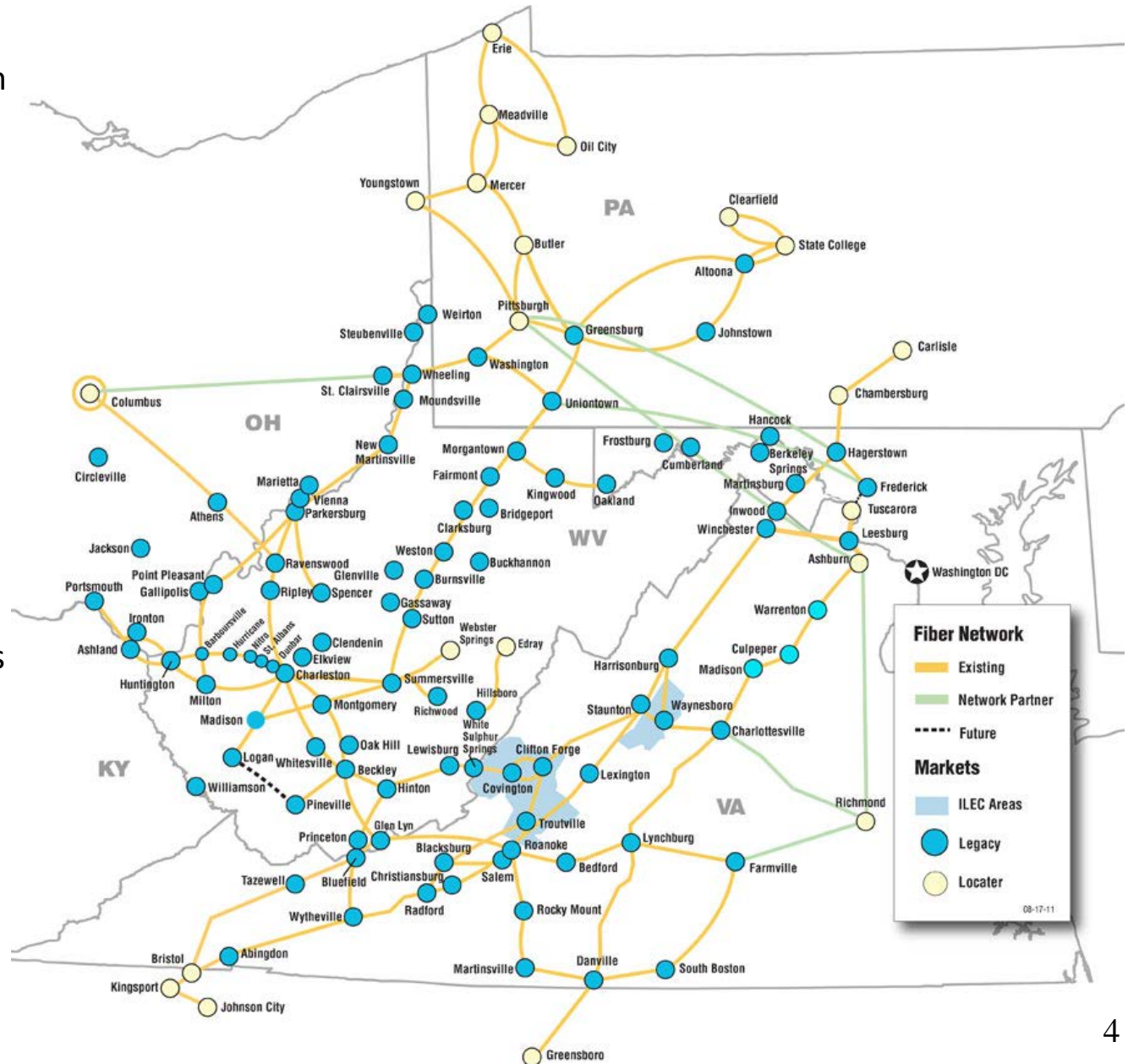
Wholesale Carrier Services

- IP-based Ethernet transport over fiber
- Fiber connectivity to cell sites for wireless carriers facilitates rapidly growing demand for data, driven by 4G
- High-bandwidth transport over copper

Our product strategy is to be first to offer next-generation products to customers in our regional markets

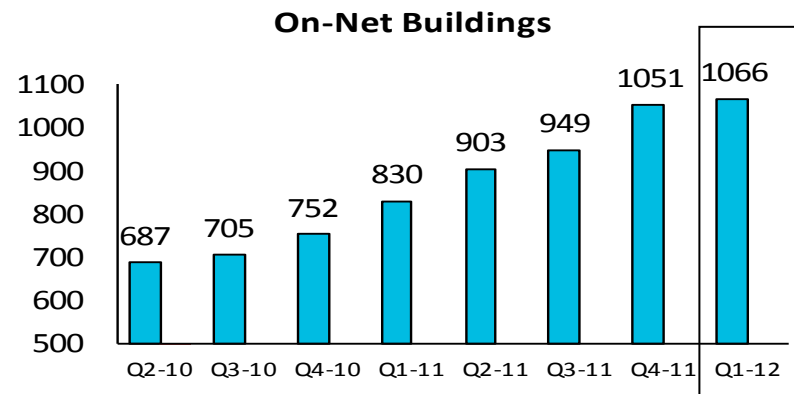
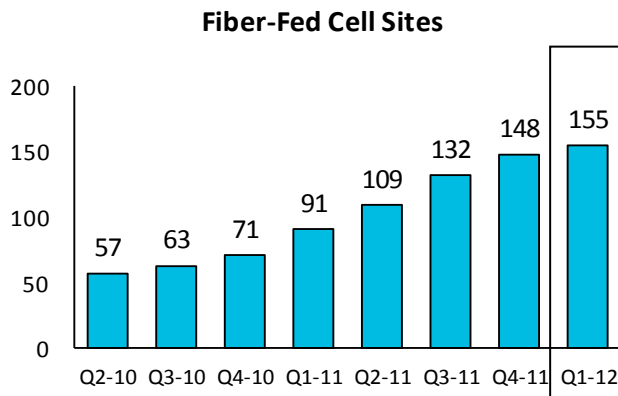
Advanced, dense regional fiber network serves attractive markets

- Provides service to more than 100 markets in Mid-Atlantic region
- Network footprint includes approximately 185,000 businesses
- Supports IP based and Ethernet applications
- Over 50,000 current customer relationships
- 5,800 fiber route miles
- State-of-the-art IP network
- Approximately 2,000 cell sites within three miles of existing network
- RLEC with 98% 6MB+ broadband coverage
- Video and fiber passes approximately one-third of the RLEC base



Network positioned for the future

- Significant network investments (~\$300 million) in previous 24 months
 - ▶ Enhancement through capital expenditures; Expansion through acquisitions
 - ▶ Ongoing investments to support growth
- Connections to major data centers support exploding Cloud computing demand
- Capacity to support significant market opportunity for on-net retail and wholesale customer expansion
- Extensive rural fiber network footprint creates competitive advantages allowing Lumos Networks to offer next-generation communication products in regional markets



“Our technology comes with people”

- Experienced direct sales and sales engineering teams in-market
- Exceptional customer service
 - ▶ 93% of calls answered in less than one minute
 - ▶ 90% first-call resolution
 - ▶ Net Promoter scores in top tier across all industries
- Strong long-term customer relationships
 - ▶ 89% of key vertical account revenues in 2007 are still billing
 - ▶ 80% of monthly recurring revenues of \$1,000 or greater in 2007 are still billing
- Experienced management team
 - ▶ Each member of operating management has 10 or more years of experience with wireline business
 - ▶ Key contributors to development of Competitive segment and transition to data strategy
 - ▶ Led execution and integration of recent acquisitions



Brand positioning highlights our innovative services and commitment to provide support from well-trained, dedicated and accessible employees

Strategies for growth

- Leverage regional scale
 - ▶ Sell advanced data services to recently-entered Pennsylvania and West Virginia markets
 - ▶ Increase on-net buildings and expand reach in existing markets
 - ▶ Leverage sophisticated sales and sales engineering teams
- Up-sell existing enterprise customers to capture growing data demand
 - ▶ Sell advanced services, including cloud computing and hosting
 - ▶ On-network profile facilitates growth of bandwidth and new applications with minimal incremental investment
- Aggressively pursue fiber-to-the-cell opportunities
 - ▶ Strong early-stage wireless carrier demand in footprint
 - ▶ Positioned for regional 4G deployment expected in 2012 and beyond
- Expand footprint through organic edge-out and accretive acquisitions



Opportunities offer attractive returns as revenue density enhances capital efficiency and on-network sales drive margin growth

Up-sell existing enterprise customers

- Advanced Ethernet products meet key vertical customers' growing broadband needs
- Dense fiber network in under-served markets differentiates Lumos Networks as the provider of choice
- On-network existing customer up-sell drives incrementally higher margins

Enterprise Case Study A Education Customer

Yesterday

- Data circuits
- Monthly Recurring Revenue (MRR) = \$11K



Today

- Data circuits, Internet bandwidth, IP voice and connection to major data center
- Increased MRR to \$29K
- Capital investment = \$100K
- Payback ~ 7 months

Enterprise Case Study B Healthcare Customer

Yesterday

- 2 locations - Leased facilities and fiber
- Primarily Voice Service
- Monthly Recurring Revenue (MRR) = \$2K

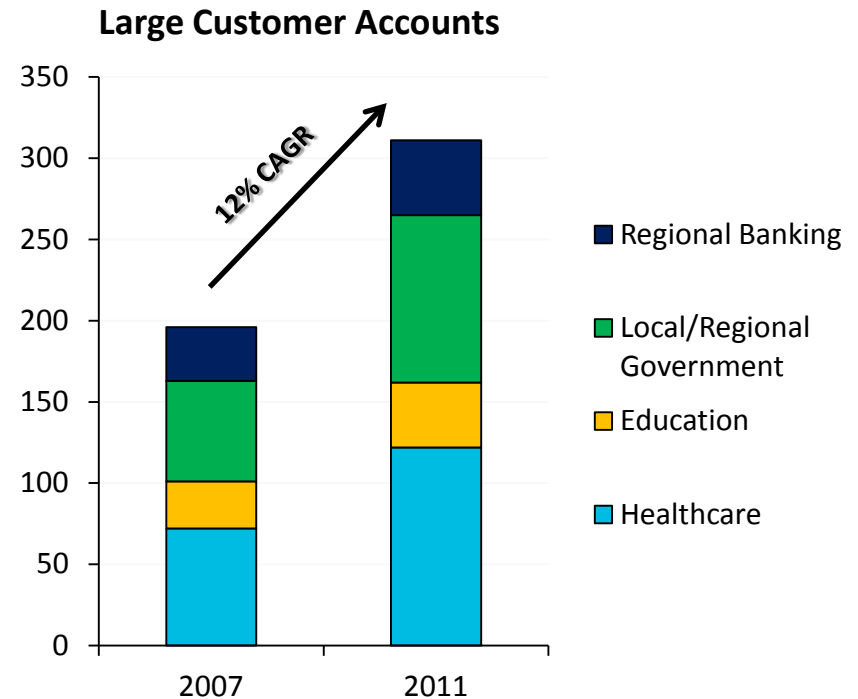
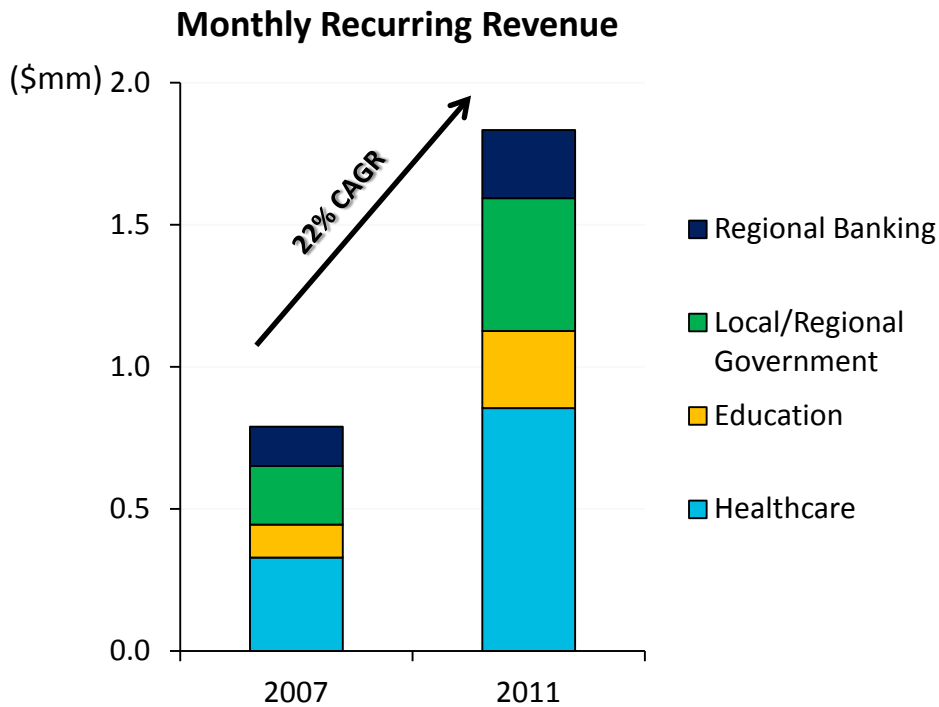


Today

- 37 locations - Primarily On-net locations
- Voice Service + Metro Ethernet Network
- Increased MRR to \$65K
- Capital investment = \$1.0M
- Payback ~ 18 months

Double-digit enterprise growth trends in key verticals

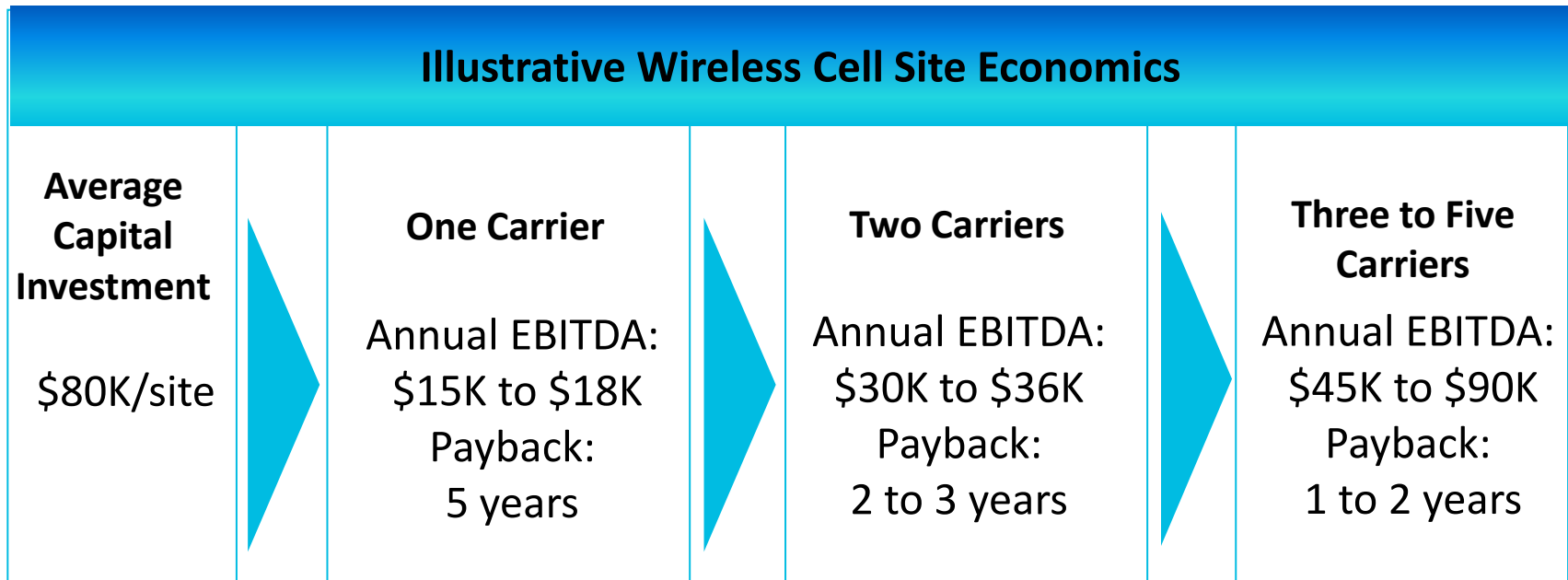
- Up-sell existing enterprise customers
 - ▶ Monthly recurring revenue (MRR) in key verticals has grown 22% annually (CAGR) from 2007 and is 51% of large account revenue
 - ▶ Average MRR per customer is growing
- Market evolution provides opportunity for new enterprise customers
 - ▶ Number of “Large Customer” accounts in key verticals has grown 12% annually (CAGR) from 2007



Note: Organic growth, excluding acquisitions. “Large Customers” are defined as customers with \$1,000 or greater MRR.

Fiber to the cell site: High growth wholesale opportunity

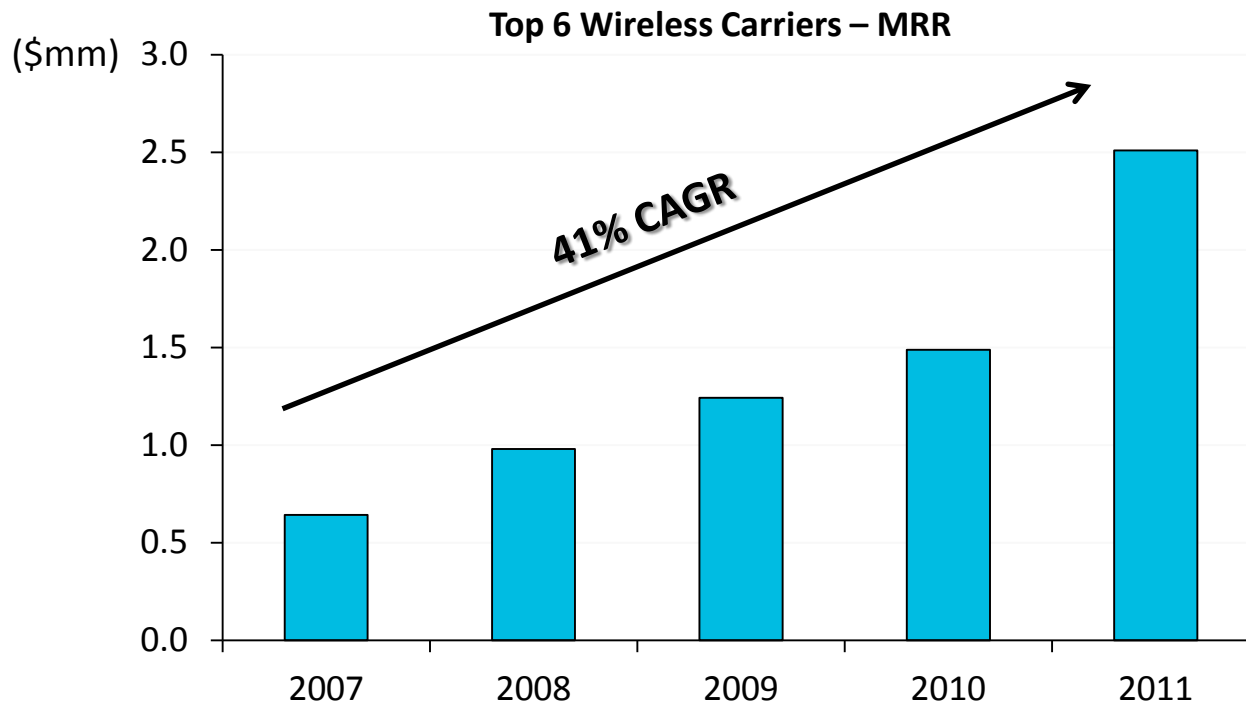
- Approximately 2,000 sites within three miles of existing network
- First customer provides a five-year payback and funds the site
- Average of more than two carriers per site
- Second and successive customers drive cash flow and margin
- Long-term growth in bandwidth demand and additional carriers continue to enhance returns



Contracts of 5 to 10 years and multiple carriers per site drive long-term profitable revenue streams

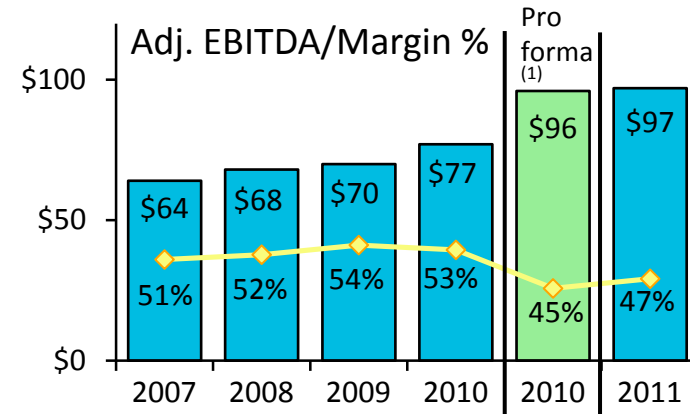
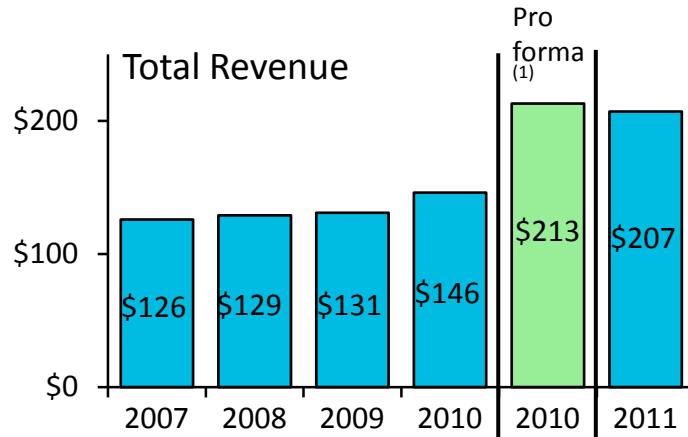
Wholesale growth: Strong and accelerating with 4G

- Monthly Recurring Revenue (MRR) from Top 6 wireless carriers has grown 41% annually (CAGR) from 2007 to 2011
- Early-stage: Significant increases in demand will be driven by future 4G deployment
- 4G deployment in Lumos Networks region commenced in the second half of 2011 and is expected through 2014

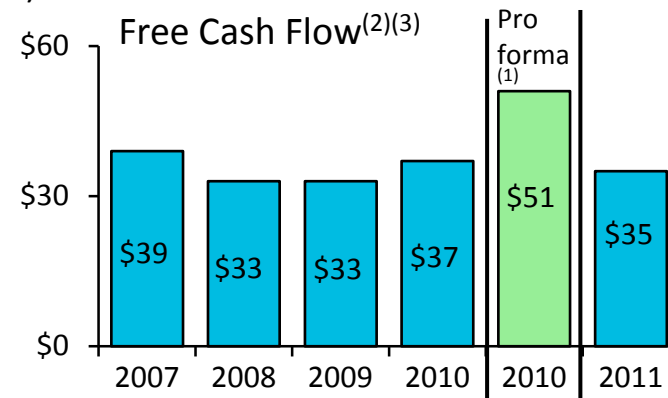
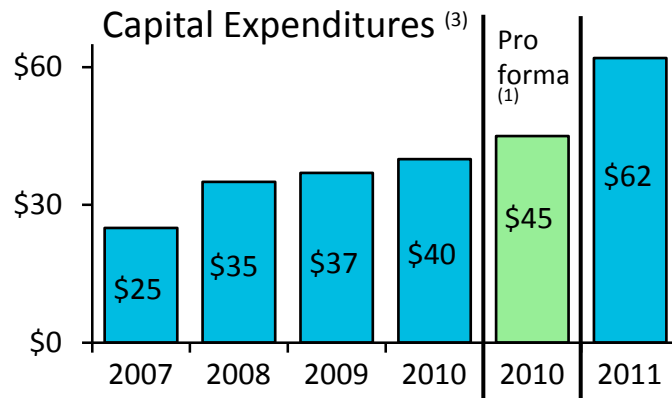


Fiber connections expected to nearly double, reaching approximately 300 by year-end 2012

Strong margins and recurring free cash flow



(\$ in millions)



■ Historical/Actual
 ■ Pro forma for FiberNet

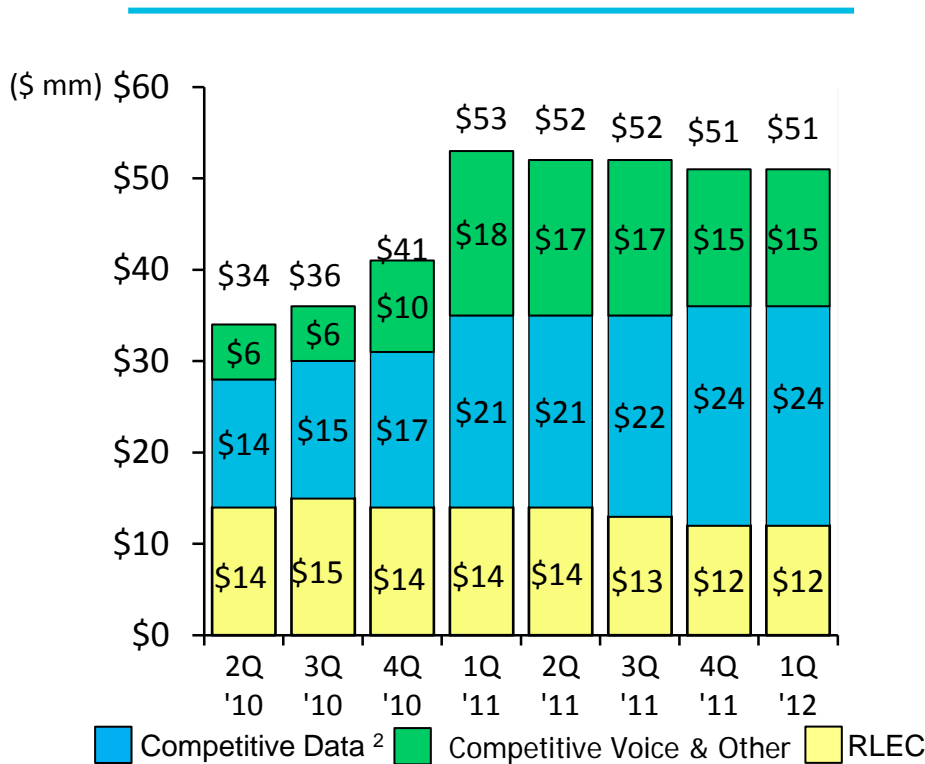
2011 reflects post-acquisition network capital investments to support market expansion and service offerings

*Recurring cash flow stream to support dividend:
 Unique among Competitive providers
 Current annualized dividend of \$12 million (\$0.56 per share)*

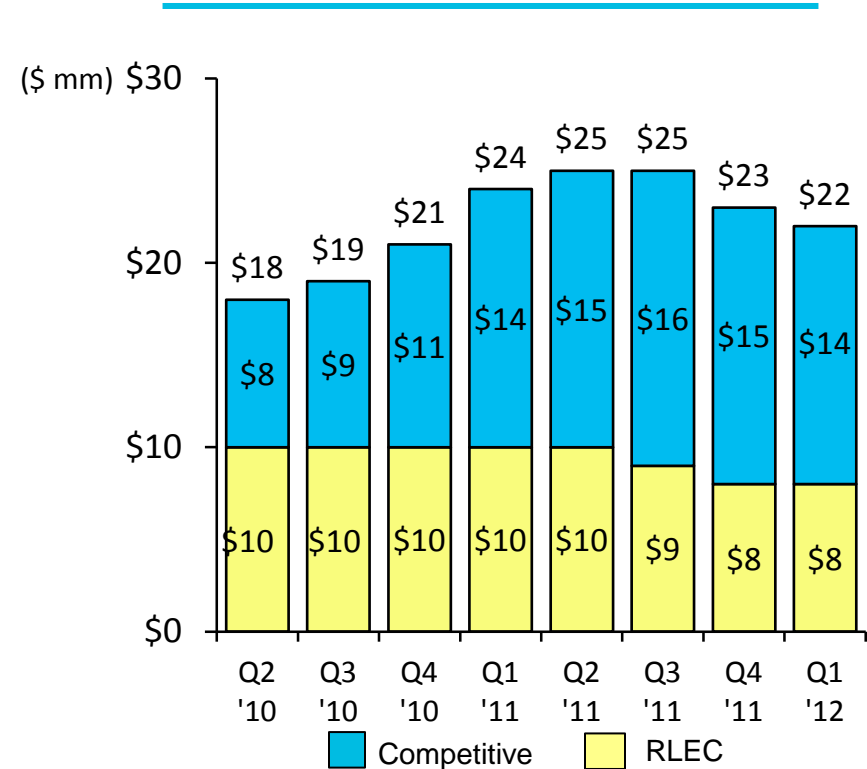
(1) Pro forma 2010 includes FiberNet results from January 1, 2010.
 (2) Throughout this presentation, Free Cash Flow is defined as consolidated adjusted EBITDA less CAPEX.
 (3) 2011 includes one-time capital expenditures related to the integration of FiberNet.

Operating strategy and acquisitions successfully shifting business mix

Revenue (1)



Adjusted EBITDA (1)



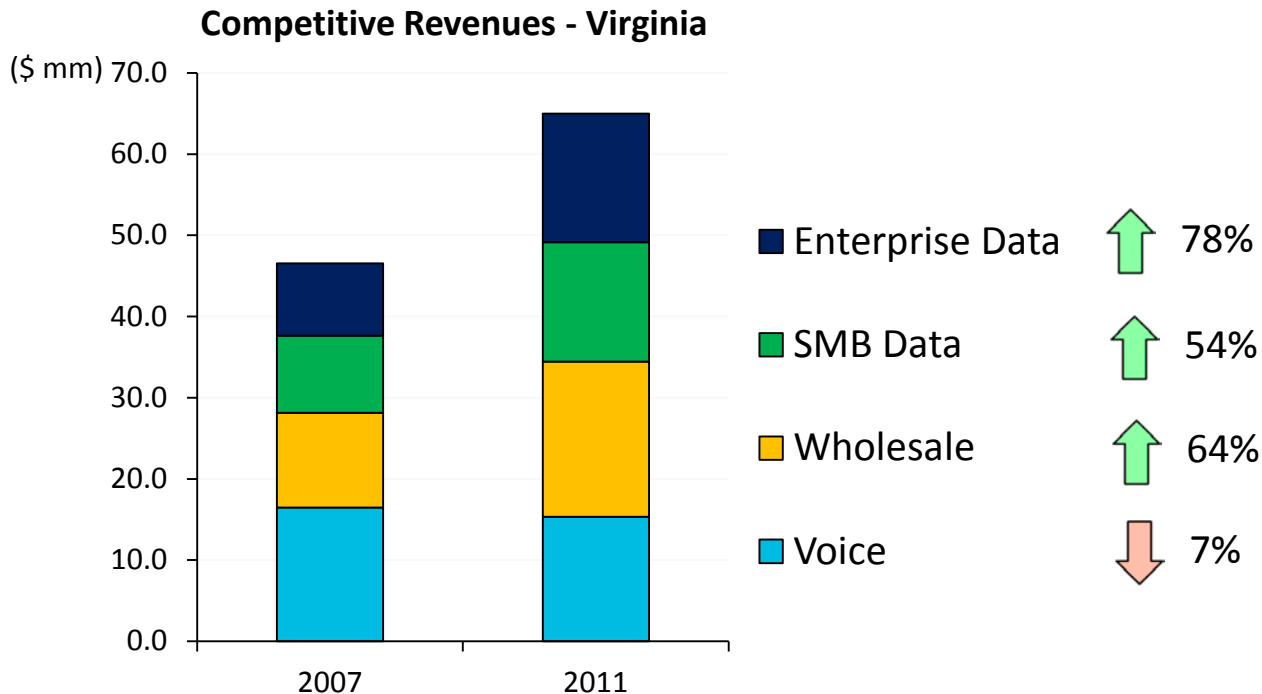
*Data focus drives growth in the Competitive segment: 16% year over year data revenue growth²
RLEC access revenues impacted by Regulatory Reform and continued network grooming by carriers*

(1) Reported results; not pro forma for acquisitions.

(2) Includes enterprise, wholesale and SMB/residential data; 1Q 2012 up 16% over 1Q 2011.

Early stages of revenue growth potential from acquisitions

- Addressable market significantly increased
- Recent network investments made to generate increasing returns in 2012 and beyond
- IP voice products were launched into 30 new markets in 2011, an increase of 79% for the year; two additional IP voice markets added YTD 2012
- Metro Ethernet fiber ring reach now in 29 new markets; two additional to be added in the second half of 2012
- As markets mature, revenues grow with increased penetration and data demand





Capitalization

	As of March 31, 2012
<i>(\$mm)</i>	
Cash and cash equivalents	\$0.0
Restricted cash	7.2
	<u>\$7.2</u>
Revolver (\$60 million total)	\$ 6.1
Term Loan A	110.0
Term Loan B	199.0
	<u>315.1</u>
Capital leases	1.9
Total Debt	<u><u>\$317.0</u></u>
Total Debt / LTM Adjusted EBITDA	3.4x
Net Debt / LTM Adjusted EBITDA	3.4x

Available capital to support growth initiatives

Business Outlook

(Dollars in millions)

	2011 Actual	2012 Guidance Range	
		Low	High
Revenue			
Competitive <i>% of total revenue</i>	\$155 75%	\$159 80%	\$164 80%
RLEC <i>% of total revenue</i>	\$52 25%	\$41 21%	\$41 20%
Total Revenue	\$207	\$200	\$205
Adjusted EBITDA <i>% of total revenue</i>	\$97 47%	\$85 43%	\$90 44%
Capital Expenditures <i>% of total revenue</i>	\$62 30%	\$52 26%	\$60 29%
Free Cash Flow <i>(adjusted EBITDA less Capex)</i> <i>% of total revenue</i>	\$35 17%	\$33 17%	\$30 15%
Cash Interest <i>% of total revenue</i>	\$2 1%	\$13 7%	\$13 6%
Cash Taxes <i>% of total revenue</i>	\$1 -	\$1 1%	\$1 0%
Dividends <i>% of total revenue</i>	\$0 -	\$12 6%	\$12 6%
Debt Repayment <i>% of total revenue</i>	\$1 -	\$2 1%	\$2 1%
Other Increase (Decrease) <i>% of total revenue</i>	\$1 -	\$3 2%	\$3 1%
Net Cash <i>(before working capital)</i>	\$33	\$8	\$5

Cash needs funded from operations

Key Success Factors

Leveraging Network Infrastructure

- 5,800 route-mile state-of-the-art fiber optic network
- Unique regional footprint with attractive enterprise and wholesale markets
- Position in multiple key vertical markets

Focus on Revenue Growth: Data Opportunity

- Continue innovative leadership position
- Expand product offerings
- Leverage up-sell opportunity of existing accounts

Solid Execution

- Sales force expansion and productivity
- Installation streamlining and productivity
- Automated customer interfaces

Financial Performance

- Adjusted EBITDA generation
- Capital expenditure efficiency
- Cash flow from operations
- Return to shareholders

Appendix

Adjusted EBITDA Reconciliation

	Year Ended				
	2007	2008	2009	2010	2011
Operating Income (Loss)	\$36	\$39	\$41	\$41	(\$36)
Depreciation and Amortization	27	27	29	31	43
Equity Based Compensation	1	1	-	2	2
Asset Impairment Charge	-	-	-	-	86
Business Separation Charges	-	-	-	-	2
Acquisition Related Charges	-	-	-	3	-
Voluntary Retirement and Workforce Reduction Plans	-	1	-	-	-
Adjusted EBITDA	\$64	\$68	\$70	\$77	\$97

	Three Months Ended							
	6/30/2010	9/30/2010	12/31/2010	3/31/2011	6/30/2011	9/30/2011	12/31/2011	3/31/2012
Operating Income (Loss)	\$10	\$11	\$9	\$12	\$13	\$13	(\$75)	\$12
Depreciation and Amortization	8	7	9	11	11	11	10	9
Equity Based Compensation	-	-	1	1	1	1	-	1
Asset Impairment Charge	-	-	-	-	-	-	86	-
Business Separation Charges	-	-	-	-	-	-	2	-
Acquisition Related Charges	-	1	2	-	-	-	-	-
Adjusted EBITDA	\$18	\$19	\$21	\$24	\$25	\$25	\$23	\$22

2012 Financial Guidance ¹ (as of May 3, 2012)

Business Outlook ¹	Second Quarter 2012		2012 Annual	
Operating Revenues	\$ 50	to \$ 51	\$ 200	to \$ 205
Adjusted EBITDA	\$ 21	to \$ 22	\$ 85	to \$ 90
Capital Expenditures			\$ 52	to \$ 60
Reconciliation of Operating Income to Adjusted EBITDA				
Operating Income	\$ 9	to \$ 10	\$ 42	to \$ 44
Depreciation and amortization		9	38	to 40
Equity based compensation charges		3	5	to 6
Adjusted EBITDA	\$ 21	to \$ 22	\$ 85	to \$ 90

Projected Cash Flows for the Year 2012 ¹

Adjusted EBITDA ²	\$ 88
Less: Capital expenditures ²	(56)
	32
Less: Cash interest, net of interest income	(13)
Cash taxes	(1)
Cash flows, net, before dividends and debt payments	18
Less: Cash dividends: \$0.14 per share per quarter ³	(12)
Scheduled 2012 debt payments	(2)
Plus: Other, net ⁴	3
Projected Cash Flows, net ⁵	\$ 7

- (1) These estimates are based on management's current expectations. These estimates are forward-looking and actual results may differ materially. Please see "Special Note from the Company Regarding Forward-Looking Statements" in the Lumos Networks Corp. first quarter 2012 earnings release dated May 3, 2012.
- (2) Based on the mid-points of the above guidance ranges.
- (3) Represents the most recent cash dividend paid, annualized. Dividend payments are reviewed quarterly by the board of directors and are subject to change.
- (4) Includes cash reimbursements received from Federal stimulus awards, which provide 50% funding to bring broadband services and infrastructure to Alleghany County, Virginia partially offset by one-time severance benefits which were provided for in the employment agreement of an executive officer.
- (5) Before discretionary payments to the credit facility Revolver loan and changes to working capital.