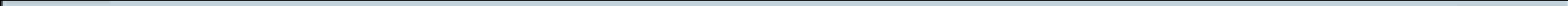




We know your
network.

But we also know
your name.

***Supplemental Earnings Information
Fourth Quarter 2009***



Supplemental Notes

Forward Looking Statements Caution

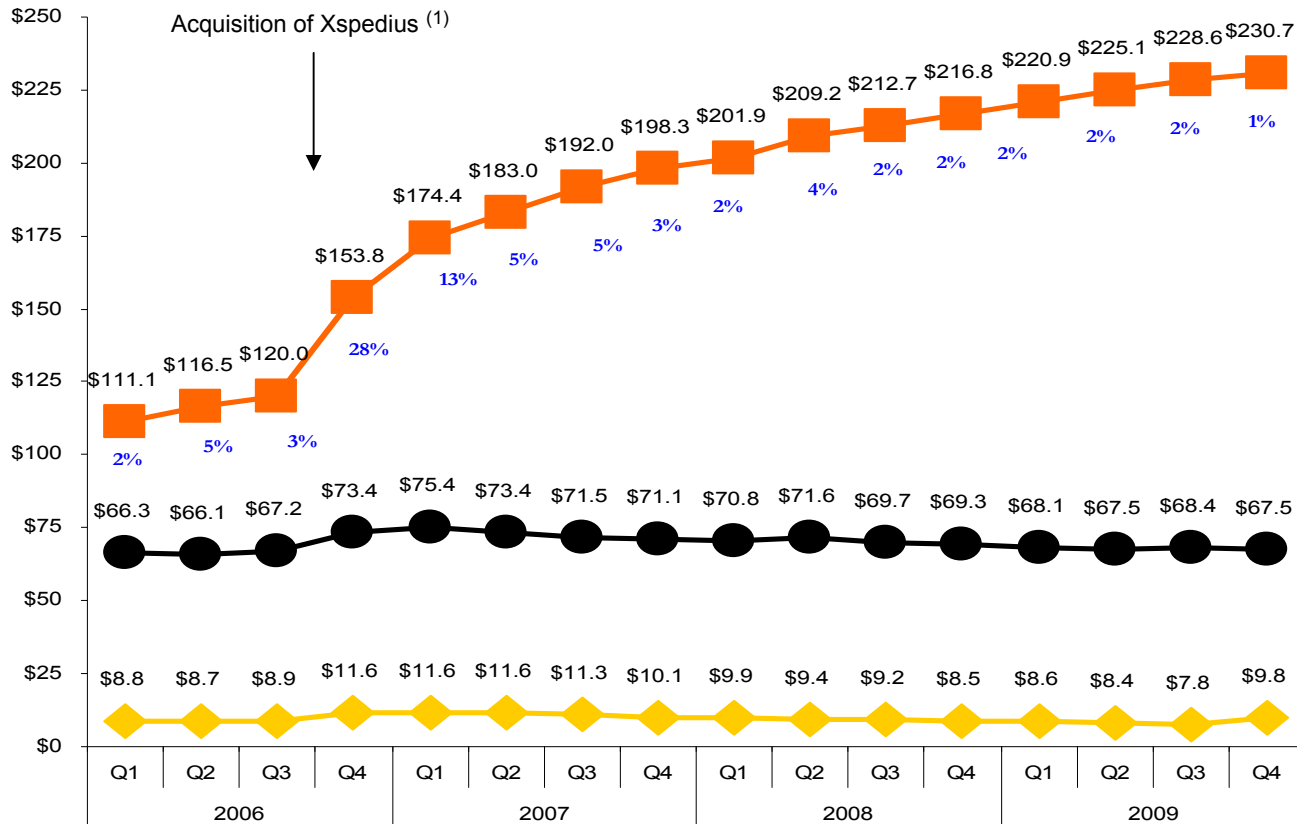
- *The Company's fourth quarter 2009 press release and conference call contains certain "forward-looking statements," within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding, among other items, revenue trends, margin trends, timing of sales and installations, business fluctuations, disputes, repricing for contract renewals, revenue and customer churn, expected cost synergies, cost trends, growth plans, expected customer disconnects, growth or stability of revenue from particular customer segments, future demand, industry trends, future products and services, expected revenue mix, growth prospects, seasonality, first quarter 2010 results and costs, expected cash flow, and expected capital expenditures. These forward-looking statements are based on management's current expectations and are naturally subject to risks, uncertainties, and changes in circumstances, certain of which are beyond our control. Actual results may differ materially from those expressed or implied by such forward-looking statements.*
- *Although we believe that the expectations reflected in such forward-looking statements are reasonable, we can give no assurance that those expectations will prove to be correct.*
- *Important factors that could cause actual results to differ materially from the expectations described in this report are set forth under "Risk Factors" in Item 1A and elsewhere in our Annual Report on Form 10-K for the year ended December 31, 2008 and in our Quarterly Reports on Form 10-Q filed subsequent to the Annual Report. In addition, actual results may differ from our expectations due to increased customer churn, consolidation in the telecommunications industry impacting our customers, inability to obtain rights to build networks into commercial buildings, delays in launching new services, decreased demand for our existing services, further economic downturn, further declines in the prices of our services due to competitive pressures and adverse regulatory rulings with respect to switched access services or other matters or legislative developments. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of their dates. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.*

Strong Revenue Growth

Enterprise Growth

- Strong long-term trends
- Continued success on much larger base
- Quarterly fluctuations due to timing of installs, seasonality and usage

\$ Millions



Consolidated Enterprise Revenue

- 75% of total revenue
- Highly diversified
- Sticky revenue

Carrier Revenue

- 22% of total revenue

Intercarrier Compensation

- 3% of total revenue

(1) The Company completed its acquisition of Xspedius Communications, LLC ("Xspedius") on October 31, 2006.

The Strength of the TWTC Model

◆ *Highly diversified revenue base for Quarter* ⁽¹⁾

- 75% enterprise revenue mix
- Largest enterprise customer ~ 2% of total
- Largest Enterprise Vertical < 10% of total
- Nearly two-thirds of revenue fully on our network
- Nearly two-thirds of revenue on 3 year or greater contracts

◆ *Solid margin expansion – year over year*

- 160 basis point expansion in M-EBITDA margin ⁽²⁾ ⁽³⁾

◆ *Strong liquidity & Levered Free Cash Flow* ⁽³⁾

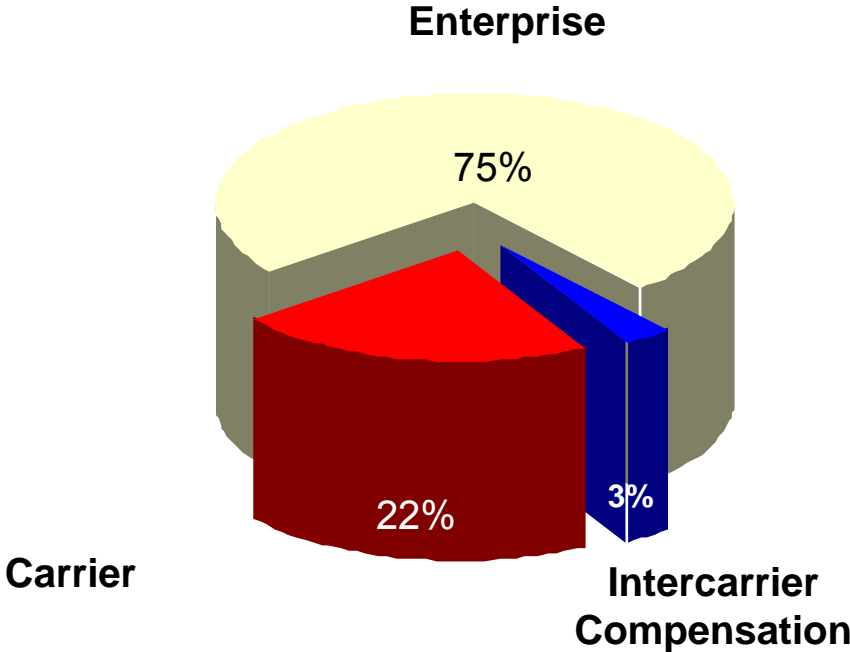
- \$471 million in cash, cash equivalents & short-term investments – as of 12/31/09
- 8% Levered Free Cash Flow to Revenue ratio ⁽¹⁾
- No significant debt maturities until 2013

(1) For the quarter ended December 31, 2009

(2) For the quarter ended December 31, 2009 compared to 2008

(3) Reconciliation to GAAP measures, are part of the presentation of the supplemental earnings information on the Company's website at www.twtelecom.com.

Customer & Revenue Mix



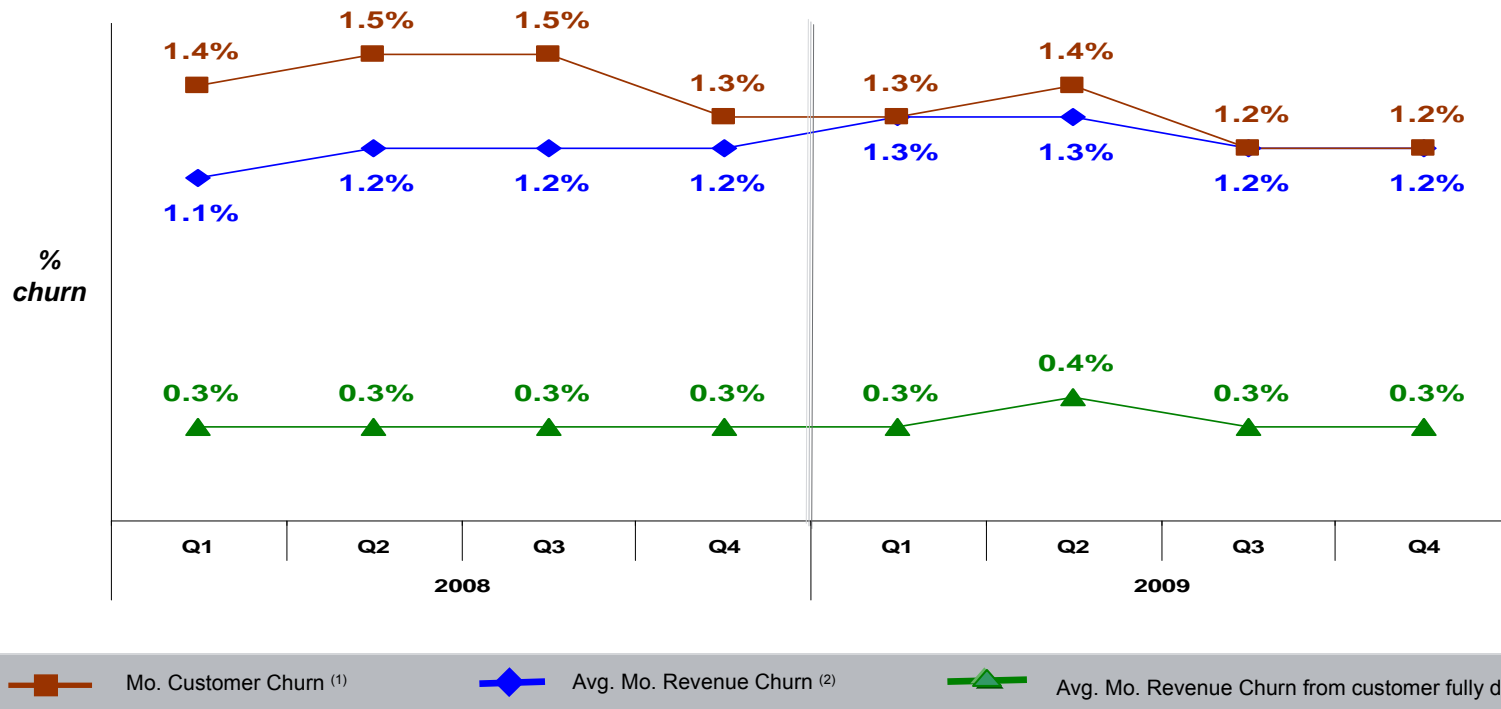
Revenue Mix (1)

	2 years ago	1 year ago	<i>Today</i>
Enterprise	71%	74%	75%
Carrier	25%	23%	22%
Intercarrier Compensation	4%	3%	3%
	<u>100%</u>	<u>100%</u>	<u>100%</u>

(1) Revenue for the three months ended December 31, 2009, 2008 and 2007.

Churn Trends

- Total revenue churn reflects impacts of economy & customers grooming their networks
- For customers fully disconnecting service, revenue churn has remained low reflecting a strong customer base



(1) Customer churn reflects average monthly customer turnover compared to the average monthly customer count.

(2) Revenue churn reflects average lost recurring monthly billing from customer's partial or complete disconnection of services (excluding repricing & usage) compared to reported revenue for quarter.

(3) Revenue churn for customers fully disconnecting reflects average lost recurring monthly billing from customer's complete disconnection of services compared to reported revenue for the quarter.

Strong Liquidity

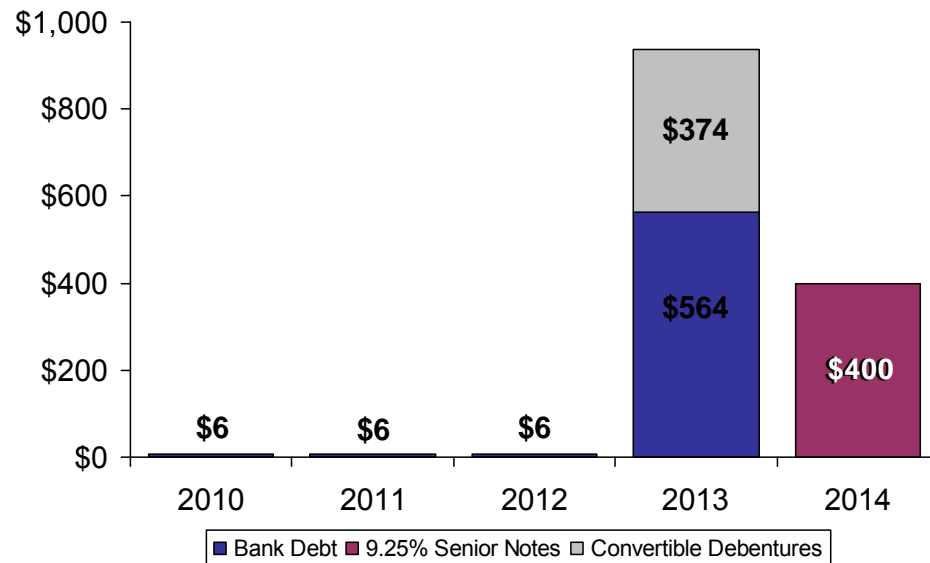
As of December 31, 2009

- No Near Term Major Debt Maturities
- Weighted Cost of Debt is 4.6% ⁽¹⁾
(excludes non-cash interest)
- No Financial Maintenance Covenants ⁽²⁾
- Key debt metrics ⁽¹⁾
Net Debt/M-EBITDA: Approx. 2x
Interest Coverage: Over 7x
- \$471 million cash, equivalents & short-term investments
- Unused \$80 million revolver

Financial Flexibility

\$ in Millions

TWTC Debt Maturities ⁽³⁾



⁽¹⁾ Excludes all non-cash interest expense. Annualized amount based on the quarter ended December 31, 2009. Refer to page 15 for reconciliation of Net Debt and Interest Coverage ratios.

⁽²⁾ The Company has no financial maintenance covenants as of December 31, 2009. There are financial maintenance covenants in the Company's undrawn revolver which would only apply if drawn.

⁽³⁾ See the Company's SEC filings for a full description of the debt instruments

Scaling & Growing Cash Flow

Cash Flow Return increased in 2009
driven by revenue growth & operational efficiencies

Markets ranked based on 2007 Modified EBITDA margin performance

Ranking by Modified EBITDA margin	Market Mix (3)	2008				2009			
		Revenue	Modified EBITDA	Modified EBITDA Margin (1)	Cash Flow Return (2)	Revenue	Modified EBITDA	Modified EBITDA Margin (1)	Cash Flow Return (2)
Top 25 markets	<i>Primarily Core</i>	\$680	\$395	58%	36%	\$702	\$415	59%	38%
Middle 25 markets	<i>Mix of Core & Acquired</i>	\$343	\$141	41%	13%	\$357	\$154	43%	13%
Bottom 25 markets	<i>Primarily Acquired</i>	\$136	\$33	24%	(3%)	\$152	\$44	29%	0%
Corporate & Central Operations		-	(\$170)	-	-	-	(\$176)	-	-
TOTAL		\$1,159	\$399	34%	7%	\$1,211	\$437	36%	9%

(1) Reconciliation to GAAP measures are part of the presentation of the supplemental earnings information on the Company's website at www.twtelecom.com.

(2) Cash flow return is defined as Unlevered Free Cash Flow (M-EBITDA less cap-ex) divided by Invested Capital (net property, plant & equipment, intangible assets & goodwill).

Market-level results are prior to corporate costs and centralized operations and other corporate allocations.

(3) Market level mix refers to acquired markets from the acquisition of Xspedius Communications, LLC on 10/31/06, vs. the core, or pre-acquisition markets.

Investment = Long Term Cash Flow

Market Level Results; for year-end
12/31/09, 12/31/08 and 12/31/07 (1)

“Top 25 market”

“Bottom 25 market”

“Bottom 25 market”

Austin

Denver

Las Vegas

2007 2008 2009 2007 2008 2009 2007 2008 2009

◆ M-EBITDA Margin	58%	59%	62%	21%	29%	36%	15%	20%	22%
◆ Capex / Revenue	13%	14%	11%	35%	27%	34%	22%	36%	42%
◆ UFCF / Invested Capital (2)	50%	53%	65%	(7%)	1%	2%	(2%)	(5%)	(7%)
◆ Fiber Route Miles	~ 850	~ 870	~ 930	~ 140	~ 190	~ 190	~ 80	~ 90	~ 100
◆ Buildings On Net	322	350	372	66	82	89	21	37	62
◆ Market Opportunity (3)	~ 20,000 businesses			~ 17,000 businesses			~ 19,000 businesses		

Scaling the Business

- ◆ Launched in 1994
- ◆ Includes Xspedius market from acquisition 11/06
- ◆ Consistent investment over life of market
- ◆ Significant cash flow and Capital efficient

- ◆ Greenfield market in '01
- ◆ Market temporarily put on hold then restarted
- ◆ Generating cash
- ◆ Developing market

- ◆ Xspedius acquisition in '06
- ◆ Beginning stages of capital investment
- ◆ Not yet generating cash
- ◆ Developing market

(1) Market-level results are prior to corporate costs and centralized operations and other corporate allocations

(2) Unlevered Free Cash Flow (“UFCF”) is defined as M-EBITDA less Capex divided by Invested Capital (net property, plant & equipment, intangible assets & goodwill)

(3) “Target” businesses within a mile of TWTC’s fiber

Capital Investments

\$ Millions

	<u>Full Year 2007</u>	<u>Full Year 2008</u>	<u>Full Year 2009</u>
Cap-Ex Excluding Integration & Branding			
<u>Short-to-Medium Term Success Based</u>	\$203	\$223	\$224
<i>(e.g. Building entry, fiber, central office augmentation)</i>			
<i>% of Capex, excluding integration & branding</i>	88%	84%	82%
<u>Longer-term Strategic</u>			
• Product investment, life-cycle & Strategic market expansions	6	20	26
• IT/Corporate investment/Other	<u>21</u>	<u>23</u>	<u>25</u>
Sub-total	<u>\$230</u>	<u>\$266</u>	<u>\$275</u>
Integration & Branding Capital Expenditures	<u>\$30</u>	<u>\$11</u>	<u>-</u>

TWTC expects to spend between \$275 - \$300 million for capital expenditures in 2010.

Modified EBITDA Reconciliation

\$ in millions	2007	2008					2009				
	Full Year	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q3	Q4	Full Year
Net Income (Loss)	\$(54.8)	\$(4.7)	\$(3.2)	\$(.1)	\$0.9	\$(7.3)	\$2.9	\$5.9	\$7.7	\$11.1	\$27.6
Income tax expense (benefit)	1.0	0.3	0.4	0.9	0.7	2.3	0.7	1.0	0.4	0.6	2.7
Other Gain/Loss	3.0	-	4.1	3.7	-	7.8	-	-	-	-	-
Interest expense, net (including non-cash interest expense) (2)	88.3	21.8	21.3	21.2	22.7	87.0	21.3	21.0	20.6	20.7	83.6
Non-cash stock-based compensation expense	22.0	6.1	5.3	5.4	6.4	23.4	6.3	6.6	6.4	7.2	26.6
Depreciation, amortization and accretion	279.5	69.9	70.9	71.5	73.5	285.8	73.2	74.4	74.3	74.3	296.2
Modified EBITDA ⁽¹⁾	<u>\$339.0</u>	<u>\$93.4</u>	<u>\$98.8</u>	<u>\$102.6</u>	<u>\$104.2</u>	<u>\$399.0</u>	<u>\$104.4</u>	<u>\$108.9</u>	<u>\$109.4</u>	<u>\$113.9</u>	<u>\$436.7</u>

(1) Please see the earnings press release at www.twtelecom.com for further details on financial measures.

(2) Includes non cash interest expense and deferred debt costs which include impacts of adopting ASC 470-20 (formerly referred to as FSP APB 14-1) for convertible debt.

Free Cash Flow Reconciliation

\$ in millions	2007	2008				2009					
	Full Year	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q3	Q4	Full Year
Reconciliation from Modified EBITDA:											
Modified EBITDA ⁽¹⁾	\$339.0	\$93.4	\$98.8	\$102.6	\$104.2	\$399.0	\$104.4	\$108.9	\$109.4	\$113.9	\$436.7
Less Capital Expenditures	(259.5)	(59.6)	(68.4)	(75.9)	(72.9)	(276.9)	(73.4)	(69.2)	(59.9)	(72.3)	(274.9)
Unlevered Free Cash Flow	79.5	33.7	30.4	26.7	31.3	122.1	31.0	39.7	49.5	41.5	161.8
Less Net Interest Costs ⁽²⁾	71.5	17.4	16.8	16.7	18.1	69.0	16.5	16.1	15.7	15.8	64.2
Levered Free Cash Flow ⁽²⁾	<u>\$7.9</u>	<u>\$16.3</u>	<u>\$13.6</u>	<u>\$10.0</u>	<u>\$13.3</u>	<u>\$53.2</u>	<u>\$14.5</u>	<u>\$23.6</u>	<u>\$33.8</u>	<u>\$25.7</u>	<u>\$97.5</u>
Reconciliation to Cash Flow from Operating Activities:											
Levered Free Cash Flow	\$7.9	\$16.3	\$13.6	\$10.0	\$13.3	\$53.2	\$14.5	\$23.6	\$33.8	\$25.7	\$97.5
Capital Expenditures	259.5	59.6	68.4	75.9	72.9	276.9	73.4	69.2	59.9	72.3	274.9
Income tax (expense) benefit	(1.0)	(0.3)	(0.4)	(0.9)	(0.7)	(2.3)	(0.7)	(1.0)	(0.4)	(0.6)	(2.7)
Changes in operating assets and liabilities	(2.3)	(16.7)	(9.9)	(6.7)	9.6	(23.7)	(23.8)	14.8	14.5	14.8	20.2
Other	0.1	-	0.1	1.1	0.4	1.4	0.4	-	-	0.1	0.6
Net cash provided by operating activities	<u>\$264.2</u>	<u>\$58.9</u>	<u>\$71.8</u>	<u>\$79.4</u>	<u>\$95.5</u>	<u>\$305.5</u>	<u>\$63.8</u>	<u>\$106.6</u>	<u>\$107.8</u>	<u>\$112.3</u>	<u>\$390.5</u>

(1) Please see the earnings press release at www.twtelecom.com for further detail on financial measures.

(2) Excludes non-cash interest expense & deferred debt costs and debt extinguishment costs.

(3) Modified EBITDA, as a measure of liquidity, is also reconciled to Net Cash provided by (used in) operating activities in the Company's Quarterly Report on Form 10-Q with the SEC and posted on the Company's website.

ASC 470-20 – Income Statement & Cash Flow Impact

\$ in millions

	<u>Q408</u>	<u>Full Year 2008</u>
Reconciliation of Interest Expense as previously reported to as currently reported		
<u>Interest Expense as previously reported:</u>		
Interest Expense	\$18.7	\$75.3
Non-cash interest expense	<u>0.6</u>	<u>2.2</u>
Total interest expense as previously reported	19.2	77.5
<u>Non-cash interest expense, incremental-convertible debt (1):</u>		
Discount amortization	3.9	15.3
Deferred debt issue costs	<u>0.1</u>	<u>0.5</u>
Total non-cash interest expense, incremental-convertible debt	4.1	15.8
<u>Interest expense</u>		
Interest expense	18.7	75.3
Non-cash interest expense	<u>4.6</u>	<u>18.0</u>
Total, as currently reported	<u>\$23.3</u>	<u>\$93.3</u>
Reconciliation of Levered Free Cash Flow as previously reported to as currently reported		
Unlevered Free Cash Flow	\$31.3	\$122.1
Interest expense	(18.7)	(75.3)
Non-cash interest expense	(0.6)	(2.2)
Interest income	<u>0.6</u>	<u>6.3</u>
Levered Free Cash Flow, as previously reported	12.7	50.9
Add: Reclassification of deferred debt issue costs (2)	<u>0.6</u>	<u>2.2</u>
Levered Free Cash Flow, as currently reported (2)	<u>\$13.3</u>	<u>\$53.2</u>

- (1) Effective 1/1/09, the Company adopted ASC 470-20 (formerly referred to as FSP APB 14-1), which requires retrospective application. For further details see the Company's SEC filings.
(2) In conjunction with the adoption of ASC 470-20 (formerly referred to as FSP APB 14-1), the Company now excludes all non-cash interest expense in its calculation of levered free cash flow.

ASC 470-20 – Balance Sheet Impact

\$ in millions

**December 31,
2008**

Reconciliation of Retrospective Application to Balance Sheet for ASC 470-20

Other Assets, as previously reported	\$524.7
Application of ASC 470-20	(5.1)
Other Assets, as currently reported	<u>\$519.6</u>
Long-term debt and capital lease obligations, as previously reported	\$1,365.6
Application of ASC 470-20	(81.4)
Long-term debt and capital lease obligations as currently reported	<u>\$1,284.2</u>
Stockholder' Equity, as previously reported	\$596.9
Application of ASC 470-20	76.3
Stockholders' Equity, as currently reported	<u>\$673.2</u>

(1) Effective 1/1/09, the Company adopted ASC 470-20 (formerly referred to as FSP APB 14-1) which requires retrospective application. For further details see the Company's SEC filings.

Net Debt & Interest Coverage Reconciliation

	<u>Q4 2009</u>
<i>\$ in millions</i>	
<u>Net Debt</u>	
Current portion of debt and capital lease obligations	\$7.6
Long Term Debt & Capital Lease Obligations	1,300.4
Unamortized discount	64.8
Total Debt	<u>1,372.8</u>
Less: Cash, cash equivalents and short term investments	<u>(470.8)</u>
Net Debt	<u><u>\$902.0</u></u>
 <u>Net Debt to Annualized Modified EBITDA</u>	
Net Debt	\$902.0
Modified EBITDA	113.9
Annualized Modified EBITDA	<u>455.6</u>
Net Debt to Annualized Modified EBITDA ratio	<u><u>1.98</u></u>
 <u>Annualized Modified EBITDA to Adjusted Annualized Net Interest Expense</u>	
Annualized Modified EBITDA	\$455.6
Net Interest Expense & Interest Income	20.7
Less: Non-cash interest expense	<u>(4.9)</u>
Adjusted Net Interest	15.8
Adjusted Annualized Net Interest	<u>63.2</u>
Annualized Modified EBITDA to Adjusted Annualized Net Interest Expense	<u><u>7.21</u></u>