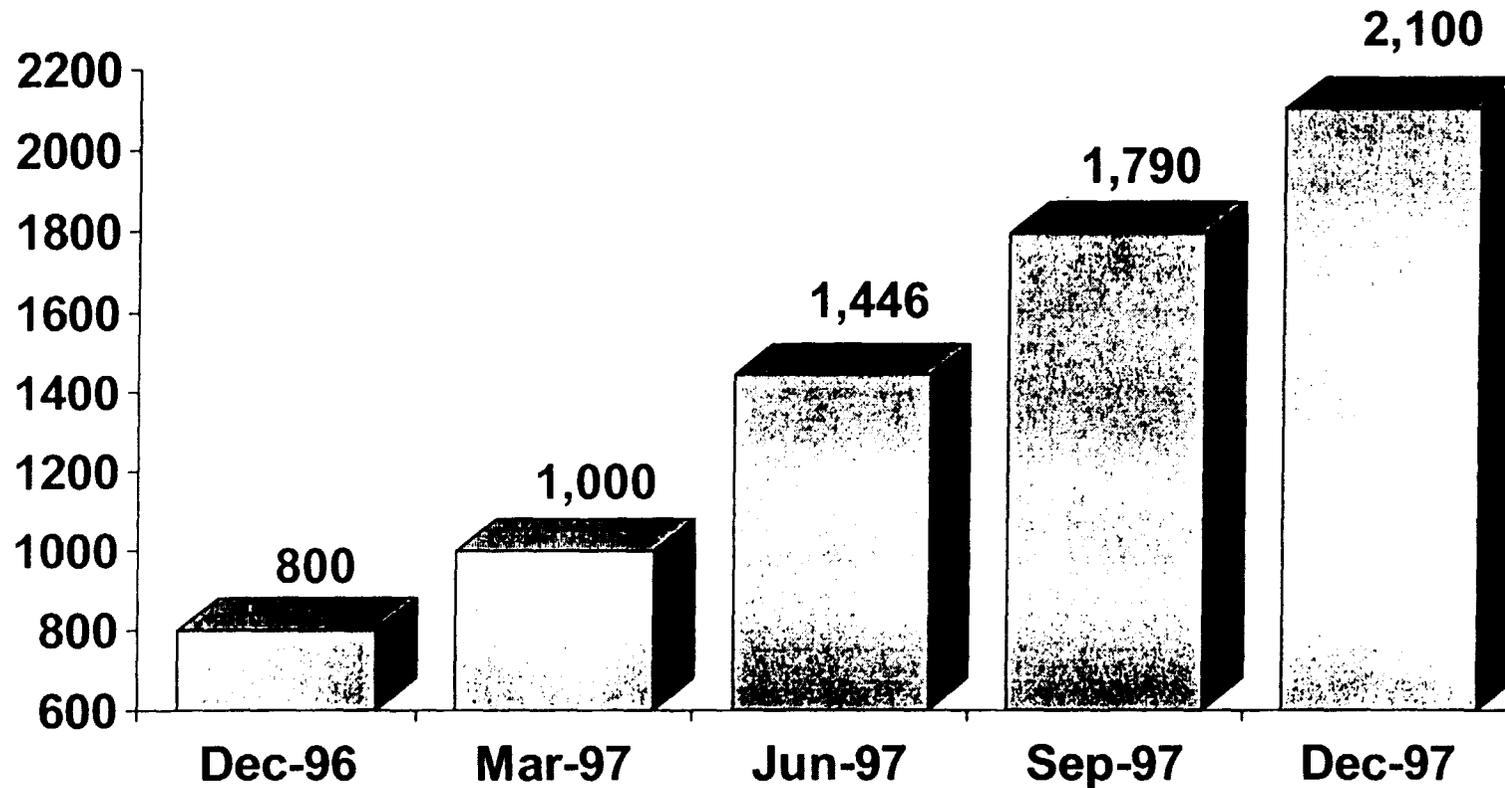


Important Measurements of Progress

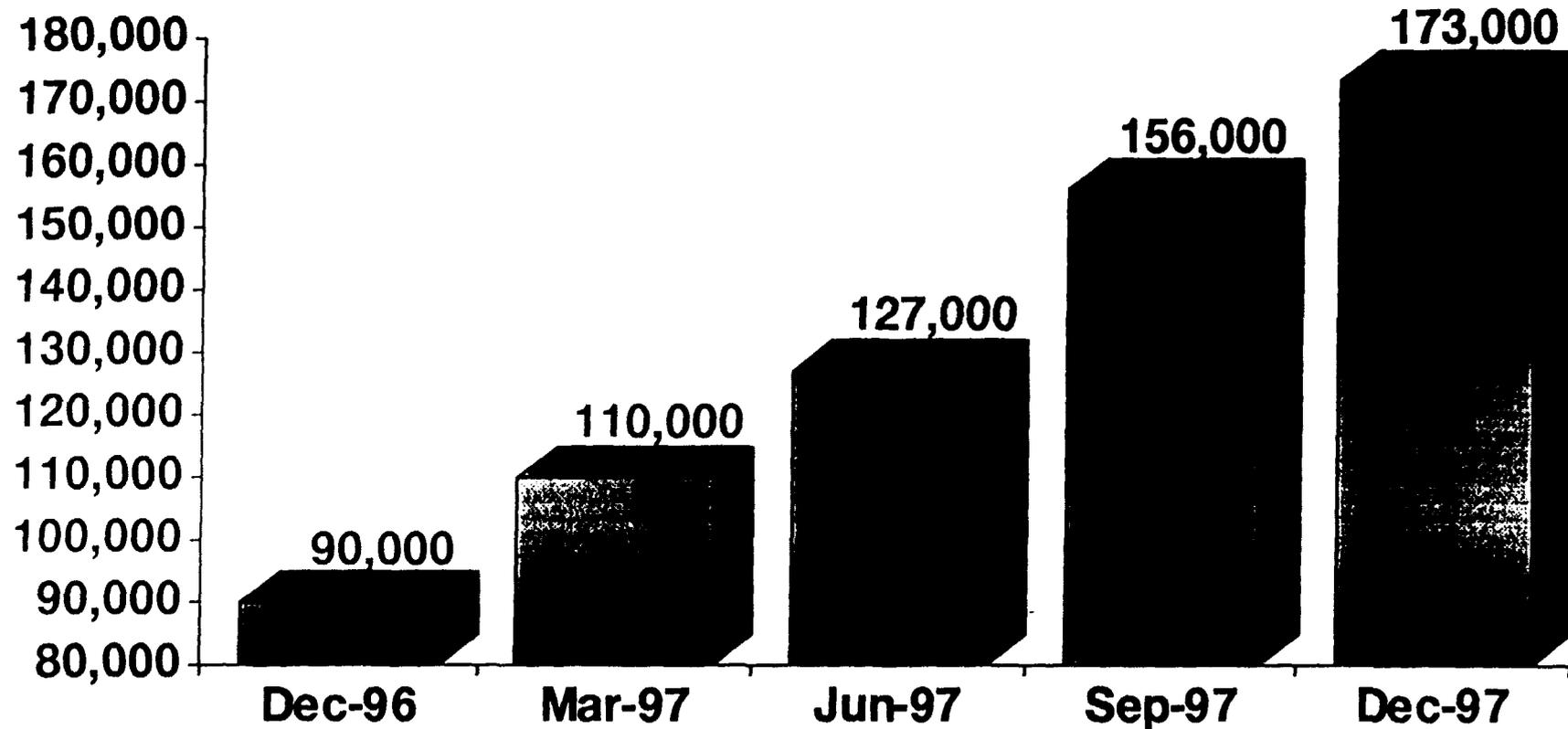
Roof Rights



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Important Measurements of Progress

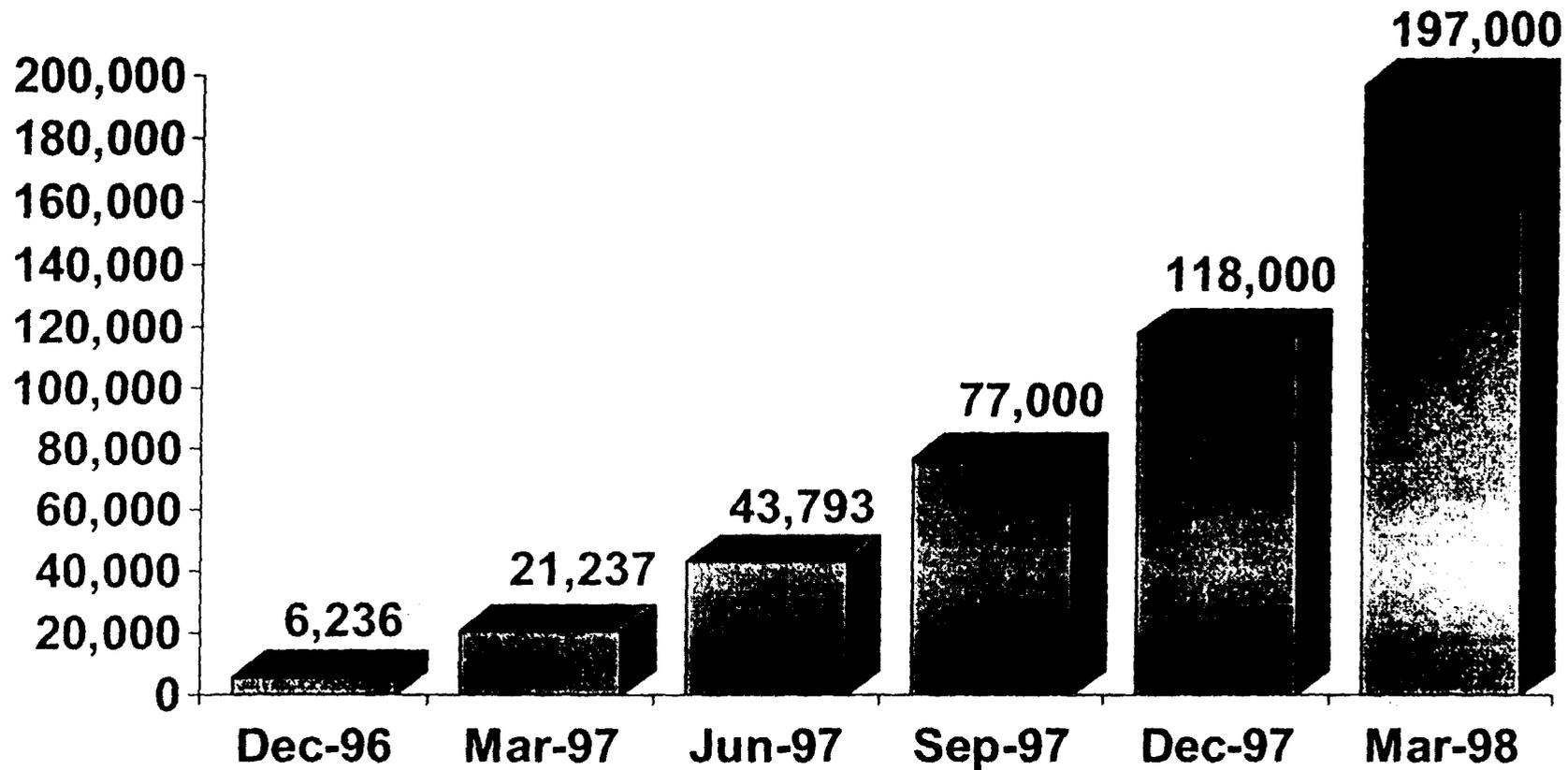
Voice grade equivalent circuits (VGEs)



WINSTAR

Important Measurements of Progress

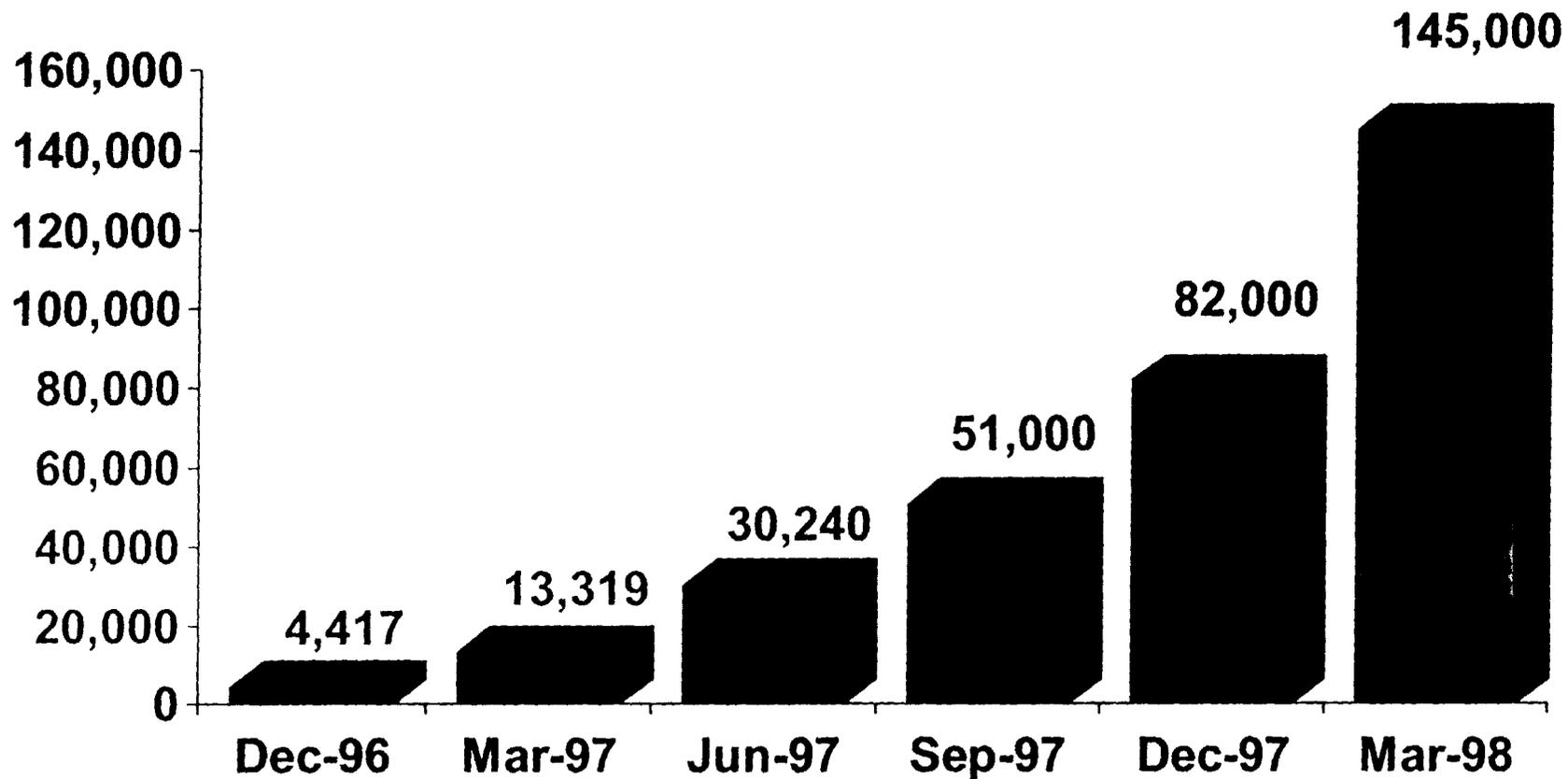
Cumulative lines ordered



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Important Measurements of Progress

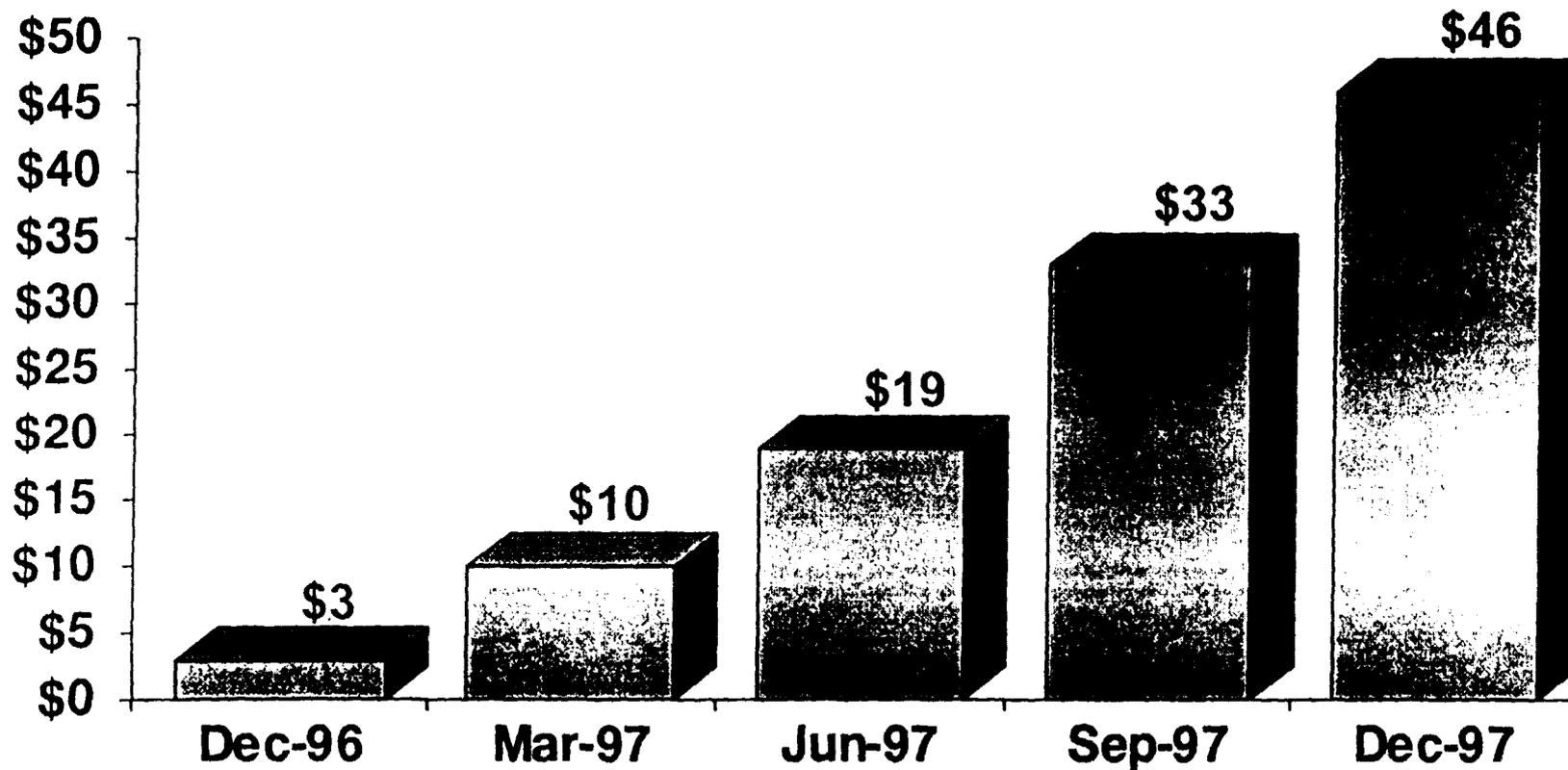
Cumulative lines installed



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Important Measurements of Progress

Annualized CLEC revs (\$ mil)



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Financial Summary

- **Annualized 1997 year-end revenues exceeded \$150 million**
- **Funds available approximate \$800 million**
- **Cap. Ex. planned at \$600 million 1998-1999**
- **EBITDA loss inflection point 4Q97**

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Outlook

- **Continued strong growth in:**
 - **Roof rights**
 - **VGE's**
 - **Line orders**
 - **Line installations**
 - **CLEC revenues**
- **Increasing percentage of "on-net" traffic**
- **Improving margin for local and L.D. revenues**
- **Growth in high-margin, value-added information and data services**
- **Commercial deployment of multipoint network 1998 second half**
- **Gradual decline in quarterly EBITDA loss**

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