

FRONTIER COMMUNICATIONS CORP

Form 424B5

September 25, 2012

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Filed Pursuant to Rule 424(b)(5)

File No. 333-181299

CALCULATION OF REGISTRATION FEE

Title of each class of securities offered	Maximum Aggregate Offering Price	Amount of Registration Fee(1)
7.125% Senior Notes due 2023	\$260,625,000	\$29,868

(1) Calculated in accordance with Rule 457(r)

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PROSPECTUS SUPPLEMENT TO PROSPECTUS DATED MAY 10, 2012

\$250,000,000

Frontier Communications Corporation

7.125% Senior Notes due 2023

We are offering \$250,000,000 aggregate principal amount of our 7.125% Senior Notes due 2023. The notes we are offering are an additional issuance of and will be fully fungible and form a single series voting together as one class with the \$600,000,000 aggregate principal amount of our 7.125% Senior Notes due 2023 issued on August 15, 2012. The notes offered hereby will have the same CUSIP number assigned to our previously issued notes. We will pay interest on the notes semi-annually in arrears on January 15 and July 15 of each year, commencing on January 15, 2013. The notes will mature on January 15, 2023. Interest will accrue from August 15, 2012.

We may, at our option, redeem some or all of the notes at any time, by paying a make-whole premium, plus accrued and unpaid interest, if any, to the date of the redemption. Upon the occurrence of a change of control triggering event (as defined), we will be required to offer to repurchase the notes at 101% of the principal amount thereof, plus accrued and unpaid interest, if any, to the date of repurchase.

The notes will be our senior obligations. The notes will rank equally with all of our other unsecured senior indebtedness from time to time outstanding.

The notes are not and will not be listed on any exchange or quoted on any automated dealer quotation system. Currently, there is no public market for the notes.

Investing in the notes involves risks. See Supplemental Risk Factors beginning on page S-8 for a discussion of factors that you should consider carefully before investing in the notes.

	Price to Public(1)	Underwriting Discounts and Commissions	Proceeds to Frontier
Per Note	104.250%	1.750%	102.500%
Total	\$260,625,000	\$4,375,000	\$256,250,000

(1)

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Plus accrued interest from August 15, 2012, the date of the issuance of \$600,000,000 aggregate principal amount of 7.125% Senior Notes due 2023, to the date of issuance of the notes offered hereby.

Delivery of the notes offered hereby in book-entry form through The Depository Trust Company will be made on or about October 1, 2012.

Neither the U.S. Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.

Joint Book-Running Managers

Credit Suisse

J.P. Morgan

Co-Managers

Barclays

Citigroup

Deutsche Bank Securities

Morgan Stanley

RBS

Goldman, Sachs & Co.

Mitsubishi UFJ Securities

Raymond James

RBC Capital Markets

TD Securities

The date of this prospectus supplement is September 24, 2012.

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ABOUT THIS PROSPECTUS SUPPLEMENT

This document is in two parts. The first part is this prospectus supplement, which describes the specific terms of this offering and also adds to and updates information contained in the accompanying prospectus and the documents incorporated by reference into the prospectus. The second part, the accompanying prospectus, gives more general information, some of which does not apply to this offering.

If the description of this offering or the notes offered hereby varies between this prospectus supplement and the accompanying prospectus, you should rely on the information contained in or incorporated by reference into this prospectus supplement. You should also read and consider the additional information under the captions *Where You Can Find More Information* and *Incorporation by Reference* in this prospectus supplement and the accompanying prospectus.

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You should rely only on the information contained or incorporated by reference in this prospectus supplement, in the accompanying prospectus and in any free writing prospectus with respect to the offering filed by us with the Securities and Exchange Commission. We have not, and the underwriters have not, authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. You should assume that the information appearing in this prospectus supplement, the accompanying prospectus, any free writing prospectus with respect to the offering filed by us with the Securities and Exchange Commission and the documents incorporated by reference herein and therein is accurate only as of their respective dates. Our business, financial condition, results of operations and prospects may have changed since those dates.

The underwriters are offering to sell, and are seeking offers to buy, the notes offered hereby only in jurisdictions where offers and sales are permitted. The distribution of this prospectus supplement and the accompanying prospectus and the offering of the notes offered hereby in certain jurisdictions may be restricted by law. Persons outside the United States who come into possession of this prospectus supplement and the accompanying prospectus must inform themselves about and observe any restrictions relating to the offering of the notes offered hereby and the distribution of this prospectus supplement and the accompanying prospectus outside the United States. This prospectus supplement and the accompanying prospectus do not constitute, and may not be used in connection with, an offer to sell, or a solicitation of an offer to buy, any securities offered by this prospectus supplement and the accompanying prospectus by any person in any jurisdiction in which it is unlawful for such person to make such an offer or solicitation.

As used in this prospectus supplement and the accompanying prospectus, unless otherwise indicated or the context otherwise requires, references to we, us, our, Frontier and the Company refer to Frontier Communications Corporation and its subsidiaries. References to the Acquired Business refer to the defined assets and liabilities of the local exchange business and related landline activities of Verizon Communications Inc. (Verizon), which we acquired in connection with the Transaction (as defined below), in Arizona, Idaho, Illinois, Indiana, Michigan, Nevada, North Carolina, Ohio, Oregon, South Carolina, Washington, West Virginia and Wisconsin and in portions of California bordering Arizona, Nevada and Oregon, including Internet access and long distance services and broadband video provided to designated customers in such areas. References to the Transaction refer to our acquisition of the Acquired Business from Verizon, which closed on July 1, 2010.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus supplement and the accompanying prospectus, including the documents incorporated by reference herein and therein, contain forward-looking statements that are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied in the statements. Statements that are not historical facts are forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Words such as believe, anticipate, expect and similar expressions are intended to identify forward-looking statements. Forward-looking statements (including oral representations) are only predictions or statements of current plans, which we review continuously. Forward-looking statements may differ from actual future results due to, but not limited to, and our future results may be materially affected by, potential risks and uncertainties. You should understand that it is not possible to predict or identify all potential risks or uncertainties. We note the following as a partial list:

The risk that the growth opportunities from the Transaction may not be fully realized or may take longer to realize than expected;

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The effects of greater than anticipated competition requiring new pricing, marketing strategies or new product or service offerings and the risk that we will not respond on a timely or profitable basis;

Reductions in the number of our access lines that cannot be offset by increases in broadband subscribers and sales of other products and services;

The effects of competition from cable, wireless and other wireline carriers;

Our ability to maintain relationships with customers, employees or suppliers;

The effects of ongoing changes in the regulation of the communications industry as a result of federal and state legislation and regulation, or changes in the enforcement or interpretation of such legislation and regulation;

The effects of any unfavorable outcome with respect to any current or future legal, governmental or regulatory proceedings, audits or disputes;

The effects of changes in the availability of federal and state universal funding to us and our competitors;

Our ability to adjust successfully to changes in the communications industry and to implement strategies for growth;

Continued reductions in switched access revenues as a result of regulation, competition or technology substitutions;

Our ability to effectively manage service quality in our territories and meet mandated service quality metrics;

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 customers;

Changes in accounting policies or practices adopted voluntarily or as required by generally accepted accounting principles or regulations;

Our ability to effectively manage our operations, operating expenses and capital expenditures, and to repay, reduce or refinance our debt;

The effects of changes in both general and local economic conditions on the markets that we serve, which can affect demand for our products and services, customer purchasing decisions, collectability of revenues and required levels of capital expenditures related to new construction of residences and businesses;

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The effects of technological changes and competition on our capital expenditures and product and service offerings, including the lack of assurance that our network improvements will be sufficient to meet or exceed the capabilities and quality of competing networks;

The effects of increased medical, pension and postemployment expenses and related funding requirements;

Changes in income tax rates, tax laws, regulations or rulings, or federal or state tax assessments;

The effects of state regulatory cash management practices that could limit our ability to transfer cash among our subsidiaries or dividend funds up to the parent company;

Our ability to successfully renegotiate union contracts in 2012 and thereafter;

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Changes in pension plan assumptions and/or the value of our pension plan assets, which could require us to make increased contributions to the pension plan in 2013 and beyond;

The effects of customer bankruptcies and home foreclosures, which could result in difficulty in collection of revenues and loss of customers;

Adverse changes in the credit markets or in the ratings given to our debt securities by nationally accredited ratings organizations, which could limit or restrict the availability, or increase the cost, of financing;

Our ability to pay dividends on our common shares, which may be affected by our cash flow from operations, amount of capital expenditures, debt service requirements, cash paid for income taxes and liquidity; and

The effects of severe weather events such as hurricanes, tornadoes, ice storms or other natural or man-made disasters.

Any of the foregoing events, or other events, could cause financial information to vary from management's forward-looking statements included in this prospectus supplement and the accompanying prospectus. You should consider these important factors, as well as the risk factors set forth in this prospectus supplement and the accompanying prospectus and in our Annual Report on Form 10-K for the year ended December 31, 2011, and our Quarterly Report on Form 10-Q for the quarter ended March 31, 2012, each of which is incorporated by reference in this prospectus supplement and the accompanying prospectus, in evaluating any statement made in or incorporated by reference in this prospectus supplement and the accompanying prospectus. For the foregoing reasons, we caution you against relying on any forward-looking statements. We undertake no obligation to update or revise these forward-looking statements, except as required by law.

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SUMMARY

This summary highlights information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus.

Our Company

We are a communications company providing services predominantly to rural areas and small and medium-sized towns and cities in the U.S. We generated revenues of approximately \$5.2 billion for the fiscal year ended December 31, 2011 and approximately \$2.5 billion for the six months ended June 30, 2012. We operate in 27 states with approximately 5.1 million access lines, 1.8 million broadband subscribers and 0.6 million video subscribers as of June 30, 2012.

Incorporated in November 1935, we are the fourth largest incumbent local exchange carrier in the United States based on number of access lines. Our business is with both residential and business customers and we provide the last mile of telecommunications services to customers in these markets.

We offer a broad portfolio of high-quality communications services for residential and business customers in each of our markets. These include services traditionally associated with local telephone companies, as well as other services such as long distance, Internet access, broadband-enabled services and video services. We offer these services both á la carte and, increasingly, as bundled packages which are purposely designed to simplify customer purchasing decisions and to provide the customer with pricing discounts. We also offer incentives and promotions such as gifts to influence customers to purchase or retain certain services. We also enhance customer retention by offering one-, two- and three-year price protection plans under which customers commit to a term in exchange for predictable pricing or other incentives and promotions. We are staffed locally with skilled technicians and supervisory personnel, which enables us to efficiently and reliably provide an array of communications services to meet our customers' needs. Our call center operations and field technicians are staffed with 100% U.S.-based personnel.

Our mission is to be the leader in providing communications services to residential and business customers in our markets. We are committed to delivering innovative and reliable products and solutions with an emphasis on convenience, service and customer satisfaction. We believe that our local management structure, 100% U.S.-based customer service and innovative product positioning will continue to differentiate us from our competitors in the markets in which we compete.

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The Offering

The summary below describes the principal terms of the notes. Certain of the terms and conditions described below are subject to important limitations and exceptions. The sections entitled "Description of the Notes" in this prospectus supplement and "Description of Debt Securities" in the accompanying prospectus contain more detailed descriptions of the terms and conditions of the notes and the indenture governing the notes offered hereby. In this subsection, we, us and our refer only to Frontier Communications Corporation and not to any of our subsidiaries.

Issuer	Frontier Communications Corporation
Notes Offered	\$250 million aggregate principal amount of 7.125% Senior Notes due 2023. The notes we are offering are an additional issuance of and will be fully fungible and form a single series voting together as one class with the \$600 million of our 7.125% Senior Notes due 2023 issued on August 15, 2012.
Notes Outstanding After the Offering	\$850 million aggregate principal amount of 7.125% Senior Notes due 2023.
Maturity Date	January 15, 2023.
Interest	We will make interest payments on the notes semi-annually in arrears on January 15 and July 15 of each year, beginning on January 15, 2013. Interest will accrue from August 15, 2012.
Ranking	The notes will be our senior unsecured obligations and will rank: <ul style="list-style-type: none"> equal in right of payment to all of our existing and future senior unsecured indebtedness; effectively junior to all of our existing and future senior secured indebtedness (all of which is currently at our subsidiaries) to the extent of the assets securing such indebtedness; effectively junior to all existing and future indebtedness and other liabilities and commitments of our subsidiaries (including trade payables and capital lease obligations); and senior in right of payment to all of our existing and future subordinated indebtedness, if any.

As of June 30, 2012, we and our subsidiaries had approximately \$8.3 billion of indebtedness. On August 15, 2012, we issued \$600 million aggregate principal amount of

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notes would have ranked effectively junior to (i) approximately \$9.5 million of senior secured indebtedness to the extent of the assets securing such indebtedness (all of which was at our subsidiaries) and (ii) approximately \$1,058.6 million of liabilities of our subsidiaries, including approximately \$295.5 million of indebtedness (including the secured indebtedness) and \$57.1 million with respect to a sale and leaseback transaction accounted for as a secured financing obligation and excluding deferred income tax liabilities and intercompany liabilities.

The indenture governing the notes will not restrict the amount of debt we may incur, including senior debt, which will be pari passu with the notes, except that the indenture will limit, subject to important qualifications, the amount of debt our subsidiaries may incur. The notes will rank effectively junior to any existing and such additional subsidiary debt.

Optional Redemption

At any time, we may redeem some or all of the notes by paying a specified make-whole premium set forth under Description of the Notes Optional Redemption.

Covenants

We will issue the notes offered hereby under an indenture and supplemental indenture, as amended to provide for the issuance of the notes offered hereby, which we refer to collectively as the indenture, between us and The Bank of New York Mellon, as trustee. The indenture will include covenants that limit our ability and each of our subsidiaries ability to:

incur indebtedness at our subsidiaries;

create liens; and

merge or consolidate with other companies.

These covenants are subject to important exceptions and qualifications. In addition, we and each of our subsidiaries will not be subject to the covenant described under Description of the Notes Covenants Limitation on Subsidiary Indebtedness, including any limitation on indebtedness of subsidiaries, at any time after the notes achieve investment grade ratings by S&P and Moody's. See Description of the Notes Termination of Certain Covenants.

Change of Control

Following a change of control and ratings decline (as defined herein), we will be required to offer to purchase all of the notes at a purchase price equal to 101% of their respective principal amounts, plus accrued and unpaid interest, if any, to the date of purchase. See Description of

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the Notes Repurchase of Notes upon a Change of Control Triggering Event.

Absence of Established Market for the Notes

There is currently no established trading market for the notes, and we do not intend to apply for the notes to be listed on any securities exchange or to arrange for any quotation system to quote them. We cannot provide you with any assurances regarding your ability to sell the notes you purchase in this offering or the price at which you may be able to sell such notes. The underwriters have advised us that they are currently making a market in the notes. The underwriters are not obligated, however, to make a market in the notes and any such market-making may be discontinued by the underwriters in their discretion at any time without notice. Accordingly, there can be no assurance as to the development or liquidity of any market for the notes. See Underwriting.

Use of Proceeds

The net proceeds from the offering, after deducting underwriting discounts and commissions and before deducting estimated expenses, will be approximately \$256.3 million. We will use the net proceeds from the sale of the notes offered hereby to repurchase or retire our indebtedness or the indebtedness of our subsidiaries or for general corporate purposes. See Use of Proceeds.

Risk Factors

Your investment in the notes offered hereby will involve risks. You should consider carefully all of the information set forth in this prospectus supplement, the accompanying prospectus, any free writing prospectus with respect to this offering filed by us with the Securities and Exchange Commission and the documents incorporated by reference herein and, in particular, you should evaluate the risks in this prospectus supplement under Supplemental Risk Factors and in Item 1A. Risk Factors in our Annual Report on Form 10-K for the year ended December 31, 2011, and our Quarterly Report on Form 10-Q for the quarter ended March 31, 2012, each of which is incorporated by reference in this prospectus supplement and the accompanying prospectus, before deciding whether to purchase any notes in this offering.

Governing Law

The notes will be governed by the laws of the State of New York.

Trustee

The Bank of New York Mellon.

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The following tables present our summary historical consolidated financial and operating information for the periods indicated. The summary statements of operations information for the six months ended June 30, 2012 and 2011 and the selected balance sheet data as of June 30, 2012 have been derived from our unaudited interim consolidated financial statements incorporated by reference into this prospectus supplement and the accompanying prospectus. In the opinion of our management, all adjustments considered necessary for a fair presentation of the interim June 30, 2012 and 2011 financial information have been included. The summary historical consolidated financial information as of December 31, 2011 and 2010 and for each of the three fiscal years in the three-year period ended December 31, 2011 is derived from our audited historical consolidated financial statements incorporated by reference into this prospectus supplement and the accompanying prospectus. The summary historical consolidated financial information as of December 31, 2009 is derived from our audited historical consolidated financial statements not included or incorporated by reference into this prospectus supplement and the accompanying prospectus. The operating data below is unaudited for all periods. Our operating results for the six months ended June 30, 2012 are not necessarily indicative of the results to be expected for any future periods.

This information is only a summary and should be read in conjunction with our management's discussion and analysis of financial condition incorporated by reference into this prospectus supplement and the accompanying prospectus and results of operations and the historical consolidated financial statements and notes thereto referred to above. Our long-term debt as of June 30, 2012 does not reflect our issuance of \$600 million aggregate principal amount of 7.125% Senior Notes due 2023 issued on August 15, 2012.

(\$ in thousands)	Six Months Ended June 30, (unaudited)		Year Ended December 31,		
	2012	2011	2011	2010	2009
Statements of Operations Information:					
Revenue	\$ 2,526,831	\$ 2,668,952	\$ 5,243,043	\$ 3,797,675	\$ 2,117,894
Operating income	\$ 476,242	\$ 488,873	\$ 899,621	\$ 771,998	\$ 606,165
Income from continuing operations	\$ 52,489	\$ 90,040	\$ 157,608	\$ 155,717	\$ 123,181
Net income attributable to common shareholders of Frontier	\$ 44,757	\$ 86,972	\$ 149,614	\$ 152,673	\$ 120,783
Other Financial Data:					
Capital expenditures(1)	\$ 404,013	\$ 433,025	\$ 824,839	\$ 577,879	\$ 255,965
Adjusted EBITDA(2)	\$ 1,240,197	\$ 1,260,207	\$ 2,485,567	\$ 1,853,271	\$ 1,148,874
		As of		As of December 31,	
		June 30,		2010	2009
(\$ in thousands)		2012	2011		
		(unaudited)			
Balance Sheet Data:					
Total assets		\$ 17,145,595	\$ 17,429,768	\$ 17,890,230	\$ 6,878,255
Long-term debt		\$ 7,670,517	\$ 8,205,841	\$ 7,983,614	\$ 4,794,129
Total shareholders' equity of Frontier		\$ 4,314,895	\$ 4,455,137	\$ 5,196,740	\$ 327,611
Operating Data:					
Access lines		5,072,103	5,266,916	5,745,718	2,117,512
Broadband subscribers		1,781,295	1,764,160	1,718,959	635,947
Video subscribers		568,154	557,527	531,446	172,961

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- (1) Includes capital expenditures related to integration activities of \$27,940 and \$18,986 for the six months ended June 30, 2012 and 2011, respectively, and \$76,478, \$96,991 and \$24,999 for the years ended December 31, 2011, 2010 and 2009, respectively.
- (2) Adjusted EBITDA is a non-GAAP financial measure which we define as operating income plus depreciation and amortization, as adjusted to add back acquisition and integration costs, non-cash pension/OPEB costs and severance and early retirement costs. A reconciliation of the differences between Adjusted EBITDA and the most comparable financial measure calculated and presented in accordance with GAAP is included in the table that follows. Adjusted EBITDA is, by definition, not a measure of financial performance under GAAP and is not an alternative to operating income or net income reflected in the statement of operations or to cash flow, as reflected in the statement of cash flows, and it is not necessarily indicative of cash available to fund all cash needs. Adjusted EBITDA as used by us may not be comparable to similarly titled measures of other companies.

We believe that presentation of Adjusted EBITDA provides useful information to investors regarding our financial condition and results of operations because Adjusted EBITDA, when used in conjunction with related GAAP financial measures, (i) provides a more comprehensive view of our core operations and ability to generate cash flow, (ii) provides investors with the financial analytical framework upon which management bases financial, operational, compensation and planning decisions and (iii) presents measurements that investors and rating agencies have indicated to management are useful to them in assessing us and our results of operations.

Management uses Adjusted EBITDA to (i) assist in analyzing our underlying financial performance from period to period, (ii) evaluate the financial performance of our business units, (iii) analyze and evaluate strategic and operational decisions, (iv) establish criteria for compensation decisions, and (v) assist management in understanding our ability to generate cash flow and, as a result, to plan for future capital and operational decisions. Management uses Adjusted EBITDA in conjunction with related GAAP financial measures. We believe that Adjusted EBITDA is meaningful and useful for the reasons outlined above.

While we utilize Adjusted EBITDA in managing and analyzing our business and financial condition and believe it is useful to management and to investors for the reasons described above, Adjusted EBITDA has certain shortcomings. Management compensates for the shortcomings of Adjusted EBITDA by utilizing it in conjunction with comparable GAAP financial measures. The information presented in this section should be read in conjunction with the consolidated financial statements and the related notes incorporated by reference in this prospectus supplement and the accompanying prospectus.

The following are the components of Adjusted EBITDA for each of the years in the three-year period ended December 31, 2011 and for the six months ended June 30, 2012 and 2011.

(\$ in thousands)	Six Months Ended June 30, (unaudited)		Year Ended December 31,		
	2012	2011	2011	2010	2009
Operating income	\$ 476,242	\$ 488,873	\$ 899,621	\$ 771,998	\$ 606,165
Depreciation and amortization	664,347	710,243	1,403,175	893,719	476,391
	1,140,589	1,199,116	2,302,796	1,665,717	1,082,556