FiberTower Corporation
Second Quarter 2010 Results

August 6, 2010

FiberTower

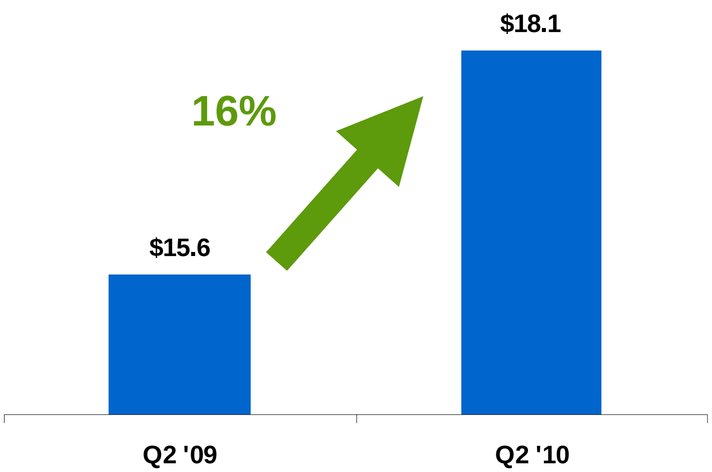
Safe Harbor Statement

Statements included in this presentation which are not historical in nature are “forward-looking” statements, as that term is defined in the Private Securities Litigation Reform Act of 1995 or by the Securities and Exchange Commission, or SEC, in its rules, regulations and releases. Forward-looking statements relate to expectations, beliefs, projections, future plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts. These include statements regarding, among other things, our future financial performance and results of operations, guidance for expected ranges of 2010 revenue, Adjusted EBITDA and capital expenditures, our financial and business prospects, the deployment of services, capital requirements, financing prospects, planned capital expenditures, expected cost per site, anticipated customer growth, expansion plans, and anticipated cash balances. There are many risks, uncertainties and other factors that can prevent the achievement of goals or cause results to differ materially form those expressed or implied by these forward-looking statements including, among other things, negative cash flows and operating losses, additional liquidity requirements, potential loss of significant customers, downturns in the wireless communications industry, regulatory costs and restrictions, potential loss of FCC licenses, equipment supply disruptions and cost increases, competition from alternative backhaul service providers and technologies, along with those risk factors described in the Company’s Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q, as filed with the SEC.

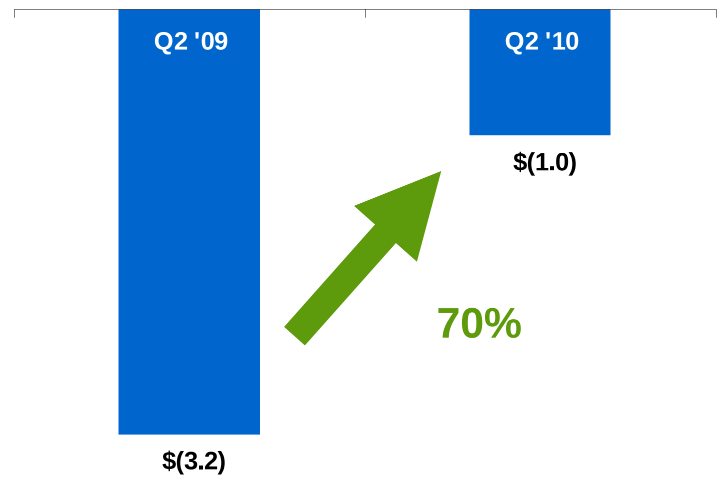
Kurt Van Wagenen – Quarterly Achievements

Financial Highlights

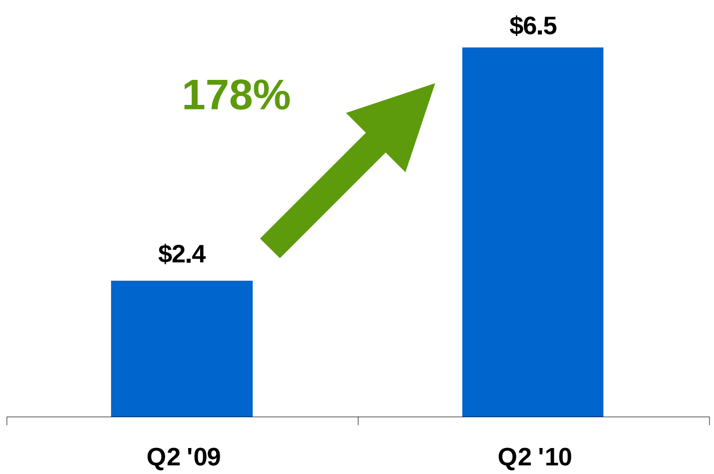
Revenue*



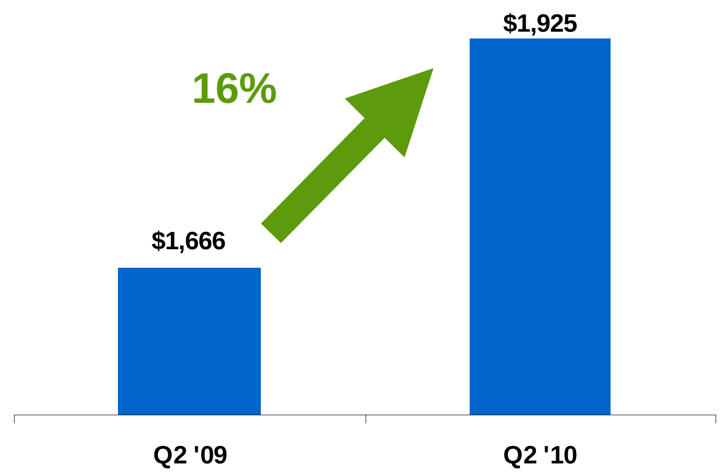
Adjusted EBITDA*



Capital Expenditures



Revenue/Deployed Site*

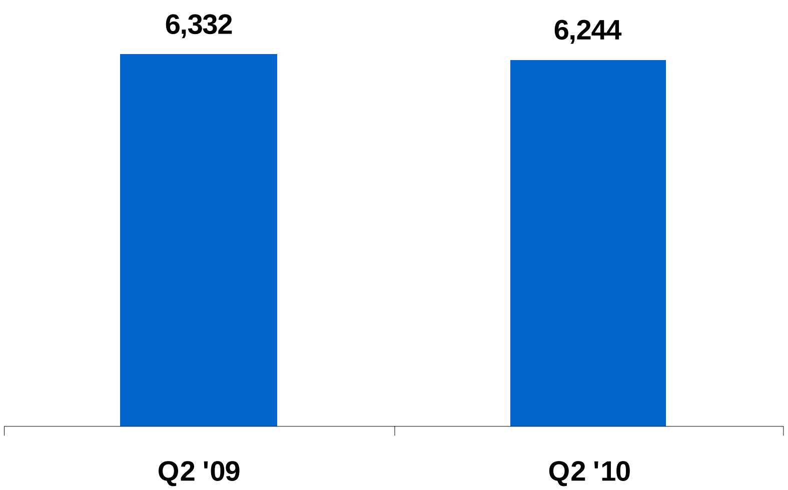


$ in millions, except revenue per deployed site

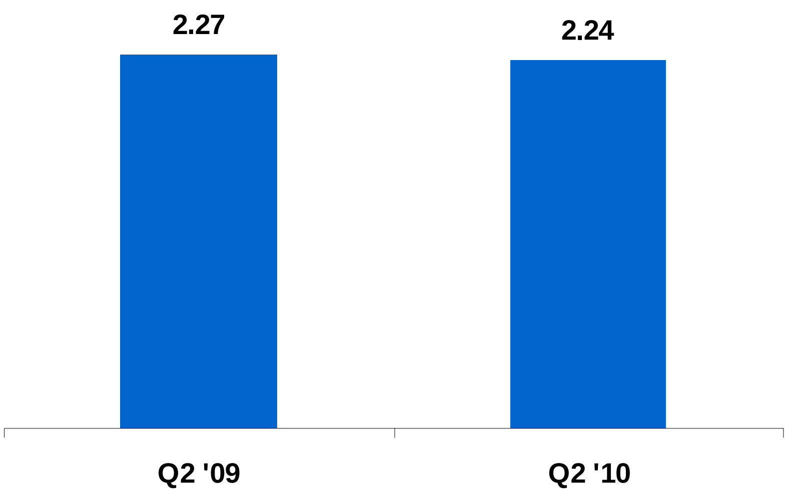
**Excluding ETL of $275,000*

Operating Highlights

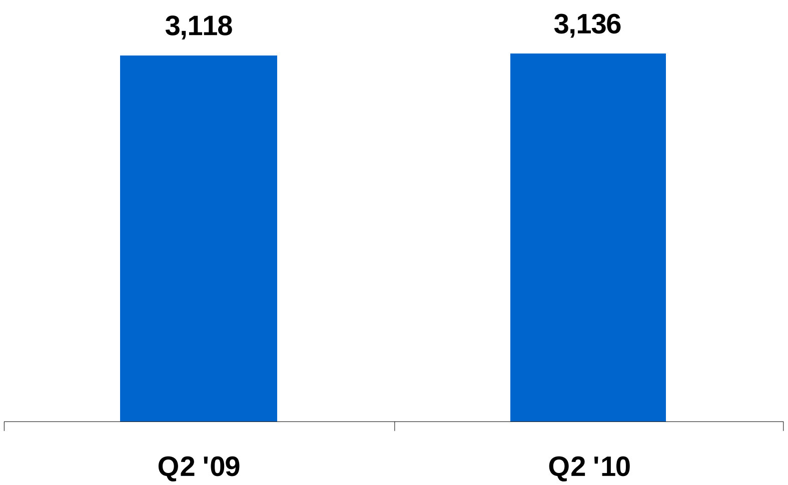
Billing Customer Locations



Co-location Rate



Deployed Sites*



***** Deployed sites are net of decommissions***

Favorable Industry Trends Drive Revenue

- 3+ million iPads sold in the first 80 days
- 3.2 million iPhones 4 in the Q210, largest number of quarterly iPhone activations ever with ~27% being new AT&T customers
- Introduction of usage-based pricing for data plans designed to help sustain revenue growth rates that correlate with required infrastructure investments
- Several major wireless carriers announced or accelerated their 4G plans

Mid-year 2010 Highlights

Demonstrated tangible progress:

- Substantially increasing sales
- Deploying more fiber
- Building more sites

Maintaining our solid foundation:

- Innovation
- Customer service
- Quality offerings

Drive future growth leveraging:

- Quality network
- Technical capabilities
- Established industry relationships

Thomas Scott - Financial Review

FiberTower

Q2 2010 Highlights

($ in millions, except EPS and Rev/Site)	Three Months Ended June 30 2009	June 30 2010	% Change
Revenue	$ 15.6	$ 18.4	17.9%
Revenue, net of ETL	$ 15.6	$ 18.1	16.2%
Cost of Revenue	$ 14.2	$ 15.2	7.0%
S&M and G&A*	$ 5.7	$ 5.7	0.0%
Adjusted EBITDA	$ (3.2)	$ (0.7)	78.7%
Adjusted EBITDA, net of ETL	$ (3.2)	$ (1.0)	70.1%
Net Income (Loss)**	$ 20.8	$ (13.1)	NM
Diluted EPS	$ 1.36	$ (0.28)	NM
Capital Expenditures	$ 2.4	$ 6.5	177.6%
Rev/ Site	$ 1,666	$ 1,954	17.3%
Rev/ Site, net of ETL	$ 1,666	$ 1,925	15.5%

- 16.2% Y-O-Y improvement in revenue, net of ETL
- S&M and G&A declined 5.6% as percent of revenue
- 70.1% Y-O-Y improvement in Adjusted EBITDA, net of ETL
- Incremental margins exceeded 93+%
- Operating leverage improving due to
  - High margins
  - Cost reductions

**** Sales and Marketing, General and Administrative***
***** Recorded gain of $44.6M on early extinguishment of debt in Q209***
Definitions and reconciliations to GAAP are at the end of the presentation.

First Half 2010 Highlights

($ in millions, except EPS and Rev/Site)	Six Months Ended June 30 2009	June 30 2010	% Change
Revenue	$ 30.3	$ 36.2	19.5%
Revenue, net of ETL	$ 30.3	$ 35.3	16.6%
Cost of Revenue	$ 28.3	$ 29.2	3.2%
S&M and G&A*	$ 12.8	$ 11.9	(7.0)%
Adjusted EBITDA	$ (8.2)	$ (2.0)	75.6%
Adjusted EBITDA, net of ETL	$ (8.2)	$ (2.8)	65.9%
Net Income (Loss)**	$ 47.5	$ (24.9)	NM
Diluted EPS	$ 3.13	$ (0.54)	NM
Capital Expenditures	$ 4.7	$ 9.0	93.6%

- 16.6% Y-O-Y improvement in revenue, net of ETL
- 7.0% Y-O-Y S&M and G&A decrease
- 65.9% Y-O-Y improvement in Adjusted EBITDA, net of ETL

** Sales and Marketing, General and Administrative*
*** Recorded gain of $98.3M on early extinguishment of debt in 1H09*
Definitions and reconciliations to GAAP are at the end of the presentation.

Q2 2010 Cash Flow

$ in millions	Q2 '09	Q2 '10
Net Cash Provided By (Used in) Operating Activities	$ (2.6)	$ 1.1
Net Cash Used in Investing Activities	(2.2)	(6.4)
Net Cash Used in Financing Activities	(30.8)	-
Net decrease in Cash and Cash Equivalents	**(35.6)**	**(5.3)**
Debt-Related Expenditures:		
Cash Paid to Repurchase Debt	30.8	-
Cash Paid for Accrued Interest on Repurchase	0.1	-
Total	**(30.9)**	-
Recurring Cash Flow Consumption	**$ 4.7**	**$ 5.3**

June 30, 2010 Balances

- Cash and Cash Equivalents (excluding restricted cash): $42.2M
- Outstanding Long-Term Debt: $159.6M

Q2 2010 Site Level Performance

$ in Thousands, Except Per Site Level	Three Months Ended Jun 30, 2010	Monthly Per Deployed Site*
Revenue (Net of ETL)	$ 18,113	$ 1,925
Early Termination Liability (ETL)	275	29
Revenue	$ 18,388	$ 1,954
Direct Site Costs (Rent/Fiber/Other)	10,711	1,138
Market Operations Costs (Techs)	1,265	134
Market Level EBITDA (Field EBITDA)	$ 6,412	$ 682
Market Level EBITDA (net of ETL)	**6,137**	**652**
Cost of Service - Impairment of Long-Lived Assets	931	99
Indirect Network Costs	2,116	225
Stock-Based Compensation (in Cost of Service)	182	19
Gross Profit	**$ 3,183**	**$ 338**
Sales & Marketing**	1,130	120
General & Administrative**	4,610	490
Depreciation & Amortization	7,038	748
Loss from Operations	**$ (9,595)**	**$ (1,020)**
Total Other Income/(Expense)	(3,456)	(367)
Net Loss	$ (13,051)	$ (1,387)
Net Adjustments to EBITDA*	12,095	1,286
Adjusted EBITDA (Excluding ETL)	**$ (956)**	**$ (102)**

- New revenue growth on existing network has produced high incremental margins given fixed cost nature of the network
- Market-Level EBITDA margins over 30%
- Ability to continue to leverage existing network to drive incremental EBITDA and improve Return on Invested Capital
- New investments to support scale on S&M and G&A

* *Per site results calculated by dividing consolidated results by 3,136 Deployed Sites and dividing by three months*

** *S&M and G&A include non-cash stock-based compensation, which is added back to Adjusted EBITDA*

Definitions and reconciliations to GAAP are at the end of the presentation.

2010 Financial Outlook

$ in Millions	2010 Expected Range				Growth vs FY 2009	
	Low		High		Low	High
Revenue	$	74.0	$	77.0	17.1%	21.8%
Adjusted EBITDA	$	(2.0)	$	1.0	N/M	N/M
Capital Expenditures	$	25.0	$	30.0	94.5%	133.4%

- Management is reaffirming previous 2010 guidance, which is net of ETL
- FiberTower expects run-rate revenue growth to accelerate during the year through a combination of on-net growth and new deployments
- FiberTower expects to achieve Adjusted EBITDA positive no later than Q3 2010

Key Investment Highlights

Increasing demand for backhaul alternatives driven by explosion of wireless data traffic

Targeting larger transactions and leveraging competitive advantages to accelerate revenue growth

Capturing higher margin opportunities and delivering improving financial performance and positive Adjusted EBITDA

Q&A

Appendix

Non-GAAP Financial Measures

Adjusted EBITDA is a non-GAAP (Generally Accepted Accounting Principles) financial measure, to monitor the financial performance of operations. This measurement, together with GAAP measures such as revenue and loss from operations, assists management in its decision-making processes relating to the operation of the business. Adjusted EBITDA is defined as net income (loss) from operations before interest, taxes, depreciation and amortization, impairment and restructuring charges, stock-based compensation, gain on early extinguishment of debt, debt exchange expenses and other income (expense). Adjusted EBITDA is not a substitute for operating income, net income (loss), or cash flow used in operating activities as determined in accordance with GAAP, as a measure of performance or liquidity. In addition, the presentation of Adjusted EBITDA may not be comparable to similarly titled measures reported by other companies. This non-GAAP financial measure should be viewed in addition to, and not as an alternative for, the reported financial results as determined in accordance with GAAP.

Other companies in the industry may calculate Adjusted EBITDA differently than FiberTower. Adjusted EBITDA is not a measure of performance under GAAP and should not be considered as a substitute for net income (loss) prepared in accordance with GAAP. Adjusted EBITDA has significant limitations as an analytical tool, and you should not consider it in isolation or as a substitute for analysis of the results as reported under GAAP.

Reconciliation to Adjusted EBITDA

Unaudited Quarterly Financials

$ in thousands	Three months ended June 30 2009	Three months ended March 31 2010	Three months ended June 30 2010	Six months ended June 30 2009	Six months ended June 30 2010
Net income (loss)	$ 20,791	$ (11,808)	$ (13,051)	$ 47,503	$ (24,859)
Adjustments:					
Depreciation and amortization	7,004	6,371	7,038	14,027	13,409
Stock-based compensation	873	903	879	2,274	1,782
Interest income	(73)	(25)	(29)	(227)	(54)
Interest expense	12,280	3,362	3,486	27,395	6,848
Gain on early extinguishment of debt, net	(44,577)	-	-	(98,248)	-
Impairment of long-lived assets and other charges and credits	102	(73)	996	194	923
Income tax provision (benefit)	381	-	-	(1,087)	-
Adjusted EBITDA	(3,219)	(1,270)	(681)	(8,169)	(1,951)
Early termination liability	-	(587)	(275)	-	(862)
Adjusted EBITDA, net of ETL	$ (3,219)	$ (1,857)	$ (956)	$ (8,169)	$ (2,813)

- Revenue recorded associated with an early termination liability (ETL) of certain circuits:
  - Q110: $587,000
  - Q210: $275,000

Reconciliation to Operating Expenses

$ in Thousands		Three Months Ended June 30, 2010
Cost of Service Revenue Components		
Direct Site Costs	$	10,711
Market Operations Costs (Techs)		1,265
Cost of Service - Impairment of Long-Lived Assets		931
Indirect Network Costs		2,116
Stock-Based Compensation		182
Cost of Service Revenue	**$**	**15,205**