



Beyond Service. Beyond Software. Beyond Solutions.

Company Presentation

September 30, 2011

Safe Harbor Statement

This presentation may contain forward-looking statements, including statements regarding, among other items, the Company's expected financial position, business, risk factors and financing plans. These statements may be identified by the use of forward-looking terminology such as "believes," "expects," "may," "will," "should," "estimates," or "anticipates" or the negative thereof or other variations thereon or comparable terminology, or by discussions of strategy that involve risks and uncertainties. These forward-looking statements are subject to a number of uncertainties and risks, many of which are outside of the Company's control that could cause actual results to differ materially from such statements. Some of these risks can be found in the Company's Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and other reports filed with the Securities and Exchange Commission.

Adjusted EBITDA, Free Cash Flow and other financial measures as presented herein are not necessarily comparable with those of other companies. Adjusted EBITDA as presented herein represents net loss before depreciation and amortization, interest income and expense, other income, provision for income taxes, share-based compensation, severance and related separation costs, costs associated with early lease terminations and professional fees related to strategic initiatives. Adjusted EBITDA is not a measure of financial performance under GAAP. Adjusted EBITDA is a non-GAAP financial measure used by our management, together with financial measures prepared in accordance with GAAP such as net loss, income from operations and revenues, to assess our historical and prospective operating performance.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date they are made. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as of a result of new information, future events or otherwise.

Highlights

Leading Provider of Next-Generation Communications Solutions

- *Over 75K cloud-based VoIP licenses deployed under Broadview's owned intellectual property*
- *T-1 and IP-based products represented 74% of new retail sales*
- *Cloud represented 12% of Total Retail Revenue and 32% of new sales*

State-of-the-Art Network Infrastructure

- *Advanced, IP / MPLS network and over 3 years of experience deploying Ethernet-over-Copper*
- *2,900 fiber miles, 3 data centers, 260 colocations and 430 lit building agreements*

Large & Diversified Customer Base

- *Approximately 39K SMB customers with a significant opportunity to sell into the base*
- *85% of retail revenue is from customers with greater than \$500 MRR*
- *Target market represents the largest concentration of communications spending in the U.S.*

Strong and Improving Key Operating Metrics

- *Steadily increasing revenue per customer*
- *Churn rates are at pre-recession levels and falling*

Predictable, Recurring FCF and Increasing Profitability Margins

- *75% of revenue under contract at the beginning of the year*
- *390 basis point improvement in adjusted EBITDA margin in past 3 years*

Experienced Management

- *Senior management has on average 23 years of industry expertise*

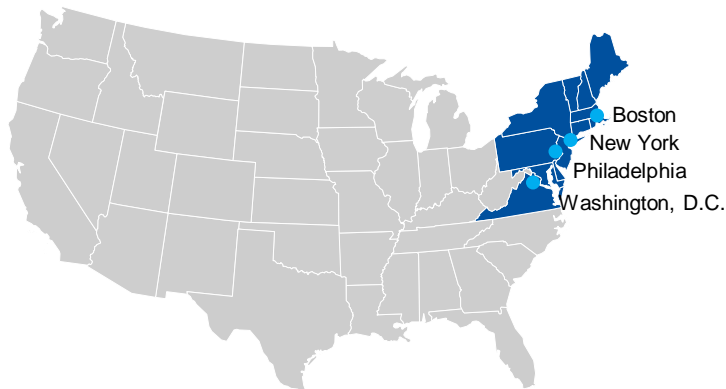
Company Overview

Regional Focus With National Coverage

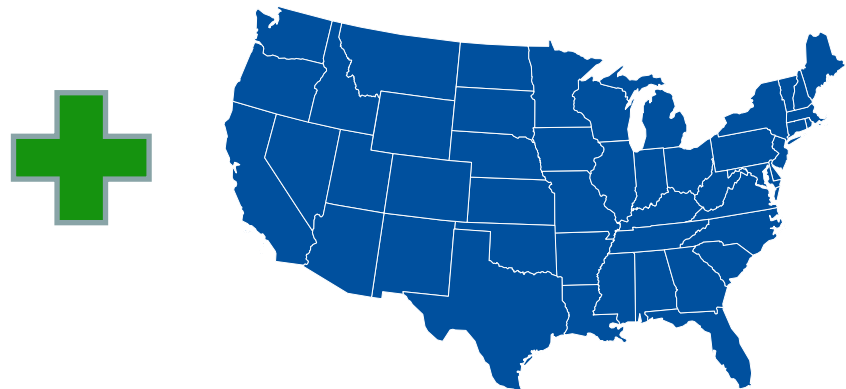
Regional Player with Cloud Services to Address Customers Nationwide

- **Strong local presence with strategic regional sales offices**
 - \$14.8 billion addressable market for telecommunications and data services in our Northeast footprint, before cloud opportunity ⁽¹⁾
 - Strong, existing customer relationships
- **Cloud-based services and MPLS network allow us to extend our reach**
 - Able to increase revenue per customer through up-selling new cloud-based products and services to new and existing customers
 - Requires less local presence allowing nationwide expansion without significant capital investment
 - Quality of service supported through MPLS network
- **Large, Untapped Opportunity**
 - Ability to address out-of-region multi-location customers through OfficeSuite™ and other cloud-based services

Dense Northeast & Mid-Atlantic Footprint



Cloud Services Available Nationwide



(1) As per 2010 Altman Vilandrie & Co. study.

Broadview At A Glance

Company Stats as of 9/30/11

Customers & Market

Total Business Customers	39K
Average Revenue per Customer	\$656

Network

Retail Access Line Equivalents	626K
Retail T-1 Circuits	25K
Colocation Sites	~260
Ethernet-over-Copper Equipped Colos (EoC)	38%
On-Net Building Agreements	~430
Fiber Route Miles	~2,900

Employees

Total Employees	945
Quota-Bearing Sales Reps (all Channels)	185
Agent Channel Partners	~300



Superior Customer Service & Quality

Commendation for High Quality Service from the State of New York

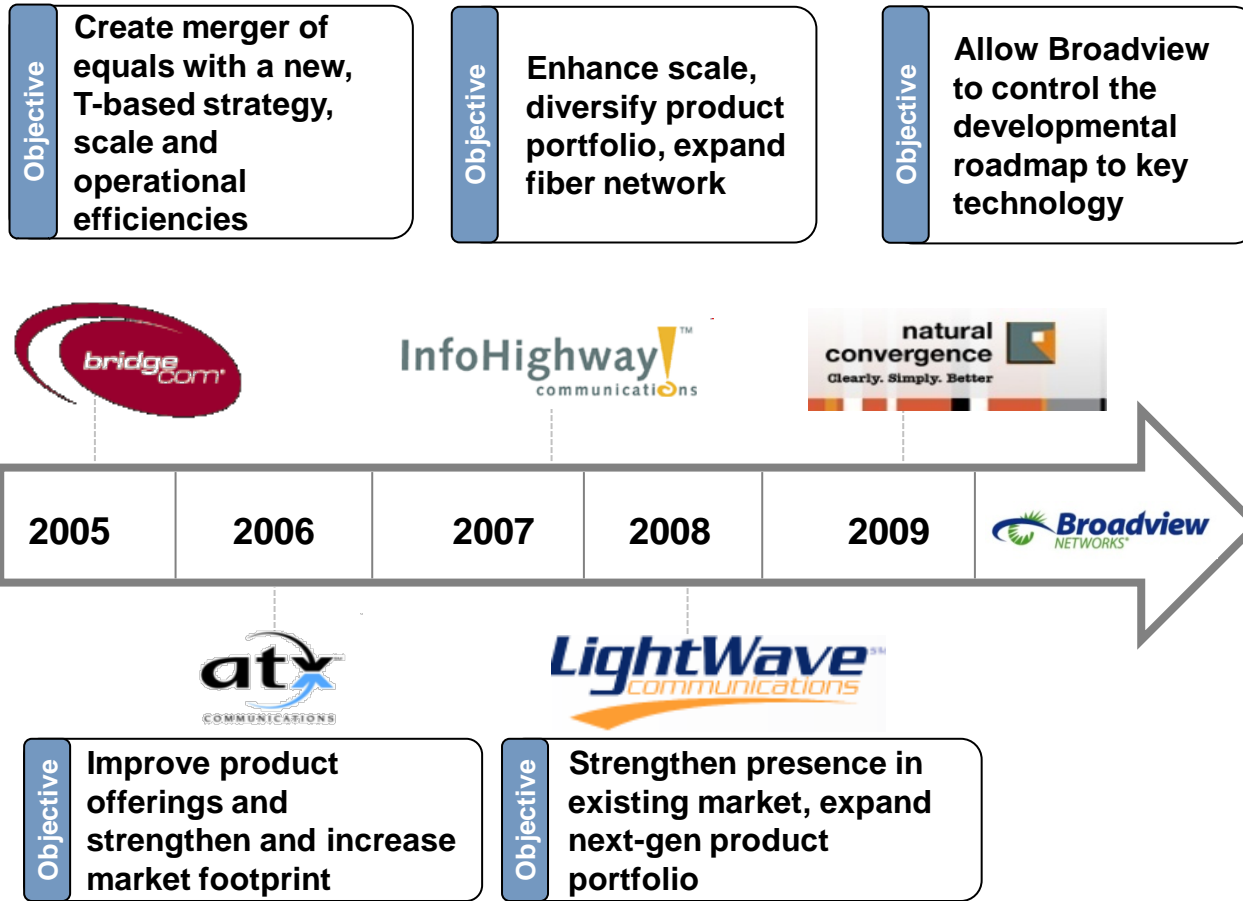


Stevie Award for Innovation in Customer Service at the 2011 American Business Awards



Recognized by Crain's as the 50th Largest Private Company in the New York area

Successful Integration Track Record

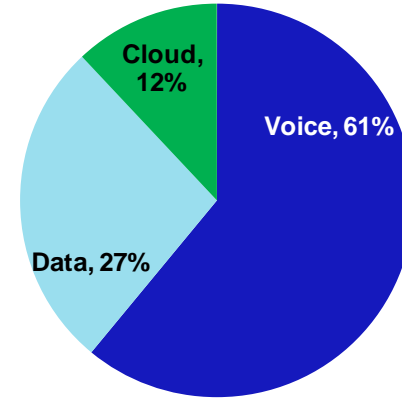
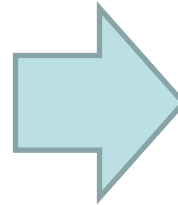
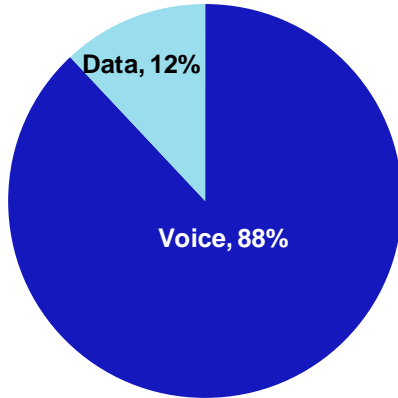


Broadview's Business Evolution

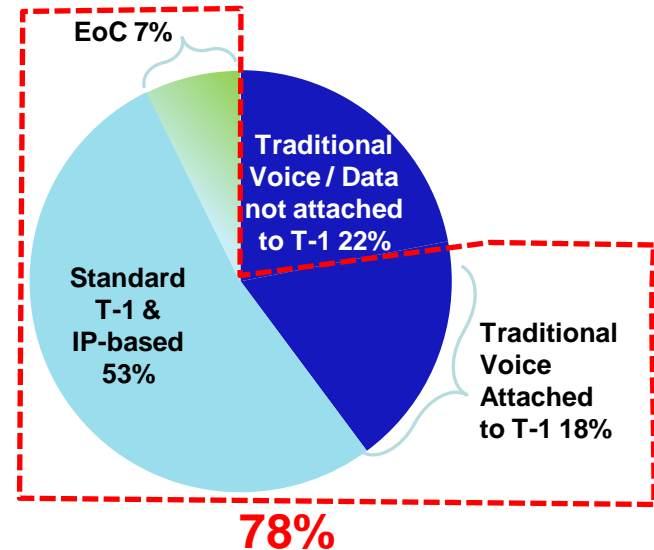
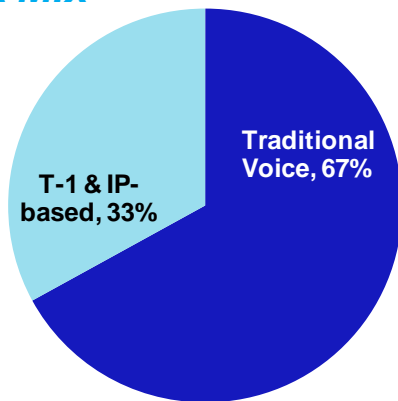
Circa 2006

Today ⁽¹⁾

Retail Revenue Mix



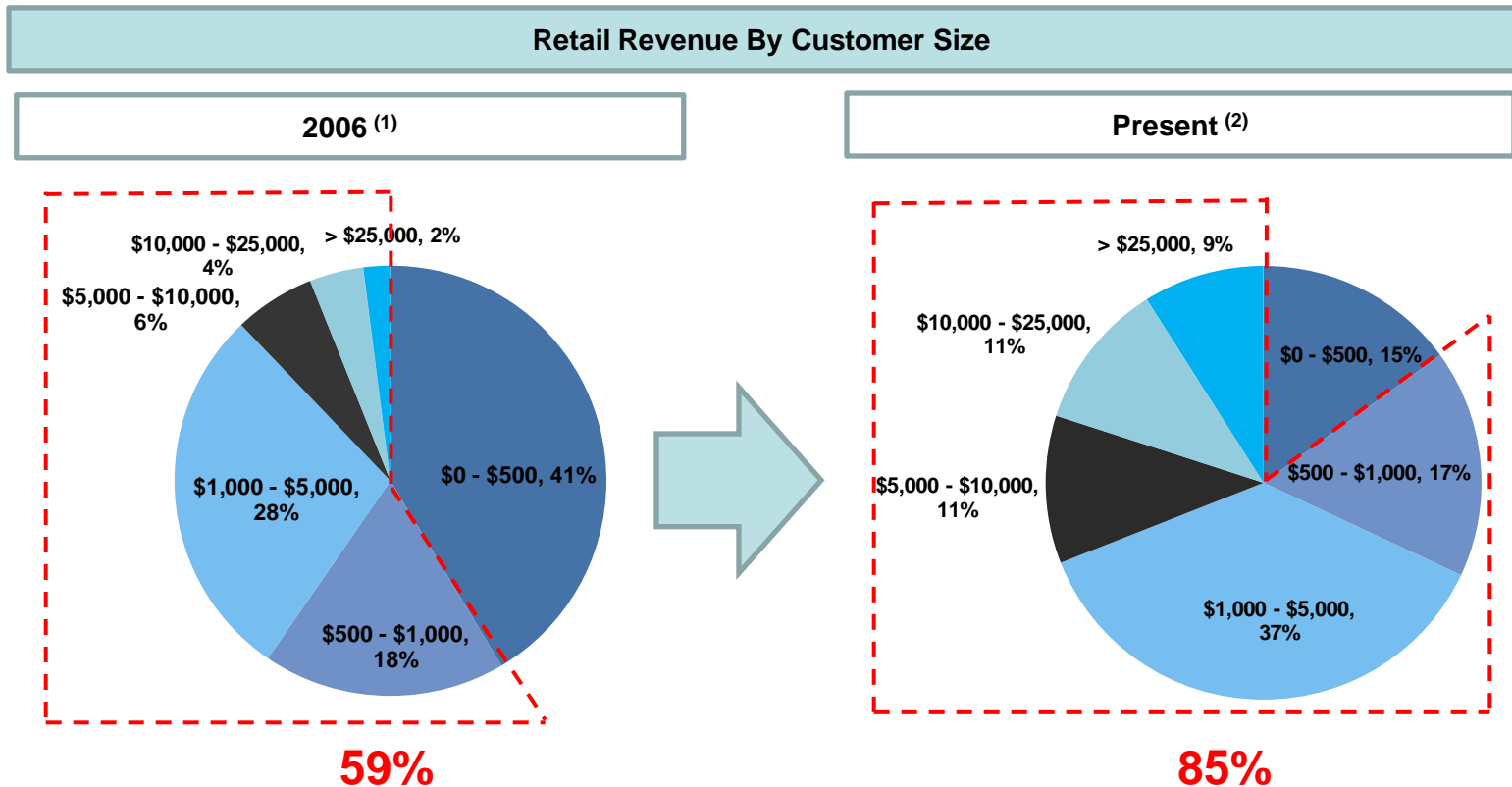
Network Mix ⁽²⁾



(1) For the quarter ended September 30, 2011.

(2) Retail access line equivalents.

Greater % of Revenue From Larger Customers



- Beginning in 2005, the Company shifted its go-to-market strategy to focus on T-1, cloud- and IP-based products and services
- Approximately 85% of Broadview's retail revenue is generated by customers spending more than \$500 monthly versus 59% in 2006

(1) Broadview standalone 2006.

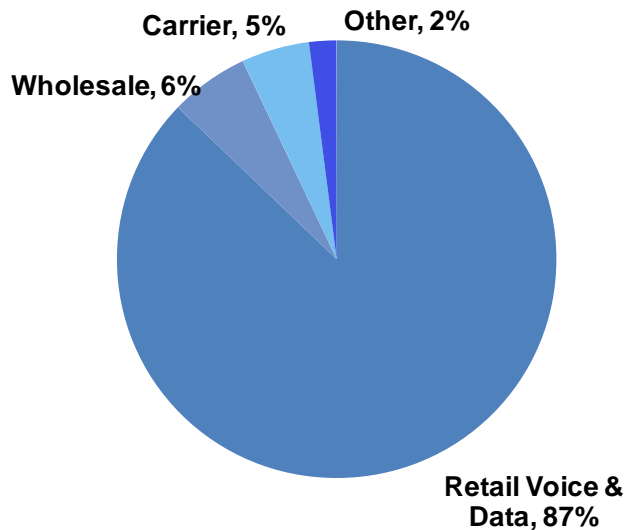
(2) Broadview September 2011 Billing Database.

Diversified Product & Customer Base

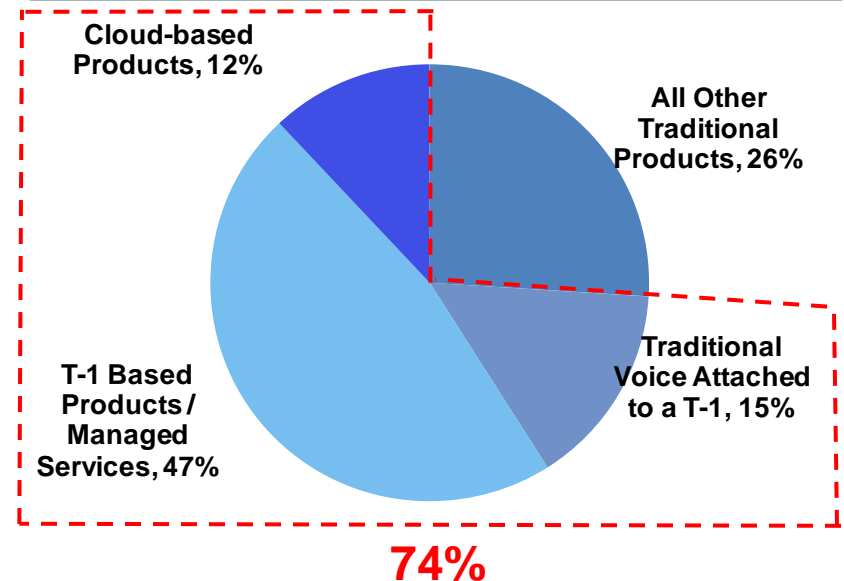
Focused on Serving Customers with High Capacity, IP-based Products

- Approximately 39K business customers
- Diverse customer base and low revenue concentration risk

Revenue by Segment – Q3 2011



Retail Revenue by Product Type – Q3 2011 ⁽¹⁾



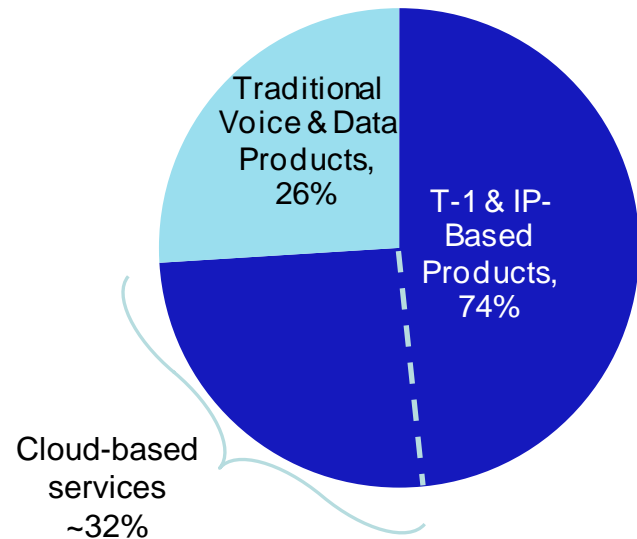
(1) Percent based on Retail Voice & Data revenue.

74% of Retail Revenue Associated with T-1, cloud- and IP-based Accounts

Steady Growth In Revenue Per Customer

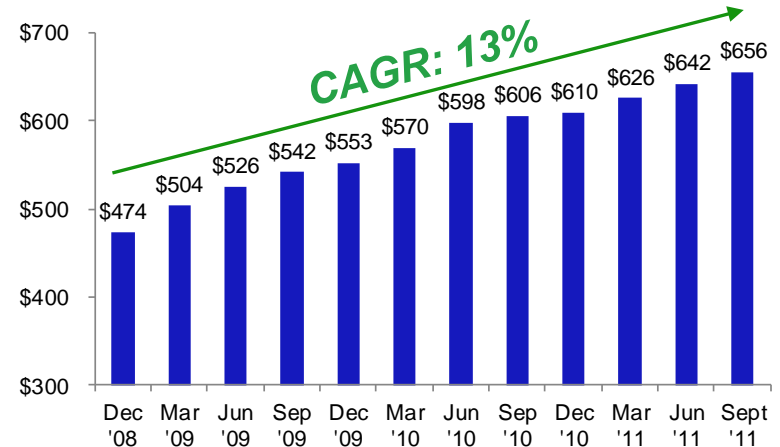
Focus on Next-Gen Products and Services

New Retail Sales (Q3 2011)

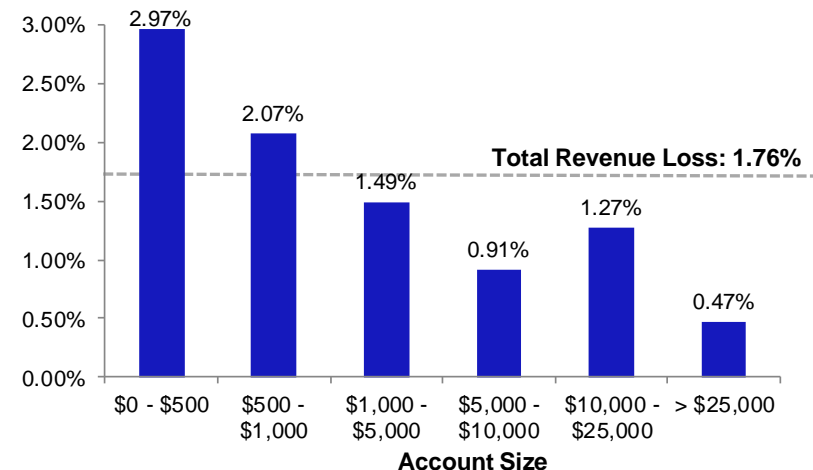


- Today, T-1, IP-based and cloud-based products make up approximately three-fourths of new sales
 - This has resulted in higher average MRRs
- Overall revenue loss is below 2% ⁽¹⁾
 - Approximately 85% of current customer base is over \$500 in MRR with significantly lower revenue loss characteristics

Average Revenue per Business Customer (Retail)



Q3 2011 Revenue Loss By Account Size



(1) Broadview's calculation of revenue loss is a comprehensive metric and may not be comparable to revenue loss or churn metrics reported by other companies in the industry.

Focused Sales Strategy

Targeting Mid-sized SMB, Single and Multi-location Companies

185 Quota-bearing sales reps across all channels

- **Direct sales: 65% of new sales**

- Dedicated teams focused on new customer acquisition, upselling, renewals and customer retention
- Sales to new customers average >\$900 MRR
- Sales to existing customers represent 40% of new sales
 - Over 50% of new cloud computing-based sales are to existing customers

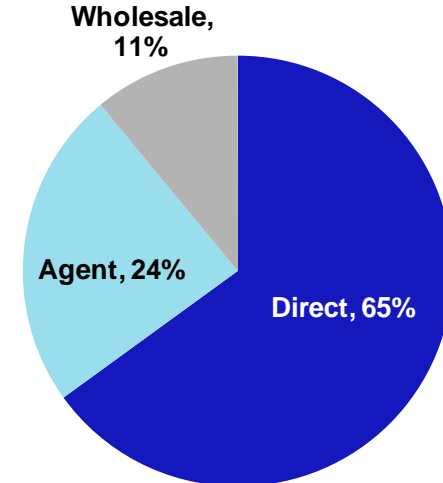
- **Agent sales: 24 % of new sales**

- Approximately 300 agents
- Primary go-to-market for cloud-based services nationwide
- Awarded “Top 50 Channel Program” by PHONE+ Magazine’s Indirect Sales Channel Partners

- **Wholesale sales: 11% of new sales**

- Sells our core products and services including MPLS, POTS, T’s, data colocation to other carriers throughout our footprint

Total LTM New Sales by Channel ⁽¹⁾

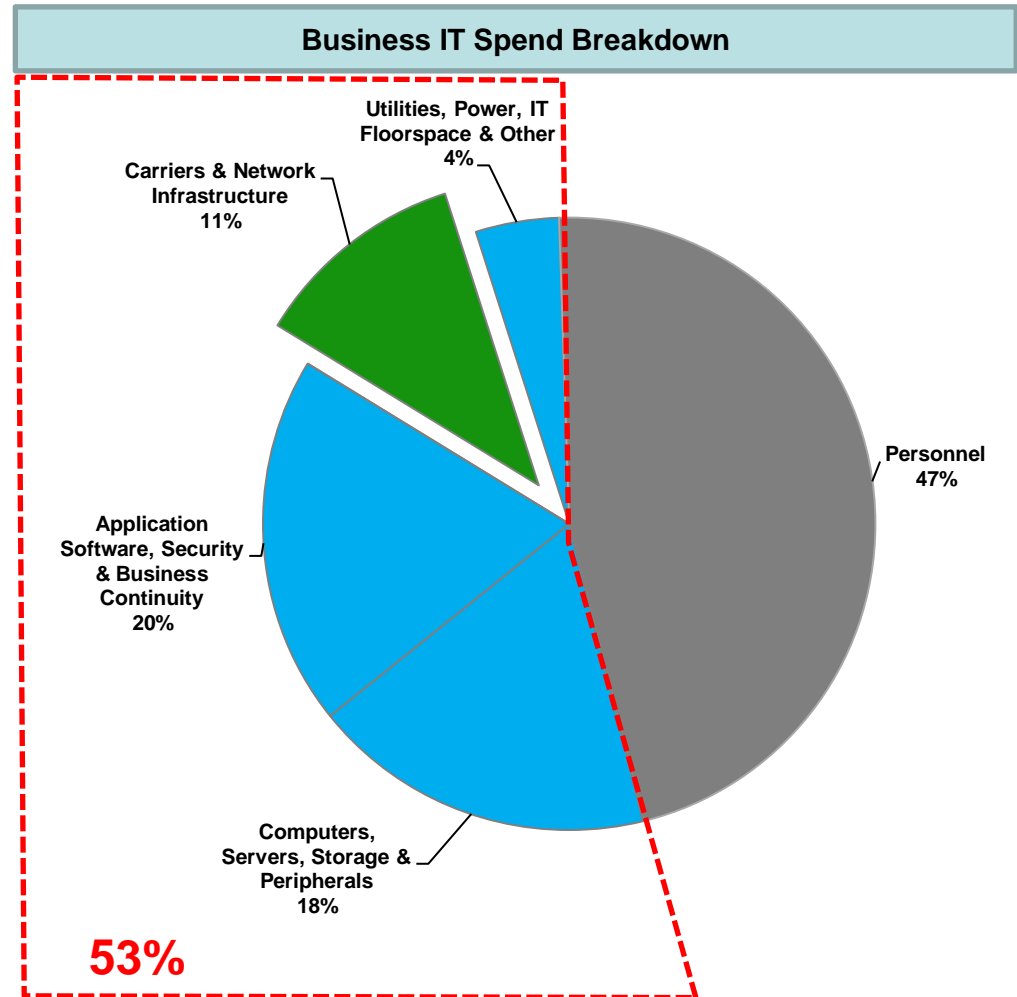


(1) Last Twelve Months (LTM) as of September 30, 2011.

Leveraging Our Customer Base

Increasing Wallet Share Through New Cloud-based Products and Services

- Approximately 39K existing business customers
- A trusted provider of mission critical network services (voice and data)
- Over 5 years experience providing cloud-based solutions with OfficeSuite™
- New cloud-based technologies allowing us to address greater wallet share of IT spend

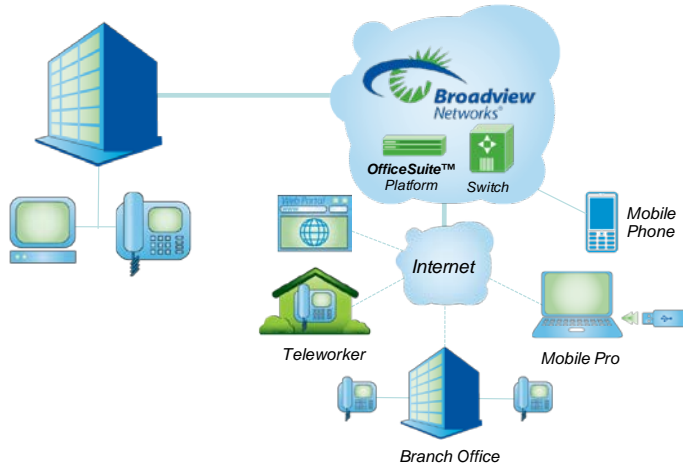


Source: Computer Economics, *IT Spending and Staffing Benchmarks 2010/2011*.

Technology Enabling Us to Target Additional Customer Spend

Cloud-based Products Overview

OfficeSuite™ Cloud-based Communication System



- Full featured cloud-based VoIP communications systems
- IP “Quadruple” play - voice, data, managed services and hardware
- Enterprise grade quality and features
- Broadview owns underlying IP
- Over 75K active licenses, one of the largest providers in the U.S. communications industry

Awards & Recognition

TOP 10 SERVICE PROVIDER



2009 | 2010 | 2011



Newly Launched Cloud Computing Product Suite



Hosted E-mail Including Enterprise And Microsoft Exchange

Blended solutions for cost-efficiency without sacrificing quality



Microsoft
SharePoint Server

Hosted Microsoft Sharepoint

A collaboration tool that creates a secure intranet site to improve productivity



Hosted Office Anywhere – Virtual Desktop

Seamlessly access and store Microsoft Office and business application data



Hosted Business Applications

Support for all your business applications in a secure SAS 70 Type II certified data center



Complete Backup And Recovery

A network-based solution that allows you to quickly restore files on-demand

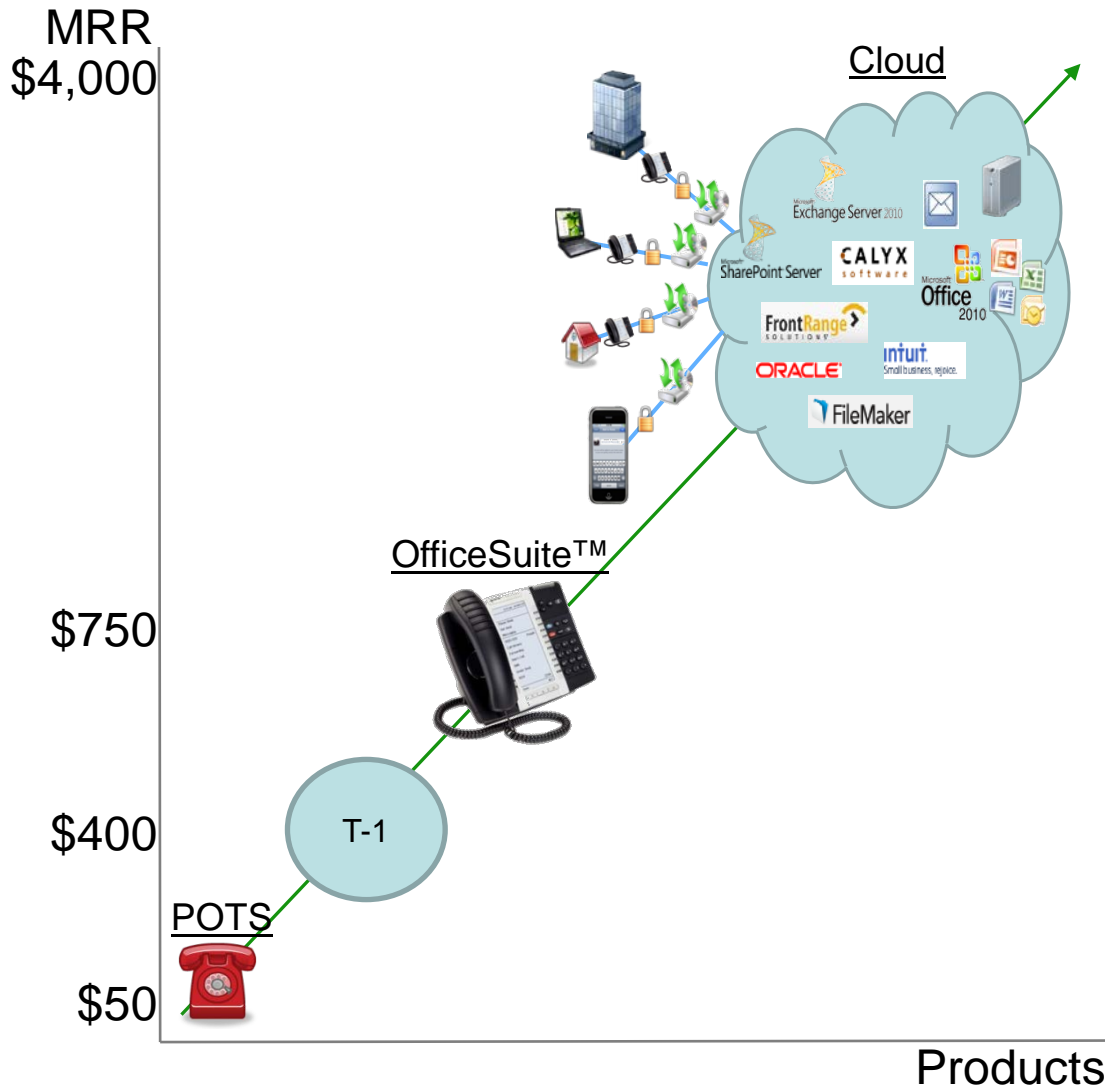


Virtualized And Dedicated Servers

Secure, redundant and scalable server options with a 99.99% SLA guaranteed uptime

Continued Product Evolution

Full Cloud-based Solutions Launched Q1 2011



Key Trends

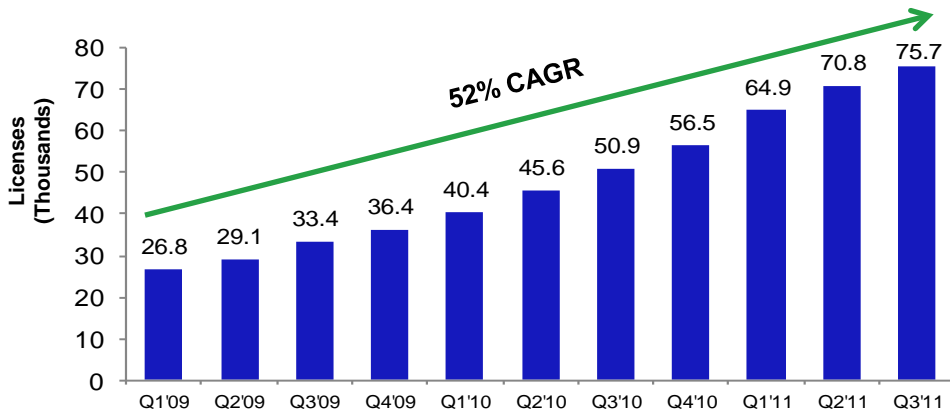
- OfficeSuite™ has been very successful
 - Represents approximately 30% of new sales
- Launched in January, data cloud-based sales seeing great traction early on
 - Higher start to sales funnel than OfficeSuite's™ original launch in 2006
 - Average Office Anywhere sale is well over \$1,000 MRR
 - Sales continue to grow
- Continued growth through targeting larger customers and larger channel relationships
- Increased revenue per customer

Capitalizing On Market Growth In Cloud-based Services

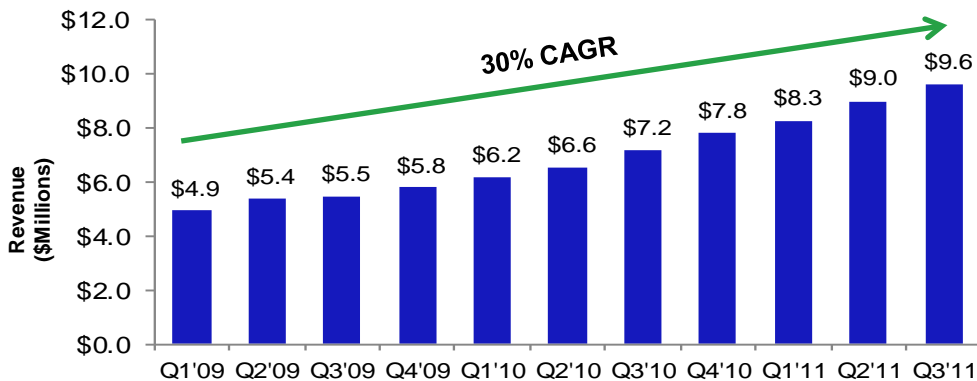
Broadview is Well-Positioned to Capture Meaningful Market Share Having Been in the Cloud /Hosted Services Market for 5 Years

Broadview Results to Date

OfficeSuite™ Licenses

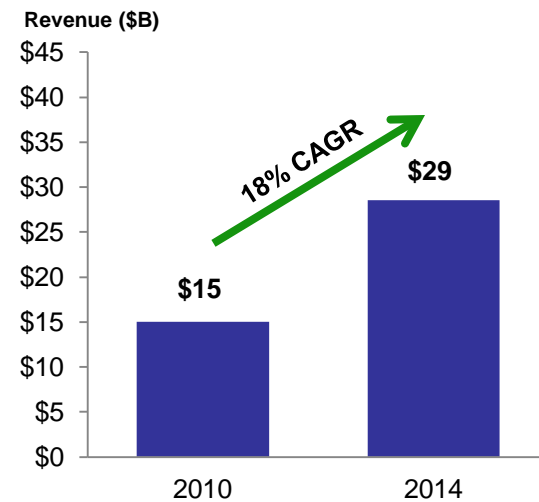


Cloud-based Revenue



Industry Opportunity

U.S. Cloud Services Market



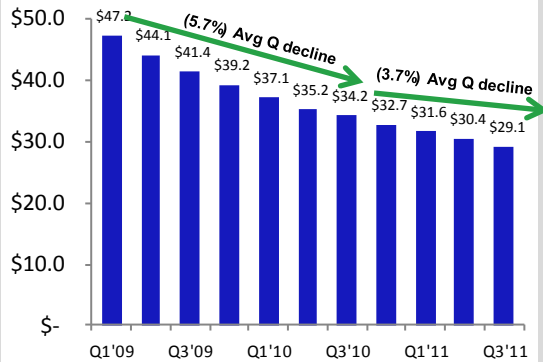
Source: IDC. Worldwide and Regional Public IT Cloud Services; June 2010.

Financial Overview

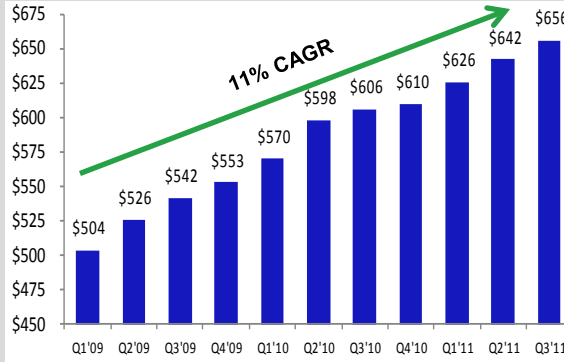
Revenue Drivers

Improving Trends

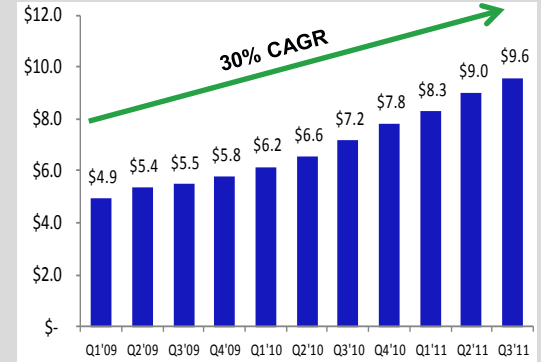
Traditional Voice Decline Slowing



Increasing Revenue per Business Customer



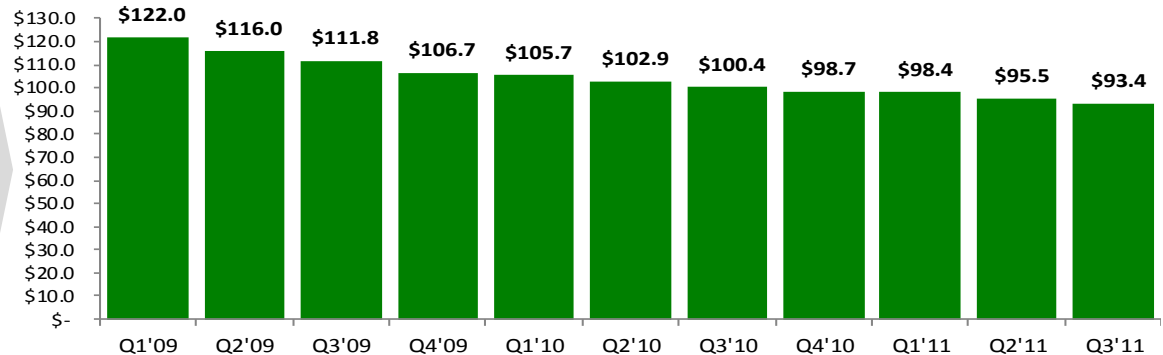
Growth From Cloud



Approaching Inflection Point

- Larger product set
- Increased geographic sales reach
- Continued MRR moving up-market
- Increasing install and up-selling of cloud-based products
- Increased utilization of web marketing efforts

Total Revenue

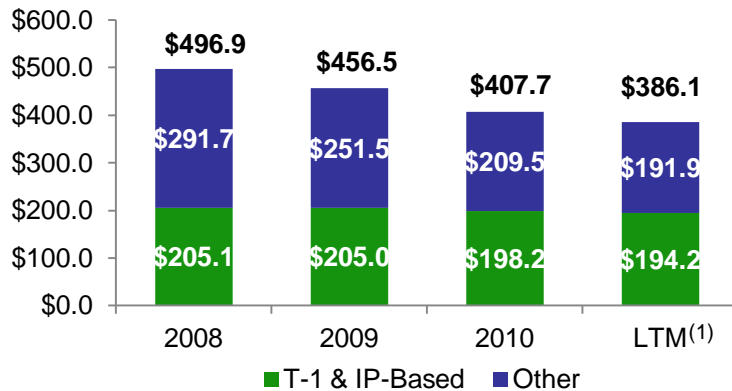


3Q'11 and 4Q'11 revenue trajectory directionally influenced by 3Q Verizon work stoppage and Hurricane Irene effects. However, management believes that no additional charges or financial reserves were required as a result of these influences.

Improved Revenue Composition And Stable EBITDA

Increasing Profitability Margins

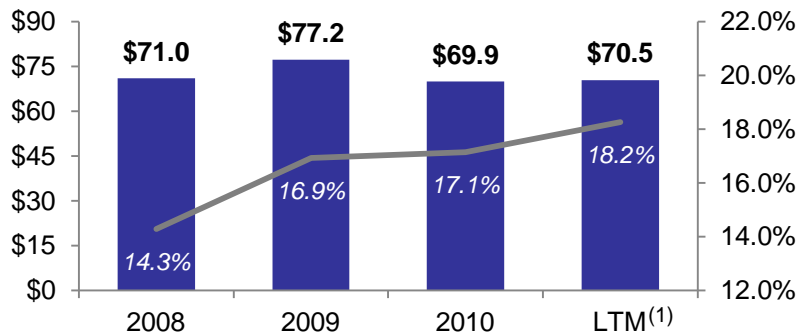
Historical Revenue



Enhanced Value of Customer Base

	2008	2010
Revenue:	\$496.9 M	\$407.7M
Adj. EBITDA ⁽²⁾ :	\$71.0M	\$69.9M
Adj. EBITDA Margin:	14.3%	17.1%
4Q Revenue loss:	2.42%	1.95%
Avg. customer life:	3+ yrs	4+ yrs

Historical Adjusted EBITDA & Margins ⁽²⁾



Shifting revenue composition to higher value-added services

- Higher margin services
- Greater % of revenue shifting to larger clients, resulting in reduced churn

Last Quarter Annualized (LQA) Adjusted EBITDA is \$69.3 million

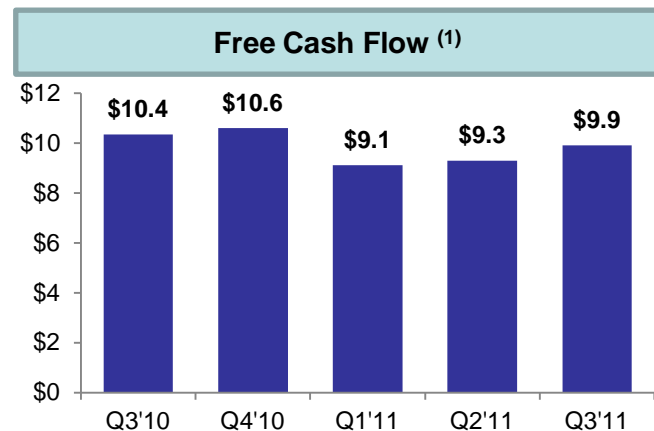
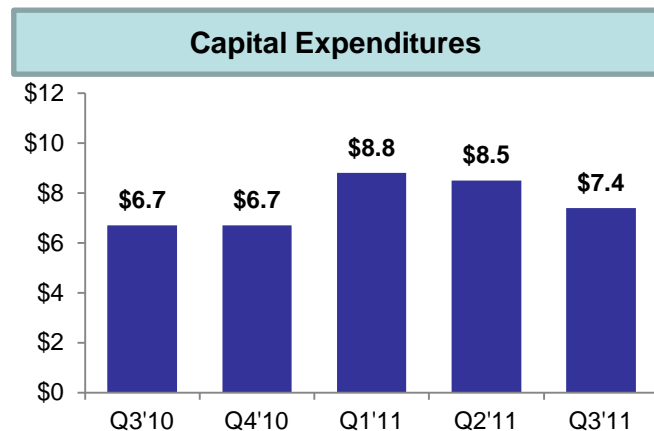
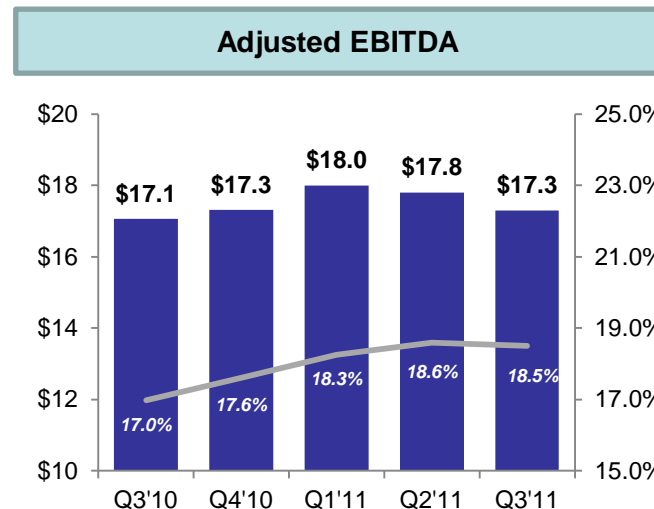
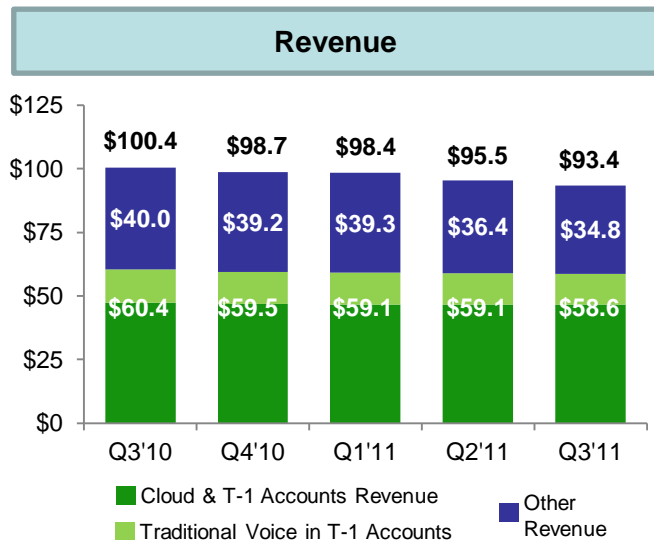
(1) Last Twelve Months (LTM) as of September 30, 2011.

(2) Adjusted EBITDA as presented herein represents net loss before depreciation and amortization, interest income and expense, other income, provision for income taxes, share-based compensation, severance and related separation costs, costs associated with early lease termination and professional fees related to strategic initiatives.

Recurring Free Cash Flow

Quarterly Update

(\$Millions)



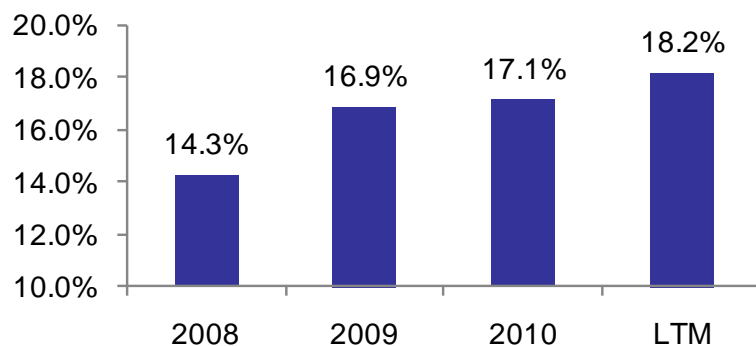
(1) Free Cash Flow ("FCF") defined as Adjusted EBITDA less Capital Expenditures.

Strong Operating Performance

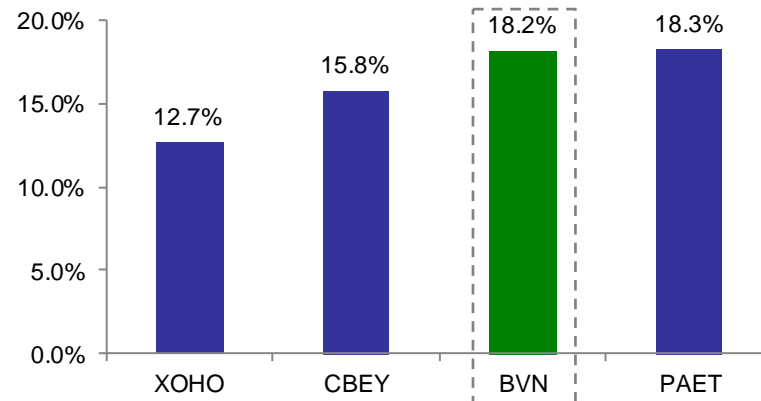
Consistent EBITDA and Above Average Margins Relative to Peer Group

- Strong operating position driven by focused customer and product strategy
- Increased revenue from more profitable, stickier T-1 & IP-based and cloud-based products
- Consistent growth in adjusted EBITDA margin
- EBITDA margins in-line with comparable public companies
- Evaluating recent FCC access reform actions

Adjusted EBITDA Margin



Comparable Companies LTM EBITDA Margin ⁽¹⁾⁽²⁾⁽³⁾



(1) LTM represents Last Twelve Months as of 9/30/2011, XOHO LTM as of 3/31/2011.

(2) PAET LTM EBITDA margin pro forma for Cavalier and XETA.

(3) Comparable companies reflect public company comparables: Cbeyond, Inc. (CBEY), PAETEC Holding Corp (PAET) and XO Holdings Inc. (XOHO).

Balance Sheet

(\$ Millions)

	12/31/10	09/30/11
Assets		
Cash and Investments	\$41.7	\$26.2
Accounts Receivable	\$35.9	\$35.5
Other Current Assets	\$10.7	\$10.6
Total Current Assets	\$88.3	\$72.3
Property & Equipment, net	\$85.1	\$83.9
Other Assets	\$8.1	\$6.7
Goodwill	\$98.2	\$98.2
Intangible Assets, net	\$15.1	\$11.0
Total Assets	\$294.8	\$272.2
Liabilities & Stockholders' Deficiency		
Current Liabilities	\$59.6	\$44.2
Current Portion of LTD	\$2.3	\$320.3
Total Current Liabilities	\$61.9	\$364.5
Long Term Debt	\$319.1	\$0.0
Capital Leases	\$2.7	\$3.0
Other Liabilities	\$9.0	\$10.3
Total Liabilities	\$392.7	\$377.8
Total Stockholders' Deficiency	(\$97.8)	(\$105.6)
Total Liabilities & Stockholders Deficiency	\$294.8	\$272.2

Liquidity/Balance Sheet

- Top Down Run Rate – \$70M LTM Adjusted EBITDA less \$31M LTM Cap Exp less \$36M run rate interest = marginally cash flow positive (before working capital, transaction costs, settlements and other non-recurring)
- CIT revolver obligations of \$18M, including \$17M of borrowings and \$1M of issued letters of credit under the facility
 - Facility expires in February 2012
- \$300M Senior Notes Maturity - September 2012

Highlights

Leading Provider of Next-Generation Communications Solutions

State-of-the-Art Network Infrastructure

Large & Diversified Customer Base

Strong and Improving Key Operating Metrics

Recurring FCF and Increasing Profitability Margins

Experienced Management

Appendix

Adjusted EBITDA Reconciliation

(\$ in Thousands)

	Fiscal Year Ended December 31,			Three Months Ended						Preliminary	
	2008	2009	2010	March 31, 2010	June 30, 2010	Sept 30, 2010	Dec 31, 2010	March 31, 2011	June 30, 2011	Sept 30, 2011	LTM Ended Sept 30, 2011
				(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Statement of Operations Data:											
Revenues.....	\$ 496,922	\$ 456,452	\$ 407,704	\$ 105,706	\$ 102,907	\$ 100,423	\$ 98,668	\$ 98,419	\$ 95,537	\$ 93,444	\$ 386,068
Cost of revenues (exclusive of depreciation and amortization).....	257,883	225,431	193,860	50,060	49,605	47,214	46,981	45,837	45,028	43,853	181,699
Gross profit.....	239,039	231,021	213,844	55,646	53,302	53,209	51,687	52,582	50,509	49,591	204,369
Selling, general and administrative.....	168,421	154,722	148,917	37,769	39,701	36,573	34,874	34,770	32,813	33,360	135,817
Depreciation and amortization.....	73,608	49,922	44,085	11,408	11,343	11,402	9,932	9,781	9,987	9,941	39,641
Income (loss) from operations.....	(2,990)	26,377	20,842	6,469	2,258	5,234	6,881	8,031	7,709	6,290	28,911
Interest expense.....	(39,514)	(39,197)	(38,379)	(9,922)	(9,440)	(9,397)	(9,620)	(9,717)	(9,616)	(9,625)	(38,578)
Interest income.....	702	112	73	4	12	34	23	20	17	18	78
Other income (expense).....	(8)	17	-	-	-	-	-	-	183	-	183
Loss before income taxes.....	(41,810)	(12,691)	(17,464)	(3,449)	(7,170)	(4,129)	(2,716)	(1,666)	(1,707)	(3,316)	(9,405)
Provision for income taxes.....	(1,056)	(1,179)	(1,288)	(288)	(242)	(521)	(237)	(372)	(319)	(382)	(1,310)
Net loss.....	\$ (42,866)	\$ (13,870)	\$ (18,752)	\$ (3,737)	\$ (7,412)	\$ (4,650)	\$ (2,953)	\$ (2,038)	\$ (2,026)	\$ (3,698)	\$ (10,715)
Other Financial Data:											
EBITDA (1).....	\$ 70,610	\$ 76,316	\$ 64,927	\$ 17,877	\$ 13,601	\$ 16,636	\$ 16,813	\$ 17,812	\$ 17,879	\$ 16,232	\$ 68,736
Adjusted EBITDA (1).....	70,965	77,202	69,913	18,007	17,534	17,055	17,317	18,006	17,812	17,317	70,453
Adjusted EBITDA margin.....	14.3%	16.9%	17.1%	17.0%	17.0%	17.0%	17.6%	18.3%	18.6%	18.5%	18.2%
Net loss.....	\$ (42,866)	\$ (13,870)	\$ (18,752)	\$ (3,737)	\$ (7,412)	\$ (4,650)	\$ (2,953)	\$ (2,038)	\$ (2,026)	\$ (3,698)	\$ (10,715)
Interest expense.....	39,514	39,197	38,379	9,922	9,440	9,397	9,620	9,717	9,616	9,625	38,578
Interest income.....	(702)	(112)	(73)	(4)	(12)	(34)	(23)	(20)	(17)	(18)	(78)
Provision for income taxes.....	1,056	1,179	1,288	288	242	521	237	372	319	382	1,310
Depreciation and amortization.....	73,608	49,922	44,085	11,408	11,343	11,402	9,932	9,781	9,987	9,941	39,641
EBITDA.....	70,610	76,316	64,927	17,877	13,601	16,636	16,813	17,812	17,879	16,232	68,736
Costs associated with initial public offering (a).....	-	-	3,669	-	3,669	-	-	-	-	-	-
Severance and related separation costs (b).....	30	552	1,121	39	241	419	422	152	83	31	688
Professional fees related to strategic initiatives (c).....	32	101	137	32	23	-	82	42	33	100	257
Costs associated with early termination of lease (d).....	-	-	-	-	-	-	-	-	-	955	955
Share-based compensation (e).....	293	233	59	59	-	-	-	-	-	-	-
Other Income.....	-	-	-	-	-	-	-	-	(183)	-	(183)
Adjusted EBITDA.....	70,965	77,202	69,913	18,007	17,534	17,055	17,317	18,006	17,812	17,317	70,453
Capital expenditures.....	(39,786)	(33,747)	(29,879)	(7,709)	(8,765)	(6,698)	(6,707)	(8,816)	(8,505)	(7,425)	(31,453)
Free Cash Flow (2).....	\$ 31,179	\$ 43,455	\$ 40,034	\$ 10,298	\$ 8,769	\$ 10,357	\$ 10,610	\$ 9,190	\$ 9,307	\$ 9,892	\$ 39,000

(1) Adjusted EBITDA represents net loss before depreciation and amortization, interest income and expense, provision for income taxes, share-based compensation, costs associated with initial public offering, severance and related separation costs and professional fees related to strategic initiatives, and early lease termination costs.

(a) Represents one-time, non-recurring costs associated with initial public offering.

(b) Relate primarily to guaranteed severance payments and employee health benefits.

(c) Represents expenses that management believes are not reflective of our core operations.

(d) Represents expenses that management believes are not reflective of our core operations.

(e) Represents non-cash expenses incurred as part of executive compensation.

(2) Free Cash Flow defined as Adjusted EBITDA less capital expenditures.