

Zayo Acquires Optic Zoo Networks

Acquisition adds dense, high-count fiber to Vancouver, British Columbia footprint

BOULDER, Colo. – January 19, 2018 – Zayo Group Holdings, Inc. (NYSE: ZAYO) today announced that it has acquired Vancouver-based Optic Zoo Networks for CAD \$31 million. Optic Zoo owns and operates high-capacity fiber in Vancouver and has achieved a significant penetration of customers, with a focus on the digital media sector.

The transaction strengthens Zayo's position in Vancouver and Western Canada, adding 103 route miles and more than 100 on-net buildings to Zayo's Vancouver footprint. The acquisition will deepen Zayo's customer base, providing the ability to cross sell to a diverse group of U.S. and Canadian customers. Optic Zoo's high-count fiber, 270 on average, has ample capacity for new and existing customers.

The third largest city in Canada, Vancouver is a global gateway and Canadian business hub. The city is a growing center for digital media and film, professional services, biotechnology and software development, all large consumers of bandwidth.

"The addition of Optic Zoo, with its pure play assets and innovative team, will complement our Canadian footprint and accelerate our traction in a rapidly growing media and technology hub," said Jack Waters, CTO and president of Fiber Solutions at Zayo. "Optic Zoo has built a strong and growing business, attracted an impressive customer base and delivered revenue growth rates of more than 20 percent."

All of Optic Zoo's revenue aligns with Zayo's infrastructure-focused business segments, with the majority classified as fiber solutions. Optic Zoo is expected to generate CAD \$1.9M in annualized EBITDA for the quarter ended March 31, 2018. Zayo expects to achieve approximately CAD \$0.5M in annualized cost synergies by year-end 2018 after a relatively straightforward integration process.

The transaction closed yesterday, January 18, 2018. Bank Street Group served as exclusive financial advisor to Optic Zoo in connection with the transaction.

About Zayo Group

Zayo Group Holdings, Inc. (NYSE: ZAYO) provides communications infrastructure services, including fiber and bandwidth connectivity, colocation and cloud infrastructure to the world's leading businesses. Customers include wireless and wireline carriers, media and content companies and finance, healthcare and other large enterprises. Zayo's 126,000-mile network in North America and Europe includes extensive metro connectivity to thousands of buildings and data centers. In addition to high-capacity dark fiber, wavelength, Ethernet and other connectivity solutions, Zayo offers colocation and cloud infrastructure in its carrier-neutral data centers. Zayo provides clients with flexible, customized solutions and self-service through Tranzact, an innovative online platform for managing and purchasing bandwidth and services. For more information, visit zayo.com.

Forward Looking Statements

This press release contains a number of forward-looking statements. Words, and variations of words such as “believe,” “expect,” “plan,” “continue,” “will,” “should,” and similar expressions are intended to identify our forward-looking statements. No assurance can be given that future results expressed or implied by the forward-looking statements will be achieved and actual results may differ materially from those contemplated by the forward-looking statements. These forward-looking statements involve risks and uncertainties, many of which are beyond our control. For additional information on these and other factors that could affect our forward-looking statements, see our risk factors, as they may be amended from time to time, set forth in our filings with the SEC, including our 10-K dated August 22, 2017. We disclaim and do not undertake any obligation to update or revise any forward-looking statement in this press release, except as required by applicable law or regulation.

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