

Windstream Corporation ("we," "us" or "our") has presented in this package unaudited pro forma results, which excludes all merger and integration costs resulting from strategic transactions and the results of operations of the energy business acquired as part of PAETEC, which was included in discontinued operations and sold during the second quarter of 2012. In addition to pro forma adjustments, we have presented certain measures of our operating performance, excluding the impact of restructuring charges, pension and stock-based compensation. We have made certain reclassifications and revisions to prior periods to conform with the current presentation.

Our purpose for excluding non-recurring items, the results of the disposed operations, restructuring charges, pension and share-based compensation is to improve the comparability of results of operations for all periods presented in order to focus on the true earnings capacity associated with providing telecommunication services. Additionally, management believes that presenting current business measures assists investors by providing more meaningful comparisons of results from current and prior periods, and by providing information that is a better reflection of the core earnings capacity of our current businesses. We use pro forma results, including pro forma OIBDA, pro forma adjusted OIBDA, pro forma adjusted capital expenditures and adjusted free cash flow as key measures of the operational performance of our business. Our management, including the chief operating decision-maker, consistently uses these measures for internal reporting and the evaluation of business objectives, opportunities and performance.

We claim the protection of the safe-harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. Forward-looking statements are subject to uncertainties that could cause actual future events and results to differ materially from those expressed in the forward-looking statements. Forward looking statements include, but are not limited to, statements about our expectation to return a significant portion of our cash flow to shareholders through our dividend, our expectation to maintain our current dividend practice at the current rate of dividend, expected levels of support from universal service funds or other government programs, expected rates of loss of voice lines or inter-carrier compensation, expected increases in high-speed Internet and business data connections, our expected ability to fund operations, expected required contributions to our pension plan, capital expenditures and certain debt maturities from cash flows from operations, expected synergies and other benefits from completed acquisitions, expected effective federal income tax rates, expected annualized savings from the management restructuring, the amounts expected to be received from the Rural Utilities Service to fund a portion of our broadband stimulus projects and the expected benefits of those projects and forecasted capital expenditure amounts. These and other forward-looking statements are based on estimates, projections, beliefs, and assumptions that we believe are reasonable but are not guarantees of future events and results. Actual future events and our results may differ materially from those expressed in these forward-looking statements as a result of a number of important factors. Factors that could cause actual results to differ materially from those contemplated in our forward-looking statements include, among others: further adverse changes in economic conditions in the markets served by us; the extent, timing and overall effects of competition in the communications business; the impact of new, emerging or competing technologies; for certain operations where we lease facilities from other carriers, adverse effects on the availability, quality of service and price of facilities and services provided by other carriers on which our services depend; the uncertainty regarding the implementation of the Federal Communications Commission's ("FCC") rules on intercarrier compensation adopted in 2011, the potential for the adoption of further rules by the FCC or Congress on intercarrier compensation and/or universal service reform proposals that result in a significant loss of revenue to us; unfavorable rulings by state public service commissions in proceedings regarding universal service funds, inter-carrier compensation or other matters that could reduce revenues or increase expenses; material changes in the communications industry that could adversely affect vendor relationships with equipment and network suppliers and customer relationships with wholesale customers; earnings on pension plan investments significantly below our expected long term rate of return for plan assets or a significant change in the discount rate; the availability and cost of financing in the corporate debt markets; the potential for adverse changes in the ratings given to our debt securities by nationally accredited ratings organizations; the risks associated with non-compliance by us with regulations or statutes applicable to government programs under which we receive material amounts of end user revenue and government subsidies, or non-compliance by us, our partners, or our subcontractors with any terms of our government contracts; the risks associated with the integration of acquired businesses or the ability to realize anticipated synergies, cost savings and growth opportunities; unfavorable results of litigation or intellectual property infringement claims asserted against us; the effects of federal and state legislation, and rules and regulations governing the communications industry; continued loss of consumer voice lines; the impact of equipment failure, natural disasters or terrorist acts; the effects of work stoppages by our employees or employees of other communications companies on whom we rely for service; and those additional factors under the caption "Risk Factors" in our Form 10-K for the year ended December 31, 2012, and in subsequent filings with the Securities and Exchange Commission at [www.sec.gov](http://www.sec.gov).

In addition to these factors, actual future performance, outcomes and results may differ materially because of more general factors including, among others, general industry and market conditions and growth rates, economic conditions, and governmental and public policy changes. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. The foregoing review of factors that could cause our actual results to differ materially from those contemplated in the forward-looking statements should be considered in connection with information regarding risks and uncertainties that may affect our future results included in our other filings with the Securities and Exchange Commission at [www.sec.gov](http://www.sec.gov).

WINDSTREAM CORPORATION  
 UNAUDITED PRO FORMA CONSOLIDATED RESULTS (NON-GAAP) (A)  
 QUARTERLY SUPPLEMENTAL INFORMATION  
 for the quarterly periods in the years 2013 and 2012  
 (In millions)

FINANCIAL RESULTS (B):	2013	2012				
	1st Qtr.	Total	4th Qtr.	3rd Qtr.	2nd Qtr.	1st Qtr.
Service revenues:						
Business	\$ 914.3	\$ 3,611.4	\$ 916.5	\$ 906.5	\$ 892.2	\$ 896.2
Consumer	328.1	1,339.5	334.3	333.6	335.7	335.9
Wholesale	151.9	708.0	169.0	181.9	173.6	183.5
Other	60.9	266.2	64.0	63.9	67.6	70.7
Total service revenues	1,455.2	5,925.1	1,483.8	1,485.9	1,469.1	1,486.3
Product sales	45.2	231.2	54.4	59.5	65.3	52.0
Total revenues and sales	\$ 1,500.4	\$ 6,156.3	\$ 1,538.2	\$ 1,545.4	\$ 1,534.4	\$ 1,538.3
Costs and expenses:						
Cost of services	\$ 639.7	\$ 2,631.1	\$ 643.0	\$ 672.2	\$ 654.9	\$ 661.0
Cost of products sold	43.4	210.0	50.7	56.8	57.6	44.9
Selling, general and administrative	230.2	926.7	226.0	224.4	231.3	245.0
Costs and expenses excluding pension and share-based compensation	913.3	3,767.8	919.7	953.4	943.8	950.9
Adjusted OIBDA (C)	587.1	2,388.5	618.5	592.0	590.6	587.4
Pension (benefit) expense	(1.2)	67.4	68.7	(1.4)	1.2	(1.1)
Share-based compensation	12.4	43.2	23.9	5.6	6.3	7.4
Restructuring charges	4.9	27.4	4.1	12.1	10.3	0.9
OIBDA (D)	571.0	2,250.5	521.8	575.7	572.8	580.2
Depreciation and amortization	329.5	1,297.6	339.1	326.4	320.0	312.1
Operating income	\$ 241.5	\$ 952.9	\$ 182.7	\$ 249.3	\$ 252.8	\$ 268.1
Margins (E):						
Adjusted OIBDA margin	39.1%	38.8%	40.2%	38.3%	38.5%	38.2%
OIBDA margin	38.1%	36.6%	33.9%	37.3%	37.3%	37.7%
Operating income margin	16.1%	15.5%	11.9%	16.1%	16.5%	17.4%
SUPPLEMENTAL INFORMATION:						
Revenues from business and broadband:						
Business service revenue	\$ 914.3	\$ 3,611.4	\$ 916.5	\$ 906.5	\$ 892.2	\$ 896.2
Business product sales	30.5	160.5	40.0	43.2	40.3	37.0
Consumer broadband service	117.4	456.6	116.3	114.5	113.8	112.0
Consumer broadband product sales	1.4	7.9	2.8	0.7	2.8	1.6
Business and broadband revenues	\$ 1,063.6	\$ 4,236.4	\$ 1,075.6	\$ 1,064.9	\$ 1,049.1	\$ 1,046.8
<i>Business and broadband as a percent of total revenues</i>	70.9%	68.8%	69.9%	68.9%	68.4%	68.0%
CAPITAL EXPENDITURES:						
Recurring capital expenditures	\$ 164.7	\$ 735.2	\$ 190.4	\$ 196.5	\$ 187.3	\$ 161.0
Fiber to the tower and broadband stimulus	69.2	314.6	80.0	92.5	79.8	62.3
Adjusted capital expenditures (F)	\$ 233.9	\$ 1,049.8	\$ 270.4	\$ 289.0	\$ 267.1	\$ 223.3
<i>Recurring capital expenditures as a percent of total revenues</i>	11.0%	11.9%	12.4%	12.7%	12.2%	10.5%

(A) Pro forma results adjusts results of operations under GAAP to exclude all merger and integration costs related to strategic transactions and the results of operations of the energy business acquired as part of PAETEC.

(B) We have revised the first three quarters of 2012 to reflect a change in the accounting for certain promotional credits for new consumer customers. Previously, these credits were deferred and amortized as a reduction of revenue over the length of the contract with the customer, whereas they should have been recognized in the month the credits were issued. We have determined that these corrections were not material to the periods affected. Additionally, certain prior year revenues and expenses were reclassified to reflect the current presentation and these changes had no impact on operating income.

(C) Adjusted OIBDA is OIBDA before restructuring charges, pension expense and share-based compensation.

(D) OIBDA is operating income before depreciation and amortization.

(E) Margins are calculated by dividing the profitability measures by total revenues and sales.

(F) Adjusted capital expenditures exclude the impact of integration capital expenditures.

WINDSTREAM CORPORATION  
 UNAUDITED PRO FORMA CONSOLIDATED RESULTS (NON-GAAP) (A)  
 QUARTERLY SUPPLEMENTAL INFORMATION  
 for the quarterly periods in the years 2013 and 2012  
 (In millions)

REVENUE SUPPLEMENT (B)	2013	2012				
	1st Qtr.	Total	4th Qtr.	3rd Qtr	2nd Qtr	1st Qtr.
Service revenues:						
Voice and long distance	\$ 311.0	\$ 1,282.8	\$ 316.9	\$ 321.3	\$ 317.1	\$ 327.5
Data and integrated services	400.4	1,535.4	397.9	388.3	376.9	372.3
Carrier	166.8	653.2	165.0	161.8	164.0	162.4
Miscellaneous	36.1	140.0	36.7	35.1	34.2	34.0
Business	914.3	3,611.4	916.5	906.5	892.2	896.2
Voice and long distance	183.7	777.0	191.2	192.5	196.0	197.3
Broadband	117.4	456.6	116.3	114.5	113.8	112.0
Video and miscellaneous	27.0	105.9	26.8	26.6	25.9	26.6
Consumer	328.1	1,339.5	334.3	333.6	335.7	335.9
Switched access	54.9	337.2	70.2	83.9	86.3	96.8
USF Support	67.7	248.9	67.5	67.2	57.2	57.0
Voice and long distance	17.2	74.1	19.3	18.9	18.3	17.6
Data and integrated services	11.3	44.3	11.2	11.0	11.0	11.1
Miscellaneous	0.8	3.5	0.8	0.9	0.8	1.0
Wholesale	151.9	708.0	169.0	181.9	173.6	183.5
Pass through taxes and surcharges	38.5	161.0	41.2	37.8	40.7	41.3
Other	22.4	105.2	22.8	26.1	26.9	29.4
Other	60.9	266.2	64.0	63.9	67.6	70.7
Total service revenues	1,455.2	5,925.1	1,483.8	1,485.9	1,469.1	1,486.3
Product sales:						
Business	30.5	160.5	40.0	43.2	40.3	37.0
Consumer	2.2	13.3	3.6	1.6	5.4	2.7
Other	12.5	57.4	10.8	14.7	19.6	12.3
Product sales	45.2	231.2	54.4	59.5	65.3	52.0
Total revenues and sales	\$ 1,500.4	\$ 6,156.3	\$ 1,538.2	\$ 1,545.4	\$ 1,534.4	\$ 1,538.3

- (A) Pro forma results adjusts results of operations under GAAP to exclude all merger and integration costs related to strategic transactions and the results of operations of the energy business acquired as part of PAETEC.
- (B) We have revised the first three quarters of 2012 to reflect a change in the accounting for certain promotional credits for new consumer customers. Previously, these credits were deferred and amortized as a reduction of revenue over the length of the contract with the customer, whereas they should have been recognized in the month the credits were issued. We have determined these corrections were not material to the periods affected. Additionally, certain prior year revenues and expenses were reclassified to reflect the current presentation and these changes had no impact on operating income.

WINDSTREAM CORPORATION  
 UNAUDITED PRO FORMA OPERATING METRICS (NON-GAAP)  
 QUARTERLY SUPPLEMENTAL INFORMATION  
 for the quarterly periods in the years 2013 and 2012  
 (Units In thousands, dollars In millions)

	2013		2012			
	1st Qtr.	Total	4th Qtr.	3rd Qtr.	2nd Qtr.	1st Qtr.
<b>KEY OPERATING METRICS:</b>						
Business:						
Customers (A)						
Enterprise (B)	183.2	180.3	180.3	179.2	174.0	171.1
Small business (C)	443.8	453.0	453.0	462.8	473.5	481.2
Total Customers	627.0	633.3	633.3	642.0	647.5	652.3
<i>YOY change in enterprise customers</i>	7.1%	7.1%	7.1%	7.2%	7.2%	7.3%
<i>YOY change in small business customers</i>	-7.8%	-7.7%	-7.7%	-7.5%	-7.4%	-7.2%
<i>YOY change in total customers</i>	-3.9%	-3.9%	-3.9%	-3.8%	-3.9%	-3.8%
Business service revenue, excluding carrier revenue	\$ 747.5	\$ 2,958.2	\$ 751.5	\$ 744.7	\$ 728.2	\$ 733.8
Average service revenue per customer per month	\$ 395.41	\$ 381.11	\$ 392.85	\$ 385.01	\$ 373.49	\$ 373.04
Carrier special access circuits (D)	103.6	107.2	107.2	112.7	113.8	112.9
<i>YOY change in carrier special access circuits</i>	-8.2%	-4.3%	-4.3%	2.7%	5.1%	7.6%
Carrier service revenue	\$ 166.8	\$ 653.2	\$ 165.0	\$ 161.8	\$ 164.0	\$ 162.4
Average revenue per circuit per month	\$ 527.51	\$ 487.23	\$ 500.23	\$ 476.23	\$ 482.28	\$ 481.40
Consumer:						
Voice lines	1,812.9	1,841.9	1,841.9	1,865.2	1,887.5	1,911.5
High-speed Internet	1,205.9	1,214.5	1,214.5	1,216.2	1,210.7	1,215.3
Digital television customers	421.1	426.1	426.1	431.6	436.4	440.3
Total consumer connections	3,439.9	3,482.5	3,482.5	3,513.0	3,534.6	3,567.1
<i>YOY change in voice lines</i>	-5.2%	-4.5%	-4.5%	-4.4%	-4.4%	-4.3%
<i>YOY change in high-speed internet</i>	-0.8%	0.6%	0.6%	1.4%	1.7%	2.4%
<i>YOY change in digital television customers</i>	-4.4%	-4.4%	-4.4%	-3.0%	-0.7%	1.0%

(A) Business customers include each individual business customer location to which we provide service and exclude carrier special access circuits.

(B) Enterprise customers generate \$750 or more in revenue per month.

(C) Small business customers generate less than \$750 in revenue per month.

(D) Carrier special access circuits are dedicated circuits purchased by telecommunication carriers to transport traffic from wireless towers, between points on their network or from their network to a customer location.

WINDSTREAM CORPORATION  
UNAUDITED CONSOLIDATED RESULTS (NON-GAAP)  
QUARTERLY SUPPLEMENTAL INFORMATION  
for the quarterly periods in the years 2013 and 2012  
(In millions)

	2013	2012				
	1st Qtr.	Total	4th Qtr.	3rd Qtr.	2nd Qtr.	1st Qtr.
<b>ADJUSTED FREE CASH FLOW:</b>						
Operating income under GAAP	\$ 236.4	\$ 887.5	\$ 171.7	\$ 236.6	\$ 233.4	\$ 245.8
Depreciation and amortization	329.5	1,297.6	339.1	326.4	320.0	312.1
As reported OIBDA	565.9	2,185.1	510.8	563.0	553.4	557.9
Merger and integration expense	5.1	65.4	11.0	12.7	19.4	22.3
Pension (benefit) expense	(1.2)	67.4	68.7	(1.4)	1.2	(1.1)
Restructuring charges	4.9	27.4	4.1	12.1	10.3	0.9
Share-based compensation	12.4	43.2	23.9	5.6	6.3	7.4
As reported adjusted OIBDA	587.1	2,388.5	618.5	592.0	590.6	587.4
Adjustments:						
Adjusted capital expenditures	(233.9)	(1,049.8)	(270.4)	(289.0)	(267.1)	(223.3)
Cash paid for interest	(105.2)	(671.5)	(222.7)	(125.0)	(184.8)	(139.0)
Cash (paid) refunded for taxes	(0.5)	100.7	(3.1)	(6.7)	(9.6)	120.1
Adjusted free cash flow	\$ 247.5	\$ 767.9	\$ 122.3	\$ 171.3	\$ 129.1	\$ 345.2
Dividends paid	\$ 148.1	\$ 588.0	\$ 147.5	\$ 147.0	\$ 147.0	\$ 146.5
Weighted average common shares	586.6					
Common stock outstanding	592.7					
<b>DEBT LEVERAGE RATIO:</b>						
	As of					
	3/31/2013					
Long-term debt, including current maturities	\$ 8,996.7					
Cash and cash equivalents, including restricted cash	73.3					
Net debt	\$ 8,923.4					
	Twelve					
	Months Ended					
	3/31/2013					
Pro forma adjusted OIBDA	\$ 2,388.2					
Pro forma leverage ratio	3.77					
Pro forma net leverage ratio	3.74					

WINDSTREAM CORPORATION  
 UNAUDITED PRO FORMA CONSOLIDATED RESULTS (NON-GAAP) (A)  
 QUARTERLY SUPPLEMENTAL INFORMATION  
 for the quarterly periods in the years 2013 and 2012  
 (In millions)

	2013	2012				
	1st Qtr.	Total	4th Qtr.	3rd Qtr.	2nd Qtr.	1st Qtr.
Reconciliation of Operating Income under GAAP to Pro forma adjusted OIBDA:						
Operating income from continuing operations under GAAP	\$ 236.4	\$ 887.5	\$ 171.7	\$ 236.6	\$ 233.4	\$ 245.8
Pro forma adjustments:						
M&I costs	5.1	65.4	11.0	12.7	19.4	22.3
Pro forma operating income	<u>241.5</u>	<u>952.9</u>	<u>182.7</u>	<u>249.3</u>	<u>252.8</u>	<u>268.1</u>
Depreciation and amortization expense	329.5	1,297.6	339.1	326.4	320.0	312.1
Pro forma OIBDA (B)	<u>571.0</u>	<u>2,250.5</u>	<u>521.8</u>	<u>575.7</u>	<u>572.8</u>	<u>580.2</u>
Other adjustments:						
Pension (benefit) expense	(1.2)	67.4	68.7	(1.4)	1.2	(1.1)
Restructuring charges	4.9	27.4	4.1	12.1	10.3	0.9
Share-based compensation	12.4	43.2	23.9	5.6	6.3	7.4
Pro forma adjusted OIBDA (C)	<u>\$ 587.1</u>	<u>\$ 2,388.5</u>	<u>\$ 618.5</u>	<u>\$ 592.0</u>	<u>\$ 590.6</u>	<u>\$ 587.4</u>
Reconciliation of Capital Expenditures under GAAP to Pro forma Adjusted Capital Expenditures:						
Capital expenditures under GAAP	\$ 243.5	\$ 1,101.2	\$ 291.8	\$ 307.3	\$ 276.0	\$ 226.1
Pro forma adjustments:						
Less: Integration capital expenditures	9.6	51.4	21.4	18.3	8.9	2.8
Pro forma adjusted capital expenditures (D)	<u>\$ 233.9</u>	<u>\$ 1,049.8</u>	<u>\$ 270.4</u>	<u>\$ 289.0</u>	<u>\$ 267.1</u>	<u>\$ 223.3</u>

- (A) Pro forma results adjusts results of operations under GAAP to exclude all merger and integration costs related to strategic transactions and the results of operations of the energy business acquired as part of PAETEC.
- (B) OIBDA is operating income before depreciation and amortization.
- (C) Pro forma adjusted OIBDA adjusts pro forma OIBDA for the impact of restructuring charges, pension expense and share-based compensation.
- (D) Pro forma adjusted capital expenditures exclude the impact of integration capital expenditures.