

Windstream Holdings, Inc. ("Windstream Holdings", "we", "us", "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 software business acquired in 2011 as part of the acquisition of PAETEC Holding Corp. ("PAETEC"), which were included in discontinued operations and sold during the fourth quarter of 2013. In addition to pro forma adjustments, we have presented certain measures of our operating performance, excluding the impact of restructuring charges, pension expense (benefit) and share-based compensation. We have made certain reclassifications and revisions to prior periods to conform with the current year 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 proforma 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 operations. 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 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 business data connections, our expected ability to fund operations, expected required contributions to our pension plan, capital expenditures, cash income tax payments, and certain debt maturities from cash flows from operations, expected synergies and other benefits from completed acquisitions, expected effective federal income tax rates, 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; risks related to the anticipated timing of the proposed separation, the expected tax treatment of the proposed transaction, the ability of each of Windstream (post-spin) and the new Real Estate Investment Trust to conduct and expand their respective businesses following the proposed spinoff; our ability to receive, or delays in obtaining, the regulatory approvals required to complete the spinoff; 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; unfavorable results of litigation or intellectual property infringement claims asserted against us; our ability to continue to pay dividends, which may be affected by changes in our cash requirements, capital spending plan, cash tax payment obligations, or financial position, and which is subject to our capital allocation policy and may be changed at any time at the discretion of our board of directors; unanticipated increases or other changes in our future cash requirements, whether caused by unanticipated increases in capital expenditures, increases in pension funding requirements, or otherwise; 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; the effects of federal and state legislation, and rules and regulations governing the communications industry; continued loss of consumer voice lines and consumer high-speed Internet customers; 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, 2013, and in subsequent filings with the Securities and Exchange Commission at 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.

WINDSTREAM HOLDINGS, INC.
UNAUDITED PRO FORMA CONSOLIDATED RESULTS (NON-GAAP) (A)
QUARTERLY SUPPLEMENTAL INFORMATION
for the quarterly periods in the years 2014 and 2013
(In millions)

FINANCIAL RESULTS:	2014			2013				
	Total	2nd Qtr.	1st Qtr.	Total	4th Qtr.	3rd Qtr.	2nd Qtr.	1st Qtr.
Service revenues:								
Business	\$ 1,813.8	\$ 903.8	\$ 910.0	\$ 3,668.8	\$ 921.1	\$ 917.6	\$ 914.3	\$ 915.8
Consumer	629.8	316.8	313.0	1,292.0	316.9	322.4	325.8	326.9
Wholesale	282.7	141.0	141.7	593.5	143.1	147.8	150.7	151.9
Other	111.1	56.1	55.0	221.2	54.8	55.1	54.6	56.7
Total service revenues	2,837.4	1,417.7	1,419.7	5,775.5	1,435.9	1,442.9	1,445.4	1,451.3
Product sales	93.5	48.3	45.2	212.6	55.4	55.7	56.3	45.2
Total revenues and sales	2,930.9	1,466.0	1,464.9	5,988.1	1,491.3	1,498.6	1,501.7	1,496.5
Costs and expenses:								
Cost of services	1,287.7	645.2	642.5	2,571.2	645.3	643.2	643.1	639.6
Cost of products sold	81.1	40.0	41.1	183.9	45.7	46.2	49.4	42.6
Selling, general and administrative	478.3	237.4	240.9	914.9	224.4	234.7	227.8	228.0
Costs and expenses excluding pension and share-based compensation	1,847.1	922.6	924.5	3,670.0	915.4	924.1	920.3	910.2
Adjusted OIBDA (B)	1,083.8	543.4	540.4	2,318.1	575.9	574.5	581.4	586.3
Pension expense (benefit)	6.0	6.3	(0.3)	(115.3)	(115.3)	(1.1)	2.3	(1.2)
Share-based compensation	27.7	14.0	13.7	44.7	10.8	11.2	10.4	12.3
Restructuring charges	16.2	3.8	12.4	8.6	0.3	0.8	2.6	4.9
OIBDA (C)	1,033.9	519.3	514.6	2,380.1	680.1	563.6	566.1	570.3
Depreciation and amortization	682.9	344.0	338.9	1,340.9	341.2	338.2	332.2	329.3
Operating income	\$ 351.0	\$ 175.3	\$ 175.7	\$ 1,039.2	\$ 338.9	\$ 225.4	\$ 233.9	\$ 241.0
Margins (D):								
Adjusted OIBDA margin	37.0%	37.1%	36.9%	38.7%	38.6%	38.3%	38.7%	39.2%
OIBDA margin	35.3%	35.4%	35.1%	39.7%	45.6%	37.6%	37.7%	38.1%
Operating income margin	12.0%	12.0%	12.0%	17.4%	22.7%	15.0%	15.6%	16.1%
SUPPLEMENTAL INFORMATION:								
Revenues from business and broadband:								
Business service revenue	\$ 1,813.8	\$ 903.8	\$ 910.0	\$ 3,668.8	\$ 921.1	\$ 917.6	\$ 914.3	\$ 915.8
Business product sales	68.9	36.1	32.8	152.4	40.1	41.0	40.8	30.5
Consumer broadband service	240.5	120.6	119.9	476.2	119.3	119.4	120.1	117.4
Consumer broadband product sales	8.3	3.7	4.6	12.8	5.1	4.1	2.2	1.4
Business and broadband revenues	\$ 2,131.5	\$ 1,064.2	\$ 1,067.3	\$ 4,310.2	\$ 1,085.6	\$ 1,082.1	\$ 1,077.4	\$ 1,065.1
Business and broadband as a percent of total revenues	72.7%	72.6%	72.9%	72.0%	72.8%	72.2%	71.7%	71.2%
CAPITAL EXPENDITURES:								
Recurring capital expenditures	\$ 322.3	\$ 182.1	\$ 140.2	\$ 622.3	\$ 134.2	\$ 149.9	\$ 170.3	\$ 167.9
Fiber to the tower and broadband stimulus projects	36.5	23.7	12.8	189.4	35.7	37.5	50.2	66.0
Adjusted capital expenditures (E)	\$ 358.8	\$ 205.8	\$ 153.0	\$ 811.7	\$ 169.9	\$ 187.4	\$ 220.5	\$ 233.9
Recurring capital expenditures as a percent of total revenues	11.0%	12.4%	9.6%	10.4%	9.0%	10.0%	11.3%	11.2%

- (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 software business acquired as part of the PAETEC acquisition.
(B) Adjusted OIBDA is OIBDA before restructuring charges, pension expense (benefit) and share-based compensation.
(C) OIBDA is operating income before depreciation and amortization.
(D) Margins are calculated by dividing the respective profitability measures by total revenues and sales.
(E) Adjusted capital expenditures exclude the impact of integration-related capital expenditures.

WINDSTREAM HOLDINGS, INC.
 UNAUDITED PRO FORMA CONSOLIDATED RESULTS (NON-GAAP) (A)
 QUARTERLY SUPPLEMENTAL INFORMATION
 for the quarterly periods in the years 2014 and 2013
 (In millions)

REVENUE SUPPLEMENT	2014			2013				
	Total	2nd Qtr.	1st Qtr.	Total	4th Qtr.	3rd Qtr.	2nd Qtr.	1st Qtr.
Service revenues:								
Voice and long distance	\$ 586.9	\$ 291.0	\$ 295.9	\$ 1,226.8	\$ 304.5	\$ 304.6	\$ 306.6	\$ 311.1
Data and integrated services	831.4	417.5	413.9	1,623.6	411.5	406.5	405.2	400.4
Miscellaneous	78.4	40.1	38.3	149.9	37.8	38.0	36.6	37.5
Enterprise and small business	1,496.7	748.6	748.1	3,000.3	753.8	749.1	748.4	749.0
Carrier	317.1	155.2	161.9	668.5	167.3	168.5	165.9	166.8
Business	1,813.8	903.8	910.0	3,668.8	921.1	917.6	914.3	915.8
Voice and long distance	340.7	171.1	169.6	713.6	172.8	177.2	179.9	183.7
Broadband	240.5	120.6	119.9	476.2	119.3	119.4	120.1	117.4
Video and miscellaneous	48.6	25.1	23.5	102.2	24.8	25.8	25.8	25.8
Consumer	629.8	316.8	313.0	1,292.0	316.9	322.4	325.8	326.9
Switched access	87.8	43.6	44.2	210.1	47.5	51.6	56.1	54.9
USF support	138.9	69.3	69.6	272.8	69.2	69.8	66.1	67.7
Voice and long distance	32.7	16.5	16.2	63.7	14.6	14.6	16.9	17.6
Data and integrated services	22.0	11.0	11.0	44.2	11.2	11.2	10.9	10.9
Miscellaneous	1.3	0.6	0.7	2.7	0.6	0.6	0.7	0.8
Wholesale	282.7	141.0	141.7	593.5	143.1	147.8	150.7	151.9
Pass through taxes and surcharges	82.9	42.2	40.7	153.1	39.0	38.5	37.1	38.5
Miscellaneous	28.2	13.9	14.3	68.1	15.8	16.6	17.5	18.2
Other	111.1	56.1	55.0	221.2	54.8	55.1	54.6	56.7
Total service revenues	2,837.4	1,417.7	1,419.7	5,775.5	1,435.9	1,442.9	1,445.4	1,451.3
Product sales:								
Business	68.9	36.1	32.8	152.4	40.1	41.0	40.8	30.5
Consumer	9.5	4.3	5.2	15.8	6.0	4.7	2.9	2.2
Other	15.1	7.9	7.2	44.4	9.3	10.0	12.6	12.5
Total product sales	93.5	48.3	45.2	212.6	55.4	55.7	56.3	45.2
Total revenues and sales	\$ 2,930.9	\$ 1,466.0	\$ 1,464.9	\$ 5,988.1	\$ 1,491.3	\$ 1,498.6	\$ 1,501.7	\$ 1,496.5

(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 software business acquired as part of the PAETEC acquisition.

WINDSTREAM HOLDINGS, INC.

UNAUDITED PRO FORMA OPERATING METRICS (NON-GAAP)

QUARTERLY SUPPLEMENTAL INFORMATION

for the quarterly periods in the years 2014 and 2013

(Units in thousands, Dollars in millions, except per unit amounts)

KEY OPERATING METRICS:	2014			2013				
	Total	2nd Qtr.	1st Qtr.	Total	4th Qtr.	3rd Qtr.	2nd Qtr.	1st Qtr.
Business:								
Customer Locations (A)								
Enterprise (B)	212.5	212.5	212.2	210.4	210.4	208.8	206.5	207.0
Small business (C)	373.5	373.5	385.8	395.3	395.3	403.7	414.1	421.5
Total Customer Locations	586.0	586.0	598.0	605.7	605.7	612.5	620.6	628.5
<i>YOY change in enterprise locations</i>	2.9%	2.9%	2.5%	2.8%	2.8%	2.8%	2.3%	3.3%
<i>YOY change in small business locations</i>	-9.8%	-9.8%	-8.5%	-8.2%	-8.2%	-8.2%	-7.7%	-8.0%
<i>YOY change in total customer locations</i>	-5.6%	-5.6%	-4.9%	-4.7%	-4.7%	-4.7%	-4.6%	-4.6%
Total Business Customers	368.0	368.0	378.7	388.3	388.3	393.9	401.2	409.4
<i>YOY change in total customers</i>	-8.3%	-8.3%	-7.5%	-7.0%	-7.0%	-7.3%	-6.7%	-5.4%
Business service revenue, excluding carrier revenue	\$ 1,496.7	\$ 748.6	\$ 748.1	\$ 3,000.3	\$ 753.8	\$ 749.1	\$ 748.4	\$ 749.0
<i>Average service revenue per customer per month</i>	\$ 668.14	\$ 668.36	\$ 650.24	\$ 627.87	\$ 642.42	\$ 628.08	\$ 615.51	\$ 603.76
Carrier special access circuits (D)	88.5	88.5	93.4	100.1	100.1	101.5	103.0	103.6
<i>YOY change in carrier special access circuits</i>	-14.1%	-14.1%	-9.8%	-6.6%	-6.6%	-9.9%	-9.5%	-8.2%
Carrier service revenue	\$ 317.1	\$ 155.2	\$ 161.9	\$ 668.5	\$ 167.3	\$ 168.5	\$ 165.9	\$ 166.8
<i>Average revenue per circuit per month</i>	\$ 581.09	\$ 568.81	\$ 557.80	\$ 545.89	\$ 553.24	\$ 549.31	\$ 535.33	\$ 527.51
Consumer:								
Voice lines	1,670.3	1,670.3	1,703.2	1,722.3	1,722.3	1,752.7	1,783.3	1,812.9
High-speed Internet	1,153.8	1,153.8	1,170.4	1,170.9	1,170.9	1,183.4	1,194.5	1,205.9
Digital television customers	394.1	394.1	398.9	402.3	402.3	409.5	414.9	421.1
Total consumer connections	3,218.2	3,218.2	3,272.5	3,295.5	3,295.5	3,345.6	3,392.7	3,439.9
<i>YOY change in voice lines</i>	-6.3%	-6.3%	-6.1%	-6.5%	-6.5%	-6.0%	-5.5%	-5.2%
<i>YOY change in high-speed internet</i>	-3.4%	-3.4%	-2.9%	-3.6%	-3.6%	-2.7%	-1.3%	-0.8%
<i>YOY change in digital television customers</i>	-5.0%	-5.0%	-5.3%	-5.6%	-5.6%	-5.1%	-4.9%	-4.4%

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

(B) Enterprise locations represent customer relationships that generate \$750 or more in revenue per month.

(C) Small business locations represent customer relationships that 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 HOLDINGS, INC.
UNAUDITED CONSOLIDATED RESULTS (NON-GAAP)
QUARTERLY SUPPLEMENTAL INFORMATION
for the quarterly periods in the years 2014 and 2013
(In millions)

	2014			2013				
	Total	2nd Qtr.	1st Qtr.	Total	4th Qtr.	3rd Qtr.	2nd Qtr.	1st Qtr.
ADJUSTED FREE CASH FLOW:								
Operating income under GAAP	\$ 335.0	\$ 167.2	\$ 167.8	\$ 1,009.0	\$ 326.5	\$ 219.6	\$ 227.0	\$ 235.9
Depreciation and amortization	682.9	344.0	338.9	1,340.9	341.2	338.2	332.2	329.3
As reported OIBDA	1,017.9	511.2	506.7	2,349.9	667.7	557.8	559.2	565.2
Merger and integration costs	16.0	8.1	7.9	30.2	12.4	5.8	6.9	5.1
Pension expense (benefit)	6.0	6.3	(0.3)	(115.3)	(115.3)	(1.1)	2.3	(1.2)
Restructuring charges	16.2	3.8	12.4	8.6	0.3	0.8	2.6	4.9
Share-based compensation	27.7	14.0	13.7	44.7	10.8	11.2	10.4	12.3
As reported adjusted OIBDA	1,083.8	543.4	540.4	2,318.1	575.9	574.5	581.4	586.3
Adjustments:								
Adjusted capital expenditures	(358.8)	(205.8)	(153.0)	(811.7)	(169.9)	(187.4)	(220.5)	(233.9)
Cash paid for interest	(283.6)	(208.9)	(74.7)	(609.4)	(192.0)	(123.3)	(188.9)	(105.2)
Cash (paid) refunded for taxes	(1.1)	(2.1)	1.0	(5.7)	(1.3)	(0.5)	(3.4)	(0.5)
Adjusted free cash flow	\$ 440.3	\$ 126.6	\$ 313.7	\$ 891.3	\$ 212.7	\$ 263.3	\$ 168.6	\$ 246.7
Dividends paid	\$ 300.9	\$ 150.7	\$ 150.2	\$ 593.6	\$ 149.0	\$ 148.3	\$ 148.2	\$ 148.1
Weighted average common shares	595.9							
Common stock outstanding	602.7							
DEBT LEVERAGE RATIO:								
	As of							
	6/30/2014							
Long-term debt, including current maturities	\$ 8,685.6							
Capital lease obligations	68.0							
Total long-term debt and capital lease obligations	\$ 8,753.6							
Cash and cash equivalents, including restricted cash	62.7							
Net debt	\$ 8,690.9							
Twelve								
Months Ended								
6/30/2014								
Pro forma adjusted OIBDA	\$ 2,234.2							
Pro forma leverage ratio	3.92							
Pro forma net leverage ratio	3.89							

WINDSTREAM HOLDINGS, INC.
 UNAUDITED PRO FORMA CONSOLIDATED RESULTS (NON-GAAP) (A)
 QUARTERLY SUPPLEMENTAL INFORMATION
 for the quarterly periods in the years 2014 and 2013
 (In millions)

	2014			2013				
	Total	2nd Qtr.	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	\$ 335.0	\$ 167.2	\$ 167.8	\$ 1,009.0	\$ 326.5	\$ 219.6	\$ 227.0	\$ 235.9
Pro forma adjustments:								
Merger and integration costs	16.0	8.1	7.9	30.2	12.4	5.8	6.9	5.1
Pro forma operating income	<u>351.0</u>	<u>175.3</u>	<u>175.7</u>	<u>1,039.2</u>	<u>338.9</u>	<u>225.4</u>	<u>233.9</u>	<u>241.0</u>
Depreciation and amortization expense	682.9	344.0	338.9	1,340.9	341.2	338.2	332.2	329.3
Pro forma OIBDA (B)	<u>1,033.9</u>	<u>519.3</u>	<u>514.6</u>	<u>2,380.1</u>	<u>680.1</u>	<u>563.6</u>	<u>566.1</u>	<u>570.3</u>
Other adjustments:								
Pension expense (benefit)	6.0	6.3	(0.3)	(115.3)	(115.3)	(1.1)	2.3	(1.2)
Restructuring charges	16.2	3.8	12.4	8.6	0.3	0.8	2.6	4.9
Share-based compensation	27.7	14.0	13.7	44.7	10.8	11.2	10.4	12.3
Pro forma adjusted OIBDA (C)	<u>\$ 1,083.8</u>	<u>\$ 543.4</u>	<u>\$ 540.4</u>	<u>\$ 2,318.1</u>	<u>\$ 575.9</u>	<u>\$ 574.5</u>	<u>\$ 581.4</u>	<u>\$ 586.3</u>
Reconciliation of Capital Expenditures under GAAP to Pro forma Adjusted Capital Expenditures:								
Capital expenditures under GAAP	\$ 358.8	\$ 205.8	\$ 153.0	\$ 841.0	\$ 175.0	\$ 193.8	\$ 228.7	\$ 243.5
Pro forma adjustments:								
Less: Integration-related capital expenditures	-	-	-	29.3	5.1	6.4	8.2	9.6
Pro forma adjusted capital expenditures (D)	<u>\$ 358.8</u>	<u>\$ 205.8</u>	<u>\$ 153.0</u>	<u>\$ 811.7</u>	<u>\$ 169.9</u>	<u>\$ 187.4</u>	<u>\$ 220.5</u>	<u>\$ 233.9</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 software business acquired as part of the PAETEC acquisition.

(B) Pro forma OIBDA is pro forma operating income before depreciation and amortization.

(C) Pro forma adjusted OIBDA adjusts pro forma OIBDA for the impact of restructuring charges, pension expense (benefit) and share-based compensation.

(D) Pro forma adjusted capital expenditures exclude the impact of integration-related capital expenditures.