

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. In addition to pro forma adjustments, we have presented certain measures of our operating performance, excluding the impact of restructuring charges, pension (benefit) expense 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, 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 pro forma 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, 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, the amounts expected to be received from the Connect America Fund and the Rural Utilities Service to fund the deployment of broadband services and the expected benefits of those services and forecasted capital expenditure amounts, capital expenditures, cash income tax payments, and certain debt maturities from cash flows from operations, expected synergies and other benefits from completed acquisitions, and expected effective federal income tax. 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; our pending election to accept or reject state-wide offers under the Federal Communications Commission's ("FCC") Connect America Fund, Phase 2, and the impact of such election on our future receipt of federal universal service funds and capital expenditures; 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 implementation of the FCC universal service and intercarrier compensation reforms as well as state-level universal service reform, and the potential for additional federal or state government reforms regarding universal service or intercarrier compensation that result in 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 or other actuarial assumptions; unfavorable results of litigation or intellectual property infringement claims asserted against us; changes to our current dividend practice which is subject to our capital allocation policy and may be changed at any time at the discretion of our board of directors; our ability to make rent payments under the Master Lease to Communications Sales & Leasing, Inc., which may be affected by results of operations, changes in our cash requirements, cash tax payment obligations, or overall financial position; 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 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, 2014, 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 HOLDINGS, INC.  
 UNAUDITED PRO FORMA CONSOLIDATED RESULTS (NON-GAAP) (A)  
 QUARTERLY SUPPLEMENTAL INFORMATION  
 for the quarterly periods in the years 2015 and 2014  
 (In millions)

FINANCIAL RESULTS:	2015	Total	4th Qtr.	2014		
	1st Qtr.			3rd Qtr.	2nd Qtr.	1st Qtr.
Service revenues:						
Enterprise and small business	\$ 740.9	\$ 2,994.7	\$ 746.5	\$ 751.5	\$ 748.6	\$ 748.1
Consumer	312.2	1,267.0	315.9	321.3	316.8	313.0
Carrier	176.5	734.2	181.0	180.1	183.3	189.8
Wholesale	98.3	432.5	103.5	102.3	112.9	113.8
Other	53.9	219.2	53.7	54.4	56.1	55.0
Total service revenues	1,381.8	5,647.6	1,400.6	1,409.6	1,417.7	1,419.7
Product sales	36.8	181.9	42.5	45.9	48.3	45.2
Total revenues and sales	1,418.6	5,829.5	1,443.1	1,455.5	1,466.0	1,464.9
Costs and expenses:						
Cost of services	677.7	2,662.2	667.2	680.6	658.9	655.5
Cost of products sold	31.9	156.6	36.5	39.0	40.0	41.1
Selling, general and administrative	214.3	870.8	207.8	211.4	223.7	227.9
Costs and expenses excluding pension and share-based compensation	923.9	3,689.6	911.5	931.0	922.6	924.5
Adjusted OIBDA (B)	494.7	2,139.9	531.6	524.5	543.4	540.4
Pension (benefit) expense	(1.8)	128.3	122.1	0.2	6.3	(0.3)
Share-based compensation	14.8	41.8	3.5	10.6	14.0	13.7
Restructuring charges	7.0	35.9	16.1	3.6	3.8	12.4
OIBDA (C)	474.7	1,933.9	389.9	510.1	519.3	514.6
Depreciation and amortization	340.7	1,386.4	355.0	348.5	344.0	338.9
Operating income	\$ 134.0	\$ 547.5	\$ 34.9	\$ 161.6	\$ 175.3	\$ 175.7
Margins (D):						
Adjusted OIBDA margin	34.9%	36.7%	36.8%	36.0%	37.1%	36.9%
OIBDA margin	33.5%	33.2%	27.0%	35.0%	35.4%	35.1%
Operating income margin	9.4%	9.4%	2.4%	11.1%	12.0%	12.0%

(A) Pro forma results adjust operating results under GAAP to exclude all merger and integration costs related to strategic transactions.

(B) Adjusted OIBDA is OIBDA before restructuring charges, pension (benefit) expense 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.

WINDSTREAM HOLDINGS, INC.  
 UNAUDITED PRO FORMA CONSOLIDATED RESULTS (NON-GAAP) (A)  
 QUARTERLY SUPPLEMENTAL INFORMATION  
 for the quarterly periods in the years 2015 and 2014  
 (In millions)

REVENUE SUPPLEMENT	2015	Total	4th Qtr.	2014		
	1st Qtr.			3rd Qtr.	2nd Qtr.	1st Qtr.
Service revenues:						
Voice and long distance	\$ 273.4	\$ 1,153.4	\$ 279.6	\$ 286.9	\$ 291.0	\$ 295.9
Data and integrated services	427.1	1,681.1	426.6	423.1	417.5	413.9
Miscellaneous	40.4	160.2	40.3	41.5	40.1	38.3
Enterprise and small business	740.9	2,994.7	746.5	751.5	748.6	748.1
Voice and long distance	163.8	680.9	168.3	171.9	171.1	169.6
Broadband	122.8	482.6	121.0	121.1	120.6	119.9
Video and miscellaneous	25.6	103.5	26.6	28.3	25.1	23.5
Consumer	312.2	1,267.0	315.9	321.3	316.8	313.0
Carrier services	145.8	621.0	153.0	150.9	155.2	161.9
Voice and long distance	19.0	67.0	16.7	17.6	16.5	16.2
Data and integrated services	11.2	43.9	10.8	11.1	11.0	11.0
Miscellaneous	0.5	2.3	0.5	0.5	0.6	0.7
Carrier	176.5	734.2	181.0	180.1	183.3	189.8
Switched access	35.7	165.8	39.4	38.6	43.6	44.2
USF support	62.6	266.7	64.1	63.7	69.3	69.6
Wholesale	98.3	432.5	103.5	102.3	112.9	113.8
Pass through taxes and surcharges	42.1	164.7	40.8	41.0	42.2	40.7
Consumer CLEC	7.9	35.7	8.4	8.7	9.1	9.5
Miscellaneous	3.9	18.8	4.5	4.7	4.8	4.8
Other	53.9	219.2	53.7	54.4	56.1	55.0
Total service revenues	1,381.8	5,647.6	1,400.6	1,409.6	1,417.7	1,419.7
Product sales:						
Business	27.6	133.3	31.6	32.8	36.1	32.8
Consumer	1.1	17.3	3.3	4.5	4.3	5.2
Other	8.1	31.3	7.6	8.6	7.9	7.2
Total product sales	36.8	181.9	42.5	45.9	48.3	45.2
Total revenues and sales	\$ 1,418.6	\$ 5,829.5	\$ 1,443.1	\$ 1,455.5	\$ 1,466.0	\$ 1,464.9

(A) Pro forma results adjust operating results under GAAP to exclude all merger and integration costs related to strategic transactions.

WINDSTREAM HOLDINGS, INC.  
UNAUDITED PRO FORMA OPERATING METRICS (NON-GAAP)  
QUARTERLY SUPPLEMENTAL INFORMATION  
for the quarterly periods in the years 2015 and 2014  
(Units in thousands, Dollars in millions, except per unit amounts)

	2015	Total	4th Qtr.	2014		
	1st Qtr.			3rd Qtr.	2nd Qtr.	1st Qtr.
<b>KEY OPERATING METRICS:</b>						
<b>Business:</b>						
Customer Locations (A)						
Enterprise (B)	218.7	217.9	217.9	216.3	212.5	212.2
Small business (C)	350.4	357.8	357.8	364.4	373.5	385.8
Total Customer Locations	569.1	575.7	575.7	580.7	586.0	598.0
<i>YOY change in enterprise locations</i>	3.1%	3.6%	3.6%	3.6%	2.9%	2.5%
<i>YOY change in small business locations</i>	-9.2%	-9.5%	-9.5%	-9.7%	-9.8%	-8.5%
<i>YOY change in total customer locations</i>	-4.8%	-5.0%	-5.0%	-5.2%	-5.6%	-4.9%
Total Business Customers	347.6	351.7	351.7	357.7	368.0	378.7
<i>YOY change in total customers</i>	-8.2%	-9.4%	-9.4%	-9.2%	-8.3%	-7.5%
Enterprise and small business revenue	\$ 740.9	\$ 2,994.7	\$ 746.5	\$ 751.5	\$ 748.6	\$ 748.1
<i>Average service revenue per customer per month</i>	\$ 706.33	\$ 685.55	\$ 701.53	\$ 690.37	\$ 668.36	\$ 650.24
Carrier special access circuits (D)	80.2	81.9	81.9	84.3	88.5	93.4
<i>YOY change in carrier special access circuits</i>	-14.1%	-18.2%	-18.2%	-16.9%	-14.1%	-9.8%
Carrier service revenue	\$ 145.8	\$ 621.0	\$ 153.0	\$ 150.9	\$ 155.2	\$ 161.9
<i>Average revenue per circuit per month</i>	\$ 599.63	\$ 594.66	\$ 613.72	\$ 582.18	\$ 568.81	\$ 557.80
<b>Consumer:</b>						
Voice lines	1,599.0	1,614.6	1,614.6	1,640.5	1,670.3	1,703.2
High-speed Internet	1,132.4	1,131.6	1,131.6	1,142.0	1,153.8	1,170.4
Digital television customers	378.8	385.3	385.3	389.9	394.1	398.9
Total consumer connections	3,110.2	3,131.5	3,131.5	3,172.4	3,218.2	3,272.5
<i>YOY change in voice lines</i>	-6.1%	-6.3%	-6.3%	-6.4%	-6.3%	-6.1%
<i>YOY change in high-speed internet</i>	-3.2%	-3.4%	-3.4%	-3.5%	-3.4%	-2.9%
<i>YOY change in digital television customers</i>	-5.0%	-4.2%	-4.2%	-4.8%	-5.0%	-5.3%

(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 2015 and 2014  
(In millions)

	2015	2014				
	1st Qtr.	Total	4th Qtr.	3rd Qtr.	2nd Qtr.	1st Qtr.
<b>ADJUSTED FREE CASH FLOW:</b>						
Operating income under GAAP	\$ 119.9	\$ 507.1	\$ 20.5	\$ 151.6	\$ 167.2	\$ 167.8
Depreciation and amortization	340.7	1,386.4	355.0	348.5	344.0	338.9
As reported OIBDA	460.6	1,893.5	375.5	500.1	511.2	506.7
Merger and integration costs	14.1	40.4	14.4	10.0	8.1	7.9
Pension (benefit) expense	(1.8)	128.3	122.1	0.2	6.3	(0.3)
Restructuring charges	7.0	35.9	16.1	3.6	3.8	12.4
Share-based compensation	14.8	41.8	3.5	10.6	14.0	13.7
As reported adjusted OIBDA	494.7	2,139.9	531.6	524.5	543.4	540.4
Adjustments:						
Capital expenditures	(189.3)	(786.5)	(233.8)	(193.9)	(205.8)	(153.0)
Cash paid for interest	(74.7)	(568.1)	(209.8)	(74.7)	(208.9)	(74.7)
Cash refunded (paid) for taxes	1.2	8.8	12.8	(2.9)	(2.1)	1.0
Adjusted free cash flow	\$ 231.9	\$ 794.1	\$ 100.8	\$ 253.0	\$ 126.6	\$ 313.7
Dividends paid	\$ 151.5	\$ 602.2	\$ 150.6	\$ 150.7	\$ 150.7	\$ 150.2
Weighted average common shares	99.9					
Common stock outstanding	100.8					
<b>DEBT LEVERAGE RATIO:</b>						
	As of					
	3/31/2015					
Long-term debt, including current maturities	\$ 8,820.6					
Capital lease obligations	50.1					
Total long-term debt and capital lease obligations	\$ 8,870.7					
Cash and cash equivalents, including restricted cash	81.1					
Net debt	\$ 8,789.6					
	Twelve					
	Months Ended					
	3/31/2015					
Pro forma adjusted OIBDA - Windstream Holdings, Inc.	\$ 2,094.2					
Adjustments (A)	3.0					
Pro forma adjusted OIBDA - Windstream Services, LLC	\$ 2,097.2					
Pro forma leverage ratio - Windstream Services, LLC	4.23					
Pro forma net leverage ratio - Windstream Services, LLC	4.19					

(A) Adjustments include certain expenses directly incurred by Windstream Holdings, Inc. and other adjustments required by the credit facility and indentures of Windstream Services, LLC.

WINDSTREAM HOLDINGS, INC.  
 UNAUDITED PRO FORMA CONSOLIDATED RESULTS (NON-GAAP) (A)  
 QUARTERLY SUPPLEMENTAL INFORMATION  
 for the quarterly periods in the years 2015 and 2014  
 (In millions)

	2015		2014			
	1st Qtr.	Total	4th Qtr.	3rd Qtr.	2nd Qtr.	1st Qtr.
Reconciliation of Operating Income under GAAP to Pro forma adjusted OIBDA:						
Operating income under GAAP	\$ 119.9	\$ 507.1	\$ 20.5	\$ 151.6	\$ 167.2	\$ 167.8
Pro forma adjustments:						
Merger and integration costs	14.1	40.4	14.4	10.0	8.1	7.9
Pro forma operating income	<u>134.0</u>	<u>547.5</u>	<u>34.9</u>	<u>161.6</u>	<u>175.3</u>	<u>175.7</u>
Depreciation and amortization expense	340.7	1,386.4	355.0	348.5	344.0	338.9
Pro forma OIBDA (B)	<u>474.7</u>	<u>1,933.9</u>	<u>389.9</u>	<u>510.1</u>	<u>519.3</u>	<u>514.6</u>
Other adjustments:						
Pension (benefit) expense	(1.8)	128.3	122.1	0.2	6.3	(0.3)
Restructuring charges	7.0	35.9	16.1	3.6	3.8	12.4
Share-based compensation	14.8	41.8	3.5	10.6	14.0	13.7
Pro forma adjusted OIBDA (C)	<u>\$ 494.7</u>	<u>\$ 2,139.9</u>	<u>\$ 531.6</u>	<u>\$ 524.5</u>	<u>\$ 543.4</u>	<u>\$ 540.4</u>

(A) Pro forma results adjust operating results under GAAP to exclude all merger and integration costs related to strategic transactions.

(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 (benefit) expense and share-based compensation.