

	<u>THREE MONTHS ENDED</u>		Increase (Decrease) Amount	%
	March 31, 2008	(B) March 31, 2007		
UNDER GAAP:				
Revenues and sales:				
Service revenues	\$ 771.5	\$ 717.3	\$ 54.2	8
Product sales	40.2	66.4	(26.2)	(39)
Total revenues and sales	<u>811.7</u>	<u>783.7</u>	<u>28.0</u>	4
Costs and expenses:				
Cost of services	253.6	235.3	18.3	8
Cost of products sold	35.1	44.5	(9.4)	(21)
Selling, general, administrative and other	99.3	104.4	(5.1)	(5)
Depreciation and amortization	122.8	125.1	(2.3)	(2)
Restructuring charges	0.6	3.2	(2.6)	(81)
Merger and integration costs	1.6	1.6	-	-
Total costs and expenses	<u>513.0</u>	<u>514.1</u>	<u>(1.1)</u>	-
Operating income	298.7	269.6	29.1	11
Other income, net	5.6	5.2	0.4	8
Interest expense	<u>(105.0)</u>	<u>(114.7)</u>	<u>9.7</u>	8
Income before income taxes	199.3	160.1	39.2	24
Income taxes	<u>75.6</u>	<u>60.2</u>	<u>15.4</u>	26
Net income	<u>\$ 123.7</u>	<u>\$ 99.9</u>	<u>\$ 23.8</u>	24
Weighted average common shares:				
Basic	449.4	473.5	(24.1)	(5)
Diluted	450.5	474.6	(24.1)	(5)
Earnings per share:				
Basic	\$.28	\$.21	\$.07	33
Diluted	\$.27	\$.21	\$.06	30
PRO FORMA RESULTS OF OPERATIONS FROM CURRENT BUSINESSES (A):				
Revenues and sales	\$ 811.7	\$ 806.0	\$ 5.7	1
Operating income before depreciation and amortization (OIBDA)	\$ 423.1	\$ 404.9	\$ 18.2	4

(A) Pro forma results from current businesses adjusts results of operations under Generally Accepted Accounting Principles ("GAAP") for the effects of the Company's split off of the directory publishing business and the acquisition of CT Communications, Inc. ("CTC"). For further details of these adjustments, see the Notes to Unaudited Reconciliations of Results of Operations Under GAAP to Pro Forma Results from Current Businesses.

(B) Certain amounts previously reported have been reclassified to conform to the current year presentation of the consolidated financial statements. These reclassifications did not impact net income.

-more-

WINDSTREAM CORPORATION

UNAUDITED SUPPLEMENTAL OPERATING INFORMATION-Page 2

(Dollars in millions, except per customer amounts)

	THREE MONTHS ENDED			
	March 31, 2008	March 31, 2007	Increase (Decrease) Amount	%
UNDER GAAP:				
Wireline:				
Revenues and sales	\$ 787.9	\$ 750.4	\$ 37.5	5
Access lines	3,161.2	3,189.4	(28.2)	(1)
Net access line losses:				
Internal	(41.9)	(29.9)	(12.0)	(40)
Acquired	-	-	-	-
Net access line losses	(41.9)	(29.9)	(12.0)	(40)
Average access lines	3,182.5	3,201.3	(18.8)	(1)
High-speed Internet customers	911.0	715.4	195.6	27
Net high-speed Internet additions:				
Internal	39.6	59.3	(19.7)	(33)
Acquired	-	-	-	-
Net high-speed Internet additions	39.6	59.3	(19.7)	(33)
Average revenue per customer per month (A)	\$82.52	\$78.13	\$4.39	6
Digital satellite television customers	210.4	122.3	88.1	72
Net digital satellite television additions:				
Internal	14.8	34.5	(19.7)	(57)
Acquired	-	-	-	-
Net digital satellite television additions	14.8	34.5	(19.7)	(57)
Long distance customers	2,069.3	1,947.6	121.7	6
Net long distance customer additions (losses):				
Internal	2.7	(9.4)	12.1	
Acquired	-	-	-	-
Net long distance customer additions (losses)	2.7	(9.4)	12.1	
Wireless:				
Wireless customers	51.8	-	51.8	-
Net wireless customer additions:				
Internal	0.3	-	0.3	-
Acquired	-	-	-	-
Net wireless customer additions	0.3	-	0.3	-
Consolidated:				
Capital expenditures	\$ 55.8	\$ 80.0	\$ (24.2)	(30)
FROM PRO FORMA RESULTS (B)				
Wireline:				
Revenues and sales	\$ 787.9	\$ 779.4	\$ 8.5	1
Access lines	3,161.2	3,325.3	(164.1)	(5)
Net access line losses	(41.9)	(32.2)	(9.7)	(30)
Average access lines	3,182.5	3,339.2	(156.7)	(5)
High-speed Internet customers	911.0	744.1	166.9	22
Net high-speed Internet additions	39.6	61.5	(21.9)	(36)
Average revenue per customer per month (A)	\$82.52	\$77.80	\$4.72	6
Digital satellite television customers	210.4	122.3	88.1	72
Long distance customers	2,069.3	2,068.6	0.7	-
Wireless:				
Wireless customers	51.8	49.8	2.0	4
Consolidated:				
Capital expenditures	\$ 55.8	\$ 90.5	\$ (34.7)	(38)

(A) Average revenue per customer per month is calculated by dividing total wireline revenues by average customers for the period.

(B) Pro forma results from current businesses adjusts results of operations under GAAP for the effects of the Company's split off of the directory publishing business and the acquisition of CTC. For further details of these adjustments, see the Notes to Unaudited Reconciliations of Results of Operations Under GAAP to Pro Forma Results from Current Businesses.

-more-

WINDSTREAM CORPORATION
 UNAUDITED CONSOLIDATED BALANCE SHEETS UNDER GAAP-Page 3
 (In millions)

ASSETS

	March 31, 2008	December 31, 2007
CURRENT ASSETS:		
Cash and short-term investments	\$ 53.5	\$ 72.0
Accounts receivable (less allowance for doubtful accounts of \$13.7 and \$13.3, respectively)	329.4	327.1
Inventories	30.8	30.1
Deferred income taxes	32.0	32.0
Prepaid expenses and other	43.0	40.5
Acquired assets held for sale	10.0	26.6
Total current assets	498.7	528.3
Goodwill	2,276.4	2,276.4
Other intangibles	1,184.6	1,198.5
Net property, plant and equipment	3,986.5	4,042.3
Other assets	196.7	195.7
TOTAL ASSETS	\$ 8,142.9	\$ 8,241.2

LIABILITIES AND SHAREHOLDERS' EQUITY

	March 31, 2008	December 31, 2007
CURRENT LIABILITIES:		
Current maturities of long-term debt	\$ 24.3	\$ 24.3
Accounts payable	163.1	161.9
Advance payments and customer deposits	97.0	91.4
Accrued dividends	111.8	113.6
Accrued taxes	84.6	52.6
Accrued interest	70.7	139.6
Other current liabilities	63.6	75.4
Total current liabilities	615.1	658.8
Long-term debt	5,342.9	5,331.2
Deferred income taxes	1,131.0	1,136.6
Other liabilities	458.9	414.8
SHAREHOLDERS' EQUITY:		
Common stock	-	-
Additional paid-in capital	190.2	286.8
Accumulated other comprehensive loss	(123.1)	(103.0)
Retained earnings	527.9	516.0
Total shareholders' equity	595.0	699.8
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 8,142.9	\$ 8,241.2

-more-

WINDSTREAM CORPORATION
 UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS UNDER GAAP-Page 4
 (In millions)

	THREE MONTHS ENDED	
	March 31, <u>2008</u>	March 31, <u>2007</u>
Cash Provided from Operations:		
Net income	\$ 123.7	\$ 99.9
Adjustments to reconcile net income to net cash provided from operations:		
Depreciation and amortization	122.8	125.1
Provision for doubtful accounts	8.9	3.7
Stock-based compensation expense	4.6	3.8
Pension and post retirement benefits expense	3.7	8.9
Deferred taxes	15.6	(5.7)
Other, net	(2.4)	7.2
Changes in operating assets and liabilities, net:		
Accounts receivable	(3.3)	16.8
Accrued interest	(68.9)	(83.9)
Accrued taxes	32.0	38.6
Other liabilities	(15.4)	(15.0)
Other, net	(6.2)	15.9
Net cash provided from operations	<u>215.1</u>	<u>215.3</u>
Cash Flows from Investing Activities:		
Additions to property, plant and equipment	(55.8)	(80.0)
Disposition of acquired assets held for sale	16.4	-
Other, net	9.2	(4.4)
Net cash used in investing activities	<u>(30.2)</u>	<u>(84.4)</u>
Cash Flows from Financing Activities:		
Dividends paid on common shares	(113.6)	(119.1)
Stock repurchase	(100.2)	-
Repayment of debt	(88.6)	(500.1)
Debt issued, net of issuance costs	100.0	499.1
Other, net	(1.0)	-
Net cash used in financing activities	<u>(203.4)</u>	<u>(120.1)</u>
Increase (decrease) in cash and short-term investments	(18.5)	10.8
Cash and Short-Term Investments:		
Beginning of the period	72.0	386.8
End of the period	<u>\$ 53.5</u>	<u>\$ 397.6</u>

-more-

WINDSTREAM CORPORATION

UNAUDITED RECONCILIATION OF REVENUES AND SALES AND OPERATING INCOME UNDER GAAP TO PRO FORMA REVENUES AND SALES AND PRO FORMA OIBDA FROM CURRENT BUSINESSES (NON-GAAP)-Page 5

(In millions)

	<u>THREE MONTHS ENDED</u>	
	<u>March 31,</u> <u>2008</u>	<u>March 31,</u> <u>2007</u>
Consolidated revenues and sales under GAAP	<u>\$ 811.7</u>	<u>\$ 783.7</u>
Pro forma adjustments:		
CTC revenues and sales prior to acquisition (A)	-	45.2
Directory publishing revenues (B)	-	(22.9)
Consolidated pro forma revenues and sales from current businesses	<u>\$ 811.7</u>	<u>\$ 806.0</u>
Wireline revenues and sales under GAAP	<u>\$ 787.9</u>	<u>\$ 750.4</u>
Pro forma adjustments:		
CTC revenues and sales prior to acquisition (A)	-	38.0
Directory publishing revenues (B)	-	(9.0)
Wireline pro forma revenues and sales from current businesses	<u>\$ 787.9</u>	<u>\$ 779.4</u>
Operating income under GAAP	<u>\$ 298.7</u>	<u>\$ 269.6</u>
Pro forma adjustments:		
CTC operating income prior to the acquisition (A)	-	6.1
CTC customer list amortization (C)	-	(2.3)
Merger and integration costs (D)	1.6	1.6
Operating income adjustment for split off of directory publishing		
Wireline (B)	-	(6.9)
Other (B)	-	2.0
Adjusted operating income	<u>300.3</u>	<u>270.1</u>
Depreciation and amortization (E)	<u>122.8</u>	<u>134.8</u>
Pro forma OIBDA from current businesses	<u>\$ 423.1</u>	<u>\$ 404.9</u>

-more-

WINDSTREAM CORPORATION

NOTES TO UNAUDITED RECONCILIATIONS OF RESULTS OF OPERATIONS UNDER GAAP TO PRO FORMA RESULTS
FROM CURRENT BUSINESSES-Page 6

Windstream Corporation has entered into various transactions over the past two years that may cause results reported under GAAP to be not necessarily indicative of future results. On August 31, 2007, Windstream completed the acquisition of CT Communications, Inc. ("CTC"). Under the terms of the transaction CTC shareholders received \$31.50 in cash for each of their shares of CTC common stock. On November 30, 2007, Windstream completed the split off its directory publishing business to Welsh, Carson, Anderson, and Stowe ("WCAS"), a private equity investment group and Windstream shareholder. In exchange for Windstream's publishing business, Windstream received a special cash dividend of \$40.0 million, received \$210.5 million in debt relief through a debt-for-debt exchange, and retired approximately 19.6 million shares in Windstream common stock held by WCAS. As a result of completing this transaction, Windstream recorded a gain of \$451.3 million in the fourth quarter of 2007. As disclosed in the Windstream Form 8-K filed on May 9, 2008, the Company has presented in this earnings release unaudited pro forma results from current businesses, which include results from CTC for periods prior to the acquisition and excludes (1) results from the directory publishing business, and (2) all merger and integration costs resulting from the transactions discussed above.

Windstream's purpose for including the results of the acquired businesses and for excluding non-recurring items and the results of the directory publishing business, is to improve the comparability of results of operations for the three months ended March 31, 2008, to the results of operations for the same period of 2007. Windstream's purpose for these adjustments is to focus on the true earnings capacity associated with providing telecommunication services. Management believes the items either included or excluded from pro forma results from current businesses are related to strategic activities or other events, specific to the time and opportunity available, and, accordingly, should be excluded when evaluating the Company's operations. In the second quarter of 2007, the Company revised its presentation of historical pro forma results to include severance expenses. These expenses had been excluded in prior quarters, but should not necessarily be viewed as non-recurring. 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 the businesses. The Company uses pro forma results from current businesses, including pro forma revenues and sales and pro forma OIBDA from current businesses, as a key measure of the operational performance of its business segments. Windstream management, including the chief operating decision-maker, uses these measures consistently for all purposes including: internal reporting purposes, the evaluation of business objectives, opportunities and

- (A) To reflect operating results recognized by CTC prior to acquisition.
- (B) To reflect the split off of the Company's directory publishing business.
- (C) To recognize amortization for the acquired CTC customer list prior to the acquisition.
- (D) The Company incurred \$1.6 million relative to the acquisition of CTC during the first quarter of 2008, primarily related to system conversion costs. The Company incurred \$1.6 million in accounting and legal fees and other expenses during the first quarter of 2007 related to the
- (E) Includes depreciation and amortization expense under GAAP, CTC depreciation and amortization expense incurred prior to the acquisition and other pro forma adjustments to depreciation and amortization expense.