WINDSTREAM CORPORATION
UNAUDITED CONSOLIDATED STATEMENTS OF INCOME-Page 1
(In millions, except per share amounts)

	THREE MONTHS ENDED			
	March 31, 2007	March 31, 2006	Increase (Decrease) Amount	%
UNDER GAAP:				
Revenues and sales:				
Service revenues	$ 717.9	$ 604.7	$ 113.2	19
Product sales	65.8	98.3	(32.5)	(33)
Total revenues and sales	783.7	703.0	80.7	11
Costs and expenses:				
Cost of services	235.6	192.4	43.2	22
Cost of products sold	45.5	84.3	(38.8)	(46)
Selling, general, administrative and other	103.1	80.1	23.0	29
Depreciation and amortization	125.1	102.6	22.5	22
Royalty expense to Alltel	-	67.2	(67.2)	(100)
Restructuring and other charges	4.8	2.5	2.3	92
Total costs and expenses	514.1	529.1	(15.0)	(3)
Operating income	269.6	173.9	95.7	55
Other income, net	5.2	1.2	4.0	333
Intercompany interest income from Alltel	-	13.9	(13.9)	(100)
Interest expense	(114.7)	(3.9)	(110.8)	(2,841)
Income before income taxes	160.1	185.1	(25.0)	(14)
Income taxes	60.2	72.3	(12.1)	(17)
Net income	$ 99.9	$ 112.8	$ (12.9)	(11)
Weighted average common shares:				
Basic	473.5	402.9	70.6	18
Diluted	474.6	402.9	71.7	18
Earnings per share:				
Basic	$.21	$.28	$(.07)	(25)
Diluted	$.21	$.28	$(.07)	(25)
PRO FORMA RESULTS OF OPERATIONS FROM CURRENT BUSINESSES (A)				
Revenues and sales	$ 760.8	$ 746.6	$ 14.2	2
Operating income before depreciation and amortization (OIBDA)	$ 394.2	$ 401.7	$ (7.5)	(2)

(A) Pro forma results from current businesses adjusts results of operations under Generally Accepted Accounting Principles ("GAAP") for the effects of the spin-off of the Alltel Corporation ("Alltel") wireline division and merger of that business with Valor Communications Group, Inc. ("Valor"), the discontinuance of the application of Statement of Financial Accounting Standard ("SFAS") No. 71 and the split off of the directory publishing business. 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.

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WINDSTREAM CORPORATION

UNAUDITED SUPPLEMENTAL OPERATING INFORMATION-Page 2

(Dollars in millions, except per customer amounts)

	THREE MONTHS ENDED			
	March 31, 2007	March 31, 2006	Increase (Decrease) Amount	%
UNDER GAAP				
Wireline:				
Revenues and sales	$ 750.4	$ 622.9	$ 127.5	20
Access lines	3,214.3	2,862.5	351.8	12
Net access line losses				
Internal	(28.6)	(23.1)	(5.5)	(24)
Acquired	-	-	-	-
Net access line losses	(28.6)	(23.1)	(5.5)	(24)
Average access lines	3,226.3	2,872.7	353.6	12
Broadband customers	715.4	441.5	273.9	62
Net broadband additions				
Internal	59.2	43.8	15.4	35
Acquired	-	-	-	-
Net broadband additions	59.2	43.8	15.4	35
Average revenue per customer per month (A)	$77.53	$72.28	$5.25	7
Digital satellite television customers	122.3	20.7	101.6	491
Net digital satellite television additions				
Internal	34.6	11.5	23.1	201
Acquired	-	-	-	-
Net digital satellite television additions	34.6	11.5	23.1	201
Long distance customers	1,981.5	1,750.6	230.9	13
Net long distance customer losses				
Internal	(9.4)	(0.1)	(9.3)	
Acquired	-	-	-	
Net long distance customer losses	(9.4)	(0.1)	(9.3)	
Consolidated:				
Capital expenditures	$ 80.0	$ 62.2	$ 17.8	29
FROM PRO FORMA RESULTS (B)				
Wireline:				
Revenues and sales	$ 741.4	$ 735.5	$ 5.9	1
Access lines	3,214.3	3,366.1	(151.8)	(5)
Net access line losses	(28.6)	(24.9)	(3.7)	(15)
Average access lines	3,226.3	3,376.9	(150.6)	(4)
Broadband customers	715.4	502.4	213.0	42
Net broadband additions	59.2	52.0	7.2	14
Average revenue per customer per month (A)	$76.60	$72.60	$4.00	6
Digital satellite television customers	122.3	29.1	93.2	320
Long distance customers	1,981.5	1,987.6	(6.1)	-
Consolidated:				
Capital expenditures	$ 80.0	$ 73.9	$ 6.1	8

(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 spin-off of the Alltel wireline division and merger of that business with Valor, the discontinuance of the application of SFAS No. 71 and the split off of the directory publishing business. 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.

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

ASSETS

	March 31, 2007	December 31, 2006
CURRENT ASSETS:		
Cash and short-term investments	$ 397.6	$ 386.8
Accounts receivable (less allowance for doubtful accounts of $10.1 and $10.4, respectively)	312.8	337.2
Inventories	37.0	43.5
Prepaid expenses and other	35.4	29.2
Assets held for sale	66.4	80.0
Total current assets	849.2	876.7
Investments	7.6	7.7
Goodwill	1,965.0	1,965.0
Other intangibles	1,088.8	1,100.4
PROPERTY, PLANT AND EQUIPMENT:		
Gross property, plant and equipment	8,808.6	8,724.4
Less accumulated depreciation	4,891.3	4,784.6
Net property, plant and equipment	3,917.3	3,939.8
Other assets	133.3	141.1
TOTAL ASSETS	$ 7,961.2	$ 8,030.7

LIABILITIES AND SHAREHOLDERS' EQUITY

	March 31, 2007	December 31, 2006
CURRENT LIABILITIES:		
Current maturities of long-term debt	$ 39.5	$ 32.2
Accounts payable	169.9	169.5
Advance payments and customer deposits	92.3	82.8
Accrued taxes	70.5	31.9
Accrued dividends	119.3	119.2
Accrued interest	64.3	148.2
Other current liabilities	52.6	68.4
Liabilities related to assets held for sale	24.4	32.4
Total current liabilities	632.8	684.6
Long-term debt	5,449.1	5,456.2
Deferred income taxes	987.5	990.8
Other liabilities	431.7	429.3
SHAREHOLDERS' EQUITY:		
Common stock	-	-
Additional paid-in capital	558.2	550.5
Accumulated other comprehensive income (loss)	(148.9)	(150.8)
Retained earnings	50.8	70.1
Total shareholders' equity	460.1	469.8
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 7,961.2	$ 8,030.7

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

	THREE MONTHS ENDED	
	March 31, 2007	March 31, 2006
Cash Provided from Operations:		
Net income	$ 99.9	$ 112.8
Adjustments to reconcile net income to net cash provided from operations:		
Depreciation and amortization	125.1	102.6
Provision for doubtful accounts	3.7	5.0
Stock-based compensation expense	3.8	1.1
Deferred taxes	(5.7)	4.0
Other, net	15.8	-
Changes in operating assets and liabilities:		
Accounts receivable	16.8	3.1
Accrued interest	(83.9)	3.7
Accrued taxes	38.6	36.6
Other liabilities	5.3	12.1
Other, net	(4.1)	5.7
Net cash provided from operations	215.3	286.7
Cash Flows from Investing Activities:		
Additions to property, plant and equipment	(80.0)	(62.2)
Other, net	(4.4)	(1.7)
Net cash used in investing activities	(84.4)	(63.9)
Cash Flows from Financing Activities:		
Dividends paid on common shares	(119.1)	-
Dividends paid to Alltel prior to spin-off	-	(65.7)
Repayment of borrowings	(500.1)	(0.1)
Debt issued, net of issuance costs	499.1	-
Changes in advances to Alltel prior to spin-off	-	(159.0)
Net cash used in financing activities	(120.1)	(224.8)
Increase (decrease) in cash and short-term investments	10.8	(2.0)
Cash and Short-Term Investments:		
Beginning of the period	386.8	11.9
End of the period	$ 397.6	$ 9.9

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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)

		THREE MONTHS ENDED	
		March 31, 2007	March 31, 2006
Consolidated revenues and sales under GAAP		$ 783.7	$ 703.0
Pro forma adjustments:			
Valor revenues and sales prior to merger	(A)	-	125.6
Elimination of billings to Valor	(B)	-	(4.0)
Discontinuance of SFAS No. 71	(C)	-	(50.5)
Directory publishing revenues	(D)	(22.9)	(27.5)
Consolidated pro forma revenues and sales from current businesses		$ 760.8	$ 746.6
Wireline revenues and sales under GAAP		$ 750.4	$ 622.9
Pro forma adjustments:			
Valor revenues and sales prior to merger	(A)	-	125.6
Discontinuance of SFAS No. 71	(C)	-	(4.0)
Directory publishing revenues	(D)	(9.0)	(9.0)
Wireline pro forma revenues and sales from current businesses		$ 741.4	$ 735.5
Operating income under GAAP		$ 269.6	$ 173.9
Pro forma adjustments:			
Valor operating income			
prior to the merger	(A)	-	44.3
Customer list amortization	(E)	-	(11.0)
Discontinuance of SFAS No. 71	(C)	-	(1.9)
Restructuring and other charges	(F)	4.8	2.5
Royalty expense to Alltel	(G)	-	67.1
Operating income adjustment for split off			
of directory publishing			
Wireline	(D)	(6.9)	(7.0)
Other	(D)	2.0	1.1
Adjusted operating income		269.5	269.0
Depreciation and amortization	(H)	125.1	133.1
Depreciation and amortization adjustment			
for split off of directory publishing	(D)	(0.4)	(0.4)
Pro forma OIBDA from current businesses		$ 394.2	$ 401.7

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On July 17, 2006, Windstream Corporation was formed through the spin-off of Alltel Corporation's ("Alltel") wireline telecommunications business to its stockholders, and the subsequent merger of that wireline business with Valor Communications Group, Inc. (“Valor”). As disclosed in the Windstream Form 8-K filed on May 10, 2007, the Company has presented in this earnings release unaudited pro forma results from current businesses, which include results from Valor's businesses for periods prior to the merger, and excludes various non-recurring items related to the transaction, to the discontinuation of SFAS No. 71, "Accounting for the Effects of Certain Types of Regulation" and to the split off of its directory publishing business in what Windstream expects to be a tax-free transaction with entities affiliated with Welsh, Carson, Anderson and Stowe ("WCAS"), a private equity investment firm. Windstream’s purpose for including the results of Valor's businesses, and excluding non-recurring items and the results of the directory publishing business, is to improve the comparability of results of operations for the first quarter of 2006 to the results of operations for the first quarter 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 the 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. For these reasons, 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 performance, and the determination of management compensation.

On December 12, 2006, Windstream announced that it would split off its directory publishing business. In exchange for Windstream's publishing business, WCAS will pay Windstream a special dividend, execute a debt-for-debt exchange and relinquish approximately 19.6 million shares in Windstream common stock.

(A) To reflect operating results recognized by Valor prior to the merger as if the merger had closed on January 1, 2006.

(B) To eliminate the intercompany revenues and related expenses associated with customer billing services provided by Alltel to Valor for periods prior to the merger.

(C) These adjustments are related to the discontinuance of SFAS No. 71 during the third quarter 2006.

(D) To reflect the split off of the Company's directory publishing business.

(E) To recognize amortization for the acquired Valor customer list.

(F) The company incurred $3.2 million in severance and employee related costs during the first quarter of 2007, primarily related to the continuation of a planned workforce reduction announced during the fourth quarter of 2006. The Company also incurred $1.6 million in accounting and legal fees and other expenses related to the anticipated sale of its directory publishing business.   For the three months ended March 31, 2006, the Company incurred $2.5 million in fees related to consulting and advisory services on the spin-off from Alltel.

(G) Royalty expense charged by Alltel to the Company for the use of the Alltel brand name was eliminated due to the spin-off of the wireline telecommunications business from Alltel and the cessation of the charges.

(H) Includes depreciation and amortization expense under GAAP, Valor depreciation expense incurred prior to the merger and other pro forma adjustments to depreciation and amortization expense.