

**Windstream Corporation**

**Windstream financial guidance for 2011:**

(Dollars in millions)

	2010 Results	2011 Guidance Range			Percent Change	
Pro forma revenues and sales	\$ 4,139	\$ 4,015	-	\$ 4,140	-3%	0%
Pro forma OIBDA <sup>(1)</sup>	\$ 1,975	\$ 1,985	-	\$ 2,045	1%	4%
Pension expense	62	41		41		
Restructuring expense	8	-		-		
Stock-based compensation expense	19	19		19		
Pro forma adjusted OIBDA	<u>\$ 2,064</u>	<u>\$ 2,045</u>	-	<u>\$ 2,105</u>	-1%	2%
Capital expenditures	\$ 490	\$ 570	-	\$ 630	16%	29%

**Expected Dividend Payout Ratio**

(Dollars in millions)

	2011 Guidance Range		
Pro forma adjusted OIBDA	\$ 2,045		\$ 2,105
Subtract:			
Expected capital expenditures	630	-	570
Expected cash paid for interest expense	569	-	569
Expected cash taxes	1	-	1
Expected adjusted free cash flow	<u>\$ 845</u>	-	<u>\$ 965</u>
Expected dividends paid on common shares	\$ 509	-	\$ 509
Expected dividend payout ratio	60%	-	53%

Notes:

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