



June 15, 2018

Windstream Announces Debt Exchange Offers for Second Lien Notes

LITTLE ROCK, Ark., June 15, 2018 (GLOBE NEWSWIRE) -- Windstream Holdings, Inc. (NASDAQ:WIN) announced today that its wholly-owned subsidiaries, Windstream Services, LLC (the "Issuer") and Windstream Finance Corp. (the "Co-Issuer" and, together with the Issuer, the "Issuers," "Windstream," or the "Company"), are commencing certain debt exchange offers with respect to certain series of the Company's senior notes.

Windstream believes these debt exchange offers, if accepted, will provide the Company with an extended maturity profile and enhance its liquidity over the coming years.

2020 Exchange Offer

The Company is offering to exchange (the "2020 Exchange Offer") any and all of its 7.75% senior notes due 2020 (the "2020 Notes") for new 9.375% senior second lien notes due 2024 (the "2024 Second Lien Notes"). The 2020 Exchange Offer will be subject to certain conditions as will be set forth in the applicable offering memorandum and letter of transmittal, including the condition (the "Minimum Tender Condition") that 2020 Notes with an aggregate principal amount of at least \$443.7 million are tendered in the 2020 Exchange Offer (the "Minimum Tender Amount"). The Company reserves the right to increase, decrease or otherwise change the Minimum Tender Amount and/or waive the Minimum Tender Condition in its sole discretion without extending the early tender date or the withdrawal deadline or otherwise reinstating withdrawal rights, subject to applicable law.

The 2020 Exchange Offer will expire at 11:59 p.m., New York City time, on July 13, 2018, unless extended. Tenders must be made before the expiration date and may be withdrawn at any time prior to 5:00 p.m., New York City time, on June 28, 2018, unless extended. If all the conditions to the 2020 Exchange Offer are satisfied or waived, whether before or after such withdrawal deadline, the Company may elect, in its sole discretion, to early settle the 2020 Exchange Offer with respect to 2020 Notes validly tendered (and not validly withdrawn) prior to the early tender date. The early tender date for the 2020 Exchange Offer is 5:00 p.m., New York City time, on June 28, 2018, unless extended. The Company reserves the right, subject to applicable law, to terminate, withdraw, amend or extend the 2020 Exchange Offer.

Subject to the tender acceptance procedures described in the offering memorandum and letter of transmittal, the exchange consideration for each \$1,000 principal amount of the 2020 Notes validly tendered (and not validly withdrawn) on or prior to the early tender date and accepted for exchange is \$1,000 principal amount of 2024 Second Lien Notes. The late exchange consideration for each \$1,000 principal amount of the 2020 Notes validly tendered (and not validly withdrawn) after the early tender date and accepted for exchange on or prior to the expiration date is \$950 principal amount of 2024 Second Lien Notes.

The consideration offered in the 2020 Exchange Offer is summarized below.

Title of Series of Old Notes	CUSIP No. / ISIN	Aggregate Outstanding Principal Amount	Early Exchange Consideration, if tendered and not withdrawn prior to the Early Tender Date ⁽¹⁾	Late Exchange Consideration, if tendered after the Early Tender Date and prior to the Expiration Date ⁽¹⁾
7.75% Senior Notes due 2020	97381WAN4; US97381WAN48; 97381WAM6; US97381WAM64; U9700PAG0; USU9700PAG01	\$492,980,000	\$1,000	\$950

(1) Total principal amount of 2024 Second Lien Notes for each \$1,000 principal amount of 2020 Notes.

In addition to the consideration, the Company will pay in cash accrued and unpaid interest on 2020 Notes accepted in the 2020 Exchange Offer from the latest interest payment date to, but not including, the applicable settlement date with respect to the 2020 Exchange Offer. Interest on the 2024 Second Lien Notes will accrue from the date of first issuance of 2024 Second Lien Notes.

Multi-Tranche Exchange Offer

The Company is also making separate offers (collectively, the "Multi-tranche Exchange Offer") to exchange its outstanding 7.75% senior notes due 2021, 7.50% senior notes due 2022, 7.50% senior notes due 2023, 6 3/8% senior notes due 2023 and 8.75% senior notes due 2024 (collectively, the "Old Notes" and each, a "series of Old Notes") for new 9.00% senior second lien notes due 2025 (the "2025 Second Lien Notes"). The maximum aggregate principal amount of 2025 Second Lien Notes issued in the Multi-tranche Exchange Offer will be no more than \$950.0 million (the "Maximum Exchange Amount"). If the Multi-tranche Exchange Offer is oversubscribed, Old Notes will be accepted in accordance with the acceptance priority levels (the "Acceptance Priority Levels") described in the table below (with 1 being the highest Acceptance Priority Level), subject to proration. The Maximum Exchange Amount that may be issued in the Multi-tranche Exchange Offer may be increased, decreased or otherwise changed by the Company in its sole discretion without extending the early tender date or the withdrawal deadline, subject to applicable law and the terms of its outstanding indebtedness, which could result in the Company exchanging a greater or lesser amount of Old Notes for 2025 Second Lien Notes in the Multi-tranche Exchange Offers. There can be no assurance that the Company will change the Maximum Exchange Amount. If the Company changes the Maximum Exchange Amount, it does not expect to extend the Withdrawal Deadline, subject to applicable law.

Each Multi-tranche Exchange Offer will expire at 11:59 p.m., New York City time, on July 13, 2018, unless extended. Tenders must be made before the expiration date and may be withdrawn at any time prior to 5:00 p.m., New York City time, on June 28, 2018, unless extended. The Multi-tranche Exchange Offer is not conditioned upon a minimum principal amount of Old Notes being tendered. If all the conditions to a Multi-tranche Exchange Offer are satisfied or waived, whether before or after such withdrawal deadline, Windstream may elect, in its sole discretion, to early settle such Multi-tranche Exchange Offer with respect to Old Notes validly tendered (and not validly withdrawn) prior to the early tender date. The early tender date is 5:00 p.m., New York City time, on June 28, 2018, unless extended.

Subject to Maximum Exchange Amount, Acceptance Priority Levels, proration and tender acceptance procedures described in the offering memorandum and letter of transmittal for the Multi-tranche Exchange Offer, (i) for each \$1,000 principal amount of a series of Old Notes validly tendered (and not validly withdrawn) at or prior to the early tender date and accepted for exchange, eligible holders of such Old Notes will be eligible to receive the applicable early exchange consideration set forth in the table below; and (ii) for each \$1,000 principal amount of a series of Old Notes validly tendered (and not validly withdrawn) after the early tender date and accepted for exchange on or prior to the expiration date, eligible holders of such Old Notes will be eligible to receive the applicable late exchange consideration set forth in the table below.

The consideration offered in the Multi-tranche Exchange Offer is summarized below.

Title of Series of Old Notes	CUSIP; ISIN Numbers	Aggregate Principal Amount Outstanding	Acceptance Priority Level	Early Exchange Consideration, if tendered and not withdrawn prior to the Early Tender Date(1)	Late Exchange Consideration, if tendered after the Early Tender Date and prior to the Expiration Date(1)
7.75% Senior Notes due 2021	97381WAT1; US97381WAT18; 97381WAR5; US97381WAR51; U9700PAK1; USU9700PAK13	\$88,950,000	1	\$930	\$880
7.50% Senior Notes due 2022	97381WAX2; US97381WAX20	\$41,510,000	1	\$830	\$780

7.50% Senior Notes due 2023	97381WAU8; US97381WAU80	\$120,340,000	1	\$800	\$750
6 3/8% Senior Notes due 2023	97381WAZ7; US97381WAZ77; U9701LAA1; USU9701LAA18; 97381LAA6; US97381LAA61	\$1,147,610,000	2	\$730	\$680
8.75% Senior Notes due 2024	97381LAD0; US97381LAD01; U9701LAE3; USU9701LAE30	\$684,350,000	2	\$800	\$750

(1) Total principal amount of 2025 Second Lien Notes for each \$1,000 principal amount of Old Notes.

In addition to the consideration, the Company will pay in cash accrued and unpaid interest on the Old Notes accepted in the Multi-tranche Exchange Offer from the applicable latest interest payment date to, but not including, the applicable settlement date with respect to the Multi-tranche Exchange Offer. Interest on 2025 Second Lien Notes will accrue from the date of first issuance of the 2025 Second Lien Notes in the Multi-tranche Exchange Offer.

New Notes

Any new notes issued pursuant to any of the foregoing transactions will not be registered under the Securities Act of 1933, as amended (the "Securities Act") or any state securities laws. The new notes may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the Securities Act and any applicable state securities laws.

Ipreo LLC will act as the Exchange Agent for the 2020 Exchange Offer and Multi-tranche Exchange Offer (collectively, the "Exchange Offers"). Questions or requests related to the Exchange Offers and for additional copies of the offering memoranda and letters of transmittal related to the Exchange Offers (collectively, the "Offering Documents") may be directed to Ipreo LLC at (212) 849-3880 (collect) or (888) 593-9546 (toll-free). You may also contact your broker, dealer, commercial bank, trust company or other nominee for assistance concerning the Exchange Offers.

Holders are advised to check with any bank, securities broker or other intermediary through which they hold any of the notes as to when such intermediary needs to receive instructions from a holder in order for that holder to be able to participate in, or (in the circumstances in which revocation is permitted) revoke their instruction to participate in, the Exchange Offers, before the deadlines specified herein and in the Offering Documents. The deadlines set by each clearing system for the submission and withdrawal of tender instructions will also be earlier than the relevant deadlines specified herein and in the Offering Documents.

None of the Company, its board of directors, its officers, the lead dealer manager, the dealer managers, the information and tabulation agent, the collateral agent or the trustee with respect to the outstanding notes, or any of the Company's or their respective affiliates, makes any recommendation that that holders tender any outstanding notes in response to the Exchange Offers, and no one has been authorized by any of them to make such a recommendation. Holders must make their own decision as to whether to participate and, if so, the principal amount of outstanding notes to tender.

This press release is for informational purposes only. It shall not constitute an offer to sell or exchange, or a solicitation of an offer to buy or exchange, any notes, nor shall there be any offer, solicitation or sale of any securities in any state or other jurisdiction in which such an offer, solicitation or sale would be unlawful. The Exchange Offers are being made solely pursuant to the Offering Documents. The Exchange Offers are not being made to holders of notes in any jurisdiction in which the making or acceptance thereof would not be in compliance with the securities, blue sky or other laws of such jurisdiction.

About Windstream

Windstream Holdings, Inc. (NASDAQ:WIN), a FORTUNE 500 company, is a leading provider of advanced network communications and technology solutions. Windstream provides data networking, core transport, security, unified communications and managed services to mid-market, enterprise and wholesale customers across the U.S. The company also offers broadband, entertainment and security services for consumers and small and medium-sized businesses primarily in rural areas in 18 states. Services are delivered over multiple network platforms including a nationwide IP network, our

proprietary cloud core architecture and on a local and long-haul fiber network spanning approximately 150,000 miles.

Certain statements contained in this press release may constitute forward-looking statements. 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. These forward-looking statements are based on estimates, projections, beliefs, and assumptions that Windstream believes are reasonable but are not guarantees of future events and results. Actual future events and results of Windstream may differ materially from those expressed in these forward-looking statements as a result of a number of important factors, including those described in filings by Windstream with the Securities and Exchange Commission, which can be found at www.sec.gov.

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