On July 17, 2006, Alltel Corporation (“Alltel”) completed the spin-off of its wireline telecommunications business to its stockholders and the merger of that wireline business with Valor Communications Group, Inc. (“Valor”). The resulting company was renamed Windstream Corporation (“Windstream” or the “Company”). As disclosed in the Windstream Form 8-K filed on February 8, 2007, the Company has presented in its earnings release unaudited pro forma results from current businesses, which include results from Valor's businesses for periods prior to the merger and additional amortization for the Valor customer list. It excludes costs associated with Hurricane Katrina and an impairment charge from Valor's cellular partnership investment, the adjustments related to the discontinuation of Statement of Financial Accounting Standards ("SFAS") No. 71, "Accounting for the Effects of Certain Types of Regulation", royalty expense charged by Alltel for the use of th Alltel brand and restructuring and other charges. Windstream’s purpose for including the results of Valor's businesses, and excluding Alltel royalty expense and the adjustments related to the discontinuance of SFAS No. 71, for periods prior to the merger is to improve comparability of results of operations for prior periods (whicl exclude Valor results and include Alltel royalty expenses under GAAP measures) to the results of operations for periods beginning with the third quarter of 2006 (which will include Valor results under GAAP measures, and will no longer reflect Alltel royalty expenses as those were discontinued as a result of the Merger, nor the effects of applying SFAS No. 71). Windstream’s purpose for its other adjustments is to focus on Windstream’s 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 the 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 core earnings capacity of the businesses. The Company uses pro forma results from current businesses as management’s primary measure of the 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 a tax-free transaction with entities affiliated with Welsh, Carson, Andersen and Stowe ("WCAS"), a private equity investment firm. In exchange for Windstream's publishing business, WCAS will pay Windstream a special dividend, issue debt, and apply the proceeds to a buy down of Windstream's outstanding debt, and relinquish approximately 19.5 million shares in Windstream common stock.

Windstream claims 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. 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. Factors that could cause actual results to differ materially from those contemplated above include, among others: adverse changes in economic conditions in the markets served by Windstream; the extent, timing and overall effects of competition in the communications business; material changes in the communications industry generally that could adversely affect vendor relationships with equipment and network suppliers and customer relationships with wholesale customers; changes in communications technology; the risks associated with the separation of the publishing business; failure to realize expected benefits as a result of the transactions described above; the potential for adverse changes in the ratings given to Windstream’s debt securities by nationally accredited ratings organizations; the availability and cost of financing in the corporate debt markets; the uncertainties related to Windstream’s strategic investments; the effects of work stoppages; the effects of litigation, including any litigation with respect to the above-referenced transactions; and the effects of federal and state legislation, rules and regulations governing the communications industry. 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. Windstream undertakes 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 Windstream’s 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 Windstream’s future results included in Windstream’s filings with the Securities and Exchange Commission.

WINDSTREAM CORPORATION
UNAUDITED PRO FORMA CONSOLIDATED RESULTS FROM CURRENT BUSINESSES (NON-GAAP) (A)
QUARTERLY SUPPLEMENTAL BUSINESS SEGMENT INFORMATION
for the quarterly periods in the years 2006 and 2005
(In thousands)

	2006					2005				
	Total	4rd Qtr.	3rd Qtr.	2nd Qtr.	1st Qtr.	Total	4th Qtr.	3rd Qtr.	2nd Qtr.	1st Qtr.
Wireline										
Revenues and sales:										
Service revenues	$ 2,983,160	$ 767,036	$ 740,432	$ 741,675	$ 734,017	$ 3,010,206	$ 758,046	$ 752,695	$ 752,461	$ 747,004
Product sales	47,225	13,678	11,728	11,392	10,427	46,433	10,825	13,362	11,759	10,487
Total revenues and sales	3,030,385	780,714	752,160	753,067	744,444	3,056,639	768,871	766,057	764,220	757,491
Costs and expenses:										
Cost of services	974,642	244,564	253,021	238,282	238,775	979,568	230,597	246,751	254,474	247,746
Cost of products sold	39,570	12,735	8,589	9,867	8,379	34,929	7,659	10,636	9,677	6,957
Selling, general, administrative and other	368,912	94,741	85,936	96,934	91,301	393,137	98,207	95,675	94,672	104,583
Total cash expenses	1,383,124	352,040	347,546	345,083	338,455	1,407,634	336,463	353,062	358,823	359,286
Wireline OIBDA (D)	1,647,261	428,674	404,614	407,984	405,989	1,649,005	432,408	412,995	405,397	398,205
Depreciation and amortization	513,955	122,871	129,733	129,195	132,156	592,909	137,637	148,382	152,572	154,318
Segment income	$ 1,133,306	$ 305,803	$ 274,881	$ 278,789	$ 273,833	$ 1,056,096	$ 294,771	$ 264,613	$ 252,825	$ 243,887
Other										
Revenues and sales:										
Service revenues	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Product sales	488,398	147,798	113,339	131,698	95,563	462,634	130,448	108,563	128,511	95,112
Total revenues and sales	488,398	147,798	113,339	131,698	95,563	462,634	130,448	108,563	128,511	95,112
Costs and expenses:										
Cost of services	380	178	812	153	(763)	687	22	(61)	1,211	(485)
Cost of products sold	423,516	128,272	98,112	112,949	84,183	404,154	111,492	95,369	111,531	85,762
Selling, general, administrative and other	43,547	11,855	12,620	8,864	10,208	38,050	10,132	9,772	10,232	7,914
Total cash expenses	467,443	140,305	111,544	121,966	93,628	442,891	121,646	105,080	122,974	93,191
Other OIBDA (D)	20,955	7,493	1,795	9,732	1,935	19,743	8,802	3,483	5,537	1,921
Depreciation and amortization	3,557	1,052	586	948	971	3,952	922	923	1,053	1,054
Segment income	$ 17,398	$ 6,441	$ 1,209	$ 8,784	$ 964	$ 15,791	$ 7,880	$ 2,560	$ 4,484	$ 867
Intercompany eliminations:										
Revenues and sales										
Service revenues	$ (126,075)	$ (35,142)	$ (23,783)	$ (38,483)	$ (28,667)	$ (142,831)	$ (44,557)	$ (33,675)	$ (36,035)	$ (28,564)
Product sales	(199,435)	(65,762)	(46,950)	(49,543)	(37,180)	(187,140)	(51,939)	(43,953)	(50,121)	(41,127)
Total revenues and sales	(325,510)	(100,904)	(70,733)	(88,026)	(65,847)	(329,971)	(96,496)	(77,628)	(86,156)	(69,691)
Costs and expenses:	-									
Cost of services	(68,182)	(6,956)	(12,683)	(27,006)	(21,537)	(103,646)	(30,441)	(24,234)	(28,173)	(20,798)
Cost of products sold	(257,328)	(93,948)	(58,050)	(61,020)	(44,310)	(226,325)	(66,055)	(53,394)	(57,983)	(48,893)
Selling, general, administrative and other	-	-	-	-	-	-	-	-	-	-
Total cash expenses	(325,510)	(100,904)	(70,733)	(88,026)	(65,847)	(329,971)	(96,496)	(77,628)	(86,156)	(69,691)
OIBDA (D)	-	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	-	-	-	-

	2006					2005				
	Total	4rd Qtr.	3rd Qtr.	2nd Qtr.	1st Qtr.	Total	4th Qtr.	3rd Qtr.	2nd Qtr.	1st Qtr.
Operating income	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Consolidated:										
Revenues and sales										
Service revenues	2,857,085	731,894	716,649	703,192	705,350	2,867,375	713,489	719,020	716,426	718,440
Product sales	336,188	95,714	78,117	93,547	68,810	321,927	89,334	77,972	90,149	64,472
Total revenues and sales	$ 3,193,273	$ 827,608	$ 794,766	$ 796,739	$ 774,160	$ 3,189,302	$ 802,823	$ 796,992	$ 806,575	$ 782,912
Costs and expenses:										
Cost of services	906,840	237,786	241,150	211,429	216,475	876,609	200,178	222,456	227,512	226,463
Cost of products sold	205,758	47,059	48,651	61,796	48,252	212,758	53,096	52,611	63,225	43,826
Selling, general, administrative and other	412,459	106,596	98,556	105,798	101,509	431,187	108,339	105,447	104,904	112,497
Total cash expenses	1,525,057	391,441	388,357	379,023	366,236	1,520,554	361,613	380,514	395,641	382,786
OIBDA (D)	1,668,216	436,167	406,409	417,716	407,924	1,668,748	441,210	416,478	410,934	400,126
Depreciation and amortization	517,512	123,923	130,319	130,143	133,127	596,861	138,559	149,305	153,625	155,372
Operating income	$ 1,150,704	$ 312,244	$ 276,090	$ 287,573	$ 274,797	$ 1,071,887	$ 302,651	$ 267,173	$ 257,309	$ 244,754
Operating Income Margin: (B)										
Wireline	37.4%	39.2%	36.5%	37.0%	36.8%	34.6%	38.3%	34.5%	33.1%	32.2%
Other	3.6%	4.4%	1.1%	6.7%	1.0%	3.4%	6.0%	2.4%	3.5%	0.9%
Consolidated	36.0%	37.7%	34.7%	36.1%	35.5%	33.6%	37.7%	33.5%	31.9%	31.3%
OIBDA Margin (C)										
Wireline	54.4%	54.9%	53.8%	54.2%	54.5%	53.9%	56.2%	53.9%	53.0%	52.6%
Other	4.3%	5.1%	1.6%	7.4%	2.0%	4.3%	6.7%	3.2%	4.3%	2.0%
Consolidated	52.2%	52.7%	51.1%	52.4%	52.7%	52.3%	55.0%	52.3%	50.9%	51.1%
SUPPLEMENTAL REVENUE INFORMATION:										
Wireline:										
Revenues and sales:										
Local service	$ 1,173,404	$ 286,654	$ 291,821	$ 294,307	$ 300,622	$ 1,233,027	$ 300,642	$ 309,708	$ 310,943	$ 311,734
Network access and interconnection	1,281,978	327,904	317,487	318,852	317,735	1,300,667	328,566	323,816	322,531	325,754
Long distance	240,999	66,839	59,454	58,225	56,481	221,451	55,756	58,940	52,986	53,769
Miscellaneous	334,004	99,317	83,398	81,683	69,606	301,494	83,907	73,593	77,760	66,234
Total revenues and sales	$ 3,030,385	$ 780,714	$ 752,160	$ 753,067	$ 744,444	$ 3,056,639	$ 768,871	$ 766,057	$ 764,220	$ 757,491
Other										
Revenues and sales:										
Product distribution	$ 334,120	$ 100,974	$ 81,040	$ 83,021	$ 69,085	$ 307,908	$ 81,761	$ 76,146	$ 81,215	$ 68,786
Directory publishing	154,278	46,824	32,299	48,677	26,478	154,726	48,687	32,417	47,296	26,326
Total revenues and sales	$ 488,398	$ 147,798	$ 113,339	$ 131,698	$ 95,563	$ 462,634	$ 130,448	$ 108,563	$ 128,511	$ 95,112

(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 with Valor Communications Group, Inc. (Valor") and discontinuance of SFAS No. 71, as of January 1, 2005.

(B) Operating margin is calculated by dividing segment income by the corresponding amount of segment revenues and sales before intercompany eliminations.

(C) OIBDA margin is calculated by dividing segment income before depreciation and amortization expense by the corresponding amount of segment revenues and sales before intercompany eliminations.

(D) OIBDA is segment income before depreciation and amortization.

WINDSTREAM CORPORATION
UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL INFORMATION (A)
QUARTERLY SUPPLEMENTAL BUSINESS SEGMENT INFORMATION FROM CURRENT BUSINESSES (NON-GAAP)
for the quarterly periods in the years 2006 and 2005
(Dollars in thousands, except per customer amounts)

	2006					2005				
	Total	4th Qtr.	3rd Qtr.	2nd Qtr.	1st Qtr.	Total	4th Qtr.	3rd Qtr.	2nd Qtr.	1st Qtr.
Wireline:										
Access lines	3,242,931	3,242,931	3,287,553	3,328,232	3,366,144	3,391,007	3,391,007	3,431,453	3,470,200	3,507,242
YOY change in access lines	-4.37%	-4.37%	-4.19%	-4.09%	-4.02%	-4.13%	-4.13%	-4.05%	-3.81%	-3.53%
Net access line losses	(148,077)	(44,622)	(40,679)	(37,912)	(24,864)	(145,718)	(40,446)	(38,747)	(37,042)	(29,483)
Average access lines	3,304,677	3,264,560	3,308,008	3,348,099	3,376,908	3,467,107	3,409,783	3,451,630	3,488,624	3,520,286
Broadband customers	656,132	656,132	603,114	547,846	502,355	450,375	450,375	407,198	359,346	314,178
Net broadband additions	205,757	53,018	55,268	45,491	51,980	184,166	43,177	47,852	45,168	47,969
YOY change in broadband customers	45.69%	45.69%	48.11%	52.42%	59.84%	69.21%	69.21%	74.50%	74.02%	70.36%
Average revenue per customer per month (B)	$76.42	$79.72	$75.79	$75.94	$73.48	$73.47	$75.16	$73.98	$73.02	$71.73
Long-distance customers	1,990,950	1,990,950	2,006,899	2,001,714	1,987,596	1,982,793	1,982,793	1,986,599	2,007,160	2,015,943
Consolidated:										
Capital expenditures	$399,878	$129,685	$90,372	$106,739	$73,082	$409,258	$131,159	$92,335	$96,679	$89,085
Reconciliation of Operating Income under GAAP to OIBDA from Current Businesses:										
Operating income under GAAP										
Windstream Corporation	$ 898,837	$ 285,674	$ 254,015	$ 185,273	$ 173,875	$ 633,808	$ 168,206	$ 162,172	$ 151,176	$ 152,254
Pro forma adjustments										
Valor Communications Group, Inc.										
operating income	80,901	-	(6,884)	43,512	44,273	167,044	43,200	41,330	44,881	37,633
Customer list amortization	(24,049)	-	(2,049)	(11,000)	(11,000)	(44,000)	(11,000)	(11,000)	(11,000)	(11,000)
Royalty expense	129,598	-	-	62,449	67,149	268,785	66,498	67,429	67,429	67,429
Restructuring and other charges	65,045	26,570	31,008	4,964	2,503	37,655	32,092	5,563	-	-
Discontinuance of SFAS No. 71										
Cost of removal	3,697	-	-	1,686	2,011	9,239	472	2,690	3,031	3,046
Asset retirement obligation	(865)	-	-	(437)	(428)	(1,618)	(418)	(408)	(400)	(392)
Directory publication revenues	(3,440)	-	-	636	(4,076)	(986)	3,111	(1,093)	1,702	(4,706)
Regulatory asset for depreciation difference	980	-	-	490	490	1,960	490	490	490	490
Adjusted operating income	1,150,704	312,244	276,090	287,573	274,797	1,071,887	302,651	267,173	257,309	244,754
Depreciation and amortization expense	517,512	123,923	130,319	130,143	133,127	596,861	138,559	149,305	153,625	155,372
Pro forma OIBDA from current businesses (C)	$ 1,668,216	$ 436,167	$ 406,409	$ 417,716	$ 407,924	$ 1,668,748	$ 441,210	$ 416,478	$ 410,934	$ 400,126

(A) Pro forma results of operations 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 with Valor Communications Group, Inc. (Valor") and discontinuance of SFAS No. 71, as of January 1, 2005.

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

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

Windstream Corporation
Unaudited Pro Forma Results From Current Businesses
Reconciliations of Non-GAAP Financial Measures

Net Debt to Operating Income
for the twelve months ended December 31:

(Dollars in millions)		2006
Long-term debt, including current maturities		$ 5,488.4
Cash and short-term investments		(386.8)
Net debt	(A)	$ 5,101.6
Operating income under GAAP	(B)	$ 898.8
Net debt to operating income	(A) / (B)	5.68

Net Debt to Pro Forma OIBDA From Current Businesses
for the twelve months ended December 31:

(Dollars in millions)		Total Windstream	Directory Publishing	Pro forma
Net debt	(A)	$ 5,101.6	(250.0)	$ 4,851.6
Operating income under GAAP		$ 898.8	(64.1)	$ 834.7
Pro forma adjustments:				
Valor operating income		80.9		80.9
Customer list amortization		(24.0)		(24.0)
Royalty expense		129.6		129.6
Restructuring and other charges		65.0		65.0
Discontinuance of SFAS No. 71				-
Cost of removal		3.7		3.7
Asset retirement obligation		(0.9)		(0.9)
Directory publishing revenues		(3.4)		(3.4)
Regulatory asset		1.0		1.0
Depreciation and amortization		517.5	(1.9)	$ 515.6
Pro forma OIBDA from current businesses	(B)	$ 1,668.2	$ (66.0)	$ 1,602.2
	(A) / (B)	3.06		3.03

Directory Publishing OIBDA
for the twelve months ended December 31:

(Dollars in millions)		
Total value of transaction	(C)	$ 525.0
Total value of transaction on a taxable equivalent basis	(D)	$ 849.7
Operating income under GAAP	(E)	$ 64.1
Depreciation and amortization		1.9
Directory Publishing OIBDA from current businesses	(F)	$ 66.0
Total value of transaction to OIBDA	(C) / (F)	7.95
Total value of transaction on a taxable equivalent to OIBDA	(D) / (F)	12.87

Note: Directory publishing operating income under GAAP and OIBDA from current businesses includes estimated pro forma Valor directory publishing activities. Taxable equivalent assumes an effective tax rate of 39.66% and a tax basis of approximately $31.0 million.