

Windstream reports record broadband, digital TV growth in first quarter

LITTLE ROCK, Ark. – Windstream Corporation (NYSE: WIN) produced record broadband and digital TV customer growth in the first quarter ending March 31, 2007.

Windstream added approximately 59,000 net broadband customers and approximately 35,000 net digital TV customers in the first quarter. Both are quarterly records. The company has more than 715,000 total broadband customers and more than 122,000 total digital TV customers through an agreement with EchoStar Communications Corporation to offer DISH Network satellite TV service to Windstream customers.

"Our company is off to a great start for 2007 with solid execution by our team during the quarter selling broadband and digital TV, two of our most important service offerings," said Jeff Gardner, President and CEO. "With our singular focus on this business, Windstream is well positioned to continue delivering solid results and strong and sustainable cash flows."

Windstream achieved diluted earnings per share under Generally Accepted Accounting Principles (GAAP) of 21 cents. The GAAP results included a non-cash charge of \$5.3 million for the early retirement of debt issuance costs, \$4.8 million in restructuring and transaction expenses, and the results for the company's directory publishing business.

Among the highlights for the first quarter on a GAAP basis:

- Revenues were \$784 million, an 11 percent increase from a year ago.
- Operating income was \$270 million, a 55 percent increase year-over-year.
- Net income was \$100 million, an 11 percent decline from a year ago.
- Cash and short-term investments were \$398 million at the end of the quarter.

Among the pro forma highlights for the first quarter from current businesses, excluding \$4.8 million in restructuring and transaction expenses and results for the company's directory publishing business:

- Revenues were \$761 million, a 2 percent increase year-over-year.
- Operating income before depreciation and amortization was \$394 million, a 2 percent decrease from a year ago.
- Average revenue per customer per month was \$76.60, a 6 percent increase from a year ago.
- Windstream added approximately 59,000 broadband customers, bringing its total broadband customer base to more than 715,000 – an increase of 42 percent year-over-year.

- The company added approximately 35,000 digital TV customers, bringing its total digital TV customer base to more than 122,000 – an increase of 320 percent year-over-year.
- Total access lines declined approximately 29,000 or 4.5 percent year-over-year to 3.21 million.

Windstream also announced it expects to substantially complete in the third quarter the split-off of its directory publishing business in a tax-free transaction to Welsh, Carson, Anderson & Stowe, a private equity investment firm. The transaction was originally announced on Dec. 12, 2006.

Windstream was formed July 17, 2006, through the spinoff from Alltel and merger with VALOR Communications Group, Inc.

Windstream's GAAP results reflect the Alltel wireline business for the entire year of 2006 through the first quarter of 2007 and the VALOR business starting July 17, 2006. Pro forma results from current businesses are non-GAAP financial measures that include results from VALOR's business for periods prior to the merger, and excludes various non-recurring items related to the transaction, the discontinuance of Statement of Financial Accounting Standards No. 71 and the split-off of the company's directory publishing business.

Conference call

Windstream will hold a conference call at 7:30 a.m. CDT today to discuss the company's first-quarter earnings results.

To access the call:

Interested parties can access the call by dialing 1-866-700-0161, passcode 30462041, five minutes prior to the start time.

To access the call replay:

A replay of the call will be available beginning at 9:30 a.m. CDT today and ending at midnight CDT on May 17. The replay can be accessed by dialing 1-888-286-8010, passcode 35266865.

The international dial-in number for the replay is 1-617-801-6888, passcode 35266865.

Web cast information:

The conference call also will be streamed live over the company's Web site at www.windstream.com/investors. Financial, statistical and other information related to the call will be posted on the site. A replay of the Web cast will be available on the Web site beginning at 9:30 a.m. CDT today.

About Windstream

Windstream Corporation provides voice, broadband and entertainment services to customers in 16 states. The company has approximately 3.2 million access lines and about \$3.2 billion in annual revenues. For more information, visit www.windstream.com.

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 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 at www.sec.gov.

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