Windstream Holdings, Inc. ("Windstream", "we", "us", "our") has presented in this package unaudited adjusted results, which includes the results of operations of EarthLink Holdings Corp. ("EarthLink") as if the merger with EarthLink had been completed as of January 1, 2016. The adjusted results are based upon the combined historical financial information of Windstream and EarthLink for all periods presented. The adjusted results exclude pension costs, restructuring charges, share-based compensation expense, and all merger, integration and other costs resulting from strategic transactions. We have made certain reclassifications to the historical financial information of EarthLink to conform to our presentation. We have presented certain measures of our operating performance, on an adjusted basis, that reflects the impact of the annual cash rent payment due under the master lease agreement with Uniti Group, Inc. ("Uniti"), formerly Communications Sales & Leasing, Inc.

During the second quarter of 2017, we realigned certain engineering teams focused on specific initiatives to enhance our broadband capabilities and network expansion and have allocated the related labor costs to the appropriate segment. Previously, these labor costs had not been allocated to the segments and were included in shared expenses. In addition, we revised our methodology for determining segment income to include within the segment operating results a reduction for certain engineering and other costs attributable to the construction of property, plant and equipment, including capitalized labor. Previously, internal costs associated with capitalizable activities were included in segment costs and expenses, while the associated benefits for capitalizing these costs were not allocated to the segments and were included within shared expenses in computing consolidated costs and expenses. We believe these changes more accurately present the operating results of each of our business segments. Prior period segment information has been revised to reflect these changes for all periods presented. The changes had no impact on adjusted OIBDA.

The adjusted results are presented for informational purposes only and are not intended to represent nor necessarily be indicative of what the combined company's results of operations would have been had the merger been completed on January 1, 2016. The unaudited adjusted results do not reflect any incremental costs incurred in integrating the two companies or any cost savings from operating efficiencies, synergies or other restructurings that could result from the merger. We use adjusted OIBDA, adjusted OIBDAR, adjusted free cash flow, and adjusted capital expenditures as key measures of the operational performance of our business. Our management, including the chief operating decision-maker, consistently uses these measures for internal reporting and the evaluation of business objectives, opportunities and performance, and the determination of management compensation. Adjusted OIBDAR is also used by rating agencies and lenders to evaluate our operating performance and credit worthiness. Management believes that adjusted free cash flow provides investors with useful information about the ability of our core operations to generate cash flow.

We claim 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. Forward-looking statements include, but are not limited to, statements regarding the benefits of the mergers with EarthLink and Broadview Networks Holdings, Inc. ("Broadview"), including future financial and operating results, projected synergies in operating and capital expenditures and the timing of achieving the synergies reduction in net leverage, and improvement in our ability to compete; our expectation to utilize a portion of our cash flow to engage in a stock repurchase program and/or reduce debt; our cost reduction activities, including, but not limited to, our recent workforce reductions and network cost optimization; expectations regarding our network investments to improve financial performance and increase market share; expectations regarding revenue trends, sales opportunities, improving margins in, and the directional outlook of, our business segments; stability and growth in adjusted OIBDA; expected levels of support from universal service funds or other government programs; expected rates of loss of consumer households served or inter-carrier compensation; expected increases in high-speed Internet and business data connections, including increasing availability of higher Internet speeds and services utilizing next generation technology for customers; expectations regarding expanding enhanced services related to Internet speeds, IPTV and 1 Gbps services to more locations and expanding our fiber network; our expected ability to fund operations; expected required contributions to our pension plan and our ability to make contributions utilizing our common stock; the completion and benefits from network investments related to the Connect America Fund to fund the deployment of broadband services and capital expenditure amounts related to these investments; benefits of Project Excel to improve network capabilities and offer premium Internet speeds; anticipated capital expenditures and certain debt maturities from cash flows from operations; improving our debt profile and reducing interest costs; and expected effective federal income tax rates. These and other forward-looking statements are based on estimates, projections, beliefs, and assumptions that we believe are reasonable but are not guarantees of future events and results. Actual future events and our results 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 in our forward-looking statements include, among others: the cost savings and expected synergies from the mergers with EarthLink and Broadview may not be fully realized or may take longer to realize than expected; the integration of Windstream and EarthLink and Broadview may not be successful, may cause disruption in relationships with customers, vendors and suppliers and may divert attention of management and key personnel; our capital allocation practices, including our newly revised capital allocation strategy comprised of our stock repurchase program and debt reduction initiatives, may be changed at any time at the discretion of our board of directors; the benefits of our newly revised capital allocation strategy and cost reduction activities may not be fully realized or may take longer to realize than expected, or the implementation of these initiatives may adversely affect our sales and operational activities or otherwise disrupt our business and personnel; the impact of the Federal Communications Commission's ("FCC") comprehensive business data services reforms that may result in greater capital investments and customer and revenue churn because of possible price increases by our incumbent local exchange carrier suppliers for certain services we use to serve customer locations where we do not have facilities; further adverse changes in economic conditions in the markets served by us; the extent, timing and overall effects of competition in the communications business; our election to accept state-wide offers under the FCC Connect America Fund, Phase 2, and the impact of such election on our future receipt of federal universal service funds and capital expenditures, and any return of support received pursuant to the program; the potential for incumbent carriers to impose monetary penalties for failure to meet specific volume and term commitments under their special access pricing and tariff plans, which Windstream uses to lease last-mile connections to serve its retail business data service customers, without FCC action; the impact of new, emerging or competing technologies and our ability to utilize these technologies to provide services to our customers; for certain operations where we lease facilities from other carriers, adverse effects on the availability, quality of service and price of facilities and services provided by other carriers on which our services depend; unfavorable rulings by state public service commissions in current and further proceedings regarding universal service funds, inter-carrier compensation or other matters that could reduce revenues or increase expenses; material changes in the communications industry that could adversely affect vendor relationships with equipment and network suppliers and customer relationships with wholesale customers; our ability to make rent payments under the master lease to Uniti, which may be affected by results of operations, changes in our cash requirements, cash tax payment obligations, or overall financial position; unanticipated increases or other changes in our future cash requirements, whether caused by unanticipated increases in capital expenditures, increases in pension funding requirements, or otherwise; the availability and cost of financing in the corporate debt markets; the potential for adverse changes in the ratings given to our debt securities by nationally accredited ratings organizations; earnings on pension plan investments significantly below our expected long term rate of return for plan assets or a significant change in the discount rate or other actuarial assumptions; unfavorable results of litigation or intellectual property infringement claims asserted against us; the risks associated with non-compliance by us with regulations or statutes applicable to government programs under which we receive material amounts of end user revenue and government subsidies, or non-compliance by us, our partners, or our subcontractors with any terms of our government contracts; the effects of federal and state legislation, and rules and regulations, and changes thereto, governing the communications industry; continued loss of consumer households served and consumer high-speed Internet customers; the impact of equipment failure, natural disasters or terrorist acts; the effects of work stoppages by our employees or employees of other communications companies on whom we rely for service; and those additional factors under the caption "Risk Factors" in our Form 10-K for the year ended December 31, 2016, and in subsequent filings with the Securities and Exchange Commission at www.sec.gov.

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. We undertake 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 our 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 mayaffect our future results included in our other filings with the Securities and Exchange Commission at www.sec.gov.

WINDSTREAM HOLDINGS, INC.
UNAUDITED ADJUSTED RESULTS OF OPERATIONS (NON-GAAP) (A)
QUARTERLY SUPPLEMENTAL INFORMATION
for the quarterly periods in the years 2017 and 2016
(In millions)

| | 2017 | | | 2016 | | | | |
|---|---|---|---|---|---|---|---|---|
| ADJUSTED RESULTS OF OPERATIONS: | Total | 2nd Qtr. | 1st Qtr. | Total | 4th Qtr. | 3rd Qtr. | 2nd Qtr. | 1st Qtr. |
| Revenues and sales: | | | | | | | | |
| Total service revenues | $ 2,959.3 | $ 1,465.6 | $ 1,493.7 | $ 6,261.6 | $ 1,524.7 | $ 1,560.3 | $ 1,578.0 | $ 1,598.6 |
| Product sales | 47.5 | 26.0 | 21.5 | 107.7 | 20.2 | 26.1 | 28.5 | 32.9 |
| Total revenues and sales | 3,006.8 | 1,491.6 | 1,515.2 | 6,369.3 | 1,544.9 | 1,586.4 | 1,606.5 | 1,631.5 |
| Costs and expenses: | | | | | | | | |
| Cost of services | 1,500.2 | 742.0 | 758.2 | 3,169.9 | 754.3 | 809.3 | 798.5 | 807.8 |
| Cost of products sold | 50.7 | 29.7 | 21.0 | 99.9 | 24.2 | 21.9 | 24.6 | 29.2 |
| Selling, general and administrative | 457.2 | 219.6 | 237.6 | 972.8 | 239.4 | 240.1 | 244.8 | 248.5 |
| Costs and expenses excluding pension and share-based compensation expense | 2,008.1 | 991.3 | 1,016.8 | 4,242.6 | 1,017.9 | 1,071.3 | 1,067.9 | 1,085.5 |
| Adjusted OIBDAR (B) | 998.7 | 500.3 | 498.4 | 2,126.7 | 527.0 | 515.1 | 538.6 | 546.0 |
| Master lease rent payment | 326.8 | 163.4 | 163.4 | 653.6 | 163.4 | 163.3 | 163.4 | 163.5 |
| Adjusted OIBDA (C) | $ 671.9 | $ 336.9 | $ 335.0 | $ 1,473.1 | $ 363.6 | $ 351.8 | $ 375.2 | $ 382.5 |
| Margins (D): | | | | | | | | |
| Adjusted OIBDAR margin | 33.2% | 33.5% | 32.9% | 33.4% | 34.1% | 32.5% | 33.5% | 33.5% |
| Adjusted OIBDA margin | 22.3% | 22.6% | 22.1% | 23.1% | 23.5% | 22.2% | 23.4% | 23.4% |
| CAPITAL EXPENDITURES: | | | | | | | | |
| Capital expenditures under GAAP | $ 507.8 | $ 264.4 | $ 243.4 | $ 989.8 | $ 236.4 | $ 243.1 | $ 246.5 | $ 263.8 |
| EarthLink capital expenditures pre-merger | 15.2 | - | 15.2 | 84.1 | 28.5 | 20.4 | 16.6 | 18.6 |
| Project Excel capital expenditures | (49.9) | (26.3) | (23.6) | (173.8) | (53.3) | (49.9) | (36.9) | (33.7) |
| Integration capital expenditures | (10.9) | (6.4) | (4.5) | - | - | - | - | - |
| Adjusted capital expenditures (E) | $ 462.2 | $ 231.7 | $ 230.5 | $ 900.1 | $ 211.6 | $ 213.6 | $ 226.2 | $ 248.7 |

(A) Adjusted results of operations are based upon the combined historical financial information of Windstream and EarthLink for all periods presented. The adjusted results assume the merger was completed on January 1, 2016.

(B) Adjusted OIBDAR is adjusted OIBDA before the annual cash rent payment due under the master lease agreement with Uniti.

(C) Adjusted OIBDA is operating income before depreciation and amortization, excluding merger, integration and other costs related to strategic transactions, restructuring charges, pension costs and share-based compensation expense as shown on page 7.

(D) Margins are calculated by dividing the respective profitability measures by total revenues and sales.

(E) Adjusted capital expenditures includes applicable amounts for EarthLink for the periods prior to the merger date of February 27, 2017 and excludes post-merger integration capital expenditures and amounts related to Project Excel, a capital program funded entirely using a portion of the proceeds from the sale of the data center business completed in December 2015.

WINDSTREAM HOLDINGS, INC.
UNAUDITED ADJUSTED RESULTS OF OPERATIONS (NON-GAAP) (A)
QUARTERLY SUPPLEMENTAL INFORMATION
for the quarterly periods in the years 2017 and 2016
(In millions)

| | 2017 | | | 2016 | | | | |
|---|---|---|---|---|---|---|---|---|
| REVENUE SUPPLEMENT | Total | 2nd Qtr. | 1st Qtr. | Total | 4th Qtr. | 3rd Qtr. | 2nd Qtr. | 1st Qtr. |
| Service revenues: | | | | | | | | |
| High-speed Internet bundles | $ 530.1 | $ 264.0 | $ 266.1 | $ 1,049.0 | $ 263.2 | $ 263.2 | $ 261.5 | $ 261.1 |
| Voice only | 67.1 | 33.5 | 33.6 | 148.8 | 34.9 | 37.0 | 37.9 | 39.0 |
| Video and miscellaneous | 22.2 | 11.2 | 11.0 | 45.8 | 11.4 | 11.4 | 11.4 | 11.6 |
| Total ILEC consumer | 619.4 | 308.7 | 310.7 | 1,243.6 | 309.5 | 311.6 | 310.8 | 311.7 |
| ILEC small business | 158.5 | 78.4 | 80.1 | 335.0 | 82.0 | 83.7 | 84.2 | 85.1 |
| ILEC consumer and small business | 777.9 | 387.1 | 390.8 | 1,578.6 | 391.5 | 395.3 | 395.0 | 396.8 |
| | | | | | | | | |
| Core wholesale (B) | 309.5 | 154.5 | 155.0 | 653.0 | 159.7 | 161.8 | 164.3 | 167.2 |
| Resale (C) | 34.4 | 17.0 | 17.4 | 74.0 | 17.5 | 18.2 | 18.8 | 19.5 |
| Total core wholesale and resale | 343.9 | 171.5 | 172.4 | 727.0 | 177.2 | 180.0 | 183.1 | 186.7 |
| Wireless TDM | 10.3 | 4.5 | 5.8 | 30.4 | 6.5 | 7.1 | 7.9 | 8.9 |
| Wholesale | 354.2 | 176.0 | 178.2 | 757.4 | 183.7 | 187.1 | 191.0 | 195.6 |
| | | | | | | | | |
| Voice and long distance | 340.9 | 167.8 | 173.1 | 729.4 | 174.7 | 179.7 | 184.9 | 190.1 |
| Data and integrated services (D) | 726.2 | 358.5 | 367.7 | 1,481.2 | 369.5 | 375.0 | 369.2 | 367.5 |
| Miscellaneous | 75.3 | 37.6 | 37.7 | 149.0 | 39.5 | 38.3 | 34.8 | 36.4 |
| Enterprise | 1,142.4 | 563.9 | 578.5 | 2,359.6 | 583.7 | 593.0 | 588.9 | 594.0 |
| | | | | | | | | |
| High-speed Internet | 51.7 | 25.9 | 25.8 | 114.0 | 26.8 | 27.5 | 29.5 | 30.2 |
| Dial-up, e-mail and miscellaneous | 43.6 | 21.9 | 21.7 | 93.2 | 22.8 | 23.0 | 23.5 | 23.9 |
| Total CLEC consumer | 95.3 | 47.8 | 47.5 | 207.2 | 49.6 | 50.5 | 53.0 | 54.1 |
| CLEC small business | 291.6 | 141.0 | 150.6 | 695.5 | 159.1 | 169.7 | 179.8 | 186.9 |
| CLEC consumer and small business | 386.9 | 188.8 | 198.1 | 902.7 | 208.7 | 220.2 | 232.8 | 241.0 |
| | | | | | | | | |
| Switched access | 43.2 | 21.4 | 21.8 | 109.7 | 24.2 | 25.3 | 30.0 | 30.2 |
| CAF Phase II funding and frozen federal USF | 95.4 | 47.3 | 48.1 | 193.8 | 47.7 | 49.1 | 48.5 | 48.5 |
| State USF and ARM support | 56.8 | 29.6 | 27.2 | 121.9 | 28.6 | 31.0 | 31.2 | 31.1 |
| Pass through taxes and surcharges | 90.4 | 45.4 | 45.0 | 211.2 | 49.9 | 52.8 | 53.8 | 54.7 |
| Miscellaneous | 12.1 | 6.1 | 6.0 | 26.7 | 6.7 | 6.5 | 6.8 | 6.7 |
| Regulatory and other | 297.9 | 149.8 | 148.1 | 663.3 | 157.1 | 164.7 | 170.3 | 171.2 |
| Total service revenues | 2,959.3 | 1,465.6 | 1,493.7 | 6,261.6 | 1,524.7 | 1,560.3 | 1,578.0 | 1,598.6 |
| | | | | | | | | |
| Product sales: | | | | | | | | |
| Enterprise | 20.6 | 11.0 | 9.6 | 54.4 | 8.6 | 13.2 | 14.5 | 18.1 |
| CLEC consumer | 0.3 | 0.1 | 0.2 | 0.6 | 0.2 | 0.1 | 0.2 | 0.1 |
| CLEC small business | 7.2 | 4.2 | 3.0 | 12.8 | 2.7 | 3.0 | 3.5 | 3.6 |
| ILEC consumer | 0.3 | 0.1 | 0.2 | 1.1 | 0.2 | 0.3 | 0.2 | 0.4 |
| Other | 19.1 | 10.6 | 8.5 | 38.8 | 8.5 | 9.5 | 10.1 | 10.7 |
| Total product sales | 47.5 | 26.0 | 21.5 | 107.7 | 20.2 | 26.1 | 28.5 | 32.9 |
| Total revenues and sales | $ 3,006.8 | $ 1,491.6 | $ 1,515.2 | $ 6,369.3 | $ 1,544.9 | $ 1,586.4 | $ 1,606.5 | $ 1,631.5 |

(A) Adjusted results of operations are based upon the combined historical financial information of Windstream and EarthLink for all periods presented. The adjusted results assume the merger was completed on January 1, 2016.
(B) Core wholesale revenues primarily include revenues from providing special access circuits, fiber connections, data transport and wireless backhaul services.
(C) Revenues represent voice and data services sold to other communications services providers on a resale basis.
(D) Data and integrated service revenues primarily include voice and broadband services delivered over a single Internet connection as well as multi-site networking services.

WINDSTREAM HOLDINGS, INC.
UNAUDITED ADJUSTED SEGMENT RESULTS (NON-GAAP) (A)
QUARTERLY SUPPLEMENTAL INFORMATION
for the quarterly periods in the years 2017 and 2016
(In millions)

| | 2017 | | | 2016 | | | | |
|---|---|---|---|---|---|---|---|---|
| | Total | 2nd Qtr. | 1st Qtr. | Total | 4th Qtr. | 3rd Qtr. | 2nd Qtr. | 1st Qtr. |
| **ILEC Consumer and Small Business** | | | | | | | | |
| Revenues and sales: | | | | | | | | |
| Service revenues | $ 619.4 | $ 308.7 | $ 310.7 | $ 1,243.6 | $ 309.5 | $ 311.6 | $ 310.8 | $ 311.7 |
| Product sales | 0.3 | 0.1 | 0.2 | 1.1 | 0.2 | 0.3 | 0.2 | 0.4 |
| Total ILEC consumer | 619.7 | 308.8 | 310.9 | 1,244.7 | 309.7 | 311.9 | 311.0 | 312.1 |
| ILEC small business | 158.5 | 78.4 | 80.1 | 335.0 | 82.0 | 83.7 | 84.2 | 85.1 |
| Total revenues and sales | 778.2 | 387.2 | 391.0 | 1,579.7 | 391.7 | 395.6 | 395.2 | 397.2 |
| Costs and expenses | 349.8 | 174.8 | 175.0 | 700.8 | 162.4 | 190.4 | 174.6 | 173.4 |
| ILEC Consumer and Small Business contribution margin | $ 428.4 | $ 212.4 | $ 216.0 | $ 878.9 | $ 229.3 | $ 205.2 | $ 220.6 | $ 223.8 |
| ILEC Consumer and Small Business contribution margin % | 55.1% | 54.9% | 55.2% | 55.6% | 58.5% | 51.9% | 55.8% | 56.3% |
| **Wholesale** | | | | | | | | |
| Service revenues | $ 354.2 | $ 176.0 | $ 178.2 | $ 757.4 | $ 183.7 | $ 187.1 | $ 191.0 | $ 195.6 |
| Costs and expenses | 121.3 | 59.6 | 61.7 | 252.6 | 60.8 | 62.7 | 64.6 | 64.5 |
| Wholesale contribution margin | $ 232.9 | $ 116.4 | $ 116.5 | $ 504.8 | $ 122.9 | $ 124.4 | $ 126.4 | $ 131.1 |
| Wholesale contribution margin % | 65.8% | 66.1% | 65.4% | 66.6% | 66.9% | 66.5% | 66.2% | 67.0% |
| **Enterprise** | | | | | | | | |
| Revenues and sales: | | | | | | | | |
| Service revenues | $ 1,142.4 | $ 563.9 | $ 578.5 | $ 2,359.6 | $ 583.7 | $ 593.0 | $ 588.9 | $ 594.0 |
| Product sales | 20.6 | 11.0 | 9.6 | 54.4 | 8.6 | 13.2 | 14.5 | 18.1 |
| Total revenues and sales | 1,163.0 | 574.9 | 588.1 | 2,414.0 | 592.3 | 606.2 | 603.4 | 612.1 |
| Costs and expenses | 960.4 | 472.1 | 488.3 | 2,006.4 | 488.1 | 503.1 | 500.4 | 514.8 |
| Enterprise contribution margin | $ 202.6 | $ 102.8 | $ 99.8 | $ 407.6 | $ 104.2 | $ 103.1 | $ 103.0 | $ 97.3 |
| Enterprise contribution margin % | 17.4% | 17.9% | 17.0% | 16.9% | 17.6% | 17.0% | 17.1% | 15.9% |
| **CLEC Consumer and Small Business** | | | | | | | | |
| Revenues and sales: | | | | | | | | |
| Service revenues | $ 95.3 | $ 47.8 | $ 47.5 | $ 207.2 | $ 49.6 | $ 50.5 | $ 53.0 | $ 54.1 |
| Product sales | 0.3 | 0.1 | 0.2 | 0.6 | 0.2 | 0.1 | 0.2 | 0.1 |
| Total CLEC consumer | 95.6 | 47.9 | 47.7 | 207.8 | 49.8 | 50.6 | 53.2 | 54.2 |
| Service revenues | 291.6 | 141.0 | 150.6 | 695.5 | 159.1 | 169.7 | 179.8 | 186.9 |
| Product sales | 7.2 | 4.2 | 3.0 | 12.8 | 2.7 | 3.0 | 3.5 | 3.6 |
| Total CLEC small business | 298.8 | 145.2 | 153.6 | 708.3 | 161.8 | 172.7 | 183.3 | 190.5 |
| Total revenue and sales | 394.4 | 193.1 | 201.3 | 916.1 | 211.6 | 223.3 | 236.5 | 244.7 |
| Costs and expenses | 244.0 | 121.0 | 123.0 | 555.9 | 128.9 | 136.3 | 142.1 | 148.6 |
| CLEC Small Business contribution margin | $ 150.4 | $ 72.1 | $ 78.3 | $ 360.2 | $ 82.7 | $ 87.0 | $ 94.4 | $ 96.1 |
| CLEC Small Business contribution margin % | 38.1% | 37.3% | 38.9% | 39.3% | 39.1% | 39.0% | 39.9% | 39.3% |
| **Total segment revenues and expenses** | | | | | | | | |
| Revenues and sales: | | | | | | | | |
| Service revenues | $ 2,661.4 | $ 1,315.8 | $ 1,345.6 | $ 5,598.3 | $ 1,367.6 | $ 1,395.6 | $ 1,407.7 | $ 1,427.4 |
| Product sales | 28.4 | 15.4 | 13.0 | 68.9 | 11.7 | 16.6 | 18.4 | 22.2 |
| Total segment revenues and sales | 2,689.8 | 1,331.2 | 1,358.6 | 5,667.2 | 1,379.3 | 1,412.2 | 1,426.1 | 1,449.6 |
| Total segment costs and expenses | 1,675.5 | 827.5 | 848.0 | 3,515.7 | 840.2 | 892.5 | 881.7 | 901.3 |
| Segment contribution margin | $ 1,014.3 | $ 503.7 | $ 510.6 | $ 2,151.5 | $ 539.1 | $ 519.7 | $ 544.4 | $ 548.3 |
| Segment contribution margin % | 37.7% | 37.8% | 37.6% | 38.0% | 39.1% | 36.8% | 38.2% | 37.8% |

WINDSTREAM HOLDINGS, INC.
UNAUDITED ADJUSTED SEGMENT RESULTS (NON-GAAP) (A)
QUARTERLY SUPPLEMENTAL INFORMATION
for the quarterly periods in the years 2017 and 2016
(In millions)

| | 2017 | | | 2016 | | | | |
|---|---|---|---|---|---|---|---|---|
| | Total | 2nd Qtr. | 1st Qtr. | Total | 4th Qtr. | 3rd Qtr. | 2nd Qtr. | 1st Qtr. |
| **Consolidated revenues and expenses** | | | | | | | | |
| Revenues and sales: | | | | | | | | |
| Segment revenues and sales | | | | | | | | |
| Service revenues | $ 2,661.4 | $ 1,315.8 | $ 1,345.6 | $ 5,598.3 | $ 1,367.6 | $ 1,395.6 | $ 1,407.7 | $ 1,427.4 |
| Product sales | 28.4 | 15.4 | 13.0 | 68.9 | 11.7 | 16.6 | 18.4 | 22.2 |
| Segment revenues and sales | 2,689.8 | 1,331.2 | 1,358.6 | 5,667.2 | 1,379.3 | 1,412.2 | 1,426.1 | 1,449.6 |
| Regulatory and other revenues and sales (B) | | | | | | | | |
| Service revenues | 297.9 | 149.8 | 148.1 | 663.3 | 157.1 | 164.7 | 170.3 | 171.2 |
| Product sales | 19.1 | 10.6 | 8.5 | 38.8 | 8.5 | 9.5 | 10.1 | 10.7 |
| Regulatory and other revenues and sales | 317.0 | 160.4 | 156.6 | 702.1 | 165.6 | 174.2 | 180.4 | 181.9 |
| Consolidated revenues and sales | | | | | | | | |
| Service revenues | 2,959.3 | 1,465.6 | 1,493.7 | 6,261.6 | 1,524.7 | 1,560.3 | 1,578.0 | 1,598.6 |
| Product sales | 47.5 | 26.0 | 21.5 | 107.7 | 20.2 | 26.1 | 28.5 | 32.9 |
| Consolidated revenues and sales | $ 3,006.8 | $ 1,491.6 | $ 1,515.2 | $ 6,369.3 | $ 1,544.9 | $ 1,586.4 | $ 1,606.5 | $ 1,631.5 |
| Consolidated costs and expenses | | | | | | | | |
| Segment costs and expenses | $ 1,675.5 | $ 827.5 | $ 848.0 | $ 3,515.7 | $ 840.2 | $ 892.5 | $ 881.7 | $ 901.3 |
| Regulatory and other expenses (C) | 104.9 | 53.3 | 51.6 | 236.6 | 54.9 | 59.0 | 60.9 | 61.8 |
| Shared expenses (D) | 227.7 | 110.5 | 117.2 | 490.3 | 122.8 | 119.8 | 125.3 | 122.4 |
| Consolidated costs and expenses | $ 2,008.1 | $ 991.3 | $ 1,016.8 | $ 4,242.6 | $ 1,017.9 | $ 1,071.3 | $ 1,067.9 | $ 1,085.5 |
| Consolidated | | | | | | | | |
| Adjusted OIBDAR | $ 998.7 | $ 500.3 | $ 498.4 | $ 2,126.7 | $ 527.0 | $ 515.1 | $ 538.6 | $ 546.0 |
| Adjusted OIBDAR margin | 33.2% | 33.5% | 32.9% | 33.4% | 34.1% | 32.5% | 33.5% | 33.5% |

(A) Adjusted results of operations are based upon the combined historical financial information of Windstream and EarthLink adjusted to exclude merger, integration and other costs related to strategic transactions, restructuring charges, pension costs, and share-based compensation expense for all periods presented. The adjusted results assume the merger was completed on January 1, 2016.

(B) These revenues are not allocated to the business segments and include revenue from federal and state universal service funds, CAF Phase II support, funds received from federal access recovery mechanisms, revenues from providing switched access services, and certain surcharges assessed to our customers, including billings for our required contributions to federal and state USF programs. These revenues also include product sales to contractors.

(C) These expenses are not allocated to the business segments and primarily consist of various regulatory fees and cost of products sold to contractors.

(D) Shared expenses are not allocated to the segments and primarily consist of accounting and finance, information technology, legal, human resources, and investor relations, that are centrally managed and are not monitored by management at a segment level.

WINDSTREAM HOLDINGS, INC.
UNAUDITED ADJUSTED OPERATING METRICS (NON-GAAP)
QUARTERLY SUPPLEMENTAL INFORMATION
for the quarterly periods in the years 2017 and 2016
(Units in thousands, Dollars in millions, except per unit amounts)

| | 2017 | | | 2016 | | | | |
|---|---|---|---|---|---|---|---|---|
| | Total | 2nd Qtr. | 1st Qtr. | Total | 4th Qtr. | 3rd Qtr. | 2nd Qtr. | 1st Qtr. |
| KEY OPERATING METRICS: | | | | | | | | |
| **ILEC Consumer** | | | | | | | | |
| Households served | 1,307.8 | 1,307.8 | 1,337.5 | 1,354.6 | 1,354.6 | 1,378.5 | 1,403.8 | 1,430.7 |
| *YOY change in households served* | -6.8% | -6.8% | -6.5% | -6.3% | -6.3% | -6.3% | -6.1% | -5.7% |
| *Average revenue per household served per month* | $ 77.55 | $ 77.80 | $ 76.94 | $ 74.01 | $ 75.49 | $ 74.66 | $ 73.10 | $ 72.24 |
| High-speed Internet customers | 1,025.8 | 1,025.8 | 1,047.6 | 1,051.1 | 1,051.1 | 1,063.0 | 1,075.8 | 1,092.0 |
| Digital television customers | 300.7 | 300.7 | 310.0 | 321.0 | 321.0 | 329.3 | 342.0 | 350.1 |
| *YOY change in high-speed Internet* | -4.6% | -4.6% | -4.1% | -4.0% | -4.0% | -4.2% | -4.0% | -3.6% |
| *YOY change in digital television customers* | -12.1% | -12.1% | -11.5% | -10.7% | -10.7% | -10.0% | -8.2% | -7.6% |
| **ILEC Small Business** | | | | | | | | |
| Customers | 130.3 | 130.3 | 133.0 | 135.9 | 135.9 | 138.5 | 141.0 | 144.3 |
| *YOY change in customers* | -7.6% | -7.6% | -7.8% | -7.4% | -7.4% | -6.8% | -7.0% | -7.4% |
| *Average revenue per small business customer per month* | $ 198.47 | $ 198.51 | $ 198.59 | $ 197.50 | $ 199.22 | $ 199.64 | $ 196.75 | $ 194.89 |
| **Enterprise** | | | | | | | | |
| Customers | 34.6 | 34.6 | 35.3 | 35.7 | 35.7 | 35.9 | 36.2 | 36.1 |
| *YOY change in enterprise customers* | -4.4% | -4.4% | -2.2% | -2.2% | -2.2% | -2.7% | -2.2% | -4.0% |
| *Average revenue per enterprise customer per month* | $ 5,416.79 | $ 5,378.16 | $ 5,431.92 | $ 5,446.91 | $ 5,434.82 | $ 5,483.13 | $ 5,430.15 | $ 5,454.55 |
| **CLEC Small Business** | | | | | | | | |
| Customers | 90.0 | 90.0 | 95.5 | 101.0 | 101.0 | 107.1 | 113.2 | 120.4 |
| *YOY change in customers* | -20.5% | -20.5% | -20.7% | -20.8% | -20.8% | -20.0% | -19.4% | -20.3% |
| *Average revenue per small business customer per month* | $ 508.90 | $ 506.74 | $ 510.94 | $ 507.07 | $ 509.69 | $ 513.54 | $ 513.13 | $ 502.42 |
| **CLEC Consumer** | | | | | | | | |
| Customers | 649.7 | 649.7 | 647.4 | 652.5 | 652.5 | 665.5 | 683.1 | 696.8 |
| *YOY change in CLEC consumer* | -4.9% | -4.9% | -7.1% | -8.1% | -8.1% | -8.5% | -8.3% | -8.7% |
| *Average revenue per consumer customer per month* | $ 24.39 | $ 24.57 | $ 24.36 | $ 25.35 | $ 25.09 | $ 24.96 | $ 25.61 | $ 25.64 |
| **Service Revenues Used in Average Revenue Per Month** | | | | | | | | |
| **Computations Above** (per page 3): | | | | | | | | |
| ILEC consumer service revenue | $ 619.4 | $ 308.7 | $ 310.7 | $ 1,243.6 | $ 309.5 | $ 311.6 | $ 310.8 | $ 311.7 |
| ILEC small business service revenue | $ 158.5 | $ 78.4 | $ 80.1 | $ 335.0 | $ 82.0 | $ 83.7 | $ 84.2 | $ 85.1 |
| Enterprise service revenue | $ 1,142.4 | $ 563.9 | $ 578.5 | $ 2,359.6 | $ 583.7 | $ 593.0 | $ 588.9 | $ 594.0 |
| CLEC small business service revene | $ 291.6 | $ 141.0 | $ 150.6 | $ 695.5 | $ 159.1 | $ 169.7 | $ 179.8 | $ 186.9 |
| CLEC consumer service revenue | $ 95.3 | $ 47.8 | $ 47.5 | $ 207.2 | $ 49.6 | $ 50.5 | $ 53.0 | $ 54.1 |

Note: Enterprise customers consist of those relationships that have the propensity now or in the future to generate at least $1,500 or more in monthly recurring revenue. Business customers not meeting this criterion are classified as small business. Our small business customer base is further disaggregated between those customers located in service areas in which we are the incumbent local exchange carrier ("ILEC") and provide services over network facilities operated by us and those customers located in service areas in which we are a competitive local exchange carrier ("CLEC") and provide services over network facilities primarily leased from other carriers.

In classifying our business customers, we consider the maximum potential revenue to be generated from the customer relationship for both our existing customer base and any new customers in determining which business unit can best support the customer. Accordingly, over time, we may prospectively change the classification of a particular business customer between enterprise and small business.

WINDSTREAM HOLDINGS, INC.
UNAUDITED ADJUSTED CONSOLIDATED RESULTS (NON-GAAP)
QUARTERLY SUPPLEMENTAL INFORMATION
for the quarterly periods in 2017
(In millions)

| | 2017 | | |
|---|---|---|---|
| | Total | 2nd Qtr. | 1st Qtr. |
| ADJUSTED FREE CASH FLOW: | | | |
| Operating income under GAAP | $ 152.8 | $ 106.8 | $ 46.0 |
| Depreciation and amortization | 700.9 | 362.4 | 338.5 |
| OIBDA | 853.7 | 469.2 | 384.5 |
| Adjustments: | | | |
| EarthLink operating income (A) | 30.8 | - | 30.8 |
| Merger, integration and other costs (B) | 83.2 | 19.9 | 63.3 |
| Pension income | (2.5) | (2.5) | - |
| Restructuring charges | 10.9 | 3.5 | 7.4 |
| Share-based compensation (C) | 22.6 | 10.2 | 12.4 |
| Master lease rent payment | (326.8) | (163.4) | (163.4) |
| Adjusted OIBDA | 671.9 | 336.9 | 335.0 |
| Adjusted capital expenditures (D) | (462.2) | (231.7) | (230.5) |
| Cash paid for interest on long-term debt obligations | (174.5) | (126.9) | (47.6) |
| Cash paid for income taxes | (1.6) | (1.6) | - |
| Adjusted free cash flow | $ 33.6 | $ (23.3) | $ 56.9 |
| Dividends paid | $ 35.6 | $ 11.9 | $ 23.7 |
| Weighted average common shares | 156.9 | | |
| Common stock outstanding | 190.8 | | |

| | As of 6/30/2017 |
|---|---|
| DEBT LEVERAGE RATIO: | |
| Long-term debt, including current maturities | $ 5,579.2 |
| Capital lease obligations | 83.2 |
| Total long-term debt and capital lease obligations | 5,662.4 |
| Cash and cash equivalents | 24.7 |
| Net debt | $ 5,637.7 |

| | Twelve Months Ended 6/30/2017 |
|---|---|
| Adjusted OIBDA (per page 2) | $ 1,387.3 |
| Net leverage ratio (E) | 4.06 |

(A) Represents EarthLink operating results for the pre-merger period January 1, 2017 to February 26, 2017. This amount excludes EarthLink's historical depreciation and amortization, restructuring, merger and integration costs and share-based compensation.

(B) Included in other costs is a reserve for a potential penalty attributable to not meeting certain spend commitments under a circuit discount plan of approximately $2.5 million and $5.2 million during the three month periods ended June 30, 2017 and March 31, 2017, respectively.

(C) Excludes share-based compensation expense included in merger, integration and other costs of $5.4 million and $4.4 million during the three month periods ended June 30, 2017 and March 31, 2017, respectively.

(D) Adjusted capital expenditures includes applicable amounts for EarthLink for the pre-merger period January 1, 2017 to February 26, 2017 and excludes post-merger integration capital expenditures and amounts related to Project Excel, a capital program funded entirely using a portion of the proceeds from the sale of the data center business completed in December 2015.

(E) The net leverage ratio is computed by dividing net debt by adjusted OIBDA.

WINDSTREAM HOLDINGS, INC.
REALLOCATION OF SEGMENT COSTS AND EXPENSES
for the first quarter of 2017 and the quarterly periods in 2016
(In millions)

| | 2017 | 2016 | | | | |
|---|---|---|---|---|---|---|
| | 1st Qtr. | Total | 4th Qtr. | 3rd Qtr. | 2nd Qtr. | 1st Qtr. |
| **ILEC Consumer and Small Business** | | | | | | |
| Costs and expenses, as previously reported | $ 169.3 | $ 680.7 | $ 158.3 | $ 183.5 | $ 169.8 | $ 169.1 |
| Re-allocation of engineering and other capitalized charges | 5.7 | 20.1 | 4.1 | 6.9 | 4.8 | 4.3 |
| Costs and expenses, as revised | $ 175.0 | $ 700.8 | $ 162.4 | $ 190.4 | $ 174.6 | $ 173.4 |
| As previously reported: | | | | | | |
| Contribution margin | $ 221.7 | $ 899.0 | $ 233.4 | $ 212.1 | $ 225.4 | $ 228.1 |
| Contribution margin % | 56.7% | 56.9% | 59.6% | 53.6% | 57.0% | 57.4% |
| As revised: | | | | | | |
| Contribution margin | $ 216.0 | $ 878.9 | $ 229.3 | $ 205.2 | $ 220.6 | $ 223.8 |
| Contribution margin % | 55.2% | 55.6% | 58.5% | 51.9% | 55.8% | 56.3% |
| **Wholesale** | | | | | | |
| Costs and expenses, as previously reported | $ 64.0 | $ 263.8 | $ 65.2 | $ 65.7 | $ 66.7 | $ 66.2 |
| Re-allocation of engineering and other capitalized charges | (2.3) | (11.2) | (4.4) | (3.0) | (2.1) | (1.7) |
| Costs and expenses, as revised | $ 61.7 | $ 252.6 | $ 60.8 | $ 62.7 | $ 64.6 | $ 64.5 |
| As previously reported: | | | | | | |
| Contribution margin | $ 114.2 | $ 493.6 | $ 118.5 | $ 121.4 | $ 124.3 | $ 129.4 |
| Contribution margin % | 64.1% | 65.2% | 64.5% | 64.9% | 65.1% | 66.2% |
| As revised: | | | | | | |
| Contribution margin | $ 116.5 | $ 504.8 | $ 122.9 | $ 124.4 | $ 126.4 | $ 131.1 |
| Contribution margin % | 65.4% | 66.6% | 66.9% | 66.5% | 66.2% | 67.0% |
| **Enterprise** | | | | | | |
| Costs and expenses, as previously reported | $ 498.9 | $ 2,042.0 | $ 495.0 | $ 511.7 | $ 509.8 | $ 525.5 |
| Re-allocation of engineering and other capitalized charges | (10.6) | (35.6) | (6.9) | (8.6) | (9.4) | (10.7) |
| Costs and expenses, as revised | $ 488.3 | $ 2,006.4 | $ 488.1 | $ 503.1 | $ 500.4 | $ 514.8 |
| As previously reported: | | | | | | |
| Contribution margin | $ 89.2 | $ 372.0 | $ 97.3 | $ 94.5 | $ 93.6 | $ 86.6 |
| Contribution margin % | 15.2% | 15.4% | 16.4% | 15.6% | 15.5% | 14.1% |
| As revised: | | | | | | |
| Contribution margin | $ 99.8 | $ 407.6 | $ 104.2 | $ 103.1 | $ 103.0 | $ 97.3 |
| Contribution margin % | 17.0% | 16.9% | 17.6% | 17.0% | 17.1% | 15.9% |
| **CLEC Consumer and Small Business** | | | | | | |
| Costs and expenses, as previously reported | $ 124.5 | $ 564.3 | $ 130.9 | $ 138.7 | $ 144.2 | $ 150.5 |
| Re-allocation of engineering and other capitalized charges | (1.5) | (8.4) | (2.0) | (2.4) | (2.1) | (1.9) |
| Costs and expenses, as revised | $ 123.0 | $ 555.9 | $ 128.9 | $ 136.3 | $ 142.1 | $ 148.6 |
| As previously reported: | | | | | | |
| Contribution margin | $ 76.8 | $ 351.8 | $ 80.7 | $ 84.6 | $ 92.3 | $ 94.2 |
| Contribution margin % | 38.2% | 38.4% | 38.1% | 37.9% | 39.0% | 38.5% |
| As revised: | | | | | | |
| Contribution margin | $ 78.3 | $ 360.2 | $ 82.7 | $ 87.0 | $ 94.4 | $ 96.1 |
| Contribution margin % | 38.9% | 39.3% | 39.1% | 39.0% | 39.9% | 39.3% |
| **Shared Expenses** | | | | | | |
| Costs and expenses, as previously reported | $ 108.5 | $ 455.2 | $ 113.6 | $ 112.7 | $ 116.5 | $ 112.4 |
| Re-allocation of engineering and other capitalized charges | 8.7 | 35.1 | 9.2 | 7.1 | 8.8 | 10.0 |
| Costs and expenses, as revised | $ 117.2 | $ 490.3 | $ 122.8 | $ 119.8 | $ 125.3 | $ 122.4 |

Note/ During the second quarter of 2017, we realigned certain engineering teams focused on specific initiatives to enhance our broadband capabilities and network expansion and have allocated the related labor costs to the appropriate segment. Previously, these labor costs had not been allocated to the segments and were included in shared expenses. In addition, we revised our methodology for determining segment income to include within the segment operating results a reduction for certain engineering and other costs attributable to the construction of property, plant and equipment, including capitalized labor. Previously, internal costs associated with capitalizable activities were included in segment costs and expenses, while the associated benefits for capitalizing these costs were not allocated to the segments and were included within shared expenses in computing consolidated costs and expenses. We believe these changes more accurately present the operating results of each of our business segments. Prior period segment information has been revised to reflect these changes for all periods presented. The changes had no impact on adjusted OIBDA.

WINDSTREAM HOLDINGS, INC.
RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES (A)
for the quarterly periods in the years 2017 and 2016
(In millions)

| | 2017 | | | 2016 | | | | |
|---|---|---|---|---|---|---|---|---|
| | Total | 2nd Qtr. | 1st Qtr. | Total | 4th Qtr. | 3rd Qtr. | 2nd Qtr. | 1st Qtr. |
| Reconciliation of Revenues and Sales under GAAP to | | | | | | | | |
| Adjusted Revenues and Sales: | | | | | | | | |
| Service revenues under GAAP | $ 2,810.0 | $ 1,465.6 | $ 1,344.4 | $ 5,279.9 | $ 1,289.1 | $ 1,318.9 | $ 1,331.3 | $ 1,340.6 |
| Adjustments: | | | | | | | | |
| EarthLink service revenues | 149.3 | - | 149.3 | 981.7 | 235.6 | 241.4 | 246.7 | 258.0 |
| Adjusted service revenues | 2,959.3 | 1,465.6 | 1,493.7 | 6,261.6 | 1,524.7 | 1,560.3 | 1,578.0 | 1,598.6 |
| Product sales under GAAP | 47.3 | 26.0 | 21.3 | 107.1 | 20.0 | 26.0 | 28.3 | 32.8 |
| Adjustments: | | | | | | | | |
| EarthLink product sales | 0.2 | - | 0.2 | 0.6 | 0.2 | 0.1 | 0.2 | 0.1 |
| Adjusted product sales | 47.5 | 26.0 | 21.5 | 107.7 | 20.2 | 26.1 | 28.5 | 32.9 |
| Adjusted revenues and sales | $ 3,006.8 | $ 1,491.6 | $ 1,515.2 | $ 6,369.3 | $ 1,544.9 | $ 1,586.4 | $ 1,606.5 | $ 1,631.5 |
| | | | | | | | | |
| Reconciliation of Net (Loss) Income under GAAP to Adjusted OIBDA: | | | | | | | | |
| Net (loss) income | $ (179.4) | $ (68.1) | $ (111.3) | $ (383.5) | $ (86.9) | $ (66.2) | $ 1.5 | $ (231.9) |
| Adjustments: | | | | | | | | |
| Dividend income on Uniti common stock | - | - | - | (17.6) | - | - | - | (17.6) |
| Other (income) expense, net | (0.6) | 0.1 | (0.7) | 1.2 | (1.3) | (0.6) | 1.9 | 1.2 |
| Loss on sale of data center business | - | - | - | 10.0 | 10.0 | - | - | - |
| Net (gain) loss on disposal of investment in Uniti common stock | - | - | - | (15.2) | - | 2.1 | (17.3) | - |
| Net loss (gain) on early extinguishment of debt | 3.2 | - | 3.2 | 18.0 | - | 20.1 | (37.5) | 35.4 |
| Other-than-temporary impairment loss on investment in Uniti common stock | - | - | - | 181.9 | - | - | - | 181.9 |
| Interest expense | 426.2 | 214.4 | 211.8 | 860.6 | 207.1 | 216.4 | 217.4 | 219.7 |
| Income tax benefit | (96.6) | (39.6) | (57.0) | (140.0) | (55.2) | (42.4) | (11.4) | (31.0) |
| Operating income under GAAP | 152.8 | 106.8 | 46.0 | 515.4 | 73.7 | 129.4 | 154.6 | 157.7 |
| Depreciation and amortization | 700.9 | 362.4 | 338.5 | 1,263.5 | 329.5 | 321.0 | 308.2 | 304.8 |
| Adjustments: | | | | | | | | |
| EarthLink operating income (B) | 30.8 | - | 30.8 | 213.0 | 45.5 | 50.4 | 56.4 | 60.7 |
| Merger, integration and other costs (C) | 83.2 | 19.9 | 63.3 | 13.8 | 3.3 | 2.9 | 2.6 | 5.0 |
| Pension (income) expense | (2.5) | (2.5) | - | 59.1 | 57.7 | (0.3) | 2.0 | (0.3) |
| Restructuring charges | 10.9 | 3.5 | 7.4 | 20.3 | 7.5 | 2.5 | 5.9 | 4.4 |
| Share-based compensation expense | 22.6 | 10.2 | 12.4 | 41.6 | 9.8 | 9.2 | 8.9 | 13.7 |
| Adjusted OIBDAR (D) | 998.7 | 500.3 | 498.4 | 2,126.7 | 527.0 | 515.1 | 538.6 | 546.0 |
| | | | | | | | | |
| Master lease rent payment | (326.8) | (163.4) | (163.4) | (653.6) | (163.4) | (163.3) | (163.4) | (163.5) |
| Adjusted OIBDA (E) | $ 671.9 | $ 336.9 | $ 335.0 | $ 1,473.1 | $ 363.6 | $ 351.8 | $ 375.2 | $ 382.5 |

(A) Adjusted results of operations are based upon the combined historical financial information of Windstream and EarthLink for all periods presented. The adjusted results assume the merger was completed on January 1, 2016.

(B) Represents EarthLink operating results for periods prior to the merger date of February 27, 2017. These amounts exclude EarthLink's historical depreciation and amortization, restructuring, merger and integration costs and share-based compensation.

(C) Included in other costs is a reserve for a potential penalty attributable to not meeting certain spend commitments under a circuit discount plan of approximately $2.5 million and $5.2 million during the three month periods ended June 30, 2017 and March 31, 2017, respectively.

(D) Adjusted OIBDAR is adjusted OIBDA before the annual cash rent payment due under the master lease agreement with Uniti.

(E) Adjusted OIBDA is operating income before depreciation and amortization, excluding merger and integration costs related to strategic transactions, restructuring charges, pension costs and share-based compensation expense.

WINDSTREAM HOLDINGS, INC.
RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES
for the quarterly periods in the years 2017 and 2016
(In millions)

| | 2017 | | | 2016 | | | | |
|---|---|---|---|---|---|---|---|---|
| | Total | 2nd Qtr. | 1st Qtr. | Total | 4th Qtr. | 3rd Qtr. | 2nd Qtr. | 1st Qtr. |
| Reconciliation of Net Cash Provided from Operating Activities to Adjusted OIBDA: | | | | | | | | |
| Net Cash Provided from Operating Activities | $ 353.7 | $ 221.2 | $ 132.5 | $ 924.4 | $ 302.3 | $ 197.6 | $ 297.3 | $ 127.2 |
| Adjustments: | | | | | | | | |
| Master lease rent payment | (326.8) | (163.4) | (163.4) | (653.6) | (163.4) | (163.3) | (163.4) | (163.5) |
| Cash dividends received on Uniti common stock | - | - | - | (35.2) | - | - | (17.6) | (17.6) |
| EarthLink operating income (A) | 30.8 | - | 30.8 | 213.0 | 45.5 | 50.4 | 56.4 | 60.7 |
| Merger, integration and other costs | 83.2 | 19.9 | 63.3 | 13.8 | 3.3 | 2.9 | 2.6 | 5.0 |
| Restructuring charges | 10.9 | 3.5 | 7.4 | 20.3 | 7.5 | 2.5 | 5.9 | 4.4 |
| Other (income) expense, net | (0.6) | 0.1 | (0.7) | 1.2 | (1.3) | (0.6) | 1.9 | 1.2 |
| Net loss (gain) on early extinguishment of debt | 3.2 | - | 3.2 | 18.0 | - | 20.1 | (37.5) | 35.4 |
| Interest expense | 426.2 | 214.4 | 211.8 | 860.6 | 207.1 | 216.4 | 217.4 | 219.7 |
| Income tax benefit, net of deferred income taxes | 0.7 | 2.5 | (1.8) | (1.7) | 3.1 | (2.7) | 1.4 | (3.5) |
| Provision for doubtful accounts | (19.7) | (10.1) | (9.6) | (43.8) | (10.7) | (12.6) | (10.8) | (9.7) |
| Noncash portion of net loss (gain) on early extinguishment of debt | 15.1 | - | 15.1 | 51.9 | - | 6.8 | 37.7 | 7.4 |
| Amortization of unrealized losses on de-designated interest rate swaps | (2.9) | (1.4) | (1.5) | (4.8) | (1.7) | (0.9) | (1.0) | (1.2) |
| Plan curtailment | - | - | - | 5.5 | - | - | - | 5.5 |
| Other noncash adjustments, net | (17.3) | (12.2) | (5.1) | 16.4 | (1.5) | (6.7) | 9.6 | 15.0 |
| Changes in operating assets and liabilities, net | 115.4 | 62.4 | 53.0 | 87.1 | (26.6) | 41.9 | (24.7) | 96.5 |
| Adjusted OIBDA | $ 671.9 | $ 336.9 | $ 335.0 | $ 1,473.1 | $ 363.6 | $ 351.8 | $ 375.2 | $ 382.5 |

| | 2017 Total | 2017 2nd Qtr. | 2017 1st Qtr. |
|---|---|---|---|
| Reconciliation of Net Cash Provided from Operating Activities to Adjusted Free Cash Flow: | | | |
| Net Cash Provided from Operating Activities | $ 353.7 | $ 221.2 | $ 132.5 |
| Adjustments: | | | |
| Cash paid for interest on long-term debt obligations | (174.5) | (126.9) | (47.6) |
| Cash paid for income taxes | (1.6) | (1.6) | - |
| Capital expenditures | (507.8) | (264.4) | (243.4) |
| Project Excel capital expenditures | 49.9 | 26.3 | 23.6 |
| Integration capital expenditures | 10.9 | 6.4 | 4.5 |
| EarthLink capital expenditures pre-merger | (15.2) | - | (15.2) |
| EarthLink operating income (A) | 30.8 | - | 30.8 |
| Master lease rent payment | (326.8) | (163.4) | (163.4) |
| Merger, integration and other costs | 83.2 | 19.9 | 63.3 |
| Restructuring charges | 10.9 | 3.5 | 7.4 |
| Other income, net | (0.6) | 0.1 | (0.7) |
| Net loss on early extinguishment of debt | 3.2 | - | 3.2 |
| Interest expense | 426.2 | 214.4 | 211.8 |
| Income tax benefit, net of deferred income taxes | 0.7 | 2.5 | (1.8) |
| Provision for doubtful accounts | (19.7) | (10.1) | (9.6) |
| Noncash portion of net loss on early extinguishment of debt | 15.1 | - | 15.1 |
| Amortization of unrealized losses on de-designated interest rate swaps | (2.9) | (1.4) | (1.5) |
| Other noncash adjustments, net | (17.3) | (12.2) | (5.1) |
| Changes in operating assets and liabilities, net | 115.4 | 62.4 | 53.0 |
| Adjusted Free Cash Flow | $ 33.6 | $ (23.3) | $ 56.9 |

(A) Represents EarthLink operating results for periods prior to the merger date of February 27, 2017. These amounts exclude EarthLink's historical depreciation and amortization, restructuring, merger and integration costs and share-based compensation.