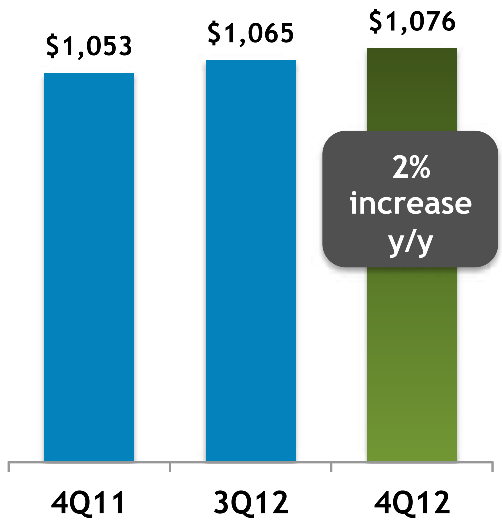
2012 Fourth Quarter Results

windstream

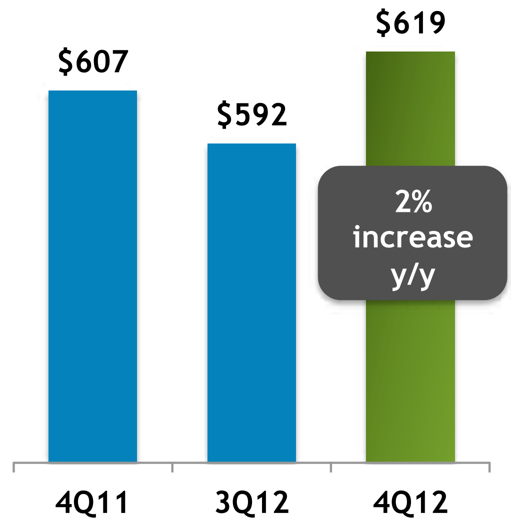
NASDAQ: WIN • Market Cap: $5.3B • Dividend (Yield): $1 (11.20%)

As of Feb. 15, 2012

Total business and broadband revenues grew 2% and represented 70% of total revenue



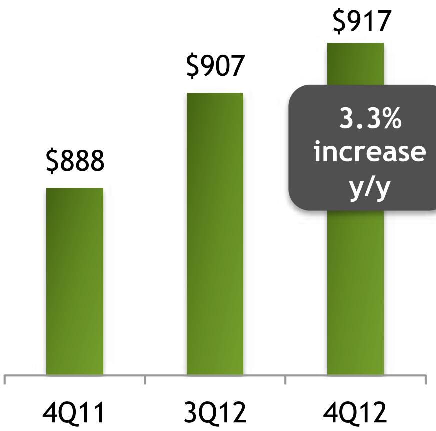
Adjusted OIBDA increased sequentially and year-over-year



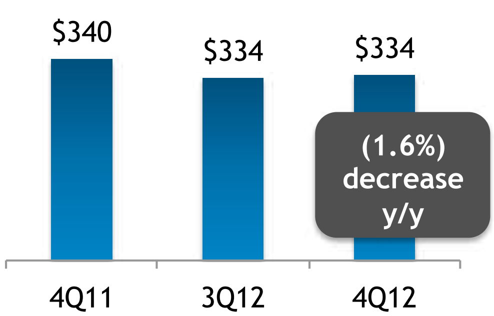
Presented on a pro forma basis; $ in millions

Solid Business Performance and Steady Consumer Results Largely Offset Wholesale Declines

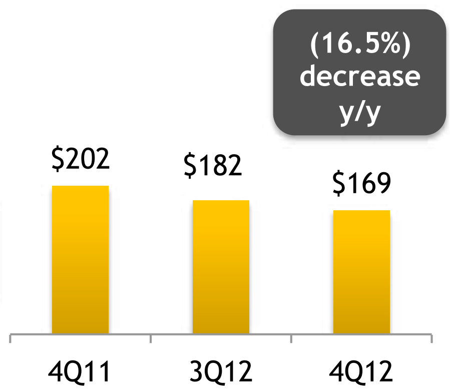
Business Service Revenue



Consumer Service Revenue



Wholesale Service Revenue



Presented on a pro forma basis; $ in millions

Windstream continues to produce substantial free cash flow that enables us to invest in our business and reduce our debt while continuing to pay our $1 annual dividend. Our management team and the board of directors unanimously support continuing the dividend at its current rate because we believe it is the best way to create value for our shareholders.

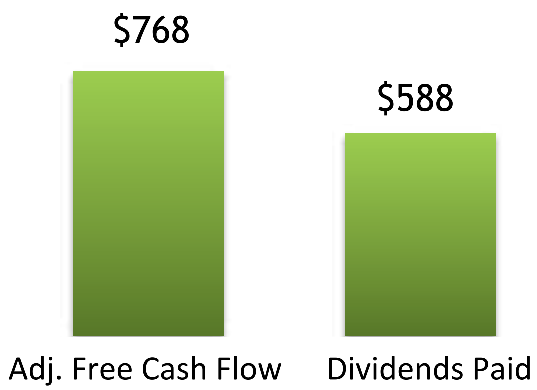
We made significant progress on key initiatives in 2012 that will further strengthen our business going forward. I am particularly proud of our team's accomplishments in navigating the multi-year impact of regulatory reform and evolving consumer preferences while maintaining solid operating cash flow.

- Jeff Gardner, President and CEO

windstream

Adjusted Free Cash Flow

Adjusted free cash flow was $122 million during the fourth quarter. Windstream generated $768 million in adjusted free cash flow in 2012 and paid out $588 million in dividends, representing a dividend payout ratio of 77 percent.



2013 Financial Guidance

Windstream's goal remains to produce substantial and sustainable free cash flow to provide long-term support for its dividend. To that end, in 2013, the company is focused on investing in the business channel to increase revenue and profitability, completing the fiber-to-the-tower and broadband stimulus initiatives and paying down debt. The company issued the following financial guidance:

$ in millions	2012	% Change Y/Y
Total Revenues	$6,156	(2%) - 1%
Adjusted OIBDA	$2,389	(3%) - 1%
Adjusted Free Cash Flow	$768	13% - 25%

The company expects a dividend payout ratio of adjusted free cash flow between 61 percent and 68 percent in 2013.

Capital expenditures are expected to decline by more than $200 million in 2013 and be between $800 million and $850 million.

Notes:
- Adjusted OIBDA excludes pension, restricted stock and restructuring expense
- Adjusted Free Cash Flow is Adjusted OIBDA minus capex, cash interest and cash taxes. 2013 assumes cash interest of $608M and cash taxes within a range of $37M-$42M.
- Expect merger and integration expense of $15M in 2013
- As provided on February 19, 2013

Pro forma results adjust results of operations under GAAP to include the acquisition of PAETEC Holding Corp., and to exclude all merger and integration costs related to strategic transactions. A reconciliation of pro forma results to the comparable GAAP measures is available on the company's Web site at www.windstream.com/investors.