

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, 2017. The adjusted results are based upon the combined historical financial information of Windstream and EarthLink for all periods presented. Operating results of Broadview Networks Holdings, Inc. ("Broadview") are included beginning on July 28, 2017, the date of acquisition. The adjusted results exclude goodwill impairment, pension expense, share-based compensation expense, restructuring charges, and merger, integration and certain other costs. 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").

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 cost reduction activities, including, but not limited to, our workforce reduction and network cost optimization; our ability to defend claims made by one or more noteholders that Windstream Services is in alleged default pursuant to a certain indenture governing a series of senior notes; 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 due to network upgrades 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; 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; the impact of the Federal Communications Commission's ("FCC") comprehensive business data services reforms or additional FCC reforms or actions 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; 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; the alleged ability of one or more purported noteholders to establish that transactions related to the spin-off of certain assets in 2015 into a publicly-traded real estate investment trust allegedly violated certain covenants in existing indentures governing certain outstanding senior notes; the benefits of our current capital allocation strategy, which may be changed at anytime at the discretion of our board of directors, and certain 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 availability and cost of financing in the corporate debt markets; 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; 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; our election to accept state-wide offers under the FCC Connect America Fund, Phase II, 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; 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; further adverse changes in economic conditions in the markets served by us; the extent, timing and overall effects of competition in the communications business; 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 and enterprise customers; the impact of recent adverse changes in the ratings given to our debt securities by nationally accredited ratings organizations and the potential for additional adverse changes in the future; 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, including changes implemented by administrative agencies, 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, 2017, 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 may affect 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 2018 and 2017
(In millions)

ADJUSTED RESULTS OF OPERATIONS:	2018		2017			
	1st Qtr.	Total	4th Qtr.	3rd Qtr.	2nd Qtr.	1st Qtr.
Revenues and sales:						
Total service revenues	\$ 1,435.4	\$ 5,909.0	\$ 1,477.3	\$ 1,472.4	\$ 1,465.6	\$ 1,493.7
Product sales	18.9	93.4	20.6	25.3	26.0	21.5
Total revenues and sales	<u>1,454.3</u>	<u>6,002.4</u>	<u>1,497.9</u>	<u>1,497.7</u>	<u>1,491.6</u>	<u>1,515.2</u>
Costs and expenses:						
Cost of services	725.6	2,999.9	738.0	762.1	741.8	758.0
Cost of products sold	16.8	93.7	20.7	22.3	29.7	21.0
Selling, general and administrative	212.2	898.3	218.1	223.0	219.6	237.6
Costs and expenses excluding pension and share-based compensation expense	<u>954.6</u>	<u>3,991.9</u>	<u>976.8</u>	<u>1,007.4</u>	<u>991.1</u>	<u>1,016.6</u>
Adjusted OIBDAR (B)	499.7	2,010.5	521.1	490.3	500.5	498.6
Master lease rent payment	<u>163.4</u>	<u>653.5</u>	<u>163.4</u>	<u>163.3</u>	<u>163.4</u>	<u>163.4</u>
Adjusted OIBDA (C)	<u>\$ 336.3</u>	<u>\$ 1,357.0</u>	<u>\$ 357.7</u>	<u>\$ 327.0</u>	<u>\$ 337.1</u>	<u>\$ 335.2</u>
Margins (D):						
Adjusted OIBDAR margin	34.4%	33.5%	34.8%	32.7%	33.6%	32.9%
Adjusted OIBDA margin	23.1%	22.6%	23.9%	21.8%	22.6%	22.1%
CAPITAL EXPENDITURES:						
Capital expenditures under GAAP	\$ 217.6	\$ 908.6	\$ 184.4	\$ 216.4	\$ 264.4	\$ 243.4
EarthLink capital expenditures pre-merger	-	15.2	-	-	-	15.2
Project Excel capital expenditures	-	(49.9)	-	-	(26.3)	(23.6)
Integration capital expenditures	(9.9)	(34.5)	(12.4)	(11.2)	(6.4)	(4.5)
Adjusted capital expenditures (E)	<u>\$ 207.7</u>	<u>\$ 839.4</u>	<u>\$ 172.0</u>	<u>\$ 205.2</u>	<u>\$ 231.7</u>	<u>\$ 230.5</u>

(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, 2017.

Operating results for Broadview are included beginning on July 28, 2017, the date of acquisition.

(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 goodwill impairment, pension expense, share-based compensation expense, restructuring charges, merger, integration and certain other costs as further discussed in Note (A) 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 for Broadview and EarthLink and amounts related to Project Excel, a capital program completed in 2017 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 2018 and 2017
 (In millions)

REVENUE SUPPLEMENT	2018	2017				
	1st Qtr.	Total	4th Qtr.	3rd Qtr.	2nd Qtr.	1st Qtr.
Consumer & Small Business:						
High-speed Internet bundles	\$ 255.1	\$ 1,045.8	\$ 256.8	\$ 258.9	\$ 264.0	\$ 266.1
Voice only	31.4	132.4	32.5	32.8	33.5	33.6
Video and miscellaneous	11.4	45.0	11.5	11.3	11.2	11.0
Consumer - ILEC	297.9	1,223.2	300.8	303.0	308.7	310.7
Small business - ILEC	78.1	325.1	79.6	80.7	81.4	83.4
Switched access	8.1	39.5	8.8	9.1	10.6	11.0
CAF Phase II funding	46.0	188.0	46.1	46.5	47.3	48.1
State USF and ARM support	24.2	104.9	24.5	23.6	29.6	27.2
End user surcharges	16.7	63.9	16.1	15.9	16.6	15.3
Consumer & Small Business	471.0	1,944.6	475.9	478.8	494.2	495.7
Windstream Enterprise & Wholesale:						
Voice and long distance	242.8	983.0	248.4	246.2	240.4	248.0
Data and integrated services (B)	408.3	1,686.1	427.8	427.6	408.6	422.1
Miscellaneous	48.5	182.3	48.2	45.7	43.4	45.0
End user surcharges	33.3	128.7	35.9	31.1	30.8	30.9
Enterprise	732.9	2,980.1	760.3	750.6	723.2	746.0
Core wholesale (C)	152.8	647.3	157.0	158.7	164.4	167.2
Resale (D)	18.3	69.2	19.0	18.3	15.7	16.2
Wireless TDM	3.2	17.8	3.5	4.0	4.5	5.8
Switched access	9.4	43.7	10.3	10.2	12.0	11.2
Wholesale	183.7	778.0	189.8	191.2	196.6	200.4
Total Windstream Enterprise & Wholesale	916.6	3,758.1	950.1	941.8	919.8	946.4
Consumer CLEC:						
High-speed Internet	24.4	105.2	26.5	26.6	26.0	26.1
Dial-up, email and miscellaneous	22.8	98.3	24.1	24.5	24.9	24.8
End user surcharges	0.6	2.8	0.7	0.7	0.7	0.7
Total Consumer CLEC	47.8	206.3	51.3	51.8	51.6	51.6
Total service revenues	1,435.4	5,909.0	1,477.3	1,472.4	1,465.6	1,493.7
Product sales:						
Consumer - ILEC	5.5	33.8	5.9	8.5	10.7	8.7
Enterprise	13.2	58.7	14.4	16.5	15.2	12.6
Wholesale	0.1	0.3	0.2	0.1	-	-
Consumer CLEC	0.1	0.6	0.1	0.2	0.1	0.2
Total product sales	18.9	93.4	20.6	25.3	26.0	21.5
Total revenues and sales	\$ 1,454.3	\$ 6,002.4	\$ 1,497.9	\$ 1,497.7	\$ 1,491.6	\$ 1,515.2

(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, 2017.

Operating results for Broadview are included beginning on July 28, 2017, the date of acquisition.

(B) Data and integrated service revenues primarily include voice and broadband services delivered over a single Internet connection as well as multi-site networking services.

(C) Core wholesale revenues primarily include revenues from providing special access circuits, fiber connections, data transport and wireless backhaul services.

(D) Revenues represent voice and data services sold to other communications services providers on a resale basis.

WINDSTREAM HOLDINGS, INC.
 UNAUDITED ADJUSTED SEGMENT RESULTS (NON-GAAP) (A)
 QUARTERLY SUPPLEMENTAL INFORMATION
 for the quarterly periods in the years 2018 and 2017
 (In millions)

	2018	2017				
	1st Qtr.	Total	4th Qtr.	3rd Qtr.	2nd Qtr.	1st Qtr.
Consumer & Small Business						
Revenues and sales:						
Service revenues	\$ 297.9	\$ 1,223.2	\$ 300.8	\$ 303.0	\$ 308.7	\$ 310.7
Product sales	5.5	33.8	5.9	8.5	10.7	8.7
Total Consumer - ILEC	303.4	1,257.0	306.7	311.5	319.4	319.4
Small business - ILEC	78.1	325.1	79.6	80.7	81.4	83.4
Switched access	8.1	39.5	8.8	9.1	10.6	11.0
CAF Phase II funding	46.0	188.0	46.1	46.5	47.3	48.1
State USF and ARM support	24.2	104.9	24.5	23.6	29.6	27.2
End user surcharges	16.7	63.9	16.1	15.9	16.6	15.3
Total revenues and sales	476.5	1,978.4	481.8	487.3	504.9	504.4
Costs and expenses	194.6	848.8	199.8	217.7	215.7	215.6
Consumer & Small Business contribution margin	\$ 281.9	\$ 1,129.6	\$ 282.0	\$ 269.6	\$ 289.2	\$ 288.8
Consumer & Small Business contribution margin %	59.2%	57.1%	58.5%	55.3%	57.3%	57.3%
Windstream Enterprise & Wholesale						
Enterprise						
Revenues and sales:						
Service revenues	\$ 732.9	\$ 2,980.1	\$ 760.3	\$ 750.6	\$ 723.2	\$ 746.0
Product sales	13.2	58.7	14.4	16.5	15.2	12.6
Total revenues and sales	746.1	3,038.8	774.7	767.1	738.4	758.6
Costs and expenses	600.3	2,445.9	610.6	619.8	596.7	618.8
Contribution margin	\$ 145.8	\$ 592.9	\$ 164.1	\$ 147.3	\$ 141.7	\$ 139.8
Contribution margin %	19.5%	19.5%	21.2%	19.2%	19.2%	18.4%
Wholesale						
Revenues and sales:						
Service revenues	\$ 183.7	\$ 778.0	\$ 189.8	\$ 191.2	\$ 196.6	\$ 200.4
Product sales	0.1	0.3	0.2	0.1	-	-
Total revenues and sales	183.8	778.3	190.0	191.3	196.6	200.4
Costs and expenses	55.5	238.0	55.5	58.1	61.6	62.8
Contribution margin	\$ 128.3	\$ 540.3	\$ 134.5	\$ 133.2	\$ 135.0	\$ 137.6
Contribution margin %	69.8%	69.4%	70.8%	69.6%	68.7%	68.7%
Total Windstream Enterprise & Wholesale						
Revenues and sales:						
Service revenues	\$ 916.6	\$ 3,758.1	\$ 950.1	\$ 941.8	\$ 919.8	\$ 946.4
Product sales	13.3	59.0	14.6	16.6	15.2	12.6
Total revenues and sales	929.9	3,817.1	964.7	958.4	935.0	959.0
Costs and expenses	655.8	2,683.9	666.1	677.9	658.3	681.6
Total Windstream Enterprise & Wholesale contribution margin	\$ 274.1	\$ 1,133.2	\$ 298.6	\$ 280.5	\$ 276.7	\$ 277.4
Total Windstream Enterprise & Wholesale contribution margin %	29.5%	29.7%	31.0%	29.3%	29.6%	28.9%

WINDSTREAM HOLDINGS, INC.
UNAUDITED ADJUSTED SEGMENT RESULTS (NON-GAAP) (A)
QUARTERLY SUPPLEMENTAL INFORMATION
for the quarterly periods in the years 2018 and 2017
(In millions)

	2018	2017				
	1st Qtr.	Total	4th Qtr.	3rd Qtr.	2nd Qtr.	1st Qtr.
Consumer CLEC						
Revenues and sales:						
Service revenues	\$ 47.8	\$ 206.3	\$ 51.3	\$ 51.8	\$ 51.6	\$ 51.6
Product sales	0.1	0.6	0.1	0.2	0.1	0.2
Total revenues and sales	47.9	206.9	51.4	52.0	51.7	51.8
Costs and expenses	20.6	99.9	23.9	27.2	25.7	23.1
Contribution margin	\$ 27.3	\$ 107.0	\$ 27.5	\$ 24.8	\$ 26.0	\$ 28.7
Contribution margin %	57.0%	51.7%	53.5%	47.7%	50.3%	55.4%
Total segment revenues and expenses						
Revenues and sales:						
Service revenues	\$ 1,435.4	\$ 5,909.0	\$ 1,477.3	\$ 1,472.4	\$ 1,465.6	\$ 1,493.7
Product sales	18.9	93.4	20.6	25.3	26.0	21.5
Total segment revenues and sales	1,454.3	6,002.4	1,497.9	1,497.7	1,491.6	1,515.2
Total segment costs and expenses	871.0	3,632.6	889.8	922.8	899.7	920.3
Segment contribution margin	\$ 583.3	\$ 2,369.8	\$ 608.1	\$ 574.9	\$ 591.9	\$ 594.9
Segment contribution margin %	40.1%	39.5%	40.6%	38.4%	39.7%	39.3%
Consolidated revenues and expenses						
Service revenues	\$ 1,435.4	\$ 5,909.0	\$ 1,477.3	\$ 1,472.4	\$ 1,465.6	\$ 1,493.7
Product sales	18.9	93.4	20.6	25.3	26.0	21.5
Consolidated revenues and sales	\$ 1,454.3	\$ 6,002.4	\$ 1,497.9	\$ 1,497.7	\$ 1,491.6	\$ 1,515.2
Consolidated costs and expenses						
Segment costs and expenses	\$ 871.0	\$ 3,632.6	\$ 889.8	\$ 922.8	\$ 899.7	\$ 920.3
Shared expenses (B)	83.6	359.3	87.0	84.6	91.4	96.3
Consolidated costs and expenses	\$ 954.6	\$ 3,991.9	\$ 976.8	\$ 1,007.4	\$ 991.1	\$ 1,016.6
Consolidated						
Adjusted OIBDAR	\$ 499.7	\$ 2,010.5	\$ 521.1	\$ 490.3	\$ 500.5	\$ 498.6
Adjusted OIBDAR margin	34.4%	33.5%	34.8%	32.7%	33.6%	32.9%

- (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 and share-based compensation expense for all periods presented. The adjusted results assume the merger was completed on January 1, 2017. Operating results for Broadview are included beginning on July 28, 2017, the date of acquisition.
- (B) Shared expenses are not allocated to the segments and primarily consist of accounting and finance, information technology, network management, 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 2018 and 2017
 (Units in thousands, Dollars in millions, except per unit amounts)

	2018	2017				
	1st Qtr.	Total	4th Qtr.	3rd Qtr.	2nd Qtr.	1st Qtr.
Consumer - ILEC						
Households served	1,257.3	1,268.8	1,268.8	1,288.2	1,307.8	1,337.5
<i>YOY change in households served</i>	-6.0%	-6.3%	-6.3%	-6.6%	-6.8%	-6.5%
<i>Average revenue per household served per month</i>	\$ 78.62	\$ 77.71	\$ 78.43	\$ 77.81	\$ 77.80	\$ 76.94
High-speed Internet customers	1,004.4	1,006.6	1,006.6	1,017.4	1,025.8	1,047.6
Digital television customers	267.1	277.9	277.9	289.6	300.7	310.0
<i>YOY change in high-speed Internet</i>	-4.1%	-4.2%	-4.2%	-4.3%	-4.6%	-4.1%
<i>YOY change in digital television customers</i>	-13.8%	-13.4%	-13.4%	-12.1%	-12.1%	-11.5%
Small Business - ILEC						
Customers	125.0	128.1	128.1	131.2	134.1	136.8
<i>YOY change in customers</i>	-8.6%	-8.3%	-8.3%	-7.8%	-7.4%	-7.6%
<i>Average revenue per customer per month</i>	\$ 205.72	\$ 202.33	\$ 204.65	\$ 202.79	\$ 200.32	\$ 201.08
Enterprise						
Customers	120.7	125.7	125.7	129.9	114.8	120.8
<i>YOY change in customers</i>	-0.1%	-0.5%	-0.5%	-1.4%	-16.2%	-15.5%
<i>Average revenue per customer per month</i>	\$ 1,982.95	\$ 1,970.97	\$ 1,983.05	\$ 2,044.95	\$ 2,046.41	\$ 2,012.68
Consumer CLEC						
Customers	641.0	662.1	662.1	680.6	684.4	683.1
<i>YOY change in customers</i>	-6.2%	-3.9%	-3.9%	-3.2%	-5.2%	-7.4%
<i>Average revenue per customer per month</i>	\$ 24.45	\$ 25.45	\$ 25.47	\$ 25.30	\$ 25.16	\$ 25.07
Service Revenues Used in Average Revenue Per Month						
Computations Above (per page 3):						
Consumer service revenue - ILEC	\$ 297.9	\$ 1,223.2	\$ 300.8	\$ 303.0	\$ 308.7	\$ 310.7
Small business service revenue - ILEC	\$ 78.1	\$ 325.1	\$ 79.6	\$ 80.7	\$ 81.4	\$ 83.4
Enterprise service revenue	\$ 732.9	\$ 2,980.1	\$ 760.3	\$ 750.6	\$ 723.2	\$ 746.0
Consumer CLEC service revenue	\$ 47.8	\$ 206.3	\$ 51.3	\$ 51.8	\$ 51.6	\$ 51.6

WINDSTREAM HOLDINGS, INC.
 UNAUDITED ADJUSTED CONSOLIDATED RESULTS (NON-GAAP)
 QUARTERLY SUPPLEMENTAL INFORMATION
 for the quarterly periods in 2018
 (In millions)

	<u>2018</u>
	<u>1st Qtr.</u>
ADJUSTED FREE CASH FLOW:	
Operating income under GAAP	\$ 69.0
Depreciation and amortization	<u>381.8</u>
OIBDA	450.8
Adjustments:	
Merger, integration and other costs	7.3
Restructuring charges	13.7
Other costs (A)	17.1
Pension expense	0.9
Share-based compensation	9.9
Master lease rent payment	<u>(163.4)</u>
Adjusted OIBDA	336.3
Adjusted capital expenditures (B)	(207.7)
Cash paid for interest on long-term debt obligations	(66.3)
Cash received (paid) for income taxes, net	<u>3.2</u>
Adjusted free cash flow	<u>\$ 65.5</u>
Weighted average common shares	187.0
Common stock outstanding	204.6
DEBT LEVERAGE RATIO:	As of
Long-term debt, including current maturities	<u>3/31/2018</u>
Capital lease obligations	\$ 5,947.2
Total long-term debt and capital lease obligations	<u>105.2</u>
Cash and cash equivalents	6,052.4
Net debt	<u>60.5</u>
	<u>\$ 5,991.9</u> (1)
Adjusted OIBDA (per page 2)	Twelve
Other expense adjustments required by the credit facilities and indentures (C):	Months Ended
Broadview OIBDA for the period April 1, 2017 to July 28, 2017	<u>3/31/2018</u>
Annual expense synergies for Broadview and EarthLink acquisitions	\$ 1,358.1
Adjusted OIBDA for purposes of calculating net leverage ratio	18.6
	<u>100.0</u>
	<u>\$ 1,476.7</u> (2)
Net leverage ratio (D) - computed as (1)/(2)	4.06

- (A) Other costs primarily include business transformation expenses of \$11.1 million consisting of consulting fees of \$8.7 million and \$2.4 million of incremental marketing and rebranding costs. These costs also include \$5.4 million of incremental network optimization costs incurred in migrating traffic to existing lower cost circuits and terminating contracts prior to their expiration.
- (B) 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 for Broadview and EarthLink 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.
- (C) Other expense adjustments include operating results of Broadview for the period prior to the date of acquisition and net cost savings from integrating acquired companies not to exceed \$25.0 million on a quarterly basis.
- (D) The net leverage ratio is computed by dividing net debt by adjusted OIBDA.

WINDSTREAM HOLDINGS, INC.
RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES (A)
for the quarterly periods in the years 2018 and 2017
(In millions)

	2018	2017				
	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	\$ 1,435.4	\$ 5,759.7	\$ 1,477.3	\$ 1,472.4	\$ 1,465.6	\$ 1,344.4
Adjustments:						
EarthLink service revenues	-	149.3	-	-	-	149.3
Adjusted service revenues	1,435.4	5,909.0	1,477.3	1,472.4	1,465.6	1,493.7
Product sales under GAAP	18.9	93.2	20.6	25.3	26.0	21.3
Adjustments:						
EarthLink product sales	-	0.2	-	-	-	0.2
Adjusted product sales	18.9	93.4	20.6	25.3	26.0	21.5
Adjusted revenues and sales	<u>\$ 1,454.3</u>	<u>\$ 6,002.4</u>	<u>\$ 1,497.9</u>	<u>\$ 1,497.7</u>	<u>\$ 1,491.6</u>	<u>\$ 1,515.2</u>
Reconciliation of Net (Loss) Income under GAAP to Adjusted OIBDA:						
Net (loss) income	\$ (121.4)	\$ (2,116.6)	\$ (1,835.7)	\$ (101.5)	\$ (68.1)	\$ (111.3)
Adjustments:						
Other (income) expense, net	2.3	2.9	10.8	(1.7)	(4.2)	(2.0)
Loss on sale of data center business	-	(0.6)	-	-	-	(0.6)
Net (gain) loss on disposal of investment in Uniti common stock	-	-	-	-	-	-
Net loss (gain) on early extinguishment of debt	-	56.4	58.4	(5.2)	-	3.2
Interest expense	223.1	875.4	232.8	216.4	214.4	211.8
Income tax benefit	(35.0)	(408.1)	(244.7)	(66.8)	(39.6)	(57.0)
Operating (loss) income under GAAP	69.0	(1,590.6)	(1,778.4)	41.2	102.5	44.1
Depreciation and amortization	381.8	1,470.0	403.7	365.4	362.4	338.5
Adjustments:						
Goodwill impairment	-	1,840.8	1,840.8	-	-	-
EarthLink operating income (B)	-	30.8	-	-	-	30.8
Merger, integration and other costs	7.3	137.4	30.0	33.7	16.4	57.3
Restructuring charges	13.7	43.0	9.3	22.8	3.5	7.4
Other costs (C)	17.1	25.8	3.5	12.8	3.5	6.0
Pension expense	0.9	8.1	2.0	2.0	2.0	2.1
Share-based compensation expense	9.9	45.2	10.2	12.4	10.2	12.4
Adjusted OIBDAR (D)	499.7	2,010.5	521.1	490.3	500.5	498.6
Master lease rent payment	(163.4)	(653.5)	(163.4)	(163.3)	(163.4)	(163.4)
Adjusted OIBDA (E)	<u>\$ 336.3</u>	<u>\$ 1,357.0</u>	<u>\$ 357.7</u>	<u>\$ 327.0</u>	<u>\$ 337.1</u>	<u>\$ 335.2</u>

- (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, 2017.
- (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) Other costs for the three month period ended March 31, 2018, primarily include business transformation expenses of \$11.1 million consisting of consulting fees of \$8.7 million and \$2.4 million of incremental marketing and rebranding costs. These costs also include \$5.4 million of incremental network optimization costs incurred in migrating traffic to existing lower costs circuits and terminating contracts prior to their expiration. Included in other costs for 2017 are incremental expenses of \$4.7 million related to Hurricanes Harvey and Irma and \$8.3 million of costs incurred in connection with a carrier access settlement. Other costs also include a reserve for a 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 goodwill impairment, merger and integration costs related to strategic transactions, restructuring charges, pension and share-based compensation expense and certain other costs as discussed in Note (C) above.

WINDSTREAM HOLDINGS, INC.
RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES
for the quarterly periods in the years 2018 and 2017
(In millions)

	2018	2017				
	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	\$ 239.3	\$ 974.5	\$ 327.9	\$ 271.7	\$ 221.2	\$ 153.7
Adjustments:						
Master lease rent payment	(163.4)	(653.5)	(163.4)	(163.3)	(163.4)	(163.4)
EarthLink operating income (A)	-	30.8	-	-	-	30.8
Merger, integration and other costs	7.3	137.4	30.0	33.7	16.4	57.3
Restructuring charges	13.7	43.0	9.3	22.8	3.5	7.4
Other costs	17.1	25.8	3.5	12.8	3.5	6.0
Other (income) expense, net	2.3	2.3	10.8	(1.7)	(4.2)	(2.6)
Interest expense	223.1	875.3	232.7	216.4	214.4	211.8
Income tax benefit, net of deferred income taxes	(0.3)	(12.8)	5.3	(18.8)	2.5	(1.8)
Provision for doubtful accounts	(5.6)	(45.7)	(12.2)	(13.8)	(10.1)	(9.6)
Other noncash adjustments, net	(9.5)	(38.2)	(18.6)	(6.0)	(9.1)	(4.5)
Changes in operating assets and liabilities, net	12.3	18.1	(67.6)	(26.8)	62.4	50.1
Adjusted OIBDA	<u>\$ 336.3</u>	<u>\$ 1,357.0</u>	<u>\$ 357.7</u>	<u>\$ 327.0</u>	<u>\$ 337.1</u>	<u>\$ 335.2</u>
Reconciliation of Net Cash Provided from Operating Activities to Adjusted Free Cash Flow:						
Net Cash Provided from Operating Activities	\$ 239.3	\$ 974.5	\$ 327.9	\$ 271.7	\$ 221.2	\$ 153.7
Adjustments:						
Cash paid for interest on long-term debt obligations	(66.3)	(371.9)	(138.2)	(59.2)	(126.9)	(47.6)
Cash paid for income taxes	3.2	(2.0)	(0.2)	(0.2)	(1.6)	-
Capital expenditures	(217.6)	(908.6)	(184.4)	(216.4)	(264.4)	(243.4)
Project Excel capital expenditures	-	49.9	-	-	26.3	23.6
Integration capital expenditures	9.9	34.5	12.4	11.2	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	(163.4)	(653.5)	(163.4)	(163.3)	(163.4)	(163.4)
Merger, integration and other costs	7.3	137.4	30.0	33.7	16.4	57.3
Restructuring charges	13.7	43.0	9.3	22.8	3.5	7.4
Other costs	17.1	25.8	3.5	12.8	3.5	6.0
Other income, net	2.3	2.3	10.8	(1.7)	(4.2)	(2.6)
Interest expense	223.1	875.3	232.7	216.4	214.4	211.8
Income tax benefit, net of deferred income taxes	(0.3)	(12.8)	5.3	(18.8)	2.5	(1.8)
Provision for doubtful accounts	(5.6)	(45.7)	(12.2)	(13.8)	(10.1)	(9.6)
Other noncash adjustments, net	(9.5)	(38.2)	(18.6)	(6.0)	(9.1)	(4.5)
Changes in operating assets and liabilities, net	12.3	18.1	(67.6)	(26.8)	62.4	50.1
Adjusted Free Cash Flow	<u>\$ 65.5</u>	<u>\$ 143.7</u>	<u>\$ 47.3</u>	<u>\$ 62.4</u>	<u>\$ (23.1)</u>	<u>\$ 57.1</u>

(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.