3Q19 Earnings Presentation

November 7, 2019

windstream

Safe Harbor Statement

Windstream Holdings, Inc. 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 typically identified by words or phrases such as “will,” “anticipate,” “estimate,” “expect,” “project,” “intend,” “plan,” “believe,” “target,” “forecast” and other words and terms of similar meaning. Forward-looking statements are subject to risks and 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, projections regarding our 2019 Financial Plan; certain revenue and contribution margin trends in our business units; expected sales growth and opportunities in strategic products and services and expansion of these products for our small and medium sized business customers; increasing broadband penetration levels and availability of faster broadband speeds to more households and businesses within our service areas; benefits of Project Excel and other activities to drive broadband speeds; expected net growth our broadband subscribers; anticipated fixed wireless offerings based on recent trials; anticipated results and funding opportunities related to the Rural Digital Opportunity Fund and the current CAF II program, both administered by the Federal Communications Commission; statements concerning the current arrangement and related payments with Uniti Group, Inc.; expectations regarding expense management activities, including interconnection expense, and the timing and benefit of such activities; and any other statements regarding plans, objectives, expectations and intentions and other statements that are not historical facts. These statements, along with other forward-looking statements regarding Windstream’s overall business outlook, are based on estimates, projections, beliefs, and assumptions that Windstream believes are reasonable but are not guarantees of future events, performance or results. Actual future events and results may differ materially from those expressed in these forward-looking statements as a result of a number of important factors.

Important factors that could cause actual results to differ materially from those indicated by such forward-looking statements include risks and uncertainties relating to our voluntary filing for reorganization under Chapter 11 of the Bankruptcy Code (“Chapter 11 Cases”); our ability to pursue our business strategies and achieve our 2019 operational goals in light of the Chapter 11 Cases; diversion of management’s attention as a result of the Chapter 11 Cases; the volatility of our financial results due to the Chapter 11 Cases; risks associated with third party actions or motions in the Chapter 11 Cases; that the cost savings and expected synergies from the mergers with EarthLink Holdings Corp. and Broadview Networks Holdings, Inc. may not be fully realized or may take longer to realize than expected; that the expected benefits of cost reduction and expense management activities are not realized or adversely affect our sales and operational activities or are otherwise disruptive to our business and personnel; further adverse changes in economic conditions in our markets; the impact of new, emerging, or competing technologies and our ability to utilize these technologies to provide services to our customers; general U.S. and worldwide economic conditions and related uncertainties; and the effect of any changes in federal or state governmental regulations or statutes. For other risk factors that could cause actual results and events to differ materially from those expressed, please refer to our filings with the Securities and Exchange Commission. Windstream does not undertake any obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise.

Participants

Tony Thomas

Chief Executive Officer

Bob Gunderman

Chief Financial Officer & Treasurer

Chris King

VP, Investor Relations

Third Quarter 2019 Highlights

$423 million in adjusted OIBDAR

YTD OIBDAR trends similar to 2018 results

Consolidated adjusted OIBDAR **margin of 33.3%**

Up 20 bps y-o-y

Consolidated cash expenses down 8.2% y-o-y

Continued acceleration in **SD-WAN** and **Strategic Sales**

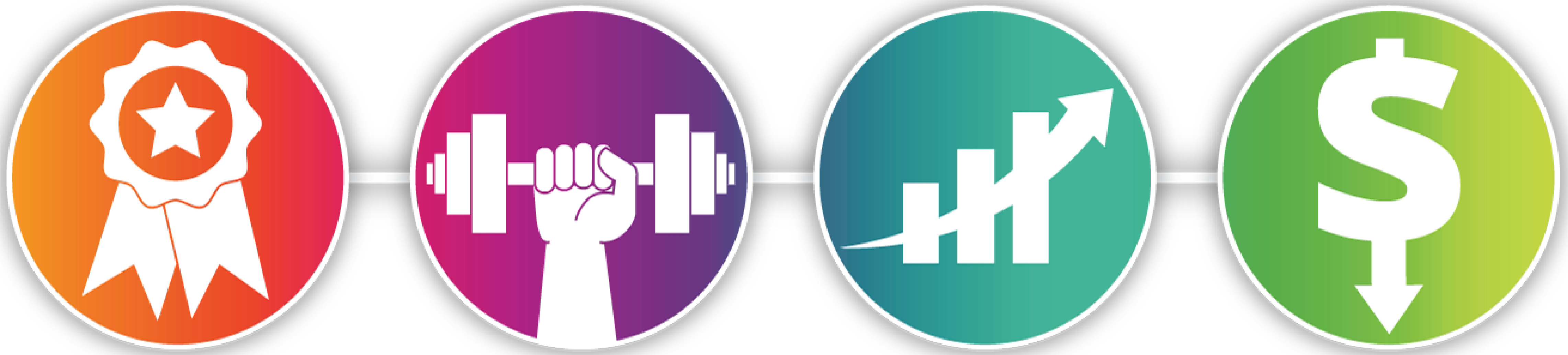
Largest SD-WAN service provider in country today

Strategic Enterprise revenues grew 41% y-o-y

Consumer broadband growth of **5,700 subscribers** in 3Q19

Broadband subscriber growth of 19,000 YTD, a 126% increase compared to 2018 YTD

2019 Windstream Operational Priorities



Consistent Customer Excellence

Software Development Powerhouse

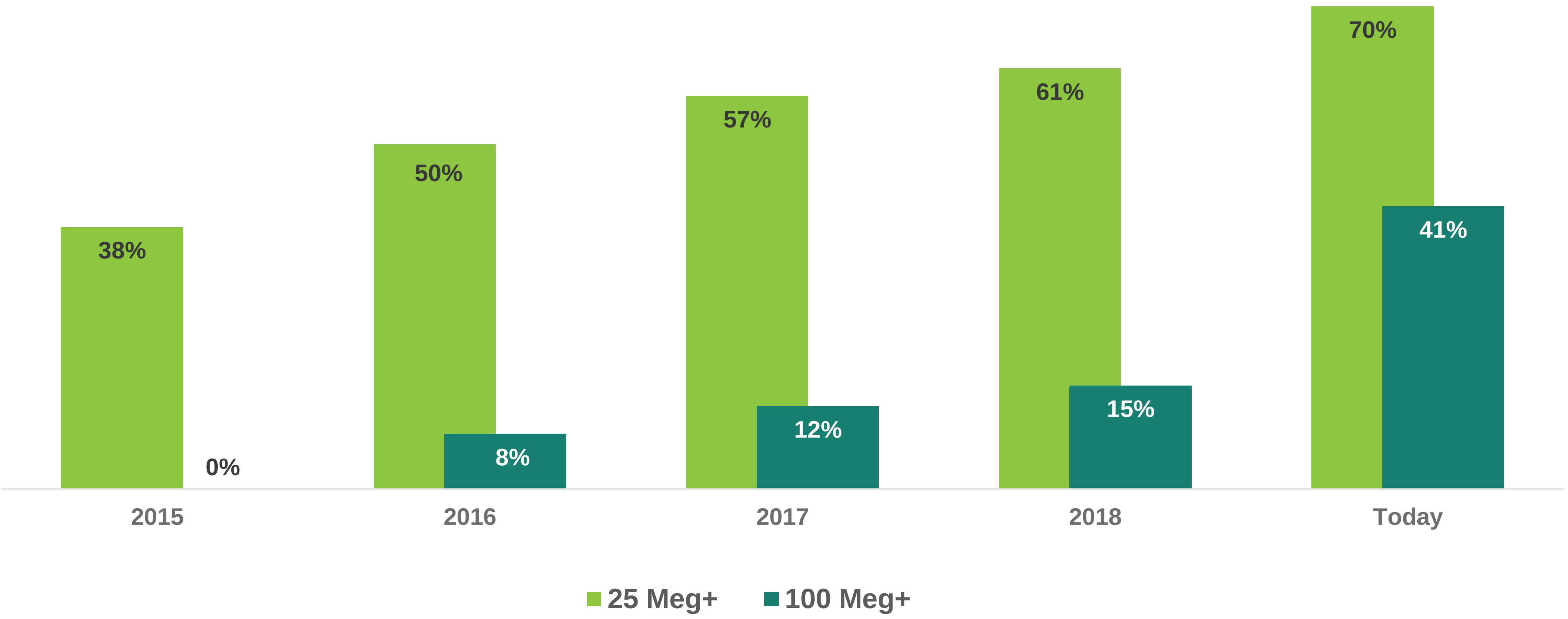
Strategic Revenues Growth

Aggressive Cost Management

Kinetic Speed Addressability

kinetic
by windstream.

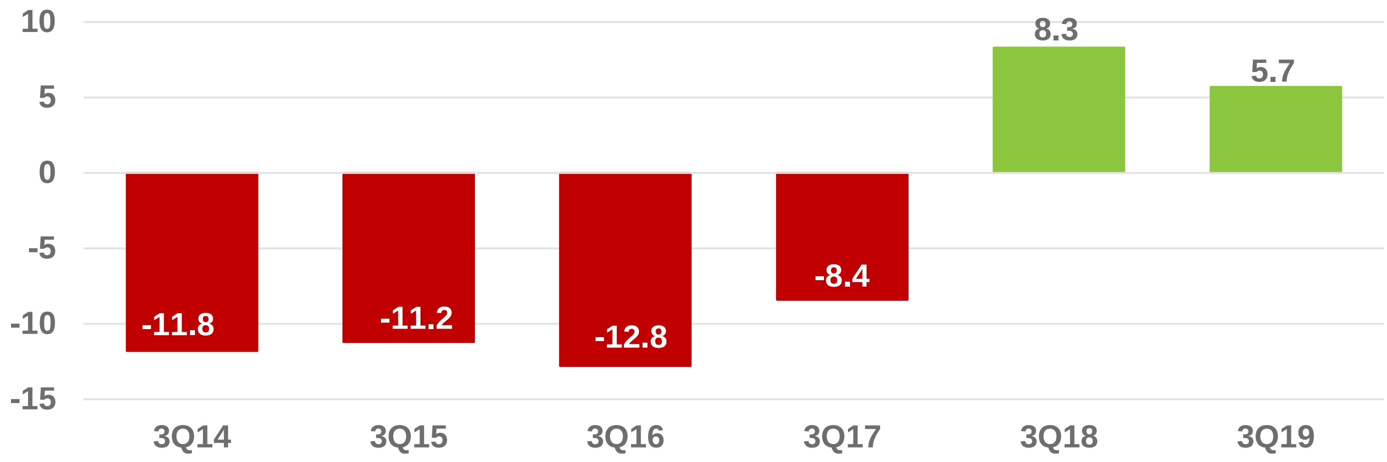
% of Homes in ILEC Footprint with Access to Available Speeds



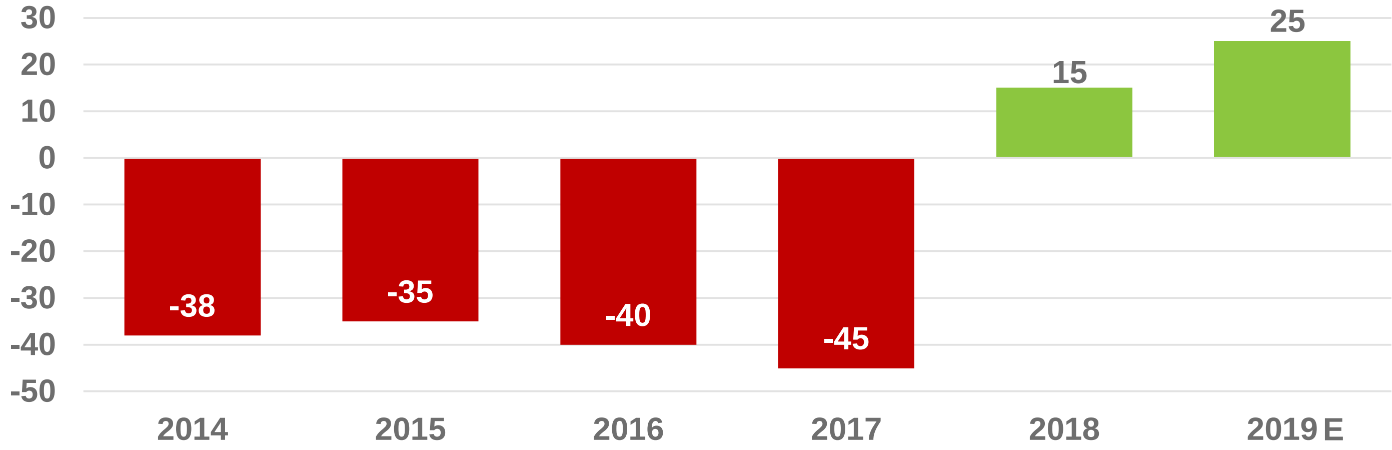
Delivered Broadband Subscriber Growth in 3Q

- 20 consecutive months of consumer broadband unit growth through October 2019
- Driven by Project Excel investments and efforts to extend faster broadband speed tiers to more customers across ILEC footprint
- Expect approximately 25,000 net subscriber additions in 2019

Net Broadband Adds (in thousands)

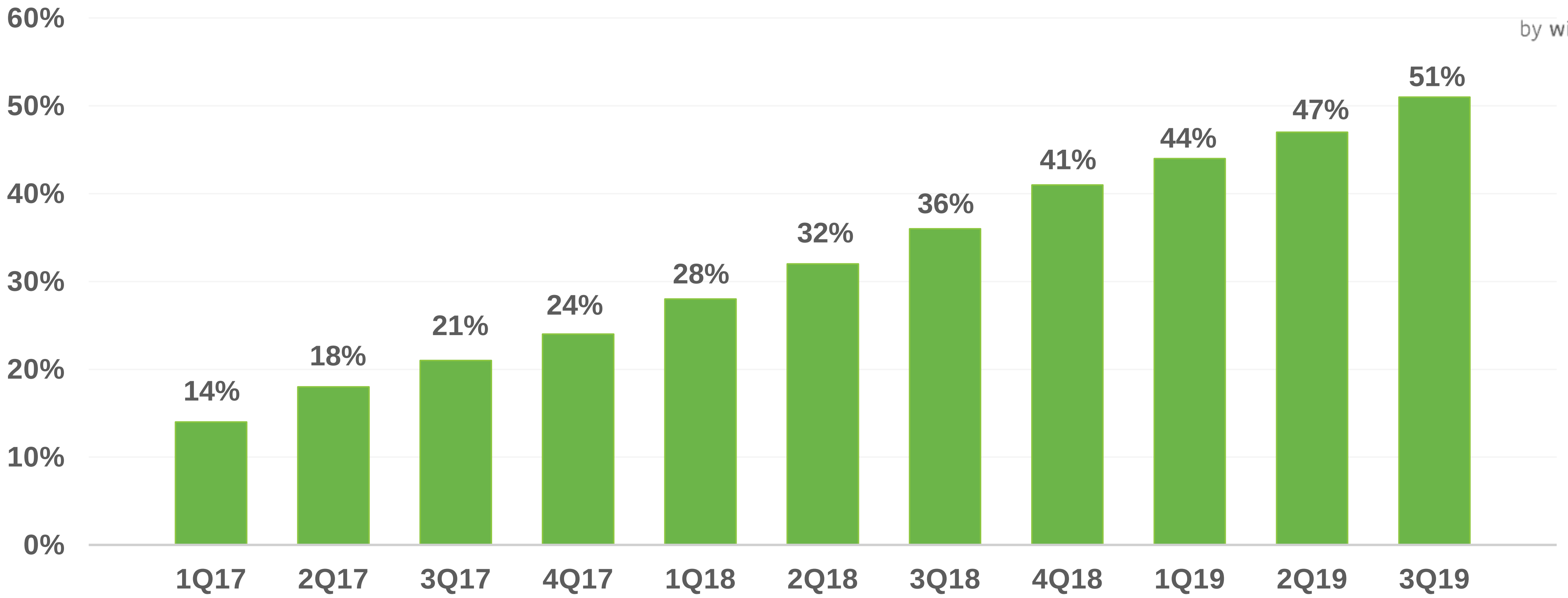


Significant Improvement in Broadband Subscriber Growth (in thousands)



Improved Broadband Speed Capabilities

Customer Speed Distribution of 25 Mbps or Faster



kinetic by windstream.

1GB Fiber Internet Service now expanded to 100,000 business locations

Fixed Wireless Trials

Currently conducting fixed wireless trials in the 3.5 GHz, 28 GHz and 60 GHz spectrum bands

Kinetic My-Fi Product Launches

Kinetic My-Fi is Windstream's commitment to premium in-home Wi-Fi and a full wheel of products, equipment, applications and processes designed to maximize the customer's Internet experience.

What's included:

✓ Kinetic's best dual-band T3200 Wireless My-Fi Gateway

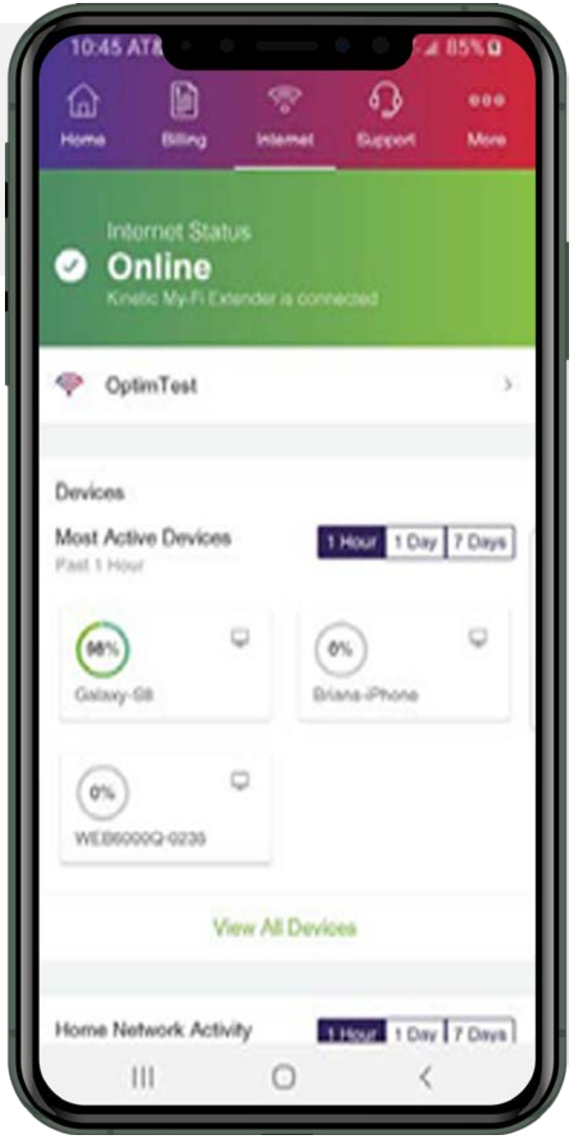
✓ Kinetic My-Fi Extender, providing superior Wi-Fi coverage to reach all of the user's home

✓ New Wi-Fi management application that will allow customers to manage, monitor and optimize their home Wi-Fi, conveniently from the Kinetic MyWIN app

The new Actiontec My-Fi Extender is designed to fill the Wi-Fi coverage gaps often found within homes.

MyWin App Features:

- Network Service Status
- View / Change Wi-Fi Network Name & Password
- Invite Guest to Join Network
- View Connected Device List
- View Connected Device Signal Strength
- Speed Test
- Reboot / Restart Gateway
- Recommendations to Improve Wi-Fi Performance
- Troubleshooting
- 4.8 customer ratings in both the App Store and Google Play



Accelerated Enterprise Strategic Products Adoption

2,700
SD-WAN
Customers Under
Contract

22,000+
SD-WAN Endpoint
Locations Under
Contract

535K+
UCaaS Seats
Installed

~$290M
Annualized Strategic
Product Revenue
(based on 3Q19 results)

41%
Strategic Product
Revenue Growth Y-O-Y

12%
Strategic Revenue % of
Total Enterprise Service Revenue

WINDSTREAM
ENTERPRISE

Strategic products are defined as SD-WAN, UCaaS, OfficeSuite, and associated network access products and services

Enterprise 3rd Quarter Product Highlights

- **Build on OfficeSuite UC® Leadership**
  - Enterprise Enhancements with support up to 20K users and increased geographic diversity
  - Additional productivity enhancements with integration to Slack, Google Assistant and Microsoft Teams
  - SOC2 and HIPAA Compliance

- **Deliver peace of mind with full PCI DSS Compliance**
  - Added Fortinet to the already PCI compliant VMware platform to become industry's only fully PCI compliant SD-WAN provider
  - All network security services are now PCI DSS compliant

- **Superior Digital Experience**
  - Consolidated legacy Windstream, Earthlink and Broadview portals
  - Added Managed Network Security to WE Connect Portal

Rural Digital Opportunity Fund

CAF II

WIN currently receives federal CAF II model-based support in exchange for service and deployment obligations that run through the end of 2020. Previously, the FCC stated it would offer transition funding and we are urging the Commission to offer a full year of additional support ($174.9M) in 2021 to bridge the gap to the next funding program.

$20.4B

Earlier this year, the FCC announced that a two-phase reverse auction (the “Rural Digital Opportunity Fund” or “RDOF”) would commence in 2020 and succeed CAF II in delivering broadband funding support to predominantly rural areas and totaling $20.4 billion over ten years.

Comments in the FCC proceeding setting out the rules for RDOF were due on September 20. Responses to those comments were due on October 21.

WIN urged the Commission to:

- Wait and hold a single-phase auction after the Commission’s broadband maps are updated to reflect location-specific service availability.
- Ensure that funds are used to deploy terrestrial broadband services, including fiber, which will enable 5G expansion and deliver other positive externalities in rural economies.
- Include effective gating criteria to safeguard funds and ensure that winning bidders have the wherewithal to fulfill their commitments.
- Include adequate transitions from CAF II support to ensure that rural consumers are not left without service.

Broadband Mapping Issues

- **The service availability information of first phase of RDOF is flawed because it relies on outdated FCC Form 477 data**
  - Only includes the highest service speed offered by a provider in a given census block
  - FCC's current maps assume that all locations within that block are served at the highest speed, due to no location-specific information being available

- **WIN participated in a USTelecom-led mapping pilot project**
  - In Virginia and Missouri, location information currently used either overcount or undercount locations in census blocks 48% of time
  - Up to 38% of rural census block locations that are not served by the pilot participants are counted as "served" in FCC Form 477 data being relied on by FCC

These inaccuracies pose serious issues for RDOF

- Fewer locations than FCC count means bidder has to return funds jeopardizing economics of local deployment
- More locations than FCC count means those consumers would be left without broadband
- Hundreds of thousands of unserved locations in "served" census blocks could be left behind because the FCC cannot address those locations without accurate maps. The FCC is currently planning to address them once the maps are updated in RDOF Phase II, but with a likely insufficient budget ($4.4 billion vs. $16 billion in Phase I).

3Q19 Financial Results

Financial Overview [1] (Dollars in Millions)	2018 Q1	2018 Q2	2018 Q3	2018 Q4	2018 YE	2019 Q1	2019 Q2	2019 Q3
Revenue								
Kinetic	$538	$532	$525	$519	$2,114	$514	$509	$506
Enterprise	$755	$752	$737	$723	$2,968	$696	$673	$650
Wholesale	$98	$97	$96	$94	$385	$93	$88	$86
Segment Service Revenue	**$1,391**	**$1,381**	**$1,359**	**$1,336**	**$5,467**	**$1,302**	**$1,270**	**$1,242**
Product/Fiber Sales	$19	$20	$20	$17	$75	$18	$16	$28
Total Revenue and Sales	**$1,409**	**$1,401**	**$1,379**	**$1,353**	**$5,542**	**$1,321**	**$1,287**	**$1,270**
Contribution Margin								
Kinetic	$325	$315	$308	$308	$1,256	$309	$303	$287
Enterprise	$127	$147	$145	$143	$562	$133	$139	$126
Wholesale	$70	$70	$68	$66	$274	$63	$65	$66
Segment Contribution Margin	**$522**	**$532**	**$521**	**$517**	**$2,092**	**$504**	**$508**	**$479**
Shared Expenses	$61	$61	$64	$61	$246	$57	$57	$55
Adjusted OIBDAR [1] [2] [3] [4]	**$462**	**$471**	**$457**	**$456**	**$1,846**	**$447**	**$450**	**$423**
Margin %	*32.7%*	*33.6%*	*33.1%*	*33.7%*	*33.3%*	*33.8%*	*35.0%*	*33.3%*
Segment Contribution Margin %								
Kinetic	59.9%	58.4%	57.8%	58.6%	58.7%	59.2%	58.7%	55.0%
Enterprise	16.5%	19.2%	19.3%	19.5%	18.6%	18.8%	20.4%	19.1%
Wholesale	71.4%	72.2%	70.9%	70.0%	71.1%	67.7%	73.8%	73.0%

(1) Operating results for the consumer CLEC business sold on December 31, 2018 have been excluded from all prior periods
(2) Adjusted OIBDAR is adjusted OIBDA before the annual cash payment due under the Uniti arrangement
(3) Adjusted OIBDA is operating income (loss) before depreciation and amortization and goodwill impairment, excluding expense associated with the arrangement with Uniti, pension expense, share-based compensation expense, restructuring charges, merger, integration and certain other costs
(4) Margins are calculated by dividing the respective profitability measures by total revenues and sales.

Expanding Enterprise Margins

Annual Interconnect Cost Reductions Greater than 10%

Significant Interconnection Cost Reduction Opportunities Remain

Interconnection Expenses (in millions)	3Q19 Annualized	3Q vs. 2Q Sequential
TDM	373	(6.7%)
IP/Ethernet	338	(2.6%)
Last Mile Access	**711**	**(4.8%)**
TDM	285	(4.3%)
IP/Ethernet	9	(0.5%)
Network Access	**294**	**(1.2%)**
Voice/Other	**123**	**(11.7%)**
Interconnect	**1,128**	**(5.4%)**

- 3Q19 annualized run-rate of $1.1 billion in interconnection expenses; annualized decline of 20%
- Legacy TDM represents almost $660 million of annualized expenses and last mile TDM access is falling by ~25% a year
- Cost improvements from migrating customer from other carrier networks to on-net fiber solutions and continued network grooming efforts to contract our legacy TDM network access costs
- Increasing leverage of access-agnostic technologies such as SD-WAN and UCaaS

Appendix

Contents:

- Quarterly supplemental schedules (Pro Forma)

Supplemental Financial Information

Windstream Holdings, Inc. ("Windstream", "we", "us", "our") has presented in this package unaudited adjusted results, which excludes in all prior periods presented the operating results of the Consumer CLEC business sold on December 31, 2018. The adjusted results also exclude goodwill impairment, straight-line expense under the contractual arrangement with Uniti Group, Inc. ("Uniti"), share-based compensation expense, restructuring charges, and merger, integration and certain other costs. We have presented certain measures of our operating performance, on an adjusted basis, that reflects the impact of the annual cash payment due under the contractual arrangement with Uniti.

Effective April 1, 2019, we reorganized our business operations into three segments: Kinetic, Enterprise and Wholesale. The Kinetic business unit primarily serves customers in markets in which we are the incumbent local exchange carrier ("ILEC") and provides services over network facilities operated by us. The Enterprise and Wholesale business units primarily serve customers in markets in which we are a competitive local exchange carrier ("CLEC") and provide services over network facilities primarily leased from other carriers. The reorganization improved the alignment of our customer base and service offerings within our ILEC and CLEC markets. The significant changes to our previous segment structure included: (1) shifting certain small business customers with operations in ILEC-only markets from the Enterprise segment to the Consumer & Small Business segment, which was renamed Kinetic; (2) shifting governmental and resale customers from Wholesale to Enterprise; (3) shifting wholesale customers and related services in ILEC markets from Wholesale to Kinetic; and (4) allocating certain corporate expenses, primarily property taxes, to the segments. Prior period segment information has been revised to conform to our new segment presentation.

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. Because capital spending is necessary to maintain our operational capabilities, we believe that capital expenditures represents a recurring and necessary use of cash. As such, we believe investors should consider our capital spending and principal payments due under our contractual arrangement with Uniti when evaluating the amount of cash provided by our operating activities.

On February 25, 2019, Windstream and all of its subsidiaries, including Windstream Services, LLC, filed voluntary petitions (the "Chapter 11 Cases") for reorganization under Chapter 11 of the U.S. Bankruptcy Code (the "Bankruptcy Code") in the U.S. Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court"). We will continue to operate our businesses as "debtors-in-possession" under the jurisdiction of the Bankruptcy Court and in accordance with the applicable provisions of the Bankruptcy Code and orders of the Bankruptcy Court.

We claim the protection of the safe-harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. This report contains various forward-looking statements which represent our expectations or beliefs concerning future events, including, without limitation, our future performance, our ability to comply with the covenant in the agreements governing our indebtedness and the availability of capital and terms thereof. Statements expressing expectations and projections with respect to future matters are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. We caution that these forward-looking statements involve a number of risks and uncertainties and are subject to many variables which could impact our future performance. These statements are made on the basis of management's views, estimates, projections, beliefs, and assumptions, as of the time the statements are made, regarding future events and results. There can be no assurance, however, that management's expectations will necessarily come to pass. 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. A wide range of factors could cause actual results to differ materially from those contemplated in our forward-looking statements, including, but not limited to risks and uncertainties relating to the Chapter 11 Cases, including completion of our Chapter 11 Cases; our ability to pursue our business strategies during the pendency of the Chapter 11 Cases; our ability to generate sufficient cash to fund our operations during the pendency of the Chapter 11 Cases; our ability to implement a business plan during the pendency of the Chapter 11 Cases; the diversion of management's attention as a result of the Chapter 11 Cases; increased levels of employee attrition as a result of the Chapter 11 Cases; our ability to obtain Bankruptcy Court approval with respect to our motions filed in the Chapter 11 Cases from time to time; our ability to continue as a going concern; volatility of our financial results as a result of the Chapter 11 Cases; the conditions to which our debtor-in-possession financing is subject to and the risk that these conditions may not be satisfied for various reasons, including for reasons outside of our control; our ability to obtain confirmation of a Chapter 11 plan of reorganization and the effective date of any confirmed plan; the impact of a protracted restructuring on our business; the impact of any challenge by creditors or other parties to previously completed transactions; risks associated with third-party motions in the Chapter 11 Cases; the potential adverse effects of the Chapter 11 Cases on our liquidity or results of operations and increased legal and other professional costs necessary to execute our reorganization; trading price and volatility of our common stock, including the stock trading on the OTC Pink Sheets as maintained by the OTC Market Group, Inc.; the risk of protracted litigation in our Chapter 11 Cases with third parties and/or our creditors; our substantial debt could adversely affect our cash flow and impair our ability to raise additional capital on favorable terms; 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 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 Federal Communications Commission ("FCC") action; the impact of the FCC's comprehensive business data services reforms that were confirmed by an appellate court, which may result in greater capital investments and customer and revenue churn because of possible price increases by our incumbent local exchange carrier ("ILEC") suppliers for certain services we use to serve customer locations where we do not have facilities; the impact of new, emerging or competing technologies and our ability to utilize these technologies to provide services to our customers; 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 utilize facilities owned by other carriers, adverse effects on the availability, quality of service, price of facilities and services provided by other carriers on which our services depend; our election to accept statewide offers under the FCC's 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 or future versions of the program implemented by the FCC; our ability to make payments under the arrangement with Uniti, which may be affected by results of operations, changes in our cash requirements, cash tax payment obligations, or overall financial position; 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, intercarrier 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; 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 noncompliance by us with regulations or statutes applicable to government programs under which we receive material amounts of end-user revenue and government subsidies, or noncompliance 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; loss of consumer households served; 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 other risks and uncertainties referenced from time to time in our Annual Report on Form 10-K for the year ended December 31, 2018, including those additional factors under "Risk Factors" in Item 1A, and in other filings of ours with the SEC at www.sec.gov or not currently known to us or that we do not currently deem to be material.

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.

Supplemental Financial Information

WINDSTREAM HOLDINGS, INC.
UNAUDITED ADJUSTED RESULTS OF OPERATIONS (NON-GAAP) (A)
QUARTERLY SUPPLEMENTAL INFORMATION
for the quarterly periods in the years 2019 and 2018
(In millions)

	2019				2018				
ADJUSTED RESULTS OF OPERATIONS:	Total	3rd Qtr.	2nd Qtr.	1st Qtr.	Total	4th Qtr.	3rd Qtr.	2nd Qtr.	1st Qtr.
Revenues and sales:									
Service revenues	$ 3,814.1	$ 1,241.7	$ 1,270.2	$ 1,302.2	$ 5,466.8	$ 1,336.4	$ 1,358.5	$ 1,381.3	$ 1,390.6
Product and fiber sales	63.1	28.4	16.3	18.4	75.4	16.6	20.3	19.7	18.8
Total revenues and sales	3,877.2	1,270.1	1,286.5	1,320.6	5,542.2	1,353.0	1,378.8	1,401.0	1,409.4
Costs and expenses:									
Cost of services	1,932.8	635.9	633.1	663.8	2,787.4	678.3	685.4	705.3	718.4
Cost of product and fiber sales	55.0	22.9	15.2	16.9	69.1	14.4	19.8	18.1	16.8
Selling, general and administrative	568.9	188.0	187.8	193.1	839.7	203.9	216.7	206.4	212.7
Costs and expenses excluding pension and share-based compensation expense	2,556.7	846.8	836.1	873.8	3,696.2	896.6	921.9	929.8	947.9
Adjusted OIBDAR (B)	1,320.5	423.3	450.4	446.8	1,846.0	456.4	456.9	471.2	461.5
Cash payment under contractual arrangement with Uniti	493.9	165.0	164.7	164.2	655.7	164.2	164.2	163.9	163.4
Adjusted OIBDA (C)	$ 826.6	$ 258.3	$ 285.7	$ 282.6	$ 1,190.3	$ 292.2	$ 292.7	$ 307.3	$ 298.1
Margins (D):									
Adjusted OIBDAR margin	34.1%	33.3%	35.0%	33.8%	33.3%	33.7%	33.1%	33.6%	32.7%
Adjusted OIBDA margin	21.3%	20.3%	22.2%	21.4%	21.5%	21.6%	21.2%	21.9%	21.2%
Adjusted capital expenditures (E)	$ 628.9	$ 221.5	$ 214.6	$ 192.8	$ 782.6	$ 206.7	$ 187.6	$ 180.6	$ 207.7
Adjusted free cash flow:									
Adjusted OIBDA	$ 826.6	$ 258.3	$ 285.7	$ 282.6					
Adjusted capital expenditures	(628.9)	(221.5)	(214.6)	(192.8)					
Cash paid for interest on long-term debt obligations	(270.3)	(85.7)	(81.0)	(103.6)					
Cash (paid) refunded for income taxes, net	(1.1)	(1.1)	(1.6)	1.6					
Adjusted free cash flow	$ (73.7)	$ (50.0)	$ (11.5)	$ (12.2)					
Available liquidity as of September 30, 2019:									
Cash and cash equivalents	$ 385.1								
Available capacity under DIP credit facility	500.0								
Available liquidity	$ 885.1								

(A) Operating results for the Consumer CLEC business sold on December 31, 2018 have been excluded in all prior periods presented.
(B) Adjusted OIBDAR is adjusted OIBDA before the annual cash payment due under the contractual arrangement with Uniti.
(C) Adjusted OIBDA is operating income (loss) before depreciation and amortization and goodwill impairment, excluding straight-line expense under the contractual arrangement with Uniti, share-based compensation expense, restructuring charges, merger, integration and certain other costs.
(D) Margins are calculated by dividing the respective profitability measures by total revenues and sales.
(E) Adjusted capital expenditures excludes post-merger integration capital expenditures for Broadview Networks Holdings, Inc. ("Broadview") and EarthLink Holdings Corp. ("EarthLink").

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WINDSTREAM HOLDINGS, INC.
UNAUDITED ADJUSTED RESULTS OF OPERATIONS (NON-GAAP) (A)
QUARTERLY SUPPLEMENTAL INFORMATION
for the quarterly periods in the years 2019 and 2018
(In millions)

	2019				2018				
REVENUE SUPPLEMENT	Total	3rd Qtr.	2nd Qtr.	1st Qtr.	Total	4th Qtr.	3rd Qtr.	2nd Qtr.	1st Qtr.
Kinetic:									
High-speed Internet bundles	$ 757.4	$ 251.1	$ 253.2	$ 253.1	$ 1,012.0	$ 251.0	$ 251.6	$ 254.3	$ 255.1
Voice only	83.5	26.8	28.1	28.6	120.5	28.7	29.7	30.7	31.4
Video and miscellaneous	29.8	9.6	10.1	10.1	44.3	10.5	11.1	11.3	11.4
Consumer	870.7	287.5	291.4	291.8	1,176.8	290.2	292.4	296.3	297.9
Small business	235.1	76.8	78.4	79.9	335.7	81.5	83.3	84.5	86.4
Wholesale	157.3	52.7	52.3	52.3	229.6	56.2	57.9	57.8	57.7
Switched access	18.4	5.9	6.2	6.3	28.4	6.6	6.7	7.0	8.1
CAF Phase II funding	133.9	44.1	44.4	45.4	182.5	45.1	45.3	46.1	46.0
State USF and ARM support	64.1	20.3	21.7	22.1	93.3	22.5	22.7	23.9	24.2
End user surcharges	49.0	18.9	14.3	15.8	67.7	17.0	16.6	16.8	17.3
Kinetic	1,528.5	506.2	508.7	513.6	2,114.0	519.1	524.9	532.4	537.6
Enterprise:									
Core (B)	924.0	293.8	308.8	321.4	1,401.7	334.9	348.2	358.6	360.0
Strategic (C)	205.0	72.5	69.5	63.0	203.9	58.2	53.0	48.7	44.0
Legacy (D)	398.2	124.3	133.4	140.5	642.3	149.7	161.2	164.7	166.7
Other (E)	403.3	128.0	134.8	140.5	590.2	147.6	144.3	147.6	150.7
End user surcharges	88.8	31.3	26.9	30.6	129.9	33.0	30.7	32.2	34.0
Enterprise	2,019.3	649.9	673.4	696.0	2,968.0	723.4	737.4	751.8	755.4
Wholesale:									
Core wholesale (F)	244.9	79.3	80.5	85.1	349.9	86.2	87.8	87.7	88.2
Switched access	21.4	6.3	7.6	7.5	34.9	7.7	8.4	9.4	9.4
Wholesale	266.3	85.6	88.1	92.6	384.8	93.9	96.2	97.1	97.6
Total service revenues	3,814.1	1,241.7	1,270.2	1,302.2	5,466.8	1,336.4	1,358.5	1,381.3	1,390.6
Product and fiber sales:									
Kinetic product sales	30.7	14.7	8.0	8.0	26.5	6.9	7.5	6.6	5.5
Enterprise product sales	27.9	9.2	8.3	10.4	48.9	9.7	12.8	13.1	13.3
Wholesale fiber sales	4.5	4.5	-	-	-	-	-	-	-
Total product and fiber sales	63.1	28.4	16.3	18.4	75.4	16.6	20.3	19.7	18.8
Total revenues and sales	$ 3,877.2	$ 1,270.1	$ 1,286.5	$ 1,320.6	$ 5,542.2	$ 1,353.0	$ 1,378.8	$ 1,401.0	$ 1,409.4

(A) Operating results for the Consumer CLEC business sold on December 31, 2018 have been excluded in all prior periods presented.
(B) Core revenues consist of dynamic Internet protocol, dedicated Internet access, multi-protocol label switching services, integrated voice and data, long distance, and managed services.
(C) Strategic revenues consist of Software Defined Wide Area Network ("SD-WAN"), Unified Communications as a Service ("UCaaS"), OfficeSuite, and associated network access products and services.
(D) Legacy revenues consist of TDM voice and data services.
(E) Other revenues primarily consist of administrative service fees, subscriber line charges, and non-recurring usage-based long-distance revenues.
(F) Core wholesale revenues primarily include revenues from providing fiber connections, data transport and wireless backhaul services.

Supplemental Financial Information

WINDSTREAM HOLDINGS, INC.
UNAUDITED ADJUSTED SEGMENT RESULTS (NON-GAAP) (A)
QUARTERLY SUPPLEMENTAL INFORMATION
for the quarterly periods in the years 2019 and 2018
(In millions)

	2019				2018				
	Total	3rd Qtr.	2nd Qtr.	1st Qtr.	Total	4th Qtr.	3rd Qtr.	2nd Qtr.	1st Qtr.
Kinetic									
Revenues and sales:									
Service revenues	$ 870.7	$ 287.5	$ 291.4	$ 291.8	$ 1,176.8	$ 290.2	$ 292.4	$ 296.3	$ 297.9
Product sales	30.7	14.7	8.0	8.0	26.5	6.9	7.5	6.6	5.5
Total Consumer	901.4	302.2	299.4	299.8	1,203.3	297.1	299.9	302.9	303.4
Small business	235.1	76.8	78.4	79.9	335.7	81.5	83.3	84.5	86.4
Wholesale	157.3	52.7	52.3	52.3	229.6	56.2	57.9	57.8	57.7
Switched access	18.4	5.9	6.2	6.3	28.4	6.6	6.7	7.0	8.1
CAF Phase II funding	133.9	44.1	44.4	45.4	182.5	45.1	45.3	46.1	46.0
State USF and ARM support	64.1	20.3	21.7	22.1	93.3	22.5	22.7	23.9	24.2
End user surcharges	49.0	18.9	14.3	15.8	67.7	17.0	16.6	16.8	17.3
Total revenues and sales	1,559.2	520.9	516.7	521.6	2,140.5	526.0	532.4	539.0	543.1
Costs and expenses	660.5	234.3	213.4	212.8	884.4	218.0	224.7	224.0	217.7
Kinetic contribution margin	$ 898.7	$ 286.6	$ 303.3	$ 308.8	$ 1,256.1	$ 308.0	$ 307.7	$ 315.0	$ 325.4
Kinetic contribution margin %	57.6%	55.0%	58.7%	59.2%	58.7%	58.6%	57.8%	58.4%	59.9%
Enterprise									
Revenues and sales:									
Service revenues	$ 2,019.3	$ 649.9	$ 673.4	$ 696.0	$ 2,968.0	$ 723.4	$ 737.4	$ 751.8	$ 755.4
Product sales	27.9	9.2	8.3	10.4	48.9	9.7	12.8	13.1	13.3
Total revenues and sales	2,047.2	659.1	681.7	706.4	3,016.9	733.1	750.2	764.9	768.7
Costs and expenses	1,649.2	532.9	542.5	573.8	2,454.9	589.9	605.2	618.3	641.5
Enterprise contribution margin	$ 398.0	$ 126.2	$ 139.2	$ 132.6	$ 562.0	$ 143.2	$ 145.0	$ 146.6	$ 127.2
Enterprise contribution margin %	19.4%	19.1%	20.4%	18.8%	18.6%	19.5%	19.3%	19.2%	16.5%
Wholesale									
Revenues and sales:									
Service revenues	$ 266.3	$ 85.6	$ 88.1	$ 92.6	$ 384.8	$ 93.9	$ 96.2	$ 97.1	$ 97.6
Fiber sales	4.5	4.5	-	-	-	-	-	-	-
Total revenues and sales	270.8	90.1	88.1	92.6	384.8	93.9	96.2	97.1	97.6
Costs and expenses	77.3	24.3	23.1	29.9	111.1	28.2	28.0	27.0	27.9
Wholesale contribution margin	$ 193.5	$ 65.8	$ 65.0	$ 62.7	$ 273.7	$ 65.7	$ 68.2	$ 70.1	$ 69.7
Wholesale contribution margin %	71.5%	73.0%	73.8%	67.7%	71.1%	70.0%	70.9%	72.2%	71.4%

Supplemental Financial Information

WINDSTREAM HOLDINGS, INC.
UNAUDITED ADJUSTED SEGMENT RESULTS (NON-GAAP) (A)
QUARTERLY SUPPLEMENTAL INFORMATION
for the quarterly periods in the years 2019 and 2018
(In millions)

	2019				2018				
	Total	3rd Qtr.	2nd Qtr.	1st Qtr.	Total	4th Qtr.	3rd Qtr.	2nd Qtr.	1st Qtr.
Total segment revenues and expenses									
Revenues and sales:									
Service revenues	$ 3,814.1	$ 1,241.7	$ 1,270.2	$ 1,302.2	$ 5,466.8	$ 1,336.4	$ 1,358.5	$ 1,381.3	$ 1,390.6
Product and fiber sales	63.1	28.4	16.3	18.4	75.4	16.6	20.3	19.7	18.8
Total segment revenues and sales	3,877.2	1,270.1	1,286.5	1,320.6	5,542.2	1,353.0	1,378.8	1,401.0	1,409.4
Total segment costs and expenses	2,387.0	791.5	779.0	816.5	3,450.4	836.1	857.9	869.3	887.1
Segment contribution margin	$ 1,490.2	$ 478.6	$ 507.5	$ 504.1	$ 2,091.8	$ 516.9	$ 520.9	$ 531.7	$ 522.3
Segment contribution margin %	38.4%	37.7%	39.4%	38.2%	37.7%	38.2%	37.8%	38.0%	37.1%
Consolidated revenues and sales									
Service revenues	$ 3,814.1	$ 1,241.7	$ 1,270.2	$ 1,302.2	$ 5,466.8	$ 1,336.4	$ 1,358.5	$ 1,381.3	$ 1,390.6
Product and fiber sales	63.1	28.4	16.3	18.4	75.4	16.6	20.3	19.7	18.8
Consolidated revenues and sales	$ 3,877.2	$ 1,270.1	$ 1,286.5	$ 1,320.6	$ 5,542.2	$ 1,353.0	$ 1,378.8	$ 1,401.0	$ 1,409.4
Consolidated costs and expenses									
Segment costs and expenses	$ 2,387.0	$ 791.5	$ 779.0	$ 816.5	$ 3,450.4	$ 836.1	$ 857.9	$ 869.3	$ 887.1
Shared expenses (B)	169.7	55.3	57.1	57.3	245.8	60.5	64.0	60.5	60.8
Consolidated costs and expenses	$ 2,556.7	$ 846.8	$ 836.1	$ 873.8	$ 3,696.2	$ 896.6	$ 921.9	$ 929.8	$ 947.9
Consolidated									
Adjusted OIBDAR	$ 1,320.5	$ 423.3	$ 450.4	$ 446.8	$ 1,846.0	$ 456.4	$ 456.9	$ 471.2	$ 461.5
Adjusted OIBDAR margin	34.1%	33.3%	35.0%	33.8%	33.3%	33.7%	33.1%	33.6%	32.7%

(A) Operating results for the Consumer CLEC business sold on December 31, 2018 have been excluded in all prior periods presented.

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

Supplemental Financial Information

WINDSTREAM HOLDINGS, INC.
QUARTERLY SUPPLEMENTAL INFORMATION
for the quarterly periods in the years 2019 and 2018
(Units in thousands, Dollars in millions, except per unit amounts)

	2019				2018				
	Total	3rd Qtr.	2nd Qtr.	1st Qtr.	Total	4th Qtr.	3rd Qtr.	2nd Qtr.	1st Qtr.
Kinetic Operating Metrics:									
Households served	1,238.7	1,238.7	1,244.0	1,250.6	1,247.9	1,247.9	1,250.5	1,251.3	1,257.3
YOY change in households served	-0.9%	-0.9%	-0.6%	-0.5%	-1.6%	-1.6%	-2.9%	-4.3%	-6.0%
Average revenue per household served per month	$ 77.81	$ 77.20	$ 77.87	$ 77.86	$ 77.93	$ 77.44	$ 77.92	$ 78.74	$ 78.62
High-speed Internet customers	1,040.0	1,040.0	1,034.3	1,032.4	1,021.0	1,021.0	1,015.0	1,006.7	1,004.4
Net customer additions (losses)	19.0	5.7	1.9	11.4	14.4	6.0	8.3	2.3	(2.2)
YOY change in high-speed Internet	2.5%	2.5%	2.7%	2.8%	1.4%	1.4%	-0.2%	-1.9%	-4.1%
Small business customers	112.2	112.2	112.6	115.4	118.1	118.1	120.5	123.2	125.0
YOY change in customers	-6.9%	-6.9%	-8.6%	-7.7%	-7.8%	-7.8%	-8.2%	-8.1%	-8.6%
Average revenue per customer per month	$ 226.85	$ 227.76	$ 229.24	$ 228.12	$ 227.25	$ 227.72	$ 227.88	$ 226.97	$ 227.58
Enterprise:									
Strategic sales as a percentage of total Enterprise sales (A)	62.3%	64.9%	69.4%	55.1%	48.4%	50.7%	53.8%	50.1%	39.5%
Service revenues Used in Average Revenue Per Month Computations Above (per page 3):									
Kinetic service revenues	$ 870.7	$ 287.5	$ 291.4	$ 291.8	$ 1,176.8	$ 290.2	$ 292.4	$ 296.3	$ 297.9
Small business service revenues	$ 235.1	$ 76.8	$ 78.4	$ 79.9	$ 335.7	$ 81.5	$ 83.3	$ 84.5	$ 86.4

(A) Enterprise strategic sales consist of SD-WAN, UCaaS, OfficeSuite and associated network access products and services.

	2019 Total	2019 3rd Qtr.	2019 2nd Qtr.	2019 1st Qtr.	2018 Total	2018 4th Qtr.	2018 3rd Qtr.	2018 2nd Qtr.	2018 1st Qtr.
Capital expenditures by segment:									
Kinetic	$ 332.7	$ 128.6	$ 105.7	$ 98.4	$ 369.8	$ 110.5	$ 101.6	$ 84.7	$ 73.0
Enterprise	116.6	38.0	36.5	42.1	187.6	53.3	44.0	50.3	40.0
Wholesale	17.1	6.4	5.5	5.2	31.3	6.3	10.8	8.0	6.2
Corporate/shared (B)	162.5	48.5	66.9	47.1	193.9	36.6	31.2	37.6	88.5
Adjusted capital expenditures	628.9	221.5	214.6	192.8	782.6	206.7	187.6	180.6	207.7
Integration capital expenditures	-	-	-	-	37.6	10.3	9.3	8.1	9.9
Total capital expenditures	$ 628.9	$ 221.5	$ 214.6	$ 192.8	$ 820.2	$ 217.0	$ 196.9	$ 188.7	$ 217.6

(B) Corporate/shared capital expenditures are not directly assigned to the segments and primarily consist of capital outlays for network enhancements and information technology-related projects benefitting Windstream as a whole.