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## Windstream exchanges half of CS&L equity stake to reduce debt

LITTLE ROCK, Ark., June 15, 2016 (GLOBE NEWSWIRE) -- Windstream (NASDAQ:WIN) today announced it has closed a transaction to transfer approximately 14.7 million shares of Communications Sales & Leasing (CS&L) common stock to its creditors in a debt-for-equity exchange.

The transferred CS&L shares, which represented approximately 50 percent of Windstream's total retained stake in CS&L, were used to retire approximately \$309 million in Windstream's revolving credit facility debt and satisfy transaction expenses.

Additionally, the company has retired \$126 million in face value of debt for \$100 million in cash funded by its revolving credit facility through open market debt repurchases since April. As a result of the combined transactions, the company has reduced debt by approximately \$335 million to date in the second quarter.

Windstream also announced it now expects cash interest expense of approximately \$375 million for 2016, compared to its previous estimate of \$385 million.

"This transaction further optimizes our balance sheet," said Bob Gunderman, Windstream chief financial officer. "Through open market debt repurchases and the initial CS&L monetization, we expect to drive an incremental \$25 million in cash interest savings in 2017 compared to our revised guidance for 2016."

Following the spinoff of CS&L in April 2015, Windstream retained an approximate 20 percent equity stake in CS&L. Following the debt-for-equity exchange transaction, Windstream now holds approximately 14.7 million shares, or 10 percent, of CS&L. Windstream plans to dispose of the remaining shares in the future to further reduce debt and generate cash interest savings.

### About Windstream

Windstream Holdings, Inc. (NASDAQ:WIN), a FORTUNE 500 company, is a leading provider of advanced network communications and technology solutions for consumers, small businesses, enterprise organizations and carrier partners across the U.S. Windstream offers bundled services, including broadband, security solutions, voice and digital TV to consumers. The company also provides data, cloud solutions, unified communications and managed services to business and enterprise clients. The company supplies core transport solutions on a local and long-haul fiber-optic network spanning approximately 125,000 miles.

### Forward-Looking Statements

Certain statements contained in this press release may constitute forward-looking statements, including Windstream's intention to dispose of CS&L shares as described herein and anticipated cash interest expenses in 2016 and 2017. 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. 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, including those described in filings by Windstream and CS&L with the Securities and Exchange Commission. Any forward-looking statements in this press release are made as of the date hereof only, and, except as required by law, Windstream does not undertake any obligation to update or revise any such forward-looking statements.

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