



Windstream Completes Acquisition of D&E Communications

LITTLE ROCK, Ark.--(BUSINESS WIRE)-- Windstream Corporation (NYSE: WIN) announced today that it has completed its acquisition of D&E Communications, based in Ephrata, Pa., in a transaction valued at approximately \$333 million.

D&E Communications shareholders received 0.650 shares of Windstream stock and \$5 in cash per each D&E share under terms of the agreement. Windstream issued approximately 9.4 million shares of stock valued at \$95 million, based on the company's closing stock price on Nov. 9, 2009, and paid approximately \$74 million in cash as part of the transaction. Windstream also assumed estimated net debt of approximately \$164 million. Windstream financed the acquisition with existing cash and current capacity on its revolving credit agreement.

Windstream adds highly complementary rural properties in Pennsylvania under the transaction. D&E Communications has approximately 114,000 ILEC access lines and about 46,000 high-speed Internet customers. High-speed Internet service is available to 100 percent of D&E's ILEC lines, nearly half of which can offer speeds up to 10 Mbps.

D&E operates as a competitive local exchange carrier (CLEC) in Altoona, Harrisburg, Lancaster, Pottstown, Reading, State College and Williamsport and serves approximately 47,000 lines.

D&E Communications generated \$145 million in revenue and \$64 million in operating income before depreciation and amortization (OIBDA) in the twelve months ended Sept. 30, 2009.

Windstream estimates the transaction will be accretive to free cash flow in the first full year after expected annual synergies of approximately \$25 million in operating expenses and capital expenditure savings.

Non-GAAP Financial Measures

This press release references the non-GAAP financial measure OIBDA for the twelve months ended Sept. 30, 2009. A reconciliation of OIBDA to the most directly comparable GAAP measure is presented below:

Operating income under GAAP:	\$ 9 million
Depreciation and amortization:	\$ 29 million
Merger and integration costs	\$ 1 million
Goodwill and intangible asset impairment:	+ \$ 25 million
OIBDA:	\$ 64 million

About Windstream

Windstream Corporation is an S&P 500 company that provides phone, high-speed Internet and high-definition digital TV services to customers in 16 states. The company also offers a wide range of IP-based voice and data services and advanced phone systems and equipment to businesses and government agencies. The company has approximately 2.9 million access lines and about \$3 billion in annual revenues. Windstream is ranked 4th in the 2009 BusinessWeek 50 ranking of the best performing U.S. companies. For more information about Windstream, visit www.windstream.com.

Windstream 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 subject to uncertainties that could cause actual future events and results to differ materially from those expressed in the forward-looking statements. These forward-looking statements are based on estimates, projections, beliefs and assumptions that Windstream believes are reasonable but are not guarantees of future events and results. Actual future events and results of Windstream 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 above include, among others: further adverse changes in economic conditions in the markets served by Windstream; the extent, timing and overall effects of competition in the communications business; continued

access line loss; the impact of new, emerging or competing technologies; the adoption of intercarrier compensation and/or universal service reforms by the Federal Communications Commission or Congress that results in a significant loss of revenue to Windstream; the risks associated with the integration of acquired businesses or the ability to realize anticipated synergies, cost savings and growth opportunities; the availability and cost of financing in the corporate debt markets; the potential for adverse changes in the ratings given to Windstream's debt securities by nationally accredited ratings organizations; the effects of federal and state legislation, rules and regulations governing the communications industry; material changes in the communications industry generally that could adversely affect vendor relationships with equipment and network suppliers and customer relationships with wholesale customers; unexpected results of litigation; unexpected rulings by state public service commissions in proceedings regarding universal service funds, intercarrier compensation or other matters that could reduce revenues or increase expenses; the effects of work stoppages; the impact of equipment failure, natural disasters or terrorist acts; earnings on pension plan investments significantly below our expected long term rate of return for plan assets; unexpected adverse results relating to the relocation of Windstream's data center; and those additional factors under the caption "Risk Factors" in Windstream's Form 10-K for the year ended Dec. 31, 2008, and in subsequent filings with the Securities and Exchange Commission. 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. Windstream undertakes 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 Windstream's 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 Windstream's future results included in Windstream's filings with the Securities and Exchange Commission at www.sec.gov.