



Communications Sales & Leasing, Inc. Announces Disposition by Windstream of Half of Retained Stake

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LITTLE ROCK, Ark., June 15, 2016 (GLOBE NEWSWIRE) -- Communications Sales & Leasing, Inc. ("CS&L" or the "Company") (Nasdaq:CSAL) announced today that Windstream Holdings, Inc. ("Windstream") disposed of 14,703,993 shares of common stock, par value \$0.0001, (the "Shares") of the Company to certain creditors of Windstream in exchange for the satisfaction of certain Windstream debt. Citigroup Global Markets Inc. then acquired such Shares from the creditors and as selling shareholder, sold the Shares to institutional accredited investors, including funds managed by Searchlight Capital Partners, L.P. ("Searchlight"). The Company did not receive any proceeds from the disposition of Shares.

In connection with the transaction, Searchlight, as lead private investor of 10,000,000 Shares, was offered by CS&L the right to designate one member to CS&L's board of directors, provided that such designee is reasonably acceptable to CS&L. This designation right will terminate if Searchlight's ownership drops below 5% prior to June 15, 2019 and or below 8% thereafter.

Kenny Gunderman, President and Chief Executive Officer of CS&L commented, "Searchlight is a global private investment firm with deep expertise in the communications industry. We very much welcome Searchlight as a substantial shareholder, and look forward to the valuable insights and contributions their designee will bring to our board of directors."

The Shares have not been registered under the Securities Act or any state securities laws and may not be offered or sold in the United States absent an effective registration statement or an applicable exemption from registration requirements or a transaction not subject to the registration requirements of the Securities Act or any state securities laws. In connection with the transaction, CS&L has agreed to provide certain registration rights to purchasers of the Shares.

ABOUT CS&L

CS&L (Nasdaq:CSAL), an internally managed real estate investment trust, is engaged in the acquisition and construction of mission critical communications infrastructure, and is a leading provider of wireless infrastructure solutions for the communications industry. CS&L currently owns 3.9 million fiber strand miles, 85 wireless towers, and other communications real estate throughout the United States and Mexico. Additional information about CS&L can be found on its website at www.cslreit.com.

ABOUT SEARCHLIGHT CAPITAL PARTNERS, L.P.

Searchlight is a global private investment firm with offices in New York, London and Toronto. Searchlight seeks to invest in businesses where its long term capital and strategic support accelerate value creation for all stakeholders. For more information, please visit www.searchlightcap.com.

FORWARD-LOOKING STATEMENTS

Certain statements in this press release may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, as amended from time to time. Those forward-looking statements include all statements that are not historical statements of fact including, without limitation, those regarding the appointment of the Searchlight designee to our board.

Words such as "anticipate(s)," "expect(s)," "intend(s)," "estimate(s)," "foresee(s)," "plan(s)," "believe(s)," "may," "will," "would," "could," "should," "seek(s)" and similar expressions, or the negative of these terms, are intended to identify such forward-looking statements. These statements are based on management's current expectations and beliefs and are subject to a number of risks and uncertainties that could lead to actual results differing materially from those projected, forecasted or expected. Although we believe that the assumptions underlying the forward-looking statements are reasonable, we can give no assurance that our expectations will be attained. CS&L expressly disclaims any obligation to release publicly any updates or revisions to any of the forward looking statements set forth in this release to reflect any change in its expectations or any change in events, conditions or circumstances on which any statement is based.

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Communications Sales & Leasing Inc.