

LEVEL 3 COMMUNICATIONS INC

FORM 8-K (Current report filing)

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Address	1025 ELDORADO BOULEVARD BLDG 2000 BROOMFIELD, CO 80021
Telephone	7208881000
CIK	0000794323
Symbol	LVLT
SIC Code	4813 - Telephone Communications, Except Radiotelephone
Industry	Communications Services
Sector	Services
Fiscal Year	12/31

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): June 13, 2006

Level 3 Communications, Inc.

(Exact name of Registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

47-0210602
(I.R.S. Employer
Identification No.)

1025 Eldorado Blvd., Broomfield, Colorado
(Address of principal executive offices)

80021
(Zip code)

720-888-1000
(Registrant's telephone number including area code)

Not applicable
(Former name and former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 8.01. Other Events

On June 13, 2006, Level 3 Communications, Inc. (the "Company") issued a press release announcing that it has called for redemption all of its outstanding 9-1/8% Senior Notes due 2008 and 10-1/2% Senior Discount Notes due 2008. The redemption date for each of these notes will be July 13, 2006.

The 9-1/8% Senior Notes due 2008 will be redeemed at a redemption price equal to 100% of the principal amount of those notes plus accrued and unpaid interest to but not including the redemption date. The aggregate principal amount of 9-1/8% Senior Notes due 2008 to be redeemed is \$398,407,000. The 10-1/2% Senior Discount Notes due 2008 will be redeemed at a redemption price equal to 101.75% of the principal amount at maturity of those notes plus accrued and unpaid interest to but not including the redemption date. The aggregate principal amount at maturity of 10-1/2% Senior Discount Notes due 2008 to be redeemed is \$62,091,000.

Additional information regarding the redemption of these notes is available from The Bank of New York, the trustee with respect to these issues of notes.

The press release is filed as Exhibit 99.1 to this Form 8-K and incorporated herein by reference as if set forth in full.

Item 9.01. Financial Statements and Exhibits

(a) Financial Statements of Business Acquired

None

(b) Pro Forma Financial Information

None

(c) Shell Company Transactions

None

(d) Exhibits

99.1 Press Release, dated June 13, 2006, of Level 3 Communications, Inc. relating to the calling for redemption of its 9-1/8% Senior Notes due 2008 and 10-1/2% Senior Discount Notes due 2008.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Level 3 Communications, Inc.

By: /s/ Neil J. Eckstein
 Neil J. Eckstein, Senior Vice President

Date: June 16, 2006

[Exhibit 99.1]

[Logo]

1025 Eldorado Boulevard Broomfield, Colorado 80021 www.Level3.com

NEWS RELEASE

Level 3 contacts:

Media:	Josh Howell 720-888-2517	Investors:	Robin Grey 720-888-2518
	Chris Hardman 720-888-2292		Sandra Curlander 720-888-2501

Level 3 Communications Issues Notice of Redemption for 9 1/8% Senior Notes due 2008 and 10 1/2% Senior Discount Notes due 2008

Company Closes Offering of 125 Million Shares of its Common Stock and \$335 Million Aggregate Principal Amount of its Convertible Senior Notes due 2012

Underwriters of Convertible Senior Notes due 2012 Exercise Portion of Overallotment Option

BROOMFIELD, Colo., June 13, 2006 -- Level 3 Communications, Inc. (Nasdaq: LVLT) today announced that it has called for redemption all of its outstanding 9 1/8% Senior Notes due 2008 and 10 1/2% Senior Discount Notes due 2008. The redemption date for each of these notes will be July 13, 2006.

The 9 1/8% Senior Notes due 2008 will be redeemed at a redemption price equal to 100% of the principal amount of those notes plus accrued and unpaid interest to but not including the redemption date. The aggregate principal amount of 9 1/8% Senior Notes due 2008 to be redeemed is \$398,407,000. The 10 1/2% Senior Discount Notes due 2008 will be redeemed at a redemption price equal to 101.75% of the principal amount at maturity of those notes plus accrued and unpaid interest to but not including the redemption date. The aggregate principal amount at maturity of 10 1/2% Senior Discount Notes due 2008 to be redeemed is \$62,091,000.

Additional information regarding the redemption of these notes is available from The Bank of New York, the trustee with respect to these issues of notes.

The company also announced that it had closed the underwritten offering of 125 million shares of its common stock, and that it had closed the underwritten offering of \$300 million aggregate principal amount of its 3.5% Convertible Senior Notes due 2012. The underwriters also purchased an additional \$35 million aggregate principal amount of Convertible Senior Notes due 2012 pursuant to their option to purchase up to an additional \$45 million aggregate principal amount of Convertible Senior Notes due 2012 to cover overallocments. In connection with the closings, the company received net proceeds of \$869,775,000, before offering expenses. The company is using a portion of the net proceeds from these offerings to fund the redemption of the notes described above.

A registration statement relating to the common stock and the Convertible Senior Notes has been declared effective by the Securities and Exchange Commission. Offers and sales of the common stock and the Convertible Senior Notes may be made only by the related prospectus and prospectus supplement, which may be obtained from Merrill Lynch & Co., Prospectus Department, 4 World Financial Center, New York, NY 10080, telephone: 212-449-1000.

About Level 3 Communications

Level 3 (Nasdaq: LVL3), an international communications and information services company, operates one of the largest Internet backbones in the world. Through its customers, Level 3 is the primary provider of Internet connectivity for millions of broadband subscribers. The company provides a comprehensive suite of services over its broadband fiber optic network including Internet Protocol (IP) services, broadband transport and infrastructure services, colocation services, voice services and voice over IP services. These services provide building blocks that enable Level 3's customers to meet their growing demands for advanced communications solutions. The company's Web address is www.Level3.com.

Level 3 offers information services through its subsidiary, Software Spectrum, and fiber-optic and satellite video delivery and advertising distribution solutions through its subsidiary, Vyvx. For additional information, visit their respective Web sites at www.softwarespectrum.com and www.vyvx.com.

The Level 3 logo is a registered service mark of Level 3 Communications, Inc. in the United States and/or other countries. Level 3 services are provided by a wholly owned subsidiary of Level 3 Communications, Inc.

Forward-Looking Statement

Some of the statements made by Level 3 in this press release are forward-looking in nature. Actual results may differ materially from those projected in forward-looking statements. Level 3 believes that its primary risk factors include, but are not limited to: increasing the volume of traffic on Level 3's network; developing new products and services that meet customer demands and generate acceptable margins; successfully completing commercial testing of new technology and information systems to support new products and services, including voice transmission services; stabilizing or reducing the rate of price compression on certain of our communications services; integrating strategic acquisitions; attracting and retaining qualified management and other personnel; ability to meet all of the terms and conditions of our debt obligations; overcoming Software Spectrum's reliance on financial incentives, volume discounts and marketing funds from software publishers; and reducing downward pressure of Software Spectrum's margins as a result of the use of volume licensing and maintenance agreements.

Additional information concerning these and other important factors can be found within Level 3's filings with the Securities and Exchange Commission. Statements in this release should be evaluated in light of these important factors.