

# LEVEL 3 COMMUNICATIONS INC

## FORM 8-K

(Current report filing)

Filed 12/03/98 for the Period Ending 11/23/98

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

# LEVEL 3 COMMUNICATIONS INC

## FORM 8-K

(Unscheduled Material Events)

Filed 12/3/1998 For Period Ending 11/23/1998

Address	1025 ELDORADO BOULEVARD BLDG 2000 BROOMFIELD, Colorado 80021
Telephone	720-888-1000
CIK	0000794323
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): November 23, 1998

## 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.)

3555 Farnam Street, Omaha, Nebraska

(Address of principal executive offices)

68131

(Zip code)

402-536-3677

(Registrant's telephone number including area code)

Not applicable

(Former name and former address, if changed since last report)

## **Item 5. Other Events**

On November 23, 1998, Level 3 Communications, Inc. ("Level 3") issued a press release relating to the proposed offering of its Senior Discount Notes Due 2008 in a transaction that is exempt from registration under the Securities Act of 1933, as amended (the "Securities Act"). As required by Rule 135(c) under the Securities Act, this press release is filed as Exhibit 99.1 to this Current Report and incorporated by reference as if set forth in full.

On December 2, 1998, Level 3 issued a press release relating to the closing of its offering of Senior Discount Notes Due 2008 in a transaction that is exempt from registration under the Securities Act of 1933, as amended (the "Securities Act"). As required by Rule 135(c) under the Securities Act, this press release is filed as Exhibit 99.2 to this Current Report and incorporated by reference as if set forth in full.

## **Item 7. Financial Statements and Exhibits**

(a) Financial Statements of business acquired

None

(b) Pro forma financial information

None

(c) Exhibits

99.1 Press Release dated November 23, 1998 related to proposed offering of Senior Discount Notes Due 2008.

99.2 Press Release dated December 2, 1998 related to closing of offering of 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.**

*December 2, 1998*  
*Date*

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

**For Immediate Release**

Contacts:

News Media: Josh Howell  
402/943-1309

Steve Ingish  
402/943-1337

Investors: Julie Stangl  
402/943-1310

**LEVEL 3 COMMUNICATIONS ANNOUNCES  
PROPOSED PRIVATE DEBT OFFERING**

OMAHA, NE, November 23, 1998 -- Level 3 Communications, Inc. (Nasdaq:LVLT) announced today that it plans to raise approximately \$500 million in a proposed private offering of senior discount notes to "qualified institutional buyers" as defined in Rule 144A under the Securities Act of 1933 and pursuant to offers and sales that occur outside the United States in accordance with Regulation S under the Securities Act of 1933.

The senior discount notes proposed to be offered by Level 3 will not be registered under the Securities Act of 1933 or any state securities laws and, unless so registered may not be offered or sold except pursuant to an applicable exemption from the registration requirements of the Securities Act of 1933 and applicable state securities laws.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy the proposed senior discount notes.

The statements made by Level 3 in this press release may be 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: substantial capital requirements, development of effective internal processes and systems; the ability to attract and retain high quality employees; changes in the overall economy; technology; the number and size of competitors in its markets; law and regulatory policy; and the mix of products and services offered in the company's target markets. 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.

[LOGO]

Level 3 Communications, Inc.  
3555 Farnam Street  
Omaha, Nebraska 68131  
www.Level3.com  
**NEWS RELEASE**  
For Immediate Release

Contacts:  
News Media:

Josh Howell  
402/943-1309  
Steve Ingish  
402/943-1337

Investors:

Julie Stangl  
303/926-3575

## **LEVEL 3 COMMUNICATIONS CLOSES SENIOR DISCOUNT NOTE OFFERING**

### **Company Raises \$500 Million of Gross Proceeds**

OMAHA, NEBRASKA, December 2, 1998 - Level 3 Communications, Inc. (Nasdaq: LVL3) today announced that it has sold \$833,815,000 aggregate principal amount of 10 1/2% Senior Discount Notes Due 2008 in a transaction that is exempt from registration under the Securities Act of 1933, as amended. The issue price of the Senior Discount Notes was \$599.66 per \$1,000 principal amount at maturity, which represents a yield to maturity of 10 1/2%, calculated from December 2, 1998. The Senior Discount Notes will mature on December 1, 2008 and are senior, unsecured obligations of Level 3, ranking pari passu with all existing and future senior unsecured indebtedness of Level 3. Cash interest will not accrue on the Senior Discount Notes prior to December 1, 2003, unless Level 3 elects to commence the accrual on or after December 1, 2001.

The net proceeds to Level 3 in the offering were approximately \$486 million, after deducting anticipated offering expenses. Level 3 currently intends to use the net proceeds of the offering to accelerate the implementation of its business plan, including funding for (a) an increase in committed (that is, prefunded) number of route miles of Level 3's U.S. intercity network from 9,000 to approximately 16,000, (b) an expansion of the fiber loops, number of buildings connected and collocation space in the Company's U.S. cities, (c) an expansion of the fiber loops, number of buildings connected and collocation space in the Company's European cities, (d) purchases of undersea cable capacity and (e) general corporate purposes, including acquisitions.

The securities offered by Level 3 have not been registered under the Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from such Act's registration requirements.

### **About Level 3 Communications**

Level 3 Communications, Inc., is a communications and information services company that is building the first international network optimized for Internet Protocol technology. The Level 3 Network will combine both local and long distance networks, connecting customers end-to-end across the U.S. and in Europe and Asia. The company expects to complete the U.S. inter-city portion of the network during the first quarter of 2001. In the interim, Level 3 has signed an agreement to lease a national network over which it began to offer services in the third quarter of 1998. Level 3 will provide a full range of communications services (including local, long distance, international and Internet services). Level 3's common stock is traded on The Nasdaq National Market under the symbol LVL3. Its World Wide Web address is www.Level3.com.

The statements made by Level 3 in this press release may be 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: substantial capital requirements, development of effective internal processes and systems; the ability to attract and retain high quality employees; changes in the overall economy; technology; the number and size of competitors in its markets; law and regulatory policy; and the mix of products and services offered in the company's target markets. 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.