

LEVEL 3 COMMUNICATIONS INC

FORM 8-K (Current report filing)

Filed 02/25/00 for the Period Ending 02/24/00

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 2/25/2000 For Period Ending 2/24/2000

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): February 24, 2000

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)

Item 5. Other Events

On February 24, 2000, Level 3 Communications, Inc. ("Level 3") issued a press release relating to the pricing of its previously announced offering of its dollar denominated Senior Notes due 2008, Senior Notes due 2010 and Senior Discount Notes due 2010 in a transaction that is exempt from registration under the Securities Act of 1933, as amended (the "Securities Act"). As required by Rule 135c 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.

That same press release on February 24, 2000, related to the pricing of the previously announced offering of Level 3's euro denominated Senior Notes due 2008 and Senior Notes due 2010 in a separate transaction that is exempt from registration under the Securities Act. As required by Rule 135c 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.

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 February 24, 2000 relating to pricing of the previously announced offering of dollar denominated Senior Notes due 2008, Senior Notes due 2010 and Senior Discount Notes due 2008 and euro denominated Senior Notes due 2008 and Senior Notes due 2010

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.

February 25, 2000

Date

By: /s/ Neil J. Eckstein

Neil J. Eckstein, Vice President

FOR IMMEDIATE RELEASE

Level 3 Contacts:

News Media: Josh Howell
720/888-2517

Investors: Julie Stangl
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LEVEL 3 COMMUNICATIONS PRICES DEBT SECURITY OFFERINGS

U.S. Debt Securities Generate Approximately \$1.4 Billion of Gross Proceeds And Euro Debt Offerings Generate 800(Euro) Million of Gross Proceeds

Net Proceeds to be Used to Implement Business Plan

BROOMFIELD, COLORADO, February 24, 2000 - Level 3 Communications, Inc. (Nasdaq: LVL3) today announced that it had priced an offering of three tranches of U.S. dollar denominated debt securities and two tranches of Euro denominated debt securities.

U.S. Debt Securities

The company has agreed to sell \$800 million aggregate principal amount of 11% Senior Notes due 2008, \$675 million aggregate principal amount at maturity of 12% Senior Discount Notes due 2010 (resulting in gross proceeds to the company of approximately \$359.829 million) and \$250 million aggregate principal amount of 11 1/4% Senior Notes due 2010 (collectively, the Notes). The 11% Senior Notes due 2008 will mature on March 15, 2008, the 12% Senior Discount Notes due 2010 will mature on March 15, 2010 and the 11 1/4% Senior Notes due 2010 will mature on March 15, 2010. The Notes are senior, unsecured obligations of Level 3, ranking pari passu with all existing and future senior unsecured indebtedness of Level 3. Cash interest on the 11% Senior Notes due 2008 and the 11 1/4% Senior Notes due 2010 is payable semiannually on March 15 and September 15 of each year, commencing on September 15, 2000. Cash interest will not accrue on the 12% Senior Discount Notes due 2010 prior to March 15, 2005. After March 15, 2005, cash interest will accrue on the 12% Senior Discount Notes due 2010 and will be payable semiannually on March 15 and September 15 of each year, commencing on September 15, 2005.

Euro Debt Securities

The company also announced that it had priced an offering of two tranches of Euro denominated debt securities. The company agreed to sell 500(Euro) million aggregate principal amount of 10 3/4% Senior Notes due 2008 and 300(Euro) million aggregate principal amount of 11 1/4% Senior Notes due 2010 (collectively, the Euro Notes). The 10 3/4% Senior Notes due 2008 will mature on March 15, 2008 and the 11 1/4% Senior Notes due 2010 will mature on March 15, 2010. The Euro Notes are senior, unsecured obligations of Level 3, ranking pari passu with all existing and future senior unsecured indebtedness of Level 3. Cash interest on the Euro Notes is payable semiannually on March 15 and September 15 of each year, commencing on September 15, 2000.

Level 3 currently intends to use the net proceeds of these offerings for working capital, capital expenditures, acquisitions and other general corporate purposes in connection with the implementation of its business plan. Although the company evaluates potential acquisitions from time to time, the company has no agreement or understanding with any person to effect any material acquisition.

The Notes and the Euro Notes offered by Level 3 were sold in a private offering to "qualified institutional buyers" as defined in Rule 144A under the Securities Act of 1933 and the Euro Notes were also sold outside the United States under Regulation S under the Securities Act of 1933. The Notes and the Euro Notes 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.

About Level 3 Communications

Level 3 (Nasdaq:LVL3) is a communications and information services company offering a wide selection of IP-based services including broadband transport, colocation services, submarine transmission services and the industry's first Softswitch* based services. Level 3 offers services primarily to Web-centric companies that deliver their services over the Level 3 Network. The Level 3 Network will include metropolitan networks in 56 U.S. markets and 21 international markets connected by an approximately 16,000 mile U.S. intercity (long-distance) network, an approximately 4,750 mile European intercity network and both transpacific and transatlantic undersea cables. The U.S. and first two rings of the European intercity network are expected to be substantially completed during the fourth quarter of 2000. Level 3 currently offers Internet infrastructure services in 27 U.S. cities and four European markets. Its Web address is www.Level3.com.

(* Softswitches are advanced software based switching systems, which enable Level 3 to provide services combining the best features of the Internet and traditional telephone networks.)

Forward Looking Statement

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

End of Filing

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