

LEVEL 3 COMMUNICATIONS INC

Filed by
GLOBAL CROSSING LTD

FORM 425

(Filing of certain prospectuses and communications in connection with business combination transactions)

Filed 04/11/11

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Symbol	LVLT
SIC Code	4813 - Telephone Communications, Except Radiotelephone
Industry	Communications Services
Sector	Services
Fiscal Year	12/31

UNITED STATES
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): 04/10/2011

GLOBAL CROSSING LTD

(Exact name of registrant as specified in its charter)

Commission File Number: 001-16201

Bermuda
(State or other jurisdiction
of incorporation)

980189783
(IRS Employer
Identification No.)

Wessex House, 45 Reid Street
Hamilton, Bermuda
HM12
(Address of principal executive offices, including zip code)

441-296-8600
(Registrant's telephone number, including area code)

(Former name or 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:

- ☒ 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))
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Item 8.01 Other Events.

On April 10, 2011, Global Crossing Limited, a Bermuda company (the “Company”), entered into an Agreement and Plan of Amalgamation (the “Plan of Amalgamation”) with Level 3 Communications, Inc., a Delaware corporation (“Level 3”) and Apollo Amalgamation Sub, Ltd., a Bermuda company and wholly-owned subsidiary of Level 3 (“Amalgamation Sub”), pursuant to which the Company and Amalgamation Sub will be amalgamated under Bermuda law with the surviving amalgamated company continuing as a subsidiary of Level 3 (the “Amalgamation”). Under the terms and subject to the conditions of the Plan of Amalgamation, each share of common stock of the Company will be converted into 16 shares of common stock of Level 3. A copy of the press release announcing the entrance into the Plan of Amalgamation is attached hereto as Exhibit 99.1. The material terms of the Plan of Amalgamation, including the conditions thereto, will be described in a subsequent filing on Form 8-K.

As indicated in the press release, the Company and Level 3 held a joint investor and media conference call on April 11, 2011 at 9:00 a.m. EDT to discuss the transaction. On the conference call, which was open to the public, the Company and Level 3 discussed the presentation materials attached hereto as Exhibit 99.2. The public was able to access the conference call via the methods set forth under the heading “Conference Call and Webcast” in the press release. The Company also made available on its website certain other communication materials regarding the Amalgamation, which are attached hereto as Exhibit 99.3.

On April 11, 2011, the Company distributed certain other communications materials to its employees regarding the Amalgamation, which are attached hereto as Exhibit 99.4.

Additional Information and Where to Find It

In connection with the Amalgamation, the Company will prepare a proxy statement to be filed with the Securities and Exchange Commission (the “SEC”). When completed, a definitive proxy statement and a form of proxy will be mailed to the shareholders of the Company. **BEFORE MAKING ANY VOTING DECISION, THE COMPANY’S SHAREHOLDERS ARE URGED TO READ THE PROXY STATEMENT REGARDING THE AMALGAMATION CAREFULLY AND IN ITS ENTIRETY BECAUSE IT WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED AMALGAMATION.** The Company’s shareholders will be able to obtain, without charge, a copy of the proxy statement (when available) and other relevant documents filed with the SEC from the SEC’s website at <http://www.sec.gov>. The Company’s shareholders will also be able to obtain, without charge, a copy of the proxy statement and other relevant documents (when available) by directing such request to: the Company by telephone at (800) 836-0342 or by submitting a request by e-mail to glbc@globalcrossing.com or a written request to the Secretary, Wessex House, 45 Reid Street, Hamilton HM12 Bermuda or from Global Crossing’s Investor Relations page on its corporate website at <http://www.globalcrossing.com>.

Participants in Solicitation

This report is for informational purposes only and does not constitute an offer to purchase or a solicitation of an offer to sell common stock of the Company or Level 3. The Company and its directors and officers may be deemed to be participants in the solicitation of proxies from the Company’s shareholders with respect to the special meeting of shareholders that will be held to consider the Amalgamation. Information about the Company’s directors and executive officers and their ownership of the Company’s common stock is set forth in the proxy statement for the Company’s 2010 Annual Meeting of Shareholders, which was filed with the SEC on May 19, 2010, and in the proxy statement for the Company’s 2011 Annual Meeting of Shareholders, which is expected to be filed with the SEC prior to April 30, 2011. Shareholders may obtain additional information regarding the interests of the Company and its directors and executive officers in the Amalgamation, which may be different than those of the Company’s shareholders generally, by reading the proxy statement and other relevant documents regarding the Amalgamation, when filed with the SEC.

Forward-Looking Statements

Certain statements herein are “forward-looking statements”. Such forward-looking statements reflect the Company’s current expectations or beliefs concerning future events and actual events may differ materially from historical results or current expectations. Any such forward-looking statements relating to the Amalgamation are subject to various risks and uncertainties, including uncertainties as to the timing of the Amalgamation, the possibility that alternative acquisition proposals will be made, the possibility that alternative acquisition proposals will not be made, the possibility that various closing conditions for the Amalgamation may not be satisfied or waived and the possibility that Level 3 and Amalgamation Sub will be unable to obtain sufficient funds to close the Amalgamation. Any such forward-looking statements relating to our business are subject to various risks and uncertainties, including the Company’s history of substantial operating losses and the fact that, in the near term, funds from operations will not satisfy cash requirements; the availability of future borrowings in an amount sufficient to pay the Company’s indebtedness and to fund its other liquidity needs; legal and contractual restrictions on the inter-company transfer of funds by the Company’s subsidiaries; the Company’s ability to continue to connect its network to incumbent carriers’ networks or maintain Internet peering arrangements on favorable terms; the consequences of any inadvertent violation of the Company’s Network Security Agreement with the U.S. Government; increased competition and pricing pressures resulting from technology advances and regulatory changes; competitive disadvantages relative to competitors with superior resources; political, legal and other risks due to the Company’s substantial international operations; risks associated with movements in

foreign currency exchange rates; risks related to restrictions on the conversion of the Venezuelan bolivar into U.S. dollars and to the resultant buildup of a material excess bolivar cash balance, which is carried on the Company's books at the official exchange rate, attributing to the bolivar a value that is significantly greater than the value that would prevail on an open market; potential weaknesses in internal controls of acquired businesses, and difficulties in integrating internal controls of those businesses with the Company's own internal controls; exposure to contingent liabilities; and other factors which are set forth in the Company's Form 10-K and in all filings with the SEC made by the Company subsequent to the filing of the Form 10-K. The Company does not undertake to publicly update or revise its forward-looking statements, whether as a result of new information, future events or otherwise.

Item 9.01 Financial Statements and Exhibits.

Exhibit 99.1	Joint press release of Global Crossing Limited and Level 3 Communications, Inc. dated as of April 11, 2011.
Exhibit 99.2	Presentation Material to be discussed on the Global Crossing Limited and Level 3 Communications, Inc. joint investor and media conference call on April 11, 2011.
Exhibit 99.3	Fact Sheet.
Exhibit 99.4	Global Crossing Employee Q&A

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 hereunto duly authorized.

GLOBAL CROSSING LTD

Date: April 11, 2011

By: /s/ Mitchell C. Sussis
Mitchell C. Sussis
SVP and Secretary



Level 3 to Acquire Global Crossing

Combination Creates a Premier Global Communications Provider with Extensive Network Reach, Global Scale and a Comprehensive Service Portfolio to Deliver Enhanced Capabilities to Customers

Transaction Creates Significant Value through Synergies; Results in Substantial Improvement to Balance Sheet and Credit Profile

Expected to Be Accretive to Level 3 on a Free Cash Flow Per Share Basis in 2013

Combination Will Position Level 3 to Better Address Expansion Opportunities in Key Global Markets

BROOMFIELD, Colo. and FLORHAM PARK, N.J., April 11, 2011 — Level 3 Communications, Inc. (NASDAQ: LVL3) and Global Crossing Limited (NASDAQ: GLBC) today announced that they have entered into a definitive agreement under which Level 3 will acquire Global Crossing in a tax-free, stock-for-stock transaction. The combined company will operate a unique global services platform anchored by fiber optic networks on three continents, connected by extensive undersea facilities. The combined network will serve a worldwide customer set with owned network in more than 50 countries and connections to more than 70 countries. This transaction will create a company with pro forma combined 2010 revenues of \$6.26 billion and pro forma combined 2010 Adjusted EBITDA of \$1.27 billion before synergies and \$1.57 billion after expected synergies.

Under the terms and subject to the conditions of the agreement, Global Crossing shareholders will receive 16 shares of Level 3 common stock for each share of Global Crossing common stock or preferred stock that is owned at closing. Based on Level 3's closing stock price on April 8, 2011, the transaction is valued at \$23.04 per Global Crossing common or preferred share, or approximately \$3.0 billion, including the assumption of approximately \$1.1 billion of net debt as of Dec. 31, 2010. Global Crossing has approximately 79 million basic and preferred shares outstanding and approximately 83 million shares outstanding on a fully diluted basis, giving effect to outstanding stock awards, but excluding performance-based stock grants.

The transaction will create a company with a unique capability to meet local, national and global customer requirements in a wide range of markets. By combining the strengths of each company, the new entity will offer enterprise, government, wholesale, content, and web-based customers a comprehensive portfolio of end-to-end data, video and voice solutions.

“This is a transformational combination that we believe will deliver significant value to the investors, customers and employees of both Level 3 and Global Crossing,” said Jim Crowe, chief executive officer of Level 3. “The complementary fit between the two companies’ networks, service portfolios and customers is compelling. By leveraging the respective strengths and extensive reach of both companies, we are creating a highly efficient and more extensive global platform that is well-positioned to meet the local and international needs of our customers.”

“This transaction will provide Global Crossing shareholders with an attractive premium and significant participation in the upside potential of a leading communications company with industry-leading scale and capabilities. The combined service capabilities, extensive network assets and talented employees of the two companies will create a stronger global communications competitor with compelling offerings in the marketplace,” said John Legere, chief executive officer of Global Crossing. “Each of our companies has a reputation for being nimble and flexible in meeting customers’ communications needs, and we expect that to continue – with the added benefit of offering customers significantly greater reach, products and services.”

“We’re looking forward to welcoming Singapore Technologies Telemedia, Global Crossing’s largest shareholder, as a significant investor,” said Crowe. “They are exceptionally sophisticated managers, with holdings in telecommunications and information companies in a number of countries. They know the technology and they know the industry. The breadth of their communications experience and their knowledge of international markets will be a great asset to us.”

“This strategic combination is an important milestone for both Global Crossing and Level 3, and a value-creating proposition for all stakeholders,” said Lee Theng Kiat, president and chief executive officer of Singapore Technologies Telemedia (ST Telemedia). “Going forward, we believe the combined strengths of the two companies will position it in a very favorable, competitive position to expand in the U.S. and compete globally.”

“We are committed to creating a high-performing combined business through a carefully managed integration plan executed by a select team from both companies,” said Jeff Storey, president and chief operating officer of Level 3. “We will begin integration planning immediately and bring an aggressive, disciplined approach to the process. After the closing, as we integrate the two operations and work to achieve our expected synergies, we will be dedicated to maintaining our focus on providing excellent customer service and growing our combined revenues.”

“The combination improves our balance sheet and credit profile immediately upon closing with further improvement as we achieve the benefits of integration. Additionally, the transaction accelerates the achievement of Level 3’s target leverage ratio of three to five times debt to Adjusted EBITDA,” said Sunit Patel, chief financial officer of Level 3. “Including the benefit of synergies and the cost of integration, we expect the transaction

to be accretive to Level 3's Free Cash Flow per share in 2013 and to give us the financial strength to capitalize on the many opportunities available in the global market."

Benefits of the Transaction

Significant Synergy Opportunities

Through integration of the combined businesses, the transaction is expected to create substantial annualized Adjusted EBITDA synergies of approximately \$300 million and annualized capital expenditure reduction of approximately \$40 million. Level 3 expects to realize approximately two-thirds of the run rate Adjusted EBITDA synergies within 18 months of closing. The company estimates that the net present value of the potential synergies will be approximately \$2.5 billion. Of the total expected synergies, approximately 39 percent are from network expense savings, approximately 49 percent from operating expense savings, and approximately 12 percent are from reductions in capital expenditures. The company expects to incur approximately \$200 to \$225 million of integration costs associated with this transaction. Approximately 55 percent of those costs are expected to be from operating expenses, and 45 percent are expected to be from capital expenditures to support integration activities.

Improved Financial Strength of Combined Business

Including the benefit of synergies and the cost of integration, the transaction is expected to be accretive to Level 3's Free Cash Flow per share in 2013. As a result of potential revenue growth and synergies, over the longer term, Level 3 expects to have significant Free Cash Flow available for investment in high-return opportunities, including U.S. and international network expansions, and potential repurchase of the company's securities.

Improvement to Level 3's Credit Profile

The transaction is expected to improve Level 3's credit profile as well as significantly strengthen the company's balance sheet. On a pro forma basis and including the benefit of expected synergies, the ratio of net debt (including capital leases) to Adjusted EBITDA is expected to improve from 6.8x to 4.4x as of Dec. 31, 2010.

Expanded Global Footprint

Existing customers will benefit from expanded geographic reach and a combination of intercity networks and metro networks throughout North America, Latin America and Europe connected by extensive global subsea networks. The combined business will leverage Global Crossing's long-term IRU's on the PC1 and EAC cable systems, focusing on telecom operators based in Asia. The combined network will serve a worldwide customer set with owned network in more than 50 countries and reach to more than 70 countries.

Enhanced and Expanded Service Portfolio

The combined business will offer an extensive portfolio of transport, IP and data solutions, content delivery, data center, colocation and voice services, delivered globally. Global Crossing will bring important additions to Level 3's service portfolio, including managed services, collaboration services and inter-continental virtual private networking capability. The combined service portfolio and distribution channels will

allow Level 3 to better address the needs of enterprises, content providers, carriers and governments throughout North America, Latin America and Europe.

Expanded Enterprise Service Capabilities

Global Crossing's enterprise service portfolio and proven sales expertise together with the improved cost structure and performance achievable by combining the extensive international, intercity and metro networks will enable opportunities for improved growth by giving enterprises better options to meet their local, national and international communications needs.

Committed Financing

Level 3 Financing, Inc., a wholly owned subsidiary of Level 3, has received committed financing for \$1.75 billion in connection with this acquisition.

Voting Agreement and Stockholder Rights Agreement

In conjunction with this transaction, Level 3 has signed a Voting Agreement with ST Telemedia, the company which owns approximately 60 percent of Global Crossing's stock, whereby ST Telemedia has agreed to vote its shares in favor of the transaction, subject to certain terms and conditions. Level 3 and ST Telemedia have also signed a Stockholder Rights Agreement, which becomes effective upon closing and which allows ST Telemedia to designate members to the Level 3 board of directors, proportionate to their stock ownership. In addition, the Stockholder Rights Agreement contains a standstill provision which imposes limitations on ST Telemedia's ability to purchase or sell Level 3 common stock.

Approvals and Timing of Transaction

In addition to customary closing conditions, the transaction is subject to regulatory approvals relating to competition law, licensing, financing, and foreign ownership, including approvals by the U.S. Department of Justice, the U.S. Federal Communications Commission and other regulatory agencies in the U.S. and in countries where the companies do business. The transaction is also subject to the approval of the stockholders of each company. The transaction is expected to close before the end of this year.

Stockholder Rights Plan

Level 3 also announced separately today that it is adopting a Stockholder Rights Plan (Rights Plan). The Rights Plan is designed to protect Level 3's federal Net Operating Losses (NOLs) from the effect of Internal Revenue Code Section 382, which can restrict the use of NOLs. The completion of the business combination with Global Crossing would move Level 3 significantly closer to the 50 percent ownership change outlined in Section 382, and increase the likelihood of a loss of Level 3's valuable NOLs. The rights under the Rights Plan will expire under the circumstances described in the separate release announcing its adoption. In addition, Level 3's board of directors intends, from time to time (and in particular upon the closing of the transaction), to consider whether maintaining the Rights Plan continues to be in the best interests of Level 3.

Advisors

BofA Merrill Lynch, Citi and Morgan Stanley acted as advisors to Level 3, and Rothschild provided a fairness opinion. Willkie Farr & Gallagher LLP acted as legal counsel to Level 3. Goldman, Sachs & Co. acted as financial advisor and Latham & Watkins acted as legal counsel to Global Crossing. Credit Suisse Securities (USA) LLC acted as financial advisor to ST Telemedia.

Conference Call and Webcast

Level 3 and Global Crossing will hold a joint investor and media conference call to discuss the announcement on April 11 at 9:00 a.m. EDT. To join the call, please dial 888-490-2763 or 719-325-2490, passcode: 9332976. A live webcast of the call can also be heard on Level 3's website at <http://lvl.client.shareholder.com/events.cfm> and at Global Crossing's website at <http://investors.globalcrossing.com>. A replay of the call will run for 30 days from April 11, 2011 at 12:00 p.m. CDT until May 11, 2011 11:59 p.m. CDT. In order to access that call, please dial 888-203-1112 or 719-457-0820, replay passcode: 9332976.

About Level 3 Communications

Level 3 Communications, Inc. (NASDAQ: LVLT) is a leading international provider of fiber-based communications services. Enterprise, content, wholesale and government customers rely on Level 3 to deliver services with an industry-leading combination of scalability and value over an end-to-end fiber network. Level 3 offers a portfolio of metro and long-haul services, including transport, data, Internet, content delivery and voice. For more information, visit www.level3.com.

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About Global Crossing

Global Crossing (NASDAQ: GLBC) is a leading global IP, Ethernet, data center and video solutions provider with the world's first integrated global IP-based network. The company offers a full range of data, voice, collaboration, broadcast and media services delivered with superior customer service.

Global Crossing provides services to enterprises (including approximately 40 percent of the Fortune 500); government departments and agencies; and 700 carriers, mobile operators and ISPs. It delivers converged IP services to more than 700 cities in more than 70 countries, and has 17 world-class data centers in major business centers around the globe.

Please visit www.globalcrossing.com for more information about Global Crossing.

Forward Looking Statements About Global Crossing

This press release contains statements about expected future events and financial results that are forward looking and subject to risks and uncertainties that could cause the actual results to differ materially, including: the failure to occur of any condition to the closing of the acquisition of Global Crossing by Level 3, including the failure to obtain a required approval or the experiencing of a material adverse effect by either company; the failure to achieve expected synergies from the acquisition; Global Crossing's history of substantial operating losses and the fact that, in the near term, funds from operations will not satisfy cash requirements; the availability of future borrowings in an amount sufficient to pay Global Crossing's indebtedness and to fund its other liquidity needs; legal and contractual restrictions on the inter-company transfer of funds by Global Crossing's subsidiaries; Global Crossing's

ability to continue to connect its network to incumbent carriers' networks or maintain Internet peering arrangements on favorable terms; the consequences of any inadvertent violation of Global Crossing's Network Security Agreement with the U.S. Government; increased competition and pricing pressures resulting from technology advances and regulatory changes; competitive disadvantages relative to competitors with superior resources; political, legal and other risks due to Global Crossing's substantial international operations; risks associated with movements in foreign currency exchange rates; risks related to restrictions on the conversion of the Venezuelan bolivar into U.S. dollars and to the resultant buildup of a material excess bolivar cash balance, which is carried on Global Crossing's books at the official exchange rate, attributing to the bolivar a value that is significantly greater than the value that would prevail on an open market; potential weaknesses in internal controls of acquired businesses, and difficulties in integrating internal controls of those businesses with Global Crossing's own internal controls; exposure to contingent liabilities; and other risks referenced from time to time in Global Crossing's filings with the Securities and Exchange Commission. Global Crossing undertakes no duty to update information contained in this press release or in other public disclosures at any time.

About Singapore Technologies Telemedia

Singapore Technologies Telemedia (ST Telemedia) invests in and manages an innovative group of information-communications companies across the globe. Its core competencies are in mobile communications and global IP services. Key companies in the ST Telemedia group include Global Crossing, a leading global IP and Ethernet solutions provider with the world's first integrated global IP-based network; eircom, one of Ireland's largest telecommunications operators; U Mobile Sdn Bhd, Malaysia's 3G operator; TeleChoice, a leading regional diversified provider and enabler of innovative communication solutions; ST Teleport, Asia's leading full-service satellite communications solution provider; VNPT Global, the leading company of VNPT in international business and Asia Mobile Holdings which holds interests in StarHub, Singapore's fully-integrated info-communication company; and Shenington Investments

Important Information For Investors And Stockholders

This communication shall not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval. The proposed transaction will be submitted to the stockholders of Level 3, Inc. ("Level 3") and the stockholders of Global Crossing Limited ("Global Crossing") for their consideration. Level 3 and Global Crossing will file a registration statement on Form S-4, a joint proxy statement/prospectus and other relevant documents concerning the proposed transaction with the SEC. Level 3 and Global Crossing will each provide the final joint proxy statement/prospectus to its respective stockholders. Investors and security holders are urged to read the registration statement and the joint proxy statement/prospectus and any other relevant documents filed with the SEC when they become available, as well as any amendments or supplements to those documents, because they will contain important information about Level 3, Global Crossing and the proposed transaction. Investors and security holders will be able to obtain a free copy of the registration statement and joint proxy statement/prospectus, as well as other filings containing information about Level 3 and Global Crossing free of charge at the SEC's Web Site at <http://www.sec.gov>. In addition, the joint proxy statement/prospectus, the SEC filings that will be incorporated by reference in the joint proxy statement/prospectus and the other documents filed with the SEC by Level 3 may be obtained free of charge by directing such request to: Investor Relations, Level 3, Inc., 1025 Eldorado Boulevard, Broomfield, Colorado 80021 or from Level 3's Investor Relations page on its corporate website at <http://www.Level3.com> and the joint proxy statement/prospectus, the SEC filings that will be incorporated by reference in the joint proxy statement/prospectus and the other documents filed with the SEC by Global Crossing be obtained free of charge by directing such request to: Global Crossing by telephone at (800) 836-0342 or by submitting a request by e-mail to glbc@globalcrossing.com or a written request to the Secretary, Wessex House, 45 Reid Street, Hamilton HM12 Bermuda or from Global Crossing's Investor Relations page on its corporate website at <http://www.globalcrossing.com>.

Level 3, Global Crossing and their respective directors, executive officers, and certain other members of management and employees may be deemed to be participants in the solicitation of proxies in favor of the proposed transactions from the stockholders of Level 3 and from the stockholders of Global Crossing, respectively. Information about the directors and executive officers of Level 3 is set forth in the proxy

statement on Schedule 14A for Level 3's 2011 Annual Meeting of Stockholders, which was filed with the SEC on April 4, 2011 and information about the directors and executive officers of Global Crossing is set forth in the proxy statement for Global Crossing's 2010 Annual Meeting of Stockholders, which was filed with the SEC on May 19, 2010. Additional information regarding participants in the proxy solicitation may be obtained by reading the joint proxy statement/prospectus regarding the proposed transaction when it becomes available.

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements include, but are not limited to, (i) statements about the benefits of the acquisition of Global Crossing by Level 3, including financial and operating results and synergy benefits that may be realized from the acquisition and the timeframe for realizing those benefits; Level 3's and Global Crossing's plans, objectives, expectations and intentions and other statements contained in this communication that are not historical facts; and (ii) other statements identified by words such as "expects," "anticipates," "intends," "plans," "believes," "seeks," "estimates" or words of similar meaning.

These forward-looking statements are based upon management's current beliefs or expectations and are inherently subject to significant business, economic and competitive uncertainties and contingencies and third-party approvals, many of which are beyond our control. The following factors, among others, could cause actual results to differ materially from those expressed or implied in the forward-looking statements: (1) the occurrence of any event, change or other circumstances that could give rise to the termination of the Agreement and Plan of Amalgamation among Level 3, Global Crossing and Global Crossing Amalgamation Sub, Ltd. (the "Amalgamation Agreement"); (2) the inability to complete the transactions contemplated by the Amalgamation Agreement due to the failure to obtain the required stockholder approvals, (3) the inability to satisfy the other conditions specified in the Amalgamation Agreement, including without limitation the receipt of necessary governmental or regulatory approvals required to complete the transactions contemplated by the Amalgamation Agreement; (4) the inability to successfully integrate the businesses of Level 3 and Global Crossing or to integrate the businesses within the anticipated timeframe; (5) the risk that the proposed transactions disrupt current plans and operations, increase operating costs and the potential difficulties in customer loss and employee retention as a result of the announcement and consummation of such transactions; (6) the ability to recognize the anticipated benefits of the combination of Level 3 and Global Crossing, including the realization of revenue and cost synergy benefits; and to recognize such benefits within the anticipated timeframe; (7) the outcome of any legal proceedings that may be instituted against Level 3, Global Crossing or others following announcement of the Amalgamation Agreement and transactions contemplated therein; and (8) the possibility that Level 3 or Global Crossing may be adversely affected by other economic, business, and/or competitive factors.

Other important factors that may affect Level 3's and the combined business' results of operations and financial condition include, but are not limited to: the current uncertainty in the global financial markets and the global economy; a discontinuation of the development and expansion of the Internet as a communications medium and marketplace for the distribution and consumption of data and video; disruptions in the financial markets that could affect Level 3's ability to obtain additional financing, and the company's ability to: increase and maintain the volume of traffic on its network; develop effective business support systems; manage system and network failures or disruptions; develop new services that meet customer demands and generate acceptable margins; defend intellectual property and proprietary rights; adapt to rapid technological changes that lead to further competition; attract and retain qualified management and other personnel; successfully integrate acquisitions; and meet all of the terms and conditions of debt obligations.

Additional information concerning these and other important factors can be found within Level 3's and Global Crossing's respective filings with the SEC, which discuss the foregoing risks as well as other important risk factors that could contribute to such differences or otherwise affect our business, results of operations and financial condition. Statements in this communication should be evaluated in light of these important factors. The forward-looking statements in this communication speak only as of the date they are made. Except for the ongoing obligations of Level 3 and Global Crossing to disclose material

information under the federal securities laws, neither Level 3 nor Global Crossing undertakes any obligation to, and expressly disclaim any such obligation to, update or alter any forward-looking statement to reflect new information, circumstances or events that occur after the date such forward-looking statement is made unless required by law.

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Contact Information

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Non-GAAP Metrics

Pursuant to Regulation G, the company is hereby providing a reconciliation of non-GAAP financial metrics to the most directly comparable GAAP measure.

The following describes and reconciles those financial measures as reported under accounting principles generally accepted in the United States (GAAP) with those financial measures as adjusted by the items detailed below and presented in the accompanying news release. These calculations are not prepared in accordance with GAAP and should not be viewed as alternatives to GAAP. In keeping with its historical financial reporting practices, the company believes that the supplemental presentation of these calculations provides meaningful non-GAAP financial measures to help investors understand and compare business trends among different reporting periods on a consistent basis, independently of regularly reported non-cash charges and infrequent or unusual events.

Combined Total Revenue is defined as combined total revenue from the Consolidated Statements of Operations as filed in each company's Annual Report on Form 10-K for the year ended December 31, 2010.

Communications Revenue is defined as communications revenue from Level 3 Communications' Consolidated Statements of Operations.

Adjusted EBITDA is defined as net income (loss) from the Consolidated Statements of Operations before income taxes, total other income (expense), non-cash impairment charges, depreciation and amortization and non-cash stock compensation expense.

Adjusted EBITDA plus Estimated Synergies is defined as Adjusted EBITDA plus the estimated synergies resulting from the combination.

Total Debt, including Capital Leases is defined as the current and long-term portions of debt and obligations under capital leases as reported in the Consolidated Balance Sheets filed in each company's Annual Report on Form 10-K for the year ended December 31, 2010.

Cash and Cash Equivalents is defined as the total cash and cash equivalents reported as a component of current assets in the Consolidated Balance Sheets as filed in each company's Annual Report on Form 10-K for the year ended December 31, 2010.

Debt to Adjusted EBITDA Ratio is defined as Total Debt, including Capital Leases divided by Adjusted EBITDA.

Net Debt to Adjusted EBITDA Ratio is defined as Total Debt, including Capital Leases reduced by the Cash and Cash Equivalents, divided by Adjusted EBITDA.

Combined Revenue (\$ in millions)	Year Ended December 31, 2010		
	Level 3 Communications	Global Crossing	Combined
Revenue:			
Communications	\$ 3,591	\$ 2,609	\$ 6,200
Coal	60	—	60
Total Revenue	\$ 3,651	\$ 2,609	\$ 6,260

Adjusted EBITDA Metrics

Year Ended December 31, 2010

(\$ in millions)	Level 3 Communications			Global Crossing	Combined
	Communications	Other	Consolidated	Consolidated	
Net Loss applicable to common shareholders	(\$ 617)	(\$ 5)	(\$ 622)	(\$ 176)	\$ (798)
Preferred Stock Dividends	—	—	—	4	4
Income Tax Benefit	(91)	—	(91)	(5)	(96)
Total Other (Income) Expense	620	3	623	240	863
Depreciation and Amortization	870	6	876	337	1,213
Non-cash Stock Compensation	67	—	67	20	87
Adjusted EBITDA	\$ 849	\$ 4	\$ 853	\$ 420	\$ 1,273
Estimated Synergies					\$ 300
Adjusted EBITDA plus Estimated Synergies					\$ 1,573

Adjusted EBITDA Ratios

(\$ in millions)	Year Ended December 31, 2010			
	Level 3 Communications	Global Crossing	Combined	Combined with Synergies
Total Debt, including capital leases	\$ 6,448	\$ 1,461	\$ 7,909	\$ 7,909
Cash and cash equivalents	(616)	(372)	(988)	(988)
Net Debt	<u>\$ 5,832</u>	<u>\$ 1,089</u>	<u>\$ 6,921</u>	<u>\$ 6,921</u>
Adjusted EBITDA	\$ 853	\$ 420	\$ 1,273	\$ 1,573
Debt to Adjusted EBITDA Ratio	7.56	3.48	6.21	5.03
Net Debt to Adjusted EBITDA Ratio	6.84	2.59	5.44	4.40

Management believes that Adjusted EBITDA and Adjusted EBITDA plus Estimated Synergies are relevant and useful metrics to provide to investors, as they are an important part of the company's internal reporting and are key measures used by Management to evaluate profitability and operating performance of the company and to make resource allocation decisions. Management believes such measures are especially important in a capital-intensive industry such as telecommunications. Management also uses Adjusted EBITDA and Adjusted EBITDA plus Estimated Synergies to compare the company's performance to that of its competitors and to eliminate certain non-cash and non-operating items in order to consistently measure from period to period its ability to fund capital expenditures, fund growth, service debt and determine bonuses. Adjusted EBITDA excludes non-cash impairment charges and non-cash stock compensation expense because of the non-cash nature of these items. Adjusted EBITDA also excludes interest income, interest expense and income taxes because these items are associated with the company's capitalization and tax structures. Adjusted EBITDA also excludes depreciation and amortization expense because these non-cash expenses reflect the impact of capital investments which management believes should be evaluated through free cash flow. Adjusted EBITDA excludes the gain

(or loss) on extinguishment of debt and other, net because these items are not related to the primary operations of the company.

There are limitations to using non-GAAP financial measures, including the difficulty associated with comparing companies that use similar performance measures whose calculations may differ from the company's calculations. Additionally, this financial measure does not include certain significant items such as interest income, interest expense, income taxes, depreciation and amortization, non-cash impairment charges, non-cash stock compensation expense, the gain (or loss) on extinguishment of debt and net other income (expense). Adjusted EBITDA and Adjusted EBITDA plus Estimated Synergies should not be considered a substitute for other measures of financial performance reported in accordance with GAAP.

Free Cash Flow is defined as net cash provided by (used in) operating activities less capital expenditures as disclosed in the Consolidated Statements of Cash Flows in each company's Annual Report on Form 10-K for the year ended December 31, 2010. Management believes that Free Cash Flow and Free Cash Flow plus Estimated Synergies are relevant metrics to provide to investors, as it is an indicator of the company's ability to generate cash to service its debt. Free Cash Flow excludes cash used for acquisitions and principal repayments.

There are material limitations to using Free Cash Flow to measure the company against some of its competitors as Level 3 does not currently pay a significant amount of income taxes due to net operating losses, and therefore, generates higher cash flow than a comparable business that does pay income taxes. Additionally, this financial measure is subject to variability quarter over quarter as a result of the timing of payments related to accounts receivable and accounts payable and capital expenditures. This financial measure should not be used as a substitute for net change in cash and cash equivalents on the Consolidated Statements of Cash Flows.

<u>Free Cash Flow</u>	Year Ended December 31, 2010			
	Level 3 Communications	Global Crossing	Combined	Combined with Synergies
(\$ in millions)				
Net Cash Provided by Operating Activities	\$ 339	\$ 183	\$ 522	\$ 822
Capital Expenditures	(436)	(167)	(603)	(563)
Free Cash Flow	\$ (97)	\$ 16	\$ (81)	\$ 259

Level 3 and Global Crossing

April 11, 2011

Agenda

Transaction Summary, Combined
Company and Strategic Rationale

Jim Crowe, CEO, Level 3

Combined Company Capabilities

John Legere, CEO, Global Crossing

Opportunity and Integration Plan

Jeff Storey, President, Level 3

Financial Overview

Sunit Patel, CFO, Level 3

Q&A

Jim Crowe

CEO, Level 3

Transaction Summary

Transaction Structure	Tax-free, stock-for-stock exchange
Exchange Ratio	16 shares of Level 3 common stock for each share of Global Crossing's common and preferred stock
Pro Forma Ownership	<ul style="list-style-type: none"> ▪ 57% Level 3 stockholders ▪ 43% Global Crossing stockholders
ST Telemedia	<ul style="list-style-type: none"> ▪ Largest shareholder of Global Crossing ▪ Pro forma ownership approximately 25%; standstill at 34.5% ▪ Board of Director seats proportionate to stock ownership
Transaction Value and Multiples	<ul style="list-style-type: none"> ▪ \$3.0 billion, including Global Crossing net debt of \$1.1 billion ▪ 7.1x 2010 Global Crossing Adjusted EBITDA; 4.2x including synergies

Transaction Summary

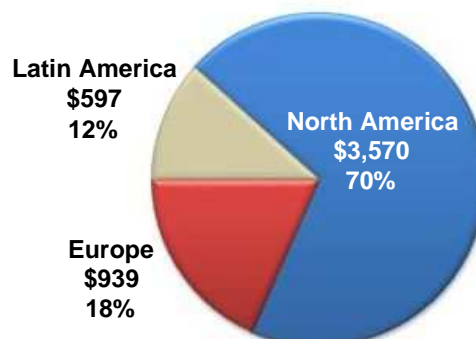
Estimated Synergies	<ul style="list-style-type: none"> ▪ NPV of expected synergies of \$2.5 billion ▪ \$300 million of annualized Adjusted EBITDA synergies and \$40 million of annualized capital expenditure synergies; once achieved 	
Financing	<ul style="list-style-type: none"> ▪ Level 3 Financing, Inc. has a \$1.75 billion financing commitment 	
Closing Conditions	Regulatory and other approvals; customary closing conditions	
Management Team	<ul style="list-style-type: none"> ▪ Chairman ▪ CEO ▪ CFO ▪ Lead Integration Executive 	Walter Scott Jim Crowe Sunit Patel Jeff Stroey
Timing	Expected to close before year end	

Combined Company Overview

FY 2010 Key Metrics	Pro Forma ⁽¹⁾	Post Synergies ⁽²⁾
Revenue	\$6.26B	
Adj EBITDA ⁽³⁾	\$1.27B	\$1.57B
Cash Balance	\$988M	
Gross Debt/ Adj EBITDA ⁽³⁾	6.2x	5.0x
Net Debt/ Adj EBITDA ⁽³⁾	5.4x	4.4x

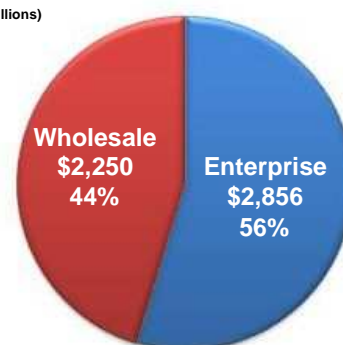
Geographical Diversification^{(4) (5)}

(\$ in Millions)



Balanced Mix of Customers⁽¹⁾

(\$ in Millions)



- (1) Pro Forma balances represent the combined balances and results of Level 3 and Global Crossing as of and for the year ended December 31, 2010
- (2) Post Synergies balances represent pro forma balances adjusted for estimated \$300 million in network and operating expense synergies post-acquisition, once achieved
- (3) See schedule of non-GAAP metrics for definition and reconciliation to GAAP measures

- (4) 2010 Core Network Services plus Invest & Grow Revenue
- (5) Global Crossing Invest & Grow Revenue estimated by Region

Strategic Rationale

Creates a unique global services platform anchored by extensive facilities-based assets on three continents connected by undersea cables

- Increased scale and reach of the combined network with intercity optical/IP backbones and extensive metro facilities in North America, Europe and Latin America
 - Improved service capability and cost structure enhance competitive position of the combined business
 - Approximately 100,000 intercity and 30,000 metro route miles on three continents, connected by an extensive global subsea network
 - Delivering services to approximately 700 markets across 70 countries
 - End-to-end network provides customers with a high level of reliability and security
- Extensive global service portfolio
 - Full portfolio of transport, data, content delivery, data center, colocation and voice services delivered to customers globally
 - Global Crossing success with Virtual Private Network services is a powerful addition to Level 3's enterprise portfolio
 - Industry leading media delivery capability, including global Content Delivery Network services and video collection and distribution services
- Expanded addressable market
 - Level 3's premier position with service providers and content customers combined with Global Crossing's expertise serving multinational corporations provides enhanced growth opportunities

Strategic Rationale

Acquisition creates substantial value for investors

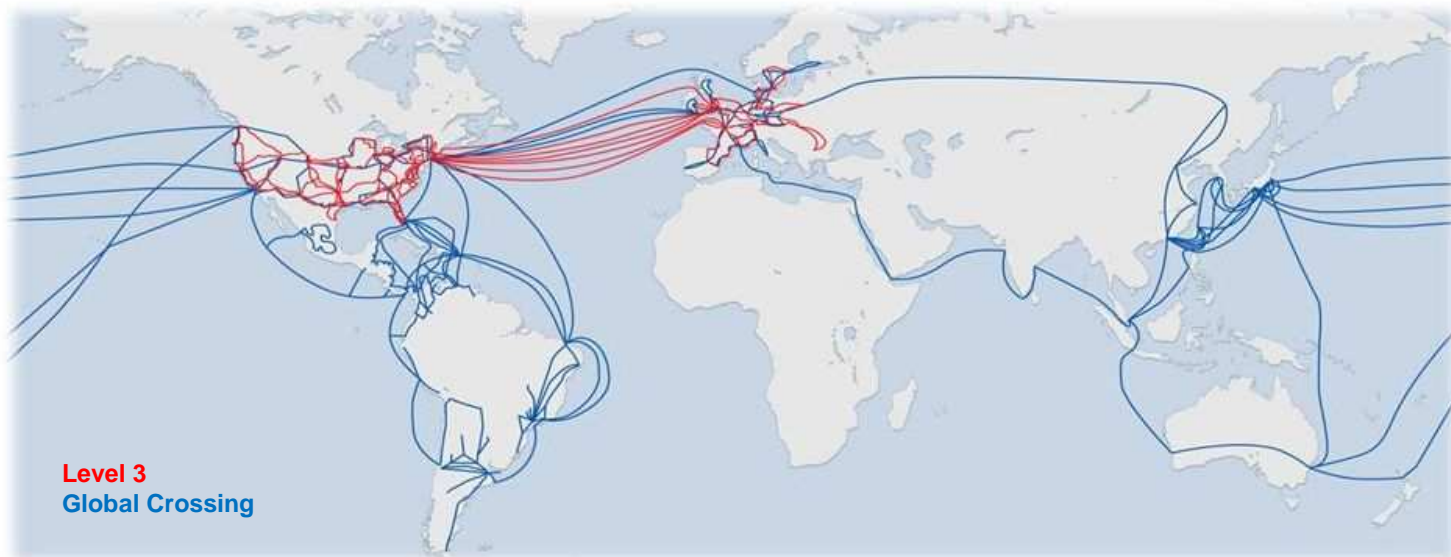
- Significant synergies create value
 - \$2.5 billion NPV of expected synergies
 - \$340 million of expected annualized Adjusted EBITDA and capital expenditure synergies through elimination of duplicative network and operational costs, primarily in North America
 - Expect to achieve two-thirds of run-rate synergies within 18 months of closing
- Provides strong improvement to balance sheet
 - Stock-based acquisition with substantial synergies provides significant deleveraging and credit improvement
 - Level 3 debt to Adjusted EBITDA ratios improve immediately upon transaction closing, and further improve as synergies are realized
- Expected to be accretive to stockholders
 - Consolidated Free Cash Flow accretive on a per share basis in 2013
 - Over time, potential for substantial Pro Forma Free Cash Flow generation enables investment in value accretive opportunities

John Legere

CEO, Global Crossing

Power of the Combined Company

- A services platform based on a world class set of assets
- Multi-conduit, long-haul terrestrial; extensive submarine fiber networks
- Metro networks with dense fiber connectivity
- Data centers and colocation facilities on three continents
- Content delivery technology and intellectual property rights






















Jeff Storey

President and COO, Level 3


















World-class assets enable robust customer solutions

- After closing, a full suite of customer solutions to capture addressable opportunities.
- Robust product lines across the full product suite
- Broad geographic availability of seamless, high performance customer solutions
- Ability to address the complex requirements of integrated solutions
- Development capability, intellectual property and resources to advance the product set

	Transport & Infrastructure	IP Data Services	Voice & Collaboration Services	Colocation Data Center & Cloud Services	CDN & Broadcast Services
North America	(3) 	(3) 	(3) 	(3) 	(3) 
Latin America					
Europe	(3) 	(3) 		(3) 	(3) 
Asia	(3) 	(3) 			

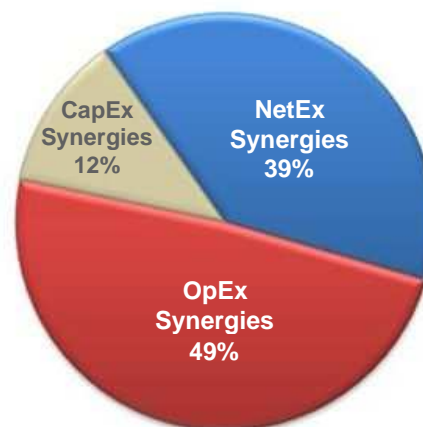
Expanding market opportunity

- Strong fundamental demand trends in each market
 - Sales and service capability with superior market coverage globally
 - Supported by world class, scalable systems and processes
 - Customer experience-centric operating philosophy
 - Strong customer loyalties in each market
 - Expandable addressable market opportunity should help improve revenue growth

	Carrier	Large and Multinational Enterprise	Mid-Market Enterprise	Content	Government
North America	(3) 	(3) 	(3)	(3) 	(3) 
Latin America					
Europe	(3) 	(3) 		(3) 	(3) 
Asia	(3) 	(3) 			

Integration and Synergy Plan

- Integration plan designed to:
 - Maintain excellent customer service at both companies
 - Continue to accelerate revenue growth
 - Achieve planned synergies
- Integration of intercity networks generally presents less complex issues compared to previous metro integrations
 - Joint integration team to develop and execute a detailed plan
 - North America and European network focused
- Synergy plan is based on milestones



Sunit Patel

CFO, Level 3

Synergies: Create Significant Value

NPV of Expected Synergies of \$2.5 billion

- Take advantage of Level 3's existing asset base, cost structure and metro access networks
- Synergy amounts and timing should be achievable
- Network and operating expense synergies represent less than 15% of Global Crossing's existing run-rate costs or 6% of combined company costs
- Over two-thirds of expected operating and network expense run-rate synergies expected to be achieved within 18 months of transaction close
- Integration costs of approximately \$200 to \$225 million

Combined Company Financials

- Both companies expected to grow Revenue and Adjusted EBITDA in 2011

- Improved credit profile

- Ability to reduce cash interest expense substantially over time

- Net Debt to Adjusted EBITDA improves from 6.8x to 4.4x after synergies

- Expected improvement in Free Cash Flow generation

- Flexibility to pursue high return investments in metro, Europe and Latin America
- Continue to target leverage ratio of 3x-5x

		2010		
		Level 3 Stand Alone	Combined Entity	Pro Forma ⁽¹⁾ w/Synergies
	<i>\$ Millions</i>			
	Revenue	\$3,651	\$6,260	\$6,260
	Adjusted EBITDA ⁽³⁾	\$853	\$1,273	\$1,573
	Adj EBITDA Margin	23.4%	20.3%	25.1%
	Capital Expenditures ⁽²⁾	\$436	\$659	\$619
	Cash Interest Expense	(\$522)	(\$677)	(\$677)
	Free Cash Flow ⁽³⁾	(\$97)	(\$81)	\$259
	Debt Balance at 12/31	\$6,448	\$7,909	
	Cash Balance at 12/31	\$616	\$988	
	Gross Debt/Adj EBITDA ⁽³⁾	7.6x	6.2x	5.0x
	Net Debt/Adj EBITDA ⁽³⁾	6.8x	5.4x	4.4x

(1) Pro Forma w/Synergies reflects \$300M of network and operating expense synergies and \$40M of capital expenditure synergies

(2) Capital expenditures include Global Crossing 2010 capital leases

(3) See schedule of non-GAAP metrics for definition and reconciliation to GAAP measures

Summary

- Combination creates a premier provider of communications services meeting the local, national and global needs of enterprises, wholesale buyers, content owners and governments
- Expanded addressable market and service portfolio should help improve revenue growth
- Significant anticipated synergies create stockholder value
- Improved credit profile improves financial flexibility
- Improves Free Cash Flow generation; expected to be accretive on a Free Cash Flow per share basis in 2013

Q&A

Important Information For Investors And Stockholders

This communication shall not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval. The proposed transaction will be submitted to the stockholders of Level 3 Communications, Inc. ("Level 3") and the stockholders of Global Crossing Limited ("Global Crossing") for their consideration. Level 3 and Global Crossing will file a registration statement on Form S-4, a joint proxy statement/prospectus and other relevant documents concerning the proposed transaction with the SEC. Level 3 and Global Crossing will each provide the final joint proxy statement/prospectus to its respective stockholders. Investors and security holders are urged to read the registration statement and the joint proxy statement/prospectus and any other relevant documents filed with the SEC when they become available, as well as any amendments or supplements to those documents, because they will contain important information about Level 3, Global Crossing and the proposed transaction. Investors and security holders will be able to obtain a free copy of the registration statement and joint proxy statement/prospectus, as well as other filings containing information about Level 3 and Global Crossing free of charge at the SEC's Web Site at <http://www.sec.gov>. In addition, the joint proxy statement/prospectus, the SEC filings that will be incorporated by reference in the joint proxy statement/prospectus and the other documents filed with the SEC by Level 3 may be obtained free of charge by directing such request to: Investor Relations, Level 3, Inc., 1025 Eldorado Boulevard, Broomfield, Colorado 80021 or from Level 3's Investor Relations page on its corporate website at <http://www.level3.com> and the joint proxy statement/prospectus, the SEC filings that will be incorporated by reference in the joint proxy statement/prospectus and the other documents filed with the SEC by Global Crossing be obtained free of charge by directing such request to: Global Crossing by telephone at (800) 836-0342 or by submitting a request by e-mail to glbc@globalcrossing.com or a written request to the Secretary, Wessex House, 45 Reid Street, Hamilton HM12 Bermuda or from Global Crossing's Investor Relations page on its corporate website at <http://www.globalcrossing.com>.

Level 3, Global Crossing and their respective directors, executive officers, and certain other members of management and employees may be deemed to be participants in the solicitation of proxies in favor of the proposed transactions from the stockholders of Level 3 and from the stockholders of Global Crossing, respectively. Information about the directors and executive officers of Level 3 is set forth in the proxy statement on Schedule 14A for Level 3's 2011 Annual Meeting of Stockholders, which was filed with the SEC on April 4, 2011 and information about the directors and executive officers of Global Crossing is set forth in the proxy statement for Global Crossing's 2010 Annual Meeting of Stockholders, which was filed with the SEC on May 19, 2010. Additional information regarding participants in the proxy solicitation may be obtained by reading the joint proxy statement/prospectus regarding the proposed transaction when it becomes available.

Cautionary Notice Regarding Forward-Looking Statements

This document contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements include, but are not limited to, (i) statements about the benefits of the acquisition of Global Crossing by Level 3, including financial and operating results and synergy benefits that may be realized from the acquisition and the timeframe for realizing those benefits; Level 3's and Global Crossing's plans, objectives, expectations and intentions and other statements contained in this communication that are not historical facts; and (ii) other statements identified by words such as "expects," "anticipates," "intends," "plans," "believes," "seeks," "estimates" or words of similar meaning.

These forward-looking statements are based upon management's current beliefs or expectations and are inherently subject to significant business, economic and competitive uncertainties and contingencies and third-party approvals, many of which are beyond our control. The following factors, among others, could cause actual results to differ materially from those expressed or implied in the forward-looking statements: (1) the occurrence of any event, change or other circumstances that could give rise to the termination of the Agreement and Plan of Amalgamation among Level 3, Global Crossing and Global Crossing Amalgamation Sub, Ltd. (the "Amalgamation Agreement"); (2) the inability to complete the transactions contemplated by the Amalgamation Agreement due to the failure to obtain the required stockholder approvals, (3) the inability to satisfy the other conditions specified in the Amalgamation Agreement, including without limitation the receipt of necessary governmental or regulatory approvals required to complete the transactions contemplated by the Amalgamation Agreement. (4) the inability to successfully integrate the businesses of Level 3 and Global Crossing or to integrate the businesses within the anticipated timeframe; (5) the risk that the proposed transactions disrupt current plans and operations, increase operating costs and the potential difficulties in customer loss and employee retention as a result of the announcement and consummation of such transactions; (6) the ability to recognize the anticipated benefits of the combination of Level 3 and Global Crossing, including the realization of revenue and cost synergy benefits and to recognize such benefits within the anticipated timeframe; (7) the outcome of any legal proceedings that may be instituted against Level 3, Global Crossing or others following announcement of the Amalgamation Agreement and transactions contemplated therein; and (8) the possibility that Level 3 or Global Crossing may be adversely affected by other economic, business, and/or competitive factors.

Cautionary Notice Regarding Forward-Looking Statements

Other important factors that may affect Level 3's and the combined business' results of operations and financial condition include, but are not limited to: the current uncertainty in the global financial markets and the global economy; a discontinuation of the development and expansion of the Internet as a communications medium and marketplace for the distribution and consumption of data and video; disruptions in the financial markets that could affect Level 3's ability to obtain additional financing, and the company's ability to: increase and maintain the volume of traffic on its network; develop effective business support systems; manage system and network failures or disruptions; develop new services that meet customer demands and generate acceptable margins; defend intellectual property and proprietary rights; adapt to rapid technological changes that lead to further competition; attract and retain qualified management and other personnel; successfully integrate acquisitions; and meet all of the terms and conditions of debt obligations.

Additional information concerning these and other important factors can be found within Level 3's and Global Crossing's respective filings with the SEC, which discuss the foregoing risks as well as other important risk factors that could contribute to such differences or otherwise affect our business, results of operations and financial condition. Statements in this communication should be evaluated in light of these important factors. The forward-looking statements in this communication speak only as of the date they are made. Except for the ongoing obligations of Level 3 and Global Crossing to disclose material information under the federal securities laws, neither Level 3 nor Global Crossing undertakes any obligation to, and expressly disclaim any such obligation to, update or alter any forward-looking statement to reflect new information, circumstances or events that occur after the date such forward-looking statement is made unless required by law.

Non-GAAP Reconciliation

Schedule to Reconcile to Non-GAAP Financial Metrics

Pursuant to Regulation G, the company is hereby providing a reconciliation of non-GAAP financial metrics to the most directly comparable GAAP measure.

The following describes and reconciles those financial measures as reported under accounting principles generally accepted in the United States (GAAP) with those financial measures as adjusted by the items detailed below and presented in the accompanying news release. These calculations are not prepared in accordance with GAAP and should not be viewed as alternatives to GAAP. In keeping with its historical financial reporting practices, the company believes that the supplemental presentation of these calculations provides meaningful non-GAAP financial measures to help investors understand and compare business trends among different reporting periods on a consistent basis, independently of regularly reported non-cash charges and infrequent or unusual events.

Management believes that Adjusted EBITDA and Adjusted EBITDA plus Estimated Synergies are relevant and useful metrics to provide to investors, as they are an important part of the company's internal reporting and are key measures used by Management to evaluate profitability and operating performance of the company and to make resource allocation decisions. Management believes such measures are especially important in a capital-intensive industry such as telecommunications. Management also uses Adjusted EBITDA and Adjusted EBITDA plus Estimated Synergies to compare the company's performance to that of its competitors and to eliminate certain non-cash and non-operating items in order to consistently measure from period to period its ability to fund capital expenditures, fund growth, service debt and determine bonuses. Adjusted EBITDA excludes non-cash impairment charges and non-cash stock compensation expense because of the non-cash nature of these items. Adjusted EBITDA also excludes interest income, interest expense and income taxes because these items are associated with the company's capitalization and tax structures. Adjusted EBITDA also excludes depreciation and amortization expense because these non-cash expenses reflect the impact of capital investments which management believes should be evaluated through free cash flow. Adjusted EBITDA excludes the gain (or loss) on extinguishment of debt and other, net because these items are not related to the primary operations of the company.

Schedule to Reconcile to Non-GAAP Financial Metrics

There are limitations to using non-GAAP financial measures, including the difficulty associated with comparing companies that use similar performance measures whose calculations may differ from the company's calculations. Additionally, this financial measure does not include certain significant items such as interest income, interest expense, income taxes, depreciation and amortization, non-cash impairment charges, non-cash stock compensation expense, the gain (or loss) on extinguishment of debt and net other income (expense). Adjusted EBITDA and Adjusted EBITDA plus Estimated Synergies should not be considered a substitute for other measures of financial performance reported in accordance with GAAP.

Schedule to Reconcile to Non-GAAP Financial Metrics

Combined Total Revenue is defined as combined total revenue from the Consolidated Statements of Operations as filed in each company's Annual Report on Form 10-K for the year ended December 31, 2010.

Communications Revenue is defined as communications revenue from Level 3 Communications' Consolidated Statements of Operations.

Adjusted EBITDA is defined as net income (loss) from the Consolidated Statements of Operations before income taxes, total other income (expense), non-cash impairment charges, depreciation and amortization and non-cash stock compensation expense.

Adjusted EBITDA plus Estimated Synergies is defined as Adjusted EBITDA plus the estimated synergies resulting from the combination.

Total Debt, including Capital Leases is defined as the current and long-term portions of debt and obligations under capital leases as reported in the Consolidated Balance Sheets filed in each company's Annual Report on Form 10-K for the year ended December 31, 2010.

Cash and Cash Equivalents is defined as the total cash and cash equivalents reported as a component of current assets in the Consolidated Balance Sheets as filed in each company's Annual Report on Form 10-K for the year ended December 31, 2010.

Debt to Adjusted EBITDA Ratio is defined as Total Debt, including Capital Leases divided by Adjusted EBITDA.

Net Debt to Adjusted EBITDA Ratio is defined as Total Debt, including Capital Leases reduced by the Cash and Cash Equivalents, divided by Adjusted EBITDA.

Schedule to Reconcile to Non-GAAP Financial Metrics

Free Cash Flow is defined as net cash provided by (used in) operating activities less capital expenditures as disclosed in the Consolidated Statements of Cash Flows in each company's Annual Report on Form 10-K for the year ended December 31, 2010. Management believes that Free Cash Flow and Free Cash Flow plus Estimated Synergies are relevant metrics to provide to investors, as it is an indicator of the company's ability to generate cash to service its debt. Free Cash Flow excludes cash used for acquisitions and principal repayments.

There are material limitations to using Free Cash Flow to measure the company against some of its competitors as Level 3 does not currently pay a significant amount of income taxes due to net operating losses, and therefore, generates higher cash flow than a comparable business that does pay income taxes. Additionally, this financial measure is subject to variability quarter over quarter as a result of the timing of receipts or payments related to accounts receivable and accounts payable and capital expenditures. This financial measure should not be used as a substitute for net change in cash and cash equivalents on the Consolidated Statements of Cash Flows.

Schedule to Reconcile Non-GAAP Financial Metrics

Combined Revenue

Year Ended December 31, 2010

(\$ in millions)

Revenue:

Communications

Coal

Total Revenue

Level 3 Communications	Global Crossing	Combined
\$3,591	\$2,609	\$6,200
60	-	60
\$3,651	\$2,609	\$6,260

Schedule to Reconcile Non-GAAP Financial Metrics

Adjusted EBITDA Metrics

Year Ended December 31, 2010

(\$ in millions)	Level 3 Communications			Global Crossing	Combined
	Communications	Other	Consolidated	Consolidated	
Net Loss applicable to common shareholders	(\$617)	(\$5)	(\$622)	(\$176)	(\$798)
Preferred Stock Dividends	-	-	-	4	4
Income Tax Benefit	(91)	-	(91)	(5)	(96)
Total Other (Income) Expense	620	3	623	240	863
Depreciation and Amortization	870	6	876	337	1,213
Non-cash Stock Compensation	67	-	67	20	87
Adjusted EBITDA	\$849	\$4	\$853	\$420	\$1,273
Estimated Synergies					\$300
Adjusted EBITDA plus Estimated Synergies					\$1,573

Schedule to Reconcile Non-GAAP Financial Metrics

Adjusted EBITDA Ratios

Year Ended December 31, 2010

(\$ in millions)	Level 3 Communications	Global Crossing	Combined	Combined with Synergies
Total Debt, including capital leases	\$6,448	\$1,461	\$7,909	\$7,909
Cash and cash equivalents	616	372	988	988
Net Debt	\$5,832	\$1,089	\$6,921	\$6,921
Adjusted EBITDA	\$853	\$420	\$1,273	\$1,573
Debt to Adjusted EBITDA Ratio	7.56	3.48	6.21	5.03
Net Debt to Adjusted EBITDA Ratio	6.84	2.59	5.44	4.40

Schedule to Reconcile Non-GAAP Financial Metrics

Free Cash Flow

Year Ended December 31, 2010

(\$ in millions)

	Level 3 Communications	Global Crossing	Combined	Combined with Synergies
Net Cash Provided by Operating Activities	\$339	\$183	\$522	\$822
Capital Expenditures	(436)	(167)	(603)	(563)
Free Cash Flow	(\$97)	\$16	(\$81)	\$259

LEVEL 3 AND GLOBAL CROSSING: Creating a Premier Global Communications Company
www.networkedworld.com



www.level3.com



www.globalcrossing.com

Level 3 Communications, Inc. (NASDAQ: LVL3) is a premier international provider of fiber-based communications services. Our converged voice, video and data solutions serve enterprise, content, government and wholesale customers leveraging a reliable and secure network. We focus on understanding customers' challenges, providing relevant solutions, and delivering superior service.

Global Crossing (NASDAQ: GLBC) is a leading global IP and Ethernet solutions provider with the world's first integrated global IP-based network. The company offers a full range of data, voice and collaboration services with an industry leading customer experience and delivers service to approximately 40 percent of the Fortune 500, as well as to 700 carriers, mobile operators and ISPs.

	Level 3 Communications	Global Crossing
Headquarters	Broomfield, Colorado	Florham Park, New Jersey
Employees	5,500	5,250
Countries Served	23	70
Markets Served	190	700
Intercity Fiber Routes Miles	~57,000 <ul style="list-style-type: none"> • ~44,000 North America • ~13,000 Europe 	~51,000 <ul style="list-style-type: none"> • ~18,000 North America • ~23,000 Europe • ~10,000 Latin America
Metropolitan Fiber Routes Miles	~27,000	~2,000
Subsea Routes	Combined company has an extensive subsea footprint, with ~40,000 route miles	
2010 Consolidated Revenue	\$3.651 billion	\$2.609 billion
2010 Consolidated Adjusted EBITDA	\$853 million	\$420 million

Transaction Details

- Under the terms of the agreement, Global Crossing stockholders will receive 16 shares of Level 3 common stock for each share of Global Crossing common stock or preferred stock that they own at closing. Based on Level 3's closing stock price on April 8, 2011, the transaction is valued at \$23.04 per for each Global Crossing common share which together with their net debt of about \$1.1 billion is a total consideration of \$3.0 billion.
- Level 3 has received committed senior secured and senior unsecured financing at Financing, Inc. for \$1.75 billion.
- Subject to regulatory and other approvals; customary closing conditions.
- The transaction is expected to close before the end of 2011.

LEVEL 3 AND GLOBAL CROSSING: Creating a Premier Global Communications Company

Strategic Positioning/Rationale

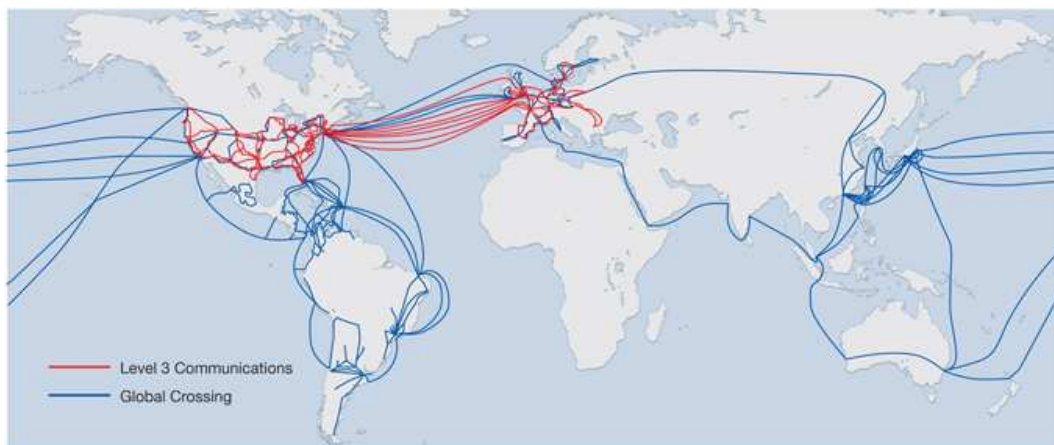
- Creates a unique global services platform anchored by extensive facilities-based assets on three continents connected by undersea cables.
- The combined network will serve a worldwide customer set with owned network in more than 50 countries and reach to more than 70 countries.
- Existing customers will benefit from expanded geographic reach and a combination of intercity and metro networks throughout North America, Latin America and Europe, connected by ~40,000 miles of subsea cables.
- Combined business will offer an extensive portfolio of transport, IP and data solutions, content delivery, data center, colocation and voice services, delivered globally.
- Level 3's premier position with local and regional enterprises, wholesale and content customers combined with Global Crossing's expertise serving national and multinational corporations provides enhanced growth opportunities.
- Combined service portfolio and distribution channels will allow the business to better address the needs of enterprises, content providers, carriers and governments throughout North America, Latin America and Europe.
- As a result of revenue growth and synergies, over time, Level 3 expects to have significant Free Cash Flow available for investment in high-return opportunities, including U.S. and international network expansion.
- The transaction is expected to improve Level 3's credit profile as well as significantly strengthen the company's balance sheet.

Financial Highlights

- The acquisition creates a combined company with \$6.26 billion of revenue, pro forma combined Adjusted EBITDA of \$1.27 billion and \$1.57 billion of combined Adjusted EBITDA including expected synergies.
- The transaction is expected to be accretive to Level 3's Free Cash Flow per share in 2013.
- The transaction is expected to improve Level 3's credit profile as well as significantly strengthen the company's balance sheet. On a pro forma basis and including the benefit of expected synergies, the ratio of total debt (including capital leases) to Adjusted EBITDA is expected to improve from approximately 7.6x to 5.0x, or from 6.8x to 4.4x on a net debt to Adjusted EBITDA basis in each case as of Dec. 31, 2010.

Synergy Highlights

- After integration the transaction is expected to result in annualized Adjusted EBITDA synergies of approximately \$300 million and annualized capital expenditure reduction of approximately \$40 million.
- Net present value of synergies is projected to be \$2.5 billion.
- Approximately two-thirds of the run-rate operating synergies are expected to be realized within the first 18 months of closing.
- Of the total synergies, approximately 39 percent are from network expense savings, approximately 49 percent from operating expense savings, and approximately 12 percent are from capital expenditure synergies.



LEVEL 3 AND GLOBAL CROSSING: Creating a Premier Global Communications Company

Important Information For Investors And Stockholders

This communication shall not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval. The proposed transaction will be submitted to the stockholders of Level 3 Communications, Inc. ("Level 3") and the stockholders of Global Crossing Limited ("Global Crossing") for their consideration. Level 3 and Global Crossing will file a registration statement on Form S-4, a joint proxy statement/prospectus and other relevant documents concerning the proposed transaction with the SEC. Level 3 and Global Crossing will each provide the final joint proxy statement/prospectus to its respective stockholders. Investors and security holders are urged to read the registration statement and the joint proxy statement/prospectus and any other relevant documents filed with the SEC when they become available, as well as any amendments or supplements to those documents, because they will contain important information about Level 3, Global Crossing and the proposed transaction. Investors and security holders will be able to obtain a free copy of the registration statement and joint proxy statement/prospectus, as well as other filings containing information about Level 3 and Global Crossing free of charge at the SEC's website at <http://www.sec.gov>. In addition, the joint proxy statement/prospectus, the SEC filings that will be incorporated by reference in the joint proxy statement/prospectus and the other documents filed with the SEC by Level 3 may be obtained free of charge by directing such request to: Investor Relations, Level 3 Communications, Inc., 1025 Eldorado Boulevard, Broomfield, Colorado 80021 or from Level 3's Investor Relations page on its corporate website at <http://www.level3.com> and the joint proxy statement/prospectus, the SEC filings that will be incorporated by reference in the joint proxy statement/prospectus and the other documents filed with the SEC by Global Crossing be obtained free of charge by directing such request to: Global Crossing by telephone at (800) 836-0342 or by submitting a request by e-mail to glbc@globalcrossing.com or a written request to the Secretary, Wessex House, 45 Reid Street, Hamilton HM12 Bermuda or from Global Crossing's Investor Relations page on its corporate website at <http://www.globalcrossing.com>.

Level 3, Global Crossing and their respective directors, executive officers, and certain other members of management and employees may be deemed to be participants in the solicitation of proxies in favor of the proposed transactions from the stockholders of Level 3 and from the stockholders of Global Crossing, respectively. Information about the directors and executive officers of Level 3 is set forth in the proxy statement on Schedule 14A for Level 3's 2011 Annual Meeting of Stockholders, which was filed with the SEC on April 4, 2011 and information about the directors and executive officers of Global Crossing is set forth in the proxy statement for Global Crossing's 2010 Annual Meeting of Stockholders, which was filed with the SEC on May 19, 2010. Additional information regarding participants in the proxy solicitation may be obtained by reading the joint proxy statement/prospectus regarding the proposed transaction when it becomes available.

Cautionary Notice Regarding Forward-Looking Statements

This document contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements include, but are not limited to, (i) statements about the benefits of the acquisition of Global Crossing by Level 3, including financial and operating results and synergy benefits that may be realized from the acquisition and the timeframe for realizing those benefits; Level 3's and Global Crossing's plans, objectives, expectations and intentions and other statements contained in this communication that are not historical facts; and (ii) other statements identified by words such as "expects," "anticipates," "intends," "plans," "believes," "seeks," "estimates" or words of similar meaning.

These forward-looking statements are based upon management's current beliefs or expectations and are inherently subject to significant business, economic and competitive uncertainties and contingencies and third-party approvals, many of which are beyond our control. The following factors, among others, could cause actual results to differ materially from those expressed or implied in the forward-looking statements: (1) the occurrence of any event, change or other circumstances that could give rise to the termination of the Agreement and Plan of Amalgamation among Level 3, Global Crossing and Apollo Amalgamation Sub, Ltd. (the "Amalgamation Agreement"); (2) the inability to complete the transactions contemplated by the Amalgamation Agreement due to the failure to obtain the required stockholder approvals, (3) the inability to satisfy the other conditions specified in the Amalgamation Agreement, including without limitation the receipt of necessary governmental or regulatory approvals required to complete the transactions contemplated by the Amalgamation Agreement; (4) the inability to successfully integrate the businesses of Level 3 and Global Crossing or to integrate the businesses within the anticipated timeframe; (5) the risk that the proposed transactions disrupt current plans and operations, increase operating costs and the potential difficulties in customer loss and employee retention as a result of the announcement and consummation of such transactions; (6) the ability to recognize the anticipated benefits of the combination of Level 3 and Global Crossing, including the realization of revenue and cost synergy benefits and to recognize such benefits within the anticipated timeframe; (7) the outcome of any legal proceedings that may be instituted against Level 3, Global Crossing or others following announcement of the Amalgamation Agreement and transactions contemplated therein; and (8) the possibility that Level 3 or Global Crossing may be adversely affected by other economic, business, and/or competitive factors.

Other important factors that may affect Level 3's and the combined business' results of operations and financial condition include, but are not limited to: the current uncertainty in the global financial markets and the global economy; a discontinuation of the development and expansion of the Internet as a communications medium and marketplace for the distribution and consumption of data and video; disruptions in the financial markets that could affect Level 3's ability to obtain additional financing, and the company's ability to: increase and maintain the volume of traffic on its network; develop effective business support systems; manage system and network failures or disruptions; develop new services that meet customer demands and generate acceptable margins; defend intellectual property and proprietary rights; adapt to rapid technological changes that lead to further competition; attract and retain qualified management and other personnel; successfully integrate acquisitions; and meet all of the terms and conditions of debt obligations.

Additional information concerning these and other important factors can be found within Level 3's and Global Crossing's respective filings with the SEC, which discuss the foregoing risks as well as other important risk factors that could contribute to such differences or otherwise affect our business, results of operations and financial condition. Statements in this communication should be evaluated in light of these important factors. The forward-looking statements in this communication speak only as of the date they are made. Except for the ongoing obligations of Level 3 and Global Crossing to disclose material information under the federal securities laws, neither Level 3 nor Global Crossing undertakes any obligation to, and expressly disclaim any such obligation to, update or alter any forward-looking statement to reflect new information, circumstances or events that occur after the date such forward-looking statement is made unless required by law.

APRIL 11, 2011

GLOBAL CROSSING EMPLOYEE Q&A

1. Why are we making this deal to bring together Level 3 and Global Crossing?

We are creating a premier global communications provider, with one of the world's broadest and most efficient end-to-end fiber-based networks. Bringing together the strengths and reach of each network, our new company will combine customer franchises in multinational enterprise, mid market enterprise, carrier, governments and the growing content centric segments. We will operate an international IP backbone network on five continents, with over 10 terabits of traffic flowing today, ready to meet the unprecedented need for bandwidth at a time when demand for our services is growing strongly.

Because of the unique and compelling fit between Global Crossing and Level 3, we believe this combination will create substantial financial value, because it provides complementary footprints and customer sets, an expanded product portfolio, and significantly greater scale and reach. The timing is ideal, because the demand for online content has created an unprecedented need for bandwidth, which we will be able to manage on facilities under our own control.

2. What is my future in this new company?

Both companies are committed to create a seamless, high-performing enterprise through a tightly managed integration plan that will provide significant opportunities for most of our employees. As you might expect from a larger and stronger organization, many of us will see new roles and responsibilities available to us, and we all should approach this as a real opportunity to advance individual careers and contribute directly to the growth of our company.

The new entity will operate more efficiently as one company rather than two separate organizations, and in cases of overlap, some positions will be eliminated. But this process will be carefully managed, and special effort will be made to identify and retain talent that can be redeployed in new roles.

3. How long will it take before the acquisition is complete?

We anticipate the transaction will close before the end of the year. We need to complete all of the regulatory requirements, including Hart-Scott-Rodino, CFIUS and approvals from the Federal Communications Commission, certain state public service commissions and various regulatory approvals outside the U.S. The transaction is also subject to the approval of both companies' shareholders and other customary closing conditions. Singapore Technologies Telemedia Pte Ltd, which owns a majority stake in Global Crossing, supports the transaction and has agreed to vote in favor of it.

4. When will we know how the combined company will address basic organizational issues—such as management structure or job overlaps?

As we just noted, we don't expect to close our deal for a number of months, and until that happens, it's "business as usual." That means we have to work extra hard to make sure that we fulfill the business objectives outlined at the beginning of the year.

After the transaction formally closes, we will begin a very thoughtful integration process, implementing the plan that will be jointly developed. Larger companies often present more career opportunities, and during the integration phase, we will determine specific role changes. Changes in organizational structure are likely, given the size of both companies; we'll make organizational and managerial structure decisions during the integration phase.

We intend to be clear and honest about how people's jobs will be affected and provide as much notice as possible. Those employees who will transition out of the organization will be treated with dignity and respect. We have an agreement with Level 3 that severance will be provided in accordance with our current practice for one year after the close of the transaction.

5. What level of coordination is permissible between the two companies while we wait for the transaction to formally close?

Until the closing of the transaction, Global Crossing and Level 3 must continue to operate as separate businesses. There must not be any coordination with Level 3 employees on operational matters, including soliciting and bidding on customer contracts. Any integration planning activities will be centrally coordinated and must not impact pre-closing operations.

6. Will we still need to follow the stipulations of the Network Security Agreement we have with the United States government?

We will continue to follow all of the stipulations of the NSA while we complete the acquisition process. Once the agreement is finalized, the new company may enter into a new agreement with the U.S. Government.

7. What will happen to our current benefits? Will we need to sign up for a new health care plan?

Until the purchase agreement is closed, Level 3 and Global Crossing will continue to operate as separate companies, so your existing employee benefit plans remain in place at this time. You will receive further information on benefits following the close of the transaction. For purposes of Level 3's benefit plans, Level 3 has agreed to provide our employees with credit for their years of continuous service at Global Crossing to the same extent as if it were service with Level 3.

8. Do we anticipate closing some offices?

No offices will be closed prior to the closing as a result of the transaction. While some offices may be consolidated or closed after we complete our integration phase, any plans to that effect would be purely speculative at this time.

9. Will my retirement plans be impacted by this agreement?

Until the agreement is closed, nothing changes with regards to any of our retirement benefits including the 401(k) plan or the GPP in the UK or the company matches we provide to our employees.

10. What will happen to the 2011 bonus?

We have amended our 2011 bonus plan to account for the transaction closing before the end of the year. Neither the design of the plan nor our targets have changed, so it is important for us to all continue to strive to achieve our goals.

Specifically, if the transaction closes before the end of 2011, any employee in good standing who is on payroll as of the date of the close will be eligible for a prorated bonus payout. The Global Crossing Board of Directors will make the determination of the payout amount at the close date for the prorated time period. The details of eligibility and payment will be made available as the acknowledgement process begins in May. Payouts will be made no later than March, 2012.

For any “stub period” in 2011 remaining after the transaction closes, Level 3 has agreed to provide our employees with the opportunity to earn a prorated bonus.

11. When will I find out what business area I am assigned to for the purposes of the 2011 bonus plan?

You will be notified of your assigned area by the end of April. As a reminder, the assignments are made generally in the following manner. If 80 percent or more of your role is focused on a CFU, you will be assigned to that CFU. If 80 percent or more of your role supports a region, you will be assigned to that region. All other employees will be assigned to the Center.

12. What happens to any Long Term Incentives or Outstanding Employee awards some employees may have been given that haven’t vested?

All outstanding time-based and performance-based grants will vest immediately at the date of the close of the transaction in accordance with the award agreements. This includes the cash portion in the Outstanding Employee Awards program. Please refer to those agreements for details or contact the corporate compensation team with any questions.

13. How are you going to ensure a smooth integration for customers?

Both companies are committed to creating a seamless, high-performing company through a tightly managed integration plan. We both expect a smooth integration of the companies’ networks to ensure the combined company continues to deliver an exceptional customer experience.

14. What will be the future of our LATAM operations, given that Level 3 doesn't have any assets in Latin America?

Integration planning will not begin in earnest for some time. However, our business operations in LATAM are one of the key reasons Level 3 viewed Global Crossing as such an attractive candidate for a business combination with them.