

LEVEL 3 COMMUNICATIONS INC

FORM 8-K (Current report filing)

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Address	1025 ELDORADO BOULEVARD BLDG 2000 BROOMFIELD, CO 80021
Telephone	7208881000
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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): **December 16, 2008**

Level 3 Communications, Inc.

(Exact name of Registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

0-15658
(Commission
File Number)

47-0210602
(IRS employer
Identification No.)

1025 Eldorado Blvd., Broomfield, Colorado 80021
(Address of principal executive offices) (Zip code)

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

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

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

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.01 Entry into a Material Definitive Agreement.**Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.**

As previously disclosed by Level 3 Communications, Inc. (the "Company"), on November 17, 2008, the Company entered into a Securities Purchase Agreement (the "Securities Purchase Agreement") with certain investors named therein (the "Original Investors") in connection with the offering and sale by the Company of \$400,000,000 aggregate principal amount of its 15% Convertible Senior Notes due 2013 (the "New Notes"). The Company previously filed a copy of the Securities Purchase Agreement as Exhibit 10.1 to its Form 8-K, dated November 18, 2008. Following the execution of the Securities Purchase Agreement, certain of the Original Investors (the "Transferor Investors") assigned their right to purchase New Notes under the Securities Purchase Agreement to certain of their affiliates (the "Transferee Investors").

The New Notes are being issued to fund the purchase, together with cash on hand, of any and all of the Company's outstanding 2.875% Convertible Senior Notes due 2010 (the "2010 Senior Notes"), 6% Convertible Subordinated Notes due 2010 (the "2010 Subordinated Notes") and 6% Convertible Subordinated Notes due 2009 (the "2009 Notes" and, together with the 2010 Senior Notes and the 2010 Subordinated Notes, the "Tender Offer Notes"), pursuant to the Company's three previously announced tender offers (the "Tender Offers").

On December 16, 2008, the Company, the Transferee Investors and the Original Investors other than the Transferor Investors (collectively, the "Investors") entered into an amendment (the "SPA Amendment") to the Securities Purchase Agreement. The SPA Amendment reduces, to \$162,000,000 and \$173,000,000, respectively, the minimum aggregate principal amount of 2010 Senior Notes and 2010 Subordinated Notes that must be accepted for payment in the Tender Offers for those Tender Offer Notes as a condition to the Investors' obligation to purchase the New Notes.

The foregoing discussion of the SPA Amendment is qualified in its entirety by reference to the SPA Amendment, a copy of which is filed herewith as Exhibit 10.1 and is incorporated herein by reference in its entirety.

Item 8.01 Other Events.

On December 16, 2008, the Company announced that it has reduced the minimum tender condition for each of its three previously announced Tender Offers to purchase for cash any and all of its outstanding Tender Offer Notes, as reflected in the table below. In addition, the Company announced that the expiration date for each Tender Offer has been extended to 12:00 midnight, New York City time, on December 22, 2008. Each Tender Offer remains subject to all other terms and conditions set forth in the Offer to Purchase dated November 17, 2008. A copy of the press release announcing the reduction of the minimum tender conditions and the extension of the expiration date of the Tender Offers is attached hereto as Exhibit 99.1 and is incorporated herein by reference in its entirety.

The Company's obligation to accept for payment, and to pay for, any Tender Offer Notes in a series validly tendered pursuant to a Tender Offer is now subject to, among other things, there being validly tendered and not validly withdrawn on or prior to December 22, 2008 at least such principal

amount of Tender Offer Notes in that series set forth in the table below under "Revised Minimum Tender Condition."

<u>Title of Security</u>	<u>Outstanding Principal</u>	<u>Revised Minimum</u>
	<u>Amount</u>	<u>Tender Condition</u>
2.875% Convertible Senior Notes due 2010	\$ 354,541,000	\$ 162,000,000
6% Convertible Subordinated Notes due 2010	\$ 481,666,000	\$ 173,000,000
6% Convertible Subordinated Notes due 2009	\$ 305,135,000	\$ 135,000,000

As of September 30, 2008, after giving pro forma effect to (i) the offering of the New Notes (assuming that \$400 million aggregate principal amount of New Notes is sold in the offering), (ii) the exchange in October 2008 of \$108,201,000 aggregate principal amount of the Company's indebtedness for shares of its common stock pursuant to separate exchange agreements with institutional holders of such indebtedness, as described in the prospectus supplement filed by the Company with the Securities and Exchange Commission on November 17, 2008 and (iii) the purchase of \$470,000,000 aggregate principal amount of the Company's indebtedness pursuant to the Tender Offers (assuming that the revised minimum principal amount of each series of Tender Offer Notes required to be purchased by the Company under the Tender Offers as set forth under "Revised Minimum Tender Condition" in the table above is so purchased) for an aggregate purchase price of \$345,740,000 with the net proceeds of the offering of the New Notes, the Company would have had an aggregate of approximately \$6.472 billion of indebtedness, excluding intercompany liabilities, of which approximately \$1.4 billion constituted secured indebtedness consisting of its guarantee of its wholly-owned subsidiary's senior secured credit facility, approximately \$2.809 billion consisted of its guarantee of its wholly-owned subsidiary's senior unsecured debt and none of which constituted subordinated indebtedness.

Item 9.01 Financial Statements and Exhibits

(a) Financial Statements of Business Acquired

None

(b) Pro Forma Financial Information

None

(c) Shell Company Transactions

None

(d) Exhibits

10.1 Amendment No. 1 to Securities Purchase Agreement, dated as of December 16, 2008, by and among the Company and the investors party thereto.

99.1 Press Release, dated December 16, 2008.

SIGNATURES

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

Level 3 Communications, Inc.

By: /s/ Neil J. Eckstein

Name: Neil J. Eckstein,
Title: *Senior Vice President*

Date: December 16, 2008

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SIGNATURES

AMENDMENT NO. 1 TO SECURITIES PURCHASE AGREEMENT

This AMENDMENT NO. 1 TO SECURITIES PURCHASE AGREEMENT (this "*Amendment*") is dated as of December 16, 2006, by and among by and among Level 3 Communications, Inc., a Delaware corporation (the "*Company*"), and each of the investors named in the signature pages hereto (each, an "*Investor*" and collectively, the "*Investors*").

WITNESSETH:

WHEREAS, the Company and Fairfax Financial Holdings Limited ("*Fairfax*"), Southeastern Asset Management, Inc., Chou Associates Management Inc. ("*Chou*"), Steelhead Navigator Master, L.P., Davis Selected Advisers, L.P. ("*Davis*"), Markel Corporation ("*Markel*"), Mary E. West, Gary L. West, Walter Scott, Jr., Walter Scott, Jr. Charitable Remainder Annuity Trust, Suzanne and Walter Scott Charitable Remainder Unitrust, WS Charitable Remainder Unitrust (II), 2002 Robert Edward Julian Irrevocable Descendant's Trust, Carole Lee Julian Revocable Trust, Robert and Carole Julian Charitable Foundation, Julian Properties LP and Robert E. Julian (collectively, the "*Original Investors*") entered into that certain Securities Purchase Agreement, dated as of November 17, 2008 (the "*Agreement*");

WHEREAS, prior to the date hereof, pursuant to Section 8.9 of the Agreement, Fairfax, an Original Investor, assigned, in the aggregate, all of its right, title, benefit, privileges and interest in and to, and all of its burdens, obligations and liabilities in connection with, its agreement to purchase \$100,062,000 aggregate principal amount of the Notes pursuant to the Agreement as an Original Investor thereunder, to Odyssey America Reinsurance Corporation, United States Fir Insurance Corporation, Fairfax (Barbados) International Corp and Falcon Insurance Company (Hong Kong) Ltd.;

WHEREAS, prior to the date hereof, pursuant to Section 8.9 of the Agreement, Chou, an Original Investor, assigned, in the aggregate, all of its right, title, benefit, privileges and interest in and to, and all of its burdens, obligations and liabilities in connection with, its agreement to purchase \$50,000,000 aggregate principal amount of the Notes pursuant to the Agreement as an Original Investor thereunder, to Chou Bond Fund, Chou Asia Fund, Chou Associates Fund, Chou Europe Fund and Chou RRSP Fund;

WHEREAS, prior to the date hereof, pursuant to Section 8.9 of the Agreement, Davis, an Original Investor, assigned, in the aggregate, all of its right, title, benefit, privileges and interest in and to, and all of its burdens, obligations and liabilities in connection with, its agreement to purchase \$40,000,000 aggregate principal amount of the Notes pursuant to the Agreement as an Original Investor thereunder, to Davis New York Venture Fund, Inc., Selected American Shares, Inc., Davis Value Portfolio and Fundamental Value Trust;

WHEREAS, prior to the date hereof, pursuant to Section 8.9 of the Agreement, Markel, an Original Investor, assigned all of its right, title, benefit, privileges and interest in and to, and all of its burdens, obligations and liabilities in connection with, its agreement to purchase \$25,000,000 aggregate principal amount of the Notes pursuant to the Agreement as an Original Investor thereunder, to Evanston Insurance Company; and

WHEREAS, pursuant to Section 8.11 of the Agreement, the parties hereto now desire to amend the Agreement as provided herein.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

1. *Defined Terms.* Capitalized terms that are not defined in this Amendment have the respective meanings set forth in the Agreement.
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2. *Amendments to Agreement.* The Agreement is hereby amended as follows:

(a) Paragraph (f) of Section 6.2 is deleted in its entirety and replaced with the following:

"(f) The Company shall have accepted for payment at least \$162,000,000 aggregate principal amount of the Company's 2.875% Convertible Senior Notes due 2010 and at least \$173,000,000 aggregate principal amount of the Company's 6% Convertible Subordinated Notes due 2010 in the Tender Offers for such notes."

(b) Paragraph (f) of Section 6.3 is deleted in its entirety and replaced with the following:

"(f) The Company shall have accepted for payment at least \$162,000,000 aggregate principal amount of the Company's 2.875% Convertible Senior Notes due 2010 and at least \$173,000,000 aggregate principal amount of the Company's 6% Convertible Subordinated Notes due 2010 in the Tender Offers for such notes."

2. *Severability.* Should any part or provision of this Amendment be held unenforceable or in conflict with the applicable laws or regulations of any jurisdiction, the invalid or unenforceable part or provisions shall be replaced with a provision which accomplishes, to the extent possible, the original business purpose of such part or provision in a valid and enforceable manner, and the remainder of this Amendment shall remain binding upon the parties hereto.

3. *Governing Law.* This Amendment shall be governed by, and construed in accordance with, the laws of the State of New York, without giving effect to conflict of law principles thereof.

4. *Counterparts.* This Amendment may be signed in one or more counterparts, each of which shall be an original, but all of which together shall constitute one instrument

5. *Continued Effectiveness.* It is the express intention of the parties hereto to ratify and reaffirm the terms and conditions of the Agreement, as amended pursuant to the terms of this Amendment. Except as expressly amended hereby, the Agreement shall remain unmodified and in full force and effect. In the event of any inconsistency between the provisions of the Agreement and the provisions of this Amendment, the provisions of this Amendment shall prevail.

[*The remainder of the page is intentionally left blank.*]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment No. 1 to Securities Purchase Agreement on the date first written above.

LEVEL 3 COMMUNICATIONS, INC.

By: /s/ Thomas C. Stortz

Name: Thomas C. Stortz

Title: Executive Vice President, Chief Legal Officer and Secretary

[signature page to Amendment No. 1 to Securities Purchase Agreement]

ODYSSEY AMERICA REINSURANCE CORPORATION, by its investment manager, Hamblin Watsa Investment Counsel Ltd.

By: /s/ Paul Rivett
Name: Paul Rivett
Title: Vice President and Chief Operating Officer

[signature page to Amendment No. 1 to Securities Purchase Agreement]

UNITED STATES FIRE INSURANCE CORPORATION, by its investment manager, Hamblin Watsa
Investment Counsel Ltd.

By: /s/ Paul Rivett
Name: Paul Rivett
Title: Vice President and Chief Operating Officer

[signature page to Amendment No. 1 to Securities Purchase Agreement]

FAIRFAX (BARBADOS) INTERNATIONAL CORP, by its investment manager, Hamblin Watsa
Investment Counsel Ltd.

By: /s/ Paul Rivett
Name: Paul Rivett
Title: Vice President and Chief Operating Officer

[signature page to Amendment No. 1 to Securities Purchase Agreement]

FALCON INSURANCE COMPANY (HONG KONG) LTD., by its investment manager, Hamblin
Watsa Investment Counsel Ltd.

By: /s/ Paul Rivett

Name: Paul Rivett

Title: Vice President and Chief Operating Officer

[signature page to Amendment No. 1 to Securities Purchase Agreement]

SOUTHEASTERN ASSET MANAGEMENT, INC., on behalf of certain institutional clients

By: /s/ Andrew R. McCarroll

Name: Andrew R. McCarroll

Title: Vice President and General Counsel

[signature page to Amendment No. 1 to Securities Purchase Agreement]

EVANSTON INSURANCE COMPANY

By: /s/ D. Michael Jones

Name: D. Michael Jones

Title: Assistant Secretary

[signature page to Amendment No. 1 to Securities Purchase Agreement]

DAVIS NEW YORK VENTURE FUND, INC.

By: /s/ Christopher Davis

Name: Christopher Davis

Title: Authorized Signatory

[signature page to Amendment No. 1 to Securities Purchase Agreement]

SELECTED AMERICAN SHARES, INC.

By: /s/ Christopher Davis

Name: Christopher Davis

Title: Authorized Signatory

[signature page to Amendment No. 1 to Securities Purchase Agreement]

DAVIS VALUE PORTFOLIO

By: /s/ Christopher Davis

Name: Christopher Davis

Title: Authorized Signatory

[signature page to Amendment No. 1 to Securities Purchase Agreement]

FUNDAMENTAL VALUE TRUST

By: /s/ Christopher Davis

Name: Christopher Davis

Title: Authorized Signatory

[signature page to Amendment No. 1 to Securities Purchase Agreement]

CHOU BOND FUND

By: /s/ Francis Chou

Name: Francis Chou

Title: Chief Executive Officer

[signature page to Amendment No. 1 to Securities Purchase Agreement]

CHOU ASIA FUND

By: /s/ Francis Chou

Name: Francis Chou

Title: Chief Executive Officer

[signature page to Amendment No. 1 to Securities Purchase Agreement]

CHOU ASSOCIATES FUND

By: /s/ Francis Chou

Name: Francis Chou

Title: Chief Executive Officer

[signature page to Amendment No. 1 to Securities Purchase Agreement]

CHOU EUROPE FUND

By: /s/ Francis Chou

Name: Francis Chou

Title: Chief Executive Officer

[signature page to Amendment No. 1 to Securities Purchase Agreement]

CHOU RRSP FUND

By: /s/ Francis Chou

Name: Francis Chou

Title: Chief Executive Officer

[signature page to Amendment No. 1 to Securities Purchase Agreement]

STEELHEAD NAVIGATOR MASTER, L.P.

By: Steelhead Partners, LLC, its investment manager

By: /s/ Carol Lokey

Name: Carol Lokey

Title: Chief Financial Officer

[signature page to Amendment No. 1 to Securities Purchase Agreement]

/s/ Gary L. West

Gary L. West

[signature page to Amendment No. 1 to Securities Purchase Agreement]

/s/ Mary E. West

Mary E. West

[signature page to Amendment No. 1 to Securities Purchase Agreement]

WALTER SCOTT, JR. CHARITABLE REMAINDER ANNUITY TRUST

By: /s/ Walter Scott, Jr.

Walter Scott, Jr., Trustee

Walter Scott, Jr. Charitable Remainder Annuity Trust

Dated December 19, 1990

[signature page to Amendment No. 1 to Securities Purchase Agreement]

SUZANNE AND WALTER SCOTT CHARITABLE REMAINDER UNITRUST

By: /s/ Walter Scott, Jr.

Walter Scott, Jr., Trustee
Suzanne and Walter Scott Charitable Remainder Unitrust
Dated March 12, 1997

[signature page to Amendment No. 1 to Securities Purchase Agreement]

WS CHARITABLE REMAINDER UNITRUST (II)

By: /s/ Walter Scott, Jr.

Walter Scott, Jr., Trustee

WS Charitable Remainder Unitrust (II)

Dated July 21, 1997

[signature page to Amendment No. 1 to Securities Purchase Agreement]

/s/ Walter Scott, Jr.

Walter Scott, Jr.

[signature page to Amendment No. 1 to Securities Purchase Agreement]

2002 ROBERT EDWARD JULIAN IRREVOCABLE DESCENDANT'S TRUST

By: /s/ Carole L. Julian
Carole L. Julian, Trustee

[signature page to Amendment No. 1 to Securities Purchase Agreement]

CAROLE LEE JULIAN REVOCABLE TRUST

By: /s/ Carole L. Julian

Name: Carole L. Julian

Title: Trustee

[signature page to Amendment No. 1 to Securities Purchase Agreement]

/s/ Robert E. Julian

Robert E. Julian

[signature page to Amendment No. 1 to Securities Purchase Agreement]

JULIAN PROPERTIES LP

By: Julian Management Inc., its general partner

By: /s/ Robert E. Julian

Name: Robert E. Julian

Title: President

[signature page to Amendment No. 1 to Securities Purchase Agreement]

ROBERT AND CAROLE JULIAN CHARITABLE FOUNDATION

By: /s/ Robert E. Julian

Name: Robert E. Julian

Title: Director

[signature page to Amendment No. 1 to Securities Purchase Agreement]



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

NEWS RELEASE

Level 3 contacts:

Media: Jeff Battcher
720-888-3288

Investors: Valerie Finberg
720-888-2501

Debra Havins
720-888-7466

Mark Stoutenberg
720-888-2518

**Level 3 Reduces the Minimum Tender Condition
and Extends the Expiration Date
for Its Pending Tender Offers**

BROOMFIELD, Colo., December 16, 2008 —Level 3 Communications, Inc. (NASDAQ: LVLT) announced today that it has reduced the minimum tender condition for each of its three previously announced tender offers to purchase for cash any and all of its outstanding convertible notes listed in the table below. In addition, Level 3 announced that the expiration date for each tender offer has been extended to 12:00 midnight, New York City time, on December 22, 2008. Each tender offer remains subject to all other terms and conditions set forth in the Offer to Purchase dated November 17, 2008.

Level 3's obligation to accept for payment, and to pay for, any notes in a series validly tendered pursuant to a tender offer is now subject to, among other things, there being validly tendered and not validly withdrawn on or prior to December 22, 2008 at least such principal amount of notes in that series set forth in the table below under "Revised Minimum Tender Condition."

<u>Title of Security</u>	<u>Outstanding Principal</u>	<u>Revised Minimum</u>
	<u>Amount</u>	<u>Tender Condition</u>
2.875% Convertible Senior Notes due 2010	\$ 354,541,000	\$ 162,000,000
6% Convertible Subordinated Notes due 2010	\$ 481,666,000	\$ 173,000,000
6% Convertible Subordinated Notes due 2009	\$ 305,135,000	\$ 135,000,000

In addition, (a) the tender offer to purchase its 6% Convertible Subordinated Notes due 2009 is conditioned on the acceptance for payment by Level 3 of both its 2.875% Convertible Senior Notes due 2010 and its 6% Convertible Subordinated Notes 2010 pursuant to the terms and conditions of such other applicable tender offers, (b) the tender offer to purchase its 6% Convertible Subordinated Notes 2010 is conditioned on the acceptance for payment by Level 3 of its 2.875% Convertible Senior Notes due 2010 pursuant to the terms and conditions of the tender offer for those 2.875% Convertible Senior Notes due 2010 and (c) the tender offer to purchase its 2.875% Convertible Senior Notes due 2010 is conditioned on the acceptance for payment by Level 3 of its 6% Convertible Subordinated Notes 2010 pursuant to the terms and conditions of the tender offer for those 6% Convertible Subordinated Notes 2010.

Each tender offer commenced on November 17, 2008, and is now scheduled to expire at 12:00 midnight, New York City time, on December 22, 2008, unless further extended for that tender offer as described in the Offer to Purchase.

As announced previously, Level 3 intends to fund purchases of the notes from the net proceeds of the sale of Level 3's to be newly issued 15% Convertible Subordinated Notes due 2013 and from cash on hand. Level 3 also announced today that it is amending the securities purchase agreement relating

to the sale of its 15% Convertible Subordinated Notes due 2013. The amendment will reduce, to \$162,000,000 and \$173,000,000, respectively, the minimum aggregate principal amount of 2.875% Convertible Senior Notes due 2010 and 6% Convertible Subordinated Notes due 2010 that must be accepted for payment in the tender offers for those notes as a condition to closing the offering of the 15% Convertible Subordinated Notes due 2013.

As of the close of business on December 15, 2008, an aggregate of \$163,760,000 principal amount of Level 3's 2.875% Convertible Senior Notes due 2010, \$174,417,000 principal amount of Level 3's 6% Convertible Subordinated Notes due 2010 and \$137,464,000 principal amount of Level 3's 6% Convertible Subordinated Notes due 2009 have been validly tendered in the applicable tender offers for such notes.

As announced previously, Level 3 has waived the financing condition to the tender offers that Level 3 shall have sold at least \$373 million aggregate principal amount of its 15% Convertible Senior Notes due 2013.

The complete terms and conditions of each offer are set forth in the Offer to Purchase that was sent to holders of the notes and is also available online on the SEC's website at www.sec.gov. Holders are urged to read the tender offer documents carefully. Copies of the Offer to Purchase and the related Letter of Transmittal may be obtained from the Information Agent for the offers, Global Bondholder Services Corporation, at (866) 389-1500 (toll-free).

Citi and Merrill Lynch & Co. are the dealer managers for the offers. Questions regarding the offers may be directed to Citi at (800) 558-3745 (toll-free) and (212) 723-6106 or Merrill Lynch at (888) 654-8637 (toll-free) and (212) 449-4914.

About Level 3 Communications

Level 3 Communications, Inc. (NASDAQ: LVL3) 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 quality, over an end-to-end fiber network. Level 3 offers a portfolio of metro and long-haul services over an end-to-end fiber network, including transport, data, internet, content delivery and voice. For more information, visit <http://www.Level3.com>.

Level 3 Communications, Level 3, the red 3D brackets and the Level 3 Communications logo are registered service marks of Level 3 Communications, LLC and/or its affiliates in the United States and/or other countries. Level 3 services are provided by wholly owned subsidiaries of Level 3 Communications, Inc. Any other service, product or company names recited herein are trademarks or service marks of their respective owners.

Forward-Looking Statement

Some of the statements made in this press release are forward looking in nature. These statements are based on management's current expectations or beliefs. These forward looking statements are not a guarantee of performance and are subject to a number of uncertainties and other factors, many of which are outside Level 3's control, which could cause actual events to differ materially from those expressed or implied by the statements. The most important factors that could prevent Level 3 from achieving its stated goals include, but are not limited to Level 3's ability to: successfully integrate acquisitions; increase the volume of traffic on the network; defend intellectual property and proprietary rights; develop new products and services that meet customer demands and generate acceptable margins; successfully complete commercial testing of new technology and information systems to support new products and services; attract and retain qualified management and other personnel; 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 filings with the Securities and Exchange Commission. Statements in this press release should be evaluated in light of these important factors. Level 3 is under no obligation to, and expressly disclaims any

such obligation to, update or alter its forward-looking statements, whether as a result of new information, future events, or otherwise.

Important Information about the Tender Offers

This announcement and the description contained herein are for informational purposes only and are not offers to purchase or solicitations of an offer to sell securities of Level 3 Communications, Inc. Level 3 Communications, Inc. has filed with the SEC a tender offer statement on Schedule TO, as amended, containing an offer to purchase, a letter of transmittal and other documents relating to the offers. These documents contain important information about the tender offers. Holders of notes of Level 3 Communications, Inc. are urged to read them carefully, and can obtain these documents free of charge from the SEC's website at www.sec.gov or by contacting the Information Agent for the offers, Global Bondholder Services Corporation, at (212) 430-3774 or (866) 389-1500 (toll free).
