

LEVEL 3 COMMUNICATIONS INC

FORM SC TO-I/A

(Amended tender offer statement by Issuer)

Filed 12/16/08

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

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE TO

Tender Offer Statement Under Section 14(d)(1) or Section 13(e)(1)
of the Securities Exchange Act of 1934

(Amendment No. 2)

LEVEL 3 COMMUNICATIONS, INC.
(Name of Subject Company (Issuer) and Filing Person (Offeror))

2.875% Convertible Senior Notes due 2010
6% Convertible Subordinated Notes due 2010
6% Convertible Subordinated Notes due 2009
(Title of Class of Securities)

52729NBA7
52729NAS9
52729NAG5
(CUSIP Number of Class of Securities)

Thomas C. Stortz
Executive Vice President and Chief Legal Officer
1025 Eldorado Boulevard
Broomfield, Colorado 80021
(720) 888-1000
(Name, address and telephone number of person authorized to receive notices
and communications on behalf of filing person)

Copy to:
David K. Boston
Willkie Farr & Gallagher LLP
787 Seventh Avenue
New York, New York 10019
(212) 728-8000

Calculation of Filing Fee

Transaction valuation(1)
\$837,705,820

Amount of filing fee(2)
\$32,922

(1) Calculated solely for purposes of determining the amount of the filing fee. The transaction valuation was calculated based on the purchase of (i) \$354,541,000 aggregate principal amount of the issuer's 2.875% Convertible Senior Notes due 2010 at the tender offer price of \$620.00 per \$1,000 principal amount of such notes, (ii) \$481,666,000 aggregate principal amount of the issuer's 6% Convertible Subordinated Notes due 2010 at the tender offer price of \$700.00 per \$1,000 principal amount of such notes and (iii) \$305,135,000 aggregate principal amount of the issuer's 6% Convertible Subordinated Notes due 2009 at the tender offer price of \$920.00 per \$1,000 principal amount of such notes.

(2) The amount of the filing fee was calculated at a rate of \$39.30 per \$1,000,000 of transaction value.

☒ Check box if any part of the fee is offset as provided by Rule 0-11(a)(2) and identify the filing with which the offsetting fee was previously paid. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

Amount Previously Paid: \$32,922.
Form or Registration No.: Schedule TO

Filing Party: Level 3 Communications, Inc.
Date Filed: November 17, 2008

☐ Check the box if the filing relates solely to preliminary communications made before the commencement of a tender offer.

Check the appropriate boxes below to designate any transactions to which the statement relates:

☐ third-party tender offer subject to Rule 14d-1.

☒ issuer tender offer subject to Rule 13e-4.

☐ going private transaction subject to Rule 13e-3.

☐ amendment to Schedule 13D under Rule 13d-2.

Check the following box if the filing is a final amendment reporting the results of the tender offer: ☐

This Amendment No. 2 (this "Amendment No. 2") amends and supplements the Tender Offer Statement on Schedule TO originally filed with the Securities and Exchange Commission (the "SEC") on November 17, 2008, as amended by Amendment No. 1 to the Schedule TO filed with the SEC on December 8, 2008 (as amended, the "Schedule TO"), relating to three separate offers (each, an "Offer" and collectively, the "Offers") by Level 3 Communications, Inc., a Delaware corporation ("Level 3" or the "Company"), to purchase for cash any and all of its (i) 2.875% Convertible Senior Notes due 2010, (ii) 6% Convertible Subordinated Notes due 2010 and (iii) 6% Convertible Subordinated Notes due 2009 (collectively, the "Notes"), upon the terms and conditions set forth in the Offer to Purchase, dated November 17, 2008 (the "Offer to Purchase") and in the related Letter of Transmittal, copies of which are filed as Exhibits (a)(1)(i) and (a)(1)(ii), respectively, to the Schedule TO. This Amendment No. 2 is intended to satisfy the reporting requirements of Rule 13e-4(c)(3) under the Securities Exchange Act of 1934, as amended. Except as specifically provided herein, this Amendment No. 2 does not modify any of the information previously reported in the Schedule TO.

The information in the Offer to Purchase and the related Letters of Transmittal is incorporated in this Amendment No. 2 by reference to all of the applicable items in the Schedule TO, except that such information is amended and supplemented to the extent specifically provided in this Amendment No. 2.

You should read this Amendment No. 2 together with the Schedule TO, the Offer to Purchase and the Letter of Transmittal. Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Offer to Purchase.

ITEMS 1, 4, 6 and 7.

Items 1, 4, 6 and 7 of the Schedule TO are hereby amended and supplemented to include the following:

"On December 16, 2008, the Company announced that it has reduced the Minimum Tender Condition for each Offer as reflected in the table below. In addition, the Company announced that the Expiration Date for each Offer has been extended to 12:00 midnight, New York City time, on December 22, 2008. Each Offer remains subject to all other terms and conditions set forth in the Offer to Purchase dated November 17, 2008.

The Company's obligation to accept for payment, and to pay for, any Notes in a series validly tendered pursuant to an Offer is now subject to, among other things described in the Offer to Purchase, 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 Amount</u>	<u>Revised Minimum</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

The Company intends to fund purchases of the Notes from the net proceeds of the sale of the New Notes and from cash on hand. On December 16, 2008, the Company entered into an amendment to the securities purchase agreement relating to the sale of the New Notes, pursuant to which the Company and the investors named therein have agreed to reduce 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 by the Company in the Offers for those Notes as a condition to the investors' obligation to purchase the New Notes.

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 Offer to Purchase, and (iii) the purchase of \$470,000,000 aggregate principal amount of the Company's indebtedness pursuant to the Offers (assuming that the revised minimum principal amount of each series of Notes required to be purchased by the Company under the 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.

As of the close of business on December 15, 2008, an aggregate of \$163,760,000 principal amount of the 2010 Senior Notes, \$174,417,000 principal amount of the 2010 Subordinated Notes and \$137,464,000 principal amount of the 2009 Notes have been validly tendered in the applicable Offer for such Notes."

Filed with this Amendment No. 2 as Exhibit (a)(1)(iv) is Amendment No. 1 to the Securities Purchase Agreement, dated as of December 16, 2008, by and among the Company and the investors named therein, and as Exhibit (a)(5)(iii) is the press release issued by the Company on December 16, 2008 announcing the reduction of the Minimum Tender Condition and extension of the Expiration Date for each Offer.

ITEM 12. EXHIBITS.

Item 12 is hereby amended and supplemented to include the following exhibit:

Exhibit Number	Description
"(a)(1) (iv)	Amendment No. 1 to the Securities Purchase Agreement, dated as of December 16, 2008, by and among Level 3 Communications, Inc. and the investors named therein, relating to Level 3 Communications, Inc.'s 15% Convertible Senior Notes due 2013.
(a)(5) (iii)	Press Release dated December 16, 2008."

SIGNATURE

After due inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: December 16, 2008

LEVEL 3 COMMUNICATIONS, INC.

By: /s/ THOMAS C. STORTZ

Name: Thomas C. Stortz

Title: *Executive Vice President, Chief Legal Officer and Secretary*

EXHIBIT INDEX

Exhibits filed as a part of this Schedule TO are listed below. Exhibits incorporated by reference are indicated in parentheses.

Exhibit Number	Description
(a)(1) (i)	Offer to Purchase dated November 17, 2008.*
(a)(1) (ii)	Form of Letter of Transmittal (including Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9).*
(a)(1) (iii)	Securities Purchase Agreement, dated as of November 17, 2008, by and among Level 3 Communications, Inc. and certain investors named therein, relating to Level 3 Communications, Inc.'s 15% Convertible Senior Notes due 2013.*
(a)(1) (iv)	Amendment No. 1 to the Securities Purchase Agreement, dated as of December 16, 2008, by and among Level 3 Communications, Inc. and certain investors named therein, relating to Level 3 Communications, Inc.'s 15% Convertible Senior Notes due 2013.
(a)(5) (i)	Press Release dated November 17, 2008.*
(a)(5) (ii)	Press Release dated December 8, 2008.*
(a)(5) (iii)	Press Release dated December 16, 2008.
(b)(1)	Form of First Supplemental Indenture relating to Level 3 Communications, Inc.'s 15% Convertible Senior Notes due 2013.*
(d)(1)	Amended and Restated Indenture, dated as of July 8, 2003, by and between Level 3 Communications, Inc. and The Bank of New York Mellon, as trustee, relating to Level 3 Communications, Inc.'s Senior Debt Securities (incorporated herein by reference to Exhibit 4.1 to Level 3 Communications, Inc.'s Form 8-K filed on July 9, 2003).
(d)(2)	Form of Subordinated Indenture (incorporated herein by reference to Exhibit 4.2 to Amendment 1 to Level 3 Communications, Inc.'s Registration Statement on Form S-3 filed on February 3, 1999).
(d)(3)	First Supplemental Indenture, dated as of July 8, 2003, by and between Level 3 Communications, Inc. and The Bank of New York Mellon, as successor to IBJ Whitehall Bank & Trust Company, as Trustee, relating to Level 3 Communications, Inc.'s 2.875% Convertible Senior Notes due 2010 (incorporated herein by reference to Exhibit 4.2 to Level 3 Communications, Inc.'s Current Report on Form 8-K filed on July 9, 2003).
(d)(4)	Second Supplemental Indenture, dated as of February 29, 2000, by and between Level 3 Communications, Inc. and The Bank of New York Mellon, as Trustee, relating to Level 3 Communications, Inc.'s 6% Convertible Subordinated Notes due 2010 (incorporated herein by reference to Exhibit 4.1 to Level 3 Communications, Inc.'s Current Report on Form 8-K filed on February 29, 2000).
(d)(5)	First Supplemental Indenture, dated as of September 20, 1999, by and between Level 3 Communications, Inc. and The Bank of New York Mellon, as successor to IBJ Whitehall Bank & Trust Company, as Trustee, relating to Level 3 Communications, Inc.'s 6% Convertible Subordinated Notes due 2009 (incorporated herein by reference to Exhibit 4.1 to Level 3 Communications, Inc.'s Current Report on Form 8-K filed on September 20, 1999).
(g)	Not applicable.
(h)	Not applicable.

* Previously filed.

QuickLinks

ITEMS 1, 4, 6 and 7.
ITEM 12. EXHIBITS.

SIGNATURE
EXHIBIT INDEX

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.
-

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]

[Exhibit 99\(a\)\(1\)\(iv\)](#)



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: LVL3) 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).

QuickLinks

[Exhibit 99\(a\)\(5\)\(iii\)](#)

[Level 3 Reduces the Minimum Tender Condition and Extends the Expiration Date for Its Pending Tender Offers](#)