

4th Quarter and Full Year 2017 Results

February 14, 2018

Forward-Looking Statements

Except for historical and factual information, the matters set forth in this presentation and other of our oral or written statements identified by words such as “estimates,” “expects,” “anticipates,” “believes,” “plans,” “intends,” and similar expressions are forward-looking statements as defined by the federal securities laws, and are subject to the “safe harbor” protections thereunder. These forward-looking statements are not guarantees of future results and are based on current expectations only, are inherently speculative, and are subject to a number of assumptions, risks and uncertainties, many of which are beyond our control. Actual events and results may differ materially from those anticipated, estimated, projected or implied by us in those statements if one or more of these risks or uncertainties materialize, or if underlying assumptions prove incorrect. Factors that could affect actual results include but are not limited to: the effects of competition from a wide variety of competitive providers, including decreased demand for our legacy offerings and increased pricing pressures; the effects of new, emerging or competing technologies, including those that could make our products less desirable or obsolete; the effects of ongoing changes in the regulation of the communications industry, including the outcome of regulatory or judicial proceedings relating to intercarrier compensation, interconnection obligations, universal service, broadband deployment, data protection and net neutrality; our ability to timely realize the anticipated benefits of our recently-completed combination with Level 3, including our ability to attain anticipated cost savings, to use Level 3’s net operating losses in the amounts projected, to retain key personnel and to avoid unanticipated integration disruptions; our ability to safeguard our network, and to avoid the adverse impact on our business from possible security breaches, service outages, system failures, equipment breakages or similar events impacting our network or the availability and quality of our services; our ability to effectively adjust to changes in the communications industry and changes in the composition of our markets and product mix; possible changes in the demand for our products and services, including our ability to effectively respond to increased demand for high-speed broadband service; our ability to successfully maintain the quality and profitability of our existing product and service offerings, to provision them efficiently to our customers, and to introduce profitable new offerings on a timely and cost-effective basis; our ability to generate cash flows sufficient to fund our financial commitments and objectives, including our capital expenditures, operating costs, debt repayments, periodic share repurchases, dividends, pension contributions and other benefits payments; changes in our operating plans, corporate strategies, dividend payment plans or other capital allocation plans, whether based upon changes in our cash flows, cash requirements, financial performance, financial position, market conditions or otherwise; our ability to effectively retain and hire key personnel and to successfully negotiate collective bargaining agreements on reasonable terms without work stoppages; increases in the costs of our pension, health, post-employment or other benefits, including those caused by changes in markets, interest rates, mortality rates, demographics or regulations; adverse changes in our access to credit markets on favorable terms, whether caused by changes in our financial position, lower debt credit ratings, unstable markets or otherwise; our ability to meet the terms and conditions of our debt obligations; our ability to maintain favorable relations with our key business partners, customers, suppliers, vendors, landlords and financial institutions; our ability to effectively manage our network buildout project and our other expansion opportunities; our ability to collect our receivables from financially troubled customers; any adverse developments in legal or regulatory proceedings involving us; changes in tax, communications, pension, healthcare or other laws or regulations, in governmental support programs, or in general government funding levels; the effects of changes in accounting policies or practices, including potential future impairment charges; the effects of adverse weather, terrorism or other natural or man-made disasters; the effects of more general factors such as changes in interest rates, in exchange rates, in operating costs, in general market, labor, economic or geo-political conditions, or in public policy; and other risks referenced from time to time in our filings with the U.S. Securities and Exchange Commission (“SEC”). For all the reasons set forth above and in our SEC filings, you are cautioned not to unduly rely upon our forward-looking statements, which speak only as of the date made. We undertake no obligation to publicly update or revise any forward-looking statements for any reason, whether as a result of new information, future events or developments, changed circumstances, or otherwise. Furthermore, any information about our intentions contained in any of our forward-looking statements reflects our intentions as of the date of such forward-looking statement, and is based upon, among other things, existing regulatory, technological, industry, competitive, economic and market conditions, and our assumptions as of such date. We may change our intentions, strategies or plans without notice at any time and for any reason.

Non-GAAP Measures

This presentation includes certain non-GAAP historical and forward-looking financial measures, including but not limited to adjusted EBITDA, free cash flow, adjusted free cash flow, unlevered cash flow, core revenues, adjusted net income, adjusted diluted EPS and adjustments to GAAP measures to exclude the effect of special items. In addition to providing key metrics for management to evaluate the company's performance, we believe these measurements assist investors in their understanding of period-to-period operating performance and in identifying historical and prospective trends.

Reconciliations of non-GAAP financial measures to the most comparable GAAP measures are included in the attached financial schedules. Reconciliation of additional non-GAAP historical financial measures that may be discussed during the call described above, along with further descriptions of non-GAAP financial measures, will be available in the Investor Relations portion of the company's website at www.centurylink.com and in the current report on form 8-K that we intend to file later today. Non-GAAP measures are not presented to be replacements or alternatives to the GAAP measures, and investors are urged to consider these non-GAAP measures in addition to, and not in substitution for, measures prepared in accordance with GAAP. CenturyLink may present or calculate its non-GAAP measures differently from other companies.

Participants

Glen Post

Chief Executive Officer

Sunit Patel

Executive Vice President & Chief Financial Officer

Jeff Storey

President & Chief Operating Officer

Overview

Glen Post

Chief Executive Officer

Financial Review

Sunit Patel

Executive Vice President & Chief Financial Officer

Financial Highlights

- **Expect 2018 Adjusted EBITDA¹ to be higher compared to 2017 Adjusted EBITDA^{1,2} on a pro forma basis**
- **Expect to generate positive Free Cash Flow¹ after dividends in 2018**
- **Achieved ~\$75 million of annualized run-rate Adjusted EBITDA synergies in fourth quarter 2017; highly confident in ability to achieve the targeted \$975 million in synergies over the next few years**

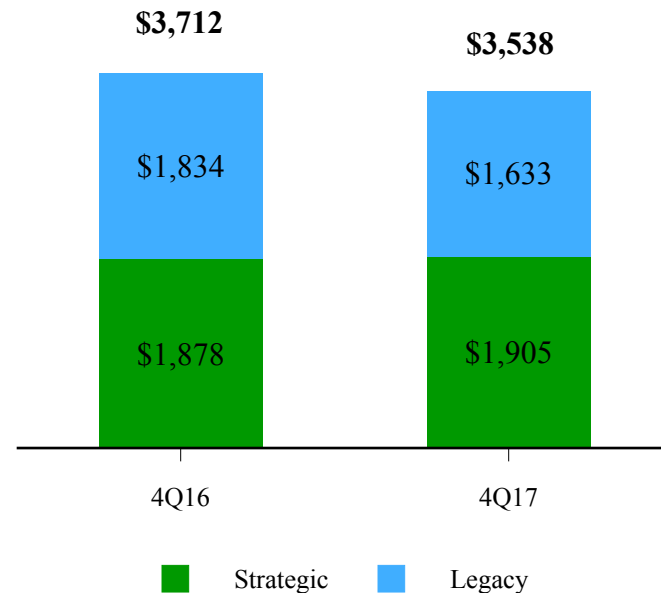
(1) Excludes integration-related expenses

(2) Excludes CenturyLink colocation revenue and related estimated costs.

CenturyLink Standalone 4Q17 Financial Summary

- **\$3.964 billion in Total operating revenue**
 - **\$3.538 billion Core revenue¹, 8.4% Y/Y decrease from 4Q16; Adjusting for the Colo Sale effective May 1, 2017, core revenue declined 4.7% Y/Y**
 - **\$1.905 billion Strategic revenue², 6.1% Y/Y decrease from 4Q16; Adjusting for the Colo Sale effective May 1, 2017, strategic revenue grew 1.4% Y/Y**
 - **\$1.633 billion Legacy revenue², an 11.0% Y/Y decrease from 4Q16**
- **Adjusted EBITDA³ of \$1.471 billion; 37.1% adjusted EBITDA margin**

Core Revenue^{(1), (2), (4)}
\$ in millions



(1) Core revenue defined as strategic revenue plus legacy revenue (excludes data integration and other revenue)

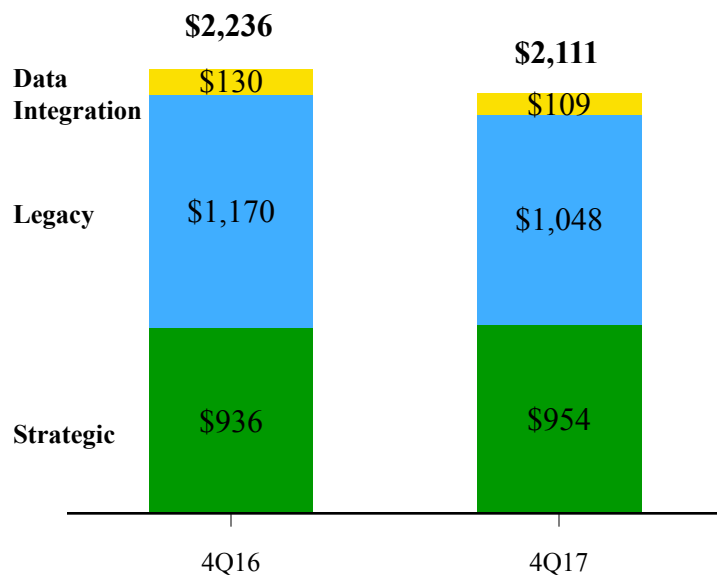
(2) Beginning second quarter 2017, certain legacy services, specifically dark fiber network leasing, were reclassified from legacy services to strategic services. All historical periods have been restated to reflect these changes.

(3) See supporting financial schedules available at ir.centurylink.com

(4) 4Q16 revenue adjusted to exclude ~\$150 million of revenue associated with the May 1, 2017 sale of the data centers and colocation business.

CenturyLink Standalone Enterprise Revenues

Enterprise - Operating Revenue⁽¹⁾ \$ in millions



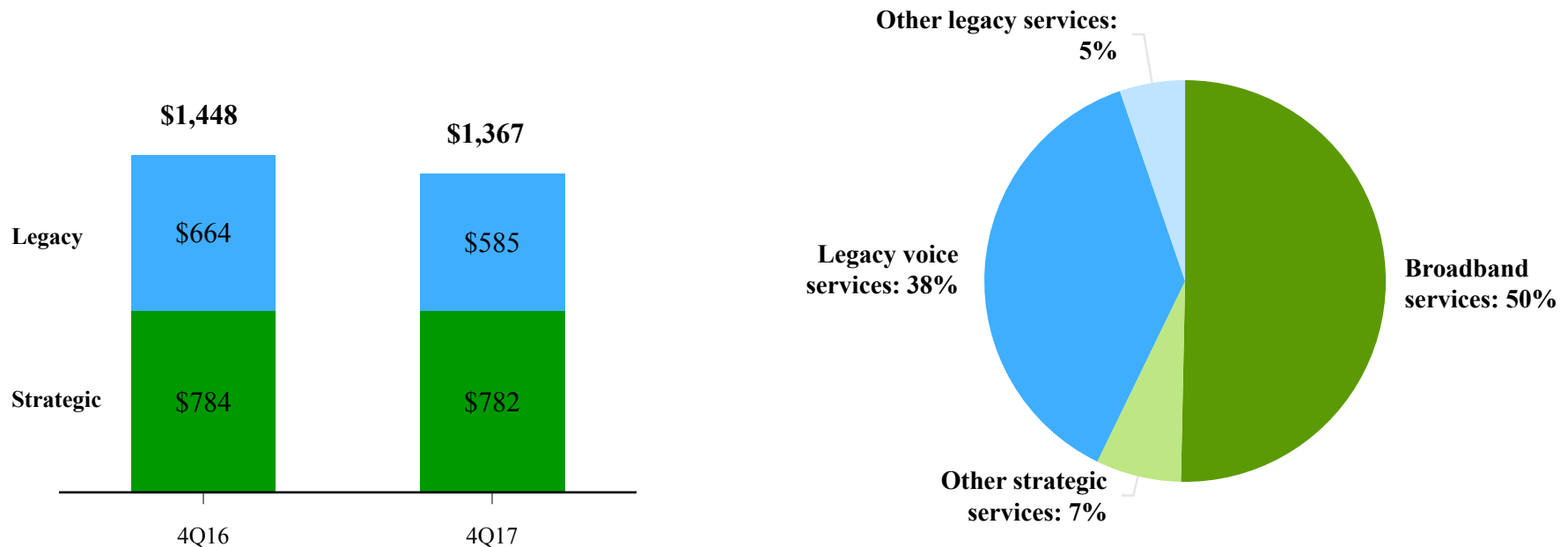
Enterprise Strategic Revenue (\$ in millions)	4Q17	4Q16	Y/Y %
High-bandwidth Data Services	\$773	\$755	2.4%
Other Strategic Services	\$181	\$331	(45.3)%
Total Strategic Services	\$954	\$1,086	(12.2)%
<i>Total Strategic Services excluding colocation¹</i>	<i>\$954</i>	<i>\$936</i>	<i>1.9%</i>

(1) 4Q16 revenue adjusted to exclude ~\$150 million of revenue associated with the May 1, 2017 sale of the data centers and colocation business.

CenturyLink Standalone Consumer Revenues

Consumer - Operating Revenue

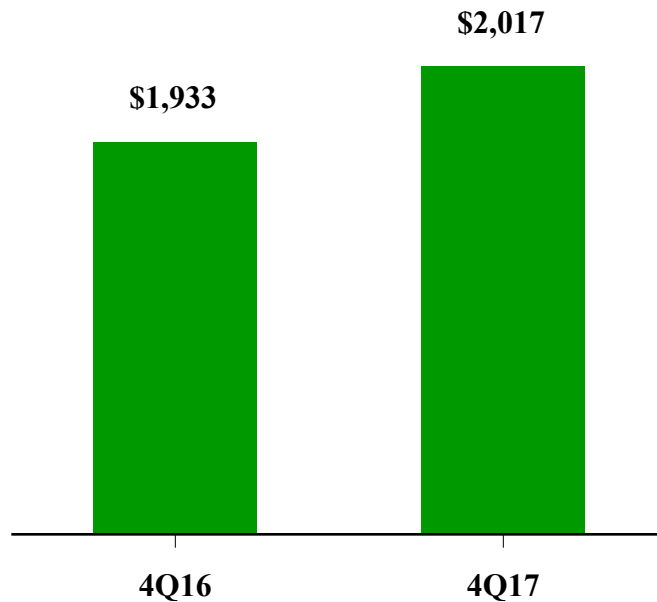
\$ in millions



- Ended year with ~5 million consumer broadband customers
- Subscriber growth in 20Mbps and higher offerings more than offset by subscriber declines in speeds under 20Mbps

Level 3 Standalone CNS Revenue

CNS Revenue \$ in millions



1.1% 4Q17 CNS Revenue Churn⁽¹⁾

4Q17 CNS Revenue Performance

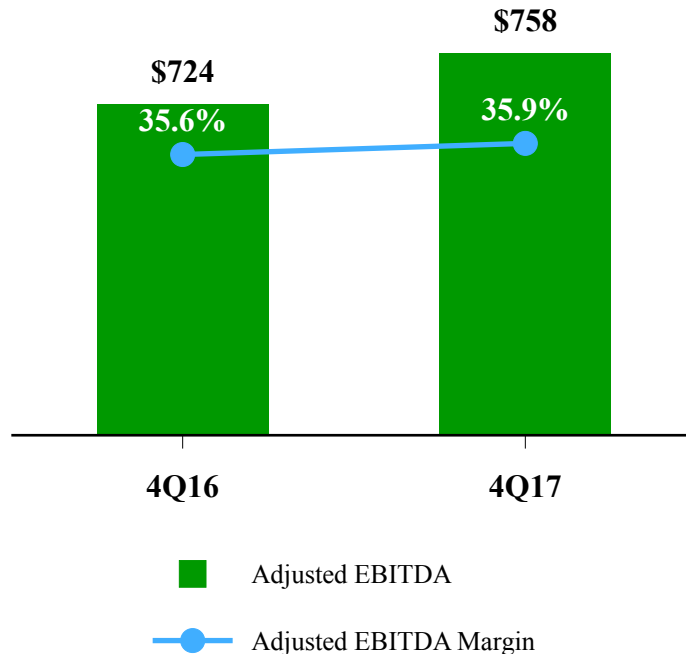
Revenue	Constant Currency Y/Y %	As Reported Y/Y %
Total CNS	3.8%	4.3%
Enterprise	5.7%	6.2%
Wholesale	(1.8)%	(1.0)%
North America	3.8%	3.8%
Enterprise	5.6%	5.6%
Wholesale	(1.5)%	(1.5)%
EMEA	0.6%	5.0%
Enterprise	5.3%	9.3%
Wholesale	(2.1)%	3.6%
UK Government	(22.3)%	(18.8)%
Latin America	8.0%	8.8%
Enterprise	11.0%	11.8%
Wholesale	(3.6)%	(2.9)%

(1) Revenue churn is measured as disconnects of Core Network Services (CNS) monthly recurring revenue as a percentage of CNS revenue. This calculation excludes churn from customers who disconnected existing service in a particular location but replaced it with new services in the same location. The calculation also excludes usage.

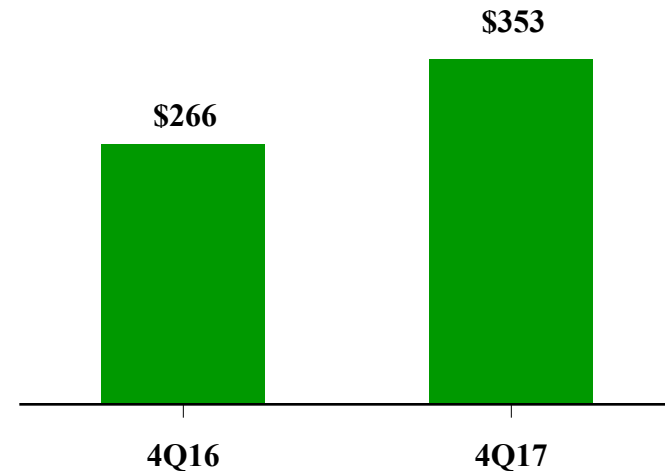
Level 3 Standalone

Adjusted EBITDA & Free Cash Flow

Adjusted EBITDA^{(1) (2)}
\$ in millions



Free Cash Flow^{(1) (3)}
\$ in millions



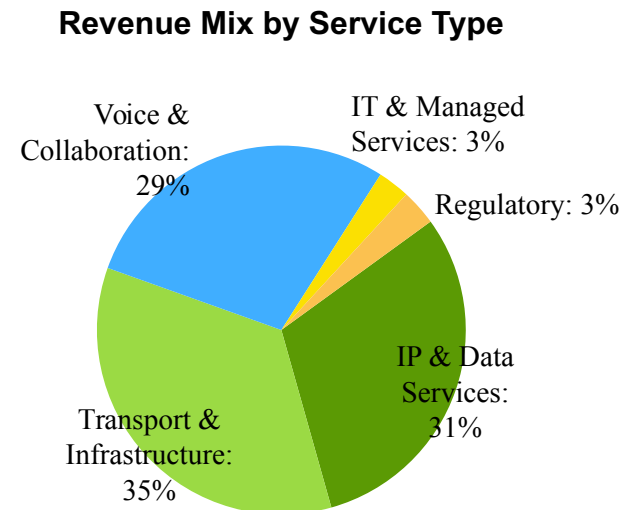
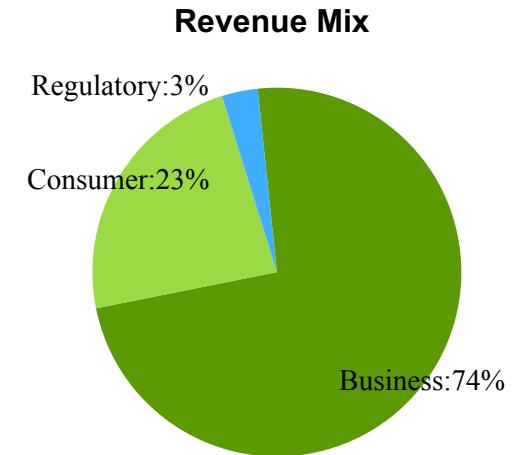
(1) See schedule of non-GAAP metrics for definitions and reconciliation to GAAP measures.

(2) Adjusted EBITDA and Adjusted EBITDA margin results exclude \$87 million of acquisition-related expenses in 4Q17 and \$15 million in 4Q16

(3) 4Q17 Free Cash Flow excludes \$230 million of cash acquisition-related expenses and 401(k) matching contributions of \$7 million which were funded with cash under the CenturyLink plan. 4Q16 Free Cash Flow excludes \$15 million of cash acquisition-related expenses.

CenturyLink Pro forma Revenue

Pro forma Revenue (\$ in millions)	4Q17	Y/Y % Change
By Business Unit		
Medium & Small Business	\$874	(4.8)%
Enterprise	1,324	4.8%
International & Global Accounts	941	4.0%
Wholesale & Indirect	1,276	(6.5)%
Consumer	1,401	(5.7)%
Regulatory	189	7.4%
By Service Type		
IP & Data Services	1,839	2.1%
Transport & Infrastructure	2,092	(1.7)%
Voice & Collaboration	1,716	(7.1)%
IT & Managed Services	169	7.0%
Regulatory	189	7.4%



CenturyLink Pro forma Results

Metric (\$ in millions)	4Q17	FY 2017
Total Revenue	\$6,005	\$24,127
Adjusted EBITDA ^{(1), (2)}	\$2,211	\$8,698
Adjusted EBITDA Margin	36.8%	36.1%
Debt Outstanding	38,053	

(1) Adjusted EBITDA is defined as operating income (loss) plus depreciation and amortization expense, non-cash impairment charges and non-cash stock compensation expense, adjusted for special items and CenturyLink colocation revenue and related estimated costs.

(2) 4Q17 and 2017 Adjusted EBITDA results exclude \$62 million and \$170 million, respectively, of integration-related expenses.

Adjusted EBITDA Synergies

Metric (\$ in millions)	4Q17
Total annualized run-rate synergies	\$75
Integration-related expenses	\$62

\$850 million of expected annualized run-rate
Adjusted EBITDA savings

2018 Business Outlook

Metric ⁽¹⁾	Outlook
Adjusted EBITDA ⁽²⁾	\$8.75 to \$8.95 billion
Free Cash Flow ⁽³⁾	\$3.15 to \$3.35 billion
Dividends ⁽⁴⁾	\$2.30 billion
Free Cash Flow after Dividends	\$850 million to \$1.05 billion
GAAP Interest Expense	\$2.25 billion
Cash Interest	\$2.10 billion
Capital Expenditures	~16% of Revenue
Depreciation & Amortization	\$5.40 to \$5.50 billion
Non-cash Compensation Expense	\$200 million
Cash Income Taxes	\$100 million
Full Year Effective Income Tax Rate	~25%

(1) All outlook measures in this release and the accompanying schedules exclude integration-related expenses and other special items, and are as of February 14, 2018.

(2) Adjusted EBITDA is defined as operating income (loss) from the Pro Forma Combined Company Results plus depreciation and amortization expense, non-cash impairment charges and non-cash stock compensation expense, adjusted for special items and CenturyLink colocation revenue and related estimated costs.

(3) 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.

(4) Dividends is defined as dividends paid as disclosed in the Consolidated Statements of Cash Flows. Payments of all dividends are at the discretion of the board of directors.

Operations Review

Jeff Storey

President & Chief Operating Officer

Q&A