1st Quarter 2018 Results

May 9, 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, unlevered cash flow 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.

Comparisons to prior periods are being presented on a "pro forma" (PF) basis, assuming the Level 3 acquisition and the colocation and data center sale took place on January 1, 2017. In addition, the growth rates disclosed in the presentation are on a year-over-year basis.

Participants

Glen Post
Chief Executive Officer

Sunit Patel
Executive Vice President & Chief Financial Officer

Jeff Storey
President & Chief Operating Officer

Financial Highlights

- **Reiterated Adjusted EBITDA and Free Cash Flow outlook for the full year 2018**
- **Generated Adjusted EBITDA[1,2], excluding integration-related and special items, of $2.18 billion**
- **Generated Free Cash Flow[1,3] of $941 million, excluding integration-related and special items**
- **Achieved annualized run-rate Adjusted EBITDA synergies of $215 million**

(1) See schedule of non-GAAP metrics for definitions and reconciliation to GAAP measures.
(2) In first quarter 2018, special items affecting Adjusted EBITDA include an impairment of $42 million and integration-related expenses of $65 million.
(3) In first quarter 2018, cash paid for integration-related expenses were $79 million.

Revenues by Business Unit

Revenues ($ in millions)	1Q18	Y/Y % Change[1]	Revenue Mix
By Business Unit			
Medium & small business	$860	(4.6)%	15%
Enterprise	1,315	1.8%	22%
International & global accounts	937	5.2%	16%
Wholesale & indirect	1,271	(5.5)%	21%
Business markets sub-total	4,383	(1.0)%	74%
Consumer	1,379	(4.7)%	23%
Regulatory	183	5.2%	3%
Total	$5,945	(1.7)%	100%

Excluding the 1Q18 impact of the Revenue Recognition Standard ASC 606 Y/Y:

- Total revenues declined 1.5%
- Business revenues declined 0.9%
- Consumer revenues declined 4.0%

Consumer Broadband Performance (in thousands)	1Q18
Total subscribers, ending	4,986
Subscriber quarterly net change	(58)
Below 20 Mbps	(112)
Above 20 Mbps	54

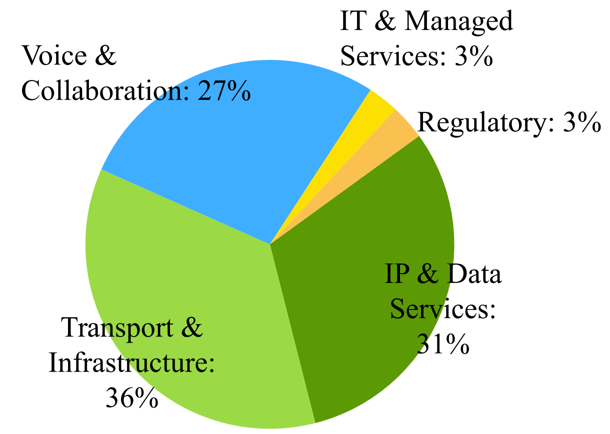
Net subscribers declined; Price for Life offering driving improved broadband ARPU

(1) Year over Year change is 1Q18 results compared to 1Q17 Pro Forma results

Revenues by Service Type

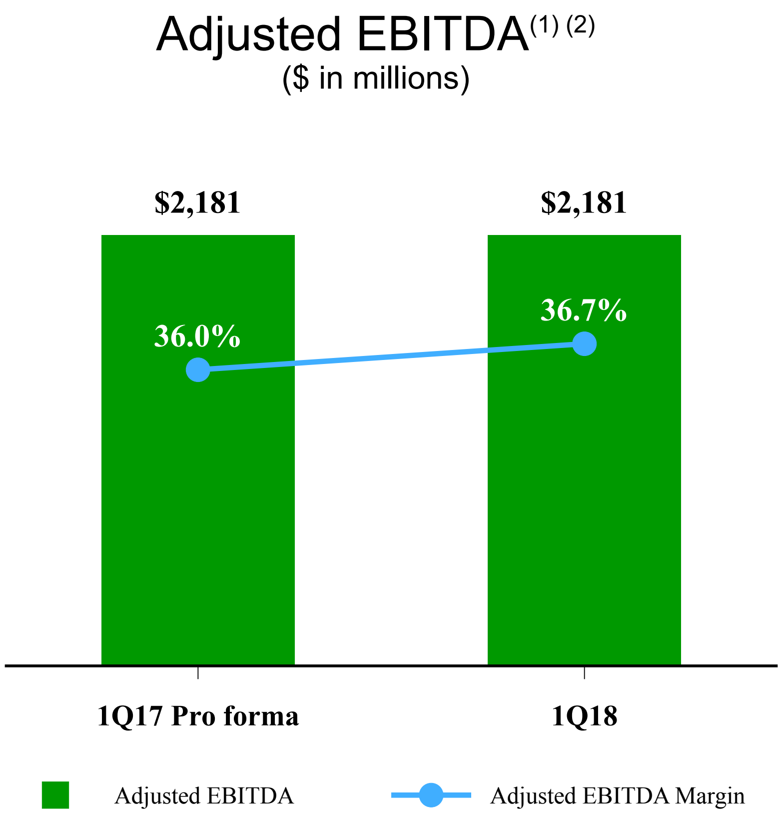
Revenues ($ in millions)	1Q18	Y/Y % Change[1]
By Service Type		
IP & data services	$1,845	1.4%
Transport & infrastructure	2,118	1.2%
Voice & collaboration	1,637	(9.7)%
IT & managed services	162	5.9%
Regulatory	183	5.2%
Total	$5,945	(1.7)%

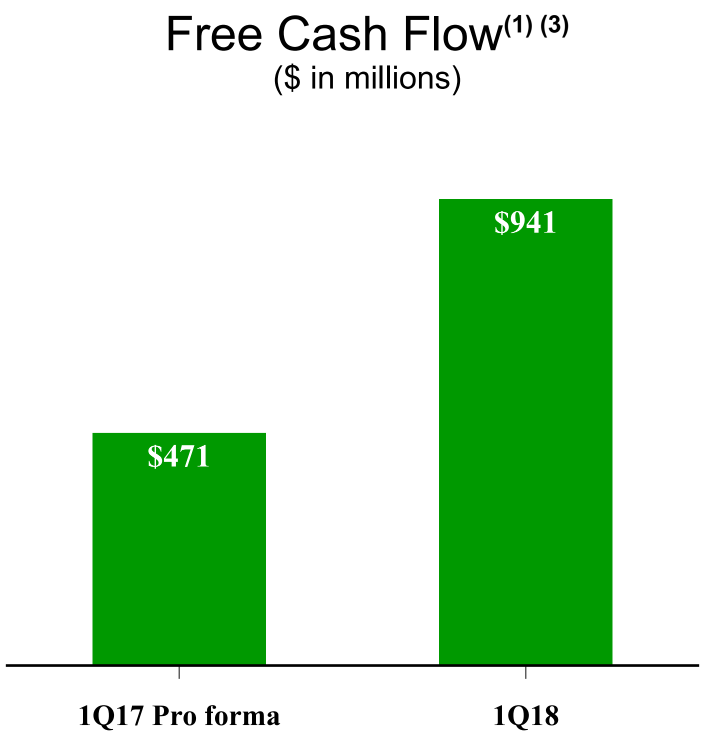
Revenue Mix by Service Type



(1) Year over Year change is 1Q18 results compared to 1Q17 Pro forma results

Adjusted EBITDA & Free Cash Flow





Net Debt to LTM Adjusted EBITDA Ratio[4]	4.3x

(1) See schedule of non-GAAP metrics for definitions and reconciliation to GAAP measures.
(2) In first quarter 2018, special items include an impairment of $42 million and integration-related expenses of $71 million, $65 million of which impacted adjusted EBITDA. In first quarter 2017, integration and acquisition-related expenses were $30 million.
(3) In first quarter 2018, cash paid for integration-related expenses was $79 million. In first quarter 2017, cash paid for acquisition-related expenses was $23 million.
(4) Excludes integration-related expenses and special items of $504 million in LTM adjusted EBITDA

Integration Synergies & Expenses

Metric ($ in millions)	4Q17	1Q18	Total
Annualized run-rate Adjusted EBITDA synergies	$75	$140	$215
Integration-related expenses [1]	$62	$71	$241

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

(1) Includes integration-related expenses impacting Adjusted EBITDA of $65 million in 1Q18

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 [1]	*\$5.10 to \$5.30 billion*
Non-cash Compensation Expense	\$200 million
Cash Income Taxes [5]	\$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 May 9, 2018. Italicized metrics have been revised since the original outlook provided on February 14, 2018.
(2) Adjusted EBITDA is defined as operating income (loss) from the Consolidated Statement of Operations plus depreciation and amortization expense, non-cash impairment charges and non-cash stock compensation expense.
(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.
(5) Cash income taxes are exclusive of all material prior period refunds

Q&A