

1st Quarter Earnings

May 4th, 2022

LUMEN[®]

Financial Trending Schedule

Financial Results and Trend Schedules, Debt, Operating Metrics, and Adjusted EBITDA

1st Quarter EarningsMay 4th, 2022

Lumen Technologies, Inc.

LUMEN[®]

Financial Results

(UNAUDITED)

(\$ in millions, except per share data)

| Metric | | First Quarter 2022 | First Quarter 2021 |
|---|----|-----------------------|-----------------------|
| International and Global Accounts | \$ | 999 | 1,020 |
| Large Enterprise | | 877 | 953 |
| Mid Market Enterprise | | 636 | 693 |
| Wholesale | | 889 | 929 |
| Business Segment Revenue | | 3,401 | 3,595 |
| Mass Markets Segment Revenue⁽¹⁾ | | 1,275 | 1,434 |
| Total Revenue⁽¹⁾ | \$ | 4,676 | 5,029 |
| Cost of Services and Products | | 1,985 | 2,136 |
| Selling, General and Administrative Expenses | | 800 | 756 |
| Stock-based Compensation Expense | | 23 | 20 |
| Adjusted EBITDA ⁽¹⁾⁽²⁾ | | 1,914 | 2,157 |
| Adjusted EBITDA, Excluding Special Items ⁽¹⁾⁽²⁾⁽³⁾ | | 1,966 | 2,165 |
| Adjusted EBITDA Margin ⁽²⁾ | | 40.9 % | 42.9 % |
| Adjusted EBITDA Margin, Excluding Special Items ⁽²⁾⁽³⁾ | | 42.0 % | 43.1 % |
| Net Cash Provided by Operating Activities | | 1,375 | 1,525 |
| Capital Expenditures | | 577 | 716 |
| Unlevered Cash Flow ⁽²⁾ | | 1,183 | 1,196 |
| Unlevered Cash Flow, Excluding Cash Special Items ⁽²⁾⁽⁴⁾ | | 1,231 | 1,237 |
| Free Cash Flow ⁽²⁾ | | 798 | 809 |
| Free Cash Flow, Excluding Cash Special Items ⁽²⁾⁽⁴⁾ | | 846 | 850 |
| Net Income ⁽⁵⁾ | | 599 | 475 |
| Net Income, Excluding Special Items ⁽²⁾⁽⁵⁾⁽⁶⁾ | | 636 | 475 |
| Net Income per Common Share - Diluted ⁽⁵⁾ | | 0.59 | 0.44 |
| Net Income per Common Share - Diluted, Excluding Special Items ⁽²⁾⁽⁵⁾⁽⁶⁾ | | 0.63 | 0.44 |
| Weighted Average Shares Outstanding (in millions) - Diluted | | 1,015.2 | 1,091.6 |

⁽¹⁾ First quarter 2022 Total Revenue and Adjusted EBITDA, Excluding Special Items were positively impacted by a non-cash revenue release of \$59 million related to support payments received under the Federal Communication Commission's Connect America Fund ("CAF") Phase II program, which lapsed on December 31, 2021. First quarter 2021 Total Revenue and Adjusted EBITDA, Excluding Special Items each included \$123 million related to CAF II.

⁽²⁾ See the attached schedules for definitions of non-GAAP metrics and reconciliations to GAAP figures.

⁽³⁾ Excludes Special Items in the amounts of (i) \$52 million for the first quarter of 2022 and (ii) \$8 million for the first quarter of 2021.

⁽⁴⁾ Excludes cash paid for Special Items of (i) \$48 million for the first quarter of 2022 and (ii) \$41 million for the first quarter of 2021.

⁽⁵⁾ Since designating our Latin American business and our 20-state ILEC business as held for sale on July 25, 2021 and August 3, 2021, respectively, we have ceased recording depreciation of property, plant and equipment and amortization of finite-lived intangible assets and right-of-use assets with respect to these assets. We estimate that we would have recorded an additional \$170 million of depreciation, intangible amortization, and amortization of right-of use assets for the quarter ended March 31, 2022 if our Latin American and 20-state ILEC businesses had not been designated as held for sale.

⁽⁶⁾ Excludes Special Items (net of the income tax effect thereof) in the amounts of (i) \$37 million for the first quarter of 2022 and (ii) zero for the first quarter of 2021.

1st Quarter EarningsMay 4th, 2022

Lumen Technologies, Inc.

Consolidated Statements of Operations

(UNAUDITED)

(\$ and shares in millions, except per share amounts)

LUMEN®

| | 1Q22 | 4Q21 | 3Q21 | 2Q21 | 1Q21 |
|--|----------|---------|---------|---------|---------|
| OPERATING REVENUE | \$ 4,676 | 4,847 | 4,887 | 4,924 | 5,029 |
| OPERATING EXPENSES | | | | | |
| Cost of services and products (exclusive of depreciation and amortization) | 1,985 | 2,086 | 2,151 | 2,115 | 2,136 |
| Selling, general and administrative | 800 | 723 | 654 | 762 | 756 |
| Depreciation and amortization | 808 | 877 | 951 | 1,041 | 1,150 |
| Goodwill impairment | - | - | - | - | - |
| Total operating expenses | 3,593 | 3,686 | 3,756 | 3,918 | 4,042 |
| OPERATING INCOME | 1,083 | 1,161 | 1,131 | 1,006 | 987 |
| OTHER (EXPENSE) INCOME | | | | | |
| Interest expense | (352) | (372) | (377) | (384) | (389) |
| Other income (expense), net | 70 | (110) | (38) | 52 | 34 |
| Total other expense, net | (282) | (482) | (415) | (332) | (355) |
| Income tax expense | 202 | 171 | 172 | 168 | 157 |
| NET INCOME | \$ 599 | 508 | 544 | 506 | 475 |
| BASIC AND DILUTED EARNINGS PER COMMON SHARE | | | | | |
| Basic | \$ 0.59 | 0.50 | 0.51 | 0.47 | 0.44 |
| Diluted | 0.59 | 0.50 | 0.51 | 0.46 | 0.44 |
| WEIGHTED AVERAGE COMMON SHARES OUTSTANDING | | | | | |
| Basic | 1,008.4 | 1,006.8 | 1,062.1 | 1,086.5 | 1,082.5 |
| Diluted | 1,015.2 | 1,015.5 | 1,069.2 | 1,093.4 | 1,091.6 |
| DIVIDENDS DECLARED PER COMMON SHARE | 0.25 | 0.25 | 0.25 | 0.25 | 0.25 |
| Exclude: Special Items ⁽¹⁾ | 37 | 14 | (23) | 15 | - |
| NET INCOME EXCLUDING SPECIAL ITEMS | \$ 636 | 522 | 521 | 521 | 475 |
| DILUTED EARNINGS PER SHARE EXCLUDING SPECIAL ITEMS | \$ 0.63 | \$ 0.51 | \$ 0.49 | \$ 0.48 | \$ 0.44 |

⁽¹⁾ Excludes the Special Items described in the Non-GAAP Special Items table, net of the income tax effect thereof.

Lumen Technologies, Inc.

Consolidated Balance Sheets

(UNAUDITED)

(\$ in millions)

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| | 1Q22 | 4Q21 | 3Q21 | 2Q21 | 1Q21 |
|---|------------------|---------------|---------------|---------------|---------------|
| ASSETS | | | | | |
| CURRENT ASSETS | | | | | |
| Cash and cash equivalents | \$ 366 | 354 | 635 | 935 | 486 |
| Accounts receivable, less allowance | 1,419 | 1,544 | 1,541 | 1,905 | 1,883 |
| Assets held for sale | 9,025 | 8,809 | 8,682 | - | - |
| Other current assets | 962 | 829 | 843 | 906 | 924 |
| Total current assets | 11,772 | 11,536 | 11,701 | 3,746 | 3,293 |
| NET PROPERTY, PLANT AND EQUIPMENT | | | | | |
| Property, plant and equipment | 40,464 | 40,166 | 42,953 | 58,910 | 58,305 |
| Accumulated depreciation | (19,635) | (19,271) | (22,027) | (32,917) | (32,214) |
| Net property, plant and equipment | 20,829 | 20,895 | 20,926 | 25,993 | 26,091 |
| GOODWILL AND OTHER ASSETS | | | | | |
| Goodwill | 15,976 | 15,986 | 15,987 | 18,867 | 18,854 |
| Other intangible assets, net | 6,785 | 6,970 | 7,160 | 7,663 | 7,884 |
| Other, net | 2,675 | 2,606 | 2,534 | 2,678 | 2,706 |
| Total goodwill and other assets | 25,436 | 25,562 | 25,681 | 29,208 | 29,444 |
| TOTAL ASSETS | \$ 58,037 | 57,993 | 58,308 | 58,947 | 58,828 |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | | | | |
| CURRENT LIABILITIES | | | | | |
| Current maturities of long-term debt | \$ 156 | 1,554 | 2,501 | 2,595 | 3,841 |
| Accounts payable | 902 | 758 | 829 | 966 | 1,017 |
| Accrued expenses and other liabilities | | | | | |
| Salaries and benefits | 687 | 860 | 873 | 931 | 846 |
| Income and other taxes | 244 | 228 | 280 | 294 | 346 |
| Current operating lease liabilities | 383 | 385 | 389 | 389 | 387 |
| Interest | 207 | 278 | 229 | 301 | 285 |
| Other | 184 | 232 | 284 | 286 | 307 |
| Liabilities held for sale | 2,250 | 2,257 | 2,291 | - | - |
| Current portion of deferred revenue | 642 | 617 | 624 | 748 | 758 |
| Total current liabilities | 5,655 | 7,169 | 8,300 | 6,510 | 7,787 |
| LONG TERM DEBT | 28,397 | 27,428 | 27,260 | 28,574 | 27,599 |
| DEFERRED CREDITS AND OTHER LIABILITIES | | | | | |
| Deferred income taxes, net | 4,222 | 4,049 | 3,732 | 3,643 | 3,471 |
| Benefit plan obligations, net | 3,634 | 3,710 | 3,980 | 4,321 | 4,435 |
| Other | 3,847 | 3,797 | 3,853 | 4,193 | 4,233 |
| Total deferred credits and other liabilities | 11,703 | 11,556 | 11,565 | 12,157 | 12,139 |
| STOCKHOLDERS' EQUITY | | | | | |
| Common stock | 1,033 | 1,024 | 1,031 | 1,105 | 1,106 |
| Additional paid-in capital | 18,695 | 18,972 | 19,235 | 20,361 | 20,598 |
| Accumulated other comprehensive loss | (2,047) | (2,158) | (2,577) | (2,710) | (2,845) |
| Accumulated deficit | (5,399) | (5,998) | (6,506) | (7,050) | (7,556) |
| Total stockholders' equity | 12,282 | 11,840 | 11,183 | 11,706 | 11,303 |
| TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY | \$ 58,037 | 57,993 | 58,308 | 58,947 | 58,828 |

1st Quarter Earnings

May 4th, 2022

LUMEN[®]

Lumen Technologies, Inc.

Condensed Consolidated Statements of Cash Flows

(UNAUDITED)

(\$ in millions)

| | 1Q22 | 4Q21 | 3Q21 | 2Q21 | 1Q21 |
|---|----------|---------|---------|---------|---------|
| OPERATING ACTIVITIES | | | | | |
| Net cash provided by operating activities | \$ 1,375 | 1,607 | 1,730 | 1,639 | 1,525 |
| INVESTING ACTIVITIES | | | | | |
| Capital expenditures | (577) | (848) | (690) | (646) | (716) |
| Proceeds from sale of property, plant and equipment and intangible assets | 6 | 45 | 24 | 31 | 35 |
| Other, net | 2 | 40 | 12 | (5) | 6 |
| Net cash used in investing activities | (569) | (763) | (654) | (620) | (675) |
| FINANCING ACTIVITIES | | | | | |
| Net proceeds from the issuance of long-term debt | - | - | - | 990 | 891 |
| Payments of long-term debt | (1,474) | (994) | (140) | (1,288) | (1,176) |
| Net payments on credit facility and revolving line of credit | 1,000 | 200 | - | - | (150) |
| Dividends paid | (271) | (253) | (266) | (274) | (294) |
| Repurchases of common stock | - | (91) | (909) | - | - |
| Other, net | (31) | (1) | (3) | (4) | (45) |
| Net cash used in financing activities | (776) | (1,139) | (1,318) | (576) | (774) |
| Net (decrease) increase in cash, cash equivalents and restricted cash | 30 | (295) | (242) | 443 | 76 |
| Cash, cash equivalents and restricted cash at beginning of period | 409 | 704 | 946 | 503 | 427 |
| Cash, cash equivalents and restricted cash at end of period | \$ 439 | 409 | 704 | 946 | 503 |
| Cash, cash equivalents and restricted cash: | | | | | |
| Cash and cash equivalents | \$ 366 | 354 | 635 | 935 | 486 |
| Cash and cash equivalents included in assets held for sale | 59 | 40 | 39 | - | - |
| Restricted cash | 14 | 15 | 30 | 11 | 17 |
| Total | \$ 439 | 409 | 704 | 946 | 503 |

1st Quarter Earnings

May 4th, 2022

LUMEN[®]

Lumen Technologies, Inc.

Segment Revenue ⁽¹⁾

(UNAUDITED)

(\$ in millions)

| | 1Q22 | 4Q21 | 3Q21 | 2Q21 | 1Q21 | 4Q20 | 3Q20 | 2Q20 | 1Q20 |
|------------------------------|-----------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Business Unit Revenue | | | | | | | | | |
| Business Segment Total | \$ 3,401 | 3,494 | 3,508 | 3,522 | 3,595 | 3,667 | 3,695 | 3,714 | 3,732 |
| Mass Markets Segment Total | 1,275 | 1,353 | 1,379 | 1,402 | 1,434 | 1,458 | 1,472 | 1,478 | 1,496 |
| Total | \$ 4,676 | 4,847 | 4,887 | 4,924 | 5,029 | 5,125 | 5,167 | 5,192 | 5,228 |

⁽¹⁾ Certain prior period amounts have been reclassified to conform to the current period presentation. These changes had no impact on total operating revenue, total operating expenses or net income for any period.

1st Quarter EarningsMay 4th, 2022

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Lumen Technologies, Inc.

Revenue by Sales Channel and Product Category⁽¹⁾

(UNAUDITED)

(\$ in millions)

| | 1Q22 | 4Q21 | 3Q21 | 2Q21 | 1Q21 | 4Q20 | 3Q20 | 2Q20 | 1Q20 |
|---|-----------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Business Revenue By Sales Channel | | | | | | | | | |
| International and Global Accounts | \$ 999 | 1,025 | 1,027 | 1,011 | 1,020 | 1,041 | 1,018 | 1,035 | 1,043 |
| Large Enterprise | 877 | 931 | 942 | 945 | 953 | 999 | 1,002 | 985 | 975 |
| Mid-Market Enterprise | 636 | 647 | 648 | 661 | 693 | 698 | 718 | 738 | 747 |
| Enterprise Channels | 2,512 | 2,603 | 2,617 | 2,617 | 2,666 | 2,738 | 2,738 | 2,758 | 2,765 |
| Wholesale | 889 | 891 | 891 | 905 | 929 | 929 | 957 | 956 | 967 |
| Business Segment Revenue | \$ 3,401 | 3,494 | 3,508 | 3,522 | 3,595 | 3,667 | 3,695 | 3,714 | 3,732 |
| Mass Markets Segment Revenue | 1,275 | 1,353 | 1,379 | 1,402 | 1,434 | 1,458 | 1,472 | 1,478 | 1,496 |
| Total Revenue | \$ 4,676 | 4,847 | 4,887 | 4,924 | 5,029 | 5,125 | 5,167 | 5,192 | 5,228 |
| Business Revenue by Product Category | | | | | | | | | |
| International and Global Accounts | | | | | | | | | |
| Compute and Application Services | 183 | 184 | 183 | 181 | 183 | 188 | 184 | 189 | 198 |
| IP and Data Services | 423 | 429 | 431 | 427 | 429 | 433 | 431 | 433 | 439 |
| Fiber Infrastructure Services | 219 | 224 | 231 | 217 | 217 | 218 | 213 | 207 | 208 |
| Voice and Other | 174 | 188 | 182 | 186 | 191 | 202 | 190 | 206 | 198 |
| Total IGAM Revenue | 999 | 1,025 | 1,027 | 1,011 | 1,020 | 1,041 | 1,018 | 1,035 | 1,043 |
| Large Enterprise | | | | | | | | | |
| Compute and Application Services | 163 | 181 | 172 | 174 | 169 | 184 | 168 | 160 | 153 |
| IP and Data Services | 388 | 391 | 394 | 396 | 402 | 401 | 407 | 410 | 410 |
| Fiber Infrastructure Services | 113 | 137 | 143 | 130 | 130 | 159 | 164 | 138 | 140 |
| Voice and Other | 213 | 222 | 233 | 245 | 252 | 255 | 263 | 277 | 272 |
| Total Large Enterprise Revenue | 877 | 931 | 942 | 945 | 953 | 999 | 1,002 | 985 | 975 |
| Mid-Market Enterprise | | | | | | | | | |
| Compute and Application Services | 33 | 33 | 30 | 32 | 32 | 31 | 30 | 33 | 33 |
| IP and Data Services | 415 | 419 | 421 | 428 | 442 | 447 | 450 | 454 | 458 |
| Fiber Infrastructure Services | 49 | 51 | 50 | 50 | 56 | 52 | 51 | 56 | 53 |
| Voice and Other | 139 | 144 | 147 | 151 | 163 | 168 | 187 | 195 | 203 |
| Total Mid-Market Enterprise Revenue | 636 | 647 | 648 | 661 | 693 | 698 | 718 | 738 | 747 |
| Wholesale | | | | | | | | | |
| Compute and Application Services | 48 | 47 | 46 | 48 | 47 | 45 | 47 | 46 | 46 |
| IP and Data Services | 296 | 298 | 297 | 298 | 305 | 307 | 311 | 313 | 318 |
| Fiber Infrastructure Services | 154 | 159 | 154 | 155 | 154 | 156 | 157 | 152 | 153 |
| Voice and Other | 391 | 387 | 394 | 404 | 423 | 421 | 442 | 445 | 450 |
| Total Wholesale Revenue | 889 | 891 | 891 | 905 | 929 | 929 | 957 | 956 | 967 |
| Business Segment by Product Category | | | | | | | | | |
| Compute and Application Services | 427 | 445 | 431 | 435 | 431 | 448 | 429 | 428 | 430 |
| IP and Data Services | 1,522 | 1,537 | 1,543 | 1,549 | 1,578 | 1,588 | 1,599 | 1,610 | 1,625 |
| Fiber Infrastructure Services | 535 | 571 | 578 | 552 | 557 | 585 | 585 | 553 | 554 |
| Voice and Other | 917 | 941 | 956 | 986 | 1,029 | 1,046 | 1,082 | 1,123 | 1,123 |
| Total Business Segment Revenue | 3,401 | 3,494 | 3,508 | 3,522 | 3,595 | 3,667 | 3,695 | 3,714 | 3,732 |
| Mass Markets Segment by Product Category | | | | | | | | | |
| Fiber Broadband | 145 | 137 | 135 | 130 | 122 | 116 | 110 | 102 | 99 |
| Other Broadband ⁽²⁾ | 610 | 608 | 619 | 632 | 648 | 654 | 658 | 664 | 663 |
| Voice and Other | 520 | 608 | 625 | 640 | 664 | 688 | 704 | 712 | 734 |
| Total Mass Markets Segment | 1,275 | 1,353 | 1,379 | 1,402 | 1,434 | 1,458 | 1,472 | 1,478 | 1,496 |

⁽¹⁾ Certain prior period amounts have been reclassified to conform to the current period presentation. These changes had no impact on total operating revenue, total operating expenses or net income for any period.⁽²⁾ Other broadband revenue primarily includes revenue from lower speed copper-based broadband services marketed under the CenturyLink brand.

Lumen Technologies, Inc.

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Debt Schedule - Excludes all Finance Leases, Unamortized Premiums, Discounts and Other, Net

March 31, 2022

(UNAUDITED)

(\$ in millions)

All information is presented as of March 31, 2022

| Entity (Original Issuer) | Coupon Rate | Maturity Date | Total |
|--|-------------|---------------|------------------|
| Qwest Corporation | | | |
| Qwest Corporation Senior Notes | 7.250 % | 9/15/2025 | 250 |
| Qwest Corporation Term Loan | L + 2.00% | 10/23/2027 | 215 |
| Qwest Corporation Senior Notes | 7.750 % | 5/1/2030 | 43 |
| Qwest Corporation Senior Notes | 7.375 % | 5/1/2030 | 55 |
| Qwest Corporation Senior Notes (CTBB) | 6.500 % | 9/1/2056 | 978 |
| Qwest Corporation Senior Notes (CTDD) | 6.750 % | 6/15/2057 | 660 |
| Total Qwest Corporation | | | \$ 2,201 |
| Qwest Capital Funding, Inc. | | | |
| Qwest Capital Funding, Inc. Senior Notes | 6.875 % | 7/15/2028 | 112 |
| Qwest Capital Funding, Inc. Senior Notes | 7.750 % | 2/15/2031 | 143 |
| Total Qwest Capital Funding, Inc. | | | \$ 255 |
| Embarq Corporation | | | |
| Embarq Corporation Senior Notes ⁽¹⁾ | 7.995 % | 6/1/2036 | \$ 1,437 |
| Centel Corporation | | | |
| Central Telephone Company (EQ Florida - GG) | 7.125 % | 7/15/2023 | 74 |
| Central Telephone Company (EQ Florida - HH) | 8.375 % | 1/15/2025 | 64 |
| Total Embarq Corporation and Subsidiaries | | | \$ 1,575 |
| Level 3 Financing, Inc. | | | |
| Level 3 Financing, Inc. Senior Notes | 5.375 % | 5/1/2025 | 800 |
| Level 3 Financing, Inc. Senior Notes | 5.250 % | 3/15/2026 | 775 |
| Level 3 Financing, Inc. Term Loan B | L + 1.75% | 3/1/2027 | 3,111 |
| Level 3 Financing, Inc. Sr. Secured Notes | 3.400% | 3/1/2027 | 750 |
| Level 3 Financing, Inc. Senior Notes | 4.625 % | 9/15/2027 | 1,000 |
| Level 3 Financing, Inc. Senior Notes | 4.250 % | 7/1/2028 | 1,200 |
| Level 3 Financing, Inc. Senior Notes | 3.625 % | 1/15/2029 | 840 |
| Level 3 Financing, Inc. Sustainability-Linked Senior Notes | 3.750 % | 7/15/2029 | 900 |
| Level 3 Financing, Inc. Sr. Secured Notes | 3.875 % | 11/15/2029 | 750 |
| Total Level 3 Parent, LLC and Subsidiaries | | | \$ 10,126 |
| Lumen Technologies, Inc. | | | |
| Lumen Technologies, Inc. Revolving Credit Facility | 2.103 % | 1/31/2025 | \$ 1,200 |
| Lumen Technologies, Inc. Senior Notes - Series W | 6.750 % | 12/1/2023 | 750 |
| Lumen Technologies, Inc. Senior Notes - Series Y | 7.500 % | 4/1/2024 | 1,000 |
| Lumen Technologies, Inc. Term Loan A | L + 2.00% | 1/31/2025 | 1,035 |
| Lumen Technologies, Inc. Term Loan A-1 | L + 2.00% | 1/31/2025 | 296 |
| Lumen Technologies, Inc. Senior Notes - Series X | 5.625 % | 4/1/2025 | 500 |
| Lumen Technologies, Inc. Senior Notes - Series D | 7.200 % | 12/1/2025 | 100 |
| Lumen Technologies, Inc. Senior Notes | 5.125 % | 12/15/2026 | 1,250 |
| Lumen Technologies, Inc. Senior Secured Notes | 4.000% | 2/15/2027 | 1,250 |
| Lumen Technologies, Inc. Term Loan B | L + 2.25% | 3/15/2027 | 4,888 |
| Lumen Technologies, Inc. Senior Notes - Series G | 6.875 % | 1/15/2028 | 425 |
| Lumen Technologies, Inc. Senior Notes | 4.500 % | 1/15/2029 | 1,000 |
| Lumen Technologies, Inc. Senior Notes | 5.375 % | 6/15/2029 | 1,000 |
| Lumen Technologies, Inc. Senior Notes - Series P | 7.600 % | 9/15/2039 | 519 |
| Lumen Technologies, Inc. Senior Notes - Series U | 7.650 % | 3/15/2042 | 470 |
| Total Lumen Technologies, Inc. | | | \$ 15,683 |
| Total LUMN Consolidated (excluding Finance Leases, Premium/(Discount)/Other, net) | | | \$ 29,840 |

⁽¹⁾ These senior notes have been reclassified as held for sale on our balance sheet as of March 31, 2022.

1st Quarter EarningsMay 4th, 2022LUMEN[®]

Lumen Technologies, Inc.

Assets and Liabilities Held For Sale

(UNAUDITED)

(\$ in millions)

March 31, 2022

| | LATAM | ILEC | Total |
|---|----------|-------|-------|
| Current Assets held for sale | | | |
| Cash and cash equivalents | \$ 58 | 1 | 59 |
| Accounts receivable, less allowance of \$3, \$18 and \$21 | 93 | 191 | 284 |
| Other current assets | 83 | 40 | 123 |
| Property, plant and equipment, net accumulated depreciation of \$456, \$8,379 and \$8,835 | 1,704 | 3,565 | 5,269 |
| Goodwill ⁽¹⁾ | 259 | 2,615 | 2,874 |
| Customer relationships, net | 138 | 158 | 296 |
| Other non-current assets | 83 | 37 | 120 |
| Total current assets held for sale | \$ 2,418 | 6,607 | 9,025 |
| Current Liabilities held for sale | | | |
| Accounts payable | \$ 90 | 50 | 140 |
| Salaries and benefits | 25 | 25 | 50 |
| Income and other taxes | 34 | 30 | 64 |
| Interest | - | 38 | 38 |
| Current portion of deferred revenue | 26 | 82 | 108 |
| Other current liabilities | 7 | 23 | 30 |
| Long-term debt, net of discounts ⁽²⁾ | - | 1,387 | 1,387 |
| Deferred income taxes, net | 148 | - | 148 |
| Pension and other post-retirement benefits ⁽³⁾ | 2 | 56 | 58 |
| Other non-current liabilities | 132 | 95 | 227 |
| Total current liabilities held for sale | \$ 464 | 1,786 | 2,250 |

⁽¹⁾ The assignment of goodwill was based on the relative fair value of the disposal group and the portion of the remaining reporting unit.

⁽²⁾ Long-term debt, net of discounts, includes \$1.4 billion of Embarq Senior notes, \$116 million of related unamortized discounts and \$66 million of long-term finance lease obligations.

⁽³⁾ Excludes pension obligation of approximately \$2.5 billion for the ILEC business, which will be transferred to the purchaser of the ILEC business upon closing. As of January 1, 2022, a new pension plan (the "Lumen Pension Plan") was spun off in anticipation of this transfer. Along with the transfer of the \$2.5 billion pension benefit obligation, \$2.2 billion of assets were allocated to the new plan. The remaining portion of the obligation is expected to be separately funded with cash paid by Lumen at the time of closing.

1st Quarter Earnings

May 4th, 2022

Lumen Technologies, Inc.

Operating Metrics
(UNAUDITED)

LUMEN[®]

| | March 31, 2022 | December 31, 2021 | September 30, 2021 | June 30, 2021 | March 31, 2021 |
|---|----------------|-------------------|--------------------|---------------|----------------|
| Operating Metrics | | | | | |
| Mass Markets broadband subscribers | | | | | |
| <i>(in thousands)</i> | | | | | |
| Fiber broadband subscribers | 830 | 800 | 770 | 750 | 720 |
| Other broadband subscribers ⁽¹⁾ | 3,640 | 3,720 | 3,820 | 3,920 | 4,010 |
| Mass Markets total broadband subscribers ⁽²⁾ | 4,470 | 4,520 | 4,590 | 4,670 | 4,730 |
| Mass Markets broadband enabled | | | | | |
| <i>(in millions)</i> | | | | | |
| Fiber broadband enabled | 2.9 | 2.8 | 2.7 | 2.6 | 2.5 |
| Other broadband enabled | 26.0 | 25.8 | 25.8 | 25.9 | 25.9 |
| Mass Markets total broadband enabled | 28.9 | 28.6 | 28.5 | 28.5 | 28.4 |

⁽¹⁾ Other broadband subscribers are customers that primarily subscribe to lower speed copper-based broadband services marketed under the CenturyLink brand.

⁽²⁾ Mass Markets broadband subscribers are customers that purchase broadband connection service through their existing telephone lines, stand-alone telephone lines, or fiber-optic cables. Our methodology for counting our Mass Markets broadband subscribers includes only those lines that we use to provide services to external customers and excludes lines used solely by us and our affiliates. It also excludes unbundled loops and includes stand-alone Mass Markets broadband subscribers. We count lines when we install the service.

Description of Non-GAAP Metrics

Pursuant to Regulation G, the company is hereby providing definitions of non-GAAP financial metrics and reconciliations to the most directly comparable GAAP measures.

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.

We use the term Special Items as a non-GAAP measure to describe items that impacted a period's statement of operations for which investors may want to give special consideration due to their magnitude, nature or both. We do not call these items non-recurring because, while some are infrequent, others may recur in future periods.

Adjusted EBITDA (\$) is defined as net income (loss) from the Statements of Operations before income tax (expense) benefit, total other income (expense), depreciation and amortization, stock-based compensation expense and impairments.

Adjusted EBITDA Margin (%) is defined as Adjusted EBITDA divided by total revenue.

Management believes that Adjusted EBITDA and Adjusted EBITDA Margin are relevant and useful metrics to provide to investors, as they are an important part of our internal reporting and are key measures used by management to evaluate profitability and operating performance of Lumen 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 Margin (and similarly uses these terms excluding Special Items) to compare our performance to that of our competitors and to eliminate certain non-cash and non-operating items in order to consistently measure from period to period our ability to fund capital expenditures, fund growth, service debt and determine bonuses. Adjusted EBITDA excludes non-cash stock compensation expense and impairments because of the non-cash nature of these items. Adjusted EBITDA also excludes interest income, interest expense and income taxes, and in our view constitutes an accrual-based measure that has the effect of excluding period-to-period changes in working capital and shows profitability without regard to the effects of capital or tax structure. Adjusted EBITDA also excludes depreciation and amortization expense because these non-cash expenses primarily reflect the impact of historical capital investments, as opposed to the cash impacts of capital expenditures made in recent periods, which may be evaluated through cash flow measures. Adjusted EBITDA further excludes the gain (or loss) on extinguishment and modification of debt and other income (expense), net, because these items are not related to the primary business operations of Lumen.

There are material limitations to using Adjusted EBITDA as a financial measure, including the difficulty associated with comparing companies that use similar performance measures whose calculations may differ from our calculations. Additionally, by excluding the above-listed items, Adjusted EBITDA may exclude items that investors believe are important components of our performance. Adjusted EBITDA and Adjusted EBITDA Margin (either with or without Special Items) should not be considered a substitute for other measures of financial performance reported in accordance with GAAP.

Unlevered Cash Flow is defined as net cash provided by (used in) operating activities less capital expenditures, plus cash interest paid and less interest income, all as disclosed in the Statements of Cash Flows or the Statements of Operations. Management believes that Unlevered Cash Flow is a relevant metric to provide to investors, because it reflects the operational performance of Lumen and, measured over time, enables management and investors to monitor the underlying business' growth pattern and ability to generate cash. Unlevered Cash Flow excludes cash used for acquisitions and debt service and the impact of exchange rate changes on cash and cash equivalents balances.

There are material limitations to using Unlevered Cash Flow to measure our cash performance as it excludes certain material items that investors may believe are important components of our cash flows. Comparisons of our Unlevered Cash Flow to that of some of our competitors may be of limited usefulness since Lumen does not currently pay a significant amount of income taxes due to net operating loss carryforwards, and therefore, currently 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, accounts payable, payroll and capital expenditures. Unlevered Cash Flow should not be used as a substitute for net change in cash, cash equivalents and restricted cash in the Consolidated Statements of Cash Flows.

Free Cash Flow is defined as net cash provided by (used in) operating activities less capital expenditures as disclosed in the Statements of Cash Flows. Management believes that Free Cash Flow is a relevant metric to provide to investors, as it is an indicator of our ability to generate cash to service our debt. Free Cash Flow excludes cash used for acquisitions, principal repayments and the impact of exchange rate changes on cash and cash equivalents balances.

There are material limitations to using Free Cash Flow to measure our performance as it excludes certain material items that investors may believe are important components of our cash flows. Comparisons of our Free Cash Flow to that of some of its competitors may be of limited usefulness since Lumen does not currently pay a significant amount of income taxes due to net operating loss carryforwards, 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 interest expense, accounts receivable, accounts payable, payroll and capital expenditures. Free Cash Flow should not be used as a substitute for net change in cash, cash equivalents and restricted cash on the Consolidated Statements of Cash Flows.

1st Quarter Earnings

May 4th, 2022

Lumen Technologies, Inc.

Non-GAAP Special Items

(UNAUDITED)

(\$ in millions)

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| Special Items Impacting Adjusted EBITDA | 1Q22 | 4Q21 | 3Q21 | 2Q21 | 1Q21 |
|--|--------------|-----------|-------------|-----------|----------|
| Consumer and other litigation | \$ - | (3) | - | 11 | 8 |
| Severance | 2 | 3 | - | - | - |
| Transaction and separation costs ⁽¹⁾ | 50 | 19 | 9 | 9 | - |
| Real estate transactions ⁽²⁾ | - | - | (40) | - | - |
| Total Special Items impacting Adjusted EBITDA | \$ 52 | 19 | (31) | 20 | 8 |

| Special Items Impacting Net Income | 1Q22 | 4Q21 | 3Q21 | 2Q21 | 1Q21 |
|---|--------------|-----------|-------------|-----------|----------|
| Consumer and other litigation | \$ - | (3) | - | 11 | 8 |
| Gain on early retirement of debt ⁽³⁾ | - | - | - | - | (8) |
| Severance | 2 | 3 | - | - | - |
| Transaction and separation costs ⁽¹⁾ | 50 | 19 | 9 | 9 | - |
| Real estate transactions ⁽²⁾ | - | - | (40) | - | - |
| Income from transition and separation services ⁽⁴⁾ | (3) | - | - | - | - |
| Total Special Items impacting net income | 49 | 19 | (31) | 20 | - |
| Income tax effect of special items ⁽⁵⁾ | (12) | (5) | 8 | (5) | - |
| Total Special Items impacting net income, net of tax | \$ 37 | 14 | (23) | 15 | - |

⁽¹⁾ Transaction and separation costs associated with the pending sale of our Latin American business to Stonepeak for \$2.7 billion announced July 26, 2021 and the pending sale of our ILEC (incumbent local exchange carrier) business in 20 states for \$7.5 billion announced August 3, 2021, and the evaluation of other potential transactions.

⁽²⁾ Real estate transactions include the Q3 2021 (gain) on sale of real estate, net of other impairment or acceleration of costs associated with our real estate rationalization program.

⁽³⁾ Reflects a gain as a result of \$1.1 billion in early debt retirement in Q1 2021. There were no comparable gains or losses during Q1 2022 or any other quarter in 2021.

⁽⁴⁾ Income from transition and separation services includes charges we bill for transition services agreements and IT professional services provided in connection with pending divestiture transactions.

⁽⁵⁾ Tax effect calculated using the annualized effective statutory tax rate, excluding any non-recurring discrete items, which was 24.6% for the Q1 2022 and 24.5% for all other periods presented.

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Lumen Technologies, Inc.

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Non-GAAP Cash Flow Reconciliation

(UNAUDITED)

(\$ in millions)

| | 1Q22 | 4Q21 | 3Q21 | 2Q21 | 1Q21 |
|---|-----------------|--------------|--------------|--------------|--------------|
| Net cash provided by operating activities | \$ 1,375 | 1,607 | 1,730 | 1,639 | 1,525 |
| Capital expenditures | (577) | (848) | (690) | (646) | (716) |
| Free cash flow | \$ 798 | 759 | 1,040 | 993 | 809 |
| Cash interest paid | 386 | 343 | 400 | 357 | 387 |
| Interest income | (1) | (2) | - | - | - |
| Unlevered cash flow | \$ 1,183 | 1,100 | 1,440 | 1,350 | 1,196 |
| Free cash flow | \$ 798 | 759 | 1,040 | 993 | 809 |
| Add back: Severance | 16 | 6 | 13 | 29 | 22 |
| Add back: Consumer and other litigation | - | (3) | 11 | 20 | 19 |
| Add back: Transaction and separation costs ⁽¹⁾ | 32 | 11 | 7 | 2 | - |
| Add back: Real estate transactions ⁽²⁾ | - | 3 | 1 | - | - |
| Free cash flow excluding Special Items | \$ 846 | 776 | 1,072 | 1,044 | 850 |
| Unlevered cash flow | \$ 1,183 | 1,100 | 1,440 | 1,350 | 1,196 |
| Add back: Severance | 16 | 6 | 13 | 29 | 22 |
| Add back: Consumer and other litigation | - | (3) | 11 | 20 | 19 |
| Add back: Transaction and separation costs ⁽¹⁾ | 32 | 11 | 7 | 2 | - |
| Add back: Real estate transactions ⁽²⁾ | - | 3 | 1 | - | - |
| Unlevered cash flow excluding Special Items | \$ 1,231 | 1,117 | 1,472 | 1,401 | 1,237 |

⁽¹⁾ Transaction and separation costs associated with the pending sale of our Latin American business for \$2.7 billion announced July 26, 2021 and the pending sale of our ILEC (incumbent local exchange carrier) business in 20 states for \$7.5 billion announced August 3, 2021, and the evaluation of other potential transactions.

⁽²⁾ Real estate transactions include the incremental cash charges associated with our real estate rationalization program.

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Lumen Technologies, Inc.

Adjusted EBITDA Non-GAAP Reconciliation

(UNAUDITED)

(\$ in millions)

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| | 1Q22 | 4Q21 | 3Q21 | 2Q21 | 1Q21 |
|---|-----------------|---------------|---------------|---------------|---------------|
| Net income | \$ 599 | 508 | 544 | 506 | 475 |
| Income tax expense | 202 | 171 | 172 | 168 | 157 |
| Total other expense, net | 282 | 482 | 415 | 332 | 355 |
| Depreciation and amortization expense | 808 | 877 | 951 | 1,041 | 1,150 |
| Stock-based compensation expense | 23 | 31 | 27 | 42 | 20 |
| Adjusted EBITDA | \$ 1,914 | 2,069 | 2,109 | 2,089 | 2,157 |
| Add back: Severance | \$ 2 | 3 | - | - | - |
| Add back: Consumer and other litigation | - | (3) | - | 11 | 8 |
| Add back: Transaction and separation costs ⁽¹⁾ | 50 | 19 | 9 | 9 | - |
| Add back: Real estate transaction costs ⁽²⁾ | - | - | (40) | - | - |
| Adjusted EBITDA excluding Special Items | \$ 1,966 | 2,088 | 2,078 | 2,109 | 2,165 |
| Total revenue | \$ 4,676 | 4,847 | 4,887 | 4,924 | 5,029 |
| Adjusted EBITDA margin | 40.9 % | 42.7 % | 43.2 % | 42.4 % | 42.9 % |
| Adjusted EBITDA margin, excluding Special Items | 42.0 % | 43.1 % | 42.5 % | 42.8 % | 43.1 % |
| Adjusted EBITDA excluding Special Items and CAF II⁽³⁾ | \$ 1,907 | 1,966 | 1,955 | 1,987 | 2,042 |
| Total revenue, excluding CAF II⁽³⁾ | \$ 4,617 | 4,725 | 4,764 | 4,802 | 4,906 |
| Adjusted EBITDA margin, excluding Special Items and CAF II | 41.3 % | 41.6 % | 41.0 % | 41.4 % | 41.6 % |

⁽¹⁾ Transaction and separation costs associated with the pending sale of our Latin American business for \$2.7 billion announced July 26, 2021 and the pending sale of our ILEC (incumbent local exchange carrier) business in 20 states for \$7.5 billion announced August 3, 2021, and the evaluation of other potential transactions.

⁽²⁾ Real estate transactions include the Q3 2021 (gain) on sale of real estate, net of other impairment or acceleration of costs associated with our real estate rationalization program.

⁽³⁾ 1Q22, 4Q21, 3Q21, 2Q21 and 1Q21 exclude CAF II impacts of \$59 million, \$122 million, \$123 million, \$122 million and \$123 million, respectively.

1st Quarter Earnings

May 4th, 2022

Lumen Technologies, Inc.

LTM Adjusted EBITDA
(UNAUDITED)
(\$ in millions)

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| | 1Q22 | 4Q21 | 3Q21 | 2Q21 | Total LTM Adjusted EBITDA |
|---|------------------------|---------------------|---------------------|---------------------|---------------------------|
| Total revenue | \$ 4,676 | 4,847 | 4,887 | 4,924 | 19,334 |
| Cost of services and products | 1,985 | 2,086 | 2,151 | 2,115 | 8,337 |
| Selling, general and administrative expenses | 800 | 723 | 654 | 762 | 2,939 |
| Add back: Stock-based compensation expense | 23 | 31 | 27 | 42 | 123 |
| Adjusted EBITDA | <u>\$ 1,914</u> | <u>2,069</u> | <u>2,109</u> | <u>2,089</u> | <u>8,181</u> |
| Add back: Severance | \$ 2 | 3 | - | - | 5 |
| Add back: Consumer and other litigation | - | (3) | - | 11 | 8 |
| Add back: Transaction and separation costs ⁽¹⁾ | 50 | 19 | 9 | 9 | 87 |
| Add back: Real estate transaction costs ⁽²⁾ | - | - | (40) | - | (40) |
| Adjusted EBITDA excluding Special Items | <u>\$ 1,966</u> | <u>2,088</u> | <u>2,078</u> | <u>2,109</u> | <u>8,241</u> |

⁽¹⁾ Transaction and separation costs associated with the pending sale of our Latin American business for \$2.7 billion announced July 26, 2021 and the pending sale of our ILEC (incumbent local exchange carrier) business in 20 states for \$7.5 billion announced August 3, 2021, and the evaluation of other potential transactions.

⁽²⁾ Real estate transactions include the Q3 2021 (gain) on sale of real estate, net of other impairment or acceleration of costs associated with our real estate rationalization program.

1st Quarter Earnings

May 4th, 2022

Lumen Technologies, Inc.

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Net Debt to LTM Adjusted EBITDA ratio as of
(UNAUDITED)
(\$ in millions)

| | | |
|--|----|--------|
| Gross debt ⁽¹⁾ | \$ | 30,251 |
| Cash and cash equivalents, including amounts in assets held for sale | | (425) |
| Net debt | \$ | 29,826 |
| Adjusted EBITDA excluding Special Items ⁽²⁾ | \$ | 8,241 |
| Net debt to LTM adjusted EBITDA ratio | | 3.6 |

⁽¹⁾ Gross debt includes \$1.437 billion of senior notes and \$68 million of finance lease obligations that have been reclassified as held for sale on our balance sheet as of March 31, 2022.

⁽²⁾ Please refer to the computation on Tab LTM Adjusted EBITDA.

1st Quarter Earnings

May 4th, 2022

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Lumen Technologies, Inc.

2022 OUTLOOK ^{(1) (2) (3) (4) (5)}

(UNAUDITED)

(\$ in millions)

Adjusted EBITDA Outlook

Twelve Months Ended December 31, 2022

| | | Low | Range | High |
|---------------------------------------|----|-----|-------|-------|
| Net Income | \$ | | 1,385 | 1,875 |
| Income tax expense | | | 490 | 650 |
| Total other expense | | | 1,450 | 1,250 |
| Depreciation and amortization expense | | | 3,400 | 3,200 |
| Non-cash compensation expense | | | 175 | 125 |
| Adjusted EBITDA | \$ | | 6,900 | 7,100 |

Free Cash Flow Outlook

Twelve Months Ended December 31, 2022

| | | Low | Range | High |
|--|----|-----|---------|---------|
| Net cash provided by operating activities | \$ | | 5,200 | 5,600 |
| Capital expenditures | | | (3,200) | (3,400) |
| Free cash flow | \$ | | 2,000 | 2,200 |

⁽¹⁾ For definitions of Non-GAAP metrics and reconciliations to GAAP figures, see the above schedules and Lumen's Investor Relations website.

⁽²⁾ Outlook measures in this chart and the accompanying schedules (i) exclude the effects of Special Items, future changes in our operating or capital allocation plans, unforeseen changes in regulation, laws or litigation, and other unforeseen events or circumstances impacting our financial performance and (ii) speak only as of May 4, 2022. See "Forward Looking Statements".

⁽³⁾ Current outlook measures include accounting impacts of assets and liabilities held for sale and assume the pending sales of Lumen's LATAM business and 20-state ILEC business would be completed in the third quarter of 2022 and the fourth quarter of 2022, respectively, resulting in updated guidance which includes 2022 financial contributions of two quarters and three quarters, respectively, for each business.

⁽⁴⁾ Assumes no discretionary pension plan contributions during 2022 and excludes any contributions related to the 20-state ILEC business transaction.

⁽⁵⁾ Based on common stock outstanding as of Dec. 31, 2021 as well as expected accrued dividends. Given our \$1.00 per share dividend outlook, this implies cash dividends of approximately \$1.040 billion.

Outlook

To enhance the information in our outlook with respect to non-GAAP metrics, we are providing a range for certain GAAP measures that are components of the reconciliation of the non-GAAP metrics. The provision of these ranges is in no way meant to indicate that Lumen is explicitly or implicitly providing an outlook on those GAAP components of the reconciliation. In order to reconcile the non-GAAP financial metric to GAAP, Lumen has to use ranges for the GAAP components that arithmetically add up to the non-GAAP financial metric. While Lumen believes that it has used reasonable assumptions in connection with developing the outlook for its non-GAAP financial metrics, it fully expects that the ranges used for the GAAP components will vary from actual results. We will consider our outlook of non-GAAP financial metrics to be accurate if the specific non-GAAP metric is met or exceeded, even if the GAAP components of the reconciliation are different from those provided in an earlier reconciliation.