

Third Quarter 2022 Results

November 2, 2022

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,” “will,” 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 more mature service offerings and increased pricing pressures; the effects of new, emerging or competing technologies, including those that could make our products less desirable or obsolete; our ability to successfully and timely attain our key operating imperatives, including simplifying and consolidating our network, simplifying and automating our service support systems, attaining our Quantum Fiber buildout plans, strengthening our relationships with customers and attaining projected cost savings; our ability to safeguard our network, and to avoid the adverse impact of possible cyber-attacks, security breaches, service outages, system failures, or similar events impacting our network or the availability and quality of our services; the effects of ongoing changes in the regulation of the communications industry, including the outcome of legislative, regulatory or judicial proceedings relating to content liability standards, intercarrier compensation, universal service, service standards, broadband deployment, data protection, privacy and net neutrality; our ability to effectively retain and hire key personnel and to successfully negotiate collective bargaining agreements on reasonable terms without work stoppages; changes in customer demand for our products and services, including increased demand for high-speed data transmission services; our ability to successfully maintain the quality and profitability of our existing product and service offerings 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, pension contributions and other benefits payments; our ability to successfully and timely implement our corporate strategies, including our deleveraging strategy; our ability to successfully and timely consummate the pending divestiture of our European, Middle Eastern and African operations, to successfully and timely realize the anticipated benefits from that divestiture and our divestitures completed in 2022, and to successfully operate our retained business successfully after such divestitures, and to operate our retained business successfully thereafter; changes in our operating plans, corporate strategies, or other capital allocation plans, whether based upon changes in our cash flows, cash requirements, financial performance, financial position, market or regulatory conditions or otherwise; the impact of any future material acquisitions or divestitures that we may transact; the negative impact of increases in the costs of our pension, healthcare, post-employment or other benefits, including those caused by changes in markets, interest rates, mortality rates, demographics or regulations; the potential negative impact of customer complaints, government investigations, security breaches or service outages impacting us or our industry; adverse changes in our access to credit markets on favorable terms, whether caused by changes in our financial position, lower credit ratings, unstable markets or otherwise; our ability to meet the terms and conditions of our debt obligations and covenants, including our ability to make transfers of cash in compliance therewith; our ability to maintain favorable relations with our securityholders, key business partners, suppliers, vendors, landlords and financial institutions; our ability to meet evolving environmental, social and governance (“ESG”) expectations and benchmarks, and effectively communicate and implement our ESG strategies; our ability to collect our receivables from, or continue to do business with, financially-troubled customers; our ability to use our net operating loss carryforwards in the amounts projected; our ability to continue to use or renew intellectual property used to conduct our operations; any adverse developments in legal or regulatory proceedings involving us; changes in tax, pension, healthcare or other laws or regulations, in governmental support programs, or in general government funding levels, including those arising from recently-enacted federal legislation promoting broadband development; the effects of changes in accounting policies, practices or assumptions, including changes that could potentially require additional future impairment charges; continuing uncertainties regarding the impact that COVID-19 disruptions could have on our business, operations, cash flows and corporate initiatives; the effects of adverse weather, terrorism, epidemics, pandemics, rioting, vandalism, societal unrest, or other natural or man-made disasters or disturbances; the potential adverse effects if our internal controls over financial reporting have weaknesses or deficiencies, or otherwise fail to operate as intended; the effect of changes in interest rates and inflation; the effects of more general factors such as changes in exchange rates, in operating costs, in public policy, in the views of financial analysts, or in general market, labor, economic or geo-political conditions; and other risks referenced from time to time in our filings with the U.S. Securities and Exchange Commission. 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, regulatory, technological, industry, competitive, economic and market conditions, and our related 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

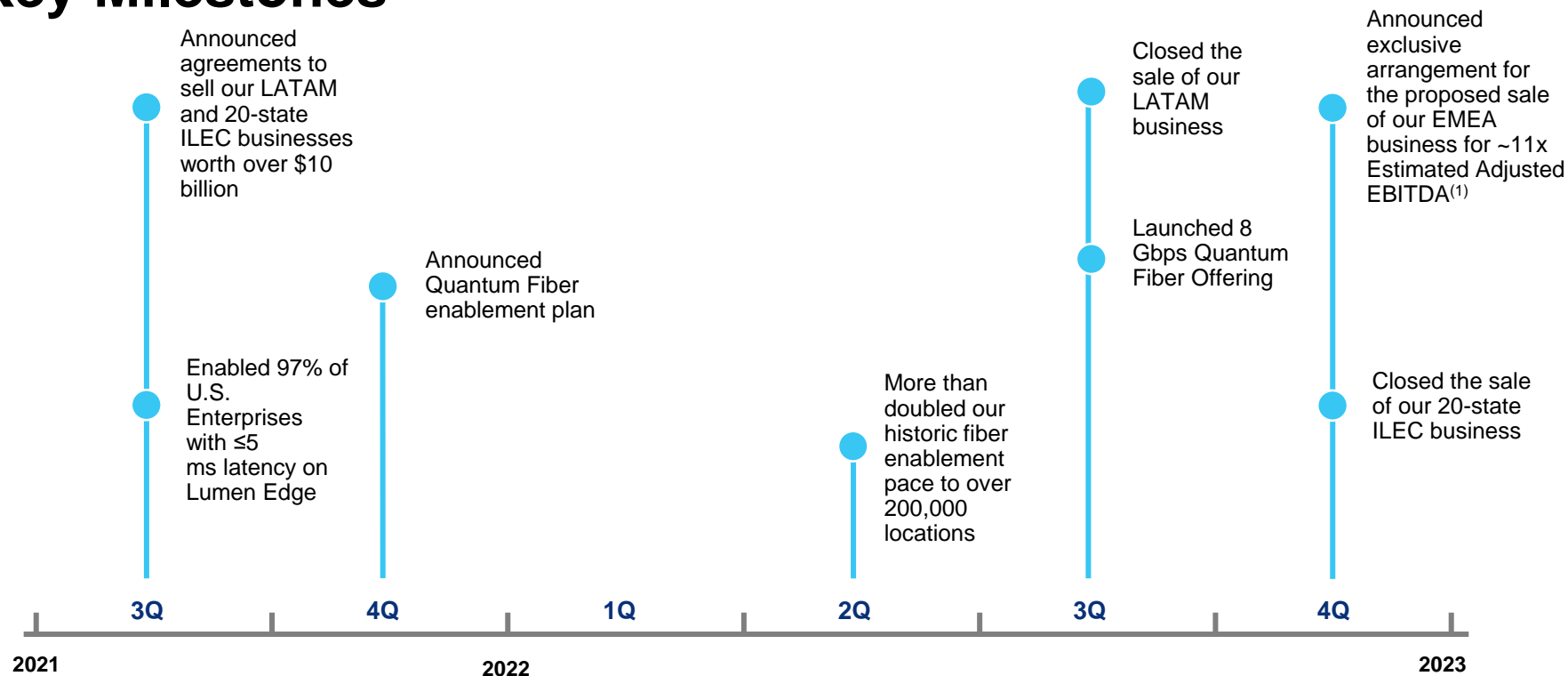
This presentation includes certain historical and forward-looking non-GAAP financial measures, including but not limited to adjusted EBITDA, adjusted EBITDA margin, net-debt-to-adjusted-EBITDA and free cash flow, each excluding the effects of special items, and adjustments to GAAP and other non-GAAP 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.

Disclosures for our Mass Markets segment associated with our 20-state ILEC business divestiture to Apollo are referred to as "RemainCo" in our earnings materials. These are internal estimates which may be subject to change.

Certain comparisons to prior periods are being presented on a "Pro Forma" (PF) basis, assuming the Latin American business sale took place on January 1, 2021 and excluding financial impacts related to the Federal Communications Commission's Connect America Fund ("CAF") Phase II program, which lapsed on December 31, 2021, each excluding the effects of special items.

Reconciliations of non-GAAP financial measures to the most comparable GAAP measures are included in the financial schedules to the Company's accompanying earnings release. Reconciliation of pro forma information and additional non-GAAP historical financial measures that may be discussed during the call, along with further descriptions of non-GAAP financial measures, will be available in the Investor Relations portion of the company's website at <http://ir.lumen.com>. 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. Lumen may present or calculate its non-GAAP measures differently from other companies.

Key Milestones



⁽¹⁾ Estimated Adjusted EBITDA is defined as net income before income tax (expense) benefit, total other income (expense), depreciation and amortization, share-based compensation expense and other standalone costs intended to represent the EMEA business consistent with the proposed sale. The Estimated Adjusted EBITDA is therefore not intended to represent the financial results consistent with GAAP as a standalone business.

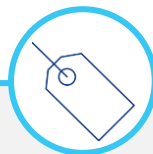
Proposed Transaction Overview

Accretive transaction sharpens strategic focus



Transaction

Colt would acquire
Lumen's EMEA
business for \$1.8 billion
in cash



Valuation

Implied ~11x 2021
Estimated Adjusted
EBITDA⁽¹⁾



Strategic Partnership

Lumen would continue
serving multinational
enterprise customers
through its close
partnership with Colt, a
leading pan-European
services provider



Timing/Closing

As early as late 2023

⁽¹⁾ Estimated Adjusted EBITDA is defined as net income before income tax (expense) benefit, total other income (expense), depreciation and amortization, share-based compensation expense and other standalone costs intended to represent the EMEA business consistent with the proposed sale. The Estimated Adjusted EBITDA is therefore not intended to represent the financial results consistent with GAAP as a standalone business.

Financial Highlights

Updated full-year 2022 financial outlook measures

**~\$10
billion**

Gross proceeds from
business divestitures year-
to-date⁽¹⁾

**~\$11
billion**

Reduction in Pro
Forma⁽²⁾ Net
Debt year-to-date

~18% Y/Y

3Q22 Fiber Broadband
revenue
growth; continued
improvement in
RemainCo Mass
Markets revenue mix

**\$620
million**

3Q22 Free Cash Flow
generated

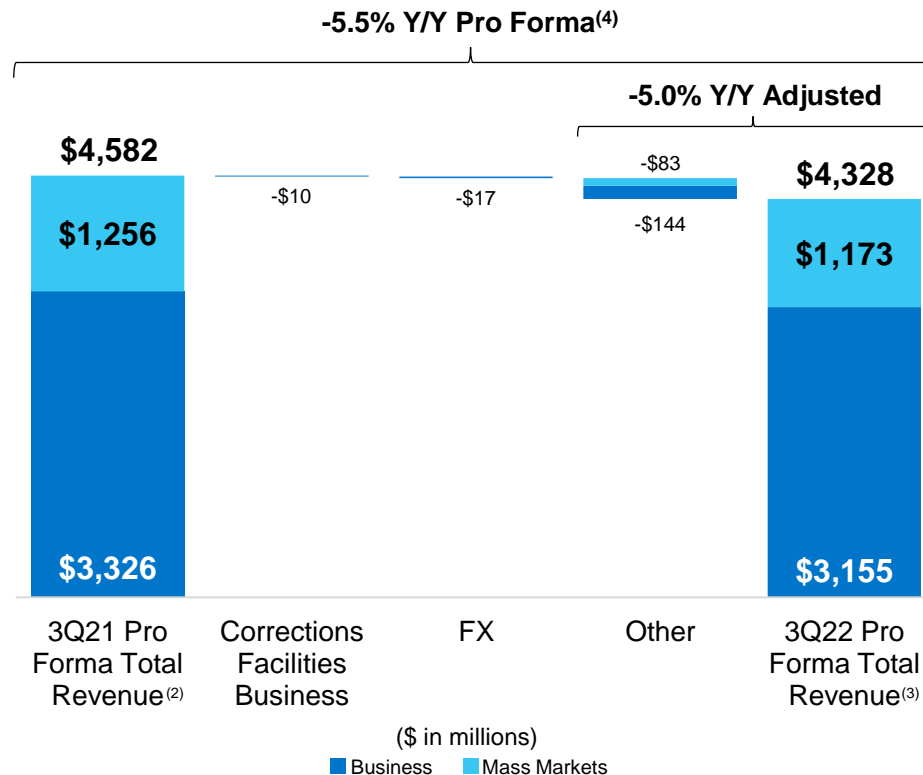
⁽¹⁾ As of October 3rd, 2022.

⁽²⁾ 3Q22 Gross debt excludes \$1.4 billion of senior notes and \$79 million of finance lease obligations that was classified as held for sale on our balance sheet as of September 30, 2022 and subsequently transferred to the third-party purchaser upon close of the sale of our 20-state ILEC business on October 3, 2022. Gross debt also excludes \$3.336 billion of senior notes repaid as part of the tender offer dated September 26, 2022. 3Q22 Cash includes \$5.6 billion received upon closing the sale of our 20-state ILEC business on October 3, 2022 and excludes \$3.217 billion used to repay senior notes as part of the tender offer dated October 3, 2022. The \$3.336 billion and \$3.217 billion amounts are inclusive of amounts Lumen will redeem on November 4, 2022.

3Q22 Year-Over-Year Pro Forma⁽¹⁾ Total Revenue Bridge

Adjusted Revenue Performance:

- **Total: -5.0%**
- **Business: -4.3%**
- **Mass Markets: -6.6%**



⁽¹⁾ Pro Forma Total Revenue figures exclude the Latin America business divestiture completed August 1, 2022 and Connect America Fund (CAF) Phase II support.

⁽²⁾ 3Q21 Reported Revenue for Total, Business and Mass Markets is as follows: \$4,887M, \$3,508M and \$1,379M. 3Q21 Pro Forma Total Revenue excludes \$182M from the Latin American business divestiture and \$123M from the Connect America Fund (CAF) Phase II support.

⁽³⁾ 3Q22 Reported Revenue for Total, Business and Mass Markets is as follows: \$4,390M, \$3,217M and \$1,173M. 3Q22 Pro Forma Total Revenue excludes \$62M from the Latin American business divestiture.

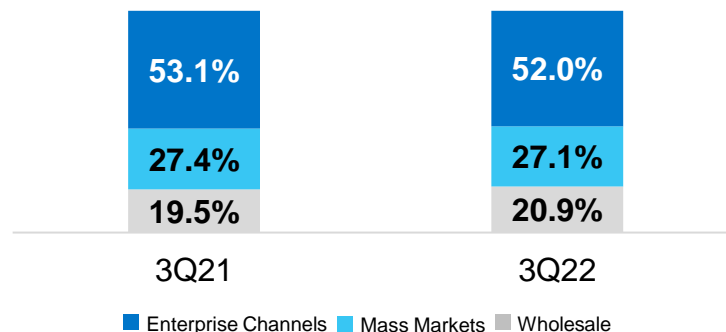
⁽⁴⁾ Y/Y Pro Forma Revenue performance for Total, Business and Mass Markets is as follows: -5.5%, -5.1% and -6.6%.

3Q22 Revenue – Sales Channels

Investing to Drive Growth in Enterprise Channels and Mass Markets

Revenue (\$ in millions)	3Q22 Reported	3Q22 Pro Forma	Y/Y% Change ⁽¹⁾	Q/Q% Change ⁽¹⁾
Enterprise Channels ⁽²⁾	\$2,315	\$2,251	(7.4%)	(2.7%)
Wholesale	\$902	\$904	1.0%	(1.0%)
Business Subtotal	\$3,217	\$3,155	(5.1%)	(2.2%)
Mass Markets	\$1,173	\$1,173	(6.6%)	(1.9%)
Total Revenue	\$4,390	\$4,328	(5.5%)	(2.1%)

Total 3Q Pro Forma Revenue Mix



⁽¹⁾ Changes are calculated on a Pro Forma basis.

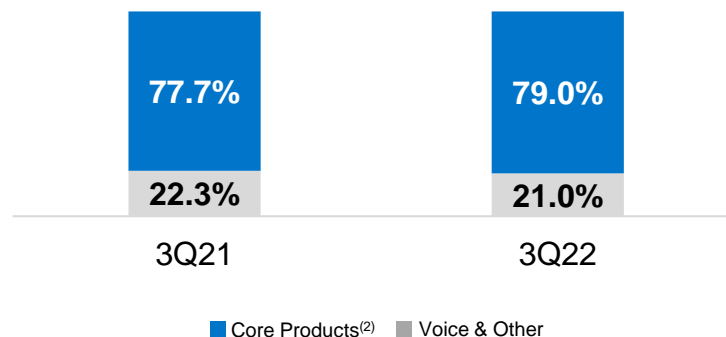
⁽²⁾ Enterprise Channels include the International and Global Accounts (iGAM), Large Enterprise and Mid-Market Enterprise sales channels.

3Q22 Revenue - Enterprise Channels

Improving Revenue Mix in Our Core Products

Revenue (\$ in millions)	3Q22 Reported	3Q22 Pro Forma	Y/Y% Change ⁽¹⁾	Q/Q% Change ⁽¹⁾
International and GAM	\$853	\$789	(6.2%)	(1.9%)
Large Enterprise	\$844	\$844	(10.4%)	(4.5%)
Mid-Market Enterprise	\$618	\$618	(4.6%)	(1.3%)
Total Enterprise Channels	\$2,315	\$2,251	(7.4%)	(2.7%)

Enterprise Channel 3Q Pro Forma Revenue Mix



⁽¹⁾ Changes are calculated on a Pro Forma basis.

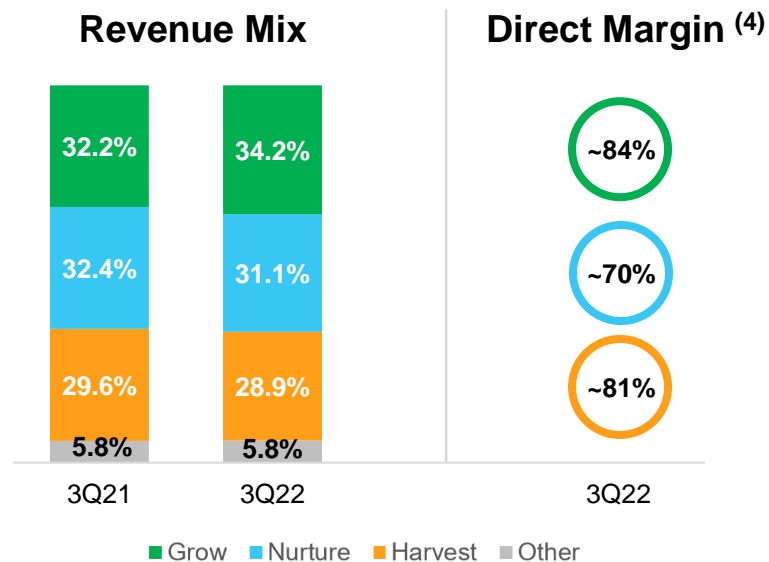
⁽²⁾ Core products include Compute and Application Services, IP and Data Services and Fiber Infrastructure Services product categories.

3Q22 Revenue - Business Product Group

**Our Grow Product Group
Now Represents Over 34%
of Business Revenue**

Revenue (\$ in millions)	3Q22 Actual	3Q22 Pro Forma	Y/Y% Change ⁽¹⁾	Q/Q% Change ⁽¹⁾	Adj. ⁽¹⁾⁽²⁾ Y/Y% Change
Grow	\$1,120	\$1,079	0.7%	0.5%	1.6%
Nurture	\$996	\$982	(8.7%)	(3.1%)	(8.4%)
Harvest	\$916	\$911	(7.6%)	(3.1%)	(6.4%)
Other⁽³⁾	\$185	\$183	(4.7%)	(8.5%)	(4.7%)
Total Business	\$3,217	\$3,155	(5.1%)	(2.2%)	(4.3%)

Business Product Group 3Q Pro Forma



⁽¹⁾ Changes are calculated on a Pro Forma basis.

⁽²⁾ Excludes impacts from Corrections Facilities Business and FX, \$10M and \$17M, respectively.

⁽³⁾ Other includes Equipment and IT Solutions.

⁽⁴⁾ Direct margin is defined as revenue less variable and fixed costs directly associated with the provision of services and products to customers. Direct costs would include, but are not limited to: direct labor and materials/goods, direct taxes and fees, incremental third-party costs that can be attributed to a specific customer, and certain fixed costs.

3Q22 Mass Markets Pro Forma Revenue

Total Mass Markets Product Categories

Revenue (\$ in millions)	3Q22	Y/Y% Change	Q/Q% Change	% Total
Fiber Broadband	\$160	18.5%	6.0%	14%
Other Broadband ⁽¹⁾	\$580	(6.3%)	(2.7%)	49%
Voice and Other ⁽²⁾	\$433	(13.7%)	(3.6%)	37%
Total Mass Markets	\$1,173	(6.6%)	(1.9%)	100%

RemainCo Mass Markets Product Categories

Revenue (\$ in millions)	3Q22	Y/Y% Change	Q/Q% Change	% Total
Fiber Broadband	\$145	17.9%	5.1%	18%
Other Broadband	\$396	(5.5%)	(3.2%)	48%
Voice and Other ⁽³⁾	\$280	(15.7%)	(4.1%)	34%
Total Mass Markets	\$821	(6.1%)	(2.1%)	100%

⁽¹⁾ Other Broadband revenue primarily includes revenue from lower speed copper-based broadband services marketed under the CenturyLink brand.

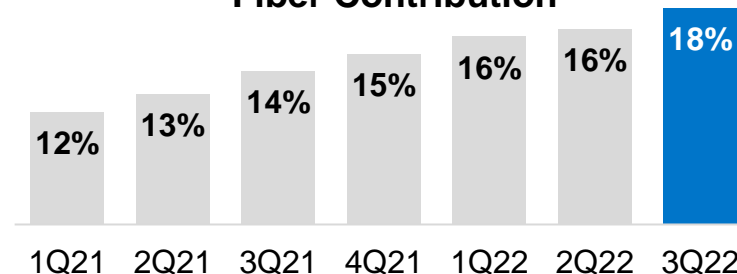
⁽²⁾ 3Q21 excludes CAF II support of \$123 million.

⁽³⁾ 3Q21 excludes CAF II support of \$53 million.

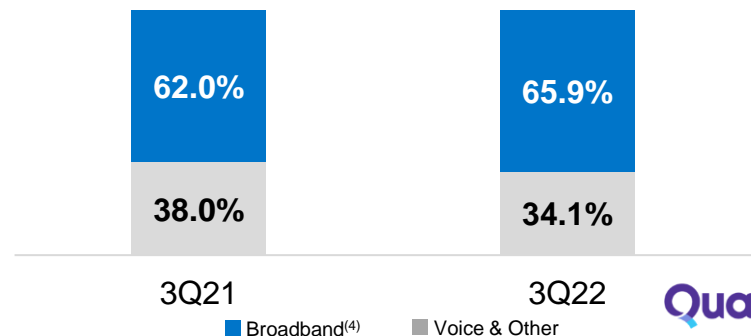
⁽⁴⁾ Broadband includes Fiber Broadband and Other Broadband product categories.

Significant Revenue Mix Improvement

RemainCo Mass Markets Fiber Contribution



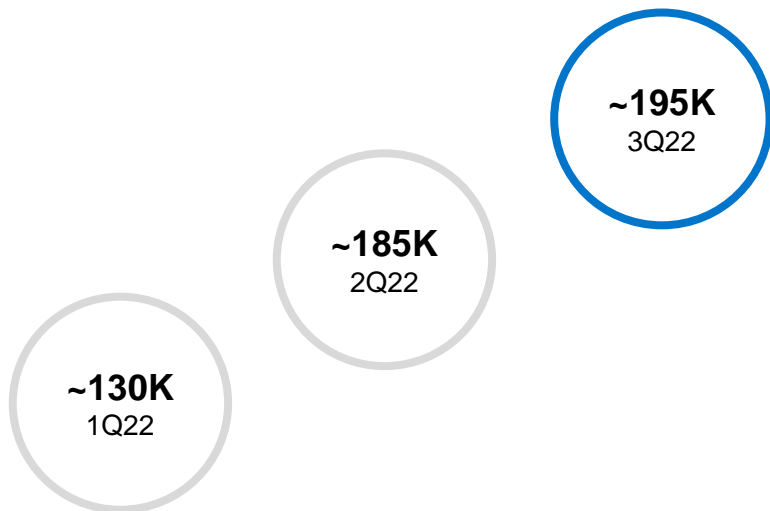
RemainCo Mass Markets 3Q Revenue Mix



3Q22 Mass Markets Broadband Metrics

ILEC Business Divestiture Reduces Legacy Technology Exposure

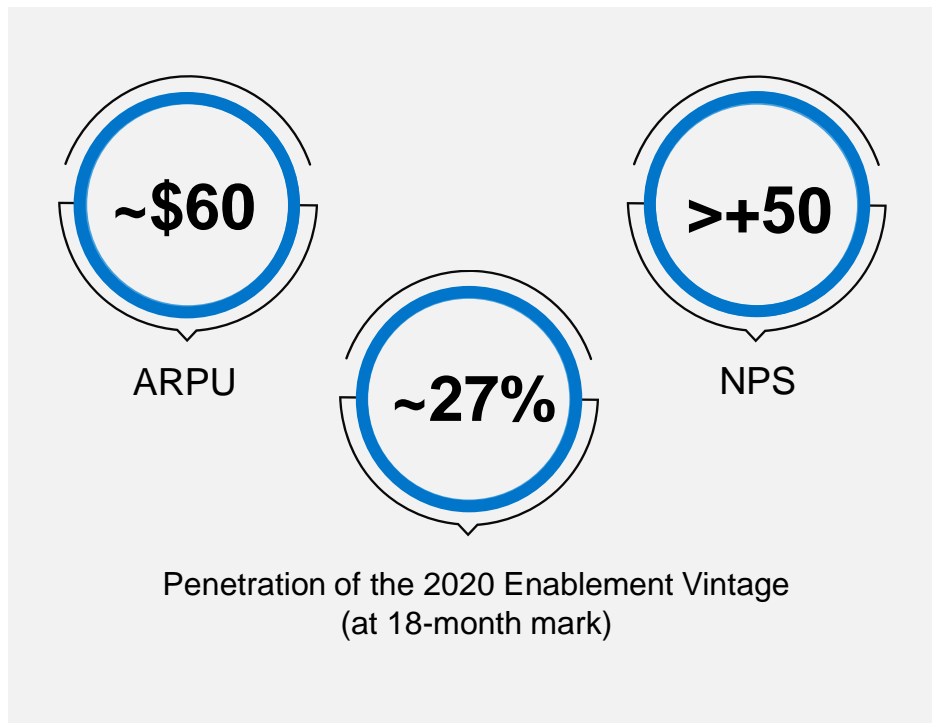
RemainCo Fiber-Enabled Location Adds



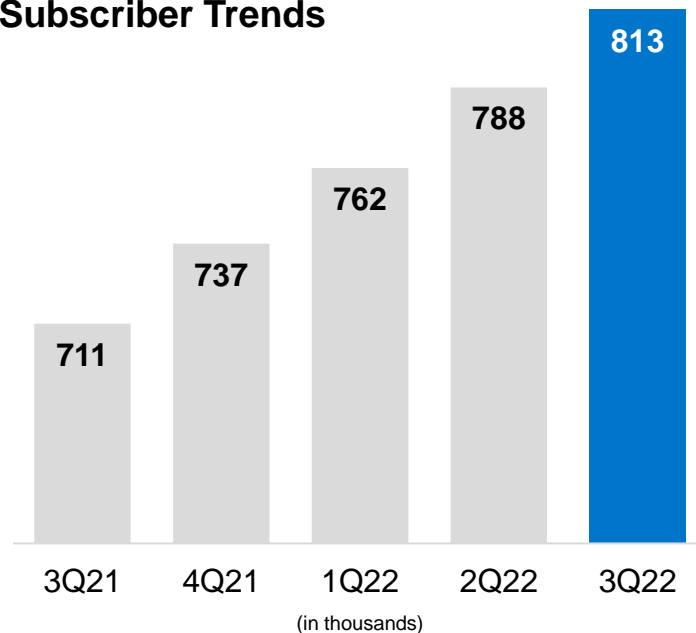
3Q22 Broadband Metrics

Fiber	Total Lumen	RemainCo
Enabled Locations	3.3M	3.0M
Enabled Location Adds	~210K	~195K
Subscribers	889K	813K
Penetration	27%	27%
Other	Total Lumen	RemainCo
Enabled Locations	26.0M	18.8M
Subscribers	3.4M	2.3M
Penetration	13%	12%

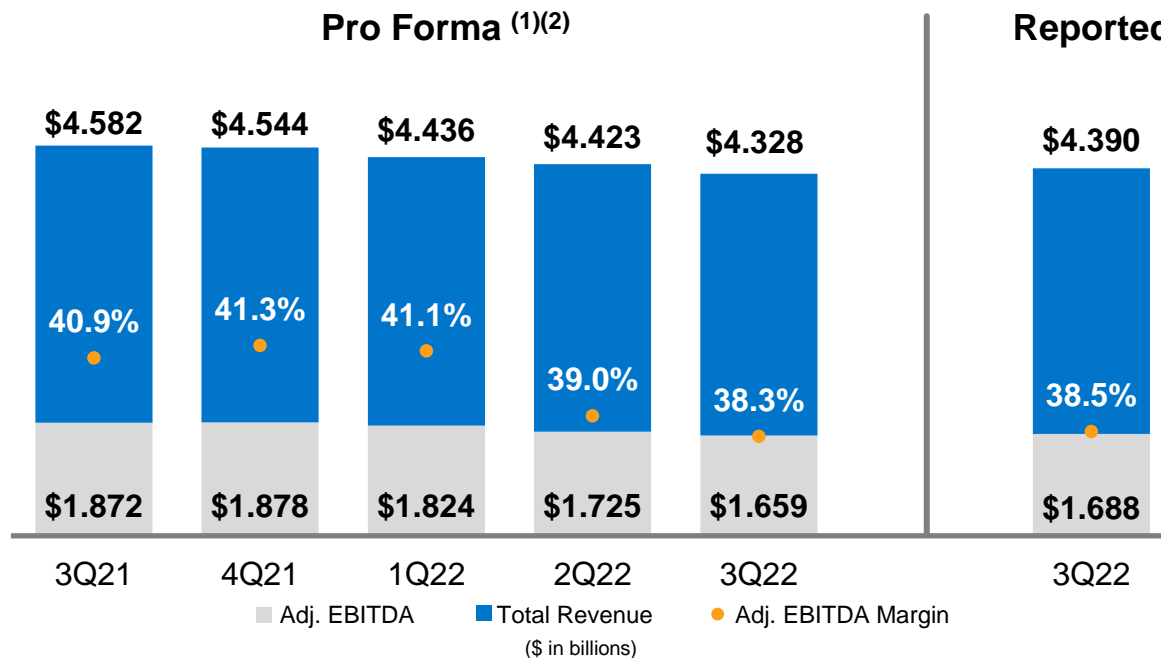
3Q22 RemainCo Quantum Fiber Subscriber Growth and KPIs



Quantum Fiber Subscriber Trends



Pro Forma Adjusted EBITDA & Adjusted EBITDA Margin



⁽¹⁾ As Reported Total Revenue for 3Q21, 4Q21, 1Q22 and 2Q22 of \$4.887 billion, \$4.847 billion, \$4.676 billion and \$4.612 billion, respectively.

⁽²⁾ As Reported Adjusted EBITDA for 3Q21, 4Q21, 1Q22 and 2Q22 of \$2.078 billion, \$2.088 billion, \$1.966 billion and \$1.811 billion, respectively.

Consolidated Cash Flow Summary

Continued Strong Free Cash Generation

Key Metrics	
(\$ in millions)	3Q22 Reported
Cash Flow from Operations	\$1,123
Capital Expenditures	\$845
Free Cash Flow	\$620
Net Cash Interest	\$387
Net Debt to LTM Adj. EBITDA	3.5x

Updated 2022 Financial Outlook

Metric ⁽¹⁾⁽²⁾	Current Outlook	Previous Outlook ⁽³⁾
Adjusted EBITDA	\$6.9 to \$7.1 billion	\$6.9 to \$7.1 billion
Free Cash Flow⁽⁴⁾	\$2.2 to \$2.4 billion	\$2.0 to \$2.2 billion
Net Cash Interest	\$1.3 to \$1.4 billion	\$1.3 to \$1.4 billion
GAAP Interest Expense	\$1.350 billion	\$1.350 billion
Dividends⁽⁵⁾	-	\$1.00 per share
Capital Expenditures	\$3.0 to \$3.2 billion	\$3.2 to \$3.4 billion
Depreciation & Amortization	\$3.2 to \$3.4 billion	\$3.2 to \$3.4 billion
Stock-based Compensation Expenses	~\$100 million	~\$150 million
Cash Income Taxes	~\$100 million	~\$100 million
Full Year Effective Income Tax Rate ⁽⁶⁾	~26%	~26%

⁽¹⁾ For definitions of non-GAAP metrics and reconciliation to GAAP figures, see Lumen's Investor Relations website.

⁽²⁾ Outlook measures in this presentation 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 Nov. 2, 2022. See "Forward Looking Statements" at the beginning of this presentation.

⁽³⁾ Outlook measures include accounting impacts of the recently completed divestiture of the Latin American business on August 1, 2022, as well as the October 3, 2022 sale of Lumen's 20-state ILEC business resulting in 2022 financial contributions of three quarters for that business.

⁽⁴⁾ Assumes no discretionary pension plan contributions during 2022 and excludes \$319 million of pension plan contributions made in September 2022 related to the 20-state ILEC business divestiture.

⁽⁵⁾ Third quarter 2022 year-to-date dividends paid were \$0.75 per share. Dividend guidance has been withdrawn as of November 2, 2022 related to our updated capital allocation policy, and there will be not be a dividend payment in the fourth quarter 2022.

⁽⁶⁾ Excludes the impact of taxes related to our divestitures completed on August 1, 2022 and October 3, 2022.

Q&A