

1st Quarter Earnings

May 1, 2025



# Financial Trending Schedule

Financial Results and Trend Schedules, Debt, Operating Metrics, and Non-GAAP Measures

# 1st Quarter Earnings

May 1, 2025



## Lumen Technologies, Inc.

Financial Results

(UNAUDITED)

(\$ in millions, except per share data)

| Metric   | First Quarter   |              |
|--|-----------------|--------------|
|  | 2025            | 2024         |
| Large Enterprise   | \$ 737          | 765          |
| Mid-Market Enterprise  | 513             | 577          |
| Public Sector  | 483             | 421          |
| North America Enterprise Channels  | 1,733           | 1,763        |
| Wholesale  | 705             | 731          |
| North America Business Revenue   | 2,438           | 2,494        |
| International and Other  | 86              | 97           |
| <b>Business Segment Revenue</b>  | <b>2,524</b>    | <b>2,591</b> |
| <b>Mass Markets Segment Revenue</b>  | <b>658</b>      | <b>699</b>   |
| <b>Total Revenue</b>   | <b>\$ 3,182</b> | <b>3,290</b> |
| Cost of Services and Products  | \$ 1,687        | 1,652        |
| Selling, General and Administrative Expenses                                   | 675             | 823          |
| Loss on Sale of Business   | —               | 22           |
| Stock-based Compensation Expense   | 10              | 14           |
| Net (Loss) Income  | (201)           | 57           |
| Net Loss, Excluding Special Items <sup>(1)(2)</sup>                            | (129)           | (41)         |
| Adjusted EBITDA <sup>(1)</sup>   | 830             | 807          |
| Adjusted EBITDA, Excluding Special Items <sup>(1)(3)</sup>                     | 929             | 977          |
| Net (Loss) Income Margin   | (6.3)%          | 1.7 %        |
| Net Loss Margin, Excluding Special Items <sup>(1)(2)</sup>                     | (4.1)%          | (1.2)%       |
| Adjusted EBITDA Margin <sup>(1)</sup>  | 26.1 %          | 24.5 %       |
| Adjusted EBITDA Margin, Excluding Special Items <sup>(1)(3)</sup>              | 29.2 %          | 29.7 %       |
| Net Cash Provided by Operating Activities                                      | 1,095           | 1,102        |
| Capital Expenditures   | 791             | 713          |
| Unlevered Cash Flow <sup>(1)</sup>   | 563             | 670          |
| Unlevered Cash Flow, Excluding Cash Special Items <sup>(1)(4)</sup>            | 613             | 799          |
| Free Cash Flow <sup>(1)</sup>  | 304             | 389          |
| Free Cash Flow, Excluding Cash Special Items <sup>(1)(4)</sup>                 | 354             | 518          |
| Net (Loss) Earnings per Common Share - Diluted                                 | (0.20)          | 0.06         |
| Net Loss per Common Share - Diluted, Excluding Special Items <sup>(1)(2)</sup> | (0.13)          | (0.04)       |
| Weighted Average Shares Outstanding (in millions) - Diluted                    | 991.3           | 986.3        |

<sup>(1)</sup> See the attached schedules for definitions of non-GAAP metrics and reconciliations to GAAP figures.

<sup>(2)</sup> Excludes Special Items (net of the income tax effect thereof), which (i) positively impacted this metric by \$72 million for the first quarter of 2025 and (ii) negatively impacted this metric \$(98) million for the first quarter of 2024.

<sup>(3)</sup> Excludes Special Items in the amounts of (i) \$99 million for the first quarter of 2025 and (ii) \$170 million for the first quarter of 2024.

<sup>(4)</sup> Excludes cash paid for Special Items in the amounts of (i) \$50 million for the first quarter of 2025 and (ii) \$129 million for the first quarter of 2024.

## 1st Quarter Earnings

May 1, 2025



## Lumen Technologies, Inc.

Consolidated Statements of Operations

(UNAUDITED)

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

|  | 1Q25      | 4Q24  | 3Q24   | 2Q24   | 1Q24   |
|--|-----------|-------|--------|--------|--------|
| OPERATING REVENUE  | \$ 3,182  | 3,329 | 3,221  | 3,268  | 3,290  |
| OPERATING EXPENSES   |           |       |        |        |        |
| Cost of services and products (exclusive of depreciation and amortization) | 1,687     | 1,706 | 1,692  | 1,653  | 1,652  |
| Selling, general and administrative  | 675       | 711   | 696    | 742    | 823    |
| (Gain) loss on sale of business  | —         | —     | —      | (5)    | 22     |
| Depreciation and amortization  | 713       | 758   | 707    | 743    | 748    |
| Total operating expenses   | 3,075     | 3,175 | 3,095  | 3,133  | 3,245  |
| OPERATING INCOME   | \$ 107    | 154   | 126    | 135    | 45     |
| OTHER (EXPENSE) INCOME   |           |       |        |        |        |
| Interest expense   | (347)     | (357) | (351)  | (373)  | (291)  |
| Net (loss) gain on early retirement of debt                                | (35)      | 71    | (1)    | 3      | 275    |
| Other income, net  | 30        | 13    | 54     | 194    | 73     |
| Total other (expense) income, net  | (352)     | (273) | (298)  | (176)  | 57     |
| Income tax (benefit) expense   | (44)      | (204) | (24)   | 8      | 45     |
| NET (LOSS) INCOME  | \$ (201)  | 85    | (148)  | (49)   | 57     |
| BASIC AND DILUTED (LOSS) EARNINGS PER COMMON SHARE                         |           |       |        |        |        |
| Basic  | \$ (0.20) | 0.09  | (0.15) | (0.05) | 0.06   |
| Diluted  | (0.20)    | 0.09  | (0.15) | (0.05) | 0.06   |
| WEIGHTED AVERAGE COMMON SHARES OUTSTANDING                                 |           |       |        |        |        |
| Basic  | 991.3     | 989.8 | 988.8  | 987.2  | 984.9  |
| Diluted  | 991.3     | 989.8 | 988.8  | 987.2  | 986.3  |
| Exclude: Special Items <sup>(1)</sup>                                      | 72        | 8     | 15     | (75)   | (98)   |
| NET (LOSS) INCOME EXCLUDING SPECIAL ITEMS                                  | \$ (129)  | 93    | (133)  | (124)  | (41)   |
| DILUTED (LOSS) EARNINGS PER SHARE EXCLUDING SPECIAL ITEMS                  | \$ (0.13) | 0.09  | (0.13) | (0.13) | (0.04) |

<sup>(1)</sup> 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)

|   | 1Q25             | 4Q24          | 3Q24          | 2Q24          | 1Q24          |
|---|------------------|---------------|---------------|---------------|---------------|
| <b>ASSETS</b>                                     |                  |               |               |               |               |
| <b>CURRENT ASSETS</b>                             |                  |               |               |               |               |
| Cash and cash equivalents                         | \$ 1,900         | 1,889         | 2,640         | 1,495         | 1,580         |
| Accounts receivable, less allowance               | 1,180            | 1,231         | 1,225         | 1,294         | 1,322         |
| Assets held for sale                              | 24               | 24            | 86            | 107           | 105           |
| Other current assets                              | 1,173            | 1,250         | 785           | 864           | 928           |
| Total current assets                              | 4,277            | 4,394         | 4,736         | 3,760         | 3,935         |
| <b>NET PROPERTY, PLANT AND EQUIPMENT</b>          |                  |               |               |               |               |
| Property, plant and equipment                     | 44,109           | 43,542        | 42,869        | 42,162        | 41,633        |
| Accumulated depreciation                          | (23,541)         | (23,121)      | (22,525)      | (22,073)      | (21,725)      |
| Net property, plant and equipment                 | 20,568           | 20,421        | 20,344        | 20,089        | 19,908        |
| <b>GOODWILL AND OTHER ASSETS</b>                  |                  |               |               |               |               |
| Goodwill  | 1,964            | 1,964         | 1,964         | 1,964         | 1,964         |
| Other intangible assets, net                      | 4,660            | 4,806         | 4,967         | 5,127         | 5,290         |
| Other, net  | 2,069            | 1,911         | 1,978         | 2,003         | 2,076         |
| Total goodwill and other assets                   | 8,693            | 8,681         | 8,909         | 9,094         | 9,330         |
| <b>TOTAL ASSETS</b>                               | <b>\$ 33,538</b> | <b>33,496</b> | <b>33,989</b> | <b>32,943</b> | <b>33,173</b> |
| <b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>       |                  |               |               |               |               |
| <b>CURRENT LIABILITIES</b>                        |                  |               |               |               |               |
| Current maturities of long-term debt              | \$ 330           | 412           | 415           | 192           | 86            |
| Accounts payable                                  | 773              | 749           | 905           | 995           | 1,162         |
| Accrued expenses and other liabilities            |                  |               |               |               |               |
| Salaries and benefits                             | 563              | 716           | 700           | 605           | 578           |
| Income and other taxes                            | 305              | 272           | 434           | 597           | 761           |
| Current operating lease liabilities               | 263              | 253           | 263           | 281           | 282           |
| Interest  | 237              | 197           | 236           | 219           | 110           |
| Other   | 198              | 179           | 179           | 179           | 172           |
| Current portion of deferred revenue               | 876              | 861           | 808           | 670           | 665           |
| Total current liabilities                         | 3,545            | 3,639         | 3,940         | 3,738         | 3,816         |
| <b>LONG TERM DEBT</b>                             | <b>17,334</b>    | <b>17,494</b> | <b>18,142</b> | <b>18,411</b> | <b>18,591</b> |
| <b>DEFERRED CREDITS AND OTHER LIABILITIES</b>     |                  |               |               |               |               |
| Deferred income taxes, net                        | 2,731            | 2,890         | 3,138         | 3,142         | 3,143         |
| Benefit plan obligations, net                     | 2,177            | 2,205         | 2,249         | 2,437         | 2,457         |
| Deferred revenue                                  | 4,226            | 3,733         | 3,541         | 2,112         | 2,021         |
| Other   | 3,236            | 3,071         | 2,637         | 2,637         | 2,641         |
| Total deferred credits and other liabilities      | 12,370           | 11,899        | 11,565        | 10,328        | 10,262        |
| <b>STOCKHOLDERS' EQUITY</b>                       |                  |               |               |               |               |
| Common stock <sup>(1)</sup>                       | 19,152           | 19,149        | 1,015         | 1,016         | 1,016         |
| Additional paid-in capital <sup>(1)</sup>         | —                | —             | 18,140        | 18,135        | 18,137        |
| Accumulated other comprehensive loss              | (700)            | (723)         | (766)         | (786)         | (799)         |
| Accumulated deficit                               | (18,163)         | (17,962)      | (18,047)      | (17,899)      | (17,850)      |
| Total stockholders' equity                        | 289              | 464           | 342           | 466           | 504           |
| <b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b> | <b>\$ 33,538</b> | <b>33,496</b> | <b>33,989</b> | <b>32,943</b> | <b>33,173</b> |

<sup>(1)</sup> On Dec. 18, 2024, the Company amended its articles of incorporation to eliminate the par value of its common stock (which was, prior to such amendment, \$1 per share) as approved by the shareholders at the Company's 2024 annual shareholders meeting. The Company recognized the change by reclassifying the balance in Additional paid-in capital to Common stock.

## 1st Quarter Earnings

May 1, 2025



## Lumen Technologies, Inc.

Condensed Consolidated Statements of Cash Flows

(UNAUDITED)

(\$ in millions)

|   | 1Q25     | 4Q24  | 3Q24  | 2Q24  | 1Q24    |
|---|----------|-------|-------|-------|---------|
| <b>OPERATING ACTIVITIES</b>   |          |       |       |       |         |
| Net cash provided by operating activities                             | \$ 1,095 | 688   | 2,032 | 511   | 1,102   |
| <b>INVESTING ACTIVITIES</b>   |          |       |       |       |         |
| Capital expenditures  | (791)    | (915) | (850) | (753) | (713)   |
| Proceeds (payment) from sale of businesses                            | —        | —     | 20    | (5)   | —       |
| Proceeds from sale of property, plant and equipment and other assets  | 14       | 83    | 19    | 252   | 12      |
| Other, net  | 8        | 1     | 6     | 10    | 3       |
| Net cash used in investing activities                                 | (769)    | (831) | (805) | (496) | (698)   |
| <b>FINANCING ACTIVITIES</b>   |          |       |       |       |         |
| Net proceeds from issuance of long-term debt                          | 2,279    | —     | —     | —     | 1,325   |
| Payments of long-term debt  | (2,502)  | (609) | (72)  | (95)  | (1,902) |
| Net payments of revolving line of credit                              | —        | —     | —     | —     | (200)   |
| Dividends paid  | (1)      | —     | —     | —     | (3)     |
| Debt issuance and extinguishment costs and related fees               | (80)     | (1)   | —     | (4)   | (278)   |
| Other, net  | (10)     | —     | (9)   | (1)   | (2)     |
| Net cash used in financing activities                                 | (314)    | (610) | (81)  | (100) | (1,060) |
| Net increase (decrease) in cash, cash equivalents and restricted cash | 12       | (753) | 1,146 | (85)  | (656)   |
| Cash, cash equivalents and restricted cash at beginning of period     | 1,900    | 2,653 | 1,507 | 1,592 | 2,248   |
| Cash, cash equivalents and restricted cash at end of period           | \$ 1,912 | 1,900 | 2,653 | 1,507 | 1,592   |
| <b>Cash, cash equivalents and restricted cash:</b>                    |          |       |       |       |         |
| Cash and cash equivalents   | \$ 1,900 | 1,889 | 2,640 | 1,495 | 1,580   |
| Restricted cash   | 12       | 11    | 13    | 12    | 12      |
| Total   | \$ 1,912 | 1,900 | 2,653 | 1,507 | 1,592   |

## 1st Quarter Earnings

May 1, 2025



### Lumen Technologies, Inc.

Segment Revenue <sup>(1)</sup>

(UNAUDITED)

(\$ in millions)

|                            | 1Q25            | 4Q24         | 3Q24         | 2Q24         | 1Q24         |
|----------------------------|-----------------|--------------|--------------|--------------|--------------|
| <b>Segment Revenue</b>     |                 |              |              |              |              |
| Business Segment Total     | \$ 2,524        | 2,660        | 2,537        | 2,578        | 2,591        |
| Mass Markets Segment Total | 658             | 669          | 684          | 690          | 699          |
| <b>Total</b>               | <b>\$ 3,182</b> | <b>3,329</b> | <b>3,221</b> | <b>3,268</b> | <b>3,290</b> |

<sup>(1)</sup> 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 Earnings

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**Lumen Technologies, Inc.**  
Revenue by Sales Channel and Product Category<sup>(1)</sup>  
(UNAUDITED)  
(\$ in millions)

|   | 1Q25            | 4Q24         | 3Q24         | 2Q24         | 1Q24         |
|---|-----------------|--------------|--------------|--------------|--------------|
| <b>Revenue By Sales Channel</b>                               |                 |              |              |              |              |
| Large Enterprise  | \$ 737          | 764          | 761          | 749          | 765          |
| Mid-Market Enterprise   | 513             | 531          | 542          | 562          | 577          |
| Public Sector   | 483             | 556          | 430          | 449          | 421          |
| North America Enterprise Channels                             | 1,733           | 1,851        | 1,733        | 1,760        | 1,763        |
| Wholesale   | 705             | 717          | 712          | 726          | 731          |
| North America Business Revenue                                | 2,438           | 2,568        | 2,445        | 2,486        | 2,494        |
| International and Other                                       | 86              | 92           | 92           | 92           | 97           |
| <b>Business Segment Revenue</b>                               | <b>2,524</b>    | <b>2,660</b> | <b>2,537</b> | <b>2,578</b> | <b>2,591</b> |
| <b>Mass Markets Segment Revenue</b>                           | <b>658</b>      | <b>669</b>   | <b>684</b>   | <b>690</b>   | <b>699</b>   |
| <b>Total Revenue<sup>(2)</sup></b>                            | <b>\$ 3,182</b> | <b>3,329</b> | <b>3,221</b> | <b>3,268</b> | <b>3,290</b> |
| <b>Business Revenue by Product Category and Sales Channel</b> |                 |              |              |              |              |
| <b>Large Enterprise</b>                                       |                 |              |              |              |              |
| Grow  | \$ 416          | 399          | 390          | 377          | 378          |
| Nurture   | 203             | 217          | 234          | 235          | 241          |
| Harvest   | 79              | 90           | 94           | 96           | 103          |
| Subtotal  | 698             | 706          | 718          | 708          | 722          |
| Other   | 39              | 58           | 43           | 41           | 43           |
| <b>Total Large Enterprise Revenue</b>                         | <b>\$ 737</b>   | <b>764</b>   | <b>761</b>   | <b>749</b>   | <b>765</b>   |
| <b>Mid-Market Enterprise</b>                                  |                 |              |              |              |              |
| Grow  | \$ 259          | 261          | 257          | 257          | 256          |
| Nurture   | 165             | 176          | 186          | 200          | 213          |
| Harvest   | 79              | 84           | 89           | 95           | 98           |
| Subtotal  | 503             | 521          | 532          | 552          | 567          |
| Other   | 10              | 10           | 10           | 10           | 10           |
| <b>Total Mid-Market Enterprise Revenue</b>                    | <b>\$ 513</b>   | <b>531</b>   | <b>542</b>   | <b>562</b>   | <b>577</b>   |
| <b>Public Sector</b>  |                 |              |              |              |              |
| Grow  | \$ 159          | 214          | 133          | 128          | 125          |
| Nurture   | 84              | 94           | 87           | 88           | 88           |
| Harvest   | 108             | 117          | 87           | 92           | 94           |
| Subtotal  | 351             | 425          | 307          | 308          | 307          |
| Other   | 132             | 131          | 123          | 141          | 114          |
| <b>Total Public Sector Revenue</b>                            | <b>\$ 483</b>   | <b>556</b>   | <b>430</b>   | <b>449</b>   | <b>421</b>   |
| <b>North America Enterprise Subtotals</b>                     |                 |              |              |              |              |
| Grow  | \$ 834          | 874          | 780          | 762          | 759          |
| Nurture   | 452             | 487          | 507          | 523          | 542          |
| Harvest   | 266             | 291          | 270          | 283          | 295          |
| Subtotal  | 1,552           | 1,652        | 1,557        | 1,568        | 1,596        |
| Other   | 181             | 199          | 176          | 192          | 167          |
| <b>Total North America Enterprise Revenue</b>                 | <b>\$ 1,733</b> | <b>1,851</b> | <b>1,733</b> | <b>1,760</b> | <b>1,763</b> |
| <b>Wholesale</b>  |                 |              |              |              |              |
| Grow  | \$ 265          | 265          | 259          | 263          | 260          |
| Nurture   | 177             | 177          | 183          | 186          | 192          |
| Harvest   | 260             | 274          | 268          | 275          | 276          |
| Subtotal  | 702             | 716          | 710          | 724          | 728          |
| Other   | 3               | 1            | 2            | 2            | 3            |
| <b>Total Wholesale Revenue</b>                                | <b>\$ 705</b>   | <b>717</b>   | <b>712</b>   | <b>726</b>   | <b>731</b>   |
| <b>North America Business Revenue Subtotals</b>               |                 |              |              |              |              |
| Grow  | \$ 1,099        | 1,139        | 1,039        | 1,025        | 1,019        |
| Nurture   | 629             | 664          | 690          | 709          | 734          |
| Harvest   | 526             | 565          | 538          | 558          | 571          |
| Subtotal  | 2,254           | 2,368        | 2,267        | 2,292        | 2,324        |
| Other   | 184             | 200          | 178          | 194          | 170          |
| <b>Total North America Business Revenue</b>                   | <b>\$ 2,438</b> | <b>2,568</b> | <b>2,445</b> | <b>2,486</b> | <b>2,494</b> |
| <b>International and Other</b>                                |                 |              |              |              |              |
| Grow  | \$ 37           | 38           | 38           | 38           | 40           |
| Nurture   | 37              | 40           | 39           | 41           | 42           |
| Harvest   | 8               | 10           | 12           | 10           | 11           |
| Subtotal  | 82              | 88           | 89           | 89           | 93           |
| Other   | 4               | 4            | 3            | 3            | 4            |
| <b>Total International and Other Revenue</b>                  | <b>\$ 86</b>    | <b>92</b>    | <b>92</b>    | <b>92</b>    | <b>97</b>    |
| <b>Business Segment by Product Category</b>                   |                 |              |              |              |              |
| Grow  | \$ 1,136        | 1,177        | 1,077        | 1,063        | 1,059        |
| Nurture   | 666             | 704          | 729          | 750          | 776          |
| Harvest   | 534             | 575          | 550          | 568          | 582          |
| Subtotal  | 2,336           | 2,456        | 2,356        | 2,381        | 2,417        |
| Other   | 188             | 204          | 181          | 197          | 174          |
| <b>Total Business Segment Revenue</b>                         | <b>\$ 2,524</b> | <b>2,660</b> | <b>2,537</b> | <b>2,578</b> | <b>2,591</b> |
| <b>Mass Markets Segment by Product Category</b>               |                 |              |              |              |              |
| Fiber Broadband   | \$ 209          | 194          | 190          | 181          | 170          |
| Other Broadband <sup>(2)</sup>                                | 257             | 272          | 283          | 298          | 315          |
| Voice and Other   | 192             | 203          | 211          | 211          | 214          |
| <b>Total Mass Markets Segment</b>                             | <b>\$ 658</b>   | <b>669</b>   | <b>684</b>   | <b>690</b>   | <b>699</b>   |

<sup>(1)</sup> Revenue originally reported for 2024 has been updated to reflect changes to Lumen's reporting of sales channels and product categories in 2025. These changes had no impact on total operating revenue, total operating expenses or net income for any period.

<sup>(2)</sup> Other broadband revenue primarily includes revenue from lower speed copper-based broadband services marketed under the CenturyLink brand.



### Lumen Technologies, Inc.

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

March 31, 2025

(UNAUDITED)

(\$ in millions)

All information is presented as of March 31, 2025

| Entity (Original Issuer)   | Coupon Rate | Maturity Date | Total         |
|--|-------------|---------------|---------------|
| <b>Qwest Corporation</b>   |             |               |               |
| Qwest Corporation Senior Notes   | 7.250 %     | 9/15/2025 \$  | 238           |
| Qwest Corporation Senior Notes   | 7.750 %     | 5/1/2030      | 42            |
| 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           |
| <b>Total Qwest Corporation</b>   |             | <b>\$</b>     | <b>1,973</b>  |
| <b>Qwest Capital Funding, Inc.</b>   |             |               |               |
| Qwest Capital Funding, Inc. Senior Notes   | 6.875 %     | 7/15/2028 \$  | 76            |
| Qwest Capital Funding, Inc. Senior Notes   | 7.750 %     | 2/15/2031     | 116           |
| <b>Total Qwest Capital Funding, Inc.</b>   |             | <b>\$</b>     | <b>192</b>    |
| <b>Level 3 Financing, Inc.</b>   |             |               |               |
| Level 3 Financing, Inc. Term Loan B  | 6.188 %     | 3/1/2027 \$   | 12            |
| Level 3 Financing, Inc. Sr. Secured Notes  | 10.5 %      | 4/15/2029     | 668           |
| Level 3 Financing, Inc. First Lien Notes   | 11.000 %    | 11/15/2029    | 1,575         |
| Level 3 Financing, Inc. Sr. Secured Notes  | 10.500 %    | 5/15/2030     | 925           |
| Level 3 Financing, Inc. First Lien Notes   | 10.75 %     | 12/15/2030    | 678           |
| Level 3 Financing, Inc. Term Loan B-3  | 8.574 %     | 3/27/2032     | 2,400         |
| Level 3 Financing, Inc. Second Lien Notes  | 4.875 %     | 6/15/2029     | 606           |
| Level 3 Financing, Inc. Second Lien Notes  | 4.500 %     | 4/1/2030      | 712           |
| Level 3 Financing, Inc. Second Lien Notes  | 3.875 %     | 10/15/2030    | 458           |
| Level 3 Financing, Inc. Second Lien Notes  | 4.000 %     | 4/15/2031     | 453           |
| Level 3 Financing, Inc. Second Lien Notes  | 10.000 %    | 10/15/2032    | 350           |
| Level 3 Financing, Inc. Senior Notes   | 4.250 %     | 7/1/2028      | 178           |
| Level 3 Financing, Inc. Senior Notes   | 3.625 %     | 1/15/2029     | 301           |
| Level 3 Financing, Inc. Sustainability-Linked Notes                                      | 3.750 %     | 7/15/2029     | 361           |
| Level 3 Financing, Inc. Sr. Secured Notes (Unsecured)                                    | 3.875 %     | 11/15/2029    | 54            |
| <b>Total Level 3 Parent, LLC and Subsidiaries</b>  |             | <b>\$</b>     | <b>9,731</b>  |
| <b>Lumen Technologies, Inc.</b>  |             |               |               |
| Lumen Technologies, Inc. Superpriority First Out ("FOSP") RCF                            | 4.114 %     | 6/1/2028 \$   | —             |
| Lumen Technologies, Inc. Superpriority Second Out ("SOSP") RCF                           | 6.114 %     | 6/1/2028      | —             |
| Lumen Technologies, Inc. SOSP Term Loan A  | 10.324 %    | 6/1/2028      | 352           |
| Lumen Technologies, Inc. SOSP Term Loan B-1  | 6.788 %     | 4/15/2029     | 1,602         |
| Lumen Technologies, Inc. SOSP Notes  | 4.125 %     | 4/15/2029     | 331           |
| Lumen Technologies, Inc. SOSP Term Loan B-2  | 6.788 %     | 4/15/2030     | 1,602         |
| Lumen Technologies, Inc. SOSP Notes  | 4.125 %     | 4/15/2030     | 477           |
| Lumen Technologies, Inc. SOSP Notes  | 10.000 %    | 10/15/2032    | 439           |
| Lumen Technologies, Inc. Term Loan B   | 6.688 %     | 3/15/2027     | 56            |
| Lumen Technologies, Inc. Senior Notes - Series G   | 6.875 %     | 1/15/2028     | 130           |
| Lumen Technologies, Inc. Senior Notes  | 4.500 %     | 1/15/2029     | 300           |
| Lumen Technologies, Inc. Senior Notes  | 5.375 %     | 6/15/2029     | 232           |
| Lumen Technologies, Inc. Senior Notes - Series P   | 7.600 %     | 9/15/2039     | 349           |
| Lumen Technologies, Inc. Senior Notes - Series U   | 7.650 %     | 3/15/2042     | 285           |
| <b>Total Lumen Technologies, Inc.</b>  |             | <b>\$</b>     | <b>6,155</b>  |
| <b>Total LUMN Consolidated (excluding Finance Leases, Premium/(Discount)/Other, net)</b> |             | <b>\$</b>     | <b>18,051</b> |



# 1st Quarter Earnings

May 1, 2025



## Lumen Technologies, Inc.

Operating Metrics  
(UNAUDITED)

|   | 1Q25  | 4Q24  | 3Q24  | 2Q24  | 1Q24  |
|---|-------|-------|-------|-------|-------|
| <b>Operating Metrics</b>                                  |       |       |       |       |       |
| <b>Mass Markets broadband subscribers</b>                 |       |       |       |       |       |
| <i>(in thousands)</i>                                     |       |       |       |       |       |
| Fiber broadband subscribers                               | 1,116 | 1,077 | 1,035 | 992   | 952   |
| Other broadband subscribers <sup>(1)</sup>                | 1,392 | 1,469 | 1,566 | 1,666 | 1,758 |
| Mass Markets total broadband subscribers <sup>(2)</sup>   | 2,508 | 2,546 | 2,601 | 2,658 | 2,710 |
| <b>Mass Markets average revenue per unit (ARPU)</b>       |       |       |       |       |       |
| Fiber broadband ARPU                                      | \$64  | \$61  | \$62  | \$62  | \$61  |
| <b>Mass Markets broadband enabled units<sup>(3)</sup></b> |       |       |       |       |       |
| <i>(in millions)</i>                                      |       |       |       |       |       |
| Fiber broadband enabled units                             | 4.3   | 4.2   | 4.1   | 3.9   | 3.8   |
| Other broadband enabled units                             | 17.7  | 17.8  | 17.9  | 18.0  | 18.0  |
| Mass Markets total broadband enabled units                | 22.0  | 22.0  | 22.0  | 21.9  | 21.8  |

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

<sup>(2)</sup> 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. Other companies may use different methodologies.

<sup>(3)</sup> Represents the total number of units capable of receiving our broadband services at period end. Other companies may use different methodologies to count their broadband enabled units.

## 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.

The main components of our *Special Items* include Modernization and Simplification costs, Transaction and Separation costs, Real Estate Transactions and Other. Modernization and Simplification costs are associated with a multi-year transformation initiative to streamline our network infrastructure, product portfolio, and IT systems, and to modernize our workforce to deliver \$1 billion in annualized cost savings on a run-rate basis exiting 2027. Transaction and Separation costs are primarily associated with providing certain transition services in connection with our divestitures and costs related to certain debt transactions which were unusual and infrequent. Real Estate Transactions are infrequent and unusual costs related to various impairments, our loss on donation of real estate and the acceleration of costs associated with our real estate rationalization program. Other primarily includes the recognition of gains and losses on our sale of select CDN contracts and the recognition of losses on disposal of certain operating assets.

**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. 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 (either with or without Special Items) excludes cash used or received for acquisitions, divestitures 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. 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 or received for acquisitions, divestitures, 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 our competitors may be of limited usefulness since until recently we did not pay a significant amount of income taxes due to net operating loss carryforwards, and therefore generated 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 (either with or without Special Items) should not be used as a substitute for net change in cash, cash equivalents and restricted cash on the Consolidated Statements of Cash Flows.

**Net Debt** is defined as Long-Term Debt (excluding unamortized discounts or premiums, net and unamortized debt issuance costs) minus Cash and Cash Equivalents.



## Lumen Technologies, Inc.

Non-GAAP Special Items

(UNAUDITED)

(\$ in millions)

| Special Items Impacting Adjusted EBITDA                            | 1Q25         | 4Q24       | 3Q24      | 2Q24         | 1Q24         |
|--|--------------|------------|-----------|--------------|--------------|
| Severance  | \$ 3         | 11         | 12        | 103          | 4            |
| Consumer and other litigation                                      | —            | 3          | —         | 1            | (2)          |
| Net (gain) loss on sale of businesses                              | —            | —          | —         | (5)          | 22           |
| Transaction and separation costs <sup>(1)</sup>                    | 16           | 50         | 41        | 23           | 168          |
| Modernization and simplification <sup>(2)</sup>                    | 50           | —          | —         | —            | —            |
| Other <sup>(3)</sup>   | 30           | 3          | (1)       | 14           | (22)         |
| Real estate transactions <sup>(4)</sup>                            | —            | 65         | 4         | —            | —            |
| <b>Total Special Items impacting Adjusted EBITDA</b>               | <b>\$ 99</b> | <b>132</b> | <b>56</b> | <b>136</b>   | <b>170</b>   |
| Special Items Impacting Net (Loss) Income                          | 1Q25         | 4Q24       | 3Q24      | 2Q24         | 1Q24         |
| Severance  | \$ 3         | 11         | 12        | 103          | 4            |
| Consumer and other litigation                                      | —            | 3          | —         | 1            | (2)          |
| Net (gain) loss on sale of businesses                              | —            | —          | —         | (5)          | 22           |
| Transaction and separation costs <sup>(1)</sup>                    | 16           | 50         | 41        | 23           | 168          |
| Modernization and simplification <sup>(2)</sup>                    | 50           | —          | —         | —            | —            |
| Other <sup>(3)</sup>   | 30           | 3          | (1)       | 14           | (22)         |
| Real estate transactions <sup>(4)</sup>                            | —            | 65         | 4         | —            | —            |
| Net loss (gain) on early retirement of debt <sup>(5)</sup>         | 35           | (71)       | 1         | (3)          | (275)        |
| Income from transition and separation services <sup>(6)</sup>      | (37)         | (50)       | (37)      | (35)         | (35)         |
| Gain on sale of investment   | —            | —          | —         | (205)        | —            |
| <b>Total Special Items impacting Net (Loss) Income</b>             | <b>97</b>    | <b>11</b>  | <b>20</b> | <b>(107)</b> | <b>(140)</b> |
| Income tax effect of Special Items <sup>(7)</sup>                  | (25)         | (3)        | (5)       | 32           | 42           |
| <b>Total Special Items impacting Net (Loss) Income, net of tax</b> | <b>\$ 72</b> | <b>8</b>   | <b>15</b> | <b>(75)</b>  | <b>(98)</b>  |
| Special Items Impacting Cash Flows                                 | 1Q25         | 4Q24       | 3Q24      | 2Q24         | 1Q24         |
| Severance  | \$ 10        | 18         | 14        | 83           | 18           |
| Consumer and other litigation                                      | 2            | 1          | 1         | 1            | (2)          |
| Transaction and separation costs <sup>(1)</sup>                    | 16           | 56         | 31        | 29           | 138          |
| Modernization and simplification <sup>(2)(8)</sup>                 | 76           | —          | —         | —            | —            |
| Income from transition and separation services <sup>(6)</sup>      | (54)         | (22)       | (30)      | (27)         | (25)         |
| <b>Total Special Items impacting Cash Flows</b>                    | <b>\$ 50</b> | <b>53</b>  | <b>16</b> | <b>86</b>    | <b>129</b>   |

<sup>(1)</sup> Transaction and separation costs associated with (i) our 2022 and 2023 divestitures, (ii) our March 22, 2024 debt transaction support agreement and our September 24, 2024 exchange offer and (iii) our evaluation of other potential transactions.

<sup>(2)</sup> Includes costs incurred related to network infrastructure, product portfolio, IT systems, and workforce modernization designed to deliver \$1 billion annualized in cost savings on a run-rate basis exiting 2027.

<sup>(3)</sup> Includes primarily (i) the recognition of Q1 2024 previously deferred gain on sale of select CDN contracts in October 2023, based on the transfer of remaining customer contracts as of March 31, 2024 and (ii) the recognition of a loss on disposal of certain operating assets in Q2 2024 and Q1 2025.

<sup>(4)</sup> Real estate transactions include primarily the Q4 2024 impairment loss for real estate held for sale, net of a gain associated our real estate rationalization program.

<sup>(5)</sup> Reflects primarily net loss (gains) as a result of (i) refinancing of certain credit facilities in Q1 2025, (ii) cash tender offers and open market repurchases resulting in a reduction of consolidated indebtedness of approximately \$656 million in Q4 2024, (iii) repurchase of \$75 million aggregate principal in Q2 2024, (iv) debt transaction support agreement and resulting debt extinguishment in Q1 2024.

<sup>(6)</sup> Income from transition and separation services includes charges we billed for transition services and IT professional services provided to the purchasers in connection with our 2022 and 2023 divestitures.

<sup>(7)</sup> Tax effect calculated using the annualized effective statutory tax rate, excluding any non-recurring discrete items, which was 26.0% for Q1 2025, Q4 2024 and Q3 2024, and 30.0% for Q2 2024 and Q1 2024.

<sup>(8)</sup> Includes both the related cash payments of expense captured as described in footnote 2 above and cash payments for capital expenditures incurred under the same programs.

# 1st Quarter Earnings

May 1, 2025



## Lumen Technologies, Inc.

Non-GAAP Cash Flow Reconciliation

(UNAUDITED)

(\$ in millions)

|   | 1Q25          | 4Q24         | 3Q24         | 2Q24         | 1Q24       |
|---|---------------|--------------|--------------|--------------|------------|
| Net cash provided by operating activities <sup>(1)</sup>              | \$ 1,095      | 688          | 2,032        | 511          | 1,102      |
| Capital expenditures <sup>(2)</sup>                                   | (791)         | (915)        | (850)        | (753)        | (713)      |
| <b>Free cash flow<sup>(1)</sup></b>                                   | <b>\$ 304</b> | <b>(227)</b> | <b>1,182</b> | <b>(242)</b> | <b>389</b> |
| Cash interest paid  | 280           | 368          | 306          | 232          | 339        |
| Interest income   | (21)          | (29)         | (18)         | (14)         | (58)       |
| <b>Unlevered cash flow<sup>(1)</sup></b>                              | <b>\$ 563</b> | <b>112</b>   | <b>1,470</b> | <b>(24)</b>  | <b>670</b> |
| <b>Free cash flow<sup>(1)</sup></b>                                   | <b>\$ 304</b> | <b>(227)</b> | <b>1,182</b> | <b>(242)</b> | <b>389</b> |
| Add back: Severance   | 10            | 18           | 14           | 83           | 18         |
| Add back (remove): Consumer and other litigation                      | 2             | 1            | 1            | 1            | (2)        |
| Add back: Transaction and separation costs <sup>(3)</sup>             | 16            | 56           | 31           | 29           | 138        |
| Add back: Modernization and simplification <sup>(4)</sup>             | 76            | —            | —            | —            | —          |
| Remove: Income from transition and separation services <sup>(5)</sup> | (54)          | (22)         | (30)         | (27)         | (25)       |
| <b>Free cash flow excluding Special Items<sup>(1)</sup></b>           | <b>\$ 354</b> | <b>(174)</b> | <b>1,198</b> | <b>(156)</b> | <b>518</b> |
| <b>Unlevered cash flow<sup>(1)</sup></b>                              | <b>\$ 563</b> | <b>112</b>   | <b>1,470</b> | <b>(24)</b>  | <b>670</b> |
| Add back: Severance   | 10            | 18           | 14           | 83           | 18         |
| Add back (remove): Consumer and other litigation                      | 2             | 1            | 1            | 1            | (2)        |
| Add back: Transaction and separation costs <sup>(3)</sup>             | 16            | 56           | 31           | 29           | 138        |
| Add back: Modernization and simplification <sup>(4)(6)</sup>          | 76            | —            | —            | —            | —          |
| Remove: Income from transition and separation services <sup>(4)</sup> | (54)          | (22)         | (30)         | (27)         | (25)       |
| <b>Unlevered cash flow excluding Special Items<sup>(1)</sup></b>      | <b>\$ 613</b> | <b>165</b>   | <b>1,486</b> | <b>62</b>    | <b>799</b> |

<sup>(1)</sup> Includes the impact of (i) \$170 million voluntary pension contribution in Q3 2024 and (ii) \$700 million in cash tax refund received in Q1 2024.

<sup>(2)</sup> Capital expenditures include amounts from the EMEA business divested on November 1, 2023. Refer to Tab "Included in Adj. EBITDA & Capex" for details.

<sup>(3)</sup> Transaction and separation costs associated with (i) our 2022 and 2023 divestitures, (ii) our March 22, 2024 debt transaction support agreement and our September 24, 2024 exchange offer and (iii) our evaluation of other potential transactions.

<sup>(4)</sup> Includes costs incurred related to network infrastructure, product portfolio, IT systems, and workforce modernization designed to deliver \$1 billion annualized in cost savings on a run-rate basis exiting 2027.

<sup>(5)</sup> Income from transition and separation services includes charges we billed for transition services and IT professional services provided to the purchasers in connection with our divestitures.

<sup>(6)</sup> Includes both the related cash payments of expense captured as described in footnote 2 above and cash payments for capital expenditures incurred under the same programs.

# 1st Quarter Earnings

May 1, 2025



## Lumen Technologies, Inc.

Adjusted EBITDA Non-GAAP Reconciliation

(UNAUDITED)

(\$ in millions)

|   | 1Q25            | 4Q24          | 3Q24          | 2Q24          | 1Q24          |
|---|-----------------|---------------|---------------|---------------|---------------|
| <b>Net (Loss) Income</b>                                  | <b>\$ (201)</b> | <b>85</b>     | <b>(148)</b>  | <b>(49)</b>   | <b>57</b>     |
| Income tax (benefit) expense                              | (44)            | (204)         | (24)          | 8             | 45            |
| Total other expense (income), net                         | 352             | 273           | 298           | 176           | (57)          |
| Depreciation and amortization expense                     | 713             | 758           | 707           | 743           | 748           |
| Stock-based compensation expense (credit)                 | 10              | 8             | 10            | (3)           | 14            |
| <b>Adjusted EBITDA</b>                                    | <b>\$ 830</b>   | <b>920</b>    | <b>843</b>    | <b>875</b>    | <b>807</b>    |
| Business Segment Adjusted EBITDA <sup>(1)</sup>           | 1,166           | 1,185         | 1,100         | 1,164         | 1,168         |
| Mass Markets Segment Adjusted EBITDA <sup>(1)</sup>       | 381             | 380           | 357           | 376           | 383           |
| Other unallocated expense <sup>(1)</sup>                  | (717)           | (645)         | (614)         | (665)         | (744)         |
| <b>Adjusted EBITDA</b>                                    | <b>\$ 830</b>   | <b>920</b>    | <b>843</b>    | <b>875</b>    | <b>807</b>    |
| Add back: Severance                                       | 3               | 11            | 12            | 103           | 4             |
| Add back (remove): Consumer and other litigation          | —               | 3             | —             | 1             | (2)           |
| Add back: Net (gain) loss on sale of businesses           | —               | —             | —             | (5)           | 22            |
| Add back: Transaction and separation costs <sup>(2)</sup> | 16              | 50            | 41            | 23            | 168           |
| Add back: Modernization and Simplification <sup>(3)</sup> | 50              | —             | —             | —             | —             |
| Add back: Other <sup>(4)</sup>                            | 30              | 3             | (1)           | 14            | (22)          |
| Add back: Real estate transaction costs <sup>(5)</sup>    | —               | 65            | 4             | —             | —             |
| <b>Adjusted EBITDA excluding Special Items</b>            | <b>\$ 929</b>   | <b>1,052</b>  | <b>899</b>    | <b>1,011</b>  | <b>977</b>    |
| <b>Net (Loss) Income excluding Special Items</b>          | <b>\$ (129)</b> | <b>93</b>     | <b>(133)</b>  | <b>(124)</b>  | <b>(41)</b>   |
| <b>Total Revenue</b>                                      | <b>\$ 3,182</b> | <b>3,329</b>  | <b>3,221</b>  | <b>3,268</b>  | <b>3,290</b>  |
| <b>Net (Loss) Income Margin</b>                           | <b>(6.3)%</b>   | <b>2.6 %</b>  | <b>(4.6)%</b> | <b>(1.5)%</b> | <b>1.7 %</b>  |
| <b>Net (Loss) Income Margin, excluding Special Items</b>  | <b>(4.1)%</b>   | <b>2.8 %</b>  | <b>(4.1)%</b> | <b>(3.8)%</b> | <b>(1.2)%</b> |
| <b>Adjusted EBITDA Margin</b>                             | <b>26.1 %</b>   | <b>27.6 %</b> | <b>26.2 %</b> | <b>26.8 %</b> | <b>24.5 %</b> |
| <b>Adjusted EBITDA Margin, excluding Special Items</b>    | <b>29.2 %</b>   | <b>31.6 %</b> | <b>27.9 %</b> | <b>30.9 %</b> | <b>29.7 %</b> |

<sup>(1)</sup> 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.

<sup>(2)</sup> Transaction and separation costs associated with (i) our 2022 and 2023 divestitures, (ii) our March 22, 2024 debt transaction support agreement and our September 24, 2024 exchange offer and (iii) our evaluation of other potential transactions.

<sup>(3)</sup> Includes costs incurred related to network infrastructure, product portfolio, IT systems, and workforce modernization designed to deliver \$1 billion annualized in cost savings on a run-rate basis exiting 2027.

<sup>(4)</sup> Includes primarily (i) the recognition of Q1 2024 previously deferred gain on sale of select CDN contracts in October 2023, based on the transfer of remaining customer contracts as of March 31, 2024 and (ii) the recognition of a loss on disposal of certain operating assets in Q2 2024 and Q1 2025.

<sup>(5)</sup> Real estate transactions include primarily the Q4 2024 impairment loss for real estate held for sale, net of a gain associated our real estate rationalization program.

# 1st Quarter Earnings

May 1, 2025



## Lumen Technologies, Inc.

LTM Adjusted EBITDA

(UNAUDITED)

(\$ in millions)

|   | 1Q25                 | 4Q24                | 3Q24              | 2Q24                | Total LTM<br>Adjusted<br>EBITDA |
|---|----------------------|---------------------|-------------------|---------------------|---------------------------------|
| Total revenue   | \$ 3,182             | 3,329               | 3,221             | 3,268               | 13,000                          |
| Cost of services and products                               | 1,687                | 1,706               | 1,692             | 1,653               | 6,738                           |
| Selling, general and administrative expenses <sup>(1)</sup> | 675                  | 711                 | 696               | 737                 | 2,819                           |
| Add back: Stock-based compensation expense (credit)         | 10                   | 8                   | 10                | (3)                 | 25                              |
| Adjusted EBITDA   | <u>\$ 830</u>        | <u>920</u>          | <u>843</u>        | <u>875</u>          | <u>3,468</u>                    |
| Add back: Severance   | \$ 3                 | 11                  | 12                | 103                 | 129                             |
| Add back: Consumer and other litigation                     | —                    | 3                   | —                 | 1                   | 4                               |
| Add back: Gain on sale of business                          | —                    | —                   | —                 | (5)                 | (5)                             |
| Add back: Transaction and separation costs <sup>(2)</sup>   | 16                   | 50                  | 41                | 23                  | 130                             |
| Add back: Modernization and simplification <sup>(3)</sup>   | 50                   | —                   | —                 | —                   | 50                              |
| Add back: Other <sup>(4)</sup>                              | 30                   | 3                   | (1)               | 14                  | 46                              |
| Add back: Real estate transaction costs <sup>(5)</sup>      | —                    | 65                  | 4                 | —                   | 69                              |
| <b>Adjusted EBITDA excluding Special Items</b>              | <u><b>\$ 929</b></u> | <u><b>1,052</b></u> | <u><b>899</b></u> | <u><b>1,011</b></u> | <u><b>3,891</b></u>             |

<sup>(1)</sup> Inclusive of a gain on sale of business in Q2 2024.

<sup>(2)</sup> Transaction and separation costs associated with (i) our 2022 and 2023 divestitures, (ii) our March 22, 2024 debt transaction support agreement and our September 24, 2024 exchange offer and (iii) our evaluation of other potential transactions.

<sup>(3)</sup> Includes costs incurred related to network infrastructure, product portfolio, IT systems, and workforce modernization designed to deliver \$1 billion annualized in cost savings on a run-rate basis exiting 2027.

<sup>(4)</sup> Includes primarily the recognition of a loss on disposal of certain operating assets in Q2 2024 and Q1 2025.

<sup>(5)</sup> Real estate transactions include primarily the Q4 2024 impairment loss for real estate held for sale, net of a gain associated our real estate rationalization.

**1st Quarter Earnings****May 1, 2025****Lumen Technologies, Inc.**

Net Debt to LTM Adjusted EBITDA ratio as of March 31, 2025

(UNAUDITED)

(\$ in millions)

**Net Debt to LTM Adjusted EBITDA ratio:**

|  |    |         |
|--|----|---------|
| Gross debt, as reported                                    | \$ | 18,301  |
| Cash and cash equivalents, as reported                     |    | (1,900) |
| Net debt   | \$ | 16,401  |
| LTM Adjusted EBITDA excluding Special Items <sup>(1)</sup> | \$ | 3,891   |

**Net debt to LTM Adjusted EBITDA ratio****4.2**<sup>(1)</sup> Please refer to the computation on Tab "LTM Adjusted EBITDA"



## Lumen Technologies, Inc.

2025 OUTLOOK <sup>(1)</sup> <sup>(2)</sup>

(UNAUDITED)

(\$ in millions)

**Adjusted EBITDA Outlook**

Twelve Months Ended December 31, 2025

|                                       | Range             |              |
|---------------------------------------|-------------------|--------------|
|                                       | Low               | High         |
| <b>Net loss</b>                       | <b>\$ (1,655)</b> | <b>(850)</b> |
| Income tax expense                    | 215               | 30           |
| Total other expense, net              | 1,500             | 1,300        |
| Depreciation and amortization expense | 3,100             | 2,900        |
| Non-cash compensation expense         | 40                | 20           |
| <b>Adjusted EBITDA</b>                | <b>\$ 3,200</b>   | <b>3,400</b> |

**Free Cash Flow Outlook**

Twelve Months Ended December 31, 2025

|  | Range           |              |
|--|-----------------|--------------|
|  | Low             | High         |
| <b>Net cash provided by operating activities</b> | <b>\$ 4,800</b> | <b>5,200</b> |
| Capital expenditures                             | (4,100)         | (4,300)      |
| <b>Free cash flow</b>                            | <b>\$ 700</b>   | <b>900</b>   |

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

<sup>(2)</sup> Outlook measures in this chart (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 1, 2025. See "Forward Looking Statements" in our May 1, 2025 earnings release.

**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.