

ATTACHMENT A

QWEST COMMUNICATIONS INTERNATIONAL INC. CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2008	2007	% Change	2008	2007	% Change
(Dollars in millions except per share amounts, shares in thousands)						
Operating revenue.....	\$ 3,379	\$ 3,434	(1.6)%	\$ 10,160	\$ 10,343	(1.8)%
Operating expenses (1):						
Cost of sales (exclusive of depreciation and amortization).....	1,228	1,168	5.1 %	3,549	3,508	1.2 %
Selling.....	571	544	5.0 %	1,643	1,601	2.6 %
General, administrative and other operating.....	527	924	(43.0)%	1,677	2,156	(22.2)%
Depreciation and amortization.....	599	619	(3.2)%	1,753	1,846	(5.0)%
Total operating expenses.....	2,925	3,255	(10.1)%	8,622	9,111	(5.4)%
Other expense (income)—net:						
Interest expense on long-term borrowings and capital leases—net	252	272	(7.4)%	770	828	(7.0)%
Other—net	(27)	(9)	200.0 %	(28)	—	nm
Total other expense (income)—net	225	263	(14.4)%	742	828	(10.4)%
Income (loss) before income taxes.....	229	(84)	nm	796	404	97.0 %
Income tax (expense) benefit.....	(78)	2,149	nm	(300)	2,147	nm
Net income.....	\$ 151	\$ 2,065	123.0 %	\$ 496	\$ 2,551	111.3 %
Earnings per share:						
Basic.....	\$ 0.09	\$ 1.14	(92.1)%	\$ 0.29	\$ 1.39	(79.1)%
Diluted.....	\$ 0.09	\$ 1.08	(91.7)%	\$ 0.28	\$ 1.31	(78.6)%
Weighted average shares outstanding:						
Basic.....	1,713,127	1,818,683	(5.8)%	1,739,441	1,841,474	(5.5)%
Diluted.....	1,720,538	1,916,478	(10.2)%	1,748,136	1,942,152	(10.0)%

nm—Percentages greater than 200% and comparisons between positive and negative values or to/from zero values are considered not meaningful.

(1) During the first quarter of 2008, we changed the definitions we use to classify expenses as cost of sales, selling expenses or general, administrative and other operating expenses, and as a result certain prior period expenses in our condensed consolidated statements of operations have been reclassified. We have adjusted all prior period amounts to conform to the current period presentation.

ATTACHMENT B

QWEST COMMUNICATIONS INTERNATIONAL INC. CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)

	September 30, 2008	December 31, 2007
	(Dollars in millions)	
ASSETS		
Current assets:		
Cash and cash equivalents.....	\$ 586	\$ 902
Other.....	2,380	2,671
Total current assets.....	2,966	3,573
Property, plant and equipment—net and other.....	18,273	18,959
Total assets.....	<u>\$ 21,239</u>	<u>\$ 22,532</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Current portion of long-term borrowings	\$ 1,240	\$ 601
Accounts payable and other.....	2,937	3,608
Total current liabilities.....	4,177	4,209
Long-term borrowings—net.....	12,815	13,650
Other.....	3,901	4,110
Total liabilities.....	20,893	21,969
Stockholders' equity	346	563
Total liabilities and stockholders' equity.....	<u>\$ 21,239</u>	<u>\$ 22,532</u>

ATTACHMENT C

**QWEST COMMUNICATIONS INTERNATIONAL INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)**

	Nine Months Ended	
	September 30,	
	2008	2007
	(Dollars in millions)	
Cash provided by operating activities.....	\$ 2,023	\$ 2,126
Cash used for investing activities.....	(1,343)	(1,023)
Cash used for financing activities.....	(996)	(1,225)
Decrease in cash and cash equivalents.....	<u>\$ (316)</u>	<u>\$ (122)</u>

ATTACHMENT D
QWEST COMMUNICATIONS INTERNATIONAL INC.
SELECTED CONSOLIDATED DATA
(UNAUDITED)

	Three Months Ended September 30,		% Change
	2008	2007	
	(Dollars in millions)		
Operating revenue (1):			
Segment revenue:			
Business markets:			
Voice services.....	\$ 366	\$ 375	(2.4)%
Data and Internet services.....	681	603	12.9 %
Total business markets.....	1,047	978	7.1 %
Mass markets:			
Voice services.....	967	1,057	(8.5)%
Data, Internet and video services.....	341	305	11.8 %
Wireless services.....	117	137	(14.6)%
Total mass markets.....	1,425	1,499	(4.9)%
Wholesale markets:			
Voice services.....	433	490	(11.6)%
Data and Internet services.....	382	371	3.0 %
Total wholesale markets.....	815	861	(5.3)%
Total segment operating revenue.....	3,287	3,338	(1.0)%
Other revenue (primarily USF surcharges)	92	96	(4.2)%
Total operating revenue	\$ 3,379	\$ 3,434	(1.6)%
Segment margins (1):			
Business markets.....	35.6 %	40.6 %	
Mass markets.....	47.2 %	47.3 %	
Wholesale markets.....	56.9 %	57.0 %	
Capital expenditures (2):.....	\$ 466	\$ 420	11.0 %
	As of September 30,		% Change
	2008	2007	
	(Amounts in thousands, except for employees)		
Operating metrics:			
Total employees.....	34,656	37,026	(6.4)%
Access lines (1):			
Business markets.....	2,687	2,817	(4.6)%
Mass markets.....	8,015	8,877	(9.7)%
Wholesale markets (3).....	1,167	1,338	(12.8)%
Total access lines.....	11,869	13,032	(8.9)%
Mass markets connections:			
Access lines (1):			
Consumer primary lines.....	6,134	6,860	(10.6)%
Consumer additional lines.....	573	686	(16.5)%
Small business lines.....	1,308	1,331	(1.7)%
Total access lines.....	8,015	8,877	(9.7)%
Other connections:			
Broadband subscribers (4).....	2,793	2,516	11.0 %
Video subscribers (4).....	761	605	25.8 %
Wireless subscribers.....	766	819	— %
Total other connections.....	4,320	3,940	11.0 %
Total mass markets connections.....	12,335	12,817	(3.8)%

**ATTACHMENT D
(CONTINUED)**

**QWEST COMMUNICATIONS INTERNATIONAL INC.
SELECTED CONSOLIDATED DATA
(UNAUDITED)**

	Three Months Ended September 30,		
	2008	2007	% Change
Consumer ARPU (in dollars) (5):.....	\$ 56	\$ 53	6.0 %
Wholesale minutes of use from carriers and CLECs (in millions).....	9,770	10,635	(8.1)%

(1) During the first quarter of 2008, we changed our segments. Our new segments are business markets, mass markets and wholesale markets. We centrally manage revenue from USF (Universal Service Fund) surcharges, consequently, it is not assigned to any of our segments. We have adjusted all prior period revenue amounts to conform to the current period presentation. We have also adjusted access line amounts to conform to this new presentation.

Segment margin represents segment income as a percentage of segment revenue. Segment income is net of direct costs incurred by the segment, such as segment specific employee-costs, bad debt, equipment sales costs and other non-employee related costs. Additionally, we assign other expenses to the segments using an activity-based costing methodology. Assigned expenses include network expenses, facility costs, and various other costs.

(2) Capital expenditures exclude assets acquired through capital leases.

(3) Wholesale markets access lines include UNE (Unbundled Network Elements) lines.

(4) Broadband and video subscribers include certain business markets customers.

(5) Consumer ARPU (Average Revenue Per Unit) is measured as consumer revenue, which includes revenue from voice services, data, Internet and video services, in the period divided by the average number of primary access lines for the period. We believe this metric can be a useful measure of the revenue performance of our consumer business within our mass markets segment on a per-customer basis. We use ARPU internally to assess the revenue performance of our consumer business within our mass markets segment and the impact on this business of periodic customer initiatives and product roll-outs. ARPU is not a measure determined in accordance with accounting principles generally accepted in the United States of America, or GAAP, and should not be considered as a substitute for our mass markets segment revenue or any other measure determined in accordance with GAAP. During the first quarter of 2008, we revised the consumer ARPU calculation to exclude Universal Service Fund revenue, which was previously reported in voice services revenue. This change is consistent with our current presentation of segment revenue described above. We have adjusted all prior period amounts to conform to the current period presentation.

ATTACHMENT E

QWEST COMMUNICATIONS INTERNATIONAL INC.
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES
(UNAUDITED)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2008	2007	2008	2007
	(Dollars in millions)			
Operating revenue.....	\$ 3,379	\$ 3,434	\$10,160	\$10,343
Cost of sales (exclusive of depreciation and amortization)	(1,228)	(1,168)	(3,549)	(3,508)
Selling expenses.....	(571)	(544)	(1,643)	(1,601)
General, administrative and other operating expenses.....	(527)	(924)	(1,677)	(2,156)
EBITDA (1).....	<u>\$ 1,053</u>	<u>\$ 798</u>	<u>\$ 3,291</u>	<u>\$ 3,078</u>
EBITDA—as adjusted (2):	\$ 1,083	\$ 1,151	\$ 3,366	\$ 3,471
Less: Legal reserve.....	—	(353)	(40)	(393)
Less: Property tax settlement.....	—	—	40	—
Less: Realignment, severance and related costs.....	(30)	—	(75)	—
EBITDA (1):.....	1,053	798	3,291	3,078
Depreciation and amortization.....	(599)	(619)	(1,753)	(1,846)
Total other expense (income)—net	(225)	(263)	(742)	(828)
Income tax (expense) benefit.....	(78)	2,149	(300)	2,147
Net income.....	<u>\$ 151</u>	<u>\$ 2,065</u>	<u>\$ 496</u>	<u>\$ 2,551</u>
EBITDA margin—as adjusted (2):				
EBITDA—as adjusted	\$ 1,083	\$ 1,151	\$ 3,366	\$ 3,471
Divided by total operating revenue.....	<u>\$ 3,379</u>	<u>\$ 3,434</u>	<u>\$10,160</u>	<u>\$10,343</u>
EBITDA margin—as adjusted	<u>32.1%</u>	<u>33.5%</u>	<u>33.1%</u>	<u>33.6%</u>
EBITDA margin (1):				
EBITDA.....	\$ 1,053	\$ 798	\$ 3,291	\$ 3,078
Divided by total operating revenue.....	<u>\$ 3,379</u>	<u>\$ 3,434</u>	<u>\$10,160</u>	<u>\$10,343</u>
EBITDA margin.....	<u>31.2%</u>	<u>23.2%</u>	<u>32.4%</u>	<u>29.8%</u>
Free cash flow from operations (3):				
Cash provided by operating activities.....	\$ 726	\$ 753	\$ 2,023	\$ 2,126
Less: expenditures for property, plant and equipment and capitalized software.....	(466)	(420)	(1,416)	(1,164)
Free cash flow from operations.....	260	333	607	962
Add: certain one-time settlement payments	70	—	239	200
Adjusted free cash flow from operations.....	<u>\$ 330</u>	<u>\$ 333</u>	<u>\$ 846</u>	<u>\$ 1,162</u>

ATTACHMENT E
(CONTINUED)

QWEST COMMUNICATIONS INTERNATIONAL INC.
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES
(UNAUDITED)

	<u>As of September 30,</u>	
	<u>2008</u>	<u>2007</u>
	<u>(Dollars in millions)</u>	
Net debt (4):		
Current portion of long-term borrowings.....	\$ 1,240	\$ 1,727
Long-term borrowings—net.....	<u>12,815</u>	<u>12,779</u>
Total borrowings—net.....	14,055	14,506
Less: cash and cash equivalents	(586)	(1,119)
Less: short-term investments.....	(22)	—
Less: long-term investments.....	<u>(111)</u>	<u>(119)</u>
Net debt.....	<u>\$13,336</u>	<u>\$13,268</u>
Ratio of net debt to EBITDA—adjusted (5):		
Total net debt.....	\$13,336	\$13,268
Divided by annualized EBITDA—as adjusted	\$ 4,503	\$ 4,551
Ratio of net debt to EBITDA—adjusted.....	3.0	2.9

(1) EBITDA and EBITDA margin are non-GAAP financial measures. Other companies may calculate these measures (or similarly titled measures) differently. We believe these measures provide useful information to investors in evaluating our capital-intensive business because they reflect our operating performance before the impacts of non-cash items and are indicators of our ability to service debt, pay taxes and fund discretionary spending such as capital expenditures. Management also uses EBITDA for a number of purposes, including setting targets for compensation and assessing the performance of our operations.

(2) EBITDA—as adjusted and EBITDA margin—as adjusted are non-GAAP financial measures that reflect our operating performance before the impacts of certain non-cash items and after removing the effects of items that we believe are not representative of our core ongoing telecommunications operations, such as severance charges, restructuring charges and charges for securities-related litigation. We provide this information to supplement our GAAP financial measures because we believe that investors commonly use this information to analyze the results of our core operations, to identify financial trends in these results and to compare our operating performance to that of our competitors. Management also uses these measures for a number of purposes, including setting targets for compensation and assessing the performance of our operations.

(3) Free cash flow and adjusted free cash flow from operations are non-GAAP financial measures that indicate cash generated by our business after operating expenses, capital expenditures, interest expense and income tax expense. We believe these measures provide useful information to our investors for purposes of evaluating our ability to satisfy our debt and other mandatory payment obligations and because they reflect cash flows available for financing activities, voluntary debt repayment and to strengthen our balance sheet. This is of particular relevance for our business given our significant debt balance. We also use free cash flow and adjusted free cash flow from operations internally for a variety of purposes, including setting targets for compensation and budgeting our cash needs. These measures are not determined in accordance with GAAP and should not be considered as a substitute for “income before income taxes” or “cash provided by operating activities” or any other measure determined in accordance with GAAP. Due to the forward-looking nature of expected free cash flow amounts for 2008, information to reconcile this non-GAAP financial measure is not available at this time.

(4) Net debt is a non-GAAP financial measure that we calculate as our total borrowings (current plus long-term) less our cash and cash equivalents and short- and long-term investments. We believe net debt is helpful in analyzing our leverage, and management uses this measure in making decisions regarding potential financings. Net debt is not a measure determined in accordance with GAAP and should not be considered as a substitute for “current portion of long-term borrowings” or “long-term borrowings” or any other measure determined in accordance with GAAP.

(5) The ratio of net debt to annualized EBITDA is a non-GAAP financial measure that we calculate as net debt divided by a rolling four quarters of EBITDA—as adjusted. Other companies may calculate this measure differently. We believe this measure provides useful information to our investors about our debt level relative to our performance and about our ability to meet our financial obligations.