

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington D.C. 20549

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**FORM 8-K**

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**CURRENT REPORT  
Pursuant to Section 13 or 15(d)  
of the Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): April 30, 2020**



**CenturyLink, Inc.**

(Exact name of registrant as specified in its charter)

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**Louisiana**  
(State or other jurisdiction  
of incorporation)

**001-7784**  
(Commission  
File Number)

**72-0651161**  
(IRS Employer  
Identification No.)

**100 CenturyLink Drive**  
**Monroe, Louisiana**  
(Address of principal executive offices)

**71203**  
(Zip Code)

**Registrant's telephone number, including area code: (318) 388-9000**

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligations of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

**Securities registered pursuant to Section 12(b) of the Act:**

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, par value \$1.00 per share	CTL	New York Stock Exchange
Preferred Stock Purchase Rights	N/A	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

## Item 8.01 Other Events.

During the first quarter of 2020, CenturyLink, Inc. (“we” or “our”) made certain changes to our financial reporting as detailed below.

Our customers are assigned to one of our five reporting segments based on customer-specific criteria as described in our Annual Report on Form 10-K for the year ended December 31, 2019. Over time, changes within a customer’s business, including changes caused by mergers and acquisitions or other factors, may result in a customer no longer fitting the criteria of its originally assigned reporting segment. We assess customer assignments to our five reporting segments on an annual basis. We completed our assessment as of the beginning of 2020 and reclassified certain customers within our five reporting segments. The reclassification does not have any impact on the total revenue previously reported. Further, we reclassified certain costs or functions within our reporting segments, impacting previously reported expenses and Adjusted EBITDA at a segment level. Commencing in the first quarter of 2020, we intend to retrospectively report our results reflecting these changes.

In addition to these changes, we have elected to change the presentation for taxes assessed by a governmental authority that are both imposed on and concurrent with a specific revenue-producing transaction, including federal and certain state Universal Service Fund (USF) regulatory fees, to present all such taxes on a net basis in our Consolidated Statements of Operations. Prior to the first quarter of 2020, we presented such USF fees on a gross basis within operating revenue and costs of services and products, and all other significant taxes on a net basis. We changed our policy to present such taxes on the net basis and believe the new policy is preferable because of the historical and potential future regulatory rate changes outside of our control resulting in significant variability in tax and fee revenue that is not indicative of our operating performance. We believe that the net presentation provides the most useful and transparent financial information and improves comparability and consistency of financial results. As a result of this decision, the amount of operating revenue and cost of services and products being reported will be lower than in prior years. These changes do not affect Operating Income (Loss), Net Income (Loss), or Earnings (Loss) per Share on the Consolidated Statements of Operations or reported Adjusted EBITDA. However, these changes do have the effect of increasing Adjusted EBITDA margin. We also expect this change to affect all five reporting segment results going forward. Commencing in the first quarter of 2020, this change in accounting policy will be applied retrospectively.

To enable a comparison between the information to be presented in our first quarter 2020 earnings results with prior periods we have furnished herewith as Exhibit 99.1 unaudited supplemental financial information that recasts our historical operating revenue, cost of services and products, Adjusted EBITDA, and Adjusted EBITDA margin and select revenue, segment and product disclosures to reflect the above-described changes for each of the four quarters comprising the year ended December 31, 2019 and full year periods ended December 31, 2019 and 2018. We are currently scheduled to report our first quarter 2020 results on May 6, 2020.

### Forward-Looking Statements

*Except for historical and factual information, the matters set forth in this Current Report on Form 8-K identified by words such as “will,” “should,” “expects,” “anticipates,” “believes,” “plans,” “intends,” and similar expressions are forward-looking statements as defined by the federal securities laws, and are subject to the “safe harbor” protections thereunder. These forward-looking statements are not guarantees of future results and are based on current expectations only, and are subject to various uncertainties. Actual events and results may differ materially from those anticipated by us in those statements. We may change our intentions or plans discussed in our forward-looking statements without notice at any time and for any reason.*

## Item 9.01 Financial Statements and Exhibits.

(d) Exhibits:

<u>Exhibit No.</u>	<u>Description</u>
99.1	<a href="#"><u>Unaudited supplemental historical financial information</u></a>
104	Cover Page Interactive Data File (formatted in iXBRL in Exhibit 101)

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, CenturyLink, Inc. has duly caused this Current Report to be signed on its behalf by the undersigned officer hereunto duly authorized.

**CENTURYLINK, INC.**

By: /s/ Eric J. Mortensen

Eric J. Mortensen  
Senior Vice President and Controller

Dated: April 30, 2020

**CenturyLink, Inc.**  
(Unaudited)

*The following table reflects the retrospective impacts to consolidated financial statement captions and additional disclosures resulting from the change in accounting policy (including certain USF fees) and customer and cost assignment changes:*

<i>\$ in millions</i>	<u>1Q19</u>	<u>2Q19</u>	<u>3Q19</u>	<u>4Q19</u>	<u>2019</u>	<u>2018</u>
Operating revenue, as reported	\$ 5,647	5,578	5,606	5,570	22,401	23,443
<i>Reclassifications:</i>						
Change in accounting policy	(220)	(203)	(256)	(264)	(943)	(863)
Customer and cost assignment changes	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Operating revenue, as adjusted	\$ 5,427	5,375	5,350	5,306	21,458	22,580
Revenue from contracts with customers, as reported	\$ 5,289	5,222	5,251	4,686	20,448	21,905
<i>Reclassifications:</i>						
Change in accounting policy	(220)	(203)	(256)	(264)	(943)	(863)
Customer and cost assignment changes	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Revenue from contracts with customers, as adjusted	\$ 5,069	5,019	4,995	4,422	19,505	21,042
Cost of services and products, as reported	\$ 2,520	2,446	2,590	2,521	10,077	10,862
<i>Reclassifications:</i>						
Change in accounting policy	(220)	(203)	(256)	(264)	(943)	(863)
Customer and cost assignment changes	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cost of services and products, as adjusted	\$ 2,300	2,243	2,334	2,257	9,134	9,999
Operating expenses, as reported	\$11,146	4,602	4,656	4,723	25,127	22,873
<i>Reclassifications:</i>						
Change in accounting policy	(220)	(203)	(256)	(264)	(943)	(863)
Customer and cost assignment changes	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Operating expenses, as adjusted	\$10,926	4,399	4,400	4,459	24,184	22,010
Adjusted EBITDA margin, as reported	39.5%	39.7%	39.7%	37.8%	39.2%	36.7%
Adjusted EBITDA margin, as adjusted	41.1%	41.2%	41.6%	39.7%	40.9%	38.1%

*The change in accounting policy and customer and cost assignment changes had no impact on Consolidated Operating Income (Loss), Net Income (Loss), Earnings (Loss) per Share, or Adjusted EBITDA.*

**CenturyLink, Inc.**  
(Unaudited)

*The following table reflects the retrospective impacts to segment revenue resulting from the change in accounting policy (including certain USF fees) and customer assignment changes:*

<i>\$ in millions</i>		<u>1Q19</u>	<u>2Q19</u>	<u>3Q19</u>	<u>4Q19</u>	<u>2019</u>	<u>2018</u>
<b>By Segment</b>							
<b>International and Global Accounts</b>	Reported	\$ 891	902	899	904	3,596	3,653
	Change in accounting policy	(31)	(28)	(35)	(37)	(131)	(121)
	Customer assignment changes	3	3	2	3	11	11
	<b>Adjusted/New</b>	<b>\$ 863</b>	<b>877</b>	<b>866</b>	<b>870</b>	<b>3,476</b>	<b>3,543</b>
<b>Enterprise</b>	Reported	\$ 1,523	1,505	1,550	1,555	6,133	6,133
	Change in accounting policy	(105)	(99)	(125)	(129)	(458)	(371)
	Customer assignment changes	7	3	3	8	21	3
	<b>Adjusted/New</b>	<b>\$ 1,425</b>	<b>1,409</b>	<b>1,428</b>	<b>1,434</b>	<b>5,696</b>	<b>5,765</b>
<b>Small and Medium Business</b>	Reported	\$ 755	736	734	731	2,956	3,144
	Change in accounting policy	(44)	(40)	(52)	(53)	(189)	(201)
	Customer assignment changes	(11)	(8)	(8)	(13)	(40)	(25)
	<b>Adjusted/New</b>	<b>\$ 700</b>	<b>688</b>	<b>674</b>	<b>665</b>	<b>2,727</b>	<b>2,918</b>
<b>Wholesale</b>	Reported	\$ 1,037	1,018	1,025	994	4,074	4,397
	Change in accounting policy	(11)	(8)	(12)	(13)	(44)	(49)
	Customer assignment changes	4	2	4	2	12	12
	<b>Adjusted/New</b>	<b>\$ 1,030</b>	<b>1,012</b>	<b>1,017</b>	<b>983</b>	<b>4,042</b>	<b>4,360</b>
<b>Consumer</b>	Reported	\$ 1,441	1,417	1,398	1,386	5,642	6,116
	Change in accounting policy	(29)	(28)	(32)	(32)	(121)	(121)
	Customer assignment changes	(3)	0	(1)	0	(4)	(1)
	<b>Adjusted/New</b>	<b>\$ 1,409</b>	<b>1,389</b>	<b>1,365</b>	<b>1,354</b>	<b>5,517</b>	<b>5,994</b>
<b>Total</b>	Reported	\$ 5,647	5,578	5,606	5,570	22,401	23,443
	Change in accounting policy	(220)	(203)	(256)	(264)	(943)	(863)
	Customer assignment changes	0	0	0	0	0	(0)
	<b>Adjusted/New</b>	<b>\$ 5,427</b>	<b>5,375</b>	<b>5,350</b>	<b>5,306</b>	<b>21,458</b>	<b>22,580</b>

**CenturyLink, Inc.**  
(Unaudited)

*The following table reflects the retrospective impacts to segment revenue by product and service offering resulting from the change in accounting policy (including certain USF fees) and customer assignment changes:*

<i>\$ in millions</i>	<b>1Q19</b>	<b>2Q19</b>	<b>3Q19</b>	<b>4Q19</b>	<b>2019</b>	<b>2018</b>
<b>By Segment</b>						
<b>International and Global Accounts</b>						
IP and Data Services Reported	\$420	420	417	419	1,676	1,728
Change in accounting policy	(12)	(11)	(14)	(14)	(51)	(47)
Customer assignment changes	0	0	1	1	2	1
IP and Data Services Adjusted/New	408	409	404	406	1,627	1,682
Transport and Infrastructure Reported	320	333	331	334	1,318	1,276
Change in accounting policy	(12)	(11)	(15)	(15)	(53)	(47)
Customer assignment changes	1	1	1	0	3	1
Transport and Infrastructure Adjusted/New	309	323	317	319	1,268	1,230
Voice and Collaboration Reported	94	94	96	93	377	387
Change in accounting policy	(7)	(6)	(6)	(8)	(27)	(27)
Customer assignment changes	2	1	(1)	2	4	5
Voice and Collaboration Adjusted/New	89	89	89	87	354	365
IT and Managed Services Reported	57	55	55	58	225	262
Change in accounting policy	0	0	0	0	0	0
Customer assignment changes	0	1	1	0	2	4
IT and Managed Services Adjusted/New	57	56	56	58	227	266
Total Reported	891	902	899	904	3,596	3,653
Change in accounting policy	(31)	(28)	(35)	(37)	(131)	(121)
Customer assignment changes	3	3	2	3	11	11
<b>Total Adjusted/New</b>	<b>\$863</b>	<b>877</b>	<b>866</b>	<b>870</b>	<b>3,476</b>	<b>3,543</b>

**CenturyLink, Inc.**  
(Unaudited)

*The following table reflects the retrospective impacts to segment revenue by product and service offering resulting from the change in accounting policy (including certain USF fees) and customer assignment changes:*

<i>\$ in millions</i>	<u>1Q19</u>	<u>2Q19</u>	<u>3Q19</u>	<u>4Q19</u>	<u>2019</u>	<u>2018</u>
<b>By Segment</b>						
<b>Enterprise</b>						
IP and Data Services Reported	\$ 688	681	691	703	2,763	2,673
Change in accounting policy	(52)	(48)	(61)	(62)	(223)	(189)
Customer assignment changes	2	(1)	1	(4)	(2)	1
IP and Data Services Adjusted/New	<u>638</u>	<u>632</u>	<u>631</u>	<u>637</u>	<u>2,538</u>	<u>2,485</u>
Transport and Infrastructure Reported	364	368	405	408	1,545	1,550
Change in accounting policy	(18)	(17)	(22)	(24)	(81)	(63)
Customer assignment changes	1	3	1	10	15	(3)
Transport and Infrastructure Adjusted/New	<u>347</u>	<u>354</u>	<u>384</u>	<u>394</u>	<u>1,479</u>	<u>1,484</u>
Voice and Collaboration Reported	397	390	395	385	1,567	1,607
Change in accounting policy	(35)	(34)	(42)	(43)	(154)	(119)
Customer assignment changes	4	2	1	3	10	7
Voice and Collaboration Adjusted/New	<u>366</u>	<u>358</u>	<u>354</u>	<u>345</u>	<u>1,423</u>	<u>1,495</u>
IT and Managed Services Reported	74	66	59	59	258	303
Change in accounting policy	0	0	0	0	0	0
Customer assignment changes	0	(1)	0	(1)	(2)	(2)
IT and Managed Services Adjusted/New	<u>74</u>	<u>65</u>	<u>59</u>	<u>58</u>	<u>256</u>	<u>301</u>
Total Reported	<u>1,523</u>	<u>1,505</u>	<u>1,550</u>	<u>1,555</u>	<u>6,133</u>	<u>6,133</u>
Change in accounting policy	(105)	(99)	(125)	(129)	(458)	(371)
Customer assignment changes	7	3	3	8	21	3
<b>Total Adjusted/New</b>	<b><u>\$1,425</u></b>	<b><u>1,409</u></b>	<b><u>1,428</u></b>	<b><u>1,434</u></b>	<b><u>5,696</u></b>	<b><u>5,765</u></b>

**CenturyLink, Inc.**  
(Unaudited)

*The following table reflects the retrospective impacts to segment revenue by product and service offering resulting from the change in accounting policy (including certain USF fees) and customer assignment changes:*

<i>\$ in millions</i>	<u>1Q19</u>	<u>2Q19</u>	<u>3Q19</u>	<u>4Q19</u>	<u>2019</u>	<u>2018</u>
<b>By Segment</b>						
<b>Small and Medium Business</b>						
IP and Data Services Reported	\$ 300	290	295	299	1,184	1,178
Change in accounting policy	(21)	(18)	(24)	(24)	(87)	(91)
Customer assignment changes	(3)	(1)	(1)	(1)	(6)	(9)
IP and Data Services Adjusted/New	<u>276</u>	<u>271</u>	<u>270</u>	<u>274</u>	<u>1,091</u>	<u>1,078</u>
Transport and Infrastructure Reported	107	106	106	101	420	471
Change in accounting policy	(6)	(6)	(8)	(8)	(28)	(30)
Customer assignment changes	(6)	(6)	(5)	(10)	(27)	(17)
Transport and Infrastructure Adjusted/New	<u>95</u>	<u>94</u>	<u>93</u>	<u>83</u>	<u>365</u>	<u>424</u>
Voice and Collaboration Reported	336	328	322	320	1,306	1,443
Change in accounting policy	(17)	(16)	(20)	(21)	(74)	(80)
Customer assignment changes	(2)	0	(2)	(2)	(6)	3
Voice and Collaboration Adjusted/New	<u>317</u>	<u>312</u>	<u>300</u>	<u>297</u>	<u>1,226</u>	<u>1,366</u>
IT and Managed Services Reported	12	12	11	11	46	52
Change in accounting policy	0	0	0	0	0	0
Customer assignment changes	0	(1)	0	0	(1)	(2)
IT and Managed Services Adjusted/New	<u>12</u>	<u>11</u>	<u>11</u>	<u>11</u>	<u>45</u>	<u>50</u>
Total Reported	<u>755</u>	<u>736</u>	<u>734</u>	<u>731</u>	<u>2,956</u>	<u>3,144</u>
Change in accounting policy	(44)	(40)	(52)	(53)	(189)	(201)
Customer assignment changes	(11)	(8)	(8)	(13)	(40)	(25)
<b>Total Adjusted/New</b>	<b><u>\$700</u></b>	<b><u>688</u></b>	<b><u>674</u></b>	<b><u>665</u></b>	<b><u>2,727</u></b>	<b><u>2,918</u></b>



**CenturyLink, Inc.**  
(Unaudited)

*The following table reflects the retrospective impacts to segment revenue by product and service offering resulting from the change in accounting policy (including certain USF fees) and customer assignment changes:*

<i>\$ in millions</i>	<u>1Q19</u>	<u>2Q19</u>	<u>3Q19</u>	<u>4Q19</u>	<u>2019</u>	<u>2018</u>
<b>By Segment</b>						
<b>Wholesale</b>						
IP and Data Services Reported	\$ 341	339	357	340	1,377	1,382
Change in accounting policy	(5)	(3)	(4)	(5)	(17)	(17)
Customer assignment changes	2	1	0	2	5	4
IP and Data Services Adjusted/New	<u>338</u>	<u>337</u>	<u>353</u>	<u>337</u>	<u>1,365</u>	<u>1,369</u>
Transport and Infrastructure Reported	499	484	467	470	1,920	2,136
Change in accounting policy	(4)	(3)	(5)	(5)	(17)	(23)
Customer assignment changes	0	1	2	1	4	5
Transport and Infrastructure Adjusted/New	<u>495</u>	<u>482</u>	<u>464</u>	<u>466</u>	<u>1,907</u>	<u>2,118</u>
Voice and Collaboration Reported	196	193	200	182	771	872
Change in accounting policy	(2)	(2)	(3)	(3)	(10)	(9)
Customer assignment changes	1	0	1	0	2	2
Voice and Collaboration Adjusted/New	<u>195</u>	<u>191</u>	<u>198</u>	<u>179</u>	<u>763</u>	<u>865</u>
IT and Managed Services Reported	1	2	1	2	6	7
Change in accounting policy	0	0	0	0	0	0
Customer assignment changes	1	0	1	(1)	1	1
IT and Managed Services Adjusted/New	<u>2</u>	<u>2</u>	<u>2</u>	<u>1</u>	<u>7</u>	<u>8</u>
Total Reported	1,037	1,018	1,025	994	4,074	4,397
Change in accounting policy	(11)	(8)	(12)	(13)	(44)	(49)
Customer assignment changes	4	2	4	2	12	12
<b>Total Adjusted/New</b>	<b><u>\$1,030</u></b>	<b><u>1,012</u></b>	<b><u>1,017</u></b>	<b><u>983</u></b>	<b><u>4,042</u></b>	<b><u>4,360</u></b>

**CenturyLink, Inc.**  
(Unaudited)

*The following table reflects the retrospective impacts to segment revenue by product and service offering resulting from the change in accounting policy (including certain USF fees) and customer assignment changes:*

<i>\$ in millions</i>	<u>1Q19</u>	<u>2Q19</u>	<u>3Q19</u>	<u>4Q19</u>	<u>2019</u>	<u>2018</u>
<b>By Segment</b>						
<b>Consumer</b>						
Broadband Reported	\$ 722	718	718	718	2,876	2,822
Change in accounting policy	0	0	0	0	0	0
Customer assignment changes	0	0	0	0	0	2
Broadband Adjusted/New	<u>722</u>	<u>718</u>	<u>718</u>	<u>718</u>	<u>2,876</u>	<u>2,824</u>
Voice Reported	489	477	462	453	1,881	2,173
Change in accounting policy	(29)	(28)	(32)	(32)	(121)	(121)
Customer assignment changes	17	18	23	19	77	75
Voice Adjusted/New	<u>477</u>	<u>467</u>	<u>453</u>	<u>440</u>	<u>1,837</u>	<u>2,127</u>
Regulatory Reported	159	158	157	160	634	729
Change in accounting policy	0	0	0	0	0	0
Customer assignment changes	(2)	(1)	0	1	(2)	(2)
Regulatory Adjusted/New	<u>157</u>	<u>157</u>	<u>157</u>	<u>161</u>	<u>632</u>	<u>727</u>
Other Reported	71	64	61	55	251	392
Change in accounting policy	0	0	0	0	0	0
Customer assignment changes	(18)	(17)	(24)	(20)	(79)	(76)
Other Adjusted/New	<u>53</u>	<u>47</u>	<u>37</u>	<u>35</u>	<u>172</u>	<u>316</u>
Total Reported	1,441	1,417	1,398	1,386	5,642	6,116
Change in accounting policy	(29)	(28)	(32)	(32)	(121)	(121)
Customer assignment changes	(3)	0	(1)	0	(4)	(1)
<b>Total Adjusted/New</b>	<b><u>\$1,409</u></b>	<b><u>1,389</u></b>	<b><u>1,365</u></b>	<b><u>1,354</u></b>	<b><u>5,517</u></b>	<b><u>5,994</u></b>

**CenturyLink, Inc.**  
(Unaudited)

*The following table reflects the retrospective impacts to segment cost of services and products resulting from the change in accounting policy (including certain USF fees) and customer and cost assignment changes:*

<i>\$ in millions</i>		<u>1Q19</u>	<u>2Q19</u>	<u>3Q19</u>	<u>4Q19</u>	<u>2019</u>	<u>2018</u>
<b>By Segment</b>							
<b>International and Global Accounts</b>	Reported	\$ 259	258	269	258	1,044	1,056
	Change in accounting policy	(31)	(28)	(35)	(37)	(131)	(121)
	Customer and cost assignment changes	3	2	1	1	7	5
	<b>Adjusted/New</b>	<b>\$ 231</b>	<b>232</b>	<b>235</b>	<b>222</b>	<b>920</b>	<b>940</b>
<b>Enterprise</b>	Reported	\$ 496	497	544	551	2,088	2,038
	Change in accounting policy	(105)	(99)	(125)	(129)	(458)	(371)
	Customer and cost assignment changes	37	36	32	33	138	177
	<b>Adjusted/New</b>	<b>\$ 428</b>	<b>434</b>	<b>451</b>	<b>455</b>	<b>1,768</b>	<b>1,844</b>
<b>Small and Medium Business</b>	Reported	\$ 153	147	155	151	606	614
	Change in accounting policy	(44)	(40)	(52)	(53)	(189)	(201)
	Customer and cost assignment changes	(4)	(5)	(4)	(5)	(18)	3
	<b>Adjusted/New</b>	<b>\$ 105</b>	<b>102</b>	<b>99</b>	<b>93</b>	<b>399</b>	<b>416</b>
<b>Wholesale</b>	Reported	\$ 141	145	144	137	567	645
	Change in accounting policy	(11)	(8)	(12)	(13)	(44)	(49)
	Customer and cost assignment changes	4	3	2	3	12	(29)
	<b>Adjusted/New</b>	<b>\$ 134</b>	<b>140</b>	<b>134</b>	<b>127</b>	<b>535</b>	<b>567</b>
<b>Consumer</b>	Reported	\$ 87	77	80	69	313	500
	Change in accounting policy	(29)	(28)	(32)	(32)	(121)	(121)
	Customer and cost assignment changes	0	2	2	1	5	(23)
	<b>Adjusted/New</b>	<b>\$ 58</b>	<b>51</b>	<b>50</b>	<b>38</b>	<b>197</b>	<b>356</b>
<b>Operations and Other</b>	Reported	\$ 1,384	1,322	1,398	1,355	5,459	6,009
	Change in accounting policy	0	0	0	0	0	0
	Customer and cost assignment changes	(40)	(38)	(33)	(33)	(144)	(133)
	<b>Adjusted/New</b>	<b>\$ 1,344</b>	<b>1,284</b>	<b>1,365</b>	<b>1,322</b>	<b>5,315</b>	<b>5,876</b>
<b>Total</b>	Reported	\$ 2,520	2,446	2,590	2,521	10,077	10,862
	Change in accounting policy	(220)	(203)	(256)	(264)	(943)	(863)
	Customer and cost assignment changes	0	0	0	0	0	0
	<b>Adjusted/New</b>	<b>\$ 2,300</b>	<b>2,243</b>	<b>2,334</b>	<b>2,257</b>	<b>9,134</b>	<b>9,999</b>

**CenturyLink, Inc.**  
(Unaudited)

*The following table reflects the retrospective impacts to segment selling, general and administrative expense resulting from the customer and cost assignment changes:*

<i>\$ in millions</i>		<u>1Q19</u>	<u>2Q19</u>	<u>3Q19</u>	<u>4Q19</u>	<u>2019</u>	<u>2018</u>
<b>By Segment</b>							
<b>International and Global Accounts</b>	Reported	\$ 68	68	65	65	266	256
	Customer and cost assignment changes	(1)	(1)	(1)	(2)	(5)	(7)
	<b>Adjusted/New</b>	<b>\$ 67</b>	<b>67</b>	<b>64</b>	<b>63</b>	<b>261</b>	<b>249</b>
<b>Enterprise</b>	Reported	\$ 149	143	134	129	555	573
	Customer and cost assignment changes	(1)	(2)	(2)	(5)	(10)	(6)
	<b>Adjusted/New</b>	<b>\$ 148</b>	<b>141</b>	<b>132</b>	<b>124</b>	<b>545</b>	<b>567</b>
<b>Small and Medium Business</b>	Reported	\$ 132	120	112	116	480	517
	Customer and cost assignment changes	(8)	(5)	(4)	(4)	(21)	(27)
	<b>Adjusted/New</b>	<b>\$ 124</b>	<b>115</b>	<b>108</b>	<b>112</b>	<b>459</b>	<b>490</b>
<b>Wholesale</b>	Reported	\$ 20	21	21	18	80	86
	Customer and cost assignment changes	(6)	(6)	(6)	(4)	(22)	(24)
	<b>Adjusted/New</b>	<b>\$ 14</b>	<b>15</b>	<b>15</b>	<b>14</b>	<b>58</b>	<b>62</b>
<b>Consumer</b>	Reported	\$ 109	110	102	94	415	511
	Customer and cost assignment changes	35	27	20	24	106	106
	<b>Adjusted/New</b>	<b>\$ 144</b>	<b>137</b>	<b>122</b>	<b>118</b>	<b>521</b>	<b>617</b>
<b>Operations and Other</b>	Reported	\$ 454	498	397	570	1,919	2,222
	Customer and cost assignment changes	(19)	(13)	(7)	(9)	(48)	(42)
	<b>Adjusted/New</b>	<b>\$ 435</b>	<b>485</b>	<b>390</b>	<b>561</b>	<b>1,871</b>	<b>2,180</b>
<b>Total</b>	Reported	\$ 932	960	831	992	3,715	4,165
	Customer and cost assignment changes	0	0	0	0	0	0
	<b>Adjusted/New</b>	<b>\$ 932</b>	<b>960</b>	<b>831</b>	<b>992</b>	<b>3,715</b>	<b>4,165</b>

**CenturyLink, Inc.**  
(Unaudited)

*The following table reflects the retrospective impacts to segment Adjusted EBITDA resulting from the customer and cost assignment changes:*

<i>\$ in millions</i>		<u>1Q19</u>	<u>2Q19</u>	<u>3Q19</u>	<u>4Q19</u>	<u>2019</u>	<u>2018</u>
<b>By Segment</b>							
<b>International and Global Accounts</b>	Reported	\$ 564	576	565	581	2,286	2,341
	Customer and cost assignment changes	<u>1</u>	<u>2</u>	<u>2</u>	<u>4</u>	<u>9</u>	<u>12</u>
	<b>Adjusted/New</b>	<b>\$ 565</b>	<b>578</b>	<b>567</b>	<b>585</b>	<b>2,295</b>	<b>2,353</b>
<b>Enterprise</b>	Reported	\$ 878	865	872	875	3,490	3,522
	Customer and cost assignment changes	<u>(29)</u>	<u>(31)</u>	<u>(27)</u>	<u>(20)</u>	<u>(107)</u>	<u>(168)</u>
	<b>Adjusted/New</b>	<b>\$ 849</b>	<b>834</b>	<b>845</b>	<b>855</b>	<b>3,383</b>	<b>3,354</b>
<b>Small and Medium Business</b>	Reported	\$ 470	469	467	464	1,870	2,013
	Customer and cost assignment changes	<u>1</u>	<u>2</u>	<u>0</u>	<u>(4)</u>	<u>(1)</u>	<u>0</u>
	<b>Adjusted/New</b>	<b>\$ 471</b>	<b>471</b>	<b>467</b>	<b>460</b>	<b>1,869</b>	<b>2,013</b>
<b>Wholesale</b>	Reported	\$ 876	852	860	839	3,427	3,666
	Customer and cost assignment changes	<u>6</u>	<u>5</u>	<u>8</u>	<u>3</u>	<u>22</u>	<u>66</u>
	<b>Adjusted/New</b>	<b>\$ 882</b>	<b>857</b>	<b>868</b>	<b>842</b>	<b>3,449</b>	<b>3,732</b>
<b>Consumer</b>	Reported	\$ 1,245	1,230	1,216	1,223	4,914	5,105
	Customer and cost assignment changes	<u>(38)</u>	<u>(29)</u>	<u>(23)</u>	<u>(25)</u>	<u>(115)</u>	<u>(83)</u>
	<b>Adjusted/New</b>	<b>\$ 1,207</b>	<b>1,201</b>	<b>1,193</b>	<b>1,198</b>	<b>4,799</b>	<b>5,022</b>
<b>Operations and Other</b>	Reported	(\$1,805)	(1,777)	(1,757)	(1,877)	(7,216)	(8,045)
	Customer and cost assignment changes	<u>59</u>	<u>51</u>	<u>40</u>	<u>42</u>	<u>192</u>	<u>173</u>
	<b>Adjusted/New</b>	<b>(\$1,746)</b>	<b>(1,726)</b>	<b>(1,717)</b>	<b>(1,835)</b>	<b>(7,024)</b>	<b>(7,872)</b>
<b>Total</b>	Reported	\$ 2,228	2,215	2,223	2,105	8,771	8,602
	Customer and cost assignment changes	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	<b>Adjusted/New</b>	<b>\$ 2,228</b>	<b>2,215</b>	<b>2,223</b>	<b>2,105</b>	<b>8,771</b>	<b>8,602</b>