

QWEST COMMUNICATIONS INTERNATIONAL INC

FORM 8-K (Current report filing)

Filed 8/4/2006 For Period Ending 8/2/2006

Address	1801 CALIFORNIA ST DENVER, Colorado 80202
Telephone	303-992-1400
CIK	0001037949
Industry	Communications Services
Sector	Services
Fiscal Year	12/31

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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
WASHINGTON, DC 20549

FORM 8-K

**CURRENT REPORT PURSUANT
TO SECTION 13 OR 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934**

Date of report (Date of earliest event reported): **August 2, 2006**

QWEST COMMUNICATIONS INTERNATIONAL INC .

(Exact Name of Registrant as Specified in Its Charter)

Delaware

(State or Other Jurisdiction of Incorporation)

001-15577

(Commission File Number)

84-1339282

(IRS Employer Identification No.)

1801 California Street, Denver, Colorado

(Address of Principal Executive Offices)

80202

(Zip Code)

(303) 992-1400

(Registrant's Telephone Number, Including Area Code)

N/A

(Former Name or Former Address, if Changed Since Last Report)

QWEST CORPORATION

(Exact Name of Registrant as Specified in Its Charter)

Colorado

(State or Other Jurisdiction of Incorporation)

001-03040

(Commission File Number)

84-0273800

(IRS Employer Identification No.)

1801 California Street, Denver, Colorado

(Address of Principal Executive Offices)

80202

(Zip Code)

(303) 992-1400

(Registrant's Telephone Number, Including Area Code)

N/A

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- ☐ 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))



Item 8.01. Other Events .

On August 2, 2006, Qwest Communications International Inc. (“QCII”) and its wholly-owned subsidiary, Qwest Corporation (“QC” and together with QCII, “Qwest,” “we,” “us” or “our”), issued a press release announcing that QC is offering an expected \$500 million aggregate principal amount of debt securities in a private placement to be conducted pursuant to Rule 144A under the Securities Act of 1933, as amended. On August 3, 2006, Qwest issued a press release announcing that QC had priced the offering and increased the size of the offering to \$600 million aggregate principal amount. The sale of the securities is expected to close on August 8, 2006, subject to customary closing conditions.

Copies of the press releases announcing the offering and the pricing and upsizing of the offering are filed as Exhibits 99.1 and 99.2 to this Current Report on Form 8-K and are incorporated herein by reference in their entirety.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release, dated August 2, 2006
99.2	Press Release, dated August 3, 2006

Forward Looking Statements Warning

This filing may contain projections and other forward-looking statements that involve risks and uncertainties. These statements may differ materially from actual future events or results. Readers are referred to the documents filed by us with the Securities and Exchange Commission, specifically the most recent reports which identify important risk factors that could cause actual results to differ from those contained in the forward-looking statements, including but not limited to: access line losses due to increased competition, including from technology substitution of our access lines with wireless and cable alternatives, among others; our substantial indebtedness, and our inability to complete any efforts to de-lever our balance sheet through asset sales or other transactions; any adverse outcome of the current investigation by the U.S. Attorney’s office in Denver into certain matters relating to us; adverse results of increased review and scrutiny by regulatory authorities, media and others (including any internal analyses) of financial reporting issues and practices or otherwise; rapid and significant changes in technology and markets; any adverse developments in commercial disputes or legal proceedings, including any adverse outcome of current or future legal proceedings related to matters that are or were the subject of governmental investigations, and, to the extent not covered by insurance, if any, our inability to satisfy any resulting obligations from funds available to us, if any; potential fluctuations in quarterly results; volatility of our stock price; intense competition in the markets in which we compete including the likelihood of certain of our competitors consolidating with other providers; changes in demand for our products and services; acceleration of the deployment of advanced new services, such as broadband data, wireless and video services, which could require substantial expenditure of financial and other resources in excess of contemplated levels; higher than anticipated employee levels, capital expenditures and operating expenses; adverse changes in the regulatory or legislative environment affecting our business; changes in the outcome of future events from the assumed outcome included in our significant accounting policies; and our ability to utilize net operating losses in projected amounts.

The information contained in this filing is a statement of Qwest’s present intention, belief or expectation and is based upon, among other things, the existing regulatory environment, industry conditions, market conditions and prices, the economy in general and Qwest’s assumptions. Qwest may change its intention, belief or expectation, at any time and without notice, based upon any changes in such factors, in Qwest’s assumptions or otherwise. The cautionary statements contained or referred to in this filing should be considered in connection with any subsequent written or oral forward-looking statements that Qwest or persons acting on its behalf may issue. This filing may include analysts’ estimates and other information prepared by third parties for which Qwest assumes no responsibility.

Qwest undertakes no obligation to review or confirm analysts’ expectations or estimates or to filing publicly any revisions to any forward-looking statements and other statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

By including any information in this filing, Qwest does not necessarily acknowledge that disclosure of such information is required by applicable law or that the information is material.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, each of QCII and QC has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

QWEST COMMUNICATIONS INTERNATIONAL INC.

DATE: August 3, 2006

By: /s/ STEPHEN E. BRILZ

Name: Stephen E. Brilz

Title: Assistant Secretary

QWEST CORPORATION

DATE: August 3, 2006

By: /s/ STEPHEN E. BRILZ

Name: Stephen E. Brilz

Title: Secretary

EXHIBIT INDEX

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GRAPHIC

QWEST CORPORATION ANNOUNCES OFFERING OF \$500 MILLION OF DEBT SECURITIES

DENVER, August 2, 2006 —Qwest Corporation (QC), a subsidiary of Qwest Communications International Inc. (NYSE: Q), announced today that it is offering an expected \$500 million aggregate principal amount of debt securities in a private placement to be conducted pursuant to Rule 144A under the Securities Act of 1933, as amended. The net proceeds of the offering will be used for general corporate purposes, including repayment of floating rate indebtedness, and funding and refinancing investments in the company's telecommunications assets.

This announcement does not constitute an offer to sell, or the solicitation of an offer to buy, securities. Any offers of the securities will be made only by means of a private offering memorandum. The securities have not been registered under the Securities Act of 1933, as amended, or the securities laws of any other jurisdiction and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements.

About Qwest

Qwest offers a unique and powerful combination of voice and data solutions for businesses, government agencies and consumers — locally and throughout the country. Customers coast to coast are turning to Qwest's industry-leading national fiber optic network and its Spirit of Service for quality products and superior customer experience. For more information on Qwest, and its various operating subsidiaries, please go to www.qwest.com

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Forward Looking Statement Note

This release may contain projections and other forward-looking statements that involve risks and uncertainties. These statements may differ materially from actual future events or results. Readers are referred to the documents filed by us with the Securities and Exchange Commission, specifically the most recent reports which identify important risk factors that could cause actual results to differ from those contained in the forward-looking statements, including but not limited to: access line losses due to increased competition, including from technology substitution of our access lines with wireless and cable alternatives, among others; our substantial indebtedness, and our inability to complete any efforts to de-lever our balance sheet through asset sales or other transactions; any adverse outcome of the current investigation by the U.S. Attorney's office in Denver into certain matters relating to us; adverse results of increased review and scrutiny by regulatory authorities, media and others (including any internal analyses) of financial reporting issues and practices or otherwise; rapid and significant changes in technology and markets; any adverse developments in commercial disputes or legal proceedings, including any adverse outcome of current or future legal proceedings related to matters that are or were the subject of governmental investigations, and, to the extent not covered by insurance, if any, our inability to satisfy any resulting obligations from funds available to us, if any; potential fluctuations in quarterly results; volatility of our stock price; intense competition in the markets in which we compete including the likelihood of certain of our competitors consolidating with other providers; changes in demand for our products and services; acceleration of the deployment of advanced new services, such as broadband data, wireless and video services, which could require substantial expenditure of financial and other resources in excess of contemplated levels; higher than anticipated employee levels, capital expenditures and operating

expenses; adverse changes in the regulatory or legislative environment affecting our business; changes in the outcome of future events from the assumed outcome included in our significant accounting policies; and our ability to utilize net operating losses in projected amounts.

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The Qwest logo is a registered trademark of Qwest Communications International Inc. in the U.S. and certain other countries.

Contacts:

Media Contact:

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Investor Contact:

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800-567-7296
IR@qwest.com



GRAPHIC

QWEST CORPORATION PLACES \$600 MILLION IN NOTES

DENVER, August 3, 2006 —Qwest Communications International Inc. (QCII) (NYSE: Q) announced today that its Qwest Corporation (QC) subsidiary has concluded an offering of \$600 million aggregate principal amount of debt securities due October 1, 2014, which was upsized from the previously announced amount of \$500 million. The notes bear an interest rate of 7.5 percent per annum, payable semi-annually on October 1 and April 1, commencing on April 1, 2007.

“We’re pleased with the strong demand and success of this offer,” said Oren G. Shaffer, Qwest vice chairman and CFO. “This transaction further strengthens our financial position by reducing interest expense and extending maturities.”

The eight-year notes were priced at par. The net proceeds of the offering will be used for general corporate purposes, including repayment of QC’s indebtedness, and funding and refinancing investments in the company’s telecommunications assets.

Today, QC called the remaining \$500 million of its floating rate Term Loan at QC maturing in June 2007, which will be paid upon closing of this offering. In addition, QCII reiterated its intention to pay off a maturity of \$485 million on August 15, 2006, at its Qwest Capital Funding subsidiary with QCII’S cash on hand.

The sale of the notes is expected to close on August 8, 2006.

Deutsche Bank Securities, Credit Suisse and Merrill Lynch & Co. were joint book-runners for the offering, which was made in a private placement transaction pursuant to Rule 144A under the Securities Act of 1933, as amended. JPMorgan, Lehman Brothers and Wachovia Securities were co-managers. The notes have not been registered under the Securities Act of 1933, as amended, or the securities laws of any other jurisdiction and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements.

This release shall not constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of the notes in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

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