



NEWS RELEASE

Lumen Marks New Phase of Transformation at 2026 Investor Day

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Declares completion of turnaround and outlines multi-year growth plan

Updates key initiatives supporting company's position as the trusted network for AI, including planned network expansion to 58 million fiber miles by 2031, NaaS platform surpassing 2,000 customers, and the rollout of Multi-Cloud Gateway

Selected to expand Anthropic's fiber network across North America, part of Lumen's nearly \$13 billion in total Private Connectivity Fabric (PCF) contracts

Targets margin expansion, free cash flow, and enterprise revenue growth in 2028

DENVER--(BUSINESS WIRE)-- Lumen Technologies (NYSE: **LUMN**) today announced at its 2026 Investor Day the company's multi-year vision, strategy and financial framework as it accelerates its transformation into an enterprise-focused, technology infrastructure company and trusted network for AI.

Kate Johnson, CEO, Lumen Technologies

"We've done what many thought we couldn't – stabilized the business, strengthened our financial foundation, and earned credibility in the market. Now we're accelerating from turnaround to growth," said Lumen CEO Kate Johnson. "Our strategy is focused on delivering what differentiates us: expand the physical network, scale our digital services platform, and build a connected ecosystem of industry-leading technology partners to create high-value solutions for customers. Lumen is no longer a legacy telecom – we're a digital network services company disrupting an industry and purpose-built for the AI economy."

Turnaround and Stabilization Accomplished



Over the past three years, Lumen has fundamentally reshaped its financial foundation and operating model. Key milestones include:

- Secured nearly \$13 billion in Private Connectivity Fabric (PCF) deals, validating hyperscaler demand for Lumen's AI-ready network.
- Reduced debt and strengthened liquidity, delivering approximately \$500 million in annual interest savings and approximately \$1 billion in reduced capex.
- Completed the **\$5.75 billion sale of its Mass Markets fiber to the home business to AT&T**, simplifying the portfolio and reducing debt to under \$13 billion.
- Rebuilt a leadership team and commercial engine, embedding a performance-driven, "play to win" culture to sharpen execution.

Together, these actions mark the completion of Lumen's turnaround phase and have positioned Lumen to scale and invest selectively in high-return growth opportunities.

Market Confidence Restored and Building

Lumen's fortified balance sheet and improving free cash flow have driven meaningful improvement in both its stock price and credit profile. The company's debt has been **upgraded by all three major global ratings agencies**, citing lower leverage, improved liquidity, and enhanced financial stability. Following a period when the stock traded as low as roughly \$1.00 per share in July of 2024, Lumen's stock price today is trading back in the high-single digits, underscoring renewed investor confidence in the company's trajectory.

Relentlessly Pursuing Our Digital Future

Enterprises are racing to operationalize AI. Without high-capacity, low-latency, programmable networks, their data – and their competitive advantage – stalls. With its foundation secure, Lumen is scaling the AI-ready capabilities that will define the next phase of its transformation and reimagine the digital future of networking.

The company outlined Lumen's growth strategy and momentum anchored across three strategic enablers:

- **Physical Network:**
 - Deployed 17 million intercity fiber miles as of year-end 2025.
 - On track to reach 47 million fiber miles by the end of 2028.
 - Plans to expand to approximately 58 million miles by 2031, supported by \$2.5 billion in recent new PCF agreements.
 - Nearly \$13B in total PCF deals to date, including hyperscalers and AI leaders such as Anthropic. The AI

safety and research company has selected Lumen to build a high-capacity, purpose-built network to support Anthropic's work.

- **Digital Platform:**
 - Transforming the network into a programmable, AI-ready platform.
 - **Exceeding 2,000 Network-as-a-Service (NaaS) customers**, reflecting a broader enterprise adoption of AI-ready platforms that reduce complexity, increase control, and accelerate performance.
 - Accelerating data movement across distributed AI environments with the rollout of **Multi-Cloud Gateway**.
- **Connected Ecosystem:**
 - Expanding strategic partnerships with technology leaders, including Palantir, Meter, Commvault, QTS and Digital Realty.
 - Building integrated solutions and validated designs where network performance directly impacts AI outcomes and time to first token.

Financial Roadmap to Value Creation

Lumen enters its next phase with momentum and a disciplined financial framework designed to convert strategic transformation into sustained earnings growth and durable free cash flow.

"This is a defining moment for Lumen, as we close the chapter on our financial past and pivot to an executable path to growth," said Lumen CFO Chris Stansbury. "Our objective is clear: accelerate investment in AI and our digital future and where it drives the highest returns to deliver shareholder value."

Among the company's multi-year financial priorities and targets:

- Expanding adjusted EBITDA margins from 27.1% in 2025 to approximately the mid 30% range by 2030.
- Enhancing free cash flow through planned improved margins, lower capital intensity, and expected revenue growth.
- Expecting to delivering Business Segment Revenue growth in 2028.

The company is also introducing a new revenue reporting framework designed to better reflect its enterprise-focused strategy and enhance clarity for investors. Beginning in Q1 2026, Lumen will report revenue in products and services to better align with how the company invests in and operates the business. Recast historical quarterly revenue for fiscal years 2024 and 2025, along with additional information, is available on Lumen's Investor Relations [website](#).

Webcast and Materials

Lumen's Investor Day begins at 8:30 a.m. ET and concludes at noon ET. The live webcast and post-event replay will be accessible on Lumen's Investor Relations **website** under Investor Day. A replay and summary materials from the presentations will be available online on the website approximately 24 hours following the completion of the event.

About Lumen Technologies

Lumen is unleashing the world's digital potential. We ignite business growth by connecting people, data, and applications – quickly, securely, and effortlessly. As the trusted network for AI, Lumen uses the scale of our network to help companies realize AI's full potential. From metro connectivity to long-haul data transport to our edge cloud, security, managed service, and digital platform capabilities, we meet our customers' needs today and as they build for tomorrow.

For news and insights visit **news.lumen.com**, LinkedIn: **/lumentechologies**, X: **lumentechco**, Facebook: **/lumentechologies**, Instagram: **@lumentechologies** and YouTube: **/lumentechologies**. Lumen and Lumen Technologies are registered trademarks of Lumen Technologies LLC in the United States. Lumen Technologies LLC is a wholly owned affiliate of Lumen Technologies, Inc.

Forward-Looking Statement

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements contained in this press release that do not relate to matters of historical fact should be considered forward-looking statements, including statements regarding management's expectations with respect to our business, strategy and operations as well as statements identified by words such as "estimates," "expects," "anticipates," "believes," "plans," "intends," "will," and similar expressions. These forward-looking statements are not promises nor guarantees of future results, are based on our current expectations only and are subject to various risks and uncertainties, including those described in our most recent Annual Report on Form 10-K and Quarterly Report on Form 10-Q, as updated in our other filings with the U.S. Securities and Exchange Commission from time to time. Actual results may differ materially from those anticipated by us in these statements due to several factors, including those referenced in our filings with the U.S. Securities and Exchange Commission.

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