

Building Momentum

Our 2003 Annual Report



Contents

1	Qwest Vision and Values
2	Financial Highlights
3	Chairman's Letter
7	Qwest at a Glance
8	Answers to Your Questions
11	The Spirit of Service in Action™
13	Reasons to Believe in Qwest
14	Board of Directors
15	Senior Management
	10K
	Corporate Information, Inside Back Cover

On the Covers

Qwest employees often share their passion for the Spirit of Service with additional family members. On the front cover, Gail Valdez of Qwest's finance department joins brother James, a customer data technician, and their sons, cousins James and Joey who both work as network technicians. Joey's daughter Jaya (a future Qwest employee?) thinks the old song "Mr. Telephone Man" was written for her dad!

The McLeods' service heritage began with grandfather Smart McLeod, who worked for Mountain States Telephone Company from 1911 to 1945. The family, pictured on the back cover, includes one of four daughters who followed in his footsteps, as did five of his grandchildren including twins Rob, a construction inspector, and Ron, an information systems engineer.

Qwest Vision

Qwest is the premier provider of full-service communications for people at work, at home or on the move. Qwest's competency reaches across America, drawing on the Spirit of Service at the heart of our heritage as we effectively steward our shareowners' investments and provide outstanding service to the customers we serve. As our dedicated professionals move and manage information, we do so with integrity, superior value and advanced products and services, assuming only those tasks we can do exceedingly well.

Qwest Values

The following values guide our decisions, both corporate and individual, as we transform Qwest into a premier telecommunications provider that delivers exceptional service to customers, creates pride among our employees, delivers value to our shareowners and earns high regard from all our many constituents.

Customers Come First

No matter what aspects of our business may change, this remains constant. We demonstrate the value we place on our relationships with customers by listening to their needs, considering their requests as opportunities and striving to deliver precisely what they want and need. We measure our success against customer expectations and define that success as our ability to win customers' loyalty and their business.

Our Team Is United

We succeed as a team, challenging and helping one another to develop our skills, to excel at achieving our objectives and to realize our highest potential. We value diversity and treat fellow Qwest team members with respect, honesty and trust. We welcome change and growth, expeditiously improving our processes and focusing on results as we practice impeccable integrity and strive for unparalleled quality.

We Will Grow Profitably

Qwest is committed to financial excellence, which we achieve through the pursuit of profitability and sustained growth. We focus our energy and intellect on wisely stewarding our resources, enhancing our productivity and effectively meeting customer needs. By doing so, we achieve the outstanding financial performance that rewards our employees, our communities and our shareowners.

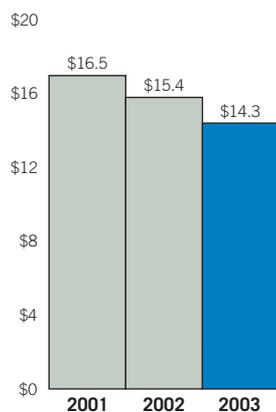
Financial Highlights

Years ended December 31 (in millions, except per-share and employee data)

	2003	2002	2001
Total Operating Revenue	14,288	15,371	16,530
Wireline Revenue	13,650	14,635	15,803
Wireless Revenue	594	694	688
Other	44	42	39
Operating Income (loss)	(254)	(18,917)	(2,352)
Net Income (loss)	1,512	(38,468)	(5,603)
Basic and Diluted Earnings (loss) per share	0.87	(22.87)	(3.37)
Total Assets	26,216	29,345	72,166
Cash Provided by Operating Activities	2,175	2,388	3,001
Capital Expenditures	2,088	2,764	8,042
Total Debt	17,508	22,540	25,037
Number of Employees	46,876	50,788	61,306

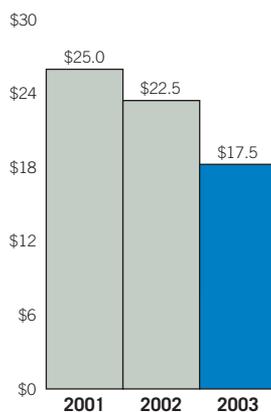
TOTAL OPERATING REVENUES

in billions



TOTAL DEBT

in billions



FREE CASH FLOW

in millions



	2001	2002	2003
Cash from operating activities	\$3,001	\$2,388	\$2,175
Capital expenditures	(8,042)	(2,764)	(2,088)
Free cash flow	\$(5,041)	\$(376)	\$87

Undeniable Momentum

Dear Fellow Qwest Shareowners:

I hope that before you made your way to this letter, you paused for a good look at the families gracing the covers of our book. You may recognize the Valdezes and the McLeods from our “Generations” television ads—campaigns that featured some of the nearly 1,200 Qwest families whose multiple members take great pride in their Spirit of Service heritage.

In 2003 these families were part of nearly 47,000 Qwest employees, all committed to our Spirit of Service in Action™ as they worked from Oregon to Virginia on behalf of Qwest customers and shareowners. Their efforts substantially fortified the foundation of your company, offering us the ability to pursue many new and exciting opportunities. And they generated an undeniable momentum that we have already begun to leverage to Qwest’s advantage for the months and years ahead.

Therefore, I’m especially pleased to have this opportunity to recap 2003 for you—and to share just a few of the most significant achievements that took place during what was an extremely important year for Qwest.

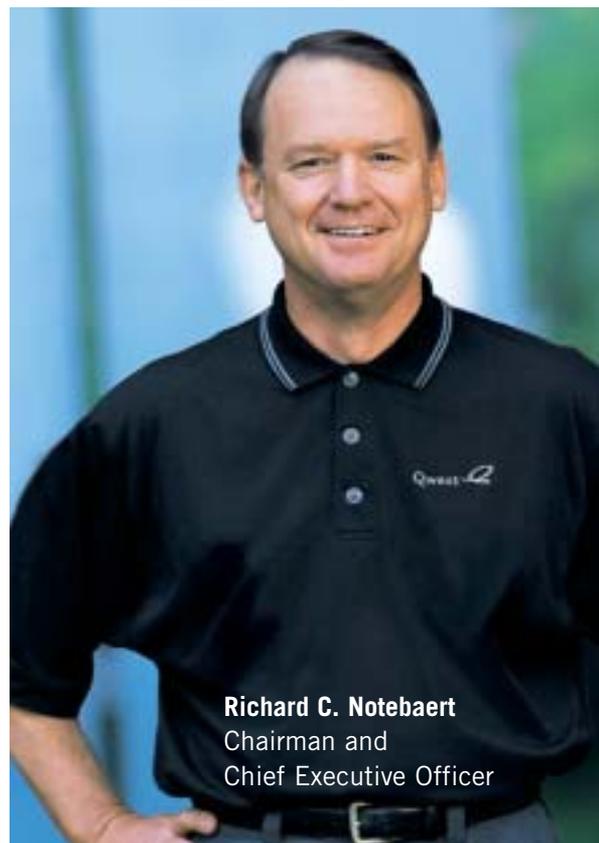
Stabilizing Our Financial Position

In 2003 Qwest continued the work, begun the year before, of reducing debt and reinforcing the company’s financial structure. We completed the second half of the sale of QwestDex for \$4.3 billion and generated free cash flow. In November, we pleased the investment community with an offer to retire \$2.25 billion in outstanding debt—an offer so enthusiastically received that we subsequently increased that amount to \$3 billion. The progress made on the balance sheet is now reducing Qwest’s annual interest expense by some \$250 million, and it brought the total amount of debt reduction we have achieved since June of 2002 to \$9 billion.

Concurrent with these and many other initiatives to strengthen Qwest financially, we continued the arduous task of examining the company’s accounting policies and practices, restating previous financial statements and applying exemplary standards going forward. The completion of this work late in 2003 was an important milestone in our company’s progress.

Earning the Trust of Officials

During 2003, we also made important strides toward regaining trust and credibility with government officials, including our regulators. We accepted every invitation to meet and speak with those who provide Qwest’s oversight. We empowered our company’s 14 state presidents with the authority to become an ever-present voice and face of Qwest for state and local officials. And our professional and highly regarded team members in Washington, D.C.,



Richard C. Notebaert
Chairman and
Chief Executive Officer

strengthened Qwest's relationships with senators and congressional representatives as well as those who serve as commissioners and staff at the Federal Communications Commission (FCC).

Make no mistake, though. It was not the quantity of face-to-face contacts that strengthened and enhanced Qwest's relationship with these officials. In every case, what they were looking for was clear and compelling evidence that our words were spoken with complete candor and transparency—and that we stood ready to back up those words with actions. I'm pleased to report to you that throughout 2003, telecommunications regulators constantly and consistently witnessed Qwest's commitment to follow through on everything we said we would do.

Achieving Credibility With Customers

Another high priority for 2003 was equally critical. As the year began, there continued to be a significant gap between customer perception of Qwest and our fervent desire to provide best-in-class customer service. We responded in the Spirit of Service, looking closely at every procedure, product, offering and application through the eyes of customers. And then we went to work.

I could fill the rest of the pages of this report with initiatives we took to improve the customer experience. They ran the gamut—from extending call center hours, reducing call transfers and opening new complex-services solutions centers on the residential side to simplifying contracts, offering online control options and providing end-to-end service for our enterprise customers. We stepped up our deployment of DSL and won the ability to provide long-distance services to both consumers and businesses in the states where we serve as the incumbent local exchange carrier. We formed marketing alliances with DIRECTV and EchoStar to enhance our service packages. And we launched teams of high-performing employees who, in addition to their regular responsibilities, worked diligently to devise breakthrough customer-benefiting packages and initiatives that we began to implement before year's end.

The positive reaction from customers was swift and dramatic. On the consumer side, numbers of customers who ranked their Qwest service as "excellent" or "very good" improved in every category. Complaint escalations to our customer advocacy group fell 35 percent—and throughout the nation, the Better Business Bureau reported that Qwest complaints were down 72 percent. On the wholesale side of our business, we negotiated new contracts with providers including Nextel and US Cellular, broadened the services we provide to existing customers including AT&T and BellSouth and nearly tripled our international long-distance offering. And in the business area, we racked up many impressive customer wins including Credit Suisse, Bloomberg, the State of Michigan, the University of Tennessee and the U.S. Department of Defense.

Preparing for the Future

There is so much more. Our relationship with Sprint that gives Qwest Wireless customers a national service solution ... revised arrangements with MSN that enable us to oversee customers' end-to-end Internet service provision ... the consumer launch of voice over Internet Protocol (VoIP) service in Minnesota—the first such deployment by any major American service provider. But those and many other achievements must necessarily wait for next year's report to you.

In the meantime, I invite you to join in our excitement about the future—after all, every aspect of that future is dependent on more and better communications capabilities. I think of that every time I sit down to my all-time favorite communications activity—receiving e-mail from my five young grandsons, who type “letters” to their Grandpa as our daughters send us photos of the boys' latest antics. It strikes me that their comfort with communications tools is so absolute that it even precedes their mastery of the language. Can you imagine the communications capacity and capabilities that they and their counterparts will demand once they all have both tools at their disposal?

At Qwest, we intend to be ready to deliver.

Sincerely,



Richard C. Notebaert

Chairman and Chief Executive Officer

March 11, 2004

A family-owned business founded in 1912, L.L.Bean, Inc., is famous for its high-quality outdoor sporting goods and apparel. Also world renowned for its order fulfillment and customer service capabilities, L.L.Bean insists on cost effectiveness, flexibility and responsiveness from its service providers. And Qwest has delivered exactly that since the company began supporting L.L.Bean across all channels.

Stafford Soule, director, computing services, explains that Qwest provides his company with diverse and scalable services for voice, data and Internet. "The infrastructure has been sound," he says, "and Qwest responds quickly to our ever-changing needs. We have been impressed that they don't just do their own work and then walk away—they follow through to make sure everything is in place and working, even if the responsibility may lie with another company. We have been impressed that Qwest does not take on business unless they are positioned to fully support it. And if an issue does arise, we have the full attention of Qwest's senior management team. Like L.L.Bean, they are fully committed to excellent customer service."



Chuck McAllister, senior manager, network services (left) and Stafford Soule, director, computing services, at the L.L.Bean store in Freeport, Maine.

Qwest at a Glance

Qwest's unique combination of local and long-haul assets allows us to offer a broad range of services to customers in our local region and across the country.

	Service	Description	Who are Qwest customers?	Who are our primary competitors?
VOICE	Local Phone Service	Local voice services—including a number of call features, such as Caller ID and Call Waiting, that are packaged with local phone service—to millions of consumer, business and wholesale customers in the local service region		IXCs (e.g., AT&T); cable (e.g., Cox) via cable telephony; wireless (e.g., T Mobile) via technology substitution and CLECs (e.g., McLeod)
	Long Distance	Domestic and international long-distance voice services, calling cards, 800 toll-free services and operator services to consumers and businesses in all 50 states		AT&T, Sprint and MCI. Competition also includes the local phone companies who are entering the long-distance market.
DATA	Access DSL Dial-up Internet access Dedicated Internet access ISDN	Full suite of data and Internet access to consumers and businesses		AT&T, Sprint, MCI, ISPs and CLECs. Cable providers offering digital cable modem service compete for consumer customers.
	Networking Private line Frame Relay ATM VPN WAN	Highly reliable networking services connecting multiple locations for transmission of voice, data and video with industry-leading service-level agreements		AT&T, Sprint, MCI and Level3
	Services Hosting Managed Services Equipment Billing	Customized, solutions-based services that allow customers to focus on their day-to-day business, rather than on their telecommunications systems		AT&T, Sprint and MCI
	Video Programming	Satellite network programming in select in-region markets. Digital television programming (VDSL) delivered over existing telephone lines to 40,000 customers in Denver, Omaha and Phoenix		Cable providers and satellite TV providers
WIRELESS	Wireless	Wireless phone connectivity for more than 800,000 consumer and business customers in the local region, as well as data and call management features for convenience and productivity		Sprint PCS, Cingular, Verizon, AT&T Wireless and T Mobile

● Consumer ● Business ● Wholesale

Answers to Your Questions

Q Dick Notebaert has stated on many occasions that telecommunications is now a commodity business. Given this competitive environment, what is Qwest's plan for growth? With so many companies offering telecommunications services, the most effective way to differentiate Qwest from our competitors is our Spirit of Service in Action™. In the second half of 2003, Qwest launched a number of breakthrough initiatives designed to better serve customers by delivering the products they want and ensuring an outstanding customer service experience every time they deal with Qwest.

Qwest made targeted and strategic investments in the latter part of 2003 to roll out the new initiatives. Customers' response to the launch in December of Qwest Choice™—a revolutionary package of call features, local, long distance and DSL—exceeded expectations. Positive momentum was generated in the second half of the year with the introduction of new customer service initiatives and long-distance services in all 14 in-region states. And in-region business customers now can choose from an entire suite of advanced business-class services such as long distance, dedicated Internet access (DIA), virtual network services, IP, frame relay and asynchronous transfer mode (ATM).

As we head into 2004, new cutting-edge services and packages provide exciting opportunities for growth. Qwest became the first major telecommunications company to offer “stand-alone” DSL—high speed broadband access that does not require a residential phone line. On March 1, 2004, we introduced our nationwide wireless plans for residential and small business customers. Our recently introduced iQ Networking™ solution lets business customers simplify their networks while still leveraging their existing technologies with end-to-end WAN services. We also successfully launched the first phase of VoIP service in Minneapolis in the fourth quarter, and we are on track to roll out this service to additional markets in the first half of 2004.

Q In late 2003, Qwest attempted to purchase the assets of Allegiance Telecom. Even though Qwest did not end up as the final purchaser of those assets, what is the company's approach to merger and acquisition activity for 2004? In the case of the Allegiance, we took a very disciplined approach. In the end, the price for the assets did not make sense for the company and our shareowners. When evaluating any strategic activity, we consider both the strategic fit and the value creation opportunity. The payback for the assets has to be measurable within a specific timeframe.

For 2004, we will continue to take this disciplined approach when looking at opportunities that benefit the company, customers and shareowners.

Q Where did the investigations by the SEC and Department of Justice (DOJ) into past accounting and business practices stand at year-end 2003? How has Qwest's leadership team responded to these investigations? At the time this report went to press, the investigations by the SEC and DOJ were ongoing. Qwest's board of directors and management team continue their efforts to cooperate fully with the government's investigations into the company.

Qwest is fully committed to having accurate and complete financials. As part of a continual process, our board of directors and senior management team improved internal controls, and they have been uncompromising in efforts to be completely transparent. We continue to monitor our internal processes and adjust or change them as needed.

The company's corporate governance guidelines have also been strengthened to address director independence and qualifications, executive performance and other governance matters. In addition, on April 1, 2004, we welcomed two new directors—Charles L. Biggs, formerly of Deloitte Consulting, and K. Dane Brooksher, chairman and chief executive officer of ProLogis, a global provider of distribution services and facilities. Charles and Dane have extensive financial expertise, and their knowledge and insight will be valuable as members of the board's audit committee.

Q There has been a great deal of discussion about the industry-wide trend of incumbent local communications providers losing local phone customers. How do you plan to stem this local access line loss? Advances in wireless, cable and Internet technologies have created an environment in which there are more companies competing for the same customers. Qwest's strategy to combat the competition is to win back customers we have lost, retain the customers we have, and be the first choice in new customers' minds when choosing a telecommunications provider.

To achieve this, our focus is on service. In the second half of 2003, we introduced Qwest Choice—a simple and flexible package. Other customer service initiatives include industry-leading service guarantees, faster response times and easy-to-understand billing. With the launch of long-distance services in all our in-region states, we now offer a complete communications package to consumer and business customers. And we are leading the way in providing customers new choices in technology with services such as VoIP and stand-alone DSL.

Q What is Qwest's outlook for 2004? We are pleased with the transformation that occurred in 2003. We also understand there still is a lot of work to be done, and 2004 will be about focusing on execution, profitable growth and financial flexibility.

Qwest is at an important turning point as the investments made in 2003 translate to further improvements in our fundamentals and a return to growth. We believe we have the opportunity to return to modest revenue growth in 2004. We can improve margins by taking advantage of opportunities to further take costs out of the business. Interest expenses in 2004 will be reduced by approximately \$250 million as a result of the number of strategic financing transactions that took place in 2003. Capital expenditures will be focused on growth opportunities such as DSL, and should total approximately \$2 billion. Free cash flow for 2004 is expected to be at levels similar to those in 2003. Finally, we will continue to look for opportunities to reduce our debt and further improve our financial flexibility.

Rhonda Fox, who works as a medical lab assistant at the Medical Center of Aurora, says she very rarely takes the time to compliment a company or one of its employees for their service. But she made an exception after talking to a Qwest customer service representative who personifies the Spirit of Service. "I called to ask about my bill and talked to Danny," she recalls. "He was extremely helpful, as he took the time to explain the bill line by line, and made sure I fully understood each item. When I asked to cancel my unlisted service, he did so without question, and he not only checked on DSL availability in my area, but also made a note that I'd be interested in it in the future. Throughout our conversation, he was respectful and polite and when I asked if I could commend him to his supervisor, he said, 'That's my job. That's what I'm here for.'" A couple days later, Rhonda called Qwest and left a voicemail commending the service she had received. "Danny enjoyed his job and he knew his job was customer service. And he was doing his best to make me happy," she said. And in Qwest's Spirit of Service, that's exactly what he did.



Rhonda Fox, a residential customer of Qwest, at home with her grandchildren Tiffini and Tyrelle in Aurora, Colorado.

The Spirit of Service in Action™

Mention Qwest and people increasingly think of the Spirit of Service—the theme of our branding and advertising initiatives, a commitment embraced by employees from coast to coast, and a promise being delivered to Qwest customers every single day.

Part of our long tradition, the Spirit of Service is based on a turn-of-the-century painting by the same name that depicts toll lineman Angus Macdonald walking his telephone lines during the Great Blizzard of 1888. His selflessness and grit exemplifies the Spirit of Service at the heart of traditional phone company people; now Qwest is drawing on that valued heritage to enhance the service we provide to 21st century customers.

Our [consumer markets group](#) implemented numerous service-enhancing initiatives last year. We improved the residential bill format, for instance, and hired nearly 500 new sales and service representatives to help ensure a consistently high-quality customer experience. We enhanced the Web customer care center and myqwest.com and broadened product offerings through strategic alliances. We even proactively contacted customers to make sure their exact needs were being met at the lowest possible prices!

In the [product and pricing organization](#), we delivered new bundles of services that give customers, both business and residential, what they want—value, simplicity and choice for all their local, long-distance and Internet needs. We're leading the way in innovation as well—in December, for instance, we announced the first of a phased deployment of voice over Internet (VoIP) services, giving customers greater features, functionality and convenience.

In our [communities](#), Qwest Pioneers, employees and retirees contributed more than a million hours to support individuals and nonprofit organizations, and through our innovative Matching Time program, Qwest volunteers directed funds to more than 200 nonprofits. Qwest mobilized retirees and employees as eyes and ears in support of Amber Alert's search for abducted children. We offered monetary support through Qwest Foundation grants, as well as individual and corporate gifts to the United Way.

Our [business markets group](#) dramatically improved the way it works with business customers by shortening and simplifying service contracts for Qwest's national accounts, enhancing a free self-service Web portal called Qwest Control™ that is already a valuable tool for more than 24,000 business customers and launching Quarterly Service Reviews—highly regarded face-to-face consultations with Qwest account teams.

[In network](#), we trained and equipped Qwest people to continuously enhance our already enviable service performance. We improved service intervals and our consistency in meeting commitments, and we proactively kept customers informed of their service status. We introduced new tools including a global positioning system and a wireless technician access and testing device that improves efficiency and service. In communities where we provide local service, we expanded the availability of DSL broadband by more than 20 percent.



Recipients of the Spirit of Service, Special Olympians express their appreciation as they cheer on the Colorado Avalanche.

The mission, should Qwest 'choose to accept it,' was to build for NASA a national infrastructure with the speed and cutting-edge technologies needed to support the nation's top research scientists in aerospace, Earth and space sciences. NASA Research and Education Network (NREN) was the result. NREN is NASA's flagship project to conduct leading-edge systems engineering and applications engineering R&D to demonstrate advanced applications. NASA turned to Qwest for direct broadband local access, comprehensive network support and a high-speed ATM-based network that connects most of NASA's major sites.

"With NASA, the Spirit of Service means becoming part of a larger vision of how future networks will evolve," says Anne Richeson, director of Advanced Federal Network Programs in Qwest's government services division. "NASA technologies have historically led the way in improving everyday existence in the world today. And when NASA looks to innovate and improve network technologies, they choose a partner who understands and shares this vision." She explains that the supercomputer pictured is part of the NASA Information Power Grid, which prototypes a geographically distributed heterogeneous information and computational capability.



Anne Richeson, director, Advanced Federal Network Programs for Qwest at the NASA Ames Research Center, Moffet Field, California.

Reasons to Believe in Qwest

1 We are committed to exemplary customer service.

As the communications industry further consolidates and the services we offer are increasingly commoditized, we believe customer service will be the one true differentiator. We implemented many customer service initiatives in 2002 and 2003, and at the end of 2003, our Customer Transaction Survey (CTS), which measures customers' satisfaction with Qwest personnel and their overall service experience, showed 65 percent of Qwest customers rated our services as excellent to very good—the highest rating documented in the past two years. Our service initiatives will continue in an effort to increase customer satisfaction levels every year.

2 We are in a vital industry with a promising future.

Telecommunications continues to be critically important to customers' lives. Most people use their telephone every day. More and more people want increasingly faster connections for their homes as well as their offices. And businesses constantly increase the amount of electronic information they send and receive. Telecommunications services are an integral part of our nation's future, and customer demand will continue to grow. Fundamentally, this is a business that customers depend on and support—and one that will continue to offer huge potential in the years ahead.

3 Our financial position is strengthened.

We began to address our liquidity issues, reduced debt, lowered facility costs and other operating expenses and generated free cash flow for the year. Now the focus is on executing our business plan. Our work is still not done. We will continue to pursue opportunities to strengthen the balance sheet, ensure the success of the business and return long-term value to our shareowners.

4 We offer complete solutions for the home.

Qwest has invested in serving residential customers by expanding service center hours, reducing telemarketing efforts and providing status reports via the Web. We have also introduced new service bundles and simplified our pricing plans. In 2003, we expanded or launched our in-region DSL service to a thousand neighborhoods or communities. Customers can now choose from a much more robust combination of offerings through our long-distance services now available in all 50 states, nationwide wireless service through our agreement with Sprint, and satellite video services in select cities through our agreements with DIRECTV and EchoStar. This type of relationship building is key to our sustainable competitive advantage.

5 Our unique set of network assets is compelling for medium- to large-size business and government customers.

Our extensive local network combined with our targeted national reach enables us to serve government and large business customers as they grow. Re-entry into our in-region long-distance market increased the value proposition we deliver to this demanding customer segment, and it was a critical step in providing high quality end-to-end telecom services.

We understand the need that middle market business customers have for a full telecom solution from one provider. To meet this demand we offer a solutions-based approach that integrates multiple services and technologies. This allows the customer to focus on what they do best—running their businesses while we serve their communications needs.

Board of Directors

Richard C. Notebaert, 56, chairman and chief executive officer of Qwest since 2002. Director, Aon Corporation, Cardinal Health, Inc., and The Denver Center for Performing Arts. Member of the executive committee. Qwest director since 2002.

Linda G. Alvarado, 52, president and chief executive officer of Alvarado Construction, Inc. since 1978. Director, 3M Company, Pepsi Bottling Group, Lennox International and Pitney Bowes, Inc. Member of the audit and ad hoc committees. Qwest director since 2000 (previously a director of U S West).

Philip F. Anschutz, 64, chairman of the board of Anschutz Company. Director and non-executive vice chairman, Union Pacific Corporation; director, Regal Entertainment Group and Pacific Energy GP, Inc. Member of the executive, compensation and human resources, and nominating and governance committees. Qwest director since 1993.

Craig R. Barrett, 64, chief executive officer of Intel Corporation since 1998. Director, Intel Corporation. Member of the executive committee. Qwest director since 2000 (previously a director of U S West).

Charles L. Biggs, 63, consultant for Deloitte Consulting from 1968-2002. Member of the audit committee. Qwest director since 2004.

K. Dane Brooksher, 65, chairman and chief executive officer of ProLogis since 1999. Director, ProLogis, Butler Manufacturing Company, Pactiv Corporation and the National Association of Manufacturers. Member of the audit committee. Qwest director since 2004.

Thomas J. Donohue, 65, president and chief executive officer of the U.S. Chamber of Commerce since 1997. Director, Union Pacific Corporation, XM Satellite Radio Holdings Inc., Sunrise Senior Living, Inc. and Marymount University. Member of the compensation and human resources, finance, and nominating and governance committees. Qwest director since 2001.

Jordan L. Haines, 76, president, chairman and chief executive officer of Fourth Financial Corporation from 1968-1991. Member of the audit, compensation and human resources, finance, ad hoc, and nominating and governance committees. Qwest director since 1997.

Cannon Y. Harvey, 63, president and chief operating officer of Anschutz Company and The Anschutz Corporation since 1996. Member of the finance and nominating and governance committees. Qwest director since 1996.

Peter S. Hellman, 54, chief financial and administrative officer of Nordson Corp. Director, Nordson Corp. Member of the audit and ad hoc committees. Qwest director since 2000 (previously a director of U S West).

Vinod Khosla, 49, general partner of Kleiner Perkins Caufield & Byers venture capital firm. Director, Juniper Networks, Inc. Qwest director since 1998.

Frank P. Popoff, 68, chairman of The Dow Chemical Company from 1992-2000. Director, American Express Company, Chemical Financial Corporation, Shin-Etsu Chemical Co. Ltd. and United Technologies Corporation. Member of the executive, compensation and human resources, finance and ad hoc committees. Qwest director since 2000 (previously a director of U S West).

Craig D. Slater, 46, president of Anschutz Investment Company since 1997 and executive vice president of Anschutz Company and The Anschutz Corporation since 1995. Director, Forest Oil Corporation and Regal Entertainment Group. Member of the executive, compensation and human resources, and finance committees. Qwest director since 1996.

W. Thomas Stephens, 61, president, chief executive officer and director of MacMillian Bloedel Limited from 1996-1999. Director Trans Canada Pipelines, NorskeCanada, The Putnam Funds and Xcel Energy Inc. Member of the audit and ad hoc committees. Qwest director since 1997.

Senior Management Team



Richard C. Notebaert, 56, chairman and chief executive officer since June 2002. President and chief executive officer of Tellabs 2000-2002; chairman and chief executive officer of Ameritech 1994-1999; president of Indiana Bell 1989-1992. MBA, 1983 and BA, Political Science, 1969, University of Wisconsin.



Clifford S. Holtz, 44, executive vice president – business markets group since July 2002. Executive vice president – small business markets 2001-2002; senior vice president – consumer business at Gateway 2000-2001; president – metro markets at AT&T 1997-2000. MBA, 1984, University of Chicago; BA, 1981, State University of New York at Albany.



Oren G. Shaffer, 61, vice chairman and chief financial officer since July 2002. President and chief operating officer of Sorrento Networks 2000-2002; chief financial officer of Ameritech 1994-2000; president at Virgo Cap Inc. 1992-1994; chief financial officer and director of The Goodyear Tire & Rubber Company 1987-1992. MS, Management, MIT; BS, Business Administration, 1968, University of California, Berkeley.



Paula Kruger, 53, executive vice president – consumer markets since September 2003. President of CRM at EDS 2001-2003; executive vice president of operations at Excel Communications 1997-1999. MBA, 1977, Roth Graduate School of Business, CW Post; BA, Economics, 1972, CW Post.



Barry K. Allen, executive vice president – operations since March 2004. Executive vice president and chief human resources officer 2002-2004; founded Allen Enterprises, LLC in 2000; executive vice president of Ameritech 1995-2000. MBA, 1974, Boston University; BS, Business Administration, 1970 University of Kentucky.



Gary R. Lytle, 60, senior vice president – federal relations since July 2002. President, Lytle Consulting 2001-2002; interim president and CEO of United States Telecom Association (USTA) 2000-2001; vice president – federal relations at Ameritech 1994-1999. MBA, 1966, and BA, 1965, Michigan State University.



Rich N. Baer, 47, executive vice president, general counsel and corporate legal secretary since 2002. Special legal counsel to Chairman and CEO in 2002; deputy general counsel 2001-2002; chairman of the litigation department at Sherman & Howard 1998-2000. JD, 1983, Duke University; BA, 1979, Columbia University.



Jill R. Sanford, 38, chief human resources officer since March 2004. Vice president – HR compensation and benefits 2002-2004; senior vice president – compensation and benefits at First Data Corp. 2000-2002; executive director – compensation, organizational development and corporate counsel at U S WEST 1995-2000. JD, 1990, Columbia University; BS, Finance, 1987, University of Wyoming.



R. Steven Davis, 51, senior vice president – public policy since January 2000. Vice president – law and state government affairs 1995-2000 at AT&T. JD, 1978, University of Kansas; BS, 1975, University of Kansas.



Teresa A. Taylor, 40, executive vice president – wholesale markets since April 2003. Executive vice president – products and pricing 2000-2003; vice president – integrated solutions for U S WEST Enterprise group 1998-2000. BS, 1984, University of Wisconsin-LaCrosse.

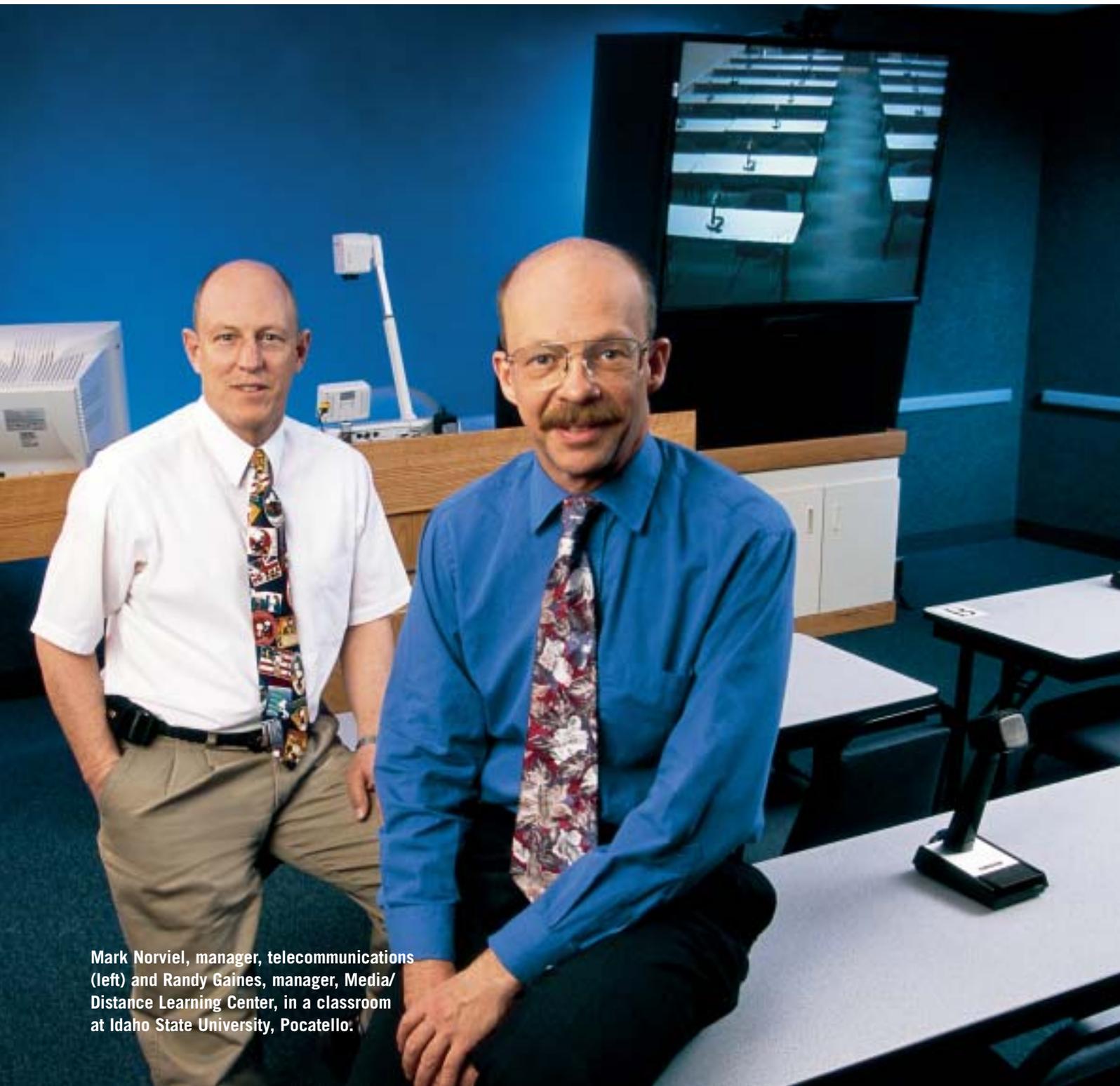


Patricia A. Engels, 52, executive vice president – product and pricing since April 2003. Executive vice president – wholesale markets 2002-2003; president – business process management of EDS Corporation 2001-2002; president and CEO – directory operations at SBC 2000-2001; president – consumer services at Ameritech 1999-2000. BA, 1973, University of Minnesota.



Joan H. Walker, 57, executive vice president – marketing and communications since July 2002. Senior vice president – global public affairs at Pharmacia 1999-2002; senior vice president – corporate communications at Ameritech 1996-1999. MA, Sociology, 1973, Rutgers University; BA, 1968, Douglass College.

For years, a valued customer of our government education services unit, Idaho State University has been an enthusiastic recipient of Qwest's focus on doing whatever it takes to satisfy our customers. Shortly before a recent fall semester began, ISU asked Qwest to link the Pocatello-based university to a distance-learning facility, located near the Utah border, with a critical deadline. "With less than adequate notice, Qwest was still able to have a fractional T-1 working in time for the beginning of classes," wrote Randy Gaines, manager of the Media/Distance Learning Center. "Thanks for helping us meet what was probably an unrealistic expectation, but one that allowed ISU to get off to a good start with some new partners in Montpelier!" The university also awarded Qwest the installation of a DS3 between Pocatello and Idaho Falls. Once again, Qwest came through in the Spirit of Service, pleasing the customer and winning their confidence. "In my 20 years in working with telephone companies," says Mark Norviel, manager of telecommunications, "this was the cleanest installation and best-run project I have experienced."



Mark Norviel, manager, telecommunications (left) and Randy Gaines, manager, Media/Distance Learning Center, in a classroom at Idaho State University, Pocatello.

Corporate Information

Corporate Headquarters

Qwest Communications International Inc.
1801 California Street
Denver, CO 80202
800-899-7780
www.qwest.com

Qwest Stockholder Services

If you are a registered stockholder and have a question about your account, wish to change your name or address, or have questions about lost stock certificates and or the transfer of stock, please contact our transfer agent, The Bank of New York, toll free at 877-268-2263.

Customer service representatives are available Monday through Friday from 8 a.m. to 6 p.m. Eastern time. Stockholders also may send questions electronically to shareowners@bankofny.com, or you may write to them at:

Qwest Communications
c/o The Bank of New York
Shareholder Relations
P.O. Box 11258
Church Street Station
New York, NY 10286

Stockholders can also access forms, FAQs and their account information online at www.stockbny.com

Investor Relations

Investors can hear recorded information and request materials by calling the Investor Information Line at 877-877-7978.

For other requests or questions, stockholders may contact us by writing, calling or e-mailing us at:

Qwest Investor Relations
1801 California Street, 51st floor
Denver, CO 80202
800 567-7296
investor.relations@qwest.com

Qwest Stock Information

Qwest's common stock is traded on the New York Stock Exchange under the symbol "Q." Qwest's filings with the Securities and Exchange Commission (SEC) can be found online under "Financial Information" at www.qwest.com/about/investor.

Online Financial Information

If you would like to order additional copies of this report, please call 1 877-877-7978. To order or view this report and other financial information online visit us at www.qwest.com/about/investor.

Annual Meeting of Stockholders

Qwest stockholders as of the March 26, 2004, record date are invited to attend and to vote at our annual meeting, which will be held in Denver, Colorado, on May 25, 2004, at 10:00 a.m., local time at the following venue:

The Colorado Ballroom
Denver Marriott City Center
1701 California Street
Denver, CO 80202

Registration will begin at 8:30 a.m. and doors will open at approximately 9:30 a.m. local time.

A simultaneous live Webcast of the annual meeting will be available at www.qwest.com/about/investor.

Internet/Telephone Voting

Stockholders as of the March 26, 2004, record date are entitled to one vote for each share held and may vote their proxies via the Internet or phone by following the instructions on the proxy. Registered stockholders may elect to receive Qwest's annual report and proxy statement over the Internet in the future. Beneficial owners may contact the brokers, banks or other holders of record of their stock to find out if electronic delivery is available. If you choose electronic delivery, you will not receive the paper form of the annual report and proxy statement. Instead you will be notified when the materials are available on the Internet.

www.qwest.com

www.qwest.com

Qwest 
Spirit of Service™

