



NEWS RELEASE

CORRECTING and REPLACING CenturyTel Announces Third Quarter Earnings

2003-10-30

MONROE, La.--(BUSINESS WIRE)--Oct. 30, 2003--In BW5330 issued Oct. 30, 2003: The heading in the second table titled "Consolidated Statements of Income" should read: Three Months ended September 30, 2002 (sted: Three Months ended September 30, 2003).

The corrected release reads:

CENTURYTEL ANNOUNCES THIRD QUARTER EARNINGS

CenturyTel, Inc. (NYSE Symbol:CTL) announces operating results for third quarter 2003.

- Revenues from continuing operations, excluding nonrecurring items, increased 13.5% to \$603.8 million from \$532.1 million, while GAAP revenues from continuing operations increased 15.1% to \$603.8 million from \$524.5 million.
- Operating Cash Flow (OCF) from continuing operations (defined as operating income plus depreciation and amortization), excluding nonrecurring items, rose 12.7% to \$307.6 million.
- Net income, excluding nonrecurring items, grew 9.1% to \$88.5 million. Reported under GAAP, net income was \$91.0 million.
- Diluted earnings per share, excluding nonrecurring items, increased 7.0% to \$.61, while GAAP diluted earnings per share was \$.63 in third quarter 2003.

-- Free cash flow, excluding nonrecurring items, climbed to \$103.1 million from \$89.9 million.

Third Quarter Highlights (1)
(In thousands, except per share
and customer amounts)

	Quarter Ended 9/30/03	Quarter Ended 9/30/02	% Change
Revenues from			
continuing operations	\$ 603,752	\$ 532,142	13.5%
OCF from			
continuing operations	\$ 307,638	\$ 272,875(2)	12.7%
Income from			
continuing operations	\$ 88,452	\$ 69,558(2)	27.2%
Net Income	\$ 88,452	\$ 81,093	9.1%
Diluted Earnings			
Per Share from			
continuing operations	\$.61	\$.49	24.5%
Diluted Earnings			
Per Share	\$.61	\$.57	7.0%
Average Diluted			
Shares Outstanding	145,171	142,770	1.7%
Telephone Revenues	\$ 521,439	\$ 468,580	11.3%
Other Operations Revenues	\$ 82,313	\$ 63,562	29.5%
Telephone Access Lines	2,394,623	2,437,744	(1.8)%
Long Distance Customers	745,204	584,890	27.4%

(1) These results include adjustments for nonrecurring items and other non-GAAP financial measures. A reconciliation of these items to comparable GAAP measures is included in the attached financial schedules. For 2002, these results reflect only one month of operations of the Company's Missouri telephone properties acquired from Verizon on August 31, 2002.

(2) Includes corporate overheads previously allocated to discontinued operations.

"CenturyTel again achieved solid results that reflect our focus on bringing quality communications services to customers in rural areas and smaller cities while driving revenue and controlling costs," Glen F. Post, III, chairman

and chief executive officer, said. "We are pleased with our ability to sustain revenue and earnings growth in the currently challenging industry and economic environment."

Consolidated revenues from continuing operations, excluding nonrecurring items, for the third quarter rose 13.5% to \$603.8 million from \$532.1 million, primarily due to contributions from the Missouri properties acquired from Verizon on August 31, 2002. Operating cash flow from continuing operations, excluding nonrecurring items, grew to \$307.6 million from \$272.9 million, a 12.7% increase. The Company achieved a consolidated cash flow margin, excluding nonrecurring items, of 51.0% for the quarter versus 51.3% in third quarter 2002. Income from continuing operations for the quarter, excluding nonrecurring items, increased 27.2% to \$88.5 million from \$69.6 million in third quarter 2002. Diluted earnings per share from continuing operations, excluding nonrecurring items, increased 24.5% to \$.61 from \$.49. Diluted earnings per share, excluding nonrecurring items, were \$.61 in third quarter 2003 compared to \$.57 in third quarter 2002.

Telephone revenues, excluding nonrecurring items, for third quarter reached \$521.4 million, an 11.3% increase over \$468.6 million in third quarter 2002. The Verizon Missouri properties acquired August 31, 2002, contributed \$44.5 million of the increase. The remaining increase resulted primarily from growth in vertical services and access revenues that more than offset revenue declines due to access line losses. Telephone operating expenses increased primarily due to the Verizon Missouri acquisition. Telephone operating income, excluding nonrecurring items, increased 13.4% to \$172.6 million from \$152.3 million, and telephone operating cash flow, excluding nonrecurring items, rose 10.8% to \$284.3 million from \$256.6 million a year ago. CenturyTel's third quarter 2003 telephone cash flow margin was 54.5% while the operating income margin was 33.1%.

Other operations revenues grew 29.5% to \$82.3 million during third quarter 2003, compared with \$63.6 million in third quarter 2002. CenturyTel's long distance revenues increased 14.2% to \$45.2 million. Internet revenues increased 36.5% to \$20.5 million in third quarter 2003 from \$15.0 million in third quarter 2002. CenturyTel now serves more than 745,200 long distance customers and 76,300 DSL customers, adding more than 24,800 and 8,300 customers, respectively, during the quarter. Fiber transport revenues increased \$6.9 million, primarily due to the June 2003 acquisition of fiber assets from Digital Teleport, Inc.

"People in rural areas want and need advanced communications services similar to those in urban areas. In our markets, we are working to position CenturyTel as the carrier of choice for broadband and other services, which is reflected in CenturyTel's record DSL additions of more than 8,300 customers during the third quarter," Post said.

Under generally accepted accounting principles (GAAP), the Company's net income was \$91.0 million compared to \$607.7 million in 2002, while diluted earnings per share was \$.63 for third quarter 2003 compared to \$4.26 in third quarter 2002. Net income in third quarter 2003 included a net nonrecurring \$2.5 million benefit from out of period income tax adjustments. Net income in third quarter 2002 included a \$551.4 million after-tax gain on the sale of its

wireless operations. See the accompanying financial information for additional nonrecurring items that affected the third quarters and first nine months of 2003 and 2002.

For the first nine months of 2003, results from continuing operations benefited from the Alabama and Missouri wireline properties acquired from Verizon in third quarter 2002. Revenues from continuing operations, excluding nonrecurring items, increased to \$1.774 billion from \$1.394 billion for the same period in 2002, a 27.3% increase. Operating cash flow from continuing operations, excluding nonrecurring items, was \$910.6 million for the first nine months of 2003 compared to \$702.7 million a year ago, a 29.6% increase. Income from continuing operations, excluding nonrecurring items, increased 56.9% to \$256.5 million from \$163.4 million in 2002.

For the fourth quarter 2003, CenturyTel expects total revenues of \$600 to \$615 million and diluted earnings per share of \$.58 to \$.62. For the full year 2003, diluted earnings per share is expected to be in the range of \$2.36 to \$2.40, increased from our previous guidance of \$2.28 to \$2.34. The increase in 2003 earnings per share guidance is driven by our third quarter results exceeding our expectations.

These outlook figures are presented on a GAAP basis, excluding nonrecurring items and the potential impact of any future mergers, acquisitions, divestitures or other similar business transactions.

Reconciliation to GAAP. This release includes certain non-GAAP financial measures, including but not limited to operating cash flow, free cash flow and adjustments to GAAP measures to exclude the effect of nonrecurring items. In addition to providing key metrics for management to evaluate the Company's performance, we believe these measurements assist investors in their understanding of period-to-period operating performance and to identify historical and prospective trends. Reconciliations of non-GAAP financial measures to the most comparable GAAP measures are included in the attached financial schedules. Reconciliation of additional non-GAAP financial measures that may be discussed during the earnings call described below will be available on the Company's Web site at www.centurytel.com. Investors are urged to consider these non-GAAP measures in addition to, and not in substitution for, measures prepared in accordance with GAAP.

In addition to historical information, this release includes certain forward-looking statements, estimates and projections that are based on current expectations only, and are subject to a number of risks, uncertainties and assumptions, many of which are beyond the control of the Company. Actual events and results may differ materially from those anticipated, estimated or projected if one or more of these risks or uncertainties materialize, or if underlying assumptions prove incorrect. Factors that could affect actual results include but are not limited to: the Company's ability to effectively manage its growth, including integrating newly-acquired businesses into the Company's operations, hiring adequate numbers of qualified staff, and successfully upgrading its billing and other information systems; the risks inherent in rapid technological change; the effects of ongoing changes in the

regulation of the communications industry; the effects of greater than anticipated competition in the Company's markets; possible changes in the demand for, or pricing of, the Company's products and services; the Company's ability to successfully introduce new product or service offerings on a timely and cost-effective basis; the Company's ability to collect its receivables from financially troubled communications companies; and the effects of more general factors such as changes in interest rates, in general market or economic conditions or in legislation, regulation or public policy. These and other uncertainties related to the Company's business are described in greater detail in the Company's Annual Report on Form 10-K for the year ended December 31, 2002. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this release. The information contained in this release is as of October 30, 2003. The Company undertakes no obligation to update any of its forward-looking statements.

CenturyTel's management will host a conference call at 10:30 A.M. Central time today. Interested parties can access the call by dialing 800.346.2923 and the call will be accessible for replay until 1:30 p.m. CST, November 3, 2003, by calling 800.332.6854 and entering the conference-id number: 3383. Investors can also listen to CenturyTel's earnings conference call and replay by accessing the Company's Web site at www.centurytel.com.

CenturyTel, Inc. provides communications services including local, long distance, Internet access and data services to more than 3 million customers in 22 states. The company, headquartered in Monroe, Louisiana, is publicly traded on the New York Stock Exchange under the symbol CTL, and is included in the S&P 500 Index. CenturyTel is the 8th largest local exchange telephone company, based on access lines, in the United States. Visit CenturyTel at www.centurytel.com.

CenturyTel, Inc.

CONSOLIDATED STATEMENTS OF INCOME
THREE MONTHS ENDED SEPTEMBER 30, 2003 AND 2002
(UNAUDITED)

Three months ended September 30, 2003

As

Less adjusted
non- excluding

As recurring non-

In thousands, except per share amounts reported items recurring
items

TELEPHONE OPERATIONS

Operating revenues

Local service	\$ 188,951	-	188,951
Network access	287,191	-	287,191
Other	45,297	-	45,297

	521,439	-	521,439

Operating expenses			
Plant operations	130,098	-	130,098
Customer operations	41,101	-	41,101
Corporate and other	65,931	-	65,931
Depreciation and amortization	111,666	-	111,666

	348,796	-	348,796

Telephone operating income	172,643	-	172,643

OTHER OPERATIONS

Operating revenues			
Long distance	45,207	-	45,207
Internet	20,469	-	20,469
Other	16,637	-	16,637

	82,313	-	82,313

Operating expenses			
Cost of sales and other	58,984	-	58,984
Depreciation and amortization	5,191	-	5,191

	64,175	-	64,175

Other operating income	18,138	-	18,138

Corporate overhead costs allocable to discontinued operations	-	-	-

TOTAL OPERATING INCOME	190,781	-	190,781

OTHER INCOME (EXPENSE)

Interest expense	(54,360)	-	(54,360)
Income from unconsolidated cellular entity	1,736	-	1,736
Other income and expense	(1,076)	-	(1,076)
Income tax expense	(46,102)	2,527(1)	(48,629)

INCOME FROM CONTINUING OPERATIONS	90,979	2,527	88,452
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DISCONTINUED OPERATIONS, NET OF TAX	-	-	-
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NET INCOME	\$ 90,979	2,527	88,452
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BASIC EARNINGS PER SHARE

From continuing operations	\$ 0.63	0.02	0.61
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From discontinued operations	\$ -	-	-
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Basic earnings per share	\$ 0.63	0.02	0.61
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DILUTED EARNINGS PER SHARE

From continuing operations	\$ 0.63	0.02	0.61
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From discontinued operations	\$ -	-	-
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Diluted earnings per share	\$ 0.63	0.02	0.61
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SHARES OUTSTANDING

Basic	143,897	143,897
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Diluted	145,171	145,171
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DIVIDENDS PER COMMON SHARE	\$ 0.0550	0.0550
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NONRECURRING ITEMS

Three months ended September 30, 2002

As

Less adjusted
non- excluding

As recurring non-

In thousands, except per share amounts reported items recurring
items

TELEPHONE OPERATIONS

Operating revenues

Local service	169,098	-	169,098
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Network access	249,047	(7,645)(2)	256,692
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Other	42,790	-	42,790
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460,935	(7,645)	468,580
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Operating expenses

Plant operations	117,997	-	117,997
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Customer operations	41,161	-	41,161
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Corporate and other	52,774	-	52,774
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Depreciation and amortization	104,384	-	104,384

	316,316	-	316,316

Telephone operating income	144,619	(7,645)	152,264

OTHER OPERATIONS

Operating revenues

Long distance	39,592	-	39,592
Internet	14,996	-	14,996
Other	8,974	-	8,974

	63,562	-	63,562

Operating expenses

Cost of sales and other	45,992	-	45,992
Depreciation and amortization	3,130	-	3,130

	49,122	-	49,122

Other operating income	14,440	-	14,440

Corporate overhead costs

allocable to discontinued operations	(1,343)	-	(1,343)

TOTAL OPERATING INCOME	157,716	(7,645)	165,361
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OTHER INCOME (EXPENSE)

Interest expense	(60,021)	-	(60,021)
Income from unconsolidated cellular entity	1,492	-	1,492
Other income and expense	(573)	-	(573)
Income tax expense	(34,025)	2,676(3)	(36,701)

INCOME FROM CONTINUING OPERATIONS	64,589	(4,969)	69,558
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DISCONTINUED OPERATIONS, NET OF TAX	543,160	531,625(4)	11,535

NET INCOME	607,749	526,656	81,093
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BASIC EARNINGS PER SHARE

From continuing operations	0.46	(0.04)	0.49
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From discontinued operations	3.83	3.75	0.08
Basic earnings per share	4.29	3.72	0.57

DILUTED EARNINGS PER SHARE

From continuing operations	0.45	(0.03)	0.49
From discontinued operations	3.80	3.72	0.08
Diluted earnings per share	4.26	3.69	0.57

SHARES OUTSTANDING

Basic	141,692	141,692
Diluted	142,770	142,770

DIVIDENDS PER COMMON SHARE	0.0525	0.0525
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NONRECURRING ITEMS

Increase
Increase (decrease)
(decrease) excluding
as nonrecurring
reported items

In thousands, except per share amounts -----

TELEPHONE OPERATIONS

Operating revenues

Local service	11.7%	11.7%
Network access	15.3%	11.9%
Other	5.9%	5.9%
	13.1%	11.3%

Operating expenses

Plant operations	10.3%	10.3%
Customer operations	(0.1%)	(0.1%)
Corporate and other	24.9%	24.9%
Depreciation and amortization	7.0%	7.0%
	10.3%	10.3%
Telephone operating income	19.4%	13.4%

OTHER OPERATIONS

Operating revenues

Long distance	14.2%	14.2%
Internet	36.5%	36.5%
Other	85.4%	85.4%
	29.5%	29.5%

Operating expenses

Cost of sales and other	28.2%	28.2%
Depreciation and amortization	65.8%	65.8%
	30.6%	30.6%

Other operating income	25.6%	25.6%
Corporate overhead costs allocable to discontinued operations	(100.0%)	(100.0%)
TOTAL OPERATING INCOME	21.0%	15.4%
OTHER INCOME (EXPENSE)		
Interest expense	(9.4%)	(9.4%)
Income from unconsolidated cellular entity	16.4%	16.4%
Other income and expense	87.8%	87.8%
Income tax expense	35.5%	32.5%
INCOME FROM CONTINUING OPERATIONS	40.9%	27.2%
DISCONTINUED OPERATIONS, NET OF TAX	(100.0%)	(100.0%)
NET INCOME	(85.0%)	9.1%
BASIC EARNINGS PER SHARE		
From continuing operations	37.0%	24.5%
From discontinued operations	(100.0%)	(100.0%)
Basic earnings per share	(85.3%)	7.0%
DILUTED EARNINGS PER SHARE		
From continuing operations	40.0%	24.5%
From discontinued operations	(100.0%)	(100.0%)
Diluted earnings per share	(85.2%)	7.0%
SHARES OUTSTANDING		
Basic	1.6%	1.6%
Diluted	1.7%	1.7%
DIVIDENDS PER COMMON SHARE	4.8%	4.8%

NONRECURRING ITEMS

- (1) - Net out of period income tax adjustments.
- (2) - Reserve for refunds of access charges to interexchange carriers.
- (3) - Tax effect of item (2).
- (4) - Gain on sale of wireless operations (\$551.4 million after tax), net of write down of wireless portion of billing system (\$19.8 million after tax).

CONSOLIDATED STATEMENTS OF INCOME
NINE MONTHS ENDED SEPTEMBER 30, 2003 AND 2002
(UNAUDITED)

Nine months ended
September 30, 2003

As

Less adjusted
non- excluding

As recurring non-

In thousands, except per share reported items recurring
amounts items recurring

TELEPHONE OPERATIONS

Operating revenues

Local service	\$ 565,599	-	565,599
Network access	845,999	-	845,999
Other	136,191	-	136,191

1,547,789 - 1,547,789

Operating expenses

Plant operations	378,587	-	378,587
Customer operations	124,068	-	124,068
Corporate and other	189,284	(4,959)(1)	194,243
Depreciation and amortization	337,250	-	337,250

1,029,189 (4,959) 1,034,148

Telephone operating income 518,600 4,959 513,641

OTHER OPERATIONS

Operating revenues

Long distance	130,968	-	130,968
Internet	58,345	-	58,345
Other	37,328	-	37,328

226,641 - 226,641

Operating expenses

Cost of sales and other	166,896	-	166,896
Depreciation and amortization	14,410	-	14,410

	181,306	-	181,306	

Other operating income	45,335	-	45,335	

Corporate overhead costs allocable to discontinued operations	-	-	-	

TOTAL OPERATING INCOME	563,935	4,959	558,976	
OTHER INCOME (EXPENSE)				
Interest expense	(165,909)	-	(165,909)	
Income from unconsolidated cellular entity	4,895	-	4,895	
Nonrecurring gains and losses	-	-	-	
Other income and expense	(1,034)	-	(1,034)	
Income tax expense	(139,622)	791(2)	(140,413)	

INCOME FROM CONTINUING OPERATIONS	262,265	5,750	256,515	
DISCONTINUED OPERATIONS, NET OF TAX	-	-	-	

NET INCOME	\$ 262,265	5,750	256,515	
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BASIC EARNINGS PER SHARE				
From continuing operations	\$ 1.83	0.04	1.79	
From discontinued operations	\$ -	-	-	
Basic earnings per share	\$ 1.83	0.04	1.79	
DILUTED EARNINGS PER SHARE				
From continuing operations	\$ 1.82	0.04	1.78	
From discontinued operations	\$ -	-	-	
Diluted earnings per share	\$ 1.82	0.04	1.78	
SHARES OUTSTANDING				
Basic	143,370	143,370		
Diluted	144,481	144,481		
DIVIDENDS PER COMMON SHARE	\$ 0.1650	0.1650		
NONRECURRING ITEMS				

Nine months ended
September 30, 2002

As
adjusted
Less excluding
non- non-

As recurring recurring

In thousands, except per share reported items items
amounts

TELEPHONE OPERATIONS

Operating revenues

Local service	418,332	-	418,332
Network access	686,325	(7,645)(3)	693,970
Other	109,508	-	109,508

1,214,165 (7,645) 1,221,810

Operating expenses

Plant operations	305,230	-	305,230
Customer operations	103,484	-	103,484
Corporate and other	155,269	15,000(4)	140,269
Depreciation and amortization	283,886	-	283,886

847,869 15,000 832,869

Telephone operating income 366,296 (22,645) 388,941

OTHER OPERATIONS

Operating revenues

Long distance	105,871	-	105,871
Internet	42,263	-	42,263
Other	23,818	-	23,818

171,952 - 171,952

Operating expenses

Cost of sales and other	130,818	-	130,818
Depreciation and amortization	9,859	-	9,859

140,677 - 140,677

Other operating income 31,275 - 31,275

Corporate overhead costs

allocable to discontinued operations (11,275)	-	(11,275)
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TOTAL OPERATING INCOME	386,296	(22,645)	408,941
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OTHER INCOME (EXPENSE)

Interest expense	(164,826)	-	(164,826)
Income from unconsolidated cellular entity	3,852	-	3,852
Nonrecurring gains and losses	3,709	3,709(5)	-
Other income and expense	(356)	(3,000)(6)	2,644
Income tax expense	(79,487)	7,678(7)	(87,165)

INCOME FROM CONTINUING OPERATIONS	149,188	(14,258)	163,446
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DISCONTINUED OPERATIONS, NET OF TAX	608,091	531,625(8)	76,466
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NET INCOME	757,279	517,367	239,912
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BASIC EARNINGS PER SHARE

From continuing operations	1.05	(0.10)	1.15
From discontinued operations	4.30	3.76	0.54
Basic earnings per share	5.36	3.66	1.70

DILUTED EARNINGS PER SHARE

From continuing operations	1.05	(0.10)	1.15
From discontinued operations	4.26	3.73	0.54
Diluted earnings per share	5.31	3.63	1.68

SHARES OUTSTANDING

Basic	141,324	141,324
Diluted	142,710	142,710

DIVIDENDS PER COMMON SHARE	0.1575	0.1575
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NONRECURRING ITEMS

	Increase		
	Increase (decrease)		
	(decrease) excluding		
In thousands, except per share amounts	as	nonrecurring	
	reported	items	

TELEPHONE OPERATIONS

Operating revenues		
Local service	35.2%	35.2%
Network access	23.3%	21.9%
Other	24.4%	24.4%
	27.5%	26.7%
Operating expenses		
Plant operations	24.0%	24.0%
Customer operations	19.9%	19.9%
Corporate and other	21.9%	38.5%
Depreciation and amortization	18.8%	18.8%
	21.4%	24.2%
Telephone operating income	41.6%	32.1%

OTHER OPERATIONS

Operating revenues		
Long distance	23.7%	23.7%
Internet	38.1%	38.1%
Other	56.7%	56.7%
	31.8%	31.8%
Operating expenses		
Cost of sales and other	27.6%	27.6%
Depreciation and amortization	46.2%	46.2%
	28.9%	28.9%
Other operating income	45.0%	45.0%
Corporate overhead costs		
allocable to discontinued operations	(100.0%)	(100.0%)

TOTAL OPERATING INCOME	46.0%	36.7%
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OTHER INCOME (EXPENSE)

Interest expense	0.7%	0.7%
Income from unconsolidated cellular entity	27.1%	27.1%
Nonrecurring gains and losses	(100.0%)	-%
Other income and expense	190.4%	(139.1%)
Income tax expense	75.7%	61.1%

INCOME FROM CONTINUING OPERATIONS	75.8%	56.9%
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DISCONTINUED OPERATIONS, NET OF TAX	(100.0%)	(100.0%)
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NET INCOME	(65.4%)	6.9%
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BASIC EARNINGS PER SHARE

From continuing operations	74.3%	55.7%
From discontinued operations	(100.0%)	(100.0%)
Basic earnings per share	(65.9%)	5.3%

DILUTED EARNINGS PER SHARE

From continuing operations	73.3%	54.8%
From discontinued operations	(100.0%)	(100.0%)
Diluted earnings per share	(65.7%)	6.0%

SHARES OUTSTANDING

Basic	1.4%	1.4%
Diluted	1.2%	1.2%

DIVIDENDS PER COMMON SHARE	4.8%	4.8%
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NONRECURRING ITEMS

- (1) - Partial recovery of amounts previously written off in connection with WorldCom bankruptcy. See Note 4.
- (2) - Net out of period income tax adjustments (\$2.5 million credit), net of tax expense effect of item (1).
- (3) - Reserve for refunds of access charges to interexchange carriers.
- (4) - Reserve for uncollectible receivables, primarily WorldCom.
- (5) - Gain on sale of PCS license.
- (6) - Costs to defend unsolicited takeover proposal.
- (7) - Tax effect of items (3) through (6).
- (8) - Gain on sale of wireless operations (\$551.4 million after-tax), net of write down of wireless portion of billing system (\$19.8 million after-tax).

CenturyTel, Inc.

CONSOLIDATED BALANCE SHEETS
SEPTEMBER 30, 2003 AND DECEMBER 31, 2002
(UNAUDITED)

Sept. 30, Dec. 31,
2003 2002

(in thousands)

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 157,944	3,661
Other current assets	265,057	292,241
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Total current assets	423,001	295,902
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PROPERTY, PLANT AND EQUIPMENT

Telephone	6,536,888	6,347,900
Other	566,045	521,292
Accumulated depreciation	(3,647,723)	(3,337,547)
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Net property, plant and equipment	3,455,210	3,531,645
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INVESTMENTS AND OTHER ASSETS

Goodwill	3,429,479	3,427,281
Other	504,131	515,580
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Total investments and other assets	3,933,610	3,942,861
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TOTAL ASSETS \$ 7,811,821 7,770,408

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LIABILITIES AND EQUITY

CURRENT LIABILITIES

Current maturities of long-term debt	\$ 115,167	70,737
Other current liabilities	419,850	317,367
	-----	-----
Total current liabilities	535,017	388,104

LONG-TERM DEBT	3,119,378	3,578,132
DEFERRED CREDITS AND OTHER LIABILITIES	795,853	716,168
STOCKHOLDERS' EQUITY	3,361,573	3,088,004
	-----	-----

TOTAL LIABILITIES AND EQUITY \$ 7,811,821 7,770,408

=====

CAPITAL EXPENDITURES

NINE MONTHS ENDED SEPTEMBER 30, 2003 AND 2002

Nine months ended		
	September 30,	Increase
2003	2002	(decrease)
	-----	-----

(in thousands)

CAPITAL EXPENDITURES			
Telephone	\$ 216,448	221,327	(2.2%)

Wireless (discontinued operations)	-	27,242	(100.0%)
Other	40,011	49,447	(19.1%)

Total capital expenditures	\$ 256,459	298,016	(13.9%)
=====			

CAPITAL EXPENDITURES
THREE MONTHS ENDED SEPTEMBER 30, 2003 AND 2002

Three months ended
September 30, Increase
2003 2002 (decrease)

(in thousands)

CAPITAL EXPENDITURES			
Telephone	\$ 85,050	75,505	12.6%
Wireless (discontinued operations)	-	6,978	(100.0%)
Other	17,151	16,235	5.6%

Total capital expenditures	\$ 102,201	98,718	3.5%
=====			

CenturyTel, Inc.

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES
(UNAUDITED)

Three months ended
September 30, 2003

As
adjusted
Less excluding
non- non-
As recurring recurring
reported items items

Consolidated operating cash flow from continuing operations and cash flow margin			
Operating income	\$ 190,781	-	190,781
Add: Depreciation and amortization	116,857	-	116,857

Consolidated operating cash flow			

from continuing operations \$ 307,638 - 307,638
=====

Revenues from continuing operations \$ 603,752 - 603,752
=====

Consolidated cash flow margin
(operating cash flow divided by
revenues) 51.0% 51.0%
=====

Telephone operating cash flow, operating income margin
and cash flow margin

Telephone operating income \$ 172,643 - 172,643
Add: Depreciation and amortization 111,666 - 111,666

Telephone operating cash flow \$ 284,309 - 284,309
=====

Telephone revenues \$ 521,439 - 521,439
=====

Telephone operating income margin
(operating income divided by
revenues) 33.1% 33.1%
=====

Telephone cash flow margin (operating
cash flow divided by revenues) 54.5% 54.5%
=====

Other Operations operating cash flow, operating income margin and
cash flow margin

Other Operations operating income \$ 18,138 - 18,138
Add: Depreciation and amortization 5,191 - 5,191

Other Operations operating cash flow\$ 23,329 - 23,329
=====

Other Operations revenues \$ 82,313 - 82,313
=====

Other Operations operating income
margin (operating income divided by
revenues) 22.0% 22.0%
=====

Other Operations cash flow margin (operating cash flow divided by revenues)	28.3%	28.3%
	=====	=====

Free cash flow (prior to debt service requirements)			
Net income	\$ 90,979	2,527(1)	88,452
Add: Depreciation and amortization	116,857	-	116,857
Less: Capital expenditures (4)	(102,201)	-	(102,201)
	-----	-----	
Free cash flow	\$ 105,635	2,527	103,108
	=====	=====	=====

Free cash flow	\$ 105,635
Income from discontinued operations, net of tax	-
Income from unconsolidated cellular entity	(1,736)
Deferred income taxes	24,181
Changes in current assets and current liabilities	12,604
Increase in other noncurrent assets	(6,779)
Increase in other noncurrent liabilities	(1,277)
Other, net	14,520
Add: capital expenditures	102,201

Net cash provided by operating activities from continuing operations	\$ 249,349
	=====

Three months ended
September 30, 2002

As
adjusted
Less excluding
non- non-
As recurring recurring
reported items items

Consolidated operating cash flow from
continuing operations and cash flow margin

Operating income	157,716	(7,645)(2)	165,361
Add: Depreciation and amortization	107,514	-	107,514

Consolidated operating cash flow from continuing operations	265,230	(7,645)	272,875
	=====	=====	=====

Revenues from continuing operations	524,497	(7,645)	532,142
	=====	=====	=====

Consolidated cash flow margin (operating cash flow divided by revenues)	50.6%		51.3%
	=====		=====

Telephone operating cash flow, operating income margin and cash flow margin

Telephone operating income	144,619	(7,645)(2)	152,264
Add: Depreciation and amortization	104,384	-	104,384

Telephone operating cash flow	249,003	(7,645)	256,648
	=====	=====	=====

Telephone revenues	460,935	(7,645)	468,580
	=====	=====	=====

Telephone operating income margin (operating income divided by revenues)	31.4%		32.5%
	=====		=====

Telephone cash flow margin (operating cash flow divided by revenues)	54.0%		54.8%
	=====		=====

Other Operations operating cash flow, operating income margin and cash flow margin

Other Operations operating income	14,440	-	14,440
Add: Depreciation and amortization	3,130	-	3,130

Other Operations operating cash flow	17,570	-	17,570
	=====	=====	=====

Other Operations revenues	63,562	-	63,562
	=====	=====	=====

Other Operations operating income margin (operating income divided by revenues)	22.7%		22.7%
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	=====	=====
Other Operations cash flow margin (operating cash flow divided by revenues)	27.6%	27.6%
	=====	=====

Free cash flow (prior to debt service requirements)

Net income	607,749	526,656(3)	81,093
Add: Depreciation and amortization	107,514	-	107,514
Less: Capital expenditures (4)	(98,718)	-	(98,718)

Free cash flow	616,545	526,656	89,889
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Free cash flow	616,545
Income from discontinued operations, net of tax	(543,160)
Income from unconsolidated cellular entity	(1,492)
Deferred income taxes	14,084
Changes in current assets and current liabilities	32,686
Increase in other noncurrent assets	(9,154)
Increase in other noncurrent liabilities	19,456
Other, net	29,059
Add: capital expenditures	98,718

Net cash provided by operating activities from continuing operations	256,742
--	---------

- (1) Net out of period income tax adjustments.
- (2) Reserve for refunds of access charges to interexchange carriers.
- (3) Gain on sale of wireless operations (\$551.4 million after tax), net of write down of wireless portion of billing system (\$19.8 million after tax) and reserve for refunds of access charges to interexchange carriers (\$5.0 million after tax).
- (4) Includes discontinued operations for 2002.

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES
(UNAUDITED)

Nine months ended
September 30, 2003

As
adjusted
Less excluding
non- non-
As recurring recurring
reported items items

Consolidated operating cash flow from continuing operations
and cash flow margin

Operating income	\$ 563,935	4,959(1)	558,976
Add: Depreciation and amortization	351,660	-	351,660

Consolidated operating cash flow from continuing operations	\$ 915,595	4,959	910,636
--	------------	-------	---------

Revenues from continuing operations	\$1,774,430	-	1,774,430
-------------------------------------	-------------	---	-----------

Consolidated cash flow margin (operating cash flow divided by revenues)	51.6%	51.3%
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Telephone operating cash flow, operating income margin
and cash flow margin

Telephone operating income	\$ 518,600	4,959 (1)	513,641
Add: Depreciation and amortization	337,250	-	337,250

Telephone operating cash flow	\$ 855,850	4,959	850,891
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Telephone revenues	\$1,547,789	-	1,547,789
--------------------	-------------	---	-----------

Telephone operating income margin (operating income divided by revenues)	33.5%	33.2%
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	=====	=====
Telephone cash flow margin (operating cash flow divided by revenues)	55.3%	55.0%
	=====	=====

Other Operations operating cash flow, operating income margin and cash flow margin

Other Operations operating income	\$ 45,335	-	45,335
Add: Depreciation and amortization	14,410	-	14,410

Other Operations operating cash flow	\$ 59,745	-	59,745
	=====	=====	=====

Other Operations revenues	\$ 226,641	-	226,641
	=====	=====	=====

Other Operations operating income margin (operating income divided by revenues)	20.0%	20.0%
	=====	=====

Other Operations cash flow margin (operating cash flow divided by revenues)	26.4%	26.4%
	=====	=====

Free cash flow (prior to debt service requirements)

Net income	\$ 262,265	5,750 (2)	256,515
Add: Depreciation and amortization (6)	351,660	-	351,660
Less: Capital expenditures (6)	(256,459)	-	(256,459)

Free cash flow	\$ 357,466	5,750	351,716
	=====	=====	=====

Free cash flow	\$ 357,466
Income from discontinued operations, net of tax	-
Less: depreciation and amortization of discontinued operations	-
Nonrecurring gains and losses	-
Income from unconsolidated cellular entity	(4,895)

Deferred income taxes	68,022
Changes in current assets and current liabilities	128,547
Increase in other noncurrent assets	(18,280)
Increase in other noncurrent liabilities	7,047
Other, net	34,056
Add: capital expenditures	256,459

Net cash provided by operating activities from continuing operations\$ 828,422

Nine months ended
September 30, 2002

As adjusted
Less excluding non-recurring items
As recurring items reported

Consolidated operating cash flow from continuing operations and cash flow margin		
Operating income	386,296 (22,645)(3)	408,941
Add: Depreciation and amortization	293,745 -	293,745

Consolidated operating cash flow from continuing operations	680,041 (22,645)	702,686
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Revenues from continuing operations	1,386,117 (7,645)(4)	1,393,762
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Consolidated cash flow margin (operating cash flow divided by revenues)	49.1%	50.4%
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Telephone operating cash flow, operating income margin and cash flow margin		
Telephone operating income	366,296 (22,645)(3)	388,941
Add: Depreciation and amortization	283,886 -	283,886

Telephone operating cash flow	650,182 (22,645)	672,827
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Telephone revenues	1,214,165	(7,645)	(4)1,221,810
	=====	=====	=====

Telephone operating income margin (operating income divided by revenues)	30.2%	31.8%
	=====	=====

Telephone cash flow margin (operating cash flow divided by revenues)	53.5%	55.1%
	=====	=====

Other Operations operating cash flow, operating income margin and cash flow margin			
Other Operations operating income	31,275	-	31,275
Add: Depreciation and amortization	9,859	-	9,859
	-----	-----	
Other Operations operating cash flow	41,134	-	41,134
	=====	=====	=====

Other Operations revenues	171,952	-	171,952
	=====	=====	=====

Other Operations operating income margin (operating income divided by revenues)	18.2%	18.2%
	=====	=====

Other Operations cash flow margin (operating cash flow divided by revenues)	23.9%	23.9%
	=====	=====

Free cash flow (prior to debt service requirements)			
Net income	757,279	517,367	(5) 239,912
Add: Depreciation and amortization (6)	306,639	-	306,639
Less: Capital expenditures (6)	(298,016)	-	(298,016)
	-----	-----	
Free cash flow	765,902	517,367	248,535
	=====	=====	=====

Free cash flow	765,902
Income from discontinued operations,	

net of tax	(608,091)
Less: depreciation and amortization of discontinued operations	(12,894)
Nonrecurring gains and losses	(3,709)
Income from unconsolidated cellular entity	(3,852)
Deferred income taxes	43,343
Changes in current assets and current liabilities	104,722
Increase in other noncurrent assets	(23,562)
Increase in other noncurrent liabilities	31,849
Other, net	43,315
Add: capital expenditures	298,016

Net cash provided by operating activities from continuing operations	635,039
	=====

- (1) Partial recovery of amounts previously written off in connection with WorldCom bankruptcy. See Note 3.
- (2) Net out of period income tax adjustments (\$2.5 million credit) and after-tax effect of item (1).
- (3) Reserve for refunds of access charges to interexchange carriers (\$7.6 million) and reserve for uncollectible receivables, primarily WorldCom (\$15.0 million).
- (4) Reserve for refunds of access charges to interexchange carriers.
- (5) Includes gain on sale of wireless operations (\$551.4 million after tax) and gain on sale of a PCS license (\$2.4 million after tax). Such favorable items were partially offset by unfavorable charges for reserve for refunds of access charges to interexchange carriers (\$5.0 million after tax), reserve for uncollectible receivables, primarily WorldCom (\$9.8 million after tax), costs to defend unsolicited takeover proposal (\$2.0 million after tax) and write down of wireless portion of billing system (\$19.8 million after tax).
- (6) Includes discontinued operations for 2002.

NOTE: A spreadsheet is available at URL:

<http://www.businesswire.com/cgi-bin/photo.cgi?pw.103003/bb5>

CONTACT: CenturyTel, Inc.

Media: Patricia Cameron, 318-388-9674
patricia.cameron@centurytel.com
or
Investors: Tony Davis, 318-388-9525
tony.davis@centurytel.com

SOURCE: CenturyTel, Inc.