CENTURYTEL INC
Form 424B5
September 16, 2009

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Filed Pursuant to Rule 424(b)(5)
Registration No. 333-157188

Title of each class of securities offered	Maximum Aggregate Offering Price	Registration Fee(1)
7.60% Senior Notes, Series P, due 2039	$ 400,000,000	$ 22,320
6.15% Senior Notes, Series Q, due 2019	$ 250,000,000	$ 13,950
Total	$ 650,000,000	$ 36,270

(1) Calculated in accordance with Rule 457(o) and Rule 457(r).

Prospectus Supplement
(To Prospectus dated February 9, 2009)

$650,000,000

$400,000,000 7.60% Senior Notes, Series P, due 2039
$250,000,000 6.15% Senior Notes, Series Q, due 2019

CenturyTel, Inc. (doing business as CenturyLink) is offering the Series P Notes and the Series Q Notes pursuant to this prospectus supplement. The Series P Notes will bear interest at the rate of 7.60% per year from the date of issuance to September 15, 2039, when they will mature, and the Series Q Notes will bear interest at the rate of 6.15% per year from the date of issuance to September 15, 2019, when they will mature. We will pay interest on both series of Notes semi-annually in arrears on March 15 and September 15 of each year, beginning March 15, 2010.

We may redeem some or all of the Series P Notes and the Series Q Notes at the make-whole redemption price described in this prospectus supplement under the caption Description of the Notes Optional Redemption. Upon the occurrence of a change of control repurchase event, as described in this prospectus supplement, we will be required to make an offer to repurchase the Notes at a price equal to 101% of their aggregate principal amount plus accrued and unpaid interest to, but not including, the date of repurchase.

The Notes will be our senior unsecured obligations and will rank senior to any of our future subordinated debt and rank equally in right of payment with all of our existing and future unsecured and unsubordinated debt. We do not plan to list the Notes on any national securities exchange.

Investing in our Notes involves risks. See Risk Factors beginning on page S-9 of this prospectus supplement to read about certain risks you should consider before investing in the Notes.

	Price to Public(1)	Underwriting Discount	Net Proceeds to CenturyTel(2)
Per Series P Note	99.955%	0.875%	99.080%
Series P Note Total	$ 399,820,000	$ 3,500,000	$ 396,320,000

Per Series Q Note	99.891%	0.650%	99.241%
Series Q Note Total	$ 249,727,500	$ 1,625,000	$ 248,102,500
Total	$ 649,547,500	$ 5,125,000	$ 644,422,500

(1) Plus accrued interest, if any, from September 21, 2009, if settlement occurs after that date.

(2) Before expenses.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The underwriters expect to deliver the Notes only in book-entry form through the facilities of The Depository Trust Company for the accounts of its participants, including Euroclear Bank S.A./N.V., as operator of the Euroclear System, and Clearstream Banking, *societe anonyme*, against payment in New York, New York on or about September 21, 2009.

Joint Book-Running Managers

BofA Merrill Lynch **Barclays Capital** **J.P. Morgan** **Wells Fargo Securities**

Senior Co-Managers

Mitsubishi UFJ Securities **Morgan Stanley**

Co-Managers

SunTrust Robinson Humphrey **Deutsche Bank Securities** **Morgan Keegan & Company, Inc.** **U.S. Bancorp Invest**

The date of this prospectus supplement is September 14, 2009.

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Prospectus Supplement

Prospectus

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ABOUT THIS PROSPECTUS SUPPLEMENT

This prospectus supplement and the accompanying prospectus are part of a registration statement that we filed with the Securities and Exchange Commission (the SEC) using a shelf registration process as a well-known seasoned issuer. Under this process, the document we use to offer securities is divided into two parts. The first part is this prospectus supplement, which describes the specific terms of the offering and also updates and supplements information contained in the accompanying prospectus and the documents incorporated by reference into this prospectus supplement and the accompanying prospectus. The second part is the accompanying prospectus, which provides you with a general description of the securities we may offer. If the description of the offering varies between this prospectus supplement and the accompanying prospectus, you should rely on the information in this prospectus supplement. Before purchasing our Notes, you should carefully read both this prospectus supplement and the accompanying prospectus, together with the additional information described under the heading Where You Can Find More Information.

You should rely solely on the information contained in this prospectus supplement, the accompanying prospectus, any related free writing prospectus issued by us and the documents incorporated by reference herein or therein. We have not, and the underwriters have not, authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. We are not, and the underwriters are not, making an offer of the Notes in any jurisdiction where the offer or sale is not permitted. You should assume that the information contained or incorporated by reference in this prospectus supplement, the accompanying prospectus, any related free writing prospectus issued by us, and any document incorporated by reference herein or therein is accurate only as of the date on the front cover of those documents. Our business, financial condition, results of operations and prospects may have changed since that date.

References in this prospectus supplement and the accompanying prospectus to CenturyTel, we, us and our are to CenturyTel, Inc. (which currently operates under the brand name CenturyLink) and not any of its subsidiaries (unless the context requires otherwise and except in connection with the description of our business under the heading Prospectus Supplement Summary CenturyTel in this prospectus supplement, where such terms refer to the consolidated operations of CenturyTel and its subsidiaries). Unless the context otherwise requires, references to Embarq in this prospectus supplement are to Embarq Corporation and its subsidiaries, which we acquired on July 1, 2009. References to Notes in this prospectus supplement are to the Series P Notes and the Series Q Notes being offered pursuant to this prospectus supplement.

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This prospectus supplement and the accompanying prospectus, including the documents incorporated by reference herein and therein, contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the Securities Act), and Section 21E of the Securities Exchange Act of 1934, as amended (the Exchange Act). These statements are intended to be covered by the safe harbor for forward-looking statements provided by the Private Securities Litigation Reform Act of 1995. These statements may be made directly in this prospectus supplement or the accompanying prospectus or may be incorporated in this prospectus supplement or the accompanying prospectus by reference to other documents and may include statements for periods following the completion of this offering. Forward-looking statements are all statements other than statements of historical fact, such as statements regarding our financial plans, our indebtedness, acquisitions, and general economic and business conditions. Words such as anticipates, may, can, plans, feels, believes, estimates, expects, projects, will, should, to be and similar expressions are intended to identify forward-looking statements.

Our forward-looking statements are based on current expectations only, and are subject to a number of risks, uncertainties and assumptions, many of which are beyond our control. 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. Important factors that could impact our actual results include but are not limited to: the timing, success and overall effects of competition from a wide variety of competitive providers; the risks inherent in rapid technological change; the effects of ongoing changes in the regulation of the communications industry (including the Federal Communication Commission s proposed rules regarding inter-carrier compensation and the Universal Service Fund described in our recent SEC reports); our ability to effectively adjust to changes in the communications industry; our ability to successfully integrate Embarq into our operations, including the possibility that the anticipated benefits from the Embarq merger cannot be fully realized in a timely manner or at all, or that integrating Embarq s operations into ours will be more difficult, disruptive or costly than anticipated; our ability to effectively manage our expansion opportunities, including retaining and hiring key personnel; possible changes in the demand for, or pricing of, our products and services; our ability to successfully introduce new product or service offerings on a timely and cost-effective basis; our continued access to credit markets on favorable terms; our ability to collect our receivables from financially troubled communications companies; our ability to pay a $2.80 per common share dividend annually, which may be affected by changes in our cash requirements, capital spending plans, cash flows or financial position; unanticipated increases in our capital expenditures; our ability to successfully negotiate collective bargaining agreements on reasonable terms without work stoppages; the effects of adverse weather; other risks referenced from time to time in our filings with the SEC; and the effects of more general factors such as changes in interest rates, in tax rates, in accounting policies or practices, in operating, medical or administrative costs, in general market, labor or economic conditions, or in legislation, regulation or public policy. These and other uncertainties related to the business and our plans are described in greater detail in Item 1A of Part II of our Quarterly Report on Form 10-Q for the fiscal quarter ended June 30, 2009, as updated and supplemented by our subsequent SEC reports. For more information about these risks, see Risk Factors in this prospectus supplement.

You should be aware that new factors impacting our actual results may emerge from time to time and it is not possible for us to identify all such factors nor can we predict the impact of each such factor on the business or the extent to which any one or more factors may cause actual results to differ from those reflected in any forward-looking statements. You are further cautioned not to place undue reliance on our forward-looking statements, which speak only as of the date of the document in which they appear. Except for meeting our ongoing obligations under the federal securities laws, we undertake no obligation to update or revise our forward-looking statements for any reason.

WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and current reports, proxy statements and other information with the SEC. You may read and copy that information at the Public Reference Room of the SEC, located at 100 F Street, N.E., Washington, D.C. 20549. You may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. You may also obtain copies of this information by mail from the SEC at the above address, at prescribed rates. In addition, the SEC maintains an Internet site at *www.sec.gov*, from which interested persons can electronically access the registration statement of which this prospectus supplement and the accompanying prospectus forms a part, including the exhibits and schedules thereto, as well as reports, proxy and information statements and other information about us. In addition, our common stock is listed and traded on the New York Stock Exchange (NYSE), and you may obtain similar information about us at the offices of the NYSE at 20 Broad Street, New York, New York 10005.

Prior to our acquisition of Embarq on July 1, 2009, Embarq also filed annual, quarterly and current reports, proxy statements and other information with the SEC. Reports filed by Embarq can be inspected and copied at the locations referenced above and are otherwise available through the SEC s website.

We are incorporating by reference into this prospectus supplement specific documents that we and Embarq filed with the SEC, which means that we can disclose important information to you by referring you to those documents that are considered part of this prospectus supplement and accompanying prospectus. We incorporate by reference the documents listed below, and any future documents that we file with the SEC under Section 13(a), 13(c), 14 or 15(d) of the Exchange Act until the termination or completion of the offering of all of the securities covered by this prospectus supplement. This prospectus supplement and accompanying prospectus are part of a registration statement filed with the SEC, which may contain additional information that you might find important.

We are incorporating by reference into this prospectus supplement the following documents filed with the SEC by us and by Embarq; *provided, however*, we are not incorporating by reference, in each case, any such documents or portions of such documents that have been furnished but not filed for purposes of the Exchange Act:

CenturyTel, Inc. Filings	**Period or Date Filed**
Annual Report on Form 10-K	Fiscal year ended December 31, 2008
Quarterly Reports on Form 10-Q	Quarterly periods ended March 31, 2009 and June 30, 2009
Current Reports on Form 8-K	Filed on January 16, 2009, January 29, 2009, January 29, 2009, June 4, 2009, July 1, 2009 (as amended August 5, 2009), August 31, 2009, September 14, 2009 and September 14, 2009
Proxy Statement on Schedule 14A	Filed on April 3, 2009

Embarq Corporation Filings	**Period or Date Filed**

Annual Report on Form 10-K (as amended April 29, 2009)	Fiscal year ended December 31, 2008
Quarterly Reports on Form 10-Q	Quarterly period ended March 31, 2009
Current Reports on Form 8-K	Filed on January 16, 2009, January 21, 2009, January 23, 2009, January 29, 2009, January 29, 2009, February 23, 2009, March 5, 2009, March 13, 2009, June 30, 2009 and July 1, 2009

We will provide to each person to whom this prospectus supplement and the accompanying prospectus is delivered, upon written or oral request and without charge, a copy of the documents referred to above that we have incorporated by reference (except for exhibits, unless the exhibits are specifically incorporated by reference into the filing). You can request copies of such documents if you call or write us at the following address or telephone number: CenturyTel, Inc., 100 CenturyTel Drive, Monroe, Louisiana 71203, Attention: Investor Relations, or by telephoning us at (318) 388-9000.

Each of this prospectus supplement, the accompanying prospectus and the information incorporated by reference herein or therein may contain summary descriptions of certain agreements that we have filed as exhibits to various SEC filings, as well as certain agreements that we will enter into in connection with the offering of securities covered by this prospectus supplement. These summary descriptions do not purport to be complete and are subject to, or qualified in their entirety by reference to, the definitive agreements to which they relate. Copies of the definitive agreements will be made available without charge to you by making a written or oral request to us.

Information appearing in this prospectus supplement, the accompanying prospectus or in any particular document incorporated herein or therein by reference is not necessarily complete and is qualified in its entirety by the information and financial statements appearing in all of the documents incorporated by reference herein and therein and should be read together therewith. Any statement contained in a document incorporated or deemed to be incorporated by reference in this prospectus supplement and the accompanying prospectus will be deemed to be modified or superseded to the extent that a statement contained in this prospectus supplement or in any subsequently filed document which also is or is deemed to be incorporated by reference in this prospectus supplement and the accompanying prospectus modifies or supersedes such statement.

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PROSPECTUS SUPPLEMENT SUMMARY

The following summary does not contain all of the information you should consider before investing in the Notes and is qualified in its entirety by reference to the more detailed information, consolidated historical financial statements and pro forma combined financial information appearing elsewhere or incorporated by reference in this prospectus supplement and the accompanying prospectus, as well as the materials filed with the SEC that are considered to be part of this prospectus supplement and the accompanying prospectus. You should read this prospectus supplement and the accompanying prospectus carefully, including Risk Factors, and the documents incorporated by reference herein and therein before making an investment decision.

CenturyTel

Business

We are an integrated communications company primarily engaged in providing an array of communications services, including local and long distance voice, data, Internet access, broadband, and satellite video services in 33 states. In certain local and regional markets, we also sell communications equipment and provide fiber transport, competitive local exchange carrier, security monitoring, and other communications, professional and business information services. We operate approximately 7.3 million access lines and serve approximately 2.1 million broadband customers, based on pro forma operating data as of June 30, 2009 to give effect to our acquisition of Embarq. Additional information about CenturyTel is included in documents incorporated by reference herein. See Where You Can Find More Information in this prospectus supplement.

On July 1, 2009, we acquired Embarq in a merger transaction, which substantially expanded the size and scope of our business. For additional information regarding Embarq, which is now our wholly-owned subsidiary, please refer to Embarq s reports filed with the SEC that are incorporated by reference herein and described further under Where You Can Find More Information in this prospectus supplement. In addition, please refer to our Current Report on Form 8-K dated July 1, 2009, as amended, and our Current Report on Form 8-K dated September 14, 2009, which contain pro forma combined financial information that gives effect to the acquisition of Embarq. Upon completion of the merger, we changed our brand name to CenturyLink, although we will continue for an interim period to use the CenturyTel and Embarq brand names in our respective markets and will not formally change our name until we receive shareholder approval, which we expect to obtain in 2010.

Our principal executive office is located at 100 CenturyTel Drive, Monroe, Louisiana 71203 and our telephone number is (318) 388-9000. Our website is located at *www.centurytel.com*. The information contained in our website is not a part of this prospectus supplement or the accompanying prospectus.

Ratios of Earnings to Fixed Charges

The following table sets forth the ratio of earnings to fixed charges for each of the years in the five-year period ended December 31, 2008 and for the six-months ended June 30, 2009, which ratios are based on our historical consolidated financial statements incorporated by reference herein without giving effect to the Embarq acquisition. The following table also sets forth the pro forma combined ratio of earnings to fixed charges for the year ended December 31, 2008 and for the six-months ended June 30, 2009, which ratios are based on our pro forma combined financial information incorporated by reference herein and give effect to the acquisition of Embarq as if it had occurred on January 1, 2008. The pro forma ratios of earnings to fixed charges are presented for comparative purposes only and are not intended to be indicative of actual results had the Embarq acquisition occurred as of such date, nor do they purport to indicate results which may be attained in the future.

	Years Ended December 31,					Six-Months Ended June 30,
	2004	2005	2006	2007	2008	2009
Ratio of earnings to fixed charges(1)	3.58x	3.59x	3.94x	3.85x	3.74x	3.27x

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	Pro Forma Combined	
	Year Ended December 31, 2008	Six-Months Ended June 30, 2009
Ratio of earnings to fixed charges(1)	3.57x	3.66x

(1) For information on how these ratios are calculated, see Ratio of Earnings to Fixed Charges in the accompanying prospectus.

Tender Offers

On September 14, 2009, we and Embarq commenced joint cash tender offers, which we refer to as the tender offers, to repurchase up to $800 million aggregate principal amount of our and Embarq s outstanding debt securities as a means to extend the average maturity and reduce the average weighted interest rate of our outstanding consolidated indebtedness. We expect to use the net proceeds from this offering, together with borrowings under our revolving credit facility, to provide the total amount of funds required to complete the tender offers, including the payment of interest on the debt securities purchased thereunder and all related fees and expenses.

Each tender offer will expire at 12:00 midnight, New York City time, on October 9, 2009, unless extended. The tender offers are not conditioned upon any minimum amount of debt securities being tendered, and we and Embarq may, in our sole discretion, increase or decrease the aggregate amount of debt securities subject to the tender offers. The tender offers are subject to the satisfaction or waiver of certain conditions, including our completion of this offering (or another debt financing transaction) in an amount sufficient, together with available borrowings under our revolving credit facility not to exceed $500 million, to fund all amounts required to complete the tender offers. The tender offers are being made on the terms and subject to the conditions set forth in the joint offer to purchase, dated September 14, 2009, relating to the tender offers (the Offer to Purchase). The tender offers are being made solely pursuant to, and are governed by, the Offer to Purchase. We cannot assure you that the tender offers will be consummated in accordance with their terms, or at all, or that a significant principal amount of the debt securities subject to the tender offers will be tendered and purchased thereunder. This offering is not conditioned upon the consummation of the tender offers. The joint book-running managers for this offering are also acting as dealer managers in connection with the tender offers.

For additional information on the tender offers, see Use of Proceeds herein and our Current Report on Form 8-K filed with the SEC on September 14, 2009.

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The Offering

Issuer	CenturyTel, Inc., a Louisiana corporation, which currently operates under the brand name CenturyLink.
Notes	$400,000,000 aggregate principal amount of 7.60% Senior Notes, Series P, due 2039. $250,000,000 aggregate principal amount of 6.15% Senior Notes, Series Q, due 2019.
Maturity Dates	The Series P Notes will mature on September 15, 2039. The Series Q Notes will mature on September 15, 2019.
Interest Rates	The interest rate will be 7.60% per year for the Series P Notes and 6.15% per year for the Series Q Notes.
Interest Payment Dates	March 15 and September 15 of each year, beginning on March 15, 2010.
Optional Redemption	We may redeem either series of Notes, at any time in whole or from time to time in part, at a redemption price equal to the greater of (i) 100% of the principal amount of the Series P Notes or the Series Q Notes to be redeemed and (ii) the sum of the present values of the remaining scheduled payments of principal and interest on the Notes being redeemed, discounted to the redemption date at the then current Treasury Rate applicable to each series of the Notes plus 50 basis points in the case of the Series P Notes and 40 basis points in the case of the Series Q Notes, together with, in each case, any accrued and unpaid interest to the date of redemption. See Description of the Notes Optional Redemption.
Change of Control Repurchase Event	Upon the occurrence of a change of control repurchase event, as defined under Description of the Notes Purchase of Notes upon a Change of Control Repurchase Event, we will be required, unless we have elected to redeem the Notes as described above, to make an offer to repurchase both series of Notes at a price equal to 101% of their aggregate principal amount, plus accrued and unpaid interest to, but not including, the date of repurchase. See Description of the Notes Purchase of Notes upon a Change of Control Repurchase Event.
Certain Covenants	The indenture governing the Notes contains covenants that, among other things, will limit our ability to: incur, issue or create liens upon our property, and consolidate with or merge into, or transfer or lease all or substantially all of our assets to, any other party. These covenants are subject to important exceptions and qualifications that are described under the heading Description of Debt Securities

	Merger and Consolidation and Limitations on Liens in the accompanying prospectus.
Reopening of Notes	We may reopen either series of Notes at any time without the consent of the holders of that series of Notes and issue additional

debt securities with the same terms (except the issue price and issue date) that will constitute a single series with that series of Notes.

Ranking

The Notes will rank senior to any of our future subordinated debt and rank equally in right of payment with all of our existing and future unsecured and unsubordinated debt. As of June 30, 2009, we had approximately $2.8 billion of unsecured and unsubordinated debt that would have ranked equally with the Notes. We are a holding company and, therefore, the Notes will be effectively subordinated to all existing and future obligations of our subsidiaries to the extent of the assets of our subsidiaries. As of June 30, 2009, on a pro forma basis after giving effect to our acquisition of Embarq, the long-term debt of our subsidiaries (including Embarq) was approximately $5.0 billion. For additional information, see Capitalization.

The Notes will be issued in minimum denominations of $2,000 and any integral multiple of $1,000. The Notes of each series will be represented by one or more global Notes in fully registered form without interest coupons. The global Notes will be deposited with the trustee as custodian for The Depository Trust Company, which we refer to below as DTC, and registered in the name of a nominee of DTC in New York, New York for the accounts of participants in DTC. Beneficial interests in any of the Notes will be shown on, and transfers will be effected only through, records maintained by DTC or its nominee and any such interest may not be exchanged for certificated securities except in limited circumstances described in this prospectus supplement.

Use of Proceeds

We expect to receive net proceeds from the sale of the Notes in this offering of approximately $644 million, after deducting underwriting discounts and our estimated expenses. We anticipate using these net proceeds, together with additional borrowings under our revolving credit facility, to enable us and Embarq to repurchase up to $800 million of debt securities pursuant to the tender offers. For additional information, see Use of Proceeds.

Listing

The Notes are not and are not expected to be listed on any national securities exchange.

Trustee, Registrar and Paying Agent

Regions Bank.

Risk Factors

Your investment in the Notes will involve risks. You should carefully consider all of the information contained in or incorporated by reference into this prospectus supplement and the accompanying prospectus as well as the specific factors under the heading Risk Factors beginning on the next page.

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RISK FACTORS

Before purchasing the Notes, you should carefully consider the risks described below and the risks disclosed in Item 1A of Part II of our Quarterly Report on Form 10-Q for the quarter ended June 30, 2009, as well as the other information included or incorporated by reference in this prospectus supplement and the accompanying prospectus.

Risk Factors Relating to the Notes

The provisions of the Notes relating to change of control transactions will not necessarily protect you in the event of a highly leveraged transaction.

The terms of the Notes will not necessarily afford you protection in the event of a highly leveraged transaction that may adversely affect you, including a reorganization, recapitalization, restructuring, merger or other similar transactions involving us. As a result, we could enter into any such transaction even though the transaction could increase the total amount of our outstanding indebtedness, adversely affect our capital structure or credit rating or otherwise adversely affect the holders of the Notes. These transactions may not involve a change in voting power or beneficial ownership or result in a downgrade in the ratings of the Notes, or, even if they do, may not necessarily constitute a Change of Control Repurchase Event that affords you the protections described in this prospectus supplement. See the definition of Change of Control under Description of the Notes Purchase of Notes upon a Change of Control Event. Except as described under Description of the Notes Purchase of Notes upon a Change of Control Repurchase Event, the indenture does not contain provisions that permit the holders of the Notes to require us to repurchase the Notes in the event of a takeover, recapitalization or similar transaction.

We may not be able to repurchase all of the Notes upon a Change of Control Repurchase Event.

As described under Description of the Notes Purchase of Notes upon a Change of Control Repurchase Event, we will be required to offer to repurchase the Notes upon the occurrence of a Change of Control Repurchase Event. We may not have sufficient funds to repurchase the Notes in cash at such time. In addition, our ability to repurchase the Notes for cash may be limited by law or the terms or other agreements relating to our indebtedness outstanding at the time.

The Notes will be effectively subordinated to the debt of our subsidiaries.

As a holding company, substantially all of our income and operating cash flow is dependent upon the earnings of our subsidiaries and the distribution of those earnings to, or upon loans or other payments of funds by those subsidiaries to, us. As a result, we rely upon our subsidiaries to generate the funds necessary to meet our obligations, including the payment of amounts owed under the Notes. Our subsidiaries are separate and distinct legal entities and have no obligation to pay any amounts due pursuant to the Notes or, subject to limited exceptions for tax-sharing purposes, to make any funds available to us to repay our obligations, whether by dividends, loans or other payments. Certain of our subsidiaries loan agreements contain various restrictions on the transfer of funds to us, including certain provisions that restrict the amount of dividends that may be paid to us. As of June 30, 2009, on a pro forma basis after giving effect to our acquisition of Embarq, the amount of retained earnings of our subsidiaries not subject to dividend restrictions was approximately $2.3 billion. Moreover, our rights to receive assets of any subsidiary upon its liquidation or reorganization (and the ability of holders of Notes to benefit indirectly therefrom) will be effectively subordinated to the claims of creditors of that subsidiary, including trade creditors. As of June 30, 2009, on a pro forma basis after giving effect to our acquisition of Embarq, the long-term debt of our subsidiaries (including Embarq) was approximately $5.0 billion.

An active trading market for the Notes may not develop.

We cannot provide assurances that an active, liquid or sustainable trading market for the Notes will develop, nor that you will be able to sell your Notes at attractive prices or at all. Future trading prices of the Notes will also depend on many other factors, including, among other things, prevailing interest rates, the

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market for similar securities, our performance and other factors. We do not intend to apply for listing of the Notes on any securities exchange or any automated quotation system.

Changes in our credit rating or changes in the credit markets could adversely affect the market price of the Notes.

Following this offering, the market price for the Notes will be based on a number of factors, including:

- our ratings with credit rating agencies,
- the prevailing interest rates being paid by other companies similar to us, and
- the overall condition of the financial markets, many of which have experienced substantial weakness over the past year.

Although the credit markets have recently stabilized, the condition of the credit markets and prevailing interest rates have fluctuated historically and are likely to continue to fluctuate in the future. Fluctuations in these factors could have an adverse effect on the price and liquidity of the Notes.

In addition, credit rating agencies continually revise their ratings for the companies that they follow, including us. We cannot be sure that credit rating agencies will maintain their current ratings on the Notes. A negative change in our ratings could have an adverse effect on the market price of the Notes.

Risk Factors Relating to Our Business, Our Acquisition of Embarq and Our Regulatory Environment

We face competitive, technological, regulatory and other risks, as well as risks related to the integration of Embarq, all of which are described in Item 1A of Part II of our Quarterly Report on Form 10-Q for the quarter ended June 30, 2009, which is incorporated by reference herein.

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USE OF PROCEEDS

Our net proceeds from the sale of the Notes offered hereby are expected to be approximately $644 million, after deducting underwriting discounts and our estimated expenses.

On September 14, 2009, we and Embarq commenced the tender offers to repurchase up to $800 million aggregate principal amount of our and Embarq s outstanding debt securities as a means to extend the average maturity and reduce the average weighted interest rate of our outstanding consolidated indebtedness. We expect to use the net proceeds from this offering, together with additional borrowings under our revolving credit facility, to provide the total amount of funds required to complete the tender offers, to pay all accrued and unpaid interest payable on the debt securities purchased, and to pay all fees and expenses related to the tender offers.

Pursuant to the tender offers, we and Embarq have offered to purchase our respective debt securities with the priority and subject to maximum tender amounts as follows:

Up to an aggregate of $600 million of Embarq s 6.738% Notes due June 1, 2013 and our 5.5% Senior Notes, Series O, due April 1, 2013 (together, the 2013 Notes), with acceptance priority given to Embarq s 6.738% Notes due June 1, 2013; and

Up to an aggregate of $200 million of our 7.875% Senior Notes, Series L, due August 15, 2012 and our 8.375% Senior Notes, Series H, due October 15, 2010 (together, the 2012/2010 Notes), with acceptance priority given to our 7.875% Senior Notes, Series L, due August 15, 2012.

The full tender offer consideration payable for each $1,000 principal amount of debt securities validly tendered and not validly withdrawn in the tender offers on or before 5:00 p.m., New York City time, on September 25, 2009 (unless extended), and accepted by Embarq or us, as applicable, will be $1,092.50 for Embarq s 6.738% Notes due June 1, 2013, $1,052.50 for our 5.5% Senior Notes Series O due April 1, 2013, $1,117.50 for our 7.875% Senior Notes, Series L, due August 15, 2012 and $1,065.00 for our 8.375% Senior Notes, Series H, due October 15, 2010. Holders of debt securities that are validly tendered in the tender offers after 5:00 p.m., New York City time, on September 25, 2009 (unless extended), and accepted by Embarq or us, as applicable, will receive the applicable full tender offer consideration minus an amount in cash equal to $30.00 for each $1,000 principal amount of debt securities. Additionally, accrued and unpaid interest will be paid on any debt securities of each series accepted for purchase up to, but not including, the settlement date. Any series of debt securities validly tendered and not validly withdrawn in the tender offers will be subject to possible proration as a result of the priority levels and maximum tender amounts described above. We and Embarq may, in our sole discretion, increase or decrease the aggregate amount of debt securities subject to the tender offers.

Because the tender offers are not conditioned upon any minimum principal amount of debt securities being tendered and is being conducted on a prioritized basis, we cannot predict the exact principal amount of each series of debt securities, if any, that we and Embarq will repurchase in the tender offers or that will remain outstanding following the completion of the tender offers. See Capitalization. The tender offers are being made solely pursuant to, and subject to the conditions set forth in, the Offer to Purchase. The tender offers are subject to the satisfaction or waiver of certain conditions set forth in the Offer to Purchase, and, therefore, we cannot assure you that the tender offers will be consummated in accordance with their terms, or at all, or that a significant principal amount of the debt securities subject to the tender offers will be tendered and purchased thereunder. This offering is not conditioned upon the consummation of the tender offers.

If the tender offers are not consummated, or if there are proceeds from this offering remaining after consummation of the tender offers, we intend to use the remaining net proceeds from this offering to repurchase or repay certain of our outstanding debt securities to be determined by management through open market purchases or otherwise, or for general corporate purposes. Our management will determine the allocation and timing of the application of such remaining net proceeds in light of market conditions and other relevant factors. Pending final use, we may invest the net proceeds from this offering in short-term investment grade, interest-bearing securities.

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CAPITALIZATION

The following table sets forth our unaudited cash and cash equivalents and capitalization as of June 30, 2009:

on an as reported basis;

on a pro forma basis to reflect the completion of our acquisition of Embarq on July 1, 2009 (the Embarq acquisition); and

on an as adjusted basis to reflect the combined effects of the completion of (i) the Embarq acquisition and (ii) this offering and the tender offers to the extent described in note (2) to such table.

You should read the following table in conjunction with Use of Proceeds herein and our consolidated financial statements and the notes thereto, and our pro forma combined financial information, each incorporated by reference into this prospectus supplement and the accompanying prospectus.

	As of June 30, 2009		
	Actual	Pro forma(1)	As adjusted(2)
	(unaudited; dollars in millions)		
Cash and cash equivalents	$ 59	$ 136	$ 136
Long-term debt:			
CenturyTel revolving credit facility	$ 179	$ 179	$ 329
Embarq revolving credit facility		50	50
CenturyTel and Embarq senior notes and debentures(3)	2,625	7,110	6,310
Notes offered hereby			650
Subsidiary debt (other than Embarq)	101	624	624
Net unamortized discount	(6)	(6)	(6)
Unamortized premium associated with derivative instruments	21	21	21
Subtotal	2,920	7,978	7,978
Adjustment to fair value due to application of SFAS 141R(4)			