



MERGER UPDATE



Progress continues

CenturyTel and EMBARQ planning successful merger for customers

The proposed merger of CenturyTel and EMBARQ was announced in late October 2008. Integration planning continues, focused on delivering benefits for customers, employees and the communities we serve. This update highlights progress to date on the approval process and recent company announcements.

KEY APPROVALS GRANTED

State

- ◆ Approvals have been received in 13 states: California, Florida, Georgia, Illinois, Louisiana, Minnesota, Mississippi, Nebraska, Nevada, Ohio, Oregon, Tennessee and Virginia.
- ◆ Only two of the 33 states requiring approval are still in the process of approving the merger.

"With the approval of the California, Oregon and Virginia regulatory authorities, we take an important step toward completing this transaction," said Glen F. Post III, CenturyTel's chairman and chief executive officer. "We look forward to closing this merger and realizing the considerable benefits of this combination for our customers, employees and shareholders in the months ahead."

"We are pleased to have received regulatory approval from these three additional states," said Tom Gerke, EMBARQ's chief executive officer. "We will continue to work diligently to obtain the remaining needed approvals for this transaction and our efforts remain on track."

Shareholders

- ◆ Both companies' shareholders overwhelmingly voted to approve the merger on January 27, 2009.

Federal

- ◆ The companies are working toward final approval of the merger with the FCC. Company executives have held briefings with key members of the FCC and Congress.
- ◆ The DoJ/ FTC determined that the merger poses no competitive concerns and granted early termination of the Hart Scott Rodino waiting period in November 2008.

REGIONS

Regional leaders are listed below and have profit and loss (P&L) responsibility within their respective regions.

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| ◆ Western region, Terry Beeler
<i>Includes California, Colorado, Idaho, Montana, Nebraska, Nevada, New Mexico, Oregon, Washington and Wyoming</i> | ◆ North-East region, Duane Ring
<i>Includes Illinois, Indiana, Iowa, Michigan, Minnesota, New Jersey, Ohio, Pennsylvania, and Wisconsin</i> |
| ◆ South-Central region, Kenny Wyatt
<i>Includes Arkansas, Kansas, Louisiana, Mississippi, Missouri, Oklahoma and Texas</i> | ◆ Mid-Atlantic region, Todd Schafer
<i>Includes Georgia, North Carolina, South Carolina, Tennessee and Virginia</i> |
| ◆ Southern region, Dana Chase
<i>Includes Alabama and Florida</i> | |

QUICK FACTS as of March 31, 2008

- ◆ Nearly 7.5 million access lines, including nearly 17,000 miles of fiber in the core network
- ◆ More than two million broadband and 400,000 video subscribers