

## **CenturyTel, EMBARQ Complete Merger**

### **Serves Approximately 7.5 Million Customers in 33 States; Expects \$400 Million in Annual Synergies**

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CenturyTel, Inc. (NYSE: CTL) and Embarq Corporation (NYSE: EQ) announced July 1 that they have completed their merger. The combined company, which will be known as CenturyLink, serves more than 2.1 million broadband customers, more than 440,000 video subscribers and approximately 7.5 million access lines in 33 states, based on operating results as of March 31, 2009.

"The completion of this merger is a significant event for our customers, communities, investors and employees," said Glen F. Post III, president and chief executive officer. "CenturyLink has the advanced networks, the people and the financial stability to deliver the reliable and innovative services that our customers want and need. We look forward to this exciting new chapter in our company's history."

CenturyLink expects to generate annual full run-rate operating and capital synergies of approximately \$400 million by 2011. Based on this synergy level and operating results of the two companies for the twelve months ended Dec. 31, 2008, CenturyTel would have had combined revenue of more than \$8 billion, combined operating cash flow of over \$4.2 billion and combined free cash flow of approximately \$1.9 billion. The company expects to continue its current annual dividend of \$2.80 per share. The company anticipates the combination to be accretive to free cash flow per share in 2010, the first full year post-closing. All figures and statements in this paragraph exclude the impact of one-time integration costs.

In accordance with the terms of the Merger Agreement, EMBARQ stockholders received 1.37 CenturyTel shares for each share of EMBARQ common stock they owned at closing. The transaction was structured as a tax-free stock-for-stock exchange. Other than assuming EMBARQ's existing debt, the combined company has incurred neither any incremental debt nor any change to debt maturity schedules.

While the company's corporate identity will immediately change to CenturyLink, customer-facing operations and communications will continue under the CenturyTel and EMBARQ brand names until a full brand conversion occurs later this year. The company intends to formally change its name to "CenturyLink, Inc." upon receipt of shareholder approval, which it expects to solicit in May 2010. The company's stock continues to trade on the New York Stock Exchange under the ticker symbol "CTL."

The corporate headquarters of the company will remain in Monroe, La. Regional operating headquarters will be located in Las Vegas, Nev., Wentzville, Mo., Orlando, Fla., Wake Forest, N.C., and La Crosse, Wis. The company also maintains a significant presence in the Overland Park, Kan. area, the former location of EMBARQ's corporate headquarters.

Todd Schafer, former vice president for the CenturyTel Southern Region, has been named region leader for the combined company overseeing the five states which make up the Mid-Atlantic Region: North Carolina, South Carolina, Georgia, Virginia, and Tennessee.

"This is a great day for our customers and employees. As a combined company, we've made a commitment to focus on our network, our customer service and each and every community we serve," said Schafer. "We have a passion for meeting the needs of our customers. Not only will we continue to provide the same outstanding level of service our customers have come to expect but soon we'll offer new products and services that they want and need."

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