

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) July 31, 2003

CenturyTel, Inc.

(Exact name of registrant as specified in its charter)

Louisiana
(State or other
jurisdiction of
incorporation)

1-7784
(Commission File
Number)

72-0651161
(IRS Employer
Identification No.)

100 CenturyTel Drive, Monroe, Louisiana
(Address of principal executive offices)

71203
(Zip Code)

Registrant's telephone number, including area code (318) 388-9000

ITEM 12. Results of Operations and Financial Condition

The following information, except for our forecasts for the upcoming quarter and for 2003 and except for our references to non-GAAP financial measures (as defined in Regulation G promulgated by the Securities and Exchange Commission), shall be deemed incorporated by reference into any registration statement heretofore or hereafter filed by us under the Securities Act of 1933, as amended, except to the extent that such incorporated information is superseded by information as of a subsequent date that is included in or incorporated by reference into any such registration statement. None of the following information shall be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended.

On July 31, 2003, we issued a press release announcing our second quarter 2003 consolidated operating results. More complete information on our operating results will be included in our Quarterly Report on Form 10-Q for the period ended June 30, 2003, which we expect to file shortly with the Securities and Exchange Commission. The entire text of our July 31, 2003 press release is reproduced below:

FOR IMMEDIATE RELEASE
July 31, 2003

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CenturyTel Reports Second Quarter Earnings; Increases 2003 EPS Guidance

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

- o Revenues from continuing operations increased 34.5% from second quarter 2002 to \$590.1 million.
- o Operating Cash Flow (OCF), defined as operating income plus depreciation and amortization, excluding nonrecurring items, rose to \$305.2 million, an increase of 39.7%.
- o Net income, excluding nonrecurring items, grew 1.5% to \$87.4 million. Reported under GAAP, net income grew 10.9% to \$87.4 million from \$78.8 million.
- o Diluted earnings per share, excluding nonrecurring items, were \$.60 in both periods, while GAAP diluted earnings per share increased 9.1% to \$.60 from \$.55.

o Free cash flow, excluding nonrecurring items, climbed to \$109.6 million from \$60.5 million.

Second Quarter Highlights (1)

(In thousands, except per share and customer amounts)	Quarter Ended 06/30/03 (2)	Quarter Ended 06/30/02	% Change
Revenues from continuing operations	\$ 590,148	\$ 438,702	34.5%
OCF from continuing operations	\$ 305,186	\$ 218,535 (3)	39.7%
Income from continuing operations	\$ 87,367	\$ 48,821 (3)	79.0%
Net Income	\$ 87,367	\$ 86,102	1.5%
Diluted Earnings Per Share from continuing operations	\$.60	\$.34	76.5%
Diluted Earnings Per Share	\$.60	\$.60	—%
Average Diluted Shares Outstanding	144,475	142,705	1.2%
Telephone Revenues	\$ 514,972	\$ 380,499	35.3%
Other Operations Revenues	\$ 75,176	\$ 58,203	29.2%
Telephone Access Lines	2,403,347	1,795,180	33.9%
Long Distance Customers	720,358	536,394	34.3%

(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.

(2) Reflects the acquisition of access lines in third quarter 2002 that generated approximately \$127.7 million of telephone revenues during second quarter 2003.

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

"CenturyTel's results for the second quarter reflect continuing demand for communications services in rural markets and smaller cities where CenturyTel offers bundled services including local, local distance and broadband," Glen F. Post, III, chairman and chief executive officer, said. "Our 29.2% increase in revenues from Other Operations primarily reflects the continued strong growth in our long distance and Internet operations."

Consolidated revenues from continuing operations for the second quarter rose 34.5% to \$590.1 million from \$438.7 million. Operating cash flow from continuing operations, excluding nonrecurring items, grew to \$305.2 million from \$218.5 million, a 39.7% increase. The Company achieved a consolidated cash flow margin of 51.7% for the quarter. Income from continuing operations for the quarter, excluding nonrecurring items, increased 79.0% to \$87.4 million from \$48.8 million in second quarter 2002, primarily due to contributions from the properties acquired from Verizon in third quarter 2002. Diluted earnings per share from continuing operations, excluding nonrecurring items, increased 76.5% to \$.60 from \$.34. Diluted earnings per share, excluding nonrecurring items, were \$.60 in both second quarter 2003 and 2002. The wireless business sold by the Company in August 2002 contributed \$.26 to second quarter 2002 earnings per share, including \$.05 related to discontinuation of depreciation on the assets held for sale.

Telephone revenues for second quarter reached \$515.0 million, a 35.3% increase over \$380.5 million in second quarter 2002. Increases in telephone revenues and telephone operating expenses were primarily due to the Verizon acquisitions in third quarter 2002. In our legacy markets, growth in vertical services and increased revenue from rate increases more than offset declines in access and toll revenues. Telephone operating income, excluding nonrecurring items, increased 46.2% to \$173.6 million from \$118.7 million, and telephone operating cash flow, excluding nonrecurring items, rose 36.9% to \$285.9 million from \$208.9 million a year ago. CenturyTel's second quarter 2003 telephone cash flow margin was 55.5% while the operating income margin was 33.7%.

Other operations revenues grew 29.2% to \$75.2 million during second quarter 2003, compared with \$58.2 million in second quarter 2002. CenturyTel's long distance revenues increased 25.4% to \$43.2 million. CenturyTel now serves more than 720,000 long distance customers and nearly 68,000 DSL customers, adding more than 30,800 and 7,300 customers, respectively, during the quarter. Internet revenues increased 35.0% to \$19.9 million in second quarter 2003 from \$14.7 million in second quarter 2002. CenturyTel CLEC revenues were \$5.1 million for second quarter 2003.

"Through the first half of 2003, we generated free cash flow of nearly \$250 million. Our strong cash flow and solid balance sheet provide us the flexibility to respond to opportunities and challenges as they arise," Post said.

Under generally accepted accounting principles (GAAP), the Company reported a 10.9% increase in net income to \$87.4 million and a 9.1% increase in diluted earnings per share reaching \$.60 for second quarter 2003, compared to \$78.8 million and \$.55 per diluted share, respectively, in second quarter 2002. Net income in second quarter 2002 included a nonrecurring \$15 million pre-tax (\$9.8 million after-tax) charge related to a reserve for uncollectible revenues primarily from WorldCom and a nonrecurring \$2.4 million after-tax gain on the sale of a PCS license.

For the first six months of 2003, revenues from continuing operations increased to \$1.171 billion from \$861.6 million for the same period in 2002, a 35.9% increase. Operating cash flow from continuing operations, excluding nonrecurring items, was \$603.0 million for the first half of 2003 compared to \$429.8 million a year ago, a 40.3% increase. Income from continuing operations, excluding nonrecurring items, increased 79.0% to \$168.1 million from \$93.9 million in 2002.

For the third quarter 2003, CenturyTel expects total revenues of \$590 to \$605 million and diluted earnings per share of \$.55 to \$.60. For the full year 2003, diluted earnings per share is expected to be in the range of \$2.28 to \$2.34, increased from our previous guidance of \$2.14 to \$2.22. The increase in 2003 earnings per share guidance is driven by the financial results for second quarter exceeding our expectations, the anticipated impact of stronger telephone revenues and lower total expenses than originally forecast for second half 2003, and the contribution from LightCore, which operates the fiber assets acquired from Digital Teleport, Inc. in June 2003.

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 readers in their understanding of period-to-period operating performance. Reconciliations of non-GAAP financial measures to the most comparable GAAP measures are included in the attached financial statements. 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.

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 July 31, 2003. The Company undertakes no obligation to update any of its forward-looking statements for any reason.

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 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 JUNE 30, 2003 AND 2002
(UNAUDITED)

	Three months ended June 30, 2003			Three months ended June 30, 2002				
	As reported	Less non-recurring items	As adjusted excluding non-recurring items	As reported	Less non-recurring items	As adjusted excluding non-recurring items	Increase (decrease) as reported	Increase (decrease) excluding non-recurring items
In thousands, except per share amounts								
TELEPHONE OPERATIONS								
Operating revenues								
Local service	\$ 189,264	-	189,264	125,357	-	125,357	51.0%	51.0%
Network access	280,827	-	280,827	220,702	-	220,702	27.2%	27.2%

Other	44,881	-	44,881	34,440	-	34,440	30.3%	30.3%
	514,972	-	514,972	380,499	-	380,499	35.3%	35.3%
Operating expenses								
Plant operations	125,951	-	125,951	96,147	-	96,147	31.0%	31.0%
Customer operations	42,243	-	42,243	32,385	-	32,385	30.4%	30.4%
Corporate and other	60,899	-	60,899	58,099	15,000 (1)	43,099	4.8%	41.3%
Depreciation and amortization	112,297	-	112,297	90,159	-	90,159	24.6%	24.6%
	341,390	-	341,390	276,790	15,000	261,790	23.3%	30.4%
Telephone operating income	173,582	-	173,582	103,709	(15,000)	118,709	67.4%	46.2%
OTHER OPERATIONS								
Operating revenues								
Long distance	43,201	-	43,201	34,462	-	34,462	25.4%	25.4%
Internet	19,850	-	19,850	14,706	-	14,706	35.0%	35.0%
Other	12,125	-	12,125	9,035	-	9,035	34.2%	34.2%
	75,176	-	75,176	58,203	-	58,203	29.2%	29.2%
Operating expenses								
Cost of sales and other	55,869	-	55,869	43,402	-	43,402	28.7%	28.7%
Depreciation and amortization	4,508	-	4,508	3,845	-	3,845	17.2%	17.2%
	60,377	-	60,377	47,247	-	47,247	27.8%	27.8%
Other operating income	14,799	-	14,799	10,956	-	10,956	35.1%	35.1%
Corporate overhead costs allocable to discontinued operations	-	-	-	(5,134)	-	(5,134)	(100.0%)	(100.0%)
TOTAL OPERATING INCOME	188,381	-	188,381	109,531	(15,000)	124,531	72.0%	51.3%
OTHER INCOME (EXPENSE)								
Interest expense	(55,957)	-	(55,957)	(54,157)	-	(54,157)	3.3%	3.3%
Income from unconsolidated cellular entity	1,590	-	1,590	1,960	-	1,960	(18.9%)	(18.9%)
Nonrecurring gains and losses	-	-	-	3,709	3,709 (2)	-	(100.0%)	-%
Other income and expense	974	-	974	2,485	-	2,485	(60.8%)	(60.8%)
Income tax expense	(47,621)	-	(47,621)	(22,046)	3,952 (3)	(25,998)	116.0%	83.2%
INCOME FROM CONTINUING OPERATIONS	87,367	-	87,367	41,482	(7,339)	48,821	110.6%	79.0%
DISCONTINUED OPERATIONS, NET OF TAX	-	-	-	37,281	-	37,281	(100.0%)	(100.0%)
NET INCOME	\$ 87,367	-	87,367	78,763	(7,339)	86,102	10.9%	1.5%
BASIC EARNINGS PER SHARE								
From continuing operations	\$ 0.61	-	0.61	0.29	(0.05)	0.34	110.3%	79.4%
From discontinued operations	\$ -	-	-	0.26	-	0.26	(100.0%)	(100.0%)
Basic earnings per share	\$ 0.61	-	0.61	0.56	(0.05)	0.61	8.9%	-%
DILUTED EARNINGS PER SHARE								
From continuing operations	\$ 0.60	-	0.60	0.29	(0.05)	0.34	106.9%	76.5%
From discontinued operations	\$ -	-	-	0.26	-	0.26	(100.0%)	(100.0%)
Diluted earnings per share	\$ 0.60	-	0.60	0.55	(0.05)	0.60	9.1%	-%
SHARES OUTSTANDING								
Basic	143,329		143,329	141,243		141,243	1.5%	1.5%
Diluted	144,475		144,475	142,705		142,705	1.2%	1.2%
DIVIDENDS PER COMMON SHARE	\$ 0.0550		0.0550	0.0525		0.0525	4.8%	4.8%

NONRECURRING ITEMS

(1) - Reserve for uncollectible receivables, primarily WorldCom

(2) - Gain on sale of PCS license

(3) - Tax effect of items (1) and (2)

CenturyTel, Inc.
CONSOLIDATED STATEMENTS OF INCOME
SIX MONTHS ENDED JUNE 30, 2003 AND 2002
(UNAUDITED)

	Six months ended June 30, 2003			Six months ended June 30, 2002				
In thousands, except per share amounts	As reported	Less non- recurring items	As adjusted excluding non- recurring items	As reported	Less non- recurring items	As adjusted excluding non- recurring items	Increase (decrease) as reported	Increase (decrease) excluding nonrecurring items
TELEPHONE OPERATIONS								
Operating revenues								
Local service	\$ 376,648	-	376,648	249,234	-	249,234	51.1%	51.1%
Network access	558,808	-	558,808	437,278	-	437,278	27.8%	27.8%
Other	90,894	-	90,894	66,718	-	66,718	36.2%	36.2%
	1,026,350	-	1,026,350	753,230	-	753,230	36.3%	36.3%
Operating expenses								
Plant operations	248,489	-	248,489	187,233	-	187,233	32.7%	32.7%
Customer operations	82,967	-	82,967	62,323	-	62,323	33.1%	33.1%
Corporate and other	123,353	(4,959) (1)	128,312	102,495	15,000 (3)	87,495	20.4%	46.7%
Depreciation and amortization	225,584	-	225,584	179,502	-	179,502	25.7%	25.7%
	680,393	(4,959)	685,352	531,553	15,000	516,553	28.0%	32.7%
Telephone operating income	345,957	4,959	340,998	221,677	(15,000)	236,677	56.1%	44.1%
OTHER OPERATIONS								
Operating revenues								
Long distance	85,761	-	85,761	66,279	-	66,279	29.4%	29.4%
Internet	37,876	-	37,876	27,267	-	27,267	38.9%	38.9%
Other	20,691	-	20,691	14,844	-	14,844	39.4%	39.4%
	144,328	-	144,328	108,390	-	108,390	33.2%	33.2%
Operating expenses								
Cost of sales and other	107,912	-	107,912	84,826	-	84,826	27.2%	27.2%
Depreciation and amortization	9,219	-	9,219	6,729	-	6,729	37.0%	37.0%
	117,131	-	117,131	91,555	-	91,555	27.9%	27.9%
Other operating income	27,197	-	27,197	16,835	-	16,835	61.6%	61.6%
Corporate overhead costs allocable to discontinued operations	-	-	-	(9,932)	-	(9,932)	(100.0%)	(100.0%)
TOTAL OPERATING INCOME	373,154	4,959	368,195	228,580	(15,000)	243,580	63.2%	51.2%
OTHER INCOME (EXPENSE)								
Interest expense	(111,549)	-	(111,549)	(104,805)	-	(104,805)	6.4%	6.4%
Income from unconsolidated cellular entity	3,159	-	3,159	2,360	-	2,360	33.9%	33.9%
Nonrecurring gains and losses	-	-	-	3,709	3,709 (4)	-	(100.0%)	-%
Other income and expense	42	-	42	217	(3,000) (5)	3,217	(80.6%)	(98.7%)
Income tax expense	(93,520)	(1,736) (2)	(91,784)	(45,462)	5,002 (6)	(50,464)	105.7%	81.9%
INCOME FROM CONTINUING OPERATIONS	171,286	3,223	168,063	84,599	(9,289)	93,888	102.5%	79.0%
DISCONTINUED OPERATIONS, NET OF TAX	-	-	-	64,931	-	64,931	(100.0%)	(100.0%)
NET INCOME	\$ 171,286	3,223	168,063	149,530	(9,289)	158,819	14.5%	5.8%

BASIC EARNINGS PER SHARE									
From continuing operations	\$	1.20	0.02	1.17	0.60	(0.07)	0.66	100.0%	77.3%
From discontinued operations	\$	-	-	-	0.46	-	0.46	(100.0%)	(100.0%)
Basic earnings per share	\$	1.20	0.02	1.17	1.06	(0.07)	1.12	13.2%	4.5%
DILUTED EARNINGS PER SHARE									
From continuing operations	\$	1.19	0.02	1.17	0.59	(0.07)	0.66	101.7%	77.3%
From discontinued operations	\$	-	-	-	0.46	-	0.46	(100.0%)	(100.0%)
Diluted earnings per share	\$	1.19	0.02	1.17	1.05	(0.07)	1.11	13.3%	5.4%
SHARES OUTSTANDING									
Basic		143,109		143,109	141,136		141,136	1.4%	1.4%
Diluted		144,136		144,136	142,679		142,679	1.0%	1.0%
DIVIDENDS PER COMMON SHARE									
	\$	0.1100		0.1100	0.1050		0.1050	4.8%	4.8%

NONRECURRING ITEMS

- (1) - Partial recovery of amounts previously written off in connection with WorldCom bankruptcy
- (2) - Tax effect of item (1)
- (3) - Reserve for uncollectible receivables, primarily WorldCom
- (4) - Gain on sale of PCS license
- (5) - Costs to defend unsolicited takeover proposal
- (6) - Tax effect of items (3) through (5)

CenturyTel, Inc. CONSOLIDATED BALANCE SHEETS JUNE 30, 2003 AND DECEMBER 31, 2002 (UNAUDITED)

	June 30, 2003	Dec. 31, 2002
	-----	-----
	(in thousands)	
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 24,322	3,661
Other current assets	258,416	292,241
	-----	-----
Total current assets	282,738	295,902
	-----	-----
PROPERTY, PLANT AND EQUIPMENT		
Telephone	6,467,310	6,347,900
Other	550,938	521,292
Accumulated depreciation	(3,544,565)	(3,337,547)
	-----	-----
Net property, plant and equipment	3,473,683	3,531,645
	-----	-----
INVESTMENTS AND OTHER ASSETS		
Goodwill	3,428,699	3,427,281
Other	507,928	515,580
	-----	-----
Total investments and other assets	3,936,627	3,942,861
	-----	-----
TOTAL ASSETS	\$ 7,693,048	7,770,408
	=====	=====
LIABILITIES AND EQUITY		
CURRENT LIABILITIES		
Current maturities of long-term debt	\$ 118,941	70,737
Other current liabilities	400,591	317,367
	-----	-----
Total current liabilities	519,532	388,104
	-----	-----
LONG-TERM DEBT	3,137,772	3,578,132
DEFERRED CREDITS AND OTHER LIABILITIES	765,220	716,168
STOCKHOLDERS' EQUITY	3,270,524	3,088,004
	-----	-----
TOTAL LIABILITIES AND EQUITY	\$ 7,693,048	7,770,408
	-----	-----

CAPITAL EXPENDITURES
SIX MONTHS ENDED JUNE 30, 2003 AND 2002

	Six months ended June 30, 2003	2002	Increase (decrease)
	-----	-----	-----
	(in thousands)		
CAPITAL EXPENDITURES			
Telephone	\$ 131,398	145,822	(9.9%)
Wireless (discontinued operations)	-	20,264	(100.0%)
Other	22,860	33,212	(31.2%)
	-----	-----	
Total capital expenditures	\$ 154,258	199,298	(22.6%)
	=====	=====	

CAPITAL EXPENDITURES
THREE MONTHS ENDED JUNE 30, 2003 AND 2002

	Three months ended June 30, 2003	2002	Increase (decrease)
	-----	-----	-----
	in thousands)		
CAPITAL EXPENDITURES			
Telephone	\$ 77,888	78,284	(0.5%)
Wireless (discontinued operations)	-	14,127	(100.0%)
Other	16,701	27,218	(38.6%)
	-----	-----	
Total capital expenditures	\$ 94,589	119,629	(20.9%)
	=====	=====	

CenturyTel, Inc.
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES
(UNAUDITED)

	Three months ended June 30, 2003			Three months ended June 30, 2002		
	As reported	Less non-recurring items	As adjusted excluding non-recurring items	As reported	Less non-recurring items	As adjusted excluding non-recurring items
	-----	-----	-----	-----	-----	-----
Consolidated operating cash flow from continuing operations and cash flow margin						
Operating income	188,381	-	188,381	109,531	(15,000) (1)	124,531
Add: Depreciation and amortization	116,805	-	116,805	94,004	-	94,004
	-----	-----	-----	-----	-----	-----
Consolidated operating cash flow from continuing operations	\$ 305,186	-	305,186	203,535	(15,000)	218,535
	=====	=====	=====	=====	=====	=====
Revenues from continuing operations	\$ 590,148	-	590,148	438,702	-	438,702
	=====	=====	=====	=====	=====	=====
Consolidated cash flow margin (operating cash flow divided by revenues)	51.7%		51.7%	46.4%		49.8%
	=====		=====	=====		=====
Telephone operating cash flow, operating income margin and cash flow margin						
Telephone operating income	\$ 173,582	-	173,582	103,709	(15,000) (1)	118,709
Add: Depreciation and amortization	112,297	-	112,297	90,159	-	90,159
	-----	-----	-----	-----	-----	-----
Telephone operating cash flow	\$ 285,879	-	285,879	193,868	(15,000)	208,868
	=====	=====	=====	=====	=====	=====
Telephone revenues	\$ 514,972	-	514,972	380,499	-	380,499
	=====	=====	=====	=====	=====	=====
Telephone operating income margin (operating income divided by revenues)	33.7%		33.7%	27.3%		31.2%
	=====		=====	=====		=====
Telephone cash flow margin (operating cash flow divided by revenues)	55.5%		55.5%	51.0%		54.9%
	=====		=====	=====		=====
Other Operations operating cash flow, operating income margin and cash flow margin						

Other Operations operating income	\$ 14,799	-	14,799	10,956	-	10,956
Add: Depreciation and amortization	4,508	-	4,508	3,845	-	3,845
	-----	-----	-----	-----	-----	-----
Other Operations operating cash flow	\$ 19,307	-	19,307	14,801	-	14,801
	=====	=====	=====	=====	=====	=====
Other Operations revenues	\$ 75,176	-	75,176	58,203	-	58,203
	=====	=====	=====	=====	=====	=====
Other Operations operating income margin (operating income divided by revenues)	19.7%		19.7%	18.8%		18.8%
	=====		=====	=====		=====
Other Operations cash flow margin (operating cash flow divided by revenues)	25.7%		25.7%	25.4%		25.4%
	=====		=====	=====		=====
Free cash flow (prior to debt service requirements)						
Net income	\$ 87,367	-	87,367	78,763	(7,339) (2)	86,102
Add: Depreciation and amortization	116,805	-	116,805	94,004	-	94,004
Less: Capital expenditures (3)	(94,589)	-	(94,589)	(119,629)	-	(119,629)
	-----	-----	-----	-----	-----	-----
Free cash flow	\$ 109,583	-	109,583	53,138	(7,339)	60,477
	=====	=====	=====	=====	=====	=====
Free cash flow	\$ 109,583			53,138		
Income from discontinued operations, net of tax	-			(37,281)		
Nonrecurring gains and losses	-			(3,709)		
Income from unconsolidated cellular entity	(1,590)			(1,960)		
Deferred income taxes	34,339			14,653		
Changes in current assets and current liabilities	11,017			5,137		
Increase in other noncurrent assets	(4,750)			(9,305)		
Increase in other noncurrent liabilities	4,585			10,088		
Other, net	11,999			10,003		
Add: capital expenditures	94,589			119,629		
	-----			-----		
Net cash provided by operating activities from continuing operations	\$ 259,772			160,393		
	=====			=====		

(1) Reserve for uncollectible receivables, primarily WorldCom

(2) Reserve for uncollectible receivables, primarily WorldCom (\$9.8 million after tax), net of gain on sale of PCS license (\$2.4 million after tax)

(3) Includes discontinued operations for 2002

CenturyTel, Inc.
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES
(UNAUDITED)

	Six months ended June 30, 2003			Six months ended June 30, 2002		
	As reported	Less non-recurring items	As adjusted excluding non-recurring items	As reported	Less non-recurring items	As adjusted excluding non-recurring items
	-----	-----	-----	-----	-----	-----
Consolidated operating cash flow from continuing operations and cash flow margin						
Operating income	373,154	4,959 (1)	368,195	228,580	(15,000) (2)	243,580
Add: Depreciation and amortization	234,803	-	234,803	186,231	-	186,231
	-----	-----	-----	-----	-----	-----
Consolidated operating cash flow from continuing operations	\$ 607,957	4,959	602,998	414,811	(15,000)	429,811
	=====	=====	=====	=====	=====	=====
Revenues from continuing operations	\$ 1,170,678	-	1,170,678	861,620	-	861,620
	=====	=====	=====	=====	=====	=====
Consolidated cash flow margin (operating cash flow divided by revenues)	51.9%		51.5%	48.1%		49.9%
	=====		=====	=====		=====
Telephone operating cash flow, operating income margin and cash flow margin						
Telephone operating income	\$ 345,957	4,959 (1)	340,998	221,677	(15,000) (2)	236,677
Add: Depreciation and amortization	225,584	-	225,584	179,502	-	179,502
	-----	-----	-----	-----	-----	-----
Telephone operating cash flow	\$ 571,541	4,959	566,582	401,179	(15,000)	416,179
	=====	=====	=====	=====	=====	=====

Telephone revenues	\$ 1,026,350	-	1,026,350	753,230	-	753,230
	=====	=====	=====	=====	=====	=====
Telephone operating income margin (operating income divided by revenues)	33.7%		33.2%	29.4%		31.4%
	=====		=====	=====		=====
Telephone cash flow margin (operating cash flow divided by revenues)	55.7%		55.2%	53.3%		55.3%
	=====		=====	=====		=====
Other Operations operating cash flow, operating income margin and cash flow margin						
Other Operations operating income	\$ 27,197	-	27,197	16,835	-	16,835
Add: Depreciation and amortization	9,219	-	9,219	6,729	-	6,729
	-----	-----	-----	-----	-----	-----
Other Operations operating cash flow	\$ 36,416	-	36,416	23,564	-	23,564
	=====	=====	=====	=====	=====	=====
Other Operations revenues	\$ 144,328	-	144,328	108,390	-	108,390
	=====	=====	=====	=====	=====	=====
Other Operations operating income margin (operating income divided by revenues)	18.8%		18.8%	15.5%		15.5%
	=====		=====	=====		=====
Other Operations cash flow margin (operating cash flow divided by revenues)	25.2%		25.2%	21.7%		21.7%
	=====		=====	=====		=====
Free cash flow (prior to debt service requirements)						
Net income	\$ 171,286	3,223 (1)	168,063	149,530	(9,289) (3)	158,819
Add: Depreciation and amortization (4)	234,803	-	234,803	199,125	-	199,125
Less: Capital expenditures (4)	(154,258)	-	(154,258)	(199,298)	-	(199,298)
	-----	-----	-----	-----	-----	-----
Free cash flow	\$ 251,831	3,223	248,608	149,357	(9,289)	158,646
	=====	=====	=====	=====	=====	=====
Free cash flow	\$ 251,831			149,357		
Income from discontinued operations, net of tax	-			(64,931)		
Less: depreciation and amortization of discontinued operations	-			(12,894)		
Nonrecurring gains and losses	-			(3,709)		
Income from unconsolidated cellular entity	(3,159)			(2,360)		
Deferred income taxes	43,841			29,259		
Changes in current assets and current liabilities	115,943			72,036		
Increase in other noncurrent assets	(11,501)			(14,408)		
Increase in other noncurrent liabilities	8,324			12,393		
Other, net	19,536			14,256		
Add: capital expenditures	154,258			199,298		
	-----			-----		
Net cash provided by operating activities from continuing operations	\$ 579,073			378,297		
	=====			=====		

(1) Partial recovery of amounts previously written off in connection with WorldCom bankruptcy (presented on both a pre-tax and after-tax basis)

(2) Reserve for uncollectible receivables, primarily WorldCom

(3) Includes unfavorable charges for reserve for uncollectible receivables, primarily WorldCom (\$9.8 million after tax) and costs to defend unsolicited takeover proposal (\$2.0 million after tax), partially offset by gain on sale of PCS license (\$2.4 million after tax)

(4) Includes discontinued operations for 2002

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

CenturyTel, Inc.

July 31, 2003

By: /s/ Neil A. Sweasy

Neil A. Sweasy

Vice President and Controller