

CENTURYTEL INC
Form 424B3
March 17, 2003

Filed pursuant to Rule 424(b)(3)
Registration No. 333-100481

PROSPECTUS SUPPLEMENT NO. 1 TO PROSPECTUS DATED FEBRUARY 10, 2003

\$165,000,000

4.75% Convertible Senior Debentures, Series K, due 2032
and Shares of Common Stock Issuable upon Conversion of the Debentures

This prospectus supplement relates to the resale by the selling securityholders listed below of our 4.75% Convertible Senior Debentures, Series K, due 2032 and shares of our common stock issuable upon conversion of the debentures. You should read this prospectus supplement together with the prospectus dated February 10, 2003, which is to be delivered with this prospectus supplement.

Investing in our debentures or shares of our common stock involves risks. See "Risk Factors" beginning on page 9 of the prospectus.

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

The date of this prospectus supplement is March 17, 2003.

SELLING SECURITYHOLDERS

The information in the table below updates and supersedes the information appearing in the table in the section entitled "Selling Securityholders" beginning on page 39 of the prospectus.

| Name | Aggregate Principal Amount of Debentures that May be Sold | Percentage of Debentures Outstanding | Number of Shares of Common Stock Covered by the | |
|---|---|---|---|--|
| | | | Prospectus ⁽¹⁾ | |
| Advisory Convertible Arbitrage Fund (I) L.P. | \$1,000,000 | * | 24,718 | |
| Allstate Life Insurance Company | \$2,000,000 | 1.2% | 49,437 | |
| American Fidelity Assurance Company | \$350,000 | * | 8,651 | |
| Amerisure Mutual Insurance Co. | \$485,000 | * | 11,988 | |
| Attorney s Title Insurance Fund | \$50,000 | * | 1,235 | |

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|--|-------------|--|------|--------|
| Aventis Pension Master Trust | \$125,000 | | * | 3,089 |
| Banc of America Securities LLC | \$3,527,000 | | 2.1% | 87,183 |
| Bank Austria Cayman Islands, Ltd. | \$2,380,000 | | 1.4% | 58,830 |
| Boilermaker - Blacksmith Pension Trust | \$565,000 | | * | 13,966 |
| CC Investments, LDC | \$2,000,000 | | 1.2% | 49,437 |
| CareFirst Blue Choice, Inc. | \$125,000 | | * | 3,089 |
| CareFirst of Maryland, Inc. | \$350,000 | | * | 8,651 |
| City of Birmingham Retirement & Relief System | \$475,000 | | * | 11,741 |
| City of Knoxville Pension System | \$175,000 | | * | 4,325 |
| Clinton Convertible Managed Tracking Account 1 Limited | \$250,000 | | * | 6,179 |

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| Name | Aggregate Principal Amount of Debentures that May be Sold | Percentage of Debentures Outstanding | Number of Shares of Common Stock Covered by the | |
|---|---|---|---|--|
| | | | Prospectus ⁽¹⁾ | |
| Clinton Riverside Convertible Portfolio Limited | \$1,375,000 | * | 33,988 | |
| Clinton Multistrategy Master Fund, Ltd. | \$1,375,000 | * | 33,988 | |
| Convertible Securities Fund | \$100,000 | * | 2,471 | |
| D. E. Shaw Investment Group, L.P. | \$500,000 | * | 12,359 | |
| D. E. Shaw Valence Portfolios, L.P. | \$2,000,000 | 1.2% | 49,437 | |
| Delta Pilots Disability and Survivorship Trust | \$225,000 | * | 5,561 | |
| Dorinco Reinsurance Company | \$325,000 | * | 8,033 | |
| Freestate Health Plan, Inc. | \$75,000 | * | 1,853 | |
| Genesee County Employees Retirement System | \$250,000 | * | 6,179 | |
| Goldman, Sachs & Co. Profit Sharing Master Trust | \$51,000 | * | 1,260 | |
| Greek Catholic Union of the USA | \$100,000 | * | 2,471 | |

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|--|--------------|--|-------|---------|
| Group Hospitalization and Medical Services, Inc. | \$400,000 | | * | 9,887 |
| HFR CA Select Fund | \$600,000 | | * | 14,831 |
| HSBC Trustee, Zola Managed Trust | \$725,000 | | * | 17,921 |
| HealthNow New York, Inc. | \$100,000 | | * | 2,471 |
| Highbridge International LLC | \$20,350,000 | | 12.3% | 503,027 |
| Innovest Finanzdientle | \$1,000,000 | | * | 24,718 |
| Innovest Finanzdienstleistungs AG | \$600,000 | | * | 14,831 |

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| Name | Aggregate Principal Amount of Debentures that May be Sold | Percentage of Debentures Outstanding | Number of Shares of Common Stock Covered by the Prospectus ⁽¹⁾ | |
|-------------------------------------|---|--------------------------------------|---|--|
| | | | | |
| JMG Capital Partners, LP | \$750,000 | * | 18,539 | |
| JMG Triton Offshore Fund, Ltd. | \$750,000 | * | 18,539 | |
| J.P. Morgan Securities, Inc. | \$2,124,000 | 1.3% | 52,502 | |
| Jackson County Employees Retirement | \$100,000 | * | 2,471 | |

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|---|-------------|--|------|--|---------|
| System | | | | | |
| KBC Financial Products USA Inc. | \$451,000 | | * | | 11,148 |
| KBC Financial Products (Cayman Island) Limited | \$7,000,000 | | 4.2% | | 173,031 |
| Knoxville Utilities Board Retirement System | \$80,000 | | * | | 1,977 |
| Lyxor Master Fund, c/o Zola Capital Management | \$1,525,000 | | * | | 37,696 |
| MFS Total Return Fund | \$2,495,000 | | 1.5% | | 61,673 |
| MFS/Sun Life Mid Cap Value Fund | \$3,000 | | * | | 74 |
| Macomb County Employees Retirement System | \$155,000 | | * | | 3,831 |
| McMahan Securities Co. L.P. | \$1,350,000 | | * | | 33,370 |
| Man Convertible Bond Master Fund, Ltd. | \$3,463,000 | | 2.1% | | 85,601 |
| Morgan Stanley Dean Witter Convertible Securities Trust | \$2,500,000 | | 1.4% | | 61,797 |
| Nations Convertible Securities Fund | \$2,900,000 | | 1.8% | | 71,684 |
| | \$15,000 | | | | 370 |

| | | | | | |
|-----------------------------------|-----------|--|---|--|-------|
| NACM Investment Grade Convertible | | | * | | |
| NORCAL Mutual Insurance Company | \$200,000 | | * | | 4,943 |

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| Name | Aggregate Principal Amount of Debentures that May be Sold | Percentage of Debentures Outstanding | Number of Shares of Common Stock Covered by the Prospectus ⁽¹⁾ | |
|---|---|--------------------------------------|---|--|
| | | | | |
| OZ Convertible Master Fund, Ltd. | \$197,000 | * | 4,869 | |
| OZ Mac 13 Ltd. | \$51,000 | * | 1,260 | |
| OZ Master Fund, Ltd. | \$2,701,000 | 1.6% | 66,765 | |
| Physicians Reciprocal Insurers Account #7 | \$600,000 | * | 14,831 | |
| RAM Trading Ltd. | \$8,500,000 | 5.1% | 210,109 | |
| RCG Baldwin, LP | \$518,000 | * | 12,804 | |
| RCG Halifax Master Fund, Ltd. | \$1,238,000 | * | 30,601 | |
| RCG Latitude Master Fund, Ltd. | \$2,587,000 | 1.5% | 63,947 | |
| RCG Multi Strategy A/C LP | \$3,105,000 | 1.8% | 76,751 | |

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|--|-------------|--|------|--|---------|
| Ramius LP | \$207,000 | | * | | 5,116 |
| SEI Private Trust Company | \$225,000 | | * | | 5,561 |
| SG Cowen Securities - Convertible Arbitrage | \$5,000,000 | | 3.0% | | 123,594 |
| St. Thomas Trading, Ltd. | \$5,537,000 | | 3.4% | | 136,867 |
| San Diego County Employees Retirement Association | \$1,750,000 | | 1.1% | | 43,257 |
| Southern Farm Bureau Life Insurance | \$300,000 | | * | | 7,415 |
| Sterling Investment Co. | \$1,000,000 | | * | | 24,718 |
| Sunrise Partners Limited Partnership | \$2,000,000 | | 1.2% | | 49,437 |
| The Cockrell Foundation | \$50,000 | | * | | 1,235 |
| The Dow Chemical Company Employees Retirement Plan | \$1,100,000 | | * | | 27,190 |
| The Fondren Foundation | \$200,000 | | * | | 4,943 |

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| Name | Aggregate Principal Amount of Debentures that May be Sold | Percentage of Debentures Outstanding | Number of Shares of Common Stock Covered by the | |
|----------------------|---|---|---|--|
| | | | Prospectus ⁽¹⁾ | |
| UBS AG London Branch | \$50,000,000 | 30.3% | 1,235,940 | |

| | | | |
|--|------------------------------------|-------------|------------------|
| United Food and Commercial Workers Local 1262 and Employers Pension Fund | \$225,000 | * | 5,561 |
| Xavex Convertible Arbitrage #5 | \$315,000 | * | 7,786 |
| Zazove Hedged Convertible Fund L.P. | \$2,500,000 | 1.5% | 61,797 |
| Zazove Income Fund L.P. | \$2,000,000 | 1.2% | 49,437 |
| Zola Partners, L.P. | \$4,750,000 | 2.9% | 117,414 |
| Zurich Institutional Benchmarks Master Fund Ltd. | \$2,500,000 | 1.5% | 61,797 |
| Unnamed holders of debentures or any future transferees, pledgees, donees or successors of any such unnamed holders ⁽²⁾ | \$ 0 | 0% | 0 |
| Total: | \$165,000,000⁽³⁾ | 100% | 4,078,602 |

| | |
|-----|--|
| * | Less than 1% |
| (1) | Assumes conversion of all of the holders' debentures at a conversion rate of \$40.455 per share of common stock. This conversion rate is subject to adjustment as described under "Description of Debentures - Conversion Rights - Adjustments to Conversion Rate" in the prospectus. As a result, the amount of common stock issuable upon conversion of the debentures may increase or decrease in the future. |
| (2) | Specific information about these holders will be set forth in supplements or amendments to the prospectus, if required. |

| | |
|-----|--|
| (3) | The total principal amount of debentures at maturity listed above is more than \$165,000,000 because certain of the above-listed selling securityholders may have, without notifying us, transferred debentures or otherwise reduced their position pursuant to transactions exempt from the registration requirements of the Securities Act of 1933, as amended ("Securities Act"). The maximum amount at maturity of debentures that may be sold under the prospectus, as supplemented, will not exceed \$165,000,000. |
|-----|--|

The principal amounts of the debentures provided in the table above are based on information provided to us by the selling securityholders at various dates through March 14, 2003. Since the date on which each selling securityholder provided the information above, such selling securityholder may have sold, transferred or otherwise disposed of all or a portion of its debentures in a transaction exempt from the registration requirements of the Securities Act.

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