

CenturyTel of Washington, Inc.
CenturyTel of Inter Island, Inc.
CenturyTel of Cowiche, Inc.

Results of Operations
Per Month, 2nd Quarter, 2009

Line No	Account Numbers	Account Description (a)	Washington Per Books April 2009	Washington Per Books May 2009	Washington Per Books June 2009
1		OPERATING REVENUES			
2	5000	Local Network Service	3,285,995	3,252,715	3,341,232
3	5080-5084	Network Access Service	6,132,447	5,934,634	7,726,941
4	5100	Long Distance Service	18,111	18,111	17,977
5	5200	Miscellaneous Revenues	421,455	426,264	411,400
6	5300	Uncollectible Revenue	(86,920)	(56,681)	(79,615)
			-	-	-
7		Total Operating Revenues	9,771,088	9,575,043	11,417,935
8		OPERATING EXPENSES			
9	6100-6499	Plant Specific Operations	2,045,164	2,005,404	2,105,320
10		Plant Non Specific Operations:			
11	6560	Depreciation & Amortization	2,788,636	2,803,791	2,805,348
12	6510-6540	Other Plant Non Specific Operations	839,790	808,729	920,080
13		Total Plant Non Specific	3,628,426	3,612,520	3,725,428
14	6610-6620	Customer Operations	885,179	824,333	828,991
15	6710-6790	Corporate Operations	956,758	862,360	918,753
16	7240	Other Operating Income Taxes	128,470	299,626	280,092
17	7200	Operating Income Taxes	744,269	688,781	1,243,472
20		Total Operating Expenses	8,388,266	8,293,024	9,102,056
21		NET OPERATING INCOME	<u>1,382,822</u>	<u>1,282,019</u>	<u>2,315,879</u>
22		RATE BASE:			
23		Telephone Plant in Service:			
24	2110	Land Support Assets	30,111,585	30,233,189	30,281,417
25	2210-2230	Central Office	241,528,565	241,814,684	241,909,600
26	2310	Information Origination/Termination	-	-	-
27	2410	Cable and Wire Facilities	372,076,502	372,675,298	374,009,801
28	2680	Amortizable Assets	46,687	46,687	46,687
29		Average Telecommunications Plant in Service	643,763,339	644,769,858	646,247,505
30	2002	Average Property Held for Future Telecomm. Use	-	-	-
31		Less: Accumulated Depreciation	-	-	-
32	3100	Accumulated Depreciation	405,966,020	408,530,018	410,958,207
33	3200	Accum. Depre. - Held for Future Telecomm. Use	-	-	-
34	3400	Accumulated Amortization	46,687	46,687	46,687
35		Average Accum. Depreciation and Amortization	406,012,707	408,576,705	411,004,894
36	4100,4340	Less: End of Period Deferred Income Taxes	51,809,371	51,599,426	51,389,146
38		TOTAL ADJUSTED RATE BASE	<u>185,941,261</u>	<u>184,593,727</u>	<u>183,853,465</u>

CenturyTel of Washington, Inc.
CenturyTel of Inter Island, Inc.
CenturyTel of Cowiche, Inc.
Results of Operations
Twelve Months Ended June 2009

Line No	Account Numbers	Account Description (a)	Washington Per Books (b)	Adjustments		Total Adjustments (see notes) (c)	Washington Per Books Restated (d)	Washington Restated Intrastate (e)
				(c1)	(c2)			
1		OPERATING REVENUES						
2	5000	Local Network Service	40,496,354			-	40,496,354	40,496,354
3	5080-5084	Network Access Service	76,178,009	(1,300,816)		(1,300,816)	74,877,193	23,566,046
4	5100	Long Distance Service	212,377			-	212,377	212,377
5	5200	Miscellaneous Revenues	4,333,369			-	4,333,369	4,002,703
6	5300	Uncollectible Revenue	(368,921)			-	(368,921)	(294,616)
			-					
7		Total Operating Revenues	120,851,188	(1,300,816)		(1,300,816)	119,550,372	67,982,864
8		OPERATING EXPENSES						
9	6100-6490	Plant Specific Operations	24,790,094			-	24,790,094	17,510,235
10		Plant Non Specific Operations:				-		
11	6560	Depreciation & Amortization	33,238,439		776,429	776,429	34,014,868	23,302,191
12	6510-6590	Other Plant Non Specific Operations	10,060,792			-	10,060,792	5,566,596
13		Total Plant Non Specific	43,299,231		776,429	776,429	44,075,660	28,868,787
14	6610-6690	Customer Operations	10,634,680			-	10,634,680	8,814,246
15	6710-6790	Corporate Operations	11,041,884			-	11,041,884	8,120,997
16	7240	Other Operating Income Taxes	3,613,599			-	3,613,599	2,538,846
17	7200	Operating Income Taxes	9,841,505		271,750	271,750	10,113,255	745,414
18	7910	Jurisdictional Differences	362,246			-	362,246	362,246
20		Total Operating Expenses	103,583,239	-	1,048,179	1,048,179	104,631,418	66,960,771
21		NET OPERATING INCOME	<u>17,267,949</u>	<u>(1,300,816)</u>	<u>(1,048,179)</u>	<u>(2,348,995)</u>	<u>14,918,953</u>	<u>1,022,093</u>
					(c3)			
22		RATE BASE:						
23		Telephone Plant In Service:						
24	2110	Land Support Assets	29,965,251		677,437	677,437	30,642,688	22,661,861
25	2210-2230	Central Office	239,224,974		5,408,257	5,408,257	244,633,231	158,785,314
26	2310	Information Origination/Termination	-		-	-	-	-
27	2410	Cable and Wire Facilities	370,253,194		8,370,465	8,370,465	378,623,659	276,551,264
28	2680	Amortizable Assets	46,687			-	46,687	32,704
29		Average Telecommunications Plant in Service	639,490,106		14,456,158	14,456,158	653,946,265	458,031,143
30	2002	Average Property Held for Future Telecomm. Use	-			-	-	-
31		Less: Accumulated Depreciation	-			-	-	-
32	3100	Accumulated Depreciation	397,471,101		6,051,669	6,051,669	403,522,770	281,522,502
33	3200	Accum. Depre. - Held for Future Telecomm. Use	-			-	-	-
34	3400	Accumulated Amortization	46,687			-	46,687	32,704
35		Average Accum. Depreciation and Amortization	397,517,788		6,051,669	6,051,669	403,569,457	281,555,206
36	4100,4340	Less: End of Period Deferred Income Taxes	52,823,156			-	52,823,156	37,002,198
37	1500	Jurisdictional differences (Plant in Service)	(1,190,436)			-	(1,190,436)	(1,190,436)
38		TOTAL ADJUSTED RATE BASE	<u>187,958,727</u>		<u>8,404,489</u>	<u>8,404,489</u>	<u>196,363,217</u>	<u>138,283,303</u>
39		ANNUAL RATE OF RETURN						<u>0.74%</u>

Adjustment Description:

- (c1) Prior Period Adjustment - To adjust for Out-of-Period revenues and the related tax effect.
- (c2) Depreciation Expense - To record the depreciation expense associated with the allowance for funds used during construction rate base adjustment
- (c3) Allowance for Funds Used During Construction - To adjust for previously capitalized interest on funds used during construction.