

2013 Review and CEO's Message

YOUR LINK

To The Future



CenturyLink®

Your link to what's next™

Your Link to Business

Connecting at High Speed



Scott Hicar
Senior Vice President – Acquisition Integration
DigitalGlobe, Longmont, CO

“As the global leader in high-resolution geospatial mapping, DigitalGlobe has unique connectivity demands that require advanced speed and capacity technology like 100 Gbps. Thanks to CenturyLink’s innovation, DigitalGlobe is now utilizing the highest speed optical network connection available – plus the added assurance of CenturyLink’s reliable, secure network.”

Delivering Responsive Support



Ford Fay
Vice President,
Access Management
tw telecom, Lone Tree, CO

“CenturyLink is responsive to tw telecom with regard to provisioning and maintenance by driving accountability down to its employees in the central office and elsewhere. You can see it in the metrics and the way they respond and take ownership of a problem. They are also very focused on improvement.”



... and Personal Solutions

Increasing Bandwidth



Chip Suttles
Vice President, Technology
Seattle Seahawks, Seattle, WA

"CenturyLink has provided extremely reliable network solutions and worked with us to increase our bandwidth to support additional retail points of sale and the Ticketmaster connection which has positively impacted our fans' game-day experience."

Solving IT Challenges



Matt Finney
Vice President of IT
Bartell Drugs, Seattle, WA

"CenturyLink has been a long-term strategic partner and continues to solve our IT challenges. The expanded products and services that CenturyLink offers will help us create a flexible IT environment, improve our IT cost structure and ultimately allow us to focus on core strategic business initiatives."

Providing Quality Entertainment



Gerald Blaise
Columbia, MO

"Prism TV from CenturyLink provides excellent and easy access to programming with an intuitive interface. I enjoy the DVR functions that allow me to watch programs on my busy schedule, working full time as an account executive at KOMU TV and on my degree at the University of Missouri. I am a lifelong musician and the music channels provide quality music of all the genres that meet my many different musical tastes."

To Our Shareholders

Demand for network services and IT solutions is dynamic and growing, as businesses increasingly view these technologies as strategic enablers of growth and improved performance. Seeking greater agility and flexibility, businesses of all sizes are demanding more standardized, modular solutions and emerging “as-a-service” offerings. Similarly, consumers are demanding more reliable, higher-bandwidth, broadband-enabled communications and entertainment services.

CenturyLink possesses the high-bandwidth infrastructure, comprehensive service portfolio and attentive customer support to meet the growing demands of our customers. In 2013, we strengthened our competitive position by enhancing our network and data center assets, expanding our cloud capabilities and enlarging our sales organizations. We also took aggressive steps to adapt to market conditions, including acquiring two leading-edge cloud-based companies, AppFog, Inc. and Tier 3, Inc., and launching our first 1 gigabit per second (Gbps) fiber service. These investments significantly enhanced our cloud-services platform and demonstrated the power of fiber-enabled networks to drive customer demand.

Businesses and consumers responded positively to our efforts in 2013, as we generated strong growth in our strategic revenues and broadband subscriber base. While our data hosting results fell short of our expectations, that business did see growth during the year. These results reinforce our confidence that execution of our network, data hosting and consumer broadband growth strategies put us on track for improved revenue performance in 2014 and beyond. As we move into 2014, we remain focused on enabling our customers to take advantage of an expanding array of products and services to strengthen their businesses and improve their lives.

Strengthening Businesses

CenturyLink’s global network, hosting and managed services enable businesses to operate with greater agility and reliability. Our business customers are responding positively to the value of our consolidated service offerings. Coupled with our attentive support, customers can focus on what matters most – growing their businesses.

In 2013, for the second year running, our IP-enabled network revenues increased more than four percent, driven principally by Ethernet and Multiprotocol Label Switching (MPLS) growth. We also increased the sale of data hosting services to our existing network customers at a healthy pace throughout the year, and we expect continued momentum in 2014. We connected our first 100 Gbps Optical Wavelength service customer in 2013 and gained our first state government cloud-services customer.

We also introduced a new IT service and consulting product offering in 2013. Customers have responded positively to this offering, looking to CenturyLink to assist them with their conversion to cloud-enabled network environments. In addition to offering revenue opportunities in its own right, this line of business enables us to truly partner with our customers’ key network and IT decision-makers to solve their full range of network and IT needs.



Glen F. Post, III
Chief Executive Officer and President

Your Link to Business

Meeting Deadlines



John Avenson
Vice President, Technology
Minnesota Twins Baseball Club,
Minneapolis, MN

"We recently faced many challenges while bringing up a brand new converged network at our spring training facility. CenturyLink provided layered resolution through its professional and flexible attention. Despite the familiar, constant battle with time – and in the midst of a very active construction site – our CenturyLink partners worked to get us where we needed to be in time for our spring training home opener. It was a moment where we literally beat the clock. While our team won the game on the field, CenturyLink was clearly a winner, too."

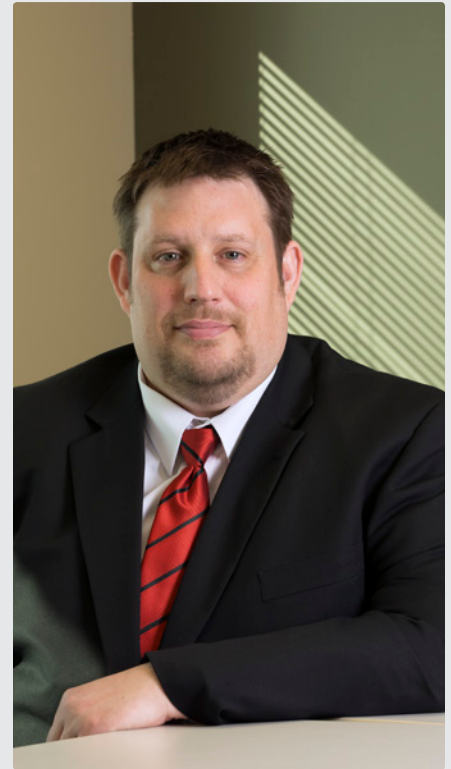
Delivering Mission-Critical Reliability



John Rooney
Vice President of Information Services
Shelter Insurance, Columbia, MO

"At Shelter Insurance, we need to be available when our customers need us most – at the time of a claim. More and more, service to our customers is enhanced by technology. Shelter Insurance relies on CenturyLink for our critical network connectivity to enable our employees and agents to deliver our promise every day and in those times of need."

Providing Cloud Solutions



Andrew Pipp
Director IT Operations
Center for Diagnostic Imaging,
Minneapolis, MN

"Center for Diagnostic Imaging's (CDI) networks are engineered to scale with the growing organization nationally, and at the core is CenturyLink's MPLS technology. This technology solution allows CDI and its affiliated partners to create robust networks to support clinical and patient communication, which are critical to its excellence in customer service and overall business goals."

To Our Shareholders (cont.)

In the fourth quarter of 2013, we introduced our new Managed Office solution for small-to-mid-size businesses to offer customers the advantages of managed services in a flexible and scalable environment. Our Managed Office product is a bundled solution that includes managed network and hosted Voice over Internet Protocol (VoIP), managed hardware, hosted apps and cloud-based storage, security software and managed installation and training. Customers can buy Managed Office on a monthly price-per-employee basis, which benefits businesses of all sizes by making it easy to scale and predict communication costs.

We are excited about the products and services we are able to deliver to our diverse set of business customers. Whether we are working with a global financial services provider to deliver complex network solutions and integrated cloud-enabled services, a large enterprise to provide IT services in connection with a cloud conversion or a small business to provision our Managed Office solution, CenturyLink has the full range of assets and capabilities to meet our customers' needs.

Improving Lives

As with our business customers, consumers are showing increasing interest in higher bandwidth speeds and more robust broadband-enabled products and services. CenturyLink is investing to enable consumers to take advantage of their broadband connection to make life easier and more enjoyable. Our efforts were rewarded as we saw strong growth in our consumer broadband business.

We added 140,000 new high-speed Internet subscribers during 2013; a performance that we think was among the best in the industry. Recognizing consumers' desire for greater speeds, we deployed 1 Gbps service in select neighborhoods in Omaha, Las Vegas and Salt Lake City. Early results in these deployments indicate excellent market penetration and significant positive impacts throughout the market.

In addition, 69,000 new customers subscribed to our Prism™ TV service during the year. We launched Prism™ TV service in Phoenix, Colorado Springs, Omaha and a suburb of Denver during 2013. In addition, we further expanded the innovative applications we offer to consumers with the launch of Connected Home, our home security and automation service.

We are very encouraged by consumer response to our investments to enable more robust speeds. We plan to continue to deploy these types of services with our disciplined investment approach.

Driving Growth Through Strategic Investment

We consistently invest in our business with a focus on enabling higher bandwidth, IP-based functionality and IT-driven services. We strive to listen to our customers to identify and develop innovations with the greatest potential to enable growth for businesses and enhance quality of life for consumers. In 2013, we broke ground on our Technology Center of Excellence adjacent to our corporate headquarters in Monroe, La., where we expect to bring together the right people and technologies to drive future innovation and growth. We also made progress during the year through continued investments in the following strategic initiatives.

We expanded and enhanced our broadband capabilities. We added 6.7 terabits per second of capacity to our backbone network in 2013, ending the year with a total capacity of approximately 16 terabits per second. We improved broadband speed availability across our footprint and launched our first three 1 Gbps markets. We also continued our focused deployment of fiber to multi-tenant buildings, adding 1,000 fiber-fed buildings in 2013. During the year, we began work on network simplification efforts, which we expect to drive faster provisioning and better service for our customers. Additionally, CenturyLink may have the potential to bring broadband access to more than 680,000 unserved rural households following the finalization of the Federal Communication Commission's Connect America Funds (CAF) II program. However, it is still too early to determine the final outcome of the CAF II proceeding now before the FCC.

We continue to expand our Prism™ TV footprint and grow our subscriber base. We plan to expand Prism™ TV service to 300,000 to 400,000 additional homes in 2014. We also continue to enhance entertainment and video features available to our Prism™ TV subscribers. For example, in 2013 we added TV Everywhere capabilities, enhanced our Video On Demand library and introduced new video packages such as our Prism™ TV Preferred package, which appeals to budget-conscious customers who want premium content. We also initiated a successful trial of wireless set-top boxes.

“In 2013, we strengthened our competitive position by enhancing our network and data center assets, expanding our cloud capabilities and enlarging our sales organizations.”

“We strive to listen to our customers to identify and develop innovations with the greatest potential to enable growth for businesses and enhance quality of life for consumers.”

We plan to expand fiber-to-the-tower builds to help drive long-term growth. We built fiber to 4,100 cell towers in 2013 and ended the year with more than 18,800 fiber-connected towers. In 2014, we plan to add another 3,000 to 3,500 towers. By the end of 2014, we will have deployed fiber to roughly 72 percent of the cell towers in our local-exchange service area, which will better position us to secure long-term data transport revenues from wireless carriers. We also design and engineer fiber-to-the-tower builds to maximize the number of potential new business customers passed by our fiber network, creating additional revenue growth opportunities.

We expect to continue to invest in managed hosting and cloud services. We acquired AppFog, Inc. and Tier 3, Inc. in 2013 to enhance our platform-as-a-service (PaaS) and infrastructure-as-a-service (IaaS) offerings. AppFog provides a reliable, scalable and fast platform for developing apps in the cloud, and Tier 3 provides a public, multi-tenant cloud platform and a related development roadmap that now form the foundation of our cloud development strategy. With the Tier 3 acquisition, we also opened our Cloud Development Center in Seattle, which is home to a large base of cloud-computing talent.

In 2013, we expanded our partnership with VMware to provide businesses with a choice of services, and we continued to develop solutions relevant to IT decision-makers in areas such as automation, flexibility, agility, security and Big Data. We expanded our global data center footprint, adding new centers in London and Hong Kong and announcing new locations in Toronto and Minneapolis for 2014. In early 2014, we changed the name of our managed hosting and cloud services business from Savvis to CenturyLink Technology Solutions. We believe the CenturyLink Technology Solutions name better presents the combined value we deliver to businesses through our colocation, managed services, cloud and network offerings.

Delivering Shareholder Value

We strive to operate our business with financial discipline and transparency. In early 2013, we announced a new capital allocation strategy that reduced our quarterly dividend and authorized the repurchase of up to an aggregate \$2 billion of outstanding stock over the two-year period ending Feb. 13, 2015. We believe this strategy enhanced our long-term ability to balance our multiple objectives of growing our business, honoring our debt and other financial obligations, and returning cash to shareholders, while reducing the number of outstanding shares and increasing the resulting free cash flow per share.

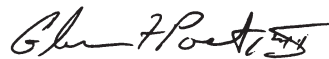
In 2013, we returned \$2.89 billion to our shareholders in stock buybacks and dividend payments, which is greater than the amount we would have returned in 2013 under our previous dividend payout. We repurchased \$1.59 billion in common stock during 2013, which represented approximately 79 percent of our February 2013 \$2 billion stock repurchase program, and expect to complete the program in second quarter 2014. In February 2014, our Board of Directors approved a second 24-month stock repurchase program, authorizing the buyback of up to an additional \$1 billion in common stock, which becomes effective upon the completion of the current \$2 billion program.

By the end of 2013, we achieved monthly annualized run-rate operating expense synergies of approximately \$600 million from the integration of Qwest into CenturyLink, successfully completing an effort that began when the deal closed in April 2011. Effectively managing costs and achieving operating efficiencies are among CenturyLink’s proven strengths and are vital to our ability to serve customers in dynamic, competitive markets.

In other financial matters, we executed debt financings in 2013 at favorable rates to extend maturities, and maintain flexibility and access to liquidity. We also reached a definitive agreement resolving the litigation filed by the trustees in the KPNQwest bankruptcy proceeding in the Netherlands, which had been ongoing since 2010. The settlement amount of approximately €171 million is significantly below the €4.2 billion litigation claim.

We begin 2014 with strong momentum. Our Managed Office solution and enhanced cloud hosting capabilities are resonating well with our business customers. Our 1 Gbps service and applications like Prism™ TV and Connected Home are reinforcing our reputation for innovation with consumers. We are confident in our strategies and our platform for growth, and we are clearly focused on helping our customers thrive in a broadband-enabled, data-driven, cloud-based world.

We thank you, our shareholders, for your continued trust in CenturyLink, its management team and employees. We do not take this trust for granted. We work every day to earn your confidence and drive long-term value for your investment.



Glen F. Post, III
Chief Executive Officer and President

Financial Highlights

Dollars in millions, except per share amounts

Shares, lines and subscribers in thousands

	2013	2012	2011	2010	2009	2008	5-year CAGR ⁽¹⁾
Operating revenues	\$ 18,095	18,376	15,351	7,042	4,974	2,600	47.4%
Operating income	\$ 1,453	2,713	2,025	2,060	1,233	721	15.0%
Depreciation and amortization	\$ 4,541	4,780	4,026	1,434	975	524	54.0%
(Loss) Income before extraordinary item	\$ (239)	777	573	948	511	366	(191.8)%
Diluted (loss) earnings per common share before extraordinary item ⁽²⁾	\$ (0.40)	1.25	1.07	3.13	2.55	3.52	(164.7)%
Net cash provided by operating activities	\$ 5,559	6,065	4,201	2,045	1,574	853	45.5%
Capital expenditures	\$ 3,048	2,919	2,411	864	755	287	60.4%
Repurchase of common stock and common dividends paid	\$ 2,887	1,848	1,587	896	576	567	38.5%
Book value per share	\$ 29.45	30.82	33.66	31.61	31.62	31.54	(1.4)%
Dividends per common share	\$ 2.16	2.90	2.90	2.90	2.80	2.1675	(0.1)%
Average diluted shares outstanding	600,892	622,285	534,121	301,297	199,057	102,560	42.4%
Total assets	\$ 51,787	53,940	55,964	22,038	22,563	8,254	44.4%
Long-term debt, including current portion and short-term debt	\$ 20,966	20,605	21,836	7,328	7,754	3,315	44.6%
Stockholders' equity	\$ 17,191	19,289	20,827	9,647	9,467	3,168	40.3%
Telephone access lines ⁽³⁾	13,002	13,751	14,587	6,489	7,025	2,025	45.0%
Broadband subscribers ⁽⁴⁾	5,991	5,851	5,655	2,349	2,186	626	57.1%

⁽¹⁾ Five-year compounded annual growth rate

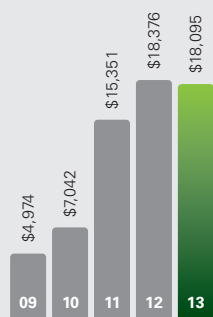
⁽²⁾ Includes the impact of a non-cash, non-tax deductible impairment charge of \$1.092 billion to the goodwill assigned to our Data Hosting segment

⁽³⁾ Access lines are lines reaching from the customers' premises to a connection with the public network. The numbers for 2012 and 2011 have been adjusted to include the operational metrics of our wholly owned subsidiary, El Paso County Telephone Company, which had been previously excluded. The increase (in thousands) related to including El Paso County Telephone Company's access lines in the table above, is approximately 3 and 3, respectively.

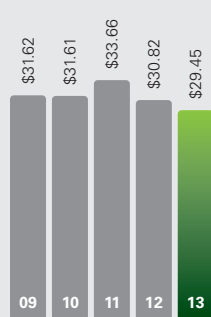
⁽⁴⁾ Broadband subscribers are customers that purchase high-speed Internet connection service through their existing telephone lines and fiber-optic cables. The numbers for 2012 and 2011 have been adjusted to include the operational metrics of our wholly owned subsidiary, El Paso County Telephone Company, which had been previously excluded. The increase (in thousands) related to including El Paso County Telephone Company's broadband subscribers in the table above, is approximately 3 and 3, respectively.

Full financial statements, along with certifications required under the Sarbanes-Oxley Act of 2002, the New York Stock Exchange rules and management's discussion and analysis of financial condition and results of operations, are provided in our 2014 Proxy Statement ("Proxy Statement") and 2013 Annual Report on Form 10-K ("Form 10-K") filed with the Securities and Exchange Commission. The Proxy Statement will be made available to shareholders.

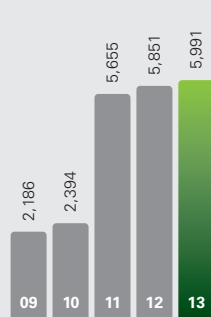
A copy of our Form 10-K can be obtained at no charge by contacting our Investor Relations department at 800.833.1188 or by accessing our website at www.centurylink.com.



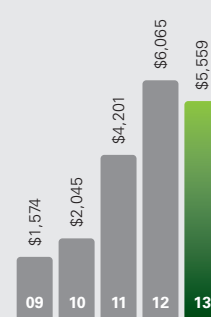
OPERATING REVENUES
in millions



BOOK VALUE PER SHARE



BROADBAND SUBSCRIBERS
in thousands

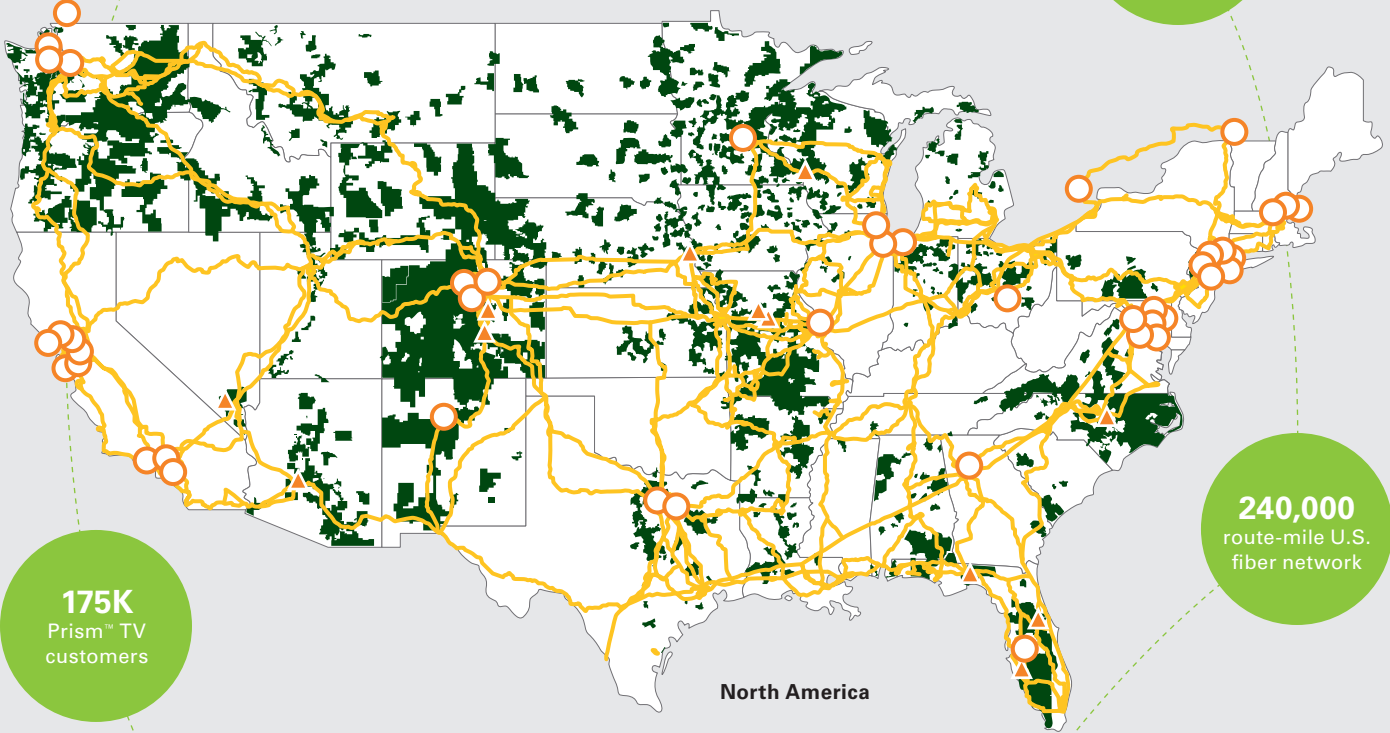


NET CASH PROVIDED BY OPERATING ACTIVITIES
in millions

Our Network

13M
access lines

6M
broadband
customers



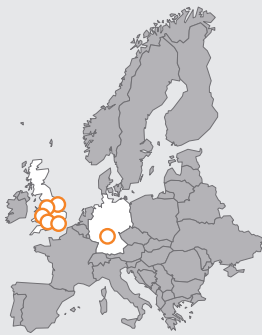
240,000
route-mile U.S.
fiber network

175K
Prism™ TV
customers

CenturyLink is the third largest U.S. telecommunications provider based on access lines, with 13 million access lines and a 240,000 route-mile U.S. fiber network (both leased and owned).

More than 60 percent of our revenues come from businesses. We are an integrated provider of global network, data hosting and cloud solutions to our business customers. We have 55 data centers and 1.4 million square feet of sellable floor space in North America, Europe and Asia.

We offer high-speed broadband access and innovative content and applications. We serve 6.0 million broadband customers and offer advanced entertainment services under the CenturyLink Prism™ TV and DIRECTV brands. In 2013 we launched Connected Home, our home security and automation service.



Europe



Asia Pacific

55
data centers

- | Core Fiber
- Local Territory
- CenturyLink Technology Solutions Data Center
- ▲ CenturyLink® Prism™ TV Market

Our Leadership



Glen F. Post, III

Chief Executive Officer and President



William E. Bradley

Senior Vice President and Chief Information Officer



William E. Cheek

President, Wholesale Markets Group



R. Steven Davis

Executive Vice President, Public Policy and Government Relations



R. Stewart Ewing, Jr.

Executive Vice President, Chief Financial Officer and Assistant Secretary



Stacey W. Goff

Executive Vice President, General Counsel and Secretary



Maxine L. Moreau

Executive Vice President, Network Services



Karen A. Puckett

Executive Vice President and Chief Operating Officer



Scott A. Trezise

Executive Vice President, Human Resources



Girish K. Varma

President, Global IT Services and Solutions



Jeff H. Von Deylen

President, CenturyLink Technology Solutions

Shareholder Information

Trading and dividend information

2013	High	Low	Close	Dividends Declared
1st quarter	\$42.01	\$32.05	\$35.13	\$0.54
2nd quarter	38.40	33.83	35.35	0.54
3rd quarter	36.49	31.21	31.38	0.54
4th quarter	34.18	29.93	31.85	0.54

2012	High	Low	Close	Dividends Declared
1st quarter	\$40.54	\$36.25	\$38.65	\$0.725
2nd quarter	39.89	36.91	39.49	0.725
3rd quarter	43.43	38.96	40.40	0.725
4th quarter	40.49	36.52	39.12	0.725

CenturyLink, Inc. stock

CenturyLink's common stock is listed on the New York Stock Exchange under the symbol CTL.

Projected dividend dates*

	Record Date	Payment Date
1st quarter	Monday March 10, 2014	Friday March 21, 2014
2nd quarter	Monday June 9, 2014	Friday June 20, 2014
3rd quarter	Tuesday August 26, 2014	Friday September 12, 2014
4th quarter	Monday November 24, 2014	Friday December 5, 2014

*Subject to the discretion of the CenturyLink Board of Directors.

Further information

Call 800.833.1188, Monday through Friday from 8 a.m. to 5 p.m. Central Time, for stock-related inquiries. Certain financial information also can be found on CenturyLink's Investor Relations website at ir.centurylink.com or its corporate website at www.centurylink.com. To obtain a copy of CenturyLink's Annual Report on Form 10-K at no charge, contact:

Investor relations

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800.833.1188 Telephone
318.388.9064 Fax
kari.colvin@centurylink.com

Dividend reinvestment plan

By participating in CenturyLink's Dividend Reinvestment and Stock Purchase Service (the Service), shareholders may purchase common stock with their reinvested dividends at market price. In order to participate in this plan, individuals must own at least one share of CenturyLink stock registered in their name. Under this Service, shareholders pay no commission or handling charge for purchases made with reinvested dividends or those made under the optional cash purchase provision. Optional payments must be at least \$25 per payment with a maximum of \$150,000 per calendar year. Optional payments may be made at any time by check or money order, or monthly, via direct debit. Upon request, shareholders can obtain information on the Service directly from CenturyLink or from our Transfer Agent.

Transfer agent

Computershare Trust Company
Dividend Reinvestment Department
P.O. Box 43078
Providence, Rhode Island 02940-3078
800.969.6718

Annual meeting

CenturyLink's annual meeting of shareholders will be held Wednesday, May 28, 2014, at 10 a.m. Central Time at the following location:

Corporate Headquarters
100 CenturyLink Drive
Monroe, Louisiana 71203

In addition to historical information, this Review includes certain forward-looking statements that are subject to uncertainties that could cause our actual results to differ materially from such statements.

Please refer to our Form 10-K for the year ended December 31, 2013, for a description of these and other uncertainties related to our business.



CenturyLink, Inc.

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