NOTICE OF 1987 ANNUAL MEETING AND PROXY STATEMENT

CENTEL

To Our Shareholders:

You are cordially invited to attend the Centel Corporation Annual Meeting of Shareholders which will be held at American National Bank & Trust Company of Chicago, 33 North LaSalle Street, Chicago, Illinois, on Thursday, April 30, 1987, at 11:00 a.m.

Four directors will be elected at the Annual Meeting. In addition, you will be asked to approve an increase in the number of authorized shares of common stock and the designation of auditors. Following the voting, I will discuss the major developments of the past year and first quarter operations. I shall then be pleased to receive your questions and comments.

March 16, 1987

We hope you will attend the Annual Meeting in person. Whether or not you intend to do so, we urge you to complete and return the enclosed proxy card promptly to ensure that your shares will be represented. If you attend the meeting, you can vote in person even if you have sent in your proxy card.

Very truly yours,

R.P. Reuss

Chairman of the Board

Your vote is important. Please complete and return your proxy card promptly.

NOTICE OF MEETING

The Annual Meeting of Shareholders of Centel Corporation will be held at American National Bank & Trust Company of Chicago, 33 North LaSalle Street, Chicago, Illinois, on Thursday, April 30, 1987, at 11:00 a.m. to:

1. Elect four directors of the Class of 1990;
2. Approve an increase in the number of authorized shares of common stock from 40,000,000 to 120,000,000;
3. Approve the designation of auditors for 1987; and
4. Transact such other business as may come before the meeting.

Shareholders of record at the close of business on March 2, 1987 will be entitled to vote. The list of shareholders will be available for examination for ten days prior to the meeting at Centel's corporate office, O'Hare Plaza, 8725 Higgins Road, Chicago, Illinois 60631.

Your vote is important. Please complete the accompanying proxy and return it promptly in the addressed envelope enclosed.

Maxwell S. Dai

Secretary
March 16, 1987

PROXY STATEMENT

General Matters

This Proxy Statement is furnished in connection with the solicitation of proxies by the Board of Directors of Centel Corporation for use at the Annual Meeting of Shareholders to be held on April 30, 1987.

Centel's address is: O'Hare Plaza, 8725 Higgins Road, Chicago, Illinois 60631. A copy of Centel's 1986 Annual Report to Shareholders, this Proxy Statement and the accompanying proxy card are being mailed to shareholders beginning on March 16, 1987.

Election of Directors

Four directors, constituting the Class of 1990, are to be elected for a term of three years. Upon recommendation of the Nominating Committee, DuBose Ausley, John P. Frazee, Jr., Robert E. R. Huntley and Daniel J. Krumm have been nominated by the Board of Directors for election.

William G. Mitchell, Vice Chairman of Centel and Wilson B. Garnett, Executive Vice President of Centel and Chairman of its telephone subsidiaries, will retire as officers and directors of Centel and its subsidiaries, effective May 1, 1987. Messrs. Mitchell and Garnett have served as directors of Centel since 1974 and 1970, respectively. As of May 1, 1987, the number of directors will be reduced from thirteen to eleven.

The classes of directors have been rearranged to reflect the retirements and to maintain the classes as nearly equal in size as possible. Effective May 1, 1987, James A. Lovell, Jr. will resign from the class of 1988 and will be elected to the class of 1989. Kenneth J. Douglas will, upon the expiration of his term in 1987, be elected to the class of 1988.

Effective April 30, 1987, John P. Frazee, Jr., President and Chief Operating Officer of Centel, will be elected Chief Executive Officer, succeeding Robert P. Reuss. Mr. Frazee will retain the title of President and Mr. Reuss will continue as Chairman of the Board of Directors.

There are six standing committees of the Board, including an Executive Committee which has all of the powers of the Board, with certain exceptions, when the Board is not in session. The Executive Committee held two meetings in 1986.

The Audit Committee, composed of four outside directors, met twice in 1986. It meets with management, internal auditors and the independent public accountants to review matters relating to financial reporting, internal accounting controls and auditing.

The Finance Committee, which met four times in 1986, reviews the capital expenditures program, recommends dividend action and approves the terms of debt and equity financings.

The Compensation Committee is composed of three outside directors and met five times in 1986. It fixes the annual salaries of certain management employees pursuant to delegation by the Board of Directors, makes awards under the Incentive Deferred Compensation Plan and fixes the bonus pool under the Management Incentive Plan. It also advises the Board of Directors concerning other employee benefit plans.

The Investment Committee, which met once in 1986, advises the Board of Directors with respect to retirement plan fund investments, performance of benefit plan trustees and fund managers, and investment alternatives and objectives.

The Nominating Committee is composed of three outside directors. It makes recommendations to the Board of Directors concerning selection of the chief executive officer and nominees for directorships, including nominees recommended by shareholders. Any shareholder may submit the name of a candidate in writing received not less than 30 nor more than 75 days prior to the date of the meeting of shareholders at which the election will be held. Any shareholder who desires to submit a recommendation should communicate with the Secretary of Centel. The Nominating Committee met five times during the year.

The Board of Directors held ten meetings during 1986. All of the directors attended at least 75% of the meetings held by the Board of Directors and the committees on which they served during their respective periods of service.

Directors not employed as officers receive basic annual compensation of $16,000. In addition, if they are outside directors, the chairman of the Executive Committee receives $13,000; the vice chairman of the Executive Committee receives $9,000; and the chairman of each other committee receives $2,000. Outside directors also receive $700 for each meeting attended and $500 for each telephone conference call meeting at which action is taken.

Outside directors may defer their compensation. Amounts deferred earn interest at the prime rate compounded quarterly and will be paid following termination of service as a director or, upon election, in the fifth year after earned.

Outside directors who retire after age 65 receive an annual retirement benefit equal to the basic annual rate of compensation then in effect (a) for life, if the outside director served for ten or more years, or (b) for the number of full quarters served by the outside director, if less than ten years.

DIRECTORS

Nominees: Class of 1990

DuBose Ausley

Mr. Ausley, 49, is President of the Tallahassee, Florida law firm of Ausley, McMullen, McGehee, Carothers & Proctor, P.A. of which he has been the senior member for more than ten years. He is also Chairman of Capital City Bank Group, Inc. Mr. Ausley has been a director since 1982 and is a member of the Audit and Finance Committees. He owns 616 shares.

John P. Frazee, Jr.

Mr. Frazee, 42, is President and Chief Operating Officer of Centel. He has been an officer of Centel or one of its subsidiaries for more than eleven years and was elected Executive Vice President in 1984, Vice Chairman and a director on June 13, 1985 and President and Chief Operating Officer on May 1, 1986. He is also a director of Harris Trust and Savings Bank, Nalco Chemical Company and C-SPAN (Cable Satellite Public Affairs Network). Mr. Frazee is a member of the Executive Committee. He owns 2,536 shares.

Robert E. R. Huntley

Mr. Huntley, 57, is Chairman, President, Chief Executive Officer and a director of Best Products Co., Inc., a national retailer based in Richmond, Virginia. Prior to joining Best Products in 1984, Mr. Huntley had, for more than twenty years, been a professor of law and President of Washington and Lee University, Lexington, Virginia. He is also a director of Philip Morris Companies, Inc. and Piedmont Aviation, Inc. Mr. Huntley has been a director since 1975 and is Chairman of the Nominating Committee and a member of the Executive and Audit Committees. He owns 539 shares.

Daniel J. Krumm

Mr. Krumm, 60, is Chairman and Chief Executive Officer and a director of Maytag Corporation, Newton, Iowa, the successor to The Maytag Company, an appliance manufacturer of which he was an officer for more than fifteen years. Mr. Krumm is also a director of Principal Financial Group and Snap-On Tools Corporation. He has been a director since 1977 and is Chairman of the Compensation Committee and a member of the Investment Committee. He owns 300 shares.

DIRECTORS

Directors: Class of 1989

George N. Hutton, Jr.

Mr. Hutton, 57, North Palm Beach, Florida, is and for more than five years has been a private investor. He is a director of M/A-COM, Inc. Mr. Hutton has been a director since 1968 and is Chairman of the Audit Committee, Vice Chairman of the Executive Committee and a member of the Nominating Committee. He owns 80,212 shares and disclaims beneficial ownership of 5,160 shares owned by his wife.

James A. Lovell, Jr.

Mr. Lovell, 59, is Executive Vice President of Centel and President of its subsidiary, Centel Communications Company. He joined Centel as a Group Vice President in 1981 and has been Executive Vice President since 1984. He is also a director of Federal Signal Corporation and Bally Manufacturing Corporation. Mr. Lovell has been a director of Centel since June 13, 1985 and is a member of the Investment Committee. He owns 34,242 shares.

Russell T. Tutt

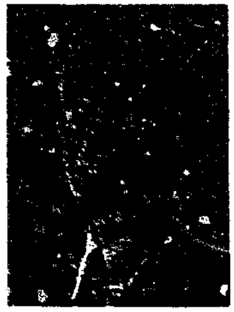
Mr. Tutt, 73, Colorado Springs, Colorado, is Chairman and Chief Executive Officer of Broadmoor Hotel, Inc. and President and a director of The Garden City Co. Prior to January 1, 1987, Mr. Tutt had been Chairman and Chief Executive Officer of El Pomar Investment Company, an investment management firm, for more than twenty-five years. He has been a director since 1961 and is a member of the Finance and Investment Committees. Mr. Tutt owns 2,000 shares.

Robert H. Wellington

Mr. Wellington, 64, is President, Chief Executive Officer and a director of Amsted Industries Incorporated, Chicago, Illinois, a diversified industrial products manufacturer. He has been an officer of Amsted for more than twenty-five years and is also a director of DeSoto, Inc., Money Mart Assets, Inc. and The L. E. Myers Co. Group and a trustee of Time Target Trust. Mr. Wellington has been a director since 1982 and is a member of the Audit and Compensation Committees. He owns 717 shares.

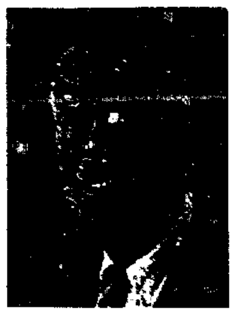
DIRECTORS

Directors: Class of 1988



Kenneth J. Douglas

Mr. Douglas, 64, is and for more than fifteen years has been Chairman and Chief Executive Officer of Dean Foods Company, Franklin Park, Illinois, a food processor and distributor. He is also a director of American National Bank & Trust Company of Chicago. Mr. Douglas has been a director since 1980 and is a member of the Executive, Compensation and Nominating Committees. He owns 335 shares.



Frank E. Reed

Mr. Reed, 52, is President, Chief Operating Officer and a director of First Pennsylvania Corporation, Philadelphia, Pennsylvania, a bank holding company, and First Pennsylvania Bank N.A. Prior to his affiliation with First Pennsylvania Corporation in 1984, Mr. Reed had, for more than ten years, been a Senior Vice President of Morgan Guaranty Trust Company of New York. Mr. Reed is also a director of Harleysville Group Inc. He has been a director since 1978 and is Chairman of the Investment Committee and a member of the Finance Committee. Mr. Reed owns 300 shares.

Robert P. Reuss

Mr. Reuss, 69, is Chairman of the Board and Chief Executive Officer of Centel and its principal subsidiaries. He has been the Chief Executive Officer and a director since 1972 and Chairman since 1977. Mr. Reuss is also a director of American National Bank & Trust Company of Chicago, Amsted Industries Incorporated, National Can Corporation, Staley Continental, Inc. and Tellabs, Inc. and a public governor of the Midwest Stock Exchange. He is Chairman of the Executive Committee and a member of the Finance Committee. He owns 21,781 shares and has a beneficial interest in 1,439 shares held in a family trust of which he is trustee.

EXECUTIVE COMPENSATION

Cash Compensation

The following table shows the cash compensation earned by each of the five most highly compensated executive officers and the cash compensation earned by all executive officers as a group. Cash compensation includes salaries and bonuses.

Individual or group	Capacities in which served	Cash compensation
Robert P. Reuss	Chairman and Chief Executive Officer	$ 587,900
John P. Frazee, Jr.	President and Chief Operating Officer, Vice Chairman	357,067
William G. Mitchell	Vice Chairman, President	346,400
Wilson B. Garnett	Executive Vice President	310,400
James A. Lovell, Jr.	Executive Vice President	254,400
12 executive officers (including the above)		$2,992,480

The foregoing table includes cash compensation for actual periods of service as executive officers during 1986. One of Centel's executive officers, David A. Bohmer, Executive Vice President of Centel's subsidiary, Centel Communications Company, is the son-in-law of Robert P. Reuss.

Management Incentive Plan

Centel has a Management Incentive Plan under which annual cash bonuses may be paid to management employees above a designated level, including executive officers. Under this plan, bonuses are awarded if certain prescribed corporate and unit targets, such as financial performance, are attained. Bonuses are determined by a committee consisting of the Chairman, President, Vice Chairman and Executive Vice Presidents (and in their cases by the Compensation Committee of the Board of Directors) and are paid in cash in the first quarter of the following year.

Deferred Compensation Plans

Certain management employees, including the executive officers, may elect to defer up to 50% of their salaries and all or any part of their bonuses. Deferrals may be for up to ten years but not beyond retirement. Upon election, amounts deferred may be paid in the fifth year. Deferred amounts earn interest at the prime rate compounded quarterly.

Incentive Deferred Compensation Plan

The following table shows information for 1986 with respect to the Incentive Deferred Compensation Plan under which units may be awarded to up to 200 key employees in any year, including the executive officers. Each unit is equal in value at any date to the market value of one share of Centel common stock. When dividends are declared on Centel common stock, each participant's account is credited with a number of additional units equal to the number of shares of Centel common stock which could have been purchased at market value on the dividend record date. Units awarded prior to August 18, 1984 vest upon the earlier of five years after award, retirement or death and units awarded thereafter are subject to partial vesting if the participant retires prior to age 65. All units will vest in the event of a hostile change in control of Centel. Vested units are distributed not less than one-half in shares of Centel common stock and the balance in cash.

	Units granted during 1986				Value of units distributed
	2/1/86	8/15/86	10/1/86	12/12/86	during 1986
Robert P. Reuss	—	12,000	—	—	$383,605
John P. Frazee, Jr.	2,400	—	—	—	24,934
William G. Mitchell	2,000	—	—	—	159,835
Wilson B. Garnett	—	—	—	500	95,901
James A. Lovell, Jr.	2,000	—	—	—	63,935
12 executive officers (including the above)	12,850	12,000	1,000	500	925,767

Units granted on February 1, August 15, October 1 and December 12 had the following values, respectively: $46.50, $59.00, $56.75 and $58.25.

Employees' Stock Ownership Plan

All employees, including executive officers, participate in an Employees' Stock Ownership Plan to which Centel makes an annual contribution related to compensation paid through 1986 in an amount equal to a federal income tax credit. Shares of Centel common stock purchased by the plan trustee are allocated to the account of each participant at the end of each year based on the relation of the participant's compensation to the total compensation paid to all participants. Dividends are paid in cash to the participants and distribution of account balances is made upon termination of employment. In 1986, nine shares each were allocated under the plan to the accounts of Messrs. Reuss, Frazee, Mitchell, Garnett and Lovell, and 104 shares were allocated to the accounts of all executive officers as a group. Cash dividends paid out, rather than allocated to participants' accounts, pursuant to the plan in 1986 were: Mr. Reuss $929; Mr. Frazee $528; Mr. Mitchell $529; Mr. Garnett $869; Mr. Lovell $206; and all executive officers as a group $7,139.

Retirement Savings Plan

A qualified Retirement Savings Plan is available to management employees including the executive officers. Participants may allocate up to 10% of their salary on a pre-tax basis pursuant to Section 401(k) of the Internal Revenue Code and allocate up to an additional 6% on an after-tax basis. Centel contributes an amount equal to 70% of the first 6% or up to an additional 4.2% of salary. In addition, Centel contributes an amount equal to not less than 1% of salary on behalf of all management employees. Centel's contribution equals 5.2% of salary for an employee who allocates 6% or more of salary to the plan. Effective January 1, 1987, the Tax Reform Act of 1986 limits allocations of salary on a pre-tax basis to $7,000 per year. The Board of Directors may, in its discretion, increase the contribution for all management employees to recognize the success of the company's financial performance. Amounts contributed to the plan are invested, at the participant's option, in a Centel common stock fund, a guaranteed investment contract fund, a money market fund or an equity fund.

Withdrawals under the plan during 1986 attributable to Centel's contributions were $4,344 by Mr. Frazee; and $10,636 by all executive officers as a group. All of the executive officers participate in the Retirement Savings Plan. The amounts that vested under the plan for executive officers in 1986 were as follows: Mr. Reuss $57,001; Mr. Frazee $8,977; Mr. Mitchell $15,743; Mr. Garnett $10,064; Mr. Lovell $7,497; and all executive officers as a group $142,535.

Retirement Benefit Plan

A qualified, noncontributory Retirement Benefit Plan is available to management employees including the executive officers.

For service prior to 1985, the benefit (calculated as a life annuity payable upon retirement at or after age 65) is based upon average monthly cash compensation for the highest sixty consecutive months during the last 15 years of credited service times 1.125% for cash compensation below $9,000 and 1.5% for cash compensation in excess of that amount. Compensation earned prior to 1990 will be used to determine the average monthly cash compensation to be applied to service prior to 1985. For service beginning January 1, 1985, the benefit is based upon career average monthly cash compensation subsequent to that date times 1.7% for each year of credited service. No amounts are offset against benefits.

The plan permits early retirement at or after age 55 and five years service but the benefit is reduced 3.6% for each year prior to age 60 that benefit payments are made. Various benefit payment options are available including joint and survivor benefits and a ten year certain benefit. Credited service under the plan is: Mr. Frazee, 13 years; Mr. Mitchell, 9 years; Mr. Garnett, 41 years; and Mr. Lovell, 6 years. The Internal Revenue Code limits the normal retirement benefit at age 65 to $90,000 (subject to future cost of living adjustments which may begin in 1988). The Board of Directors has authorized the Chairman to contract on behalf of Centel to pay any difference between the amount limited by law and the amount otherwise payable under the plan. A contract has been entered into with Mr. Garnett, the only officer who has earned a retirement benefit in excess of the limit.

The following table shows estimated normal retirement benefits at age 65 under the Retirement Benefit Plan, assuming that retirement occurred on January 1, 1987 and that average monthly cash compensation was the same for the periods before and after January 1, 1985.

Average cash compensation	Years of credited service		
	20	30	40
$200,000	$ 60,192	$ 89,855	$119,517
250,000	75,392	112,555	149,717
300,000	90,592	135,255	179,917
350,000	105,792	157,955	210,117
400,000	120,992	180,655	240,317
450,000	136,192	203,355	270,517
500,000	151,392	226,055	300,717

Mr. Reuss is employed for a period ending December 31, 1988. Upon 90 days notice, he may elect to retire or the Board of Directors may ask him to retire. Mr. Reuss does not participate in the Retirement Benefit Plan but is entitled to a contractual retirement benefit equal to 50% of his average monthly compensation for the highest sixty months preceding retirement. At the end of 1986, Mr. Reuss' annual retirement benefit was approximately $255,900.

Termination Benefits

Centel has entered into agreements with its executive officers, other than Mr. Reuss, which provide for separation pay and benefits should a change in control of Centel occur. The agreements were unanimously approved by the Board of Directors. Under the agreements, separation pay and benefits will be available if the executive's employment is terminated voluntarily or involuntarily following a change in control. A change in control would occur under the agreements when: (i) a change in control occurs which would require disclosure in Centel's proxy statement; (ii) any person acquires more than 20% of the voting power of Centel's stock or the right to elect one director using cumulative voting; (iii) a majority of any class of directors is comprised of persons who were not nominated by the Board of Directors; (iv) Centel has disposed of more than one-half of its assets; or (v) Centel has combined with or been acquired by another company.

Under the agreements, separation pay will be equal to two times the executive officer's annual salary rate and target bonus in effect at the time of the change in control plus the bonus for the preceding year if not yet received. Payments may not, however, exceed amounts that would otherwise have been paid prior to the officer's normal retirement date. In addition, life and health insurance coverage and pension credited service would be extended for a period of two years; all unvested interests in the Retirement Savings Plan and Incentive Deferred Compensation Plan will vest; the executive officers will be entitled to retain life insurance and health insurance benefits to which they would be entitled upon retiring with 15 years service; and (except as noted below) Centel will pay the officer an amount equal to 125% of any excise tax that may be imposed on the payments pursuant to Section 4999 of the Internal Revenue Code. The agreements terminate on December 31, 1988, subject to annual renewal by the Board of Directors. Agreements with Messrs. Mitchell and Garnett limit benefits so there will be no excise tax imposed and terminate upon their retirement.

The Board of Directors believes that the agreements assure fair treatment of the executive officers in relation to their careers with Centel by assuring them of some financial security. The agreements also protect the shareholders by encouraging the executive officers to continue their attention to their duties without distraction in a potentially disturbing circumstance and neutralizing any bias they might have in considering proposals to acquire Centel.

Other Benefits

The executive officers are covered by an accidental death and dismemberment policy provided by Centel at an annual premium of $425 per person, in addition to group term life insurance, which is generally available to all employees, and long-term disability coverage, which is generally available to all management employees.

The executive officers may be reimbursed for expenses incurred to obtain financial planning and tax advice up to $3,000 annually and an additional $7,000 to cover the start up cost.

Transactions with Management

Mr. Ausley is President of the law firm of Ausley, McMullen, McGehee, Carothers & Proctor, P.A., which provided legal services to Centel in 1986 for which it billed $151,300. Mr. Ausley is also Chairman of Capital City First National Bank, a subsidiary of Capital City Bank Group, Inc., with which Centel maintains various bank accounts and a line of credit. During 1986, Centel paid fees in the amount of $28,000 to that bank.

Mr. Frazee is a director of C-SPAN (Cable Satellite Public Affairs Network), a not-for-profit cooperative which provides live coverage of proceedings of the House of Representatives and other public affairs programming. He has received no compensation from C-SPAN. During 1986, Centel and its cable television subsidiaries paid C-SPAN $69,400 for its programming services.

Mr. Mitchell has served as Chairman of the Board of Directors of The Argo Group Inc. in which Centel owns a minority equity interest and to which Centel has leased certain equipment. He has received no compensation from Argo. Until Argo terminated service in February, 1987, Centel purchased certain telecommunications services from Argo at tariff rates. During 1986, Centel provided certain management and support services to Argo for which it charged Argo $666,000.

MATTERS TO BE ACTED UPON

Increase in Authorized Shares

On March 12, 1987, the Board of Directors unanimously approved an increase in the number of authorized shares of common stock from 40,000,000 to 120,000,000. At December 31, 1986, Centel had 29,611,586 shares of common stock outstanding or reserved for issuance upon conversion of convertible securities and under the Dividend Reinvestment Plan, Savings Plans, Employees' Stock Ownership Plan and Incentive Deferred Compensation Plan.

Management recommends an increase in the number of authorized shares of common stock from 40,000,000 to 120,000,000 to have available a larger quantity of unissued shares for issuance under the plans described above and to effect acquisitions and financings. The Board of Directors will approve the issuance of such shares without further shareholder action. Centel has no specific plans for the issuance of any of the additional authorized shares, but it has an active acquisition program and may issue shares of its common stock in connection with future acquisitions. In December, 1986, Centel issued and sold 1,143,100 shares of its common stock in an underwritten public offering. Although Centel does not now contemplate another equity financing, the additional shares would also be available for sale for cash should that become advisable. The shares may also be used for other corporate purposes, such as a stock split or stock dividend, as may be determined from time to time by the Board of Directors.

Although the Board of Directors has no present intention of doing so, shares of authorized but unissued common stock could be issued in such a way as to make a takeover or change of control of Centel more difficult and, therefore, less likely. For example, Centel could issue stock or rights to acquire stock as a dividend to all of its existing shareholders, thereby causing dilution of the ownership interest and voting power of a principal shareholder seeking control of Centel. Centel could also issue the shares in a private placement to persons aligned with the Board of Directors of Centel in opposing a hostile takeover. The Board of Directors is not aware of any takeover activity or unusual accumulation of shares of Centel stock and has no present intention of making future proposals for inclusion in Centel's proxy statement which may have an anti-takeover effect.

Independent Public Accountants

The Board of Directors recommends approval of the designation of Arthur Andersen & Co., who are independent public accountants, as auditors for fiscal year 1987. Arthur Andersen & Co. have been Centel's auditors for many years. A partner of the firm will be present at the Annual Meeting to make a statement if he desires to do so and to respond to appropriate questions.

Other Matters

The Board of Directors does not know of any matters to be presented at the meeting other than those mentioned in this Proxy Statement. If any other matters are properly brought before the meeting, the persons named in the accompanying proxy will vote the proxy in accordance with their best judgment.

OTHER INFORMATION

Shares Entitled to Vote
Shareholders of record at the close of business on March 2, 1987 are entitled to vote. At that date there were outstanding 29,152,480 shares of common stock and $25 par value preferred stock which vote together as one class. Each share is entitled to one vote on each matter to be voted on at the meeting. To the knowledge of Centel no person is the beneficial owner of more than 5% of the common stock and the $25 par value preferred stock.

Shareholdings of Directors and Officers
On February 1, 1987, the directors and officers as a group owned 194,715 shares of common stock of Centel which is less than 1% of the shares of that class. No director or officer owns any other equity security of Centel. Share ownership of each director reported in this Proxy Statement refers to shares of common stock of Centel owned February 1, 1987 and includes interests in the Retirement Savings Plan and Employees' Stock Ownership Plan.

Voting
Each shareholder who votes for the election of directors is deemed to cast a number of votes equal to the number of shares held of record multiplied by the number of directors to be elected. Such votes may be cumulated and cast for one nominee or they may be distributed among any number of nominees not exceeding four. For example, a holder of 100 shares is entitled to cast 400 votes, which may be cast for one nominee or may be divided, in such proportions as the holder sees fit, among the nominees. If votes for one or more, but not all, nominees are withheld, the votes will be distributed equally among the other nominees.

Approval of the proposal to increase the number of authorized shares of common stock requires the affirmative vote of the holders of a majority of the outstanding shares of common stock and $25 par value preferred stock.

Shareholders may vote at the meeting by voting in person, by completing and returning the enclosed proxy to Centel prior to the meeting, or by submitting a signed proxy at the meeting.

Proxies
Please mark your votes, sign and date your proxy and return it promptly in the addressed envelope which is enclosed. The proxy will be used at the 1987 Annual Meeting of Shareholders and any adjournments. A shareholder may revoke a proxy at any time before it is voted. Participants in the Retirement Savings Plans or the Employees' Stock Ownership Plan will receive separate proxies for shares held under those plans.

If any nominee for director declines or is unable to serve as a director, the accompanying proxy may be voted by the persons named in the proxy in their discretion. The Board of Directors knows of no reason why any nominee would decline or be unable to serve.

A shareholder may withhold votes from any nominee or abstain from voting on any item of business by marking the proxy to that effect.

The cost of solicitation of proxies will be borne by Centel. The firm of Georgeson & Co. Inc. has been retained to assist in the solicitation of proxies for the Annual Meeting at a fee of $7,000, plus reasonable expenses. The solicitation may take the form of personal interview, telephone, telegram or mail.

1988 Annual Meeting
The 1988 Annual Meeting of Shareholders is scheduled to be held April 28, 1988. Any shareholder who desires to present a proposal at that meeting and have it included in the proxy statement and proxy must submit it in writing to Centel, at the address set forth on the first page of this Proxy Statement, not later than November 16, 1987.

By order of the Board of Directors.

Maxwell S. Dan

Secretary
March 16, 1987