



INVESTOR QUARTERLY

SECOND QUARTER 2010

July 23, 2010

Earnings Release

3-8

Financial Statements

Condensed Consolidated Statements of Income 9

Condensed Consolidated Balance Sheets 10

Condensed Consolidated Statements of Cash Flows 11

Selected Financial and Operating Statistics 12

Verizon Wireless Results 13

Wireline Results 14

News Items 15

verizon.com/investor

16

VERIZON REPORTS **STRONG WIRELESS,
FIOS CUSTOMER GROWTH; INCREASED
ENTERPRISE REVENUES; STRONG CASH
FLOW IN 2Q**

Results Include Costs for Voluntary Workforce Reductions,
as Prior Cost-Reduction Initiatives Gain Momentum and
Strategic Divestitures Are Completed



Second Quarter 2010 Highlights

Consolidated

- \$9.8 billion in cash flow from operations during 2Q 2010, up 29.8 percent from 2Q 2009; \$5.5 billion in free cash flow (non-GAAP), up 76.7 percent.
- A loss of 7 cents per share, including 65 cents of earnings per share in adjustments, compared with 2Q 2009 EPS of 52 cents.

Wireless

- 1.4 million total net customer additions, excluding divestitures and adjustments, in 2Q 2010; 665,000 retail postpaid net customer additions in the quarter; continued low retail postpaid churn of 0.94 percent.
- 86.2 million retail customers; 92.1 million total customers, after divestitures and conforming adjustments related to the Alltel acquisition.
- 3.4 percent increase in total revenues from 2Q 2009; 5.2 percent increase in service revenues; data revenues up 23.8 percent; 30.3 percent operating income margin and 47.5 percent Segment EBITDA margin on service revenues (non-GAAP).

Wireline

- 196,000 net FiOS Internet and 174,000 net FiOS TV customer additions; 3.8 million total FiOS Internet customers and 3.2 million total FiOS TV customers.
- 11.4 percent increase in consumer ARPU from 2Q 2009; total broadband and video revenues of \$1.8 billion, up 20.1 percent from 2Q 2009.
- 6.2 percent increase in strategic business services revenues; total global enterprise revenues up 0.6 percent from 2Q 2009.

NEW YORK — For second-quarter 2010, Verizon Communications Inc. (NYSE, NASDAQ: VZ) reported continued strong cash flow growth, coupled with improved margins for both its Wireless and Wireline business segments, and improved revenue trends for sales to global business customers.



The company reported a loss of 7 cents in basic earnings per share (EPS) in the quarter, which included \$2.3 billion in pre-tax costs for workforce reductions associated with a second-quarter incentive offer that will lead to approximately 11,000 voluntary separations this year. This compares with earnings of 52 cents per share in the second quarter of 2009.

‘Solid Improvement in Operational Results’

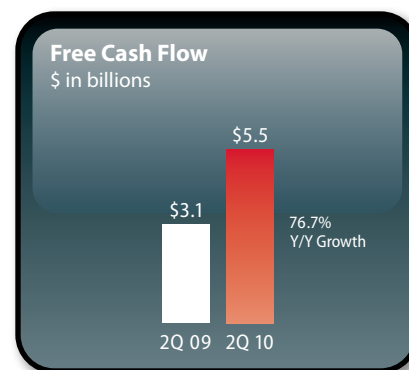
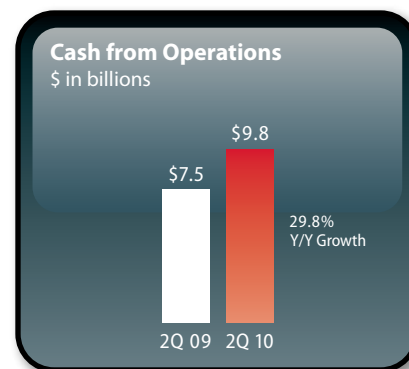
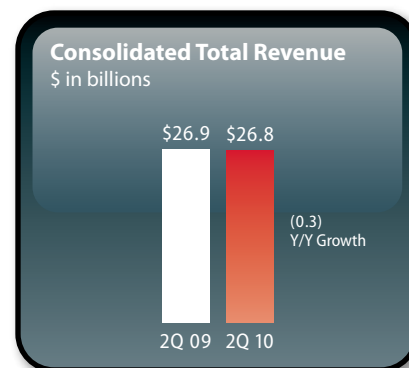
“Verizon showed solid improvement in operational results in the quarter,” said Chairman and CEO Ivan Seidenberg. “In addition, the wireline spinoff to Frontier on July 1 improves our future growth profile. We see the opportunity to create additional shareholder value with a revenue portfolio that is now more heavily focused on wireless, FiOS and global IP.”

Seidenberg added, “We have the network platforms in place, and the product and service innovations in the pipeline, to fuel the next generation of growth in our changing industry. Our cost-reduction efforts are gaining momentum, and trends in the global business market are showing signs of stabilization.”

Consolidated Results Include Divestitures

Verizon’s consolidated second-quarter 2010 results include wireline local exchange businesses covering 4 million access lines that were spun off and merged with Frontier Communications on July 1. Results also include certain wireless properties until they were divested in April and June to comply with conditions imposed in connection with regulatory approvals of last year’s acquisition of Alltel. These wireless properties, covering more than 2 million customers, were held in a trust through the date of divestiture.

Items that negatively impacted Verizon’s second-quarter 2010 net income were 52 cents per share associated with the voluntary incentive program for union-represented employees, about two-thirds of whom left the payroll in late June or early July; 6 cents per share for both Alltel merger integration costs and taxes associated with the divestiture of the Alltel trust properties; 4 cents per share in Frontier spinoff-related charges; and 3 cents per share for a one-time, non-cash revenue adjustment of \$268 million, which was recorded to properly defer previously recognized wireless data revenues that will be earned and recognized in future periods.



Verizon's total operating revenues were \$26.8 billion in second-quarter 2010, a decrease of 0.3 percent compared with second-quarter 2009.

Cash flow from operations totaled \$16.9 billion in the first half of 2010, compared with \$14.1 billion in the first half of 2009. Cash flow from operations totaled \$9.8 billion in second-quarter 2010 alone, up 29.8 percent compared with second-quarter 2009.

Capital expenditures totaled \$4.2 billion in the second quarter of 2010, down 3.6 percent from second-quarter 2009. Full-year 2010 guidance for capital expenditures remains in the range of \$16.8 billion to \$17.2 billion. In second-quarter 2010, free cash flow (non-GAAP; cash flow from operations less capital expenditures) totaled \$5.5 billion, a 76.7 percent year-over-year increase.

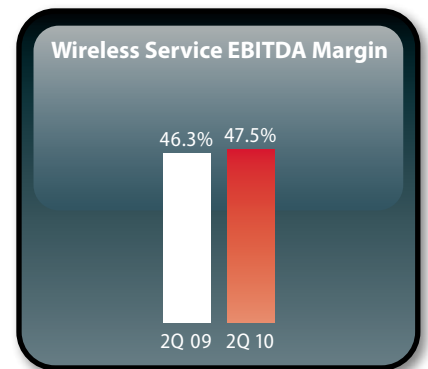
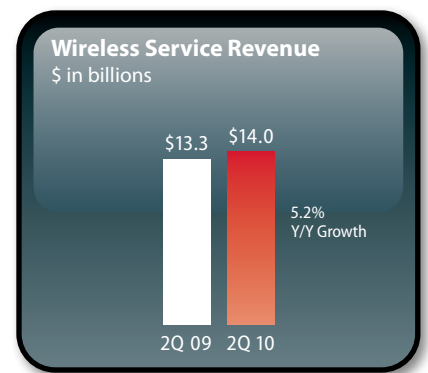
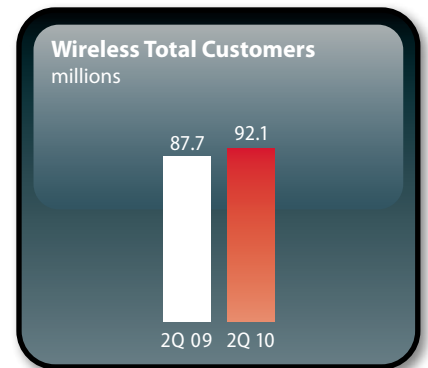
Verizon's net debt (non-GAAP; total debt less end-of-period cash and cash equivalents) was \$52.7 billion at the end of second-quarter 2010. The net debt to Adjusted EBITDA ratio (non-GAAP; net debt divided by earnings before interest, taxes, depreciation and amortization adjusted for non-recurring or one-time items) was approximately 1.5 at the end of the quarter, and Verizon expects it to be lower by year-end 2010.

Wireless Momentum Continues:

Top-Line Revenue Growth, Strong Profitability, Low Retail Postpaid Churn

Verizon Wireless continued to deliver strong margins and data revenue growth, and solid customer additions. In the second quarter of 2010:

- > Verizon Wireless added 665,000 retail postpaid and 454,000 total retail customers in the quarter, excluding divestitures and adjustments, both increases over the first quarter of 2010.
- > At the end of the second quarter, the company had 86.2 million retail customers, which represented nearly 94 percent of the company's wireless customers, the largest number of retail customers of any U.S. wireless provider.
- > The company also added 896,000 reseller customers in the second quarter.
- > The total number of customers at the end of the quarter was 92.1 million, after adding 1.4 million total net customers in the quarter and removing a net 2.1 million customers in connection with divestitures and conforming adjustments related to the Alltel acquisition.
- > In addition, the company had 7.7 million "other connections" at the end of the quarter — such as machine-to-machine, eReaders and telematics — adding 264,000 net other connections in the quarter. This brings the number of total wireless connections to 99.7 million at the end of the second quarter.
- > Retail postpaid churn, retail churn and total customer churn remained low, at 0.94 percent, 1.33 percent and 1.27 percent, respectively. All are the company's best levels in nearly two years.
- > Retail service revenues in the quarter totaled \$13.5 billion, up 4.2 percent year over year. Retail data revenue was up 23.4 percent to \$4.7 billion. Service revenues in the second quarter were \$14.0 billion, up 5.2 percent. Total revenues were \$16.0 billion, up 3.4 percent year over year.



> Retail service ARPU (average monthly service revenue per user) grew 0.9 percent over the second quarter of 2009 to \$51.56. Retail data ARPU increased to \$17.85, up 19.4 percent year over year.

> Wireless operating income margin was 30.3 percent, an increase of 150 basis points, or 1.5 percentage points, year over year. Segment EBITDA margin on service revenues (non-GAAP) was 47.5 percent, up 120 basis points over second-quarter 2009.

**Wireline Growth in Consumer and Enterprise Markets:
Revenues Increase for FiOS and Strategic Business Services**

Verizon continued to add customers for broadband and video services provided over its FiOS fiber-optic network, and revenues increased for advanced communications and related business services provided over Verizon’s global IP (Internet protocol) network. In the second quarter of 2010:

> Verizon added 196,000 net new FiOS Internet customers and 174,000 net new FiOS TV customers. Verizon has posted consecutive quarterly gains in the number of customers using FiOS services since FiOS Internet was introduced in 2004, and by the end of the second quarter had 3.8 million FiOS Internet and 3.2 million FiOS TV customers.

> FiOS Internet penetration (customers as a percentage of potential customers) was 29.7 percent by the end of the quarter, with the product available for sale to 12.9 million premises. This compares with 28.1 percent and 11.0 million, respectively, at the end of second-quarter 2009.

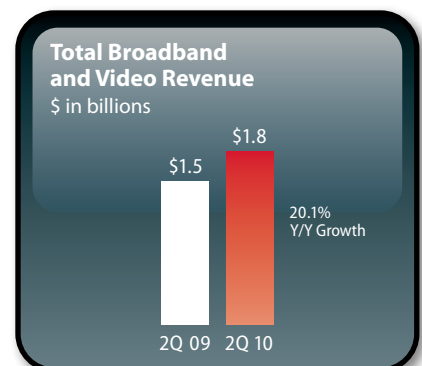
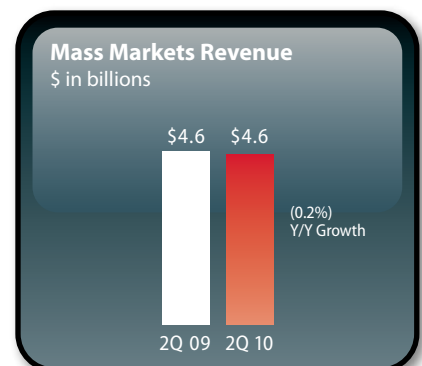
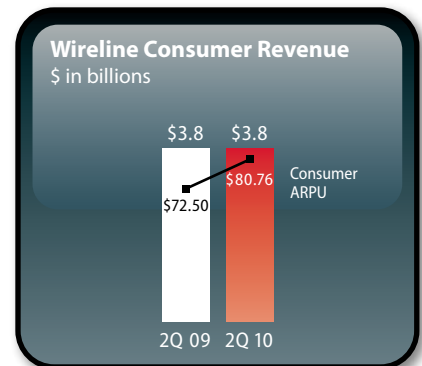
> FiOS TV penetration was 25.9 percent by the end of the quarter, with the product available for sale to 12.4 million premises. This compares with 24.6 percent and 10.3 million, respectively, at the end of second-quarter 2009.

> Total wireline broadband and video revenues were \$1.8 billion in the quarter, up 20.1 percent from second-quarter 2009. This includes FiOS broadband revenues, which grew 33.2 percent year over year. All FiOS-based services, including narrowband voice, generated 43 percent of consumer wireline revenues in second-quarter 2010, compared with 33 percent in second-quarter 2009.

> Consumer ARPU for wireline services was \$80.76 in the quarter, up 11.4 percent compared with second-quarter 2009. ARPU for FiOS customers was more than \$145.

> Global enterprise revenue totaled \$4.0 billion in the quarter, an increase of 0.6 percent compared with second-quarter 2009 and an improvement from the 1.4 percent year-over-year decline in the first quarter of 2010. Sales of strategic enterprise services — such as security and IT solutions, as well as strategic networking — generated \$1.6 billion, up 6.2 percent compared with second-quarter 2009.

> Segment EBITDA margin (non-GAAP) was 22.7 percent, compared with 21.7 percent in the first quarter of 2010 and 24.5 percent in the second quarter of 2009.





Additional Highlights

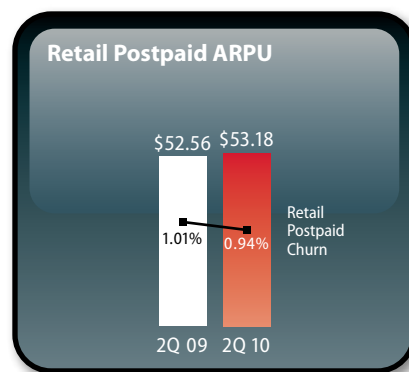
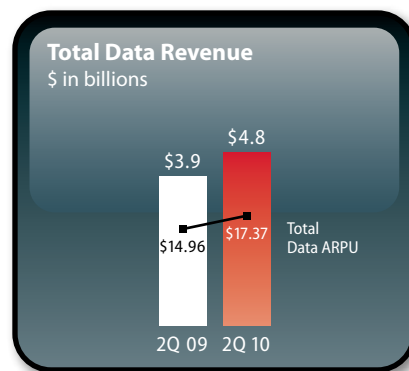
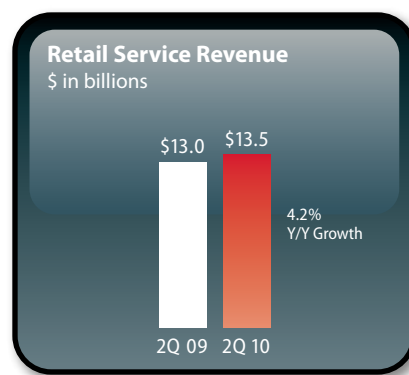
Wireless

- > Verizon Wireless continued to lead the industry in cost efficiency. Monthly cash expense per customer (non-GAAP) decreased in the second quarter 2010 to \$26.48, from \$27.42 in the comparable period in 2009.
- > In the second quarter, data revenues increased to 34.5 percent of all service revenues, up from 29.3 percent in the second quarter 2009.
- > Verizon Wireless continued to invest in its broadband network, the nation's largest and most reliable 3G (third generation) network. Verizon's 3G network provides more coverage than any other U.S. carrier's and is available where 289 million people reside.
- > Verizon Wireless plans to launch the nation's first 4G LTE (Long Term Evolution) network in 25 to 30 markets by the end of this year and cover virtually all of its current nationwide 3G footprint by the end of 2013. In addition, as part of its 4G LTE network deployment plans, Verizon Wireless announced efforts during the quarter to work with rural companies to collaboratively build and operate a 4G network in those areas, using Verizon Wireless' 700MHz spectrum.
- > In June, Verizon Wireless unveiled the much-anticipated DROID X by Motorola, the newest Android smartphone, which became available in stores and online last week. The Droid X features a large,

high-resolution screen, 3G Mobile HotSpot capabilities, personal HD video capture and sharing, and is ready for Adobe Flash Player 10.1 when the software is released by Adobe. During the second quarter, the company also expanded its smartphone lineup with the LG Ally, an Android device; the LG Fathom, powered by Windows Mobile; and the BlackBerry Bold 9650 global smartphone. The company also introduced the Samsung Reality, which has a full suite of messaging options, and the Pantech Jest.

- > During the second quarter, Verizon Wireless customers sent or received more than 180 billion text messages. Customers also sent nearly 4.2 billion picture/video messages and completed more than 25 million music and video downloads.
- > Verizon Wireless ranked highest among wireless providers in small to mid-sized business customer satisfaction in the J.D. Power and Associates 2010 U.S. Business Wireless Satisfaction Study released in June.

Wireless



Wireline

- Second-quarter 2010 operating revenues were \$11.1 billion, a decline of 3.3 percent compared with second-quarter 2009. Second-quarter 2010 operating expenses were \$10.9 billion, a decline of 0.3 percent compared with second-quarter 2009.
- Broadband connections totaled 9.3 million at the end of the second quarter 2010, a 2.5 percent year-over-year increase. This is a net increase of 28,000 from the first quarter 2010, as the increase in FiOS Internet connections more than offset a decrease in DSL-based High Speed Internet connections.
- As of the end of second-quarter 2010, the FiOS network passed 15.9 million premises.
- The wireline workforce totaled 110,600 at the end of the second quarter 2010. This is a decline of 3,800 compared with the end of the first quarter 2010. In the first half of 2010, Verizon reduced its wireline workforce by 6,100. More than 9,200 employees were subsequently transferred to Frontier as part of the July 1 spinoff.
- Verizon continued during the quarter to roll out global solutions that enable multinational enterprise, medium business and government customers to take advantage of cloud-based service delivery of key IT resources and applications. These included new cloud-based computing, data storage, security and unified communications offers, as well as expanded network coverage, enterprise mobility and professional service solutions. In addition, Verizon announced industry-specific solutions, including extension of its dedicated financial services network to Europe and data consulting services for healthcare providers.
- Continuing to broaden its global scope and capabilities, Verizon expanded its network infrastructure, adding a second data center in Hong Kong which will enhance the company's cloud and data center services in the Asia-Pacific region and provide direct access to its global network. The company also installed 18 additional Private

IP edge routers for a total of 781 edge routers in 221 sites throughout 60 countries and added four new converged packet architecture switches in Tel Aviv, Israel; Rotterdam, Netherlands; Winnipeg, Canada; and San Jose, Costa Rica. This brings the total number of CPA switches to 146 in 129 sites across 35 countries.

- In addition to winning new business with a number of multinational corporate customers, Verizon entered into new agreements with several government agencies, including the U.S. Department of Health and Human Services.

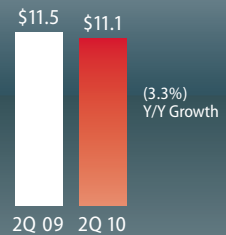
NOTE: Comparisons are year over year unless otherwise noted. See the accompanying schedules and www.verizon.com/investor for reconciliations to generally accepted accounting principles (GAAP) for non-GAAP financial measures cited in this news release.

NOTE: This document contains statements about expected future events and financial results that are forward-looking and subject to risks and uncertainties. For those statements, we claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. The following important factors could affect future results and could cause those results to differ materially from those expressed in the forward-looking statements: the effects of adverse conditions in the U.S. and international economies; the effects of competition in our markets; materially adverse changes in labor matters, including workforce levels and labor negotiations, and any resulting financial and/or operational impact, in the markets served by us or by companies in which we have substantial investments; the effect of material changes in available technology; any disruption of our suppliers' provisioning of critical products or services; significant increases in benefit plan costs or lower investment returns on plan assets; the impact of natural or man-made disasters or existing or future litigation and any resulting financial impact not covered by insurance; technology substitution; an adverse change in the ratings afforded our debt securities by nationally accredited ratings organizations or adverse conditions in the credit markets impacting the cost, including interest rates, and/or availability of financing; any changes in the regulatory environments in which we operate, including any loss of or inability to renew wireless licenses, and the final results of federal and state regulatory proceedings and judicial review of those results; the timing, scope and financial impact of our deployment of fiber-to-the-premises broadband technology; changes in our accounting assumptions that regulatory agencies, including the SEC, may require or that result from changes in the accounting rules or their application, which could result in an impact on earnings; our ability to complete acquisitions and dispositions; our ability to successfully integrate Alltel Corporation into Verizon Wireless' business and achieve anticipated benefits of the acquisition; and the inability to implement our business strategies.

Wireline

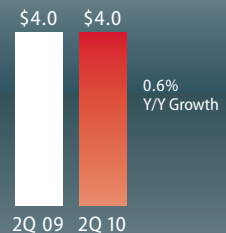
Total Revenue

\$ in billions



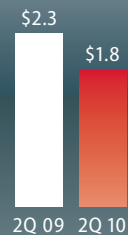
Global Enterprise Revenue

\$ in billions



Capital Expenditures

\$ in billions



Condensed Consolidated Statements of Income

(dollars in millions, except per share amounts)

Unaudited	3 Mos. Ended 6/30/10	3 Mos. Ended 6/30/09	% Change	6 Mos. Ended 6/30/10	6 Mos. Ended 6/30/09	% Change
Operating Revenues	\$ 26,773	\$ 26,861	(0.3)	\$ 53,686	\$ 53,452	0.4
Operating Expenses						
Cost of services and sales	12,239	10,481	16.8	22,956	20,789	10.4
Selling, general & administrative expense	8,319	7,871	5.7	16,043	15,432	4.0
Depreciation and amortization expense	4,176	4,091	2.1	8,297	8,119	2.2
Total Operating Expenses	24,734	22,443	10.2	47,296	44,340	6.7
Operating Income	2,039	4,418	(53.8)	6,390	9,112	(29.9)
Equity in earnings of unconsolidated businesses	121	128	(5.5)	254	256	(0.8)
Other income and (expense), net	17	11	54.5	62	64	(3.1)
Interest expense	(679)	(787)	(13.7)	(1,359)	(1,712)	(20.6)
Income Before (Provision) Benefit for Income Taxes	1,498	3,770	(60.3)	5,347	7,720	(30.7)
(Provision) benefit for income taxes	49	(610)	*	(1,516)	(1,350)	12.3
Net Income	\$ 1,547	\$ 3,160	(51.0)	\$ 3,831	\$ 6,370	(39.9)
Net income attributable to noncontrolling interest	1,745	1,677	4.1	3,620	3,242	11.7
Net income (loss) attributable to Verizon	(198)	1,483	*	211	3,128	(93.3)
Net Income	\$ 1,547	\$ 3,160	(51.0)	\$ 3,831	\$ 6,370	(39.9)
Basic Earnings (Loss) per Common Share						
Net income (loss) attributable to Verizon	\$ (.07)	\$.52	*	\$.07	\$ 1.10	(93.6)
Weighted average number of common shares (in millions)	2,827	2,841		2,831	2,841	
Diluted Earnings (Loss) per Common Share⁽¹⁾						
Net income (loss) attributable to Verizon	\$ (.07)	\$.52	*	\$.07	\$ 1.10	(93.6)
Weighted average number of common shares-assuming dilution (in millions)	2,827	2,841		2,833	2,841	

Footnotes:

(1) As there is a net loss for the quarter, diluted EPS is the same as basic EPS. Diluted Earnings per Share would have included the dilutive effect of shares issuable under our stock-based compensation plans of approximately 2 million shares.

* Not meaningful

Condensed Consolidated Balance Sheets

Unaudited	6/30/10	12/31/09	(dollars in millions) \$ Change
Assets			
Current assets			
Cash and cash equivalents	\$ 4,761	\$ 2,009	\$ 2,752
Short-term investments	464	490	(26)
Accounts receivable, net	12,058	12,573	(515)
Inventories	985	1,426	(441)
Prepaid expenses and other	2,793	5,247	(2,454)
Total current assets	<u>21,061</u>	<u>21,745</u>	<u>(684)</u>
Plant, property and equipment	234,727	229,381	5,346
Less accumulated depreciation	142,626	137,052	5,574
	<u>92,101</u>	<u>92,329</u>	<u>(228)</u>
Investments in unconsolidated businesses	3,797	3,535	262
Wireless licenses	72,435	72,067	368
Goodwill	22,467	22,472	(5)
Other intangible assets, net	6,324	6,764	(440)
Other assets	8,066	8,339	(273)
Total Assets	\$ 226,251	\$ 227,251	\$ (1,000)
Liabilities and Equity			
Current liabilities			
Debt maturing within one year	\$ 7,874	\$ 7,205	\$ 669
Accounts payable and accrued liabilities	16,905	15,223	1,682
Other	7,055	6,708	347
Total current liabilities	<u>31,834</u>	<u>29,136</u>	<u>2,698</u>
Long-term debt	49,594	55,051	(5,457)
Employee benefit obligations	32,435	32,622	(187)
Deferred income taxes	21,324	19,310	2,014
Other liabilities	6,591	6,765	(174)
Equity			
Common stock	297	297	—
Contributed capital	40,108	40,108	—
Reinvested earnings	15,117	17,592	(2,475)
Accumulated other comprehensive loss	(11,140)	(11,479)	339
Common stock in treasury, at cost	(5,277)	(5,000)	(277)
Deferred compensation— employee stock ownership plans and other	149	88	61
Noncontrolling interest	45,219	42,761	2,458
Total equity	<u>84,473</u>	<u>84,367</u>	<u>106</u>
Total Liabilities and Equity	\$ 226,251	\$ 227,251	\$ (1,000)

The unaudited consolidated balance sheets are based on preliminary information.

Condensed Consolidated Statements of Cash Flows

Unaudited	6 Mos. Ended 6/30/10	6 Mos. Ended 6/30/09	(dollars in millions) \$ Change
Cash Flows From Operating Activities			
Net Income	\$ 3,831	\$ 6,370	\$ (2,539)
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization expense	8,297	8,119	178
Employee retirement benefits	2,518	1,420	1,098
Deferred income taxes	1,354	1,296	58
Provision for uncollectible accounts	680	643	37
Equity in earnings of unconsolidated businesses, net of dividends received	(227)	173	(400)
Changes in current assets and liabilities, net of effects from acquisition/disposition of businesses	1,502	(2,070)	3,572
Other, net	(1,082)	(1,814)	732
Net cash provided by operating activities	<u>16,873</u>	<u>14,137</u>	<u>2,736</u>
Cash Flows From Investing Activities			
Capital expenditures (including capitalized software)	(7,685)	(8,094)	409
Acquisitions of licenses, investments and businesses, net of cash acquired	(538)	(5,367)	4,829
Proceeds from dispositions	2,594	—	2,594
Net change in short-term investments	(17)	119	(136)
Other, net	37	64	(27)
Net cash used in investing activities	<u>(5,609)</u>	<u>(13,278)</u>	<u>7,669</u>
Cash Flows From Financing Activities			
Proceeds from long-term borrowings	—	12,040	(12,040)
Repayments of long-term borrowings and capital lease obligations	(4,594)	(18,173)	13,579
Increase in short-term obligations, excluding current maturities	(97)	(103)	6
Dividends paid	(2,690)	(2,614)	(76)
Other, net	(1,131)	(971)	(160)
Net cash used in financing activities	<u>(8,512)</u>	<u>(9,821)</u>	<u>1,309</u>
Increase (decrease) in cash and cash equivalents	2,752	(8,962)	11,714
Cash and cash equivalents, beginning of period	2,009	9,782	(7,773)
Cash and cash equivalents, end of period	\$ 4,761	\$ 820	\$ 3,941

Selected Financial and Operating Statistics

Unaudited	6/30/10	6/30/09
Debt to debt and Verizon's equity ratio-end of period ⁽¹⁾	59.4%	60.3%
Book value per common share ⁽¹⁾	\$ 13.89	\$ 15.02
Common shares outstanding (in millions) End of period	2,827	2,841
Total employees	210,800	235,326

(dollars in millions, except per share amounts)

Unaudited	3 Mos. Ended 6/30/10	3 Mos. Ended 6/30/09	6 Mos. Ended 6/30/10	6 Mos. Ended 6/30/09
Capital expenditures (including capitalized software)				
Domestic Wireless	\$ 2,262	\$ 1,783	\$ 4,032	\$ 3,334
Wireline	1,781	2,338	3,347	4,341
Other	186	266	306	419
Total	\$ 4,229	\$ 4,387	\$ 7,685	\$ 8,094
Cash dividends declared per common share	\$ 0.475	\$ 0.460	\$ 0.950	\$ 0.920

Footnote:

(1) Calculations are based on the equity position attributable to Verizon, which excludes noncontrolling interests.

Verizon Wireless — Selected Financial Results

(dollars in millions)						
Unaudited	3 Mos. Ended 6/30/10	3 Mos. Ended 6/30/09	% Change	6 Mos. Ended 6/30/10	6 Mos. Ended 6/30/09	% Change
Revenues						
Service revenues	\$ 14,046	\$ 13,349	5.2	\$ 27,891	\$ 26,424	5.6
Equipment and other	1,960	2,131	(8.0)	3,898	4,178	(6.7)
Total Revenues	16,006	15,480	3.4	31,789	30,602	3.9
Operating Expenses						
Cost of services and sales	4,780	4,825	(0.9)	9,555	9,485	0.7
Selling, general & administrative expense	4,557	4,469	2.0	9,199	8,911	3.2
Depreciation and amortization expense	1,827	1,727	5.8	3,639	3,476	4.7
Total Operating Expenses	11,164	11,021	1.3	22,393	21,872	2.4
Operating Income	\$ 4,842	\$ 4,459	8.6	\$ 9,396	\$ 8,730	7.6
Operating Income Margin	30.3%	28.8%		29.6%	28.5%	

Verizon Wireless — Selected Operating Statistics

(numbers in thousands)			
Unaudited	6/30/10	6/30/09	% Change
Total Customers	92,063	87,694	5.0
Retail Customers	86,176	85,240	1.1

(numbers in thousands)						
Unaudited	3 Mos. Ended 6/30/10	3 Mos. Ended 6/30/09	% Change	6 Mos. Ended 6/30/10	6 Mos. Ended 6/30/09	% Change
Total Customer net adds in period ⁽¹⁾	1,351	1,142	18.3	2,903	2,419	20.0
Retail Customer net adds in period ⁽²⁾	454	1,145	(60.3)	742	2,406	(69.2)
Total churn rate	1.27%	1.37%		1.34%	1.42%	
Retail churn rate	1.33%	1.36%		1.39%	1.41%	

Footnotes:

(1) Includes acquisitions (other than Alltel Corp.) and adjustments of 1 customers in the second quarter of 2009; and 4 and 1 customers in the first and second quarter of 2010, respectively. Excludes the Alltel acquisition of 13,219 customers in the first quarter of 2009 and divestitures of 2,089 customers in the second quarter of 2010.

(2) Includes acquisitions (other than Alltel Corp.) and adjustments of 1 customers in the second quarter of 2009; and 4 customers in the first quarter of 2010. Excludes the Alltel acquisition of 12,813 customers in the first quarter 2009 and divestitures of 2,089 customers in the second quarter of 2010.

The segment financial results above are adjusted to exclude the effects of other non-operational items as the Company's chief operating decision maker excludes these items in assessing business unit performance.

Intersegment transactions have not been eliminated.

Certain reclassifications have been made, where appropriate, to reflect comparable operating results.

Wireline — Selected Financial Results

Unaudited	(dollars in millions)					
	3 Mos. Ended 6/30/10	3 Mos. Ended 6/30/09	% Change	6 Mos. Ended 6/30/10	6 Mos. Ended 6/30/09	% Change
Wireline Operating Revenues						
Mass Markets	\$ 4,619	\$ 4,628	(0.2)	\$ 9,204	\$ 9,218	(0.2)
Global Enterprise	4,036	4,010	0.6	8,029	8,060	(0.4)
Global Wholesale	2,232	2,434	(8.3)	4,579	4,850	(5.6)
Other	225	416	(45.9)	532	927	(42.6)
Total Operating Revenues	11,112	11,488	(3.3)	22,344	23,055	(3.1)
Operating Expenses						
Cost of services and sales	6,001	5,947	0.9	12,115	11,842	2.3
Selling, general & administrative expense	2,590	2,726	(5.0)	5,268	5,492	(4.1)
Depreciation and amortization expense	2,307	2,260	2.1	4,575	4,475	2.2
Total Operating Expenses	10,898	10,933	(0.3)	21,958	21,809	0.7
Operating Income	\$ 214	\$ 555	(61.4)	\$ 386	\$ 1,246	(69.0)
Operating Income Margin	1.9%	4.8%		1.7%	5.4%	

Wireline — Selected Operating Statistics

Unaudited	(numbers in thousands)		
	6/30/10	6/30/09	% Change
Switched access lines in service			
Total Residence (includes Primary residence)	17,405	19,655	(11.4)
Primary residence	15,488	17,165	(9.8)
Business			
Public	13,593	14,444	(5.9)
Total	152	214	(29.0)
Broadband connections			
FiOS Internet Subscribers	3,150	34,313	(9.2)
FiOS TV Subscribers	9,338	9,111	2.5
	3,814	3,082	23.8
	3,203	2,517	27.3

Footnotes:

The segment financial results above are adjusted to exclude the effects of other non-operational items as the Company's chief operating decision maker excludes these items in assessing business unit performance.

Intersegment transactions have not been eliminated.

Certain reclassifications have been made, where appropriate, to reflect comparable operating results.



News Items

Verizon Business Enhances Infrastructure in Asia-Pacific to Deliver New Services In-Region

Apr 28, 2010 Verizon Business is strengthening its extensive Asia-Pacific network infrastructure by opening a second data center in Hong Kong. The new facility will enhance Verizon's ability to deliver new cloud and data center services in the region — and provide direct access to Verizon's global network — to meet the growing demand of the company's enterprise customers.

Verizon Business Enhances European Network and Plans for Activation of Europe India Gateway Cable Later in 2010

May 11, 2010 Verizon Business is enhancing its European network infrastructure to help meet data-growth demands of its enterprise customers and prepare for the activation of the Europe India Gateway submarine cable network system later this year.

Verizon Communications Declares Quarterly Dividend

Jun 03, 2010 The Board of Directors of Verizon Communications Inc. (NYSE, NASDAQ:VZ) declared a quarterly dividend of 47.5 cents per outstanding share, unchanged from the previous quarter. The dividend is payable on Aug. 2, 2010, to Verizon Communications shareowners of record at the close of business on July 9, 2010.

Verizon Completes Industry-Leading 100G Ethernet Field Trial

Jun 23, 2010 Continuing to lead the industry in 100G technology, Verizon has completed a field trial carrying 100 gigabit-per-second Ethernet traffic on a metropolitan Ethernet infrastructure. Using Alcatel-Lucent equipment deployed in Verizon's Switched Ethernet Services network, the trial successfully transmitted data over 12.7 kilometers (7.9 miles) of field fiber in the company's Dallas area network.

Verizon SES is a next-generation switched Ethernet service enabling customers to easily interconnect their locations within a metrowide network as well as access private and public wide area networks (WANs) using optical fiber-based access. Ethernet service is well-suited for numerous customer applications, based on its ability to provide point-to-point and multipoint connectivity options combined with multiple classes of service and increments of bandwidths.

Verizon Completes Spinoff of Local Exchange Businesses and Related Landline Activities in 14 States

Jul 01, 2010 Verizon Communications Inc. (NYSE, NASDAQ: VZ) announced the completion of the spinoff of the shares of New Communications Holdings Inc. to Verizon stockholders.

New Communications held defined assets and liabilities that were used in Verizon's local exchange businesses and related activities in 14 states: Arizona, Idaho, Illinois, Indiana, Michigan, Nevada, North Carolina, Ohio, Oregon, South Carolina, Washington, West Virginia and Wisconsin — and in portions of California bordering Arizona, Nevada and Oregon.

Telefónica Chooses Verizon Global Wholesale for Domestic U.S. Wireless Service Delivery

Jul 06, 2010 Telefónica, one of the world's largest telecommunications companies in terms of market capitalization, will support its multinational customer requirements for wireless services in the U.S. with a "white label" service provided under contract with Verizon Global Wholesale.

DROID X Arrives on VZW Network

Jul 15, 2010 Verizon Wireless and Motorola have announced that DROID X by Motorola is now available online and in Verizon Wireless Communications Stores for \$199.99 after a \$100 mail-in rebate with a new two-year customer agreement.

DROID X by Motorola, the newest innovation on Android to run on Verizon Wireless' 3G network, does more — with ultra high-speed Web browsing, an HD camcorder, 8 megapixel camera, 3G Mobile HotSpot capabilities, and enterprise features and outstanding call quality. DROID X also comes with loads of memory — 8 gigabyte (GB) onboard and a 16GB memory card. For customers seeking the ultimate in storage, the new 32GB SanDisk microSDHC card allows customers to expand DROID X's memory to 40GB.



Search Investor [Site Map](#)

- Investor Relations
- Company Profile
- Business Units
- Corporate Governance
- Financial Performance
- Fixed Income
- Stock Information**
- Overview
- Stock Splits
- Stock Price History
- Dividend History
- SEC Filings
- Shareowners Info
- Stock Transfer Agent
- Investor News
- Investor Contacts

VzMail Profile

E-mail Address

Password [Forgot your password? Sign up for VzMail!](#)

VZ Financial Express [Order Literature](#)

[Request printed copies of Verizon Communications' publications](#)

Site Tools
Includes the Telecom Glossary and the download tools you'll need to view all investor documents.

Investor Relations

Stock Information

Verizon Communications began trading on the NYSE with the ticker symbol VZ on July 3, 2000. Information includes stock splits, stock price history, and dividend history.

Overview
Verizon Communications began trading on the NYSE with the ticker symbol VZ on July 3, 2000. This interactive tool lets you view the current stock price or create your own historical stock price graph.

Stock Splits
This chart shows the stock split history of Bell Atlantic, GTE, and NYNEX, including record date and effective date.

Stock Price History
This drop-down menu lets you select a date for the stock price history of Verizon, GTE, NYNEX, Bell Atlantic and MCI. Results include close, high, low, and volume.

Dividend History
These charts show the dividend history, including date and per-share payment, for Verizon, GTE, NYNEX and MCI.

Investor Quarterly is a publication of the Investor Relations staff.

Ronald Lataille, Senior Vice President
908.559.1855
ronald.h.lataille@verizon.com

Nancy Heuring, Executive Director
908.559.6455
n.heuring@verizon.com

Kevin Tarrant, Executive Director
908.559.6029
kevin.r.tarrant@verizon.com

John Adams, Manager
908.559.6033
john.d.adams@verizon.com

Written correspondence should be directed to:

Verizon Communications
Investor Relations
One Verizon Way
Basking Ridge, NJ 07920

Voice Mailbox 212.395.1525 **Office Fax** 908.630.2651

verizon.com/investor