

4th QUARTER 2012 EARNINGS RESULTS

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“SAFE HARBOR” STATEMENT

NOTE: This presentation 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: adverse conditions in the U.S. and international economies; competition in our markets; material changes in available technology or technology substitution; disruption of our key suppliers' provisioning of products or services; changes in the regulatory environments in which we operate, including any increase in restrictions on our ability to operate our networks; breaches of network or information technology security, natural disasters, terrorist attacks or significant litigation and any resulting financial impact not covered by insurance; 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; 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; significant increases in benefit plan costs or lower investment returns on plan assets; and the inability to implement our business strategies.

As required by SEC rules, we have provided a reconciliation of the non-GAAP financial measures included in this presentation to the most directly comparable GAAP measures in materials on our website at www.verizon.com/investor.

CONSOLIDATED EARNINGS SUMMARY



	4Q '12	2012
Reported EPS	(\$1.48)	\$0.31
Non-operational items		
• Pension & benefits	\$1.55	\$1.55
• Debt redemption & other	\$0.31	\$0.31
• Litigation settlements	–	\$0.08
Total impact	\$1.86	\$1.93
Adjusted EPS*	\$0.38	\$2.24

* Includes \$0.07 of Superstorm Sandy impact

Note: Results above are adjusted for non-operational items. Amounts may not add due to rounding.

Significant non-operational charges in 4Q '12

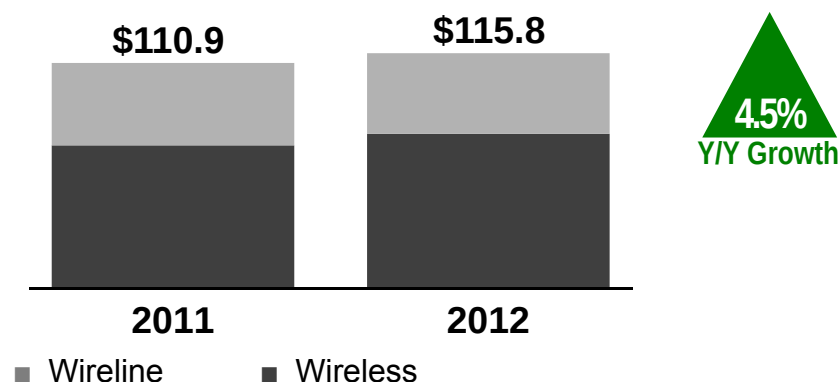


2012 OVERVIEW

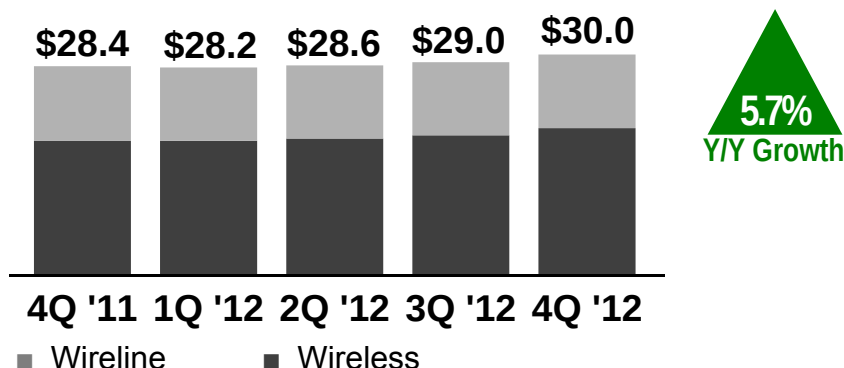
CONSOLIDATED REVENUE



Total Revenue (\$B)



Total Revenue (\$B)



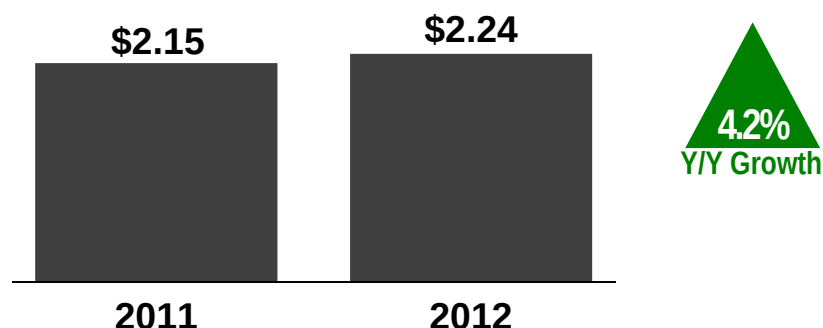
- 2012 consolidated revenue of \$115.8B, up 4.5% Y/Y
- 4Q '12 consolidated revenue of \$30.0B, up 5.7 % Y/Y
- 4Q '12 revenue growth across all strategic areas Y/Y
 - Wireless service +8.5%
 - FiOS +15.7%
 - Enterprise strategic +5.3%

Highest quarterly revenue growth in 2012

CONSOLIDATED EARNINGS PER SHARE

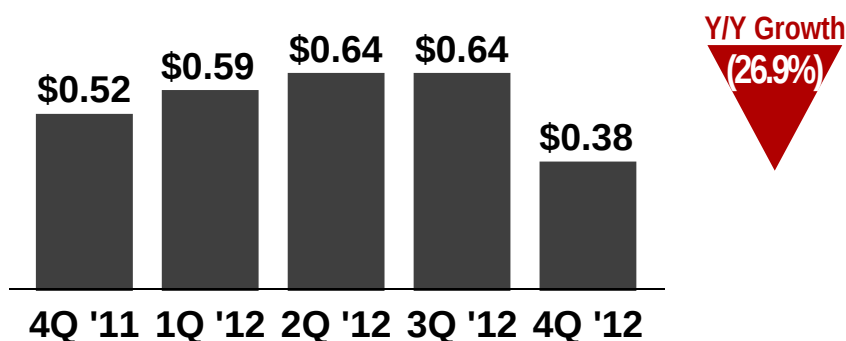


Adjusted EPS



- 2012 adjusted EPS of \$2.24 up 4.2% Y/Y
 - Excluding Superstorm Sandy impact of \$0.07, adjusted EPS of \$2.31

Adjusted EPS



- 2011 adjusted EPS of \$2.15
 - Excluding storm and strike impact of \$0.05, adjusted EPS of \$2.20
- 4Q '12 adjusted EPS of \$0.38
 - Excluding Superstorm Sandy impact of \$0.07, adjusted EPS of \$0.45

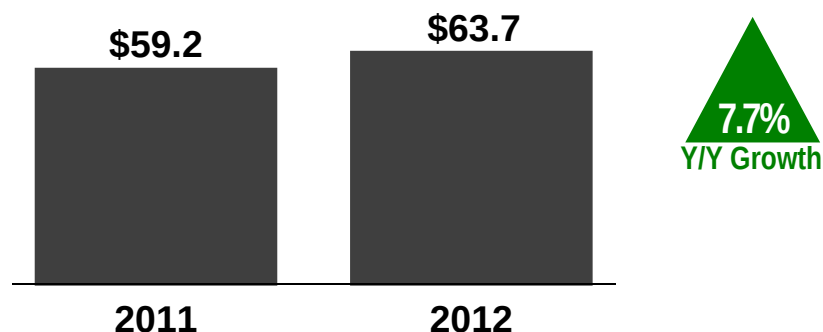
Note: Results above are adjusted for non-operational items.

4Q '12 pressures limited EPS growth

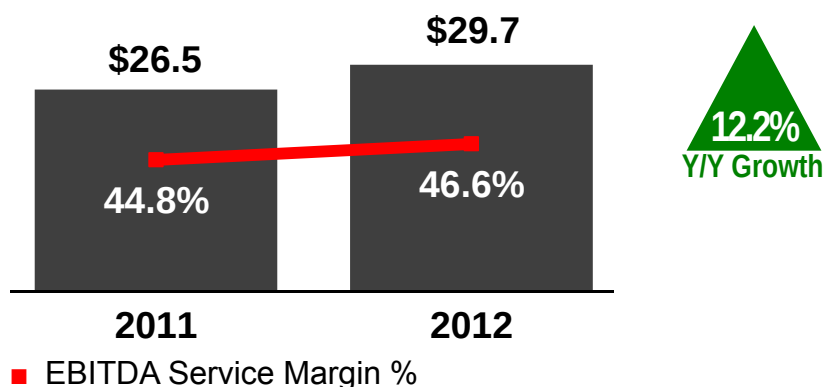
WIRELESS REVENUE & PROFITABILITY



Service Revenue (\$B)



Segment EBITDA (\$B)



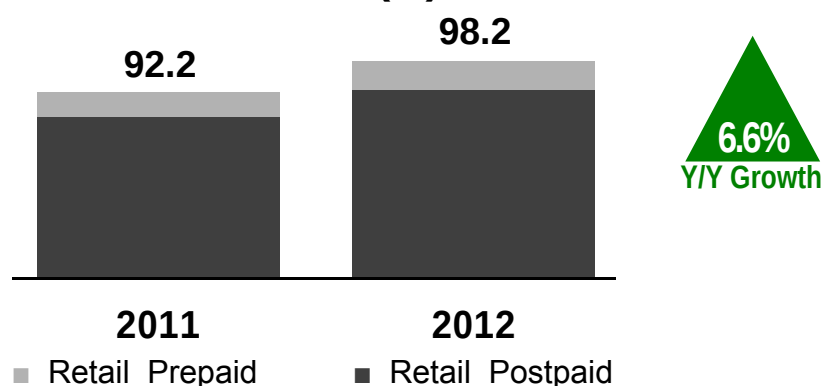
- 5.0M retail postpaid net adds in 2012; highest in 4 years
- 2012 service revenue growth of 7.7% Y/Y
- Segment EBITDA growth of 12.2% Y/Y
- EBITDA service margin of 46.6% expanded 180 bps Y/Y
- Delivered targeted expense reduction in 2012
- 12% lower upgrades Y/Y

Strong growth in revenue and profitability

WIRELESS CONNECTIONS / NET ADDS / CHURN

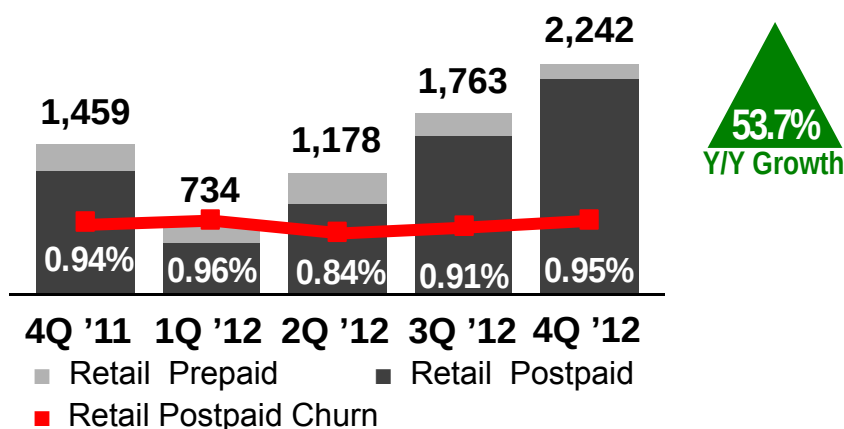


Retail Connections (M)



- Strong growth in retail postpaid connections, up 5.9% Y/Y
- 35.1M retail postpaid accounts
– 2.64 connections per account
- 2.1M retail postpaid net adds in 4Q '12*
- 142K retail prepaid net adds in 4Q '12*
- 9% of retail postpaid base upgraded in 4Q '12
- 70% of tablet connections are postpaid

Retail Net Adds* (000)



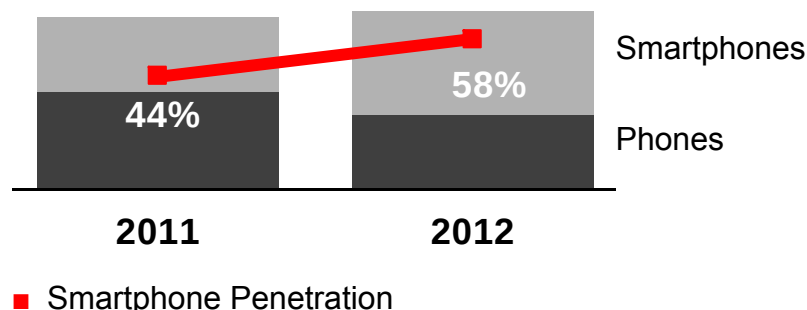
* Excludes acquisitions and adjustments

Record high retail postpaid net adds*

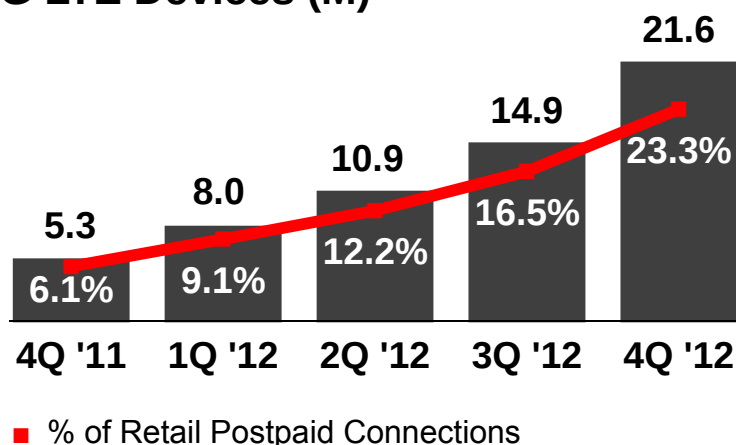
WIRELESS DEVICES / 4G LTE COVERAGE



Retail Postpaid Phone Connections (M)



4G LTE Devices (M)



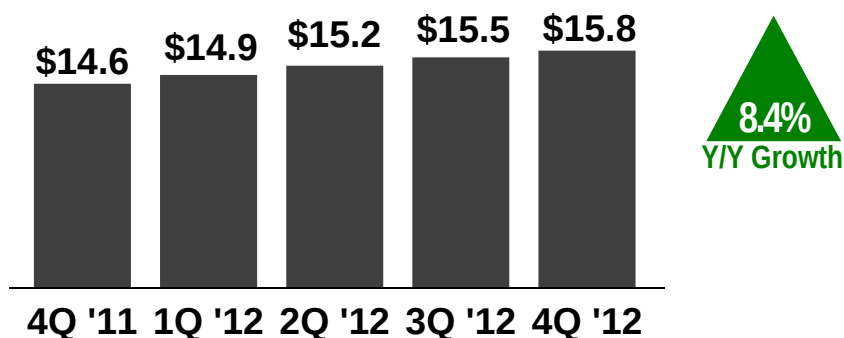
- 9.8M smartphones activated in 4Q '12
 - About 87% of postpaid phone sales were smartphones
 - About 30% of smartphone activations new to Verizon
- 7.3M 4G LTE device sales in 4Q '12
- Verizon Wireless 4G LTE network:
 - Almost 50% of total data traffic on 4G LTE network
 - Now available in 476 markets
 - Covers more than 273M POPs; about 89% of the U.S. population

Industry-leading in 4G LTE adoption

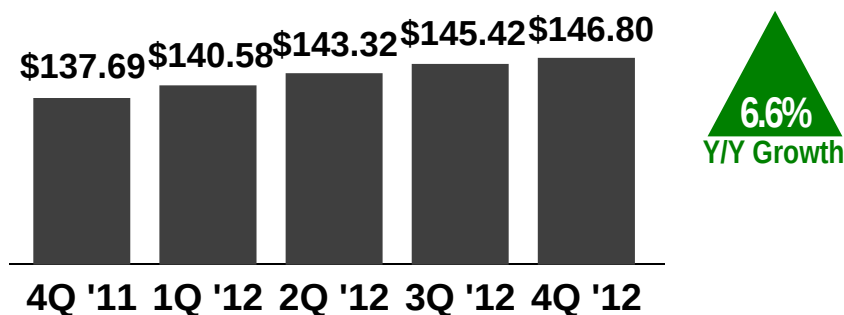
WIRELESS QUARTERLY REVENUE



Retail Service Revenue (\$B)



Retail Postpaid ARPA



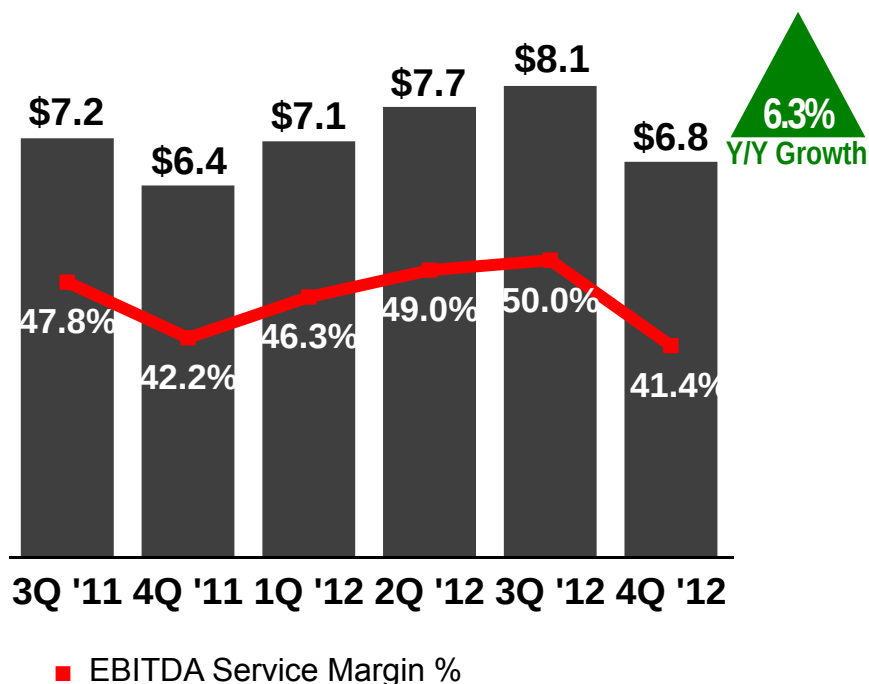
- Total revenue growth of 9.5% Y/Y
 - Retail postpaid revenue up 7.9% Y/Y
 - Retail prepaid revenue up 30.2% Y/Y
- Retail postpaid ARPA of \$146.80, up 6.6% Y/Y
 - 23% of base on Share Everything Plans
 - Smartphone penetration of 58%, up 1,460 bps Y/Y

Increasing growth in service revenue in 4Q '12

WIRELESS PROFITABILITY



Segment EBITDA (\$B)



- 4Q '12 EBITDA service margin impacted by high smartphone growth
- Record high smartphone activations in 4Q '12
- Focus on cost efficiency alleviated margin impact of record customer growth

Positioned well for strong growth and profitability in 2013

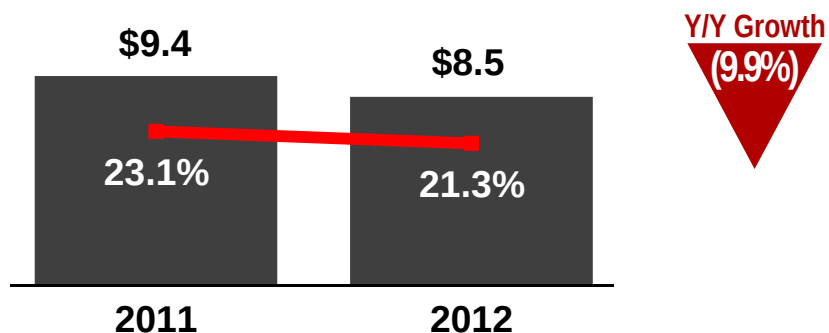


WIREDLINE REVENUE & PROFITABILITY

Total Revenue (\$B)



Segment EBITDA (\$B)



■ EBITDA Margin %

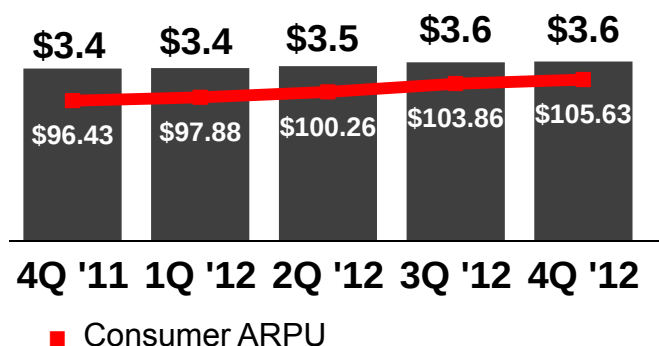
- Strategic revenue growth continues in 2012
 - Consumer revenue up 3.2% Y/Y
 - FiOS revenue grew 17.2% Y/Y
 - Enterprise strategic services revenue up 6.3% Y/Y
- 2012 segment EBITDA margin of 22.1% excluding Superstorm Sandy

Rate of decline slows while businesses reposition

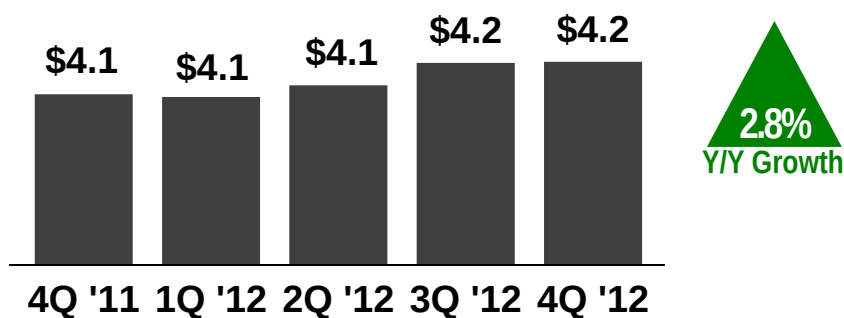
WIREDLINE MASS MARKETS



Consumer Revenue (\$B)



Mass Markets Revenue (\$B)



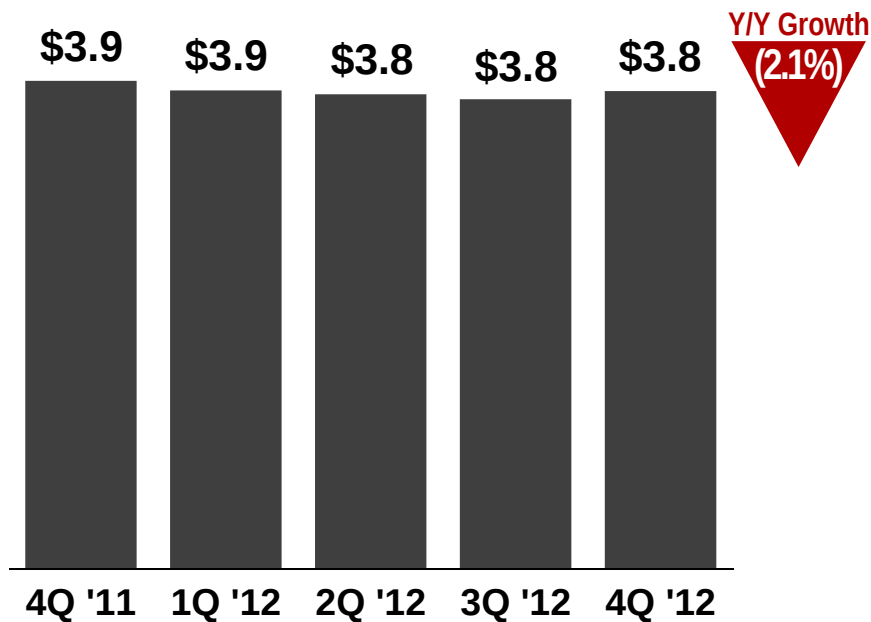
- Significant disruption from Superstorm Sandy
- 4.1% consumer revenue growth Y/Y
- FiOS now 68% of consumer revenue
 - About 12% Y/Y growth in triple play customers
 - ARPU over \$150
- FiOS Internet subscribers
 - 5.4M subscribers, 144K net adds
 - 37% penetration
- FiOS Video subscribers
 - 4.7M subscribers, 134K net adds
 - 33% penetration

Continued FiOS growth even with storm disruption

WIRELINE GLOBAL ENTERPRISE



Global Enterprise Revenue (\$B)



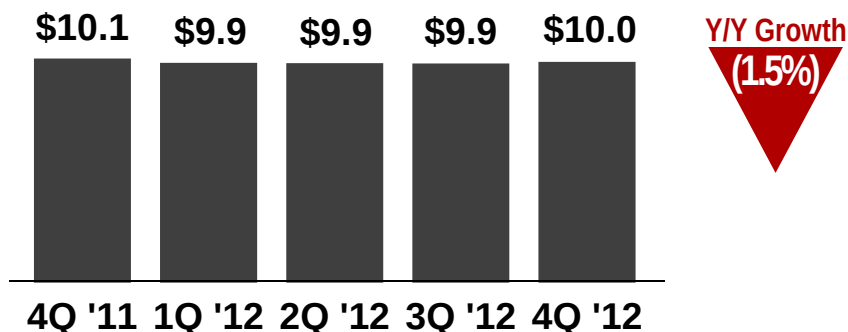
- Strategic services revenue growth of 5.3% Y/Y
 - 54% of Global Enterprise revenue
- Revenue profile improving
- Product rationalization actions
- Hardware revenue down 15.7% Y/Y
- Continued global economy pressure

Revenue pressure; confident in enterprise strategy

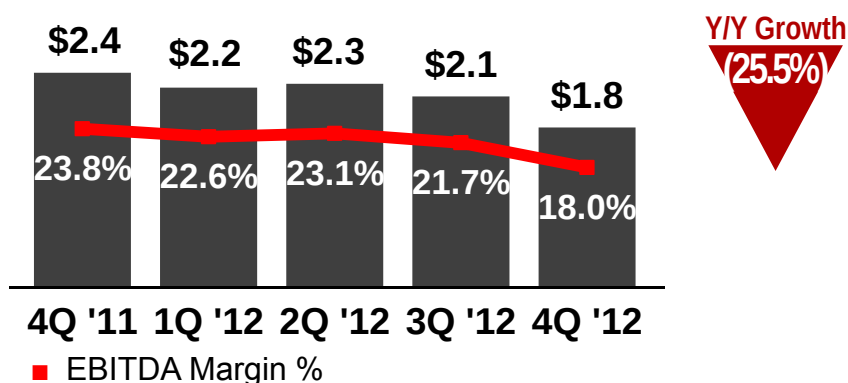
WIREDLINE 2012 SUMMARY



Total Revenue (\$B)



Segment EBITDA (\$B)



- Strategic revenue growth continues in 4Q '12
 - Consumer revenue up 4.1% Y/Y
 - FiOS revenue grew 15.7% Y/Y
 - Enterprise strategic services revenue up 5.3% Y/Y
- EBITDA impacted by:
 - Superstorm Sandy
 - Enterprise “Re-Tooling”
 - Global economic challenges
- 4Q '12 segment EBITDA margin of 21.2% excluding Superstorm Sandy

Focus on improving long-term profitability

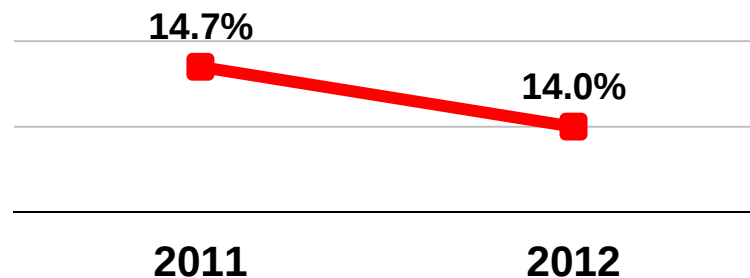


CONSOLIDATED CASH FLOW

Cash Flow Summary (\$B)

	2011	2012
Cash from operations	\$29.8	\$31.5
Capital expenditures	\$16.2	\$16.2
Free cash flow	\$13.5	\$15.3
Total Debt	\$55.2	\$52.0
Net Debt to Adjusted EBITDA	1.2x	1.3x

Capital Expenditures / Revenue



Note: Amounts may not add due to rounding.

- 2012 cash flow of \$31.5B, up 5.7% Y/Y
- Capital efficiency improved Y/Y
- 2012 free cash flow up \$1.8B or 13.1% Y/Y
- Improved balance sheet and financial flexibility
 - Improved overall debt profile Y/Y

Solid cash flow growth and capital efficiency profile

CONSOLIDATED
2013 FOCUS



- Sustain top-line revenue growth
- Improve cost structure
- Expand margins and drive earnings growth
- Generate improved free cash flow
- Enhance return on invested capital

Solid execution to drive increased shareholder value

