



INVESTOR QUARTERLY **FOURTH QUARTER**

JANUARY 22, 2013

Earnings Release

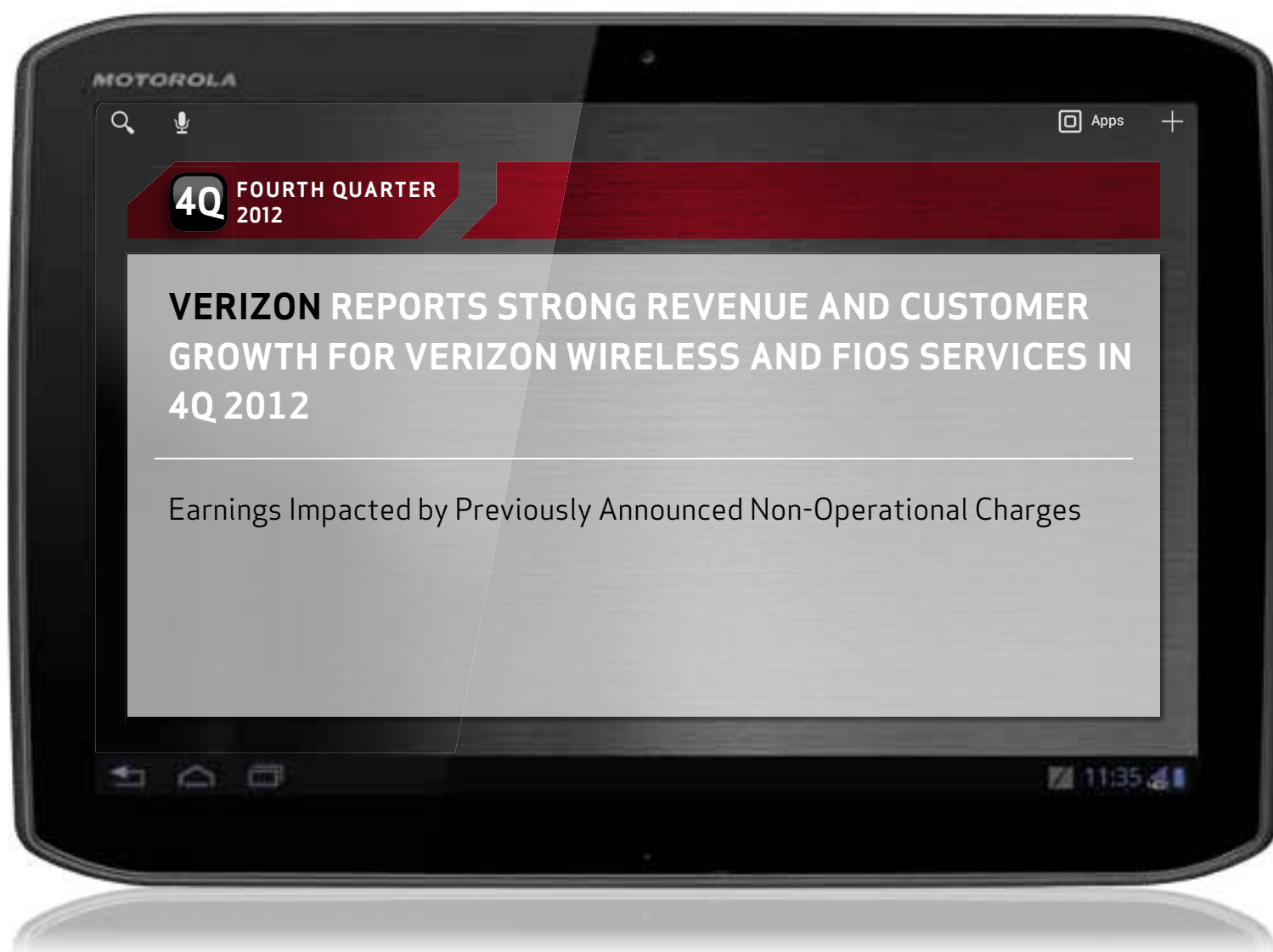
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4Q Fourth Quarter 2012 Highlights

Wireless	Wireline	Consolidated Earnings
<ul style="list-style-type: none"> > 8.5 percent year-over-year increase in service revenues in 4Q 2012; 8.4 percent year-over-year increase in retail service revenues. 	<ul style="list-style-type: none"> > 4.1 percent year-over-year increase in consumer revenues; consumer ARPU (average revenue per user) up 9.5 percent year over year, to \$105.63. 	<ul style="list-style-type: none"> > A loss of \$1.48 in earnings per share (EPS), compared with a loss of 71 cents per share in 4Q 2011, impacted by non-cash pension items in both quarters and additional non-operational debt retirement and other restructuring items in 4Q 2012.
<ul style="list-style-type: none"> > 2.2 million retail net additions, excluding acquisitions and adjustments, including a record-high 2.1 million retail postpaid net connections; low retail postpaid churn of 0.95 percent; 98.2 million total retail connections, 92.5 million total retail postpaid connections. 	<ul style="list-style-type: none"> > 144,000 FiOS Internet and 134,000 FiOS Video net additions, with continued increased sales penetration for both services; 5.4 million total FiOS Internet, 4.7 million total FiOS Video customers. 	<ul style="list-style-type: none"> > A 7-cent-per-share impact due to Superstorm Sandy yielded 38 cents per share in adjusted EPS (non-GAAP), compared with 52 cents in adjusted EPS in 4Q 2011.
<ul style="list-style-type: none"> > 4G LTE service now available to more than 273 million people in 476 markets across the U.S. 		

NEW YORK—Verizon Communications Inc. (NYSE, Nasdaq: VZ) today reported strong customer and revenue growth in Verizon Wireless and Verizon FiOS services in fourth-quarter 2012 — positioning the company well for 2013.

Verizon Wireless reported record-setting customer additions in the quarter, while Verizon FiOS customer additions were higher in fourth-quarter 2012 than in the prior two quarters, despite the impact of Superstorm Sandy.

“Verizon seized growth opportunities in the fourth quarter to cap a year of solid progress across the entire business,” said Lowell McAdam, Verizon chairman and CEO. “We delivered a total return of 13.2 percent to shareholders in 2012, and we enter 2013 ready to accelerate the momentum we’ve achieved and create significant shareholder value in the years to come.”

4Q and Full-Year Earnings Results

Due to the impact of non-operational items announced earlier this month, Verizon reported a loss of \$1.48 in EPS in fourth-quarter 2012, compared with a fourth-quarter 2011 loss of 71 cents per share.

A reduction of 7 cents per share due to impacts from Superstorm Sandy yielded a total of 38 cents per share in adjusted fourth-quarter 2012 earnings (non-GAAP). Fourth-quarter 2012 charges totaled \$1.86 per share: \$1.55 per share related to severance, pension and benefit charges primarily for the annual actuarial valuation of Verizon’s benefit plans as well as the annuitization of various pension liabilities during the quarter, and 31 cents per share related to the early retirement of debt and other restructuring activities.

Comparable adjusted fourth-quarter 2011 earnings of 52 cents per share excluded charges of \$1.23 per share, primarily related to the valuation of pension plans.

On an annual basis, Verizon reported 31 cents in 2012 EPS, compared with 85 cents per share in 2011. Adjusted annual EPS (non-GAAP) was \$2.24 in 2012, compared with \$2.15 in 2011.

Revenue Growth Across All Strategic Areas; Continued Strong Cash Flow

In fourth-quarter 2012, Verizon’s consolidated quarterly operating revenues exceeded \$30.0 billion for the first time in company history. This represented a 5.7 percent increase compared with fourth-quarter 2011 and was the company’s highest year-over-year quarterly growth rate in 2012.

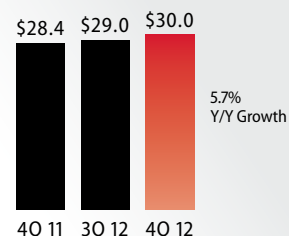
For full-year 2012, Verizon’s revenues totaled \$115.8 billion, an increase of 4.5 percent, or \$5.0 billion, compared with 2011. In fourth-quarter 2012, Verizon saw year-over-year revenue increases across all strategic growth areas: 8.5 percent for Verizon Wireless service revenues, 15.7 percent for FiOS revenues and 5.3 percent for strategic enterprise services.

Cash flow from operating activities totaled \$31.5 billion in 2012, an increase of 5.7 percent compared with \$29.8 billion in 2011.

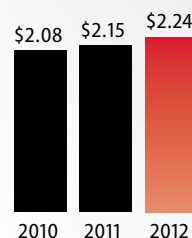
Capital expenditures were \$16.2 billion in 2012, including \$135 million in companywide capital related to Superstorm Sandy recovery efforts, and totaled about \$70 million less than in 2011. Free cash flow (non-GAAP, cash flow from operations less capex) was \$15.3 billion for the year, an increase of 13.1 percent compared with \$13.5 billion in 2011.

Verizon maintained a strong balance sheet, with year-end 2012 total debt of \$52.0 billion, down from \$55.2 billion at year-end 2011.

Consolidated Total Revenue \$ in billions



Adjusted EPS*



* Results above are adjusted for non-operational items.

Capital Expenditures/Revenue



Verizon Wireless Delivers Record-High Customer Additions and Strong Revenue Growth

In fourth-quarter 2012, Verizon Wireless delivered the highest number of retail postpaid net additions of any quarter in its history, strong growth in revenues, an increase in smartphone penetration, and continued low retail postpaid churn.

Wireless Financial Highlights

➤ Total revenues were \$20.0 billion in fourth-quarter 2012, up 9.5 percent year over year. Service revenues in the quarter totaled \$16.4 billion, up 8.5 percent year over year. Retail service revenues grew 8.4 percent year over year, to \$15.8 billion.

➤ For full-year 2012, total revenues were \$75.9 billion, up 8.1 percent over full-year 2011, and service revenues were \$63.7 billion in 2012, up 7.7 percent year over year.

➤ Retail postpaid ARPA (average revenue per account) grew 6.6 percent over fourth-quarter 2011, to \$146.80 per month. As customers continue to add multiple devices to accounts following the introduction of the Share Everything Plan in June, Verizon Wireless now reports ARPA instead of ARPU since customers can share data among multiple devices.

➤ In fourth-quarter 2012, wireless operating income margin was 24.0 percent and segment EBITDA margin on service revenues (non-GAAP) was 41.4 percent, down 80 basis points from fourth-quarter 2011. For full-year 2012, operating income margin was 28.7 percent, up 230 basis points from full-year 2011; segment EBITDA margin was 46.6 percent, up 180 basis points year over year.

Wireless Operational Highlights

➤ Verizon Wireless added 2.2 million net retail connections in the fourth quarter, including a record-high 2.1 million retail postpaid net connections. The company added 5.0 million net retail postpaid connections in 2012, the most in four years. These additions exclude acquisitions and adjustments.

➤ At the end of 2012, the company had 98.2 million retail connections, a 6.6 percent increase year over year — including 92.5 million retail postpaid connections.

➤ Verizon Wireless had 35.1 million retail postpaid accounts at the end of the fourth quarter, a 1.4 percent increase over the fourth quarter 2011, and an average of 2.6 connections per account, up 4.3 percent year over year.

➤ At year-end 2012, smartphones accounted for more than 58 percent of the Verizon Wireless retail postpaid customer phone base, up from 53 percent at the end of third-quarter 2012.

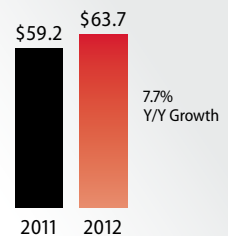
➤ Retail postpaid churn was 0.95 percent in the fourth quarter and retail churn was 1.24 percent, both up 1 basis point year over year.

➤ Verizon Wireless continued to roll out its 4G LTE mobile broadband network, the largest 4G LTE network in the U.S. As of today (Jan. 22), Verizon Wireless 4G LTE service is available to more than 273 million people — close to 89 percent of the population — in 476 markets across the U.S.

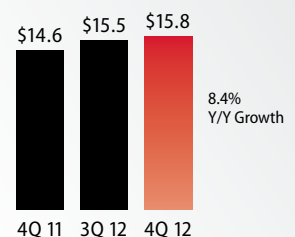
➤ The company continued to enhance its device lineup with new smartphones and tablets. In the fourth quarter, Verizon Wireless launched eight 4G LTE smartphones: the DROID RAZR HD and DROID RAZR MAXX HD by Motorola; Windows Phone 8X by HTC; Nokia Lumia 822; Samsung Galaxy Note II; Spectrum 2 by LG; Samsung Galaxy Stratosphere II; and the DROID DNA by HTC. In addition, Verizon Wireless launched three tablets in the quarter: the Samsung Galaxy Tab 2, Apple iPad with Retina display and Apple iPad mini.

➤ Verizon Wireless announced it will begin offering shared data plans for business on Jan. 24, 2013, with the Share Everything Plan for Small Business and the Nationwide for Business Data Packages and Plans.

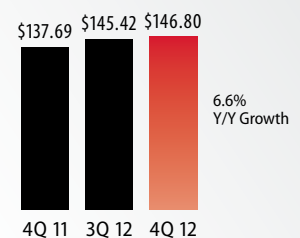
Wireless Service Revenue \$ in billions



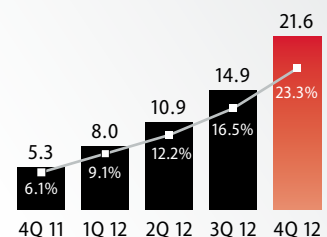
Wireless Retail Service Revenue \$ in billions



Wireless Retail Postpaid ARPA



4G LTE Devices millions



□ Percent of Retail Postpaid Connections

Wireline Reports Continued Strong FiOS Customer and Revenue Growth

In the Wireline segment, FiOS customer growth in fourth-quarter 2012 was greater than in the prior two quarters, despite the disruption caused by Superstorm Sandy. In global enterprise and wholesale, increased sales of strategic services continued to help mitigate lower revenues resulting from secular and global economic impacts.

Wireline Financial Highlights

- Fourth-quarter 2012 operating revenues were \$10.0 billion, a decline of 1.5 percent compared with fourth-quarter 2011. Consumer revenues grew 4.1 percent compared with fourth-quarter 2011. On an annual basis, 2012 consumer revenues totaled \$14.0 billion, an increase of 3.2 percent compared with 2011 and Verizon's highest annual revenue growth rate in consumer wireline in 10 years.
- Consumer ARPU for wireline services increased to \$105.63 in fourth-quarter 2012, up 9.5 percent compared with fourth-quarter 2011.
- ARPU for FiOS customers continues to be more than \$150. FiOS services produced about 68 percent of consumer wireline revenues in fourth-quarter 2012. About two-thirds of FiOS consumer customers have purchased a "triple play" of phone, Internet and video services.
- Global enterprise revenues totaled \$3.8 billion in the quarter, down 2.1 percent compared with fourth-quarter 2011. Sales of strategic services increased 5.3 percent compared with fourth-quarter 2011 and represented 54 percent of global enterprise revenues. Strategic services include Verizon Terremark cloud and data center services, security and IT solutions, advanced communications, and strategic networking.
- For 2012, wireline operating income margin was 0.2 percent and wireline EBITDA margin (non-GAAP) was 21.3 percent, including the negative impact of fourth-quarter storm recovery. Excluding identifiable storm impacts (non-GAAP), wireline operating income margin was 1.0 percent and wireline EBITDA margin was 22.1 percent.

Wireline Operational Highlights

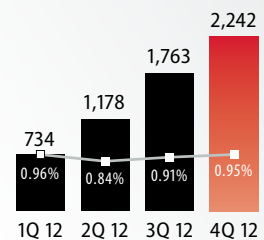
- Verizon added 144,000 net new FiOS Internet connections and 134,000 net new FiOS Video connections in fourth-quarter 2012. Verizon had a total of 5.4 million FiOS Internet and 4.7 million FiOS Video connections at the end of the quarter, representing year-over-year increases of 12.6 percent and 13.3 percent, respectively.
- FiOS penetration (subscribers as a percentage of potential subscribers) continued to increase. FiOS Internet penetration was 37.3 percent at the end of fourth-quarter 2012, compared with 35.5 percent at the end of fourth-quarter 2011. In the same periods, FiOS Video penetration was 33.3 percent, compared with 31.5 percent. The FiOS network passed 17.6 million premises at year-end 2012.
- Broadband connections totaled 8.8 million at year-end 2012, a 1.4 percent year-over-year increase. Revenues from broadband connections grew 3.1 percent — to \$3.5 billion for full-year 2012 — over the same period, driven by customer purchases of higher-speed FiOS services.
- Verizon has been replacing high-maintenance portions of its residential copper network with fiber optics to provide enhanced services and to reduce ongoing repair costs. In 2012, Verizon migrated 223,000 homes to fiber, which contributed to an 11 percent improvement in trouble reports across Verizon's entire copper network for the year. The company has a target of 300,000 additional migrations within FiOS markets in 2013.
- To meet rapidly growing customer-traffic demands, Verizon deployed additional 100G (gigabits per second) technology on network routes in the U.S. and Europe in fourth-quarter 2012. In the U.S., these high-capacity routes included Atlanta to Tampa, Kansas City to Dallas and Salt Lake City to Seattle. During 2012, the company added 13,000 miles to its 100G network in the U.S.

Wireless Service EBITDA Margin



Wireless Retail Net Adds*

thousands

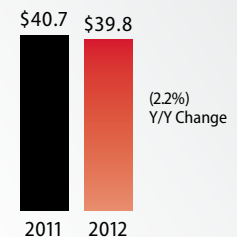


□ Retail Postpaid Churn

* Excludes acquisitions and adjustments

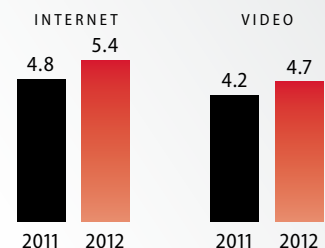
Wireline Total Revenue

\$ in billions



FiOS Subscribers

millions

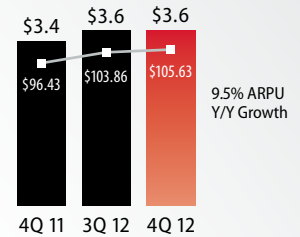


- > Verizon Enterprise Solutions completed agreements with multinational and U.S. corporations The Coca-Cola Company, Hongkong and Shanghai Hotels Ltd., Bridgestone Americas, CME Group, Redbox and Shred-It for advanced business technology solutions.
- > Verizon Enterprise Solutions launched a comprehensive cloud and data center infrastructure portfolio specifically designed to help the health care industry meet the federal Health Insurance Portability and Accountability Act (HIPAA) requirements for safeguarding electronic protected health information.

NOTE: 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 document.

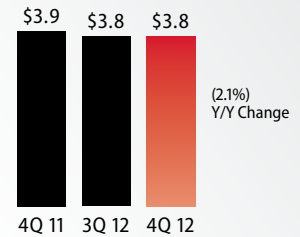
NOTE: This presentation contains statements about expected future events and financial results that are forward-looking and subject to risks and uncertainties. For those statements, we claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation 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.

Wireline Consumer Revenue \$ in billions

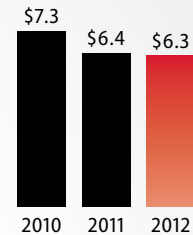


□ Consumer ARPU

Global Enterprise Revenue \$ in billions



Wireline Capital Expenditures \$ in billions



Condensed Consolidated Statements of Income

(dollars in millions, except per share amounts)

Unaudited	3 Mos. Ended 12/31/12	3 Mos. Ended 12/31/11	% Change	12 Mos. Ended 12/31/12	12 Mos. Ended 12/31/11	% Change
Operating Revenues	\$ 30,045	\$ 28,436	5.7	\$ 115,846	\$ 110,875	4.5
Operating Expenses						
Cost of services and sales	13,069	12,090	8.1	46,275	45,875	0.9
Selling, general and administrative expense	16,008	13,278	20.6	39,951	35,624	12.1
Depreciation and amortization expense	4,137	4,180	(1.0)	16,460	16,496	(0.2)
Total Operating Expenses	33,214	29,548	12.4	102,686	97,995	4.8
Operating Income (Loss)	(3,169)	(1,112)	*	13,160	12,880	2.2
Equity in earnings of unconsolidated businesses	87	97	(10.3)	324	444	(27.0)
Other income and (expense), net	(1,079)	(84)	*	(1,016)	(14)	*
Interest expense	(575)	(703)	(18.2)	(2,571)	(2,827)	(9.1)
Income (Loss) Before (Provision) Benefit for Income Taxes	(4,736)	(1,802)	*	9,897	10,483	(5.6)
(Provision) Benefit for income taxes	2,810	1,590	76.7	660	(285)	*
Net Income (Loss)	\$ (1,926)	\$ (212)	*	\$ 10,557	\$ 10,198	3.5
Net income attributable to noncontrolling interest	\$ 2,303	\$ 1,811	27.2	\$ 9,682	\$ 7,794	24.2
Net income (loss) attributable to Verizon	(4,229)	(2,023)	*	875	2,404	(63.6)
Net Income (Loss)	\$ (1,926)	\$ (212)	*	\$ 10,557	\$ 10,198	3.5
Basic Earnings (Loss) per Common Share						
Net income (loss) attributable to Verizon	\$ (1.48)	\$ (.71)	*	\$.31	\$.85	(63.5)
<i>Weighted average number of common shares (in millions)</i>	2,862	2,835		2,853	2,833	
Diluted Earnings (Loss) per Common Share⁽¹⁾						
Net income (loss) attributable to Verizon	\$ (1.48)	\$ (.71)	*	\$.31	\$.85	(63.5)
<i>Weighted average number of common shares — assuming dilution (in millions)</i>	2,862	2,835		2,862	2,839	

Footnotes:

(1) If there is a net loss, diluted EPS is the same as basic EPS. Diluted Earnings per Common Share includes the dilutive effect of shares issuable under our stock-based compensation plans.

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

* Not meaningful

Condensed Consolidated Balance Sheets

Unaudited	12/31/12	12/31/11	(dollars in millions) \$ Change
Assets			
Current assets			
Cash and cash equivalents	\$ 3,093	\$ 13,362	\$ (10,269)
Short-term investments	470	592	(122)
Accounts receivable, net	12,576	11,776	800
Inventories	1,075	940	135
Prepaid expenses and other	4,021	4,269	(248)
Total current assets	21,235	30,939	(9,704)
Plant, property and equipment	209,575	215,626	(6,051)
Less accumulated depreciation	120,933	127,192	(6,259)
	88,642	88,434	208
Investments in unconsolidated businesses	3,401	3,448	(47)
Wireless licenses	77,744	73,250	4,494
Goodwill	24,139	23,357	782
Other intangible assets, net	5,933	5,878	55
Other assets	4,128	5,155	(1,027)
Total Assets	\$ 225,222	\$ 230,461	\$ (5,239)
Liabilities and Equity			
Current liabilities			
Debt maturing within one year	\$ 4,369	\$ 4,849	\$ (480)
Accounts payable and accrued liabilities	16,182	14,689	1,493
Other	6,405	11,223	(4,818)
Total current liabilities	26,956	30,761	(3,805)
Long-term debt	47,618	50,303	(2,685)
Employee benefit obligations	34,346	32,957	1,389
Deferred income taxes	24,677	25,060	(383)
Other liabilities	6,092	5,472	620
Equity			
Common stock	297	297	—
Contributed capital	37,990	37,919	71
Reinvested earnings (Accumulated deficit)	(3,734)	1,179	(4,913)
Accumulated other comprehensive income	2,235	1,269	966
Common stock in treasury, at cost	(4,071)	(5,002)	931
Deferred compensation — employee stock ownership plans and other	440	308	132
Noncontrolling interest	52,376	49,938	2,438
Total equity	85,533	85,908	(375)
Total Liabilities and Equity	\$ 225,222	\$ 230,461	\$ (5,239)

Verizon — Selected Financial and Operating Statistics

Unaudited	12/31/12	12/31/11
Total debt (in millions)	\$ 51,987	\$ 55,152
Net debt (in millions)	\$ 48,894	\$ 41,790
Net debt / Adjusted EBITDA ⁽¹⁾	1.3x	1.2x
Common shares outstanding end of period (in millions)	2,859	2,834
Total employees	183,400	193,900
Quarterly cash dividends declared per common share	\$ 0.515	\$ 0.500

Footnotes:

(1) Adjusted EBITDA excludes the effects of non-operational items.

The unaudited condensed consolidated balance sheets are based on preliminary information.

Condensed Consolidated Statements of Cash Flows

	(dollars in millions)		
Unaudited	12 Mos. Ended 12/31/12	12 Mos. Ended 12/31/11	\$ Change
Cash Flows From Operating Activities			
Net Income	\$ 10,557	\$ 10,198	\$ 359
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization expense	16,460	16,496	(36)
Employee retirement benefits	8,198	7,426	772
Deferred income taxes	(952)	(223)	(729)
Provision for uncollectible accounts	972	1,026	(54)
Equity in earnings of unconsolidated businesses, net of dividends received	77	36	41
Changes in current assets and liabilities, net of effects from acquisition/disposition of businesses	(403)	(2,279)	1,876
Other, net	(3,423)	(2,900)	(523)
Net cash provided by operating activities	31,486	29,780	1,706
Cash Flows From Investing Activities			
Capital expenditures (including capitalized software)	(16,175)	(16,244)	69
Acquisitions of investments and businesses, net of cash acquired	(913)	(1,797)	884
Acquisitions of Wireless licenses, net	(3,935)	(221)	(3,714)
Net change in short-term investments	27	35	(8)
Other, net	494	977	(483)
Net cash used in investing activities	(20,502)	(17,250)	(3,252)
Cash Flows From Financing Activities			
Proceeds from long-term borrowings	4,489	11,060	(6,571)
Repayments of long-term borrowings and capital lease obligations	(6,403)	(11,805)	5,402
Increase (decrease) in short-term obligations, excluding current maturities	(1,437)	1,928	(3,365)
Dividends paid	(5,230)	(5,555)	325
Proceeds from sale of common stock	315	241	74
Special distribution to noncontrolling interest	(8,325)	-	(8,325)
Other, net	(4,662)	(1,705)	(2,957)
Net cash used in financing activities	(21,253)	(5,836)	(15,417)
Increase (decrease) in cash and cash equivalents	(10,269)	6,694	(16,963)
Cash and cash equivalents, beginning of period	13,362	6,668	6,694
Cash and cash equivalents, end of period	\$ 3,093	\$ 13,362	\$ (10,269)

Verizon Wireless — Selected Financial Results

(dollars in millions)

Unaudited	3 Mos. Ended 12/31/12	3 Mos. Ended 12/31/11	% Change	12 Mos. Ended 12/31/12	12 Mos. Ended 12/31/11	% Change
Operating Revenues						
Retail service	\$ 15,786	\$ 14,562	8.4	\$ 61,440	\$ 56,660	8.4
Other service	607	544	11.6	2,293	2,497	(8.2)
Service	16,393	15,106	8.5	63,733	59,157	7.7
Equipment	2,559	2,215	15.5	8,023	7,457	7.6
Other	1,042	933	11.7	4,112	3,540	16.2
Total Operating Revenues	19,994	18,254	9.5	75,868	70,154	8.1
Operating Expenses						
Cost of services and sales	7,332	6,707	9.3	24,490	24,086	1.7
Selling, general and administrative expense	5,877	5,167	13.7	21,650	19,579	10.6
Depreciation and amortization expense	1,994	2,045	(2.5)	7,960	7,962	—
Total Operating Expenses	15,203	13,919	9.2	54,100	51,627	4.8
Operating Income	\$ 4,791	\$ 4,335	10.5	\$ 21,768	\$ 18,527	17.5
Operating Income Margin	24.0%	23.7%		28.7%	26.4%	
Segment EBITDA	\$ 6,785	\$ 6,380	6.3	\$ 29,728	\$ 26,489	12.2
Segment EBITDA Service Margin	41.4%	42.2%		46.6%	44.8%	

Footnotes:

The segment financial results and metrics above are adjusted to exclude the effects of 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.

Verizon Wireless — Selected Operating Statistics

Unaudited	12/31/12	12/31/11	% Change
Connections ('000)			
Retail postpaid	92,530	87,382	5.9
Retail prepaid	5,700	4,785	19.1
Retail	98,230	92,167	6.6

Unaudited	3 Mos. Ended 12/31/12	3 Mos. Ended 12/31/11	% Change	12 Mos. Ended 12/31/12	12 Mos. Ended 12/31/11	% Change
Net Add Detail ('000)⁽¹⁾						
Retail postpaid	2,100	1,207	74.0	5,024	4,252	18.2
Retail prepaid	142	252	(43.7)	893	372	*
Retail	2,242	1,459	53.7	5,917	4,624	28.0
Account Statistics						
Retail Postpaid Accounts ('000) ⁽²⁾				35,057	34,561	1.4
Retail postpaid ARPA	\$ 146.80	\$ 137.69	6.6	\$ 144.04	\$ 134.51	7.1
Retail postpaid connections per account ⁽²⁾				2.64	2.53	4.3
Churn Detail						
Retail postpaid	0.95%	0.94%		0.91%	0.95%	
Retail	1.24%	1.23%		1.19%	1.26%	
Retail Postpaid Connection Statistics						
Total Smartphone postpaid % of phones sold	86.5%	70.3%		78.4%	62.6%	
Total Smartphone postpaid phone base ⁽²⁾				58.1%	43.5%	
Total Internet postpaid base ⁽²⁾				9.3%	8.1%	
Other Operating Statistics						
Capital expenditures (in millions)	\$ 2,791	\$ 1,787	56.2	\$ 8,857	\$ 8,973	(1.3)

Footnotes:

(1) Connection net additions exclude acquisitions and adjustments.

(2) Statistics presented as of end of period.

The segment financial results and metrics above are adjusted to exclude the effects of 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.

* Not meaningful

Wireline — Selected Financial Results

(dollars in millions)

Unaudited	3 Mos. Ended 12/31/12	3 Mos. Ended 12/31/11	% Change	12 Mos. Ended 12/31/12	12 Mos. Ended 12/31/11	% Change
Operating Revenues						
Consumer retail	\$ 3,569	\$ 3,429	4.1	\$ 14,043	\$ 13,606	3.2
Small business	660	684	(3.5)	2,659	2,731	(2.6)
Mass Markets	4,229	4,113	2.8	16,702	16,337	2.2
Strategic services	2,090	1,984	5.3	8,052	7,575	6.3
Core	1,756	1,945	(9.7)	7,247	8,047	(9.9)
Global Enterprise	3,846	3,929	(2.1)	15,299	15,622	(2.1)
Global Wholesale	1,770	1,938	(8.7)	7,240	7,973	(9.2)
Other	145	159	(8.8)	539	750	(28.1)
Total Operating Revenues	9,990	10,139	(1.5)	39,780	40,682	(2.2)
Operating Expenses						
Cost of services and sales	5,878	5,511	6.7	22,413	22,158	1.2
Selling, general and administrative expense	2,313	2,213	4.5	8,883	9,107	(2.5)
Depreciation and amortization expense	2,125	2,115	0.5	8,424	8,458	(0.4)
Total Operating Expenses	10,316	9,839	4.8	39,720	39,723	—
Operating Income (Loss)	\$ (326)	\$ 300	*	\$ 60	\$ 959	(93.7)
Operating Income Margin	(3.3)%	3.0%		0.2%	2.4%	
Segment EBITDA	\$ 1,799	\$ 2,415	(25.5)	\$ 8,484	\$ 9,417	(9.9)
Segment EBITDA Margin	18.0%	23.8%		21.3%	23.1%	

Footnotes:

The segment financial results and metrics above are adjusted to exclude the effects of 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.

* Not meaningful

Wireline — Selected Operating Statistics

Unaudited	12/31/12	12/31/11	% Change
Connections ('000)			
FiOS Video Subscribers	4,726	4,173	13.3
FiOS Internet Subscribers	5,424	4,817	12.6
FiOS Digital Voice residence connections	3,227	1,884	71.3
FiOS Digital connections	13,377	10,874	23.0
HSI	3,371	3,853	(12.5)
Total Broadband connections	8,795	8,670	1.4
Primary residence switched access connections	7,982	9,906	(19.4)
Primary residence connections	11,209	11,790	(4.9)
Total retail residence voice connections	11,849	12,626	(6.2)
Total voice connections	22,503	24,137	(6.8)

Unaudited	3 Mos. Ended 12/31/12	3 Mos. Ended 12/31/11	% Change	12 Mos. Ended 12/31/12	12 Mos. Ended 12/31/11	% Change
Net Add Detail ('000)						
FiOS Video Subscribers	134	194	(30.9)	553	701	(21.1)
FiOS Internet Subscribers	144	201	(28.4)	607	735	(17.4)
FiOS Digital Voice residence connections	289	424	(31.8)	1,343	1,067	25.9
FiOS Digital connections	567	819	(30.8)	2,503	2,503	—
HSI	(117)	(103)	13.6	(482)	(457)	5.5
Total Broadband connections	27	98	(72.4)	125	278	(55.0)
Primary residence switched access connections	(402)	(550)	(26.9)	(1,924)	(1,851)	3.9
Primary residence connections	(113)	(126)	(10.3)	(581)	(784)	(25.9)
Total retail residence voice connections	(156)	(183)	(14.8)	(777)	(990)	(21.5)
Total voice connections	(344)	(382)	(9.9)	(1,634)	(1,864)	(12.3)
Revenue and ARPU Statistics						
Consumer ARPU	\$ 105.63	\$ 96.43	9.5	\$ 101.77	\$ 93.07	9.3
FiOS revenues (in millions)	\$ 2,565	\$ 2,216	15.7	\$ 9,722	\$ 8,293	17.2
Strategic services as a % of total Enterprise revenues	54.3%	50.5%		52.6%	48.5%	
Other Operating Statistics						
Capital expenditures (in millions)	\$ 1,725	\$ 1,632	5.7	\$ 6,342	\$ 6,399	(0.9)
Wireline employees ('000)				86.4	91.8	
FiOS Video Open for Sale ('000)				14,200	13,250	
FiOS Video penetration				33.3%	31.5%	
FiOS Internet Open for Sale ('000)				14,528	13,585	
FiOS Internet penetration				37.3%	35.5%	

Footnotes:

The segment financial results and metrics above are adjusted to exclude the effects of 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.

4Q News Items

Verizon to Transfer \$7.5 Billion in Management Pension Plan Obligations to Prudential

Oct 17, 2012 Verizon Communications Inc. announced that it has entered into an agreement with The Prudential Insurance Company of America pursuant to which the Verizon Management Pension Plan (the "Plan") will transfer pension assets to Prudential to settle approximately \$7.5 billion of Verizon's nearly \$30 billion in outstanding pension obligations.

Under the agreement, the Plan will purchase a group annuity contract from Prudential, which will then assume the obligation to make future annuity payments to certain Verizon management retirees. The amount of each retiree's annuity payment will be equal to the amount of such individual's pension benefit. The transaction affects Verizon's U.S. management pension benefits covering approximately 41,000 current management retirees. Current management employees, former management employees who retired on or after Jan. 1, 2010, and certain other retirees are not affected. Union-represented employees and formerly union-represented retirees are not affected as well.

Verizon Wireless Announces \$8.5 Billion in Distributions to Verizon and Vodafone by Year-End 2012

Nov 12, 2012 Verizon Wireless announced that its Board of Representatives has declared distributions aggregating \$8.5 billion to its owners, which are payable on or prior to December 31, 2012. The distributions will be paid in one or more tranches, with each tranche paid in proportion to the owners' partnership interests on the payment date.

Verizon Wireless is a joint venture between Verizon Communications Inc., which owns 55 percent of the partnership, and Vodafone Group Plc, which owns 45 percent of the partnership.

Verizon Communications Declares Quarterly Dividend

Dec 6, 2012 The Board of Directors of Verizon Communications Inc. (NYSE, Nasdaq: VZ) declared a quarterly dividend of 51.5 cents per outstanding share, unchanged from the previous quarter. The dividend is payable on Feb. 1, 2013, to Verizon Communications shareowners of record at the close of business on Jan. 10, 2013.

Redbox Instant by Verizon Unveils Details of Disc + Digital Movie Service

Dec 12, 2012 Redbox Instant™ by Verizon, a joint venture between two market leaders, Redbox, a subsidiary of Coinstar, Inc. (Nasdaq: CSTR), and Verizon Communications Inc., unveiled further details of its soon-to-launch service and announced agreements with Hollywood studios and device manufacturers that will bring thousands of popular movies to consumers at home and on the go.

Later this month, the Redbox Instant by Verizon beta product will launch to consumers. Priced at \$8.00 per month, Redbox Instant by Verizon offers a high value subscription package that combines unlimited streaming of thousands of popular movies, including titles from premium network EPIX, with four one-night credits per month for the latest movie releases on DVD at Redbox® kiosks.

Mike Stefanski Named to Lead Investor Relations for Verizon Communications

Dec 12, 2012 Mike Stefanski, who currently serves as senior vice president and treasurer for Verizon Communications Inc., has been named senior vice president — Investor Relations, effective Jan. 1, 2013.

Stefanski will be Verizon's primary liaison with the investment community and Verizon's shareholders, and continue to report to Verizon Chief Financial Officer Fran Shammo. The current head of Investor Relations, John Doherty, has been named to lead Verizon's Strategic Mergers, Acquisitions and Divestitures organization.

Verizon to Launch \$10 Million Competition Seeking Innovative Solutions to Some of the World's Biggest Challenges

Jan 8, 2013 Verizon will launch a \$10 million competition to help address some of the world's biggest challenges in three key areas, Lowell McAdam, the company's chairman and CEO, announced today at the 2013 International CES.

The competition, to be called the Powerful Answers Award, will be a year-long effort to challenge the best minds in the technology industry to develop wireless, wireline or cloud-based solutions addressing issues involving education, health care and sustainability. Submissions will be judged by a panel of Verizon executives, members of academia, the media and the venture capital community. U.S.-based companies, entrepreneurs and individuals will be eligible to compete. The winners will be announced at the CES next year.

Verizon Terremark Continues Leadership in Enterprise Cloud With Major Enhancements

Jan 15, 2013 Verizon Terremark today announced that it has increased availability, security and flexibility for its leading Enterprise Cloud service. Enterprise Cloud computing platforms are being expanded in two of the company's data center facilities located in Dallas and London, as enterprises and governments across geographies demand immediate access and availability to cloud resources.

Verizon Terremark extended the federal-grade security controls previously available exclusively through the Enterprise Cloud Federal Edition to all its commercial customers. Enterprises can now leverage advanced security technologies including role-based access controls and certificate based multifactor authentication. These enhanced security features allow customers to bring enterprise-class authentication and access control through the use of the customers' certificates and tokens to manage cloud resources.

Stock Information

Verizon Communications began trading on the NYSE with the ticker symbol VZ on July 3, 2000.

Learn more about Verizon's [Corporate History](#) here.



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.

VZ Historical Stock Price Graph

Select the appropriate settings to build your graph.

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