3rd Quarter 2011 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: 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 labor negotiations, and any resulting financial and/or operational impact; the effect of material changes in available technology; any disruption of our key suppliers’ provisioning of products or services; significant increases in benefit plan costs or lower investment returns on plan assets; the impact of natural disasters, terrorist attacks, breaches of network or information technology security 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 increase in restrictions on our ability to operate our networks; the timing, scope and financial impact of our deployment of 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; and the inability to implement our business strategies.

Throughout this presentation, financial information shown excludes the results associated with the divested Wireless trust properties, the Frontier transaction and, where noted, other non-operational or one-time items. 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.

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3Q ’11 Overview

- Solid execution and earnings performance
  - Adjusted earnings per share up 1.8% Y/Y
  - Strong cash flow with disciplined capital spending
- Dividend increase for 5th consecutive year
- Great progress and leadership in 4G LTE deployment
- Steadily increasing FiOS penetration
- Gaining traction with Strategic Services including cloud
  - Terremark integration
  - CloudSwitch acquisition

Strong execution of business model

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3Q ’11 Overview

- Wireless industry leadership
  - Strong smartphone and retail service revenue growth
  - Wireless margin moves up to 47.8% - highest ever reported
  - Continued focus on cost management
- Wireline works through an eventful quarter
  - Impacted by storms, flooding and work stoppage
  - New penetration highs for FiOS Internet and video
  - Strategic services nearly 50% of Enterprise revenue

Strong execution of business model

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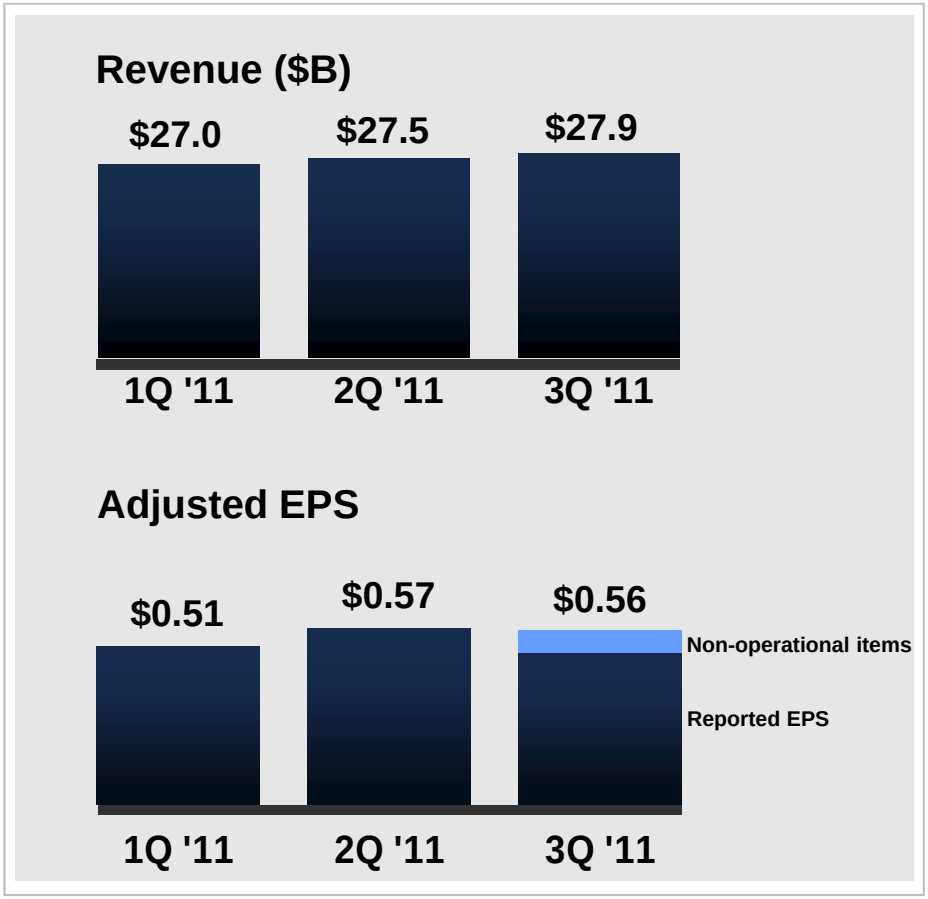
3Q ’11 Financial Summary



- Consolidated revenue of $27.9B, up 5.4% Y/Y
- Consolidated EBITDA margin at 32.8%
- Reported EPS of $0.49; adjusted EPS up 1.8% Y/Y
  - Storm and strike impact of $0.05
- Growth across all strategic areas Y/Y
  - Wireless service +6.1%
  - Wireless data +20.5%
  - FiOS +18.5%
  - Strategic services +15.6%

Note: Results above are adjusted for non-operational items. Results for 1Q ’11 exclude Terremark.

Continue on track to meet full year guidance

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Cash Flow

Cash Flow Summary ($B)

	2Q '11	3Q '11
Cash from operations	$7.8	$8.7
Capital expenditures	$4.5	$3.6
Free cash flow	$3.2	$5.1
Dividends paid	$1.4	$1.4

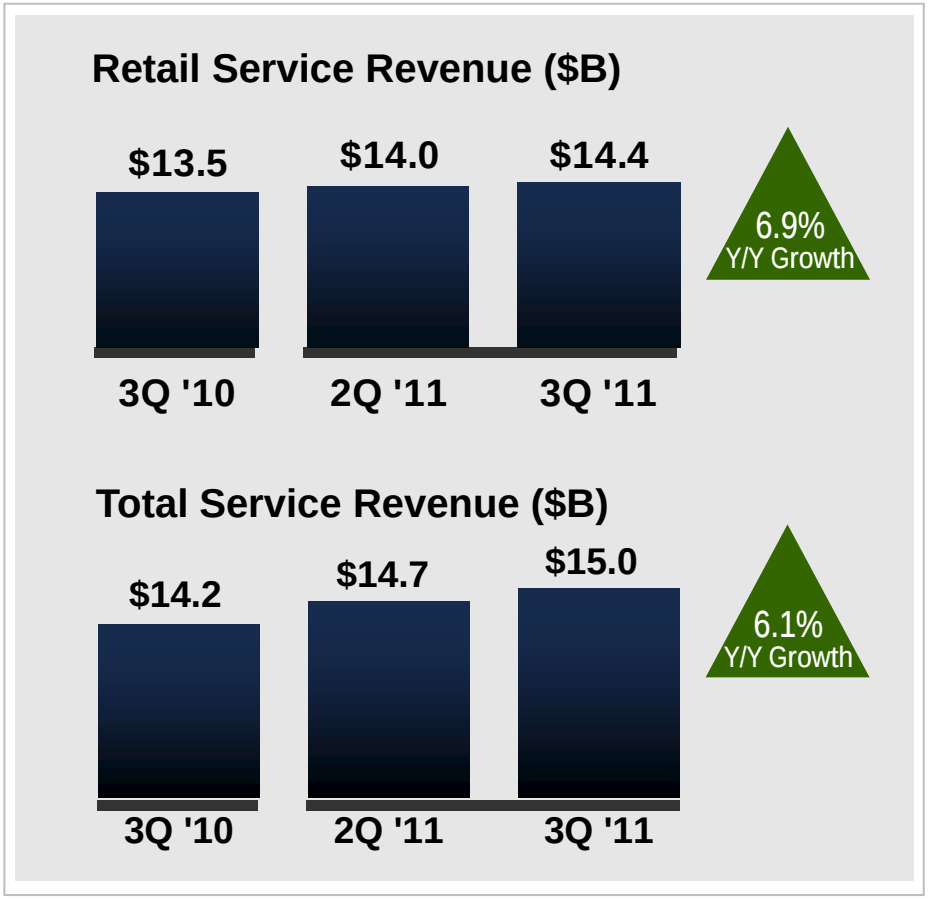
- Cash flow up sequentially from revenue growth
- Disciplined capital spending across entire business
  - On track to meet guidance
- Annual dividend increase of 2.6%

Note: Amounts may not add due to rounding.

Cash flow outlook remains very strong

WIRELESS

Revenue



- Total revenue growth of 9.1% Y/Y
- Service revenue growth of 6.1%
- Retail service revenue growth of 6.9%
- Total data revenue of $6.1B, up 20.5% Y/Y
  - Web and e-mail services revenue up 36.3% Y/Y

Continued strong, industry-leading growth

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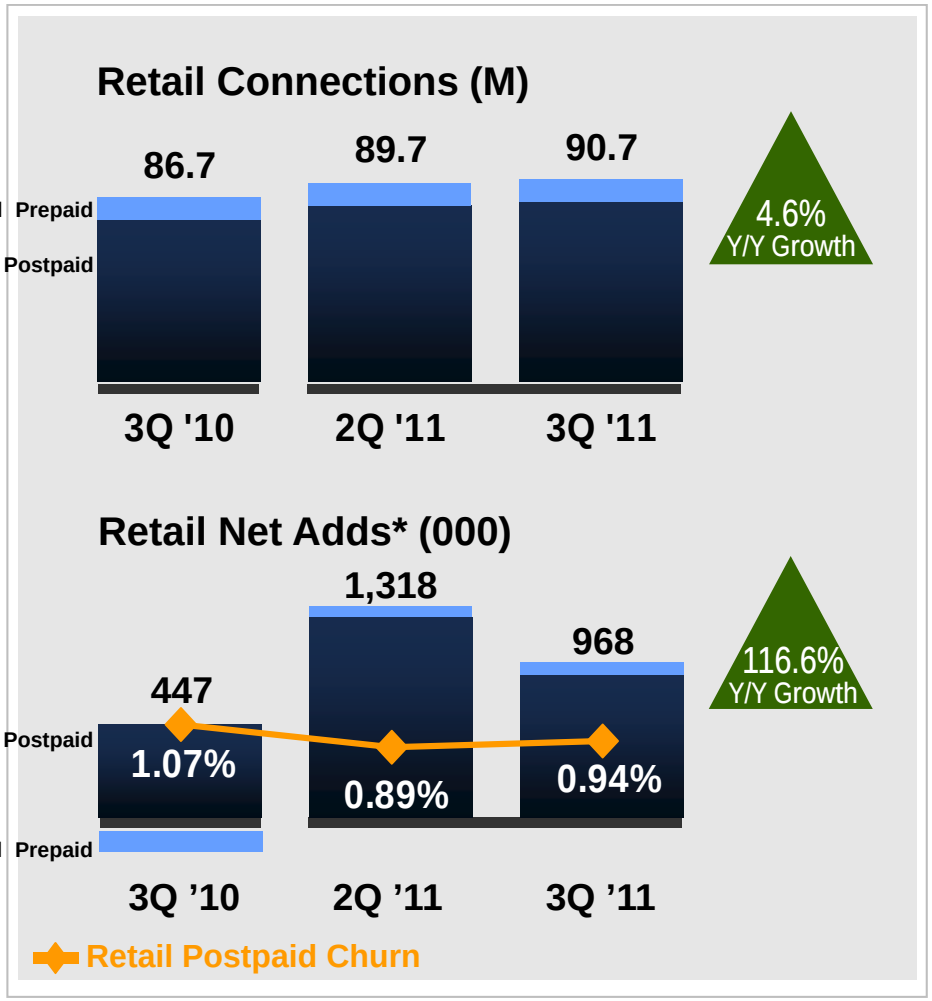
Connections / Net Adds / Churn



** Excludes acquisitions and adjustments*

- Strong growth in total connections, up 6.5% Y/Y
- Total net adds of 1.3M, up 7.0% Y/Y*
- 882K retail postpaid net adds
- 8.6% of retail postpaid base upgraded in 3Q
- Industry-leading customer loyalty
  - Postpaid churn of 0.94%

Continue to gain share and lead in 4G LTE

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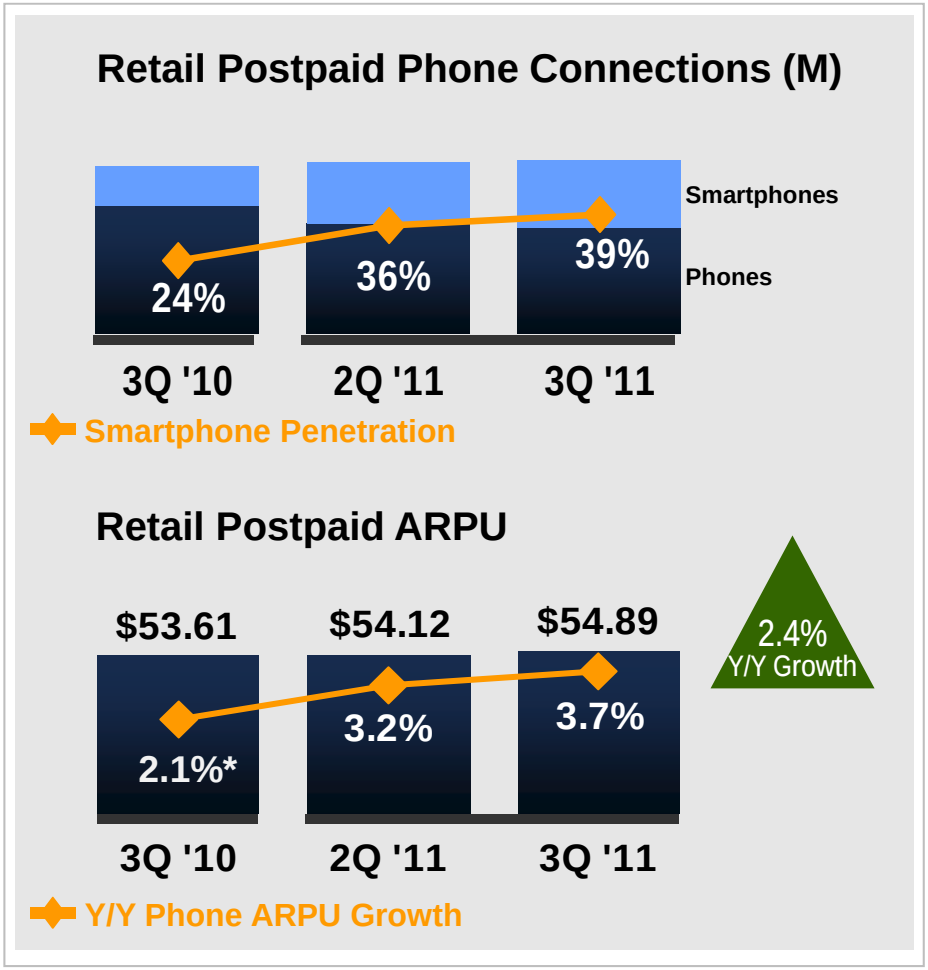
Phones / Smartphones



- Smartphone penetration of 39%, up 1,500 bps Y/Y
- 5.6M smartphones sold in 3Q
  - 60% of postpaid phone sales were smartphones
- 1.4M 4G LTE device sales
- Retail postpaid phone ARPU increases 3.7% Y/Y
- Retail postpaid data ARPU of $22.22, up 15.7% Y/Y

** Results for 3Q '09 exclude Alltel*

Phone category performing very well

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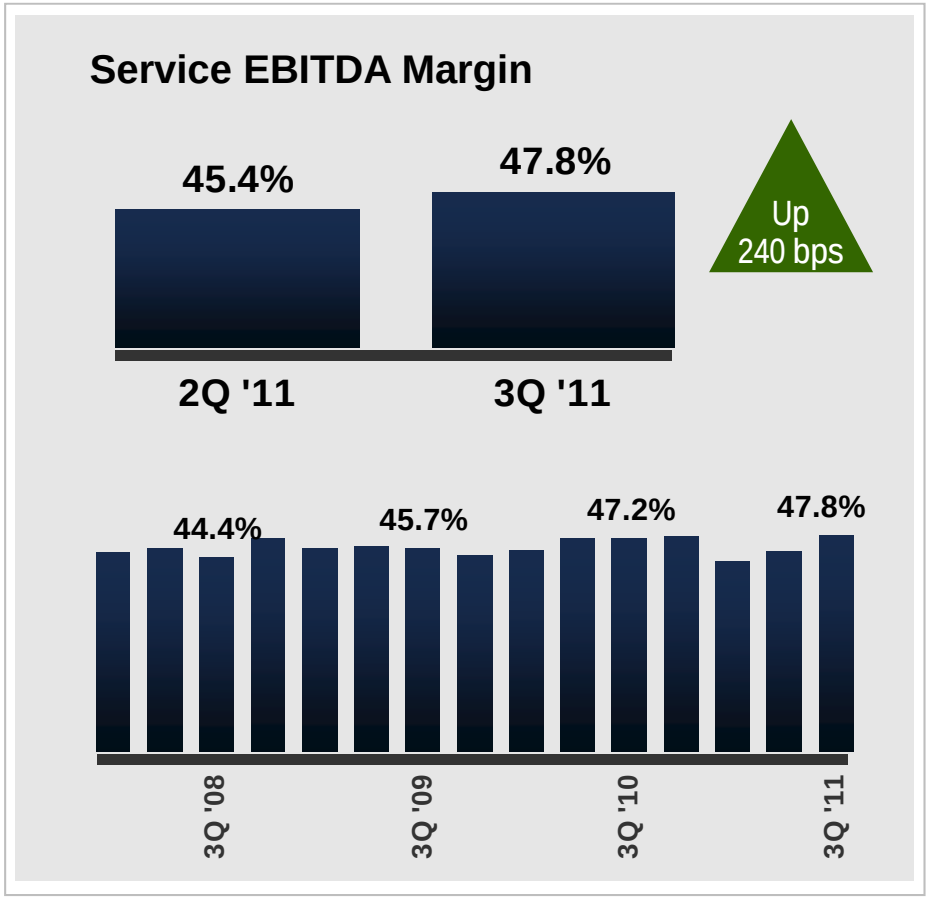
Profitability



- Strong retail service revenue growth
  - Retail customer adds
  - Smartphone penetration
  - Demand for Internet data devices
- Effective cost controls
  - Efficient network and distribution
  - Strong customer loyalty
  - Subsidy management
  - Savings initiatives

Note: Results for 2008 are pro forma

Record quarter for margin

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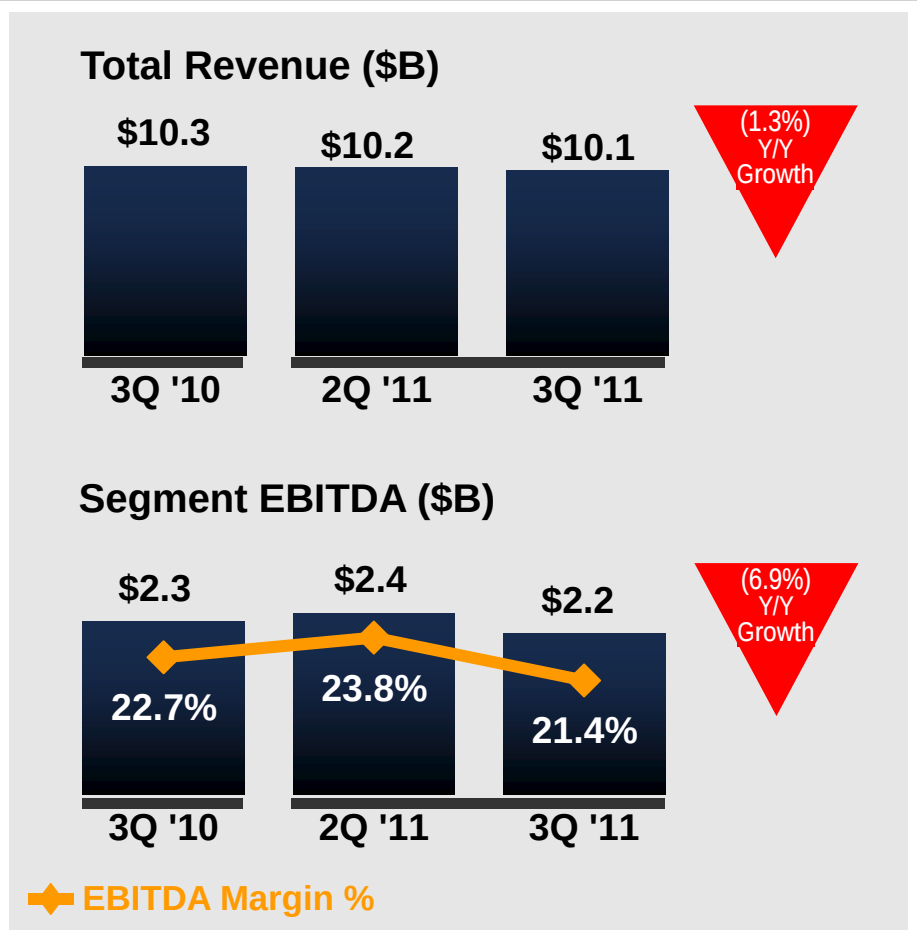
Revenue & Profitability



- Revenue steady but impacted by 3Q events
- Strategic revenue growth continues
  - Consumer revenue up 1.1% Y/Y
  - FiOS revenue grew 18.5% Y/Y
  - Global Enterprise up 2.1% Y/Y
  - Enterprise strategic services revenue up 15.6% Y/Y
- EBITDA pressured by storms and work stoppage
- Getting back on track
  - Expense levels
  - Order backlog

Note: Results for 3Q '10 exclude Terremark.

Performance solid against a difficult set of challenges

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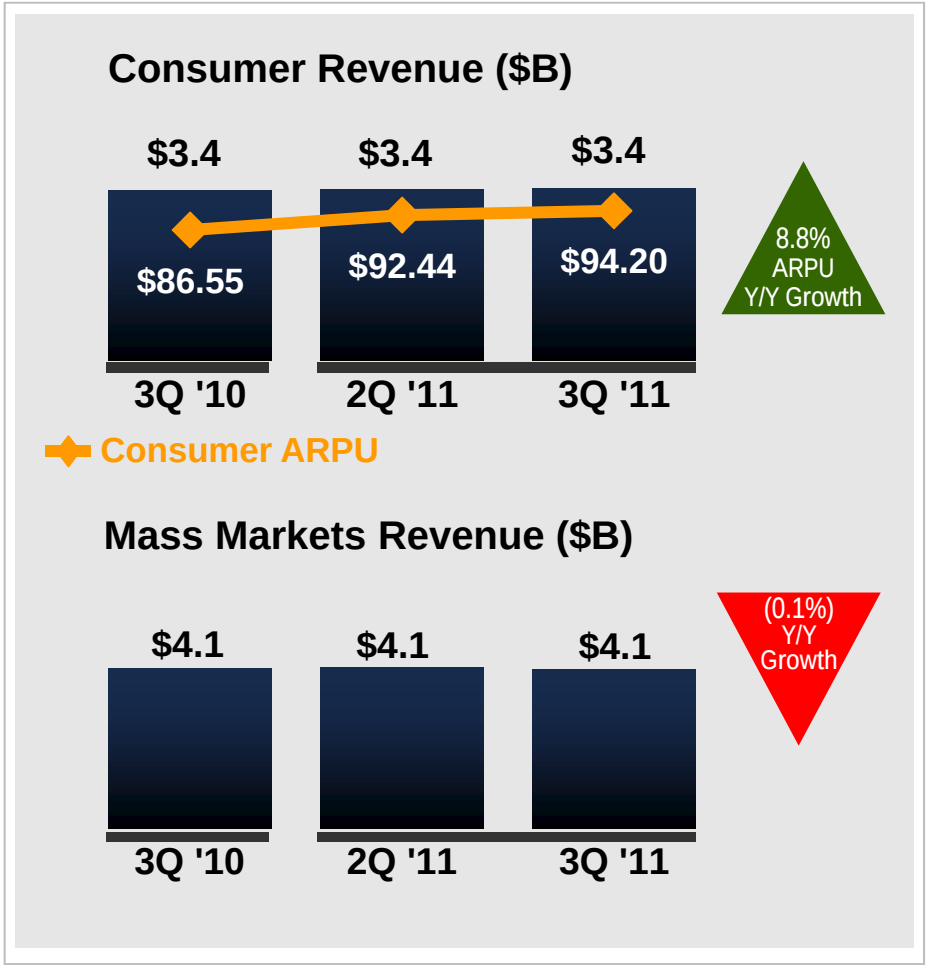
Mass Markets



- FiOS now 59% of consumer revenue
  - 20% Y/Y growth in triple play customers
- FiOS TV subscribers
  - 4.0M subscribers, 131K net adds
  - 31% penetration
- FiOS Internet subscribers
  - 4.6M subscribers, 138K net adds
  - 35% penetration
- Consumer ARPU now over $94
  - 8.8% Y/Y growth
  - Line loss improving Y/Y
- Order backlog

FiOS growth and line loss improvement continues

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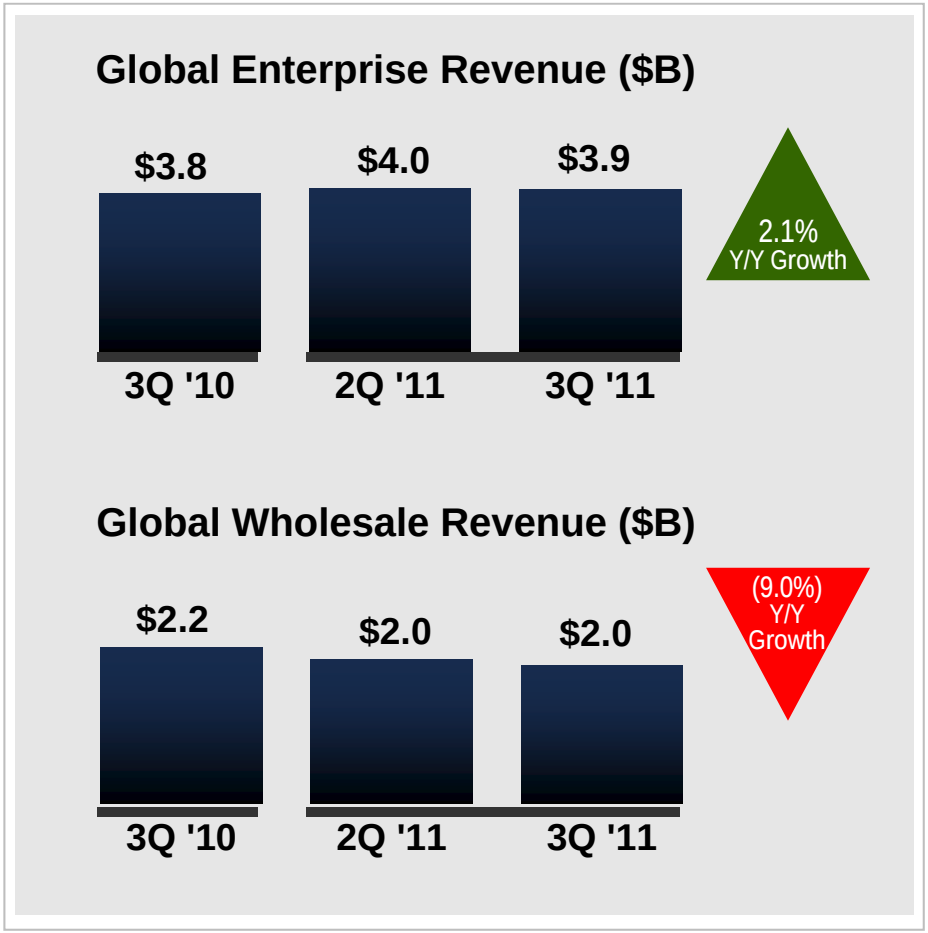
Enterprise & Wholesale Markets



- Continued strong strategic services growth
- Strategic services 49% of Global Enterprise revenue
- Global Wholesale pricing changes continue to impact growth Y/Y
  - $90M Y/Y decline (26%) in international voice revenue
  - Y/Y decline (5.8%) excluding international voice revenue

Note: Results for 3Q '10 exclude Terremark.

Strategic services growth outpaces core decline

Summary

- Consolidated
  - Strong execution
  - Disciplined capital spending across entire business
  - On track to meet full year guidance
- Wireless
  - Strong margin performance
  - Continued focus on cost management
- Wireline
  - Impacted by power outages, flooding and work stoppage
  - Revenue growth in strategic areas continues

Continuing to create shareholder value

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