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 adverse changes in labor matters, including labor negotiations, and any resulting financial and/or operational impact; 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; breaches of network or information technology security, natural disasters or terrorist attacks 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.
CONSOLIDATED
2011 Overview

- Strong finish to a very solid year
- Strategic areas driving top line growth
- Top line and operating efficiencies supporting EPS growth
- Improving cash flow profile and metrics
- Strategic investments set stage for future growth
CONSOLIDATED
4Q ’11 Overview

• Record quarter of revenue growth
• Wireless retail net adds highest in 3 years
• Significant advancement in 4G LTE deployment
• Wireline revenue mix continues to improve
• Wireline margin returns to pre-storm/strike levels

Strong finish positions us well for 2012
CONSOLIDATED
4Q ’11 Financial Summary

• Consolidated revenue of $28.4B, up 7.7% Y/Y

• 2011 reported EPS of $0.85; adjusted EPS up 3.4% Y/Y
  – Excluding storm and strike impact of $0.05, $2.20 adjusted EPS up 5.8% Y/Y

• Growth across all strategic areas Y/Y
  – Wireless service +6.4%
  – Wireless data +19.2%
  – FiOS +18.2%
  – Strategic services +14.7%

* Results above are adjusted for non-operational items and impact of divested operations in 2010.

Strong earnings profile
CONSOLIDATED
Cash Flow

Cash Flow Summary ($B)

<table>
<thead>
<tr>
<th></th>
<th>4Q ’11</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash from operations</td>
<td>$8.3</td>
<td>$29.8</td>
</tr>
<tr>
<td>Capital expenditures</td>
<td>$3.7</td>
<td>$16.2</td>
</tr>
<tr>
<td>Free cash flow</td>
<td>$4.6</td>
<td>$13.5</td>
</tr>
<tr>
<td>Dividends paid</td>
<td>$1.4</td>
<td>$5.6</td>
</tr>
</tbody>
</table>

Capital Expenditures/Revenue

- 4Q ’11 cash flow of $8.3B, up 0.2% Y/Y
- Disciplined capital spending across entire business
  - 4Q ’11 capital expenditures down 21.6% Y/Y
- 4Q ’11 free cash flow up 29.3% Y/Y

Cash flow very strong with improving capital efficiency
• Total revenue growth of 13.0% Y/Y
• Retail service revenue growth of 7.8%
• Service revenue growth of 6.4%
• Total data revenue of $6.3B, up 19.2% Y/Y
  – Web and e-mail services revenue up 34.6% Y/Y

Another quarter of industry-leading growth
**WIRELESS**

**Connections / Net Adds / Churn**

- Strong growth in total connections, up 6.3% Y/Y
- 1.2M retail postpaid net adds, up 38.4% Y/Y*
- 252K retail prepaid net adds
- 10.0% of retail postpaid base upgraded in 4Q
- Industry-leading customer loyalty
  - Postpaid churn of 0.94%

* Excludes acquisitions and adjustments

Wireless retail gross and net adds highest in 3 years
Smartphone penetration of 44%, up 1,600 bps Y/Y

7.7M smartphones sold in 4Q
  – 70% of postpaid phone sales were smartphones

2.3M 4G LTE device sales
  – Approximately 20 4G LTE devices currently available

4G LTE network deployed to >200M POPs exceeding target

Retail postpaid data ARPU of $22.76, up 14.3% Y/Y

4G LTE gaining momentum
Positioned well for strong growth and profitability in 2012

- Continue to balance growth and profitability
- Strong net add performance
- Accelerating phone ARPU
- Increased smartphone penetration
- Achieved margin guidance
**WIRELINE**

**Revenue & Profitability**

- **Stable revenue profile**
- **Strategic revenue growth continues**
  - Consumer revenue up 1.3% Y/Y
  - FiOS revenue grew 18.2% Y/Y
  - Global Enterprise up 1.3% Y/Y
  - Enterprise strategic services revenue up 14.7% Y/Y
- **EBITDA back on track following 3Q storms and work stoppage**

**Note:** Results for 4Q ’10 exclude Terremark.

**Total Revenue ($B)**

- 4Q ’10: $10.3
- 3Q ’11: $10.1
- 4Q ’11: $10.1

**Segment EBITDA ($B)**

- 4Q ’10: $2.4 (23.5%)
- 3Q ’11: $2.2 (21.4%)
- 4Q ’11: $2.4 (23.8%)

**Solid, steady performance**
**FiOS continues to gain share**

- FiOS now 61% of consumer revenue
  - 20% Y/Y growth in triple play customers
  - ARPU over $148
- FiOS video subscribers
  - 4.2M subscribers, 194K net adds
  - 32% penetration
- FiOS Internet subscribers
  - 4.8M subscribers, 201K net adds
  - 36% penetration
  - 98K broadband net adds
- Consumer ARPU now over $96
  - 8.5% Y/Y growth
  - Line loss improving Y/Y
**WIREFLINE**

Enterprise & Wholesale Markets

- Enterprise services revenue growth of 2.7%
  - Continued strong strategic services growth; now 51% of Global Enterprise revenue

- Global Wholesale revenue declines due to secular pressures

Note: Results for 4Q '10 exclude Terremark.

Strategic services trends remain strong
18.2% return to shareholders in 2011

- Strong finish to a very solid year
- Continued revenue growth across all strategic areas
- Solid earnings momentum and free cash flow generation
- Disciplined capital spending across entire business
- Strategic investments set stage for future growth
2012 Focus

• Build off of 2011 revenue trajectory
  – Intense focus on delivering solutions to our customers
  – Wireless growth – Smartphones and LTE
  – Continue to drive FiOS penetration
  – Leverage our strategic service portfolio / cloud strategy

• Drive efficiencies across the entire business
  – Automation and consolidation
  – Product rationalization
  – Continued focus on process improvement to drive efficiencies

• Increase free cash flow
  – Capital efficiency improvement
  – Ensure efficient use of working capital
  – Maintain strong balance sheet

2011 a strong foundation … accelerate momentum in 2012