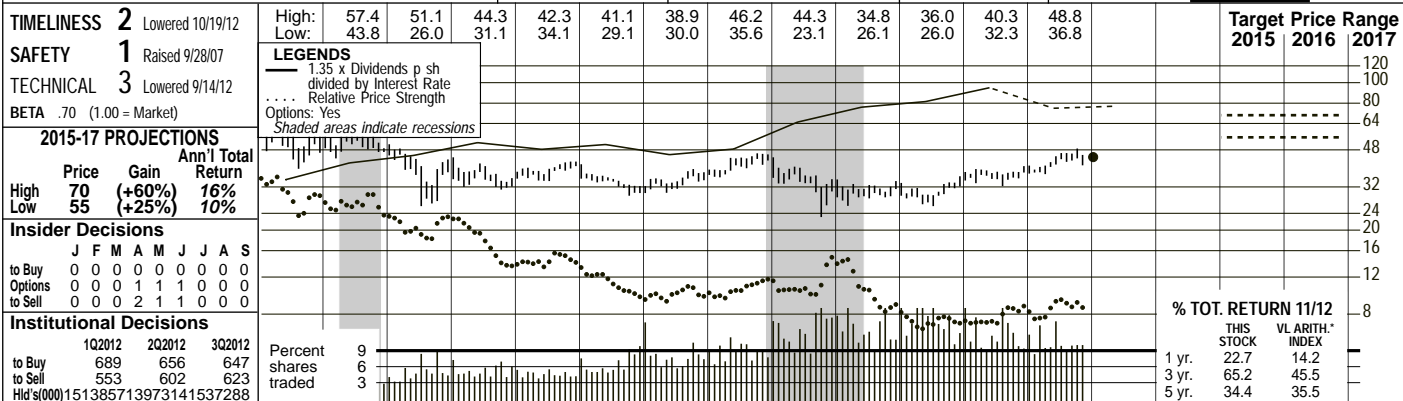


VERIZON NYSE-VZ		RECENT PRICE	44.44	P/E RATIO	17.0 (Trailing: 18.6; Median: 14.0)	RELATIVE P/E RATIO	1.12	DIV'D YLD	4.6%	VALUE LINE
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1996	1997 ^E	1998	1999	2000 ^F	2001	2002	2003	2004	2005	2006 ^G	2007	2008	2009	2010	2011	2012	2013	© VALUE LINE PUB. LLC	15-17
14.94	19.61	20.32	21.39	23.93	24.73	24.63	24.46	25.73	25.59	30.29	32.56	34.27	38.02	37.68	39.10	40.75	42.35	Revenues per sh	43.80
4.95	5.97	6.50	6.99	7.53	8.11	7.93	7.55	7.64	7.24	7.07	7.40	7.65	8.12	8.01	7.96	7.90	8.10	"Cash Flow" per sh	9.00
1.98	2.48	2.72	3.01	2.92	3.00	3.05	2.62	2.59	2.56	2.54	2.34	2.54	2.40	2.21	2.15	2.47	2.80	Earnings per sh (A)	3.65
1.43	1.49	1.54	1.54	1.54	1.54	1.54	1.54	1.54	1.62	1.62	1.65	1.78	1.87	1.93	1.96	2.00	2.05	Div'ds Decl'd per sh (B)	2.12
2.92	4.95	4.79	5.59	6.52	6.39	4.36	4.29	4.79	5.24	5.88	6.11	6.07	6.01	5.82	5.73	5.70	5.70	Cap'l Spending per sh	6.05
8.48	8.24	8.39	10.24	12.79	11.98	11.88	12.08	13.56	16.68	17.62	14.68	14.67	13.64	12.69	17.00	17.75	17.75	Book Value per sh	19.00
875.63	1553.0	1553.3	1550.7	2703.6	2717.2	2745.8	2769.4	2770.0	2926.8	2909.9	2871.0	2840.6	2835.7	2828.1	2835.5	2830.0	2828.0	Common Shs Outst'g (C)	2820.0
15.8	14.9	17.7	20.1	18.1	17.3	13.0	13.7	14.8	13.2	13.4	17.6	13.7	12.7	13.8	17.1	17.00	17.75	Avg Ann'l P/E Ratio	17.5
.99	.86	.92	1.15	1.18	.89	.71	.78	.78	.70	.72	.93	.82	.85	.88	1.07	1.07	1.07	Relative P/E Ratio	1.15
4.6%	4.0%	3.2%	2.5%	2.9%	3.0%	3.9%	4.3%	4.0%	4.8%	4.8%	4.0%	5.1%	6.1%	6.3%	5.3%	5.3%	5.3%	Avg Ann'l Div'd Yield	3.5%

CAPITAL STRUCTURE as of 9/30/12										67625	67752	71283	74910	88144	93469	97354	107808	106565	110875	115350	119700	Revenues (\$mill)	123500
Total Debt \$52802 mill. Due in 5 Yrs \$20679 mill.										8361.0	7282.0	7261.0	7151.0	6021.0	6854.0	7235.0	6805.0	6256.6	6086.8	7000	7920	Net Profit (\$mill)	10295
LT Debt \$46467 mill. LT Interest \$1750 mill.										30.5%	31.4%	28.2%	30.9%	33.3%	35.6%	34.4%	33.1%	19.5%	2.7%	35.0%	35.0%	Income Tax Rate	35.0%
Incl. \$321.0 mill. capitalized leases.										12.4%	10.7%	10.2%	9.5%	6.8%	7.3%	7.4%	6.3%	5.9%	5.5%	6.1%	6.6%	Net Profit Margin	8.3%
(Total interest coverage: 7.1x)										44.1%	40.5%	36.3%	32.4%	27.1%	25.4%	37.3%	39.5%	34.2%	36.9%	32.5%	32.0%	Long-Term Debt Ratio (D)	28.0%
Leases, Uncapitalized Annual rentals \$2004 mill.										32.1%	34.4%	38.2%	40.4%	46.0%	45.5%	33.1%	29.8%	29.2%	26.4%	37.5%	38.0%	Common Equity Ratio	37.0%
Pension Assets-12/11 \$24110 mill.										101548	97227	98287	98303	105518	111072	125864	139418	132164	136211	142900	143500	Total Capital (\$mill) (D)	140000
Oblig. \$30582 mill.										74496	75316	74124	75305	82356	85294	86546	91466	87711	88434	92000	94000	Net Plant (\$mill)	97500
Pfd Stock None										10.9%	10.1%	10.1%	10.1%	7.9%	8.8%	8.3%	7.2%	7.6%	7.2%	8.0%	8.0%	Return on Total Cap'l	8.0%
Common Stock 2,853,919,743 shs.										25.6%	21.8%	19.3%	18.0%	12.4%	13.6%	17.3%	16.4%	16.2%	16.9%	11.0%	11.5%	Return on Shr. Equity	12.0%
MARKET CAP: \$127 billion (Large Cap)										25.6%	21.8%	19.3%	18.0%	12.4%	13.6%	17.3%	16.4%	16.2%	16.9%	11.0%	11.5%	Return on Com Equity	12.0%
CURRENT POSITION										12.8%	9.1%	8.0%	6.9%	2.7%	4.1%	5.4%	3.7%	2.2%	1.5%	3.0%	3.5%	Retained to Com Eq	4.0%
(\$MILL.)										50%	58%	59%	62%	78%	70%	69%	77%	87%	91%	80%	75%	All Div'ds to Net Prof	58%
Cash Assets										7213	13954	10307											
Other										15135	17015	17359											
Current Assets										22348	30969	27663											
Accts Payable										15702	14689	16003											
Debt Due										7542	4849	6335											
Other										7353	11223	6432											
Current Liab.										30597	30761	28770											

BUSINESS: Verizon Communications was created by the merger of Bell Atlantic and GTE in June of 2000. It is a diversified telecom company with a network that covers a population of about 290 million and provides service to nearly 92.2 million. Acquired MCI, 1/06; Alltel, 1/09. Also the largest provider of print and on-line directory information. Has a wireline presence in 28 states & Washington, D.C.; a wireless presence in 50 states & D.C.; operations in 19 countries. 2011 revenue breakdown: wireline (includes telecom & business), 37%; domestic wireless, 63%. Has approximately 193,900 employees. Chairman and CEO: Lowell McAdam. Incorporated: Delaware. Address: 140 West St., NY, NY 10007. Telephone: 212-395-1000. Internet: www.verizon.com.

ANNUAL RATES		Past 10 Yrs.	Past 5 Yrs.	Est'd '09-'11 to '15-'17
of change (per sh)		10 Yrs.	5 Yrs.	to '15-'17
Revenues		5.0%	7.0%	3.0%
"Cash Flow"		0.5%	2.0%	2.0%
Earnings		-2.5%	-2.5%	5.5%
Dividends		2.0%	4.0%	2.0%
Book Value		1.5%	-1.5%	5.0%

Cal-endar	QUARTERLY REVENUES (\$ mill.)				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2009	26591	26861	27265	27091	****
2010	26913	26773	26484	26395	****
2011	26990	27536	27913	28436	****
2012	28242	28552	29007	29549	115350
2013	29500	29750	30010	30440	119700

Cal-endar	EARNINGS PER SHARE ^A				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2009	.63	.63	.60	.54	2.40
2010	.56	.55	.56	.54	2.21
2011	.51	.57	.56	.51	2.15
2012	.59	.64	.64	.60	2.47
2013	.66	.72	.74	.68	2.80

Cal-endar	QUARTERLY DIVIDENDS PAID ^B				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2008	.43	.43	.46	.46	1.78
2009	.46	.46	.475	.475	1.87
2010	.475	.475	.4875	.4875	1.93
2011	.4875	.4875	.4875	.50	1.96
2012	.50	.50	.50	.515	

The Wireline business is a bit of a mixed bag. Wireline revenues dropped modestly during the September quarter,

due, in large part, to ongoing economic factors. However, strong demand for FiOS resulted in a 4.6% year-over-year uptick in consumer revenues, the highest in a decade, thanks to Internet and video connections increasing by 14.4% and 15.4%, respectively.

We expect capital expenditures to fall in 2012. During the first nine months of the year, Verizon shelled out \$11.3 billion in capital expenditures, compared to \$12.5 billion for the year-earlier period. As such, we now look for full year 2012 cap ex to come in a good bit below the \$16.2 billion spent in 2011.

This blue chip stock is a recommended selection for the next six to 12 months. However, those willing to commit funds over the long haul are likely to find many other options out there that offer more alluring appreciation potential. That said, this equity's dividend yield is more than twice that of the average issue under Value Line review. Moreover, its relatively low Beta and Safety rank of 1 (Highest) make it the darling of many a conservative account.

Kenneth A. Nugent December 21, 2012

(A) Based on average shares out thru '97, then diluted. Excl. n/r gains (losses): '95, \$0.18; '96, \$0.16; '97, \$0.90; '98, \$0.86; '99, \$0.36; '00, \$1.40; '01, (\$2.86); '02, (\$1.56); '03, (\$1.51); '04, \$0.08; '06, (\$0.42). Next earnings report January 22nd. (B) Div'd paid in early Feb., May, Aug. & Nov. Div'd reinv. plan avail. (C) In mill. adj. for split. (D) Incl. fin. sub. from '88.

(E) Cell. ops. in revs. before 7/95, then equity income. (F) '97 data NYNEX pro forma. (G) '00 GTE pro forma. (H) '06 MCI pro forma.

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Company's Financial Strength	A++
Stock's Price Stability	100
Price Growth Persistence	40
Earnings Predictability	100

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