

Cash Assets Other 19025 **Current Assets** 70994 29623 21768 Accts Payable Debt Due 1772 16453 16680 3933 7264 6664 8649 9507 27050 28064 34492 Current Liab.

 ANNUAL RATES of change (per sh)
 Past of change (per sh)
 10 Yrs.
 5 Yrs.
 to '18-'20

 Revenues "Cash Flow"
 -0.5%
 -1.0%
 3.0%

 Earnings Dividends
 1.5%
 6.0%
 8.0%

 Dividends
 3.0%
 3.5%
 2.0%

 Book Value
 -4.5%
 -12.5%
 5.0%

Cal- endar	QUAR Mar.31	TERLY RE Jun.30	VENUES (Sep.30		Full Year
2012	28242	28552	29007	30045	115846
2013	29420	29786	30279	31065	120550
2014	30818	31483	31586	33192	127079
2015	31984	32224	33158	34034	131400
2016	32600	33100	33100	34200	133000
Cal-	EARNINGS PER SHARE A				Full
endar	Mar.31	Jun.30	Sep.30	Dec.31	Year
2012	.59	.64	.64	.45	2.32
2013	.68	.78	.78	1.76	4.00
2014	.84	.91	.89	.71	3.35
2015	1.02	1.04	1.04	.86	3.96
2016	1.06	1.04	1.05	.90	4.05
Cal-	QUARTERLY DIVIDENDS PAID B F				
endar	Mar.31	Jun.30	Sep.30	Dec.31	Year
2011	.488	.488	.488	.50	1.96
2012	.50	.50	.50	.515	2.02
2013	.515	.515	.515	.53	2.08
2014	.53	.53	.55	.55	2.16
2015	.55	.55	.565	.565	
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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 298 million and provides service to nearly 98.2 million. Acquired MCI, 1/06; Alltel, 1/09; Verizon Wireless, 2/14. Also the largest provider of print and on-line directory information. Has a wireline presence in 28

Verizon certainly looks different than it did this time last year. Indeed, in late June, the company completed the roughly \$4.4 billion acquisition of AOL, which is in keeping with Verizon's desire to build digital and video platforms in order to drive future growth. The combination of Verizon and AOL has created a scaled, mobile-first platform offering directly targeted at a nearly \$600 billion global advertising industry. In addition, the FCC subsequently approved the proposed \$10.54 billion sale of Verizon's local wireline network assets and operations in California, Florida, and Texas to Frontier Communications, and we look for the deal to be consummated in the first quarter of-the coming year.

Meanwhile, the company seems set to post an 18% year-over-year earnings advance in 2015. Notably, VZ posted September-quarter earnings of \$1.04 a share, on par with our estimate and a 17% improvement on the year-earlier figure, on a 5% revenue advance. Verizon Wireless was once again the fair-haired boy, adding 1.3 million retail postpaid net subscribers, bringing its total number of retail connections to 110.8 million. And Wireline divi-

states & Washington, D.C.; a wireless presence in 50 states & D.C. operations in 19 countries. 2014 revenue breakdown: wireline (includes telecom & business), 31%; domestic wireless, 69%. Has approximately 177,300 employees. Chairman and CEO: Lowell McAdam. Inc.: Delaware. Addr.: 1095 Avenue of the Americas, NY, NY 10036. Tel.: 212-395-1000. Internet: www.verizon.com.

sion revenues were up 2.8% year over vear.

Nevertheless, investors do not seeming overly enthused. Notably, despite the company's alluring prospects over the long haul, Verizon stock has been rather range bound over the last 12 months or so. Verizon is in enviable financial shape. The company finished the September interim with almost \$3.9 billion in cash on its ledger and long-term debt of \$105 billion. And going forward, we look for VZ to boost its dividend payout and make additional acquisitions. To wit, management seems focused on improving Verizon's strategic capabilities and bolstering its spectrum assets.

This blue chip equity's appreciation potential 3- to 5-years hence is well above that of the average selection under Value Line review. Therefore, investors willing to commit funds over the long haul may well find this an attractive entry point. What's more, income-seeking types are likely to find VZ's dividend yield rather appealing, as it is currently more than twice that of the Value Line median. Kenneth A. Nugent December 18, 2015

(A) Based diluted shares. Excl. n/r gains (losses): '99, \$0.36; '00, \$1.40; '01, (\$2.86); Div'd reinv. pla '02, (\$1.56); '03, (\$1.51); '04, \$0.08; '08 sub. from '88. (\$0.42). Next earnings report January 21st. (**B**) MCl pro forma.

Div'd paid in early Feb., May, Aug. & Nov. ■ Div'd reinv. plan avail. (C) In mill. (D) Incl. fin. sub. from '88. (E) '00 GTE pro forma. (F) '06 MCI pro forma

Company's Financial Strength Stock's Price Stability 100
Price Growth Persistence 50
Earnings Predictability 65