

# Verizon Wireless Completes Purchase of Alltel; Creates Nation's Largest Wireless Carrier

Acquisition Will Expand Nation's Most Reliable Wireless Network and Deliver Advanced Wireless Broadband Network to Millions More Customers Across the United States  
By **Hour Detroit** - January 9, 2009

**Basking Ridge, N.J.**, January 09, 2009 – Verizon Wireless, a joint venture of Verizon Communications (NYSE: VZ) and Vodafone (NYSE LSE: VOD), announced today it has completed its purchase of Alltel Corporation from Atlantis Holdings LLC. Consistent with the terms of the transaction announced on June 5, 2008, Verizon Wireless paid approximately \$5.9 billion for the equity of Alltel. Immediately prior to the closing, the Alltel debt associated with the transaction, net of cash, was approximately \$22.2 billion.

The acquisition expands Verizon Wireless' network coverage to approximately 290 million people, nearly the entire United States population, and increases the company's customers by 12.9 million, after conforming adjustments and before required divestitures, making it the largest wireless carrier in the country with more than 83.7 million total customers, based on third quarter 2008 reported results from both companies. Approximately 2.1 million of those total customers are in markets that will be divested by Verizon Wireless in the coming months, as required by the Department of Justice (DOJ) and the Federal Communications Commission (FCC) as a condition of the merger approval.

## **Market Integration**

In markets that will be retained and combined with Verizon Wireless' operations, the company will continue to use the Alltel brand for the next several months, as it works to integrate networks, convert billing systems and upgrade high-speed wireless broadband service. Verizon Wireless will maintain Alltel's existing GSM networks in retained Alltel markets to continue serving the roaming needs of GSM carriers' customers.

ADVERTISING

Alltel customers in markets to be retained will receive a letter during the next few weeks informing them about the purchase and the wide array of new and advanced services that will be available to them when they transition to Verizon Wireless, including the latest wireless data services delivered on the nation's largest 3G high-speed wireless broadband network. In addition, when Alltel systems are upgraded in the near future, Alltel customers will have access to the largest mobile-to-mobile calling community in the country, allowing them to use their mobile-to-mobile minutes for calls with Verizon Wireless customers without using their plan minutes.

Alltel customers do not need to take any action at this time. Customers' current service plans, prices and features, including My Circle, will remain the same throughout the transition. Verizon Wireless will notify customers, by mail, about any changes that may impact their service in the future. Since Verizon Wireless and Alltel use the same technology platform, the vast majority of customers will be able to use their current handset after the transition to Verizon Wireless. Additional information for customers is available at [www.alltel.com](http://www.alltel.com).

Verizon Wireless will re-brand Alltel operations in the retained markets in phases, beginning in the second quarter and continuing through the third quarter of 2009, as billing conversions are completed throughout the country. During the transition period, Alltel-branded stores will remain open to serve customers.

Alltel employees below executive level will continue in their present jobs as Verizon Wireless assesses staffing needs required to best serve customers and achieve synergies.

### **Divestiture Markets**

As a condition of the regulatory approvals by the DOJ and the FCC that were required to complete the Alltel purchase, Verizon Wireless will divest overlapping properties in 105 markets across 24 states. Alltel operations will be divested in most of these markets. Verizon Wireless will divest its own pre-merger operations in four markets, as well as the Rural Cellular Corporation (RCC) operations in southern Minnesota and western Kansas, operating under the Unicel brand, which Verizon Wireless acquired last August.

Verizon Wireless has placed licenses and assets for the markets to be divested in a management trust. The trust will continue to operate the markets under their current brands until they are sold to one or more buyers. As a result, these markets will not be integrated into Verizon Wireless operations.

### **Financial Information**

Verizon Wireless expects to realize synergies with a net present value, after integration costs, of more than \$9 billion, driven by aggregate capital and operating expense savings.

Verizon Wireless used a combination of cash generated from operations, Alltel cash, proceeds from capital markets transactions, and borrowings from lenders under credit facilities, including the borrowing, immediately prior to the acquisition, of \$12.35 billion under a new 364-day credit facility, to purchase the equity of Alltel and to acquire and repay Alltel's debt. Following the completion of a series of financing transactions later today, Alltel and its subsidiaries will have reduced the debt that is owed to third parties to approximately \$2.7 billion, which is expected to decline further to approximately \$2.5 billion within the next 30 days.

Verizon Wireless announced its agreement, subject to regulatory approval, to acquire Alltel in June 2008. The DOJ approved the transaction in October and the FCC approved it in early November.

**EDITOR'S NOTE:** A list of markets to be divested, by state and county, appears at the end of this release

### **About Verizon Wireless**

Verizon Wireless operates the nation's most reliable wireless voice and data network, serving 83.7 million customers. Headquartered in Basking Ridge, N.J., with 85,000 employees nationwide, Verizon Wireless is a joint venture of Verizon Communications (NYSE: VZ) and Vodafone (NYSE and LSE: VOD). For more information, go to: [www.verizonwireless.com](http://www.verizonwireless.com). To preview and request broadcast-

quality video footage and high-resolution stills of Verizon Wireless operations, log on to the Verizon Wireless Multimedia Library at [www.verizonwireless.com/multimedia](http://www.verizonwireless.com/multimedia).

**Alltel Properties that will be sold:**

**Alabama**

Dothan AL MSA (CMA 246); Dale, Houston  
AL RSA 7 (CMA 313); Butler, Coffee, Covington, Crenshaw, Geneva, Pike

**Arizona**

AZ RSA 5 (CMA 322); Gila, Pinal

**California**

CA RSA 6 (CMA 341); Inyo, Mono

**Colorado**

CO RSA 4 (CMA 351); Chaffee, Custer, Fremont, Lake, Park  
CO RSA 5 (CMA 352); Cheyenne, Elbert, Kit Carson, Lincoln  
CO RSA 6 (CMA 353); Dolores, Hinsdale, La Plata, Montezuma, Ouray, San Juan, San Miguel  
CO RSA 7 (CMA 354); Alamosa, Archuleta, Conejos, Mineral, Rio Grande, Saguache  
CO RSA 8 (CMA 355); Bent, Crowley, Kiowa, Otero, Prowers  
CO RSA 9 (CMA 356); Baca, Costilla, Huerfano, Las Animas

**Georgia**

Albany GA MSA (CMA 261); Dougherty, Lee  
GA RSA 6 (CMA 376); Crawford, Harris, Meriwether, Pike, Talbot, Taylor, Upson  
GA RSA 7 (CMA 377); Johnson, Laurens, Washington, Wilkinson  
GA RSA 8 (CMA 378); Bulloch, Burke, Candler, Emanuel, Glascock, Jefferson, Jenkins, Screven, Treutlen, Warren  
GA RSA 9 (CMA 379); Clay, Crisp, Dooly, Macon, Marion, Quitman, Randolph, Schley, Stewart, Sumter, Terrell, Webster  
GA RSA 10 (CMA 380); Ben Hill, Bleckley, Coffee, Dodge, Irwin, Jeff Davis, Montgomery, Pulaski, Telfair, Turner, Wheeler, Wilcox  
GA RSA 12 (CMA 382); Camden, Glynn, Liberty, Long, McIntosh, Wayne  
GA RSA 13 (CMA 383); Baker, Calhoun, Decatur, Early, Grady, Miller, Mitchell, Seminole, Thomas

**Idaho**

ID RSA 2 (CMA 389); Adams, Gem, Idaho, Payette, Valley, Washington  
ID RSA 3 (CMA 390); Boise, Custer, Lemhi

**Illinois**

IL RSA 8 (CMA 401); Alexander, Franklin, Jackson, Jefferson, Johnson, Massac, Perry, Pulaski, Randolph, Union, Washington, Williamson

IL RSA 9 (CMA 402); Clay, Edwards, Gallatin, Hamilton, Hardin, Lawrence, Pope, Richland, Saline, Wabash, Wayne, White

## **Iowa**

Sioux City IA-NE MSA (CMA 253); Woodbury, Dakota  
IA RSA 8 (CMA 419); Crawford, Harrison, Monona, Shelby  
IA RSA 16(CMA 427) Cherokee, Lyon, O'Brien, Osceola, Plymouth, Sioux

## **Michigan**

Muskegon MI MSA (CMA 181) Muskegon, Oceana

## **Minnesota**

MN RSA 1 (CMA 482); Kittson, Marshall, Pennington, Red Lake, Roseau  
MN RSA 2 (CMA 483); Beltrami, Clearwater, Lake of the Woods, Mahnommen, Norman

## **Montana**

Billings MT MSA (CMA 268); Yellowstone  
Great Falls MT MSA (CMA 297); Cascade  
MT RSA 1 (CMA 523); Flathead, Glacier, Lake, Lincoln, Pondera, Sanders, Teton  
MT RSA 2 (CMA 524); Blaine, Chouteau, Hill, Liberty, Toole  
MT RSA 4 (CMA 526); Daniels, Dawson, McCone, Richland, Roosevelt, Sheridan, Wibaux  
MT RSA 5 (CMA 527); Granite, Lewis and Clark, Mineral, Missoula, Powell, Rivalli  
MT RSA 6 (CMA 528); Broadwater, Deer Lodge, Jefferson, Judith Basin, Meagher, Silver Bow, Wheatland  
MT RSA 7 (CMA 529); Fergus, Golden Valley, Musselshell, Petroleum, Stillwater, Sweet Grass  
MT RSA 8 (CMA 530); Beaverhead, Gallatin, Madison, Park  
MT RSA 9 (CMA 531); Big Horn, Carbon, Rosebud, Treasure  
MT RSA 10 (CMA 532); Carter, Custer, Fallon, Powder River, Prairie

## **Nevada**

NV RSA 2 (CMA 544); Elko, Eureka, Lander  
NV RSA 5 (CMA 547); Lincoln, White Pine

## **New Mexico**

Las Cruces NM MSA (CMA 285) Dona Ana  
NM RSA 1 (CMA 553); Cibola, McKinley, Rio Arriba, San Juan, Taos  
NM RSA 5 (CMA 557); Grant, Hidalgo, Luna  
NM RSA 6 (CMA 558); Chaves, Eddy, Lee, Lincoln, Otero

## **North Carolina**

Hickory NC MSA (CMA 166); Alexander, Burke, Catawba  
NC RSA 2 (CMA 566); Avery, Caldwell, Mitchell, Watauga, Yancey  
NC RSA 5 (CMA 569); Anson, Montgomery, Richmond, Scotland

## **North Dakota**

Bismarck ND (CMA 298); Burleigh, Morton  
Fargo-Moorehead ND-MN MSA (CMA 221); Clay, Cass  
Grand Forks ND-MN MSA (CMA 276); Polk, Grand Forks  
ND RSA 1 (CMA 580); Burke, Divide, McLean, Mountrail, Renville, Ward, Williams  
ND RSA 2 (CMA 581); Benson, Bottineau, Cavalier, McHenry, Pierce, Ramsey, Rolette, Towner  
ND RSA 3 (CMA 582); Barnes, Dickey, Griggs, LaMoure, Nelson, Pembina, Ransom, Richland, Sargent, Steele, Traill, Walsh  
ND RSA 4 (CMA 583); Adams, Billings, Bowman, Dunn, Golden Valley, Grant, Hettinger, McKenzie, Mercer, Oliver, Sioux, Slope, Stark  
ND RSA 5 (CMA 584); Eddy, Emmons, Foster, Kidder, Logan, McIntosh, Sheridan, Stutsman, Wells

## **Ohio**

Lima OH MSA (CMA 158); Allen, Auglaize, Putnam, Van Wert  
Mansfield OH MSA (CMA 231); Richland  
OH RSA 2 (CMA 586); Erie, Huron, Sandusky, Seneca  
OH RSA 3 (CMA 587); Ashtabula  
OH RSA 5 (CMA 589); Crawford, Hancock, Hardin, Marion, Wyandot  
OH RSA 6 (CMA 590); Ashland, Coshocton, Holmes, Knox, Licking, Morrow, Wayne

## **South Carolina**

Anderson SC MSA (CMA 227) Anderson  
SC RSA 1 (CMA 625); Oconee  
SC RSA 2 (CMA 626); Abbeville, Edgefield, Greenwood, Laurens, McCormick, Newberry, Saluda  
SC RSA 3 (CMA 627); Cherokee, Chester, Fairfield, Union  
SC RSA 7 (CMA 631); Allendale, Bamberg, Barnwell, Calhoun, Orangeburg

## **South Dakota**

Rapid City SD MSA (CMA 289); Meade, Pennington  
Sioux Falls SD MSA (CMA 267); Minnehaha  
SD RSA 1 (CMA 634); Butte, Harding, Lawrence, Perkins  
SD RSA 2 (CMA 635); Campbell, Corson, Dewey, Potter, Walworth, Ziebach  
SD RSA 3 (CMA 636); Brown, Edmunds, Faulk, McPherson, Spink  
SD RSA 4 (CMA 637); Clark, Codington, Day, Deuel, Grant, Hamlin, Marshall, Roberts  
SD RSA 5 (CMA 638); Custer, Fall River, Shannon  
SD RSA 6 (CMA 639); Bennet, Gregory, Haakon, Jackson, Jones, Lyman, Mellette, Stanley, Todd, Tripp  
SD RSA 7 (CMA 640); Aurora, Brule, Buffalo, Charles Mix, Davison, Douglas, Hand, Hughes, Hyde, Jerauld, Sully  
SD RSA 8 (CMA 641); Beadle, Brookings, Kingsbury, Lake, Miner, Moody, Sanborn  
SD RSA 9 (CMA 642); Bon Homme, Clay, Hanson, Hutchinson, Lincoln, McCook, Turner, Union, Yankton

## **Tennessee**

TN RSA 8 (CMA 650) Johnson

## **Utah**

UT RSA 3 (CMA 675); Juab, Millard, Sanpete, Sevier  
UT RSA 4 (CMA 676); Beaver, Iron, Washington  
UT RSA 5 (CMA 677); Carbon, Daggett, Duchesne, Emery, Grand, Uintah  
UT RSA 6 (CMA 678); Garfield, Kane, Piute, San Juan, Wayne

### **Virginia**

Danville VA MSA (CMA 262); Pittsylvania, Danville City  
VA RSA 1 (CMA 681); Buchanan, Dickenson, Lee, Russell, Wise, Norton City  
VA RSA 8 (CMA 688); Amelia, Brunswick, Lunenburg, Mecklenburg, Nottoway

### **Wyoming**

Casper WY MSA (CMA 299); Natrona  
WY RSA 1 (CMA 718); Big Horn, Hot Springs, Park, Washakie  
WY RSA 2 (CMA 719); Campbell, Crook, Johnson, Sheridan, Weston  
WY RSA 4 (CMA 721); Albany, Goshen, Laramie, Niobrara, Platte  
WY RSA 5 (CMA 722); Converse

### **Verizon Wireless Properties that will be sold**

#### **Michigan**

MI RSA 5 (CMA 476) Benzie, Lake, Leelanau, Manistee, Mason, Missaukee, Osceola, Wexford  
MI RSA 7 (CMA 478) Gratiot, Isabella, Mecosta, Montcalm, Newaygo

#### **Minnesota**

MN RSA 7 (CMA 488); (see also Unice) Chippewa, Kandiyohi, McLeod, Meeker, Nicollet, Renville, Sibley

#### **Nebraska**

NE RSA 5 (CMA 537). Boone, Butler, Colfax, Dodge, Merrick, Nance, Platte, Polk, Saunders, Washington

Unice (RCC) Properties that will be sold

#### **Kansas**

KS RSA 1 (CMA 428); Cheyenne, Decatur, Rawlins, Sheridan, Sherman, Thomas  
KS RSA 2 (CMA 429); Graham, Norton, Osborne, Phillips, Rooks, Smith  
KS RSA 6 (CMA 433); Gove, Greeley, Lane, Logan, Scott, Wallace, Wichita  
KS RSA 7 (CMA 434); Barton, Ellis, Ness, Pawnee, Rush, Russell, Trego  
KS RSA 11 (CMA 438); Finney, Grant, Hamilton, Haskell, Kearny, Morton, Seward, Stanton, Stevens  
KS RSA 12 (CMA 439); Clark, Ford, Gray, Hodgeman, Meade  
KS RSA 13 (CMA 440) Barber, Comanche, Edwards, Kiowa, Pratt, Stafford

#### **Minnesota**

MN RSA 7 (CMA 488) (see also VzW) Chippewa, Kandiyohi, McLeod, Meeker, Nicollet, Renville, Sibley

MN RSA 8 (CMA 489) Lac qui Parle, Lincoln, Lyon, Redwood, Yellow Medicine

MN RSA 9 (CMA 490) Brown, Cottonwood, Jackson, Martin, Murray, Nobles, Pipestone, Rock,  
Watonwan

MN RSA 10 (CMA 491) Blue Earth, Faribault, Freeborn, Le Sueur, Rice, Steele, Waseca

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