Idearc Inc.
3rd Quarter 2008 Earnings

October 30, 2008

Safe Harbor Statement

Certain statements included in this presentation constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements reflect Idearc management's current views with respect to Idearc's financial performance and future events with respect to its business and industry in general. Statements that include the words "believe," "will," "anticipate," "foresee," and similar expressions identify forward-looking statements. Idearc cautions you not to place undue reliance on these forward-looking statements. The following important factors could affect future results and could cause those results to differ materially from those expressed in the forward-looking statements:

- *risks related to Idearc's substantial indebtedness, including covenant compliance;*
- *risks related to Idearc's declining print revenue, including a reduction in customer spending resulting from the current economic downturn;*
- *limitations on Idearc's operating and strategic flexibility under the terms of its debt agreements;*
- *risks associated with a sustained stock price below $1.00 per share and a market capitalization below $75 million, including delisting from the NYSE;*
- *changes in Idearc's competitive position due to competition from other yellow pages directories publishers and other traditional and new media and its ability to anticipate or respond to changes in technology and user preferences;*
- *declining use of print yellow pages directories;*
- *Idearc's ability to successfully identify and implement cost initiatives;*
- *access to capital markets and changes in credit ratings;*
- *changes in the availability and cost of paper and other raw materials used to print directories and reliance on third-party printers and distributors;*
- *increased credit risk associated with reliance on small- and medium-sized businesses, in particular in the current economic environment;*
- *changes in operating performance;*
- *Idearc's ability to attract and retain qualified executives;*
- *Idearc's ability to maintain good relations with its unionized employees;*
- *changes in U.S. labor, business, political and/or economic conditions;*
- *changes in governmental regulations and policies and actions of regulatory bodies; and*
- *risks associated with Idearc's obligations under agreements entered into with Verizon in connection with the spin-off.*

For a discussion of these and other risks and uncertainties, see Idearc Inc.'s periodic filings with the Securities and Exchange Commission, which you may view at www.sec.gov, and in particular, Idearc Inc.'s Annual Report on Form 10-K for the year ended December 31, 2007.

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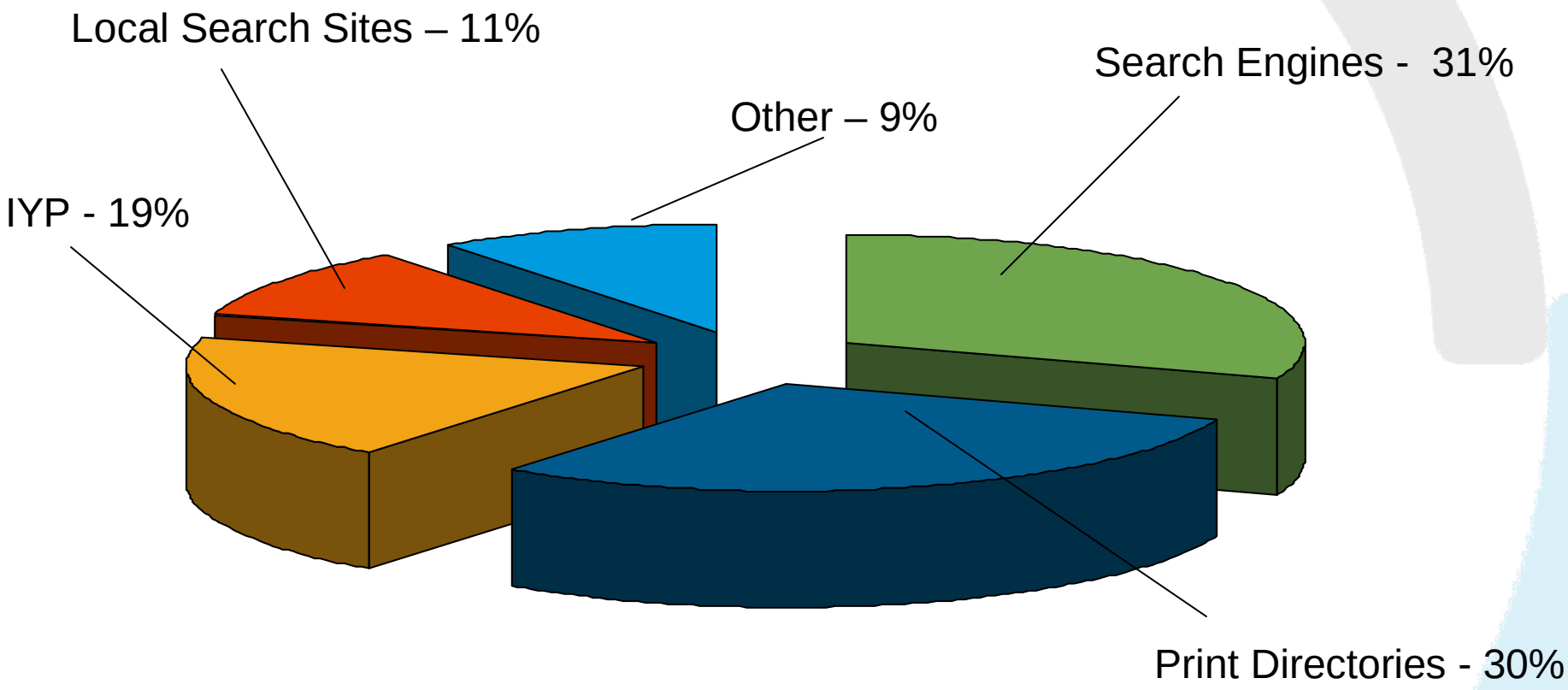
Scott W. Klein
Chief Executive Officer

Idearc Media's Key Areas of Focus

- Accelerate revenue
- Improve margins and reduce expenses
- Create a high-performance culture

Consumers Turn Here First When Looking Local



Source: TMP Directional Marketing and comScore; survey of 3,000 consumers in 07/08

Our 3rd Quarter Initiatives Addressed Areas of Focus

- Build a leadership team
- Drive sales productivity
- Simplify the organization
- Accelerate Internet revenue
- Become easier to do business with
- Make Idearc a better place to work

New Leadership Team Provides Clear Direction

- Announced Executive Council and their direct reports – one month early
- Support functions centralized
- Sales organization emphasizes training, coaching, preparation and productivity

Media Consultants Selling Smarter

- PC Tablets for media consultants
- Equipped with wireless cards
- “Live” Meetings for telesales reps
- Eliminated/streamlined processes
- Instantaneous determination of credit limits for qualified clients
- Managing leads more efficiently
- Expanded sales team to focus on national CMR agencies
- Launched new CMR incentive plans

Internet Revenue Continues To Be Strong

- Momentum in SMLocal continued
- Increased traffic
- Increased Search Engine Optimization
- Added advertiser exposure on our own properties
- Improved Superpages.com user experience

Easier Working With Idearc/ Better Working For Idearc

- Simplified advertising agreement
- Enabling clients to view and pay bills online
- Empowered employees by aligning goals and establishing clear expectations
- IdearCan - cash awards for cost-saving ideas

Scott W. Klein
Chief Executive Officer

Dee Jones
Chief Financial Officer

Reconciliation from GAAP to Non-GAAP

(dollars in millions, except per share amounts)

Unaudited	9 Mos. Ended 9/30/08 **Reported (GAAP)**	Adjustments: Stock-Based Compensation	Adjustments: Separation Costs	Adjustments: Restructuring Costs	9 Mos. Ended 9/30/08 **Adjusted Pro Forma (Non-GAAP)**
Operating Revenue					
Print products	$ 2,038	$ -	$ -	$ -	$ 2,038
Internet	223	-	-	-	223
Other	3	-	-	-	3
Total Operating Revenue	2,264	-	-	-	2,264
Operating Expense					
Selling	541	-	-	-	541
Cost of sales (exclusive of depreciation and amortization)	461	-	-	-	461
General and administrative	306	(4)	(14)	(11)	277
Depreciation and amortization	59	-	-	-	59
Total Operating Expense	1,367	(4)	(14)	(11)	1,338
Operating Income	897	4	14	11	926
Interest expense, net	491	-	-	-	491
Income Before Provision for Income Taxes	406	4	14	11	435
Provision for income taxes	146	1	5	4	156
Net Income	$ 260	$ 3	$ 9	$ 7	$ 279
Basic and Diluted Earnings per Common Share	$ 1.78	$ .02	$ .06	$ .05	$ 1.91
Operating Income	$ 897	$ 4	$ 14	$ 11	$ 926
Depreciation and Amortization	59	-	-	-	59
EBITDA (non-GAAP)	$ 956	$ 4	$ 14	$ 11	$ 985
EBITDA margin (non-GAAP)	42.2%				43.5%

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Adjusted Pro Forma (YTD-o-YTD)

(dollars in millions, except per share amounts)

Unaudited	9 Mos. Ended 9/30/08	9 Mos. Ended 9/30/07	% Change
Operating Revenue			
Print products	$ 2,038	$ 2,189	(6.9)
Internet	223	210	6.2
Other	3	3	-
Total Operating Revenue	2,264	2,402	(5.7)
Operating Expense			
Selling	541	544	(0.6)
Cost of sales (exclusive of depreciation and amortization)	461	469	(1.7)
General and administrative	277	221	25.3
Depreciation and amortization	59	66	(10.6)
Total Operating Expense	1,338	1,300	2.9
Operating Income	926	1,102	(16.0)
Interest expense, net	491	505	(2.8)
Income Before Provision for Income Taxes	435	597	(27.1)
Provision for income taxes	156	223	(30.0)
Net Income	$ 279	$ 374	(25.4)
Basic and Diluted Earnings per Common Share	$ 1.91	$ 2.56	(25.4)
Basic and diluted weighted-average common shares outstanding (in millions)	146	146	
Operating Income	$ 926	$ 1,102	(16.0)
Depreciation and amortization	59	66	(10.6)
EBITDA (non-GAAP)	$ 985	$ 1,168	(15.7)
EBITDA margin (non-GAAP)	43.5%	48.6%	

Adjusted Pro Forma (Q-o-Q)

(dollars in millions, except per share amounts)

Unaudited	3 Mos. Ended 9/30/08	3 Mos. Ended 9/30/07	% Change
Operating Revenue			
Print products	$ 659	$ 721	(8.6)
Internet	75	69	8.7
Other	1	1	-
Total Operating Revenue	735	791	(7.1)
Operating Expense			
Selling	176	171	2.9
Cost of sales (exclusive of depreciation and amortization)	151	149	1.3
General and administrative	106	73	45.2
Depreciation and amortization	19	22	(13.6)
Total Operating Expense	452	415	8.9
Operating Income	283	376	(24.7)
Interest expense, net	162	168	(3.6)
Income Before Provision for Income Taxes	121	208	(41.8)
Provision for income taxes	45	80	(43.8)
Net Income	$ 76	$ 128	(40.6)
Basic and Diluted Earnings per Common Share	$ .52	$ .88	(40.9)
Basic and diluted weighted-average common shares outstanding (in millions)	146	146	
Operating Income	$ 283	$ 376	(24.7)
Depreciation and amortization	19	22	(13.6)
EBITDA (non-GAAP)	$ 302	$ 398	(24.1)
EBITDA margin (non-GAAP)	41.1%	50.3%	

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Multi-Product Advertising Sales

(dollars in millions)

Unaudited	3 Mos. Ended 9/30/08	3 Mos. Ended 9/30/07	3 Mos. Ended 9/30/06	9 Mos. Ended 9/30/08	9 Mos. Ended 9/30/07	9 Mos. Ended 9/30/06
Net Print Products Sales	$ 545	$ 626	$ 654	$ 1,802	$ 2,009	$ 2,073
% Change year-over-year	(12.9%)	(4.3%)		(10.3%)	(3.1%)	
Net Internet Sales	75	69	60	223	210	167
% Change year-over-year	8.7%	15.0%		6.2%	25.7%	
Net Multi-Product Advertising Sales	620	695	714	2,025	2,219	2,240
% Change year-over-year	(10.8%)	(2.7%)		(8.7%)	(0.9%)	

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Scott W. Klein
Chief Executive Officer

Questions and Answers

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