



Court Approves Idearc's Amended Disclosure Statement; Solicitation of Creditor Approval for Amended Joint Plan of Reorganization to Begin

DALLAS--(BUSINESS WIRE)--Idearc Inc. (Pink Sheets: [IDARQ - News](#)) today announced that the U.S. Bankruptcy Court for the Northern District of Texas, Dallas Division, has approved the Amended Disclosure Statement (the "Disclosure Statement") filed in connection with Idearc's proposed First Amended Joint Plan of Reorganization (the "Plan") and has authorized Idearc to begin the process for soliciting approval from eligible creditors for the Plan. With these developments, Idearc is positioned to emerge from Chapter 11 protection before year end. A confirmation hearing for the Court to consider approval of the Plan has been scheduled for early December 2009.

As previously reported, Idearc expects to emerge from its reorganization process with an appropriate capital structure to support its future strategic business plans and objectives. Under the proposed Plan, the Company's total debt will be reduced from approximately \$9 billion to approximately \$2.75 billion of secured bank debt, with the remainder of the Company's current bank debt and bonds converted to new equity. Upon emergence from Chapter 11, the Company will have a cash balance of approximately \$150 million.

"The Court's approval of the Disclosure Statement and its authorization to begin the process for soliciting approval of our Plan, signals the latest step toward emergence from Chapter 11," said Scott W. Klein, chief executive officer of Idearc Inc.

"In addition to this Plan - which strengthens our organization financially - we have been continuing with our mission of becoming America's advertising agency for local businesses. New initiatives benefiting consumers and businesses like our SuperGuaranteeSM and SuperTradeExchangeSM programs, and our focus on applying a more strategic approach to every facet of our business, is transforming Idearc for the future," Klein said.

Notices of the confirmation hearing will be mailed to parties in interest.

Upon confirmation of the Plan, current holders of Idearc's common stock will not receive any distributions following emergence and their equity interests will be cancelled and have no value once the Plan becomes effective.

More information about Idearc's restructuring is available at www.idearc.com/restructuring.

Forward-Looking Statements

Certain statements included in this press release and the hyperlinked materials 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. Some statements regarding Idearc's bankruptcy and emergence from bankruptcy are forward-looking statements. 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 factors could affect future results and could cause those results to differ materially from those expressed in the forward-looking statements: (i) risks related to the impact of our ongoing Chapter 11 bankruptcy could have on our corporate image, normal business operations, financial condition, liquidity or cash flow; (ii) risks related to our ability to successfully develop, negotiate, execute, confirm and consummate a plan of reorganization with respect to the Chapter 11 bankruptcy in a timely manner that will provide assurance for the long-term continued viability of our business; (iii) limitations on our operating and strategic flexibility during the pendency of the bankruptcy proceedings or under the terms of new debt agreements that may result from the reorganization; (iv) access to capital markets and increased borrowing costs resulting from Idearc's Chapter 11 bankruptcy; (v) risks associated with third-parties seeking and obtaining court approval to terminate or shorten the exclusivity period for us to propose and confirm a plan of reorganization, to appoint a Chapter 11 trustee or to convert the case to a Chapter 7 bankruptcy; (vi) risks related to our declining revenue, including a reduction in customer advertising spend and contract cancellations resulting from the current economic environment; (vii) changes in our competitive position due to competition from other yellow pages directories publishers and other traditional and new media and our ability to anticipate or respond to changes in technology and user preferences; (viii) declining use of print yellow pages directories; (ix) changes in the availability and cost of paper and other raw materials used to print our directories and our reliance on third-party providers for printing and

distribution services; (x) increased credit risk associated with our reliance on small- and medium-sized businesses as clients which have been affected significantly by the current economic downturn; (xi) changes in our operating performance; (xii) our ability to attract and retain qualified executives; (xiii) our ability to maintain good relations with our unionized employees; (xiv) changes in U.S. labor, business, political or economic conditions; (xv) changes in governmental regulations and policies and actions of regulatory bodies; (xvi) the outcome of pending or future litigation and other claims; (xvii) our reliance on third-party providers for computer systems and data processing for key financial systems, including payroll, accounts payable, procurement and general ledger; and (xviii) risks associated with our obligations under agreements entered into with Verizon in connection with our 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 and as updated in Idearc Inc.'s subsequent Quarterly Reports on Form 10-Q..

About Idearc Inc.

Idearc Inc. (IDARQ.PK) delivers products on multiple platforms to help consumers find the information they want, wherever they are. Idearc's multi-platform of advertising solutions includes, but is not limited to, Idearc®, [Idearc Media](#)®, the Idearc logo, the Idearc Media logo, Verizon® Yellow Pages, Verizon® White Pages, Verizon® Yellow Pages Companion Directories, FairPoint® Yellow Pages, FairPoint® Yellow Pages Companion Directories, Superpages®, [Superpages.com](#)®, [Switchboard](#)®, [Switchboard.com](#)TM, [LocalSearch.com](#)SM, [Superpages Mobile](#)SM, [Superpages Direct](#)TM, Superpages Direct Exclusive Mailer¹, [SuperGuarantee](#)SM, and [SuperTradeExchange.com](#)TM. For more information, visit www.idearc.com.

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