

3rd Quarter 2017 Earnings Results

Matt Ellis
Executive Vice President and Chief Financial Officer

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“Safe Harbor” Statement

NOTE: In this presentation we have made forward-looking statements. These statements are based on our estimates and assumptions and are subject to risks and uncertainties. Forward-looking statements include the information concerning our possible or assumed future results of operations. Forward-looking statements also include those preceded or followed by the words “anticipates,” “believes,” “estimates,” “hopes” or similar expressions. For those statements, we claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. The following important factors, along with those discussed in our filings with the Securities and Exchange Commission (the “SEC”), could affect future results and could cause those results to differ materially from those expressed in the forward-looking statements: adverse conditions in the U.S. and international economies; the effects of competition in the markets in which we operate; material changes in technology or technology substitution; disruption of our key suppliers’ provisioning of products or services; changes in the regulatory environment in which we operate, including any increase in restrictions on our ability to operate our networks; breaches of network or information technology security, natural disasters, terrorist attacks or acts of war or significant litigation and any resulting financial impact not covered by insurance; our high level of indebtedness; an adverse change in the ratings afforded our debt securities by nationally accredited ratings organizations or adverse conditions in the credit markets affecting the cost, including interest rates, and/or availability of further financing; material adverse changes in labor matters, including labor negotiations, and any resulting financial and/or operational impact; significant increases in benefit plan costs or lower investment returns on plan assets; changes in tax laws or treaties, or in their interpretation; changes in accounting assumptions that regulatory agencies, including the SEC, may require or that result from changes in the accounting rules or their application, which could result in an impact on earnings; the inability to implement our business strategies; and the inability to realize the expected benefits of strategic transactions.

As required by SEC rules, we have provided a reconciliation of the non-GAAP financial measures included in this presentation to the most directly comparable GAAP measures in materials on our website at www.verizon.com/about/investors.

Consolidated **Consistent earnings performance**

| | 3Q '17 |
|--|--------|
| Reported EPS | \$0.89 |
| Add: | |
| Early debt redemption costs | \$0.07 |
| Acquisition and integration-related charges | \$0.02 |
| Adjusted EPS* | \$0.98 |

* Non-GAAP measure. Adjusted for special items.

Note: Amounts may not add due to rounding.



Strategic Positioning

Network Leadership

- Fiber & densification
- Spectral efficiency
- New technologies

Customer relationships

- High-quality base
- Brand loyalty
- Scale

New ecosystems

- Media
- Telematics
- IoT

Long-term value creation

- Cash generation
- Profitability
- Return on investment

Wireless

Network leadership driving strong customer demand

486K postpaid smartphone net adds in 3Q '17

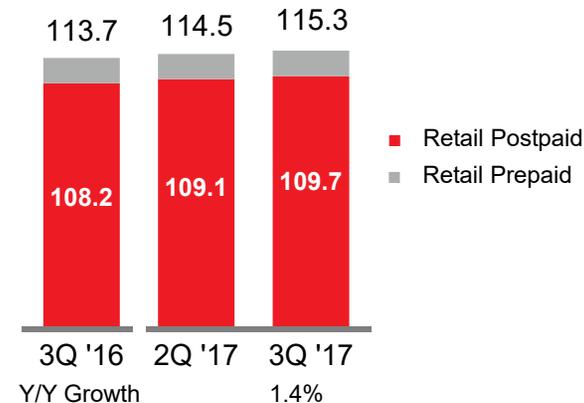
274K phone net adds in 3Q '17

603K retail postpaid net adds in 3Q '17*

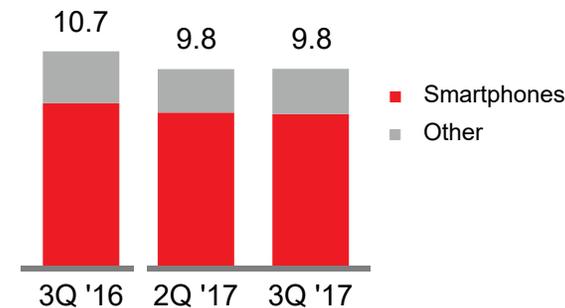
3Q '17 retail postpaid phone churn of 0.75%

139K prepaid net adds in 3Q '17

Retail Connections (M)



Retail Postpaid Device Activations (M)



* Excludes acquisitions and adjustments.

Wireless

Balanced performance in competitive environment

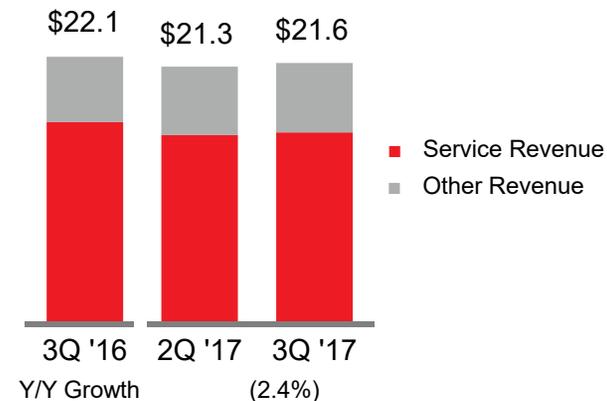
Service revenue of \$15.8B,
down 5.1% Y/Y in 3Q '17

3Q '17 segment EBITDA margin
on total revenue of 46.2%*

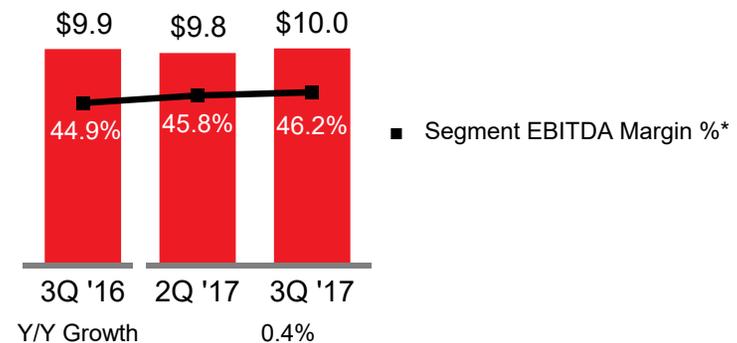
78% of postpaid phone base on
unsubsidized pricing

3Q '17 phone activations on
device payment plans were 77%;
~49% of postpaid phone base on
device payment plans

Total Revenue (\$B)



Segment EBITDA (\$B)*



* Non-GAAP measure.

Wireline

Fios driving consumer growth

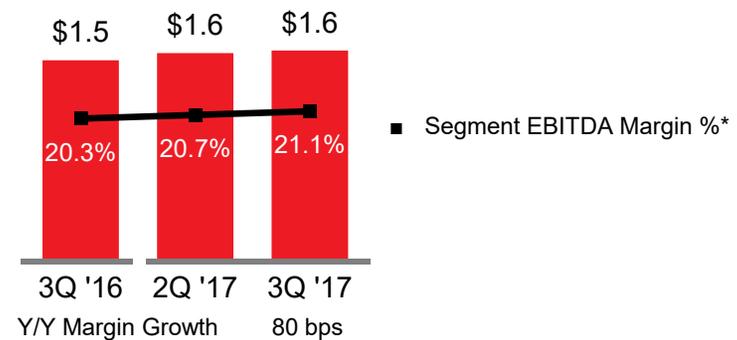
Total Wireline revenue of \$7.7B, up 1.1% Y/Y in 3Q '17; down 2.7% excluding XO Communications*

- Consumer Markets revenue grew 0.9% Y/Y in 3Q '17
- Total Fios revenue grew 4.8% Y/Y in 3Q '17
- 66K Fios Internet net adds
- (18K) Fios Video net adds

Consumer Markets Revenue (\$B)



Segment EBITDA (\$B)*



* Non-GAAP measure.

Media and Telematics

Positioning businesses for future growth

Media

~1B monthly unique users

3Q '17 revenue of \$2B

More than 20 integration work streams driving synergies



Telematics & IoT

Organic revenue up 13% Y/Y* in 3Q '17

Integrating Fleetmatics and Telogis

Telematics market share leader



* Non-GAAP measure.



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Consolidated Delivering strong financial performance

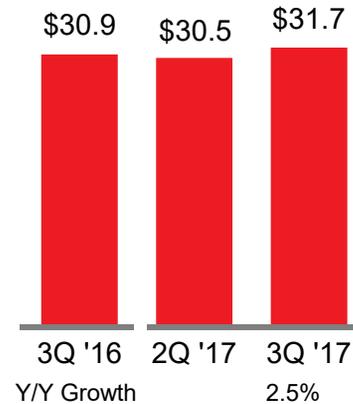
Total revenue of \$31.7B, up 2.5%
Y/Y in 3Q '17

- Excluding divestitures and acquisitions, total revenue down 2.3% Y/Y in 3Q '17*

3Q '17 Adjusted EBITDA of \$11.6B**

3Q '17 Adjusted EBITDA margin of 36.7%**

Total Revenue (\$B)



Adjusted EPS**



* Non-GAAP measure.

** Non-GAAP measure. Adjusted for special items.

Consolidated Generating strong free cash flow

| (\$ in billions) | 2016 YTD | 2017 YTD |
|--|----------|----------|
| Cash flow from operations | \$17.7 | \$17.2 |
| <i>Discretionary pension contribution</i> | \$0.2 | \$2.1* |
| Capital expenditures | \$11.4 | \$11.3 |
| Free cash flow** | \$6.3 | \$5.9 |
| Asset-backed long-term borrowings | \$2.6 | \$2.9 |
| Dividends paid | \$6.9 | \$7.1 |
| Total debt | \$106.6 | \$117.5 |
| <i>Total asset-backed long-term borrowings</i> | \$2.6 | \$7.9 |
| Net debt to adjusted EBITDA*** | 2.3x | 2.6x |

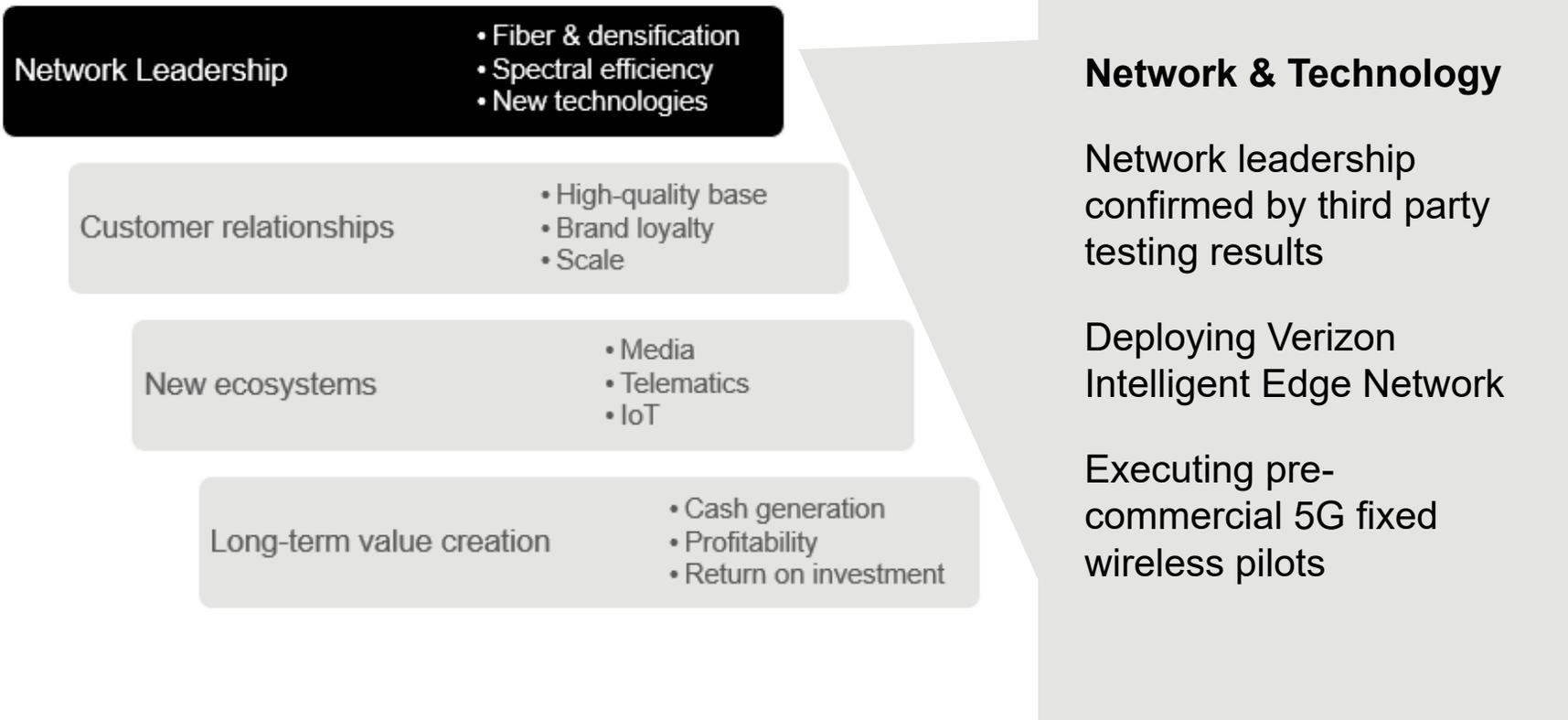
* Net of tax benefit.

** Non-GAAP measure.

*** Non-GAAP measure. Adjusted for special items.



Execution of fundamentals while investing for the future



Confident in execution of strategy

Leading in network

Growing wireless customer base

Delivering profitability and strong cash flow

Integrating new businesses

Allocating capital consistently for long-term value

3Q '17 Supplemental Information

Selected Metrics

| Wireless | 3Q '17 |
|---|---------------|
| Retail postpaid upgrade rate (%) | 5.5% |
| Postpaid gross adds (M) | 3.8 |
| Postpaid smartphone net adds (000) | 486 |
| Postpaid phone net adds (000) | 274 |
| Postpaid tablet net adds (000) | 91 |
| Retail postpaid 4G LTE connections (M) | 96.0 |
| Wireline | |
| Fios consumer revenue growth rate Y/Y (%) | 4.6% |

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