

3Q 2019 Earnings Results

October 25, 2019

“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,” “expects,” “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. We undertake no obligation to revise or publicly release the results of any revision to these forward-looking statements, except as required by law. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. 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: Earnings Summary

3Q 2019

| | 3Q '18 | 2Q '19 | 3Q '19 |
|---|----------|--------|----------|
| Reported EPS | \$1.19 | \$0.95 | \$1.25 |
| Special items: | | | |
| Pension remeasurement charge (credit) | (\$0.08) | — | \$0.05 |
| Net gain from dispositions of assets and businesses | — | — | (\$0.05) |
| Early debt redemption costs | \$0.09 | \$0.28 | — |
| Acquisition and integration-related charges | \$0.02 | — | — |
| Adjusted EPS* | \$1.22 | \$1.23 | \$1.25 |

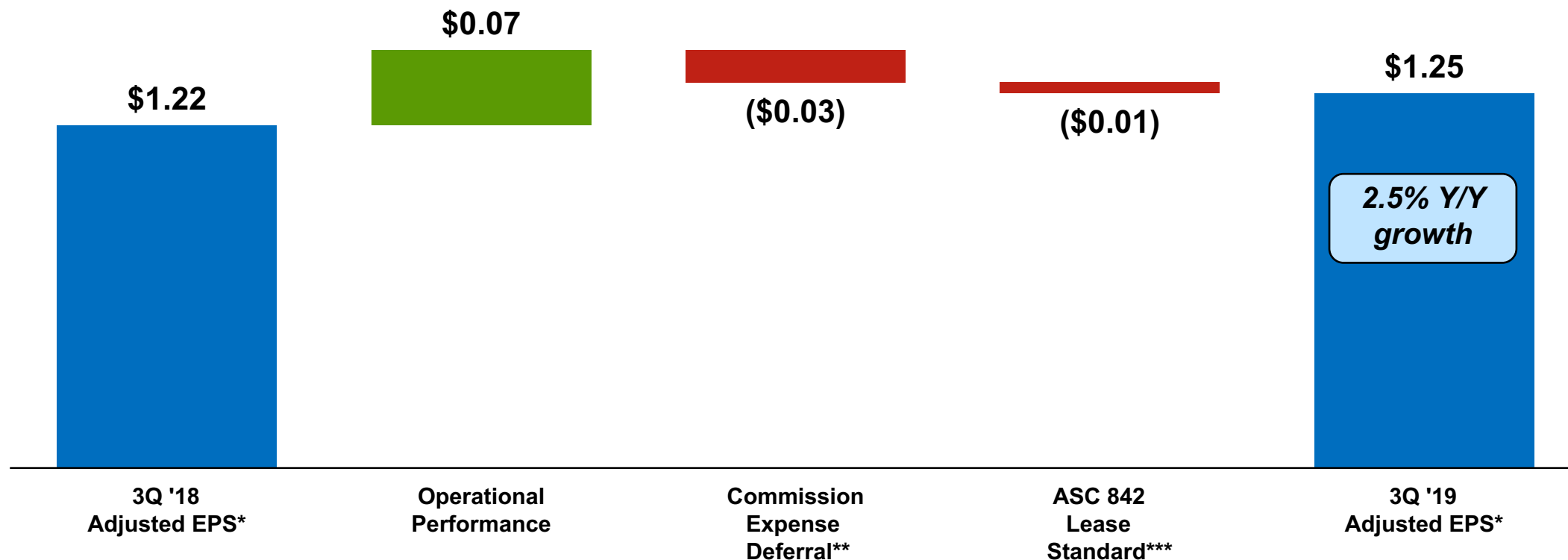
Note: Amounts may not add due to rounding.

* Non-GAAP measure.

Consistent earnings growth

Consolidated: Adjusted EPS

3Q 2019







* Non-GAAP measure.

** ASC 606 – Revenue Recognition Standard adopted on January 1, 2018.

*** ASC 842 – Lease Accounting Standard adopted on January 1, 2019.

EPS growth driven by strong underlying performance

3Q 2019 Overview

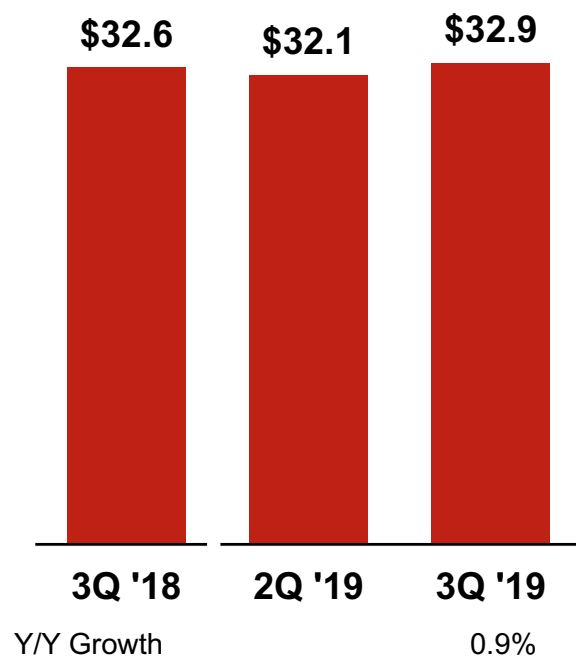
| | | |
|--|-----------------------------|--|
|  | NETWORK | <ul style="list-style-type: none">• Continued 4G leadership• 5G mobile Ultra Wideband launched in 15 cities; first 5G Home launch on global standards• One Fiber pacing at 1.5K/month enabling Intelligent Edge Network |
|  | STRATEGY | <ul style="list-style-type: none">• Mix & Match resonating with customers; highest 3Q wireless phone gross adds in 5 years• Disney+ partnership; innovation across Yahoo Mail, Finance and Sports• 5G Ultra Wideband experiences across sports and entertainment venues• Corning and SAP partnership driving 5G and MEC innovation to enterprises |
|  | FINANCE | <ul style="list-style-type: none">• Continued strength in wireless service revenue• EPS growth and strong cash flow |
|  | RESPONSIBLE BUSINESS | <ul style="list-style-type: none">• Signatory to UN Global Compact• Commitments on education programs and CO₂ emission reductions |

Strong fundamentals and executing from a position of strength

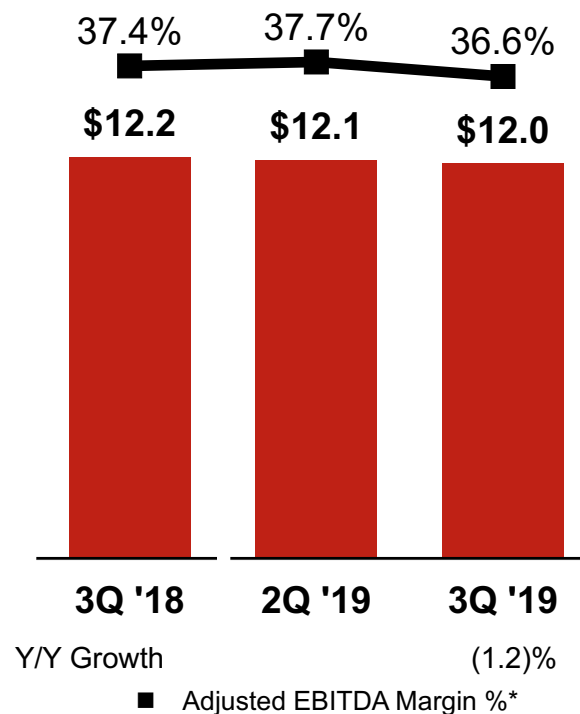
Consolidated: Financial Summary

3Q 2019

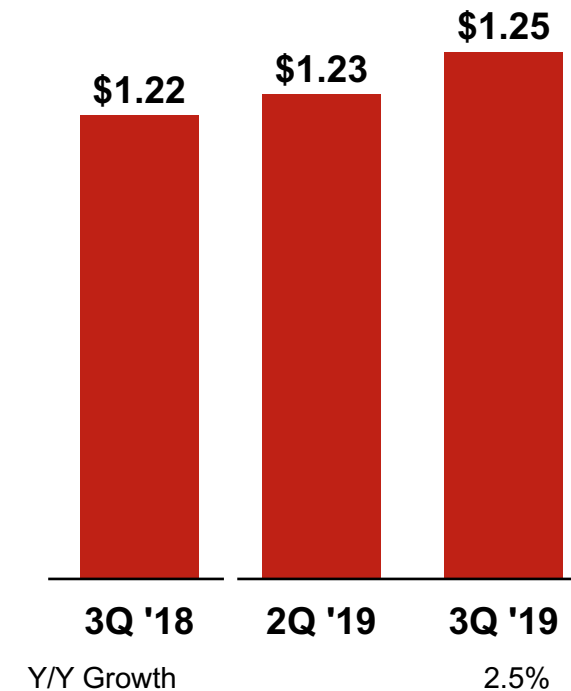
Total Revenue (\$B)



Adjusted EBITDA (\$B)*



Adjusted EPS*



* Non-GAAP measure.

Delivering strong financial results

Consumer: Key Metrics

3Q 2019

7.4M Postpaid device activations

- Phone gross adds up 10.2%
- 3Q '19 upgrade rate of 4.9% vs 5.1% in 3Q '18

372K Postpaid smartphone net adds*

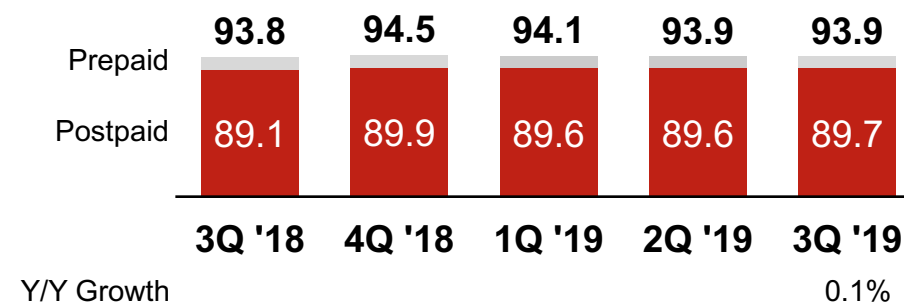
193K Retail postpaid net adds*

30K Fios Internet net adds

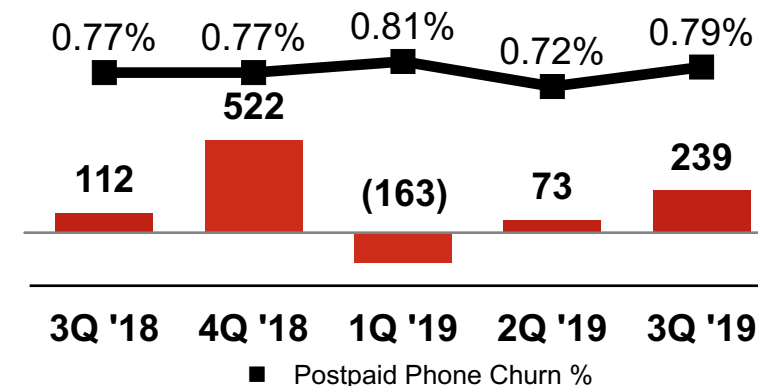
67K Fios Video net losses

* Includes certain adjustments.

Wireless Retail Connections (M)



Wireless Retail Postpaid Phone Net Adds (K)



Strong Consumer wireless volumes set stage for future growth

Consumer: Financial

3Q 2019

Total revenue of \$22.7B

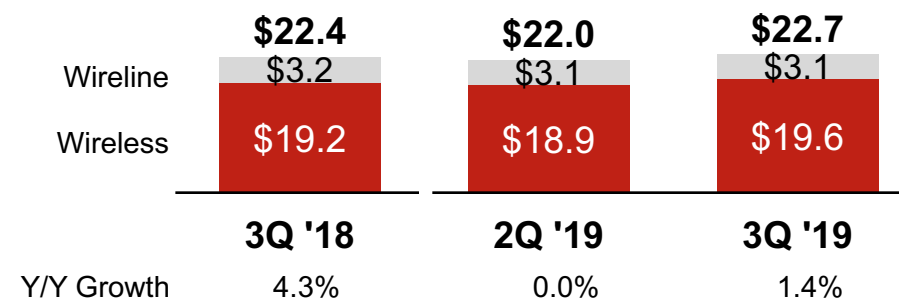
Wireless service revenue of \$13.5B

- Up 2.1% Y/Y
- Up 0.6% Q/Q

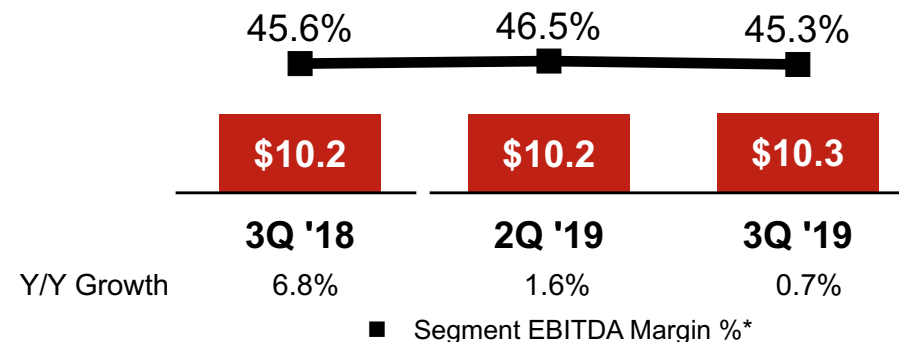
Fios revenue grew 1.7%

Segment EBITDA margin on total revenue of 45.3%*

Total Revenue (\$B)



Segment EBITDA* (\$B)



* Non-GAAP measure.

Generating solid wireless service revenue growth

Business: Key Metrics

3Q 2019

2.4M Postpaid device activations

- Gross adds up 12.0%
- Upgrade rate of 4.5%

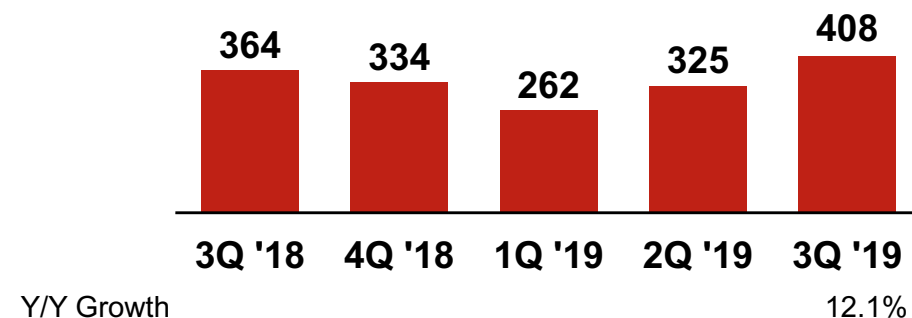
24.7M Retail connections

408K Wireless postpaid net adds*

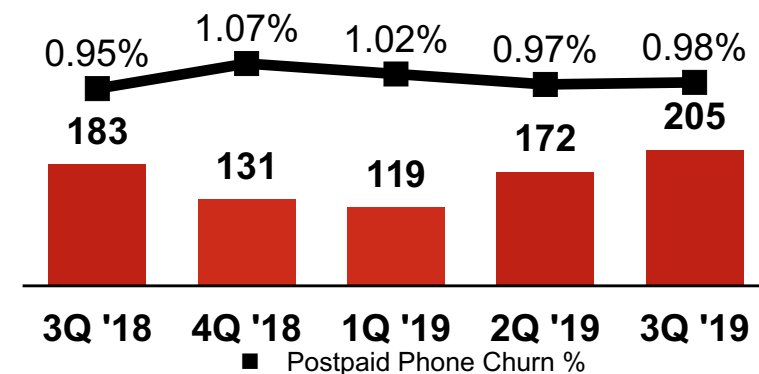
205K Wireless postpaid phone net adds*

* Includes certain adjustments.

Wireless Retail Postpaid Net Adds (K)



Wireless Retail Postpaid Phone Net Adds (K)



Strong trends in Business wireless volumes

Business: Financial

3Q 2019

Total revenue of \$7.9B

Wireless service revenue of \$2.9B, up 6.1% Y/Y

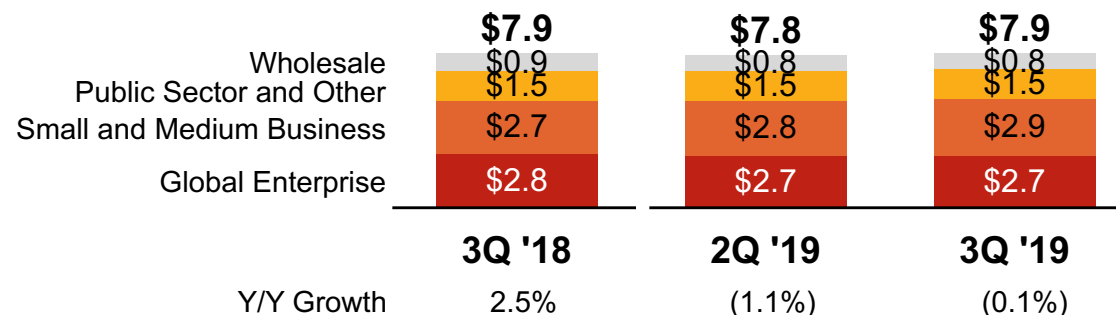
Wireless revenue up 6.9%

Wireline revenue down 6.7%

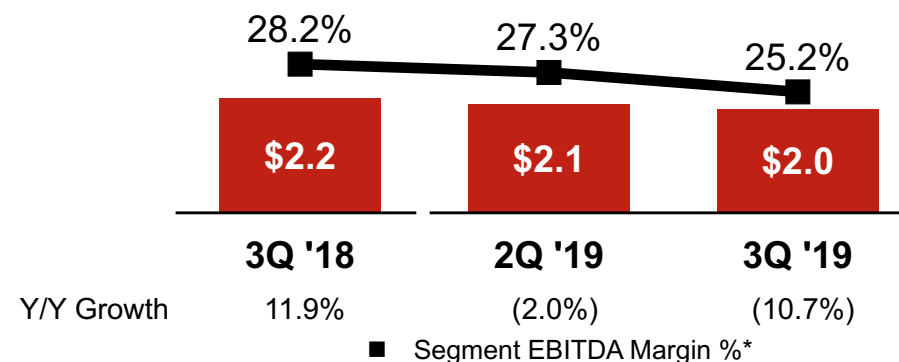
Segment EBITDA margin on total revenue of 25.2%*

Note: Amounts may not add due to rounding.
* Non-GAAP measure.

Total Revenue (\$B)



Segment EBITDA* (\$B)



Continued strong growth in wireless service revenue

Verizon Media Group

3Q 2019

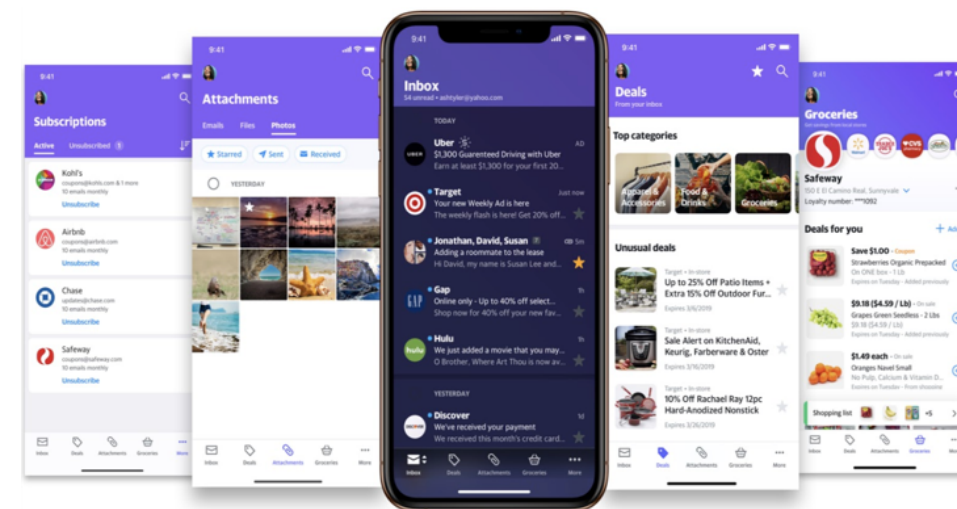
Revenue of \$1.8B, down 2.0%

Platform integrations enable synergies

Focus on Super Channels:


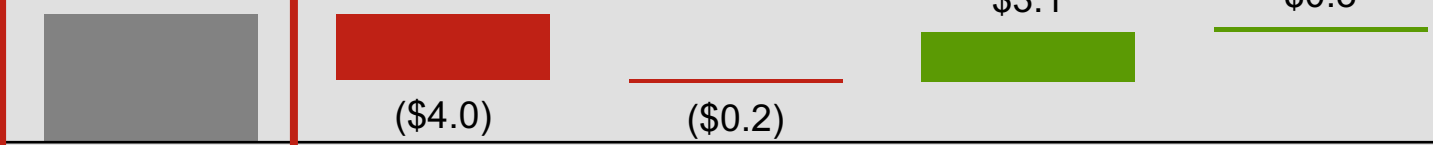
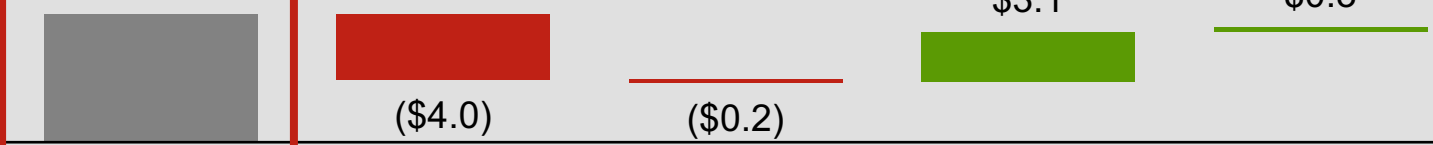

- NFL viewership minutes on Yahoo Sports doubled
- Updated Yahoo Mail app
- New Yahoo brand identity
- Launched new content-to-commerce capabilities

yahoo!



Diversifying monetization streams

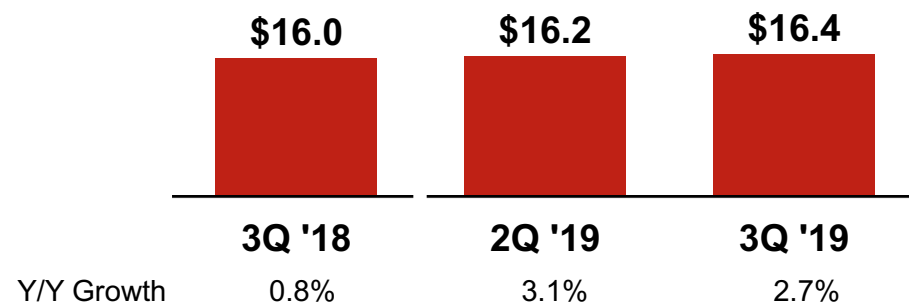
VZ 2.0 to VZ 1.0 Reconciliation: 3Q '19

| | | | | | | |
|-----------|--|---|-------------------------------|-------------------|-------------------|---|
| | | VZ 2.0 | Consumer Revenue (\$B) | | | VZ 1.0* |
| | | \$22.7 | | \$4.0 | NM | \$23.6 |
| | |  | | | |  |
| | | Total Consumer | Consumer Wireline | Business Wireless | Eliminations | Total Wireless |
| | | \$10.3 | | | | \$11.0 |
| EBITDA* | | 45.3% | | | | 46.8% |
| Margin %* | | | | | | |
| | | VZ 2.0 | Business Revenue (\$B) | | | VZ 1.0* |
| | | \$7.9 | | \$3.1 | \$0.3 | \$7.1 |
| | |  | | | |  |
| | | Total Business | Business Wireless | VZ Connect | Consumer Wireline | Total Wireline |
| | | \$2.0 | | | | \$1.2 |
| EBITDA* | | 25.2% | | | | 17.4% |
| Margin %* | | | | | | |

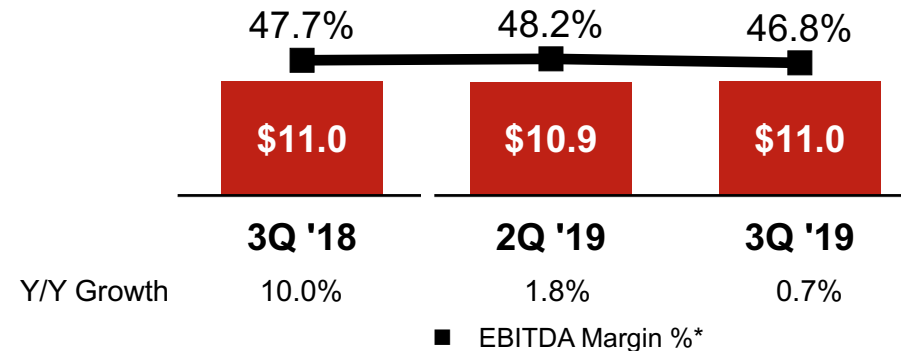
* Non-GAAP measure.

Verizon 1.0: Total Wireless

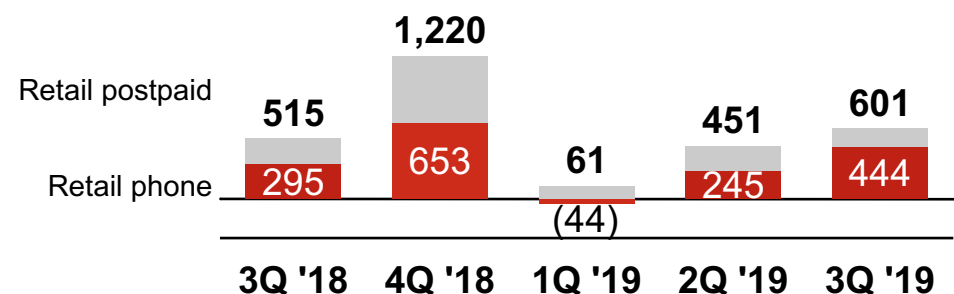
Service Revenue* (\$B)



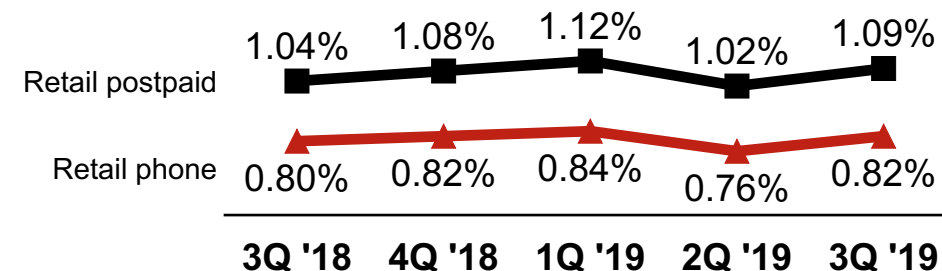
EBITDA* (\$B)



Net Adds (K)



Churn



* Non-GAAP measure.

Consolidated: Cash Flow Summary

| (\$ in billions) | 2018 YTD | 2019 YTD |
|--|----------|----------|
| Cash flow from operations | \$26.2 | \$26.7 |
| Capital expenditures | \$12.0 | \$12.3 |
| Free cash flow* | \$14.2 | \$14.4 |
| Dividends paid | \$7.3 | \$7.5 |
| Total debt | \$112.9 | \$109.6 |
| Unsecured Debt | \$103.7 | \$100.8 |
| Net unsecured debt to adjusted EBITDA* | 2.2x | 2.1x |

Note: Amounts may not add due to rounding.

* Non-GAAP measure.

Strong cash generation and balance sheet

3Q 2019 Summary



RESULTS

- Significant wireless volumes set stage for future wireless service revenue growth
- Strong cash flow generation and EBITDA performance



NETWORK

- Continued network leadership recognition by third-party data
- Leading in 5G development

Focused on strategic priorities

