THE NEW VERIZON
COMPLETION OF ACQUISITION OF VOD WIRELESS STAKE

Lowell McAdam – Chairman & CEO
Fran Shammo – EVP & CFO

February 24, 2014
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: the ability to realize the expected benefits of our transaction with Vodafone in the timeframe expected or at all; 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; significantly increased levels of indebtedness as a result of the Vodafone transaction; changes in tax laws or treaties, or in their interpretation; adverse conditions in the U.S. and international economies; material adverse changes in labor matters, including labor negotiations, and any resulting financial and/or operational impact; 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; the effects of competition in the markets in which we operate; 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; significant increases in benefit plan costs or lower investment returns on plan assets; and the inability to implement our business strategies.

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/investor.
Overview

• Full ownership drives strategic and financial benefits
• Accretive to earnings per share
• Access to all of wireless cash flows
• No business integration risk
• Expanding wireless growth opportunities

Focus on execution and delivering profitable growth
The New Verizon

- World-class networks
- Capable of delivering innovation on a large scale
- Faster pursuit of growth opportunities
- Emerging business models & eco-systems in video and M2M

Unique assets to take advantage of growth opportunities
2014 Financial Outlook

• Transaction is accretive to earnings per share by approximately 10%

• Targeting consolidated revenue growth of 4%

• Targeting adjusted consolidated EBITDA margin expansion

• Incremental interest expense

• Effective tax rate of 35% - 36%

• Approximately 4.1 billion shares outstanding

Confident in ability to generate strong financial performance
2014 Cash Flow Outlook

• Continue to invest in networks, purchase spectrum and de-lever balance sheet

• Dividends are an important component of returning value to shareholders

• Higher cash taxes mitigated by retained VOD tax distribution

• Targeting capital spending between $16.5 and $17 billion

• Expect continued improvement in capital efficiency

• Expect pension funding of $1.2 billion

Access to all wireless cash flows
Deal expected to be net cash positive, however geography will impact CFFO.
Summary

• Build on strong record of success in 2013

• Confident in ability to continue strong financial performance

• Continued focus on operating and capital efficiencies

• Maximize cash flows

• Create shareholder value

Focused on execution and delivering profitable growth
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