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.
<table>
<thead>
<tr>
<th></th>
<th>2Q ’13 EPS</th>
<th>2Q ’14 EPS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reported</td>
<td>$0.78</td>
<td>$1.01</td>
</tr>
<tr>
<td>Less:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gain on sale of wireless licenses</td>
<td>–</td>
<td>$0.10</td>
</tr>
<tr>
<td>Pension remeasurement</td>
<td>$0.05</td>
<td>–</td>
</tr>
<tr>
<td>Adjusted</td>
<td>$0.73</td>
<td>$0.91</td>
</tr>
<tr>
<td>Adjusted growth rate Y/Y</td>
<td>14.1%</td>
<td>24.7%</td>
</tr>
</tbody>
</table>

Note: Amounts may not add due to rounding.
CONSOLIDATED
2Q ’14 Overview

• Second consecutive quarter of over 20% adjusted earnings growth

• Highest consolidated revenue growth rate in six quarters

• Exceptional wireless device growth and profitability

• Improving wireline revenue growth and margin expansion

• Strong free cash flow generation

Delivered strong growth and results in 2Q
Strongest Y/Y total revenue growth in 6 quarters
– Revenue growth driven by Wireless and FiOS

2Q ’14 Adjusted operating income growth of 10.4% Y/Y*; double-digit growth in 9 of last 10 quarters

2Q ’14 Adjusted EBITDA margin of 35.4%, up 30 bps Y/Y*

Revenue growth and margin expansion drive earnings

* Adjusted for non-operational items
## CONSOLIDATED Cash Flow Summary

<table>
<thead>
<tr>
<th>($ in billions)</th>
<th>1Q ’14</th>
<th>2Q ’14</th>
<th>1H ’14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash flow from operations</td>
<td>$7.1</td>
<td>$7.7</td>
<td>$14.8</td>
</tr>
<tr>
<td>Capital expenditures</td>
<td>$4.2</td>
<td>$4.3</td>
<td>$8.5</td>
</tr>
<tr>
<td>Free cash flow</td>
<td>$3.0</td>
<td>$3.3</td>
<td>$6.3</td>
</tr>
<tr>
<td>Total debt</td>
<td>$109.8</td>
<td>$110.0</td>
<td>$110.0</td>
</tr>
<tr>
<td>Net debt to adjusted EBITDA</td>
<td>2.5x</td>
<td>2.4x</td>
<td>2.4x</td>
</tr>
</tbody>
</table>

*Note: Amounts may not add due to rounding.*

Strong cash flow supports investments for future growth.
WIRELESS
Revenue & Profitability

• Service revenue growth of 5.9% Y/Y in 2Q '14

• Edge adoption creates trade-off between service & equipment revenue

• EBITDA benefit from Edge similar to 1Q ’14

• EBITDA service margin of 50.3%, up 50 bps Y/Y

Strong execution driving profitable growth
• Retail postpaid ARPA growth rate impacted by first full quarter of service discounts on Edge
• 55% of postpaid accounts on More Everything Plans
• 2.80 connections per account
• 35.2M retail postpaid accounts

4G LTE device adoption and higher usage driving revenue growth
4.2M postpaid gross adds in 2Q ’14, up 18.1%

Retail postpaid churn of 0.94% in 2Q ’14

2.3M 4G LTE retail postpaid net adds in 2Q ’14* including:
  – 1.0M smartphones
  – 1.2M tablets

1,441K retail postpaid net adds in 2Q ’14*

7.1% of retail postpaid base upgraded in 2Q ’14
  – 90% were smartphones

4G smartphones and tablets continue to drive retail postpaid net adds

* Excludes acquisitions and adjustments
WIRELESS
Devices / 4G LTE

• Retail postpaid device activations up 10.2% Y/Y
• 8.3M smartphones activated in 2Q ’14
• Smartphone penetration of 75%, up from 64% a year ago
• Industry leading in 4G LTE connections
  – 9.5M 4G LTE device activations in 2Q ’14
• About 76% of total data traffic currently on 4G LTE network

Industry-leading 4G LTE network: most connections, most traffic
• 8th consecutive quarter of over 4% consumer revenue growth Y/Y

• FiOS now 75% of consumer revenue
  – FiOS consumer revenue growth of 13.4% Y/Y

• FiOS Internet subscribers
  – 6.3M subscribers, 139K net adds
  – 40.1% penetration

• FiOS Video subscribers
  – 5.4M subscribers, 100K net adds
  – 35.3% penetration

FiOS driving consumer growth
**Wireline Revenue & Profitability**

- **Total revenue growth turns positive**
- **Total FiOS revenue grew 14.4% Y/Y**
- **Global Enterprise revenue down 1.9% Y/Y**
  - Strategic services revenue up 3.0% Y/Y
- **Global Wholesale revenue down 5.5% Y/Y**
- **EBITDA margin of 23.2% in 2Q ’14, up 100 bps Y/Y**

**Total Revenue ($B)**

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>2Q ’13</td>
<td>$9.7</td>
</tr>
<tr>
<td>1Q ’14</td>
<td>$9.8</td>
</tr>
<tr>
<td>2Q ’14</td>
<td>$9.8</td>
</tr>
</tbody>
</table>

**Segment EBITDA ($B)**

<table>
<thead>
<tr>
<th>Quarter</th>
<th>EBITDA</th>
</tr>
</thead>
<tbody>
<tr>
<td>2Q ’13</td>
<td>$2.2</td>
</tr>
<tr>
<td>1Q ’14</td>
<td>$2.2</td>
</tr>
<tr>
<td>2Q ’14</td>
<td>$2.3</td>
</tr>
</tbody>
</table>

Focus on improving long-term profitability
• Steady and consistent investment in network and platforms
• Consistently delivering high-quality, double-digit earnings growth
• Strong momentum in wireless
• FiOS driving growth in consumer market
• Focused on cost structure improvements through VLSS

Strong first half; delivered on revenue growth targets and earnings
2nd QUARTER 2014
EARNINGS RESULTS

Fran Shammo
Chief Financial Officer

July 22, 2014