Sellside Analyst Meeting

November 16, 2018
Hans Vestberg
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.
Verizon Update

- Strong Momentum in the Core Business

- 5G Progress
  - Intelligent Edge Network – Fiber / Densification / mmWave
  - Initial Commercial Launch of 5G Home / Market Expansion
  - 5G Mobility Launch
  - 5G Enterprise

- Positioned for Today and Tomorrow
Groups Based on Customer Orientation and Needs of Tomorrow

- **Verizon Consumer Group**
- **Verizon Business Group**
- **Verizon Media Group / Oath**

**Products**

- **Consumer**
  - Retail
  - Wholesale (Wireless)

- **Small Business**
- **Public Sector**
- **Enterprise**
- **Wholesale**

- **Digital Media & Entertainment**
Kyle Malady
Continued Network Leadership

**Performance**
- America's best network

**Reliability**
- Winner of 21 consecutive Wireless Network Quality Awards
- Best network for streaming

**Coverage**
- 10 consecutive Root Metrics national wins
- “Verizon dominates in coverage”
Wireless Capacity Strategic Options

Investment decision made on a per-market basis using a balanced approach between all options, considering:

- Optimal operational outcome
- Optimal financial outcome
- Future market needs
- Future strategic needs
LTE Advanced Network Deployments

256/64 QAM
- Modulation of carrier signal results in more efficient cost/bit transmission

4x4 MIMO
- Multiple input/output enables much increased data rates with increased spectral efficiency

LAA
- Combination of unlicensed/licensed spectrum creates wider data pipe and enhanced user experience

Carrier Aggregation
- Combination of 6 (2 licensed, 4 LAA) carrier signals enables significant total throughput enhancements across the sector

Conventional Beamforming:
Horizontal plane only. Cell shapes are defined by where users are located

FD MIMO for Multiple Users:
Narrow beams serving users simultaneously in horizontal and vertical planes. Higher gains with traffic density
Fiber Densification Strategic Options

Investment decision made on a per-market basis using a balanced approach between all options, considering:

- Optimal operational outcome
- Optimal financial outcome
- Future market needs
- Future strategic needs
First on 5G: 5G Home Real World Performance

- 5G Home users delighted with download speeds
- Round-trip latency half that of 4G on average
- HD video streaming services driving majority of data usage
First on 5G: NR Mobility

• First over-the-air, end-to-end 5G NR data session (Washington, D.C. 9/6/18)
• First live call over a 5G NR network (Minneapolis, 9/10/18)
• First 5G NR smartphone data transmission (Providence, 11/13/18)

Verizon network engineers make the world’s first 5G NR call
Summary

• Industry leading 4G performance maintained through growth of unlimited usage

• Technology deployments provide continued 4G leadership

• Fiber assets well positioned for 5G deployment

• World’s first commercial 5G network delivering real world results as expected
**Strong Underlying Business Trends**

**Service Revenue YoY%**
- Return to growth
- Highest in the market

**Total Postpaid Net Adds (K)**
- Market leading postpaid connections share
- Highest phone capture rate in the market

**Postpaid Phone Churn %**
- Continued Network leadership
- Diversification and personalization of unlimited offerings

**Reducing service churn**
- Impact of customer step-ups to higher price plans
- Increase in the average connections per account

**With Impact of ASC 606**
- 603, 1,174, 260, 531, 515

**Without Impact of ASC 606**
- 3Q17 4Q17 1Q18 2Q18 3Q18
- 0.75% 0.77% 0.80% 0.75% 0.80%

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**With Impact of ASC 606**
- 5.1% to 2.9%
- 2.4% to 0.0%
- 2.5% to 0.8%
- 2.6% to 0.8%

**Without Impact of ASC 606**
- 3Q17 4Q17 1Q18 2Q18 3Q18
- 0.8% 0.8% 0.0% 0.0% 0.0%
Maintaining Top Line Revenue Momentum

**Gross New Accounts**

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Y/Y Growth</th>
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<tbody>
<tr>
<td>3Q17</td>
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<tr>
<td>4Q17</td>
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<td>1Q18</td>
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<td>2Q18</td>
<td></td>
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<tr>
<td>3Q18</td>
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**Retail Postpaid Connections per Account**

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Value</th>
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<tbody>
<tr>
<td>3Q17</td>
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</tr>
<tr>
<td>4Q17</td>
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<td>1Q18</td>
<td>3.14</td>
</tr>
<tr>
<td>2Q18</td>
<td>3.16</td>
</tr>
<tr>
<td>3Q18</td>
<td>3.18</td>
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</tbody>
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**Revenue from Consumer Value Added Services**

<table>
<thead>
<tr>
<th>Quarter</th>
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**Continued new account creation**

- Mix and Match offerings continue driving penetration of unlimited plans
- Increasing share across segments

**Adding more connections to accounts**

**Adding more services to expand revenue**

- TMP
- Smart Family
- VZ Cloud
- Name ID
- Hum
Building on Strong Performance in B2B / Public Safety

- Continued Growth in B2B
- Commitment to Public Safety
- Building the Future of Business
Disciplined Execution in a Highly Competitive Market

Changing Market Dynamics

✓ Offers are becoming more segmented and targeted
✓ Customer needs by segment continue to evolve
✓ Emerging trends (5G / MSO entrants)

Matching products and services to customer needs

✓ Leverage Machine Learning and Analytics
✓ Offers specific to preferred device brand
✓ Targeted Offers, Mix & Match Plans

- 55+ For people who want unlimited, and no worries.
- Military For streamers who want more.
- For super users who want the ultimate performance.

Relevant, preference-driven, customized experience

My Verizon app

verizon up
5G Home

4 Markets launched with 5G Home

Refining the customer experience in a live commercial environment

Widen the lead and inform our plans as we move into the global technology standard

High levels of customer satisfaction

• Successful indoor and outdoor configurations
• Customers “delighted” with 5G speed
• Consistent high speed performance
Verizon’s Leadership on 5G Mobile

First 5G mobile phone data session on a live network

Launching first 5G mobile phone – Motorola Mod / Z3

Fully integrated flagship phone in 1H 2019

Expanding device lineup
Wireless Operations Summary

- Strong underlying business trends through wireless service revenue growth and customer retention
- Maintaining top line revenue momentum with Mix and Match offerings driving penetration
- Strong performance across B2B segments and commitment to investment in Public Safety
- Highly customized and targeted offerings in evolving, competitive market
- 5G Home is the first commercially available 5G product in the world
- Verizon’s leadership in 5G Mobile with first 5G data session and 5G mobile phone launch
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