“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.
## 2018 Balance Sheet Strengthening - Progress Update

$ Billions

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>Jan. 2018 Guidance</th>
<th>3Q18 YTD</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Capex</strong></td>
<td>$17.2</td>
<td>$17.0 - $17.8</td>
<td>$12.0</td>
<td>Updated full year guidance in 3Q’18 to $16.6B - $17.0B</td>
</tr>
<tr>
<td><strong>Unsecured Debt</strong></td>
<td>$108.2</td>
<td></td>
<td>$103.7</td>
<td>Primary focus of debt reduction</td>
</tr>
<tr>
<td><strong>ABS Debt</strong></td>
<td>$8.9</td>
<td></td>
<td>$9.2</td>
<td>Device payment portfolio fully on balance sheet</td>
</tr>
<tr>
<td><strong>Gross Debt</strong></td>
<td>$117.1</td>
<td></td>
<td>$112.9</td>
<td>Funding diversification &amp; proactive debt management accompanying debt pay down</td>
</tr>
<tr>
<td><strong>Net Debt</strong></td>
<td>$115.0</td>
<td></td>
<td>$110.4</td>
<td></td>
</tr>
<tr>
<td><strong>Net Debt Reduction</strong></td>
<td></td>
<td></td>
<td>$4.6</td>
<td></td>
</tr>
<tr>
<td><strong>Pre-Tax Benefits Contributions</strong></td>
<td>$4.1</td>
<td></td>
<td>$1.7</td>
<td>Pension PBO funded status of 91% at YE’17 vs. &lt;70% at YE’16</td>
</tr>
<tr>
<td><strong>Balance Sheet Strengthening</strong></td>
<td>$3.5 - $4.0 (Tax reform proceeds)</td>
<td>$6.3</td>
<td>Tax reform proceeds and operating cash flow result in $6.3B 3Q’18 YTD total strengthening</td>
<td></td>
</tr>
<tr>
<td><strong>Net Debt/EBITDA</strong></td>
<td>2.61x</td>
<td></td>
<td>2.37x</td>
<td>~0.24x improvement in both metrics since year end 2017</td>
</tr>
<tr>
<td><strong>Net Unsecured Debt/EBITDA</strong></td>
<td>2.41x</td>
<td></td>
<td>2.17x</td>
<td></td>
</tr>
</tbody>
</table>

### Significant Balance Sheet Strengthening

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

Sept. 2013 Funding Mix
GAAP Debt: $99.1B
- US Institutional Unsecured: 97%
- International Unsecured: 2%
- Other: 1%

Sept. 2018 Funding Mix
GAAP Debt: $112.9B
- US Institutional Unsecured: 66%
- International Unsecured: 20%
- ABS: 8%
- Other: 6%

Focus on funding diversification and reduction in debt post Vodafone transaction
Expansion of international funding has reduced concentration in US Unsecured Capital Markets
Efficiently utilizing ABS funding to manage consumer finance portfolio

Significant funding diversification achieved over the last 5 years
Unsecured Bond Maturities
$ Billions – As of September 30, 2018

- Debt reduction priorities:
  - Continue to manage near term maturity towers
  - Opportunistically target long-term bonds given longer Weighted Average Life of our debt portfolio and cost of borrowing
Device Payment Portfolio Funding Structure
$Billions

ABS and Funding Strategy

- Verizon began securitizing device payment plan (DPP) consumer finance receivables with banks in 2015 and in public market in 2016 (144A)
- Full transition to On balance sheet accounting completed in 2017
- At Q3 2018, Verizon had $17.7B of DPP agreement receivables funded with $9.2B of asset-backed debt:
  - $1.8B warehouse funding
  - $7.5B through six 144A deals
- Issued the first SEC registered ABS transaction in October 2018
  - Verizon’s largest ABS deal - $1.6B
  - Rated by all three rating agencies
  - ~5% better advance rate than VZOT 2018-1

<table>
<thead>
<tr>
<th>End of Period</th>
<th>YE 14A</th>
<th>YE 15A</th>
<th>YE 16A</th>
<th>YE 17A</th>
<th>2018 3Q</th>
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</thead>
<tbody>
<tr>
<td>Asset-Backed Debt Outstanding</td>
<td>$ -</td>
<td>$5.9</td>
<td>$8.0</td>
<td>$8.9</td>
<td>$9.2</td>
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<tr>
<td>Off-Balance Sheet Funding</td>
<td>$ -</td>
<td>$5.9</td>
<td>$3.0</td>
<td>$ -</td>
<td>$ -</td>
</tr>
<tr>
<td>On-Balance Sheet Funding</td>
<td>$ -</td>
<td>$ -</td>
<td>$5.0</td>
<td>$8.9</td>
<td>$9.2</td>
</tr>
</tbody>
</table>