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: 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; 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/about/investors.
## CONSOLIDATED Earnings Summary

<table>
<thead>
<tr>
<th></th>
<th>4Q ’14</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reported</td>
<td>($0.54)</td>
<td>$2.42</td>
</tr>
<tr>
<td>Add:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pension remeasurement and severance</td>
<td>$1.12</td>
<td>$1.17</td>
</tr>
<tr>
<td>Early debt redemption and other costs</td>
<td>$0.13</td>
<td>$0.28</td>
</tr>
<tr>
<td>Purchase transaction costs</td>
<td>–</td>
<td>$0.07</td>
</tr>
<tr>
<td>Less:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Omnitel gain on sale</td>
<td>–</td>
<td>$0.47</td>
</tr>
<tr>
<td>Gain on sale of wireless licenses</td>
<td>–</td>
<td>$0.11</td>
</tr>
<tr>
<td>Adjusted*</td>
<td>$0.71</td>
<td>$3.35</td>
</tr>
<tr>
<td>Adjusted growth rate Y/Y*</td>
<td>7.6%</td>
<td>18.0%</td>
</tr>
</tbody>
</table>

*Results above are adjusted for non-operational items
Note: Amounts may not add due to rounding

Strong earnings performance
CONSOLIDATED Overview

- Strong operating and financial performance
- Consistent investment in networks and platforms
- High-quality wireless connections growth and profitability
- FiOS driving consistent growth in consumer market
- Strong free cash flow generation
- Increased dividend by 3.8%

Delivered strong operating and financial performance in 2014
CONSOLIDATED Financial Summary

Total Revenue ($B)

- 2013: $120.6
- 2014: $127.1

Y/Y Growth: 5.4%

Wireless
Wireline

- Total revenue growth excluding divested public sector business:
  - 4Q’14 of 7.3% Y/Y
  - 2014 of 5.7% Y/Y

- 2014 M2M and telematics revenue of $586M, up 46.6% Y/Y

Adjusted EPS*

- 2013: $2.84
- 2014: $3.35

Y/Y Growth: 18.0%

* Adjusted for non-operational items

Strong revenue and earnings growth
## CONSOLIDATED
### Cash Flow Summary

<table>
<thead>
<tr>
<th>($ in billions)</th>
<th>4Q ’14</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash flow from operations</td>
<td>$7.5</td>
<td>$30.6</td>
</tr>
<tr>
<td>Capital expenditures</td>
<td>$4.6</td>
<td>$17.2</td>
</tr>
<tr>
<td>Free cash flow</td>
<td>$2.9</td>
<td>$13.4</td>
</tr>
<tr>
<td>Dividends paid</td>
<td>$2.2</td>
<td>$7.8</td>
</tr>
<tr>
<td>Total debt</td>
<td>$113.3</td>
<td>$113.3</td>
</tr>
<tr>
<td>Net debt to adjusted EBITDA</td>
<td>2.4x</td>
<td>2.4x</td>
</tr>
</tbody>
</table>

Strong cash generation funds investment and shareowner returns
WIRELESS
Revenue & Profitability

Service revenue plus EDGE installment billings up 5.2% Y/Y in 4Q ’14 and 6.6% Y/Y in 2014

4Q’14 phone activations on EDGE were about 25%

Significant increase in activations pressured 4Q’14 profitability

Strong 4G LTE device adoption and usage creates momentum for 2015
• ARPA growth of 3.9% Y/Y for 2014; ARPA plus EDGE installment billings up 5.3% Y/Y for 2014

• 35.6M retail postpaid accounts, up 1.5% Y/Y

• 2.87 connections per account, up 4.0% Y/Y

• 61% of postpaid accounts on More Everything Plans

• Monthly average usage per More Everything account up by about 50% Y/Y

Note: ARPA plus EDGE billings is Retail Postpaid ARPA plus EDGE installment billings

Smartphone penetration and data usage driving growth
WIRELESS
Connections / Net Adds / Churn

Retail Connections (M)

<table>
<thead>
<tr>
<th></th>
<th>4Q '13</th>
<th>3Q '14</th>
<th>4Q '14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail Postpaid</td>
<td>102.8</td>
<td>106.2</td>
<td>108.2</td>
</tr>
<tr>
<td>Retail Prepaid</td>
<td>96.8</td>
<td>100.1</td>
<td>102.1</td>
</tr>
</tbody>
</table>

5.3% Y/Y Growth

Retail Postpaid churn of 1.14% in 4Q ’14

5.4M retail postpaid gross adds in 4Q ’14, up 25.5% Y/Y

2.0M retail postpaid net adds in 4Q ’14*

9.8% of retail postpaid base upgraded in 4Q ’14
– 93% were smartphones

High-quality retail postpaid connections base

* Excludes acquisitions and adjustments
4Q ‘14 Retail postpaid device activations up 34% Y/Y

• Smartphone penetration of 79%, up from 70% a year ago

• Industry leading in 4G LTE connections
  – Added 24.7M 4G LTE devices in 2014
  – More than 80% of smartphones are 4G LTE

• About 84% of total data traffic currently on 4G LTE network

4G device adoption driving increased usage on LTE network
- 10th consecutive quarter of over 4% consumer revenue growth Y/Y
- FiOS now 77% of consumer revenue
  - FiOS consumer revenue growth of 11.1% Y/Y in 4Q ’14
- FiOS Internet subscribers
  - 6.6M subscribers, 145K net adds
  - 41.1% penetration
- FiOS Video subscribers
  - 5.6M subscribers, 116K net adds
  - 35.8% penetration

FiOS continues to drive consumer growth
**WIRELINE**

**Revenue & Profitability**

- Total FiOS revenue grew 11.6% Y/Y in 4Q '14

- Global Enterprise revenue down 4.6% Y/Y in 4Q '14
  - Strategic services revenue up 1.5% Y/Y in 4Q '14

- Global Wholesale revenue down 5.8% Y/Y in 4Q '14

- 4Q '14 EBITDA of $2.3B, up 4.3% Y/Y

- 4Q '14 EBITDA margin of 23.9%

**Expanded EBITDA margins in 2014**
CONSOLIDATED 2015 Priorities

• Deliver strong operating and financial performance
• Consistently invest in networks and platforms
• Focus on new revenue streams
• Monetize non-strategic assets
• Generate strong free cash flow
• Return value to shareowners

Confident in ability to execute, grow profitably, and invest for the future
4th QUARTER 2014
EARNINGS RESULTS

Fran Shammo
Chief Financial Officer

January 22, 2015