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, as applicable. 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
2Q ’15 Overview

• Strong operating and financial performance with double-digit growth in adjusted earnings
• Consistent investment in networks and platforms
• Strong free cash flow generation
• Completed $5B accelerated share repurchase program
• Completed acquisition of AOL
• Positioning business for future growth

Delivered strong growth and results in 2Q
Consolidated Financial Summary

Total Revenue ($B)

- 2Q '14: $31.5
- 1Q '15: $32.0
- 2Q '15: $32.2

• Total revenue growth excluding divested public sector business of 2.8% Y/Y in 2Q '15

Wireless
Wireline

Earnings Per Share

- 2Q '14: $0.91*
- 1Q '15: $1.02
- 2Q '15: $1.04

• IoT and telematics revenue of $165M in 2Q ’15 and approximately $320M YTD

• 2Q ’15 EBITDA of $11.8B, up 6.0% Y/Y*

• 2Q ’15 EBITDA margin of 36.6%, up 110 bps Y/Y*

* 2Q ’14 is adjusted for a non-operational item

Double-digit earnings growth in 2Q ’15 and YTD
## CONSOLIDATED

### Cash Flow Summary

<table>
<thead>
<tr>
<th>($ in billions)</th>
<th>1Q ’15</th>
<th>2Q ’15</th>
<th>1H ’15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash flow from operations</td>
<td>$10.2</td>
<td>$8.7</td>
<td>$18.9</td>
</tr>
<tr>
<td>Capital expenditures</td>
<td>$3.7</td>
<td>$4.5</td>
<td>$8.2</td>
</tr>
<tr>
<td>Free cash flow</td>
<td>$6.5</td>
<td>$4.2</td>
<td>$10.8</td>
</tr>
<tr>
<td>Dividends paid</td>
<td>$2.2</td>
<td>$2.1</td>
<td>$4.3</td>
</tr>
<tr>
<td>Total debt</td>
<td>$113.4</td>
<td>$113.7</td>
<td>$113.7</td>
</tr>
<tr>
<td>Net debt to adjusted EBITDA</td>
<td>2.5x</td>
<td>2.5x</td>
<td>2.5x</td>
</tr>
</tbody>
</table>

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

Strong cash generation and consistent investment
### WIRELESS

**Revenue & Profitability**

#### Total Revenue ($B)

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Total Revenue ($B)</th>
<th>Service Revenue</th>
<th>Other Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>2Q '14</td>
<td>$21.5</td>
<td>$18.1</td>
<td></td>
</tr>
<tr>
<td>1Q '15</td>
<td>$22.3</td>
<td>$17.9</td>
<td></td>
</tr>
<tr>
<td>2Q '15</td>
<td>$22.6</td>
<td>$17.7</td>
<td></td>
</tr>
</tbody>
</table>

- Service revenue plus installment billings up 2.3% Y/Y in 2Q ’15
- Retail postpaid ARPA plus installment billings up 1.0% Y/Y in 2Q ’15
- 2Q ’15 phone activations on installment plans were about 49%
- Installment phone base of more than 14M at end of 2Q ’15

#### Segment EBITDA ($B)

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Segment EBITDA ($B)</th>
<th>EBITDA Service Margin %</th>
<th>EBITDA Margin %</th>
</tr>
</thead>
<tbody>
<tr>
<td>2Q '14</td>
<td>$9.1</td>
<td>50.3%</td>
<td>42.3%</td>
</tr>
<tr>
<td>1Q '15</td>
<td>$10.0</td>
<td>55.8%</td>
<td>44.8%</td>
</tr>
<tr>
<td>2Q '15</td>
<td>$9.9</td>
<td>56.1%</td>
<td>43.9%</td>
</tr>
</tbody>
</table>

- Profitable growth driven by high-quality connections
Retail postpaid connections growth of 5.2% Y/Y in 2Q ’15

More than 1.1M retail postpaid net adds in 2Q ’15*

Retail postpaid churn of 0.90% in 2Q ’15

7.2% of retail postpaid base upgraded in 2Q ’15
  – 91% were smartphones

* Excludes acquisitions and adjustments

Strong quarter of customer retention
2Q '15 retail postpaid device activations up 1.9% Y/Y

Smartphone penetration of 81%, up from 75% a year ago

Industry leading in 4G LTE connections
  – Added 4.3M 4G LTE devices in 2Q '15
  – About 88% of smartphones are 4G LTE

About 87% of total data traffic currently on 4G LTE network

4G device adoption driving increased usage
FiOS now 79% of consumer revenue
- FiOS consumer revenue growth of 9.8% Y/Y in 2Q ’15

- FiOS Internet subscribers
  - 6.8M subscribers, 72K net adds
  - 41.4% penetration

- FiOS Video subscribers
  - 5.8M subscribers, 26K net adds
  - 35.7% penetration

FiOS continues to drive consumer revenue growth
- Total FiOS revenue grew 10.0% Y/Y in 2Q '15
- Global Enterprise revenue down 6.4% Y/Y in 2Q '15
- Global Wholesale revenue down 4.5% Y/Y in 2Q '15
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Summary

• Strong financial performance in 1H '15
• Strong cash generation
• Consistent investment in networks and platforms
• Well-positioned for video and IoT opportunities

Confident in ability to execute, grow profitably, and invest for the future
2nd QUARTER 2015
EARNINGS RESULTS
Fran Shammo
Chief Financial Officer

July 21, 2015