

2nd Quarter 2017 Earnings Results

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“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,” “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; 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.

Important Additional Information and Where to Find It

This communication does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval. This communication may be deemed to be solicitation material in respect of the proposed merger between Verizon and Straight Path Communications Inc. (“Straight Path”). In connection with the proposed merger, Verizon has filed a registration statement on Form S-4, containing a proxy statement/prospectus, with the SEC. INVESTORS AND SECURITY HOLDERS ARE ADVISED TO READ THE PROXY STATEMENT/PROSPECTUS BECAUSE IT CONTAINS IMPORTANT INFORMATION. Investors and security holders may obtain a free copy of the proxy statement/prospectus and other documents filed by Verizon and Straight Path with the SEC at <http://www.sec.gov>. Free copies of the proxy statement/prospectus, and each company’s other filings with the SEC may also be obtained from the respective companies. Free copies of documents filed with the SEC by Verizon will be made available free of charge on Verizon’s investor relations website at <http://www.verizon.com/about/investors>. Free copies of documents filed with the SEC by Straight Path will be made available free of charge on Straight Path’s investor relations website at <http://spathinc.com/investors/>.

Participants in the Solicitation

Verizon and its directors and executive officers, and Straight Path and its directors and executive officers, may be deemed to be participants in the solicitation of proxies from the holders of Straight Path common stock in respect of the proposed merger. Information about the directors and executive officers of Verizon is set forth in the proxy statement for Verizon Communications Inc.’s 2017 Annual Meeting of Stockholders, which was filed with the SEC on March 20, 2017. Information about the directors and executive officers of Straight Path is set forth in the proxy statement for Straight Path Communications Inc.’s 2017 Annual Meeting of Stockholders, which was filed with the SEC on November 22, 2016. Investors may obtain additional information regarding the interest of such participants by reading the proxy statement/prospectus regarding the proposed merger, which was filed with the SEC on June 30, 2017.

Consolidated Consistent earnings performance

	2Q '17
Reported EPS	\$1.07
Add:	
Acquisition and integration-related charges	\$0.02
Severance, pension and benefit charges	\$0.09
Less:	
Net gain on sale of divested business	\$0.23
Adjusted EPS*	\$0.96

* Non-GAAP measure. Adjusted for special items.

Note: Amounts may not add due to rounding.

Strategic Positioning

Network Leadership

- Fiber & densification
- Spectral efficiency
- New technologies

Customer relationships

- High-quality base
- Brand loyalty
- Scale

New ecosystems

- Media
- Telematics
- IoT

Long-term value creation

- Cash generation
- Profitability
- Return on investment

Consolidated Delivering profitable results

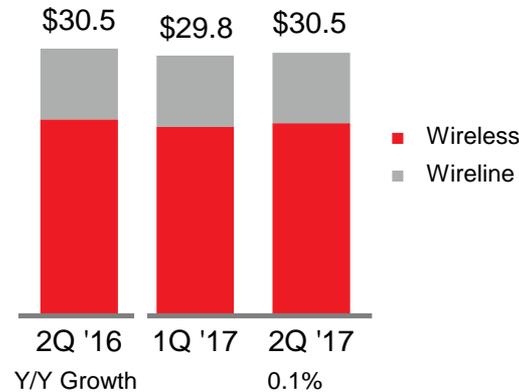
Total revenue of \$30.5B, up 0.1%
Y/Y in 2Q '17

- Excluding divestitures and acquisitions, total revenue down 2.0% Y/Y in 2Q '17*

2Q '17 Adjusted EBITDA of \$11.4B**

2Q '17 Adjusted EBITDA margin of 37.2%**

Total Revenue (\$B)



Adjusted EPS**



* Non-GAAP measure.

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

Consolidated Strong cash generation

<i>(\$ in billions)</i>	1H '16	1H '17
Cash flow from operations	\$12.9	\$9.9
<i>Discretionary pension contribution net of tax benefit</i>	–	\$2.1
Capital expenditures	\$7.3	\$7.0
Free cash flow*	\$5.6	\$2.9
Asset-backed long-term borrowings	–	\$2.9
Dividends paid	\$4.6	\$4.7
Total debt	\$99.7	\$117.5
<i>Total asset-backed long-term borrowings</i>	–	\$7.9
Net debt to adjusted EBITDA**	2.2x	2.6x

Note: Amounts may not add due to rounding.

* Non-GAAP measure.

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

Wireless Network leadership driving strong customer demand

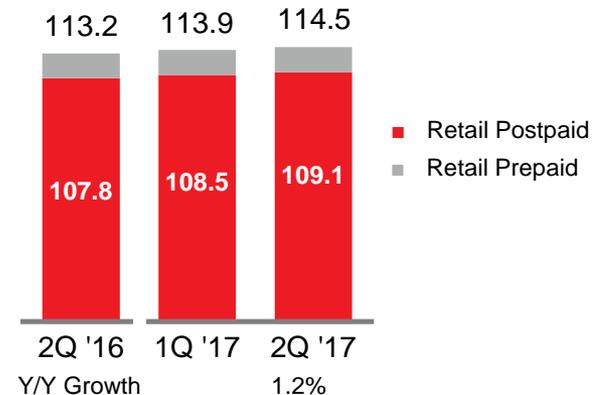
590K postpaid smartphone net adds in 2Q '17

358K phone net adds in 2Q '17

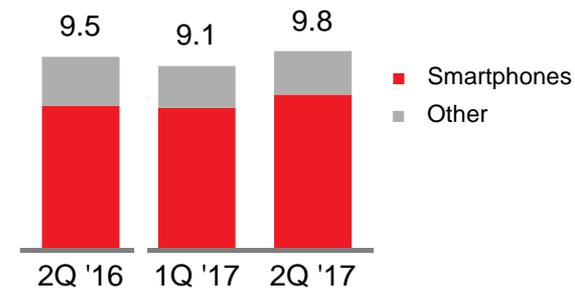
Retail postpaid phone churn of 0.70%

614K retail postpaid net adds in 2Q '17*

Retail Connections (M)



Retail Postpaid Device Activations (M)



* Excludes acquisitions and adjustments.

Wireless

Balanced financial performance

Service revenue of \$15.6B, down 6.7% Y/Y in 2Q '17

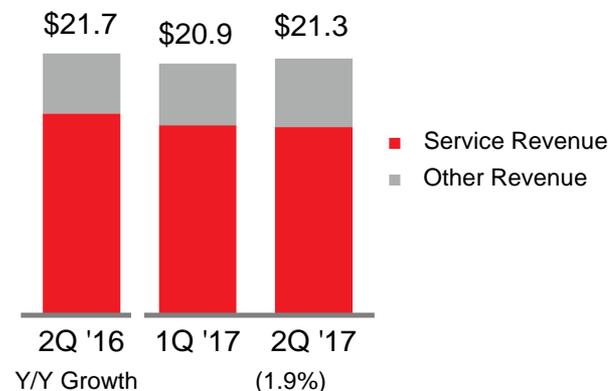
2Q '17 segment EBITDA margin on total revenue of 45.8%*

75% of postpaid phone base on unsubsidized pricing

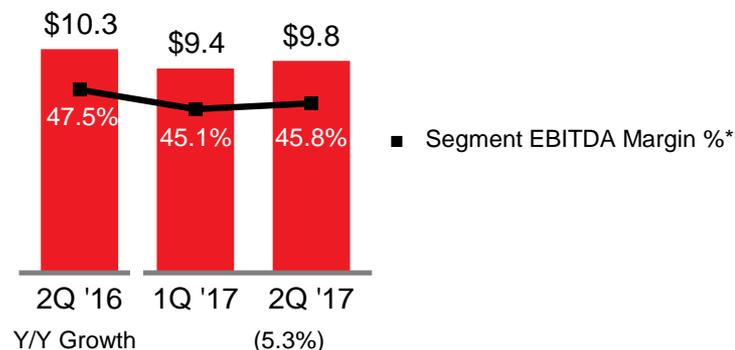
2Q '17 phone activations on device payment plans were 77%; ~49% of postpaid phone base on device payment plans

* Non-GAAP measure.

Total Revenue (\$B)



Segment EBITDA (\$B)*



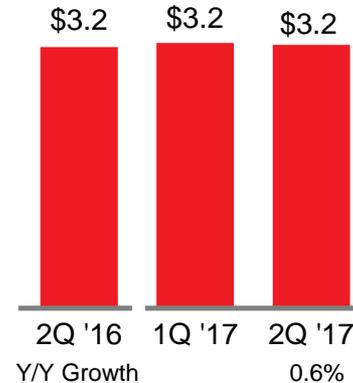
Wireline

Consumer revenue growth

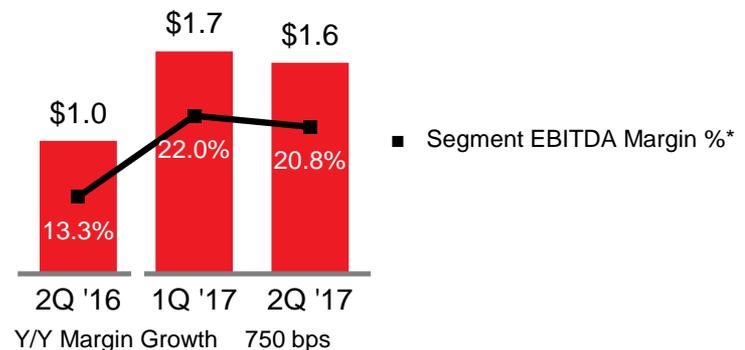
Total Wireline revenue of \$7.8B, up 1.2% Y/Y in 2Q '17; down 2.8% excluding XO Communications*

- Consumer Markets revenue grew 0.6% Y/Y in 2Q '17
- Fios revenue grew 4.4% Y/Y in 2Q '17
- 49K Fios Internet net adds
- (15K) Fios Video net adds

Consumer Markets Revenue (\$B)



Segment EBITDA (\$B)*



* Non-GAAP measure. Adjusted for the sale of certain data centers.

Media and Telematics

Developing businesses for future growth

Media

Closed Yahoo transaction

~1B monthly unique users

50+ brands

\$1B+ of cumulative operating expense synergies expected through 2020

~\$7B annualized revenue



Telematics & IoT

2Q '17 organic revenue of \$220M, up ~20% Y/Y*

Integrating Fleetmatics and Telogis

Telematics market share leader



* Non-GAAP measure.

Execution of fundamentals while investing for the future

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Network & Technology

Network leadership confirmed by third party testing results

Densification and increased spectral efficiency

Launched pre-commercial 5G fixed wireless pilots

Confident in strategy and priorities

Leading in network

Growing high-value wireless base

Generating profitability and cash

Building new businesses

Allocating capital consistently for long-term value

2Q '17 Supplemental Information

Selected Metrics

Wireless

2Q '17

Retail postpaid upgrade rate (%)

5.6%

Postpaid gross adds (M)

3.7

Postpaid smartphone net adds (000)

590

Postpaid phone net adds (000)

358

Postpaid tablet net adds (000)

2

Retail postpaid 4G LTE connections (M)

94.6

Wireline

Fios consumer revenue growth rate Y/Y (%)

4.1%

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