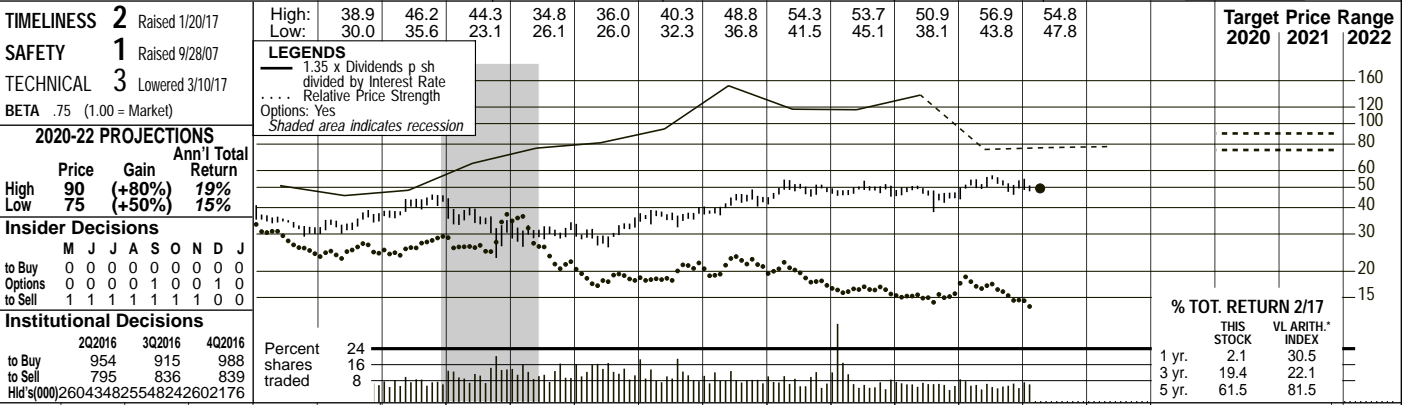


VERIZON NYSE-VZ

RECENT PRICE **49.44** P/E RATIO **12.7** (Trailing: 12.8 Median: 14.0) RELATIVE P/E RATIO **0.65** DIV'D YLD **4.7%**

VALUE LINE



2001E	2002	2003	2004	2005	2006	2007F	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	© VALUE LINE PUB. LLC	20-22
24.73	24.63	24.46	25.73	25.59	30.29	32.56	34.27	38.02	37.68	39.10	40.53	29.11	30.58	32.31	30.90	32.25	31.70	Revenues per sh	33.55
8.11	7.93	7.55	7.64	7.24	7.07	7.40	7.65	8.12	8.01	7.96	7.85	6.79	7.19	7.94	5.80	5.85	"Cash Flow" per sh	6.15	
3.00	3.05	2.62	2.59	2.56	2.54	2.34	2.54	2.40	2.21	2.15	2.32	4.00	3.35	3.99	3.87	3.90	4.00	Earnings per sh (A)	4.65
1.54	1.54	1.54	1.54	1.62	1.62	1.65	1.78	1.87	1.93	1.96	2.02	2.08	2.16	2.23	2.29	2.32	2.36	Div'ds Decl'd per sh (B)	2.48
6.39	4.36	4.29	4.79	5.24	5.88	6.11	6.07	6.01	5.82	5.73	5.66	4.01	4.14	4.36	4.18	4.20	4.25	Cap'l Spending per sh	4.45
11.98	11.88	12.08	13.56	13.56	16.68	17.62	14.68	14.67	13.64	12.69	11.60	9.38	2.96	4.03	4.00	4.00	4.00	Book Value per sh	6.00
2717.2	2745.8	2769.4	2770.0	2926.8	2909.9	2871.0	2840.6	2835.7	2828.1	2835.5	2858.3	4141.1	4155.4	4073.2	4076.7	4050.0	4000.0	Common Shs Outst'g (C)	3950.0
17.3	13.0	13.7	14.8	13.2	13.4	17.6	13.7	12.7	13.8	17.1	18.1	12.2	14.5	11.8	13.3	17.5	17.5	Avg Ann'l P/E Ratio	17.5
.89	.71	.78	.78	.70	.72	.93	.82	.85	.88	1.07	1.15	.69	.76	.59	.70	1.10	1.10	Relative P/E Ratio	1.10
3.0%	3.9%	4.3%	4.0%	4.8%	4.8%	4.0%	5.1%	6.1%	6.3%	5.3%	4.8%	4.3%	4.4%	4.7%	4.5%	3.1%	3.1%	Avg Ann'l Div'd Yield	3.1%

CAPITAL STRUCTURE as of 12/31/16				BUSINESS: Verizon Communications was created by the merger of Bell Atlantic and GTE in June of 2000. It is a diversified telecom company with a network that covers a population of about 298 million and provides service to nearly 98.2 million. Acquired MCI, 1/06; Alltel, 1/09; Verizon Wireless, 2/14. Also the largest provider of print and on-line directory information. Has a wireline presence in 28 states & Washington, D.C.; a wireless presence in 50 states & D.C.; operations in 19 countries. 2016 revenue breakdown: wireline (includes telecom & business), 29%; domestic wireless, 71%. Has approximately 160,900 employees. Chairman and CEO: Lowell McAdam, Inc.: Delaware. Addr.: 1095 Avenue of the Americas, NY, NY 10036. Tel.: 212-395-1000. Internet: www.verizon.com.													
201E	2002	2003	2004	93469	97354	107808	106565	110875	115846	120550	127079	131620	125980	125500	126800	Revenues (\$mill)	132500
				6854.0	7235.0	6805.0	6256.6	6086.8	5970.4	11497	13337	16324	13608	13750	16000	Net Profit (\$mill)	18370
				35.6%	34.4%	33.1%	19.5%	2.7%	--	19.6%	29.9%	34.6%	32.5%	34.0%	34.0%	Income Tax Rate	35.0%
				7.3%	7.4%	6.3%	5.9%	5.5%	5.2%	9.5%	10.5%	12.4%	10.8%	11.0%	12.6%	Net Profit Margin	13.9%
				25.4%	37.3%	39.5%	34.2%	36.9%	35.8%	48.4%	89.0%	85.3%	81.0%	81.0%	80.0%	Long-Term Debt Ratio	80.0%
				45.5%	33.1%	29.8%	29.2%	26.4%	24.9%	21.0%	9.9%	13.5%	19.0%	19.0%	20.0%	Common Equity Ratio	20.0%
				111072	125864	139418	132164	136211	133151	185074	124212	121547	120000	121000	121500	Total Capital (\$mill)	125500
				85294	86546	91466	87711	88434	88642	88956	89947	83541	85000	85500	86000	Net Plant (\$mill)	91000
				8.8%	8.3%	7.2%	7.6%	7.2%	7.5%	9.0%	11.0%	13.7%	11.5%	11.5%	13.0%	Return on Total Cap'l	14.0%
				13.6%	17.3%	16.4%	16.2%	16.9%	18.0%	29.6%	108.4%	NMF	NMF	NMF	NMF	Return on Shr. Equity	13.0%
				13.6%	17.3%	16.4%	16.2%	16.9%	18.0%	29.6%	108.4%	NMF	NMF	NMF	NMF	Return on Com Equity	13.0%
				4.1%	5.4%	3.7%	2.2%	1.5%	2.2%	14.3%	45.0%	47.4%	48.0%	48.0%	48.0%	Retained to Com Eq	45.0%
				70%	69%	77%	87%	91%	88%	52%	59%	52%	69%	68%	59%	All Div'ds to Net Prof	53%

CURRENT POSITION	2014	2015	12/31/16	BUSINESS: Verizon Communications was created by the merger of Bell Atlantic and GTE in June of 2000. It is a diversified telecom company with a network that covers a population of about 298 million and provides service to nearly 98.2 million. Acquired MCI, 1/06; Alltel, 1/09; Verizon Wireless, 2/14. Also the largest provider of print and on-line directory information. Has a wireline presence in 28 states & Washington, D.C.; a wireless presence in 50 states & D.C.; operations in 19 countries. 2016 revenue breakdown: wireline (includes telecom & business), 29%; domestic wireless, 71%. Has approximately 160,900 employees. Chairman and CEO: Lowell McAdam, Inc.: Delaware. Addr.: 1095 Avenue of the Americas, NY, NY 10036. Tel.: 212-395-1000. Internet: www.verizon.com.													
Cash Assets	10598	4470	2880														
Other	19025	17810	23515														
Current Assets	29623	22280	26395														
Accts Payable	16680	19362	19593														
Debt Due	2735	6489	2645														
Other	8649	9201	8102														
Current Liab.	28064	35052	30340														

ANNUAL RATES	Past 10 Yrs.	Past 5 Yrs.	Est'd '13-'15	to '20-'22
of change (per sh)	10 Yrs.	5 Yrs.	'13-'15	to '20-'22
Revenues	2.0%	-3.5%	2.0%	
"Cash Flow"	-	-1.5%	NMF	
Earnings	4.0%	9.5%	3.0%	
Dividends	3.0%	3.0%	2.0%	
Book Value	-8.5%	-17.5%	5.5%	

Cal-endar	QUARTERLY REVENUES (\$ mill.)				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2014	30818	31483	31586	33192	127079
2015	31984	32224	33158	34254	131620
2016	32171	30532	30937	32340	125980
2017	31000	30650	31250	32600	125500
2018	31300	31000	31575	32925	126800

Cal-endar	EARNINGS PER SHARE ^				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2014	.84	.91	.89	.71	3.35
2015	1.02	1.04	1.04	.89	3.99
2016	1.06	.94	1.01	.86	3.87
2017	1.01	1.01	1.00	.88	3.90
2018	1.03	1.04	1.03	.90	4.00

Cal-endar	QUARTERLY DIVIDENDS PAID ^				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2013	.515	.515	.515	.53	2.08
2014	.53	.53	.53	.55	2.16
2015	.55	.55	.565	.565	2.23
2016	.565	.565	.58	.58	2.29
2017	.58				

Verizon seems poised for an underwhelming performance in 2017. To wit, this Dow-30 component posted fourth-quarter earnings of \$0.86 a share, well below our estimate and three cents below the year-ago result, on a 5.6% drop in revenue. These uninspiring results come as no great surprise, as we had warned in our December review that the outlook for the next couple of years was nothing to write home about, due to the combined effects of the April 1st sale of the company's high-margined wireline operations in California, Florida, and Texas to Frontier Communications, the ongoing shift of wireless customers to device payment plans, and the ramping up of its new business model. **In the meantime, the company has a number of pending transactions in the hopper.** Verizon expects its acquisition of XO Communications to close during the March period, while the sale of its data centers to Equinix is slated to be completed in the June interim. Lastly, the terms of the Yahoo acquisition were recently amended, with the purchase price pared by \$350 million, given recent data breaches at Yahoo. This \$4.48 billion deal

ought to close in the second quarter too. **Verizon's board of directors is certainly dedicated to boosting shareholder value.** In early March, the board authorized the repurchase of up to 100 million shares of its outstanding common stock. A previous buyback program, which expired on February 28th, had authorized the repurchase of 100 million shares, yet only 2.8 million shares were bought back. The new program will end when the aggregate number of shares bought back hits the 100 million mark, or at the close of business on February 28, 2020, whichever occurs first. **High-quality Verizon stock has something for everyone.** The issue's Timeliness rank has moved up a notch since our December review, and it is now pegged to outperform the year-ahead market averages. And, at the recent quotation, the equity's 3- to 5-year appreciation potential is almost twice that of the average selection under our review. Lastly, income-seeking investors will certainly be pleased by Verizon's dividend yield, which is more than double the Value Line median. *Kenneth A. Nugent* *March 17, 2017*

(A) Based diluted shares. Excl. n/r gains (losses): '01, (\$2.86); '02, (\$1.56); '03, (\$1.51); '04, \$0.08; '06, (\$0.42). Next earnings report April 20th. (B) Div'd paid in early Feb., May, Aug. & Nov. (C) Div'd reinv. plan avail. (D) Including financial subsidiary. (E) '00 GTE pro forma. (F) '06 MCI pro forma.	Company's Financial Strength	A++
	Stock's Price Stability	100
	Price Growth Persistence	45
	Earnings Predictability	65