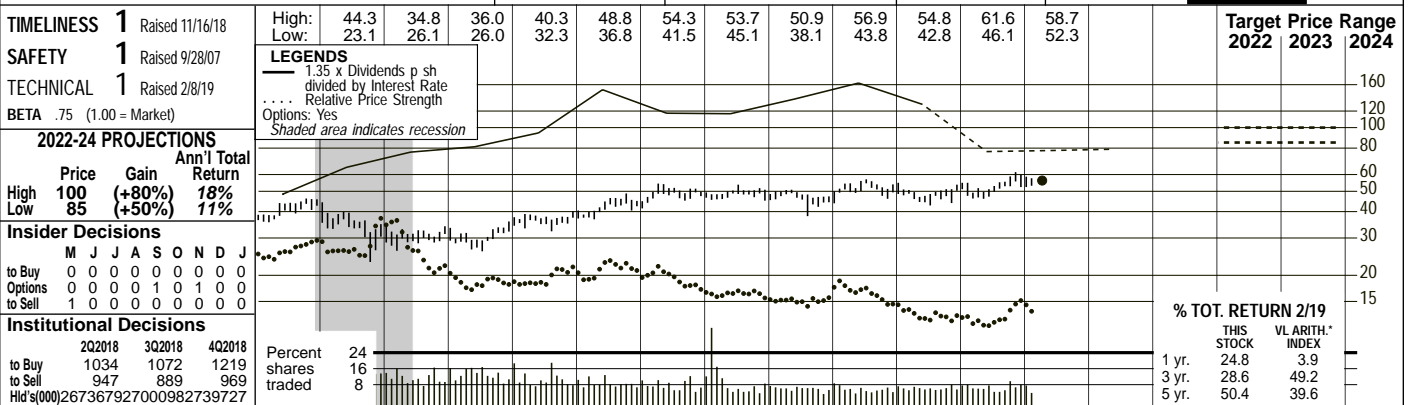


VERIZON NYSE-VZ

RECENT PRICE **56.08** P/E RATIO **12.0** (Trailing: 11.9; Median: 13.0) RELATIVE P/E RATIO **0.70** DIV'D YLD **4.3%** VALUE LINE



2003	2004	2005	2006 ^E	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	© VALUE LINE PUB. LLC	22-24
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	30.89	31.67	31.95	32.25	Revenues per sh	34.50
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	7.79	7.91	6.10	6.15	"Cash Flow" per sh	6.25	
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	3.74	4.65	4.80	Earnings per sh (A)	5.25	
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	2.29	2.37	2.42	Div'ds Decl'd per sh (B)	2.62	
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	4.23	4.25	4.25	Cap'l Spending per sh	4.40	
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	5.53	10.95	13.24	13.25	13.50	Book Value per sh	13.65
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	4079.5	4132.0	4145.0	4150.0	Common Shs Outst'g (C)	4000.0
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	12.9	11.1	11.1	11.1	Avg Ann'l P/E Ratio	17.5
.78	.78	.70	.72	.93	.82	.85	.88	1.07	1.15	.69	.76	.59	.70	.65	.60	.65	.60	Relative P/E Ratio	.95
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%	4.7%	4.5%	4.7%	4.5%	Avg Ann'l Div'd Yield	2.8%

CAPITAL STRUCTURE as of 12/31/18					2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Revenues (\$mill)	138000
Total Debt \$113063 mill. Due in 5 Yrs \$35014mill.					107808	106565	110875	115846	120550	127079	131620	125980	126034	130863	132400	133900	139000	139000	Net Profit (\$mill)	21000
LT Debt \$105873 mill. LT Interest \$1800 mill.					6805.0	6256.6	6086.8	5970.4	11497	13337	16324	15809	15297	18835	19275	19920	19920	19920	Income Tax Rate	25.0%
Incl. \$758.0 mill. capitalized leases.					33.1%	19.5%	2.7%	--	19.6%	29.9%	34.6%	33.7%	32.9%	25.0%	25.0%	25.0%	25.0%	Net Profit Margin	15.2%	
(Total interest coverage: 7.1x)					6.3%	5.9%	5.5%	5.2%	9.5%	10.5%	12.4%	12.5%	12.1%	14.4%	14.6%	14.9%	14.9%	Long-Term Debt Ratio	79.0%	
(66% of Total Cap'l.)					39.5%	34.2%	36.9%	35.8%	48.4%	89.0%	85.3%	81.4%	71.1%	81.0%	81.0%	80.0%	80.0%	Common Equity Ratio	21.0%	
Leases, Uncapitalized Annual rentals \$4043 mill.					29.8%	29.2%	26.4%	24.9%	21.0%	9.9%	13.5%	17.4%	27.9%	19.0%	19.0%	20.0%	20.0%	Total Capital (\$mill)	126000	
Pension Assets-12/18 \$17816 mill.					139418	132164	136211	133151	185074	124212	121547	129465	159920	121500	122000	122250	122250	Net Plant (\$mill)	89000	
Obliq. \$19567 mill.					91466	87711	88434	88642	88956	89947	83541	84751	88568	86000	86500	86700	86700	Return on Total Cap'l	16.0%	
Pfd Stock None					7.2%	7.6%	7.2%	7.5%	9.0%	11.0%	13.7%	12.4%	9.7%	15.5%	15.5%	15.5%	15.5%	Return on Shr. Equity	40.0%	
Common Stock 4,132,045,883 shs.					16.4%	16.2%	16.9%	18.0%	29.6%	108.4%	99.4%	70.2%	34.2%	37.0%	37.0%	37.0%	37.0%	Return on Com Equity	40.0%	
MARKET CAP: \$232 billion (Large Cap)					16.4%	16.2%	16.9%	18.0%	29.6%	108.4%	99.4%	70.2%	34.2%	37.0%	37.0%	37.0%	37.0%	Retained to Com Eq	40.0%	
CURRENT POSITION					3.7%	2.2%	1.5%	2.2%	14.3%	45.0%	47.4%	29.1%	13.0%	15.0%	15.0%	15.0%	15.0%	All Div'ds to Net Prof	50%	
(SMILL)					77%	87%	91%	88%	52%	59%	52%	59%	62%	51%	51%	51%	51%			

Cash Assets	2880	2079	2745
Other	23515	27834	31891
Current Assets	26395	29913	34636
Accts Payable	19593	21232	22501
Debt Due	2645	3453	7190
Other	8102	8352	8239
Current Liab.	30340	33037	37930

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. 2018 revenue breakdown: wireline, 23%; domestic wireless, 69%; corporate & other, 8%. Has about 144,500 employees. Chairman: Lowell McAdam; CEO: Hans Vestberg, Inc.: Delaware. Addr.: 1095 Avenue of the Americas, NY, NY 10036. Tel.: 212-395-1000. Internet: www.verizon.com.

ANNUAL RATES	Past 10 Yrs.	Past 5 Yrs.	Est'd '15-'17
of change (per sh)	10 Yrs.	5 Yrs.	to '22-'24
Revenues	0.5%	-4.5%	1.5%
"Cash Flow"	1.0%	--	-3.0%
Earnings	4.5%	11.5%	4.0%
Dividends	3.5%	3.0%	1.5%
Book Value	-8.0%	-11.5%	7.5%

Verizon rung up strong results in the recently completed year. The telecommunications giant and Dow-30 component reported full-year earnings of \$4.71 a share, a hefty 26% year-over-year advance, on a 3.8% top-line improvement. As is typically the case, Verizon Wireless was the fair-haired boy during the final stanza of last year, with the division reporting a 2.7% increase in fourth-quarter revenue, the fifth time the company has reported year-over-year wireless revenue growth in two years. In addition, services revenues, which had been declining earlier in the year, grew 0.1% in the December quarter, thanks to the combined effects of ongoing customer growth, step-ups to unlimited plans, and the benefits of customers customizing their accounts through mix-and-match plans. And VZ Wireless added 1.22 million retail postpaid net additions during the interim, bringing Verizon Wireless' total number of retail connections to 118.0 million, up 1.5% year over year.

year-over-year revenues, as elevated competition in a mature industry may stymie the company's ability to attract new customers. Separately, the new lease accounting standard will certainly do Verizon no favors, with its adoption likely to have a one to two cent per quarter negative impact on the full-year bottom line. Finally, capital spending this year and next should be up about \$1 billion, to the \$17 billion to \$18 billion range, due, in large part, to the expanded commercial launch of its 5G network. Hence, we look for 2019 earnings to come in around \$4.65 a share, with a 3% improvement in the cards for 2020.

Cal-endar	QUARTERLY REVENUES (\$mill.)				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2016	32171	30532	30937	32340	125980
2017	29814	30548	31717	33955	126034
2018	31772	32203	32607	34281	130863
2019	32250	32600	33000	34550	132400
2020	32615	32970	33375	34940	133900

But the outlook for this year is not quite as rosy. As per management's recent financial guidance, we now look for Verizon to post a modest 1.2% uptick in

At this juncture, we recommend blue-chip Verizon stock to investors of all ilk. Based on recent price and earnings momentum, the equity is currently pegged to best the year-ahead market averages. What's more, at the recent quotation, the issue offers above-average appreciation potential through the early years of the coming decade. And on a final note, VZ's dividend yield is almost twice that of the Value Line median, making it the darling of the income-seeking crowd.

Cal-endar	EARNINGS PER SHARE ^A				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2016	1.06	.94	1.01	.86	3.87
2017	.95	.96	.98	.85	3.74
2018	1.17	1.20	1.22	1.12	4.71
2019	1.16	1.18	1.20	1.11	4.65
2020	1.22	1.22	1.24	1.12	4.80

Cal-endar	QUARTERLY DIVIDENDS PAID ^B				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2015	.55	.55	.565	.565	2.23
2016	.565	.565	.58	.58	2.29
2017	.58	.58	.58	.59	2.33
2018	.59	.59	.59	.6025	2.37
2019	.6025				

(A) Based diluted shares. Excl. n/r gains (losses): '03, (\$1.51); '04, \$0.08; '06, (\$0.42). Next earnings report April 23rd. (B) Div'd paid in early Feb., May, Aug. & Nov. ■ Div'd reinv.	plan avail. (C) In mill. (D) Including financial subsidiary. (E) '06 MCI pro forma.	Company's Financial Strength	A++
		Stock's Price Stability	95
		Price Growth Persistence	25
		Earnings Predictability	65