

2Q 2022 EARNINGS

July 22, 2022

verizon[✓]

“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,” “expects,” “hopes,” “forecasts,” “plans” 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. We undertake no obligation to revise or publicly release the results of any revision to these forward-looking statements, except as required by law. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. 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: cyber attacks impacting our networks or systems and any resulting financial or reputational impact; damage to our infrastructure or disruption of our operations from natural disasters, extreme weather conditions or terrorist attacks and any resulting financial or reputational impact; the impact of public health crises, including the COVID-19 pandemic, on our operations, our employees and the ways in which our customers use our networks and other products and services; disruption of our key suppliers’ or vendors’ provisioning of products or services, including as a result of geopolitical factors, the COVID-19 pandemic or the potential impacts of global climate change; material adverse changes in labor matters and any resulting financial or operational impact; the effects of competition in the markets in which we operate; failure to take advantage of developments in technology and address changes in consumer demand; performance issues or delays in the deployment of our 5G network resulting in significant costs or a reduction in the anticipated benefits of the enhancement to our networks; the inability to implement our business strategy; adverse conditions in the U.S. and international economies, including inflation in the markets in which we operate; changes in the regulatory environment in which we operate, including any increase in restrictions on our ability to operate our networks or businesses; our high level of indebtedness; significant litigation and any resulting material expenses incurred in defending against lawsuits or paying awards or settlements; 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; significant increases in benefit plan costs or lower investment returns on plan assets; changes in tax laws or treaties, or in their interpretation; and 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.

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

	2Q 2022
Reported EPS	\$1.24
Special items:	
Amortization of acquisition-related intangible assets	\$0.04
Net pension remeasurement charge	\$0.03
Adjusted EPS*	\$1.31

* Non-GAAP measure.
Note: Amounts may not add due to rounding.



**Hans
Vestberg**

Progress made this quarter



Consumer

- Launched **Welcome Unlimited** plan without device subsidies
- Continued **premium plan adoption** and implemented **pricing actions**
- Increased **FWA net adds** by 50% over 1Q 2022



Business

- Strong **wireless net adds** of 430K
- **5G infrastructure** transformations across Global Enterprise clients
- Expanded **Private 5G** and **MEC** ecosystem with new partnerships



Network

- **135 Million POPs** covered by C-Band
- C-Band **usage up 233%** over 1Q 2022
- Ranked **best wireless network quality** by J.D. Power 29 times in a row



**Matt
Ellis**

Mobility

2Q 2022

Operating Metrics

6.0M

Wireless postpaid upgrades
(up 12.2% Y/Y)

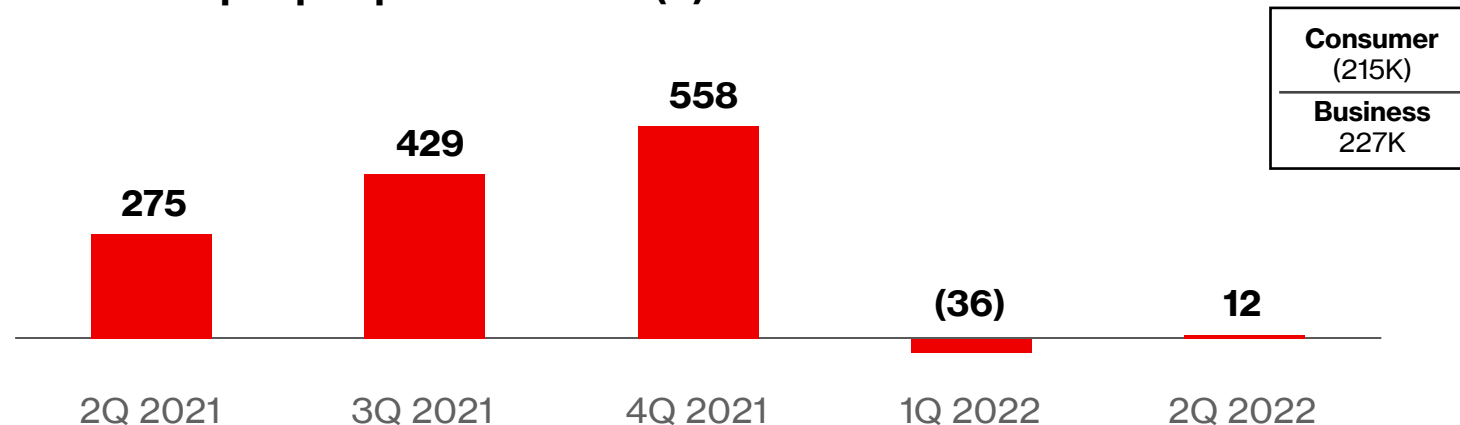
4.2M

Wireless retail postpaid gross adds
(up 10.3% Y/Y)

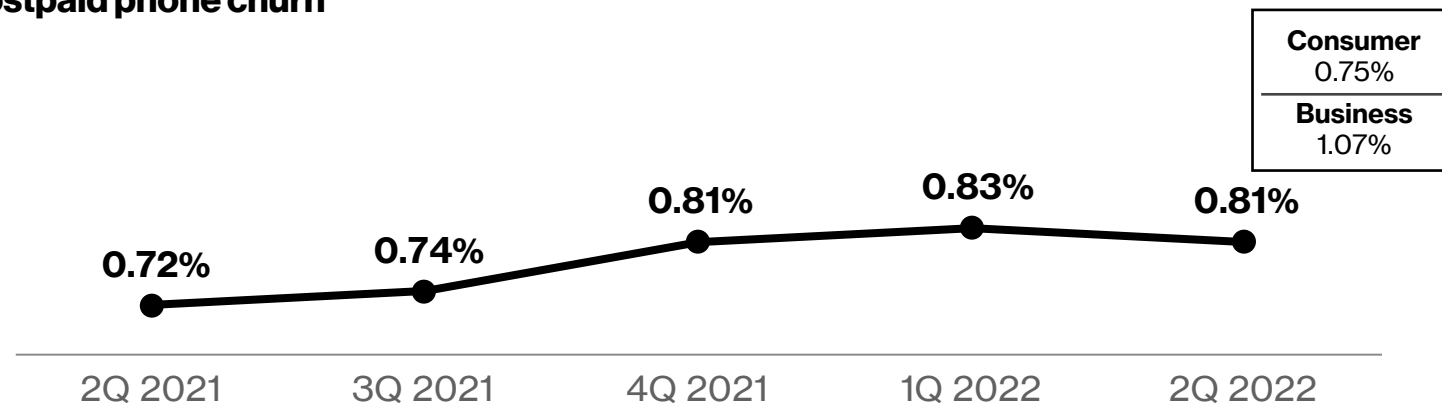
\$124.16

Consumer postpaid ARPA
(up 2.4% Y/Y)

Wireless retail postpaid phone net adds* (K)



Postpaid phone churn



* Includes certain adjustments.

Business momentum driving phone volumes



Broadband

2Q 2022

Operating Metrics

Expanded household
and business location
availability

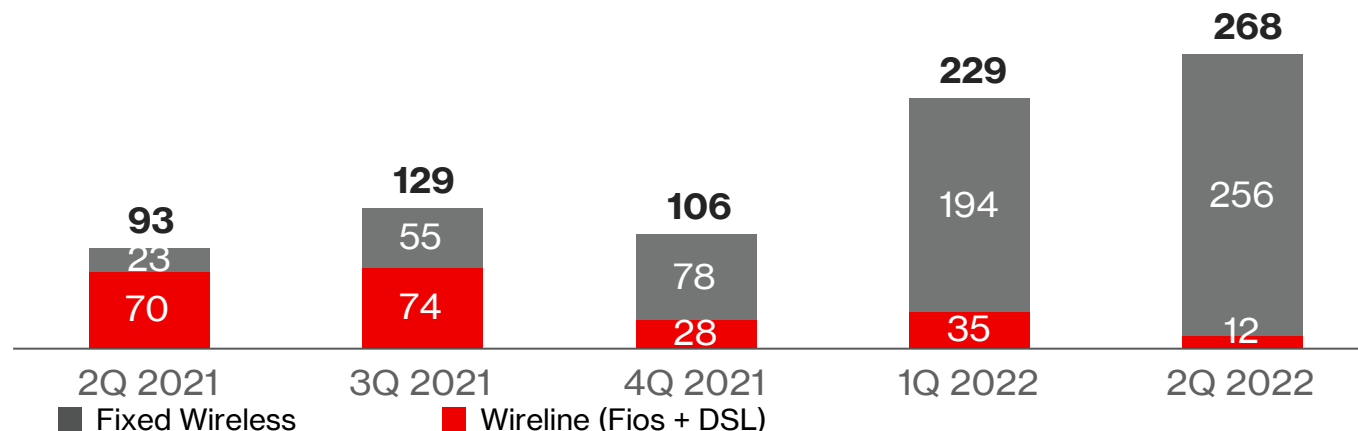
36K

Fios internet net adds

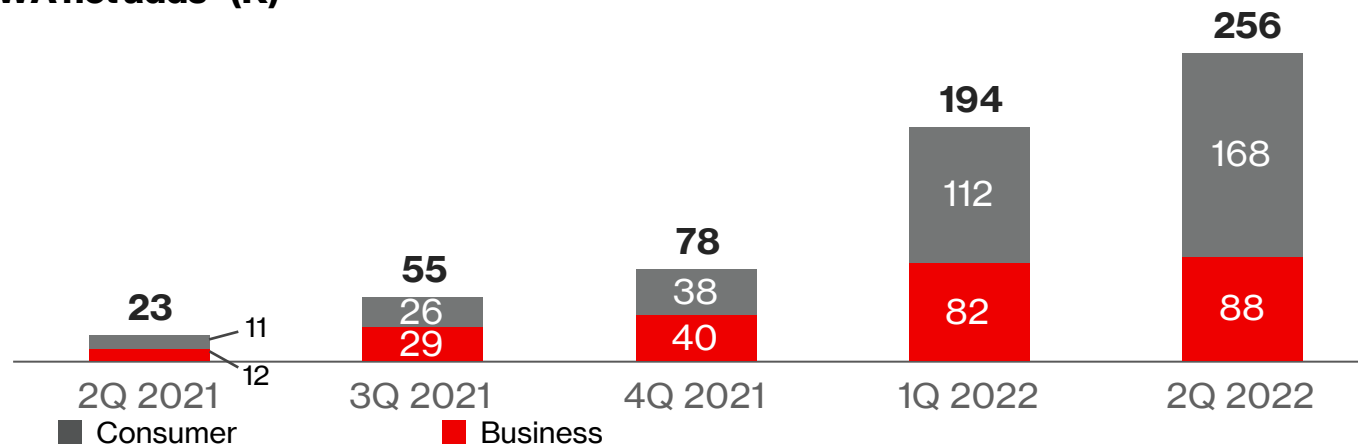
\$3.2B

Total Fios revenue
(up 0.5% Y/Y)

Broadband net adds* (K)



FWA net adds* (K)



* Includes certain adjustments.

Fixed wireless net adds accelerating



Value Market

2Q 2022

Operating Metrics

Tracfone integration
on track

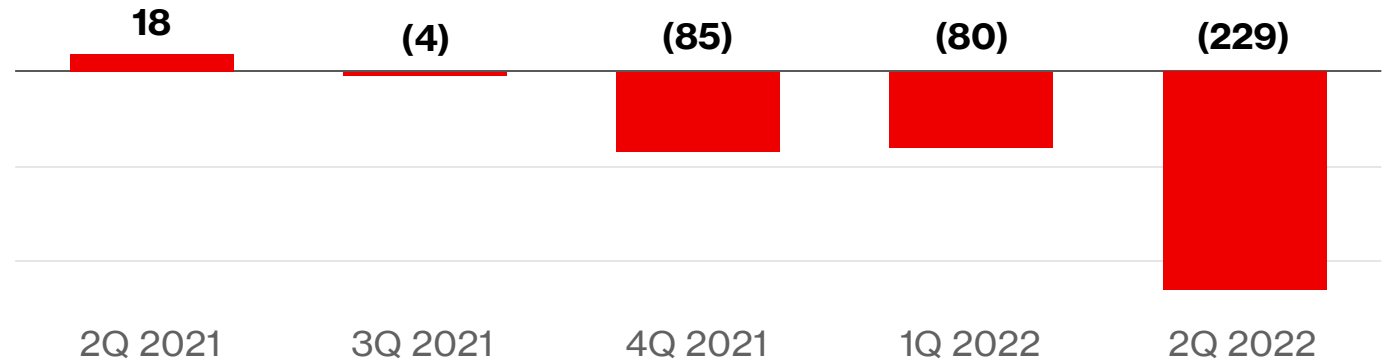
(227K)

Tracfone net adds

23.1M

Total prepaid connections

Prepaid net adds (K)



Prepaid ARPU*



* The acquisition of TracFone Wireless, Inc. was completed on November 23, 2021.

Note: 2Q 2022 net adds exclude a base adjustment of 402K related to a competitor's 3G network shutdown.

Focused on value proposition and operating synergies



Consolidated 2Q 2022 Financial Summary

\$33.8B

Total revenue
(up 0.1% Y/Y)

\$11.9B

Adjusted EBITDA*
(down 2.6% Y/Y)
(Adjusted EBITDA margin of 35.1%)*

\$1.31

Adjusted EPS*
(down 5.8% Y/Y)**

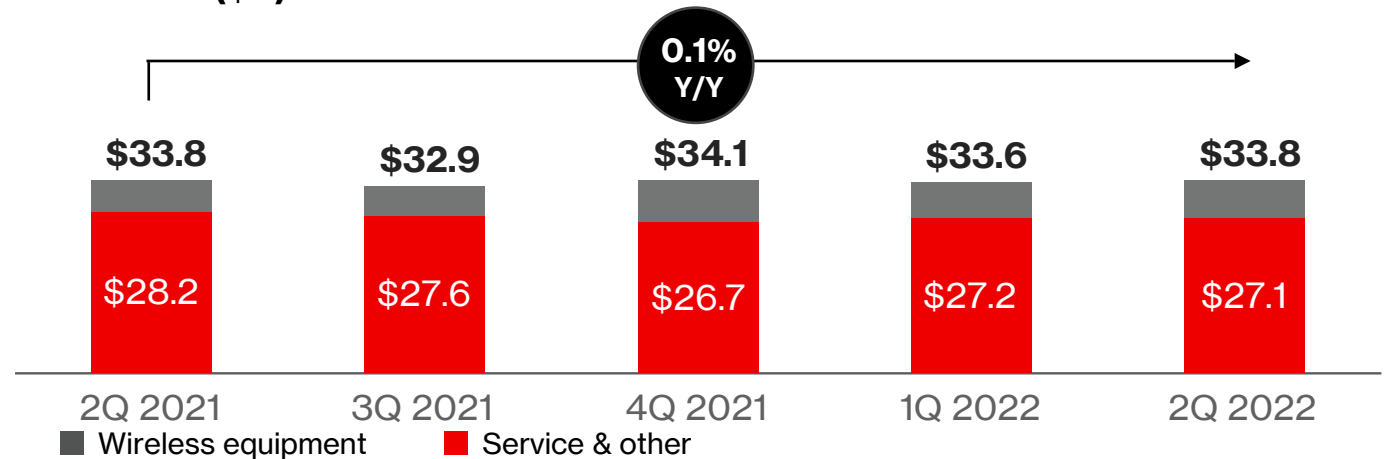
* Non-GAAP measure.

** Adjusted EPS for the prior year period has been reclassified to conform to current period presentation.

*** Sum of Consumer and Business segments.

Note: Consolidated results include Verizon Media until September 1, 2021 and the acquisition of Tracfone on November 23, 2021.

Total revenue (\$B)



Total Wireless service revenue* (\$B)**



Delivering wireless service revenue growth



Consumer 2Q 2022 Financial Summary

\$25.6B

Total revenue
(up 9.1% Y/Y)

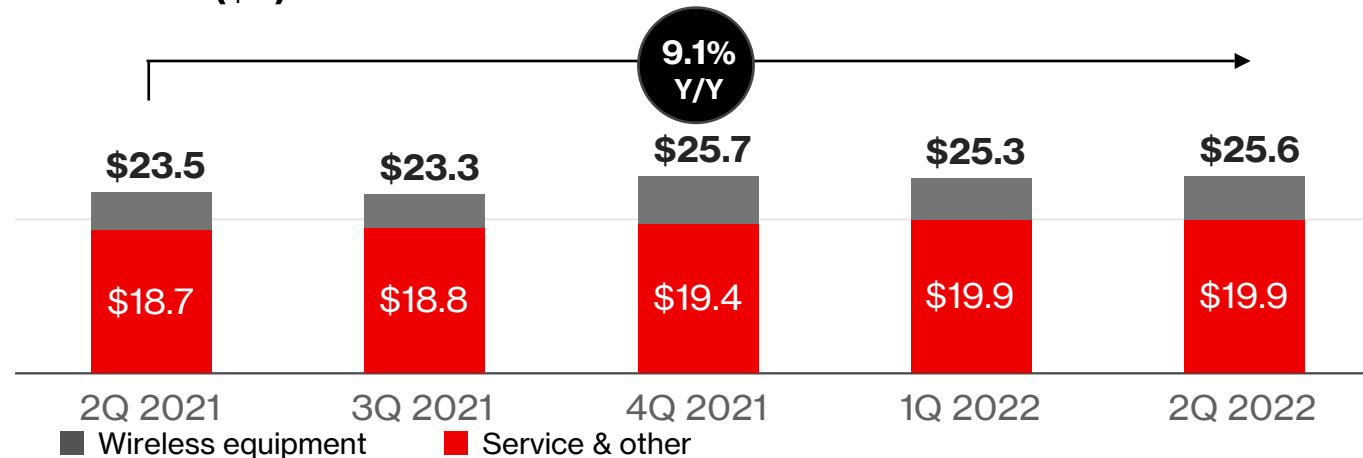
\$2.9B

Fios revenue
(flat Y/Y)

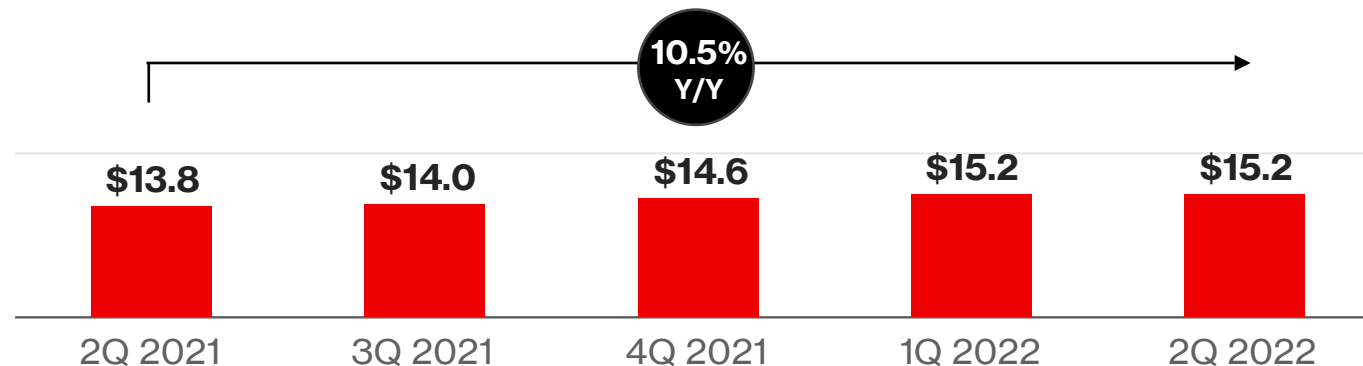
\$10.4B

Segment EBITDA*
(down 0.3% Y/Y)
(Segment EBITDA margin of 40.5%)*

Total revenue (\$B)



Wireless service revenue (\$B)



* Non-GAAP measure.

Note: Consolidated results include the acquisition of TracFone Wireless, Inc. which was completed on November 23, 2021.

Sustained wireless service revenue growth



Business 2Q 2022 Financial Summary

\$7.6B

Total revenue
(down 1.8% Y/Y)

\$1.0B

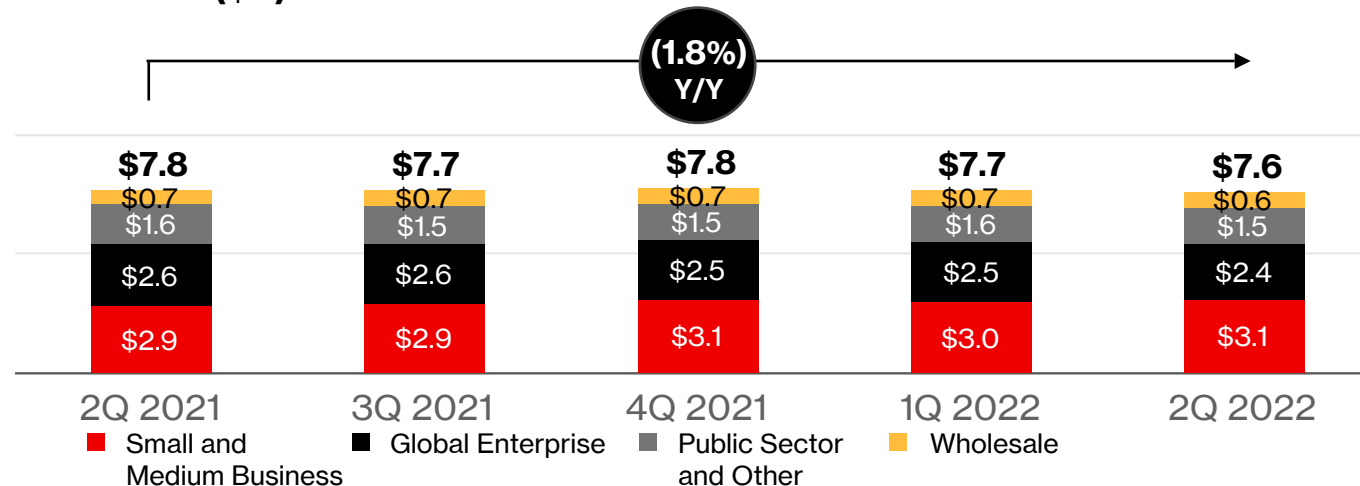
Wireless equipment revenue
(up 20.2% Y/Y)

\$1.7B

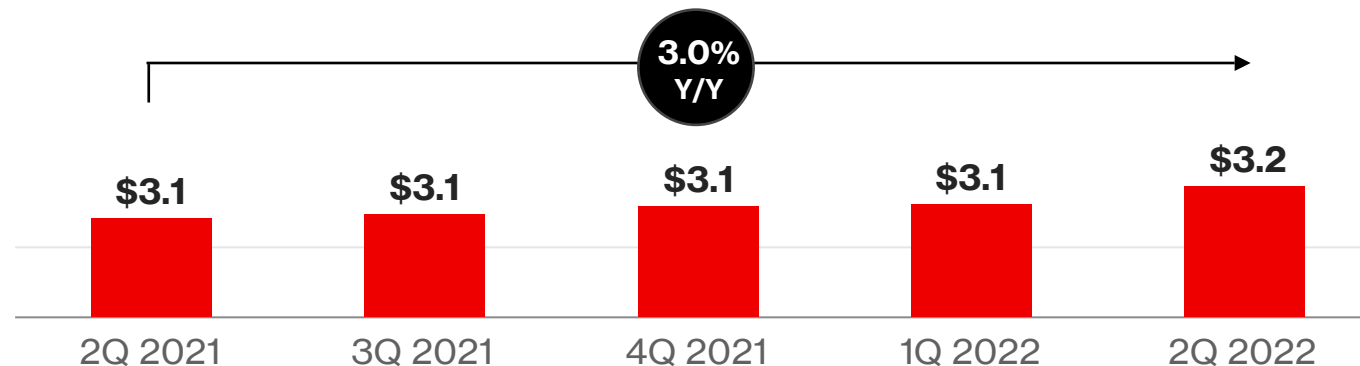
Segment EBITDA*
(down 6.5% Y/Y)
(Segment EBITDA margin of 22.9%)*

* Non-GAAP measure.
Note: Amounts may not add due to rounding.

Total revenue (\$B)



Wireless service revenue (\$B)



Strong demand driving accelerated wireless service revenue growth



Consolidated Cash Flow Summary

(\$ in billions)	1H 2021	1H 2022
Cash flow from operations	\$20.4	\$17.7
Capital expenditures	\$8.7	\$10.5
Free cash flow*	\$11.7	\$7.2
Dividends paid	\$5.2	\$5.4
Total debt	\$151.9	\$149.1
<i>Unsecured debt</i>	\$141.6	\$132.5
<i>Cash and cash equivalents**</i>	\$4.8	\$1.9
<i>Net unsecured debt*</i>	\$136.8	\$130.6
Net unsecured debt to adjusted EBITDA*	2.9x	2.7x

* Non-GAAP measure.

** Includes Cash and cash equivalents held for sale, where applicable.

Note: Amounts may not add due to rounding.

Strong balance sheet and cash flow position us well for uncertain economy



2022 Guidance

	Prior Guidance		Current Guidance
Service and other revenue growth	Approximately flat	▶	(1%) – flat
Total Wireless service revenue growth**	9% – 10%	▶	8.5% – 9.5%
Adjusted EBITDA growth*	2% – 3%	▶	(1.5%) – flat
Adjusted effective tax rate*	23% – 25%	▶	UNCHANGED
Adjusted EPS*	\$5.40 – \$5.55	▶	\$5.10 – \$5.25
Capital expenditures	\$16.5B – \$17.5B +\$5B – \$6B for C-Band	▶	UNCHANGED

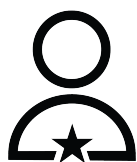
* Non-GAAP measure.

** Sum of Consumer and Business segments.

Note: Prior guidance and updated guidance on an as-reported basis, to the extent applicable.



Focus for second half of the year



Solidify **consumer performance**
and grow **value market**



Continue growth in **Fixed Wireless**
Access connections



Drive **Business Wireless**
subscriptions and expand **MEC**

We are confident in our strategy and our ability to execute across our five vectors of growth



