

# 2Q 2024 Earnings

July 22, 2024



# “Safe Harbor” Statement

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,” “assumes,” “believes,” “estimates,” “expects,” “forecasts,” “hopes,” “intends,” “plans,” “targets” 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: the effects of competition in the markets in which we operate, including the inability to successfully respond to competitive factors such as prices, promotional incentives and evolving consumer preferences; failure to take advantage of, or respond to competitors' use 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 and changing interest rates in the markets in which we operate; 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, acts of war, terrorist attacks or other hostile acts and any resulting financial or reputational impact; disruption of our key suppliers' or vendors' provisioning of products or services, including as a result of geopolitical factors or the potential impacts of global climate change; material adverse changes in labor matters and any resulting financial or operational impact; damage to our reputation or brands; the impact of public health crises on our operations, our employees and the ways in which our customers use our networks and other products and services; changes in the regulatory environment in which we operate, including any increase in restrictions on our ability to operate our networks or businesses; allegations regarding the release of hazardous materials or pollutants into the environment from our, or our predecessors', network assets and any related government investigations, regulatory developments, litigation, penalties and other liability, remediation and compliance costs, operational impacts or reputational damage; 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 regulations, or in their interpretation, or challenges to our tax positions, resulting in additional tax expense or liabilities; 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](http://www.verizon.com/about/investors)

# Strong momentum across the business in 2Q24

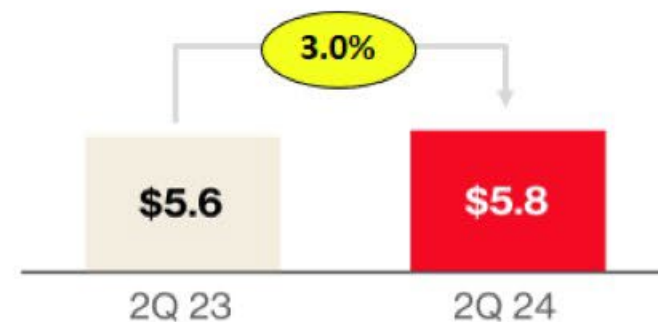
Wireless Service Revenue (\$B)<sup>1</sup>



Adjusted EBITDA (\$B)<sup>2</sup>



Free Cash Flow (\$B)<sup>2</sup>



<sup>1</sup> Sum of Consumer and Business segments.

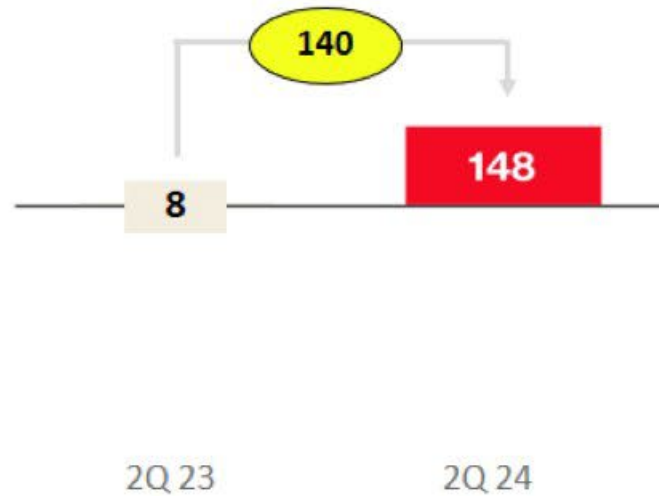
<sup>2</sup> Non-GAAP measure.

**Delivered year-over-year growth on key financial metrics - on track to deliver 2024 guidance**

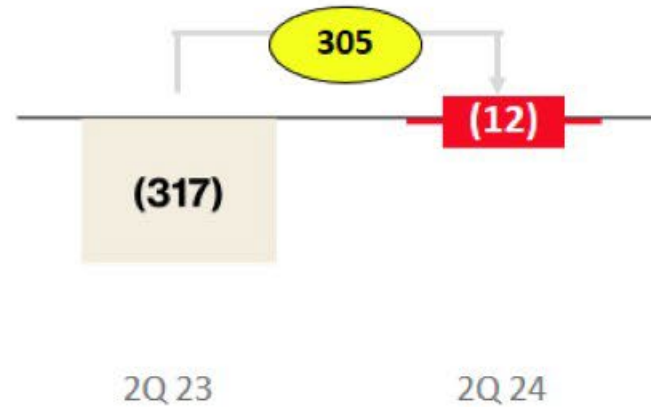


# Strong operational execution

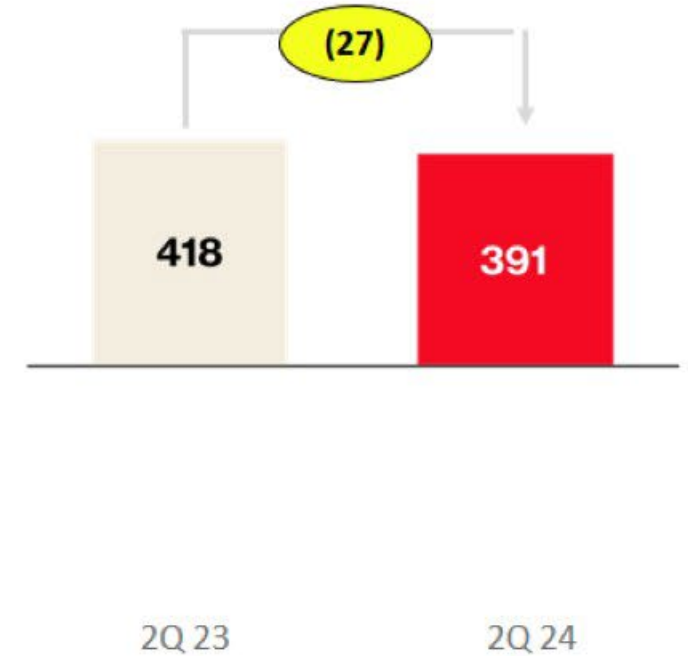
Postpaid Phone Net Adds (K)



Prepaid Net Adds  
excluding SafeLink (K)



Broadband Net Adds (K)



Note: Where applicable, the operating results reflect certain adjustments.

**Continued mobility improvements driven by segmented market approach and new products**

# Operating metrics

**2.5M**

Wireless retail postpaid phone gross adds  
(up 9.3% Y/Y)

**1.8M**

Consumer wireless retail postpaid phone gross adds  
(up 12.0% Y/Y)

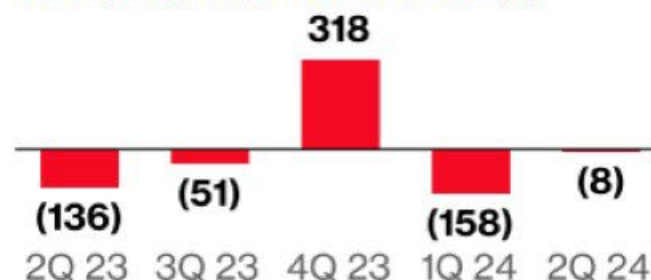
**3.5M**

Wireless postpaid upgrades  
(down 12.5% Y/Y)

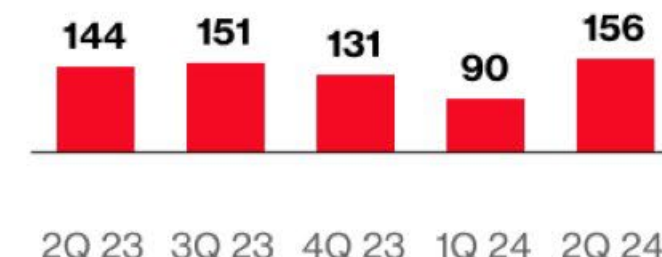
**28K**

Fios internet net adds

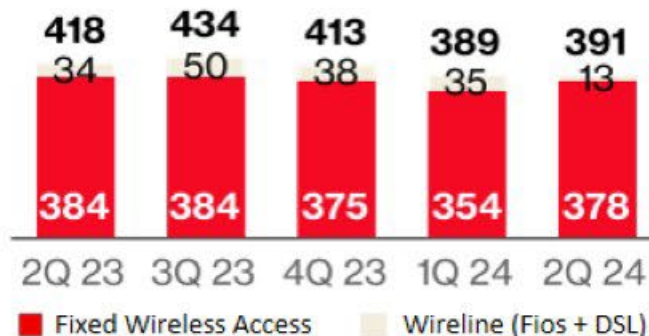
Consumer  
retail postpaid phone net adds (K)



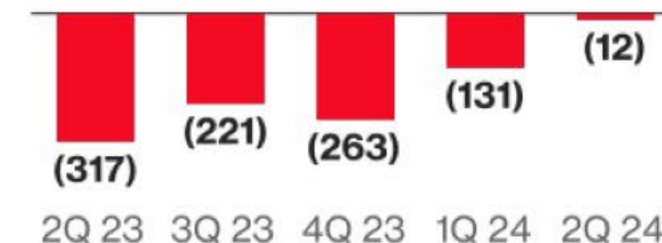
Business  
retail postpaid phone net adds (K)



Broadband net adds (K)



Prepaid net adds,  
excluding Safelink (K)



Note: Where applicable, the operating results reflect certain adjustments.

**Strong momentum across key operating metrics**

# Consolidated financial summary

**\$32.8B**

Total revenue  
(up 0.6% Y/Y)

**\$12.3B**

Adjusted EBITDA<sup>1</sup>  
(up 2.8% Y/Y)  
(Adjusted EBITDA margin of 37.5%)<sup>1</sup>

**\$1.15**

Adjusted EPS<sup>1</sup>  
(down 5.0% Y/Y)

<sup>1</sup> Non-GAAP measure.

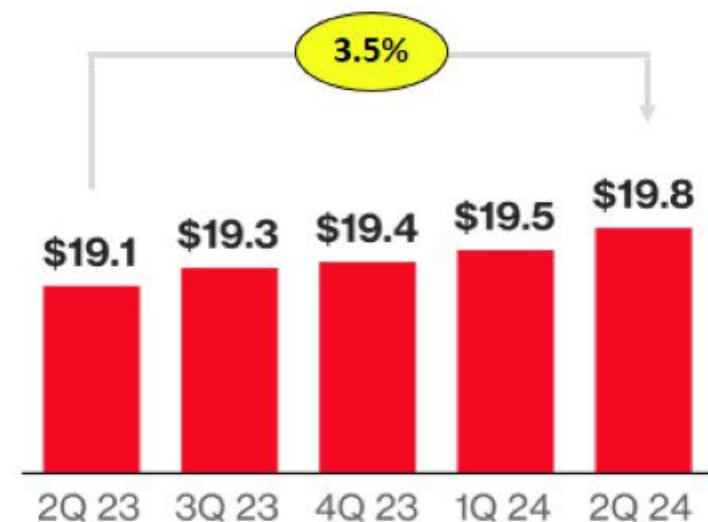
<sup>2</sup> Sum of Consumer and Business segments.

Note: Amounts may not add due to rounding.

Total revenue (\$B)



Total Wireless service revenue (\$B)<sup>2</sup>



**Strong growth in wireless service revenue and Adjusted EBITDA**

# Consolidated cash flow summary

(\$ in billions)	1H 2023	1H 2024
Cash flow from operations	\$18.0	\$16.6
Capital expenditures	\$10.1	\$8.1
Free cash flow <sup>1</sup>	\$8.0	\$8.5
Dividends paid	\$5.5	\$5.6
<b>Total debt</b>	<b>\$152.7</b>	<b>\$149.3</b>
Unsecured debt	\$131.4	\$125.3
Cash and cash equivalents	\$4.8	\$2.4
Net unsecured debt <sup>1</sup>	\$126.6	\$122.8
<b>Net unsecured debt to adjusted EBITDA<sup>1</sup></b>	<b>2.6x</b>	<b>2.5x</b>

<sup>1</sup> Non-GAAP measure.

Note: Amounts may not add due to rounding.

**Free cash flow generation remains strong and funds capital allocation priorities**



# Looking ahead to 2H2024

- 1 Grow wireless service revenue, expand Adjusted EBITDA and generate strong free cash flow
- 2 Continue to deploy C-band, and scale broadband and private networks while driving mobility growth
- 3 Focus on operational excellence, customer experience and financial discipline
- 4 Execute on our capital allocation priorities
- 5 Enable AI at scale while leveraging it to improve our business and customer service



