

4Q 2021 EARNINGS

January 25, 2022

verizon^v

“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; 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

	4Q 2021	2021
Reported EPS	\$1.11	\$5.32
<i>Special items:</i>		
Net early debt redemption costs	\$0.43	\$0.63
Net severance, pension and benefits credits	(\$0.20)	(\$0.39)
Net gain from dispositions of assets and businesses	(\$0.02)	(\$0.20)
Loss on spectrum licenses	–	\$0.04
Adjusted EPS*	\$1.31	\$5.39

Note: Amounts may not add due to rounding.

* Non-GAAP measure.



Unparalleled Execution: Positioning for the Future while Consistently Delivering Results



**Purchased 161MHz of C-Band & Achieved
95M+ POPs covered**



Divested Non-Core Assets: Verizon Media



Completed Tracfone Acquisition



Delivered on Financial Objectives



2021 Objectives Achieved



Operational

- **Exceeded** 15M FWA households covered target with over 20M at YE21
- **Exceeded** 14K 5G UWB site target reaching ~33K at YE21
- Best **Fios Internet** annual net adds since 2014
- **Most awarded** for Network Quality, by J.D. Power – 28 times in a row

* Non-GAAP measure.



Financial

- **Raised and delivered** total Wireless service revenue and Adjusted EPS* guidance
- Adjusted EPS* \$5.39, up **10.0%** Y/Y
- 15th consecutive year of **dividend increase**



ESG

- Continued investment to promote **digital inclusion**
- Contracted for approximately 2.6GW of anticipated **renewable energy** in US since 2019
- Named **Top 10** on JUST Capital 100 list of top companies for work on ESG issues



Consolidated Financial Summary

4Q 2021

\$34.1B

Total revenue
(down 1.8% Y/Y)

\$11.8B

Adjusted EBITDA*
(up 0.3% Y/Y)
(EBITDA margin of 34.5%)*

\$1.31

Adjusted EPS*
(up 8.3% Y/Y)

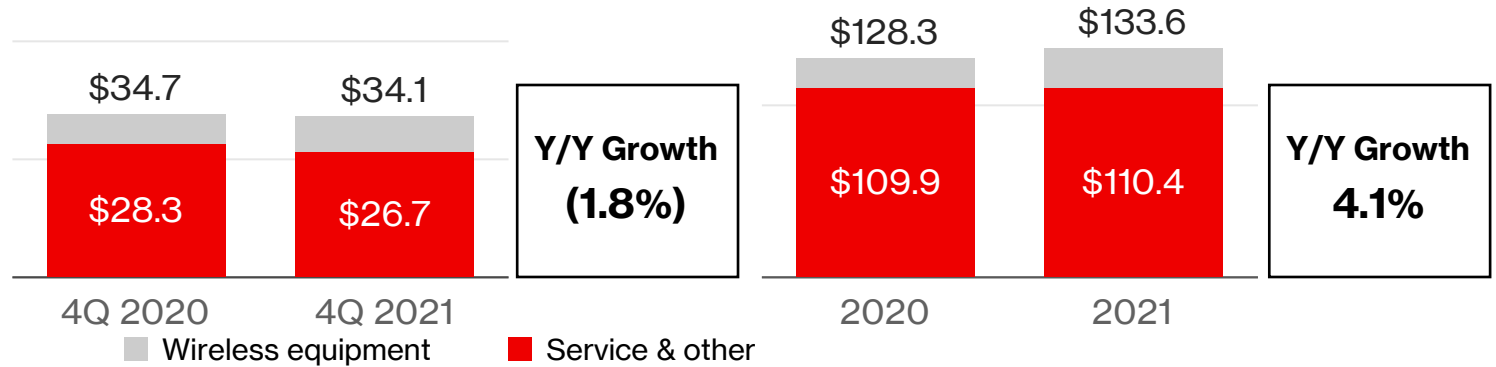
* Non-GAAP measure.

** Sum of Consumer and Business segments.

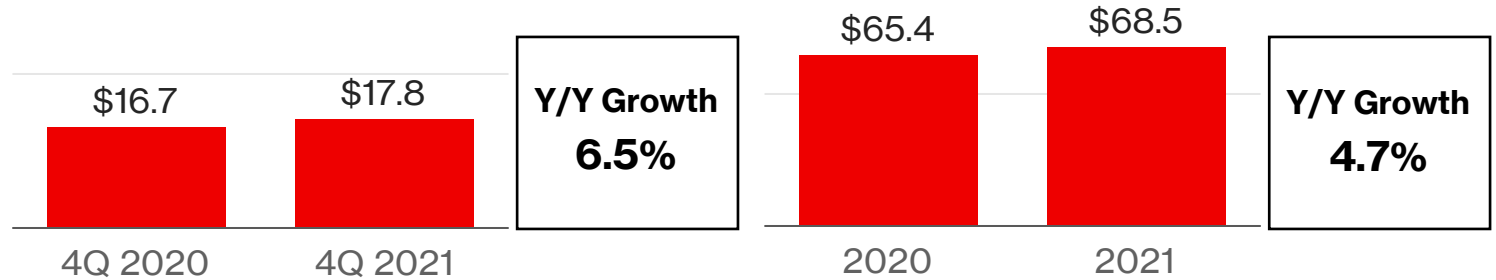
Note: Consolidated results include Verizon Media until September 1, 2021 and the acquisition of Tracfone on November 23, 2021.



Total revenue (\$B)



Total Wireless service revenue** (\$B)



Delivered strong financial performance

Consolidated 4Q 2021 Key Metrics



11.4M

Wireless postpaid device activations



1.1M

Wireless retail postpaid net adds*



6.7M

Wireless postpaid upgrades



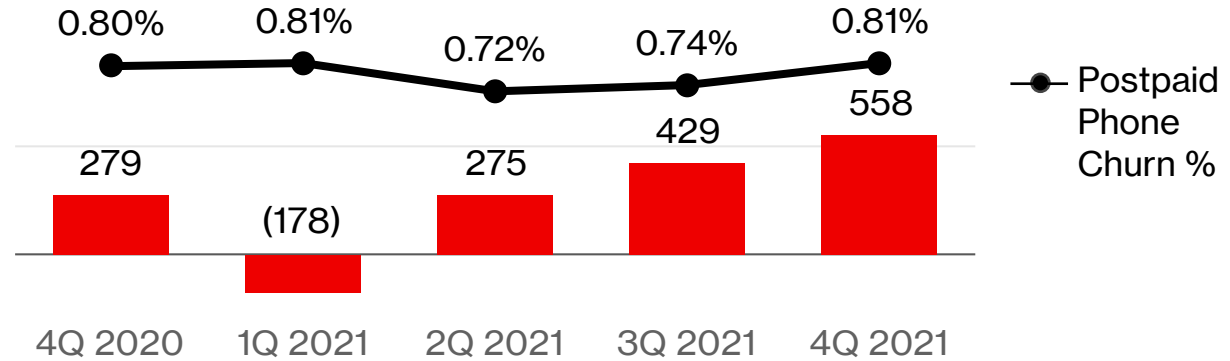
47K

Wireless retail account net adds*

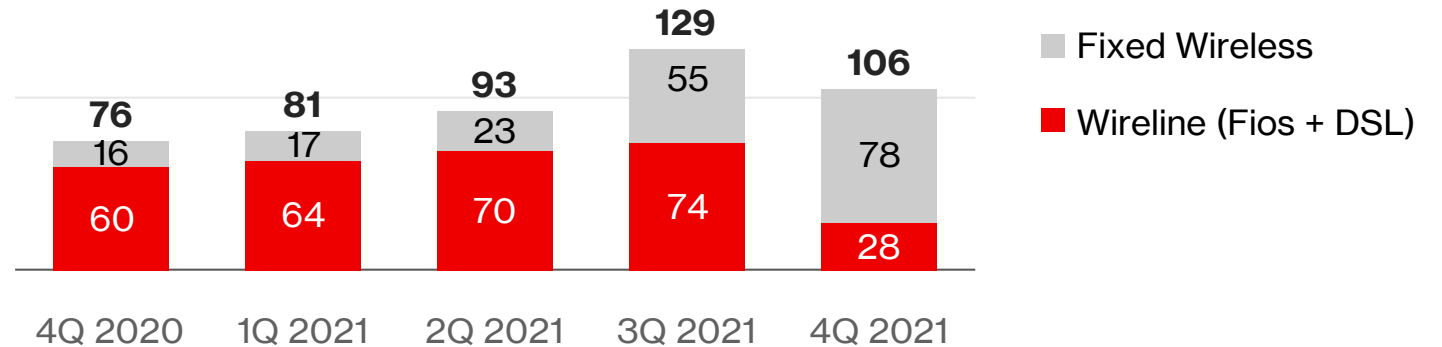
* Includes certain adjustments.

** Total broadband metric displayed includes Wireline broadband (Fios and DSL) and fixed wireless as well as certain adjustments.

Wireless retail postpaid phone net adds* (K)



Total broadband net adds** (K)



Adding high quality customers

Consumer Financial Summary

4Q 2021

\$25.7B

Total revenue
(up 7.4% Y/Y)

\$2.9B

Fios revenue
(up 5.6% Y/Y)

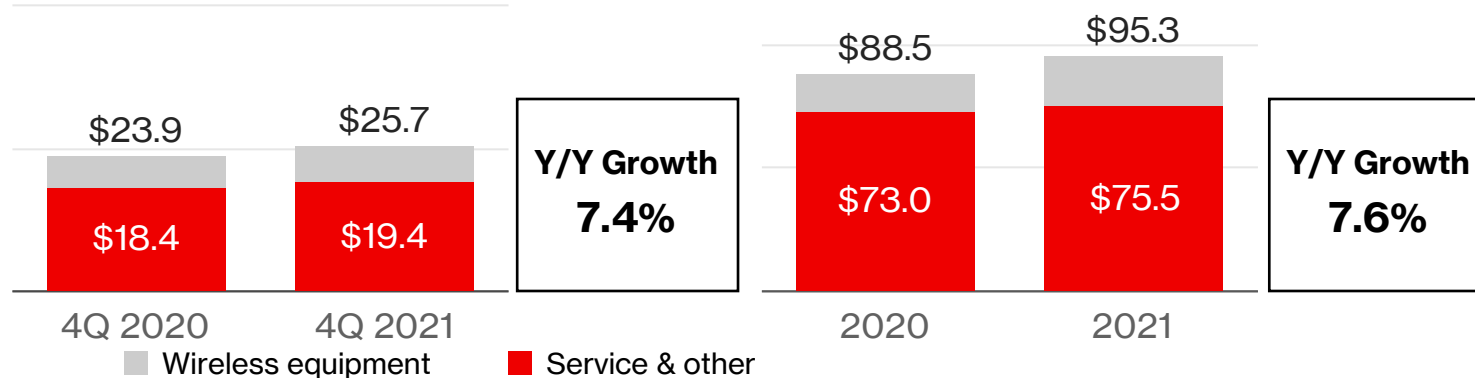
\$10.3B

Segment EBITDA*
(up 4.1% Y/Y)
(Segment EBITDA margin of 40.3%)*

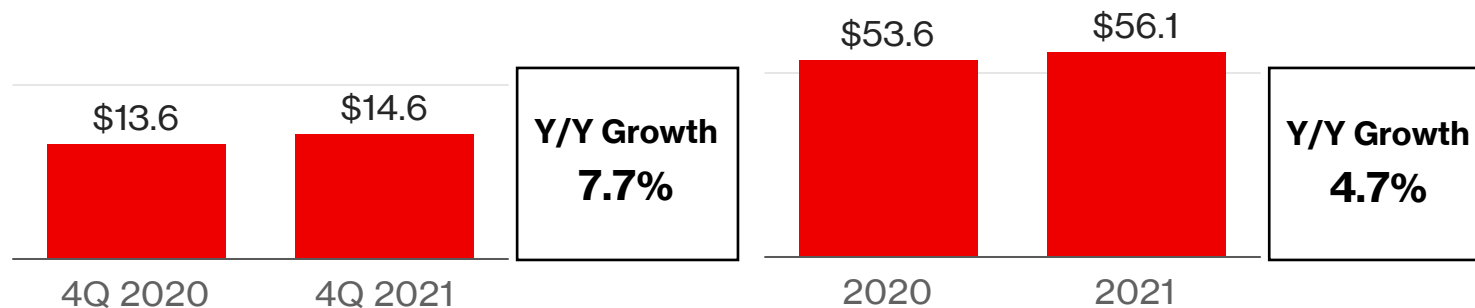
* Non-GAAP measure.



Total revenue (\$B)



Wireless service revenue (\$B)



Strong Fios and wireless service revenue growth

Consumer 4Q 2021 Key Metrics



9.0M

Wireless postpaid device activations



667K

Wireless retail postpaid net adds*



51K

Fios internet net adds



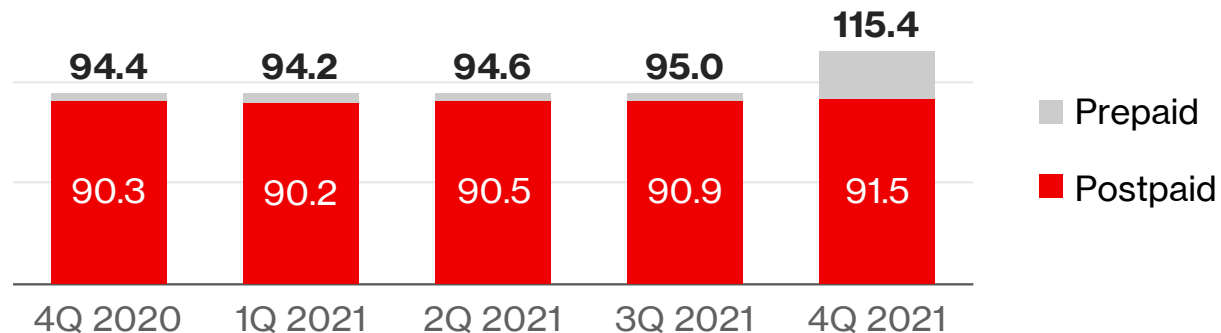
(69K)

Fios video net adds

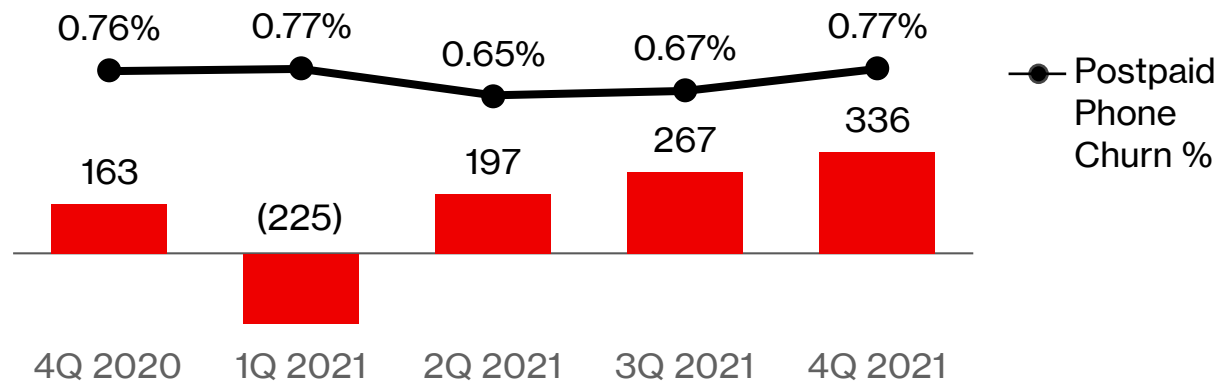
* Includes certain adjustments.



Wireless retail connections (M)



Wireless retail postpaid phone net adds* (K)



Strong retention contributes to healthy volumes

Business Financial Summary

4Q 2021

\$7.8B

Total revenue
(down 3.0% Y/Y)

\$1.0B

Wireless equipment revenue
(up 9.6% Y/Y)

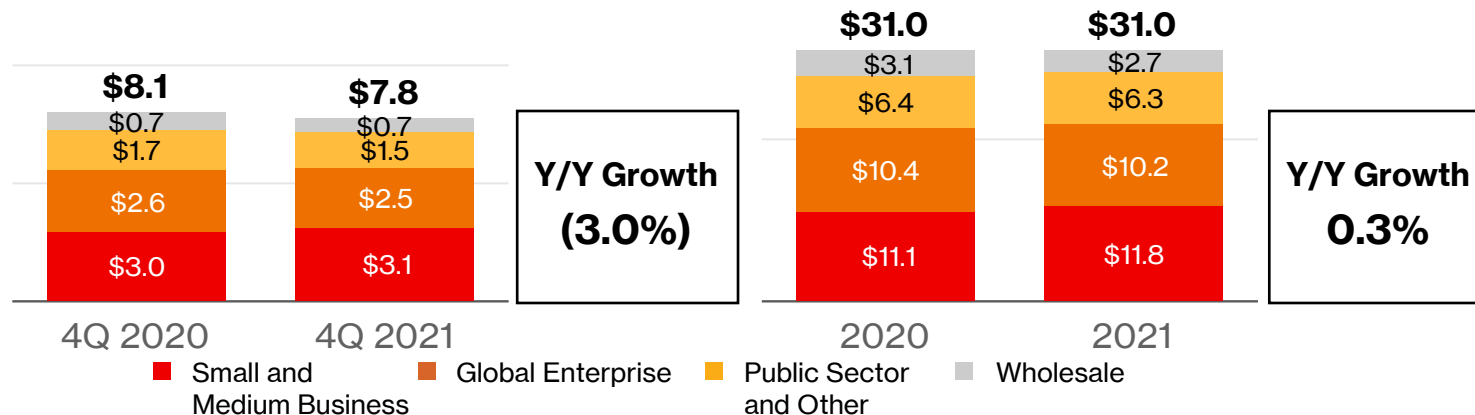
\$1.8B

Segment EBITDA*
(down 7.4% Y/Y)
(Segment EBITDA margin of 23.5%)*

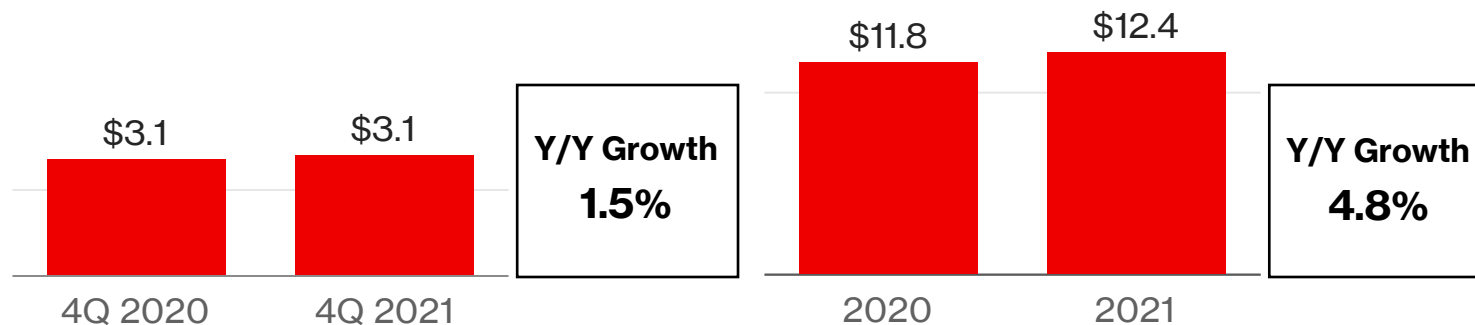
Note: Amounts may not add due to rounding.
* Non-GAAP measure.



Total revenue (\$B)



Wireless service revenue (\$B)



Momentum building in Enterprise and SMB

Business 4Q 2021 Key Metrics



2.4M

Postpaid device activations

- Gross adds up 10.3%
- Phone gross adds up 21.5%



391K

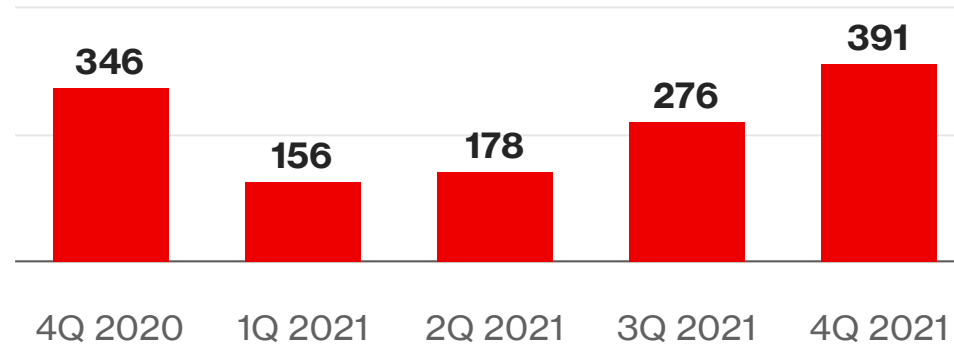
Wireless retail postpaid net adds*

- 222K Phone net adds*
- 105K Tablet net adds*

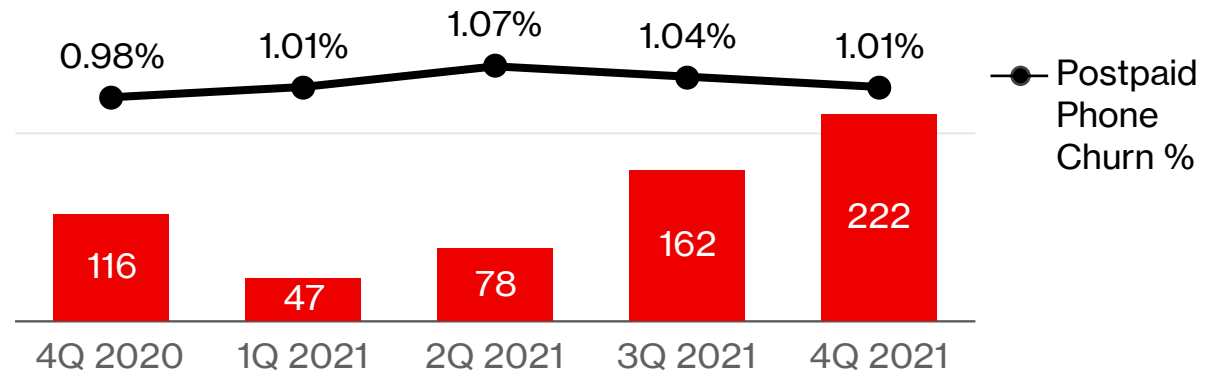
* Includes certain adjustments.



Wireless retail postpaid net adds* (K)



Wireless retail postpaid phone net adds* (K)



Strongest volumes since onset of pandemic

Consolidated Cash Flow Summary

<i>(\$ in billions)</i>	2020	2021
Cash flow from operations	\$41.8	\$39.5
Capital expenditures	\$18.2	\$20.3
Free cash flow*	\$23.6	\$19.3
Dividends paid	\$10.2	\$10.4
Total debt	\$129.1	\$150.9
<i>Unsecured debt</i>	\$118.5	\$136.7
<i>Cash and cash equivalents</i>	\$22.2	\$2.9
<i>Net unsecured debt*</i>	\$96.3	\$133.7
Net unsecured debt to adjusted EBITDA*	2.0x	2.8x

Strong cash generation supported network investment

Note: Amounts may not add due to rounding.

* Non-GAAP measure.

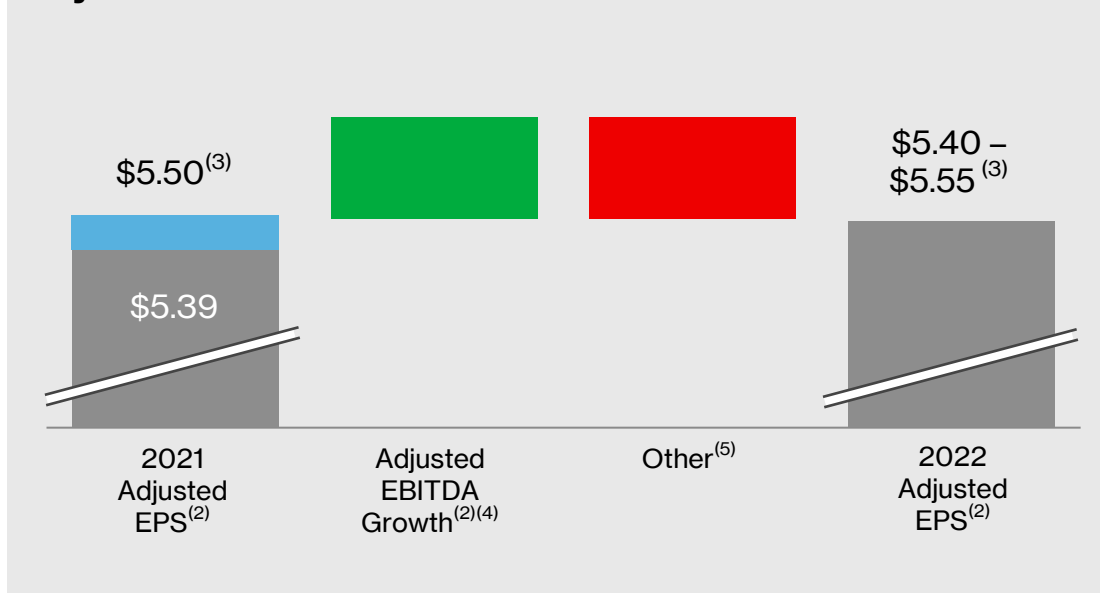


2022 Guidance

Guidance

Service and other revenue growth	1.0% – 1.5% as reported (~3%, excluding VMG & Tracfone)
Total Wireless service revenue growth⁽¹⁾	9% – 10% as reported (3%+ excluding Tracfone)
Adjusted EBITDA growth⁽²⁾	2% – 3% as reported
Adjusted effective tax rate⁽²⁾	23% – 25%
Adjusted EPS⁽²⁾	\$5.40 – \$5.55
Capital expenditures	\$16.5B – \$17.5B +\$5B – \$6B for C-Band

Adjusted EPS



⁽¹⁾ Sum of Consumer and Business segments.

⁽²⁾ Non-GAAP measure.

⁽³⁾ 2021 and 2022 exclude \$0.11 and approximately \$0.17 – \$0.19 of acquisition-related intangible amortization, respectively.

⁽⁴⁾ Includes Adjusted EBITDA impact of strategic transactions.

⁽⁵⁾ Includes additional D&A, lower capitalized interest, pension & OPEB expense, Tracfone share issuance and other non-cash items.



2022 Priorities



Drive Operational & Financial Discipline

- Execute growth across 5 vectors
- Deliver on 2022 financial targets
- Maintain healthy balance sheet



Strengthen & Grow Core Business

- Leverage C-Band to drive customer and ARPA growth
- Drive differentiation through:
 - Ultra Wideband
 - Mix + Match
 - Tracfone



Leverage Assets to Drive New Growth

- Accelerate MEC and IoT partnerships
- Extend Network leadership with:
 - 5G
 - C-Band
 - mmWave
 - FWA



Cultivate Purpose-Driven Culture

- Focus on responsible business via Citizen Verizon and EDISON Alliance:
 - Digital Inclusion
 - Climate Protection
 - Human Prosperity



