

# 1Q 2022 Earnings Results



## Investing in long-term growth:

- Building on 2021 momentum; 5 growth vectors in play and driving growth
- C-Band off to a fast start with excellent performance
- Strong fixed wireless momentum in both Consumer and Business

## 2022 Priorities



**Drive Operational & Financial Discipline**



**Strengthen & Grow Core Business**



**Leverage Assets to Drive New Growth**



**Cultivate Purpose-Driven culture**

### Hans Vestberg, Verizon Chairman and CEO

“Our operational performance in the first-quarter further positions Verizon for long-term growth and increases our competitive standing in mobility, nationwide broadband, the value market and above the network business solutions and applications.”

### Matt Ellis, Executive Vice President and CFO

“At our Investor Day last month, we presented our strategy for investing in and growing the business to generate an incremental \$14B of service and other revenue by 2025. The bottom-line performance of our results today shows the strength of our core business to deliver profitability, even during a period of significant investment.”

### Network Leadership

- RootMetrics® named Verizon the most reliable 5G network in the United States<sup>1</sup>
- At least 175M people are expected to be covered with 5G Ultra Wideband by year-end 2022
- 5G Ultra Wideband deployment and adoption are accelerating:
  - Now covers approximately 113M people with 5G UW
  - Continued strong mmWave deployment with more than 35,000 sites deployed to date
  - Where C-Band is deployed, 30% of all of our wireless traffic uses C-Band spectrum
  - Ability to deploy 5G UW to an additional 40M people in over 30 new markets with early access to C-Band spectrum

### Delivering Financial Performance and Growth

- Total Wireless service revenue<sup>2</sup> of \$18.3B, up 9.5% YoY
- Operating revenue of \$33.6B, up 2.1% YoY
- Adjusted EPS<sup>3</sup> of \$1.35, versus \$1.36<sup>4</sup> last year
- Delivered 229,000 total broadband<sup>5</sup> net additions, representing our highest net additions in over a decade
- 194,000 fixed wireless net additions, 2.5 times the fourth quarter 2021 net additions
- Industry leading 143.0 million total retail connections, including postpaid phone net loss of 36,000, an 80% improvement from a year ago and the best first-quarter phone performance since 2018
- Total retail postpaid churn of 1.04%, and retail postpaid phone churn of 0.83%

<sup>1</sup>Most reliable 5G network based on more first place rankings in RootMetrics® 5G data reliability assessments of 125 metro markets conducted in 2H 2021. Tested with best commercially available smartphones on three national mobile networks across all available network types, excluding C-band. Your experiences may vary. RootMetrics rankings are not an endorsement of Verizon. <sup>2</sup>Total Wireless service revenue represents the sum of Consumer and Business segments. <sup>3</sup>Non-GAAP financial measure. <sup>4</sup>Adjusted EPS for the prior year period has been reclassified to conform to current period presentation. <sup>5</sup>Defined as wireline (Fios and DSL) and fixed wireless.

## 5 Paths to Growth

- Customers are adopting 5G at a faster pace compared to 4G LTE launch
- Launch of C-Band and expansion of Verizon's 5G Ultra Wideband network helped to accelerate fixed wireless access momentum in Consumer and Business, with quarterly additions 2.5 times that of our fourth quarter performance
- Consumer ARPA grew by 2.6%, the result of subscriber loyalty and upgrades
- Early spectrum clearing announcement is a major milestone, allowing Verizon to deploy certain C-Band spectrum a full year sooner than expected and unlocking another 40M addressable population
- Integration of TracFone expanded the size of our addressable consumer market and increased our ability to service customers in all segments
- Verizon Business expanded mobile edge computing to 30% more metro area locations in partnership with AWS
- SMB, Enterprise, and Public Sector each delivered double-digit phone gross add growth and the best quarterly net adds for the group since we formed Verizon Business Group

## Citizen Verizon

We remain focused on serving all four of our stakeholders:

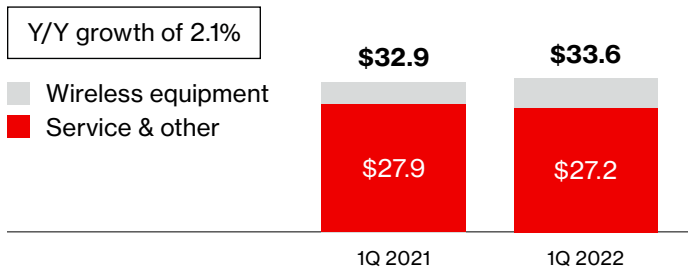
- 2021 ESG Report
- Four \$1B green bonds issued
- 20 renewable energy purchase agreements, totaling approximately 2.6 gigawatts of projected renewable energy capacity
- Verizon Climate Resilience Prize winners received \$500,000 to drive innovations to help underserved communities adapt to climate change
- Over 45,000 small businesses have been supported with the free resources they need to thrive through the Verizon Small Business Digital Ready program
- Achieved over 1.1M volunteer hours through Citizen Verizon Volunteers since the program launch in November 2019

## Cash Flow Summary

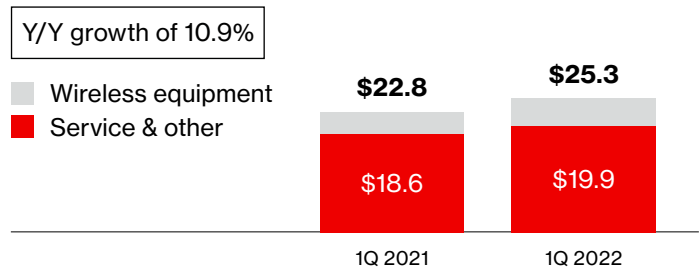
- 1Q22 cash flow from operations of \$6.8B
- 1Q22 Capex of \$5.8B, including \$1.5B related to C-Band
- As of the end of 1Q, net unsecured debt to adjusted EBITDA ratio<sup>3</sup> of approximately 2.8 times

## Financial Summary

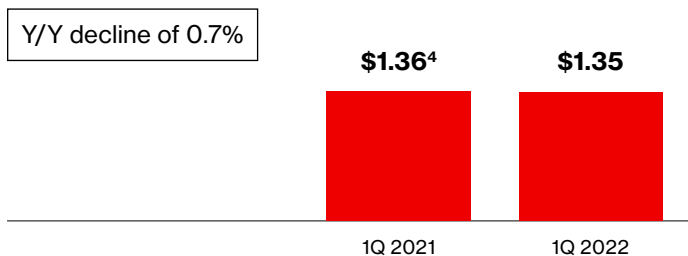
### Total Revenue (\$B)



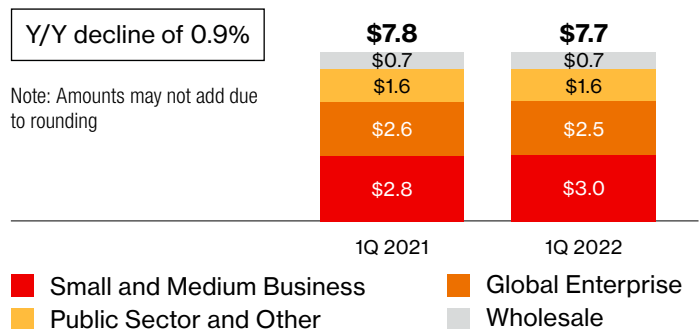
### Consumer Revenue (\$B)



### Adjusted EPS<sup>3</sup>



### Business Revenue (\$B)



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