

3Q 2022 EARNINGS

October 21, 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, 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

| | 3Q 2022 |
|---|---------------|
| Reported EPS | \$1.17 |
| <i>Special items:</i> | |
| Net pension remeasurement charges | \$0.11 |
| Amortization of acquisition-related intangible assets | \$0.04 |
| Adjusted EPS* | \$1.32 |

* Non-GAAP measure.

Note: Amounts may not add due to rounding.



**Hans
Vestberg**

Progress made this quarter



Financial

- Sequential growth in **Wireless Service Revenue** and **Adjusted EBITDA**
- 2022 **guidance** remains **unchanged**
- **Healthy balance sheet** and ability to grow **free cash flow**
- **Increased dividend** for 16th consecutive year



Operational

- Launched new **premium & value consumer offerings**
- Large **5G infrastructure deals** with Global Enterprises & Public Sector
- Strong **broadband momentum** with 377K net adds
- Announced new **Verizon Global Services** organization



Network

- On track to cover **200 million C-Band POPs** within 1Q 2023
- **C-Band usage** up 170% over 2Q 2022
- **40+ million households** covered by Fixed Wireless
- Majority of our 5G sites are connected by **Verizon owned fiber**



**Matt
Ellis**

Mobility

3Q 2022

Operating Metrics

2.6M

Wireless retail postpaid phone gross adds
(up 4.9% Y/Y)

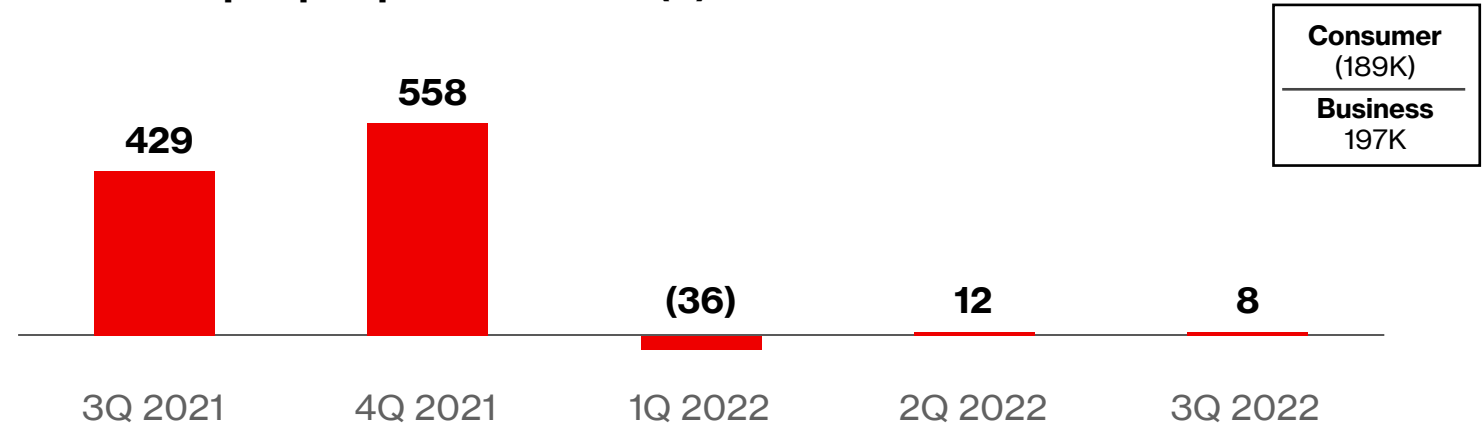
5.6M

Wireless postpaid upgrades
(up 10.6% Y/Y)

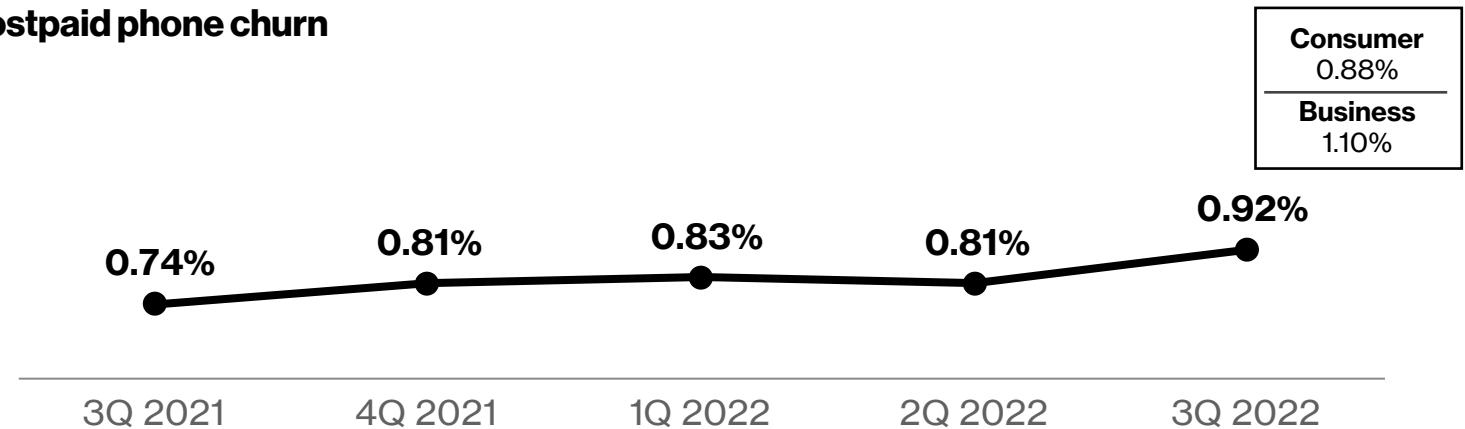
\$127.76

Consumer postpaid ARPA
(up 3.8% Y/Y)

Wireless retail postpaid phone net adds* (K)



Postpaid phone churn



* Includes certain adjustments.

Sequential improvements in ARPA and gross adds



Broadband

3Q 2022

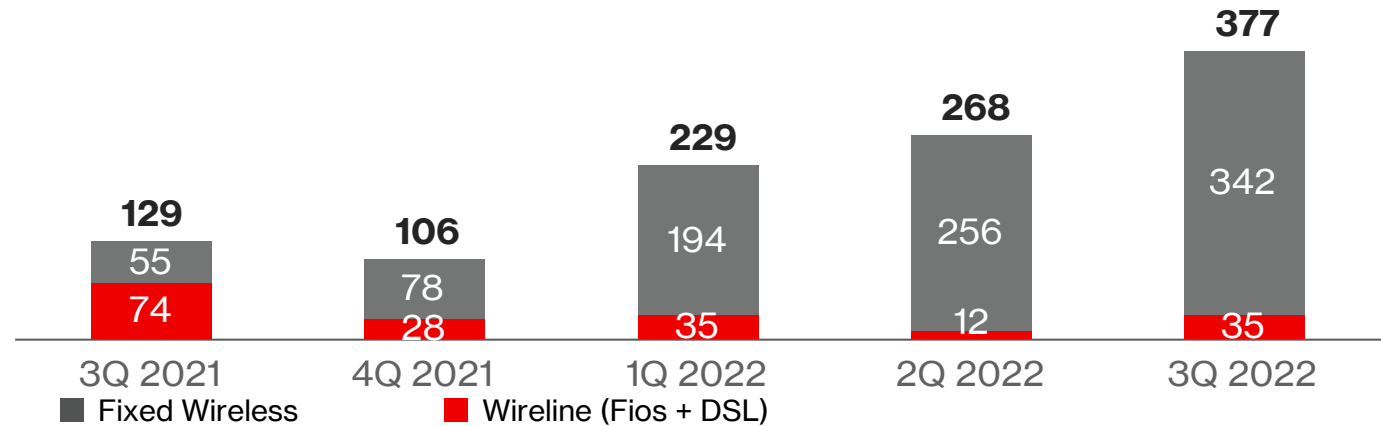
Operating Metrics

Expanded footprint and product offerings

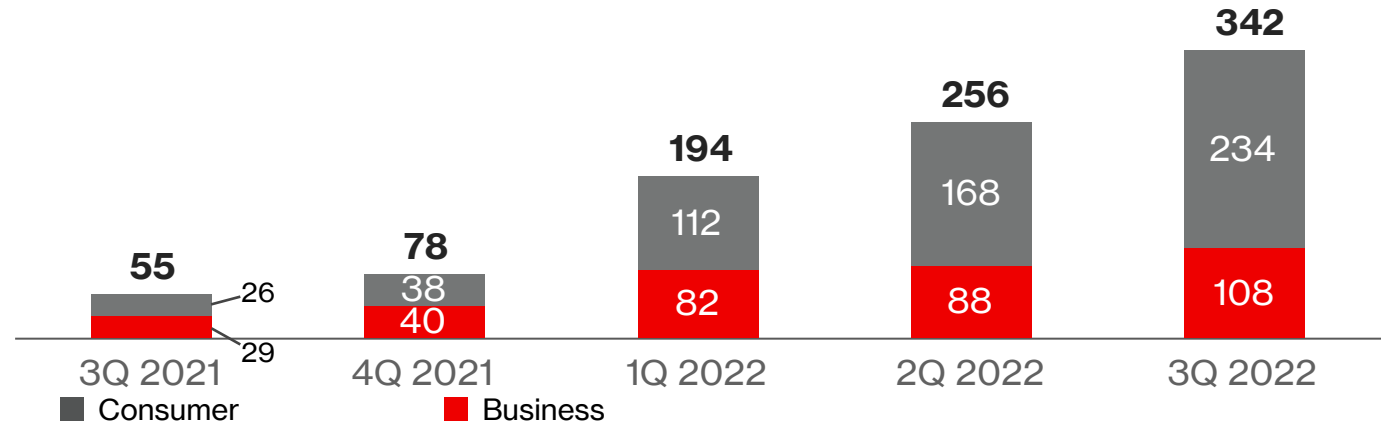
61K
Fios internet net adds

\$3.2B
Total Fios revenue
(up 0.8% Y/Y)

Broadband net adds* (K)



FWA net adds* (K)



* Includes certain adjustments.

Strong demand for reliable and high-value broadband services



Value Market

3Q 2022

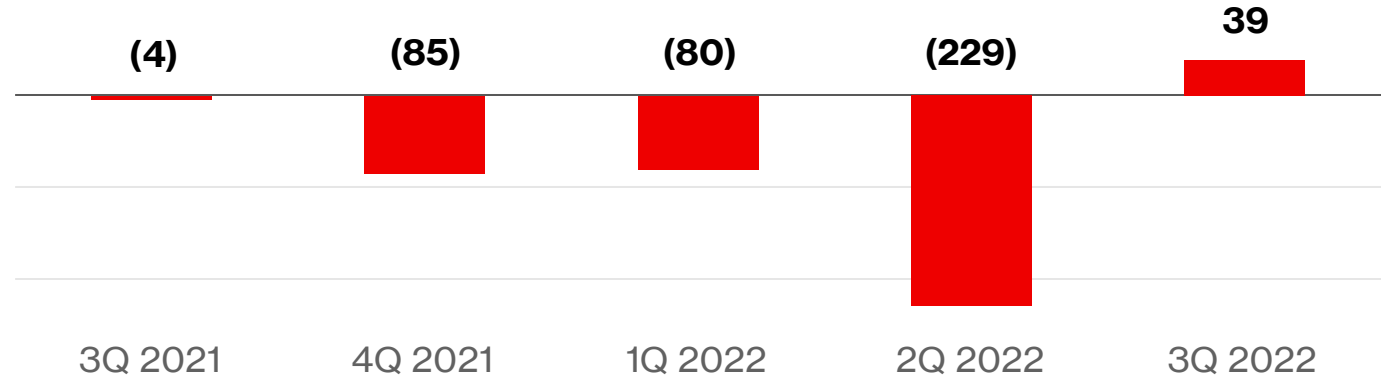
Operating Metrics

Launched Total by Verizon and fixed wireless for prepaid

34K
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: Net adds exclude a base adjustment primarily related to competitors' 3G networks shutdown of 102K in 3Q 2022 and 402K in 2Q 2022.

Positive Tracfone net adds for the first time since 1Q 2021



Consolidated 3Q 2022 Financial Summary

\$34.2B

Total revenue
(up 4.0% Y/Y)

\$12.2B

Adjusted EBITDA*
(down 0.4% Y/Y)
(Adjusted EBITDA margin of 35.7%)*

\$1.32

Adjusted EPS*
(down 7.0% Y/Y)**

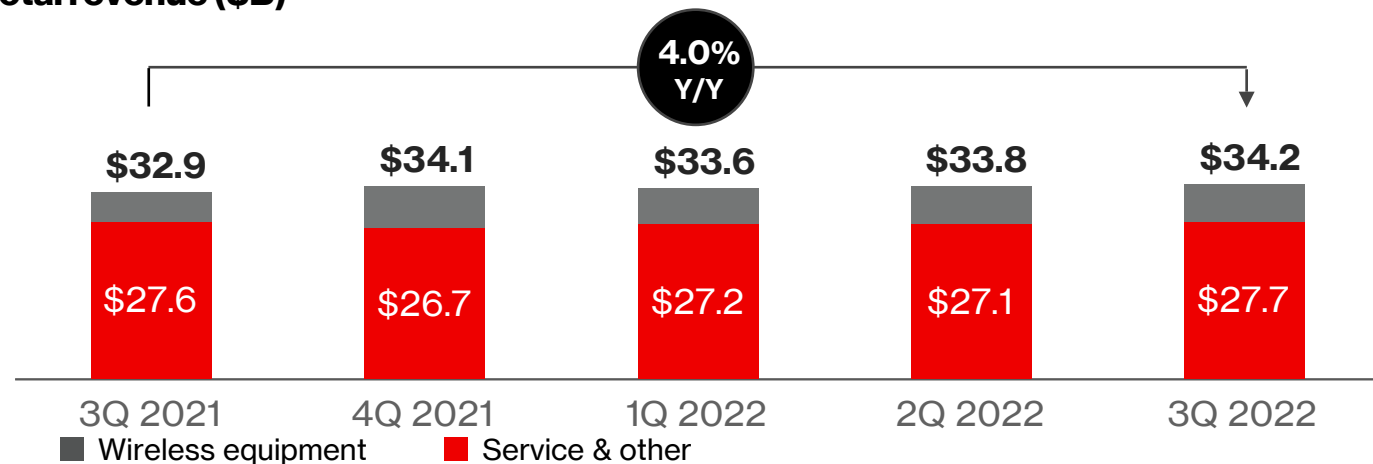
* Non-GAAP measure.

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

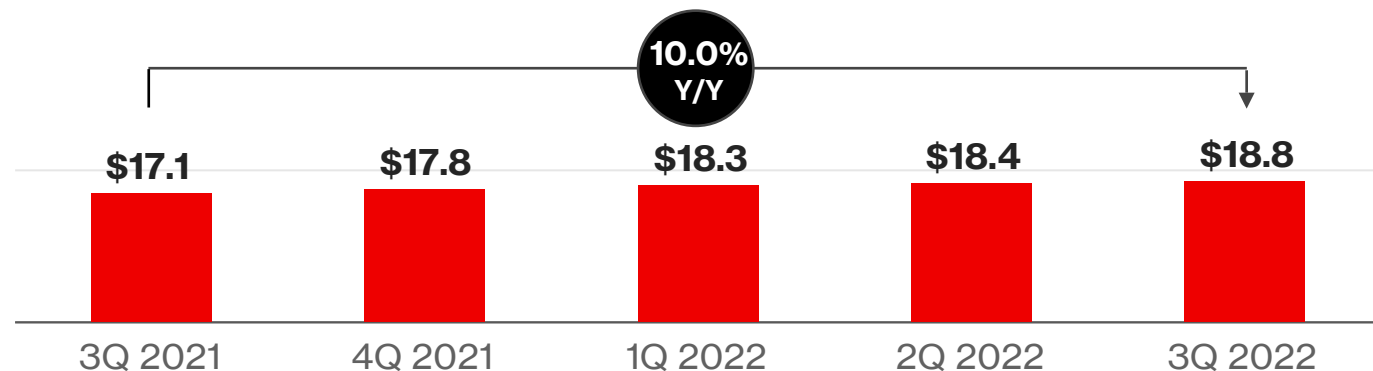
*** Sum of Consumer and Business segments.

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)



Strong sequential growth in wireless service revenue and Adjusted EBITDA



Consumer 3Q 2022 Financial Summary

\$25.8B

Total revenue
(up 10.8% Y/Y)

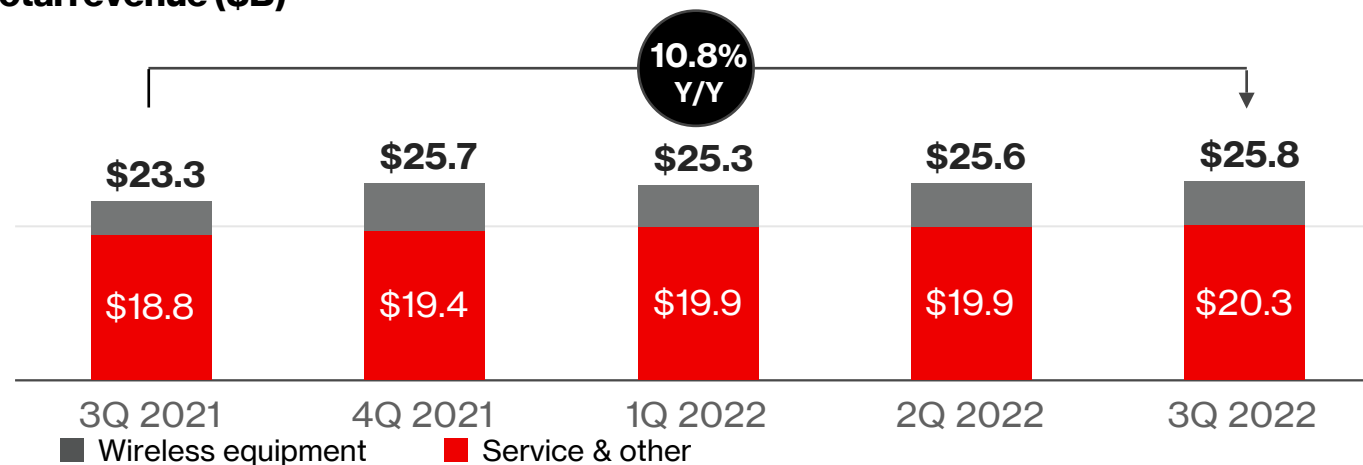
\$2.9B

Fios revenue
(up 0.3% Y/Y)

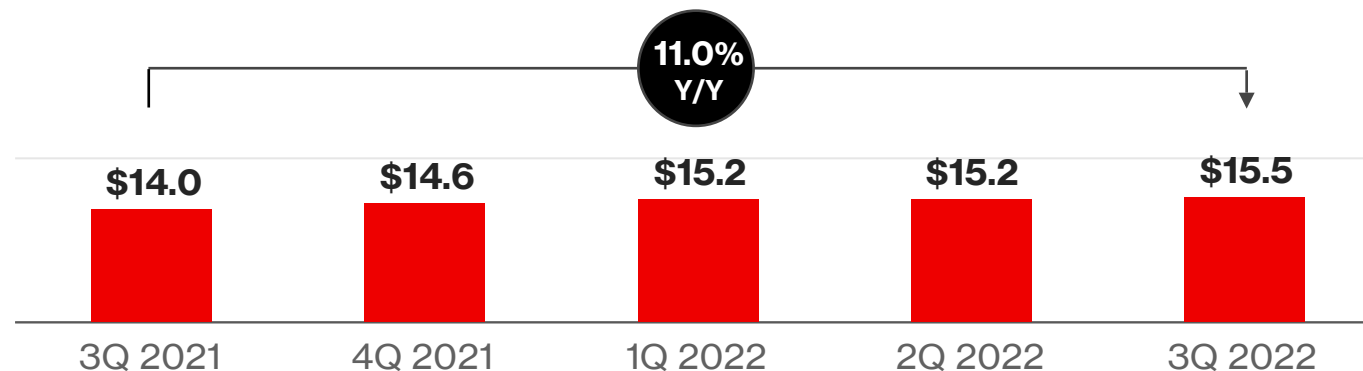
\$10.6B

Segment EBITDA*
(up 0.7% Y/Y)
(Segment EBITDA margin of 40.9%)*

Total revenue (\$B)



Wireless service revenue (\$B)



* Non-GAAP measure.

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

Pricing actions and premium mix driving sequential wireless service revenue growth



Business 3Q 2022 Financial Summary

\$7.8B

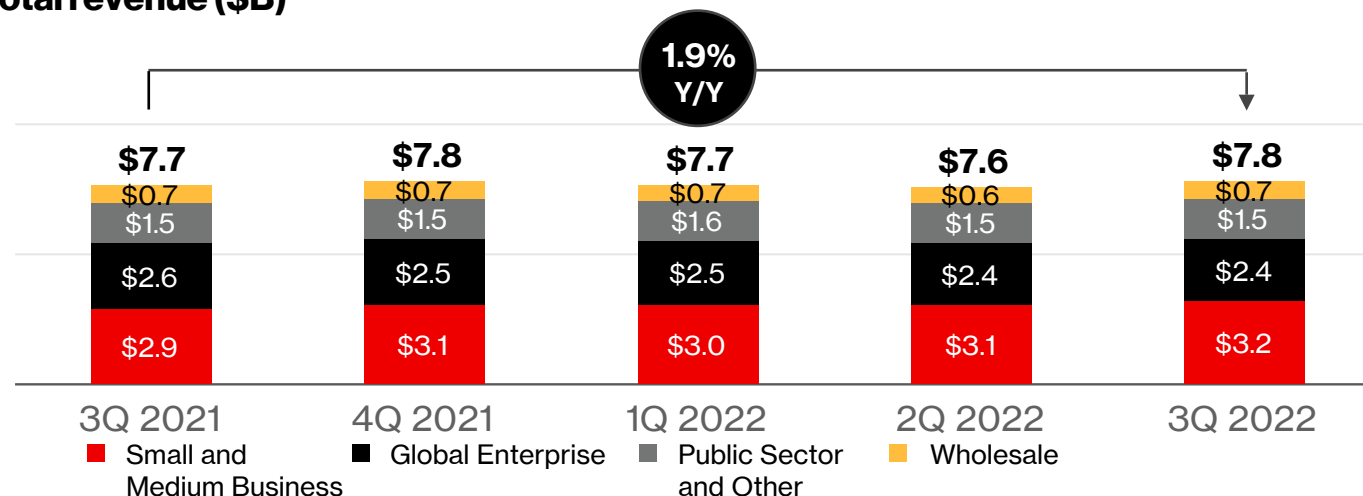
Total revenue
(up 1.9% Y/Y)

\$1.8B

Segment EBITDA*
(down 6.7% Y/Y)
(Segment EBITDA margin of 22.7%)*

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

Total revenue (\$B)



Wireless service revenue (\$B)



Underlying strength in wireless service revenue growth



Consolidated Cash Flow Summary

| (\$ in billions) | 2021 YTD | 2022 YTD |
|---|----------|----------------|
| Cash flow from operations | \$31.2 | \$28.2 |
| Capital expenditures | \$13.9 | \$15.8 |
| Free cash flow* | \$17.3 | \$12.4 |
| Dividends paid | \$7.8 | \$8.1 |
| Total debt | \$151.0 | \$147.9 |
| <i>Unsecured debt</i> | \$141.6 | \$131.4 |
| <i>Cash and cash equivalents</i> | \$9.9 | \$2.1 |
| <i>Net unsecured debt*</i> | \$131.6 | \$129.3 |
| Net unsecured debt to adjusted EBITDA* | 2.7x | 2.7x |

* Non-GAAP measure.

Note: Amounts may not add due to rounding.

Strong balance sheet and cash flow position us well regardless of market conditions



2022 Guidance

Reaffirming prior guidance

| | 2022 |
|---|--|
| Service and other revenue growth | (1%) – flat |
| Total Wireless service revenue growth** | 8.5% – 9.5% |
| Adjusted EBITDA growth* | (1.5%) – flat |
| Adjusted effective tax rate* | 23% – 25% |
| Adjusted EPS* | \$5.10 – \$5.25 |
| Capital expenditures | \$16.5B – \$17.5B +\$5B – \$6B for C-Band |

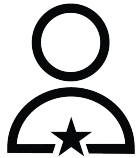
* Non-GAAP measure.

** Sum of Consumer and Business segments.

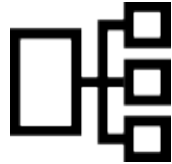
Note: Guidance is on an as-reported basis, to the extent applicable.



Priorities through the end of the year



Continue to **improve our traction in Consumer** through the holiday season and into 2023



Maintain and grow momentum in **Fixed Wireless Access** and **Business Wireless**



Implement initial framework of our **cross functional efficiency program**



Improve our **working capital efficiencies**

We will continue our measured and strategic approach to the market with financial discipline and increase momentum for the quarters to come



