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# EDITED TRANSCRIPT

VZ.N - Verizon Communications Inc at Barclays Communications and Content Symposium

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## OVERVIEW:

Company Summary

## CORPORATE PARTICIPANTS

**Anthony Skiadas** *Verizon Communications Inc - Chief Financial Officer, Executive Vice President*

## CONFERENCE CALL PARTICIPANTS

**Kannan Venkateshwar** *Barclays Services Corp - Analyst*

## PRESENTATION

**Kannan Venkateshwar** - *Barclays Services Corp - Analyst*

Good morning and welcome, everyone. For those of you who don't know me yet, I am Kannan Venkateshwar, and I lead the North American cable, telecom, and media research effort here at Barclays.

I'm happy to have with me Tony Skiadas, CFO of Verizon. And sorry for the last-minute switch to a virtual event. But Tony, great to have you here, and thanks for joining us this morning. But before we get started, yes, Tony, you have a Safe Harbor Statement I think that you want to read out as well.

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**Anthony Skiadas** - *Verizon Communications Inc - Chief Financial Officer, Executive Vice President*

Yes, sure. Thanks, Kannan. Great to be here. So I just need to draw your attention to Verizon's Safe Harbor Statement and our SEC filings, which can be found on our Investor Relations website. And my comments may include forward-looking statements, which are subject to risks and uncertainties. So with that out of the way, Kannan, we're ready to go.

## QUESTIONS AND ANSWERS

**Kannan Venkateshwar** - *Barclays Services Corp - Analyst*

Thank you. So Tony, maybe we could start with all the changes Dan has made in the first 100 days, he's had a lot of impact. So could you just talk at a very high level about what are the operational changes that have been made thus far? And what is yet in the pipeline and what is yet to be done?

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**Anthony Skiadas** - *Verizon Communications Inc - Chief Financial Officer, Executive Vice President*

Yes, sure. And we have a lot going on, and from a macro view, as you've heard Dan talk about, we're creating a new Verizon and aimed at being the best and also playing to win in the marketplace. As Dan said on the earnings call, the company is at a critical inflection point and we have to radically change our culture towards the goal of delighting our customers and also delivering for our shareholders. And we talked about having network excellence and leveraging that network excellence to grow both mobility and broadband and doing that in a very responsible way.

And to your question, Kannan, the last 100 days, we've had a lot of change and, I would say, a renewed sense of excitement inside the company as well. We took bold actions, as we talked, about to drive \$5 billion of cost savings out for 2026, some of which gets reinvested in the customer and the remainder falling to the bottom line.

And we moved quickly in the fourth-quarter to right size the organization. We also sharpened our capital envelope, as you saw, improving efficiency and really narrowing our focus on mobility and broadband programs. And doing that, we drove about \$4 billion in savings, and I'm sure we'll get into that.

In terms of your question about what's in progress and what still has to be done, we still have a lot of work in front of us. First and foremost, improving the customer experience. Second, leveraging and deploying AI to optimize the operation of the business. So we also talked about launching a new value prop for customers. And then we also gave guidance for 2026, which has, as you saw, significantly improved over prior years. So we're excited about what's in front of us.

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**Kannan Venkateshwar** - *Barclays Services Corp - Analyst*

And with all the changes happening in the company and across the industry, from your seat, what are the main priorities that you're focused on for the organization?

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**Anthony Skiadas** - *Verizon Communications Inc - Chief Financial Officer, Executive Vice President*

Sure. So maybe I'll start at the top. And overall, as I said, our team is very focused on growing mobility and broadband through sustainable volume growth and doing that in a disciplined way. And second on that list is executing on our transformation. As I said, we're taking bold actions, improving customer experience, focusing on loyalty, and improving churn, and having a value proposition and offers that delight customers.

The other thing we have in front of us is the integration of Frontier as well, since we closed the deal back on January 20. And then third is continuing our network excellence as we complete our C-Band build and as we continue to deploy fiber in the network.

And then from my standpoint, in terms of my priorities, I have three. The first one is supporting the leaders in the business and making sure we maintain our focus on operational performance and execution. And I think you saw the results of that in the fourth-quarter. Second priority for me is delivering on our guidance for 2026. We gave guidance, as I said, that's a step-function improvement, and I'll come back to that. And then third is making sure we generate strong cash flows and execute on our capital allocation framework.

And if I can expand maybe on the guidance and the capital allocation, I think it would be helpful just for some context. So for guidance, in terms of volumes, we said we expect to grow our postpaid phone net adds of 750,000 to 1 million, which is an increase from what we saw in prior years and an increase in our share of industry net adds, and doing that in a responsible way.

From a revenue standpoint, we said mobility and broadband service revenue, we expect to grow 2% to 3%. And we see '26 as a transitional year for wireless service revenue as we continue to drive volumes. With all the cost work that we're doing, we expect our adjusted EPS to grow between 4% and 5%, and that's a significant improvement over where we had been over the last four, five years. And then free cash flow, we have industry-leading free cash flows, and we've said we expect to grow our free cash flows at least 7% or at least \$21.5 billion.

And then in terms of the capital allocation framework, we have four capital allocation priorities. The priorities themselves haven't changed, but we made significant updates inside of those priorities, as we outlined them on the January earnings call. And the first one, and first and foremost, is to invest in the business. And you see us doing that with our CapEx program, we said \$16 billion to \$16.5 billion. That's all-in and very sufficient to support our growth initiatives both across mobility and broadband.

Second priority is the dividend. And we are proud to have said that we raised the dividend for the 20 straight year. It's a track record we're extremely proud of. And the goal is to put the Board in a position to continue to raise the dividend in the future.

Third priority is having a strong balance sheet. And as we said, goal is to pay down debt. And we've been operating inside of our long-term leverage target for the past two quarters up to the Frontier deal. And now that we've ingested Frontier, we said we'd get back to our long-term leverage target in the 2027 time frame.

And then fourth priority is share buybacks. And we're pleased to announce that the Board authorized up to \$25 billion in share repurchases for over three years, with at least \$3 billion in 2026. So overall, the goal is to generate strong cash flows and execute across all four pillars.

So as I said, this is really a step-function increase over where we've been in prior years. And the exit rate from '25 sets us up for a good platform for 2026.

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**Kannan Venkateshwar** - *Barclays Services Corp - Analyst*

Yes. That's great. I mean there's a lot to unpack there, obviously. I mean maybe we could just start with the subscriber side. I mean you mentioned 750,000 to 1 million, which is your guidance. Could you talk about maybe the context of industry growth that you've used essentially to come to that kind of a number? And US population growth last year was the slowest in five years, and it seems like this year it's going even lower. So what industry growth framework did you assume when you set your subscriber goals for the year?

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**Anthony Skiadas** - *Verizon Communications Inc - Chief Financial Officer, Executive Vice President*

Yes, sure. I think as we've seen, the wireless industry is both robust and resilient. And now that everyone's reported results, I think that's pretty clear. And by the way, the broadband market is also very healthy as well. And we now have Frontier in the portfolio, which also helps us extend our reach. And when you put it together, the demand and the priority for connectivity still remains extremely high. You see that day in and day out, and even from a payment trends perspective, very, very healthy.

The fourth-quarter showed that we can compete and execute well. We have offers that resonated in the market. We had a consistent approach and we have strong execution in the field. And we delivered those volumes within the parameters of our guidance for the full year.

And then as I look ahead, to your question, we gave guidance of 750,000 to 1 million postpaid phone net adds, which is roughly two to three times the volume growth that we had in 2025. We see enough growth in the industry, and as we've said and we said on the earnings call, we expect to grow volumes in a fiscally responsible manner.

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**Kannan Venkateshwar** - *Barclays Services Corp - Analyst*

And you mentioned you're working on offers to delight customers and there's a new approach to go to market and so on. So what should we expect -- when should we expect to see further changes in the go-to-market strategy? And what vectors are you trying to optimize for? And organizationally, there's obviously been some changes. So who's leading the activity? If you could just walk us through the planning process for this.

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**Anthony Skiadas** - *Verizon Communications Inc - Chief Financial Officer, Executive Vice President*

Yes, sure. And I think if you heard Dan on the earnings call, we talked about being thoughtful and financially disciplined. So that's kind of the framework that we start with. And we're in the early stages of our transformation, a lot of the go-to-market activities reflect the drive to be more customer-centric and delighting customers and we can do that by eliminating pain points, making it easier to do business with us, investing in the customer experience, and deploying AI proactively to help solve customer issues, take calls out of the system. And ultimately, this is going to lead to reduced churn and hopefully a lower cost to serve. And ultimately, you get to a higher margin profile.

And as we look ahead, we're focused on a new value proposition, and we said we're targeting to launch that in the first half of this year. And in terms of who's running this right now, so right now, Alfonso Villanueva is serving as our Interim CEO for the Consumer team. And having Alfonso in the role I think gives us a critical bridge between the transformation work that he's doing and our daily operational execution, particularly when you think about the customer journey and the work that we still have in front of us.

So as I said before, the objective here is to grow volumes across both mobility and broadband and do it in a very fiscally responsible manner.

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**Kannan Venkateshwar** - *Barclays Services Corp - Analyst*

And something I forgot to mention in my introduction, in case the audience has questions, there's a chat box that you should see in front of you. And so feel free to type in your questions and I'll read it out with Tony.

So I guess looking beyond volumes, Tony, when we look at pricing for this year in both broadband as well as wireless, it feels like, given the unit growth framework that we are looking at, as long as industry growth holds up, maybe there's a bit of rationality. But if that changes, then pricing could be under a bit more pressure. But based on your and AT&T's comments, it also feels like ARPU this year could be under pressure irrespective. So how do you see the trajectory beyond this year? I mean is this the new normal in terms of pricing? And how should we expect this to evolve next year and beyond?

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**Anthony Skiadas** - *Verizon Communications Inc - Chief Financial Officer, Executive Vice President*

Sure. So maybe I can start at the top of the house with the revenue guidance. So we said we plan to grow both mobility and broadband service revenue 2% to 3% in 2026, and that includes Frontier. And that also reflects the importance of both mobility and broadband and both of those pillars being key to our growth strategy.

We also said that 2026, and we've been very transparent with this, is going to be a transitional year for service revenue. When you break it down underneath with mobility, we said we expect wireless service growth be around flattish as we look to drive sustainable volume-based growth, and that will ramp up over time here.

And in terms of your question around pricing, obviously, I can't talk about what we might do in the future, so I'm not permitted to talk about that. But what I can talk about is what we've done in the past is we're lapping pricing initiatives that we took last year. We still have the ongoing promo amortization headwind that we still got to fight through as well.

But in terms of driving ARPA organically, there's a lot of ways to get there. We've had a lot of success with perks and getting customers to take perks. So the penetration of perks has increased, and that drives revenue. We've had step-ups to premium plans. As customers continue to step up, that helps. Adjacent services and even prepaid. Prepaid continues to grow; we've had six straight quarters of growth there. So with the volume growth to follow, the exit rate for 2026 should be much better and setting us up for a better revenue profile as we head into 2027.

And then on the broadband side, we now have, with Frontier, about 16 million -- a little over 16 million subs in the base right now, broadband subs. So there's a lot of room to run with fiber, with Frontier in the base, and also with our FWA products. So when you see a converged offer, there's a lot that can happen there in terms of customer lifetime value and churn benefits as well. So there's a lot of opportunities to grow on the revenue side, and we're going after it with urgency now that we've closed Frontier.

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**Kannan Venkateshwar** - *Barclays Services Corp - Analyst*

Got it. And so maybe sticking with the broadband part of the business for a bit. What is the fiber goal? I mean you obviously have a very ambitious passings goal now post Frontier, the 35 million to 40 million became 50 million, and AT&T's 60 million seems to be creeping to 70 million. So when you look at the 50 million, I mean, why is that the right number? Just given the scale of the opportunity. And what could drive you to push this higher or lower in one way or the other?

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**Anthony Skiadas** - *Verizon Communications Inc - Chief Financial Officer, Executive Vice President*

Yes. And I think you see that -- again, I can't speak for others, but I think you see that it's a clear indication that there's a lot of opportunity with fiber and convergence, and we all see it. And it goes back to our capital allocation framework. First priority is to invest in the business,

and there's no change there. So we're going to continue to invest in fiber and we're going to continue to grow that business where we see the best returns.

And we've expanded the fiber footprint. We have over 30 million prems passed now that we have Frontier in the mix. And we said that we'd have at least 2 million prems passed in 2026, towards a goal of 40 million to 50 million over the medium term. And we have a sufficient path to get there and we can get there in a reasonable amount of time.

But we're going to look at where we see the best return economics, whether it's penetration rates, convergence opportunities, things like that, build costs. We have 20 years of experience building fiber with Fios, so we know what that looks like. Fios is the gold standard, and it's still growing. So we're confident that we can get to our 40 million to 50 million passings in a reasonable time frame.

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**Kannan Venkateshwar** - *Barclays Services Corp - Analyst*

Got it. And in terms of the way fiber and fixed wireless fit together, how are you thinking about the path going forward? I mean is fixed wireless maybe an upper funnel product which helps you upgrade people and, therefore, get more price over time? Or is this essentially a market expansion opportunity beyond the regions that you have fiber in? How are you framing that discussion internally?

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**Anthony Skiadas** - *Verizon Communications Inc - Chief Financial Officer, Executive Vice President*

Yes, Kannan, I would say we do both. So both fiber and FWA are important pillars in our broadband strategy. And with FWA, we've said for a long time, we're building a long-term sustainable business, and we're building a long-term sustainable business. We have over 5.7 million subs in our base, and we put on about 1 million -- 1.2 million subs in FWA in 2025, and we see a lot of room to grow there.

So we can do both and we have the capacity and the network to do it at this point. And we will continue to deploy fiber where it makes sense to do so, up to the 40 million to 50 million passings over in the medium term. So we feel like there's a lot of optionality there for customers with both FWA and with fiber.

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**Kannan Venkateshwar** - *Barclays Services Corp - Analyst*

Got it. So moving on to the cost side a little bit. You mentioned the OpEx savings of \$5 billion, some of it to be reinvested. Could you help us understand -- I mean it's a pretty big number in terms of the savings goal. So could you help us understand where these savings are coming from?

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**Anthony Skiadas** - *Verizon Communications Inc - Chief Financial Officer, Executive Vice President*

Sure. So as we said upfront, we're driving \$5 billion of OpEx savings in 2026. And it gives us a lot of flexibility, to be more agile, be leaner and also invest for growth. And there's a lot of work that's already underway. When you think about the work that we're doing in the network and the continued decommissioning of the legacy elements in the network, whether that's copper, whether that's even inside the Frontier footprint or access costs, continuing to drive that down.

I talked about customer experience and addressing customer pain points and reducing call volumes. That's also underway. On the IT and real estate front, continuing to rationalize IT platforms, deploying more and more AI as well. And then looking at the real estate portfolio, both on the network side and the admin side. On the advertising and marketing, just continuing to be much more efficient with our spend.

And then from a workforce perspective, as you saw in the fourth-quarter, we reduced our workforce by 13,000, 80% of which were off payroll in the fourth-quarter and then the remaining 20% coming off payroll here in Q1. And we also addressed, as part of that exercise, third-party contractors, and vendors as well.

And then lastly, on the Frontier integration, as you saw in the earnings call, we said we saw double the operating expense run rate synergies, so at least \$1 billion of synergies by 2028. Those synergies are going to ramp up over time as we execute on the integration work.

And then when you put that together and you look at it from an EBITDA standpoint, cost reductions give us the optionality to do a lot -- a number of things. Number one is run more efficiently. Second thing is to absorb the transitional year in service revenues we've talked about earlier. And then the third is to invest in the customer. And last is return a significant amount of capital to shareholders. So we see a good path to both EBITDA and EPS growth for 2026, and that's by taking bold actions.

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**Kannan Venkateshwar** - Barclays Services Corp - Analyst

Got it. And so I guess EBITDA, if -- I may have missed this in your early comment or maybe I heard this wrong, but I think you mentioned about 4% to 5% EBITDA growth.

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**Anthony Skiadas** - Verizon Communications Inc - Chief Financial Officer, Executive Vice President

Adjusted EPS. Adjusted EPS growth (added by company after the call).

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**Kannan Venkateshwar** - Barclays Services Corp - Analyst

Yes, that's why I wanted to clarify that. Okay. And then in terms of CapEx, I mean, that again is a pretty ambitious target given that it's \$4 billion lower versus I think what you and Frontier on a combined basis spend. And this includes some of the incremental fiber CapEx on the wireless side, it probably looks even deeper in terms of the savings. So could you help understand how -- where these savings are coming from on the CapEx side as well?

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**Anthony Skiadas** - Verizon Communications Inc - Chief Financial Officer, Executive Vice President

Yes, sure. And as I said before, the first priority is to invest in the business. So we're going to continue to do that. And the CapEx profile that we have for this year of \$16 billion to \$16.5 billion is sufficient to address all of the growth initiatives. And we talked about having network excellence and that being foundational for us. We're not compromising on that.

We'll continue to invest in the wireless RAN. From a C-Band perspective, 90% of our planned sites are on C-Band. We said we'd be substantially complete here in 2026. And a lot of that build is on small cells, which obviously have a lower cost point.

And then from a fiber perspective, we're not slowing down. We'll continue our fiber build pace. We said at least at the combined rate of Verizon and Frontier which is about 2 million prems passed in 2026. So we're going to continue to do that and then get to the 40 million to 50 million as we've talked about.

And in terms of what we're not doing, we really took a sharp look both at OpEx and CapEx and put a lot of rigor in around narrowing the focus on the CapEx program to mobility and broadband. And things, areas that were not aligned to growth were either reduced or eliminated. And that includes things like in business wireline, wholesale, looking at projects, legacy copper projects, things that have a longer -- projects that have a long payback. So we really took a sharp look at this and went back to aligning it around growing mobility and broadband and doing that in a very efficient way.

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**Kannan Venkateshwar** - Barclays Services Corp - Analyst

Maybe one ancillary question related to that is you have an opportunity, you have this cable MVNO deal and you always get questions more on the wireless side in terms of what it means. But I guess there's also an opportunity here to somehow use the cable network, cable

infrastructure to offload your traffic or save some CapEx, or OpEx for that matter. Is there an opportunity to do something slightly different with these partnerships? And are we just looking at it from a very narrow lens right now?

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**Anthony Skiadas** - Verizon Communications Inc - Chief Financial Officer, Executive Vice President

I can't say too much about it. -- The partnership's on good footing from a wholesale standpoint, so I'll leave it at that. But we're very happy with the agreements we have with the cable companies, and we just signed a long-term agreement. So it puts the partnership on a really good footing.

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**Kannan Venkateshwar** - Barclays Services Corp - Analyst

Got it. And maybe just looking at that partnership more broadly, obviously, this is an important source of revenues, high-margin revenues for you. But given that cable is now adding close to half of industry net adds, longer term, how do you frame this discussion? I mean if industry volumes at some point were to slow, I mean, doesn't this become a bigger problem for the industry as a whole?

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**Anthony Skiadas** - Verizon Communications Inc - Chief Financial Officer, Executive Vice President

Yes, I have to be careful in my answer here on the MVNOs. But what I'll say is, as I said, the partnership is strong, we have a long-term comprehensive agreement that we just signed. It allows them to -- their customers to remain on the best network, and it's an accretive deal for us. And it sets us on a solid foundation. I got to kind of leave it at that.

But then if you shift from wholesale over to retail, I think you saw in the fourth-quarter, our fourth-quarter results speak for themselves. So we did very well. So that's the way I would frame it.

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**Kannan Venkateshwar** - Barclays Services Corp - Analyst

Okay. And more in terms of the cash flow side of the business, obviously, we've talked through the OpEx and CapEx savings, but there's also upcoming spectrum auctions that you may have to invest in. And given fixed wireless and its importance, I mean, obviously, there are other ways to deal with it, like densification, for instance, which again goes back to the CapEx question.

So when you think about fixed wireless in the broader scheme of things or your spectrum needs going forward, is there a way for us to contextualize that in terms of how you've considered that within your cash flow and capital return goals?

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**Anthony Skiadas** - Verizon Communications Inc - Chief Financial Officer, Executive Vice President

Yes. Look, in terms of spectrum, and you mentioned auctions, we're in a quiet period for the AWS-3, the Auction 113, so I can't comment on anything related to that auction given the FCC's rules. But if I stepped back more broadly, I mean, we're happy with the assets we have, we have the assets we need to execute on our strategy.

We're going to look at everything, and we always do. And generally speaking, in terms of spectrum, we always look at it from a build-versus-buy analysis, and we'll look at it that way. And we have sufficient balance sheet capacity to the extent that it makes sense for our business. And same thing with fiber as well, and we're very thoughtful about what we're doing there and we're pressing ahead. So I feel good about our positioning right now. We have a strong balance sheet to support our growth initiatives.

**Kannan Venkateshwar** - *Barclays Services Corp - Analyst*

We also have a couple of questions from the audience, but I wanted to maybe broaden that a little bit. So the question specifically is about interest in further acquisitions in fiber and what other frameworks you could look at in terms of expanding footprint. And so it's more about inorganic use of your cash.

But are there also other alternatives in terms of fiber structuring? I mean we've seen some of this in the industry, for instance, all the JVs that have proliferated or the Lumen acquisition structure that AT&T used where it's partly off balance sheet. So if you could just talk more broadly about fiber investments and potentially organic or inorganic structures that would help you use your capital more efficiently.

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**Anthony Skiadas** - *Verizon Communications Inc - Chief Financial Officer, Executive Vice President*

Yes. Obviously, we have a great build engine and we've been at this for a long time, so we know how to do this organically. We also have a partnership with Tillman that's expanding as well, and they're building fiber outside of our footprint, to our specifications, with good economics. So we like those structures. And to the extent we can continue to grow that, that would be another option.

And as I said before, we always look at everything. I mean obviously, we just ingested Frontier so we have the integration work in front of us right now. But we'll always look to do that. And we have many paths to get to the 40 million to 50 million prems passed in the medium term. So we have a lot of optionality there, with the work we're doing organically, with partnerships, et cetera. So I feel good about that.

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**Kannan Venkateshwar** - *Barclays Services Corp - Analyst*

And looking at cash flow more broadly beyond this year, next year obviously, you have a lot easier cash cost comparisons, I mean, so that should help you, and some of the restructuring costs fall off, and synergies, the cost savings start kicking in. So when you think about the growth path from here, it would seem like cash flow should see a step function change as you go into next year and beyond. So could you frame the puts and takes for us as you think beyond this year for cash flow?

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**Anthony Skiadas** - *Verizon Communications Inc - Chief Financial Officer, Executive Vice President*

Sure. And I'm glad you think it's easy, Kannan. So look, I'm not going to guide on 2027, but as I said earlier, we expect to grow free cash flow at least 7%, which is an acceleration from prior years. And we have industry-leading cash flows and the cash flow generation of the business continues to be strong.

And it starts with a strong EBITDA profile. Last year, we had \$50 billion of Adjusted EBITDA (added by company after the call). And you layer in the work we're doing around our cost structure, our CapEx, having Frontier in the mix, investing in the customer, we have a good cash flow profile. I mean I talked about our CapEx program and being very sharp there.

We're also absorbing about \$1 billion of interest expense this year from Frontier. We continue to do work and improve our working capital profile now that we've absorbed Frontier. We have some incremental year-over-year severance pressure from the head count actions we took in the fourth-quarter. Some of that comes in Q1 here. And then cash taxes, we expect to be up slightly year-over-year just given the plans we have for the year.

But the strong cash flows allow us to execute across all four pillars of our capital allocation framework, including investing in the business, paying the dividend, reducing debt and having a share repurchase program, and being able to do all four of those this year. So obviously, more to do, but the goal is to continue to increase our cash flows and be very disciplined in our approach.

**Kannan Venkateshwar** - Barclays Services Corp - Analyst

And here, just maybe a minute left, so in that minute, I guess the mandatory question in all these conversations now is AI, so I got to ask you about this, in terms of how this fits into the organization. Obviously, you mentioned briefly about some of the cost opportunities you may have. But could you talk more expansively about maybe both the cost and the revenue side of it, I mean, how we see this playing out in the coming years?

**Anthony Skiadas** - Verizon Communications Inc - Chief Financial Officer, Executive Vice President

Sure. Yes. We do look at it from both of those dimensions, Kannan. First, on the efficiency side, obviously, tied to making sure we have customer experience improvements and efficiency. And ideally, we want to be able to do both of those, whether it's customer care and reducing the handle time for the customer, or just reducing call volumes in general. Of course, that's extremely important.

If you think about what we're doing in our network and optimizing the performance of the network day in and day out or just taking out manual work and improving our processes. So the goal here is to operate a lot leaner, be more agile. And that's what our transformation is going to require. So that's the cost side of that.

On the revenue side, a number of opportunities that Kyle and the team see on what we call AI Connect. We have a lot of demand for both dark and lit fiber, and we have a number of signed deals with hyperscalers and diversifying to other logos. There's a lot of demand there right now. And we do see further opportunity here as we go through the year with success-based capital. So we're excited to see that space evolve, and more to come.

**Kannan Venkateshwar** - Barclays Services Corp - Analyst

Got it. Tony, we're at time. So thank you so much for joining us. I know you have a busy day ahead. So with that, all the best for the rest of the day.

**Anthony Skiadas** - Verizon Communications Inc - Chief Financial Officer, Executive Vice President

Thank you, Kannan. It's good to see you.

**Kannan Venkateshwar** - Barclays Services Corp - Analyst

Same here.

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