

# Financial and Operating Information

As of December 31, 2023

**verizon**

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## Condensed Consolidated Statements of Income

(dollars in millions, except per share amounts)

Unaudited	2021		2022				2023				
	Full Year	1Q	2Q	3Q	4Q	Full Year	1Q	2Q	3Q	4Q	Full Year
<b>Operating Revenues</b>											
Service revenues and other	\$110,449	\$27,218	\$27,115	\$27,666	\$27,626	\$109,625	\$27,152	\$27,319	\$27,523	<b>\$27,658</b>	<b>\$109,652</b>
Wireless equipment revenues	23,164	6,336	6,674	6,575	7,625	27,210	5,760	5,277	5,813	<b>7,472</b>	<b>24,322</b>
<b>Total Operating Revenues</b>	<b>133,613</b>	<b>33,554</b>	<b>33,789</b>	<b>34,241</b>	<b>35,251</b>	<b>136,835</b>	<b>32,912</b>	<b>32,596</b>	<b>33,336</b>	<b>35,130</b>	<b>133,974</b>
<b>Operating Expenses</b>											
Cost of services	31,234	7,227	6,932	7,293	7,185	28,637	7,078	6,986	7,084	<b>6,952</b>	<b>28,100</b>
Cost of wireless equipment	25,067	7,123	7,488	7,308	8,577	30,496	6,426	5,778	6,353	<b>8,230</b>	<b>26,787</b>
Selling, general and administrative expense	28,658	7,172	7,496	7,422	8,046	30,136	7,506	8,253	7,995	<b>8,991</b>	<b>32,745</b>
Depreciation and amortization expense	16,206	4,236	4,321	4,324	4,218	17,099	4,318	4,359	4,431	<b>4,516</b>	<b>17,624</b>
Verizon Business Group goodwill impairment	—	—	—	—	—	—	—	—	—	<b>5,841</b>	<b>5,841</b>
<b>Total Operating Expenses</b>	<b>101,165</b>	<b>25,758</b>	<b>26,237</b>	<b>26,347</b>	<b>28,026</b>	<b>106,368</b>	<b>25,328</b>	<b>25,376</b>	<b>25,863</b>	<b>34,530</b>	<b>111,097</b>
<b>Operating Income</b>	<b>32,448</b>	<b>7,796</b>	<b>7,552</b>	<b>7,894</b>	<b>7,225</b>	<b>30,467</b>	<b>7,584</b>	<b>7,220</b>	<b>7,473</b>	<b>600</b>	<b>22,877</b>
Equity in earnings (losses) of unconsolidated businesses	145	(3)	41	2	4	44	9	(33)	(18)	<b>(11)</b>	<b>(53)</b>
Other income (expense), net	312	(924)	49	(439)	2,687	1,373	114	210	170	<b>(807)</b>	<b>(313)</b>
Interest expense	(3,485)	(786)	(785)	(937)	(1,105)	(3,613)	(1,207)	(1,285)	(1,433)	<b>(1,599)</b>	<b>(5,524)</b>
<b>Income (Loss) Before Provision For Income Taxes</b>	<b>29,420</b>	<b>6,083</b>	<b>6,857</b>	<b>6,520</b>	<b>8,811</b>	<b>28,271</b>	<b>6,500</b>	<b>6,112</b>	<b>6,192</b>	<b>(1,817)</b>	<b>16,987</b>
Provision for income taxes	(6,802)	(1,372)	(1,542)	(1,496)	(2,113)	(6,523)	(1,482)	(1,346)	(1,308)	<b>(756)</b>	<b>(4,892)</b>
<b>Net Income (Loss)</b>	<b>\$ 22,618</b>	<b>\$ 4,711</b>	<b>\$ 5,315</b>	<b>\$ 5,024</b>	<b>\$ 6,698</b>	<b>\$ 21,748</b>	<b>\$ 5,018</b>	<b>\$ 4,766</b>	<b>\$ 4,884</b>	<b>\$ (2,573)</b>	<b>\$ 12,095</b>
Net income attributable to noncontrolling interests	\$ 553	\$ 131	\$ 116	\$ 124	\$ 121	\$ 492	\$ 109	\$ 118	\$ 122	\$ 132	\$ 481
Net income (loss) attributable to Verizon	22,065	4,580	5,199	4,900	6,577	21,256	4,909	4,648	4,762	<b>(2,705)</b>	<b>11,614</b>
<b>Net Income (Loss)</b>	<b>\$ 22,618</b>	<b>\$ 4,711</b>	<b>\$ 5,315</b>	<b>\$ 5,024</b>	<b>\$ 6,698</b>	<b>\$ 21,748</b>	<b>\$ 5,018</b>	<b>\$ 4,766</b>	<b>\$ 4,884</b>	<b>\$ (2,573)</b>	<b>\$ 12,095</b>
<b>Basic Earnings Per Common Share</b>											
Net income (loss) attributable to Verizon	\$ 5.32	\$ 1.09	\$ 1.24	\$ 1.17	\$ 1.56	\$ 5.06	\$ 1.17	\$ 1.10	\$ 1.13	<b>\$ (0.64)</b>	<b>\$ 2.76</b>
<i>Weighted-average shares outstanding (in millions)</i>	4,148	4,201	4,201	4,202	4,204	4,202	4,207	4,208	4,213	<b>4,214</b>	<b>4,211</b>
<b>Diluted Earnings Per Common Share <sup>(1)</sup></b>											
Net income (loss) attributable to Verizon	\$ 5.32	\$ 1.09	\$ 1.24	\$ 1.17	\$ 1.56	\$ 5.06	\$ 1.17	\$ 1.10	\$ 1.13	<b>\$ (0.64)</b>	<b>\$ 2.75</b>
<i>Weighted-average shares outstanding (in millions)</i>	4,150	4,202	4,202	4,204	4,207	4,204	4,211	4,213	4,216	<b>4,214</b>	<b>4,215</b>

## Footnotes:

(1) Where applicable, Diluted Earnings per Common Share includes the dilutive effect of shares issuable under our stock-based compensation plans, which represents the only potential dilution.

EPS may not add due to rounding.

## Condensed Consolidated Balance Sheets

(dollars in millions)

Unaudited	12/31/21	3/31/22	6/30/22	9/30/22	12/31/22	3/31/23	6/30/23	9/30/23	12/31/23
<b>Assets</b>									
Current assets									
Cash and cash equivalents	\$ 2,921	\$ 1,661	\$ 1,857	\$ 2,082	\$ 2,605	\$ 2,234	\$ 4,803	\$ 4,210	\$ 2,065
Accounts receivable	24,742	24,474	24,740	24,475	25,332	23,748	24,108	24,559	26,102
Less Allowance for credit losses	896	859	831	805	826	892	922	957	1,017
Accounts receivable, net	23,846	23,615	23,909	23,670	24,506	22,856	23,186	23,602	25,085
Inventories	3,055	3,659	3,646	3,133	2,388	2,381	1,896	2,240	2,057
Prepaid expenses and other	6,906	6,645	8,087	10,861	8,358	8,251	7,503	8,067	7,607
Total current assets	36,728	35,580	37,499	39,746	37,857	35,722	37,388	38,119	36,814
Property, plant and equipment									
Less Accumulated depreciation	190,201	192,725	195,390	197,866	200,255	203,532	206,154	209,277	211,798
Property, plant and equipment, net	99,696	99,843	101,310	103,004	107,434	106,987	107,270	107,490	108,310
Investments in unconsolidated businesses	1,061	1,074	1,113	1,083	1,071	1,052	1,015	929	953
Wireless licenses	147,619	148,083	148,724	149,292	149,796	150,485	151,337	155,465	155,667
Goodwill	28,603	28,629	28,638	28,548	28,671	28,674	28,647	28,642	22,843
Other intangible assets, net	11,677	11,432	11,286	11,196	11,461	11,246	11,097	10,952	11,057
Operating lease right-of-use assets	27,883	27,494	27,098	26,588	26,130	25,947	25,345	25,086	24,726
Other assets	13,329	13,581	14,479	15,633	17,260	17,603	17,856	18,147	19,885
<b>Total assets</b>	<b>\$366,596</b>	<b>\$365,716</b>	<b>\$370,147</b>	<b>\$375,090</b>	<b>\$379,680</b>	<b>\$377,716</b>	<b>\$379,955</b>	<b>\$384,830</b>	<b>\$380,255</b>
<b>Liabilities and Equity</b>									
Current liabilities									
Debt maturing within one year	\$ 7,443	\$ 13,421	\$ 12,873	\$ 14,995	\$ 9,963	\$ 12,081	\$ 14,827	\$ 12,950	\$ 12,973
Accounts payable and accrued liabilities	24,833	18,169	20,956	22,235	23,977	19,273	20,067	26,140	23,453
Current operating lease liabilities	3,859	3,847	3,912	3,961	4,134	4,177	4,211	3,906	4,266
Other current liabilities	11,025	11,148	11,483	11,950	12,097	12,237	12,299	12,681	12,531
Total current liabilities	47,160	46,585	49,224	53,141	50,171	47,768	51,404	55,677	53,223
Long-term debt									
Employee benefit obligations	143,425	139,961	136,184	132,912	140,676	140,772	137,871	134,441	137,701
Deferred income taxes	15,410	15,104	15,125	15,912	12,974	12,750	12,357	12,226	13,189
Non-current operating lease liabilities	40,685	41,341	42,154	42,094	43,441	43,667	44,055	44,434	45,781
Other liabilities	23,203	22,932	22,597	22,175	21,558	21,303	20,745	20,773	20,002
Total long-term liabilities	13,513	14,618	17,506	20,073	18,397	17,237	17,021	18,191	16,560
Total long-term liabilities	236,236	233,956	233,566	233,166	237,046	235,729	232,049	230,065	233,233
Equity									
Common stock	429	429	429	429	429	429	429	429	429
Additional paid in capital	13,861	13,874	13,872	13,467	13,420	13,523	13,523	13,524	13,631
Retained earnings	71,993	73,891	76,401	78,545	82,380	84,543	86,448	88,416	82,915
Accumulated other comprehensive loss	(927)	(906)	(1,320)	(1,700)	(1,865)	(2,177)	(1,921)	(1,428)	(1,380)
Common stock in treasury, at cost	(4,104)	(4,023)	(4,020)	(4,015)	(4,013)	(3,832)	(3,830)	(3,828)	(3,821)
Deferred compensation – employee stock ownership plans and other	538	497	654	742	793	397	544	628	656
Noncontrolling interests	1,410	1,413	1,341	1,315	1,319	1,336	1,309	1,347	1,369
Total equity	83,200	85,175	87,357	88,783	92,463	94,219	96,502	99,088	93,799
<b>Total liabilities and equity</b>	<b>\$366,596</b>	<b>\$365,716</b>	<b>\$370,147</b>	<b>\$375,090</b>	<b>\$379,680</b>	<b>\$377,716</b>	<b>\$379,955</b>	<b>\$384,830</b>	<b>\$380,255</b>

## Consolidated - Selected Financial and Operating Statistics

(dollars in millions)

Unaudited	12/31/21	3/31/22	6/30/22	9/30/22	12/31/22	3/31/23	6/30/23	9/30/23	12/31/23
Total debt	\$ 150,868	\$153,382	\$149,057	\$147,907	\$150,639	\$152,853	\$152,698	\$147,391	<b>\$150,674</b>
Unsecured debt	\$ 136,666	\$137,280	\$132,485	\$131,397	\$130,631	\$132,018	\$131,356	\$126,440	<b>\$128,491</b>
Net unsecured debt <sup>(1)</sup>	\$ 133,745	\$135,619	\$130,628	\$129,315	\$128,026	\$129,784	\$126,553	\$122,230	<b>\$126,426</b>
Unsecured debt / Consolidated Net Income (LTM)					6.0x	6.0x	6.1x	5.9x	<b>10.6x</b>
Net unsecured debt / Consolidated Adjusted EBITDA <sup>(1)(2)</sup>					2.7x	2.7x	2.6x	2.6x	<b>2.6x</b>
Common shares outstanding end of period (in millions)	4,198	4,200	4,200	4,200	4,200	4,204	4,204	4,204	<b>4,204</b>
Total employees ('000)	118.4	118.5	119.4	119.5	117.1	115.5	114.2	110.5	<b>105.4</b>
Quarterly cash dividends declared per common share	\$ 0.6400	\$ 0.6400	\$ 0.6400	\$ 0.6525	\$0.6525	\$0.6525	\$0.6525	\$ 0.6650	<b>\$ 0.6650</b>

**Footnotes:**

(1) Non-GAAP financial measure.

(2) Consolidated Adjusted EBITDA excludes the effects of non-operational items and special items.

## Condensed Consolidated Statements of Cash Flows

(dollars in millions)

Unaudited	12 Mos. Ended 12/31/21	3 Mos. Ended 3/31/22	6 Mos. Ended 6/30/22	9 Mos. Ended 9/30/22	12 Mos. Ended 12/31/22	3 Mos. Ended 3/31/23	6 Mos. Ended 6/30/23	9 Mos. Ended 9/30/23	12 Mos. Ended 12/31/23
<b>Cash Flows from Operating Activities</b>									
Net Income	\$ 22,618	\$ 4,711	\$ 10,026	\$ 15,050	\$ 21,748	\$ 5,018	\$ 9,784	\$ 14,668	\$ 12,095
Adjustments to reconcile net income to net cash provided by operating activities:									
Depreciation and amortization expense	16,206	4,236	8,557	12,881	17,099	4,318	8,677	13,108	17,624
Employee retirement benefits	(3,391)	(210)	(121)	479	(2,046)	54	108	161	1,206
Deferred income taxes	4,264	627	1,514	1,595	2,973	331	633	822	2,388
Provision for expected credit losses	789	328	665	1,048	1,611	530	1,061	1,596	2,214
Equity in losses (earnings) of unconsolidated businesses, net of dividends received	36	7	(18)	(13)	(10)	10	49	69	84
Verizon Business Group goodwill impairment	—	—	—	—	—	—	—	—	5,841
Changes in current assets and liabilities, net of effects from acquisition/disposition of businesses	(890)	(3,492)	(1,959)	(458)	(456)	(774)	(620)	972	(267)
Other, net	(93)	614	(999)	(2,383)	(3,778)	(1,198)	(1,672)	(2,598)	(3,710)
Net cash provided by operating activities	39,539	6,821	17,665	28,199	37,141	8,289	18,020	28,798	37,475
<b>Cash Flows from Investing Activities</b>									
Capital expenditures (including capitalized software)	(20,286)	(5,821)	(10,491)	(15,811)	(23,087)	(5,958)	(10,070)	(14,164)	(18,767)
Cash received (paid) related to acquisitions of businesses, net of cash acquired	(4,065)	—	247	248	248	—	—	—	(30)
Acquisitions of wireless licenses	(47,596)	(1,838)	(2,275)	(2,890)	(3,653)	(598)	(1,085)	(1,859)	(5,796)
Collateral receipts (payments) related to derivative contracts, net	(21)	(277)	(2,075)	(4,857)	(2,265)	367	824	162	880
Proceeds from disposition of business	4,122	—	—	33	33	—	—	—	—
Other, net	693	(59)	(62)	(43)	62	79	131	253	281
Net cash used in investing activities	(67,153)	(7,995)	(14,656)	(23,320)	(28,662)	(6,110)	(10,200)	(15,608)	(23,432)
<b>Cash Flows from Financing Activities</b>									
Proceeds from long-term borrowings	33,034	3,604	3,617	4,605	7,074	504	1,503	1,999	2,018
Proceeds from asset-backed long-term borrowings	8,383	3,545	5,053	5,939	10,732	1,754	3,705	4,656	6,594
Net proceeds from (repayments of) short-term commercial paper	—	3,791	2,560	4,514	106	342	(167)	333	(150)
Repayments of long-term borrowings and finance lease obligations	(14,063)	(6,556)	(7,405)	(8,001)	(8,616)	(1,325)	(2,600)	(5,568)	(6,181)
Repayments of asset-backed long-term borrowings	(4,800)	(1,650)	(2,695)	(3,647)	(4,948)	(931)	(2,383)	(3,729)	(4,443)
Dividends paid	(10,445)	(2,654)	(5,378)	(8,066)	(10,805)	(2,744)	(5,487)	(8,231)	(11,025)
Other, net	(3,832)	165	411	(797)	(2,072)	17	(157)	(1,101)	(1,470)
Net cash provided by (used in) financing activities	8,277	245	(3,837)	(5,453)	(8,529)	(2,383)	(5,586)	(11,641)	(14,657)
<b>Increase (decrease) in cash, cash equivalents and restricted cash</b>	(19,337)	(929)	(828)	(574)	(50)	(204)	2,234	1,549	(614)
<b>Cash, cash equivalents and restricted cash, beginning of period</b>	23,498	4,161	4,161	4,161	4,161	4,111	4,111	4,111	4,111
<b>Cash, cash equivalents and restricted cash, end of period</b>	\$ 4,161	\$ 3,232	\$ 3,333	\$ 3,587	\$ 4,111	\$ 3,907	\$ 6,345	\$ 5,660	\$ 3,497

## Footnotes:

Certain amounts have been reclassified to conform to the current period presentation.

## Consumer - Selected Financial Results

(dollars in millions)

Unaudited	2022				2023			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
<b>Operating Revenues</b>								
Service	\$ 18,126	\$ 18,149	\$ 18,421	\$ 18,443	\$ 18,456	\$ 18,641	\$ 18,850	\$ 18,927
Wireless equipment	5,374	5,708	5,558	6,528	4,878	4,430	4,902	6,435
Other	1,792	1,747	1,861	1,799	1,523	1,487	1,505	1,592
<b>Total Operating Revenues</b>	<b>25,292</b>	<b>25,604</b>	<b>25,840</b>	<b>26,770</b>	<b>24,857</b>	<b>24,558</b>	<b>25,257</b>	<b>26,954</b>
<b>Operating Expenses</b>								
Cost of services	4,446	4,284	4,566	4,450	4,432	4,367	4,419	4,362
Cost of wireless equipment	5,813	6,221	5,963	7,137	5,191	4,626	5,133	6,877
Selling, general and administrative expense	4,552	4,738	4,730	5,044	4,921	4,988	4,886	5,336
Depreciation and amortization expense	3,162	3,211	3,232	3,111	3,214	3,247	3,272	3,344
<b>Total Operating Expenses</b>	<b>17,973</b>	<b>18,454</b>	<b>18,491</b>	<b>19,742</b>	<b>17,758</b>	<b>17,228</b>	<b>17,710</b>	<b>19,919</b>
<b>Operating Income</b>	<b>\$ 7,319</b>	<b>\$ 7,150</b>	<b>\$ 7,349</b>	<b>\$ 7,028</b>	<b>\$ 7,099</b>	<b>\$ 7,330</b>	<b>\$ 7,547</b>	<b>\$ 7,035</b>
<b>Operating Income Margin</b>	<b>28.9 %</b>	<b>27.9 %</b>	<b>28.4 %</b>	<b>26.3 %</b>	<b>28.6 %</b>	<b>29.8 %</b>	<b>29.9 %</b>	<b>26.1 %</b>
<b>Segment EBITDA<sup>(1)</sup></b>	<b>\$ 10,481</b>	<b>\$ 10,361</b>	<b>\$ 10,581</b>	<b>\$ 10,139</b>	<b>\$ 10,313</b>	<b>\$ 10,577</b>	<b>\$ 10,819</b>	<b>\$ 10,379</b>
<b>Segment EBITDA Margin<sup>(1)</sup></b>	<b>41.4 %</b>	<b>40.5 %</b>	<b>40.9 %</b>	<b>37.9 %</b>	<b>41.5 %</b>	<b>43.1 %</b>	<b>42.8 %</b>	<b>38.5 %</b>

**Footnotes:**

(1) Non-GAAP financial measure.

The segment financial results and metrics above exclude the effects of special items (other than the effects of acquisition-related intangible asset amortization), which the Company's chief operating decision maker does not consider in assessing segment performance.

Certain intersegment transactions with corporate entities have not been eliminated.

## Consumer - Selected Operating Statistics

Unaudited	2022				2023			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
<b>Connections ('000):</b>								
Wireless retail postpaid	91,414	91,475	91,478	91,856	92,192	92,474	92,704	<b>93,850</b>
Wireless retail prepaid	23,772	23,138	23,076	22,664	22,331	21,646	21,420	<b>21,122</b>
Total wireless retail	115,186	114,613	114,554	114,520	114,523	114,120	114,124	<b>114,972</b>
Wireless retail postpaid phones	75,422	75,197	74,997	74,857	74,611	74,465	74,407	<b>74,720</b>
Fios video	3,495	3,409	3,314	3,234	3,160	3,091	3,013	<b>2,951</b>
Fios internet	6,596	6,626	6,684	6,740	6,803	6,854	6,923	<b>6,976</b>
Fixed wireless access (FWA) broadband	216	384	621	884	1,140	1,390	1,641	<b>1,866</b>
Wireline broadband	6,925	6,938	6,976	7,016	7,062	7,098	7,151	<b>7,190</b>
Total broadband	7,141	7,322	7,597	7,900	8,202	8,488	8,792	<b>9,056</b>
<b>Gross Additions ('000):</b>								
Wireless retail postpaid	2,481	2,622	3,045	3,889	3,210	2,928	3,152	<b>4,185</b>
<b>Net Additions Detail ('000):</b>								
Wireless retail postpaid	(126)	84	28	979	321	304	251	<b>1,168</b>
Wireless retail prepaid	(80)	(229)	39	(175)	(351)	(304)	(207)	<b>(289)</b>
Total wireless retail	(206)	(145)	67	804	(30)	—	44	<b>879</b>
Wireless retail postpaid phones	(292)	(215)	(189)	41	(263)	(136)	(51)	<b>318</b>
Fios video	(78)	(86)	(95)	(80)	(74)	(69)	(78)	<b>(62)</b>
Fios internet	55	30	58	56	63	51	69	<b>53</b>
FWA broadband	112	168	234	262	256	251	251	<b>231</b>
Wireline broadband	37	13	38	40	46	36	53	<b>39</b>
Total broadband	149	181	272	302	302	287	304	<b>270</b>
<b>Churn Rate:</b>								
Wireless retail postpaid	0.95 %	0.93 %	1.10 %	1.06 %	1.05 %	0.95 %	1.04 %	<b>1.08 %</b>
Wireless retail postpaid phones	0.77 %	0.75 %	0.88 %	0.86 %	0.84 %	0.76 %	0.85 %	<b>0.88 %</b>
Wireless retail prepaid	3.69 %	3.90 %	3.90 %	4.90 %	4.31 %	4.24 %	4.39 %	<b>4.55 %</b>
Wireless retail	1.51 %	1.53 %	1.66 %	1.83 %	1.69 %	1.58 %	1.68 %	<b>1.73 %</b>
<b>Revenue Statistics (in millions):</b>								
Wireless service revenue	\$ 15,217	\$ 15,236	\$ 15,517	\$ 15,539	\$ 15,599	\$ 15,762	\$ 15,963	<b>\$ 16,034</b>
Fios revenues	\$ 2,911	\$ 2,895	\$ 2,902	\$ 2,914	\$ 2,889	\$ 2,886	\$ 2,897	<b>\$ 2,942</b>
<b>Other Wireless Statistics:</b>								
Wireless retail postpaid ARPA <sup>(1)</sup>	\$ 123.96	\$ 124.16	\$ 127.76	\$ 128.02	\$ 130.06	\$ 131.83	\$ 133.47	<b>\$ 134.10</b>
Wireless retail postpaid upgrade rate	4.8 %	5.6 %	5.1 %	5.6 %	4.0 %	3.5 %	3.6 %	<b>4.4 %</b>
Wireless retail postpaid accounts ('000) <sup>(2)</sup>	33,514	33,386	33,251	33,183	33,034	32,976	32,938	<b>32,990</b>
Wireless retail postpaid connections per account <sup>(2)</sup>	2.73	2.74	2.75	2.77	2.79	2.80	2.81	<b>2.84</b>
Wireless retail prepaid ARPU <sup>(3)</sup>	\$ 30.89	\$ 31.26	\$ 31.18	\$ 31.53	\$ 30.71	\$ 31.42	\$ 31.87	<b>\$ 31.87</b>

**Footnotes:**

(1) Wireless retail postpaid ARPA - average service revenue per account from retail postpaid accounts.

(2) Statistics presented as of end of period.

(3) Wireless retail prepaid ARPU - average service revenue per unit from retail prepaid connections.

Where applicable, the operating results reflect certain adjustments, including those related to the 3G network shutdowns, migration activity among different types of devices and plans, customer profile changes, and adjustments in connection with mergers, acquisitions and divestitures.

Certain intersegment transactions with corporate entities have not been eliminated.



## Business - Selected Financial Results

(dollars in millions)

Unaudited	2022				2023			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
<b>Operating Revenues</b>								
Enterprise and Public Sector	\$ 3,978	\$ 3,867	\$ 3,940	\$ 3,908	\$ 3,787	\$ 3,784	\$ 3,787	\$ 3,718
Business Markets and Other	3,076	3,130	3,236	3,330	3,104	3,109	3,184	3,318
Wholesale	655	629	661	662	603	590	556	582
<b>Total Operating Revenues</b>	<b>7,709</b>	<b>7,626</b>	<b>7,837</b>	<b>7,900</b>	<b>7,494</b>	<b>7,483</b>	<b>7,527</b>	<b>7,618</b>
<b>Operating Expenses</b>								
Cost of services	2,606	2,559	2,653	2,665	2,582	2,543	2,536	2,519
Cost of wireless equipment	1,310	1,268	1,344	1,440	1,234	1,152	1,220	1,353
Selling, general and administrative expense	2,059	2,050	2,063	2,112	2,033	2,152	2,105	2,139
Depreciation and amortization expense	1,061	1,074	1,079	1,098	1,094	1,103	1,127	1,164
<b>Total Operating Expenses</b>	<b>7,036</b>	<b>6,951</b>	<b>7,139</b>	<b>7,315</b>	<b>6,943</b>	<b>6,950</b>	<b>6,988</b>	<b>7,175</b>
<b>Operating Income</b>	<b>\$ 673</b>	<b>\$ 675</b>	<b>\$ 698</b>	<b>\$ 585</b>	<b>\$ 551</b>	<b>\$ 533</b>	<b>\$ 539</b>	<b>\$ 443</b>
<b>Operating Income Margin</b>	<b>8.7 %</b>	<b>8.9 %</b>	<b>8.9 %</b>	<b>7.4 %</b>	<b>7.4 %</b>	<b>7.1 %</b>	<b>7.2 %</b>	<b>5.8 %</b>
<b>Segment EBITDA<sup>(1)</sup></b>	<b>\$ 1,734</b>	<b>\$ 1,749</b>	<b>\$ 1,777</b>	<b>\$ 1,683</b>	<b>\$ 1,645</b>	<b>\$ 1,636</b>	<b>\$ 1,666</b>	<b>\$ 1,607</b>
<b>Segment EBITDA Margin<sup>(1)</sup></b>	<b>22.5 %</b>	<b>22.9 %</b>	<b>22.7 %</b>	<b>21.3 %</b>	<b>22.0 %</b>	<b>21.9 %</b>	<b>22.1 %</b>	<b>21.1 %</b>

**Footnotes:**

(1) Non-GAAP financial measure.

Our Business segment's wireless and wireline products and services are organized by the primary customer groups targeted by these offerings. During the first quarter of 2023, Verizon reorganized the customer groups within its Business segment. Previously, this segment was comprised of four customer groups: Small and Medium Business, Global Enterprise, Public Sector and Other, and Wholesale. Following the reorganization, there are now three customer groups: Enterprise and Public Sector, Business Markets and Other, and Wholesale. Enterprise and Public Sector combines the customers previously included in Global Enterprise and Public Sector and Other (excluding BlueJeans and Connect customers) as well as the commercial wireline customers previously included in Small and Medium Business. Business Markets and Other combines the customers previously included in Small and Medium Business (excluding commercial wireline customers), the BlueJeans customers previously included in Global Enterprise and Public Sector and Other, and the Connect customers previously included in Public Sector and Other. The Wholesale customer group remained unchanged. Prior period operating revenue results within the Business segment have been recast for these reorganized customer groups. There was no change to the composition of our reportable segments and total segment results, nor the determination of segment profit.

The segment financial results and metrics above exclude the effects of special items (other than the effects of acquisition-related intangible asset amortization), which the Company's chief operating decision maker does not consider in assessing segment performance.

Certain intersegment transactions with corporate entities have not been eliminated.

## Business - Selected Operating Statistics

Unaudited	2022				2023			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
<b>Connections ('000):</b>								
Wireless retail postpaid	27,809	28,208	28,584	28,733	28,820	29,105	29,455	<b>29,779</b>
Wireless retail postpaid phones	17,353	17,586	17,795	17,782	17,703	17,856	18,019	<b>18,170</b>
Fios video	71	70	69	67	65	64	63	<b>61</b>
Fios internet	361	367	370	373	377	380	383	<b>385</b>
FWA broadband	217	316	442	568	726	870	1,038	<b>1,201</b>
Wireline broadband	475	474	471	468	466	464	461	<b>460</b>
Total broadband	692	790	913	1,036	1,192	1,334	1,499	<b>1,661</b>
<b>Gross Additions ('000):</b>								
Wireless retail postpaid	1,502	1,582	1,566	1,644	1,607	1,590	1,618	<b>1,605</b>
<b>Net Additions Detail ('000):</b>								
Wireless retail postpaid	395	430	360	455	312	308	330	<b>292</b>
Wireless retail postpaid phones	256	227	197	176	136	144	151	<b>131</b>
Fios video	—	(1)	(1)	(2)	(2)	(1)	(1)	<b>(2)</b>
Fios internet	5	6	3	3	4	3	3	<b>2</b>
FWA broadband	82	88	108	117	137	133	133	<b>144</b>
Wireline broadband	(2)	(1)	(3)	(3)	(2)	(2)	(3)	<b>(1)</b>
Total broadband	80	87	105	114	135	131	130	<b>143</b>
<b>Churn Rate:</b>								
Wireless retail postpaid	1.34 %	1.37 %	1.42 %	1.38 %	1.50 %	1.48 %	1.47 %	<b>1.48 %</b>
Wireless retail postpaid phones	1.06 %	1.07 %	1.10 %	1.06 %	1.16 %	1.10 %	1.14 %	<b>1.12 %</b>
<b>Revenue Statistics (in millions):</b>								
Wireless service revenue	\$ 3,125	\$ 3,182	\$ 3,273	\$ 3,265	\$ 3,290	\$ 3,351	\$ 3,367	<b>\$ 3,364</b>
Fios revenues	\$ 295	\$ 298	\$ 304	\$ 304	\$ 307	\$ 308	\$ 308	<b>\$ 312</b>
<b>Other Operating Statistics:</b>								
Wireless retail postpaid upgrade rate	3.4 %	3.1 %	3.3 %	3.6 %	2.8 %	2.7 %	2.9 %	<b>3.1 %</b>

**Footnotes:**

Where applicable, the operating results reflect certain adjustments, including those related to the 3G network shutdowns, migration activity among different types of devices and plans, customer profile changes, and adjustments in connection with mergers, acquisitions and divestitures.

Certain intersegment transactions with corporate entities have not been eliminated.

## Supplemental Information - Total Wireless Operating and Financial Statistics

The following supplemental schedule contains certain financial and operating metrics which reflect an aggregation of our Consumer and Business segments' wireless results.

Unaudited	2022				2023			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
<b>Connections ('000)</b>								
Retail postpaid	119,223	119,683	120,062	120,589	121,012	121,579	122,159	<b>123,629</b>
Retail prepaid	23,772	23,138	23,076	22,664	22,331	21,646	21,420	<b>21,122</b>
Total retail	142,995	142,821	143,138	143,253	143,343	143,225	143,579	<b>144,751</b>
Retail postpaid phones	92,775	92,783	92,792	92,639	92,314	92,321	92,426	<b>92,890</b>
<b>Net Additions Detail ('000)</b>								
Retail postpaid phones	(36)	12	8	217	(127)	8	100	<b>449</b>
Retail postpaid	269	514	388	1,434	633	612	581	<b>1,460</b>
Retail prepaid	(80)	(229)	39	(175)	(351)	(304)	(207)	<b>(289)</b>
Total retail	189	285	427	1,259	282	308	374	<b>1,171</b>
<b>Account Statistics</b>								
Retail postpaid accounts ('000) <sup>(1)</sup>	35,224	35,132	35,034	35,002	34,877	34,855	34,855	<b>34,958</b>
Retail postpaid connections per account <sup>(1)</sup>	3.38	3.41	3.43	3.45	3.47	3.49	3.50	<b>3.54</b>
Retail postpaid ARPA <sup>(2)</sup>	\$ 144.87	\$ 145.50	\$ 149.82	\$ 149.95	\$ 152.27	\$ 154.51	\$ 156.13	<b>\$ 156.48</b>
Retail prepaid ARPU <sup>(3)</sup>	\$ 30.89	\$ 31.26	\$ 31.18	\$ 31.53	\$ 30.71	\$ 31.42	\$ 31.87	<b>\$ 31.87</b>
<b>Churn Detail</b>								
Retail postpaid phone	0.83 %	0.81 %	0.92 %	0.89 %	0.90 %	0.83 %	0.90 %	<b>0.93 %</b>
Retail postpaid	1.04 %	1.03 %	1.17 %	1.14 %	1.15 %	1.07 %	1.15 %	<b>1.18 %</b>
Retail prepaid	3.69 %	3.90 %	3.90 %	4.90 %	4.31 %	4.24 %	4.39 %	<b>4.55 %</b>
Retail	1.48 %	1.50 %	1.62 %	1.74 %	1.65 %	1.56 %	1.63 %	<b>1.67 %</b>
<b>Retail Postpaid Connection Statistics</b>								
Upgrade rate	4.5 %	5.0 %	4.7 %	5.1 %	3.7 %	3.3 %	3.4 %	<b>4.1 %</b>
<b>Revenue Statistics (in millions) <sup>(4)</sup></b>								
Wireless service	\$ 18,342	\$ 18,418	\$ 18,790	\$ 18,804	\$ 18,889	\$ 19,113	\$ 19,330	<b>\$ 19,398</b>
Wireless equipment	6,336	6,674	6,575	7,625	5,760	5,277	5,813	<b>7,472</b>
Wireless other	1,818	1,800	1,922	1,851	1,515	1,486	1,507	<b>1,575</b>
Total Wireless	\$ 26,496	\$ 26,892	\$ 27,287	\$ 28,280	\$ 26,164	\$ 25,876	\$ 26,650	<b>\$ 28,445</b>

**Footnotes:**

(1) Statistics presented as of end of period.

(2) Wireless retail postpaid ARPA - average service revenue per account from retail postpaid accounts.

(3) Wireless retail prepaid ARPU - average service revenue per unit from retail prepaid connections.

(4) Intersegment transactions between Consumer or Business segment with corporate entities have not been eliminated.

Where applicable, the operating results reflect certain adjustments, including those related to the 3G network shutdowns, migration activity among different types of devices and plans, customer profile changes, and adjustments in connection with mergers, acquisitions and divestitures.

## Definitions - Non-GAAP Measures

### Non-GAAP Measures

Verizon's Financial and Operating Information includes financial information prepared in conformity with generally accepted accounting principles in the United States (GAAP) as well as non-GAAP financial information. It is management's intent to provide non-GAAP financial information to enhance the understanding of Verizon's GAAP financial information and it should be considered by the reader in addition to, but not instead of, the financial statements prepared in accordance with GAAP. Each non-GAAP financial measure is presented along with the corresponding GAAP measure so as not to imply that more emphasis should be placed on the non-GAAP measure. We believe that providing these non-GAAP measures in addition to the GAAP measures allows management, investors and other users of our financial information to more fully and accurately assess both consolidated and segment performance. The non-GAAP financial information presented may be determined or calculated differently by other companies and may not be directly comparable to that of other companies.

### EBITDA and EBITDA Margin Related Non-GAAP Measures

Consolidated earnings before interest, taxes, depreciation and amortization (EBITDA), Segment EBITDA and Segment EBITDA Margin are non-GAAP financial measures that we believe are useful to management, investors and other users of our financial information as they are widely accepted financial measures used in evaluating the profitability of a company and its operating performance in relation to its competitors.

Consolidated EBITDA is calculated by adding back interest, taxes and depreciation and amortization expense to net income.

Segment EBITDA is calculated by adding back segment depreciation and amortization expense to segment operating income. Segment EBITDA Margin is calculated by dividing Segment EBITDA by total segment operating revenues.

### Consolidated Adjusted EBITDA, Consolidated Adjusted EBITDA Margin and Consolidated Adjusted EBITDA Growth Forecast

Consolidated Adjusted EBITDA, Consolidated Adjusted EBITDA Margin and Consolidated Adjusted EBITDA Growth Forecast are non-GAAP financial measures that we believe provide relevant and useful information to management, investors and other users of our financial information in evaluating the effectiveness of our operations and underlying business trends in a manner that is consistent with management's evaluation of business performance. We believe that Consolidated Adjusted EBITDA, Consolidated Adjusted EBITDA Margin and Consolidated Adjusted EBITDA Growth Forecast are used by investors to compare a company's operating performance to its competitors by minimizing impacts caused by differences in capital structure, taxes and depreciation and amortization policies. Further, the exclusion of non-operational items and special items enables comparability to prior period performance and trend analysis.

Consolidated Adjusted EBITDA is calculated by excluding from Consolidated EBITDA the effect of the following non-operational items: equity in losses and earnings of unconsolidated businesses and other income and expense, net, and the following special items: severance charges, Verizon Business Group ("Verizon Business") goodwill impairment, asset rationalization, legal settlement, business transformation costs and non-strategic business shutdown. Severance charges recorded during 2023 and 2022 primarily relate to involuntary separations under our existing plans. Verizon Business goodwill impairment relates to an impairment charge recognized in the fourth quarter of 2023 as a result of Verizon's annual goodwill impairment test. Asset rationalization recorded during the second quarter of 2023 relates to certain real estate and non-strategic assets that we made a decision to cease use of as part of our transformation initiatives. Asset rationalization recorded during the fourth quarter of 2023 primarily relates to Verizon Business network assets that we made a decision to cease use of as part of our continued transformation initiatives. Legal settlement recorded during 2023 relates to the settlement of a litigation matter regarding certain administrative fees. Business transformation costs recorded during 2023 primarily relate to costs incurred in connection with strategic partnership initiatives in our managed network support services for certain Verizon Business customers. Non-strategic business shutdown relates to the shutdown of our BlueJeans business offering in 2023.

Consolidated Adjusted EBITDA Margin is calculated by dividing Consolidated Adjusted EBITDA by consolidated operating revenues.

We have not provided a reconciliation for our Consolidated Adjusted EBITDA Growth Forecast because we cannot, without unreasonable effort, predict the special items that could arise during 2024.

### Net Unsecured Debt and Net Unsecured Debt to Consolidated Adjusted EBITDA Ratio

Net Unsecured Debt and Net Unsecured Debt to Consolidated Adjusted EBITDA Ratio are non-GAAP financial measures that we believe are useful to management, investors and other users of our financial information in evaluating Verizon's ability to service its unsecured debt from continuing operations.

Net Unsecured Debt is calculated by subtracting secured debt and cash and cash equivalents, from the sum of debt maturing within one year and long-term debt. Net Unsecured Debt to Consolidated Adjusted EBITDA Ratio is calculated by dividing Net Unsecured Debt by Consolidated Adjusted EBITDA. For purposes of Net Unsecured Debt to Consolidated Adjusted EBITDA Ratio, Consolidated Adjusted EBITDA is calculated for the last twelve months.

### Adjusted Earnings per Common Share (Adjusted EPS) and Adjusted EPS Forecast

Adjusted EPS and Adjusted EPS Forecast are non-GAAP financial measures that we believe are useful to management, investors and other users of our financial information in evaluating our operating results and understanding our operating trends without the effect of special items which could vary from period to period. We believe excluding special items provides more comparable assessment of our financial results from period to period.

Adjusted EPS is calculated by excluding from the calculation of reported EPS the effect of the following special items: amortization of acquisition-related intangible assets, severance, pension and benefits charges and credits, Verizon Business goodwill impairment, asset rationalization, legal settlement, business transformation costs, non-strategic business shutdown and early debt redemption costs.

We exclude the amortization of acquisition-related intangible assets because the amount and timing of such charges are significantly impacted by the timing, size, number and nature of the acquisitions we consummate. While we have a history of significant acquisition activity, we do not acquire businesses on a predictable cycle, and the amount of an acquisition's purchase price allocated to intangible assets and related amortization term are unique to each acquisition and can vary significantly from acquisition to acquisition. Exclusion of this amortization expense facilitates more consistent comparisons of operating results over time between our newly acquired and long-held businesses, and with both acquisitive and non-acquisitive peer companies. We believe that it is important for investors to

## Definitions - Non-GAAP Measures

understand that our non-GAAP financial measure adjusts for the intangible asset amortization but does not adjust the revenue that is generated in part from the use of such intangible assets.

We have not provided a reconciliation for our Adjusted EPS Forecast because we cannot, without unreasonable effort, predict the special items that could arise during 2024.

### **Adjusted Effective Income Tax Rate Attributable to Verizon Forecast (Adjusted ETR Forecast)**

Adjusted ETR Forecast is a non-GAAP financial measure that we believe is useful to management, investors and other users of our financial information in assessing our effective income tax rate without the effect of special items which could vary from period to period. Adjusted ETR Forecast is calculated by dividing the provision for income taxes by net income attributable to Verizon before tax after adjusting for the effect of special items.

We have not provided a reconciliation for our Adjusted ETR Forecast because we cannot, without unreasonable effort, predict the special items that could arise during 2024.

### **Free Cash Flow and Free Cash Flow Dividend Payout Ratio**

Free cash flow is a non-GAAP financial measure that reflects an additional way of viewing our liquidity that, when viewed with our GAAP results, provides a more complete understanding of factors and trends affecting our cash flows. We believe it is a more conservative measure of cash flow since capital expenditures are necessary for ongoing operations. Free cash flow has limitations due to the fact that it does not represent the residual cash flow available for discretionary expenditures. For example, free cash flow does not incorporate payments made or expected to be made on finance lease obligations or cash payments for acquisitions of businesses or wireless licenses. Therefore, we believe it is important to view free cash flow as a complement to our entire consolidated statements of cash flows.

Free cash flow is calculated by subtracting capital expenditures (including capitalized software) from net cash provided by operating activities.

Free cash flow dividend payout ratio is a non-GAAP financial measure that we believe is useful to management, investors and other users of our financial information in evaluating Verizon's cash available for return to shareholders. We believe this is a more conservative measure of our ability to fund our dividend payments to shareholders. Free cash flow dividend payout ratio has limitations consistent with free cash flow as discussed above.

Free cash flow dividend payout ratio is calculated by dividing dividends paid to shareholders by free cash flow.

### **Consolidated Operating Expenses Excluding Depreciation and Amortization and Special Items**

Consolidated operating expenses excluding depreciation and amortization and special items is a non-GAAP financial measure that we believe is useful to management, investors and other users of our financial information in evaluating our operating expenses and underlying operating trends in a manner that is consistent with management's evaluation of operating performance. We believe that consolidated operating expenses excluding depreciation and amortization and special items is used by investors to more accurately compare a company's operating expenses to those of its competitors by eliminating impacts caused by differences in depreciation and amortization policies. In addition, the exclusion of the effects of special items allows for better comparability of our financial results from period to period.

Consolidated operating expenses excluding depreciation and amortization and special items is calculated by excluding from consolidated operating expenses the effects of depreciation and amortization expense and the following special items: severance charges, Verizon Business goodwill impairment, asset rationalization and legal settlement.

### **Adjusted 2023 Total Wireless Service Revenue and Growth Rate**

Adjusted 2023 total wireless service revenue and adjusted 2023 total wireless service revenue growth rate are non-GAAP financial measures that we believe are useful to management, investors and other users of our financial information in evaluating our total wireless service revenue growth and underlying operating trends in a manner that is consistent with management's evaluation of operating performance. Adjusted 2023 total wireless service revenue and adjusted 2023 total wireless service revenue growth rate allow for better comparability of our financial results from period to period by excluding the effects of the larger allocation of administrative and telco recovery charges, which partly recover network operating costs, from other revenue to wireless service revenue in 2023.

Adjusted 2023 total wireless service revenue is calculated by excluding from total wireless service revenue the effect of the reallocation of certain revenues from other revenue to wireless service revenue in 2023. Adjusted 2023 total wireless service revenue growth rate is calculated by dividing the difference between the adjusted 2023 total wireless service revenue and our prior period reported result, by the prior period reported total wireless service revenue result.

## Non-GAAP Reconciliations - Consolidated

## Consolidated EBITDA, Consolidated Adjusted EBITDA and Consolidated Adjusted EBITDA Margin

(dollars in millions)

Unaudited	2022					2023				
	1Q	2Q	3Q	4Q	Full Year	1Q	2Q	3Q	4Q	Full Year
<b>Consolidated Net Income (Loss)</b>	\$4,711	\$5,315	\$5,024	\$6,698	\$21,748	\$5,018	\$4,766	\$4,884	\$(2,573)	\$12,095
Add:										
Provision for income taxes	1,372	1,542	1,496	2,113	6,523	1,482	1,346	1,308	756	4,892
Interest expense	786	785	937	1,105	3,613	1,207	1,285	1,433	1,599	5,524
Depreciation and amortization expense <sup>(1)</sup>	4,236	4,321	4,324	4,218	17,099	4,318	4,359	4,431	4,516	17,624
<b>Consolidated EBITDA</b>	<b>\$11,105</b>	<b>\$11,963</b>	<b>\$11,781</b>	<b>\$14,134</b>	<b>\$48,983</b>	<b>\$12,025</b>	<b>\$11,756</b>	<b>\$12,056</b>	<b>\$4,298</b>	<b>\$40,135</b>
Add/(subtract):										
Other (income) expense, net <sup>(2)</sup>	\$ 924	\$ (49)	\$ 439	\$(2,687)	\$(1,373)	\$ (114)	\$ (210)	\$ (170)	\$ 807	\$ 313
Equity in losses (earnings) of unconsolidated businesses	3	(41)	(2)	(4)	(44)	(9)	33	18	11	53
Severance charges	—	—	—	304	304	—	237	—	296	533
Verizon Business Group goodwill impairment	—	—	—	—	—	—	—	—	5,841	5,841
Asset rationalization	—	—	—	—	—	—	155	—	325	480
Legal settlement	—	—	—	—	—	—	—	—	100	100
Business transformation costs	—	—	—	—	—	—	—	176	—	176
Non-strategic business shutdown	—	—	—	—	—	—	—	158	—	158
<b>Consolidated Adjusted EBITDA</b>	<b>\$12,032</b>	<b>\$11,873</b>	<b>\$12,218</b>	<b>\$11,747</b>	<b>\$47,870</b>	<b>\$11,902</b>	<b>\$11,971</b>	<b>\$12,238</b>	<b>\$11,678</b>	<b>\$47,789</b>
<b>Consolidated Operating Revenues</b>				\$35,251	\$136,835	\$32,912	\$32,596	\$33,336	\$35,130	\$133,974
<b>Consolidated Net Income (Loss) Margin</b>				19.0 %	15.9 %	15.2 %	14.6 %	14.7 %	(7.3)%	9.0 %
<b>Consolidated Adjusted EBITDA Margin</b>				33.3 %	35.0 %	36.2 %	36.7 %	36.7 %	33.2 %	35.7 %
Consolidated Adjusted EBITDA - Year over year change %									(0.6)%	(0.2)%

(1) Includes Amortization of acquisition-related intangible assets and a portion of the Non-strategic business shutdown, where applicable.

(2) Includes Pension and benefits remeasurement adjustments and Early debt redemption costs, where applicable.

## Non-GAAP Reconciliations - Consolidated

## Consolidated EBITDA and Consolidated Adjusted EBITDA (LTM)

(dollars in millions)

Unaudited	12 Mos. Ended 12/31/22	12 Mos. Ended 3/31/23	12 Mos. Ended 6/30/23	12 Mos. Ended 9/30/23	12 Mos. Ended 12/31/23
<b>Consolidated Net Income</b>	\$ 21,748	\$ 22,055	\$ 21,506	\$ 21,366	\$ 12,095
Add:					
Provision for income taxes	6,523	6,633	6,437	6,249	4,892
Interest expense	3,613	4,034	4,534	5,030	5,524
Depreciation and amortization expense <sup>(1)</sup>	17,099	17,181	17,219	17,326	17,624
<b>Consolidated EBITDA</b>	<b>\$ 48,983</b>	<b>\$ 49,903</b>	<b>\$ 49,696</b>	<b>\$ 49,971</b>	<b>\$ 40,135</b>
Add/(subtract):					
Other (income) expense, net <sup>(2)</sup>	\$ (1,373)	\$ (2,411)	\$ (2,572)	\$ (3,181)	\$ 313
Equity in losses (earnings) of unconsolidated businesses	(44)	(56)	18	38	53
Severance charges	304	304	541	541	533
Verizon Business Group goodwill impairment	—	—	—	—	5,841
Asset rationalization	—	—	155	155	480
Legal settlement	—	—	—	—	100
Business transformation costs	—	—	—	176	176
Non-strategic business shutdown	—	—	—	158,000,000	158
<b>Consolidated Adjusted EBITDA</b>	<b>\$ 47,870</b>	<b>\$ 47,740</b>	<b>\$ 47,838</b>	<b>\$ 47,858</b>	<b>\$ 47,789</b>

(1) Includes Amortization of acquisition-related intangible assets and a portion of the Non-strategic business shutdown, where applicable.

(2) Includes Pension and benefits remeasurement adjustments and Early debt redemption costs, where applicable.

## Net Unsecured Debt and Net Unsecured Debt to Consolidated Adjusted EBITDA Ratio

(dollars in millions)

Unaudited	12/31/21	3/31/22	6/30/22	9/30/22	12/31/22	3/31/23	6/30/23	9/30/23	12/31/23
Debt maturing within one year	\$ 7,443	\$ 13,421	\$ 12,873	\$ 14,995	\$ 9,963	\$ 12,081	\$ 14,827	\$ 12,950	\$ 12,973
Long-term debt	143,425	139,961	136,184	132,912	140,676	140,772	137,871	134,441	137,701
<b>Total Debt</b>	<b>150,868</b>	<b>153,382</b>	<b>149,057</b>	<b>147,907</b>	<b>150,639</b>	<b>152,853</b>	<b>152,698</b>	<b>147,391</b>	<b>150,674</b>
Less Secured debt	14,202	16,102	16,572	16,510	20,008	20,835	21,342	20,951	22,183
<b>Unsecured Debt</b>	<b>136,666</b>	<b>137,280</b>	<b>132,485</b>	<b>131,397</b>	<b>130,631</b>	<b>132,018</b>	<b>131,356</b>	<b>126,440</b>	<b>128,491</b>
Less Cash and cash equivalents	2,921	1,661	1,857	2,082	2,605	2,234	4,803	4,210	2,065
<b>Net Unsecured Debt</b>	<b>\$ 133,745</b>	<b>\$ 135,619</b>	<b>\$ 130,628</b>	<b>\$ 129,315</b>	<b>\$ 128,026</b>	<b>\$ 129,784</b>	<b>\$ 126,553</b>	<b>\$ 122,230</b>	<b>\$ 126,426</b>
<b>Consolidated Net Income (LTM)</b>					\$ 21,748	\$ 22,055	\$ 21,506	\$ 21,366	\$ 12,095
<b>Unsecured Debt to Consolidated Net Income Ratio</b>					6.0x	6.0x	6.1x	5.9x	10.6x
<b>Consolidated Adjusted EBITDA (LTM)</b>					\$ 47,870	\$ 47,740	\$ 47,838	\$ 47,858	\$ 47,789
<b>Net Unsecured Debt to Consolidated Adjusted EBITDA Ratio</b>					2.7x	2.7x	2.6x	2.6x	2.6x
Net Unsecured Debt - Quarter over quarter change									\$ 4,196
Net Unsecured Debt - Year over year change									\$ (1,600)
Net Unsecured Debt to Consolidated Adjusted EBITDA Ratio - Quarter over quarter change									—
Net Unsecured Debt to Consolidated Adjusted EBITDA Ratio - Year over year change									(0.1)x

## Non-GAAP Reconciliations - Consolidated

## Adjusted Earnings per Common Share (Adjusted EPS)

(dollars in millions except per share amounts)

Unaudited				3 Mos. Ended				3 Mos. Ended
				12/31/22				12/31/23
	Pre-tax	Tax	After-Tax		Pre-tax	Tax	After-Tax	
<b>EPS</b>				\$ 1.56				\$ (0.64)
Amortization of acquisition-related intangible assets	\$ 115	\$ (34)	\$ 81	0.02	\$ 227	\$ (57)	\$ 170	0.04
Severance, pension and benefits charges (credits)	(2,214)	552	(1,662)	(0.40)	1,288	(319)	969	0.23
Verizon Business Group goodwill impairment	—	—	—	—	5,841	(52)	5,789	1.37
Asset rationalization	—	—	—	—	325	(80)	245	0.06
Legal settlement	—	—	—	—	100	(25)	75	0.02
	\$ (2,099)	\$ 518	\$ (1,581)	\$ (0.38)	\$ 7,781	\$ (533)	\$ 7,248	\$ 1.72
<b>Adjusted EPS</b>				<b>\$ 1.19</b>				<b>\$ 1.08</b>
Year over year change %								(9.2)%

## Footnote:

Adjusted EPS may not add due to rounding.

(dollars in millions except per share amounts)

Unaudited				12 Mos. Ended				12 Mos. Ended
				12/31/22				12/31/23
	Pre-tax	Tax	After-Tax		Pre-tax	Tax	After-Tax	
<b>EPS</b>				\$ 5.06				\$ 2.75
Amortization of acquisition-related intangible assets	\$ 826	\$ (214)	\$ 612	0.15	\$ 865	\$ (219)	\$ 646	0.15
Severance, pension and benefits charges (credits)	(1,371)	339	(1,032)	(0.25)	1,525	(378)	1,147	0.27
Verizon Business Group goodwill impairment	—	—	—	—	5,841	(52)	5,789	1.37
Asset rationalization	—	—	—	—	480	(113)	367	0.09
Legal settlement	—	—	—	—	100	(25)	75	0.02
Business transformation costs	—	—	—	—	176	(45)	131	0.03
Non-strategic business shutdown	—	—	—	—	179	(83)	96	0.02
Early debt redemption costs	1,241	(316)	925	0.22	—	—	—	—
	\$ 696	\$ (191)	\$ 505	\$ 0.12	\$ 9,166	\$ (915)	\$ 8,251	\$ 1.96
<b>Adjusted EPS</b>				<b>\$ 5.18</b>				<b>\$ 4.71</b>
Year over year change %								(9.1)%

## Footnote:

Adjusted EPS may not add due to rounding.

## Free Cash Flow and Free Cash Flow Dividend Payout Ratio

(dollars in millions)

Unaudited	3 Mos. Ended	3 Mos. Ended	12 Mos. Ended	12 Mos. Ended
	12/31/22	12/31/23	12/31/22	12/31/23
<b>Net Cash Provided by Operating Activities</b>	\$ 8,942	<b>8,677</b>	\$ 37,141	<b>37,475</b>
Capital expenditures (including capitalized software)	(7,276)	<b>(4,603)</b>	(23,087)	<b>(18,767)</b>
<b>Free Cash Flow</b>	\$ 1,666	<b>\$ 4,074</b>	\$ 14,054	<b>\$ 18,708</b>
<b>Dividends Paid</b>				<b>\$ 11,025</b>
<b>Net Cash Provided by Operating Activities Dividend Payout Ratio</b>				<b>29.4 %</b>
<b>Free Cash Flow Dividend Payout Ratio</b>				<b>58.9 %</b>
Free Cash Flow for 12 Mos. Ended 12/31/23 - Year over year change				<b>\$ 4,654</b>
Free Cash Flow for 12 Mos. Ended 12/31/23 - Year over year change %				<b>33.1 %</b>



## Non-GAAP Reconciliations - Consolidated

## Consolidated Operating Expenses Excluding Depreciation and Amortization and Special Items

Unaudited	(dollars in millions)	
	3 Mos. Ended 12/31/22	3 Mos. Ended 12/31/23
<b>Consolidated Operating Expenses</b>	<b>\$ 28,026</b>	<b>\$ 34,530</b>
Depreciation and amortization expense <sup>(1)</sup>	4,218	4,516
Severance charges	304	296
Verizon Business Group goodwill impairment	—	5,841
Asset rationalization	—	325
Legal settlement	—	100
<b>Consolidated Operating Expenses Excluding Depreciation and Amortization and Special Items</b>	<b>\$ 23,504</b>	<b>\$ 23,452</b>
Year over year change %		(0.2)%

(1) Includes Amortization of acquisition-related intangible assets.

## Adjusted 2023 Total Wireless Service Revenue and Growth Rate

Unaudited	(dollars in millions)	
	12 Mos. Ended 12/31/22	12 Mos. Ended 12/31/23
<b>Total Wireless Service Revenue</b>	<b>\$ 74,354</b>	<b>\$ 76,730</b>
Less revenue reallocated from Other revenue to Wireless service revenue ("Reallocation")	—	1,445
<b>Adjusted Total Wireless Service Revenue</b>	<b>\$ 74,354</b>	<b>\$ 75,285</b>
2023 Total Wireless Service Revenue Growth Rate		3.2 %
Adjusted 2023 Total Wireless Service Revenue Growth Rate		1.3 %
Effect of Reallocation on 2023 Total Wireless Service Revenue Growth Rate		190 bps

## Non-GAAP Reconciliations - Segments

## Segment EBITDA and Segment EBITDA Margin

## Consumer

(dollars in millions)

Unaudited	3 Mos. Ended 3/31/22	3 Mos. Ended 6/30/22	3 Mos. Ended 9/30/22	3 Mos. Ended 12/31/22	Full year 2022	3 Mos. Ended 3/31/23	3 Mos. Ended 6/30/23	3 Mos. Ended 9/30/23	3 Mos. Ended 12/31/23	Full Year 2023
<b>Operating Income</b>	\$ 7,319	\$ 7,150	\$ 7,349	\$ 7,028	\$28,846	\$ 7,099	\$ 7,330	\$ 7,547	\$ 7,035	\$29,011
Add Depreciation and amortization expense	3,162	3,211	3,232	3,111	12,716	3,214	3,247	3,272	3,344	13,077
<b>Segment EBITDA</b>	<b>\$10,481</b>	<b>\$10,361</b>	<b>\$10,581</b>	<b>\$10,139</b>	<b>\$41,562</b>	<b>\$10,313</b>	<b>\$10,577</b>	<b>\$10,819</b>	<b>\$10,379</b>	<b>\$42,088</b>
Total operating revenues	\$25,292	\$25,604	\$25,840	\$26,770	\$103,506	\$24,857	\$24,558	\$25,257	\$26,954	\$101,626
<b>Operating Income Margin</b>	28.9 %	27.9 %	28.4 %	26.3 %	27.9 %	28.6 %	29.8 %	29.9 %	26.1 %	28.5 %
<b>Segment EBITDA Margin</b>	41.4 %	40.5 %	40.9 %	37.9 %	40.2 %	41.5 %	43.1 %	42.8 %	38.5 %	41.4 %
Segment EBITDA - Year over year change %									2.4 %	1.3 %

## Business

(dollars in millions)

Unaudited	3 Mos. Ended 3/31/22	3 Mos. Ended 6/30/22	3 Mos. Ended 9/30/22	3 Mos. Ended 12/31/22	Full year 2022	3 Mos. Ended 3/31/23	3 Mos. Ended 6/30/23	3 Mos. Ended 9/30/23	3 Mos. Ended 12/31/23	Full Year 2023
<b>Operating Income</b>	\$ 673	\$ 675	\$ 698	\$ 585	\$ 2,631	\$ 551	\$ 533	\$ 539	\$ 443	\$ 2,066
Add Depreciation and amortization expense	1,061	1,074	1,079	1,098	4,312	1,094	1,103	1,127	1,164	4,488
<b>Segment EBITDA</b>	<b>\$ 1,734</b>	<b>\$ 1,749</b>	<b>\$ 1,777</b>	<b>\$ 1,683</b>	<b>\$ 6,943</b>	<b>\$ 1,645</b>	<b>\$ 1,636</b>	<b>\$ 1,666</b>	<b>\$ 1,607</b>	<b>\$ 6,554</b>
Total operating revenues	\$ 7,709	\$ 7,626	\$ 7,837	\$ 7,900	\$31,072	\$ 7,494	\$ 7,483	\$ 7,527	\$ 7,618	\$30,122
<b>Operating Income Margin</b>	8.7 %	8.9 %	8.9 %	7.4 %	8.5 %	7.4 %	7.1 %	7.2 %	5.8 %	6.9 %
<b>Segment EBITDA Margin</b>	22.5 %	22.9 %	22.7 %	21.3 %	22.3 %	22.0 %	21.9 %	22.1 %	21.1 %	21.8 %
Segment EBITDA - Year over year change %									(4.5)%	(5.6)%