



News Release

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Verizon Delivers Another Record-Breaking Quarter with 3Q 2026 Results Driven by Strong Postpaid Phone and Account Additions

Transformation Efforts Continue to Drive Growth and Profitability

Company Raises Full-Year Guidance for Third Consecutive Quarter

**Verizon and Amazon Web Services (AWS) Expand Strategic Partnership with
Landmark \$2B+ AI Infrastructure Deal**

3Q26 Key Highlights:

- Delivered 406,000 postpaid phone net additions, a more than 820.0 percent increase year-over-year, representing the strongest third-quarter performance in five years.
- Added 137,000 postpaid net accounts, marking the company's best performance in over a decade.
- Acquired nearly 1.7 million mobility and broadband subscribers in the first nine months of 2026, compared to 879,000 in the first nine months of 2025.
- Mobility and broadband service revenue of \$23.5 billion grew 2.9 percent year-over-year, up sequentially and forecast to grow approximately 4.0 percent in fourth-quarter 2026.
- Cash flow from operating activities was \$11.5 billion for the quarter, representing an increase of 2.2 percent year-over-year. This supported free cash flow¹ of \$7.8 billion, up 12.1 percent year-over-year.
- Sharp focus on operational efficiency resulted in strong consolidated net income performance of \$5.3 billion, up 5.2 percent year-over-year. This drove consolidated Adjusted EBITDA¹ of \$13.8 billion, up 8.0 percent year-over-year, which represents the highest quarterly result the company has ever reported.
- Earnings per share (EPS) was \$1.25, up 6.8 percent year-over-year, driving Adjusted EPS¹ of \$1.31, up 8.3 percent year-over-year.
- Raised full-year 2026 guidance for key metrics for the third consecutive quarter, including for postpaid phone net additions, Adjusted EPS¹, and free cash flow¹.

- Signed an agreement valued at \$2.0+ billion with AWS that establishes a commercial framework to scale distributed compute and meet the real-time demands of agentic and generative AI workloads.

NEW YORK, NY — Verizon Communications Inc. (NYSE, Nasdaq: VZ) today announced third-quarter 2026 results that set new company benchmarks. This performance highlights the momentum behind its multi-year transformation. Verizon delivered its strongest third-quarter postpaid phone net adds in five years, and its best quarterly net account growth in over a decade, alongside lower year-over-year churn. With these strong results and the underlying performance of the business, Verizon raised its full-year guidance for the third consecutive quarter.

"Verizon delivered another record-breaking quarter. One year into our transformation, Verizon is fundamentally stronger — operationally, financially, and competitively," said Dan Schulman, Verizon CEO. "By prioritizing customer-first offerings like Simplicity and our expanded loyalty program over heavy subsidies, we are winning loyal, high-value customers while expanding margins, reducing churn, and generating strong sustained cash flow. At the same time, technology leaders are choosing our fiber network to power the next generation of AI infrastructure. We are continuing to raise the bar and we are only one year into a multi-year growth story."

3Q 2026 Highlights

Mobility and Broadband

- Mobility and broadband service revenue reached approximately \$23.5 billion, representing a 2.9 percent increase year-over-year, continuing a sequential improvement from 2.8 percent in second-quarter 2026 and 1.6 percent in first-quarter 2026.
- Reported total postpaid phone net additions of 406,000 in third-quarter 2026, a more than 820.0 percent increase year-over-year, marking the strongest third-quarter performance in five years.
- Delivered 137,000 postpaid net account additions, marking the best performance in over a decade.
- Overall postpaid phone churn improved 4 bps year-over-year to 0.94 percent, with Consumer postpaid phone churn also improving 4 bps to 0.87 percent. Promotional cost of acquisition decreased 41 percent year-over-year, and promotional cost of retention improved by 30 percent year-over-year.

- Delivered 314,000 broadband net additions in third-quarter 2026. This includes total fixed wireless access net additions of 159,000 and 155,000 fiber broadband net additions.
- Verizon now maintains 17.4 million total broadband connections, with more than half of new fiber customers choosing 1-gigabit-plus download speeds.
- The company continues to anticipate total fiber passings to exceed 32 million by year-end, remaining on track toward a target of 40 to 50 million fiber passings over the medium term.

Consolidated Financial Results

- Total operating revenue was \$34.3 billion, up 1.5 percent year-over-year. Mobility and broadband service revenue growth of 2.9 percent was offset by a 9.0 percent year-over-year decline in equipment revenue. This decline resulted primarily from significantly lower upgrade volumes, as the average time customers keep their mobile devices continues to increase, and the company's strategic decision to reduce spending on device subsidies. It is another demonstration of Verizon's more disciplined approach as the company structurally evolves its business model.
- In third-quarter 2026, Verizon had strong consolidated net income of \$5.3 billion, a 5.2 percent increase year-over-year, and strong consolidated net income margin of 15.5 percent compared to 14.9 percent in third-quarter 2025.
- Consolidated Adjusted EBITDA¹ grew 8.0 percent year-over-year to \$13.8 billion, the highest the company ever reported.
- Consolidated Adjusted EBITDA margin¹ grew from 37.8 to 40.2 percent year-over-year, the highest the company ever reported.
- EPS was \$1.25 in third-quarter 2026, a 6.8 percent increase compared to \$1.17 in third-quarter 2025; Adjusted EPS¹, excluding special items, was \$1.31 in third-quarter 2026, an 8.3 percent increase compared to \$1.21 in third-quarter 2025.
- In third-quarter 2026, cash flow from operations was \$11.5 billion, up 2.2 percent year-over-year. Free cash flow¹ was \$7.8 billion in third-quarter 2026, up 12.1 percent year-over-year.
- Cash flow from operations was \$29.9 billion for the first nine months of the year, compared to \$28.0 billion for the same period in 2025, representing a growth rate of nearly 7.0 percent. Free cash flow¹ for the first nine months of the year was \$18.0 billion, up 14.3 percent year-over-year.
- Capital expenditures were \$11.9 billion for the first nine months of the year, reflecting sustained, disciplined investment to maintain network excellence and capture high-return expansion across mobility and broadband.
- Verizon's total unsecured debt as of the end of third-quarter 2026 was \$136.1 billion, compared to \$136.5 billion at the end of second-quarter 2026. The company's net unsecured debt¹ at the end of third-quarter 2026 was \$123.7 billion compared to \$128.7 billion at the end of second-quarter 2026. At the end of third-quarter 2026, Verizon's ratio of unsecured debt to consolidated net income (LTM) was 8.1 times and its net unsecured debt to consolidated Adjusted EBITDA ratio¹ was 2.3 times.
- In the first nine months of the year, Verizon returned \$12.8 billion of capital to shareholders, up 49.0 percent year-over-year. This includes dividend payments of \$8.8 billion and share repurchases of \$4.0 billion. The company continues to expect to repurchase up to \$4.5 billion for the full year.

Outlook and Guidance

Verizon does not provide a reconciliation for certain of the following adjusted (non-GAAP) forecasts because it cannot, without unreasonable effort, predict the special items that could arise, and the company is unable to address the probable significance of the unavailable information.

Given the strong third-quarter 2026 performance and continued operational momentum, Verizon is raising its full-year 2026 guidance as follows:

- **Postpaid phone net additions:** 1.1 million to 1.2 million, up from upper half of 750,000 to 1.0 million, representing an increase of more than three times compared to 2025.
- **Adjusted EPS¹:** \$5.04 to \$5.06, or 7.0 to 7.5 percent growth year-over-year, up from 6.0 to 7.0 percent.
- **Cash flow from operations:** 3.5 to 5.0 percent growth year-over-year, up from 2.0 to 4.0 percent.
- **Free cash flow¹:** expected to approach 12.0 percent growth year-over-year, up from 9.0 to 10.0 percent.
- **Mobility and broadband service revenue:** upper half of annual guidance of 2.5 to 3.0 percent growth, with approximately 4.0 percent growth in fourth-quarter 2026.

In addition, for 2026, Verizon continues to expect the following:

- **Capital expenditures:** \$16.0 billion to \$16.5 billion, inclusive of success-based investments for AI Connect.

¹ Non-GAAP financial measure. See the accompanying schedules and www.verizon.com/about/investors for reconciliations of non-GAAP financial measures cited in this document to most directly comparable financial measures under generally accepted accounting principles (GAAP).

Verizon Communications Inc. (NYSE, Nasdaq: VZ) powers and empowers how its millions of customers live, work and play, delivering on their demand for mobility, reliable network connectivity and security. Headquartered in New York City, serving countries worldwide and nearly all of the Fortune 500, Verizon generated revenues of \$138.2 billion in 2025. Verizon's world-class team never stops innovating to meet customers where they are today and equip them for the needs of tomorrow. For more, visit verizon.com or find a retail location at verizon.com/stores.

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Forward-looking statements

In this communication 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," "assumes," "believes," "estimates," "expects," "forecasts," "hopes," "intends," "plans," "targets," "will" 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: the effects of competition in the markets in which we operate, including the inability to successfully respond to competitive factors such as prices, promotional incentives, network performance and quality, and evolving consumer preferences; failure to take advantage of, or

respond to competitors' use of, developments in technology, including artificial intelligence, and address changes in consumer demand; the inability to implement our business strategy; adverse conditions in the U.S. and international economies, including inflation and changing interest rates in the markets in which we operate; changes to international trade and tariff policies and related economic and other impacts; cyberattacks impacting our networks or systems and any resulting financial or reputational impact; our ability to implement business transformation initiatives and achieve their anticipated benefits; system failures and disruptions to our networks and operations and any resulting financial, reputational or business impact; disruption of our key suppliers' or vendors' provisioning of products or services, including as a result of geopolitical factors, public health crises, natural disasters or extreme weather conditions; material adverse changes in labor matters and any resulting financial or operational impact; damage to our reputation or brands; changes in the regulatory environment in which we operate, including any increase in restrictions on our ability to operate our networks or businesses; allegations regarding the release of hazardous materials or pollutants into the environment from our, or our predecessors', network assets and any related government investigations, regulatory developments, litigation, penalties and other liability, remediation and compliance costs, operational impacts or reputational damage; significant amount of outstanding debt; 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 regulations, or in their interpretation, or challenges to our tax positions, resulting in additional tax expense or liabilities; 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; our ability to return capital to shareholders, including the amount, timing, and effect of share repurchases and dividends; and risks associated with mergers, acquisitions, divestitures and other strategic transactions, including our ability to obtain cost savings and other synergies and anticipated benefits of completed transactions within the expected time period or at all.