

Condensed Consolidated Statements of Income

(dollars in millions, except per share amounts)

Unaudited	3 Mos. Ended 3/31/22	3 Mos. Ended 3/31/21	% Change
Operating Revenues			
Service revenues and other	\$ 27,218	\$ 27,923	(2.5)
Wireless equipment revenues	6,336	4,944	28.2
Total Operating Revenues	33,554	32,867	2.1
Operating Expenses			
Cost of services	7,227	8,020	(9.9)
Cost of wireless equipment	7,123	5,502	29.5
Selling, general and administrative expense	7,172	7,401	(3.1)
Depreciation and amortization expense	4,236	4,174	1.5
Total Operating Expenses	25,758	25,097	2.6
Operating Income	7,796	7,770	0.3
Equity in earnings (losses) of unconsolidated businesses	(3)	8	*
Other income (expense), net	(924)	401	*
Interest expense	(786)	(1,101)	(28.6)
Income Before Provision For Income Taxes	6,083	7,078	(14.1)
Provision for income taxes	(1,372)	(1,700)	(19.3)
Net Income	\$ 4,711	\$ 5,378	(12.4)
Net income attributable to noncontrolling interests	\$ 131	\$ 133	(1.5)
Net income attributable to Verizon	4,580	5,245	(12.7)
Net Income	\$ 4,711	\$ 5,378	(12.4)
Basic Earnings Per Common Share			
Net income attributable to Verizon	\$ 1.09	\$ 1.27	(14.2)
Weighted-average shares outstanding (in millions)	4,201	4,141	
Diluted Earnings Per Common Share ⁽¹⁾			
Net income attributable to Verizon	\$ 1.09	\$ 1.27	(14.2)
Weighted-average shares outstanding (in millions)	4,202	4,142	

Footnotes:

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

* Not meaningful

Condensed Consolidated Balance Sheets

(dollars in millions)

Unaudited	3/31/22	12/31/21	\$ Change
Assets			
Current assets			
Cash and cash equivalents	\$ 1,661	\$ 2,921	\$ (1,260)
Accounts receivable	24,474	24,742	(268)
Less Allowance for credit losses	859	896	(37)
Accounts receivable, net	23,615	23,846	(231)
Inventories	3,659	3,055	604
Prepaid expenses and other	6,645	6,906	(261)
Total current assets	35,580	36,728	(1,148)
Property, plant and equipment	292,568	289,897	2,671
Less Accumulated depreciation	192,725	190,201	2,524
Property, plant and equipment, net	99,843	99,696	147
Investments in unconsolidated businesses	1,074	1,061	13
Wireless licenses	148,083	147,619	464
Goodwill	28,629	28,603	26
Other intangible assets, net	11,432	11,677	(245)
Operating lease right-of-use assets	27,494	27,883	(389)
Other assets	13,581	13,329	252
Total assets	\$ 365,716	\$ 366,596	\$ (880)
Liabilities and Equity			
Current liabilities			
Debt maturing within one year	\$ 13,421	\$ 7,443	\$ 5,978
Accounts payable and accrued liabilities	18,169	24,833	(6,664)
Current operating lease liabilities	3,847	3,859	(12)
Other current liabilities	11,148	11,025	123
Total current liabilities	46,585	47,160	(575)
Long-term debt	139,961	143,425	(3,464)
Employee benefit obligations	15,104	15,410	(306)
Deferred income taxes	41,341	40,685	656
Non-current operating lease liabilities	22,932	23,203	(271)
Other liabilities	14,618	13,513	1,105
Total long-term liabilities	233,956	236,236	(2,280)
Equity			
Common stock	429	429	—
Additional paid in capital	13,874	13,861	13
Retained earnings	73,891	71,993	1,898
Accumulated other comprehensive loss	(906)	(927)	21
Common stock in treasury, at cost	(4,023)	(4,104)	81
Deferred compensation – employee stock ownership plans and other	497	538	(41)
Noncontrolling interests	1,413	1,410	3
Total equity	85,175	83,200	1,975
Total liabilities and equity	\$ 365,716	\$ 366,596	\$ (880)

Consolidated - Selected Financial and Operating Statistics

(dollars in millions, except per share amounts)

Unaudited	3/31/22	12/31/21
Total debt	\$ 153,382	\$ 150,868
Net unsecured debt	\$ 135,619	\$ 133,745
Net unsecured debt / Consolidated Adjusted EBITDA ⁽¹⁾	2.8x	2.8x
Common shares outstanding end of period (in millions)	4,200	4,198
Total employees ('000)	118.5	118.4
Quarterly cash dividends declared per common share	\$ 0.6400	\$ 0.6400

Footnotes:

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

Condensed Consolidated Statements of Cash Flows

(dollars in millions)

Unaudited	3 Mos. Ended 3/31/22	3 Mos. Ended 3/31/21	\$ Change
Cash Flows from Operating Activities			
Net Income	\$ 4,711	\$ 5,378	\$ (667)
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization expense	4,236	4,174	62
Employee retirement benefits	(210)	(253)	43
Deferred income taxes	627	762	(135)
Provision for expected credit losses	328	224	104
Equity in losses of unconsolidated businesses, net of dividends received	7	19	(12)
Changes in current assets and liabilities, net of effects from acquisition/disposition of businesses	(3,492)	(41)	(3,451)
Other, net	614	(569)	1,183
Net cash provided by operating activities	6,821	9,694	(2,873)
Cash Flows from Investing Activities			
Capital expenditures (including capitalized software)	(5,821)	(4,494)	(1,327)
Acquisitions of businesses, net of cash acquired	—	(408)	408
Acquisitions of wireless licenses	(1,838)	(44,783)	42,945
Other, net	(336)	32	(368)
Net cash used in investing activities	(7,995)	(49,653)	41,658
Cash Flows from Financing Activities			
Proceeds from long-term borrowings	3,604	31,383	(27,779)
Proceeds from asset-backed long-term borrowings	3,545	1,000	2,545
Repayments of long-term borrowings and finance lease obligations	(6,556)	(302)	(6,254)
Repayments of asset-backed long-term borrowings	(1,650)	(732)	(918)
Dividends paid	(2,654)	(2,601)	(53)
Other, net	3,956	(792)	4,748
Net cash provided by financing activities	245	27,956	(27,711)
Decrease in cash, cash equivalents and restricted cash	(929)	(12,003)	11,074
Cash, cash equivalents and restricted cash, beginning of period	4,161	23,498	(19,337)
Cash, cash equivalents and restricted cash, end of period	\$ 3,232	\$ 11,495	\$ (8,263)

Consumer - Selected Financial Results

(dollars in millions)			
Unaudited	3 Mos. Ended 3/31/22	3 Mos. Ended 3/31/21	% Change
Operating Revenues			
Service	\$ 18,126	\$ 16,569	9.4
Wireless equipment	5,374	4,192	28.2
Other	1,792	2,037	(12.0)
Total Operating Revenues	25,292	22,798	10.9
Operating Expenses			
Cost of services	4,446	4,000	11.2
Cost of wireless equipment	5,813	4,392	32.4
Selling, general and administrative expense	4,552	4,026	13.1
Depreciation and amortization expense	3,162	2,861	10.5
Total Operating Expenses	17,973	15,279	17.6
Operating Income	\$ 7,319	\$ 7,519	(2.7)
Operating Income Margin	28.9 %	33.0 %	
Segment EBITDA	\$ 10,481	\$ 10,380	1.0
Segment EBITDA Margin	41.4 %	45.5 %	

Footnotes:

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	3/31/22	3/31/21	% Change
Connections ('000):			
Wireless retail postpaid	91,414	90,172	1.4
Wireless retail prepaid ⁽¹⁾	23,772	4,058	*
Total wireless retail	115,186	94,230	22.2
Fios video	3,495	3,772	(7.3)
Fios internet	6,596	6,300	4.7
Fixed wireless access (FWA) broadband	216	26	*
Wireline broadband	6,925	6,713	3.2
Total broadband	7,141	6,739	6.0
Unaudited	3 Mos. Ended 3/31/22	3 Mos. Ended 3/31/21	% Change
Gross Additions ('000):			
Wireless retail postpaid	2,481	2,307	7.5
Net Additions Detail ('000) :			
Wireless retail postpaid ⁽²⁾	(126)	(326)	61.3
Wireless retail prepaid ^{(1) (2)}	(80)	19	*
Total wireless retail ⁽²⁾	(206)	(307)	32.9
Wireless retail postpaid phones ⁽²⁾	(292)	(225)	(29.8)
Fios video	(78)	(82)	4.9
Fios internet	55	98	(43.9)
FWA broadband ⁽²⁾	112	12	*
Wireline broadband	37	66	(43.9)
Total broadband ⁽²⁾	149	78	91.0
Churn Rate:			
Wireless retail postpaid	0.95 %	0.97 %	
Wireless retail postpaid phones	0.77 %	0.77 %	
Wireless retail prepaid ⁽¹⁾	3.69 %	4.22 %	
Wireless retail	1.51 %	1.11 %	
Revenue Statistics (in millions):			
Wireless service revenue	\$ 15,217	\$ 13,684	11.2
Fios revenues	\$ 2,911	\$ 2,860	1.8

Consumer - Selected Operating Statistics (continued)

Unaudited	3 Mos. Ended 3/31/22	3 Mos. Ended 3/31/21	% Change
Other Wireless Statistics:			
Wireless retail postpaid ARPA ⁽³⁾	\$ 123.96	\$ 120.86	2.6
Wireless retail postpaid upgrade rate	4.8 %	4.5 %	
Wireless retail postpaid accounts ('000) ⁽⁴⁾	33,514	33,588	(0.2)
Wireless retail postpaid connections per account ⁽⁴⁾	2.73	2.68	1.9
Wireless retail prepaid ARPU ^{(1) (5)}	\$ 30.89	\$ 35.66	(13.4)
Total wireless internet postpaid base ⁽⁴⁾	16.6 %	16.0 %	

Footnotes:

(1) Acquisition of TracFone Wireless, Inc. was completed on November 23, 2021.

(2) Connection net additions include certain adjustments.

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

(4) Statistics presented as of end of period.

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

Certain intersegment transactions with corporate entities have not been eliminated.

* Not meaningful

Business - Selected Financial Results

(dollars in millions)			
Unaudited	3 Mos. Ended 3/31/22	3 Mos. Ended 3/31/21	% Change
Operating Revenues			
Small and Medium Business	\$ 3,041	\$ 2,830	7.5
Global Enterprise	2,461	2,559	(3.8)
Public Sector and Other	1,552	1,646	(5.7)
Wholesale	655	746	(12.2)
Total Operating Revenues	7,709	7,781	(0.9)
Operating Expenses			
Cost of services	2,606	2,690	(3.1)
Cost of wireless equipment	1,310	1,111	17.9
Selling, general and administrative expense	2,059	2,068	(0.4)
Depreciation and amortization expense	1,061	1,013	4.7
Total Operating Expenses	7,036	6,882	2.2
Operating Income	\$ 673	\$ 899	(25.1)
Operating Income Margin	8.7 %	11.6 %	
Segment EBITDA	\$ 1,734	\$ 1,912	(9.3)
Segment EBITDA Margin	22.5 %	24.6 %	

Footnotes:

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	3/31/2022	3/31/2021	% Change
Connections ('000):			
Wireless retail postpaid	27,809	26,621	4.5
Fios video	71	73	(2.7)
Fios internet	361	339	6.5
Fixed wireless access (FWA) broadband	217	32	*
Wireline broadband	475	480	(1.0)
Total broadband	692	512	35.2
Gross Additions ('000):			
Wireless retail postpaid	1,502	1,141	31.6
Net Additions Detail ('000):			
Wireless retail postpaid ⁽¹⁾	395	156	*
Wireless retail postpaid phones ⁽¹⁾	256	47	*
Fios video	—	—	*
Fios internet	5	4	25.0
FWA broadband ⁽¹⁾	82	5	*
Wireline broadband ⁽¹⁾	(2)	(2)	—
Total broadband ⁽¹⁾	80	3	*
Churn Rate:			
Wireless retail postpaid	1.34 %	1.24 %	
Wireless retail postpaid phones	1.06 %	1.01 %	
Revenue Statistics (in millions):			
Wireless service revenue	\$ 3,125	\$ 3,060	2.1
Fios revenues	\$ 295	\$ 276	6.9
Other Operating Statistics:			
Wireless retail postpaid upgrade rate	3.4 %	3.3 %	
Total wireless internet postpaid base ⁽²⁾	34.6 %	34.6 %	

Footnotes:

(1) Connection net additions include certain adjustments.

(2) Statistics presented as of end of period.

Certain intersegment transactions with corporate entities have not been eliminated.

* Not meaningful

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	3/31/22	3/31/21	% Change
Connections ('000)			
Retail postpaid	119,223	116,793	2.1
Retail prepaid ⁽¹⁾	23,772	4,058	*
Total retail	142,995	120,851	18.3
Unaudited	3 Mos. Ended 3/31/22	3 Mos. Ended 3/31/21	% Change
Net Additions Detail ('000) ⁽²⁾			
Retail postpaid phone	(36)	(178)	79.8
Retail postpaid	269	(170)	*
Retail prepaid ⁽¹⁾	(80)	19	*
Total retail	189	(151)	*
Account Statistics			
Retail postpaid accounts ('000) ⁽³⁾	35,224	35,184	0.1
Retail postpaid connections per account ⁽³⁾	3.38	3.32	1.8
Retail postpaid ARPA ⁽⁴⁾	\$ 144.87	\$ 141.74	2.2
Retail prepaid ARPU ^{(1) (5)}	\$ 30.89	\$ 35.66	(13.4)
Churn Detail			
Retail postpaid phone	0.83 %	0.81 %	
Retail postpaid	1.04 %	1.03 %	
Retail prepaid ⁽¹⁾	3.69 %	4.22 %	
Retail	1.48 %	1.14 %	
Retail Postpaid Connection Statistics			
Total internet postpaid base ⁽³⁾	20.8 %	20.2 %	
Upgrade rate	4.5 %	4.3 %	
Revenue Statistics (in millions) ⁽⁶⁾			
Wireless service	\$ 18,342	\$ 16,744	9.5
Wireless equipment	6,336	4,944	28.2
Wireless other	1,818	2,043	(11.0)
Total Wireless	\$ 26,496	\$ 23,731	11.7

Footnotes:

- (1) Acquisition of TracFone Wireless, Inc. was completed on November 23, 2021.
- (2) Connection net additions include certain adjustments.
- (3) Statistics presented as of end of period.
- (4) Wireless retail postpaid ARPA - average service revenue per account from retail postpaid accounts.
- (5) Wireless retail prepaid ARPU - average service revenue per unit from retail prepaid connections.
- (6) Intersegment transactions between Consumer or Business segment with corporate entities have not been eliminated.