

## Condensed Consolidated Statements of Income

(dollars in millions, except per share amounts)

Unaudited	3 Mos. Ended 12/31/21	3 Mos. Ended 12/31/20	% Change	12 Mos. Ended 12/31/21	12 Mos. Ended 12/31/20	% Change
<b>Operating Revenues</b>						
Service revenues and other	\$ 26,740	\$ 28,268	(5.4)	\$ 110,449	\$ 109,872	0.5
Wireless equipment revenues	7,327	6,424	14.1	23,164	18,420	25.8
<b>Total Operating Revenues</b>	<b>34,067</b>	<b>34,692</b>	<b>(1.8)</b>	<b>133,613</b>	<b>128,292</b>	<b>4.1</b>
<b>Operating Expenses</b>						
Cost of services	7,035	8,053	(12.6)	31,234	31,401	(0.5)
Cost of wireless equipment	7,961	6,769	17.6	25,067	19,800	26.6
Selling, general and administrative expense	7,412	8,493	(12.7)	28,658	31,573	(9.2)
Depreciation and amortization expense	4,051	4,197	(3.5)	16,206	16,720	(3.1)
<b>Total Operating Expenses</b>	<b>26,459</b>	<b>27,512</b>	<b>(3.8)</b>	<b>101,165</b>	<b>99,494</b>	<b>1.7</b>
<b>Operating Income</b>	<b>7,608</b>	<b>7,180</b>	<b>6.0</b>	<b>32,448</b>	<b>28,798</b>	<b>12.7</b>
Equity in earnings (losses) of unconsolidated businesses	135	(11)	*	145	(45)	*
Other income (expense), net	(860)	164	*	312	(539)	*
Interest expense	(739)	(1,080)	(31.6)	(3,485)	(4,247)	(17.9)
<b>Income Before Provision For Income Taxes</b>	<b>6,144</b>	<b>6,253</b>	<b>(1.7)</b>	<b>29,420</b>	<b>23,967</b>	<b>22.8</b>
Provision for income taxes	(1,407)	(1,535)	(8.3)	(6,802)	(5,619)	21.1
<b>Net Income</b>	<b>\$ 4,737</b>	<b>\$ 4,718</b>	<b>0.4</b>	<b>\$ 22,618</b>	<b>\$ 18,348</b>	<b>23.3</b>
Net income attributable to noncontrolling interests	\$ 124	\$ 130	(4.6)	\$ 553	\$ 547	1.1
Net income attributable to Verizon	4,613	4,588	0.5	22,065	17,801	24.0
<b>Net Income</b>	<b>\$ 4,737</b>	<b>\$ 4,718</b>	<b>0.4</b>	<b>\$ 22,618</b>	<b>\$ 18,348</b>	<b>23.3</b>
<b>Basic Earnings Per Common Share</b>						
Net income attributable to Verizon	\$ 1.11	\$ 1.11	—	\$ 5.32	\$ 4.30	23.7
Weighted-average shares outstanding (in millions)	4,167	4,140		4,148	4,140	
<b>Diluted Earnings Per Common Share <sup>(1)</sup></b>						
Net income attributable to Verizon	\$ 1.11	\$ 1.11	—	\$ 5.32	\$ 4.30	23.7
Weighted-average shares outstanding (in millions)	4,169	4,143		4,150	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	12/31/21	12/31/20	\$ Change
<b>Assets</b>			
Current assets			
Cash and cash equivalents	\$ 2,921	\$ 22,171	\$ (19,250)
Accounts receivable	24,742	25,169	(427)
Less Allowance for credit losses	896	1,252	(356)
Accounts receivable, net	23,846	23,917	(71)
Inventories	3,055	1,796	1,259
Prepaid expenses and other	6,906	6,710	196
<b>Total current assets</b>	<b>36,728</b>	<b>54,594</b>	<b>(17,866)</b>
Property, plant and equipment			
Property, plant and equipment	289,897	279,737	10,160
Less Accumulated depreciation	190,201	184,904	5,297
Property, plant and equipment, net	99,696	94,833	4,863
Investments in unconsolidated businesses	1,061	589	472
Wireless licenses	147,619	96,097	51,522
Deposits for wireless licenses	—	2,772	(2,772)
Goodwill	28,603	24,773	3,830
Other intangible assets, net	11,677	9,413	2,264
Operating lease right-of-use assets	27,883	22,531	5,352
Other assets	13,329	10,879	2,450
<b>Total assets</b>	<b>\$ 366,596</b>	<b>\$ 316,481</b>	<b>\$ 50,115</b>
<b>Liabilities and Equity</b>			
Current liabilities			
Debt maturing within one year	\$ 7,443	\$ 5,889	\$ 1,554
Accounts payable and accrued liabilities	24,833	20,658	4,175
Current operating lease liabilities	3,859	3,485	374
Other current liabilities	11,025	9,628	1,397
<b>Total current liabilities</b>	<b>47,160</b>	<b>39,660</b>	<b>7,500</b>
Long-term debt			
Long-term debt	143,425	123,173	20,252
Employee benefit obligations	15,410	18,657	(3,247)
Deferred income taxes	40,685	35,711	4,974
Non-current operating lease liabilities	23,203	18,000	5,203
Other liabilities	13,513	12,008	1,505
<b>Total long-term liabilities</b>	<b>236,236</b>	<b>207,549</b>	<b>28,687</b>
Equity			
Common stock	429	429	—
Additional paid in capital	13,861	13,404	457
Retained earnings	71,993	60,464	11,529
Accumulated other comprehensive loss	(927)	(71)	(856)
Common stock in treasury, at cost	(4,104)	(6,719)	2,615
Deferred compensation – employee stock ownership plans and other	538	335	203
Noncontrolling interests	1,410	1,430	(20)
<b>Total equity</b>	<b>83,200</b>	<b>69,272</b>	<b>13,928</b>
<b>Total liabilities and equity</b>	<b>\$ 366,596</b>	<b>\$ 316,481</b>	<b>\$ 50,115</b>

**Footnotes:**

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

## Consolidated - Selected Financial and Operating Statistics

(dollars in millions, except per share amounts)

Unaudited	12/31/21	12/31/20
Total debt	\$ 150,868	\$ 129,062
Net unsecured debt	\$ 133,745	\$ 96,287
Net unsecured debt / Consolidated Adjusted EBITDA <sup>(1)</sup>	2.8x	2.0x
Common shares outstanding end of period (in millions)	4,198	4,138
Total employees ('000)	118.4	132.2
Quarterly cash dividends declared per common share	\$ 0.6400	\$ 0.6275

**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	12 Mos. Ended 12/31/21	12 Mos. Ended 12/31/20	\$ Change
<b>Cash Flows from Operating Activities</b>			
Net Income	\$ 22,618	\$ 18,348	\$ 4,270
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization expense	16,206	16,720	(514)
Employee retirement benefits	(3,391)	840	(4,231)
Deferred income taxes	4,264	1,553	2,711
Provision for expected credit losses	789	1,380	(591)
Equity in losses of unconsolidated businesses, net of dividends received	36	91	(55)
Changes in current assets and liabilities, net of effects from acquisition/disposition of businesses	(890)	56	(946)
Other, net	(93)	2,780	(2,873)
Net cash provided by operating activities	<u>39,539</u>	<u>41,768</u>	<u>(2,229)</u>
<b>Cash Flows from Investing Activities</b>			
Capital expenditures (including capitalized software)	(20,286)	(18,192)	(2,094)
Acquisitions of businesses, net of cash acquired	(4,065)	(520)	(3,545)
Acquisitions of wireless licenses	(47,596)	(3,896)	(43,700)
Proceeds from disposition of business	4,122	—	4,122
Other, net	672	(904)	1,576
Net cash used in investing activities	<u>(67,153)</u>	<u>(23,512)</u>	<u>(43,641)</u>
<b>Cash Flows from Financing Activities</b>			
Proceeds from long-term borrowings	33,034	25,822	7,212
Proceeds from asset-backed long-term borrowings	8,383	5,635	2,748
Repayments of long-term borrowings and finance lease obligations	(14,063)	(9,775)	(4,288)
Repayments of asset-backed long-term borrowings	(4,800)	(7,413)	2,613
Dividends paid	(10,445)	(10,232)	(213)
Other, net	(3,832)	(2,712)	(1,120)
Net cash provided by financing activities	<u>8,277</u>	<u>1,325</u>	<u>6,952</u>
<b>Increase (decrease) in cash, cash equivalents and restricted cash</b>	<b>(19,337)</b>	<b>19,581</b>	<b>(38,918)</b>
<b>Cash, cash equivalents and restricted cash, beginning of period</b>	<b>23,498</b>	<b>3,917</b>	<b>19,581</b>
<b>Cash, cash equivalents and restricted cash, end of period</b>	<b><u>\$ 4,161</u></b>	<b><u>\$ 23,498</u></b>	<b><u>\$ (19,337)</u></b>

**Footnotes:**

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

## Consumer - Selected Financial Results

(dollars in millions)

Unaudited	3 Mos. Ended 12/31/21	3 Mos. Ended 12/31/20	% Change	12 Mos. Ended 12/31/21	12 Mos. Ended 12/31/20	% Change
<b>Operating Revenues</b>						
Service	\$ 17,564	\$ 16,388	7.2	\$ 67,733	\$ 64,884	4.4
Wireless equipment	6,320	5,503	14.8	19,781	15,492	27.7
Other	1,813	2,028	(10.6)	7,786	8,157	(4.5)
<b>Total Operating Revenues</b>	<b>25,697</b>	<b>23,919</b>	<b>7.4</b>	<b>95,300</b>	<b>88,533</b>	<b>7.6</b>
<b>Operating Expenses</b>						
Cost of services	4,251	3,824	11.2	16,581	15,610	6.2
Cost of wireless equipment	6,666	5,575	19.6	20,523	15,736	30.4
Selling, general and administrative expense	4,431	4,583	(3.3)	16,562	16,936	(2.2)
Depreciation and amortization expense	3,000	2,864	4.7	11,679	11,395	2.5
<b>Total Operating Expenses</b>	<b>18,348</b>	<b>16,846</b>	<b>8.9</b>	<b>65,345</b>	<b>59,677</b>	<b>9.5</b>
<b>Operating Income</b>	<b>\$ 7,349</b>	<b>\$ 7,073</b>	<b>3.9</b>	<b>\$ 29,955</b>	<b>\$ 28,856</b>	<b>3.8</b>
<b>Operating Income Margin</b>	<b>28.6 %</b>	<b>29.6 %</b>		<b>31.4 %</b>	<b>32.6 %</b>	
<b>Segment EBITDA</b>	<b>\$ 10,349</b>	<b>\$ 9,937</b>	<b>4.1</b>	<b>\$ 41,634</b>	<b>\$ 40,251</b>	<b>3.4</b>
<b>Segment EBITDA Margin</b>	<b>40.3 %</b>	<b>41.5 %</b>		<b>43.7 %</b>	<b>45.5 %</b>	

**Footnotes:**

The segment financial results and metrics above are adjusted to exclude the effects of special items, as the Company's chief operating decision maker excludes these items in assessing segment performance.

Certain intersegment transactions with corporate entities have not been eliminated.

## Consumer - Selected Operating Statistics

Unaudited				12/31/21	12/31/20	% Change
<b>Connections ('000):</b>						
Wireless retail postpaid connections				91,543	90,346	1.3
Wireless retail prepaid connections				23,852	4,027	*
Total wireless retail connections				115,395	94,373	22.3
Fios video connections				3,573	3,854	(7.3)
Fios internet connections				6,541	6,202	5.5
Fios digital voice residence connections				3,026	3,306	(8.5)
Fios digital connections				13,140	13,362	(1.7)
Wireline broadband connections				6,888	6,647	3.6
Unaudited	3 Mos. Ended 12/31/21	3 Mos. Ended 12/31/20	% Change	12 Mos. Ended 12/31/21	12 Mos. Ended 12/31/20	% Change
<b>Gross Additions ('000):</b>						
Wireless retail postpaid	3,234	2,945	9.8	10,834	9,396	15.3
<b>Net Additions Detail ('000) :</b>						
Wireless retail postpaid <sup>(1)</sup>	667	357	86.8	1,114	40	*
Wireless retail prepaid <sup>(1)</sup>	(85)	(50)	(70.0)	(52)	(45)	(15.6)
Total wireless retail <sup>(1)</sup>	582	307	89.6	1,062	(5)	*
Wireless retail postpaid phones <sup>(1)</sup>	336	163	*	575	95	*
Fios video	(69)	(72)	4.2	(281)	(298)	5.7
Fios internet	51	92	(44.6)	339	300	13.0
Fios digital voice residence	(68)	(78)	12.8	(280)	(314)	10.8
Fios digital	(86)	(58)	(48.3)	(222)	(312)	28.8
Wireline broadband <sup>(1)</sup>	30	66	(54.5)	241	197	22.3
<b>Churn Rate:</b>						
Wireless retail postpaid	0.94 %	0.96 %		0.89 %	0.87 %	
Wireless retail postpaid phones	0.77 %	0.76 %		0.71 %	0.67 %	
Wireless retail	1.34 %	1.12 %		1.10 %	1.03 %	
<b>Revenue Statistics (in millions):</b>						
Wireless service revenue	\$ 14,643	\$ 13,600	7.7	\$ 56,103	\$ 53,605	4.7
Fios revenues	\$ 2,910	\$ 2,756	5.6	\$ 11,558	\$ 11,082	4.3

Unaudited	3 Mos. Ended 12/31/21	3 Mos. Ended 12/31/20	% Change	12 Mos. Ended 12/31/21	12 Mos. Ended 12/31/20	% Change
<b>Other Wireless Statistics:</b>						
Wireless retail postpaid ARPA <sup>(2)</sup>	\$ 124.06	\$ 120.20	3.2	\$ 122.30	\$ 118.40	3.3
Wireless retail postpaid upgrade rate	6.3 %	6.0 %				
Wireless retail postpaid accounts ('000) <sup>(3)</sup>				33,651	33,659	—
Wireless retail postpaid connections per account <sup>(3)</sup>				2.72	2.68	1.5
Total wireless internet postpaid base <sup>(3)</sup>				16.4 %	16.0 %	

**Footnotes:**

(1) Connection net additions include certain adjustments.

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

(3) Statistics presented as of end of period.

Certain intersegment transactions with corporate entities have not been eliminated.

\* Not meaningful

## Business - Selected Financial Results

(dollars in millions)

Unaudited	3 Mos. Ended 12/31/21	3 Mos. Ended 12/31/20	% Change	12 Mos. Ended 12/31/21	12 Mos. Ended 12/31/20	% Change
<b>Operating Revenues</b>						
Small and Medium Business	\$ 3,112	\$ 2,985	4.3	\$ 11,774	\$ 11,132	5.8
Global Enterprise	2,530	2,595	(2.5)	10,224	10,410	(1.8)
Public Sector and Other	1,517	1,726	(12.1)	6,324	6,362	(0.6)
Wholesale	651	744	(12.5)	2,720	3,058	(11.1)
<b>Total Operating Revenues</b>	<b>7,810</b>	<b>8,050</b>	<b>(3.0)</b>	<b>31,042</b>	<b>30,962</b>	<b>0.3</b>
<b>Operating Expenses</b>						
Cost of services	2,587	2,690	(3.8)	10,653	10,659	(0.1)
Cost of wireless equipment	1,296	1,194	8.5	4,544	4,064	11.8
Selling, general and administrative expense	2,093	2,185	(4.2)	8,324	8,380	(0.7)
Depreciation and amortization expense	1,038	1,031	0.7	4,084	4,086	—
<b>Total Operating Expenses</b>	<b>7,014</b>	<b>7,100</b>	<b>(1.2)</b>	<b>27,605</b>	<b>27,189</b>	<b>1.5</b>
<b>Operating Income</b>	<b>\$ 796</b>	<b>\$ 950</b>	<b>(16.2)</b>	<b>\$ 3,437</b>	<b>\$ 3,773</b>	<b>(8.9)</b>
<b>Operating Income Margin</b>	<b>10.2 %</b>	<b>11.8 %</b>		<b>11.1 %</b>	<b>12.2 %</b>	
<b>Segment EBITDA</b>	<b>\$ 1,834</b>	<b>\$ 1,981</b>	<b>(7.4)</b>	<b>\$ 7,521</b>	<b>\$ 7,859</b>	<b>(4.3)</b>
<b>Segment EBITDA Margin</b>	<b>23.5 %</b>	<b>24.6 %</b>		<b>24.2 %</b>	<b>25.4 %</b>	

**Footnotes:**

The segment financial results and metrics above are adjusted to exclude the effects of special items, as the Company's chief operating decision maker excludes these items in assessing segment performance.

Certain intersegment transactions with corporate entities have not been eliminated.



## Business - Selected Operating Statistics

Unaudited			12/31/21	12/31/20	% Change	
<b>Connections ('000):</b>						
Wireless retail postpaid connections			27,411	26,507	3.4	
Fios video connections			71	73	(2.7)	
Fios internet connections			356	335	6.3	
Fios digital connections			427	408	4.7	
Wireline broadband connections			477	482	(1.0)	
Unaudited	3 Mos. Ended 12/31/21	3 Mos. Ended 12/31/20	% Change	12 Mos. Ended 12/31/21	12 Mos. Ended 12/31/20	% Change
<b>Gross Additions ('000):</b>						
Wireless retail postpaid	1,417	1,285	10.3	5,092	5,242	(2.9)
<b>Net Additions Detail ('000):</b>						
Wireless retail postpaid <sup>(1)</sup>	391	346	13.0	1,001	1,518	(34.1)
Wireless retail postpaid phones <sup>(1)</sup>	222	116	91.4	509	572	(11.0)
Fios video	(1)	(1)	—	(2)	(4)	50.0
Fios internet	4	3	33.3	21	9	*
Fios digital	3	2	50.0	19	5	*
Wireline broadband <sup>(1)</sup>	(2)	(6)	66.7	(5)	(24)	79.2
<b>Churn Rate:</b>						
Wireless retail postpaid	1.26 %	1.19 %		1.27 %	1.20 %	
Wireless retail postpaid phones	1.01 %	0.98 %		1.03 %	0.96 %	
<b>Revenue Statistics (in millions):</b>						
Wireless service revenue	\$ 3,119	\$ 3,073	1.5	\$ 12,366	\$ 11,805	4.8
Fios revenues	\$ 292	\$ 272	7.4	\$ 1,136	\$ 1,057	7.5
<b>Other Operating Statistics:</b>						
Wireless retail postpaid upgrade rate	3.4 %	4.0 %				
Total wireless internet postpaid base <sup>(2)</sup>				34.6 %	34.5 %	

## 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	12/31/21	12/31/20	% Change
<b>Connections ('000)</b>			
Retail postpaid	118,954	116,853	1.8
Retail prepaid	23,852	4,027	*
Total retail	142,806	120,880	18.1

Unaudited	3 Mos. Ended 12/31/21	3 Mos. Ended 12/31/20	% Change	12 Mos. Ended 12/31/21	12 Mos. Ended 12/31/20	% Change
<b>Net Additions Detail ('000) <sup>(1)</sup></b>						
Retail postpaid phone	558	279	100.0	1,084	667	62.5
Retail postpaid	1,058	703	50.5	2,115	1,558	35.8
Retail prepaid	(85)	(50)	(70.0)	(52)	(45)	(15.6)
Total retail	973	653	49.0	2,063	1,513	36.4

<b>Account Statistics</b>						
Retail postpaid accounts ('000) <sup>(2)</sup>				35,332	35,244	0.2
Retail postpaid connections per account <sup>(2)</sup>				3.37	3.32	1.5
Retail postpaid ARPA <sup>(3)</sup>	\$ 144.88	\$ 141.17	2.6	\$ 143.18	\$ 138.80	3.2

<b>Churn Detail</b>						
Retail postpaid phone	0.81 %	0.80 %		0.77 %	0.72 %	
Retail postpaid	1.01 %	1.01 %		0.98 %	0.94 %	
Retail	1.32 %	1.14 %		1.14 %	1.07 %	

<b>Retail Postpaid Connection Statistics</b>						
Total internet postpaid base <sup>(2)</sup>				20.6 %	20.2 %	
Upgrade rate	5.7 %	5.6 %				

<b>Revenue Statistics (in millions) <sup>(4)</sup></b>						
Wireless service	\$ 17,762	\$ 16,673	6.5	\$ 68,469	\$ 65,410	4.7
Wireless equipment	7,327	6,424	14.1	23,164	18,420	25.8
Wireless other	1,840	2,029	(9.3)	7,855	8,243	(4.7)
Total Wireless	\$ 26,929	\$ 25,126	7.2	\$ 99,488	\$ 92,073	8.1

**Footnotes:**

- (1) Connection net additions include certain adjustments.
- (2) Statistics presented as of end of period.
- (3) Wireless retail postpaid ARPA - average service revenue per account from retail postpaid accounts.
- (4) Intersegment transactions between Consumer or Business segment with corporate entities have not been eliminated.