

## Condensed Consolidated Statements of Income

(dollars in millions, except per share amounts)

Unaudited	3 Mos. Ended 3/31/23	3 Mos. Ended 3/31/22	% Change
<b>Operating Revenues</b>			
Service revenues and other	\$ 27,152	\$ 27,218	(0.2)
Wireless equipment revenues	5,760	6,336	(9.1)
<b>Total Operating Revenues</b>	<b>32,912</b>	<b>33,554</b>	<b>(1.9)</b>
<b>Operating Expenses</b>			
Cost of services	7,078	7,227	(2.1)
Cost of wireless equipment	6,426	7,123	(9.8)
Selling, general and administrative expense	7,506	7,172	4.7
Depreciation and amortization expense	4,318	4,236	1.9
<b>Total Operating Expenses</b>	<b>25,328</b>	<b>25,758</b>	<b>(1.7)</b>
<b>Operating Income</b>			
	7,584	7,796	(2.7)
Equity in earnings (losses) of unconsolidated businesses	9	(3)	*
Other income (expense), net	114	(924)	*
Interest expense	(1,207)	(786)	53.6
<b>Income Before Provision For Income Taxes</b>	<b>6,500</b>	<b>6,083</b>	<b>6.9</b>
Provision for income taxes	(1,482)	(1,372)	8.0
<b>Net Income</b>	<b>\$ 5,018</b>	<b>\$ 4,711</b>	<b>6.5</b>
Net income attributable to noncontrolling interests	\$ 109	\$ 131	(16.8)
Net income attributable to Verizon	4,909	4,580	7.2
<b>Net Income</b>	<b>\$ 5,018</b>	<b>\$ 4,711</b>	<b>6.5</b>
<b>Basic Earnings Per Common Share</b>			
Net income attributable to Verizon	\$ 1.17	\$ 1.09	7.3
<i>Weighted-average shares outstanding (in millions)</i>	4,207	4,201	
<b>Diluted Earnings Per Common Share <sup>(1)</sup></b>			
Net income attributable to Verizon	\$ 1.17	\$ 1.09	7.3
<i>Weighted-average shares outstanding (in millions)</i>	4,211	4,202	

**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	3/31/23	12/31/22	\$ Change
<b>Assets</b>			
Current assets			
Cash and cash equivalents	\$ 2,234	\$ 2,605	\$ (371)
Accounts receivable	23,748	25,332	(1,584)
Less Allowance for credit losses	892	826	66
Accounts receivable, net	22,856	24,506	(1,650)
Inventories	2,381	2,388	(7)
Prepaid expenses and other	8,251	8,358	(107)
<b>Total current assets</b>	<b>35,722</b>	<b>37,857</b>	<b>(2,135)</b>
Property, plant and equipment	310,519	307,689	2,830
Less Accumulated depreciation	203,532	200,255	3,277
Property, plant and equipment, net	106,987	107,434	(447)
Investments in unconsolidated businesses	1,052	1,071	(19)
Wireless licenses	150,485	149,796	689
Goodwill	28,674	28,671	3
Other intangible assets, net	11,246	11,461	(215)
Operating lease right-of-use assets	25,947	26,130	(183)
Other assets	17,603	17,260	343
<b>Total assets</b>	<b>\$ 377,716</b>	<b>\$ 379,680</b>	<b>\$ (1,964)</b>
<b>Liabilities and Equity</b>			
Current liabilities			
Debt maturing within one year	\$ 12,081	\$ 9,963	\$ 2,118
Accounts payable and accrued liabilities	19,273	23,977	(4,704)
Current operating lease liabilities	4,177	4,134	43
Other current liabilities	12,237	12,097	140
<b>Total current liabilities</b>	<b>47,768</b>	<b>50,171</b>	<b>(2,403)</b>
Long-term debt	140,772	140,676	96
Employee benefit obligations	12,750	12,974	(224)
Deferred income taxes	43,667	43,441	226
Non-current operating lease liabilities	21,303	21,558	(255)
Other liabilities	17,237	18,397	(1,160)
<b>Total long-term liabilities</b>	<b>235,729</b>	<b>237,046</b>	<b>(1,317)</b>
Equity			
Common stock	429	429	—
Additional paid in capital	13,523	13,420	103
Retained earnings	84,543	82,380	2,163
Accumulated other comprehensive loss	(2,177)	(1,865)	(312)
Common stock in treasury, at cost	(3,832)	(4,013)	181
Deferred compensation – employee stock ownership plans and other	397	793	(396)
Noncontrolling interests	1,336	1,319	17
<b>Total equity</b>	<b>94,219</b>	<b>92,463</b>	<b>1,756</b>
<b>Total liabilities and equity</b>	<b>\$ 377,716</b>	<b>\$ 379,680</b>	<b>\$ (1,964)</b>

## Consolidated - Selected Financial and Operating Statistics

(dollars in millions, except per share amounts)

Unaudited	3/31/23	12/31/22
Total debt	\$ 152,853	\$ 150,639
Unsecured debt	\$ 132,018	\$ 130,631
Net unsecured debt <sup>(1)</sup>	\$ 129,784	\$ 128,026
Unsecured debt / Consolidated Net Income (LTM)	6.0x	6.0x
Net unsecured debt / Consolidated Adjusted EBITDA <sup>(1)(2)</sup>	2.7x	2.7x
Common shares outstanding end of period (in millions)	4,204	4,200
Total employees ('000)	115.5	117.1
Quarterly cash dividends declared per common share	\$ 0.6525	\$ 0.6525

**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	3 Mos. Ended 3/31/23	3 Mos. Ended 3/31/22	\$ Change
<b>Cash Flows from Operating Activities</b>			
Net Income	\$ 5,018	\$ 4,711	\$ 307
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization expense	4,318	4,236	82
Employee retirement benefits	54	(210)	264
Deferred income taxes	331	627	(296)
Provision for expected credit losses	530	328	202
Equity in losses of unconsolidated businesses, net of dividends received	10	7	3
Changes in current assets and liabilities, net of effects from acquisition/disposition of businesses	(774)	(3,492)	2,718
Other, net	(1,198)	614	(1,812)
Net cash provided by operating activities	<u>8,289</u>	<u>6,821</u>	<u>1,468</u>
<b>Cash Flows from Investing Activities</b>			
Capital expenditures (including capitalized software)	(5,958)	(5,821)	(137)
Acquisitions of wireless licenses	(598)	(1,838)	1,240
Collateral repayments (payments) related to derivative contracts, net	367	(277)	644
Other, net	79	(59)	138
Net cash used in investing activities	<u>(6,110)</u>	<u>(7,995)</u>	<u>1,885</u>
<b>Cash Flows from Financing Activities</b>			
Proceeds from long-term borrowings	504	3,604	(3,100)
Proceeds from asset-backed long-term borrowings	1,754	3,545	(1,791)
Net proceeds from short-term commercial paper	342	3,791	(3,449)
Repayments of long-term borrowings and finance lease obligations	(1,325)	(6,556)	5,231
Repayments of asset-backed long-term borrowings	(931)	(1,650)	719
Dividends paid	(2,744)	(2,654)	(90)
Other, net	17	165	(148)
Net cash provided by (used in) financing activities	<u>(2,383)</u>	<u>245</u>	<u>(2,628)</u>
<b>Decrease in cash, cash equivalents and restricted cash</b>	<b>(204)</b>	<b>(929)</b>	<b>725</b>
<b>Cash, cash equivalents and restricted cash, beginning of period</b>	<b>4,111</b>	<b>4,161</b>	<b>(50)</b>
<b>Cash, cash equivalents and restricted cash, end of period</b>	<b><u>\$ 3,907</u></b>	<b><u>\$ 3,232</u></b>	<b><u>\$ 675</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 3/31/23	3 Mos. Ended 3/31/22	% Change
<b>Operating Revenues</b>			
Service	\$ 18,456	\$ 18,126	1.8
Wireless equipment	4,878	5,374	(9.2)
Other	1,523	1,792	(15.0)
<b>Total Operating Revenues</b>	<b>24,857</b>	<b>25,292</b>	<b>(1.7)</b>
<b>Operating Expenses</b>			
Cost of services	4,432	4,446	(0.3)
Cost of wireless equipment	5,191	5,813	(10.7)
Selling, general and administrative expense	4,921	4,552	8.1
Depreciation and amortization expense	3,214	3,162	1.6
<b>Total Operating Expenses</b>	<b>17,758</b>	<b>17,973</b>	<b>(1.2)</b>
<b>Operating Income</b>	<b>\$ 7,099</b>	<b>\$ 7,319</b>	<b>(3.0)</b>
<b>Operating Income Margin</b>	<b>28.6 %</b>	<b>28.9 %</b>	
<b>Segment EBITDA<sup>(1)</sup></b>	<b>\$ 10,313</b>	<b>\$ 10,481</b>	<b>(1.6)</b>
<b>Segment EBITDA Margin<sup>(1)</sup></b>	<b>41.5 %</b>	<b>41.4 %</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	3/31/23	3/31/22	% Change
<b>Connections ('000):</b>			
Wireless retail postpaid	92,192	91,414	0.9
Wireless retail prepaid	22,331	23,772	(6.1)
Total wireless retail	114,523	115,186	(0.6)
Wireless retail postpaid phones	74,611	75,422	(1.1)
Fios video	3,160	3,495	(9.6)
Fios internet	6,803	6,596	3.1
Fixed wireless access (FWA) broadband	1,140	216	*
Wireline broadband	7,062	6,925	2.0
Total broadband	8,202	7,141	14.9
<b>Gross Additions ('000):</b>			
Wireless retail postpaid	3,210	2,481	29.4
<b>Net Additions Detail ('000):</b>			
Wireless retail postpaid	321	(126)	*
Wireless retail prepaid	(351)	(80)	*
Total wireless retail	(30)	(206)	85.4
Wireless retail postpaid phones	(263)	(292)	9.9
Fios video	(74)	(78)	5.1
Fios internet	63	55	14.5
FWA broadband	256	112	*
Wireline broadband	46	37	24.3
Total broadband	302	149	*
<b>Churn Rate:</b>			
Wireless retail postpaid	1.05 %	0.95 %	
Wireless retail postpaid phones	0.84 %	0.77 %	
Wireless retail prepaid	4.31 %	3.69 %	
Wireless retail	1.69 %	1.51 %	
<b>Revenue Statistics (in millions):</b>			
Wireless service revenue	\$ 15,599	\$ 15,217	2.5
Fios revenues	\$ 2,889	\$ 2,911	(0.8)

## Consumer - Selected Operating Statistics (continued)

Unaudited	3 Mos. Ended 3/31/23	3 Mos. Ended 3/31/22	% Change
<b>Other Wireless Statistics:</b>			
Wireless retail postpaid ARPA <sup>(1)</sup>	\$ 130.06	\$ 123.96	4.9
Wireless retail postpaid upgrade rate	4.0 %	4.8 %	
Wireless retail postpaid accounts ('000) <sup>(2)</sup>	33,034	33,514	(1.4)
Wireless retail postpaid connections per account <sup>(2)</sup>	2.79	2.73	2.2
Wireless retail prepaid ARPU <sup>(3)</sup>	\$ 30.71	\$ 30.89	(0.6)

**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 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.

\* Not meaningful

## Business - Selected Financial Results

(dollars in millions)

Unaudited	3 Mos. Ended 3/31/23	3 Mos. Ended 3/31/22	% Change
<b>Operating Revenues</b>			
Enterprise and Public Sector	\$ 3,787	\$ 3,978	(4.8)
Business Markets and SaaS	3,104	3,076	0.9
Wholesale	603	655	(7.9)
<b>Total Operating Revenues</b>	<b>7,494</b>	<b>7,709</b>	<b>(2.8)</b>
<b>Operating Expenses</b>			
Cost of services	2,582	2,606	(0.9)
Cost of wireless equipment	1,234	1,310	(5.8)
Selling, general and administrative expense	2,033	2,059	(1.3)
Depreciation and amortization expense	1,094	1,061	3.1
<b>Total Operating Expenses</b>	<b>6,943</b>	<b>7,036</b>	<b>(1.3)</b>
<b>Operating Income</b>	<b>\$ 551</b>	<b>\$ 673</b>	<b>(18.1)</b>
<b>Operating Income Margin</b>	<b>7.4 %</b>	<b>8.7 %</b>	
<b>Segment EBITDA<sup>(1)</sup></b>	<b>\$ 1,645</b>	<b>\$ 1,734</b>	<b>(5.1)</b>
<b>Segment EBITDA Margin<sup>(1)</sup></b>	<b>22.0 %</b>	<b>22.5 %</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 SaaS, 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 SaaS 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	3/31/23	3/31/22	% Change
<b>Connections ('000):</b>			
Wireless retail postpaid	28,820	27,809	3.6
Wireless retail postpaid phones	17,703	17,353	2.0
Fios video	65	71	(8.5)
Fios internet	377	361	4.4
FWA broadband	726	217	*
Wireline broadband	466	475	(1.9)
Total broadband	1,192	692	72.3
Unaudited	<b>3 Mos. Ended 3/31/23</b>	<b>3 Mos. Ended 3/31/22</b>	<b>% Change</b>
<b>Gross Additions ('000):</b>			
Wireless retail postpaid	1,607	1,502	7.0
<b>Net Additions Detail ('000):</b>			
Wireless retail postpaid	312	395	(21.0)
Wireless retail postpaid phones	136	256	(46.9)
Fios video	(2)	—	*
Fios internet	4	5	(20.0)
FWA broadband	137	82	67.1
Wireline broadband	(2)	(2)	—
Total broadband	135	80	68.8
<b>Churn Rate:</b>			
Wireless retail postpaid	1.50 %	1.34 %	
Wireless retail postpaid phones	1.16 %	1.06 %	
<b>Revenue Statistics (in millions):</b>			
Wireless service revenue	\$ 3,290	\$ 3,125	5.3
Fios revenues	\$ 307	\$ 295	4.1
<b>Other Operating Statistics:</b>			
Wireless retail postpaid upgrade rate	2.8 %	3.4 %	

**Footnotes:**

Where applicable, the operating results reflect certain adjustments, including those related to 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.

\* 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	3/31/23	3/31/22	% Change
<b>Connections ('000)</b>			
Retail postpaid	121,012	119,223	1.5
Retail prepaid	22,331	23,772	(6.1)
Total retail	143,343	142,995	0.2
Retail postpaid phones	92,314	92,775	(0.5)
<b>Net Additions Detail ('000)</b>			
Retail postpaid phones	(127)	(36)	*
Retail postpaid	633	269	*
Retail prepaid	(351)	(80)	*
Total retail	282	189	49.2
<b>Account Statistics</b>			
Retail postpaid accounts ('000) <sup>(1)</sup>	34,877	35,224	(1.0)
Retail postpaid connections per account <sup>(1)</sup>	3.47	3.38	2.7
Retail postpaid ARPA <sup>(2)</sup>	\$ 152.27	\$ 144.87	5.1
Retail prepaid ARPU <sup>(3)</sup>	\$ 30.71	\$ 30.89	(0.6)
<b>Churn Detail</b>			
Retail postpaid phone	0.90 %	0.83 %	
Retail postpaid	1.15 %	1.04 %	
Retail prepaid	4.31 %	3.69 %	
Retail	1.65 %	1.48 %	
<b>Retail Postpaid Connection Statistics</b>			
Upgrade rate	3.7 %	4.5 %	
<b>Revenue Statistics (in millions) <sup>(4)</sup></b>			
Wireless service	\$ 18,889	\$ 18,342	3.0
Wireless equipment	5,760	6,336	(9.1)
Wireless other	1,515	1,818	(16.7)
Total Wireless	\$ 26,164	\$ 26,496	(1.3)

**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 migration activity among different types of devices and plans, customer profile changes, and adjustments in connection with mergers, acquisitions and divestitures.

\* Not meaningful