

## Condensed Consolidated Statements of Income

(dollars in millions, except per share amounts)

Unaudited	3 Mos. Ended 6/30/23	3 Mos. Ended 6/30/22	% Change	6 Mos. Ended 6/30/23	6 Mos. Ended 6/30/22	% Change
<b>Operating Revenues</b>						
Service revenues and other	\$ 27,319	\$ 27,115	0.8	\$ 54,471	\$ 54,333	0.3
Wireless equipment revenues	5,277	6,674	(20.9)	11,037	13,010	(15.2)
<b>Total Operating Revenues</b>	<b>32,596</b>	<b>33,789</b>	<b>(3.5)</b>	<b>65,508</b>	<b>67,343</b>	<b>(2.7)</b>
<b>Operating Expenses</b>						
Cost of services	6,986	6,932	0.8	14,064	14,159	(0.7)
Cost of wireless equipment	5,778	7,488	(22.8)	12,204	14,611	(16.5)
Selling, general and administrative expense	8,253	7,496	10.1	15,759	14,668	7.4
Depreciation and amortization expense	4,359	4,321	0.9	8,677	8,557	1.4
<b>Total Operating Expenses</b>	<b>25,376</b>	<b>26,237</b>	<b>(3.3)</b>	<b>50,704</b>	<b>51,995</b>	<b>(2.5)</b>
<b>Operating Income</b>	<b>7,220</b>	<b>7,552</b>	<b>(4.4)</b>	<b>14,804</b>	<b>15,348</b>	<b>(3.5)</b>
Equity in earnings (losses) of unconsolidated businesses	(33)	41	*	(24)	38	*
Other income (expense), net	210	49	*	324	(875)	*
Interest expense	(1,285)	(785)	63.7	(2,492)	(1,571)	58.6
<b>Income Before Provision For Income Taxes</b>	<b>6,112</b>	<b>6,857</b>	<b>(10.9)</b>	<b>12,612</b>	<b>12,940</b>	<b>(2.5)</b>
Provision for income taxes	(1,346)	(1,542)	(12.7)	(2,828)	(2,914)	(3.0)
<b>Net Income</b>	<b>\$ 4,766</b>	<b>\$ 5,315</b>	<b>(10.3)</b>	<b>\$ 9,784</b>	<b>\$ 10,026</b>	<b>(2.4)</b>
Net income attributable to noncontrolling interests	\$ 118	\$ 116	1.7	\$ 227	\$ 247	(8.1)
Net income attributable to Verizon	4,648	5,199	(10.6)	9,557	9,779	(2.3)
<b>Net Income</b>	<b>\$ 4,766</b>	<b>\$ 5,315</b>	<b>(10.3)</b>	<b>\$ 9,784</b>	<b>\$ 10,026</b>	<b>(2.4)</b>
<b>Basic Earnings Per Common Share</b>						
Net income attributable to Verizon	\$ 1.10	\$ 1.24	(11.3)	\$ 2.27	\$ 2.33	(2.6)
Weighted-average shares outstanding (in millions)	4,208	4,201		4,207	4,201	
<b>Diluted Earnings Per Common Share <sup>(1)</sup></b>						
Net income attributable to Verizon	\$ 1.10	\$ 1.24	(11.3)	\$ 2.27	\$ 2.33	(2.6)
Weighted-average shares outstanding (in millions)	4,213	4,202		4,212	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	6/30/23	12/31/22	\$ Change
<b>Assets</b>			
Current assets			
Cash and cash equivalents	\$ 4,803	\$ 2,605	\$ 2,198
Accounts receivable	24,108	25,332	(1,224)
Less Allowance for credit losses	922	826	96
Accounts receivable, net	23,186	24,506	(1,320)
Inventories	1,896	2,388	(492)
Prepaid expenses and other	7,503	8,358	(855)
<b>Total current assets</b>	<b>37,388</b>	<b>37,857</b>	<b>(469)</b>
Property, plant and equipment			
Property, plant and equipment	313,424	307,689	5,735
Less Accumulated depreciation	206,154	200,255	5,899
Property, plant and equipment, net	107,270	107,434	(164)
Investments in unconsolidated businesses	1,015	1,071	(56)
Wireless licenses	151,337	149,796	1,541
Goodwill	28,647	28,671	(24)
Other intangible assets, net	11,097	11,461	(364)
Operating lease right-of-use assets	25,345	26,130	(785)
Other assets	17,856	17,260	596
<b>Total assets</b>	<b>\$ 379,955</b>	<b>\$ 379,680</b>	<b>\$ 275</b>
<b>Liabilities and Equity</b>			
Current liabilities			
Debt maturing within one year	\$ 14,827	\$ 9,963	\$ 4,864
Accounts payable and accrued liabilities	20,067	23,977	(3,910)
Current operating lease liabilities	4,211	4,134	77
Other current liabilities	12,299	12,097	202
<b>Total current liabilities</b>	<b>51,404</b>	<b>50,171</b>	<b>1,233</b>
Long-term debt			
Long-term debt	137,871	140,676	(2,805)
Employee benefit obligations	12,357	12,974	(617)
Deferred income taxes	44,055	43,441	614
Non-current operating lease liabilities	20,745	21,558	(813)
Other liabilities	17,021	18,397	(1,376)
<b>Total long-term liabilities</b>	<b>232,049</b>	<b>237,046</b>	<b>(4,997)</b>
Equity			
Common stock	429	429	—
Additional paid in capital	13,523	13,420	103
Retained earnings	86,448	82,380	4,068
Accumulated other comprehensive loss	(1,921)	(1,865)	(56)
Common stock in treasury, at cost	(3,830)	(4,013)	183
Deferred compensation – employee stock ownership plans and other	544	793	(249)
Noncontrolling interests	1,309	1,319	(10)
<b>Total equity</b>	<b>96,502</b>	<b>92,463</b>	<b>4,039</b>
<b>Total liabilities and equity</b>	<b>\$ 379,955</b>	<b>\$ 379,680</b>	<b>\$ 275</b>

## Consolidated - Selected Financial and Operating Statistics

(dollars in millions, except per share amounts)

Unaudited	6/30/23	12/31/22
Total debt	\$ 152,698	\$ 150,639
Unsecured debt	\$ 131,356	\$ 130,631
Net unsecured debt <sup>(1)</sup>	\$ 126,553	\$ 128,026
Unsecured debt / Consolidated Net Income (LTM)	6.1x	6.0x
Net unsecured debt / Consolidated Adjusted EBITDA <sup>(1)(2)</sup>	2.6x	2.7x
Common shares outstanding end of period (in millions)	4,204	4,200
Total employees ('000)	114.2	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	6 Mos. Ended 6/30/23	6 Mos. Ended 6/30/22	\$ Change
<b>Cash Flows from Operating Activities</b>			
Net Income	\$ 9,784	\$ 10,026	\$ (242)
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization expense	8,677	8,557	120
Employee retirement benefits	108	(121)	229
Deferred income taxes	633	1,514	(881)
Provision for expected credit losses	1,061	665	396
Equity in losses (earnings) of unconsolidated businesses, net of dividends received	49	(18)	67
Changes in current assets and liabilities, net of effects from acquisition/disposition of businesses	(620)	(1,959)	1,339
Other, net	(1,672)	(999)	(673)
Net cash provided by operating activities	<u>18,020</u>	<u>17,665</u>	<u>355</u>
<b>Cash Flows from Investing Activities</b>			
Capital expenditures (including capitalized software)	(10,070)	(10,491)	421
Cash received related to acquisitions of businesses, net	—	247	(247)
Acquisitions of wireless licenses	(1,085)	(2,275)	1,190
Collateral receipts (payments) related to derivative contracts, net	824	(2,075)	2,899
Other, net	131	(62)	193
Net cash used in investing activities	<u>(10,200)</u>	<u>(14,656)</u>	<u>4,456</u>
<b>Cash Flows from Financing Activities</b>			
Proceeds from long-term borrowings	1,503	3,617	(2,114)
Proceeds from asset-backed long-term borrowings	3,705	5,053	(1,348)
Net proceeds from (repayments of) short-term commercial paper	(167)	2,560	(2,727)
Repayments of long-term borrowings and finance lease obligations	(2,600)	(7,405)	4,805
Repayments of asset-backed long-term borrowings	(2,383)	(2,695)	312
Dividends paid	(5,487)	(5,378)	(109)
Other, net	(157)	411	(568)
Net cash used in financing activities	<u>(5,586)</u>	<u>(3,837)</u>	<u>(1,749)</u>
<b>Increase (decrease) in cash, cash equivalents and restricted cash</b>	<b>2,234</b>	<b>(828)</b>	<b>3,062</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>\$ 6,345</u></b>	<b><u>\$ 3,333</u></b>	<b><u>\$ 3,012</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 6/30/23	3 Mos. Ended 6/30/22	% Change	6 Mos. Ended 6/30/23	6 Mos. Ended 6/30/22	% Change
<b>Operating Revenues</b>						
Service	\$ 18,641	\$ 18,149	2.7	\$ 37,097	\$ 36,275	2.3
Wireless equipment	4,430	5,708	(22.4)	9,308	11,082	(16.0)
Other	1,487	1,747	(14.9)	3,010	3,539	(14.9)
<b>Total Operating Revenues</b>	<b>24,558</b>	<b>25,604</b>	<b>(4.1)</b>	<b>49,415</b>	<b>50,896</b>	<b>(2.9)</b>
<b>Operating Expenses</b>						
Cost of services	4,367	4,284	1.9	8,799	8,730	0.8
Cost of wireless equipment	4,626	6,221	(25.6)	9,817	12,034	(18.4)
Selling, general and administrative expense	4,988	4,738	5.3	9,909	9,290	6.7
Depreciation and amortization expense	3,247	3,211	1.1	6,461	6,373	1.4
<b>Total Operating Expenses</b>	<b>17,228</b>	<b>18,454</b>	<b>(6.6)</b>	<b>34,986</b>	<b>36,427</b>	<b>(4.0)</b>
<b>Operating Income</b>	<b>\$ 7,330</b>	<b>\$ 7,150</b>	<b>2.5</b>	<b>\$ 14,429</b>	<b>\$ 14,469</b>	<b>(0.3)</b>
<b>Operating Income Margin</b>	<b>29.8 %</b>	<b>27.9 %</b>		<b>29.2 %</b>	<b>28.4 %</b>	
<b>Segment EBITDA<sup>(1)</sup></b>	<b>\$ 10,577</b>	<b>\$ 10,361</b>	<b>2.1</b>	<b>\$ 20,890</b>	<b>\$ 20,842</b>	<b>0.2</b>
<b>Segment EBITDA Margin<sup>(1)</sup></b>	<b>43.1 %</b>	<b>40.5 %</b>		<b>42.3 %</b>	<b>41.0 %</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	6/30/23	6/30/22	% Change
<b>Connections ('000):</b>			
Wireless retail postpaid	92,474	91,475	1.1
Wireless retail prepaid	21,646	23,138	(6.4)
Total wireless retail	114,120	114,613	(0.4)
Wireless retail postpaid phones	74,465	75,197	(1.0)
Fios video	3,091	3,409	(9.3)
Fios internet	6,854	6,626	3.4
Fixed wireless access (FWA) broadband	1,390	384	*
Wireline broadband	7,098	6,938	2.3
Total broadband	8,488	7,322	15.9

Unaudited	3 Mos. Ended 6/30/23	3 Mos. Ended 6/30/22	% Change	6 Mos. Ended 6/30/23	6 Mos. Ended 6/30/22	% Change
<b>Gross Additions ('000):</b>						
Wireless retail postpaid	2,928	2,622	11.7	6,138	5,103	20.3
<b>Net Additions Detail ('000):</b>						
Wireless retail postpaid	304	84	*	625	(42)	*
Wireless retail prepaid	(304)	(229)	(32.8)	(655)	(309)	*
Total wireless retail	—	(145)	*	(30)	(351)	91.5
Wireless retail postpaid phones	(136)	(215)	36.7	(399)	(507)	21.3
Fios video	(69)	(86)	19.8	(143)	(164)	12.8
Fios internet	51	30	70.0	114	85	34.1
FWA broadband	251	168	49.4	507	280	81.1
Wireline broadband	36	13	*	82	50	64.0
Total broadband	287	181	58.6	589	330	78.5
<b>Churn Rate:</b>						
Wireless retail postpaid	0.95 %	0.93 %		1.00 %	0.94 %	
Wireless retail postpaid phones	0.76 %	0.75 %		0.80 %	0.76 %	
Wireless retail prepaid	4.24 %	3.90 %		4.28 %	3.79 %	
Wireless retail	1.58 %	1.53 %		1.63 %	1.52 %	
<b>Revenue Statistics (in millions):</b>						
Wireless service revenue	\$ 15,762	\$ 15,236	3.5	\$ 31,361	\$ 30,453	3.0
Fios revenues	\$ 2,886	\$ 2,895	(0.3)	\$ 5,775	\$ 5,806	(0.5)

## Consumer - Selected Operating Statistics (continued)

Unaudited	3 Mos. Ended 6/30/23	3 Mos. Ended 6/30/22	% Change	6 Mos. Ended 6/30/23	6 Mos. Ended 6/30/22	% Change
<b>Other Wireless Statistics:</b>						
Wireless retail postpaid ARPA <sup>(1)</sup>	\$ 131.83	\$ 124.16	6.2	\$ 130.95	\$ 124.06	5.6
Wireless retail postpaid upgrade rate	3.5 %	5.6 %				
Wireless retail postpaid accounts ('000) <sup>(2)</sup>				32,976	33,386	(1.2)
Wireless retail postpaid connections per account <sup>(2)</sup>				2.80	2.74	2.2
Wireless retail prepaid ARPU <sup>(3)</sup>	\$ 31.42	\$ 31.26	0.5	\$ 31.06	\$ 31.07	—

**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.

\* Not meaningful

## Business - Selected Financial Results

(dollars in millions)

Unaudited	3 Mos. Ended 6/30/23	3 Mos. Ended 6/30/22	% Change	6 Mos. Ended 6/30/23	6 Mos. Ended 6/30/22	% Change
<b>Operating Revenues</b>						
Enterprise and Public Sector	\$ 3,784	\$ 3,867	(2.1)	\$ 7,571	\$ 7,845	(3.5)
Business Markets and Other <sup>(1)</sup>	3,109	3,130	(0.7)	6,213	6,206	0.1
Wholesale	590	629	(6.2)	1,193	1,284	(7.1)
<b>Total Operating Revenues</b>	<b>7,483</b>	<b>7,626</b>	<b>(1.9)</b>	<b>14,977</b>	<b>15,335</b>	<b>(2.3)</b>
<b>Operating Expenses</b>						
Cost of services	2,543	2,559	(0.6)	5,125	5,165	(0.8)
Cost of wireless equipment	1,152	1,268	(9.1)	2,386	2,578	(7.4)
Selling, general and administrative expense	2,152	2,050	5.0	4,185	4,109	1.8
Depreciation and amortization expense	1,103	1,074	2.7	2,197	2,135	2.9
<b>Total Operating Expenses</b>	<b>6,950</b>	<b>6,951</b>	<b>—</b>	<b>13,893</b>	<b>13,987</b>	<b>(0.7)</b>
<b>Operating Income</b>	<b>\$ 533</b>	<b>\$ 675</b>	<b>(21.0)</b>	<b>\$ 1,084</b>	<b>\$ 1,348</b>	<b>(19.6)</b>
<b>Operating Income Margin</b>	<b>7.1 %</b>	<b>8.9 %</b>		<b>7.2 %</b>	<b>8.8 %</b>	
<b>Segment EBITDA<sup>(2)</sup></b>	<b>\$ 1,636</b>	<b>\$ 1,749</b>	<b>(6.5)</b>	<b>\$ 3,281</b>	<b>\$ 3,483</b>	<b>(5.8)</b>
<b>Segment EBITDA Margin<sup>(2)</sup></b>	<b>21.9 %</b>	<b>22.9 %</b>		<b>21.9 %</b>	<b>22.7 %</b>	

**Footnotes:**

(1) Referred to as "Business Markets and SaaS" in the first quarter of 2023.

(2) 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	6/30/23	6/30/22	% Change
<b>Connections ('000):</b>			
Wireless retail postpaid	29,105	28,208	3.2
Wireless retail postpaid phones	17,856	17,586	1.5
Fios video	64	70	(8.6)
Fios internet	380	367	3.5
FWA broadband	870	316	*
Wireline broadband	464	474	(2.1)
Total broadband	1,334	790	68.9

Unaudited	3 Mos. Ended 6/30/23	3 Mos. Ended 6/30/22	% Change	6 Mos. Ended 6/30/23	6 Mos. Ended 6/30/22	% Change
<b>Gross Additions ('000):</b>						
Wireless retail postpaid	1,590	1,582	0.5	3,197	3,084	3.7
<b>Net Additions Detail ('000):</b>						
Wireless retail postpaid	308	430	(28.4)	620	825	(24.8)
Wireless retail postpaid phones	144	227	(36.6)	280	483	(42.0)
Fios video	(1)	(1)	—	(3)	(1)	*
Fios internet	3	6	(50.0)	7	11	(36.4)
FWA broadband	133	88	51.1	270	170	58.8
Wireline broadband	(2)	(1)	*	(4)	(3)	(33.3)
Total broadband	131	87	50.6	266	167	59.3

<b>Churn Rate:</b>						
Wireless retail postpaid	1.48 %	1.37 %		1.49 %	1.35 %	
Wireless retail postpaid phones	1.10 %	1.07 %		1.13 %	1.07 %	

<b>Revenue Statistics (in millions):</b>						
Wireless service revenue	\$ 3,351	\$ 3,182	5.3	\$ 6,641	\$ 6,307	5.3
Fios revenues	\$ 308	\$ 298	3.4	\$ 615	\$ 593	3.7

<b>Other Operating Statistics:</b>						
Wireless retail postpaid upgrade rate	2.7 %	3.1 %				

**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.

\* 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	6/30/23	6/30/22	% Change
<b>Connections ('000)</b>			
Retail postpaid	121,579	119,683	1.6
Retail prepaid	21,646	23,138	(6.4)
Total retail	143,225	142,821	0.3
Retail postpaid phones	92,321	92,783	(0.5)

Unaudited	3 Mos. Ended 6/30/23	3 Mos. Ended 6/30/22	% Change	6 Mos. Ended 6/30/23	6 Mos. Ended 6/30/22	% Change
<b>Net Additions Detail ('000)</b>						
Retail postpaid phones	8	12	(33.3)	(119)	(24)	*
Retail postpaid	612	514	19.1	1,245	783	59.0
Retail prepaid	(304)	(229)	(32.8)	(655)	(309)	*
Total retail	308	285	8.1	590	474	24.5

<b>Account Statistics</b>										
Retail postpaid accounts ('000) <sup>(1)</sup>				34,855	35,132		(0.8)			
Retail postpaid connections per account <sup>(1)</sup>				3.49	3.41		2.3			
Retail postpaid ARPA <sup>(2)</sup>	\$	154.51	\$	145.50	6.2	\$	153.39	\$	145.18	5.7
Retail prepaid ARPU <sup>(3)</sup>	\$	31.42	\$	31.26	0.5	\$	31.06	\$	31.07	—

<b>Churn Detail</b>					
Retail postpaid phone	0.83 %	0.81 %		0.87 %	0.82 %
Retail postpaid	1.07 %	1.03 %		1.11 %	1.03 %
Retail prepaid	4.24 %	3.90 %		4.28 %	3.79 %
Retail	1.56 %	1.50 %		1.60 %	1.49 %

<b>Retail Postpaid Connection Statistics</b>		
Upgrade rate	3.3 %	5.0 %

<b>Revenue Statistics (in millions) <sup>(4)</sup></b>										
Wireless service	\$	19,113	\$	18,418	3.8	\$	38,002	\$	36,760	3.4
Wireless equipment		5,277		6,674	(20.9)		11,037		13,010	(15.2)
Wireless other		1,486		1,800	(17.4)		3,001		3,618	(17.1)
Total Wireless	\$	25,876	\$	26,892	(3.8)	\$	52,040	\$	53,388	(2.5)

**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.

\* Not meaningful