

Financial and Operating Information

As of March 31, 2025

verizon

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Condensed Consolidated Statements of Income

(dollars in millions, except per share amounts)

Unaudited	2023		2024				2025	
	Full Year	1Q	2Q	3Q	4Q	Full Year	1Q	Year to date
Operating Revenues								
Service revenues and other	\$ 109,652	\$ 27,620	\$ 27,798	\$ 27,987	\$ 28,166	\$ 111,571	\$ 28,087	\$ 28,087
Wireless equipment revenues	24,322	5,361	4,998	5,343	7,515	23,217	5,398	5,398
Total Operating Revenues	133,974	32,981	32,796	33,330	35,681	134,788	33,485	33,485
Operating Expenses								
Cost of services	28,100	6,967	6,904	7,193	6,933	27,997	6,950	6,950
Cost of wireless equipment	26,787	5,905	5,567	6,047	8,581	26,100	6,106	6,106
Selling, general and administrative expense	32,745	8,143	8,024	9,706	8,240	34,113	7,874	7,874
Depreciation and amortization expense	17,624	4,445	4,483	4,458	4,506	17,892	4,577	4,577
Verizon Business Group goodwill impairment	5,841	—	—	—	—	—	—	—
Total Operating Expenses	111,097	25,460	24,978	27,404	28,260	106,102	25,507	25,507
Operating Income	22,877	7,521	7,818	5,926	7,421	28,686	7,978	7,978
Equity in earnings (losses) of unconsolidated businesses	(53)	(9)	(14)	(24)	(6)	(53)	6	6
Other income (expense), net	(313)	198	(72)	72	797	995	121	121
Interest expense	(5,524)	(1,635)	(1,698)	(1,672)	(1,644)	(6,649)	(1,632)	(1,632)
Income Before Provision For Income Taxes	16,987	6,075	6,034	4,302	6,568	22,979	6,473	6,473
Provision for income taxes	(4,892)	(1,353)	(1,332)	(891)	(1,454)	(5,030)	(1,490)	(1,490)
Net Income	\$ 12,095	\$ 4,722	\$ 4,702	\$ 3,411	\$ 5,114	\$ 17,949	\$ 4,983	\$ 4,983
Net income attributable to noncontrolling interests	\$ 481	\$ 120	\$ 109	\$ 105	\$ 109	\$ 443	\$ 104	\$ 104
Net income attributable to Verizon	11,614	4,602	4,593	3,306	5,005	17,506	4,879	4,879
Net Income	\$ 12,095	\$ 4,722	\$ 4,702	\$ 3,411	\$ 5,114	\$ 17,949	\$ 4,983	\$ 4,983
Basic Earnings Per Common Share								
Net income attributable to Verizon	\$ 2.76	\$ 1.09	\$ 1.09	\$ 0.78	\$ 1.19	\$ 4.15	\$ 1.16	\$ 1.16
Weighted-average shares outstanding (in millions)	4,211	4,215	4,215	4,220	4,222	4,218	4,222	4,222
Diluted Earnings Per Common Share⁽¹⁾								
Net income attributable to Verizon	\$ 2.75	\$ 1.09	\$ 1.09	\$ 0.78	\$ 1.18	\$ 4.14	\$ 1.15	\$ 1.15
Weighted-average shares outstanding (in millions)	4,215	4,219	4,221	4,225	4,227	4,223	4,226	4,226

Footnotes:

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

EPS may not add due to rounding.

Condensed Consolidated Balance Sheets

(dollars in millions)

Unaudited	12/31/23	3/31/24	6/30/24	9/30/24	12/31/24	3/31/25
Assets						
Current assets						
Cash and cash equivalents	\$ 2,065	\$ 2,365	\$ 2,432	\$ 4,987	\$ 4,194	\$ 2,257
Accounts receivable	26,102	26,380	26,702	27,040	27,261	27,033
Less Allowance for credit losses	1,017	1,061	1,095	1,086	1,152	1,144
Accounts receivable, net	25,085	25,319	25,607	25,954	26,109	25,889
Inventories	2,057	2,076	1,841	2,523	2,247	2,197
Prepaid expenses and other	7,607	8,197	8,176	7,177	7,973	7,010
Total current assets	36,814	37,957	38,056	40,641	40,523	37,353
Property, plant and equipment	320,108	322,266	324,978	327,555	331,406	331,888
Less Accumulated depreciation	211,798	214,403	217,088	220,027	222,884	223,965
Property, plant and equipment, net	108,310	107,863	107,890	107,528	108,522	107,923
Investments in unconsolidated businesses	953	941	908	867	842	820
Wireless licenses	155,667	156,111	156,291	156,481	156,613	156,726
Goodwill	22,843	22,842	22,842	22,844	22,841	22,842
Other intangible assets, net	11,057	10,835	10,680	10,674	11,129	10,847
Operating lease right-of-use assets	24,726	24,351	24,064	23,613	24,472	24,175
Other assets	19,885	19,258	18,415	18,516	19,769	19,678
Total assets	\$ 380,255	\$ 380,158	\$ 379,146	\$ 381,164	\$ 384,711	\$ 380,364
Liabilities and Equity						
Current liabilities						
Debt maturing within one year	\$ 12,973	\$ 15,594	\$ 23,255	\$ 21,763	\$ 22,633	\$ 22,629
Accounts payable and accrued liabilities	23,453	20,139	19,727	22,222	23,374	19,413
Current operating lease liabilities	4,266	4,282	4,247	4,312	4,415	4,686
Other current liabilities	12,531	13,616	13,577	13,519	14,349	14,338
Total current liabilities	53,223	53,631	60,806	61,816	64,771	61,066
Long-term debt	137,701	136,104	126,022	128,878	121,381	121,020
Employee benefit obligations	13,189	12,805	12,812	12,744	11,997	11,793
Deferred income taxes	45,781	45,980	46,082	45,865	46,732	46,643
Non-current operating lease liabilities	20,002	19,654	19,456	19,247	19,928	19,379
Other liabilities	16,560	16,258	16,429	14,946	19,327	18,426
Total long-term liabilities	233,233	230,801	220,801	221,680	219,365	217,261
Equity						
Common stock	429	429	429	429	429	429
Additional paid in capital	13,631	13,571	13,539	13,479	13,466	13,415
Retained earnings	82,915	84,714	86,504	86,958	89,110	91,128
Accumulated other comprehensive loss	(1,380)	(1,199)	(1,287)	(1,665)	(923)	(1,489)
Common stock in treasury, at cost	(3,821)	(3,602)	(3,590)	(3,585)	(3,583)	(3,295)
Deferred compensation – employee stock ownership plans and other	656	421	577	710	738	534
Noncontrolling interests	1,369	1,392	1,367	1,342	1,338	1,315
Total equity	93,799	95,726	97,539	97,668	100,575	102,037
Total liabilities and equity	\$ 380,255	\$ 380,158	\$ 379,146	\$ 381,164	\$ 384,711	\$ 380,364

Consolidated - Selected Financial and Operating Statistics

(dollars in millions)

Unaudited	12/31/23	3/31/24	6/30/24	9/30/24	12/31/24	3/31/25
Total debt	\$ 150,674	\$ 151,698	\$ 149,277	\$ 150,641	\$ 144,014	\$ 143,649
Unsecured debt	\$ 128,491	\$ 128,408	\$ 125,262	\$ 126,369	\$ 117,876	\$ 117,313
Net unsecured debt ⁽¹⁾	\$ 126,426	\$ 126,043	\$ 122,830	\$ 121,382	\$ 113,682	\$ 115,056
Unsecured debt / Consolidated Net Income (LTM)		10.9x	10.7x	12.3x	6.6x	6.4x
Net unsecured debt / Consolidated Adjusted EBITDA ⁽¹⁾⁽²⁾		2.6x	2.5x	2.5x	2.3x	2.3x
Common shares outstanding end of period (in millions)	4,204	4,209	4,210	4,210	4,210	4,216
Total employees ('000) ⁽³⁾	105.4	104.4	103.9	101.2	99.6	99.4
Quarterly cash dividends declared per common share	\$ 0.6650	\$ 0.6650	\$ 0.6650	\$ 0.6775	\$ 0.6775	\$ 0.6775

Footnotes:

(1) Non-GAAP financial measure.

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

(3) Number of employees on a full-time equivalent basis.

Condensed Consolidated Statements of Cash Flows

(dollars in millions)

Unaudited	12 Mos. Ended 12/31/23	3 Mos. Ended 3/31/24	6 Mos. Ended 6/30/24	9 Mos. Ended 9/30/24	12 Mos. Ended 12/31/24	3 Mos. Ended 3/31/25
Cash Flows from Operating Activities						
Net Income	\$ 12,095	\$ 4,722	\$ 9,424	\$ 12,835	\$ 17,949	\$ 4,983
Adjustments to reconcile net income to net cash provided by operating activities:						
Depreciation and amortization expense	17,624	4,445	8,928	13,386	17,892	4,577
Employee retirement benefits	1,206	62	354	469	(52)	143
Deferred income taxes	2,388	141	282	247	815	132
Provision for expected credit losses	2,214	567	1,119	1,623	2,338	587
Equity in losses of unconsolidated businesses, inclusive of dividends received	84	14	33	62	75	20
Verizon Business Group goodwill impairment	5,841	—	—	—	—	—
Changes in current assets and liabilities, net of effects from acquisition/ disposition of businesses	(267)	(2,531)	(3,572)	(2,609)	(2,278)	(2,618)
Other, net	(3,710)	(336)	1	467	173	(42)
Net cash provided by operating activities	37,475	7,084	16,569	26,480	36,912	7,782
Cash Flows from Investing Activities						
Capital expenditures (including capitalized software)	(18,767)	(4,376)	(8,071)	(12,019)	(17,090)	(4,145)
Cash received (paid) related to acquisitions of businesses, net of cash acquired	(30)	—	—	—	—	—
Acquisitions of wireless licenses	(5,796)	(449)	(613)	(768)	(900)	(122)
Other, net	1,161	(420)	(426)	(326)	(684)	515
Net cash used in investing activities	(23,432)	(5,245)	(9,110)	(13,113)	(18,674)	(3,752)
Cash Flows from Financing Activities						
Proceeds from long-term borrowings	2,018	3,110	3,122	3,142	3,146	—
Proceeds from asset-backed long-term borrowings	6,594	2,510	5,828	8,229	12,422	2,781
Repayments of long-term borrowings and finance lease obligations	(6,181)	(4,508)	(5,719)	(6,623)	(11,854)	(2,446)
Repayments of asset-backed long-term borrowings	(4,443)	(1,408)	(4,008)	(6,158)	(8,490)	(2,589)
Dividends paid	(11,025)	(2,796)	(5,598)	(8,399)	(11,249)	(2,856)
Other, net	(1,620)	1,664	(687)	(1,668)	(1,075)	(783)
Net cash used in financing activities	(14,657)	(1,428)	(7,062)	(11,477)	(17,100)	(5,893)
Increase (decrease) in cash, cash equivalents and restricted cash	(614)	411	397	1,890	1,138	(1,863)
Cash, cash equivalents and restricted cash, beginning of period	4,111	3,497	3,497	3,497	3,497	4,635
Cash, cash equivalents and restricted cash, end of period	\$ 3,497	\$ 3,908	\$ 3,894	\$ 5,387	\$ 4,635	\$ 2,772

Footnote:

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

Consumer - Selected Financial Results

(dollars in millions)

Unaudited	2024				2025
	1Q	2Q	3Q	4Q	1Q
Operating Revenues					
Service ⁽¹⁾	\$ 19,624	\$ 19,851	\$ 19,919	\$ 20,064	\$ 20,066
Wireless equipment	4,490	4,143	4,478	6,487	4,532
Other ⁽¹⁾	943	933	963	1,009	1,020
Total Operating Revenues	25,057	24,927	25,360	27,560	25,618
Operating Expenses					
Cost of services	4,537	4,450	4,567	4,518	4,574
Cost of wireless equipment	4,750	4,432	4,850	7,227	4,912
Selling, general and administrative expense	5,089	5,047	4,928	5,473	5,165
Depreciation and amortization expense	3,309	3,394	3,411	3,438	3,543
Total Operating Expenses	17,685	17,323	17,756	20,656	18,194
Operating Income	\$ 7,372	\$ 7,604	\$ 7,604	\$ 6,904	\$ 7,424
Operating Income Margin	29.4 %	30.5 %	30.0 %	25.1 %	29.0 %
Segment EBITDA⁽²⁾	\$ 10,681	\$ 10,998	\$ 11,015	\$ 10,342	\$ 10,967
Segment EBITDA Margin⁽²⁾	42.6 %	44.1 %	43.4 %	37.5 %	42.8 %

Footnotes:

(1) Reflects the reclassification of recurring device protection and insurance related plan revenues from Other revenue into Wireless service revenue in the first quarter of 2025. Where applicable, historical results have been recast to conform to the current period presentation.

(2) 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	2024				2025
	1Q	2Q	3Q	4Q	1Q
Connections ('000):					
Wireless retail	114,809	114,236	114,211	115,256	115,084
Wireless retail postpaid	93,905	93,960	94,005	95,118	94,854
Wireless retail postpaid phone	74,523	74,407	74,412	74,772	74,406
Wireless retail core prepaid ⁽¹⁾	18,717	18,702	18,780	18,843	18,977
Fios video	2,883	2,818	2,744	2,684	2,626
Fios internet	7,025	7,049	7,088	7,135	7,176
Fixed wireless access (FWA) broadband	2,070	2,292	2,498	2,714	2,914
Wireline broadband	7,227	7,238	7,264	7,300	7,330
Total broadband	9,297	9,530	9,762	10,014	10,244
Gross Additions ('000):					
Wireless retail postpaid	2,983	2,901	3,088	4,310	2,970
Wireless retail postpaid phone	1,674	1,647	1,860	2,324	1,658
Net Additions Detail ('000):					
Wireless retail	(141)	(552)	(1)	1,064	(159)
Wireless retail postpaid	75	72	68	1,130	(253)
Wireless retail postpaid phone	(194)	(109)	18	367	(356)
Wireless retail core prepaid ⁽¹⁾	(131)	(12)	80	65	137
Fios video	(68)	(65)	(74)	(60)	(58)
Fios internet	49	24	39	47	41
FWA broadband	203	218	209	216	199
Wireline broadband	36	13	26	35	31
Total broadband	239	231	235	251	230
Churn Rate:					
Wireless retail	1.62 %	1.63 %	1.61 %	1.64 %	1.57 %
Wireless retail postpaid	1.03 %	1.00 %	1.07 %	1.12 %	1.13 %
Wireless retail postpaid phone	0.83 %	0.79 %	0.83 %	0.88 %	0.90 %
Wireless retail core prepaid ⁽¹⁾	3.61 %	3.59 %	3.72 %	3.78 %	3.47 %
Revenue Statistics (in millions):					
Wireless service revenue ⁽²⁾	\$ 16,760	\$ 16,985	\$ 17,036	\$ 17,170	\$ 17,199
Fios revenue	\$ 2,896	\$ 2,896	\$ 2,916	\$ 2,939	\$ 2,896
Other Wireless Statistics:					
Wireless retail postpaid ARPA ⁽²⁾⁽³⁾	\$ 141.31	\$ 144.15	\$ 144.94	\$ 145.61	\$ 146.46
Wireless retail postpaid upgrade rate	3.1 %	2.9 %	3.2 %	4.5 %	3.0 %
Wireless retail postpaid accounts ('000) ⁽⁴⁾	32,876	32,769	32,719	32,794	32,620
Wireless retail postpaid connections per account ⁽⁴⁾	2.86	2.87	2.87	2.90	2.91
Wireless retail core prepaid ARPU ⁽⁵⁾	\$ 32.26	\$ 32.48	\$ 32.41	\$ 32.34	\$ 31.92

Footnotes:

- (1) Represents total prepaid results excluding our SafeLink brand.
- (2) Reflects the reclassification of recurring device protection and insurance related plan revenues from Other revenue into Wireless service revenue in the first quarter of 2025. Where applicable, historical results have been recast to conform to the current period presentation.
- (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 core prepaid ARPU - average service revenue per unit from retail prepaid connections excluding our SafeLink brand.

Where applicable, the operating results reflect certain adjustments, including those related to the reclassification of connections associated with Verizon's second number offering, migration activity among different types of devices and plans, customer profile changes, and adjustments in connection with mergers, acquisitions and divestitures. Where applicable, historical results have been recast to conform to the current period presentation.

Certain intersegment transactions with corporate entities have not been eliminated.

Business - Selected Financial Results

(dollars in millions)

Unaudited	2024				2025
	1Q	2Q	3Q	4Q	1Q
Operating Revenues					
Enterprise and Public Sector	\$ 3,587	\$ 3,545	\$ 3,538	\$ 3,548	\$ 3,457
Business Markets and Other	3,195	3,203	3,263	3,438	3,314
Wholesale	594	552	550	518	515
Total Operating Revenues	7,376	7,300	7,351	7,504	7,286
Operating Expenses					
Cost of services	2,432	2,455	2,440	2,415	2,376
Cost of wireless equipment	1,155	1,135	1,197	1,354	1,194
Selling, general and administrative expense	2,262	2,132	2,109	2,080	2,032
Depreciation and amortization expense	1,128	1,078	1,040	1,061	1,020
Total Operating Expenses	6,977	6,800	6,786	6,910	6,622
Operating Income	\$ 399	\$ 500	\$ 565	\$ 594	\$ 664
Operating Income Margin	5.4 %	6.8 %	7.7 %	7.9 %	9.1 %
Segment EBITDA⁽¹⁾	\$ 1,527	\$ 1,578	\$ 1,605	\$ 1,655	\$ 1,684
Segment EBITDA Margin⁽¹⁾	20.7 %	21.6 %	21.8 %	22.1 %	23.1 %

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.

Business - Selected Operating Statistics

Unaudited	2024				2025
	1Q	2Q	3Q	4Q	1Q
Connections ('000):					
Wireless retail postpaid	29,947	30,230	30,532	30,819	30,890
Wireless retail postpaid phone	18,295	18,445	18,603	18,745	18,808
Fios video	59	58	56	54	52
Fios internet	389	393	397	401	405
FWA broadband	1,358	1,523	1,698	1,854	1,931
Wireline broadband	458	458	459	459	459
Total broadband	1,816	1,981	2,157	2,313	2,390
Gross Additions ('000):					
Wireless retail postpaid	1,531	1,579	1,601	1,617	1,504
Wireless retail postpaid phone	694	737	770	740	715
Net Additions Detail ('000):					
Wireless retail postpaid	178	268	281	283	94
Wireless retail postpaid phone	80	135	149	137	67
Fios video	(2)	(1)	(2)	(2)	(2)
Fios internet	4	4	4	4	4
FWA broadband	151	160	154	157	109
Wireline broadband	(1)	—	—	—	—
Total broadband	150	160	154	157	109
Churn Rate:					
Wireless retail postpaid	1.51 %	1.45 %	1.45 %	1.45 %	1.52 %
Wireless retail postpaid phone	1.13 %	1.09 %	1.12 %	1.08 %	1.15 %
Revenue Statistics (in millions):					
Wireless service revenue ⁽¹⁾	\$ 3,467	\$ 3,521	\$ 3,562	\$ 3,572	\$ 3,565
Fios revenue	\$ 311	\$ 313	\$ 314	\$ 314	\$ 310
Other Operating Statistics:					
Wireless retail postpaid upgrade rate	2.5 %	2.4 %	2.5 %	2.8 %	2.2 %

Footnotes:

(1) Reflects the reclassification of recurring device protection and insurance related plan revenues from Other revenue into Wireless service revenue in the first quarter of 2025. Where applicable, historical results have been recast to conform to the current period presentation.

Where applicable, the operating results reflect certain adjustments, including those related to the reclassification of connections associated with Verizon's second number offering, migration activity among different types of devices and plans, customer profile changes, and adjustments in connection with mergers, acquisitions and divestitures. Where applicable, historical results have been recast to conform to the current period presentation.

Certain intersegment transactions with corporate entities have not been eliminated.

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	2024				2025
	1Q	2Q	3Q	4Q	1Q
Connections ('000)					
Retail	144,756	144,466	144,743	146,075	145,974
Retail postpaid	123,852	124,190	124,537	125,937	125,744
Retail postpaid phone	92,818	92,852	93,015	93,517	93,214
Retail core prepaid ⁽¹⁾	18,717	18,702	18,780	18,843	18,977
Net Additions Detail ('000)					
Retail	37	(284)	280	1,347	(65)
Retail postpaid	253	340	349	1,413	(159)
Retail postpaid phone	(114)	26	167	504	(289)
Retail core prepaid ⁽¹⁾	(131)	(12)	80	65	137
Account Statistics					
Retail postpaid accounts ('000) ⁽²⁾	34,839	34,766	34,746	34,849	34,696
Retail postpaid connections per account ⁽²⁾	3.55	3.57	3.58	3.61	3.62
Retail postpaid ARPA ⁽³⁾⁽⁶⁾	\$ 164.27	\$ 167.38	\$ 168.44	\$ 168.96	\$ 169.81
Retail core prepaid ARPU ⁽⁴⁾	\$ 32.26	\$ 32.48	\$ 32.41	\$ 32.34	\$ 31.92
Churn Detail					
Retail	1.60 %	1.59 %	1.57 %	1.60 %	1.56 %
Retail postpaid	1.15 %	1.11 %	1.16 %	1.20 %	1.23 %
Retail postpaid phone	0.89 %	0.85 %	0.88 %	0.92 %	0.95 %
Retail core prepaid ⁽¹⁾	3.61 %	3.59 %	3.72 %	3.78 %	3.47 %
Retail Postpaid Connection Statistics					
Upgrade rate	3.0 %	2.8 %	3.0 %	4.1 %	2.8 %
Revenue Statistics (in millions)⁽⁵⁾					
FWA revenue	\$ 452	\$ 514	\$ 562	\$ 611	\$ 668
Wireless service ⁽⁶⁾	\$ 20,227	\$ 20,506	\$ 20,598	\$ 20,742	\$ 20,764
Wireless equipment	5,361	4,998	5,343	7,515	5,398
Wireless other ⁽⁶⁾	871	867	907	953	1,014
Total Wireless	\$ 26,459	\$ 26,371	\$ 26,848	\$ 29,210	\$ 27,176

Footnotes:

(1) Represents total prepaid results excluding our SafeLink brand.

(2) Statistics presented as of end of period.

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

(4) Wireless retail core prepaid ARPU - average service revenue per unit from retail prepaid connections excluding our SafeLink brand.

(5) Intersegment transactions between Consumer or Business segment with corporate entities have not been eliminated.

(6) Reflects the reclassification of recurring device protection and insurance related plan revenues from Other revenue into Wireless service revenue in the first quarter of 2025. Where applicable, historical results have been recast to conform to the current period presentation.

Where applicable, the operating results reflect certain adjustments, including those related to the reclassification of connections associated with Verizon's second number offering, migration activity among different types of devices and plans, customer profile changes, and adjustments in connection with mergers, acquisitions and divestitures. Where applicable, historical results have been recast to conform to the current period presentation.

Definitions - Non-GAAP Measures

Non-GAAP Measures

Verizon's Financial and Operating Information includes financial information prepared in conformity with generally accepted accounting principles in the United States (GAAP) as well as non-GAAP financial information. It is management's intent to provide non-GAAP financial information to enhance the understanding of Verizon's GAAP financial information and it should be considered by the reader in addition to, but not instead of, the financial statements prepared in accordance with GAAP. Each non-GAAP financial measure is presented along with the corresponding GAAP measure so as not to imply that more emphasis should be placed on the non-GAAP measure. We believe that providing these non-GAAP measures in addition to the GAAP measures allows management, investors and other users of our financial information to more fully and accurately assess both consolidated and segment performance. The non-GAAP financial information presented may be determined or calculated differently by other companies and may not be directly comparable to that of other companies.

EBITDA and EBITDA Margin Related Non-GAAP Measures

Consolidated earnings before interest, taxes, depreciation and amortization (EBITDA), Segment EBITDA and Segment EBITDA Margin are non-GAAP financial measures that we believe are useful to management, investors and other users of our financial information as they are widely accepted financial measures used in evaluating the profitability of a company and its operating performance in relation to its competitors.

Consolidated EBITDA is calculated by adding back interest, taxes and depreciation and amortization expense to net income.

Segment EBITDA is calculated by adding back segment depreciation and amortization expense to segment operating income. Segment EBITDA Margin is calculated by dividing Segment EBITDA by total segment operating revenues.

Consolidated Adjusted EBITDA, Consolidated Adjusted EBITDA Margin and Consolidated Adjusted EBITDA Growth Forecast

Consolidated Adjusted EBITDA, Consolidated Adjusted EBITDA Margin and Consolidated Adjusted EBITDA Growth Forecast are non-GAAP financial measures that we believe provide relevant and useful information to management, investors and other users of our financial information in evaluating the effectiveness of our operations and underlying business trends. We believe that Consolidated Adjusted EBITDA, Consolidated Adjusted EBITDA Margin and Consolidated Adjusted EBITDA Growth Forecast are used by investors to compare a company's operating performance to its competitors by minimizing impacts caused by differences in capital structure, taxes and depreciation and amortization policies. Further, the exclusion of non-operational items and special items enables comparability to prior period performance and trend analysis.

Consolidated Adjusted EBITDA is calculated by excluding from Consolidated EBITDA the effect of the following non-operational items: equity in earnings and losses of unconsolidated businesses and other income and expense, net, and the following special items: severance charges, asset and business rationalization, legacy legal matter, Verizon Business Group ("Verizon Business") goodwill impairment, legal settlement, business transformation costs and non-strategic business shutdown. Severance charges recorded during 2024 relate to separations under our voluntary separation program for select U.S.-based management employees as well as other headcount reduction initiatives. Severance charges recorded during 2023 primarily relate to involuntary separations under our existing plans. Asset and business rationalization recorded during 2024 predominately relates to the decision to cease use of certain real estate assets and exit non-strategic portions of certain businesses, as part of our continued transformation initiatives. Asset rationalization recorded during the second quarter of 2023 relates to certain real estate and non-strategic assets that we made a decision to cease use of as part of our transformation initiatives. Asset rationalization recorded during the fourth quarter of 2023 primarily relates to Verizon Business network assets that we made a decision to cease use of as part of our transformation initiatives. Legacy legal matter recorded during 2024 relates to a litigation matter associated with a legacy contract for the production of telephone directories in Costa Rica by a subsidiary of Verizon. Verizon Business goodwill impairment relates to an impairment charge recognized in the fourth quarter of 2023 as a result of Verizon's annual goodwill impairment test. Legal settlement recorded during 2023 relates to the settlement of a litigation matter regarding certain administrative fees. Business transformation costs recorded during 2023 primarily relate to costs incurred in connection with strategic partnership initiatives in our managed network support services for certain Verizon Business customers. Non-strategic business shutdown relates to the shutdown of our BlueJeans business offering in 2023.

Consolidated Adjusted EBITDA Margin is calculated by dividing Consolidated Adjusted EBITDA by consolidated operating revenues.

We have not provided a reconciliation for our Consolidated Adjusted EBITDA Growth Forecast because we cannot, without unreasonable effort, predict the special items that could arise during 2025.

Net Unsecured Debt and Net Unsecured Debt to Consolidated Adjusted EBITDA Ratio

Net Unsecured Debt and Net Unsecured Debt to Consolidated Adjusted EBITDA Ratio are non-GAAP financial measures that we believe are useful to management, investors and other users of our financial information in evaluating Verizon's ability to service its unsecured debt from continuing operations.

Net Unsecured Debt is calculated by subtracting secured debt and cash and cash equivalents, from the sum of debt maturing within one year and long-term debt. Net Unsecured Debt to Consolidated Adjusted EBITDA Ratio is calculated by dividing Net Unsecured Debt by Consolidated Adjusted EBITDA. For purposes of Net Unsecured Debt to Consolidated Adjusted EBITDA Ratio, Consolidated Adjusted EBITDA is calculated for the last twelve months. We have not provided a reconciliation for our Net Unsecured Debt to Consolidated Adjusted EBITDA Ratio target because we cannot, without unreasonable effort, predict the timeline for achieving the target or the special items that could arise in future periods.

Adjusted Earnings per Common Share (Adjusted EPS) and Adjusted EPS Forecast

Adjusted EPS and Adjusted EPS Forecast are non-GAAP financial measures that we believe are useful to management, investors and other users of our financial information in evaluating our operating results and understanding our operating trends without the effect of special items which could vary from period to period. We believe excluding special items provides more comparable assessment of our financial results from period to period.

Adjusted EPS is calculated by excluding from the calculation of reported EPS the effect of the following special items: amortization of acquisition-related intangible assets and legacy legal matter.

Definitions - Non-GAAP Measures

We exclude the amortization of acquisition-related intangible assets because the amount and timing of such charges are significantly impacted by the timing, size, number and nature of the acquisitions we consummate. While we have a history of significant acquisition activity, we do not acquire businesses on a predictable cycle, and the amount of an acquisition's purchase price allocated to intangible assets and related amortization term are unique to each acquisition and can vary significantly from acquisition to acquisition. Exclusion of this amortization expense facilitates more consistent comparisons of operating results over time between our newly acquired and long-held businesses, and with both acquisitive and non-acquisitive peer companies. We believe that it is important for investors to understand that our non-GAAP financial measure adjusts for the intangible asset amortization but does not adjust the revenue that is generated in part from the use of such intangible assets.

We have not provided a reconciliation for our Adjusted EPS Forecast because we cannot, without unreasonable effort, predict the special items that could arise during 2025.

Free Cash Flow and Free Cash Flow Forecast

Free cash flow and free cash flow forecast are non-GAAP financial measures that reflect an additional way of viewing our liquidity that, when viewed with our GAAP results, provide a more complete understanding of factors and trends affecting our cash flows. We believe they are more conservative measures of cash flow since capital expenditures are necessary for ongoing operations. Free cash flow and free cash flow forecast have limitations due to the fact that they do not represent the residual cash flow available for discretionary expenditures. For example, free cash flow and free cash flow forecast do not incorporate payments made or expected to be made on finance lease obligations or cash payments for acquisitions of businesses or wireless licenses. Therefore, we believe it is important to view free cash flow and free cash flow forecast as complements to our entire consolidated statements of cash flows.

Free cash flow is calculated by subtracting capital expenditures (including capitalized software) from net cash provided by operating activities. Free cash flow forecast is calculated by subtracting capital expenditures forecast (including capitalized software) from forecasted net cash provided by operating activities.

Non-GAAP Reconciliations - Consolidated

Consolidated EBITDA, Consolidated Adjusted EBITDA and Consolidated Adjusted EBITDA Margin

(dollars in millions)

	2023			2024				2025
Unaudited	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q
Consolidated Net Income (Loss)	\$ 4,766	\$ 4,884	\$ (2,573)	\$ 4,722	\$ 4,702	\$ 3,411	\$ 5,114	\$ 4,983
Add:								
Provision for income taxes	1,346	1,308	756	1,353	1,332	891	1,454	1,490
Interest expense	1,285	1,433	1,599	1,635	1,698	1,672	1,644	1,632
Depreciation and amortization expense ⁽¹⁾	4,359	4,431	4,516	4,445	4,483	4,458	4,506	4,577
Consolidated EBITDA	\$ 11,756	\$ 12,056	\$ 4,298	\$12,155	\$12,215	\$10,432	\$12,718	\$12,682
Add/(subtract):								
Other (income) expense, net ⁽²⁾	\$ (210)	\$ (170)	\$ 807	\$ (198)	\$ 72	\$ (72)	\$ (797)	\$ (121)
Equity in (earnings) losses of unconsolidated businesses	33	18	11	9	14	24	6	(6)
Severance charges	237	—	296	—	—	1,733	—	—
Asset and business rationalization	155	—	325	—	—	374	—	—
Legacy legal matter	—	—	—	106	—	—	—	—
Verizon Business Group goodwill impairment	—	—	5,841	—	—	—	—	—
Legal settlement	—	—	100	—	—	—	—	—
Business transformation costs	—	176	—	—	—	—	—	—
Non-strategic business shutdown	—	158	—	—	—	—	—	—
Consolidated Adjusted EBITDA	\$ 11,971	\$ 12,238	\$ 11,678	\$12,072	\$12,301	\$12,491	\$11,927	\$12,555
Consolidated Operating Revenues				\$32,981				\$33,485
Consolidated Net Income (Loss) Margin				14.3 %				14.9 %
Consolidated Adjusted EBITDA Margin				36.6 %				37.5 %
Consolidated Adjusted EBITDA - Year over year change								\$ 483
Consolidated Adjusted EBITDA - Year over year change %								4.0 %
Consolidated Adjusted EBITDA Margin - Year over year change								90 bps

Footnotes:

(1) Includes Amortization of acquisition-related intangible assets and a portion of the Non-strategic business shutdown, where applicable.

(2) Includes Pension and benefits remeasurement adjustments, where applicable.

Non-GAAP Reconciliations - Consolidated

Consolidated EBITDA and Consolidated Adjusted EBITDA (LTM)

(dollars in millions)

Unaudited	12 Mos. Ended 3/31/24	12 Mos. Ended 6/30/24	12 Mos. Ended 9/30/24	12 Mos. Ended 12/31/24	12 Mos. Ended 3/31/25
Consolidated Net Income	\$ 11,799	\$ 11,735	\$ 10,262	\$ 17,949	\$ 18,210
Add:					
Provision for income taxes	4,763	4,749	4,332	5,030	5,167
Interest expense	5,952	6,365	6,604	6,649	6,646
Depreciation and amortization expense ⁽¹⁾	17,751	17,875	17,902	17,892	18,024
Consolidated EBITDA	\$ 40,265	\$ 40,724	\$ 39,100	\$ 47,520	\$ 48,047
Add/(subtract):					
Other (income) expense, net ⁽²⁾	\$ 229	\$ 511	\$ 609	\$ (995)	\$ (918)
Equity in losses of unconsolidated businesses	71	52	58	53	38
Severance charges	533	296	2,029	1,733	1,733
Asset and business rationalization	480	325	699	374	374
Legacy legal matter	106	106	106	106	—
Verizon Business Group goodwill impairment	5,841	5,841	5,841	—	—
Legal settlement	100	100	100	—	—
Business transformation costs	176	176	—	—	—
Non-strategic business shutdown	158	158	—	—	—
Consolidated Adjusted EBITDA	\$ 47,959	\$ 48,289	\$ 48,542	\$ 48,791	\$ 49,274

Footnotes:

(1) Includes Amortization of acquisition-related intangible assets and a portion of the Non-strategic business shutdown, where applicable.

(2) Includes Pension and benefits remeasurement adjustments, where applicable.

Net Unsecured Debt and Net Unsecured Debt to Consolidated Adjusted EBITDA Ratio

(dollars in millions)

Unaudited	12/31/23	3/31/24	6/30/24	9/30/24	12/31/24	3/31/25
Debt maturing within one year	\$ 12,973	\$ 15,594	\$ 23,255	\$ 21,763	\$ 22,633	\$ 22,629
Long-term debt	137,701	136,104	126,022	128,878	121,381	121,020
Total Debt	150,674	151,698	149,277	150,641	144,014	143,649
Less Secured debt	22,183	23,290	24,015	24,272	26,138	26,336
Unsecured Debt	128,491	128,408	125,262	126,369	117,876	117,313
Less Cash and cash equivalents	2,065	2,365	2,432	4,987	4,194	2,257
Net Unsecured Debt	\$ 126,426	\$ 126,043	\$ 122,830	\$ 121,382	\$ 113,682	\$ 115,056
Consolidated Net Income (LTM)	\$ 11,799	\$ 11,735	\$ 10,262	\$ 17,949	\$ 17,949	\$ 18,210
Unsecured Debt to Consolidated Net Income Ratio		10.9x	10.7x	12.3x	6.6x	6.4x
Consolidated Adjusted EBITDA (LTM)	\$ 47,959	\$ 48,289	\$ 48,542	\$ 48,791	\$ 48,791	\$ 49,274
Net Unsecured Debt to Consolidated Adjusted EBITDA Ratio		2.6x	2.5x	2.5x	2.3x	2.3x
Net Unsecured Debt - Quarter over quarter change						\$ 1,374
Net Unsecured Debt - Year over year change						\$ (10,987)
Net Unsecured Debt to Consolidated Adjusted EBITDA Ratio - Quarter over quarter change						— x
Net Unsecured Debt to Consolidated Adjusted EBITDA Ratio - Year over year change						(0.3)x

Non-GAAP Reconciliations - Consolidated

Adjusted Earnings per Common Share (Adjusted EPS)

(dollars in millions except per share amounts)

Unaudited	3 Mos. Ended 3/31/24			3 Mos. Ended 3/31/25		
	Pre-tax	Tax	After-Tax	Pre-tax	Tax	After-Tax
EPS				\$ 1.09		\$ 1.15
Amortization of acquisition-related intangible assets	\$ 221	\$ (56)	\$ 165	\$ 190	\$ (48)	\$ 142
Legacy legal matter	106	(27)	79	—	—	—
	\$ 327	\$ (83)	\$ 244	\$ 190	\$ (48)	\$ 142
Adjusted EPS				\$ 1.15		\$ 1.19
Year over year change %						3.5 %

Footnote:

Adjusted EPS may not add due to rounding.

Free Cash Flow

(dollars in millions)

Unaudited	3 Mos. Ended 3/31/24	3 Mos. Ended 3/31/25
Net Cash Provided by Operating Activities	\$ 7,084	\$ 7,782
Capital expenditures (including capitalized software)	(4,376)	(4,145)
Free Cash Flow	\$ 2,708	\$ 3,637
Free Cash Flow - Year over year change		\$ 929
Free Cash Flow - Year over year change %		34.3 %

Free Cash Flow Forecast

(dollars in millions)

Unaudited	12 Mos. Ended 12/31/25
Net Cash Provided by Operating Activities Forecast	\$ 35,000 - 37,000
Capital expenditures forecast (including capitalized software)	(17,500 - 18,500)
Free Cash Flow Forecast	\$ 17,500 - 18,500

Non-GAAP Reconciliations - Segments

Segment EBITDA and Segment EBITDA Margin

Consumer

	(dollars in millions)				
	3 Mos. Ended	3 Mos. Ended	3 Mos. Ended	3 Mos. Ended	3 Mos. Ended
Unaudited	3/31/24	6/30/24	9/30/24	12/31/24	3/31/25
Operating Income	\$ 7,372	\$ 7,604	\$ 7,604	\$ 6,904	\$ 7,424
Add Depreciation and amortization expense	3,309	3,394	3,411	3,438	3,543
Segment EBITDA	\$ 10,681	\$ 10,998	\$ 11,015	\$ 10,342	\$ 10,967
Total operating revenues	\$ 25,057	\$ 24,927	\$ 25,360	\$ 27,560	\$ 25,618
Operating Income Margin	29.4 %	30.5 %	30.0 %	25.1 %	29.0 %
Segment EBITDA Margin	42.6 %	44.1 %	43.4 %	37.5 %	42.8 %
Segment EBITDA - Year over year change %					2.7 %

Business

	(dollars in millions)				
	3 Mos. Ended	3 Mos. Ended	3 Mos. Ended	3 Mos. Ended	3 Mos. Ended
Unaudited	3/31/24	6/30/24	9/30/24	12/31/24	3/31/25
Operating Income	\$ 399	\$ 500	\$ 565	\$ 594	\$ 664
Add Depreciation and amortization expense	1,128	1,078	1,040	1,061	1,020
Segment EBITDA	\$ 1,527	\$ 1,578	\$ 1,605	\$ 1,655	\$ 1,684
Total operating revenues	\$ 7,376	\$ 7,300	\$ 7,351	\$ 7,504	\$ 7,286
Operating Income Margin	5.4 %	6.8 %	7.7 %	7.9 %	9.1 %
Segment EBITDA Margin	20.7 %	21.6 %	21.8 %	22.1 %	23.1 %
Segment EBITDA - Year over year change %					10.3 %