



News Release

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Verizon delivered strong customer growth and profitability in 2024

Company added nearly 1 million postpaid mobile and broadband subscribers in fourth quarter, best quarterly result in more than a decade

Industry-leading total wireless service revenue of \$20.0 billion dollars in the fourth quarter

Key 2024 Highlights

- Delivered on financial guidance
- Revenue growth with strong operational results
- More than doubled wireless postpaid phone net additions compared to 2023
- Continued to take broadband market share with Fios and fixed wireless access
- Strong execution against capital allocation priorities, including strategic transactions
- Well-positioned with strong outlook for 2025

NEW YORK - Verizon Communications Inc. (NYSE, Nasdaq: VZ) today reported strong operational and financial results for the fourth-quarter and full-year 2024, further extending its industry leadership with new products and services that continued to resonate with customers. With solid momentum on its strategy to grow connections and strengthen customer relationships, the company delivered on its 2024 financial guidance, demonstrating strong performance and success across its three priorities of growing wireless service revenue, expanding adjusted EBITDA and generating strong free cash flow.

"With innovations powered by the best network in the country, we are bringing the best experiences to our customers, in life and work. Customizable offerings like myPlan, myHome, Verizon Business Complete and Total Wireless feature the control, simplicity and value our customers expect," said Verizon Chairman and CEO Hans Vestberg. "It's only going to get better this year and beyond, as we have continued to strengthen Verizon with the pending Frontier acquisition, new satellite partnerships, and ongoing AI enablement, which we expect will enhance and broaden our network for everybody we serve."

2024 Financial Highlights

Consolidated: Verizon delivers on 2024 financial guidance and extends industry leadership through operational excellence and customer focus

- Full-year 2024 earnings per share (EPS) of \$4.14 compared to \$2.75 for full-year 2023; adjusted EPS¹, excluding special items, of \$4.59 compared to full-year 2023 adjusted EPS¹ of \$4.71.
- Total operating revenue of \$134.8 billion for full-year 2024, up 0.6 percent compared to full-year 2023.
- Full-year 2024 cash flow from operations totaled \$36.9 billion compared to \$37.5 billion in 2023. This result reflects higher cash taxes, as well as higher interest expense. Full-year cash flow from operations includes a one-time contribution of approximately \$2.0 billion from Verizon's tower transaction with Vertical Bridge and reflects fourth quarter severance payments related to our voluntary separation program of approximately \$600 million.
- Full-year 2024 capital expenditures were \$17.1 billion.
- Full-year 2024 free cash flow¹ of \$19.8 billion compared to \$18.7 billion in full-year 2023.

4Q 2024 Highlights

Consolidated: Strong fourth-quarter performance results in revenue increases

- Earnings per share of \$1.18 in fourth-quarter 2024 compared to EPS of \$(0.64) in fourth-quarter 2023; adjusted EPS¹, excluding special items, of \$1.10 compared to \$1.08 in fourth-quarter 2023.
- Fourth-quarter 2024 financial results reflected a pre-tax gain from special items of \$477 million. This includes a mark-to-market adjustment for our pension and other post-employment benefit (OPEB) liabilities of \$668 million, partially offset by amortization of intangible assets related to Tracfone and other acquisitions of \$191 million.
- Total operating revenue of \$35.7 billion in fourth-quarter 2024, up 1.6 percent compared to fourth-quarter 2023.
- Consolidated net income for fourth-quarter 2024 was \$5.1 billion compared to a net loss of \$2.6 billion in fourth-quarter 2023. Consolidated adjusted EBITDA¹ was \$11.9 billion in fourth-quarter 2024 compared to \$11.7 billion in fourth-quarter 2023. This result was driven by wireless service revenue growth, partially offset by the impact of higher upgrade volumes and continued declines in Business wireline revenue.

- Verizon's total unsecured debt as of the end of fourth-quarter 2024 was \$117.9 billion, an \$8.5 billion decrease compared to third-quarter 2024 and \$10.6 billion lower year over year. The company's net unsecured debt¹ at the end of fourth-quarter 2024 was \$113.7 billion. At the end of fourth-quarter 2024, Verizon's ratio of unsecured debt to net income (LTM) was 6.6 times and net unsecured debt to consolidated adjusted EBITDA ratio¹ was 2.3 times.

Mobility: Industry-leading wireless service revenue and double-digit growth in postpaid phone net adds

- Wireless service revenue² grew sequentially for the 18th consecutive quarter. Total wireless service revenue² in fourth-quarter 2024 was \$20.0 billion, up 3.1 percent year over year, driven primarily by pricing actions implemented in recent quarters, sales of perks and add-on services and growth in fixed wireless access.
- Wireless equipment revenue of \$7.5 billion in fourth-quarter 2024, up 0.6 percent compared to fourth-quarter 2023, predominantly due to increased upgrade volumes in the quarter.
- Total postpaid phone net additions of 568,000 in fourth-quarter 2024, up from 449,000 in fourth-quarter 2023.

Broadband: Verizon continued to take broadband market share with strong demand for best in class Fios and fixed wireless access offerings

- Broadband net additions of 408,000 in fourth-quarter 2024, continuing the quarterly pace of over 350,000 broadband net additions.
- Total fixed wireless access net additions of 373,000 in fourth-quarter 2024, growing the base to nearly 4.6 million fixed wireless subscribers. The company is well-positioned to achieve the next milestone of 8 to 9 million fixed wireless access subscribers by 2028.
- Fios internet net additions were 51,000 compared to 55,000 in fourth-quarter 2023.
- Total broadband connections grew to more than 12.3 million as of the end of fourth-quarter 2024, representing a 15.0 percent increase year over year.

Verizon Consumer: Positive net additions with strongest quarterly phone gross additions result in five years

- Total Verizon Consumer revenue in fourth-quarter 2024 was \$27.6 billion, an increase of 2.2 percent year over year, predominantly driven by gains in service revenue.
- Wireless service revenue in fourth-quarter 2024 was \$16.5 billion, up 3.0 percent year over year, primarily driven by growth in Consumer wireless postpaid average revenue per account (ARPA) from pricing actions and continued fixed wireless access adoption.
- Consumer wireless retail postpaid churn was 1.12 percent in fourth-quarter 2024, and wireless retail postpaid phone churn was 0.89 percent.
- Consumer ARPA of \$139.77 in fourth-quarter 2024, an increase of 4.2 percent compared to fourth-quarter 2023.
- In fourth-quarter 2024, Consumer reported 426,000 wireless retail postpaid phone net additions, up 34.0 percent from fourth-quarter 2023. This improvement was driven by a 5.5 percent year over year increase in postpaid phone gross additions, which represented the strongest quarterly result for postpaid phone gross additions in five years.

- Excluding the contribution from the company's second number offering, Consumer reported 82,000 wireless retail postpaid phone net additions for the year, meeting the goal of positive net additions for 2024, and 367,000 wireless retail postpaid phone net additions for fourth-quarter 2024.
- Excluding SafeLink, Verizon's brand offering access to government-sponsored connectivity benefits and programs, in fourth-quarter 2024 Consumer reported 65,000 wireless retail prepaid net additions compared to 263,000 net losses in fourth-quarter 2023.
- Consumer reported 216,000 fixed wireless net additions and 47,000 Fios Internet net additions in fourth-quarter 2024. Consumer Fios revenue was \$2.9 billion in fourth-quarter 2024.
- In fourth-quarter 2024, Consumer operating income was \$6.9 billion, a decrease of 1.9 percent year over year, and segment operating income margin was 25.1 percent, compared to 26.1 percent in fourth-quarter 2023. Segment EBITDA¹ in fourth-quarter 2024 was \$10.3 billion, a decrease of 0.4 percent year over year. Improvements in Consumer wireless service revenue were more than offset by increases in upgrade volumes and the impact of related promotions in the period. Segment EBITDA margin¹ in fourth-quarter 2024 was 37.5 percent compared to 38.5 percent in fourth-quarter 2023.

Verizon Business: Strong wireless service revenue driven by continued wireless customer growth

- Business wireless service revenue in fourth-quarter 2024 was \$3.5 billion, an increase of 3.4 percent year over year. This result was driven by continued strong net additions for both mobility and fixed wireless access, as well as benefits from pricing actions implemented in recent quarters.
- Total Verizon Business revenue was \$7.5 billion in fourth-quarter 2024, a decrease of 1.5 percent year over year, as increases in wireless service revenue were more than offset by decreases in wireline revenue.
- Business reported 283,000 wireless retail postpaid net additions in fourth-quarter 2024. This result included 142,000 postpaid phone net additions. Our value proposition continued to resonate across all customer groups with particular strength in small and medium businesses.
- Business wireless retail postpaid churn was 1.45 percent in fourth-quarter 2024, and wireless retail postpaid phone churn was 1.09 percent.
- Business reported 157,000 fixed wireless net additions in fourth-quarter 2024.
- In fourth-quarter 2024, Verizon Business operating income was \$594 million, an increase of 34.1 percent year over year, resulting in segment operating income margin of 7.9 percent, an increase from 5.8 percent in fourth-quarter 2023. Segment EBITDA¹ in fourth-quarter 2024 was \$1.7 billion, an increase of 3.0 percent year over year. The result was driven by wireless service revenue growth partially offset by wireline revenue declines. Segment EBITDA margin¹ in fourth-quarter 2024 was 22.1 percent, an increase from 21.1 percent in fourth-quarter 2023.

Outlook and guidance

The company does not provide a reconciliation for certain of the following adjusted (non-GAAP) forecasts because it cannot, without unreasonable effort, predict the special items that could arise, and the company is unable to address the probable significance of the unavailable information.

For 2025, Verizon expects the following:

- Total wireless service revenue growth^{2,3} of 2.0 percent to 2.8 percent.
- Adjusted EBITDA growth¹ of 2.0 percent to 3.5 percent.
- Adjusted EPS¹ growth of 0 to 3.0 percent.
- Cash flow from operations of \$35.0 billion to \$37.0 billion.
- Capital expenditures between \$17.5 billion and \$18.5 billion.
- Free cash flow¹ of \$17.5 billion to \$18.5 billion.

¹ Non-GAAP financial measure. See the accompanying schedules and www.verizon.com/about/investors for reconciliations of non-GAAP financial measures cited in this document to most directly comparable financial measures under generally accepted accounting principles (GAAP).

² Total wireless service revenue represents the sum of Consumer and Business segments.

³ Reflects the reclassification of recurring device protection and insurance related plan revenues from other revenue into wireless service revenue beginning January 2025. Where applicable, historical results will be recast to conform to the updated presentation. Reclassified 2024 annual revenues were more than \$2.9 billion.

Verizon Communications Inc. (NYSE, Nasdaq: VZ) powers and empowers how its millions of customers live, work and play, delivering on their demand for mobility, reliable network connectivity and security. Headquartered in New York City, serving countries worldwide and nearly all of the Fortune 500, Verizon generated revenues of \$134.8 billion in 2024. Verizon's world-class team never stops innovating to meet customers where they are today and equip them for the needs of tomorrow. For more, visit verizon.com or find a retail location at verizon.com/stores.

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Forward-looking statements

In this communication we have made forward-looking statements. These statements are based on our estimates and assumptions and are subject to risks and uncertainties. Forward-looking statements include the information concerning our possible or assumed future results of operations. Forward-looking statements also include those preceded or followed by the words "anticipates," "assumes," "believes," "estimates," "expects," "forecasts," "hopes," "intends," "plans," "targets" or similar expressions. For those statements, we claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. We undertake no obligation to revise or publicly release the results of any revision to these forward-looking statements, except as required by law. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. The following important factors, along with those discussed in our filings with the Securities and Exchange Commission (the "SEC"), could affect future results and could cause those results to differ materially from those expressed in the forward-looking statements: the effects of competition in the markets in which we operate, including the inability to successfully respond to competitive factors such as prices, promotional incentives and evolving consumer preferences; failure to take advantage of, or respond to competitors' use of, developments in technology, including artificial intelligence, and address changes in consumer demand; performance issues or delays in the deployment of our 5G network resulting in significant costs or a reduction in the anticipated benefits of the enhancement to our networks; the inability to implement our business strategy; adverse conditions in the U.S. and international economies, including inflation and changing interest rates in the markets in which we operate; cyberattacks impacting our networks or systems and any resulting financial or reputational impact; damage

to our infrastructure or disruption of our operations from natural disasters, extreme weather conditions, acts of war, terrorist attacks or other hostile acts and any resulting financial or reputational impact; disruption of our key suppliers' or vendors' provisioning of products or services, including as a result of geopolitical factors or the potential impacts of global climate change; material adverse changes in labor matters and any resulting financial or operational impact; damage to our reputation or brands; the impact of public health crises on our business, operations, employees and customers; changes in the regulatory environment in which we operate, including any increase in restrictions on our ability to operate our networks or businesses; allegations regarding the release of hazardous materials or pollutants into the environment from our, or our predecessors', network assets and any related government investigations, regulatory developments, litigation, penalties and other liability, remediation and compliance costs, operational impacts or reputational damage; our high level of indebtedness; significant litigation and any resulting material expenses incurred in defending against lawsuits or paying awards or settlements; an adverse change in the ratings afforded our debt securities by nationally accredited ratings organizations or adverse conditions in the credit markets affecting the cost, including interest rates, and/or availability of further financing; significant increases in benefit plan costs or lower investment returns on plan assets; changes in tax laws or regulations, or in their interpretation, or challenges to our tax positions, resulting in additional tax expense or liabilities; changes in accounting assumptions that regulatory agencies, including the SEC, may require or that result from changes in the accounting rules or their application, which could result in an impact on earnings; and risks associated with mergers, acquisitions, divestitures and other strategic transactions, including our ability to consummate the proposed acquisition of Frontier Communications Parent, Inc. and obtain cost savings, synergies and other anticipated benefits within the expected time period or at all.