Table of Contents

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-Q

(Mark one)

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2026

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

Commission file number: 1-8606

Verizon Communications Inc.

(Exact name of registrant as specified in its charter)

Delaware	**23-2259884**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
1095 Avenue of the Americas New York, New York	**10036**
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (212) 395-1000

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, par value $0.10	VZ	New York Stock Exchange
Common Stock, par value $0.10	VZ	The Nasdaq Global Select Market
1.375% Notes due 2026	VZ 26B	New York Stock Exchange
0.875% Notes due 2027	VZ 27E	New York Stock Exchange
1.375% Notes due 2028	VZ 28	New York Stock Exchange
1.125% Notes due 2028	VZ 28A	New York Stock Exchange
2.350% Fixed Rate Notes due 2028	VZ 28C	New York Stock Exchange
1.875% Notes due 2029	VZ 29B	New York Stock Exchange
0.375% Notes due 2029	VZ 29D	New York Stock Exchange
1.250% Notes due 2030	VZ 30	New York Stock Exchange
1.875% Notes due 2030	VZ 30A	New York Stock Exchange
4.250% Notes due 2030	VZ 30D	New York Stock Exchange
2.625% Notes due 2031	VZ 31	New York Stock Exchange
2.500% Notes due 2031	VZ 31A	New York Stock Exchange
3.000% Fixed Rate Notes due 2031	VZ 31D	New York Stock Exchange
0.875% Notes due 2032	VZ 32	New York Stock Exchange
0.750% Notes due 2032	VZ 32A	New York Stock Exchange
3.500% Notes due 2032	VZ 32B	New York Stock Exchange
3.250% Notes due 2032	VZ 32C	New York Stock Exchange
1.300% Notes due 2033	VZ 33B	New York Stock Exchange

Securities registered pursuant to Section 12(b) of the Act (continued):

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
4.75% Notes due 2034	VZ 34	New York Stock Exchange
4.750% Notes due 2034	VZ 34C	New York Stock Exchange
3.125% Notes due 2035	VZ 35	New York Stock Exchange
1.125% Notes due 2035	VZ 35A	New York Stock Exchange
3.375% Notes due 2036	VZ 36A	New York Stock Exchange
3.750% Notes due 2036	VZ 36B	New York Stock Exchange
3.750% Notes due 2037	VZ 37B	New York Stock Exchange
2.875% Notes due 2038	VZ 38B	New York Stock Exchange
1.875% Notes due 2038	VZ 38C	New York Stock Exchange
1.500% Notes due 2039	VZ 39C	New York Stock Exchange
3.50% Fixed Rate Notes due 2039	VZ 39D	New York Stock Exchange
1.850% Notes due 2040	VZ 40	New York Stock Exchange
3.850% Fixed Rate Notes due 2041	VZ 41C	New York Stock Exchange
3.9962% Fixed-to-Fixed Rate Junior Subordinated Notes due 2056	VZ 56	New York Stock Exchange
5.7420% Fixed-to-Fixed Rate Junior Subordinated Notes due 2056	VZ 56A	New York Stock Exchange
4.2462% Fixed-to-Fixed Rate Junior Subordinated Notes due 2056	VZ 56B	New York Stock Exchange
5.7427% Fixed-to-Fixed Rate Junior Subordinated Notes due 2056	VZ 56C	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). ☒ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). ☐ Yes ☒ No

At June 30, 2026, 4,154,775,202 shares of the registrant's common stock were outstanding, after deducting 136,658,444 shares held in treasury.

TABLE OF CONTENTS

Item No.		Page
PART I - FINANCIAL INFORMATION		
Item 1.	Financial Statements (Unaudited)	
	Condensed Consolidated Statements of Income *Three and six months ended June 30, 2026 and 2025*	4
	Condensed Consolidated Statements of Comprehensive Income *Three and six months ended June 30, 2026 and 2025*	5
	Condensed Consolidated Balance Sheets *At June 30, 2026 and December 31, 2025*	6
	Condensed Consolidated Statements of Cash Flows *Six months ended June 30, 2026 and 2025*	7
	Notes to Condensed Consolidated Financial Statements	8
Item 2.	Management's Discussion and Analysis of Financial Condition and Results of Operations	37
Item 3.	Quantitative and Qualitative Disclosures About Market Risk	59
Item 4.	Controls and Procedures	59
PART II - OTHER INFORMATION		
Item 1.	Legal Proceedings	60
Item 1A.	Risk Factors	60
Item 2.	Unregistered Sales of Equity Securities and Use of Proceeds	60
Item 5.	Other Information	60
Item 6.	Exhibits	61
Signature		62
Certifications		

Part I - Financial Information

Item 1. Financial Statements (Unaudited)

Condensed Consolidated Statements of Income

Verizon Communications Inc. and Subsidiaries

(dollars in millions, except per share amounts) (unaudited)	Three Months Ended June 30, 2026	Three Months Ended June 30, 2025	Six Months Ended June 30, 2026	Six Months Ended June 30, 2025
Operating Revenues				
Service revenues and other	**$ 29,229**	$ 28,249	**$ 57,988**	$ 56,336
Wireless equipment revenues	**5,024**	6,255	**10,705**	11,653
Total Operating Revenues	**34,253**	34,504	**68,693**	67,989
Operating Expenses				
Cost of services (exclusive of items shown below)	**7,225**	6,878	**14,392**	13,828
Cost of wireless equipment	**5,859**	7,007	**12,365**	13,113
Selling, general and administrative expense	**8,982**	7,812	**16,615**	15,686
Depreciation and amortization expense	**5,008**	4,635	**9,900**	9,212
Total Operating Expenses	**27,074**	26,332	**53,272**	51,839
Operating Income	**7,179**	8,172	**15,421**	16,150
Equity in earnings (losses) of unconsolidated businesses	**44**	(3)	**49**	3
Other income, net	**36**	79	**513**	200
Interest expense	**(1,985)**	(1,639)	**(3,925)**	(3,271)
Income Before Provision For Income Taxes	**5,274**	6,609	**12,058**	13,082
Provision for income taxes	**(1,325)**	(1,488)	**(2,963)**	(2,978)
Net Income	**$ 3,949**	$ 5,121	**$ 9,095**	$ 10,104
Net income attributable to noncontrolling interests	**$ 114**	$ 118	**$ 215**	$ 222
Net income attributable to Verizon	**3,835**	5,003	**8,880**	9,882
Net Income	**$ 3,949**	$ 5,121	**$ 9,095**	$ 10,104
Basic Earnings Per Common Share				
Net income attributable to Verizon	**$ 0.92**	$ 1.18	**$ 2.12**	$ 2.34
Weighted-average shares outstanding (in millions)	**4,168**	4,224	**4,186**	4,223
Diluted Earnings Per Common Share				
Net income attributable to Verizon	**$ 0.92**	$ 1.18	**$ 2.12**	$ 2.34
Weighted-average shares outstanding (in millions)	**4,171**	4,228	**4,190**	4,227

See Notes to Condensed Consolidated Financial Statements

Condensed Consolidated Statements of Comprehensive Income

Verizon Communications Inc. and Subsidiaries

(dollars in millions) (unaudited)	Three Months Ended June 30, 2026	Three Months Ended June 30, 2025	Six Months Ended June 30, 2026	Six Months Ended June 30, 2025
Net Income	**$ 3,949**	$ 5,121	**$ 9,095**	$ 10,104
Other Comprehensive Income (Loss), Net of Tax (Expense) Benefit				
Foreign currency translation adjustments, net of tax of $(2), $18, $(6) and $27	**8**	76	**(20)**	143
Unrealized gain (loss) on cash flow hedges, net of tax of $(7), $7, $(15) and $0	**23**	(21)	**46**	—
Unrealized gain (loss) on fair value hedges, net of tax of $(181), $13, $(118) and $232	**542**	(39)	**354**	(692)
Unrealized gain (loss) on marketable securities, net of tax of $0, $0, $1 and $0	**1**	—	**(2)**	1
Defined benefit pension and postretirement plans, net of tax of $(4), $1, $146 and $2	**14**	(2)	**(435)**	(4)
Other comprehensive income (loss) attributable to Verizon	**588**	14	**(57)**	(552)
Total Comprehensive Income	**$ 4,537**	$ 5,135	**$ 9,038**	$ 9,552
Comprehensive income attributable to noncontrolling interests	**$ 114**	$ 118	**$ 215**	$ 222
Comprehensive income attributable to Verizon	**4,423**	5,017	**8,823**	9,330
Total Comprehensive Income	**$ 4,537**	$ 5,135	**$ 9,038**	$ 9,552

See Notes to Condensed Consolidated Financial Statements

Condensed Consolidated Balance Sheets

Verizon Communications Inc. and Subsidiaries

(dollars in millions, except per share amounts) (unaudited)	At June 30, 2026	At December 31, 2025
Assets		
Current assets		
Cash and cash equivalents	**$ 1,752**	$ 19,048
Accounts receivable	**27,734**	28,347
Less Allowance for credit losses	**1,248**	1,250
Accounts receivable, net	**26,486**	27,097
Inventories	**2,036**	2,441
Prepaid expenses and other	**7,297**	8,336
Total current assets	**37,571**	56,922
Property, plant and equipment	**357,086**	337,991
Less Accumulated depreciation	**231,589**	228,524
Property, plant and equipment, net	**125,497**	109,467
Investments in unconsolidated businesses	**783**	785
Wireless licenses	**158,159**	157,039
Goodwill	**30,664**	22,841
Other intangible assets, net	**12,317**	10,458
Operating lease right-of-use assets	**23,158**	23,498
Other assets	**22,037**	23,248
Total assets	**$ 410,186**	$ 404,258
Liabilities and Equity		
Current liabilities		
Debt maturing within one year	**$ 21,783**	$ 18,618
Accounts payable and accrued liabilities	**20,422**	24,981
Current operating lease liabilities	**4,835**	4,542
Other current liabilities	**15,171**	14,229
Total current liabilities	**62,211**	62,370
Long-term debt	**143,448**	139,532
Employee benefit obligations	**11,758**	11,099
Deferred income taxes	**50,234**	48,717
Non-current operating lease liabilities	**18,392**	18,951
Other liabilities	**18,947**	17,848
Total long-term liabilities	**242,779**	236,147
Commitments and Contingencies (Note 12)		
Equity		
Series preferred stock ($0.10 par value; 250,000,000 shares authorized; none issued)	**—**	—
Common stock ($0.10 par value; 6,250,000,000 shares authorized in each period; 4,291,433,646 shares issued in each period)	**429**	429
Additional paid in capital	**13,258**	13,372
Retained earnings	**97,728**	94,744
Accumulated other comprehensive loss	**(1,784)**	(1,727)
Common stock in treasury, at cost (136,658,444 and 74,258,296 shares outstanding)	**(6,312)**	(3,255)
Deferred compensation – employee stock ownership plans (ESOPs) and other	**601**	897
Noncontrolling interests	**1,276**	1,281
Total equity	**105,196**	105,741
Total liabilities and equity	**$ 410,186**	$ 404,258

See Notes to Condensed Consolidated Financial Statements

Condensed Consolidated Statements of Cash Flows

Verizon Communications Inc. and Subsidiaries

(dollars in millions) (unaudited)	Six Months Ended June 30, 2026	2025
Cash Flows from Operating Activities		
Net Income	**$ 9,095**	$ 10,104
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization expense	**9,900**	9,212
Employee retirement benefits	**35**	331
Deferred income taxes	**1,433**	95
Provision for expected credit losses	**1,043**	1,135
Equity in (earnings) losses of unconsolidated businesses, net of dividends received	**(35)**	29
Changes in current assets and liabilities, net of effects from acquisition/disposition of businesses	**(3,418)**	(3,318)
Other, net	**366**	(831)
Net cash provided by operating activities	**18,419**	16,757
Cash Flows from Investing Activities		
Capital expenditures (including capitalized software)	**(8,210)**	(7,953)
Cash paid related to acquisitions of businesses, net of cash acquired	**(9,480)**	—
Acquisitions of wireless licenses	**(1,155)**	(234)
Other, net	**345**	997
Net cash used in investing activities	**(18,500)**	(7,190)
Cash Flows from Financing Activities		
Proceeds from long-term borrowings	**9,940**	1,676
Proceeds from asset-backed long-term borrowings	**12,028**	4,962
Repayments of long-term borrowings and finance lease obligations	**(14,426)**	(5,530)
Repayments of asset-backed long-term borrowings	**(13,912)**	(4,512)
Dividends paid	**(5,864)**	(5,712)
Purchase of common stock for treasury	**(3,500)**	—
Other, net	**(1,380)**	(1,155)
Net cash used in financing activities	**(17,114)**	(10,271)
Decrease in cash, cash equivalents and restricted cash	**(17,195)**	(704)
Cash, cash equivalents and restricted cash, beginning of period	**19,499**	4,635
Cash, cash equivalents and restricted cash, end of period (Note 1)	**$ 2,304**	$ 3,931

See Notes to Condensed Consolidated Financial Statements

Notes to Condensed Consolidated Financial Statements (Unaudited)

Verizon Communications Inc. and Subsidiaries

Note 1. Basis of Presentation

Verizon Communications Inc. (the Company) is a holding company that, acting through its subsidiaries (together with the Company, collectively, Verizon), is one of the world's leading providers of communications, technology, information and streaming products and services to consumers, businesses and government entities. With a presence around the world, we offer data, video and voice services and solutions on our networks and platforms that are designed to meet customers' demand for mobility, reliable network connectivity and security.

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles (GAAP) in the United States (U.S.) and based upon Securities and Exchange Commission rules that permit reduced disclosure for interim periods. For a more complete discussion of significant accounting policies and certain other information, you should refer to the financial statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 2025. These financial statements reflect all adjustments of a normal recurring nature that are necessary for a fair presentation of results of operations and financial condition for the interim periods shown. The results for the interim periods are not necessarily indicative of results for the full year.

The condensed consolidated financial statements include our controlled subsidiaries, as well as variable interest entities (VIE) where we are deemed to be the primary beneficiary. All significant intercompany accounts and transactions have been eliminated.

During the first quarter of 2026, Verizon revised its presentation of revenue reporting for its reportable segments - Verizon Consumer Group (Consumer) and Verizon Business Group (Business). Accordingly, beginning in the first quarter of 2026, Verizon is reporting Consumer and Business revenue disaggregated by products and services as follows: Mobility and broadband service revenue, Wireless equipment revenue and Other revenue.

In the second quarter of 2026, the net assets representing Verizon's international wireline connectivity and managed network services business were classified as assets and liabilities held for sale and moved from the Business segment to Corporate and other. See Note 3 for additional information.

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

Earnings Per Common Share

There were a total of approximately 3.7 million and 4.1 million outstanding dilutive securities, primarily consisting of performance stock units and restricted stock units, included in the computation of diluted earnings per common share for the three and six months ended June 30, 2026, respectively. There were a total of approximately 4.6 million and 4.5 million outstanding dilutive securities, consisting of performance stock units and restricted stock units, included in the computation of diluted earnings per common share for the three and six months ended June 30, 2025, respectively.

In February 2026, we entered into accelerated share repurchase (ASR) agreements with certain financial institution counterparties to repurchase shares of our common stock. These ASR transactions were completed in March 2026. In April 2026, we entered into an ASR agreement with a certain financial institution counterparty to repurchase shares of our common stock. This ASR transaction was completed in June 2026. See Note 9 for additional information on share repurchases. The shares received under the ASR agreements were excluded from the outstanding shares used to calculate the weighted average common shares outstanding for basic and diluted earnings per share from the date the respective shares were received by the Company and classified as treasury shares.

Cash, Cash Equivalents and Restricted Cash

We consider all highly liquid investments with an original maturity of 90 days or less when purchased to be cash equivalents. Cash equivalents are stated at cost, which approximates quoted market value and includes amounts held in money market funds.

Cash collections on the receivables and on the underlying receivables related to the participation interest collateralizing our asset-backed debt securities are required at certain specified times to be placed into segregated accounts. Deposits to the segregated accounts are considered restricted cash.

Cash, cash equivalents and restricted cash are included in the following line items in the condensed consolidated balance sheets:

(dollars in millions)	At June 30, 2026	At December 31, 2025	Increase / (Decrease)
Cash and cash equivalents	$ 1,752	$ 19,048	$ (17,296)
Restricted cash:			
Prepaid expenses and other	140	297	(157)
Other assets	162	154	8
Assets held for sale:			
Prepaid expenses and other	250	—	250
Cash, cash equivalents and restricted cash	**$ 2,304**	$ 19,499	$ (17,195)

Note 2. Revenue and Contract Costs

We earn revenue from contracts with customers, primarily through the provision of telecommunications and other services and through the sale of wireless equipment.

Revenue by Category

We have two reportable segments that we operate and manage as strategic business units, Consumer and Business. Revenue is disaggregated by products and services within our segments. See Note 10 for additional information on revenue by segment, including Corporate and other. During the three and six months ended June 30, 2026, we recorded wireless service revenue of $20.8 billion and $41.4 billion, respectively. During the three and six months ended June 30, 2025, we recorded wireless service revenue of $20.9 billion and $41.7 billion, respectively.

We also earn revenues that are not accounted for under Topic 606 from leasing arrangements (such as those for towers and equipment), captive reinsurance arrangements primarily related to wireless device insurance and the interest recognized when equipment is sold to the customer by an authorized agent under a device payment plan agreement. We have elected the practical expedient within Topic 842, to combine the lease and non-lease components for those customer arrangements under Topic 606 that involve customer premise equipment where we are the lessor.

Remaining Performance Obligations

Remaining performance obligations represent the transaction price allocated to unsatisfied or partially unsatisfied service performance obligations as of the reporting date. We disclose information related to these amounts below. We have applied the practical expedient under Topic 606 to exclude revenue expected from contracts that have an original expected duration of one year or less. This exclusion primarily relates to our month-to-month service contracts. As of June 30, 2026, month-to-month service contracts represented approximately 95% of our wireless postpaid contracts and approximately 96% of our wireline Consumer and small and medium Business contracts, compared to June 30, 2025, for which month-to-month service contracts represented approximately 95% of our wireless postpaid contracts and approximately 94% of our wireline Consumer and small and medium Business contracts.

Remaining performance obligations primarily include performance obligations from contracts that are not accounted for as month-to-month. These contracts generally fall into the following categories:

- Mobility Services: Contracts with terms ranging from greater than one month up to thirty-six months, typically associated with a device payment plan or fixed-term plan. This also includes agreements with wholesale resellers, which generally have stated contract terms of longer than two years and may include periodic minimum revenue commitments.
- Fiber Broadband Services: Contracts with Consumer customers may have a service term of two years or shorter than twelve months. Contracts with Business customers, many of which have terms of twelve months or less, but some extend into future periods with fixed monthly fees, usage-based fees, and annual or total contract term commitments.

Certain wireline service contracts with Business customers have a contractual minimum fee over the total contract term, but we cannot predict the time period when that revenue will be recognized. Therefore, these specific revenues are excluded from the expected recognition timeframe disclosed below. These excluded contracts have varying terms spanning approximately twenty-seven years ending in September 2053 and have aggregate minimum contract payments totaling $1.3 billion.

At June 30, 2026, the aggregate amount of the transaction price related to unsatisfied performance obligations was $55.2 billion. We expect to recognize substantially all of this revenue from origination over the next thirty-six months, with the remainder recognized thereafter.

Remaining performance obligations estimates are subject to change due to various factors, including customer terminations and modifications to contract timing or scope.

Accounts Receivable and Contract Balances

The timing of revenue recognition may differ from the time of billing to our customers. Receivables presented in our condensed consolidated balance sheets represent an unconditional right to consideration. Contract balances represent amounts from an arrangement when either Verizon has performed, by transferring goods or services to the customer in advance of receiving all or partial consideration for such goods and services from the customer, or the customer has made the required payment to Verizon in advance of obtaining control of the goods and/or services promised to the customer in the contract.

The following table presents information about receivables from contracts with customers:

(dollars in millions)		**At June 30, 2026**		At December 31, 2025
Accounts Receivable[1]	**$**	**9,669**	$	9,646
Device payment plan agreement receivables[2]		**20,648**		21,726

[1] Balances do not include receivables related to the following: activity associated with certain vendor agreements, leasing arrangements (such as those for towers and equipment), captive reinsurance arrangements primarily related to wireless device insurance and device payment plan agreement receivables presented separately.

[2] Included in device payment plan agreement receivables presented in Note 6. Receivables derived from the sale of equipment on a device payment plan through an authorized agent are excluded.

Contract assets relate to our conditional right to receive consideration for goods or services provided to customers. Under fixed-term plans, an asset is created because the equipment revenue recognized upon sale exceeds the consideration received; this asset is subsequently reclassified to accounts receivable as wireless services are provided and billed. These balances are reported in our condensed consolidated balance sheets as Prepaid expenses and other and Other assets. The allowance for credit losses is recognized at inception and reassessed quarterly.

Contract liabilities arise when we bill our customers and receive consideration in advance of providing the goods or services promised in the contract. We typically bill service one month in advance, which is the primary component of the contract liability balance. Contract liabilities are recognized as revenue when services are provided to the customer. The contract liability balances are presented in our condensed consolidated balance sheets as Other current liabilities and Other liabilities.

Revenues recognized related to contract liabilities existing at January 1, 2026 were $225 million and $4.9 billion for the three and six months ended June 30, 2026, respectively. Revenues recognized related to contract liabilities existing at January 1, 2025 were $275 million and $4.9 billion for the three and six months ended June 30, 2025, respectively.

The balances of contract assets and contract liabilities recorded in our condensed consolidated balance sheets were as follows:

(dollars in millions)		**At June 30, 2026**		At December 31, 2025
Assets				
Prepaid expenses and other	**$**	**442**	$	518
Other assets		**293**		259
Total Contract Assets	**$**	**735**	$	777
Liabilities				
Other current liabilities	**$**	**7,553**	$	7,576
Other liabilities		**2,387**		2,433
Total Contract Liabilities	**$**	**9,940**	$	10,009

Contract Costs

Topic 606 requires an asset to be recognized for incremental costs to obtain a customer contract, which are then amortized to expense over the period of expected benefit. We recognize an asset for incremental commission expenses paid to internal and external sales personnel and agents, deferring these costs only when they are incremental and expected to be recoverable. The costs are amortized ratably as commission expense over the period of service transfer. Specifically, costs for postpaid wireless contracts (Consumer and Business) are amortized over the estimated upgrade cycles. Prepaid wireless and Consumer wireline contracts are amortized over the estimated customer relationship period. Costs to obtain contracts are recorded in Selling, general and administrative expense in our condensed consolidated statements of income.

We also defer costs incurred to fulfill contracts that: (1) relate directly to the contract; (2) are expected to generate resources that will be used to satisfy our performance obligation under the contract; and (3) are expected to be recovered through revenue generated under the contract. Contract fulfillment costs are expensed as we satisfy our performance obligations and recorded in Cost of services. These costs principally relate to direct costs that enhance our wireline business resources, such as costs incurred to install circuits.

We determine the amortization periods for our costs incurred to obtain or fulfill a customer contract at a portfolio level due to the similarities within these customer contract portfolios.

Other costs, such as general costs or costs related to past performance obligations, are expensed as incurred.

Collectively, costs to obtain a contract and costs to fulfill a contract are referred to as deferred contract costs, and amortized between a one-to-seven year period. Deferred contract costs are classified as current or non-current within Prepaid expenses and other and Other assets, respectively.

The balances of deferred contract costs included in our condensed consolidated balance sheets were as follows:

(dollars in millions)		**At June 30, 2026**		At December 31, 2025
Assets				
Prepaid expenses and other	**$**	**3,382**	$	3,315
Other assets		**2,890**		2,848
Total	**$**	**6,272**	$	6,163

For the three and six months ended June 30, 2026, we recognized expense of $1.0 billion and $2.1 billion, respectively, associated with the amortization of deferred contract costs, primarily within Selling, general and administrative expense in our condensed consolidated statements of income. For the three and six months ended June 30, 2025, we recognized expense of $892 million and $1.8 billion, respectively, associated with the amortization of deferred contract costs, primarily within Selling, general and administrative expense in our condensed consolidated statements of income.

We assess our deferred contract costs for impairment on a quarterly basis. We recognize an impairment charge to the extent the carrying amount of a deferred cost exceeds the remaining amount of consideration we expect to receive in exchange for the goods and services related to the cost, less the expected costs related directly to providing those goods and services that have not yet been recognized as expenses. There were no impairment charges recognized for the three and six months ended June 30, 2026 or June 30, 2025.

Note 3. Acquisitions and Divestitures

Spectrum License Transactions

On October 17, 2024, Verizon entered into a license purchase agreement to acquire select spectrum licenses of United States Cellular Corporation (currently known as Array Digital Infrastructure, Inc.) and certain of its subsidiaries (collectively, UScellular). On June 1, 2026, we completed the acquisition of the spectrum licenses for total cash consideration of $1.0 billion.

In June 2026, the Federal Communications Commission (FCC) concluded Auction 113 for Advanced Wireless Services (AWS-3) licenses. Verizon paid an immaterial cash deposit to participate in the auction, and was the winning bidder on 82 spectrum licenses valued at approximately $3.2 billion. In July 2026, we made additional payments totaling approximately $3.1 billion in connection with these licenses. The timing of the license issuance remains subject to FCC determination.

Joint Venture with BT Group plc

On June 28, 2026, the Company entered into a transaction agreement (the Transaction Agreement) with BT Group plc (BT) and Jasper NewCo Limited (NewCo), pursuant to which the Company and BT will each acquire a 50% equity interest in NewCo.

As consideration, the Company will contribute the equity interests of certain subsidiaries comprising its international wireline connectivity and managed network services business (the Verizon Contributed Business) and make a $625 million cash payment to NewCo, which NewCo will distribute to BT. BT will contribute the equity interests of certain subsidiaries comprising its international wireline connectivity and managed network services business (the BT Contributed Business) to NewCo.

The relative values of the Verizon Contributed Business and the BT Contributed Business are subject to customary post-closing adjustments based on the levels of cash, net working capital, and indebtedness of each business at closing.

The Transaction Agreement contemplates the entry into a joint venture agreement between the Company, BT and NewCo in respect of the governance of NewCo, as well as certain ancillary commercial agreements and transition services arrangements. Closing of the transaction is subject to customary regulatory approvals and other closing conditions.

In the second quarter of 2026, the net assets representing the Verizon Contributed Business were classified as assets and liabilities held for sale and moved from the Business segment to Corporate and other. In connection with this classification as held for sale, we recorded a pre-tax loss on disposition of business of $746 million to write down the disposal group to its fair value less costs to sell. The charge was recorded in Selling, general, and administrative expense in our condensed consolidated statements of income for the three and six months ended June 30, 2026. The fair value of the net assets representing the Verizon Contributed Business was estimated based on the fair value of the Company's share of the joint venture, net of cash

consideration to be contributed. The fair value was estimated by using a combination of the market approach and the income approach. The valuation is considered a Level 3 fair value measurement due to the use of significant judgment and unobservable inputs, which include the amount and timing of future cash flows, and a discount rate reflecting risks inherent in the future cash flows.

The pre-tax results associated with the Verizon Contributed Business for all periods presented in our condensed consolidated statements of income were immaterial.

The following table summarizes the major classes of assets and liabilities of the Verizon Contributed Business which are currently included in our continuing operations and classified as held for sale in our condensed consolidated balance sheets as of June 30, 2026.

(dollars in millions)	As of June 30, 2026
Assets held for sale:	
Prepaid expenses and other	
Cash and cash equivalents	$ 250
Accounts receivable, net	187
Other current assets	142
	$ 579
Other assets	
Property, plant and equipment, net	593
Other assets	204
Less: Valuation allowance	(746)
	$ 51
Liabilities held for sale:	
Other current liabilities	
Accounts payable and accrued liabilities	(273)
Other current liabilities	(102)
	$ (375)
Other liabilities	**$ (255)**

Business Acquisitions

During 2026, we completed the acquisitions of Frontier Communications Parent, Inc. (Frontier) and Starry Group Holdings, Inc. (Starry). The financial results of Frontier and Starry are included in the Company's consolidated results from January 20, 2026 and January 30, 2026, respectively. The aggregate operating revenues arising from these acquisitions and included in our condensed consolidated statements of income amounted to less than 5% of total operating revenues for both the three and six months ended June 30, 2026. Pro forma financial information has not been disclosed for these acquisitions as the impacts to both revenue and earnings, individually and in the aggregate, would not have been material to our consolidated statements of income.

Frontier Communications Parent, Inc.

On September 4, 2024, Verizon entered into an Agreement and Plan of Merger (the Merger Agreement) to acquire Frontier, a U.S. provider of broadband internet and other communication services. The transaction closed on January 20, 2026 (the Acquisition Date), expanding our fiber broadband footprint to 31 U.S. states and Washington D.C. Pursuant to the Merger Agreement, the Company's subsidiary merged with and into Frontier, with Frontier surviving such merger as a wholly owned subsidiary of the Company. At the effective time of the merger, each share of Frontier common stock issued and outstanding immediately prior to such time (subject to certain limited exceptions) was cancelled and converted into the right to receive an amount in cash equal to $38.50 per share, without interest.

At the Acquisition Date, Verizon paid approximately $9.8 billion in cash, inclusive of cash acquired of $335 million, and assumed approximately $12.9 billion of Frontier's debt measured at fair value. The Frontier acquisition has been accounted for as a business combination. The identification and measurement of the assets acquired and liabilities assumed are based on their fair values, which are determined by using a combination of the income, market, or cost approaches, including market based assumptions. The purchase price allocation is preliminary and subject to revision as additional information about the fair value of the assets acquired and liabilities assumed, including related deferred income taxes, contingencies, contract liabilities and property, plant and equipment becomes available. Any necessary adjustments will be finalized within one year from the Acquisition Date.

The following table summarizes the preliminary allocation of the consideration paid to the identifiable assets acquired and liabilities assumed as of the Acquisition Date.

(dollars in millions)	As of January 20, 2026	Measurement Period Adjustments[2]	Adjusted Fair Value
Purchase consideration[1]:	**$ 9,917**	**$ (1)**	**$ 9,916**
Assets acquired:			
Current assets	$ 791	$ (21)	$ 770
Property, plant and equipment, net	16,698	—	16,698
Goodwill	7,759	36	7,795
Other intangible assets	2,897	—	2,897
Other noncurrent assets	355	(31)	324
Total assets acquired	28,500	(16)	28,484
Liabilities assumed:			
Current liabilities, excluding current debt	$ 3,154	$ (22)	$ 3,132
Debt maturing within one year	1,694	(1)	1,693
Long-term debt, including finance lease obligations	11,589	1	11,590
Other noncurrent liabilities	2,146	7	2,153
Total liabilities assumed	18,583	(15)	18,568
Net assets acquired	**$ 9,917**	**$ (1)**	**$ 9,916**

[1] Purchase consideration reflects the purchase price allocated to assets and liabilities, including a non-cash component of $157 million.
[2] Adjustments to the fair value measurements reflect new information obtained about facts and circumstances that existed as of the Acquisition Date, that if known, would have affected the measurement of the amounts recognized as of that date.

Goodwill is calculated as the difference between the Acquisition Date fair value of the consideration paid and the fair value of the net assets acquired, and represents the future economic benefits that we expect to achieve as a result of the acquisition. The goodwill related to this acquisition has been allocated to our two reportable segments, approximately $6.0 billion in Consumer and $1.8 billion in Business. None of the goodwill resulting from the acquisition is deductible for tax purposes.

Other intangible assets include $2.6 billion related to customer relationships, with a weighted-average amortization period of 9 years, $162 million related to acquired technology with an amortization period of 3 years, and $100 million related to trade name with an amortization period of 3 years. The customer relationship and trade name intangible assets were assigned preliminary estimated fair values using an income approach. The acquired technology intangibles were assigned preliminary estimated fair values using a cost approach, which includes consideration of the cost to reproduce an asset with an equivalent economic utility. The valuations are considered Level 3 fair value measurements due to the use of significant inputs not observable in the market, which include the discount rate, royalty rate and amount and timing of future cash flows.

Other noncurrent liabilities include employee benefit obligations consisting of $2.5 billion of assets acquired and $3.0 billion of liabilities assumed associated with the Frontier Communications defined benefit pension and postretirement benefit plans.

During the six months ended June 30, 2026, we repaid approximately $12.4 billion of the principal amount of debt assumed as part of the Frontier acquisition. See Note 5 for additional information on debt assumed as part of the acquisition.

During the three and six months ended June 30, 2026, we recorded acquisition and integration related charges associated with the Frontier acquisition of $120 million and $381 million, respectively, within Selling, general and administrative expense in our condensed consolidated statements of income.

Other

On January 30, 2026, Verizon completed the acquisition of Starry, a fixed wireless broadband provider serving multi-dwelling units in five markets across the U.S. The aggregate cash consideration paid by Verizon at the closing of the transaction and the related assets acquired and liabilities assumed were immaterial.

Note 4. Wireless Licenses, Goodwill, and Other Intangible Assets

Wireless Licenses

The carrying amounts of Wireless licenses are as follows:

(dollars in millions)	At June 30, 2026	At December 31, 2025
Wireless licenses	**$ 158,159**	$ 157,039

During the three and six months ended June 30, 2026, we acquired select spectrum licenses of UScellular for total cash consideration of $1.0 billion. See Note 3 for additional information.

At June 30, 2026 and 2025, approximately $5.6 billion and $8.6 billion, respectively, of wireless licenses were under development for commercial service for which we were capitalizing interest costs. We recorded $154 million and $234 million of capitalized interest on wireless licenses for the six months ended June 30, 2026 and 2025, respectively.

During the six months ended June 30, 2026, we renewed various wireless licenses in accordance with Federal Communications Commission (FCC) regulations. The average renewal period for these licenses was 10 years.

Goodwill

Changes in the carrying amount of Goodwill are as follows:

(dollars in millions)	Consumer	Business	Total
Balance at January 1, 2026[1]	**$ 21,177**	**$ 1,664**	**$ 22,841**
Acquisitions[2]	**6,031**	**1,792**	**7,823**
Balance at June 30, 2026[1]	**$ 27,208**	**$ 3,456**	**$ 30,664**

[1] Goodwill is net of accumulated impairment charges of $5.8 billion related to our Business reporting unit.
[2] Changes in goodwill due to acquisitions are related to Frontier and another immaterial transaction. See Note 3 for additional information.

Other Intangible Assets

The following table displays the composition of Other intangible assets, net as well as the respective amortization periods:

	At June 30, 2026			At December 31, 2025		
(dollars in millions)	Gross Amount[1]	Accumulated Amortization	Net Amount	Gross Amount	Accumulated Amortization	Net Amount
Customer lists (2 to 13 years)	**$ 6,819**	**$ (3,433)**	**$ 3,386**	$ 4,243	$ (3,116)	$ 1,127
Non-network internal-use software (3 to 7 years)	**28,767**	**(20,682)**	**8,085**	28,749	(20,301)	8,448
Other (3 to 25 years)	**2,729**	**(1,883)**	**846**	2,676	(1,793)	883
Total	**$ 38,315**	**$ (25,998)**	**$ 12,317**	$ 35,668	$ (25,210)	$ 10,458

[1] Other intangible assets include assets acquired as a result of the Frontier acquisition. See Note 3 for additional information.

The amortization expense for Other intangible assets was as follows:

(dollars in millions)	Three Months Ended June 30,	Six Months Ended June 30,
2026	**$ 877**	**$ 1,713**
2025	754	1,488

The estimated future amortization expense for Other intangible assets for the remainder of the current year and next 5 years is as follows:

Years	(dollars in millions)
Remainder of 2026	$ 1,696
2027	2,942
2028	2,373
2029	1,530
2030	1,267
2031	906

Note 5. Debt

Significant Debt Transactions

Debt or equity financing may be needed to fund additional investments or development activities or to maintain an appropriate capital structure to ensure our financial flexibility.

The following tables show the significant transactions involving the unsecured debt securities of the Company and its subsidiaries that occurred during the three and six months ended June 30, 2026.

Exchange Offers

(dollars in millions)	Principal Amount Exchanged	Principal Amount Issued
Three Months Ended June 30, 2026		
5.125% - 8.625% notes issued by certain subsidiaries of Verizon, due 2028 - 2033	$ 161	$ —
Verizon 5.125% - 8.625% notes, due 2028 - 2033[1]	—	161
Three and Six Months Ended June 30, 2026 total	$ 161	$ 161

[1] The principal amount issued in exchange does not include either an insignificant amount of cash paid in lieu of the issuance of fractional new notes or accrued and unpaid interest paid on the old notes accepted for exchange to the date of exchange.

Tender Offers

(dollars in millions)	Principal Amount Purchased	Cash Consideration[1]
Three Months Ended June 30, 2026		
2.100% - 8.750% notes of Verizon and certain of its subsidiaries, due 2027 - 2033[2]	$ 1,858	$ 1,877
Three and Six Months Ended June 30, 2026 total	$ 1,858	$ 1,877

[1] The total cash consideration includes the tender offer consideration, plus any accrued and unpaid interest to the date of purchase.
[2] The tender offer was launched concurrently with the exchange offer discussed above.

Repayments, Redemptions and Repurchases

(dollars in millions)	Principal Repaid/Redeemed/ Repurchased	Amount Paid[1]
Three Months Ended March 31, 2026		
Verizon floating rate notes due 2026	$ 206	$ 208
Open market repurchases of various Verizon notes	620	504
Three Months Ended March 31, 2026 total		$ 712
Three Months Ended June 30, 2026		
Verizon 2.100% notes due 2026	A$ 450	$ 313
Verizon 4.329% notes due 2028	$ 1,295	1,309
Open market repurchases of various Verizon notes	777	635
Three Months Ended June 30, 2026 total		2,257
Six Months Ended June 30, 2026 total		$ 2,969

[1] Represents amount paid to repay, redeem or repurchase, including any accrued interest. In addition, for securities denominated in a currency other than the U.S. dollar, amount paid is shown on a U.S. dollar equivalent basis and includes the amount payable per the derivatives entered into in connection with the transaction. See Note 7 for additional information on cross currency swap transactions related to the transaction. The amount paid excludes acquisition-related activity which is detailed in the section titled "Debt Assumed" below.

Issuances

(dollars in millions)	Principal Amount Issued	Net Proceeds[1]
Three Months Ended March 31, 2026		
Verizon 4.246% junior subordinated notes due 2056[2]	€ 2,250	$ 2,646
Verizon 5.743% junior subordinated notes due 2056[2]	£ 600	809
Verizon floating rate junior subordinated notes due 2056[2]	A$ 800	569
Verizon 6.745% junior subordinated notes due 2056[2]	250	178
Verizon 7.166% junior subordinated notes due 2056[2]	250	178
Three Months Ended March 31, 2026 total		$ 4,380
Three Months Ended June 30, 2026		
Verizon 6.050% junior subordinated notes due 2058[2]	$ 2,000	$ 1,983
Verizon 6.200% junior subordinated notes due 2056[2]	2,000	1,983
Three Months Ended June 30, 2026 total		3,966
Six Months Ended June 30, 2026 total		$ 8,346

[1] Net proceeds were net of underwriting discounts and other issuance costs. In addition, for securities denominated in a currency other than the U.S. dollar, net proceeds are shown on a U.S. dollar equivalent basis. See Note 7 for additional information on derivative activity related to the issuances.
[2] Notes are subordinate to our senior unsecured notes and have an interest rate reset and deferral features.

Debt Assumed

On January 20, 2026, we completed the acquisition of Frontier. In connection with this acquisition, we assumed approximately $12.9 billion of debt measured at fair value as of the Acquisition Date. The principal amount of the debt assumed was $12.7 billion as of the Acquisition Date. During the six months ended June 30, 2026, we repaid approximately $12.4 billion of the principal amount of debt assumed as part of the acquisition through repayments, repurchases and the settlement of tender offers. In addition, we extinguished an insignificant amount of the principal amount of debt assumed as part of the exchange offers completed during the three and six months ended June 30, 2026. At June 30, 2026, the remaining principal amount of debt assumed was $219 million, primarily consisting of unsecured notes, and reported in Long-term debt in our condensed consolidated balance sheet.

Commercial Paper Program

During the six months ended June 30, 2026, we issued $7.6 billion in net proceeds and made $7.6 billion in principal repayments of commercial paper. These transactions are reflected within Cash flow from financing activities in our condensed consolidated statements of cash flows on a net basis. As of June 30, 2026, we had no commercial paper outstanding.

Asset-Backed Debt

As of June 30, 2026, the carrying value of our asset-backed debt was $28.8 billion. Our asset-backed debt includes Asset-Backed Notes (ABS Notes) issued to third-party investors (Investors), loans (ABS Financing Facilities) received from banks and their conduit facilities (collectively, the Banks), and sales of residual interests under our ABS Notes and certain ABS Financing Facilities (Class R Interest) under a master repurchase agreement (master repurchase agreement) with a bank (the Counterparty). Our consolidated asset-backed debt bankruptcy remote legal entities (each, an ABS Entity, or collectively, the ABS Entities) issue the debt or are otherwise party to the transaction documentation in connection with our asset-backed debt transactions. Under the terms of our asset-backed debt for ABS Notes and ABS Financing Facilities, Cellco Partnership (Cellco), a wholly-owned subsidiary of the Company, and certain other Company affiliates (collectively, the Originators) transfer device payment plan agreement receivables and certain other receivables (collectively referred to as certain receivables) or a participation interest in certain other receivables to one of the ABS Entities, which in turn transfers such receivables and participation interest to another ABS Entity that issues the debt. Verizon entities retain the equity interests and residual interests, as applicable, in the ABS Entities and the ABS Notes and ABS Financing Facilities, as applicable, which represent the rights to all funds not needed to make required payments on such asset-backed debt and other related payments and expenses.

Our asset-backed debt is secured by the transferred receivables, participation interest and Class R Interest, future collections on such receivables, underlying receivables related to such participation interest and such Class R Interest, as applicable. These receivables and participation interest transferred to the ABS Entities, such Class R Interest and related assets, consisting primarily of restricted cash, will only be available for payment of asset-backed debt and expenses related thereto, payments to the Originators in respect of additional transfers of certain receivables and participation interest, and other obligations arising from our asset-backed debt transactions, as applicable, and will not be available to pay other obligations or claims of Verizon's creditors until the associated asset-backed debt and other obligations are satisfied. The Investors, Banks or Counterparty, as applicable, which hold our asset-backed debt have legal recourse to the assets securing the debt, but in the case of our ABS Notes and ABS Financing Facilities, do not have any recourse to Verizon with respect to the payment of principal and interest on the debt. Under a parent support agreement, the Company has agreed to guarantee certain of the payment obligations of Cellco

and the Originators to the ABS Entities in connection with our ABS Notes and ABS Financing Facilities. In connection with the master repurchase agreement, the Company has agreed to unconditionally and irrevocably guarantee payment obligations of the related ABS Entity, including to repurchase Class R Interest from the Counterparty.

Cash collections on the receivables and on the underlying receivables related to the participation interest collateralizing our ABS Notes and ABS Financing Facilities are required at certain specified times to be placed into segregated accounts. Deposits to the segregated accounts are considered restricted cash and are included in Prepaid expenses and other and Other assets in our condensed consolidated balance sheets.

Proceeds from our asset-backed debt transactions are reflected in Cash flows from financing activities in our condensed consolidated statements of cash flows. The asset-backed debt issued is included in Debt maturing within one year and Long-term debt in our condensed consolidated balance sheets.

ABS Notes

During the six months ended June 30, 2026, we completed the following ABS Notes transactions:

(dollars in millions)	Interest Rates %	Expected Weighted-average Life to Maturity (in years)	Principal Amount Issued
March 2026			
Series 2026-1			
A-1a Senior class notes	**3.940**	**1.94**	**$ 1,103**
A-1b Senior class notes	**Compounded SOFR + 0.400[1]**	**1.94**	**368**
B Junior class notes	**4.190**	**1.94**	**—**
C Junior class notes	**4.430**	**1.94**	**67**
March 2026 total			**1,538**
June 2026			
Series 2026-2			
A-1a Senior class notes	**4.510**	**2.97**	**994**
A-1b Senior class notes	**Compounded SOFR + 0.460[1]**	**2.97**	**75**
B Junior class notes	**4.710**	**2.97**	**82**
C Junior class notes	**4.850**	**2.97**	**49**
June 2026 total			**1,200**
Total			**$ 2,738**

[1] Compounded Secured Overnight Financing Rate (SOFR) is calculated using SOFR as published by the Federal Reserve Bank of New York in accordance with the terms of such notes. Compounded SOFR for the interest payment made in June 2026 was 3.59%.

Under the terms of each series of ABS Notes outstanding as of June 30, 2026, there is a revolving period of up to two years, three years, or five years, as applicable, during which we may transfer additional receivables to the ABS Entity. During the six months ended June 30, 2026, we made aggregate principal repayments of $2.4 billion in connection with an anticipated redemption of ABS Notes.

ABS Financing Facilities

Under the two loan agreements outstanding in connection with the ABS Financing Facility originally entered into in 2021 (2021 ABS Financing Facility), we borrowed an additional $2.3 billion in January 2026, borrowed an additional $1.0 billion in February 2026, prepaid an aggregate of $2.3 billion in March 2026, borrowed an additional $100 million in March 2026, prepaid an aggregate of $500 million in April 2026 and prepaid an aggregate of $300 million in May 2026. In June 2026, we renewed one of the loan agreements and borrowed an additional $4.7 billion under the related loan series. Concurrently, we repaid in full the $4.7 billion outstanding principal balance under the other loan agreement and terminated the related loan series. The aggregate outstanding balance under the 2021 ABS Financing Facility was $5.9 billion as of June 30, 2026.

Under the loan agreement outstanding in connection with the ABS Financing Facility originally entered into in 2022 and most recently renewed in 2025 (2022 ABS Financing Facility), we prepaid an aggregate of $224 million in April 2026. The aggregate outstanding balance under 2022 ABS Financing Facility was $4.8 billion as of June 30, 2026.

Master Repurchase Agreement

In January 2026, we amended the master repurchase agreement originally entered into in 2025 to increase the maximum capacity thereunder to approximately $2.5 billion. During the six months ended June 30, 2026, we received $1.3 billion under the

master repurchase agreement. The aggregate amount outstanding was $2.5 billion as of June 30, 2026 and is collateralized by certain Class R interest. The master repurchase agreement has a remaining maturity of less than one year and is classified as Debt maturing within one year in our condensed consolidated balance sheets. The estimated fair value of such Class R Interest was $3.4 billion as of June 30, 2026.

In July 2026, we entered into an additional repurchase agreement with a bank to sell residual equity interest in two of our ABS Entities. In connection with the agreement, we received approximately $500 million in proceeds.

Variable Interest Entities

The ABS Entities meet the definition of a VIE for which we have determined that we are the primary beneficiary as we have both the power to direct the activities of the entity that most significantly impact the entity's performance and the obligation to absorb losses or the right to receive benefits of the entity. Therefore, the assets, liabilities and activities of the ABS Entities are consolidated in our financial results and are included in amounts presented on the face of our condensed consolidated balance sheets.

The assets and liabilities related to our asset-backed debt arrangements included in our condensed consolidated balance sheets were as follows:

(dollars in millions)	At June 30, 2026	At December 31, 2025
Assets		
Accounts receivable, net	**$ 18,609**	$ 18,421
Prepaid expenses and other	**149**	298
Other assets	**11,884**	11,753
Liabilities		
Accounts payable and accrued liabilities	**33**	34
Debt maturing within one year	**15,640**	14,863
Long-term debt	**13,067**	12,204

The Accounts receivable, net amounts above do not include underlying receivables for which a participation interest has been transferred to the ABS Entities. See Note 6 for additional information on certain receivables and participation interest used to secure asset-backed debt.

In connection with the Frontier acquisition, we acquired certain securitization entities that meet the definition of a VIE and we are the primary beneficiary for these entities similar to the ABS Entities described above. Therefore, the assets, liabilities and activities of these entities are included in the amounts presented on the face of our condensed consolidated balance sheets. As of June 30, 2026, all asset-backed debt issued through these entities has been extinguished and we are in the process of dissolving or merging these entities and transferring the remaining assets to operating business entities.

Long-Term Credit Facilities

		At June 30, 2026		
(dollars in millions)	Maturities	Facility Capacity	Unused Capacity	Principal Amount Outstanding
Verizon revolving credit facility[1]	**2028**	**$ 12,000**	**$ 11,976**	**$ —**
Various export credit facilities[2]	**2026 - 2033**	**11,950**	**85**	**5,718**
Total		**$ 23,950**	**$ 12,061**	**$ 5,718**

[1] The revolving credit facility does not require us to comply with financial covenants or maintain specified credit ratings, and it permits us to borrow even if our business has incurred a material adverse change. The revolving credit facility provides for the issuance of letters of credit. As of June 30, 2026, there have been no drawings against the revolving credit facility since its inception.

[2] During the six months ended June 30, 2026, we drew down approximately $1.6 billion. During the six months ended June 30, 2025, there were no drawings from these facilities. Borrowings under certain of these facilities are repaid semi-annually in equal installments up to the applicable maturity dates. Maturities reflect maturity dates of principal amounts outstanding. Any amounts borrowed under these facilities and subsequently repaid cannot be reborrowed.

Non-Cash Transactions

During the six months ended June 30, 2026 and 2025, we financed, primarily through alternative financing arrangements, the purchase of approximately $2.4 billion and $1.2 billion, respectively, of long-lived assets consisting primarily of network equipment. During the six months ended June 30, 2026, we also assumed $428 million of financing arrangements in connection with the acquisition of Frontier. As of June 30, 2026 and December 31, 2025, $4.3 billion and $3.0 billion, respectively, relating to

these financing arrangements, including those entered into in prior years and liabilities assumed through acquisitions, remained outstanding. These purchases are non-cash financing activities and therefore are not reflected within Capital expenditures in our condensed consolidated statements of cash flows.

Net Debt Extinguishment Gains

During the three months ended June 30, 2026 and 2025, we recorded net debt extinguishment gains of $152 million and $88 million, respectively. During the six months ended June 30, 2026 and 2025, we recorded net debt extinguishment gains of $247 million and $178 million, respectively. The net gains are recorded in Other income, net in our condensed consolidated statements of income. The total non-cash debt extinguishment gains are reflected within Other, net cash flow from operating activities, and the total cash payments to extinguish the debt are reflected within Other, net cash flow from financing activities in our condensed consolidated statements of cash flows.

Guarantees

We guarantee the debentures of our operating telephone company subsidiaries. As of June 30, 2026, $385 million aggregate principal amount of these obligations remained outstanding. Each guarantee will remain in place for the life of the obligation unless terminated pursuant to its terms, including the operating telephone company no longer being a wholly-owned subsidiary of the Company.

Debt Covenants

We and our consolidated subsidiaries are in compliance with all of our restrictive covenants in our debt agreements.

Note 6. Device Payment Plan Agreement and Wireless Service Receivables

The following table presents information about accounts receivable, net of allowances, recorded in our condensed consolidated balance sheet:

	At June 30, 2026			
(dollars in millions)	Device payment plan agreement	Wireless service	Other receivables[1]	Total
Accounts receivable	$ 16,405	$ 6,296	$ 5,033	$ 27,734
Less Allowance for credit losses	837	248	163	1,248
Accounts receivable, net of allowance	**$ 15,568**	**$ 6,048**	**$ 4,870**	**$ 26,486**

[1] Other receivables primarily include wireline and other receivables, of which the allowances are individually insignificant.

Included in Other assets and Accounts receivable, net at June 30, 2026 and December 31, 2025, are net device payment plan agreement receivables, net wireless service receivables and net other receivables of $30.3 billion and $30.0 billion, respectively, which have been transferred to ABS Entities and continue to be reported in our condensed consolidated balance sheets. Included in Accounts receivable, net at June 30, 2026 and December 31, 2025, are net other receivables of $939 million and $1.4 billion, respectively, on which a participation interest has been transferred to ABS Entities and continue to be reported in our condensed consolidated balance sheets. See Note 5 for additional information. We believe the carrying value of these receivables approximate their fair value using a Level 3 expected cash flow model.

Under the Verizon device payment program, our eligible wireless customers purchase wireless devices under a device payment plan agreement. Customers that activate service on devices purchased under the device payment program pay lower service fees as compared to those under our fixed-term service plans, and their device payment plan charge is included on their wireless monthly bill. While we no longer offer Consumer customers fixed-term subsidized service plans for devices, we continue to offer subsidized plans to our Business customers.

Wireless Device Payment Plan Agreement Receivables

The following table displays both the current and non-current portions of device payment plan agreement receivables, net, recognized in our condensed consolidated balance sheets:

(dollars in millions)		At June 30, 2026		At December 31, 2025
Device payment plan agreement receivables, gross	$	32,706	$	34,004
Unamortized imputed interest		(1,016)		(1,053)
Device payment plan agreement receivables, at amortized cost		31,690		32,951
Allowance[1]		(1,625)		(1,628)
Device payment plan agreement receivables, net	$	30,065	$	31,323
Classified in our condensed consolidated balance sheets:				
Accounts receivable, net	$	15,568	$	15,777
Other assets		14,497		15,546
Device payment plan agreement receivables, net	$	30,065	$	31,323

[1] Includes allowance for both short-term and long-term device payment plan agreement receivables.

For indirect channel wireless contracts with customers, we impute risk adjusted interest on the device payment plan agreement receivables. We record the imputed interest as a reduction to the related accounts receivable. The associated interest income, which is included within Service revenues and other in our condensed consolidated statements of income, is recognized over the financed device payment term.

Promotions

In connection with certain device payment plan agreements, we may offer a promotion to allow our customers to upgrade to a new device after paying down a certain specified portion of the required device payment plan agreement amount as well as trading in their device in good working order. When a customer enters into a device payment plan agreement with the right to upgrade to a new device, we account for this trade-in right as a guarantee obligation.

We may offer certain promotions that allow a customer to trade in their owned device in connection with the purchase of a new device. Under these types of promotions, the customer receives a credit for the value of the trade-in device. At June 30, 2026 and December 31, 2025, the amount of trade-in liability was $262 million and $332 million, respectively.

In addition, we may provide the customer with additional future billing credits that will be applied against the customer’s monthly bill as long as service is maintained. These future billing credits are accounted for as consideration payable to a customer and are included in the determination of total transaction price, resulting in a contract liability.

Device payment plan agreement receivables, net, disclosed in the table above, does not reflect the trade-in liability, additional future credits or the guarantee liability.

Origination of Device Payment Plan Agreements

When originating device payment plan agreements, we use internal and external data sources to create a credit risk score to measure the credit quality of a customer and to determine eligibility for the device payment program. Verizon's experience has been that the payment attributes of longer tenured customers are highly predictive for estimating their reliability to make future payments. Customers with longer tenures tend to exhibit similar risk characteristics to other customers with longer tenures, and receivables due from customers with longer tenures tend to perform better than receivables from customers that have not previously been Verizon customers. As a result of this experience, we make initial lending decisions based upon whether the customers are "established customers" or "short-tenured customers." If a Consumer customer has been a customer for 45 days or more, or if a Business customer has been a customer for 12 months or more, the customer is considered an "established customer." For established customers, the credit decision and ongoing credit monitoring processes rely on a combination of internal and external data sources. If a Consumer customer has been a customer less than 45 days, or a Business customer has been a customer for less than 12 months, the customer is considered a "short-tenured customer." For short-tenured customers, the credit decision and credit monitoring processes rely more heavily on external data sources.

Available external credit data from credit reporting agencies along with internal data are used to create custom credit risk scores for Consumer customers. The custom credit risk score is generated automatically from the applicant's credit data using proprietary custom credit models. The credit risk score measures the likelihood that the potential customer will become severely delinquent and be disconnected for non-payment. For a small portion of short-tenured customer applications, a traditional credit report is not available from one of the national credit reporting agencies because the potential customer does not have sufficient credit history. In those instances, alternative credit data is used for the risk assessment. For Business customers, we also verify the existence of the business with external data sources.

Based on the custom credit risk score, we assign each customer a credit class, each of which has specified offers of credit. This includes an account level spending limit and a maximum amount of credit allowed per device for Consumer customers or a required down payment percentage for Business customers.

Credit Quality Information

Subsequent to origination, we assess indicators for the quality of our wireless device payment plan agreement portfolio using two models, one for new customers and one for existing customers. The model for new customers pools all Consumer and Business wireless customers based on less than 210 days as "new customers." The model for existing customers pools all Consumer and Business wireless customers based on 210 days or more as "existing customers."

The following table presents device payment plan agreement receivables, at amortized cost, and gross write-offs recorded, as of and for the six months ended June 30, 2026, by credit quality indicator and year of origination:

	Year of Origination[1]			
(dollars in millions)	2026	2025	2024 and prior	Total
Device payment plan agreement receivables, at amortized cost				
New customers	$ 2,046	$ 2,907	$ 1,109	$ 6,062
Existing customers	6,868	12,812	5,948	25,628
Total	**$ 8,914**	**$ 15,719**	**$ 7,057**	**$ 31,690**
Gross write-offs				
New customers	$ 37	$ 286	$ 107	$ 430
Existing customers	2	121	135	258
Total	**$ 39**	**$ 407**	**$ 242**	**$ 688**

[1] Includes accounts that have been suspended at a point in time.

The data presented in the table above was last updated on June 30, 2026.

We assess indicators for the quality of our wireless service receivables portfolio as one overall pool. The following table presents wireless service receivables, at amortized cost, and gross write-offs recorded, as of and for the six months ended June 30, 2026, by year of origination:

	Year of Origination		
(dollars in millions)	2026	2025 and prior	Total
Wireless service receivables, at amortized cost	$ 6,194	$ 102	$ 6,296
Gross write-offs	95	183	278

The data presented in the table above was last updated on June 30, 2026.

Allowance for Credit Losses

The credit quality indicators are used in determining the estimated amount and the timing of expected credit losses for the device payment plan agreement and wireless service receivables portfolios.

For device payment plan agreement receivables, we record bad debt expense based on a default and loss calculation using our proprietary loss model. The expected loss rate is determined based on customer credit scores and other qualitative factors as noted above. The loss rate is assigned individually on a customer by customer basis and the custom credit scores are then aggregated by vintage and used in our proprietary loss model to calculate the weighted-average loss rate used for determining the allowance balance.

We monitor the collectability of our wireless service receivables as one overall pool. Wireline service receivables are disaggregated and pooled by the following types of customers and related contracts: consumer, small and medium business, enterprise, public sector and wholesale. For wireless service receivables and wireline consumer and small and medium business receivables, the allowance is calculated based on a 12 month rolling average write-off balance multiplied by the average life-cycle of an account from billing to write-off. The risk of loss is assessed over the contractual life of the receivables and is adjusted based on the historical loss amounts for current and future conditions based on management's qualitative considerations. For enterprise, public sector and wholesale wireline receivables, the allowance for credit losses is based on historical write-off experience and individual customer credit risk, if applicable.

Activity in the allowance for credit losses by portfolio segment of receivables was as follows:

(dollars in millions)	Device Payment Plan Agreement Receivables[1]	Wireless Service Plan Receivables
Balance at January 1, 2026	**$ 1,628**	**$ 244**
Current period provision for expected credit losses	**653**	**251**
Write-offs charged against the allowance	**(688)**	**(278)**
Recoveries collected	**32**	**31**
Balance at June 30, 2026	**$ 1,625**	**$ 248**

[1] Includes allowance for both short-term and long-term device payment plan agreement receivables.

We monitor delinquency and write-off experience based on the quality of our device payment plan agreement and wireless service receivables portfolios. The extent of our collection efforts with respect to a particular customer are based on the results of our proprietary custom internal scoring models that analyze the customer's past performance to predict the likelihood of the customer falling further delinquent. These custom scoring models assess a number of variables, including origination characteristics, customer account history and payment patterns. Since our customers' behaviors may be impacted by general economic conditions, we analyzed whether changes in macroeconomic conditions impact our credit loss experience and have concluded that our credit loss estimates are generally not materially impacted by reasonable and supportable forecasts of future economic conditions. Based on the score derived from these models, accounts are grouped by risk category to determine the collection strategy to be applied to such accounts. For device payment plan agreement receivables and wireless service receivables, we consider an account to be delinquent and in default status if there are unpaid charges remaining on the account on the day after the bill's due date. The risk class determines the speed and severity of the collections effort including initiatives taken to facilitate customer payment.

The balance and aging of the device payment plan agreement receivables, at amortized cost, were as follows:

(dollars in millions)	At June 30, 2026
Unbilled	**$ 30,100**
Billed:	
Current	**1,215**
Past due	**375**
Device payment plan agreement receivables, at amortized cost	**$ 31,690**

Note 7. Fair Value Measurements and Financial Instruments

Recurring Fair Value Measurements

The following table presents the balances of assets and liabilities measured at fair value on a recurring basis as of June 30, 2026:

(dollars in millions)	Level 1[1]	Level 2[2]	Level 3[3]	Total
Assets:				
Prepaid expenses and other:				
Fixed income securities	$ —	$ 35	$ —	$ 35
Cross currency swaps	—	29	—	29
Interest rate caps	—	9	—	9
Other assets:				
Marketable equity securities	553	—	—	553
Fixed income securities	—	350	—	350
Cross currency swaps	—	1,182	—	1,182
Total	$ 553	$ 1,605	$ —	$ 2,158
Liabilities:				
Other current liabilities:				
Interest rate swaps	$ —	$ 2,154	$ —	$ 2,154
Cross currency swaps	—	279	—	279
Interest rate caps	—	9	—	9
Foreign exchange forwards	—	3	—	3
Other liabilities:				
Interest rate swaps	—	3,025	—	3,025
Cross currency swaps	—	1,116	—	1,116
Variable prepaid forward	—	—	493	493
Total	$ —	$ 6,586	$ 493	$ 7,079

[1] Quoted prices in active markets for identical assets or liabilities.
[2] Observable inputs other than quoted prices in active markets for identical assets and liabilities.
[3] Unobservable pricing inputs in the market.

The following table presents the balances of assets and liabilities measured at fair value on a recurring basis as of December 31, 2025:

(dollars in millions)	Level 1[1]	Level 2[2]	Level 3[3]	Total
Assets:				
Prepaid expenses and other:				
Fixed income securities	$ —	$ 40	$ —	$ 40
Cross currency swaps	—	4	—	4
Foreign exchange forwards	—	1	—	1
Other assets:				
Marketable equity securities	453	—	—	453
Fixed income securities	—	344	—	344
Cross currency swaps	—	1,417	—	1,417
Total	$ 453	$ 1,806	$ —	$ 2,259
Liabilities:				
Other current liabilities:				
Interest rate swaps	$ —	$ 1,910	$ —	$ 1,910
Cross currency swaps	—	222	—	222
Foreign exchange forwards	—	1	—	1
Other liabilities:				
Interest rate swaps	—	3,171	—	3,171
Cross currency swaps	—	951	—	951
Total	$ —	$ 6,255	$ —	$ 6,255

[1] Quoted prices in active markets for identical assets or liabilities.
[2] Observable inputs other than quoted prices in active markets for identical assets and liabilities.
[3] Unobservable pricing inputs in the market.

Certain of our equity investments do not have readily determinable fair values and are excluded from the tables above. Such investments are measured at cost, less any impairment, plus or minus changes resulting from observable price changes in orderly transactions for an identical or similar investment of the same issuer and are included in Investments in unconsolidated businesses in our condensed consolidated balance sheets. As of June 30, 2026 and December 31, 2025, the carrying amount of our investments without readily determinable fair values was $672 million and $710 million, respectively. During the three and six months ended June 30, 2026, there were insignificant adjustments due to observable price changes and there were insignificant impairment charges. As of June 30, 2026, cumulative adjustments due to observable price changes and impairment charges were $190 million and $155 million, respectively.

Fixed income securities consist primarily of investments in municipal bonds. The valuation of the fixed income securities is based on the quoted prices for similar assets in active markets or identical assets in inactive markets or models that apply inputs from observable market data. The valuation determines that these securities are classified as Level 2.

Derivative contracts, other than the variable prepaid forward (VPF), are valued using models based on readily observable market parameters for all substantial terms of our derivative contracts and thus are classified within Level 2. We use mid-market pricing for fair value measurements of these derivative instruments.

For the VPF, the value is determined using the Black-Scholes method using a combination of readily observable market parameters such as floor and call prices of the VPF, risk free rate, contractual term of the instrument and unobservable inputs such as implied volatility of the underlying marketable securities. This represents a Level 3 measurement. Level 3 instruments include valuation based on unobservable inputs reflecting our own assumptions, consistent with reasonably available assumptions made by other market participants.

Our derivative instruments are recorded on a gross basis.

We recognize transfers between levels of the fair value hierarchy as of the end of the reporting period.

Fair Value of Short-term and Long-term Debt

The fair value of our debt is determined using various methods, including quoted prices for identical debt instruments, which is a Level 1 measurement, as well as quoted prices for similar debt instruments with comparable terms and maturities, which is a Level 2 measurement.

The fair value of our short-term and long-term debt, excluding finance leases, was as follows:

		Fair Value			
(dollars in millions)	Carrying Amount	Level 1	Level 2	Level 3	Total
At June 30, 2026	**$ 161,639**	**$ 90,965**	**$ 68,942**	**$ —**	**$ 159,907**
At December 31, 2025	155,639	91,664	62,640	—	154,304

Derivative Instruments

We enter into derivative transactions primarily to manage our exposure to fluctuations in foreign currency exchange rates and interest rates. We employ risk management strategies, which may include the use of a variety of derivatives including interest rate swaps, cross currency swaps, forward starting interest rate swaps, treasury rate locks, interest rate caps and foreign exchange forwards. We do not hold derivatives for trading purposes.

The following table sets forth the notional amounts of our outstanding derivative instruments:

(dollars in millions)	At June 30, 2026	At December 31, 2025
Interest rate swaps	**$ 23,674**	$ 23,674
Cross currency swaps	**40,173**	36,074
Foreign exchange forwards	**600**	570

The following tables summarize the activities of our designated derivatives:

(dollars in millions)	Three Months Ended June 30, 2026	Three Months Ended June 30, 2025	Six Months Ended June 30, 2026	Six Months Ended June 30, 2025
Interest Rate Swaps:				
Notional value entered into	**$ —**	$ —	**$ —**	$ —
Notional value settled	**—**	985	**—**	985
Pre-tax gain recognized in Interest expense	**5**	—	**8**	—
Cross Currency Swaps:				
Notional value entered into	**—**	—	**3,836**	—
Notional value settled	**309**	817	**309**	1,176
Pre-tax gain (loss) on cross currency swaps recognized in Interest expense	**(336)**	2,422	**(937)**	3,500
Pre-tax gain (loss) on hedged debt recognized in Interest expense	**336**	(2,422)	**937**	(3,500)
Excluded components recognized in Other comprehensive income	**745**	(28)	**516**	(877)
Initial value of the excluded component amortized into Interest expense	**21**	23	**43**	46
Treasury Rate Locks:				
Notional value entered into	**—**	4,900	**—**	4,900
Notional value settled	**—**	—	**—**	—
Pre-tax loss recognized in Other comprehensive income	**—**	(55)	**—**	(55)

(dollars in millions)	Six Months Ended June 30, 2026	Six Months Ended June 30, 2025
Other, net Cash Flows from Operating Activities:		
Cash paid for settlement of interest rate swaps	**$ —**	$ (45)
Other, net Cash Flows from Financing Activities:		
Cash received (paid) for settlement of cross currency swaps, net	**17**	(80)

The following table displays the amounts recorded in Long-term debt in our condensed consolidated balance sheets related to cumulative basis adjustments for our interest rate swaps designated as fair value hedges. The cumulative amounts exclude cumulative basis adjustments related to foreign exchange risk.

(dollars in millions)	At June 30, 2026	At December 31, 2025
Carrying amount of hedged liabilities	**$ 18,702**	$ 18,815
Cumulative amount of fair value hedging adjustment included in the carrying amount of the hedged liabilities	**(4,949)**	(4,841)
Cumulative amount of fair value hedging adjustment remaining for which hedge accounting has been discontinued	**196**	214

Interest Rate Swaps

We enter into interest rate swaps to achieve a targeted mix of fixed and variable rate debt. We principally receive fixed rates and pay variable rates, resulting in a net increase or decrease to Interest expense. These swaps are designated as fair value hedges and hedge against interest rate risk exposure of designated debt issuances. We record the interest rate swaps at fair value in our condensed consolidated balance sheets as assets and liabilities. Changes in the fair value of the interest rate swaps are recorded to Interest expense, which are primarily offset by changes in the fair value of the hedged debt due to changes in interest rates.

Cross Currency Swaps

We have entered into cross currency swaps to exchange our British Pound Sterling, Euro, Swiss Franc, Canadian Dollar and Australian Dollar-denominated cash flows into U.S. dollars and to fix our cash payments in U.S. dollars, as well as to mitigate the impact of foreign currency transaction gains or losses. These swaps are designated as fair value hedges. We record the cross currency swaps at fair value in our condensed consolidated balance sheets as assets and liabilities. Changes in the fair value of the cross currency swaps attributable to changes in the spot rate of the hedged item and changes in the recorded value of the hedged debt due to changes in spot rates are recorded in the same income statement line item. We present exchange gains and losses from the conversion of foreign currency denominated debt as a part of Interest expense. During the three and six months ended June 30, 2026 and June 30, 2025, these amounts completely offset each other and no net gain or loss was recorded.

Changes in the fair value of cross currency swaps attributable to time value and cross currency basis spread are initially recorded to Other comprehensive income. Unrealized gains or losses on excluded components are recorded in Other

comprehensive income and are recognized into Interest expense on a systematic and rational basis through the swap accrual over the life of the hedging instrument.

On March 31, 2022, we elected to de-designate our cross currency swaps previously designated as cash flow hedges and re-designated these swaps as fair value hedges. The amount remaining in Accumulated other comprehensive loss related to cash flow hedges on the date of transition will be reclassified to earnings when the hedged item is recognized in earnings or when it becomes probable that the forecasted transactions will not occur. For the fair value hedges, we elected to exclude the change in fair value of the cross currency swaps related to both time value and cross currency basis spread from the assessment of hedge effectiveness (the excluded components). The initial value of the excluded components of $1.0 billion as of March 31, 2022 will continue to be amortized into Interest expense over the remaining life of the hedging instruments. During the three and six months ended June 30, 2026 and June 30, 2025, the amortization of the initial value of the excluded component completely offset the amortization related to the amount remaining in Other comprehensive income related to cash flow hedges. See Note 9 for additional information. We estimate that $82 million will be amortized into Interest expense within the next 12 months.

We also enter into undesignated cross currency swaps to mitigate our foreign currency and interest rate risk on our foreign currency denominated debt. We recognize gains and losses resulting from changes in the fair value of these swaps in Interest expense.

Net Investment Hedges

We have designated certain foreign currency debt instruments as net investment hedges to mitigate foreign exchange exposure related to non-U.S. dollar net investments in certain foreign subsidiaries against changes in foreign exchange rates. In January 2026, we de-designated the existing net investment hedge and re-designated the same Euro-denominated note in a new net investment hedge including additional foreign subsidiaries. The notional amount of Euro-denominated debt designated as a net investment hedge was €750 million as of both June 30, 2026 and December 31, 2025.

Treasury Rate Locks

We enter into treasury rate locks designated as cash flow hedges to mitigate our interest rate risk on future transactions. We recognize gains and losses resulting from interest rate movements in Other comprehensive income.

We also enter into undesignated treasury rate locks to mitigate our interest rate risk on future transactions. We recognize gains and losses resulting from interest rate movements in Interest expense.

Undesignated Derivatives

We also have the following derivative contracts which we use as economic hedges but for which we have elected not to apply hedge accounting.

The following table summarizes the activity of our derivatives not designated in hedging relationships:

	Three Months Ended June 30,		Six Months Ended June 30,	
(dollars in millions)	**2026**	2025	**2026**	2025
Foreign Exchange Forwards:				
Notional value entered into	**$ 1,620**	$ 1,990	**$ 3,175**	$ 3,980
Notional value settled	**1,610**	1,990	**3,145**	3,870
Pre-tax gain (loss) recognized in Other income, net	**(10)**	60	**(22)**	88
Cross Currency Swaps:				
Notional value entered into	**—**	—	**572**	—
Notional value settled	**—**	—	**—**	—
Pre-tax gain (loss) recognized in Interest expense	**10**	—	**(11)**	—
Treasury Rate Locks:				
Notional value entered into	**—**	1,000	**—**	1,250
Notional value settled	**—**	1,000	**—**	1,250
Pre-tax loss recognized in Interest expense	**—**	(8)	**—**	(5)
Variable Prepaid Forward:				
Notional value entered into	**422**	—	**422**	—
Notional value settled	**—**	—	**—**	—
Pre-tax loss recognized in Other income, net	**(135)**	—	**(135)**	—

Foreign Exchange Forwards

We entered into Euro foreign exchange forwards to mitigate our foreign exchange rate risk related to non-functional currency denominated monetary assets and liabilities of international subsidiaries.

Variable Prepaid Forward

In May 2026, we entered into a VPF to mitigate market risk related to certain marketable equity securities and received a prepayment of approximately $358 million. The prepayment resulted in an other-than-insignificant financing element. As such, the cash flows related to the VPF will be classified within Cash flow from financing activities in the condensed consolidated statements of cash flows. As part of this arrangement, the Company has pledged the underlying marketable equity securities with a fair value of approximately $546 million as of June 30, 2026.

Concentrations of Credit Risk

Financial instruments that subject us to concentrations of credit risk consist primarily of temporary cash investments, short-term and long-term investments, trade receivables, including device payment plan agreement receivables, certain notes receivable, including lease receivables, and derivative contracts.

Counterparties to our derivative contracts are major financial institutions with whom we have negotiated derivatives agreements (International Swaps and Derivatives Association master agreements) and credit support annex (CSA) agreements which provide rules for collateral exchange. The CSA agreements contain fixed cap amounts or rating based thresholds such that we or our counterparties may be required to hold or post collateral based upon changes in outstanding positions as compared to established thresholds or caps and changes in credit ratings. We do not offset fair value amounts recognized for derivative instruments and fair value amounts recognized for the right to reclaim cash collateral or the obligation to return cash collateral arising from derivative instruments recognized at fair value. At both June 30, 2026 and December 31, 2025, we did not hold any collateral. At both June 30, 2026 and December 31, 2025, we posted $1.1 billion of collateral related to derivative contracts under collateral exchange agreements, which were recorded as Prepaid expenses and other in our condensed consolidated balance sheets. While we may be exposed to credit losses due to the nonperformance of our counterparties, we consider the risk remote and do not expect that any such nonperformance would result in a significant effect on our results of operations or financial condition due to our diversified pool of counterparties.

Note 8. Employee Benefits

We maintain non-contributory defined benefit pension plans for certain employees. In addition, we maintain postretirement health care and life insurance plans for certain retirees and their dependents, which are both contributory and non-contributory, and include a limit on our share of the cost for certain current and future retirees. In accordance with our accounting policy for pension and other postretirement benefits, operating expenses include service costs associated with pension and other postretirement benefits while other credits and/or charges based on actuarial assumptions, including projected discount rates, an estimated return on plan assets, and impact from health care trend rates are reported in Other income, net. These estimates are updated in the fourth quarter or upon a remeasurement event, to reflect actual return on plan assets and updated actuarial assumptions. The adjustment is recognized in the income statement during the fourth quarter and upon a remeasurement event pursuant to our accounting policy for the recognition of actuarial gains and losses.

Net Periodic Benefit Cost (Income)

The following table summarizes the components of net periodic benefit cost (income) related to our pension and postretirement health care and life insurance plans:

(dollars in millions)

	Pension		Health Care and Life	
Three Months Ended June 30,	**2026**	2025	**2026**	2025
Service cost - Cost of services	**$ 53**	$ 35	**$ 5**	$ 7
Service cost - Selling, general and administrative expense	**—**	6	**—**	1
Service cost	**$ 53**	$ 41	**$ 5**	$ 8
Amortization of prior service cost (credit)	**$ 49**	$ 28	**$ (31)**	$ (32)
Expected return on plan assets	**(184)**	(134)	**(7)**	(7)
Interest cost	**129**	101	**135**	137
Remeasurement loss, net	**—**	45	**—**	—
Other components	**$ (6)**	$ 40	**$ 97**	$ 98
Total	**$ 47**	$ 81	**$ 102**	$ 106

(dollars in millions)

	Pension		Health Care and Life	
Six Months Ended June 30,	**2026**	2025	**2026**	2025
Service cost - Cost of services	**$ 101**	$ 69	**$ 11**	$ 14
Service cost - Selling, general and administrative expense	**—**	11	**—**	3
Service cost	**$ 101**	$ 80	**$ 11**	$ 17
Amortization of prior service cost (credit)	**$ 82**	$ 56	**$ (62)**	$ (64)
Expected return on plan assets	**(361)**	(268)	**(14)**	(14)
Interest cost	**248**	204	**264**	273
Remeasurement loss (gain), net	**(18)**	45	**(219)**	—
Other components	**$ (49)**	$ 37	**$ (31)**	$ 195
Total	**$ 52**	$ 117	**$ (20)**	$ 212

The service cost component of net periodic benefit cost (income) is recorded in Cost of services and Selling, general and administrative expense in the condensed consolidated statements of income while the other components, including mark-to-market adjustments, if any, are recorded in Other income, net.

Severance Payments

During the three and six months ended June 30, 2026, we paid severance benefits of $142 million and $1.1 billion, respectively, primarily related to separations in connection with the workforce reduction initiatives from the prior year. At June 30, 2026, we had a remaining severance liability of $ 959 million, a portion of which includes future contractual payments to employees separated as part of our workforce reduction initiatives.

Employer Contributions

During the three and six months ended June 30, 2026, we made an insignificant contribution to one of our qualified pension plans. During the three and six months ended June 30, 2025, we made a discretionary non-cash contribution to our qualified pension plans in the principal amount of $563 million.

During the three and six months ended June 30, 2026 and June 30, 2025, we made insignificant contributions to our nonqualified pension plans.

An additional insignificant required qualified pension plan contribution is expected through December 31, 2026. No significant changes are expected with respect to the nonqualified pension and other postretirement benefit plans contributions in 2026.

2026 Collective Bargaining Negotiations

In March 2026, union members ratified the extension of our East collective bargaining agreements with the Communications Workers of America and the International Brotherhood of Electrical Workers for four years until August 3, 2030.

During the three months ended March 31, 2026, amendments were made to certain pension and other postretirement benefit plans for certain union represented employees as a result of the collective bargaining negotiations. The plan amendments resulted in an increase in our defined benefit pension plan obligations of $546 million and an increase in our other postretirement benefit plan obligations of $56 million, which have been recorded as a decrease to Accumulated other comprehensive income of $451 million (net of taxes of $151 million).

Remeasurement Gain, net

During the three months ended March 31, 2026, we recorded a net pre-tax pension and benefits credit of $237 million in certain pension and postretirement benefit plans resulting from amendments to our collective bargaining agreements. This was primarily driven by a credit of $412 million due to an increase in our discount rate assumption used to determine the current year liabilities of certain plans from a weighted-average of 5.7% for the pension plans and 5.4% for the postretirement plans at December 31, 2025 to a weighted-average of 5.9% for the pension plans and 5.7% for the postretirement plans at March 31, 2026, partially offset by a charge of $175 million primarily resulting from the difference between our estimated and our actual return on certain pension plan assets. The net credit was recorded in Other income, net, in our condensed consolidated statements of income.

Note 9. Equity and Accumulated Other Comprehensive Loss

Equity

Changes in the components of Total equity were as follows:

	Three Months Ended June 30,			
	2026		2025	
(dollars in millions, except per share amounts, and shares in thousands)	**Shares**	**Amount**	Shares	Amount
Common Stock				
Balance at beginning of period	**4,291,434**	**$ 429**	4,291,434	$ 429
Balance at end of period	**4,291,434**	**429**	4,291,434	429
Additional Paid In Capital				
Balance at beginning of period		**13,263**		13,415
Other		**(5)**		(3)
Balance at end of period		**13,258**		13,412
Retained Earnings				
Balance at beginning of period		**96,824**		91,128
Net income attributable to Verizon		**3,835**		5,003
Dividends declared ($0.7075, $0.6775 per share)		**(2,931)**		(2,856)
Balance at end of period		**97,728**		93,275
Accumulated Other Comprehensive Loss				
Balance at beginning of period attributable to Verizon		**(2,372)**		(1,489)
Foreign currency translation adjustments		**8**		76
Unrealized gain (loss) on cash flow hedges		**23**		(21)
Unrealized gain (loss) on fair value hedges		**542**		(39)
Unrealized gain on marketable securities		**1**		—
Defined benefit pension and postretirement plans		**14**		(2)
Other comprehensive income		**588**		14
Balance at end of period attributable to Verizon		**(1,784)**		(1,475)
Treasury Stock				
Balance at beginning of period	**(115,874)**	**(5,335)**	(75,178)	(3,295)
Shares purchased	**(21,289)**	**(1,000)**	—	—
Employee plans	**505**	**23**	70	3
Balance at end of period	**(136,658)**	**(6,312)**	(75,108)	(3,292)
Deferred Compensation-ESOPs and Other				
Balance at beginning of period		**500**		534
Restricted stock equity grant		**188**		183
Amortization		**(87)**		(3)
Balance at end of period		**601**		714
Noncontrolling Interests				
Balance at beginning of period		**1,313**		1,315
Total comprehensive income		**114**		118
Distributions and other		**(151)**		(135)
Balance at end of period		**1,276**		1,298
Total Equity		**$ 105,196**		$ 104,361

	Six Months Ended June 30,			
	2026		2025	
(dollars in millions, except per share amounts, and shares in thousands)	Shares	Amount	Shares	Amount
Common Stock				
Balance at beginning of period	**4,291,434**	**$ 429**	4,291,434	$ 429
Balance at end of period	**4,291,434**	**429**	4,291,434	429
Additional Paid In Capital				
Balance at beginning of period		**13,372**		13,466
Other		**(114)**		(54)
Balance at end of period		**13,258**		13,412
Retained Earnings				
Balance at beginning of period		**94,744**		89,110
Net income attributable to Verizon		**8,880**		9,882
Dividends declared ($1.4150, $1.3550 per share)		**(5,896)**		(5,717)
Balance at end of period		**97,728**		93,275
Accumulated Other Comprehensive Loss				
Balance at beginning of period attributable to Verizon		**(1,727)**		(923)
Foreign currency translation adjustments		**(20)**		143
Unrealized gain on cash flow hedges		**46**		—
Unrealized gain (loss) on fair value hedges		**354**		(692)
Unrealized gain (loss) on marketable securities		**(2)**		1
Defined benefit pension and postretirement plans		**(435)**		(4)
Other comprehensive loss		**(57)**		(552)
Balance at end of period attributable to Verizon		**(1,784)**		(1,475)
Treasury Stock				
Balance at beginning of period	**(74,258)**	**(3,255)**	(81,753)	(3,583)
Shares purchased	**(72,047)**	**(3,500)**	—	—
Employee plans	**9,647**	**443**	6,645	291
Balance at end of period	**(136,658)**	**(6,312)**	(75,108)	(3,292)
Deferred Compensation-ESOPs and Other				
Balance at beginning of period		**897**		738
Restricted stock equity grant		**329**		374
Amortization		**(625)**		(398)
Balance at end of period		**601**		714
Noncontrolling Interests				
Balance at beginning of period		**1,281**		1,338
Total comprehensive income		**215**		222
Distributions and other		**(220)**		(262)
Balance at end of period		**1,276**		1,298
Total Equity		**$ 105,196**		$ 104,361

Common Stock

On January 30, 2026, the Board of Directors of the Company authorized a share repurchase program for up to $25 billion of our common stock. The program will terminate when the aggregate consideration paid to purchase shares of our common stock reaches $25 billion, exclusive of any fees, commissions or other expenses, or a new share repurchase plan superseding the current plan is authorized, whichever is sooner. Under the program, shares may be repurchased in privately negotiated transactions, on the open market, or otherwise, including through plans complying with Rule 10b5-1 or Rule 10b-18 under the Exchange Act. The timing and number of shares purchased under the program, if any, will depend on prevailing stock prices, general economic and market conditions, and other considerations. The share repurchase program does not obligate us to acquire any particular amount of common stock, and the program may be suspended or discontinued at any time at our discretion.

In February 2026, we entered into ASR agreements with certain financial institution counterparties to repurchase shares of our common stock in exchange for an upfront payment of $2.5 billion and received an initial delivery of 45,116,772 shares of common stock using a reference price of $47.10. In March 2026, these ASR transactions were completed, and we received an additional 5,641,251 shares. This resulted in a total of 50,758,023 shares repurchased under the ASR agreements at an average repurchase price of $49.25, not including related excise tax.

In April 2026, we entered into an ASR agreement with a certain financial institution counterparty to repurchase shares of our common stock in exchange for an upfront payment of $1.0 billion and received an initial delivery of 17,993,226 shares of common stock using a reference price of $47.24. In June 2026, the ASR transaction was completed, and we received an additional 3,296,217 shares. This resulted in a total of 21,289,443 shares repurchased under the ASR agreement at an average repurchase price of $46.97, not including related excise tax. For the six months ended June 30, 2026, we repurchased a total of 72,047,466 shares for an aggregate payment of $3.5 billion. All shares received under the ASR agreements were excluded from the outstanding shares used to calculate the weighted average common shares outstanding for basic and diluted earnings per share from the date the respective shares were received by the Company and classified as treasury shares. At June 30, 2026, the maximum remaining aggregate consideration that could be paid by or on behalf of Verizon under our share repurchase program was $21.5 billion.

Common stock has been used from time to time to satisfy some of the funding requirements of employee and shareholder plans, including 9.6 million shares of common stock issued from treasury stock during the six months ended June 30, 2026.

Accumulated Other Comprehensive Loss

The changes in the balances of Accumulated other comprehensive loss by component were as follows:

(dollars in millions)	Foreign currency translation adjustments	Unrealized gain (loss) on cash flow hedges	Unrealized gain (loss) on fair value hedges	Unrealized loss on marketable securities	Defined benefit pension and postretirement plans	Total
Balance at January 1, 2026	$ (607)	$ (989)	$ (328)	$ —	$ 197	$ (1,727)
Excluded components recognized in other comprehensive income	—	—	386	—	—	386
Other comprehensive loss	(20)	—	—	(2)	(452)	(474)
Amounts reclassified to net income	—	46	(32)	—	17	31
Net other comprehensive income (loss)	(20)	46	354	(2)	(435)	(57)
Balance at June 30, 2026	$ (627)	$ (943)	$ 26	$ (2)	$ (238)	$ (1,784)

The amounts presented above in Net other comprehensive income (loss) are net of taxes. The amounts reclassified to net income related to unrealized gain (loss) on cash flow hedges and unrealized gain (loss) on fair value hedges in the table above are included in Other income, net and Interest expense in our condensed consolidated statements of income. See Note 7 for additional information. The amounts reclassified to net income related to unrealized loss on marketable securities and defined benefit pension and postretirement plans in the table above are included in Other income, net in our condensed consolidated statements of income. See Note 8 for additional information.

Note 10. Segment Information

Reportable Segments

We have two reportable segments that we operate and manage as strategic business units, Consumer and Business. We measure and evaluate our reportable segments based on segment operating income, consistent with the chief operating decision maker's (CODM) assessment of segment performance.

The Company's CODM is the Chief Executive Officer. The CODM uses segment operating income to allocate resources (including employees, financial or capital resources) and to assess performance during the monthly and quarterly financial strategic review process. When assessing segment performance and how to allocate resources, the CODM focuses on evaluating whether revenues generated are sufficient to cover variable and fixed costs with an appropriate return on investment. Key decisions considered by the CODM using segment operating income include prioritization and timing of changes to network technologies, allocation of capital expenditures based on the Company's priorities, geographic expansion of wireline and wireless networks, establishment of key financial and operational targets, pricing decisions, branding matters and people management.

Our segments and their principal activities consist of the following:

Segment	Description
Verizon Consumer Group	Our Consumer segment provides consumer-focused wireless and wireline communication services and products. Our wireless services are provided across one of the most extensive wireless networks in the U.S. under the Verizon family of brands and through wholesale and other arrangements. We also provide fixed wireless access (FWA) broadband through our 5G or 4G LTE networks as an alternative to traditional landline internet access. Our wireline services are provided in 31 U.S. states and Washington D.C. over our 100% fiber-optic network through our fiber product portfolio, as well as over a traditional copper-based network.
Verizon Business Group	Our Business segment provides wireless and wireline communication services and products, including mobility communication services, FWA and wireline broadband, Internet of Things (IoT) connectivity solutions, advanced communication services, corporate networking solutions, local and long distance voice services, and security and managed network services. We provide these products and services to businesses, public sector customers and wireless and wireline carriers across the U.S. and a subset of these products and services to customers around the world.

Our Consumer segment's wireless and wireline products and services are available to our retail customers, as well as resellers that purchase wireless network access from us on a wholesale basis. Our Business segment's wireless and wireline products and services are available to our enterprise and public sector, small and medium business, and wholesale customers. Beginning in the first quarter of 2026, Verizon is reporting Consumer and Business revenue disaggregated by products and services as follows: Mobility and broadband service revenue, Wireless equipment revenue and Other revenue.

Corporate and other primarily includes device insurance programs, investments in unconsolidated businesses and development stage businesses that support our strategic initiatives, as well as unallocated corporate expenses, certain pension and other employee benefit related costs and interest and financing expenses. Corporate and other also includes the results of divested businesses and businesses held for sale, as well as other adjustments and gains and losses that are not allocated or used in assessing segment performance due to their nature. Although such transactions are excluded from the business segment results, they are included in reported consolidated earnings. Gains and losses from these transactions that are not individually significant are included in segment results and therefore included in the CODMs assessment of segment performance.

In the second quarter of 2026, the net assets representing the Verizon Contributed Business were classified as assets and liabilities held for sale and moved from the Business segment to Corporate and other. Where applicable, historical segment results have been reclassified to conform to the current period presentation.

The following table provides operating financial information for our two reportable segments:

(dollars in millions)	Three Months Ended June 30, 2026 Consumer	2026 Business	2026 Total Reportable Segments	2025 Consumer	2025 Business	2025 Total Reportable Segments
External Operating Revenues						
Mobility and broadband service[1]	**$ 19,563**	**$ 3,721**	**$ 23,284**	$ 18,928	$ 3,726	$ 22,654
Wireless equipment	**4,178**	**846**	**5,024**	5,369	886	6,255
Other[2][6]	**2,427**	**2,581**	**5,008**	2,277	2,354	4,631
Intersegment revenues	**74**	**7**	**81**	74	7	81
Total Operating Revenues[6]	**26,242**	**7,155**	**33,397**	26,648	6,973	33,621
Operating Expenses[3]						
Cost of wireless equipment	**4,658**	**1,203**	**5,861**	5,806	1,201	7,007
Centrally managed network and shared service costs[4][6]	**4,580**	**2,228**	**6,808**	4,488	2,276	6,764
Depreciation and amortization expense[6]	**3,787**	**1,091**	**4,878**	3,582	998	4,580
Other segment expenses[5][6]	**5,185**	**1,642**	**6,827**	5,129	1,774	6,903
Total Operating Expenses[6]	**18,210**	**6,164**	**24,374**	19,005	6,249	25,254
Operating Income[6]	**$ 8,032**	**$ 991**	**$ 9,023**	$ 7,643	$ 724	$ 8,367

[1] Mobility and broadband service revenue primarily includes revenue from mobility communication services, FWA broadband, Fios internet and other fiber-based services.

[2] Other revenue primarily includes revenue from wireline products that provide legacy voice, video and data solutions, as well as broadband solutions over a traditional copper-based network. Other revenue also includes fees that partially recover the direct and indirect costs of complying with regulatory and industry obligations and programs, leasing and interest recognized when equipment is sold to the customer by an authorized agent under a device payment plan agreement.

[3] The significant expense categories and amounts align with the segment-level information that is regularly provided to the CODM. Intersegment expenses are included within the amounts shown.

[4] Centrally managed network and shared service costs include costs for network and leased assets, supply chain and other centralized services that are allocated to our Consumer and Business segments based on proportionate usage of services.

[5] Other segment expenses for each reportable segment include certain personnel, digital content, sales-related, overhead, other direct and operating costs.

[6] Historical Business segment results have been reclassified to conform to the current period presentation. See Note 3 for additional information.

(dollars in millions)	Six Months Ended June 30, 2026 Consumer	Business	Total Reportable Segments	2025 Consumer	Business	Total Reportable Segments
External Operating Revenues						
Mobility and broadband service[1]	**$ 38,671**	**$ 7,402**	**$ 46,073**	$ 37,655	$ 7,436	$ 45,091
Wireless equipment	**9,002**	**1,703**	**10,705**	9,901	1,752	11,653
Other[2][6]	**4,876**	**5,166**	**10,042**	4,562	4,773	9,335
Intersegment revenues	**146**	**14**	**160**	148	14	162
Total Operating Revenues[6]	**52,695**	**14,285**	**66,980**	52,266	13,975	66,241
Operating Expenses[3]						
Cost of wireless equipment	**9,961**	**2,405**	**12,366**	10,718	2,395	13,113
Centrally managed network and shared service costs[4][6]	**9,020**	**4,473**	**13,493**	9,042	4,574	13,616
Depreciation and amortization expense[6]	**7,517**	**2,140**	**9,657**	7,125	1,987	9,112
Other segment expenses[5][6]	**10,451**	**3,320**	**13,771**	10,314	3,549	13,863
Total Operating Expenses[6]	**36,949**	**12,338**	**49,287**	37,199	12,505	49,704
Operating Income[6]	**$ 15,746**	**$ 1,947**	**$ 17,693**	$ 15,067	$ 1,470	$ 16,537

[1] Mobility and broadband service revenue primarily includes revenue from mobility communication services, FWA broadband, Fios internet and other fiber-based services.
[2] Other revenue primarily includes revenue from wireline products that provide legacy voice, video and data solutions, as well as broadband solutions over a traditional copper-based network. Other revenue also includes fees that partially recover the direct and indirect costs of complying with regulatory and industry obligations and programs, leasing and interest recognized when equipment is sold to the customer by an authorized agent under a device payment plan agreement.
[3] The significant expense categories and amounts align with the segment-level information that is regularly provided to the CODM. Intersegment expenses are included within the amounts shown.
[4] Centrally managed network and shared service costs include costs for network and leased assets, supply chain and other centralized services that are allocated to our Consumer and Business segments based on proportionate usage of services.
[5] Other segment expenses for each reportable segment include certain personnel, digital content, sales-related, overhead, other direct and operating costs.
[6] Historical Business segment results have been reclassified to conform to the current period presentation. See Note 3 for additional information.

Reconciliation to Consolidated Financial Information

The reconciliation of segment operating revenues and operating income to consolidated operating revenues and operating income below includes the effects of special items that the CODM does not consider in assessing segment performance, primarily because of their nature.

A reconciliation of the reportable segments' operating revenues to consolidated operating revenues is as follows:

(dollars in millions)	Three Months Ended June 30, 2026	2025	Six Months Ended June 30, 2026	2025
Total reportable segments operating revenues[1]	**$ 33,397**	$ 33,621	**$ 66,980**	$ 66,241
Corporate and other[1]	**936**	965	**1,872**	1,909
Eliminations	**(80)**	(82)	**(159)**	(161)
Total consolidated operating revenues	**$ 34,253**	$ 34,504	**$ 68,693**	$ 67,989

[1] Historical segment results have been reclassified to conform to the current period presentation. See Note 3 for additional information.

A reconciliation of the total reportable segments' operating income to consolidated income before provision for income taxes is as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
(dollars in millions)	**2026**	2025	**2026**	2025
Total reportable segments operating income[1]	**$ 9,023**	$ 8,367	**$ 17,693**	$ 16,537
Corporate and other[1]	**(280)**	(187)	**(433)**	(371)
Other components of net periodic benefit charges (Note 8)	**(28)**	(8)	**(42)**	(16)
Severance charges	**(397)**	—	**(397)**	—
Acquisition and integration related charges	**(135)**	—	**(396)**	—
Asset rationalization	**(258)**	—	**(258)**	—
Loss on disposition of business	**(746)**	—	**(746)**	—
Total consolidated operating income	**7,179**	8,172	**15,421**	16,150
Equity in earnings (losses) of unconsolidated businesses	**44**	(3)	**49**	3
Other income, net	**36**	79	**513**	200
Interest expense	**(1,985)**	(1,639)	**(3,925)**	(3,271)
Income Before Provision For Income Taxes	**$ 5,274**	$ 6,609	**$ 12,058**	$ 13,082

[1] Historical segment results have been reclassified to conform to the current period presentation. See Note 3 for additional information.

No single customer accounted for more than 10% of our total operating revenues during the three and six months ended June 30, 2026 or 2025.

The CODM does not review disaggregated assets on a segment basis; therefore, such information is not presented. Depreciation and amortization included in the measure of segment profitability is primarily allocated based on proportional usage, and is included within Total reportable segments operating income.

Note 11. Additional Financial Information

We maintain a voluntary supplier finance program with a financial institution which provides certain suppliers the option, at their sole discretion, to participate in the program and sell their receivables due from Verizon to the financial institution on a non-recourse basis. As of June 30, 2026 and December 31, 2025, $491 million and $723 million, respectively, remained as confirmed obligations outstanding related to suppliers participating in the supplier finance program.

Note 12. Commitments and Contingencies

In the ordinary course of business, Verizon is involved in various litigation and regulatory proceedings at the state and federal level. Where it is determined, in consultation with counsel based on litigation and settlement risks, that a loss is probable and estimable in a given matter, Verizon establishes an accrual. In none of the currently pending matters is the amount of accrual material. An estimate of the reasonably possible loss or range of loss in excess of the amounts already accrued cannot be made at this time due to various factors typical in contested proceedings, including: (1) uncertain damage theories and demands; (2) a less than complete factual record; (3) uncertainty concerning legal theories and their resolution by courts or regulators; and (4) the unpredictable nature of the opposing party and its demands. We continuously monitor these proceedings as they develop and adjust any accrual or disclosure as needed. We do not expect that the ultimate resolution of any pending regulatory or legal matter in future periods will have a material effect on our financial condition, but it could have a material effect on our results of operations for a given reporting period.

Verizon is currently involved in numerous federal district court actions alleging that Verizon is infringing various patents. Most of these cases are brought by non-practicing entities and effectively seek only monetary damages; a small number are brought by companies that have sold products and could seek injunctive relief as well. These cases have progressed to various stages and a small number may have gone to trial or may go to trial in the coming 12 months if they are not otherwise resolved.

In connection with the execution of agreements for the sales of businesses and investments, Verizon ordinarily provides representations and warranties to the purchasers pertaining to a variety of nonfinancial matters, such as ownership of the securities being sold, as well as indemnity from certain financial losses. From time to time, counterparties may make claims under these provisions, and Verizon will seek to defend against those claims and resolve them in the ordinary course of business.

As of June 30, 2026, Verizon had 29 renewable energy purchase agreements (REPAs) with third parties. Each of the REPAs is based on the expected operation of a renewable energy-generating facility and has a fixed price term of 12 to 20 years from the commencement of the facility's entry into commercial operation. Twenty-two of the facilities have entered into commercial

operation, and the remainder are under development. The REPAs generally are expected to be financially settled based on the prevailing market price as energy is generated by the facilities.

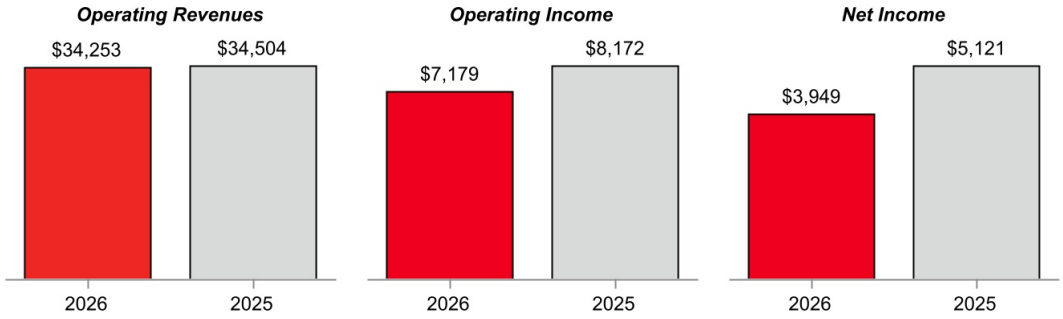
Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Overview

Verizon Communications Inc. (the Company) is a holding company that, acting through its subsidiaries (together with the Company, collectively, Verizon), is one of the world's leading providers of communications, technology, information and streaming products and services to consumers, businesses and government entities. With a presence around the world, we offer data, video and voice services and solutions on our networks and platforms that are designed to meet customers' demand for mobility, reliable network connectivity and security. To compete effectively in today's dynamic marketplace, we are focused on delivering what customers want and need in the digital world by offering innovative products and services, delivering excellent customer experience, and leveraging the capabilities of our high-performing networks.

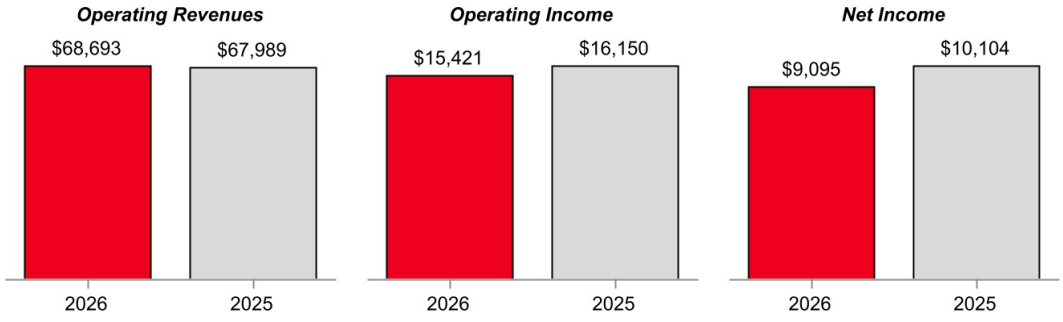
Highlights of Our Financial Results for the Three Months Ended June 30, 2026 and 2025

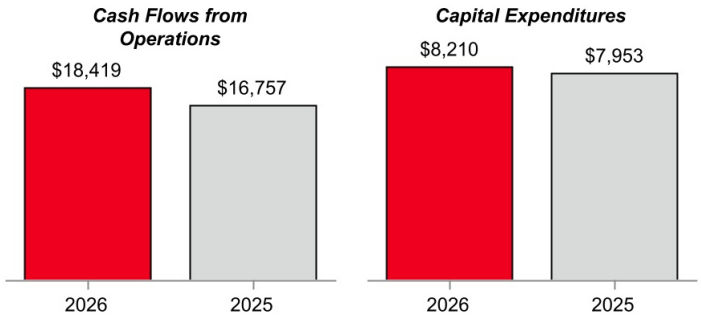
(dollars in millions)



Highlights of Our Financial Results for the Six Months Ended June 30, 2026 and 2025

(dollars in millions)

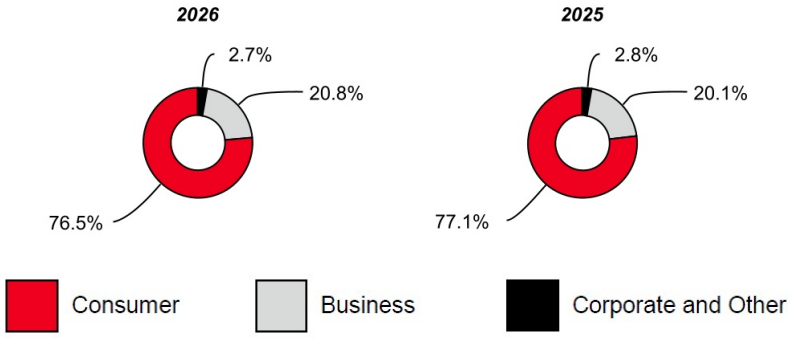




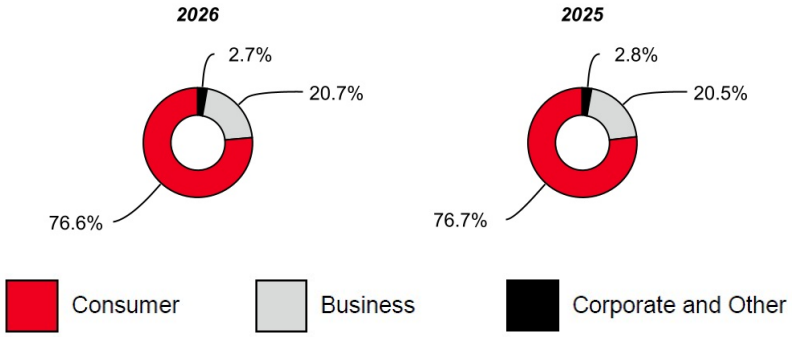
Business Overview

We have two reportable segments that we operate and manage as strategic business units - Verizon Consumer Group (Consumer) and Verizon Business Group (Business).

Revenue by Segment for the Three Months Ended June 30, 2026 and 2025



Revenue by Segment for the Six Months Ended June 30, 2026 and 2025



Note: Excludes eliminations.

Verizon Consumer Group

Our Consumer segment provides consumer-focused wireless and wireline communication services and products. Our wireless services are provided across one of the most extensive wireless networks in the United States (U.S.) under the Verizon family of brands and through wholesale and other arrangements. We also provide fixed wireless access (FWA) broadband through our 5G or 4G LTE networks as an alternative to traditional landline internet access. Our wireline services are provided in 31 U.S. states and Washington D.C. over our 100% fiber-optic network through our fiber product portfolio, as well as over a traditional copper-based network.

Customers can obtain our wireless services on a postpaid or prepaid basis. Postpaid customers are qualified retail customers that we service and manage on our networks primarily under the Verizon brand. Prepaid customers are exclusively Consumer retail customers who obtain wireless connectivity by paying for services in advance. The Consumer segment also offers several categories of wireless equipment to customers, including a variety of smartphones and other handsets, wireless-enabled internet devices, such as tablets, and other wireless-enabled connected devices, such as smart watches.

In addition to wireless services and equipment for retail customers, the Consumer segment sells residential fixed connectivity solutions, including internet, video and voice services, and wireless network access to resellers on a wholesale basis.

The Consumer segment's operating revenues for the three and six months ended June 30, 2026 totaled $26.2 billion and $52.7 billion, respectively, representing a decrease of 1.5% and an increase of 0.8%, respectively, compared to the similar periods in 2025. See "Segment Results of Operations" for additional information regarding our Consumer segment's operating performance.

Verizon Business Group

Our Business segment provides wireless and wireline communication services and products, including mobility communication services, FWA and wireline broadband, Internet of Things (IoT) connectivity solutions, advanced communication services, corporate networking solutions, local and long distance voice services, and security and managed network services. We provide these products and services to businesses, public sector customers and wireless and wireline carriers across the U.S. and a subset of these products and services to customers around the world.

The Business segment's operating revenues for the three and six months ended June 30, 2026 totaled $7.2 billion and $14.3 billion, respectively, representing an increase of 2.6% and 2.2%, respectively, compared to the similar periods in 2025. See "Segment Results of Operations" for additional information regarding our Business segment's operating performance.

Corporate and Other

Corporate and other primarily includes device insurance programs, investments in unconsolidated businesses and development stage businesses that support our strategic initiatives, as well as unallocated corporate expenses, certain pension and other employee benefit related costs and interest and financing expenses. Corporate and other also includes the results of divested businesses and businesses held for sale, as well as other adjustments and gains and losses that are not allocated or used in assessing segment performance due to their nature. Although such transactions are excluded from the business segment results, they are included in reported consolidated earnings. Gains and losses from these transactions that are not individually significant are included in segment results and therefore are included in the chief operating decision maker's (CODM) assessment of segment performance. See "Consolidated Results of Operations" for additional information regarding Corporate and other results.

Capital Expenditures and Investments

Our strategy requires significant capital investments primarily to invest in and deploy fiber, acquire wireless spectrum, put the spectrum into service, provide additional capacity for growth in our networks, evolve and maintain our networks and develop and maintain significant advanced information technology systems and data system capabilities. During the six months ended June 30, 2026, these investments included $8.2 billion for capital expenditures. See "Cash Flows Used in Investing Activities" for additional information. Capital expenditures for 2026 are expected to be within the range of $16.0 billion to $16.5 billion.

Global Networks and Technology

We design, build and operate networks to provide connectivity and related services meeting the needs of our diverse customers, including consumers, businesses, government organizations, first responders, and educational institutions.

We have a portfolio of spectrum holdings, including C-Band and millimeter wave spectrum, and are constantly transforming our networks by leveraging innovation and new technologies to deliver improved network performance and efficiency. Our networks leverage advanced technologies, including 5G wireless, fiber-based transport, cloud infrastructures, artificial intelligence (AI) and automation, private networks and IP routing solutions. We are using the benefits of cloud computing and storage to virtualize aspects of our network infrastructure. We are densifying our networks by utilizing macro and small cell technology, in-building solutions and distributed antenna systems to increase coverage, improve quality of service and add capacity to accommodate an increasing number of users.

Recent Developments

On May 14, 2026, Verizon entered into an agreement in principle with AT&T Inc. and T-Mobile US, Inc., to form a new joint venture which aims to help end wireless dead zones in the U.S., including in rural areas, by pooling limited spectrum resources to increase capacity, improve the customer experience, and help satellite providers reach more customers through a unified platform. This initiative is expected to extend mobile connectivity for wireless customers through joint investment in using satellite-based, direct-to-device technologies to address coverage gaps, especially in unserved and underserved communities. The joint venture remains subject to negotiating definitive agreements between the parties and satisfying customary closing conditions.

On June 28, 2026, the Company entered into a transaction agreement (the Transaction Agreement) with BT Group plc (BT) and Jasper NewCo Limited (NewCo), pursuant to which the Company and BT will each acquire a 50% equity interest in NewCo. Closing of the transaction is subject to customary regulatory approvals and other closing conditions. See "Acquisitions and Divestitures" below for additional information.

Consolidated Results of Operations

In this section, we discuss our overall results of operations and highlight special items, some of which are not included in our segment results. In "Segment Results of Operations" we review the performance of our two reportable segments in more detail.

During the first quarter of 2026, Verizon revised its presentation of revenue reporting for its reportable segments - Consumer and Business. Accordingly, beginning in the first quarter of 2026, Verizon is reporting Consumer and Business revenue disaggregated

by products and services as follows: Mobility and broadband service revenue, Wireless equipment revenue and Other revenue. In the first quarter of 2026, Verizon also made changes to the presentation of certain operating metrics, and going forward will only report operating metrics on a consolidated basis.

In the second quarter of 2026, the net assets representing Verizon's international wireline connectivity and managed network services business (the Verizon Contributed Business) were classified as assets and liabilities held for sale and moved from the Business segment to Corporate and other. Where applicable, historical segment results have been reclassified to conform to the current period presentation. See Note 3 to the condensed consolidated financial statements for additional information.

Consolidated Operating Revenues

	Three Months Ended June 30,				Six Months Ended June 30,			
(dollars in millions)	**2026**	2025	**Increase/(Decrease)**		**2026**	2025	**Increase/(Decrease)**	
Consumer	**$ 26,242**	$ 26,648	$ (406)	(1.5) %	**$ 52,695**	$ 52,266	$ 429	0.8 %
Business	**7,155**	6,973	182	2.6	**14,285**	13,975	310	2.2
Corporate and other	**936**	965	(29)	(3.0)	**1,872**	1,909	(37)	(1.9)
Eliminations	**(80)**	(82)	2	(2.4)	**(159)**	(161)	2	(1.2)
Consolidated Operating Revenues	**$ 34,253**	$ 34,504	$ (251)	(0.7)	**$ 68,693**	$ 67,989	$ 704	1.0

Consolidated operating revenues decreased during the three months ended June 30, 2026 compared to the similar period in 2025 primarily due to a revenue decrease in our Consumer segment, partially offset by a revenue increase in our Business segment.

Consolidated operating revenues increased during the six months ended June 30, 2026 compared to the similar period in 2025 primarily due to revenue increases in our Consumer and Business segments.

Revenues for our segments are discussed separately below under the heading "Segment Results of Operations."

Consolidated Operating Expenses

	Three Months Ended June 30,				Six Months Ended June 30,			
(dollars in millions)	**2026**	2025	**Increase/(Decrease)**		**2026**	2025	**Increase/(Decrease)**	
Cost of services	**$ 7,225**	$ 6,878	$ 347	5.0 %	**$ 14,392**	$ 13,828	$ 564	4.1 %
Cost of wireless equipment	**5,859**	7,007	(1,148)	(16.4)	**12,365**	13,113	(748)	(5.7)
Selling, general and administrative expense	**8,982**	7,812	1,170	15.0	**16,615**	15,686	929	5.9
Depreciation and amortization expense	**5,008**	4,635	373	8.0	**9,900**	9,212	688	7.5
Consolidated Operating Expenses	**$ 27,074**	$ 26,332	$ 742	2.8	**$ 53,272**	$ 51,839	$ 1,433	2.8

Operating expenses for our segments are discussed separately below under the heading "Segment Results of Operations."

Cost of Services

Cost of services includes the following costs directly attributable to a service: salaries and wages, benefits, materials and supplies, content costs, contracted services, network access and transport costs, customer provisioning costs, computer systems support and costs to support our outsourcing contracts and technical facilities. Aggregate customer service costs, which include billing and service provisioning, are allocated between Cost of services and Selling, general and administrative expense.

Cost of services increased during both the three and six months ended June 30, 2026 compared to the similar periods in 2025.

The increase during the three months ended June 30, 2026 was primarily as a result of:

- an increase of $199 million in personnel costs mainly driven by an increase in employee headcount following the acquisition of Frontier Communications Parent, Inc. (Frontier);
- an increase of $109 million in digital content costs primarily associated with an increase in subscriptions through plan offerings and the inclusion of Frontier results, partially offset by a decrease in traditional linear content costs related to lower Fios video volumes;
- an increase of $79 million in building and facility costs primarily due to maintaining additional buildings and facilities associated with the acquisition of Frontier in 2026 along with higher utility rates;
- an increase of $58 million related to asset rationalization charges taken in 2026; and
- a decrease of $164 million in access costs primarily related to cessation of certain third-party provider costs along with a decrease in circuit usage.

The increase during the six months ended June 30, 2026 was primarily as a result of:
- an increase of $373 million in personnel costs driven by an increase in employee headcount following the acquisition of Frontier;
- an increase of $193 million in building and facility costs primarily due to maintaining additional buildings and facilities associated with the acquisition of Frontier in 2026 along with higher utility rates;
- an increase of $147 million in digital content costs primarily associated with an increase in subscriptions through plan offerings and the inclusion of Frontier results, partially offset by a decrease in traditional linear content costs related to lower Fios video volumes;
- an increase of $58 million related to asset rationalization charges taken in 2026; and
- a decrease of $247 million in access costs primarily related to cessation of certain third-party provider costs along with a decrease in circuit usage.

Cost of Wireless Equipment

Cost of wireless equipment decreased during both the three and six months ended June 30, 2026 compared to the similar periods in 2025.

The decrease during the three months ended June 30, 2026 was primarily due to a decrease of $1.1 billion driven by a lower volume of wireless devices sold primarily related to a strategic decrease in upgrades.

The decrease during the six months ended June 30, 2026 was primarily as a result of:
- a decrease of $1.0 billion driven by a lower volume of wireless devices sold primarily related to a strategic decrease in upgrades; and
- an increase of $270 million driven by a shift to higher priced equipment in the mix of wireless devices sold.

Selling, General and Administrative Expense

Selling, general and administrative expense includes salaries and wages and benefits not directly attributable to a service or product, the provision for credit losses, taxes other than income taxes, advertising and sales commission costs, call center and information technology costs, regulatory fees, professional service fees, rent and utilities for administrative space and device insurance program costs. Also included is a portion of the aggregate customer care costs as discussed above in "Cost of Services."

Selling, general and administrative expense increased during both the three and six months ended June 30, 2026 compared to the similar periods in 2025.

The increase during the three months ended June 30, 2026 was primarily as a result of:
- the $746 million net loss in connection with the classification of the assets and liabilities representing Verizon's international wireline connectivity and managed network services business as assets and liabilities held for sale;
- an increase of $397 million due to severance charges related to our workforce reduction initiatives;
- an increase of $200 million related to asset rationalization charges taken in 2026;
- an increase of $135 million related to acquisition and integration related charges recorded in 2026 primarily associated with the acquisition of Frontier; and
- a decrease of $193 million in advertising costs related to various marketing campaigns in the first half of 2025 that did not reoccur.

The increase during the six months ended June 30, 2026 was primarily as a result of:
- the $746 million net loss in connection with the classification of the assets and liabilities representing Verizon's international wireline connectivity and managed network services business as assets and liabilities held for sale;
- an increase of $397 million due to severance charges related to our workforce reduction initiatives;
- an increase of $396 million related to acquisition and integration related charges recorded in 2026 primarily associated with the acquisition of Frontier;
- an increase of $200 million related to asset rationalization charges taken in 2026; and
- a decrease of $475 million in advertising costs related to various marketing campaigns in the first half of 2025 that did not reoccur.

See "Special Items" for additional information on the net loss on disposition of business, severance charges, the acquisition and integration related charges and the asset rationalization charges.

Depreciation and Amortization Expense

Depreciation and amortization expense increased during both the three and six months ended June 30, 2026 compared to the similar periods in 2025 primarily due to the change in the mix of net depreciable and amortizable assets, including the impact of depreciable assets acquired as part of the Frontier acquisition.

Consolidated Operating Statistics

To aid in the understanding of our performance, management uses the following operating statistics to evaluate the overall effectiveness of our business. We believe these operating statistics are useful to investors and other users of our financial information because they provide additional insight into drivers of our operating results, key trends and performance relative to our peers. These operating statistics may be determined or calculated differently by other companies and may not be directly comparable to those statistics of other companies.

Wireless retail connections are retail customer device postpaid and prepaid connections as of the end of the period. Wireless retail connections under an account may include those from smartphones and basic phones (collectively, phones), postpaid and prepaid FWA, as well as tablets and other internet devices, wearables and retail IoT devices. Wireless retail connections are calculated by adding total retail postpaid and prepaid new connections in the period to prior period retail connections, and subtracting total retail postpaid and prepaid disconnects in the period.

Wireless retail postpaid connections are retail postpaid customer device connections as of the end of the period. Wireless retail postpaid connections under an account may include those from phones, postpaid FWA, as well as tablets and other internet devices, wearables and retail IoT devices. Wireless retail postpaid connections are calculated by adding retail postpaid new connections in the period to prior period retail postpaid connections, and subtracting retail postpaid disconnects in the period.

Wireless retail postpaid phone connections are retail postpaid customer phone connections as of the end of the period. Wireless retail postpaid phone connections under an account include those from smartphones and basic phones. Wireless retail postpaid phone connections are calculated by adding retail postpaid phone new connections in the period to prior period retail postpaid phone connections, and subtracting retail postpaid phone disconnects in the period.

Wireless retail core prepaid connections are wireless retail prepaid customer device connections, excluding our SafeLink brand, as of the end of the period. Wireless retail core prepaid connections may include those from phones, prepaid FWA, as well as tablets and other internet devices, and wearables. Wireless retail core prepaid connections are calculated by adding retail core prepaid new connections in the period to prior period retail core prepaid connections, and subtracting retail core prepaid disconnects in the period.

Wireless retail core prepaid phone connections are retail prepaid customer phone connections, excluding our SafeLink brand, as of the end of the period. Wireless retail core prepaid phone connections include those from smartphones and basic phones. Wireless retail core prepaid phone connections are calculated by adding retail core prepaid phone new connections in the period to prior period retail core prepaid phone connections, and subtracting retail core prepaid phone disconnects in the period.

Fiber broadband connections are the total number of connections to the internet using fiber broadband services (which exclude solutions provided over a traditional copper-based network) as of the end of the period. Fiber broadband connections are calculated by adding fiber broadband new connections in the period to prior period fiber broadband connections, and subtracting fiber broadband disconnects in the period.

FWA broadband connections are the total number of postpaid and prepaid connections to the internet through our 5G or 4G LTE wireless networks as of the end of the period, including postpaid, prepaid and IoT FWA. FWA broadband connections are calculated by adding FWA broadband new connections in the period to prior period FWA broadband connections, and subtracting FWA broadband disconnects in the period.

Total broadband connections are the total number of connections to the internet using fiber broadband and FWA broadband services as of the end of the period. Total broadband connections are calculated by adding total broadband new connections in the period to prior period total broadband connections, and subtracting total broadband disconnects in the period.

Wireless retail connections, net additions are the total number of additional retail customer device postpaid and prepaid connections, less the number of device disconnects in the period. Wireless retail connections, net additions in each period presented are calculated by subtracting the total retail postpaid and prepaid disconnects from the total retail postpaid and prepaid new connections in the period.

Wireless retail postpaid connections, net additions are the total number of additional retail customer device postpaid connections, less the number of device disconnects in the period. Wireless retail postpaid connections, net additions in each period presented are calculated by subtracting the retail postpaid disconnects from the retail postpaid new connections in the period.

Wireless retail postpaid phone connections, net additions are the total number of additional retail customer postpaid phone connections, less the number of postpaid phone disconnects in the period. Wireless retail postpaid phone connections, net additions in each period presented are calculated by subtracting the retail postpaid phone disconnects from the retail postpaid phone new connections in the period.

Wireless retail core prepaid connections, net additions are the total number of additional retail customer device core prepaid connections, less the number of device disconnects in the period. Wireless retail core prepaid connections, net additions in each period presented are calculated by subtracting the retail core prepaid disconnects from the retail core prepaid new connections in the period.

Wireless retail core prepaid phone connections, net additions are the total number of additional retail customer core prepaid phone connections, less the number of phone disconnects in the period. Wireless retail core prepaid phone connections, net additions in each period presented are calculated by subtracting the retail core prepaid phone disconnects from the retail core prepaid phone new connections in the period.

Fiber broadband connections, net additions are the total number of additional fiber broadband connections, less the number of fiber broadband disconnects in the period. Fiber broadband connections, net additions are calculated by subtracting the fiber broadband disconnects from the fiber broadband new connections in the period.

FWA broadband connections, net additions are the total number of additional FWA broadband connections, less the number of FWA broadband disconnects in the period. FWA broadband connections, net additions in each period presented are calculated by subtracting the FWA broadband disconnects from the FWA broadband new connections in the period.

Total broadband connections, net additions are the total number of additional total broadband connections, less the number of total broadband disconnects in the period. Total broadband connections, net additions in each period presented are calculated by subtracting the total broadband disconnects from the total broadband new connections in the period.

Wireless retail postpaid ARPA is the calculated average wireless retail postpaid service revenue per account (ARPA) from wireless retail postpaid accounts in the period. Wireless retail postpaid service revenue does not include recurring device payment plan billings related to the Verizon device payment program, insurance premiums or regulatory fees. Wireless retail postpaid ARPA in each period presented is calculated by dividing wireless retail postpaid service revenue by the average wireless retail postpaid accounts in the period.

Wireless retail core prepaid ARPU is the calculated average wireless retail core prepaid service revenue, excluding our SafeLink brand, per unit (wireless retail core prepaid connection) (ARPU) in the period. Wireless retail core prepaid ARPU in each period presented is calculated by dividing wireless retail core prepaid service revenue by the average wireless retail core prepaid connections in the period.

Wireless retail postpaid phone churn is the rate at which service to retail postpaid phone connections is terminated on average in the period. The wireless retail postpaid phone churn rate in each period presented is calculated by dividing wireless retail postpaid phone disconnects by the average wireless retail postpaid phone connections in the period.

Wireless retail core prepaid churn is the rate at which service to core prepaid connections is terminated on average in the period. The wireless retail core prepaid churn rate in each period presented is calculated by dividing wireless core prepaid disconnects by the average wireless core prepaid connections in the period.

Wireless retail postpaid connections, upgrade rate is the rate at which retail postpaid connections upgrade retail customer postpaid devices (phones, tablets, and other devices) in the period. Wireless retail postpaid connections, upgrade rate is calculated by dividing the number of retail postpaid connections that have upgraded a retail customer postpaid device in the period by the average retail postpaid connections for the period.

Where applicable, our operating statistics discussed above and the operating results presented in the following table reflect certain adjustments, including those related to migration activity among different types of devices and plans, customer profile changes, product-related changes and adjustments in connection with mergers, acquisitions and divestitures.

	Three Months Ended June 30,				Six Months Ended June 30,			
	2026	2025	**Increase/(Decrease)**		**2026**	2025	**Increase/(Decrease)**	
Connections ('000)[1]:								
Wireless retail					**146,953**	146,136	817	0.6 %
Wireless retail postpaid					**126,619**	125,895	724	0.6
Wireless retail postpaid phone					**94,098**	93,207	891	1.0
Wireless retail core prepaid					**19,351**	19,017	334	1.8
Wireless retail core prepaid phone					**18,654**	18,502	152	0.8
Fiber broadband					**10,913**	7,613	3,300	43.3
FWA broadband					**6,208**	5,112	1,096	21.4
Total broadband[2]					**17,121**	12,725	4,396	34.5
Net Additions ('000):								
Wireless retail	**223**	177	46	26.0 %	**107**	112	(5)	(4.5)
Wireless retail postpaid	**188**	155	33	21.3	**(8)**	(4)	(4)	nm
Wireless retail postpaid phone	**184**	(9)	193	nm	**239**	(298)	537	nm
Wireless retail core prepaid	**73**	50	23	46.0	**188**	187	1	0.5
Wireless retail core prepaid phone	**24**	24	—	—	**94**	134	(40)	(29.9)
Fiber broadband	**155**	32	123	nm	**282**	77	205	nm
FWA broadband	**193**	278	(85)	(30.6)	**407**	586	(179)	(30.5)
Total broadband[2]	**348**	310	38	12.3	**689**	663	26	3.9
Account Statistics:								
Wireless retail postpaid ARPA	**$ 168.35**	$ 170.79	$ (2.44)	(1.4)	**$ 167.50**	$ 170.30	$ (2.80)	(1.6)
Wireless retail core prepaid ARPU	**$ 33.37**	$ 32.56	$ 0.81	2.5	**$ 33.34**	$ 32.24	$ 1.10	3.4
Churn Rate:								
Wireless retail postpaid phone	**0.92 %**	0.97 %			**0.94 %**	0.96 %		
Wireless retail core prepaid	**3.59 %**	3.60 %			**3.52 %**	3.53 %		
Wireless Retail Postpaid Connection Statistics:								
Upgrade rate	**2.6 %**	3.6 %						

[1] As of end of period.
[2] Total broadband excludes solutions provided over a traditional copper-based network.
Where applicable, historical results have been recast to conform to the current period presentation.
nm - not meaningful

Other Consolidated Results

Other Income, Net

	Three Months Ended June 30,				Six Months Ended June 30,			
(dollars in millions)	**2026**	2025	**Increase/(Decrease)**		**2026**	2025	**Increase/(Decrease)**	
Interest income	**$ 72**	$ 55	$ 17	30.9 %	**$ 219**	$ 118	$ 101	85.6 %
Other components of net periodic benefit income (cost)	**(91)**	(138)	47	(34.1)	**80**	(232)	312	nm
Net debt extinguishment gains	**152**	88	64	72.7	**247**	178	69	38.8
Other, net	**(97)**	74	(171)	nm	**(33)**	136	(169)	nm
Other Income, Net	**$ 36**	$ 79	$ (43)	(54.4)	**$ 513**	$ 200	$ 313	nm

nm - not meaningful

Other income, net reflects certain items not directly related to our core operations, including interest income, debt extinguishment gains and losses, components of net periodic pension and postretirement benefit income and cost and certain foreign exchange gains and losses.

Other income, net decreased for the three months ended June 30, 2026 and increased during the six months ended June 30, 2026 compared to the similar periods in 2025.

The decrease during the three months ended June 30, 2026 was primarily due to fair market value adjustments on certain investments and derivatives.

The increase during the six months ended June 30, 2026 was primarily as a result of:
- a net pension remeasurement gain of $237 million in 2026 compared to a net pension remeasurement loss of $45 million in 2025, along with higher expected returns on pension plan assets;
- an increase of $70 million in paid-in-kind interest earned on certain preferred investments; and
- a decrease resulting from fair market value adjustments on certain investments and derivatives.

See Note 8 to the condensed consolidated financial statements for more information on the other components of net periodic benefit income (cost).

Interest Expense

	Three Months Ended June 30,				Six Months Ended June 30,			
(dollars in millions)	**2026**	2025	**Increase/(Decrease)**		**2026**	2025	**Increase/(Decrease)**	
Total interest costs on debt balances	**$ 2,136**	$ 1,830	$ 306	16.7 %	**$ 4,245**	$ 3,659	$ 586	16.0 %
Less capitalized interest costs	**151**	191	(40)	(20.9)	**320**	388	(68)	(17.5)
Interest Expense	**$ 1,985**	$ 1,639	$ 346	21.1	**$ 3,925**	$ 3,271	$ 654	20.0
Average debt outstanding[1][3]	**$ 170,098**	$ 144,695			**$ 168,837**	$ 144,461		
Effective interest rate[2][3]	**5.0 %**	5.1 %			**5.0 %**	5.1 %		

(1) The average debt outstanding is a financial measure and is calculated by applying a simple average of prior months' end balances of total short-term and long-term debt, net of discounts, premiums and unamortized debt issuance costs.
(2) The effective interest rate is the rate of actual interest incurred on debt. It is calculated by dividing the annualized total interest costs on debt balances by the average debt outstanding.
(3) We believe that this measure is useful to management, investors and other users of our financial information in evaluating our debt financing cost and trends in our debt leverage management.

Total interest expense increased during both the three and six months ended June 30, 2026 compared to the similar periods in 2025 primarily due to an increase in interest costs associated with higher average debt balances.

Provision for Income Taxes

	Three Months Ended June 30,				Six Months Ended June 30,			
(dollars in millions)	**2026**	2025	**Decrease**		**2026**	2025	**Decrease**	
Provision for income taxes	**$ 1,325**	$ 1,488	$ (163)	(11.0)%	**$ 2,963**	$ 2,978	$ (15)	(0.5)%
Effective income tax rate	**25.1 %**	22.5 %			**24.6 %**	22.8 %		

The effective income tax rate is calculated by dividing the provision for income taxes by income before the provision for income taxes. The decrease in the provision for income taxes during the three and six months ended June 30, 2026 compared to the similar periods in 2025 was primarily due to the decrease in income before income taxes in the current period. The increase in the effective income tax rate during the three and six months ended June 30, 2026 compared to the similar periods in 2025 was primarily related to the nondeductible loss on the classification of net assets held for sale associated with the Verizon Contributed Business in the current period.

Unrecognized Tax Benefits

Unrecognized tax benefits were $2.5 billion and $2.6 billion at June 30, 2026 and December 31, 2025, respectively. Interest and penalties related to unrecognized tax benefits were $705 million (after-tax) and $751 million (after-tax) at June 30, 2026 and December 31, 2025, respectively.

Verizon Communications Inc. and/or its subsidiaries file income tax returns in the U.S. federal jurisdiction, and various state, local and foreign jurisdictions. As a large taxpayer, we are under audit by the Internal Revenue Service and multiple state and foreign jurisdictions for various open tax years.

Consolidated Net Income, Consolidated EBITDA and Consolidated Adjusted EBITDA

Consolidated earnings before interest, taxes, depreciation and amortization (Consolidated EBITDA) and Consolidated Adjusted EBITDA, which are presented below, are non-GAAP financial measures that we believe are useful to management, investors and

other users of our financial information in evaluating operating profitability on a more variable cost basis as they exclude the depreciation and amortization expense related primarily to capital expenditures and acquisitions, as well as in evaluating operating performance in relation to Verizon's competitors. Consolidated EBITDA is calculated by adding back interest, taxes, depreciation and amortization expense to net income.

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, as well as the effect of certain special items. Consolidated Adjusted EBITDA is a non-GAAP financial measure that we believe provides 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 is widely 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. See "Special Items" for additional 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.

	Three Months Ended June 30,		Six Months Ended June 30,	
(dollars in millions)	**2026**	2025	**2026**	2025
Consolidated Net Income	**$ 3,949**	$ 5,121	**$ 9,095**	$ 10,104
Add:				
Provision for income taxes	**1,325**	1,488	**2,963**	2,978
Interest expense	**1,985**	1,639	**3,925**	3,271
Depreciation and amortization expense[1]	**5,008**	4,635	**9,900**	9,212
Consolidated EBITDA	**$ 12,267**	$ 12,883	**$ 25,883**	$ 25,565
Add (Less):				
Other income, net[2]	**$ (36)**	$ (79)	**$ (513)**	$ (200)
Equity in (earnings) losses of unconsolidated businesses	**(44)**	3	**(49)**	(3)
Severance charges	**397**	—	**397**	—
Acquisition and integration related charges	**135**	—	**396**	—
Asset rationalization	**258**	—	**258**	—
Loss on disposition of business	**746**	—	**746**	—
Consolidated Adjusted EBITDA	**$ 13,723**	$ 12,807	**$ 27,118**	$ 25,362

(1) Includes Amortization of acquisition-related intangible assets, which were $274 million and $514 million during the three and six months ended June 30, 2026, respectively, and $192 million and $382 million during the three and six months ended June 30, 2025, respectively. See "Special Items" for additional information.
(2) Includes Pension and benefits remeasurement gain of $237 million during the six months ended June 30, 2026. See "Special Items" for additional information.

The changes in Consolidated Net Income, Consolidated EBITDA and Consolidated Adjusted EBITDA in the table above during the three and six months ended June 30, 2026 compared to the similar periods in 2025 were primarily a result of the factors described above in connection with consolidated operating revenues and consolidated operating expenses.

Segment Results of Operations

We have two reportable segments that we operate and manage as strategic business units - Consumer and Business. We measure and evaluate our segments based on segment operating income. The use of segment operating income is consistent with the CODM's assessment of segment performance.

See Note 10 to the condensed consolidated financial statements for additional information.

Verizon Consumer Group

Our Consumer segment provides consumer-focused wireless and wireline communication services and products. Our wireless services are provided across one of the most extensive wireless networks in the U.S. under the Verizon family of brands and through wholesale and other arrangements. We also provide FWA broadband through our 5G or 4G LTE networks as an

alternative to traditional landline internet access. Our wireline services are provided in 31 U.S. states and Washington D.C. over our 100% fiber-optic network through our fiber product portfolio, as well as over a traditional copper-based network.

Operating Revenues

(dollars in millions)	Three Months Ended June 30, 2026	2025	Increase/(Decrease)		Six Months Ended June 30, 2026	2025	Increase/(Decrease)	
Mobility and broadband service	**$ 19,637**	$ 19,002	$ 635	3.3 %	**$ 38,817**	$ 37,803	$ 1,014	2.7 %
Wireless equipment	**4,178**	5,369	(1,191)	(22.2)	**9,002**	9,901	(899)	(9.1)
Other	**2,427**	2,277	150	6.6	**4,876**	4,562	314	6.9
Total Operating Revenues	**$ 26,242**	$ 26,648	$ (406)	(1.5)	**$ 52,695**	$ 52,266	$ 429	0.8

Certain intersegment transactions with corporate entities have not been eliminated.

Consumer's total operating revenues decreased during the three months ended June 30, 2026 compared to the similar period in 2025 as a result of a decrease in Wireless equipment revenue, partially offset by increases in Mobility and broadband service revenue and Other revenue.

Consumer's total operating revenues increased during the six months ended June 30, 2026 compared to the similar period in 2025 as a result of increases in Mobility and broadband service revenue and Other revenue, partially offset by a decrease in Wireless equipment revenue.

Mobility and Broadband Service Revenue

Mobility and broadband service revenue primarily includes revenue from mobility communication services, FWA broadband, Fios internet and other fiber-based services.

Mobility and broadband service revenue increased during both the three and six months ended June 30, 2026 compared to the similar periods in 2025.

The increase during the three months ended June 30, 2026 was primarily as a result of:
- an increase of $712 million in fiber broadband revenue primarily due to the inclusion of Frontier results;
- an increase of $193 million related to growth in non-retail service revenue;
- an increase of $94 million in prepaid revenue primarily due to growth in the customer base; and
- a decrease of $365 million in postpaid revenue primarily related to the amortization of wireless equipment sales promotions and acquisition related discounts, partially offset by higher adoption of perks, premium plan offerings and growth in FWA subscriber base.

The increase during the six months ended June 30, 2026 was primarily as a result of:
- an increase of $1.2 billion in fiber broadband revenue primarily due to the inclusion of Frontier results;
- an increase of $357 million related to growth in non-retail service revenue;
- an increase of $216 million in prepaid revenue primarily due to growth in the customer base; and
- a decrease of $779 million in postpaid revenue primarily related to the amortization of wireless equipment sales promotions, acquisition related discounts and credits provided to customers in connection with the network outage in the first quarter of 2026, partially offset by higher adoption of perks, premium plan offerings and growth in FWA subscriber base.

Wireless Equipment Revenue

Wireless equipment revenue includes revenue from a variety of smartphones and other handsets, wireless-enabled internet devices, such as tablets, and other wireless-enabled connected devices, such as smart watches.

Wireless equipment revenue decreased during both the three and six months ended June 30, 2026 compared to the similar periods in 2025.

The decrease during the three months ended June 30, 2026 was primarily due to a decrease of $1.1 billion driven by a lower volume of wireless devices sold primarily related to a strategic decrease in upgrades.

The decrease during the six months ended June 30, 2026 was primarily as a result of:
- a decrease of $1.0 billion driven by a lower volume of wireless devices sold primarily related to a strategic decrease in upgrades; and
- an increase of $110 million due to a shift to higher priced equipment in the mix of wireless devices sold.

Other Revenue

Other revenue primarily includes revenue from wireline products that provide legacy voice, video and data solutions, as well as broadband solutions over a traditional copper-based network. Other revenue also includes fees that partially recover the direct and indirect costs of complying with regulatory and industry obligations and programs, leasing and interest recognized when equipment is sold to the customer by an authorized agent under a device payment plan agreement.

Other revenue increased during both the three and six months ended June 30, 2026 compared to the similar periods in 2025 primarily due to an increase of $140 million and $273 million, respectively, in legacy wireline revenue related to the inclusion of Frontier results.

Operating Expenses

	Three Months Ended June 30,				Six Months Ended June 30,			
(dollars in millions)	**2026**	2025	**Increase/(Decrease)**		**2026**	2025	**Increase/(Decrease)**	
Cost of services	**$ 4,928**	$ 4,581	$ 347	7.6 %	**$ 9,748**	$ 9,155	$ 593	6.5 %
Cost of wireless equipment	**4,658**	5,806	(1,148)	(19.8)	**9,961**	10,718	(757)	(7.1)
Selling, general and administrative expense	**4,837**	5,036	(199)	(4.0)	**9,723**	10,201	(478)	(4.7)
Depreciation and amortization expense	**3,787**	3,582	205	5.7	**7,517**	7,125	392	5.5
Total Operating Expenses	**$ 18,210**	$ 19,005	$ (795)	(4.2)	**$ 36,949**	$ 37,199	$ (250)	(0.7)

Cost of Services

Cost of services increased during both the three and six months ended June 30, 2026 compared to the similar periods in 2025 primarily due to:

- an increase of $150 million and $264 million, respectively, in personnel costs mainly driven by an increase in employee headcount following the acquisition of Frontier;
- an increase of $111 million and $150 million, respectively, in digital content costs primarily associated with an increase in subscriptions through plan offerings and the inclusion of Frontier results, partially offset by a decrease in traditional linear content costs related to lower Fios video volumes; and
- an increase of $54 million and $125 million, respectively, in building and facility costs primarily due to maintaining additional buildings and facilities associated with the acquisition of Frontier in 2026 along with higher utility rates.

Cost of Wireless Equipment

Cost of wireless equipment decreased during both the three and six months ended June 30, 2026 compared to the similar periods in 2025.

The decrease during the three months ended June 30, 2026 was primarily due to a decrease of $1.1 billion driven by a lower volume of wireless devices sold primarily related to a strategic decrease in upgrades.

The decrease during the six months ended June 30, 2026 was primarily as a result of:

- a decrease of $991 million driven by a lower volume of wireless devices sold primarily related to a strategic decrease in upgrades; and
- an increase of $233 million due to a shift to higher priced equipment in the mix of wireless devices sold.

Selling, General and Administrative Expense

Selling, general and administrative expense decreased during both the three and six months ended June 30, 2026 compared to the similar periods in 2025 primarily as a result of:

- a decrease of $184 million and $441 million, respectively, in advertising costs related to various marketing campaigns in the first half of 2025 that did not reoccur;
- a decrease of $104 million and $127 million, respectively, in provision for credit losses primarily related to lower upgrade volumes; and
- an increase of $120 million and $178 million, respectively, in personnel costs mainly driven by an increase in commission expense due to higher volumes in our prepaid business, partially offset by workforce reduction initiatives.

Depreciation and Amortization Expense

Depreciation and amortization expense increased during both the three and six months ended June 30, 2026 compared to the similar periods in 2025 driven by the change in the mix of total Verizon depreciable and amortizable assets, including the impact of depreciable assets acquired as part of the Frontier acquisition, and Consumer's usage of those assets.

Segment Operating Income and Segment EBITDA

Segment earnings before interest, taxes, depreciation and amortization (Segment EBITDA) and Segment EBITDA margin are non-GAAP financial measures. We believe these measures are useful to management, investors and other users of our financial information in evaluating operating profitability on a more variable cost basis as they exclude the depreciation and amortization expense related primarily to capital expenditures and acquisitions, as well as because they are widely accepted financial measures used in evaluating the profitability of a company and its operating performance in relation to its competitors.

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.

	Three Months Ended June 30,			Six Months Ended June 30,		
(dollars in millions)	**2026**	2025	**Increase**	**2026**	2025	**Increase**
Segment Operating Income	**$ 8,032**	$ 7,643	$ 389 5.1 %	**$ 15,746**	$ 15,067	$ 679 4.5 %
Add Depreciation and amortization expense	**3,787**	3,582	205 5.7	**7,517**	7,125	392 5.5
Segment EBITDA	**$ 11,819**	$ 11,225	$ 594 5.3	**$ 23,263**	$ 22,192	$ 1,071 4.8
Segment operating income margin[1]	**30.6 %**	28.7 %		**29.9 %**	28.8 %	
Segment EBITDA margin	**45.0 %**	42.1 %		**44.1 %**	42.5 %	

(1) Segment operating income margin reflects the profitability of the segment as a percentage of revenue. Segment operating income margin is calculated by dividing total segment operating income by total segment operating revenues.

The changes in the table above during the three and six months ended June 30, 2026 compared to the similar periods in 2025 were primarily a result of the factors described in connection with Consumer operating revenues and operating expenses.

Verizon Business Group

Our Business segment provides wireless and wireline communication services and products, including mobility communication services, FWA and wireline broadband, IoT connectivity solutions, advanced communication services, corporate networking solutions, local and long distance voice services, and security and managed network services. We provide these products and services to businesses, public sector customers and wireless and wireline carriers across the U.S. and a subset of these products and services to customers around the world.

In the second quarter of 2026, the net assets representing the Verizon Contributed Business were classified as assets and liabilities held for sale and moved from the Business segment to Corporate and other. Where applicable, historical segment results have been reclassified to conform to the current period presentation. See Note 3 to the condensed consolidated financial statements for additional information.

Operating Revenues

	Three Months Ended June 30,		Increase/		Six Months Ended June 30,			
(dollars in millions)	**2026**	2025	**(Decrease)**		**2026**	2025	**Increase/(Decrease)**	
Mobility and broadband service	**$ 3,728**	$ 3,733	$ (5)	(0.1)%	**$ 7,416**	$ 7,450	$ (34)	(0.5) %
Wireless equipment	**846**	886	(40)	(4.5)	**1,703**	1,752	(49)	(2.8)
Other	**2,581**	2,354	227	9.6	**5,166**	4,773	393	8.2
Total Operating Revenues	**$ 7,155**	$ 6,973	$ 182	2.6	**$ 14,285**	$ 13,975	$ 310	2.2

Certain intersegment transactions with corporate entities have not been eliminated.

Business's total operating revenues increased during both the three and six months ended June 30, 2026 compared to the similar periods in 2025 as a result of an increase in Other revenue, partially offset by decreases in Wireless equipment revenue and Mobility and broadband service revenue.

Mobility and Broadband Service Revenue

Mobility and broadband service revenue primarily includes revenue from mobility communication services, FWA broadband, Fios internet and other fiber-based services.

Mobility and broadband service revenue decreased during both the three and six months ended June 30, 2026 compared to the similar periods in 2025 primarily as a result of:

- a decrease of $75 million and $155 million, respectively, in postpaid service revenue primarily due to a shift toward lower-tier plans among new customers and the amortization of wireless equipment sales promotions. These decreases were partially offset by FWA subscriber growth and strategic pricing adjustments for existing customers; and
- an increase of $60 million and $105 million, respectively, in fiber broadband revenue primarily due to the inclusion of Frontier results.

Wireless Equipment Revenue

Wireless equipment revenue includes revenue from a variety of smartphones and other handsets, wireless-enabled internet devices, such as tablets, and other wireless-enabled connected devices, such as smart watches.

Wireless equipment revenue remained relatively flat during both the three and six months ended June 30, 2026 compared to the similar periods in 2025.

Other Revenue

Other revenue primarily includes revenue from wireline products that provide legacy voice, video and data solutions, as well as broadband solutions over a traditional copper-based network. Other revenue also includes fees that partially recover the direct and indirect costs of complying with regulatory and industry obligations and programs, leasing and interest recognized when equipment is sold to the customer by an authorized agent under a device payment plan agreement.

Other revenue increased during both the three and six months ended June 30, 2026 compared to the similar periods in 2025 primarily due to an increase of $277 million and $494 million, respectively, in legacy wireline revenue related to the inclusion of Frontier results.

Operating Expenses

	Three Months Ended June 30,				Six Months Ended June 30,			
(dollars in millions)	**2026**	2025	**Increase/(Decrease)**		**2026**	2025	**Increase/(Decrease)**	
Cost of services	**$ 2,023**	$ 2,060	$ (37)	(1.8) %	**$ 4,140**	$ 4,214	$ (74)	(1.8) %
Cost of wireless equipment	**1,203**	1,201	2	0.2	**2,405**	2,395	10	0.4
Selling, general and administrative expense	**1,847**	1,990	(143)	(7.2)	**3,653**	3,909	(256)	(6.5)
Depreciation and amortization expense	**1,091**	998	93	9.3	**2,140**	1,987	153	7.7
Total Operating Expenses	**$ 6,164**	$ 6,249	$ (85)	(1.4)	**$ 12,338**	$ 12,505	$ (167)	(1.3)

Cost of Services

Cost of services decreased during both the three and six months ended June 30, 2026 compared to the similar periods in 2025 primarily as a result of:

- a decrease of $121 million and $210 million, respectively, in access costs primarily related to cessation of certain third-party provider costs along with a decrease in circuit usage; and
- an increase of $54 million and $100 million, respectively, in personnel costs associated with third-party contracted resources.

Cost of Wireless Equipment

Cost of wireless equipment remained relatively flat during both the three and six months ended June 30, 2026 compared to the similar periods in 2025.

Selling, General and Administrative Expense

Selling, general and administrative expense decreased during both the three and six months ended June 30, 2026 compared to the similar periods in 2025 primarily due to a decrease of $139 million and $294 million, respectively, in personnel costs related to workforce reduction initiatives.

Depreciation and Amortization Expense

Depreciation and amortization expense increased during both the three and six months ended June 30, 2026 compared to the similar periods in 2025 driven by the change in the mix of total Verizon depreciable and amortizable assets, including the impact of depreciable assets acquired as part of the Frontier acquisition, and Business's usage of those assets.

Segment Operating Income and Segment EBITDA

Segment EBITDA and Segment EBITDA margin are non-GAAP financial measures. See “Segment Results of Operations — Verizon Consumer Group — Segment Operating Income and Segment EBITDA” for additional details.

(dollars in millions)	Three Months Ended June 30, 2026	2025	Increase		Six Months Ended June 30, 2026	2025	Increase	
Segment Operating Income	**$ 991**	$ 724	$ 267	36.9 %	**$ 1,947**	$ 1,470	$ 477	32.4 %
Add Depreciation and amortization expense	**1,091**	998	93	9.3	**2,140**	1,987	153	7.7
Segment EBITDA	**$ 2,082**	$ 1,722	$ 360	20.9	**$ 4,087**	$ 3,457	$ 630	18.2
Segment operating income margin[1]	**13.9 %**	10.4 %			**13.6 %**	10.5 %		
Segment EBITDA margin	**29.1 %**	24.7 %			**28.6 %**	24.7 %		

(1) Segment operating income margin reflects the profitability of the segment as a percentage of revenue. Segment operating income margin is calculated by dividing total segment operating income by total segment operating revenues.

The changes in the table above during the three and six months ended June 30, 2026 compared to the similar periods in 2025 were primarily a result of the factors described in connection with Business operating revenues and operating expenses.

Special Items

Special items included in Income Before Provision For Income Taxes were as follows:

(dollars in millions)	Three Months Ended June 30, 2026	2025	Six Months Ended June 30, 2026	2025
Amortization of acquisition-related intangible assets[1]				
Depreciation and amortization expense	**$ 274**	$ 192	**$ 514**	$ 382
Severance, pension and benefits charges				
Selling, general and administrative expense	**397**	—	**397**	—
Other (income) expense, net	**—**	—	**(237)**	—
Acquisition and integration related charges				
Selling, general and administrative expense	**135**	—	**396**	—
Asset rationalization				
Cost of Services	**58**	—	**58**	—
Selling, general and administrative expense	**200**	—	**200**	—
Loss on disposition of business				
Selling, general and administrative expense	**746**	—	**746**	—
Total	**$ 1,810**	$ 192	**$ 2,074**	$ 382

(1) Amounts are included in segment results of operations.

Consolidated Adjusted EBITDA, a non-GAAP measure discussed in the section titled "Consolidated Net Income, Consolidated EBITDA and Consolidated Adjusted EBITDA" as part of Consolidated Results of Operations, excludes all of the amounts included above.

The income and expenses related to special items included in our condensed consolidated results of operations were as follows:

(dollars in millions)	Three Months Ended June 30, 2026	2025	Six Months Ended June 30, 2026	2025
Within Total Operating Expenses	**1,810**	$ 192	**$ 2,311**	$ 382
Within Other income, net	**—**	—	**(237)**	**—**
Total	**$ 1,810**	$ 192	**$ 2,074**	$ 382

Amortization of Acquisition-Related Intangible Assets

During the three and six months ended June 30, 2026, we recorded pre-tax amortization expense of $274 million and $514 million, respectively, related to acquired intangible assets.

During the three and six months ended June 30, 2025, we recorded pre-tax amortization expense of $192 million and $382 million, respectively, related to acquired intangible assets.

Severance, Pension and Benefits Charges

During the three and six months ended June 30, 2026, we recorded pre-tax severance charges of $397 million, exclusive of acquisition related severance charges, principally as a result of separations in connection with our workforce reduction initiatives. The severance charges were recorded in Selling, general and administrative expense in our condensed consolidated statements of income.

During the six months ended June 30, 2026, we recorded a net pre-tax pension and benefits remeasurement gain of $237 million in certain pension and postretirement benefit plans resulting from amendments to our collective bargaining agreements. This was primarily driven by a credit of $412 million due to an increase in our discount rate assumption used to determine the current year liabilities of certain pension and postretirement benefit plans, partially offset by a charge of $175 million primarily resulting from the difference between our estimated and our actual return on certain pension plan assets.

Acquisition and Integration Related Charges

During the three and six months ended June 30, 2026, we recorded charges of $135 million and $396 million, respectively, inclusive of acquisition related severance charges, related to transaction and integration expenses primarily associated with the acquisition of Frontier.

Asset Rationalization

During both the three and six months ended June 30, 2026, we recorded pre-tax asset rationalization charges of $258 million predominately related to the decision to cease use of certain real estate and network assets as part of our transformation initiatives.

Loss on Disposition of Business

During both the three and six months ended June 30, 2026, we recorded a pre-tax loss on disposition of business of $746 million in connection with the classification of the assets and liabilities representing the Verizon Contributed Business as assets and liabilities held for sale. Pursuant to the Transaction Agreement, dated as of June 28, 2026, the Verizon Contributed Business is expected to be contributed to a joint venture with BT. See Note 3 to the condensed consolidated financial statements for additional information on the transaction.

Consolidated Financial Condition

	Six Months Ended June 30,		
(dollars in millions)	**2026**	2025	**Change**
Cash Flows Provided By (Used In)			
Operating activities	**$ 18,419**	$ 16,757	$ 1,662
Investing activities	**(18,500)**	(7,190)	(11,310)
Financing activities	**(17,114)**	(10,271)	(6,843)
Decrease in cash, cash equivalents and restricted cash	**$ (17,195)**	$ (704)	$ (16,491)

We use the net cash generated from our operations to invest in new businesses and spectrum, fund expansion and modernization of our networks, pay dividends, service and repay external financing and, when appropriate, buy back shares of our outstanding common stock. Our sources of funds, primarily from operations and, to the extent necessary, from external financing arrangements, are sufficient to meet ongoing operating and investing requirements over the next 12 months and beyond.

Our cash and cash equivalents are held both domestically and internationally, and are invested to maintain principal and provide liquidity. See "Change In Cash, Cash Equivalents and Restricted Cash" for additional information regarding the changes in our cash balances. See "Market Risk" for additional information regarding our foreign currency risk management strategies.

We expect that our capital spending requirements will continue to be financed primarily through internally generated funds. Debt or equity financing may be needed to fund additional investments or development activities, or to maintain an appropriate capital structure to ensure our financial flexibility. Our external financing arrangements include credit facilities and other bank lines of credit, an active commercial paper program, vendor financing arrangements, issuances of registered debt or equity securities, U.S. retail medium-term notes and other securities that are privately-placed or offered overseas. In addition, we monetize certain receivables through asset-backed debt transactions.

Cash Flows Provided By Operating Activities

Our primary source of funds continues to be cash generated from operations. Net cash provided by operating activities increased $1.7 billion during the six months ended June 30, 2026 compared to the similar period in 2025. The increase is primarily

attributable to the timing of cash tax payments as a result of the One Big Beautiful Bill legislation and working capital benefits primarily related to lower upgrade volumes, partially offset by a decrease in earnings.

Cash Flows Used In Investing Activities

Capital Expenditures

Capital expenditures continue to relate primarily to the use of capital resources to enhance the operating efficiency and productivity of our networks, maintain our existing infrastructure, facilitate the introduction of new products and services and enhance responsiveness to competitive challenges.

Capital expenditures, including capitalized software, for the six months ended June 30, 2026 and 2025 were $8.2 billion and $8.0 billion, respectively. Capital expenditures increased $257 million during the six months ended June 30, 2026 compared to the similar period in 2025 primarily due to fiber and wireless network infrastructure investments.

Acquisitions of Businesses, Net of Cash Acquired

During the six months ended June 30, 2026, we invested $9.5 billion in acquisitions of businesses, net of cash acquired.

In January 2026, we completed the acquisition of Frontier, a U.S. provider of broadband internet and other communication services. The aggregate cash consideration paid by Verizon at the closing of the transaction was approximately $9.4 billion, net of cash acquired.

See "Acquisitions and Divestitures" for information on our acquisitions.

Acquisitions of Wireless Licenses

During the six months ended June 30, 2026, we completed the acquisition of select spectrum licenses of United States Cellular Corporation (currently known as Array Digital Infrastructure, Inc.) and certain of its subsidiaries (collectively, UScellular) for total cash consideration of $1.0 billion.

During the six months ended June 30, 2026 and 2025, we recorded capitalized interest related to wireless licenses of $154 million and $234 million, respectively.

Cash Flows Used In Financing Activities

We seek to maintain a mix of fixed and variable rate debt to lower borrowing costs within reasonable risk parameters and to protect against earnings and cash flow volatility resulting from changes in market conditions. During the six months ended June 30, 2026, net cash used in financing activities was $17.1 billion. During the six months ended June 30, 2025, net cash used in financing activities was $10.3 billion.

During the six months ended June 30, 2026, our net cash used in financing activities was primarily driven by repayments, redemptions and repurchases of long-term borrowings and finance lease obligations of $14.4 billion, repayments of asset-backed long-term borrowings of $13.9 billion, cash dividends paid of $5.9 billion and payments to purchase shares of our common stock of $3.5 billion. The repayments during the six months ended June 30, 2026 included approximately $12.4 billion for the principal amount of debt assumed as a part of the acquisition of Frontier. These payments were partially offset by proceeds from asset-backed long-term borrowings of $12.0 billion and proceeds from long-term borrowings of $9.9 billion.

At June 30, 2026, our total debt of $165.2 billion included unsecured debt of $136.5 billion and secured debt of $28.8 billion. At December 31, 2025, our total debt of $158.2 billion included unsecured debt of $131.1 billion and secured debt of $27.1 billion. During the six months ended June 30, 2026 and 2025, our effective interest rate was 5.0% and 5.1%, respectively. See Note 5 to the condensed consolidated financial statements for additional information regarding our debt activity, which excludes the impact from mark-to-market adjustments on foreign currency denominated debt.

Verizon may acquire debt securities issued by Verizon and its affiliates through open market purchases, redemptions, privately negotiated transactions, tender offers, exchange offers, or otherwise, upon such terms and at such prices as Verizon may from time to time determine, for cash or other consideration.

Asset-Backed Debt

Cash collections on the receivables and on the underlying receivables related to the participation interest collateralizing our asset-backed notes issued to third-party investors and loans received from banks and their conduit facilities are required at certain specified times to be placed into segregated accounts. Deposits to the segregated accounts are considered restricted cash and are included in Prepaid expenses and other and Other assets in our condensed consolidated balance sheets.

Proceeds from our asset-backed debt transactions are reflected in Cash flows from financing activities in our condensed consolidated statements of cash flows. The asset-backed debt issued is included in Debt maturing within one year and Long-term debt in our condensed consolidated balance sheets.

See Note 5 to the condensed consolidated financial statements for additional information.

Long-Term Credit Facilities

			At June 30, 2026	
(dollars in millions)	Maturities	Facility Capacity	Unused Capacity	Principal Amount Outstanding
Verizon revolving credit facility[1]	2028	$ 12,000	$ 11,976	$ —
Various export credit facilities[2]	2026 - 2033	11,950	85	5,718
Total		$ 23,950	$ 12,061	$ 5,718

[1] The revolving credit facility does not require us to comply with financial covenants or maintain specified credit ratings, and it permits us to borrow even if our business has incurred a material adverse change. The revolving credit facility provides for the issuance of letters of credit. As of June 30, 2026, there have been no drawings against the revolving credit facility since its inception.

[2] During the six months ended June 30, 2026, we drew down approximately $1.6 billion. During the six months ended June 30, 2025, there were no drawings from these facilities. Borrowings under certain of these facilities are repaid semi-annually in equal installments up to the applicable maturity dates. Maturities reflect maturity dates of principal amounts outstanding. Any amounts borrowed under these facilities and subsequently repaid cannot be reborrowed.

Other, Net

Other, net cash flow from financing activities during the six months ended June 30, 2026 includes $983 million in payments related to vendor financing arrangements, $279 million in payments related to tax withholding of employee share based arrangements, $254 million in payments made under the sublease arrangement for our cell towers and $217 million in equity distribution payments made for controlled entities. These payments were partially offset by $358 million in advance proceeds received from the variable prepaid forward entered into in 2026.

Dividends

As in prior periods, dividend payments were a significant use of capital resources. We paid $5.9 billion and $5.7 billion in cash dividends during the six months ended June 30, 2026 and 2025, respectively.

Common Stock

On January 30, 2026, the Board of Directors of the Company authorized a share repurchase program for up to $25 billion of our common stock. The program will terminate when the aggregate consideration paid to purchase shares of our common stock reaches $25 billion, exclusive of any fees, commissions or other expenses, or a new share repurchase plan superseding the current plan is authorized, whichever is sooner. Under the program, shares may be repurchased in privately negotiated transactions, on the open market, or otherwise, including through plans complying with Rule 10b5-1 or Rule 10b-18 under the Exchange Act. The timing and number of shares purchased under the program, if any, will depend on prevailing stock prices, general economic and market conditions, and other considerations. The share repurchase program does not obligate us to acquire any particular amount of common stock, and the program may be suspended or discontinued at any time at our discretion.

In February 2026, we entered into accelerated share repurchase (ASR) agreements with certain financial institution counterparties to repurchase shares of our common stock in exchange for an upfront payment of $2.5 billion and received an initial delivery of 45,116,772 shares of common stock using a reference price of $47.10. In March 2026, these ASR transactions were completed, and we received an additional 5,641,251 shares. This resulted in a total of 50,758,023 shares repurchased under the ASR agreements at an average repurchase price of $49.25, not including related excise tax.

In April 2026, we entered into an ASR agreement with a certain financial institution counterparty to repurchase shares of our common stock in exchange for an upfront payment of $1.0 billion and received an initial delivery of 17,993,226 shares of common stock using a reference price of $47.24. In June 2026, the ASR transaction was completed, and we received an additional 3,296,217 shares. This resulted in a total of 21,289,443 shares repurchased under the ASR agreement at an average repurchase price of $46.97, not including related excise tax. For the six months ended June 30, 2026, we repurchased a total of 72,047,466 shares for an aggregate payment of $3.5 billion. All shares received under the ASR agreements were excluded from the outstanding shares used to calculate the weighted average common shares outstanding for basic and diluted earnings per share from the date the respective shares were received by the Company and classified as treasury shares. At June 30, 2026, the maximum remaining aggregate consideration that could be paid by or on behalf of Verizon under our share repurchase program was $21.5 billion. For the full year 2026, our share repurchase target has been increased from $3.0 billion to up to $4.5 billion.

Covenants

Our debt agreements contain covenants that are typical for large, investment grade companies. These covenants include requirements to pay interest and principal in a timely fashion, pay taxes, maintain insurance with responsible and reputable insurance companies, preserve our corporate existence, keep appropriate books and records of financial transactions, maintain our properties, provide financial and other reports to our lenders, limit pledging and disposition of assets and mergers and consolidations, and other similar covenants.

We and our consolidated subsidiaries are in compliance with all of our restrictive covenants in our debt agreements.

Change In Cash, Cash Equivalents and Restricted Cash

Our Cash and cash equivalents at June 30, 2026 totaled $1.8 billion, a $17.3 billion decrease compared to December 31, 2025, primarily as a result of the factors discussed above.

Restricted cash totaled $302 million and $451 million as of June 30, 2026 and December 31, 2025, respectively, primarily related to cash collections on certain receivables and on the underlying receivables related to the participation interest that are required at certain specified times to be placed into segregated accounts.

As of June 30, 2026, we classified $250 million of cash and cash equivalents as assets held for sale relating to the Verizon Contributed Business. See Note 3 to the condensed consolidated financial statements for additional information.

Free Cash Flow

Free cash flow is a non-GAAP financial measure that reflects an additional way of viewing our liquidity that, we believe, when viewed with our GAAP results, provides management, investors and other users of our financial information with a more complete understanding of factors and trends affecting our cash flows. Free cash flow is calculated by subtracting capital expenditures (including capitalized software) from net cash provided by operating activities. We believe it is a more conservative measure of cash flow since capital expenditures are necessary for ongoing operations. Free cash flow has limitations due to the fact that it does not represent the residual cash flow available for discretionary expenditures. For example, free cash flow does not incorporate payments made on finance lease obligations or cash payments for business acquisitions or wireless licenses. Therefore, we believe it is important to view free cash flow as a complement to our entire condensed consolidated statements of cash flows.

The following table reconciles net cash provided by operating activities to free cash flow:

	Six Months Ended June 30,		
(dollars in millions)	**2026**	2025	**Change**
Net cash provided by operating activities	**$ 18,419**	$ 16,757	$ 1,662
Less Capital expenditures (including capitalized software)	**8,210**	7,953	257
Free cash flow	**$ 10,209**	$ 8,804	$ 1,405

The increase in free cash flow during the six months ended June 30, 2026 compared to the similar period in 2025 is a reflection of the increase in operating cash flows, partially offset by the increase in capital expenditures, both of which are discussed above.

Market Risk

We are exposed to various types of market risk in the normal course of business, including the impact of interest rate changes, foreign currency exchange rate fluctuations, changes in investment, equity and commodity prices and changes in corporate tax rates. We employ risk management strategies, which may include the use of a variety of derivatives including interest rate swaps, cross currency swaps, forward starting interest rate swaps, treasury rate locks, interest rate caps and foreign exchange forwards. We do not hold derivatives for trading purposes.

It is our general policy to enter into interest rate, foreign currency and other derivative transactions only to the extent necessary to achieve our desired objectives in optimizing exposure to various market risks. Our objectives include maintaining a mix of fixed and variable rate debt to lower borrowing costs within reasonable risk parameters and to protect against earnings and cash flow volatility resulting from changes in market conditions. We do not hedge our market risk exposure in a manner that would completely eliminate the effect of changes in interest rates and foreign exchange rates on our earnings.

Counterparties to our derivative contracts are major financial institutions with whom we have negotiated derivatives agreements (International Swaps and Derivatives Association master agreements) and credit support annex (CSA) agreements which provide rules for collateral exchange. The CSA agreements contain fixed cap amounts or rating based thresholds such that we or our counterparties may be required to hold or post collateral based upon changes in outstanding positions as compared to established thresholds or caps and changes in credit ratings. We do not offset fair value amounts recognized for derivative instruments and fair value amounts recognized for the right to reclaim cash collateral or the obligation to return cash collateral

arising from derivative instruments recognized at fair value. At both June 30, 2026 and December 31, 2025, we did not hold any collateral. At both June 30, 2026 and December 31, 2025, we posted $1.1 billion of collateral related to derivative contracts under collateral exchange agreements, which were recorded as Prepaid expenses and other in our condensed consolidated balance sheets. While we may be exposed to credit losses due to the nonperformance of our counterparties, we consider the risk remote and do not expect that any such nonperformance would result in a significant effect on our results of operations or financial condition due to our diversified pool of counterparties. See Note 7 to the condensed consolidated financial statements for additional information regarding the derivative portfolio.

Interest Rate Risk

We are exposed to changes in interest rates, primarily on our short-term debt and the portion of long-term debt that carries floating interest rates. As of June 30, 2026, approximately 76% of the aggregate principal amount of our total debt portfolio consisted of fixed-rate indebtedness, including the effect of interest rate swap agreements designated as hedges. The impact of a 100-basis-point change in interest rates affecting our floating rate debt would result in a change in annual interest expense, including our interest rate swap agreements that are designated as hedges, of approximately $412 million. The interest rates on our existing long-term debt obligations are unaffected by changes to our credit ratings.

Interest Rate Swaps

We enter into interest rate swaps to achieve a targeted mix of fixed and variable rate debt. We principally receive fixed rates and pay variable rates, resulting in a net increase or decrease to Interest expense. These swaps are designated as fair value hedges and hedge against interest rate risk exposure of designated debt issuances. At June 30, 2026 and December 31, 2025, the fair value of the liability of these contracts was $5.2 billion and $5.1 billion, respectively. At both June 30, 2026 and December 31, 2025, the total notional amount of the interest rate swaps was $23.7 billion.

Foreign Currency Risk

The functional currency for our foreign operations is primarily the local currency. The translation of income statement and balance sheet amounts of our foreign operations into U.S. dollars is recorded as cumulative translation adjustments, which are included in Accumulated other comprehensive loss in our condensed consolidated balance sheets. Gains and losses on foreign currency transactions are recorded in the condensed consolidated statements of income. At June 30, 2026, our primary translation exposure was to the British Pound Sterling, Euro, Australian Dollar and Swedish Krona.

Cross Currency Swaps

We have entered into cross currency swaps to exchange our British Pound Sterling, Euro, Swiss Franc, Canadian Dollar and Australian Dollar-denominated cash flows into U.S. dollars and to fix our cash payments in U.S. dollars, as well as to mitigate the impact of foreign currency transaction gains or losses. At June 30, 2026 and December 31, 2025, the fair value of the asset of these contracts was $1.2 billion and $1.4 billion, respectively. At June 30, 2026 and December 31, 2025, the fair value of the liability of these contracts was $1.4 billion and $1.2 billion, respectively. At June 30, 2026 and December 31, 2025, the total notional amount of the cross currency swaps was $40.2 billion and $36.1 billion, respectively.

Foreign Exchange Forwards

We also have foreign exchange forwards which we use as an economic hedge but for which we have elected not to apply hedge accounting. We entered into Euro foreign exchange forwards to mitigate our foreign exchange rate risk related to non-functional currency denominated monetary assets and liabilities of international subsidiaries. At both June 30, 2026 and December 31, 2025, the fair value of the asset and liability of these contracts was insignificant. At June 30, 2026 and December 31, 2025, the total notional amount of the foreign exchange forwards was $600 million and $570 million, respectively.

Acquisitions and Divestitures

Spectrum License Transactions

From time to time, we enter into agreements to buy, sell or exchange spectrum licenses. We believe these spectrum license transactions have allowed us to continue to enhance the reliability of our wireless network while also resulting in a more efficient use of spectrum.

On October 17, 2024, Verizon entered into a license purchase agreement to acquire select spectrum licenses of UScellular. On June 1, 2026, we completed the acquisition of the spectrum licenses for total cash consideration of $1.0 billion.

In June 2026, the Federal Communications Commission (FCC) concluded Auction 113 for Advanced Wireless Services (AWS-3) licenses. Verizon paid an immaterial cash deposit to participate in the auction, and was the winning bidder on 82 spectrum licenses valued at approximately $3.2 billion. In July 2026, we made additional payments totaling $3.1 billion in connection with these licenses. The timing of the license issuance remains subject to FCC determination.

Joint Venture with BT Group plc

On June 28, 2026, the Company entered into the Transaction Agreement with BT and NewCo, pursuant to which, the Company and BT will each acquire a 50% equity interest in NewCo.

As consideration, the Company will contribute the equity interests of certain subsidiaries comprising the Verizon Contributed Business and make a $625 million cash payment to NewCo, which NewCo will distribute to BT. BT will contribute the equity interests of certain subsidiaries comprising its international wireline connectivity and managed network services business (the BT Contributed Business) to NewCo.

The relative values of the Verizon Contributed Business and the BT Contributed Business are subject to customary post-closing adjustments based on the levels of cash, net working capital, and indebtedness of each business at closing.

The Transaction Agreement contemplates the entry into a joint venture agreement between the Company, BT and NewCo in respect of the governance of NewCo, as well as certain ancillary commercial agreements and transition services arrangements. Closing of the transaction is subject to customary regulatory approvals and other closing conditions.

Frontier Communications Parent, Inc.

On January 20, 2026 (the Acquisition Date), we completed the acquisition of Frontier, a U.S. provider of broadband internet and other communication services, expanding our fiber broadband footprint to 31 U.S. states and Washington D.C. Pursuant to the Agreement and Plan of Merger, dated September 4, 2024, the Company's subsidiary merged with and into Frontier, with Frontier surviving such merger as a wholly owned subsidiary of the Company. At the effective time of the merger, each share of Frontier common stock issued and outstanding immediately prior to such time (subject to certain limited exceptions) was cancelled and converted into the right to receive an amount in cash equal to $38.50 per share, without interest. At the Acquisition Date, Verizon paid approximately $9.8 billion in cash, inclusive of cash acquired of $335 million, and assumed approximately $12.9 billion of Frontier's debt measured at fair value.

Other

On January 30, 2026, Verizon completed the acquisition of Starry Group Holdings, Inc. (Starry), a fixed wireless broadband provider serving multi-dwelling units in five markets across the U.S. The aggregate cash consideration paid by Verizon at the closing of the transaction and the related assets acquired and liabilities assumed were immaterial.

Business Acquisitions

The financial results of Frontier and Starry are included in the Company's consolidated results from January 20, 2026 and January 30, 2026, respectively. The aggregate operating revenues arising from these acquisitions and included in our condensed consolidated statements of income amounted to less than 5% of total operating revenues for both the three and six months ended June 30, 2026.

See Note 3 to the condensed consolidated financial statements for additional information.

Cautionary Statement Concerning Forward-Looking Statements

In this report 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," "will" 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 elsewhere in this report and in other filings with the Securities and Exchange Commission (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, network performance and quality, 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;
- 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;
- changes to international trade and tariff policies and related economic and other impacts;
- cyberattacks impacting our networks or systems and any resulting financial or reputational impact;
- our ability to implement business transformation initiatives and achieve their anticipated benefits;
- system failures and disruptions to our networks and operations and any resulting financial, reputational or business impact;
- disruption of our key suppliers' or vendors' provisioning of products or services, including as a result of geopolitical factors, public health crises, natural disasters or extreme weather conditions;
- material adverse changes in labor matters and any resulting financial or operational impact;
- damage to our reputation or brands;
- 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;
- significant amount of outstanding debt;
- 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;
- our ability to return capital to shareholders, including the amount, timing, and effect of share repurchases and dividends; and
- risks associated with mergers, acquisitions, divestitures and other strategic transactions, including our ability to obtain cost savings and other synergies and anticipated benefits of completed transactions within the expected time period or at all.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Information relating to market risk is included in Item 2, Management's Discussion and Analysis of Financial Condition and Results of Operations under the caption "Market Risk."

Item 4. Controls and Procedures

Our Chief Executive Officer and Chief Financial Officer have evaluated the effectiveness of the registrant's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934), as of the end of the period covered by this quarterly report, that ensure that information relating to the registrant which is required to be disclosed in this report is recorded, processed, summarized and reported within required time periods using the criteria for effective internal control established in Internal Control–Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission in 2013. Based on this evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that the registrant's disclosure controls and procedures were effective as of June 30, 2026.

In the ordinary course of business, we routinely review our system of internal control over financial reporting and make changes to our systems and processes that are intended to ensure an effective internal control environment.

There were no changes in the Verizon's internal control over financial reporting during the second quarter of 2026 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Part II – Other Information

Item 1. Legal Proceedings

In the ordinary course of business, Verizon is involved in various litigation and regulatory proceedings at the state and federal level. As of the date of this report, we do not believe that any pending legal proceedings to which we or our subsidiaries are subject are required to be disclosed as material legal proceedings pursuant to this item. We apply a threshold of $1.0 million for purposes of disclosing administrative and judicial environmental proceedings involving a governmental authority, if any, pursuant to Item 103(c)(3)(iii) of Regulation S-K. For a discussion of our litigation risks, refer to Item 1A Risk Factors in our Annual Report on Form 10-K for the year ended December 31, 2025.

See Note 12 to the condensed consolidated financial statements for additional information regarding legal proceedings.

Item 1A. Risk Factors

There have been no material changes to our risk factors as previously disclosed in Part I, Item 1A included in our Annual Report on Form 10-K for the year ended December 31, 2025.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Issuer Purchases of Equity Securities

The following table provides information about Verizon's share repurchase activity for the quarter ended June 30, 2026:

Period	Total number of shares purchased	Average price paid per share	Total number of shares purchased as part of publicly announced plans or programs[1]	Approximate dollar value of shares that may yet be purchased under the plans or programs[1]
April 1 - 30	17,993,226	$ [2]	17,993,226	$ 21,500,000,000
May 1 - 31	—	—	—	21,500,000,000
June 1 - 30	3,296,217	[2]	3,296,217	21,500,000,000
Total	21,289,443	$ 46.97 [2]	21,289,443	$ 21,500,000,000

[1] On January 30, 2026, the Board of Directors of the Company authorized a share repurchase program for up to $25 billion of our common stock. The program will terminate when the aggregate consideration paid to purchase shares of our common stock reaches $25 billion, exclusive of any fees, commissions or other expenses, or a new share repurchase plan superseding the current plan is authorized, whichever is sooner. Under the program, shares may be repurchased in privately negotiated transactions, on the open market, or otherwise, including through plans complying with Rule 10b5-1 or Rule 10b-18 under the Exchange Act. The timing and number of shares purchased under the program, if any, will depend on prevailing stock prices, general economic and market conditions, and other considerations. The share repurchase program does not obligate us to acquire any particular amount of common stock, and the program may be suspended or discontinued at any time at our discretion.

[2] In April 2026, we entered into an ASR agreement with a certain financial institution counterparty to repurchase shares of our common stock in exchange for an upfront payment of $1.0 billion and received an initial delivery of 17,993,226 shares of common stock using a reference price of $47.24. In June 2026, the ASR transaction was completed, and we received an additional 3,296,217 shares. This resulted in a total of 21,289,443 shares repurchased under the ASR agreement at an average repurchase price of $46.97, not including related excise tax. Shares received under the ASR agreement were excluded from the outstanding shares used to calculate the weighted average common shares outstanding for basic and diluted earnings per share from the date the respective shares were received by the Company and classified as treasury shares.

Item 5. Other Information

On May 19, 2026, Kyle Malady, Executive Vice President and Group CEO - Verizon Business, adopted a trading plan intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) under the Exchange Act. The trading plan provides for the sale of a total of 16,500 shares of the Company's common stock over a period of 15 weeks. The trading plan will terminate on January 28, 2027, subject to early termination in accordance with its terms.

Other than as described above, during the three months ended June 30, 2026, none of our directors or officers (as defined in Rule 16a-1(f) under the Exchange Act) adopted or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408 of Regulation S-K.

Item 6. Exhibits

Exhibit Number	Description
10a	Form of 2026 Performance Stock Unit Agreement pursuant to the 2017 Verizon Communications Inc. Long-Term Incentive Plan.*
10b	Form of 2026 Restricted Stock Unit Agreement pursuant to the 2017 Verizon Communications Inc. Long-Term Incentive Plan.*
10c	Verizon Communications Inc. Long-Term Incentive Plan CEO Performance Stock Unit Agreement, dated as of April 1, 2026.*
10d	2026 Verizon Communications Inc. Long-Term Incentive Plan.*
31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	XBRL Instance Document - the instance document does not appear in the interactive data file because its XBRL tags are embedded within the inline XBRL document.
101.SCH	XBRL Taxonomy Extension Schema Document.
101.PRE	XBRL Taxonomy Presentation Linkbase Document.
101.CAL	XBRL Taxonomy Calculation Linkbase Document.
101.LAB	XBRL Taxonomy Label Linkbase Document.
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document.
104	Cover Page Interactive Data File (formatted as inline XBRL with applicable taxonomy extension information contained in Exhibits 101).
*	Indicates management contract or compensatory plan or arrangement.

Pursuant to Regulation S-K, Item 601(b)(4)(iii)(A), certain instruments which define the rights of holders of long-term debt of Verizon Communications Inc. and its consolidated subsidiaries are not filed herewith, and the Company hereby agrees to furnish a copy of any such instrument to the SEC upon request.

Signature

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

VERIZON COMMUNICATIONS INC.

Date: July 31, 2026

By: /s/ Mary-Lee Stillwell
Mary-Lee Stillwell
Senior Vice President and Controller
(Principal Accounting Officer)