

Cash Assets Other 2605 35654 **Current Assets** 37857 36814 40641 Accts Payable Debt Due 23453 22222 23977 21763 9963 12973 16231 17831 Current Liab. 50171 53223 61816

ANNUAL RATES Past Est'd '21-'23 Past 10 Yrs. to '27-'29 of change (per sh) 5 Yrs. .5% 2.0% 4.5% 2.0% -1.0% 2.0% Revenues 'Cash Flow' 2.0% 6.0% Nil .5% 2.5% 4.0% Earnings Dividends Book Value 16.5%

Cal- endar	QUAR Mar.31	TERLY RE Jun.30	VENUES (Sep.30	\$ mill.) Dec.31	Full Year
2021	32867	33764	32915	34067	133613
2022	33554	33789	34241	35251	136835
2023	32912	32596	33336	35130	133974
2024	32981	32796	33330	35493	134600
2025	33500	33500	34200	35800	137000
Cal-	EARNINGS PER SHARE A Ful				
endar	Mar.31	Jun.30	Sep.30	Dec.31	Year
2021	1.31	1.37	1.41	1.30	5.39
2022	1.35	1.31	1.32	1.20	5.18
2023	1.20	1.21	1.22	1.08	4.71
2024	1.15	1.15	1.19	1.11	4.60
2025	1.17	1.17	1.23	1.13	4.70
Cal-	QUARTERLY DIVIDENDS PAID B■				Full
endar	Mar.31	Jun.30	Sep.30	Dec.31	Year
2020	.615	.615	.615	.6275	2.47
2021	.6275	5 .6274	4 .6275	.64	2.52
2022	.64	.64	.64	.6525	2.57
2023	.6525	.6525	.6525	.6650	2.62
2024	.6650	.6650	.6650	.6775	1
I	1				1

(A) Based on diluted shares. Next earnings report due Jan. 24th. (B) Div'd paid in early Feb., May, Aug. & Nov. ■ Div'd reinv. plan avail. (C) In mill.

BUSINESS: Verizon Communications was created by the merger of Bell Atlantic and GTE in June of 2000. It is a diversified telecom company with a network that covers a population of about 298 million and provides service to nearly 98.2 million. Acquired MCI, 1/06; Alltel, 1/09; Verizon Wireless, 2/14. Also the largest provider of print and on-line directory information. Has a wireline presence in 28

Verizon has been quite busy over the **last few months.** To wit, in early September, the company inked an agreement to acquire Frontier Communications in an all-cash transaction valued at \$20 billion. The purchase of the largest pure-play fiber Internet provider in the United States will significantly expand Verizon's fiber footprint across the country and increase the company's delivery of premium mobility and broadband services to its customers. And the transaction, which should close in the next 18 months, is expected to be immediately accretive to Verizon's revenue and adjusted EBITDA growth rates. Then in late September, Verizon penned an agreement for Vertical Bridge to obtain exclusive right to lease, operate, and manage 6,339 wireless communications towers across all 50 states and Washington, D.C. from Verizon subsidiaries for \$3.3 billion. Finally, we look for the transaction to close by the end of 2024.

Meanwhile, the telecom giant seems poised for a dip in year-over-year earnings per share. Verizon posted September-interim share earnings of \$1.19, a penny shy of our estimate and

states & Washington, D.C.; a wireless presence in 50 states & D.C. operations in 19 countries. 2023 revenue breakdown: Consumer Group, 76%; Business Group, 22%; corporate, 2%. Has about 105,400 employees. Chairman: Lowell McAdam; CEO: Hans Vestberg. Inc.: Delaware. Address: 1095 Avenue of the Americas, NY, NY 10036. Telephone: 212-395-1000. Internet: www.verizon.com.

three cents below the year-ago figure, on a flat top-line comparison, with service and other revenue growth offset by declines in wireless equipment revenue. The Consumer segment reported a 0.4% uptick in total sales, with gains in service revenue partially offset by declines in wireless equipment revenue. And it comes as no surprise that the Verizon Business reported a 2.3% decrease in sales, as increases in wireless service revenue were offset by a decrease in wireline revenues. All told, we don't anticipate that much will change and remain confident that Verizon will post 2024 earnings of \$4.60 a share, with a modest uptick in the bottom line likely in the cards for the coming year.

So what about the stock? Momentum-seeking accounts would do well to look elsewhere for the time being, as VZ stock is pegged to mirror the year-ahead market. Conversely, at the recent quotation, the issue offers above-average capital appreciation potential through the latter years of this decade. What's more, incomeseeking investors will likely find the above-average yield to their liking.

Kenneth A. Nugent

December 6, 2024

Company's Financial Strength A+
Stock's Price Stability 100
Price Growth Persistence 20
Earnings Predictability 95

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