



**MONTANA**  
DEPARTMENT OF  
**REVENUE**

**2026 Capitalization Rate Study  
Telecommunications - Large**

*Final*

*Completed: April 22, 2026*

**MONTANA DEPARTMENT OF REVENUE**

**Yield Capitalization Rate Conclusion**

**Industry: Telecommunications - Large**

**2026 Assessment Year**

**Capital Structure <sup>[1]</sup>**

Equity	<b>55.00%</b>
Debt	<b>45.00%</b>

**Equity Cost of Capital**

		<b>Weighting</b>
Capital Asset Pricing Model - Ex Post <sup>[2]</sup>	10.69%	48%
Capital Asset Pricing Model - Ex Ante <sup>[2]</sup>	8.64%	12%
3 Stage Dividend Discount Model - Dividends <sup>[3]</sup>	9.72%	20%
3 Stage Dividend Discount Model - Earnings <sup>[3]</sup>	11.68%	<u>20%</u>
Weighted Average	<u>10.45%</u>	100%
Selected Cost of Equity	<b><u>10.45%</u></b>	

**Debt Cost of Capital**

		<b>Weighting</b>
A - Avg. YTM of A Rated Corporate Bonds <sup>[4]</sup>	5.71%	20%
Baa - Avg. YTM of Baa Rated Corporate Bonds <sup>[4]</sup>	5.98%	60%
Ba - Avg. YTM of Ba Rated Corporate Bonds <sup>[5]</sup>	7.39%	20%
B - Avg. YTM of B Rated Corporate Bonds <sup>[5]</sup>	8.47%	<u>0%</u>
Weighted Average	<u>6.21%</u>	100%
Selected Cost of Debt	<b><u>6.21%</u></b>	

**Weighted Average Cost of Capital (WACC)**

<b>Source of Capital</b>	<b>Capital Structure</b>	<b>Cost of Capital</b>	<b>Marginal Tax Rate</b>	<b>After-tax Unweighted</b>	<b>Pre-tax Debt Weighted</b>	<b>After-tax Weighted</b>
Equity	55.00%	10.45%		10.45%	5.75%	5.75%
Debt	45.00%	6.21%	24.00%	4.72%	2.79%	2.12%
<b>WACC</b>	<b>100.00%</b>				<b>8.54%</b>	<b>7.87%</b>

**WACC (Rounded)**

**7.87%**

Notes

[1] From worksheet: Capital Structure

[2] From worksheet: Capital Asset Pricing Model Summary

[3] From worksheet: Yield Equity Summary

[4] January 2026, Mergent Bond Record, Bloomberg, and Capital IQ

[5] MDOR High Yield Debt Study, Bloomberg, and Capital IQ

**MONTANA DEPARTMENT OF REVENUE**

**Direct Capitalization Rate Conclusion  
Industry: Telecommunications - Large  
2026 Assessment Year**

**Capital Structure <sup>[1]</sup>**

Equity	<b>55.00%</b>
Debt	<b>45.00%</b>

**Equity Capitalization Rate <sup>[2]</sup>**

NOI After-tax	<b>10.63%</b>
GCF	<b>20.37%</b>

**Debt Capitalization Rate <sup>[3]</sup>**

Calculated Current Yield	<b>4.89%</b>
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**NOI After-tax Direct Capitalization Rate**

Source of Capital	Capital Structure	Capitalization Rate	Marginal Tax Rate	After-tax Unweighted	Pre-tax Debt Weighted	After-tax Weighted
Equity	55.00%	10.63%		10.63%	5.84%	5.84%
Debt	45.00%	4.89%	24.00%	3.71%	2.20%	1.67%
<b>Total</b>	<b>100.00%</b>				<b>8.04%</b>	<b>7.52%</b>
<b>Total (Rounded)</b>						<b>7.52%</b>

**GCF Direct Capitalization Rate**

Source of Capital	Capital Structure	Capitalization Rate	Marginal Tax Rate	After-tax Unweighted	Pre-tax Debt Weighted	After-tax Weighted
Equity	55.00%	20.37%		20.37%	11.20%	11.20%
Debt	45.00%	4.89%	24.00%	3.71%	2.20%	1.67%
<b>Total</b>	<b>100.00%</b>				<b>13.40%</b>	<b>12.87%</b>
<b>Total (Rounded)</b>						<b>12.87%</b>

Notes:

[1] From worksheet: Capital Structure

[2] From worksheet: Direct Equity Summary

[3] From worksheet: Calculated Current Yield

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## MONTANA DEPARTMENT OF REVENUE

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### Selection of Guideline Companies

Industry: Telecommunications - Large

2026 Assessment Year

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#### Screening Requirements:

The universe of companies is all companies listed in Value Line under the Cable TV and Telecom Services industries.

Companies were then selected using the following screening criteria:

1. Market value of equity above 30 billion USD.
2. Incorporated in the United States of America.
3. Primarily provides two-way transmission of voice, image, data, or other information over wire, cable, fiber optics, microwave, radio, satellite, or similar facilities.
4. No significant merger & acquisition activity during the year.

The Value Line industry groups listed above were analyzed to determine which companies had a market capitalization over 30 billion U.S. dollars at December 31, 2025, were incorporated in the USA, and met the criteria listed in point 3 above. Initial analysis revealed five companies that met this criteria: T-Mobile US (TMUS), Verizon Communications (VZ), AT&T Inc. (T), Comcast Corp. (CMCSA), and Charter Communications (CHTR). The five remaining companies (CHTR, CMCSA, T, TMUS, VZ) were analyzed for significant merger and acquisition activity during the previous year. Finding Charter engaged in material M&A activity the other four companies (CMCSA, T, TMUS, VZ) were selected for use as guideline public companies in estimating the cost of capital in this study.

**MONTANA DEPARTMENT OF REVENUE**

Support for Capital Structure  
Industry: Telecommunications - Large  
2026 Assessment Year

(\$ and Shares Outstanding In Millions, Except Per Share Amounts)

A	B	C	D	E	F	G	H	I	J	K	L	M	N
Ticker Symbol	Company	Industry Group	Financial Strength	Shares Outstanding	End of Year Closing Stock Price	MV Common Stock	MV Preferred Stock	MV Long Term Debt	PV of Operating Leases	Total Common, Preferred, LT Debt, & Op Leases	% Common	% Preferred	% Debt & Op Leases
		<i>Value Line</i>	<i>Value Line</i>	<i>10-K</i>	<i>Yahoo</i>	<i>ExF</i>	<i>10-K</i>	<i>10-K</i>	<i>10-K</i>	<i>G+H+I+J</i>	<i>G/K</i>	<i>H/K</i>	<i>(I+J)/K</i>
							<i>Note [1]</i>	<i>Note [2]</i>					
CMCSA	Comcast Corp.	CABLETV	A	3,595	28.01	100,689	0	90,337	6,096	197,122	51%	0%	49%
T	AT&T Inc.	TELESERV	B++	7,038	24.84	174,812	0	129,234	22,524	326,570	54%	0%	46%
TMUS	T-Mobile US	TELESERV	A	1,107	203.04	224,751	0	90,822	30,185	345,758	65%	0%	35%
VZ	Verizon Communic.	TELESERV	A	4,217	40.73	171,766	0	156,815	23,493	352,074	49%	0%	51%
<b>All Companies</b>						672,018	0	467,208	82,298	1,221,524	<b>55%</b>	<b>0%</b>	<b>45%</b>
<b>Average</b>											<b>55%</b>	<b>0%</b>	<b>45%</b>
<b>Median</b>											<b>52%</b>	<b>0%</b>	<b>48%</b>
<b>Trimmed Average</b>											<b>52%</b>	<b>0%</b>	<b>48%</b>
High											65%	0%	51%
Low											49%	0%	35%
<b>Selected</b>											<b>55%</b>		<b>45%</b>

Notes:

[1] Market value of preferred stock assumed to equal book value

[2] Market value of debt is fair value of long term debt from 10-K notes

**MCA 15-1-210, rationale for changes to guideline companies:**

2026 - Added VZ, removed CHTR due to merger activity

		<u>Median</u>	
Current Year	52%	0%	48%
Prior Year	57%	0%	43%
2 Years Prior	48%	0%	52%
3 Year Average	52%	0%	48%

**MONTANA DEPARTMENT OF REVENUE**

Capital Asset Pricing Model (CAPM)  
 Industry: Telecommunications - Large  
 2026 Assessment Year

$$k_e = R_f + \beta \times ERP$$

		<i>Ex Post</i>	<i>Ex Ante</i>
$k_e =$	Cost of Equity	<b>10.69%</b>	<b>8.64%</b>
$R_f =$	Risk Free Rate	4.79%	4.79%
$\beta =$	Beta	0.80	0.80
$ERP =$	Equity Risk Premium ( $R_m - R_f$ )	7.37%	4.82%
$R_m =$	Market Rate of Return	12.16%	9.61%

**Risk Free Rate Measures ( $R_f$ ):**

The Value Line Investment Survey: Selection & Opinion<sup>[1]</sup>

January 2, 2026 Page 1934

Selected Yields on Taxable U.S. Treasury Securities as of 12/22/25

10-year	4.17%
30-year	4.84%

Federal Reserve Statistical Release<sup>[2]</sup>

U.S. government securities, Treasury constant maturities, Nominal, December 31, 2025

10-year	4.18%
20-year	4.79%
30-year	4.84%
<b>Risk Free Rate Selected</b>	<b>4.79%</b>

Notes

[1] "Value Line Selection & Opinion", Value Line (January 2, 2026)

[2] <https://www.federalreserve.gov/releases/h15/>

**MONTANA DEPARTMENT OF REVENUE**

**Capital Asset Pricing Model (CAPM)  
Industry: Telecommunications - Large  
2026 Assessment Year**

$$k_e = R_f + \beta \times ERP$$

**Ex Post - Equity Risk Premium Measures (ERP = Rm - Rf)**

Kroll, 2026 Cost of Capital Navigator

		<u>R<sub>m</sub></u>	<u>R<sub>f</sub></u>	<u>ERP</u>
ERP "Historical" - <i>Ex Post</i>	<i>Arithmetic Avg.</i>	12.16%	4.79%	7.37%
ERP "Supply-side" - <i>Ex Post</i>	<i>Arithmetic Avg.</i>	11.10%	4.79%	6.31%
<b>Ex Post Equity Risk Premium Selected</b>		<b>12.16%</b>	<b>4.79%</b>	<b>7.37%</b>

**Ex Ante - Equity Risk Premium Measures (ERP = Rm - Rf)**

DOR Ex Ante Estimates based on S&P 500, See Exhibits

		<u>R<sub>m</sub></u>	<u>R<sub>f</sub></u>	<u>ERP</u>
3 Stage Dividend Discount Model - <i>Ex Ante</i>		7.73%	4.79%	2.94%
Implied Premium - <i>Ex Ante</i>		8.92%	4.79%	4.13%

Kroll, 2026 Cost of Capital Navigator

		<u>R<sub>m</sub></u>	<u>R<sub>f</sub></u>	<u>ERP</u>
ERP "Conditional" - <i>Ex Ante</i>		9.79%	4.79%	5.00%

Damodaran Implied ERP (Jan 1, 2026)

		<u>R<sub>m</sub></u>	<u>R<sub>f</sub></u>	<u>ERP</u>
Implied Premium - <i>Ex Ante</i> - Trailing 12 month, with sustainable payout		8.36%	4.18%	4.18%
Implied Premium - <i>Ex Ante</i> - Trailing 12 month cash yields		8.41%	4.18%	4.23%
Implied Premium - <i>Ex Ante</i> - Average CF yield last 10 years		10.36%	4.18%	6.18%
Implied Premium - <i>Ex Ante</i> - Net cash yield		8.14%	4.18%	3.96%
Implied Premium - <i>Ex Ante</i> - Normalized earnings and payout		<u>7.80%</u>	<u>4.18%</u>	<u>3.62%</u>
Damodaran Average		8.61%	4.18%	4.43%

		<u>R<sub>m</sub></u>	<u>R<sub>f</sub></u>	<u>ERP</u>
<u>Average</u>		8.83%		4.47%
<u>Median</u>		8.41%		4.18%
<u>High</u>		10.36%		6.18%
<u>Low</u>		7.80%		3.62%

**Ex Ante Equity Risk Premium Selected**

<b>9.61%</b>	<b>4.79%</b>	<b>4.82%</b>
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**MONTANA DEPARTMENT OF REVENUE**

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Support for Beta Selection in CAPM  
Industry: Telecommunications - Large  
2026 Assessment Year

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<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>
<b>Ticker Symbol</b>	<b>Company</b>	<b>Industry Group</b>	<b>Financial Strength</b>	<b>Beta</b>
		<i>Value Line</i>	<i>Value Line</i>	<i>Value Line</i>
CMCSA	Comcast Corp.	CABLETV	A	0.95
T	AT&T Inc.	TELESERV	B++	0.75
TMUS	T-Mobile US	TELESERV	A	0.75
VZ	Verizon Communic.	TELESERV	A	0.65
<b>Average</b>				<b>0.78</b>
<b>Median</b>				<b>0.75</b>
<b>Trimmed Average</b>				<b>0.75</b>
High				0.95
Low				0.65
<b>Selected</b>				<b>0.80</b>

**MONTANA DEPARTMENT OF REVENUE**

**Inflation & Real Growth**

**Industry: Telecommunications - Large**

**2026 Assessment Year**

A	B	C	D	Nominal Growth	
				E	F
Source Description	Inflation (CPI)	Real Growth (GDP)	Nominal Growth	Low	High
Livingston Survey <sup>[1]</sup>	2.29%	2.01%	4.30%		
Survey of Professional Forecasters <sup>[2]</sup>	2.25%	2.40%	4.65%		
Congressional Budget Office <sup>[3]</sup>	2.30%	1.80%	4.10%		
<b>Average</b>	<b>2.28%</b>	<b>2.07%</b>	<b>4.35%</b>		
<b>Median</b>	<b>2.29%</b>	<b>2.01%</b>	<b>4.30%</b>		
High	2.30%	2.40%	4.70%		
Low	2.25%	1.80%	4.05%		
<b>Selected</b>	<b>2.30%</b>	<b>2.00%</b>	<b>4.30%</b>	<b>4.05%</b>	<b>4.70%</b>

Inflationary Trend Factors						
Year	Dec. CPI-U Index	Percent Change From Previous	Dec. to Dec. Conversion Factor	Annual Avg. CPI-U Index	Percent Change From Previous	Annual Conversion Factor
	<i>Note [5]</i>	<i>Note [6]</i>	<i>Note [7]</i>	<i>Note [5]</i>	<i>Note [6]</i>	<i>Note [7]</i>
2014	234.812	0.8%	1.3801	236.736	1.6%	1.3599
2015	236.525	0.7%	1.3701	237.017	0.1%	1.3583
2016	241.432	2.0%	1.3422	240.007	1.2%	1.3414
2017	246.524	2.1%	1.3145	245.120	2.1%	1.3134
2018	251.233	1.9%	1.2899	251.107	2.4%	1.2821
2019	256.974	2.2%	1.2610	255.657	1.8%	1.2593
2020	260.474	1.3%	1.2441	258.811	1.2%	1.2439
2021	278.802	6.6%	1.1623	270.970	4.5%	1.1881
2022	296.797	6.1%	1.0918	292.655	7.4%	1.1001
2023	306.746	3.2%	1.0564	304.702	4.0%	1.0566
2024	315.605	2.8%	1.0268	313.689	2.9%	1.0263
2025	324.054	2.6%	1.0000	321.943	2.6%	1.0000

Notes

[1] Federal Reserve Bank of Philadelphia The Livingston Survey December 19, 2025 Table 3 Inflation Rate and Real GDP mean

<https://www.philadelphiafed.org/research-and-data/real-time-center/livingston-survey>

[2] Federal Reserve Bank of Philadelphia Survey of Professional Forecasters November 17, 2025 Table 8 Average over next 10-Year mean

<https://www.philadelphiafed.org/surveys-and-data/real-time-data-research/survey-of-professional-forecasters>

[3] The Budget and Economic Outlook: 2026 To 2036

<https://www.cbo.gov/data/budget-economic-data#4>

[5] Historical Consumer Price Index for All Urban Consumers (CPI-U): U.S. city average, all items, index averages (1982-84=100, unless otherwise noted)

<https://www.bls.gov/cpi/tables/supplemental-files/>

[6] (Row year - Previous Year) / Row Year

[7] Most current year / Row year

**MONTANA DEPARTMENT OF REVENUE**

**3 Stage Dividend Discount Model (DDM)**

**Industry: Telecommunications - Large**

**2026 Assessment Year**

$$k_e = (D_1 / P_0) + g$$

$k_e$  = Cost of Equity

$D_1$  = Expected Dividend

$P_0$  = Current Price Per Share

$g$  = Sustainable Long-Term Growth

A	B	C	D	E	F	G	H	I
Ticker	Company	2025 Year End Stock Price	2026 Est Div'ds Decl'd per sh	Expected Equity Payout Yield	Sustainable Long-Term Growth Rate <sup>[1]</sup>	Sustainable Long-Term Growth Rate <sup>[1]</sup>	Cost of Equity Dividend Growth	Cost of Equity Earnings Growth
		<i>Yahoo</i>	<i>Value Line</i>	<i>D/C</i>	<i>Dividends</i>	<i>Earnings</i>	<i>E+F</i>	<i>E+G</i>
		$P_0$	$D_1$	$D_1/P_0$	$g$	$g$	$k_e$	$k_e$
CMCSA	Comcast Corp.	28.01	1.38	4.93%	5.63%	6.95%	10.56%	11.87%
T	AT&T Inc.	24.84	1.11	4.47%	4.02%	7.74%	8.49%	12.21%
TMUS	T-Mobile US	203.04	4.21	2.07%	7.72%	10.11%	9.79%	12.19%
VZ	Verizon Communic.	40.73	2.77	6.80%	3.26%	3.66%	10.06%	10.46%
<b>Average</b>							<b>9.72%</b>	<b>11.68%</b>
<b>Median</b>							<b>9.93%</b>	<b>12.03%</b>
High							10.56%	12.21%
Low							8.49%	10.46%
<b>Selected</b>							<b>9.72%</b>	<b>11.68%</b>

Notes

[1] From worksheet: DDM Sustainable Long-Term Growth

*Implied Sustainable LTG:*

5.16%

7.12%

**MONTANA DEPARTMENT OF REVENUE**

**Support for DDM - Short Term Growth Rate Calculations**

**Industry: Telecommunications - Large**

**2026 Assessment Year**

<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	<b>G</b>
<b>Ticker</b>	<b>Company</b>	<b>End of Year Closing Stock Price</b>	<b>Div'ds Decl'd per sh 2026 Est<sup>[1]</sup></b>	<b>Expected Dividend Yield</b>	<b>Div'ds Decl'd per sh 2028-2030 Est<sup>[1]</sup></b>	<b>Short Term Growth Rate</b>
		<i>Yahoo</i>	<i>Value Line</i>	<i>D / C</i>	<i>Value Line</i>	<i>Note [2]</i>
CMCSA	Comcast Corp.	28.01	1.38	4.93%	1.67	6.56%
T	AT&T Inc.	24.84	1.11	4.47%	1.24	3.76%
TMUS	T-Mobile US	203.04	4.21	2.07%	6.00	12.54%
VZ	Verizon Communic.	40.73	2.77	6.80%	3.00	2.69%

<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>
<b>Ticker</b>	<b>Company</b>	<b>Earnings per share 2026 Est<sup>[1]</sup></b>	<b>Earnings per share 2028-2030 Est<sup>[1]</sup></b>	<b>Short Term Growth Rate</b>
		<i>Value Line</i>	<i>Value Line</i>	<i>Note [2]</i>
CMCSA	Comcast Corp.	4.68	6.00	8.63%
T	AT&T Inc.	2.25	3.00	10.06%
TMUS	T-Mobile US	12.65	20.15	16.79%
VZ	Verizon Communic.	4.85	5.35	3.32%

**Notes**

[1] From Value Line Tissue

[2] 4 year compound annual growth rate (CAGR) - 3 periods

**MONTANA DEPARTMENT OF REVENUE**

**Support for DDM - Sustainable Long Term Growth**

**Industry: Telecommunications - Large**

**2026 Assessment Year**

Dividend Growth Rate									Stage 1				
Ticker	Company	Year End Stock Price	Expected Short-Term Dividend Growth Rate	Expected Long-Term Growth Rate	Expected Dividend Yield	Internal Rate of Return	Implied Sustainable Long-Term Growth Rate (g)	Initial Investment	D <sub>1</sub>	D <sub>2</sub>	D <sub>3</sub>	D <sub>4</sub>	D <sub>5</sub>
		Yahoo	Note [1]	Note [2]	$D_1/P_0$	$K_e = IRR \text{ of } D_1 : D_{500}$	$g = IRR - Div. \text{ Yield}$						
CMCSA	Comcast Corp.	28.01	6.56%	4.30%	4.93%	10.56%	5.63%	(28.01)	1.38	1.47	1.57	1.67	1.78
T	AT&T Inc.	24.84	3.76%	4.30%	4.47%	8.49%	4.02%	(24.84)	1.11	1.15	1.20	1.24	1.29
TMUS	T-Mobile US	203.04	12.54%	4.30%	2.07%	9.79%	7.72%	(203.04)	4.21	4.74	5.33	6.00	6.75
VZ	Verizon Communic.	40.73	2.69%	4.30%	6.80%	10.06%	3.26%	(40.73)	2.77	2.84	2.92	3.00	3.08

Earnings Growth Rate									Stage 1				
Ticker	Company	Year End Stock Price	Expected Short-Term Earnings Growth Rate	Expected Long-Term Growth Rate	Expected Dividend Yield	Internal Rate of Return	Implied Sustainable Long-Term Growth Rate (g)	Initial Investment	D <sub>1</sub>	D <sub>2</sub>	D <sub>3</sub>	D <sub>4</sub>	D <sub>5</sub>
		Yahoo	Note [1]	Note [2]	$D_1/P_0$	$K_e = IRR \text{ of } D_1 : D_{500}$	$g = IRR - Div. \text{ Yield}$						
CMCSA	Comcast Corp.	28.01	8.63%	4.30%	4.93%	11.87%	6.95%	(28.01)	1.38	1.50	1.63	1.77	1.92
T	AT&T Inc.	24.84	10.06%	4.30%	4.47%	12.21%	7.74%	(24.84)	1.11	1.22	1.34	1.48	1.63
TMUS	T-Mobile US	203.04	16.79%	4.30%	2.07%	12.19%	10.11%	(203.04)	4.21	4.92	5.74	6.71	7.83
VZ	Verizon Communic.	40.73	3.32%	4.30%	6.80%	10.46%	3.66%	(40.73)	2.77	2.86	2.96	3.06	3.16

Notes

[1] From worksheet: DDM Short Term Growth Rate Calculations

[2] From worksheet: Inflation & Real Growth

**MONTANA DEPARTMENT OF REVENUE**

Support for DDM - Sustainable Long Term Growth

Industry: Telecommunications - Large

2026 Assessment Year

Dividend	Stage 2															Stage 3		
	D <sub>6</sub>	D <sub>7</sub>	D <sub>8</sub>	D <sub>9</sub>	D <sub>10</sub>	D <sub>11</sub>	D <sub>12</sub>	D <sub>13</sub>	D <sub>14</sub>	D <sub>15</sub>	D <sub>16</sub>	D <sub>17</sub>	D <sub>18</sub>	D <sub>19</sub>	D <sub>20</sub>	D <sub>21</sub>	D <sub>22</sub>	D <sub>500</sub>
CMCSA	1.89	2.02	2.14	2.28	2.43	2.58	2.75	2.93	3.11	3.31	3.53	3.75	3.99	4.25	4.52	4.72	4.92	2,702,394,016
T	1.34	1.39	1.44	1.49	1.55	1.61	1.67	1.73	1.80	1.87	1.94	2.01	2.09	2.17	2.25	2.35	2.45	1,344,847,454
TMUS	7.56	8.47	9.48	10.62	11.89	13.32	14.91	16.70	18.70	20.95	23.46	26.27	29.42	32.94	36.89	38.48	40.13	22,049,288,775
VZ	3.17	3.26	3.35	3.44	3.54	3.64	3.74	3.84	3.95	4.06	4.18	4.29	4.41	4.54	4.66	4.86	5.07	2,786,955,458

Earnings	Stage 2															Stage 3		
	D <sub>6</sub>	D <sub>7</sub>	D <sub>8</sub>	D <sub>9</sub>	D <sub>10</sub>	D <sub>11</sub>	D <sub>12</sub>	D <sub>13</sub>	D <sub>14</sub>	D <sub>15</sub>	D <sub>16</sub>	D <sub>17</sub>	D <sub>18</sub>	D <sub>19</sub>	D <sub>20</sub>	D <sub>21</sub>	D <sub>22</sub>	D <sub>500</sub>
CMCSA	2.08	2.26	2.44	2.65	2.87	3.11	3.37	3.65	3.95	4.28	4.64	5.03	5.45	5.90	6.40	6.67	6.96	3,822,926,424
T	1.79	1.96	2.15	2.36	2.59	2.84	3.11	3.41	3.74	4.10	4.50	4.94	5.41	5.94	6.51	6.79	7.09	3,893,007,035
TMUS	9.08	10.53	12.21	14.16	16.42	19.04	22.07	25.60	29.68	34.41	39.91	46.27	53.65	62.21	72.14	75.24	78.48	43,117,172,672
VZ	3.26	3.37	3.49	3.61	3.73	3.86	3.99	4.12	4.26	4.41	4.56	4.71	4.87	5.03	5.21	5.43	5.66	3,111,159,819

**MONTANA DEPARTMENT OF REVENUE**

Support for Yield Capitalization Rate - Debt Rating

Industry: Telecommunications - Large

2026 Assessment Year

A	B	C	D	E	F
Ticker Symbol	Company	Industry Group	Financial Strength	Moody's Long Term Rating	Yield to Maturity
		<i>Value Line</i>	<i>Value Line</i>	<i>Moody's.com</i>	
CMCSA	Comcast Corp.	CABLETV	A	A3	5.71%
T	AT&T Inc.	TELESERV	B++	Baa2	5.98%
TMUS	T-Mobile US	TELESERV	A	Baa1	5.98%
VZ	Verizon Communic.	TELESERV	A	Baa1	5.98%
<b>Average</b>					<b>5.91%</b>
<b>Median</b>					<b>5.98%</b>
<b>Trimmed Average</b>					<b>5.98%</b>
High					5.98%
Low					5.71%
<b>Selected</b>					<b>5.91%</b>

*\*Highlighted ratings are estimated based on financial strength and historical interest coverage ratios*

**Support for Direct Capitalization - Equity Capitalization Rates**  
**Industry: Telecommunications - Large**  
**2026 Assessment Year**

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
Ticker Symbol	Company	End of Year Closing Stock Price	VL Historic EPS	VL Est EPS	VL Historic P/E Ratio	VL Est P/E Ratio	Ke Estimate - Earnings (Hist. P/E)	Ke Estimate - Earnings (Est. P/E)	VL Historic Cash Flow Per Share	VL Est Cash Flow Per Share	VL Historic P/CF Ratio	VL Est P/CF Ratio	Ke Estimate Cash Flow (Hist. P/CF)	Ke Estimate Cash Flow (Est. P/CF)	Market Value of Equity	Book Value of Equity	MTBR
		<i>Yahoo</i>	<i>Value Line</i>	<i>Value Line</i>	<i>C/D</i>	<i>C/E</i>	<i>1/F</i>	<i>1/G</i>	<i>Value Line</i>	<i>Value Line</i>	<i>C/J</i>	<i>C/K</i>	<i>1/L</i>	<i>1/M</i>	<i>Price x Shrs</i>	<i>10-K</i>	<i>P/Q</i>
CMCSA	Comcast Corp.	28.01	4.30	4.68	6.51	5.99	15.35%	16.71%	8.02	7.35	3.49	3.81	28.63%	26.24%	100,689	96,904	1.04
T	AT&T Inc.	24.84	2.11	2.25	11.77	11.04	8.49%	9.06%	5.13	0.00	4.84		20.65%		174,812	104,372	1.67
TMUS	T-Mobile US	203.04	10.15	12.65	20.00	16.05	5.00%	6.23%	22.58	25.25	8.99	8.04	11.12%	12.44%	224,751	59,203	3.80
VZ	Verizon Communic.	40.73	4.71	4.85	8.65	8.40	11.56%	11.91%	8.86	9.00	4.60	4.53	21.75%	22.10%	171,766	99,237	1.73
<b>Average</b>					<b>11.73</b>	<b>10.37</b>	<b>10.10%</b>	<b>10.98%</b>			<b>5.48</b>	<b>5.46</b>	<b>20.54%</b>	<b>20.26%</b>			<b>2.06</b>
<b>Median</b>					<b>10.21</b>	<b>9.72</b>	<b>10.03%</b>	<b>10.48%</b>			<b>4.72</b>	<b>4.53</b>	<b>21.20%</b>	<b>22.10%</b>			<b>1.70</b>
<b>Trimmed Average</b>					<b>10.21</b>	<b>9.72</b>	<b>10.03%</b>	<b>10.48%</b>			<b>4.72</b>	<b>4.53</b>	<b>21.20%</b>	<b>22.10%</b>			<b>1.70</b>
High					20.00	16.05	15.35%	16.71%			8.99	8.04	28.63%	26.24%			3.80
Low					6.51	5.99	5.00%	6.23%			3.49	3.81	11.12%	12.44%			1.04
<b>Selected</b>					9.41		<b>10.63%</b>				4.91		<b>20.37%</b>				<b>2.06</b>

**MONTANA DEPARTMENT OF REVENUE**

**Support for Direct Capitalization Cost of Debt Component - Calculated Current Yield**

**Industry: Telecommunications - Large**

**2026 Assessment Year**

(\$ in Millions)

<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	<b>G</b>	<b>H</b>	<b>I</b>	<b>J</b>
<b>Ticker</b>	<b>Company</b>	<b>Current Year Interest Exp.</b>	<b>Previous Year MV LT Debt</b>	<b>Previous Year BV LT Debt</b>	<b>Current Year MV LT Debt</b>	<b>Current Year BV LT Debt</b>	<b>Average MV LT Debt</b>	<b>Current Yield</b>	<b>MTBR</b>
		<i>10-K</i>	<i>10-K</i>	<i>10-K</i>	<i>10-K</i>	<i>10-K</i>	<i>(D+F)/2</i>	<i>(C/H)</i>	<i>(F/G)</i>
CMCSA	Comcast Corp.	4,409	89,793	99,093	90,337	98,937	90,065	4.90%	0.91
T	AT&T Inc.	6,804	115,583	123,532	129,234	136,100	122,409	5.56%	0.95
TMUS	T-Mobile US	3,774	74,473	80,591	90,822	88,552	82,648	4.57%	1.03
VZ	Verizon Communic.	6,694	139,365	144,014	156,815	158,150	148,090	4.52%	0.99
<b>All Companies</b>		21,681			467,208	481,739	443,211	<b>4.89%</b>	<b>0.97</b>
<b>Average</b>								<b>4.89%</b>	<b>0.97</b>
<b>Median</b>								<b>4.73%</b>	<b>0.97</b>
<b>Trimmed Average</b>								<b>0.05</b>	<b>0.97</b>
High								5.56%	1.03
Low								4.52%	0.91
<b>Selected</b>								<b>4.89%</b>	<b>0.97</b>

**MONTANA DEPARTMENT OF REVENUE**

Support of Stock Price - From YAHOO Finance

Industry: Telecommunications - Large

2026 Assessment Year

		End of Period Closing Stock Price											
1	2	3	4	5	6	7	8	9	10	11	12	13	14
A	B	C	D	E	F	G	H	I	J	K	L	M	N
Ticker	Company	Jan.	Feb.	Mar.	Apr.	May.	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.
CMCSA	Comcast Corp.	31.55	33.63	34.58	32.05	32.40	33.45	31.14	31.84	29.45	26.09	25.01	28.01
T	AT&T Inc.	23.73	27.41	28.28	27.70	27.80	28.94	27.41	29.29	28.24	24.75	26.02	24.84
TMUS	T-Mobile US	232.97	269.69	266.71	246.95	242.20	238.26	238.41	251.99	239.38	210.05	209.01	203.04
VZ	Verizon Communic.	39.39	43.10	45.36	44.06	43.96	43.27	42.76	44.23	43.95	39.74	41.11	40.73

