



Financial and Operational Trends

INCOME STATEMENTS, CASH FLOWS, SEGMENT RESULTS, REVENUE DETAILS AND OPERATING VOLUMES

APRIL 22, 2020



Consolidated Statements of Income

AT&T Inc.

Dollars in millions except per share amounts

Unaudited	3/31/18	6/30/18	9/30/18	12/31/18	2018	3/31/19	6/30/19	9/30/19	12/31/19	2019	3/31/20
Operating Revenues	\$ 38,038	\$ 38,986	\$ 45,739	\$ 47,993	\$ 170,756	\$ 44,827	\$ 44,957	\$ 44,588	\$ 46,821	\$ 181,193	\$ 42,779
Operating Expenses											
Cost of revenues											
Equipment	4,848	4,377	4,828	5,733	19,786	4,502	4,061	4,484	5,606	18,653	4,092
Broadcast, programming and operations	5,166	5,449	7,227	8,885	26,727	7,652	7,730	7,066	8,684	31,132	6,847
Other cost of revenues	7,932	7,632	8,651	8,691	32,906	8,585	8,721	8,604	8,446	34,356	8,342
Selling, general and administrative	7,897	8,684	9,598	10,586	36,765	9,649	9,844	9,584	10,345	39,422	8,790
Asset abandonments and impairments	-	-	-	46	46	-	-	-	1,458	1,458	-
Depreciation and amortization	5,994	6,378	8,166	7,892	28,430	7,206	7,101	6,949	6,961	28,217	7,222
Total Operating Expenses	31,837	32,520	38,470	41,833	144,660	37,594	37,457	36,687	41,500	153,238	35,293
Operating Income	6,201	6,466	7,269	6,160	26,096	7,233	7,500	7,901	5,321	27,955	7,486
Interest Expense	1,771	2,023	2,051	2,112	7,957	2,141	2,149	2,083	2,049	8,422	2,018
Equity in Net Income (Loss) of Affiliates	9	(16)	(64)	23	(48)	(7)	40	3	(30)	6	(6)
Other Income (Expense) – Net	1,702	2,353	1,053	1,674	6,782	286	(318)	(935)	(104)	(1,071)	803
Income (Loss) Before Income Taxes	6,141	6,780	6,207	5,745	24,873	5,371	5,073	4,886	3,138	18,468	6,265
Income Tax Expense (Benefit)	1,382	1,532	1,391	615	4,920	1,023	1,099	937	434	3,493	1,302
Net Income	4,759	5,248	4,816	5,130	19,953	4,348	3,974	3,949	2,704	14,975	4,963
Less: Net Income Attributable to Noncontrolling Interest	(97)	(116)	(98)	(272)	(583)	(252)	(261)	(249)	(310)	(1,072)	(353)
Net Income Attributable to AT&T	\$ 4,662	\$ 5,132	\$ 4,718	\$ 4,858	\$ 19,370	\$ 4,096	\$ 3,713	\$ 3,700	\$ 2,394	\$ 13,903	\$ 4,610
Less: Preferred Stock Dividends	-	-	-	-	-	-	-	-	(3)	(3)	(32)
Net Income Attributable to Common Stock	\$ 4,662	\$ 5,132	\$ 4,718	\$ 4,858	\$ 19,370	\$ 4,096	\$ 3,713	\$ 3,700	\$ 2,391	\$ 13,900	\$ 4,578
Diluted Earnings Per Share Attributable to Common Stock	\$ 0.75	\$ 0.81	\$ 0.65	\$ 0.66	\$ 2.85	\$ 0.56	\$ 0.51	\$ 0.50	\$ 0.33	\$ 1.89	\$ 0.63
Adjusted Diluted Earnings Per Share Attributable to Common Stock	\$ 0.85	\$ 0.91	\$ 0.90	\$ 0.86	\$ 3.52	\$ 0.86	\$ 0.89	\$ 0.94	\$ 0.89	\$ 3.57	\$ 0.84
EBITDA¹	\$ 12,195	\$ 12,844	\$ 15,435	\$ 14,052	\$ 54,526	\$ 14,439	\$ 14,601	\$ 14,850	\$ 12,282	\$ 56,172	\$ 14,708
Adjusted EBITDA¹	\$ 12,442	\$ 13,316	\$ 15,872	\$ 15,029	\$ 56,659	\$ 14,802	\$ 15,041	\$ 15,079	\$ 14,365	\$ 59,287	\$ 14,232
Adjusted EBITDA Margin¹	32.7%	34.2%	34.7%	31.3%	33.2%	33.0%	33.4%	33.8%	30.7%	32.7%	33.3%
Pro Forma Operating Revenues²	\$ 45,222	\$ 44,697	\$ 45,739	\$ 47,993	\$ 183,651	\$ 44,827	\$ 44,957	\$ 44,588	\$ 46,821	\$ 181,193	\$ 42,779
Adjusted Pro Forma EBITDA²	\$ 14,756	\$ 14,921	\$ 15,872	\$ 15,029	\$ 60,578	\$ 14,802	\$ 15,041	\$ 15,079	\$ 14,365	\$ 59,287	\$ 14,232

Financial and Operating Statistics Summary

AT&T Inc.

Dollars in millions except per share amounts

Unaudited	3/31/18	6/30/18	9/30/18	12/31/18	2018	3/31/19	6/30/19	9/30/19	12/31/19	2019	3/31/20
Capital Expenditures:											
Purchase of property and equipment	\$ 5,957	\$ 5,002	\$ 5,736	\$ 4,063	\$ 20,758	\$ 5,121	\$ 5,421	\$ 5,141	\$ 3,752	\$ 19,435	\$ 4,938
Interest during construction	161	106	137	89	493	61	51	48	40	200	28
Dividends Declared Per Share	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.51	\$ 2.01	\$ 0.51	\$ 0.51	\$ 0.51	\$ 0.52	\$ 2.05	\$ 0.52
Annual Dividend Per Share Growth	2.0%	2.0%	2.0%	2.0%		2.0%	2.0%	2.0%	2.0%		2.0%
End of Period Common Shares Outstanding (000,000)	6,148	7,261	7,270	7,282		7,297	7,305	7,303	7,255		7,125
Debt Ratio	52.6%	50.8%	49.8%	47.7%		47.4%	46.8%	45.9%	44.7%		45.7%
Total Employees	249,240	273,210	269,280	268,220		262,290	257,790	251,840	247,800		244,490

See Notes to Financial and Operational Trends on page 15.



Consolidated Statements of Cash Flows

AT&T Inc.

Dollars in millions

Unaudited	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20
Operating Activities					
Net income	\$ 4,348	\$ 3,974	\$ 3,949	\$ 2,704	\$ 4,963
Adjustments to reconcile net income to net cash provided by operating activities:					
Depreciation and amortization	7,206	7,101	6,949	6,961	7,222
Amortization of film and television costs	2,497	2,702	1,860	2,528	2,269
Undistributed earnings from investments in equity affiliates	112	(36)	5	214	39
Provision for uncollectible accounts	592	624	639	720	780
Deferred income tax expense (benefit)	753	327	(41)	767	259
Net (gain) loss from investments, net of impairments	(175)	(730)	(109)	(204)	(646)
Pension and postretirement benefit expense (credit)	(369)	(439)	(489)	(705)	(748)
Actuarial (gain) loss on pension and postretirement benefits	432	1,699	1,917	1,123	-
Asset abandonments and impairments	-	-	-	1,458	-
Changes in operating assets and liabilities:					
Receivables	2,125	1,459	(1,081)	309	1,695
Other current assets, inventories and theatrical film and television production costs	(2,510)	(2,912)	(3,915)	(3,515)	(3,267)
Accounts payable and other accrued liabilities	(3,686)	630	2,120	(588)	(3,884)
Equipment installment receivables and related sales	652	492	(296)	(300)	535
Deferred customer contract acquisition and fulfillment costs	(375)	(239)	(182)	(114)	105
Postretirement claims and contributions	(193)	(231)	(211)	(373)	(111)
Other - net	(357)	(137)	274	958	(345)
Total adjustments	6,704	10,310	7,440	9,239	3,903
Net Cash Provided by Operating Activities	11,052	14,284	11,389	11,943	8,866
Investing Activities					
Capital expenditures:					
Purchase of property and equipment	(5,121)	(5,421)	(5,141)	(3,752)	(4,938)
Interest during construction	(61)	(51)	(48)	(40)	(28)
Acquisitions, net of cash acquired	(117)	(203)	(804)	(685)	(100)
Dispositions	10	3,583	182	909	118
(Purchases), sales and settlement of securities and investments, net	(1)	397	127	(88)	(6)
Advances to and investments in equity affiliates, net	(111)	(203)	(19)	(32)	(68)
Net Cash Used in Investing Activities	(5,401)	(1,898)	(5,703)	(3,688)	(5,022)
Financing Activities					
Net change in short-term borrowings with original maturities of three months or less	(256)	375	(141)	(254)	1,742
Issuance of other short-term borrowings	296	2,771	945	-	1,390
Repayment of other short-term borrowings	(176)	(2,972)	(1,554)	(2,202)	-
Issuance of long-term debt	9,182	848	5,004	2,005	4,357
Repayment of long-term debt	(9,840)	(6,284)	(8,244)	(3,224)	(4,422)
Payment of vendor financing	(819)	(1,017)	(765)	(449)	(791)
Issuance of preferred stock	-	-	-	1,164	3,869
Purchase of treasury stock	(189)	(51)	(169)	(2,008)	(5,463)
Issuance of treasury stock	167	288	121	55	58
Issuance of preferred interests in subsidiary	-	-	1,488	6,388	-
Dividends paid	(3,714)	(3,722)	(3,726)	(3,726)	(3,737)
Other	928	(598)	(517)	(491)	(3,102)
Net Cash Used in Financing Activities	(4,421)	(10,362)	(7,558)	(2,742)	(6,099)
Net increase (decrease) in cash and cash equivalents and restricted cash	1,230	2,024	(1,872)	5,513	(2,255)
Cash and cash equivalents and restricted cash beginning of period	5,400	6,630	8,654	6,782	12,295
Cash and Cash Equivalents and Restricted Cash End of Period	\$ 6,630	\$ 8,654	\$ 6,782	\$ 12,295	\$ 10,040
Cash paid for interest	\$ 2,507	\$ 1,903	\$ 2,528	\$ 1,755	\$ 2,376

See Notes to Financial and Operational Trends on page 15.



AT&T Inc.

Free Cash Flow & Capital Investment Detail

Dollars in millions

Unaudited	3/31/18	6/30/18	9/30/18	12/31/18	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20
Cash Flow Detail									
Net cash provided by operating activities	\$ 8,947	\$ 10,229	\$ 12,346	\$ 12,080	\$ 11,052	\$ 14,284	\$ 11,389	\$ 11,943	\$ 8,866
Less: Capital expenditures	(6,118)	(5,108)	(5,873)	(4,152)	(5,182)	(5,472)	(5,189)	(3,792)	(4,966)
Free Cash Flow¹	2,829	5,121	6,473	7,928	5,870	8,812	6,200	8,151	3,900

Capital Investment Detail

Capital expenditures	\$ 6,118	\$ 5,108	\$ 5,873	\$ 4,152	\$ 5,182	\$ 5,472	\$ 5,189	\$ 3,792	\$ 4,966
Add: Vendor financing payments	171	86	90	213	819	1,017	765	449	791
Capital Investment¹	6,289	5,194	5,963	4,365	6,001	6,489	5,954	4,241	5,757
Add: FirstNet capital expenditures reimbursement	-	302	-	1,127	-	103	-	901	7
Gross Capital Investment	6,289	5,496	5,963	5,492	6,001	6,592	5,954	5,142	5,764

AT&T Inc.

FirstNet - Capital Expenditures and Reimbursements

Dollars in millions

Unaudited	3/31/18	6/30/18	9/30/18	12/31/18	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20
Capital Expenditures Impact									
Capital expenditures	\$ 6,118	\$ 5,108	\$ 5,873	\$ 4,152	\$ 5,182	\$ 5,472	\$ 5,189	\$ 3,792	\$ 4,966
FirstNet capital expenditures reimbursement	-	302	-	1,127	-	103	-	901	7
Capital expenditures, gross	6,118	5,410	5,873	5,279	5,182	5,575	5,189	4,693	4,973
FirstNet Reimbursements									
Capital expenditures	\$ -	\$ 302	\$ -	\$ 1,127	\$ -	\$ 103	\$ -	\$ 901	\$ 7
Operating expenses	-	34	-	207	-	31	-	339	3
Total reimbursements	-	336	-	1,334	-	134	-	1,240	10

See Notes to Financial and Operational Trends on page 15.



Operating Revenues and Adjusted EBITDA

AT&T Inc.

Dollars in millions

Unaudited	3/31/18	6/30/18	9/30/18	12/31/18	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20
Operating Revenues	\$ 38,038	\$ 38,986	\$ 45,739	\$ 47,993	\$ 44,827	\$ 44,957	\$ 44,588	\$ 46,821	\$ 42,779
Communications	35,305	35,186	36,007	37,223	35,169	35,267	35,401	36,522	34,249
Mobility	17,151	17,079	17,735	18,556	17,363	17,292	17,701	18,700	17,402
Entertainment Group	11,431	11,478	11,589	11,962	11,328	11,368	11,197	11,233	10,515
Business Wireline	6,723	6,629	6,683	6,705	6,478	6,607	6,503	6,589	6,332
WarnerMedia	112	1,393	8,204	9,232	8,379	8,350	7,846	8,924	7,359
Turner	112	667	2,988	3,212	3,443	3,410	3,007	3,262	3,162
Home Box Office	-	281	1,644	1,673	1,510	1,716	1,819	1,704	1,497
Warner Bros.	-	507	3,720	4,476	3,518	3,389	3,333	4,118	3,240
Eliminations and other	-	(62)	(148)	(129)	(92)	(165)	(313)	(160)	(540)
Latin America	2,025	1,951	1,833	1,843	1,718	1,757	1,730	1,758	1,590
Vrio	1,354	1,254	1,102	1,074	1,067	1,032	1,013	982	887
Mexico	671	697	731	769	651	725	717	776	703
Xandr	337	392	445	566	426	485	504	607	489
Corporate, Acquisition Related and Significant Items	561	544	531	465	391	420	407	385	388
Eliminations³	32	(93)	(880)	(863)	(906)	(923)	(879)	(873)	(883)
Consolidation³	(334)	(387)	(401)	(473)	(350)	(399)	(421)	(502)	(413)
Adjusted EBITDA	\$ 12,442	\$ 13,316	\$ 15,872	\$ 15,029	\$ 14,802	\$ 15,041	\$ 15,079	\$ 14,365	\$ 14,232
Communications	12,534	12,965	12,726	12,175	12,569	13,255	12,634	12,101	12,838
Mobility	7,193	7,538	7,631	7,469	7,322	7,770	7,753	7,530	7,833
Entertainment Group	2,620	2,821	2,434	2,155	2,801	2,853	2,400	2,044	2,624
Business Wireline	2,721	2,606	2,661	2,551	2,446	2,632	2,481	2,527	2,381
WarnerMedia	30	482	2,701	2,762	2,386	2,061	2,679	2,576	1,842
Latin America	221	148	87	38	127	63	105	205	93
Vrio	353	238	225	225	201	151	162	202	104
Mexico	(132)	(90)	(138)	(187)	(74)	(88)	(57)	3	(11)
Xandr	287	333	336	386	266	338	342	430	319
Corporate	(332)	(254)	390	96	(228)	(315)	(296)	(494)	(486)
Eliminations and Consolidation³	(298)	(357)	(368)	(429)	(318)	(361)	(385)	(454)	(374)

See Notes to Financial and Operational Trends on page 15.



Communications

Mobility Results

Dollars in millions

Unaudited	3/31/18	6/30/18	9/30/18	12/31/18	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20
Operating Revenues									
Service	\$ 13,246	\$ 13,520	\$ 13,828	\$ 13,700	\$ 13,629	\$ 13,824	\$ 13,930	\$ 13,948	\$ 13,968
Equipment	3,905	3,559	3,907	4,856	3,734	3,468	3,771	4,752	3,434
Total Operating Revenues	\$ 17,151	\$ 17,079	\$ 17,735	\$ 18,556	\$ 17,363	\$ 17,292	\$ 17,701	\$ 18,700	\$ 17,402
Operating Expenses									
Operations and support	9,958	9,541	10,104	11,087	10,041	9,522	9,948	11,170	9,569
Depreciation and amortization	2,072	2,089	2,057	2,045	2,013	2,003	2,011	2,027	2,045
Total Operating Expenses	12,030	11,630	12,161	13,132	12,054	11,525	11,959	13,197	11,614
Operating Income	\$ 5,121	\$ 5,449	\$ 5,574	\$ 5,424	\$ 5,309	\$ 5,767	\$ 5,742	\$ 5,503	\$ 5,788
Operating Income Margin									
	29.9%	31.9%	31.4%	29.2%	30.6%	33.4%	32.4%	29.4%	33.3%
EBITDA¹	\$ 7,193	\$ 7,538	\$ 7,631	\$ 7,469	\$ 7,322	\$ 7,770	\$ 7,753	\$ 7,530	\$ 7,833
EBITDA Margin¹	41.9%	44.1%	43.0%	40.3%	42.2%	44.9%	43.8%	40.3%	45.0%
EBITDA Service Margin¹	54.3%	55.8%	55.2%	54.5%	53.7%	56.2%	55.7%	54.0%	56.1%

See Notes to Financial and Operational Trends on page 15.



Communications

Mobility Operating Volumes and Statistics

Volumes in thousands

Unaudited

AT&T Mobility Subscribers and Connections

	3/31/18	6/30/18	9/30/18	12/31/18	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20
Total Subscribers and Connections	142,642	145,715	149,150	151,921	154,670	158,622	162,300	165,889	169,198
Postpaid	76,601	76,543	76,173	76,068	75,737	75,478	75,152	75,207	75,148
Prepaid	15,500	16,046	16,721	16,828	17,012	17,434	17,740	17,803	17,808
Reseller	8,816	8,411	8,079	7,693	7,495	7,323	7,120	6,893	6,736
Connected Devices	41,725	44,715	48,177	51,332	54,426	58,387	62,288	65,986	69,506

Net Add Detail

Net Subscriber Additions	2,654	3,080	3,432	2,770	2,740	3,950	3,679	3,590	3,310
Postpaid Net Adds	53	73	(231)	15	(207)	(146)	(217)	135	27
Prepaid Net Adds	251	454	570	26	101	341	227	8	(45)

Phone Detail

Postpaid Phones	63,043	62,930	62,850	62,882	62,830	62,811	62,812	63,018	63,105
Prepaid Phones	14,737	15,206	15,789	15,885	16,057	16,420	16,650	16,682	16,687

Phone Detail - Net Adds

Postpaid Phone Net Adds	(53)	49	67	131	79	74	101	229	163
Prepaid Phone Net Adds	203	358	480	13	89	283	154	(20)	(43)

Churn Detail⁴

Postpaid Phone Churn	0.83%	0.82%	0.93%	1.00%	0.92%	0.86%	0.95%	1.07%	0.86%
Postpaid Churn	1.06%	1.02%	1.16%	1.23%	1.16%	1.07%	1.19%	1.29%	1.08%

ARPU⁵

Postpaid Phone-Only ARPU	\$ 53.33	\$ 54.42	\$ 55.58	\$ 55.28	\$ 55.27	\$ 55.50	\$ 55.89	\$ 55.52	\$ 55.68
Postpaid ARPU	47.76	48.86	49.91	49.70	49.67	50.05	50.51	50.49	50.63

See Notes to Financial and Operational Trends on page 15.



Communications

Entertainment Group Results

Dollars in millions

Unaudited	3/31/18	6/30/18	9/30/18	12/31/18	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20
Operating Revenues									
Video Entertainment	\$ 8,225	\$ 8,173	\$ 8,283	\$ 8,676	\$ 8,074	\$ 8,035	\$ 7,933	\$ 8,068	\$ 7,395
High-Speed Internet	1,878	1,981	2,045	2,052	2,070	2,109	2,117	2,107	2,109
Legacy Voice and Data Services	806	772	739	724	683	658	628	604	581
Other Service and Equipment	522	552	522	510	501	566	519	454	430
Total Operating Revenues	\$ 11,431	\$ 11,478	\$ 11,589	\$ 11,962	\$ 11,328	\$ 11,368	\$ 11,197	\$ 11,233	\$ 10,515
Operating Expenses									
Operations and support	8,811	8,657	9,155	9,807	8,527	8,515	8,797	9,189	7,891
Depreciation and amortization	1,310	1,345	1,331	1,329	1,323	1,339	1,316	1,298	1,289
Total Operating Expenses	10,121	10,002	10,486	11,136	9,850	9,854	10,113	10,487	9,180
Operating Income	\$ 1,310	\$ 1,476	\$ 1,103	\$ 826	\$ 1,478	\$ 1,514	\$ 1,084	\$ 746	\$ 1,335
Operating Income Margin	11.5%	12.9%	9.5%	6.9%	13.0%	13.3%	9.7%	6.6%	12.7%
EBITDA¹	\$ 2,620	\$ 2,821	\$ 2,434	\$ 2,155	\$ 2,801	\$ 2,853	\$ 2,400	\$ 2,044	\$ 2,624
EBITDA Margin¹	22.9%	24.6%	21.0%	18.0%	24.7%	25.1%	21.4%	18.2%	25.0%

Communications

Entertainment Group Operating Volumes and Statistics

Volumes in thousands

Unaudited	3/31/18	6/30/18	9/30/18	12/31/18	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20
Total Video Connections⁶									
Premium TV	23,902	23,640	23,294	22,903	22,359	21,581	20,418	19,473	18,576
Over-the-Top ⁷	1,467	1,809	1,858	1,591	1,508	1,340	1,145	926	788
Video Net Adds⁶									
Premium TV	(187)	(262)	(346)	(391)	(544)	(778)	(1,163)	(945)	(897)
Over-the-Top	312	342	49	(267)	(83)	(168)	(195)	(219)	(138)
Premium TV ARPU⁸	\$ 112.45	\$ 112.19	\$ 114.90	\$ 121.76	\$ 114.98	\$ 117.49	\$ 121.35	\$ 131.00	\$ 126.27
Total Broadband Connections⁶									
IP-Fiber	1,955	2,204	2,504	2,763	3,060	3,378	3,696	3,887	4,096
IP-Non Fiber	11,661	11,488	11,219	10,966	10,762	10,444	10,043	9,711	9,458
DSL	816	763	718	680	632	598	562	521	492
Total Broadband Net Adds⁶									
IP-Fiber	226	249	300	259	297	318	318	191	209
IP-Non Fiber	(72)	(173)	(269)	(253)	(204)	(318)	(401)	(332)	(253)
DSL	(72)	(53)	(45)	(38)	(48)	(34)	(36)	(41)	(29)
IP Broadband ARPU⁸	\$ 46.27	\$ 48.32	\$ 49.78	\$ 49.83	\$ 50.10	\$ 50.82	\$ 51.21	\$ 51.36	\$ 51.84

See Notes to Financial and Operational Trends on page 15.



Communications

Business Wireline Results

Dollars in millions

Unaudited	3/31/18	6/30/18	9/30/18	12/31/18	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20
Operating Revenues									
Strategic and Managed Services ⁹	\$ 3,583	\$ 3,589	\$ 3,677	\$ 3,811	\$ 3,779	\$ 3,834	\$ 3,900	\$ 3,927	\$ 3,879
Legacy Voice and Data Services	2,854	2,720	2,602	2,498	2,397	2,324	2,252	2,207	2,129
Equipment	170	199	197	257	159	178	199	249	175
Other	116	121	207	139	143	271	152	206	149
Total Operating Revenues	\$ 6,723	\$ 6,629	\$ 6,683	\$ 6,705	\$ 6,478	\$ 6,607	\$ 6,503	\$ 6,589	\$ 6,332
Operating Expenses									
Operations and support	4,002	4,023	4,022	4,154	4,032	3,975	4,022	4,062	3,951
Depreciation and amortization	1,161	1,172	1,187	1,194	1,222	1,242	1,271	1,264	1,301
Total Operating Expenses	5,163	5,195	5,209	5,348	5,254	5,217	5,293	5,326	5,252
Operating Income	\$ 1,560	\$ 1,434	\$ 1,474	\$ 1,357	\$ 1,224	\$ 1,390	\$ 1,210	\$ 1,263	\$ 1,080
Operating Income Margin	23.2%	21.6%	22.1%	20.2%	18.9%	21.0%	18.6%	19.2%	17.1%
EBITDA¹	\$ 2,721	\$ 2,606	\$ 2,661	\$ 2,551	\$ 2,446	\$ 2,632	\$ 2,481	\$ 2,527	\$ 2,381
EBITDA Margin¹	40.5%	39.3%	39.8%	38.0%	37.8%	39.8%	38.2%	38.4%	37.6%

Communications

Supplemental Business Solutions Results (Wireline and Business Mobility)¹⁰

Dollars in millions

Unaudited	3/31/18	6/30/18	9/30/18	12/31/18	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20
Operating Revenues	\$ 8,971	\$ 8,909	\$ 9,017	\$ 9,244	\$ 8,845	\$ 9,105	\$ 9,083	\$ 9,342	\$ 8,991
Total Wireless Revenues	2,248	2,280	2,334	2,539	2,367	2,498	2,580	2,753	2,659
Operating Income	\$ 1,959	\$ 1,849	\$ 1,958	\$ 1,867	\$ 1,706	\$ 2,048	\$ 1,865	\$ 1,807	\$ 1,656
EBITDA¹	\$ 3,406	\$ 3,325	\$ 3,443	\$ 3,359	\$ 3,231	\$ 3,593	\$ 3,438	\$ 3,377	\$ 3,281

See Notes to Financial and Operational Trends on page 15.


WarnerMedia
WarnerMedia Results

	Non-GAAP Comparable Basis ^{11*}									
Dollars in millions										
Unaudited	3/31/18	6/30/18	9/30/18	12/31/18	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20	
Segment Operating Revenues										
Turner	\$ 3,456	\$ 3,345	\$ 2,988	\$ 3,212	\$ 3,443	\$ 3,410	\$ 3,007	\$ 3,262	\$ 3,162	
Home Box Office	1,619	1,667	1,644	1,673	1,510	1,716	1,819	1,704	1,497	
Warner Bros.	3,238	3,306	3,720	4,476	3,518	3,389	3,333	4,118	3,240	
Eliminations and other	(205)	(405)	(148)	(129)	(92)	(165)	(313)	(160)	(540)	
Total Segment Operating Revenues¹²	\$ 8,108	\$ 7,913	\$ 8,204	\$ 9,232	\$ 8,379	\$ 8,350	\$ 7,846	\$ 8,924	\$ 7,359	
Segment Operating Expenses										
Operations and support	5,927	5,958	5,503	6,470	5,993	6,289	5,167	6,348	5,517	
Depreciation and amortization	172	169	134	139	143	91	150	154	143	
Total Segment Operating Expenses	6,099	6,127	5,637	6,609	6,136	6,380	5,317	6,502	5,660	
Segment Operating Income¹²	\$ 2,009	\$ 1,786	\$ 2,567	\$ 2,623	\$ 2,243	\$ 1,970	\$ 2,529	\$ 2,422	\$ 1,699	
Equity in Net Income (Loss) of Affiliates										
			(39)	80	67	55	15	25	15	
Segment Contribution			\$ 2,528	\$ 2,703	\$ 2,310	\$ 2,025	\$ 2,544	\$ 2,447	\$ 1,714	
Segment Operating Income Margin¹²										
	24.8%	22.6%	31.3%	28.4%	26.8%	23.6%	32.2%	27.1%	23.1%	
EBITDA	\$ 2,181	\$ 1,955	\$ 2,701	\$ 2,762	\$ 2,386	\$ 2,061	\$ 2,679	\$ 2,576	\$ 1,842	
EBITDA Margin	26.9%	24.7%	32.9%	29.9%	28.5%	24.7%	34.1%	28.9%	25.0%	
Total Programming and Production Costs¹³	\$ 3,515	\$ 3,595	\$ 3,188	\$ 3,828	\$ 3,622	\$ 3,670	\$ 2,915	\$ 3,861	\$ 3,370	

* Non-GAAP Comparable Basis = Historical Warner Media, LLC Adjusted Results + RSNs and Other

WarnerMedia
Turner Results

	Non-GAAP Comparable Basis ^{11*}									
Dollars in millions										
Unaudited	3/31/18	6/30/18	9/30/18	12/31/18	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20	
Operating Revenues										
Subscription	\$ 1,888	\$ 1,870	\$ 1,855	\$ 1,844	\$ 1,965	\$ 1,943	\$ 1,927	\$ 1,901	\$ 2,049	
Advertising	1,340	1,324	944	1,149	1,261	1,266	913	1,126	957	
Content and other	228	151	189	219	217	201	167	235	156	
Total Operating Revenues¹²	\$ 3,456	\$ 3,345	\$ 2,988	\$ 3,212	\$ 3,443	\$ 3,410	\$ 3,007	\$ 3,262	\$ 3,162	
Operating Expenses										
Operations and support	2,234	2,283	1,487	1,861	2,136	2,217	1,460	1,927	1,710	
Depreciation and amortization	57	59	59	60	60	39	68	68	69	
Total Operating Expenses	2,291	2,342	1,546	1,921	2,196	2,256	1,528	1,995	1,779	
Operating Income¹²	\$ 1,165	\$ 1,003	\$ 1,442	\$ 1,291	\$ 1,247	\$ 1,154	\$ 1,479	\$ 1,267	\$ 1,383	
Operating Income Margin¹²	33.7%	30.0%	48.3%	40.2%	36.2%	33.8%	49.2%	38.8%	43.7%	
Programming Costs¹³	\$ 1,511	\$ 1,552	\$ 817	\$ 1,111	\$ 1,445	\$ 1,533	\$ 795	\$ 1,234	\$ 1,104	

* Non-GAAP Comparable Basis = Historical Turner Adjusted Results + RSNs

See Notes to Financial and Operational Trends on page 15.



WarnerMedia
Home Box Office Results

	Non-GAAP Comparable Basis ^{11*}									
Dollars in millions										
Unaudited	3/31/18	6/30/18	9/30/18	12/31/18	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20	
Operating Revenues										
Subscription	\$ 1,429	\$ 1,529	\$ 1,517	\$ 1,414	\$ 1,334	\$ 1,516	\$ 1,533	\$ 1,431	\$ 1,338	
Content and other	190	138	127	259	176	200	286	273	159	
Total Operating Revenues¹²	\$ 1,619	\$ 1,667	\$ 1,644	\$ 1,673	\$ 1,510	\$ 1,716	\$ 1,819	\$ 1,704	\$ 1,497	
Operating Expenses										
Operations and support	1,054	1,070	991	1,025	921	1,131	1,072	1,188	1,053	
Depreciation and amortization	30	28	25	26	22	12	33	35	21	
Total Operating Expenses	1,084	1,098	1,016	1,051	943	1,143	1,105	1,223	1,074	
Operating Income¹²	\$ 535	\$ 569	\$ 628	\$ 622	\$ 567	\$ 573	\$ 714	\$ 481	\$ 423	
Operating Income Margin¹²	33.0%	34.1%	38.2%	37.2%	37.5%	33.4%	39.3%	28.2%	28.3%	
Programming Costs¹³	\$ 596	\$ 589	\$ 579	\$ 561	\$ 482	\$ 606	\$ 622	\$ 648	\$ 585	

WarnerMedia
Warner Bros. Results

	Non-GAAP Comparable Basis ^{11*}									
Dollars in millions										
Unaudited	3/31/18	6/30/18	9/30/18	12/31/18	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20	
Operating Revenues										
Theatrical product	\$ 1,336	\$ 1,346	\$ 1,694	\$ 2,085	\$ 1,506	\$ 1,527	\$ 1,375	\$ 1,570	\$ 1,106	
Television product	1,498	1,528	1,591	1,827	1,613	1,310	1,461	1,983	1,769	
Games and other	404	432	435	564	399	552	497	565	365	
Total Operating Revenues¹²	\$ 3,238	\$ 3,306	\$ 3,720	\$ 4,476	\$ 3,518	\$ 3,389	\$ 3,333	\$ 4,118	\$ 3,240	
Operating Expenses										
Operations and support	2,778	2,893	3,104	3,623	2,919	2,918	2,706	3,273	2,950	
Depreciation and amortization	77	75	40	42	52	31	39	40	41	
Total Operating Expenses	2,855	2,968	3,144	3,665	2,971	2,949	2,745	3,313	2,991	
Operating Income¹²	\$ 383	\$ 338	\$ 576	\$ 811	\$ 547	\$ 440	\$ 588	\$ 805	\$ 249	
Operating Income Margin¹²	11.8%	10.2%	15.5%	18.1%	15.5%	13.0%	17.6%	19.5%	7.7%	
Film and Television Production Costs¹³	\$ 1,574	\$ 1,729	\$ 1,909	\$ 2,238	\$ 1,746	\$ 1,626	\$ 1,618	\$ 2,103	\$ 1,824	

See Notes to Financial and Operational Trends on page 15.


Latin America
Statement of Segment Income

Dollars in millions

Unaudited	3/31/18	6/30/18	9/30/18	12/31/18	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20
Segment Operating Revenues									
Video Entertainment	\$ 1,354	\$ 1,254	\$ 1,102	\$ 1,074	\$ 1,067	\$ 1,032	\$ 1,013	\$ 982	\$ 887
Wireless Service	404	417	440	440	442	479	455	487	467
Wireless Equipment	267	280	291	329	209	246	262	289	236
Total Segment Operating Revenues	\$ 2,025	\$ 1,951	\$ 1,833	\$ 1,843	\$ 1,718	\$ 1,757	\$ 1,730	\$ 1,758	\$ 1,590
Segment Operating Expenses									
Operations and support	1,804	1,803	1,746	1,805	1,591	1,694	1,625	1,553	1,497
Depreciation and amortization	332	313	297	296	300	284	284	294	281
Total Segment Operating Expenses	2,136	2,116	2,043	2,101	1,891	1,978	1,909	1,847	1,778
Segment Operating Income (Loss)	(111)	(165)	(210)	(258)	(173)	(221)	(179)	(89)	(188)
Equity in Net Income (Loss) of Affiliates	-	15	9	10	-	12	13	2	4
Segment Contribution	\$ (111)	\$ (150)	\$ (201)	\$ (248)	\$ (173)	\$ (209)	\$ (166)	\$ (87)	\$ (184)
Segment Operating Income Margin									
	-5.5%	-8.5%	-11.5%	-14.0%	-10.1%	-12.6%	-10.3%	-5.1%	-11.8%
EBITDA¹	\$ 221	\$ 148	\$ 87	\$ 38	\$ 127	\$ 63	\$ 105	\$ 205	\$ 93
EBITDA Margin¹	10.9%	7.6%	4.7%	2.1%	7.4%	3.6%	6.1%	11.7%	5.8%

Latin America
Vrio and Mexico Results

Dollars in millions

Unaudited	3/31/18	6/30/18	9/30/18	12/31/18	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20
Vrio EBITDA¹	\$ 353	\$ 238	\$ 225	\$ 225	\$ 201	\$ 151	\$ 162	\$ 202	\$ 104
Vrio EBITDA Margin¹	26.1%	19.0%	20.4%	20.9%	18.8%	14.6%	16.0%	20.6%	11.7%
Mexico EBITDA¹	\$ (132)	\$ (90)	\$ (138)	\$ (187)	\$ (74)	\$ (88)	\$ (57)	\$ 3	\$ (11)
Mexico EBITDA Margin¹	-19.7%	-12.9%	-18.9%	-24.3%	-11.4%	-12.1%	-7.9%	0.4%	-1.6%

Latin America
Operating Volumes and Statistics

Volumes in thousands

Unaudited	3/31/18	6/30/18	9/30/18	12/31/18	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20
Vrio Video Connections¹⁴	13,573	13,713	13,640	13,838	13,584	13,473	13,306	13,331	13,217
Vrio Video Net Adds¹⁴	(15)	140	(73)	198	(32)	(111)	(167)	25	(114)
Mexico Wireless Subscribers¹⁵	15,642	16,398	17,305	18,321	17,722	18,021	18,619	19,159	19,158
Postpaid	5,607	5,749	5,822	5,805	5,642	5,489	5,352	5,103	4,962
Prepaid	9,857	10,468	11,270	12,264	11,779	12,180	12,848	13,584	13,692
Reseller	178	181	213	252	301	352	419	472	504
Mexico Wireless Net Adds	543	756	907	1,016	93	299	598	540	(1)
Mexico Wireless Churn⁴	7.02%	6.82%	6.59%	7.08%	6.69%	7.16%	7.32%	7.43%	6.54%
Mexico Wireless ARPU⁵	\$8.18	\$8.31	\$8.32	\$7.97	\$7.99	\$8.61	\$7.86	\$8.30	\$7.78

See Notes to Financial and Operational Trends on page 15.



Xandr

Statement of Segment Income

Dollars in millions

Unaudited	3/31/18	6/30/18	9/30/18	12/31/18	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20
Segment Operating Revenues	\$ 337	\$ 392	\$ 445	\$ 566	\$ 426	\$ 485	\$ 504	\$ 607	\$ 489
Segment Operating Expenses									
Operations and support	50	59	109	180	160	147	162	177	170
Depreciation and amortization	1	-	3	5	13	13	15	17	20
Total Segment Operating Expenses	51	59	112	185	173	160	177	194	190
Segment Operating Income	286	333	333	381	253	325	327	413	299
Equity in Net Income of Affiliates	-	-	-	-	-	-	-	-	-
Segment Contribution	\$ 286	\$ 333	\$ 333	\$ 381	\$ 253	\$ 325	\$ 327	\$ 413	\$ 299
Segment Operating Income Margin	84.9%	84.9%	74.8%	67.3%	59.4%	67.0%	64.9%	68.0%	61.1%
EBITDA¹	\$ 287	\$ 333	\$ 336	\$ 386	\$ 266	\$ 338	\$ 342	\$ 430	\$ 319
EBITDA Margin¹	85.2%	84.9%	75.5%	68.2%	62.4%	69.7%	67.9%	70.8%	65.2%

AT&T Inc.

Supplemental Total Advertising Revenues

Dollars in millions

Unaudited	3/31/18	6/30/18	9/30/18	12/31/18	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20
Operating Revenues									
WarnerMedia	\$ 14	\$ 225	\$ 983	\$ 1,239	\$ 1,279	\$ 1,285	\$ 945	\$ 1,167	\$ 979
Communications	375	431	478	543	417	470	495	581	489
Xandr	337	392	445	566	426	485	504	607	489
Eliminations ³	(334)	(387)	(401)	(473)	(350)	(399)	(421)	(502)	(413)
Total Advertising Revenues	\$ 392	\$ 661	\$ 1,505	\$ 1,875	\$ 1,772	\$ 1,841	\$ 1,523	\$ 1,853	\$ 1,544

See Notes to Financial and Operational Trends on page 15.



Corporate

Supplemental Results - Corporate¹⁶

Dollars in millions

Unaudited	3/31/18	6/30/18	9/30/18	12/31/18	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20
Total Operating Revenues	\$ 561	\$ 544	\$ 531	\$ 514	\$ 433	\$ 450	\$ 407	\$ 385	\$ 388
Operating Expenses									
Operations and support	893	798	141	418	661	765	703	879	874
Depreciation and amortization	55	150	829	596	204	170	131	124	87
Total Operating Expenses	948	948	970	1,014	865	935	834	1,003	961
Operating Loss	\$ (387)	\$ (404)	\$ (439)	\$ (500)	\$ (432)	\$ (485)	\$ (427)	\$ (618)	\$ (573)

Corporate

Supplemental Reconciliation of Operations and Support

Dollars in millions

Unaudited	3/31/18	6/30/18	9/30/18	12/31/18	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20
Operations and Support	\$ 893	\$ 798	\$ 141	\$ 418	\$ 661	\$ 765	\$ 703	\$ 879	\$ 874
Reclassification of amortization of prior service credits	(428)	(442)	(442)	(442)	(454)	(454)	(454)	(454)	(610)
Reclassification of WarnerMedia amortization of production costs to Depreciation and Amortization ¹⁶		98	772	545	150	112	108	102	69
Operations and Support excluding segment reclassifications	\$ 465	\$ 454	\$ 471	\$ 521	\$ 357	\$ 423	\$ 357	\$ 527	\$ 333

AT&T Inc.

Other Income (Expense) - Net

Dollars in millions

Unaudited	3/31/18	6/30/18	9/30/18	12/31/18	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20
Interest income and other gain/(loss) items ¹⁷	\$ 205	\$ -	\$ 538	\$ 328	\$ 210	\$ 708	\$ 237	\$ 18	\$ (179)
Special termination charges	-	-	-	-	(93)	-	12	-	-
Net pension and postretirement credit, excluding actuarial gain/(loss)	567	557	515	660	601	673	733	1,001	982
Actuarial gain/(loss)	930	1,796	-	686	(432)	(1,699)	(1,917)	(1,123)	-
Other Income (Expense) - Net	\$ 1,702	\$ 2,353	\$ 1,053	\$ 1,674	\$ 286	\$ (318)	\$ (935)	\$ (104)	\$ 803

See Notes to Financial and Operational Trends on page 15.



Notes to Financial and Operational Trends

AT&T Inc.

¹ See Discussion and Reconciliation of Non-GAAP Measures in the Investor Briefing or exhibit 99.1 to Form 8-K dated April 22, 2020.

² Pro Forma results reflect the acquisition of Time Warner on June 14, 2018. See Quarterly Pro Forma Financial Information schedule and related Form 8-K/A filed August 27, 2018 included on the AT&T Investor Relations website for further explanation of these pro forma metrics.

³ Eliminations and consolidation removes transactions that either involve dealings between AT&T companies, including content licensing with WarnerMedia, or relate to advertising arrangements recorded in both the Communications and Xandr segments (approximately \$400M revenues in 1Q20). This reconciling item also includes conforming adjustment to the historical presentation of our advertising business.

⁴ Churn is calculated by dividing the aggregate number of wireless subscribers who canceled service during a month by the total number of wireless subscribers at the beginning of that month. The churn rate for the period is equal to the average of the churn rate for each month of that period.

⁵ ARPU is defined as wireless subscriber revenues during the period divided by average wireless subscribers during the period. Wireless service revenues include subscriber revenues and other revenues.

⁶ Premium TV connections and net adds include AT&T TV, which initially launched in 3Q19 and expanded nationwide in 1Q20. 1Q19 connections and net adds include the impact of conforming the Entertainment Group subscriber disconnection policy with the Mobility business and industry practice (to billing cycle basis). This policy change resulted in an additional 117K Premium TV and 38K Broadband subscribers at March 31, 2019.

⁷ Over-the-top connections include AT&T TV NOW and exclude WatchTV, which launched near end of June 2018. AT&T TV NOW connections as of 1Q20 include 5K free or substantially free trial-period subscribers. AT&T has successfully retained many subscribers after the expiration of their trial period.

⁸ Premium TV ARPU is defined as Video Entertainment revenues, excluding Over-the-Top revenues and non-linear advertising, during the period divided by average linear video connections during the period. IP Broadband ARPU is defined as High-Speed Internet revenues during the period divided by average IP Broadband connections during the period.

⁹ Strategic and Managed Services are the next generation wireline capabilities that lead AT&T's most advanced business solutions, includes (1) data services (VPN, dedicated internet ethernet and broadband), (2) voice service (VOIP and cloud-based voice solutions), (3) security and cloud solutions, and (4) managed, professional, and outsourcing services.

¹⁰ Results have been recast to conform to the current period's classification of consumer and business wireless subscribers.

¹¹ Non-GAAP comparable basis results for WarnerMedia and Turner reflect historical Warner Media, LLC adjusted results and include the results for AT&T's Regional Sports Networks (RSNs) which were recast into the WarnerMedia segment (see Form 8-K dated September 21, 2018). Non-GAAP comparable results for Home Box Office and Warner Bros. reflect historical Warner Media, LLC adjusted results. Historical WarnerMedia adjusted results were presented in the Warner Media, LLC 2Q18 Trending Schedules dated July 24, 2018, which is included in the 2Q18 quarterly earnings materials on the AT&T Investor Relations website. See Basis of Presentation for definition of Adjusted Operating Income and Adjusted OIBDA. As determined by Time Warner management, Adjusted Operating Income (Loss) and Adjusted OIBDA include certain items affecting comparability.

¹² See Item 7.01 in Form 8-K dated October 24, 2018 for reconciliation of comparable Operating Revenues, Operating Income, and Operating Income Margin.

¹³ Programming and production costs are included in Operations & Support expenses.

¹⁴ Vrio Video connections and net adds include satellite and over-the-top. 1Q19 net adds excludes 222k subscriber disconnections resulting from conforming our video credit policy across the region, which are reflected in beginning of period connections.

¹⁵ 1Q19 subscriber count includes 692K reduction to beginning of period customer base (-599k prepaid and -93K postpaid) to remove the churn related to certain third-party distributors and the sunset of 2G services in Mexico.

¹⁶ Corporate includes: (1) businesses that are no longer integral to our operations or which we no longer actively market, (2) corporate support functions, (3) impacts of corporate-wide decisions for which the individual operating segments are not being evaluated, (4) the reclassification of amortization of prior service credits, which we continue to report with segment operating expense, to consolidated to Other Income (Expense) - Net, and (5) the recharacterization of programming intangible asset amortization, for released programming acquired in the Time Warner acquisition, which we continue to report within WarnerMedia segment operating expense, to consolidated amortization expense. The largest corporate operations included are Puerto Rico and U.S. Virgin Islands mobility and business wireline operations (held for sale), other wholesale operations and hosting colocation (divested December 31, 2018).

¹⁷ 1Q20 Interest income and other gain/(loss) items include about \$300M of holding losses on benefit-related investments and other adjustments. See Adjusting Items in the Discussion and Reconciliation of Non-GAAP Measures in the Investor Briefing.