2ND QUARTER EARNINGS

Financial and Operational Trends

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

JULY 22ND, 2021

AT&T

Consolidated Statements of Income

AT&T Inc.

Dollars in millions except per share amounts

Unaudited	3/31/19	6/30/19	9/30/19	12/31/19	2019	3/31/20	6/30/20	9/30/20	12/31/20	2020	3/31/21	**6/30/21**
Operating Revenues	$ 44,827	$ 44,957	$ 44,588	$ 46,821	$ 181,193	$ 42,779	$ 40,950	$ 42,340	$ 45,691	$ 171,760	$ 43,939	**$ 44,045**
Operating Expenses												
Cost of revenues												
Equipment	4,502	4,061	4,484	5,606	18,653	4,092	3,978	4,552	7,084	19,706	5,556	**5,341**
Broadcast, programming and operations	7,652	7,730	7,066	8,684	31,132	6,754	5,889	6,912	7,750	27,305	7,538	**7,603**
Other cost of revenues	8,585	8,721	8,604	8,446	34,356	8,342	8,116	8,375	8,076	32,909	7,993	**8,155**
Selling, general and administrative	9,649	9,844	9,584	10,345	39,422	8,760	9,831	9,266	10,182	38,039	9,382	**9,361**
Asset impairments and abandonments	-	-	-	1,458	1,458	123	2,319	73	16,365	18,880	-	**4,555**
Depreciation and amortization	7,206	7,101	6,949	6,961	28,217	7,222	7,285	7,030	6,979	28,516	5,809	**5,761**
Total Operating Expenses	37,594	37,457	36,687	41,500	153,238	35,293	37,418	36,208	56,436	165,355	36,278	**40,776**
Operating Income (Loss)	7,233	7,500	7,901	5,321	27,955	7,486	3,532	6,132	(10,745)	6,405	7,661	**3,269**
Interest Expense	2,141	2,149	2,083	2,049	8,422	2,018	2,041	1,972	1,894	7,925	1,870	**1,684**
Equity in Net Income (Loss) of Affiliates	(7)	40	3	(30)	6	(6)	(10)	5	106	95	52	**41**
Other Income (Expense) – Net	286	(318)	(935)	(104)	(1,071)	803	1,017	(231)	(3,020)	(1,431)	4,221	**999**
Income (Loss) Before Income Taxes	5,371	5,073	4,886	3,138	18,468	6,265	2,498	3,934	(15,553)	(2,856)	10,064	**2,625**
Income Tax Expense (Benefit)	1,023	1,099	937	434	3,493	1,302	935	766	(2,038)	965	2,122	**751**
Net Income (Loss)	4,348	3,974	3,949	2,704	14,975	4,963	1,563	3,168	(13,515)	(3,821)	7,942	**1,874**
Less: Net Income Attributable to Noncontrolling Interest	(252)	(261)	(249)	(310)	(1,072)	(353)	(282)	(352)	(368)	(1,355)	(392)	**(304)**
Net Income (Loss) Attributable to AT&T	$ 4,096	$ 3,713	$ 3,700	$ 2,394	$ 13,903	$ 4,610	$ 1,281	$ 2,816	$ (13,883)	$ (5,176)	$ 7,550	**$ 1,570**
Less: Preferred Stock Dividends	-	-	-	(3)	(3)	(32)	(52)	(54)	(55)	(193)	(50)	**(56)**
Net Income (Loss) Attributable to Common Stock	$ 4,096	$ 3,713	$ 3,700	$ 2,391	$ 13,900	$ 4,578	$ 1,229	$ 2,762	$ (13,938)	$ (5,369)	$ 7,500	**$ 1,514**
Diluted Earnings Per Share Attributable to Common Stock	$ 0.56	$ 0.51	$ 0.50	$ 0.33	$ 1.89	$ 0.63	$ 0.17	$ 0.39	$ (1.95)	$ (0.75)	$ 1.04	**$ 0.21**
Adjusted Diluted Earnings Per Share Attributable to Common Stock	$ 0.86	$ 0.89	$ 0.94	$ 0.89	$ 3.57	$ 0.84	$ 0.83	$ 0.76	$ 0.75	$ 3.18	$ 0.86	**$ 0.89**
EBITDA[1]	$ 14,439	$ 14,601	$ 14,850	$ 12,282	$ 56,172	$ 14,708	$ 10,817	$ 13,162	$ (3,766)	$ 34,921	$ 13,470	**$ 9,030**
Adjusted EBITDA[1]	$ 14,802	$ 15,041	$ 15,079	$ 14,365	$ 59,287	$ 14,232	$ 14,112	$ 13,313	$ 12,889	$ 54,546	$ 13,564	**$ 13,585**
Adjusted EBITDA Margin[1]	33.0%	33.4%	33.8%	30.7%	32.7%	33.3%	34.5%	31.4%	28.2%	31.8%	30.9%	**30.8%**

Financial and Operating Statistics Summary

AT&T Inc.

Dollars in millions except per share amounts

Unaudited	3/31/19	6/30/19	9/30/19	12/31/19	2019	3/31/20	6/30/20	9/30/20	12/31/20	2020	3/31/21	**6/30/21**
Capital Expenditures:												
Purchase of property and equipment	$ 5,121	$ 5,421	$ 5,141	$ 3,752	$ 19,435	$ 4,938	$ 4,434	$ 3,819	$ 2,361	$ 15,552	$ 3,972	**$ 3,926**
Interest during construction - capital expenditures	61	51	48	40	200	28	32	32	31	123	61	**33**
Acquisitions, net of cash acquired:												
Spectrum and business acquisitions	117	203	804	685	1,809	100	1,074	41	636	1,851	22,884	**28**
Interest during construction - spectrum	-	-	-	-	-	-	-	-	-	-	-	**257**
Dividends Declared Per Share	$ 0.51	$ 0.51	$ 0.51	$ 0.52	$ 2.05	$ 0.52	$ 0.52	$ 0.52	$ 0.52	$ 2.08	$ 0.52	**$ 0.52**
End of Period Common Shares Outstanding (000,000)	7,297	7,305	7,303	7,255		7,125	7,125	7,125	7,126		7,140	**7,140**
Debt Ratio	47.4%	46.8%	45.9%	44.7%		45.7%	46.6%	44.9%	46.7%		49.6%	**50.0%**
Total Employees	262,290	257,790	251,840	247,800		244,490	243,350	234,630	230,760		228,470	**226,840**

See Notes to Financial and Operational Trends on page 15.

AT&T

Consolidated Statements of Cash Flows

AT&T Inc.

Dollars in millions

Unaudited	6/30/20	9/30/20	12/31/20	3/31/21	**6/30/21**
Operating Activities					
Net income (loss)	$ 1,563	$ 3,168	$ (13,515)	$ 7,942	**$ 1,874**
Adjustments to reconcile net income (loss) to net cash provided by operating activities:					
Depreciation and amortization	7,285	7,030	6,979	5,809	**5,761**
Amortization of film and television costs	1,716	2,463	2,155	2,886	**3,370**
Undistributed earnings from investments in equity affiliates	25	44	(70)	(47)	**62**
Provision for uncollectible accounts	419	412	361	321	**275**
Deferred income tax expense (benefit)	394	1,595	(573)	1,848	**(76)**
Net (gain) loss on investments, net of impairments	(59)	16	(53)	(119)	**(118)**
Pension and postiretirement benefit expense (credit)	(747)	(750)	(747)	(974)	**(925)**
Actuarial (gain) loss on pension and postretirement benefits	-	63	4,106	(2,844)	**197**
Asset impairments and abandonments	2,319	73	16,365	-	**4,555**
Changes in operating assets and liabilities:					
Receivables	827	(201)	(105)	751	**664**
Other current assets, inventories and theatrical film and television production costs	(2,325)	(2,244)	(5,234)	(3,518)	**(3,467)**
Accounts payable and other accrued liabilities	37	(1,058)	3,495	(3,060)	**(1,238)**
Equipment installment receivables and related sales	(309)	(374)	(1,281)	1,190	**(379)**
Deferred customer contract acquisition and fulfillment costs	217	131	(77)	244	**166**
Postretirement claims and contributions	(117)	(181)	(576)	(343)	**136**
Other - net	814	1,936	(1,148)	(159)	**53**
Total adjustments	10,496	8,955	23,597	1,985	**9,036**
Net Cash Provided by Operating Activities	12,059	12,123	10,082	9,927	**10,910**
Investing Activities					
Capital expenditures[2]	(4,466)	(3,851)	(2,392)	(4,033)	**(3,959)**
Acquisitions, net of cash acquired [2]	(1,074)	(41)	(636)	(22,884)	**(285)**
Dispositions	229	81	3,213	51	**584**
Other - net	55	363	(7)	14	**(119)**
Net Cash (Used in) Provided by Investing Activities	(5,256)	(3,448)	178	(26,852)	**(3,779)**
Financing Activities					
Net change in short-term borrowings with original maturities of three months or less	(1,244)	(515)	-	687	**(611)**
Issuance of other short-term borrowings	7,050	1,000	-	15,485	**955**
Repayment of other short-term borrowings	(5,975)	(1,735)	(1,757)	-	**(857)**
Issuance of long-term debt	16,703	10,927	1	9,097	**-**
Repayment of long-term debt	(12,862)	(20,299)	(2,381)	(902)	**(253)**
Payment of vendor financing	(563)	(611)	(1,001)	(1,690)	**(1,304)**
Purchase of treasury stock	(17)	(3)	(15)	(176)	**(9)**
Issuance of treasury stock	26	4	17	63	**22**
Issuance of preferred interests in subsidiary	-	1,979	-	-	**-**
Redemption of preferred interest in subsidiary	-	-	(1,950)	-	**-**
Dividends paid	(3,737)	(3,741)	(3,741)	(3,741)	**(3,830)**
Other - net	807	(2,863)	588	(340)	**(696)**
Net Cash Provided by (Used in) Financing Activities	188	(15,857)	(10,239)	18,483	**(6,583)**
Net increase (decrease) in cash and cash equivalents and restricted cash	6,991	(7,182)	21	1,558	**548**
Cash and cash equivalents and restricted cash beginning of period	10,040	17,031	9,849	9,870	**11,428**
Cash and Cash Equivalents and Restricted Cash End of Period	$ 17,031	$ 9,849	$ 9,870	$ 11,428	**$ 11,976**
Cash paid for interest	$ 1,826	$ 2,459	$ 1,576	$ 2,134	**$ 1,727**

See Notes to Financial and Operational Trends on page 15.

AT&T Inc.

Free Cash Flow & Capital Investment Detail

Dollars in millions

Unaudited	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	9/30/20	12/31/20	3/31/21	**6/30/21**
Cash Flow Detail									
Net cash provided by operating activities	$ 14,284	$ 11,389	$ 11,943	$ 8,866	$ 12,059	$ 12,123	$ 10,082	$ 9,927	**$ 10,910**
Less: Capital expenditures	(5,472)	(5,189)	(3,792)	(4,966)	(4,466)	(3,851)	(2,392)	(4,033)	**(3,959)**
Free Cash Flow[1]	8,812	6,200	8,151	3,900	7,593	8,272	7,690	5,894	**6,951**
Capital Investment Detail									
Capital expenditures	$ 5,472	$ 5,189	$ 3,792	$ 4,966	$ 4,466	$ 3,851	$ 2,392	$ 4,033	**$ 3,959**
Add: Vendor financing payments	1,017	765	449	791	563	611	1,001	1,690	**1,304**
Capital Investment[1]	6,489	5,954	4,241	5,757	5,029	4,462	3,393	5,723	**5,263**
Add: FirstNet capital expenditures reimbursement	103	-	902	7	72	64	920	-	**-**
Gross Capital Investment[1]	6,592	5,954	5,143	5,764	5,101	4,526	4,313	5,723	**5,263**

AT&T Inc.

FirstNet - Capital Expenditures and Reimbursements

Dollars in millions

Unaudited	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	9/30/20	12/31/20	3/31/21	**6/30/21**
Capital Expenditures Impact									
Capital expenditures	$ 5,472	$ 5,189	$ 3,792	$ 4,966	$ 4,466	$ 3,851	$ 2,392	$ 4,033	**$ 3,959**
FirstNet capital expenditures reimbursement	103	-	902	7	72	64	920	-	**-**
Capital expenditures, gross	5,575	5,189	4,694	4,973	4,538	3,915	3,312	4,033	**3,959**
FirstNet Reimbursements									
Capital expenditures	$ 103	$ -	$ 902	$ 7	$ 72	$ 64	$ 920	$ -	**$ -**
Operating expenses	31	-	338	3	58	18	484	-	**-**
Total reimbursements	134	-	1,240	10	130	82	1,404	-	**-**

See Notes to Financial and Operational Trends on page 15.

Operating Revenues and Adjusted EBITDA

AT&T Inc.

Dollars in millions

Unaudited	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	9/30/20	12/31/20	3/31/21	**6/30/21**
Operating Revenues	$ 44,957	$ 44,588	$ 46,821	$ 42,779	$ 40,950	$ 42,340	$ 45,691	$ 43,939	**$ 44,045**
Communications[3]	27,166	27,384	28,382	26,779	26,505	27,195	29,486	28,178	**28,128**
Mobility	17,292	17,701	18,700	17,402	17,149	17,894	20,119	19,034	**18,936**
Business Wireline	6,536	6,426	6,521	6,266	6,305	6,261	6,251	6,046	**6,052**
Consumer Wireline	3,338	3,257	3,161	3,111	3,051	3,040	3,116	3,098	**3,140**
WarnerMedia	8,777	8,282	9,453	7,765	6,728	7,395	8,554	8,526	**8,791**
Latin America	1,757	1,730	1,758	1,590	1,232	1,396	1,498	1,374	**1,437**
Vrio	1,032	1,013	982	887	752	753	762	743	**749**
Mexico	725	717	776	703	480	643	736	631	**688**
Corporate and Other[3,14]									
Corporate, Acquisition-Related and Significant Items	547	550	528	534	589	628	456	426	**361**
Video	8,032	7,942	8,075	7,407	7,021	7,014	7,168	6,725	**6,639**
Eliminations[4]	(923)	(879)	(873)	(883)	(831)	(880)	(868)	(902)	**(901)**
Consolidations[4]	(399)	(421)	(502)	(413)	(294)	(408)	(603)	(388)	**(410)**

	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	9/30/20	12/31/20	3/31/21	**6/30/21**
Adjusted EBITDA	$ 15,041	$ 15,079	$ 14,365	$ 14,232	$ 14,112	$ 13,313	$ 12,889	$ 13,564	**$ 13,585**
Communications[3]	11,820	11,469	11,338	11,444	11,531	11,132	10,422	11,419	**11,425**
Mobility	7,770	7,753	7,530	7,833	7,817	7,712	7,096	8,016	**8,025**
Business Wireline	2,629	2,473	2,518	2,379	2,591	2,497	2,313	2,336	**2,343**
Consumer Wireline	1,421	1,243	1,290	1,232	1,123	923	1,013	1,067	**1,057**
WarnerMedia	2,401	3,023	3,005	2,160	2,072	1,912	2,719	2,123	**1,857**
Latin America	63	105	205	93	33	59	95	93	**110**
Vrio	151	162	202	104	91	78	81	82	**89**
Mexico	(88)	(57)	3	(11)	(58)	(19)	14	11	**21**
Corporate and Other[3,14]									
Corporate	(308)	(288)	(480)	(478)	(480)	(547)	(493)	(787)	**(799)**
Video	1,426	1,155	750	1,387	1,212	1,127	710	1,065	**1,364**
Eliminations and Consolidations[4]	(361)	(385)	(454)	(374)	(256)	(370)	(565)	(349)	**(372)**

See Notes to Financial and Operational Trends on page 15.

Communications

Mobility Results

Dollars in millions

Unaudited	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	9/30/20	12/31/20	3/31/21	**6/30/21**
Operating Revenues									
Service	$ 13,824	$ 13,930	$ 13,948	$ 13,968	$ 13,669	$ 13,883	$ 14,022	$ 14,048	**$ 14,346**
Equipment	3,468	3,771	4,752	3,434	3,480	4,011	6,097	4,986	**4,590**
Total Operating Revenues	$ 17,292	$ 17,701	$ 18,700	$ 17,402	$ 17,149	$ 17,894	$ 20,119	$ 19,034	**$ 18,936**
Operating Expenses									
Operations and support	9,522	9,948	11,170	9,569	9,332	10,182	13,023	11,018	**10,911**
Depreciation and amortization	2,003	2,011	2,027	2,045	2,012	2,021	2,008	2,014	**2,023**
Total Operating Expenses	11,525	11,959	13,197	11,614	11,344	12,203	15,031	13,032	**12,934**
Operating Income	$ 5,767	$ 5,742	$ 5,503	$ 5,788	$ 5,805	$ 5,691	$ 5,088	$ 6,002	**$ 6,002**
Operating Income Margin	33.4%	32.4%	29.4%	33.3%	33.9%	31.8%	25.3%	31.5%	**31.7%**
EBITDA[1]	$ 7,770	$ 7,753	$ 7,530	$ 7,833	$ 7,817	$ 7,712	$ 7,096	$ 8,016	**$ 8,025**
EBITDA Margin[1]	44.9%	43.8%	40.3%	45.0%	45.6%	43.1%	35.3%	42.1%	**42.4%**
EBITDA Service Margin[1]	56.2%	55.7%	54.0%	56.1%	57.2%	55.5%	50.6%	57.1%	**55.9%**

See Notes to Financial and Operational Trends on page 15.

Communications

Mobility Operating Volumes and Statistics

Volumes in thousands

Unaudited	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	9/30/20	12/31/20	3/31/21	**6/30/21**
AT&T Mobility Subscribers and Connections									
Total Subscribers and Connections[5]	158,622	162,300	165,889	169,198	171,407	176,744	182,558	186,108	**191,646**
Postpaid	75,478	75,152	75,207	75,148	74,919	75,969	77,154	77,934	**79,059**
Prepaid	17,434	17,740	17,803	17,808	18,008	18,100	18,102	18,387	**18,681**
Reseller	7,323	7,120	6,893	6,736	6,718	6,708	6,535	6,501	**6,406**
Connected Devices	58,387	62,288	65,986	69,506	71,762	75,967	80,767	83,286	**87,500**
Net Add Detail									
Net Subscriber Additions	3,950	3,679	3,590	3,310	2,208	5,525	5,855	3,551	**5,537**
Postpaid Net Adds	(146)	(217)	135	27	(154)	1,081	1,229	823	**1,156**
Prepaid Net Adds	341	227	8	(45)	165	245	14	279	**297**
Phone Detail									
Postpaid Phones	62,811	62,812	63,018	63,105	62,882	63,485	64,216	64,752	**65,503**
Prepaid Phones[5]	16,420	16,650	16,682	16,687	16,856	16,832	16,779	16,992	**17,161**
Phone Detail - Net Adds									
Postpaid Phone Net Adds	74	101	229	163	(151)	645	800	595	**789**
Prepaid Phone Net Adds	283	154	(20)	(43)	135	131	(40)	207	**174**
Other Metrics									
Postpaid Smartphone Gross Adds and Upgrades (in millions)	4.1	4.8	5.7	3.9	3.8	4.4	6.9	5.1	**5.0**
Postpaid Upgrade Rate	3.3%	4.0%	4.8%	3.0%	3.3%	3.5%	6.5%	4.1%	**3.9%**
Churn Detail[6]									
Postpaid Phone Churn	0.86%	0.95%	1.07%	0.86%	0.84%	0.69%	0.76%	0.76%	**0.69%**
Postpaid Churn	1.07%	1.19%	1.29%	1.08%	1.05%	0.85%	0.94%	0.93%	**0.87%**
ARPU[7]									
Postpaid Phone-Only ARPU	$ 55.50	$ 55.89	$ 55.52	$ 55.68	$ 54.47	$ 54.70	$ 54.46	$ 54.10	**$ 54.24**
Postpaid ARPU	50.05	50.51	50.49	50.63	49.76	49.94	49.50	49.13	**49.26**

See Notes to Financial and Operational Trends on page 15.

Communications

Business Wireline Results[3]

Dollars in millions

Unaudited		6/30/19		9/30/19		12/31/19		3/31/20		6/30/20		9/30/20		12/31/20		3/31/21		**6/30/21**
Operating Revenues																		
Service	$	6,358	$	6,227	$	6,272	$	6,091	$	6,101	$	6,079	$	6,042	$	5,872	**$**	**5,860**
Equipment		178		199		249		175		204		182		209		174		**192**
Total Operating Revenues	$	6,536	$	6,426	$	6,521	$	6,266	$	6,305	$	6,261	$	6,251	$	6,046	**$**	**6,052**
Operating Expenses																		
Operations and support		3,907		3,953		4,003		3,887		3,714		3,764		3,938		3,710		**3,709**
Depreciation and amortization		1,225		1,252		1,245		1,286		1,301		1,313		1,316		1,278		**1,293**
Total Operating Expenses		5,132		5,205		5,248		5,173		5,015		5,077		5,254		4,988		**5,002**
Operating Income	$	1,404	$	1,221	$	1,273	$	1,093	$	1,290	$	1,184	$	997	$	1,058	**$**	**1,050**
Operating Income Margin		21.5%		19.0%		19.5%		17.4%		20.5%		18.9%		15.9%		17.5%		**17.3%**
EBITDA[1]	$	2,629	$	2,473	$	2,518	$	2,379	$	2,591	$	2,497	$	2,313	$	2,336	**$**	**2,343**
EBITDA Margin[1]		40.2%		38.5%		38.6%		38.0%		41.1%		39.9%		37.0%		38.6%		**38.7%**

Communications

Supplemental Business Solutions Results (Wireline and Business Mobility)[3]

Dollars in millions

Unaudited		6/30/19		9/30/19		12/31/19		3/31/20		6/30/20		9/30/20		12/31/20		3/31/21		**6/30/21**
Operating Revenues	$	9,034	$	9,004	$	9,275	$	8,925	$	8,775	$	8,873	$	9,124	$	8,805	**$**	**8,858**
Total Wireless Revenues		2,498		2,578		2,754		2,659		2,470		2,612		2,873		2,759		**2,806**
Operating Income	$	2,059	$	1,879	$	1,817	$	1,670	$	1,794	$	1,800	$	1,451	$	1,642	**$**	**1,557**
EBITDA[1]	$	3,585	$	3,434	$	3,368	$	3,279	$	3,415	$	3,432	$	3,089	$	3,256	**$**	**3,195**

See Notes to Financial and Operational Trends on page 15.

AT&T

Communications

Consumer Wireline Results[3]

Dollars in millions

Unaudited	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	9/30/20	12/31/20	3/31/21	**6/30/21**
Operating Revenues									
Broadband[8]	$ 2,109	$ 2,117	$ 2,107	$ 2,109	$ 2,092	$ 2,128	$ 2,205	$ 2,205	**$ 2,266**
Legacy Voice and Data Services	658	628	604	581	560	538	534	519	**504**
Other Service and Equipment	571	512	450	421	399	374	377	374	**370**
Total Operating Revenues	$ 3,338	$ 3,257	$ 3,161	$ 3,111	$ 3,051	$ 3,040	$ 3,116	$ 3,098	**$ 3,140**
Operating Expenses									
Operations and support	1,917	2,014	1,871	1,879	1,928	2,117	2,103	2,031	**2,083**
Depreciation and amortization	715	730	726	712	730	734	738	762	**769**
Total Operating Expenses	2,632	2,744	2,597	2,591	2,658	2,851	2,841	2,793	**2,852**
Operating Income	$ 706	$ 513	$ 564	$ 520	$ 393	$ 189	$ 275	$ 305	**$ 288**
Operating Income Margin	21.2%	15.8%	17.8%	16.7%	12.9%	6.2%	8.8%	9.8%	**9.2%**
EBITDA[1]	$ 1,421	$ 1,243	$ 1,290	$ 1,232	$ 1,123	$ 923	$ 1,013	$ 1,067	**$ 1,057**
EBITDA Margin[1]	42.6%	38.2%	40.8%	39.6%	36.8%	30.4%	32.5%	34.4%	**33.7%**

Communications

Consumer Wireline Operating Volumes and Statistics

Volumes in thousands

Unaudited	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	9/30/20	12/31/20	3/31/21	**6/30/21**
Total Broadband and DSL Connections	14,420	14,301	14,119	14,046	13,944	14,102	14,100	14,146	**14,174**
Fiber	3,378	3,696	3,887	4,096	4,321	4,678	4,951	5,186	**5,432**
Non Fiber	10,444	10,043	9,711	9,458	9,154	8,984	8,742	8,581	**8,386**
DSL	598	562	521	492	469	440	407	379	**356**
Total Broadband and DSL Net Adds	(34)	(119)	(182)	(73)	(102)	158	(2)	46	**28**
Fiber	318	318	191	209	225	357	273	235	**246**
Non Fiber	(318)	(401)	(332)	(253)	(304)	(170)	(242)	(161)	**(195)**
DSL	(34)	(36)	(41)	(29)	(23)	(29)	(33)	(28)	**(23)**
Broadband ARPU[7]	$ 50.82	$ 51.21	$ 51.36	$ 51.84	$ 51.61	$ 52.43	$ 53.72	$ 53.52	**$ 54.76**

See Notes to Financial and Operational Trends on page 15.

WarnerMedia[3]

Statement of Segment Income

Dollars in millions

Unaudited

	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	9/30/20	12/31/20	3/31/21	6/30/21
Segment Operating Revenues										
Subscription	$ 3,322	$ 3,487	$ 3,486	$ 3,356	$ 3,400	$ 3,265	$ 3,477	$ 3,623	$ 3,830	**$ 3,961**
Content and Other	3,724	3,525	3,353	4,328	2,900	2,292	2,318	3,042	2,959	**3,091**
Advertising	1,701	1,765	1,443	1,769	1,465	1,171	1,600	1,889	1,737	**1,739**
Total Segment Operating Revenues	$ 8,747	$ 8,777	$ 8,282	$ 9,453	$ 7,765	$ 6,728	$ 7,395	$ 8,554	$ 8,526	**$ 8,791**
Segment Operating Expenses										
Direct Costs										
Programming[9]	3,586	3,654	2,882	3,827	3,082	2,375	3,181	3,040	3,774	**4,154**
Marketing	707	862	631	753	550	545	655	779	850	**983**
Other	719	847	716	778	775	820	734	882	813	**854**
General and administrative	1,077	1,013	1,030	1,090	1,198	916	913	1,134	966	**943**
Depreciation and amortization	155	102	163	169	161	164	169	177	163	**165**
Total Segment Operating Expenses	6,244	6,478	5,422	6,617	5,766	4,820	5,652	6,012	6,566	**7,099**
Segment Operating Income	$ 2,503	$ 2,299	$ 2,860	$ 2,836	$ 1,999	$ 1,908	$ 1,743	$ 2,542	$ 1,960	**$ 1,692**
Equity in Net Income (Loss) of Affiliates	67	55	16	23	15	4	12	(13)	70	**47**
Segment Contribution	$ 2,570	$ 2,354	$ 2,876	$ 2,859	$ 2,014	$ 1,912	$ 1,755	$ 2,529	$ 2,030	**$ 1,739**
Segment Operating Income Margin	28.6%	26.2%	34.5%	30.0%	25.7%	28.4%	23.6%	29.7%	23.0%	**19.2%**
EBITDA[1]	$ 2,658	$ 2,401	$ 3,023	$ 3,005	$ 2,160	$ 2,072	$ 1,912	$ 2,719	$ 2,123	**$ 1,857**
EBITDA Margin[1]	30.4%	27.4%	36.5%	31.8%	27.8%	30.8%	25.9%	31.8%	24.9%	**21.1%**
Revenue Eliminations	$ (185)	$ (272)	$ (425)	$ (319)	$ (670)	$ (1,540)	$ (511)	$ (636)	$ (643)	**$ (616)**
Cash Paid for Programming and Produced Film/TV Content[9]	4,222	4,118	4,115	4,287	4,322	2,897	3,062	4,617	4,508	**5,261**

WarnerMedia

Basic Networks - Supplemental disclosures provided for modeling purposes[3]

Dollars in millions

Unaudited

	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	9/30/20	12/31/20	3/31/21	6/30/21
Operating Revenues									
Subscription	$ 1,943	$ 1,927	$ 1,901	$ 2,049	$ 1,804	$ 1,840	$ 1,920	$ 2,013	**$ 1,955**
Advertising	1,266	913	1,126	957	796	1,077	1,111	1,267	**1,218**
Content and other	201	167	235	156	388	259	211	254	**192**
Total Operating Revenues	$ 3,410	$ 3,007	$ 3,262	$ 3,162	$ 2,988	$ 3,176	$ 3,242	$ 3,534	**$ 3,365**
Direct Costs									
Programming costs	$ 1,533	$ 795	$ 1,234	$ 1,104	$ 700	$ 1,511	$ 1,118	$ 1,508	**$ 1,670**
Marketing	158	117	140	131	125	128	134	125	**134**
Other	263	241	224	216	265	178	238	271	**268**
Total Direct Costs	$ 1,954	$ 1,153	$ 1,598	$ 1,451	$ 1,090	$ 1,817	$ 1,490	$ 1,904	**$ 2,072**

See Notes to Financial and Operational Trends on page 15.

WarnerMedia

Direct-to-Consumer (DTC) - Supplemental disclosures provided for modeling purposes[3]

Dollars in millions

Unaudited	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	9/30/20	12/31/20	3/31/21	**6/30/21**
Operating Revenues									
Subscription	$ 1,516	$ 1,533	$ 1,431	$ 1,338	$ 1,441	$ 1,624	$ 1,687	$ 1,810	**$ 1,996**
Content and other	200	286	273	159	186	157	216	119	**140**
Total Operating Revenues	$ 1,716	$ 1,819	$ 1,704	$ 1,497	$ 1,627	$ 1,781	$ 1,903	$ 1,929	**$ 2,136**
Direct Costs									
Programming costs	$ 606	$ 622	$ 648	$ 585	$ 806	$ 966	$ 899	$ 998	**$ 1,071**
Marketing	160	113	184	95	266	307	428	421	**504**
Other	233	225	244	231	289	278	302	266	**319**
Total Direct Costs	$ 999	$ 960	$ 1,076	$ 911	$ 1,361	$ 1,551	$ 1,629	$ 1,685	**$ 1,894**

WarnerMedia

Direct-to-Consumer (DTC) Operating Volumes and Statistics

Volumes in thousands

Unaudited	12/31/19	3/31/20	6/30/20	9/30/20	12/31/20	3/31/21	**6/30/21**
Total Global HBO Max and HBO Subscribers	54,662	53,841	55,576	56,894	60,613	63,921	**67,527**
Domestic HBO Max and HBO Subscribers[10]	34,587	33,096	36,347	38,033	41,528	44,183	**47,029**
HBO Max - Wholesale	-	-	23,594	25,106	30,785	30,935	**31,451**
HBO Max - Retail	-	-	2,975	3,625	6,880	9,693	**12,077**
HBO	30,331	28,829	5,918	5,614	197	55	**32**
HBO Commercial	4,256	4,267	3,860	3,688	3,666	3,500	**3,469**
International HBO Max and HBO Subscribers[11]	20,075	20,745	19,229	18,861	19,085	19,738	**20,498**
Domestic ARPU[12]	$ 11.94	$ 11.97	$ 11.72	$ 11.43	$ 11.46	$ 11.72	**$ 11.90**

WarnerMedia

Theatrical, TV Content and Games Licensing - Supplemental disclosures provided for modeling purposes[3]

Dollars in millions

Unaudited	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	9/30/20	12/31/20	3/31/21	**6/30/21**
Operating Revenues									
Theatrical product	$ 1,527	$ 1,375	$ 1,570	$ 1,106	$ 1,029	$ 1,068	$ 1,186	$ 1,190	**$ 1,284**
Television product	1,310	1,461	1,983	1,769	1,876	960	1,566	1,674	**1,678**
Games and other	552	497	565	365	351	383	495	349	**405**
Total Operating Revenues	$ 3,389	$ 3,333	$ 4,118	$ 3,240	$ 3,256	$ 2,411	$ 3,247	$ 3,213	**$ 3,367**
Direct Costs									
Film and TV Production costs	$ 1,626	$ 1,618	$ 2,103	$ 1,824	$ 1,893	$ 1,176	$ 1,592	$ 1,877	**$ 2,006**
Marketing	543	400	427	300	153	219	215	303	**340**
Other	323	243	293	222	187	205	250	185	**196**
Total Direct Costs	$ 2,492	$ 2,261	$ 2,823	$ 2,346	$ 2,233	$ 1,600	$ 2,057	$ 2,365	**$ 2,542**

See Notes to Financial and Operational Trends on page 15.

Latin America

Statement of Segment Income

Dollars in millions

Unaudited	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	9/30/20	12/31/20	3/31/21	**6/30/21**
Segment Operating Revenues									
Video Entertainment	$ 1,032	$ 1,013	$ 982	$ 887	$ 752	$ 753	$ 762	$ 743	**$ 749**
Wireless Service	479	455	487	467	345	385	459	439	**447**
Wireless Equipment	246	262	289	236	135	258	277	192	**241**
Total Segment Operating Revenues	$ 1,757	$ 1,730	$ 1,758	$ 1,590	$ 1,232	$ 1,396	$ 1,498	$ 1,374	**$ 1,437**
Segment Operating Expenses									
Operations and support	1,694	1,625	1,553	1,497	1,199	1,337	1,403	1,281	**1,327**
Depreciation and amortization	284	284	294	281	242	250	260	262	**264**
Total Segment Operating Expenses	1,978	1,909	1,847	1,778	1,441	1,587	1,663	1,543	**1,591**
Segment Operating Income (Loss)	(221)	(179)	(89)	(188)	(209)	(191)	(165)	(169)	**(154)**
Equity in Net Income (Loss) of Affiliates	12	13	2	4	8	14	(2)	(4)	**2**
Segment Contribution	$ (209)	$ (166)	$ (87)	$ (184)	$ (201)	$ (177)	$ (167)	$ (173)	**$ (152)**
Segment Operating Income Margin	-12.6%	-10.3%	-5.1%	-11.8%	-17.0%	-13.7%	-11.0%	-12.3%	**-10.7%**
EBITDA[1]	$ 63	$ 105	$ 205	$ 93	$ 33	$ 59	$ 95	$ 93	**$ 110**
EBITDA Margin[1]	3.6%	6.1%	11.7%	5.8%	2.7%	4.2%	6.3%	6.8%	**7.7%**

Latin America

Vrio and Mexico Results

Dollars in millions

Unaudited	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	9/30/20	12/31/20	3/31/21	**6/30/21**
Vrio EBITDA[1]	$ 151	$ 162	$ 202	$ 104	$ 91	$ 78	$ 81	$ 82	**$ 89**
Vrio EBITDA Margin[1]	14.6%	16.0%	20.6%	11.7%	12.1%	10.4%	10.6%	11.0%	**11.9%**
Mexico EBITDA[1]	$ (88)	$ (57)	$ 3	$ (11)	$ (58)	$ (19)	$ 14	$ 11	**$ 21**
Mexico EBITDA Margin[1]	-12.1%	-7.9%	0.4%	-1.6%	-12.1%	-3.0%	1.9%	1.7%	**3.1%**

Latin America

Operating Volumes and Statistics

Volumes in thousands

Unaudited	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	9/30/20	12/31/20	3/31/21	**6/30/21**
Vrio Video Connections[13]	13,473	13,306	13,331	13,217	10,664	10,893	10,942	10,559	**10,320**
Vrio Video Net Adds[13]	(111)	(167)	25	(114)	(312)	229	49	(383)	**(239)**
Mexico Wireless Subscribers	18,021	18,619	19,159	19,158	17,973	18,414	18,943	18,981	**19,046**
Postpaid	5,489	5,352	5,103	4,962	4,771	4,710	4,696	4,725	**4,745**
Prepaid	12,180	12,848	13,584	13,692	12,777	13,249	13,758	13,756	**13,810**
Reseller	352	419	472	504	425	455	489	500	**491**
Mexico Wireless Net Adds	299	598	540	(1)	(1,085)	441	529	38	**65**
Mexico Wireless Churn[6]	7.16%	7.32%	7.43%	6.54%	6.94%	5.90%	5.95%	5.91%	**6.04%**
Mexico Wireless ARPU[7]	$ 8.61	$ 7.86	$ 8.30	$ 7.78	$ 5.84	$ 6.40	$ 7.04	$ 6.85	**$ 6.94**

See Notes to Financial and Operational Trends on page 15.

Corporate

Supplemental Results - Corporate[14]

Dollars in millions

Unaudited	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	9/30/20	12/31/20	3/31/21	6/30/21
Total Operating Revenues	$ 577	$ 550	$ 528	$ 534	$ 589	$ 628	$ 456	$ 426	**$ 361**
Operating Expenses									
Operations and support	885	838	1,008	1,012	1,069	1,175	949	1,213	**1,160**
Depreciation and amortization	173	136	128	90	99	65	56	35	**30**
Total Operating Expenses	1,058	974	1,136	1,102	1,168	1,240	1,005	1,248	**1,190**
Operating Loss	$ (481)	$ (424)	$ (608)	$ (568)	$ (579)	$ (612)	$ (549)	$ (822)	**$ (829)**
Operations and Support:									
Reclassification of amortization of prior service credits	$ 454	$ 454	$ 454	$ 610	$ 611	$ 611	$ 610	$ 669	**$ 672**
Other Corporate expenses	431	384	554	402	458	564	339	544	**488**

AT&T Inc.

Other Income (Expense) - Net

Dollars in millions

Unaudited	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	9/30/20	12/31/20	3/31/21	6/30/21
Interest income and other gain/(loss) items[15]	$ 689	$ 203	$ 23	$ (214)	$ (3)	$ (1,186)	$ 67	$ 136	**$ 28**
Special termination charges	-	12	-	-	-	-	-	-	**-**
Net pension and postretirement credit, excluding actuarial gain/(loss)	692	767	996	1,017	1,020	1,018	1,019	1,241	**1,168**
Actuarial gain/(loss)	(1,699)	(1,917)	(1,123)	-	-	(63)	(4,106)	2,844	**(197)**
Other Income (Expense) - Net	$ (318)	$ (935)	$ (104)	$ 803	$ 1,017	$ (231)	$ (3,020)	$ 4,221	**$ 999**

See Notes to Financial and Operational Trends on page 15.

Corporate and Other

Video Results[3]

Dollars in millions

Unaudited	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	9/30/20	12/31/20	3/31/21	**6/30/21**
Operating Revenues									
Service	$ 8,032	$ 7,942	$ 8,074	$ 7,397	$ 6,979	$ 6,965	$ 7,124	$ 6,684	**$ 6,607**
Equipment	-	-	1	10	42	49	44	41	**32**
Total Operating Revenues	$ 8,032	$ 7,942	$ 8,075	$ 7,407	$ 7,021	$ 7,014	$ 7,168	$ 6,725	**$ 6,639**
Operating Expenses									
Operations and support	6,606	6,787	7,325	6,020	5,809	5,887	6,458	5,660	**5,275**
Depreciation and amortization	640	602	589	591	593	557	521	164	**148**
Total Operating Expenses	7,246	7,389	7,914	6,611	6,402	6,444	6,979	5,824	**5,423**
Operating Income	$ 786	$ 553	$ 161	$ 796	$ 619	$ 570	$ 189	$ 901	**$ 1,216**
Operating Income Margin	9.8%	7.0%	2.0%	10.7%	8.8%	8.1%	2.6%	13.4%	**18.3%**
EBITDA[1]	$ 1,426	$ 1,155	$ 750	$ 1,387	$ 1,212	$ 1,127	$ 710	$ 1,065	**$ 1,364**
EBITDA Margin[1]	17.8%	14.5%	9.3%	18.7%	17.3%	16.1%	9.9%	15.8%	**20.5%**

Corporate and Other

Video Operating Volumes and Statistics

Volumes in thousands

Unaudited	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	9/30/20	12/31/20	3/31/21	**6/30/21**
Premium TV Connections[16]	21,605	20,442	19,496	18,599	17,712	17,121	16,505	15,885	**15,412**
Premium TV Net Adds[16]	(778)	(1,163)	(946)	(897)	(887)	(591)	(617)	(620)	**(473)**
Premium TV ARPU[7]	$ 117.49	$ 121.35	$ 131.00	$ 126.27	$ 124.98	$ 130.55	$ 137.64	$ 134.39	**$ 137.46**

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 of the exhibit 99.1 to Form 8-K dated July 22, 2021. Additionally, see Non-GAAP Reconciliations in the 1Q21 Financial and Operational Trends for certain business units for which historical results were recast in the Form 8-K dated April 9, 2021 (note 3).

[2] Interest during construction is included in both Acquisitions and in Capital Expenditures (see Financial and Operating Statistics Summary on page 2).

[3] In 1Q21, results were reclassified to conform to current-period presentation. See Form 8-K dated April 9, 2021. Changes include: (1) Communications segment results were recast to remove the Video and Government Solutions held-for-sale businesses, instead reporting those results in Corporate and Other. (2) Business Wireline revenues are characterized as either "service" or "equipment". (3) Consumer Wireline business unit (formerly Broadband) and Video have historically been operated as a single business unit, which included our U-verse products that provide both video and broadband services to customers and run on a shared network infrastructure. In conjunction with finalizing the deal terms of our previously announced Video transaction with TPG, we have refined cost allocations, specifically shared infrastructure and deferred customer acquisition costs. (4) WarnerMedia segment results reflect the operation of WarnerMedia as one integrated organization, and as such, operating contribution is reported at the segment level. For modeling purposes, supplemental disclosures of revenue and direct costs are provided herein for the following areas: Basic Networks (formerly Turner business unit), Direct-to-Consumer (DTC) (formerly Home Box Office business unit), and Theatrical, TV Content and Games Licensing (formerly Warner Bros. business unit). In 2Q21, WarnerMedia segment results were recast to conform to current-period presentation reflecting a net presentation for operating revenues and for operating expenses.

[4] Eliminations and consolidations remove transactions that either involve dealings between AT&T companies, including content licensing with WarnerMedia, or relate to advertising arrangements recorded in both the WarnerMedia segment and Video operations (included in Corporate and Other).

[5] 4Q20 subscribers include a reduction of 41K subscribers resulting from a true-up after the divestiture of Puerto Rico and U.S. Virgin Islands mobility operations. 3Q20 Prepaid subscribers and Prepaid Phone subscribers exclude 188K subscriber disconnections resulting from updating our prepaid activation policy.

[6] 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.

[7] For Mobility and Mexico, 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. In Consumer Wireline, Broadband ARPU is defined as Broadband revenues (see footnote 8 below) during the period divided by average Broadband connections (excluding DSL) during the period. In Video, Premium TV ARPU is defined as Service revenues, excluding over-the-top revenues and non-premium TV advertising, during the period divided by average premium TV connections during the period.

[8] Broadband revenues are comprised of revenues from IP Fiber and IP Non-Fiber subscribers and exclude DSL revenues, which are included in Legacy Voice and Data Services.

[9] Programming includes amortization of film and television costs reflected in the Consolidated Statements of Cash Flows. Cash Paid for Programming and Produced Film/TV Content is net of the elimination of transactions between WarnerMedia business units.

[10] Domestic HBO Max and HBO Subscribers include the following categories of U.S. accounts: (1) HBO Max – Wholesale: domestic accounts that have access to HBO Max through a wholesale distributor (including wholesale subscribers that may not have signed in) and those with access to HBO Max billed on a bulk basis (e.g. hotels), (2) HBO Max – Retail: domestic accounts that have access to HBO Max and are billed directly by WarnerMedia or by a third party via in-app purchase, (3) HBO: domestic accounts that do not have access to HBO Max, and (4) HBO Commercial: domestic accounts that do not have access to HBO Max and are billed on a bulk basis (e.g., hotels, etc.). Domestic HBO Max and HBO Subscribers exclude free trials and Cinemax subscribers.

[11] International HBO Max and HBO Subscribers consists of non-domestic accounts with access to HBO Max (including wholesale subscribers that may not have signed in) and include HBO accounts and exclude free trial, basic and Cinemax subscribers.

[12] Domestic ARPU is defined as U.S. HBO Max and HBO Subscriber revenues during the period divided by average Domestic HBO Max and HBO Subscribers during the period, excluding HBO Commercial revenues and subscribers.

[13] Vrio Video connections and net adds include satellite and over-the-top. 2Q20 Video connections include a reduction of 2.2M subscriber disconnections resulting from the closure of DIRECTV operations in Venezuela.

[14] Corporate includes: (1) businesses 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, and (4) the reclassification of the amortization of prior service credits, which we continue to report with segment operating expenses, to consolidated "Other Income (Expense) - Net". Excluding Video which is reported as a separate line within Corporate and Other, the largest Corporate operations included are certain held-for-sale businesses (Crunchyroll). Prior to 4Q20, Corporate included Puerto Rico and U.S. Virgin Islands mobility and business wireline operations (divested in October 2020). Prior to 2Q21, Corporate included AT&T Government Solutions (divested in March 2021).

[15] 2Q21 Interest income and other gain/(loss) includes $135M merger-related debt costs which have been excluded from adjusted EPS. See Adjusting Items in the Financial and Operational Schedules & Non-GAAP Reconciliations.

[16] Premium TV connections and net adds include AT&T TV, which initially launched in 3Q19 and expanded nationwide in 1Q20.