

Financial and Operational Trends

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

OCTOBER 20, 2022

3RD QUARTER EARNINGS 2022



Consolidated Statements of Income²

AT&T Inc.

Dollars and shares in millions except per share amounts

Unaudited	3/31/20	6/30/20	9/30/20	12/31/20	2020	3/31/21	6/30/21	9/30/21	12/31/21	2021	3/31/22	6/30/22	9/30/22
Operating Revenues	\$ 35,357	\$ 34,527	\$ 35,407	\$ 37,759	\$ 143,050	\$ 35,877	\$ 35,740	\$ 31,326	\$ 31,095	\$ 134,038	\$ 29,712	\$ 29,643	\$ 30,043
Operating Expenses													
Cost of revenues													
Equipment	4,048	3,948	4,528	7,061	19,585	5,526	5,315	5,401	7,443	23,685	6,036	5,534	5,440
Broadcast, programming and operations	3,920	3,762	3,871	4,524	16,077	3,592	3,397	1,117	-	8,106	-	-	-
Other cost of revenues	7,387	7,358	7,687	7,557	29,989	7,473	7,446	6,915	6,782	28,616	6,699	6,807	6,761
Selling, general and administrative	6,984	8,170	7,647	8,016	30,817	7,626	7,581	7,094	7,368	29,669	6,978	7,265	7,202
Asset impairments and abandonments and restructuring	30	73	-	15,584	15,687	-	-	105	108	213	-	631	114
Depreciation and amortization	5,705	5,655	5,610	5,553	22,523	4,466	4,429	4,457	4,500	17,852	4,462	4,450	4,514
Total Operating Expenses	28,074	28,966	29,343	48,295	134,678	28,683	28,168	25,089	26,201	108,141	24,175	24,687	24,031
Operating Income (Loss)	7,283	5,561	6,064	(10,536)	8,372	7,194	7,572	6,237	4,894	25,897	5,537	4,956	6,012
Interest Expense	1,963	1,990	1,923	1,851	7,727	1,823	1,640	1,627	1,626	6,716	1,626	1,502	1,420
Equity in Net Income (Loss) of Affiliates	-	10	29	50	89	(6)	(18)	183	444	603	521	504	392
Other Income (Expense) – Net	827	1,161	(211)	(2,865)	(1,088)	4,230	1,206	1,522	2,429	9,387	2,157	2,302	2,270
Income (Loss) from Continuing Operations Before Income Taxes	6,147	4,742	3,959	(15,202)	(354)	9,595	7,120	6,315	6,141	29,171	6,589	6,260	7,254
Income Tax Expense (Benefit) on Continuing Operations	1,298	1,043	755	(1,928)	1,168	2,009	1,151	1,296	939	5,395	1,440	1,509	908
Income (Loss) from Continuing Operations	4,849	3,699	3,204	(13,274)	(1,522)	7,586	5,969	5,019	5,202	23,776	5,149	4,751	6,346
Income (Loss) from Discontinued Operations, Net of Tax	114	(2,136)	(36)	(241)	(2,299)	356	(4,095)	1,254	188	(2,297)	15	(214)	53
Net Income (Loss)	4,963	1,563	3,168	(13,515)	(3,821)	7,942	1,874	6,273	5,390	21,479	5,164	4,537	6,399
Less: Net Income Attributable to Noncontrolling Interest	(353)	(282)	(352)	(368)	(1,355)	(392)	(304)	(355)	(347)	(1,398)	(354)	(380)	(373)
Net Income (Loss) Attributable to AT&T	\$ 4,610	\$ 1,281	\$ 2,816	\$ (13,883)	\$ (5,176)	\$ 7,550	\$ 1,570	\$ 5,918	\$ 5,043	\$ 20,081	\$ 4,810	\$ 4,157	\$ 6,026
Less: Preferred Stock Dividends	(32)	(52)	(54)	(55)	(193)	(50)	(56)	(50)	(51)	(207)	(48)	(52)	(49)
Net Income (Loss) Attributable to Common Stock	\$ 4,578	\$ 1,229	\$ 2,762	\$ (13,938)	\$ (5,369)	\$ 7,500	\$ 1,514	\$ 5,868	\$ 4,992	\$ 19,874	\$ 4,762	\$ 4,105	\$ 5,977
Diluted Earnings Per Share Attributable to Common Stock³	\$ 0.63	\$ 0.17	\$ 0.39	\$ (1.95)	\$ (0.75)	\$ 1.02	\$ 0.22	\$ 0.80	\$ 0.68	\$ 2.73	\$ 0.65	\$ 0.56	\$ 0.80
From Continuing Operations ⁴	0.62	0.46	0.39	(1.92)	(0.45)	0.97	0.76	0.63	0.66	3.02	0.65	0.59	0.79
From Continuing Operations - Adjusted ⁵						0.68	0.73	0.66	0.56	2.63	0.63	0.65	0.68
Weighted Average Number of Common Shares Outstanding - Basic	7,187	7,145	7,147	7,150	7,157	7,161	7,168	7,171	7,172	7,168	7,184	7,169	7,153
Weighted Average Number of Common Shares Outstanding - with Dilution under ASU 2020-06³	7,455	7,463	7,465	7,480	7,466	7,482	7,484	7,506	7,541	7,503	7,555	7,611	7,647
Weighted Average Number of Common Shares Outstanding - with Dilution under historical³	7,214	7,170	7,173	7,176	7,183	7,188	7,200	7,202	7,204	7,199	7,217	7,212	7,201
EBITDA from Continuing Operations¹	\$ 12,988	\$ 11,216	\$ 11,674	\$ (4,963)	\$ 30,895	\$ 11,660	\$ 12,001	\$ 10,694	\$ 9,394	\$ 43,749	\$ 9,999	\$ 9,406	\$ 10,526
Adjusted EBITDA from Continuing Operations¹	\$ 12,288	\$ 12,070	\$ 11,642	\$ 10,590	\$ 46,570	\$ 11,661	\$ 11,931	\$ 10,803	\$ 9,480	\$ 43,875	\$ 10,190	\$ 10,330	\$ 10,714
Adjusted EBITDA Margin from Continuing Operations¹	34.7%	35.0%	32.9%	28.0%	32.6%	32.5%	33.4%	34.5%	30.5%	32.7%	34.3%	34.8%	35.7%

Comparative Results

AT&T Inc.

Dollars in millions except per share amounts

Unaudited	3/31/20	6/30/20	9/30/20	12/31/20	2020	3/31/21	6/30/21	9/30/21	12/31/21	2021	3/31/22	6/30/22	9/30/22
Standalone AT&T (Continuing Operations excluding U.S. Video and Other)^{1,5}													
Standalone AT&T Adjusted Operating Revenues	\$ 27,645	\$ 27,192	\$ 28,038	\$ 30,418	\$ 113,293	\$ 28,983	\$ 29,000	\$ 29,130	\$ 31,095	\$ 118,208	\$ 29,712	\$ 29,643	\$ 30,043
Standalone AT&T Adjusted EBITDA	10,358	10,321	9,979	9,380	40,038	10,194	10,155	10,235	9,484	40,068	10,190	10,330	10,714
Standalone AT&T Adjusted EBITDA Margin	37.5%	38.0%	35.6%	30.8%	35.3%	35.2%	35.0%	35.1%	30.5%	33.9%	34.3%	34.8%	35.7%
Standalone AT&T Adjusted Operating Income	5,981	5,961	5,589	4,982	22,513	5,797	5,722	5,790	5,012	22,321	5,755	5,897	6,216
Standalone AT&T Adjusted Operating Income Margin	21.6%	21.9%	19.9%	16.4%	19.9%	20.0%	19.7%	19.9%	16.1%	18.9%	19.4%	19.9%	20.7%
Standalone AT&T Adjusted Net Income Attributable to Common Stock	4,426	4,215	4,039	3,486	16,166	4,276	4,535	4,533	4,042	17,386	4,523	4,666	4,888
Standalone AT&T Adjusted Diluted Earnings Per Share Attributable to Common Stock	\$ 0.61	\$ 0.58	\$ 0.56	\$ 0.50	\$ 2.25	\$ 0.58	\$ 0.64	\$ 0.62	\$ 0.56	\$ 2.41	\$ 0.63	\$ 0.65	\$ 0.68

See Notes to Financial and Operational Trends on page 12.

Consolidated Statements of Cash Flows²

AT&T Inc.

Dollars in millions

Unaudited

	Three-Month Period		Nine-Month Period	
	9/30/21	9/30/22	9/30/21	9/30/22
Operating Activities				
Income from continuing operations	\$ 5,019	\$ 6,346	\$ 18,574	\$ 16,246
Adjustments to reconcile income from continuing operations to net cash provided by operating activities:				
Depreciation and amortization	4,457	4,514	13,352	13,426
Provision for uncollectible accounts	251	453	857	1,323
Deferred income tax expense	1,709	623	5,234	2,947
Net (gain) loss on investments, net of impairments	12	79	(298)	412
Pension and postretirement benefit expense (credit)	(972)	(789)	(2,876)	(2,529)
Actuarial (gain) loss on pension and postretirement benefits	(374)	(1,440)	(3,021)	(3,838)
Asset impairments and abandonments and restructuring	105	114	105	745
Changes in operating assets and liabilities:				
Receivables	(897)	(271)	(101)	1,021
Other current assets	(1,235)	(810)	(484)	(799)
Accounts payable and other accrued liabilities	1,448	644	(2,660)	(3,261)
Equipment installment receivables and related sales	(96)	564	715	906
Deferred customer contract acquisition and fulfillment costs	(107)	(250)	287	(756)
Postretirement claims and contributions	(218)	(257)	(425)	(443)
Other - net	208	574	(166)	64
Total adjustments	4,291	3,748	10,519	9,218
Net Cash Provided by Operating Activities from Continuing Operations	9,310	10,094	29,093	25,464
Investing Activities				
Capital expenditures ⁶	(4,470)	(5,921)	(12,051)	(15,397)
Acquisitions, net of cash acquired ⁶	(390)	(389)	(23,533)	(9,959)
Dispositions	6,686	27	7,061	49
Distributions from DIRECTV in excess of cumulative equity in earnings	-	567	-	2,205
Other - net	(25)	16	(5)	91
Net Cash (Used in) Provided by Investing Activities from Continuing Operations	1,801	(5,700)	(28,528)	(23,011)
Financing Activities				
Net change in short-term borrowings with original maturities of three months or less	554	(88)	630	84
Issuance of other short-term borrowings	1,036	1,362	17,476	3,955
Repayment of other short-term borrowings	(1,591)	(1,248)	(2,448)	(16,861)
Issuance of long-term debt	834	-	9,931	479
Repayment of long-term debt	(478)	(199)	(1,574)	(24,412)
Note payable to DIRECTV, net of payments	1,439	(348)	1,439	(1,070)
Payment of vendor financing	(1,019)	(900)	(4,013)	(4,237)
Purchase of treasury stock ⁶	(6)	(3)	(191)	(875)
Issuance of treasury stock	4	-	89	28
Dividends paid	(3,748)	(2,010)	(11,319)	(7,845)
Other - net	(675)	(1,505)	(1,567)	(3,649)
Net Cash (Used in) Provided by Financing Activities from Continuing Operations	(3,650)	(4,939)	8,453	(54,403)
Net (decrease) increase in cash and cash equivalents and restricted cash from continuing operations	7,461	(545)	9,018	(51,950)
Cash Flows from Discontinued Operations:				
Cash (used in) provided by operating activities	556	(23)	1,610	(3,754)
Cash provided by (used in) investing activities	1,497	157	1,195	1,029
Cash provided by (used in) financing activities	(85)	(1,212)	(288)	35,853
Net increase (decrease) in cash and cash equivalents and restricted cash from discontinued operations	1,968	(1,078)	2,517	33,128
Net (decrease) increase in cash and cash equivalents and restricted cash	9,429	(1,623)	11,535	(18,822)
Cash and cash equivalents and restricted cash beginning of period	11,976	4,117	9,870	21,316
Cash and Cash Equivalents and Restricted Cash End of Period	\$ 21,405	\$ 2,494	\$ 21,405	\$ 2,494

Note: 2022 Updated per Form 10-Q filed November 3, 2022.

See Notes to Financial and Operational Trends on page 12.

AT&T Inc.

Free Cash Flow^{2*}

Dollars in billions

Unaudited	3/31/21	6/30/21	9/30/21	12/31/21	3/31/22	6/30/22	9/30/22
Cash Flow Detail							
Net cash provided by operating activities from continuing operations	\$ 9.6	\$ 10.2	\$ 9.3	\$ 8.1	\$ 7.6	\$ 7.7	\$ 10.1
Add: Distributions from DIRECTV classified as investing activities	-	-	-	1.3	1.3	0.3	0.6
Less: Capital expenditures from continuing operations	(3.9)	(3.7)	(4.5)	(3.5)	(4.6)	(4.9)	(5.9)
Less: Vendor financing payments	(1.7)	(1.3)	(1.0)	(0.6)	(1.6)	(1.8)	(0.9)
Free Cash Flow from Continuing Operations¹	4.0	5.2	3.8	5.3	2.8	1.4	3.8
Add: Estimated equity in net income from DIRECTV investment ⁵	-	-	0.7	-	-	-	-
Standalone AT&T Free Cash Flow⁵	4.0	5.2	4.5	5.3	2.8	1.4	3.8

* May not foot due to rounding. Historical presentation may differ due to insignificant reclasses between continuing and discontinued operations.

AT&T Inc.

Additional Cash Flow Information - Continuing Operations²

Dollars in millions

Unaudited	3/31/21	6/30/21	9/30/21	12/31/21	3/31/22	6/30/22	9/30/22
Capital Investment Detail							
Capital expenditures from continuing operations	\$ 3,871	\$ 3,710	\$ 4,470	\$ 3,494	\$ 4,568	\$ 4,908	\$ 5,921
Add: Vendor financing payments	1,690	1,304	1,019	583	1,566	1,771	900
Capital Investment¹	5,561	5,014	5,489	4,077	6,134	6,679	6,821

Distributions from DIRECTV Investment

Classified as operating activities	\$	130	\$	489	\$	522	\$	515	\$	392
Classified as investing activities		-		1,323		1,315		323		567
Total Distributions		130		1,812		1,837		838		959

Cash paid for interest	\$	2,082	\$	1,678	\$	2,171	\$	1,554	\$	2,154	\$	1,874	\$	1,953
Cash paid for income taxes, net of (refunds)⁷	\$	(90)	\$	272	\$	33	\$	36	\$	72	\$	266		

AT&T Inc.

FirstNet - Capital Expenditures and Reimbursements²

Dollars in millions

Unaudited	3/31/21	6/30/21	9/30/21	12/31/21	3/31/22	6/30/22	9/30/22
Capital Expenditures Impact							
Capital expenditures from continuing operations	\$ 3,871	\$ 3,710	\$ 4,470	\$ 3,494	\$ 4,568	\$ 4,908	\$ 5,921
FirstNet capital expenditures reimbursement	-	-	-	515	-	-	-
Capital expenditures from continuing operations, gross	3,871	3,710	4,470	4,009	4,568	4,908	5,921

Financial and Operating Statistics Summary

AT&T Inc.

Dollars in millions except per share amounts

Unaudited	3/31/21	6/30/21	9/30/21	12/31/21	3/31/22	6/30/22	9/30/22
Capital Expenditures from continuing operations:²							
Purchase of property and equipment	\$ 3,810	\$ 3,677	\$ 4,432	\$ 3,453	\$ 4,532	\$ 4,867	\$ 5,874
Interest during construction - capital expenditures	61	33	38	41	36	41	47
Acquisitions from continuing operations, net of cash acquired:²							
Spectrum acquisitions	22,876	10	131	1,655	8,956	9	111
Interest during construction - spectrum	-	257	259	265	288	317	278
Dividends Declared Per Common Share	\$ 0.5200	\$ 0.5200	\$ 0.5200	\$ 0.5200	\$ 0.2775	\$ 0.2775	\$ 0.2775
End of Period Common Shares Outstanding (000,000)	7,140	7,140	7,140	7,141	7,159	7,126	7,126
Debt Ratio ²	49.3%	49.7%	49.5%	48.9%	48.5%	50.1%	48.8%
Total Employees (Continuing Operations) (000)	191.3	188.7	177.3	172.9	172.6	172.4	169.9

See Notes to Financial and Operational Trends on page 12.

3RD QUARTER EARNINGS 2022



Operating Revenues²

AT&T Inc.

Dollars in millions

Unaudited	3/31/20	6/30/20	9/30/20	12/31/20	3/31/21	6/30/21	9/30/21	12/31/21	3/31/22	6/30/22	9/30/22
Communications⁸	\$ 26,779	\$ 26,505	\$ 27,195	\$ 29,486	\$ 28,178	\$ 28,128	\$ 28,218	\$ 30,206	\$ 28,876	\$ 28,695	\$ 29,131
Mobility	17,402	17,149	17,894	20,119	19,034	18,936	19,138	21,146	20,075	19,926	20,278
Business Wireline	6,266	6,305	6,261	6,251	6,046	6,052	5,938	5,901	5,640	5,595	5,668
Consumer Wireline	3,111	3,051	3,040	3,116	3,098	3,140	3,142	3,159	3,161	3,174	3,185
Latin America - Mexico	703	480	643	736	631	688	724	704	690	808	785
Corporate and Other^{13,14}	7,875	7,542	7,569	7,537	7,068	6,924	2,384	185	146	140	127
Corporate*	163	207	200	196	174	184	188	185	146	140	127
DTV-related retained costs	-	-	-	-	-	-	20	29	8	-	-
Parent administration support	(43)	(9)	(4)	(6)	(15)	3	-	(6)	(12)	(6)	(6)
Securitization fees	14	14	13	12	13	15	16	17	16	17	15
Value portfolio	192	202	191	190	176	166	152	145	134	129	118
Video	7,407	7,021	7,014	7,168	6,725	6,639	2,149	-	-	-	-
Held-for-sale and other reclassifications	369	369	420	256	231	158	64	-	-	-	-
Eliminations and consolidations	(64)	(55)	(65)	(83)	(62)	(57)	(17)	-	-	-	-
Operating Revenues from Continuing Operations	\$ 35,357	\$ 34,527	\$ 35,407	\$ 37,759	\$ 35,877	\$ 35,740	\$ 31,326	\$ 31,095	\$ 29,712	\$ 29,643	\$ 30,043
Less: Video, Held-for-sale and other reclassifications, Eliminations and consolidations	(7,712)	(7,335)	(7,369)	(7,341)	(6,894)	(6,740)	(2,196)	-	-	-	-
Standalone AT&T Operating Revenues^{1,5}	\$ 27,645	\$ 27,192	\$ 28,038	\$ 30,418	\$ 28,983	\$ 29,000	\$ 29,130	\$ 31,095	\$ 29,712	\$ 29,643	\$ 30,043

Adjusted EBITDA²

AT&T Inc.

Dollars in millions

Unaudited	3/31/20	6/30/20	9/30/20	12/31/20	3/31/21	6/30/21	9/30/21	12/31/21	3/31/22	6/30/22	9/30/22
Communications⁸	\$ 11,633	\$ 11,728	\$ 11,339	\$ 10,578	\$ 11,485	\$ 11,469	\$ 11,282	\$ 10,566	\$ 11,153	\$ 11,341	\$ 11,815
Mobility	7,939	7,931	7,819	7,198	8,058	8,030	8,022	7,382	7,912	8,229	8,461
Business Wireline	2,443	2,652	2,562	2,358	2,358	2,362	2,306	2,193	2,158	2,023	2,224
Consumer Wireline	1,251	1,145	958	1,022	1,069	1,077	954	991	1,083	1,089	1,130
Latin America - Mexico	(11)	(58)	(19)	14	11	21	27	36	59	87	101
Corporate and Other^{8,13,14}	647	401	323	(3)	165	441	(507)	(1,121)	(1,022)	(1,098)	(1,202)
Corporate*	(303)	(387)	(379)	(253)	(283)	(313)	(288)	(448)	(405)	(485)	(471)
DTV-related retained costs	-	-	-	-	-	-	(49)	(145)	(120)	(207)	(197)
Parent administration support	(370)	(498)	(501)	(374)	(388)	(411)	(360)	(382)	(316)	(309)	(272)
Securitization fees	(28)	(6)	10	5	(27)	3	15	(19)	(66)	(61)	(88)
Value portfolio	95	117	112	116	132	95	106	98	97	92	86
Video	1,387	1,212	1,127	710	1,065	1,364	418	-	-	-	-
Held-for-sale and other reclassifications	173	187	186	150	52	62	33	(4)	-	-	-
Reclassification of prior service credits	(610)	(611)	(611)	(610)	(669)	(672)	(670)	(669)	(617)	(613)	(731)
Eliminations and consolidations	-	-	-	-	-	-	-	-	-	-	-
Adjusted EBITDA¹ from Continuing Operations	\$ 12,268	\$ 12,070	\$ 11,642	\$ 10,590	\$ 11,661	\$ 11,931	\$ 10,803	\$ 9,480	\$ 10,190	\$ 10,330	\$ 10,714
Less: Video, Held-for-sale and other reclassifications, Eliminations and consolidations	(1,560)	(1,399)	(1,313)	(860)	(1,117)	(1,426)	(451)	4	-	-	-
Add: DTV-related retained costs ¹³	(350)	(350)	(350)	(350)	(350)	(350)	(117)	-	-	-	-
Standalone AT&T Adjusted EBITDA^{1,5}	\$ 10,358	\$ 10,321	\$ 9,979	\$ 9,380	\$ 10,194	\$ 10,155	\$ 10,235	\$ 9,484	\$ 10,190	\$ 10,330	\$ 10,714

* See page 11 for additional detail of Corporate results.

See Notes to Financial and Operational Trends on page 12. May not foot due to rounding.

3RD QUARTER EARNINGS 2022



Communications

Mobility Results⁸

Dollars in millions

Unaudited	3/31/20	6/30/20	9/30/20	12/31/20	3/31/21	6/30/21	9/30/21	12/31/21	3/31/22	6/30/22	9/30/22
Operating Revenues											
Service	\$ 13,968	\$ 13,669	\$ 13,883	\$ 14,022	\$ 14,048	\$ 14,346	\$ 14,527	\$ 14,669	\$ 14,724	\$ 15,004	\$ 15,337
Equipment	3,434	3,480	4,011	6,097	4,986	4,590	4,611	6,477	5,351	4,922	4,941
Total Operating Revenues	\$ 17,402	\$ 17,149	\$ 17,894	\$ 20,119	\$ 19,034	\$ 18,936	\$ 19,138	\$ 21,146	\$ 20,075	\$ 19,926	\$ 20,278
Operating Expenses											
Operations and support	\$ 9,463	\$ 9,218	\$ 10,075	\$ 12,921	\$ 10,976	\$ 10,906	\$ 11,116	\$ 13,764	\$ 12,163	\$ 11,697	\$ 11,817
Depreciation and amortization	2,045	2,012	2,021	2,008	2,014	2,023	2,035	2,050	2,059	2,017	2,042
Total Operating Expenses	11,508	11,230	12,096	14,929	12,990	12,929	13,151	15,814	14,222	13,714	13,859
Operating Income	\$ 5,894	\$ 5,919	\$ 5,798	\$ 5,190	\$ 6,044	\$ 6,007	\$ 5,987	\$ 5,332	\$ 5,853	\$ 6,212	\$ 6,419
Operating Income Margin	33.9%	34.5%	32.4%	25.8%	31.8%	31.7%	31.3%	25.2%	29.2%	31.2%	31.7%
EBITDA¹	\$ 7,939	\$ 7,931	\$ 7,819	\$ 7,198	\$ 8,058	\$ 8,030	\$ 8,022	\$ 7,382	\$ 7,912	\$ 8,229	\$ 8,461
EBITDA Margin¹	45.6%	46.2%	43.7%	35.8%	42.3%	42.4%	41.9%	34.9%	39.4%	41.3%	41.7%
EBITDA Service Margin¹	56.8%	58.0%	56.3%	51.3%	57.4%	56.0%	55.2%	50.3%	53.7%	54.8%	55.2%

See Notes to Financial and Operational Trends on page 12.

Communications

Mobility Operating Volumes and Statistics

Volumes in thousands

Unaudited	3/31/20	6/30/20	9/30/20	12/31/20	3/31/21	6/30/21	9/30/21	12/31/21	3/31/22	6/30/22	9/30/22
AT&T Mobility Subscribers and Connections⁹											
Total Subscribers and Connections	169,198	171,407	176,744	182,558	186,108	191,646	196,519	201,791	196,616	203,373	210,678
Postpaid	75,148	74,919	75,969	77,154	77,934	79,059	80,249	81,534	81,639	82,694	83,614
Prepaid	17,808	18,008	18,100	18,102	18,387	18,681	19,028	19,028	18,859	19,095	19,215
Reseller	6,736	6,718	6,708	6,535	6,501	6,406	6,263	6,113	5,383	5,480	5,854
Connected Devices	69,506	71,762	75,967	80,767	83,286	87,500	90,979	95,116	90,735	96,104	101,995
Net Add Detail											
Net Subscriber Additions	3,310	2,208	5,525	5,855	3,551	5,537	4,873	5,271	5,532	6,602	7,129
Postpaid Net Adds	27	(154)	1,081	1,229	823	1,156	1,218	1,285	965	1,058	964
Prepaid Net Adds	(45)	165	245	14	279	297	351	29	116	231	141
Phone Detail⁹											
Postpaid Phones	63,105	62,882	63,485	64,216	64,752	65,503	66,396	67,260	67,518	68,311	68,969
Prepaid Phones	16,687	16,856	16,832	16,779	16,992	17,161	17,405	17,398	17,228	17,431	17,517
Phone Detail - Net Adds											
Postpaid Phone Net Adds	163	(151)	645	800	595	789	928	884	691	813	708
Prepaid Phone Net Adds	(43)	135	131	(40)	207	174	249	24	113	196	108
Other Metrics											
Postpaid Smartphone Gross Adds and Upgrades (in millions)	3.9	3.8	4.4	6.9	5.1	5.0	5.6	6.6	5.4	5.1	5.8
Postpaid Upgrade Rate	3.0%	3.3%	3.5%	6.5%	4.1%	3.9%	4.3%	5.3%	4.0%	3.6%	4.3%
Churn Detail¹⁰											
Postpaid Phone Churn	0.86%	0.84%	0.69%	0.76%	0.76%	0.69%	0.72%	0.85%	0.79%	0.75%	0.84%
Postpaid Churn	1.08%	1.05%	0.85%	0.94%	0.93%	0.87%	0.92%	1.02%	0.94%	0.93%	1.01%
ARPU¹¹											
Postpaid Phone-Only ARPU	\$ 55.68	\$ 54.47	\$ 54.70	\$ 54.46	\$ 54.10	\$ 54.24	\$ 54.37	\$ 54.06	\$ 54.00	\$ 54.81	\$ 55.67
Postpaid ARPU	\$ 50.63	\$ 49.76	\$ 49.94	\$ 49.50	\$ 49.13	\$ 49.26	\$ 49.17	\$ 48.97	\$ 48.88	\$ 49.52	\$ 50.12

See Notes to Financial and Operational Trends on page 12.

3RD QUARTER EARNINGS 2022



Communications

Business Wireline Results⁸

Dollars in millions

Unaudited	3/31/20	6/30/20	9/30/20	12/31/20	3/31/21	6/30/21	9/30/21	12/31/21	3/31/22	6/30/22	9/30/22
Operating Revenues											
Service	\$ 6,091	\$ 6,101	\$ 6,079	\$ 6,042	\$ 5,872	\$ 5,860	\$ 5,765	\$ 5,727	\$ 5,478	\$ 5,416	\$ 5,524
Equipment	175	204	182	209	174	192	173	174	162	179	144
Total Operating Revenues	\$ 6,266	\$ 6,305	\$ 6,261	\$ 6,251	\$ 6,046	\$ 6,052	\$ 5,938	\$ 5,901	\$ 5,640	\$ 5,595	\$ 5,668
Operating Expenses											
Operations and support	\$ 3,823	\$ 3,653	\$ 3,699	\$ 3,893	\$ 3,688	\$ 3,690	\$ 3,632	\$ 3,708	\$ 3,482	\$ 3,572	\$ 3,444
Depreciation and amortization	1,286	1,301	1,313	1,316	1,278	1,293	1,304	1,317	1,299	1,313	1,342
Total Operating Expenses	5,109	4,954	5,012	5,209	4,966	4,983	4,936	5,025	4,781	4,885	4,786
Operating Income	\$ 1,157	\$ 1,351	\$ 1,249	\$ 1,042	\$ 1,080	\$ 1,069	\$ 1,002	\$ 876	\$ 859	\$ 710	\$ 882
Operating Income Margin	18.5%	21.4%	19.9%	16.7%	17.9%	17.7%	16.9%	14.8%	15.2%	12.7%	15.6%
EBITDA¹	\$ 2,443	\$ 2,652	\$ 2,562	\$ 2,358	\$ 2,358	\$ 2,362	\$ 2,306	\$ 2,193	\$ 2,158	\$ 2,023	\$ 2,224
EBITDA Margin¹	39.0%	42.1%	40.9%	37.7%	39.0%	39.0%	38.8%	37.2%	38.3%	36.2%	39.2%

Communications

Supplemental Business Solutions Results (Wireline and Business Mobility)⁸

Dollars in millions

Unaudited	3/31/20	6/30/20	9/30/20	12/31/20	3/31/21	6/30/21	9/30/21	12/31/21	3/31/22	6/30/22	9/30/22
Operating Revenues	\$ 8,925	\$ 8,775	\$ 8,873	\$ 9,124	\$ 8,805	\$ 8,858	\$ 8,810	\$ 9,039	\$ 8,673	\$ 8,644	\$ 8,749
Total Wireless Revenues	2,659	2,470	2,612	2,873	2,759	2,806	2,872	3,138	3,033	3,049	3,081
Operating Income	1,753	1,877	1,884	1,516	1,672	1,577	1,578	1,337	1,405	1,294	1,519
EBITDA¹	\$ 3,362	\$ 3,498	\$ 3,516	\$ 3,154	\$ 3,286	\$ 3,215	\$ 3,229	\$ 3,004	\$ 3,065	\$ 2,960	\$ 3,218

See Notes to Financial and Operational Trends on page 12.

3RD QUARTER EARNINGS 2022



Communications

Consumer Wireline Results⁸

Dollars in millions

Unaudited	3/31/20	6/30/20	9/30/20	12/31/20	3/31/21	6/30/21	9/30/21	12/31/21	3/31/22	6/30/22	9/30/22
Operating Revenues											
Broadband ¹²	\$ 2,109	\$ 2,092	\$ 2,128	\$ 2,205	\$ 2,205	\$ 2,266	\$ 2,290	\$ 2,324	\$ 2,355	\$ 2,393	\$ 2,429
Legacy Voice and Data Services	581	560	538	534	519	504	484	470	460	445	427
Other Service and Equipment	421	399	374	377	374	370	368	365	346	336	329
Total Operating Revenues	\$ 3,111	\$ 3,051	\$ 3,040	\$ 3,116	\$ 3,098	\$ 3,140	\$ 3,142	\$ 3,159	\$ 3,161	\$ 3,174	\$ 3,185
Operating Expenses											
Operations and support	\$ 1,860	\$ 1,906	\$ 2,082	\$ 2,094	\$ 2,029	\$ 2,063	\$ 2,188	\$ 2,168	\$ 2,078	\$ 2,085	\$ 2,055
Depreciation and amortization	712	730	734	738	762	769	775	789	766	785	800
Total Operating Expenses	2,572	2,636	2,816	2,832	2,791	2,832	2,963	2,957	2,844	2,870	2,855
Operating Income	\$ 539	\$ 415	\$ 224	\$ 284	\$ 307	\$ 308	\$ 179	\$ 202	\$ 317	\$ 304	\$ 330
Operating Income Margin											
	17.3%	13.6%	7.4%	9.1%	9.9%	9.8%	5.7%	6.4%	10.0%	9.6%	10.4%
EBITDA¹	\$ 1,251	\$ 1,145	\$ 958	\$ 1,022	\$ 1,069	\$ 1,077	\$ 954	\$ 991	\$ 1,083	\$ 1,089	\$ 1,130
EBITDA Margin¹	40.2%	37.5%	31.5%	32.8%	34.5%	34.3%	30.4%	31.4%	34.3%	34.3%	35.5%

Broadband Revenue Detail¹²

Fiber	\$ 775	\$ 829	\$ 892	\$ 932	\$ 973	\$ 1,047	\$ 1,112	\$ 1,190	\$ 1,271
Non Fiber	1,353	1,376	1,313	1,334	1,317	1,277	1,243	1,203	1,158

Communications

Consumer Wireline Operating Volumes and Statistics

Volumes in thousands

Unaudited	3/31/20	6/30/20	9/30/20	12/31/20	3/31/21	6/30/21	9/30/21	12/31/21	3/31/22	6/30/22	9/30/22
Total Broadband Connections¹²											
Fiber	13,554	13,475	13,662	13,693	13,767	13,818	13,846	13,845	13,850	13,825	13,796
Non Fiber	4,096	4,321	4,678	4,951	5,186	5,432	5,721	5,992	6,281	6,597	6,935
	9,458	9,154	8,984	8,742	8,581	8,386	8,125	7,853	7,569	7,228	6,861
Total Broadband Net Adds¹²											
Fiber	(44)	(79)	187	31	74	51	28	(1)	5	(25)	(29)
Non Fiber	209	225	357	273	235	246	289	271	289	316	338
	(253)	(304)	(170)	(242)	(161)	(195)	(261)	(272)	(284)	(341)	(367)

ARPU¹¹

Broadband ARPU	\$ 51.84	\$ 51.61	\$ 52.43	\$ 53.72	\$ 53.52	\$ 54.76	\$ 55.16	\$ 55.96	\$ 56.66	\$ 57.64	\$ 58.63
Fiber ARPU			57.47	57.33	58.65	58.53	58.17	59.57	60.41	61.65	62.62
Non Fiber ARPU			49.93	51.76	50.52	52.41	53.12	53.30	53.67	54.17	54.80

Other Metrics¹²

Fiber Customer Locations (in millions)	13.9	14.1	14.3	14.4	14.6	14.9	15.5	16.2	17.0	18.0	18.5
Fiber Penetration	29%	31%	33%	34%	35%	36%	37%	37%	37%	37%	37%

See Notes to Financial and Operational Trends on page 12.

3RD QUARTER EARNINGS 2022



Latin America Segment - Mexico

Statement of Segment Income

Dollars in millions

Unaudited	3/31/20	6/30/20	9/30/20	12/31/20	3/31/21	6/30/21	9/30/21	12/31/21	3/31/22	6/30/22	9/30/22
Segment Operating Revenues											
Wireless service	\$ 467	\$ 345	\$ 385	\$ 459	\$ 439	\$ 447	\$ 463	\$ 485	\$ 490	\$ 534	\$ 559
Wireless equipment	236	135	258	277	192	241	261	219	200	274	226
Total Segment Operating Revenues	\$ 703	\$ 480	\$ 643	\$ 736	\$ 631	\$ 688	\$ 724	\$ 704	\$ 690	\$ 808	\$ 785
Segment Operating Expenses											
Operations and support	\$ 714	\$ 538	\$ 662	\$ 722	\$ 620	\$ 667	\$ 697	\$ 668	\$ 631	\$ 721	\$ 684
Depreciation and amortization	134	115	124	140	145	150	157	153	161	169	164
Total Segment Operating Expenses	848	653	786	862	765	817	854	821	792	890	848
Segment Operating Income (Loss)	\$ (145)	\$ (173)	\$ (143)	\$ (126)	\$ (134)	\$ (129)	\$ (130)	\$ (117)	\$ (102)	\$ (82)	\$ (63)
Segment Operating Income Margin	-20.6%	-36.0%	-22.2%	-17.1%	-21.2%	-18.8%	-18.0%	-16.6%	-14.8%	-10.1%	-8.0%
EBITDA¹	\$ (11)	\$ (58)	\$ (19)	\$ 14	\$ 11	\$ 21	\$ 27	\$ 36	\$ 59	\$ 87	\$ 101
EBITDA Margin¹	-1.6%	-12.1%	-3.0%	1.9%	1.7%	3.1%	3.7%	5.1%	8.6%	10.8%	12.9%

Latin America Segment - Mexico

Operating Volumes and Statistics

Volumes in thousands

Unaudited	3/31/20	6/30/20	9/30/20	12/31/20	3/31/21	6/30/21	9/30/21	12/31/21	3/31/22	6/30/22	9/30/22
Wireless Subscribers											
Postpaid	4,962	4,771	4,710	4,696	4,725	4,745	4,781	4,807	4,810	4,835	4,854
Prepaid	13,692	12,777	13,249	13,758	13,756	13,810	14,199	15,057	15,235	15,422	15,689
Reseller	504	425	455	489	500	491	493	498	458	443	455
Wireless Net Adds	(1)	(1,085)	441	529	38	65	427	889	141	197	298
Wireless Churn¹⁰	6.54%	6.94%	5.90%	5.95%	5.91%	6.04%	5.99%	5.75%	6.13%	6.19%	6.23%
Wireless ARPU¹¹	\$ 7.78	\$ 5.84	\$ 6.40	\$ 7.04	\$ 6.85	\$ 6.94	\$ 6.97	\$ 6.80	\$ 6.62	\$ 7.05	\$ 7.04

See Notes to Financial and Operational Trends on page 12.

3RD QUARTER EARNINGS 2022



Corporate

Supplemental Results and Standalone AT&T Financial Information - Corporate^{2,8,13}

Dollars in millions

Unaudited	3/31/20	6/30/20	9/30/20	12/31/20	3/31/21	6/30/21	9/30/21	12/31/21	3/31/22	6/30/22	9/30/22
Total Operating Revenues from Continuing Operations	\$ 163	\$ 207	\$ 200	\$ 196	\$ 174	\$ 184	\$ 188	\$ 185	\$ 146	\$ 140	\$ 127
Operating Expenses from Continuing Operations											
Operations and support	466	594	579	449	457	497	476	633	551	625	598
DTV-related retained costs ¹³	-	-	-	-	-	-	69	174	128	207	197
Parent administration support	327	489	497	368	373	414	360	376	304	303	266
Securitization fees	42	20	3	7	40	12	1	36	82	78	103
Value portfolio	97	85	79	74	44	71	46	47	37	37	32
Depreciation and amortization	20	21	19	16	17	18	114	163	150	149	150
Total Operating Expenses from Continuing Operations	486	615	598	465	474	515	590	796	701	774	748
Operating Loss from Continuing Operations	\$ (323)	\$ (408)	\$ (398)	\$ (269)	\$ (300)	\$ (331)	\$ (402)	\$ (611)	\$ (555)	\$ (634)	\$ (621)
Estimated Comparative Adjustments											
DTV-related retained operating expenses ¹³	(350)	(350)	(350)	(350)	(350)	(350)	(117)	-	-	-	-
DTV-related retained depreciation ¹³	(180)	(180)	(180)	(180)	(180)	(180)	(60)	-	-	-	-
Operating Loss - Standalone AT&T Corporate⁵	\$ (853)	\$ (938)	\$ (928)	\$ (799)	\$ (830)	\$ (861)	\$ (579)	\$ (611)	\$ (555)	\$ (634)	\$ (621)

Other

Supplemental Results - Reclassification of Prior Service Credits¹⁴

Dollars in millions

Unaudited	3/31/20	6/30/20	9/30/20	12/31/20	3/31/21	6/30/21	9/30/21	12/31/21	3/31/22	6/30/22	9/30/22
Operating Loss	\$ (610)	\$ (611)	\$ (611)	\$ (610)	\$ (669)	\$ (672)	\$ (670)	\$ (669)	\$ (617)	\$ (613)	\$ (731)

AT&T Inc.

Equity in Net Income (Loss) of Affiliates

Dollars in millions

Unaudited	9/30/21	12/31/21	3/31/22	6/30/22	9/30/22
Equity in Net Income (Loss) of Affiliates from Continuing Operations	\$ 183	\$ 444	\$ 521	\$ 504	\$ 392
Less: Equity in Net Income (Loss) from Other investments from Continuing Operations	26	(18)	(1)	(11)	-
Equity in Net Income from DIRECTV investment	157	462	522	515	392
Add: DIRECTV intangible amortization (proportionate share)	392	434	416	396	376
Adjusted Equity in Net Income from DIRECTV investment¹⁵	\$ 549	\$ 896	\$ 938	\$ 911	\$ 768

AT&T Inc.

Other Income (Expense) - Net²

Dollars in millions

Unaudited	3/31/20	6/30/20	9/30/20	12/31/20	3/31/21	6/30/21	9/30/21	12/31/21	3/31/22	6/30/22	9/30/22
Interest income and other gain/(loss) items ¹⁶	\$ (190)	\$ 141	\$ (1,166)	\$ 222	\$ 145	\$ 235	\$ (76)	\$ 84	\$ (28)	\$ (16)	\$ (107)
Net pension and postretirement credit, excluding actuarial gain/(loss) ¹⁶	1,017	1,020	1,018	1,019	1,241	1,168	1,224	1,226	1,132	973	937
Actuarial gain/(loss)	-	-	(63)	(4,106)	2,844	(197)	374	1,119	1,053	1,345	1,440
Other Income (Expense) - Net	\$ 827	\$ 1,161	\$ (211)	\$ (2,865)	\$ 4,230	\$ 1,206	\$ 1,522	\$ 2,429	\$ 2,157	\$ 2,302	\$ 2,270

See Notes to Financial and Operational Trends on page 12.

Notes to Financial and Operational Trends

AT&T Inc.

See Discussion and Reconciliation of Non-GAAP Measures and supplemental information included in Form 8-K dated October 20, 2022.

¹ On April 8, 2022, we completed the separation of our WarnerMedia business. With the separation and distribution of WarnerMedia, the WarnerMedia business met the criteria for discontinued operations in the second-quarter of 2022. For discontinued operations, we evaluated transactions that were components of AT&T's single plan of a strategic shift, including dispositions that may not have individually met the criteria due to materiality, and have determined discontinued operations to be comprised of WarnerMedia, Vrio, Xandr, and Playdemic Ltd. These businesses are reflected in our historical financial statements as discontinued operations, including for periods prior to the consummation of the WarnerMedia/Discovery transaction.

² Beginning with 2022 interim reporting, AT&T adopted ASU No. 2020-06 which requires that instruments which may be settled in cash or stock are presumed settled in stock in calculating diluted earnings per share. Accordingly, reported diluted earnings per share has been recast for 2020 and 2021 to reflect the dilutive impacts, where applicable, of the Mobility II preferred interests. These impacts were adjusted in calculating adjusted earnings per share resulting in no change to historical amounts. To estimate reported diluted EPS, use the weighted average shares outstanding (WASO) with dilution under ASU 2020-06. To estimate adjusted EPS, use WASO - with dilution under historical since the ASU 2020-06 dilutive impact is excluded from adjusted EPS.

³ Diluted Earnings Per Share Attributable to Common Stock - Continuing Operations is calculated as: Income (Loss) from Continuing Operations minus net income from continuing operations attributable to noncontrolling interest minus preferred stock dividends divided by the weighted average number of shares outstanding - with dilution under ASU 2020-06 (except for 2Q21 and 2Q20 where the noncontrolling interest includes \$81M and \$105M, respectively, related to impairments recorded in discontinued operations).

⁴ Standalone AT&T results reflect the historical continuing operating results of the company excluding U.S. Video and other dispositions included in Corporate and Other, as if such transfers occurred as of January 1, 2020. See our Form 8-K dated October 20, 2022 for further discussion and information. For Standalone AT&T Free Cash Flow, 3Q21 includes an adjustment for estimated cash distributions from DIRECTV for the last two months of 3Q21. For reconciliation of Operating Loss - Standalone AT&T Corporate, see our Form 8-K dated April 15, 2022 (Comparative Basis Financial Information - Standalone AT&T by Segment).

⁵ Cash flow items: (1) Purchase of treasury stock for 3Q22 year-to-date (\$3M in 3Q22, \$675M in 2Q22, \$197M in 1Q22) includes the repurchase of shares issued for compensation purposes, consistent with past practice. 2Q22 was larger reflecting the repurchase of about 1.5 years of shares issued for compensation; (2) Interest during construction is included in both Acquisitions and in Capital Expenditures (see Financial and Operating Statistics Summary on page 4).

⁶ Cash paid for income taxes has been recast to reclassify WarnerMedia, Xandr, and Vrio foreign taxes to discontinued operations. Current quarter cash paid for income taxes will be available in the Form 10-Q when filed.

⁷ To conform with the current period presentation, results have been recast in the first quarter of 2022 to reclassify into Corporate certain administrative costs borne by AT&T where the business units do not influence decision making. See our Form 8-K dated April 21, 2022 for further discussion and information.

⁸ 1Q22 subscribers and connections include a reduction of 10,707k subscribers and connections (899k postpaid including 438k phones, 234k prepaid, 749k reseller, 8,825k connected devices) resulting from 3G network shutdown in February 2022. 3Q22 includes an adjustment of +169K connected devices related to the 3G network shutdown.

⁹ 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.

¹⁰ 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, (1) Broadband ARPU is defined as Broadband revenues (see footnote 12 below) during the period divided by average Broadband connections (see footnote 12 below) during the period; (2) Fiber ARPU is defined as Fiber revenues in the business unit during the period divided by average Fiber connections during the period; and (3) Non-fiber ARPU is defined as Non-fiber revenues in the business unit during the period divided by average Non-fiber connections during the period.

¹¹ Broadband revenues are comprised of revenues from Fiber and Non-fiber subscribers and exclude DSL revenues, which are included in Legacy Voice and Data Services. Fiber and Non-fiber revenues are presented beginning with 3Q20 based on current methodology. Broadband connections and net adds exclude DSL. A fiber customer location served is defined as (1) where fiber has been built to a specific customer location, (2) the customer can place an order for fiber, and (3) service can be provisioned. Fiber penetration is calculated as Fiber connections divided by Fiber Customer Locations.

¹² Corporate includes:

(1) DTV-related retained costs, which are costs previously allocated to the Video business that were retained after the transaction, net of reimbursements from DIRECTV under transition service agreements. For a historical comparison of Standalone AT&T, see Estimated Comparative Adjustments, which are described in Note [G] to Notes to Comparative Basis Financial Information - Standalone AT&T by Segment schedule included in our Form 8-K dated April 15, 2022.

(2) Parent administration support, which includes costs borne by AT&T where the business units do not influence decision making.

(3) Securitization fees.

(4) Value portfolio, which are businesses no longer integral to our operations or which we no longer actively market.

¹³ Corporate and Other also includes: (1) Video (former U.S. Video operations contributed to DIRECTV in 2021), (2) Held-for-sale (former Crunchyroll, Government Solutions, and Puerto Rico operations) and other reclassifications, including reclassification of parent administration costs in connection with the separation of U.S. Video and WarnerMedia, (3) reclassification of prior service credit amortization where we present the impact of benefit plan amendments in our business unit results; prior service credit amortization is reported in consolidated "Other Income (Expense) - Net", and (4) eliminations and consolidations.

¹⁴ Adjusted equity in net income from DIRECTV investment is calculated as equity income from DIRECTV reported in Equity in Net Income (Loss) of Affiliates and excludes AT&T's proportionate share of the non-cash depreciation and amortization of fair value accretion from DIRECTV's revaluation of assets and purchase price allocation.

¹⁵ 3Q22 Other Income (Expense) - Net includes (\$416M) which has been excluded from adjusted EPS. These adjustments impact (1) Net pension and postretirement credits and (2) Interest income and other gain/(loss) items. The adjustment to net pension and postretirement credit includes the impact on our third-quarter 2022 benefit expense accrual that resulted from remeasurements of plan assets and obligations in prior-quarters of 2022, which include increases in the assumed discount rates. See Adjustments in the Financial and Operational Schedules & Non-GAAP Reconciliations.