4TH QUARTER EARNINGS 2023

Financial and Operational Trends

JANUARY 24, 2024

AT&T

Consolidated Statements of Income

AT&T Inc.

Dollars and shares in millions except per share amounts

Unaudited	3/31/22	6/30/22	9/30/22	12/31/22	2022	3/31/23	6/30/23	9/30/23	**12/31/23**	**2023**
Operating Revenues	$ 29,712	$ 29,643	$ 30,043	$ 31,343	$ 120,741	$ 30,139	$ 29,917	$ 30,350	**$ 32,022**	**$ 122,428**
Operating Expenses										
Cost of revenues										
Equipment	6,036	5,534	5,440	6,999	24,009	5,658	5,056	5,219	**7,203**	**23,136**
Other cost of revenues	6,699	6,807	6,761	6,572	26,839	6,673	6,771	6,835	**6,708**	**26,987**
Selling, general and administrative	6,978	7,265	7,202	7,516	28,961	7,175	7,009	7,205	**7,485**	**28,874**
Asset impairments and abandonments and restructuring	-	631	114	26,753	27,498	-	-	604	**589**	**1,193**
Depreciation and amortization	4,462	4,450	4,514	4,595	18,021	4,631	4,675	4,705	**4,766**	**18,777**
Total Operating Expenses	24,175	24,687	24,031	52,435	125,328	24,137	23,511	24,568	**26,751**	**98,967**
Operating Income (Loss)	5,537	4,956	6,012	(21,092)	(4,587)	6,002	6,406	5,782	**5,271**	**23,461**
Interest Expense	1,626	1,502	1,420	1,560	6,108	1,708	1,608	1,662	**1,726**	**6,704**
Equity in Net Income of Affiliates	521	504	392	374	1,791	538	380	420	**337**	**1,675**
Other Income (Expense) – Net	2,157	2,302	2,270	(919)	5,810	935	987	440	**(946)**	**1,416**
Income (Loss) from Continuing Operations Before Income Taxes	6,589	6,260	7,254	(23,197)	(3,094)	5,767	6,165	4,980	**2,936**	**19,848**
Income Tax Expense (Benefit) on Continuing Operations	1,440	1,509	908	(77)	3,780	1,314	1,403	1,154	**354**	**4,225**
Income (Loss) from Continuing Operations	5,149	4,751	6,346	(23,120)	(6,874)	4,453	4,762	3,826	**2,582**	**15,623**
Income (Loss) from Discontinued Operations, Net of Tax	15	(214)	53	(35)	(181)	-	-	-	**-**	**-**
Net Income (Loss)	5,164	4,537	6,399	(23,155)	(7,055)	4,453	4,762	3,826	**2,582**	**15,623**
Less: Net Income Attributable to Noncontrolling Interest	(354)	(380)	(373)	(362)	(1,469)	(225)	(273)	(331)	**(394)**	**(1,223)**
Net Income (Loss) Attributable to AT&T	$ 4,810	$ 4,157	$ 6,026	$ (23,517)	$ (8,524)	$ 4,228	$ 4,489	$ 3,495	**$ 2,188**	**$ 14,400**
Less: Preferred Stock Dividends	(48)	(52)	(49)	(54)	(203)	(52)	(52)	(51)	**(53)**	**(208)**
Net Income (Loss) Attributable to Common Stock	$ 4,762	$ 4,105	$ 5,977	$ (23,571)	$ (8,727)	$ 4,176	$ 4,437	$ 3,444	**$ 2,135**	**$ 14,192**
Diluted Earnings (Loss) Per Share Attributable to Common Stock[2]	$ 0.65	$ 0.56	$ 0.80	$ (3.20)	$ (1.13)	$ 0.57	$ 0.61	$ 0.48	**$ 0.30**	**$ 1.97**
From Continuing Operations[3]	0.65	0.59	0.79	(3.20)	(1.10)	0.57	0.61	0.48	**0.30**	**1.97**
From Continuing Operations - Adjusted[2]	0.63	0.65	0.68	0.61	2.57	0.60	0.63	0.64	**0.54**	**2.41**
Weighted Average Number of Common Shares Outstanding - Basic	7,184	7,169	7,153	7,157	7,166	7,168	7,180	7,185	**7,190**	**7,181**
Weighted Average Number of Common Shares Outstanding - with Dilution under ASU 2020-06[2]	7,556	7,611	7,647	7,533	7,587	7,474	7,180	7,185	**7,191**	**7,258**
Weighted Average Number of Common Shares Outstanding - with Dilution under historical[2]	7,219	7,212	7,201	7,205	7,209	7,190	7,180	7,185	**7,191**	**7,187**
EBITDA from Continuing Operations[1]	$ 9,999	$ 9,406	$ 10,526	$ (16,497)	$ 13,434	$ 10,633	$ 11,081	$ 10,487	**$ 10,037**	**$ 42,238**
Adjusted EBITDA from Continuing Operations[1]	$ 10,190	$ 10,330	$ 10,714	$ 10,231	$ 41,465	$ 10,589	$ 11,053	$ 11,203	**$ 10,555**	**$ 43,400**
Adjusted EBITDA Margin from Continuing Operations[1]	34.3%	34.8%	35.7%	32.6%	34.3%	35.1%	36.9%	36.9%	**33.0%**	**35.4%**

Financial and Operating Statistics Summary

AT&T Inc.

Unaudited	3/31/22	6/30/22	9/30/22	12/31/22	2022	3/31/23	6/30/23	9/30/23	**12/31/23**	**2023**
Dividends Declared Per Common Share	$ 0.2775	$ 0.2775	$ 0.2775	$ 0.2775	$ 1.11	$ 0.2775	$ 0.2775	$ 0.2775	**$ 0.2775**	**$ 1.11**
End of Period Common Shares Outstanding (000,000)	7,159	7,126	7,126	7,128		7,149	7,149	7,150	**7,150**	
Debt Ratio	48.5%	50.1%	48.8%	56.1%		55.9%	54.8%	53.5%	**53.5%**	
Total Employees (Continuing Operations) (000)	172.6	172.4	169.9	162.9		157.8	156.6	152.7	**150.5**	

See Notes to Financial and Operational Trends on page 12.

AT&T

Consolidated Statements of Cash Flows

AT&T Inc.

Dollars in millions

Unaudited	12/31/22	3/31/23	6/30/23	9/30/23	**12/31/23**
Operating Activities					
Income (loss) from continuing operations	$ (23,120)	$ 4,453	$ 4,762	$ 3,826	**$ 2,582**
Adjustments to reconcile income (loss) from continuing operations to net cash provided by operating activities:					
Depreciation and amortization	4,595	4,631	4,675	4,705	**4,766**
Provision for uncollectible accounts	542	477	452	480	**560**
Deferred income tax expense	28	529	1,307	1,327	**(126)**
Net (gain) loss on investments, net of impairments	(31)	(93)	(67)	495	**106**
Pension and postretirement benefit expense (credit)	(708)	(670)	(671)	(625)	**(586)**
Actuarial and settlement (gain) loss on pension and postretirement benefits - net	1,839	-	(74)	(71)	**1,739**
Asset impairments and abandonments and restructuring	26,753	-	-	604	**589**
Changes in operating assets and liabilities:					
Receivables	(294)	620	722	(169)	**(1,091)**
Other current assets	125	364	742	(1,049)	**(699)**
Accounts payable and other accrued liabilities	2,152	(3,409)	(2,360)	707	**3,298**
Equipment installment receivables and related sales	(752)	(243)	(59)	246	**(77)**
Deferred customer contract acquisition and fulfillment costs	(191)	(22)	56	13	**(46)**
Postretirement claims and contributions	(380)	(89)	(467)	(159)	**(20)**
Other - net	(210)	130	904	6	**383**
Total adjustments	33,468	2,225	5,160	6,510	**8,796**
Net Cash Provided by Operating Activities from Continuing Operations	10,348	6,678	9,922	10,336	**11,378**
Investing Activities					
Capital expenditures[4]	(4,229)	(4,335)	(4,270)	(4,647)	**(4,601)**
Acquisitions, net of cash acquired[4]	(241)	(291)	(224)	(408)	**(2,019)**
Dispositions	150	15	1	50	**6**
Distributions from DIRECTV in excess of cumulative equity in earnings	444	774	200	473	**602**
(Purchases), sales and settlements of securities and investments - net	(12)	19	(1,075)	13	**141**
Other - net	-	-	(55)	(26)	**(3)**
Net Cash (Used in) Provided by Investing Activities from Continuing Operations	(3,888)	(3,818)	(5,423)	(4,545)	**(5,874)**
Financing Activities					
Net change in short-term borrowings with original maturities of three months or less	(603)	(536)	(378)	-	**-**
Issuance of other short-term borrowings	-	3,627	1,779	-	**-**
Repayment of other short-term borrowings	(1,484)	-	(867)	(112)	**(2,436)**
Issuance of long-term debt	2,500	3,366	6,267	-	**371**
Repayment of long-term debt	(706)	(5,945)	(1,664)	(4,280)	**(155)**
Repayment of note payable to DIRECTV	(141)	(130)	-	-	**-**
Payment of vendor financing	(460)	(2,113)	(1,643)	(980)	**(1,006)**
Purchase of treasury stock	(15)	(188)	(1)	(1)	**(4)**
Issuance of treasury stock	-	3	-	-	**-**
Issuance of preferred interests in subsidiary	-	-	7,151	-	**-**
Redemption of preferred interests in subsidiary	(2,665)	-	(5,333)	-	**-**
Dividends paid	(2,014)	(2,014)	(2,083)	(2,019)	**(2,020)**
Other - net	427	219	(1,047)	(362)	**(1,080)**
Net Cash (Used in) Provided by Financing Activities from Continuing Operations	(5,161)	(3,711)	2,181	(7,754)	**(6,330)**
Net increase (decrease) in cash and cash equivalents and restricted cash from continuing operations	1,299	(851)	6,680	(1,963)	**(826)**
Cash Flows from Discontinued Operations:					
Cash (used in) provided by operating activities	(35)	-	-	-	**-**
Cash provided by (used in) investing activities	65	-	-	-	**-**
Cash provided by (used in) financing activities	(30)	-	-	-	**-**
Net increase (decrease) in cash and cash equivalents and restricted cash from discontinued operations	-	-	-	-	**-**
Net increase (decrease) in cash and cash equivalents and restricted cash	1,299	(851)	6,680	(1,963)	**(826)**
Cash and cash equivalents and restricted cash beginning of period	2,494	3,793	2,942	9,622	**7,659**
Cash and Cash Equivalents and Restricted Cash End of Period	$ 3,793	$ 2,942	$ 9,622	$ 7,659	**$ 6,833**

See Notes to Financial and Operational Trends on page 12.

AT&T Inc.

Free Cash Flow

Dollars in millions

Unaudited	12/31/21	3/31/22	6/30/22	9/30/22	12/31/22	3/31/23	6/30/23	9/30/23	**12/31/23**
Cash Flow Detail									
Net cash provided by operating activities from continuing operations	$ 8,077	$ 7,630	$ 7,740	$ 10,094	$ 10,348	$ 6,678	$ 9,922	$ 10,336	**$ 11,378**
Add: Distributions from DIRECTV classified as investing activities	1,323	1,315	323	567	444	774	200	473	**602**
Less: Capital expenditures	(3,494)	(4,568)	(4,908)	(5,921)	(4,229)	(4,335)	(4,270)	(4,647)	**(4,601)**
Less: Vendor financing payments	(583)	(1,566)	(1,771)	(900)	(460)	(2,113)	(1,643)	(980)	**(1,006)**
Free Cash Flow[1]	$ 5,323	$ 2,811	$ 1,384	$ 3,840	$ 6,103	$ 1,004	$ 4,209	$ 5,182	**$ 6,373**

AT&T Inc.

Supplemental Free Cash Flow Walk from Adjusted EBITDA[5]

Dollars in millions

Unaudited	3/31/22	6/30/22	9/30/22	12/31/22	3/31/23	6/30/23	9/30/23	**12/31/23**
Adjusted EBITDA[1]	$ 10,190	$ 10,330	$ 10,714	$ 10,231	$ 10,589	$ 11,053	$ 11,203	**$ 10,555**
Noncash Adj. to EBITDA								
Bad debt expense	430	440	453	542	477	452	480	**560**
Cash paid for interest (less capitalized interest)	(1,830)	(1,516)	(1,628)	(1,504)	(1,699)	(1,368)	(1,886)	**(1,543)**
Capital investment[1]	(6,134)	(6,679)	(6,821)	(4,689)	(6,448)	(5,913)	(5,627)	**(5,607)**
Cash distributions received from DIRECTV	1,837	838	959	823	1,308	577	896	**934**
Working capital	(1,261)	(1,505)	(123)	1,040	(2,690)	(899)	(252)	**1,385**
Other	(421)	(524)	286	(340)	(533)	307	368	**89**
Free Cash Flow[1]	$ 2,811	$ 1,384	$ 3,840	$ 6,103	$ 1,004	$ 4,209	$ 5,182	**$ 6,373**
Cash (paid) for income taxes, net of refunds[5]	$ (72)	$ (266)	$ (62)	$ (192)	$ (10)	$ (325)	$ (423)	**$ (841)**

AT&T Inc.

Additional Cash Flow Information - Continuing Operations

Dollars in millions

Unaudited	12/31/21	3/31/22	6/30/22	9/30/22	12/31/22	3/31/23	6/30/23	9/30/23	**12/31/23**
Capital Investment Detail									
Purchase of property and equipment	$ 3,453	$ 4,532	$ 4,867	$ 5,874	$ 4,179	$ 4,291	$ 4,224	$ 4,601	**$ 4,558**
Interest during construction - capital expenditures	41	36	41	47	50	44	46	46	**43**
Capital expenditures	$ 3,494	$ 4,568	$ 4,908	$ 5,921	$ 4,229	$ 4,335	$ 4,270	$ 4,647	**$ 4,601**
Add: Vendor financing payments	583	1,566	1,771	900	460	2,113	1,643	980	**1,006**
Capital Investment[1]	$ 4,077	$ 6,134	$ 6,679	$ 6,821	$ 4,689	$ 6,448	$ 5,913	$ 5,627	**$ 5,607**
Acquisitions, net of cash acquired									
Spectrum acquisitions	$ 1,655	$ 8,956	$ 9	$ 111	$ 4	$ 63	$ 5	$ 241	**$ 1,938**
Interest during construction - spectrum	265	288	317	278	237	228	219	167	**81**
Distributions from DIRECTV Investment									
Classified as operating activities	$ 489	$ 522	$ 515	$ 392	$ 379	$ 534	$ 377	$ 423	**$ 332**
Classified as investing activities	1,323	1,315	323	567	444	774	200	473	**602**
Total Distributions received from DIRECTV	$ 1,812	$ 1,837	$ 838	$ 959	$ 823	$ 1,308	$ 577	$ 896	**$ 934**
Cash paid for interest	$ 1,554	$ 2,154	$ 1,874	$ 1,953	$ 1,791	$ 1,971	$ 1,633	$ 2,099	**$ 1,667**
Interest during construction	306	324	358	325	287	272	265	213	**124**
Cash paid for interest (less capitalized interest)	$ 1,248	$ 1,830	$ 1,516	$ 1,628	$ 1,504	$ 1,699	$ 1,368	$ 1,886	**$ 1,543**

See Notes to Financial and Operational Trends on page 12.

AT&T

Operating Revenues

AT&T Inc.

Dollars in millions

Unaudited	12/31/21	3/31/22	6/30/22	9/30/22	12/31/22	3/31/23	6/30/23	9/30/23	**12/31/23**
Communications	$ 30,206	$ 28,876	$ 28,695	$ 29,131	$ 30,365	$ 29,152	$ 28,845	$ 29,244	**$ 30,797**
Mobility	21,146	20,075	19,926	20,278	21,501	20,582	20,315	20,692	**22,393**
Business Wireline	5,901	5,640	5,595	5,668	5,635	5,331	5,279	5,221	**5,052**
Consumer Wireline	3,159	3,161	3,174	3,185	3,229	3,239	3,251	3,331	**3,352**
Latin America - Mexico	704	690	808	785	861	883	967	992	**1,090**
Corporate	185	146	140	127	117	104	105	114	**135**
DTV-related retained costs	29	8	-	-	-	-	-	-	**-**
Parent administration support	(6)	(12)	(6)	(6)	(8)	(9)	(3)	(1)	**6**
Securitization fees	17	16	17	15	17	19	17	25	**24**
Value portfolio	145	134	129	118	108	94	91	90	**105**
Operating Revenues	$ 31,095	$ 29,712	$ 29,643	$ 30,043	$ 31,343	$ 30,139	$ 29,917	$ 30,350	**$ 32,022**

Adjusted EBITDA[6]

AT&T Inc.

Dollars in millions

Unaudited	12/31/21	3/31/22	6/30/22	9/30/22	12/31/22	3/31/23	6/30/23	9/30/23	**12/31/23**
Communications	$ 10,042	$ 10,611	$ 10,798	$ 11,173	$ 10,835	$ 11,032	$ 11,490	$ 11,623	**$ 11,019**
Mobility	7,208	7,748	8,065	8,268	7,929	8,369	8,736	8,897	**8,376**
Business Wireline	1,961	1,938	1,803	1,963	1,900	1,708	1,729	1,695	**1,534**
Consumer Wireline	873	925	930	942	1,006	955	1,025	1,031	**1,109**
Latin America - Mexico	36	59	87	101	85	145	146	155	**137**
Corporate and Other	(597)	(480)	(555)	(560)	(689)	(588)	(583)	(575)	**(601)**
Corporate[1]*	(593)	(480)	(555)	(560)	(689)	(588)	(583)	(575)	**(601)**
DTV-related retained costs	(248)	(152)	(239)	(235)	(244)	(169)	(178)	(167)	**(172)**
Parent administration support	(424)	(359)	(347)	(323)	(381)	(383)	(335)	(334)	**(371)**
Securitization fees	(19)	(66)	(61)	(88)	(139)	(102)	(137)	(139)	**(141)**
Value portfolio	98	97	92	86	75	66	67	65	**83**
Held-for-sale and other reclassifications	(4)	-	-	-	-	-	-	-	**-**
Adjusted EBITDA[1]	$ 9,480	$ 10,190	$ 10,330	$ 10,714	$ 10,231	$ 10,589	$ 11,053	$ 11,203	**$ 10,555**

* 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.

AT&T

Communications

Mobility Results[6]

Dollars in millions

Unaudited	12/31/21	3/31/22	6/30/22	9/30/22	12/31/22	3/31/23	6/30/23	9/30/23	**12/31/23**
Operating Revenues									
Service	$ 14,669	$ 14,724	$ 15,004	$ 15,337	$ 15,434	$ 15,483	$ 15,745	$ 15,908	**$ 16,039**
Equipment	6,477	5,351	4,922	4,941	6,067	5,099	4,570	4,784	**6,354**
Total Operating Revenues	$ 21,146	$ 20,075	$ 19,926	$ 20,278	$ 21,501	$ 20,582	$ 20,315	$ 20,692	**$ 22,393**
Operating Expenses									
Operations and support	$ 13,938	$ 12,327	$ 11,861	$ 12,010	$ 13,572	$ 12,213	$ 11,579	$ 11,795	**$ 14,017**
Depreciation and amortization	2,050	2,059	2,017	2,042	2,080	2,098	2,123	2,134	**2,162**
Total Operating Expenses	15,988	14,386	13,878	14,052	15,652	14,311	13,702	13,929	**16,179**
Operating Income	$ 5,158	$ 5,689	$ 6,048	$ 6,226	$ 5,849	$ 6,271	$ 6,613	$ 6,763	**$ 6,214**
Operating Income Margin	24.4%	28.3%	30.4%	30.7%	27.2%	30.5%	32.6%	32.7%	**27.7%**
EBITDA[1]	$ 7,208	$ 7,748	$ 8,065	$ 8,268	$ 7,929	$ 8,369	$ 8,736	$ 8,897	**$ 8,376**
EBITDA Margin[1]	34.1%	38.6%	40.5%	40.8%	36.9%	40.7%	43.0%	43.0%	**37.4%**
EBITDA Service Margin[1]	49.1%	52.6%	53.8%	53.9%	51.4%	54.1%	55.5%	55.9%	**52.2%**

See Notes to Financial and Operational Trends on page 12.

AT&T

Communications

Mobility Operating Volumes and Statistics

Volumes in thousands

Unaudited	12/31/21	3/31/22	6/30/22	9/30/22	12/31/22	3/31/23	6/30/23	9/30/23	**12/31/23**
AT&T Mobility Subscribers and Connections[7]									
Total Subscribers and Connections	201,791	196,616	203,373	210,678	217,397	222,839	229,031	235,585	**241,532**
Postpaid	81,534	81,639	82,694	83,614	84,700	85,421	85,846	86,365	**87,104**
Prepaid	19,028	18,859	19,095	19,215	19,176	19,200	19,352	19,391	**19,236**
Reseller	6,113	5,383	5,480	5,854	6,043	6,192	6,656	7,101	**7,468**
Connected Devices	95,116	90,735	96,104	101,995	107,478	112,026	117,177	122,728	**127,724**
Net Add Detail									
Net Subscriber Additions	5,271	5,532	6,602	7,129	6,363	5,147	6,192	6,554	**5,947**
Postpaid Net Adds	1,285	965	1,058	964	1,104	542	464	550	**759**
Prepaid Net Adds	29	116	231	141	(9)	40	167	56	**(135)**
Phone Detail[7]									
Postpaid Phones	67,260	67,518	68,311	68,969	69,596	70,049	70,331	70,757	**71,255**
Prepaid Phones	17,398	17,228	17,431	17,517	17,474	17,496	17,604	17,612	**17,458**
Phone Detail - Net Adds									
Postpaid Phone Net Adds	884	691	813	708	656	424	326	468	**526**
Prepaid Phone Net Adds	24	113	196	108	(13)	40	123	26	**(132)**
Other Metrics									
Postpaid Smartphone Gross Adds and Upgrades (in millions)	6.6	5.4	5.1	5.8	6.3	5.1	4.6	5.4	**6.2**
Postpaid Upgrade Rate	5.3%	4.0%	3.6%	4.3%	4.8%	3.7%	3.1%	3.9%	**4.7%**
Churn Detail[8]									
Postpaid Phone Churn	0.85%	0.79%	0.75%	0.84%	0.84%	0.81%	0.79%	0.79%	**0.84%**
Postpaid Churn	1.02%	0.94%	0.93%	1.01%	1.01%	0.99%	0.95%	0.95%	**1.01%**
Prepaid Churn	3.02%	2.77%	2.59%	2.83%	2.87%	2.73%	2.50%	2.78%	**2.97%**
ARPU[9]									
Postpaid Phone-Only ARPU	$ 54.06	$ 54.00	$ 54.81	$ 55.67	$ 55.43	$ 55.05	$ 55.63	$ 55.99	**$ 56.23**
Postpaid ARPU	48.97	48.88	49.52	50.12	49.95	49.46	49.94	50.16	**50.39**
Prepaid ARPU	33.99	34.08	34.22	34.07	34.02	33.81	33.78	34.05	**34.15**

See Notes to Financial and Operational Trends on page 12.

Communications

Business Wireline Results[6]

Dollars in millions

Unaudited	12/31/21	3/31/22	6/30/22	9/30/22	12/31/22	3/31/23	6/30/23	9/30/23	**12/31/23**
Operating Revenues									
Service	$ 5,727	$ 5,478	$ 5,416	$ 5,524	$ 5,473	$ 5,200	$ 5,114	$ 5,087	**$ 4,873**
Equipment	174	162	179	144	162	131	165	134	**179**
Total Operating Revenues	$ 5,901	$ 5,640	$ 5,595	$ 5,668	$ 5,635	$ 5,331	$ 5,279	$ 5,221	**$ 5,052**
Operating Expenses									
Operations and support	$ 3,940	$ 3,702	$ 3,792	$ 3,705	$ 3,735	$ 3,623	$ 3,550	$ 3,526	**$ 3,518**
Depreciation and amortization	1,317	1,299	1,313	1,342	1,360	1,330	1,333	1,345	**1,369**
Total Operating Expenses	5,257	5,001	5,105	5,047	5,095	4,953	4,883	4,871	**4,887**
Operating Income	$ 644	$ 639	$ 490	$ 621	$ 540	$ 378	$ 396	$ 350	**$ 165**
Operating Income Margin	10.9%	11.3%	8.8%	11.0%	9.6%	7.1%	7.5%	6.7%	**3.3%**
EBITDA[1]	$ 1,961	$ 1,938	$ 1,803	$ 1,963	$ 1,900	$ 1,708	$ 1,729	$ 1,695	**$ 1,534**
EBITDA Margin[1]	33.2%	34.4%	32.2%	34.6%	33.7%	32.0%	32.8%	32.5%	**30.4%**

Communications

Supplemental Business Solutions Results (Wireline and Business Mobility)[6, 10]

Dollars in millions

Unaudited	12/31/21	3/31/22	6/30/22	9/30/22	12/31/22	3/31/23	6/30/23	9/30/23	**12/31/23**
Operating Revenues	$ 9,039	$ 8,673	$ 8,644	$ 8,749	$ 8,830	$ 8,384	$ 8,427	$ 8,371	**$ 8,346**
Total Wireless Revenues	3,138	3,033	3,049	3,081	3,195	3,053	3,148	3,150	**3,294**
Operating Income	1,069	1,153	1,043	1,221	1,153	1,028	1,015	973	**728**
EBITDA[1]	$ 2,736	$ 2,813	$ 2,709	$ 2,920	$ 2,877	$ 2,744	$ 2,738	$ 2,711	**$ 2,494**

See Notes to Financial and Operational Trends on page 12.

AT&T

Communications
Consumer Wireline Results[6]
Dollars in millions

Unaudited	12/31/21	3/31/22	6/30/22	9/30/22	12/31/22	3/31/23	6/30/23	9/30/23	**12/31/23**
Operating Revenues									
Broadband[11]	$ 2,324	$ 2,355	$ 2,393	$ 2,429	$ 2,492	$ 2,527	$ 2,561	$ 2,667	**$ 2,700**
Legacy Voice and Data Services	470	460	445	427	414	396	383	368	**361**
Other Service and Equipment	365	346	336	329	323	316	307	296	**291**
Total Operating Revenues	$ 3,159	$ 3,161	$ 3,174	$ 3,185	$ 3,229	$ 3,239	$ 3,251	$ 3,331	**$ 3,352**
Operating Expenses									
Operations and support	$ 2,286	$ 2,236	$ 2,244	$ 2,243	$ 2,223	$ 2,284	$ 2,226	$ 2,300	**$ 2,243**
Depreciation and amortization	789	766	785	800	818	861	857	871	**880**
Total Operating Expenses	3,075	3,002	3,029	3,043	3,041	3,145	3,083	3,171	**3,123**
Operating Income	$ 84	$ 159	$ 145	$ 142	$ 188	$ 94	$ 168	$ 160	**$ 229**
Operating Income Margin	2.7%	5.0%	4.6%	4.5%	5.8%	2.9%	5.2%	4.8%	**6.8%**
EBITDA[1]	$ 873	$ 925	$ 930	$ 942	$ 1,006	$ 955	$ 1,025	$ 1,031	**$ 1,109**
EBITDA Margin[1]	27.6%	29.3%	29.3%	29.6%	31.2%	29.5%	31.5%	31.0%	**33.1%**
Broadband Revenue Detail[11]									
Fiber	$ 1,047	$ 1,112	$ 1,190	$ 1,271	$ 1,376	$ 1,453	$ 1,523	$ 1,613	**$ 1,678**
Non Fiber	1,277	1,243	1,203	1,158	1,116	1,074	1,038	1,054	**1,022**

Communications
Consumer Wireline Operating Volumes and Statistics
Volumes in thousands

Unaudited	12/31/21	3/31/22	6/30/22	9/30/22	12/31/22	3/31/23	6/30/23	9/30/23	**12/31/23**
Total Broadband Connections[11]	13,845	13,850	13,825	13,796	13,753	13,730	13,695	13,710	**13,729**
Fiber	5,992	6,281	6,597	6,935	7,215	7,487	7,738	8,034	**8,307**
Non Fiber	7,853	7,569	7,228	6,861	6,538	6,243	5,957	5,676	**5,422**
Total Broadband Net Adds[11]	(1)	5	(25)	(29)	(43)	(23)	(35)	15	**19**
Fiber	271	289	316	338	280	272	251	296	**273**
Non Fiber	(272)	(284)	(341)	(367)	(323)	(295)	(286)	(281)	**(254)**
ARPU[9]									
Broadband ARPU	$ 55.96	$ 56.66	$ 57.64	$ 58.63	$ 60.31	$ 61.31	$ 62.26	$ 64.91	**$ 65.62**
Fiber ARPU	59.57	60.41	61.65	62.62	64.82	65.92	66.70	68.21	**68.50**
Non Fiber ARPU	53.30	53.67	54.17	54.80	55.54	56.00	56.71	60.43	**61.38**
Other Metrics[11]									
Fiber Served Customer Locations (in millions)	16.2	17.0	18.0	18.5	19.1	19.7	20.2	20.7	**21.1**
Fiber Penetration	37%	37%	37%	37%	38%	38%	38%	39%	**39%**

See Notes to Financial and Operational Trends on page 12.

Latin America Segment - *Mexico*

Statement of Segment Income

Dollars in millions

Unaudited	12/31/21	3/31/22	6/30/22	9/30/22	12/31/22	3/31/23	6/30/23	9/30/23	**12/31/23**
Segment Operating Revenues									
Wireless service	$ 485	$ 490	$ 534	$ 559	$ 579	$ 591	$ 635	$ 672	**$ 671**
Wireless equipment	219	200	274	226	282	292	332	320	**419**
Total Segment Operating Revenues	$ 704	$ 690	$ 808	$ 785	$ 861	$ 883	$ 967	$ 992	**$ 1,090**
Segment Operating Expenses									
Operations and support	$ 668	$ 631	$ 721	$ 684	$ 776	$ 738	$ 821	$ 837	**$ 953**
Depreciation and amortization	153	161	169	164	164	175	185	184	**180**
Total Segment Operating Expenses	821	792	890	848	940	913	1,006	1,021	**1,133**
Segment Operating Income (Loss)	$ (117)	$ (102)	$ (82)	$ (63)	$ (79)	$ (30)	$ (39)	$ (29)	**$ (43)**
Segment Operating Income Margin	-16.6%	-14.8%	-10.1%	-8.0%	-9.2%	-3.4%	-4.0%	-2.9%	**-3.9%**
EBITDA[1]	$ 36	$ 59	$ 87	$ 101	$ 85	$ 145	$ 146	$ 155	**$ 137**
EBITDA Margin[1]	5.1%	8.6%	10.8%	12.9%	9.9%	16.4%	15.1%	15.6%	**12.6%**

Latin America Segment - *Mexico*

Operating Volumes and Statistics

Volumes in thousands

Unaudited	12/31/21	3/31/22	6/30/22	9/30/22	12/31/22	3/31/23	6/30/23	9/30/23	**12/31/23**
Wireless Subscribers	20,362	20,503	20,700	20,998	21,603	21,613	21,689	21,754	**22,316**
Postpaid	4,807	4,810	4,835	4,854	4,925	4,973	5,030	5,085	**5,236**
Prepaid	15,057	15,235	15,422	15,689	16,204	16,146	16,196	16,213	**16,663**
Reseller	498	458	443	455	474	494	463	456	**417**
Wireless Net Adds	889	141	197	298	605	10	76	65	**562**
Wireless Churn[8]	5.75%	6.13%	6.19%	6.23%	5.98%	5.83%	5.70%	5.86%	**5.69%**
Wireless ARPU[9]	$ 6.80	$ 6.62	$ 7.05	$ 7.04	$ 7.19	$ 7.23	$ 7.78	$ 8.17	**$ 8.03**

See Notes to Financial and Operational Trends on page 12.

Corporate

Supplemental Results - Corporate[6]

Dollars in millions

Unaudited	12/31/21	3/31/22	6/30/22	9/30/22	12/31/22	3/31/23	6/30/23	9/30/23	**12/31/23**
Total Operating Revenues	$ 185	$ 146	$ 140	$ 127	$ 117	$ 104	$ 105	$ 114	**$ 135**
Operating Expenses									
Operations and support	778	626	695	687	806	692	688	689	**736**
DTV-related retained costs	277	160	239	235	244	169	178	167	**172**
Parent administration support	418	347	341	317	373	374	332	333	**377**
Securitization fees	36	82	78	103	156	121	154	164	**165**
Value portfolio	47	37	37	32	33	28	24	25	**22**
Depreciation and amortization	163	150	149	150	157	150	160	150	**154**
Total Operating Expenses	941	776	844	837	963	842	848	839	**890**
Operating Loss	$ (756)	$ (630)	$ (704)	$ (710)	$ (846)	$ (738)	$ (743)	$ (725)	**$ (755)**

AT&T Inc.

Equity in Net Income of Affiliates

Dollars in millions

Unaudited	12/31/21	3/31/22	6/30/22	9/30/22	12/31/22	3/31/23	6/30/23	9/30/23	**12/31/23**
Equity in Net Income of Affiliates	$ 444	$ 521	$ 504	$ 392	$ 374	$ 538	$ 380	$ 420	**$ 337**
Less: Equity in Net Income (Loss) from Other investments	(18)	(1)	(11)	-	(5)	4	3	(3)	**5**
Equity in Net Income from DIRECTV investment	462	522	515	392	379	534	377	423	**332**
Add: DIRECTV intangible amortization (proportionate share)	434	416	396	376	359	341	324	310	**294**
Adjusted Equity in Net Income from DIRECTV investment[12]	$ 896	$ 938	$ 911	$ 768	$ 738	$ 875	$ 701	$ 733	**$ 626**

AT&T Inc.

Other Income (Expense) - Net[13]

Dollars in millions

Unaudited	12/31/21	3/31/22	6/30/22	9/30/22	12/31/22	3/31/23	6/30/23	9/30/23	**12/31/23**
Net pension and postretirement credit, excluding actuarial and settlement gain/(loss)	$ 1,226	$ 1,132	$ 973	$ 937	$ 844	$ 797	$ 799	$ 752	**$ 704**
Expected return on assets	933	900	835	763	721	747	748	602	**566**
Interest cost on projected benefit obligations	(377)	(383)	(478)	(556)	(607)	(601)	(601)	(501)	**(513)**
Amortization of prior service credit	670	615	616	730	730	651	652	651	**651**
Actuarial and settlement gain/(loss), net	1,119	1,053	1,345	1,440	(1,839)	-	74	71	**(1,739)**
Benefit-related gain (loss), impairment of equity investment and other	84	(92)	(153)	(78)	16	111	82	(507)	**(76)**
Interest income	28	29	53	25	36	41	50	121	**91**
Other gain/(loss) items	(28)	35	84	(54)	24	(14)	(18)	3	**74**
Other Income (Expense) - Net	$ 2,429	$ 2,157	$ 2,302	$ 2,270	$ (919)	$ 935	$ 987	$ 440	**$ (946)**

AT&T Inc.

Interest Expense and Interest Income

Dollars in millions

Unaudited	3/31/22	6/30/22	9/30/22	12/31/22	3/31/23	6/30/23	9/30/23	**12/31/23**
Interest expense	$ 1,626	$ 1,502	$ 1,420	$ 1,560	$ 1,708	$ 1,608	$ 1,662	**$ 1,726**
Interest during construction	324	358	325	287	272	265	213	**124**
Interest income	29	53	25	36	41	50	121	**91**

See Notes to Financial and Operational Trends on page 12.

Notes to Financial and Operational Trends

AT&T Inc.

[1] See Discussion and Reconciliation of Non-GAAP Measures included in Form 8-K dated January 24, 2024. Additionally, see Non-GAAP Reconciliations in the 1Q23 Financial and Operational Trends for certain business units for which historical results were recast in the Form 8-K dated March 3, 2023 (note 6).

[2] ASU No. 2020-06 requires that instruments which may be settled in cash or stock are presumed settled in stock in calculating diluted earnings per share. Reported diluted earnings per share reflects the dilutive impacts, where applicable, of the AT&T Mobility II LLC preferred interests and through 1Q23, these impacts were adjusted in calculating adjusted earnings per share resulting in no change to historical amounts. On April 5, 2023 we fully repurchased the Mobility II preferred interests. Beginning with the second quarter of 2023, our quarterly calculation of diluted earnings per share no longer reflects these instruments.

[3] Diluted Earnings Per Share Attributable to Common Stock - Continuing Operations is calculated as follows: Income from Continuing Operations minus net income from continuing operations attributable to noncontrolling interest and preferred stock dividends, divided by the weighted average number of shares outstanding - with dilution under ASU 2020-06. In periods with reported net loss or when share-based payments are antidilutive, Basic Earnings per Share is reported. In 4Q and full-year 2022, the calculation of Basic earnings per share includes adjustment to carrying value of noncontrolling interest.

[4] Interest during construction is included in both Acquisitions and in Capital Expenditures (see Additional Cash Flow Information on page 4).

[5] Reconciling items between Adjusted EBITDA and Free Cash Flow include: (a) Working Capital = Changes in operating assets and liabilities; Working Capital includes changes in Accounts Payable and Accrued Liabilities, which includes cash paid for income taxes; (b) Cash Paid for Interest = Cash paid for interest less interest capitalized for capital expenditures and spectrum acquisitions; (c) Cash distributions received from DIRECTV = Includes distributions from DIRECTV reported as cash from operations and distributions classified as investing activities; (d) Other includes, but not limited to, postretirement claims and contributions, and other changes in non-current assets and liabilities not included in Working Capital.

[6] Effective for the quarter ended March 31, 2023, we modified our segment reporting and no longer record prior service credits to our individual business units or the corresponding charge to Corporate and Other. Prior service credits are, and will continue to be, recorded as other income in our consolidated income statement in accordance with U.S. generally accepted accounting principles. Historical reporting has been recast to remove prior service credits from all periods presented. This recast decreased our full-year Communications segment operating income and EBITDA (defined as operating income excluding depreciation and amortization) by approximately $2.4 billion in 2022 ($0.7 billion Mobility, $1.0 billion Business Wireline and $0.7 billion Consumer Wireline) with increases to Corporate and Other for a corresponding amount. There was no impact to consolidated operating income and EBITDA. For Corporate and Other, prior service credits related to parent administration support ($0.2 billion in 2022) and our former U.S. video business ($0.1 billion in 2022), which we included in our DTV-related retained costs, have also been recast to reflect this change, with an offsetting impact in the elimination of our reclassification.

[7] 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 and 4Q22 also include adjustments of +169k and +360k connected devices, respectively, related to the 3G network shutdown. 1Q23 includes adjustments of +295k subscribers related to the 3G shutdown (+206k postpaid including +74k phones, and +89k connected devices).

[8] 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.

[9] 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 11 below) during the period divided by average Broadband connections (see footnote 11 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.

[10] As a supplemental presentation to our Communications segment operating results, AT&T Business Solutions results are provided in the Financial and Operational Schedules & Non GAAP Reconciliations document on the company's Investor Relations website, investors.att.com. AT&T Business Solutions includes both wireless and fixed operations and is calculated by combining our Mobility and Business Wireline operating units and then adjusting to remove non business operations. This combined view presents a complete profile of the entire business customer relationship and underscores the importance of mobile solutions to serving our business customers.

[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. Broadband connections and net adds exclude DSL. Non-Fiber connections include subscribers to fixed wireless access services. A Fiber Served Customer Location 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 Served Customer Locations.

[12] Adjusted equity in net income from DIRECTV investment is calculated as equity income from DIRECTV reported in Equity in Net Income 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, which we consider to be non-operational in nature.

[13] Other Income (Expense) – Net includes certain items, which have been excluded from adjusted EPS. These adjustments are reflected in the following line items of the schedule: (1) Actuarial and settlement gain/(loss), net; (2) Benefit-related gain (loss), impairment of equity investment and other; and (3) Interest cost that reflects impacts to our 2022 quarterly benefit expense accruals that resulted from quarterly remeasurements of plan assets and obligations, which included increases in the assumed discount rates. See Adjusting Items in the Financial and Operational Schedules & Non-GAAP Reconciliations. Prior service credit amortization, a component of net pension and postretirement credit, amounted to $2.6 billion in 2023. Estimated pre-tax amortization of prior service credit for the next five years is: $2.0 billion for 2024, $1.9 billion for 2025, $1.6 billion for 2026, $0.7 billion for 2027, and less than $0.1 billion for 2028.