



Financial and Operational Schedules & Non-GAAP Reconciliations

October 23, 2024

AT&T Inc. Financial Data

Consolid	late	d Statemen	ts of Inc	ome			
Dollars in millions except per share amounts							
Unaudited		Third Qua	rter	Percent	Percent Nine-Month Period		Percent
		2024	2023	Change	2024	2023	Change
Operating Revenues							
Service	\$	25,134 \$	25,112	0.1 % \$	74,982 \$	74,579	0.5 %
Equipment		5,079	5,238	(3.0)%	15,056	15,827	(4.9)%
Total Operating Revenues		30,213	30,350	(0.5)%	90,038	90,406	(0.4)%
Operating Expenses							
Cost of revenues							
Equipment		4,933	5,219	(5.5)%	14,891	15,933	(6.5)%
Other cost of revenues (exclusive of depreciation and amortization shown separately below)		6,697	6,835	(2.0)%	20,135	20,279	(0.7)%
Selling, general and administrative		6,958	7,205	(3.4)%	21,022	21,389	(1.7)%
Asset impairments and abandonments and restructuring		4,422	604	— %	5,061	604	— %
Depreciation and amortization		5,087	4,705	8.1 %	15,206	14,011	8.5 %
Total Operating Expenses		28,097	24,568	14.4 %	76,315	72,216	5.7 %
Operating Income		2,116	5,782	(63.4)%	13,723	18,190	(24.6)%
Interest Expense		1,675	1,662	0.8 %	5,098	4,978	2.4 %
Equity in Net Income of Affiliates		272	420	(35.2)%	915	1,338	(31.6)%
Other Income (Expense) — Net		717	440	63.0 %	1,850	2,362	(21.7)%
Income Before Income Taxes		1,430	4,980	(71.3)%	11,390	16,912	(32.7)%
Income Tax Expense		1,285	1,154	11.4 %	3,545	3,871	(8.4)%
Net Income		145	3,826	(96.2)%	7,845	13,041	(39.8)%
Less: Net Income Attributable to Noncontrolling Interest		(319)	(331)	3.6 %	(977)	(829)	(17.9)%
Net Income (Loss) Attributable to AT&T	\$	(174) \$	3,495	<u> </u>	6,868 \$	12,212	(43.8)%
Less: Preferred Stock Dividends		(52)	(51)	(2.0)%	(153)	(155)	1.3 %
Net Income (Loss) Attributable to Common Stock	\$	(226) \$	3,444	— % <u>\$</u>	6,715 \$	12,057	(44.3)%
Basic Earnings (Loss) Per Share Attributable to Common Stock	\$	(0.03) \$	0.48	 % \$	0.93 \$	1.67	(44.3)%
Weighted Average Common Shares Outstanding (000,000)		7,202	7,185	0.2 %	7,197	7,178	0.3 %
Diluted Earnings (Loss) Per Share Attributable to Common Stock	\$	(0.03) \$	0.48	 % \$	0.93 \$	1.67	(44.3)%
Weighted Average Common Shares Outstanding with Dilution (000,000)		7,208	7,185	0.3 %	7,200	7,280	(1.1)%

AT&T Inc. Financial Data

Consolidated Balance Sheets			
Dollars in millions	;	Sep. 30, 2024	Dec. 31, 2023
Assets	(U	naudited)	
Current Assets	`	,	
Cash and cash equivalents	\$	2,586	\$ 6,722
Accounts receivable – net of related allowances for credit loss of \$403 and \$499		9,068	10,289
Inventories		2,529	2,177
Prepaid and other current assets		15,616	17,270
Total current assets		29,799	36,458
Property, Plant and Equipment – Net		127,964	128,489
Goodwill - Net		63,432	67,854
Licenses – Net		127,134	127,219
Other Intangible Assets – Net		5,256	5,283
Investments in and Advances to Equity Affiliates		281	1,251
Operating Lease Right-Of-Use Assets		20,779	20,905
Other Assets		19,074	19,601
Total Assets	\$	393,719	\$ 407,060
Liabilities and Stockholders' Equity			
Current Liabilities			
Debt maturing within one year	\$	2,637	\$ 9,477
Accounts payable and accrued liabilities		31,935	35,852
Advanced billings and customer deposits		4,059	3,778
Dividends payable		2,027	2,020
Total current liabilities		40,658	51,127
Long-Term Debt		126,375	127,854
Deferred Credits and Other Noncurrent Liabilities			
Deferred income taxes		58,461	58,666
Postemployment benefit obligation		8,750	8,734
Operating lease liabilities		17,331	17,568
Other noncurrent liabilities		23,884	23,696
Total deferred credits and other noncurrent liabilities		108,426	108,664
Redeemable Noncontrolling Interest		1,978	1,973
Stockholders' Equity			
Preferred stock		_	
Common stock		7,621	7,621
Additional paid-in capital		109,354	114,519
Retained (deficit) earnings		(185)	(5,015
Treasury stock		(15,087)	(16,128
Accumulated other comprehensive income		648	2,300
Noncontrolling interest		13,931	14,145
Total stockholders' equity		116,282	117,442
Total Liabilities and Stockholders' Equity	\$	393,719	\$ 407,060

AT&T Inc. Financial Data

Dollars in millions				
Unaudited	Nine	Mon	th Period	1
	2024		202	23
Operating Activities				
Net income	\$ 7,	845	\$	13,04
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation and amortization	15,			14,01
Provision for uncollectible accounts	1,	431		1,409
Deferred income tax expense	1,	811		3,16
Net (gain) loss on investments, net of impairments		88		33
Pension and postretirement benefit expense (credit)	(1,	412)		(1,96
Actuarial and settlement (gain) loss on pension and postretirement benefits - net		_		(14
Asset impairments and abandonments and restructuring	5,	061		60
Changes in operating assets and liabilities:				
Receivables		574		1,17
Inventories, prepaid and other current assets		147		5
Accounts payable and other accrued liabilities		503)		(5,06
Equipment installment receivables and related sales	(899)		(5
Deferred customer contract acquisition and fulfillment costs		490		4
Postretirement claims and contributions		129)		(71
Other - net		165		1,04
Total adjustments	19,	030		13,89
Net Cash Provided by Operating Activities	26,	875		26,93
Investing Activities				
Capital expenditures	(13,	420)	((13,25
Acquisitions, net of cash acquired	,	322)	`	(92
Dispositions	,	66		6
Distributions from DIRECTV in excess of cumulative equity in earnings		928		1,44
(Purchases), sales and settlements of securities and investments - net		153		(1,04
Other - net		532)		(8
Net Cash Used in Investing Activities	(12,		((13,78
	,			
Financing Activities				(0.1
Net change in short-term borrowings with original maturities of three months or less				(91
Issuance of other short-term borrowings		491 497)		5,40
Repayment of other short-term borrowings	(2,	487) 4		(97
Issuance of long-term debt	(7	4	,	9,63
Repayment of long-term debt	(7,	113)	((11,88
Repayment of note payable to DIRECTV	(1			(13
Payment of vendor financing	, .	571)		(4,73
Purchase of treasury stock	(202)		(19
Issuance of treasury stock		2		7.15
Issuance of preferred interests in subsidiary		_		7,15
Redemption of preferred interests in subsidiary				(5,33
Dividends paid		171)		(6,11
Other - net		808)		(1,19
Net Cash Used in Financing Activities	(18,			(9,28
Net increase (decrease) in cash and cash equivalents and restricted cash		107)		3,86
Cash and cash equivalents and restricted cash beginning of year		833	Ф	3,79
Cash and Cash Equivalents and Restricted Cash End of Period	\$ 2,	726	\$	7,65

AT&T Inc.
Consolidated Supplementary Data

Su	pplem	entary F	7in:	ancial D	ata			
Dollars in millions except per share amounts								
Unaudited		Third (Qua	rter	Percent	Nine-M	onth Period	Percent
		2024		2023	Change	2024	2023	Change
Capital expenditures								
Purchase of property and equipment	\$	5,259	\$	4,601	14.3 %	\$13,301	\$ 13,116	1.4 %
Interest during construction		43		46	(6.5)%_	119	136	(12.5) %
Total Capital Expenditures	\$	5,302	\$	4,647	14.1 %	\$13,420	\$ 13,252	1.3 %
Acquisitions, net of cash acquired								
Business acquisitions	\$	_	\$	_	<u> </u>	s —	\$ —	— %
Spectrum acquisitions		6		241	(97.5)%	153	309	(50.5) %
Interest during construction - spectrum		46		167	(72.5)%_	169	614	(72.5) %
Total Acquisitions	\$	52	\$	408	(87.3)%	\$ 322	\$ 923	(65.1) %
Cash paid for interest	\$	1,971	\$	2,099	(6.1)%	\$ 5,615	\$ 5,703	(1.5) %
Cash paid for income taxes, net of (refunds)	\$	583	\$	423	37.8 %	882	\$ 758	16.4 %
			Φ.		0.4		.	0.4
Dividends Declared per Common Share	\$	0.2775	\$	0.2775	— % :	\$0.8325	\$ 0.8325	— %
End of Period Common Shares Outstanding (000,000)						7,174	7,150	0.3 %
Debt Ratio						52.2	% 53.5 %	(130) BF
Total Employees						143,630	152,740	(6.0) %

COMMUNICATIONS SEGMENT

The Communications segment provides wireless and wireline telecom and broadband services to consumers located in the U.S. and businesses globally. The Communications segment contains three reporting units: Mobility, Business Wireline and Consumer Wireline.

	Segment l	Results				
Dollars in millions						
Unaudited	Third Quarter		Percent	Nine-Mont	n Period	Percent
	 2024	2023	Change	2024	2023	Change
Segment Operating Revenues						
Mobility	\$ 21,052 \$	20,692	1.7 % \$	62,126 \$	61,589	0.9 %
Business Wireline	4,606	5,221	(11.8)%	14,274	15,831	(9.8)%
Consumer Wireline	3,416	3,331	2.6 %	10,113	9,821	3.0 %
Total Segment Operating Revenues	29,074	29,244	(0.6)%	86,513	87,241	(0.8)%
Segment Operating Income						
Mobility	7,003	6,763	3.5 %	20,190	19,647	2.8 %
Business Wireline	(43)	350	— %	123	1,124	(89.1)%
Consumer Wireline	196	160	22.5 %	593	422	40.5 %
Total Segment Operating Income	\$ 7,156 \$	7,273	(1.6)% \$	20,906 \$	21,193	(1.4)%

Sur	oplementary (Operating 1	Data			
Subscribers and connections in thousands						
Unaudited			_	Septemb	er 30,	Percent
				2024	2023	Change
Broadband Connections						
Broadband ¹				15,198	15,065	0.9 %
DSL				146	231	(36.8)%
Total Broadband Connections				15,344	15,296	0.3 %
Excludes AT&T Internet Air for Business.						
Voice Connections						
Retail Consumer Switched Access Lines				3,486	4,421	(21.1)%
Consumer VoIP Connections				2,297	2,649	(13.3)%
Total Retail Consumer Voice Connections				5,783	7,070	(18.2)%
	Third Qu	ıarter	Percent	Nine-Mont	h Period	Percent
	2024	2023	Change	2024	2023	Change
Broadband Net Additions						
Broadband ¹	13	20	(35.0)%	120	(10)	— %
DSL	(21)	(28)	25.0 %	(64)	(80)	20.0 %
Total Broadband Net Additions	(8)	(8)	<u> </u>	56	(90)	<u> </u>
¹ Excludes AT&T Internet Air for Business.						

Mobility

Mobility provides nationwide wireless service and equipment.

	Mobil	ity Results				
Dollars in millions						
Unaudited	Thire	l Quarter	Percent	Nine-M	onth Period	Percent
	2024	2023	Change	2024	2023	Change
Operating Revenues						
Service	\$ 16,539	\$ 15,908	4.0 %	\$ 48,810	\$ 47,136	3.6 %
Equipment	4,513	4,784	(5.7) %	13,316	14,453	(7.9) %
Total Operating Revenues	21,052	20,692	1.7 %	62,126	61,589	0.9 %
Operating Expenses						
Operating Expenses Operations and support	11,559	11,795	(2.0) %	34,483	35,587	(3.1) %
Depreciation and amortization	2,490	2,134	16.7 %	,	6,355	17.3 %
Total Operating Expenses	14,049	13,929	0.9 %		41,942	_ %
Operating Income	\$ 7,003	\$ 6,763	3.5 %	\$ 20,190	\$ 19,647	2.8 %
Operating Income Margin	33.3	% 32.7 %	60 BP	32.5 %	3 1.9 %	60 BF

Supplementary Operating Data			
Subscribers and connections in thousands			
Unaudited	Septer	mber 30,	Percent
	2024	2023	Change
Mobility Subscribers			
Postpaid	88,384	86,365	2.3 %
Postpaid phone	72,285	70,757	2.2 %
Prepaid	19,200	19,391	(1.0) %
Reseller	8,482	7,101	19.4 %
Total Mobility Subscribers ¹	116,066	112,857	2.8 %

Effective with our first-quarter 2024 reporting, we have removed connected devices from our total Mobility subscribers, consistent with industry standards and our key performance metrics. Connected devices include data-centric devices such as session-based tablets, monitoring devices and primarily wholesale automobile systems.

	Third Qu	arter	Percent	Nine-Montl	h Period	Percent
	2024	2023	Change	2024	2023	Change
Mobility Net Additions						
Postpaid Phone Net Additions	403	468	(13.9) %	1,171	1,218	(3.9) %
Total Phone Net Additions	358	494	(27.5) %_	1,162	1,407	(17.4) %
			_			
Postpaid	429	550	(22.0) %	1,411	1,556	(9.3) %
Prepaid	(49)	56	— %	34	263	(87.1) %
Reseller	237	401	(40.9) %	910	941	(3.3) %
Total Mobility Net Additions ¹	617	1,007	(38.7) %	2,355	2,760	(14.7) %
			_			
Postpaid Churn	0.93 %	0.95 %	(2) BP	0.89 %	0.97 %	(8) BP
Postpaid Phone-Only Churn	0.78 %	0.79 %	(1) BP	0.73 %	0.80 %	(7) BP

Excludes migrations between wireless subscriber categories, including connected devices, and acquisition-related activity during the period.

Business Wireline

Business Wireline provides advanced ethernet-based fiber services, IP Voice and managed professional services, our fixed wireless access product, traditional voice and data services and related equipment to business customers.

	Business V	Vireline Resul	lts			
Dollars in millions						
Unaudited	Thir	d Quarter	Percent	Nine-M	onth Period	Percent
	2024	2023	Change	2024	2023	Change
Operating Revenues						
Service	\$ 4,417	\$ 5,087	(13.2) %	\$ 13,688	\$ 15,401	(11.1) %
Equipment	189	134	41.0 %	586	430	36.3 %
Total Operating Revenues	4,606	5,221	(11.8) %	14,274	15,831	(9.8) %
			_			
Operating Expenses						
Operations and support	3,250	3,526	(7.8) %	10,004	10,699	(6.5) %
Depreciation and amortization	1,399	1,345	4.0 %	4,147	4,008	3.5 %
Total Operating Expenses	4,649	4,871	(4.6) %	14,151	14,707	(3.8) %
Operating Income (Loss)	\$ (43)	\$ 350	_ %	\$ 123	\$ 1,124	(89.1) %
			=			
Operating Income Margin	(0.9)	% 6.7 %	(760) BP	0.9 %	7.1 %	(620) BP

Consumer Wireline

Consumer Wireline provides broadband services, including fiber connections that provide multi-gig services to residential customers in select locations and our fixed wireless access product that provides home internet services. Consumer Wireline also provides legacy telephony voice communication services.

	Consumer V	Vireline Resu	ilts			
Dollars in millions						
Unaudited	Third	Quarter	Percent	Nine-M	onth Period	Percent
	2024	2023	Change	2024	2023	Change
Operating Revenues						
Broadband	\$ 2,838	\$ 2,667	6.4 %	\$ 8,301	\$ 7,755	7.0 %
Legacy voice and data services	307	368	(16.6) %	972	1,147	(15.3) %
Other service and equipment	271	296	(8.4) %	840	919	(8.6) %
Total Operating Revenues	3,416	3,331	2.6 %	10,113	9,821	3.0 %
Operating Expenses						
Operations and support	2,296	2,300	(0.2) %	6,801	6,810	(0.1) %
Depreciation and amortization	924	871	6.1 %	2,719	2,589	5.0 %
Total Operating Expenses	3,220	3,171	1.5 %	9,520	9,399	1.3 %
Operating Income	\$ 196	\$ 160	22.5 %	\$ 593	\$ 422	40.5 %
			-			
Operating Income Margin	5.7 %	4.8 %	90 BP	5.9 %	4.3 %	160 BP

Sup	plementary	Operating	Data			
Subscribers and connections in thousands						
Unaudited			_	Septen	nber 30,	Percent
				2024	2023	Change
Broadband Connections						
Total Broadband and DSL Connections				13,972	13,887	0.6 %
Broadband ¹				13,864	13,710	1.1 %
Fiber Broadband Connections				9,024	8,034	12.3 %
Voice Connections						
Retail Consumer Switched Access Lines				1,386	1,737	(20.2) %
Consumer VoIP Connections				1,716	2,035	(15.7) %
Total Retail Consumer Voice Connections				3,102	3,772	(17.8) %
¹ Includes AT&T Internet Air.						
	Third (Quarter	Percent	Nine-Mo	nth Period	Percent
	2024	2023	Change	2024	2023	Change
Broadband Net Additions						
Total Broadband and DSL Net Additions	10	(8)		82	(104)	— %
Broadband Net Additions ¹	28	15	86.7 %	135	(43)	— %
Fiber Broadband Net Additions	226	296	(23.6) %	717	819	(12.5) %
¹ Includes AT&T Internet Air.						

LATIN AMERICA SEGMENT

The segment provides wireless services and equipment to customers in Mexico.

	Segme	ent F	Results					
Dollars in millions								
Unaudited	 Third	Qua	rter	Percent	Nine-M	onth Period	Percen	t
	 2024		2023	Change	2024	2023	Change	e
Operating Revenues								
Wireless service	\$ 645	\$	672	(4.0) % \$	2,034	\$ 1,898	7.2	%
Wireless equipment	377		320	17.8 %	1,154	944	22.2	%
Total Segment Operating Revenues	1,022		992	3.0 %	3,188	2,842	12.2	%
Operating Expenses								
Operations and support	854		837	2.0 %	2,662	2,396	11.1	%
Depreciation and amortization	158		184	(14.1) %	507	544	(6.8)	%
Total Segment Operating Expenses	1,012		1,021	(0.9) %	3,169	2,940	7.8	%
Operating Income (Loss)	\$ 10	\$	(29)	- % <u>\$</u>	19	\$ (98)		%
				_				
Operating Income Margin	1.0 %	6	(2.9)%	390 BP	0.6	% (3.4)%	400	ΒP

	Supplementary	Operating	Data				
Subscribers and connections in thousands							
Unaudited				Septem	iber 30,	Percer	nt
			_	2024	2023	Chang	ge.
Mexico Wireless Subscribers							
Postpaid				5,633	5,085	10.8	9/
Prepaid				16,996	16,213	4.8	9/
Reseller				282	456	(38.2)	%
Total Mexico Wireless Subscribers				22,911	21,754	5.3	%
				22,911	21,754	5.3	%
	Third Q	uarter	Percent		21,754 nth Period	5.3 Percer	
	Third Q	Quarter 2023	Percent			!	nt
			· —	Nine-Moi	nth Period	Percer	nt
Total Mexico Wireless Subscribers			· —	Nine-Moi	nth Period	Percer	nt ge
Total Mexico Wireless Subscribers Mexico Wireless Net Additions	2024	2023	Change	Nine-Moi 2024	nth Period 2023	Percer	nt ge
Total Mexico Wireless Subscribers Mexico Wireless Net Additions Postpaid	2024	2023	Change — %	Nine-Mon 2024	nth Period 2023	Percer	nt

SUPPLEMENTAL SEGMENT RECONCILIATION

		Three Mo	onths Ended				
Dollars in millions							
Unaudited							
September 30, 2024							
,			Operations			Depreciation	
		Revenues	and Support Expenses		EBITDA	and	Operating Income (Loss
Communications		Revenues	Expenses		EDITOA	Amortization	meome (Loss
Mobility	\$	21,052	\$ 11,559	2	9,493	\$ 2,490	\$ 7,003
Business Wireline	Ψ	4,606	3,250	Ψ	1,356	1,399	(4.
Consumer Wireline		3,416	2,296		1,120	924	190
Total Communications		29,074	17,105		11,969	4,813	7,150
Latin America - Mexico		1,022	854		168	158	10
Segment Total		30,096	17,959		12,137	4,971	7,16
Corporate and Other			,		<u>, -</u>	<i></i>	, -
Corporate:							
DTV-related retained costs		_	107		(107)	95	(202
Parent administration support		_	401		(401)	2	(403
Securitization fees		31	134		(103)	_	(103
Value portfolio		86	26		60	6	54
Total Corporate		117	668		(551)	103	(654
Cartain significant itams		_	4,383		(4,383)	13	(4,390
Certain significant items							
Total Corporate and Other		117	5,051		(4,934)	116	(5,050
	\$	117 30,213		\$	7,203		•
Total Corporate and Other	\$	30,213	\$ 23,010 Operations and Support	\$	7,203	\$ 5,087 Depreciation and	\$ 2,110
Total Corporate and Other AT&T Inc. September 30, 2023	\$		\$ 23,010 Operations	\$		\$ 5,087	\$ 2,110
Total Corporate and Other AT&T Inc. September 30, 2023 Communications		30,213 Revenues	Operations and Support Expenses		7,203 EBITDA	\$ 5,087 Depreciation and Amortization	Operating Income (Loss
Total Corporate and Other AT&T Inc. September 30, 2023 Communications Mobility	\$	30,213 Revenues 20,692	Operations and Support Expenses \$ 11,795		7,203 EBITDA 8,897	\$ 5,087 Depreciation and Amortization \$ 2,134	Operating Income (Loss
Total Corporate and Other AT&T Inc. September 30, 2023 Communications Mobility Business Wireline		30,213 Revenues 20,692 5,221	Operations and Support Expenses \$ 11,795 3,526		7,203 EBITDA 8,897 1,695	Depreciation and Amortization \$ 2,134 1,345	Operating Income (Loss \$ 6,766
Total Corporate and Other AT&T Inc. September 30, 2023 Communications Mobility		30,213 Revenues 20,692 5,221 3,331	Operations and Support Expenses \$ 11,795		7,203 EBITDA 8,897 1,695 1,031	Depreciation and Amortization \$ 2,134 1,345 871	Operating Income (Loss \$ 6,76. 356
Total Corporate and Other AT&T Inc. September 30, 2023 Communications Mobility Business Wireline Consumer Wireline		30,213 Revenues 20,692 5,221	Operations and Support Expenses \$ 11,795 3,526		7,203 EBITDA 8,897 1,695	Depreciation and Amortization \$ 2,134 1,345	Operating Income (Loss \$ 6,76: 35: 16: 7,27:
Total Corporate and Other AT&T Inc. September 30, 2023 Communications Mobility Business Wireline Consumer Wireline Total Communications		30,213 Revenues 20,692 5,221 3,331 29,244	Operations and Support Expenses \$ 11,795		7,203 EBITDA 8,897 1,695 1,031 11,623	Depreciation and Amortization \$ 2,134	Operating Income (Loss \$ 6,76. 350 160 7,27. (29
Total Corporate and Other AT&T Inc. September 30, 2023 Communications Mobility Business Wireline Consumer Wireline Total Communications Latin America - Mexico		30,213 Revenues 20,692 5,221 3,331 29,244 992	Operations and Support Expenses \$ 11,795		7,203 EBITDA 8,897 1,695 1,031 11,623 155	\$ 5,087 Depreciation and Amortization \$ 2,134	Operating Income (Loss \$ 6,76. 350 160 7,27. (29
Total Corporate and Other AT&T Inc. September 30, 2023 Communications Mobility Business Wireline Consumer Wireline Total Communications Latin America - Mexico Segment Total		30,213 Revenues 20,692 5,221 3,331 29,244 992	Operations and Support Expenses \$ 11,795		7,203 EBITDA 8,897 1,695 1,031 11,623 155	\$ 5,087 Depreciation and Amortization \$ 2,134	Operating Income (Loss \$ 6,76. 35. 16. 7,27. (2. 2. 2. 11.
Total Corporate and Other AT&T Inc. September 30, 2023 Communications Mobility Business Wireline Consumer Wireline Total Communications Latin America - Mexico Segment Total Corporate and Other		30,213 Revenues 20,692 5,221 3,331 29,244 992	Operations and Support Expenses \$ 11,795		7,203 EBITDA 8,897 1,695 1,031 11,623 155	\$ 5,087 Depreciation and Amortization \$ 2,134	Operating Income (Loss \$ 6,76. 356 166 7,275 (29 7,244
Total Corporate and Other AT&T Inc. September 30, 2023 Communications Mobility Business Wireline Consumer Wireline Total Communications Latin America - Mexico Segment Total Corporate and Other Corporate:		30,213 Revenues 20,692 5,221 3,331 29,244 992	\$ 23,010 Operations and Support Expenses \$ 11,795		7,203 EBITDA 8,897 1,695 1,031 11,623 155 11,778	\$ 5,087 Depreciation and Amortization \$ 2,134	Operating Income (Loss \$ 6,76. 35. 16. 7,27. (2. 7,24. (31.)
Total Corporate and Other AT&T Inc. September 30, 2023 Communications Mobility Business Wireline Consumer Wireline Total Communications Latin America - Mexico Segment Total Corporate and Other Corporate: DTV-related retained costs		30,213 Revenues 20,692 5,221 3,331 29,244 992 30,236	\$ 23,010 Operations and Support Expenses \$ 11,795		7,203 EBITDA 8,897 1,695 1,031 11,623 155 11,778	\$ 5,087 Depreciation and Amortization \$ 2,134	Operating Income (Loss) \$ 6,76. 356 166 7,27. (20 7,24.
Total Corporate and Other AT&T Inc. September 30, 2023 Communications Mobility Business Wireline Consumer Wireline Total Communications Latin America - Mexico Segment Total Corporate and Other Corporate: DTV-related retained costs Parent administration support		30,213 Revenues 20,692 5,221 3,331 29,244 992 30,236	\$ 23,010 Operations and Support Expenses \$ 11,795		7,203 EBITDA 8,897 1,695 1,031 11,623 155 11,778 (167) (334)	\$ 5,087 Depreciation and Amortization \$ 2,134	Operating Income (Loss \$ 6,76
Total Corporate and Other AT&T Inc. September 30, 2023 Communications Mobility Business Wireline Consumer Wireline Total Communications Latin America - Mexico Segment Total Corporate and Other Corporate: DTV-related retained costs Parent administration support Securitization fees		30,213 Revenues 20,692 5,221 3,331 29,244 992 30,236 — (1) 25	Operations and Support Expenses \$ 11,795		7,203 EBITDA 8,897 1,695 1,031 11,623 155 11,778 (167) (334) (139)	\$ 5,087 Depreciation and Amortization \$ 2,134	Operating Income (Loss \$ 6,76: 35: 16: 7,27: (2: 7,24: 33: (13: 6: 6: 6: 6: 6: 6: 6: 6: 6: 6: 6: 6: 6:
Total Corporate and Other AT&T Inc. September 30, 2023 Communications Mobility Business Wireline Consumer Wireline Total Communications Latin America - Mexico Segment Total Corporate and Other Corporate: DTV-related retained costs Parent administration support Securitization fees Value portfolio Total Corporate Certain significant items		30,213 Revenues 20,692 5,221 3,331 29,244 992 30,236 — (1) 25 90 114 —	\$ 23,010 Operations and Support Expenses \$ 11,795		7,203 EBITDA 8,897 1,695 1,031 11,623 155 11,778 (167) (334) (139) 65	\$ 5,087 Depreciation and Amortization \$ 2,134	Operating Income (Loss \$ 6,763 350 166 7,273 (29 7,244
Total Corporate and Other AT&T Inc. September 30, 2023 Communications Mobility Business Wireline Consumer Wireline Total Communications Latin America - Mexico Segment Total Corporate and Other Corporate: DTV-related retained costs Parent administration support Securitization fees Value portfolio Total Corporate		30,213 Revenues 20,692 5,221 3,331 29,244 992 30,236 — (1) 25 90	\$ 23,010 Operations and Support Expenses \$ 11,795	\$	7,203 EBITDA 8,897 1,695 1,031 11,623 155 11,778 (167) (334) (139) 65 (575)	\$ 5,087 Depreciation and Amortization \$ 2,134	Operating Income (Loss \$ 6,763 350 160 7,273 (29 7,244 (311 (333 (139 60 (725 (733 (1,462

SUPPLEMENTAL SEGMENT RECONCILIATION

		Nine Mo	nths Ended				
Dollars in millions							
Unaudited							
September 30, 2024							
			Operations			Depreciation	
		Revenues	and Support Expenses		EBITDA	and Amortization	Operating Income (Loss
Communications		icevenues	Expenses		LDITDA	Amortization	meome (Loss
Mobility	\$	62,126	\$ 34,483	\$	27,643	\$ 7,453	\$ 20,190
Business Wireline	Ψ	14,274	10,004	Ψ	4,270	4,147	123
Consumer Wireline		10,113	6,801		3,312	2,719	593
Total Communications		86,513	51,288		35,225	14,319	20,900
Latin America - Mexico		3,188	2,662		526	507	19
Segment Total		89,701	53,950		35,751	14,826	20,92
Corporate and Other		27,112				- 1,0-0	
Corporate:							
DTV-related retained costs		_	357		(357)	317	(674
Parent administration support		<u> </u>	1,236		(1,236)	5	(1,24)
Securitization fees		86	449		(363)	_	(363
Value portfolio		251	77		174	15	159
Total Corporate		337	2,119		(1,782)	337	(2,119
Certain significant items		_	5,040		(5,040)	43	(5,083
						200	
Total Corporate and Other		337	7,159		(6,822)	380	(7,202
Total Corporate and Other AT&T Inc.	\$	90,038		\$	(6,822)		
<u> </u>	\$		\$ 61,109 Operations	\$, ,	\$ 15,206 Depreciation	\$ 13,723
AT&T Inc.			\$ 61,109		, ,	\$ 15,206	\$ 13,723 Operating
AT&T Inc. September 30, 2023		90,038	\$ 61,109 Operations and Support		28,929	\$ 15,206 Depreciation and	\$ 13,723 Operating
AT&T Inc. September 30, 2023		90,038 Revenues	\$ 61,109 Operations and Support		28,929	\$ 15,206 Depreciation and Amortization	\$ 13,723 Operating Income (Loss
AT&T Inc. September 30, 2023 Communications		90,038 Revenues	Operations and Support Expenses		28,929	\$ 15,206 Depreciation and Amortization	Operating Income (Loss
AT&T Inc. September 30, 2023 Communications Mobility		90,038 Revenues 61,589	Operations and Support Expenses \$ 35,587		28,929 EBITDA 26,002	Depreciation and Amortization \$ 6,355	Operating Income (Loss \$ 19,64 1,124
AT&T Inc. September 30, 2023 Communications Mobility Business Wireline		90,038 Revenues 61,589 15,831	Operations and Support Expenses \$ 35,587 10,699		28,929 EBITDA 26,002 5,132	Depreciation and Amortization \$ 6,355 4,008	Operating Income (Loss \$ 19,64' 1,124 422
AT&T Inc. September 30, 2023 Communications Mobility Business Wireline Consumer Wireline		90,038 Revenues 61,589 15,831 9,821	Operations and Support Expenses \$ 35,587		28,929 EBITDA 26,002 5,132 3,011	Depreciation and Amortization \$ 6,355	Operating Income (Loss \$ 19,647 1,124 422 21,193
AT&T Inc. September 30, 2023 Communications Mobility Business Wireline Consumer Wireline Total Communications		90,038 Revenues 61,589 15,831 9,821 87,241	\$ 61,109 Operations and Support Expenses \$ 35,587	\$	28,929 EBITDA 26,002 5,132 3,011 34,145	Depreciation and Amortization \$ 6,355 4,008 2,589 12,952	Operating Income (Loss \$ 19,647 1,124 422 21,193
AT&T Inc. September 30, 2023 Communications Mobility Business Wireline Consumer Wireline Total Communications Latin America - Mexico		90,038 Revenues 61,589 15,831 9,821 87,241 2,842	Operations and Support Expenses \$ 35,587	\$	28,929 EBITDA 26,002 5,132 3,011 34,145 446	\$ 15,206 Depreciation and Amortization \$ 6,355	Operating Income (Loss \$ 19,647 1,124 422 21,193
Communications Mobility Business Wireline Consumer Wireline Total Communications Latin America - Mexico Segment Total		90,038 Revenues 61,589 15,831 9,821 87,241 2,842	Operations and Support Expenses \$ 35,587	\$	28,929 EBITDA 26,002 5,132 3,011 34,145 446	\$ 15,206 Depreciation and Amortization \$ 6,355	Operating Income (Loss \$ 19,64* 1,124 422 21,193
AT&T Inc. September 30, 2023 Communications Mobility Business Wireline Consumer Wireline Total Communications Latin America - Mexico Segment Total Corporate and Other		90,038 Revenues 61,589 15,831 9,821 87,241 2,842	Operations and Support Expenses \$ 35,587	\$	28,929 EBITDA 26,002 5,132 3,011 34,145 446	\$ 15,206 Depreciation and Amortization \$ 6,355	Operating Income (Loss \$ 19,64' 1,124 42: 21,19: (9:21,09:
Communications Mobility Business Wireline Consumer Wireline Total Communications Latin America - Mexico Segment Total Corporate and Other Corporate: DTV-related retained costs Parent administration support		90,038 Revenues 61,589 15,831 9,821 87,241 2,842	\$ 61,109 Operations and Support Expenses \$ 35,587 10,699 6,810 53,096 2,396 55,492	\$	28,929 EBITDA 26,002 5,132 3,011 34,145 446 34,591	\$ 15,206 Depreciation and Amortization \$ 6,355	Operating Income (Loss \$ 19,64 1,124 21,199 (96) 21,099
Communications Mobility Business Wireline Consumer Wireline Total Communications Latin America - Mexico Segment Total Corporate and Other Corporate: DTV-related retained costs		90,038 Revenues 61,589 15,831 9,821 87,241 2,842 90,083	\$ 61,109 Operations and Support Expenses \$ 35,587 10,699 6,810 53,096 2,396 55,492	\$	28,929 EBITDA 26,002 5,132 3,011 34,145 446 34,591	\$ 15,206 Depreciation and Amortization \$ 6,355	Operating Income (Loss \$ 19,64' 1,124 422 21,193 (93) 21,095
Communications Mobility Business Wireline Consumer Wireline Total Communications Latin America - Mexico Segment Total Corporate and Other Corporate: DTV-related retained costs Parent administration support		90,038 Revenues 61,589 15,831 9,821 87,241 2,842 90,083	\$ 61,109 Operations and Support Expenses \$ 35,587 10,699 6,810 53,096 2,396 55,492 514 1,039	\$	28,929 EBITDA 26,002 5,132 3,011 34,145 446 34,591 (514) (1,052)	\$ 15,206 Depreciation and Amortization \$ 6,355	Operating Income (Loss \$ 19,64' 1,124 21,199 (95) (1,05) (37)
Communications Mobility Business Wireline Consumer Wireline Total Communications Latin America - Mexico Segment Total Corporate and Other Corporate: DTV-related retained costs Parent administration support Securitization fees Value portfolio Total Corporate		90,038 Revenues 61,589 15,831 9,821 87,241 2,842 90,083 — (13) 61	\$ 61,109 Operations and Support Expenses \$ 35,587 10,699 6,810 53,096 2,396 55,492 514 1,039 439	\$	28,929 EBITDA 26,002 5,132 3,011 34,145 446 34,591 (514) (1,052) (378)	\$ 15,206 Depreciation and Amortization \$ 6,355	Operating Income (Loss \$ 19,64* 1,124 21,199 (96) 21,099 (1,05) (37) 18
Communications Mobility Business Wireline Consumer Wireline Total Communications Latin America - Mexico Segment Total Corporate and Other Corporate: DTV-related retained costs Parent administration support Securitization fees Value portfolio		90,038 Revenues 61,589 15,831 9,821 87,241 2,842 90,083 — (13) 61 275 323 —	\$ 61,109 Operations and Support Expenses \$ 35,587 10,699 6,810 53,096 2,396 55,492 514 1,039 439 77	\$	28,929 EBITDA 26,002 5,132 3,011 34,145 446 34,591 (514) (1,052) (378) 198	\$ 15,206 Depreciation and Amortization \$ 6,355	Operating Income (Loss \$ 19,64' 1,124 22,1,193 (98 21,095 (1,056 (378 182 (2,206
Communications Mobility Business Wireline Consumer Wireline Total Communications Latin America - Mexico Segment Total Corporate and Other Corporate: DTV-related retained costs Parent administration support Securitization fees Value portfolio Total Corporate		90,038 Revenues 61,589 15,831 9,821 87,241 2,842 90,083 — (13) 61 275	\$ 61,109 Operations and Support Expenses \$ 35,587 10,699 6,810 53,096 2,396 55,492 514 1,039 439 77 2,069	\$	28,929 EBITDA 26,002 5,132 3,011 34,145 446 34,591 (514) (1,052) (378) 198 (1,746)	\$ 15,206 Depreciation and Amortization \$ 6,355	Operating Income (Loss

Discussion and Reconciliation of Non-GAAP Measures

We believe the following measures are relevant and useful information to investors as they are part of AT&T's internal management reporting and planning processes and are important metrics that management uses to evaluate the operating performance of AT&T and its segments. Management also uses these measures as a method of comparing performance with that of many of our competitors. These measures should be considered in addition to, but not as a substitute for, other measures of financial performance reported in accordance with U.S. generally accepted accounting principles (GAAP).

Free Cash Flow

Free cash flow is defined as cash from operations and cash distributions from DIRECTV classified as investing activities minus capital expenditures and cash paid for vendor financing (classified as financing activities). Free cash flow after dividends is defined as cash from operations and cash distributions from DIRECTV classified as investing activities, minus capital expenditures, cash paid for vendor financing and dividends on common and preferred shares. Free cash flow dividend payout ratio is defined as the percentage of dividends paid on common and preferred shares to free cash flow. We believe these metrics provide useful information to our investors because management views free cash flow as an important indicator of how much cash is generated by routine business operations, including capital expenditures and vendor financing, and from our continued economic interest in the U.S. video operations as part of our DIRECTV equity method investment, and makes decisions based on it. Management also views free cash flow as a measure of cash available to pay debt and return cash to shareowners.

Free Cash Flow and F	ree (Cash Flow	Divid	lend Payout	t Rat	io		
Dollars in millions								
		Third	Quart	er		Nine-M	onth P	eriod
		2024		2023		2024		2023
Net cash provided by operating activities ¹	\$	10,235	\$	10,336	\$	26,875	\$	26,936
Add: Distributions from DIRECTV classified as investing activities		342		473		928		1,447
Less: Capital expenditures		(5,302)		(4,647)		(13,420)		(13,252)
Less: Cash paid for vendor financing		(180)		(980)		(1,571)		(4,736)
Free Cash Flow		5,095		5,182		12,812		10,395
Less: Dividends paid		(2,038)		(2,019)		(6,171)		(6,116)
Free Cash Flow after Dividends	\$	3,057	\$	3,163	\$	6,641	\$	4,279
Free Cash Flow Dividend Payout Ratio		40.0 %	o	39.0 %		48.2 %	6	58.8 %

Includes distributions from DIRECTV of \$281 and \$955 in the third quarter and for the first nine months of 2024, and \$423 and \$1,334 in the third quarter and for the first nine months of 2023.

Cash Paid for Capital Investment

In connection with capital improvements, we negotiate with some of our vendors to obtain favorable payment terms of 120 days or more, referred to as vendor financing, which are excluded from capital expenditures and reported in accordance with GAAP as financing activities. We present an additional view of cash paid for capital investment to provide investors with a comprehensive view of cash used to invest in our networks, product developments and support systems.

	Cash Paid for	Capital Investr	nent		
Dollars in millions					
		Third Quar	ter	Nine-Month	Period
		2024	2023	2024	2023
Capital Expenditures	\$	(5,302) \$	(4,647)	\$ (13,420) \$	(13,252)
Cash paid for vendor financing		(180)	(980)	(1,571)	(4,736)
Cash paid for Capital Investment	\$	(5,482) \$	(5,627)	\$ (14,991) \$	(17,988)

EBITDA

Our calculation of EBITDA, as presented, may differ from similarly titled measures reported by other companies. For AT&T, EBITDA excludes other income (expense) – net, and equity in net income (loss) of affiliates, as these do not reflect the operating results of our subscriber base or operations that are not under our control. Equity in net income (loss) of affiliates represents the proportionate share of the net income (loss) of affiliates in which we exercise significant influence, but do not control. Because we do not control these entities, management excludes these results when evaluating the performance of our

primary operations. EBITDA also excludes interest expense and the provision for income taxes. Excluding these items eliminates the expenses associated with our capital and tax structures. Finally, EBITDA excludes depreciation and amortization in order to eliminate the impact of capital investments. EBITDA does not give effect to cash used for debt service requirements and thus does not reflect available funds for distributions, reinvestment or other discretionary uses. EBITDA is not presented as an alternative measure of operating results or cash flows from operations, as determined in accordance with GAAP.

EBITDA service margin is calculated as EBITDA divided by service revenues.

These measures are used by management as a gauge of our success in acquiring, retaining and servicing subscribers because we believe these measures reflect AT&T's ability to generate and grow subscriber revenues while providing a high level of customer service in a cost-effective manner. Management also uses these measures as a method of comparing cash generation potential with that of many of its competitors. The financial and operating metrics which affect EBITDA include the key revenue and expense drivers for which management is responsible and upon which we evaluate performance.

We believe EBITDA Service Margin (EBITDA as a percentage of service revenues) to be a more relevant measure than EBITDA Margin (EBITDA as a percentage of total revenue) for our Mobility business unit operating margin. We also use wireless service revenues to calculate margin to facilitate comparison, both internally and externally with our wireless competitors, as they calculate their margins using wireless service revenues as well.

There are material limitations to using these non-GAAP financial measures. EBITDA, EBITDA margin and EBITDA service margin, as we have defined them, may not be comparable to similarly titled measures reported by other companies. Furthermore, these performance measures do not take into account certain significant items, including depreciation and amortization, interest expense, tax expense and equity in net income (loss) of affiliates. For market comparability, management analyzes performance measures that are similar in nature to EBITDA as we present it, and considering the economic effect of the excluded expense items independently as well as in connection with its analysis of net income as calculated in accordance with GAAP. EBITDA, EBITDA margin and EBITDA service margin should be considered in addition to, but not as a substitute for, other measures of financial performance reported in accordance with GAAP.

EBITDA, EBITDA N	Margin	and EBITDA	A Service Ma	rgin	l de la companya de	
Dollars in millions						
		Third Quart	ter		Nine-Month P	eriod
		2024	2023		2024	2023
Net Income	\$	145 \$	3,826	\$	7,845 \$	13,041
Additions:						
Income Tax Expense		1,285	1,154		3,545	3,871
Interest Expense		1,675	1,662		5,098	4,978
Equity in Net (Income) of Affiliates		(272)	(420)		(915)	(1,338)
Other (Income) Expense - Net		(717)	(440)		(1,850)	(2,362)
Depreciation and amortization		5,087	4,705		15,206	14,011
EBITDA		7,203	10,487		28,929	32,201
Transaction and other costs		34	72		101	72
Benefit-related (gain) loss		(73)	40		(122)	(32)
Asset impairments and abandonments and restructuring		4,422	604		5,061	604
Adjusted EBITDA ¹	\$	11,586 \$	11,203	\$	33,969 \$	32,845

See "Adjusting Items" section for additional discussion and reconciliation of adjusted items.

Segment and Business Unit	t EBITDA, E	BITDA Ma	argi	n and EBITI	OA S	Service Mai	rgin				
Dollars in millions		Third	Ouer	tor		Nine-Month Period					
		2024	Quai	2023			2024				
Communications Segment		-				-		2023			
Operating Income	\$	7,156	\$	7,273	\$	20,906	\$	21,193			
Add: Depreciation and amortization		4,813		4,350		14,319		12,952			
EBITDA	\$	11,969	\$	11,623	\$	35,225	\$	34,145			
Total Operating Revenues	\$	29,074	\$	29,244	\$	86,513	\$	87,241			
Operating Income Margin		24.6 %	,)	24.9 %		24.2 %	ó	24.3 %			
EBITDA Margin		41.2 %))	39.7 %		40.7 %	, 0	39.1 %			
Mobility											
Operating Income	\$	7,003	\$	6,763	\$	20,190	\$	19,647			
Add: Depreciation and amortization		2,490		2,134		7,453		6,355			
EBITDA	\$	9,493	\$	8,897	\$	27,643	\$	26,002			
Total Operating Revenues	\$	21,052	\$	20,692	\$	62,126	\$	61,589			
Service Revenues		16,539		15,908		48,810		47,136			
Operating Income Margin		33.3 %	D	32.7 %		32.5 %	, 0	31.9 %			
EBITDA Margin		45.1 %	D	43.0 %		44.5 %	ó	42.2 %			
EBITDA Service Margin		57.4 %	D	55.9 %		56.6 %	o O	55.2 %			
Business Wireline											
Operating Income	\$	(43)	\$	350	\$	123	\$	1,124			
Add: Depreciation and amortization		1,399		1,345		4,147		4,008			
EBITDA	\$	1,356	\$	1,695	\$	4,270	\$	5,132			
Total Operating Revenues	\$	4,606	\$	5,221	\$	14,274	\$	15,831			
Operating Income Margin		(0.9)%	, D	6.7 %		0.9 %	ó	7.1 %			
EBITDA Margin		29.4 %))	32.5 %		29.9 %	ó	32.4 %			
Consumer Wireline											
Operating Income	\$	196	\$	160	\$	593	\$	422			
Add: Depreciation and amortization		924		871		2,719		2,589			
EBITDA	\$	1,120	\$	1,031	\$	3,312	\$	3,011			
Total Operating Revenues	\$	3,416	\$	3,331	\$	10,113	\$	9,821			
Operating Income Margin		5.7 %	.	4.8 %		5.9 %	ó	4.3 %			
EBITDA Margin		32.8 %))	31.0 %		32.7 %	o O	30.7 %			
Latin America Segment											
Operating Income (Loss)	\$	10	\$	(29)	\$	19	\$	(98)			
Add: Depreciation and amortization		158		184		507		544			
EBITDA	\$	168	\$	155	\$	526	\$	446			
Total Operating Revenues	\$	1,022	\$	992	\$	3,188	\$	2,842			
Operating Income Margin		1.0 %	•	(2.9)%		0.6 %	o	(3.4)%			
EBITDA Margin		16.4 %)	15.6 %		16.5 %	o	15.7 %			

Adjusting Items

Adjusting items include revenues and costs we consider non-operational in nature, including items arising from asset acquisitions or dispositions, including the amortization of intangible assets. While the expense associated with the amortization of certain wireless licenses and customer lists is excluded, the revenue of the acquired companies is reflected in the measure and that those assets contribute to revenue generation. We also adjust for net actuarial gains or losses associated with our pension and postemployment benefit plans due to the often-significant impact on our results (we immediately recognize this gain or loss in the income statement, pursuant to our accounting policy for the recognition of actuarial gains and losses). Consequently, our adjusted results reflect an expected return on plan assets rather than the actual return on plan assets, as included in the GAAP measure of income.

The tax impact of adjusting items is calculated using the effective tax rate during the quarter except for adjustments that, given their magnitude, can drive a change in the effective tax rate, in these cases we use the actual tax expense or combined marginal rate of approximately 25%.

	Adjust	ting Items			
Dollars in millions					
		Third Quar	rter	Nine-Mon	th Period
		2024	2023	2024	2023
Operating Expenses					
Transaction and other costs	\$	34 \$	72 \$	101	\$ 72
Benefit-related (gain) loss		(73)	40	(122)	(32)
Asset impairments and abandonments and restructuring		4,422	604	5,061	604
Adjustments to Operations and Support Expenses		4,383	716	5,040	644
Amortization of intangible assets		13	21	43	55
Adjustments to Operating Expenses		4,396	737	5,083	699
Other					
DIRECTV intangible amortization (proportionate share)		256	310	797	975
Benefit-related (gain) loss, impairments of investment and other		(92)	507	146	314
Actuarial and settlement (gain) loss - net		_	(71)	_	(145)
Adjustments to Income Before Income Taxes		4,560	1,483	6,026	1,843
Tax impact of adjustments		33	325	364	406
Adjustments to Net Income	\$	4,527 \$	1,158 \$	5,662	\$ 1,437

Adjusted Operating Income, Adjusted Operating Income Margin, Adjusted EBITDA, Adjusted EBITDA margin, Adjusted EBITDA service margin and Adjusted diluted EPS are non-GAAP financial measures calculated by excluding from operating revenues, operating expenses, other income (expense) and income tax expense, certain significant items that are non-operational or non-recurring in nature, including dispositions and merger integration and transaction costs, actuarial gains and losses, significant abandonments and impairments, benefit-related gains and losses, employee separation and other material gains and losses. Management believes that these measures provide relevant and useful information to investors and other users of our financial data in evaluating the effectiveness of our operations and underlying business trends.

Adjusted Operating Revenues, Adjusted Operating Income, Adjusted Operating Income Margin, Adjusted EBITDA, Adjusted EBITDA service margin and Adjusted diluted EPS should be considered in addition to, but not as a substitute for, other measures of financial performance reported in accordance with GAAP. AT&T's calculation of Adjusted items, as presented, may differ from similarly titled measures reported by other companies.

Adjusted Operating Ir Adjusted EBIT					rgin,		
Dollars in millions							
	Third	l Quart	er		Nine-M	onth P	eriod
	2024		2023		2024		2023
Operating Income	\$ 2,116	\$	5,782	\$	13,723	\$	18,190
Adjustments to Operating Expenses	4,396		737		5,083		699
Adjusted Operating Income	\$ 6,512	\$	6,519	\$	18,806	\$	18,889
EBITDA	\$ 7,203	\$	10,487	\$	28,929	\$	32,201
Adjustments to Operations and Support Expenses	4,383		716		5,040		644
Adjusted EBITDA	\$ 11,586	\$	11,203	\$	33,969	\$	32,845
Total Operating Revenues	\$ 30,213	\$	30,350	\$	90,038	\$	90,406
Operating Income Margin	7.0 %	6	19.1 %	6	15.2 %	%	20.1 %
Adjusted Operating Income Margin	21.6 %	6	21.5 %	6	20.9	%	20.9 %
Adjusted EBITDA Margin	38.3 %	6	36.9 %	6	37.7	%	36.3 %

Adj	usted	Diluted E	PS					
		Third	Nine-Mo	-Month Period				
		2024		2023		2024		2023
Diluted Earnings Per Share (EPS)	\$	(0.03)	\$	0.48	\$	0.93	\$	1.67
DIRECTV intangible amortization (proportionate share)		0.03		0.03		0.09		0.10
Actuarial and settlement (gain) loss - net		_		(0.01)		_		(0.02)
Restructuring and impairments		0.61		0.11		0.72		0.11
Benefit-related, transaction and other costs		(0.01)		0.03		(0.03)		0.01
Adjusted EPS	\$	0.60	\$	0.64	\$	1.71	\$	1.87
Year-over-year growth - Adjusted		(6.3)%	, D			(8.6)%	, D	
Weighted Average Common Shares Outstanding with Dilution (000,000)		7,208		7,185		7,200		7,280

Net Debt to Adjusted EBITDA

Net Debt to EBITDA ratios are non-GAAP financial measures frequently used by investors and credit rating agencies and management believes these measures provide relevant and useful information to investors and other users of our financial data. Our Net Debt to Adjusted EBITDA ratio is calculated by dividing the Net Debt by the sum of the most recent four quarters Adjusted EBITDA. Net Debt is calculated by subtracting cash and cash equivalents and deposits at financial institutions that are greater than 90 days (e.g., certificates of deposit and time deposits), from the sum of debt maturing within one year and long-term debt.

	Debt	to Adjuste	ed I	EBITDA -	202	24				
Dollars in millions				Three Mor	nths	Ended				
	Dec. 31, March 31, June 30, Sept. 30,									
		2023^{1}		2024^{1}		2024^{1}		2024	Four (
Adjusted EBITDA	\$	10,555	\$	11,046	\$	11,337	\$	11,586	\$	44,524
End-of-period current debt										2,637
End-of-period long-term debt										126,375
Total End-of-Period Debt										129,012
Less: Cash and Cash Equivalents										2,586
Less: Time Deposits										650
Net Debt Balance										125,776
Annualized Net Debt to Adjusted EBITDA Ratio										2.82

As reported in AT&T's Form 8-K filed July 24, 2024.

Net I)ebt	to Adjust	ed F	EBITDA -	2 02	23				
Dollars in millions										
	Three Months Ended									
		Dec. 31,		March 31,		June 30,		Sept. 30,		
		2022^{1}		2023^{1}		2023^{1}		2023^{1}	Fou	r Quarters
Adjusted EBITDA	\$	10,231	\$	10,589	\$	11,053	\$	11,203	\$	43,076
End-of-period current debt										11,302
End-of-period long-term debt										126,701
Total End-of-Period Debt										138,003
Less: Cash and Cash Equivalents										7,540
Less: Time Deposits										1,750
Net Debt Balance										128,713
Annualized Net Debt to Adjusted EBITDA Ratio										2.99

¹ As reported in AT&T's Form 8-K filed July 24, 2024.

Supplemental Operational Measures

As a supplemental presentation to our Communications segment operating results, we are providing a view of our AT&T Business Solutions results which includes both wireless and fixed 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. Our supplemental presentation of business solutions operations is calculated by combining our Mobility and Business Wireline operating units, and then adjusting to remove non-business operations. The following table presents a reconciliation of our supplemental Business Solutions results.

			Sup	plem	ental O	perational N	Mea	sure					
		Third Quarter											
			Septemb	er 30	0, 2024								
	Business Mobility Wireline			Adj. ¹	Business Solutions	•		Business Wireline	1	Business Solutions	Percen Change		
Operating Revenues													
Wireless service	\$	16,539	\$ —	- \$ ((14,056)	\$ 2,483	\$	15,908	\$ —	\$ (13,530)	\$ 2,378	4.4	%
Wireline service		_	4,417	7	_	4,417		_	5,087	_	5,087	(13.2)	%
Wireless equipment		4,513	_	-	(3,735)	778		4,784	_	(4,012)	772	0.8	%
Wireline equipment		_	189	9	_	189		_	134	_	134	41.0	%
Total Operating Revenues		21,052	4,600	6 ((17,791)	7,867		20,692	5,221	(17,542)	8,371	(6.0)	%
Operating Expenses													
Operations and support		11,559	3,250	0	(9,453)	5,356		11,795	3,526	(9,661)	5,660	(5.4)	%
EBITDA		9,493	1,350	6	(8,338)	2,511		8,897	1,695	(7,881)	2,711	(7.4)	%
Depreciation and amortization		2,490	1,399	9	(2,036)	1,853		2,134	1,345	(1,741)	1,738	6.6	%
Total Operating Expenses		14,049	4,649	9 ((11,489)	7,209		13,929	4,871	(11,402)	7,398	(2.6)	%
Operating Income	\$	7,003	\$ (43	3) \$	(6,302)	\$ 658	\$	6,763	\$ 350	\$ (6,140)	\$ 973	(32.4)	%
Operating Income Margin						8.4 %					11.6 %	(320) 1	BP

Non-business wireless reported in the Communications segment under the Mobility business unit.

				Supp	lemental O	perational N	Mea	sure				
	Nine-Month Period											
			Sep	tembe	r 30, 2024							
		Mobility	Business y Wireline		Adj. ¹	Adj. Business Solutions		Mobility	Business Wireline	1	Business Solutions	Percent Change
Operating Revenues												
Wireless service	\$	48,810	\$	_	\$ (41,473)	\$ 7,337	\$	47,136	\$ —	\$ (40,104)	\$ 7,032	4.3 %
Wireline service		_	1	3,688	_	13,688		_	15,401	_	15,401	(11.1) %
Wireless equipment		13,316		_	(11,028)	2,288		14,453	_	(12,134)	2,319	(1.3) %
Wireline equipment		_		586	_	586		_	430	_	430	36.3 %
Total Operating Revenues		62,126	1	4,274	(52,501)	23,899		61,589	15,831	(52,238)	25,182	(5.1) %
Operating Expenses												
Operations and support		34,483	1	0,004	(28,180)	16,307		35,587	10,699	(29,297)	16,989	(4.0) %
EBITDA		27,643		4,270	(24,321)	7,592		26,002	5,132	(22,941)	8,193	(7.3) %
Depreciation and amortization		7,453		4,147	(6,094)	5,506		6,355	4,008	(5,186)	5,177	6.4 %
Total Operating Expenses		41,936	1	4,151	(34,274)	21,813		41,942	14,707	(34,483)	22,166	(1.6) %
Operating Income	\$	20,190	\$	123	\$ (18,227)	\$ 2,086	\$	19,647	\$ 1,124	\$ (17,755)	\$ 3,016	(30.8) %
											•	
Operating Income Margin						8.7 %					12.0 %	(330) BF

Non-business wireless reported in the Communications segment under the Mobility business unit.

