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AT&amp;T Inc.

<sup>1</sup> See Discussion and Reconciliation of Non-GAAP Measures included in Form 8-K dated October 23, 2024.

<sup>2</sup> Interest during construction is included in both Acquisitions and in Capital Expenditures (see Additional Cash Flow Information on page 4).

<sup>3</sup> 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.

<sup>4</sup> Effective with the first-quarter 2024 reporting, connected devices were removed from total Mobility subscribers and total net adds, consistent with industry standards and AT&T's key performance metrics. Connected devices did include data-centric devices such as session-based tablets, monitoring devices, and primarily wholesale automobile systems.

<sup>5</sup> 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.

<sup>6</sup> 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 9 below) during the period divided by average Broadband connections (see footnote 9 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.

<sup>7</sup> FirstNet connections include voice and other connections on our nationwide communications platform dedicated to public safety. Connections are mostly included as postpaid subscribers and are comprised of postpaid phone and postpaid other devices (e.g., tablets, wearables). Additionally, FirstNet connections also include connected devices. See footnote 4 for discussion on reporting of connected devices.

<sup>8</sup> 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](https://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.

<sup>9</sup> 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 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. Consumer fiber penetration is calculated as Consumer fiber connections divided by Consumer fiber locations served. Fiber Locations Passed refers to the total number of potential consumer and business customer locations, such as single-family homes, apartment and condominium units, and small and medium business and enterprise sites, that are passed by our fiber network. Fiber location metrics are presented based on available information and are subject to revision.

<sup>10</sup> 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.

<sup>11</sup> 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), impairments of investments 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.