



3Q2024
EARNINGS

Financial and Operational Trends

October 23, 2024





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	3/31/24	6/30/24	9/30/24
Operating Revenues													
Service	\$ 23,999	\$ 24,268	\$ 24,731	\$ 24,833	\$ 97,831	\$ 24,617	\$ 24,850	\$ 25,112	\$ 25,070	\$ 99,649	\$ 24,842	\$ 25,006	\$ 25,134
Equipment	5,713	5,375	5,312	6,510	22,910	5,522	5,067	5,238	6,952	22,779	5,186	4,791	5,079
Total Operating Revenues	29,712	29,643	30,043	31,343	120,741	30,139	29,917	30,350	32,022	122,428	30,028	29,797	30,213
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	5,143	4,815	4,933
Other cost of revenues	6,699	6,807	6,761	6,572	26,839	6,673	6,771	6,835	6,708	26,987	6,811	6,627	6,697
Selling, general and administrative	6,978	7,265	7,202	7,516	28,961	7,175	7,009	7,205	7,485	28,874	7,021	7,043	6,958
Asset impairments and abandonments and restructuring	-	631	114	26,753	27,498	-	-	604	589	1,193	159	480	4,422
Depreciation and amortization	4,462	4,450	4,514	4,595	18,021	4,631	4,675	4,705	4,766	18,777	5,047	5,072	5,087
Total Operating Expenses	24,175	24,687	24,031	52,435	125,328	24,137	23,511	24,568	26,751	98,967	24,181	24,037	28,097
Operating Income (Loss)	5,537	4,956	6,012	(21,092)	(4,587)	6,002	6,406	5,782	5,271	23,461	5,847	5,760	2,116
Interest Expense	1,626	1,502	1,420	1,560	6,108	1,708	1,608	1,662	1,726	6,704	1,724	1,699	1,675
Equity in Net Income of Affiliates	521	504	392	374	1,791	538	380	420	337	1,675	295	348	272
Other Income (Expense) – Net	2,157	2,302	2,270	(919)	5,810	935	987	440	(946)	1,416	451	682	717
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	4,869	5,091	1,430
Income Tax Expense (Benefit) on Continuing Operations	1,440	1,509	908	(77)	3,780	1,314	1,403	1,154	354	4,225	1,118	1,142	1,285
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	3,751	3,949	145
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	3,751	3,949	145
Less: Net Income Attributable to Noncontrolling Interest	(354)	(380)	(373)	(362)	(1,469)	(225)	(273)	(331)	(394)	(1,223)	(306)	(352)	(319)
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	\$ 3,445	\$ 3,597	\$ (174)
Less: Preferred Stock Dividends	(48)	(52)	(49)	(54)	(203)	(52)	(52)	(51)	(53)	(208)	(50)	(51)	(52)
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	\$ 3,395	\$ 3,546	\$ (226)
Diluted Earnings (Loss) Per Share Attributable to Common Stock	\$ 0.65	\$ 0.56	\$ 0.80	\$ (3.20)	\$ (1.13)	\$ 0.57	\$ 0.61	\$ 0.48	\$ 0.30	\$ 1.97	\$ 0.47	\$ 0.49	\$ (0.03)
Diluted Earnings (Loss) Per Share Attributable to Common Stock - Continuing Operations	0.65	0.59	0.79	(3.20)	(1.10)	0.57	0.61	0.48	0.30	1.97	0.47	0.49	(0.03)
Adjusted Diluted Earnings Per Share Attributable to Common Stock - Continuing Operations	0.63	0.65	0.68	0.61	2.57	0.60	0.63	0.64	0.54	2.41	0.55	0.57	0.60
Weighted Average Common Shares Outstanding - Basic	7,184	7,169	7,153	7,157	7,166	7,168	7,180	7,185	7,190	7,181	7,192	7,196	7,202
Weighted Average Common Shares Outstanding - with Dilution under ASU 2020-06	7,556	7,611	7,647	7,533	7,587	7,474	7,180	7,185	7,191	7,258	7,193	7,198	7,208
Weighted Average Common Shares Outstanding - with Dilution under historical	7,219	7,212	7,201	7,205	7,209	7,190	7,180	7,185	7,191	7,187	7,193	7,198	7,208
EBITDA from Continuing Operations¹	\$ 9,999	\$ 9,406	\$ 10,526	\$ (16,497)	\$ 13,434	\$ 10,633	\$ 11,081	\$ 10,487	\$ 10,037	\$ 42,238	\$ 10,894	\$ 10,832	\$ 7,203
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	\$ 11,046	\$ 11,337	\$ 11,586
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%	36.8%	38.0%	38.3%

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	3/31/24	6/30/24	9/30/24
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	\$ 0.2775	\$ 0.2775	\$ 0.2775
End of Period Common Shares Outstanding (000,000)	7,159	7,126	7,126	7,128		7,149	7,149	7,150	7,150		7,170	7,170	7,174
Debt Ratio	48.5%	50.1%	48.8%	56.1%		55.9%	54.8%	53.5%	53.5%		52.4%	51.8%	52.2%
Total Employees (Continuing Operations) (000)	172.6	172.4	169.9	162.9		157.8	156.6	152.7	150.5		148.3	146.0	143.6

See Notes to Financial and Operational Trends on page 13.

Consolidated Statements of Cash Flows

AT&T Inc.

Dollars in millions; Unaudited

	3/31/23	6/30/23	9/30/23	12/31/23	3/31/24	6/30/24	9/30/24
Operating Activities							
Net Income	\$ 4,453	\$ 4,762	\$ 3,826	\$ 2,582	\$ 3,751	\$ 3,949	\$ 145
Adjustments to reconcile net income to net cash provided by operating activities:							
Depreciation and amortization	4,631	4,675	4,705	4,766	5,047	5,072	5,087
Provision for uncollectible accounts	477	452	480	560	472	470	489
Deferred income tax expense	529	1,307	1,327	(126)	479	724	608
Net (gain) loss on investments, net of impairments	(93)	(67)	495	106	201	(16)	(97)
Pension and postretirement benefit expense (credit)	(670)	(671)	(625)	(586)	(471)	(470)	(471)
Actuarial and settlement (gain) loss on pension and postretirement benefits - net	-	(74)	(71)	1,739	-	-	-
Asset impairments and abandonments and restructuring	-	-	604	589	159	480	4,422
Changes in operating assets and liabilities:							
Receivables	620	722	(169)	(1,091)	512	(382)	444
Inventories, prepaid and other current assets	364	742	(1,049)	(699)	629	520	(1,002)
Accounts payable and other accrued liabilities	(3,409)	(2,360)	707	3,298	(3,497)	(1,334)	328
Equipment installment receivables and related sales	(243)	(59)	246	(77)	24	(344)	(579)
Deferred customer contract acquisition and fulfillment costs	(22)	56	13	(46)	103	191	196
Postretirement claims and contributions	(89)	(467)	(159)	(20)	(54)	(39)	(36)
Other - net	130	904	6	383	192	272	701
Total adjustments	2,225	5,160	6,510	8,796	3,796	5,144	10,090
Net Cash Provided by Operating Activities	6,678	9,922	10,336	11,378	7,547	9,093	10,235
Investing Activities							
Capital expenditures ²	(4,335)	(4,270)	(4,647)	(4,601)	(3,758)	(4,360)	(5,302)
Acquisitions, net of cash acquired ²	(291)	(224)	(408)	(2,019)	(211)	(59)	(52)
Dispositions	15	1	50	6	8	6	52
Distributions from DIRECTV in excess of cumulative equity in earnings	774	200	473	602	194	392	342
(Purchases), sales and settlements of securities and investments - net	19	(1,075)	13	141	1,079	68	6
Other - net	-	(55)	(26)	(3)	(273)	(63)	(196)
Net Cash (Used in) Provided by Investing Activities	(3,818)	(5,423)	(4,545)	(5,874)	(2,961)	(4,016)	(5,150)
Financing Activities							
Net change in short-term borrowings with original maturities of three months or less	(536)	(378)	-	-	1,933	753	(2,686)
Issuance of other short-term borrowings	3,627	1,779	-	-	491	-	-
Repayment of other short-term borrowings	-	(867)	(112)	(2,436)	(1,996)	(491)	-
Issuance of long-term debt	3,366	6,267	-	371	-	2	2
Repayment of long-term debt	(5,945)	(1,664)	(4,280)	(155)	(4,685)	(2,225)	(203)
Repayment of note payable to DIRECTV	(130)	-	-	-	-	-	-
Payment of vendor financing	(2,113)	(1,643)	(980)	(1,006)	(841)	(550)	(180)
Purchase of treasury stock	(188)	(1)	(1)	(4)	(157)	(2)	(43)
Issuance of treasury stock	3	-	-	-	-	-	2
Issuance of preferred interests in subsidiary	-	7,151	-	-	-	-	-
Redemption of preferred interests in subsidiary	-	(5,333)	-	-	-	-	-
Dividends paid	(2,014)	(2,083)	(2,019)	(2,020)	(2,034)	(2,099)	(2,038)
Other - net	219	(1,047)	(362)	(1,080)	(526)	(866)	(416)
Net Cash (Used in) Provided by Financing Activities	(3,711)	2,181	(7,754)	(6,330)	(7,815)	(5,478)	(5,562)
Net increase (decrease) in cash and cash equivalents and restricted cash	(851)	6,680	(1,963)	(826)	(3,229)	(401)	(477)
Cash and cash equivalents and restricted cash beginning of period	3,793	2,942	9,622	7,659	6,833	3,604	3,203
Cash and Cash Equivalents and Restricted Cash End of Period	\$ 2,942	\$ 9,622	\$ 7,659	\$ 6,833	\$ 3,604	\$ 3,203	\$ 2,726

See Notes to Financial and Operational Trends on page 13.

AT&T Inc.

Free Cash Flow

Dollars in millions; Unaudited

	9/30/22	12/31/22	3/31/23	6/30/23	9/30/23	12/31/23	3/31/24	6/30/24	9/30/24
Cash Flow Detail									
Net cash provided by operating activities from continuing operations	\$ 10,094	\$ 10,348	\$ 6,678	\$ 9,922	\$ 10,336	\$ 11,378	\$ 7,547	\$ 9,093	\$ 10,235
Add: Distributions from DIRECTV classified as investing activities	567	444	774	200	473	602	194	392	342
Less: Capital expenditures	(5,921)	(4,229)	(4,335)	(4,270)	(4,647)	(4,601)	(3,758)	(4,360)	(5,302)
Less: Vendor financing payments	(900)	(460)	(2,113)	(1,643)	(980)	(1,006)	(841)	(550)	(180)
Free Cash Flow¹	\$ 3,840	\$ 6,103	\$ 1,004	\$ 4,209	\$ 5,182	\$ 6,373	\$ 3,142	\$ 4,575	\$ 5,095

AT&T Inc.

Supplemental Free Cash Flow Walk from Adjusted EBITDA³

Dollars in millions; Unaudited

	9/30/22	12/31/22	3/31/23	6/30/23	9/30/23	12/31/23	3/31/24	6/30/24	9/30/24
Adjusted EBITDA¹	\$ 10,714	\$ 10,231	\$ 10,589	\$ 11,053	\$ 11,203	\$ 10,555	\$ 11,046	\$ 11,337	\$ 11,586
Noncash Adj. to EBITDA									
Bad debt expense	453	542	477	452	480	560	472	470	489
Cash paid for interest (less capitalized interest)	(1,628)	(1,504)	(1,699)	(1,368)	(1,886)	(1,543)	(1,974)	(1,471)	(1,882)
Capital investment ¹	(6,821)	(4,689)	(6,448)	(5,913)	(5,627)	(5,607)	(4,599)	(4,910)	(5,482)
Cash distributions received from DIRECTV	959	823	1,308	577	896	934	518	742	623
Working capital	(123)	1,040	(2,690)	(899)	(252)	1,385	(2,229)	(1,349)	(613)
Other	286	(340)	(533)	307	368	89	(92)	(244)	374
Free Cash Flow¹	\$ 3,840	\$ 6,103	\$ 1,004	\$ 4,209	\$ 5,182	\$ 6,373	\$ 3,142	\$ 4,575	\$ 5,095
Cash (paid) for income taxes, net of refunds³	\$ (62)	\$ (192)	\$ (10)	\$ (325)	\$ (423)	\$ (841)	\$ 9	\$ (308)	\$ (583)

AT&T Inc.

Additional Cash Flow Information - Continuing Operations

Dollars in millions; Unaudited

	9/30/22	12/31/22	3/31/23	6/30/23	9/30/23	12/31/23	3/31/24	6/30/24	9/30/24
Capital Investment Detail									
Purchase of property and equipment	\$ 5,874	\$ 4,179	\$ 4,291	\$ 4,224	\$ 4,601	\$ 4,558	\$ 3,721	\$ 4,321	\$ 5,259
Interest during construction - capital expenditures	47	50	44	46	46	43	37	39	43
Capital expenditures	\$ 5,921	\$ 4,229	\$ 4,335	\$ 4,270	\$ 4,647	\$ 4,601	\$ 3,758	\$ 4,360	\$ 5,302
Add: Vendor financing payments	900	460	2,113	1,643	980	1,006	841	550	180
Capital Investment¹	\$ 6,821	\$ 4,689	\$ 6,448	\$ 5,913	\$ 5,627	\$ 5,607	\$ 4,599	\$ 4,910	\$ 5,482
Acquisitions, net of cash acquired									
Spectrum acquisitions	\$ 111	\$ 4	\$ 63	\$ 5	\$ 241	\$ 1,938	\$ 145	\$ 2	\$ 6
Interest during construction - spectrum	278	237	228	219	167	81	66	57	46
Distributions from DIRECTV Investment									
Classified as operating activities	\$ 392	\$ 379	\$ 534	\$ 377	\$ 423	\$ 332	\$ 324	\$ 350	\$ 281
Classified as investing activities	567	444	774	200	473	602	194	392	342
Total Distributions received from DIRECTV	\$ 959	\$ 823	\$ 1,308	\$ 577	\$ 896	\$ 934	\$ 518	\$ 742	\$ 623
Cash paid for interest	\$ 1,953	\$ 1,791	\$ 1,971	\$ 1,633	\$ 2,099	\$ 1,667	\$ 2,077	\$ 1,567	\$ 1,971
Interest during construction	325	287	272	265	213	124	103	96	89
Cash paid for interest (less capitalized interest)	\$ 1,628	\$ 1,504	\$ 1,699	\$ 1,368	\$ 1,886	\$ 1,543	\$ 1,974	\$ 1,471	\$ 1,882

Operating Revenues

AT&T Inc.

Dollars in millions; Unaudited

	9/30/22	12/31/22	3/31/23	6/30/23	9/30/23	12/31/23	3/31/24	6/30/24	9/30/24
Communications	\$ 29,131	\$ 30,365	\$ 29,152	\$ 28,845	\$ 29,244	\$ 30,797	\$ 28,857	\$ 28,582	\$ 29,074
Mobility	20,278	21,501	20,582	20,315	20,692	22,393	20,594	20,480	21,052
Business Wireline	5,668	5,635	5,331	5,279	5,221	5,052	4,913	4,755	4,606
Consumer Wireline	3,185	3,229	3,239	3,251	3,331	3,352	3,350	3,347	3,416
Latin America - Mexico	785	861	883	967	992	1,090	1,063	1,103	1,022
Corporate	127	117	104	105	114	135	108	112	117
DTV-related retained costs	-	-	-	-	-	-	-	-	-
Parent administration support	(6)	(8)	(9)	(3)	(1)	6	-	-	-
Securitization fees	15	17	19	17	25	24	26	29	31
Value portfolio	118	108	94	91	90	105	82	83	86
Operating Revenues	\$ 30,043	\$ 31,343	\$ 30,139	\$ 29,917	\$ 30,350	\$ 32,022	\$ 30,028	\$ 29,797	\$ 30,213

Adjusted EBITDA

AT&T Inc.

Dollars in millions; Unaudited

	9/30/22	12/31/22	3/31/23	6/30/23	9/30/23	12/31/23	3/31/24	6/30/24	9/30/24
Communications	\$ 11,173	\$ 10,835	\$ 11,032	\$ 11,490	\$ 11,623	\$ 11,019	\$ 11,475	\$ 11,781	\$ 11,969
Mobility	8,268	7,929	8,369	8,736	8,897	8,376	8,955	9,195	9,493
Business Wireline	1,963	1,900	1,708	1,729	1,695	1,534	1,426	1,488	1,356
Consumer Wireline	942	1,006	955	1,025	1,031	1,109	1,094	1,098	1,120
Latin America - Mexico	101	85	145	146	155	137	180	178	168
Corporate*	(560)	(689)	(588)	(583)	(575)	(601)	(609)	(622)	(551)
DTV-related retained costs	(235)	(244)	(169)	(178)	(167)	(172)	(134)	(116)	(107)
Parent administration support	(323)	(381)	(383)	(335)	(334)	(371)	(392)	(443)	(401)
Securitization fees	(88)	(139)	(102)	(137)	(139)	(141)	(139)	(121)	(103)
Value portfolio	86	75	66	67	65	83	56	58	60
Adjusted EBITDA¹	\$ 10,714	\$ 10,231	\$ 10,589	\$ 11,053	\$ 11,203	\$ 10,555	\$ 11,046	\$ 11,337	\$ 11,586

* See page 12 for additional detail of Corporate results.

See Notes to Financial and Operational Trends on page 13. May not foot due to rounding.

Communications

Mobility Results

Dollars in millions; Unaudited

	9/30/22	12/31/22	3/31/23	6/30/23	9/30/23	12/31/23	3/31/24	6/30/24	9/30/24
Operating Revenues									
Service	\$ 15,337	\$ 15,434	\$ 15,483	\$ 15,745	\$ 15,908	\$ 16,039	\$ 15,994	\$ 16,277	\$ 16,539
Equipment	4,941	6,067	5,099	4,570	4,784	6,354	4,600	4,203	4,513
Total Operating Revenues	\$ 20,278	\$ 21,501	\$ 20,582	\$ 20,315	\$ 20,692	\$ 22,393	\$ 20,594	\$ 20,480	\$ 21,052
Operating Expenses									
Operations and support	\$ 12,010	\$ 13,572	\$ 12,213	\$ 11,579	\$ 11,795	\$ 14,017	\$ 11,639	\$ 11,285	\$ 11,559
Depreciation and amortization	2,042	2,080	2,098	2,123	2,134	2,162	2,487	2,476	2,490
Total Operating Expenses	14,052	15,652	14,311	13,702	13,929	16,179	14,126	13,761	14,049
Operating Income	\$ 6,226	\$ 5,849	\$ 6,271	\$ 6,613	\$ 6,763	\$ 6,214	\$ 6,468	\$ 6,719	\$ 7,003
Operating Income Margin	30.7%	27.2%	30.5%	32.6%	32.7%	27.7%	31.4%	32.8%	33.3%
EBITDA¹	\$ 8,268	\$ 7,929	\$ 8,369	\$ 8,736	\$ 8,897	\$ 8,376	\$ 8,955	\$ 9,195	\$ 9,493
EBITDA Margin¹	40.8%	36.9%	40.7%	43.0%	43.0%	37.4%	43.5%	44.9%	45.1%
EBITDA Service Margin¹	53.9%	51.4%	54.1%	55.5%	55.9%	52.2%	56.0%	56.5%	57.4%

See Notes to Financial and Operational Trends on page 13.

Communications

Mobility Operating Volumes and Statistics

Volumes in thousands; Unaudited

AT&T Mobility Subscribers⁴

	9/30/22	12/31/22	3/31/23	6/30/23	9/30/23	12/31/23	3/31/24	6/30/24	9/30/24
Total Subscribers	108,683	109,919	110,813	111,854	112,857	113,808	114,513	115,474	116,066
Postpaid	83,614	84,700	85,421	85,846	86,365	87,104	87,450	87,999	88,384
Prepaid	19,215	19,176	19,200	19,352	19,391	19,236	19,211	19,271	19,200
Reseller	5,854	6,043	6,192	6,656	7,101	7,468	7,852	8,204	8,482

Net Add Detail

Net Subscriber Additions ⁴	1,413	1,245	690	1,063	1,007	962	741	997	617
Postpaid Net Adds	964	1,104	542	464	550	759	389	593	429
Prepaid Net Adds	141	(9)	40	167	56	(135)	1	82	(49)
Reseller Net Adds	308	150	108	432	401	338	351	322	237

Phone Detail

Total Phone Subscribers	86,486	87,069	87,546	87,935	88,369	88,713	88,991	89,377	89,664
Postpaid Phones	68,969	69,596	70,049	70,331	70,757	71,255	71,558	71,930	72,285
Prepaid Phones	17,517	17,474	17,496	17,604	17,612	17,458	17,433	17,447	17,379

Phone Detail - Net Adds

Total Phone Net Adds	816	643	464	449	494	394	350	454	358
Postpaid Phone Net Adds	708	656	424	326	468	526	349	419	403
Prepaid Phone Net Adds	108	(13)	40	123	26	(132)	1	35	(45)

Other Metrics

Postpaid Smartphone Gross Adds and Upgrades (in millions)	5.8	6.3	5.1	4.6	5.4	6.2	4.4	4.3	5.0
Postpaid Upgrade Rate	4.3%	4.8%	3.7%	3.1%	3.9%	4.7%	3.0%	2.9%	3.5%
FirstNet Connections (in millions) ⁷	4.0	4.4	4.7	5.0	5.3	5.5	5.9	6.1	6.4

Churn Detail⁵

Postpaid Phone Churn	0.84%	0.84%	0.81%	0.79%	0.79%	0.84%	0.72%	0.70%	0.78%
Postpaid Churn	1.01%	1.01%	0.99%	0.95%	0.95%	1.01%	0.89%	0.85%	0.93%
Prepaid Churn	2.83%	2.87%	2.73%	2.50%	2.78%	2.97%	2.77%	2.57%	2.73%

ARPU⁶

Postpaid Phone-Only ARPU	\$ 55.67	\$ 55.43	\$ 55.05	\$ 55.63	\$ 55.99	\$ 56.23	\$ 55.57	\$ 56.42	\$ 57.07
Postpaid ARPU	50.12	49.95	49.46	49.94	50.16	50.39	49.75	50.54	50.98
Prepaid ARPU	34.07	34.02	33.81	33.78	34.05	34.15	34.21	34.08	34.30

See Notes to Financial and Operational Trends on page 13.

Communications

Business Wireline Results

Dollars in millions; Unaudited	9/30/22	12/31/22	3/31/23	6/30/23	9/30/23	12/31/23	3/31/24	6/30/24	9/30/24
Operating Revenues									
Service	\$ 5,524	\$ 5,473	\$ 5,200	\$ 5,114	\$ 5,087	\$ 4,873	\$ 4,700	\$ 4,571	\$ 4,417
Equipment	144	162	131	165	134	179	213	184	189
Total Operating Revenues	\$ 5,668	\$ 5,635	\$ 5,331	\$ 5,279	\$ 5,221	\$ 5,052	\$ 4,913	\$ 4,755	\$ 4,606
Operating Expenses									
Operations and support	\$ 3,705	\$ 3,735	\$ 3,623	\$ 3,550	\$ 3,526	\$ 3,518	\$ 3,487	\$ 3,267	\$ 3,250
Depreciation and amortization	1,342	1,360	1,330	1,333	1,345	1,369	1,362	1,386	1,399
Total Operating Expenses	5,047	5,095	4,953	4,883	4,871	4,887	4,849	4,653	4,649
Operating Income (Loss)	\$ 621	\$ 540	\$ 378	\$ 396	\$ 350	\$ 165	\$ 64	\$ 102	\$ (43)
Operating Income Margin	11.0%	9.6%	7.1%	7.5%	6.7%	3.3%	1.3%	2.1%	-0.9%
EBITDA¹	\$ 1,963	\$ 1,900	\$ 1,708	\$ 1,729	\$ 1,695	\$ 1,534	\$ 1,426	\$ 1,488	\$ 1,356
EBITDA Margin¹	34.6%	33.7%	32.0%	32.8%	32.5%	30.4%	29.0%	31.3%	29.4%

Communications

Supplemental Business Solutions Results (Wireline and Business Mobility)⁸

Dollars in millions; Unaudited	9/30/22	12/31/22	3/31/23	6/30/23	9/30/23	12/31/23	3/31/24	6/30/24	9/30/24
Operating Revenues									
Wireless Service	\$ 2,222	\$ 2,258	\$ 2,280	\$ 2,374	\$ 2,378	\$ 2,391	\$ 2,386	\$ 2,468	\$ 2,483
Wireless Equipment	859	937	773	774	772	903	766	744	778
Wireline	5,668	5,635	5,331	5,279	5,221	5,052	4,913	4,755	4,606
Total Operating Revenues	8,749	8,830	8,384	8,427	8,371	8,346	8,065	7,967	7,867
Operating Income	1,221	1,153	1,028	1,015	973	728	649	779	658
EBITDA¹	\$ 2,920	\$ 2,877	\$ 2,744	\$ 2,738	\$ 2,711	\$ 2,494	\$ 2,465	\$ 2,616	\$ 2,511

See Notes to Financial and Operational Trends on page 13.

Communications

Consumer Wireline Results

Dollars in millions; Unaudited

	9/30/22	12/31/22	3/31/23	6/30/23	9/30/23	12/31/23	3/31/24	6/30/24	9/30/24
Operating Revenues									
Broadband ⁹	\$ 2,429	\$ 2,492	\$ 2,527	\$ 2,561	\$ 2,667	\$ 2,700	\$ 2,722	\$ 2,741	\$ 2,838
Legacy Voice and Data Services	427	414	396	383	368	361	342	323	307
Other Service and Equipment	329	323	316	307	296	291	286	283	271
Total Operating Revenues	\$ 3,185	\$ 3,229	\$ 3,239	\$ 3,251	\$ 3,331	\$ 3,352	\$ 3,350	\$ 3,347	\$ 3,416
Operating Expenses									
Operations and support	\$ 2,243	\$ 2,223	\$ 2,284	\$ 2,226	\$ 2,300	\$ 2,243	\$ 2,256	\$ 2,249	\$ 2,296
Depreciation and amortization	800	818	861	857	871	880	881	914	924
Total Operating Expenses	3,043	3,041	3,145	3,083	3,171	3,123	3,137	3,163	3,220
Operating Income	\$ 142	\$ 188	\$ 94	\$ 168	\$ 160	\$ 229	\$ 213	\$ 184	\$ 196
Operating Income Margin	4.5%	5.8%	2.9%	5.2%	4.8%	6.8%	6.4%	5.5%	5.7%
EBITDA¹	\$ 942	\$ 1,006	\$ 955	\$ 1,025	\$ 1,031	\$ 1,109	\$ 1,094	\$ 1,098	\$ 1,120
EBITDA Margin¹	29.6%	31.2%	29.5%	31.5%	31.0%	33.1%	32.7%	32.8%	32.8%
Broadband Revenue Detail⁹									
Fiber	\$ 1,271	\$ 1,376	\$ 1,453	\$ 1,523	\$ 1,613	\$ 1,678	\$ 1,736	\$ 1,796	\$ 1,882
Non Fiber	1,158	1,116	1,074	1,038	1,054	1,022	986	945	956

See Notes to Financial and Operational Trends on page 13.

Communications

Consumer Wireline Operating Volumes and Statistics

Volumes in thousands; Unaudited	9/30/22	12/31/22	3/31/23	6/30/23	9/30/23	12/31/23	3/31/24	6/30/24	9/30/24
Total Broadband Connections⁹	13,796	13,753	13,730	13,695	13,710	13,729	13,784	13,836	13,864
Fiber	6,935	7,215	7,487	7,738	8,034	8,307	8,559	8,798	9,024
Non Fiber	6,861	6,538	6,243	5,957	5,676	5,422	5,225	5,038	4,840
Total Broadband Net Adds⁹	(29)	(43)	(23)	(35)	15	19	55	52	28
Fiber	338	280	272	251	296	273	252	239	226
Non Fiber	(367)	(323)	(295)	(286)	(281)	(254)	(197)	(187)	(198)

AT&T Internet Air (included in non fiber broadband)

Connections	-	-	-	2	26	93	203	342	477
Net Adds	-	-	-	2	24	67	110	139	135

ARPU⁶

Broadband ARPU	\$ 58.63	\$ 60.31	\$ 61.31	\$ 62.26	\$ 64.91	\$ 65.62	\$ 65.98	\$ 66.17	\$ 68.25
Fiber ARPU	62.62	64.82	65.92	66.70	68.21	68.50	68.61	69.00	70.36
Non Fiber ARPU	54.80	55.54	56.00	56.71	60.43	61.38	61.81	61.38	64.43

Communications

Fiber Location Metrics⁹

Volumes in millions; Unaudited	9/30/22	12/31/22	3/31/23	6/30/23	9/30/23	12/31/23	3/31/24	6/30/24	9/30/24
Total Consumer and Business Locations Passed	23.4	24.1	24.7	25.4	26.0	26.5	27.1	27.8	28.3
Fiber Served Locations - Consumer	18.5	19.1	19.7	20.2	20.7	21.1	21.5	22.1	22.7
Fiber Penetration - Consumer	37%	38%	38%	38%	39%	39%	40%	40%	40%

See Notes to Financial and Operational Trends on page 13.

Latin America Segment - Mexico

Statement of Segment Income

Dollars in millions; Unaudited	9/30/22	12/31/22	3/31/23	6/30/23	9/30/23	12/31/23	3/31/24	6/30/24	9/30/24
Segment Operating Revenues									
Wireless service	\$ 559	\$ 579	\$ 591	\$ 635	\$ 672	\$ 671	\$ 690	\$ 699	\$ 645
Wireless equipment	226	282	292	332	320	419	373	404	377
Total Segment Operating Revenues	\$ 785	\$ 861	\$ 883	\$ 967	\$ 992	\$ 1,090	\$ 1,063	\$ 1,103	\$ 1,022
Segment Operating Expenses									
Operations and support	\$ 684	\$ 776	\$ 738	\$ 821	\$ 837	\$ 953	\$ 883	\$ 925	\$ 854
Depreciation and amortization	164	164	175	185	184	180	177	172	158
Total Segment Operating Expenses	848	940	913	1,006	1,021	1,133	1,060	1,097	1,012
Segment Operating Income (Loss)	\$ (63)	\$ (79)	\$ (30)	\$ (39)	\$ (29)	\$ (43)	\$ 3	\$ 6	\$ 10
Segment Operating Income Margin	-8.0%	-9.2%	-3.4%	-4.0%	-2.9%	-3.9%	0.3%	0.5%	1.0%
EBITDA¹	\$ 101	\$ 85	\$ 145	\$ 146	\$ 155	\$ 137	\$ 180	\$ 178	\$ 168
EBITDA Margin¹	12.9%	9.9%	16.4%	15.1%	15.6%	12.6%	16.9%	16.1%	16.4%

Latin America Segment - Mexico

Operating Volumes and Statistics

Volumes in thousands; Unaudited	9/30/22	12/31/22	3/31/23	6/30/23	9/30/23	12/31/23	3/31/24	6/30/24	9/30/24
Wireless Subscribers	20,998	21,603	21,613	21,689	21,754	22,316	22,459	22,636	22,911
Postpaid	4,854	4,925	4,973	5,030	5,085	5,236	5,352	5,494	5,633
Prepaid	15,689	16,204	16,146	16,196	16,213	16,663	16,742	16,809	16,996
Reseller	455	474	494	463	456	417	365	333	282
Wireless Net Adds	298	605	10	76	65	562	143	177	275
Wireless Churn⁵	6.23%	5.98%	5.83%	5.70%	5.86%	5.69%	5.78%	5.78%	5.74%
Wireless ARPU⁶	\$ 7.04	\$ 7.19	\$ 7.23	\$ 7.78	\$ 8.17	\$ 8.03	\$ 8.11	\$ 8.28	\$ 7.54

See Notes to Financial and Operational Trends on page 13.

Corporate

Supplemental Results - Corporate

Dollars in millions; Unaudited	9/30/22	12/31/22	3/31/23	6/30/23	9/30/23	12/31/23	3/31/24	6/30/24	9/30/24
Total Operating Revenues	\$ 127	\$ 117	\$ 104	\$ 105	\$ 114	\$ 135	\$ 108	\$ 112	\$ 117
Operating Expenses									
Operations and support	687	806	692	688	689	736	717	734	668
DTV-related retained costs	235	244	169	178	167	172	134	116	107
Parent administration support	317	373	374	332	333	377	392	443	401
Securitization fees	103	156	121	154	164	165	165	150	134
Value portfolio	32	33	28	24	25	22	26	25	26
Depreciation and amortization	150	157	150	160	150	154	125	109	103
Total Operating Expenses	837	963	842	848	839	890	842	843	771
Operating Loss	\$ (710)	\$ (846)	\$ (738)	\$ (743)	\$ (725)	\$ (755)	\$ (734)	\$ (731)	\$ (654)

AT&T Inc.

Equity in Net Income of Affiliates

Dollars in millions; Unaudited	9/30/22	12/31/22	3/31/23	6/30/23	9/30/23	12/31/23	3/31/24	6/30/24	9/30/24
Equity in Net Income of Affiliates	\$ 392	\$ 374	\$ 538	\$ 380	\$ 420	\$ 337	\$ 295	\$ 348	\$ 272
Less: Equity in Net Income (Loss) from Other investments	-	(5)	4	3	(3)	5	(29)	(2)	(9)
Equity in Net Income from DIRECTV investment	392	379	534	377	423	332	324	350	281
Add: DIRECTV intangible amortization (proportionate share)	376	359	341	324	310	294	286	255	256
Adjusted Equity in Net Income from DIRECTV investment¹⁰	\$ 768	\$ 738	\$ 875	\$ 701	\$ 733	\$ 626	\$ 610	\$ 605	\$ 537

AT&T Inc.

Other Income (Expense) - Net¹¹

Dollars in millions; Unaudited	9/30/22	12/31/22	3/31/23	6/30/23	9/30/23	12/31/23	3/31/24	6/30/24	9/30/24
Net pension and postretirement credit, excluding actuarial and settlement gain/(loss)	\$ 937	\$ 844	\$ 797	\$ 799	\$ 752	\$ 704	\$ 598	\$ 597	\$ 598
Expected return on assets	763	721	747	748	602	566	567	568	568
Interest cost on projected benefit obligations	(556)	(607)	(601)	(601)	(501)	(513)	(473)	(475)	(473)
Amortization of prior service credit	730	730	651	652	651	651	504	504	503
Actuarial and settlement gain/(loss), net	1,440	(1,839)	-	74	71	(1,739)	-	-	-
Benefit-related gain (loss), impairments of investments and other	(78)	16	111	82	(507)	(76)	(254)	16	92
Interest income	25	36	41	50	121	91	64	47	49
Other gain/(loss) items	(54)	24	(14)	(18)	3	74	43	22	(22)
Other Income (Expense) - Net	\$ 2,270	\$ (919)	\$ 935	\$ 987	\$ 440	\$ (946)	\$ 451	\$ 682	\$ 717

AT&T Inc.

Interest Expense and Interest Income

Dollars in millions; Unaudited	9/30/22	12/31/22	3/31/23	6/30/23	9/30/23	12/31/23	3/31/24	6/30/24	9/30/24
Interest expense	\$ 1,420	\$ 1,560	\$ 1,708	\$ 1,608	\$ 1,662	\$ 1,726	\$ 1,724	\$ 1,699	\$ 1,675
Interest during construction	325	287	272	265	213	124	103	96	89
Interest income	25	36	41	50	121	91	64	47	49

See Notes to Financial and Operational Trends on page 13.

Notes to Financial and Operational Trends

AT&T Inc.

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

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

³ 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.

⁴ 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.

⁵ 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.

⁶ 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.

⁷ 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.

⁸ 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.

⁹ 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.

¹⁰ 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.

¹¹ 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.