

AT&T 3Q2025 EARNINGS

2025 3rd Quarter Earnings
October 22, 2025

Cautionary Language Concerning Forward-looking Statements

Information set forth in this presentation contains financial estimates and other forward-looking statements that are subject to risks and uncertainties, and actual results might differ materially. A discussion of factors that may affect future results is contained in AT&T's filings with the Securities and Exchange Commission. AT&T disclaims any obligation to update and revise statements contained in this presentation based on new information or otherwise.

This presentation may contain certain non-GAAP financial measures (as identified throughout with an “*”). Reconciliations between the non-GAAP financial measures and the most comparable GAAP financial measures are available at the end of this presentation and on the company's website at investors.att.com.

2025 Business Priorities

1

Grow durable 5G and Fiber relationships

- Continue **disciplined go-to-market strategy** with a focus on putting the customer first
- Grow AT&T Fiber and 5G subscribers while **increasing the converged customer penetration rate**

2

Effective and efficient in everything we do

- Expand consolidated Adj. EBITDA margins* and make progress toward achieving **\$3B+ run-rate cost savings target** by the end of 2027
- **Integrate AI** to drive efficiencies, increase productivity and improve customer experiences
- Continue **transition of legacy copper** to 5G and fiber services
- Execute **wireless network modernization** with peak investment in 2025

3

Deliberate capital allocation

- Invest for growth in 5G and fiber with **Capital Investment*** in **\$22B to \$22.5B** range
- Achieved net debt-to-adjusted EBITDA* in the **2.5x range** in the first half of 2025
- Continue enhanced shareholder return program through our **\$10B share repurchase authorization**
- Provide an **attractive dividend** with improved quality

* See end of presentation for non-GAAP reconciliations

3rd Quarter Highlights



73.8M

Postpaid Phone Subscribers
+405K Net Adds



+2.3%

Mobility Service Revenue Growth
(year over year)



10.1M

AT&T Fiber Subscribers
+288K Net Adds



+16.8%

AT&T Fiber Revenue Growth
(year over year)

3Q25 Consolidated Results

+0.8%

Service Revenue Growth
YoY

+2.4%

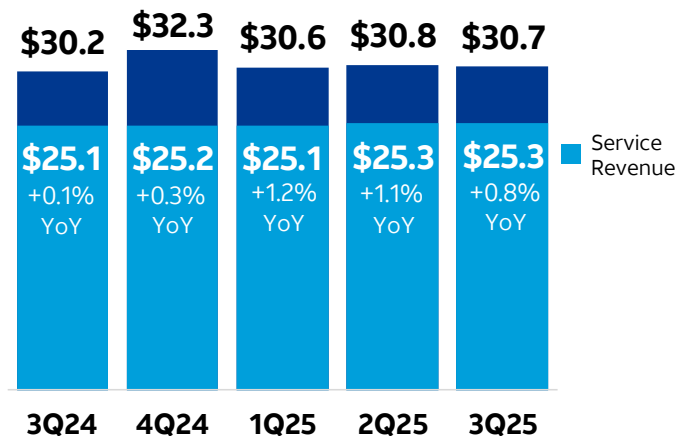
Adj. EBITDA* Growth
YoY

\$4.9B

Free Cash Flow*

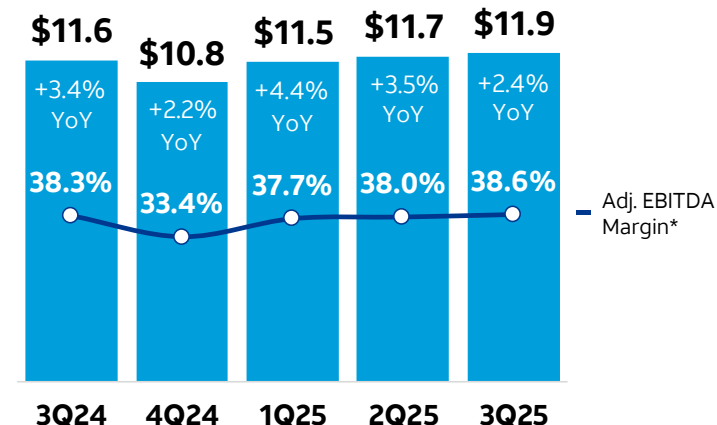
Revenue

\$ in billions



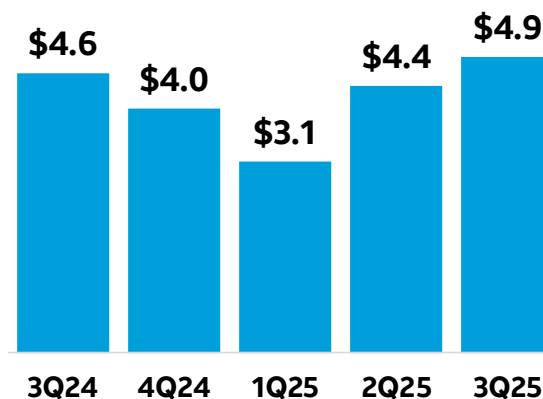
Adjusted EBITDA*

\$ in billions



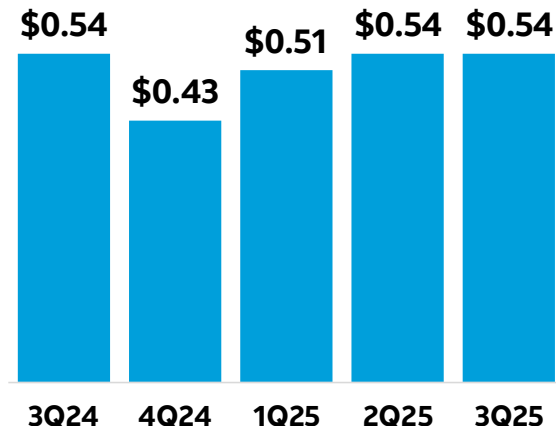
Free Cash Flow*

\$ in billions, excludes DIRECTV



Adjusted EPS*

excludes DIRECTV



* See end of presentation for non-GAAP reconciliations

3Q25 Mobility | *Delivering Balanced & Profitable Growth*

+405k

Postpaid Phone Net Adds

+2.3%

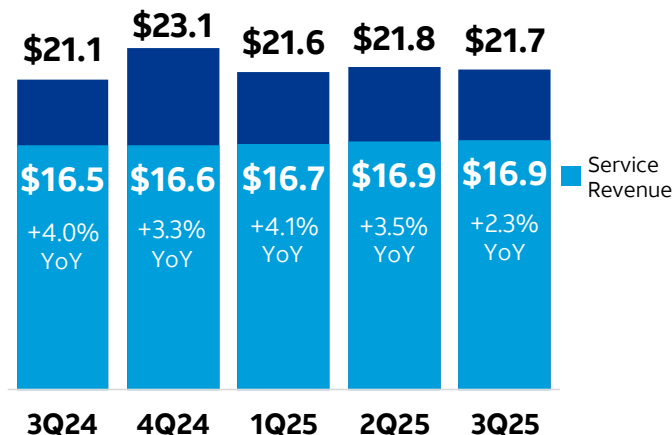
Service Revenue Growth
YoY

+2.2%

EBITDA* Growth
YoY

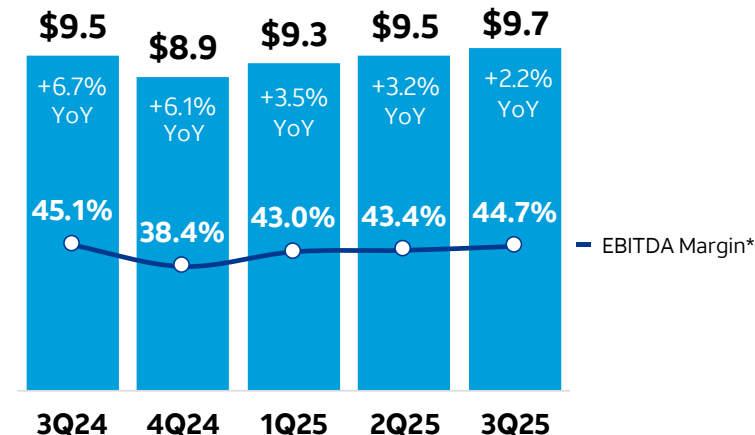
Revenue

\$ in billions



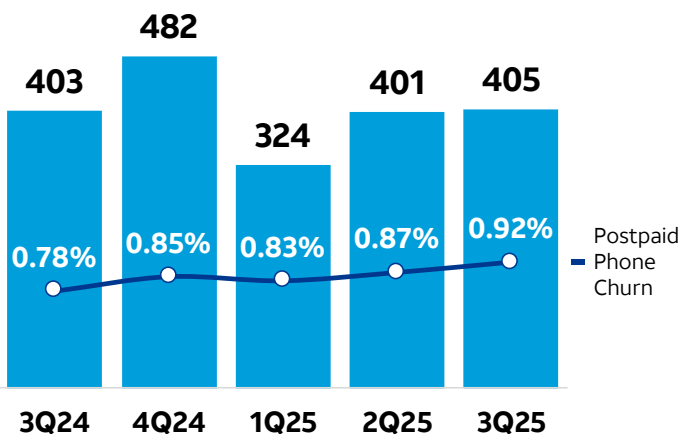
EBITDA*

\$ in billions

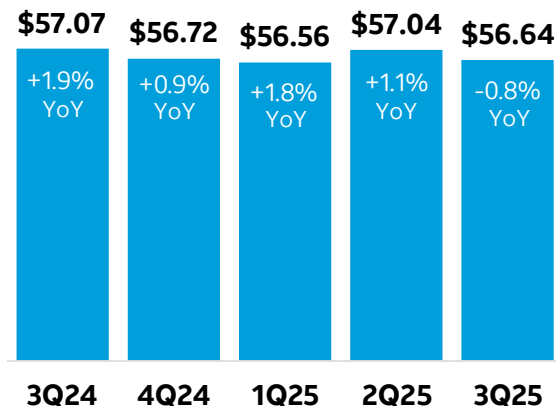


Postpaid Phone Net Adds

Net Adds in thousands



Postpaid Phone ARPU



* See end of presentation for non-GAAP reconciliations

3Q25 Consumer Wireline | *Winning in Fiber & Convergence*

+288k

AT&T Fiber Net Adds

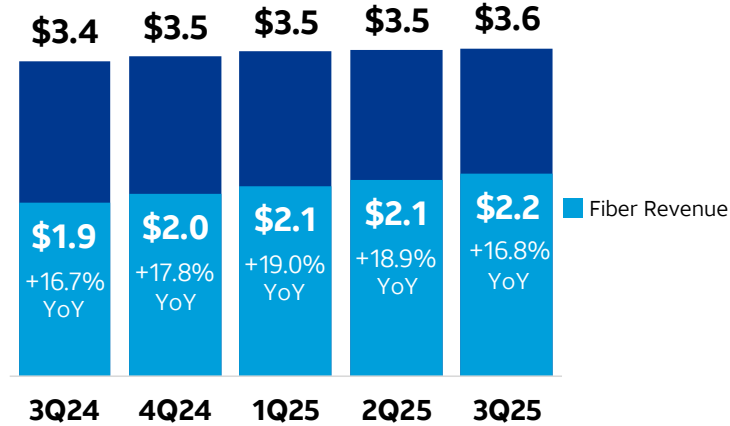
+270k

AT&T Internet Air Net Adds

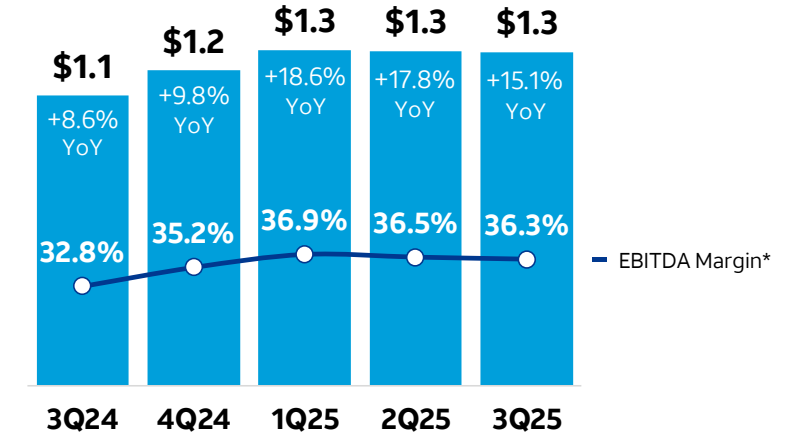
+16.8%

AT&T Fiber Revenue Growth
YoY

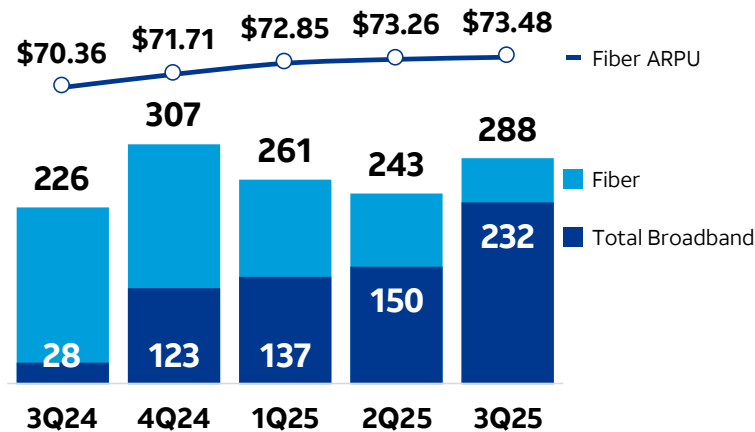
Revenue
\$ in billions



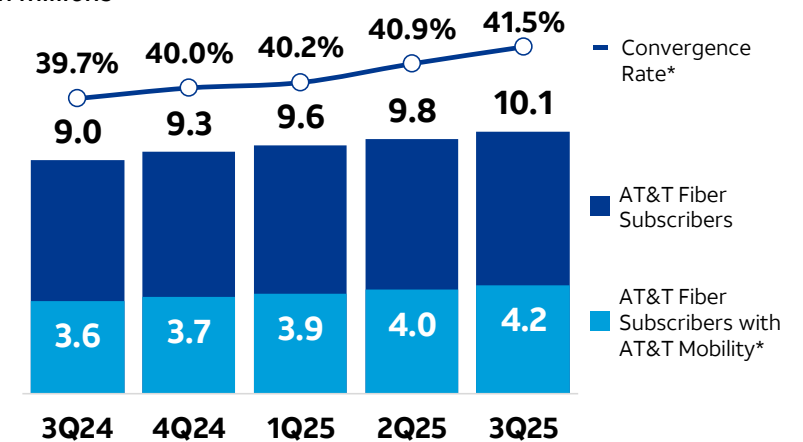
EBITDA*
\$ in billions



Net Adds
Net Adds in thousands



Converged Customers*
in millions



* See end of presentation for non-GAAP reconciliations & other definitions

3Q25 Business Wireline | *Managing Connectivity Transition*

-7.8%

Business Wireline Revenue Growth
YoY

-12.9%

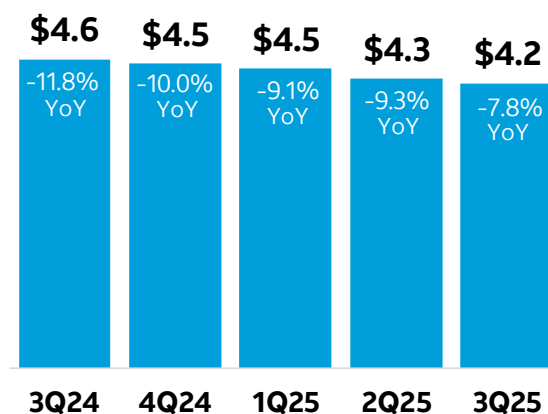
Business Wireline EBITDA* Growth
YoY

+316k

FirstNet Connections Added

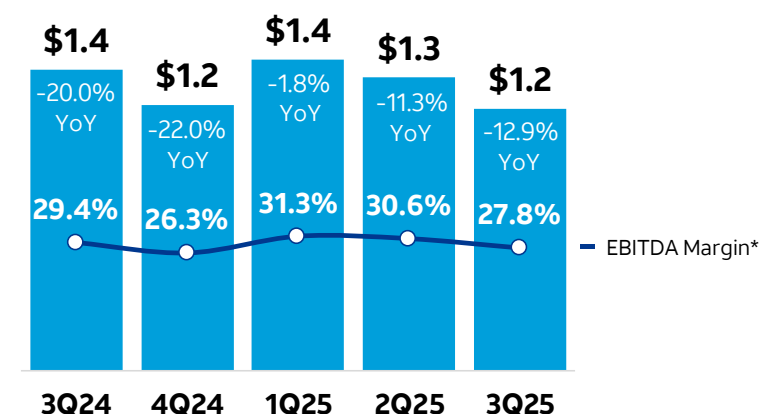
Business Wireline Revenue

\$ in billions



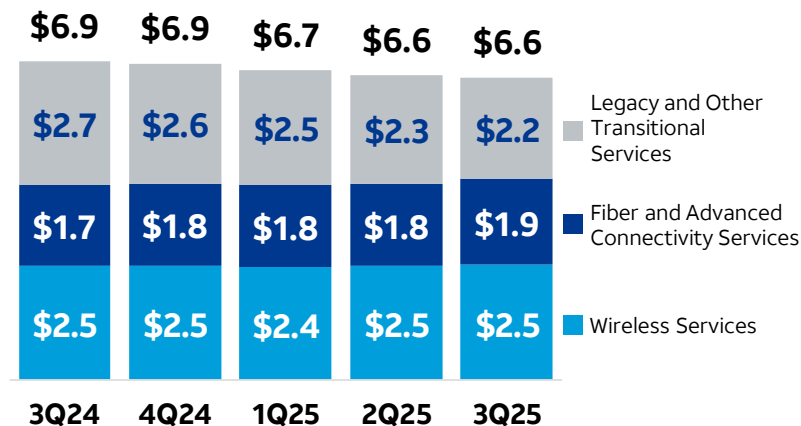
Business Wireline EBITDA*

\$ in billions



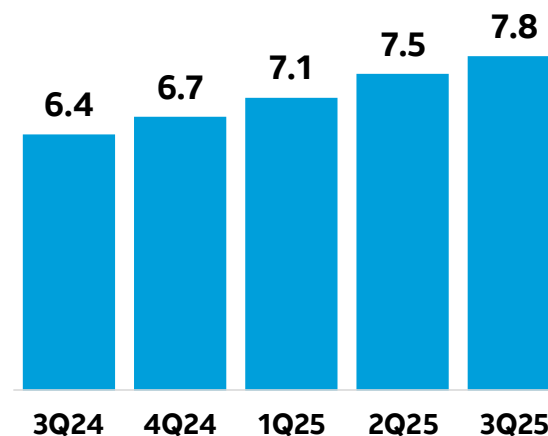
Business Solutions* Service Revenue

\$ in billions



FirstNet Connections

in millions



* See end of presentation for non-GAAP reconciliations

3Q25 Capital Allocation

\$1.5B

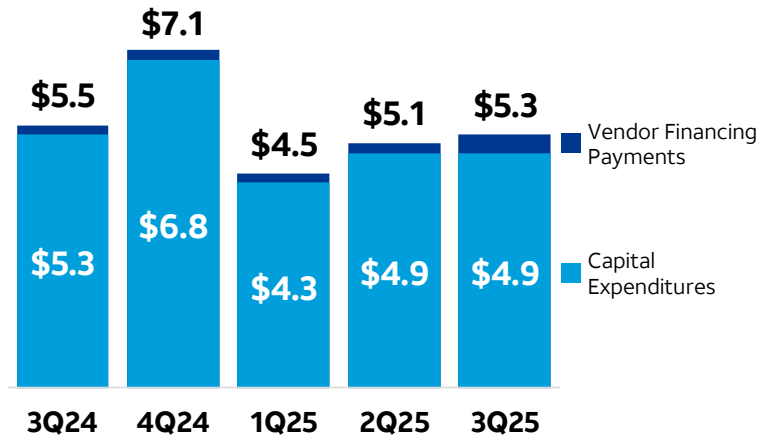
3Q25 Share Repurchases
From 2024 Authorization

-\$6.9B

Net Debt* Reduction
YoY

Capital Investment*

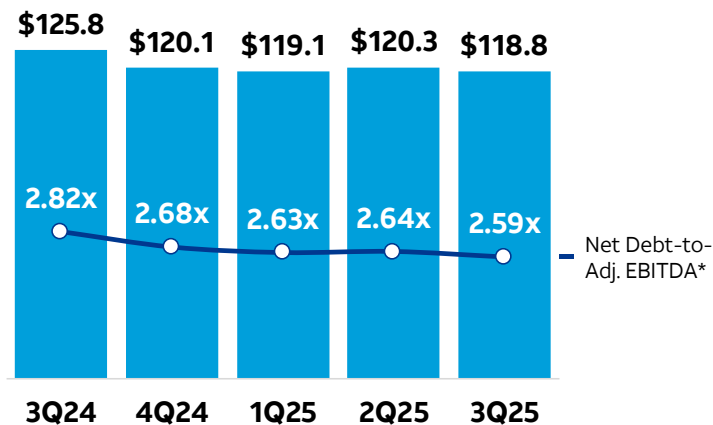
\$ in billions



- Cash and cash equivalents of \$20.3B as of end of 3Q25
- FX impacts decreased debt balance by \$0.3B in 3Q25 (increased \$3.7B YTD)
- Returned \$8.6B of shareholder value YTD via dividends and share repurchases

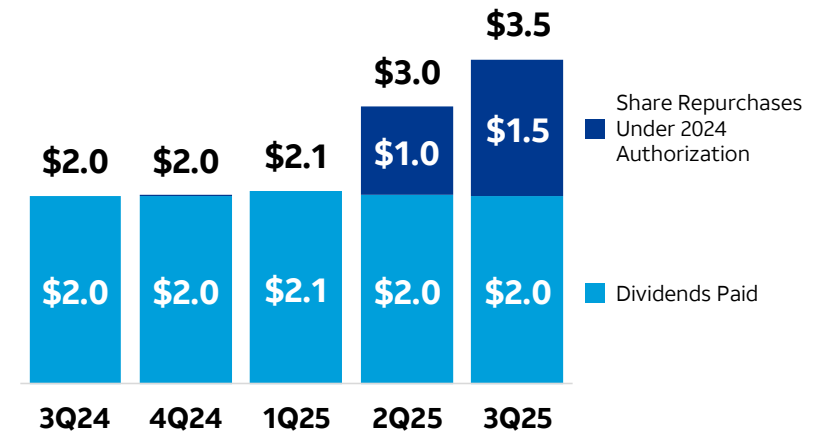
Net Debt* & Leverage

\$ in billions



Shareholder Returns

\$ in billions



* See end of presentation for non-GAAP reconciliations

2025 Financial Guidance

REVENUE GROWTH

Consolidated Service Revenues

Mobility Service Revenues

Consumer Fiber Broadband Revenues

2025 Guidance

low-single-digit range

3% or better

mid-to-high-teens

ADJUSTED EBITDA* GROWTH

3% or better

CAPITAL INVESTMENT*

\$22B to \$22.5B range

FREE CASH FLOW*

excludes DIRECTV

low-to-mid \$16B range

ADJUSTED EPS*

excludes DIRECTV

**higher end of \$1.97 to \$2.07
range**

* See end of presentation for non-GAAP reconciliations

Q&A



Non-GAAP Measures and Reconciliations to GAAP Measures

EBITDA, EBITDA margin, adjusted EBITDA, and adjusted EBITDA margin are non-GAAP financial measures that are frequently used by investors and credit rating agencies to provide relevant and useful information.

Adjusted EBITDA is calculated by excluding from operating revenues and operating expenses certain significant items that are non-operational or non-recurring in nature, including dispositions and merger integration and transaction costs, significant abandonments and impairments, benefit-related gains and losses, employee separation and other material gains and losses.

Adjusted EBITDA margin is adjusted EBITDA divided by total operating revenues.

EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin									
<i>Dollars in millions</i>	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25
Net Income	\$ 3,826	\$ 2,582	\$ 3,751	\$ 3,949	\$ 145	\$ 4,408	\$ 4,692	\$ 4,861	\$ 9,677
Additions:									
Income Tax Expense	1,154	354	1,118	1,142	1,285	900	1,299	1,237	976
Interest Expense	1,662	1,726	1,724	1,699	1,675	1,661	1,658	1,655	1,700
Equity in Net (Income) Loss of Affiliates	(420)	(337)	(295)	(348)	(272)	(1,074)	(1,440)	(485)	20
Other (Income) Expense - Net	(440)	946	(451)	(682)	(717)	(569)	(455)	(767)	(6,254)
Depreciation and amortization	4,705	4,766	5,047	5,072	5,087	5,374	5,190	5,251	5,317
EBITDA	10,487	10,037	10,894	10,832	7,203	10,700	10,944	11,752	11,436
Transaction, legal and other costs ¹	72	26	32	35	34	22	79	49	487
Benefit-related (gain) loss	40	(97)	(39)	(10)	(73)	55	6	(70)	(62)
Asset impairments and abandonments and restructuring	604	589	159	480	4,422	14	504	-	-
Adjusted EBITDA	\$ 11,203	\$ 10,555	\$ 11,046	\$ 11,337	\$ 11,586	\$ 10,791	\$ 11,533	\$ 11,731	\$ 11,861
YoY Growth Rate					3.4%	2.2%	4.4%	3.5%	2.4%
Operating Income	\$ 5,782	\$ 5,271	\$ 5,847	\$ 5,760	\$ 2,116	\$ 5,326	\$ 5,754	\$ 6,501	\$ 6,119
YoY Growth Rate					(63.4)%	1.0 %	(1.6)%	12.9 %	189.2 %
Total Operating Revenues					30,213	32,298	30,626	30,847	30,709
Operating Income Margin					7.0%	16.5%	18.8%	21.1%	19.9%
Adjusted EBITDA Margin					38.3%	33.4%	37.7%	38.0%	38.6%

¹ Includes certain legal reserves and settlements that cover extended historical periods and/or are unpredictable in both magnitude and timing, and therefore are distinct and separate from normal, recurring legal matters. Such costs are presented net of expected insurance recoveries and are primarily associated with legacy legal matters and the expected resolution of certain litigation associated with cyberattacks disclosed in 2024. The third quarter of 2025 also includes approximately \$440M of apportioned property and casualty settlements.

Non-GAAP Measures and Reconciliations to GAAP Measures

At the segment or business unit level, **EBITDA** is operating income before depreciation and amortization. **EBITDA margin** is EBITDA divided by total revenues.

AT&T Fiber subscribers with AT&T Mobility is defined as AT&T Fiber subscribers that are also primary Mobility account holders that subscribe to consumer postpaid phone service. We refer to these customers as **Converged Customers**. 3Q25 convergence metrics are presented based on available information and are subject to revision.

Convergence rate represents the ratio of Converged Customers to AT&T Fiber subscribers.

	Business Unit EBITDA, EBITDA Margin									
<i>Dollars in millions</i>	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	
Mobility										
Operating Income	\$ 6,763	\$ 6,214	\$ 6,468	\$ 6,719	\$ 7,003	\$ 6,124	\$ 6,740	\$ 6,931	\$ 7,125	
YoY Growth Rate					3.5 %	(1.4)%	4.2 %	3.2 %	1.7 %	
Add: Depreciation and amortization	2,134	2,162	2,487	2,476	2,490	2,764	2,526	2,556	2,577	
EBITDA	\$ 8,897	\$ 8,376	\$ 8,955	\$ 9,195	\$ 9,493	\$ 8,888	\$ 9,266	\$ 9,487	\$ 9,702	
YoY Growth Rate					6.7%	6.1%	3.5%	3.2%	2.2%	
Total Operating Revenues					21,052	23,129	21,570	21,845	21,713	
Operating Income Margin					33.3%	26.5%	31.2%	31.7%	32.8%	
EBITDA Margin					45.1%	38.4%	43.0%	43.4%	44.7%	
Consumer Wireline										
Operating Income	\$ 160	\$ 229	\$ 213	\$ 184	\$ 196	\$ 276	\$ 349	\$ 335	\$ 325	
YoY Growth Rate					22.5 %	20.5 %	63.8 %	82.1 %	65.8 %	
Add: Depreciation and amortization	871	880	881	914	924	942	949	958	964	
EBITDA	\$ 1,031	\$ 1,109	\$ 1,094	\$ 1,098	\$ 1,120	\$ 1,218	\$ 1,298	\$ 1,293	\$ 1,289	
YoY Growth Rate					8.6 %	9.8 %	18.6 %	17.8 %	15.1 %	
Total Operating Revenues					3,416	3,465	3,522	3,541	3,555	
Operating Income Margin					5.7 %	8.0 %	9.9 %	9.5 %	9.1 %	
EBITDA Margin					32.8 %	35.2 %	36.9 %	36.5 %	36.3 %	
Business Wireline										
Operating Income (Loss)	\$ 350	\$ 165	\$ 64	\$ 102	\$ (43)	\$ (211)	\$ (98)	\$ (201)	\$ (354)	
YoY Growth Rate					(112.3)%	(227.9)%	(253.1)%	(297.1)%	(723.3)%	
Add: Depreciation and amortization	1,345	1,369	1,362	1,386	1,399	1,408	1,498	1,521	1,535	
EBITDA	\$ 1,695	\$ 1,534	\$ 1,426	\$ 1,488	\$ 1,356	\$ 1,197	\$ 1,400	\$ 1,320	\$ 1,181	
YoY Growth Rate					(20.0)%	(22.0)%	(1.8)%	(11.3)%	(12.9)%	
Total Operating Revenues					4,606	4,545	4,468	4,313	4,248	
Operating Income Margin					(0.9)%	(4.6)%	(2.2)%	(4.7)%	(8.3)%	
EBITDA Margin					29.4 %	26.3 %	31.3 %	30.6 %	27.8 %	

Non-GAAP Measures and Reconciliations to GAAP Measures

Net debt-to-adjusted EBITDA ratios are non-GAAP financial measures that are frequently used by investors and credit rating agencies to provide relevant and useful information. Our net debt-to-adjusted EBITDA ratio is calculated by dividing net debt by the sum of the most recent four quarters of adjusted EBITDA (defined and calculated above). **Net debt** is calculated by subtracting cash and cash equivalents and time deposits (deposits at financial institutions that are greater than 90 days, e.g., certificates of deposit and time deposits), from total debt. Net debt and adjusted EBITDA estimates depend on future levels of revenues, expenses and other metrics which are not reasonably estimable at this time. Accordingly, we cannot provide a reconciliation between projected adjusted EBITDA and net debt-to-adjusted EBITDA and the most comparable GAAP metrics and related ratios without unreasonable effort.

Net Debt-to-Adjusted EBITDA					
<i>Dollars in millions</i>	3Q24	4Q24	1Q25	2Q25	3Q25
Adjusted EBITDA	\$ 11,586	\$ 10,791	\$ 11,533	\$ 11,731	\$ 11,861
Trailing Twelve Months Adjusted EBITDA	44,524	44,760	45,247	45,641	45,916
Total Debt	129,012	123,532	126,161	132,311	139,468
Less: Cash and Cash Equivalents	2,586	3,298	6,885	10,499	20,272
Less: Time Deposits	650	150	150	1,500	350
Net Debt	125,776	120,084	119,126	120,312	118,846
Annualized Net Debt-to-Adjusted EBITDA Ratio	2.82	2.68	2.63	2.64	2.59

Capital investment includes capital expenditures and cash paid for vendor financing. Due to high variability and difficulty in predicting items that impact capital expenditures and vendor financing payments, the company is not able to provide a reconciliation between projected capital investment and the most comparable GAAP metrics without unreasonable effort.

Capital Investment					
<i>Dollars in millions</i>	3Q24	4Q24	1Q25	2Q25	3Q25
Capital expenditures	\$ 5,302	\$ 6,843	\$ 4,277	\$ 4,897	\$ 4,887
Payment of vendor financing	180	221	203	220	400
Capital Investment	\$ 5,482	\$ 7,064	\$ 4,480	\$ 5,117	\$ 5,287

Free cash flow is a non-GAAP financial measure that is frequently used by investors and credit rating agencies to provide relevant and useful information. Prior periods have been recast to conform to the current period presentation to remove cash flows from our investment in DIRECTV, which we sold to TPG. Free cash flow is defined as cash from operations minus cash flows related to our DIRECTV equity method investment (cash distributions less cash taxes paid from DIRECTV), minus capital expenditures and cash paid for vendor financing (classified as financing activities). Due to high variability and difficulty in predicting items that impact cash from operating activities, capital expenditures and vendor financing payments, the company is not able to provide a reconciliation between projected free cash flow and the most comparable GAAP metric without unreasonable effort.

Free Cash Flow					
<i>Dollars in millions</i>	3Q24	4Q24	1Q25	2Q25	3Q25
Net Cash Provided by Operating Activities	\$ 10,235	\$ 11,896	\$ 9,049	\$ 9,763	\$ 10,152
Less: Distributions from DIRECTV classified as operating activities	(281)	(1,072)	(1,423)	(503)	-
Less: Cash taxes paid on DIRECTV	132	254	-	251	-
Less: Capital expenditures	(5,302)	(6,843)	(4,277)	(4,897)	(4,887)
Less: Payment of vendor financing	(180)	(221)	(203)	(220)	(400)
Free Cash Flow (excludes DIRECTV)	\$ 4,604	\$ 4,014	\$ 3,146	\$ 4,394	\$ 4,865

Non-GAAP Measures and Reconciliations to GAAP Measures

Adjusted EPS is calculated by excluding from operating revenues, operating expenses, other income (expenses) 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. Prior periods have been recast to conform to the current period presentation to remove equity in net income from our investment in DIRECTV. Reconciliations of adjusted EPS to the most comparable GAAP metric can be found at investors.att.com and in our Form 8-K dated October 22, 2025. The company expects additional adjustments to 2025 reported diluted EPS to include a non-cash mark-to-market benefit plan gain/loss and other items. The company expects the mark-to-market adjustment, which is driven by interest rates and investment returns that are not reasonably estimable at this time, to be a significant item. Our projected 2025 adjusted EPS depends on future levels of revenues and expenses, most of which are not reasonably estimable at this time. Accordingly, we cannot provide a reconciliation between this projected non-GAAP metric and the most comparable GAAP metric without unreasonable effort.

Adjusted Diluted EPS					
	3Q24	4Q24	1Q25	2Q25	3Q25
Diluted Earnings Per Share (EPS)	\$ (0.03)	\$ 0.56	\$ 0.61	\$ 0.62	\$ 1.29
Gain on sale of DIRECTV	-	-	-	-	(0.79)
Equity in net income of DIRECTV	(0.03)	(0.12)	(0.15)	(0.05)	-
Actuarial (gain) loss - net	-	0.01	-	-	-
Restructuring and impairments	0.61	-	0.05	-	-
Benefit-related, transaction, legal and other items	(0.01)	0.01	-	(0.03)	0.04
Tax-related items	-	(0.03)	-	-	-
Adjusted EPS (excludes DIRECTV)	\$ 0.54	\$ 0.43	\$ 0.51	\$ 0.54	\$ 0.54

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, including FirstNet, 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. Business Solutions Service Revenue is calculated as business mobility service revenue (Mobility service revenue less adjustment for non-business Mobility service revenue reported in the Communications segment under the Mobility business unit) plus Legacy and other transitional services, plus Fiber and advanced connectivity services.

Supplemental Operational Measures																				
Dollars in millions	3Q24				4Q24				1Q25				2Q25				3Q25			
	Business			Business	Business			Business	Business			Business	Business			Business	Business			Business
	Mobility	Wireline	Adj.	Solutions	Mobility	Wireline	Adj.	Solutions	Mobility	Wireline	Adj.	Solutions	Mobility	Wireline	Adj.	Solutions	Mobility	Wireline	Adj.	Solutions
Wireless service	\$ 16,539	\$ -	\$(14,056)	\$ 2,483	\$ 16,563	\$ -	\$(14,088)	\$ 2,475	\$ 16,651	\$ -	\$(14,202)	\$ 2,449	\$ 16,853	\$ -	\$(14,390)	\$ 2,463	\$ 16,926	\$ -	\$(14,425)	\$ 2,501
Legacy and other transitional services	-	2,669	-	2,669	-	2,590	-	2,590	-	2,475	-	2,475	-	2,349	-	2,349	-	2,208	-	2,208
Fiber and advanced connectivity services	-	1,748	-	1,748	-	1,786	-	1,786	-	1,780	-	1,780	-	1,793	-	1,793	-	1,853	-	1,853
Total Service Revenues	\$ 16,539	\$ 4,417	\$(14,056)	\$ 6,900	\$ 16,563	\$ 4,376	\$(14,088)	\$ 6,851	\$ 16,651	\$ 4,255	\$(14,202)	\$ 6,704	\$ 16,853	\$ 4,142	\$(14,390)	\$ 6,605	\$ 16,926	\$ 4,061	\$(14,425)	\$ 6,562

