



June 20, 2018

Dear Stockholder:

On June 14, 2018 AT&T Inc. completed its historic acquisition of Time Warner Inc. Each share of Time Warner Inc. common stock was converted into 1.437 shares of AT&T common stock plus the right to receive \$53.75.

Our records indicate you hold Time Warner Inc. common stock in uncertificated (book entry) form. Enclosed you will find a Transaction Advice showing your new AT&T holdings plus a check representing the cash consideration. Since AT&T does not issue fractional shares, your check also includes cash-in-lieu of the AT&T fractional share that resulted from the conversion of your Time Warner Inc. shares.

For your information, we have also enclosed frequently asked questions and answers together with your Transaction Advice. Please take a few minutes to read these materials. If you have any questions, please call Computershare, our stock transfer agent, at 1-800-351-7221 or 1-781-575-4729. For additional information, you may also go to their website, www.computershare.com/att.

On behalf of the AT&T Board of Directors, I thank you for being a valued stockholder and look forward to your continued investment in AT&T.

Sincerely,

Randall Stephenson
Chairman and Chief Executive Officer

Enclosures

Information for Stockholders Receiving AT&T Inc. Stock as a Result of the Acquisition of Time Warner Inc. on June 14, 2018

Frequently Asked Questions about the Exchange Process:

When was the acquisition completed?

The acquisition of Time Warner Inc. by AT&T was completed on June 14, 2018.

What are uncertificated (book entry) shares?

Your AT&T shares are issued in the form of uncertificated shares. Uncertificated shares (also referred to as "book entry" shares) are shares that are recorded on AT&T's books and have the same rights and benefits as certificated shares but without the risk of certificate loss or misplacement.

What will I receive in exchange for Time Warner Inc. common stock shares?

Pursuant to the acquisition, each share of Time Warner Inc. was converted into 1.437 uncertificated shares of AT&T common stock plus the right to receive \$53.75 in cash. No fractional shares of AT&T will be issued for your Time Warner Inc. common stock; instead, you will receive cash-in-lieu of the fractional share. The cash consideration (\$53.75/share) plus the cash-in-lieu will be paid in a single check.

Enclosed is a Transaction Advice confirming the exchange and showing your new AT&T shares along with a check for the cash consideration and the cash in lieu of a fractional share, if applicable.

When will I receive dividends from AT&T?

The decision whether to pay a dividend, as well as its amount and frequency, is determined by the AT&T Board of Directors. Historically, AT&T has paid dividends on the first business day of February, May, August, and November. The record date (the date you must hold shares to be entitled to the dividend) is typically around the 10th day of the prior month. Should the AT&T Board of Directors continue this schedule and you continue to hold your AT&T shares, your first dividend would be paid in August 2018.

Can I use direct deposit for my dividends?

AT&T encourages its stockholders to sign up for Direct Deposit for future dividend payments. Direct deposit ensures dividend payments are received on the payable date. Contact Computershare at 1-800-351-7221 to request more information.

Can I reinvest my dividends?

Under the DirectSERVICE Investment Program, sponsored and administered by AT&T's transfer agent, Computershare, you can elect to have your dividends automatically reinvested in additional shares of AT&T stock.

If you are interested in reinvesting dividends, call Computershare at 1-800-351-7221 to request information or visit www.computershare.com/att to view the program material.

What if my address has changed?

Please contact Computershare at 1-800-351-7221.

How do I determine the amount of any taxable gain on this transaction as well as the tax basis in my newly acquired AT&T shares?

Your gain from this transaction (if any) will generally be the smaller of the following amounts: (a) the amount by which the sum of cash and the fair market value of the AT&T shares you received exceeds your tax basis in your Time Warner Inc. shares or (b) the

amount of cash you received in exchange for your Time Warner Inc. stock (in each case treating any cash received in lieu of a fractional AT&T share as if such fractional AT&T share was actually received and then sold for cash as described below). You will not recognize any loss from this transaction other than a potential loss from the fractional share being converted to cash. The tax basis in your newly acquired AT&T shares (including any fractional AT&T shares) will generally equal the tax basis in your Time Warner Inc. shares less the cash you receive as part of the exchange (\$53.75 per Time Warner Inc. share and excluding cash received in lieu of a fractional AT&T share), plus the amount of any gain recognized from the transaction (excluding any gain recognized with respect to a fractional AT&T share). If you receive cash in lieu of a fractional AT&T share, you will generally be treated as having received the share and then as having sold such fractional AT&T share for the cash you received in lieu of such fractional AT&T shares. As a result, you will generally recognize gain or loss equal to the difference between the amount of cash received and the tax basis allocated to such fractional AT&T share. Please consult your tax advisor about your situation.

How do I contact Computershare if I have any questions regarding the exchange of my Time Warner Inc. common stock or my new AT&T account?

By Telephone – 9 a.m. to 8 p.m. Eastern time, Monday through Friday:

From within the United States, Canada or Puerto Rico: 1-800-351-7221 (Toll-free)

From outside the United States: +1-781-575-4729 (Collect)

By Mail:

Computershare Trust Company, N.A.
Attn: Corporate Actions
PO Box 505004
Louisville, KY 40344-5004

By Overnight Delivery:

Computershare Trust Company, N.A.
Attn: Corporate Actions
462 South Fourth Street, Suite 1600
Louisville, KY 40202