



Financial and Operational Trends

INCOME STATEMENTS, CASH FLOWS, SEGMENT RESULTS, REVENUE DETAILS AND OPERATING VOLUMES

JANUARY 27, 2021



Consolidated Statements of Income

AT&T Inc.

Dollars in millions except per share amounts

Unaudited	3/31/19	6/30/19	9/30/19	12/31/19	2019	3/31/20 ²	6/30/20	9/30/20	12/31/20	2020
Operating Revenues	\$ 44,827	\$ 44,957	\$ 44,588	\$ 46,821	\$ 181,193	\$ 42,779	\$ 40,950	\$ 42,340	\$ 45,691	\$ 171,760
Operating Expenses										
Cost of revenues										
Equipment	4,502	4,061	4,484	5,606	18,653	4,092	3,978	4,552	7,084	19,706
Broadcast, programming and operations	7,652	7,730	7,066	8,684	31,132	6,754	5,889	6,912	7,750	27,305
Other cost of revenues	8,585	8,721	8,604	8,446	34,356	8,342	8,116	8,375	8,076	32,909
Selling, general and administrative	9,649	9,844	9,584	10,345	39,422	8,760	9,831	9,266	10,182	38,039
Asset impairments and abandonments	-	-	-	1,458	1,458	123	2,319	73	16,365	18,880
Depreciation and amortization	7,206	7,101	6,949	6,961	28,217	7,222	7,285	7,030	6,979	28,516
Total Operating Expenses	37,594	37,457	36,687	41,500	153,238	35,293	37,418	36,208	56,436	165,355
Operating Income (Loss)	7,233	7,500	7,901	5,321	27,955	7,486	3,532	6,132	(10,745)	6,405
Interest Expense	2,141	2,149	2,083	2,049	8,422	2,018	2,041	1,972	1,894	7,925
Equity in Net Income (Loss) of Affiliates	(7)	40	3	(30)	6	(6)	(10)	5	106	95
Other Income (Expense) – Net	286	(318)	(935)	(104)	(1,071)	803	1,017	(231)	(3,020)	(1,431)
Income (Loss) Before Income Taxes	5,371	5,073	4,886	3,138	18,468	6,265	2,498	3,934	(15,553)	(2,856)
Income Tax Expense (Benefit)	1,023	1,099	937	434	3,493	1,302	935	766	(2,038)	965
Net Income (Loss)	4,348	3,974	3,949	2,704	14,975	4,963	1,563	3,168	(13,515)	(3,821)
Less: Net Income Attributable to Noncontrolling Interest	(252)	(261)	(249)	(310)	(1,072)	(353)	(282)	(352)	(368)	(1,355)
Net Income (Loss) Attributable to AT&T	\$ 4,096	\$ 3,713	\$ 3,700	\$ 2,394	\$ 13,903	\$ 4,610	\$ 1,281	\$ 2,816	\$ (13,883)	\$ (5,176)
Less: Preferred Stock Dividends	-	-	-	(3)	(3)	(32)	(52)	(54)	(55)	(193)
Net Income (Loss) Attributable to Common Stock	\$ 4,096	\$ 3,713	\$ 3,700	\$ 2,391	\$ 13,900	\$ 4,578	\$ 1,229	\$ 2,762	\$ (13,938)	\$ (5,369)
Diluted Earnings Per Share Attributable to Common Stock	\$ 0.56	\$ 0.51	\$ 0.50	\$ 0.33	\$ 1.89	\$ 0.63	\$ 0.17	\$ 0.39	\$ (1.95)	\$ (0.75)
Adjusted Diluted Earnings Per Share Attributable to Common Stock	\$ 0.86	\$ 0.89	\$ 0.94	\$ 0.89	\$ 3.57	\$ 0.84	\$ 0.83	\$ 0.76	\$ 0.75	\$ 3.18
EBITDA¹	\$ 14,439	\$ 14,601	\$ 14,850	\$ 12,282	\$ 56,172	\$ 14,708	\$ 10,817	\$ 13,162	\$ (3,766)	\$ 34,921
Adjusted EBITDA¹	\$ 14,802	\$ 15,041	\$ 15,079	\$ 14,365	\$ 59,287	\$ 14,232	\$ 14,112	\$ 13,313	\$ 12,889	\$ 54,546
Adjusted EBITDA Margin¹	33.0%	33.4%	33.8%	30.7%	32.7%	33.3%	34.5%	31.4%	28.2%	31.8%

Financial and Operating Statistics Summary

AT&T Inc.

Dollars in millions except per share amounts

Unaudited	3/31/19	6/30/19	9/30/19	12/31/19	2019	3/31/20	6/30/20	9/30/20	12/31/20	2020
Capital Expenditures:										
Purchase of property and equipment	\$ 5,121	\$ 5,421	\$ 5,141	\$ 3,752	\$ 19,435	\$ 4,938	\$ 4,434	\$ 3,819	\$ 2,361	\$ 15,552
Interest during construction	61	51	48	40	200	28	32	32	31	123
Dividends Declared Per Share	\$ 0.51	\$ 0.51	\$ 0.51	\$ 0.52	\$ 2.05	\$ 0.52	\$ 0.52	\$ 0.52	\$ 0.52	\$ 2.08
Annual Dividend Per Share Growth	2.0%	2.0%	2.0%	2.0%		2.0%	2.0%	2.0%	0.0%	
End of Period Common Shares Outstanding (000,000)	7,297	7,305	7,303	7,255		7,125	7,125	7,125	7,126	
Debt Ratio	47.4%	46.8%	45.9%	44.7%		45.7%	46.6%	44.9%	46.7%	
Total Employees	262,290	257,790	251,840	247,800		244,490	243,350	234,630	230,760	

See Notes to Financial and Operational Trends on page 16.



Consolidated Statements of Cash Flows

AT&T Inc.

Dollars in millions

Unaudited	12/31/19	3/31/20 ²	6/30/20	9/30/20	12/31/20
Operating Activities					
Net income (loss)	\$ 2,704	\$ 4,963	\$ 1,563	\$ 3,168	\$ (13,515)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:					
Depreciation and amortization	6,961	7,222	7,285	7,030	6,979
Amortization of film and television costs	2,528	2,269	1,716	2,463	2,155
Undistributed earnings from investments in equity affiliates	214	39	25	44	(70)
Provision for uncollectible accounts	720	780	419	412	361
Deferred income tax expense (benefit)	767	259	394	1,595	(573)
Net (gain) loss from investments, net of impairments	(204)	(646)	(59)	16	(53)
Pension and postretirement benefit expense (credit)	(705)	(748)	(747)	(750)	(747)
Actuarial (gain) loss on pension and postretirement benefits	1,123	-	-	63	4,106
Asset impairment and abandonments	1,458	123	2,319	73	16,365
Changes in operating assets and liabilities:					
Receivables	309	1,695	827	(201)	(105)
Other current assets, inventories and theatrical film and television production costs	(3,515)	(3,267)	(2,325)	(2,244)	(5,234)
Accounts payable and other accrued liabilities	(588)	(3,884)	37	(1,058)	3,495
Equipment installment receivables and related sales	(300)	535	(309)	(374)	(1,281)
Deferred customer contract acquisition and fulfillment costs	(114)	105	217	131	(77)
Postretirement claims and contributions	(373)	(111)	(117)	(181)	(576)
Other - net	958	(468)	814	1,936	(1,148)
Total adjustments	9,239	3,903	10,496	8,955	23,597
Net Cash Provided by Operating Activities	11,943	8,866	12,059	12,123	10,082
Investing Activities					
Capital expenditures ³	(3,792)	(4,966)	(4,466)	(3,851)	(2,392)
Acquisitions, net of cash acquired	(685)	(100)	(1,074)	(41)	(636)
Dispositions	909	118	229	81	3,213
(Purchases), sales and settlements of securities and investments, net	(88)	(6)	53	397	53
Advances to and investments in equity affiliates, net	(32)	(68)	2	(34)	(60)
Net Cash (Used in) Provided by Investing Activities	(3,688)	(5,022)	(5,256)	(3,448)	178
Financing Activities					
Net change in short-term borrowings with original maturities of three months or less	(254)	1,742	(1,244)	(515)	-
Issuance of other short-term borrowings	-	1,390	7,050	1,000	-
Repayment of other short-term borrowings	(2,202)	-	(5,975)	(1,735)	(1,757)
Issuance of long-term debt	2,005	4,357	16,703	10,927	1
Repayment of long-term debt	(3,224)	(4,422)	(12,862)	(20,299)	(2,381)
Payment of vendor financing	(449)	(791)	(563)	(611)	(1,001)
Issuance of preferred stock	1,164	3,869	-	-	-
Purchase of treasury stock	(2,008)	(5,463)	(17)	(3)	(15)
Issuance of treasury stock	55	58	26	4	17
Issuance of preferred interests in subsidiary	6,388	-	-	1,979	-
Redemption of preferred interest in subsidiary	-	-	-	-	(1,950)
Dividends paid	(3,726)	(3,737)	(3,737)	(3,741)	(3,741)
Other	(491)	(3,102)	807	(2,863)	588
Net Cash (Used in) Provided by Financing Activities	(2,742)	(6,099)	188	(15,857)	(10,239)
Net increase (decrease) in cash and cash equivalents and restricted cash	5,513	(2,255)	6,991	(7,182)	21
Cash and cash equivalents and restricted cash beginning of period	6,782	12,295	10,040	17,031	9,849
Cash and Cash Equivalents and Restricted Cash End of Period	\$ 12,295	\$ 10,040	\$ 17,031	\$ 9,849	\$ 9,870
Cash paid for interest	\$ 1,755	\$ 2,376	\$ 1,826	\$ 2,459	\$ 1,576

See Notes to Financial and Operational Trends on page 16.



AT&T Inc.

Free Cash Flow & Capital Investment Detail

Dollars in millions

Unaudited

Cash Flow Detail

	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	9/30/20	12/31/20
Net cash provided by operating activities	\$ 11,052	\$ 14,284	\$ 11,389	\$ 11,943	\$ 8,866	\$ 12,059	\$ 12,123	\$ 10,082
Less: Capital expenditures	(5,182)	(5,472)	(5,189)	(3,792)	(4,966)	(4,466)	(3,851)	(2,392)
Free Cash Flow¹	5,870	8,812	6,200	8,151	3,900	7,593	8,272	7,690

Capital Investment Detail

Capital expenditures	\$ 5,182	\$ 5,472	\$ 5,189	\$ 3,792	\$ 4,966	\$ 4,466	\$ 3,851	\$ 2,392
Add: Vendor financing payments	819	1,017	765	449	791	563	611	1,001
Capital Investment¹	6,001	6,489	5,954	4,241	5,757	5,029	4,462	3,393
Add: FirstNet capital expenditures reimbursement	-	103	-	902	7	72	64	920
Gross Capital Investment¹	6,001	6,592	5,954	5,143	5,764	5,101	4,526	4,313

AT&T Inc.

FirstNet - Capital Expenditures and Reimbursements

Dollars in millions

Unaudited

Capital Expenditures Impact

Capital expenditures	\$ 5,182	\$ 5,472	\$ 5,189	\$ 3,792	\$ 4,966	\$ 4,466	\$ 3,851	\$ 2,392
FirstNet capital expenditures reimbursement	-	103	-	902	7	72	64	920
Capital expenditures, gross	5,182	5,575	5,189	4,694	4,973	4,538	3,915	3,312

FirstNet Reimbursements

Capital expenditures	\$ -	\$ 103	\$ -	\$ 902	\$ 7	\$ 72	\$ 64	\$ 920
Operating expenses	-	31	-	338	3	58	18	488
Total reimbursements	-	134	-	1,240	10	130	82	1,408

See Notes to Financial and Operational Trends on page 16.



Operating Revenues and Adjusted EBITDA

AT&T Inc.

Dollars in millions

Unaudited

	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	9/30/20	12/31/20
Operating Revenues	\$ 44,827	\$ 44,957	\$ 44,588	\$ 46,821	\$ 42,779	\$ 40,950	\$ 42,340	\$ 45,691
Communications	35,169	35,267	35,401	36,522	34,249	33,592	34,287	36,722
Mobility	17,363	17,292	17,701	18,700	17,402	17,149	17,894	20,119
Video ⁸	8,075	8,032	7,942	8,075	7,407	7,021	7,014	7,168
Broadband ⁸	3,256	3,338	3,257	3,161	3,111	3,050	3,041	3,116
Business Wireline ⁸	6,475	6,605	6,501	6,586	6,329	6,372	6,338	6,319
WarnerMedia¹⁴	8,747	8,777	8,282	9,453	7,765	6,728	7,395	8,554
Turner	3,443	3,410	3,007	3,262	3,162	2,988	3,176	3,242
Home Box Office	1,510	1,716	1,819	1,704	1,497	1,627	1,781	1,903
Warner Bros.	3,518	3,389	3,333	4,118	3,240	3,256	2,411	3,247
Eliminations and other ¹⁴	276	262	123	369	(134)	(1,143)	27	162
Latin America	1,718	1,757	1,730	1,758	1,590	1,232	1,396	1,498
Vrio	1,067	1,032	1,013	982	887	752	753	762
Mexico	651	725	717	776	703	480	643	736
Corporate, Acquisition Related and Significant Items¹⁴	449	478	475	463	471	523	550	388
Eliminations⁴	(906)	(923)	(879)	(873)	(883)	(831)	(880)	(868)
Consolidation⁴	(350)	(399)	(421)	(502)	(413)	(294)	(408)	(603)

	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	9/30/20	12/31/20
Adjusted EBITDA	\$ 14,802	\$ 15,041	\$ 15,079	\$ 14,365	\$ 14,232	\$ 14,112	\$ 13,313	\$ 12,889
Communications	12,570	13,254	12,635	12,100	12,838	12,751	12,275	11,145
Mobility	7,322	7,770	7,753	7,530	7,833	7,817	7,712	7,096
Video ⁸	1,505	1,357	1,035	628	1,277	1,081	1,014	619
Broadband ⁸	1,295	1,491	1,363	1,412	1,342	1,253	1,037	1,104
Business Wireline ⁸	2,448	2,636	2,484	2,530	2,386	2,600	2,512	2,326
WarnerMedia¹⁴	2,658	2,401	3,023	3,005	2,160	2,072	1,912	2,719
Latin America	127	63	105	205	93	33	59	95
Vrio	201	151	162	202	104	91	78	81
Mexico	(74)	(88)	(57)	3	(11)	(58)	(19)	14
Corporate¹⁴	(235)	(316)	(299)	(492)	(485)	(488)	(563)	(506)
Eliminations and Consolidation⁴	(318)	(361)	(385)	(454)	(374)	(256)	(370)	(565)

See Notes to Financial and Operational Trends on page 16.



Communications

Mobility Results

Dollars in millions

Unaudited

	12/31/18	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	9/30/20	12/31/20
Operating Revenues									
Service	\$ 13,700	\$ 13,629	\$ 13,824	\$ 13,930	\$ 13,948	\$ 13,968	\$ 13,669	\$ 13,883	\$ 14,022
Equipment	4,856	3,734	3,468	3,771	4,752	3,434	3,480	4,011	6,097
Total Operating Revenues	\$ 18,556	\$ 17,363	\$ 17,292	\$ 17,701	\$ 18,700	\$ 17,402	\$ 17,149	\$ 17,894	\$ 20,119
Operating Expenses									
Operations and support	11,087	10,041	9,522	9,948	11,170	9,569	9,332	10,182	13,023
Depreciation and amortization	2,045	2,013	2,003	2,011	2,027	2,045	2,012	2,021	2,008
Total Operating Expenses	13,132	12,054	11,525	11,959	13,197	11,614	11,344	12,203	15,031
Operating Income	\$ 5,424	\$ 5,309	\$ 5,767	\$ 5,742	\$ 5,503	\$ 5,788	\$ 5,805	\$ 5,691	\$ 5,088
Operating Income Margin	29.2%	30.6%	33.4%	32.4%	29.4%	33.3%	33.9%	31.8%	25.3%
EBITDA¹	\$ 7,469	\$ 7,322	\$ 7,770	\$ 7,753	\$ 7,530	\$ 7,833	\$ 7,817	\$ 7,712	\$ 7,096
EBITDA Margin¹	40.3%	42.2%	44.9%	43.8%	40.3%	45.0%	45.6%	43.1%	35.3%
EBITDA Service Margin¹	54.5%	53.7%	56.2%	55.7%	54.0%	56.1%	57.2%	55.5%	50.6%

See Notes to Financial and Operational Trends on page 16.



Communications

Mobility Operating Volumes and Statistics

Volumes in thousands

Unaudited

12/31/18 3/31/19 6/30/19 9/30/19 12/31/19 3/31/20 6/30/20 9/30/20 12/31/20

AT&T Mobility Subscribers and Connections

Total Subscribers and Connections ⁵	151,921	154,670	158,622	162,300	165,889	169,198	171,407	176,744	182,558
Postpaid	76,068	75,737	75,478	75,152	75,207	75,148	74,919	75,969	77,154
Prepaid	16,828	17,012	17,434	17,740	17,803	17,808	18,008	18,100	18,102
Reseller	7,693	7,495	7,323	7,120	6,893	6,736	6,718	6,708	6,535
Connected Devices	51,332	54,426	58,387	62,288	65,986	69,506	71,762	75,967	80,767

Net Add Detail

Net Subscriber Additions	2,770	2,740	3,950	3,679	3,590	3,310	2,208	5,525	5,855
Postpaid Net Adds	15	(207)	(146)	(217)	135	27	(154)	1,081	1,229
Prepaid Net Adds	26	101	341	227	8	(45)	165	245	14

Phone Detail

Postpaid Phones	62,882	62,830	62,811	62,812	63,018	63,105	62,882	63,485	64,216
Prepaid Phones ⁵	15,885	16,057	16,420	16,650	16,682	16,687	16,856	16,832	16,779

Phone Detail - Net Adds

Postpaid Phone Net Adds	131	79	74	101	229	163	(151)	645	800
Prepaid Phone Net Adds	13	89	283	154	(20)	(43)	135	131	(40)

Churn Detail⁶

Postpaid Phone Churn	1.00%	0.92%	0.86%	0.95%	1.07%	0.86%	0.84%	0.69%	0.76%
Postpaid Churn	1.23%	1.16%	1.07%	1.19%	1.29%	1.08%	1.05%	0.85%	0.94%

ARPU⁷

Postpaid Phone-Only ARPU	\$ 55.28	\$ 55.27	\$ 55.50	\$ 55.89	\$ 55.52	\$ 55.68	\$ 54.47	\$ 54.70	\$ 54.46
Postpaid ARPU	49.70	49.67	50.05	50.51	50.49	50.63	49.76	49.94	49.50

See Notes to Financial and Operational Trends on page 16.



Communications

Video Results^{8*}

Dollars in millions

Unaudited 3/31/19 6/30/19 9/30/19 12/31/19 3/31/20 6/30/20 9/30/20 12/31/20

Operating Revenues

Service	\$ 8,075	\$ 8,032	\$ 7,942	\$ 8,074	\$ 7,397	\$ 6,979	\$ 6,965	\$ 7,124
Equipment	-	-	-	1	10	42	49	44
Total Operating Revenues	\$ 8,075	\$ 8,032	\$ 7,942	\$ 8,075	\$ 7,407	\$ 7,021	\$ 7,014	\$ 7,168

Operating Expenses

Operations and support	6,570	6,675	6,907	7,447	6,130	5,940	6,000	6,549
Depreciation and amortization	630	640	602	589	591	593	557	521
Total Operating Expenses	7,200	7,315	7,509	8,036	6,721	6,533	6,557	7,070

Operating Income	\$ 875	\$ 717	\$ 433	\$ 39	\$ 686	\$ 488	\$ 457	\$ 98
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Operating Income Margin	10.8%	8.9%	5.5%	0.5%	9.3%	7.0%	6.5%	1.4%
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EBITDA ¹	\$ 1,505	\$ 1,357	\$ 1,035	\$ 628	\$ 1,277	\$ 1,081	\$ 1,014	\$ 619
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EBITDA Margin ¹	18.6%	16.9%	13.0%	7.8%	17.2%	15.4%	14.5%	8.6%
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* Financial results for the former Entertainment Group business are included on page 17.

Communications

Video Operating Volumes and Statistics⁸

Volumes in thousands

Unaudited 3/31/19 6/30/19 9/30/19 12/31/19 3/31/20 6/30/20 9/30/20 12/31/20

Total Video Connections	23,891	22,945	21,587	20,422	19,387	18,432	17,804	17,161
Premium TV ⁹	22,383	21,605	20,442	19,496	18,599	17,712	17,121	16,505
Over-the-Top ¹⁰	1,508	1,340	1,145	926	788	720	683	656

Video Net Adds

Premium TV ⁹	(543)	(778)	(1,163)	(946)	(897)	(887)	(591)	(617)
Over-the-Top	(83)	(168)	(195)	(219)	(138)	(68)	(37)	(27)

Premium TV ARPU ¹¹	\$ 114.98	\$ 117.49	\$ 121.35	\$ 131.00	\$ 126.27	\$ 124.98	\$ 130.55	\$ 137.64
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See Notes to Financial and Operational Trends on page 16.



Communications

Broadband Results^{8*}

Dollars in millions

Unaudited	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	9/30/20	12/31/20
Operating Revenues								
High-Speed Internet	\$ 2,070	\$ 2,109	\$ 2,117	\$ 2,107	\$ 2,109	\$ 2,092	\$ 2,128	\$ 2,205
Legacy Voice and Data Services	683	658	628	604	581	560	538	534
Other Service and Equipment	503	571	512	450	421	398	375	377
Total Operating Revenues	\$ 3,256	\$ 3,338	\$ 3,257	\$ 3,161	\$ 3,111	\$ 3,050	\$ 3,041	\$ 3,116

Operating Expenses

Operations and support	1,961	1,847	1,894	1,749	1,769	1,797	2,004	2,012
Depreciation and amortization	709	715	730	726	712	730	734	738
Total Operating Expenses	2,670	2,562	2,624	2,475	2,481	2,527	2,738	2,750
Operating Income	\$ 586	\$ 776	\$ 633	\$ 686	\$ 630	\$ 523	\$ 303	\$ 366

Operating Income Margin	18.0%	23.2%	19.4%	21.7%	20.3%	17.1%	10.0%	11.7%
EBITDA ¹	\$ 1,295	\$ 1,491	\$ 1,363	\$ 1,412	\$ 1,342	\$ 1,253	\$ 1,037	\$ 1,104
EBITDA Margin ¹	39.8%	44.7%	41.8%	44.7%	43.1%	41.1%	34.1%	35.4%

* Financial results for the former Entertainment Group business are included on page 17.

Communications

Broadband Operating Volumes and Statistics

Volumes in thousands

Unaudited	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	9/30/20	12/31/20
Total Broadband Connections								
IP-Fiber	3,060	3,378	3,696	3,887	4,096	4,321	4,678	4,951
IP-Non Fiber	10,762	10,444	10,043	9,711	9,458	9,154	8,984	8,742
DSL	632	598	562	521	492	469	440	407
Total Broadband Net Adds								
IP-Fiber	297	318	318	191	209	225	357	273
IP-Non Fiber	(204)	(318)	(401)	(332)	(253)	(304)	(170)	(242)
DSL	(48)	(34)	(36)	(41)	(29)	(23)	(29)	(33)
IP Broadband ARPU ¹¹	\$ 50.10	\$ 50.82	\$ 51.21	\$ 51.36	\$ 51.84	\$ 51.61	\$ 52.43	\$ 53.72

See Notes to Financial and Operational Trends on page 16.



Communications

Business Wireline Results⁸

Dollars in millions

Unaudited	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	9/30/20	12/31/20
Operating Revenues								
Strategic and Managed Services ¹²	\$ 3,776	\$ 3,832	\$ 3,897	\$ 3,925	\$ 3,877	\$ 3,941	\$ 3,964	\$ 4,006
Legacy Voice and Data Services	2,397	2,324	2,252	2,207	2,129	2,067	2,031	1,956
Equipment	159	178	199	249	174	205	182	209
Other	143	271	153	205	149	159	161	148
Total Operating Revenues	\$ 6,475	\$ 6,605	\$ 6,501	\$ 6,586	\$ 6,329	\$ 6,372	\$ 6,338	\$ 6,319
Operating Expenses								
Operations and support	4,027	3,969	4,017	4,056	3,943	3,772	3,826	3,993
Depreciation and amortization	1,206	1,226	1,255	1,247	1,287	1,304	1,315	1,320
Total Operating Expenses	5,233	5,195	5,272	5,303	5,230	5,076	5,141	5,313
Operating Income	\$ 1,242	\$ 1,410	\$ 1,229	\$ 1,283	\$ 1,099	\$ 1,296	\$ 1,197	\$ 1,006
Operating Income Margin	19.2%	21.3%	18.9%	19.5%	17.4%	20.3%	18.9%	15.9%
EBITDA ¹	\$ 2,448	\$ 2,636	\$ 2,484	\$ 2,530	\$ 2,386	\$ 2,600	\$ 2,512	\$ 2,326
EBITDA Margin ¹	37.8%	39.9%	38.2%	38.4%	37.7%	40.8%	39.6%	36.8%

Communications

Supplemental Business Solutions Results (Wireline and Business Mobility)^{8,13}

Dollars in millions

Unaudited	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	9/30/20	12/31/20
Operating Revenues								
Total Wireless Revenues	\$ 8,843	\$ 9,103	\$ 9,079	\$ 9,340	\$ 8,988	\$ 8,842	\$ 8,950	\$ 9,192
	2,368	2,498	2,578	2,754	2,659	2,470	2,612	2,873
Operating Income	\$ 1,725	\$ 2,065	\$ 1,887	\$ 1,826	\$ 1,675	\$ 1,801	\$ 1,813	\$ 1,461
EBITDA ¹	\$ 3,234	\$ 3,594	\$ 3,443	\$ 3,380	\$ 3,286	\$ 3,424	\$ 3,448	\$ 3,101

See Notes to Financial and Operational Trends on page 16.



WarnerMedia

Statement of Segment Income^{14*}

Dollars in millions

Unaudited	12/31/18	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	9/30/20	12/31/20
Segment Operating Revenues									
Turner	\$ 3,212	\$ 3,443	\$ 3,410	\$ 3,007	\$ 3,262	\$ 3,162	\$ 2,988	\$ 3,176	\$ 3,242
Home Box Office	1,673	1,510	1,716	1,819	1,704	1,497	1,627	1,781	1,903
Warner Bros.	4,476	3,518	3,389	3,333	4,118	3,240	3,256	2,411	3,247
Eliminations and other	377	276	262	123	369	(134)	(1,143)	27	162
Total Segment Operating Revenues	\$ 9,738	\$ 8,747	\$ 8,777	\$ 8,282	\$ 9,453	\$ 7,765	\$ 6,728	\$ 7,395	\$ 8,554
Segment Operating Expenses									
Operations and support	6,589	6,089	6,376	5,259	6,448	5,605	4,656	5,483	5,835
Depreciation and amortization	141	155	102	163	169	161	164	169	177
Total Segment Operating Expenses	6,730	6,244	6,478	5,422	6,617	5,766	4,820	5,652	6,012
Segment Operating Income	\$ 3,008	\$ 2,503	\$ 2,299	\$ 2,860	\$ 2,836	\$ 1,999	\$ 1,908	\$ 1,743	\$ 2,542
Equity in Net Income (Loss) of Affiliates	79	67	55	16	23	15	4	12	(13)
Segment Contribution	\$ 3,087	\$ 2,570	\$ 2,354	\$ 2,876	\$ 2,859	\$ 2,014	\$ 1,912	\$ 1,755	\$ 2,529
Segment Operating Income Margin	30.9%	28.6%	26.2%	34.5%	30.0%	25.7%	28.4%	23.6%	29.7%
EBITDA¹	\$ 3,149	\$ 2,658	\$ 2,401	\$ 3,023	\$ 3,005	\$ 2,160	\$ 2,072	\$ 1,912	\$ 2,719
EBITDA Margin¹	32.3%	30.4%	27.4%	36.5%	31.8%	27.8%	30.8%	25.9%	31.8%
Total Programming and Production Costs^{14,15}	\$ 3,796	\$ 3,586	\$ 3,654	\$ 2,882	\$ 3,826	\$ 3,082	\$ 2,375	\$ 3,180	\$ 3,040

* Financial results for the former WarnerMedia and Xandr segments on a standalone basis are included on page 18.

WarnerMedia

Turner Results

Dollars in millions

Unaudited	12/31/18	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	9/30/20	12/31/20
Operating Revenues									
Subscription	\$ 1,844	\$ 1,965	\$ 1,943	\$ 1,927	\$ 1,901	\$ 2,049	\$ 1,804	\$ 1,840	\$ 1,920
Advertising	1,149	1,261	1,266	913	1,126	957	796	1,077	1,111
Content and other	219	217	201	167	235	156	388	259	211
Total Operating Revenues	\$ 3,212	\$ 3,443	\$ 3,410	\$ 3,007	\$ 3,262	\$ 3,162	\$ 2,988	\$ 3,176	\$ 3,242
Operating Expenses									
Operations and support	1,861	2,136	2,217	1,460	1,927	1,710	1,347	2,088	1,809
Depreciation and amortization	60	60	39	68	68	69	69	69	70
Total Operating Expenses	1,921	2,196	2,256	1,528	1,995	1,779	1,416	2,157	1,879
Operating Income	\$ 1,291	\$ 1,247	\$ 1,154	\$ 1,479	\$ 1,267	\$ 1,383	\$ 1,572	\$ 1,019	\$ 1,363
Operating Income Margin	40.2%	36.2%	33.8%	49.2%	38.8%	43.7%	52.6%	32.1%	42.0%
Programming Costs¹⁵	\$ 1,111	\$ 1,445	\$ 1,533	\$ 795	\$ 1,234	\$ 1,104	\$ 700	\$ 1,511	\$ 1,118

See Notes to Financial and Operational Trends on page 16.



WarnerMedia
Home Box Office Results

Dollars in millions

Unaudited	12/31/18	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	9/30/20	12/31/20
Operating Revenues									
Subscription	\$ 1,414	\$ 1,334	\$ 1,516	\$ 1,533	\$ 1,431	\$ 1,338	\$ 1,441	\$ 1,624	\$ 1,687
Content and other	259	176	200	286	273	159	186	157	216
Total Operating Revenues	\$ 1,673	\$ 1,510	\$ 1,716	\$ 1,819	\$ 1,704	\$ 1,497	\$ 1,627	\$ 1,781	\$ 1,903
Operating Expenses									
Operations and support	1,025	921	1,131	1,072	1,188	1,053	1,489	1,694	1,792
Depreciation and amortization	26	22	12	33	35	21	25	27	25
Total Operating Expenses	1,051	943	1,143	1,105	1,223	1,074	1,514	1,721	1,817
Operating Income	\$ 622	\$ 567	\$ 573	\$ 714	\$ 481	\$ 423	\$ 113	\$ 60	\$ 86
Operating Income Margin	37.2%	37.5%	33.4%	39.3%	28.2%	28.3%	6.9%	3.4%	4.5%
Programming Costs¹⁵	\$ 561	\$ 482	\$ 606	\$ 622	\$ 648	\$ 585	\$ 806	\$ 966	\$ 899

WarnerMedia
Warner Bros. Results

Dollars in millions

Unaudited	12/31/18	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	9/30/20	12/31/20
Operating Revenues									
Theatrical product	\$ 2,085	\$ 1,506	\$ 1,527	\$ 1,375	\$ 1,570	\$ 1,106	\$ 1,029	\$ 1,068	\$ 1,186
Television product	1,827	1,613	1,310	1,461	1,983	1,769	1,876	960	1,566
Games and other	564	399	552	497	565	365	351	383	495
Total Operating Revenues	\$ 4,476	\$ 3,518	\$ 3,389	\$ 3,333	\$ 4,118	\$ 3,240	\$ 3,256	\$ 2,411	\$ 3,247
Operating Expenses									
Operations and support	3,623	2,919	2,918	2,706	3,273	2,950	2,583	1,973	2,411
Depreciation and amortization	42	52	31	39	40	41	40	43	45
Total Operating Expenses	3,665	2,971	2,949	2,745	3,313	2,991	2,623	2,016	2,456
Operating Income	\$ 811	\$ 547	\$ 440	\$ 588	\$ 805	\$ 249	\$ 633	\$ 395	\$ 791
Operating Income Margin	18.1%	15.5%	13.0%	17.6%	19.5%	7.7%	19.4%	16.4%	24.4%
Film and Television Production Costs¹⁵	\$ 2,238	\$ 1,746	\$ 1,626	\$ 1,618	\$ 2,103	\$ 1,824	\$ 1,893	\$ 1,176	\$ 1,592

See Notes to Financial and Operational Trends on page 16.



WarnerMedia

Supplemental Eliminations and Other Revenues¹⁴

Dollars in millions

Unaudited	12/31/18	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	9/30/20	12/31/20
Operating Revenues									
Xandr	\$ 566	\$ 426	\$ 485	\$ 504	\$ 607	\$ 489	\$ 362	\$ 497	\$ 741
Corporate and Other	105	35	49	44	81	47	35	41	57
Eliminations	(294)	(185)	(272)	(425)	(319)	(670)	(1,540)	(511)	(636)
Total Eliminations and Other Revenues	\$ 377	\$ 276	\$ 262	\$ 123	\$ 369	\$ (134)	\$ (1,143)	\$ 27	\$ 162

WarnerMedia

Operating Volumes¹⁶

Volumes in thousands

Unaudited	12/31/19	3/31/20	6/30/20	9/30/20	12/31/20
Total Domestic HBO Max and HBO Subscribers	34,587	33,096	36,347	38,033	41,528
HBO Max - Wholesale	-	-	23,594	25,106	30,785
HBO Max - Retail	-	-	2,975	3,625	6,880
HBO	30,331	28,829	5,918	5,614	197
HBO Commercial	4,256	4,267	3,860	3,688	3,666
HBO Max - Activations (Cumulative)			4,140	8,612	17,170

AT&T Inc.

Supplemental Total Advertising Revenues^{2,14}

Dollars in millions

Unaudited	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	9/30/20	12/31/20
Operating Revenues								
Turner	\$ 1,261	\$ 1,266	\$ 913	\$ 1,126	\$ 957	\$ 796	\$ 1,077	\$ 1,111
Video	350	399	421	502	413	294	408	603
Xandr	426	485	504	607	489	362	497	741
Other	80	86	100	116	94	71	99	122
Eliminations ⁴	(350)	(399)	(421)	(502)	(413)	(294)	(408)	(603)
Total Advertising Revenues	\$ 1,767	\$ 1,837	\$ 1,517	\$ 1,849	\$ 1,540	\$ 1,229	\$ 1,673	\$ 1,974

See Notes to Financial and Operational Trends on page 16.



Latin America

Statement of Segment Income

Dollars in millions

Unaudited	12/31/18	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	9/30/20	12/31/20
Segment Operating Revenues									
Video Entertainment	\$ 1,074	\$ 1,067	\$ 1,032	\$ 1,013	\$ 982	\$ 887	\$ 752	\$ 753	\$ 762
Wireless Service	440	442	479	455	487	467	345	385	459
Wireless Equipment	329	209	246	262	289	236	135	258	277
Total Segment Operating Revenues	\$ 1,843	\$ 1,718	\$ 1,757	\$ 1,730	\$ 1,758	\$ 1,590	\$ 1,232	\$ 1,396	\$ 1,498
Segment Operating Expenses									
Operations and support	1,805	1,591	1,694	1,625	1,553	1,497	1,199	1,337	1,403
Depreciation and amortization	296	300	284	284	294	281	242	250	260
Total Segment Operating Expenses	2,101	1,891	1,978	1,909	1,847	1,778	1,441	1,587	1,663
Segment Operating Income (Loss)	(258)	(173)	(221)	(179)	(89)	(188)	(209)	(191)	(165)
Equity in Net Income (Loss) of Affiliates	10	-	12	13	2	4	8	14	(2)
Segment Contribution	\$ (248)	\$ (173)	\$ (209)	\$ (166)	\$ (87)	\$ (184)	\$ (201)	\$ (177)	\$ (167)
Segment Operating Income Margin	-14.0%	-10.1%	-12.6%	-10.3%	-5.1%	-11.8%	-17.0%	-13.7%	-11.0%
EBITDA¹	\$ 38	\$ 127	\$ 63	\$ 105	\$ 205	\$ 93	\$ 33	\$ 59	\$ 95
EBITDA Margin¹	2.1%	7.4%	3.6%	6.1%	11.7%	5.8%	2.7%	4.2%	6.3%

Latin America

Vrio and Mexico Results

Dollars in millions

Unaudited	12/31/18	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	9/30/20	12/31/20
Vrio EBITDA¹	\$ 225	\$ 201	\$ 151	\$ 162	\$ 202	\$ 104	\$ 91	\$ 78	\$ 81
Vrio EBITDA Margin¹	20.9%	18.8%	14.6%	16.0%	20.6%	11.7%	12.1%	10.4%	10.6%
Mexico EBITDA¹	\$ (187)	\$ (74)	\$ (88)	\$ (57)	\$ 3	\$ (11)	\$ (58)	\$ (19)	\$ 14
Mexico EBITDA Margin¹	-24.3%	-11.4%	-12.1%	-7.9%	0.4%	-1.6%	-12.1%	-3.0%	1.9%

Latin America

Operating Volumes and Statistics

Volumes in thousands

Unaudited	12/31/18	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	9/30/20	12/31/20
Vrio Video Connections¹⁷	13,838	13,584	13,473	13,306	13,331	13,217	10,664	10,893	10,942
Vrio Video Net Adds¹⁷	198	(32)	(111)	(167)	25	(114)	(312)	229	49
Mexico Wireless Subscribers¹⁸	18,321	17,722	18,021	18,619	19,159	19,158	17,973	18,414	18,943
Postpaid	5,805	5,642	5,489	5,352	5,103	4,962	4,771	4,710	4,696
Prepaid	12,264	11,779	12,180	12,848	13,584	13,692	12,777	13,249	13,758
Reseller	252	301	352	419	472	504	425	455	489
Mexico Wireless Net Adds	1,016	93	299	598	540	(1)	(1,085)	441	529
Mexico Wireless Churn⁶	7.08%	6.69%	7.16%	7.32%	7.43%	6.54%	6.94%	5.90%	5.95%
Mexico Wireless ARPU⁷	\$ 7.97	\$ 7.99	\$ 8.61	\$ 7.86	\$ 8.30	\$ 7.78	\$ 5.84	\$ 6.40	\$ 7.04

See Notes to Financial and Operational Trends on page 16.



Corporate

Supplemental Results - Corporate^{14,19}

Dollars in millions

Unaudited	12/31/18	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	9/30/20	12/31/20
Total Operating Revenues	\$ 574	\$ 491	\$ 508	\$ 475	\$ 463	\$ 471	\$ 523	\$ 550	\$ 388
Operating Expenses									
Operations and support	480	726	824	774	955	956	1,011	1,113	894
Depreciation and amortization	599	205	172	133	126	89	96	63	52
Total Operating Expenses	1,079	931	996	907	1,081	1,045	1,107	1,176	946
Operating Loss	\$ (505)	\$ (440)	\$ (488)	\$ (432)	\$ (618)	\$ (574)	\$ (584)	\$ (626)	\$ (558)

Corporate

Supplemental Reconciliation of Operations and Support¹⁴

Dollars in millions

Unaudited	12/31/18	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	9/30/20	12/31/20
Operations and Support	\$ 480	\$ 726	\$ 824	\$ 774	\$ 955	\$ 956	\$ 1,011	\$ 1,113	\$ 894
Reclassification of amortization of prior service credits	(442)	(454)	(454)	(454)	(454)	(610)	(611)	(611)	(610)
Reclassification of WarnerMedia amortization of production costs to Depreciation and Amortization ¹⁹	545	150	112	108	102	69	75	45	38
Operations and Support excluding segment reclassifications	\$ 583	\$ 422	\$ 482	\$ 428	\$ 603	\$ 415	\$ 475	\$ 547	\$ 322

AT&T Inc.

Other Income (Expense) - Net

Dollars in millions

Unaudited	12/31/18	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	9/30/20	12/31/20
Interest income and other gain/(loss) items ²⁰	\$ 328	\$ 210	\$ 708	\$ 237	\$ 18	\$ (179)	\$ 35	\$ (1,150)	\$ 100
Special termination charges	-	(93)	-	12	-	-	-	-	-
Net pension and postretirement credit, excluding actuarial gain/(loss)	660	601	673	733	1,001	982	982	982	986
Actuarial gain/(loss)	686	(432)	(1,699)	(1,917)	(1,123)	-	-	(63)	(4,106)
Other Income (Expense) - Net	\$ 1,674	\$ 286	\$ (318)	\$ (935)	\$ (104)	\$ 803	\$ 1,017	\$ (231)	\$ (3,020)

See Notes to Financial and Operational Trends on page 16.



Notes to Financial and Operational Trends

AT&T Inc.

¹ See Discussion and Reconciliation of Non-GAAP Measures in the Investor Briefing or exhibit 99.1 to Form 8-K dated January 27, 2021.

² Results have been reclassified to conform to current-period presentation.

³ Capital expenditures include interest during construction (see Financial and Operating Statistics Summary on page 2).

⁴ Eliminations and consolidation removes transactions that either involve dealings between AT&T companies, including content licensing with WarnerMedia, or relate to advertising arrangements recorded in both the Communications and WarnerMedia segments (approximately \$600M revenues in 4Q20). This reconciling item also includes conforming adjustment to the historical presentation of our advertising business.

⁵ 4Q20 subscribers include a reduction of 41K subscribers resulting from a true-up after the divestiture of Puerto Rico and U.S. Virgin Islands mobility operations. 3Q20 Prepaid subscribers and Prepaid Phone subscribers exclude 188K subscriber disconnections resulting from updating our prepaid activation policy.

⁶ 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.

⁷ 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.

⁸ During 4Q20, to further accelerate our ability to innovate and execute in our fast-growing broadband and fiber business, we began operating our video business separately from our broadband and legacy telephony operations. Prior-period results were recast for all periods to split the former Entertainment Group into two separate business units, Video and Broadband, and remove video operations from Business Wireline, combining all video operations into Video.

⁹ Premium TV connections and net adds include AT&T TV, which initially launched in 3Q19 and expanded nationwide in 1Q20.

¹⁰ Over-the-top connections include AT&T TV NOW and exclude WatchTV, which launched near end of June 2018. Beginning in January 2021, AT&T TV NOW has been combined with AT&T TV. AT&T TV NOW connections as of 4Q20 include 12K free or substantially free trial-period subscribers. AT&T has successfully retained many subscribers after the expiration of their trial period.

¹¹ Premium TV ARPU is defined as Service revenues, excluding Over-the-Top revenues and non-premium TV advertising, during the period divided by average premium video connections during the period. IP Broadband ARPU is defined as High-Speed Internet revenues during the period divided by average IP Broadband connections during the period.

¹² Strategic and Managed Services are the next generation wireline capabilities that lead AT&T's most advanced business solutions, includes (1) data services (VPN, dedicated internet ethernet and broadband), (2) voice service (VOIP and cloud-based voice solutions), (3) security and cloud solutions, and (4) managed, professional, and outsourcing services.

¹³ In 1Q20, prior-period results were recast to conform to the current period's classification of consumer and business wireless subscribers.

¹⁴ In 4Q20, prior-period results of the WarnerMedia segment have been recast to remove the Crunchyroll anime business that was classified as held-for-sale. This business, which was previously reported in Other operations of the WarnerMedia segment, is instead included in Corporate. In 2Q20, WarnerMedia results have been recast to include Xandr, which was a separate reportable segment prior to 2Q20.

¹⁵ Programming and production costs are included in Operations & Support expenses.

¹⁶ Domestic HBO Max and HBO Subscribers include the following categories: (1) HBO Max – Wholesale: domestic accounts that have access to HBO Max through a wholesale distributor (e.g., MVPDs including AT&T's video, broadband and mobility businesses), (2) HBO Max – Retail: domestic accounts that have access to HBO Max and are billed directly by WarnerMedia or by a third party via in-app purchase, (3) HBO: domestic accounts that do not have access to HBO Max, and (4) HBO Commercial: domestic accounts that do not have access to HBO Max and are billed on a bulk basis (e.g., hotels, etc.). Domestic HBO Max and HBO Subscribers do not include customers that are part of a free trial. Activation occurs when an: (1) HBO Max - Retail subscriber opts into or signs up for HBO Max and has a valid payment method on file, or (2) HBO Max - Wholesale subscriber signs in to HBO Max for the first time using valid credentials, and does not account for wholesale churn.

¹⁷ Vrio Video connections and net adds include satellite and over-the-top. 2Q20 Video connections include a reduction of 2.2M subscriber disconnections resulting from the closure of DIRECTV operations in Venezuela.

¹⁸ 2Q20 Reseller subscriber count includes 101K reduction for subscriber disconnections resulting from conforming to AT&T's policy on reporting of fixed wireless resellers.

¹⁹ Corporate includes: (1) businesses no longer integral to our operations or which we no longer actively market, (2) corporate support functions, (3) impacts of corporate-wide decisions for which the individual operating segments are not being evaluated, (4) the reclassification of the amortization of prior service credits, which we continue to report with segment operating expenses, to consolidated "Other Income (Expense) - Net", and (5) the recharacterization of programming intangible asset amortization, for released programming acquired in the Time Warner acquisition, which we continue to report within WarnerMedia segment operating expense, to consolidated amortization expense. The largest corporate operations included are other wholesale operations and Crunchyroll (held for sale). Prior to 4Q20, Corporate included Puerto Rico and U.S. Virgin Islands mobility and business wireline operations (divested in October 2020).

²⁰ 4Q20 Interest income and other gain/(loss) include certain items which have been excluded from adjusted EPS. See Adjusting Items in the Discussion and Reconciliation of Non-GAAP Measures in the Investor Briefing.



As a courtesy to investors, we are providing financial results for the former Entertainment Group business unit for only the fourth quarter of 2020 to assist in the transition and understanding of the combined results of the separate reporting for the Video and Broadband business units.

Communications

Entertainment Group Results - Historical⁸

Dollars in millions

Unaudited	12/31/18	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	9/30/20	12/31/20
Operating Revenues									
Video Entertainment	\$ 8,676	\$ 8,074	\$ 8,035	\$ 7,933	\$ 8,068	\$ 7,395	\$ 6,976	\$ 6,964	\$ 7,122
High-Speed Internet	2,052	2,070	2,109	2,117	2,107	2,109	2,092	2,128	2,205
Legacy Voice and Data Services	724	683	658	628	604	581	560	538	534
Other Service and Equipment	510	501	566	519	454	430	441	423	421
Total Operating Revenues	\$ 11,962	\$ 11,328	\$ 11,368	\$ 11,197	\$ 11,233	\$ 10,515	\$ 10,069	\$ 10,053	\$ 10,282
Operating Expenses									
Operations and support	9,807	8,527	8,515	8,797	9,189	7,891	7,730	7,997	8,553
Depreciation and amortization	1,329	1,323	1,339	1,316	1,298	1,289	1,309	1,277	1,244
Total Operating Expenses	11,136	9,850	9,854	10,113	10,487	9,180	9,039	9,274	9,797
Operating Income	\$ 826	\$ 1,478	\$ 1,514	\$ 1,084	\$ 746	\$ 1,335	\$ 1,030	\$ 779	\$ 485
Operating Income Margin	6.9%	13.0%	13.3%	9.7%	6.6%	12.7%	10.2%	7.7%	4.7%
EBITDA¹	\$ 2,155	\$ 2,801	\$ 2,853	\$ 2,400	\$ 2,044	\$ 2,624	\$ 2,339	\$ 2,056	\$ 1,729
EBITDA Margin¹	18.0%	24.7%	25.1%	21.4%	18.2%	25.0%	23.2%	20.5%	16.8%

See Notes to Financial and Operational Trends on page 16.



As a courtesy to investors, we are providing financial results for the former WarnerMedia and Xandr segments on a standalone basis for 2020 to assist in the transition and understanding of the combined results.

WarnerMedia

Historical WarnerMedia Segment Results¹⁴

Dollars in millions

Unaudited	12/31/18	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	9/30/20	12/31/20
Segment Operating Revenues									
Turner	\$ 3,212	\$ 3,443	\$ 3,410	\$ 3,007	\$ 3,262	\$ 3,162	\$ 2,988	\$ 3,176	\$ 3,242
Home Box Office	1,673	1,510	1,716	1,819	1,704	1,497	1,627	1,781	1,903
Warner Bros.	4,476	3,518	3,389	3,333	4,118	3,240	3,256	2,411	3,247
Eliminations and other	(189)	(150)	(223)	(381)	(238)	(623)	(1,505)	(470)	(579)
Total Segment Operating Revenues	\$ 9,172	\$ 8,321	\$ 8,292	\$ 7,778	\$ 8,846	\$ 7,276	\$ 6,366	\$ 6,898	\$ 7,813
Segment Operating Expenses									
Operations and support	6,409	5,929	6,229	5,097	6,271	5,435	4,489	5,317	5,643
Depreciation and amortization	136	142	89	148	152	141	144	149	155
Total Segment Operating Expenses	6,545	6,071	6,318	5,245	6,423	5,576	4,633	5,466	5,798
Segment Operating Income	\$ 2,627	\$ 2,250	\$ 1,974	\$ 2,533	\$ 2,423	\$ 1,700	\$ 1,733	\$ 1,432	\$ 2,015

Xandr

Historical Xandr Segment Results

Dollars in millions

Unaudited	12/31/18	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	9/30/20	12/31/20
Segment Operating Revenues									
	\$ 566	\$ 426	\$ 485	\$ 504	\$ 607	\$ 489	\$ 362	\$ 497	\$ 741
Segment Operating Expenses									
Operations and support	180	160	147	162	177	170	167	166	192
Depreciation and amortization	5	13	13	15	17	20	20	20	22
Total Segment Operating Expenses	185	173	160	177	194	190	187	186	214
Segment Operating Income	\$ 381	\$ 253	\$ 325	\$ 327	\$ 413	\$ 299	\$ 175	\$ 311	\$ 527

See Notes to Financial and Operational Trends on page 16.