

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934**

Date of report (Date of earliest event reported) April 15, 2022

AT&T INC.

(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-08610
(Commission
File Number)

43-1301883
(IRS Employer
Identification No.)

208 S. Akard St., Dallas, Texas
(Address of Principal Executive Offices)

75202
(Zip Code)

Registrant's telephone number, including area code (210) 821-4105

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240-14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities Registered Pursuant to Section 12(b) of the Act

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Shares (Par Value \$1.00 Per Share)	T	New York Stock Exchange
Depository Shares, each representing a 1/1000th interest in a share of 5.000% Perpetual Preferred Stock, Series A	T PRA	New York Stock Exchange
Depository Shares, each representing a 1/1000th interest in a share of 4.750% Perpetual Preferred Stock, Series C	T PRC	New York Stock Exchange
AT&T Inc. 1.450% Global Notes due June 1, 2022	T 22B	New York Stock Exchange
AT&T Inc. 2.500% Global Notes due March 15, 2023	T 23	New York Stock Exchange
AT&T Inc. 2.750% Global Notes due May 19, 2023	T 23C	New York Stock Exchange

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
AT&T Inc. Floating Rate Global Notes due September 5, 2023	T 23D	New York Stock Exchange
AT&T Inc. 1.050% Global Notes due September 5, 2023	T 23E	New York Stock Exchange
AT&T Inc. 1.300% Global Notes due September 5, 2023	T 23A	New York Stock Exchange
AT&T Inc. 1.950% Global Notes due September 15, 2023	T 23F	New York Stock Exchange
AT&T Inc. 2.400% Global Notes due March 15, 2024	T 24A	New York Stock Exchange
AT&T Inc. 3.500% Global Notes due December 17, 2025	T 25	New York Stock Exchange
AT&T Inc. 0.250% Global Notes due March 4, 2026	T 26E	New York Stock Exchange
AT&T Inc. 1.800% Global Notes due September 5, 2026	T 26D	New York Stock Exchange
AT&T Inc. 2.900% Global Notes due December 4, 2026	T 26A	New York Stock Exchange
AT&T Inc. 1.600% Global Notes due May 19, 2028	T 28C	New York Stock Exchange
AT&T Inc. 2.350% Global Notes due September 5, 2029	T 29D	New York Stock Exchange
AT&T Inc. 4.375% Global Notes due September 14, 2029	T 29B	New York Stock Exchange
AT&T Inc. 2.600% Global Notes due December 17, 2029	T 29A	New York Stock Exchange
AT&T Inc. 0.800% Global Notes due March 4, 2030	T 30B	New York Stock Exchange
AT&T Inc. 2.050% Global Notes due May 19, 2032	T 32A	New York Stock Exchange
AT&T Inc. 3.550% Global Notes due December 17, 2032	T 32	New York Stock Exchange
AT&T Inc. 5.200% Global Notes due November 18, 2033	T 33	New York Stock Exchange
AT&T Inc. 3.375% Global Notes due March 15, 2034	T 34	New York Stock Exchange
AT&T Inc. 2.450% Global Notes due March 15, 2035	T 35	New York Stock Exchange
AT&T Inc. 3.150% Global Notes due September 4, 2036	T 36A	New York Stock Exchange
AT&T Inc. 2.600% Global Notes due May 19, 2038	T 38C	New York Stock Exchange
AT&T Inc. 1.800% Global Notes due September 14, 2039	T 39B	New York Stock Exchange
AT&T Inc. 7.000% Global Notes due April 30, 2040	T 40	New York Stock Exchange
AT&T Inc. 4.250% Global Notes due June 1, 2043	T 43	New York Stock Exchange
AT&T Inc. 4.875% Global Notes due June 1, 2044	T 44	New York Stock Exchange
AT&T Inc. 4.000% Global Notes due June 1, 2049	T 49A	New York Stock Exchange
AT&T Inc. 4.250% Global Notes due March 1, 2050	T 50	New York Stock Exchange
AT&T Inc. 3.750% Global Notes due September 1, 2050	T 50A	New York Stock Exchange
AT&T Inc. 5.350% Global Notes due November 1, 2066	TBB	New York Stock Exchange
AT&T Inc. 5.625% Global Notes due August 1, 2067	TBC	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 7.01 Regulation FD Disclosure.

Throughout this document, AT&T Inc. is referred to as “we” or “AT&T.” AT&T is a holding company whose subsidiaries and affiliates operate worldwide in the telecommunications and technology industries.

As a convenience to investors, we are providing quarterly consolidated and segment and business unit income statement information as a supplement to our Form 8-K filed on April 14, 2022, which included required pro forma financial information prepared in accordance with Article 11 of Regulation S-X, to give effect to the pro forma discontinued operations presentation of the separation and distribution of the WarnerMedia business. For discontinued operations, we evaluated transactions completed during 2021 that were components of AT&T’s single plan of a strategic shift, including dispositions that may not have individually met the criteria due to materiality, and have determined discontinued operations to be comprised of the WarnerMedia, Vrio, Xandr and Playdemic Ltd. (Playdemic) transactions (collectively, the “Transactions”). Beginning with the second quarter of 2022, the transactions will be reflected in our historical financial statements as discontinued operations.

Additionally, for the quarter ended March 31, 2022, we have reclassified in to "Corporate" certain administrative costs borne by AT&T where the business units do not influence decision making to conform with the current period presentation. This recast increased Corporate operations and support expenses by approximately \$1.2 billion in 2020 and \$270 million in 2021. Correspondingly, this recast lowered administrative expenses at WarnerMedia, Video and AT&T's Communications operations with no change on a consolidated basis. We are also enhancing our reporting within Corporate to provide additional details of the activities and reconciling items.

This supplemental information in the exhibits includes:

- Reconciliation of AT&T's reported consolidated income statement to: (1) continuing operations, (2) standalone AT&T, and (3) adjusted standalone AT&T as Exhibit 99.1.
- Presentation of AT&T's segment and business unit results, recast for parent allocation methodology, and enhanced details of Corporate items reconciled to: (1) total AT&T reported operating results and EBITDA (operating income before depreciation and amortization), (2) standalone AT&T operating results and EBITDA, and (3) adjusted standalone AT&T operating results and EBITDA as Exhibit 99.2.
- Presentation of standalone AT&T segment and business unit results reconciled to adjusted standalone AT&T operating results and EBITDA as Exhibit 99.3.

CAUTIONARY LANGUAGE CONCERNING FORWARD-LOOKING STATEMENTS

Information set forth in this Form 8-K contains financial estimates, statements as to the expected timing, completion and effects of the Xandr transaction and other forward-looking statements that are subject to risks and uncertainties. These estimates and statements 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 or revise statements contained in this filing based on new information or otherwise.

Item 9.01 Financial Statements and Exhibits.

The following exhibits are furnished as part of this report:

(d) Exhibits

99.1	Supplemental consolidated quarterly income statement reconciliation of reported, continuing operations and Standalone AT&T
99.2	Supplemental quarterly segment information with reconciliation to Standalone AT&T
99.3	Supplemental quarterly segment information of Standalone AT&T
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

Signature

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

AT&T INC.

Date: April 15, 2022

By: /s/ Debra L. Dial
Debra L. Dial
Senior Vice President and Controller

Comparative Basis Financial Information

Supplemental Unaudited Quarterly Comparative Financial Information¹

Dollars in millions

Unaudited

Operating Revenues		3/31/2020	6/30/2020	9/30/2020	12/31/2020	2020	3/31/2021	6/30/2021	9/30/2021	12/31/2021	2021
Reported AT&T Operating Revenues		\$ 42,779	\$ 40,950	\$ 42,340	\$ 45,691	\$171,760	\$ 43,939	\$ 44,045	\$ 39,922	\$ 40,958	\$168,864
[A]	Less: WarnerMedia	(7,765)	(6,728)	(7,395)	(8,554)	(30,442)	(8,526)	(8,791)	(8,442)	(9,873)	(35,632)
[B]	Less: Vrio	(887)	(752)	(753)	(762)	(3,154)	(743)	(749)	(756)	(359)	(2,607)
[C]	Less: Securitization - Revolver (WarnerMedia)	(14)	(23)	(21)	(22)	(80)	(31)	(35)	(41)	(29)	(136)
[D]	Add: Other items (conveyed) retained	12	9	13	18	52	11	16	14	15	56
[K]	Less: Intercompany eliminations	1,232	1,070	1,223	1,388	4,913	1,228	1,254	628	383	3,493
Revenues from Continuing Operations		35,357	34,526	35,407	37,759	143,049	35,878	35,740	31,325	31,095	134,038
[E]	Less: Video	(7,407)	(7,021)	(7,014)	(7,168)	(28,610)	(6,725)	(6,639)	(2,149)	—	(15,513)
[F]	Less: Other dispositions (Held-for-sale)	(369)	(369)	(420)	(256)	(1,414)	(231)	(158)	(64)	—	(453)
[K]	Less: Intercompany eliminations	64	55	65	83	267	62	57	17	—	136
Standalone AT&T Operating Revenues		\$ 27,645	\$ 27,191	\$ 28,038	\$ 30,418	\$113,292	\$ 28,984	\$ 29,000	\$ 29,129	\$ 31,095	\$118,208
<i>Reported Revenue Growth Rate Y/Y</i>							2.7 %	7.6 %	(5.7)%	(10.4)%	(1.7)%
<i>Revenue from Continuing Operations Growth Rate Y/Y</i>							1.5 %	3.5 %	(11.5)%	(17.6)%	(6.3)%
<i>Standalone AT&T Revenue Growth Rate Y/Y</i>							4.8 %	6.7 %	3.9 %	2.2 %	4.3 %

Operations and Support Expenses

3/31/2020 6/30/2020 9/30/2020 12/31/2020 2020 3/31/2021 6/30/2021 9/30/2021 12/31/2021 2021

Reported AT&T Operations and Support Expenses		\$ 28,071	\$ 30,133	\$ 29,178	\$ 49,457	\$136,839	\$ 30,469	\$ 35,015	\$ 27,194	\$ 29,977	\$122,655
[A]	Less: WarnerMedia	(5,605)	(4,656)	(5,483)	(5,835)	(21,579)	(6,403)	(6,934)	(6,271)	(8,129)	(27,737)
[B]	Less: Vrio	(783)	(661)	(675)	(681)	(2,800)	(661)	(660)	(660)	(321)	(2,302)
[L]	Less: Merger & Significant items related to WarnerMedia and Vrio	(242)	(2,440)	(183)	(1,082)	(3,947)	(59)	(4,555)	(179)	(215)	(5,008)
[D]	Add: Other items (conveyed) retained	57	67	55	75	254	41	42	48	40	171
[C]	Less: WarnerMedia Film amortization recharacterization and receivable securitization	13	54	(11)	(16)	40	(49)	(52)	(28)	(33)	(162)
[K]	Less: Intercompany eliminations	858	814	853	823	3,348	879	882	529	383	2,673
Operations and Support Expenses from Continuing Operations		22,369	23,311	23,734	42,741	112,155	24,217	23,738	20,633	21,702	90,290
[D]	Less: Video	(6,020)	(5,809)	(5,887)	(6,458)	(24,174)	(5,660)	(5,275)	(1,731)	—	(12,666)
[E]	Less: Other dispositions (Held-for-sale)	(272)	(268)	(310)	(190)	(1,040)	(194)	(115)	(47)	—	(356)
[L]	Less: Merger & Significant items related to DTV and other dispositions	(32)	(98)	(24)	(15,529)	(15,683)	(13)	(22)	37	11	13
[K]	Less: Intercompany eliminations	64	55	65	83	267	62	57	17	—	136
[M]	Less: Reclassification of allocations for separated businesses	(76)	(86)	(76)	(84)	(322)	(15)	(19)	(16)	4	(46)
[G]	Add: DTV-related retained costs	350	350	350	350	1,400	350	350	117	—	817
Standalone AT&T Operations and Support Expenses		16,535	17,627	18,004	21,081	73,247	18,777	18,752	19,042	21,709	78,280
[L]	Standalone AT&T Merger & Significant items	750	(757)	56	(44)	5	11	93	(145)	(97)	(138)
Standalone AT&T Adjusted Operations and Support Expenses		\$ 17,285	\$ 16,870	\$ 18,060	\$ 21,037	\$ 73,252	\$ 18,788	\$ 18,845	\$ 18,897	\$ 21,612	\$ 78,142

Reported Operations and Support Expense Growth Rate Y/Y

8.5 % 16.2 % (6.8)% (39.4)% (10.4)%

Operations and Support Expenses from Continuing Operations Growth Rate Y/Y

8.3 % 1.8 % (13.1)% (49.2)% (19.5)%

Standalone AT&T Operations and Support Expense Growth Rate Y/Y

13.6 % 6.4 % 5.8 % 3.0 % 6.9 %

Standalone AT&T Adjusted Operations and Support Expense Growth Rate Y/Y

8.7 % 11.7 % 4.6 % 2.7 % 6.7 %

Depreciation and Amortization Expense

3/31/2020 6/30/2020 9/30/2020 12/31/2020 2020 3/31/2021 6/30/2021 9/30/2021 12/31/2021 2021

	Reported AT&T Depreciation and Amortization Expense	\$ 7,222	\$ 7,285	\$ 7,030	\$ 6,979	\$ 28,516	\$ 5,809	\$ 5,761	\$ 5,619	\$ 5,673	\$ 22,862
[A]	Less: WarnerMedia	(161)	(164)	(169)	(177)	(671)	(163)	(165)	(163)	(165)	(656)
[B]	Less: Vrio	(147)	(127)	(126)	(120)	(520)	(117)	(114)	—	—	(231)
[D]	Add: Other items (conveyed) retained	3	3	3	3	12	3	3	3	3	12
[C]	Less: WarnerMedia Film amortization recharacterization and receivable securitization	(69)	(77)	(47)	(38)	(231)	(20)	(16)	(18)	(19)	(73)
[L]	Less: Merger & Significant items related to WarnerMedia and Vrio	(1,143)	(1,267)	(1,082)	(1,093)	(4,585)	(1,045)	(1,040)	(1,021)	(1,014)	(4,120)
[K]	Less: Intercompany eliminations	—	1	—	—	1	—	—	—	—	—
	Depreciation and Amortization Expense from Continuing Operations	5,705	5,654	5,609	5,554	22,522	4,467	4,429	4,420	4,478	17,794
[E]	Less: Video	(591)	(593)	(557)	(521)	(2,262)	(164)	(148)	(44)	—	(356)
[F]	Less: Other dispositions (Held-for-sale)	(4)	(4)	(4)	(3)	(15)	—	—	—	—	—
[L]	Less: Merger & Significant items related to DTV and other dispositions	(879)	(846)	(813)	(780)	(3,318)	—	—	—	—	—
[G]	Add: DTV-related retained costs	180	180	180	180	720	180	180	60	—	420
	Standalone AT&T Depreciation and Amortization Expense	4,411	4,391	4,415	4,430	17,647	4,483	4,461	4,436	4,478	17,858
[L]	Standalone AT&T Merger & Significant items	(34)	(32)	(26)	(31)	(123)	(86)	(29)	9	(7)	(113)
	Standalone AT&T Adjusted Depreciation and Amortization Expense	\$ 4,377	\$ 4,359	\$ 4,389	\$ 4,399	\$ 17,524	\$ 4,397	\$ 4,432	\$ 4,445	\$ 4,471	\$ 17,745

Reported Depreciation and Amortization Expense Growth Rate Y/Y

(19.6)% (20.9)% (20.1)% (18.7)% (19.8)%

Depreciation and Amortization Expense from Continuing Operations Growth Rate Y/Y

(21.7)% (21.7)% (21.2)% (19.4)% (21.0)%

Standalone AT&T Depreciation and Amortization Expense Growth Rate Y/Y

1.6 % 1.6 % 0.5 % 1.1 % 1.2 %

Standalone AT&T Adjusted Depreciation and Amortization Expense Growth Rate Y/Y

0.5 % 1.7 % 1.3 % 1.6 % 1.3 %

Operating Income	3/31/2020	6/30/2020	9/30/2020	12/31/2020	2020	3/31/2021	6/30/2021	9/30/2021	12/31/2021	2021
Reported AT&T Operating Income	\$ 7,486	\$ 3,532	\$ 6,132	\$(10,745)	\$ 6,405	\$ 7,661	\$ 3,269	\$ 7,109	\$ 5,308	\$ 23,347
Less: WarnerMedia	(1,999)	(1,908)	(1,743)	(2,542)	(8,192)	(1,960)	(1,692)	(2,008)	(1,579)	(7,239)
Less: Vrio	43	36	48	39	166	35	25	(96)	(38)	(74)
Less: Merger & Significant items related to WarnerMedia and Vrio	1,385	3,707	1,265	2,175	8,532	1,104	5,595	1,200	1,229	9,128
Add: Other items conveyed (retained)	(48)	(61)	(45)	(60)	(214)	(33)	(29)	(37)	(28)	(127)
Less: WarnerMedia Film amortization recharacterization and receivable securitization	42	—	37	32	111	38	33	5	23	99
Less: Intercompany eliminations	374	255	370	565	1,564	349	372	99	—	820
Operating Income from Continuing Operations	7,283	5,561	6,064	(10,536)	8,372	7,194	7,573	6,272	4,915	25,954
Less: Video	(796)	(619)	(570)	(189)	(2,174)	(901)	(1,216)	(374)	—	(2,491)
Less: Other dispositions (Held-for-sale)	(93)	(97)	(106)	(63)	(359)	(37)	(43)	(17)	—	(97)
Less: Merger & Significant items related to DTV and other dispositions	911	944	837	16,309	19,001	13	22	(37)	(11)	(13)
Less: Intercompany eliminations	—	—	—	—	—	—	—	—	—	—
Less: Reclassification of allocations for separated businesses	(76)	(86)	(76)	(84)	(322)	(15)	(19)	(16)	4	(46)
Add: Retained costs	(530)	(530)	(530)	(530)	(2,120)	(530)	(530)	(177)	—	(1,237)
Standalone AT&T Operating Income	\$ 6,699	\$ 5,173	\$ 5,619	\$ 4,907	\$ 22,398	\$ 5,724	\$ 5,787	\$ 5,651	\$ 4,908	\$ 22,070
Standalone AT&T Merger & Significant items	(716)	789	(30)	77	120	75	(64)	136	104	251
Standalone AT&T Adjusted Operating Income	\$ 5,983	\$ 5,962	\$ 5,589	\$ 4,984	\$ 22,518	\$ 5,799	\$ 5,723	\$ 5,787	\$ 5,012	\$ 22,321
<i>Reported Operating Income Growth Rate Y/Y</i>						2.3 %	(7.4)%	15.9 %	149.4 %	264.5 %
<i>Operating Income from Continuing Operations Growth Rate Y/Y</i>						(1.2)%	36.2 %	3.4 %	146.6 %	210.0 %
<i>Standalone AT&T Operating Income Growth Rate Y/Y</i>						(14.6)%	11.9 %	0.6 %	— %	(1.5)%
<i>Standalone AT&T Adjusted Operating Income Growth Rate Y/Y</i>						(3.1)%	(4.0)%	3.5 %	0.6 %	(0.9)%
<i>Reported Operating Income Margin</i>	17.5 %	8.6 %	14.5 %	(23.5)%	3.7 %	17.4 %	7.4 %	17.8 %	13.0 %	13.8 %
<i>Operating Income Margin from Continuing Operations</i>	20.6 %	16.1 %	17.1 %	(27.9)%	5.9 %	20.1 %	21.2 %	20.0 %	15.8 %	19.4 %
<i>Standalone AT&T Operating Income Margin</i>	24.2 %	19.0 %	20.0 %	16.1 %	19.8 %	19.7 %	20.0 %	19.4 %	15.8 %	18.7 %
<i>Standalone AT&T Adjusted Operating Income Margin</i>	21.6 %	21.9 %	19.9 %	16.4 %	19.9 %	20.0 %	19.7 %	19.9 %	16.1 %	18.9 %

Other Income (Expense)		3/31/2020	6/30/2020	9/30/2020	12/31/2020	2020	3/31/2021	6/30/2021	9/30/2021	12/31/2021	2021
	Interest expense	\$ (2,018)	\$ (2,041)	\$ (1,972)	\$ (1,894)	\$ (7,925)	\$ (1,870)	\$ (1,684)	\$ (1,667)	\$ (1,663)	\$ (6,884)
	Equity in net income (loss) of affiliates	(6)	(10)	5	106	95	52	41	91	447	631
	Other income (expense) - net	803	1,017	(231)	(3,020)	(1,431)	4,221	999	2,279	2,354	9,853
	Reported AT&T Other Income (Expense)	(1,221)	(1,034)	(2,198)	(4,808)	(9,261)	2,403	(644)	703	1,138	3,600
	Less: Interest expense on debt conveyed	54	52	49	43	198	46	45	40	31	162
	Less: Equity method investments conveyed	(25)	1	(7)	20	(11)	(68)	(56)	74	1	(49)
	Less: Other income (expense) - net related to WarnerMedia and Vrio	(24)	(42)	(41)	220	113	(22)	(215)	119	(179)	(297)
[L]	Less: Merger & Significant items related to WarnerMedia and Vrio	24	158	37	2	221	—	135	(703)	124	(444)
	Other Income (Expense) from Continuing Operations	(1,192)	(865)	(2,160)	(4,523)	(8,740)	2,359	(735)	233	1,115	2,972
[I]	Less: Estimated interest expense impact of debt redemptions	—	—	—	—	—	371	371	371	371	1,484
[H]	Add: Estimated equity in net income from DIRECTV investment	971	848	789	497	3,105	746	955	293	—	1,994
[L]	Less: Merger & Significant items related to DTV and other dispositions	5	—	—	82	87	(64)	—	(2)	67	1
	Standalone AT&T Other Income (Expense)	\$ (216)	\$ (17)	\$ (1,371)	\$ (3,944)	\$ (5,548)	\$ 3,412	\$ 591	\$ 895	\$ 1,553	\$ 6,451
[L]	Standalone AT&T Merger & Significant items	288	(26)	1,225	3,862	5,349	(2,899)	(12)	25	(854)	(3,740)
	Standalone AT&T Adjusted Other Income (Expense)	\$ 72	\$ (43)	\$ (146)	\$ (82)	\$ (199)	\$ 513	\$ 579	\$ 920	\$ 699	\$ 2,711

Income From Continuing Operations

3/31/2020 6/30/2020 9/30/2020 12/31/2020 2020 3/31/2021 6/30/2021 9/30/2021 12/31/2021 2021

	Revenues	\$ 35,357	\$ 34,526	\$ 35,407	\$ 37,759	\$143,049	\$ 35,878	\$ 35,740	\$ 31,325	\$ 31,095	\$134,038
	Operations and Support Expenses	22,369	23,311	23,734	42,741	112,155	24,217	23,738	20,633	21,702	90,290
	Depreciation and Amortization Expense	5,705	5,654	5,609	5,554	22,522	4,467	4,429	4,420	4,478	17,794
	Operating Income	7,283	5,561	6,064	(10,536)	8,372	7,194	7,573	6,272	4,915	25,954
	Other Income (Expense)	(1,192)	(865)	(2,160)	(4,523)	(8,740)	2,359	(735)	233	1,115	2,972
	Income (Loss) Before Income Taxes	6,091	4,696	3,904	(15,059)	(368)	9,553	6,838	6,505	6,030	28,926
	Income tax expense	1,280	1,026	741	(1,900)	1,147	2,028	1,047	1,335	906	5,316
	Income from Continuing Operations	4,811	3,670	3,163	(13,159)	(1,515)	7,525	5,791	5,170	5,124	23,610
	Less: Pro Forma adjustments to Operating Income	(584)	(388)	(445)	15,443	14,026	(1,470)	(1,786)	(621)	(7)	(3,884)
	Less: Pro forma adjustments Other Income (Expense)	976	848	789	579	3,192	1,053	1,326	662	438	3,479
[J]	Less: Estimated tax on pro forma adjustments	92	113	64	1,773	2,042	(62)	(101)	41	17	(106)
	Standalone AT&T Net Income	5,111	4,017	3,443	1,090	13,661	7,170	5,432	5,170	5,538	23,311
	Standalone AT&T Merger & Significant items	(341)	596	966	2,930	4,151	(2,251)	(72)	20	(802)	(3,105)
	Add: Adjustment of estimated interest expense impact of debt redemptions	—	—	—	—	—	(297)	(297)	(297)	(297)	(1,188)
[M]	Standalone AT&T Adjusted Net Income	4,770	4,613	4,409	4,020	17,812	4,622	5,063	4,893	4,439	19,018
	Less: Income from Continuing Operations attributable to Noncontrolling Interest	(353)	(282)	(352)	(368)	(1,355)	(392)	(304)	(355)	(347)	(1,398)
	Less: Preferred Stock Dividends	(32)	(52)	(54)	(55)	(193)	(50)	(56)	(50)	(51)	(207)
	Less: Merger & Significant items related to WarnerMedia and Vrio	—	(105)	—	—	(105)	—	(81)	—	—	(81)
	Adjusted Income from Continuing Operations Attributable to AT&T	\$ 4,385	\$ 4,174	\$ 4,003	\$ 3,597	\$ 16,159	\$ 4,180	\$ 4,622	\$ 4,488	\$ 4,041	\$ 17,332

**Earnings from continuing
operations per
share of common stock:¹**

	3/31/2020	6/30/2020	9/30/2020	12/31/2020	2020	3/31/2021	6/30/2021	9/30/2021	12/31/2021	2021
Basic	\$ 0.62	\$ 0.45	\$ 0.39	\$ (1.90)	\$ (0.44)	\$ 0.99	\$ 0.75	\$ 0.66	\$ 0.66	\$ 3.06
Diluted	\$ 0.61	\$ 0.45	\$ 0.38	\$ (1.89)	\$ (0.44)	\$ 0.99	\$ 0.74	\$ 0.66	\$ 0.66	\$ 3.05
Comparative Basis Adjusted Diluted	\$ 0.61	\$ 0.58	\$ 0.56	\$ 0.50	\$ 2.25	\$ 0.58	\$ 0.64	\$ 0.62	\$ 0.56	\$ 2.41

EBITDA²

	3/31/2020	6/30/2020	9/30/2020	12/31/2020	2020	3/31/2021	6/30/2021	9/30/2021	12/31/2021	2021
Reported AT&T Net Income	\$ 4,963	\$ 1,563	\$ 3,168	\$(13,515)	\$ (3,821)	\$ 7,942	\$ 1,874	\$ 6,273	\$ 5,390	\$21,479
Additions:										
Income Tax Expense (Benefit)	1,302	935	766	(2,038)	965	2,122	751	1,539	1,056	5,468
Interest Expense	2,018	2,041	1,972	1,894	7,925	1,870	1,684	1,667	1,663	6,884
Equity in Net Income (Loss) of Affiliates	6	10	(5)	(106)	(95)	(52)	(41)	(91)	(447)	(631)
Other (Income) Expense - net	(803)	(1,017)	231	3,020	1,431	(4,221)	(999)	(2,279)	(2,354)	(9,853)
Depreciation and amortization	7,222	7,285	7,030	6,979	28,516	5,809	5,761	5,619	5,673	22,862
EBITDA	14,708	10,817	13,162	(3,766)	34,921	13,470	9,030	12,728	10,981	46,209
[L] Adjustments	(476)	3,295	151	16,655	19,625	61	4,484	287	301	5,133
Adjusted EBITDA	14,232	14,112	13,313	12,889	54,546	13,531	13,514	13,015	11,282	51,342
Less: WarnerMedia	(2,160)	(2,072)	(1,912)	(2,719)	(8,863)	(2,123)	(1,857)	(2,171)	(1,744)	(7,895)
Less: Vrio	(104)	(91)	(78)	(81)	(354)	(82)	(89)	(96)	(38)	(305)
Add: Other items conveyed (retained)	(45)	(58)	(42)	(57)	(202)	(30)	(26)	(34)	(25)	(115)
Less: WarnerMedia Film amortization recharacterization and receivable securitization	(27)	(77)	(10)	(6)	(120)	18	17	(13)	4	26
Less: Other dispositions (Held-for-sale)	(97)	(101)	(110)	(66)	(374)	(37)	(43)	(17)	—	(97)
Less: Video	(1,387)	(1,212)	(1,127)	(710)	(4,436)	(1,065)	(1,364)	(418)	—	(2,847)
Less: Intercompany eliminations	374	256	370	565	1,565	349	372	99	—	820
Less: Reclassification of allocations for separated businesses	(76)	(86)	(76)	(84)	(322)	(15)	(19)	(16)	4	(46)
Add: Retained costs	(350)	(350)	(350)	(350)	(1,400)	(350)	(350)	(117)	—	(817)
Standalone AT&T Adjusted EBITDA³	\$10,360	\$10,321	\$9,978	\$ 9,381	\$40,040	\$10,196	\$10,155	\$10,232	\$ 9,483	\$40,066
<i>Adjusted EBITDA Growth Rate Y/Y</i>						(4.9)%	(4.2)%	(2.2)%	(12.5)%	(5.9)%
<i>Standalone AT&T Adjusted EBITDA Growth Rate Y/Y</i>						(1.6)%	(1.6)%	2.5%	1.1%	0.1%
<i>Standalone AT&T EBITDA Margin</i>	33.3%	34.5%	31.4%	28.2%	31.8%	30.8%	30.7%	32.6%	27.5%	30.4%
<i>Standalone AT&T Adjusted EBITDA Margin</i>	37.5%	38.0%	35.6%	30.8%	35.3%	35.2%	35.0%	35.1%	30.5%	33.9%

¹ Diluted EPS does not reflect the adoption of ASU 2020-06.

² EBITDA is operating income before depreciation and amortization. It excludes depreciation and amortization, interest expense, other income (expense) - net and income taxes from net income.

³ Standalone AT&T adjusted EBITDA and pro forma adjusted net income definitions have been updated to exclude mark-to-market adjustments on benefit-related investments in 2021. Benefit-related investment gains included in EBITDA were ~\$30M, \$70M, \$5M and \$20M in the first, second, third and fourth quarters of 2021. Total benefit-related gains (losses) in net income were ~\$90M, \$170M, \$0M and \$170M in first, second, third and fourth quarters of 2021.

NOTES

- [A]** WarnerMedia segment results as reported in AT&T's consolidated financial statements, including Otter, Xandr and Playdemic.
- [B]** Vrio business unit results within the Latin America segment as reported in AT&T's consolidated statements. AT&T retained the investment in Sky Mexico.
- [C]** Adjustments for impacts from receivable securitizations related to WarnerMedia and the recharacterization of programming intangible assets amortization for released programming acquired in the Time Warner acquisition, which we continued to report with the WarnerMedia segment operating expenses.
- [D]** Adjustments for AT&T's retention of the addressable TV advertising business, Invidi, and historically allocated general corporate overhead costs that do not meet the requirements for presentation in discontinued operations.
- [E]** Video business results as reported in AT&T's consolidated financial results; quarters ended 2021 include retained depreciation on assets supporting U-verse products.
- [F]** Other dispositions include the held-for-sale businesses, Crunchyroll, Government Solutions and operations in Puerto Rico that do not meet the requirements for presentation in discontinued operations.
- [G]** After the DIRECTV transaction, we expect to retain incurred operations and support costs in the range of ~\$500M per quarter and depreciation of network infrastructure that provides both U-verse video and broadband services to customers of ~\$150M per quarter, of which approximately 60% will be received from DIRECTV through transition service agreements and commercial arrangements. These estimated net retained costs have been applied to prior periods for comparability.
- [H]** Estimated equity in net income of affiliates from DIRECTV. Calculated at 70% of Video EBITDA, which excludes the noncash depreciation and amortization of fair value accretion expected to result from DIRECTV's revaluation of assets and purchase price allocation.
- [I]** Reflects the use of proceeds to pay down approximately \$39.0 billion of borrowings and the resulting reduction to interest expense. The estimated impact of interest expense reduction was determined using the weighted-average interest rate of AT&T's long-term debt portfolio, including credit agreement borrowings and the impact of derivatives, of 3.8%. As of the date of the filing to which these unaudited pro forma financial statements are attached, the Company has committed to approximately \$10.1 billion of term loan repayments with a weighted-average rate of 1.1% and make-whole or other redemptions totaling \$9.3 billion with a weighted-average rate of 3.5%. This adjustment is required for pro forma financial information prepared in accordance with Article 11 of Regulation S-X.
- [J]** Estimated tax impact of pro forma and other adjustments at AT&T's adjusted effective tax rate of 20.0% for the year ended December 31, 2021, and 19.6% for the year ended December 31, 2020.
- [K]** Under GAAP, AT&T removed transactions involving dealing between segments, including channel distribution of WarnerMedia content, and advertising arrangements.

[L] Non-GAAP Adjustments ¹ :	3/31/2020	6/30/2020	9/30/2020	12/31/2020	2020	3/31/2021	6/30/2021	9/30/2021	12/31/2021	2021
Intercompany Eliminations as reported by AT&T:										
DTC (HBO Max) sales to Mobility & Consumer Wireline	\$ —	\$ (61)	\$ (190)	\$ (217)	\$ (468)	\$ (235)	\$ (253)	\$ (261)	\$ (302)	\$ (1,051)
WarnerMedia video distribution sales to DIRECTV and Vrio	(794)	(704)	(600)	(544)	(2,642)	(585)	(570)	(226)	(31)	(1,412)
WarnerMedia sales of DIRECTV advertising inventory	(413)	(294)	(408)	(603)	(1,718)	(388)	(410)	(111)	—	(909)
Other	(89)	(66)	(90)	(107)	(352)	(82)	(78)	(47)	(50)	(257)
Revenue Eliminations	(1,296)	(1,125)	(1,288)	(1,471)	(5,180)	(1,290)	(1,311)	(645)	(383)	(3,629)
DTC (HBO Max) sales to Mobility & Consumer Wireline										
WarnerMedia video distribution sales to DIRECTV and Vrio	—	(61)	(190)	(217)	(468)	(235)	(253)	(261)	(302)	(1,051)
WarnerMedia sales of DIRECTV advertising inventory	(794)	(704)	(600)	(544)	(2,642)	(585)	(570)	(226)	(31)	(1,412)
Other	(39)	(38)	(38)	(38)	(153)	(39)	(38)	(12)	—	(89)
Other	(89)	(66)	(90)	(107)	(352)	(82)	(78)	(47)	(50)	(257)
Operations and Support Eliminations	(922)	(869)	(918)	(906)	(3,615)	(941)	(939)	(546)	(383)	(2,809)
Operating Income & EBITDA	\$ (374)	\$ (256)	\$ (370)	\$ (565)	\$ (1,565)	\$ (349)	\$ (372)	\$ (99)	\$ —	\$ (820)

[L] Non-GAAP Adjustments ¹ :	3/31/2020	6/30/2020	9/30/2020	12/31/2020	2020	3/31/2021	6/30/2021	9/30/2021	12/31/2021	2021
Merger costs	\$ 182	\$ 211	\$ 38	\$ 37	\$ 468	\$ 37	\$ —	\$ 130	\$ 132	\$ 299
Employee separation costs and benefit-related (gain) loss	119	765	40	253	1,177	57	—	—	—	57
Recast: (Gains) losses on benefit-related investments	—	—	—	—	—	(33)	(71)	(4)	(19)	(127)
Asset impairments and abandonments	123	2,319	73	16,365	18,880	—	4,555	161	188	4,904
Gain on spectrum transaction	(900)	—	—	—	(900)	—	—	—	—	—
Adjustments to Operations and Support Expenses/ EBITDA	(476)	3,295	151	16,655	19,625	61	4,484	287	301	5,133
Amortization of intangible assets	2,056	2,145	1,921	1,890	8,012	1,131	1,069	1,012	1,021	4,233
Impairments	—	—	—	14	14	—	—	—	—	—
Adjustments to Operating Income	1,580	5,440	2,072	18,559	27,651	1,192	5,553	1,299	1,322	9,366
Other income (expense) net ²	317	132	1,262	3,971	5,682	(2,903)	337	(682)	(491)	(3,739)
Recast: (Gains) losses on benefit-related and other cost investments	—	—	—	(17)	(17)	(60)	(214)	2	(154)	(426)
Tax impact of adjustments and discrete items	(394)	(749)	(648)	(3,227)	(5,018)	352	(1,018)	(195)	(224)	(1,085)
Noncontrolling interest	—	(105)	—	—	(105)	—	(81)	—	—	(81)
Adjustments to Net Income	\$ 1,503	\$ 4,718	\$ 2,686	\$ 19,286	\$ 28,193	\$ (1,419)	\$ 4,577	\$ 424	\$ 453	\$ 4,035

¹ As reported in AT&T's Form 8-K filed April 22, 2021, July 23, 2021, October 21, 2021 and January 26, 2022, recast for consistency to include gains on benefit-related and other cost investments as noted above. Adjusting items include items considered non-operational or non-recurring in nature, including dispositions and merger integration and transaction costs, actuarial gains and losses, significant abandonments and impairments, severance and other material gains and losses.

² Includes adjustments to equity in net income of affiliates, including adjustment for DIRECTV intangible amortization (proportionate share).

[M] Adjustment to reflect AT&T's first-quarter 2022 reclassification of certain administrative costs born by AT&T where the business units did not influence decision making. These costs are not expected to continue in standalone AT&T.

Comparative Basis Financial Information - Historical, Continuing Operations and Standalone AT&T by Segment

Supplemental Unaudited Quarterly Comparative Financial Information

Dollars in millions

Unaudited

	3/31/2020	6/30/2020	9/30/2020	12/31/2020	2020	3/31/2021	6/30/2021	9/30/2021	12/31/2021	2021
Operating Revenues										
Mobility	\$ 17,402	\$ 17,149	\$ 17,894	\$ 20,119	\$ 72,564	\$ 19,034	\$ 18,936	\$ 19,138	\$ 21,146	\$ 78,254
Business Wireline	6,266	6,305	6,261	6,251	25,083	6,046	6,052	5,938	5,901	23,937
Consumer Wireline	3,111	3,051	3,040	3,116	12,318	3,098	3,140	3,142	3,159	12,539
WarnerMedia	7,765	6,728	7,395	8,554	30,442	8,526	8,791	8,442	9,873	35,632
Mexico	703	480	643	736	2,562	631	688	724	704	2,747
Vrio	887	752	753	762	3,154	743	749	756	359	2,607
Segment Total	36,134	34,465	35,986	39,538	146,123	38,078	38,356	38,140	41,142	155,716
Corporate:										
Securitization	14	14	13	12	53	13	15	16	17	61
Securitization - Revolver (WarnerMedia)	14	23	21	22	80	31	35	41	29	136
Commercial agreements with DIRECTV	—	—	—	—	—	—	—	20	29	49
Parent	(43)	(9)	(4)	(6)	(62)	(12)	—	—	(6)	(18)
Value portfolio	180	192	178	172	722	163	153	137	130	583
Total Corporate	165	220	208	200	793	195	203	214	199	811
Video	7,407	7,021	7,014	7,168	28,610	6,725	6,639	2,149	—	15,513
Held-for-sale ²	369	369	420	256	1,414	231	158	64	—	453
Eliminations and consolidations	(1,296)	(1,125)	(1,288)	(1,471)	(5,180)	(1,290)	(1,311)	(645)	(383)	(3,629)
Historical Operating Revenues	42,779	40,950	42,340	45,691	171,760	43,939	44,045	39,922	40,958	168,864
<i>Adjustments for Discontinued Operations</i>										
[A] Less: WarnerMedia	(7,765)	(6,728)	(7,395)	(8,554)	(30,442)	(8,526)	(8,791)	(8,442)	(9,873)	(35,632)
[B] Less: Vrio	(887)	(752)	(753)	(762)	(3,154)	(743)	(749)	(756)	(359)	(2,607)
[C] Less: Securitization - Revolver (WarnerMedia)	(14)	(23)	(21)	(22)	(80)	(31)	(35)	(41)	(29)	(136)
[D] Add: Other items (conveyed) retained	12	9	13	18	52	11	16	14	15	56
[L] Eliminations and consolidations	1,232	1,070	1,223	1,388	4,913	1,228	1,254	628	383	3,493
Operating Revenues from Continuing Operations	35,357	34,526	35,407	37,759	143,049	35,878	35,740	31,325	31,095	134,038
<i>Adjustments for Other Separated Businesses</i>										
[E] Less: Video	(7,407)	(7,021)	(7,014)	(7,168)	(28,610)	(6,725)	(6,639)	(2,149)	—	(15,513)
[F] Less: Held-for-sale ²	(369)	(369)	(420)	(256)	(1,414)	(231)	(158)	(64)	—	(453)
[L] Less: Intercompany eliminations	64	55	65	83	267	62	57	17	—	136
Standalone AT&T Operating Revenues	\$ 27,645	\$ 27,191	\$ 28,038	\$ 30,418	\$ 113,292	\$ 28,984	\$ 29,000	\$ 29,129	\$ 31,095	\$ 118,208

Operations and Support Expenses		3/31/2020	6/30/2020	9/30/2020	12/31/2020	2020	3/31/2021	6/30/2021	9/30/2021	12/31/2021	2021
Mobility	\$	9,463	\$ 9,218	\$ 10,075	\$ 12,921	\$ 41,677	\$ 10,976	\$ 10,906	\$ 11,116	\$ 13,764	\$ 46,762
Business Wireline		3,823	3,653	3,699	3,893	15,068	3,688	3,690	3,632	3,708	14,718
Consumer Wireline		1,860	1,906	2,082	2,094	7,942	2,029	2,063	2,188	2,168	8,448
WarnerMedia		5,605	4,656	5,483	5,835	21,579	6,403	6,934	6,271	8,129	27,737
Mexico		714	538	662	722	2,636	620	667	697	668	2,652
Vrio		783	661	675	681	2,800	661	660	660	321	2,302
Segment Total		22,248	20,632	22,676	26,146	91,702	24,377	24,920	24,564	28,758	102,619
Corporate:											
DTV stranded costs		—	—	—	—	—	—	—	69	174	243
Parent		283	435	455	306	1,479	334	376	316	348	1,374
Securitization fees		42	20	3	7	72	40	12	1	36	89
Value portfolio		83	72	68	60	283	41	67	42	38	188
Total Corporate		408	527	526	373	1,834	415	455	428	596	1,894
Video		6,020	5,809	5,887	6,458	24,174	5,660	5,275	1,731	—	12,666
Held-for-sale ²		272	268	310	190	1,040	194	115	47	—	356
Film amortization recharacterization and receivable securitization - WarnerMedia ¹		(13)	(54)	11	16	(40)	49	52	28	33	162
Reclassification of allocation changes for separated businesses		(76)	(86)	(76)	(84)	(322)	(15)	(19)	(16)	4	(46)
Reclassification of prior service credits		610	611	611	610	2,442	669	672	670	669	2,680
Merger & Significant Items		(476)	3,295	151	16,654	19,624	61	4,484	288	300	5,133
Eliminations and consolidations		(922)	(869)	(918)	(906)	(3,615)	(941)	(939)	(546)	(383)	(2,809)
Historical Operations and Support Expenses		28,071	30,133	29,178	49,457	136,839	30,469	35,015	27,194	29,977	122,655
<i>Adjustments for Discontinued Operations</i>											
[A] Less: WarnerMedia		(5,605)	(4,656)	(5,483)	(5,835)	(21,579)	(6,403)	(6,934)	(6,271)	(8,129)	(27,737)
[B] Less: Vrio		(783)	(661)	(675)	(681)	(2,800)	(661)	(660)	(660)	(321)	(2,302)
[C] Add: Other items (conveyed) retained		57	67	55	75	254	41	42	48	40	171
Less: WarnerMedia Film amortization recharacterization and receivable securitization		13	54	(11)	(16)	40	(49)	(52)	(28)	(33)	(162)
[D] Less: Merger & Significant items related to WarnerMedia and Vrio		(242)	(2,440)	(183)	(1,082)	(3,947)	(59)	(4,555)	(179)	(215)	(5,008)
[L] Less: Intercompany eliminations		858	814	853	823	3,348	879	882	529	383	2,673
Operations and Support from Continuing Operations		22,369	23,311	23,734	42,741	112,155	24,217	23,738	20,633	21,702	90,290
<i>Adjustments for Other Separated Businesses</i>											
[E] Less: Video		(6,020)	(5,809)	(5,887)	(6,458)	(24,174)	(5,660)	(5,275)	(1,731)	—	(12,666)
[F] Less: Held-for-sale ²		(272)	(268)	(310)	(190)	(1,040)	(194)	(115)	(47)	—	(356)
Less: Merger & Significant items related to DTV and other dispositions		(32)	(98)	(24)	(15,529)	(15,683)	(13)	(22)	37	11	13
Less: Intercompany eliminations		64	55	65	83	267	62	57	17	—	136
[M] Less: Reclassification of allocations for separated businesses		76	86	76	84	322	15	19	16	(4)	46
[L] Add: Estimated comparative adjustment for DTV retained costs		350	350	350	350	1,400	350	350	117	—	817
Standalone AT&T Operations and Support Expenses		16,535	17,627	18,004	21,081	73,247	18,777	18,752	19,042	21,709	78,280
Standalone AT&T Merger & Significant items		750	(757)	56	(44)	5	11	93	(145)	(97)	(138)
Standalone AT&T Adjusted Operations and Support Expenses		\$ 17,285	\$ 16,870	\$ 18,060	\$ 21,037	\$ 73,252	\$ 18,788	\$ 18,845	\$ 18,897	\$ 21,612	\$ 78,142

¹ Includes the recharacterization of programming intangible assets amortization for released programming acquired in the Time Warner acquisition, which we continued to report with WarnerMedia segment operating expenses.

Depreciation and Amortization Expense

	3/31/2020	6/30/2020	9/30/2020	12/31/2020	2020	3/31/2021	6/30/2021	9/30/2021	12/31/2021	2021
Mobility	\$ 2,045	\$ 2,012	\$ 2,021	\$ 2,008	\$ 8,086	\$ 2,014	\$ 2,023	\$ 2,035	\$ 2,050	\$ 8,122
Business Wireline	1,286	1,301	1,313	1,316	5,216	1,278	1,293	1,304	1,317	5,192
Consumer Wireline	712	730	734	738	2,914	762	769	775	789	3,095
WarnerMedia	161	164	169	177	671	163	165	163	165	656
Mexico	134	115	124	140	513	145	150	157	153	605
Vrio	147	127	126	120	520	117	114	—	—	231
Segment Total	4,485	4,449	4,487	4,499	17,920	4,479	4,514	4,434	4,474	17,901
Corporate:										
DTV stranded costs	—	—	—	—	—	—	—	92	144	236
Value Portfolio	17	18	14	15	64	15	14	19	15	63
Total Corporate	17	18	14	15	64	15	14	111	159	299
Video	591	593	557	521	2,262	164	148	44	—	356
Held-for-sale ²	4	4	4	3	15	—	—	—	—	—
Film amortization recharacterization and receivable securitization - WarnerMedia ¹	69	77	47	38	231	20	16	18	19	73
Merger & Significant Items	2,056	2,145	1,921	1,904	8,026	1,131	1,069	1,012	1,021	4,233
Eliminations and consolidations	—	(1)	—	(1)	(2)	—	—	—	—	—
Historical Depreciation and Amortization Expense	7,222	7,285	7,030	6,979	28,516	5,809	5,761	5,619	5,673	22,862
<i>Adjustments for Discontinued Operations</i>										
[A] Less: WarnerMedia	(161)	(164)	(169)	(177)	(671)	(163)	(165)	(163)	(165)	(656)
[B] Less: Vrio	(147)	(127)	(126)	(120)	(520)	(117)	(114)	—	—	(231)
[D] Add: Other items (conveyed) retained	3	3	3	3	12	3	3	3	3	12
[C] Less: WarnerMedia Film amortization recharacterization and receivable securitization	(69)	(77)	(47)	(38)	(231)	(20)	(16)	(18)	(19)	(73)
[L] Less: Merger & Significant items related to WarnerMedia and Vrio	(1,143)	(1,267)	(1,082)	(1,093)	(4,585)	(1,045)	(1,040)	(1,021)	(1,014)	(4,120)
[K] Less: Intercompany eliminations	—	1	—	—	1	—	—	—	—	—
Depreciation and Amortization from Continuing Operations	5,705	5,654	5,609	5,554	22,522	4,467	4,429	4,420	4,478	17,794
<i>Adjustments for Other Separated Businesses</i>										
[E] Less: Video	(591)	(593)	(557)	(521)	(2,262)	(164)	(148)	(44)	—	(356)
[F] Less: Held-for-sale ²	(4)	(4)	(4)	(3)	(15)	—	—	—	—	—
[L] Less: Merger & Significant items related to DTV and other dispositions	(879)	(846)	(813)	(780)	(3,318)	—	—	—	—	—
[G] Add: Estimated comparative adjustment for DTV retained costs	180	180	180	180	720	180	180	60	—	420
Standalone AT&T Depreciation and Amortization Expense	4,411	4,391	4,415	4,430	17,647	4,483	4,461	4,436	4,478	17,858
[L] Standalone AT&T Merger & Significant items	(34)	(32)	(26)	(31)	(123)	(86)	(29)	9	(7)	(113)
Standalone AT&T Adjusted Depreciation and Amortization Expense	\$ 4,377	\$ 4,359	\$ 4,389	\$ 4,399	\$ 17,524	\$ 4,397	\$ 4,432	\$ 4,445	\$ 4,471	\$ 17,745

¹ Includes the recharacterization of programming intangible assets amortization for released programming acquired in the Time Warner acquisition, which we continued to report with WarnerMedia segment operating expenses.

Operating Income	3/31/2020	6/30/2020	9/30/2020	12/31/2020	2020	3/31/2021	6/30/2021	9/30/2021	12/31/2021	2021
Mobility	\$ 5,894	\$ 5,919	\$ 5,798	\$ 5,190	\$ 22,801	\$ 6,044	\$ 6,007	\$ 5,987	\$ 5,332	\$ 23,370
Business Wireline	1,157	1,351	1,249	1,042	4,799	1,080	1,069	1,002	876	4,027
Consumer Wireline	539	415	224	284	1,462	307	308	179	202	996
WarnerMedia	1,999	1,908	1,743	2,542	8,192	1,960	1,692	2,008	1,579	7,239
Mexico	(145)	(173)	(143)	(126)	(587)	(134)	(129)	(130)	(117)	(510)
Vrio	(43)	(36)	(48)	(39)	(166)	(35)	(25)	96	38	74
Segment Total	9,401	9,384	8,823	8,893	36,501	9,222	8,922	9,142	7,910	35,196
Corporate:										
DTV stranded costs	—	—	—	—	—	—	—	(141)	(289)	(430)
Parent administration support	(326)	(444)	(459)	(312)	(1,541)	(346)	(376)	(316)	(354)	(1,392)
Securitization fees	(28)	(6)	10	5	(19)	(27)	3	15	(19)	(28)
Value portfolio	80	102	96	97	375	107	72	76	77	332
Total Corporate	(274)	(348)	(353)	(210)	(1,185)	(266)	(301)	(366)	(585)	(1,518)
Video	796	619	570	189	2,174	901	1,216	374	—	2,491
Held-for-sale	93	97	106	63	359	37	43	17	—	97
Film amortization recharacterization and receivable securitization - WarnerMedia ¹	(42)	—	(37)	(32)	(111)	(38)	(33)	(5)	(23)	(99)
Reclassification of allocation changes for separated businesses	76	86	76	84	322	15	19	16	(4)	46
Reclassification of prior service credits	(610)	(611)	(611)	(610)	(2,442)	(669)	(672)	(670)	(669)	(2,680)
Merger & Significant Items	(1,580)	(5,440)	(2,072)	(18,558)	(27,650)	(1,192)	(5,553)	(1,300)	(1,321)	(9,366)
Eliminations and consolidations	(374)	(255)	(370)	(564)	(1,563)	(349)	(372)	(99)	—	(820)
Historical Operating Income	7,486	3,532	6,132	(10,745)	6,405	7,661	3,269	7,109	5,308	23,347
<i>Adjustments for Discontinued Operations</i>										
Less: WarnerMedia	(1,999)	(1,908)	(1,743)	(2,542)	(8,192)	(1,960)	(1,692)	(2,008)	(1,579)	(7,239)
Less: Vrio	43	36	48	39	166	35	25	(96)	(38)	(74)
Add: Other items conveyed (retained)	(48)	(61)	(45)	(60)	(214)	(33)	(29)	(37)	(28)	(127)
Less: WarnerMedia Film amortization recharacterization and receivable securitization	42	—	37	32	111	38	33	5	23	99
Less: Merger & Significant items related to WarnerMedia and Vrio	1,385	3,707	1,265	2,175	8,532	1,104	5,595	1,200	1,229	9,128
Less: Intercompany eliminations	374	255	370	565	1,564	349	372	99	—	820
Operating Income from Continuing Operations	7,283	5,561	6,064	(10,536)	8,372	7,194	7,573	6,272	4,915	25,954
<i>Adjustments for Other Separated Businesses</i>										
Less: Video	(796)	(619)	(570)	(189)	(2,174)	(901)	(1,216)	(374)	—	(2,491)
Less: Held-for-sale	(93)	(97)	(106)	(63)	(359)	(37)	(43)	(17)	—	(97)
Less: Merger & Significant items related to DTV and other dispositions	911	944	837	16,309	19,001	13	22	(37)	(11)	(13)
Less: Intercompany eliminations	—	—	—	—	—	—	—	—	—	—
Less: Reclassification of allocations for separated businesses	(76)	(86)	(76)	(84)	(322)	(15)	(19)	(16)	4	(46)
Add: Estimated comparative adjustment for DTV retained costs	(530)	(530)	(530)	(530)	(2,120)	(530)	(530)	(177)	—	(1,237)
Standalone AT&T Operating Income	6,699	5,173	5,619	4,907	22,398	5,724	5,787	5,651	4,908	22,070
Standalone AT&T Merger & Significant items	(716)	789	(30)	77	120	75	(64)	136	104	251
Standalone AT&T Adjusted Operating Income	\$ 5,983	\$ 5,962	\$ 5,589	\$ 4,984	\$ 22,518	\$ 5,799	\$ 5,723	\$ 5,787	\$ 5,012	\$ 22,321

EBITDA ¹	3/31/2020	6/30/2020	9/30/2020	12/31/2020	2020	3/31/2021	6/30/2021	9/30/2021	12/31/2021	2021
Mobility	\$ 7,939	\$ 7,931	\$ 7,819	\$ 7,198	\$ 30,887	\$ 8,058	\$ 8,030	\$ 8,022	\$ 7,382	\$ 31,492
Business Wireline	2,443	2,652	2,562	2,358	10,015	2,358	2,362	2,306	2,193	9,219
Consumer Wireline	1,251	1,145	958	1,022	4,376	1,069	1,077	954	991	4,091
WarnerMedia	2,160	2,072	1,912	2,719	8,863	2,123	1,857	2,171	1,744	7,895
Mexico	(11)	(58)	(19)	14	(74)	11	21	27	36	95
Vrio	104	91	78	81	354	82	89	96	38	305
Segment Total	13,886	13,833	13,310	13,392	54,421	13,701	13,436	13,576	12,384	53,097
Corporate:										
DTV stranded costs	—	—	—	—	—	—	—	(49)	(145)	(194)
Parent administration support	(326)	(444)	(459)	(312)	(1,541)	(346)	(376)	(316)	(354)	(1,392)
Securitization fees	(28)	(6)	10	5	(19)	(27)	3	15	(19)	(28)
Value portfolio	97	120	110	112	439	122	86	95	92	395
Total Corporate	(257)	(330)	(339)	(195)	(1,121)	(251)	(287)	(255)	(426)	(1,219)
Video	1,387	1,212	1,127	710	4,436	1,065	1,364	418	—	2,847
Held-for-sale ²	97	101	110	66	374	37	43	17	—	97
Film amortization recharacterization and receivable securitization - WarnerMedia ¹	27	77	10	6	120	(18)	(17)	13	(4)	(26)
Reclassification of allocation changes for separated businesses	76	86	76	84	322	15	19	16	(4)	46
Reclassification of prior service credits	(610)	(611)	(611)	(610)	(2,442)	(669)	(672)	(670)	(669)	(2,680)
Merger & Significant Items	476	(3,295)	(151)	(16,654)	(19,624)	(61)	(4,484)	(288)	(300)	(5,133)
Eliminations and consolidations	(374)	(256)	(370)	(565)	(1,565)	(349)	(372)	(99)	—	(820)
Historical EBITDA	14,708	10,817	13,162	(3,766)	34,921	13,470	9,030	12,728	10,981	46,209
<i>Adjustments for Discontinued Operations</i>										
Less: WarnerMedia	(2,160)	(2,072)	(1,912)	(2,719)	(8,863)	(2,123)	(1,857)	(2,171)	(1,744)	(7,895)
Less: Vrio	(104)	(91)	(78)	(81)	(354)	(82)	(89)	(96)	(38)	(305)
Add: Other items conveyed (retained)	(45)	(58)	(42)	(57)	(202)	(30)	(26)	(34)	(25)	(115)
Less: WarnerMedia Film amortization recharacterization and receivable securitization	(27)	(77)	(10)	(6)	(120)	18	17	(13)	4	26
Less: Merger & Significant items related to WarnerMedia and Vrio	242	2,440	183	1,082	3,947	59	4,555	179	215	5,008
Less: Intercompany eliminations	374	256	370	565	1,565	349	372	99	—	820
EBITDA from Continuing Operations	12,988	11,215	11,673	(4,982)	30,894	11,661	12,002	10,692	9,393	43,748
<i>Adjustments for Other Separated Businesses</i>										
Less: Video	(1,387)	(1,212)	(1,127)	(710)	(4,436)	(1,065)	(1,364)	(418)	—	(2,847)
Less: Held-for-sale ²	(97)	(101)	(110)	(66)	(374)	(37)	(43)	(17)	—	(97)
Less: Merger & Significant items related to DTV and other dispositions	32	98	24	15,529	15,683	13	22	(37)	(11)	(13)
Less: Intercompany eliminations	—	—	—	—	—	—	—	—	—	—
Less: Reclassification of allocations for separated businesses	(76)	(86)	(76)	(84)	(322)	(15)	(19)	(16)	4	(46)
Add: Estimated comparative adjustment for DTV retained costs	(350)	(350)	(350)	(350)	(1,400)	(350)	(350)	(117)	—	(817)
Standalone AT&T EBITDA	11,110	9,564	10,034	9,337	40,045	10,207	10,248	10,087	9,386	39,928
Standalone AT&T Merger & Significant items	(750)	757	(56)	44	(5)	(11)	(93)	145	97	138
Standalone AT&T Adjusted EBITDA	\$ 10,360	\$ 10,321	\$ 9,978	\$ 9,381	\$ 40,040	\$ 10,196	\$ 10,155	\$ 10,232	\$ 9,483	\$ 40,066

¹ EBITDA is operating income before depreciation and amortization. It excludes depreciation and amortization, interest expense, other income (expense) - net and income taxes from net income.

² Crunchyroll anime business (sold third-quarter 2021), Government Solutions (sold first-quarter 2021) and wireless and wireline operations in Puerto Rico and the U.S. Virgin Islands (sold fourth-quarter 2020).

[M]

Comparative Basis Financial Information - Standalone AT&T by Segment

Supplemental Unaudited Quarterly Comparative Financial Information

Dollars in millions

Unaudited

Operating Revenues	3/31/2020	6/30/2020	9/30/2020	12/31/2020	2020	3/31/2021	6/30/2021	9/30/2021	12/31/2021	2021
Mobility	\$ 17,402	\$ 17,149	\$ 17,894	\$ 20,119	\$ 72,564	\$ 19,034	\$ 18,936	\$ 19,138	\$ 21,146	\$ 78,254
Business Wireline	6,266	6,305	6,261	6,251	25,083	6,046	6,052	5,938	5,901	23,937
Consumer Wireline	3,111	3,051	3,040	3,116	12,318	3,098	3,140	3,142	3,159	12,539
Mexico	703	480	643	736	2,562	631	688	724	704	2,747
Segment Total	27,482	26,985	27,838	30,222	112,527	28,809	28,816	28,942	30,910	117,477
Corporate:										
Securitization - Installment	14	14	13	12	53	13	15	16	17	61
Commercial agreements with DIRECTV	—	—	—	—	—	—	—	20	29	49
Parent retained	(43)	(9)	(4)	(6)	(62)	(12)	—	—	(6)	(18)
Value portfolio (including Invidi)	192	201	191	190	774	174	169	151	145	639
Total Corporate	163	206	200	196	765	175	184	187	185	731
Standalone AT&T Operating Revenues	\$ 27,645	\$ 27,191	\$ 28,038	\$ 30,418	\$ 113,292	\$ 28,984	\$ 29,000	\$ 29,129	\$ 31,095	\$ 118,208

Operations and Support Expenses	3/31/2020	6/30/2020	9/30/2020	12/31/2020	2020	3/31/2021	6/30/2021	9/30/2021	12/31/2021	2021
Mobility	\$ 9,463	\$ 9,218	\$ 10,075	\$ 12,921	\$ 41,677	\$ 10,976	\$ 10,906	\$ 11,116	\$ 13,764	\$ 46,762
Business Wireline	3,823	3,653	3,699	3,893	15,068	3,688	3,690	3,632	3,708	14,718
Consumer Wireline	1,860	1,906	2,082	2,094	7,942	2,029	2,063	2,188	2,168	8,448
Mexico	714	538	662	722	2,636	620	667	697	668	2,652
Segment Total	15,860	15,315	16,518	19,630	67,323	17,313	17,326	17,633	20,308	72,580
Corporate:										
DTV stranded costs	—	—	—	—	—	—	—	69	174	243
Estimated comparative adjustment for DTV retained cost	350	350	350	350	1,400	350	350	117	—	817
Parent administration support	327	489	497	368	1,681	364	406	352	376	1,498
Securitization fees	42	20	3	7	72	40	12	1	36	89
Value portfolio (including Invidi)	96	85	81	72	334	52	79	54	50	235
Total Corporate	815	944	931	797	3,487	806	847	593	636	2,882
Reclassification of prior service credits	610	611	611	610	2,442	669	672	670	669	2,680
Merger & Significant Items	(750)	757	(56)	44	(5)	(11)	(93)	146	96	138
Standalone AT&T Operations and Support Expenses	16,535	17,627	18,004	21,081	73,247	18,777	18,752	19,042	21,709	78,280
Standalone AT&T Merger & Significant items	750	(757)	56	(44)	5	11	93	(145)	(97)	(138)
Standalone AT&T Adjusted Operations and Support Expenses	\$ 17,285	\$ 16,870	\$ 18,060	\$ 21,037	\$ 73,252	\$ 18,788	\$ 18,845	\$ 18,897	\$ 21,612	\$ 78,142

Depreciation and Amortization Expense

	3/31/2020	6/30/2020	9/30/2020	12/31/2020	2020	3/31/2021	6/30/2021	9/30/2021	12/31/2021	2021
Mobility	\$ 2,045	\$ 2,012	\$ 2,021	\$ 2,008	\$ 8,086	\$ 2,014	\$ 2,023	\$ 2,035	\$ 2,050	\$ 8,122
Business Wireline	1,286	1,301	1,313	1,316	5,216	1,278	1,293	1,304	1,317	5,192
Consumer Wireline	712	730	734	738	2,914	762	769	775	789	3,095
Mexico	134	115	124	140	513	145	150	157	153	605
Segment Total	4,177	4,158	4,192	4,202	16,729	4,199	4,235	4,271	4,309	17,014
Corporate:										
DTV stranded costs	—	—	—	—	—	—	—	92	144	236
Estimated comparative adjustment for DTV retained cost	180	180	180	180	720	180	180	60	—	420
Value Portfolio	20	21	17	18	76	18	17	22	18	75
Total Corporate	200	201	197	198	796	198	197	174	162	731
Merger & Significant Items	34	32	26	30	122	86	29	(9)	7	113
Standalone AT&T Depreciation and Amortization Expense	4,411	4,391	4,415	4,430	17,647	4,483	4,461	4,436	4,478	17,858
Standalone AT&T Merger & Significant items	(34)	(32)	(26)	(31)	(123)	(86)	(29)	9	(7)	(113)
Standalone AT&T Adjusted Depreciation and Amortization Expense	\$ 4,377	\$ 4,359	\$ 4,389	\$ 4,399	\$ 17,524	\$ 4,397	\$ 4,432	\$ 4,445	\$ 4,471	\$ 17,745

Operating Income	3/31/2020	6/30/2020	9/30/2020	12/31/2020	2020	3/31/2021	6/30/2021	9/30/2021	12/31/2021	2021
Mobility	\$ 5,894	\$ 5,919	\$ 5,798	\$ 5,190	\$ 22,801	\$ 6,044	\$ 6,007	\$ 5,987	\$ 5,332	\$ 23,370
Business Wireline	1,157	1,351	1,249	1,042	4,799	1,080	1,069	1,002	876	4,027
Consumer Wireline	539	415	224	284	1,462	307	308	179	202	996
Mexico	(145)	(173)	(143)	(126)	(587)	(134)	(129)	(130)	(117)	(510)
Segment Total	7,445	7,512	7,128	6,390	28,475	7,297	7,255	7,038	6,293	27,883
Corporate										
DTV stranded costs	—	—	—	—	—	—	—	(141)	(289)	(430)
Estimated comparative adjustment for DTV retained cost	(530)	(530)	(530)	(530)	(2,120)	(530)	(530)	(177)	—	(1,237)
Parent administration support	(370)	(498)	(501)	(374)	(1,743)	(376)	(406)	(352)	(382)	(1,516)
Securitization fees	(28)	(6)	10	5	(19)	(27)	3	15	(19)	(28)
Value portfolio (including Invidi)	76	95	93	100	364	104	73	75	77	329
Total Corporate	(852)	(939)	(928)	(799)	(3,518)	(829)	(860)	(580)	(613)	(2,882)
Reclassification of prior service credits	(610)	(611)	(611)	(610)	(2,442)	(669)	(672)	(670)	(669)	(2,680)
Merger & Significant Items	716	(789)	30	(74)	(117)	(75)	64	(137)	(103)	(251)
Standalone AT&T Operating Income	6,699	5,173	5,619	4,907	22,398	5,724	5,787	5,651	4,908	22,070
Standalone AT&T Merger & Significant items	(716)	789	(30)	77	120	75	(64)	136	104	251
Standalone AT&T Adjusted Operating Income	\$ 5,983	\$ 5,962	\$ 5,589	\$ 4,984	\$ 22,518	\$ 5,799	\$ 5,723	\$ 5,787	\$ 5,012	\$ 22,321

EBITDA¹	3/31/2020	6/30/2020	9/30/2020	12/31/2020	2020	3/31/2021	6/30/2021	9/30/2021	12/31/2021	2021
Mobility	\$ 7,939	\$ 7,931	\$ 7,819	\$ 7,198	\$ 30,887	\$ 8,058	\$ 8,030	\$ 8,022	\$ 7,382	\$ 31,492
Business Wireline	2,443	2,652	2,562	2,358	10,015	2,358	2,362	2,306	2,193	9,219
Consumer Wireline	1,251	1,145	958	1,022	4,376	1,069	1,077	954	991	4,091
Mexico	(11)	(58)	(19)	14	(74)	11	21	27	36	95
Segment Total	11,622	11,670	11,320	10,592	45,204	11,496	11,490	11,309	10,602	44,897
Corporate										
DTV stranded costs	—	—	—	—	—	—	—	(49)	(145)	(194)
Estimated comparative adjustment for DTV retained cost	(350)	(350)	(350)	(350)	(1,400)	(350)	(350)	(117)	—	(817)
Parent administration support	(370)	(498)	(501)	(374)	(1,743)	(376)	(406)	(352)	(382)	(1,516)
Securitization fees	(28)	(6)	10	5	(19)	(27)	3	15	(19)	(28)
Value portfolio (including Invidi)	96	116	110	118	440	122	90	97	95	404
Total Corporate	(652)	(738)	(731)	(601)	(2,722)	(631)	(663)	(406)	(451)	(2,151)
Reclassification of prior service credits	(610)	(611)	(611)	(610)	(2,442)	(669)	(672)	(670)	(669)	(2,680)
Merger & Significant Items	750	(757)	56	(44)	5	11	93	(146)	(96)	(138)
Standalone AT&T EBITDA	11,110	9,564	10,034	9,337	40,045	10,207	10,248	10,087	9,386	39,928
Standalone AT&T Merger & Significant items	(750)	757	(56)	44	(5)	(11)	(93)	145	97	138
Standalone AT&T Adjusted EBITDA	\$ 10,360	\$ 10,321	\$ 9,978	\$ 9,381	\$ 40,040	\$ 10,196	\$ 10,155	\$ 10,232	\$ 9,483	\$ 40,066

¹ EBITDA is operating income before depreciation and amortization. It excludes depreciation and amortization, interest expense, other income (expense) - net and income taxes from net income.