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) January 27, 2025

AT&T INC.
(Exact Name of Registrant as Specified in Charter)

Delaware	001-08610	43-1301883
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification No.)

208 S. Akard St., Dallas, Texas	75202
(Address of Principal Executive Offices)	(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
Depositary Shares, each representing a 1/1000th interest in a share of 5.000% Perpetual Preferred Stock, Series A	T PRA	New York Stock Exchange
Depositary 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. Floating Rate Global Notes due March 6, 2025	T 25A	New York Stock Exchange
AT&T Inc. 3.550% Global Notes due November 18, 2025	T 25B	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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
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. 3.950% Global Notes due April 30, 2031	T 31F	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. 4.300% Global Notes due November 18, 2034	T 34C	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 2.02 Results of Operations and Financial Condition.

The registrant announced on January 27, 2025, its results of operations for the fourth quarter of 2024. The text of the press release and accompanying financial information are attached as exhibits and incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

The following exhibits are furnished as part of this report:

(d) Exhibits

99.1	Press release dated January 27, 2025 reporting financial results for the fourth quarter ended December 31, 2024.
99.2	AT&T Inc. selected financial statements and operating data.
99.3	Discussion and reconciliation of non-GAAP measures.
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: January 27, 2025

By: /s/ Sabrina Sanders
Sabrina Sanders
Senior Vice President - Chief Accounting Officer and Controller

AT&T

4Q2024 EARNINGS

AT&T Finishes 2024 Strong, Delivering Growth in 5G and Fiber Subscribers, Service Revenues, Cash from Operations and Free Cash Flow

Company meets all 2024 consolidated financial guidance and reiterates full-year 2025 and long-term financial and operational guidance

Continued customer-centric and investment-led approach bolsters customer additions, increases convergence penetration and drives expected full-year industry-leading postpaid phone churn

DALLAS, January 27, 2025 — AT&T Inc. (NYSE: T) reported strong fourth-quarter and full-year results that showcased solid momentum in gaining and retaining profitable 5G and fiber subscribers. The Company met all 2024 consolidated financial guidance and reiterates all financial and operational guidance for 2025 and beyond that was shared at its recent Analyst & Investor Day.

“The strong results this quarter are the result of a four-plus-year period of hard work and consistent execution by our teams, which has positioned us well for a new era of growth,” said **John Stankey, AT&T CEO**. “We ended 2024 with strong momentum. Customers and shareholders can look forward to receiving even more value in 2025 as we expand the country's largest fiber network, modernize our wireless network, grow our business and begin share repurchases in the second half of the year.”

Fourth-Quarter Consolidated Results

- **Revenues** of **$32.3 billion**
- **Diluted EPS** of **$0.56**; **adjusted EPS*** of **$0.54**
- **Operating income** of **$5.3 billion**; **adjusted operating income*** of **$5.4 billion**
- **Net income** of **$4.4 billion**; **adjusted EBITDA*** of **$10.8 billion**
- **Cash from operating activities** of **$11.9 billion**, up $0.5 billion year over year
- **Capital expenditures** of **$6.8 billion**; **capital investment*** of **$7.1 billion**
- **Free cash flow*** of **$4.8 billion**, down $1.5 billion year over year as the Company continued to drive a more ratable quarterly free cash flow cadence

Fourth-Quarter Highlights

- **482,000 postpaid phone net adds** with an expected industry-leading **postpaid phone churn** of **0.85%**
- **Mobility service revenues** of **$16.6 billion**, up 3.3% year over year
- **307,000 AT&T Fiber net adds**; 200,000, or more, net adds for 20 consecutive quarters
- **Consumer broadband revenues** of **$2.9 billion**, up 7.8% year over year

* Further clarification and explanation of non-GAAP measures and reconciliations to their most comparable GAAP measures can be found in the “Non-GAAP Measures and Reconciliations to GAAP Measures” section of the release and at https://investors.att.com.

AT&T 4Q2024 EARNINGS

Full-Year Consolidated Results

- **Revenues** of **$122.3 billion**
- **Diluted EPS** of **$1.49**; **adjusted EPS*** of **$2.26**
- **Operating income** of **$19.0 billion**; **adjusted operating income*** of **$24.2 billion**
- **Net income** of **$12.3 billion**; **adjusted EBITDA*** of **$44.8 billion**
- **Cash from operating activities** of **$38.8 billion,** up $0.5 billion year over year
- **Capital expenditures** of **$20.3 billion**; **capital investment*** of **$22.1 billion**
- **Free cash flow*** of **$17.6 billion**, up $0.9 billion year over year

Full-Year Highlights

- **1.7 million postpaid phone net adds** with an expected industry-leading **postpaid phone churn** of **0.76%**
- **Mobility service revenues** of **$65.4 billion**, up 3.5% year over year
- **1.0 million AT&T Fiber net adds**; 1 million, or more, net adds for seven consecutive years
- **Consumer broadband revenues** of **$11.2 billion**, up 7.2% year over year
- **28.9 million** consumer and business locations passed with fiber

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AT&T

4Q2024 EARNINGS

2025 Outlook

For the full year, AT&T expects:

- Consolidated service revenue growth in the low-single-digit range.
  - Mobility service revenue growth in the higher end of the 2% to 3% range.
  - Consumer fiber broadband revenue growth in the mid-teens.
- Adjusted EBITDA* growth of 3% or better.
  - Mobility EBITDA* growth in the higher end of the 3% to 4% range.
  - Business Wireline EBITDA* to decline in the mid-teens range.
  - Consumer Wireline EBITDA* growth in the high-single to low-double-digit range.
- Capital investment* in the $22 billion range.
- Free cash flow*, excluding DIRECTV, of $16 billion+.
- Adjusted EPS*, excluding DIRECTV, of $1.97 to $2.07.

The Company also expects to achieve net-debt-to-adjusted EBITDA* in the 2.5x range in the first half of 2025. Additionally, the Company continues to expect the sale of its entire 70% stake in DIRECTV to TPG to close in mid-2025.

Note: AT&T's fourth-quarter earnings conference call will be webcast at 8:30 a.m. ET on Monday, January 27, 2025. The webcast and related materials, including financial highlights, will be available at https://investors.att.com.

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4Q2024 EARNINGS

Consolidated Financial Results

- **Revenues** for the fourth quarter totaled $32.3 billion versus $32.0 billion in the year-ago quarter, up 0.9%. This was due to higher Mobility service and equipment revenues and Consumer Wireline revenues, partially offset by declines in Business Wireline and Mexico.
- **Operating expenses** were $27.0 billion versus $26.8 billion in the year-ago quarter. Operating expenses increased primarily due to higher depreciation from accelerated depreciation on wireless network equipment associated with our Open RAN network modernization efforts, as well as our continued fiber investment and network upgrades. Additionally, equipment costs increased year over year in line with higher Mobility equipment revenues and these increases were partially offset by a prior-year charge, that did not recur, for the abandonment of non-deployed wireless equipment in connection with our network modernization efforts, and benefits from continued transformation.
- **Operating income** was $5.3 billion, consistent with the year-ago quarter. When adjusting for certain items, adjusted operating income* was $5.4 billion versus $5.8 billion in the year-ago quarter.
- **Equity in net income of affiliates** was $1.1 billion, primarily from the DIRECTV investment, versus $0.3 billion in the year-ago quarter, reflecting cash distributions received by AT&T in excess of AT&T's share of DIRECTV's earnings.
- **Net income** was $4.4 billion versus $2.6 billion in the year-ago quarter.
- **Net income (loss) attributable to common stock** was $4.0 billion versus $2.1 billion in the year-ago quarter. Earnings per diluted common share was $0.56 versus $0.30 in the year-ago quarter. Adjusting for ($0.02) which includes a benefit from tax items offset by an actuarial loss on benefit plans and other items, adjusted earnings per diluted common share* was $0.54, consistent with the year-ago quarter.
- **Adjusted EBITDA*** was $10.8 billion versus $10.6 billion in the year-ago quarter.
- **Cash from operating activities** was $11.9 billion, up $0.5 billion year over year, reflecting higher cash distributions from DIRECTV classified as operating, working capital timing, including lower device payments, and operational improvements, partially offset by higher cash tax payments.
- **Capital expenditures** were $6.8 billion versus $4.6 billion in the year-ago quarter. **Capital investment*** totaled $7.1 billion versus $5.6 billion in the year-ago quarter. Cash payments for vendor financing totaled $0.2 billion versus $1.0 billion in the year-ago quarter.
- **Free cash flow*** was $4.8 billion versus $6.4 billion in the year-ago quarter as the Company continued to drive a more ratable quarterly free cash flow cadence.

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4Q2024 EARNINGS

Full-Year Financial Results

- **Revenues** for the full year totaled $122.3 billion versus $122.4 billion in 2023, down 0.1%, primarily driven by lower revenues from Business Wireline service revenue and Mobility equipment revenue, offset by higher Mobility service and Consumer Wireline, and Mexico revenues.
- **Operating expenses** for the full year were $103.3 billion versus $99.0 billion in 2023, primarily due to a $4.4 billion non-cash goodwill impairment in the third quarter. Additionally, the annual increase was driven by our Open RAN network modernization efforts, including accelerated depreciation on wireless network equipment and restructuring costs, and higher depreciation from continued fiber investment and network upgrades, partially offset by lower Mobility equipment costs from lower sales volumes and benefits from continued transformation efforts, including lower personnel.
- **Operating income** for the full year was $19.0 billion versus $23.5 billion in 2023. When adjusting for certain items, adjusted operating income* was $24.2 billion versus $24.7 billion a year ago.
- **Equity in net income of affiliates** for the full year was $2.0 billion, primarily from the DIRECTV investment. With adjustment for our proportionate share of intangible amortization, adjusted equity in net income from the DIRECTV investment* for full-year 2024 was $2.8 billion.
- **Net income** for the full year was $12.3 billion versus $15.6 billion a year ago.
- **Net income attributable to common stock** for the full year was $10.7 billion versus $14.2 billion a year ago. Earnings per diluted common share was $1.49 versus $1.97 for full-year 2023. With adjustments for both years, adjusted earnings per diluted common share* was $2.26 compared to $2.41 for full-year 2023.
  - Adjusted earnings per diluted common share, excluding DIRECTV*, was $1.95 for full-year 2024.
- **Adjusted EBITDA*** for the full year was $44.8 billion versus $43.4 billion a year ago.
- **Cash from operating activities** for the full year was $38.8 billion, up $0.5 billion from a year ago, reflecting working capital timing and operational improvements, partially offset by higher cash tax payments.
- **Capital expenditures** were $20.3 billion for the full year versus $17.9 billion a year ago. **Capital investment*** totaled $22.1 billion for the full year versus $23.6 billion a year ago. Cash payments for vendor financing totaled $1.8 billion versus $5.7 billion a year ago.
- **Free cash flow*** was $17.6 billion for the full year compared to $16.8 billion a year ago.
  - Free cash flow, excluding DIRECTV*, was $15.3 billion for full-year 2024.
- **Total debt** was $123.5 billion at the end of the fourth-quarter 2024, and **net debt*** was $120.1 billion.

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4Q2024 EARNINGS

Segment and Business Unit Results

Communications Segment			
Dollars in millions	Fourth Quarter		Percent
Unaudited	**2024**	2023	Change
Operating Revenues	**$ 31,139**	$ 30,797	1.1 %
Operating Income	**6,189**	6,608	(6.3) %
Operating Income Margin	**19.9 %**	21.5 %	(160) BP

Communications segment revenues were $31.1 billion, up 1.1% year over year, with **operating income** down 6.3% year over year.

Mobility			
Dollars in millions; Subscribers in thousands	Fourth Quarter		Percent
Unaudited	**2024**	2023	Change
Operating Revenues	**$ 23,129**	$ 22,393	3.3 %
Service	**16,563**	16,039	3.3 %
Equipment	**6,566**	6,354	3.3 %
Operating Expenses	**17,005**	16,179	5.1 %
Operating Income	**6,124**	6,214	(1.4) %
Operating Income Margin	**26.5 %**	27.7 %	(120) BP
EBITDA*	**$ 8,888**	$ 8,376	6.1 %
EBITDA Margin*	**38.4 %**	37.4 %	100 BP
EBITDA Service Margin*	**53.7 %**	52.2 %	150 BP
Total Wireless Net Adds (excl. Connected Devices)[1]	**1,813**	962	
Postpaid	**839**	759	
Postpaid Phone	**482**	526	
Postpaid Other	**357**	233	
Prepaid Phone	**(119)**	(132)	
Postpaid Churn	**1.00 %**	1.01 %	(1) BP
Postpaid Phone-Only Churn	**0.85 %**	0.84 %	1 BP
Prepaid Churn	**2.73 %**	2.97 %	(24) BP
Postpaid Phone ARPU	**$ 56.72**	$ 56.23	0.9 %

Mobility service revenue grew 3.3% year over year driving EBITDA service margin* expansion of 150 basis points. Postpaid phone net adds were 482,000 with postpaid phone churn of 0.85%, up 1 basis point year over year.

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Mobility revenues were up 3.3% year over year driven by **service revenue** growth of 3.3% from subscriber gains and postpaid phone average revenue per subscriber (ARPU) growth, and equipment revenue growth of 3.3% from higher volumes of non-phone sales and higher priced phone sales. **Operating expenses** were up 5.1% year over year due to higher depreciation expense from Open RAN deployment and continued network transformation, higher equipment expenses resulting from higher sales and higher network costs, including storm impacts. **Operating income** was $6.1 billion, down 1.4% year over year. **EBITDA*** was $8.9 billion, up $512 million year over year, driven by service revenue growth. This was the Company's highest-ever fourth-quarter Mobility EBITDA*.

Business Wireline					
Dollars in millions		Fourth Quarter			Percent
Unaudited		**2024**		2023	Change
Operating Revenues	**$**	**4,545**	$	5,052	(10.0) %
Operating Expenses		**4,756**		4,887	(2.7) %
Operating Income/(Loss)		**(211)**		165	— %
Operating Income Margin		**(4.6)%**		3.3 %	(790) BP
EBITDA*	**$**	**1,197**	$	1,534	(22.0) %
EBITDA Margin*		**26.3 %**		30.4 %	(410) BP

Business Wireline revenues and profitability declined year over year driven by continued secular pressures on legacy voice and data services that were partially offset by growth in fiber and other advanced connectivity services.

Business Wireline revenues were down 10.0% year over year, primarily due to lower demand for legacy voice and data services as well as product simplification, partially offset by growth in connectivity services. Revenue declines were also impacted by the absence of revenues from our cybersecurity business that was contributed to LevelBlue during the second quarter of 2024. **Operating expenses** were down 2.7% year over year due to lower personnel and customer support expenses, as well as the contribution of our cybersecurity business. **Operating income** was $(211) million versus $165 million in the prior-year quarter, and **EBITDA*** was $1.2 billion, down $337 million year over year.

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4Q2024 EARNINGS

Consumer Wireline			
Dollars in millions; Subscribers in thousands	Fourth Quarter		Percent
Unaudited	**2024**	2023	Change
Operating Revenues	**$ 3,465**	$ 3,352	3.4 %
Broadband	**2,911**	2,700	7.8 %
Operating Expenses	**3,189**	3,123	2.1 %
Operating Income	**276**	229	20.5 %
Operating Income Margin	**8.0 %**	6.8 %	120 BP
EBITDA*	**$ 1,218**	$ 1,109	9.8 %
EBITDA Margin*	**35.2 %**	33.1 %	210 BP
Broadband Net Adds (excluding DSL)	**123**	19	
Fiber	**307**	273	
Non Fiber	**(184)**	(254)	
AT&T Internet Air	**158**	67	
Broadband ARPU	**$ 69.69**	$ 65.62	6.2 %
Fiber ARPU	**$ 71.71**	$ 68.50	4.7 %

Consumer Wireline achieved strong broadband revenue growth with improving EBITDA margin*. Consumer Wireline also delivered positive broadband net adds for the sixth consecutive quarter, driven by 307,000 AT&T Fiber net adds and 158,000 AT&T Internet Air net adds.

Consumer Wireline revenues were up 3.4% year over year driven by growth in broadband revenues attributable to fiber revenues, which grew 17.8%, partially offset by declines in legacy voice and data services and other services. **Operating expenses** were up 2.1% year over year, primarily due to higher depreciation expense driven by fiber investment and higher network costs, including storm impacts, partially offset by savings from cost initiatives and lower marketing costs. **Operating income** was $276 million versus $229 million in the prior-year quarter, and **EBITDA*** was $1.2 billion, up $109 million year over year.

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Latin America Segment - Mexico			
Dollars in millions; Subscribers in thousands	Fourth Quarter		Percent
Unaudited	**2024**	2023	Change
Operating Revenues	**$ 1,044**	$ 1,090	(4.2)%
Service	**634**	671	(5.5)%
Equipment	**410**	419	(2.1)%
Operating Expenses	**1,023**	1,133	(9.7)%
Operating Income/(Loss)	**21**	(43)	— %
EBITDA*	**$ 171**	$ 137	24.8 %
Total Wireless Net Adds	**665**	562	
Postpaid	**204**	151	
Prepaid	**490**	450	
Reseller	**(29)**	(39)	

Latin America segment revenues were down 4.2% year over year, primarily due to unfavorable impacts of foreign exchange rates, offset by higher equipment sales and subscriber growth. **Operating expenses** were down 9.7% due to favorable impacts of foreign exchange rates, partially offset by higher equipment and selling costs attributable to subscriber growth. **Operating income** was $21 million compared to $(43) million in the year-ago quarter. **EBITDA*** was $171 million, up $34 million year over year.

[1] Effective with our first-quarter 2024 reporting, we have removed connected devices from our total Mobility subscribers, consistent with industry standards and our key performance metrics. Connected devices include data-centric devices such as session-based tablets, monitoring devices and primarily wholesale automobile systems.

About AT&T

We help more than 100 million U.S. families, friends and neighbors, plus nearly 2.5 million businesses, connect to greater possibility. From the first phone call 140+ years ago to our 5G wireless and multi-gig internet offerings today, we @ATT innovate to improve lives. For more information about AT&T Inc. (NYSE:T), please visit us at about.att.com. Investors can learn more at investors.att.com.

Cautionary Language Concerning Forward-Looking Statements

Information set forth in this news release contains financial estimates and other forward-looking statements that are subject to risks and uncertainties, and actual results might differ materially. A discussion of factors that may affect future results is contained in AT&T's filings with the Securities and Exchange Commission. AT&T disclaims any obligation to update and revise statements contained in this news release based on new information or otherwise. This news release may contain certain non-GAAP financial measures. Reconciliations between the non-GAAP financial measures and the GAAP financial measures are available on the Company's website at https://investors.att.com.

* Further clarification and explanation of non-GAAP measures and reconciliations to their most comparable GAAP measures can be found in the "Non-GAAP Measures and Reconciliations to GAAP Measures" section of the release and at https://investors.att.com.

Non-GAAP Measures and Reconciliations to GAAP Measures

Schedules and reconciliations of non-GAAP financial measures cited in this document to the most directly comparable financial measures under generally accepted accounting principles (GAAP) can be found at https://investors.att.com and in our Form 8-K dated January 27, 2025. Adjusted diluted EPS, adjusted operating income, EBITDA, adjusted EBITDA, free cash flow, net debt and net debt-to-adjusted EBITDA are non-GAAP financial measures frequently used by investors and credit rating agencies.

Adjusted diluted EPS is calculated by excluding from operating revenues, operating expenses, other income (expenses) and income tax expense, certain significant items that are non-operational or non-recurring in nature, including dispositions and merger integration and transaction costs, actuarial gains and losses, significant abandonments and impairments, benefit-related gains and losses, employee separation and other material gains and losses. Non-operational items arising from asset acquisitions and dispositions include the amortization of intangible assets. While the expense associated with the amortization of certain wireless licenses and customer lists is excluded, the revenue of the acquired companies is reflected in the measure and those assets contribute to revenue generation. We also adjust for net actuarial gains or losses associated with our pension and postemployment benefit plans due to the often-significant impact on our results (we immediately recognize this gain or loss in the income statement, pursuant to our accounting policy for the recognition of actuarial gains and losses). Consequently, our adjusted results reflect an expected return on plan assets rather than the actual return on plan assets, as included in the GAAP measure of income. The tax impact of adjusting items is calculated using the effective tax rate during the quarter except for adjustments that, given their magnitude, can drive a change in the effective tax rate, in these cases, we use the actual tax expense or combined marginal rate of approximately 25%. For **4Q24**, adjusted EPS of $0.54 is diluted EPS of $0.56 adjusted for $0.01 of net actuarial loss and other benefit-related, transaction and other costs, minus $0.03 benefit from tax items. For **4Q23**, adjusted EPS of $0.54 is diluted EPS of $0.30 adjusted for $0.18 actuarial loss on benefit plans, $0.06 restructuring and impairments, $0.03 proportionate share of intangible amortization at the DIRECTV equity method investment, and $0.01 benefit-related, transaction and other costs, minus $0.04 benefit from tax items.

For **2024**, adjusted EPS of $2.26 is diluted EPS of $1.49 adjusted for $0.72 restructuring and impairments, $0.09 proportionate share of intangible amortization at the DIRECTV equity method investment, and $0.01 actuarial loss on benefit plans, minus $0.03 benefit from tax items and $0.02 of benefit-related, transaction and other costs. For **2023**, adjusted EPS of $2.41 is diluted EPS of $1.97 adjusted for $0.18 restructuring and impairments, $0.17 net actuarial and settlement loss on benefit plans, and $0.14 proportionate share of intangible amortization at the DIRECTV equity method investment, minus $0.04 benefit from tax items and $0.01 of benefit-related, transaction and other costs.

Beginning with reporting of first-quarter 2025 results, the company plans to revise its definition of adjusted EPS to remove the equity in net income from our investment in DIRECTV, which we have agreed to sell to TPG. For 2024, **Adjusted EPS excluding DIRECTV** of $1.95 is diluted EPS of $1.49 adjusted for $0.72 restructuring and impairments, and $0.01 actuarial loss on benefit plans, minus $0.22 equity in net income of DIRECTV, $0.03 benefit from tax items and $0.02 of benefit-related, transaction and other costs. The Company expects adjustments to 2025 reported diluted EPS to include an adjustment to remove equity in net income of DIRECTV, a non-cash mark-to-market benefit plan gain/loss, and other items. The adjustment to remove the equity in net income of DIRECTV is dependent upon cash distributions from DIRECTV and the timing of the closing of the sale of our DIRECTV investment, which is expected in mid-2025. The Company expects the mark-to-market adjustment, which is driven by interest rates and investment returns that are not reasonably estimable at this time, to be a significant item. Our projected 2025 adjusted EPS excluding DIRECTV depends on future levels of revenues and expenses, most of which are not reasonably estimable at this time. Accordingly, we

* Further clarification and explanation of non-GAAP measures and reconciliations to their most comparable GAAP measures can be found in the "Non-GAAP Measures and Reconciliations to GAAP Measures" section of the release and at https://investors.att.com.

cannot provide a reconciliation between this projected non-GAAP metric and the most comparable GAAP metric without unreasonable effort.

Adjusted operating income is operating income adjusted for revenues and costs we consider non-operational in nature, including items arising from asset acquisitions or dispositions. For **4Q24**, adjusted operating income of $5.4 billion is calculated as operating income of $5.3 billion plus $0.1 billion of adjustments. For **4Q23**, adjusted operating income of $5.8 billion is calculated as operating income of $5.3 billion plus $0.5 billion of adjustments. For **2024**, adjusted operating income of $24.2 billion is calculated as operating income of $19.0 billion plus $5.2 billion of adjustments. For **2023**, adjusted operating income of $24.7 billion is calculated as operating income of $23.5 billion plus $1.2 billion of adjustments. Adjustments for all periods are detailed in the Discussion and Reconciliation of Non-GAAP Measures included in our Form 8-K dated January 27, 2025.

EBITDA is net income plus income tax, interest, and depreciation and amortization expenses minus equity in net income of affiliates and other income (expense) – net. **Adjusted EBITDA** is calculated by excluding from EBITDA certain significant items that are non-operational or non-recurring in nature, including dispositions and merger integration and transaction costs, significant abandonments and impairments, benefit-related gains and losses, employee separation and other material gains and losses. Adjusted EBITDA, Mobility EBITDA, Business Wireline EBITDA and Consumer Wireline EBITDA estimates depend on future levels of revenues and expenses which are not reasonably estimable at this time. Accordingly, we cannot provide reconciliations between these projected non-GAAP metrics and the most comparable GAAP metrics without unreasonable effort.

For **4Q24**, adjusted EBITDA of $10.8 billion is calculated as net income of $4.4 billion, plus income tax expense of $0.9 billion, plus interest expense of $1.7 billion, minus equity in net income of affiliates of $1.1 billion, minus other income (expense) – net of $0.6 billion, plus depreciation and amortization of $5.4 billion, plus adjustments of $0.1 billion. For **4Q23**, adjusted EBITDA of $10.6 billion is calculated as net income of $2.6 billion, plus income tax expense of $0.4 billion, plus interest expense of $1.7 billion, minus equity in net income of affiliates of $0.3 billion, plus other income (expense) – net of $(0.9) billion, plus depreciation and amortization of $4.8 billion, plus adjustments of $0.5 billion. For **2024**, adjusted EBITDA of $44.8 billion is calculated as net income of $12.3 billion, plus income tax expense of $4.4 billion, plus interest expense of $6.8 billion, minus equity in net income of affiliates of $2.0 billion, minus other income (expense) – net of $2.4 billion, plus depreciation and amortization of $20.6 billion, plus adjustments of $5.1 billion. For **2023**, adjusted EBITDA of $43.4 billion is calculated as net income of $15.6 billion, plus income tax expense of $4.2 billion, plus interest expense of $6.7 billion, minus equity in net income of affiliates of $1.7 billion, minus other income (expense) – net of $1.4 billion, plus depreciation and amortization of $18.8 billion, plus adjustments of $1.2 billion. Adjustments for all periods are detailed in the Discussion and Reconciliation of Non-GAAP Measures included in our Form 8-K dated January 27, 2025.

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

Free cash flow for **4Q24** of $4.8 billion is cash from operating activities of $11.9 billion, minus capital expenditures of $6.8 billion and cash paid for vendor financing of $0.2 billion (there were no cash distributions from DIRECTV classified as investing activities in 4Q24). For **4Q23**, free cash flow of $6.4 billion is cash from operating activities of $11.4 billion, plus cash distributions from DIRECTV classified as investing activities of $0.6 billion, minus capital expenditures of $4.6 billion and cash paid for vendor financing of $1.0 billion. For **2024**, free cash flow of $17.6 billion is cash from operating activities of $38.8 billion, plus cash distributions from DIRECTV classified as investing activities of $0.9 billion, minus capital

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expenditures of $20.3 billion and cash paid for vendor financing of $1.8 billion. For **2023**, free cash flow of $16.8 billion is cash from operating activities of $38.3 billion, plus cash distributions from DIRECTV classified as investing activities of $2.0 billion, minus capital expenditures of $17.9 billion and cash paid for vendor financing of $5.7 billion.

Beginning with the reporting of first-quarter 2025 results, the Company plans to revise its definition of free cash flow to remove cash flows related to DIRECTV (distributions reported in both operating and investing activities). **Free cash flow excluding DIRECTV** is expected to be defined as cash from operations minus cash flows related to our DIRECTV equity method investment (cash distributions less cash taxes paid from DIRECTV), minus capital expenditures and cash paid for vendor financing (classified as financing activities). For **2024**, free cash flow excluding DIRECTV of $15.3 billion is cash from operating activities of $38.8 billion, less cash distributions from DIRECTV classified as operating activities of $2.0 billion, plus cash taxes paid on DIRECTV of $0.7 billion, minus capital expenditures of $20.3 billion and cash paid for vendor financing of $1.8 billion. Due to high variability and difficulty in predicting items that impact cash from operating activities, capital expenditures and vendor financing payments, the Company is not able to provide a reconciliation between projected free cash flow excluding DIRECTV and the most comparable GAAP metric without unreasonable effort.

Capital investment provides a comprehensive view of cash used to invest in our networks, product developments and support systems. In connection with capital improvements, we have favorable payment terms of 120 days or more with certain vendors, referred to as vendor financing, which are excluded from capital expenditures and reported as financing activities. Capital investment includes capital expenditures and cash paid for vendor financing ($0.2 billion in 4Q24, $1.0 billion in 4Q23, $1.8 billion in 2024, and $5.7 billion in 2023). Due to high variability and difficulty in predicting items that impact capital expenditures and vendor financing payments, the Company is not able to provide a reconciliation between projected capital investment and the most comparable GAAP metrics without unreasonable effort.

Adjusted equity in net income from DIRECTV investment of $2.8 billion for 2024 is calculated as equity income from DIRECTV of $2.0 billion reported in Equity in Net Income of Affiliates and excludes $0.8 billion of AT&T's proportionate share of the non-cash depreciation and amortization of fair value accretion from DIRECTV's revaluation of assets and purchase price allocation.

Net debt of $120.1 billion at December 31, 2024, is calculated as total debt of $123.5 billion less cash and cash equivalents of $3.3 billion and time deposits (i.e. deposits at financial institutions that are greater than 90 days) of $0.2 billion. **Net debt-to-adjusted EBITDA** is calculated by dividing net debt by the sum of the most recent four quarters of adjusted EBITDA. Net debt and adjusted EBITDA are calculated as defined above. Net debt and adjusted EBITDA estimates depend on future levels of revenues, expenses and other metrics which are not reasonably estimable at this time. Accordingly, we cannot provide a reconciliation between projected net debt-to-adjusted EBITDA and the most comparable GAAP metrics and related ratios without unreasonable effort.

For more information, contact:

Brittany Siwald
AT&T Inc.
Phone: (214) 202-6630
Email: brittany.a.siwald@att.com

* Further clarification and explanation of non-GAAP measures and reconciliations to their most comparable GAAP measures can be found in the "Non-GAAP Measures and Reconciliations to GAAP Measures" section of the release and at https://investors.att.com.

AT&T Inc.
Financial Data

Consolidated Statements of Income						
Dollars in millions except per share amounts						
Unaudited	Fourth Quarter		Percent	Year Ended		Percent
	2024	2023	Change	**2024**	2023	Change
Operating Revenues						
Service	**$ 25,153**	$ 25,070	0.3 %	**$ 100,135**	$ 99,649	0.5 %
Equipment	**7,145**	6,952	2.8 %	**22,201**	22,779	(2.5)%
Total Operating Revenues	**32,298**	32,022	0.9 %	**122,336**	122,428	(0.1)%
Operating Expenses						
Cost of revenues						
Equipment	**7,358**	7,203	2.2 %	**22,249**	23,136	(3.8)%
Other cost of revenues (exclusive of depreciation and amortization shown separately below)	**6,837**	6,708	1.9 %	**26,972**	26,987	(0.1)%
Selling, general and administrative	**7,389**	7,485	(1.3)%	**28,411**	28,874	(1.6)%
Asset impairments and abandonments and restructuring	**14**	589	(97.6)%	**5,075**	1,193	— %
Depreciation and amortization	**5,374**	4,766	12.8 %	**20,580**	18,777	9.6 %
Total Operating Expenses	**26,972**	26,751	0.8 %	**103,287**	98,967	4.4 %
Operating Income	**5,326**	5,271	1.0 %	**19,049**	23,461	(18.8)%
Interest Expense	**1,661**	1,726	(3.8)%	**6,759**	6,704	0.8 %
Equity in Net Income of Affiliates	**1,074**	337	— %	**1,989**	1,675	18.7 %
Other Income (Expense) — Net	**569**	(946)	— %	**2,419**	1,416	70.8 %
Income Before Income Taxes	**5,308**	2,936	80.8 %	**16,698**	19,848	(15.9)%
Income Tax Expense	**900**	354	— %	**4,445**	4,225	5.2 %
Net Income	**4,408**	2,582	70.7 %	**12,253**	15,623	(21.6)%
Less: Net Income Attributable to Noncontrolling Interest	**(328)**	(394)	16.8 %	**(1,305)**	(1,223)	(6.7)%
Net Income Attributable to AT&T	**$ 4,080**	$ 2,188	86.5 %	**$ 10,948**	$ 14,400	(24.0)%
Less: Preferred Stock Dividends	**(49)**	(53)	7.5 %	**(202)**	(208)	2.9 %
Net Income Attributable to Common Stock	**$ 4,031**	$ 2,135	88.8 %	**$ 10,746**	$ 14,192	(24.3)%
Basic Earnings Per Share Attributable to Common Stock	**$ 0.56**	$ 0.30	86.7 %	**$ 1.49**	$ 1.97	(24.4)%
Weighted Average Common Shares Outstanding (000,000)	**7,207**	7,190	0.2 %	**7,199**	7,181	0.3 %
Diluted Earnings Per Share Attributable to Common Stock	**$ 0.56**	$ 0.30	86.7 %	**$ 1.49**	$ 1.97	(24.4)%
Weighted Average Common Shares Outstanding with Dilution (000,000)	**7,215**	7,191	0.3 %	**7,204**	7,258	(0.7)%

AT&T Inc.
Financial Data

Consolidated Balance Sheets				
Dollars in millions *Unaudited*		**Dec. 31, 2024**		Dec. 31, 2023
Assets				
Current Assets				
Cash and cash equivalents	**$**	**3,298**	$	6,722
Accounts receivable – net of related allowance for credit loss of $375 and $499		**9,638**		10,289
Inventories		**2,270**		2,177
Prepaid and other current assets		**15,962**		17,270
Total current assets		**31,168**		36,458
Property, Plant and Equipment – Net		**128,871**		128,489
Goodwill – Net		**63,432**		67,854
Licenses – Net		**127,035**		127,219
Other Intangible Assets – Net		**5,255**		5,283
Investments in and Advances to Equity Affiliates		**295**		1,251
Operating Lease Right-Of-Use Assets		**20,909**		20,905
Other Assets		**17,830**		19,601
Total Assets	**$**	**394,795**	$	407,060
Liabilities and Stockholders' Equity				
Current Liabilities				
Debt maturing within one year	**$**	**5,089**	$	9,477
Accounts payable and accrued liabilities		**35,657**		35,852
Advanced billings and customer deposits		**4,099**		3,778
Dividends payable		**2,027**		2,020
Total current liabilities		**46,872**		51,127
Long-Term Debt		**118,443**		127,854
Deferred Credits and Other Noncurrent Liabilities				
Deferred income taxes		**58,939**		58,666
Postemployment benefit obligation		**9,025**		8,734
Operating lease liabilities		**17,391**		17,568
Other noncurrent liabilities		**23,900**		23,696
Total deferred credits and other noncurrent liabilities		**109,255**		108,664
Redeemable Noncontrolling Interest		**1,980**		1,973
Stockholders' Equity				
Preferred stock		**—**		—
Common stock		**7,621**		7,621
Additional paid-in capital		**109,108**		114,519
Retained earnings (deficit)		**1,871**		(5,015)
Treasury stock		**(15,023)**		(16,128)
Accumulated other comprehensive income		**795**		2,300
Noncontrolling interest		**13,873**		14,145
Total stockholders' equity		**118,245**		117,442
Total Liabilities and Stockholders' Equity	**$**	**394,795**	$	407,060

AT&T Inc.
Financial Data

Consolidated Statements of Cash Flows

Dollars in millions
Unaudited

	Year Ended	
	2024	2023
Operating Activities		
Net income	**$ 12,253**	$ 15,623
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	**20,580**	18,777
Provision for uncollectible accounts	**1,969**	1,969
Deferred income tax expense	**1,570**	3,037
Net (gain) loss on investments, net of impairments	**80**	441
Pension and postretirement benefit expense (credit)	**(1,883)**	(2,552)
Actuarial and settlement (gain) loss on pension and postretirement benefits - net	**56**	1,594
Asset impairments and abandonments and restructuring	**5,075**	1,193
Changes in operating assets and liabilities:		
Receivables	**123**	82
Inventories, prepaid and other current assets	**(383)**	(642)
Accounts payable and other accrued liabilities	**(810)**	(1,764)
Equipment installment receivables and related sales	**(1,846)**	(133)
Deferred customer contract acquisition and fulfillment costs	**497**	1
Postretirement claims and contributions	**(166)**	(735)
Other - net	**1,656**	1,423
Total adjustments	**26,518**	22,691
Net Cash Provided by Operating Activities	**38,771**	38,314
Investing Activities		
Capital expenditures	**(20,263)**	(17,853)
Acquisitions, net of cash acquired	**(380)**	(2,942)
Dispositions	**75**	72
Distributions from DIRECTV in excess of cumulative equity in earnings	**928**	2,049
(Purchases), sales and settlements of securities and investments - net	**2,575**	(902)
Other - net	**(425)**	(84)
Net Cash Used in Investing Activities	**(17,490)**	(19,660)
Financing Activities		
Net change in short-term borrowings with original maturities of three months or less	**—**	(914)
Issuance of other short-term borrowings	**491**	5,406
Repayment of other short-term borrowings	**(2,487)**	(3,415)
Issuance of long-term debt	**19**	10,004
Repayment of long-term debt	**(10,297)**	(12,044)
Repayment of note payable to DIRECTV	**—**	(130)
Payment of vendor financing	**(1,792)**	(5,742)
Purchase of treasury stock	**(215)**	(194)
Issuance of treasury stock	**15**	3
Issuance of preferred interests in subsidiary	**—**	7,151
Redemption of preferred interests in subsidiary	**—**	(5,333)
Dividends paid	**(8,208)**	(8,136)
Other - net	**(2,234)**	(2,270)
Net Cash Used in Financing Activities	**(24,708)**	(15,614)
Net increase (decrease) in cash and cash equivalents and restricted cash	**(3,427)**	3,040
Cash and cash equivalents and restricted cash beginning of year	**6,833**	3,793
Cash and Cash Equivalents and Restricted Cash End of Year	**$ 3,406**	$ 6,833

AT&T Inc.
Consolidated Supplementary Data

Supplementary Financial Data						
Dollars in millions except per share amounts *Unaudited*	Fourth Quarter		Percent	Year Ended		Percent
	2024	2023	Change	**2024**	2023	Change
Capital expenditures						
Purchase of property and equipment	**$ 6,800**	$ 4,558	49.2 %	**$ 20,101**	$ 17,674	13.7 %
Interest during construction	**43**	43	— %	**162**	179	(9.5) %
Total Capital Expenditures	**$ 6,843**	$ 4,601	48.7 %	**$ 20,263**	$ 17,853	13.5 %
Acquisitions, net of cash acquired						
Business acquisitions	**$ —**	$ —	— %	**$ —**	$ —	— %
Spectrum acquisitions	**28**	1,938	(98.6)%	**181**	2,247	(91.9) %
Interest during construction - spectrum	**30**	81	(63.0)%	**199**	695	(71.4) %
Total Acquisitions	**$ 58**	$ 2,019	(97.1)%	**$ 380**	$ 2,942	(87.1) %
Cash paid for interest	**$ 1,517**	$ 1,667	(9.0)%	**$ 7,132**	$ 7,370	(3.2) %
Cash paid for income taxes, net of refunds	**$ 1,574**	$ 841	87.2 %	**$ 2,456**	$ 1,599	53.6 %
Dividends Declared per Common Share	**$ 0.2775**	$ 0.2775	— %	**$ 1.11**	$ 1.11	— %
End of Period Common Shares Outstanding (000,000)				**7,176**	7,150	0.4 %
Debt Ratio				**50.7 %**	53.5 %	(280) BP
Total Employees				**140,990**	150,470	(6.3) %

COMMUNICATIONS SEGMENT

The Communications segment provides wireless and wireline telecom and broadband services to consumers located in the U.S. and businesses globally. The Communications segment contains three reporting units: Mobility, Business Wireline and Consumer Wireline.

Segment Results

Dollars in millions *Unaudited*	Fourth Quarter 2024	Fourth Quarter 2023	Percent Change	Year Ended 2024	Year Ended 2023	Percent Change
Segment Operating Revenues						
Mobility	**$ 23,129**	$ 22,393	3.3 %	**$ 85,255**	$ 83,982	1.5 %
Business Wireline	**4,545**	5,052	(10.0)%	**18,819**	20,883	(9.9)%
Consumer Wireline	**3,465**	3,352	3.4 %	**13,578**	13,173	3.1 %
Total Segment Operating Revenues	**31,139**	30,797	1.1 %	**117,652**	118,038	(0.3)%
Segment Operating Income						
Mobility	**6,124**	6,214	(1.4)%	**26,314**	25,861	1.8 %
Business Wireline	**(211)**	165	— %	**(88)**	1,289	— %
Consumer Wireline	**276**	229	20.5 %	**869**	651	33.5 %
Total Segment Operating Income	**$ 6,189**	$ 6,608	(6.3)%	**$ 27,095**	$ 27,801	(2.5)%

Supplementary Operating Data

Subscribers and connections in thousands *Unaudited*	December 31, 2024	December 31, 2023	Percent Change
Broadband Connections			
Broadband[1]	**15,311**	15,078	1.5 %
DSL	**127**	210	(39.5)%
Total Broadband Connections	**15,438**	15,288	1.0 %

[1] Excludes AT&T Internet Air (AIA) for Business.

	December 31, 2024	December 31, 2023	Percent Change
Voice Connections			
Retail Switched Access Lines	**3,296**	4,185	(21.2)%
VoIP Connections	**2,223**	2,558	(13.1)%
Total Retail Voice Connections	**5,519**	6,743	(18.2)%

	Fourth Quarter 2024	Fourth Quarter 2023	Percent Change	Year Ended 2024	Year Ended 2023	Percent Change
Broadband Net Additions						
Broadband[1]	**113**	13	— %	**233**	3	— %
DSL	**(19)**	(21)	9.5 %	**(83)**	(101)	17.8 %
Total Broadband Net Additions	**94**	(8)	— %	**150**	(98)	— %

[1] Excludes AIA for Business.

Mobility

Mobility provides nationwide wireless service and equipment.

Mobility Results

Dollars in millions *Unaudited*	Fourth Quarter 2024	Fourth Quarter 2023	Percent Change	Year Ended 2024	Year Ended 2023	Percent Change
Operating Revenues						
Service	**$ 16,563**	$ 16,039	3.3 %	**$ 65,373**	$ 63,175	3.5 %
Equipment	**6,566**	6,354	3.3 %	**19,882**	20,807	(4.4) %
Total Operating Revenues	**23,129**	22,393	3.3 %	**85,255**	83,982	1.5 %
Operating Expenses						
Operations and support	**14,241**	14,017	1.6 %	**48,724**	49,604	(1.8) %
Depreciation and amortization	**2,764**	2,162	27.8 %	**10,217**	8,517	20.0 %
Total Operating Expenses	**17,005**	16,179	5.1 %	**58,941**	58,121	1.4 %
Operating Income	**$ 6,124**	$ 6,214	(1.4) %	**$ 26,314**	$ 25,861	1.8 %
Operating Income Margin	**26.5 %**	27.7 %	(120) BP	**30.9 %**	30.8 %	10 BP

Supplementary Operating Data

Subscribers and connections in thousands *Unaudited*	December 31, 2024	December 31, 2023	Percent Change
Mobility Subscribers			
Postpaid	**89,200**	87,104	2.4 %
Postpaid phone	**72,749**	71,255	2.1 %
Prepaid	**19,023**	19,236	(1.1) %
Reseller	**9,628**	7,468	28.9 %
Total Mobility Subscribers[1]	**117,851**	113,808	3.6 %

1 Effective with our first-quarter 2024 reporting, we have removed connected devices from our total Mobility subscribers, consistent with industry standards and our key performance metrics. Connected devices include data-centric devices such as session-based tablets, monitoring devices and primarily wholesale automobile systems.

	Fourth Quarter 2024	Fourth Quarter 2023	Percent Change	Year Ended 2024	Year Ended 2023	Percent Change
Mobility Net Additions						
Postpaid Phone Net Additions	**482**	526	(8.4) %	**1,653**	1,744	(5.2) %
Total Phone Net Additions	**363**	394	(7.9) %	**1,525**	1,801	(15.3) %
Postpaid	**839**	759	10.5 %	**2,250**	2,315	(2.8) %
Prepaid	**(136)**	(135)	(0.7) %	**(102)**	128	— %
Reseller	**1,110**	338	— %	**2,020**	1,279	57.9 %
Total Mobility Net Additions[1]	**1,813**	962	88.5 %	**4,168**	3,722	12.0 %
Postpaid Churn	**1.00 %**	1.01 %	(1) BP	**0.92 %**	0.98 %	(6) BP
Postpaid Phone-Only Churn	**0.85 %**	0.84 %	1 BP	**0.76 %**	0.81 %	(5) BP

1 Excludes migrations between wireless subscriber categories, including connected devices, and acquisition-related activity during the period.

Business Wireline

Business Wireline provides advanced ethernet-based fiber services, fixed wireless services, IP Voice and managed professional services as well as traditional data services and related equipment to business customers.

Business Wireline Results						
Dollars in millions						
Unaudited	Fourth Quarter		Percent	Year Ended		Percent
	2024	2023	Change	**2024**	2023	Change
Operating Revenues						
Service	**$ 4,376**	$ 4,873	(10.2) %	**$ 18,064**	$ 20,274	(10.9) %
Equipment	**169**	179	(5.6) %	**755**	609	24.0 %
Total Operating Revenues	**4,545**	5,052	(10.0) %	**18,819**	20,883	(9.9) %
Operating Expenses						
Operations and support	**3,348**	3,518	(4.8) %	**13,352**	14,217	(6.1) %
Depreciation and amortization	**1,408**	1,369	2.8 %	**5,555**	5,377	3.3 %
Total Operating Expenses	**4,756**	4,887	(2.7) %	**18,907**	19,594	(3.5) %
Operating Income (Loss)	**$ (211)**	$ 165	— %	**$ (88)**	$ 1,289	— %
Operating Income Margin	**(4.6)%**	3.3 %	(790) BP	**(0.5)%**	6.2 %	(670) BP

Consumer Wireline

Consumer Wireline provides broadband services, including fiber connections that provide multi-gig services, and our fixed wireless access product (AT&T Internet Air or "AIA") that provides internet services delivered over our 5G wireless network to residential customers. Consumer Wireline also provides legacy telephony voice communication services.

Consumer Wireline Results

Dollars in millions *Unaudited*	Fourth Quarter 2024	Fourth Quarter 2023	Percent Change	Year Ended 2024	Year Ended 2023	Percent Change
Operating Revenues						
Broadband	**$ 2,911**	$ 2,700	7.8 %	**$ 11,212**	$ 10,455	7.2 %
Legacy voice and data services	**293**	361	(18.8) %	**1,265**	1,508	(16.1) %
Other service and equipment	**261**	291	(10.3) %	**1,101**	1,210	(9.0) %
Total Operating Revenues	**3,465**	3,352	3.4 %	**13,578**	13,173	3.1 %
Operating Expenses						
Operations and support	**2,247**	2,243	0.2 %	**9,048**	9,053	(0.1) %
Depreciation and amortization	**942**	880	7.0 %	**3,661**	3,469	5.5 %
Total Operating Expenses	**3,189**	3,123	2.1 %	**12,709**	12,522	1.5 %
Operating Income	**$ 276**	$ 229	20.5 %	**$ 869**	$ 651	33.5 %
Operating Income Margin	**8.0 %**	6.8 %	120 BP	**6.4 %**	4.9 %	150 BP

Supplementary Operating Data

Subscribers and connections in thousands *Unaudited*	December 31, 2024	December 31, 2023	Percent Change
Broadband Connections			
Total Broadband and DSL Connections	**14,079**	13,890	1.4 %
Broadband[1]	**13,987**	13,729	1.9 %
Fiber Broadband Connections	**9,331**	8,307	12.3 %
Voice Connections			
Retail Consumer Switched Access Lines	**1,310**	1,651	(20.7) %
Consumer VoIP Connections	**1,653**	1,953	(15.4) %
Total Retail Consumer Voice Connections	**2,963**	3,604	(17.8) %

[1] Includes AIA.

	Fourth Quarter 2024	Fourth Quarter 2023	Percent Change	Year Ended 2024	Year Ended 2023	Percent Change
Broadband Net Additions						
Total Broadband and DSL Net Additions	**107**	3	— %	**189**	(101)	— %
Broadband Net Additions[1]	**123**	19	— %	**258**	(24)	— %
Fiber Broadband Net Additions	**307**	273	12.5 %	**1,024**	1,092	(6.2) %

[1] Includes AIA.

LATIN AMERICA SEGMENT

The segment provides wireless services and equipment to customers in Mexico.

Segment Results						
Dollars in millions						
Unaudited	Fourth Quarter		Percent	Year Ended		Percent
	2024	2023	Change	**2024**	2023	Change
Operating Revenues						
Wireless service	**$ 634**	$ 671	(5.5) %	**$ 2,668**	$ 2,569	3.9 %
Wireless equipment	**410**	419	(2.1) %	**1,564**	1,363	14.7 %
Total Operating Revenues	**1,044**	1,090	(4.2) %	**4,232**	3,932	7.6 %
Operating Expenses						
Operations and support	**873**	953	(8.4) %	**3,535**	3,349	5.6 %
Depreciation and amortization	**150**	180	(16.7) %	**657**	724	(9.3) %
Total Operating Expenses	**1,023**	1,133	(9.7) %	**4,192**	4,073	2.9 %
Operating Income (Loss)	**$ 21**	$ (43)	— %	**$ 40**	$ (141)	— %
Operating Income Margin	**2.0 %**	(3.9)%	590 BP	**0.9 %**	(3.6)%	450 BP

Supplementary Operating Data			
Subscribers and connections in thousands			
Unaudited	December 31,		Percent
	2024	2023	Change
Mexico Wireless Subscribers			
Postpaid	**5,837**	5,236	11.5 %
Prepaid	**17,486**	16,663	4.9 %
Reseller	**253**	417	(39.3) %
Total Mexico Wireless Subscribers	**23,576**	22,316	5.6 %

	Fourth Quarter		Percent	Year Ended		Percent
	2024	2023	Change	**2024**	2023	Change
Mexico Wireless Net Additions						
Postpaid	**204**	151	35.1 %	**601**	311	93.2 %
Prepaid	**490**	450	8.9 %	**823**	459	79.3 %
Reseller	**(29)**	(39)	25.6 %	**(164)**	(57)	— %
Total Mexico Wireless Net Additions	**665**	562	18.3 %	**1,260**	713	76.7 %

SUPPLEMENTAL SEGMENT RECONCILIATION

Three Months Ended

Dollars in millions
Unaudited
December 31, 2024

	Revenues	Operations and Support Expenses	EBITDA	Depreciation and Amortization	Operating Income (Loss)
Communications					
Mobility	**$ 23,129**	**$ 14,241**	**$ 8,888**	**$ 2,764**	**$ 6,124**
Business Wireline	**4,545**	**3,348**	**1,197**	**1,408**	**(211)**
Consumer Wireline	**3,465**	**2,247**	**1,218**	**942**	**276**
Total Communications	**31,139**	**19,836**	**11,303**	**5,114**	**6,189**
Latin America - Mexico	**1,044**	**873**	**171**	**150**	**21**
Segment Total	**32,183**	**20,709**	**11,474**	**5,264**	**6,210**
Corporate and Other					
Corporate:					
DTV-related retained costs	**—**	**108**	**(108)**	**97**	**(205)**
Parent administration support	**(2)**	**486**	**(488)**	**1**	**(489)**
Securitization fees	**30**	**179**	**(149)**	**—**	**(149)**
Value portfolio	**87**	**25**	**62**	**2**	**60**
Total Corporate	**115**	**798**	**(683)**	**100**	**(783)**
Certain significant items	**—**	**91**	**(91)**	**10**	**(101)**
Total Corporate and Other	**115**	**889**	**(774)**	**110**	**(884)**
AT&T Inc.	**$ 32,298**	**$ 21,598**	**$ 10,700**	**$ 5,374**	**$ 5,326**

December 31, 2023

	Revenues	Operations and Support Expenses	EBITDA	Depreciation and Amortization	Operating Income (Loss)
Communications					
Mobility	$ 22,393	$ 14,017	$ 8,376	$ 2,162	$ 6,214
Business Wireline	5,052	3,518	1,534	1,369	165
Consumer Wireline	3,352	2,243	1,109	880	229
Total Communications	30,797	19,778	11,019	4,411	6,608
Latin America - Mexico	1,090	953	137	180	(43)
Segment Total	31,887	20,731	11,156	4,591	6,565
Corporate and Other					
Corporate:					
DTV-related retained costs	—	172	(172)	146	(318)
Parent administration support	6	377	(371)	2	(373)
Securitization fees	24	165	(141)	—	(141)
Value portfolio	105	22	83	6	77
Total Corporate	135	736	(601)	154	(755)
Certain significant items	—	518	(518)	21	(539)
Total Corporate and Other	135	1,254	(1,119)	175	(1,294)
AT&T Inc.	$ 32,022	$ 21,985	$ 10,037	$ 4,766	$ 5,271

SUPPLEMENTAL SEGMENT RECONCILIATION

Year Ended

Dollars in millions
Unaudited
December 31, 2024

	Revenues	Operations and Support Expenses	EBITDA	Depreciation and Amortization	Operating Income (Loss)
Communications					
Mobility	**$ 85,255**	**$ 48,724**	**$ 36,531**	**$ 10,217**	**$ 26,314**
Business Wireline	**18,819**	**13,352**	**5,467**	**5,555**	**(88)**
Consumer Wireline	**13,578**	**9,048**	**4,530**	**3,661**	**869**
Total Communications	**117,652**	**71,124**	**46,528**	**19,433**	**27,095**
Latin America - Mexico	**4,232**	**3,535**	**697**	**657**	**40**
Segment Total	**121,884**	**74,659**	**47,225**	**20,090**	**27,135**
Corporate and Other					
Corporate:					
DTV-related retained costs	**—**	**465**	**(465)**	**414**	**(879)**
Parent administration support	**(2)**	**1,722**	**(1,724)**	**6**	**(1,730)**
Securitization fees	**116**	**628**	**(512)**	**—**	**(512)**
Value portfolio	**338**	**102**	**236**	**17**	**219**
Total Corporate	**452**	**2,917**	**(2,465)**	**437**	**(2,902)**
Certain significant items	**—**	**5,131**	**(5,131)**	**53**	**(5,184)**
Total Corporate and Other	**452**	**8,048**	**(7,596)**	**490**	**(8,086)**
AT&T Inc.	**$ 122,336**	**$ 82,707**	**$ 39,629**	**$ 20,580**	**$ 19,049**

December 31, 2023

	Revenues	Operations and Support Expenses	EBITDA	Depreciation and Amortization	Operating Income (Loss)
Communications					
Mobility	$ 83,982	$ 49,604	$ 34,378	$ 8,517	$ 25,861
Business Wireline	20,883	14,217	6,666	5,377	1,289
Consumer Wireline	13,173	9,053	4,120	3,469	651
Total Communications	118,038	72,874	45,164	17,363	27,801
Latin America - Mexico	3,932	3,349	583	724	(141)
Segment Total	121,970	76,223	45,747	18,087	27,660
Corporate and Other					
Corporate:					
DTV-related retained costs	—	686	(686)	586	(1,272)
Parent administration support	(7)	1,416	(1,423)	6	(1,429)
Securitization fees	85	604	(519)	—	(519)
Value portfolio	380	99	281	22	259
Total Corporate	458	2,805	(2,347)	614	(2,961)
Certain significant items	—	1,162	(1,162)	76	(1,238)
Total Corporate and Other	458	3,967	(3,509)	690	(4,199)
AT&T Inc.	$ 122,428	$ 80,190	$ 42,238	$ 18,777	$ 23,461

Discussion and Reconciliation of Non-GAAP Measures

We believe the following measures are relevant and useful information to investors as they are part of AT&T's internal management reporting and planning processes and are important metrics that management uses to evaluate the operating performance of AT&T and its segments. Management also uses these measures as a method of comparing performance with that of many of our competitors. These measures should be considered in addition to, but not as a substitute for, other measures of financial performance reported in accordance with U.S. generally accepted accounting principles (GAAP).

Free Cash Flow

Free cash flow is defined as cash from operations and cash distributions from DIRECTV classified as investing activities minus capital expenditures and cash paid for vendor financing (classified as financing activities). Free cash flow after dividends is defined as cash from operations and cash distributions from DIRECTV classified as investing activities, minus capital expenditures, cash paid for vendor financing and dividends on common and preferred shares. Free cash flow dividend payout ratio is defined as the percentage of dividends paid on common and preferred shares to free cash flow. We believe these metrics provide useful information to our investors because management views free cash flow as an important indicator of how much cash is generated by routine business operations, including capital expenditures and vendor financing, and from our continued economic interest in the U.S. video operations as part of our DIRECTV equity method investment, and makes decisions based on it. Management also views free cash flow as a measure of cash available to pay debt and return cash to shareowners.

Free Cash Flow and Free Cash Flow Dividend Payout Ratio

Dollars in millions	Fourth Quarter		Year Ended	
	2024	2023	**2024**	2023
Net cash provided by operating activities[1]	**$ 11,896**	$ 11,378	**$ 38,771**	$ 38,314
Add: Distributions from DIRECTV classified as investing activities	**—**	602	**928**	2,049
Less: Capital expenditures	**(6,843)**	(4,601)	**(20,263)**	(17,853)
Less: Cash paid for vendor financing	**(221)**	(1,006)	**(1,792)**	(5,742)
Free Cash Flow	**4,832**	6,373	**17,644**	16,768
Less: Dividends paid	**(2,037)**	(2,020)	**(8,208)**	(8,136)
Free Cash Flow after Dividends	**$ 2,795**	$ 4,353	**$ 9,436**	$ 8,632
Free Cash Flow Dividend Payout Ratio	**42.2 %**	31.7 %	**46.5 %**	48.5 %

[1] Includes distributions from DIRECTV of $1,072 and $2,027 in the fourth quarter and for the year ended December 31, 2024, and $332 and $1,666 in the fourth quarter and for the year ended December 31, 2023.

Beginning with our first-quarter 2025 reporting, as shown in the table below, we plan to revise our definition of free cash flow to remove cash flow related to our DIRECTV equity method investment, which we have agreed to sell to TPG Capital (TPG). Free cash flow is expected to be defined as cash from operations minus cash flows related to our DIRECTV equity method investment (cash distributions minus cash taxes paid from DIRECTV), minus capital expenditures and cash paid for vendor financing (classified as financing activities).

Free Cash Flow Excluding DIRECTV

Dollars in millions	Fourth Quarter		Year Ended	
	2024	2023	**2024**	2023
Net cash provided by operating activities	**$ 11,896**	$ 11,378	**$ 38,771**	$ 38,314
Less: Distributions from DIRECTV classified as operating activities	**(1,072)**	(332)	**(2,027)**	(1,666)
Less: Cash taxes paid on DIRECTV	**254**	236	**656**	782
Less: Capital expenditures	**(6,843)**	(4,601)	**(20,263)**	(17,853)
Less: Cash paid for vendor financing	**(221)**	(1,006)	**(1,792)**	(5,742)
Free Cash Flow Excluding DIRECTV	**4,014**	5,675	**15,345**	13,835

Cash Paid for Capital Investment

In connection with capital improvements, we negotiate with some of our vendors to obtain favorable payment terms of 120 days or more, referred to as vendor financing, which are excluded from capital expenditures and reported in accordance with GAAP as financing activities. We present an additional view of cash paid for capital investment to provide investors with a comprehensive view of cash used to invest in our networks, product developments and support systems.

Cash Paid for Capital Investment				
Dollars in millions				
	Fourth Quarter		Year Ended	
	2024	2023	**2024**	2023
Capital Expenditures	**$ (6,843)**	$ (4,601)	**$ (20,263)**	$ (17,853)
Cash paid for vendor financing	**(221)**	(1,006)	**(1,792)**	(5,742)
Cash paid for Capital Investment	**$ (7,064)**	$ (5,607)	**$ (22,055)**	$ (23,595)

EBITDA

Our calculation of EBITDA, as presented, may differ from similarly titled measures reported by other companies. For AT&T, EBITDA excludes other income (expense) – net, and equity in net income (loss) of affiliates, as these do not reflect the operating results of our subscriber base or operations that are not under our control. Equity in net income (loss) of affiliates represents the proportionate share of the net income (loss) of affiliates in which we exercise significant influence, but do not control. Because we do not control these entities, management excludes these results when evaluating the performance of our primary operations. EBITDA also excludes interest expense and the provision for income taxes. Excluding these items eliminates the expenses associated with our capital and tax structures. Finally, EBITDA excludes depreciation and amortization in order to eliminate the impact of capital investments. EBITDA does not give effect to cash used for debt service requirements and thus does not reflect available funds for distributions, reinvestment or other discretionary uses. EBITDA is not presented as an alternative measure of operating results or cash flows from operations, as determined in accordance with GAAP.

These measures are used by management as a gauge of our success in acquiring, retaining and servicing subscribers because we believe these measures reflect AT&T's ability to generate and grow subscriber revenues while providing a high level of customer service in a cost-effective manner. Management also uses these measures as a method of comparing cash generation potential with that of many of its competitors. The financial and operating metrics which affect EBITDA include the key revenue and expense drivers for which management is responsible and upon which we evaluate performance.

We believe EBITDA Service Margin (EBITDA as a percentage of service revenues) to be a more relevant measure than EBITDA Margin (EBITDA as a percentage of total revenue) for our Mobility business unit operating margin. We also use wireless service revenues to calculate margin to facilitate comparison, both internally and externally with our wireless competitors, as they calculate their margins using wireless service revenues as well.

There are material limitations to using these non-GAAP financial measures. EBITDA, EBITDA margin and EBITDA service margin, as we have defined them, may not be comparable to similarly titled measures reported by other companies. Furthermore, these performance measures do not take into account certain significant items, including depreciation and amortization, interest expense, tax expense and equity in net income (loss) of affiliates. For market comparability, management analyzes performance measures that are similar in nature to EBITDA as we present it, and considering the economic effect of the excluded expense items independently as well as in connection with its analysis of net income as calculated in accordance with GAAP. EBITDA, EBITDA margin and EBITDA service margin should be considered in addition to, but not as a substitute for, other measures of financial performance reported in accordance with GAAP.

EBITDA, EBITDA Margin and EBITDA Service Margin				
Dollars in millions				
	Fourth Quarter		Year Ended	
	2024	2023	**2024**	2023
Net Income	**$ 4,408**	$ 2,582	**$ 12,253**	$ 15,623
Additions:				
Income Tax Expense (Benefit)	**900**	354	**4,445**	4,225
Interest Expense	**1,661**	1,726	**6,759**	6,704
Equity in Net (Income) of Affiliates	**(1,074)**	(337)	**(1,989)**	(1,675)
Other (Income) Expense - Net	**(569)**	946	**(2,419)**	(1,416)
Depreciation and amortization	**5,374**	4,766	**20,580**	18,777
EBITDA	**10,700**	10,037	**39,629**	42,238
Transaction and other cost	**22**	26	**123**	98
Benefit-related (gain) loss	**55**	(97)	**(67)**	(129)
Asset impairments and abandonments and restructuring	**14**	589	**5,075**	1,193
Adjusted EBITDA[1]	**$ 10,791**	$ 10,555	**$ 44,760**	$ 43,400

[1] See "Adjusting Items" section for additional discussion and reconciliation of adjusted items.

Segment and Business Unit EBITDA, EBITDA Margin and EBITDA Service Margin

Dollars in millions

	Fourth Quarter		Year Ended	
	2024	2023	**2024**	2023
Communications Segment				
Operating Income	**$ 6,189**	$ 6,608	**$ 27,095**	$ 27,801
Add: Depreciation and amortization	**5,114**	4,411	**19,433**	17,363
EBITDA	**11,303**	11,019	**46,528**	45,164
Total Operating Revenues	**31,139**	30,797	**117,652**	118,038
Operating Income Margin	**19.9 %**	21.5 %	**23.0 %**	23.6 %
EBITDA Margin	**36.3 %**	35.8 %	**39.5 %**	38.3 %
Mobility				
Operating Income	**$ 6,124**	$ 6,214	**$ 26,314**	$ 25,861
Add: Depreciation and amortization	**2,764**	2,162	**10,217**	8,517
EBITDA	**8,888**	8,376	**36,531**	34,378
Total Operating Revenues	**23,129**	22,393	**85,255**	83,982
Service Revenues	**16,563**	16,039	**65,373**	63,175
Operating Income Margin	**26.5 %**	27.7 %	**30.9 %**	30.8 %
EBITDA Margin	**38.4 %**	37.4 %	**42.8 %**	40.9 %
EBITDA Service Margin	**53.7 %**	52.2 %	**55.9 %**	54.4 %
Business Wireline				
Operating Income	**$ (211)**	$ 165	**$ (88)**	$ 1,289
Add: Depreciation and amortization	**1,408**	1,369	**5,555**	5,377
EBITDA	**1,197**	1,534	**5,467**	6,666
Total Operating Revenues	**4,545**	5,052	**18,819**	20,883
Operating Income Margin	**(4.6)%**	3.3 %	**(0.5)%**	6.2 %
EBITDA Margin	**26.3 %**	30.4 %	**29.1 %**	31.9 %
Consumer Wireline				
Operating Income	**$ 276**	$ 229	**$ 869**	$ 651
Add: Depreciation and amortization	**942**	880	**3,661**	3,469
EBITDA	**1,218**	1,109	**4,530**	4,120
Total Operating Revenues	**3,465**	3,352	**13,578**	13,173
Operating Income Margin	**8.0 %**	6.8 %	**6.4 %**	4.9 %
EBITDA Margin	**35.2 %**	33.1 %	**33.4 %**	31.3 %
Latin America Segment				
Operating Income	**$ 21**	$ (43)	**$ 40**	$ (141)
Add: Depreciation and amortization	**150**	180	**657**	724
EBITDA	**171**	137	**697**	583
Total Operating Revenues	**1,044**	1,090	**4,232**	3,932
Operating Income Margin	**2.0 %**	(3.9)%	**0.9 %**	(3.6)%
EBITDA Margin	**16.4 %**	12.6 %	**16.5 %**	14.8 %

Adjusting Items

Adjusting items include revenues and costs we consider non-operational in nature, including items arising from asset acquisitions or dispositions, including the amortization of intangible assets. While the expense associated with the amortization of certain wireless licenses and customer lists is excluded, the revenue of the acquired companies is reflected in the measure and that those assets contribute to revenue generation. We also adjust for net actuarial gains or losses associated with our pension and postemployment benefit plans due to the often-significant impact on our results (we immediately recognize this gain or loss in the income statement, pursuant to our accounting policy for the recognition of actuarial gains and losses). Consequently, our adjusted results reflect an expected return on plan assets rather than the actual return on plan assets, as included in the GAAP measure of income.

The tax impact of adjusting items is calculated using the effective tax rate during the quarter except for adjustments that, given their magnitude, can drive a change in the effective tax rate, in these cases we use the actual tax expense or combined marginal rate of approximately 25%.

Adjusting Items

Dollars in millions	Fourth Quarter		Year Ended	
	2024	2023	**2024**	2023
Operating Expenses				
Transaction and other costs	**$ 22**	$ 26	**$ 123**	$ 98
Benefit-related (gain) loss	**55**	(97)	**(67)**	(129)
Asset impairments and abandonments and restructuring	**14**	589	**5,075**	1,193
Adjustments to Operations and Support Expenses	**91**	518	**5,131**	1,162
Amortization of intangible assets	**10**	21	**53**	76
Adjustments to Operating Expenses	**101**	539	**5,184**	1,238
Other				
DIRECTV intangible amortization (proportionate share)	**—**	294	**797**	1,269
Benefit-related (gain) loss, impairments of investment and other	**10**	76	**156**	390
Actuarial and settlement (gain) loss – net	**56**	1,739	**56**	1,594
Adjustments to Income Before Income Taxes	**167**	2,648	**6,193**	4,491
Tax impact of adjustments	**37**	632	**401**	1,038
Tax-related items	**222**	271	**222**	271
Adjustments to Net Income	**$ (92)**	$ 1,745	**$ 5,570**	$ 3,182

Adjusted Operating Income, Adjusted Operating Income Margin, Adjusted EBITDA, Adjusted EBITDA margin, Adjusted EBITDA service margin and Adjusted diluted EPS are non-GAAP financial measures calculated by excluding from operating revenues, operating expenses, other income (expense) and income tax expense, certain significant items that are non-operational or non-recurring in nature, including dispositions and merger integration and transaction costs, actuarial gains and losses, significant abandonments and impairments, benefit-related gains and losses, employee separation and other material gains and losses. Management believes that these measures provide relevant and useful information to investors and other users of our financial data in evaluating the effectiveness of our operations and underlying business trends.

Adjusted Operating Revenues, Adjusted Operating Income, Adjusted Operating Income Margin, Adjusted EBITDA, Adjusted EBITDA margin, Adjusted EBITDA service margin and Adjusted diluted EPS should be considered in addition to, but not as a substitute for, other measures of financial performance reported in accordance with GAAP. AT&T's calculation of Adjusted items, as presented, may differ from similarly titled measures reported by other companies.

Adjusted Operating Income, Adjusted Operating Income Margin, Adjusted EBITDA and Adjusted EBITDA Margin

Dollars in millions

	Fourth Quarter		Year Ended	
	2024	2023	**2024**	2023
Operating Income	**$ 5,326**	$ 5,271	**$ 19,049**	$ 23,461
Adjustments to Operating Expenses	**101**	539	**5,184**	1,238
Adjusted Operating Income	**5,427**	5,810	**24,233**	24,699
EBITDA	**10,700**	10,037	**39,629**	42,238
Adjustments to Operations and Support Expenses	**91**	518	**5,131**	1,162
Adjusted EBITDA	**10,791**	10,555	**44,760**	43,400
Total Operating Revenues	**32,298**	32,022	**122,336**	122,428
Operating Income Margin	**16.5 %**	16.5 %	**15.6 %**	19.2 %
Adjusted Operating Income Margin	**16.8 %**	18.1 %	**19.8 %**	20.2 %
Adjusted EBITDA Margin	**33.4 %**	33.0 %	**36.6 %**	35.4 %

Adjusted Diluted EPS

	Fourth Quarter		Year Ended	
	2024	2023	**2024**	2023
Diluted Earnings Per Share (EPS)	**$ 0.56**	$ 0.30	**$ 1.49**	$ 1.97
DIRECTV intangible amortization (proportionate share)	**—**	0.03	**0.09**	0.14
Actuarial and settlement (gain) loss – net[1]	**0.01**	0.18	**0.01**	0.17
Restructuring and impairments	**—**	0.06	**0.72**	0.18
Benefit-related, transaction and other costs	**—**	0.01	**(0.02)**	(0.01)
Tax-related items	**(0.03)**	(0.04)	**(0.03)**	(0.04)
Adjusted EPS	**$ 0.54**	$ 0.54	**$ 2.26**	$ 2.41
Year-over-year growth - Adjusted	**— %**		**-6.2 %**	
Weighted Average Common Shares Outstanding with Dilution (000,000)	**7,215**	7,191	**7,204**	7,258

1 Includes adjustments for actuarial gains or losses associated with our pension and postemployment benefit plans, which we immediately recognize in the income statement, pursuant to our accounting policy for the recognition of actuarial gains/losses. We recorded a total net actuarial loss of $0.1 billion in 2024. As a result, adjusted EPS reflects an expected return on plan assets of $2.3 billion (based on an average expected return on plan assets of 7.75% for our pension trust and 4.00% for our VEBA trusts), rather than the actual return on plan assets of $0.4 billion (actual pension return of 1.4% and VEBA return of 8.0%), included in the GAAP measure of income.

Beginning with our first-quarter 2025 reporting, as shown in the table below, we plan to remove from adjusted earnings equity in net income from our investment in DIRECTV, which we have agreed to sell to TPG.

Adjusted Diluted EPS Excluding DIRECTV

	Fourth Quarter		Year Ended	
	2024	2023	**2024**	2023
Diluted Earnings Per Share (EPS)	**$ 0.56**	$ 0.30	**$ 1.49**	$ 1.97
Equity in net income of DIRECTV	**(0.12)**	(0.04)	**(0.22)**	(0.18)
Actuarial and settlement (gain) loss – net	**0.01**	0.18	**0.01**	0.17
Restructuring and impairments	**—**	0.06	**0.72**	0.18
Benefit-related, transaction and other costs	**0.01**	0.01	**(0.02)**	—
Tax-related items	**(0.03)**	(0.04)	**(0.03)**	(0.04)
Adjusted EPS	**$ 0.43**	$ 0.47	**$ 1.95**	$ 2.10
Year-over-year growth - Adjusted	**-8.5 %**		**-7.1 %**	
Weighted Average Common Shares Outstanding with Dilution (000,000)	**7,215**	7,191	**7,204**	7,258

Net Debt to Adjusted EBITDA

Net Debt to EBITDA ratios are non-GAAP financial measures frequently used by investors and credit rating agencies and management believes these measures provide relevant and useful information to investors and other users of our financial data. Our Net Debt to Adjusted EBITDA ratio is calculated by dividing the Net Debt by the sum of the most recent four quarters Adjusted EBITDA. Net Debt is calculated by subtracting cash and cash equivalents and deposits at financial institutions that are greater than 90 days (e.g., certificates of deposit and time deposits), from the sum of debt maturing within one year and long-term debt.

Net Debt to Adjusted EBITDA - 2024

Dollars in millions

	Three Months Ended				
	March 31, 2024 [1]	June 30, 2024 [1]	Sept. 30, 2024 [1]	Dec. 31, 2024	**Four Quarters**
Adjusted EBITDA	$ 11,046	$ 11,337	$ 11,586	$ 10,791	**$ 44,760**
End-of-period current debt					**5,089**
End-of-period long-term debt					**118,443**
Total End-of-Period Debt					**123,532**
Less: Cash and Cash Equivalents					**3,298**
Less: Time Deposits					**150**
Net Debt Balance					**120,084**
Annualized Net Debt to Adjusted EBITDA Ratio					**2.68**

[1] As reported in AT&T's Form 8-K filed October 23, 2024.

Net Debt to Adjusted EBITDA - 2023

Dollars in millions

	Three Months Ended				
	March 31, 2023 [1]	June 30, 2023 [1]	Sept. 30, 2023 [1]	Dec. 31, 2023 [1]	Four Quarters
Adjusted EBITDA	$ 10,589	$ 11,053	$ 11,203	$ 10,555	$ 43,400
End-of-period current debt					9,477
End-of-period long-term debt					127,854
Total End-of-Period Debt					137,331
Less: Cash and Cash Equivalents					6,722
Less: Time Deposits					1,750
Net Debt Balance					128,859
Annualized Net Debt to Adjusted EBITDA Ratio					2.97

[1] As reported in AT&T's Form 8-K filed October 23, 2024.

Supplemental Operational Measures

As a supplemental presentation to our Communications segment operating results, we are providing a view of our AT&T Business Solutions results which includes both wireless and fixed operations. This combined view presents a complete profile of the entire business customer relationship and underscores the importance of mobile solutions to serving our business customers. Our supplemental presentation of business solutions operations is calculated by combining our Mobility and Business Wireline business units, and then adjusting to remove non-business operations. The following table presents a reconciliation of our supplemental Business Solutions results.

Supplemental Operational Measure

	Fourth Quarter								
	December 31, 2024				December 31, 2023				
	Mobility	**Business Wireline**	**Adj.[1]**	**Business Solutions**	Mobility	Business Wireline	Adj.[1]	Business Solutions	Percent Change
Operating Revenues									
Wireless service	**$ 16,563**	**$ —**	**$ (14,088)**	**$ 2,475**	$ 16,039	$ —	$ (13,648)	$ 2,391	3.5 %
Wireline service	**—**	**4,376**	**—**	**4,376**	—	4,873	—	4,873	(10.2)%
Wireless equipment	**6,566**	**—**	**(5,602)**	**964**	6,354	—	(5,451)	903	6.8 %
Wireline equipment	**—**	**169**	**—**	**169**	—	179	—	179	(5.6)%
Total Operating Revenues	**23,129**	**4,545**	**(19,690)**	**7,984**	22,393	5,052	(19,099)	8,346	(4.3)%
Operating Expenses									
Operations and support	**14,241**	**3,348**	**(11,830)**	**5,759**	14,017	3,518	(11,683)	5,852	(1.6)%
EBITDA	**8,888**	**1,197**	**(7,860)**	**2,225**	8,376	1,534	(7,416)	2,494	(10.8)%
Depreciation and amortization	**2,764**	**1,408**	**(2,259)**	**1,913**	2,162	1,369	(1,765)	1,766	8.3 %
Total Operating Expenses	**17,005**	**4,756**	**(14,089)**	**7,672**	16,179	4,887	(13,448)	7,618	0.7 %
Operating Income	**$ 6,124**	**$ (211)**	**$ (5,601)**	**$ 312**	$ 6,214	$ 165	$ (5,651)	$ 728	(57.1)%
Operating Income Margin				3.9 %				8.7 %	

[1] Non-business wireless reported in the Communications segment under the Mobility business unit.

Supplemental Operational Measure

	Year Ended								
	December 31, 2024				December 31, 2023				
	Mobility	**Business Wireline**	**Adj.[1]**	**Business Solutions**	Mobility	Business Wireline	Adj.[1]	Business Solutions	Percent Change
Operating Revenues									
Wireless service	**$ 65,373**	**$ —**	**$ (55,561)**	**$ 9,812**	$ 63,175	$ —	$ (53,752)	$ 9,423	4.1 %
Wireline service	**—**	**18,064**	**—**	**18,064**	—	20,274	—	20,274	(10.9)%
Wireless equipment	**19,882**	**—**	**(16,630)**	**3,252**	20,807	—	(17,585)	3,222	0.9 %
Wireline equipment	**—**	**755**	**—**	**755**	—	609	—	609	24.0 %
Total Operating Revenues	**85,255**	**18,819**	**(72,191)**	**31,883**	83,982	20,883	(71,337)	33,528	(4.9)%
Operating Expenses									
Operations and support	**48,724**	**13,352**	**(40,010)**	**22,066**	49,604	14,217	(40,980)	22,841	(3.4)%
EBITDA	**36,531**	**5,467**	**(32,181)**	**9,817**	34,378	6,666	(30,357)	10,687	(8.1)%
Depreciation and amortization	**10,217**	**5,555**	**(8,353)**	**7,419**	8,517	5,377	(6,951)	6,943	6.9 %
Total Operating Expenses	**58,941**	**18,907**	**(48,363)**	**29,485**	58,121	19,594	(47,931)	29,784	(1.0)%
Operating Income	**$ 26,314**	**$ (88)**	**$ (23,828)**	**$ 2,398**	$ 25,861	$ 1,289	$ (23,406)	$ 3,744	(36.0)%
Operating Income Margin				7.5 %				11.2 %	

[1] Non-business wireless reported in the Communications segment under the Mobility business unit.