Financial and Operational Trends

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

OCTOBER 22, 2020

Consolidated Statements of Income

AT&T Inc.

Dollars in millions except per share amounts

Unaudited	3/31/18	6/30/18	9/30/18	12/31/18	2018	3/31/19	6/30/19	9/30/19	12/31/19	2019	3/31/20[3]	6/30/20	9/30/20
Operating Revenues	$ 38,038	$ 38,986	$ 45,739	$ 47,993	$ 170,756	$ 44,827	$ 44,957	$ 44,588	$ 46,821	$ 181,193	$ 42,779	$ 40,950	**$ 42,340**
Operating Expenses													
Cost of revenues													
Equipment	4,848	4,377	4,828	5,733	19,786	4,502	4,061	4,484	5,606	18,653	4,092	3,978	**4,552**
Broadcast, programming and operations	5,166	5,449	7,227	8,885	26,727	7,652	7,730	7,066	8,684	31,132	6,754	5,889	**6,912**
Other cost of revenues	7,932	7,632	8,651	8,691	32,906	8,585	8,721	8,604	8,446	34,356	8,342	8,116	**8,375**
Selling, general and administrative	7,897	8,684	9,598	10,586	36,765	9,649	9,844	9,584	10,345	39,422	8,760	9,831	**9,266**
Asset impairments and abandonments	-	-	-	46	46	-	-	-	1,458	1,458	123	2,319	**73**
Depreciation and amortization	5,994	6,378	8,166	7,892	28,430	7,206	7,101	6,949	6,961	28,217	7,222	7,285	**7,030**
Total Operating Expenses	31,837	32,520	38,470	41,833	144,660	37,594	37,457	36,687	41,500	153,238	35,293	37,418	**36,208**
Operating Income	6,201	6,466	7,269	6,160	26,096	7,233	7,500	7,901	5,321	27,955	7,486	3,532	**6,132**
Interest Expense	1,771	2,023	2,051	2,112	7,957	2,141	2,149	2,083	2,049	8,422	2,018	2,041	**1,972**
Equity in Net Income (Loss) of Affiliates	9	(16)	(64)	23	(48)	(7)	40	3	(30)	6	(6)	(10)	**5**
Other Income (Expense) – Net	1,702	2,353	1,053	1,674	6,782	286	(318)	(935)	(104)	(1,071)	803	1,017	**(231)**
Income Before Income Taxes	6,141	6,780	6,207	5,745	24,873	5,371	5,073	4,886	3,138	18,468	6,265	2,498	**3,934**
Income Tax Expense	1,382	1,532	1,391	615	4,920	1,023	1,099	937	434	3,493	1,302	935	**766**
Net Income	4,759	5,248	4,816	5,130	19,953	4,348	3,974	3,949	2,704	14,975	4,963	1,563	**3,168**
Less: Net Income Attributable to Noncontrolling Interest	(97)	(116)	(98)	(272)	(583)	(252)	(261)	(249)	(310)	(1,072)	(353)	(282)	**(352)**
Net Income Attributable to AT&T	$ 4,662	$ 5,132	$ 4,718	$ 4,858	$ 19,370	$ 4,096	$ 3,713	$ 3,700	$ 2,394	$ 13,903	$ 4,610	$ 1,281	**$ 2,816**
Less: Preferred Stock Dividends	-	-	-	-	-	-	-	-	(3)	(3)	(32)	(52)	**(54)**
Net Income Attributable to Common Stock	$ 4,662	$ 5,132	$ 4,718	$ 4,858	$ 19,370	$ 4,096	$ 3,713	$ 3,700	$ 2,391	$ 13,900	$ 4,578	$ 1,229	**$ 2,762**
Diluted Earnings Per Share Attributable to Common Stock	$ 0.75	$ 0.81	$ 0.65	$ 0.66	$ 2.85	$ 0.56	$ 0.51	$ 0.50	$ 0.33	$ 1.89	$ 0.63	$ 0.17	**$ 0.39**
Adjusted Diluted Earnings Per Share Attributable to Common Stock	$ 0.85	$ 0.91	$ 0.90	$ 0.86	$ 3.52	$ 0.86	$ 0.89	$ 0.94	$ 0.89	$ 3.57	$ 0.84	$ 0.83	**$ 0.76**
EBITDA[1]	$ 12,195	$ 12,844	$ 15,435	$ 14,052	$ 54,526	$ 14,439	$ 14,601	$ 14,850	$ 12,282	$ 56,172	$ 14,708	$ 10,817	**$ 13,162**
Adjusted EBITDA[1]	$ 12,442	$ 13,316	$ 15,872	$ 15,029	$ 56,659	$ 14,802	$ 15,041	$ 15,079	$ 14,365	$ 59,287	$ 14,232	$ 14,112	**$ 13,313**
Adjusted EBITDA Margin[1]	32.7%	34.2%	34.7%	31.3%	33.2%	33.0%	33.4%	33.8%	30.7%	32.7%	33.3%	34.5%	**31.4%**
Pro Forma Operating Revenues[2]	$ 45,222	$ 44,697	$ 45,739	$ 47,993	$ 183,651	$ 44,827	$ 44,957	$ 44,588	$ 46,821	$ 181,193	$ 42,779	$ 40,950	**$ 42,340**
Adjusted Pro Forma EBITDA[2]	$ 14,756	$ 14,921	$ 15,872	$ 15,029	$ 60,578	$ 14,802	$ 15,041	$ 15,079	$ 14,365	$ 59,287	$ 14,232	$ 14,112	**$ 13,313**

Financial and Operating Statistics Summary

AT&T Inc.

Dollars in millions except per share amounts

Unaudited	3/31/18	6/30/18	9/30/18	12/31/18	2018	3/31/19	6/30/19	9/30/19	12/31/19	2019	3/31/20	6/30/20	9/30/20
Capital Expenditures:													
Purchase of property and equipment	$ 5,957	$ 5,002	$ 5,736	$ 4,063	$ 20,758	$ 5,121	$ 5,421	$ 5,141	$ 3,752	$ 19,435	$ 4,938	$ 4,434	**$ 3,819**
Interest during construction	161	106	137	89	493	61	51	48	40	200	28	32	**32**
Dividends Declared Per Share	$ 0.50	$ 0.50	$ 0.50	$ 0.51	$ 2.01	$ 0.51	$ 0.51	$ 0.51	$ 0.52	$ 2.05	$ 0.52	$ 0.52	**$ 0.52**
Annual Dividend Per Share Growth	2.0%	2.0%	2.0%	2.0%		2.0%	2.0%	2.0%	2.0%		2.0%	2.0%	**2.0%**
End of Period Common Shares Outstanding (000,000)	6,148	7,261	7,270	7,282		7,297	7,305	7,303	7,255		7,125	7,125	**7,125**
Debt Ratio	52.6%	50.8%	49.8%	47.7%		47.4%	46.8%	45.9%	44.7%		45.7%	46.6%	**44.9%**
Total Employees	249,240	273,210	269,280	268,220		262,290	257,790	251,840	247,800		244,490	243,350	**234,630**

See Notes to Financial and Operational Trends on page 15.

Consolidated Statements of Cash Flows

AT&T Inc.

Dollars in millions

Unaudited	9/30/19	12/31/19	3/31/20[3]	6/30/20	**9/30/20**
Operating Activities					
Net income	$ 3,949	$ 2,704	$ 4,963	$ 1,563	**$ 3,168**
Adjustments to reconcile net income to net cash provided by operating activities:					
Depreciation and amortization	6,949	6,961	7,222	7,285	**7,030**
Amortization of film and television costs	1,860	2,528	2,269	1,716	**2,463**
Undistributed earnings from investments in equity affiliates	5	214	39	25	**44**
Provision for uncollectible accounts	639	720	780	419	**412**
Deferred income tax expense (benefit)	(41)	767	259	394	**1,595**
Net (gain) loss from investments, net of impairments	(109)	(204)	(646)	(59)	**16**
Pension and postiretirement benefit expense (credit)	(489)	(705)	(748)	(747)	**(750)**
Actuarial (gain) loss on pension and postretirement benefits	1,917	1,123	-	-	**63**
Asset abandonments and impairments	-	1,458	123	2,319	**73**
Changes in operating assets and liabilities:					
Receivables	(1,081)	309	1,695	827	**(201)**
Other current assets, inventories and theatrical film and television production costs	(3,915)	(3,515)	(3,267)	(2,325)	**(2,244)**
Accounts payable and other accrued liabilities	2,120	(588)	(3,884)	37	**(1,058)**
Equipment installment receivables and related sales	(296)	(300)	535	(309)	**(374)**
Deferred customer contract acquisition and fulfillment costs	(182)	(114)	105	217	**131**
Postretirement claims and contributions	(211)	(373)	(111)	(117)	**(181)**
Other - net	274	958	(468)	814	**1,936**
Total adjustments	7,440	9,239	3,903	10,496	**8,955**
Net Cash Provided by Operating Activities	11,389	11,943	8,866	12,059	**12,123**
Investing Activities					
Capital expenditures[4]	(5,189)	(3,792)	(4,966)	(4,466)	**(3,851)**
Acquisitions, net of cash acquired	(804)	(685)	(100)	(1,074)	**(41)**
Dispositions	182	909	118	229	**81**
(Purchases), sales and settlements of securities and investments, net	127	(88)	(6)	53	**397**
Advances to and investments in equity affiliates, net	(19)	(32)	(68)	2	**(34)**
Net Cash Used in Investing Activities	(5,703)	(3,688)	(5,022)	(5,256)	**(3,448)**
Financing Activities					
Net change in short-term borrowings with original maturities of three months or less	(141)	(254)	1,742	(1,244)	**(515)**
Issuance of other short-term borrowings	945	-	1,390	7,050	**1,000**
Repayment of other short-term borrowings	(1,554)	(2,202)	-	(5,975)	**(1,735)**
Issuance of long-term debt	5,004	2,005	4,357	16,703	**10,927**
Repayment of long-term debt	(8,244)	(3,224)	(4,422)	(12,862)	**(20,299)**
Payment of vendor financing	(765)	(449)	(791)	(563)	**(611)**
Issuance of preferred stock	-	1,164	3,869	-	**-**
Purchase of treasury stock	(169)	(2,008)	(5,463)	(17)	**(3)**
Issuance of treasury stock	121	55	58	26	**4**
Issuance of preferred interests in subsidiary	1,488	6,388	-	-	**1,979**
Dividends paid	(3,726)	(3,726)	(3,737)	(3,737)	**(3,741)**
Other	(517)	(491)	(3,102)	807	**(2,863)**
Net Cash (Used in) Provided by Financing Activities	(7,558)	(2,742)	(6,099)	188	**(15,857)**
Net increase (decrease) in cash and cash equivalents and restricted cash	(1,872)	5,513	(2,255)	6,991	**(7,182)**
Cash and cash equivalents and restricted cash beginning of period	8,654	6,782	12,295	10,040	**17,031**
Cash and Cash Equivalents and Restricted Cash End of Period	$ 6,782	$ 12,295	$ 10,040	$ 17,031	**$ 9,849**
Cash paid for interest	$ 2,528	$ 1,755	$ 2,376	$ 1,826	**$ 2,459**

See Notes to Financial and Operational Trends on page 15.

AT&T Inc.

Free Cash Flow & Capital Investment Detail

Dollars in millions

Unaudited	9/30/18	12/31/18	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	**9/30/20**
Cash Flow Detail									
Net cash provided by operating activities	$ 12,346	$ 12,080	$ 11,052	$ 14,284	$ 11,389	$ 11,943	$ 8,866	$ 12,059	**$ 12,123**
Less: Capital expenditures	(5,873)	(4,152)	(5,182)	(5,472)	(5,189)	(3,792)	(4,966)	(4,466)	**(3,851)**
Free Cash Flow[1]	6,473	7,928	5,870	8,812	6,200	8,151	3,900	7,593	**8,272**
Capital Investment Detail									
Capital expenditures	$ 5,873	$ 4,152	$ 5,182	$ 5,472	$ 5,189	$ 3,792	$ 4,966	$ 4,466	**$ 3,851**
Add: Vendor financing payments	90	213	819	1,017	765	449	791	563	**611**
Capital Investment[1]	5,963	4,365	6,001	6,489	5,954	4,241	5,757	5,029	**4,462**
Add: FirstNet capital expenditures reimbursement	-	1,127	-	103	-	901	7	72	**64**
Gross Capital Investment[1]	5,963	5,492	6,001	6,592	5,954	5,142	5,764	5,101	**4,526**

AT&T Inc.

FirstNet - Capital Expenditures and Reimbursements

Dollars in millions

Unaudited	9/30/18	12/31/18	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	**9/30/20**
Capital Expenditures Impact									
Capital expenditures	$ 5,873	$ 4,152	$ 5,182	$ 5,472	$ 5,189	$ 3,792	$ 4,966	$ 4,466	**$ 3,851**
FirstNet capital expenditures reimbursement	-	1,127	-	103	-	901	7	72	**64**
Capital expenditures, gross	5,873	5,279	5,182	5,575	5,189	4,693	4,973	4,538	**3,915**
FirstNet Reimbursements									
Capital expenditures	$ -	$ 1,127	$ -	$ 103	$ -	$ 901	$ 7	$ 72	**$ 64**
Operating expenses	-	207	-	31	-	339	3	58	**18**
Total reimbursements	-	1,334	-	134	-	1,240	10	130	**82**

See Notes to Financial and Operational Trends on page 15.

Operating Revenues and Adjusted EBITDA

AT&T Inc.

Dollars in millions

Unaudited	9/30/18	12/31/18	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	**9/30/20**
Operating Revenues	$ 45,739	$ 47,993	$ 44,827	$ 44,957	$ 44,588	$ 46,821	$ 42,779	$ 40,950	**$ 42,340**
Communications	36,007	37,223	35,169	35,267	35,401	36,522	34,249	33,592	**34,287**
Mobility	17,735	18,556	17,363	17,292	17,701	18,700	17,402	17,149	**17,894**
Entertainment Group	11,589	11,962	11,328	11,368	11,197	11,233	10,515	10,069	**10,053**
Business Wireline	6,683	6,705	6,478	6,607	6,503	6,589	6,332	6,374	**6,340**
WarnerMedia[14]	8,649	9,798	8,805	8,835	8,350	9,531	7,848	6,814	**7,514**
Turner	2,988	3,212	3,443	3,410	3,007	3,262	3,162	2,988	**3,176**
Home Box Office	1,644	1,673	1,510	1,716	1,819	1,704	1,497	1,627	**1,781**
Warner Bros.	3,720	4,476	3,518	3,389	3,333	4,118	3,240	3,256	**2,411**
Eliminations and other[14]	297	437	334	320	191	447	(51)	(1,057)	**146**
Latin America	1,833	1,843	1,718	1,757	1,730	1,758	1,590	1,232	**1,396**
Vrio	1,102	1,074	1,067	1,032	1,013	982	887	752	**753**
Mexico	731	769	651	725	717	776	703	480	**643**
Corporate, Acquisition Related and Significant Items	531	465	391	420	407	385	388	437	**431**
Eliminations[5]	(880)	(863)	(906)	(923)	(879)	(873)	(883)	(831)	**(880)**
Consolidation[5]	(401)	(473)	(350)	(399)	(421)	(502)	(413)	(294)	**(408)**

Adjusted EBITDA	$ 15,872	$ 15,029	$ 14,802	$ 15,041	$ 15,079	$ 14,365	$ 14,232	$ 14,112	**$ 13,313**
Communications	12,726	12,175	12,569	13,255	12,634	12,101	12,838	12,751	**12,275**
Mobility	7,631	7,469	7,322	7,770	7,753	7,530	7,833	7,817	**7,712**
Entertainment Group	2,434	2,155	2,801	2,853	2,400	2,044	2,624	2,339	**2,056**
Business Wireline	2,661	2,551	2,446	2,632	2,481	2,527	2,381	2,595	**2,507**
WarnerMedia[14]	3,037	3,148	2,652	2,399	3,021	3,006	2,161	2,080	**1,930**
Latin America	87	38	127	63	105	205	93	33	**59**
Vrio	225	225	201	151	162	202	104	91	**78**
Mexico	(138)	(187)	(74)	(88)	(57)	3	(11)	(58)	**(19)**
Corporate	390	96	(228)	(315)	(296)	(494)	(486)	(496)	**(581)**
Eliminations and Consolidation[5]	(368)	(429)	(318)	(361)	(385)	(454)	(374)	(256)	**(370)**

See Notes to Financial and Operational Trends on page 15.

Communications

Mobility Results

Dollars in millions

Unaudited	9/30/18	12/31/18	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	**9/30/20**
Operating Revenues									
Service	$ 13,828	$ 13,700	$ 13,629	$ 13,824	$ 13,930	$ 13,948	$ 13,968	$ 13,669	**$ 13,883**
Equipment	3,907	4,856	3,734	3,468	3,771	4,752	3,434	3,480	**4,011**
Total Operating Revenues	$ 17,735	$ 18,556	$ 17,363	$ 17,292	$ 17,701	$ 18,700	$ 17,402	$ 17,149	**$ 17,894**
Operating Expenses									
Operations and support	10,104	11,087	10,041	9,522	9,948	11,170	9,569	9,332	**10,182**
Depreciation and amortization	2,057	2,045	2,013	2,003	2,011	2,027	2,045	2,012	**2,021**
Total Operating Expenses	12,161	13,132	12,054	11,525	11,959	13,197	11,614	11,344	**12,203**
Operating Income	$ 5,574	$ 5,424	$ 5,309	$ 5,767	$ 5,742	$ 5,503	$ 5,788	$ 5,805	**$ 5,691**
Operating Income Margin	31.4%	29.2%	30.6%	33.4%	32.4%	29.4%	33.3%	33.9%	**31.8%**
EBITDA[1]	$ 7,631	$ 7,469	$ 7,322	$ 7,770	$ 7,753	$ 7,530	$ 7,833	$ 7,817	**$ 7,712**
EBITDA Margin[1]	43.0%	40.3%	42.2%	44.9%	43.8%	40.3%	45.0%	45.6%	**43.1%**
EBITDA Service Margin[1]	55.2%	54.5%	53.7%	56.2%	55.7%	54.0%	56.1%	57.2%	**55.5%**

See Notes to Financial and Operational Trends on page 15.

Communications

Mobility Operating Volumes and Statistics

Volumes in thousands

Unaudited	9/30/18	12/31/18	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	**9/30/20**
AT&T Mobility Subscribers and Connections									
Total Subscribers and Connections	149,150	151,921	154,670	158,622	162,300	165,889	169,198	171,407	**176,744**
Postpaid	76,173	76,068	75,737	75,478	75,152	75,207	75,148	74,919	**75,969**
Prepaid[6]	16,721	16,828	17,012	17,434	17,740	17,803	17,808	18,008	**18,100**
Reseller	8,079	7,693	7,495	7,323	7,120	6,893	6,736	6,718	**6,708**
Connected Devices	48,177	51,332	54,426	58,387	62,288	65,986	69,506	71,762	**75,967**
Net Add Detail									
Net Subscriber Additions	3,432	2,770	2,740	3,950	3,679	3,590	3,310	2,208	**5,525**
Postpaid Net Adds	(231)	15	(207)	(146)	(217)	135	27	(154)	**1,081**
Prepaid Net Adds	570	26	101	341	227	8	(45)	165	**245**
Phone Detail									
Postpaid Phones	62,850	62,882	62,830	62,811	62,812	63,018	63,105	62,882	**63,485**
Prepaid Phones[6]	15,789	15,885	16,057	16,420	16,650	16,682	16,687	16,856	**16,832**
Phone Detail - Net Adds									
Postpaid Phone Net Adds	67	131	79	74	101	229	163	(151)	**645**
Prepaid Phone Net Adds	480	13	89	283	154	(20)	(43)	135	**131**
Churn Detail[7]									
Postpaid Phone Churn	0.93%	1.00%	0.92%	0.86%	0.95%	1.07%	0.86%	0.84%	**0.69%**
Postpaid Churn	1.16%	1.23%	1.16%	1.07%	1.19%	1.29%	1.08%	1.05%	**0.85%**
ARPU[8]									
Postpaid Phone-Only ARPU	$ 55.58	$ 55.28	$ 55.27	$ 55.50	$ 55.89	$ 55.52	$ 55.68	$ 54.47	**$ 54.70**
Postpaid ARPU	49.91	49.70	49.67	50.05	50.51	50.49	50.63	49.76	**49.94**

See Notes to Financial and Operational Trends on page 15.

Communications

Entertainment Group Results

Dollars in millions

Unaudited	9/30/18	12/31/18	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	9/30/20
Operating Revenues									
Video Entertainment	$ 8,283	$ 8,676	$ 8,074	$ 8,035	$ 7,933	$ 8,068	$ 7,395	$ 6,976	**$ 6,964**
High-Speed Internet	2,045	2,052	2,070	2,109	2,117	2,107	2,109	2,092	**2,128**
Legacy Voice and Data Services	739	724	683	658	628	604	581	560	**538**
Other Service and Equipment	522	510	501	566	519	454	430	441	**423**
Total Operating Revenues	$ 11,589	$ 11,962	$ 11,328	$ 11,368	$ 11,197	$ 11,233	$ 10,515	$ 10,069	**$ 10,053**
Operating Expenses									
Operations and support	9,155	9,807	8,527	8,515	8,797	9,189	7,891	7,730	**7,997**
Depreciation and amortization	1,331	1,329	1,323	1,339	1,316	1,298	1,289	1,309	**1,277**
Total Operating Expenses	10,486	11,136	9,850	9,854	10,113	10,487	9,180	9,039	**9,274**
Operating Income	$ 1,103	$ 826	$ 1,478	$ 1,514	$ 1,084	$ 746	$ 1,335	$ 1,030	**$ 779**
Operating Income Margin	9.5%	6.9%	13.0%	13.3%	9.7%	6.6%	12.7%	10.2%	**7.7%**
EBITDA[1]	$ 2,434	$ 2,155	$ 2,801	$ 2,853	$ 2,400	$ 2,044	$ 2,624	$ 2,339	**$ 2,056**
EBITDA Margin[1]	21.0%	18.0%	24.7%	25.1%	21.4%	18.2%	25.0%	23.2%	**20.5%**

Communications

Entertainment Group Operating Volumes and Statistics

Volumes in thousands

Unaudited	9/30/18	12/31/18	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	9/30/20
Total Video Connections	25,152	24,494	23,867	22,921	21,563	20,399	19,364	18,410	**17,783**
Premium TV[9]	23,294	22,903	22,359	21,581	20,418	19,473	18,576	17,690	**17,100**
Over-the-Top[10]	1,858	1,591	1,508	1,340	1,145	926	788	720	**683**
Video Net Adds									
Premium TV[9]	(346)	(391)	(544)	(778)	(1,163)	(945)	(897)	(886)	**(590)**
Over-the-Top	49	(267)	(83)	(168)	(195)	(219)	(138)	(68)	**(37)**
Premium TV ARPU[11]	$ 114.90	$ 121.76	$ 114.98	$ 117.49	$ 121.35	$ 131.00	$ 126.27	$ 124.98	**$ 130.55**
Total Broadband Connections	14,441	14,409	14,454	14,420	14,301	14,119	14,046	13,944	**14,102**
IP-Fiber	2,504	2,763	3,060	3,378	3,696	3,887	4,096	4,321	**4,678**
IP-Non Fiber	11,219	10,966	10,762	10,444	10,043	9,711	9,458	9,154	**8,984**
DSL	718	680	632	598	562	521	492	469	**440**
Total Broadband Net Adds	(14)	(32)	45	(34)	(119)	(182)	(73)	(102)	**158**
IP-Fiber	300	259	297	318	318	191	209	225	**357**
IP-Non Fiber	(269)	(253)	(204)	(318)	(401)	(332)	(253)	(304)	**(170)**
DSL	(45)	(38)	(48)	(34)	(36)	(41)	(29)	(23)	**(29)**
IP Broadband ARPU[11]	$ 49.78	$ 49.83	$ 50.10	$ 50.82	$ 51.21	$ 51.36	$ 51.84	$ 51.61	**$ 52.43**

See Notes to Financial and Operational Trends on page 15.

Communications

Business Wireline Results

Dollars in millions

Unaudited	9/30/18	12/31/18	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	9/30/20
Operating Revenues									
Strategic and Managed Services[12]	$ 3,677	$ 3,811	$ 3,779	$ 3,834	$ 3,900	$ 3,927	$ 3,879	$ 3,943	**$ 3,967**
Legacy Voice and Data Services	2,602	2,498	2,397	2,324	2,252	2,207	2,129	2,067	**2,031**
Equipment	197	257	159	178	199	249	175	205	**181**
Other	207	139	143	271	152	206	149	159	**161**
Total Operating Revenues	$ 6,683	$ 6,705	$ 6,478	$ 6,607	$ 6,503	$ 6,589	$ 6,332	$ 6,374	**$ 6,340**
Operating Expenses									
Operations and support	4,022	4,154	4,032	3,975	4,022	4,062	3,951	3,779	**3,833**
Depreciation and amortization	1,187	1,194	1,222	1,242	1,271	1,264	1,301	1,318	**1,329**
Total Operating Expenses	5,209	5,348	5,254	5,217	5,293	5,326	5,252	5,097	**5,162**
Operating Income	$ 1,474	$ 1,357	$ 1,224	$ 1,390	$ 1,210	$ 1,263	$ 1,080	$ 1,277	**$ 1,178**
Operating Income Margin	22.1%	20.2%	18.9%	21.0%	18.6%	19.2%	17.1%	20.0%	**18.6%**
EBITDA[1]	$ 2,661	$ 2,551	$ 2,446	$ 2,632	$ 2,481	$ 2,527	$ 2,381	$ 2,595	**$ 2,507**
EBITDA Margin[1]	39.8%	38.0%	37.8%	39.8%	38.2%	38.4%	37.6%	40.7%	**39.5%**

Communications

Supplemental Business Solutions Results (Wireline and Business Mobility)[13]

Dollars in millions

Unaudited	9/30/18	12/31/18	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	9/30/20
Operating Revenues	$ 9,017	$ 9,244	$ 8,845	$ 9,105	$ 9,083	$ 9,342	$ 8,991	$ 8,843	**$ 8,953**
Total Wireless Revenues	2,334	2,539	2,367	2,498	2,580	2,753	2,659	2,469	**2,613**
Operating Income	$ 1,958	$ 1,867	$ 1,706	$ 2,048	$ 1,865	$ 1,807	$ 1,656	$ 1,782	**$ 1,795**
EBITDA[1]	$ 3,443	$ 3,359	$ 3,231	$ 3,593	$ 3,438	$ 3,377	$ 3,281	$ 3,419	**$ 3,445**

See Notes to Financial and Operational Trends on page 15.

WarnerMedia

Statement of Segment Income[14*]

Dollars in millions

Unaudited	9/30/18	12/31/18	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	9/30/20
Segment Operating Revenues									
Turner	$ 2,988	$ 3,212	$ 3,443	$ 3,410	$ 3,007	$ 3,262	$ 3,162	$ 2,988	**$ 3,176**
Home Box Office	1,644	1,673	1,510	1,716	1,819	1,704	1,497	1,627	**1,781**
Warner Bros.	3,720	4,476	3,518	3,389	3,333	4,118	3,240	3,256	**2,411**
Eliminations and other	297	437	334	320	191	447	(51)	(1,057)	**146**
Total Segment Operating Revenues	$ 8,649	$ 9,798	$ 8,805	$ 8,835	$ 8,350	$ 9,531	$ 7,848	$ 6,814	**$ 7,514**
Segment Operating Expenses									
Operations and support	5,612	6,650	6,153	6,436	5,329	6,525	5,687	4,734	**5,584**
Depreciation and amortization	137	144	156	104	165	171	163	167	**171**
Total Segment Operating Expenses	5,749	6,794	6,309	6,540	5,494	6,696	5,850	4,901	**5,755**
Segment Operating Income	$ 2,900	$ 3,004	$ 2,496	$ 2,295	$ 2,856	$ 2,835	$ 1,998	$ 1,913	**$ 1,759**
Equity in Net Income (Loss) of Affiliates	(39)	80	67	55	15	25	15	4	**11**
Segment Contribution	$ 2,861	$ 3,084	$ 2,563	$ 2,350	$ 2,871	$ 2,860	$ 2,013	$ 1,917	**$ 1,770**
Segment Operating Income Margin	33.5%	30.7%	28.3%	26.0%	34.2%	29.7%	25.5%	28.1%	**23.4%**
EBITDA	$ 3,037	$ 3,148	$ 2,652	$ 2,399	$ 3,021	$ 3,006	$ 2,161	$ 2,080	**$ 1,930**
EBITDA Margin	35.1%	32.1%	30.1%	27.2%	36.2%	31.5%	27.5%	30.5%	**25.7%**
Total Programming and Production Costs[15]	$ 3,188	$ 3,828	$ 3,622	$ 3,670	$ 2,915	$ 3,861	$ 3,114	$ 2,402	**$ 3,226**

* Financial results for the former WarnerMedia and Xandr segments on a standalone basis are included on page 16.

WarnerMedia

Turner Results

Dollars in millions

Unaudited	9/30/18	12/31/18	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	9/30/20
Operating Revenues									
Subscription	$ 1,855	$ 1,844	$ 1,965	$ 1,943	$ 1,927	$ 1,901	$ 2,049	$ 1,804	**$ 1,840**
Advertising	944	1,149	1,261	1,266	913	1,126	957	796	**1,077**
Content and other	189	219	217	201	167	235	156	388	**259**
Total Operating Revenues	$ 2,988	$ 3,212	$ 3,443	$ 3,410	$ 3,007	$ 3,262	$ 3,162	$ 2,988	**$ 3,176**
Operating Expenses									
Operations and support	1,487	1,861	2,136	2,217	1,460	1,927	1,710	1,347	**2,088**
Depreciation and amortization	59	60	60	39	68	68	69	69	**69**
Total Operating Expenses	1,546	1,921	2,196	2,256	1,528	1,995	1,779	1,416	**2,157**
Operating Income	$ 1,442	$ 1,291	$ 1,247	$ 1,154	$ 1,479	$ 1,267	$ 1,383	$ 1,572	**$ 1,019**
Operating Income Margin	48.3%	40.2%	36.2%	33.8%	49.2%	38.8%	43.7%	52.6%	**32.1%**
Programming Costs[15]	$ 817	$ 1,111	$ 1,445	$ 1,533	$ 795	$ 1,234	$ 1,104	$ 700	**$ 1,511**

See Notes to Financial and Operational Trends on page 15.

WarnerMedia

Home Box Office Results

Dollars in millions

Unaudited	9/30/18	12/31/18	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	**9/30/20**
Operating Revenues									
Subscription	$ 1,517	$ 1,414	$ 1,334	$ 1,516	$ 1,533	$ 1,431	$ 1,338	$ 1,441	**$ 1,624**
Content and other	127	259	176	200	286	273	159	186	**157**
Total Operating Revenues	$ 1,644	$ 1,673	$ 1,510	$ 1,716	$ 1,819	$ 1,704	$ 1,497	$ 1,627	**$ 1,781**
Operating Expenses									
Operations and support	991	1,025	921	1,131	1,072	1,188	1,053	1,489	**1,694**
Depreciation and amortization	25	26	22	12	33	35	21	25	**27**
Total Operating Expenses	1,016	1,051	943	1,143	1,105	1,223	1,074	1,514	**1,721**
Operating Income	$ 628	$ 622	$ 567	$ 573	$ 714	$ 481	$ 423	$ 113	**$ 60**
Operating Income Margin	38.2%	37.2%	37.5%	33.4%	39.3%	28.2%	28.3%	6.9%	**3.4%**
Programming Costs[15]	$ 579	$ 561	$ 482	$ 606	$ 622	$ 648	$ 585	$ 806	**$ 966**

WarnerMedia

Warner Bros. Results

Dollars in millions

Unaudited	9/30/18	12/31/18	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	**9/30/20**
Operating Revenues									
Theatrical product	$ 1,694	$ 2,085	$ 1,506	$ 1,527	$ 1,375	$ 1,570	$ 1,106	$ 1,029	**$ 1,068**
Television product	1,591	1,827	1,613	1,310	1,461	1,983	1,769	1,876	**960**
Video games and other	435	564	399	552	497	565	365	351	**383**
Total Operating Revenues	$ 3,720	$ 4,476	$ 3,518	$ 3,389	$ 3,333	$ 4,118	$ 3,240	$ 3,256	**$ 2,411**
Operating Expenses									
Operations and support	3,104	3,623	2,919	2,918	2,706	3,273	2,950	2,583	**1,973**
Depreciation and amortization	40	42	52	31	39	40	41	40	**43**
Total Operating Expenses	3,144	3,665	2,971	2,949	2,745	3,313	2,991	2,623	**2,016**
Operating Income	$ 576	$ 811	$ 547	$ 440	$ 588	$ 805	$ 249	$ 633	**$ 395**
Operating Income Margin	15.5%	18.1%	15.5%	13.0%	17.6%	19.5%	7.7%	19.4%	**16.4%**
Film and Television Production Costs[15]	$ 1,909	$ 2,238	$ 1,746	$ 1,626	$ 1,618	$ 2,103	$ 1,824	$ 1,893	**$ 1,176**

See Notes to Financial and Operational Trends on page 15.

WarnerMedia

Supplemental Eliminations and Other Revenues[14]

Dollars in millions

Unaudited	9/30/18	12/31/18	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	9/30/20
Operating Revenues									
Xandr	$ 445	$ 566	$ 426	$ 485	$ 504	$ 607	$ 489	$ 362	**$ 497**
Corporate and Other	80	165	93	107	112	159	130	121	**160**
Eliminations	(228)	(294)	(185)	(272)	(425)	(319)	(670)	(1,540)	**(511)**
Total Eliminations and Other Revenues	$ 297	$ 437	$ 334	$ 320	$ 191	$ 447	$ (51)	$ (1,057)	**$ 146**

WarnerMedia

Operating Volumes[16]

Volumes in thousands

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

AT&T Inc.

Supplemental Total Advertising Revenues[3]

Dollars in millions

Unaudited	9/30/18	12/31/18	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	9/30/20
Operating Revenues									
Turner	$ 944	$ 1,149	$ 1,261	$ 1,266	$ 913	$ 1,126	$ 957	$ 796	**$ 1,077**
Entertainment Group	401	473	350	399	421	502	413	294	**408**
Xandr	445	566	426	485	504	607	489	362	**497**
Other	116	160	85	90	106	120	98	75	**105**
Eliminations[5]	(401)	(473)	(350)	(399)	(421)	(502)	(413)	(294)	**(408)**
Total Advertising Revenues	$ 1,505	$ 1,875	$ 1,772	$ 1,841	$ 1,523	$ 1,853	$ 1,544	$ 1,233	**$ 1,679**

See Notes to Financial and Operational Trends on page 15.

Latin America

Statement of Segment Income

Dollars in millions

Unaudited	9/30/18	12/31/18	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	9/30/20
Segment Operating Revenues									
Video Entertainment	$ 1,102	$ 1,074	$ 1,067	$ 1,032	$ 1,013	$ 982	$ 887	$ 752	**$ 753**
Wireless Service	440	440	442	479	455	487	467	345	**385**
Wireless Equipment	291	329	209	246	262	289	236	135	**258**
Total Segment Operating Revenues	$ 1,833	$ 1,843	$ 1,718	$ 1,757	$ 1,730	$ 1,758	$ 1,590	$ 1,232	**$ 1,396**
Segment Operating Expenses									
Operations and support	1,746	1,805	1,591	1,694	1,625	1,553	1,497	1,199	**1,337**
Depreciation and amortization	297	296	300	284	284	294	281	242	**250**
Total Segment Operating Expenses	2,043	2,101	1,891	1,978	1,909	1,847	1,778	1,441	**1,587**
Segment Operating Income (Loss)	(210)	(258)	(173)	(221)	(179)	(89)	(188)	(209)	**(191)**
Equity in Net Income (Loss) of Affiliates	9	10	-	12	13	2	4	8	**14**
Segment Contribution	$ (201)	$ (248)	$ (173)	$ (209)	$ (166)	$ (87)	$ (184)	$ (201)	**$ (177)**
Segment Operating Income Margin	-11.5%	-14.0%	-10.1%	-12.6%	-10.3%	-5.1%	-11.8%	-17.0%	**-13.7%**
EBITDA[1]	$ 87	$ 38	$ 127	$ 63	$ 105	$ 205	$ 93	$ 33	**$ 59**
EBITDA Margin[1]	4.7%	2.1%	7.4%	3.6%	6.1%	11.7%	5.8%	2.7%	**4.2%**

Latin America

Vrio and Mexico Results

Dollars in millions

Unaudited	9/30/18	12/31/18	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	9/30/20
Vrio EBITDA[1]	$ 225	$ 225	$ 201	$ 151	$ 162	$ 202	$ 104	$ 91	**$ 78**
Vrio EBITDA Margin[1]	20.4%	20.9%	18.8%	14.6%	16.0%	20.6%	11.7%	12.1%	**10.4%**
Mexico EBITDA[1]	$ (138)	$ (187)	$ (74)	$ (88)	$ (57)	$ 3	$ (11)	$ (58)	**$ (19)**
Mexico EBITDA Margin[1]	-18.9%	-24.3%	-11.4%	-12.1%	-7.9%	0.4%	-1.6%	-12.1%	**-3.0%**

Latin America

Operating Volumes and Statistics

Volumes in thousands

Unaudited	9/30/18	12/31/18	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	9/30/20
Vrio Video Connections[17]	13,640	13,838	13,584	13,473	13,306	13,331	13,217	10,664	**10,893**
Vrio Video Net Adds[17]	(73)	198	(32)	(111)	(167)	25	(114)	(312)	**229**
Mexico Wireless Subscribers	17,305	18,321	17,722	18,021	18,619	19,159	19,158	17,973	**18,414**
Postpaid	5,822	5,805	5,642	5,489	5,352	5,103	4,962	4,771	**4,710**
Prepaid	11,270	12,264	11,779	12,180	12,848	13,584	13,692	12,777	**13,249**
Reseller[18]	213	252	301	352	419	472	504	425	**455**
Mexico Wireless Net Adds	907	1,016	93	299	598	540	(1)	(1,085)	**441**
Mexico Wireless Churn[7]	6.59%	7.08%	6.69%	7.16%	7.32%	7.43%	6.54%	6.94%	**5.90%**
Mexico Wireless ARPU[8]	$ 8.32	$ 7.97	$ 7.99	$ 8.61	$ 7.86	$ 8.30	$ 7.78	$ 5.84	**$ 6.40**

See Notes to Financial and Operational Trends on page 15.

Corporate

Supplemental Results - Corporate[19]

Dollars in millions

Unaudited	9/30/18	12/31/18	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	9/30/20
Total Operating Revenues	$ 531	$ 514	$ 433	$ 450	$ 407	$ 385	$ 388	$ 437	**$ 431**
Operating Expenses									
Operations and support	141	418	661	765	703	879	874	933	**1,012**
Depreciation and amortization	829	596	204	170	131	124	87	93	**61**
Total Operating Expenses	970	1,014	865	935	834	1,003	961	1,026	**1,073**
Operating Loss	$ (439)	$ (500)	$ (432)	$ (485)	$ (427)	$ (618)	$ (573)	$ (589)	**$ (642)**

Corporate

Supplemental Reconciliation of Operations and Support

Dollars in millions

Unaudited	9/30/18	12/31/18	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	9/30/20
Operations and Support	$ 141	$ 418	$ 661	$ 765	$ 703	$ 879	$ 874	$ 933	**$ 1,012**
Reclassification of amortization of prior service credits	(442)	(442)	(454)	(454)	(454)	(454)	(610)	(611)	**(611)**
Reclassification of WarnerMedia amortization of production costs to Depreciation and Amortization[19]	772	545	150	112	108	102	69	75	**45**
Operations and Support excluding segment reclassifications	$ 471	$ 521	$ 357	$ 423	$ 357	$ 527	$ 333	$ 397	**$ 446**

AT&T Inc.

Other Income (Expense) - Net

Dollars in millions

Unaudited	9/30/18	12/31/18	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	9/30/20
Interest income and other gain/(loss) items[20]	$ 538	$ 328	$ 210	$ 708	$ 237	$ 18	$ (179)	$ 35	**$ (1,150)**
Special termination charges	-	-	(93)	-	12	-	-	-	**-**
Net pension and postretirement credit, excluding actuarial gain/(loss)	515	660	601	673	733	1,001	982	982	**982**
Actuarial gain/(loss)	-	686	(432)	(1,699)	(1,917)	(1,123)	-	-	**(63)**
Other Income (Expense) - Net	$ 1,053	$ 1,674	$ 286	$ (318)	$ (935)	$ (104)	$ 803	$ 1,017	**$ (231)**

See Notes to Financial and Operational Trends on page 15.

Notes to Financial and Operational Trends

AT&T Inc.

[1] See Discussion and Reconciliation of Non-GAAP Measures in the Investor Briefing or exhibit 99.1 to Form 8-K dated October 22, 2020.

[2] Pro Forma results reflect the acquisition of Time Warner on June 14, 2018. See Quarterly Pro Forma Financial Information schedule and related Form 8-K/A filed August 27, 2018 included on the AT&T Investor Relations website for further explanation of these pro forma metrics.

[3] Results have been reclassified to conform to current-period presentation.

[4] Capital expenditures include interest during construction (see page 2).

[5] Eliminations and consolidation removes transactions that either involve dealings between AT&T companies, including content licensing with WarnerMedia, or relate to advertising arrangements recorded in both the Communications and WarnerMedia segments (approximately $400M revenues in 3Q20). This reconciling item also includes conforming adjustment to the historical presentation of our advertising business.

[6] 3Q20 Prepaid subscribers and Prepaid Phone subscribers exclude 188K subscriber disconnections resulting from updating our prepaid activation policy.

[7] Churn is calculated by dividing the aggregate number of wireless subscribers who canceled service during a month by the total number of wireless subscribers at the beginning of that month. The churn rate for the period is equal to the average of the churn rate for each month of that period.

[8] ARPU is defined as wireless subscriber revenues during the period divided by average wireless subscribers during the period. Wireless service revenues include subscriber revenues and other revenues.

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

[10] Over-the-top connections include AT&T TV NOW and exclude WatchTV, which launched near end of June 2018. AT&T TV NOW connections as of 3Q20 include 6K free or substantially free trial-period subscribers. AT&T has successfully retained many subscribers after the expiration of their trial period.

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

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

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

[14] Prior-period results of the WarnerMedia segment have been recast to include Xandr, which was a separate reportable segment prior to 2Q20. See April 30, 2020 news release regarding the combination of WarnerMedia and Xandr.

[15] Programming and production costs are included in Operations & Support expenses. 1Q20 and 2Q20 results have been recast to conform to the current period presentation of HBO Max programming and production costs.

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

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

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

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

[20] 3Q20 Interest income and other gain/(loss) items include about ($1.2B) debt redemption premiums and other adjustments. See Adjusting Items in the Discussion and Reconciliation of Non-GAAP Measures in the Investor Briefing.

[21] Non-GAAP comparable basis results for WarnerMedia reflect historical Warner Media, LLC adjusted results and include the results for AT&T's Regional Sports Networks (RSNs) which were recast into the WarnerMedia segment (see Form 8-K dated September 21, 2018). Historical WarnerMedia adjusted results were presented in the Warner Media, LLC 2Q18 Trending Schedules dated July 24, 2018, which is included in the 2Q18 quarterly earnings materials on the AT&T Investor Relations website. See Basis of Presentation for definition of Adjusted Operating Income. As determined by Time Warner management and Adjusted Operating Income (Loss) include certain items affecting comparability.

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

WarnerMedia

Historical WarnerMedia Segment Results

Dollars in millions Unaudited	Non-GAAP Comparable Basis[21] 3/31/18	6/30/18	9/30/18	12/31/18	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	9/30/20
Segment Operating Revenues											
Turner	$ 3,456	$ 3,345	$ 2,988	$ 3,212	$ 3,443	$ 3,410	$ 3,007	$ 3,262	$ 3,162	$ 2,988	**$ 3,176**
Home Box Office	1,619	1,667	1,644	1,673	1,510	1,716	1,819	1,704	1,497	1,627	**1,781**
Warner Bros.	3,238	3,306	3,720	4,476	3,518	3,389	3,333	4,118	3,240	3,256	**2,411**
Eliminations and other	(205)	(405)	(148)	(129)	(92)	(165)	(313)	(160)	(540)	(1,419)	**(351)**
Total Segment Operating Revenues	$ 8,108	$ 7,913	$ 8,204	$ 9,232	$ 8,379	$ 8,350	$ 7,846	$ 8,924	$ 7,359	$ 6,452	**$ 7,017**
Segment Operating Expenses											
Operations and support	5,927	5,958	5,503	6,470	5,993	6,289	5,167	6,348	5,517	4,567	**5,418**
Depreciation and amortization	172	169	134	139	143	91	150	154	143	147	**151**
Total Segment Operating Expenses	6,099	6,127	5,637	6,609	6,136	6,380	5,317	6,502	5,660	4,714	**5,569**
Segment Operating Income	$ 2,009	$ 1,786	$ 2,567	$ 2,623	$ 2,243	$ 1,970	$ 2,529	$ 2,422	$ 1,699	$ 1,738	**$ 1,448**

Xandr

Historical Xandr Segment Results

Dollars in millions Unaudited	3/31/18	6/30/18	9/30/18	12/31/18	3/31/19	6/30/19	9/30/19	12/31/19	3/31/20	6/30/20	9/30/20
Segment Operating Revenues	$ 337	$ 392	$ 445	$ 566	$ 426	$ 485	$ 504	$ 607	$ 489	$ 362	**$ 497**
Segment Operating Expenses											
Operations and support	50	59	109	180	160	147	162	177	170	167	**166**
Depreciation and amortization	1	-	3	5	13	13	15	17	20	20	**20**
Total Segment Operating Expenses	51	59	112	185	173	160	177	194	190	187	**186**
Segment Operating Income	$ 286	$ 333	$ 333	$ 381	$ 253	$ 325	$ 327	$ 413	$ 299	$ 175	**$ 311**

See Notes to Financial and Operational Trends on page 15.