AT&T

3Q2025 EARNINGS

Financial and Operational Schedules & Non-GAAP Reconciliations

October 22, 2025

AT&T Inc.
Financial Data

Consolidated Statements of Income						
Dollars in millions except per share amounts						
Unaudited	Third Quarter		Percent	Nine-Month Period		Percent
	2025	2024	Change	**2025**	2024	Change
Operating Revenues						
Service	**$ 25,336**	$ 25,134	0.8 %	**$ 75,766**	$ 74,982	1.0 %
Equipment	**5,373**	5,079	5.8 %	**16,416**	15,056	9.0 %
Total Operating Revenues	**30,709**	30,213	1.6 %	**92,182**	90,038	2.4 %
Operating Expenses						
Cost of revenues						
Equipment	**5,468**	4,933	10.8 %	**16,900**	14,891	13.5 %
Other cost of revenues (exclusive of depreciation and amortization shown separately below)	**6,351**	6,697	(5.2)%	**19,102**	20,135	(5.1)%
Selling, general and administrative	**7,454**	6,958	7.1 %	**21,544**	21,022	2.5 %
Asset impairments and abandonments and restructuring	**—**	4,422	— %	**504**	5,061	(90.0)%
Depreciation and amortization	**5,317**	5,087	4.5 %	**15,758**	15,206	3.6 %
Total Operating Expenses	**24,590**	28,097	(12.5)%	**73,808**	76,315	(3.3)%
Operating Income	**6,119**	2,116	— %	**18,374**	13,723	33.9 %
Interest Expense	**1,700**	1,675	1.5 %	**5,013**	5,098	(1.7)%
Equity in Net Income (Loss) of Affiliates	**(20)**	272	— %	**1,905**	915	— %
Other Income (Expense) — Net	**6,254**	717	— %	**7,476**	1,850	— %
Income Before Income Taxes	**10,653**	1,430	— %	**22,742**	11,390	99.7 %
Income Tax Expense	**976**	1,285	(24.0)%	**3,512**	3,545	(0.9)%
Net Income	**9,677**	145	— %	**19,230**	7,845	— %
Net Income Attributable to Noncontrolling Interest	**(363)**	(319)	(13.8)%	**(1,065)**	(977)	(9.0)%
Net Income (Loss) Attributable to AT&T	**$ 9,314**	$ (174)	— %	**$ 18,165**	$ 6,868	— %
Preferred Stock Dividends and Redemption Gain	**(36)**	(52)	30.8 %	**(28)**	(153)	81.7 %
Net Income (Loss) Attributable to Common Stock	**$ 9,278**	$ (226)	— %	**$ 18,137**	$ 6,715	— %
Basic Earnings (Loss) Per Share Attributable to Common Stock	**$ 1.29**	$ (0.03)	— %	**$ 2.51**	$ 0.93	— %
Weighted Average Common Shares Outstanding (000,000)	**7,156**	7,202	(0.6)%	**7,193**	7,197	(0.1)%
Diluted Earnings (Loss) Per Share Attributable to Common Stock	**$ 1.29**	$ (0.03)	— %	**$ 2.51**	$ 0.93	— %
Weighted Average Common Shares Outstanding with Dilution (000,000)	**7,169**	7,208	(0.5)%	**7,203**	7,200	— %

Consolidated Balance Sheets		
Dollars in millions	**Sep. 30, 2025**	Dec. 31, 2024
Assets	**(Unaudited)**	
Current Assets		
Cash and cash equivalents	**$ 20,272**	$ 3,298
Accounts receivable – net of related allowances for credit loss of $395 and $375	**8,936**	9,638
Inventories	**2,886**	2,270
Prepaid and other current assets	**22,485**	15,962
Total current assets	**54,579**	31,168
Property, Plant and Equipment – Net	**129,922**	128,871
Goodwill – Net	**63,425**	63,432
Licenses – Net	**127,771**	127,035
Other Intangible Assets – Net	**5,254**	5,255
Investments in and Advances to Equity Affiliates	**1,056**	295
Operating Lease Right-Of-Use Assets	**22,654**	20,909
Other Assets	**18,552**	17,830
Total Assets	**$ 423,213**	$ 394,795
Liabilities and Stockholders' Equity		
Current Liabilities		
Debt maturing within one year	**$ 11,378**	$ 5,089
Accounts payable and accrued liabilities	**36,592**	35,657
Advanced billings and customer deposits	**3,897**	4,099
Dividends payable	**2,009**	2,027
Total current liabilities	**53,876**	46,872
Long-Term Debt	**128,090**	118,443
Deferred Credits and Other Noncurrent Liabilities		
Noncurrent deferred tax liabilities	**59,304**	58,939
Postemployment benefit obligation	**8,728**	9,025
Operating lease liabilities	**19,025**	17,391
Other noncurrent liabilities	**25,451**	23,900
Total deferred credits and other noncurrent liabilities	**112,508**	109,255
Redeemable Noncontrolling Interest	**1,984**	1,980
Stockholders' Equity		
Preferred stock	**—**	—
Common stock	**7,621**	7,621
Additional paid-in capital	**106,461**	109,108
Retained earnings	**13,974**	1,871
Treasury stock	**(16,700)**	(15,023)
Accumulated other comprehensive income (loss)	**(648)**	795
Noncontrolling interest	**16,047**	13,873
Total stockholders' equity	**126,755**	118,245
Total Liabilities and Stockholders' Equity	**$ 423,213**	$ 394,795

Consolidated Statements of Cash Flows		
Dollars in millions *Unaudited*	Nine-Month Period	
	2025	2024
Operating Activities		
Net income	**$ 19,230**	$ 7,845
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	**15,758**	15,206
Provision for uncollectible accounts	**1,592**	1,431
Asset impairments and abandonments and restructuring	**504**	5,061
Pension and postretirement benefit expense (credit)	**(1,191)**	(1,412)
Net (gain) loss on investments	**(5,722)**	88
Changes in operating assets and liabilities:		
Receivables	**(613)**	574
Equipment installment receivables and related sales	**806**	(899)
Contract asset and cost deferral	**(482)**	583
Inventories, prepaid and other current assets	**(1,952)**	(658)
Accounts payable and other accrued liabilities	**(2,029)**	(4,431)
Changes in income taxes	**2,609**	2,662
Postretirement claims and contributions	**(593)**	(129)
Other - net	**1,047**	954
Total adjustments	**9,734**	19,030
Net Cash Provided by Operating Activities	**28,964**	26,875
Investing Activities		
Capital expenditures	**(14,061)**	(13,420)
Acquisitions, net of cash acquired	**(47)**	(322)
Dispositions	**439**	66
Distributions from DIRECTV in excess of cumulative equity in earnings	**—**	928
(Purchases), sales and settlements of securities - net	**25**	1,153
Other - net	**(789)**	(532)
Net Cash Used in Investing Activities	**(14,433)**	(12,127)
Financing Activities		
Issuance of other short-term borrowings	**—**	491
Repayment of other short-term borrowings	**—**	(2,487)
Issuance of long-term debt	**14,027**	4
Repayment of long-term debt	**(1,849)**	(7,113)
Payment of vendor financing	**(823)**	(1,571)
Redemption of preferred stock	**(2,075)**	—
Purchase of treasury stock	**(2,669)**	(202)
Issuance of treasury stock	**19**	2
Issuance of preferred interests in subsidiary	**2,221**	—
Dividends paid	**(6,168)**	(6,171)
Other - net	**(292)**	(1,808)
Net Cash Provided by (Used in) Financing Activities	**2,391**	(18,855)
Net increase (decrease) in cash and cash equivalents and restricted cash	**16,922**	(4,107)
Cash and cash equivalents and restricted cash beginning of year	**3,406**	6,833
Cash and Cash Equivalents and Restricted Cash End of Period	**$ 20,328**	$ 2,726

AT&T Inc.
Consolidated Supplementary Data

Supplementary Financial Data							
Dollars in millions except per share amounts							
Unaudited	Third Quarter		Percent	Nine-Month Period		Percent	
	2025	2024	Change	**2025**	2024	Change	
Capital expenditures							
Purchase of property and equipment	**$ 4,843**	$ 5,259	(7.9)%	**$ 13,940**	$ 13,301	4.8	%
Interest during construction	**44**	43	2.3 %	**121**	119	1.7	%
Total Capital Expenditures	**$ 4,887**	$ 5,302	(7.8)%	**$ 14,061**	$ 13,420	4.8	%
Acquisitions, net of cash acquired							
Business acquisitions	**$ —**	$ —	— %	**$ —**	$ —	—	%
Spectrum acquisitions	**(13)**	6	— %	**1**	153	(99.3)	%
Interest during construction - spectrum	**12**	46	(73.9)%	**46**	169	(72.8)	%
Total Acquisitions	**$ (1)**	$ 52	— %	**$ 47**	$ 322	(85.4)	%
Cash paid for interest	**$ 1,855**	$ 1,971	(5.9)%	**$ 5,171**	$ 5,615	(7.9)	%
Cash paid for income taxes, net of (refunds)	**$ 17**	$ 583	(97.1)%	**$ 897**	$ 882	1.7	%
Dividends Declared per Common Share	**$ 0.2775**	$ 0.2775	— %	**$ 0.8325**	$ 0.8325	—	%
End of Period Common Shares Outstanding (000,000)				**7,109**	7,174	(0.9)	%
Debt Ratio				**52.0 %**	52.2 %	(20)	BP
Total Employees				**135,670**	143,630	(5.5)	%

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	Third Quarter		Percent	Nine-Month Period		Percent
	2025	2024	Change	**2025**	2024	Change
Segment Operating Revenues						
Mobility	**$ 21,713**	$ 21,052	3.1 %	**$ 65,128**	$ 62,126	4.8 %
Business Wireline	**4,248**	4,606	(7.8) %	**13,029**	14,274	(8.7) %
Consumer Wireline	**3,555**	3,416	4.1 %	**10,618**	10,113	5.0 %
Total Segment Operating Revenues	**29,516**	29,074	1.5 %	**88,775**	86,513	2.6 %
Segment Operating Income (Loss)						
Mobility	**7,125**	7,003	1.7 %	**20,796**	20,190	3.0 %
Business Wireline	**(354)**	(43)	— %	**(653)**	123	— %
Consumer Wireline	**325**	196	65.8 %	**1,009**	593	70.2 %
Total Segment Operating Income	**$ 7,096**	$ 7,156	(0.8) %	**$ 21,152**	$ 20,906	1.2 %
Operating Income Margin	**24.0 %**	24.6 %	(60) BP	**23.8 %**	24.2 %	(40) BP

Mobility

Mobility provides nationwide wireless service and equipment.

Mobility Results						
Dollars in millions *Unaudited*	Third Quarter		Percent	Nine-Month Period		Percent
	2025	2024	Change	**2025**	2024	Change
Operating Revenues						
Service	**$ 16,926**	$ 16,539	2.3 %	**$ 50,430**	$ 48,810	3.3 %
Equipment	**4,787**	4,513	6.1 %	**14,698**	13,316	10.4 %
Total Operating Revenues	**21,713**	21,052	3.1 %	**65,128**	62,126	4.8 %
Operating Expenses						
Operations and support	**12,011**	11,559	3.9 %	**36,673**	34,483	6.4 %
Depreciation and amortization	**2,577**	2,490	3.5 %	**7,659**	7,453	2.8 %
Total Operating Expenses	**14,588**	14,049	3.8 %	**44,332**	41,936	5.7 %
Operating Income	**$ 7,125**	$ 7,003	1.7 %	**$ 20,796**	$ 20,190	3.0 %
Operating Income Margin	**32.8 %**	33.3 %	(50) BP	**31.9 %**	32.5 %	(60) BP

Supplementary Operating Data			
Subscribers and connections in thousands *Unaudited*	September 30,		Percent
	2025	2024	Change
Mobility Subscribers			
Postpaid	**90,255**	88,384	2.1 %
Postpaid phone	**73,801**	72,285	2.1 %
Prepaid	**18,544**	19,200	(3.4) %
Reseller	**10,183**	8,482	20.1 %
Total Mobility Subscribers[1]	**118,982**	116,066	2.5 %

	Third Quarter		Percent	Nine-Month Period		Percent
	2025	2024	Change	**2025**	2024	Change
Mobility Net Additions						
Postpaid Phone Net Additions	**405**	403	0.5 %	**1,130**	1,171	(3.5) %
Total Phone Net Additions	**322**	358	(10.1) %	**993**	1,162	(14.5) %
Postpaid	**328**	429	(23.5) %	**1,097**	1,411	(22.3) %
Prepaid	**(167)**	(49)	— %	**(353)**	34	— %
Reseller	**587**	237	— %	**413**	910	(54.6) %
Total Mobility Net Additions[1,2]	**748**	617	21.2 %	**1,157**	2,355	(50.9) %
Postpaid Churn	**1.07 %**	0.93 %	14 BP	**1.03 %**	0.89 %	14 BP
Postpaid Phone-Only Churn	**0.92 %**	0.78 %	14 BP	**0.87 %**	0.73 %	14 BP

1 Wireless subscribers and net additions exclude customers with free lines provided under promotional pricing until such lines are converted to paying lines.

2 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, IP Voice and managed professional services, our fixed wireless access product, traditional voice and data services and related equipment to business customers.

Business Wireline Results						
Dollars in millions						
Unaudited	Third Quarter		Percent	Nine-Month Period		Percent
	2025	2024	Change	**2025**	2024	Change
Operating Revenues						
Legacy and other transitional services	**$ 2,208**	$ 2,669	(17.3) %	**$ 7,032**	$ 8,505	(17.3) %
Fiber and advanced connectivity services	**1,853**	1,748	6.0 %	**5,426**	5,183	4.7 %
Equipment	**187**	189	(1.1) %	**571**	586	(2.6) %
Total Operating Revenues	**4,248**	4,606	(7.8) %	**13,029**	14,274	(8.7) %
Operating Expenses						
Operations and support	**3,067**	3,250	(5.6) %	**9,128**	10,004	(8.8) %
Depreciation and amortization	**1,535**	1,399	9.7 %	**4,554**	4,147	9.8 %
Total Operating Expenses	**4,602**	4,649	(1.0) %	**13,682**	14,151	(3.3) %
Operating Income (Loss)	**$ (354)**	$ (43)	— %	**$ (653)**	$ 123	— %
Operating Income Margin	**(8.3)%**	(0.9)%	(740) BP	**(5.0)%**	0.9 %	(590) BP

Consumer Wireline

Consumer Wireline provides broadband services, including fiber connections that provide multi-gig services, and AT&T Internet Air (AIA) services, to residential customers in select locations. Consumer Wireline also provides legacy telephony voice communication services.

Consumer Wireline Results						
Dollars in millions						
Unaudited	Third Quarter		Percent	Nine-Month Period		Percent
	2025	2024	Change	**2025**	2024	Change
Operating Revenues						
Broadband	**$ 3,070**	$ 2,838	8.2 %	**$ 9,082**	$ 8,301	9.4 %
Legacy voice and data services	**243**	307	(20.8) %	**794**	972	(18.3) %
Other service and equipment	**242**	271	(10.7) %	**742**	840	(11.7) %
Total Operating Revenues	**3,555**	3,416	4.1 %	**10,618**	10,113	5.0 %
Operating Expenses						
Operations and support	**2,266**	2,296	(1.3) %	**6,738**	6,801	(0.9) %
Depreciation and amortization	**964**	924	4.3 %	**2,871**	2,719	5.6 %
Total Operating Expenses	**3,230**	3,220	0.3 %	**9,609**	9,520	0.9 %
Operating Income	**$ 325**	$ 196	65.8 %	**$ 1,009**	$ 593	70.2 %
Operating Income Margin	**9.1 %**	5.7 %	340 BP	**9.5 %**	5.9 %	360 BP

Supplementary Operating Data						
Subscribers and connections in thousands						
Unaudited				September 30,		Percent
				2025	2024	Change
Broadband Connections						
Broadband[1]				**14,494**	13,864	4.5 %
Fiber Broadband Connections				**10,123**	9,024	12.2 %
	Third Quarter		Percent	Nine-Month Period		Percent
	2025	2024	Change	**2025**	2024	Change
Broadband Net Additions						
Broadband Net Additions[1,2]	**232**	28	— %	**519**	135	— %
Fiber Broadband Net Additions	**288**	226	27.4 %	**792**	717	10.5 %

[1] Includes AIA.

[2] Excludes the impact of subscriber disconnections resulting from the termination of AIA services in areas with unfavorable regulatory requirements in the first quarter of 2025.

LATIN AMERICA SEGMENT

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

Segment Results												
Dollars in millions												
Unaudited	Third Quarter			Percent		Nine-Month Period			Percent			
	2025		2024	Change		**2025**		2024	Change			
Operating Revenues												
Wireless service	**$**	**696**	$ 645	7.9	%	**$**	**1,973**	$ 2,034	(3.0)	%		
Wireless equipment		**399**	377	5.8	%		**1,147**	1,154	(0.6)	%		
Total Segment Operating Revenues		**1,095**	1,022	7.1	%		**3,120**	3,188	(2.1)	%		
Operating Expenses												
Operations and support		**896**	854	4.9	%		**2,527**	2,662	(5.1)	%		
Depreciation and amortization		**177**	158	12.0	%		**482**	507	(4.9)	%		
Total Segment Operating Expenses		**1,073**	1,012	6.0	%		**3,009**	3,169	(5.0)	%		
Operating Income	**$**	**22**	$ 10	—	%	**$**	**111**	$ 19	—	%		
Operating Income Margin		**2.0 %**	1.0 %	100	BP		**3.6 %**	0.6 %	300	BP		

Supplementary Operating Data			
Subscribers and connections in thousands			
Unaudited	September 30,		Percent
	2025	2024	Change
Mexico Wireless Subscribers			
Postpaid	**6,423**	5,633	14.0 %
Prepaid	**17,508**	16,996	3.0 %
Reseller	**218**	282	(22.7) %
Total Mexico Wireless Subscribers	**24,149**	22,911	5.4 %

	Third Quarter		Percent	Nine-Month Period		Percent
	2025	2024	Change	**2025**	2024	Change
Mexico Wireless Net Additions						
Postpaid	**243**	139	74.8 %	**586**	397	47.6 %
Prepaid	**68**	187	(63.6) %	**22**	333	(93.4) %
Reseller	**(5)**	(51)	90.2 %	**(35)**	(135)	74.1 %
Total Mexico Wireless Net Additions	**306**	275	11.3 %	**573**	595	(3.7) %

SUPPLEMENTAL SEGMENT RECONCILIATION

Three Months Ended				
Dollars in millions				
Unaudited				
September 30, 2025				
	Revenues	Operations and Support Expenses	Depreciation and Amortization	Operating Income (Loss)
Communications				
Mobility	**$ 21,713**	**$ 12,011**	**$ 2,577**	**$ 7,125**
Business Wireline	**4,248**	**3,067**	**1,535**	**(354)**
Consumer Wireline	**3,555**	**2,266**	**964**	**325**
Total Communications	**29,516**	**17,344**	**5,076**	**7,096**
Latin America	**1,095**	**896**	**177**	**22**
Segment Total	**30,611**	**18,240**	**5,253**	**7,118**
Corporate and Other				
Corporate:				
DTV-related retained costs	**—**	**56**	**50**	**(106)**
Parent administration support	**3**	**386**	**4**	**(387)**
Securitization fees	**29**	**150**	**—**	**(121)**
Value portfolio	**66**	**16**	**—**	**50**
Total Corporate	**98**	**608**	**54**	**(564)**
Certain significant items	**—**	**425**	**10**	**(435)**
Total Corporate and Other	**98**	**1,033**	**64**	**(999)**
AT&T Inc.	**$ 30,709**	**$ 19,273**	**$ 5,317**	**$ 6,119**

September 30, 2024

	Revenues	Operations and Support Expenses	Depreciation and Amortization	Operating Income (Loss)
Communications				
Mobility	$ 21,052	$ 11,559	$ 2,490	$ 7,003
Business Wireline	4,606	3,250	1,399	(43)
Consumer Wireline	3,416	2,296	924	196
Total Communications	29,074	17,105	4,813	7,156
Latin America	1,022	854	158	10
Segment Total	30,096	17,959	4,971	7,166
Corporate and Other				
Corporate:				
DTV-related retained costs	—	107	95	(202)
Parent administration support	—	401	2	(403)
Securitization fees	31	134	—	(103)
Value portfolio	86	26	6	54
Total Corporate	117	668	103	(654)
Certain significant items	—	4,383	13	(4,396)
Total Corporate and Other	117	5,051	116	(5,050)
AT&T Inc.	$ 30,213	$ 23,010	$ 5,087	$ 2,116

SUPPLEMENTAL SEGMENT RECONCILIATION

Nine Months Ended				
Dollars in millions				
Unaudited				
September 30, 2025				
	Revenues	Operations and Support Expenses	Depreciation and Amortization	Operating Income (Loss)
Communications				
Mobility	**$ 65,128**	**$ 36,673**	**$ 7,659**	**$ 20,796**
Business Wireline	**13,029**	**9,128**	**4,554**	**(653)**
Consumer Wireline	**10,618**	**6,738**	**2,871**	**1,009**
Total Communications	**88,775**	**52,539**	**15,084**	**21,152**
Latin America	**3,120**	**2,527**	**482**	**111**
Segment Total	**91,895**	**55,066**	**15,566**	**21,263**
Corporate and Other				
Corporate:				
DTV-related retained costs	**—**	**169**	**150**	**(319)**
Parent administration support	**2**	**1,247**	**14**	**(1,259)**
Securitization fees	**87**	**538**	**—**	**(451)**
Value portfolio	**198**	**37**	**—**	**161**
Total Corporate	**287**	**1,991**	**164**	**(1,868)**
Certain significant items	**—**	**993**	**28**	**(1,021)**
Total Corporate and Other	**287**	**2,984**	**192**	**(2,889)**
AT&T Inc.	**$ 92,182**	**$ 58,050**	**$ 15,758**	**$ 18,374**

September 30, 2024

	Revenues	Operations and Support Expenses	Depreciation and Amortization	Operating Income (Loss)
Communications				
Mobility	$ 62,126	$ 34,483	$ 7,453	$ 20,190
Business Wireline	14,274	10,004	4,147	123
Consumer Wireline	10,113	6,801	2,719	593
Total Communications	86,513	51,288	14,319	20,906
Latin America	3,188	2,662	507	19
Segment Total	89,701	53,950	14,826	20,925
Corporate and Other				
Corporate:				
DTV-related retained costs	—	357	317	(674)
Parent administration support	—	1,236	5	(1,241)
Securitization fees	86	449	—	(363)
Value portfolio	251	77	15	159
Total Corporate	337	2,119	337	(2,119)
Certain significant items	—	5,040	43	(5,083)
Total Corporate and Other	337	7,159	380	(7,202)
AT&T Inc.	$ 90,038	$ 61,109	$ 15,206	$ 13,723

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). Prior periods have been recast to conform to the current period presentation to remove cash flows and equity in net income from our investment in DIRECTV, which we sold to TPG Capital on July 2, 2025.

Free Cash Flow

Free cash flow is defined as cash from operations minus cash flows related to our DIRECTV equity investment (cash distributions minus cash taxes from DIRECTV), minus capital expenditures and cash paid for vendor financing (classified as financing activities). Free cash flow after dividends is defined as cash from operations minus cash flows related to our DIRECTV equity investment, 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 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

	Third Quarter		Nine-Month Period	
	2025	2024	**2025**	2024
Net Cash Provided by Operating Activities	**$ 10,152**	$ 10,235	**$ 28,964**	$ 26,875
Less: Distributions from DIRECTV classified as operating activities	**—**	(281)	**(1,926)**	(955)
Less: Cash taxes paid on DIRECTV	**—**	132	**251**	402
Less: Capital expenditures	**(4,887)**	(5,302)	**(14,061)**	(13,420)
Less: Payment of vendor financing	**(400)**	(180)	**(823)**	(1,571)
Free Cash Flow	**4,865**	4,604	**12,405**	11,331
Less: Dividends paid	**(2,033)**	(2,038)	**(6,168)**	(6,171)
Free Cash Flow after Dividends	**$ 2,832**	$ 2,566	**$ 6,237**	$ 5,160
Free Cash Flow Dividend Payout Ratio	**41.8 %**	44.3 %	**49.7 %**	54.5 %

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

	Third Quarter		Nine-Month Period	
	2025	2024	**2025**	2024
Capital expenditures	**$ (4,887)**	$ (5,302)	**$ (14,061)**	$ (13,420)
Payment of vendor financing	**(400)**	(180)	**(823)**	(1,571)
Cash paid for Capital Investment	**$ (5,287)**	$ (5,482)	**$ (14,884)**	$ (14,991)

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.

EBITDA service margin is calculated as EBITDA divided by service revenues.

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 and Adjusted EBITDA

Dollars in millions

	Third Quarter		Nine-Month Period	
	2025	2024	**2025**	2024
Net Income	**$ 9,677**	$ 145	**$ 19,230**	$ 7,845
Additions:				
Income Tax Expense	**976**	1,285	**3,512**	3,545
Interest Expense	**1,700**	1,675	**5,013**	5,098
Equity in Net (Income) Loss of Affiliates	**20**	(272)	**(1,905)**	(915)
Other (Income) Expense - Net	**(6,254)**	(717)	**(7,476)**	(1,850)
Depreciation and amortization	**5,317**	5,087	**15,758**	15,206
EBITDA	**11,436**	7,203	**34,132**	28,929
Transaction, legal and other costs	**487**	34	**615**	101
Benefit-related (gain) loss	**(62)**	(73)	**(126)**	(122)
Asset impairments and abandonments and restructuring	**—**	4,422	**504**	5,061
Adjusted EBITDA[1]	**$ 11,861**	$ 11,586	**$ 35,125**	$ 33,969

[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

	Third Quarter		Nine-Month Period	
	2025	2024	**2025**	2024
Communications Segment				
Operating Income	**$ 7,096**	$ 7,156	**$ 21,152**	$ 20,906
Add: Depreciation and amortization	**5,076**	4,813	**15,084**	14,319
EBITDA	**$ 12,172**	$ 11,969	**$ 36,236**	$ 35,225
Total Operating Revenues	**$ 29,516**	$ 29,074	**$ 88,775**	$ 86,513
Operating Income Margin	**24.0 %**	24.6 %	**23.8 %**	24.2 %
EBITDA Margin	**41.2 %**	41.2 %	**40.8 %**	40.7 %
Mobility				
Operating Income	**$ 7,125**	$ 7,003	**$ 20,796**	$ 20,190
Add: Depreciation and amortization	**2,577**	2,490	**7,659**	7,453
EBITDA	**$ 9,702**	$ 9,493	**$ 28,455**	$ 27,643
Total Operating Revenues	**$ 21,713**	$ 21,052	**$ 65,128**	$ 62,126
Service Revenues	**16,926**	16,539	**50,430**	48,810
Operating Income Margin	**32.8 %**	33.3 %	**31.9 %**	32.5 %
EBITDA Margin	**44.7 %**	45.1 %	**43.7 %**	44.5 %
EBITDA Service Margin	**57.3 %**	57.4 %	**56.4 %**	56.6 %
Business Wireline				
Operating Income (Loss)	**$ (354)**	$ (43)	**$ (653)**	$ 123
Add: Depreciation and amortization	**1,535**	1,399	**4,554**	4,147
EBITDA	**$ 1,181**	$ 1,356	**$ 3,901**	$ 4,270
Total Operating Revenues	**$ 4,248**	$ 4,606	**$ 13,029**	$ 14,274
Operating Income Margin	**(8.3)%**	(0.9)%	**(5.0)%**	0.9 %
EBITDA Margin	**27.8 %**	29.4 %	**29.9 %**	29.9 %
Consumer Wireline				
Operating Income	**$ 325**	$ 196	**$ 1,009**	$ 593
Add: Depreciation and amortization	**964**	924	**2,871**	2,719
EBITDA	**$ 1,289**	$ 1,120	**$ 3,880**	$ 3,312
Total Operating Revenues	**$ 3,555**	$ 3,416	**$ 10,618**	$ 10,113
Operating Income Margin	**9.1 %**	5.7 %	**9.5 %**	5.9 %
EBITDA Margin	**36.3 %**	32.8 %	**36.5 %**	32.7 %
Latin America Segment				
Operating Income	**$ 22**	$ 10	**$ 111**	$ 19
Add: Depreciation and amortization	**177**	158	**482**	507
EBITDA	**$ 199**	$ 168	**$ 593**	$ 526
Total Operating Revenues	**$ 1,095**	$ 1,022	**$ 3,120**	$ 3,188
Operating Income Margin	**2.0 %**	1.0 %	**3.6 %**	0.6 %
EBITDA Margin	**18.2 %**	16.4 %	**19.0 %**	16.5 %

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 adjusted 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

	Third Quarter		Nine-Month Period	
	2025	2024	**2025**	2024
Operating Expenses				
Transaction, legal and other costs[1]	**$ 487**	$ 34	**$ 615**	$ 101
Benefit-related (gain) loss	**(62)**	(73)	**(126)**	(122)
Asset impairments and abandonments and restructuring	**—**	4,422	**504**	5,061
Adjustments to Operations and Support Expenses	**425**	4,383	**993**	5,040
Amortization of intangible assets	**10**	13	**28**	43
Adjustments to Operating Expenses	**435**	4,396	**1,021**	5,083
Other				
Equity in net income of DIRECTV	**—**	(281)	**(1,926)**	(955)
Gain on sale of DIRECTV	**(5,479)**	—	**(5,479)**	—
Benefit-related (gain) loss, impairments of investments and other	**(99)**	(92)	**(224)**	146
Adjustments to Income Before Income Taxes	**(5,143)**	4,023	**(6,608)**	4,274
Tax impact of adjustments	**67**	(88)	**(266)**	(31)
Tax-related items	**177**	—	**177**	—
Adjustments to Net Income	**$ (5,387)**	$ 4,111	**$ (6,519)**	$ 4,305
Preferred stock redemption gain	**—**	—	**(90)**	—
Adjustments to Net Income Attributable to Common Stock	**$ (5,387)**	$ 4,111	**$ (6,609)**	$ 4,305

[1] Includes certain legal reserves and settlements that cover extended historical periods and/or are unpredictable in both magnitude and timing, and therefore are distinct and separate from normal, recurring legal matters. Such costs are presented net of expected insurance recoveries and are primarily associated with legacy legal matters and the expected resolution of certain litigation associated with cyberattacks disclosed in 2024. The third quarter of 2025 also includes approximately $440 of apportioned property and casualty settlements.

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 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

	Third Quarter		Nine-Month Period	
	2025	2024	**2025**	2024
Operating Income	**$ 6,119**	$ 2,116	**$ 18,374**	$ 13,723
Adjustments to Operating Expenses	**435**	4,396	**1,021**	5,083
Adjusted Operating Income	**$ 6,554**	$ 6,512	**$ 19,395**	$ 18,806
EBITDA	**$ 11,436**	$ 7,203	**$ 34,132**	$ 28,929
Adjustments to Operations and Support Expenses	**425**	4,383	**993**	5,040
Adjusted EBITDA	**$ 11,861**	$ 11,586	**$ 35,125**	$ 33,969
Total Operating Revenues	**$ 30,709**	$ 30,213	**$ 92,182**	$ 90,038
Operating Income Margin	**19.9 %**	7.0 %	**19.9 %**	15.2 %
Adjusted Operating Income Margin	**21.3 %**	21.6 %	**21.0 %**	20.9 %
Adjusted EBITDA Margin	**38.6 %**	38.3 %	**38.1 %**	37.7 %

Adjusted Diluted EPS

	Third Quarter		Nine-Month Period	
	2025	2024	**2025**	2024
Diluted Earnings Per Share (EPS)	**$ 1.29**	$ (0.03)	**$ 2.51**	$ 0.93
Gain on sale of DIRECTV	**(0.79)**	—	**(0.79)**	—
Equity in net income of DIRECTV	**—**	(0.03)	**(0.21)**	(0.10)
Restructuring and impairments	**—**	0.61	**0.05**	0.72
Benefit-related, transaction, legal and other items	**0.04**	(0.01)	**0.04**	(0.02)
Adjusted EPS	**$ 0.54**	$ 0.54	**$ 1.60**	$ 1.53
Year-over-year growth - Adjusted	**— %**		**4.6 %**	
Weighted Average Common Shares Outstanding with Dilution (000,000)	**7,169**	7,208	**7,203**	7,200

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 - 2025

Dollars in millions

	Three Months Ended				
	Dec. 31, 2024[1]	March 31, 2025[1]	June 30, 2025[1]	Sep. 30, 2025	**Four Quarters**
Adjusted EBITDA	$ 10,791	$ 11,533	$ 11,731	$ 11,861	**$ 45,916**
End-of-period current debt					**11,378**
End-of-period long-term debt					**128,090**
Total End-of-Period Debt					**139,468**
Less: Cash and Cash Equivalents					**20,272**
Less: Time Deposits					**350**
Net Debt Balance					**118,846**
Annualized Net Debt to Adjusted EBITDA Ratio					**2.59**

[1] As reported in AT&T's Form 8-K filed July 23, 2025.

Net Debt to Adjusted EBITDA - 2024

Dollars in millions

	Three Months Ended				
	Dec. 31, 2023[1]	March 31, 2024[1]	June 30, 2024[1]	Sep. 30, 2024[1]	Four Quarters
Adjusted EBITDA	$ 10,555	$ 11,046	$ 11,337	$ 11,586	$ 44,524
End-of-period current debt					2,637
End-of-period long-term debt					126,375
Total End-of-Period Debt					129,012
Less: Cash and Cash Equivalents					2,586
Less: Time Deposits					650
Net Debt Balance					125,776
Annualized Net Debt to Adjusted EBITDA Ratio					2.82

[1] As reported in AT&T's Form 8-K filed July 23, 2025.

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 operating units, and then adjusting to remove non-business operations. The following table presents a reconciliation of our supplemental Business Solutions results. Prior period amounts have been conformed to the current period's presentation.

Supplemental Operational Measures

	Third Quarter								
	September 30, 2025				September 30, 2024				
	Mobility	**Business Wireline**	**Adj.[1]**	**Business Solutions**	Mobility	Business Wireline	Adj.[1]	Business Solutions	Percent Change
Operating Revenues									
Wireless service	**$ 16,926**	**$ —**	**$ (14,425)**	**$ 2,501**	$ 16,539	$ —	$ (14,056)	$ 2,483	0.7 %
Legacy and other transitional services	**—**	**2,208**	**—**	**2,208**	—	2,669	—	2,669	(17.3) %
Fiber and advanced connectivity services	**—**	**1,853**	**—**	**1,853**	—	1,748	—	1,748	6.0 %
Wireless equipment	**4,787**	**—**	**(3,995)**	**792**	4,513	—	(3,735)	778	1.8 %
Wireline equipment	**—**	**187**	**—**	**187**	—	189	—	189	(1.1) %
Total Operating Revenues	**21,713**	**4,248**	**(18,420)**	**7,541**	21,052	4,606	(17,791)	7,867	(4.1) %
Operating Expenses									
Operations and support	**12,011**	**3,067**	**(9,791)**	**5,287**	11,559	3,250	(9,453)	5,356	(1.3) %
EBITDA	**9,702**	**1,181**	**(8,629)**	**2,254**	9,493	1,356	(8,338)	2,511	(10.2) %
Depreciation and amortization	**2,577**	**1,535**	**(2,105)**	**2,007**	2,490	1,399	(2,036)	1,853	8.3 %
Total Operating Expenses	**14,588**	**4,602**	**(11,896)**	**7,294**	14,049	4,649	(11,489)	7,209	1.2 %
Operating Income (Loss)	**$ 7,125**	**$ (354)**	**$ (6,524)**	**$ 247**	$ 7,003	$ (43)	$ (6,302)	$ 658	(62.5) %
Operating Income Margin				3.3 %				8.4 %	(510) BP

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

Supplemental Operational Measures

	Nine-Month Period								
	September 30, 2025				September 30, 2024				
	Mobility	**Business Wireline**	**Adj.[1]**	**Business Solutions**	Mobility	Business Wireline	Adj.[1]	Business Solutions	Percent Change
Operating Revenues									
Wireless service	**$ 50,430**	**$ —**	**$ (43,017)**	**$ 7,413**	$ 48,810	$ —	$ (41,473)	$ 7,337	1.0 %
Legacy and other transitional services	**—**	**7,032**	**—**	**7,032**	—	8,505	—	8,505	(17.3) %
Fiber and advanced connectivity services	**—**	**5,426**	**—**	**5,426**	—	5,183	—	5,183	4.7 %
Wireless equipment	**14,698**	**—**	**(12,299)**	**2,399**	13,316	—	(11,028)	2,288	4.9 %
Wireline equipment	**—**	**571**	**—**	**571**	—	586	—	586	(2.6) %
Total Operating Revenues	**65,128**	**13,029**	**(55,316)**	**22,841**	62,126	14,274	(52,501)	23,899	(4.4) %
Operating Expenses									
Operations and support	**36,673**	**9,128**	**(29,969)**	**15,832**	34,483	10,004	(28,180)	16,307	(2.9) %
EBITDA	**28,455**	**3,901**	**(25,347)**	**7,009**	27,643	4,270	(24,321)	7,592	(7.7) %
Depreciation and amortization	**7,659**	**4,554**	**(6,265)**	**5,948**	7,453	4,147	(6,094)	5,506	8.0 %
Total Operating Expenses	**44,332**	**13,682**	**(36,234)**	**21,780**	41,936	14,151	(34,274)	21,813	(0.2) %
Operating Income	**$ 20,796**	**$ (653)**	**$ (19,082)**	**$ 1,061**	$ 20,190	$ 123	$ (18,227)	$ 2,086	(49.1) %
Operating Income Margin				4.6 %				8.7 %	(410) BP

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


AT&T