AT&T

3Q2026 EARNINGS

Financial and Operational Schedules & Non-GAAP Reconciliations

October 21, 2026

AT&T Inc.
Financial Data

Consolidated Statements of Income						
Dollars in millions except per share amounts						
Unaudited	Third Quarter		Percent	Nine-Month Period		Percent
	2026	2025	Change	**2026**	2025	Change
Operating Revenues						
Service	**$ 26,301**	$ 25,336	3.8 %	**$ 77,756**	$ 75,766	2.6 %
Equipment	**6,021**	5,373	12.1 %	**17,630**	16,416	7.4 %
Total Operating Revenues	**32,322**	30,709	5.3 %	**95,386**	92,182	3.5 %
Operating Expenses						
Cost of revenues						
Equipment	**6,098**	5,468	11.5 %	**18,144**	16,900	7.4 %
Other cost of revenues (exclusive of depreciation and amortization shown separately below)	**6,344**	6,351	(0.1)%	**18,911**	19,102	(1.0)%
Selling, general and administrative	**7,435**	7,454	(0.3)%	**21,972**	21,544	2.0 %
Asset impairments and abandonments and restructuring	**3,372**	—	— %	**3,658**	504	— %
Depreciation and amortization	**4,978**	5,317	(6.4)%	**14,910**	15,758	(5.4)%
Total Operating Expenses	**28,227**	24,590	14.8 %	**77,595**	73,808	5.1 %
Operating Income	**4,095**	6,119	(33.1)%	**17,791**	18,374	(3.2)%
Interest Expense	**1,979**	1,700	16.4 %	**5,675**	5,013	13.2 %
Equity in Net Income (Loss) of Affiliates	**(10)**	(20)	50.0 %	**(80)**	1,905	— %
Other Income (Expense) — Net	**590**	6,254	(90.6)%	**1,880**	7,476	(74.9)%
Income from Continuing Operations Before Income Taxes	**2,696**	10,653	(74.7)%	**13,916**	22,742	(38.8)%
Income tax expense on continuing operations	**1,390**	976	42.4 %	**3,353**	3,512	(4.5)%
Income From Continuing Operations	**1,306**	9,677	(86.5)%	**10,563**	19,230	(45.1)%
Loss from discontinued operations, net of tax	**(37)**	—	— %	**(103)**	—	— %
Net Income	**1,269**	9,677	(86.9)%	**10,460**	19,230	(45.6)%
Net Income Attributable to Noncontrolling Interest	**(378)**	(363)	(4.1)%	**(1,113)**	(1,065)	(4.5)%
Net Income Attributable to AT&T	**$ 891**	$ 9,314	(90.4)%	**$ 9,347**	$ 18,165	(48.5)%
Preferred Stock Dividends and Redemption Gain	**(36)**	(36)	— %	**(108)**	(28)	— %
Net Income Attributable to Common Stock	**$ 855**	$ 9,278	(90.8)%	**$ 9,239**	$ 18,137	(49.1)%
Basic Earnings Per Share Attributable to Common Stock						
Income from continuing operations	**$ 0.13**	$ 1.29	(89.9)%	**$ 1.34**	$ 2.51	(46.6)%
Loss from discontinued operations	**(0.01)**	—	— %	**(0.01)**	—	— %
	$ 0.12	$ 1.29	(90.7)%	**$ 1.33**	$ 2.51	(47.0)%
Weighted Average Common Shares Outstanding (000,000)	**6,835**	7,156	(4.5)%	**6,929**	7,193	(3.7)%
Diluted Earnings Per Share Attributable to Common Stock						
Income from continuing operations	**$ 0.13**	$ 1.29	(89.9)%	**$ 1.34**	$ 2.51	(46.6)%
Loss from discontinued operations	**(0.01)**	—	— %	**(0.01)**	—	— %
	$ 0.12	$ 1.29	(90.7)%	**$ 1.33**	$ 2.51	(47.0)%
Weighted Average Common Shares Outstanding with Dilution (000,000)	**6,844**	7,169	(4.5)%	**6,938**	7,203	(3.7)%

AT&T Inc.
Financial Data

Consolidated Balance Sheets		
Dollars in millions		
	Sep. 30, 2026	Dec. 31, 2025
Assets	**(Unaudited)**	
Current Assets		
Cash and cash equivalents	**$ 10,767**	$ 18,234
Accounts receivable – net of related allowances for credit loss of $272 and $429	**7,992**	8,843
Inventories	**2,893**	2,420
Prepaid and other current assets	**19,477**	19,235
Assets held for sale	**11,216**	—
Total current assets	**52,345**	48,732
Property, Plant and Equipment – Net	**132,154**	131,559
Goodwill – Net	**63,865**	63,425
Licenses – Net	**149,357**	128,148
Other Intangible Assets – Net	**5,987**	5,254
Investments in and Advances to Equity Affiliates	**1,173**	1,106
Operating Lease Right-Of-Use Assets	**22,352**	22,642
Other Assets	**18,638**	19,332
Total Assets	**$ 445,871**	$ 420,198
Liabilities and Stockholders' Equity		
Current Liabilities		
Debt maturing within one year	**$ 9,483**	$ 9,011
Accounts payable and accrued liabilities	**38,335**	38,514
Advanced billings and customer deposits	**3,909**	4,266
Dividends payable	**1,912**	1,989
Liabilities held for sale	**6,636**	—
Total current liabilities	**60,275**	53,780
Long-Term Debt	**150,144**	127,089
Deferred Credits and Other Noncurrent Liabilities		
Noncurrent deferred tax liabilities	**61,551**	58,312
Postemployment benefit obligation	**8,100**	8,478
Operating lease liabilities	**18,520**	18,943
Other noncurrent liabilities	**22,521**	25,104
Total deferred credits and other noncurrent liabilities	**110,692**	110,837
Redeemable Noncontrolling Interest	**2,006**	2,001
Stockholders' Equity		
Preferred stock	**—**	—
Common stock	**7,621**	7,621
Additional paid-in capital	**106,239**	106,533
Retained earnings	**19,265**	15,768
Treasury stock	**(25,268)**	(18,529)
Accumulated other comprehensive income (loss)	**(1,082)**	(860)
Noncontrolling interest	**15,979**	15,958
Total stockholders' equity	**122,754**	126,491
Total Liabilities and Stockholders' Equity	**$ 445,871**	$ 420,198

Consolidated Statements of Cash Flows		
Dollars in millions		
Unaudited	Nine-Month Period	
	2026	2025
Operating Activities		
Income from continuing operations	**$ 10,563**	$ 19,230
Adjustments to reconcile income from continuing operations to net cash provided by operating activities from continuing operations:		
Depreciation and amortization	**14,910**	15,758
Provision for uncollectible accounts	**1,817**	1,592
Asset impairments and abandonments and restructuring	**3,658**	504
Pension and postretirement benefit expense (credit)	**(1,187)**	(1,191)
Net (gain) loss on investments	**(277)**	(5,722)
Changes in operating assets and liabilities:		
Receivables	**(903)**	(613)
Equipment installment receivables and related sales	**(1,016)**	806
Contract asset and cost deferral	**(617)**	(482)
Inventories, prepaid and other current assets	**(823)**	(1,952)
Accounts payable and other accrued liabilities	**(1,253)**	(2,029)
Changes in income taxes	**3,209**	2,609
Postretirement claims and contributions	**(364)**	(593)
Other - net	**1,198**	1,047
Total adjustments	**18,352**	9,734
Net Cash Provided by Operating Activities from Continuing Operations	**28,915**	28,964
Investing Activities		
Capital expenditures	**(15,638)**	(14,061)
Acquisitions, net of cash acquired	**(25,677)**	(47)
Dispositions	**858**	439
(Purchases), sales and settlements of securities - net	**(1)**	25
Other - net	**(1,062)**	(789)
Net Cash Used in Investing Activities from Continuing Operations	**(41,520)**	(14,433)
Financing Activities		
Issuance of other short-term borrowings	**3,000**	—
Repayment of other short-term borrowings	**(3,000)**	—
Issuance of long-term debt	**35,870**	14,027
Repayment of long-term debt	**(10,172)**	(1,849)
Payment of vendor financing	**(1,148)**	(823)
Redemption of preferred stock	**—**	(2,075)
Purchase of treasury stock	**(7,472)**	(2,669)
Issuance of treasury stock	**1**	19
Issuance of preferred interests in subsidiary	**—**	2,221
Dividends paid	**(5,923)**	(6,168)
Other - net	**(1,487)**	(292)
Net Cash Provided by Financing Activities from Continuing Operations	**9,669**	2,391
Net increase (decrease) in cash and cash equivalents and restricted cash from continuing operations	**(2,936)**	16,922
Cash flows from Discontinued Operations:		
Cash provided by operating activities	**197**	—
Cash used in investing activities	**(4,607)**	—
Cash used in financing activities	**—**	—
Net increase (decrease) in cash and cash equivalents and restricted cash from discontinued operations	**(4,410)**	—
Net increase (decrease) in cash and cash equivalents and restricted cash	**$ (7,346)**	$ 16,922
Cash and cash equivalents and restricted cash beginning of year	**18,527**	3,406
Cash and Cash Equivalents and Restricted Cash End of Period	**$ 11,181**	$ 20,328

AT&T Inc.
Consolidated Supplementary Data

Supplementary Financial Data								
Dollars in millions except per share amounts								
Unaudited	Third Quarter		Percent		Nine-Month Period		Percent	
	2026	2025	Change		**2026**	2025	Change	
Capital expenditures								
Purchase of property and equipment	**$ 5,010**	$ 4,843	3.4	%	**$ 15,496**	$ 13,940	11.2	%
Interest during construction	**51**	44	15.9	%	**142**	121	17.4	%
Total Capital Expenditures	**$ 5,061**	$ 4,887	3.6	%	**$ 15,638**	$ 14,061	11.2	%
Acquisitions, net of cash acquired								
Business acquisitions	**$ 11**	$ —	—	%	**$ 1,702**	$ —	—	%
Spectrum acquisitions	**22,842**	(13)	—	%	**23,876**	1	—	%
Interest during construction - spectrum	**99**	12	—	%	**99**	46	—	%
Total Acquisitions	**$ 22,952**	$ (1)	—	%	**$ 25,677**	$ 47	—	%
Cash paid for interest	**$ 1,990**	$ 1,855	7.3	%	**$ 5,724**	$ 5,171	10.7	%
Cash paid for income taxes, net of (refunds)	**$ 21**	$ 17	23.5	%	**$ 112**	$ 897	(87.5)	%
Dividends Declared per Common Share	**$ 0.2775**	$ 0.2775	—	%	**$ 0.8325**	$ 0.8325	—	%
End of Period Common Shares Outstanding (000,000)					**6,761**	7,109	(4.9)	%
Debt Ratio					**56.1 %**	52.0 %	410	BP
Total Employees					**127,150**	135,670	(6.3)	%

ADVANCED CONNECTIVITY SEGMENT

The segment provides domestic 5G and fiber-based wireless, internet and other advanced connectivity services to consumer and business customers.

Segment Results						
Dollars in millions *Unaudited*	Third Quarter		Percent	Nine-Month Period		Percent
	2026	2025	Change	**2026**	2025	Change
Operating Revenues						
Wireless service	**$ 17,764**	$ 16,926	5.0 %	**$ 52,118**	$ 50,430	3.3 %
Advanced home internet	**2,975**	2,411	23.4 %	**8,700**	6,908	25.9 %
Business fiber and advanced connectivity	**1,992**	1,832	8.7 %	**5,820**	5,356	8.7 %
Business transitional and other	**1,023**	1,198	(14.6) %	**3,148**	3,741	(15.9) %
Other service	**148**	162	(8.6) %	**457**	488	(6.4) %
Total Service Revenues	**23,902**	22,529	6.1 %	**70,243**	66,923	5.0 %
Equipment	**5,579**	4,974	12.2 %	**16,324**	15,269	6.9 %
Total Segment Operating Revenues	**29,481**	27,503	7.2 %	**86,567**	82,192	5.3 %
Operating Expenses						
Operations and support	**17,151**	16,010	7.1 %	**50,647**	48,613	4.2 %
Depreciation and amortization	**4,702**	5,076	(7.4) %	**14,094**	15,084	(6.6) %
Total Segment Operating Expenses	**21,853**	21,086	3.6 %	**64,741**	63,697	1.6 %
Operating Income	**$ 7,628**	$ 6,417	18.9 %	**$ 21,826**	$ 18,495	18.0 %
Operating Income Margin	**25.9 %**	23.3 %	260 BP	**25.2 %**	22.5 %	270 BP

Supplementary Operating Data

Subscribers and connections in thousands

Unaudited

	September 30, 2026	September 30, 2025	Percent Change
Retail Wireless Subscribers[1]	**110,237**	108,799	1.3 %
Phone	**91,736**	90,755	1.1 %
Postpaid phone	**75,283**	73,801	2.0 %
Prepaid phone	**16,453**	16,954	(3.0) %
Other	**18,501**	18,044	2.5 %

	Third Quarter 2026	Third Quarter 2025	Percent Change	Nine-Month Period 2026	Nine-Month Period 2025	Percent Change
Retail Wireless Net Adds[1, 2]	**537**	161	— %	**1,244**	744	67.2 %
Phone	**358**	322	11.2 %	**1,016**	993	2.3 %
Postpaid phone	**379**	405	(6.4) %	**1,105**	1,130	(2.2) %
Prepaid phone	**(21)**	(83)	74.7 %	**(89)**	(137)	35.0 %
Other	**179**	(161)	— %	**228**	(249)	— %
Phone churn[3]	**1.19 %**	1.24 %	(5) BP	**1.17 %**	1.18 %	(1) BP
Postpaid phone churn[3]	**0.92 %**	0.92 %	— BP	**0.89 %**	0.87 %	2 BP
Prepaid phone churn[3]	**2.41 %**	2.63 %	(22) BP	**2.44 %**	2.53 %	(9) 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.

[3] 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.

	September 30, 2026	September 30, 2025	Percent Change
Internet Connections	**16,248**	12,565	29.3 %
Fiber	**13,310**	10,789	23.4 %
AT&T Fiber	**12,560**	10,123	24.1 %
AT&T Business Fiber[1]	**750**	666	12.6 %
Fixed Wireless	**2,938**	1,776	65.4 %
AT&T Internet Air (AIA)	**2,231**	1,276	74.8 %
Business Fixed Wireless[2]	**707**	500	41.4 %

	Third Quarter 2026	Third Quarter 2025	Percent Change	Nine-Month Period 2026	Nine-Month Period 2025	Percent Change
Internet Net Adds[3]	**769**	613	25.4 %	**1,999**	1,638	22.0 %
Fiber	**442**	309	43.0 %	**1,101**	861	27.9 %
AT&T Fiber	**416**	288	44.4 %	**1,033**	792	30.4 %
AT&T Business Fiber[1]	**26**	21	23.8 %	**68**	69	(1.4) %
Fixed Wireless	**327**	304	7.6 %	**898**	777	15.6 %
AT&T Internet Air (AIA)	**280**	270	3.7 %	**734**	654	12.2 %
Business Fixed Wireless[2]	**47**	34	38.2 %	**164**	123	33.3 %

[1] Includes fiber broadband internet for businesses and excludes dedicated and ethernet fiber.

[2] Includes AT&T Internet Air for Business and historical fixed wireless services. Excludes integrated gateway wireless connections used for secondary or back-up connectivity.

[3] Excludes acquisition-related activity and the impact of customer disconnections resulting from the termination of AIA services in areas with unfavorable regulatory requirements in the first quarter of 2025.

LEGACY SEGMENT

The segment provides domestic legacy voice and data services to consumer and business customers over our copper-based network. Legacy segment results include revenues derived from copper-based services and direct operating costs.

Segment Results						
Dollars in millions						
Unaudited	Third Quarter		Percent	Nine-Month Period		Percent
	2026	2025	Change	**2026**	2025	Change
Segment Operating Revenues	**$ 1,519**	$ 2,013	(24.5) %	**$ 4,919**	$ 6,583	(25.3) %
Segment Operating Expenses						
Operations and support	**1,021**	1,334	(23.5) %	**3,286**	3,926	(16.3) %
Depreciation and amortization	**—**	—	— %	**—**	—	— %
Total Operating Expenses	**1,021**	1,334	(23.5) %	**3,286**	3,926	(16.3) %
Operating Income	**$ 498**	$ 679	(26.7) %	**$ 1,633**	$ 2,657	(38.5) %
Operating Income Margin	**32.8 %**	33.7 %	(90) BP	**33.2 %**	40.4 %	(720) BP

LATIN AMERICA SEGMENT

The segment provides wireless services and equipment to customers in Mexico. We agreed to sell our Latin America business and applied held-for-sale accounting at September 30, 2026.

Segment Results						
Dollars in millions						
Unaudited	Third Quarter		Percent	Nine-Month Period		Percent
	2026	2025	Change	**2026**	2025	Change
Operating Revenues						
Wireless service	**$ 798**	$ 696	14.7 %	**$ 2,331**	$ 1,973	18.1 %
Wireless equipment	**442**	399	10.8 %	**1,306**	1,147	13.9 %
Total Segment Operating Revenues	**1,240**	1,095	13.2 %	**3,637**	3,120	16.6 %
Operating Expenses						
Operations and support	**1,004**	896	12.1 %	**2,954**	2,527	16.9 %
Depreciation and amortization	**191**	177	7.9 %	**580**	482	20.3 %
Total Segment Operating Expenses	**1,195**	1,073	11.4 %	**3,534**	3,009	17.4 %
Operating Income	**$ 45**	$ 22	— %	**$ 103**	$ 111	(7.2) %
Operating Income Margin	**3.6 %**	2.0 %	160 BP	**2.8 %**	3.6 %	(80) BP

Supplementary Operating Data			
Subscribers and connections in thousands			
Unaudited	September 30,		Percent
	2026	2025	Change
Mexico Wireless Subscribers			
Postpaid	**7,939**	6,423	23.6 %
Prepaid	**15,317**	17,508	(12.5) %
Reseller	**77**	218	(64.7) %
Total Mexico Wireless Subscribers	**23,333**	24,149	(3.4) %

	Third Quarter		Percent	Nine-Month Period		Percent
	2026	2025	Change	**2026**	2025	Change
Mexico Wireless Net Additions						
Postpaid	**482**	243	98.4 %	**1,188**	586	— %
Prepaid	**(512)**	68	— %	**(2,413)**	22	— %
Reseller	**(72)**	(5)	— %	**(122)**	(35)	— %
Total Mexico Wireless Net Additions	**(102)**	306	— %	**(1,347)**	573	— %

SUPPLEMENTAL INFORMATION - ADVANCED CONNECTIVITY

We provide supplemental information on our advanced consumer and business customer relationships in the following tables as the product lifecycles in these customer categories influence the growth trajectories of Advanced Connectivity segment results.

Consumer Results						
Dollars in millions *Unaudited*	Third Quarter		Percent Change	Nine-Month Period		Percent Change
	2026	2025		**2026**	2025	
Operating Revenues						
Wireless service	**$ 15,283**	$ 14,594	4.7 %	**$ 44,859**	$ 43,523	3.1 %
Advanced home internet	**2,975**	2,411	23.4 %	**8,700**	6,908	25.9 %
Other service	**148**	162	(8.6) %	**457**	488	(6.4) %
Total Service Revenues	**18,406**	17,167	7.2 %	**54,016**	50,919	6.1 %
Equipment	**4,642**	4,107	13.0 %	**13,513**	12,626	7.0 %
Total Operating Revenues	**23,048**	21,274	8.3 %	**67,529**	63,545	6.3 %
Operating Expenses						
Operations and support	**12,735**	11,573	10.0 %	**37,558**	35,240	6.6 %
Depreciation and amortization	**2,973**	3,069	(3.1) %	**8,971**	9,136	(1.8) %
Total Operating Expenses	**15,708**	14,642	7.3 %	**46,529**	44,376	4.9 %
Operating Income	**$ 7,340**	$ 6,632	10.7 %	**$ 21,000**	$ 19,169	9.6 %
Operating Income Margin	**31.8 %**	31.2 %	60 BP	**31.1 %**	30.2 %	90 BP

Business Results						
Dollars in millions *Unaudited*	Third Quarter		Percent Change	Nine-Month Period		Percent Change
	2026	2025		**2026**	2025	
Operating Revenues						
Wireless service	**$ 2,481**	$ 2,332	6.4 %	**$ 7,259**	$ 6,907	5.1 %
Fiber and advanced connectivity	**1,992**	1,832	8.7 %	**5,820**	5,356	8.7 %
Transitional and other service	**1,023**	1,198	(14.6) %	**3,148**	3,741	(15.9) %
Total Service Revenues	**5,496**	5,362	2.5 %	**16,227**	16,004	1.4 %
Equipment	**937**	867	8.1 %	**2,811**	2,643	6.4 %
Total Operating Revenues	**6,433**	6,229	3.3 %	**19,038**	18,647	2.1 %
Operating Expenses						
Operations and support	**4,416**	4,437	(0.5) %	**13,089**	13,373	(2.1) %
Depreciation and amortization	**1,729**	2,007	(13.9) %	**5,123**	5,948	(13.9) %
Total Operating Expenses	**6,145**	6,444	(4.6) %	**18,212**	19,321	(5.7) %
Operating Income (Loss)	**$ 288**	$ (215)	— %	**$ 826**	$ (674)	— %
Operating Income Margin	**4.5 %**	(3.5)%	800 BP	**4.3 %**	(3.6)%	790 BP

SUPPLEMENTAL SEGMENT RECONCILIATION

Three Months Ended						
Dollars in millions						
Unaudited						
September 30, 2026						
	Advanced Connectivity	**Legacy**	**Latin America**	**Total Segment**	Corporate & Other	**AT&T Inc.**
Operating Revenues						
Wireless service	**$ 17,764**	**$ —**	**$ 798**	**$ 18,562**	**$ —**	**$ 18,562**
Consumer	***15,283***					
Business	***2,481***					
Advanced home internet	**2,975**	**—**	**—**	**2,975**	**—**	**2,975**
Business fiber and advanced connectivity	**1,992**	**—**	**—**	**1,992**	**—**	**1,992**
Business transitional and other	**1,023**	**—**	**—**	**1,023**	**—**	**1,023**
Other service	**148**	**1,519**	**—**	**1,667**	**82**	**1,749**
Total Service	**23,902**	**1,519**	**798**	**26,219**	**82**	**26,301**
Equipment	**5,579**	**—**	**442**	**6,021**	**—**	**6,021**
Operating Revenues	**29,481**	**1,519**	**1,240**	**32,240**	**82**	**32,322**
Operating Expenses						
Operations and support expenses	**17,151**	**1,021**	**1,004**	**19,176**	**657**	**19,833**
Asset impairments and abandonments and restructuring	**—**	**—**	**—**	**—**	**3,372**	**3,372**
Transaction, legal and other costs	**—**	**—**	**—**	**—**	**44**	**44**
Depreciation and amortization	**4,702**	**—**	**191**	**4,893**	**85**	**4,978**
Operating Expenses	**21,853**	**1,021**	**1,195**	**24,069**	**4,158**	**28,227**
Operating Income (Loss)	**$ 7,628**	**$ 498**	**$ 45**	**$ 8,171**	**$ (4,076)**	**$ 4,095**
Total other income (expense)						**(1,399)**
Income from continuing operations before income tax						**$ 2,696**

September 30, 2025						
	Advanced Connectivity	**Legacy**	**Latin America**	**Total Segment**	Corporate & Other	**AT&T Inc.**
Operating Revenues						
Wireless service	$ 16,926	$ —	$ 696	$ 17,622	$ —	$ 17,622
Consumer	*14,594*					
Business	*2,332*					
Advanced home internet	2,411	—	—	2,411	—	2,411
Business fiber and advanced connectivity	1,832	—	—	1,832	—	1,832
Business transitional and other	1,198	—	—	1,198	—	1,198
Other service	162	2,013	—	2,175	98	2,273
Total Service	22,529	2,013	696	25,238	98	25,336
Equipment	4,974	—	399	5,373	—	5,373
Operating Revenues	27,503	2,013	1,095	30,611	98	30,709
Operating Expenses						
Operations and support expenses	16,010	1,334	896	18,240	546	18,786
Asset impairments and abandonments and restructuring	—	—	—	—	—	—
Transaction, legal and other costs	—	—	—	—	487	487
Depreciation and amortization	5,076	—	177	5,253	64	5,317
Operating Expenses	21,086	1,334	1,073	23,493	1,097	24,590
Operating Income (Loss)	$ 6,417	$ 679	$ 22	$ 7,118	$ (999)	$ 6,119
Total other income (expense)						4,534
Income from continuing operations before income tax						$ 10,653

SUPPLEMENTAL SEGMENT RECONCILIATION

Nine Months Ended						
Dollars in millions						
Unaudited						
September 30, 2026						
	Advanced Connectivity	**Legacy**	**Latin America**	**Total Segment**	Corporate & Other	**AT&T Inc.**
Operating Revenues						
Wireless service	**$ 52,118**	**$ —**	**$ 2,331**	**$ 54,449**	**$ —**	**$ 54,449**
Consumer	***44,859***					
Business	***7,259***					
Advanced home internet	**8,700**	**—**	**—**	**8,700**	**—**	**8,700**
Business fiber and advanced connectivity	**5,820**	**—**	**—**	**5,820**	**—**	**5,820**
Business transitional and other	**3,148**	**—**	**—**	**3,148**	**—**	**3,148**
Other service	**457**	**4,919**	**—**	**5,376**	**263**	**5,639**
Total Service	**70,243**	**4,919**	**2,331**	**77,493**	**263**	**77,756**
Equipment	**16,324**	**—**	**1,306**	**17,630**	**—**	**17,630**
Operating Revenues	**86,567**	**4,919**	**3,637**	**95,123**	**263**	**95,386**
Operating Expenses						
Operations and support expenses	**50,647**	**3,286**	**2,954**	**56,887**	**1,801**	**58,688**
Asset impairments and abandonments and restructuring	**—**	**—**	**—**	**—**	**3,658**	**3,658**
Transaction, legal and other costs	**—**	**—**	**—**	**—**	**339**	**339**
Depreciation and amortization	**14,094**	**—**	**580**	**14,674**	**236**	**14,910**
Operating Expenses	**64,741**	**3,286**	**3,534**	**71,561**	**6,034**	**77,595**
Operating Income (Loss)	**$ 21,826**	**$ 1,633**	**$ 103**	**$ 23,562**	**$ (5,771)**	**$ 17,791**
Total other income (expense)						**(3,875)**
Income from continuing operations before income tax						**$ 13,916**

September 30, 2025						
	Advanced Connectivity	**Legacy**	**Latin America**	**Total Segment**	Corporate & Other	**AT&T Inc.**
Operating Revenues						
Wireless service	$ 50,430	$ —	$ 1,973	$ 52,403	$ —	$ 52,403
Consumer	*43,523*					
Business	*6,907*					
Advanced home internet	6,908	—	—	6,908	—	6,908
Business fiber and advanced connectivity	5,356	—	—	5,356	—	5,356
Business transitional and other	3,741	—	—	3,741	—	3,741
Other service	488	6,583	—	7,071	287	7,358
Total Service	66,923	6,583	1,973	75,479	287	75,766
Equipment	15,269	—	1,147	16,416	—	16,416
Operating Revenues	82,192	6,583	3,120	91,895	287	92,182
Operating Expenses						
Operations and support expenses	48,613	3,926	2,527	55,066	1,865	56,931
Asset impairments and abandonments and restructuring	—	—	—	—	504	504
Transaction, legal and other costs	—	—	—	—	615	615
Depreciation and amortization	15,084	—	482	15,566	192	15,758
Operating Expenses	63,697	3,926	3,009	70,632	3,176	73,808
Operating Income (Loss)	$ 18,495	$ 2,657	$ 111	$ 21,263	$ (2,889)	$ 18,374
Total other income (expense)						4,368
Income from continuing operations before income tax						$ 22,742

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).

On February 2, 2026, we closed our transaction with Lumen Technologies, Inc. (Lumen) and acquired substantially all of Lumen's Mass Markets fiber business. The acquisition included customer relationships, which we include with our advanced home internet services, and fiber network assets that were placed in a wholly owned subsidiary, Forged Fiber 37 Services, LLC (Forged Fiber). Upon acquisition, we initially sought an equity partner to co-invest in Forged Fiber and have since agreed to sell a controlling interest in the business. As such, Forged Fiber met the criteria of held-for-sale and accordingly is reflected as discontinued operations in the accompanying financial statements. The information below refers only to our continuing operations and does not include discussion of balances or activity of Forged Fiber.

Free Cash Flow

Free cash flow is defined as cash from operations minus cash flows related to our DIRECTV equity investment that was sold in July 2025, 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	
	2026	2025	**2026**	2025
Net Cash Provided by Operating Activities from Continuing Operations	**$ 10,519**	$ 10,152	**$ 28,915**	$ 28,964
Less: Distributions from DIRECTV classified as operating activities	**—**	—	**—**	(1,926)
Less: Cash taxes paid on DIRECTV	**—**	—	**—**	251
Less: Capital expenditures	**(5,061)**	(4,887)	**(15,638)**	(14,061)
Less: Payment of vendor financing	**(505)**	(400)	**(1,148)**	(823)
Free Cash Flow	**4,953**	4,865	**12,129**	12,405
Less: Dividends paid	**(1,950)**	(2,033)	**(5,923)**	(6,168)
Free Cash Flow after Dividends	**$ 3,003**	$ 2,832	**$ 6,206**	$ 6,237
Free Cash Flow Dividend Payout Ratio	**39.4 %**	41.8 %	**48.8 %**	49.7 %

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	
	2026	2025	**2026**	2025
Capital expenditures	**$ (5,061)**	$ (4,887)	**$ (15,638)**	$ (14,061)
Payment of vendor financing	**(505)**	(400)	**(1,148)**	(823)
Cash paid for Capital Investment	**$ (5,566)**	$ (5,287)	**$ (16,786)**	$ (14,884)

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.

There are material limitations to using these non-GAAP financial measures. EBITDA and EBITDA 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 and EBITDA 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	
	2026	2025	**2026**	2025
Income from Continuing Operations	**$ 1,306**	$ 9,677	**$ 10,563**	$ 19,230
Additions:				
Income Tax Expense	**1,390**	976	**3,353**	3,512
Interest Expense	**1,979**	1,700	**5,675**	5,013
Equity in Net (Income) Loss of Affiliates	**10**	20	**80**	(1,905)
Other (Income) Expense - Net	**(590)**	(6,254)	**(1,880)**	(7,476)
Depreciation and amortization	**4,978**	5,317	**14,910**	15,758
EBITDA	**9,073**	11,436	**32,701**	34,132
Transaction, legal and other costs	**44**	487	**339**	615
Benefit-related (gain) loss	**16**	(62)	**(60)**	(126)
Asset impairments and abandonments and restructuring	**3,372**	—	**3,658**	504
Adjusted EBITDA[1]	**$ 12,505**	$ 11,861	**$ 36,638**	$ 35,125

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

Segment EBITDA and EBITDA Margin				
Dollars in millions				
	Third Quarter		Nine-Month Period	
	2026	2025	**2026**	2025
Advanced Connectivity Segment				
Operating Income	**$ 7,628**	$ 6,417	**$ 21,826**	$ 18,495
Add: Depreciation and amortization	**4,702**	5,076	**14,094**	15,084
EBITDA	**$ 12,330**	$ 11,493	**$ 35,920**	$ 33,579
Total Operating Revenues	**$ 29,481**	$ 27,503	**$ 86,567**	$ 82,192
Operating Income Margin	**25.9 %**	23.3 %	**25.2 %**	22.5 %
EBITDA Margin	**41.8 %**	41.8 %	**41.5 %**	40.9 %
Legacy Segment				
Operating Income	**$ 498**	$ 679	**$ 1,633**	$ 2,657
Add: Depreciation and amortization	**—**	—	**—**	—
EBITDA	**$ 498**	$ 679	**$ 1,633**	$ 2,657
Total Operating Revenues	**$ 1,519**	$ 2,013	**$ 4,919**	$ 6,583
Operating Income Margin	**32.8 %**	33.7 %	**33.2 %**	40.4 %
EBITDA Margin	**32.8 %**	33.7 %	**33.2 %**	40.4 %
Latin America Segment				
Operating Income	**$ 45**	$ 22	**$ 103**	$ 111
Add: Depreciation and amortization	**191**	177	**580**	482
EBITDA	**$ 236**	$ 199	**$ 683**	$ 593
Total Operating Revenues	**$ 1,240**	$ 1,095	**$ 3,637**	$ 3,120
Operating Income Margin	**3.6 %**	2.0 %	**2.8 %**	3.6 %
EBITDA Margin	**19.0 %**	18.2 %	**18.8 %**	19.0 %

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	
	2026	2025	**2026**	2025
Operating Expenses				
Transaction, legal and other costs[1]	**$ 44**	$ 487	**$ 339**	$ 615
Benefit-related (gain) loss	**16**	(62)	**(60)**	(126)
Asset impairments and abandonments and restructuring	**3,372**	—	**3,658**	504
Adjustments to Operations and Support Expenses	**3,432**	425	**3,937**	993
Amortization of intangible assets	**80**	10	**221**	28
Adjustments to Operating Expenses	**3,512**	435	**4,158**	1,021
Other				
Equity in net income of DIRECTV	**—**	—	**—**	(1,926)
Gain on sale of DIRECTV	**—**	(5,479)	**—**	(5,479)
Benefit-related (gain) loss, impairments of investments and other	**(10)**	(99)	**(71)**	(224)
Adjustments to Income from Continuing Operations Before Income Taxes	**3,502**	(5,143)	**4,087**	(6,608)
Tax impact of adjustments	**(34)**	67	**106**	(266)
Tax-related items	**—**	177	**365**	177
Adjustments to Income From Continuing Operations	**$ 3,536**	$ (5,387)	**$ 3,616**	$ (6,519)
Preferred stock redemption gain	**—**	—	**—**	(90)
Adjustments to Income From Continuing Operations Attributable to Common Stock	**$ 3,536**	$ (5,387)	**$ 3,616**	$ (6,609)

[1] Includes certain legal reserves and settlements that cover extended historical periods, novel theories of liability 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 cybersecurity events.

Adjusted Operating Income, Adjusted Operating Income Margin, Adjusted EBITDA, Adjusted EBITDA 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 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	
	2026	2025	**2026**	2025
Operating Income	**$ 4,095**	$ 6,119	**$ 17,791**	$ 18,374
Adjustments to Operating Expenses	**3,512**	435	**4,158**	1,021
Adjusted Operating Income	**$ 7,607**	$ 6,554	**$ 21,949**	$ 19,395
EBITDA	**$ 9,073**	$ 11,436	**$ 32,701**	$ 34,132
Adjustments to Operations and Support Expenses	**3,432**	425	**3,937**	993
Adjusted EBITDA	**$ 12,505**	$ 11,861	**$ 36,638**	$ 35,125
Total Operating Revenues	**$ 32,322**	$ 30,709	**$ 95,386**	$ 92,182
Operating Income Margin	**12.7 %**	19.9 %	**18.7 %**	19.9 %
Adjusted Operating Income Margin	**23.5 %**	21.3 %	**23.0 %**	21.0 %
Adjusted EBITDA Margin	**38.7 %**	38.6 %	**38.4 %**	38.1 %

Adjusted Diluted EPS

	Third Quarter		Nine-Month Period	
	2026	2025	**2026**	2025
Diluted Earnings Per Share (EPS) From Continuing Operations	**$ 0.13**	$ 1.29	**$ 1.34**	$ 2.51
Gain on sale of DIRECTV	**—**	(0.79)	**—**	(0.79)
Equity in net income of DIRECTV	**—**	—	**—**	(0.21)
Restructuring and impairments	**0.50**	—	**0.53**	0.05
Benefit-related, transaction, legal and other items	**0.02**	0.04	**0.04**	0.04
Tax-related items	**—**	—	**(0.05)**	—
Adjusted EPS	**$ 0.65**	$ 0.54	**$ 1.86**	$ 1.60
Year-over-year growth - Adjusted	**20.4 %**		**16.3 %**	
Weighted Average Common Shares Outstanding with Dilution (000,000)	**6,844**	7,169	**6,938**	7,203

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 adding debt classified as held-for-sale related to our Mexico wireless business and 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 - 2026

Dollars in millions

	Three Months Ended				
	Dec. 31, 2025[1]	March 31, 2026[1]	June 30, 2026[1]	Sept. 30, 2026	**Four Quarters**
Adjusted EBITDA	$ 11,236	$ 11,795	$ 12,338	$ 12,505	**$ 47,874**
End-of-period current debt					**9,483**
End-of-period long-term debt					**150,144**
Total End-of-Period Debt					**159,627**
Add: Mexico held-for-sale finance leases					**1,209**
Less: Cash and Cash Equivalents					**10,767**
Less: Time Deposits					**250**
Net Debt Balance					**149,819**
Annualized Net Debt to Adjusted EBITDA Ratio					**3.13**

[1] As reported in AT&T's Form 8-K filed July 22, 2026.

Net Debt to Adjusted EBITDA - 2025

Dollars in millions

	Three Months Ended				
	Dec. 31, 2024[1]	March 31, 2025[1]	June 30, 2025[1]	Sept. 30, 2025[1]	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 22, 2026.


AT&T