AT&T Investor Update

January 25, 2023

2022 4th QUARTER EARNINGS

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This presentation may contain certain non-GAAP financial measures. Information about non-GAAP financial measures is contained on slide 13, and reconciliations between the non-GAAP financial measures and the GAAP financial measures are available on the company's website at www.att.com/investor.relations.

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2022 Business Priorities – Accomplishments

1

Grow Customer Relationships

- ***5G Wireless*** *– 2.9 million postpaid phone net adds*
- ***Fiber*** *– 1.2 million AT&T Fiber net adds*

2

Effective and Efficient in Everything We Do

- *Achieved $5B+ of $6B+ run-rate cost savings target*
- *Implemented efficiencies and pricing actions that more than offset inflationary impacts*
- *Improved operational and distribution efficiency*

3

Deliberate Capital Allocation

- ***Invested in growth*** *– reached 150 million POPs covered with 5G mid-band spectrum and more than 22 million fiber locations**
- ***Strengthened balance sheet*** *– reduced net debt†2 by about $24B*
- ***Provided an attractive dividend*** *– delivered $14.1B in free cash flow,†3 well in excess of our ~$8B annual dividend*

* Includes ~19M consumer and 3M+ business locations served

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† See notes slide 13

2023 Business Priorities

Do it again…

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Fiber: A Return-focused Growth Opportunity

AT&T fiber

- *On track to pass 30M+ consumer and business locations by end of 2025*
- *Return profile remains very attractive with mid-teens IRR*
- *12-month consumer penetration rates exceeding expectations*

AT&T BlackRock

Gigapower expectations:

- *Best-in-class team builds and operates out-of-footprint fiber service*
- *Expands coverage and establishes credibility while proving viability of expansion thesis*
- *Utilizes nationwide wireless sales capabilities*
- *Provides long-term strategic optionality and financing flexibility*

Bridge to Possibility

CLOSING THE DIGITAL DIVIDE, *TOGETHER*

- *~50M urban/suburban households have no access to fiber; closing the divide is a once-in-a-generation opportunity*
- *Government infrastructure funding expected to ramp in next few years*
- *Operating expertise and ability to scale are key factors for success*
- *AT&T Fiber is well positioned to meet needs in-footprint and out-of-footprint with Gigapower*

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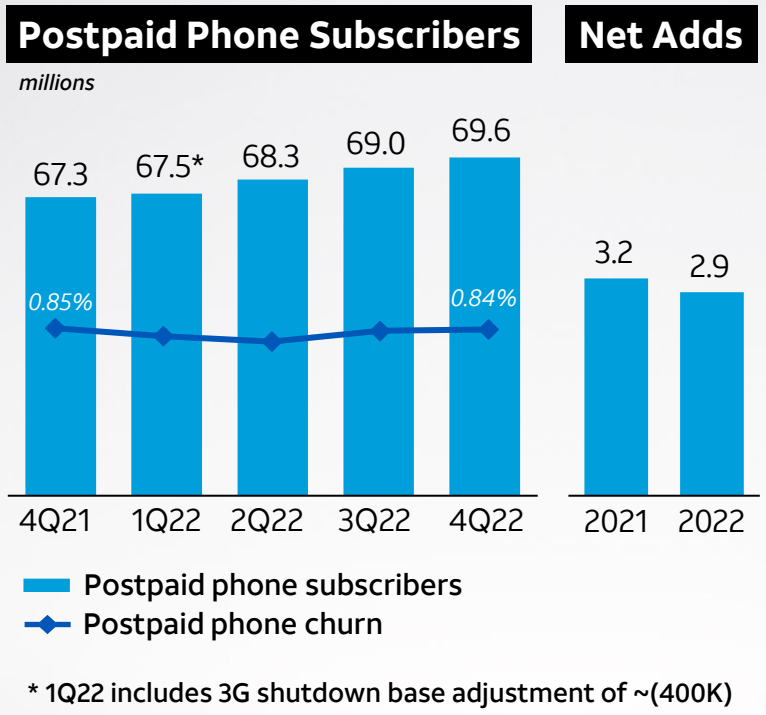
4Q22 Financial Results

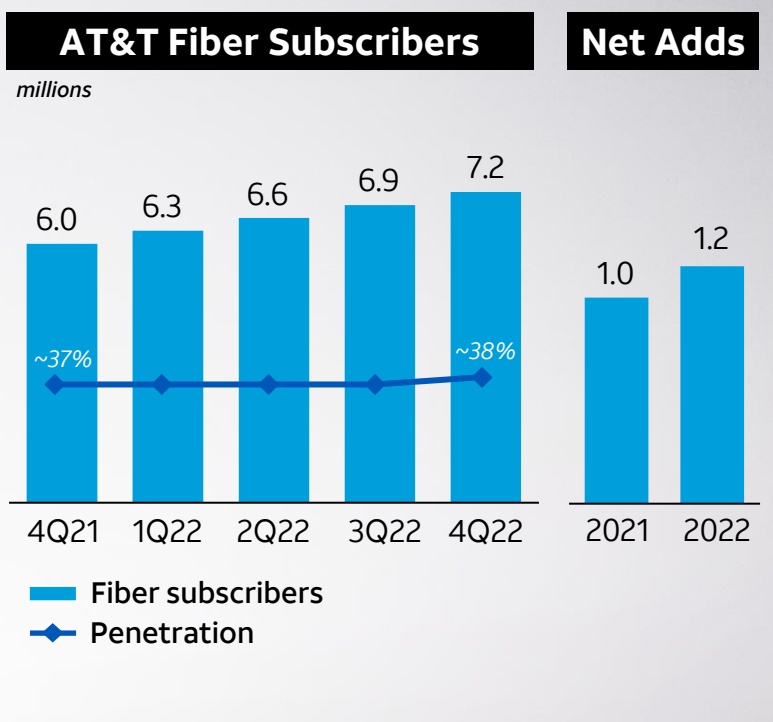


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5G and Fiber

2022 Subscriber Gains





* 1Q22 includes 3G shutdown base adjustment of ~(400K)

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4Q22 Financial Summary

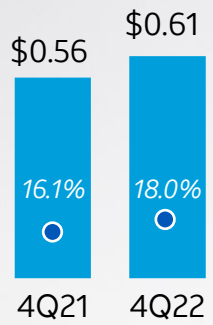
Continuing Operations, $ in billions, except EPS

Revenues



Adjusted EPS†6

● Adj. OI Margin†4



Cash from Ops

▬ Free Cash Flow†3



	4Q21	4Q22
Continuing Operations Reported EPS	**$0.66**	**($3.20)**
Adjustments:		
DIRECTV intangible amortization (proportionate share)	$0.05	$0.04
Actuarial (gain)/loss on benefit plans	($0.11)	$0.19
Impairments/abandonments and restructuring	$0.01	$3.57
Tax items	($0.03)	($0.04)
Other adjustments	($0.02)	$0.05
Continuing Operations Adjusted EPS	**$0.56**	**$0.61**

Solid revenue growth with customer and ARPU gains

Continuing operations revenues of $31.3B, up $0.2B

Continuing operations revenues for full-year 2022 were $120.7B, up $2.5B or 2.1% on a comparable, standalone AT&T* basis

Adjusted EPS†6 of $0.61, up 8.9%

Adjusted EPS for full-year 2022 was $2.57, up 6.6% on a comparable, standalone AT&T* basis

Cash from operations of $10.3B

Free cash flow†3 of $6.1B; includes ~$0.8B from DIRECTV; full-year 2022 free cash flow†3 of $14.1B

Capital expenditures of $4.2B

Capital investment†5 of $4.7B, including $0.5B in vendor financing payments

2022 full-year capital investment†5 of $24.3B

* “Standalone AT&T” reflects the historical results of the company presented as Continuing Operations, and excludes U.S. Video and other 2021 dispositions. See note 1 on slide 13.

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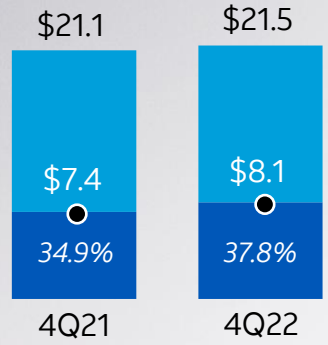
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4Q22 Mobility Results

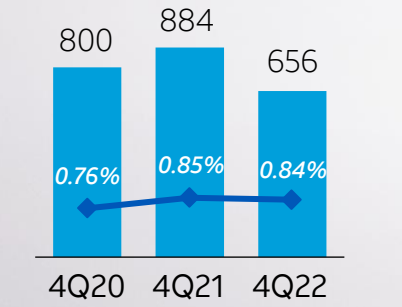
$ in billions

Revenues EBITDA †4 EBITDA Margin †4

Mobility



Postpaid Phones



Net additions *(in thousands)*
Churn

Strong revenue and EBITDA gains with subscriber and ARPU growth

Revenues grew 1.7%; wireless service revenues higher by $765M, or 5.2%

EBITDA grew $742M, or 10.1%

Postpaid phone ARPU of $55.43, up 2.5% year over year

Continued strong EBITDA and service margins with sustainable go-to-market strategy

Consistent execution and network quality drove subscriber growth in 2022

656,000 postpaid phone and -13,000 prepaid phone net adds in 4Q22

Postpaid phone churn of 0.84% as value proposition continues to resonate with customer base

2.9 million postpaid phone and 404,000 prepaid phone net adds for full year

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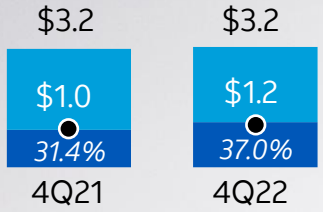
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4Q22 Consumer & Business Wireline Results

$ in billions

Revenues EBITDA †4 EBITDA Margin †4

Consumer Wireline



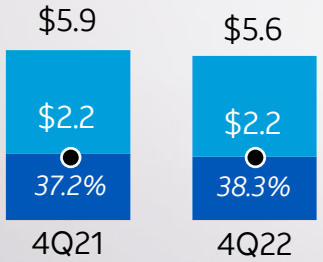
Fiber growth drives EBITDA and revenue gains, with fiber revenues up more than 30%

Broadband revenues grew 7.2% due to fiber growth and higher ARPU from mix shift to fiber

4Q22 Fiber ARPU of $64.82, up 8.8%, with intake ARPU at the high end of the $65-$70 range

280,000 AT&T Fiber net additions; ability to serve more than 19M consumer locations

Business Wireline



Emphasizing fiber-based connectivity and 5G integrated solutions

4Q22 margins remained solid from continued cost rationalization and portfolio positioning

Revenues and EBITDA impacted by IP sales of ~$90M in 4Q22, up ~$15M from 4Q21

Business Solutions wireless service revenues grew 7.1%; FirstNet connections grew 377,000 sequentially

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2023 Financial Guidance

Continuing Operations

	2023 Guidance
REVENUE GROWTH	
Wireless Service Revenues	*4%+ growth*
Broadband Revenues	*5%+ growth*
ADJUSTED EBITDA†4	**3%+ growth**
EPS – ADJUSTED†6	**$2.35 - $2.45**
CAPITAL INVESTMENT†5	
Capital Expenditure	**Consistent with 2022 levels**
FREE CASH FLOW†3	**$16B or better**

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Q&A



Notes

1. "Standalone AT&T" results reflect the historical operating results of the company presented as continuing operations, and excludes U.S. Video and other 2021 dispositions included in Corporate and Other. Standalone AT&T results are presented to provide 2021 full-year results that are comparable to 2022 continuing operations financial data. For the current and future quarters and 2022, "standalone AT&T" is the same as Continuing Operations. See our Form 8-K dated January 25, 2023, for further discussion and information.
    a) Standalone AT&T revenues for 2021 of $118.2 billion is calculated as operating revenues from continuing operations of $134.0 billion less revenues of $15.8 billion from U.S. Video and other divested businesses.
    b) Standalone AT&T Adjusted diluted EPS for 2021 of $2.41 is calculated as Diluted EPS from continuing operations of $3.02 adjusted for: (1) $0.09 proportionate share of intangible amortization at the DIRECTV equity method investment, $0.03 impact of Accounting Standards Update (ASU) No. 2020-06, and $0.02 asset impairments, minus $0.42 actuarial gain on benefit plans, $0.08 benefit from tax items, $0.03 of benefit-related and other costs, and (2) less $0.22 of adjustments to exclude operating income of U.S. Video (including estimated retained costs) and other dispositions, and include our estimate of equity in net income from DIRECTV investment.

2. Net Debt of $132.2 billion at December 31, 2022 is calculated as Total Debt of $135.9 billion less Cash and Cash Equivalents of $3.7 billion. Net Debt of $156.4 billion at December 31, 2021 is calculated as Total Debt of $175.6 billion less Cash and Cash Equivalents of $19.2 billion.

3. Free cash flow is a non-GAAP financial measure that is frequently used by investors and credit rating agencies to provide relevant and useful information. In 4Q22, free cash flow is cash from operating activities from continuing operations of $10.3 billion, plus cash distributions from DIRECTV classified as investing activities of $0.4 billion, minus capital expenditures from continuing operations of $4.2 billion and cash paid for vendor financing of $0.5 billion. In 2022, free cash flow is cash from operating activities from continuing operations of $35.8 billion, plus cash distributions from DIRECTV classified as investing activities of $2.6 billion, minus capital expenditures from continuing operations of $19.6 billion and cash paid for vendor financing of $4.7 billion. Due to high variability and difficulty in predicting items that impact cash from operating activities, cash distributions from DIRECTV, capital expenditures and vendor financing payments, the company is not able to provide a reconciliation between projected free cash flow and the most comparable GAAP metric without unreasonable effort.

4. EBITDA, EBITDA Margin and adjusted operating income are non-GAAP financial measures that are frequently used by investors and credit rating agencies to provide relevant and useful information. Reconciliation of these non-GAAP financial measures to the most directly comparable GAAP measures are provided in the Financial and Operational Schedules & Non-GAAP Reconciliations document on the company's Investor Relations website, investors.att.com. Adjusted EBITDA is calculated by excluding from operating revenues and operating expenses certain significant items that are non-operational or non-recurring in nature, including dispositions and merger integration and transaction costs, significant abandonments and impairment, benefit-related gains and losses, employee separation and other material gains and losses. For 2022, Adjusted EBITDA was $41.5 billion (See our Form 8-K dated January 25, 2023, for further discussion and information). EBITDA and Adjusted EBITDA estimates depend on future levels of revenues and expenses which are not reasonably estimable at this time. Accordingly, we cannot provide a reconciliation between projected EBITDA and projected Adjusted EBITDA and the most comparable GAAP metrics without unreasonable effort.

5. Capital investment includes capital expenditures and cash paid for vendor financing. Capital investment included vendor financing payments of $0.5 billion in 4Q22 and $4.7 billion in 2022. For 2023, Capital Investment is expected to be consistent with 2022 levels. Due to high variability and difficulty in predicting items that impact capital expenditures and vendor financing payments, the company is not able to provide a reconciliation between projected capital investment and the most comparable GAAP metrics without unreasonable effort.

6. Adjusted EPS from continuing operations is calculated by excluding from operating revenues, operating expenses and income tax expense certain significant items that are non-operational or non-recurring in nature, including dispositions and merger integration and transaction costs, actuarial gains and losses, significant abandonments and impairment, severance and other material gains and losses. The company expects adjustments to 2023 reported diluted EPS to include our proportionate share of intangible amortization at the DIRECTV equity method investment in the range of $1.3 billion, a non-cash mark-to-market benefit plan gain/loss, the impact of ASU No. 2020-06, and other items. The company expects the mark-to-market adjustment, which is driven by interest rates and investment returns that are not reasonably estimable at this time, to be a significant item. Our projected 2023 Adjusted EPS depends on future levels of revenues and expenses, most of which are not reasonably estimable at this time. Accordingly, we cannot provide a reconciliation between these projected non-GAAP metrics and the reported GAAP metrics without unreasonable effort.

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