FORM 10-Q

Quarterly report pursuant to sections 13 or 15(d)

Filing Date: **2020-08-05** | Period of Report: **2020-06-30**
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AT&T INC.

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2020

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission File Number 001-8610

AT&T INC.

Incorporated under the laws of the State of Delaware
I.R.S. Employer Identification Number 43-1301883

208 S. Akard St., Dallas, Texas 75202
Telephone Number: (210) 821-4105

Securities registered pursuant to Section 12(b) of the Act

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Shares (Par Value $1.00 Per Share)	T	New York Stock Exchange
Depositary Shares, each representing a 1/1000th interest in a share of 5.000% Perpetual Preferred Stock, Series A	T PRA	New York Stock Exchange
Depositary Shares, each representing a 1/1000th interest in a share of 4.750% Perpetual Preferred Stock, Series C	T PRC	New York Stock Exchange
AT&T Inc. Floating Rate Global Notes due August 3, 2020	T 20C	New York Stock Exchange
AT&T Inc. 1.875% Global Notes due December 4, 2020	T 20	New York Stock Exchange
AT&T Inc. 2.650% Global Notes due December 17, 2021	T 21B	New York Stock Exchange
AT&T Inc. 1.450% Global Notes due June 1, 2022	T 22B	New York Stock Exchange
AT&T Inc. 2.500% Global Notes due March 15, 2023	T 23	New York Stock Exchange
AT&T Inc. 2.750% Global Notes due May 19, 2023	T 23C	New York Stock Exchange
AT&T Inc. Floating Rate Global Notes due September 5, 2023	T 23D	New York Stock Exchange
AT&T Inc. 1.050% Global Notes due September 5, 2023	T 23E	New York Stock Exchange
AT&T Inc. 1.300% Global Notes due September 5, 2023	T 23A	New York Stock Exchange
AT&T Inc. 1.950% Global Notes due September 15, 2023	T 23F	New York Stock Exchange
AT&T Inc. 2.400% Global Notes due March 15, 2024	T 24A	New York Stock Exchange
AT&T Inc. 3.500% Global Notes due December 17, 2025	T 25	New York Stock Exchange

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
AT&T Inc. 0.250% Global Notes due March 4, 2026	T 26E	New York Stock Exchange
AT&T Inc. 1.800% Global Notes due September 5, 2026	T 26D	New York Stock Exchange
AT&T Inc. 2.900% Global Notes due December 4, 2026	T 26A	New York Stock Exchange
AT&T Inc. 1.600% Global Notes due May 19, 2028	T 28C	New York Stock Exchange
AT&T Inc. 2.350% Global Notes due September 5, 2029	T 29D	New York Stock Exchange
AT&T Inc. 4.375% Global Notes due September 14, 2029	T 29B	New York Stock Exchange
AT&T Inc. 2.600% Global Notes due December 17, 2029	T 29A	New York Stock Exchange
AT&T Inc. 0.800% Global Notes due March 4, 2030	T 30B	New York Stock Exchange
AT&T Inc. 2.050% Global Notes due May 19, 2032	T 32A	New York Stock Exchange
AT&T Inc. 3.550% Global Notes due December 17, 2032	T 32	New York Stock Exchange
AT&T Inc. 5.200% Global Notes due November 18, 2033	T 33	New York Stock Exchange
AT&T Inc. 3.375% Global Notes due March 15, 2034	T 34	New York Stock Exchange
AT&T Inc. 2.450% Global Notes due March 15, 2035	T 35	New York Stock Exchange
AT&T Inc. 3.150% Global Notes due September 4, 2036	T 36A	New York Stock Exchange
AT&T Inc. 2.600% Global Notes due May 19, 2038	T 38C	New York Stock Exchange
AT&T Inc. 1.800% Global Notes due September 14, 2039	T 39B	New York Stock Exchange
AT&T Inc. 7.000% Global Notes due April 30, 2040	T 40	New York Stock Exchange
AT&T Inc. 4.250% Global Notes due June 1, 2043	T 43	New York Stock Exchange
AT&T Inc. 4.875% Global Notes due June 1, 2044	T 44	New York Stock Exchange
AT&T Inc. 4.000% Global Notes due June 1, 2049	T 49A	New York Stock Exchange
AT&T Inc. 4.250% Global Notes due March 1, 2050	T 50	New York Stock Exchange
AT&T Inc. 3.750% Global Notes due September 1, 2050	T 50A	New York Stock Exchange
AT&T Inc. 5.350% Global Notes due November 1, 2066	TBB	New York Stock Exchange
AT&T Inc. 5.625% Global Notes due August 1, 2067	TBC	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.
Yes [X] No [ ]

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).
Yes [X] No [ ]

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or emerging growth company. See definition of "accelerated filer," "large accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer	[X]	Accelerated Filer	[ ]
Non-accelerated filer	[ ]	Smaller reporting company	[ ]
		Emerging growth company	[ ]

If an emerging growth company, indicate by checkmark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.
Yes [ ] No [ ]

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
Yes [ ] No [X]

At July 31, 2020, there were 7,125 million common shares outstanding.

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

AT&T INC.

CONSOLIDATED STATEMENTS OF INCOME

Dollars in millions except per share amounts

(Unaudited)

	Three months ended June 30,		Six months ended June 30,	
	2020	2019	**2020**	2019
Operating Revenues				
Service	**$ 37,051**	$ 41,023	**$ 75,934**	$ 81,707
Equipment	**3,899**	3,934	**7,795**	8,077
Total operating revenues	**40,950**	44,957	**83,729**	89,784
Operating Expenses				
Cost of revenues				
Equipment	**3,978**	4,061	**8,070**	8,563
Broadcast, programming and operations	**5,889**	7,730	**12,643**	15,382
Other cost of revenues (exclusive of depreciation and amortization shown separately below)	**8,116**	8,721	**16,458**	17,306
Selling, general and administrative	**9,831**	9,844	**18,591**	19,493
Asset impairments and abandonments	**2,319**	-	**2,442**	-
Depreciation and amortization	**7,285**	7,101	**14,507**	14,307
Total operating expenses	**37,418**	37,457	**72,711**	75,051
Operating Income	**3,532**	7,500	**11,018**	14,733
Other Income (Expense)				
Interest expense	**(2,041)**	(2,149)	**(4,059)**	(4,290)
Equity in net income (loss) of affiliates	**(10)**	40	**(16)**	33
Other income (expense) – net	**1,017**	(318)	**1,820**	(32)
Total other income (expense)	**(1,034)**	(2,427)	**(2,255)**	(4,289)
Income Before Income Taxes	**2,498**	5,073	**8,763**	10,444
Income tax expense	**935**	1,099	**2,237**	2,122
Net Income	**1,563**	3,974	**6,526**	8,322
Less: Net Income Attributable to Noncontrolling Interest	**(282)**	(261)	**(635)**	(513)
Net Income Attributable to AT&T	**$ 1,281**	$ 3,713	**$ 5,891**	$ 7,809
Less: Preferred Stock Dividends	**(52)**	-	**(84)**	-
Net Income Attributable to Common Stock	**$ 1,229**	$ 3,713	**$ 5,807**	$ 7,809
Basic Earnings Per Share Attributable to Common Stock	**$ 0.17**	$ 0.51	**$ 0.81**	$ 1.06
Diluted Earnings Per Share Attributable to Common Stock	**$ 0.17**	$ 0.51	**$ 0.81**	$ 1.06
Weighted Average Number of Common Shares Outstanding – Basic (in millions)	**7,145**	7,323	**7,166**	7,318
Weighted Average Number of Common Shares Outstanding – with Dilution (in millions)	**7,170**	7,353	**7,192**	7,347

See Notes to Consolidated Financial Statements.

AT&T INC.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

Dollars in millions

(Unaudited)

	Three months ended June 30,		Six months ended June 30,	
	2020	2019	**2020**	2019
Net income	**$ 1,563**	$ 3,974	**$ 6,526**	$ 8,322
Other comprehensive income (loss), net of tax:				
Foreign currency:				
Translation adjustment (includes $(8), $2, $(59) and $2 attributable to noncontrolling interest), net of taxes of $(135), $(1), $(197) and $48	**305**	(127)	**(1,549)**	161
Securities:				
Net unrealized gains (losses), net of taxes of $5, $10, $27 and $15	**14**	26	**80**	42
Derivative instruments:				
Net unrealized gains (losses), net of taxes of $168, $(165), $(803) and $(131)	**631**	(617)	**(3,026)**	(490)
Reclassification adjustment included in net income, net of taxes of $4, $3, $4 and $5	**17**	6	**17**	17
Defined benefit postretirement plans:				
Amortization of net prior service credit included in net income, net of taxes of $(150), $(107), $(301) and $(220)	**(461)**	(342)	**(922)**	(688)
Other comprehensive income (loss)	**506**	(1,054)	**(5,400)**	(958)
Total comprehensive income	**2,069**	2,920	**1,126**	7,364
Less: Total comprehensive income attributable to noncontrolling interest	**(274)**	(263)	**(576)**	(515)
Total Comprehensive Income Attributable to AT&T	**$ 1,795**	$ 2,657	**$ 550**	$ 6,849

See Notes to Consolidated Financial Statements.

AT&T INC.

CONSOLIDATED BALANCE SHEETS

Dollars in millions except per share amounts

	June 30, 2020	December 31, 2019
Assets	**(Unaudited)**	
Current Assets		
Cash and cash equivalents	**$ 16,941**	$ 12,130
Accounts receivable - net of related allowances for credit loss of $1,606 and $1,235	**19,127**	22,636
Prepaid expenses	**1,439**	1,631
Other current assets	**19,048**	18,364
Total current assets	**56,555**	54,761
Noncurrent Inventories and Theatrical Film and Television Production Costs	**14,514**	12,434
Property, plant and equipment	**332,883**	333,538
Less: accumulated depreciation and amortization	**(203,938)**	(203,410)
Property, Plant and Equipment – Net	**128,945**	130,128
Goodwill	**143,651**	146,241
Licenses – Net	**98,763**	97,907
Trademarks and Trade Names – Net	**23,757**	23,567
Distribution Networks – Net	**14,704**	15,345
Other Intangible Assets – Net	**18,452**	20,798
Investments in and Advances to Equity Affiliates	**2,302**	3,695
Operating Lease Right-Of-Use Assets	**24,692**	24,039
Other Assets	**21,563**	22,754
Total Assets	**$ 547,898**	$ 551,669
Liabilities and Stockholders' Equity		
Current Liabilities		
Debt maturing within one year	**$ 15,576**	$ 11,838
Accounts payable and accrued liabilities	**41,881**	45,956
Advanced billings and customer deposits	**5,723**	6,124
Accrued taxes	**2,548**	1,212
Dividends payable	**3,741**	3,781
Total current liabilities	**69,469**	68,911
Long-Term Debt	**153,388**	151,309
Deferred Credits and Other Noncurrent Liabilities		
Deferred income taxes	**58,387**	59,502
Postemployment benefit obligation	**18,167**	18,788
Operating lease liabilities	**22,230**	21,804
Other noncurrent liabilities	**32,804**	29,421
Total deferred credits and other noncurrent liabilities	**131,588**	129,515
Stockholders' Equity		
Preferred stock ($1 par value, 10,000,000 authorized):		
Series A (48,000 issued and outstanding at June 30, 2020 and December 31, 2019)	**-**	-
Series B (20,000 issued and outstanding at June 30, 2020 and 0 issued and outstanding at December 31, 2019)	**-**	-
Series C (70,000 issued and outstanding at June 30, 2020 and 0 issued and outstanding at December 31, 2019)	**-**	-
Common stock ($1 par value, 14,000,000,000 authorized at June 30, 2020 and December 31, 2019: issued 7,620,748,598 at June 30, 2020 and December 31, 2019)	**7,621**	7,621
Additional paid-in capital	**130,046**	126,279
Retained earnings	**56,045**	57,936
Treasury stock (495,425,902 at June 30, 2020 and 366,193,458 December 31, 2019, at cost)	**(17,945)**	(13,085)
Accumulated other comprehensive income	**129**	5,470

Noncontrolling interest		**17,557**		17,713
Total stockholders’ equity		**193,453**		201,934
Total Liabilities and Stockholders’ Equity	**$**	**547,898**	$	551,669

See Notes to Consolidated Financial Statements.

AT&T INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS

Dollars in millions

(Unaudited)

	Six months ended June 30, 2020	2019
Operating Activities		
Net income	**$ 6,526**	$ 8,322
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	**14,507**	14,307
Amortization of television and film costs	**3,985**	5,199
Undistributed earnings from investments in equity affiliates	**64**	76
Provision for uncollectible accounts	**1,199**	1,216
Deferred income tax expense	**653**	1,080
Net (gain) loss on investments, net of impairments	**(705)**	(905)
Pension and postretirement benefit expense (credit)	**(1,495)**	(808)
Actuarial (gain) loss on pension and postretirement benefits	**-**	2,131
Asset impairments and abandonments	**2,442**	-
Changes in operating assets and liabilities:		
Receivables	**2,522**	3,584
Other current assets, inventories and theatrical film and television production costs	**(5,592)**	(5,422)
Accounts payable and other accrued liabilities	**(3,847)**	(3,056)
Equipment installment receivables and related sales	**226**	1,144
Deferred customer contract acquisition and fulfillment costs	**322**	(614)
Postretirement claims and contributions	**(228)**	(424)
Other - net	**346**	(494)
Total adjustments	**14,399**	17,014
Net Cash Provided by Operating Activities	**20,925**	25,336
Investing Activities		
Capital expenditures:		
Purchase of property and equipment	**(9,372)**	(10,542)
Interest during construction	**(60)**	(112)
Acquisitions, net of cash acquired	**(1,174)**	(320)
Dispositions	**347**	3,593
(Purchases), sales and settlements of securities and investments, net	**47**	396
Advances to and investments in equity affiliates, net	**(66)**	(314)
Net Cash Used in Investing Activities	**(10,278)**	(7,299)
Financing Activities		
Net change in short-term borrowings with original maturities of three months or less	**498**	119
Issuance of other short-term borrowings	**8,440**	3,067
Repayment of other short-term borrowings	**(5,975)**	(3,148)
Issuance of long-term debt	**21,060**	10,030
Repayment of long-term debt	**(17,284)**	(16,124)
Payment of vendor financing	**(1,354)**	(1,836)
Issuance of preferred stock	**3,869**	-
Purchase of treasury stock	**(5,480)**	(240)
Issuance of treasury stock	**84**	455
Dividends paid	**(7,474)**	(7,436)
Other	**(2,295)**	330
Net Cash Used in Financing Activities	**(5,911)**	(14,783)
Net increase in cash and cash equivalents and restricted cash	**4,736**	3,254
Cash and cash equivalents and restricted cash beginning of year	**12,295**	5,400
Cash and Cash Equivalents and Restricted Cash End of Period	**$ 17,031**	$ 8,654

See Notes to Consolidated Financial Statements.

AT&T INC.
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
Dollars and shares in millions except per share amounts
(Unaudited)

	Three months ended				Six months ended			
	June 30, 2020		June 30, 2019		**June 30, 2020**		June 30, 2019	
	Shares	**Amount**	Shares	Amount	**Shares**	**Amount**	Shares	Amount
Preferred Stock - Series A								
Balance at beginning of year	**-**	**$ -**	-	$ -	**-**	**$ -**	-	$ -
Issuance of stock	**-**	**-**	-	-	**-**	**-**	-	-
Balance at end of period	**-**	**$ -**	-	$ -	**-**	**$ -**	-	$ -
Preferred Stock - Series B								
Balance at beginning of year	**-**	**$ -**	-	$ -	**-**	**$ -**	-	$ -
Issuance of stock	**-**	**-**	-	-	**-**	**-**	-	-
Balance at end of period	**-**	**$ -**	-	$ -	**-**	**$ -**	-	$ -
Preferred Stock - Series C								
Balance at beginning of year	**-**	**$ -**	-	$ -	**-**	**$ -**	-	$ -
Issuance of stock	**-**	**-**	-	-	**-**	**-**	-	-
Balance at end of period	**-**	**$ -**	-	$ -	**-**	**$ -**	-	$ -
Common Stock								
Balance at beginning of period	**7,621**	**$ 7,621**	7,621	$ 7,621	**7,621**	**$ 7,621**	7,621	$ 7,621
Issuance of stock	**-**	**-**	-	-	**-**	**-**	-	-
Balance at end of period	**7,621**	**$ 7,621**	7,621	$ 7,621	**7,621**	**$ 7,621**	7,621	$ 7,621
Additional Paid-In Capital								
Balance at beginning of period		**$ 129,966**		$ 125,174		**$ 126,279**		$125,525
Repurchase and acquisition of common stock		**-**		-		**67**		-
Issuance of preferred stock		**-**		-		**3,869**		-
Issuance of treasury stock		**(7)**		(50)		**(54)**		(127)
Share-based payments		**87**		(15)		**(115)**		(289)
Balance at end of period		**$ 130,046**		$ 125,109		**$ 130,046**		$125,109
Retained Earnings								
Balance at beginning of period		**$ 58,534**		$ 59,424		**$ 57,936**		$ 58,753
Net income attributable to AT&T		**1,281**		3,713		**5,891**		7,809
Preferred stock dividends		**(36)**		-		**(68)**		-
Common stock dividends ($0.52, $0.51, $1.04, and $1.02 per share)		**(3,734)**		(3,748)		**(7,421)**		(7,489)
Cumulative effect of accounting change and other adjustments		**-**		-		**(293)**		316
Balance at end of period		**$ 56,045**		$ 59,389		**$ 56,045**		$ 59,389

See Notes to Consolidated Financial Statements.

AT&T INC.
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY - continued
Dollars and shares in millions except per share amounts
(Unaudited)

	Three months ended				Six months ended			
	June 30, 2020		June 30, 2019		**June 30, 2020**		June 30, 2019	
	Shares	**Amount**	Shares	Amount	**Shares**	**Amount**	Shares	Amount
Treasury Stock								
Balance at beginning of period	**(496)**	**$ (17,957)**	(324)	$ (11,452)	**(366)**	**$ (13,085)**	(339)	$ (12,059)
Repurchase and acquisition of common stock	**-**	**(34)**	(2)	(72)	**(148)**	**(5,581)**	(9)	(280)
Issuance of treasury stock	**1**	**46**	10	373	**19**	**721**	32	1,188
Balance at end of period	**(495)**	**$ (17,945)**	(316)	$ (11,151)	**(495)**	**$ (17,945)**	(316)	$ (11,151)
Accumulated Other Comprehensive Income Attributable to AT&T, net of tax								
Balance at beginning of period		**$ (385)**		$ 4,345		**$ 5,470**		$ 4,249
Other comprehensive income attributable to AT&T		**514**		(1,056)		**(5,341)**		(960)
Balance at end of period		**$ 129**		$ 3,289		**$ 129**		$ 3,289
Noncontrolling Interest								
Balance at beginning of period		**$ 17,670**		$ 9,839		**$ 17,713**		$ 9,795
Net income attributable to noncontrolling interest		**282**		261		**635**		513
Interest acquired by noncontrolling owners		**-**		1		**1**		10
Distributions		**(387)**		(279)		**(726)**		(525)
Translation adjustments attributable to noncontrolling interest, net of taxes		**(8)**		2		**(59)**		2
Cumulative effect of accounting change and other adjustments		**-**		-		**(7)**		29
Balance at end of period		**$ 17,557**		$ 9,824		**$ 17,557**		$ 9,824
Total Stockholders' Equity at beginning of period		**$ 195,449**		$ 194,951		**$ 201,934**		$193,884
Total Stockholders' Equity at end of period		**$ 193,453**		$ 194,081		**$ 193,453**		$194,081

See Notes to Consolidated Financial Statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
Dollars in millions except per share amounts

NOTE 1. PREPARATION OF INTERIM FINANCIAL STATEMENTS

Basis of Presentation Throughout this document, AT&T Inc. is referred to as "we," "AT&T" or the "Company." The consolidated financial statements include the accounts of the Company and subsidiaries and affiliates which we control. AT&T is a holding company whose subsidiaries and affiliates operate worldwide in the telecommunications, media and technology industries. You should read this document in conjunction with the consolidated financial statements and accompanying notes included in our Annual Report on Form 10-K for the year ended December 31, 2019. The results for the interim periods are not necessarily indicative of those for the full year. These consolidated financial statements include all adjustments that are necessary to present fairly the results for the presented interim periods, consisting of normal recurring accruals and other items.

All significant intercompany transactions are eliminated in the consolidation process. Investments in subsidiaries and partnerships which we do not control but have significant influence are accounted for under the equity method. Earnings from certain investments accounted for using the equity method are included for periods ended within up to one quarter of our period end. We also record our proportionate share of our equity method investees' other comprehensive income (OCI) items.

The preparation of financial statements in conformity with U.S. generally accepted accounting principles (GAAP) requires management to make estimates and assumptions, including potential impacts arising from the COVID-19 pandemic, that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates. Certain prior period amounts have been conformed to the current period's presentation, including the combination of our prior Xandr segment with the WarnerMedia segment.

In the tables throughout this document, percentage increases and decreases that are not considered meaningful are denoted with a dash.

Adopted and Pending Accounting Standards and Other Changes

Credit Losses As of January 1, 2020, we adopted, through modified retrospective application, the Financial Accounting Standards Board's (FASB) Accounting Standards Update (ASU) No. 2016-13, "Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments" (ASU 2016-13, as amended), which replaces the incurred loss impairment methodology under prior GAAP with an expected credit loss model. ASU 2016-13 affects trade receivables, loans, contract assets, certain beneficial interests, off-balance-sheet credit exposures not accounted for as insurance and other financial assets that are not subject to fair value through net income, as defined by the standard. Under the expected credit loss model, we are required to consider future economic trends to estimate expected credit losses over the lifetime of the asset. Upon adoption, we recorded a $293 reduction to "Retained earnings," $395 increase to "allowances for doubtful accounts" applicable to our trade and loan receivables, $10 reduction of contract assets, $105 reduction of net deferred income tax liability and $7 reduction of "Noncontrolling interest" as an opening adjustment. Our adoption of ASU 2016-13 did not have a material impact on our financial statements.

Reference Rate Reform In March 2020, the FASB issued ASU No. 2020-04, "Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting" (ASU 2020-04), which provides optional expedients, and allows for certain exceptions to existing GAAP, for contract modifications triggered by the expected market transition of certain benchmark interest rates to alternative reference rates. ASU 2020-04 applies to contracts, hedging relationships and other arrangements that reference the London Interbank Offering Rate (LIBOR) or any other rates ending after December 31, 2022. We are evaluating the impact of our adoption of ASU 2020-04, including optional expedients, to our financial statements.

Intangible Assets Driven by significant and adverse economic and political environments in Latin America, including the impact of the COVID-19 pandemic, we have experienced accelerated subscriber losses and revenue decline in the region, as well as closure of our operations in Venezuela. When combining these business trends and higher weighted-average cost of capital resulting from the increase in country-risk premiums in the region, we concluded that it is more likely than not that the

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) - Continued
Dollars in millions except per share amounts

fair value of the Vrio reporting unit, estimated using discounted cash flow and market multiple approaches, is less than its carrying amount. We recorded a $2,212 goodwill impairment in the reporting unit, with $105 attributable to noncontrolling interest. The impairment is not deductible for tax purposes and resulted in an increase in our effective tax rate.

During the first quarter of 2020, we reassessed and changed the estimated economic lives of certain trade names in our Latin America business from indefinite to finite-lived and began amortizing them using the straight-line method over their average remaining economic life of 15 years. This change had an insignificant impact on our financial statements.

Also during the first quarter of 2020, in conjunction with the nationwide launch of AT&T TV and our customers' continued shift from linear to streaming video services, we reassessed the estimated economic lives and renewal assumptions for our orbital slot licenses. As a result, we have changed the estimated lives of these licenses from indefinite to finite-lived, effective January 1, 2020, and began amortizing our orbital slot licenses using the sum-of-months-digits method over their average remaining economic life of 15 years. This change in accounting increased amortization expense $379, or $0.04 per diluted share available to common stock during the second quarter and $765, or $0.08, per diluted share available to common stock for the first six months of 2020.

NOTE 2. EARNINGS PER SHARE

A reconciliation of the numerators and denominators of basic and diluted earnings per share for the three months and six months ended June 30, 2020 and 2019, is shown in the table below.

	Three months ended June 30,		Six months ended June 30,	
	2020	2019	**2020**	2019
Numerators				
Numerator for basic earnings per share:				
Net Income	**$ 1,563**	$ 3,974	**$ 6,526**	$ 8,322
Less: Net income attributable to noncontrolling interest	**(282)**	(261)	**(635)**	(513)
Net Income attributable to AT&T	**1,281**	3,713	**5,891**	7,809
Less: Preferred stock dividends	**(52)**	-	**(84)**	-
Net income attributable to common stock	**1,229**	3,713	**5,807**	7,809
Dilutive potential common shares:				
Share-based payment	**5**	4	**11**	10
Numerator for diluted earnings per share	**$ 1,234**	$ 3,717	**$ 5,818**	$ 7,819
Denominators (000,000)				
Denominator for basic earnings per share:				
Weighted average number of common shares outstanding	**7,145**	7,323	**7,166**	7,318
Dilutive potential common shares:				
Share-based payment (in shares)	**25**	30	**26**	29
Denominator for diluted earnings per share	**7,170**	7,353	**7,192**	7,347
Basic earnings per share attributable to Common Stock	**$ 0.17**	$ 0.51	**$ 0.81**	$ 1.06
Diluted earnings per share attributable to Common Stock	**$ 0.17**	$ 0.51	**$ 0.81**	$ 1.06

In the first quarter of 2020, we completed an accelerated share repurchase agreement with a third-party financial institution to repurchase AT&T common stock. Under the terms of the agreement, we paid the financial institution $4,000 and received 104.8 million shares.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) - Continued

Dollars in millions except per share amounts

NOTE 3. OTHER COMPREHENSIVE INCOME

Changes in the balances of each component included in accumulated OCI are presented below. All amounts are net of tax and exclude noncontrolling interest.

	Foreign Currency Translation Adjustment	Net Unrealized Gains (Losses) on Securities	Net Unrealized Gains (Losses) on Derivative Instruments	Defined Benefit Postretirement Plans	Accumulated Other Comprehensive Income
Balance as of December 31, 2019	$ (3,056)	$ 48	$ (37)	$ 8,515	$ 5,470
Other comprehensive income (loss) before reclassifications	(1,490)	80	(3,026)	-	(4,436)
Amounts reclassified from accumulated OCI	- [1]	- [1]	17 [2]	(922) [3]	(905)
Net other comprehensive income (loss)	(1,490)	80	(3,009)	(922)	(5,341)
Balance as of June 30, 2020	**$ (4,546)**	**$ 128**	**$ (3,046)**	**$ 7,593**	**$ 129**

	Foreign Currency Translation Adjustment	Net Unrealized Gains (Losses) on Securities	Net Unrealized Gains (Losses) on Derivative Instruments	Defined Benefit Postretirement Plans	Accumulated Other Comprehensive Income
Balance as of December 31, 2018	$ (3,084)	$ (2)	$ 818	$ 6,517	$ 4,249
Other comprehensive income (loss) before reclassifications	159	42	(490)	-	(289)
Amounts reclassified from accumulated OCI	- [1]	- [1]	17 [2]	(688) [3]	(671)
Net other comprehensive income (loss)	159	42	(473)	(688)	(960)
Balance as of June 30, 2019	$ (2,925)	$ 40	$ 345	$ 5,829	$ 3,289

[1] (Gains) losses are included in "Other income (expense) - net" in the consolidated statements of income.

[2] (Gains) losses are included in "Interest expense" in the consolidated statements of income (see Note 7).

[3] The amortization of prior service credits associated with postretirement benefits are included in "Other income (expense) - net" in the consolidated statements of income (see Note 6).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) - Continued
Dollars in millions except per share amounts

NOTE 4. SEGMENT INFORMATION

Our segments are strategic business units that offer products and services to different customer segments over various technology platforms and/or in different geographies that are managed accordingly. We analyze our segments based on segment operating contribution, which consists of operating income, excluding acquisition-related costs and other significant items (as discussed below), and equity in net income (loss) of affiliates for investments managed within each segment. We have three reportable segments: (1) Communications, (2) WarnerMedia and (3) Latin America.

We have recast our segment results for all prior periods to include our prior Xandr segment within our WarnerMedia segment.

We also evaluate segment and business unit performance based on EBITDA and/or EBITDA margin, which is defined as operating contribution excluding equity in net income (loss) of affiliates and depreciation and amortization. We believe EBITDA to be a relevant and useful measurement to our investors as it is part of our internal management reporting and planning processes and it is an important metric that management uses to evaluate operating performance. 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 margin is EBITDA divided by total revenues.

The ***Communications segment*** provides wireless and wireline telecom, video and broadband services to consumers located in the U.S. and businesses globally. This segment contains the following business units:

- **Mobility** provides nationwide wireless service and equipment.
- **Entertainment Group** provides video, including over-the-top (OTT) services, broadband and voice communications services primarily to residential customers. This segment also sells advertising on distribution platforms.
- **Business Wireline** provides advanced IP-based services, as well as traditional voice and data services to business customers.

The ***WarnerMedia segment*** develops, produces and distributes feature films, television, gaming and other content in various physical and digital formats globally. Historical financial results from Xandr, previously a separate reportable segment, have been combined with the WarnerMedia segment within Eliminations and other. This segment contains the following business units:

- **Turner** primarily operates multichannel basic television networks and digital properties. Turner also sells advertising on its networks and digital properties.
- **Home Box Office** consists of premium pay television and OTT and streaming services domestically and premium pay, basic tier television and OTT services internationally, as well as content licensing and home entertainment.
- **Warner Bros.** primarily consists of the production, distribution and licensing of television programming and feature films, the distribution of home entertainment products and the production and distribution of games.

The ***Latin America segment*** provides entertainment and wireless services outside of the U.S. This segment contains the following business units:

- **Vrio** provides video services primarily to residential customers using satellite technology in Latin America and the Caribbean.
- **Mexico** provides wireless service and equipment to customers in Mexico.

Corporate and Other reconciles our segment results to consolidated operating income and income before income taxes, and includes:

- *Corporate*, which consists of: (1) businesses no longer integral to our operations or which we no longer actively market, (2) corporate support functions, (3) impacts of corporate-wide decisions for which the individual operating segments are not being evaluated, and (4) the reclassification of the amortization of prior service credits, which we continue to report with segment operating expenses, to consolidated "Other income (expense) – net."
- *Acquisition-related items* which consists of items associated with the merger and integration of acquired businesses, including amortization of intangible assets.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) - Continued

Dollars in millions except per share amounts

- *Certain significant items* includes (1) employee separation charges associated with voluntary and/or strategic offers, (2) losses resulting from abandonment of network assets and impairments and (3) other items for which the segments are not being evaluated.
- *Eliminations and consolidations*, which (1) removes transactions involving dealings between our segments, including content licensing between WarnerMedia and Communications, and (2) includes adjustments for our reporting of the advertising business.

“Interest expense” and “Other income (expense) – net,” are managed only on a total company basis and are, accordingly, reflected only in consolidated results.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) - Continued

Dollars in millions except per share amounts

For the three months ended June 30, 2020

	Revenues	Operations and Support Expenses	EBITDA	Depreciation and Amortization	Operating Income (Loss)	Equity in Net Income (Loss) of Affiliates	Segment Contribution
Communications							
Mobility	$ 17,149	$ 9,332	$ 7,817	$ 2,012	$ 5,805	$ -	$ 5,805
Entertainment Group	10,069	7,730	2,339	1,309	1,030	-	1,030
Business Wireline	6,374	3,779	2,595	1,318	1,277	-	1,277
Total Communications	33,592	20,841	12,751	4,639	8,112	-	8,112
WarnerMedia							
Turner	2,988	1,347	1,641	69	1,572	-	1,572
Home Box Office	1,627	1,489	138	25	113	(5)	108
Warner Bros.	3,256	2,583	673	40	633	(19)	614
Eliminations and other	(1,057)	(685)	(372)	33	(405)	28	(377)
Total WarnerMedia	6,814	4,734	2,080	167	1,913	4	1,917
Latin America							
Vrio	752	661	91	127	(36)	8	(28)
Mexico	480	538	(58)	115	(173)	-	(173)
Total Latin America	1,232	1,199	33	242	(209)	8	(201)
Segment Total	41,638	26,774	14,864	5,048	9,816	$ 12	$ 9,828
Corporate and Other							
Corporate	437	933	(496)	93	(589)		
Acquisition-related items	-	211	(211)	2,145	(2,356)		
Certain significant items	-	3,084	(3,084)	-	(3,084)		
Eliminations and consolidations	(1,125)	(869)	(256)	(1)	(255)		
AT&T Inc.	$ 40,950	$ 30,133	$ 10,817	$ 7,285	$ 3,532		

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) - Continued

Dollars in millions except per share amounts

For the three months ended June 30, 2019

	Revenues	Operations and Support Expenses	EBITDA	Depreciation and Amortization	Operating Income (Loss)	Equity in Net Income (Loss) of Affiliates	Segment Contribution
Communications							
Mobility	$ 17,292	$ 9,522	$ 7,770	$ 2,003	$ 5,767	$ -	$ 5,767
Entertainment Group	11,368	8,515	2,853	1,339	1,514	-	1,514
Business Wireline	6,607	3,975	2,632	1,242	1,390	-	1,390
Total Communications	35,267	22,012	13,255	4,584	8,671	-	8,671
WarnerMedia							
Turner	3,410	2,217	1,193	39	1,154	11	1,165
Home Box Office	1,716	1,131	585	12	573	15	588
Warner Bros.	3,389	2,918	471	31	440	-	440
Eliminations and other	320	170	150	22	128	29	157
Total WarnerMedia	8,835	6,436	2,399	104	2,295	55	2,350
Latin America							
Vrio	1,032	881	151	165	(14)	12	(2)
Mexico	725	813	(88)	119	(207)	-	(207)
Total Latin America	1,757	1,694	63	284	(221)	12	(209)
Segment Total	45,859	30,142	15,717	4,972	10,745	$ 67	$ 10,812
Corporate and Other							
Corporate	450	765	(315)	170	(485)		
Acquisition-related items	(30)	316	(346)	1,960	(2,306)		
Certain significant items	-	94	(94)	-	(94)		
Eliminations and consolidations	(1,322)	(961)	(361)	(1)	(360)		
AT&T Inc.	$ 44,957	$ 30,356	$ 14,601	$ 7,101	$ 7,500		

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) - Continued

Dollars in millions except per share amounts

For the six months ended June 30, 2020

	Revenues	Operations and Support Expenses	EBITDA	Depreciation and Amortization	Operating Income (Loss)	Equity in Net Income (Loss) of Affiliates	Segment Contribution
Communications							
Mobility	$ 34,551	$ 18,901	$ 15,650	$ 4,057	$ 11,593	$ -	$ 11,593
Entertainment Group	20,584	15,621	4,963	2,598	2,365	-	2,365
Business Wireline	12,706	7,730	4,976	2,619	2,357	-	2,357
Total Communications	67,841	42,252	25,589	9,274	16,315	-	16,315
WarnerMedia							
Turner	6,150	3,057	3,093	138	2,955	6	2,961
Home Box Office	3,124	2,542	582	46	536	15	551
Warner Bros.	6,496	5,533	963	81	882	(27)	855
Eliminations and other	(1,108)	(711)	(397)	65	(462)	25	(437)
Total WarnerMedia	14,662	10,421	4,241	330	3,911	19	3,930
Latin America							
Vrio	1,639	1,444	195	274	(79)	12	(67)
Mexico	1,183	1,252	(69)	249	(318)	-	(318)
Total Latin America	2,822	2,696	126	523	(397)	12	(385)
Segment Total	85,325	55,369	29,956	10,127	19,829	$ 31	$ 19,860
Corporate and Other							
Corporate	825	1,807	(982)	180	(1,162)		
Acquisition-related items	-	393	(393)	4,201	(4,594)		
Certain significant items	-	2,426	(2,426)	-	(2,426)		
Eliminations and consolidations	(2,421)	(1,791)	(630)	(1)	(629)		
AT&T Inc.	$ 83,729	$ 58,204	$ 25,525	$ 14,507	$ 11,018		

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) - Continued

Dollars in millions except per share amounts

For the six months ended June 30, 2019

	Revenues	Operations and Support Expenses	EBITDA	Depreciation and Amortization	Operating Income (Loss)	Equity in Net Income (Loss) of Affiliates	Segment Contribution
Communications							
Mobility	$ 34,655	$ 19,563	$ 15,092	$ 4,016	$ 11,076	$ -	$ 11,076
Entertainment Group	22,696	17,042	5,654	2,662	2,992	-	2,992
Business Wireline	13,085	8,007	5,078	2,464	2,614	-	2,614
Total Communications	70,436	44,612	25,824	9,142	16,682	-	16,682
WarnerMedia							
Turner	6,853	4,353	2,500	99	2,401	36	2,437
Home Box Office	3,226	2,052	1,174	34	1,140	30	1,170
Warner Bros.	6,907	5,837	1,070	83	987	6	993
Eliminations and other	654	347	307	44	263	50	313
Total WarnerMedia	17,640	12,589	5,051	260	4,791	122	4,913
Latin America							
Vrio	2,099	1,747	352	334	18	12	30
Mexico	1,376	1,538	(162)	250	(412)	-	(412)
Total Latin America	3,475	3,285	190	584	(394)	12	(382)
Segment Total	91,551	60,486	31,065	9,986	21,079	$ 134	$ 21,213
Corporate and Other							
Corporate	883	1,426	(543)	374	(917)		
Acquisition-related items	(72)	389	(461)	3,948	(4,409)		
Certain significant items	-	342	(342)	-	(342)		
Eliminations and consolidations	(2,578)	(1,899)	(679)	(1)	(678)		
AT&T Inc.	$ 89,784	$ 60,744	$ 29,040	$ 14,307	$ 14,733		

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) - Continued

Dollars in millions except per share amounts

The following table is a reconciliation of Segment Contributions to "Income Before Income Taxes" reported on our consolidated statements of income:

	Three months ended June 30, 2020	Three months ended June 30, 2019	Six months ended June 30, 2020	Six months ended June 30, 2019
Communications	$ **8,112**	$ 8,671	$ **16,315**	$ 16,682
WarnerMedia	**1,917**	2,350	**3,930**	4,913
Latin America	**(201)**	(209)	**(385)**	(382)
Segment Contribution	**9,828**	10,812	**19,860**	21,213
Reconciling Items:				
Corporate and Other	**(589)**	(485)	**(1,162)**	(917)
Merger and integration items	**(211)**	(346)	**(393)**	(461)
Amortization of intangibles acquired	**(2,145)**	(1,960)	**(4,201)**	(3,948)
Impairments	**(2,319)**	-	**(2,442)**	-
Gain on spectrum transaction[1]	**-**	-	**900**	-
Employee separation costs and benefit-related losses	**(765)**	(94)	**(884)**	(342)
Segment equity in net income of affiliates	**(12)**	(67)	**(31)**	(134)
Eliminations and consolidations	**(255)**	(360)	**(629)**	(678)
AT&T Operating Income	**3,532**	7,500	**11,018**	14,733
Interest Expense	**2,041**	2,149	**4,059**	4,290
Equity in net income (loss) of affiliates	**(10)**	40	**(16)**	33
Other income (expense) - net	**1,017**	(318)	**1,820**	(32)
Income Before Income Taxes	**$ 2,498**	$ 5,073	**$ 8,763**	$ 10,444

[1] Included as a reduction of "Selling, general and administrative expenses" in the consolidated statement of income.

The following table presents intersegment revenues by segment:

Intersegment Reconciliation

	Three months ended June 30, 2020	Three months ended June 30, 2019	Six months ended June 30, 2020	Six months ended June 30, 2019
Intersegment Revenues				
Communications	**$ 2**	$ 8	**$ 4**	$ 8
WarnerMedia	**774**	861	**1,591**	1,719
Latin America	**-**	-	**-**	-
Total Intersegment Revenues	**776**	869	**1,595**	1,727
Consolidations	**349**	453	**826**	851
Eliminations and consolidations	**$ 1,125**	$ 1,322	**$ 2,421**	$ 2,578

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) - Continued

Dollars in millions except per share amounts

NOTE 5. REVENUE RECOGNITION

Revenue Categories

The following tables set forth reported revenue by category and by business unit:

For the three months ended June 30, 2020

	Service Revenues								
	Wireless	Advanced Data	Legacy Voice & Data	Subscription	Content	Advertising	Other	Equipment	Total
Communications									
Mobility	$ 13,611	$ -	$ -	$ -	$ -	$ 58	$ -	$ 3,480	$ 17,149
Entertainment Group	-	2,092	560	6,682	-	294	397	44	10,069
Business Wireline	-	3,320	2,067	-	-	-	782	205	6,374
WarnerMedia									
Turner	-	-	-	1,804	334	796	54	-	2,988
Home Box Office	-	-	-	1,441	181	-	5	-	1,627
Warner Bros.	-	-	-	16	3,179	1	60	-	3,256
Eliminations and other	-	-	-	71	(1,516)	378	10	-	(1,057)
Latin America									
Vrio	-	-	-	752	-	-	-	-	752
Mexico	345	-	-	-	-	-	-	135	480
Corporate and Other	178	10	152	-	-	-	62	35	437
Eliminations and consolidations	-	-	-	-	(765)	(294)	(66)	-	(1,125)
Total Operating Revenues	$ 14,134	$ 5,422	$ 2,779	$ 10,766	$ 1,413	$ 1,233	$ 1,304	$ 3,899	$ 40,950

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) - Continued

Dollars in millions except per share amounts

For the three months ended June 30, 2019

	Service Revenues								
	Wireless	Advanced Data	Legacy Voice & Data	Subscription	Content	Advertising	Other	Equipment	Total
Communications									
Mobility	$ 13,753	$ -	$ -	$ -	$ -	$ 71	$ -	$ 3,468	$ 17,292
Entertainment Group	-	2,109	658	7,636	-	399	563	3	11,368
Business Wireline	-	3,208	2,324	-	-	-	897	178	6,607
WarnerMedia									
Turner	-	-	-	1,943	111	1,266	90	-	3,410
Home Box Office	-	-	-	1,516	198	-	2	-	1,716
Warner Bros.	-	-	-	23	3,175	10	181	-	3,389
Eliminations and other	-	-	-	54	(237)	494	9	-	320
Latin America									
Vrio	-	-	-	1,032	-	-	-	-	1,032
Mexico	479	-	-	-	-	-	-	246	725
Corporate and Other	150	14	7	-	-	-	210	39	420
Eliminations and consolidations	-	-	-	-	(840)	(399)	(83)	-	(1,322)
Total Operating Revenues	$ 14,382	$ 5,331	$ 2,989	$ 12,204	$ 2,407	$ 1,841	$ 1,869	$ 3,934	$ 44,957

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) - Continued

Dollars in millions except per share amounts

For the six months ended June 30, 2020

	Service Revenues								
	Wireless	Advanced Data	Legacy Voice & Data	Subscription	Content	Advertising	Other	Equipment	Total
Communications									
Mobility	$ 27,503	$ -	$ -	$ -	$ -	$ 134	$ -	$ 6,914	$ 34,551
Entertainment Group	-	4,201	1,141	13,664	-	707	816	55	20,584
Business Wireline	-	6,595	4,196	-	-	-	1,535	380	12,706
WarnerMedia									
Turner	-	-	-	3,853	420	1,753	124	-	6,150
Home Box Office	-	-	-	2,779	338	-	7	-	3,124
Warner Bros.	-	-	-	26	6,239	3	228	-	6,496
Eliminations and other	-	-	-	134	(2,162)	887	33	-	(1,108)
Latin America									
Vrio	-	-	-	1,639	-	-	-	-	1,639
Mexico	812	-	-	-	-	-	-	371	1,183
Corporate and Other	295	24	286	-	-	-	145	75	825
Eliminations and consolidations	-	-	-	-	(1,559)	(707)	(155)	-	(2,421)
Total Operating Revenues	$ 28,610	$ 10,820	$ 5,623	$ 22,095	$ 3,276	$ 2,777	$ 2,733	$ 7,795	$ 83,729

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) - Continued

Dollars in millions except per share amounts

For the six months ended June 30, 2019

	Service Revenues								
	Wireless	Advanced Data	Legacy Voice & Data	Subscription	Content	Advertising	Other	Equipment	Total
Communications									
Mobility	$ 27,315	$ -	$ -	$ -	$ -	$ 138	$ -	$ 7,202	$ 34,655
Entertainment Group	-	4,179	1,341	15,360	-	749	1,063	4	22,696
Business Wireline	-	6,380	4,721	-	-	-	1,647	337	13,085
WarnerMedia									
Turner	-	-	-	3,908	246	2,527	172	-	6,853
Home Box Office	-	-	-	2,850	371	-	5	-	3,226
Warner Bros.	-	-	-	44	6,507	20	336	-	6,907
Eliminations and other	-	-	-	103	(389)	928	12	-	654
Latin America									
Vrio	-	-	-	2,099	-	-	-	-	2,099
Mexico	921	-	-	-	-	-	-	455	1,376
Corporate and Other	272	27	14	-	-	-	419	79	811
Eliminations and consolidations	-	-	-	-	(1,677)	(749)	(152)	-	(2,578)
Total Operating Revenues	$ 28,508	$ 10,586	$ 6,076	$ 24,364	$ 5,058	$ 3,613	$ 3,502	$ 8,077	$ 89,784

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) - Continued

Dollars in millions except per share amounts

Deferred Customer Contract Acquisition and Fulfillment Costs

Costs to acquire and fulfill customer contracts, including commissions on service activations, for our wireless, business wireline and video entertainment services, are deferred and amortized over the contract period or expected customer relationship life, which typically ranges from three years to five years. For contracts with an estimated amortization period of less than one year, we expense incremental costs immediately.

The following table presents the deferred customer contract acquisition and fulfillment costs included on our consolidated balance sheets:

Consolidated Balance Sheets		**June 30, 2020**		December 31, 2019
Deferred Acquisition Costs				
Other current assets	**$**	**2,630**	$	2,462
Other Assets		**3,117**		2,991
Total deferred customer contract acquisition costs	$	**5,747**	**$**	5,453
Deferred Fulfillment Costs				
Other current assets	**$**	**4,362**	**$**	4,519
Other Assets		**5,980**		6,439
Total deferred customer contract fulfillment costs	**$**	**10,342**	$	10,958

The following table presents deferred customer contract acquisition and fulfillment cost amortization included in “Other cost of revenue” for the six months ended:

Consolidated Statements of Income		**June 30, 2020**		June 30, 2019
Deferred acquisition cost amortization	**$**	**1,278**	$	1,026
Deferred fulfillment cost amortization		**2,636**		2,381

Contract Assets and Liabilities

A contract asset is recorded when revenue is recognized in advance of our right to bill and receive consideration. The contract asset will decrease as services are provided and billed. For example, when installment sales include promotional discounts (e.g., “buy one get one free”) the difference between revenue recognized and consideration received is recorded as a contract asset to be amortized over the contract term.

When consideration is received in advance of the delivery of goods or services, a contract liability is recorded for deferred revenue. Reductions in the contract liability will be recorded as we satisfy the performance obligations.

The following table presents contract assets and liabilities on our consolidated balance sheets:

Consolidated Balance Sheets		**June 30, 2020**		December 31, 2019
Contract asset	$	**2,546**	$	2,472
Contract liability		**6,533**		6,999

Our beginning of period contract liability recorded as customer contract revenue during 2020 was $5,004.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) - Continued
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Our consolidated balance sheets at June 30, 2020 and December 31, 2019 included approximately $1,638 and $1,611, respectively, for the current portion of our contract asset in "Other current assets" and $5,616 and $5,939, respectively, for the current portion of our contract liability in "Advanced billings and customer deposits."

Remaining Performance Obligations
Remaining performance obligations represent services we are required to provide to customers under bundled or discounted arrangements, which are satisfied as services are provided over the contract term. In determining the transaction price allocated, we do not include non-recurring charges and estimates for usage, nor do we consider arrangements with an original expected duration of less than one year, which are primarily prepaid wireless, video and residential internet agreements.

Remaining performance obligations associated with business contracts reflect recurring charges billed, adjusted to reflect estimates for sales incentives and revenue adjustments. Performance obligations associated with wireless contracts are estimated using a portfolio approach in which we review all relevant promotional activities, calculating the remaining performance obligation using the average service component for the portfolio and the average device price. As of June 30, 2020, the aggregate amount of the transaction price allocated to remaining performance obligations was $36,362, of which we expect to recognize approximately 82% by the end of 2021, with the balance recognized thereafter.

NOTE 6. PENSION AND POSTRETIREMENT BENEFITS

Many of our employees are covered by one of our noncontributory pension plans. We also provide certain medical, dental, life insurance and death benefits to certain retired employees under various plans and accrue actuarially determined postretirement benefit costs. Our objective in funding these plans, in combination with the standards of the Employee Retirement Income Security Act of 1974, as amended (ERISA), is to accumulate assets sufficient to provide benefits described in the plans to employees upon their retirement. We do not have significant funding requirements in 2020.

We recognize actuarial gains and losses on pension and postretirement plan assets in our consolidated results as a component of "Other income (expense) – net" at our annual measurement date of December 31, unless earlier remeasurements are required.

The following table details pension and postretirement benefit costs included in the accompanying consolidated statements of income. The service cost component of net periodic pension cost (benefit) is recorded in operating expenses in the consolidated statements of income while the remaining components are recorded in "Other income (expense) – net."

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) - Continued
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	Three months ended June 30,		Six months ended June 30,	
	2020	2019	**2020**	2019
Pension cost:				
Service cost – benefits earned during the period	**$ 258**	$ 243	**$ 515**	$ 483
Interest cost on projected benefit obligation	**422**	508	**844**	1,057
Expected return on assets	**(890)**	(880)	**(1,779)**	(1,731)
Amortization of prior service credit	**(29)**	(24)	**(57)**	(57)
Actuarial (gain) loss	**-**	1,699	**-**	2,131
Net pension (credit) cost	**$ (239)**	$ 1,546	**$ (477)**	$ 1,883
Postretirement cost:				
Service cost – benefits earned during the period	**$ 13**	$ 18	**$ 26**	$ 36
Interest cost on accumulated postretirement benefit obligation	**104**	186	**208**	372
Expected return on assets	**(45)**	(56)	**(89)**	(112)
Amortization of prior service credit	**(582)**	(426)	**(1,164)**	(852)
Net postretirement (credit) cost	**$ (510)**	$ (278)	**$ (1,019)**	$ (556)
Combined net pension and postretirement (credit) cost	**$ (749)**	$ 1,268	**$ (1,496)**	$ 1,327

We also provide senior- and middle-management employees with nonqualified, unfunded supplemental retirement and savings plans. Net supplemental pension benefits costs not included in the table above were $19 and $25 in the second quarter and $38 and $50 for the first six months of 2020 and 2019, respectively.

NOTE 7. FAIR VALUE MEASUREMENTS AND DISCLOSURE

The Fair Value Measurement and Disclosure framework in ASC 820, “Fair Value Measurement,” provides a three-tiered fair value hierarchy based on the reliability of the inputs used to determine fair value. Level 1 refers to fair values determined based on quoted prices in active markets for identical assets. Level 2 refers to fair values estimated using significant other observable inputs and Level 3 includes fair values estimated using significant unobservable inputs.

The level of an asset or liability within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Our valuation techniques maximize the use of observable inputs and minimize the use of unobservable inputs.

The valuation methodologies described above may produce a fair value calculation that may not be indicative of future net realizable value or reflective of future fair values. We believe our valuation methods are appropriate and consistent with other market participants. The use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. There have been no changes in the methodologies used since December 31, 2019.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) - Continued

Dollars in millions except per share amounts

Long-Term Debt and Other Financial Instruments

The carrying amounts and estimated fair values of our long-term debt, including current maturities, and other financial instruments, are summarized as follows:

	June 30, 2020		December 31, 2019	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Notes and debentures[1]	$ 164,099	$ 190,284	$ 161,109	$ 182,124
Commercial paper	3,001	3,001	-	-
Bank borrowings	-	-	4	4
Investment securities[2]	3,632	3,632	3,723	3,723

[1] Includes credit agreement borrowings.

[2] Excludes investments accounted for under the equity method.

The carrying amount of debt with an original maturity of less than one year approximates fair value. The fair value measurements used for notes and debentures are considered Level 2 and are determined using various methods, including quoted prices for identical or similar securities in both active and inactive markets.

Following is the fair value leveling for investment securities that are measured at fair value and derivatives as of June 30, 2020 and December 31, 2019. Derivatives designated as hedging instruments are reflected as “Other assets,” “Other noncurrent liabilities,” “Other current assets” and “Accounts payable and accrued liabilities” on our consolidated balance sheets.

	June 30, 2020			
	Level 1	Level 2	Level 3	Total
Equity Securities				
Domestic equities	$ 832	$ -	$ -	$ 832
International equities	141	-	-	141
Fixed income equities	230	-	-	230
Available-for-Sale Debt Securities	-	1,522	-	1,522
Asset Derivatives				
Cross-currency swaps	-	67	-	67
Foreign exchange contracts	-	14	-	14
Liability Derivatives				
Interest rate swaps	-	(3)	-	(3)
Cross-currency swaps	-	(6,767)	-	(6,767)
Foreign exchange contracts	-	(10)	-	(10)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) - Continued

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	December 31, 2019			
	Level 1	Level 2	Level 3	Total
Equity Securities				
Domestic equities	$ 844	$ -	$ -	$ 844
International equities	183	-	-	183
Fixed income equities	229	-	-	229
Available-for-Sale Debt Securities	-	1,444	-	1,444
Asset Derivatives				
Interest rate swaps	-	2	-	2
Cross-currency swaps	-	172	-	172
Interest rate locks	-	11	-	11
Foreign exchange contracts	-	89	-	89
Liability Derivatives				
Cross-currency swaps	-	(3,187)	-	(3,187)
Interest rate locks	-	(95)	-	(95)

Investment Securities

Our investment securities include both equity and debt securities that are measured at fair value, as well as equity securities without readily determinable fair values. A substantial portion of the fair values of our investment securities is estimated based on quoted market prices. Investments in equity securities not traded on a national securities exchange are valued at cost, less any impairment, and adjusted for changes resulting from observable, orderly transactions for identical or similar securities. Investments in debt securities not traded on a national securities exchange are valued using pricing models, quoted prices of securities with similar characteristics or discounted cash flows.

The components comprising total gains and losses in the period on equity securities are as follows:

	Three months ended June 30,		Six months ended June 30,	
	2020	2019	**2020**	2019
Total gains (losses) recognized on equity securities	**$ 161**	$ 50	**$ (42)**	$ 210
Gains (Losses) recognized on equity securities sold	**9**	9	**(24)**	27
Unrealized gains (losses) recognized on equity securities held at end of period	**152**	41	**(18)**	183

At June 30, 2020, available-for-sale debt securities totaling $1,522 have maturities as follows - less than one year: $64; one to three years: $175; three to five years: $156; five or more years: $1,127.

Our cash equivalents (money market securities), short-term investments (certificate and time deposits) and nonrefundable customer deposits are recorded at amortized cost, and the respective carrying amounts approximate fair values. Short-term investments and nonrefundable customer deposits are recorded in “Other current assets” and our investment securities are recorded in “Other Assets” on the consolidated balance sheets.

Derivative Financial Instruments

We enter into derivative transactions to manage certain market risks, primarily interest rate risk and foreign currency exchange risk. This includes the use of interest rate swaps, interest rate locks, foreign exchange forward contracts and combined interest rate foreign exchange contracts (cross-currency swaps). We do not use derivatives for trading or speculative purposes. We record derivatives on our consolidated balance sheets at fair value that is derived from observable market data, including yield curves and foreign exchange rates (all of our derivatives are Level 2). Cash flows associated with derivative instruments are presented in the same category on the consolidated statements of cash flows as the item being hedged.

Fair Value Hedging Periodically, we enter into and designate fixed-to-floating interest rate swaps as fair value hedges. The purpose of these swaps is to manage interest rate risk by managing our mix of fixed-rate and floating-rate debt. These swaps involve the receipt of fixed-rate amounts for floating interest rate payments over the life of the swaps without exchange of the underlying principal amount.

We also designate some of our foreign exchange contracts as fair value hedges. The purpose of these contracts is to hedge currency risk associated with foreign-currency-denominated operating assets and liabilities.

Accrued and realized gains or losses from fair value hedges impact the same category on the consolidated statements of income as the item being hedged. Unrealized gains on fair value hedges are recorded at fair market value as assets, and unrealized losses are recorded at fair market value as liabilities. Changes in the fair value of derivative instruments designated as fair value hedges are offset against the change in fair value of the hedged assets or liabilities through earnings. In the six months ended June 30, 2020 and 2019, no ineffectiveness was measured on fair value hedges.

Cash Flow Hedging We designate our cross-currency swaps as cash flow hedges. We have entered into multiple cross-currency swaps to hedge our exposure to variability in expected future cash flows that are attributable to foreign currency risk generated from the issuance of our foreign-denominated debt. These agreements include initial and final exchanges of principal from fixed foreign currency denominated amounts to fixed U.S. dollar denominated amounts, to be exchanged at a specified rate that is usually determined by the market spot rate upon issuance. They also include an interest rate swap of a fixed or floating foreign currency-denominated interest rate to a fixed U.S. dollar denominated interest rate.

We also designate some of our foreign exchange contracts as cash flow hedges. The purpose of these contracts is to hedge certain film production costs denominated in foreign currencies.

Unrealized gains on derivatives designated as cash flow hedges are recorded at fair value as assets, and unrealized losses are recorded at fair value as liabilities. For derivative instruments designated as cash flow hedges, changes in fair value are reported as a component of accumulated OCI and are reclassified into the consolidated statements of income in the same period the hedged transaction affects earnings.

Periodically, we enter into and designate interest rate locks to partially hedge the risk of changes in interest payments attributable to increases in the benchmark interest rate during the period leading up to the probable issuance of fixed-rate debt. We designate our interest rate locks as cash flow hedges. Gains and losses when we settle our interest rate locks are amortized into income over the life of the related debt. Over the next 12 months, we expect to reclassify $98 from accumulated OCI to “Interest expense” due to the amortization of net losses on historical interest rate locks.

We settled all interest rate locks in May 2020 in conjunction with issuance of fixed rate debt obligations that the interest rate locks were hedging. We paid $731 that was largely offset by the return of collateral at the time of settlement. Cash flows from the interest rate lock settlements and return of collateral were reported as Financing Activities in our Statement of Cash Flows, consistent with our accounting policy for these instruments.

Net Investment Hedging We have designated €1,450 million aggregate principal amount of debt as a hedge of the variability of some of the Euro-denominated net investments of our subsidiaries. The gain or loss on the debt that is designated as, and is effective as, an economic hedge of the net investment in a foreign operation is recorded as a currency translation adjustment within accumulated OCI, net on the consolidated balance sheet. Net losses on net investment hedges recognized in accumulated OCI in the second quarter were $30 and for the first six months of 2020 were $5.

Collateral and Credit-Risk Contingency We have entered into agreements with our derivative counterparties establishing collateral thresholds based on respective credit ratings and netting agreements. At June 30, 2020, we had posted collateral of $694 (a deposit asset) and held collateral of $16 (a receipt liability). Under the agreements, if AT&T’s credit rating had been downgraded one rating level by Fitch Ratings, before the final collateral exchange in June, we would have been required to post additional collateral of $76. If AT&T’s credit rating had been downgraded four ratings levels by Fitch Ratings, two levels by S&P, and two levels by Moody’s, we would have been required to post additional collateral of $5,487. If DIRECTV

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) - Continued
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Holdings LLC's credit rating had been downgraded below BBB- by S&P, we would have been required to post additional collateral of $321. At December 31, 2019, we had posted collateral of $204 (a deposit asset) and held collateral of $44 (a receipt liability). We do not offset the fair value of collateral, whether the right to reclaim cash collateral (a receivable) or the obligation to return cash collateral (a payable) exists, against the fair value of the derivative instruments.

Following are the notional amounts of our outstanding derivative positions:

	June 30, 2020	December 31, 2019
Interest rate swaps	$ 21	$ 853
Cross-currency swaps	45,606	42,325
Interest rate locks	-	3,500
Foreign exchange contracts	298	269
Total	$ 45,925	$ 46,947

Following are the related hedged items affecting our financial position and performance:

Effect of Derivatives on the Consolidated Statements of Income

	Three months ended June 30,		Six months ended June 30,	
Fair Value Hedging Relationships	2020	2019	2020	2019
Interest rate swaps (Interest expense):				
Gain (Loss) on interest rate swaps	$ (14)	$ 35	$ (4)	$ 59
Gain (Loss) on long-term debt	14	(35)	4	(59)

In addition, the net swap settlements that accrued and settled in the quarters ended June 30, 2020 and 2019 were offset against interest expense.

The following table presents information for our cash flow hedging relationships:

	Three months ended June 30,		Six months ended June 30,	
Cash Flow Hedging Relationships	2020	2019	2020	2019
Cross-currency swaps:				
Gain (Loss) recognized in accumulated OCI	$ 809	$ (763)	$ (3,170)	$ (595)
Foreign exchange contracts:				
Gain (Loss) recognized in accumulated OCI	2	4	(11)	(3)
Other income (expense) - net reclassified from accumulated OCI into income	(3)	7	13	10
Interest rate locks:				
Gain (Loss) recognized in accumulated OCI	(12)	(23)	(648)	(23)
Interest income (expense) reclassified from accumulated OCI into income	(18)	(16)	(34)	(32)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) - Continued
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NOTE 8. ACQUISITIONS, DISPOSITIONS AND OTHER ADJUSTMENTS

Acquisitions

HBO Latin America Group (HBO LAG) In May 2020, we acquired the remaining interest in HBO LAG for $141, net of cash acquired. At acquisition, we remeasured the fair value of the total business, which exceeded the carrying amount of our equity method investment and resulted in a pre-tax gain of $68. We consolidated that business upon close and recorded those assets at fair value, including $640 of trade names, $271 of distribution networks and $343 of goodwill that is reported in the WarnerMedia segment. These estimates are preliminary in nature and subject to adjustments, which will be finalized within one year from the date of acquisition.

Spectrum Auctions In June 2020, we completed the acquisition of $2,379 of 37/39 GHz spectrum in a Federal Communications Commission (FCC) auction. Prior to the auction, we exchanged the 39 GHz licenses with a book value of approximately $300 that were previously acquired through FiberTower Corporation for vouchers to be applied against the winning bids and recorded a $900 gain in the first quarter of 2020. These vouchers yielded a value of approximately $1,200, which was applied toward our gross bids. In the second quarter of 2020, we made the final cash payment of $949, bringing the total cash payment to $1,186.

NOTE 9. SALES OF RECEIVABLES

We have agreements with various third-party financial institutions pertaining to the sales of certain types of our accounts receivable. The most significant of these programs are discussed in detail below and generally consist of (1) receivables arising from equipment installment plans, which are sold for cash and a deferred purchase price, and (2) revolving service and trade receivables. Under these programs, we transfer receivables to purchasers in exchange for cash and additional consideration upon settlement of the receivables, where applicable. Under the terms of our agreements for these programs, we continue to bill and collect the payments from our customers on behalf of the financial institutions.

The sales of receivables did not have a material impact on our consolidated statements of income or to “Total Assets” reported on our consolidated balance sheets. We reflect cash receipts on sold receivables as cash flows from operations in our consolidated statements of cash flows. Cash receipts on the deferred purchase price are classified as cash flows from investing activities.

Our equipment installment and revolving receivable programs are discussed in detail below. The following table sets forth a summary of the receivables and accounts being serviced:

	June 30, 2020		December 31, 2019	
	Equipment Installment	**Revolving**	Equipment Installment	Revolving
Gross receivables:	**$ 3,931**	**$ 3,745**	$ 4,576	$ 3,324
Balance sheet classification				
Accounts receivable				
Notes receivable	**2,056**	**-**	2,467	-
Trade receivables	**496**	**3,547**	477	2,809
Other Assets				
Noncurrent notes and trade receivables	**1,379**	**198**	1,632	515
Outstanding portfolio of receivables derecognized from our consolidated balance sheets	**8,917**	**5,300**	9,713	4,300
Cash proceeds received, net of remittances[1]	**6,429**	**5,300**	7,211	4,300

[1] Represents amounts to which financial institutions remain entitled, excluding the deferred purchase price.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) - Continued
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Equipment Installment Receivables Program
We offer our customers the option to purchase certain wireless devices in installments over a specified period of time and, in many cases, once certain conditions are met, they may be eligible to trade in the original equipment for a new device and have the remaining unpaid balance paid or settled.

We maintain a program under which we transfer a portion of these receivables through our bankruptcy-remote subsidiary in exchange for cash and additional consideration upon settlement of the receivables, referred to as the deferred purchase price. In the event a customer trades in a device prior to the end of the installment contract period, we agree to make a payment to the financial institutions equal to any outstanding remaining installment receivable balance. Accordingly, we record a guarantee obligation for this estimated amount at the time the receivables are transferred.

The following table sets forth a summary of equipment installment receivables sold under this program during the three and six months ended June 30, 2020 and 2019:

	Three months ended June 30, 2020	Three months ended June 30, 2019	Six months ended June 30, 2020	Six months ended June 30, 2019
Gross receivables sold	**$ 1,506**	$ 2,244	**$ 3,873**	$ 4,945
Net receivables sold[1]	**1,449**	2,133	**3,722**	4,679
Cash proceeds received	**1,225**	1,920	**3,175**	4,195
Deferred purchase price recorded	**232**	261	**585**	570
Guarantee obligation recorded	**27**	93	**71**	194

[1] Receivables net of allowance, imputed interest and equipment trade-in right guarantees.

The deferred purchase price and guarantee obligation are initially recorded at estimated fair value and subsequently adjusted for changes in present value of expected cash flows. The estimation of their fair values is based on remaining installment payments expected to be collected and the expected timing and value of device trade-ins. The estimated value of the device trade-ins considers prices offered to us by independent third parties that contemplate changes in value after the launch of a device model. The fair value measurements used for the deferred purchase price and the guarantee obligation are considered Level 3 under the Fair Value Measurement and Disclosure framework (see Note 7).

The following table presents the previously transferred equipment installment receivables, which we repurchased in exchange for the associated deferred purchase price during the three and six months ended June 30, 2020 and 2019:

	Three months ended June 30, 2020	Three months ended June 30, 2019	Six months ended June 30, 2020	Six months ended June 30, 2019
Fair value of repurchased receivables	**$ 285**	$ 235	**$ 573**	$ 658
Carrying value of deferred purchase price	**281**	225	**558**	632
Gain on repurchases[1]	**$ 4**	$ 10	**$ 15**	$ 26

[1] These gains are included in “Selling, general and administrative” in the consolidated statements of income.

At June 30, 2020 and December 31, 2019, our deferred purchase price receivable was $2,319 and $2,336, respectively, of which $1,591 and $1,569 are included in “Other current assets” on our consolidated balance sheets, with the remainder in “Other Assets.” The guarantee obligation at June 30, 2020 and December 31, 2019 was $315 and $384, respectively, of which $213 and $148 are included in “Accounts payable and accrued liabilities” on our consolidated balance sheets, with the remainder in “Other noncurrent liabilities.” Our maximum exposure to loss as a result of selling these equipment installment receivables is limited to the total amount of our deferred purchase price and guarantee obligation.

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Revolving Receivables Program
In 2019, we entered into a one-year revolving agreement to transfer up to $4,300 of certain receivables through our bankruptcy-remote subsidiaries to various financial institutions on a recurring basis in exchange for cash equal to the gross receivables transferred. In the first quarter of 2020, we expanded the program limit to $5,300. In the second quarter of 2020, we extended the agreement by one year. As customers pay their balances, we transfer additional receivables into the program, resulting in our gross receivables sold exceeding net cash flow impacts (e.g., collect and reinvest). The transferred receivables are fully guaranteed by our bankruptcy-remote subsidiaries, which hold additional receivables in the amount of $3,745 that are pledged as collateral under this agreement. The transfers are recorded at fair value of the proceeds received and obligations assumed less derecognized receivables. The obligation is subsequently adjusted for changes in estimated expected credit losses and interest rates. Our maximum exposure to loss related to these receivables transferred is limited to the amount outstanding.

The fair value measurement used for the obligation is considered Level 3 under the Fair Value Measurement and Disclosure framework (see Note 7).

The following table sets forth a summary of receivables sold:

	Three months ended June 30, 2020	Three months ended June 30, 2019	Six months ended June 30, 2020	Six months ended June 30, 2019
Gross receivables sold/cash proceeds received[1]	**$ 3,805**	$ 4,452	**$ 8,027**	$ 5,852
Collections reinvested under revolving agreement	**3,805**	2,127	**7,027**	2,127
Net cash proceeds received (remitted)	**$ -**	$ 2,325	**$ 1,000**	$ 3,725
Net receivables sold[2]	**$ 3,819**	$ 4,134	**$ 7,957**	$ 5,497
Obligations recorded (reversed)	**(12)**	384	**114**	436

[1] Includes initial sale of receivables of $0 and $2,325 for the three months and $1,000 and $3,725 for the six months ended June 30, 2020 and 2019, respectively.
[2] Receivables net of allowance, return and incentive reserves and imputed interest

NOTE 10. LEASES

We have operating and finance leases for certain facilities and equipment used in operations. Our leases generally have remaining lease terms of up to 15 years. Some of our real estate operating leases contain renewal options that may be exercised, and some of our leases include options to terminate the leases within one year.

We have recognized a right-of-use asset for both operating and finance leases, and an operating lease liability that represents the present value of our obligation to make payments over the lease term. The present value of the lease payments is calculated using the incremental borrowing rate for operating and finance leases, which was determined using a portfolio approach based on the rate of interest that we would have to pay to borrow an amount equal to the lease payments on a collateralized basis over a similar term. We use the unsecured borrowing rate and risk-adjust that rate to approximate a collateralized rate in the currency of the lease, which will be updated on a quarterly basis for measurement of new lease liabilities.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) - Continued
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The components of lease expense were as follows:

	Three months ended June 30,		Six months ended June 30,	
	2020	2019	**2020**	2019
Operating lease cost	$ **1,449**	$ 1,610	$ **2,826**	$ 2,852
Finance lease cost:				
Amortization of right-of-use assets	$ **73**	$ 70	$ **140**	$ 136
Interest on lease obligation	**36**	42	**77**	84
Total finance lease cost	$ **109**	$ 112	$ **217**	$ 220

Supplemental balance sheet information related to leases is as follows:

	June 30, 2020	December 31, 2019
Operating Leases		
Operating lease right-of-use assets	$ **24,692**	$ 24,039
Accounts payable and accrued liabilities	$ **3,474**	$ 3,451
Operating lease obligation	**22,230**	21,804
Total operating lease obligation	$ **25,704**	$ 25,255
Finance Leases		
Property, plant and equipment, at cost	$ **3,468**	$ 3,534
Accumulated depreciation and amortization	**(1,347)**	(1,296)
Property, plant and equipment, net	$ **2,121**	$ 2,238
Current portion of long-term debt	$ **180**	$ 162
Long-term debt	**1,683**	1,872
Total finance lease obligation	$ **1,863**	$ 2,034
Weighted-Average Remaining Lease Term (years)		
Operating leases	**8.5**	8.4
Finance leases	**10.2**	10.7
Weighted-Average Discount Rate		
Operating leases	**4.2 %**	4.7 %
Finance leases	**8.2 %**	8.5 %

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) - Continued
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Future minimum maturities of lease obligations are as follows:

At June 30, 2020	Operating Leases	Finance Leases
Remainder of 2020	$ 2,447	$ 190
2021	4,582	309
2022	4,277	291
2023	3,889	262
2024	3,357	242
Thereafter	13,031	1,632
Total lease payments	31,583	2,926
Less imputed interest	(5,879)	(1,063)
Total	$ 25,704	$ 1,863

NOTE 11. PREFERRED SHARES

We have authorized 10 million preferred shares of AT&T stock, each with a par value of $1.00 per share. Cumulative perpetual preferred shares consist of the following:

- Series A: 48 thousand shares outstanding at June 30, 2020 and December 31, 2019, with a $25,000 per share liquidation preference and a dividend rate of 5.00%.
- Series B: 20 thousand shares outstanding at June 30, 2020 and zero issued and outstanding at December 31, 2019, with a €100,000 per share liquidation preference, and an initial dividend rate of 2.875%, subject to reset beginning on May 1, 2025.
- Series C: 70 thousand shares outstanding at June 30, 2020 and zero issued and outstanding at December 31, 2019, with a $25,000 per share liquidation preference and a dividend rate of 4.75%.

So long as the preferred dividends are declared and paid on a timely basis on each series of preferred shares, there are no limitations on our ability to declare a dividend on or repurchase AT&T common shares. The preferred shares are optionally redeemable by AT&T at the liquidation price generally on or after five years from the issuance date, or upon certain other contingent events.

NOTE 12. ADDITIONAL FINANCIAL INFORMATION

Cash and Cash Flows
We typically maintain our restricted cash balances for purchases and sales of certain investment securities and funding of certain deferred compensation benefit payments:

	June 30,		December 31,	
	2020	2019	2019	2018
Cash and cash equivalents	**$ 16,941**	$ 8,423	$ 12,130	$ 5,204
Restricted cash in Other current assets	**3**	15	69	61
Restricted cash in Other Assets	**87**	216	96	135
Cash and Cash Equivalents and Restricted Cash	**$ 17,031**	$ 8,654	$ 12,295	$ 5,400

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) - Continued
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Consolidated Statements of Cash Flows		Six months ended June 30,		
Cash paid (received) during the period for:		**2020**		2019
Interest	**$**	**4,202**	$	4,410
Income taxes, net of refunds		**(214)**		(32)

		Six months ended June 30,		
		2020		**2019**
Cash Flows from Operating Activities				
Cash paid for amounts included in lease obligations				
Operating cash flows from operating leases	**$**	**2,424**	$	2,464
Supplemental Lease Cash Flow Disclosures				
Operating lease right-of-use assets obtained in exchange for new operating lease obligations		**2,895**		3,899

Other Noncash Investing and Financing Activities In connection with capital improvements and the acquisition of other productive assets, we negotiate favorable payment terms (referred to as vendor financing), which are reported as financing activities when paid. For the first six months, we recorded vendor financing commitments related to capital investments of approximately $1,680 in 2020 and $1,265 in 2019.

Financing Activities

Debt Transactions At June 30, 2020, our total long-term debt obligations totaled $168,964. Our debt activity primarily consisted of the following:

- Net borrowings of approximately $2,960 of debt under our commercial paper program.
- In April 2020, entry into and draw on a $5,500 Term Loan Credit Agreement, with certain commercial banks and Bank of America, N.A., as lead agent, which was redeemed in May 2020 (originally due on December 31, 2020).
- Issuance of $16,545 of AT&T global notes due 2027 to 2060.
- Issuance of €3,000 million global notes ($3,281 at issuance) due 2028 to 2038.
- Redemptions of $12,689 of AT&T global notes due 2020 to 2047.
- Redemptions of $1,800 under term loan credit agreements with certain banks.
- Redemptions of $1,000 annual put reset securities issued by BellSouth.

Our long-term debt issuances carried a weighted average interest rate of 3.5%, and our long-term debt redemptions had a weighted average interest rate of 3.4%.

Subsequent Events In July 2020, we completed redemptions of $4,264 of AT&T, WarnerMedia and DIRECTV notes due 2022, with an average interest rate of 3.4%.

In August 2020, we issued $11,000 of global notes due 2028 to 2061, with an average interest rate of 2.7%.

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OVERVIEW

AT&T Inc. is referred to as "we," "AT&T" or the "Company" throughout this document, and the names of the particular subsidiaries and affiliates providing the services generally have been omitted. AT&T is a holding company whose subsidiaries and affiliates operate worldwide in the telecommunications, media and technology industries. You should read this discussion in conjunction with the consolidated financial statements and accompanying notes (Notes).

We have three reportable segments: (1) Communications, (2) WarnerMedia and (3) Latin America. Our segment results presented in Note 4 and discussed below follow our internal management reporting. We analyze our segments based on segment operating contribution, which consists of operating income, excluding acquisition-related costs and other significant items and equity in net income (loss) of affiliates for investments managed within each segment. Percentage increases and decreases that are not considered meaningful are denoted with a dash.

We have recast our segment results for all prior periods to include our prior Xandr segment within our WarnerMedia segment.

	Second Quarter			Six-Month Period		
	2020	2019	Percent Change	**2020**	2019	Percent Change
Operating Revenues						
Communications	**$ 33,592**	$ 35,267	(4.7)%	**$ 67,841**	$ 70,436	(3.7)%
WarnerMedia	**6,814**	8,835	(22.9)	**14,662**	17,640	(16.9)
Latin America	**1,232**	1,757	(29.9)	**2,822**	3,475	(18.8)
Corporate and other	**437**	420	4.0	**825**	811	1.7
Eliminations and consolidation	**(1,125)**	(1,322)	14.9	**(2,421)**	(2,578)	6.1
AT&T Operating Revenues	**40,950**	44,957	(8.9)	**83,729**	89,784	(6.7)
Operating Contribution						
Communications	**8,112**	8,671	(6.4)	**16,315**	16,682	(2.2)
WarnerMedia	**1,917**	2,350	(18.4)	**3,930**	4,913	(20.0)
Latin America	**(201)**	(209)	3.8	**(385)**	(382)	(0.8)
Segment Operating Contribution	**$ 9,828**	$ 10,812	(9.1)%	**$ 19,860**	$ 21,213	(6.4)%

The ***Communications segment*** provides services to businesses and consumers located in the U.S. and businesses globally. Our business strategies reflect bundled product offerings that cut across product lines and utilize shared assets. This segment contains the following business units:

- **Mobility** provides nationwide wireless service and equipment.
- **Entertainment Group** provides video, including over-the-top (OTT) services, broadband and voice communications services primarily to residential customers. This segment also sells advertising on distribution platforms.
- **Business Wireline** provides advanced IP-based services, as well as traditional voice and data services to business customers.

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The ***WarnerMedia segment*** develops, produces and distributes feature films, television, gaming and other content in various physical and digital formats globally. Historical financial results from Xandr, previously a separate reportable segment, have been combined with the WarnerMedia segment within Eliminations and other. This segment contains the following business units:
- **Turner** primarily operates multichannel basic television networks and digital properties. Turner also sells advertising on its networks and digital properties.
- **Home Box Office** consists of premium pay television and OTT and streaming services domestically and premium pay, basic tier television and OTT services internationally, as well as content licensing and home entertainment.
- **Warner Bros.** primarily consists of the production, distribution and licensing of television programming and feature films, the distribution of home entertainment products and the production and distribution of games.

The ***Latin America segment*** provides entertainment and wireless services outside of the U.S. This segment contains the following business units:
- **Vrio** provides video services primarily to residential customers using satellite technology in Latin America and the Caribbean.
- **Mexico** provides wireless service and equipment to customers in Mexico.

COVID-19 Update
In March 2020, the World Health Organization designated the coronavirus (COVID-19) a pandemic and the President of the United States declared a national emergency. To date, COVID-19 has surfaced in nearly all regions around the world and resulted in travel restrictions and business slowdowns or shutdowns.

Disruptions caused by COVID-19 and measures taken to prevent its spread or mitigate its effects both domestically and internationally have impacted our results of operations. We recorded approximately $320, or $0.03 per diluted share, in the second quarter and $750, or $0.08 per diluted share, for the first six months of 2020, of incremental costs associated with voluntary corporate actions taken primarily to protect and compensate front-line employees and contractors, and WarnerMedia production disruption costs.

In addition to these incremental costs, we estimate that our operations and comparability were impacted by approximately $510, or $0.06 per diluted share, in the second quarter and $470, or $0.05 per diluted share, for the first six months of 2020, for the following COVID-19 related pressures: (1) the cancellation and postponement of televised sporting events, resulting in lower advertising revenues and associated expenses, (2) the closure of movie theaters and postponement of theatrical releases, leading to lower content revenues and associated expenses, (3) the imposition of travel restrictions, driving significantly lower international wireless roaming services that do not have a directly correlated expense reduction and most significantly impact profitability and (4) closures of retail stores, contributing to lower wireless equipment sales, with a corresponding reduction in equipment expense.

All subscriber counts at and for the period ended June 30, 2020, exclude customers who we have agreed not to terminate service under the FCC's "Keep Americans Connected Pledge." For reporting purposes, we count the following nonpaying subscribers as if they had disconnected, even though they are still receiving service:
- Postpaid subscribers totaling 466,0000 (including 338,000 postpaid phone) in the second quarter and 521,000 (including 382,000 postpaid phone) for the first six months;
- Premium TV connections totaling 91,000 in the second quarter and 157,000 for the first six months; and
- Broadband connections totaling 159,000 (including 48,000 fiber) in the second quarter and 194,000 (including 58,000 fiber) for the first six months.

The economic effects of the pandemic and resulting societal changes are currently not predictable. There are a number of uncertainties that could impact our future results of operations, including the effectiveness of COVID-19 mitigation measures; the duration of the pandemic; global economic conditions; changes to our operations; changes in consumer confidence, behaviors and spending; work from home trends; and the sustainability of supply chains. We expect operating results and cash flows to continue to be adversely impacted by COVID-19 for at least the duration of the pandemic. We expect our third-quarter results to be impacted by the following:

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- The shift in timing of advertising revenues from the postponement, restarting or cancellation of sporting events and the related timing of the sports costs;
- Lower revenues from the closure of movie theaters and postponement of theatrical releases, partially offset by lower production and marketing costs, and other programming expenses;
- The decline in revenues from international roaming wireless services due to reduced travel;
- Higher expenses to protect front-line employees, contractors and customers; and
- The continued transition of customers to our fiber broadband services and the acceleration of the disconnection of linear TV services due to the pandemic.

RESULTS OF OPERATIONS

Consolidated Results Our financial results are summarized in the discussions that follow. Additional analysis is discussed in our "Segment Results" section. Certain prior period amounts have been reclassified to conform to the current period's presentation.

	Second Quarter			Six-Month Period		
	2020	2019	Percent Change	**2020**	2019	Percent Change
Operating Revenues						
Service	**$ 37,051**	$ 41,023	(9.7)%	**$ 75,934**	$ 81,707	(7.1)%
Equipment	**3,899**	3,934	(0.9)	**7,795**	8,077	(3.5)
Total Operating Revenues	**40,950**	44,957	(8.9)	**83,729**	89,784	(6.7)
Operating expenses						
Operations and support	**30,133**	30,356	(0.7)	**58,204**	60,744	(4.2)
Depreciation and amortization	**7,285**	7,101	2.6	**14,507**	14,307	1.4
Total Operating Expenses	**37,418**	37,457	(0.1)	**72,711**	75,051	(3.1)
Operating Income	**3,532**	7,500	(52.9)	**11,018**	14,733	(25.2)
Interest expense	**2,041**	2,149	(5.0)	**4,059**	4,290	(5.4)
Equity in net income (loss) of affiliates	**(10)**	40	-	**(16)**	33	-
Other income (expense) – net	**1,017**	(318)	-	**1,820**	(32)	-
Income Before Income Taxes	**2,498**	5,073	(50.8)	**8,763**	10,444	(16.1)
Net Income	**1,563**	3,974	(60.7)	**6,526**	8,322	(21.6)
Net Income Attributable to AT&T	**1,281**	3,713	(65.5)	**5,891**	7,809	(24.6)
Net Income Attributable to Common Stock	**$ 1,229**	$ 3,713	(66.9)%	**$ 5,807**	$ 7,809	(25.6)%

Operating revenues decreased in the second quarter and in the first six months of 2020, driven by declines in our WarnerMedia, Communications and Latin America segments. Lower WarnerMedia segment revenues reflect lower advertising revenue from cancelled and postponed live sports programming and lower revenue due to postponed theatrical releases. Communications segment revenue declines were driven by continued declines in video and legacy services, and lower wireless revenues from the imposition of international travel restrictions and closure of retail stores. Latin America segment revenue declines were primarily due to foreign exchange rate pressure and store closures related to COVID-19. Partially offsetting these decreases were revenue increases in strategic and managed business service in our Communications segment.

Operations and support expenses decreased in the second quarter and in the first six months of 2020. The decreases were driven by lower broadcast and programming costs in our Communications and WarnerMedia segments. Expense declines in the first six months were also driven by a noncash gain of $900 on a spectrum transaction, reduced wireless equipment costs resulting from lower device sales and our continued focus on cost management. Partially offsetting expense declines were charges for a goodwill impairment at our Vrio business unit, employee separation charges and incremental costs related to COVID-19, including increased first-quarter 2020 bad debt expense. As part of our cost and efficiency initiatives, we expect operations and support expense improvements to continue as we size our operations to reflect the new economic activity level.

Depreciation and amortization expense increased in the second quarter and for the first six months of 2020.
Depreciation expense increased $36, or 0.7% in the second quarter and $65, or 0.6% for the first six months of 2020, primarily due to ongoing capital spend for network upgrades and expansion in our Communications segment.

Amortization expense increased $148, or 7.1% in the second quarter and $135, or 3.2% for the first six months of 2020 primarily due to the amortization of orbital slot licenses, which began in the first quarter of 2020 (see Note 1).

Operating income decreased in the second quarter and the first six months of 2020. Our operating income margin for the second quarter decreased from 16.7% in 2019 to 8.6% in 2020 and for the first six months decreased from 16.4% in 2019 to 13.2% in 2020.

Interest expense decreased in the second quarter and first six months of 2020, primarily due to lower debt balances and interest rates.

Equity in net income of affiliates decreased in the second quarter and for the first six months of 2020, reflecting changes in our investment portfolio, including our second-quarter 2020 acquisition of the remaining interest in HBO Latin America Group (HBO LAG).

Other income (expense) – net increased in the second quarter and for the first six months of 2020. The increases were primarily due to the recognition of actuarial losses in 2019, with no comparable interim remeasurement in 2020, totaling $1,699 and $2,131 in the second quarter and for the first six months of 2019, respectively, and higher prior service credit amortization in 2020 (see Note 6). The increase was partially offset by the write-off of certain investments in 2020 and the second-quarter 2019 gain on sale of our interest in Hulu.

Income taxes decreased in the second quarter and increased for the first six months of 2020. The decrease in income tax expense in the second quarter was primarily attributable to lower income before tax.

Our effective tax rate was 37.5% for the second quarter and 25.5% for the first six months of 2020, versus 21.7% and 20.3% for the comparable year-prior periods, respectively. The increases in our effective tax rates were primarily due to the Vrio goodwill impairment, which is not deductible for tax purposes.

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COMMUNICATIONS SEGMENT	Second Quarter			Six-Month Period		
	2020	2019	Percent Change	**2020**	2019	Percent Change
Segment Operating Revenues						
Mobility	**$ 17,149**	$ 17,292	(0.8) %	**$ 34,551**	$ 34,655	(0.3) %
Entertainment Group	**10,069**	11,368	(11.4)	**20,584**	22,696	(9.3)
Business Wireline	**6,374**	6,607	(3.5)	**12,706**	13,085	(2.9)
Total Segment Operating Revenues	**33,592**	35,267	(4.7)	**67,841**	70,436	(3.7)
Segment Operating Contribution						
Mobility	**5,805**	5,767	0.7	**11,593**	11,076	4.7
Entertainment Group	**1,030**	1,514	(32.0)	**2,365**	2,992	(21.0)
Business Wireline	**1,277**	1,390	(8.1)	**2,357**	2,614	(9.8)
Total Segment Operating Contribution	**$ 8,112**	$ 8,671	(6.4) %	**$ 16,315**	$ 16,682	(2.2) %

Selected Subscribers and Connections

	June 30,	
(000s)	**2020**	2019
Mobility Subscribers[1]	**171,407**	158,622
Total domestic broadband connections[1]	**15,201**	15,698
Network access lines in service	**7,878**	9,207
U-verse VoIP connections	**4,058**	4,766

1 Excludes 521 wireless and 194 broadband customers who we have agreed not to terminate service under the FCC's "Keep Americans Connected Pledge," which was implemented March 13, 2020.

Operating revenues decreased in the second quarter and for the first six months of 2020, driven by declines in each of our business units, Entertainment Group, Business Wireline and Mobility. The decreases reflect the continued shift away from linear video and legacy services, lower wireless service revenues from a decline in international travel and waived fees, and suppressed equipment sales in the first quarter of 2020 attributable to store closures. Partially offsetting these declines was growth in our prepaid subscriber base.

Operating contribution decreased in the second quarter and for the first six months of 2020, reflecting declines in our Business Wireline and Entertainment Group business units, largely offset by improvement in our Mobility business unit. Our Communications segment operating income margin in the second quarter decreased from 24.6% in 2019 to 24.1% in 2020 and for the first six months increased from 23.7% in 2019 to 24.0% in 2020.

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Communications Business Unit Discussion

Mobility Results

	Second Quarter			Six-Month Period		
	2020	2019	Percent Change	**2020**	2019	Percent Change
Operating revenues						
Service	**$ 13,669**	$ 13,824	(1.1)%	**$ 27,637**	$ 27,453	0.7 %
Equipment	**3,480**	3,468	0.3	**6,914**	7,202	(4.0)
Total Operating Revenues	**17,149**	17,292	(0.8)	**34,551**	34,655	(0.3)
Operating expenses						
Operations and support	**9,332**	9,522	(2.0)	**18,901**	19,563	(3.4)
Depreciation and amortization	**2,012**	2,003	0.4	**4,057**	4,016	1.0
Total Operating Expenses	**11,344**	11,525	(1.6)	**22,958**	23,579	(2.6)
Operating Income	**5,805**	5,767	0.7	**11,593**	11,076	4.7
Equity in Net Income (Loss) of Affiliates	**-**	-	-	**-**	-	-
Operating Contribution	**$ 5,805**	$ 5,767	0.7 %	**$ 11,593**	$ 11,076	4.7 %

The following tables highlight other key measures of performance for Mobility:

Subscribers

(in 000s)	June 30, **2020**	2019	Percent Change
Postpaid	**74,919**	75,478	(0.7)%
Prepaid	**18,008**	17,434	3.3
Reseller	**6,718**	7,323	(8.3)
Connected devices[1]	**71,762**	58,387	22.9
Total Mobility Subscribers[2]	**171,407**	158,622	8.1 %

[1] Includes data-centric devices such as session-based tablets, monitoring devices and primarily wholesale automobile systems.

[2] Excludes 521 customers who we have agreed not to terminate service under the FCC's "Keep Americans Connected Pledge."

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Net Additions

	Second Quarter			Six-Month Period		
(in 000s)	**2020**	2019	Percent Change	**2020**	2019	Percent Change
Postpaid Phone Net Additions	**(151)**	74	- %	**12**	153	(92.2)%
Total Phone Net Additions	**(16)**	357	-	**104**	525	(80.2)
Postpaid[2, 5]	**(154)**	(146)	(5.5)	**(127)**	(353)	64.0
Prepaid	**165**	341	(51.6)	**120**	442	(72.9)
Reseller	**(58)**	(204)	71.6	**(248)**	(446)	44.4
Connected devices[3]	**2,255**	3,959	(43.0)	**5,773**	7,047	(18.1)
Mobility Net Subscriber Additions[1, 5]	**2,208**	3,950	(44.1)%	**5,518**	6,690	(17.5)%
Postpaid Churn[4, 5]	**1.05**	1.07	(2)BP	**1.06**	1.12	(6)BP
Postpaid Phone-Only Churn[4, 5]	**0.84**	0.86	(2)BP	**0.85**	0.89	(4)BP

1 Excludes acquisition-related additions during the period.

2 In addition to postpaid phones, includes tablets and wearables and other. Tablet net (losses) were (159) and (357) for the three months and (426) and (767) for the six months ended June 30, 2020 and 2019, respectively. Wearables and other net adds were 155 and 137 for the three months and 287 and 264 for the six months ended June 30, 2020 and 2019, respectively.

3 Includes data-centric devices such as session-based tablets, monitoring devices and primarily wholesale automobile systems. Excludes postpaid tablets.

4 Calculated by dividing the aggregate number of wireless subscribers who canceled service during a month divided 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.

5 The second quarter and six-month period ended June 30, 2020, exclude 466 (338 phone) and 521 (382 phone), respectively, who we have agreed not to terminate service under the FCC's "Keep Americans Connected Pledge." The second quarter and six-month period ended June 30, 2020, postpaid churn includes 21 bps (18 bps phone) and 22 bps (19 bps phone) pressure for these customers.

Service revenue decreased in the second quarter and increased for the first six months of 2020. The second quarter decrease is due to lower roaming revenue from decreased international travel and waived fees, reflecting a full quarter of pandemic-related impacts. Revenues from the first six months were not as affected by the pandemic, with approximately 15 days of impact in the first quarter. Increases in postpaid phone average revenue per subscriber (ARPU) and gains in prepaid subscribers, largely offset by impacts of the pandemic for the first six months.

ARPU

Postpaid ARPU decreased in the second quarter and increased for the first six months. ARPU during 2020 has been pressured by the decline in international roaming revenues and waived fees.

Churn

The effective management of subscriber churn is critical to our ability to maximize revenue growth and to maintain and improve margins. Postpaid churn and postpaid phone-only churn were lower in the first six months due to migrations to unlimited plans, continued network improvements and industry-wide store closures from COVID-19, partially offset by higher accrual for subscriber disconnections under the "Keep Americans Connected Pledge."

Equipment revenue was stable in the second quarter and decreased for the first six months of 2020 driven by lower postpaid smartphone sales reflecting store closures.

Operations and support expenses decreased in the second quarter and for the first six months of 2020. The decreases were primarily due to higher bad debt expense in 2019 resulting from prior-year charges in response to credit easing policies, cost initiatives and asset optimization, and lower marketing and sales costs, partially offset by higher commission deferral amortization, including the impacts of second-quarter 2020 updates to extend the expected economic life of our Mobility customers.

Depreciation expense increased in the second quarter and for the first six months of 2020 primarily due to ongoing capital spending for network upgrades and expansion partially offset by fully depreciated assets.

Operating income increased in the second quarter and for the first six months of 2020. Our Mobility operating income margin in the second quarter increased from 33.4% in 2019 to 33.9% in 2020, and for the first six months increased from 32.0% in 2019 to 33.6% in 2020. Our Mobility EBITDA margin in the second quarter increased from 44.9% in 2019 to 45.6% in 2020, and for the first six months increased from 43.5% in 2019 to 45.3% in 2020. EBITDA is defined as operating contribution excluding equity in net income (loss) of affiliates and depreciation and amortization.

Subscriber Relationships

As the wireless industry has matured, future wireless growth will depend on our ability to offer innovative services, plans and devices that take advantage of our premier 5G wireless network, which recently went nationwide (in July 2020), and to provide these services in bundled product offerings. Subscribers that purchase two or more services from us have significantly lower churn than subscribers that purchase only one service. To support higher mobile data usage, our priority is to best utilize a wireless network that has sufficient spectrum and capacity to support these innovations on as broad a geographic basis as possible.

To attract and retain subscribers in a mature and highly competitive market, we have launched a wide variety of plans, including our FirstNet and prepaid products, and arrangements that bundle our video services. Virtually all of our postpaid smartphone subscribers are on plans that provide for service on multiple devices at reduced rates, and such subscribers tend to have higher retention and lower churn rates. We offer unlimited data plans and such subscribers also tend to have higher retention and lower churn rates. Our offerings are intended to encourage existing subscribers to upgrade their current services and/or add devices, attract subscribers from other providers and/or minimize subscriber churn.

Connected Devices

Connected devices include data-centric devices such as wholesale automobile systems, monitoring devices, fleet management and session-based tablets. The number of connected device subscribers increased in 2020, and during the second quarter and for the first six months of 2020, we added approximately 1.3 million and 3.6 million wholesale connected cars through agreements with various carmakers, and experienced strong growth in other Internet of Things (IoT) connections. We believe that these connected car agreements give us the opportunity to create future retail relationships with the car owners.

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Entertainment Group Results

	Second Quarter			Six-Month Period		
	2020	2019	Percent Change	**2020**	2019	Percent Change
Operating revenues						
Video entertainment	**$ 6,976**	$ 8,035	(13.2)%	**$ 14,371**	$ 16,109	(10.8)%
High-speed internet	**2,092**	2,109	(0.8)	**4,201**	4,179	0.5
Legacy voice and data services	**560**	658	(14.9)	**1,141**	1,341	(14.9)
Other service and equipment	**441**	566	(22.1)	**871**	1,067	(18.4)
Total Operating Revenues	**10,069**	11,368	(11.4)	**20,584**	22,696	(9.3)
Operating expenses						
Operations and support	**7,730**	8,515	(9.2)	**15,621**	17,042	(8.3)
Depreciation and amortization	**1,309**	1,339	(2.2)	**2,598**	2,662	(2.4)
Total Operating Expenses	**9,039**	9,854	(8.3)	**18,219**	19,704	(7.5)
Operating Income	**1,030**	1,514	(32.0)	**2,365**	2,992	(21.0)
Equity in Net Income (Loss) of Affiliates	**-**	-	-	**-**	-	-
Operating Contribution	**$ 1,030**	$ 1,514	(32.0)%	**$ 2,365**	$ 2,992	(21.0)%

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The following tables highlight other key measures of performance for Entertainment Group:

Connections

	June 30,		Percent
(in 000s)	**2020**	2019	Change
Video Connections			
Premium TV[1]	**17,690**	21,581	(18.0)%
AT&T TV Now	**720**	1,340	(46.3)
Total Video Connections	**18,410**	22,921	(19.7)
Total Broadband Connections	**13,944**	14,420	(3.3)
Fiber Broadband Connections	**4,321**	3,378	27.9
Retail Consumer Switched Access Lines	**3,096**	3,630	(14.7)
U-verse Consumer VoIP Connections	**3,480**	4,211	(17.4)
Total Retail Consumer Voice Connections	**6,576**	7,841	(16.1)%

[1] Excludes 157 premium TV and 194 broadband connections who we have agreed not to terminate service under the FCC's "Keep Americans Connected Pledge."

Net Additions

	Second Quarter			Six-Month Period		
(in 000s)	**2020**	2019	Percent Change	**2020**	2019	Percent Change
Video Net Additions						
Premium TV[1]	**(886)**	(778)	(13.9)%	**(1,783)**	(1,322)	(34.9)%
AT&T TV Now	**(68)**	(168)	59.5	**(206)**	(251)	17.9
Net Video Additions[1]	**(954)**	(946)	(0.8)	**(1,989)**	(1,573)	(26.4)
Net Broadband Additions[1]	**(102)**	(34)	-	**(175)**	11	-
Fiber Broadband Net Additions	**225**	318	(29.2)%	**434**	615	(29.4)%

[1] The second quarter and six-month period ended June 30, 2020, exclude 91 and 157 premium TV and 159 and 194 broadband (48 and 58 fiber) connections, respectively, who we have agreed not to terminate service under the FCC's "Keep Americans Connected Pledge."

Video entertainment revenues are comprised of subscription and advertising revenues. Revenues decreased in the second quarter and for the first six months of 2020, largely driven by a decline in premium TV and OTT subscribers as we continue to focus on retention of existing subscribers with a particular focus on our high-value subscribers, and lower subscription-based advertising revenues driven by impacts of the pandemic. Consistent with the rest of the industry, our customers continue to shift from a premium linear service to more economically priced OTT and subscription video on demand services, which has pressured our video revenues.

High-speed internet revenues decreased in the second quarter and increased for the first six months of 2020. The decrease in the second quarter was driven by a decline in the average subscriber base, partially offset by higher ARPU. The increase for the six months reflects higher ARPU resulting from an increase in high-speed fiber and pricing.

Legacy voice and data service revenues decreased in the second quarter and for the first six months of 2020, reflecting the continued decline in the number of customers.

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Operations and support expenses decreased in the second quarter and for the first six months of 2020. Contributing to the decreases were lower content and selling costs largely due to fewer subscribers, lower marketing costs and our ongoing focus on cost initiatives. Partially offsetting the decreases were annual content rate increases, higher amortization of fulfillment cost deferrals, including the impact of second-quarter 2020 updates to decrease the estimated economic life for our Entertainment Group customers, and pandemic-related compassion payments.

Depreciation expense decreased in the second quarter and for the first six months of 2020 due to network assets becoming fully depreciated. Partially offsetting the decreases was ongoing capital spending for network upgrades and expansion.

Operating income decreased in the second quarter and for the first six months of 2020. Our Entertainment Group operating income margin in the second quarter decreased from 13.3% in 2019 to 10.2% in 2020, and for the first six months decreased from 13.2% in 2019 to 11.5% in 2020. Our Entertainment Group EBITDA margin in the second quarter decreased from 25.1% in 2019 to 23.2% in 2020, and for the first six months decreased from 24.9% in 2019 to 24.1% in 2020.

Business Wireline Results

	Second Quarter			Six-Month Period		
	2020	2019	Percent Change	**2020**	2019	Percent Change
Operating revenues						
Strategic and managed services	**$ 3,943**	$ 3,834	2.8 %	**$ 7,822**	$ 7,613	2.7 %
Legacy voice and data services	**2,067**	2,324	(11.1)	**4,196**	4,721	(11.1)
Other service and equipment	**364**	449	(18.9)	**688**	751	(8.4)
Total Operating Revenues	**6,374**	6,607	(3.5)	**12,706**	13,085	(2.9)
Operating expenses						
Operations and support	**3,779**	3,975	(4.9)	**7,730**	8,007	(3.5)
Depreciation and amortization	**1,318**	1,242	6.1	**2,619**	2,464	6.3
Total Operating Expenses	**5,097**	5,217	(2.3)	**10,349**	10,471	(1.2)
Operating Income	**1,277**	1,390	(8.1)	**2,357**	2,614	(9.8)
Equity in Net Income (Loss) of Affiliates	**-**	-	-	**-**	-	-
Operating Contribution	**$ 1,277**	$ 1,390	(8.1)%	**$ 2,357**	$ 2,614	(9.8)%

Strategic and managed services revenues increased in the second quarter and for the first six months of 2020. Our strategic services are made up of (1) data services, including our VPN, dedicated internet ethernet and broadband, (2) voice service, including VoIP and cloud-based voice solutions, (3) security and cloud solutions, and (4) managed, professional and outsourcing services. Revenue increases were primarily attributable to growth in our security and cloud solutions, dedicated internet and managed services and also includes the impact of higher demand for connectivity due to the pandemic.

Legacy voice and data service revenues decreased in the second quarter and for the first six months of 2020, primarily due to lower demand as customers continue to shift to our more advanced IP-based offerings or our competitors.

Other service and equipment revenues decreased in the second quarter and for the first six months of 2020, reflecting prior-year licensing of intellectual property assets. Revenue trends are impacted by the licensing of intellectual property assets, which vary from period-to-period. Other service revenues include project-based revenue, which is nonrecurring in nature, as well as revenues from customer premises equipment.

Operations and support expenses decreased in the second quarter and for the first six months of 2020, primarily due to our continued efforts to drive efficiencies in our network operations through automation and reductions in customer support expenses through digitization.

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Depreciation expense increased in the second quarter and for the first six months of 2020, primarily due to increases in capital spending for network upgrades and expansion.

Operating income decreased in the second quarter and for the first six months of 2020. Our Business Wireline operating income margin in the second quarter decreased from 21.0% in 2019 to 20.0% in 2020, and for the first six months decreased from 20.0% in 2019 to 18.6% in 2020. Our Business Wireline EBITDA margin in the second quarter increased from 39.8% in 2019 to 40.7% in 2020, and for the first six months increased from 38.8% in 2019 to 39.2% in 2020.

WARNERMEDIA SEGMENT	Second Quarter			Six-Month Period		
	2020	2019	Percent Change	**2020**	2019	Percent Change
Segment Operating Revenues						
Turner	**$ 2,988**	$ 3,410	(12.4)%	**$ 6,150**	$ 6,853	(10.3)%
Home Box Office	**1,627**	1,716	(5.2)	**3,124**	3,226	(3.2)
Warner Bros.	**3,256**	3,389	(3.9)	**6,496**	6,907	(6.0)
Eliminations and other	**(1,057)**	320	-	**(1,108)**	654	-
Total Segment Operating Revenues	**6,814**	8,835	(22.9)	**14,662**	17,640	(16.9)
Cost of revenues						
Turner	**965**	1,796	(46.3)	**2,285**	3,476	(34.3)
Home Box Office	**1,095**	839	30.5	**1,911**	1,509	26.6
Warner Bros.	**2,233**	2,492	(10.4)	**4,579**	4,922	(7.0)
Selling, general and administrative	**1,324**	1,344	(1.5)	**2,788**	2,716	2.7
Eliminations and other	**(883)**	(35)	-	**(1,142)**	(34)	-
Depreciation and amortization	**167**	104	60.6	**330**	260	26.9
Total Operating Expenses	**4,901**	6,540	(25.1)	**10,751**	12,849	(16.3)
Operating Income	**1,913**	2,295	(16.6)	**3,911**	4,791	(18.4)
Equity in Net Income (Loss) of Affiliates	**4**	55	(92.7)	**19**	122	(84.4)
Total Segment Operating Contribution	**$ 1,917**	$ 2,350	(18.4)%	**$ 3,930**	$ 4,913	(20.0)%

Our WarnerMedia segment includes our Turner, Home Box Office (HBO) and Warner Bros. business units. The order of presentation reflects the consistency of revenue streams, rather than overall magnitude as that is subject to timing and frequency of studio releases.

Operating revenues decreased in the second quarter and for the first six months of 2020, primarily due to lower advertising revenues from the postponement or cancellation of televised sporting events at Turner; lower theatrical product revenues, reflecting the pandemic-related closure of movie theaters and postponement of theatrical releases, and unfavorable programming comparisons, including strong carryover revenues in the first quarter of 2019 at Warner Bros.; and lower linear subscription revenue at HBO.

Operating contribution decreased in the second quarter and for the first six months of 2020. The WarnerMedia segment operating income margin in the second quarter increased from 26.0% in 2019 to 28.1% in 2020 and for the first six months decreased from 27.2% in 2019 to 26.7% in 2020.

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Dollars, subscribers and connections in millions, except per share and per subscriber amounts

WarnerMedia Business Unit Discussion
Turner Results

	Second Quarter			Six-Month Period		
	2020	2019	Percent Change	**2020**	2019	Percent Change
Operating revenues						
Subscription	**$ 1,804**	$ 1,943	(7.2)%	**$ 3,853**	$ 3,908	(1.4)%
Advertising	**796**	1,266	(37.1)	**1,753**	2,527	(30.6)
Content and other	**388**	201	93.0	**544**	418	30.1
Total Operating Revenues	**2,988**	3,410	(12.4)	**6,150**	6,853	(10.3)
Operating expenses						
Cost of revenues	**965**	1,796	(46.3)	**2,285**	3,476	(34.3)
Selling, general and administrative	**382**	421	(9.3)	**772**	877	(12.0)
Depreciation and amortization	**69**	39	76.9	**138**	99	39.4
Total Operating Expenses	**1,416**	2,256	(37.2)	**3,195**	4,452	(28.2)
Operating Income	**1,572**	1,154	36.2	**2,955**	2,401	23.1
Equity in Net Income (Loss) of Affiliates	**-**	11	-	**6**	36	(83.3)
Operating Contribution	**$ 1,572**	$ 1,165	34.9 %	**$ 2,961**	$ 2,437	21.5 %

Operating revenues decreased in the second quarter and for the first six months of 2020, primarily due to decreases in advertising revenue largely resulting from the postponement of the NBA season and the cancellation of the NCAA Division I Men's Basketball Tournament, in the first quarter of 2020. Subscription revenue declines reflect lower regional sports network revenue and unfavorable exchange rates. These decreases were partially offset by higher content and other revenue, including internal sales to HBO Max, which are eliminated in consolidation within the WarnerMedia segment.

Cost of revenues decreased in the second quarter and for the first six months of 2020, primarily due to lower programming costs, including a decline of approximately $850 in the second quarter and $1,125 for the first six months in sports costs resulting from the postponement of the NBA season, the cancellation of the NCAA tournament and other smaller items.

Selling, general and administrative decreased in the second quarter and for the first six months of 2020, primarily due to lower marketing costs.

Operating income increased in the second quarter and for the first six months of 2020. Our Turner operating income margin in the second quarter increased from 33.8% in 2019 to 52.6% in 2020, and for the first six months increased from 35.0% in 2019 to 48.0% in 2020.

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Dollars, subscribers and connections in millions, except per share and per subscriber amounts

Home Box Office Results

	Second Quarter			Six-Month Period		
	2020	2019	Percent Change	**2020**	2019	Percent Change
Operating revenues						
Subscription	**$ 1,441**	$ 1,516	(4.9)%	**$ 2,779**	$ 2,850	(2.5)%
Content and other	**186**	200	(7.0)	**345**	376	(8.2)
Total Operating Revenues	**1,627**	1,716	(5.2)	**3,124**	3,226	(3.2)
Operating expenses						
Cost of revenues	**1,095**	839	30.5	**1,911**	1,509	26.6
Selling, general and administrative	**394**	292	34.9	**631**	543	16.2
Depreciation and amortization	**25**	12	-	**46**	34	35.3
Total Operating Expenses	**1,514**	1,143	32.5	**2,588**	2,086	24.1
Operating Income	**113**	573	(80.3)	**536**	1,140	(53.0)
Equity in Net Income (Loss) of Affiliates	**(5)**	15	-	**15**	30	(50.0)
Operating Contribution	**$ 108**	$ 588	(81.6)%	**$ 551**	$ 1,170	(52.9)%

Operating revenues decreased in the second quarter and for the first six months of 2020, primarily due to decreases in subscription revenue resulting from domestic linear subscriber decline, including Cinemax depackaging, partially offset by growth in digital and international, including HBO Latin America Group, following our May 2020 acquisition of the remaining interest in this entity. At June 30, 2020, we had 36.3 million U.S. subscribers from HBO Max and HBO, up from 34.6 million at December 31, 2019.

Cost of revenues increased in the second quarter and for the first six months of 2020, primarily due to higher programming costs and expenses related to HBO Max.

Selling, general and administrative increased in the second quarter and for the first six months of 2020, primarily due to higher marketing costs associated with HBO Max.

Operating income decreased in the second quarter and for the first six months of 2020. Our HBO operating income margin in the second quarter decreased from 33.4% in 2019 to 6.9% in 2020, and for the first six months decreased from 35.3% in 2019 to 17.2% in 2020.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations - Continued

Dollars, subscribers and connections in millions, except per share and per subscriber amounts

Warner Bros. Results

	Second Quarter			Six-Month Period		
	2020	2019	Percent Change	**2020**	2019	Percent Change
Operating revenues						
Theatrical product	**$ 1,029**	$ 1,527	(32.6)%	**$ 2,135**	$ 3,033	(29.6)%
Television product	**1,876**	1,310	43.2	**3,645**	2,923	24.7
Games and other	**351**	552	(36.4)	**716**	951	(24.7)
Total Operating Revenues	**3,256**	3,389	(3.9)	**6,496**	6,907	(6.0)
Operating expenses						
Cost of revenues	**2,233**	2,492	(10.4)	**4,579**	4,922	(7.0)
Selling, general and administrative	**350**	426	(17.8)	**954**	915	4.3
Depreciation and amortization	**40**	31	29.0	**81**	83	(2.4)
Total Operating Expenses	**2,623**	2,949	(11.1)	**5,614**	5,920	(5.2)
Operating Income	**633**	440	43.9	**882**	987	(10.6)
Equity in Net Income (Loss) of Affiliates	**(19)**	-	-	**(27)**	6	-
Operating Contribution	**$ 614**	$ 440	39.5 %	**$ 855**	$ 993	(13.9)%

Operating revenues decreased in the second quarter and for the first six months of 2020, primarily due to lower theatrical product resulting from the absence of theatrical releases in the second quarter of 2020 and, for the six months, unfavorable comparisons to the prior year, which included, in 2019, carryover revenues from the theatrical release of *Aquaman*. Games and other revenue declines were primarily due to unfavorable games comparison to the prior year, which included the release of *Mortal Kombat 11,* and other revenue decreased due to reduced studio operations. Partially offsetting these decreases were higher television product revenues, driven by licensing, including internal sales to HBO Max, partially offset by lower initial telecast revenues resulting from pandemic-related television production delays.

Cost of revenues decreased in the second quarter and for the first six months of 2020, primarily due to lower marketing of theatrical product, partially offset by incremental costs incurred due to the production hiatus.

Selling, general and administrative decreased in the second quarter and increased for the first six months of 2020. The decrease in the quarter was primarily due to lower distribution fees and favorable collection experience that allowed us to reduce our first quarter bad debt estimates for COVID-19. The increase for the six months primarily resulted from higher first-quarter pandemic-related bad debt expense and other charges.

Operating income increased in the second quarter and decreased for the first six months of 2020. Our Warner Bros. operating income margin in the second quarter increased from 13.0% in 2019 to 19.4% in 2020, and for the first six months decreased from 14.3% in 2019 to 13.6% in 2020.

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Dollars, subscribers and connections in millions, except per share and per subscriber amounts

LATIN AMERICA SEGMENT	Second Quarter			Six-Month Period		
	2020	2019	Percent Change	**2020**	2019	Percent Change
Segment Operating Revenues						
Vrio	**$ 752**	$ 1,032	(27.1)%	**$ 1,639**	$ 2,099	(21.9)%
Mexico	**480**	725	(33.8)	**1,183**	1,376	(14.0)
Total Segment Operating Revenues	**1,232**	1,757	(29.9)	**2,822**	3,475	(18.8)
Segment Operating Contribution						
Vrio	**(28)**	(2)	-	**(67)**	30	-
Mexico	**(173)**	(207)	16.4	**(318)**	(412)	22.8
Total Segment Operating Contribution	**$ (201)**	$ (209)	3.8 %	**$ (385)**	$ (382)	(0.8)%

Operating Results

Our Latin America operations conduct business in their local currency and operating results are converted to U.S. dollars using official exchange rates, subjecting results to foreign currency fluctuations. In May 2020, we found it necessary to close our DIRECTV operations in Venezuela due to political instability in the country and to comply with sanctions of the U.S. government.

Operating revenues decreased in the second quarter and for the first six months of 2020 primarily driven by foreign exchange pressures and the impact of COVID-19.

Operating contribution increased in the second quarter and decreased for the first six months of 2020, reflecting foreign exchange pressures and the impact of COVID-19. Our Latin America segment operating income margin in the second quarter decreased from (12.6)% in 2019 to (17.0)% in 2020, and for the first six months decreased from (11.3)% in 2019 to (14.1)% in 2020.

Latin America Business Unit Discussion

Vrio Results

	Second Quarter			Six-Month Period		
	2020	2019	Percent Change	**2020**	2019	Percent Change
Operating revenues	**$ 752**	$ 1,032	(27.1)%	**$ 1,639**	$ 2,099	(21.9)%
Operating expenses						
Operations and support	**661**	881	(25.0)	**1,444**	1,747	(17.3)
Depreciation and amortization	**127**	165	(23.0)	**274**	334	(18.0)
Total Operating Expenses	**788**	1,046	(24.7)	**1,718**	2,081	(17.4)
Operating Income	**(36)**	(14)	-	**(79)**	18	-
Equity in Net Income (Loss) of Affiliates	**8**	12	(33.3)	**12**	12	-
Operating Contribution	**$ (28)**	$ (2)	- %	**$ (67)**	$ 30	- %

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The following tables highlight other key measures of performance for Vrio:

(in 000s)	June 30, 2020	2019	Percent Change
Vrio Video Subscribers	**10,664**	13,473	(20.8)%

(in 000s)	Second Quarter 2020	2019	Percent Change	Six -Month Period 2020	2019	Percent Change
Vrio Video Net Additions[1]	**(312)**	(111)	- %	**(426)**	(143)	- %

[1] The second-quarter and six-month period ended June 30, 2020, exclude the impact of 2.2 million subscriber disconnections resulting from the closure of our DIRECTV operations in Venezuela.

Operating revenues decreased in the second quarter and for the first six months of 2020, primarily driven by foreign exchange and COVID-19 pressures.

Operations and support expenses decreased in the second quarter and for the first six months of 2020, primarily driven by foreign exchange and COVID-19 pressures. Approximately 21% of Vrio expenses are U.S. dollar based, with the remainder in the local currency.

Depreciation expense decreased in the second quarter and for the first six months of 2020, primarily due to changes in foreign exchange rates.

Operating income decreased in the second quarter and for the first six months of 2020. Our Vrio operating income margin in the second quarter decreased from (1.4)% in 2019 to (4.8)% in 2020, and for the first six months decreased from 0.9% in 2019 to (4.8)% in 2020. Our Vrio EBITDA margin in the second quarter decreased from 14.6% in 2019 to 12.1% in 2020, and for the first six months decreased from 16.8% in 2019 to 11.9% in 2020.

Mexico Results

	Second Quarter 2020	2019	Percent Change	Six-Month Period 2020	2019	Percent Change
Operating revenues						
Service	**$ 345**	$ 479	(28.0)%	**$ 812**	$ 921	(11.8)%
Equipment	**135**	246	(45.1)	**371**	455	(18.5)
Total Operating Revenues	**480**	725	(33.8)	**1,183**	1,376	(14.0)
Operating expenses						
Operations and support	**538**	813	(33.8)	**1,252**	1,538	(18.6)
Depreciation and amortization	**115**	119	(3.4)	**249**	250	(0.4)
Total Operating Expenses	**653**	932	(29.9)	**1,501**	1,788	(16.1)
Operating Income (Loss)	**(173)**	(207)	16.4	**(318)**	(412)	22.8
Equity in Net Income (Loss) of Affiliates	**-**	-	-	**-**	-	-
Operating Contribution	**$ (173)**	$ (207)	16.4 %	**$ (318)**	$ (412)	22.8 %

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The following tables highlight other key measures of performance for Mexico:

	June 30,		Percent
(in 000s)	**2020**	2019	Change
Mexico Wireless Subscribers			
Postpaid	**4,771**	5,489	(13.1)%
Prepaid	**12,777**	12,180	4.9
Reseller	**425**	352	20.7
Total Mexico Wireless Subscribers	**17,973**	18,021	(0.3)%

	Second Quarter			Six-Month Period		
(in 000s)	**2020**	2019	Percent Change	**2020**	2019	Percent Change
Mexico Wireless Net Additions[1]						
Postpaid	**(191)**	(153)	(24.8)%	**(332)**	(222)	(49.5)%
Prepaid	**(915)**	401	-	**(807)**	515	-
Reseller	**21**	51	(58.8)	**53**	99	(46.5)
Mexico Wireless Net Additions	**(1,085)**	299	- %	**(1,086)**	392	- %

[1] The second-quarter and six-month period ended June 30, 2020, exclude the impact of 101 subscriber disconnections resulting from conforming our policy on reporting of fixed wireless resellers.

Service revenues decreased in the second quarter and for the first six months of 2020, primarily due to foreign exchange pressures, as well as lower volumes and store traffic related to COVID-19.

Equipment revenues decreased in the second quarter and for the first six months of 2020, primarily due to lower equipment sales volumes related to COVID-19 and foreign exchange rates.

Operations and support expenses decreased in the second quarter and for the first six months of 2020, primarily due to changes in foreign exchange rates and lower equipment sales. Approximately 8% of Mexico expenses are U.S. dollar based, with the remainder in the local currency.

Depreciation and amortization expense decreased in the second quarter and for the first six months of 2020, primarily due to foreign exchange pressures.

Operating income increased in the second quarter and first six months of 2020. Our Mexico operating income margin in the second quarter decreased from (28.6)% in 2019 to (36.0)% in 2020, and for the first six months increased from (29.9)% in 2019 to (26.9)% in 2020. Our Mexico EBITDA margin in the second quarter was stable at (12.1)% in 2019 and 2020, and for the first six months increased from (11.8)% in 2019 to (5.8)% in 2020.

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SUPPLEMENTAL TOTAL ADVERTISING REVENUE INFORMATION

As a supplemental presentation, we are providing a view of total advertising revenues generated by AT&T. See revenue categories tables in Note 5 for a reconciliation.

Total Advertising Revenues

	Second Quarter			Six-Month Period		
	2020	2019	Percent Change	**2020**	2019	Percent Change
Operating Revenues						
Turner	**$ 796**	$ 1,266	(37.1)%	**$ 1,753**	$ 2,527	(30.6)%
Entertainment Group	**294**	399	(26.3)	**707**	749	(5.6)
Xandr	**362**	485	(25.4)	**851**	911	(6.6)
Other	**75**	90	(16.7)	**173**	175	(1.1)
Eliminations	**(294)**	(399)	26.3	**(707)**	(749)	5.6
Total Advertising Revenues	**$ 1,233**	$ 1,841	(33.0)%	**$ 2,777**	$ 3,613	(23.1)%

SUPPLEMENTAL COMMUNICATIONS OPERATING INFORMATION

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 wireline 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. Results have been recast to conform to the current period's classification of consumer and business wireless subscribers. See "Discussion and Reconciliation of Non-GAAP Measure" for a reconciliation of these supplemental measures to the most directly comparable financial measures calculated and presented in accordance with GAAP.

Business Solutions Results

	Second Quarter			Six-Month Period		
	2020	2019	Percent Change	**2020**	2019	Percent Change
Operating revenues						
Wireless service	**$ 1,884**	$ 1,881	0.2 %	**$ 3,833**	$ 3,658	4.8 %
Strategic and managed services	**3,943**	3,834	2.8	**7,822**	7,613	2.7
Legacy voice and data services	**2,067**	2,324	(11.1)	**4,196**	4,721	(11.1)
Other service and equipment	**364**	449	(18.9)	**688**	751	(8.4)
Wireless equipment	**585**	617	(5.2)	**1,295**	1,207	7.3
Total Operating Revenues	**8,843**	9,105	(2.9)	**17,834**	17,950	(0.6)
Operating expenses						
Operations and support	**5,424**	5,512	(1.6)	**11,134**	11,126	0.1
Depreciation and amortization	**1,637**	1,545	6.0	**3,262**	3,070	6.3
Total Operating Expenses	**7,061**	7,057	0.1	**14,396**	14,196	1.4
Operating Income	**1,782**	2,048	(13.0)	**3,438**	3,754	(8.4)
Equity in Net Income (Loss) of Affiliates	**-**	-	-	**-**	-	-
Operating Contribution	**$ 1,782**	$ 2,048	(13.0)%	**$ 3,438**	$ 3,754	(8.4)%

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations - Continued
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OTHER BUSINESS MATTERS

Spectrum Auction In March 2020, we were the winning bidder of high-frequency 37/39 GHz licenses in FCC Auction 103 covering an average of 786 MHz nationwide for approximately $2,400. Prior to the auction, we exchanged the 39 GHz licenses with a book value of approximately $300 that were previously acquired through FiberTower Corporation for vouchers to be applied against the winning bids and recorded a $900 gain in the first quarter of 2020. These vouchers yielded a value of approximately $1,200 which was applied toward our $2,400 gross bids. We made our final payment of approximately $950 for the Auction 103 payment in April 2020. The FCC granted the licenses in June 2020.

Labor Contracts As of June 30, 2020, we employed approximately 243,000 persons. Approximately 40% of our employees are represented by the Communications Workers of America (CWA), the International Brotherhood of Electrical Workers (IBEW) or other unions. After expiration of the collective bargaining agreements, work stoppages or labor disruptions may occur in the absence of new contracts or other agreements being reached.

- A contract covering approximately 7,000 Mobility employees expired in February 2020. In March 2020, a new 4-year contract was ratified by employees and will expire in February 2024.
- A contract covering approximately 13,000 wireline employees in our West region expired in April 2020. In March 2020, a tentative agreement was reached on a new 4-year contract. The tentative agreement is subject to ratification by employees.
- A contract covering approximately 14,000 employees in the Southwest region scheduled to expire in April 2021 was extended 4 years and will now expire in April 2025.

COMPETITIVE AND REGULATORY ENVIRONMENT

Overview AT&T subsidiaries operating within the United States are subject to federal and state regulatory authorities. AT&T subsidiaries operating outside the United States are subject to the jurisdiction of national and supranational regulatory authorities in the markets where service is provided.

In the Telecommunications Act of 1996 (Telecom Act), Congress established a national policy framework intended to bring the benefits of competition and investment in advanced telecommunications facilities and services to all Americans by opening all telecommunications markets to competition and reducing or eliminating regulatory burdens that harm consumer welfare. Nonetheless, over the ensuing two decades, the FCC and some state regulatory commissions have maintained or expanded certain regulatory requirements that were imposed decades ago on our traditional wireline subsidiaries when they operated as legal monopolies. More recently, the FCC has pursued a more deregulatory agenda, eliminating a variety of antiquated and unnecessary regulations and streamlining its processes in a number of areas. In addition, we are pursuing, at both the state and federal levels, additional legislative and regulatory measures to reduce regulatory burdens that are no longer appropriate in a competitive telecommunications market and that inhibit our ability to compete more effectively and offer services wanted and needed by our customers, including initiatives to transition services from traditional networks to all IP-based networks. At the same time, we also seek to ensure that legacy regulations are not further extended to broadband or wireless services, which are subject to vigorous competition.

Communications Segment
Internet The FCC currently classifies fixed and mobile consumer broadband services as information services, subject to light-touch regulation. The D.C. Circuit upheld the FCC's current classification, although it remanded three discrete issues to the FCC for further consideration. No party sought Supreme Court review of the D.C. Circuit's decision, so that decision is final, although the FCC's consideration of the three issues remains pending.

Some states have adopted legislation or issued executive orders that would reimpose net neutrality rules repealed by the FCC. Suits have been filed concerning such laws in two states. In October 2016, the FCC adopted new rules governing the use of customer information by providers of broadband internet access service. Those rules were more restrictive in certain respects than those governing other participants in the internet economy, including so-called "edge" providers such as Google and

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Facebook. In April 2017, the President signed a resolution passed by Congress repealing the new rules under the Congressional Review Act.

Privacy-related legislation has been considered or adopted in a number of states. Legislative and regulatory action and ballot initiatives could result in increased costs of compliance, claims against broadband internet access service providers and others, and increased uncertainty in the value and availability of data. Effective as of January 1, 2020, a California state law gives consumers the right to know what personal information is being collected about them, and whether and to whom it is sold or disclosed, and to access and request deletion of this information. Subject to certain exceptions, it also gives California consumers the right to opt out of the sale of personal information.

Wireless The industry-wide deployment of 5G technology, which is needed to satisfy extensive demand for video and internet access, will involve significant deployment of "small cell" equipment and therefore increase the need for local permitting processes that allow for the placement of small cell equipment on reasonable timelines and terms. Federal regulations also can delay and impede the deployment of infrastructure used to provide telecommunications and broadband services, including small cell equipment. In March, August and September 2018, the FCC adopted orders to streamline federal and local wireless infrastructure review processes in order to facilitate deployment of next-generation wireless facilities. Specifically, the FCC's March 2018 Order streamlined historical, tribal, and environmental review requirements for wireless infrastructure, including by excluding most small cell facilities from such review. The Order was appealed and in August 2019, the D.C. Circuit Court of Appeals vacated the FCC's finding that most small cell facilities are excluded from review, but otherwise upheld the FCC's Order. The FCC's August and September 2018 Orders simplified the regulations for attaching telecommunications equipment to utility poles and clarified when local government right-of-way access and use restrictions can be preempted because they unlawfully prohibit the provision of telecommunications services. Those orders were appealed to the 9th Circuit Court of Appeals, where they remain pending. In addition to the FCC's actions, to date, 28 states and Puerto Rico have adopted legislation to facilitate small cell deployment.

In December 2018, we introduced the nation's first commercial mobile 5G service. In July 2020, we announced nationwide 5G coverage. We anticipate the introduction of 5G handsets and devices will contribute to a renewed interest in equipment upgrades.

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LIQUIDITY AND CAPITAL RESOURCES

We had $16,941 in "Cash and cash equivalents" available at June 30, 2020. "Cash and cash equivalents" included cash of $3,781 and money market funds and other cash equivalents of $13,160. Approximately $2,529 of our "Cash and cash equivalents" were held by our foreign entities in accounts predominantly outside of the U.S. and may be subject to restrictions on repatriation.

The Company's liquidity and capital resources were not materially impacted by COVID-19 and related economic conditions during the first six months of 2020. We will continue to monitor impacts on the COVID-19 pandemic on our liquidity and capital resources.

"Cash and cash equivalents" increased $4,811 since December 31, 2019. In the first six months of 2020, cash inflows were primarily provided by the cash receipts from operations, including cash from our sale and transfer of our receivables to third parties, and the issuances of commercial paper, long-term debt and cumulative preferred stock. These inflows were offset by cash used to meet the needs of the business, including, but not limited to, payment of operating expenses, spectrum acquisitions, debt repayments, funding capital expenditures and vendor financing payments, collateral posted to banks and other participants in derivative arrangements, share repurchase and dividends to stockholders.

Cash Provided by or Used in Operating Activities

During the first six months of 2020, cash provided by operating activities was $20,925, compared to $25,336 for the first six months of 2019. Lower operating cash flows in 2020 were primarily driven by lower incremental receivable securitization (see Note 9).

We actively manage the timing of our supplier payments for non-capital items to optimize the use of our cash. Among other things, we seek to make payments on 90-day or greater terms, while providing the suppliers with access to bank facilities that permit earlier payments at their cost. In addition, for payments to a key supplier, we have arrangements that allow us to extend payment terms up to 90 days at an additional cost to us (referred to as supplier financing). The net impact of supplier financing on cash from operating activities was to decrease working capital $1,452 and $496 for the six months ended June 30, 2020 and 2019, respectively. All supplier financing payments are due within one year.

Cash Used in or Provided by Investing Activities

For the first six months of 2020, cash used in investing activities totaled $10,278, and consisted primarily of $9,432 (including interest during construction) for capital expenditures, final payment of approximately $950 for wireless spectrum licenses won in Auction 103, and $141 for acquiring the remaining interest in HBO LAG.

For capital improvements, we have negotiated favorable vendor payment terms of 120 days or more (referred to as vendor financing) with some of our vendors, which are excluded from capital expenditures and reported as financing activities. For the first six months of 2020, vendor financing payments were $1,354, compared to $1,836 for the first six months of 2019. Capital expenditures in the first six months of 2020 were $9,432, and when including $1,354 cash paid for vendor financing and excluding $79 of FirstNet reimbursements, gross capital investment was $10,865 ($1,728 lower than the prior-year comparable period).

The vast majority of our capital expenditures are spent on our networks, including product development and related support systems. During the first six months, we placed $1,681 of equipment in service under vendor financing arrangements (compared to $1,265 in the prior-year comparable period) and approximately $640 of assets related to the FirstNet build (compared to $600 in the prior-year comparable period). The amount of capital expenditures is influenced by demand for services and products, capacity needs and network enhancements.

Cash Provided by or Used in Financing Activities

For the first six months of 2020, cash used in financing activities totaled $5,911 and was comprised of debt issuances and repayments, issuances of preferred stock, share repurchase, payments of dividends and required collateral deposits.

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During the first six months of 2020, debt issuances included proceeds of $8,440 in short-term borrowings and $21,060 of net proceeds from long-term debt. Borrowing activity consisted of approximately $2,940 in commercial paper draws and the following issuances:

Issued and redeemed in 2020:
- March draw of $750 on a private financing agreement (repaid in the second quarter).
- April draw of $5,500 on a term loan credit agreement with certain commercial banks and Bank of America, N.A., as lead agent (repaid in the second quarter).

Issued and outstanding in 2020:
- February issuance of $2,995 of 4.000% global notes due 2049.
- March borrowings of $665 from loan programs with export agencies of foreign governments to support network equipment purchases in those countries.
- May issuances totaling $12,500 in global notes, comprised of $2,500 of 2.300% global notes due 2027, $3,000 of 2.750% global notes due 2031, $2,500 of 3.500% global notes due 2041, $3,000 of 3.650% global notes due 2051 and $1,500 of 3.850% global notes due 2060.
- May issuances totaling €3,000 million in global notes (approximately $3,281 at issuance), comprised of €1,750 million of 1.600% global notes due 2028, €750 million of 2.050% global notes due 2032 and €500 million of 2.600% global notes due 2038.
- June issuance of $1,050 of 3.750% global notes due 2050.

During the first six months of 2020, repayments of debt included $5,975 of short-term borrowings and $17,284 of long-term debt. Repayments were comprised of $475 in commercial paper and the following:

Notes redeemed at maturity:
- $800 of AT&T floating-rate notes in the first quarter.
- $687 of AT&T floating-rate notes in the second quarter.

Notes redeemed prior to maturity:
- $2,619 of 4.600% AT&T global notes with original maturity in 2045, in the first quarter.
- $2,750 of 2.450% AT&T global notes with original maturity in 2020, in the second quarter
- $1,000 of annual put reset securities issued by BellSouth, in the second quarter.
- $683 of 4.600% AT&T global notes with original maturity in 2021, in the second quarter.
- $1,695 of 2.800% AT&T global notes with original maturity in 2021, in the second quarter.
- $853 of 4.450% AT&T global notes with original maturity in 2021, in the second quarter.
- $1,172 of 3.875% AT&T global notes with original maturity in 2021, in the second quarter.
- $1,430 of 5.500% AT&T global notes with original maturity in 2047, in the second quarter.

Credit facilities repaid and other borrowings:
- $750 of borrowings under a private financing agreement, in the first quarter.
- $750 of borrowings under a private financing agreement, in the second quarter.
- $5,500 under our April 2020 term loan credit agreement with certain commercial banks and Bank of America, in the second quarter.
- $1,300 under our term loan credit agreement with Bank of America, in the second quarter.
- $500 under our term loan credit agreement with Bank of Communications Co., in the second quarter.

Our weighted average interest rate of our entire long-term debt portfolio, including the impact of derivatives, was approximately 4.3% as of June 30, 2020 and 4.4% as of December 31, 2019. We had $164,099 of total notes and debentures outstanding at June 30, 2020, which included Euro, British pound sterling, Canadian dollar, Swiss franc, Australian dollar, Brazilian real, and Mexican peso denominated debt that totaled approximately $44,798.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations - Continued

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At June 30, 2020, we had $15,576 of debt maturing within one year, consisting of $3,001 of commercial paper borrowings and $12,575 of long-term debt issuances. Debt maturing within one year includes the following notes that may be put back to us by the holders:

- An accreting zero-coupon note that may be redeemed each May until maturity in 2022. If the remainder of the zero-coupon note (issued for principal of $500 in 2007 and partially exchanged in the 2017 debt exchange offers) is held to maturity, the redemption amount will be $592.

For the first six months of 2020, we paid $1,354 of cash under our vendor financing program, compared to $1,836 in the first six months of 2019. Total vendor financing payables included in our June 30, 2020 consolidated balance sheet were approximately $1,556, with $718 due within one year (in "Accounts payable and accrued liabilities") and the remainder predominantly due within two to three years (in "Other noncurrent liabilities").

Financing activities in the first six months of 2020 also included $3,869 for the February issuance of Series B and Series C preferred stock (see Note 11).

We repurchased approximately 142 million shares of common stock, predominantly in the first quarter, and completed the share repurchase authorization approved by the Board of Directors in 2013. In March 2020, we cancelled an accelerated share repurchase agreement that was planned for the second quarter and other repurchases to maintain flexibility and focus on continued investment in serving our customers, taking care of our employees and enhancing our network, including 5G. At June 30, 2020, we had approximately 178 million shares remaining from our share repurchase authorizations approved by the Board of Directors in 2014.

We paid dividends on common and preferred shares of $7,474 during the first six months of 2020, compared with $7,436 for the first six months of 2019. Dividends were higher in 2020, primarily due to dividend payments to preferred stockholders and the increase in our quarterly dividend on common stock approved by our Board of Directors in December 2019, partially offset by fewer shares outstanding.

Dividends on common stock declared by our Board of Directors totaled $1.04 per share in the first six months of 2020 and $1.02 per share for the first six months of 2019. Our dividend policy considers the expectations and requirements of stockholders, capital funding requirements of AT&T and long-term growth opportunities. It is our intent to provide the financial flexibility to allow our Board of Directors to consider dividend growth and to recommend an increase in dividends to be paid in future periods. All dividends remain subject to declaration by our Board of Directors.

Financing Activities Subsequent to the Second Quarter

Taking advantage of attractive rates, we completed the following financing activities subsequent to the second quarter of 2020.

In July 2020, we redeemed a total of $4,264 in notes:

- $1,457 of 3.000% global notes due 2022 issued by AT&T.
- $1,250 of 3.200% global notes due 2022 issued by AT&T.
- $1,012 of 3.800% global notes due 2022 issued by AT&T.
- $422 of 4.000% global notes due 2022 issued by AT&T.
- $60 of 3.800% senior notes due 2022 issued by DIRECTV.
- $63 of 4.00% notes due 2022 issued by WarnerMedia.

In August 2020, we issued a total of $11,000 in global notes and will use the proceeds to pay down near-term debt:

- $2,250 of 1.650% global notes due 2028.
- $2,500 of 2.250 % global notes due 2032.
- $2,500 of 3.100% global notes due 2043.
- $2,250 of 3.300% global notes due 2052.
- $1,500 of 3.500% senior notes due 2061.

Credit Facilities

The following summary of our various credit and loan agreements does not purport to be complete and is qualified in its entirety by reference to each agreement filed as exhibits to our Annual Report on Form 10-K.

We use credit facilities as a tool in managing our liquidity status. In December 2018, we amended our five-year revolving credit agreement (the "Amended and Restated Credit Agreement") and concurrently entered into a new five-year agreement (the "Five Year Credit Agreement") such that we now have two $7,500 revolving credit agreements totaling $15,000. The Amended and Restated Credit Agreement terminates on December 11, 2021 and the Five Year Credit Agreement terminates on December 11, 2023. No amounts were outstanding under either agreement as of June 30, 2020.

In September 2019, we entered into and drew on a $1,300 term loan credit agreement containing (i) a 1.25 year $400 facility due in 2020 (BAML Tranche A Facility), (ii) a 2.25 year $400 facility due in 2021 (BAML Tranche B Facility), and (iii) a 3.25 year $500 facility due in 2022 (BAML Tranche C Facility), with Bank of America, N.A., as agent. These facilities were repaid and terminated in the second quarter of 2020.

On April 6, 2020, we entered into and drew on a $5,500 Term Loan Credit Agreement (Term Loan) with 11 commercial banks and Bank of America, N.A. as lead agent. We repaid and terminated the Term Loan in May 2020.

We also utilize other external financing sources, which include various credit arrangements supported by government agencies to support network equipment purchases as well as a commercial paper program.

Each of our credit and loan agreements contains covenants that are customary for an issuer with an investment grade senior debt credit rating as well as a net debt-to-EBITDA financial ratio covenant requiring AT&T to maintain, as of the last day of each fiscal quarter, a ratio of not more than 3.5-to-1. As of June 30, 2020, we were in compliance with the covenants for our credit facilities.

Collateral Arrangements

During 2019 and 2020, we amended collateral arrangements with certain counterparties to require cash collateral posting by AT&T only when derivative market values exceed certain thresholds. Under these arrangements, counterparties are still required to post collateral. During the first six months of 2020, we deposited approximately $518 of cash collateral, on a net basis as we exceeded the market value thresholds with some of the counterparties. Cash postings under these arrangements vary with changes in credit ratings and netting agreements. (See Note 7)

Other

Our total capital consists of debt (long-term debt and debt maturing within one year) and stockholders' equity. Our capital structure does not include debt issued by our equity method investments. At June 30, 2020, our debt ratio was 46.6%, compared to 46.8% at June 30, 2019 and 44.7% at December 31, 2019. Our net debt ratio was 41.9% at June 30, 2020, compared to 44.5% at June 30, 2019 and 41.4% at December 31, 2019. The debt ratio is affected by the same factors that affect total capital, and reflects our recent debt issuances and repayments and debt acquired in business combinations.

During the first six months of 2020, we have received $347 from the disposition of assets, and when combined with working capital monetization initiatives, which include the sale of receivables, total cash received from monetization efforts, net of $1,046 of spectrum acquisitions, was approximately $300. We plan to continue to explore similar opportunities throughout 2020.

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DISCUSSION AND RECONCILIATION OF NON-GAAP MEASURE

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We believe the following measure is relevant and useful information to investors as it is used by management as a method of comparing performance with that of many of our competitors. This supplemental measure should be considered in addition to, but not as a substitute of, our consolidated and segment financial information.

Business Solutions Reconciliation
We provide a supplemental discussion of our Business Solutions operations that is calculated by combining our Mobility and Business Wireline business units, and then adjusting to remove non-business operations. The following table presents a reconciliation of our supplemental Business Solutions results.

	Three Months Ended							
	June 30, 2020				June 30, 2019			
	Mobility	**Business Wireline**	**Adjustments[1]**	**Business Solutions**	Mobility	Business Wireline	Adjustments[1]	Business Solutions
Operating Revenues								
Wireless service	**$ 13,669**	**$ -**	**$ (11,785)**	**$** 1,884	$ 13,824	$ -	$ (11,943)	$ 1,881
Strategic and managed services	**-**	**3,943**	**-**	3,943	-	3,834	-	3,834
Legacy voice and data services	**-**	**2,067**	**-**	2,067	-	2,324	-	2,324
Other service and equipment	**-**	**364**	**-**	364	-	449	-	449
Wireless equipment	**3,480**	**-**	**(2,895)**	585	3,468	-	(2,851)	617
Total Operating Revenues	**17,149**	**6,374**	**(14,680)**	8,843	17,292	6,607	(14,794)	9,105
Operating Expenses								
Operations and support	**9,332**	**3,779**	**(7,687)**	5,424	9,522	3,975	(7,985)	5,512
EBITDA	**7,817**	**2,595**	**(6,993)**	3,419	7,770	2,632	(6,809)	3,593
Depreciation and amortization	**2,012**	**1,318**	**(1,693)**	1,637	2,003	1,242	(1,700)	1,545
Total Operating Expense	**11,344**	**5,097**	**(9,380)**	7,061	11,525	5,217	(9,685)	7,057
Operating Income	**5,805**	**1,277**	**(5,300)**	1,782	5,767	1,390	(5,109)	2,048
Equity in net income (loss) of affiliates	**-**	**-**	**-**	-	-	-	-	-
Operating Contribution	**$ 5,805**	**$ 1,277**	**$ (5,300)**	**$** 1,782	$ 5,767	$ 1,390	$ (5,109)	$ 2,048

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

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations - Continued

Dollars, subscribers and connections in millions, except per share and per subscriber amounts

	Six Months Ended							
	June 30, 2020				June 30, 2019			
	Mobility	**Business Wireline**	**Adjustments[1]**	**Business Solutions**	Mobility	Business Wireline	Adjustments[1]	Business Solutions
Operating Revenues								
Wireless service	**$ 27,637**	**$ -**	**$ (23,804)**	**$ 3,833**	$ 27,453	$ -	$ (23,795)	$ 3,658
Strategic and managed services	**-**	**7,822**	**-**	**7,822**	-	7,613	-	7,613
Legacy voice and data services	**-**	**4,196**	**-**	**4,196**	-	4,721	-	4,721
Other service and equipment	**-**	**688**	**-**	**688**	-	751	-	751
Wireless equipment	**6,914**	**-**	**(5,619)**	**1,295**	7,202	-	(5,995)	1,207
Total Operating Revenues	**34,551**	**12,706**	**(29,423)**	**17,834**	34,655	13,085	(29,790)	17,950
Operating Expenses								
Operations and support	**18,901**	**7,730**	**(15,497)**	**11,134**	19,563	8,007	(16,444)	11,126
EBITDA	**15,650**	**4,976**	**(13,926)**	**6,700**	15,092	5,078	(13,346)	6,824
Depreciation and amortization	**4,057**	**2,619**	**(3,414)**	**3,262**	4,016	2,464	(3,410)	3,070
Total Operating Expense	**22,958**	**10,349**	**(18,911)**	**14,396**	23,579	10,471	(19,854)	14,196
Operating Income	**11,593**	**2,357**	**(10,512)**	**3,438**	11,076	2,614	(9,936)	3,754
Equity in net income (loss) of affiliates	**-**	**-**	**-**	**-**	-	-	-	-
Operating Contribution	**$ 11,593**	**$ 2,357**	**$ (10,512)**	**$ 3,438**	$ 11,076	$ 2,614	$ (9,936)	$ 3,754

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

Item 3. Quantitative and Qualitative Disclosures About Market Risk
Dollars in millions except per share amounts

At June 30, 2020, we had interest rate swaps with a notional value of $21 and a fair value of $(3).

We have fixed-to-fixed and floating-to-fixed cross-currency swaps on foreign currency-denominated debt instruments with a U.S. dollar notional value of $45,606 to hedge our exposure to changes in foreign currency exchange rates. These derivatives have been designated at inception and qualify as cash flow hedges with a net fair value of $(6,700) at June 30, 2020. We have no rate locks at June 30, 2020.

We have foreign exchange contracts with a U.S. dollar notional value of $298 to provide currency at a fixed rate to hedge a portion of the exchange risk involved in foreign currency-denominated transactions. These foreign exchange contracts include fair value hedges, cash flow hedges and economic (nonqualifying) hedges with a total net fair value of $4 at June 30, 2020.

We have designated €1,450 million aggregate principal amount of debt as a hedge of the variability of some of the Euro-denominated net investments of our subsidiaries. The gain or loss on the debt that is designated as, and is effective as, an economic hedge of the net investment in a foreign operation is recorded as a currency translation adjustment within accumulated other comprehensive income, net on the consolidated balance sheet.

Item 4. Controls and Procedures

The registrant maintains disclosure controls and procedures that are designed to ensure that information required to be disclosed by the registrant is recorded, processed, summarized, accumulated and communicated to its management, including its principal executive and principal financial officers, to allow timely decisions regarding required disclosure, and reported within the time periods specified in the Securities and Exchange Commission’s rules and forms. The chief executive officer and chief financial officer have performed an evaluation of the effectiveness of the design and operation of the registrant’s disclosure controls and procedures as of June 30, 2020. Based on that evaluation, the chief executive officer and chief financial officer concluded that the registrant’s disclosure controls and procedures were effective as of June 30, 2020.

There have not been any changes in our internal control over financial reporting during our most recent fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting. Due to the COVID-19 pandemic, most of our corporate employees are working remotely. We continue to monitor and assess the COVID-19 situation on our internal controls over financial reporting to address any potential impact on their design and operating effectiveness.

CAUTIONARY LANGUAGE CONCERNING FORWARD-LOOKING STATEMENTS

Information set forth in this report contains forward-looking statements that are subject to risks and uncertainties, and actual results could differ materially. Many of these factors are discussed in more detail in the "Risk Factors" section. We claim the protection of the safe harbor for forward-looking statements provided by the Private Securities Litigation Reform Act of 1995.

The following factors could cause our future results to differ materially from those expressed in the forward-looking statements:

- The severity, magnitude and duration of the COVID-19 pandemic and containment, mitigation and other measures taken in response, including the potential impacts of these matters on our business and operations.
- Our inability to predict the extent to which the COVID-19 pandemic and related impacts will continue to impact our business operations, financial performance and results of operations.
- Adverse economic, political and/or capital access changes in the markets served by us or in countries in which we have significant investments and/or operations, including the impact on customer demand and our ability and our suppliers' ability to access financial markets at favorable rates and terms.
- Increases in our benefit plans' costs, including increases due to adverse changes in the United States and foreign securities markets, resulting in worse-than-assumed investment returns and discount rates; adverse changes in mortality assumptions; adverse medical cost trends; and unfavorable or delayed implementation or repeal of healthcare legislation, regulations or related court decisions.
- The final outcome of FCC and other federal, state or foreign government agency proceedings (including judicial review, if any, of such proceedings) and legislative efforts involving issues that are important to our business, including, without limitation, pending Notices of Apparent Liability; the transition from legacy technologies to IP-based infrastructure, including the withdrawal of legacy TDM-based services; universal service; broadband deployment; wireless equipment siting regulations and, in particular, siting for 5G service; E911 services; competition policy; privacy; net neutrality; multichannel video programming distributor services and equipment; content licensing and copyright protection; availability of new spectrum on fair and balanced terms; and wireless and satellite license awards and renewals.
- Enactment of additional state, local, federal and/or foreign regulatory and tax laws and regulations, or changes to existing standards and actions by tax agencies and judicial authorities including the resolution of disputes with any taxing jurisdictions, pertaining to our subsidiaries and foreign investments, including laws and regulations that reduce our incentive to invest in our networks, resulting in lower revenue growth and/or higher operating costs.
- Potential changes to the electromagnetic spectrum currently used for broadcast television and satellite distribution being considered by the FCC could negatively impact WarnerMedia's ability to deliver linear network feeds of its domestic cable networks to its affiliates, and in some cases, WarnerMedia's ability to produce high-value news and entertainment programming on location.
- U.S. and foreign laws and regulations regarding intellectual property rights protection and privacy, personal data protection and user consent are complex and rapidly evolving and could result in adverse impacts to our business plans, increased costs, or claims against us that may harm our reputation.
- The ability of our competitors to offer product/service offerings at lower prices due to lower cost structures and regulatory and legislative actions adverse to us, including non-regulation of comparable alternative technologies and/or government-owned or subsidized networks.
- Disruption in our supply chain for a number of reasons, including, difficulties in obtaining export licenses for certain technology, inability to secure component parts, general business disruption, natural disasters, safety issues, economic and political instability and public health emergencies.
- The continued development and delivery of attractive and profitable wireless, video and broadband offerings and devices, and, in particular, the success of our new HBO Max platform; the extent to which regulatory and build-out requirements apply to our offerings; our ability to match speeds offered by our competitors and the availability, cost and/or reliability of the various technologies and/or content required to provide such offerings.
- Our ability to generate advertising revenue from attractive video content, especially from WarnerMedia, in the face of unpredictable and rapidly evolving public viewing habits and legal restrictions on the use of personal data.
- The availability and cost and our ability to adequately fund additional wireless spectrum and network upgrades; and regulations and conditions relating to spectrum use, licensing, obtaining additional spectrum, technical standards and deployment and usage, including network management rules.
- Our ability to manage growth in wireless data services, including network quality and acquisition of adequate spectrum at reasonable costs and terms.

CAUTIONARY LANGUAGE CONCERNING FORWARD-LOOKING STATEMENTS

- The outcome of pending, threatened or potential litigation (which includes arbitrations), including, without limitation, patent and product safety claims by or against third parties.
- The impact from major equipment or software failures on our networks, including satellites operated by DIRECTV; the effect of security breaches related to the network or customer information; our inability to obtain handsets, equipment/software or have handsets, equipment/software serviced in a timely and cost-effective manner from suppliers; and in the case of satellites launched, timely provisioning of services from vendors; or severe weather conditions including flooding and hurricanes, natural disasters including earthquakes and forest fires, pandemics, energy shortages, wars or terrorist attacks.
- The issuance by the Financial Accounting Standards Board or other accounting oversight bodies of new accounting standards or changes to existing standards.
- Our ability to successfully integrate our WarnerMedia operations, including the ability to manage various businesses in widely dispersed business locations and with decentralized management.
- Changes in our corporate strategies, such as changing network-related requirements or acquisitions and dispositions, which may require significant amounts of cash or stock, to respond to competition and regulatory, legislative and technological developments.
- The uncertainty surrounding further congressional action to address spending reductions, which may result in a significant decrease in government spending and reluctance of businesses and consumers to spend in general.

Readers are cautioned that other factors discussed in this report, although not enumerated here, also could materially affect our future earnings.

PART II – OTHER INFORMATION
Dollars in millions except per share amounts

Item 1A. Risk Factors

We discuss in our Annual Report on Form 10-K for the year ended December 31, 2019 and in our Quarterly Report on Form 10-Q for the quarter ended March 31, 2020 various risks that may materially affect our business. We use this section to update this discussion to reflect material developments. For the second quarter of 2020, there were no such material developments.

PART II – OTHER INFORMATION - CONTINUED

Dollars in millions except per share amounts

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

(c) A summary of our repurchases of common stock during the second quarter of 2020 is as follows:

Period	(a) Total Number of Shares (or Units) Purchased [1, 2, 3]	(b) Average Price Paid Per Share (or Unit)	(c) Total Number of Shares (or Units) Purchased as Part of Publicly Announced Plans or Programs[1]	(d) Maximum Number (or Approximate Dollar Value) of Shares (or Units) That May Yet Be Purchased Under The Plans or Programs
April 1, 2020 - April 30, 2020	48,894	$ 33.41	-	177,942,230
May 1, 2020 - May 31, 2020	145,630	33.33	-	177,942,230
June 1, 2020 - June 30, 2020	937,490	29.85	-	177,942,230
Total	1,132,014	$ 30.45	-	

1 In March 2014, our Board of Directors approved an authorization to repurchase up to 300 million shares of our common stock. The authorization has no expiration date.

2 Of the shares repurchased, 556,889 shares were acquired through the withholding of taxes on the vesting of restricted stock and performance shares or on the exercise price of options.

3 Of the shares repurchased, 575,125 shares were acquired through reimbursements from AT&T maintained Voluntary Employee Benefit Association (VEBA) trusts.

Item 6. Exhibits

The following exhibits are filed or incorporated by reference as a part of this report:

Exhibit Number	Exhibit Description
3.1	Bylaws (Exhibit 3.1 to Form 8-K filed on June 26, 2020)
4.1	Description of AT&T's Securities Registered Under Section 12 of the Exchange Act
10.1	Supplemental Life Insurance Plan (Exhibit 10.1 to Form 8-K filed on June 26, 2020)
10.2	Agreement between Jason Kilar and WarnerMedia LLC
31	Rule 13a-14(a)/15d-14(a) Certifications
	31.1 Certification of Principal Executive Officer
	31.2 Certification of Principal Financial Officer
32	Section 1350 Certifications
101	The following financial statements from the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2020, formatted in Inline XBRL: (i) Consolidated Statements of Cash Flows, (ii) Consolidated Statements of Operations, (iii) Consolidated Statements of Comprehensive Income, (iv) Consolidated Balance Sheets, and (v) Notes to Consolidated Financial Statements, tagged as blocks of text and including detailed tags.
104	The cover page from the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2020, (formatted as Inline XBRL and contained in Exhibit 101).

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

AT&T Inc.

August 5, 2020

/s/ John J. Stephens
John J. Stephens
Senior Executive Vice President
and Chief Financial Officer

DESCRIPTION OF SECURITIES OF AT&T INC. REGISTERED UNDER SECTION 12 OF THE EXCHANGE ACT AS OF DECEMBER 31, 2019

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DESCRIPTION OF THE COMPANY'S COMMON STOCK

The following summary of AT&T Inc.'s ("AT&T") common stock is based on and qualified by the Company's Restated Certificate of Incorporation and Bylaws as of December 31, 2019. For a complete description of the terms and provisions of the Company's equity securities, including its common stock, refer to the Restated Certificate of Incorporation and the Bylaws, both of which are filed as exhibits to AT&T's Annual Report on Form 10-K for the year ended December 31, 2019. Throughout this exhibit, references to "we," "our," "us" and "the Company" refer to AT&T.

General

Our authorized share capital consists of 14,010,000,000 shares, of which 14,000,000,000 are common shares having a par value of $1.00 per share and 10,000,000 are shares of preferred stock, par value $1.00 per share. As of December 31, 2019, 7,254,555,140 shares of common stock were outstanding and 48,000 shares of preferred stock were outstanding.

Our common stock is listed on the New York Stock Exchange under the symbol "T".

The transfer agent for the common stock is Computershare Trust Company, N.A., P.O. Box 505005, Louisville, Kentucky 40233.

We typically do not issue physical stock certificates. Instead, we record evidence of stock ownership solely on our corporate records. However, we will issue a physical stock certificate if a stockholder so requests.

Holders of common stock do not have any conversion, redemption, preemptive or cumulative voting rights. In the event of our dissolution, liquidation or winding-up, common stockholders share ratably in any assets remaining after all creditors are paid in full, including holders of our debt securities and after the liquidation preference of holders of preferred stock has been satisfied.

Some of the provisions of our Restated Certificate of Incorporation and our Bylaws may tend to deter any potential unfriendly tender offers or other efforts to obtain control of us. At the same time, these provisions will tend to assure continuity of management and corporate policies and to induce any persons seeking control or a business combination with us to negotiate on terms acceptable to our then-elected board of directors.

Dividends

Common stockholders are entitled to participate equally in dividends when dividends are declared by our board of directors out of funds legally available for dividends.

Voting Rights

Each holder of common stock is entitled to one vote for each share for all matters voted on by common stockholders.

Election of Directors

Holders of common stock may not cumulate their votes in the election of directors. In an election of directors, each director must be elected by the vote of the majority of the votes cast with respect to that director's election. If a nominee for director is not elected and the nominee is an incumbent director, such incumbent director must promptly tender his or her resignation to the board of directors, subject to acceptance by the board of directors. The Corporate Governance and Nominating Committee of the board of directors (the "Corporate Governance and Nominating Committee") will make a recommendation to the board of directors as to whether to accept or reject the tendered resignation, or whether other action should be taken. The board of directors will act on the tendered resignation, taking into account the Corporate Governance and Nominating Committee's recommendation, and publicly disclose (by a press release, a filing with the Securities and Exchange Commission or other broadly disseminated means of communication) its decision regarding the tendered resignation and the rationale behind the decision within 90 days from the date of certification of election results. The Corporate Governance and Nominating Committee in making its recommendation and the board of directors in making its decision may each consider any factors or other information that they consider appropriate and relevant. Any incumbent director who tenders his or her resignation following such failure to be elected will not participate in the recommendation of the Corporate Governance and Nominating Committee or the decision of the board of directors with respect to his or her resignation.

If the number of persons properly nominated for election as directors as of the date that is 10 days before the record date for the meeting at which such vote is to be held exceeds the number of directors to be elected, then the directors shall be elected by a plurality of the votes cast.

For purposes of the election of directors, a majority of votes cast shall mean that the number of shares voted "for" the election of a director exceeds the number of votes cast "against" the election of such director.

Other Matters

Except with respect to the election of directors as described above, all other matters are determined by a majority of the votes cast, unless otherwise required by law or the certificate of incorporation for the action proposed.

For these purposes, a majority of votes cast shall mean that the number of shares voted "for" a matter exceeds the number of votes cast "against" such matter.

Quorum

At least 40% of the shares entitled to vote at the meeting must be present in person or by proxy, in order to constitute a quorum.

Board of Directors

Our Bylaws provide that all directors are required to stand for re-election every year. At any meeting of our board of directors, a majority of the total number of the directors constitutes a quorum.

Action without Stockholder Meeting

Our Restated Certificate of Incorporation also requires that stockholders representing at least two-thirds of the total number of shares outstanding and entitled to vote thereon must sign a written consent for any action without a meeting of the stockholders.

Advance Notice Bylaws

Our Bylaws establish advance notice procedures with regard to stockholder proposals relating to the nomination of candidates for election as directors or new business to be brought before meetings of our stockholders. These procedures provide that notice of such stockholder proposals must be timely given in writing to the Secretary of AT&T prior to the meeting at which the action is to be taken. Generally, to be timely, notice must be received at our principal executive offices not less than 90 days nor more than 120 days prior to the anniversary date of the annual meeting for the preceding year. The notice must contain certain information specified in the Bylaws.

Proxy Access

Our Bylaws permit any stockholder or group of up to twenty stockholders who have maintained continuous qualifying ownership of 3% or more of our outstanding common stock for at least the previous three years to include up to a specified number of director nominees in our proxy materials for an annual meeting of stockholders. The maximum number of stockholder nominees permitted under the proxy access provisions of our Bylaws shall be the greater of two or 20% of the total number of directors of AT&T on the last day a notice of nomination may be submitted.

Notice of a nomination pursuant to the proxy access provisions of our Bylaws must be submitted to the Secretary of AT&T at our principal executive office no earlier than 150 days and no later than 120 days before the anniversary of the date that we mailed our proxy statement for the previous year's annual meeting of stockholders. The notice must contain certain information specified in our Bylaws.

Section 203 of the General Corporation Law of the State of Delaware

We are also subject to Section 203 of the General Corporation Law of the State of Delaware. Section 203 prohibits us from engaging in any business combination (as defined in Section 203) with an "interested stockholder" for a period of three years subsequent to the date on which the stockholder became an interested stockholder unless:

- prior to such date, our board of directors approves either the business combination or the transaction in which the stockholder became an interested stockholder;
- upon completion of the transaction that resulted in the stockholder becoming an interested stockholder, the interested stockholder owns at least 85% of the outstanding voting stock (with certain exclusions); or
- the business combination is approved by our board of directors and authorized by a vote (and not by written consent) of at least 66 2/3% of the outstanding voting stock not owned by the interested stockholder.

For purposes of Section 203, an "interested stockholder" is defined as an entity or person beneficially owning 15% or more of our outstanding voting stock, based on voting power, and any entity or person affiliated with or controlling or controlled by such an entity or person.

A "business combination" includes mergers, asset sales and other transactions resulting in financial benefit to a stockholder. Section 203 could prohibit or delay mergers or other takeover or change of control attempts with respect to us and, accordingly, may discourage attempts that might result in a premium over the market price for the shares held by stockholders.

Such provisions may have the effect of deterring hostile takeovers or delaying changes in control of management or us.

DESCRIPTION OF THE DEPOSITARY SHARES
AND 5.000% PERPETUAL PREFERRED STOCK, SERIES A

The following summary of AT&T's above referenced securities is based on and qualified by the pertinent sections of our Restated Certificate of Incorporation, including the Certificate of Designations creating the 5.000% Perpetual Preferred Stock, Series A (the "Series A"). For a complete description of the terms and provisions of the depositary shares and the Series A, please refer to our Restated Certificate of Incorporation, which is filed as an exhibit to AT&T's Annual Report on Form 10-K for the year ended December 31, 2019 and to the Certificate of Designations, which is filed an exhibit to a Form 8-A filed with the Securities and Exchange Commission on December 12, 2019.

References to the "holders" of the Series A shall mean Computershare Inc. and Computershare Trust Company, N.A., (the "Depositary"). References to "holders" of depositary shares mean those who own depositary shares registered in their own names, on the books that we or the Depositary maintain for this purpose, and not indirect holders who own beneficial interests in depositary shares registered in street name or issued in book-entry form through the Depositary Trust Company ("DTC"). Holders of the depositary shares are entitled through the Depositary to exercise their proportional rights and preferences of the Series A, as described under "Description of the Depositary Shares."

DESCRIPTION OF THE 5.000% PERPETUAL PREFERRED STOCK, SERIES A

General

Under our Restated Certificate of Incorporation, we have the authority to issue up to 10,000,000 shares of preferred stock, par value $1.00 per share. Our board of directors (or a duly authorized committee of the board) is authorized without further stockholder action to cause the issuance of shares of preferred stock, including the Series A. The Series A represents a single series of our authorized preferred stock.

We have issued 48,000 shares of the Series A, which remains the amount outstanding, subject to our ability to reopen and issue additional shares and/or increase or decrease the number of designated shares of Series A as described below. The shares of Series A are fully paid and nonassessable and are not convertible into, or exchangeable for, shares of our common stock or any other class or series of our other securities and are not subject to any sinking fund or any other obligation of us for their repurchase or retirement. The shares of Series A have a "stated amount" per share of $25,000 and are held solely by the Depositary as described under "Description of the Depositary Shares" below.

The number of designated shares of Series A may from time to time be increased (but not in excess of the total number of shares of preferred stock authorized under our Restated Certificate of Incorporation, less shares of any other series of preferred stock designated at the time of such increase) or decreased (but not below the number of shares of Series A then outstanding) by resolution of the board (or a duly authorized committee of the board), without the vote or consent of the holders of the Series A. Shares of Series A that are redeemed, purchased or otherwise acquired by us will be cancelled and shall revert to authorized but unissued shares of preferred stock undesignated as to series. We have the authority to issue fractional shares of Series A.

Ranking

With respect to the payment of dividends and distributions of assets upon any liquidation, dissolution or winding up, the Series A ranks:

- senior to our common stock and any class or series of our stock that ranks junior to the Series A in the payment of dividends or in the distribution of assets upon our liquidation, dissolution or winding up (including our common stock, "junior stock");

- senior to or on a parity with each other series of our preferred stock we may issue (except for any senior series that may be issued upon the requisite vote or consent of the holders of at least two thirds of the shares of the Series A at the time outstanding and entitled to vote, voting together with any other series of preferred stock that would be adversely affected by such issuance substantially in the same manner and entitled to vote as a single class in proportion to their respective stated amounts) with respect to the payment of dividends and distributions of assets upon any liquidation, dissolution or winding up of the Company; and

- junior to all existing and future indebtedness and other non-equity claims on us.

Dividends

Holders of Series A shall be entitled to receive, when, as and if declared by our board (or a duly authorized committee of the board), but only out of funds legally available therefor, cumulative cash dividends at the annual rate of 5.000% of the stated amount per share, and no more, payable quarterly in arrears on the 1st day of each February, May, August and November, respectively, in each year, beginning on February 1, 2020 (each, a “dividend payment date”), with respect to the dividend period (or portion thereof) ending on the day preceding such respective dividend payment date, to holders of record on the 15th calendar day before such dividend payment date or such other record date not more than 60 nor less than 10 days preceding such dividend payment date fixed for that purpose by our board (or a duly authorized committee of the board) in advance of payment of each particular dividend. The amount of the dividend per share of Series A for each dividend period (or portion thereof) is calculated on the basis of a 360-day year consisting of twelve 30-day months. If any dividend payment date is not a business day, the applicable dividend will be paid on the first business day following that day without adjustment. We will not pay interest or any sum of money instead of interest on any dividend payment that may be in arrears on the Series A.

“Dividend period” means each period commencing on (and including) a dividend payment date and continuing to (but not including) the next succeeding dividend payment date, except that the first dividend period for the initial issuance of shares of Series A shall commence on (and include) the original issue date.

A “business day” means each Monday, Tuesday, Wednesday, Thursday or Friday on which banking institutions in The City of New York are not authorized or obligated by law, regulation or executive order to close.

Restrictions on Dividends, Redemption and Repurchases

So long as any share of Series A remains outstanding, unless full accrued dividends on all outstanding shares of Series A through and including the most recently completed dividend period have been paid or declared and a sum sufficient for the payment thereof has been set aside for payment:

(i) no dividend may be declared or paid or set aside for payment on any junior stock, other than a dividend payable solely in stock that ranks junior to the Series A in the payment of dividends and in the distribution of assets on any liquidation, dissolution or winding up of the Company; and

(ii) no monies may be paid or made available for a sinking fund for the redemption or retirement of junior stock, nor shall any shares of junior stock be purchased, redeemed or otherwise acquired for consideration by us, directly or indirectly, other than:

- as a result of (x) a reclassification of junior stock, or (y) the exchange or conversion of one share of junior stock for or into another share of stock that ranks junior to the Series A in the payment of dividends and in the distribution of assets on any liquidation, dissolution or winding up of the Company; or

- through the use of the proceeds of a substantially contemporaneous sale of other shares of stock that ranks junior to the Series A in the payment of dividends and in the distribution of assets on any liquidation, dissolution or winding up of the Company; or

- purchases, redemptions or other acquisitions of shares of junior stock in connection with any employment contract, benefit plan, or other similar arrangement with or for the benefit of employees, officers, directors or consultants.

“Accrued dividends” means, with respect to shares of Series A, an amount computed at the annual dividend rate for Series A from, as to each share, the date of issuance of such share to and including the date to which such dividends are to be accrued (whether or not such dividends have been declared), less the aggregate amount of all dividends previously paid on such share.

If our board (or a duly authorized committee of the board) elects to declare only partial instead of full dividends for a dividend payment date and related dividend period on the shares of Series A or any class or series of our stock that ranks on a parity with Series A in the payment of dividends ("dividend parity stock"), then to the extent permitted by the terms of the Series A and each outstanding series of dividend parity stock such partial dividends shall be declared on shares of Series A and dividend parity stock, and dividends so declared shall be paid, as to any such dividend payment date and related dividend period in amounts such that the ratio of the partial dividends declared and paid on each such series to full dividends on each such series is the same. As used in this paragraph, "full dividends" means, as to the Series A and any dividend parity stock that bears dividends on a cumulative basis, the amount of dividends that would need to be declared and paid to bring the Series A and such dividend parity stock current in dividends, including undeclared dividends for past dividend periods (that is, for Series A, full accrued dividends). To the extent a dividend period with respect to the Series A or any series of dividend parity stock (in either case, the "first series") coincides with more than one dividend period with respect to another series as applicable (in either case, a "second series"), for purposes of the immediately preceding sentence our board (or a duly authorized committee of the board) may, to the extent permitted by the terms of each affected series, treat such dividend period for the first series as two or more consecutive dividend periods, none of which coincides with more than one dividend period with respect to the second series, or may treat such dividend period(s) with respect to any dividend parity stock and dividend period(s) with respect to the Series A for purposes of the immediately preceding sentence in any other manner that it deems to be fair and equitable in order to achieve ratable payments of dividends on such dividend parity stock and the Series A.

Subject to the foregoing, and not otherwise, such dividends (payable in cash, stock or otherwise) as may be determined by our board (or a duly authorized committee of the board) may be declared and paid on any junior stock from time to time out of any funds legally available therefor, and the shares of Series A shall not be entitled to participate in any such dividend.

Optional Redemption

The Series A is perpetual and has no maturity date. We may, at our option, redeem the shares of Series A:

(i) in whole or in part, at any time on or after December 12, 2024, at a cash redemption price equal to the stated amount (*i.e.*, $25,000 per share of Series A) (equivalent to $25.00 per depositary share), plus (except as otherwise provided herein) an amount equal to all accrued and unpaid dividends thereon (whether or not declared), to, but not including, the date fixed for redemption; or

(ii) in whole but not in part at any time within 90 days after the conclusion of any review or appeal process instituted by us following the occurrence of a ratings event at a cash redemption price equal to $25,500 per share of Series A (equivalent to $25.50 per depositary share), plus (except as otherwise provided herein) an amount equal to all accrued and unpaid dividends thereon (whether or not declared) to, but not including, the date fixed for redemption.

"Ratings event" means that any nationally recognized statistical rating organization as defined in Section 3(a)(62) of the Exchange Act or in any successor provision thereto, that then publishes a rating for us (a "rating agency") amends, clarifies or changes the criteria it uses to assign equity credit to securities such as the Series A, which amendment, clarification or change results in:

(i) the shortening of the length of time the Series A is assigned a particular level of equity credit by that rating agency as compared to the length of time they would have been assigned that level of equity credit by that rating agency or its predecessor on the initial issuance of the Series A; or

(ii) the lowering of the equity credit (including up to a lesser amount) assigned to the Series A by that rating agency as compared to the equity credit assigned by that rating agency or its predecessor on the initial issuance of the Series A.

The redemption price for any shares of Series A shall be payable on the redemption date to the holder of such shares against surrender of the certificate(s) evidencing such shares to us or our agent, if the shares of Series A are issued in certificated form. Any accrued but unpaid dividends payable on a redemption date that occurs subsequent to the applicable record date for a dividend period shall not be paid to the holder entitled to receive the redemption price on the redemption date, but rather shall be paid to the holder of record of the redeemed shares on such record date relating to the applicable dividend payment date.

In case of any redemption of only part of the shares of Series A at the time outstanding, the shares to be redeemed shall be selected either *pro rata* from the holders of record of Series A in proportion to the number of shares of Series A held by such holders or by lot. Subject to the provisions hereof, our board (or a duly authorized committee of the board) shall have full power and authority to prescribe the terms and conditions on which shares of Series A shall be redeemed from time to time. If we shall have issued certificates for the Series A and fewer than all shares represented by any certificates are redeemed, new certificates shall be issued representing the unredeemed shares without charge to the holders thereof.

Redemption Procedures

A notice of every redemption of shares of Series A shall be given by first class mail, postage prepaid, addressed to the holders of record of the shares to be redeemed at their respective last addresses appearing on our books. Such mailing shall be at least 30 days and not more than 60 days before the date fixed for redemption. Any notice mailed as provided in this paragraph shall be conclusively presumed to have been duly given, whether or not the holder receives such notice, but failure duly to give such notice by mail, or any defect in such notice or in the mailing thereof, to any holder of shares of Series A designated for redemption shall not affect the validity of the proceedings for the redemption of any other shares of Series A. Notwithstanding the foregoing, if the Series A or any depositary shares representing interests in the Series A are issued in book-entry form through The Depository Trust Company or any other similar facility, the Depositary Trust Company or such other facility will provide notice of redemption by any authorized method to holders of record of the applicable Series A or depositary shares representing interests in the Series A not less than 30, nor more than 60, days prior to the date fixed for redemption of the Series A and related depositary shares.

Each notice of redemption given to a holder shall state:

- the redemption date;
- the number of shares of the Series A to be redeemed and, if less than all shares of the Series A held by such holder are to be redeemed, the number of shares to be redeemed from such holder;
- the redemption price;
- the place or places where certificates for such shares are to be surrendered for payment of the redemption price; and
- that dividends will cease to accrue on the redemption date.

If notice of redemption has been duly given, and if on or before the redemption date specified in the notice all funds necessary for the redemption have been set aside by us, separate and apart from our other funds, in trust for the *pro rata* benefit of the holders of the shares called for redemption, so as to be and continue to be available for that purpose, then, notwithstanding that any certificate for any share so called for redemption has not been surrendered for cancellation in the case that the shares of Series A are issued in certificated form, on and after the redemption date dividends shall cease to accrue on all shares so called for redemption, all shares so called for redemption shall no longer be deemed outstanding and all rights with respect to such shares shall forthwith on such redemption date cease and terminate, except only the right of the holders thereof to receive the amount payable on such redemption, without interest. Any funds unclaimed at the end of two years from the redemption date, to the extent permitted by law, shall be released from the trust so established and may be commingled with our other funds, and after that time the holders of the shares so called for redemption shall look only to us for payment of the redemption price of such shares.

The Series A is not subject to any mandatory redemption, sinking fund or other similar provisions. Holders of Series A do not have the right to require redemption of any shares of Series A.

Liquidation Right

In the event of any liquidation, dissolution or winding up of the affairs of the Company, whether voluntary or involuntary, before any distribution or payment out of our assets may be made to or set aside for the holders of any junior stock, holders of Series A will be entitled to receive out of our assets legally available for distribution to our stockholders an amount equal to the stated amount per share, together with an amount equal to all accrued dividends to the date of payment whether or not earned or declared (the "liquidation preference").

If our assets are not sufficient to pay the liquidation preference in full to all holders of Series A and all holders of any class or series of our stock that ranks on a parity with Series A in the distribution of assets on liquidation, dissolution or winding up of the Company (the "liquidation preference parity stock"), the amounts paid to the holders of Series A and to the holders of all liquidation preference parity stock shall be *pro rata* in accordance with the respective aggregate liquidation preferences of Series A and all such liquidation preference parity stock. In any such distribution, the "liquidation preference" of any holder of our stock other than the Series A means the amount otherwise payable to such holder in such distribution (assuming no limitation on our assets available for such distribution), including an amount equal to any declared but unpaid dividends in the case of any holder of stock on which dividends accrue on a noncumulative basis and, in the case of any holder of stock on which dividends accrue on a cumulative basis, an amount equal to any unpaid, accrued, cumulative dividends, whether or not earned or declared, as applicable. If the liquidation preference has been paid in full to all holders of Series A and all holders of any liquidation preference parity stock, the holders of junior stock will be entitled to receive all of our remaining assets according to their respective rights and preferences.

For purposes of the liquidation rights, the merger, consolidation or other business combination of us with or into any other corporation, including a transaction in which the holders of Series A receive cash, securities or property for their shares, or the sale, conveyance, lease, exchange or transfer (for cash, shares of stock, securities or other consideration) of all or substantially all of our assets, shall not constitute a liquidation, dissolution or winding up of the Company.

Voting Rights

Except as indicated below or otherwise required by law, the holders of the Series A do not have any voting rights.

Right to Elect Two Directors on Nonpayment Events. If and whenever dividends payable on Series A have not been declared and paid in an aggregate amount equal to full dividends for at least six quarterly dividend periods or their equivalent (whether or not consecutive) (a "nonpayment event"), the number of directors then constituting our board shall be automatically increased by two and the holders of Series A, together with the holders of any and all other series of outstanding voting preferred stock then entitled to vote for additional directors, voting together as a single class in proportion to their respective stated amounts, shall be entitled to elect the two additional directors (the "preferred stock directors"); *provided* that our board shall at no time include more than two preferred stock directors (including, for purposes of this limitation, all directors that the holders of any series of voting preferred stock are entitled to elect pursuant to like voting rights).

"Voting preferred stock" means any other class or series of preferred stock that ranks equally with the Series A as to the payment of dividends and as to the distribution of assets upon liquidation, dissolution or winding up of the affairs of the Company and upon which like voting rights have been conferred and are exercisable.

In the event that the holders of Series A and such other holders of voting preferred stock shall be entitled to vote for the election of the preferred stock directors following a nonpayment event, such directors shall be initially elected following such nonpayment event only at a special meeting called at the request of the holders of record of at least 20% of (i) the stated amount of the Series A and (ii) each other series of voting preferred stock then outstanding (unless such request for a special meeting is received less than 90 days before the date fixed for the next annual or special meeting of our stockholders, in which event such election shall be held only at such next annual or special meeting of stockholders), and at each subsequent annual meeting of our stockholders. Such request to call a special meeting for the initial election of the preferred stock directors after a nonpayment event shall be made by written notice, signed by the requisite holders of Series A or voting preferred stock, and delivered to our Secretary in such manner as provided for in the certificate of designations creating the Series A, or as may otherwise be required or permitted by applicable law. If our Secretary fails to call a special meeting for the election of the preferred stock directors within 20 days of receiving proper notice, any holder of Series A may call such a meeting at our expense solely for the election of the preferred stock directors, and for this purpose and no other (unless provided otherwise by applicable law) such Series A holder shall have access to our stock ledger.

At each meeting of stockholders at which holders of the Series A and such other holders of voting preferred stock are entitled to vote for the election of the preferred stock directors, the holders of record of 40% of the total number of the Series A and voting preferred stock (determined on a series by series basis) entitled to vote at the meeting, present in person or by proxy, will constitute a quorum for the transaction of business. Each preferred stock director will be elected by a vote of the majority of the votes cast with respect to that preferred stock director's election.

When (i) accrued dividends have been paid in full on the Series A after a nonpayment event, and (ii) the rights of holders of any voting preferred stock to participate in electing the preferred stock directors shall have ceased, the right of holders of the Series A to participate in the election of preferred stock directors shall cease (but subject always to the revesting of such voting rights in the case of any future nonpayment event), the terms of office of all the preferred stock directors shall immediately terminate, and the number of directors constituting our board shall automatically be reduced accordingly.

Any preferred stock director may be removed at any time without cause by the holders of record of a majority of the outstanding shares of Series A and voting preferred stock, when they have the voting rights described above (voting together as a single class in proportion to their respective stated amounts). The preferred stock directors elected at any such special meeting shall hold office until the next annual meeting of the stockholders if such office shall not have previously terminated as above provided. In case any vacancy shall occur among the preferred stock directors, a successor shall be elected by our board to serve until the next annual meeting of the stockholders on the nomination of the then remaining preferred stock director or, if no preferred stock director remains in office, by the vote of the holders of record of a majority of the outstanding shares of Series A and such voting preferred stock for which dividends have not been paid, voting as a single class in proportion to their respective stated amounts. The preferred stock directors shall each be entitled to one vote per director on any matter that shall come before our board for a vote.

Other Voting Rights

So long as any shares of the Series A are outstanding, in addition to any other vote or consent of stockholders required by law or by our Restated Certificate of Incorporation, the vote or consent of the holders of at least two-thirds of the shares of Series A at the time outstanding, voting together with any other series of preferred stock that would be adversely affected in substantially the same manner and entitled to vote as a single class in proportion to their respective stated amounts (to the exclusion of all other series of preferred stock), given in person or by proxy, either in writing without a meeting or by vote at any meeting called for the purpose, will be necessary for effecting or validating:

- **Amendment of Restated Certificate of Incorporation or Bylaws**. Any amendment, alteration or repeal of any provision of our Restated Certificate of Incorporation or Bylaws that would alter or change the voting powers, preferences or special rights of the Series A so as to affect them adversely; *provided*, *however*, that the amendment of the Restated Certificate of Incorporation so as to authorize or create, or to increase the authorized amount of, any class or series of stock that does not rank senior to the Series A in either the payment of dividends or in the distribution of assets on any liquidation, dissolution or winding up of the Company shall not be deemed to affect adversely the voting powers, preferences or special rights of the Series A;

- **Authorization of Senior Stock**. Any amendment or alteration of the certificate of incorporation to authorize or create, or increase the authorized amount of, any shares of any class or series or any securities convertible into shares of any class or series of our capital stock ranking prior to Series A in the payment of dividends or in the distribution of assets on any liquidation, dissolution or winding up of the Company; or

- **Share Exchanges, Reclassifications, Mergers and Consolidations and Other Transactions**. Any consummation of (x) a binding share exchange or reclassification involving the Series A or (y) a merger or consolidation of the Company with another entity (whether or not a corporation), unless in each case (A) the shares of Series A remain outstanding or, in the case of any such merger or consolidation with respect to which we are not the surviving or resulting entity, the shares of Series A are converted into or exchanged for preference securities of the surviving or resulting entity or its ultimate parent and such surviving or resulting entity or ultimate parent, as the case may be, is organized under the laws of the United States or a state thereof, and (B) such shares remaining outstanding or such preference securities, as the case may be, have such rights, preferences, privileges and voting powers, and limitations and restrictions, and limitations and restrictions thereof, taken as a whole, as are not materially less favorable to the holders thereof than the rights, preferences, privileges and voting powers, and restrictions and limitations thereof, of the Series A immediately prior to such consummation, taken as a whole.

To the fullest extent permitted by law, without the consent of the holders of the Series A, so long as such action does not adversely affect the special rights, preferences, privileges and voting powers, and limitations and restrictions thereof, of the Series A, we may amend, alter, supplement or repeal any terms of the Series A contained in our Restated Certificate of Incorporation or the certificate of designations for the following purposes:

(i) to cure any ambiguity, omission, inconsistency or mistake in any such instrument; or

(ii) to make any provision with respect to matters or questions relating to the Series A that is not inconsistent with the provisions of the certificate of designations.

The foregoing voting provisions will not apply if, at or prior to the time when the act with respect to which the vote would otherwise be required shall be effected, all outstanding shares of the Series A have been redeemed or called for redemption on proper notice and sufficient funds have been set aside by us for the benefit of the holders of the Series A to effect the redemption, unless in the case of a vote or consent required to authorize senior stock if the shares of Series A are being redeemed with the proceeds from the sale of the stock to be authorized.

Under current provisions of the Delaware General Corporation Law, the holders of issued and outstanding preferred stock are entitled to vote as a class, with the consent of the majority of the class being required to approve an amendment to our Restated Certificate of Incorporation if the amendment would increase or decrease the aggregate number of authorized shares of such class or increase or decrease the par value of the shares of such class.

No Preemptive and Conversion Rights

Holders of the Series A do not have any preemptive rights. The Series A is not convertible into or exchangeable for property or shares of any other series or class of our capital stock.

Additional Classes or Series of Stock

We have the right to create and issue additional classes or series of stock ranking equally with or junior to the Series A as to dividends and distribution of assets upon our liquidation, dissolution, or winding up without the consent of the holders of the Series A, or the holders of the related depositary shares.

Transfer Agent and Registrar

Computershare Trust Company, N.A. is the transfer agent and registrar for the Series A as of the original issue date. We may terminate such appointment and may appoint a successor transfer agent and/or registrar at any time and from time to time, provided that we will use our best efforts to ensure that there is, at all relevant times when the Series A is outstanding, a person or entity appointed and serving as transfer agent and/or registrar. The transfer agent and/or registrar may be a person or entity affiliated with us.

DESCRIPTION OF THE DEPOSITARY SHARES

General

We have issued fractional interests in shares of the Series A in the form of depositary shares. Each depositary share represents a 1/1,000th ownership interest in a share of the Series A and is evidenced by a depositary receipt.

The Series A represented by depositary shares has been deposited under a deposit agreement among us, Computershare Inc. and Computershare Trust Company, N.A., as the Depositary, and the holders from time to time of the depositary receipts evidencing the depositary shares. Subject to the terms of the deposit agreement, each holder of a depositary share is entitled, through the Depositary, in proportion to the applicable fraction of a share of the Series A represented by such depositary shares, to all the rights and preferences of the Series A represented thereby (including dividend, voting, redemption and liquidation rights).

The depositary shares are listed on the NYSE under the symbol “T PRA”.

Dividends and Other Distributions

Each dividend on a depositary share will be in an amount equal to 1/1,000th of the dividend declared on the related share of the Series A.

The Depositary distributes any cash dividends or other cash distributions received in respect of the deposited Series A to the record holders of depositary shares relating to the underlying Series A in proportion to the number of depositary shares held by each holder on the relevant record date. The Depositary distributes any property received by it other than cash to the record holders of depositary shares entitled to those distributions in proportion to the number of depositary shares held by each such holder, unless it determines that the distribution cannot be made proportionally among those holders or that it is not feasible to make such distribution. In that event, the Depositary may, with our approval, sell such property received by it and distribute the net proceeds from the sale to the holders of the depositary shares entitled to such distribution in proportion to the number of depositary shares they hold.

Record dates for the payment of dividends and other matters relating to the depositary shares are the same as the corresponding record dates for the Series A.

The amounts distributed to holders of depositary shares are reduced by any amounts required to be withheld by the Depositary or by us on account of taxes or other governmental charges.

Redemption of Depositary Shares

If we redeem the Series A represented by the depositary shares, in whole or in part, a corresponding number of depositary shares will be redeemed from the proceeds received by the Depositary resulting from the redemption of the Series A held by the Depositary. The redemption price per depositary share will be equal to 1/1,000th of the redemption price per share payable with respect to the Series A, plus an amount equal to any dividends thereon that, pursuant to the provisions of the Certificate of Designations, are payable upon redemption. Whenever we redeem shares of the Series A held by the Depositary, the Depositary will redeem, as of the same redemption date, the number of depositary shares representing shares of the Series A so redeemed.

In case of any redemption of less than all of the outstanding depositary shares, the depositary shares to be redeemed will be selected by the Depositary either *pro rata* or by lot. In any such case, we will redeem depositary shares only in increments of 1,000 depositary shares and any integral multiple thereof.

The Depositary will provide notice of redemption by any authorized method to holders of the depositary shares not less than 30 and not more than 60 days prior to the date fixed for redemption of the Series A and the related depositary shares.

After the date fixed for redemption, the depositary shares called for redemption will no longer be deemed to be outstanding, and all rights of the holders of those shares will cease, except the right to receive the amount payable and any other property to which the holders were entitled upon the redemption. To receive this amount or other property, the holders must surrender the depositary receipts evidencing their depositary shares to the depositary. Any funds that we deposit with the Depositary for any depositary shares that the holders fail to redeem will be returned to us after a period of two years from the date we deposit the funds.

Voting the Shares

Because each depositary share represents a 1/1,000th interest in a share of the Series A, holders of depositary shares are entitled to a 1/1,000th of a vote per depositary share under those limited circumstances in which holders of the Series A are entitled to a vote, as described above in "Description of the 5.000% Perpetual Preferred Stock, Series A—Voting Rights."

When the depositary receives notice of any meeting at which the holders of the Series A are entitled to vote, the Depositary will mail (or otherwise transmit by an authorized method) the information contained in the notice to the record holders of the depositary shares relating to the Series

Each record holder of the depositary shares on the record date, which will be the same date as the record date for the Series A, may instruct the Depositary to vote the amount of the Series A represented by the holder's depositary shares. Although each depositary share is entitled to 1/1,000th of a vote, the Depositary can only vote whole shares of Series A. To the extent possible, the Depositary will vote the amount of the Series A represented by depositary shares in accordance with the instructions it receives. We will agree to take all reasonable actions that the Depositary determines are necessary to enable the Depositary to vote as instructed. If the Depositary does not receive specific instructions from the holders of any depositary shares representing the Series A, it will not vote the amount of the Series A represented by such depositary shares.

Form of the Depositary Shares

The depositary shares are issued in book-entry form through DTC. The Series A is issued in registered form to the Depositary.

DESCRIPTION OF THE FLOATING RATE GLOBAL NOTES DUE 2020 AND THE FLOATING RATE GLOBAL NOTES DUE 2023

The following summary of AT&T's above referenced debt securities is based on and qualified by the indenture, dated as of May 15, 2013, with The Bank of New York Mellon Trust Company, N.A., acting as trustee (the "Indenture") and the Floating Rate Global Notes due 2020 (the "Floating Rate 2020 Notes") and Floating Rate Global Notes due 2023 (the "Floating Rate 2023 Notes" and, together with the Floating Rate 2020 Notes, the "Notes"). For a complete description of the terms and provisions of the Notes, please refer to the Indenture, which is filed as an exhibit to AT&T's Annual Report on Form 10-K for the year ended December 31, 2019 and to the forms of Notes, which are filed as exhibits to the Form 8-A filed with the Securities and Exchange Commission on June 21, 2017 and August 3, 2018.

General

The Floating Rate 2020 Notes:

- were issued in an aggregate initial principal amount of €2,250,000,000, which remains the amount outstanding, subject to our ability to issue additional Floating Rate 2020 Notes which may be of the same series as the Floating Rate 2020 Notes as described under "— Further Issues";
- mature on August 3, 2020;
- bear interest at the applicable interest rate on the Floating Rate 2020 Notes in effect for each day of an Interest Period (as defined below) equal to the Applicable EURIBOR Rate plus 40 basis points (0.400%), payable quarterly in arrears;
- are repayable at par at maturity;
- are redeemable by us in connection with certain tax events as described below under "— Redemption Upon a Tax Event"; and
- are not subject to any sinking fund.

The Floating Rate 2023 Notes:

- were issued in an aggregate initial principal amount of €878,507,000, which remains the amount outstanding, subject to our ability to issue additional Floating Rate 2023 Notes which may be of the same series as the Floating Rate 2023 Notes as described under "— Further Issues";
- mature on September 5, 2023;
- bear interest at the applicable interest rate on the Floating Rate 2023 Notes in effect for each day of an Interest Period (as defined below) equal to the Applicable EURIBOR Rate plus 85 basis points (0.850%), payable quarterly in arrears;
- are repayable at par at maturity;
- are redeemable by us in connection with certain tax events as described below under "— Redemption Upon a Tax Event"; and
- are not subject to any sinking fund.

The Notes are our unsecured and unsubordinated obligations and rank *pari passu* with all other indebtedness issued under our Indenture. Each series of Notes constitutes a separate series under the Indenture. The Notes are issued in fully registered form only and in minimum denominations of €100,000 and integral multiples of €1,000 in excess thereof. Principal and interest payments on the Notes are payable by us in euro. Payments of principal, interest and additional amounts, if any, in respect of the Notes will be made to Euroclear System, Clearstream Banking S.A. or such nominee or common depositary, as the case may be, as registered holder thereof. Under the terms of the Indenture, if the euro ceases to exist when payments on the Notes are due under any circumstances, AT&T may supplement the Indenture to allow for payment in U.S. dollars. The principal and interest payable in U.S. dollars on a Note at maturity, or upon redemption, will be paid by wire transfer of immediately available funds against presentation of a Note at the office of the paying agent.

Interest

The Floating Rate 2020 Notes bear interest from August 3, 2018 at a floating rate determined in the manner provided below, payable on February 3, May 3, August 3 and November 3 of each year (each such day, an "interest payment date"), commencing on November 3, 2018, to the persons in whose names the Floating Rate 2020 Notes are registered at the close of business on the 15th day preceding the respective interest payment date, subject to certain exceptions. The per annum interest rate on the Floating Rate 2020 Notes in effect for each day of an Interest Period is equal to the Applicable EURIBOR Rate plus 40 basis points (0.400%). The interest rate for the Floating Rate 2020 Notes for each Interest Period is set on February 3, May 3, August 3 and November 3 of each year, and was set for the initial Interest Period on August 3, 2018 (each such date, a "2020 Interest Reset Date") until the principal on the Floating Rate 2020 Notes is paid or made available for payment (the "2020 Principal Payment Date"). If any 2020 Interest Reset Date (other than the initial 2020 Interest Reset Date occurring on August 3, 2018) and interest payment date would otherwise be a day that is not a EURIBOR business day, such 2020 Interest Reset Date and interest payment date shall be the next succeeding EURIBOR business day, unless the next succeeding EURIBOR business day is in the next succeeding calendar month, in which case such 2020 Interest Reset Date and interest payment date shall be the immediately preceding EURIBOR business day.

The Floating Rate 2023 Notes bear interest from December 4, 2018 at a floating rate determined in a manner provided below, payable on March 4, June 4, September 4 and December 4 of each year (each such day, an "interest payment date"), commencing on March 4, 2019, to the persons in whose names the Floating Rate 2023 Notes are registered at the close of business on the 15th day preceding the respective interest payment date, subject to certain exceptions, including that the last interest payment date will be made on the maturity date, rather than the final interest payment date (a difference of one day). The per annum interest rate on the Floating Rate 2023 Notes in effect for each day of an Interest Period is equal to the Applicable EURIBOR Rate plus 85 basis points (0.850%). The interest rate for the Floating Rate 2023 Notes for each Interest Period is set on March 4, June 4, September 4 and December 4 of each year, and was set for the initial Interest Period on December 4, 2018 (each such date, a "2023 Interest Reset Date" and, together with a 2020 Interest Reset Date, such individual date, an "Interest Reset Date") until the principal on the Floating Rate 2023 Notes is paid or made available for payment (the "2023 Principal Payment Date" and, together with the 2020 Principal Payment Date, the "Principal Payment Date"); provided that the last 2023 Interest Reset Date will be on June 4, 2023, and will be calculated for the entire Interest Period, which for the avoidance of doubt, will include one additional day. If any 2023 Interest Reset Date (other than the initial 2023 Interest Reset Date which occurred on December 4, 2018) and interest payment date would otherwise be a day that is not a EURIBOR business day, such 2023 Interest Reset Date and interest payment date shall be the next succeeding EURIBOR business day, unless the next succeeding EURIBOR business day is in the next succeeding calendar month, in which case such 2023 Interest Reset Date and interest payment date shall be the immediately preceding EURIBOR business day.

"EURIBOR business day" means any day that is not a Saturday or Sunday and that, in the City of New York or the City of London, is not a day on which banking institutions are generally authorized or obligated by law to close, and is a day on which the TARGET System, or any successor thereto, operates.

"Interest Period" means, with respect to each series of Notes, the relevant period from and including an Interest Reset Date to but excluding the next succeeding Interest Reset Date and, in the case of the last such period, from and including the relevant Interest Reset Date immediately preceding the maturity date or Principal Payment Date, as the case may be, to but not including such maturity date or Principal Payment Date, as the case may be. If the Principal Payment Date or maturity date is not a EURIBOR business day, then the principal amount of the Notes plus accrued and unpaid interest thereon shall be paid on the next succeeding EURIBOR business day and no interest shall accrue for the maturity date, Principal Payment Date or any day thereafter.

The "Applicable EURIBOR Rate" means the rate determined in accordance with the following provisions:

(1) Two prior TARGET days on which dealings in deposits in euros are transacted in the euro-zone interbank market preceding each Interest Reset Date (each such date, an "Interest Determination Date"), The Bank of New York Mellon, London Branch (the "Calculation Agent"), as agent for AT&T, will determine the Applicable EURIBOR Rate which shall be the rate for deposits in euro having a maturity of three months commencing on the

first day of the applicable interest period that appears on (i) the Bloomberg Screen BBAM Page, with respect to the Floating Rate 2020 Notes, or (ii) the Reuters Screen EURIBOR01 Page, with respect to the Floating Rate 2023 Notes, as of 11:00 a.m., Brussels time, on such Interest Determination Date. "Bloomberg Screen BBAM Page" means the display designated on page "BBAM" on Bloomberg (or such other page as may replace the "BBAM" page on that service or any successor service for the purpose of displaying euro-zone interbank offered rates for euro-denominated deposits of major banks). "Reuters Screen EURIBOR01 Page" means the display designated on page "EURIBOR01" on Reuters (or such other page as may replace the EURIBOR01 page on that service or any successor service for the purpose of displaying euro-zone interbank offered rates for euro-denominated deposits of major banks). If the Applicable EURIBOR Rate on such Interest Determination Date does not appear on the Bloomberg Screen BBAM Page or the Reuters Screen EURIBOR01 Page, as applicable, the Applicable EURIBOR Rate will be determined as described in (2) below.

(2) With respect to an Interest Determination Date for which the Applicable EURIBOR Rate does not appear on the Bloomberg Screen BBAM Page or the Reuters Screen EURIBOR01 Page, as applicable, as specified in (1) above, the Applicable EURIBOR Rate will be determined on the basis of the rates at which deposits in euro are offered by four major banks in the euro-zone interbank market selected by AT&T (the "Reference Banks") at approximately 11:00 a.m., Brussels time, on such Interest Determination Date to prime banks in the euro-zone interbank market having a maturity of three months, and in a principal amount equal to an amount of not less than €1,000,000 that is representative for a single transaction in such market at such time. The Calculation Agent, upon direction from AT&T, will request the principal euro-zone office of each of such Reference Banks to provide a quotation of its rate. If at least two such quotations are provided, the Applicable EURIBOR Rate on such Interest Determination Date will be the arithmetic mean (rounded upwards) of such quotations. If fewer than two quotations are provided, the Applicable EURIBOR Rate on such Interest Determination Date will be the arithmetic mean (rounded upwards) of the rates quoted by three major banks in the euro-zone selected by AT&T at approximately 11:00 a.m., Brussels time, on such Interest Determination Date for loans in euro to leading European banks, having a maturity of three months, and in a principal amount equal to an amount of not less than €1,000,000 that is representative for a single transaction in such market at such time; provided, however, that if the banks so selected as aforesaid by AT&T are not quoting as mentioned in this sentence, the relevant interest rate for the Interest Period commencing on the Interest Reset Date following such Interest Determination Date will be the interest rate in effect on such Interest Determination Date (i.e., the same as the rate determined for the immediately preceding Interest Reset Date).

The amount of interest for each day that the Notes are outstanding (the "Daily Interest Amount") is calculated by dividing the interest rate in effect for such day by 360 and multiplying the result by the principal amount of the Note (known as the "Actual/360" day count). The amount of interest paid on the Notes for any Interest Period is calculated by adding the Daily Interest Amount for each day in such Interest Period.

The interest rate and amount of interest paid on the Notes for each Interest Period is determined by the Calculation Agent. With respect to the Floating Rate 2020 Notes, the interest rate will in no event be lower than zero or higher than the maximum rate permitted by New York law as the same may be modified by United States law of general application. The Calculation Agent will, upon the request of any holder of the Notes, provide the interest rate then in effect with respect to the Notes. All calculations made by the Calculation Agent shall in the absence of manifest error be conclusive for all purposes and binding on AT&T and the holders of the Notes. So long as the Applicable EURIBOR Rate is required to be determined with respect to the Notes, there will at all times be a Calculation Agent. In the event that any then acting Calculation Agent shall be unable or unwilling to act, or that such Calculation Agent shall fail to duly establish the Applicable EURIBOR Rate for any Interest Period, or that AT&T proposes to remove such Calculation Agent, AT&T shall appoint itself or another person which is a bank, trust company, investment banking firm or other financial institution to act as the Calculation Agent.

Payment of Additional Amounts

We will, subject to the exceptions and limitations set forth below, pay as additional interest on the Notes such additional amounts as are necessary so that the net payment by us or our paying agent of the principal of and interest on the Notes to a person that is a United States Alien, after deduction for any present or future tax, assessment or governmental charge of the United States or a political subdivision or taxing authority thereof or therein, imposed by withholding with respect to the payment, will not be less than the amount that would have been payable in respect of the Notes had no withholding or deduction been required. As used herein, "United States Alien" means any person who, for United States federal income tax purposes, is a foreign corporation, a non-resident alien individual, a non-resident alien fiduciary of a foreign estate or trust, or a foreign partnership one or more of the members of which is, for United States federal income tax purposes, a foreign corporation, a non-resident alien individual or a non-resident alien fiduciary of a foreign estate or trust.

Our obligation to pay additional amounts shall not apply:

(1) to any tax, assessment or governmental charge that is imposed or withheld solely because the beneficial owner, or a fiduciary, settlor, beneficiary or member of the beneficial owner if the beneficial owner is an estate, trust or partnership, or a person holding a power over an estate or trust administered by a fiduciary holder:

(a) is or was present or engaged in a trade or business in the United States, has or had a permanent establishment in the United States, or has any other present or former connection with the United States or any political subdivision or taxing authority thereof or therein;

(b) is or was a citizen or resident or is or was treated as a resident of the United States;

(c) is or was a foreign or domestic personal holding company, a passive foreign investment company or a controlled foreign corporation with respect to the United States or is or was a corporation that has accumulated earnings to avoid United States federal income tax;

(d) is or was a bank receiving interest described in Section 881(c)(3)(A) of the Internal Revenue Code of 1986, as amended (the "Code"); or

(e) is or was an actual or constructive owner of 10% or more of the total combined voting power of all classes of stock of AT&T entitled to vote;

(2) to any holder that is not the sole beneficial owner of the Notes, or a portion thereof, or that is a fiduciary or partnership, but only to the extent that the beneficial owner, a beneficiary or settlor with respect to the fiduciary, or a member of the partnership would not have been entitled to the payment of an additional amount had such beneficial owner, beneficiary, settlor or member received directly its beneficial or distributive share of the payment;

(3) to any tax, assessment or governmental charge that is imposed or withheld solely because the beneficial owner or any other person failed to comply with certification, identification or information reporting requirements concerning the nationality, residence, identity or connection with the United States of the holder or beneficial owner of the Notes, if compliance is required by statute, by regulation of the United States Treasury Department or by an applicable income tax treaty to which the United States is a party as a precondition to exemption from such tax, assessment or other governmental charge;

(4) to any tax, assessment or governmental charge that is imposed other than by deduction or withholding by AT&T or a paying agent from the payment;

(5) to any tax, assessment or governmental charge that is imposed or withheld solely because of a change in law, regulation, or administrative or judicial interpretation that is announced or becomes effective after the day on which the payment becomes due or is duly provided for, whichever occurs later;

(6) to an estate, inheritance, gift, sales, excise, transfer, wealth or personal property tax or any similar tax, assessment or governmental charge;

(7) to any tax, assessment or other governmental charge any paying agent (which term may include us) must withhold from any payment of principal of or interest on any Note, if such payment can be made without such withholding by any other paying agent; or

(8) in the case of any combination of the above items.

In addition, any amounts to be paid on the Notes will be paid net of any deduction or withholding imposed or required pursuant to Sections 1471 through 1474 of the Code, any current or future regulations or official interpretations thereof, any agreement entered into pursuant to Section 1471(b) of the Code, or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of such Sections of the Code, and no additional amounts will be required to be paid on account of any such deduction or withholding.

The Notes are subject in all cases to any tax, fiscal or other law or regulation or administrative or judicial interpretation applicable. Except as specifically provided under this heading "— Payment of Additional Amounts" and under the heading "— Redemption Upon a Tax Event", we do not have to make any payment with respect to any tax, assessment or governmental charge imposed by any government or a political subdivision or taxing authority.

Any reference in the terms of the Notes of each series to any amounts in respect of the Notes shall be deemed also to refer to any additional amounts which may be payable under this provision.

Redemption Upon a Tax Event

If (a) we become or will become obligated to pay additional amounts with respect to any Notes as described herein under the heading "— Payment of Additional Amounts" as a result of any change in, or amendment to, the laws (or any regulations or rulings promulgated thereunder) of the United States (or any political subdivision or taxing authority thereof or therein), or any change in, or amendments to, any official position regarding the application or interpretation of such laws, regulations or rulings, which change or amendment is announced or becomes effective, on or after February 15, 2018 with respect to the Floating Rate 2023 Notes and July 30, 2018 with respect to the Floating Rate 2020 Notes, or (b) a taxing authority of the United States takes an action on or after February 15, 2018 with respect to the Floating Rate 2023 Notes and July 30, 2018 with respect to the Floating Rate 2020 Notes, whether or not with respect to us or any of our affiliates, that results in a substantial probability that we will or may be required to pay such additional amounts, then we may, at our option, redeem, as a whole, but not in part, the applicable series of Notes on any interest payment date on not less than 30 nor more than 60 calendar days' prior notice, at a redemption price equal to 100% of their principal amount, together with interest accrued thereon to the date fixed for redemption. No redemption pursuant to (b) above may be made unless we shall have received an opinion of independent counsel to the effect that an act taken by a taxing authority of the United States results in a substantial probability that we will or may be required to pay the additional amounts described herein under the heading "— Payment of Additional Amounts" and we shall have delivered to the trustee a certificate, signed by a duly authorized officer, stating that based on such opinion we are entitled to redeem the Notes pursuant to their terms.

Further Issues

We may from time to time, without notice to or the consent of the holders of any series of the Notes, create and issue further notes ranking equally and ratably with such series in all respects, or in all respects except for the payment of interest accruing prior to the issue date or except for the first payment of interest following the issue date of those further notes. Any further notes will have the same terms as to status, redemption or otherwise as, and will be fungible for United States federal income tax purposes with, the Notes of the applicable series. Any further notes shall be issued pursuant to a resolution of our board of directors, a supplement to the Indenture, or under an officers' certificate pursuant to the Indenture.

Governing Law

The Notes will be governed by and interpreted in accordance with the laws of the State of New York.

Special Situations Covered by Our Indenture

Mergers and Similar Transactions

We are generally permitted to consolidate or merge with another company. We are also permitted to sell substantially all of our assets to another company. However, we may not take any of these actions unless all the following conditions are met:

- Where we merge out of existence or sell our assets, the company we merge into or sell to may not be organized under the laws of a foreign country. It must be a corporation organized under the laws of the United States, any State thereof, or the District of Columbia.

- The company we merge into or sell to must agree to be legally responsible for our debt securities.

- The merger, sale of assets or other transaction must not cause a default on the securities, and we must not already be in default, unless the merger or other transaction would cure the default. For purposes of this no-default test, a default would include an event of default that has occurred and not been cured, as described below under " —Default and Related Matters — Events of Default — What Is an Event of Default?" A default for this purpose would also include any event that would be an event of default if the requirements for giving us default notice or our default having to exist for a specific period of time were disregarded.

Further, we may buy substantially all of the assets of another company without complying with any of the foregoing conditions.

Modification and Waiver of Holders' Contractual Rights

Under certain circumstances, we can make changes to the Indenture and the securities (including the Notes). Some types of changes require the approval of each security holder affected, some require approval by a majority vote, and some changes do not require any approval at all.

Changes Requiring Approval of Holders. First, there are changes that cannot be made to the securities without specific approval of holders. The following is a list of those types of changes:

- to reduce the percentage of holders of securities who must consent to a waiver or amendment of the Indenture;
- to reduce the rate of interest on any security or change the time for payment of interest;
- to reduce the principal due on any security or change the fixed maturity of any security;
- to waive a default in the payment of principal or interest on any security;
- to change the currency of payment on a security, unless the security provides for payment in a currency that ceases to exist;
- in the case of convertible or exchangeable securities, to make changes to conversion or exchange rights that would be adverse to the interests of holders;
- to change the right of holders to waive an existing default by majority vote;
- to reduce the amount of principal or interest payable to holders following a default or change any conversion or exchange rights, or impair the right of holders to sue for payment; and
- to make any change to this list of changes that requires specific approval of holders.

Changes Requiring a Majority Vote . The second type of change to the Indenture and the securities is the kind that requires a vote in favor by security holders owning a majority of the principal amount of the particular series affected. Most changes fall into this category, except as set forth in the following paragraph. The same vote would be required for us to obtain a waiver of an existing default. However, we cannot obtain a waiver of a payment default unless we obtain each holder's individual consent to the waiver.

Changes Not Requiring Approval of Holders. The third type of change does not require any vote by holders of securities. This type includes, among others, clarifications of ambiguous contract terms, changes to make securities payable in U.S. dollars (if the stated denomination ceases to exist) and other changes that would not materially adversely affect holders of the securities.

Further Details Concerning Voting. When taking a vote, we will use the following rules to decide how much principal amount to attribute to a security:

- For securities denominated in one or more foreign currencies or currency units, we will use the U.S. dollar equivalent determined on the date of original issuance of these securities.

Securities will not be considered outstanding, and therefore not eligible to vote, if we have deposited or set aside in trust for the applicable holders money for their payment or redemption. A security does not cease to be outstanding because we or an affiliate of us is holding the security.

We will generally be entitled to set any day as a record date for the purpose of determining the holders of outstanding securities that are entitled to vote or take other action under the Indenture. However, the Indenture does not oblige us to fix any record date at all. If we set a record date for a vote or other action to be taken by holders of a particular series, that vote or action may be taken only by persons who are holders of outstanding securities of that series on the record date and must be taken within 90 days following the record date.

Holders who hold in "street name" and other indirect holders, including holders of any securities issued as global securities, should consult their banks or brokers for information on how approval may be granted or denied if we seek to change the Indenture or the securities or request a waiver.

Discharge of Our Obligations

We can fully discharge ourselves from any payment or other obligations on the securities of any series if we make a deposit for the applicable holders with the trustee and certain other conditions are met. The deposit must be held in trust for the benefit of all direct holders of the securities and must be a combination of money and U.S. government or U.S. government agency notes or bonds that will generate enough cash to make interest, principal and any other payments on the securities on their various due dates.

However, we cannot discharge ourselves from the obligations under any convertible or exchangeable securities, unless we provide for it in the terms of these securities.

If we accomplish full discharge, as described above, holders will have to rely solely on the trust deposit for repayment of the securities. Holders could not look to us for repayment in the unlikely event of any shortfall. Conversely, the trust deposit would most likely be protected from claims of our lenders and other creditors if we ever become bankrupt or insolvent.

We will indemnify the trustee and holders against any tax, fee or other charge imposed on the U.S. government obligations we deposited with the trustee or against the principal and interest received on these obligations.

Liens on Assets

The Indenture does not restrict us from pledging or otherwise encumbering any of our assets and those of our subsidiaries.

Default and Related Matters

Ranking Compared to Other Creditors

The securities are not secured by any of our property or assets. Accordingly, ownership of securities means each holder is one of our unsecured creditors. The securities are not subordinated to any of our other debt obligations and therefore they rank equally with all our other unsecured and unsubordinated indebtedness. However, the trustee has a right to receive payment for its administrative services prior to any payment to security holders after a default.

Events of Default

Holders will have special rights if an event of default occurs and is not cured, as described later in this subsection.

What Is an Event of Default? The term "event of default" with respect to any series of securities means any of the following:

- We fail to make any interest payment on the securities of such series when it is due, and we do not cure this default within 90 days.

- We fail to make any payment of principal when it is due at the maturity of such series of securities or upon redemption.
- We fail to comply with any of our other agreements regarding a particular series of securities or with a supplemental indenture, and after we have been notified of the default by the trustee or holders of 25% in principal amount of the series, we do not cure the default within 90 days.
- We file for bankruptcy, or other events in bankruptcy, insolvency or reorganization occur.

Remedies if an Event of Default Occurs

Holders and the trustee will have the following remedies if an event of default occurs:

Acceleration. If an event of default has occurred and has not been cured or waived, then the trustee or the holders of 25% in principal amount of the securities of the affected series may declare the entire principal amount of and any accrued interest on all the securities of that series to be due and immediately payable. An acceleration of maturity may be cancelled by the holders of at least a majority in principal amount of the securities of the affected series, if all events of default have been cured or waived.

Special Duties of Trustee. If an event of default occurs, the trustee will have some special duties. In that situation, the trustee will be obligated to use those of its rights and powers under the Indenture, and to use the same degree of care and skill in doing so, that a prudent person would use in that situation in conducting his or her own affairs.

Other Remedies of Trustee. If an event of default occurs, the trustee is authorized to pursue any available remedy to collect defaulted principal and interest and to enforce other provisions of the securities and the Indenture, including bringing a lawsuit.

Majority Holders May Direct the Trustee to Take Actions to Protect Their Interests. The trustee is not required to take any action under the Indenture at the request of any holders unless the holders offer the trustee reasonable protection from expenses and liability. This is called an “indemnity”. If the trustee is provided with an indemnity reasonably satisfactory to it, the holders of a majority in principal amount of the relevant series of debt securities may direct the time, method and place of conducting any lawsuit or other formal legal action seeking any remedy available to the trustee. These majority holders may also direct the trustee in performing any other action under the Indenture.

Individual Actions Holders May Take if the Trustee Fails to Act. Before a holder bypasses the trustee and brings such holder’s own lawsuit or other formal legal action or take other steps to enforce such holder’s rights or protect such holder’s interests relating to the securities, the following must occur:

- Such holder must give the trustee written notice that an event of default has occurred and remains uncured.
- The holders of 25% in principal amount of all outstanding securities of the relevant series must make a written request that the trustee take action because of the default, and must offer indemnity reasonably satisfactory to the trustee against the cost and other liabilities of taking that action.
- The trustee must not have taken action for 60 days after receipt of the above notice and offer of indemnity.
- During the 60-day period, the holders of a majority in principal amount of the securities of that series do not give the trustee a direction inconsistent with the request.

However, a holder is entitled at any time to bring an individual lawsuit for the payment of the money due on such holder’s security on or after its due date.

Waiver of Default

The holders of a majority in principal amount of the relevant series of debt securities may waive a default for all the relevant series of debt securities. If this happens, the default will be treated as if it had not occurred. No one can waive a payment default on a holder’s debt security, however, without such holder’s individual approval.

We Will Give the Trustee Information About Defaults Annually

Every year we will give to the trustee a written statement of one of our officers certifying that to the best of his or her knowledge we are in compliance with the Indenture and all the securities under it, or else specifying any default.

The trustee may withhold from holders notice of any uncured default, except for payment defaults, if it determines that withholding notice is in holders' interest.

Holders who hold in "street name" and other indirect holders should consult their banks or brokers for information on how to give notice or direction to or make a request of the trustee and how to make or cancel a declaration of acceleration.

Regarding the Trustee

The Bank of New York Mellon Trust Company, N.A. is the trustee under the Indenture. In addition, affiliates of The Bank of New York Mellon Trust Company, N.A. may perform various commercial banking and investment banking services for us and our subsidiaries from time to time in the ordinary course of business.

DESCRIPTION OF THE 1.875% GLOBAL NOTES DUE 2020, 2.500% GLOBAL NOTES DUE 2023 AND THE 3.550% GLOBAL NOTES DUE 2032

The following summary of AT&T's above referenced debt securities is based on and qualified by the indenture, dated as of November 1, 1994, with The Bank of New York Mellon acting as trustee (the "Indenture") and the 1.875% Global Notes due 2020 (the "1.875% 2020 Notes"), 2.500% Global Notes due 2023 (the "2.500% 2023 Notes"), and the 3.550% Global Notes due 2032 (the "2032 Notes" and, together with the 1.875% 2020 Notes and the 2.500% 2023 Notes, the "Notes"). For a complete description of the terms and provisions of the Notes, please refer to the Indenture, which is filed as an exhibit to AT&T's Annual Report on Form 10-K for the year ended December 31, 2019 and to the forms of Notes, which are filed as exhibits to the Form 8-As filed with the Securities and Exchange Commission on December 6, 2012, December 17, 2012 and March 13, 2013.

General

The 1.875% 2020 Notes:

- were issued in an aggregate initial principal amount of €1,000,000,000, which remains the amount outstanding, subject to our ability to issue additional 1.875% 2020 Notes which may be of the same series as the 1.875% 2020 Notes as described under "— Further Issues";
- mature on December 4, 2020;
- bear interest at the rate of 1.875% per annum, payable annually in arrears;
- are repayable at par at maturity;
- are redeemable by us at the time described below under "— Optional Redemption" and in connection with certain tax events as described below under "— Redemption Upon a Tax Event"; and
- are not subject to any sinking fund.

The 2.500% 2023 Notes:

- were issued in an aggregate initial principal amount of €1,250,000,000, which remains the amount outstanding, subject to our ability to issue additional 2.500% 2023 Notes which may be of the same series as the 2.500% 2023 Notes as described under "— Further Issues";
- mature on March 15, 2023;
- bear interest at the rate of 2.500% per annum, payable annually in arrears;
- are repayable at par at maturity;
- are redeemable by us at the time described below under "— Optional Redemption" and in connection with certain tax events as described below under "— Redemption Upon a Tax Event"; and
- are not subject to any sinking fund.

The 2032 Notes:

- were issued in an aggregate initial principal amount of €1,000,000,000 and an additional aggregate principal amount of €400,000,000 was subsequently issued such that €1,400,000,000 remains the amount outstanding, subject to our ability to issue additional 2032 Notes which may be of the same series as the 2032 Notes as described under "— Further Issues";
- mature on December 17, 2032;

- bear interest at the rate of 3.550% per annum, payable annually in arrears;
- are repayable at par at maturity;
- are redeemable by us at the time described below under "— Optional Redemption" and in connection with certain tax events as described below under "— Redemption Upon a Tax Event"; and
- are not subject to any sinking fund.

The Notes are unsecured and unsubordinated obligations and rank *pari passu* with all other indebtedness issued under our Indenture. Each series of Notes constitutes a separate series under the Indenture. The Notes are issued in fully registered form only and in minimum denominations of €100,000 and integral multiples of €1,000 in excess thereof. Principal and interest payments on the Notes are payable by us in euro. Payments of principal, interest and additional amounts, if any, in respect of the Notes will be made to Euroclear System, Clearstream Banking S.A. or such nominee or common depositary, as the case may be, as registered holder thereof.

For purposes of the Notes, a business day means a business day in the City of New York and London.

Interest

The 1.875% 2020 Notes bear interest at the rate of 1.875% per annum, the 2.500% 2023 Notes bear interest at the rate of 2.500% per annum and the 2032 Notes bear interest at the rate of 3.550% per annum.

We pay interest on the 1.875% 2020 Notes annually in arrears on December 4, commencing on December 4, 2013, to the persons in whose names the 1.875% 2020 Notes are registered at the close of business on the November 15 preceding the interest payment date. We pay interest on the 2.500% 2023 Notes annually in arrears on March 15, commencing on March 15, 2014, to the persons in whose names the 2.500% 2023 Notes are registered at the close of business on the March 1 preceding the interest payment date. We pay interest on the 2032 Notes annually in arrears on December 17, commencing on December 17, 2013, to the persons in whose names the 2032 Notes are registered at the close of business on the December 1 preceding the interest payment date.

The 1.875% 2020 Notes will mature on December 4, 2020, the 2.500% 2023 Notes will mature on March 15, 2023 and the 2032 Notes will mature on December 17, 2032.

Interest on the Notes is computed on the basis of the actual number of days in the period for which interest is being calculated and the actual number of days from and including the last date on which interest was paid on the Notes, to but excluding the next scheduled interest payment date. This payment convention is referred to as ACTUAL/ACTUAL (ICMA) as defined in the rulebook of the International Capital Market Association.

Optional Redemption

At any time prior to the applicable Par Call Date (as set forth in the table below), the Notes will be redeemable, as a whole or in part, at our option, at any time and from time to time on at least 30 days', but not more than 60 days', prior notice mailed to the registered address of each holder of the Notes of such series to be redeemed. The redemption price will be equal to the greater of (1) 100% of the principal amount of the Notes of such series to be redeemed or (2) the sum of the present values of the Remaining Scheduled Payments (as defined below) discounted to the redemption date, on an annual basis (ACTUAL/ACTUAL (ICMA)), at a rate equal to the Treasury Rate (as defined below) plus a number of basis points equal to the applicable Make-Whole Spread (as set forth in the table below). In either case, accrued interest will be payable to the redemption date. At any time on or after the applicable Par Call Date (as set forth in the table below), we have the option to redeem the Notes, as a whole or in part, on at least 30 days', but not more than 60 days', prior notice mailed to the registered address of each holder of the Notes of such series to be redeemed, at a redemption price equal to 100% of the principal amount of such series of Notes to be redeemed. Accrued interest will be payable to the redemption date.

Series	Par Call Date	Make-Whole Spread
1.875% 2020 Notes	September 4, 2020	15 bps
2.500% 2023 Notes	December 15, 2022	15 bps
2032 Notes	September 17, 2032	25 bps

"*Treasury Rate*" means the price, expressed as a percentage (rounded to three decimal places, 0.0005 being rounded upwards), at which the gross redemption yield on the Notes of the applicable series, if they were to be purchased at such price on the third dealing day prior to the date fixed for redemption, would be equal to the gross redemption yield on such dealing day of the Reference Bond (as defined below) on the basis of the middle market price of the Reference Bond prevailing at 11:00 a.m. (London time) on such dealing day as determined by the trustee with respect to the 1.875% 2020 Notes and as determined by either the Company or an investment bank appointed by the Company with respect to the 2.500% 2023 Notes and the 2032 Notes.

"*Reference Bond*" means, in relation to any Treasury Rate calculation, a German government bond whose maturity is closest to the maturity of the Notes of the applicable series, or if (i) the trustee in its discretion with respect to the 1.875% 2020 Notes or (ii) the Company or an investment bank appointed by the Company with respect to the 2.500% 2023 Notes and 2032 Notes considers that such similar bond is not in issue, such other German government bond as (i) the trustee in its discretion with respect to the 1.875% 2020 Notes or (ii) the Company or an investment bank appointed by the Company with respect to the 2.500% 2023 Notes, and 2032 Notes may, with the advice of three brokers of, and/or market makers in, German government bonds selected by (i) the trustee in its discretion with respect to the 1.875% 2020 Notes or (ii) the Company or an investment bank appointed by the Company with respect to the 2.500% 2023 Notes and the 2032 Notes, determine to be appropriate for determining such Treasury Rate.

"*Remaining Scheduled Payments*" means, with respect to each Note of a series to be redeemed, the remaining scheduled payments of principal of and interest on such Note that would be due after the related redemption date but for the redemption. If that redemption date is not an interest paym ent date with respect to the applicable series of Notes, the amount of the next succeeding scheduled interest payment on the Notes will be reduced by the amount of interest accrued on the Notes to the redemption date.

On and after the redemption date, interest will cease to accrue on the Notes or any portion of the Notes called for redemption unless we default in the payment of the redemption price and accrued interest. On or before the redemption date, we will deposit with a paying agent or the trustee money sufficient to pay the redemption price of and accrued interest on the Notes to be redeemed on that date.

In the case of any partial redemption, selection of the Notes of any series to be redeemed will be made by the trustee by lot or by such other method as the trustee in its sole discretion deems to be fair and appropriate.

Redemption for Taxation Reasons

If (a) as a result of any change in, or amendment to, the laws or regulations of a Relevant Jurisdiction (as defined below under "Interpretation"), or any change in the official interpretation of the laws or regulations of a Relevant Jurisdiction, which change or amendment becomes effec tive after November 28, 2012 with respect to the 1.875% 2020 Notes, March 6, 2013 with respect to the 2.500% 2023 Notes and December 11, 2012 with respect to the 2032 Notes, on the next Interest Payment Date we would be required to pay additional amounts as provided or referred to below under "—Payment Without Withholding" and (b) the requirement cannot be avoided by our taking reasonable measures available to us, we may at our option, having given not less than 30 nor more than 60 days' notice to the holders of the Notes (which notice shall be irrevocable), redeem all, but not a portion of, the Notes at any time at their principal amount together with interest accrued to, but excluding, the date of redemption provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which we would be obliged to pay such additional amounts were a payment in respect of the Notes then due. Prior to the publication of any notice of redemption pursuant to this paragraph, we shall deliver to the trustee a certificate signed by two of our executive officers stating that the requirement referred to in (a) above will apply on the next Interest Payment Date and setting forth a statement of facts showing that the conditions precedent to the right of AT&T so to redeem have occurred, cannot be avoided by us taking reasonable measures available to us and an opinion of independent legal advisers of recognized international standing to the effect that AT&T has or will become obliged to pay such additional amounts as a result of the change or amendment, in each case to be held by the trustee and made available for viewing at the offices of the trustee on request by any holder of the Notes.

Payment Without Withholding

All payments in respect of the Notes by or on behalf of AT&T shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature ("Taxes") imposed, collected, withheld, assessed or levied by or on behalf of the Relevant Jurisdiction, unless the withholding or deduction of the Taxes is required by law. In that event, we will pay such additional amounts to a holder who is a United States Alien (as defined below) as may be necessary in order that the net amounts received by the holder after the withholding or deduction shall equal the respective amounts which would have been receivable in respect of the Notes in the absence of the withholding or deduction; except that no such additional amounts shall be payable in relation to any payment in respect of any Note:

(a) where such withholding or deduction would not have been so imposed but for:

(i) in the case of payment by AT&T, the existence of any present or former connection between the holder of the Note (or between a fiduciary, settlor, shareholder, beneficiary or member of the holder of the Note, if such holder is an estate, a trust, a corporation or a partnership) and the United States, including, without limitation, such holder (or such fiduciary, settlor, shareholder, beneficiary or member) being or having been a citizen or resident or treated as a resident thereof, or being or having been engaged in trade or business or presence therein, or having or having had a permanent establishment therein;

(ii) in the case of payment by AT&T, the present or former status of the holder of the Note as a personal holding company, a foreign personal holding company, a passive foreign investment company, or a controlled foreign corporation for United States federal income tax purposes or a corporation which accumulates earnings to avoid United States federal income tax;

(iii) in the case of payment by AT&T, the past or present or future status of the holder of the Note as the actual or constructive owner of 10% or more of either the total combined voting power of all classes of stock of AT&T entitled to vote if AT&T was treated as a corporation, or the capital or profits interest in AT&T, if AT&T is treated as a partnership for United States federal income tax purposes or as a bank receiving interest described in Section 881(c) (3) (A) of the Internal Revenue Code of 1986, as amended; or

(iv) the failure by the holder of the Note to comply with any certification, identification or other reporting requirements concerning the nationality, residence, identity or connection with the United States (in the case of payment by AT&T) of such holder, if compliance is required by statute or by regulation as a precondition to exemption from such withholding or deduction;

(b) in the case of payment by AT&T to any United States Alien, if such person is a fiduciary or partnership or other than the sole beneficial owner of any such payment, to the extent that a beneficiary or settlor with respect to such fiduciary, a member of such partnership or the beneficial owner would not have been entitled to the additional amounts had such beneficiary, settlor, member or beneficial owner been the bearer of such Note. As used herein, "United States Alien" means any person who, for United States federal income tax purposes, is a foreign corporation, a non-resident alien individual, a non-resident alien fiduciary of a foreign estate or trust, or a foreign partnership one or more of the members of which is, for United States federal income tax purposes, a foreign corporation, a non-resident alien individual or a non-resident alien fiduciary of a foreign estate or trust;

(c) to the extent that the withholding or deduction is as a result of the imposition of any gift, inheritance, estate, sales, transfer, personal property or any similar tax, assessment or other governmental charge;

(d) to, or to a third party on behalf of, a holder who is liable for the Taxes in respect of the Notes by reason of his having any or some present or former connection, including but not limited to fiscal residency, fiscal deemed residency and substantial interest shareholdings, with the Relevant Jurisdiction, other than the mere holding of the Notes;

(e) presented for payment more than 30 days after the Relevant Date except to the extent that a holder would have been entitled to additional amounts on presenting the relevant Notes for payment on the last day of the period of 30 days assuming that day to have been an Interest Payment Date;

(f) any tax, assessment or other governmental charge required to be withheld by any paying agent from any payment of principal or of interest on any Notes, if such payment can be made without withholding by any other paying agent;

(g) any tax, assessment or governmental charge that is imposed or withheld solely because the beneficial owner or any other person failed to comply with certification, identification or information reporting requirements concerning the nationality, residence, identity or connection with the United States of the holder or beneficial owner of our Notes, if compliance is required by statute, by regulation of the United States Treasury Department or by an applicable income tax treaty to which the United States is a party as a precondition to exemption from such tax, assessment or other governmental charge;

(h) any tax, assessment or governmental charge that is imposed or withheld solely because of a change in law, regulation, or administrative or judicial interpretation that becomes effective after the day on which the payment becomes due or is duly provided for, whichever occurs later; or

(i) any combination of (a), (b), (c), (d), (e), (f), (g) or (h).

Interpretation

As used in this description:

(a) "Relevant Date" means the date on which the payment first becomes due but, if the full amount of the money payable has not been received by the trustee on or before the due date, it means the date which is seven days after the date on which, the full amount of the money having been so received, notice to that effect shall have been duly given to the holders of Notes by us; and

(b) "Relevant Jurisdiction" means the State of Delaware and the United States or any political subdivision or any authority thereof or therein having power to tax or any other jurisdiction or any political subdivision or any authority thereof or therein having power to tax to which we become subject in respect of payments made by it of principal and interest on the Notes.

Additional Amounts

Any reference in the terms of the Notes of each series to any amounts in respect of the Notes shall be deemed also to refer to any additional amounts which may be payable under this provision.

Further Issues

We may from time to time, without notice to or the consent of the holders of the Notes, create and issue further notes ranking equally and ratably with such series of Notes in all respects, or in all respects except for the payment of interest accruing prior to the issue date or except for the first payment of interest following the issue date of those further notes. Any further notes will have the same terms as to status, redemption or otherwise as the Notes. Any further notes shall be issued pursuant to a resolution of our board of directors, a supplement to the Indenture, or under an officers' certificate pursuant to the Indenture.

Governing Law

The Notes will be governed by and interpreted in accordance with the laws of the State of New York.

Special Situations Covered by Our Indenture

Mergers and Similar Transactions

We are generally permitted to consolidate or merge with another company. We are also permitted to sell substantially all of our assets to another company, or to buy substantially all of the assets of another company. However, we may not take any of these actions unless all the following conditions are met:

- Where we merge out of existence or sell our assets, the company we merge into or sell to may not be organized under the laws of a foreign country. It must be a corporation organized under the laws of the United States, any State thereof, or the District of Columbia.

- The company we merge into or sell to must agree to be legally responsible for our debt securities.

- The merger, sale of assets or other transaction must not cause a default on the securities, and we must not already be in default, unless the merger or other transaction would cure the default. For purposes of this no-default test, a default would include an event of default that has occurred and not been cured, as described below under "— Default and Related Matters — Events of Default — What Is an Event of Default?" A default for this purpose would also include any event that would be an event of default if the requirements for giving us default notice or our default having to exist for a specific period of time were disregarded.

Modification and Waiver of Holders' Contractual Rights

Under certain circumstances, we can make changes to the Indenture and the securities (including the Notes). Some types of changes require the approval of each security holder affected, some require approval by a majority vote, and some changes do not require any approval at all.

Changes Requiring Approval of Holders. First, there are changes that cannot be made to the securities without specific approval of holders. The following is a list of those types of changes:

- to reduce the percentage of holders of securities who must consent to a waiver or amendment of the Indenture;

- to reduce the rate of interest on any security or change the time for payment of interest;

- to reduce the principal due on any security or change the fixed maturity of any security;

- to waive a default in the payment of principal or interest on any security;

- to change the currency of payment on a security;

- in the case of convertible or exchangeable securities, to make changes to conversion or exchange rights that would be adverse to the interests of holders;

- to change the right of holders to waive an existing default by majority vote;

- to reduce the amount of principal or interest payable to holders following a default or change any conversion or exchange rights, or impair the right of holders to sue for payment; and

- to make any change to this list of changes that requires specific approval of holders.

Changes Requiring a Majority Vote. The second type of change to the Indenture and the securities is the kind that requires a vote in favor by security holders owning a majority of the principal amount of the particular series affected. Most changes fall into this category, except for clarifying changes and certain other changes that would not adversely affect holders of the securities. The same vote would be required for us to obtain a waiver of an existing default. However, we cannot obtain a waiver of a payment default unless we obtain each holder's individual consent to the waiver.

Changes Not Requiring Approval of Holders. The third type of change does not require any vote by holders of securities. This type includes, among others, clarifications of ambiguous contract terms and other changes that would not materially adversely affect holders of the securities.

Further Details Concerning Voting. When taking a vote, we will use the following rules to decide how much principal amount to attribute to a security:

- For securities denominated in one or more foreign currencies or currency units, we will use the U.S. dollar equivalent determined on the date of original issuance of these securities.

Securities will not be considered outstanding, and therefore not eligible to vote, if we have deposited or set aside in trust for the applicable holders money for their payment or redemption. A security does not cease to be outstanding because we or an affiliate of us is holding the security.

We will generally be entitled to set any day as a record date for the purpose of determining the holders of outstanding securities that are entitled to vote or take other action under the Indenture. However, the Indenture does not oblige us to fix any record date at all. If we set a record date for a vote or other action to be taken by holders of a particular series, that vote or action may be taken only by persons who are holders of outstanding securities of that series on the record date and must be taken within 90 days following the record date.

Holders who hold in "street name" and other indirect holders, including holders of any securities issued as global securities, should consult their banks or brokers for information on how approval may be granted or denied if we seek to change the Indenture or the securities or request a waiver.

Discharge of Our Obligations

We can fully discharge ourselves from any payment or other obligations on the securities of any series if we make a deposit for the applicable holders with the trustee and certain other conditions are met. The deposit must be held in trust for the benefit of all direct holders of the securities and must be a combination of money and U.S. government or U.S. government agency notes or bonds that will generate enough cash to make interest, principal and any other payments on the securities on their various due dates.

However, we cannot discharge ourselves from the obligations under any convertible or exchangeable securities, unless we provide for it in the terms of these securities.

If we accomplish full discharge, as described above, holders will have to rely solely on the trust deposit for repayment of the securities. Holders could not look to us for repayment in the unlikely event of any shortfall. Conversely, the trust deposit would most likely be protected from claims of our lenders and other creditors if we ever become bankrupt or insolvent.

We will indemnify the trustee and holders against any tax, fee or other charge imposed on the U.S. government obligations we deposited with the trustee or against the principal and interest received on these obligations.

Liens on Assets

The Indenture does not restrict us from pledging or otherwise encumbering any of our assets and those of our subsidiaries.

Default and Related Matters

Ranking Compared to Other Creditors

The securities are not secured by any of our property or assets. Accordingly, ownership of securities means each holder is one of our unsecured creditors. The securities are not subordinated to any of our other debt obligations and therefore they rank equally with all our other unsecured and unsubordinated indebtedness. However, the trustee has a right to receive payment for its administrative services prior to any payment to security holders after a default.

Events of Default

Holders will have special rights if an event of default occurs and is not cured, as described later in this subsection.

What Is an Event of Default? The term "event of default" with respect to any series of securities means any of the following:

- We fail to make any interest payment on the securities of such series when it is due, and we do not cure this default within 90 days.

- We fail to make any payment of principal when it is due at the maturity of such series of securities or upon redemption.

- We fail to comply with any of our other agreements regarding a particular series of securities or with a supplemental indenture, and after we have been notified of the default by the trustee or holders of 25% in principal amount of the series, we do not cure the default within 90 days.

- We file for bankruptcy, or other events in bankruptcy, insolvency or reorganization occur.

Remedies if an Event of Default Occurs

Holders and the trustee will have the following remedies if an event of default occurs:

Acceleration. If an event of default has occurred and has not been cured or waived, then the trustee or the holders of 25% in principal amount of the securities of the affected series may declare the entire principal amount of and any accrued interest on all the securities of that series to be due and immediately payable. An acceleration of maturity may be cancelled by the holders of at least a majority in principal amount of the securities of the affected series, if all events of default have been cured or waived.

Special Duties of Trustee. If an event of default occurs, the trustee will have some special duties. In that situation, the trustee will be obligated to use those of its rights and powers under the Indenture, and to use the same degree of care and skill in doing so, that a prudent person would use in that situation in conducting his or her own affairs.

Other Remedies of Trustee. If an event of default occurs, the trustee is authorized to pursue any available remedy to collect defaulted principal and interest and to enforce other provisions of the securities and the Indenture, including bringing a lawsuit.

Majority Holders May Direct the Trustee to Take Actions to Protect Their Interests. The trustee is not required to take any action under the Indenture at the request of any holders unless the holders offer the trustee reasonable protection from expenses and liability. This is called an "indemnity". If the trustee is provided with an indemnity reasonably satisfactory to it, the holders of a majority in principal amount of the relevant series of debt securities may direct the time, method and place of conducting any lawsuit or other formal legal action seeking any remedy available to the trustee. These majority holders may also direct the trustee in performing any other action under the Indenture.

Individual Actions Holders May Take if the Trustee Fails to Act. Before a holder bypasses the trustee and brings such holder's own lawsuit or other formal legal action or take other steps to enforce such holder's rights or protect such holder's interests relating to the securities, the following must occur:

- Such holder must give the trustee written notice that an event of default has occurred and remains uncured.

- The holders of 25% in principal amount of all outstanding securities of the relevant series must make a written request that the trustee take action because of the default, and must offer indemnity reasonably satisfactory to the trustee against the cost and other liabilities of taking that action.

- The trustee must not have taken action for 60 days after receipt of the above notice and offer of indemnity.

- During the 60-day period, the holders of a majority in principal amount of the securities of that series do not give the trustee a direction inconsistent with the request.

However, a holder is entitled at any time to bring an individual lawsuit for the payment of the money due on such holder's security on or after its due date.

Waiver of Default

The holders of a majority in principal amount of the relevant series of debt securities may waive a default for all the relevant series of debt securities. If this happens, the default will be treated as if it had not occurred. No one can waive a payment default on a holder's debt security, however, without such holder's individual approval.

We Will Give the Trustee Information About Defaults Annually

Every year we will give to the trustee a written statement of one of our officers certifying that to the best of his or her knowledge we are in compliance with the Indenture and all the securities under it, or else specifying any default.

The trustee may withhold from holders notice of any uncured default, except for payment defaults, if it determines that withholding notice is in holders' interest.

Holders who hold in "street name" and other indirect holders should consult their banks or brokers for information on how to give notice or direction to or make a request of the trustee and how to make or cancel a declaration of acceleration.

Regarding the Trustee

The Bank of New York Mellon is the trustee under the Indenture. In addition, affiliates of The Bank of New York Mellon may perform various commercial banking and investment banking services for us and our subsidiaries from time to time in the ordinary course of business.

DESCRIPTION OF THE 2.650% GLOBAL NOTES DUE 2021, THE 2.400% GLOBAL NOTES DUE 2024, THE 3.500% GLOBAL NOTES DUE 2025 AND THE 3.375% GLOBAL NOTES DUE 2034

The following summary of AT&T's above referenced debt securities is based on and qualified by the indenture, dated as of May 15, 2013, with The Bank of New York Mellon Trust Company, N.A., acting as trustee (the "Indenture") and the 2.650% Global Notes due 2021 (the "2021 Notes"), the 2.400% Global Notes due 2024 (the "2024 Notes"), the 3.500% Global Notes due 2025 (the "2025 Notes") and the 3.375% Global Notes due 2034 (the "2034 Notes" and, together with the 2021 Notes, the 2024 Notes and the 2025 Notes, the "Notes"). For a complete description of the terms and provisions of the Notes, please refer to the Indenture, which is filed as an exhibit to AT&T's Annual Report on Form 10-K for the year ended December 31, 2019 and to the forms of Notes, which are filed as exhibits to the Form 8-As filed with the Securities and Exchange Commission on November 13, 2013 and June 11, 2014.

General

The 2021 Notes:

- were issued in an aggregate initial principal amount of €1,000,000,000, which remains the amount outstanding, subject to our ability to issue additional 2021 Notes which may be of the same series as the 2021 Notes as described under "— Further Issues";
- mature on December 17, 2021;
- bear interest at the rate of 2.650% per annum, payable annually in arrears;
- are repayable at par at maturity;
- are redeemable by us at the time described below under "— Optional Redemption" and in connection with certain tax events as described below under "— Redemption Upon a Tax Event"; and
- are not subject to any sinking fund.

The 2024 Notes:

- were issued in an aggregate initial principal amount of €1,600,000,000, which remains the amount outstanding, subject to our ability to issue additional 2024 Notes which may be of the same series as the 2024 Notes as described under "— Further Issues";
- mature on March 15, 2024;
- bear interest at the rate of 2.400% per annum, payable annually in arrears;
- are repayable at par at maturity;
- are redeemable by us at the time described below under "— Optional Redemption" and in connection with certain tax events as described below under "— Redemption Upon a Tax Event"; and
- are not subject to any sinking fund.

The 2025 Notes:

- were issued in an aggregate initial principal amount of €1,000,000,000, which remains the amount outstanding, subject to our ability to issue additional 2025 Notes which may be of the same series as the 2025 Notes as described under "— Further Issues";
- mature on December 17, 2025;

- bear interest at the rate of 3.500% per annum, payable annually in arrears;
- are repayable at par at maturity;
- are redeemable by us at the time described below under "— Optional Redemption" and in connection with certain tax events as described below under "— Redemption Upon a Tax Event"; and
- are not subject to any sinking fund.

The 2034 Notes:

- were issued in an aggregate initial principal amount of €500,000,000, which remains the amount outstanding, subject to our ability to issue additional 2034 Notes which may be of the same series as the 2034 Notes as described under "— Further Issues";
- mature on March 15, 2034;
- bear interest at the rate of 3.375% per annum, payable annually in arrears;
- are repayable at par at maturity;
- are redeemable by us at the time described below under "— Optional Redemption" and in connection with certain tax events as described below under "— Redemption Upon a Tax Event"; and
- are not subject to any sinking fund.

The Notes are unsecured and unsubordinated obligations and rank *pari passu* with all other indebtedness issued under our Indenture. Each series of Notes constitutes a separate series under the Indenture. The Notes are issued in fully registered form only and in minimum denominations of €100,000 and integral multiples of €1,000 in excess thereof. Principal and interest payments on the Notes are payable by us in euro. Payments of principal, interest and additional amounts, if any, in respect of the Notes will be made to Euroclear System, Clearstream Banking S.A. or such nominee or common depositary, as the case may be, as registered holder thereof. Under the terms of the Indenture, if the euro ceases to exist when payments on the Notes are due under any circumstances, AT&T may supplement the Indenture to allow for payment in U.S. dollars. The principal and interest payable in U.S. dollars on a Note at maturity, or upon redemption, will be paid by wire transfer of immediately available funds against presentation of a Note at the office of the paying agent.

For purposes of the Notes, a business day means a business day in the City of New York and London.

Interest

The 2021 Notes bear interest at the rate of 2.650% per annum, the 2024 Notes bear interest at the rate of 2.400% per annum, the 2025 Notes bear interest at the rate of 3.500% per annum and the 2034 Notes bear interest at the rate of 3.375% per annum.

We pay interest on the 2021 Notes and 2025 Notes annually in arrears on December 17, commencing on December 17, 2014, to the persons in whose names the 2021 Notes and 2025 Notes are registered at the close of business on the December 1 preceding the interest payment date. The 2021 Notes will mature on December 17, 2021 and the 2025 Notes will mature on December 17, 2025.

We pay interest on the 2024 Notes and 2034 Notes annually in arrears on March 15, commencing on March 15, 2015, to the persons in whose names the 2024 Notes and 2034 Notes are registered at the close of business on the business day preceding the interest payment date. The 2024 Notes will mature on March 15, 2024 and the 2034 Notes will mature on March 15, 2034.

Interest on the Notes is computed on the basis of the actual number of days in the period for which interest is being calculated and the actual number of days from and including the last date on which interest was paid on the Notes, to but excluding the next scheduled interest payment date. This payment convention is referred to as ACTUAL/ACTUAL (ICMA) as defined in the rulebook of the International Capital Market Association.

Optional Redemption

At any time prior to the applicable Par Call Date (as set forth in the table below), the Notes will be redeemable, as a whole or in part, at our option, at any time and from time to time on at least 30 days', but not more than 60 days', prior notice mailed to the registered address of each holder of the Notes of such series to be redeemed. The redemption price will be equal to the greater of (1) 100% of the principal amount of the Notes of such series to be redeemed or (2) the sum of the present values of the Remaining Scheduled Payments (as defined below) discounted to the redemption date, on an annual basis (ACTUAL/ACTUAL (ICMA)), at a rate equal to the Treasury Rate (as defined below) plus a number of basis points equal to the applicable Make-Whole Spread (as set forth in the table below). In either case, accrued interest will be payable to the redemption date. At any time on or after the applicable Par Call Date (as set forth in the table below), we have the option to redeem the Notes, as a whole or in part, at our option, at any time and from time to time, on at least 30 days', but not more than 60 days', prior notice mailed to the registered address of each holder of the Notes of such series to be redeemed, at a redemption price equal to 100% of the principal amount of such series of Notes to be redeemed. Accrued interest will be payable to the redemption date.

Series	**Par Call Date**	**Make-Whole Spread**
2021 Notes	September 17, 2021	25 bps
2024 Notes	December 15, 2023	15 bps
2025 Notes	September 17, 2025	30 bps
2034 Notes	December 15, 2033	20 bps

"*Treasury Rate*" means the price, expressed as a percentage (rounded to three decimal places, 0.0005 being rounded upwards), at which the gross redemption yield on the Notes of the applicable series, if they were to be purchased at such price on the third dealing day prior to the date fixed for redemption, would be equal to the gross redemption yield on such dealing day of the Reference Bond (as defined below) on the basis of the middle market price of the Reference Bond prevailing at 11:00 a.m. (London time) on such dealing day as determined by the Company or an investment bank appointed by the Company.

"*Reference Bond*" means, in relation to any Treasury Rate calculation, a German government bond whose maturity is closest to the maturity of the Notes of the applicable series, or if the Company or an investment bank appointed by the Company considers that such similar bond is not in issue, such other German government bond as the Company or an investment bank appointed by the Company, with the advice of three brokers of, and/or market makers in, German government bonds selected by the Company or an investment bank appointed by the Company, determine to be appropriate for determining such Treasury Rate.

"*Remaining Scheduled Payments*" means, with respect to each Note of a series to be redeemed, the remaining scheduled payments of principal of and interest on such Note that would be due after the related redemption date but for the redemption. If that redemption date is not an interest payment date with respect to the applicable series of Notes, the amount of the next succeeding scheduled interest payment on the Notes will be reduced by the amount of interest accrued on the Notes to the redemption date.

On and after the redemption date, interest will cease to accrue on the Notes or any portion of the Notes called for redemption unless we default in the payment of the redemption price and accrued interest. On or before the redemption date, we will deposit with a paying agent or the trustee money sufficient to pay the redemption price of and accrued interest on the Notes to be redeemed on that date.

In the case of any partial redemption, selection of the Notes of a series to be redeemed will be made by the trustee by lot or by such other method as the trustee in its sole discretion deems to be fair and appropriate.

Redemption for Taxation Reasons

If (a) as a result of any change in, or amendment to, the laws or regulations of a Relevant Jurisdiction (as defined below under "Interpretation"), or any change in the official interpretation of the laws or regulations of a Relevant Jurisdiction, which change or amendment becomes effective after November 5, 2013 with respect to the 2021 Notes and 2025 Notes and after June 4, 2014 with respect to the 2024 Notes and 2034 Notes, on the next Interest Payment Date we would be required to pay additional amounts as provided or referred to below under "— Payment Without Withholding" and (b) the requirement cannot be avoided by our taking reasonable measures available to us, we may at our option, having given not less than 30 nor more than 60 days' notice to the holders of the Notes (which notice shall be irrevocable), redeem all, but not a portion of, the Notes at any time at their principal amount together with interest accrued to, but excluding, the date of redemption provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which we would be obliged to pay such additional amounts were a payment in respect of the Notes then due. Prior to the publication of any notice of redemption pursuant to this paragraph, we shall deliver to the trustee a certificate signed by two of our executive officers stating that the requirement referred to in (a) above will apply on the next Interest Payment Date and setting forth a statement of facts showing that the conditions precedent to the right of AT&T so to redeem have occurred, cannot be avoided by us taking reasonable measures available to us and an opinion of independent legal advisers of recognized international standing to the effect that AT&T has or will become obliged to pay such additional amounts as a result of the change or amendment, in each case to be held by the trustee and made available for viewing at the offices of the trustee on request by any holder of the Notes.

Payment Without Withholding

All payments in respect of the Notes by or on behalf of AT&T shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature ("Taxes") imposed, collected, withheld, assessed or levied by or on behalf of the Relevant Jurisdiction, unless the withholding or deduction of the Taxes is required by law. In that event, we will pay such additional amounts to a holder who is a United States Alien (as defined below) as may be necessary in order that the net amounts received by the holder after the withholding or deduction shall equal the respective amounts which would have been receivable in respect of the Notes in the absence of the withholding or deduction; except that no such additional amounts shall be payable in relation to any payment in respect of any Note:

(a) where such withholding or deduction would not have been so imposed but for:

(i) in the case of payment by AT&T, the existence of any present or former connection between the holder of the Note (or between a fiduciary, settlor, shareholder, beneficiary or member of the holder of the Note, if such holder is an estate, a trust, a corporation or a partnership) and the United States, including, without limitation, such holder (or such fiduciary, settlor, shareholder, beneficiary or member) being or having been a citizen or resident or treated as a resident thereof, or being or having been engaged in trade or business or presence therein, or having or having had a permanent establishment therein;

(ii) in the case of payment by AT&T, the present or former status of the holder of the Note as a personal holding company, a foreign personal holding company, a passive foreign investment company, or a controlled foreign corporation for United States federal income tax purposes or a corporation which accumulates earnings to avoid United States federal income tax;

(iii) in the case of payment by AT&T, the past or present or future status of the holder of the Note as the actual or constructive owner of 10% or more of either the total combined voting power of all classes of stock of AT&T entitled to vote if AT&T was treated as a corporation, or the capital or profits interest in AT&T, if AT&T is treated as a partnership for United States federal income tax purposes or as a bank receiving interest described in Section 881(c) (3) (A) of the Internal Revenue Code of 1986, as amended; or

(iv) the failure by the holder of the Note to comply with any certification, identification or other reporting requirements concerning the nationality, residence, identity or connection with the United States (in the case of payment by AT&T) of such holder, if compliance is required by statute or by regulation as a precondition to exemption from such withholding or deduction;

(b) in the case of payment by AT&T to any United States Alien, if such person is a fiduciary or partnership or other than the sole beneficial owner of any such payment, to the extent that a beneficiary or settlor with respect to such fiduciary, a member of such partnership or the beneficial owner would not have been entitled to the additional amounts had such beneficiary, settlor, member or beneficial owner been the bearer of such Note. As used herein, “United States Alien” means any person who, for United States federal income tax purposes, is a foreign corporation, a non-resident alien individual, a non-resident alien fiduciary of a foreign estate or trust, or a foreign partnership one or more of the members of which is, for United States federal income tax purposes, a foreign corporation, a non-resident alien individual or a non-resident alien fiduciary of a foreign estate or trust;

(c) to the extent that the withholding or deduction is as a result of the imposition of any gift, inheritance, estate, sales, transfer, personal property or any similar tax, assessment or other governmental charge;

(d) to, or to a third party on behalf of, a holder who is liable for the Taxes in respect of the Notes by reason of his having any or some present or former connection, including but not limited to fiscal residency, fiscal deemed residency and substantial interest shareholdings, with the Relevant Jurisdiction, other than the mere holding of the Notes;

(e) presented for payment more than 30 days after the Relevant Date except to the extent that a holder would have been entitled to additional amounts on presenting the relevant Notes for payment on the last day of the period of 30 days assuming that day to have been an Interest Payment Date;

(f) any tax, assessment or other governmental charge required to be withheld by any paying agent from any payment of principal or of interest on any Notes, if such payment can be made without withholding by any other paying agent;

(g) any tax, assessment or governmental charge that is imposed or withheld solely because the beneficial owner or any other person failed to comply with certification, identification or information reporting requirements concerning the nationality, residence, identity or connection with the United States of the holder or beneficial owner of our Notes, if compliance is required by statute, by regulation of the United States Treasury Department or by an applicable income tax treaty to which the United States is a party as a precondition to exemption from such tax, assessment or other governmental charge;

(h) any tax, assessment or governmental charge that is imposed or withheld solely because of a change in law, regulation, or administrative or judicial interpretation that becomes effective after the day on which the payment becomes due or is duly provided for, whichever occurs later; or

(i) any combination of (a), (b), (c), (d), (e), (f), (g) or (h).

Interpretation

As used in this description:

(a) “Relevant Date” means the date on which the payment first becomes due but, if the full amount of the money payable has not been received by the trustee on or before the due date, it means the date which is seven days after the date on which, the full amount of the money having been so received, notice to that effect shall have been duly given to the holders of Notes by us; and

(b) “Relevant Jurisdiction” means the State of Delaware and the United States or any political subdivision or any authority thereof or therein having power to tax or any other jurisdiction or any political subdivision or any authority thereof or therein having power to tax to which we become subject in respect of payments made by it of principal and interest on the Notes.

Additional Amounts

Any reference in the terms of the Notes to any amounts in respect of the Notes shall be deemed also to refer to any additional amounts which may be payable under this provision.

Further Issues

We may from time to time, without notice to or the consent of the holders of the Notes, create and issue further notes ranking equally and ratably with such series of Notes in all respects, or in all respects except for the payment of interest accruing prior to the issue date or except for the first payment of interest following the issue date of those further notes. Any further notes will have the same terms as to status, redemption or otherwise as the Notes. Any further notes shall be issued pursuant to a resolution of our board of directors, a supplement to the Indenture, or under an officers' certificate pursuant to the Indenture.

Governing Law

The Notes will be governed by and interpreted in accordance with the laws of the State of New York.

Special Situations Covered by Our Indenture

Mergers and Similar Transactions

We are generally permitted to consolidate or merge with another company. We are also permitted to sell substantially all of our assets to another company. However, we may not take any of these actions unless all the following conditions are met:

- Where we merge out of existence or sell our assets, the company we merge into or sell to may not be organized under the laws of a foreign country. It must be a corporation organized under the laws of the United States, any State thereof, or the District of Columbia.

- The company we merge into or sell to must agree to be legally responsible for our debt securities.

- The merger, sale of assets or other transaction must not cause a default on the securities, and we must not already be in default, unless the merger or other transaction would cure the default. For purposes of this no-default test, a default would include an event of default that has occurred and not been cured, as described below under "— Default and Related Matters — Events of Default — What Is an Event of Default?" A default for this purpose would also include any event that would be an event of default if the requirements for giving us default notice or our default having to exist for a specific period of time were disregarded.

Further, we may buy substantially all of the assets of another company without complying with any of the foregoing conditions.

Modification and Waiver of Holders' Contractual Rights

Under certain circumstances, we can make changes to the Indenture and the securities (including the Notes). Some types of changes require the approval of each security holder affected, some require approval by a majority vote, and some changes do not require any approval at all.

Changes Requiring Approval of Holders. First, there are changes that cannot be made to the securities without specific approval of holders. The following is a list of those types of changes:

- to reduce the percentage of holders of securities who must consent to a waiver or amendment of the Indenture;

- to reduce the rate of interest on any security or change the time for payment of interest;

- to reduce the principal due on any security or change the fixed maturity of any security;

- to waive a default in the payment of principal or interest on any security;

- to change the currency of payment on a security, unless the security provides for payment in a currency that ceases to exist;

- in the case of convertible or exchangeable securities, to make changes to conversion or exchange rights that would be adverse to the interests of holders;

- to change the right of holders to waive an existing default by majority vote;

- to reduce the amount of principal or interest payable to holders following a default or change any conversion or exchange rights, or impair the right of holders to sue for payment; and

- to make any change to this list of changes that requires specific approval of holders.

Changes Requiring a Majority Vote. The second type of change to the Indenture and the securities is the kind that requires a vote in favor by security holders owning a majority of the principal amount of the particular series affected. Most changes fall into this category, except as set forth in the following paragraph. The same vote would be required for us to obtain a waiver of an existing default. However, we cannot obtain a waiver of a payment default unless we obtain each holder's individual consent to the waiver.

Changes Not Requiring Approval of Holders. The third type of change does not require any vote by holders of securities. This type includes, among others, clarifications of ambiguous contract terms, changes to make securities payable in U.S. dollars (if the stated denomination ceases to exist) and other changes that would not materially adversely affect holders of the securities.

Further Details Concerning Voting. When taking a vote, we will use the following rules to decide how much principal amount to attribute to a security:

- For securities denominated in one or more foreign currencies or currency units, we will use the U.S. dollar equivalent determined on the date of original issuance of these securities.

Securities will not be considered outstanding, and therefore not eligible to vote, if we have deposited or set aside in trust for the applicable holders money for their payment or redemption. A security does not cease to be outstanding because we or an affiliate of us is holding the security.

We will generally be entitled to set any day as a record date for the purpose of determining the holders of outstanding securities that are entitled to vote or take other action under the Indenture. However, the Indenture does not oblige us to fix any record date at all. If we set a record date for a vote or other action to be taken by holders of a particular series, that vote or action may be taken only by persons who are holders of outstanding securities of that series on the record date and must be taken within 90 days following the record date.

Holders who hold in "street name" and other indirect holders, including holders of any securities issued as global securities, should consult their banks or brokers for information on how approval may be granted or denied if we seek to change the Indenture or the securities or request a waiver.

Discharge of Our Obligations

We can fully discharge ourselves from any payment or other obligations on the securities of any series if we make a deposit for the applicable holders with the trustee and certain other conditions are met. The deposit must be held in trust for the benefit of all direct holders of the securities and must be a combination of money and U.S. government or U.S. government agency notes or bonds that will generate enough cash to make interest, principal and any other payments on the securities on their various due dates.

However, we cannot discharge ourselves from the obligations under any convertible or exchangeable securities, unless we provide for it in the terms of these securities.

If we accomplish full discharge, as described above, holders will have to rely solely on the trust deposit for repayment of the securities. Holders could not look to us for repayment in the unlikely event of any shortfall. Conversely, the trust deposit would most likely be protected from claims of our lenders and other creditors if we ever become bankrupt or insolvent.

We will indemnify the trustee and holders against any tax, fee or other charge imposed on the U.S. government obligations we deposited with the trustee or against the principal and interest received on these obligations.

Liens on Assets

The Indenture does not restrict us from pledging or otherwise encumbering any of our assets and those of our subsidiaries.

Default and Related Matters

Ranking Compared to Other Creditors

The securities are not secured by any of our property or assets. Accordingly, ownership of securities means each holder is one of our unsecured creditors. The securities are not subordinated to any of our other debt obligations and therefore they rank equally with all our other unsecured and unsubordinated indebtedness. However, the trustee has a right to receive payment for its administrative services prior to any payment to security holders after a default.

Events of Default

Holders will have special rights if an event of default occurs and is not cured, as described later in this subsection.

What Is an Event of Default? The term "event of default" with respect to any series of securities means any of the following:

- We fail to make any interest payment on the securities of such series when it is due, and we do not cure this default within 90 days.

- We fail to make any payment of principal when it is due at the maturity of such series of securities or upon redemption.

- We fail to comply with any of our other agreements regarding a particular series of securities or with a supplemental indenture, and after we have been notified of the default by the trustee or holders of 25% in principal amount of the series, we do not cure the default within 90 days.

- We file for bankruptcy, or other events in bankruptcy, insolvency or reorganization occur.

Remedies if an Event of Default Occurs

Holders and the trustee will have the following remedies if an event of default occurs:

Acceleration. If an event of default has occurred and has not been cured or waived, then the trustee or the holders of 25% in principal amount of the securities of the affected series may declare the entire principal amount of and any accrued interest on all the securities of that series to be due and immediately payable. An acceleration of maturity may be cancelled by the holders of at least a majority in principal amount of the securities of the affected series, if all events of default have been cured or waived.

Special Duties of Trustee. If an event of default occurs, the trustee will have some special duties. In that situation, the trustee will be obligated to use those of its rights and powers under the Indenture, and to use the same degree of care and skill in doing so, that a prudent person would use in that situation in conducting his or her own affairs.

Other Remedies of Trustee. If an event of default occurs, the trustee is authorized to pursue any available remedy to collect defaulted principal and interest and to enforce other provisions of the securities and the Indenture, including bringing a lawsuit.

Majority Holders May Direct the Trustee to Take Actions to Protect Their Interests. The trustee is not required to take any action under the Indenture at the request of any holders unless the holders offer the trustee reasonable protection from expenses and liability. This is called an "indemnity". If the trustee is provided with an indemnity reasonably satisfactory to it, the holders of a majority in principal amount of the relevant series of debt securities may direct the time, method and place of conducting any lawsuit or other formal legal action seeking any remedy available to the trustee. These majority holders may also direct the trustee in performing any other action under the Indenture.

Individual Actions Holders May Take if the Trustee Fails to Act. Before a holder bypasses the trustee and bring such holder's own lawsuit or other formal legal action or take other steps to enforce such holder's rights or protect such holder's interests relating to the securities, the following must occur:

- Such holder must give the trustee written notice that an event of default has occurred and remains uncured.
- The holders of 25% in principal amount of all outstanding securities of the relevant series must make a written request that the trustee take action because of the default, and must offer indemnity reasonably satisfactory to the trustee against the cost and other liabilities of taking that action.
- The trustee must not have taken action for 60 days after receipt of the above notice and offer of indemnity.
- During the 60-day period, the holders of a majority in principal amount of the securities of that series do not give the trustee a direction inconsistent with the request.

However, a holder is entitled at any time to bring an individual lawsuit for the payment of the money due on such holder's security on or after its due date.

Waiver of Default

The holders of a majority in principal amount of the relevant series of debt securities may waive a default for all the relevant series of debt securities. If this happens, the default will be treated as if it had not occurred. No one can waive a payment default on a holder's debt security, however, without such holder's individual approval.

We Will Give the Trustee Information About Defaults Annually

Every year we will give to the trustee a written statement of one of our officers certifying that to the best of his or her knowledge we are in compliance with the Indenture and all the securities under it, or else specifying any default.

The trustee may withhold from holders notice of any uncured default, except for payment defaults, if it determines that withholding notice is in holders' interest.

Holders who hold in "street name" and other indirect holders should consult their banks or brokers for information on how to give notice or direction to or make a request of the trustee and how to make or cancel a declaration of acceleration.

Regarding the Trustee

The Bank of New York Mellon Trust Company, N.A. is the trustee under the Indenture. In addition, affiliates of The Bank of New York Mellon Trust Company, N.A. may perform various commercial banking and investment banking services for us and our subsidiaries from time to time in the ordinary course of business.

DESCRIPTION OF THE 1.450% GLOBAL NOTES DUE 2022, THE 2.750% GLOBAL NOTES DUE 2023, THE 1.050% GLOBAL NOTES DUE 2023, THE 1.300% GLOBAL NOTES DUE 2023, THE 1.950% GLOBAL NOTES DUE 2023, THE 1.800% GLOBAL NOTES DUE 2026, THE 2.350% GLOBAL NOTES DUE 2029, THE 2.600% GLOBAL NOTES DUE 2029, THE 2.450% GLOBAL NOTES DUE 2035 AND THE 3.150% GLOBAL NOTES DUE 2036

The following summary of AT&T's above referenced debt securities is based on and qualified by the indenture, dated as of May 15, 2013, with The Bank of New York Mellon Trust Company, N.A., acting as trustee (the "Indenture") and the 1.450% Global Notes due 2022 (the "2022 Notes"), the 2.750% Global Notes due 2023 (the "2.750% 2023 Notes"), the 1.050% Global Notes due 2023 (the "1.050% 2023 Notes"), the 1.300% Global Notes due 2023 (the "1.300% 2023 Notes"), the 1.950% Global Notes due 2023 (the "1.950% 2023 Notes"), the 1.800% Global Notes due 2026 (the "1.800% 2026 Notes"), the 2.350% Global Notes due 2029 (the "2.350% 2029 Notes"), the 2.600% Global Notes due 2029 (the "2.600% 2029 Notes"), the 2.450% Global Notes due 2035 (the 2035 Notes") and the 3.150% Global Notes due 2036 (the "2036 Notes" and, together with the 2022 Notes, 2.750% 2023 Notes, 1.050% 2023 Notes, 1.300% 2023 Notes, 1.950% 2023 Notes, the 1.800% 2026 Notes, the 2.350% 2029 Notes, the 2.600% 2029 Notes and the 2035 Notes, the "Notes"). For a complete description of the terms and provisions of the Notes, please refer to the Indenture, which is filed as an exhibit to AT&T's Annual Report on Form 10-K for the year ended December 31, 2019 and to the forms of Notes, which are filed as exhibits to the Form 8-As filed with the Securities and Exchange Commission on December 2, 2014, March 9, 2015, March 24, 2016, June 21, 2017, December 19, 2018 and June 5, 2019.

General

The 2022 Notes:

- were issued in an aggregate initial principal amount of €1,500,000,000, which remains the amount outstanding, subject to our ability to issue additional 2022 Notes which may be of the same series as the 2022 Notes as described under "— Further Issues";
- mature on June 1, 2022;
- bear interest at the rate of 1.450% per annum, payable annually in arrears;
- are repayable at par at maturity;
- are redeemable by us at the time described below under "— Optional Redemption" and in connection with certain tax events as described below under "— Redemption Upon a Tax Event"; and
- are not subject to any sinking fund.

The 2.750% 2023 Notes:

- were issued in an aggregate initial principal amount of €426,473,000, which remains the amount outstanding, subject to our ability to issue additional 2.750% 2023 Notes which may be of the same series as the 2.750% 2023 Notes as described under "— Further Issues";
- mature on May 19, 2023;
- bear interest at the rate of 2.750% per annum, payable annually in arrears;
- are repayable at par at maturity;
- are redeemable by us at the time described below under "— Optional Redemption" and in connection with certain tax events as described below under "— Redemption Upon a Tax Event"; and
- are not subject to any sinking fund.

The 1.050% 2023 Notes:

- were issued in an aggregate initial principal amount of €450,273,000, which remains the amount outstanding, subject to our ability to issue additional 1.050% 2023 Notes which may be of the same series as the 1.050% 2023 Notes as described under "— Further Issues";
- mature on September 5, 2023;
- bear interest at the rate of 1.050% per annum, payable annually in arrears;
- are repayable at par at maturity;
- are redeemable by us at the time described below under "— Optional Redemption" and in connection with certain tax events as described below under "— Redemption Upon a Tax Event"; and
- are not subject to any sinking fund.

The 1.300% 2023 Notes:

- were issued in an aggregate initial principal amount of €1,250,000,000, which remains the amount outstanding, subject to our ability to issue additional 1.300% 2023 Notes which may be of the same series as the 1.300% 2023 Notes as described under "— Further Issues";
- mature on September 5, 2023;
- bear interest at the rate of 1.300% per annum, payable annually in arrears;
- are repayable at par at maturity;
- are redeemable by us at the time described below under "— Optional Redemption" and in connection with certain tax events as described below under "— Redemption Upon a Tax Event"; and
- are not subject to any sinking fund.

The 1.950% 2023 Notes:

- were issued in an aggregate initial principal amount of €535,591,000, which remains the amount outstanding, subject to our ability to issue additional 1.950% 2023 Notes which may be of the same series as the 1.950% 2023 Notes as described under "— Further Issues";
- mature on September 15, 2023;
- bear interest at the rate of 1.950% per annum, payable annually in arrears;
- are repayable at par at maturity;
- are redeemable by us at the time described below under "— Optional Redemption" and in connection with certain tax events as described below under "— Redemption Upon a Tax Event"; and
- are not subject to any sinking fund.

The 1.800% 2026 Notes:

- were issued in an aggregate initial principal amount of €1,489,219,000, which remains the amount outstanding, subject to our ability to issue additional 1.800% 2026 Notes which may be of the same series as the 1.800% 2026 Notes as described under "— Further Issues";

- mature on September 5, 2026;
- bear interest at the rate of 1.800% per annum, payable annually in arrears;
- are repayable at par at maturity;
- are redeemable by us at the time described below under "— Optional Redemption" and in connection with certain tax events as described below under "— Redemption Upon a Tax Event"; and
- are not subject to any sinking fund.

The 2.350% 2029 Notes:

- were issued in an aggregate initial principal amount of €1,260,469,000, which remains the amount outstanding, subject to our ability to issue additional 2.350% 2029 Notes which may be of the same series as the 2.350% 2029 Notes as described under "— Further Issues";
- mature on September 5, 2029;
- bear interest at the rate of 2.350% per annum, payable annually in arrears;
- are repayable at par at maturity;
- are redeemable by us at the time described below under "— Optional Redemption" and in connection with certain tax events as described below under "— Redemption Upon a Tax Event"; and
- are not subject to any sinking fund.

The 2.600% 2029 Notes:

- were issued in an aggregate initial principal amount of €800,000,000, which remains the amount outstanding, subject to our ability to issue additional 2.600% 2029 Notes which may be of the same series as the 2.600% 2029 Notes as described under "— Further Issues";
- mature on December 17, 2029;
- bear interest at the rate of 2.600% per annum, payable annually in arrears;
- are repayable at par at maturity;
- are redeemable by us at the time described below under "— Optional Redemption" and in connection with certain tax events as described below under "— Redemption Upon a Tax Event"; and
- are not subject to any sinking fund.

The 2035 Notes:

- were issued in an aggregate initial principal amount of €1,250,000,000, which remains the amount outstanding, subject to our ability to issue additional 2035 Notes which may be of the same series as the 2035 Notes as described under "— Further Issues";
- mature on March 15, 2035;
- bear interest at the rate of 2.450% per annum, payable annually in arrears;
- are repayable at par at maturity;

- are redeemable by us at the time described below under "— Optional Redemption" and in connection with certain tax events as described below under "— Redemption Upon a Tax Event"; and

- are not subject to any sinking fund.

The 2036 Notes:

- were issued in an aggregate initial principal amount of €1,750,000,000, which remains the amount outstanding, subject to our ability to issue additional 2036 Notes which may be of the same series as the 2036 Notes as described under "— Further Issues";

- mature on September 4, 2036;

- bear interest at the rate of 3.150% per annum, payable annually in arrears;

- are repayable at par at maturity;

- are redeemable by us at the time described below under "— Optional Redemption" and in connection with certain tax events as described below under "— Redemption Upon a Tax Event"; and

- are not subject to any sinking fund.

The Notes are unsecured and unsubordinated obligations and rank *pari passu* with all other indebtedness issued under our Indenture. Each series of Notes constitutes a separate series under the Indenture. The Notes are issued in fully registered form only and in minimum denominations of €100,000 and integral multiples of €1,000 in excess thereof. Principal and interest payments on the Notes are payable by us in euro. Payments of principal, interest and additional amounts, if any, in respect of the Notes will be made to Euroclear System, Clearstream Banking S.A. or such nominee or common depositary, as the case may be, as registered holder thereof. Under the terms of the Indenture, if the euro ceases to exist when payments on the Notes are due under any circumstances, AT&T may supplement the Indenture to allow for payment in U.S. dollars. The principal and interest payable in U.S. dollars on a Note at maturity, or upon redemption, will be paid by wire transfer of immediately available funds against presentation of a Note at the office of the paying agent.

For purposes of the 2022 Notes, 1.050% 2023 Notes, 2.750% 2023 Notes, 1.950% 2023 Notes, 1.800% 2026 Notes, 2.350% 2029 Notes, 2.600% 2029 Notes and the 2036 Notes, a business day means any day other than a Saturday or Sunday and that, in the City of New York or the City of London, is not a day on which banking institutions are generally authorized or obligated by law to close, and is a day on which the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET) System, or any successor thereto, operates.

For purposes of the 1.300% 2023 Notes and the 2035 Notes, a business day means a business day in the City of New York and London.

Interest

The interest rate per annum, annual interest payment date, date of commencement of interest payment and the maturity date of each series of Notes are set forth in the table below. We pay interest on the Notes annually in arrears to the persons in whose names the Notes are registered at the close of business on the business day preceding the respective interest payment date.

Series	Interest Rate	Interest Payment Date	Commencement of Interest Payment	Maturity Date
2022 Notes	1.450%	June 1	June 1, 2015	June 1, 2022
2.750% 2023 Notes	2.750%	May 19	May 19, 2016	May 19, 2023
1.050% 2023 Notes	1.050%	September 4*	September 4, 2019	September 5, 2023
1.300% 2023 Notes	1.300%	September 5	September 5, 2015	September 5, 2023
1.950% 2023 Notes	1.950%	September 15	September 15, 2019	September 15, 2023
1.800% 2026 Notes	1.800%	September 4*	September 4, 2019	September 5, 2026
2.350% 2029 Notes	2.350%	September 4*	September 4, 2019	September 5, 2029
2.600% 2029 Notes	2.600%	December 17	December 17, 2015	December 17, 2029
2035 Notes	2.450%	March 15	March 15, 2016	March 15, 2035
2036 Notes	3.150%	September 4	September 4, 2017	September 4, 2036

* We will also pay interest on this series of Notes on its maturity date in an amount calculated for the one day period since the last annual interest payment date.

Interest on the Notes is computed on the basis of the actual number of days in the period for which interest is being calculated and the actual number of days from and including the last date on which interest was paid on the Notes, to but excluding the next scheduled interest payment date. This payment convention is referred to as ACTUAL/ACTUAL (ICMA) as defined in the rulebook of the International Capital Market Association.

Optional Redemption

Each series of Notes (other than the 2.750% 2023 Notes) may be redeemed at any time prior to the applicable Par Call Date (as set forth in the table below), as a whole or in part, at our option, at any time and from time to time on at least 30 days', but not more than 60 days' (or, with respect to the 1.950% 2023 Notes, at least 15 days', but not more than 45 days'), prior notice sent to the registered address of each holder of the Notes of such series to be redeemed. The redemption price will be calculated by us and will be equal to the greater of (1) 100% of the principal amount of the Notes of such series to be redeemed or (2) the sum of the present values of the Remaining Scheduled Payments (as defined below) discounted to the redemption date, on an annual basis (ACTUAL/ACTUAL (ICMA)), at a rate equal to the Treasury Rate (as defined below) plus a number of basis points equal to the applicable Make-Whole Spread (as set forth in the table below). In the case of each of clauses (1) and (2), accrued interest will be payable to the redemption date. Each series of Notes (other than the 2.750% 2023 Notes) may be redeemed at any time on or after the applicable Par Call Date, as a whole or in part, at our option, at any time and from time to time, on at least 30 days', but not more than 60 days' (or, with respect to the 1.950% 2023 Notes, at least 15 days', but not more than 45 days'), prior notice sent to the registered address of each holder of the Notes of such series, at a redemption price equal to 100% of the principal amount of such series of Notes to be redeemed. Accrued interest will be payable to the redemption date. We will calculate the redemption price in connection with any redemption hereunder.

Series	Par Call Date	Make-Whole Spread
2022 Notes	March 1, 2022	20 bps
1.050% 2023 Notes	August 4, 2023	20 bps
1.300% 2023 Notes	June 5, 2023	20 bps
1.950% 2023 Notes	June 15, 2023	25 bps
1.800% 2026 Notes	June 4, 2026	25 bps
2.350% 2029 Notes	June 4, 2029	35 bps
2.600% 2029 Notes	September 17, 2029	25 bps
2035 Notes	December 15, 2034	25 bps
2036 Notes	June 4, 2036	35 bps

The 2.750% 2023 Notes may be redeemed as a whole or in part, at our option, at any time and from time to time, on at least 30 days', but not more than 60 days', prior notice sent to the registered address of each holder of the 2.750% 2023 Notes. The redemption price will be equal to the greater of (1) 100% of the principal amount of the 2.750% 2023 Notes to be redeemed or (2) the sum of the present values of the Remaining Scheduled Payments (as defined below) discounted to the redemption date, on an annual basis (ACTUAL/ACTUAL (ICMA)), at a rate equal to the Treasury Rate (as defined below) and 25 basis points. In either case, accrued but unpaid interest will be payable to the redemption date. We will calculate the redemption price in connection with any redemption hereunder.

"*Treasury Rate*" means the price, expressed as a percentage (and, with respect to the 2022 Notes, 2.750% 2023 Notes, 1.950% 2023 Notes and 2.600% 2029 Notes, rounded to three decimal places, 0.0005 being rounded upwards), at which the gross redemption yield on the Notes of the applicable series, if they were to be purchased at such price on the third dealing day prior to the date fixed for redemption, would be equal to the gross redemption yield on such dealing day of the applicable Reference Bond (as defined below) on the basis of the middle market price of the Reference Bond prevailing at 11:00 a.m. (London time) on such dealing day as determined by the Company or an investment bank appointed by the Company.

"*Reference Bond*" means, in relation to any Treasury Rate calculation, a German government bond whose maturity is closest to the maturity of the Notes of the applicable series, or if the Company or an investment bank appointed by the Company considers that such similar bond is not in issue, such other German government bond as the Company or an investment bank appointed by the Company, with the advice of three brokers of, and/or market makers in, German government bonds selected by the Company or an investment bank appointed by the Company, determine to be appropriate for determining such Treasury Rate.

"*Remaining Scheduled Payments*" means, with respect to each Note of a series to be redeemed, the remaining scheduled payments of principal of and interest on such Note that would be due after the related redemption date but for the redemption. If that redemption date is not an interest payment date with respect to the applicable series of Notes, the amount of the next succeeding scheduled interest payment on the Notes will be reduced by the amount of interest accrued on the Notes to, but not including, the redemption date.

On and after the redemption date, interest will cease to accrue on the Notes or any portion of the Notes called for redemption unless we default in the payment of the redemption price and accrued interest. On or before the redemption date, we will deposit with a paying agent or the trustee money sufficient to pay the redemption price of and accrued interest on the Notes to be redeemed on that date.

In the case of any partial redemption, selection of the Notes of a series to be redeemed will be made by the trustee by lot or (i) with respect to the 1.050% 2023 Notes, 1.800% 2026 Notes, 2.350% 2029 Notes and 2036 Notes, pursuant to applicable depositary procedures and (ii) with respect to the 2022 Notes, 2.750% 2023 Notes, 1.300% 2023 Notes, 1.950% 2023 Notes, 2.600% 2029 Notes and 2035 Notes, by such other method as the trustee in its sole discretion deems to be fair and appropriate.

Payment of Additional Amounts

We will, subject to the exceptions and limitations set forth below, pay as additional interest on the Notes such additional amounts as are necessary so that the net payment by us or our paying agent of the principal of and interest on the Notes to a person that is a United States Alien, after deduction for any present or future tax, assessment or governmental charge of the United States or a political subdivision or taxing authority thereof or therein, imposed by withholding with respect to the payment, will not be less than the amount that would have been payable in respect of the Notes had no withholding or deduction been required. As used herein, "United States Alien" means any person who, for United States federal income tax purposes, is a foreign corporation, a non-resident alien individual, a non-resident alien fiduciary of a foreign estate or trust, or a foreign partnership one or more of the members of which is, for United States federal income tax purposes, a foreign corporation, a non-resident alien individual or a non-resident alien fiduciary of a foreign estate or trust.

Our obligation to pay additional amounts shall not apply:

(1) to any tax, assessment or governmental charge that is imposed or withheld solely because the beneficial owner, or a fiduciary, settlor, beneficiary or member of the beneficial owner if the beneficial owner is an estate, trust or partnership, or a person holding a power over an estate or trust administered by a fiduciary holder:

(a) is or was present or engaged in a trade or business in the United States, has or had a permanent establishment in the United States, or has any other present or former connection with the United States or any political subdivision or taxing authority thereof or therein;

(b) is or was a citizen or resident or is or was treated as a resident of the United States;

(c) is or was a foreign or domestic personal holding company, a passive foreign investment company or a controlled foreign corporation with respect to the United States or is or was a corporation that has accumulated earnings to avoid United States federal income tax;

(d) is or was a bank receiving interest described in Section 881(c)(3)(A) of the Internal Revenue Code of 1986, as amended (the "Code"); or

(e) is or was an actual or constructive owner of 10% or more of the total combined voting power of all classes of stock of AT&T entitled to vote;

(2) to any holder that is not the sole beneficial owner of the Notes, or a portion thereof, or that is a fiduciary or partnership, but only to the extent that the beneficial owner, a beneficiary or settlor with respect to the fiduciary, or a member of the partnership would not have been entitled to the payment of an additional amount had such beneficial owner, beneficiary, settlor or member received directly its beneficial or distributive share of the payment;

(3) to any tax, assessment or governmental charge that is imposed or withheld solely because the beneficial owner or any other person failed to comply with certification, identification or information reporting requirements concerning the nationality, residence, identity or connection with the United States of the holder or beneficial owner of the Notes, if compliance is required by statute, by regulation of the United States Treasury Department or by an applicable income tax treaty to which the United States is a party as a precondition to exemption from such tax, assessment or other governmental charge;

(4) to any tax, assessment or governmental charge that is imposed other than by deduction or withholding by AT&T or a paying agent from the payment;

(5) to any tax, assessment or governmental charge that is imposed or withheld solely because of a change in law, regulation, or administrative or judicial interpretation that is announced or becomes effective after the day on which the payment becomes due or is duly provided for, whichever occurs later;

(6) to an estate, inheritance, gift, sales, excise, transfer, wealth or personal property tax or any similar tax, assessment or governmental charge;

(7) to any tax, assessment or other governmental charge any paying agent (which term may include us) must withhold from any payment of principal of or interest on any Note, if such payment can be made without such withholding by any other paying agent; or

(8) in the case of any combination of the above items.

In addition, any amounts to be paid on the Notes will be paid net of any deduction or withholding imposed or required pursuant to Sections 1471 through 1474 of the Code, any current or future regulations or official interpretations thereof, any agreement entered into pursuant to Section 1471(b) of the Code, or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of such Sections of the Code, and no additional amounts will be required to be paid on account of any such deduction or withholding.

The Notes are subject in all cases to any tax, fiscal or other law or regulation or administrative or judicial interpretation applicable. Except as specifically provided under this heading "—Payment of Additional Amounts" and under the heading "—Redemption Upon a Tax Event," we do not have to make any payment with respect to any tax, assessment or governmental charge imposed by any government or a political subdivision or taxing authority.

Any reference in the terms of the Notes of each series to any amounts in respect of the Notes shall be deemed also to refer to any additional amounts which may be payable under this provision.

Redemption Upon a Tax Event

If (a) we become or will become obligated to pay additional amounts with respect to any Notes as described herein under the heading "—Payment of Additional Amounts" as a result of any change in, or amendment to, the laws (or any regulations or rulings promulgated thereunder) of the United States (or any political subdivision or taxing authority thereof or therein), or any change in, or amendments to, any official position regarding the application or interpretation of such laws, regulations or rulings, which change or amendment is announced or becomes effective, on or after the date set forth in the table below with respect to the relevant series of Notes or (b) a taxing authority of the United States takes an action on or after the date set forth in the table below with respect to the relevant series of Notes, whether or not with respect to us or any of our affiliates, that results in a substantial probability that we will or may be required to pay such additional amounts, then we may, at our option, redeem, as a whole, but not in part, the Notes on any interest payment date on not less than 30 nor more than 60 calendar days' prior notice, at a redemption price equal to 100% of their principal amount, together with interest accrued thereon to, but not including, the date fixed for redemption. No redemption pursuant to (b) above may be made unless we shall have received an opinion of independent counsel to the effect that an act taken by a taxing authority of the United States results in a substantial probability that we will or may be required to pay the additional amounts described herein under the heading "—Payment of Additional Amounts" and we shall have delivered to the trustee a certificate, signed by a duly authorized officer, stating that based on such opinion we are entitled to redeem the Notes pursuant to their terms.

Series	Relevant Date of Taxation Change
2022 Notes	November 20, 2014
2.750% 2023 Notes	March 21, 2016
1.050% 2023 Notes	February 15, 2018
1.300% 2023 Notes	February 23, 2015
1.950% 2023 Notes	June 5, 2019
1.800% 2026 Notes	February 15, 2018
2.350% 2029 Notes	February 15, 2018
2.600% 2029 Notes	November 20, 2014
2035 Notes	February 23, 2015
2036 Notes	June 7, 2017

Further Issues

We may from time to time, without notice to or the consent of the holders of any series of the Notes, create and issue further notes ranking equally and ratably with such series in all respects, or in all respects except for the payment of interest accruing prior to the issue date or except for the first payment of interest following the issue date of those further notes. Any further notes will have the same terms as to status, redemption or otherwise as, and will be fungible for United States federal income tax purposes with, the Notes of the applicable series. Any further notes shall be issued pursuant to a resolution of our board of directors, a supplement to the Indenture, or under an officers' certificate pursuant to the Indenture.

Governing Law

The Notes will be governed by and interpreted in accordance with the laws of the State of New York.

Special Situations Covered by Our Indenture

Mergers and Similar Transactions

We are generally permitted to consolidate or merge with another company. We are also permitted to sell substantially all of our assets to another company. However, we may not take any of these actions unless all the following conditions are met:

- Where we merge out of existence or sell our assets, the company we merge into or sell to may not be organized under the laws of a foreign country. It must be a corporation organized under the laws of the United States, any State thereof, or the District of Columbia.

- The company we merge into or sell to must agree to be legally responsible for our debt securities.

- The merger, sale of assets or other transaction must not cause a default on the securities, and we must not already be in default, unless the merger or other transaction would cure the default. For purposes of this no-default test, a default would include an event of default that has occurred and not been cured, as described below under "— Default and Related Matters — Events of Default — What Is an Event of Default?" A default for this purpose would also include any event that would be an event of default if the requirements for giving us default notice or our default having to exist for a specific period of time were disregarded.

Further, we may buy substantially all of the assets of another company without complying with any of the foregoing conditions.

Modification and Waiver of Holders' Contractual Rights

Under certain circumstances, we can make changes to the Indenture and the securities (including the Notes). Some types of changes require the approval of each security holder affected, some require approval by a majority vote, and some changes do not require any approval at all.

Changes Requiring Approval of Holders. First, there are changes that cannot be made to the securities without specific approval of holders. The following is a list of those types of changes:

- to reduce the percentage of holders of securities who must consent to a waiver or amendment of the Indenture;

- to reduce the rate of interest on any security or change the time for payment of interest;

- to reduce the principal due on any security or change the fixed maturity of any security;

- to waive a default in the payment of principal or interest on any security;

- to change the currency of payment on a security, unless the security provides for payment in a currency that ceases to exist;

- in the case of convertible or exchangeable securities, to make changes to conversion or exchange rights that would be adverse to the interests of holders;

- to change the right of holders to waive an existing default by majority vote;

- to reduce the amount of principal or interest payable to holders following a default or change any conversion or exchange rights, or impair the right of holders to sue for payment; and

- to make any change to this list of changes that requires specific approval of holders.

Changes Requiring a Majority Vote. The second type of change to the Indenture and the securities is the kind that requires a vote in favor by security holders owning a majority of the principal amount of the particular series affected. Most changes fall into this category, except as set forth in the following paragraph. The same vote would be required for us to obtain a waiver of an existing default. However, we cannot obtain a waiver of a payment default unless we obtain each holder's individual consent to the waiver.

Changes Not Requiring Approval of Holders. The third type of change does not require any vote by holders of securities. This type includes, among others, clarifications of ambiguous contract terms, changes to make securities payable in U.S. dollars (if the stated denomination ceases to exist) and other changes that would not materially adversely affect holders of the securities.

Further Details Concerning Voting. When taking a vote, we will use the following rules to decide how much principal amount to attribute to a security:

- For securities denominated in one or more foreign currencies or currency units, we will use the U.S. dollar equivalent determined on the date of original issuance of these securities.

Securities will not be considered outstanding, and therefore not eligible to vote, if we have deposited or set aside in trust for the applicable holders money for their payment or redemption. A security does not cease to be outstanding because we or an affiliate of us is holding the security.

We will generally be entitled to set any day as a record date for the purpose of determining the holders of outstanding securities that are entitled to vote or take other action under the Indenture. However, the Indenture does not oblige us to fix any record date at all. If we set a record date for a vote or other action to be taken by holders of a particular series, that vote or action may be taken only by persons who are holders of outstanding securities of that series on the record date and must be taken within 90 days following the record date.

Holders who hold in "street name" and other indirect holders, including holders of any securities issued as global securities, should consult their banks or brokers for information on how approval may be granted or denied if we seek to change the Indenture or the securities or request a waiver.

Discharge of Our Obligations

We can fully discharge ourselves from any payment or other obligations on the securities of any series if we make a deposit for the applicable holders with the trustee and certain other conditions are met. The deposit must be held in trust for the benefit of all direct holders of the securities and must be a combination of money and U.S. government or U.S. government agency notes or bonds that will generate enough cash to make interest, principal and any other payments on the securities on their various due dates.

However, we cannot discharge ourselves from the obligations under any convertible or exchangeable securities, unless we provide for it in the terms of these securities.

If we accomplish full discharge, as described above, holders will have to rely solely on the trust deposit for repayment of the securities. Holders could not look to us for repayment in the unlikely event of any shortfall. Conversely, the trust deposit would most likely be protected from claims of our lenders and other creditors if we ever become bankrupt or insolvent.

We will indemnify the trustee and holders against any tax, fee or other charge imposed on the U.S. government obligations we deposited with the trustee or against the principal and interest received on these obligations.

Liens on Assets

The Indenture does not restrict us from pledging or otherwise encumbering any of our assets and those of our subsidiaries.

Default and Related Matters

Ranking Compared to Other Creditors

The securities are not secured by any of our property or assets. Accordingly, ownership of securities means each holder is one of our unsecured creditors. The securities are not subordinated to any of our other debt obligations and therefore they rank equally with all our other unsecured and unsubordinated indebtedness. However, the trustee has a right to receive payment for its administrative services prior to any payment to security holders after a default.

Events of Default

Holders will have special rights if an event of default occurs and is not cured, as described later in this subsection.

What Is an Event of Default? The term "event of default" with respect to any series of securities means any of the following:

- We fail to make any interest payment on the securities of such series when it is due, and we do not cure this default within 90 days.

- We fail to make any payment of principal when it is due at the maturity of such series of securities or upon redemption.

- We fail to comply with any of our other agreements regarding a particular series of securities or with a supplemental indenture, and after we have been notified of the default by the trustee or holders of 25% in principal amount of the series, we do not cure the default within 90 days.

- We file for bankruptcy, or other events in bankruptcy, insolvency or reorganization occur.

Remedies if an Event of Default Occurs

Holders and the trustee will have the following remedies if an event of default occurs:

Acceleration. If an event of default has occurred and has not been cured or waived, then the trustee or the holders of 25% in principal amount of the securities of the affected series may declare the entire principal amount of and any accrued interest on all the securities of that series to be due and immediately payable. An acceleration of maturity may be cancelled by the holders of at least a majority in principal amount of the securities of the affected series, if all events of default have been cured or waived.

Special Duties of Trustee. If an event of default occurs, the trustee will have some special duties. In that situation, the trustee will be obligated to use those of its rights and powers under the Indenture, and to use the same degree of care and skill in doing so, that a prudent person would use in that situation in conducting his or her own affairs.

Other Remedies of Trustee. If an event of default occurs, the trustee is authorized to pursue any available remedy to collect defaulted principal and interest and to enforce other provisions of the securities and the Indenture, including bringing a lawsuit.

Majority Holders May Direct the Trustee to Take Actions to Protect Their Interests. The trustee is not required to take any action under the Indenture at the request of any holders unless the holders offer the trustee reasonable protection from expenses and liability. This is called an "indemnity". If the trustee is provided with an indemnity reasonably satisfactory to it, the holders of a majority in principal amount of the relevant series of debt securities may direct the time, method and place of conducting any lawsuit or other formal legal action seeking any remedy available to the trustee. These majority holders may also direct the trustee in performing any other action under the Indenture.

Individual Actions Holders May Take if the Trustee Fails to Act. Before a holder bypasses the trustee and brings such holder's own lawsuit or other formal legal action or take other steps to enforce such holder's rights or protect such holder's interests relating to the securities, the following must occur:

- Such holder must give the trustee written notice that an event of default has occurred and remains uncured.

- The holders of 25% in principal amount of all outstanding securities of the relevant series must make a written request that the trustee take action because of the default, and must offer indemnity reasonably satisfactory to the trustee against the cost and other liabilities of taking that action.

- The trustee must not have taken action for 60 days after receipt of the above notice and offer of indemnity.

- During the 60-day period, the holders of a majority in principal amount of the securities of that series do not give the trustee a direction inconsistent with the request.

However, a holder is entitled at any time to bring an individual lawsuit for the payment of the money due on such holder's security on or after its due date.

Waiver of Default

The holders of a majority in principal amount of the relevant series of debt securities may waive a default for all the relevant series of debt securities. If this happens, the default will be treated as if it had not occurred. No one can waive a payment default on a holder's debt security, however, without such holder's individual approval.

We Will Give the Trustee Information About Defaults Annually

Every year we will give to the trustee a written statement of one of our officers certifying that to the best of his or her knowledge we are in compliance with the Indenture and all the securities under it, or else specifying any default.

The trustee may withhold from holders notice of any uncured default, except for payment defaults, if it determines that withholding notice is in holders' interest.

Holders who hold in "street name" and other indirect holders should consult their banks or brokers for information on how to give notice or direction to or make a request of the trustee and how to make or cancel a declaration of acceleration.

Regarding the Trustee

The Bank of New York Mellon Trust Company, N.A. is the trustee under the Indenture. In addition, affiliates of The Bank of New York Mellon Trust Company, N.A. may perform various commercial banking and investment banking services for us and our subsidiaries from time to time in the ordinary course of business.

DESCRIPTION OF THE 0.250% GLOBAL NOTES DUE 2026, THE 0.800% GLOBAL NOTES DUE 2030 AND THE 1.800% GLOBAL NOTES DUE 2039

The following summary of AT&T's above referenced debt securities is based on and qualified by the indenture, dated as of May 15, 2013, with The Bank of New York Mellon Trust Company, N.A., acting as trustee (the "Indenture") and the 0.250% Global Notes due 2026 (the "0.250% 2026 Notes"), the 0.800% Global Notes due 2030 (the "2030 Notes") and the 1.800% Global Notes due 2039 (the "2039 Notes" and, together with the 0.250% 2026 Notes and the 2030 Notes, the "Notes"). For a complete description of the terms and provisions of the Notes, please refer to the Indenture, which is filed as an exhibit to AT&T's Annual Report on Form 10-K for the year ended December 31, 2019 and to the forms of Notes, which are filed as exhibits to the Form 8-A filed with the Securities and Exchange Commission on September 11, 2019.

General

The 0.250% 2026 Notes:

- were issued in an aggregate initial principal amount of €1,000,000,000, which remains the amount outstanding, subject to our ability to issue additional 0.250% 2026 Notes which may be of the same series as the 0.250% 2026 Notes as described under "— Further Issues";
- mature on March 4, 2026;
- bear interest at the rate of 0.250% per annum, payable annually in arrears;
- are repayable at par at maturity;
- are redeemable by us at the time described below under "— Optional Redemption" and in connection with certain tax events as described below under "— Redemption Upon a Tax Event"; and
- are not subject to any sinking fund.

The 2030 Notes:

- were issued in an aggregate initial principal amount of €1,250,000,000, which remains the amount outstanding, subject to our ability to issue additional 2030 Notes which may be of the same series as the 2030 Notes as described under "— Further Issues";
- mature on March 4, 2030;
- bear interest at the rate of 0.800% per annum, payable annually in arrears;
- are repayable at par at maturity;
- are redeemable by us at the time described below under "— Optional Redemption" and in connection with certain tax events as described below under "— Redemption Upon a Tax Event"; and
- are not subject to any sinking fund.

The 2039 Notes:

- were issued in an aggregate initial principal amount of €750,000,000, which remains the amount outstanding, subject to our ability to issue additional 2039 Notes which may be of the same series as the 2039 Notes as described under "— Further Issues";
- mature on September 14, 2039;
- bear interest at the rate of 1.800% per annum, payable annually in arrears;

- are repayable at par at maturity;
- are redeemable by us at the time described below under "— Optional Redemption" and in connection with certain tax events as described below under "— Redemption Upon a Tax Event"; and
- are not subject to any sinking fund.

The Notes are unsecured and unsubordinated obligations and rank *pari passu* with all other indebtedness issued under our Indenture. Each series of Notes constitutes a separate series under the Indenture. The Notes are issued in fully registered form only and in minimum denominations of €100,000 and integral multiples of €1,000 in excess thereof. Principal and interest payments on the Notes are payable by us in euro. Payments of principal, interest and additional amounts, if any, in respect of the Notes will be made to Euroclear System, Clearstream Banking S.A. or such nominee or common depositary, as the case may be, as registered holder thereof. Under the terms of the Indenture, if the euro ceases to exist when payments on the Notes are due under any circumstances, AT&T may supplement the Indenture to allow for payment in U.S. dollars. The principal and interest payable in U.S. dollars on a Note at maturity, or upon redemption, will be paid by wire transfer of immediately available funds against presentation of a Note at the office of the paying agent.

For purposes of the Notes, a business day means any day that is not a Saturday or Sunday and that, in the City of New York or the City of London, is not a day on which banking institutions are generally authorized or obligated by law to close.

Interest

The 0.250% 2026 Notes bear interest at the rate of 0.250% per annum, the 2030 Notes bear interest at the rate of 0.800% per annum and the 2039 Notes bear interest at the rate of 1.800% per annum. We pay interest on the 0.250% 2026 Notes and the 2030 Notes annually in arrears on each March 4, commencing on March 4, 2020, to the persons in whose names the 0.250% 2026 Notes and the 2030 Notes are registered at the close of business on the business day preceding the interest payment date. We pay interest on the 2039 Notes annually in arrears on each September 14, commencing on September 14, 2020, to the persons in whose names the 2039 Notes are registered at the close of business on the business day preceding the interest payment date. The 0.250% 2026 Notes will mature on March 4, 2026, the 2030 Notes will mature on March 4, 2030 and the 2039 Notes will mature on September 14, 2039.

Interest on the Notes will be computed on the basis of the actual number of days in the period for which interest is being calculated and the actual number of days from and including the last date on which interest was paid on the Notes (or September 11, 2019, if no interest has been paid on the Notes), to but excluding the next scheduled interest payment date. This payment convention is referred to as ACTUAL/ACTUAL (ICMA) as defined in the rulebook of the International Capital Market Association.

Because the first payment of interest on the 2039 Notes is more than one year from the issue date of the 2039 Notes, the 2039 Notes will be treated for U.S. federal income tax purposes as issued with original issue discount ("OID") in an amount equal to the excess of the principal amount and interest payments on the 2039 Notes over the issue price for the 2039 Notes. Accordingly, United States holders of the 2039 Notes will generally be required to accrue such OID for U.S. tax purposes on a constant yield basis over the term of the 2039 Notes even if the holder is otherwise subject to the cash basis method of tax accounting. Such holders, however, will generally not be required to include the stated interest payments on the 2039 Notes in income for U.S. tax purposes.

Optional Redemption

Each series of Notes may be redeemed at any time prior to the applicable Par Call Date (as set forth in the table below), as a whole or in part, at our option, at any time and from time to time on at least 30 days', but not more than 60 days', prior notice sent to the registered address of each holder of the Notes of such series to be redeemed. The redemption price will be calculated by us and will be equal to the greater of (1) 100% of the principal amount of the Notes of such series to be redeemed or (2) the sum of the present values of the Remaining Scheduled Payments (as defined below) discounted to the redemption date, on an annual basis (ACTUAL/ACTUAL (ICMA)), at a rate equal to the sum of the Treasury Rate (as defined below) plus a number of basis points equal to the applicable Make-Whole Spread (as set forth in the table below). In the case of each of clauses (1) and (2), accrued but unpaid interest will be payable to the redemption date. At any time on or after the applicable Par Call Date (as set forth in the table below), the Notes may be redeemed, as a whole or in part, at our option, at any time and from time to time, on at least 30 days', but not more than 60 days', prior notice sent to the registered address of each holder of the Notes of such series to be redeemed, at a redemption price equal to 100% of the principal amount of such series of Notes to be redeemed. Accrued interest will be payable to the redemption date.

Series	**Par Call Date**	**Make-Whole Spread**
0.250% 2026 Notes	February 4, 2026	20 bps
2030 Notes	December 4, 2029	25 bps
2039 Notes	March 14, 2039	35 bps

"*Treasury Rate*" means the price, expressed as a percentage, at which the gross redemption yield on the Notes of the applicable series, if they were to be purchased at such price on the third dealing day prior to the date fixed for redemption, would be equal to the gross redemption yield on such dealing day of the applicable Reference Bond (as defined below) on the basis of the middle market price of the Reference Bond prevailing at 11:00 a.m. (London time) on such dealing day as determined by the Company or an investment bank appointed by the Company.

"*Reference Bond*" means, in relation to any Treasury Rate calculation, a German government bond whose maturity is closest to the maturity of the Notes of the applicable series, or if the Company or an investment bank appointed by the Company considers that such similar bond is not in issue, such other German government bond as the Company or an investment bank appointed by the Company, with the advice of three brokers of, and/or market makers in, German government bonds selected by the Company or an investment bank appointed by the Company, determine to be appropriate for determining such Treasury Rate.

"*Remaining Scheduled Payments*" means, with respect to each Note of a series to be redeemed, the remaining scheduled payments of principal and interest on such Note that, but for the redemption, would be due after the related redemption date through the applicable Par Call Date, assuming the applicable series of Notes matured on the Par Call Date (not including any portion of payments of interest accrued as of the redemption date). If that redemption date is not an interest payment date with respect to the applicable series of Notes, the amount of the next succeeding scheduled interest payment on the Notes will be reduced by the amount of interest accrued on the Notes to the redemption date.

On and after the redemption date, interest will cease to accrue on the Notes or any portion of the Notes called for redemption unless we default in the payment of the redemption price and accrued interest. On or before the redemption date, we will deposit with our paying agent or the trustee money sufficient to pay the redemption price of and accrued interest on the Notes to be redeemed on that date.

In the case of any partial redemption, selection of the Notes of a series to be redeemed will be made by the trustee by lot or pursuant to applicable depositary procedures.

Payment of Additional Amounts

We will, subject to the exceptions and limitations set forth below, pay as additional interest on the Notes such additional amounts as are necessary so that the net payment by us or our paying agent of the principal of and interest on the Notes to a person that is a United States Alien, after deduction for any present or future tax, assessment or governmental charge of the United States or a political subdivision or taxing authority thereof or therein, imposed by withholding with respect to the payment, will not be less than the amount that would have been payable in respect of the Notes had no withholding or deduction been required. As used herein, "United States Alien" means any person who, for United States federal income tax purposes, is a foreign corporation, a non-resident alien individual, a non-resident alien fiduciary of a foreign estate or trust, or a foreign partnership one or more of the members of which is, for United States federal income tax purposes, a foreign corporation, a non-resident alien individual or a non-resident alien fiduciary of a foreign estate or trust.

Our obligation to pay additional amounts shall not apply:

(1) to any tax, assessment or governmental charge that is imposed or withheld solely because the beneficial owner, or a fiduciary, settlor, beneficiary or member of the beneficial owner if the beneficial owner is an estate, trust or partnership, or a person holding a power over an estate or trust administered by a fiduciary holder:

(a) is or was present or engaged in a trade or business in the United States, has or had a permanent establishment in the United States, or has any other present or former connection with the United States or any political subdivision or taxing authority thereof or therein;

(b) is or was a citizen or resident or is or was treated as a resident of the United States;

(c) is or was a foreign or domestic personal holding company, a passive foreign investment company or a controlled foreign corporation with respect to the United States or is or was a corporation that has accumulated earnings to avoid United States federal income tax;

(d) is or was a bank receiving interest described in Section 881(c)(3)(A) of the Internal Revenue Code of 1986, as amended (the "Code"); or

(e) is or was an actual or constructive owner of 10% or more of the total combined voting power of all classes of stock of AT&T entitled to vote;

(2) to any holder that is not the sole beneficial owner of the Notes, or a portion thereof, or that is a fiduciary or partnership, but only to the extent that the beneficial owner, a beneficiary or settlor with respect to the fiduciary, or a member of the partnership would not have been entitled to the payment of an additional amount had such beneficial owner, beneficiary, settlor or member received directly its beneficial or distributive share of the payment;

(3) to any tax, assessment or governmental charge that is imposed or withheld solely because the beneficial owner or any other person failed to comply with certification, identification or information reporting requirements concerning the nationality, residence, identity or connection with the United States of the holder or beneficial owner of the Notes, if compliance is required by statute, by regulation of the United States Treasury Department or by an applicable income tax treaty to which the United States is a party as a precondition to exemption from such tax, assessment or other governmental charge;

(4) to any tax, assessment or governmental charge that is imposed other than by deduction or withholding by AT&T or a paying agent from the payment;

(5) to any tax, assessment or governmental charge that is imposed or withheld solely because of a change in law, regulation, or administrative or judicial interpretation that is announced or becomes effective after the day on which the payment becomes due or is duly provided for, whichever occurs later;

(6) to an estate, inheritance, gift, sales, excise, transfer, wealth or personal property tax or any similar tax, assessment or governmental charge;

(7) to any tax, assessment or other governmental charge any paying agent (which term may include us) must withhold from any payment of principal of or interest on any Note, if such payment can be made without such withholding by any other paying agent; or

(8) in the case of any combination of the above items.

In addition, any amounts to be paid on the Notes will be paid net of any deduction or withholding imposed or required pursuant to Sections 1471 through 1474 of the Code, any current or future regulations or official interpretations thereof, any agreement entered into pursuant to Section 1471(b) of the Code, or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of such Sections of the Code, and no additional amounts will be required to be paid on account of any such deduction or withholding.

The Notes are subject in all cases to any tax, fiscal or other law or regulation or administrative or judicial interpretation applicable. Except as specifically provided under this heading "— Payment of Additional Amounts" and under the heading "— Redemption Upon a Tax Event," we do not have to make any payment with respect to any tax, assessment or governmental charge imposed by any government or a political subdivision or taxing authority.

Any reference in the terms of the Notes of each series to any amounts in respect of the Notes shall be deemed also to refer to any additional amounts which may be payable under this provision.

Redemption Upon a Tax Event

If (a) we become or will become obligated to pay additional amounts with respect to any Notes as described herein under the heading "— Payment of Additional Amounts" as a result of any change in, or amendment to, the laws (or any regulations or rulings promulgated thereunder) of the United States (or any political subdivision or taxing authority thereof or therein), or any change in, or amendments to, any official position regarding the application or interpretation of such laws, regulations or rulings, which change or amendment is announced or becomes effective, on or after September 4, 2019 or (b) a taxing authority of the United States takes an action on or after September 4, 2019, whether or not with respect to us or any of our affiliates, that results in a substantial probability that we will or may be required to pay such additional amounts, then we may, at our option, redeem, as a whole, but not in part, the applicable series of Notes on any interest payment date on not less than 30 nor more than 60 calendar days' prior notice, at a redemption price equal to 100% of their principal amount, together with interest accrued thereon to the date fixed for redemption. No redemption pursuant to (b) above may be made unless we shall have received an opinion of independent counsel to the effect that an act taken by a taxing authority of the United States results in a substantial probability that we will or may be required to pay the additional amounts described herein under the heading "— Payment of Additional Amounts" and we shall have delivered to the trustee a certificate, signed by a duly authorized officer, stating that based on such opinion we are entitled to redeem the Notes pursuant to their terms.

Further Issues

We may from time to time, without notice to or the consent of the holders of any series of the Notes, create and issue further notes ranking equally and ratably with such series in all respects, or in all respects except for the payment of interest accruing prior to the issue date or except for the first payment of interest following the issue date of those further notes. Any further notes will have the same terms as to status, redemption or otherwise as, and will be fungible for United States federal income tax purposes with, the Notes of the applicable series. Any further notes shall be issued pursuant to a resolution of our board of directors, a supplement to the Indenture, or under an officers' certificate pursuant to the Indenture.

Governing Law

The Notes will be governed by and interpreted in accordance with the laws of the State of New York.

Special Situations Covered by Our Indenture

Mergers and Similar Transactions

We are generally permitted to consolidate or merge with another company. We are also permitted to sell substantially all of our assets to another company. However, we may not take any of these actions unless all the following conditions are met:

- Where we merge out of existence or sell our assets, the company we merge into or sell to may not be organized under the laws of a foreign country. It must be a corporation organized under the laws of the United States, any State thereof, or the District of Columbia.

- The company we merge into or sell to must agree to be legally responsible for our debt securities.

- The merger, sale of assets or other transaction must not cause a default on the securities, and we must not already be in default, unless the merger or other transaction would cure the default. For purposes of this no-default test, a default would include an event of default that has occurred and not been cured, as described below under "— Default and Related Matters — Events of Default — What Is an Event of Default?" A default for this purpose would also include any event that would be an event of default if the requirements for giving us default notice or our default having to exist for a specific period of time were disregarded.

Further, we may buy substantially all of the assets of another company without complying with any of the foregoing conditions.

Modification and Waiver of Holders' Contractual Rights

Under certain circumstances, we can make changes to the Indenture and the securities (including the Notes). Some types of changes require the approval of each security holder affected, some require approval by a majority vote, and some changes do not require any approval at all.

Changes Requiring Approval of Holders. First, there are changes that cannot be made to the securities without specific approval of holders. The following is a list of those types of changes:

- to reduce the percentage of holders of securities who must consent to a waiver or amendment of the Indenture;
- to reduce the rate of interest on any security or change the time for payment of interest;
- to reduce the principal due on any security or change the fixed maturity of any security;
- to waive a default in the payment of principal or interest on any security;
- to change the currency of payment on a security, unless the security provides for payment in a currency that ceases to exist;
- in the case of convertible or exchangeable securities, to make changes to conversion or exchange rights that would be adverse to the interests of holders;
- to change the right of holders to waive an existing default by majority vote;
- to reduce the amount of principal or interest payable to holders following a default or change any conversion or exchange rights, or impair the right of holders to sue for payment; and
- to make any change to this list of changes that requires specific approval of holders.

Changes Requiring a Majority Vote. The second type of change to the Indenture and the securities is the kind that requires a vote in favor by security holders owning a majority of the principal amount of the particular series affected. Most changes fall into this category, except as set forth in the following paragraph. The same vote would be required for us to obtain a waiver of an existing default. However, we cannot obtain a waiver of a payment default unless we obtain each holder's individual consent to the waiver.

Changes Not Requiring Approval of Holders. The third type of change does not require any vote by holders of securities. This type includes, among others, clarifications of ambiguous contract terms, changes to make securities payable in U.S. dollars (if the stated denomination ceases to exist) and other changes that would not materially adversely affect holders of the securities.

Further Details Concerning Voting. When taking a vote, we will use the following rules to decide how much principal amount to attribute to a security:

- For securities denominated in one or more foreign currencies or currency units, we will use the U.S. dollar equivalent determined on the date of original issuance of these securities.

Securities will not be considered outstanding, and therefore not eligible to vote, if we have deposited or set aside in trust for the applicable holders money for their payment or redemption. A security does not cease to be outstanding because we or an affiliate of us is holding the security.

We will generally be entitled to set any day as a record date for the purpose of determining the holders of outstanding securities that are entitled to vote or take other action under the Indenture. However, the Indenture does not oblige us to fix any record date at all. If we set a record date for a vote or other action to be taken by holders of a particular series, that vote or action may be taken only by persons who are holders of outstanding securities of that series on the record date and must be taken within 90 days following the record date.

Holders who hold in "street name" and other indirect holders, including holders of any securities issued as global securities, should consult their banks or brokers for information on how approval may be granted or denied if we seek to change the Indenture or the securities or request a waiver.

Discharge of Our Obligations

We can fully discharge ourselves from any payment or other obligations on the securities of any series if we make a deposit for the applicable holders with the trustee and certain other conditions are met. The deposit must be held in trust for the benefit of all direct holders of the securities and must be a combination of money and U.S. government or U.S. government agency notes or bonds that will generate enough cash to make interest, principal and any other payments on the securities on their various due dates.

However, we cannot discharge ourselves from the obligations under any convertible or exchangeable securities, unless we provide for it in the terms of these securities.

If we accomplish full discharge, as described above, holders will have to rely solely on the trust deposit for repayment of the securities. Holders could not look to us for repayment in the unlikely event of any shortfall. Conversely, the trust deposit would most likely be protected from claims of our lenders and other creditors if we ever become bankrupt or insolvent.

We will indemnify the trustee and holders against any tax, fee or other charge imposed on the U.S. government obligations we deposited with the trustee or against the principal and interest received on these obligations.

Liens on Assets

The Indenture does not restrict us from pledging or otherwise encumbering any of our assets and those of our subsidiaries.

Default and Related Matters

Ranking Compared to Other Creditors

The securities are not secured by any of our property or assets. Accordingly, ownership of securities means each holder is one of our unsecured creditors. The securities are not subordinated to any of our other debt obligations and therefore they rank equally with all our other unsecured and unsubordinated indebtedness. However, the trustee has a right to receive payment for its administrative services prior to any payment to security holders after a default.

Events of Default

Holders will have special rights if an event of default occurs and is not cured, as described later in this subsection.

What Is an Event of Default? The term "event of default" with respect to any series of securities means any of the following:

- We fail to make any interest payment on the securities of such series when it is due, and we do not cure this default within 90 days.

- We fail to make any payment of principal when it is due at the maturity of such series of securities or upon redemption.

- We fail to comply with any of our other agreements regarding a particular series of securities or with a supplemental indenture, and after we have been notified of the default by the trustee or holders of 25% in principal amount of the series, we do not cure the default within 90 days.

- We file for bankruptcy, or other events in bankruptcy, insolvency or reorganization occur.

Remedies if an Event of Default Occurs

Holders and the trustee will have the following remedies if an event of default occurs:

Acceleration. If an event of default has occurred and has not been cured or waived, then the trustee or the holders of 25% in principal amount of the securities of the affected series may declare the entire principal amount of and any accrued interest on all the securities of that series to be due and immediately payable. An acceleration of maturity may be cancelled by the holders of at least a majority in principal amount of the securities of the affected series, if all events of default have been cured or waived.

Special Duties of Trustee. If an event of default occurs, the trustee will have some special duties. In that situation, the trustee will be obligated to use those of its rights and powers under the Indenture, and to use the same degree of care and skill in doing so, that a prudent person would use in that situation in conducting his or her own affairs.

Other Remedies of Trustee. If an event of default occurs, the trustee is authorized to pursue any available remedy to collect defaulted principal and interest and to enforce other provisions of the securities and the Indenture, including bringing a lawsuit.

Majority Holders May Direct the Trustee to Take Actions to Protect Their Interests. The trustee is not required to take any action under the Indenture at the request of any holders unless the holders offer the trustee reasonable protection from expenses and liability. This is called an "indemnity". If the trustee is provided with an indemnity reasonably satisfactory to it, the holders of a majority in principal amount of the relevant series of debt securities may direct the time, method and place of conducting any lawsuit or other formal legal action seeking any remedy available to the trustee. These majority holders may also direct the trustee in performing any other action under the Indenture.

Individual Actions Holders May Take if the Trustee Fails to Act. Before a holder bypasses the trustee and brings such holder's own lawsuit or other formal legal action or take other steps to enforce such holder's rights or protect such holder's interests relating to the securities, the following must occur:

- Such holder must give the trustee written notice that an event of default has occurred and remains uncured.
- The holders of 25% in principal amount of all outstanding securities of the relevant series must make a written request that the trustee take action because of the default, and must offer indemnity reasonably satisfactory to the trustee against the cost and other liabilities of taking that action.
- The trustee must not have taken action for 60 days after receipt of the above notice and offer of indemnity.
- During the 60-day period, the holders of a majority in principal amount of the securities of that series do not give the trustee a direction inconsistent with the request.

However, a holder is entitled at any time to bring an individual lawsuit for the payment of the money due on such holder's security on or after its due date.

Waiver of Default

The holders of a majority in principal amount of the relevant series of debt securities may waive a default for all the relevant series of debt securities. If this happens, the default will be treated as if it had not occurred. No one can waive a payment default on a holder's debt security, however, without such holder's individual approval.

We Will Give the Trustee Information About Defaults Annually

Every year we will give to the trustee a written statement of one of our officers certifying that to the best of his or her knowledge we are in compliance with the Indenture and all the securities under it, or else specifying any default.

The trustee may withhold from holders notice of any uncured default, except for payment defaults, if it determines that withholding notice is in holders' interest.

Holders who hold in "street name" and other indirect holders should consult their banks or brokers for information on how to give notice or direction to or make a request of the trustee and how to make or cancel a declaration of acceleration.

Regarding the Trustee

The Bank of New York Mellon Trust Company, N.A. is the trustee under the Indenture. In addition, affiliates of The Bank of New York Mellon Trust Company, N.A. may perform various commercial banking and investment banking services for us and our subsidiaries from time to time in the ordinary course of business.

DESCRIPTION OF THE 4.250% GLOBAL NOTES DUE 2050

The following summary of AT&T's above referenced debt securities is based on and qualified by the indenture, dated as of May 15, 2013, with The Bank of New York Mellon Trust Company, N.A., acting as trustee (the "Indenture") and the 4.250% Global Notes due 2050 (the "Notes"). For a complete description of the terms and provisions of the Notes, please refer to the Indenture, which is filed as an exhibit to AT&T's Annual Report on Form 10-K for the year ended December 31, 2019 and to the forms of Notes, which are filed as exhibits to the Form 8-A filed with the Securities and Exchange Commission on December 12, 2019.

General

The Notes:

- were issued in an aggregate initial principal amount of $1,265,000,000, which remains the amount outstanding, subject to our ability to issue additional Notes which may be of the same series as the Notes as described under "— Further Issues";
- mature on March 1, 2050;
- bear interest at the rate of 4.250% per annum, payable semiannually in arrears;
- are repayable at par at maturity;
- are redeemable by us at the time described below under "— Optional Redemption" and in connection with certain tax events as described below under "— Redemption Upon a Tax Event"; and
- are not subject to any sinking fund.

The Notes are unsecured and unsubordinated obligations and rank pari passu with all other indebtedness issued under our Indenture. The Notes constitute a single series under the Indenture. The Notes are issued in fully registered form only and in minimum denominations of $100,000 and integral multiples of $1,000 thereafter. Principal and interest payments on the Notes registered in the name of the depositary or its nominee will be made to the depositary or its nominee, as the case may be, as the registered owner.

For purposes of the Notes, a business day means a business day in The City of New York and Taipei, Taiwan.

Interest

The Notes bear interest at the rate of 4.250% per annum. We will pay interest on our Notes in arrears on each March 1 and September 1 commencing on March 1, 2020 to the persons in whose names the Notes are registered at the close of business on the fifteenth day preceding the respective interest payment date. The Notes will mature on March 1, 2050.

Optional Redemption

We have the option to redeem all, but not less than all, of the Notes then outstanding on each March 1 on or after March 1, 2025. In addition, on the first redemption date on which we opt to redeem Notes, we also have the option to instead only redeem 50% of the aggregate principal amount of the Notes then outstanding. If we opt to redeem 50% of the aggregate principal amount of the Notes then outstanding on a redemption date, any remaining Notes can be redeemed at our option on a future redemption date in whole but not in part. Any redemption described in this paragraph must be on not less than 10 nor more than 40 days' notice and will be at a redemption price equal to 100% of the principal amount of the Notes being redeemed plus accrued and unpaid interest to, but excluding, the date of redemption.

On and after the redemption date, interest will cease to accrue on the Notes or the portion of the Notes called for redemption, unless we default in the payment of the redemption price and accrued interest. On or before the redemption date, we will deposit with our paying agent or the trustee money sufficient to pay the redemption price of and accrued interest on the Notes to be redeemed on that date. If less than all of the Notes are to be redeemed, the Notes to be redeemed shall be selected pro rata or in accordance with applicable depositary procedures.

Payment of Additional Amounts

We will, subject to the exceptions and limitations set forth below, pay as additional interest on the Notes such additional amounts as are necessary so that the net payment by us or our paying agent of the principal of and interest on the Notes to a person that is a United States Alien, after deduction for any present or future tax, assessment or governmental charge of the United States or a political subdivision or taxing authority thereof or therein, imposed by withholding with respect to the payment, will not be less than the amount that would have been payable in respect of the Notes had no withholding or deduction been required. As used herein, “United States Alien” means any person who, for United States federal income tax purposes, is a foreign corporation, a non-resident alien individual, a non-resident alien fiduciary of a foreign estate or trust, or a foreign partnership one or more of the members of which is, for United States federal income tax purposes, a foreign corporation, a non-resident alien individual or a non-resident alien fiduciary of a foreign estate or trust.

Our obligation to pay additional amounts shall not apply:

(1) to any tax, assessment or governmental charge that is imposed or withheld solely because the beneficial owner, or a fiduciary, settlor, beneficiary or member of the beneficial owner if the beneficial owner is an estate, trust or partnership, or a person holding a power over an estate or trust administered by a fiduciary holder:

(a) is or was present or engaged in a trade or business in the United States, has or had a permanent establishment in the United States, or has any other present or former connection with the United States or any political subdivision or taxing authority thereof or therein;

(b) is or was a citizen or resident or is or was treated as a resident of the United States;

(c) is or was a foreign or domestic personal holding company, a passive foreign investment company or a controlled foreign corporation with respect to the United States or is or was a corporation that has accumulated earnings to avoid United States federal income tax;

(d) is or was a bank receiving interest described in Section 881(c)(3)(A) of the Internal Revenue Code of 1986, as amended (the “Code”); or

(e) is or was an actual or constructive owner of 10% or more of the total combined voting power of all classes of stock of AT&T entitled to vote;

(2) to any holder that is not the sole beneficial owner of the Notes, or a portion thereof, or that is a fiduciary or partnership, but only to the extent that the beneficial owner, a beneficiary or settlor with respect to the fiduciary, or a member of the partnership would not have been entitled to the payment of an additional amount had such beneficial owner, beneficiary, settlor or member received directly its beneficial or distributive share of the payment;

(3) to any tax, assessment or governmental charge that is imposed or withheld solely because the beneficial owner or any other person failed to comply with certification, identification or information reporting requirements concerning the nationality, residence, identity or connection with the United States of the holder or beneficial owner of the Notes, if compliance is required by statute, by regulation of the United States Treasury Department or by an applicable income tax treaty to which the United States is a party as a precondition to exemption from such tax, assessment or other governmental charge;

(4) to any tax, assessment or governmental charge that is imposed other than by deduction or withholding by AT&T or a paying agent from the payment;

(5) to any tax, assessment or governmental charge that is imposed or withheld solely because of a change in law, regulation, or administrative or judicial interpretation that is announced or becomes effective after the day on which the payment becomes due or is duly provided for, whichever occurs later;

(6) to an estate, inheritance, gift, sales, excise, transfer, wealth or personal property tax or any similar tax, assessment or governmental charge;

(7) to any tax, assessment or other governmental charge any paying agent (which term may include us) must withhold from any payment of principal of or interest on any Note, if such payment can be made without such withholding by any other paying agent; or

(8) in the case of any combination of the above items.

In addition, any amounts to be paid on the Notes will be paid net of any deduction or withholding imposed or required pursuant to Sections 1471 through 1474 of the Code, any current or future regulations or official interpretations thereof, any agreement entered into pursuant to Section 1471(b) of the Code, or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of such Sections of the Code, and no additional amounts will be required to be paid on account of any such deduction or withholding.

The Notes are subject in all cases to any tax, fiscal or other law or regulation or administrative or judicial interpretation applicable. Except as specifically provided under this heading "—Payment of Additional Amounts" and under the heading "—Redemption Upon a Tax Event," we do not have to make any payment with respect to any tax, assessment or governmental charge imposed by any government or a political subdivision or taxing authority.

Any reference in the terms of the Notes to any amounts in respect of the Notes shall be deemed also to refer to any additional amounts which may be payable under this provision.

Redemption Upon a Tax Event

If (a) we become or will become obligated to pay additional amounts with respect to the Notes as described herein under the heading "—Payment of Additional Amounts" as a result of any change in, or amendment to, the laws (or any regulations or rulings promulgated thereunder) of the United States (or any political subdivision or taxing authority thereof or therein), or any change in, or amendments to, any official position regarding the application or interpretation of such laws, regulations or rulings, which change or amendment is announced or becomes effective, on or after December 3, 2019 or (b) a taxing authority of the United States takes an action on or after December 3, 2019, whether or not with respect to us or any of our affiliates, that results in a substantial probability that we will or may be required to pay such additional amounts, then we may, at our option, redeem, as a whole, but not in part, the Notes on any interest payment date on not less than 10 nor more than 40 calendar days' prior notice, at a redemption price equal to 100% of their principal amount, together with interest accrued thereon to the date fixed for redemption. No redemption pursuant to (b) above may be made unless we shall have received an opinion of independent counsel to the effect that an act taken by a taxing authority of the United States results in a substantial probability that we will or may be required to pay the additional amounts described herein under the heading "—Payment of Additional Amounts" and we shall have delivered to the trustee a certificate, signed by a duly authorized officer, stating that based on such opinion we are entitled to redeem the Notes pursuant to their terms.

Further Issues

We may from time to time, without notice to or the consent of the holders of the Notes, create and issue further notes ranking equally and ratably with such Notes in all respects, or in all respects except for the payment of interest accruing prior to the issue date or except for the first payment of interest following the issue date of those further notes. Any further notes will have the same terms as to status, redemption or otherwise, and, to the extent permitted by applicable authorities in the Republic of China and subject to the receipt of all necessary regulatory and listing approvals from such authorities, including but not limited to the Taipei Exchange and the Taiwan Securities Association, will be fungible for United States federal income tax purposes with, the Notes. Any further notes shall be issued pursuant to a resolution of our board of directors, a supplement to the Indenture, or under an officers' certificate pursuant to the Indenture.

Notices

Notices to holders of the Notes will be given only to the depositary, in accordance with its applicable policies as in effect from time to time.

Prescription Period

Any money that we deposit with the trustee or any paying agent for the payment of principal or any interest on a Note that remains unclaimed for two years after the date upon which the principal and interest are due and payable will be repaid to us upon our request unless otherwise required by mandatory provisions of any applicable unclaimed property law. After that time, unless otherwise required by mandatory provisions of any unclaimed property law, the holder of the Note will be able to seek any payment to which that holder may be entitled to collect only from us.

Governing Law

The Notes are governed by and interpreted in accordance with the laws of the State of New York.

Special Situations Covered by Our Indenture

Mergers and Similar Transactions

We are generally permitted to consolidate or merge with another company. We are also permitted to sell substantially all of our assets to another company. However, we may not take any of these actions unless all the following conditions are met:

- Where we merge out of existence or sell our assets, the company we merge into or sell to may not be organized under the laws of a foreign country. It must be a corporation organized under the laws of the United States, any State thereof, or the District of Columbia.

- The company we merge into or sell to must agree to be legally responsible for our debt securities.

- The merger, sale of assets or other transaction must not cause a default on the securities, and we must not already be in default, unless the merger or other transaction would cure the default. For purposes of this no-default test, a default would include an event of default that has occurred and not been cured, as described below under "— Default and Related Matters — Events of Default — What Is an Event of Default?" A default for this purpose would also include any event that would be an event of default if the requirements for giving us default notice or our default having to exist for a specific period of time were disregarded.

Further, we may buy substantially all of the assets of another company without complying with any of the foregoing conditions.

Modification and Waiver of Holders' Contractual Rights

Under certain circumstances, we can make changes to the Indenture and the securities (including the Notes). Some types of changes require the approval of each security holder affected, some require approval by a majority vote, and some changes do not require any approval at all.

Changes Requiring Approval of Holders. First, there are changes that cannot be made to the securities without specific approval of holders. The following is a list of those types of changes:

- to reduce the percentage of holders of securities who must consent to a waiver or amendment of the Indenture;

- to reduce the rate of interest on any security or change the time for payment of interest;

- to reduce the principal due on any security or change the fixed maturity of any security;

- to waive a default in the payment of principal or interest on any security;

- to change the currency of payment on a security, unless the security provides for payment in a currency that ceases to exist;

- in the case of convertible or exchangeable securities, to make changes to conversion or exchange rights that would be adverse to the interests of holders;

- to change the right of holders to waive an existing default by majority vote;

- to reduce the amount of principal or interest payable to holders following a default or change any conversion or exchange rights, or impair the right of holders to sue for payment; and

- to make any change to this list of changes that requires specific approval of holders.

Changes Requiring a Majority Vote. The second type of change to the Indenture and the securities is the kind that requires a vote in favor by security holders owning a majority of the principal amount of the particular series affected. Most changes fall into this category, except as set forth in the following paragraph. The same vote would be required for us to obtain a waiver of an existing default. However, we cannot obtain a waiver of a payment default unless we obtain each holder's individual consent to the waiver.

Changes Not Requiring Approval of Holders. The third type of change does not require any vote by holders of securities. This type includes, among others, clarifications of ambiguous contract terms, changes to make securities payable in U.S. dollars (if the stated denomination ceases to exist) and other changes that would not materially adversely affect holders of the securities.

Further Details Concerning Voting. When taking a vote, we will use the following rules to decide how much principal amount to attribute to a security:

- For securities denominated in one or more foreign currencies or currency units, we will use the U.S. dollar equivalent determined on the date of original issuance of these securities.

Securities will not be considered outstanding, and therefore not eligible to vote, if we have deposited or set aside in trust for the applicable holders money for their payment or redemption. A security does not cease to be outstanding because we or an affiliate of us is holding the security.

We will generally be entitled to set any day as a record date for the purpose of determining the holders of outstanding securities that are entitled to vote or take other action under the Indenture. However, the Indenture does not oblige us to fix any record date at all. If we set a record date for a vote or other action to be taken by holders of a particular series, that vote or action may be taken only by persons who are holders of outstanding securities of that series on the record date and must be taken within 90 days following the record date.

Holders who hold in "street name" and other indirect holders, including holders of any securities issued as global securities, should consult their banks or brokers for information on how approval may be granted or denied if we seek to change the Indenture or the securities or request a waiver.

Discharge of Our Obligations

We can fully discharge ourselves from any payment or other obligations on the securities of any series if we make a deposit for the applicable holders with the trustee and certain other conditions are met. The deposit must be held in trust for the benefit of all direct holders of the securities and must be a combination of money and U.S. government or U.S. government agency notes or bonds that will generate enough cash to make interest, principal and any other payments on the securities on their various due dates.

However, we cannot discharge ourselves from the obligations under any convertible or exchangeable securities, unless we provide for it in the terms of these securities.

If we accomplish full discharge, as described above, holders will have to rely solely on the trust deposit for repayment of the securities. Holders could not look to us for repayment in the unlikely event of any shortfall. Conversely, the trust deposit would most likely be protected from claims of our lenders and other creditors if we ever become bankrupt or insolvent.

We will indemnify the trustee and holders against any tax, fee or other charge imposed on the U.S. government obligations we deposited with the trustee or against the principal and interest received on these obligations.

Liens on Assets

The Indenture does not restrict us from pledging or otherwise encumbering any of our assets and those of our subsidiaries.

Default and Related Matters

Ranking Compared to Other Creditors

The securities are not secured by any of our property or assets. Accordingly, ownership of securities means each holder is one of our unsecured creditors. The securities are not subordinated to any of our other debt obligations and therefore they rank equally with all our other unsecured and unsubordinated indebtedness. However, the trustee has a right to receive payment for its administrative services prior to any payment to security holders after a default.

Events of Default

Holders will have special rights if an event of default occurs and is not cured, as described later in this subsection.

What Is an Event of Default? The term "event of default" with respect to any series of securities means any of the following:

- We fail to make any interest payment on the securities of such series when it is due, and we do not cure this default within 90 days.
- We fail to make any payment of principal when it is due at the maturity of such series of securities or upon redemption.
- We fail to comply with any of our other agreements regarding a particular series of securities or with a supplemental indenture, and after we have been notified of the default by the trustee or holders of 25% in principal amount of the series, we do not cure the default within 90 days.
- We file for bankruptcy, or other events in bankruptcy, insolvency or reorganization occur.

Remedies if an Event of Default Occurs

Holders and the trustee will have the following remedies if an event of default occurs:

Acceleration. If an event of default has occurred and has not been cured or waived, then the trustee or the holders of 25% in principal amount of the securities of the affected series may declare the entire principal amount of and any accrued interest on all the securities of that series to be due and immediately payable. An acceleration of maturity may be canc elled by the holders of at least a majority in principal amount of the securities of the affected series, if all events of default have been cured or waived.

Special Duties of Trustee. If an event of default occurs, the trustee will have some special duties. In that situation, the trustee will be obligated to use those of its rights and powers under the Indenture, and to use the same degree of care and skill in doing so, that a prudent person would use in that situation in conducting his or her own affairs.

Other Remedies of Trustee. If an event of default occurs, the trustee is authorized to pursue any available remedy to collect defaulted principal and interest and to enforce other provisions of the securities and the Indenture, including bringing a lawsuit.

Majority Holders May Direct the Trustee to Take Actions to Protect Their Interests. The trustee is not required to take any action under the Indenture at the request of any holders unless the holders offer the trustee reasonable protection from expenses and liability. This is called an "indemnity". If the trustee is provided with an indemnity reasonably satisfactory to it, the holders of a majority in principal amount of the relevant series of debt securities may direct the time, method and place of conducting any lawsuit or other formal legal action seeking any remedy available to the trustee. These majority holders may also direct the trustee in performing any other action under the Indenture.

Individual Actions Holders May Take if the Trustee Fails to Act. Before a holder bypasses the trustee and brings such holder's own lawsuit or other formal legal action or take other steps to enforce such holder's rights or protect such holder's interests relating to the securities, the following must occur:

- Such holder must give the trustee written notice that an event of default has occurred and remains uncured.
- The holders of 25% in principal amount of all outstanding securities of the relevant series must make a written request that the trustee take action because of the default, and must offer indemnity reasonably satisfactory to the trustee against the cost and other liabilities of taking that action.
- The trustee must not have taken action for 60 days after receipt of the above notice and offer of indemnity.
- During the 60-day period, the holders of a majority in principal amount of the securities of that series do not give the trustee a direction inconsistent with the request.

However, a holder is entitled at any time to bring an individual lawsuit for the payment of the money due on such holder's security on or after its due date.

Waiver of Default

The holders of a majority in principal amount of the relevant series of debt securities may waive a default for all the relevant series of debt securities. If this happens, the default will be treated as if it had not occurred. No one can waive a payment default on a holder's debt security, however, without such holder's individual approval.

We Will Give the Trustee Information About Defaults Annually

Every year we will give to the trustee a written statement of one of our officers certifying that to the best of his or her knowledge we are in compliance with the Indenture and all the securities under it, or else specifying any default.

The trustee may withhold from holders notice of any uncured default, except for payment defaults, if it determines that withholding notice is in holders' interest.

Holders who hold in "street name" and other indirect holders should consult their banks or brokers for information on how to give notice or direction to or make a request of the trustee and how to make or cancel a declaration of acceleration.

Regarding the Trustee

The Bank of New York Mellon Trust Company, N.A. is the trustee under the Indenture. In addition, affiliates of The Bank of New York Mellon Trust Company, N.A. may perform various commercial banking and investment banking services for us and our subsidiaries from time to time in the ordinary course of business.

DESCRIPTION OF THE 5.350% GLOBAL NOTES DUE 2066 AND THE 5.625% GLOBAL NOTES DUE 2067

The following summary of AT&T's above referenced debt securities is based on and qualified by the indenture, dated as of May 15, 2013, with The Bank of New York Mellon Trust Company, N.A., acting as trustee (the "Indenture") and the 5.350% Global Notes due 2066 (the "2066 Notes") and 5.625% Global Notes due 2067 (the "2067 Notes" and, together with the 2066 Notes, the "Notes"). For a complete description of the terms and provisions of the Notes, please refer to the Indenture, which is filed as an exhibit to AT&T's Annual Report on Form 10-K for the year ended December 31 2019 and to the forms of Notes, which are filed as exhibits to the Form 8-As filed with the Securities and Exchange Commission on October 27, 2017 and August 1, 2018.

General

The 2066 Notes:

- were issued in an aggregate initial principal amount of $1,322,500,000, which remains the amount outstanding, subject to our ability to issue additional 2066 Notes which may be of the same series as the 2066 Notes as described under "— Further Issues";
- mature on November 1, 2066;
- bear interest at the rate of 5.350% per annum, payable quarterly in arrears;
- are repayable at par at maturity;
- are redeemable by us at the time described below under "— Optional Redemption" and in connection with certain tax events as described below under "— Redemption Upon a Tax Event"; and
- are not subject to any sinking fund.

The 2067 Notes:

- were issued in an aggregate initial principal amount of $825,000,000, which remains the amount outstanding, subject to our ability to issue additional 2067 Notes which may be of the same series as the 2067 Notes as described under "— Further Issues";
- mature on August 1, 2067;
- bear interest at the rate of 5.625% per annum, payable quarterly in arrears;
- are repayable at par at maturity;
- are redeemable by us at the time described below under "— Optional Redemption" and in connection with certain tax events as described below under "— Redemption Upon a Tax Event"; and
- are not subject to any sinking fund.

The Notes are unsecured and unsubordinated obligations and rank pari passu with all other indebtedness issued under our Indenture. Each series of Notes constitutes a separate series under the Indenture. The Notes are issued in fully registered form only and in minimum denominations of $25 and integral multiples of $25 thereafter. Principal and interest payments on the Notes registered in the name of the depositary or its nominee will be made to the depositary or its nominee, as the case may be, as the registered owner of the global notes.

For purposes of the Notes, a business day means a business day in the City of New York.

Interest

The 2066 Notes bear interest at the rate of 5.350% per annum and the 2067 Notes bear interest at the rate of 5.625% per annum. We pay interest on our Notes in arrears on each February 1, May 1, August 1 and November 1, commencing on February 1, 2018 with respect to the 2066 Notes and commencing on November 1, 2018 with respect to the 2067 Notes, to the persons in whose names the Notes are registered at the close of business on the fifteenth day preceding the respective interest payment date. The 2066 Notes will mature on November 1, 2066 and the 2067 Notes will mature on August 1, 2067.

Optional Redemption

We may, at our option, redeem the 2066 Notes, in whole or in part, at any time and from time to time on or after November 1, 2022, and redeem the 2067 Notes, in whole or in part, at any time and from time to time on or after August 1, 2023, in each case, on at least 30 days', but not more than 60 days', prior notice mailed (or otherwise transmitted in accordance with The Depository Trust Company ("DTC") procedures) to the registered address of each holder of the Notes to be redeemed. The redemption price will be equal to 100% of the principal amount of the Notes to be redeemed plus accrued but unpaid interest to, but excluding, the redemption date.

On and after the redemption date, interest will cease to accrue on the Notes or any portion of the Notes called for redemption, unless we default in the payment of the redemption price and accrued interest. On or before the redemption date, we will deposit with our paying agent or the trustee money sufficient to pay the redemption price of and accrued interest on the Notes to be redeemed on that date. In the case of any partial redemption, selection of the Notes of a series to be redeemed will be made in accordance with applicable procedures of DTC.

Payment of Additional Amounts

We will, subject to the exceptions and limitations set forth below, pay as additional interest on the Notes such additional amounts as are necessary so that the net payment by us or our paying agent of the principal of and interest on the Notes to a person that is a United States Alien, after deduction for any present or future tax, assessment or governmental charge of the United States or a political subdivision or taxing authority thereof or therein, imposed by withholding with respect to the payment, will not be less than the amount that would have been payable in respect of the Notes had no withholding or deduction been required. As used herein, "United States Alien" means any person who, for United States federal income tax purposes, is a foreign corporation, a non-resident alien individual, a non-resident alien fiduciary of a foreign estate or trust, or a foreign partnership one or more of the members of which is, for United States federal income tax purposes, a foreign corporation, a non-resident alien individual or a non-resident alien fiduciary of a foreign estate or trust.

Our obligation to pay additional amounts shall not apply:

(1) to any tax, assessment or governmental charge that is imposed or withheld solely because the beneficial owner, or a fiduciary, settlor, beneficiary or member of the beneficial owner if the beneficial owner is an estate, trust or partnership, or a person holding a power over an estate or trust administered by a fiduciary holder:

(a) is or was present or engaged in a trade or business in the United States, has or had a permanent establishment in the United States, or has any other present or former connection with the United States or any political subdivision or taxing authority thereof or therein;

(b) is or was a citizen or resident or is or was treated as a resident of the United States;

(c) is or was a foreign or domestic personal holding company, a passive foreign investment company or a controlled foreign corporation with respect to the United States or is or was a corporation that has accumulated earnings to avoid United States federal income tax;

(d) is or was a bank receiving interest described in Section 881(c)(3)(A) of the Internal Revenue Code of 1986, as amended (the "Code"); or

(e) is or was an actual or constructive owner of 10% or more of the total combined voting power of all classes of stock of AT&T entitled to vote;

(2) to any holder that is not the sole beneficial owner of the Notes, or a portion thereof, or that is a fiduciary or partnership, but only to the extent that the beneficial owner, a beneficiary or settlor with respect to the fiduciary, or a member of the partnership would not have been entitled to the payment of an additional amount had such beneficial owner, beneficiary, settlor or member received directly its beneficial or distributive share of the payment;

(3) to any tax, assessment or governmental charge that is imposed or withheld solely because the beneficial owner or any other person failed to comply with certification, identification or information reporting requirements concerning the nationality, residence, identity or connection with the United States of the holder or beneficial owner of the Notes, if compliance is required by statute, by regulation of the United States Treasury Department or by an applicable income tax treaty to which the United States is a party as a precondition to exemption from such tax, assessment or other governmental charge;

(4) to any tax, assessment or governmental charge that is imposed other than by deduction or withholding by AT&T or a paying agent from the payment;

(5) to any tax, assessment or governmental charge that is imposed or withheld solely because of a change in law, regulation, or administrative or judicial interpretation that is announced or becomes effective after the day on which the payment becomes due or is duly provided for, whichever occurs later;

(6) to an estate, inheritance, gift, sales, excise, transfer, wealth or personal property tax or any similar tax, assessment or governmental charge;

(7) to any tax, assessment or other governmental charge any paying agent (which term may include us) must withhold from any payment of principal of or interest on any Note, if such payment can be made without such withholding by any other paying agent; or

(8) in the case of any combination of the above items.

In addition, any amounts to be paid on the Notes will be paid net of any deduction or withholding imposed or required pursuant to Sections 1471 through 1474 of the Code, any current or future regulations or official interpretations thereof, any agreement entered into pursuant to Section 1471(b) of the Code, or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of such Sections of the Code, and no additional amounts will be required to be paid on account of any such deduction or withholding.

The Notes are subject in all cases to any tax, fiscal or other law or regulation or administrative or judicial interpretation applicable. Except as specifically provided under this heading "— Payment of Additional Amounts" and under the heading "— Redemption Upon a Tax Event," we do not have to make any payment with respect to any tax, assessment or governmental charge imposed by any government or a political subdivision or taxing authority.

Any reference in the terms of the Notes of each series to any amounts in respect of the Notes shall be deemed also to refer to any additional amounts which may be payable under this provision.

Redemption Upon a Tax Event

If (a) we become or will become obligated to pay additional amounts with respect to any Notes as described herein under the heading "— Payment of Additional Amounts" as a result of any change in, or amendment to, the laws (or any regulations or rulings promulgated thereunder) of the United States (or any political subdivision or taxing authority thereof or therein), or any change in, or amendments to, any official position regarding the application or interpretation of such laws, regulations or rulings, which change or amendment is announced or becomes effective, on or after October 25, 2017 with respect to the 2066 Notes or on or after July 25, 2018 with respect to the 2067 Notes or (b) a taxing authority of the United States takes an action on or after October 25, 2017 with respect to the 2066 Notes or on or after July 25, 2018 with respect to the 2067 Notes, whether or not with respect to us or any of our affiliates, that results in a substantial probability that we will or may be required to pay such additional amounts, then we may, at our option, redeem, as a whole, but not in part, the applicable series of Notes on any interest payment date on not less than 30 nor more than 60 calendar days' prior notice, at a redemption price equal to 100% of their principal amount, together with interest accrued thereon to the date fixed for redemption. No redemption pursuant to (b) above may be made unless we shall have received an opinion of independent counsel to the effect that an act taken by a taxing authority of the United States results in a substantial probability that we will or may be required to pay the additional amounts described herein under the heading "— Payment of Additional Amounts" and we shall have delivered to the trustee a certificate, signed by a duly authorized officer, stating that based on such opinion we are entitled to redeem the Notes pursuant to their terms.

Further Issues

We may from time to time, without notice to or the consent of the holders of any series of the Notes, create and issue further notes ranking equally and ratably with such series in all respects, or in all respects except for the payment of interest accruing prior to the issue date or except for the first payment of interest following the issue date of those further notes. Any further notes will have the same terms as to status, redemption or otherwise as, and will be fungible for United States federal income tax purposes with, the Notes of the applicable series. Any further notes shall be issued pursuant to a resolution of our board of directors, a supplement to the Indenture, or under an officers' certificate pursuant to the Indenture.

Notices

Notices to holders of the Notes will be given only to the depositary, in accordance with its applicable policies as in effect from time to time.

Prescription Period

Any money that we deposit with the trustee or any paying agent for the payment of principal or any interest on any global note of any series that remains unclaimed for two years after the date upon which the principal and interest are due and payable will be repaid to us upon our request unless otherwise required by mandatory provisions of any applicable unclaimed property law. After that time, unless otherwise required by mandatory provisions of any unclaimed property law, the holder of the global note will be able to seek any payment to which that holder may be entitled to collect only from us.

Governing Law

The Notes will be governed by and interpreted in accordance with the laws of the State of New York.

Special Situations Covered by Our Indenture

Mergers and Similar Transactions

We are generally permitted to consolidate or merge with another company. We are also permitted to sell substantially all of our assets to another company. However, we may not take any of these actions unless all the following conditions are met:

- Where we merge out of existence or sell our assets, the company we merge into or sell to may not be organized under the laws of a foreign country. It must be a corporation organized under the laws of the United States, any State thereof, or the District of Columbia.

- The company we merge into or sell to must agree to be legally responsible for our debt securities.

- The merger, sale of assets or other transaction must not cause a default on the securities, and we must not already be in default, unless the merger or other transaction would cure the default. For purposes of this no-default test, a default would include an event of default that has occurred and not been cured, as described below under "— Default and Related Matters — Events of Default — What Is an Event of Default?" A default for this purpose would also include any event that would be an event of default if the requirements for giving us default notice or our default having to exist for a specific period of time were disregarded.

Further, we may buy substantially all of the assets of another company without complying with any of the foregoing conditions.

Modification and Waiver of Holders' Contractual Rights

Under certain circumstances, we can make changes to the Indenture and the securities (including the Notes). Some types of changes require the approval of each security holder affected, some require approval by a majority vote, and some changes do not require any approval at all.

Changes Requiring Approval of Holders. First, there are changes that cannot be made to the securi ties without specific approval of holders. The following is a list of those types of changes:

- to reduce the percentage of holders of securities who must consent to a waiver or amendment of the Indenture;
- to reduce the rate of interest on any security or change the time for payment of interest;
- to reduce the principal due on any security or change the fixed maturity of any security;
- to waive a default in the payment of principal or interest on any security;
- to change the currency of payment on a security, unless the security provides for payment in a currency that ceases to exist;
- in the case of convertible or exchangeable securities, to make changes to conversion or exchange rights that would be adverse to the interests of holders;
- to change the right of holders to waive an existing default by majority vote;
- to reduce the amount of principal or interest payable to holders following a default or change any conversion or exchange rights, or impair the right of holders to sue for payment; and
- to make any change to this list of changes that requires specific approval of holders.

Changes Requiring a Majority Vote. The second type of change to the Indenture and the securities is the kind that requires a vote in favor by security holders owning a majority of the principal amount of the particular series affected. Most changes fall into this category, except as set forth in the following paragraph. The same vote would be required for us to obtain a waiver of an existing default. However, we cannot obtain a waiver of a payment default unless we obtain each holder's individual consent to the waiver.

Changes Not Requiring Approval of Holders. The third type of change does not require any vote by holders of securities. This type includes, among others, clarifications of ambiguous contract terms, changes to make securities payable in U.S. dollars (if the stated denomination ceases to exist) and other changes that would not materially adversely affect holders of the securities.

Further Details Concerning Voting. When taking a vote, we will use the following rules to decide how much principal amount to attribute to a security:

- For securities denominated in one or more foreign currencies or currency units, we will use the U.S. dollar equivalent determined on the date of original issuance of these securities.

Securities will not be considered outstanding, and therefore not eligible to vote, if we have deposited or set aside in trust for the applicable holders money for their payment or redemption. A security does not cease to be outstanding because we or an affiliate of us is holding the security.

We will generally be entitled to set any day as a record date for the purpose of determining the holders of outstanding securities that are entitled to vote or take other action under the Indenture. However, the Indenture does not oblige us to fix any record date at all. If we set a record date for a vote or other action to be taken by holders of a particular series, that vote or action may be taken only by persons who are holders of outstanding securities of that series on the record date and must be taken within 90 days following the record date.

Holders who hold in "street name" and other indirect holders, including holders of any securities issued as global securities, should consult their banks or brokers for information on how approval may be granted or denied if we seek to change the Indenture or the securities or request a waiver.

Discharge of Our Obligations

We can fully discharge ourselves from any payment or other obligations on the securities of any series if we make a deposit for the applicable holders with the trustee and certain other conditions are met. The deposit must be held in trust for the benefit of all direct holders of the securities and must be a combination of money and U.S. government or U.S. government agency notes or bonds that will generate enough cash to make interest, principal and any other payments on the securities on their various due dates.

However, we cannot discharge ourselves from the obligations under any convertible or exchangeable securities, unless we provide for it in the terms of these securities.

If we accomplish full discharge, as described above, holders will have to rely solely on the trust deposit for repayment of the securities. Holders could not look to us for repayment in the unlikely event of any shortfall. Conversely, the trust deposit would most likely be protected from claims of our lenders and other creditors if we ever become bankrupt or insolvent.

We will indemnify the trustee and holders against any tax, fee or other charge imposed on the U.S. government obligations we deposited with the trustee or against the principal and interest received on these obligations.

Liens on Assets

The Indenture does not restrict us from pledging or otherwise encumbering any of our assets and those of our subsidiaries.

Default and Related Matters

Ranking Compared to Other Creditors

The securities are not secured by any of our property or assets. Accordingly, ownership of securities means each holder is one of our unsecured creditors. The securities are not subordinated to any of our other debt obligations and therefore they rank equally with all our other unsecured and unsubordinated indebtedness. However, the trustee has a right to receive payment for its administrative services prior to any payment to security holders after a default.

Events of Default

Holders will have special rights if an event of default occurs and is not cured, as described later in this subsection.

What Is an Event of Default? The term "event of default" with respect to any series of securities means any of the following:

- We fail to make any interest payment on the securities of such series when it is due, and we do not cure this default within 90 days.

- We fail to make any payment of principal when it is due at the maturity of such series of securities or upon redemption.

- We fail to comply with any of our other agreements regarding a particular series of securities or with a supplemental indenture, and after we have been notified of the default by the trustee or holders of 25% in principal amount of the series, we do not cure the default within 90 days.

- We file for bankruptcy, or other events in bankruptcy, insolvency or reorganization occur.

Remedies if an Event of Default Occurs

Holders and the trustee will have the following remedies if an event of default occurs:

Acceleration. If an event of default has occurred and has not been cured or waived, then the trustee or the holders of 25% in principal amount of the securities of the affected series may declare the entire principal amount of and any accrued interest on all the securities of that series to be due and immediately payable. An acceleration of maturity may be cancelled by the holders of at least a majority in principal amount of the securities of the affected series, if all events of default have been cured or waived.

Special Duties of Trustee. If an event of default occurs, the trustee will have some special duties. In that situation, the trustee will be obligated to use those of its rights and powers under the Indenture, and to use the same degree of care and skill in doing so, that a prudent person would use in that situation in conducting his or her own affairs.

Other Remedies of Trustee. If an event of default occurs, the trustee is authorized to pursue any available remedy to collect defaulted principal and interest and to enforce other provisions of the securities and the Indenture, including bringing a lawsuit.

Majority Holders May Direct the Trustee to Take Actions to Protect Their Interests. The trustee is not required to take any action under the Indenture at the request of any holders unless the holders offer the trustee reasonable protection from expenses and liability. This is called an "indemnity". If the trustee is provided with an indemnity reasonably satisfactory to it, the holders of a majority in principal amount of the relevant series of debt securities may direct the time, method and place of conducting any lawsuit or other formal legal action seeking any remedy available to the trustee. These majority holders may also direct the trustee in performing any other action under the Indenture.

Individual Actions Holders May Take if the Trustee Fails to Act. Before a holder bypasses the trustee and brings such holder's own lawsuit or other formal legal action or take other steps to enforce such holder's rights or protect such holder's interests relating to the securities, the following must occur:

- Such holder must give the trustee written notice that an event of default has occurred and remains uncured.

- The holders of 25% in principal amount of all outstanding securities of the relevant series must make a written request that the trustee take action because of the default, and must offer indemnity reasonably satisfactory to the trustee against the cost and other liabilities of taking that action.

- The trustee must not have taken action for 60 days after receipt of the above notice and offer of indemnity.

- During the 60-day period, the holders of a majority in principal amount of the securities of that series do not give the trustee a direction inconsistent with the request.

However, a holder is entitled at any time to bring an individual lawsuit for the payment of the money due on such holder's security on or after its due date.

Waiver of Default

The holders of a majority in principal amount of the relevant series of debt securities may waive a default for all the relevant series of debt securities. If this happens, the default will be treated as if it had not occurred. No one can waive a payment default on a holder's debt security, however, without such holder's individual approval.

We Will Give the Trustee Information About Defaults Annually

Every year we will give to the trustee a written statement of one of our officers certifying that to the best of his or her knowledge we are in compliance with the Indenture and all the securities under it, or else specifying any default.

The trustee may withhold from holders notice of any uncured default, except for payment defaults, if it determines that withholding notice is in holders' interest.

Holders who hold in "street name" and other indirect holders should consult their banks or brokers for information on how to give notice or direction to or make a request of the trustee and how to make or cancel a declaration of acceleration.

Regarding the Trustee

The Bank of New York Mellon Trust Company, N.A. is the trustee under the Indenture. In addition, affiliates of The Bank of New York Mellon Trust Company, N.A. may perform various commercial banking and investment banking services for us and our subsidiaries from time to time in the ordinary course of business.

DESCRIPTION OF THE 7.000% GLOBAL NOTES DUE 2040 AND THE 4.875% GLOBAL NOTES DUE 2044

The following summary of AT&T's above referenced debt securities is based on and qualified by the indenture, dated as of November 1, 1994, with The Bank of New York Mellon, acting as trustee (the "Indenture") and the 7.000% Global Notes due 2040 (the "2040 Notes") and the 4.875% Global Notes due 2044 (the "2044 Notes" and, together with the 2040 Notes, the "Notes"). For a complete description of the terms and provisions of the Notes, please refer to the Indenture, which is filed as an exhibit to AT&T's Annual Report on Form 10-K for the year ended December 31, 2019 and to the forms of Notes, which are filed as exhibits to the Form 8-As filed with the Securities and Exchange Commission on May 1, 2009 and May 30, 2012.

General

The 2040 Notes:

- were issued in an aggregate initial principal amount of £1,100,000,000, which remains the amount outstanding, subject to our ability to issue additional 2040 Notes which may be of the same series as the 2040 Notes as described under "— Further Issues";
- mature on April 30, 2040;
- bear interest at the rate of 7.000% per annum, payable annually in arrears;
- are repayable at par at maturity;
- are redeemable by us at the time described below under "— Optional Redemption" and in connection with certain tax events as described below under "— Redemption Upon a Tax Event"; and
- are not subject to any sinking fund.

The 2044 Notes:

- were issued in an aggregate initial principal amount of £1,250,000,000, which remains the amount outstanding, subject to our ability to issue additional 2044 Notes which may be of the same series as the 2044 Notes as described under "— Further Issues";
- mature on June 1, 2044;
- bear interest at the rate of 4.875% per annum, payable annually in arrears;
- are repayable at par at maturity;
- are redeemable by us at the time described below under "— Optional Redemption" and in connection with certain tax events as described below under "— Redemption Upon a Tax Event"; and
- are not subject to any sinking fund.

The Notes are unsecured and unsubordinated obligations and rank *pari passu* with all other indebtedness issued under our Indenture. Each series of Notes constitutes a separate series under the Indenture. The Notes are issued in fully registered form only and (i) with respect to the 2040 Notes, in minimum denominations of £50,000 and integral multiples of £50,000 thereafter and (ii) with respect to the 2044 Notes, in minimum denominations of £100,000 and integral multiples of £1,000 in excess thereof. Principal and interest payments of the Notes are payable by us in pound sterling. Payments of principal, interest and additional amounts, if any, in respect of the Notes will be made to the Depository Trust Company, Euroclear System, Clearstream Banking S.A. or such nominee or common depositary, as the case may be, as registered holder thereof.

For purposes of the 2040 Notes, a business day means any day other than a Saturday or Sunday or a day on which banking institutions in the City of New York or the City of London are authorized or required by law or executive order to close.

For purposes of the 2044 Notes, a business day means a business day in the City of New York and London.

Interest

The 2040 Notes bear interest at the rate of 7.000% per annum and the 2044 Notes bear interest at the rate of 4.875% per annum.

We pay interest on the 2040 Notes annually in arrears on April 30, commencing on April 30, 2010, to the persons in whose names our 2040 Notes are registered at the close of business on the April 15 preceding each interest payment date. We pay interest on the 2044 Notes annually in arrears on June 1, commencing on June 1, 2013, to the persons in whose names the 2044 Notes are registered at the close of business on the May 15 preceding the interest payment date.

The 2040 Notes mature on April 30, 2040 and the 2044 Notes will mature on June 1, 2044.

Interest on the Notes is computed on the basis of the actual number of days in the period for which interest is being calculated and the actual number of days from and including the last date on which interest was paid on the Notes, to but excluding the next scheduled interest payment date. This payment convention is referred to as ACTUAL/ACTUAL (ICMA) as defined in the rulebook of the International Capital Market Association.

Optional Redemption of the Notes

The Notes of each series will be redeemable, as a whole or in part, at our option, at any time and from time to time on at least 30 days', but not more than 60 days', prior notice mailed to the registered address of each holder of the Notes of that series. The redemption price will be equal to the greater of (1) 100% of the principal amount of the Notes of that series to be redeemed or (2) the sum of the present values of the Remaining Scheduled Payments (as defined below) discounted to the redemption date, on an annual basis (actual/actual (ICMA)), at a rate equal to the Treasury Rate (as defined below) and 25 basis points for each series of the Notes. In either case, accrued interest will be payable to the redemption date.

"*Treasury Rate*" means the price, expressed as a percentage (rounded to three decimal places, 0.0005 being rounded upwards), at which the gross redemption yield (as calculated by the trustee) on the Notes of the applicable series, if they were to be purchased at such price on the third dealing day prior to the date fixed for redemption, would be equal to the gross redemption yield on such dealing day of the Reference Bond (as defined below) on the basis of the middle market price of the Reference Bond prevailing at 11:00 a.m. (London time) on such dealing day as determined by the trustee.

"*Reference Bond*" means, in relation to any Treasury Rate calculation, at the discretion of the trustee, a United Kingdom government bond whose maturity is closest to the maturity of the Notes of the applicable series, or if the trustee in its discretion considers that such similar bond is not in issue, such other United Kingdom government bond as the trustee may, with the advice of three brokers of, and/or market makers in, United Kingdom government bonds selected by the trustee, determine to be appropriate for determining the Treasury Rate.

"*Remaining Scheduled Payments*" means, with respect to each Note of a series to be redeemed, the remaining scheduled payments of principal of and interest on the Note that would be due after the related redemption date but for the redemption. If that redemption date is not an interest payment date with respect to the applicable series of Notes, the amount of the next succeeding scheduled interest payment on the Notes will be reduced by the amount of interest accrued on the Notes to the redemption date.

On and after the redemption date, interest will cease to accrue on the Notes or any portion of the Notes called for redemption unless we default in the payment of the redemption price and accrued interest. On or before the redemption date, we will deposit with a paying agent or the trustee money sufficient to pay the redemption price of and accrued interest on the Notes to be redeemed on that date.

In the case of any partial redemption, selection of the Notes of a series will be made by the trustee by lot or by such other method as the trustee in its sole discretion deems to be fair and appropriate.

Redemption for Taxation Reasons

If (a) as a result of any change in, or amendment to, the laws or regulations of a Relevant Jurisdiction (as defined below under "Interpretation"), or any change in the official interpretation of the laws or regulations of a Relevant Jurisdiction, which change or amendment becomes effective after April 24, 2009 with respect to the 2040 Notes and May 22, 2012 with respect to the 2044 Notes, on the next Interest Payment Date we would be required to pay additional amounts as provided or referred to below under "— Payment Without Withholding" and (b) the requirement cannot be avoided by our taking reasonable measures available to us, we may at our option, having given not less than 30 nor more than 60 days' notice to the holders of Notes of each applicable series (which notice shall be irrevocable), redeem all, but not a portion of, the applicable series of Notes at any time at their principal amount together with interest accrued to, but excluding, the date of redemption provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which we would be obliged to pay such additional amounts were a payment in respect of the applicable series of Notes then due. Prior to the publication of any notice of redemption pursuant to this paragraph, we shall deliver to the trustee a certificate signed by two of our executive officers stating that the requirement referred to in (a) above will apply on the next Interest Payment Date and setting forth a statement of facts showing that the conditions precedent to the right of AT&T so to redeem have occurred, cannot be avoided by us taking reasonable measures available to us and an opinion of independent legal advisers of recognized international standing to the effect that AT&T has or will become obliged to pay such additional amounts as a result of the change or amendment, in each case to be held by the trustee and made available for viewing at the offices of the trustee on request by any holder of each applicable series of Notes.

Payment Without Withholding

All payments in respect of the Notes by or on behalf of AT&T shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature ("Taxes") imposed, collected, withheld, assessed or levied by or on behalf of the Relevant Jurisdiction, unless the withholding or deduction of the Taxes is required by law. In that event, we will pay such additional amounts to a holde r who is a United States Alien (as defined below) as may be necessary in order that the net amounts received by the holder after the withholding or deduction shall equal the respective amounts which would have been receivable in respect of each applicable series of the Notes in the absence of the withholding or deduction; except that no such additional amounts shall be payable in relation to any payment in respect of any Note:

(a) where such withholding or deduction would not have been so imposed but for:

(i) in the case of payment by AT&T, the existence of any present or former connection between the holder of the Note (or between a fiduciary, settlor, shareholder, beneficiary or member of the holder of the Note, if such holder is an estate, a trust, a corporation or a partnership) and the United States, including, without limitation, such holder (or such fiduciary, settlor, shareholder, beneficiary or member) being or having been a citizen or resident or treated as a resident thereof, or being or having been engaged in trade or business or presence therein, or having or having had a permanent establishment therein;

(ii) in the case of payment by AT&T, the present or former status of the holder of the Note as a personal holding company, a foreign personal holding company, a passive foreign investment company, or a controlled foreign corporation for United States federal income tax purposes or a corporation which accumulates earnings to avoid United States federal income tax;

(iii) in the case of payment by AT&T, the past or present or future status of the holder of the Note as the actual or constructive owner of 10% or more of either the total combined voting power of all classes of stock of AT&T entitled to vote if AT&T was treated as a corporation, or the capital or profits interest in AT&T, if AT&T is treated as a partnership for United States federal income tax purposes or as a bank receiving interest described in Section 881(c) (3) (A) of the Internal Revenue Code of 1986, as amended; or

(iv) the failure by the holder of the Note to comply with any certification, identification or other reporting requirements concerning the nationality, residence, identity or connection with the United States (in the case of payment by AT&T) of such holder, if compliance is required by statute or by regulation as a precondition to exemption from such withholding or deduction;

(b) in the case of payment by AT&T to any United States Alien, if such person is a fiduciary or partnership or other than the sole beneficial owner of any such payment, to the extent that a beneficiary or settlor with respect to such fiduciary, a member of such partnership or the beneficial owner would not have been entitled to the additional amounts had such beneficiary, settlor, member or beneficial owner been the bearer of such Note. As used herein, "United States Alien" means any person who, for United States federal income tax purposes, is a foreign corporation, a non-resident alien individual, a non-resident alien fiduciary of a foreign estate or trust, or a foreign partnership one or more of the members of which is, for United States federal income tax purposes, a foreign corporation, a non-resident alien individual or a non-resident alien fiduciary of a foreign estate or trust;

(c) to the extent that the withholding or deduction is as a result of the imposition of any gift, inheritance, estate, sales, transfer, personal property or any similar tax, assessment or other governmental charge;

(d) to, or to a third party on behalf of, a holder who is liable for the Taxes in respect of the Notes by reason of his having any or some present or former connection, including but not limited to fiscal residency, fiscal deemed residency and substantial interest shareholdings, with the Relevant Jurisdiction, other than the mere holding of the Notes;

(e) presented for payment more than 30 days after the Relevant Date except to the extent that a holder would have been entitled to additional amounts on presenting the relevant Notes for payment on the last day of the period of 30 days assuming that day to have been an Interest Payment Date;

(f) any tax, assessment or other governmental charge required to be withheld by any paying agent from any payment of principal or of interest on any Notes, if such payment can be made without withholding by any other paying agent;

(g) any tax, assessment or governmental charge that is imposed or withheld solely because the beneficial owner or any other person failed to comply with certification, identification or information reporting requirements concerning the nationality, residence, identity or connection with the United States of the holder or beneficial owner of our Notes, if compliance is required by statute, by regulation of the United States Treasury Department or by an applicable income tax treaty to which the United States is a party as a precondition to exemption from such tax, assessment or other governmental charge;

(h) any tax, assessment or governmental charge that is imposed or withheld solely because of a change in law, regulation, or administrative or judicial interpretation that becomes effective after the day on which the payment becomes due or is duly provided for, whichever occurs later; or

(i) any combination of (a), (b), (c), (d), (e), (f), (g) or (h).

Interpretation

As used in this description:

(a) "Relevant Date" means the date on which the payment first becomes due but, if the full amount of the money payable has not been received by the trustee on or before the due date, it means the date which is seven days after the date on which, the full amount of the money having been so received, notice to that effect shall have been duly given to the holders of Notes by us; and

(b) "Relevant Jurisdiction" means the State of Delaware and the United States or any political subdivision or any authority thereof or therein having power to tax or any other jurisdiction or any political subdivision or any authority thereof or therein having power to tax to which we become subject in respect of payments made by it of principal and interest on the Notes.

Additional Amounts

Any reference in the terms of the Notes to any amounts in respect of the Notes shall be deemed also to refer to any additional amounts which may be payable under this provision.

Further Issues

We may from time to time, without notice to or the consent of the holders of any series of the Notes, create and issue further notes ranking equally and ratably with such series in all respects, or in all respects except for the payment of interest accruing prior to the issue date or except for the first payment of interest following the issue date of those further notes. Any further notes will have the same terms as to status, redemption or otherwise as the Notes of the applicable series. Any further notes shall be issued pursuant to a resolution of our board of directors, a supplement to the Indenture, or under an officers' certificate pursuant to the Indenture.

Governing Law

The Notes will be governed by and interpreted in accordance with the laws of the State of New York.

Special Situations Covered by Our Indenture

Mergers and Similar Transactions

We are generally permitted to consolidate or merge with another company. We are also permitted to sell substantially all of our assets to another company, or to buy substantially all of the assets of another company. However, we may not take any of these actions unless all the following conditions are met:

- Where we merge out of existence or sell our assets, the company we merge into or sell to may not be organized under the laws of a foreign country. It must be a corporation organized under the laws of the United States, any State thereof, or the District of Columbia.

- The company we merge into or sell to must agree to be legally responsible for our debt securities.

- The merger, sale of assets or other transaction must not cause a default on the securities, and we must not already be in default, unless the merger or other transaction would cure the default. For purposes of this no-default test, a default would include an event of default that has occurred and not been cured, as described below under "— Default and Related Matters — Events of Default — What Is an Event of Default?" A default for this purpose would also include any event that would be an event of default if the requirements for giving us default notice or our default having to exist for a specific period of time were disregarded.

Modification and Waiver of Holders' Contractual Rights

Under certain circumstances, we can make changes to the Indenture and the securities (including the Notes). Some types of changes require the approval of each security holder affected, some require approval by a majority vote, and some changes do not require any approval at all.

Changes Requiring Approval of Holders. First, there are changes that cannot be made to the securities without specific approval of holders. The following is a list of those types of changes:

- to reduce the percentage of holders of securities who must consent to a waiver or amendment of the Indenture;

- to reduce the rate of interest on any security or change the time for payment of interest;

- to reduce the principal due on any security or change the fixed maturity of any security;

- to waive a default in the payment of principal or interest on any security;

- to change the currency of payment on a security;

- in the case of convertible or exchangeable securities, to make changes to conversion or exchange rights that would be adverse to the interests of holders;

- to change the right of holders to waive an existing default by majority vote;
- to reduce the amount of principal or interest payable to holders following a default or change any conversion or exchange rights, or impair the right of holders to sue for payment; and
- to make any change to this list of changes that requires specific approval of holders.

Changes Requiring a Majority Vote. The second type of change to the Indenture and the securities is the kind that requires a vote in favor by security holders owning a majority of the principal amount of the particular series affected. Most changes fall into this category, except for clarifying changes and certain other changes that would not adversely affect holders of the securities. The same vote would be required for us to obtain a waiver of an existing default. However, we cannot obtain a waiver of a payment default unless we obtain each holder's individual consent to the waiver.

Changes Not Requiring Approval of Holders. The third type of change does not require any vote by holders of securities. This type includes, among others, clarifications of ambiguous contract terms and other changes that would not materially adversely affect holders of the securities.

Further Details Concerning Voting. When taking a vote, we will use the following rules to decide how much principal amount to attribute to a security:

- For securities denominated in one or more foreign currencies or currency units, we will use the U.S. dollar equivalent determined on the date of original issuance of these securities.

Securities will not be considered outstanding, and therefore not eligible to vote, if we have deposited or set aside in trust for the applicable holders money for their payment or redemption. A security does not cease to be outstanding because we or an affiliate of us is holding the security.

We will generally be entitled to set any day as a record date for the purpose of determining the holders of outstanding securities that are entitled to vote or take other action under the Indenture. However, the Indenture does not oblige us to fix any record date at all. If we set a record date for a vote or other action to be taken by holders of a particular series, that vote or action may be taken only by persons who are holders of outstanding securities of that series on the record date and must be taken within 90 days following the record date.

Holders who hold in "street name" and other indirect holders, including holders of any securities issued as global securities, should consult their banks or brokers for information on how approval may be granted or denied if we seek to change the Indenture or the securities or request a waiver.

Discharge of Our Obligations

We can fully discharge ourselves from any payment or other obligations on the securities of any series if we make a deposit for the applicable holders with the trustee and certain other conditions are met. The deposit must be held in trust for the benefit of all direct holders of the securities and must be a combination of money and U.S. government or U.S. government agency notes or bonds that will generate enough cash to make interest, principal and any other payments on the securities on their various due dates.

However, we cannot discharge ourselves from the obligations under any convertible or exchangeable securities, unless we provide for it in the terms of these securities.

If we accomplish full discharge, as described above, holders will have to rely solely on the trust deposit for repayment of the securities. Holders could not look to us for repayment in the unlikely event of any shortfall. Conversely, the trust deposit would most likely be protected from claims of our lenders and other creditors if we ever become bankrupt or insolvent.

We will indemnify the trustee and holders against any tax, fee or other charge imposed on the U.S. government obligations we deposited with the trustee or against the principal and interest received on these obligations.

Liens on Assets

The Indenture does not restrict us from pledging or otherwise encumbering any of our assets and those of our subsidiaries.

Default and Related Matters

Ranking Compared to Other Creditors

The securities are not secured by any of our property or assets. Accordingly, ownership of securities means each holder is one of our unsecured creditors. The securities are not subordinated to any of our other debt obligations and therefore they rank equally with all our other unsecured and unsubordinated indebtedness. However, the trustee has a right to receive payment for its administrative services prior to any payment to security holders after a default.

Events of Default

Holders will have special rights if an event of default occurs and is not cured, as described later in this subsection.

What Is an Event of Default? The term "event of default" with respect to any series of securities means any of the following:

- We fail to make any interest payment on the securities of such series when it is due, and we do not cure this default within 90 days.
- We fail to make any payment of principal when it is due at the maturity of such series of securities or upon redemption.
- We fail to comply with any of our other agreements regarding a particular series of securities or with a supplemental indenture, and after we have been notified of the default by the trustee or holders of 25% in principal amount of the series, we do not cure the default within 90 days.
- We file for bankruptcy, or other events in bankruptcy, insolvency or reorganization occur.

Remedies if an Event of Default Occurs

Holders and the trustee will have the following remedies if an event of default occurs:

Acceleration. If an event of default has occurred and has not been cured or waived, then the trustee or the holders of 25% in principal amount of the securities of the affected series may declare the entire principal amount of and any accrued interest on all the securities of that series to be due and immediately payable. An acceleration of maturity may be cancelled by the holders of at least a majority in principal amount of the securities of the affected series, if all events of default have been cured or waived.

Special Duties of Trustee. If an event of default occurs, the trustee will have some special duties. In that situation, the trustee will be obligated to use those of its rights and powers under the Indenture, and to use the same degree of care and skill in doing so, that a prudent person would use in that situation in conducting his or her own affairs.

Other Remedies of Trustee. If an event of default occurs, the trustee is authorized to pursue any available remedy to collect defaulted principal and interest and to enforce other provisions of the securities and the Indenture, including bringing a lawsuit.

Majority Holders May Direct the Trustee to Take Actions to Protect Their Interests. The trustee is not required to take any action under the Indenture at the request of any holders unless the holders offer the trustee reasonable protection from expenses and liability. This is called an "indemnity". If the trustee is provided with an indemnity reasonably satisfactory to it, the holders of a majority in principal amount of the relevant series of debt securities may direct the time, method and place of conducting any lawsuit or other formal legal action seeking any remedy available to the trustee. These majority holders may also direct the trustee in performing any other action under the Indenture.

Individual Actions Holders May Take if the Trustee Fails to Act. Before a holder bypasses the trustee and bring such holder's own lawsuit or other formal legal action or take other steps to enforce such holder's rights or protect such holder's interests relating to the securities, the following must occur:

- Such holder must give the trustee written notice that an event of default has occurred and remains uncured.

- The holders of 25% in principal amount of all outstanding securities of the relevant series must make a written request that the trustee take action because of the default, and must offer indemnity reasonably satisfactory to the trustee against the cost and other liabilities of taking that action.

- The trustee must not have taken action for 60 days after receipt of the above notice and offer of indemnity.

- During the 60-day period, the holders of a majority in principal amount of the securities of that series do not give the trustee a direction inconsistent with the request.

However, a holder is entitled at any time to bring an individual lawsuit for the payment of the money due on such holder's security on or after its due date.

Waiver of Default

The holders of a majority in principal amount of the relevant series of debt securities may waive a default for all the relevant series of debt securities. If this happens, the default will be treated as if it had not occurred. No one can waive a payment default on a holder's debt security, however, without such holder's individual approval.

We Will Give the Trustee Information About Defaults Annually

Every year we will give to the trustee a written statement of one of our officers certifying that to the best of his or her knowledge we are in compliance with the Indenture and all the securities under it, or else specifying any default.

The trustee may withhold from holders notice of any uncured default, except for payment defaults, if it determines that withholding notice is in holders' interest.

Holders who hold in "street name" and other indirect holders should consult their banks or brokers for information on how to give notice or direction to or make a request of the trustee and how to make or cancel a declaration of acceleration.

Regarding the Trustee

The Bank of New York Mellon is the trustee under the Indenture. In addition, affiliates of The Bank of New York Mellon may perform various commercial banking and investment banking services for us and our subsidiaries from time to time in the ordinary course of business.

DESCRIPTION OF THE 4.250% GLOBAL NOTES DUE 2043

The following summary of AT&T's above referenced debt securities is based on and qualified by the indenture, dated as of May 15, 2013, with The Bank of New York Mellon Trust Company, N.A., acting as trustee (the "Indenture") and the 4.250% Global Notes due 2043 (the "Notes"). For a complete description of the terms and provisions of the Notes, please refer to the Indenture, which is filed as an exhibit to AT&T's Annual Report on Form 10-K for the year ended December 31, 2019 and to the form of Notes, which is filed as an exhibit to the Form 8-A filed with the Securities and Exchange Commission on May 15, 2013.

General

The Notes:

- were issued in an aggregate initial principal amount of £1,000,000,000, which remains the amount outstanding, subject to our ability to issue additional Notes which may be of the same series as the Notes as described under "— Further Issues";
- mature on June 1, 2043;
- bear interest at the rate of 4.250% per annum, payable annually in arrears;
- are repayable at par at maturity;
- are redeemable by us at the time described below under "— Optional Redemption" and in connection with certain tax events as described below under "— Redemption Upon a Tax Event"; and
- are not subject to any sinking fund.

The Notes are unsecured and unsubordinated obligations and rank *pari passu* with all other indebtedness issued under our Indenture. The Notes constitute a single series under the Indenture. The Notes are issued in fully registered form only and in minimum denominations of £100,000 and integral multiples of £1,000 in excess thereof. Principal and interest payments on the Notes are payable by us in pound sterling. Payments of principal, interest and additional amounts, if any, in respect of the Notes will be made to Euroclear System, Clearstream Banking S.A. or such nominee or common depositary, as the case may be, as registered holder thereof. Under the terms of the Indenture, if the pound sterling ceases to exist when payments on the Notes are due under any circumstances, AT&T may supplement the Indenture to allow for payment in U.S. dollars. The principal and interest payable in U.S. dollars on a Note at maturity, or upon redemption, will be paid by wire transfer of immediately available funds against presentation of a Note at the office of the paying agent.

For purposes of the Notes, a business day means a business day in the City of New York and London.

Interest

The Notes bear interest at the rate of 4.250% per annum. We pay interest on the Notes annually in arrears on June 1, commencing on June 1, 2014, to the persons in whose names the Notes are registered at the close of business on the May 15 preceding the interest payment date. The Notes will mature on June 1, 2043.

Interest on the Notes is computed on the basis of the actual number of days in the period for which interest is being calculated and the actual number of days from and including the last date on which interest was paid on the Notes, to but excluding the next scheduled interest payment date. This payment convention is referred to as ACTUAL/ACTUAL (ICMA) as defined in the rulebook of the International Capital Market Association.

Optional Redemption

At any time prior to December 1, 2042, the Notes will be redeemable, as a whole or in part, at our option, at any time and from time to time on at least 30 days', but not more than 60 days', prior notice mailed to the registered address of each holder of the Notes. The redemption price will be equal to the greater of (1) 100% of the principal amount of the Notes to be redeemed or (2) the sum of the present values of the Remaining Scheduled Payments (as defined below) discounted to the redemption date, on an annual basis (ACTUAL/ACTUAL (ICMA)), at a rate equal to the Treasury Rate (as defined below) and 20 basis points for the Notes. In either case, accrued interest will be payable to the redemption date. At any time on or after December 1, 2042, we have the option to redeem the Notes, as a whole or in part, on at least 30 days', but not more than 60 days', prior notice mailed to the registered address of each holder of the Notes at a redemption price equal to 100% of the principal amount of the Notes to be redeemed. Accrued interest will be payable to the redemption date.

"*Treasury Rate*" means the price, expressed as a percentage (rounded to three decimal places, 0.0005 being rounded upwards), at which the gross redemption yield on the Notes, if they were to be purchased at such price on the third dealing day prior to the date fixed for redemption, would be equal to the gross redemption yield on such dealing day of the Reference Bond (as defined below) on the basis of the middle market price of the Reference Bond prevailing at 11:00 a.m. (London time) on such dealing day as determined by the Company or an investment bank appointed by the Company.

"*Reference Bond*" means, in relation to any Treasury Rate calculation, a United Kingdom government bond whose maturity is closest to the maturity of the Notes, or if the Company or an investment bank appointed by the Company considers that such similar bond is not in issue, such other United Kingdom government bond as the Company or an investment bank appointed by the Company, with the advice of three brokers of, and/or market makers in, United Kingdom government bonds selected by the Company or an investment bank appointed by the Company, determine to be appropriate for determining such Treasury Rate.

"*Remaining Scheduled Payments*" means, with respect to each Note to be redeemed, the remaining scheduled payments of principal of and interest on the Note that would be due after the related redemption date but for the redemption. If that redemption date is not an interest payment date with respect to a Note, the amount of the next succeeding scheduled interest payment on the Note will be reduced by the amount of interest accrued on the Note to the redemption date.

On and after the redemption date, interest will cease to accrue on the Notes or any portion of the Notes called for redemption unless we default in the payment of the redemption price and accrued interest. On or before the redemption date, we will deposit with a paying agent or the trustee money sufficient to pay the redemption price of and accrued interest on the Notes to be redeemed on that date.

In the case of any partial redemption, selection of the Notes will be made by the trustee by lot or by such other method as the trustee in its sole discretion deems to be fair and appropriate.

Redemption for Taxation Reasons

If (a) as a result of any change in, or amendment to, the laws or regulations of a Relevant Jurisdiction (as defined below under "Interpretation"), or any change in the official interpretation of the laws or regulations of a Relevant Jurisdiction, which change or amendment becomes effective after May 8, 2013, on the next Interest Payment Date we would be required to pay additional amounts as provided or referred to below under "— Payment Without Withholding" and (b) the requirement cannot be avoided by our taking reasonable measures available to us, we may at our option, having given not less than 30 nor more than 60 days' notice to the holders of Notes (which notice shall be irrevocable), redeem all, but not a portion of, the Notes at any time at their principal amount together with interest accrued to, but excluding, the date of redemption provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which we would be obliged to pay such additional amounts were a payment in respect of the Notes then due. Prior to the publication of any notice of redemption pursuant to this paragraph, we shall deliver to the trustee a certificate signed by two of our executive officers stating that the requirement referred to in (a) above will apply on the next Interest Payment Date and setting forth a statement of facts showing that the conditions precedent to the right of AT&T so to redeem have occurred, cannot be avoided by us taking reasonable measures available to us and an opinion of independent legal advisers of recognized international standing to the effect that AT&T has or will become obliged to pay such additional amounts as a result of the change or amendment, in each case to be held by the trustee and made available for viewing at the offices of the trustee on request by any holder of the Notes.

Payment Without Withholding

All payments in respect of the Notes by or on behalf of AT&T shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature ("Taxes") imposed, collected, withheld, assessed or levied by or on behalf of the Relevant Jurisdiction, unless the withholding or deduction of the Taxes is required by law. In that event, we will pay such additional amounts to a holder who is a United States Alien (as defined below) as may be necessary in order that the net amounts received by the holder after the withholding or deduction shall equal the respective amounts which would have been receivable in respect of the Notes in the absence of the withholding or deduction; except that no such additional amounts shall be payable in relation to any payment in respect of any Note:

(a) where such withholding or deduction would not have been so imposed but for:

(i) in the case of payment by AT&T, the existence of any present or former connection between the holder of the Note (or between a fiduciary, settlor, shareholder, beneficiary or member of the holder of the Note, if such holder is an estate, a trust, a corporation or a partnership) and the United States, including, without limitation, such holder (or such fiduciary, settlor, shareholder, beneficiary or member) being or having been a citizen or resident or treated as a resident thereof, or being or having been engaged in trade or business or presence therein, or having or having had a permanent establishment therein;

(ii) in the case of payment by AT&T, the present or former status of the holder of the Note as a personal holding company, a foreign personal holding company, a passive foreign investment company, or a controlled foreign corporation for United States federal income tax purposes or a corporation which accumulates earnings to avoid United States federal income tax;

(iii) in the case of payment by AT&T, the past or present or future status of the holder of the Note as the actual or constructive owner of 10% or more of either the total combined voting power of all classes of stock of AT&T entitled to vote if AT&T was treated as a corporation, or the capital or profits interest in AT&T, if AT&T is treated as a partnership for United States federal income tax purposes or as a bank receiving interest described in Section 881(c)(3)(A) of the Internal Revenue Code of 1986, as amended; or

(iv) the failure by the holder of the Note to comply with any certification, identification or other reporting requirements concerning the nationality, residence, identity or connection with the United States (in the case of payment by AT&T) of such holder, if compliance is required by statute or by regulation as a precondition to exemption from such withholding or deduction;

(b) in the case of payment by AT&T to any United States Alien, if such person is a fiduciary or partnership or other than the sole beneficial owner of any such payment, to the extent that a beneficiary or settlor with respect to such fiduciary, a member of such partnership or the beneficial owner would not have been entitled to the additional amounts had such beneficiary, settlor, member or beneficial owner been the bearer of such Note. As used herein, “United States Alien” means any person who, for United States federal income tax purposes, is a foreign corporation, a non-resident alien individual, a non-resident alien fiduciary of a foreign estate or trust, or a foreign partnership one or more of the members of which is, for United States federal income tax purposes, a foreign corporation, a non-resident alien individual or a non-resident alien fiduciary of a foreign estate or trust;

(c) to the extent that the withholding or deduction is as a result of the imposition of any gift, inheritance, estate, sales, transfer, personal property or any similar tax, assessment or other governmental charge;

(d) to, or to a third party on behalf of, a holder who is liable for the Taxes in respect of the Notes by reason of his having any or some present or former connection, including but not limited to fiscal residency, fiscal deemed residency and substantial interest shareholdings, with the Relevant Jurisdiction, other than the mere holding of the Notes;

(e) presented for payment more than 30 days after the Relevant Date except to the extent that a holder would have been entitled to additional amounts on presenting the relevant Notes for payment on the last day of the period of 30 days assuming that day to have been an Interest Payment Date;

(f) any tax, assessment or other governmental charge required to be withheld by any paying agent from any payment of principal or of interest on any Notes, if such payment can be made without withholding by any other paying agent;

(g) any tax, assessment or governmental charge that is imposed or withheld solely because the beneficial owner or any other person failed to comply with certification, identification or information reporting requirements concerning the nationality, residence, identity or connection with the United States of the holder or beneficial owner of our Notes, if compliance is required by statute, by regulation of the United States Treasury Department or by an applicable income tax treaty to which the United States is a party as a precondition to exemption from such tax, assessment or other governmental charge;

(h) any tax, assessment or governmental charge that is imposed or withheld solely because of a change in law, regulation, or administrative or judicial interpretation that becomes effective after the day on which the payment becomes due or is duly provided for, whichever occurs later; or

(i) any combination of (a), (b), (c), (d), (e), (f), (g) or (h).

Interpretation

As used in this description:

(a) "Relevant Date" means the date on which the payment first becomes due but, if the full amount of the money payable has not been received by the trustee on or before the due date, it means the date which is seven days after the date on which, the full amount of the money having been so received, notice to that effect shall have been duly given to the holders of Notes by us; and

(b) "Relevant Jurisdiction" means the State of Delaware and the United States or any political subdivision or any authority thereof or therein having power to tax or any other jurisdiction or any political subdivision or any authority thereof or therein having power to tax to which we become subject in respect of payments made by it of principal and interest on the Notes.

Additional Amounts

Any reference in the terms of the Notes to any amounts in respect of the Notes shall be deemed also to refer to any additional amounts which may be payable under this provision.

Further Issues

We may from time to time, without notice to or the consent of the holders of the Notes, create and issue further notes ranking equally and ratably with such Notes in all respects, or in all respects except for the payment of interest accruing prior to the issue date or except for the first payment of interest following the issue date of those further notes. Any further notes will have the same terms as to status, redemption or otherwise as the Notes. Any further notes shall be issued pursuant to a resolution of our board of directors, a supplement to the Indenture, or under an officers' certificate pursuant to the Indenture.

Governing Law

The Notes will be governed by and interpreted in accordance with the laws of the State of New York.

Special Situations Covered by Our Indenture

Mergers and Similar Transactions

We are generally permitted to consolidate or merge with another company. We are also permitted to sell substantially all of our assets to another company. However, we may not take any of these actions unless all the following conditions are met:

- Where we merge out of existence or sell our assets, the company we merge into or sell to may not be organized under the laws of a foreign country. It must be a corporation organized under the laws of the United States, any State thereof, or the District of Columbia.

- The company we merge into or sell to must agree to be legally responsible for our debt securities.

- The merger, sale of assets or other transaction must not cause a default on the securities, and we must not already be in default, unless the merger or other transaction would cure the default. For purposes of this no-default test, a default would include an event of default that has occurred and not been cured, as described below under "— Default and Related Matters — Events of Default — What Is an Event of Default?" A default for this purpose would also include any event that would be an event of default if the requirements for giving us default notice or our default having to exist for a specific period of time were disregarded.

Further, we may buy substantially all of the assets of another company without complying with any of the foregoing conditions.

Modification and Waiver of Holders' Contractual Rights

Under certain circumstances, we can make changes to the Indenture and the securities (including the Notes). Some types of changes require the approval of each security holder affected, some require approval by a majority vote, and some changes do not require any approval at all.

Changes Requiring Approval of Holders. First, there are changes that cannot be made to the securities without specific approval of holders. The following is a list of those types of changes:

- to reduce the percentage of holders of securities who must consent to a waiver or amendment of the Indenture;
- to reduce the rate of interest on any security or change the time for payment of interest;
- to reduce the principal due on any security or change the fixed maturity of any security;
- to waive a default in the payment of principal or interest on any security;
- to change the currency of payment on a security, unless the security provides for payment in a currency that ceases to exist;
- in the case of convertible or exchangeable securities, to make changes to conversion or exchange rights that would be adverse to the interests of holders;
- to change the right of holders to waive an existing default by majority vote;
- to reduce the amount of principal or interest payable to holders following a default or change any conversion or exchange rights, or impair the right of holders to sue for payment; and
- to make any change to this list of changes that requires specific approval of holders.

Changes Requiring a Majority Vote. The second type of change to the Indenture and the securities is the kind that requires a vote in favor by security holders owning a majority of the principal amount of the particular series affected. Most changes fall into this category, except as set forth in the following paragraph. The same vote would be required for us to obtain a waiver of an existing default. However, we cannot obtain a waiver of a payment default unless we obtain each holder's individual consent to the waiver.

Changes Not Requiring Approval of Holders. The third type of change does not require any vote by holders of securities. This type includes, among others, clarifications of ambiguous contract terms, changes to make securities payable in U.S. dollars (if the stated denomination ceases to exist) and other changes that would not materially adversely affect holders of the securities.

Further Details Concerning Voting. When taking a vote, we will use the following rules to decide how much principal amount to attribute to a security:

- For securities denominated in one or more foreign currencies or currency units, we will use the U.S. dollar equivalent determined on the date of original issuance of these securities.

Securities will not be considered outstanding, and therefore not eligible to vote, if we have deposited or set aside in trust for the applicable holders money for their payment or redemption. A security does not cease to be outstanding because we or an affiliate of us is holding the security.

We will generally be entitled to set any day as a record date for the purpose of determining the holders of outstanding securities that are entitled to vote or take other action under the Indenture. However, the Indenture does not oblige us to fix any record date at all. If we set a record date for a vote or other action to be taken by holders of a particular series, that vote or action may be taken only by persons who are holders of outstanding securities of that series on the record date and must be taken within 90 days following the record date.

Holders who hold in "street name" and other indirect holders, including holders of any securities issued as global securities, should consult their banks or brokers for information on how approval may be granted or denied if we seek to change the Indenture or the securities or request a waiver.

Discharge of Our Obligations

We can fully discharge ourselves from any payment or other obligations on the securities of any series if we make a deposit for the applicable holders with the trustee and certain other conditions are met. The deposit must be held in trust for the benefit of all direct holders of the securities and must be a combination of money and U.S. government or U.S. government agency notes or bonds that will generate enough cash to make interest, principal and any other payments on the securities on their various due dates.

However, we cannot discharge ourselves from the obligations under any convertible or exchangeable securities, unless we provide for it in the terms of these securities.

If we accomplish full discharge, as described above, holders will have to rely solely on the trust deposit for repayment of the securities. Holders could not look to us for repayment in the unlikely event of any shortfall. Conversely, the trust deposit would most likely be protected from claims of our lenders and other creditors if we ever become bankrupt or insolvent.

We will indemnify the trustee and holders against any tax, fee or other charge imposed on the U.S. government obligations we deposited with the trustee or against the principal and interest received on these obligations.

Liens on Assets

The Indenture does not restrict us from pledging or otherwise encumbering any of our assets and those of our subsidiaries.

Default and Related Matters

Ranking Compared to Other Creditors

The securities are not secured by any of our property or assets. Accordingly, ownership of securities means each holder is one of our unsecured creditors. The securities are not subordinated to any of our other debt obligations and therefore they rank equally with all our other unsecured and unsubordinated indebtedness. However, the trustee has a right to receive payment for its administrative services prior to any payment to security holders after a default.

Events of Default

Holders will have special rights if an event of default occurs and is not cured, as described later in this subsection.

What Is an Event of Default? The term "event of default" with respect to any series of securities means any of the following:

- We fail to make any interest payment on the securities of such series when it is due, and we do not cure this default within 90 days.

- We fail to make any payment of principal when it is due at the maturity of such series of securities or upon redemption.

- We fail to comply with any of our other agreements regarding a particular series of securities or with a supplemental indenture, and after we have been notified of the default by the trustee or holders of 25% in principal amount of the series, we do not cure the default within 90 days.

- We file for bankruptcy, or other events in bankruptcy, insolvency or reorganization occur.

Remedies if an Event of Default Occurs

Holders and the trustee will have the following remedies if an event of default occurs:

Acceleration. If an event of default has occurred and has not been cured or waived, then the trustee or the holders of 25% in principal amount of the securities of the affected series may declare the entire principal amount of and any accrued interest on all the securities of that series to be due and immediately payable. An acceleration of maturity may be cancelled by the holders of at least a majority in principal amount of the securities of the affected series, if all events of default have been cured or waived.

Special Duties of Trustee. If an event of default occurs, the trustee will have some special duties. In that situation, the trustee will be obligated to use those of its rights and powers under the Indenture, and to use the same degree of care and skill in doing so, that a prudent person would use in that situation in conducting his or her own affairs.

Other Remedies of Trustee. If an event of default occurs, the trustee is authorized to pursue any available remedy to collect defaulted principal and interest and to enforce other provisions of the securities and the Indenture, including bringing a lawsuit.

Majority Holders May Direct the Trustee to Take Actions to Protect Their Interests. The trustee is not required to take any action under the Indenture at the request of any holders unless the holders offer the trustee reasonable protection from expenses and liability. This is called an "indemnity". If the trustee is provided with an indemnity reasonably satisfactory to it, the holders of a majority in principal amount of the relevant series of debt securities may direct the time, method and place of conducting any lawsuit or other formal legal action seeking any remedy available to the trustee. These majority holders may also direct the trustee in performing any other action under the Indenture.

Individual Actions Holders May Take if the Trustee Fails to Act. Before a holder bypasses the trustee and brings such holder's own lawsuit or other formal legal action or take other steps to enforce such holder's rights or protect such holder's interests relating to the securities, the following must occur:

- Such holder must give the trustee written notice that an event of default has occurred and remains uncured.

- The holders of 25% in principal amount of all outstanding securities of the relevant series must make a written request that the trustee take action because of the default, and must offer indemnity reasonably satisfactory to the trustee against the cost and other liabilities of taking that action.

- The trustee must not have taken action for 60 days after receipt of the above notice and offer of indemnity.

- During the 60-day period, the holders of a majority in principal amount of the securities of that series do not give the trustee a direction inconsistent with the request.

However, a holder is entitled at any time to bring an individual lawsuit for the payment of the money due on such holder's security on or after its due date.

Waiver of Default

The holders of a majority in principal amount of the relevant series of debt securities may waive a default for all the relevant series of debt securities. If this happens, the default will be treated as if it had not occurred. No one can waive a payment default on a holder's debt security, however, without such holder's individual approval.

We Will Give the Trustee Information About Defaults Annually

Every year we will give to the trustee a written statement of one of our officers certifying that to the best of his or her knowledge we are in compliance with the Indenture and all the securities under it, or else specifying any default.

The trustee may withhold from holders notice of any uncured default, except for payment defaults, if it determines that withholding notice is in holders' interest.

Holders who hold in "street name" and other indirect holders should consult their banks or brokers for information on how to give notice or direction to or make a request of the trustee and how to make or cancel a declaration of acceleration.

Regarding the Trustee

The Bank of New York Mellon Trust Company, N.A. is the trustee under the Indenture. In addition, affiliates of The Bank of New York Mellon Trust Company, N.A. may perform various commercial banking and investment banking services for us and our subsidiaries from time to time in the ordinary course of business.

DESCRIPTION OF THE 2.900% GLOBAL NOTES DUE 2026, THE 4.375% GLOBAL NOTES DUE 2029 AND THE 5.200% GLOBAL NOTES DUE 2033

The following summary of AT&T's above referenced debt securities is based on and qualified by the indenture, dated as of May 15, 2013, with The Bank of New York Mellon Trust Company, N.A., acting as trustee (the "Indenture") and the 2.900% Global Notes due 2026 (the "2.900% 2026 Notes"), the 4.375% Global Notes due 2029 (the "4.375% 2029 Notes") and the 5.200% Global Notes due 2033 (the "2033 Notes" and, together with the 2.900% 2026 Notes and the 4.375% 2029 Notes, the "Notes"). For a complete description of the terms and provisions of the Notes, please refer to the Indenture, which is filed as an exhibit to AT&T's Annual Report on Form 10-K for the year ended December 31, 2019 and to the forms of Notes, which are filed as exhibits to the Form 8-As filed with the Securities and Exchange Commission on March 24, 2016 and September 11, 2018.

General

The 2.900% 2026 Notes:

- were issued in an aggregate initial principal amount of £750,000,000, which remains the amount outstanding, subject to our ability to issue additional 2.900% 2026 Notes which may be of the same series as the 2.900% 2026 Notes as described under "— Further Issues";
- mature on December 4, 2026;
- bear interest at the rate of 2.900% per annum, payable annually in arrears;
- are repayable at par at maturity;
- are redeemable by us at the time described below under "— Optional Redemption" and in connection with certain tax events as described below under "— Redemption Upon a Tax Event"; and
- are not subject to any sinking fund.

The 4.375% 2029 Notes:

- were issued in an aggregate initial principal amount of £745,000,000, which remains the amount outstanding, subject to our ability to issue additional 4.375% 2029 Notes which may be of the same series as the 4.375% 2029 Notes as described under "— Further Issues";
- mature on September 14, 2029;
- bear interest at the rate of 4.375% per annum, payable annually in arrears;
- are repayable at par at maturity;
- are redeemable by us at the time described below under "— Optional Redemption" and in connection with certain tax events as described below under "— Redemption Upon a Tax Event"; and
- are not subject to any sinking fund.

The 2033 Notes:

- were issued in an aggregate initial principal amount of £342,361,000, which remains the amount outstanding, subject to our ability to issue additional 2033 Notes which may be of the same series as the 2033 Notes as described under "— Further Issues";
- mature on November 18, 2033;

- bear interest at the rate of 5.200% per annum, payable annually in arrears;
- are repayable at par at maturity;
- are redeemable by us at the time described below under "— Optional Redemption" and in connection with certain tax events as described below under "— Redemption Upon a Tax Event"; and
- are not subject to any sinking fund.

The Notes are unsecured and unsubordinated obligations and rank *pari passu* with all other indebtedness issued under our Indenture. Each series of Notes constitutes a separate series under the Indenture. The Notes are issued in fully registered form only and in minimum denominations of £100,000 and integral multiples of £1,000 in excess thereof. Principal and interest payments on the Notes are payable by us in pound sterling. Payments of principal, interest and additional amounts, if any, in respect of the Notes will be made to Euroclear System, Clearstream Banking S.A. or such nominee or common depositary, as the case may be, as registered holder thereof. Under the terms of the Indenture, if the pound sterling ceases to exist when payments on the Notes are due under any circumstances, AT&T may supplement the Indenture to allow for payment in U.S. dollars. The principal and interest payable in U.S. dollars on a Note at maturity, or upon redemption, will be paid by wire transfer of immediately available funds against presentation of a Note at the office of the paying agent.

For purposes of the 2.900% 2026 Notes, a business day means a business day in the City of New York or the City of London.

For purposes of the 4.375% 2029 Notes and 2033 Notes, a business day means any day other than a Saturday or Sunday and that, in the City of New York or London, is not a day on which banking institutions are generally authorized or obligated by law to close, and is a day on which the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET) System, or any successor thereto, operates.

Interest

The 2.900% 2026 Notes bear interest at the rate of 2.900% per annum, the 4.375% 2029 Notes bear interest at the rate of 4.375% per annum and the 2033 Notes bear interest at the rate of 5.200% per annum.

We pay interest on the 2.900% 2026 Notes annually in arrears on each December 4, commencing on December 4, 2018, to the persons in whose names the 2.900% 2026 Notes are registered at the close of business on the business day preceding the interest payment date. The 2.900% 2026 Notes will mature on December 4, 2026.

We pay interest on the 4.375% 2029 Notes annually in arrears on September 14, commencing on September 14, 2016, to the persons in whose names the 4.375% 2029 Notes are registered at the close of business on the business day preceding the interest payment date. The 4.375% 2029 Notes will mature on September 14, 2029.

We pay interest on the 2033 Notes annually in arrears on November 18, commencing on November 18, 2016, to the persons in whose names our 2033 Notes are registered at the close of business on the business day preceding the interest payment date. The 2033 Notes will mature on November 18, 2033.

Interest on the Notes is computed on the basis of the actual number of days in the period for which interest is being calculated and the actual number of days from and including the last date on which interest was paid on the Notes, to but excluding the next scheduled interest payment date. This payment convention is referred to as ACTUAL/ACTUAL (ICMA) as defined in the rulebook of the International Capital Market Association.

Optional Redemption

At any time prior to September 4, 2026, the 2.900% 2026 Notes may be redeemed, as a whole or in part, at our option, at any time and from time to time on at least 30 days', but not more than 60 days', prior notice sent to the registered address of each holder of the Notes to be redeemed. The redemption price will be calculated by us and will be equal to the greater of (1) 100% of the principal amount of the Notes to be redeemed or (2) the sum of the present values of the Remaining Scheduled Payments (as defined below) discounted to the redemption date, on an annual basis (ACTUAL/ACTUAL (ICMA)), at a rate equal to the Treasury Rate (as defined below) plus 25 basis points. In either case, accrued but unpaid interest will be payable to the redemption date. At any time on or after September 4, 2026, the Notes may be redeemed, as a whole or in part, at our option, at any time and from time to time on at least 30 days', but not more than 60 days', prior notice sent to the registered address of each holder of the Notes, at a redemption price equal to 100% of the principal amount of the Notes to be redeemed. Accrued but unpaid interest will be payable to the redemption date.

The 4.375% 2029 Notes and the 2033 Notes may be redeemed as a whole or in part, at our option, at any time and from time to time on at least 30 days', but not more than 60 days', prior notice mailed to the registered address of each holder of the applicable series of Notes. The redemption price will be equal to the greater of (1) 100% of the principal amount of the applicable series of Notes to be redeemed or (2) the sum of the present values of the Remaining Scheduled Payments (as defined below) discounted to the redemption date, on an annual basis (ACTUAL/ACTUAL (ICMA)), at a rate equal to the Treasury Rate (as defined below) plus, for the 4.375% 2029 Notes, 35 basis points, and for the 2033 Notes, 25 basis points. In either case, accrued but unpaid interest will be payable to the redemption date. We will calculate the redemption price in connection with any redemption hereunder.

"*Treasury Rate*" means the price, expressed as a percentage (and, with respect to the 4.375% 2029 Notes and the 2033 Notes, rounded to three decimal places, 0.0005 being rounded upwards), at which the gross redemption yield on the Notes of the applicable series, if they were to be purchased at such price on the third dealing day prior to the date fixed for redemption, would be equal to the gross redemption yield on such dealing day of the Reference Bond (as defined below) on the basis of the middle market price of the Reference Bond prevailing at 11:00 a.m. (London time) on such dealing day as determined by the Company or an investment bank appointed by the Company.

"*Reference Bond*" means, in relation to any Treasury Rate calculation, a United Kingdom government bond whose maturity is closest to the maturity of the Notes of the applicable series, or if the Company or an investment bank appointed by the Company considers that such similar bond is not in issue, such other United Kingdom government bond as the Company or an investment bank appointed by the Company, with the advice of three brokers of, and/or market makers in, United Kingdom government bonds selected by the Company or an investment bank appointed by the Company, determine to be appropriate for determining such Treasury Rate.

"*Remaining Scheduled Payments*" means, with respect to each Note of a series to be redeemed, the remaining scheduled payments of principal of and interest on the Note that would be due after the related redemption date but for the redemption. If that redemption date is not an interest payment date with respect to the applicable series of Notes, the amount of the next succeeding scheduled interest payment on the Notes will be reduced by the amount of interest accrued on the Notes to the redemption date.

On and after the redemption date, interest will cease to accrue on the Notes or any portion of the Notes called for redemption unless we default in the payment of the redemption price and accrued interest. On or before the redemption date, we will deposit with a paying agent or the trustee money sufficient to pay the redemption price of and accrued interest on the Notes to be redeemed on that date.

In the case of any partial redemption, selection of the Notes of a series to be redeemed will be made by the trustee by lot or, with respect to the 2.900% 2026 Notes, pursuant to applicable depositary procedures and, with respect to the 4.375% 2029 Notes and the 2033 Notes, by such other method as the trustee in its sole discretion deems to be fair and appropriate.

Payment of Additional Amounts

We will, subject to the exceptions and limitations set forth below, pay as additional interest on the Notes such additional amounts as are necessary so that the net payment by us or our paying agent of the principal of and interest on the Notes to a person that is a United States Alien, after deduction for any present or future tax, assessment or governmental charge of the United States or a political subdivision or taxing authority thereof or therein, imposed by withholding with respect to the payment, will not be less than the amount that would have been payable in respect of the Notes had no withholding or deduction been required. As used herein, "United States Alien" means any person who, for United States federal income tax purposes, is a foreign corporation, a non-resident alien individual, a non-resident alien fiduciary of a foreign estate or trust, or a foreign partnership one or more of the members of which is, for United States federal income tax purposes, a foreign corporation, a non-resident alien individual or a non-resident alien fiduciary of a foreign estate or trust.

Our obligation to pay additional amounts shall not apply:

(1) to any tax, assessment or governmental charge that is imposed or withheld solely because the beneficial owner, or a fiduciary, settlor, beneficiary or member of the beneficial owner if the beneficial owner is an estate, trust or partnership, or a person holding a power over an estate or trust administered by a fiduciary holder:

(a) is or was present or engaged in a trade or business in the United States, has or had a permanent establishment in the United States, or has any other present or former connection with the United States or any political subdivision or taxing authority thereof or therein;

(b) is or was a citizen or resident or is or was treated as a resident of the United States;

(c) is or was a foreign or domestic personal holding company, a passive foreign investment company or a controlled foreign corporation with respect to the United States or is or was a corporation that has accumulated earnings to avoid United States federal income tax;

(d) is or was a bank receiving interest described in Section 881(c)(3)(A) of the Internal Revenue Code of 1986, as amended (the "Code"); or

(e) is or was an actual or constructive owner of 10% or more of the total combined voting power of all classes of stock of AT&T entitled to vote;

(2) to any holder that is not the sole beneficial owner of the Notes, or a portion thereof, or that is a fiduciary or partnership, but only to the extent that the beneficial owner, a beneficiary or settlor with respect to the fiduciary, or a member of the partnership would not have been entitled to the payment of an additional amount had such beneficial owner, beneficiary, settlor or member received directly its beneficial or distributive share of the payment;

(3) to any tax, assessment or governmental charge that is imposed or withheld solely because the beneficial owner or any other person failed to comply with certification, identification or information reporting requirements concerning the nationality, residence, identity or connection with the United States of the holder or beneficial owner of the Notes, if compliance is required by statute, by regulation of the United States Treasury Department or by an applicable income tax treaty to which the United States is a party as a precondition to exemption from such tax, assessment or other governmental charge;

(4) to any tax, assessment or governmental charge that is imposed other than by deduction or withholding by AT&T or a paying agent from the payment;

(5) to any tax, assessment or governmental charge that is imposed or withheld solely because of a change in law, regulation, or administrative or judicial interpretation that is announced or becomes effective after the day on which the payment becomes due or is duly provided for, whichever occurs later;

(6) to an estate, inheritance, gift, sales, excise, transfer, wealth or personal property tax or any similar tax, assessment or governmental charge;

(7) to any tax, assessment or other governmental charge any paying agent (which term may include us) must withhold from any payment of principal of or interest on any Note, if such payment can be made without such withholding by any other paying agent; or

(8) in the case of any combination of the above items.

In addition, any amounts to be paid on the Notes will be paid net of any deduction or withholding imposed or required pursuant to Sections 1471 through 1474 of the Code, any current or future regulations or official interpretations thereof, any agreement entered into pursuant to Section 1471(b) of the Code, or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of such Sections of the Code, and no additional amounts will be required to be paid on account of any such deduction or withholding.

The Notes are subject in all cases to any tax, fiscal or other law or regulation or administrative or judicial interpretation applicable. Except as specifically provided under this heading "—Payment of Additional Amounts" and under the heading "—Redemption Upon a Tax Event," we do not have to make any payment with respect to any tax, assessment or governmental charge imposed by any government or a political subdivision or taxing authority.

Any reference in the terms of the Notes of each series to any amounts in respect of the Notes shall be deemed also to refer to any additional amounts which may be payable under this provision.

Redemption Upon a Tax Event

If (a) we become or will become obligated to pay additional amounts with respect to any Notes as described herein under the heading "—Payment of Additional Amounts" as a result of any change in, or amendment to, the laws (or any regulations or rulings promulgated thereunder) of the United States (or any political subdivision or taxing authority thereof or therein), or any change in, or amendments to, any official position regarding the application or interpretation of such laws, regulations or rulings, which change or amendment is announced or becomes effective, on or after March 21, 2016 with respect to the 4.375% 2029 Notes and the 2033 Notes and September 6, 2018 with respect to the 2.900% 2026 Notes or (b) a taxing authority of the United States takes an action on or after March 21, 2016 with respect to the 4.375% 2029 Notes and the 2033 Notes and September 6, 2018 with respect to the 2.900% 2026 Notes, whether or not with respect to us or any of our affiliates, that results in a substantial probability that we will or may be required to pay such additional amounts, then we may, at our option, redeem, as a whole, but not in part, the applicable series of Notes on any interest payment date on not less than 30 nor more than 60 calendar days' prior notice, at a redemption price equal to 100% of their principal amount, together with interest accrued thereon to the date fixed for redemption. No redemption pursuant to (b) above may be made unless we shall have received an opinion of independent counsel to the effect that an act taken by a taxing authority of the United States results in a substantial probability that we will or may be required to pay the additional amounts described herein under the heading "—Payment of Additional Amounts" and we shall have delivered to the trustee a certificate, signed by a duly authorized officer, stating that based on such opinion we are entitled to redeem the Notes pursuant to their terms.

Further Issues

We may from time to time, without notice to or the consent of the holders of any series of the Notes, create and issue further notes ranking equally and ratably with such series in all respects, or in all respects except for the payment of interest accruing prior to the issue date or except for the first payment of interest following the issue date of those further notes. Any further notes will have the same terms as to status, redemption or otherwise as, and will be fungible for United States federal income tax purposes with, the Notes of the applicable series. Any further notes shall be issued pursuant to a resolution of our board of directors, a supplement to the Indenture, or under an officers' certificate pursuant to the Indenture.

Governing Law

The Notes will be governed by and interpreted in accordance with the laws of the State of New York.

Special Situations Covered by Our Indenture

Mergers and Similar Transactions

We are generally permitted to consolidate or merge with another company. We are also permitted to sell substantially all of our assets to another company. However, we may not take any of these actions unless all the following conditions are met:

- Where we merge out of existence or sell our assets, the company we merge into or sell to may not be organized under the laws of a foreign country. It must be a corporation organized under the laws of the United States, any State thereof, or the District of Columbia.

- The company we merge into or sell to must agree to be legally responsible for our debt securities.

- The merger, sale of assets or other transaction must not cause a default on the securities, and we must not already be in default, unless the merger or other transaction would cure the default. For purposes of this no-default test, a default would include an event of default that has occurred and not been cured, as described below under "— Default and Related Matters — Events of Default — What Is an Event of Default?" A default for this purpose would also include any event that would be an event of default if the requirements for giving us default notice or our default having to exist for a specific period of time were disregarded.

Further, we may buy substantially all of the assets of another company without complying with any of the foregoing conditions.

Modification and Waiver of Holders' Contractual Rights

Under certain circumstances, we can make changes to the Indenture and the securities (including the Notes). Some types of changes require the approval of each security holder affected, some require approval by a majority vote, and some changes do not require any approval at all.

Changes Requiring Approval of Holders. First, there are changes that cannot be made to the securities without specific approval of holders. The following is a list of those types of changes:

- to reduce the percentage of holders of securities who must consent to a waiver or amendment of the Indenture;
- to reduce the rate of interest on any security or change the time for payment of interest;
- to reduce the principal due on any security or change the fixed maturity of any security;
- to waive a default in the payment of principal or interest on any security;
- to change the currency of payment on a security, unless the security provides for payment in a currency that ceases to exist;
- in the case of convertible or exchangeable securities, to make changes to conversion or exchange rights that would be adverse to the interests of holders;
- to change the right of holders to waive an existing default by majority vote;
- to reduce the amount of principal or interest payable to holders following a default or change any conversion or exchange rights, or impair the right of holders to sue for payment; and
- to make any change to this list of changes that requires specific approval of holders.

Changes Requiring a Majority Vote. The second type of change to the Indenture and the securities is the kind that requires a vote in favor by security holders owning a majority of the principal amount of the particular series affected. Most changes fall into this category, except as set forth in the following paragraph. The same vote would be required for us to obtain a waiver of an existing default. However, we cannot obtain a waiver of a payment default unless we obtain each holder's individual consent to the waiver.

Changes Not Requiring Approval of Holders. The third type of change does not require any vote by holders of securities. This type includes, among others, clarifications of ambiguous contract terms, changes to make securities payable in U.S. dollars (if the stated denomination ceases to exist) and other changes that would not materially adversely affect holders of the securities.

Further Details Concerning Voting. When taking a vote, we will use the following rules to decide how much principal amount to attribute to a security:

- For securities denominated in one or more foreign currencies or currency units, we will use the U.S. dollar equivalent determined on the date of original issuance of these securities.

Securities will not be considered outstanding, and therefore not eligible to vote, if we have deposited or set aside in trust for the applicable holders money for their payment or redemption. A security does not cease to be outstanding because we or an affiliate of us is holding the security.

We will generally be entitled to set any day as a record date for the purpose of determining the holders of outstanding securities that are entitled to vote or take other action under the Indenture. However, the Indenture does not oblige us to fix any record date at all. If we set a record date for a vote or other action to be taken by holders of a particular series, that vote or action may be taken only by persons who are holders of outstanding securities of that series on the record date and must be taken within 90 days following the record date.

Holders who hold in "street name" and other indirect holders, including holders of any securities issued as global securities, should consult their banks or brokers for information on how approval may be granted or denied if we seek to change the Indenture or the securities or request a waiver.

Discharge of Our Obligations

We can fully discharge ourselves from any payment or other obligations on the securities of any series if we make a deposit for the applicable holders with the trustee and certain other conditions are met. The deposit must be held in trust for the benefit of all direct holders of the securities and must be a combination of money and U.S. government or U.S. government agency notes or bonds that will generate enough cash to make interest, principal and any other payments on the securities on their various due dates.

However, we cannot discharge ourselves from the obligations under any convertible or exchangeable securities, unless we provide for it in the terms of these securities.

If we accomplish full discharge, as described above, holders will have to rely solely on the trust deposit for repayment of the securities. Holders could not look to us for repayment in the unlikely event of any shortfall. Conversely, the trust deposit would most likely be protected from claims of our lenders and other creditors if we ever become bankrupt or insolvent.

We will indemnify the trustee and holders against any tax, fee or other charge imposed on the U.S. government obligations we deposited with the trustee or against the principal and interest received on these obligations.

Liens on Assets

The Indenture does not restrict us from pledging or otherwise encumbering any of our assets and those of our subsidiaries.

Default and Related Matters

Ranking Compared to Other Creditors

The securities are not secured by any of our property or assets. Accordingly, ownership of securities means each holder is one of our unsecured creditors. The securities are not subordinated to any of our other debt obligations and therefore they rank equally with all our other unsecured and unsubordinated indebtedness. However, the trustee has a right to receive payment for its administrative services prior to any payment to security holders after a default.

Events of Default

Holders will have special rights if an event of default occurs and is not cured, as described later in this subsection.

What Is an Event of Default? The term "event of default" with respect to any series of securities means any of the following:

- We fail to make any interest payment on the securities of such series when it is due, and we do not cure this default within 90 days.

- We fail to make any payment of principal when it is due at the maturity of such series of securities or upon redemption.

- We fail to comply with any of our other agreements regarding a particular series of securities or with a supplemental indenture, and after we have been notified of the default by the trustee or holders of 25% in principal amount of the series, we do not cure the default within 90 days.

- We file for bankruptcy, or other events in bankruptcy, insolvency or reorganization occur.

Remedies if an Event of Default Occurs

Holders and the trustee will have the following remedies if an event of default occurs:

Acceleration. If an event of default has occurred and has not been cured or waived, then the trustee or the holders of 25% in principal amount of the securities of the affected series may declare the entire principal amount of and any accrued interest on all the securities of that series to be due and immediately payable. An acceleration of maturity may be cancelled by the holders of at least a majority in principal amount of the securities of the affected series, if all events of default have been cured or waived.

Special Duties of Trustee. If an event of default occurs, the trustee will have some special duties. In that situation, the trustee will be obligated to use those of its rights and powers under the Indenture, and to use the same degree of care and skill in doing so, that a prudent person would use in that situation in conducting his or her own affairs.

Other Remedies of Trustee. If an event of default occurs, the trustee is authorized to pursue any available remedy to collect defaulted principal and interest and to enforce other provisions of the securities and the Indenture, including bringing a lawsuit.

Majority Holders May Direct the Trustee to Take Actions to Protect Their Interests. The trustee is not required to take any action under the Indenture at the request of any holders unless the holders offer the trustee reasonable protection from expenses and liability. This is called an "indemnity". If the trustee is provided with an indemnity reasonably satisfactory to it, the holders of a majority in principal amount of the relevant series of debt securities may direct the time, method and place of conducting any lawsuit or other formal legal action seeking any remedy available to the trustee. These majority holders may also direct the trustee in performing any other action under the Indenture.

Individual Actions Holders May Take if the Trustee Fails to Act. Before a holder bypasses the trustee and brings such holder's own lawsuit or other formal legal action or take other steps to enforce such holder's rights or protect such holder's interests relating to the securities, the following must occur:

- Such holder must give the trustee written notice that an event of default has occurred and remains uncured.

- The holders of 25% in principal amount of all outstanding securities of the relevant series must make a written request that the trustee take action because of the default, and must offer indemnity reasonably satisfactory to the trustee against the cost and other liabilities of taking that action.

- The trustee must not have taken action for 60 days after receipt of the above notice and offer of indemnity.

- During the 60-day period, the holders of a majority in principal amount of the securities of that series do not give the trustee a direction inconsistent with the request.

However, a holder is entitled at any time to bring an individual lawsuit for the payment of the money due on such holder's security on or after its due date.

Waiver of Default

The holders of a majority in principal amount of the relevant series of debt securities may waive a default for all the relevant series of debt securities. If this happens, the default will be treated as if it had not occurred. No one can waive a payment default on a holder's debt security, however, without such holder's individual approval.

We Will Give the Trustee Information About Defaults Annually

Every year we will give to the trustee a written statement of one of our officers certifying that to the best of his or her knowledge we are in compliance with the Indenture and all the securities under it, or else specifying any default.

The trustee may withhold from holders notice of any uncured default, except for payment defaults, if it determines that withholding notice is in holders' interest.

Holders who hold in "street name" and other indirect holders should consult their banks or brokers for information on how to give notice or direction to or make a request of the trustee and how to make or cancel a declaration of acceleration.

Regarding the Trustee

The Bank of New York Mellon Trust Company, N.A. is the trustee under the Indenture. In addition, affiliates of The Bank of New York Mellon Trust Company, N.A. may perform various commercial banking and investment banking services for us and our subsidiaries from time to time in the ordinary course of business.

EXHIBIT 10.2

WARNERMEDIA

John Stankey
President and Chief Operating Officer
AT&T Inc.

208 S. Akard St.
Dallas, TX 75202

March 20, 2020

<u>Private & Confidential</u>

Jason Kilar

Dear Jason:

This letter confirms our offer of full-time employment with WarnerMedia LLC ("WarnerMedia" or "Company") as the Company's Chief Executive Officer reporting to me. The compensation and benefits set forth herein are contingent upon your acceptance of the terms of this offer letter as indicated by your signature on the last page of this letter.

Your employment would be as a full-time employee and you would not perform any duties as an employee, contractor, sub-contractor, agent or otherwise for any other person, corporation, partnership or other entity during the term of your employment with AT&T other than certain corporate, civic and charitable boards and other activities that you have previously disclosed.

<u>Place of Employment and Effective Date</u>

You would begin employment effective May 1, 2020 in Los Angeles, California. Your actual first day of employment is referred to in this letter as the "Effective Date."

<u>Compensation (Base Salary, Short Term Award and Long Term Award)</u>

<u>Base Salary</u>. Your starting base salary for full-time employment would be at the annual rate of $2,500,000 (the "Base Salary"). The level of your Base Salary would be subject to review as part of our normal review process.

<u>Annual Bonus</u>. You would be eligible for an annual cash target bonus award of $2,500,000. Your actual bonus is payable at the discretion of the AT&T Inc. Board of Directors or its delegate (collectively, the Board) and is subject to adjustment based on accomplishment of business objectives and other performance factors, including your individual performance. For 2020, your annual cash target bonus award will be prorated based on the actual number of days from the Effective Date through December 31, 2020 divided by 366. The level of your annual cash target bonus award would be subject to review as part of our normal review process. Bonuses are paid between January 1 and March 15 of the calendar year immediately following the performance year.

<u>Long Term Compensation</u>. You would receive a one-time long-term compensation award granted in the form of Restricted Stock Units ("RSUs") under the AT&T 2018 Incentive Plan (or successor to such plan) as amended by this letter. Your award will be a grant of RSUs valued on the grant date at

$48,000,000 determined in the sole discretion of the Board. One-fourth (1/4) of the RSU grant will vest on February 15 of each year, starting in 2021, and will be fully vested on February 15, 2024. RSUs are granted subject to the terms and conditions of the 2018 Incentive Plan as they apply to similarly situated executive employees of WarnerMedia and amended as provided in this job offer letter, including that the RSUs are eligible for dividend equivalents from the date of grant, distribution on the vesting date, distribution in the form of AT&T Inc. common stock, and the Confidentiality, Non-compete and Non-solicit Covenants of this job offer letter apply in lieu of the Loyalty provisions in the 2018 Incentive Plan. A copy of the prospectus for the 2018 Incentive Plan is included with this letter.

Benefits

You would be eligible to participate in benefit plans and programs generally on the same terms and conditions that the Company makes them available to its similarly situated executive employees from time-to-time, to the extent that your position, tenure, salary, and other qualifications make you eligible to participate. These include comprehensive medical, supplemental medical, dental, vision, prescription drug, mental health, disability, and life insurance group coverage as well as 401(k) and nonqualified deferred compensation benefits. Your participation would be under the standard terms and conditions of these plans as they may be amended from time-to-time. All rights of all employees under the plans are governed in all respects by the plan documents establishing the benefits provided under each. AT&T reserves the right to amend or terminate its employee benefit plans, programs, and policies at any time.

Death or Disability. In the event your employment terminates as a result of your death or disability, you or your estate (in the event of your death) would receive your Base Salary earned through your termination date and a pro rata portion of your target Annual Bonus through your termination date. Also, all of your unvested RSUs will vest on the date of your termination of employment as a result of your death or disability and will pay out promptly.

Severance Benefits. This section is operative in the event the Company terminates your employment without cause or if you elect to terminate your employment within six (6) months following the sale of all or substantially all of the business and assets of the Company without the Company causing the successor to expressly assume the Company's obligations under this job offer letter.

In that event, you will receive your Base Salary earned through your termination date and a pro rata portion of your annual cash target bonus through your termination date, adjusted for performance.

In addition, any unvested RSUs that are scheduled to vest during the Severance Period will vest. Moreover, if your Severance Period extends beyond the next February 15th following your termination, vesting of your RSU grant will be prorated for the portion of the Severance Period following such date, and in the event your Severance Period does not extend beyond the next February 15th following your termination, vesting of your RSU grant will be prorated for the period from the most recent February 15th through the end of the Severance Period. These vested RSUs become payable upon your termination of employment, subject to all other terms and conditions of such grants. Any RSUs that are not vested pursuant to the provisions of this paragraph shall be completely forfeited upon your termination of employment.

Moreover, so long as you continue to comply with the Confidentiality, Non-compete and Non-solicit covenants, you would also continue to be treated like an employee of the Company for twelve (12) months after your termination of employment if your period of employment continued for two or more years or for six (6) months after your termination of employment if your period of employment continued for less than two (2) years. During such twelve (12) or six (6) month period, as applicable (the "Severance Period"), so long as you continue to comply with the Confidentiality, Non-compete and Non-solicit covenants, you shall be entitled to receive, whether or not you become disabled or die during such period:

a) Base Salary (on the Company's normal payroll payment dates as in effect immediately prior to your termination of employment) at an annual rate equal to your Base Salary in effect immediately prior to your termination;

b) an annual bonus (on the date such annual bonus is paid to the Company's employees) in respect of each calendar year or portion thereof (in which case a pro rata portion of such bonus will be payable) during such period equal to your annual cash target bonus award as of the date immediately preceding your termination; and

c) continued participation in the Company's health and welfare benefit plans (other than disability), subject to their terms as they may be amended from time-to-time.

Finally, so long as you continue to comply with the Confidentiality, Non-compete and Non-solicit covenants, you shall be entitled to receive, beginning in the month after your termination, twelve equal monthly payments that, taken together, total the cash amount described in (a) or (b) below:

a) if your period of employment is two or more years but less than three years, one times (1x) the sum of your annual Base Salary and your annual cash target bonus as of the date immediately preceding your termination; or

b) if your period of employment is three or more years, 1.99 times (1.99x) the sum of your annual Base Salary and your annual cash target bonus as of the date immediately preceding your termination.

If, at the time of your termination of employment with the Company you are a "specified employee" as defined in Section 409A of the Code (and any related regulations or other pronouncements thereunder), the Company will defer for six months the commencement of the payments described above (without any reduction in such payments or benefits ultimately paid or provided to you) until the earliest date as is permitted under Section 409A of the Code, if applicable.

If you voluntarily terminate your employment, you are not eligible for severance benefits.

<u>Confidentiality, Non-compete and Non-solicit Covenants</u>

<u>Confidentiality Covenant</u>. You acknowledge that your employment by the Company will, throughout your employment, bring you into close contact with many confidential affairs of the Company, AT&T and their respective Affiliates (collectively, the "AT&T Group"), including information about costs, profits, markets, sales, products, key personnel, organizational plans, pricing policies, operational methods, technical processes, trade secrets, plans for future development, strategic plans of the most valuable nature and other business affairs and methods and other information not readily available to the public. You further acknowledge that the services to be performed under this Agreement are of a special, unique, unusual, extraordinary and intellectual character.

You agree to keep secret all confidential matters of the AT&T Group and shall not disclose such matters to anyone outside of the AT&T Group, or to anyone inside the AT&T Group who does not have a need to know or use such information, and shall not use such information for personal benefit or the benefit of a third party except with the written consent of the Chief Operating Officer or Chief Executive Officer of AT&T, provided that (i) you shall have no such obligation to the extent such matters are or become publicly known other than as a result of your breach of your obligations hereunder and (ii) you may, after giving prior notice to the AT&T Group to the extent practicable under the circumstances, disclose such matters to the extent required by applicable laws or governmental regulations or judicial or regulatory process. For the avoidance of doubt, such confidential matters include any oral or written information relating to AT&T Group or any of its officers, directors, employees, agents and joint venture partners. In addition, you agree that the terms of this Agreement shall be deemed confidential and shall not be discussed or disclosed by you with any person other than your spouse (if applicable), attorney, or accountant, provided that such discussions or disclosures shall be conditioned upon the agreement of the person to whom the terms are disclosed to maintain the confidentiality of such terms, or as provided in clauses (i) or (ii) above. This confidentiality covenant is not intended to, and shall be interpreted in a manner that does not, limit or restrict you from exercising any legally protected whistleblower rights under any applicable law and receiving compensation therefore if provided by applicable law or rule.

Moreover, you acknowledge and agree that you shall not at any time denigrate, ridicule, criticize or disparage the AT&T Group or any of its respective current or former officers, directors, employees or joint venture partners to any third party (whether through non-public communication with any person, social media or in any public communication to the media).

Non-compete Covenant. You further acknowledge that the business of WarnerMedia and its direct and indirect subsidiaries (collectively, the "Warner Media Group") is global in scope, that its products and services are marketed throughout the world, that the Warner Media Group competes in nearly all of its business activities with other entities that are or could be located in nearly any part of the world and that the nature of your services, position and expertise are such that you are capable of competing with the Warner Media Group from nearly any location in the world.

During your employment, you agree that you will not, directly or indirectly, without the prior written consent of the Chief Operating Officer or Chief Executive Officer of AT&T: (x) render any services to, manage, operate, control or act in any capacity (whether as a principal, partner, director, officer, member, agent, employee, consultant, owner, independent contractor or otherwise and whether or not for compensation) for, any person or entity that is a Competitive Entity, or (y) acquire, on a prospective basis, any interest of any type in any Competitive Entity, including without limitation as an owner, holder or beneficiary of any stock, stock options or other equity interest.

"Competitive Entity" means a business (whether conducted through an entity or by individuals including employee in self-employment) that is engaged in any business that competes, directly or indirectly through any parent, subsidiary, affiliate, joint venture, partnership or otherwise, with (x) any of the business activities carried on by the Warner Media Group in any geographic location where the Warner Media Group conducts business (including without limitation a Competitive Activity as defined below), (y) any business activities being planned by the Warner Media Group or in the process of development at the time of your termination of employment (as evidenced by written proposals, market research, RFPs and similar materials) or (z) any business activity that the Warner Media Group has covenanted, in writing, not to compete with in connection with the disposition of such a business.

“Competitive Activity” means business activities within the lines of business of the Warner Media Group, including without limitation, (a) the operation of domestic and international networks, premium pay television services and direct-to-consumer video content providers (including the production, provision and/or delivery of programming to cable system operators, satellite distribution services, telephone companies, Internet Protocol Television systems, mobile operators, broadband and other distribution platforms and outlets or directly to consumers) and websites and digital applications associated with such networks, services and providers; (b) the sale, licensing and/or distribution of content on DVD and Blu-ray discs, video on demand, electronic sell-through, applications for mobile devices, the Internet or other digital services; and (c) the production, distribution and licensing of motion pictures and other entertainment assets, television programming, animation, interactive games (whether distributed in physical form or digitally) and other video products and the operation of websites and digital applications associated with the foregoing.

Nothing in this job offer letter is intended to (and shall not be interpreted to) provide for any restriction on your ability to seek employment with a Competitive Entity after your termination of employment.

Non-solicit Covenant. For a period of one year after your termination of employment, without the prior written consent of the Chief Operating Officer or Chief Executive Officer of AT&T Inc., you shall not employ, and shall not cause any entity of which you are an affiliate to employ, any person who was a full-time employee of the Warner Media Group at the date of such termination of employment or within six months prior thereto, but such prohibition shall not apply to your secretary or executive assistant or to any other employee eligible to receive overtime pay.

General

Ownership of Work Product. You acknowledge that during your employment, you may conceive of, discover, invent or create inventions, improvements, new contributions, literary property, material, ideas and discoveries, whether patentable or copyrightable or not (all of the foregoing being collectively referred to herein as “Work Product”), and that various business opportunities shall be presented to you by reason of your employment by the Company. You acknowledge that all of the foregoing shall be owned by and belong exclusively to the Company and that you shall have no personal interest therein, provided that they are either related in any manner to the business (commercial or experimental) of the Company, or are, in the case of Work Product, conceived or made on the Company’s time or with the use of the Company’s facilities or materials, or, in the case of business opportunities, are presented to you for the possible interest or participation of the Company. You shall (i) promptly disclose any such Work Product and business opportunities to the Company; (ii) assign to the Company, upon request and without additional compensation, the entire rights to such Work Product and business opportunities; (iii) sign all papers necessary to carry out the foregoing; and (iv) give testimony in support of your inventorship or creation in any appropriate case. You agree that you will not assert any rights to any Work Product or business opportunity as having been made or acquired by you prior to the date of this Agreement except for Work Product or business opportunities, if any, disclosed to and acknowledged by the Company in writing prior to the date hereof.

Covenants to Others. You have indicated to us that there are no agreements that would impact your ability to be employed by WarnerMedia in this position, or in any way would prevent you from performing the functions of this position. If you accept this offer, we specifically instruct you not to use any trade secrets, confidential information or proprietary information obtained from third parties, including any former employer or any other entity or person. We also instruct you not to use any unpublished documents or any other property belonging to any former employer or any other party to whom you have an obligation of confidentiality. To the extent we discover that any of such materials have been brought with you or are being used by you in connection with performing your job duties, this will be grounds for disciplinary action.

Withholding Taxes. Payments made to you pursuant to this job offer letter shall be subject to withholding and social security taxes and other ordinary and customary payroll deductions.

Compliance with IRC Section 409A. This job offer letter is intended, and will be interpreted, to comply with Section 409A of the Internal Revenue Code. Notwithstanding anything herein to the contrary, (i) if at the time of your termination of employment with the Company you are a "specified employee" as defined in Section 409A of the Code (and any related regulations or other pronouncements thereunder) and the deferral of the commencement of any payments or benefits otherwise payable hereunder as a result of such termination of employment is necessary in order to prevent any accelerated or additional tax under Section 409A of the Code, then the Company will defer the commencement of the payment of any such payments or benefits hereunder (without any reduction in such payments or benefits ultimately paid or provided to you) until the date that is six months following your termination of employment with the Company (or the earliest date as is permitted under Section 409A of the Code); and (ii) if any other payments of money or other benefits due to you hereunder could cause the application of an accelerated or additional tax under Section 409A of the Code, such payments or other benefits shall be deferred if deferral will make such payment or other benefits compliant under Section 409A of the Code, or otherwise such payment or other benefits shall be restructured, to the extent possible, in a manner, determined by the Company, that does not cause such an accelerated or additional tax. To the extent any reimbursements or in- kind benefits due to you under this Agreement constitutes "deferred compensation" under Section 409A of the Code, any such reimbursements or in-kind benefits shall be paid to you in a manner consistent with Treas. Reg. Section 1.409A-3(i)(1)(iv). To the extent necessary to comply with Section 409A of the Code, neither you nor any of your creditors or beneficiaries shall have the right to subject any "deferred compensation" under Section 409A of the Code payable under this Agreement to any anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, attachment or garnishment. Each payment made under this Agreement shall be designated as a "separate payment" within the meaning of Section 409A of the Code. References in this Agreement to your termination of active employment or your Effective Terminatio n Date shall be deemed to refer to the date upon which you have a "separation from service" with the Company and its Affiliates within the meaning of Section 409A of the Code. The Company shall consult with you in good faith regarding the implementation of the provisions of this Section 12.17; provided that neither the Company nor any of its employees or representatives shall have any liability to you with respect thereto.

Management Arbitration Agreement. By signing this job offer letter, you accept and agree to the terms of the Management Arbitration Agreement, which is attached hereto and incorporated herein for all purposes as Attachment A.

Indemnification. You would be entitled throughout your employment (and after your termination of employment, to the extent relating to service during your employment) to the benefit of the exculpation and indemnification provisions contained in the Company's bylaws (not including any amendments or additions after the Effective Date that limit or narrow, but including any that add to or broaden, the protection afforded to you by those provisions).

AT&T Stock Trading Policy. You would be subject to the AT&T Stock Trading Policy, as it may be amended from time-to-time ("Policy"), as applicable to executive level employees. The Policy currently prohibits acquiring the stock of AT&T's competitors while employed with the Company. While the current Policy would not require you to liquidate any of your existing holdings, you agree to consult with AT&T's Senior Executive Vice President and General Counsel prior to any sale of stock you hold in an AT&T competitor.

Termination of Employment. Notwithstanding any other provision of this offer letter, your employment would be employment at will. Accordingly, either party may terminate your employment, with or without cause; provided, if you elect to terminate your employment, you will first give the Chief Operating Officer or the Chief Executive Officer of AT&T Inc. at least sixty (60) days advance written notice, during which time your employment shall continue unless mutually agreed otherwise. Upon your termination of employment, no further compensation shall be paid to you except as described in this job offer letter and pursuant to any employee benefit plans or policies as they apply to you at the time of your termination of employment.

Any questions you have regarding your specific compensation and benefits may be directed to John Palmer, Senior Vice President – Human Resources.

On behalf of WarnerMedia LLC, we look forward to working with you.

/s/ John

Attachments Accepted

and Agreed:

/s/ Jason Kilar	March 20, 2020
Jason Kilar	Date

Attachment A

MANAGEMENT ARBITRATION AGREEMENT

Please carefully review this Management Arbitration Agreement.

Summary

Under this Agreement, you and WarnerMedia LLC, the company that employs you ("the Company"), agree that any dispute to which this Agreement applies will be decided by final and binding arbitration instead of court litigation. Arbitration is more informal than a lawsuit in court, and may be faster. Arbitration uses a neutral arbitrator instead of a judge or jury, allows for more limited discovery than in court, and is subject to very limited review by courts. Under this Agreement, Arbitrators can award the same damages and relief that a court can award. Any arbitration under this Agreement will take place on an individual basis; class arbitrations and class actions are not permitted. Except for a filing fee if you initiate a claim, the Company pays all the fees and costs of the Arbitrator. Moreover, in arbitration you are entitled to recover attorneys' fees from AT&T to the same extent as you would be in court.

How This Agreement Applies

This Agreement is governed by the Federal Arbitration Act, 9 U.S.C. § 1 and following, and evidences a transaction involving commerce. This agreement applies to any claim that you may have against any of the following: (1) any AT&T company, (2) its present or former officers, directors, employees or agents in their capacity as such or otherwise, (3) the Company's parent, subsidiary and affiliated entities, and all successors and assigns of any of them; and this agreement also applies to any claim that the Company or any other AT&T company may have against you. Unless stated otherwise in this Agreement, covered claims include without limitation those arising out of or related to your employment or termination of employment with the Company and any other disputes regarding the employment relationship, trade secrets, unfair competition, compensation, breaks and rest periods, termination, defamation, retaliation, discrimination or harassment and claims arising under the Uniform Trade Secrets Act, Civil Rights Act of 1964, Americans With Disabilities Act, Age Discrimination in Employment Act, Family Medical Leave Act, Fair Labor Standards Act, Genetic Information Non-Discrimination Act, and state statutes and local laws, if any, addressing the same or similar subject matters, and all other state and local statutory and common law claims. This Agreement survives after the employment relationship terminates. Nothing contained in this Agreement shall be construed to prevent or excuse you from utilizing the Company's or employee benefit plans' existing internal procedures for resolution of complaints.

Except as it otherwise provides, this Agreement is intended to apply to the resolution of disputes that otherwise would be resolved in a court. This Agreement requires all such disputes to be resolved only by an arbitrator through final and binding arbitration and not by way of a court or jury trial. Such disputes include without limitation disputes arising out of or relating to interpretation or application of this Agreement, but not as to the enforceability, revocability or validity of the Agreement or any portion of the Agreement, which shall be determined only by a court of competent jurisdiction.

Attachment A

Limitations On How This Agreement Applies

This Agreement does not apply to claims for workers compensation, state disability insurance and unemployment insurance benefits. In order to ensure that employee benefit plan claims procedures comply fully with Department of Labor regulations (for example, 29 C.F.R. § 2560.503-1(c)(4)), this Agreement also does not apply to claims arising under the Employee Retirement Income Security Act ("ERISA").

Regardless of any other terms of this Agreement, you may still bring certain claims before administrative agencies or government offices or officials if applicable law permits access to such an agency, office, or official, notwithstanding the existence of an agreement to arbitrate. Examples would include, but not be limited to, claims or charges brought before the Equal Employment Opportunity Commission (www.eeoc.gov), the U.S. Department of Labor (www.dol.gov), the National Labor Relations Board www.nlrb.gov), or the Office of Federal Contract Compliance Programs (www.dol.gov/esa/ofccp). Nothing in this Agreement shall be deemed to preclude or excuse a party from bringing an administrative claim before any agency or employee benefit plan in order to fulfill the party's obligation to exhaust administrative remedies before making a claim in arbitration.

Disputes that may not be subject to a pre-dispute arbitration agreement, such as provided by the Dodd-Frank Wall Street Reform and Consumer Protection Act (Public Law 111 -203), also are excluded from the coverage of this Agreement.

To the maximum extent permitted by law, you hereby waive any right to bring on behalf of persons other than yourself, or to otherwise participate with other persons in: any class action; collective action; or representative action, including but not limited to any representative action under the California Private Attorneys General Act ("PAGA") or other, similar state statute. You retain the right, however, to bring claims in arbitration, including PAGA claims, but only for yourself as an individual. If a court determines that you cannot waive your right to bring a representative action under PAGA, any such claim may only be brought in court and not in arbitration.

Arbitration Rules, Selecting The Arbitrator, And Location Of Hearing

The arbitration will be held under the auspices of a third party which will manage the arbitration process: JAMS, Inc. or any successor. The arbitration shall be in accordance with its Employment Arbitration Rules & Procedures (and no other JAMS rules), which are currently available at http://www.jamsadr.com/rules-employment-arbitration. The Company will supply you with a printed copy of those rules upon your request. Unless you and the Company mutually agree otherwise, the Arbitrator shall be either a retired judge, or an attorney who is experienced in employment law and licensed to practice law in the state in which the arbitration is convened (the "Arbitrator"), selected pursuant to JAMS rules or by mutual agreement of the parties.

The Arbitrator shall apply the substantive law (and the law of remedies, if applicable) of the state in which the claim arose, or federal law, or both, as applicable to the claim(s) asserted. The Arbitrator is without jurisdiction to apply any different substantive law or law of remedies. The Federal Rules of Evidence shall apply. The arbitration shall be final and binding upon the parties, except as provided in this Agreement.

Unless each party to the arbitration agrees in writing otherwise, the location of the arbitration proceeding shall be a facility chosen by JAMS within the county (or parish) where you work or last worked for the Company. If you so choose, and if your residence is not in the same county (or parish) where you work or last worked for the Company, you may designate that the proceeding will occur within the county (or parish) where you reside.

Notice Requirements And Starting An Arbitration

The Company must, and you may, notify the other party of a claim to be arbitrated by using the forms provided on the JAMS website (http://www.jamsadr.com). Alternatively, you may commence an arbitration against the Company, its officers, directors, employees, or agents by sending to the Company a written Notice of Dispute ("Notice"). The Notice to AT&T should be addressed to: AT&T Legal Department, 208 S. Akard St., Room 3305, Dallas, TX 75202 ("Notice Address"). The Notice must (a) identify all parties, (b) describe the nature and basis of the claim or dispute; and (c) set forth the specific relief sought ("Demand"). Any party giving written notice of a claim to be arbitrated must do so no later than the expiration of the statute of limitations (deadline for filing) that the law prescribes for the claim.

The Arbitrator shall resolve all disputes regarding the timeliness or propriety of the demand for arbitration. To the extent permitted by law, a party may apply to a court of competent jurisdiction for temporary or preliminary injunctive relief in connection with an arbitrable controversy, but only upon the ground that the award to which that party may be entitled would be rendered ineffectual without such provisional relief.

Paying For The Arbitration

The Company will be responsible for paying any filing fee and the fees and costs of the Arbitrator; provided, however, that if you are the party initiating the claim, you will contribute an amount equal to the filing fee to initiate a claim in the court of general jurisdiction in the state in which you are (or were last) employed by the Company. Each party shall pay in the first instance its own litigation costs and attorneys' fees, if any. However, if any party prevails on a statutory claim which affords the prevailing party attorneys' fees and litigation costs, or if there is a written agreement providing for attorneys' fees and/or litigation costs, the Arbitrator shall rule upon a motion for attorneys' fees and/or litigation costs under the same standards a court would apply under the law applicable to the claim(s) at issue.

How Arbitration Proceedings Are Conducted

In arbitration, the parties will have the right to conduct limited civil discovery, bring dispositive motions, and present witnesses and evidence as needed to present their cases and defenses, and any disputes in this regard shall be resolved by the Arbitrator.

Each party shall have the right to take depositions of up to three fact witnesses and any expert witness designated by another party. Each party also shall have the right to make one request for production of documents to any party. Requests for additional depositions or discovery may be made to the Arbitrator selected pursuant to this Agreement. The Arbitrator may grant such additional discovery if the Arbitrator finds the party has demonstrated that it needs the requested discovery to adequately arbitrate the claim, taking into account the parties' mutual desire to have a fast, cost-effective dispute-resolution mechanism. Each party shall have the right to subpoena

documents and witnesses from third parties subject to any limitations the Arbitrator shall impose for good cause shown.

The Arbitrator shall have jurisdiction to hear and rule on pre-hearing disputes and is authorized to hold pre-hearing conferences by telephone or in person, as the Arbitrator deems advisable. The Arbitrator shall have the authority to entertain a motion to dismiss and/or a motion for summary judgment by any party and shall apply the standards governing such motions under the Federal Rules of Civil Procedure.

Should any party refuse or neglect to appear for, or participate in, the arbitration hearing, the Arbitrator shall have the authority to decide the dispute based upon whatever evidence is presented.

Either party shall have the right to file a post-hearing brief. The time for filing such a brief shall be set by the Arbitrator.

The Arbitration Award

The Arbitrator may award any party any remedy to which that party is entitled under applicable law, but such remedies shall be limited to those that would be available to a party in his or her individual capacity in a court of law for the claims presented to and decided by the Arbitrator.

The Arbitrator will issue a decision or award in writing, stating the essential findings of fact and conclusions of law. A court of competent jurisdiction shall have the authority to enter a judgment upon the award made pursuant to the arbitration.

Non-Retaliation

It is against Company policy for any Employee to be subject to retaliation if he or she exercises his or her right to assert claims under this Agreement. If you believe that you have been retaliated against by anyone at the Company, you should immediately report this to the AT&T Hotline at 1-888-871-2622, or go to www.tnwgrc.com/att.

Sole and Entire Agreement

This is the complete agreement of the parties on the subject of arbitration of disputes. This Agreement supersedes any prior or contemporaneous oral or written understandings on the subject. No party is relying on any representations, oral or written, on the subject of the effect, enforceability or meaning of this Agreement, except as specifically set forth in this Agreement.

Construction and Severability

If any provision of this Agreement is adjudicated to be void or otherwise unenforceable, in whole or in part, such adjudication shall not affect the validity of the remainder of the Agreement. All provisions shall remain in full force and effect based on the parties' mutual intent to create a binding agreement to arbitrate their disputes.

Voluntary Agreement

I ACKNOWLEDGE THAT I HAVE CAREFULLY READ THIS AGREEMENT, THAT I UNDERSTAND ITS TERMS, THAT ALL UNDERSTANDINGS AND AGREEMENTS BETWEEN THE COMPANY AND ME RELATING TO THE SUBJECTS COVERED IN THE

Attachment A

AGREEMENT ARE CONTAINED IN IT, AND THAT I HAVE ENTERED INTO THE AGREEMENT VOLUNTARILY AND NOT IN RELIANCE ON ANY PROMISES OR REPRESENTATIONS BY THE COMPANY OTHER THAN THOSE CONTAINED IN THIS AGREEMENT ITSELF.

I UNDERSTAND THAT BY SIGNING THIS AGREEMENT I AM GIVING UP MY RIGHT TO A JURY TRIAL.

I FURTHER ACKNOWLEDGE THAT I HAVE BEEN GIVEN THE OPPORTUNITY TO DISCUSS THIS AGREEMENT WITH MY PRIVATE LEGAL COUNSEL AND HAVE AVAILED MYSELF OF THAT OPPORTUNITY TO THE EXTENT I WISH TO DO SO.

Employee:

/s/ Jason Kilar

Jason Kilar

March 20, 2020
Date

Exhibit 31.1

CERTIFICATION

I, John T. Stankey, certify that:

1. I have reviewed this report on Form 10-Q of AT&T Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 5, 2020

/s/ John T. Stankey
John T. Stankey
Chief Executive Officer and
President

Exhibit 31.2

CERTIFICATION

I, John J. Stephens, certify that:

1. I have reviewed this report on Form 10-Q of AT&T Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 5, 2020

/s/ John J. Stephens
John J. Stephens
Senior Executive Vice President
and Chief Financial Officer

Exhibit 32

Certification of Periodic Financial Reports

Pursuant to 18 U.S.C. Section 1350, each of the undersigned officers of AT&T Inc. (the “Company”) hereby certifies that the Company’s Quarterly Report on Form 10-Q for the three months ended June 30, 2020 (the “Report”) fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934 and that information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

August 5, 2020

By: /s/ John T. Stankey
John T. Stankey
Chief Executive Officer
and President

August 5, 2020

By: /s/ John J. Stephens
John J. Stephens
Senior Executive Vice President
and Chief Financial Officer

The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document. This certification shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 (“Exchange Act”) or otherwise subject to liability under that section. This certification shall not be deemed to be incorporated by reference into any filing under the Securities Act of 1933 or the Exchange Act except to the extent this Exhibit 32 is expressly and specifically incorporated by reference in any such filing.

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to AT&T Inc. and will be retained by AT&T Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

Document and Entity Information - shares shares in Millions	6 Months Ended Jun. 30, 2020	Jul. 31, 2020
Cover [Abstract]		
Document Type	10-Q	
Amendment Flag	false	
Document Fiscal Period Focus	Q2	
Document Fiscal Year Focus	2020	
Document Quarterly Report	true	
Document Transition Report	false	
Document Period End Date	Jun. 30, 2020	
Current Fiscal Year End Date	--12-31	
Entity Central Index Key	0000732717	
Entity File Number	001-8610	
Entity Registrant Name	AT&T INC.	
Entity Incorporation, State or Country Code	DE	
Entity Tax Identification Number	43-1301883	
Entity Address, Address Line One	208 S. Akard St.	
Entity Address, City or Town	Dallas	
Entity Address, State or Province	TX	
Entity Address, Postal Zip Code	75202	
City Area Code	210	
Local Phone Number	821-4105	
Entity Current Reporting Status	Yes	
Entity Interactive Data Current	Yes	
Entity Filer Category	Large Accelerated Filer	
Entity Small Business	false	
Entity Emerging Growth Company	false	
Entity Shell Company	false	
Entity Common Stock Shares Outstanding		7,125
Common Stock [Member]		
Entity Listings [Line Items]		
Title of 12(b) Security	Common Shares (Par Value $1.00 Per Share)	
Trading Symbol	T	
Security Exchange Name	NYSE	
Depositary Shares, each representing a 1/1000th interest in a share of 5.000% Perpetual Preferred Stock, Series A		
Entity Listings [Line Items]		
Title of 12(b) Security	Depositary Shares, each representing a 1/1000th interest in a share of 5.000% Perpetual Preferred Stock, Series A	
Trading Symbol	T PRA	

Security Exchange Name	NYSE
Depositary Shares, each representing a 1/1000th interest in a share of 4.750% Perpetual Preferred Stock, Series C	
Entity Listings [Line Items]	
Title of 12(b) Security	Depositary Shares, each representing a 1/1000th interest in a share of 4.750% Perpetual Preferred Stock, Series C
Trading Symbol	T PRC
Security Exchange Name	NYSE
AT&T Inc. Floating Rate Due August 3, 2020 [Member]	
Entity Listings [Line Items]	
Title of 12(b) Security	AT&T Inc. Floating Rate Global Notes due August 3, 2020
Trading Symbol	T 20C
Security Exchange Name	NYSE
AT&T Inc. 1.875% Global Notes due December 4, 2020 [Member]	
Entity Listings [Line Items]	
Title of 12(b) Security	AT&T Inc. 1.875% Global Notes due December 4, 2020
Trading Symbol	T 20
Security Exchange Name	NYSE
AT&T Inc. 2.650% Global Notes due December 17, 2021 [Member]	
Entity Listings [Line Items]	
Title of 12(b) Security	AT&T Inc. 2.650% Global Notes due December 17, 2021
Trading Symbol	T 21B
Security Exchange Name	NYSE
AT&T Inc. 1.450% Global Notes due June 1, 2022 [Member]	
Entity Listings [Line Items]	
Title of 12(b) Security	AT&T Inc. 1.450% Global Notes due June 1, 2022
Trading Symbol	T 22B
Security Exchange Name	NYSE
AT&T Inc. 2.500% Global Notes due March 15, 2023 [Member]	
Entity Listings [Line Items]	
Title of 12(b) Security	AT&T Inc. 2.500% Global Notes due March 15, 2023
Trading Symbol	T 23
Security Exchange Name	NYSE
AT&T Inc. 2.750% Global Notes due May 19, 2023 [Member]	

Entity Listings [Line Items]	
Title of 12(b) Security	AT&T Inc. 2.750% Global Notes due May 19, 2023
Trading Symbol	T 23C
Security Exchange Name	NYSE
AT&T Inc. Floating Rate Due September 5, 2023 [Member]	
Entity Listings [Line Items]	
Title of 12(b) Security	AT&T Inc. Floating Rate Global Notes due September 5, 2023
Trading Symbol	T 23D
Security Exchange Name	NYSE
AT&T Inc. 1.050% Global Notes due September 5, 2023 [Member]	
Entity Listings [Line Items]	
Title of 12(b) Security	AT&T Inc. 1.050% Global Notes due September 5, 2023
Trading Symbol	T 23E
Security Exchange Name	NYSE
AT&T Inc. 1.300% Global Notes due September 5, 2023 [Member]	
Entity Listings [Line Items]	
Title of 12(b) Security	AT&T Inc. 1.300% Global Notes due September 5, 2023
Trading Symbol	T 23A
Security Exchange Name	NYSE
AT&T Inc. 1.950% Global Notes due September 15, 2023 [Member]	
Entity Listings [Line Items]	
Title of 12(b) Security	AT&T Inc. 1.950% Global Notes due September 15, 2023
Trading Symbol	T 23F
Security Exchange Name	NYSE
AT&T Inc. 2.400% Global Notes due March 15, 2024 [Member]	
Entity Listings [Line Items]	
Title of 12(b) Security	AT&T Inc. 2.400% Global Notes due March 15, 2024
Trading Symbol	T 24A
Security Exchange Name	NYSE
AT&T Inc. 3.500% Global Notes due December 17, 2025 [Member]	
Entity Listings [Line Items]	
Title of 12(b) Security	AT&T Inc. 3.500% Global Notes due December 17, 2025
Trading Symbol	T 25

Security Exchange Name	NYSE
AT&T Inc. 0.250% Global Notes due March 4, 2026 [Member]	
Entity Listings [Line Items]	
Title of 12(b) Security	AT&T Inc. 0.250% Global Notes due March 4, 2026
Trading Symbol	T 26E
Security Exchange Name	NYSE
AT&T Inc. 1.800% Global Notes due September 5, 2026 [Member]	
Entity Listings [Line Items]	
Title of 12(b) Security	AT&T Inc. 1.800% Global Notes due September 5, 2026
Trading Symbol	T 26D
Security Exchange Name	NYSE
AT&T Inc. 2.900% Global Notes due December 4, 2026 [Member]	
Entity Listings [Line Items]	
Title of 12(b) Security	AT&T Inc. 2.900% Global Notes due December 4, 2026
Trading Symbol	T 26A
Security Exchange Name	NYSE
AT&T Inc. 1.600% Global Notes due May 19, 2028 [Member]	
Entity Listings [Line Items]	
Title of 12(b) Security	AT&T Inc. 1.600% Global Notes due May 19, 2028
Trading Symbol	T 28C
Security Exchange Name	NYSE
AT&T Inc. 2.350% Global Notes due September 5, 2029 [Member]	
Entity Listings [Line Items]	
Title of 12(b) Security	AT&T Inc. 2.350% Global Notes due September 5, 2029
Trading Symbol	T 29D
Security Exchange Name	NYSE
AT&T Inc. 4.375% Global Notes due September 14, 2029 [Member]	
Entity Listings [Line Items]	
Title of 12(b) Security	AT&T Inc. 4.375% Global Notes due September 14, 2029
Trading Symbol	T 29B
Security Exchange Name	NYSE
AT&T Inc. 2.600% Global Notes due December 17, 2029 [Member]	
Entity Listings [Line Items]	

Title of 12(b) Security	AT&T Inc. 2.600% Global Notes due December 17, 2029
Trading Symbol	T 29A
Security Exchange Name	NYSE
AT&T Inc. 0.800% Global Notes due March 4, 2030 [Member]	
Entity Listings [Line Items]	
Title of 12(b) Security	AT&T Inc. 0.800% Global Notes due March 4, 2030
Trading Symbol	T 30B
Security Exchange Name	NYSE
AT&T Inc. 2.050% Global Notes due May 19, 2032 [Member]	
Entity Listings [Line Items]	
Title of 12(b) Security	AT&T Inc. 2.050% Global Notes due May 19, 2032
Trading Symbol	T 32A
Security Exchange Name	NYSE
AT&T Inc. 3.550% Global Notes due December 17, 2032 [Member]	
Entity Listings [Line Items]	
Title of 12(b) Security	AT&T Inc. 3.550% Global Notes due December 17, 2032
Trading Symbol	T 32
Security Exchange Name	NYSE
AT&T Inc. 5.200% Global Notes due November 18, 2033 [Member]	
Entity Listings [Line Items]	
Title of 12(b) Security	AT&T Inc. 5.200% Global Notes due November 18, 2033
Trading Symbol	T 33
Security Exchange Name	NYSE
AT&T Inc. 3.375% Global Notes due March 15, 2034 [Member]	
Entity Listings [Line Items]	
Title of 12(b) Security	AT&T Inc. 3.375% Global Notes due March 15, 2034
Trading Symbol	T 34
Security Exchange Name	NYSE
AT&T Inc. 2.450% Global Notes Due March 15, 2035 [Member]	
Entity Listings [Line Items]	
Title of 12(b) Security	AT&T Inc. 2.450% Global Notes due March 15, 2035
Trading Symbol	T 35
Security Exchange Name	NYSE

AT&T Inc. 3.150% Global Notes due September 4, 2036 [Member]	
Entity Listings [Line Items]	
Title of 12(b) Security	AT&T Inc. 3.150% Global Notes due September 4, 2036
Trading Symbol	T 36A
Security Exchange Name	NYSE
AT&T Inc. 2.600% Global Notes due May 19, 2038 [Member]	
Entity Listings [Line Items]	
Title of 12(b) Security	AT&T Inc. 2.600% Global Notes due May 19, 2038
Trading Symbol	T 38C
Security Exchange Name	NYSE
AT&T Inc. 1.800% Global Notes due September 14, 2039 [Member]	
Entity Listings [Line Items]	
Title of 12(b) Security	AT&T Inc. 1.800% Global Notes due September 14, 2039
Trading Symbol	T 39B
Security Exchange Name	NYSE
AT&T Inc. 7.000% Global Notes Due April 30, 2040 [Member]	
Entity Listings [Line Items]	
Title of 12(b) Security	AT&T Inc. 7.000% Global Notes due April 30, 2040
Trading Symbol	T 40
Security Exchange Name	NYSE
AT&T Inc. 4.250% Global Notes due June 1, 2043 [Member]	
Entity Listings [Line Items]	
Title of 12(b) Security	AT&T Inc. 4.250% Global Notes due June 1, 2043
Trading Symbol	T 43
Security Exchange Name	NYSE
AT&T Inc. 4.875% Global Notes due June 1, 2044 [Member]	
Entity Listings [Line Items]	
Title of 12(b) Security	AT&T Inc. 4.875% Global Notes due June 1, 2044
Trading Symbol	T 44
Security Exchange Name	NYSE
AT&T Inc. 4.000% Global Notes due June 1, 2049 [Member]	
Entity Listings [Line Items]	
Title of 12(b) Security	AT&T Inc. 4.000% Global Notes due June 1, 2049
Trading Symbol	T 49A
Security Exchange Name	NYSE

AT&T Inc. 4.250% Global Notes due March 1, 2050 [Member]	
Entity Listings [Line Items]	
Title of 12(b) Security	AT&T Inc. 4.250% Global Notes due March 1, 2050
Trading Symbol	T 50
Security Exchange Name	NYSE
AT&T Inc. 3.750% Global Notes due September 1, 2050 [Member]	
Entity Listings [Line Items]	
Title of 12(b) Security	AT&T Inc. 3.750% Global Notes due September 1, 2050
Trading Symbol	T 50A
Security Exchange Name	NYSE
AT&T Inc. 5.350% Global Notes due November 1, 2066 [Member]	
Entity Listings [Line Items]	
Title of 12(b) Security	AT&T Inc. 5.350% Global Notes due November 1, 2066
Trading Symbol	TBB
Security Exchange Name	NYSE
AT&T Inc. 5.625% Global Notes due August 1, 2067 [Member]	
Entity Listings [Line Items]	
Title of 12(b) Security	AT&T Inc. 5.625% Global Notes due August 1, 2067
Trading Symbol	TBC
Security Exchange Name	NYSE

Consolidated Statements Of Income - USD ($) shares in Millions, $ in Millions	3 Months Ended		6 Months Ended	
	Jun. 30, 2020	Jun. 30, 2019	Jun. 30, 2020	Jun. 30, 2019
Operating Revenues				
Total operating revenues	$ 40,950	$ 44,957	$ 83,729	$ 89,784
Cost of Revenues				
Other cost of revenues (exclusive of depreciation and amortization shown separately below)	8,116	8,721	16,458	17,306
Selling, general and administrative	9,831	9,844	18,591	19,493
Asset impairments and abandonments	2,319	0	2,442	0
Depreciation and amortization	7,285	7,101	14,507	14,307
Total operating expenses	37,418	37,457	72,711	75,051
Operating Income	3,532	7,500	11,018	14,733
Other Income (Expense)				
Interest expense	(2,041)	(2,149)	(4,059)	(4,290)
Equity in net income (loss) of affiliates	(10)	40	(16)	33
Other income (expense) - net	1,017	(318)	1,820	(32)
Total other income (expense)	(1,034)	(2,427)	(2,255)	(4,289)
Income Before Income Taxes	2,498	5,073	8,763	10,444
Income tax expense	935	1,099	2,237	2,122
Net Income	1,563	3,974	6,526	8,322
Less: Net Income Attributable to Noncontrolling Interest	(282)	(261)	(635)	(513)
Net Income Attributable to AT&T	1,281	3,713	5,891	7,809
Less: Preferred Stock Dividends	(52)	0	(84)	0
Net Income Attributable to Common Stock	$ 1,229	$ 3,713	$ 5,807	$ 7,809
Basic Earnings Per Share Attributable to Common Stock	$ 0.17	$ 0.51	$ 0.81	$ 1.06
Diluted Earnings Per Share Attributable to Common Stock	$ 0.17	$ 0.51	$ 0.81	$ 1.06
Weighted Average Number of Common Shares Outstanding - Basic (in millions)	7,145	7,323	7,166	7,318
Weighted Average Number of Common Shares Outstanding - with Dilution (in millions)	7,170	7,353	7,192	7,347
Service				
Operating Revenues				
Total operating revenues	$ 37,051	$ 41,023	$ 75,934	$ 81,707
Equipment				
Operating Revenues				
Total operating revenues	3,899	3,934	7,795	8,077
Cost of Revenues				
Cost of Goods and Services Sold	3,978	4,061	8,070	8,563
Broadcast, programming and operations				
Cost of Revenues				
Cost of Goods and Services Sold	$ 5,889	$ 7,730	$ 12,643	$ 15,382

Consolidated Statements Of Comprehensive Income - USD ($) $ in Millions	3 Months Ended		6 Months Ended	
	Jun. 30, 2020	Jun. 30, 2019	Jun. 30, 2020	Jun. 30, 2019
Consolidated Statements of Comprehensive Income [Abstract]				
Net income	$ 1,563	$ 3,974	$ 6,526	$ 8,322
Foreign currency:				
Translation adjustment (includes $(8), $2, $(59) and $2 attributable to noncontrolling interest), net of taxes of $(135), $(1), $(197) and $48	305	(127)	(1,549)	161
Securities:				
Net unrealized gains (losses), net of taxes of $5, $10, $27 and $15	14	26	80	42
Derivative instruments:				
Net unrealized gains (losses), net of taxes of $168, $(165), $(803) and $(131)	631	(617)	(3,026)	(490)
Reclassification adjustment included in net income, net of taxes of $4, $3, $4 and $5	17	6	17	17
Defined benefit postretirement plans:				
Amortization of net prior service credit included in net income, net of taxes of $(150), $(107), $(301) and $(220)	(461)	(342)	(922)	(688)
Other comprehensive income (loss)	506	(1,054)	(5,400)	(958)
Total comprehensive income	2,069	2,920	1,126	7,364
Less: Total comprehensive income attributable to noncontrolling interest	(274)	(263)	(576)	(515)
Total Comprehensive Income Attributable to AT&T	$ 1,795	$ 2,657	$ 550	$ 6,849

Consolidated Statements of Comprehensive Income (Parenthetical) - USD ($) $ in Millions	3 Months Ended		6 Months Ended	
	Jun. 30, 2020	Jun. 30, 2019	Jun. 30, 2020	Jun. 30, 2019
Consolidated Statements of Comprehensive Income [Abstract]				
Foreign currency translation adjustments, attributable to noncontrolling interest, net of taxes	$ (8)	$ 2	$ (59)	$ 2
Foreign currency translation adjustments, tax effect	(135)	(1)	(197)	48
Unrealized gains (losses) on securities - tax effect	5	10	27	15
Unrealized gains (losses) on derivatives - tax effect	168	(165)	(803)	(131)
Reclassification adjustment included in net income on derivatives - tax effect	4	3	4	5
Amortization of net prior service credit included in net income, tax effect	$ (150)	$ (107)	$ (301)	$ (220)

Consolidated Balance Sheets - USD ($) $ in Millions	Jun. 30, 2020	Dec. 31, 2019
Current Assets		
Cash and cash equivalents	$ 16,941	$ 12,130
Accounts receivable - net of allowances for doubtful accounts of $1,606 and $1,235	19,127	22,636
Prepaid expenses	1,439	1,631
Other current assets	19,048	18,364
Total current assets	56,555	54,761
Noncurrent Assets		
Noncurrent Inventories and Theatrical Film and Television Production Costs	14,514	12,434
Property, plant and equipment	332,883	333,538
Less: accumulated depreciation and amortization	(203,938)	(203,410)
Property, Plant and Equipment - Net	128,945	130,128
Goodwill	143,651	146,241
Licenses - Net	98,763	97,907
Other Intangible Assets - Net	18,452	20,798
Investments in and Advances to Equity Affiliates	2,302	3,695
Operating Lease Right-of-Use Assets	24,692	24,039
Other Assets	21,563	22,754
Total Assets	547,898	551,669
Current Liabilities		
Debt maturing within one year	15,576	11,838
Accounts payable and accrued liabilities	41,881	45,956
Advanced billings and customer deposit	5,723	6,124
Accrued taxes	2,548	1,212
Dividends payable	3,741	3,781
Total current liabilities	69,469	68,911
Long-Term Debt	153,388	151,309
Deferred Credits and Other Noncurrent Liabilities		
Deferred income taxes	58,387	59,502
Postemployment benefit obligation	18,167	18,788
Operating lease liabilities	22,230	21,804
Other noncurrent liabilities	32,804	29,421
Total deferred credits and other noncurrent liabilities	131,588	129,515
Stockholders' Equity		
Common stock ($1 par value, 14,000,000,000 authorized at June 30, 2020 and December 31, 2019: issued 7,620,748,598 at June 30, 2020 and December 31, 2019)	7,621	7,621
Additional paid-in capital	130,046	126,279
Retained earnings	56,045	57,936
Treasury stock (495,425,902 at June 30, 2020 and 366,193,458 at December 31, 2019, at cost)	(17,945)	(13,085)
Accumulated other comprehensive income	129	5,470
Noncontrolling interest	17,557	17,713

Total stockholders' equity	193,453	201,934
Total Liabilities and Stockholders' Equity	547,898	551,669
Series A (48,000 issued and outstanding at June 30, 2020 and December 31, 2019)		
Stockholders' Equity		
Preferred stock ($1 par value, 10,000,000 authorized):	0	0
Series B (20,000 issued and outstanding at June 30, 2020 and 0 issued and outstanding at December 31, 2019)		
Stockholders' Equity		
Preferred stock ($1 par value, 10,000,000 authorized):	0	0
Series C (70,000 issued and outstanding at June 30, 2020 and 0 issued and outstanding at December 31, 2019)		
Stockholders' Equity		
Preferred stock ($1 par value, 10,000,000 authorized):	0	0
Trademarks and Trade Names - Net [Member]		
Noncurrent Assets		
Finite-Lived Intangible Assets, Net	23,757	23,567
Distribution Networks - Net		
Noncurrent Assets		
Finite-Lived Intangible Assets, Net	$ 14,704	$ 15,345

Consolidated Balance Sheets (Parenthetical) - USD ($) $ in Millions	Jun. 30, 2020	Dec. 31, 2019
Allowances for doubtful accounts	$ 1,606	$ 1,235
Preferred stock, par value	$ 1.00	$ 1
Preferred stock, authorized (in shares)	10,000,000	10,000,000
Common stock, par value	$ 1	$ 1
Common stock, authorized	14,000,000,000	14,000,000,000
Common stock, issued	7,620,748,598	7,620,748,598
Treasury stock, held	495,425,902	366,193,458
Series A Preferred Stock [Member]		
Preferred stock, par value	$ 1	$ 1
Preferred stock, issued (in shares)	48,000	48,000
Preferred stock, outstanding (in shares)	48,000	48,000
Series B Preferred Stock [Member]		
Preferred stock, par value	$ 1	
Preferred stock, issued (in shares)	20,000	0
Preferred stock, outstanding (in shares)	20,000	0
Series C Preferred Stock [Member]		
Preferred stock, par value	$ 1	
Preferred stock, issued (in shares)	70,000	0
Preferred stock, outstanding (in shares)	70,000	0

Consolidated Statements Of Cash Flows - USD ($) $ in Millions	6 Months Ended	
	Jun. 30, 2020	Jun. 30, 2019
Operating Activities		
Net income	$ 6,526	$ 8,322
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	14,507	14,307
Amortization of television and film costs	3,985	5,199
Undistributed earnings from investments in equity affiliates	64	76
Provision for uncollectible accounts	1,199	1,216
Deferred income tax expense	653	1,080
Net (gain) loss on investments, net of impairments	(705)	(905)
Pension and postretirement benefit expense (credit)	(1,495)	(808)
Actuarial (gain) loss on pension and postretirement benefits	0	2,131
Asset impairments and abandonments	2,442	0
Changes in operating assets and liabilities:		
Receivable	2,522	3,584
Other current assets, inventories and theatrical film and television production costs	(5,592)	(5,422)
Accounts payable and other accrued liabilities	(3,847)	(3,056)
Equipment installment receivables and related sales	226	1,144
Deferred customer contract acquisition and fulfillment costs	322	(614)
Postretirement claims and contributions	(228)	(424)
Other - net	346	(494)
Total adjustments	14,399	17,014
Net Cash Provided by Operating Activities	20,925	25,336
Investing Activities		
Purchase of property and equipment	(9,372)	(10,542)
Interest during construction	(60)	(112)
Acquisitions, net of cash acquired	(1,174)	(320)
Dispositions	347	3,593
(Purchases) sales and settlements of securities and investments, net	47	396
Advances to and investments in equity affiliates, net	(66)	(314)
Net Cash Used in Investing Activities	(10,278)	(7,299)
Financing Activities		
Net change in short-term borrowings with original maturities of three months or less	498	119
Issuance of other short-term borrowings	8,440	3,067
Repayment of other short-term borrowings	(5,975)	(3,148)
Issuance of long-term debt	21,060	10,030
Repayment of long-term debt	(17,284)	(16,124)
Payment of vendor financing	(1,354)	(1,836)
Issuance of preferred stock	3,869	0
Purchase of treasury stock	(5,480)	(240)

Issuance of treasury stock	84	455
Dividends paid	(7,474)	(7,436)
Other	(2,295)	330
Net Cash Used in Financing Activities	(5,911)	(14,783)
Net increase (decrease) in cash and cash equivalents and restricted cash	4,736	3,254
Cash and cash equivalents and restricted cash beginning of year	12,295	5,400
Cash and Cash Equivalents and Restricted Cash End of Period	$ 17,031	$ 8,654

Consolidated Statement Of Changes In Stockholders' Equity - USD ($) shares in Millions, $ in Millions	Total	Preferred Stock [Member] Series A Preferred Stock [Member]	Preferred Stock [Member] Series B Preferred Stock [Member]	Preferred Stock [Member] Series C Preferred Stock [Member]	Common Stock [Member]	Additional Paid-In Capital [Member]	Additional Paid-In Capital [Member] Preferred Stock [Member]	Additional Paid-In Capital [Member] Common Stock [Member]	Retained Earnings [Member]	Treasury Stock [Member]	Accumulated Other Comprehensive Income Attributable to AT&T, net of tax [Member]	Noncontrolling Interest [Member]
Balance at beginning of period at Dec. 31, 2018	$ 193,884	$ 0	$ 0	$ 0	$ 7,621	$ 125,525			$ 58,753	$ (12,059)	$ 4,249	$ 9,795
Balance at beginning of period (in shares) at Dec. 31, 2018		0	0	0	7,621					(339)		
Issuance of stock		$ 0	$ 0	$ 0	$ 0		$ 0					
Issuance of stock (in shares)		0	0	0	0							
Issuance of treasury stock						(127)				$ 1,188		
Issuance of treasury stock, (in shares)										32		
Share-based payments						(289)						
Repurchase and acquisition of common stock								$ 0				
Repurchase and acquisition of common stock										$ (280)		
Repurchase and acquisition of common stock (in shares)										(9)		
Net Income attributable to AT&T	7,809								7,809			
Common stock dividends ($0.52, $0.51, $1.04 and $1.02 per share)									(7,489)			
Other comprehensive income attributable to AT&T											(960)	
Net income attributable to noncontrolling interest	513											513
Interest acquired by noncontrolling owners												10
Distributions												(525)
Translation adjustments attributable to noncontrolling interest, net of taxes	2											2
Balance at end of period at Jun. 30, 2019	194,081	$ 0	$ 0	$ 0	$ 7,621	125,109			59,389	$ (11,151)	3,289	9,824
Preferred stock dividends									0			
Balance at end of period (in shares) at Jun. 30, 2019		0	0	0	7,621					(316)		
Balance at beginning of period at Mar. 31, 2019	194,951	$ 0	$ 0	$ 0	$ 7,621	125,174			59,424	$ (11,452)	4,345	9,839
Balance at beginning of period (in shares) at Mar. 31, 2019		0	0	0	7,621					(324)		
Issuance of stock		$ 0	$ 0	$ 0	$ 0		0					
Issuance of stock (in shares)		0	0	0	0							
Issuance of treasury stock						(50)				$ 373		
Issuance of treasury stock, (in shares)										10		
Share-based payments						(15)						
Repurchase and acquisition of common stock								0				
Repurchase and acquisition of common stock										$ (72)		
Repurchase and acquisition of common stock (in shares)										(2)		
Net Income attributable to AT&T	3,713								3,713			
Common stock dividends ($0.52, $0.51, $1.04 and $1.02 per share)									(3,748)			
Other comprehensive income attributable to AT&T											(1,056)	
Net income attributable to noncontrolling interest	261											261
Interest acquired by noncontrolling owners												1
Distributions												(279)

Translation adjustments attributable to noncontrolling interest, net of taxes	2											2
Balance at end of period at Jun. 30, 2019	194,081	$ 0	$ 0	$ 0	$ 7,621	125,109			59,389	$ (11,151)	3,289	9,824
Preferred stock dividends									0			
Balance at end of period (in shares) at Jun. 30, 2019		0	0	0	7,621					(316)		
Balance at beginning of period at Dec. 31, 2019	201,934	$ 0	$ 0	$ 0	$ 7,621	126,279			57,936	$ (13,085)	5,470	17,713
Balance at beginning of period (in shares) at Dec. 31, 2019		0	0	0	7,621					(366)		
Balance at end of period at Mar. 31, 2020	195,449	$ 0	$ 0	$ 0	$ 7,621	129,966			58,534	$ (17,957)	(385)	17,670
Balance at end of period (in shares) at Mar. 31, 2020		0	0	0	7,621					(496)		
Balance at beginning of period at Dec. 31, 2019	201,934	$ 0	$ 0	$ 0	$ 7,621	126,279			57,936	$ (13,085)	5,470	17,713
Balance at beginning of period (in shares) at Dec. 31, 2019		0	0	0	7,621					(366)		
Issuance of stock		$ 0	$ 0	$ 0	$ 0		3,869					
Issuance of stock (in shares)		0	0	0	0							
Issuance of treasury stock						(54)				$ 721		
Issuance of treasury stock, (in shares)										19		
Share-based payments						(115)						
Repurchase and acquisition of common stock								67				
Repurchase and acquisition of common stock										$ (5,581)		
Repurchase and acquisition of common stock (in shares)										(148)		
Net Income attributable to AT&T	5,891								5,891			
Common stock dividends ($0.52, $0.51, $1.04 and $1.02 per share)									(7,421)			
Other comprehensive income attributable to AT&T											(5,341)	
Net income attributable to noncontrolling interest	635											635
Interest acquired by noncontrolling owners												1
Distributions												(726)
Translation adjustments attributable to noncontrolling interest, net of taxes	(59)											(59)
Balance at end of period at Jun. 30, 2020	193,453	$ 0	$ 0	$ 0	$ 7,621	130,046			56,045	$ (17,945)	129	17,557
Preferred stock dividends									(68)			
Balance at end of period (in shares) at Jun. 30, 2020		0	0	0	7,621					(495)		
Balance at beginning of period at Mar. 31, 2020	195,449	$ 0	$ 0	$ 0	$ 7,621	129,966			58,534	$ (17,957)	(385)	17,670
Balance at beginning of period (in shares) at Mar. 31, 2020		0	0	0	7,621					(496)		
Issuance of stock		$ 0	$ 0	$ 0	$ 0		$ 0					
Issuance of stock (in shares)		0	0	0	0							
Issuance of treasury stock						(7)				$ 46		
Issuance of treasury stock, (in shares)										1		
Share-based payments						87						
Repurchase and acquisition of common stock								$ 0				
Repurchase and acquisition of common stock										$ (34)		
Repurchase and acquisition of common stock (in shares)										0		
Net Income attributable to AT&T	1,281								1,281			

Common stock dividends ($0.52, $0.51, $1.04 and $1.02 per share)									(3,734)				
Other comprehensive income attributable to AT&T											514		
Net income attributable to noncontrolling interest	282												282
Interest acquired by noncontrolling owners													0
Distributions													(387)
Translation adjustments attributable to noncontrolling interest, net of taxes	(8)												(8)
Balance at end of period at Jun. 30, 2020	$ 193,453	$ 0	$ 0	$ 0	$ 7,621	$ 130,046			56,045	$ (17,945)	$ 129		$ 17,557
Preferred stock dividends									$ (36)				
Balance at end of period (in shares) at Jun. 30, 2020		0	0	0	7,621					(495)			

Consolidated Statement Of Changes In Stockholders' Equity (Parenthetical) - $ / shares	3 Months Ended		6 Months Ended	
	Jun. 30, 2020	Jun. 30, 2019	Jun. 30, 2020	Jun. 30, 2019
Consolidated Statements Of Changes In Stockholders' Equity (Unaudited)				
Dividends to stockholders, per share	$ 0.52	$ 0.51	$ 1.04	$ 1.02

Preparation Of Interim Financial Statements	6 Months Ended Jun. 30, 2020
Accounting Policies [Abstract]	
Basis of Presentation and Significant Accounting Policies	

NOTE 1. PREPARATION OF INTERIM FINANCIAL STATEMENTS

Basis of Presentation Throughout this document, AT&T Inc. is referred to as “we,” “AT&T” or the “Company.” The consolidated financial statements include the accounts of the Company and subsidiaries and affiliates which we control. AT&T is a holding company whose subsidiaries and affiliates operate worldwide in the telecommunications, media and technology industries. You should read this document in conjunction with the consolidated financial statements and accompanying notes included in our Annual Report on Form 10-K for the year ended December 31, 2019. The results for the interim periods are not necessarily indicative of those for the full year. These consolidated financial statements include all adjustments that are necessary to present fairly the results for the presented interim periods, consisting of normal recurring accruals and other items.

All significant intercompany transactions are eliminated in the consolidation process. Investments in subsidiaries and partnerships which we do not control but have significant influence are accounted for under the equity method. Earnings from certain investments accounted for using the equity method are included for periods ended within up to one quarter of our period end. We also record our proportionate share of our equity method investees’ other comprehensive income (OCI) items.

The preparation of financial statements in conformity with U.S. generally accepted accounting principles (GAAP) requires management to make estimates and assumptions, including potential impacts arising from the COVID-19 pandemic, that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates. Certain prior period amounts have been conformed to the current period’s presentation, including the combination of our prior Xandr segment with the WarnerMedia segment.

In the tables throughout this document, percentage increases and decreases that are not considered meaningful are denoted with a dash.

Adopted and Pending Accounting Standards and Other Changes

Credit Losses As of January 1, 2020, we adopted, through modified retrospective application, the Financial Accounting Standards Board’s (FASB) Accounting Standards Update (ASU) No. 2016-13, “Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments” (ASU 2016-13, as amended), which replaces the incurred loss impairment methodology under prior GAAP with an expected credit loss model. ASU 2016-13 affects trade receivables, loans, contract assets, certain beneficial interests, off-balance-sheet credit exposures not accounted for as insurance and other financial assets that are not subject to fair value through net income, as defined by the standard. Under the expected credit loss model, we are required to consider future economic trends to estimate expected credit losses over the lifetime of the asset. Upon adoption, we recorded a $293 reduction to “Retained earnings,” $395 increase to “allowances for doubtful accounts” applicable to our trade and loan receivables, $10 reduction of contract assets, $105 reduction of net deferred income tax liability and $7 reduction of

“Noncontrolling interest” as an opening adjustment. Our adoption of ASU 2016-13 did not have a material impact on our financial statements.

Reference Rate Reform In March 2020, the FASB issued ASU No. 2020-04, “Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting” (ASU 2020-04), which provides optional expedients, and allows for certain exceptions to existing GAAP, for contract modifications triggered by the expected market transition of certain benchmark interest rates to alternative reference rates. ASU 2020-04 applies to contracts, hedging relationships and other arrangements that reference the London Interbank Offering Rate (LIBOR) or any other rates ending after December 31, 2022. We are evaluating the impact of our adoption of ASU 2020-04, including optional expedients, to our financial statements.

Intangible Assets Driven by significant and adverse economic and political environments in Latin America, including the impact of the COVID-19 pandemic, we have experienced accelerated subscriber losses and revenue decline in the region, as well as closure of our operations in Venezuela. When combining these business trends and higher weighted-average cost of capital resulting from the increase in country-risk premiums in the region, we concluded that it is more likely than not that the fair value of the Vrio reporting unit, estimated using discounted cash flow and market multiple approaches, is less than its carrying amount. We recorded a $2,212 goodwill impairment in the reporting unit, with $105 attributable to noncontrolling interest. The impairment is not deductible for tax purposes and resulted in an increase in our effective tax rate.

During the first quarter of 2020, we reassessed and changed the estimated economic lives of certain trade names in our Latin America business from indefinite to finite-lived and began amortizing them using the straight-line method over their average remaining economic life of 15 years. This change had an insignificant impact on our financial statements.

Also during the first quarter of 2020, in conjunction with the nationwide launch of AT&T TV and our customers’ continued shift from linear to streaming video services, we reassessed the estimated economic lives and renewal assumptions for our orbital slot licenses. As a result, we have changed the estimated lives of these licenses from indefinite to finite-lived, effective January 1, 2020, and began amortizing our orbital slot licenses using the sum-of-months-digits method over their average remaining economic life of 15 years. This change in accounting increased amortization expense $379, or $0.04 per diluted share available to common stock during the second quarter and $765, or $0.08, per diluted share available to common stock for the first six months of 2020.

Earnings Per Share

Earnings Per Share

Earnings Per Share [Text Block]

6 Months Ended Jun. 30, 2020

NOTE 2. EARNINGS PER SHARE

A reconciliation of the numerators and denominators of basic and diluted earnings per share for the three months and six months ended June 30, 2020 and 2019, is shown in the table below.

	Three months ended June 30, 2020	Three months ended June 30, 2019	Six months ended June 30, 2020	Six months ended June 30, 2019
Numerators				
Numerator for basic earnings per share:				
Net Income	**$ 1,563**	$ 3,974	**$ 6,526**	$ 8,322
Less: Net income attributable to noncontrolling interest	**(282)**	(261)	**(635)**	(513)
Net Income attributable to AT&T	**1,281**	3,713	**5,891**	7,809
Less: Preferred stock dividends	**(52)**	-	**(84)**	-
Net income attributable to common stock	**1,229**	3,713	**5,807**	7,809
Dilutive potential common shares:				
Share-based payment	**5**	4	**11**	10
Numerator for diluted earnings per share	**$ 1,234**	$ 3,717	**$ 5,818**	$ 7,819
Denominators (000,000)				
Denominator for basic earnings per share:				
Weighted average number of common shares outstanding	**7,145**	7,323	**7,166**	7,318
Dilutive potential common shares:				
Share-based payment (in shares)	**25**	30	**26**	29
Denominator for diluted earnings per share	**7,170**	7,353	**7,192**	7,347
Basic earnings per share attributable to Common Stock	**$ 0.17**	$ 0.51	**$ 0.81**	$ 1.06
Diluted earnings per share attributable to Common Stock	**$ 0.17**	$ 0.51	**$ 0.81**	$ 1.06

In the first quarter of 2020, we completed an accelerated share repurchase agreement with a third-party financial institution to repurchase AT&T common stock. Under the terms of the agreement, we paid the financial institution $4,000 and received 104.8 million shares.

Accumulated Other Comprehensive Income	6 Months Ended Jun. 30, 2020
Accumulated Other Comprehensive Income	
Accumulated Other Comprehensive Income [Text Block]	**NOTE 3. OTHER COMPREHENSIVE INCOME** Changes in the balances of each component included in accumulated OCI are presented below. All amounts are net of tax and exclude noncontrolling interest.

	Foreign Currency Translation Adjustment	Net Unrealized Gains (Losses) on Securities	Net Unrealized Gains (Losses) on Derivative Instruments	Defined Benefit Postretirement Plans	Accumulated Other Comprehensive Income
Balance as of December 31, 2019	$ (3,056)	$ 48	$ (37)	$ 8,515	$ 5,470
Other comprehensive income (loss) before reclassifications	(1,490)	80	(3,026)	-	(4,436)
Amounts reclassified from accumulated OCI	- [1]	- [1]	17 [2]	(922) [3]	(905)
Net other comprehensive income (loss)	(1,490)	80	(3,009)	(922)	(5,341)
Balance as of June 30, 2020	**$ (4,546)**	**$ 128**	**$ (3,046)**	**$ 7,593**	**$ 129**

	Foreign Currency Translation Adjustment	Net Unrealized Gains (Losses) on Securities	Net Unrealized Gains (Losses) on Derivative Instruments	Defined Benefit Postretirement Plans	Accumulated Other Comprehensive Income
Balance as of December 31, 2018	$ (3,084)	$ (2)	$ 818	$ 6,517	$ 4,249
Other comprehensive income (loss) before reclassifications	159	42	(490)	-	(289)
Amounts reclassified from accumulated OCI	- [1]	- [1]	17 [2]	(688) [3]	(671)
Net other comprehensive income (loss)	159	42	(473)	(688)	(960)
Balance as of June 30, 2019	$ (2,925)	$ 40	$ 345	$ 5,829	$ 3,289

[1] (Gains) losses are included in "Other income (expense) - net" in the consolidated statements of income.

[2] (Gains) losses are included in "Interest expense" in the consolidated statements of income (see Note 7).

[3] The amortization of prior service credits associated with postretirement benefits are included in "Other income (expense) - net" in the consolidated statements of income (see Note 6).

Segment Information	6 Months Ended Jun. 30, 2020

Segment Information

Segment Information [Text Block]

NOTE 4. SEGMENT INFORMATION

Our segments are strategic business units that offer products and services to different customer segments over various technology platforms and/or in different geographies that are managed accordingly. We analyze our segments based on segment operating contribution, which consists of operating income, excluding acquisition-related costs and other significant items (as discussed below), and equity in net income (loss) of affiliates for investments managed within each segment. We have three reportable segments: (1) Communications, (2) WarnerMedia and (3) Latin America.

We have recast our segment results for all prior periods to include our prior Xandr segment within our WarnerMedia segment.

We also evaluate segment and business unit performance based on EBITDA and/or EBITDA margin, which is defined as operating contribution excluding equity in net income (loss) of affiliates and depreciation and amortization. We believe EBITDA to be a relevant and useful measurement to our investors as it is part of our internal management reporting and planning processes and it is an important metric that management uses to evaluate operating performance. 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 margin is EBITDA divided by total revenues.

The ***Communications segment*** provides wireless and wireline telecom, video and broadband services to consumers located in the U.S. and businesses globally. This segment contains the following business units:

- **Mobility** provides nationwide wireless service and equipment.
- **Entertainment Group** provides video, including over-the-top (OTT) services, broadband and voice communications services primarily to residential customers. This segment also sells advertising on distribution platforms.
- **Business Wireline** provides advanced IP-based services, as well as traditional voice and data services to business customers.

The ***WarnerMedia segment*** develops, produces and distributes feature films, television, gaming and other content in various physical and digital formats globally. Historical financial results from Xandr, previously a separate reportable segment, have been combined with the WarnerMedia segment within Eliminations and other. This segment contains the following business units:

- **Turner** primarily operates multichannel basic television networks and digital properties. Turner also sells advertising on its networks and digital properties.
- **Home Box Office** consists of premium pay television and OTT and streaming services domestically and premium pay, basic tier television and OTT services internationally, as well as content licensing and home entertainment.
- **Warner Bros.** primarily consists of the production, distribution and licensing of television programming and feature films, the distribution of home entertainment products and the production and distribution of games.

The ***Latin America segment*** provides entertainment and wireless services outside of the U.S. This segment contains the following business units:

- **Vrio** provides video services primarily to residential customers using satellite technology in Latin America and the Caribbean.
- **Mexico** provides wireless service and equipment to customers in Mexico.

Corporate and Other reconciles our segment results to consolidated operating income and income before income taxes, and includes:

- *Corporate*, which consists of: (1) businesses no longer integral to our operations or which we no longer actively market, (2) corporate support functions, (3) impacts of corporate-wide decisions for which the individual operating segments are not being evaluated, and (4) the reclassification of the amortization of prior service credits, which we continue to report with segment operating expenses, to consolidated "Other income (expense) – net."
- *Acquisition-related items* which consists of items associated with the merger and integration of acquired businesses, including amortization of intangible assets.
- *Certain significant items* includes (1) employee separation charges associated with voluntary and/or strategic offers, (2) losses resulting from abandonment of network assets and impairments and (3) other items for which the segments are not being evaluated.
- *Eliminations and consolidations*, which (1) removes transactions involving dealings between our segments, including content licensing between WarnerMedia and Communications, and (2) includes adjustments for our reporting of the advertising business.

"Interest expense" and "Other income (expense) – net," are managed only on a total company basis and are, accordingly, reflected only in consolidated results.

For the three months ended June 30, 2020

	Revenues	Operations and Support Expenses	EBITDA	Depreciation and Amortization	Operating Income (Loss)	Equity in Net Income (Loss) of Affiliates	Segment Contribution
Communications							
Mobility	**$ 17,149**	**$ 9,332**	**$ 7,817**	**$ 2,012**	**$ 5,805**	**$ -**	**$ 5,805**
Entertainment Group	**10,069**	**7,730**	**2,339**	**1,309**	**1,030**	**-**	**1,030**
Business Wireline	**6,374**	**3,779**	**2,595**	**1,318**	**1,277**	**-**	**1,277**
Total Communications	**33,592**	**20,841**	**12,751**	**4,639**	**8,112**	**-**	**8,112**
WarnerMedia							
Turner	**2,988**	**1,347**	**1,641**	**69**	**1,572**	**-**	**1,572**
Home Box Office	**1,627**	**1,489**	**138**	**25**	**113**	**(5)**	**108**
Warner Bros.	**3,256**	**2,583**	**673**	**40**	**633**	**(19)**	**614**
Eliminations and other	**(1,057)**	**(685)**	**(372)**	**33**	**(405)**	**28**	**(377)**
Total WarnerMedia	**6,814**	**4,734**	**2,080**	**167**	**1,913**	**4**	**1,917**
Latin America							
Vrio	**752**	**661**	**91**	**127**	**(36)**	**8**	**(28)**
Mexico	**480**	**538**	**(58)**	**115**	**(173)**	**-**	**(173)**
Total Latin America	**1,232**	**1,199**	**33**	**242**	**(209)**	**8**	**(201)**
Segment Total	**41,638**	**26,774**	**14,864**	**5,048**	**9,816**	**$ 12**	**$ 9,828**
Corporate and Other							
Corporate	**437**	**933**	**(496)**	**93**	**(589)**		
Acquisition-related items	**-**	**211**	**(211)**	**2,145**	**(2,356)**		

	Revenues	Operations and Support Expenses	EBITDA	Depreciation and Amortization	Operating Income (Loss)
Certain significant items	**-**	**3,084**	**(3,084)**	**-**	**(3,084)**
Eliminations and consolidations	**(1,125)**	**(869)**	**(256)**	**(1)**	**(255)**
AT&T Inc.	**$ 40,950**	**$ 30,133**	**$ 10,817**	**$ 7,285**	**$ 3,532**

For the three months ended June 30, 2019

	Revenues	Operations and Support Expenses	EBITDA	Depreciation and Amortization	Operating Income (Loss)	Equity in Net Income (Loss) of Affiliates	Segment Contribution
Communications							
Mobility	$ 17,292	$ 9,522	$ 7,770	$ 2,003	$ 5,767	$ -	$ 5,767
Entertainment Group	11,368	8,515	2,853	1,339	1,514	-	1,514
Business Wireline	6,607	3,975	2,632	1,242	1,390	-	1,390
Total Communications	35,267	22,012	13,255	4,584	8,671	-	8,671
WarnerMedia							
Turner	3,410	2,217	1,193	39	1,154	11	1,165
Home Box Office	1,716	1,131	585	12	573	15	588
Warner Bros.	3,389	2,918	471	31	440	-	440
Eliminations and other	320	170	150	22	128	29	157
Total WarnerMedia	8,835	6,436	2,399	104	2,295	55	2,350
Latin America							
Vrio	1,032	881	151	165	(14)	12	(2)
Mexico	725	813	(88)	119	(207)	-	(207)
Total Latin America	1,757	1,694	63	284	(221)	12	(209)
Segment Total	45,859	30,142	15,717	4,972	10,745	$ 67	$ 10,812
Corporate and Other							
Corporate	450	765	(315)	170	(485)		
Acquisition-related items	(30)	316	(346)	1,960	(2,306)		
Certain significant items	-	94	(94)	-	(94)		
Eliminations and consolidations	(1,322)	(961)	(361)	(1)	(360)		
AT&T Inc.	$ 44,957	$ 30,356	$ 14,601	$ 7,101	$ 7,500		

For the six months ended June 30, 2020

	Revenues	Operations and Support Expenses	EBITDA	Depreciation and Amortization	Operating Income (Loss)	Equity in Net Income (Loss) of Affiliates	Segment Contribution
Communications							
Mobility	**$ 34,551**	**$ 18,901**	**$ 15,650**	**$ 4,057**	**$ 11,593**	**$ -**	**$ 11,593**

Entertainment Group	**20,584**	**15,621**	**4,963**	**2,598**	**2,365**	**-**	**2,365**
Business Wireline	**12,706**	**7,730**	**4,976**	**2,619**	**2,357**	**-**	**2,357**
Total Communications	**67,841**	**42,252**	**25,589**	**9,274**	**16,315**	**-**	**16,315**
WarnerMedia							
Turner	**6,150**	**3,057**	**3,093**	**138**	**2,955**	**6**	**2,961**
Home Box Office	**3,124**	**2,542**	**582**	**46**	**536**	**15**	**551**
Warner Bros.	**6,496**	**5,533**	**963**	**81**	**882**	**(27)**	**855**
Eliminations and other	**(1,108)**	**(711)**	**(397)**	**65**	**(462)**	**25**	**(437)**
Total WarnerMedia	**14,662**	**10,421**	**4,241**	**330**	**3,911**	**19**	**3,930**
Latin America							
Vrio	**1,639**	**1,444**	**195**	**274**	**(79)**	**12**	**(67)**
Mexico	**1,183**	**1,252**	**(69)**	**249**	**(318)**	**-**	**(318)**
Total Latin America	**2,822**	**2,696**	**126**	**523**	**(397)**	**12**	**(385)**
Segment Total	**85,325**	**55,369**	**29,956**	**10,127**	**19,829**	**$ 31**	**$ 19,860**
Corporate and Other							
Corporate	**825**	**1,807**	**(982)**	**180**	**(1,162)**		
Acquisition-related items	**-**	**393**	**(393)**	**4,201**	**(4,594)**		
Certain significant items	**-**	**2,426**	**(2,426)**	**-**	**(2,426)**		
Eliminations and consolidations	**(2,421)**	**(1,791)**	**(630)**	**(1)**	**(629)**		
AT&T Inc.	**$ 83,729**	**$ 58,204**	**$ 25,525**	**$ 14,507**	**$ 11,018**		

For the six months ended June 30, 2019

	Revenues	Operations and Support Expenses	EBITDA	Depreciation and Amortization	Operating Income (Loss)	Equity in Net Income (Loss) of Affiliates	Segment Contribution
Communications							
Mobility	$ 34,655	$ 19,563	$ 15,092	$ 4,016	$ 11,076	$ -	$ 11,076
Entertainment Group	22,696	17,042	5,654	2,662	2,992	-	2,992
Business Wireline	13,085	8,007	5,078	2,464	2,614	-	2,614
Total Communications	70,436	44,612	25,824	9,142	16,682	-	16,682
WarnerMedia							
Turner	6,853	4,353	2,500	99	2,401	36	2,437
Home Box Office	3,226	2,052	1,174	34	1,140	30	1,170
Warner Bros.	6,907	5,837	1,070	83	987	6	993
Eliminations and other	654	347	307	44	263	50	313
Total WarnerMedia	17,640	12,589	5,051	260	4,791	122	4,913
Latin America							

Vrio	2,099	1,747	352	334	18	12	30
Mexico	1,376	1,538	(162)	250	(412)	-	(412)
Total Latin America	3,475	3,285	190	584	(394)	12	(382)
Segment Total	91,551	60,486	31,065	9,986	21,079	$ 134	$ 21,213
Corporate and Other							
Corporate	883	1,426	(543)	374	(917)		
Acquisition-related items	(72)	389	(461)	3,948	(4,409)		
Certain significant items	-	342	(342)	-	(342)		
Eliminations and consolidations	(2,578)	(1,899)	(679)	(1)	(678)		
AT&T Inc.	$ 89,784	$ 60,744	$ 29,040	$ 14,307	$ 14,733		

The following table is a reconciliation of Segment Contributions to “Income Before Income Taxes” reported on our consolidated statements of income:

	Three months ended June 30,		Six months ended June 30,	
	2020	2019	**2020**	2019
Communications	**$ 8,112**	$ 8,671	**$ 16,315**	$ 16,682
WarnerMedia	**1,917**	2,350	**3,930**	4,913
Latin America	**(201)**	(209)	**(385)**	(382)
Segment Contribution	**9,828**	10,812	**19,860**	21,213
Reconciling Items:				
Corporate and Other	**(589)**	(485)	**(1,162)**	(917)
Merger and integration items	**(211)**	(346)	**(393)**	(461)
Amortization of intangibles acquired	**(2,145)**	(1,960)	**(4,201)**	(3,948)
Impairments	**(2,319)**	-	**(2,442)**	-
Gain on spectrum transaction[1]	**-**	-	**900**	-
Employee separation costs and benefit-related losses	**(765)**	(94)	**(884)**	(342)
Segment equity in net income of affiliates	**(12)**	(67)	**(31)**	(134)
Eliminations and consolidations	**(255)**	(360)	**(629)**	(678)
AT&T Operating Income	**3,532**	7,500	**11,018**	14,733
Interest Expense	**2,041**	2,149	**4,059**	4,290
Equity in net income (loss) of affiliates	**(10)**	40	**(16)**	33
Other income (expense) - net	**1,017**	(318)	**1,820**	(32)
Income Before Income Taxes	**$ 2,498**	$ 5,073	**$ 8,763**	$ 10,444

[1] Included as a reduction of "Selling, general and administrative expenses" in the consolidated statement of income.

The following table presents intersegment revenues by segment:

Intersegment Reconciliation

	Three months ended June 30,		Six months ended June 30,	
	2020	2019	**2020**	2019
Intersegment Revenues				
Communications	**$ 2**	$ 8	**$ 4**	$ 8
WarnerMedia	**774**	861	**1,591**	1,719
Latin America	**-**	-	**-**	-
Total Intersegment Revenues	**776**	869	**1,595**	1,727
Consolidations	**349**	453	**826**	851

Eliminations and consolidations	**$**	**1,125**	$	1,322	**$**	**2,421**	$	2,578

Revenue Recognition	6 Months Ended Jun. 30, 2020
Revenue from Contract with Customer [Abstract]	
Revenue from Contract with Customer [Text Block]	**NOTE 5. REVENUE RECOGNITION**

Revenue Categories

The following tables set forth reported revenue by category and by business unit:

For the three months ended June 30, 2020

	Service Revenues								
	Wireless	Advanced Data	Legacy Voice & Data	Subscription	Content	Advertising	Other	Equipment	Total
Communications									
Mobility	**$ 13,611**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 58**	**$ -**	**$ 3,480**	**$17,149**
Entertainment Group	**-**	**2,092**	**560**	**6,682**	**-**	**294**	**397**	**44**	**10,069**
Business Wireline	**-**	**3,320**	**2,067**	**-**	**-**	**-**	**782**	**205**	**6,374**
WarnerMedia									
Turner	**-**	**-**	**-**	**1,804**	**334**	**796**	**54**	**-**	**2,988**
Home Box Office	**-**	**-**	**-**	**1,441**	**181**	**-**	**5**	**-**	**1,627**
Warner Bros.	**-**	**-**	**-**	**16**	**3,179**	**1**	**60**	**-**	**3,256**
Eliminations and other	**-**	**-**	**-**	**71**	**(1,516)**	**378**	**10**	**-**	**(1,057)**
Latin America									
Vrio	**-**	**-**	**-**	**752**	**-**	**-**	**-**	**-**	**752**
Mexico	**345**	**-**	**-**	**-**	**-**	**-**	**-**	**135**	**480**
Corporate and Other	**178**	**10**	**152**	**-**	**-**	**-**	**62**	**35**	**437**
Eliminations and consolidations	**-**	**-**	**-**	**-**	**(765)**	**(294)**	**(66)**	**-**	**(1,125)**
Total Operating Revenues	**$ 14,134**	**$ 5,422**	**$ 2,779**	**$ 10,766**	**$ 1,413**	**$ 1,233**	**$1,304**	**$ 3,899**	**$40,950**

For the three months ended June 30, 2019

	Service Revenues								
	Wireless	Advanced Data	Legacy Voice & Data	Subscription	Content	Advertising	Other	Equipment	Total
Communications									
Mobility	$ 13,753	$ -	$ -	$ -	$ -	$ 71	$ -	$ 3,468	$17,292
Entertainment Group	-	2,109	658	7,636	-	399	563	3	11,368
Business Wireline	-	3,208	2,324	-	-	-	897	178	6,607
WarnerMedia									
Turner	-	-	-	1,943	111	1,266	90	-	3,410
Home Box Office	-	-	-	1,516	198	-	2	-	1,716
Warner Bros.	-	-	-	23	3,175	10	181	-	3,389
Eliminations and other	-	-	-	54	(237)	494	9	-	320

Latin America									
Vrio	-	-	-	1,032	-	-	-	-	1,032
Mexico	479	-	-	-	-	-	-	246	725
Corporate and Other	150	14	7	-	-	-	210	39	420
Eliminations and consolidations	-	-	-	-	(840)	(399)	(83)	-	(1,322)
Total Operating Revenues	$ 14,382	$ 5,331	$ 2,989	$ 12,204	$ 2,407	$ 1,841	$1,869	$ 3,934	$44,957

For the six months ended June 30, 2020

	Service Revenues								
	Wireless	Advanced Data	Legacy Voice & Data	Subscription	Content	Advertising	Other	Equipment	Total
Communications									
Mobility	**$ 27,503**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 134**	**$ -**	**$ 6,914**	**$34,551**
Entertainment Group	**-**	**4,201**	**1,141**	**13,664**	**-**	**707**	**816**	**55**	**20,584**
Business Wireline	**-**	**6,595**	**4,196**	**-**	**-**	**-**	**1,535**	**380**	**12,706**
WarnerMedia									
Turner	**-**	**-**	**-**	**3,853**	**420**	**1,753**	**124**	**-**	**6,150**
Home Box Office	**-**	**-**	**-**	**2,779**	**338**	**-**	**7**	**-**	**3,124**
Warner Bros.	**-**	**-**	**-**	**26**	**6,239**	**3**	**228**	**-**	**6,496**
Eliminations and other	**-**	**-**	**-**	**134**	**(2,162)**	**887**	**33**	**-**	**(1,108)**
Latin America									
Vrio	**-**	**-**	**-**	**1,639**	**-**	**-**	**-**	**-**	**1,639**
Mexico	**812**	**-**	**-**	**-**	**-**	**-**	**-**	**371**	**1,183**
Corporate and Other	**295**	**24**	**286**	**-**	**-**	**-**	**145**	**75**	**825**
Eliminations and consolidations	**-**	**-**	**-**	**-**	**(1,559)**	**(707)**	**(155)**	**-**	**(2,421)**
Total Operating Revenues	**$ 28,610**	**$ 10,820**	**$ 5,623**	**$ 22,095**	**$ 3,276**	**$ 2,777**	**$2,733**	**$ 7,795**	**$83,729**

For the six months ended June 30, 2019

	Service Revenues								
	Wireless	Advanced Data	Legacy Voice & Data	Subscription	Content	Advertising	Other	Equipment	Total
Communications									
Mobility	$ 27,315	$ -	$ -	$ -	$ -	$ 138	$ -	$ 7,202	$34,655
Entertainment Group	-	4,179	1,341	15,360	-	749	1,063	4	22,696
Business Wireline	-	6,380	4,721	-	-	-	1,647	337	13,085
WarnerMedia									
Turner	-	-	-	3,908	246	2,527	172	-	6,853
Home Box Office	-	-	-	2,850	371	-	5	-	3,226
Warner Bros.	-	-	-	44	6,507	20	336	-	6,907

Eliminations and other	-	-	-	103	(389)	928	12	-	654
Latin America									
Vrio	-	-	-	2,099	-	-	-	-	2,099
Mexico	921	-	-	-	-	-	-	455	1,376
Corporate and Other	272	27	14	-	-	-	419	79	811
Eliminations and consolidations	-	-	-	-	(1,677)	(749)	(152)	-	(2,578)
Total Operating Revenues	$ 28,508	$ 10,586	$ 6,076	$ 24,364	$ 5,058	$ 3,613	$3,502	$ 8,077	$89,784

Deferred Customer Contract Acquisition and Fulfillment Costs

Costs to acquire and fulfill customer contracts, including commissions on service activations, for our wireless, business wireline and video entertainment services, are deferred and amortized over the contract period or expected customer relationship life, which typically ranges from three years to five years. For contracts with an estimated amortization period of less than one year, we expense incremental costs immediately.

The following table presents the deferred customer contract acquisition and fulfillment costs included on our consolidated balance sheets:

Consolidated Balance Sheets	**June 30, 2020**	December 31, 2019
Deferred Acquisition Costs		
Other current assets	**$ 2,630**	$ 2,462
Other Assets	**3,117**	2,991
Total deferred customer contract acquisition costs	$ **5,747**	**$** 5,453
Deferred Fulfillment Costs		
Other current assets	**$ 4,362**	**$** 4,519
Other Assets	**5,980**	6,439
Total deferred customer contract fulfillment costs	**$ 10,342**	$ 10,958

The following table presents deferred customer contract acquisition and fulfillment cost amortization included in "Other cost of revenue" for the six months ended:

Consolidated Statements of Income	**June 30, 2020**	June 30, 2019
Deferred acquisition cost amortization	**$ 1,278**	$ 1,026
Deferred fulfillment cost amortization	**2,636**	2,381

Contract Assets and Liabilities

A contract asset is recorded when revenue is recognized in advance of our right to bill and receive consideration. The contract asset will decrease as services are provided and billed. For example, when installment sales include promotional discounts (e.g., "buy one get one free") the difference between revenue recognized and consideration received is recorded as a contract asset to be amortized over the contract term.

When consideration is received in advance of the delivery of goods or services, a contract liability is recorded for deferred revenue. Reductions in the contract liability will be recorded as we satisfy the performance obligations.

The following table presents contract assets and liabilities on our consolidated balance sheets:

Consolidated Balance Sheets	**June 30, 2020**	December 31, 2019
Contract asset	$ **2,546**	$ 2,472
Contract liability	**6,533**	6,999

Our beginning of period contract liability recorded as customer contract revenue during 2020 was $5,004.

Our consolidated balance sheets at June 30, 2020 and December 31, 2019 included approximately $1,638 and $1,611, respectively, for the current portion of our contract asset in “Other current assets” and $5,616 and $5,939, respectively, for the current portion of our contract liability in “Advanced billings and customer deposits.”

Remaining Performance Obligations

Remaining performance obligations represent services we are required to provide to customers under bundled or discounted arrangements, which are satisfied as services are provided over the contract term. In determining the transaction price allocated, we do not include non-recurring charges and estimates for usage, nor do we consider arrangements with an original expected duration of less than one year, which are primarily prepaid wireless, video and residential internet agreements.

Remaining performance obligations associated with business contracts reflect recurring charges billed, adjusted to reflect estimates for sales incentives and revenue adjustments. Performance obligations associated with wireless contracts are estimated using a portfolio approach in which we review all relevant promotional activities, calculating the remaining performance obligation using the average service component for the portfolio and the average device price. As of June 30, 2020, the aggregate amount of the transaction price allocated to remaining performance obligations was $36,362, of which we expect to recognize approximately 82% by the end of 2021, with the balance recognized thereafter.

Pension And Postretirement Benefits	6 Months Ended Jun. 30, 2020
Pension And Postretirement Benefits	
Pension and Other Postretirement Benefits Disclosure [Text Block]	**NOTE 6. PENSION AND POSTRETIREMENT BENEFITS** Many of our employees are covered by one of our noncontributory pension plans. We also provide certain medical, dental, life insurance and death benefits to certain retired employees under various plans and accrue actuarially determined postretirement benefit costs. Our objective in funding these plans, in combination with the standards of the Employee Retirement Income Security Act of 1974, as amended (ERISA), is to accumulate assets sufficient to provide benefits described in the plans to employees upon their retirement. We do not have significant funding requirements in 2020. We recognize actuarial gains and losses on pension and postretirement plan assets in our consolidated results as a component of “Other income (expense) – net” at our annual measurement date of December 31, unless earlier remeasurements are required. The following table details pension and postretirement benefit costs included in the accompanying consolidated statements of income. The service cost component of net periodic pension cost (benefit) is recorded in operating expenses in the consolidated statements of income while the remaining components are recorded in “Other income (expense) – net.”

	Three months ended June 30,		Six months ended June 30,	
	2020	2019	**2020**	2019
Pension cost:				
Service cost – benefits earned during the period	**$ 258**	$ 243	**$ 515**	$ 483
Interest cost on projected benefit obligation	**422**	508	**844**	1,057
Expected return on assets	**(890)**	(880)	**(1,779)**	(1,731)
Amortization of prior service credit	**(29)**	(24)	**(57)**	(57)
Actuarial (gain) loss	**-**	1,699	**-**	2,131
Net pension (credit) cost	**$ (239)**	$ 1,546	**$ (477)**	$ 1,883
Postretirement cost:				
Service cost – benefits earned during the period	**$ 13**	$ 18	**$ 26**	$ 36
Interest cost on accumulated postretirement benefit obligation	**104**	186	**208**	372
Expected return on assets	**(45)**	(56)	**(89)**	(112)
Amortization of prior service credit	**(582)**	(426)	**(1,164)**	(852)
Net postretirement (credit) cost	**$ (510)**	$ (278)	**$ (1,019)**	$ (556)
Combined net pension and postretirement (credit) cost	**$ (749)**	$ 1,268	**$ (1,496)**	$ 1,327

We also provide senior- and middle-management employees with nonqualified, unfunded supplemental retirement and savings plans. Net supplemental pension benefits costs not included in the table above were $19 and $25 in the second quarter and $38 and $50 for the first six months of 2020 and 2019, respectively.

Fair Value Measurements And Disclosure	6 Months Ended Jun. 30, 2020
Fair Value Disclosures	
Fair Value Measurements And Disclosure [Text Block]	**NOTE 7. FAIR VALUE MEASUREMENTS AND DISCLOSURE**

The Fair Value Measurement and Disclosure framework in ASC 820, “Fair Value Measurement,” provides a three-tiered fair value hierarchy based on the reliability of the inputs used to determine fair value. Level 1 refers to fair values determined based on quoted prices in active markets for identical assets. Level 2 refers to fair values estimated using significant other observable inputs and Level 3 includes fair values estimated using significant unobservable inputs.

The level of an asset or liability within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Our valuation techniques maximize the use of observable inputs and minimize the use of unobservable inputs.

The valuation methodologies described above may produce a fair value calculation that may not be indicative of future net realizable value or reflective of future fair values. We believe our valuation methods are appropriate and consistent with other market participants. The use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. There have been no changes in the methodologies used since December 31, 2019.

Long-Term Debt and Other Financial Instruments

The carrying amounts and estimated fair values of our long-term debt, including current maturities, and other financial instruments, are summarized as follows:

	June 30, 2020		December 31, 2019	
	Carrying Amount	**Fair Value**	Carrying Amount	Fair Value
Notes and debentures[1]	**$ 164,099**	**$ 190,284**	$ 161,109	$ 182,124
Commercial paper	**3,001**	**3,001**	-	-
Bank borrowings	**-**	**-**	4	4
Investment securities[2]	**3,632**	**3,632**	3,723	3,723

[1]Includes credit agreement borrowings.

[2]Excludes investments accounted for under the equity method.

The carrying amount of debt with an original maturity of less than one year approximates fair value. The fair value measurements used for notes and debentures are considered Level 2 and are determined using various methods, including quoted prices for identical or similar securities in both active and inactive markets.

Following is the fair value leveling for investment securities that are measured at fair value and derivatives as of June 30, 2020 and December 31, 2019. Derivatives designated as hedging instruments are reflected as “Other assets,” “Other noncurrent liabilities,” “Other current assets” and “Accounts payable and accrued liabilities” on our consolidated balance sheets.

	June 30, 2020			
	Level 1	**Level 2**	**Level 3**	**Total**
Equity Securities				
Domestic equities	**$ 832**	**$ -**	**$ -**	**$ 832**

International equities	**141**	**-**	**-**	**141**
Fixed income equities	**230**	**-**	**-**	**230**
Available-for-Sale Debt Securities	**-**	**1,522**	**-**	**1,522**
Asset Derivatives				
Cross-currency swaps	**-**	**67**	**-**	**67**
Foreign exchange contracts	**-**	**14**	**-**	**14**
Liability Derivatives				
Interest rate swaps	**-**	**(3)**	**-**	**(3)**
Cross-currency swaps	**-**	**(6,767)**	**-**	**(6,767)**
Foreign exchange contracts	**-**	**(10)**	**-**	**(10)**

	December 31, 2019			
	Level 1	Level 2	Level 3	Total
Equity Securities				
Domestic equities	$ 844	$ -	$ -	$ 844
International equities	183	-	-	183
Fixed income equities	229	-	-	229
Available-for-Sale Debt Securities	-	1,444	-	1,444
Asset Derivatives				
Interest rate swaps	-	2	-	2
Cross-currency swaps	-	172	-	172
Interest rate locks	-	11	-	11
Foreign exchange contracts	-	89	-	89
Liability Derivatives				
Cross-currency swaps	-	(3,187)	-	(3,187)
Interest rate locks	-	(95)	-	(95)

Investment Securities

Our investment securities include both equity and debt securities that are measured at fair value, as well as equity securities without readily determinable fair values. A substantial portion of the fair values of our investment securities is estimated based on quoted market prices. Investments in equity securities not traded on a national securities exchange are valued at cost, less any impairment, and adjusted for changes resulting from observable, orderly transactions for identical or similar securities. Investments in debt securities not traded on a national securities exchange are valued using pricing models, quoted prices of securities with similar characteristics or discounted cash flows.

The components comprising total gains and losses in the period on equity securities are as follows:

	Three months ended June 30,		Six months ended June 30,	
	2020	2019	**2020**	2019
Total gains (losses) recognized on equity securities	**$ 161**	$ 50	**$ (42)**	$ 210
Gains (Losses) recognized on equity securities sold	**9**	9	**(24)**	27
Unrealized gains (losses) recognized on equity securities held at end of period	**152**	41	**(18)**	183

At June 30, 2020, available-for-sale debt securities totaling $1,522 have maturities as follows - less than one year: $64; one to three years: $175; three to five years: $156; five or more years: $1,127.

Our cash equivalents (money market securities), short-term investments (certificate and time deposits) and nonrefundable customer deposits are recorded at amortized cost, and the respective carrying amounts approximate fair values. Short-term investments and nonrefundable customer deposits are recorded in “Other current assets” and our investment securities are recorded in “Other Assets” on the consolidated balance sheets.

Derivative Financial Instruments
We enter into derivative transactions to manage certain market risks, primarily interest rate risk and foreign currency exchange risk. This includes the use of interest rate swaps, interest rate locks, foreign exchange forward contracts and combined interest rate foreign exchange contracts (cross-currency swaps). We do not use derivatives for trading or speculative purposes. We record derivatives on our consolidated balance sheets at fair value that is derived from observable market data, including yield curves and foreign exchange rates (all of our derivatives are Level 2). Cash flows associated with derivative instruments are presented in the same category on the consolidated statements of cash flows as the item being hedged.

Fair Value Hedging Periodically, we enter into and designate fixed-to-floating interest rate swaps as fair value hedges. The purpose of these swaps is to manage interest rate risk by managing our mix of fixed-rate and floating-rate debt. These swaps involve the receipt of fixed-rate amounts for floating interest rate payments over the life of the swaps without exchange of the underlying principal amount.

We also designate some of our foreign exchange contracts as fair value hedges. The purpose of these contracts is to hedge currency risk associated with foreign-currency-denominated operating assets and liabilities.

Accrued and realized gains or losses from fair value hedges impact the same category on the consolidated statements of income as the item being hedged. Unrealized gains on fair value hedges are recorded at fair market value as assets, and unrealized losses are recorded at fair market value as liabilities. Changes in the fair value of derivative instruments designated as fair value hedges are offset against the change in fair value of the hedged assets or liabilities through earnings. In the six months ended June 30, 2020 and 2019, no ineffectiveness was measured on fair value hedges.

Cash Flow Hedging We designate our cross-currency swaps as cash flow hedges. We have entered into multiple cross-currency swaps to hedge our exposure to variability in expected future cash flows that are attributable to foreign currency risk generated from the issuance of our foreign-denominated debt. These agreements include initial and final exchanges of principal from fixed foreign currency denominated amounts to fixed U.S. dollar denominated amounts, to be exchanged at a specified rate that is usually determined by the market spot rate upon issuance. They also include an interest rate swap of a fixed or floating foreign currency-denominated interest rate to a fixed U.S. dollar denominated interest rate.

We also designate some of our foreign exchange contracts as cash flow hedges. The purpose of these contracts is to hedge certain film production costs denominated in foreign currencies.

Unrealized gains on derivatives designated as cash flow hedges are recorded at fair value as assets, and unrealized losses are recorded at fair value as liabilities. For derivative instruments designated as cash flow hedges, changes in fair value are reported as a component of accumulated OCI and are reclassified into the consolidated statements of income in the same period the hedged transaction affects earnings.

Periodically, we enter into and designate interest rate locks to partially hedge the risk of changes in interest payments attributable to increases in the benchmark interest rate during the period leading up to the probable issuance of fixed-rate debt. We designate our interest rate locks as cash flow hedges. Gains and losses when we settle our interest rate locks are amortized into income over the life of the related debt. Over the next 12 months, we expect to reclassify $98 from accumulated OCI to “Interest expense” due to the amortization of net losses on historical interest rate locks.

We settled all interest rate locks in May 2020 in conjunction with issuance of fixed rate debt obligations that the interest rate locks were hedging. We paid $731 that was largely offset by the return of collateral at the time of settlement. Cash flows from the interest rate lock settlements and return of collateral were reported as Financing Activities in our Statement of Cash Flows, consistent with our accounting policy for these instruments.

Net Investment Hedging We have designated €1,450 million aggregate principal amount of debt as a hedge of the variability of some of the Euro-denominated net investments of our subsidiaries. The gain or loss on the debt that is designated as, and is effective as, an economic hedge of the net investment in a foreign operation is recorded as a currency translation adjustment within accumulated OCI, net on the consolidated balance sheet. Net losses on net investment hedges recognized in accumulated OCI in the second quarter were $30 and for the first six months of 2020 were $5.

Collateral and Credit-Risk Contingency We have entered into agreements with our derivative counterparties establishing collateral thresholds based on respective credit ratings and netting agreements. At June 30, 2020, we had posted collateral of $694 (a deposit asset) and held collateral of $16 (a receipt liability). Under the agreements, if AT&T’s credit rating had been downgraded one rating level by Fitch Ratings, before the final collateral exchange in June, we would have been required to post additional collateral of $76. If AT&T’s credit rating had been downgraded four ratings levels by Fitch Ratings, two levels by S&P, and two levels by Moody’s, we would have been required to post additional collateral of $5,487. If DIRECTV Holdings LLC’s credit rating had been downgraded below BBB- by S&P, we would have been required to post additional collateral of $321. At December 31, 2019, we had posted collateral of $204 (a deposit asset) and held collateral of $44 (a receipt liability). We do not offset the fair value of collateral, whether the right to reclaim cash collateral (a receivable) or the obligation to return cash collateral (a payable) exists, against the fair value of the derivative instruments.

Following are the notional amounts of our outstanding derivative positions:

	June 30, 2020	December 31, 2019
Interest rate swaps	**$ 21**	$ 853
Cross-currency swaps	**45,606**	42,325
Interest rate locks	**-**	3,500
Foreign exchange contracts	**298**	269

Total	**$ 45,925**	$ 46,947

Following are the related hedged items affecting our financial position and performance:

Effect of Derivatives on the Consolidated Statements of Income

	Three months ended June 30,		Six months ended June 30,	
Fair Value Hedging Relationships	**2020**	2019	**2020**	2019
Interest rate swaps (Interest expense):				
Gain (Loss) on interest rate swaps	**$ (14)**	$ 35	**$ (4)**	$ 59
Gain (Loss) on long-term debt	**14**	(35)	**4**	(59)

In addition, the net swap settlements that accrued and settled in the quarters ended June 30, 2020 and 2019 were offset against interest expense.

The following table presents information for our cash flow hedging relationships:

	Three months ended June 30,		Six months ended June 30,	
Cash Flow Hedging Relationships	**2020**	2019	**2020**	2019
Cross-currency swaps:				
Gain (Loss) recognized in accumulated OCI	**$ 809**	$ (763)	**$ (3,170)**	$ (595)
Foreign exchange contracts:				
Gain (Loss) recognized in accumulated OCI	**2**	4	**(11)**	(3)
Other income (expense) - net reclassified from accumulated OCI into income	**(3)**	7	**13**	10
Interest rate locks:				
Gain (Loss) recognized in accumulated OCI	**(12)**	(23)	**(648)**	(23)
Interest income (expense) reclassified from accumulated OCI into income	**(18)**	(16)	**(34)**	(32)

Acquisitions, Dispositions And Other Adjustments	6 Months Ended Jun. 30, 2020
Acquisitions, Dispositions And Other Adjustments	
Acquisitions, Dispositions And Other Adjustments [Text Block]	**NOTE 8. ACQUISITIONS, DISPOSITIONS AND OTHER ADJUSTMENTS** ***Acquisitions*** **HBO Latin America Group (HBO LAG)** In May 2020, we acquired the remaining interest in HBO LAG for $141, net of cash acquired. At acquisition, we remeasured the fair value of the total business, which exceeded the carrying amount of our equity method investment and resulted in a pre-tax gain of $68. We consolidated that business upon close and recorded those assets at fair value, including $640 of trade names, $271 of distribution networks and $343 of goodwill that is reported in the WarnerMedia segment. These estimates are preliminary in nature and subject to adjustments, which will be finalized within one year from the date of acquisition. **Spectrum Auctions** In June 2020, we completed the acquisition of $2,379 of 37/39 GHz spectrum in a Federal Communications Commission (FCC) auction. Prior to the auction, we exchanged the 39 GHz licenses with a book value of approximately $300 that were previously acquired through FiberTower Corporation for vouchers to be applied against the winning bids and recorded a $900 gain in the first quarter of 2020. These vouchers yielded a value of approximately $1,200, which was applied toward our gross bids. In the second quarter of 2020, we made the final cash payment of $949, bringing the total cash payment to $1,186.

Sale of Equipment Installment Receivables	6 Months Ended
	Jun. 30, 2020
Other Assets [Abstract]	
Finance Receivables Disclosure[Text Block]	**NOTE 9. SALES OF RECEIVABLES**

NOTE 9. SALES OF RECEIVABLES

We have agreements with various third-party financial institutions pertaining to the sales of certain types of our accounts receivable. The most significant of these programs are discussed in detail below and generally consist of (1) receivables arising from equipment installment plans, which are sold for cash and a deferred purchase price, and (2) revolving service and trade receivables. Under these programs, we transfer receivables to purchasers in exchange for cash and additional consideration upon settlement of the receivables, where applicable. Under the terms of our agreements for these programs, we continue to bill and collect the payments from our customers on behalf of the financial institutions.

The sales of receivables did not have a material impact on our consolidated statements of income or to “Total Assets” reported on our consolidated balance sheets. We reflect cash receipts on sold receivables as cash flows from operations in our consolidated statements of cash flows. Cash receipts on the deferred purchase price are classified as cash flows from investing activities.

Our equipment installment and revolving receivable programs are discussed in detail below. The following table sets forth a summary of the receivables and accounts being serviced:

	June 30, 2020		December 31, 2019	
	Equipment Installment	**Revolving**	Equipment Installment	Revolving
Gross receivables:	**$ 3,931**	**$ 3,745**	$ 4,576	$ 3,324
Balance sheet classification				
Accounts receivable				
Notes receivable	**2,056**	**-**	2,467	-
Trade receivables	**496**	**3,547**	477	2,809
Other Assets				
Noncurrent notes and trade receivables	**1,379**	**198**	1,632	515
Outstanding portfolio of receivables derecognized from our consolidated balance sheets	**8,917**	**5,300**	9,713	4,300
Cash proceeds received, net of remittances[1]	**6,429**	**5,300**	7,211	4,300

[1]Represents amounts to which financial institutions remain entitled, excluding the deferred purchase price.

Equipment Installment Receivables Program

We offer our customers the option to purchase certain wireless devices in installments over a specified period of time and, in many cases, once certain conditions are met, they may be eligible to trade in the original equipment for a new device and have the remaining unpaid balance paid or settled.

We maintain a program under which we transfer a portion of these receivables through our bankruptcy-remote subsidiary in exchange for cash and additional consideration upon settlement of the receivables, referred to as the deferred purchase price. In the event a customer trades in a device prior to the end of the installment contract period, we agree to make a payment to the financial institutions equal to any outstanding remaining installment receivable balance. Accordingly, we record a guarantee obligation for this estimated amount at the time the receivables are transferred.

The following table sets forth a summary of equipment installment receivables sold under this program during the three and six months ended June 30, 2020 and 2019:

	Three months ended June 30,		Six months ended June 30,	
	2020	2019	**2020**	2019
Gross receivables sold	**$ 1,506**	$ 2,244	**$ 3,873**	$ 4,945
Net receivables sold[1]	**1,449**	2,133	**3,722**	4,679
Cash proceeds received	**1,225**	1,920	**3,175**	4,195
Deferred purchase price recorded	**232**	261	**585**	570
Guarantee obligation recorded	**27**	93	**71**	194

[1]Receivables net of allowance, imputed interest and equipment trade-in right guarantees.

The deferred purchase price and guarantee obligation are initially recorded at estimated fair value and subsequently adjusted for changes in present value of expected cash flows. The estimation of their fair values is based on remaining installment payments expected to be collected and the expected timing and value of device trade-ins. The estimated value of the device trade-ins considers prices offered to us by independent third parties that contemplate changes in value after the launch of a device model. The fair value measurements used for the deferred purchase price and the guarantee obligation are considered Level 3 under the Fair Value Measurement and Disclosure framework (see Note 7).

The following table presents the previously transferred equipment installment receivables, which we repurchased in exchange for the associated deferred purchase price during the three and six months ended June 30, 2020 and 2019:

	Three months ended June 30,		Six months ended June 30,	
	2020	2019	**2020**	2019
Fair value of repurchased receivables	**$ 285**	$ 235	**$ 573**	$ 658
Carrying value of deferred purchase price	**281**	225	**558**	632
Gain on repurchases[1]	**$ 4**	$ 10	**$ 15**	$ 26

[1]These gains are included in “Selling, general and administrative” in the consolidated statements of income.

At June 30, 2020 and December 31, 2019, our deferred purchase price receivable was $2,319 and $2,336, respectively, of which $1,591 and $1,569 are included in “Other current assets” on our consolidated balance sheets, with the remainder in “Other Assets.” The guarantee obligation at June 30, 2020 and December 31, 2019 was $315 and $384, respectively, of which $213 and $148 are included in “Accounts payable and accrued liabilities” on our consolidated balance sheets, with the remainder in “Other noncurrent liabilities.” Our maximum exposure to loss as a result of selling these equipment installment receivables is limited to the total amount of our deferred purchase price and guarantee obligation.

Revolving Receivables Program

In 2019, we entered into a one-year revolving agreement to transfer up to $4,300 of certain receivables through our bankruptcy-remote subsidiaries to various financial institutions on a recurring basis in exchange for cash equal to the gross receivables transferred. In the first quarter of 2020, we expanded the program limit to $5,300. In the second quarter of 2020, we extended the agreement by one year. As customers pay their balances, we transfer additional receivables into the program, resulting in our gross receivables sold exceeding net cash flow impacts (e.g., collect and reinvest). The transferred receivables are fully guaranteed by our bankruptcy-remote subsidiaries, which hold additional receivables in the amount of $3,745 that are pledged as collateral under this agreement. The transfers are recorded at fair value of the proceeds received and obligations assumed less derecognized receivables. The obligation is subsequently adjusted for changes in estimated expected credit losses and interest rates. Our maximum exposure to loss related to these receivables transferred is limited to the amount outstanding.

The fair value measurement used for the obligation is considered Level 3 under the Fair Value Measurement and Disclosure framework (see Note 7).

The following table sets forth a summary of receivables sold:

	Three months ended June 30,		Six months ended June 30,	
	2020	2019	**2020**	2019
Gross receivables sold/cash proceeds received[1]	**$ 3,805**	$ 4,452	**$ 8,027**	$ 5,852
Collections reinvested under revolving agreement	**3,805**	2,127	**7,027**	2,127
Net cash proceeds received (remitted)	**$ -**	$ 2,325	**$ 1,000**	$ 3,725
Net receivables sold[2]	**$ 3,819**	$ 4,134	**$ 7,957**	$ 5,497
Obligations recorded (reversed)	**(12)**	384	**114**	436

[1] Includes initial sale of receivables of $0 and $2,325 for the three months and $1,000 and $3,725 for the six months ended
June 30, 2020 and 2019, respectively.

[2] Receivables net of allowance, return and incentive reserves and imputed interest

Leases	6 Months Ended Jun. 30, 2020
Leases [Abstract]	
Leases of Lessee Disclosure [Text Block]	**NOTE 10. LEASES**

NOTE 10. LEASES

We have operating and finance leases for certain facilities and equipment used in operations. Our leases generally have remaining lease terms of up to 15 years. Some of our real estate operating leases contain renewal options that may be exercised, and some of our leases include options to terminate the leases within one year.

We have recognized a right-of-use asset for both operating and finance leases, and an operating lease liability that represents the present value of our obligation to make payments over the lease term. The present value of the lease payments is calculated using the incremental borrowing rate for operating and finance leases, which was determined using a portfolio approach based on the rate of interest that we would have to pay to borrow an amount equal to the lease payments on a collateralized basis over a similar term. We use the unsecured borrowing rate and risk-adjust that rate to approximate a collateralized rate in the currency of the lease, which will be updated on a quarterly basis for measurement of new lease liabilities.

The components of lease expense were as follows:

	Three months ended June 30,		Six months ended June 30,	
	2020	2019	**2020**	2019
Operating lease cost	**$ 1,449**	$ 1,610	**$ 2,826**	$ 2,852
Finance lease cost:				
Amortization of right-of-use assets	**$ 73**	$ 70	**$ 140**	$ 136
Interest on lease obligation	**36**	42	**77**	84
Total finance lease cost	**$ 109**	$ 112	**$ 217**	$ 220

Supplemental balance sheet information related to leases is as follows:

	June 30, 2020	December 31, 2019
Operating Leases		
Operating lease right-of-use assets	**$ 24,692**	$ 24,039
Accounts payable and accrued liabilities	**$ 3,474**	$ 3,451
Operating lease obligation	**22,230**	21,804
Total operating lease obligation	**$ 25,704**	$ 25,255
Finance Leases		
Property, plant and equipment, at cost	**$ 3,468**	$ 3,534
Accumulated depreciation and amortization	**(1,347)**	(1,296)
Property, plant and equipment, net	**$ 2,121**	$ 2,238
Current portion of long-term debt	**$ 180**	$ 162
Long-term debt	**1,683**	1,872

Total finance lease obligation	**$ 1,863**	$ 2,034
Weighted-Average Remaining Lease Term (years)		
Operating leases	**8.5**	8.4
Finance leases	**10.2**	10.7
Weighted-Average Discount Rate		
Operating leases	**4.2 %**	4.7 %
Finance leases	**8.2 %**	8.5 %

Future minimum maturities of lease obligations are as follows:

At June 30, 2020	**Operating Leases**	**Finance Leases**
Remainder of 2020	**$ 2,447**	**$ 190**
2021	**4,582**	**309**
2022	**4,277**	**291**
2023	**3,889**	**262**
2024	**3,357**	**242**
Thereafter	**13,031**	**1,632**
Total lease payments	**31,583**	**2,926**
Less imputed interest	**(5,879)**	**(1,063)**
Total	**$ 25,704**	**$ 1,863**

Preferred Shares	6 Months Ended Jun. 30, 2020
Stockholders' Equity Note	
Stockholders' Equity Note Disclosure [Text Block]	**NOTE 11. PREFERRED SHARES** We have authorized 10 million preferred shares of AT&T stock, each with a par value of $1.00 per share. Cumulative perpetual preferred shares consist of the following: • Series A: 48 thousand shares outstanding at June 30, 2020 and December 31, 2019, with a $25,000 per share liquidation preference and a dividend rate of 5.00%. • Series B: 20 thousand shares outstanding at June 30, 2020 and zero issued and outstanding at December 31, 2019, with a €100,000 per share liquidation preference, and an initial dividend rate of 2.875%, subject to reset beginning on May 1, 2025. • Series C: 70 thousand shares outstanding at June 30, 2020 and zero issued and outstanding at December 31, 2019, with a $25,000 per share liquidation preference and a dividend rate of 4.75%. So long as the preferred dividends are declared and paid on a timely basis on each series of preferred shares, there are no limitations on our ability to declare a dividend on or repurchase AT&T common shares. The preferred shares are optionally redeemable by AT&T at the liquidation price generally on or after five years from the issuance date, or upon certain other contingent events.

Additional Financial Information	6 Months Ended Jun. 30, 2020
Additional Financial Information [Abstract]	
Additional Financial Information [Text Block]	NOTE 12. ADDITIONAL FINANCIAL INFORMATION

NOTE 12. ADDITIONAL FINANCIAL INFORMATION

Cash and Cash Flows

We typically maintain our restricted cash balances for purchases and sales of certain investment securities and funding of certain deferred compensation benefit payments:

	June 30,		December 31,	
	2020	2019	2019	2018
Cash and cash equivalents	**$ 16,941**	$ 8,423	$ 12,130	$ 5,204
Restricted cash in Other current assets	**3**	15	69	61
Restricted cash in Other Assets	**87**	216	96	135
Cash and Cash Equivalents and Restricted Cash	**$ 17,031**	$ 8,654	$ 12,295	$ 5,400

Consolidated Statements of Cash Flows	Six months ended June 30,	
Cash paid (received) during the period for:	**2020**	2019
Interest	**$ 4,202**	$ 4,410
Income taxes, net of refunds	**(214)**	(32)

	Six months ended June 30,	
	2020	**2019**
Cash Flows from Operating Activities		
Cash paid for amounts included in lease obligations		
Operating cash flows from operating leases	**$ 2,424**	$ 2,464
Supplemental Lease Cash Flow Disclosures		
Operating lease right-of-use assets obtained in exchange for new operating lease obligations	**2,895**	3,899

Other Noncash Investing and Financing Activities In connection with capital improvements and the acquisition of other productive assets, we negotiate favorable payment terms (referred to as vendor financing), which are reported as financing activities when paid. For the first six months, we recorded vendor financing commitments related to capital investments of approximately $1,680 in 2020 and $1,265 in 2019.

Financing Activities

Debt Transactions At June 30, 2020, our total long-term debt obligations totaled $168,964. Our debt activity primarily consisted of the following:

- Net borrowings of approximately $2,960 of debt under our commercial paper program.
- In April 2020, entry into and draw on a $5,500 Term Loan Credit Agreement, with certain commercial banks and Bank of America, N.A., as lead agent, which was redeemed in May 2020 (originally due on December 31, 2020).
- Issuance of $16,545 of AT&T global notes due 2027 to 2060.
- Issuance of €3,000 million global notes ($3,281 at issuance) due 2028 to 2038.

- Redemptions of $12,689 of AT&T global notes due 2020 to 2047.
- Redemptions of $1,800 under term loan credit agreements with certain banks.
- Redemptions of $1,000 annual put reset securities issued by BellSouth.

Our long-term debt issuances carried a weighted average interest rate of 3.5%, and our long-term debt redemptions had a weighted average interest rate of 3.4%.

Subsequent Events In July 2020, we completed redemptions of $4,264 of AT&T, WarnerMedia and DIRECTV notes due 2022, with an average interest rate of 3.4%.

In August 2020, we issued $11,000 of global notes due 2028 to 2061, with an average interest rate of 2.7%.

Preparation Of Interim Financial Statements (Policy)	6 Months Ended Jun. 30, 2020
Accounting Policies [Abstract]	
Principles of Consolidation [Policy Text Block]	All significant intercompany transactions are eliminated in the consolidation process. Investments in subsidiaries and partnerships which we do not control but have significant influence are accounted for under the equity method. Earnings from certain investments accounted for using the equity method are included for periods ended within up to one quarter of our period end. We also record our proportionate share of our equity method investees' other comprehensive income (OCI) items.
Basis of Accounting [Policy Text Block]	The preparation of financial statements in conformity with U.S. generally accepted accounting principles (GAAP) requires management to make estimates and assumptions, including potential impacts arising from the COVID-19 pandemic, that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates. Certain prior period amounts have been conformed to the current period's presentation, including the combination of our prior Xandr segment with the WarnerMedia segment.
Credit Loss, Financial Instrument [Policy Text Block]	***Credit Losses*** As of January 1, 2020, we adopted, through modified retrospective application, the Financial Accounting Standards Board's (FASB) Accounting Standards Update (ASU) No. 2016-13, "Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments" (ASU 2016-13, as amended), which replaces the incurred loss impairment methodology under prior GAAP with an expected credit loss model. ASU 2016-13 affects trade receivables, loans, contract assets, certain beneficial interests, off-balance-sheet credit exposures not accounted for as insurance and other financial assets that are not subject to fair value through net income, as defined by the standard. Under the expected credit loss model, we are required to consider future economic trends to estimate expected credit losses over the lifetime of the asset. Upon adoption, we recorded a \$293 reduction to "Retained earnings," \$395 increase to "allowances for doubtful accounts" applicable to our trade and loan receivables, \$10 reduction of contract assets, \$105 reduction of net deferred income tax liability and \$7 reduction of "Noncontrolling interest" as an opening adjustment. Our adoption of ASU 2016-13 did not have a material impact on our financial statements.
Reference Rate Reform [Policy Text Block]	***Reference Rate Reform*** In March 2020, the FASB issued ASU No. 2020-04, "Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting" (ASU 2020-04), which provides optional expedients, and allows for certain exceptions to existing GAAP, for contract modifications triggered by the expected market transition of certain benchmark interest rates to alternative reference rates. ASU 2020-04 applies to contracts, hedging relationships and other arrangements that reference the London Interbank Offering Rate (LIBOR) or any other rates ending after December 31, 2022. We are evaluating the impact of our adoption of ASU 2020-04, including optional expedients, to our financial statements.
Spectrum Licenses [Policy Text Block]	During the first quarter of 2020, we reassessed and changed the estimated economic lives of certain trade names in our Latin America business from indefinite to finite-lived and began amortizing them using the straight-line method over their average remaining economic life of 15 years. This change had an insignificant impact on our financial statements. Also during the first quarter of 2020, in conjunction with the nationwide launch of AT&T TV and our customers' continued shift from linear to streaming video services, we reassessed the estimated economic lives and renewal assumptions for our orbital slot licenses. As a result, we

have changed the estimated lives of these licenses from indefinite to finite-lived, effective January 1, 2020, and began amortizing our orbital slot licenses using the sum-of-months-digits method over their average remaining economic life of 15 years. This change in accounting increased amortization expense $379, or $0.04 per diluted share available to common stock during the second quarter and $765, or $0.08, per diluted share available to common stock for the first six months of 2020.

Pension And Postretirement Benefits (Policy)	6 Months Ended Jun. 30, 2020
Pension And Postretirement Benefits	
Recognition Of Actuarial Gains And Losses	We recognize actuarial gains and losses on pension and postretirement plan assets in our consolidated results as a component of “Other income (expense) – net” at our annual measurement date of December 31, unless earlier remeasurements are required.

Fair Value Measurements And Disclosure (Policy)	6 Months Ended Jun. 30, 2020
Fair Value Disclosures	
Derivatives, Offsetting Fair Value Amounts, Policy [Policy Text Block]	We do not offset the fair value of collateral, whether the right to reclaim cash collateral (a receivable) or the obligation to return cash collateral (a payable) exists, against the fair value of the derivative instruments.

Earnings Per Share (Tables)

Earnings Per Share

Schedule of Earnings Per Share, Basic and Diluted [Table Text Block]

6 Months Ended Jun. 30, 2020

	Three months ended June 30, 2020	Three months ended June 30, 2019	Six months ended June 30, 2020	Six months ended June 30, 2019
Numerators				
Numerator for basic earnings per share:				
Net Income	**$ 1,563**	$ 3,974	**$ 6,526**	$ 8,322
Less: Net income attributable to noncontrolling interest	**(282)**	(261)	**(635)**	(513)
Net Income attributable to AT&T	**1,281**	3,713	**5,891**	7,809
Less: Preferred stock dividends	**(52)**	-	**(84)**	-
Net income attributable to common stock	**1,229**	3,713	**5,807**	7,809
Dilutive potential common shares:				
Share-based payment	**5**	4	**11**	10
Numerator for diluted earnings per share	**$ 1,234**	$ 3,717	**$ 5,818**	$ 7,819
Denominators (000,000)				
Denominator for basic earnings per share:				
Weighted average number of common shares outstanding	**7,145**	7,323	**7,166**	7,318
Dilutive potential common shares:				
Share-based payment (in shares)	**25**	30	**26**	29
Denominator for diluted earnings per share	**7,170**	7,353	**7,192**	7,347
Basic earnings per share attributable to Common Stock	**$ 0.17**	$ 0.51	**$ 0.81**	$ 1.06
Diluted earnings per share attributable to Common Stock	**$ 0.17**	$ 0.51	**$ 0.81**	$ 1.06

Accumulated Other Comprehensive Income (Tables)	6 Months Ended
	Jun. 30, 2020
Accumulated Other Comprehensive Income	
Accumulated Other Comprehensive Income	

	Foreign Currency Translation Adjustment	Net Unrealized Gains (Losses) on Securities	Net Unrealized Gains (Losses) on Derivative Instruments	Defined Benefit Postretirement Plans	Accumulated Other Comprehensive Income
Balance as of December 31, 2019	$ (3,056)	$ 48	$ (37)	$ 8,515	$ 5,470
Other comprehensive income (loss) before reclassifications	(1,490)	80	(3,026)	-	(4,436)
Amounts reclassified from accumulated OCI	- [1]	- [1]	17 [2]	(922)[3]	(905)
Net other comprehensive income (loss)	(1,490)	80	(3,009)	(922)	(5,341)
Balance as of June 30, 2020	**$ (4,546)**	**$ 128**	**$ (3,046)**	**$ 7,593**	**$ 129**

	Foreign Currency Translation Adjustment	Net Unrealized Gains (Losses) on Securities	Net Unrealized Gains (Losses) on Derivative Instruments	Defined Benefit Postretirement Plans	Accumulated Other Comprehensive Income
Balance as of December 31, 2018	$ (3,084)	$ (2)	$ 818	$ 6,517	$ 4,249
Other comprehensive income (loss) before reclassifications	159	42	(490)	-	(289)
Amounts reclassified from accumulated OCI	- [1]	- [1]	17 [2]	(688)[3]	(671)
Net other comprehensive income (loss)	159	42	(473)	(688)	(960)
Balance as of June 30, 2019	$ (2,925)	$ 40	$ 345	$ 5,829	$ 3,289

[1] (Gains) losses are included in "Other income (expense) - net" in the consolidated statements of income.

[2] (Gains) losses are included in "Interest expense" in the consolidated statements of income (see Note 7).

[3] The amortization of prior service credits associated with postretirement benefits are included in "Other income (expense) - net" in the consolidated statements of income (see Note 6).

Segment Information (Tables)	6 Months Ended Jun. 30, 2020

Segment Information

Reconciliation of Revenue from Segments to Consolidated [Table Text Block]

For the three months ended June 30, 2020

	Revenues	Operations and Support Expenses	EBITDA	Depreciation and Amortization	Operating Income (Loss)	Equity in Net Income (Loss) of Affiliates	Segment Contribution
Communications							
Mobility	$ 17,149	$ 9,332	$ 7,817	$ 2,012	$ 5,805	$ -	$ 5,805
Entertainment Group	10,069	7,730	2,339	1,309	1,030	-	1,030
Business Wireline	6,374	3,779	2,595	1,318	1,277	-	1,277
Total Communications	33,592	20,841	12,751	4,639	8,112	-	8,112
WarnerMedia							
Turner	2,988	1,347	1,641	69	1,572	-	1,572
Home Box Office	1,627	1,489	138	25	113	(5)	108
Warner Bros.	3,256	2,583	673	40	633	(19)	614
Eliminations and other	(1,057)	(685)	(372)	33	(405)	28	(377)
Total WarnerMedia	6,814	4,734	2,080	167	1,913	4	1,917
Latin America							
Vrio	752	661	91	127	(36)	8	(28)
Mexico	480	538	(58)	115	(173)	-	(173)
Total Latin America	1,232	1,199	33	242	(209)	8	(201)
Segment Total	41,638	26,774	14,864	5,048	9,816	$ 12	$ 9,828
Corporate and Other							
Corporate	437	933	(496)	93	(589)		
Acquisition-related items	-	211	(211)	2,145	(2,356)		
Certain significant items	-	3,084	(3,084)	-	(3,084)		
Eliminations and consolidations	(1,125)	(869)	(256)	(1)	(255)		
AT&T Inc.	$ 40,950	$ 30,133	$ 10,817	$ 7,285	$ 3,532		

For the three months ended June 30, 2019

	Revenues	Operations and Support Expenses	EBITDA	Depreciation and Amortization	Operating Income (Loss)	Equity in Net Income (Loss) of Affiliates	Segment Contribution
Communications							
Mobility	$ 17,292	$ 9,522	$ 7,770	$ 2,003	$ 5,767	$ -	$ 5,767
Entertainment Group	11,368	8,515	2,853	1,339	1,514	-	1,514

Business Wireline	6,607	3,975	2,632	1,242	1,390	-	1,390
Total Communications	35,267	22,012	13,255	4,584	8,671	-	8,671
WarnerMedia							
Turner	3,410	2,217	1,193	39	1,154	11	1,165
Home Box Office	1,716	1,131	585	12	573	15	588
Warner Bros.	3,389	2,918	471	31	440	-	440
Eliminations and other	320	170	150	22	128	29	157
Total WarnerMedia	8,835	6,436	2,399	104	2,295	55	2,350
Latin America							
Vrio	1,032	881	151	165	(14)	12	(2)
Mexico	725	813	(88)	119	(207)	-	(207)
Total Latin America	1,757	1,694	63	284	(221)	12	(209)
Segment Total	45,859	30,142	15,717	4,972	10,745	$ 67	$ 10,812
Corporate and Other							
Corporate	450	765	(315)	170	(485)		
Acquisition-related items	(30)	316	(346)	1,960	(2,306)		
Certain significant items	-	94	(94)	-	(94)		
Eliminations and consolidations	(1,322)	(961)	(361)	(1)	(360)		
AT&T Inc.	$ 44,957	$ 30,356	$ 14,601	$ 7,101	$ 7,500		

For the six months ended June 30, 2020

	Revenues	Operations and Support Expenses	EBITDA	Depreciation and Amortization	Operating Income (Loss)	Equity in Net Income (Loss) of Affiliates	Segment Contribution
Communications							
Mobility	$ 34,551	$ 18,901	$ 15,650	$ 4,057	$ 11,593	$ -	$ 11,593
Entertainment Group	20,584	15,621	4,963	2,598	2,365	-	2,365
Business Wireline	12,706	7,730	4,976	2,619	2,357	-	2,357
Total Communications	67,841	42,252	25,589	9,274	16,315	-	16,315
WarnerMedia							
Turner	6,150	3,057	3,093	138	2,955	6	2,961
Home Box Office	3,124	2,542	582	46	536	15	551
Warner Bros.	6,496	5,533	963	81	882	(27)	855
Eliminations and other	(1,108)	(711)	(397)	65	(462)	25	(437)
Total WarnerMedia	14,662	10,421	4,241	330	3,911	19	3,930
Latin America							
Vrio	1,639	1,444	195	274	(79)	12	(67)
Mexico	1,183	1,252	(69)	249	(318)	-	(318)

Total Latin America	**2,822**	**2,696**	**126**	**523**	**(397)**	**12**	**(385)**
Segment Total	**85,325**	**55,369**	**29,956**	**10,127**	**19,829**	**$ 31**	**$ 19,860**
Corporate and Other							
Corporate	**825**	**1,807**	**(982)**	**180**	**(1,162)**		
Acquisition-related items	**-**	**393**	**(393)**	**4,201**	**(4,594)**		
Certain significant items	**-**	**2,426**	**(2,426)**	**-**	**(2,426)**		
Eliminations and consolidations	**(2,421)**	**(1,791)**	**(630)**	**(1)**	**(629)**		
AT&T Inc.	**$ 83,729**	**$ 58,204**	**$ 25,525**	**$ 14,507**	**$ 11,018**		

For the six months ended June 30, 2019

	Revenues	Operations and Support Expenses	EBITDA	Depreciation and Amortization	Operating Income (Loss)	Equity in Net Income (Loss) of Affiliates	Segment Contribution
Communications							
Mobility	$ 34,655	$ 19,563	$ 15,092	$ 4,016	$ 11,076	$ -	$ 11,076
Entertainment Group	22,696	17,042	5,654	2,662	2,992	-	2,992
Business Wireline	13,085	8,007	5,078	2,464	2,614	-	2,614
Total Communications	70,436	44,612	25,824	9,142	16,682	-	16,682
WarnerMedia							
Turner	6,853	4,353	2,500	99	2,401	36	2,437
Home Box Office	3,226	2,052	1,174	34	1,140	30	1,170
Warner Bros.	6,907	5,837	1,070	83	987	6	993
Eliminations and other	654	347	307	44	263	50	313
Total WarnerMedia	17,640	12,589	5,051	260	4,791	122	4,913
Latin America							
Vrio	2,099	1,747	352	334	18	12	30
Mexico	1,376	1,538	(162)	250	(412)	-	(412)
Total Latin America	3,475	3,285	190	584	(394)	12	(382)
Segment Total	91,551	60,486	31,065	9,986	21,079	$ 134	$ 21,213
Corporate and Other							
Corporate	883	1,426	(543)	374	(917)		
Acquisition-related items	(72)	389	(461)	3,948	(4,409)		
Certain significant items	-	342	(342)	-	(342)		
Eliminations and consolidations	(2,578)	(1,899)	(679)	(1)	(678)		
AT&T Inc.	$ 89,784	$ 60,744	$ 29,040	$ 14,307	$ 14,733		

Reconciliation of Operating Income (Loss) from Segments to Consolidated Statements of Income [Table Text Block]

	Three months ended June 30,		Six months ended June 30,	
	2020	2019	**2020**	2019
Communications	**$ 8,112**	$ 8,671	**$ 16,315**	$ 16,682
WarnerMedia	**1,917**	2,350	**3,930**	4,913
Latin America	**(201)**	(209)	**(385)**	(382)
Segment Contribution	**9,828**	10,812	**19,860**	21,213
Reconciling Items:				
Corporate and Other	**(589)**	(485)	**(1,162)**	(917)
Merger and integration items	**(211)**	(346)	**(393)**	(461)
Amortization of intangibles acquired	**(2,145)**	(1,960)	**(4,201)**	(3,948)
Impairments	**(2,319)**	-	**(2,442)**	-
Gain on spectrum transaction[1]	**-**	-	**900**	-
Employee separation costs and benefit-related losses	**(765)**	(94)	**(884)**	(342)
Segment equity in net income of affiliates	**(12)**	(67)	**(31)**	(134)
Eliminations and consolidations	**(255)**	(360)	**(629)**	(678)
AT&T Operating Income	**3,532**	7,500	**11,018**	14,733
Interest Expense	**2,041**	2,149	**4,059**	4,290
Equity in net income (loss) of affiliates	**(10)**	40	**(16)**	33
Other income (expense) - net	**1,017**	(318)	**1,820**	(32)
Income Before Income Taxes	**$ 2,498**	$ 5,073	**$ 8,763**	$ 10,444

[1] Included as a reduction of "Selling, general and administrative expenses" in the consolidated statement of income.

Schedule of Segment Reporting Information, by Segment [Table Text Block]

Intersegment Reconciliation

	Three months ended June 30,		Six months ended June 30,	
	2020	2019	**2020**	2019
Intersegment Revenues				
Communications	**$ 2**	$ 8	**$ 4**	$ 8
WarnerMedia	**774**	861	**1,591**	1,719
Latin America	**-**	-	**-**	-
Total Intersegment Revenues	**776**	869	**1,595**	1,727
Consolidations	**349**	453	**826**	851
Eliminations and consolidations	**$ 1,125**	$ 1,322	**$ 2,421**	$ 2,578

Revenue Recognition (Tables)	6 Months Ended Jun. 30, 2020
Revenue from Contract with Customer [Abstract]	
Disaggregation of Revenue [Table Text Block]	**Revenue Categories** The following tables set forth reported revenue by category and by business unit:

For the three months ended June 30, 2020

	Service Revenues								
	Wireless	Advanced Data	Legacy Voice & Data	Subscription	Content	Advertising	Other	Equipment	Total
Communications									
Mobility	$ 13,611	$ -	$ -	$ -	$ -	$ 58	$ -	$ 3,480	$17,149
Entertainment Group	-	2,092	560	6,682	-	294	397	44	10,069
Business Wireline	-	3,320	2,067	-	-	-	782	205	6,374
WarnerMedia									
Turner	-	-	-	1,804	334	796	54	-	2,988
Home Box Office	-	-	-	1,441	181	-	5	-	1,627
Warner Bros.	-	-	-	16	3,179	1	60	-	3,256
Eliminations and other	-	-	-	71	(1,516)	378	10	-	(1,057)
Latin America									
Vrio	-	-	-	752	-	-	-	-	752
Mexico	345	-	-	-	-	-	-	135	480
Corporate and Other	178	10	152	-	-	-	62	35	437
Eliminations and consolidations	-	-	-	-	(765)	(294)	(66)	-	(1,125)
Total Operating Revenues	$ 14,134	$ 5,422	$ 2,779	$ 10,766	$ 1,413	$ 1,233	$1,304	$ 3,899	$40,950

For the three months ended June 30, 2019

	Service Revenues								
	Wireless	Advanced Data	Legacy Voice & Data	Subscription	Content	Advertising	Other	Equipment	Total
Communications									
Mobility	$ 13,753	$ -	$ -	$ -	$ -	$ 71	$ -	$ 3,468	$17,292
Entertainment Group	-	2,109	658	7,636	-	399	563	3	11,368
Business Wireline	-	3,208	2,324	-	-	-	897	178	6,607
WarnerMedia									
Turner	-	-	-	1,943	111	1,266	90	-	3,410
Home Box Office	-	-	-	1,516	198	-	2	-	1,716
Warner Bros.	-	-	-	23	3,175	10	181	-	3,389
Eliminations and other	-	-	-	54	(237)	494	9	-	320
Latin America									

Vrio	-	-	-	1,032	-	-	-	-	1,032
Mexico	479	-	-	-	-	-	-	246	725
Corporate and Other	150	14	7	-	-	-	210	39	420
Eliminations and consolidations	-	-	-	-	(840)	(399)	(83)	-	(1,322)
Total Operating Revenues	$ 14,382	$ 5,331	$ 2,989	$ 12,204	$ 2,407	$ 1,841	$1,869	$ 3,934	$44,957

For the six months ended June 30, 2020

	Service Revenues								
	Wireless	Advanced Data	Legacy Voice & Data	Subscription	Content	Advertising	Other	Equipment	Total
Communications									
Mobility	**$ 27,503**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 134**	**$ -**	**$ 6,914**	**$34,551**
Entertainment Group	**-**	**4,201**	**1,141**	**13,664**	**-**	**707**	**816**	**55**	**20,584**
Business Wireline	**-**	**6,595**	**4,196**	**-**	**-**	**-**	**1,535**	**380**	**12,706**
WarnerMedia									
Turner	**-**	**-**	**-**	**3,853**	**420**	**1,753**	**124**	**-**	**6,150**
Home Box Office	**-**	**-**	**-**	**2,779**	**338**	**-**	**7**	**-**	**3,124**
Warner Bros.	**-**	**-**	**-**	**26**	**6,239**	**3**	**228**	**-**	**6,496**
Eliminations and other	**-**	**-**	**-**	**134**	**(2,162)**	**887**	**33**	**-**	**(1,108)**
Latin America									
Vrio	**-**	**-**	**-**	**1,639**	**-**	**-**	**-**	**-**	**1,639**
Mexico	**812**	**-**	**-**	**-**	**-**	**-**	**-**	**371**	**1,183**
Corporate and Other	**295**	**24**	**286**	**-**	**-**	**-**	**145**	**75**	**825**
Eliminations and consolidations	**-**	**-**	**-**	**-**	**(1,559)**	**(707)**	**(155)**	**-**	**(2,421)**
Total Operating Revenues	**$ 28,610**	**$ 10,820**	**$ 5,623**	**$ 22,095**	**$ 3,276**	**$ 2,777**	**$2,733**	**$ 7,795**	**$83,729**

For the six months ended June 30, 2019

	Service Revenues								
	Wireless	Advanced Data	Legacy Voice & Data	Subscription	Content	Advertising	Other	Equipment	Total
Communications									
Mobility	$ 27,315	$ -	$ -	$ -	$ -	$ 138	$ -	$ 7,202	$34,655
Entertainment Group	-	4,179	1,341	15,360	-	749	1,063	4	22,696
Business Wireline	-	6,380	4,721	-	-	-	1,647	337	13,085
WarnerMedia									
Turner	-	-	-	3,908	246	2,527	172	-	6,853
Home Box Office	-	-	-	2,850	371	-	5	-	3,226
Warner Bros.	-	-	-	44	6,507	20	336	-	6,907
Eliminations and other	-	-	-	103	(389)	928	12	-	654

Latin America									
Vrio	-	-	-	2,099	-	-	-	-	2,099
Mexico	921	-	-	-	-	-	-	455	1,376
Corporate and Other	272	27	14	-	-	-	419	79	811
Eliminations and consolidations	-	-	-	-	(1,677)	(749)	(152)	-	(2,578)
Total Operating Revenues	$ 28,508	$ 10,586	$ 6,076	$ 24,364	$ 5,058	$ 3,613	$3,502	$ 8,077	$89,784

Capitalized Contract Cost [Table Text Block]

Consolidated Balance Sheets	**June 30, 2020**	December 31, 2019
Deferred Acquisition Costs		
Other current assets	**$ 2,630**	$ 2,462
Other Assets	**3,117**	2,991
Total deferred customer contract acquisition costs	$ **5,747**	**$** 5,453
Deferred Fulfillment Costs		
Other current assets	**$ 4,362**	**$** 4,519
Other Assets	**5,980**	6,439
Total deferred customer contract fulfillment costs	**$ 10,342**	$ 10,958

Consolidated Statements of Income	**June 30, 2020**	June 30, 2019
Deferred acquisition cost amortization	**$ 1,278**	$ 1,026
Deferred fulfillment cost amortization	**2,636**	2,381

Contract with Customer, Asset and Liability [Table Text Block]

Consolidated Balance Sheets	**June 30, 2020**	December 31, 2019
Contract asset	$ **2,546**	$ 2,472
Contract liability	**6,533**	6,999

Pension And Postretirement Benefits (Tables)	6 Months Ended Jun. 30, 2020

Pension And Postretirement Benefits

Pension and postretirement benefit costs included in operating expenses [Table Text Block]

	Three months ended June 30,		Six months ended June 30,	
	2020	2019	**2020**	2019
Pension cost:				
Service cost – benefits earned during the period	**$ 258**	$ 243	**$ 515**	$ 483
Interest cost on projected benefit obligation	**422**	508	**844**	1,057
Expected return on assets	**(890)**	(880)	**(1,779)**	(1,731)
Amortization of prior service credit	**(29)**	(24)	**(57)**	(57)
Actuarial (gain) loss	**-**	1,699	**-**	2,131
Net pension (credit) cost	**$(239)**	$1,546	**$ (477)**	$ 1,883
Postretirement cost:				
Service cost – benefits earned during the period	**$ 13**	$ 18	**$ 26**	$ 36
Interest cost on accumulated postretirement benefit obligation	**104**	186	**208**	372
Expected return on assets	**(45)**	(56)	**(89)**	(112)
Amortization of prior service credit	**(582)**	(426)	**(1,164)**	(852)
Net postretirement (credit) cost	**$(510)**	$ (278)	**$(1,019)**	$ (556)
Combined net pension and postretirement (credit) cost	**$(749)**	$1,268	**$(1,496)**	$ 1,327

Fair Value Measurements And Disclosure (Tables)	6 Months Ended Jun. 30, 2020

Fair Value Disclosures

Long-term debt and other financial instruments [Table Text Block]

	June 30, 2020		December 31, 2019	
	Carrying Amount	**Fair Value**	Carrying Amount	Fair Value
Notes and debentures[1]	**$164,099**	**$190,284**	$161,109	$182,124
Commercial paper	**3,001**	**3,001**	-	-
Bank borrowings	**-**	**-**	4	4
Investment securities[2]	**3,632**	**3,632**	3,723	3,723

[1]Includes credit agreement borrowings.

[2]Excludes investments accounted for under the equity method.

Fair Value Leveling [Table Text Block]

	June 30, 2020			
	Level 1	**Level 2**	**Level 3**	**Total**
Equity Securities				
Domestic equities	**$ 832**	**$ -**	**$ -**	**$ 832**
International equities	**141**	**-**	**-**	**141**
Fixed income equities	**230**	**-**	**-**	**230**
Available-for-Sale Debt Securities	**-**	**1,522**	**-**	**1,522**
Asset Derivatives				
Cross-currency swaps	**-**	**67**	**-**	**67**
Foreign exchange contracts	**-**	**14**	**-**	**14**
Liability Derivatives				
Interest rate swaps	**-**	**(3)**	**-**	**(3)**
Cross-currency swaps	**-**	**(6,767)**	**-**	**(6,767)**
Foreign exchange contracts	**-**	**(10)**	**-**	**(10)**

	December 31, 2019			
	Level 1	Level 2	Level 3	Total
Equity Securities				
Domestic equities	$ 844	$ -	$ -	$ 844
International equities	183	-	-	183
Fixed income equities	229	-	-	229
Available-for-Sale Debt Securities	-	1,444	-	1,444
Asset Derivatives				
Interest rate swaps	-	2	-	2
Cross-currency swaps	-	172	-	172
Interest rate locks	-	11	-	11
Foreign exchange contracts	-	89	-	89
Liability Derivatives				
Cross-currency swaps	-	(3,187)	-	(3,187)
Interest rate locks	-	(95)	-	(95)

Unrealized Gain (Loss) on Investments [Table Text Block]

	Three months ended June 30, 2020	Three months ended June 30, 2019	Six months ended June 30, 2020	Six months ended June 30, 2019
Total gains (losses) recognized on equity securities	**$161**	$ 50	**$ (42)**	$210
Gains (Losses) recognized on equity securities sold	**9**	9	**(24)**	27
Unrealized gains (losses) recognized on equity securities held at end of period	**152**	41	**(18)**	183

Notional Amount of Outstanding Derivative Positions [Table Text Block]

	June 30, 2020	December 31, 2019
Interest rate swaps	**$ 21**	$ 853
Cross-currency swaps	**45,606**	42,325
Interest rate locks	**-**	3,500
Foreign exchange contracts	**298**	269
Total	**$45,925**	$ 46,947

Effect on Derivatives on the Consolidated Statements of Income [Table Text Block]

Effect of Derivatives on the Consolidated Statements of Income

Fair Value Hedging Relationships	Three months ended June 30, 2020	Three months ended June 30, 2019	Six months ended June 30, 2020	Six months ended June 30, 2019
Interest rate swaps (Interest expense):				
Gain (Loss) on interest rate swaps	**$ (14)**	$ 35	**$ (4)**	$ 59
Gain (Loss) on long-term debt	**14**	(35)	**4**	(59)

Cash Flow Hedging Relationships	Three months ended June 30, 2020	Three months ended June 30, 2019	Six months ended June 30, 2020	Six months ended June 30, 2019
Cross-currency swaps:				
Gain (Loss) recognized in accumulated OCI	**$ 809**	$ (763)	**$(3,170)**	$ (595)
Foreign exchange contracts:				
Gain (Loss) recognized in accumulated OCI	**2**	4	**(11)**	(3)
Other income (expense) - net reclassified from accumulated OCI into income	**(3)**	7	**13**	10
Interest rate locks:				

Gain (Loss) recognized in accumulated OCI	**(12)**	(23)	**(648)**	(23)
Interest income (expense) reclassified from accumulated OCI into income	**(18)**	(16)	**(34)**	(32)

Sale of Equipment Installment Receivables (Tables)	6 Months Ended Jun. 30, 2020

Accounts, Notes, Loans and Financing Receivable [Line Items]

Finance Receivables [Table Text Block]

	June 30, 2020		December 31, 2019	
	Equipment Installment	**Revolving**	Equipment Installment	Revolving
Gross receivables:	**$ 3,931**	**$ 3,745**	$ 4,576	$ 3,324
Balance sheet classification				
Accounts receivable				
Notes receivable	**2,056**	**-**	2,467	-
Trade receivables	**496**	**3,547**	477	2,809
Other Assets				
Noncurrent notes and trade receivables	**1,379**	**198**	1,632	515
Outstanding portfolio of receivables derecognized from our consolidated balance sheets	**8,917**	**5,300**	9,713	4,300
Cash proceeds received, net of remittances[1]	**6,429**	**5,300**	7,211	4,300

[1] Represents amounts to which financial institutions remain entitled, excluding the deferred purchase price.

	Three months ended June 30,		Six months ended June 30,	
	2020	2019	**2020**	2019
Gross receivables sold	**$ 1,506**	$ 2,244	**$ 3,873**	$ 4,945
Net receivables sold[1]	**1,449**	2,133	**3,722**	4,679
Cash proceeds received	**1,225**	1,920	**3,175**	4,195
Deferred purchase price recorded	**232**	261	**585**	570
Guarantee obligation recorded	**27**	93	**71**	194

[1] Receivables net of allowance, imputed interest and equipment trade-in right guarantees.

Transfer of Financial Assets Accounted for as Sales [Table Text Block]

	Three months ended June 30,		Six months ended June 30,	
	2020	2019	**2020**	2019
Gross receivables sold/cash proceeds received[1]	**$ 3,805**	$ 4,452	**$ 8,027**	$ 5,852
Collections reinvested under revolving agreement	**3,805**	2,127	**7,027**	2,127
Net cash proceeds received (remitted)	**$ -**	$ 2,325	**$ 1,000**	$ 3,725
Net receivables sold[2]	**$ 3,819**	$ 4,134	**$ 7,957**	$ 5,497

Obligations recorded (reversed)	**(12)**	384	**114**	436

[1] Includes initial sale of receivables of $0 and $2,325 for the three months and $1,000 and $3,725 for the six months ended June 30, 2020 and 2019, respectively.

[2] Receivables net of allowance, return and incentive reserves and imputed interest

Deferred Purchase Price [Member]

Accounts, Notes, Loans and Financing Receivable [Line Items]

Finance Receivables [Table Text Block]

	Three months ended June 30,		Six months ended June 30,	
	2020	2019	**2020**	2019
Fair value of repurchased receivables	**$ 285**	$ 235	**$ 573**	$ 658
Carrying value of deferred purchase price	**281**	225	**558**	632
Gain on repurchases[1]	**$ 4**	$ 10	**$ 15**	$ 26

[1] These gains are included in "Selling, general and administrative" in the consolidated statements of income.

Leases (Tables)

	6 Months Ended Jun. 30, 2020
Leases [Abstract]	
Lease, Cost [Table Text Block]	(see tables below)

	Three months ended June 30, 2020	Three months ended June 30, 2019	Six months ended June 30, 2020	Six months ended June 30, 2019
Operating lease cost	**$1,449**	$1,610	**$2,826**	$2,852
Finance lease cost:				
Amortization of right-of-use assets	**$ 73**	$ 70	**$ 140**	$ 136
Interest on lease obligation	**36**	42	**77**	84
Total finance lease cost	**$ 109**	$ 112	**$ 217**	$ 220

	June 30, 2020	December 31, 2019
Operating Leases		
Operating lease right-of-use assets	**$24,692**	$ 24,039
Accounts payable and accrued liabilities	**$ 3,474**	$ 3,451
Operating lease obligation	**22,230**	21,804
Total operating lease obligation	**$25,704**	$ 25,255
Finance Leases		
Property, plant and equipment, at cost	**$ 3,468**	$ 3,534
Accumulated depreciation and amortization	**(1,347)**	(1,296)
Property, plant and equipment, net	**$ 2,121**	$ 2,238
Current portion of long-term debt	**$ 180**	$ 162
Long-term debt	**1,683**	1,872
Total finance lease obligation	**$ 1,863**	$ 2,034
Weighted-Average Remaining Lease Term (years)		
Operating leases	**8.5**	8.4
Finance leases	**10.2**	10.7
Weighted-Average Discount Rate		
Operating leases	**4.2 %**	4.7 %
Finance leases	**8.2 %**	8.5 %

Schedule Of Maturities Of Operating And Finance Leases Liabilities [Table Text Block]

At June 30, 2020	Operating Leases	Finance Leases
Remainder of 2020	$ 2,447	$ 190
2021	4,582	309
2022	4,277	291
2023	3,889	262
2024	3,357	242
Thereafter	13,031	1,632
Total lease payments	31,583	2,926
Less imputed interest	(5,879)	(1,063)
Total	$ 25,704	$ 1,863

Additional Financial Information (Tables)	6 Months Ended Jun. 30, 2020
Additional Financial Information [Abstract]	
Schedule of Cash Flow, Supplemental Disclosures [Table Text Block]	(see tables below)

	June 30,		December 31,	
	2020	2019	2019	2018
Cash and cash equivalents	**$16,941**	$ 8,423	$12,130	$ 5,204
Restricted cash in Other current assets	**3**	15	69	61
Restricted cash in Other Assets	**87**	216	96	135
Cash and Cash Equivalents and Restricted Cash	**$17,031**	$ 8,654	$12,295	$ 5,400

Consolidated Statements of Cash Flows	Six months ended June 30,	
Cash paid (received) during the period for:	**2020**	2019
Interest	**$ 4,202**	$ 4,410
Income taxes, net of refunds	**(214)**	(32)

	Six months ended June 30,	
	2020	**2019**
Cash Flows from Operating Activities		
Cash paid for amounts included in lease obligations		
Operating cash flows from operating leases	**$ 2,424**	$ 2,464
Supplemental Lease Cash Flow Disclosures		
Operating lease right-of-use assets obtained in exchange for new operating lease obligations	**2,895**	3,899

Preparation Of Interim Financial Statements (Narrative) (Details) - USD ($) $ / shares in Units, $ in Millions	3 Months Ended		6 Months Ended			
	Jun. 30, 2020	Jun. 30, 2019	Jun. 30, 2020	Jun. 30, 2019	Jan. 01, 2020	Dec. 31, 2019
Change in Accounting Estimate [Line Items]						
Diluted Earnings Per Share Attributable to Common Stock	$ 0.17	$ 0.51	$ 0.81	$ 1.06		
New Accounting Pronouncements Or Change In Accounting Principle [Line Items]						
Retained earnings	$ 56,045		$ 56,045			$ 57,936
Contract asset	2,546		2,546			2,472
Deferred income taxes	58,387		58,387			59,502
Goodwill, Impairment Loss	2,319	$ 0	2,442	$ 0		
Noncontrolling interest	17,557		$ 17,557			$ 17,713
Communications [Member] | Orbital Slots [Member] | Intangible Assets, Amortization Period [Member]						
Change in Accounting Estimate [Line Items]						
Change in Accounting Estimate, Description			Also during the first quarter of 2020, in conjunction with the nationwide launch of AT&T TV and our customers' continued shift from linear to streaming video services, we reassessed the estimated economic lives and renewal assumptions for our orbital slot licenses. As a result, we have changed the estimated lives of these licenses from indefinite to finite-lived, effective January 1, 2020, and began amortizing our orbital slot licenses using the sum-of-months-digits method over their average remaining economic life of 15 years.			
Estimated economic useful life			15 years			
Amortization expense	$ 379		$ 765			
Diluted Earnings Per Share Attributable to Common Stock	$ 0.04		$ 0.08			

Latin America [Member] | Vrio [Member] | Venezuela			
New Accounting Pronouncements Or Change In Accounting Principle [Line Items]			
Disposal Date		Jun. 30, 2020	
Goodwill, Impairment Loss		$ 2,212	
Noncontrolling interest	$ (105)	$ (105)	
Latin America [Member] | Trade Names [Member] | Intangible Assets, Amortization Period [Member]			
Change in Accounting Estimate [Line Items]			
Change in Accounting Estimate, Description		During the first quarter of 2020, we reassessed and changed the estimated economic lives of certain trade names in our Latin America business from indefinite to finite-lived and began amortizing them using the straight-line method over their average remaining economic life of 15 years.	
Estimated economic useful life		15 years	
ASU 2016-13 [Member]			
New Accounting Pronouncements Or Change In Accounting Principle [Line Items]			
ASU Adoption Date [CCYY-MM-DD format]			Jan. 01, 2020
ASU Early Adoption [true/false]			false
Transition Option Elected [Prospective/Retrospective/Modified Prospective/Modified Retrospective]			Modified Retrospective
Prior Period Not Restated [true/false]		true	
Significant effect on the financial statements [Yes/No]		No	
Retained earnings			$ (293)
Allowance for doubtful accounts			395
Contract asset			(10)
Deferred income taxes			(105)

Noncontrolling interest	$ (7)

Earnings Per Share (Details) - USD ($) $ / shares in Units, shares in Millions, $ in Millions	3 Months Ended		6 Months Ended	
	Jun. 30, 2020	Jun. 30, 2019	Jun. 30, 2020	Jun. 30, 2019
Earnings Per Share				
Net income	$ 1,563	$ 3,974	$ 6,526	$ 8,322
Less: Net income attributable to noncontrolling interest	(282)	(261)	(635)	(513)
Net Income attributable to AT&T	1,281	3,713	5,891	7,809
Less: Preferred stock dividends	(52)	0	(84)	0
Net income attributable to common stock	1,229	3,713	5,807	7,809
Share-based payment	5	4	11	10
Numerator for diluted earnings per share	$ 1,234	$ 3,717	$ 5,818	$ 7,819
Weighted average number of common shares outstanding	7,145	7,323	7,166	7,318
Share-based payment (in shares)	25	30	26	29
Denominator for diluted earnings per share	7,170	7,353	7,192	7,347
Basic earnings per share attributable to Common Stock	$ 0.17	$ 0.51	$ 0.81	$ 1.06
Diluted earnings per share attributable to Common Stock	$ 0.17	$ 0.51	$ 0.81	$ 1.06

Earnings Per Share (Narrative) (Details) - USD ($) shares in Thousands, $ in Millions	3 Months Ended	6 Months Ended	
	Mar. 31, 2020	Jun. 30, 2020	Jun. 30, 2019
Earnings Per Share [Line Items]			
Repurchase of common stock		$ 5,480	$ 240
Stock Repurchase Program [Member]			
Earnings Per Share [Line Items]			
Repurchase of common stock	$ 4,000		
Repurchase of common stock (in shares)	104,800		

Accumulated Other Comprehensive Income (Details) - USD ($) $ in Millions		3 Months Ended		6 Months Ended	
		Jun. 30, 2020	Jun. 30, 2019	Jun. 30, 2020	Jun. 30, 2019
Accumulated Other Comprehensive Income [Member]					
Accumulated Other Comprehensive Income Loss [Line Items]					
Accumulated other comprehensive income, beginning balance				$ 5,470	$ 4,249
Other comprehensive income (loss) before reclassification, net of tax				(4,436)	(289)
Amounts reclassifed from accumulated OCI, net of tax				(905)	(671)
Net other comprehensive income (loss), net of tax		$ 514	$ (1,056)	(5,341)	(960)
Accumulated other comprehensive income, ending balance		129	3,289	129	3,289
Foreign Currency Translation Adjustment [Member]					
Accumulated Other Comprehensive Income Loss [Line Items]					
Accumulated other comprehensive income, beginning balance				(3,056)	(3,084)
Other comprehensive income (loss) before reclassification, net of tax				(1,490)	159
Amounts reclassifed from accumulated OCI, net of tax	[1]			0	0
Net other comprehensive income (loss), net of tax				(1,490)	159
Accumulated other comprehensive income, ending balance		(4,546)	(2,925)	(4,546)	(2,925)
Net Unrealized Gains (Losses) on Securities [Member]					
Accumulated Other Comprehensive Income Loss [Line Items]					
Accumulated other comprehensive income, beginning balance				48	(2)
Other comprehensive income (loss) before reclassification, net of tax				80	42
Amounts reclassifed from accumulated OCI, net of tax	[1]			0	0
Net other comprehensive income (loss), net of tax				80	42
Accumulated other comprehensive income, ending balance		128	40	128	40
Net Unrealized Gains (Losses) on Derivative Instruments [Member]					
Accumulated Other Comprehensive Income Loss [Line Items]					
Accumulated other comprehensive income, beginning balance				(37)	818
Other comprehensive income (loss) before reclassification, net of tax				(3,026)	(490)
Amounts reclassifed from accumulated OCI, net of tax	[2]			17	17
Net other comprehensive income (loss), net of tax				(3,009)	(473)
Accumulated other comprehensive income, ending balance		(3,046)	345	(3,046)	345
Defined Benefit Postretirement Plans [Member]					
Accumulated Other Comprehensive Income Loss [Line Items]					

Accumulated other comprehensive income, beginning balance				8,515	6,517
Other comprehensive income (loss) before reclassification, net of tax				0	0
Amounts reclassifed from accumulated OCI, net of tax	[3]			(922)	(688)
Net other comprehensive income (loss), net of tax				(922)	(688)
Accumulated other comprehensive income, ending balance		$ 7,593	$ 5,829	$ 7,593	$ 5,829

[1] (Gains) losses are included in "Other income (expense) - net" in the consolidated statements of income.

[2] (Gains) losses are included in "Interest expense" in the consolidated statements of income (see Note 7).

[3] The amortization of prior service credits associated with postretirement benefits are included in "Other income (expense) - net" in the consolidated statements of income (see Note 6).

Segment Information (Summary Of Operating Revenues And Expenses) (Narrative) (Details)	6 Months Ended Jun. 30, 2020
Segment Information	
Number of Reportable Segments	3

Segment Information (Summary Of Operating Revenues And Expenses) (Details) - USD ($) $ in Millions	3 Months Ended		6 Months Ended	
	Jun. 30, 2020	Jun. 30, 2019	Jun. 30, 2020	Jun. 30, 2019
Segment Reporting Information [Line Items]				
Revenue	$ 40,950	$ 44,957	$ 83,729	$ 89,784
Operations and Support Expenses	30,133	30,356	58,204	60,744
EBITDA	10,817	14,601	25,525	29,040
Depreciation and Amortization	7,285	7,101	14,507	14,307
Operating Income (Loss)	3,532	7,500	11,018	14,733
Equity in Net Income (Loss) of Affiliates	(10)	40	(16)	33
Segment Contribution	2,498	5,073	8,763	10,444
Operating Segments [Member]				
Segment Reporting Information [Line Items]				
Revenue	41,638	45,859	85,325	91,551
Operations and Support Expenses	26,774	30,142	55,369	60,486
EBITDA	14,864	15,717	29,956	31,065
Depreciation and Amortization	5,048	4,972	10,127	9,986
Operating Income (Loss)	9,816	10,745	19,829	21,079
Equity in Net Income (Loss) of Affiliates	12	67	31	134
Segment Contribution	9,828	10,812	19,860	21,213
Consolidations [Member]				
Segment Reporting Information [Line Items]				
Operating Income (Loss)	(589)	(485)	(1,162)	(917)
Eliminations and consolidations [Member]				
Segment Reporting Information [Line Items]				
Revenue	(1,125)	(1,322)	(2,421)	(2,578)
Operations and Support Expenses	(869)	(961)	(1,791)	(1,899)
EBITDA	(256)	(361)	(630)	(679)
Depreciation and Amortization	(1)	(1)	(1)	(1)
Operating Income (Loss)	(255)	(360)	(629)	(678)
Certain Significant Items [Member]				
Segment Reporting Information [Line Items]				
Revenue	0	0	0	0
Operations and Support Expenses	3,084	94	2,426	342
EBITDA	(3,084)	(94)	(2,426)	(342)
Depreciation and Amortization	0	0	0	0
Operating Income (Loss)	(3,084)	(94)	(2,426)	(342)
Communications [Member] | Operating Segments [Member]				
Segment Reporting Information [Line Items]				
Revenue	33,592	35,267	67,841	70,436
Operations and Support Expenses	20,841	22,012	42,252	44,612
EBITDA	12,751	13,255	25,589	25,824

Depreciation and Amortization	4,639	4,584	9,274	9,142
Operating Income (Loss)	8,112	8,671	16,315	16,682
Equity in Net Income (Loss) of Affiliates	0	0	0	0
Segment Contribution	8,112	8,671	16,315	16,682
Communications [Member] | Mobility [Member] | Operating Segments [Member]				
Segment Reporting Information [Line Items]				
Revenue	17,149	17,292	34,551	34,655
Operations and Support Expenses	9,332	9,522	18,901	19,563
EBITDA	7,817	7,770	15,650	15,092
Depreciation and Amortization	2,012	2,003	4,057	4,016
Operating Income (Loss)	5,805	5,767	11,593	11,076
Equity in Net Income (Loss) of Affiliates	0	0	0	0
Segment Contribution	5,805	5,767	11,593	11,076
Communications [Member] | Entertainment Group [Member] | Operating Segments [Member]				
Segment Reporting Information [Line Items]				
Revenue	10,069	11,368	20,584	22,696
Operations and Support Expenses	7,730	8,515	15,621	17,042
EBITDA	2,339	2,853	4,963	5,654
Depreciation and Amortization	1,309	1,339	2,598	2,662
Operating Income (Loss)	1,030	1,514	2,365	2,992
Equity in Net Income (Loss) of Affiliates	0	0	0	0
Segment Contribution	1,030	1,514	2,365	2,992
Communications [Member] | Business Wireline [Member] | Operating Segments [Member]				
Segment Reporting Information [Line Items]				
Revenue	6,374	6,607	12,706	13,085
Operations and Support Expenses	3,779	3,975	7,730	8,007
EBITDA	2,595	2,632	4,976	5,078
Depreciation and Amortization	1,318	1,242	2,619	2,464
Operating Income (Loss)	1,277	1,390	2,357	2,614
Equity in Net Income (Loss) of Affiliates	0	0	0	0
Segment Contribution	1,277	1,390	2,357	2,614
WarnerMedia [Member] | Operating Segments [Member]				
Segment Reporting Information [Line Items]				
Revenue	6,814	8,835	14,662	17,640
Operations and Support Expenses	4,734	6,436	10,421	12,589
EBITDA	2,080	2,399	4,241	5,051
Depreciation and Amortization	167	104	330	260
Operating Income (Loss)	1,913	2,295	3,911	4,791
Equity in Net Income (Loss) of Affiliates	4	55	19	122
Segment Contribution	1,917	2,350	3,930	4,913
WarnerMedia [Member] | Turner [Member] | Operating Segments [Member]				

Segment Reporting Information [Line Items]				
Revenue	2,988	3,410	6,150	6,853
Operations and Support Expenses	1,347	2,217	3,057	4,353
EBITDA	1,641	1,193	3,093	2,500
Depreciation and Amortization	69	39	138	99
Operating Income (Loss)	1,572	1,154	2,955	2,401
Equity in Net Income (Loss) of Affiliates	0	11	6	36
Segment Contribution	1,572	1,165	2,961	2,437
WarnerMedia [Member] | Home Box Office [Member] | Operating Segments [Member]				
Segment Reporting Information [Line Items]				
Revenue	1,627	1,716	3,124	3,226
Operations and Support Expenses	1,489	1,131	2,542	2,052
EBITDA	138	585	582	1,174
Depreciation and Amortization	25	12	46	34
Operating Income (Loss)	113	573	536	1,140
Equity in Net Income (Loss) of Affiliates	(5)	15	15	30
Segment Contribution	108	588	551	1,170
WarnerMedia [Member] | Warner Bros. [Member] | Operating Segments [Member]				
Segment Reporting Information [Line Items]				
Revenue	3,256	3,389	6,496	6,907
Operations and Support Expenses	2,583	2,918	5,533	5,837
EBITDA	673	471	963	1,070
Depreciation and Amortization	40	31	81	83
Operating Income (Loss)	633	440	882	987
Equity in Net Income (Loss) of Affiliates	(19)	0	(27)	6
Segment Contribution	614	440	855	993
WarnerMedia [Member] | Other [Member] | Operating Segments [Member]				
Segment Reporting Information [Line Items]				
Revenue	(1,057)	320	(1,108)	654
Operations and Support Expenses	(685)	170	(711)	347
EBITDA	(372)	150	(397)	307
Depreciation and Amortization	33	22	65	44
Operating Income (Loss)	(405)	128	(462)	263
Equity in Net Income (Loss) of Affiliates	28	29	25	50
Segment Contribution	(377)	157	(437)	313
Latin America [Member] | Operating Segments [Member]				
Segment Reporting Information [Line Items]				
Revenue	1,232	1,757	2,822	3,475
Operations and Support Expenses	1,199	1,694	2,696	3,285
EBITDA	33	63	126	190
Depreciation and Amortization	242	284	523	584

Operating Income (Loss)	(209)	(221)	(397)	(394)
Equity in Net Income (Loss) of Affiliates	8	12	12	12
Segment Contribution	(201)	(209)	(385)	(382)
Latin America [Member] | Vrio [Member] | Operating Segments [Member]				
Segment Reporting Information [Line Items]				
Revenue	752	1,032	1,639	2,099
Operations and Support Expenses	661	881	1,444	1,747
EBITDA	91	151	195	352
Depreciation and Amortization	127	165	274	334
Operating Income (Loss)	(36)	(14)	(79)	18
Equity in Net Income (Loss) of Affiliates	8	12	12	12
Segment Contribution	(28)	(2)	(67)	30
Latin America [Member] | Mexico [Member] | Operating Segments [Member]				
Segment Reporting Information [Line Items]				
Revenue	480	725	1,183	1,376
Operations and Support Expenses	538	813	1,252	1,538
EBITDA	(58)	(88)	(69)	(162)
Depreciation and Amortization	115	119	249	250
Operating Income (Loss)	(173)	(207)	(318)	(412)
Equity in Net Income (Loss) of Affiliates	0	0	0	0
Segment Contribution	(173)	(207)	(318)	(412)
Corporate [Member]				
Segment Reporting Information [Line Items]				
Revenue	437	420	825	811
Corporate [Member] | Consolidations [Member] | Acquisition-related items [Member]				
Segment Reporting Information [Line Items]				
Revenue	0	(30)	0	(72)
Operations and Support Expenses	211	316	393	389
EBITDA	(211)	(346)	(393)	(461)
Depreciation and Amortization	2,145	1,960	4,201	3,948
Operating Income (Loss)	(2,356)	(2,306)	(4,594)	(4,409)
Corporate [Member] | Certain Significant Items [Member]				
Segment Reporting Information [Line Items]				
Revenue	437	450	825	883
Operations and Support Expenses	933	765	1,807	1,426
EBITDA	(496)	(315)	(982)	(543)
Depreciation and Amortization	93	170	180	374
Operating Income (Loss)	$ (589)	$ (485)	$ (1,162)	$ (917)

Segment Information (Reconciliation Of Operating Income Loss to Consolidated Statement Of Income) (Details) - USD ($) $ in Millions	3 Months Ended		6 Months Ended	
	Jun. 30, 2020	Jun. 30, 2019	Jun. 30, 2020	Jun. 30, 2019
Segment Reporting Reconciling Item For Operating Income (Loss) From Segment To Consolidated Statements Of Income [Line Items]				
AT&T Operating Income	$ 3,532	$ 7,500	$ 11,018	$ 14,733
Interest expense	2,041	2,149	4,059	4,290
Equity in net income (loss) of affiliates	(10)	40	(16)	33
Other income (expense) - net	1,017	(318)	1,820	(32)
Income Before Income Taxes	2,498	5,073	8,763	10,444
Operating Segments [Member]				
Segment Reporting Reconciling Item For Operating Income (Loss) From Segment To Consolidated Statements Of Income [Line Items]				
AT&T Operating Income	9,816	10,745	19,829	21,079
Equity in net income (loss) of affiliates	12	67	31	134
Income Before Income Taxes	9,828	10,812	19,860	21,213
Operating Segments [Member] | Communications [Member]				
Segment Reporting Reconciling Item For Operating Income (Loss) From Segment To Consolidated Statements Of Income [Line Items]				
AT&T Operating Income	8,112	8,671	16,315	16,682
Equity in net income (loss) of affiliates	0	0	0	0
Income Before Income Taxes	8,112	8,671	16,315	16,682
Operating Segments [Member] | WarnerMedia [Member]				
Segment Reporting Reconciling Item For Operating Income (Loss) From Segment To Consolidated Statements Of Income [Line Items]				
AT&T Operating Income	1,913	2,295	3,911	4,791
Equity in net income (loss) of affiliates	4	55	19	122
Income Before Income Taxes	1,917	2,350	3,930	4,913
Operating Segments [Member] | Latin America [Member]				
Segment Reporting Reconciling Item For Operating Income (Loss) From Segment To Consolidated Statements Of Income [Line Items]				
AT&T Operating Income	(209)	(221)	(397)	(394)
Equity in net income (loss) of affiliates	8	12	12	12
Income Before Income Taxes	(201)	(209)	(385)	(382)
Certain Significant Items [Member]				
Segment Reporting Reconciling Item For Operating Income (Loss) From Segment To Consolidated Statements Of Income [Line Items]				
AT&T Operating Income	(3,084)	(94)	(2,426)	(342)
Certain Significant Items [Member] | Corporate and Other [Member]				
Segment Reporting Reconciling Item For Operating Income (Loss) From Segment To Consolidated Statements Of Income [Line Items]				

AT&T Operating Income		(589)	(485)	(1,162)	(917)
Certain Significant Items [Member] | Merger and intergration items [Member]					
Segment Reporting Reconciling Item For Operating Income (Loss) From Segment To Consolidated Statements Of Income [Line Items]					
AT&T Operating Income		(211)	(346)	(393)	(461)
Certain Significant Items [Member] | Amortization of intangibles acquired [Member]					
Segment Reporting Reconciling Item For Operating Income (Loss) From Segment To Consolidated Statements Of Income [Line Items]					
AT&T Operating Income		(2,145)	(1,960)	(4,201)	(3,948)
Certain Significant Items [Member] | Impairments [Member]					
Segment Reporting Reconciling Item For Operating Income (Loss) From Segment To Consolidated Statements Of Income [Line Items]					
AT&T Operating Income		(2,319)	0	(2,442)	0
Certain Significant Items [Member] | Gain on spectrum transactions [Member]					
Segment Reporting Reconciling Item For Operating Income (Loss) From Segment To Consolidated Statements Of Income [Line Items]					
AT&T Operating Income	[1]	0	0	900	0
Certain Significant Items [Member] | Employee separate costs and benefit-related losses [Member]					
Segment Reporting Reconciling Item For Operating Income (Loss) From Segment To Consolidated Statements Of Income [Line Items]					
AT&T Operating Income		(765)	(94)	(884)	(342)
Certain Significant Items [Member] | Segment equity in net (income) loss of affiliates					
Segment Reporting Reconciling Item For Operating Income (Loss) From Segment To Consolidated Statements Of Income [Line Items]					
AT&T Operating Income		(12)	(67)	(31)	(134)
Consolidations [Member]					
Segment Reporting Reconciling Item For Operating Income (Loss) From Segment To Consolidated Statements Of Income [Line Items]					
AT&T Operating Income		(589)	(485)	(1,162)	(917)
Eliminations and consolidations [Member]					
Segment Reporting Reconciling Item For Operating Income (Loss) From Segment To Consolidated Statements Of Income [Line Items]					
AT&T Operating Income		$ (255)	$ (360)	$ (629)	$ (678)

[1] Included as a reduction of "Selling, general and administrative expenses" in the consolidated statement of income.

Segment Information (Intersegment Details) (Details) - USD ($) $ in Millions	3 Months Ended		6 Months Ended	
	Jun. 30, 2020	Jun. 30, 2019	Jun. 30, 2020	Jun. 30, 2019
Revenues [Abstract]				
Total revenues	$ (40,950)	$ (44,957)	$ (83,729)	$ (89,784)
Operating Segments [Member]				
Revenues [Abstract]				
Total revenues	(41,638)	(45,859)	(85,325)	(91,551)
Total Intersegment Revenues [Member]				
Revenues [Abstract]				
Total revenues	776	869	1,595	1,727
Eliminations and consolidations [Member]				
Revenues [Abstract]				
Total revenues	1,125	1,322	2,421	2,578
Communications [Member] | Operating Segments [Member]				
Revenues [Abstract]				
Total revenues	(33,592)	(35,267)	(67,841)	(70,436)
Communications [Member] | Total Intersegment Revenues [Member]				
Revenues [Abstract]				
Total revenues	2	8	4	8
WarnerMedia [Member] | Operating Segments [Member]				
Revenues [Abstract]				
Total revenues	(6,814)	(8,835)	(14,662)	(17,640)
WarnerMedia [Member] | Total Intersegment Revenues [Member]				
Revenues [Abstract]				
Total revenues	774	861	1,591	1,719
Latin America [Member] | Operating Segments [Member]				
Revenues [Abstract]				
Total revenues	(1,232)	(1,757)	(2,822)	(3,475)
Latin America [Member] | Total Intersegment Revenues [Member]				
Revenues [Abstract]				
Total revenues	0	0	0	0
Consolidations [Member]				
Revenues [Abstract]				
Total revenues	(437)	(420)	(825)	(811)
Consolidations [Member] | Total Intersegment Revenues [Member]				
Revenues [Abstract]				
Total revenues	$ 349	$ 453	$ 826	$ 851

Revenue Recognition (Narrative) (Details) - USD ($) $ in Millions	6 Months Ended Jun. 30, 2020	Dec. 31, 2019
Contract with Customer, Asset and Liability [Abstract]		
Beginning of period contract liability recorded as customer contract revenue during period	$ 5,004	
Contract asset balance - current portion (in millions)	1,638	$ 1,611
Contract liability balance - current portion (in millions)	5,616	$ 5,939
Revenue, Performance Obligation [Abstract]		
Aggregate amount of the transaction price allocated to remaining performance obligations (in millions)	$ 36,362	
Aggregate amount of the transaction price allocated to remaining performance obligations (percentage)	82.00%	
Deferred Customer Contract Acquisition Costs [Member]		
Capitalized Contract Cost [Line Items]		
Capitalized Contract Cost, Amortization Method	For contracts with an estimated amortization period of less than one year, we expense incremental costs immediately.	
Deferred Customer Contract Acquisition Costs [Member] | Minimum [Member]		
Capitalized Contract Cost [Line Items]		
Capitalized Contract Cost, Amortization Period	3 years	
Deferred Customer Contract Acquisition Costs [Member] | Maximum [Member]		
Capitalized Contract Cost [Line Items]		
Capitalized Contract Cost, Amortization Period	5 years	
Deferred Customer Contract Fulfillment Cost [Member]		
Capitalized Contract Cost [Line Items]		
Capitalized Contract Cost, Amortization Method	For contracts with an estimated amortization period of less than one year, we expense incremental costs immediately.	
Deferred Customer Contract Fulfillment Cost [Member] | Minimum [Member]		
Capitalized Contract Cost [Line Items]		
Capitalized Contract Cost, Amortization Period	3 years	
Deferred Customer Contract Fulfillment Cost [Member] | Maximum [Member]		

Capitalized Contract Cost [Line Items]

Capitalized Contract Cost, Amortization Period	5 years

Revenue Recognition (Revenue Categories) (Details) - USD ($) $ in Millions	3 Months Ended		6 Months Ended	
	Jun. 30, 2020	Jun. 30, 2019	Jun. 30, 2020	Jun. 30, 2019
Disaggregation of Revenue [Line Items]				
Total operating revenues	$ 40,950	$ 44,957	$ 83,729	$ 89,784
Wireless service				
Disaggregation of Revenue [Line Items]				
Total operating revenues	14,134	14,382	28,610	28,508
Advanced Data				
Disaggregation of Revenue [Line Items]				
Total operating revenues	5,422	5,331	10,820	10,586
Legacy Voice and Data				
Disaggregation of Revenue [Line Items]				
Total operating revenues	2,779	2,989	5,623	6,076
Subscription				
Disaggregation of Revenue [Line Items]				
Total operating revenues	10,766	12,204	22,095	24,364
Content				
Disaggregation of Revenue [Line Items]				
Total operating revenues	1,413	2,407	3,276	5,058
Advertising				
Disaggregation of Revenue [Line Items]				
Total operating revenues	1,233	1,841	2,777	3,613
Other				
Disaggregation of Revenue [Line Items]				
Total operating revenues	1,304	1,869	2,733	3,502
Equipment				
Disaggregation of Revenue [Line Items]				
Total operating revenues	3,899	3,934	7,795	8,077
Corporate and Other [Member]				
Disaggregation of Revenue [Line Items]				
Total operating revenues	437	420	825	811
Corporate and Other [Member] | Wireless service				
Disaggregation of Revenue [Line Items]				
Total operating revenues	178	150	295	272
Corporate and Other [Member] | Advanced Data				
Disaggregation of Revenue [Line Items]				
Total operating revenues	10	14	24	27
Corporate and Other [Member] | Legacy Voice and Data				
Disaggregation of Revenue [Line Items]				
Total operating revenues	152	7	286	14
Corporate and Other [Member] | Subscription				
Disaggregation of Revenue [Line Items]				

Total operating revenues	0	0	0	0
Corporate and Other [Member] | Content				
Disaggregation of Revenue [Line Items]				
Total operating revenues	0	0	0	0
Corporate and Other [Member] | Advertising				
Disaggregation of Revenue [Line Items]				
Total operating revenues	0	0	0	0
Corporate and Other [Member] | Other				
Disaggregation of Revenue [Line Items]				
Total operating revenues	62	210	145	419
Corporate and Other [Member] | Equipment				
Disaggregation of Revenue [Line Items]				
Total operating revenues	35	39	75	79
Operating Segments [Member]				
Disaggregation of Revenue [Line Items]				
Total operating revenues	41,638	45,859	85,325	91,551
Operating Segments [Member] | Communications [Member]				
Disaggregation of Revenue [Line Items]				
Total operating revenues	33,592	35,267	67,841	70,436
Operating Segments [Member] | Communications [Member] | Mobility [Member]				
Disaggregation of Revenue [Line Items]				
Total operating revenues	17,149	17,292	34,551	34,655
Operating Segments [Member] | Communications [Member] | Mobility [Member] | Wireless service				
Disaggregation of Revenue [Line Items]				
Total operating revenues	13,611	13,753	27,503	27,315
Operating Segments [Member] | Communications [Member] | Mobility [Member] | Advanced Data				
Disaggregation of Revenue [Line Items]				
Total operating revenues	0	0	0	0
Operating Segments [Member] | Communications [Member] | Mobility [Member] | Legacy Voice and Data				
Disaggregation of Revenue [Line Items]				
Total operating revenues	0	0	0	0
Operating Segments [Member] | Communications [Member] | Mobility [Member] | Subscription				
Disaggregation of Revenue [Line Items]				
Total operating revenues	0	0	0	0
Operating Segments [Member] | Communications [Member] | Mobility [Member] | Content				
Disaggregation of Revenue [Line Items]				
Total operating revenues	0	0	0	0
Operating Segments [Member] | Communications [Member] | Mobility [Member] | Advertising				

Disaggregation of Revenue [Line Items]				
Total operating revenues	58	71	134	138
Operating Segments [Member] | Communications [Member] | Mobility [Member] | Other				
Disaggregation of Revenue [Line Items]				
Total operating revenues	0	0	0	0
Operating Segments [Member] | Communications [Member] | Mobility [Member] | Equipment				
Disaggregation of Revenue [Line Items]				
Total operating revenues	3,480	3,468	6,914	7,202
Operating Segments [Member] | Communications [Member] | Entertainment Group [Member]				
Disaggregation of Revenue [Line Items]				
Total operating revenues	10,069	11,368	20,584	22,696
Operating Segments [Member] | Communications [Member] | Entertainment Group [Member] | Wireless service				
Disaggregation of Revenue [Line Items]				
Total operating revenues	0	0	0	0
Operating Segments [Member] | Communications [Member] | Entertainment Group [Member] | Advanced Data				
Disaggregation of Revenue [Line Items]				
Total operating revenues	2,092	2,109	4,201	4,179
Operating Segments [Member] | Communications [Member] | Entertainment Group [Member] | Legacy Voice and Data				
Disaggregation of Revenue [Line Items]				
Total operating revenues	560	658	1,141	1,341
Operating Segments [Member] | Communications [Member] | Entertainment Group [Member] | Subscription				
Disaggregation of Revenue [Line Items]				
Total operating revenues	6,682	7,636	13,664	15,360
Operating Segments [Member] | Communications [Member] | Entertainment Group [Member] | Content				
Disaggregation of Revenue [Line Items]				
Total operating revenues	0	0	0	0
Operating Segments [Member] | Communications [Member] | Entertainment Group [Member] | Advertising				
Disaggregation of Revenue [Line Items]				
Total operating revenues	294	399	707	749
Operating Segments [Member] | Communications [Member] | Entertainment Group [Member] | Other				
Disaggregation of Revenue [Line Items]				
Total operating revenues	397	563	816	1,063
Operating Segments [Member] | Communications [Member] | Entertainment Group [Member] | Equipment				
Disaggregation of Revenue [Line Items]				

Total operating revenues	44	3	55	4
Operating Segments [Member] | Communications [Member] | Business Wireline [Member]				
Disaggregation of Revenue [Line Items]				
Total operating revenues	6,374	6,607	12,706	13,085
Operating Segments [Member] | Communications [Member] | Business Wireline [Member] | Wireless service				
Disaggregation of Revenue [Line Items]				
Total operating revenues	0	0	0	0
Operating Segments [Member] | Communications [Member] | Business Wireline [Member] | Advanced Data				
Disaggregation of Revenue [Line Items]				
Total operating revenues	3,320	3,208	6,595	6,380
Operating Segments [Member] | Communications [Member] | Business Wireline [Member] | Legacy Voice and Data				
Disaggregation of Revenue [Line Items]				
Total operating revenues	2,067	2,324	4,196	4,721
Operating Segments [Member] | Communications [Member] | Business Wireline [Member] | Subscription				
Disaggregation of Revenue [Line Items]				
Total operating revenues	0	0	0	0
Operating Segments [Member] | Communications [Member] | Business Wireline [Member] | Content				
Disaggregation of Revenue [Line Items]				
Total operating revenues	0	0	0	0
Operating Segments [Member] | Communications [Member] | Business Wireline [Member] | Advertising				
Disaggregation of Revenue [Line Items]				
Total operating revenues	0	0	0	0
Operating Segments [Member] | Communications [Member] | Business Wireline [Member] | Other				
Disaggregation of Revenue [Line Items]				
Total operating revenues	782	897	1,535	1,647
Operating Segments [Member] | Communications [Member] | Business Wireline [Member] | Equipment				
Disaggregation of Revenue [Line Items]				
Total operating revenues	205	178	380	337
Operating Segments [Member] | WarnerMedia [Member]				
Disaggregation of Revenue [Line Items]				
Total operating revenues	6,814	8,835	14,662	17,640
Operating Segments [Member] | WarnerMedia [Member] | Turner [Member]				
Disaggregation of Revenue [Line Items]				
Total operating revenues	2,988	3,410	6,150	6,853

Operating Segments [Member] | WarnerMedia [Member] | Turner [Member] | Wireless service				
Disaggregation of Revenue [Line Items]				
Total operating revenues	0	0	0	0
Operating Segments [Member] | WarnerMedia [Member] | Turner [Member] | Advanced Data				
Disaggregation of Revenue [Line Items]				
Total operating revenues	0	0	0	0
Operating Segments [Member] | WarnerMedia [Member] | Turner [Member] | Legacy Voice and Data				
Disaggregation of Revenue [Line Items]				
Total operating revenues	0	0	0	0
Operating Segments [Member] | WarnerMedia [Member] | Turner [Member] | Subscription				
Disaggregation of Revenue [Line Items]				
Total operating revenues	1,804	1,943	3,853	3,908
Operating Segments [Member] | WarnerMedia [Member] | Turner [Member] | Content				
Disaggregation of Revenue [Line Items]				
Total operating revenues	334	111	420	246
Operating Segments [Member] | WarnerMedia [Member] | Turner [Member] | Advertising				
Disaggregation of Revenue [Line Items]				
Total operating revenues	796	1,266	1,753	2,527
Operating Segments [Member] | WarnerMedia [Member] | Turner [Member] | Other				
Disaggregation of Revenue [Line Items]				
Total operating revenues	54	90	124	172
Operating Segments [Member] | WarnerMedia [Member] | Turner [Member] | Equipment				
Disaggregation of Revenue [Line Items]				
Total operating revenues	0	0	0	0
Operating Segments [Member] | WarnerMedia [Member] | Home Box Office [Member]				
Disaggregation of Revenue [Line Items]				
Total operating revenues	1,627	1,716	3,124	3,226
Operating Segments [Member] | WarnerMedia [Member] | Home Box Office [Member] | Wireless service				
Disaggregation of Revenue [Line Items]				
Total operating revenues	0	0	0	0
Operating Segments [Member] | WarnerMedia [Member] | Home Box Office [Member] | Advanced Data				
Disaggregation of Revenue [Line Items]				
Total operating revenues	0	0	0	0

Operating Segments [Member] | WarnerMedia [Member] | Home Box Office [Member] | Legacy Voice and Data				
Disaggregation of Revenue [Line Items]				
Total operating revenues	0	0	0	0
Operating Segments [Member] | WarnerMedia [Member] | Home Box Office [Member] | Subscription				
Disaggregation of Revenue [Line Items]				
Total operating revenues	1,441	1,516	2,779	2,850
Operating Segments [Member] | WarnerMedia [Member] | Home Box Office [Member] | Content				
Disaggregation of Revenue [Line Items]				
Total operating revenues	181	198	338	371
Operating Segments [Member] | WarnerMedia [Member] | Home Box Office [Member] | Advertising				
Disaggregation of Revenue [Line Items]				
Total operating revenues	0	0	0	0
Operating Segments [Member] | WarnerMedia [Member] | Home Box Office [Member] | Other				
Disaggregation of Revenue [Line Items]				
Total operating revenues	5	2	7	5
Operating Segments [Member] | WarnerMedia [Member] | Home Box Office [Member] | Equipment				
Disaggregation of Revenue [Line Items]				
Total operating revenues	0	0	0	0
Operating Segments [Member] | WarnerMedia [Member] | Warner Bros. [Member]				
Disaggregation of Revenue [Line Items]				
Total operating revenues	3,256	3,389	6,496	6,907
Operating Segments [Member] | WarnerMedia [Member] | Warner Bros. [Member] | Wireless service				
Disaggregation of Revenue [Line Items]				
Total operating revenues	0	0	0	0
Operating Segments [Member] | WarnerMedia [Member] | Warner Bros. [Member] | Advanced Data				
Disaggregation of Revenue [Line Items]				
Total operating revenues	0	0	0	0
Operating Segments [Member] | WarnerMedia [Member] | Warner Bros. [Member] | Legacy Voice and Data				
Disaggregation of Revenue [Line Items]				
Total operating revenues	0	0	0	0
Operating Segments [Member] | WarnerMedia [Member] | Warner Bros. [Member] | Subscription				
Disaggregation of Revenue [Line Items]				
Total operating revenues	16	23	26	44

Operating Segments [Member] | WarnerMedia [Member] | Warner Bros. [Member] | Content				
Disaggregation of Revenue [Line Items]				
Total operating revenues	3,179	3,175	6,239	6,507
Operating Segments [Member] | WarnerMedia [Member] | Warner Bros. [Member] | Advertising				
Disaggregation of Revenue [Line Items]				
Total operating revenues	1	10	3	20
Operating Segments [Member] | WarnerMedia [Member] | Warner Bros. [Member] | Other				
Disaggregation of Revenue [Line Items]				
Total operating revenues	60	181	228	336
Operating Segments [Member] | WarnerMedia [Member] | Warner Bros. [Member] | Equipment				
Disaggregation of Revenue [Line Items]				
Total operating revenues	0	0	0	0
Operating Segments [Member] | WarnerMedia [Member] | Eliminations and other [Member]				
Disaggregation of Revenue [Line Items]				
Total operating revenues	(1,057)	320	(1,108)	654
Operating Segments [Member] | WarnerMedia [Member] | Eliminations and other [Member] | Wireless service				
Disaggregation of Revenue [Line Items]				
Total operating revenues	0	0	0	0
Operating Segments [Member] | WarnerMedia [Member] | Eliminations and other [Member] | Advanced Data				
Disaggregation of Revenue [Line Items]				
Total operating revenues	0	0	0	0
Operating Segments [Member] | WarnerMedia [Member] | Eliminations and other [Member] | Legacy Voice and Data				
Disaggregation of Revenue [Line Items]				
Total operating revenues	0	0	0	0
Operating Segments [Member] | WarnerMedia [Member] | Eliminations and other [Member] | Subscription				
Disaggregation of Revenue [Line Items]				
Total operating revenues	71	54	134	103
Operating Segments [Member] | WarnerMedia [Member] | Eliminations and other [Member] | Content				
Disaggregation of Revenue [Line Items]				
Total operating revenues	(1,516)	(237)	(2,162)	(389)
Operating Segments [Member] | WarnerMedia [Member] | Eliminations and other [Member] | Advertising				
Disaggregation of Revenue [Line Items]				
Total operating revenues	378	494	887	928

Operating Segments [Member] | WarnerMedia [Member] | Eliminations and other [Member] | Other				
Disaggregation of Revenue [Line Items]				
Total operating revenues	10	9	33	12
Operating Segments [Member] | WarnerMedia [Member] | Eliminations and other [Member] | Equipment				
Disaggregation of Revenue [Line Items]				
Total operating revenues	0	0	0	0
Operating Segments [Member] | Latin America [Member]				
Disaggregation of Revenue [Line Items]				
Total operating revenues	1,232	1,757	2,822	3,475
Operating Segments [Member] | Latin America [Member] | Vrio [Member]				
Disaggregation of Revenue [Line Items]				
Total operating revenues	752	1,032	1,639	2,099
Operating Segments [Member] | Latin America [Member] | Vrio [Member] | Wireless service				
Disaggregation of Revenue [Line Items]				
Total operating revenues	0	0	0	0
Operating Segments [Member] | Latin America [Member] | Vrio [Member] | Advanced Data				
Disaggregation of Revenue [Line Items]				
Total operating revenues	0	0	0	0
Operating Segments [Member] | Latin America [Member] | Vrio [Member] | Legacy Voice and Data				
Disaggregation of Revenue [Line Items]				
Total operating revenues	0	0	0	0
Operating Segments [Member] | Latin America [Member] | Vrio [Member] | Subscription				
Disaggregation of Revenue [Line Items]				
Total operating revenues	752	1,032	1,639	2,099
Operating Segments [Member] | Latin America [Member] | Vrio [Member] | Content				
Disaggregation of Revenue [Line Items]				
Total operating revenues	0	0	0	0
Operating Segments [Member] | Latin America [Member] | Vrio [Member] | Advertising				
Disaggregation of Revenue [Line Items]				
Total operating revenues	0	0	0	0
Operating Segments [Member] | Latin America [Member] | Vrio [Member] | Other				
Disaggregation of Revenue [Line Items]				
Total operating revenues	0	0	0	0
Operating Segments [Member] | Latin America [Member] | Vrio [Member] | Equipment				
Disaggregation of Revenue [Line Items]				

Total operating revenues	0	0	0	0
Operating Segments [Member] | Latin America [Member] | Mexico [Member]				
Disaggregation of Revenue [Line Items]				
Total operating revenues	480	725	1,183	1,376
Operating Segments [Member] | Latin America [Member] | Mexico [Member] | Wireless service				
Disaggregation of Revenue [Line Items]				
Total operating revenues	345	479	812	921
Operating Segments [Member] | Latin America [Member] | Mexico [Member] | Advanced Data				
Disaggregation of Revenue [Line Items]				
Total operating revenues	0	0	0	0
Operating Segments [Member] | Latin America [Member] | Mexico [Member] | Legacy Voice and Data				
Disaggregation of Revenue [Line Items]				
Total operating revenues	0	0	0	0
Operating Segments [Member] | Latin America [Member] | Mexico [Member] | Subscription				
Disaggregation of Revenue [Line Items]				
Total operating revenues	0	0	0	0
Operating Segments [Member] | Latin America [Member] | Mexico [Member] | Content				
Disaggregation of Revenue [Line Items]				
Total operating revenues	0	0	0	0
Operating Segments [Member] | Latin America [Member] | Mexico [Member] | Advertising				
Disaggregation of Revenue [Line Items]				
Total operating revenues	0	0	0	0
Operating Segments [Member] | Latin America [Member] | Mexico [Member] | Other				
Disaggregation of Revenue [Line Items]				
Total operating revenues	0	0	0	0
Operating Segments [Member] | Latin America [Member] | Mexico [Member] | Equipment				
Disaggregation of Revenue [Line Items]				
Total operating revenues	135	246	371	455
Eliminations and consolidations [Member]				
Disaggregation of Revenue [Line Items]				
Total operating revenues	(1,125)	(1,322)	(2,421)	(2,578)
Eliminations and consolidations [Member] | Wireless service				
Disaggregation of Revenue [Line Items]				
Total operating revenues	0	0	0	0
Eliminations and consolidations [Member] | Advanced Data				
Disaggregation of Revenue [Line Items]				

Total operating revenues	0	0	0	0
Eliminations and consolidations [Member] | Legacy Voice and Data				
Disaggregation of Revenue [Line Items]				
Total operating revenues	0	0	0	0
Eliminations and consolidations [Member] | Subscription				
Disaggregation of Revenue [Line Items]				
Total operating revenues	0	0	0	0
Eliminations and consolidations [Member] | Content				
Disaggregation of Revenue [Line Items]				
Total operating revenues	(765)	(840)	(1,559)	(1,677)
Eliminations and consolidations [Member] | Advertising				
Disaggregation of Revenue [Line Items]				
Total operating revenues	(294)	(399)	(707)	(749)
Eliminations and consolidations [Member] | Other				
Disaggregation of Revenue [Line Items]				
Total operating revenues	(66)	(83)	(155)	(152)
Eliminations and consolidations [Member] | Equipment				
Disaggregation of Revenue [Line Items]				
Total operating revenues	$ 0	$ 0	$ 0	$ 0

Revenue Recognition (Deferred Contract Acquisition and Fulfillment Costs) (Details) - USD ($) $ in Millions	6 Months Ended		
	Jun. 30, 2020	Jun. 30, 2019	Dec. 31, 2019
Deferred Customer Contract Acquisition Costs [Member]			
Capitalized Contract Cost, Net [Abstract]			
Capitalized Contract Cost, Net (in millions)	$ 5,747		$ 5,453
Capitalized Contract Cost, Amortization (in millions)	1,278	$ 1,026	
Deferred Customer Contract Acquisition Costs [Member] | Other Current Assets [Member]			
Capitalized Contract Cost, Net [Abstract]			
Capitalized Contract Cost, Net (in millions)	2,630		2,462
Deferred Customer Contract Acquisition Costs [Member] | Other Assets [Member]			
Capitalized Contract Cost, Net [Abstract]			
Capitalized Contract Cost, Net (in millions)	3,117		2,991
Deferred Customer Contract Fulfillment Cost [Member]			
Capitalized Contract Cost, Net [Abstract]			
Capitalized Contract Cost, Net (in millions)	10,342		10,958
Capitalized Contract Cost, Amortization (in millions)	2,636	$ 2,381	
Deferred Customer Contract Fulfillment Cost [Member] | Other Current Assets [Member]			
Capitalized Contract Cost, Net [Abstract]			
Capitalized Contract Cost, Net (in millions)	4,362		4,519
Deferred Customer Contract Fulfillment Cost [Member] | Other Assets [Member]			
Capitalized Contract Cost, Net [Abstract]			
Capitalized Contract Cost, Net (in millions)	$ 5,980		$ 6,439

Revenue Recognition (Contract Assets and Liabilities) (Details) - USD ($) $ in Millions	Jun. 30, 2020	Dec. 31, 2019
Contract with Customer, Asset and Liability [Abstract]		
Contract asset	$ 2,546	$ 2,472
Contract liability	$ 6,533	$ 6,999

Pension And Postretirement Benefits (Narrative) (Details) - USD ($) $ in Millions	3 Months Ended		6 Months Ended	
	Jun. 30, 2020	Jun. 30, 2019	Jun. 30, 2020	Jun. 30, 2019
Supplemental Employee Retirement Plan [Member]				
Defined Benefit Plan Disclosure [Line Items]				
Net supplemental retirement pension benefits costs	$ 19	$ 25	$ 38	$ 50

Pension And Postretirement Benefits (Pension And Postretirement Benefit Costs Included In Operating Expenses) (Details) - USD ($) $ in Millions	3 Months Ended		6 Months Ended	
	Jun. 30, 2020	Jun. 30, 2019	Jun. 30, 2020	Jun. 30, 2019
Defined Benefit Plan Disclosure [Line Items]				
Actuarial (gain) loss			$ 0	$ 2,131
Qualified Plan [Member] | Funded Plan [Member]				
Defined Benefit Plan Disclosure [Line Items]				
Net (credit) cost	$ (749)	$ 1,268	(1,496)	1,327
Pension Benefit [Member] | Qualified Plan [Member] | Funded Plan [Member]				
Defined Benefit Plan Disclosure [Line Items]				
Service cost - benefits earned during the period	258	243	515	483
Interest cost on benefit obligation	422	508	844	1,057
Expected return on assets	(890)	(880)	(1,779)	(1,731)
Amortization of prior service credit	(29)	(24)	(57)	(57)
Actuarial (gain) loss	0	1,699	0	2,131
Net (credit) cost	(239)	1,546	(477)	1,883
Postretirement Benefit [Member] | Qualified Plan [Member] | Funded Plan [Member]				
Defined Benefit Plan Disclosure [Line Items]				
Service cost - benefits earned during the period	13	18	26	36
Interest cost on benefit obligation	104	186	208	372
Expected return on assets	(45)	(56)	(89)	(112)
Amortization of prior service credit	(582)	(426)	(1,164)	(852)
Net (credit) cost	$ (510)	$ (278)	$ (1,019)	$ (556)

Fair Value Measurements And Disclosure (Narrative) (Details) € in Millions, $ in Millions	3 Months Ended Jun. 30, 2020 USD ($)	6 Months Ended Jun. 30, 2020 USD ($)	Jun. 30, 2020 EUR (€)	Jun. 30, 2020 USD ($)	Dec. 31, 2019 USD ($)
Fair Value Disclosures [Line Items]					
Collateral received from counterparty				$ 16	$ 44
Collateral submitted to counterparty				694	204
Collateral contingently payable to the counterparty					76
Available-for-sale Securities Debt Securities				1,522	$ 1,444
Fixed income investments - maturities less than 1 year				64	
Fixed income investments - maturities within 1 to 3 years				175	
Fixed income investments - maturities within 3 to 5 years				156	
Fixed income investments - maturities for 5 or more years				1,127	
Anticipated reclassification of holding losses during the next 12 months - cash flow hedges				98	
Net gains (losses) on net investment hedges recognized in accumulated OCI	$ (30)	$ (5)			
Interest Rate Locks [Member]					
Fair Value Disclosures [Line Items]					
Payments for Hedge, Financing Activities	$ 731				
Measurement Input, Entity Credit Risk [Member]					
Fair Value Disclosures [Line Items]					
Collateral contingently payable to the counterparty				5,487	
Net Investment Hedge [Member]					
Fair Value Disclosures [Line Items]					
Debt Instrument, Face Amount | €			€ 1,450		
DIRECTV [Member]					
Fair Value Disclosures [Line Items]					
Collateral contingently payable to the counterparty				$ 321	

Fair Value Measurements And Disclosure (Long-Term Debt And Other Financial Instruments) (Details) - USD ($) $ in Millions		Jun. 30, 2020	Dec. 31, 2019
Carrying Amount [Member]			
Schedule of Fair Value of Separate Accounts by Major Category of Investment [Line Items]			
Notes and debentures	[1]	$ 164,099	$ 161,109
Commercial paper		3,001	0
Bank borrowings		0	4
Investment securities	[2]	3,632	3,723
Fair Value [Member]			
Schedule of Fair Value of Separate Accounts by Major Category of Investment [Line Items]			
Commercial paper		3,001	0
Bank borrowings		0	4
Investment securities	[2]	3,632	3,723
Fair Value [Member] | Level 2 [Member]			
Schedule of Fair Value of Separate Accounts by Major Category of Investment [Line Items]			
Notes and debentures	[1]	$ 190,284	$ 182,124

[1] Includes credit agreement borrowings.

[2] Excludes investments accounted for under the equity method.

Fair Value Measurements And Disclosure (Fair Value Leveling) (Details) - USD ($) $ in Millions	Jun. 30, 2020	Dec. 31, 2019
Fair Value, Assets and Liabilities Measured on Recurring and Nonrecurring Basis [Line Items]		
Available-for-sale Securities Debt Securities	$ 1,522	$ 1,444
Securities Investment [Member] | United States [Member]		
Fair Value, Assets and Liabilities Measured on Recurring and Nonrecurring Basis [Line Items]		
Equity Securities (at fair value)	832	844
Securities Investment [Member] | Non-US [Member]		
Fair Value, Assets and Liabilities Measured on Recurring and Nonrecurring Basis [Line Items]		
Equity Securities (at fair value)	141	183
Fixed Income Bonds [Member]		
Fair Value, Assets and Liabilities Measured on Recurring and Nonrecurring Basis [Line Items]		
Equity Securities (at fair value)	230	229
Interest Rate Swaps [Member]		
Fair Value, Assets and Liabilities Measured on Recurring and Nonrecurring Basis [Line Items]		
Asset Derivatives (at fair value)		2
Liability Derivatives (at fair value)	(3)	
Cross-Currency Swaps [Member]		
Fair Value, Assets and Liabilities Measured on Recurring and Nonrecurring Basis [Line Items]		
Asset Derivatives (at fair value)	67	172
Liability Derivatives (at fair value)	(6,767)	(3,187)
Interest Rate Locks [Member]		
Fair Value, Assets and Liabilities Measured on Recurring and Nonrecurring Basis [Line Items]		
Liability Derivatives (at fair value)		(95)
Foreign Exchange Contracts [Member]		
Fair Value, Assets and Liabilities Measured on Recurring and Nonrecurring Basis [Line Items]		
Asset Derivatives (at fair value)	14	89
Liability Derivatives (at fair value)	(10)	
Level 1 [Member]		
Fair Value, Assets and Liabilities Measured on Recurring and Nonrecurring Basis [Line Items]		
Available-for-sale Securities Debt Securities	0	0
Level 1 [Member] | Securities Investment [Member] | United States [Member]		
Fair Value, Assets and Liabilities Measured on Recurring and Nonrecurring Basis [Line Items]		

Equity Securities (at fair value)	832	844
Level 1 [Member] | Securities Investment [Member] | Non-US [Member]		
Fair Value, Assets and Liabilities Measured on Recurring and Nonrecurring Basis [Line Items]		
Equity Securities (at fair value)	141	183
Level 1 [Member] | Fixed Income Bonds [Member]		
Fair Value, Assets and Liabilities Measured on Recurring and Nonrecurring Basis [Line Items]		
Equity Securities (at fair value)	230	229
Level 1 [Member] | Interest Rate Swaps [Member]		
Fair Value, Assets and Liabilities Measured on Recurring and Nonrecurring Basis [Line Items]		
Asset Derivatives (at fair value)		0
Liability Derivatives (at fair value)	0	
Level 1 [Member] | Cross-Currency Swaps [Member]		
Fair Value, Assets and Liabilities Measured on Recurring and Nonrecurring Basis [Line Items]		
Asset Derivatives (at fair value)	0	0
Liability Derivatives (at fair value)	0	0
Level 1 [Member] | Interest Rate Locks [Member]		
Fair Value, Assets and Liabilities Measured on Recurring and Nonrecurring Basis [Line Items]		
Liability Derivatives (at fair value)		0
Level 1 [Member] | Foreign Exchange Contracts [Member]		
Fair Value, Assets and Liabilities Measured on Recurring and Nonrecurring Basis [Line Items]		
Asset Derivatives (at fair value)	0	0
Liability Derivatives (at fair value)	0	
Level 2 [Member]		
Fair Value, Assets and Liabilities Measured on Recurring and Nonrecurring Basis [Line Items]		
Available-for-sale Securities Debt Securities	1,522	1,444
Level 2 [Member] | Securities Investment [Member] | United States [Member]		
Fair Value, Assets and Liabilities Measured on Recurring and Nonrecurring Basis [Line Items]		
Equity Securities (at fair value)	0	0
Level 2 [Member] | Securities Investment [Member] | Non-US [Member]		
Fair Value, Assets and Liabilities Measured on Recurring and Nonrecurring Basis [Line Items]		
Equity Securities (at fair value)	0	0
Level 2 [Member] | Fixed Income Bonds [Member]		
Fair Value, Assets and Liabilities Measured on Recurring and Nonrecurring Basis [Line Items]		
Equity Securities (at fair value)	0	0
Level 2 [Member] | Interest Rate Swaps [Member]		

Fair Value, Assets and Liabilities Measured on Recurring and Nonrecurring Basis [Line Items]		
Asset Derivatives (at fair value)		2
Liability Derivatives (at fair value)	(3)	
Level 2 [Member] | Cross-Currency Swaps [Member]		
Fair Value, Assets and Liabilities Measured on Recurring and Nonrecurring Basis [Line Items]		
Asset Derivatives (at fair value)	67	172
Liability Derivatives (at fair value)	(6,767)	(3,187)
Level 2 [Member] | Interest Rate Locks [Member]		
Fair Value, Assets and Liabilities Measured on Recurring and Nonrecurring Basis [Line Items]		
Liability Derivatives (at fair value)		(95)
Level 2 [Member] | Foreign Exchange Contracts [Member]		
Fair Value, Assets and Liabilities Measured on Recurring and Nonrecurring Basis [Line Items]		
Asset Derivatives (at fair value)	14	89
Liability Derivatives (at fair value)	(10)	
Level 3 [Member]		
Fair Value, Assets and Liabilities Measured on Recurring and Nonrecurring Basis [Line Items]		
Available-for-sale Securities Debt Securities	0	0
Level 3 [Member] | Securities Investment [Member] | United States [Member]		
Fair Value, Assets and Liabilities Measured on Recurring and Nonrecurring Basis [Line Items]		
Equity Securities (at fair value)	0	0
Level 3 [Member] | Securities Investment [Member] | Non-US [Member]		
Fair Value, Assets and Liabilities Measured on Recurring and Nonrecurring Basis [Line Items]		
Equity Securities (at fair value)	0	0
Level 3 [Member] | Fixed Income Bonds [Member]		
Fair Value, Assets and Liabilities Measured on Recurring and Nonrecurring Basis [Line Items]		
Equity Securities (at fair value)	0	0
Level 3 [Member] | Interest Rate Swaps [Member]		
Fair Value, Assets and Liabilities Measured on Recurring and Nonrecurring Basis [Line Items]		
Asset Derivatives (at fair value)		0
Liability Derivatives (at fair value)	0	
Level 3 [Member] | Cross-Currency Swaps [Member]		
Fair Value, Assets and Liabilities Measured on Recurring and Nonrecurring Basis [Line Items]		
Asset Derivatives (at fair value)	0	0
Liability Derivatives (at fair value)	0	0
Level 3 [Member] | Interest Rate Locks [Member]		

Fair Value, Assets and Liabilities Measured on Recurring and Nonrecurring Basis [Line Items]		
Liability Derivatives (at fair value)		0
Level 3 [Member] | Foreign Exchange Contracts [Member]		
Fair Value, Assets and Liabilities Measured on Recurring and Nonrecurring Basis [Line Items]		
Asset Derivatives (at fair value)	0	$ 0
Liability Derivatives (at fair value)	$ 0	

Fair Value Measurement and Disclosure (Gain and Losses on Equity Securities) (Details) - Equity Securities [Member] - USD ($) $ in Millions	3 Months Ended		6 Months Ended	
	Jun. 30, 2020	Jun. 30, 2019	Jun. 30, 2020	Jun. 30, 2019
Schedule of Available-for-sale Securities [Line Items]				
Total gains (losses) recognized on equity securities	$ 161	$ 50	$ (42)	$ 210
Gains (Losses) recognized on equity securities sold	9	9	(24)	27
Unrealized gains (losses) recognized on equity securities held at end of period	$ 152	$ 41	$ (18)	$ 183

Fair Value Measurements And Disclosure (Notional Amount Of Our Outstanding Derivative Positions) (Details) - USD ($) $ in Millions	Jun. 30, 2020	Dec. 31, 2019
Derivative [Line Items]		
Notional Amount of Outstanding Derivative Positions	$ 45,925	$ 46,947
Interest Rate Swaps [Member]		
Derivative [Line Items]		
Notional Amount of Outstanding Derivative Positions	21	853
Cross-Currency Swaps [Member]		
Derivative [Line Items]		
Notional Amount of Outstanding Derivative Positions	45,606	42,325
Interest Rate Locks [Member]		
Derivative [Line Items]		
Notional Amount of Outstanding Derivative Positions	0	3,500
Foreign Exchange Contracts [Member]		
Derivative [Line Items]		
Notional Amount of Outstanding Derivative Positions	$ 298	$ 269

Fair Value Measurements And Disclosure (Effect Of Derivatives On The Consolidated Statements Of Income) (Details) - USD ($) $ in Millions	3 Months Ended		6 Months Ended	
	Jun. 30, 2020	Jun. 30, 2019	Jun. 30, 2020	Jun. 30, 2019
Fair Value Hedging Relationships [Member] | Interest Rate Swaps [Member]				
Derivative Instruments, Gain (Loss) [Line Items]				
Gain (Loss) on interest rate swaps	$ (14)	$ 35	$ (4)	$ 59
Gain (Loss) on long-term debt	14	(35)	4	(59)
Cash Flow Hedging Relationships [Member] | Cross-Currency Swaps [Member]				
Derivative Instruments, Gain (Loss) [Line Items]				
Gain (Loss) recognized in accumulated OCI	809	(763)	(3,170)	(595)
Cash Flow Hedging Relationships [Member] | Interest Rate Locks [Member]				
Derivative Instruments, Gain (Loss) [Line Items]				
Gain (Loss) recognized in accumulated OCI	(12)	(23)	(648)	(23)
Cash Flow Hedging Relationships [Member] | Interest Rate Locks [Member] | Interest expense [Member]				
Derivative Instruments, Gain (Loss) [Line Items]				
Interest income (expense) reclassified from accumulated OCI into income	(18)	(16)	(34)	(32)
Cash Flow Hedging Relationships [Member] | Foreign Exchange Contracts [Member]				
Derivative Instruments, Gain (Loss) [Line Items]				
Gain (Loss) recognized in accumulated OCI	2	4	(11)	(3)
Cash Flow Hedging Relationships [Member] | Foreign Exchange Contracts [Member] | Other income expense [Member]				
Derivative Instruments, Gain (Loss) [Line Items]				
Interest income (expense) reclassified from accumulated OCI into income	$ (3)	$ 7	$ 13	$ 10

Acquisitions, Dispositions And Other Adjustments (Narrative) (Details) - USD ($) $ in Millions	1 Months Ended		3 Months Ended	6 Months Ended		
	Jun. 30, 2020	May 31, 2020	Jun. 30, 2020	Jun. 30, 2020	Jun. 30, 2019	Dec. 31, 2019
Acquisition and Dispositions [Line Items]						
Acquisitions, net of cash acquired				$ 1,174	$ 320	
Acquisition of business - Goodwill	$ 143,651		$ 143,651	143,651		$ 146,241
FCC Licenses [Member]						
Acquisition and Dispositions [Line Items]						
Acquisition of business - acquisition date	Jun. 30, 2020					
Payments to Acquire Intangible Assets				2,379		
37 GHz Licenses [Member]						
Acquisition and Dispositions [Line Items]						
Payments to Acquire Intangible Assets			949	1,186		
FiberTower Corporation [Member] | FCC Licenses [Member]						
Acquisition and Dispositions [Line Items]						
Value of consideration received in a noncash transaction				1,200		
FiberTower Corporation [Member] | 39 GHz Licenses [Member]						
Acquisition and Dispositions [Line Items]						
Indefinite-lived Intangible Assets - value	$ 300		$ 300	300		
Gain (Loss) on disposition of intangible asset				$ 900		
WarnerMedia [Member] | HBO LAG [Member]						
Acquisition and Dispositions [Line Items]						
Acquisition of business - acquisition date		May 31, 2020				
Acquisitions, net of cash acquired		$ 141				
Acquisition of business, remeasurement gain		68				
Acquisition of business - Goodwill		343				
Acquisition of intangible assets, trade names		640				
WarnerMedia [Member] | HBO LAG [Member] | Distribution Networks - Net						
Acquisition and Dispositions [Line Items]						
Acquisition of other intangible assets		$ 271				

Sale Of Equipment Installment Receivable (Equipment Installment and AT&T Revolving Programs) (Narrative) (Details) - USD ($) $ in Millions	3 Months Ended			6 Months Ended		12 Months Ended
	Jun. 30, 2020	Mar. 31, 2020	Jun. 30, 2019	Jun. 30, 2020	Jun. 30, 2019	Dec. 31, 2019
Accounts, Notes, Loans and Financing Receivable [Line Items]						
Accounts Payable And Accrued Liabilities, Current	$ 41,881			$ 41,881		$ 45,956
Guarantee Obligations [Member]						
Accounts, Notes, Loans and Financing Receivable [Line Items]						
Accounts Payable And Accrued Liabilities, Current	213			213		148
Guarantee Obligation	315			315		384
Finance Receivables [Member]						
Accounts, Notes, Loans and Financing Receivable [Line Items]						
Supplemental Deferred Purchase Price	232		$ 261	585	$ 570	
Other Assets [Member] | Deferred Purchase Price [Member]						
Accounts, Notes, Loans and Financing Receivable [Line Items]						
Other Assets	2,319			2,319		2,336
Other Current Assets [Member] | Deferred Purchase Price [Member]						
Accounts, Notes, Loans and Financing Receivable [Line Items]						
Other Assets	1,591			1,591		1,569
Revolving [Member]						
Accounts, Notes, Loans and Financing Receivable [Line Items]						
Agreement Amount With Purchaser To Transfer Financial Assets Accounted For As Sales		$ 5,300				$ 4,300
Receivables pledged as collateral	$ 3,745			$ 3,745		

Sale Of Equipment Installment Receivables (Equipment Installment and AT&T Revolving Programs) (Details) - USD ($) $ in Millions	Jun. 30, 2020	Dec. 31, 2019
Finance Receivables [Member]		
Accounts, Notes, Loans and Financing Receivable [Line Items]		
Gross receivables:	$ 3,931	$ 4,576
Outstanding portfolio of receivables derecognized from our consolidated balance sheets	8,917	9,713
Cash proceeds received, net of remittances	[1] 6,429	7,211
Finance Receivables [Member] | Notes Receivable [Member]		
Accounts, Notes, Loans and Financing Receivable [Line Items]		
Accounts receivable	2,056	2,467
Finance Receivables [Member] | Trade receivables [Member]		
Accounts, Notes, Loans and Financing Receivable [Line Items]		
Accounts receivable	496	477
Finance Receivables [Member] | Other Noncurrent Assets [Member]		
Accounts, Notes, Loans and Financing Receivable [Line Items]		
Gross receivables:	1,379	1,632
Trade receivables [Member]		
Accounts, Notes, Loans and Financing Receivable [Line Items]		
Gross receivables:	3,745	3,324
Outstanding portfolio of receivables derecognized from our consolidated balance sheets	5,300	4,300
Cash proceeds received, net of remittances	[1] 5,300	4,300
Trade receivables [Member] | Notes Receivable [Member]		
Accounts, Notes, Loans and Financing Receivable [Line Items]		
Accounts receivable	0	0
Trade receivables [Member] | Trade receivables [Member]		
Accounts, Notes, Loans and Financing Receivable [Line Items]		
Accounts receivable	3,547	2,809
Trade receivables [Member] | Other Noncurrent Assets [Member]		
Accounts, Notes, Loans and Financing Receivable [Line Items]		
Gross receivables:	$ 198	$ 515

[1] Represents amounts to which financial institutions remain entitled, excluding the deferred purchase price.

Sale Of Equipment Installment Receivables (Finance Receivables) (Details) - Finance Receivables [Member] - USD ($) $ in Millions	3 Months Ended		6 Months Ended	
	Jun. 30, 2020	Jun. 30, 2019	Jun. 30, 2020	Jun. 30, 2019
Accounts, Notes, Loans and Financing Receivable [Line Items]				
Gross receivables sold	$ 1,506	$ 2,244	$ 3,873	$ 4,945
Net receivables sold	[1] 1,449	2,133	3,722	4,679
Cash proceeds received	1,225	1,920	3,175	4,195
Deferred purchase price recorded	232	261	585	570
Guarantee obligation recorded	$ 27	$ 93	$ 71	$ 194

[1] Receivables net of allowance, imputed interest and equipment trade-in right guarantees.

Sale Of Equipment Installment Receivables (Finance Receivables Repurchased) (Details) - USD ($) $ in Millions	3 Months Ended		6 Months Ended	
	Jun. 30, 2020	Jun. 30, 2019	Jun. 30, 2020	Jun. 30, 2019
Accounts, Notes, Loans and Financing Receivable [Line Items]				
Fair value of repurchased receivables	$ 285	$ 235	$ 573	$ 658
Carrying value of deferred purchase price	281	225	558	632
Gain (Loss) on repurchases	[1] $ 4	$ 10	$ 15	$ 26

[1] These gains are included in “Selling, general and administrative” in the consolidated statements of income.

Sale of Equipment Installment Receivables (Summary of Receivables Sold) (Details) - WarnerMedia [Member] - USD ($) $ in Millions	3 Months Ended		6 Months Ended	
	Jun. 30, 2020	Jun. 30, 2019	Jun. 30, 2020	Jun. 30, 2019
Transfer Of Financial Assets Accounted For As Sales [Line Items]				
Gross receivables sold/cash proceeds received	[1] $ 3,805	$ 4,452	$ 8,027	$ 5,852
Collections reinvested under revolving agreement	3,805	2,127	7,027	2,127
Net cash proceeds received (remitted)	0	2,325	1,000	3,725
Net receivables sold	[2] 3,819	4,134	7,957	5,497
Guarantee obligation recorded	(12)	384	114	436
Initial sale of receivables	$ 0	$ 2,325	$ 1,000	$ 3,725

[1] Includes initial sale of receivables of $0 and $2,325 for the three months and $1,000 and $3,725 for the six months ended June 30, 2020 and 2019, respectively.

[2] Receivables net of allowance, return and incentive reserves and imputed interest

Leases (Narrative) (Details)	6 Months Ended Jun. 30, 2020
Leases [Line Items]	
Operating lease, option to terminate leases	Some of our operating leases include options to terminate within one year.
Finance Lease, option to terminate leases	Some of our finance leases include options to terminate within one year.
Maximum [Member]	
Leases [Line Items]	
Operating Lease, remaining term of contract	15 years
Finance Lease, remaining term of contract	15 years

Leases (Components of Lease Expense) (Details) - USD ($) $ in Millions	3 Months Ended		6 Months Ended	
	Jun. 30, 2020	Jun. 30, 2019	Jun. 30, 2020	Jun. 30, 2019
Operating Lease [Abstract]				
Operating Lease Cost	$ 1,449	$ 1,610	$ 2,826	$ 2,852
Finance Lease [Abstract]				
Amortization of right-of-use assets	73	70	140	136
Interest on lease obligation	36	42	77	84
Finance Lease [Member]				
Finance Lease [Abstract]				
Total finance lease cost	$ 109	$ 112	$ 217	$ 220

Leases (Supplemental Balance Sheet Information Related to Leases) (Details) - USD ($) $ in Millions	Jun. 30, 2020	Dec. 31, 2019
Operating Lease [Abstract]		
Operating Lease Right-of-Use Assets	$ 24,692	$ 24,039
Accounts payable and accrued liabilities	41,881	45,956
Operating lease liabilities	22,230	21,804
Total	25,704	25,255
Finance Lease [Abstract]		
Property, plant and equipment, at cost	332,883	333,538
Accumulated depreciation and amortization	(203,938)	(203,410)
Property, plant and equipment - net	128,945	130,128
Current portion of long-term debt	180	162
Long-term debt	1,683	1,872
Total finance lease obligation	$ 1,863	$ 2,034
Operating Lease, Weighted Average Remaining Lease Term	8 years 6 months	8 years 4 months 24 days
Finance Lease, Weighted Average Remaining Lease Term	10 years 2 months 12 days	10 years 8 months 12 days
Operating Lease, Weighted Average Discount Rate, Percent	4.20%	4.70%
Finance Lease, Weighted Average Discount Rate, Percent	8.20%	8.50%
Operating Lease		
Operating Lease [Abstract]		
Accounts payable and accrued liabilities	$ 3,474	$ 3,451
Finance Lease		
Finance Lease [Abstract]		
Property, plant and equipment, at cost	3,468	3,534
Accumulated depreciation and amortization	(1,347)	(1,296)
Property, plant and equipment - net	$ 2,121	$ 2,238

Leases (Future Minimum Maturities of Lease Liabilities) (Details) - USD ($) $ in Millions	Jun. 30, 2020	Dec. 31, 2019
Operating Leases [Abstract]		
Remainder of 2020	$ 2,447	
2021	4,582	
2022	4,277	
2023	3,889	
2024	3,357	
Thereafter	13,031	
Total lease payments	31,583	
Less imputed interest	(5,879)	
Total	25,704	$ 25,255
Finance Leases [Abstract]		
Remainder of 2020	190	
2021	309	
2022	291	
2023	262	
2024	242	
Thereafter	1,632	
Total lease payments	2,926	
Less inputed interest	(1,063)	
Total	$ 1,863	$ 2,034

Preferred Shares (Narrative) (Details) $ / shares in Units, $ in Millions	6 Months Ended Jun. 30, 2020 USD ($) $ / shares shares	12 Months Ended Dec. 31, 2019 USD ($) $ / shares shares	Jun. 30, 2020 € / shares shares
Class of Stock [Line Items]			
Preferred stock, authorized (in shares)	10,000,000	10,000,000	
Preferred stock, par value | $ / shares	$ 1.00	$ 1	
Preferred stock, dividend payment terms	So long as the preferred dividends are declared and paid on a timely basis on each series of preferred shares, there are no limitations on our ability to declare a dividend on or repurchase AT&T common shares.		
Preferred Stock, Redemption Terms	The preferred shares are optionally redeemable by AT&T at the liquidation price generally on or after five years from the issuance date, or upon certain other contingent events.		
Series A Preferred Stock [Member]			
Class of Stock [Line Items]			
Preferred stock, par value | $ / shares	$ 1	$ 1	
Preferred stock, outstanding (in shares)	48,000	48,000	
Preferred stock, issued (in shares)	48,000	48,000	
Preferred stock, value, issued | $	$ 0	$ 0	
Preferred stock, liquidation preference per share | $ / shares	$ 25,000	$ 25,000	
Preferred stock, dividend rate	5.00%	5.00%	
Series B Preferred Stock [Member]			
Class of Stock [Line Items]			
Preferred stock, par value | $ / shares	$ 1		
Preferred stock, outstanding (in shares)	20,000	0	
Preferred stock, issued (in shares)	20,000	0	
Preferred stock, value, issued | $	$ 0	$ 0	

Preferred stock, liquidation preference per share | € / shares			€ 100,000
Preferred stock, dividend rate	2.875%		
Series C Preferred Stock [Member]			
Class of Stock [Line Items]			
Preferred stock, par value | $ / shares	$ 1		
Preferred stock, outstanding (in shares)	70,000	0	
Preferred stock, issued (in shares)	70,000	0	
Preferred stock, value, issued | $	$ 0	$ 0	
Preferred stock, liquidation preference per share | $ / shares	$ 25,000		
Preferred stock, dividend rate	4.75%		

Additional Financial Information (Details) - USD ($) $ in Millions	6 Months Ended			
	Jun. 30, 2020	Jun. 30, 2019	Dec. 31, 2019	Dec. 31, 2018
Cash, Cash Equivalents, Restricted Cash and Restricted Cash Equivalents [Abstract]				
Cash and cash equivalents	$ 16,941	$ 8,423	$ 12,130	$ 5,204
Restricted cash in Other current assets	3	15	69	61
Restricted cash in Other Assets	87	216	96	135
Cash and cash equivalents and restricted cash	17,031	8,654	$ 12,295	$ 5,400
Cash Paid for Amounts Included in the Measurement of Lease Liabilities [Abstract]				
Operating cash flows from operating leases	2,424	2,464		
Operating lease right-of-use assets obtained in exchange for new operating lease obligations	2,895	3,899		
Cash paid (refunded) during the year for:				
Interest	4,202	4,410		
Income taxes, net of refunds	$ (214)	$ (32)		

Additional Financial Information (Narrative) (Details) € in Millions, $ in Millions	1 Months Ended	3 Months Ended		6 Months Ended		
	May 31, 2020 USD ($)	Jun. 30, 2020 EUR (€)	Jun. 30, 2020 USD ($)	Jun. 30, 2020 USD ($)	Jun. 30, 2019 USD ($)	Apr. 01, 2020 USD ($)
Additional Financial Information [Line Items]						
Long-Term Debt Obligation			$ 168,964	$ 168,964		
Repayment of long-term debt				17,284	$ 16,124	
Notes And Debentures [Member]						
Additional Financial Information [Line Items]						
Commercial paper			$ 2,960	$ 2,960		
Notes And Debentures [Member] | Long-Term Debt Issuance [Member]						
Additional Financial Information [Line Items]						
Weighted Average Interest Rate			3.50%	3.50%		
Notes And Debentures [Member] | Long-Term Debt Redemptions [Member]						
Additional Financial Information [Line Items]						
Weighted Average Interest Rate			3.40%	3.40%		
Term Credit Agreements [Member]						
Additional Financial Information [Line Items]						
Repayment of long-term debt			$ 1,800			
Term Credit Agreements [Member] | Bank of America, N.A. [Member]						
Additional Financial Information [Line Items]						
Short-Term Borrowings						$ 5,500
Repayment of Short Term	$ 5,500					
AT&T Global Notes Due 2027 To 2060 [Member]						
Additional Financial Information [Line Items]						
Proceeds from Issuance of Debt			16,545			
AT&T Global Notes Due 2028 To 2038 [Member]						
Additional Financial Information [Line Items]						
Proceeds from Issuance of Debt		€ 3,000	3,281			
AT&T Global Notes Due 2020 To 2047 [Member]						
Additional Financial Information [Line Items]						
Repayment of long-term debt			12,689			
Other Debt [Member]						
Additional Financial Information [Line Items]						
Repayment of long-term debt			$ 1,000			
Vendor Financing Program [Member]						
Additional Financial Information [Line Items]						
Noncash Investing Activities				$ 1,680	$ 1,265	

Additional Financial Information - Subsequent Event (Narrative) (Details) - USD ($) $ in Millions	1 Months Ended		6 Months Ended	
	Aug. 31, 2020	Jul. 31, 2020	Jun. 30, 2020	Jun. 30, 2019
Subsequent Event [Line Items]				
Repayment of long-term debt			$ 17,284	$ 16,124
Global Notes Due 2022 [Member]				
Subsequent Event [Line Items]				
Subsequent Event, Description		In July 2020, we completed redemptions of $4,264 of AT&T, WarnerMedia and DIRECTV notes due 2022, with an average interest rate of 3.4%.		
Repayment of long-term debt		$ 4,264		
Weighted Average Interest Rate		3.40%		
AT&T Global Notes Due 2028 To 2061 [Member]				
Subsequent Event [Line Items]				
Subsequent Event, Description	In August 2020, we issued $11,000 of global notes due 2028 to 2061, with an average interest rate of 2.7%.			
Proceeds from Issuance of Debt	$ 11,000			
Weighted Average Interest Rate	2.70%			
Subsequent Event [Member] | Global Notes Due 2022 [Member]				
Subsequent Event [Line Items]				
Subsequent Event, Date		Jul. 31, 2020		
Subsequent Event [Member] | AT&T Global Notes Due 2028 To 2061 [Member]				
Subsequent Event [Line Items]				
Subsequent Event, Date	Aug. 31, 2020			

Label	Element	Value
Retained Earnings [Member]		
Cumulative effect of accounting changes, net of taxes	us-gaap_CumulativeEffectOfNewAccountingPrincipleInPeriodOfAdoption	$ 0
Cumulative effect of accounting changes, net of taxes	us-gaap_CumulativeEffectOfNewAccountingPrincipleInPeriodOfAdoption	(293,000,000)
Cumulative effect of accounting changes, net of taxes	us-gaap_CumulativeEffectOfNewAccountingPrincipleInPeriodOfAdoption	0
Cumulative effect of accounting changes, net of taxes	us-gaap_CumulativeEffectOfNewAccountingPrincipleInPeriodOfAdoption	316,000,000
Noncontrolling Interest [Member]		
Cumulative effect of accounting changes, net of taxes	us-gaap_CumulativeEffectOfNewAccountingPrincipleInPeriodOfAdoption	0
Cumulative effect of accounting changes, net of taxes	us-gaap_CumulativeEffectOfNewAccountingPrincipleInPeriodOfAdoption	(7,000,000)
Cumulative effect of accounting changes, net of taxes	us-gaap_CumulativeEffectOfNewAccountingPrincipleInPeriodOfAdoption	0
Cumulative effect of accounting changes, net of taxes	us-gaap_CumulativeEffectOfNewAccountingPrincipleInPeriodOfAdoption	$ 29,000,000