



## **AT&T CEO Updates Shareholders at Goldman Sachs Communicopia + Technology Conference**

DALLAS, September 12, 2022 — John Stankey, chief executive officer, [AT&T](#)\* Inc. ([NYSE:T](#)), spoke today at the Goldman Sachs Communicopia + Technology Conference where he provided an update to shareholders.

Stankey reiterated that AT&T continues to take a disciplined and return-focused approach to growth and investment and made the following points:

- The company continues to add customers in its strategic focus areas of 5G and fiber. Stankey shared he feels comfortable with AT&T's business trajectory and the continued customer demand it is seeing. Overall industry postpaid phone volumes remain healthy, and AT&T's consistent go-to-market approach, along with an improved customer experience, is attracting high-value customers.
- Stankey said AT&T is developing diversified sources of growth, with wireless share gain in specific customer cohorts, such as the public sector and large and mid-sized business. He expects this momentum to continue thanks to a strong distribution ecosystem, a high-performing workforce and enhanced network quality strengthened by recent mid-band 5G spectrum deployments. He also added that recent pricing actions are performing as anticipated, supporting the company's view that these actions will be accretive in the latter half of the year.
- Stankey shared that AT&T Fiber continues to deliver the best customer experience in the marketplace and that he's pleased with the penetration rates for new fiber build. As AT&T expands to new markets, the company has seen first-year penetration rates about two times greater than historical norms. Stankey expects subscriber momentum and current penetration rates to continue based on the company's improved ability to build fiber effectively and the strong customer demand for the product. Fiber ARPU continues to grow, and the company is seeing higher than anticipated uptake of its multi-gig fiber offerings.
- AT&T continues to expand its fiber footprint and has the ability to serve 18 million customer locations in more than 100 metro areas with AT&T Fiber. Stankey shared there may be an opportunity to expand the company's fiber footprint based on the attractiveness of returns and that government



- subsidies supporting public-private partnership are expected to help drive broadband expansion.
- AT&T remains focused on its cost transformation program and its efforts to achieve more than \$4 billion of its \$6 billion run-rate cost savings target by the end of the year. Stankey noted that he's comfortable with AT&T's cost structure, and believes the company can continue to drive out costs as it exits portions of its legacy businesses. This includes efforts to transition from its legacy copper network to fiber.
  - Stankey shared that AT&T is investing at a record clip to fuel growth in core connectivity, while continuing to pay an attractive dividend, and that the company is focused on building a sustainable and durable connectivity operation with improved cash generation. AT&T is pleased with the return profile of its fiber and 5G investments and continues to expect 2022 and 2023 to be the peak of this capital investment cycle with capital intensity moderating in 2024 and beyond. Overall, the company's long-term capital allocation priorities remain unchanged, and it expects to use cash after dividends to reduce debt with a goal of reaching a net debt-to-adjusted EBITDA range of 2.5x.

#### **\*About AT&T**

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