



# News Release

## AT&T Communications CEO Updates Shareholders

DALLAS, November 30, 2021 — Jeff McElfresh, chief executive officer of AT&T Communications spoke today at the Wells Fargo Technology Media and Telecom Summit, where he provided an update on [AT&T \(NYSE:T\)](#).

McElfresh discussed momentum in AT&T's wireless business, noting that AT&T's consistent go-to-market strategy has driven improved market position supported by healthy wireless service revenue and EBITDA<sup>1</sup> growth. McElfresh noted that over the past five quarters<sup>2</sup> the company has delivered its best subscriber results in a decade, with nearly 4 million postpaid phone net additions, and 1.4 million fiber net additions. At the same time, wireless delivered its best-ever EBITDA in the third quarter of 2021, up 3.6% year over year.

Looking forward, McElfresh is encouraged by underlying mobile industry trends and sees limited signs that suggest a near-term shift in demand levels. He said he believes AT&T's momentum is sustainable with the company's simplified plans, targeted subsegment approach, improved customer experience and network performance all helping AT&T retain and attract subscribers, leading to lower churn and increased customer lifetime value. Reiterating recent comments by CFO Pascal Desroches, McElfresh indicated that AT&T's outlook for 2022 and beyond does not assume a continuation of outsized industry net adds. Should recent mobile industry trends continue, he believes the changes made to AT&T's go-to-market strategy puts the company in a better position to capitalize on healthier than anticipated demand.

McElfresh noted that AT&T continues to see postpaid phone ARPU stabilizing in 2022 with an improvement in international roaming and subscribers adopting higher-ARPU plans balancing the impact of amortization accounting for device promotions. McElfresh said that fewer than a quarter of gross adds and upgrades in the third quarter traded in newer devices for premium promotional offers. As previously noted, only about 20% of AT&T's postpaid smartphones are on Unlimited Elite – the company's highest-ARPU and fastest-growing rate plan.

With postpaid phone ARPU stabilizing in 2022, AT&T expects higher wireless service revenues from a growing postpaid subscriber base. McElfresh also indicated that he believes AT&T can continue to profitably increase its wireless market share going forward and reiterated that the company continues to expect fourth-quarter EBITDA growth to exceed third-quarter levels.

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<sup>1</sup> EBITDA is operating income before depreciation and amortization.

<sup>2</sup> Through third quarter 2021



### \*About AT&T

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