

AT&T INC.
Form 424B3
March 11, 2016
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Filed Pursuant to Rule 424(b)(3)
Registration No. 333-209597

PROSPECTUS

AT&T Inc.

Offers to Exchange

All Outstanding Notes of the Series Specified Below

and Solicitation of Consents to Amend the Related DTV Indentures

Early Participation Date: 5:00 p.m., New York City Time, March 3, 2016, unless extended

Expiration Date: 11:59 p.m., New York City Time, March 17, 2016, unless extended

We are offering to exchange any and all validly tendered (and not validly withdrawn) and accepted notes of the following series issued by DIRECTV Holdings LLC and DIRECTV Financing Co., Inc. (together, "DTV") and guaranteed by DIRECTV Group Holdings, LLC, a wholly owned subsidiary of ours, for notes to be issued by us as described in, and for the consideration summarized in, the table below.

Aggregate Principal Amount (mm)	Title of Series of Notes Issued by DTV to be Exchanged (collectively, the DTV Notes)	CUSIP/ISIN No.	Title of Series of Notes to be Issued by Us (collectively, the AT&T Notes)	Exchange Consideration		Early Participation Premium		Total Consideration	
				(1)(2)	(1)(2)	(1)(2)	(1)(2)(3)		
			AT&T Notes	AT&T Notes	Cash	AT&T Notes	AT&T Notes	Cash	Cash
\$1,250	2.400% Senior Notes due 2017	25459HBE4	2.400% Global Notes due 2017	\$ 970	\$ 1.00	\$ 30	\$ 1,000	\$ 1.00	\$ 1.00
\$750	1.750% Senior Notes due 2018	25459HBH7	1.750% Global Notes due 2018	\$ 970	\$ 1.00	\$ 30	\$ 1,000	\$ 1.00	\$ 1.00

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\$1,000	5.875% Senior Notes due 2019	25459HAU9	5.875% Global Notes due 2019	\$ 970	\$ 1.00	\$ 30	\$ 1,000	\$ 1.00
\$1,300	5.200% Senior Notes due 2020	25459HAT2; 25459HAR6; U25398AH8	5.200% Global Notes due 2020	\$ 970	\$ 1.00	\$ 30	\$ 1,000	\$ 1.00
\$1,000	4.600% Senior Notes due 2021	25459HAW5	4.600% Global Notes due 2021	\$ 970	\$ 1.00	\$ 30	\$ 1,000	\$ 1.00
\$1,500	5.000% Senior Notes due 2021	25459HBA2	5.000% Global Notes due 2021	\$ 970	\$ 1.00	\$ 30	\$ 1,000	\$ 1.00
\$1,500	3.800% Senior Notes due 2022	25459HBF1; 25459HBD6; U25398AL9	3.800% Global Notes due 2022	\$ 970	\$ 1.00	\$ 30	\$ 1,000	\$ 1.00
\$1,250	4.450% Senior Notes due 2024	25459HBL8	4.450% Global Notes due 2024	\$ 970	\$ 1.00	\$ 30	\$ 1,000	\$ 1.00
\$1,200	3.950% Senior Notes due 2025	25460CAA1	3.950% Global Notes due 2025	\$ 970	\$ 1.00	\$ 30	\$ 1,000	\$ 1.00
\$500	6.350% Senior Notes due 2040	25459HAQ8	6.350% Global Notes due 2040	\$ 970	\$ 1.00	\$ 30	\$ 1,000	\$ 1.00
\$1,250	6.000% Senior Notes due 2040	25459HAX3	6.000% Global Notes due 2040	\$ 970	\$ 1.00	\$ 30	\$ 1,000	\$ 1.00
\$1,000	6.375% Senior Notes due 2041	25459HAZ8	6.375% Global Notes due 2041	\$ 970	\$ 1.00	\$ 30	\$ 1,000	\$ 1.00
\$1,250	5.150% Senior Notes due 2042	25459HBG9	5.150% Global Notes due 2042	\$ 970	\$ 1.00	\$ 30	\$ 1,000	\$ 1.00
500	2.750% Senior Notes due 2023	XS0933547456	2.750% Global Notes due 2023	970	1.00	30	1,000	1.00
£750	4.375% Senior Notes due 2029	XS0830326269	4.375% Global Notes due 2029	£ 970	£ 1.00	£ 30	£ 1,000	£ 1.00
£350	5.200% Senior Notes due 2033	XS0994920238	5.200% Global Notes due 2033	£ 970	£ 1.00	£ 30	£ 1,000	£ 1.00

- (1) Consideration per \$1,000 principal amount of DTV U.S. Notes, 1,000 principal amount of DTV Euro Notes or £1,000 principal amount of DTV Sterling Notes, as applicable, validly tendered and accepted for exchange, subject to any rounding as described herein.
- (2) The term "AT&T Notes" in this column refers, in each case, to the series of AT&T Notes corresponding to the series of DTV Notes of like tenor and coupon.
- (3) Includes the Early Participation Premium for DTV Notes validly tendered prior to the Early Participation Date described below and not validly withdrawn.

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In exchange for each of:

- (1) \$1,000 principal amount of dollar-denominated DTV Notes (the DTV U.S. Notes) that is validly tendered prior to 5:00 p.m., New York City time, on March 3, 2016 (the Early Participation Date) and not validly withdrawn, holders will receive the total consideration set out in the table above (the Total Consideration), which consists of \$1,000 principal amount of dollar-denominated AT&T Notes (the AT&T U.S. Notes) and a cash amount of \$1.00;**
- (2) 1,000 principal amount of euro-denominated DTV Notes (the DTV Euro Notes) that is validly tendered prior to the Early Participation Date and not validly withdrawn, holders will receive the Total Consideration, which consists of 1,000 principal amount of euro-denominated AT&T Notes (the AT&T Euro Notes) and a cash amount of 1.00; and**
- (3) £1,000 principal amount of GBP-denominated DTV Notes (the DTV Sterling Notes) that is validly tendered prior to the Early Participation Date and not validly withdrawn, holders will receive the Total Consideration, which consists of £1,000 principal amount of GBP-denominated AT&T Notes (the AT&T Sterling Notes) and a cash amount of £1.00.**

The Total Consideration includes an early participation premium set out in the table above (the Early Participation Premium), which consists of \$30 principal amount of AT&T U.S. Notes, 30 principal amount of AT&T Euro Notes or £30 principal amount of AT&T Sterling Notes, respectively.

In exchange for each of:

- (1) \$1,000 principal amount of DTV U.S. Notes that is validly tendered after the Early Participation Date but prior to the Expiration Date (as defined below) and not validly withdrawn, holders will receive only the exchange consideration set out in the table above (the Exchange Consideration), which is equal to the Total Consideration less the Early Participation Premium and so consists of \$970 principal amount of AT&T U.S. Notes and a cash amount of \$1.00;**
- (2) 1,000 principal amount of DTV Euro Notes that is validly tendered after the Early Participation Date but prior to the Expiration Date (as defined below) and not validly withdrawn, holders will receive only the Exchange Consideration, which is equal to the Total Consideration less the Early Participation Premium and so consists of 970 principal amount of AT&T Euro Notes and a cash amount of 1.00; and**
- (3) £1,000 principal amount of DTV Sterling Notes that is validly tendered after the Early Participation Date but prior to the Expiration Date (as defined below) and not validly withdrawn, holders will receive only the Exchange Consideration, which is equal to the Total Consideration less the Early Participation Premium and so consists of £970 principal amount of AT&T Sterling Notes and a cash amount of £1.00.**

Each AT&T Note issued in exchange for a DTV Note will have an interest rate and maturity that is identical to the interest rate and maturity of the tendered DTV Note, as well as identical interest payment dates and optional

redemption prices. No accrued but unpaid interest will be paid on the DTV Notes in connection with the exchange offers. However, interest on the applicable AT&T Note will accrue from and including the most recent interest payment date of the tendered DTV Note. Subject to the minimum denominations and minimum consideration amounts as described herein, the principal amount of each AT&T Note will be rounded down, if necessary, to the nearest whole multiple of either \$1,000, 1,000 or £1,000, respectively, and we will pay cash equal to the remaining portion, if any, of the exchange price of such DTV Note. **The exchange offers will expire at 11:59 p.m., New York City time, on March 17, 2016, unless extended (the Expiration Date).** You may withdraw tendered DTV Notes at any time prior to the Expiration Date. As of the date of this prospectus, there was \$16,878,740,000 aggregate principal amount of outstanding DTV Notes, based on the February 17, 2016 euro/U.S.\$ exchange rate of 1/U.S.\$1.1128 and the Sterling/U.S.\$ exchange rate of £1/U.S.\$1.4294.

Concurrently with the exchange offers, we are also soliciting consents from each holder of the DTV Notes, on behalf of DTV and upon the terms and conditions set forth in this prospectus and the related amended and

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restated letter of transmittal and consent (the letter of transmittal and consent), to certain proposed amendments (the proposed amendments) to each series of DTV Notes to be governed by, as applicable:

a Third Supplemental Indenture, to the indenture, dated as of September 22, 2009 (as amended or supplemented, the September 2009 DTV Indenture), among DTV, DIRECTV Customer Services, Inc., DIRECTV Enterprises, LLC, DIRECTV Home Services, LLC, DIRECTV Merchandising, Inc., DIRECTV, LLC and LABC Productions, LLC (collectively the DTV Subsidiary Guarantors), DIRECTV, DIRECTV Group Holdings, LLC and The Bank of New York Mellon Trust Company, N.A., as trustee (the DTV Trustee), relating to the 5.875% Senior Notes due 2019;

a Third Supplemental Indenture, to the indenture, dated as of March 11, 2010 (as amended or supplemented, the March 2010 DTV Indenture), among DTV, the DTV Subsidiary Guarantors, DIRECTV, DIRECTV Group Holdings, LLC and the DTV Trustee, relating to the 5.200% Senior Notes due 2020 and 6.350% Senior Notes due 2040;

a Sixth Supplemental Indenture, to the indenture, dated as of August 17, 2010 (as amended or supplemented, the August 2010 DTV Indenture), among DTV, the DTV Subsidiary Guarantors, DIRECTV, DIRECTV Group Holdings, LLC and the DTV Trustee, relating to the 4.600% Senior Notes due 2021, 5.000% Senior Notes due 2021, 6.000% Senior Notes due 2040 and 6.375% Senior Notes due 2041;

a Second Supplemental Indenture, to the indenture, dated as of March 8, 2012 (as amended or supplemented, the March 2012 DTV Indenture), among DTV, the DTV Subsidiary Guarantors, DIRECTV, DIRECTV Group Holdings, LLC and the DTV Trustee, relating to the 2.400% Senior Notes due 2017, 3.800% Senior Notes due 2022 and 5.150% Senior Notes due 2042; or

an Eighth Supplemental Indenture, to the indenture, dated as of September 14, 2012 (as amended or supplemented, the September 2012 DTV Indenture), among DTV, the DTV Subsidiary Guarantors, DIRECTV, DIRECTV Group Holdings, LLC and the DTV Trustee, relating to the 1.750% Senior Notes due 2018, 2.750% Senior Notes due 2023, 4.450% Senior Notes due 2024, 3.950% Senior Notes due 2025, 4.375% Senior Notes due 2029 and 5.200% Senior Notes due 2033.

The September 2009 DTV Indenture, March 2010 DTV Indenture, August 2010 DTV Indenture, March 2012 DTV Indenture and September 2012 Indenture are referred to collectively as the DTV Indentures.

You may not consent to the proposed amendments to the relevant DTV Indenture without tendering your DTV Notes in the appropriate exchange offer and you may not tender your DTV Notes for exchange without consenting to the applicable proposed amendments. By tendering your DTV Notes for exchange, you will be deemed to have validly delivered your consent to the proposed amendments to the applicable DTV Indenture under which those notes were issued with respect to that specific series, as further described under The Proposed Amendments. You may revoke your consent at any time prior to the Expiration Date by withdrawing the DTV Notes you have tendered.

The consummation of the exchange offers is subject to, and conditional upon, the satisfaction or waiver, where permitted, of the conditions discussed under The Exchange Offers and Consent Solicitations Conditions to the

Exchange Offers and Consent Solicitations, including, among other things, the receipt of valid consents to the proposed amendments from the holders of at least a majority of the outstanding aggregate principal amount of all series of DTV Notes, which, for the avoidance of doubt, shall include the receipt of valid consents to the proposed amendments from the holders of at least a majority of the outstanding aggregate principal amount of each series of the DTV Notes (the Requisite Consents). We may, at our option and sole discretion, waive any such conditions, except the condition that the registration statement of which this prospectus forms a part has been declared effective by the U.S. Securities and Exchange Commission. All conditions to the exchange offers must be satisfied or, where permitted, waived, at or by the Expiration Date.

We plan to issue the AT&T Notes promptly on or about the second business day following the Expiration Date (the Settlement Date). Except for the DTV Euro Notes and DTV Sterling Notes and the respective AT&T Euro

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Notes and AT&T Sterling Notes, the DTV Notes are not, and the AT&T Notes will not be, listed on any securities exchange. The DTV Euro Notes and DTV Sterling Notes are currently listed on the Global Exchange Market of the Irish Stock Exchange (the ISE). We intend to delist any remaining untendered DTV Euro Notes and DTV Sterling Notes from the ISE and list the AT&T Euro Notes and AT&T Sterling Notes on the New York Stock Exchange (NYSE). We expect trading in the AT&T Euro Notes and AT&T Sterling Notes to begin within 30 days of the Settlement Date.

This investment involves risks. Prior to participating in any of the exchange offers and consenting to the proposed amendments, please see the section entitled Risk Factors beginning on page 23 of this prospectus for a discussion of the risks that you should consider. *Additionally, see the Risk Factors in our 2015 Annual Report to Stockholders, portions of which are filed as Exhibit 13 to our Annual Report on Form 10-K for the fiscal year ended December 31, 2015, which are incorporated by reference herein, to read about factors you should consider before investing in the AT&T Notes.*

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

None of AT&T, DTV, the exchange agents, the information agents, the DTV Trustee, the trustee under the indentures governing the AT&T Notes or the dealer managers makes any recommendation as to whether holders of DTV Notes should exchange their notes in the exchange offers or deliver consents to the proposed amendments to the DTV Indentures.

Any offer of the AT&T U.S. Notes made to holders of the DTV U.S. Notes which are located or resident in any Member State of the European Economic Area which has implemented Directive 2003/71/EC, as amended (the Prospectus Directive) will be addressed to holders (i) which are qualified investors as defined in the Prospectus Directive or (ii) which agree to acquire the AT&T U.S. Notes for a total consideration equivalent to at least 100,000 per investor. Any holder, not being a qualified investor, that does not agree to acquire such amount will not be able to participate in the exchange offers.

The dealer managers for the exchange offers and solicitation agents for the consent solicitations for the DTV U.S. Notes are:

BofA Merrill Lynch

Credit Suisse

Deutsche Bank Securities

The dealer managers for the exchange offers and solicitation agents for the consent solicitations for the DTV Euro Notes and DTV Sterling Notes are:

BofA Merrill Lynch

Credit Suisse

Deutsche Bank

The date of this prospectus is March 11, 2016

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ABOUT THIS PROSPECTUS

References in this prospectus to AT&T, the Company, we, us, and our refer to AT&T Inc. and its consolidated subsidiaries, unless otherwise stated or the context so requires.

No person is authorized to give any information or to make any representations other than those contained or incorporated by reference in this prospectus. We and the dealer managers take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. This prospectus is not an offer to sell or the solicitation of an offer to buy any securities in any jurisdiction where it is unlawful. The delivery of this prospectus will not, under any circumstances, create any implication that there has been no change in our affairs since the date of this prospectus or that the information contained or incorporated by reference is correct as of any time subsequent to the date of such information. Our business, financial condition, results of operations and prospects may have changed since those dates.

This prospectus is part of a registration statement that we have filed with the U.S. Securities and Exchange Commission (SEC or the Commission). Prior to making any decision with respect to the exchange offers and consent solicitations, you should read this prospectus and any prospectus supplement, together with the documents incorporated by reference herein, the registration statement, the exhibits thereto and the additional information described under the heading Where You Can Find More Information.

References in this prospectus to \$ and dollars are to the currency of the United States. References to and euro are the lawful currency of the member states of the European Monetary Union that have adopted or that adopt the single currency in accordance with the treaty establishing the European Community, as amended by the Treaty on European Union. References to £ and GBP are to the lawful currency of the United Kingdom. The financial information presented in this prospectus has been prepared in accordance with generally accepted accounting principles in the United States.

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This prospectus, any prospectus supplement or any document incorporated by reference may include forward looking statements. These estimates and statements are subject to risks and uncertainties, and actual results might differ materially. Such estimates and statements include, but are not limited to, statements about AT&T's plans, objectives, expectations and intentions, and other statements that are not historical facts. Such statements are based upon the current beliefs and expectations of the management of AT&T and are subject to significant risks and uncertainties outside of our control.

Statements included in or incorporated by reference into this prospectus or any prospectus supplement, that are not historical facts, including statements about the beliefs and expectations of the management of AT&T, are forward-looking statements. Words such as believes, anticipates, estimates, expects, intends, aims, potential, would, could, considered, likely, estimate and variations of these words and similar future or conditional expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. While AT&T believes these expectations, assumptions, estimates and projections are reasonable, such forward-looking statements are only predictions and involve known and unknown risks and uncertainties, many of which are beyond the control of AT&T. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend upon future circumstances that may or may not occur. Actual results may differ materially from the current expectations of AT&T depending upon a number of factors affecting their businesses and risks associated with the successful completion of the exchange offers and consent solicitations. These factors include, but are not limited to, risks and uncertainties detailed in AT&T's periodic public filings with the SEC, including those discussed under the sections entitled Risk Factors in AT&T's 2015 Annual Report to Stockholders, portions of which are filed as Exhibit 13 to AT&T's Annual Report on Form 10-K for the fiscal year ended December 31, 2015, factors contained or incorporated by reference into such documents and in subsequent filings by AT&T with the SEC, and in this prospectus, including in the section captioned Risk Factors.

Except as otherwise required by law, AT&T is not under any obligation, and expressly disclaims any obligation, to update, alter, or otherwise revise any forward-looking statements, that may be made from time to time, whether as a result of new information, future events, or otherwise. Persons reading this announcement are cautioned not to place undue reliance on these forward-looking statements which speak only as of the date hereof.

WHERE YOU CAN FIND MORE INFORMATION

We are required to file annual, quarterly and current reports, proxy statements and other information with the SEC. You may read and copy any documents filed by us at the SEC's public reference room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. Our filings with the SEC are also available to the public through the SEC's Internet site at <http://www.sec.gov>.

Copies of the materials referred to in the preceding paragraph and any current amendment or supplement to this prospectus, may also be obtained from the information agents at the addresses set forth on the back cover of this prospectus.

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INCORPORATION OF CERTAIN INFORMATION BY REFERENCE

We incorporate by reference the information we file with the SEC, which means that we disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be part of this prospectus, and information that we file later with the SEC and incorporate herein will automatically update and supersede this information. We incorporate by reference the documents listed below and any future filings we will make with the SEC under Section 13(a), 13(c), 14 or 15(d) of the Exchange Act after the date of this registration statement and until we complete the exchange offers and consent solicitations (other than, in each case, documents or information deemed to have been furnished and not filed in accordance with the SEC rules):

1. Annual Report on Form 10-K for the fiscal year ended December 31, 2015 (filed with the SEC on February 18, 2016);
2. The portions of our Proxy Statement on Schedule 14A for our 2016 annual meeting of stockholders filed with the SEC on March 11, 2016 that are incorporated by reference into our Annual Report on Form 10-K for the fiscal year ended December 31, 2015;
3. Current Reports on Form 8-K filed with the SEC on January 22, 2016, January 26, 2016, February 9, 2016 and February 19, 2016.

Documents incorporated by reference are available from the SEC as described above or from us without charge, or from the information agents, excluding exhibits to those documents unless the exhibit is specifically incorporated by reference as an exhibit in this document. The information agents may be contacted at the addresses set forth on the back cover of this prospectus. You may request a copy of this prospectus and any of the documents incorporated by reference into this prospectus or other information concerning AT&T, without charge, by written or telephonic request directed to AT&T, Attention: Stockholder Services, One AT&T Plaza, 208 South Akard Street, Dallas, Texas 75202, Telephone (210) 821-4105; or from the SEC through the SEC website at the address provided above.

To receive timely delivery of the documents prior to the Early Participation Date, you should make your request no later than February 25, 2016. To receive timely delivery of the documents prior to the Expiration Date, you should make your request no later than March 10, 2016.

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SUMMARY

This summary provides an overview of selected information. Because this is only a summary, it may not contain all of the information that may be important to you in understanding the exchange offers and consent solicitations. You should carefully read this entire prospectus, including the section entitled Risk Factors, as well as the information incorporated by reference in this prospectus. See the sections of this prospectus entitled Where You Can Find More Information and Incorporation of Certain Information by Reference.

AT&T Inc.

AT&T is a holding company whose subsidiaries and affiliates operate in the communications and digital entertainment services industry. Our subsidiaries and affiliates provide services and equipment that deliver voice, video and broadband services both domestically and internationally. Our principal executive offices are located at One AT&T Plaza, 208 S. Akard St., Dallas, Texas 75202. Our telephone number is (210) 821-4105. We maintain an Internet site at the following location: <http://www.att.com> (this website address is for information only and is not intended to be an active link or to incorporate any website information into this document).

We are a leading provider of telecommunications services in the United States and the world. We offer our services and products to consumers, businesses and other providers of telecommunications services worldwide. The services and products that we offer vary by market, and include: wireless communications, data/broadband and Internet services, video, local exchange services, long-distance services, telecommunications equipment, managed networking, and wholesale services. We manage our business through four operating segments: business solutions, entertainment group, consumer mobility and international. With continuing advances in technology and in response to changing demands from our customers, we have focused on providing broadband, video and voice services over both our wireless and wireline platforms. We recently closed our acquisition of DIRECTV to expand our offerings to satellite technology. We make our customers' lives more convenient and productive and foster competition and further innovation in the communications and entertainment industry.

Questions and Answers about the Exchange Offers and Consent Solicitations

Q: Why is AT&T making the exchange offers and consent solicitations?

A: AT&T is conducting the exchange offers to simplify its capital structure, to give existing holders of DTV Notes the option to obtain securities issued by AT&T, which will be pari passu with AT&T's other unsecured and unsubordinated debt securities, and to centralize its reporting obligations under AT&T's various debt instruments. AT&T is conducting the consent solicitations to (1) eliminate substantially all of the restrictive covenants in the DTV Indentures; (2) eliminate certain Events of Default due to (a) the cross-default triggered by (i) payment defaults under any indebtedness of DIRECTV Holdings LLC or its subsidiaries aggregating \$100 million or more or (ii) an Event of Default under other DTV Notes whether or not those DTV Notes are accelerated, (b) the cross-acceleration triggered by the acceleration of any indebtedness, other than DTV Notes, of DIRECTV Holdings LLC or its subsidiaries, the principal amount of which aggregates \$100 million or more and (c) failure to pay judgments aggregating \$100 million or more within 60 days; and (3) eliminate the change of control and ratings decline covenant. Completion of the exchange offers and consent solicitations is expected to ease administration of AT&T's indebtedness.

Q: What will I receive if I tender my DTV Notes in the exchange offers and consent solicitations?

A: Subject to the conditions described in this prospectus, each DTV Note that is validly tendered prior to 11:59 p.m., New York City time, on the Expiration Date, and not validly withdrawn, will be eligible to receive an AT&T Note of the applicable series (as designated in the table below), which will accrue

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interest at the same annual interest rate, have the same interest payment dates, same optional redemption prices and same maturity date as the DTV Note for which it was exchanged.

Specifically,

As relates to the exchange of DTV U.S. Notes for AT&T U.S. Notes, (a) in exchange for each \$1,000 principal amount of DTV U.S. Notes that is validly tendered *prior* to 5:00 p.m., New York City time, on the Early Participation Date, and not validly withdrawn, holders will receive the Total Consideration, which consists of \$1,000 principal amount of AT&T U.S. Notes and a cash amount of \$1.00, and includes the Early Participation Premium, which consists of \$30 principal amount of AT&T U.S. Notes, and (b) in exchange for each \$1,000 principal amount of DTV U.S. Notes that is validly tendered *after* the Early Participation Date but prior to the Expiration Date, and not validly withdrawn, holders will receive only the Exchange Consideration, which consists of \$970 principal amount of AT&T U.S. Notes and a cash amount of \$1.00. Any holder located or resident in any Member State of the European Economic Area which has implemented the Prospective Directive which is not a qualified investor as defined in the Prospectus Directive must agree to acquire the AT&T U.S. Notes for a total consideration equivalent to at least 100,000 per investor. Any holder, not being a qualified investor, that does not agree to acquire such amount will not be able to participate in the exchange offers.

As relates to the exchange of DTV Euro Notes for AT&T Euro Notes and subject to the applicable minimum denomination as discussed below, (a) in exchange for each 1,000 principal amount of DTV Euro Notes that is validly tendered *prior* to 5:00 p.m., New York City time, on the Early Participation Date, and not validly withdrawn, holders will receive the Total Consideration, which consists of 1,000 principal amount of AT&T Euro Notes and a cash amount of 1.00, and includes the Early Participation Premium, which consists of 30 principal amount of AT&T Euro Notes, and (b) in exchange for each 1,000 principal amount of DTV Euro Notes that is validly tendered *after* the Early Participation Date but prior to the Expiration Date, and not validly withdrawn, holders will receive only the Exchange Consideration, which consists of 970 principal amount of AT&T Euro Notes and a cash amount of 1.00.

As relates to the exchange of DTV Sterling Notes for AT&T Sterling Notes and subject to the applicable minimum denomination as discussed below, (a) in exchange for each £1,000 principal amount of DTV Sterling Notes that is validly tendered *prior* to 5:00 p.m., New York City time, on the Early Participation Date, and not validly withdrawn, holders will receive the Total Consideration, which consists of £1,000 principal amount of AT&T Sterling Notes and a cash amount of £1.00, and includes the Early Participation Premium, which consists of £30 principal amount of AT&T Sterling Notes, and (b) in exchange for each £1,000 principal amount of DTV Sterling Notes that is validly tendered *after* the Early Participation Date but prior to the Expiration Date, and not validly withdrawn, holders will receive only the Exchange Consideration, which consists of £970 principal amount of AT&T Sterling Notes and a cash amount of £1.00.

The AT&T Notes will be issued under and governed by the terms of our indenture (the Indenture), dated as of May 15, 2013, with The Bank of New York Mellon Trust Company, N.A., as trustee (the Trustee), described under Description of the AT&T Notes.

The AT&T U.S. Notes will be issued only in minimum denominations of \$2,000 and whole multiples of \$1,000 thereafter. See Description of the AT&T Notes Description of the AT&T U.S. Notes General. We will not accept tenders of DTV U.S. Notes if such tender would result in the holder thereof receiving in the applicable exchange offer an amount of AT&T U.S. Notes below the applicable minimum denomination. If we would be required to issue an AT&T U.S. Note in a denomination other than \$2,000 or a whole multiple of \$1,000 above such minimum denomination, we will, in lieu of such issuance:

issue an AT&T U.S. Note in a principal amount that has been rounded down to the nearest lesser whole multiple of \$1,000 above such minimum denomination; and pay a cash amount equal to the

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difference between (i) the principal amount of the AT&T U.S. Notes to which the tendering holder would otherwise be entitled and (ii) the principal amount of the AT&T U.S. Note actually issued in accordance with this paragraph; *plus*

accrued and unpaid interest on the principal amount of such DTV U.S. Note representing such difference to the Settlement Date; *provided, however*, that you will not receive any payment for interest on this cash amount by reason of any delay on the part of the U.S. Exchange Agent (as defined herein) in making delivery or payment to the holders entitled thereto or any delay in the allocation or crediting of securities or monies received by The Depository Trust Company (DTC) to participants in DTC or in the allocation or crediting of securities or monies received by participants to beneficial owners and in no event will AT&T be liable for interest or damages in relation to any delay or failure of payment to be remitted to any holder.

Any holder of DTV U.S. Notes located or resident in any Member State of the European Economic Area which has implemented the Prospective Directive which is not a qualified investor as defined in the Prospectus Directive must agree to acquire the AT&T U.S. Notes for a total consideration equivalent to at least 100,000 per investor. Any holder, not being a qualified investor, that does not agree to acquire such amount will not be able to participate in the exchange offer.

The AT&T Euro Notes will be issued only in minimum denominations of 100,000 and whole multiples of 1,000 thereafter. See Description of the AT&T Notes Description of the AT&T Euro Notes General. We will not accept tenders of DTV Euro Notes if such tender would result in the holder thereof receiving in the applicable exchange offer an amount of AT&T Euro Notes below the applicable minimum denomination of 100,000. If we would be required to issue an AT&T Euro Note in a denomination other than 100,000 or a whole multiple of 1,000 above such minimum denomination, we will, in lieu of such issuance:

issue an AT&T Euro Note in a principal amount that has been rounded down to the nearest lesser whole multiple of 100,000 or 1,000 above such minimum denomination; and pay a cash amount equal to the difference between (i) the principal amount of the AT&T Euro Notes to which the tendering holder would otherwise be entitled and (ii) the principal amount of the AT&T Euro Note actually issued in accordance with this paragraph; *plus*

accrued and unpaid interest on the principal amount of such DTV Euro Note representing such difference to the Settlement Date; *provided, however*, that you will not receive any payment for interest on this cash amount by reason of any delay on the part of Euroclear/Clearstream Luxembourg (as defined herein) in making delivery or payment to the holders or in the allocation or crediting of securities or monies to participants in Euroclear/Clearstream Luxembourg or in the allocation or crediting of securities or monies received by participants to beneficial owners and in no event will AT&T be liable for interest or damages in relation to any delay or failure of payment to be remitted to any holder.

The AT&T Sterling Notes will be issued only in minimum denominations of £100,000 and whole multiples of £1,000 thereafter. See Description of the AT&T Notes Description of the AT&T Sterling Notes General. We will not accept tenders of DTV Sterling Notes if such tender would result in the holder thereof receiving in the applicable exchange offer an amount of AT&T Sterling Notes below the applicable minimum denomination of £100,000. If we would be required to issue an AT&T Sterling Note in a denomination other than £100,000 or a whole multiple of £1,000 above

such minimum denomination, we will, in lieu of such issuance:

issue an AT&T Sterling Note in a principal amount that has been rounded down to the nearest lesser whole multiple of £100,000 or £1,000 above such minimum denomination; and pay a cash amount equal to the difference between (i) the principal amount of the AT&T Sterling Notes to which the tendering holder would otherwise be entitled and (ii) the principal amount of the AT&T Sterling Note actually issued in accordance with this paragraph; *plus*

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accrued and unpaid interest on the principal amount of such DTV Sterling Note representing such difference to the Settlement Date; *provided, however*, that you will not receive any payment for interest on this cash amount by reason of any delay on the part of Euroclear/Clearstream Luxembourg in making delivery or payment to the holders or in the allocation or crediting of securities or monies received to participants in Euroclear/Clearstream Luxembourg or in the allocation or crediting of securities or monies received by participants to beneficial owners and in no event will AT&T be liable for interest or damages in relation to any delay or failure of payment to be remitted to any holder.

Except as otherwise set forth above, instead of receiving a payment for accrued interest on DTV Notes that you exchange, the AT&T Notes you receive in exchange for those DTV Notes will accrue interest from (and including) the most recent interest payment date on those DTV Notes. No accrued but unpaid interest will be paid with respect to DTV Notes tendered for exchange.

You may not consent to the proposed amendments to the relevant DTV Indenture without tendering your DTV Notes in the appropriate exchange offer and you may not tender your DTV Notes for exchange without consenting to the applicable proposed amendments. By tendering your DTV Notes for exchange, you will be deemed to have validly delivered your consent to the proposed amendments to the applicable DTV Indenture under which those notes were issued with respect to that specific series, as further described under The Proposed Amendments. You may revoke your consent at any time prior to the Expiration Date by withdrawing the DTV Notes you have tendered.

Title of Series of Notes Issued by DTV to be Exchanged (collectively, the DTV Notes)	Title of Series of Notes to be Issued by AT&T (collectively, the AT&T Notes)
2.400% Senior Notes due 2017	2.400% Global Notes due 2017
1.750% Senior Notes due 2018	1.750% Global Notes due 2018
5.875% Senior Notes due 2019	5.875% Global Notes due 2019
5.200% Senior Notes due 2020	5.200% Global Notes due 2020
4.600% Senior Notes due 2021	4.600% Global Notes due 2021
5.000% Senior Notes due 2021	5.000% Global Notes due 2021
3.800% Senior Notes due 2022	3.800% Global Notes due 2022
4.450% Senior Notes due 2024	4.450% Global Notes due 2024
3.950% Senior Notes due 2025	3.950% Global Notes due 2025
6.350% Senior Notes due 2040	6.350% Global Notes due 2040
6.000% Senior Notes due 2040	6.000% Global Notes due 2040
6.375% Senior Notes due 2041	6.375% Global Notes due 2041
5.150% Senior Notes due 2042	5.150% Global Notes due 2042
2.750% Senior Notes due 2023	2.750% Global Notes due 2023
4.375% Senior Notes due 2029	4.375% Global Notes due 2029
5.200% Senior Notes due 2033	5.200% Global Notes due 2033

Q: What are the proposed amendments to the DTV Indentures?

A: The proposed amendments will (1) eliminate substantially all of the restrictive covenants in the DTV Indentures; (2) eliminate certain Events of Default due to (a) the cross-default triggered by (i) payment defaults under any indebtedness of DIRECTV Holdings LLC or its subsidiaries aggregating \$100 million or

more or (ii) an Event of Default under other DTV Notes whether or not those DTV Notes are accelerated, (b) the cross-acceleration triggered by the acceleration of any indebtedness, other than DTV Notes, of DIRECTV Holdings LLC or its subsidiaries, the principal amount of which aggregates \$100 million or more and (c) failure to pay judgments aggregating \$100 million or more within 60 days; and (3) eliminate the change of control and ratings decline covenant.

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If the Requisite Consents with respect to all series of DTV Notes under the DTV Indentures have been received prior to the Expiration Date, assuming all other conditions of the exchange offers and consent solicitations are satisfied or waived, as applicable, all of the sections or provisions listed below under the DTV Indentures for the DTV Notes will be deleted (or modified as indicated):

Section 4.03 of the September 2009 DTV Indenture, Section 4.03 of the March 2010 DTV Indenture, Section 1005 of the August 2010 DTV Indenture and Section 2.13(h) of the Second Supplemental Indenture to the August 2010 DTV Indenture, Section 4.03 of the March 2012 DTV Indenture and Section 1005 of the September 2012 DTV Indenture Reports

Section 4.07 of the September 2009 DTV Indenture, Section 4.07 of the March 2010 DTV Indenture, Section 1006 of the August 2010 DTV Indenture, Section 4.07 of the March 2012 DTV Indenture and Section 1006 of the September 2012 DTV Indenture Limitation on Liens

Section 4.08 of the September 2009 DTV Indenture, Section 4.08 of the March 2010 DTV Indenture, Section 1007 of the August 2010 DTV Indenture, Section 4.08 of the March 2012 DTV Indenture and Section 1007 of the September 2012 DTV Indenture Additional Subsidiary Guarantees

Section 4.09 of the September 2009 DTV Indenture, Section 4.09 of the March 2010 DTV Indenture, Section 1010 of the August 2010 DTV Indenture, Section 4.09 of the March 2012 DTV Indenture and Section 1010 of the September 2012 DTV Indenture Organizational Existence

Section 4.10 of the September 2009 DTV Indenture, Section 4.10 of the March 2010 DTV Indenture, Section 2.8(b) of each of the First Supplemental Indenture and Second Supplemental Indenture to the August 2010 DTV Indenture, Section 4.10 of the March 2012 DTV Indenture and Section 1012 of the September 2012 DTV Indenture Change of Control and Ratings Decline

Section 4.11 of the September 2009 DTV Indenture, Section 4.11 of the March 2010 DTV Indenture, Section 1008 of the August 2010 DTV Indenture, Section 4.11 of the March 2012 DTV Indenture and Section 1008 of the September 2012 DTV Indenture Limitation on Sale and Leasebacks

Section 5.01 of the September 2009 DTV Indenture, Section 5.01 of the March 2010 DTV Indenture, Section 801 of the August 2010 DTV Indenture, Section 5.01 of the March 2012 DTV Indenture and Section 801 of the September 2012 DTV Indenture Merger, Consolidation, and Sale of Assets (modified to (i) remove any restrictions on DIRECTV Holdings LLC's selling, assigning, leasing, conveying or otherwise disposing of all or substantially of its properties or assets in one or more transactions and (ii) require only, as a condition to consolidate or merge with or into another Person, that the Person formed by or surviving a consolidation or merger (if other than DIRECTV Holdings LLC) assumes all the obligations of DIRECTV Holdings LLC pursuant to a supplemental indenture in the form reasonably satisfactory to the DTV Trustee, under the corresponding DTV Notes and DTV

Indenture)

Section 6.01(e), (f) and (g) of the September 2009 DTV Indenture, Section 6.01(e), (f) and (g) of the March 2010 DTV Indenture, Section 501(5), (6) and (7) of the August 2010 DTV Indenture, Section 6.01(e), (f) and (g) of the March 2012 DTV Indenture and Section 501(5), (6) and (7) of the September 2012 DTV Indenture Events of Default (only as to the deletion of (1) the cross-default triggered by (a) payment defaults under any indebtedness of DIRECTV Holdings LLC or its subsidiaries aggregating \$100 million or more or (b) an Event of Default under other DTV Notes whether or not those DTV Notes are accelerated; (2) the cross-acceleration triggered by the acceleration of any indebtedness, other than DTV Notes, of DIRECTV Holdings LLC or its subsidiaries, the principal amount of which aggregates \$100 million or more and (3) failure to pay judgments aggregating \$100 million or more within 60 days)

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Conforming Changes, etc. The proposed amendments would amend the DTV Indentures, the DTV Notes and any exhibits thereto, to make certain conforming or other changes to the DTV Indentures, the DTV Notes and any exhibits thereto, including modification or deletion of certain definitions and cross-references.

The Requisite Consents must be received with respect to all series of DTV Notes in order for the DTV Indentures to be amended; however, the proposed amendments may become effective with respect to any series of DTV Notes for which the Requisite Consents are received and the Requisite Consent condition has been waived, if necessary.

The elimination or modification of the restrictive covenants contemplated by the proposed amendments would, among other things, permit DTV and its subsidiaries to take actions that could be adverse to the interests of the holders of the outstanding DTV Notes. See Description of the Differences between the AT&T Notes and the DTV Notes, The Exchange Offers and Consent Solicitations, The Proposed Amendments and Description of the AT&T Notes.

If the Requisite Consents are received and the supplemental indentures entered into, DTV does not intend to provide any further reports otherwise required under the provisions described in the first bullet above.

Q: What are the consequences of not participating in the exchange offers and consent solicitations prior to the Early Participation Date?

A: Holders that fail to validly tender their DTV Notes prior to the Early Participation Date but who do so prior to the Expiration Date and do not validly withdraw their DTV Notes before the Expiration Date will receive the Exchange Consideration, which consists of, (a) for the AT&T U.S. Notes, \$970 principal amount of each \$1,000 DTV U.S. Notes and a cash amount of \$1.00, but not the Early Participation Premium, which would consist of an additional \$30 principal amount of AT&T Notes; (b) for the AT&T Euro Notes, 970 principal amount of each 1,000 DTV Euro Notes and a cash amount of 1.00, but not the Early Participation Premium, which would consist of an additional 30 principal amount of AT&T Notes; and (c) for the AT&T Sterling Notes, £970 principal amount of each £1,000 DTV Sterling Notes and a cash amount of £1.00, but not the Early Participation Premium, which would consist of an additional £30 principal amount of AT&T Notes.

Q: What are the consequences of not participating in the exchange offers and consent solicitations at all?

A: If you do not exchange your DTV Notes for AT&T Notes in the exchange offers, you will not receive the benefit of having AT&T, the parent entity of DTV, as the obligor of your notes. In addition, if a majority of holders of a series of DTV Notes consent to the proposed amendments (and the proposed amendments to such series of DTV Notes otherwise become effective), such amendments will apply to all DTV Notes of such series that are not exchanged in the applicable exchange offer, even though the remaining holders of such DTV Notes did not consent to the proposed amendments. Thereafter, all such DTV Notes will be governed by the relevant DTV Indenture as amended by the proposed amendments, which will have less restrictive terms and afford reduced protections to the holders of those securities compared to those currently in the DTV Indentures or those applicable to the AT&T Notes. In particular, holders of the DTV Notes under the amended DTV Indentures will no longer receive annual, quarterly and other reports from DTV. Additionally, the trading market for any remaining DTV Notes may be more limited than it is at present, and the smaller outstanding principal amount may make the trading market of any remaining DTV Notes more

volatile. Consequently, the liquidity, market value and price of DTV Notes that remain outstanding may be materially and

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adversely affected. Therefore, if your DTV Notes are not tendered and accepted in the applicable exchange offer, it may become more difficult for you to sell or transfer your unexchanged DTV Notes.

See Risk Factors Risks Relating to the Exchange Offers and Consent Solicitations The proposed amendments to the DTV Indentures will afford reduced protection to remaining holders of DTV Notes and Risk Factors Risks Relating to the Exchange Offers and Consent Solicitations The U.S. federal income tax treatment of holders who do not tender their DTV Notes pursuant to the exchange offers is unclear.

Q: How do the DTV Notes differ from the AT&T Notes to be issued in the exchange offers?

A: The DTV Notes are the obligations solely of DTV and the guarantors thereunder, and are governed by the relevant DTV Indenture. The AT&T Notes will be the obligations solely of AT&T and will be governed by our Indenture, which has less restrictive covenants than the existing DTV Indentures. See Description of the Differences between the AT&T Notes and the DTV Notes.

Q: What is the ranking of the AT&T Notes?

A: The AT&T Notes will be unsecured and unsubordinated obligations of AT&T and will rank equally with all other unsecured and unsubordinated indebtedness of AT&T issued from time to time. At December 31, 2015, AT&T had approximately \$105 billion in indebtedness that would have been *pari passu* with the AT&T Notes and \$110 million of secured indebtedness.

The AT&T Notes offered will also be structurally subordinated to all existing and future obligations of any of our subsidiaries and any subsidiaries that we may in the future acquire or establish. As of December 31, 2015, we and our consolidated subsidiaries (excluding DIRECTV Group Holdings, LLC and its subsidiaries) had approximately \$109 billion principal amount of indebtedness and DIRECTV Group Holdings, LLC and its subsidiaries had approximately \$17 billion principal amount of indebtedness (including \$17 billion proposed to be exchanged for the AT&T Notes). See Risk Factors Risks Relating to the AT&T Notes Holders of the AT&T Notes will be structurally subordinated to our subsidiaries third-party indebtedness and obligations, including any DTV Notes not exchanged.

Q: What consents are required to effect the proposed amendments to the DTV Indentures and consummate the exchange offers?

A: In order for the proposed amendments to a DTV Indenture to be adopted with respect to a series of DTV Notes, holders of not less than a majority in aggregate principal amount of the outstanding DTV Notes of the series affected by the proposed amendments must consent to them, and those consents must be received prior to the Expiration Date for the exchange offer as it relates to such series.

The Requisite Consents must be received with respect to all series of DTV Notes in order for the DTV Indentures to be amended; however, the proposed amendments may become effective with respect to any series of DTV Notes for which the Requisite Consents are received and the Requisite Consent condition has been waived, if necessary.

Q: May I tender DTV Notes in the exchange offers without delivering a consent in the consent solicitations?

A: No. By tendering your DTV Notes for exchange, you will be deemed to have validly delivered your consent to the proposed amendments to the DTV Indentures with respect to that specific series, as further described under The Proposed Amendments. You may not consent to the proposed amendments to the DTV Indenture and the DTV Notes without tendering your DTV Notes in the appropriate exchange offer and you may not tender your DTV Notes for exchange without consenting to the applicable proposed amendments.

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Q: What are the conditions to the exchange offers and consent solicitations?

A: The consummation of the exchange offers and consent solicitations is subject to, and conditional upon, the satisfaction or, where permitted, waiver of the conditions discussed under The Exchange Offers and Consent Solicitations Conditions to the Exchange Offers and Consent Solicitations, including, among other things, the receipt of the Requisite Consents. We may, at our option and sole discretion, waive any such conditions except the condition that the registration statement of which this prospectus forms a part of has been declared effective by the SEC. All conditions to the exchange offers must be satisfied or, where permitted, waived, at or by the Expiration Date. For information about other conditions to our obligations to complete the exchange offers, see The Exchange Offers and Consent Solicitations Conditions to the Exchange Offers and Consent Solicitations.

Q: Will AT&T accept all tenders of DTV Notes?

A: Subject to the satisfaction or, where permitted, the waiver of the conditions to the exchange offers, we will accept for exchange any and all DTV Notes that (i) have been validly tendered in the exchange offers before the Expiration Date and (ii) have not been validly withdrawn before the Expiration Date (provided that the tender of DTV Notes (and corresponding consents thereto) will only be accepted in the minimum denominations and integral multiples noted above and provided further that any holder of DTV U.S. Notes located or resident in any Member State of the European Economic Area which has implemented the Prospective Directive which is not a qualified investor as defined in the Prospectus Directive must agree to acquire the AT&T U.S. Notes for a total consideration equivalent to at least 100,000 per investor).

Q: What will AT&T do with the DTV Notes accepted for exchange in the exchange offers?

A: The DTV Notes surrendered in connection with the exchange offers and accepted for exchange will be retired and cancelled.

Q: What will happen to the listed DTV Notes which are not accepted for exchange in the exchange offers?

A: With respect to the 2.750% Senior Notes due 2023, the 4.375% Senior Notes due 2029 and the 5.200% Senior Notes due 2033, which are the only listed DTV Notes, we intend to apply to delist the DTV Notes of such series which are not accepted for exchange in the exchange offers from the Global Exchange Market of the ISE, if permitted by the applicable rules and regulations of the ISE, as soon as practicable after completion of the exchange offers.

Q: When will AT&T issue AT&T Notes and pay the cash consideration?

A:

Assuming the conditions to the exchange offers are satisfied (including that the registration statement on Form S-4 of which this prospectus forms a part has been declared effective) or, where permitted, waived, AT&T will issue the AT&T Notes in book-entry form and pay the cash consideration promptly on or about the second business day following the Expiration Date (the Settlement Date).

Q: When will the proposed amendments to the DTV Indentures become operative?