

# AT&T Inc.

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## AT&T jumps after activist investor announces \$3.2B stake, pens open letter calling for restructuring

Shares of AT&T Inc (NYSE:T) surged Monday morning after activist investment firm Elliot Management Corporation announced a \$3.2 billion stake in the company and publicly called for a restructuring, according to media reports.

In a letter to the telecommunication giant's board, the Paul Singer-led firm expressed the belief that the company's share price could reach \$60 by the end of 2021.

Investors have already started pushing it in that direction, boosting the share price as high as \$38.14 on Monday before cooling slightly to end the day up 1.5% at \$36.79.

"The purpose of today's letter is to share our thoughts on how AT&T can improve its business and realize a historic increase in value for its shareholders," Elliot said.

**READ: WeWork owner's IPO valuation could fall below \$20BN, while some investors are pushing it to shelve planned offering: media reports**  
The firm pointed to a series of past strategic setbacks, headlined by its \$109 billion acquisition of Time Warner in 2018.

"AT&T has yet to articulate a clear strategic rationale for why AT&T needs to own Time Warner," the letter said. "While it is too soon to tell whether AT&T can create value with Time Warner, we remain cautious on the benefits of this combination.

That said, the firm argued in the letter that AT&T is trading at a discount. Its proposed plan, known as Activating AT&T, outlined a path to unlock latent value and deliver on growth.

The plan is composed of four tenets: improving strategic focus, formatting its capital allocation framework, improving operations and enhancing leadership and oversight.

"By divesting non-core assets; reducing operational inefficiency; instituting capital discipline and aggressively de-levering; and enhancing leadership and oversight, AT&T can improve its business and deliver historic value creation for all stakeholders," Elliot said.

—Updated to include closing price—

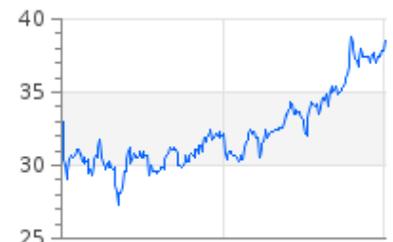
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**Price:** 38.47

**Market Cap:** \$281.1 billion

### 1 Year Share Price Graph



October 2018 April 2019 October 2019

### Share Information

**Code:** T

**Listing:** NYSE

<b>52 week</b>	<b>High</b>	<b>Low</b>
	38.75	26.8

**Sector:** Telecoms

**Website:** [www.att.com](http://www.att.com)

### Company Synopsis:

*AT&T Inc. (AT&T) provides telecommunications services and products to consumers in the United States and services and products to businesses and other providers of telecommunications services worldwide.*

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