



U-verse Update: 3Q11

More Interactive Apps, More Content, A Better Customer Experience

The AT&T U-verse experience got even better during the third quarter of 2011 with new channels, new TV apps and more ways to watch. We added several HD and international channels to the U-verse TV lineup and launched two new Multiviews to enhance the viewing experience for tennis fans and Spanish-language customers. We also expanded U-verse Mobile to more devices and added new content to the U-verse Online library. What's the customer response? AT&T U-verse TV ranked "Highest in Residential Television Service Satisfaction in the North Central, South and West Regions," according to the J.D. Power and Associates 2011 Residential Television Service Provider Satisfaction StudySM. Below is a recap of our AT&T U-verse growth and highlights for the third quarter.



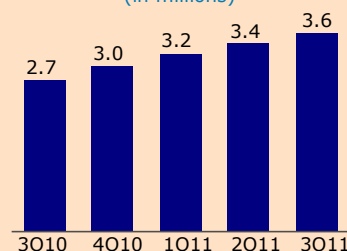
SERVICE GROWTH: More Customer Choosing U-verse TV

- **3.6 million U-verse TV customers.**
- **2.1 million U-verse Voice connections.**
- **4.6 million U-verse High Speed Internet customers.**
- More than **90 percent** of U-verse TV customers bundle High Speed Internet.
- **Approximately half** of new U-verse TV customers bundle U-verse Voice.
- More than **75 percent** of U-verse TV customers have a triple- or quad-play.
- AT&T U-verse bundles available in **137 markets (MSAs)** across 22 states.
- **Nearly 30 million living units passed** by our advanced fiber network.
- AT&T U-verse now has annualized revenues of approximately **\$7 billion**.
- AT&T U-verse TV ranked "**Highest in Residential Television Service Satisfaction in the North Central, South and West Regions,**" according to the J.D. Power and Associates 2011 Residential Television Service Provider Satisfaction StudySM.

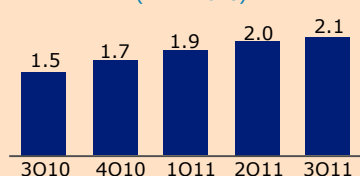
SERVICE EVOLUTION: More Interaction, More Ways to Watch

- Expanded **U-verse Mobile** availability to more devices. The app now offers a library of **more than 700 shows** on **more than 20 devices**.
- Offers **more than 170 HD channels** – more linear HD channels than anyone.*
- Added **10 new channels** to the U-verse TV channel lineup, including international programming, movie channels and five High Definition (HD) channels.
- Launched **Paquete Español Multiview**, which lets viewers choose from up to 53 Spanish-language channels in the Paquete Español package and watch up to four at the same time.
- Launched the **US Open Multiview**, which lets viewers watch multiple matches on up to four courts at once — choosing from the Tennis Channel's main broadcast and five courts.
- **Added more than 500 titles of STARZ and ENCORE movies and original programming to U-verse Online.** U-verse Online continues to grow its content library, with **more than 175,000 titles** of TV shows, movies and video clips now available.

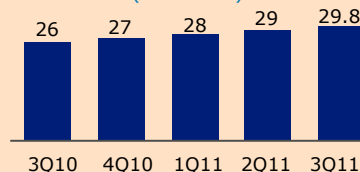
U-verse TV Subscribers in Service
(in millions)



U-verse Voice Connections
(in millions)



Living Units Passed by Fiber Network
(in millions)



All figures as of the end of the third quarter of 2011. Geographic and service restrictions apply to U-verse. Call or go to www.att.com/u-verse to see if you qualify. *HD claim based on number of 24/7 non pay-per-view HD channels.

AT&T U-verse received the highest numerical score among television service providers in the North Central, South and West regions in the proprietary J.D. Power and Associates 2011 Residential Television Service Satisfaction StudySM. Study based on 23,880 total responses from measuring 12 providers in the North Central region (IL, IN, MI, OH, WI), 13 providers in the South (AL, AR, FL, GA, KS, KY, LA, MS, MO, NC, OK, SC, TN, TX), and 10 providers in the West (AZ, CA, CO, ID, IA, MN, MT, NE, NV, NM, ND, OR, SD, UT, WA, WY) and measures consumer satisfaction with television service. Proprietary study results are based on experiences and perceptions of consumers surveyed in Nov. 2010, Jan. 2011, April 2011 and July 2011. Your experiences may vary. Visit jdpower.com