



SBC | DISH NETWORK CHANGES EVERYTHING

"The future begins here when it comes to buying entertainment and communications services. We have always been a leader in developing packages and bundles that meet a broad range of customer need, but now we have significantly changed the telecommunications and television entertainment landscape and given ourselves a critical edge."

Ray Wilkins
Group President, SBC Marketing and Sales

"The SBC family of companies now has perhaps the premier bundle in the industry. No competitor in the SBC service territory can surpass our compelling choices, great values and seamless customer experience.

— **Ray Wilkins**, Group President, SBC Marketing and Sales

SBC COMPANIES SERVING UP A NEW DISH

With the launch of SBC | DISH Network in March 2004, the SBC family of companies became the first major telecommunications provider in the nation to offer TV, wireless, broadband and local/long distance service, all with one call and one monthly bill – significantly enhancing customer benefits with new value, new convenience and new choices. The SBC | DISH Network satellite TV offering is the result of a broad strategic alliance between SBC Communications Inc. and EchoStar Communications Corp. The alliance will deliver important strategic and marketing benefits for both SBC and EchoStar companies. It provides EchoStar with a powerful new marketing channel for the EchoStar DISH Network™ satellite TV service, which already reaches more than 8.5 million customers nationwide.

For SBC companies, EchoStar offers an exclusive telecom alliance in single-family residences throughout the 13-state SBC service area, where SBC companies provide local phone service to more than 54 million access lines. It expands SBC bundling capabilities to include a fully integrated entertainment component.

Already, the relationship is bearing fruit. In the first month of service, SBC companies signed up more than 40,000 SBC | DISH Network subscribers. Nearly 80 percent of those SBC | DISH Network customers are bundling the service with at least one other key SBC service, including SBC Long Distance, SBC Yahoo!® DSL, and Cingular Wireless.

SBC | DISH NETWORK SERVICE — DESIGNED TO MEET DEMAND

SBC | DISH Network is designed to meet growing consumer demand for the convenience and value of a bundle of services from a trusted family of companies. Consumers want new choices and better value for their home-entertainment budget. Over the past 10 years the price of cable services has skyrocketed, outpacing the Consumer Price Index by 200 percent. In the past five years, the average consumer-spending on cable services has increased by 41 percent, from \$35.15 a month in 1998 to \$49.62 a month in 2003. [SOURCE: FCC Cable Competition Report – January 2004]

According to the JD Power and Associates 2003 Residential Long Distance Telephone Service Study, 40 percent of consumers said they would like to purchase all of their communications services from their local phone company.

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It's a growth opportunity and a way to defend their customer base from cable companies. This is the newest trend and it makes a lot of sense because companies that just offer stand-alone services won't grow. Companies need to have multiple services to sell and package together.

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Jeff Kagan

Media and Telecom Analyst

DISH NETWORK VS. CABLE PROVIDERS

DISH Network leads the cable companies in customer satisfaction by at least 7 percent, and as much as 25 percent.

SOURCE: Forrester Research –
Consumer Technographics®
Q2 2003 Devices and Access Study

SBC | DISH NETWORK SERVICE PROVIDES CONSUMERS WITH:

- > Choice of more than 10 satellite TV packages with access to hundreds of popular, all-digital television channels and CD-quality music channels of Sirius Radio
- > Local programming, where available
- > Ability to record and pause live TV through the Digital Video Recorder (DVR)
- > High-Definition programming
- > No equipment to buy, free standard professional installation for up to four (4) TVs and no long-term commitment requirements.

THE STRENGTH OF INTEGRATION

The current SBC-EchoStar agreement builds upon a relationship that began in mid-2002. Last year, the relationship was strengthened through a tighter integration of ordering, provisioning, branding, billing and customer care. This new agreement, modeled after the highly successful SBC-Yahoo! alliance, creates a stronger relationship that takes full advantage of the SBC brand, customer relationships and powerful sales channel.

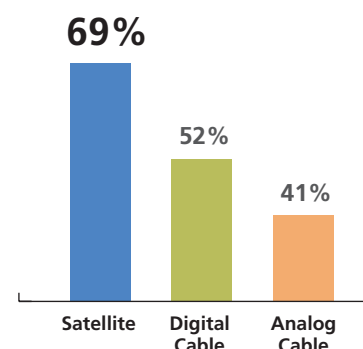
There are several key factors that set this alliance apart from others in the industry:

- > **CO-BRANDING.** This is the first fully co-branded satellite service from a major telecommunications provider.
- > **DISCOUNTING AND BUNDLING FLEXIBILITY.** The agreement gives SBC companies significant flexibility in discounting and bundling the co-branded service, providing customers with more options and greater value.
- > **SALES INTEGRATION.** The companies have developed tools, processes and systems to enable the more than 15,000 SBC customer service representatives to assist customers in ordering local, long distance, broadband services, Cingular Wireless and satellite television service through a single point of contact
- > **SINGLE BILL.** SBC | DISH Network customers will be billed for their video services on a single SBC bill with their other SBC voice and data services.
- > **FUTURE TECHNOLOGY.** The companies plan to integrate the features of satellite TV, digital video recording, broadband, home networking, and telecommunications services – moving to truly integrated telecommunications and entertainment services that will provide greater interactivity, features and functionality for consumers.

Moving forward, this strong alliance will enable SBC companies to explore deeper integration and technology developments – connecting families to the world in ways that will stretch the traditional boundaries of telecommunications.

SATELLITE SERVICE VS. CABLE SERVICE

Customers reported an overall higher level of satisfaction with satellite service versus both digital and analog cable services.



SOURCE: Forrester Research –
Consumer Technographics®
Q2 2003 Devices and Access Study



Satellite video will enable SBC to offer nearly everything [cable] can — plus mobile service from Cingular Wireless and PVR-equipped set-top boxes. By moving quickly with new set-tops, SBC can further differentiate its service using caller ID on TV and home-networking applications.



Charles S. Golvin
Forrester Analyst



SBC Communications Inc.

www.sbc.com

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For residential first-time customers of DISH Network programming. Offer, where available, is for single detached dwellings only and ends 9/30/04. Limit 4 tuners per account; dual tuner receivers count as two tuners. Limit 1 DVR per account. Limit 2 HD receivers per account].

All equipment is leased and must be returned upon service cancellation, suspension or disconnection to avoid Unreturned Equipment Charges. Minimum subscription to America's Top 60 or DISH Latino programming package required. Prices, discounts, packages and programming subject to change without notice. Requires credit approval, SBC local service and combined bill. All services subject to Terms and Conditions of the SBC DISH Network Digital Home Advantage Agreement and SBC DISH Network Residential Customer Agreement, which are provided at time of installation and are also available at sbc.com/sbcdishnetwork or upon request. SBC DISH Network is a co-branded service provided by SBC Home Entertainment and EchoStar Satellite L.L.C. Programming provided by EchoStar Satellite L.L.C.; equipment and other services provided by SBC Home Entertainment. SBC, the SBC logo and other product and service names are trademarks and/or service marks of SBC Knowledge Ventures, L.P. and/or its affiliates. DISH Network, the DISH Network logo and other product and service names are the trademarks and/or service marks of EchoStar Satellite L.L.C. © 2004 SBC Knowledge Ventures, L.P. All rights reserved.