



U-verse Update: 1Q11

Delivering A Better Multi-Screen Experience with More Apps, More Content

The U-verse[®] experience got even better in the first quarter of 2011 with the launch of several new channels, the return of popular TV apps and more ways to access and control your content across screens. We added two new channels to enhance the sports viewing experience for soccer and baseball fans and a new interactive music channel app that gives customers more music choices. We brought back several unique apps for major TV events, such as the college basketball tournament and film awards shows. And we received the IP&TV Industry Award for Best Multiscreen TV Service. Below is a recap of our AT&T U-verse growth and highlights from the first quarter.

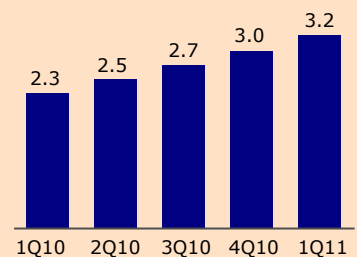
SERVICE GROWTH: Customers Continue to Choose U-verse TV

- **3.2 million U-verse TV customers.**
- **1.9 million U-verse Voice connections.**
- **3.7 million U-verse High Speed Internet customers.**
- More than **90 percent** of U-verse TV customers bundle High Speed Internet.
- **60 percent** of 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 **136 markets (MSAs)** across 22 states.
- **28 million living units passed** by our advanced fiber network.
- AT&T U-verse services are now approximately an annualized **\$6 billion revenue** stream.

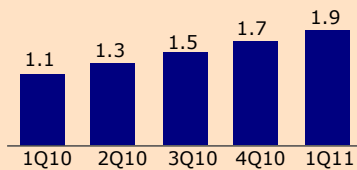
SERVICE EVOLUTION: Adding More Enhancements Across Screens

- Added **MLB Network** and **Fox Soccer Plus** to the U-verse TV lineup, giving customers even more options for sports programming.
- Enhanced **U-verse Mobile** with additional content and expanded availability to more devices, now more than 14 devices and four major operating systems.
- Launched **Music Choice**, giving customers access to 46 Music Choice stations and **SWRV**, the first 24/7 interactive music video network.
- Honored with the **IP&TV Industry Award** for Best Multiscreen TV Service.
- Brought back the popular **Film Awards Interactive app** for the 2011 awards show season, which let customers vote for nominated actors, watch trailers for nominated films and more!
- **Yahoo! College Basketball** returned for the 2011 tournament; the app lets customers track their bracket and tournament results on their U-verse TV.
- Launched **additional integrated features** on U-verse Online, including easy online access to pay bills, set parental controls, personalize the AT&T U-bar, and more.

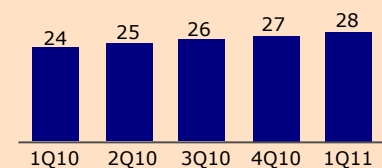
U-verse TV Subscribers in Service (in millions)



U-verse Voice Connections (in millions)



Living Units Passed by Network (in millions)



All figures as of the end of the first 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. U-verse Mobile: Access to select content requires compatible device, qualifying U-verse TV plan or monthly subscription fee, and WiFi connection and/or cellular data connection. Available content may vary by device and/or U-verse TV subscription and is subject to change. Data charges may apply.