



U-verse Update: 4Q09

Two Million Customers Choose AT&T U-verse TV

2009 marked another big year for AT&T U-verseSM with more customer milestones, more than a dozen new apps, more enhancements and expanded availability. During the fourth quarter of 2009, we celebrated our 2 millionth U-verse TV subscriber, demonstrating the strong customer demand for our unmatched DVR, unique features and apps, and integrated bundles. We ramped U-verse Voice availability to bring the service to all 120 markets that offer U-verse TV. We reached the milestone of 1 million U-verse Voice lines in January 2010. And for the second year in a row, we were awarded a TelcoTV Vision Award for Service Innovation for our U-verse TV Multiview app. Below is a recap on our AT&T U-verse growth and highlights from the fourth quarter.

ADOPTION: New Milestones for U-verse TV, U-verse Voice

- **2,065,000 U-verse TV customers.**
- **1,000,000 U-verse Voice connections.** (as of Jan. 2010)
- **2,105,000 U-verse High Speed Internet customers.**
- More than **90 percent** of U-verse TV customers bundle High Speed Internet.
- More than **67 percent** 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.
- After only three years since its initial launch, AT&T U-verse is already on track to be a **\$3 billion annual revenue stream.**

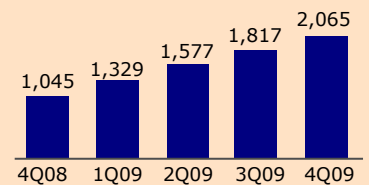
DEPLOYMENT: U-verse Bundles Available Across 22 States

- AT&T U-verse bundles available in **120 markets (MSAs)** across 22 states.
- Launched **AT&T U-verse triple-play** in Southeast Louisiana, Jackson and Knoxville.
- Launched **U-verse Voice** in Nashville, Birmingham, Charlotte and Columbia.
- Nearly **23 million living units passed** by our advanced fiber network.

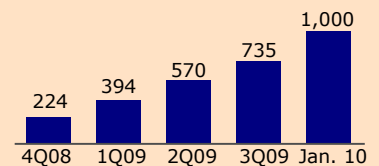
SERVICE EVOLUTION: Better Experience With More Apps, More HD

- Launched the **Santa Tracker** app for the holidays, which let families visit the North Pole to play holiday games, listen to sing-a-longs, follow Santa around the globe and more.
- Introduced **Offers On Demand**, an app that lets you redeem a coupon code on-screen for discounts on movie rentals.
- Began rollout of **Caller ID on TV**, an app that lets you view your U-verse Voice Caller ID and voicemail notifications on your U-verse TV screen.
- Awarded the **Telco TV Vision Award** for U-verse TV Multiview in the Service Provider Innovation category.
- Added **five new HD channels.** The U-verse TV HD channel lineup offers access to more than 120 HD channels in every market.
- Launched **U-verse High Speed Internet Max Turbo** in three markets, offering broadband speeds of up to 24 Mbps downstream and up to 3 Mbps upstream.

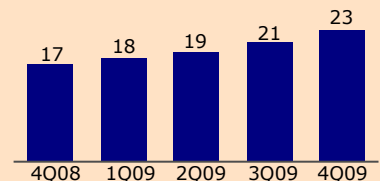
U-verse TV Subscribers in Service
(in thousands)



U-verse Voice Connections
(in thousands)



Living Units Passed by Fiber Network
(in millions)



All figures as of the end of the fourth quarter of 2009.

Geographic and service restrictions apply to U-verse. Call or go to www.att.com/u-verse to see if you qualify.