U-verse Update: 3Q10

AT&T U-verse Multi-Screen Innovation Delivers Better Experience

AT&T U-verse® continues to deliver a better experience, with even more interactive apps and enhancements introduced in the third quarter that further differentiate us from competitors. We made it possible for our customers to take the U-verse TV experience wherever they go, with the launch of U-verse Mobile. AT&T is the first TV provider to offer an integrated mobile app that allows customers to both manage their DVRs and download and watch select shows. Recently, AT&T U-verse TV ranked "Highest in Television Service Satisfaction in the North Central, South and West Regions," according to the J.D. Power and Associates 2010 Residential Television Service Provider Satisfaction Studies℠ which measures performance and reliability, customer service, cost of service, billing and offerings, and promotions. Below is a recap on our AT&T U-verse growth and highlights from the third quarter.

ADOPTION: Customer Satisfaction Driving Continued Growth

- **2.7 million U-verse TV customers.**
- **1.5 million U-verse Voice connections.**
- **2.9 million U-verse High Speed Internet customers.**
- More than **90 percent** of U-verse TV customers bundle High Speed Internet.
- Approximately **two-thirds** 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 TV ranked **"Highest in Television Service Satisfaction in the North Central, South and West Regions,"** according to the J.D. Power and Associates 2010 Residential Television Service Provider Satisfaction Studies℠.

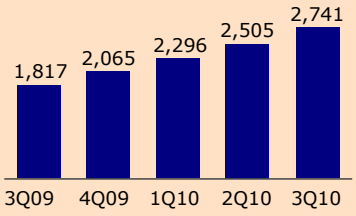
DEPLOYMENT: Expanding Advanced Fiber-Rich Network into New Markets

- AT&T U-verse bundles available in **131 markets (MSAs)** across 22 states.
- More than **26 million living units passed** by our advanced fiber network.
- Launched in three new markets: Chattanooga, Tenn.; Charleston, S.C.; Greensboro, N.C.

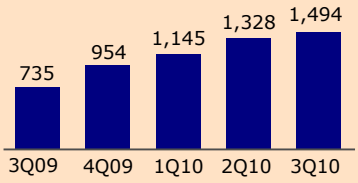
SERVICE EVOLUTION: New Apps, New Channels, More Integration

- Introduced **U-verse Mobile**, an app that lets you schedule DVR recordings, and for customers with a qualifying U-verse TV plan, download and watch hit TV shows on select smartphones.
- Launched **Account Manager**, a new TV app which gives you the ability to compare and upgrade your channel package right on your U-verse TV screen.
- Added up to **19 new Spanish language channels** to the U-verse TV lineup.
- Introduced **Chicago Cubs Multiview**, a new TV app that lets Chicago users view up to four different camera angles of Chicago Cubs home games at one time.
- Brought back **Yahoo! Sports Fantasy Football**, which allows you to track and manage your fantasy football team on your U-verse TV, and **TV Awards & New Shows,** which highlights TV shows that recently premiered or were nominated for awards.
- Introduced **Voicemail Viewer**, a new app that lets you view your U-verse Voice home phone voicemails on your smartphone.
- Integrated U-verse Online with your U-verse **DVR** so you can set DVR recordings from U-verse Online with the click of your mouse.

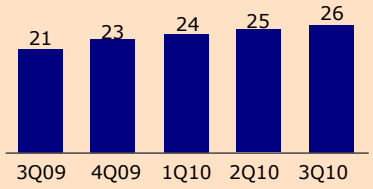
U-verse TV Subscribers in Service
(in thousands)



U-verse Voice Connections
(in thousands)



Living Units Passed by Network
(in millions)



All figures as of the end of the third quarter of 2010. 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: Download and watch capability available for select shows and requires select smart phones, Wi-Fi connection, and qualifying U-verse TV plan. Downloaded shows are available for viewing for limited time periods. Standard data charges may apply. Multiview: Channels/content available for viewing in Multiview are based on TV package and additional programming purchased. Fantasy Football: AT&T U-verse High Speed Internet Account required and free or paid subscription to Yahoo! Fantasy Sports Football '10 and StatTracker.

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 2010 Residential Television Service Satisfaction Study℠. Study based on 28,489 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. 2009 and Jan. 2010, April 2010 and July 2010. Your experiences may vary. Visit jdpower.com