



AT&T Fact Book





*AT&T aspires to be
the industry standard
in customer satisfaction,
innovation and
operational excellence.*

AT&T's BUSINESS



AT&T (<http://www.att.com/>) is among the premier voice, video and data communications companies in the world, serving businesses, consumers and government. The company runs the largest, most sophisticated communications network in the U.S., backed by the research and development capabilities of AT&T Labs. A leading supplier of data, Internet and managed services for the public and private sectors, AT&T offers outsourcing and consulting to large businesses and government.

The company is a market leader in local, long distance and Internet services, as well as transaction-based services like prepaid cards, collect calling and directory assistance. With approximately \$40 billion of revenues, AT&T has relationships with about 50 million consumers and 4 million business customers, who depend on AT&T for high-quality communications. AT&T has garnered several awards for outstanding performance and customer service.

THE AT&T ADVANTAGE



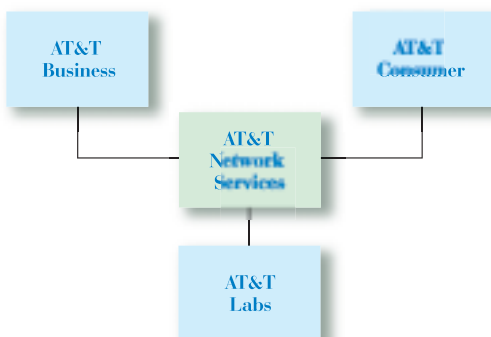
- Among the world's premier voice, video and data communications companies.
- Provides services to virtually every country and territory around the world.
- One of the most valuable brands in the world, and the most powerful in telecom (Interbrand, 2002).
- Employs approximately 72,000 people worldwide.

INVESTOR INFORMATION

With about 3 million registered shareholders, AT&T is one of the most widely held stocks in the United States. AT&T – ticker symbol “T” – is listed on the New York Stock Exchange, as well as the Boston, Chicago, Cincinnati, Pacific and Philadelphia exchanges in the United States; the Euronext-Paris and the IDR (International Depository Receipt) in Brussels; and the London and Geneva stock exchanges.



AT&T CORPORATE STRUCTURE



[Note: Financial results for AT&T Network Services and AT&T Labs are reported in results for AT&T Business.]

With the spin-off of AT&T Broadband, this represents a high-level view of AT&T Corp. Descriptions of individual organizations follow.

AT&T Business

AT&T Business is among the world's premier voice, video and data communications companies, serving the local and global communications needs of more than 4 million public and private-sector businesses and governments in more than 850 cities across 60 countries. Backed by the research and development capabilities of AT&T Labs, the company runs the largest, most sophisticated communications network and carries the most Internet traffic in North America. The company offers client-managed or AT&T-managed services, outsourcing, consulting and networking-integration to companies and government agencies around the world.



AT&T Consumer

AT&T Consumer provides a variety of communications services to residential customers, including local phone service in several states; U.S. and international long distance and transaction-based calling services, such as operator-assisted service and prepaid phone cards; and Internet access.

AT&T Network Services

AT&T Network Services (ANS) is the network management and information technology unit of AT&T. It's also home to several AT&T-wide resource teams. ANS provides connectivity, as well as value-added, intelligent handling of data and voice to AT&T Business and AT&T Consumer.

AT&T Labs

AT&T Labs is the research and development organization of AT&T that brings technology innovation to the company's wide array of network and communications services to ensure that our customers have the most reliable, secure and intelligent communications services available.

AT&T NETWORK

- Handles approximately 2,500 trillion bytes of data on an average business day, the equivalent of transmitting the entire printed contents of the Library of Congress – 20 trillion bytes – every 11.5 minutes. Also handles 300 million voice calls on a typical business day.
- Operates with 99.99 percent network reliability for voice, ATM (asynchronous transfer mode), frame-relay and IP (Internet protocol) services.
- Leader in long distance backbone optical fiber, with over 50,000 route miles, plus more than 18,500 route miles of local metro fiber.



- Recognized technology leader:
 - New AT&T intelligent optical network connects more than 100 cities and is carrying “live” traffic.
 - First to provide 10-gigabit-per-second service (OC-192) coast-to-coast.
 - Industry leader in Dense Wave Division Multiplexing, with 1,600 systems deployed.
- Investing approximately \$300 million to increase the breadth and capabilities of seamless end-to-end global network; by the end of 2002, AT&T plans to deploy 122 nodes in 109 key cities in North America, Europe, Asia Pacific and Latin America.
- Dial-up Internet access in 850 cities in 59 countries.

INTERNATIONAL



AT&T is expanding its existing global network capabilities to provide services to business customers via a single, integrated architecture worldwide, supporting our range of connectivity offers, managed services, Internet and e-business services, and outsourcing solutions.

More than 5,000 employees in nearly 60 countries outside the United States are delivering best-in-class, facilities-based services and operational support to meet the needs of a growing number of multinational customers.

Our unique breadth of services, the best of next-generation technologies and skilled network experts combine to deliver dynamic, reliable and flexible solutions for international businesses.

ENVIRONMENT, HEALTH AND SAFETY



AT&T's vision is to be recognized by customers, employees, suppliers, shareholders, communities and other stakeholders worldwide as an environmentally responsible company, which protects human health and the environment by fully integrating lifecycle environmental, health and safety considerations into our business decisions and activities.

DIVERSITY AT AT&T

AT&T has a longstanding commitment to diversity. Fully leveraging diversity and fostering a culture of inclusion is critical to sustained business success because it enables us to:

- **Improve organizational capabilities**

Leveraging diversity in the workplace provides a more productive environment of creativity and innovation.



- **Engage the full potential of all our people**

Leveraging diversity brings fresh thinking and ideas to the decision-making process.

Business Resource Groups

As an integral part of AT&T's commitment to diversity, the company sponsors seven Business Resource Groups (BRGs). BRGs are diverse

employee constituency organizations formed by employees with common interests and objectives. All of the BRGs are open to all employees.

Supplier Diversity

Supplier Diversity is a major component in AT&T's diversity strategy. AT&T vigorously promotes the use of minority, women and service-disabled veteran-owned business enterprises (MWSDVBEs). In the past three years alone, AT&T has spent \$4 billion in purchases through MWSDVBEs.

Additionally, we have established a Supplier Diversity Advisory Council (SDAC) that provides our company with input and advice on critical issues pertaining to increasing business opportunities and expanding outreach to MWSDVBEs.

Diversity Information and Tools

- AT&T has two Web sites dedicated to Supplier Diversity. They are http://www.att.com/supplier_diversity and <http://www.att.com/wib>.
- For more information about diversity at AT&T, please visit Workforce Services at <http://wfs.web.att.com>. Once there, click on "Workforce Info & Policies," and then on "Corporate Culture."

OUR COMMON BOND

Respect for Individuals

We treat each other with respect and dignity, valuing individual and cultural differences. We communicate frequently and with candor, listening to each other regardless of level or position. Recognizing that exceptional quality begins with people, we give individuals the authority to use their capabilities to the fullest to satisfy their customers. Our environment supports personal growth and continuous learning for all AT&T people.

Dedication to Helping Customers

We truly care for each customer. We build enduring relationships by understanding and anticipating our customers' needs and by serving them better each time than the time before. AT&T customers can count on us to consistently deliver superior products and services that help them achieve their personal or business goals.

Highest Standards of Integrity

We are honest and ethical in all our business dealings, starting with how we treat each other. We keep our promises and admit our mistakes. Our personal conduct ensures that AT&T's name is always worthy of trust.

Innovation

We believe innovation is the engine that will keep us vital and growing. Our culture embraces creativity, seeks different perspectives, and risks pursuing new opportunities. We create and rapidly convert technology into products and services, constantly searching for new ways to make technology more useful to customers.

Teamwork

We freely join with colleagues across organizational boundaries to advance the interests of customers and shareholders. Our team spirit extends to being responsible and caring partners in the communities where we live and work.

By living these values, AT&T aspires to set a standard of excellence worldwide that will reward our shareholders, our customers and all AT&T people.

COMMUNITY INVOLVEMENT



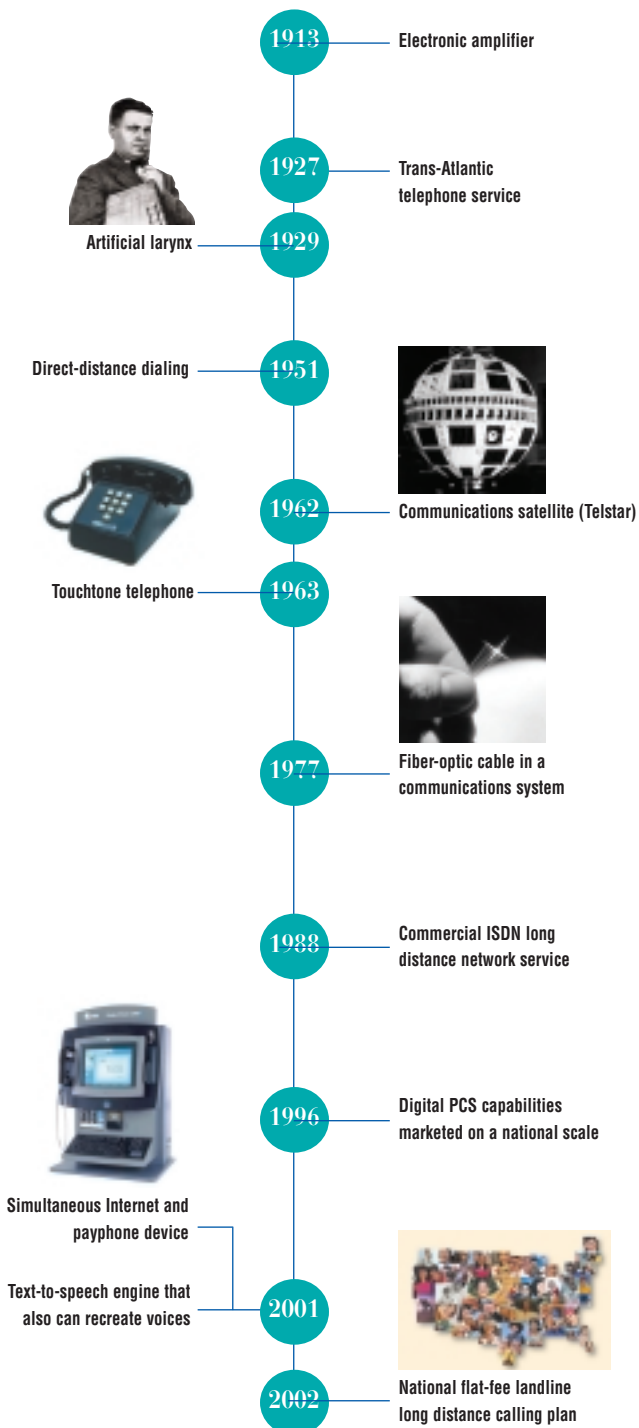
- AT&T donated more than \$60 million in cash, products and services to nonprofit organizations in communities throughout the United States and around the world in 2001, putting AT&T in the top 25 in terms of corporate giving.
- The AT&T Foundation invests globally in projects that are at the junction of community needs and AT&T's business interests. Emphasis is placed on education, arts and culture, and civic and community programs.
- The AT&T CARES community service program provides employees with the opportunity to devote one paid workday throughout the year to volunteer at a community organization of their choice. Sixty-eight percent of AT&T employees volunteer, compared to 44 percent of adults nationally. AT&T employees and retirees have volunteered more than 4 million hours through AT&T CARES.

AT&T CORPORATE HISTORY



- AT&T was formerly known as the American Telephone and Telegraph Company.
- The company was incorporated on March 3, 1885.
- On Dec. 30, 1899, AT&T acquired the assets of American Bell, and became the parent company of the Bell System.
- On Jan. 1, 1984, it divested itself of the Bell operating companies that provided local exchange service.
- From 1984 until 1996, AT&T was an integrated telecommunications services and equipment company.
- In 1996, AT&T spun off a systems and equipment company (which became Lucent Technologies) and, at the beginning of 1997, a computer company (NCR). It was the largest voluntary break-up in the history of American business.
- Over the next three years, AT&T merged with two large cable companies (TCI and MediaOne) and became the largest cable company in the United States.
- In October 2000, AT&T announced that it would restructure into separate publicly held businesses.
- AT&T Wireless became a stand-alone company in July 2001.
- AT&T Broadband merged with Comcast in November 2002.

SOME AT&T FIRSTS



AT&T BOARD OF DIRECTORS

David W. Dorman

Chairman of the Board and
Chief Executive Officer, AT&T

Kenneth T. Derr

Retired Chairman and CEO,
Chevron Corp.

M. Kathryn Eickhoff

President, Eickhoff Economics Inc.

Frank C. Herringer

Chairman and former CEO,
Transamerica Corp.

Amos B. Hostetter, Jr.

Chairman, Pilot House Associates

Shirley A. Jackson, PhD.

President, Rensselaer
Polytechnic Institute

Jon C. Madonna

Retired Chairman and CEO, KPMG

Donald F. McHenry

Distinguished Professor in
the practice of Diplomacy,
Georgetown University, and
President, IRC Group LLC

Tony L. White

Chairman, President and CEO,
Applera Corp.

AT&T SENIOR MANAGEMENT TEAM

David W. Dorman

Chairman of the Board and -
Chief Executive Officer-

Betsy J. Bernard •

President – AT&T Corporation-

James W. Cicconi

General Counsel and -
Executive Vice President –
Law and Government Affairs-

Hossein Eslambolchi•

President – AT&T Labs, -
AT&T Chief Technology Officer,-
AT&T Business Chief Information-
Officer-

Mirian Graddick-Weir•

Executive Vice President –
Human Resources-

Thomas W. Horton

Senior Executive Vice President
and Chief Financial Officer

Frank Ianna

President – AT&T
Network Services

John C. Petrillo

Executive Vice President –
Corporate Strategy &
Business Development

John Polumbo

President and Chief Executive
Officer – AT&T Consumer

Kenneth E. Sichau

Executive Vice President and-
President – AT&T Business Sales-

Constance K. Weaver•

Executive Vice President –
Public Relations &-
Brand Management-

Other Senior Leaders

Nicholas S. Cyprus

Vice President and Controller

Edward M. Dwyer

Vice President and Treasurer-

Robert S. Feit•

Vice President – Corporate and-
Securities Law-

Richard E. Sullivan

Investor Relations Vice President



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