

AT&T Plans \$1 Billion Investment in 2010 in Network Capabilities, Solutions and Applications for Businesses

DALLAS, April 6, 2010 — AT&T* plans to invest approximately \$1 billion in 2010 to scale its delivery of applications, mobility and cloud services for global companies and to continue extending its network globally, including Europe.

The 2010 investment programme for businesses is part of AT&T's overall existing capital plan. It will provide enhanced IPv6-capable MPLS nodes in Europe; a new internet data centre (IDC) in London; increased sub-sea cable capacity across the Atlantic; a new AT&T Business Exchange node in the Netherlands to support AT&T's Telepresence Solutions and new AT&T Telepresence Solutions rooms in Belgium (Brussels), UK (Redditch) and Slovakia (Bratislava, Kosice).

With business customers seizing the opportunities created by the continued proliferation of high speed communication networks and mobile computing devices worldwide, AT&T's 2010 programme includes:

- **Global Network Expansion** – continuing to build out its global network to deliver services and applications to the markets and geographies where multinational companies today are doing business and/or housing their operations. The AT&T network now reaches countries that represent 99% of the global economy.
- **Scaling Application Services** – enhancing AT&T's current portfolio of flexible collaboration services and applications such as managed hosting, cloud-based services, Telepresence, Unified Communications, Digital Media Solutions and security.
- **Enterprise Mobility Applications** – continuing AT&T's focus on delivering mobile solutions, applications and integrated devices to companies of all sizes. This includes continued investment in LTE- and Wi-Fi-based applications to support the dramatic increase in demand for mobile broadband-based services.
- **Vertical Industry Focus** – creating and deploying applications in the finance, manufacturing, retail, healthcare, education and government sectors, expanding its presence in emerging applications including markets such as machine-to-machine communication and rolling out fixed mobile convergence and location based solutions, along with mobile platform and portal enhancements.

"AT&T's European customers will greatly benefit from our continued investment in network-centric capabilities and business applications," said Tom Regent, Vice President for AT&T's operations in Europe, Middle East and Africa (EMEA). "IP-based solutions and applications are increasingly important for companies in this region who are focused on productivity gains and adapting their operations to support their businesses' changing needs."

Including this year's planned investment, AT&T will have invested more than \$4 billion since 2006 in business-focused network, systems and applications to provide a globally consistent set of robust and highly-secure services to the more than 3.5 million business customers it serves.

AT&T is capitalising on the ongoing shift in network traffic from voice to data and video — and more importantly to IP-based data and video — as customers migrate from legacy data networks to MPLS-based virtual private networks and managed applications.

AT&T's planned investment in 2010 includes investment in small business services within the US, alongside the following specific areas:

- **Global Network Expansion:**
 - Communications Workers of America Local 4250
 - 3055 Glenwood-Dyer Road, Lynwood, Illinois 60411
 - Elizabeth R. VanDerWoude, President (708) 757-4065 (Office)
 - evp4250@sbcglobal.net (E-Mail)
 - <http://www.cwalocal4250.org> (Website)

- Deploy, upgrade or add diverse IPv6-capable MPLS nodes to support Layer 3 VPN and Global Managed Internet Services, including gigabit ethernet customer access across multiple locations in:
 - **Europe:** Belgium, France, Germany, Hungary, Netherlands, Portugal, Romania, Russia, Spain and Sweden.
 - **Asia Pac:** Australia, China, Hong Kong, India, Indonesia, Japan, Korea, Malaysia, New Zealand, Singapore and Vietnam.
 - **C&LA:** Argentina, Brazil, Canada, Mexico, Panama and Peru.
- Leverage AT&T's network expansion to improve capacity and diversity, and offer services in new markets, expanding the global OPT-E-WAN service footprint from 31 countries to 37 countries.
- Enhance application reporting and performance management.
- Expand the footprint and capabilities of carrier class switched Ethernet Wireless Backhaul solutions.
- Continue to enhance capabilities of managed AT&T Virtual Private Network Services on a global basis.
- Deploy IPv6 capable MPLS core routers in Hawaii and Guam to provide an interconnection point for Transpacific cables between the US, Australia, Singapore, China and Japan to improve resiliency and performance in the Asia Pacific network.
- **Additional sub sea cable capacity to ensure diversity and resilience including:**
 - 180G of new capacity into the Caribbean and South America
 - Over 350G of new capacity from the US to and within Asia Pacific
 - 70G of capacity from the US to Europe
 - This capacity spans multiple subsea cables with more diverse cable landings and terrestrial routing into major cities
- **Emerging Mobility Applications:**
 - Extend offers and solutions in three core categories - applications, machine-to-machine (M2M) and integrated network solutions.
 - Continue to expand AT&T's portfolio of mobile applications across multiple vertical industries, focusing on smart grid solutions and mHealth.
 - Offer enhanced solutions that take advantage of AT&T's converged fixed and mobile networks including network-based and premise based fixed mobile convergence and super femtocell technology.
 - Increase support for the more than 750 wireless devices already connected to the AT&T network – such as e-readers, netbooks, digital photo frames, personal navigation devices, and home security monitoring and smart grid devices – for use by business customers.
- **Hosting/Cloud Infrastructure Services:**
 - Continue to develop and deploy cloud based managed hosting and Infrastructure as a Service capabilities.
 - Add cloud enablers to AT&T Synaptic Storage as a Service that serve as a gateway between customers storage systems and AT&T's cloud.
 - Introduce new turnkey Synaptic Hosting (Utility Computing) products, tailored to small and medium sized businesses.
 - Add new managed hosting standardised packages, making it faster and easier to turn up AT&T Managed Hosting Services
 - Open an additional internet data center in London.
 - Completing expansions of the Ashburn, Va. and Piscataway, N.J. data centers.
- **AT&T Digital Media Solutions:**
 - Additional distribution with the addition of a node in Spain and increased capacity in the UK and Germany.
 - Add additional software features, such as Download Manager, to improve customer control and user experience.
 - Improve support for latest streaming technologies.
 - Broaden range of content creation and management tools and services.
- **Unified Communications:**

Communications Workers of America Local 4250
 3055 Glenwood-Dyer Road, Lynwood, Illinois 60411
 Elizabeth R. VanDerWoude, President (708) 757-4065 (Office)
evp4250@sbcglobal.net (E-Mail)
<http://www.cwalocal4250.org> (Website)

- AT&T Telepresence Solutions
 - Install additional telepresence rooms in AT&T offices in:
 - **Europe:** Belgium (Brussels), UK (Redditch), and Slovakia (Bratislava, Kosice).
 - **Asia Pac:** Singapore (Singapore) and Malaysia (Cyberjaya)
 - **India:** Bangalore and Hinjewadi
 - **Latin America:** Brazil (Campinas)
 - **Canada:** Toronto
 - Install new AT&T Business Exchange nodes in Hong Kong and Netherlands to provide regional access and expanded support for Telepresence services.
- AT&T Connect ® Global Conferencing enhancements:
 - Expansion of audio conferencing platform to Europe, providing seamless, global, cloud conferencing solutions.
 - Continued investments in enhancements and additional capacity supporting web and video conferencing solutions.
 - Add mobile applications designed to improved productivity of mobility users.

Find More Information Online:

Web Site Links:

- [AT&T Web Site](#)
- [AT&T Enterprise Services](#)

Related Media Kits:

- [AT&T Global Network](#)
- [AT&T's Internet Protocol Virtual Private Network](#)

Related Releases:

- [AT&T to Invest \\$1 Billion in Global Network, Services for Businesses in 2009](#)

A full media kit on this announcement can be found at: www.att.com/gen/press-room?pid=17325

A video on the announcement can be found at: www.youtube.com/watch?v=8HpGii7lOGk

** AT&T products and services are provided or offered by subsidiaries and affiliates of AT&T Inc. under the AT&T brand and not by AT&T Inc.*

Cautionary Language Concerning Forward-Looking Statements

Information set forth in this news release contains financial estimates and other forward-looking statements that are subject to risks and uncertainties, and actual results may differ materially. A discussion of factors that may affect future results is contained in AT&T's filings with the Securities and Exchange Commission. AT&T disclaims any obligation to update or revise statements contained in this news release based on new information or otherwise.

About AT&T

AT&T Inc. (NYSE:T) is a premier communications holding company. Its subsidiaries and affiliates – AT&T operating companies – are the providers of AT&T services in the United States and around the world. With a powerful array of network resources that includes the nation's fastest 3G network, AT&T is a leading provider of wireless, Wi-Fi, high speed Internet and voice services. A leader in mobile broadband, AT&T also offers the best wireless coverage worldwide, offering the most wireless phones that work in the most countries. It also offers advanced TV services under the AT&T U-verseSM and AT&T | DIRECTVSM brands. The company's suite of IP-based business communications services is one of the most advanced in the world. In domestic markets, AT&T Advertising Solutions and AT&T

Communications Workers of America Local 4250
 3055 Glenwood-Dyer Road, Lynwood, Illinois 60411
 Elizabeth R. VanDerWoude, President (708) 757-4065 (Office)
evp4250@sbcglobal.net (E-Mail)
<http://www.cwlocal4250.org> (Website)

Interactive are known for their leadership in local search and advertising. In 2010, AT&T again ranked among the 50 Most Admired Companies by FORTUNE® magazine.

Additional information about AT&T Inc. and the products and services provided by AT&T subsidiaries and affiliates is available at www.att.com. This AT&T news release and other announcements are available at www.att.com/newsroom and as part of an RSS feed at www.att.com/rss. Or follow our news on Twitter at [@ATTNews](https://twitter.com/ATTNews). Find us on Facebook at www.Facebook.com/ATT to discover more about our consumer and wireless services or at www.Facebook.com/ATTSmallBiz to discover more about our small business services.

© 2010 AT&T Intellectual Property. All rights reserved. 3G service not available in all areas. AT&T, the AT&T logo and all other marks contained herein are trademarks of AT&T Intellectual Property and/or AT&T affiliated companies.

Editor's Note: The following was written by CWA member Steve Tisza following his trip to three cities in India to visit call centers and their workers employed by U.S. businesses. The trip was funded with a grant from the AFL-CIO Solidarity Center.

Jun 1, 2005

Upon my arrival in Mumbai, better known as Bombay, I was immediately conscious of the poverty. It seemed to be everywhere. The main arteries are paved but the majority of roads are dirt. Electric power is erratic, even at the hotels where we stayed. It is rare to see heavy construction machinery; even concrete is mixed by hand. The minimum wage for construction labor is \$1 a day.

As we traveled from Mumbai to Chennai and then to Bangalore, conditions improved somewhat, but the poverty was still highly visible.

We visited a BNSL Telecom work site. The core telecom industry of India is government-controlled and unionized, but wireless is totally unorganized. Although many Indian workers in the public sector, textile, transportation, manufacturing and construction are unionized, the IT industry and call center work is unorganized.

Over the course of our visit we had very open and frank discussions with Indian labor leaders, CEOs, Indian call center workers and the press. A common Indian concern was how American workers feel about outsourcing. Both Beverly and I explained that as CWA union representatives we must do whatever is necessary to protect our members' jobs and fight the outsourcing of middle-class American jobs to low-wage countries such as India, China and the Philippines.

Many expressed concern with restrictions on H-1/L-1 visas to the United States. I explained that many corporations require their American IT workers in the United States to train their visa replacement workers and that the H-1/L-1 visa program has resulted in unemployment and underemployment of qualified American IT workers. I also made clear that these same corporations exploit the visa workers by not paying the prevailing wage or benefits. The

Communications Workers of America Local 4250
3055 Glenwood-Dyer Road, Lynwood, Illinois 60411
Elizabeth R. VanDerWoude, President (708) 757-4065 (Office)
evp4250@sbcglobal.net (E-Mail)
<http://www.cwalocal4250.org> (Website)

workers are completely dependent on these employers in order to stay in this country and must remain in their good graces.

I told them how AT&T's strike contingency plan in 2002 included using Indian workers from Tata Consultancy Services as replacement workers in the event of a walkout.

Human nature being what it is, most Indian IT workers do not seem overly concerned about workers in other countries who have been displaced by the outsourcing of jobs to India. Most IT workers are college graduates who cannot find a job in India in their field. As a stopgap they take jobs in call centers. Their wages, between \$200-300 a month, allow these workers to move out on their own, buy a car or motor bike and occasionally have a night out on the town.

While visiting Infosys, a manager told us that they already have a subsidiary in Beijing. He explained that Indian and Chinese software industries are forging new alliances to become the favored software outsourcing destinations. The Infosys IT campus in India consists of 44 buildings with over 8,000 workers, 2,000 of whom work the midnight shift demanded by clients in the United States, such as Bank of America, because of the time difference.

I believe the shortsighted policies of the U.S. government and corporate America are dedicated to bottom-line profits, more CEO pay and perks at the expense of America's middle class. If and when a CEO job is outsourced, perhaps then government and corporations will come to their senses and finally address this critical issue.

*Steve Tisza, President
CWA Local 4250*