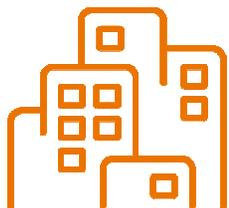




AT&T



AT&T Business Segments



Business Solutions

Through its powerful global networks, AT&T provides integrated solutions to business customers and offers a wide variety of wired and wireless products and services to increase businesses' productivity. AT&T serves millions of business customers—from the largest multinational corporations to small businesses in all major industries.



Entertainment Group

AT&T's Entertainment Group provides entertainment, high-speed Internet and communications services predominantly to residential customers in the United States.



Consumer Mobility

The Consumer Mobility segment provides nationwide wireless service to consumer, wholesale and resale subscribers located in the United States or in U.S. territories. Services use our U.S. wireless network to provide voice and data services, including high-speed Internet, video entertainment and home monitoring services.



International

The International segment provides wireless services in Mexico and satellite entertainment services in Latin America.

More households are choosing wireless phone and VoIP services instead of traditional landlines



Since 1999 Plain Old Telephone Service (POTS) has **declined by 85%** in California.¹



California has more than **4.1 million residential VoIP** and **1.6 million business VoIP** subscriptions.²



Over **47% of households** are now wireless only.³



450,000 Americans switch to phone services that run on wireless and Internet-based networks every month.⁴

1. ILEC Residential Lines from FCC Local Telephone Competition Reports (2014-2015 based on linear projections)

2. FCC Local Competition Report https://apps.fcc.gov/edocs_public/attachmatch/DOC-329975A1.pdf

3. CDC, Wireless Substitution: Early Release of Estimates From the National Health Interview Surveys, January-June 2015 (12/15).

4. FCC Local Competition Reports – ILEC Residential switched access lines