

AT&T CORP  
Form 425  
March 11, 2005

**Filed by SBC Communications Inc.**

**Pursuant to Rule 425 under the Securities Act of 1933**

**and deemed filed pursuant to Rule 14a-12**

**of the Securities Exchange Act of 1934**

**Subject Company: AT&T Corp.**

**Commission File No: 1-01105**

*Link to searchable text of slide shown above*

*Link to searchable text of slide shown above*

*Link to searchable text of slide shown above*

*Link to searchable text of slide shown above*

[Link to searchable text of slide shown above](#)

*Link to searchable text of slide shown above*

[Link to searchable text of slide shown above](#)



*Link to searchable text of slide shown above*

*Link to searchable text of slide shown above*

*Link to searchable text of slide shown above*

[Link to searchable text of slide shown above](#)

*Link to searchable text of slide shown above*

[Link to searchable text of slide shown above](#)

*Link to searchable text of slide shown above*

[Link to searchable text of slide shown above](#)



[Link to searchable text of slide shown above](#)

*Link to searchable text of slide shown above*

*Link to searchable text of slide shown above*

*Link to searchable text of slide shown above*

**Cautionary Language Concerning Forward-Looking Statements**

Information set forth in this document contains financial estimates and other forward-looking statements that are subject to risks and uncertainties, and actual results might differ materially. Such statements include, but are not limited to, statements about the benefits of the business combination transaction involving SBC and AT&T Corporation, including future financial and operating results, the new company's plans, objectives, expectations and intentions and other statements that are not historical facts. Such statements are based upon the current beliefs and expectations of SBC's and AT&T's management and are subject to significant risks and uncertainties. Actual results may differ from those set forth in the forward-looking statements.

The following factors, among others, could cause actual results to differ from those set forth in the forward-looking statements: the ability to obtain governmental approvals of the transaction on the proposed terms and schedule; the failure of AT&T shareholders to approve the transaction; the risk that the businesses will not be integrated successfully; the risk that the cost savings and any other synergies from the transaction may not be fully realized or may take longer to realize than expected; disruption from the transaction making it more difficult to maintain relationships with customers, employees or suppliers; competition and its effect on pricing, spending, third-party relationships and revenues. Additional factors that may affect future results are contained in SBC's filings with the Securities and Exchange Commission (SEC), which are available at the SEC's Web site <http://www.sec.gov>. SBC disclaims any obligation to update and revise statements contained in this presentation based on new information or otherwise.

This document may contain certain non-GAAP financial measures. Reconciliations between the non-GAAP financial measures and the GAAP financial measures are available on SBC's Web site at [www.sbc.com/investor\\_relations](http://www.sbc.com/investor_relations).

---

**Searchable text section of graphics shown above**

---

[GRAPHIC]

March 2005

SBC and AT&T Merger

Research Findings and Merger Messages

*PUBLIC STRATEGIES INC*

---

**Survey and Methods**

National telephone poll

2000 adults

Fielded January 31-February 2, 2005



**Takeaway #1 - Telecom Attitudes**

**Telecom customers are surprisingly satisfied with the state of the telecommunications industry**

Adults nationwide think **telecom prices are reasonable; cable prices are unreasonable**

Adults nationwide are **satisfied with the number of telecom service providers** available to them

Adults nationwide believe **regulations lag behind technology development**

Adults nationwide feel **regulatory reforms should continue**

**Telecom Satisfied Outweighs Dissatisfied**

*Please tell me if you are satisfied or dissatisfied with the number of communications companies available to provide service to you in each of the following areas?*

[CHART]

4

---

**Takeaway #2 - Merger Attitudes**

**The merger *does not matter* to most people**

Merger does not matter to most adults

64% Nationwide; 58% SBC States

Support outweighs opposition

48% to 31% Nationwide; 49% to 33% SBC States

Strongest merger supporters

Men (51% favor)

Consumers under 50 years of age (54% favor)

People for whom the merger doesn't matter (54% favor)

Blacks (53% favor)

Hispanics (61% favor)

Merger opponents

Those for whom merger matters (50% oppose)

Whites (32% oppose)

Influentials for whom merger matters (38% oppose)

**17% of Adults Care and Oppose**

People who care and oppose the merger tend to be *SLIGHTLY*:

More female

More White

More educated

More urban

More Democrat

More Midwest and West

**Takeaway #3 - Merger Channels**

**Government agencies are highly credible sources of information about the merger**

Nationally, AT&T has highest favorability

The FCC has highest credibility

Cable companies fall near the bottom of the list of credible sources

By comparison, consumer groups have less influence than might be expected

Most respondents get their business news from the TV or local newspaper

**What Other Sources for Whom?**

Internet comes in second for 18-29 year olds

Newspapers come in second for all but 18-29 year olds

For 65 and older, only TV and newspaper matter

College educated have significantly higher usage rates of all the print media plus radio and the Internet

A significantly higher percent of rural than urban rely on the radio

A significantly higher percent of Democrats rely on TV

**Takeaway #4 - Merger Themes and Messages**

**Research shows that *complementary*, *technology*, and *future* resonate as merger message themes**

**Complementary** national, international, long distance, advanced voice and data, VOIP, enterprise business customers *complements* local, wireless, broadband, video, residential and small business customers

**Technology** advanced services, new technology, new products and services for information-oriented world

**Future** provide AT&T the financial strength it needs to continue, represent the future of communications, and important next step in the evolution of the telecom industry

## **Merger Themes and Messages**

### **Complementary**

The merger is good because it combines AT & T's national and international networks and advanced services with SBC's local exchange, wireless and broadband expertise. (Q 65)

The \$16 billion transaction will bring together industry leaders with highly complementary strengths and customer bases. (Q 61)

The merger of SBC and AT & T is an important next step in the evolution of the communications industry. It preserves an American icon and brings together two companies with complementary strengths. (Q 53)

The merger of SBC and AT&T brings together two companies with complementary strengths. (Q53b)

### **Technology**

The combined SBC and AT & T will bring new technology to the market faster than either could have done alone. (Q 57)

SBC and AT & T together represent the future of communications. They will lead the market in developing new products and services for an information-oriented world. (Q 56)

### **Future**

SBC and AT & T together represent the future of communications. They will lead the market in developing new products and services for an information-oriented world. (Q 56)

The merger is good because will provide AT & T with the financial strength it needs to continue to provide the high quality services its customers rely on. (Q 64)



The merger of SBC and AT & T is an important next step in the evolution of the communications industry. It preserves an American icon and brings together two companies with complementary strengths. (Q 53)

**AT&T Message Impacts Many Subgroups**

Q64. The merger is good because it will provide AT&T with the financial strength it needs to continue to provide the high quality services its customers rely on.

Importantly:

Strongest message for 18-29 year olds

Strongest message for rural

Strongest message for Hispanics

Strongest message in Ohio

**Messages Play Across All Demographics**

Some version of our *complementary* messages is effective with every demographic subgroup but Activist Democrats and Hispanic

Some version of our *technology* messages is effective with every demographic subgroup except 18-29 years, 50-64 years, Influencers, Activist Republicans, Republicans

Some version of our *future* messages is effective with every demographic subgroup

**What Works with Whom?**

**Gender** *complementary, technology, future* for both men and women

**Age** *complementary* for under 65 years; *technology* and *future* for 65+ years

**Education** *complementary* for all education levels; *technology* for high school or less; and *technology* and *future* college plus

**Race** *complementary, technology, and future* for Whites; *complementary* and *future* for Blacks; *technology, future, homeland security, competitive choice, and bigger/stronger* for Hispanics

**Labor** *complementary, technology, future* for both union and non-union

**Political Party** *complementary* for Dems, Independents, and Reps; *technology* and *future* for Dems and Independents

[GRAPHIC]

March 7, 2005

MERGER MESSAGE STRATEGY

Prepared by: *PUBLIC STRATEGIES INC*

---

**CORE MESSAGES**

This merger is the natural integration of two industry leaders with highly **COMPLEMENTARY** strengths and customer bases.

Together, SBC and AT&T will bring new **TECHNOLOGY** to the market faster than either could have done alone.

This merger is essential because it prepares the communications industry for the **FUTURE**, keeping pace with an information-oriented world.

## ELEVATOR PITCH

This merger is the natural integration of two industry leaders with highly **COMPLEMENTARY** strengths and customer bases.

Customers have embraced new technologies and hunger for more. Customer-demand and new technologies have completely re-shaped the face of telecommunications. Yesterday's telecom company is as obsolete as the original briefcase cell phone. This merger shows the world what the next generation of communications companies will look like.

This merger brings AT&T - an icon of American culture and industry - back into consumers' homes. It brings SBC into new geographic regions and into the enterprise space. This merger brings both SBC and AT&T into new territories, creating more value to more customers.

Together, SBC and AT&T will bring new **TECHNOLOGY** to the market faster than either could have done alone.

15 years ago the Internet seemed like something out of a sci-fi movie - today, we can't live without it. 15 years ago, the sound of a dial-up modem making a connection was the sound of state of the art technology. But in 2005 more homes will have broadband Internet connections than dial-up.

With complementary strengths and the exciting momentum of this merger, the combined SBC and AT&T will foster more innovation and bring new technologies to customers faster than either company could have done alone.

This merger is essential because it prepares the communications industry for the **FUTURE**, keeping pace with an information-oriented world.

The pace of change is speeding up. We cannot afford to look at the telecommunications market through the rear-view mirror, while the rest of the world is speeding ahead on the information highway.

Europe and Asia are building double the high-speed Internet capacity as we are. The competition is offering voice communications over the Internet. WE need to offer the next NEW product - and the next one after that. This merger is a foundation for the American communications industry to lead the way.





MESSAGE GUIDE - CONSUMER

**FUTURE**

**FIRST MESSAGE:**

*It s the next step in the evolution of the communications industry .*

**It preserves an American icon and brings together two companies with complementary strengths.**

**The combined SBC and AT&T will foster innovating and bring new technology to market faster than either could have done alone.**

**COMPLEMENTARY**

We honor the history of AT&T by helping to ensure its future.

**SBC-AT&T Merger**

As a result of the merger, SBC will have AT&T high-tech labs, a new and broader customer base with international reach, and more products to offer.

**TECHNOLOGY**

SBC s focus has been in the 13 states we serve, while AT&T reach covers 60 countries 4 continents.

**FOR INTERNAL USE ONLY- NOT FOR EXTERNAL DISTRIBUTION.**

**It combines AT&T s national and international networks and advanced services with SBC s local exchange, wireless, and broadband expertise.**

*DRAFT- Consumer 2/18*

AT&T has customers that include almost all of the Fortune 1,000 companies.

This will accelerate SBC s move into the enterprise business segment and do it on a broader

scale.

**COMPLEMENTARY**

17

---

MESSAGE GUIDE - BUSINESS

**FUTURE**

**FIRST MESSAGE:**

*It s the next step in the evolution  
of the communications industry .*

**AT&T s global  
networks, substantial  
presence in more than  
60 countries, and  
hightech lab  
capabilities, make it an  
ideal partner for SBC.**

**The merger is good  
because it will provide  
AT&T with the  
financial strength it  
needs to continue to  
provide the high quality  
services its customers  
rely on.**

**TECHNOLOGY**

SBC s strength has been  
in its own 13 state  
territory, and  
complements AT&T s  
international reach that  
spans 4 continents.

**SBC-AT&T  
Merger**

The merger of SBC and  
AT&T of SBC and  
AT&T will ensure the  
continuation of AT&T s  
long history of providing  
critical services to  
agencies involved in  
national defense,  
intelligence and  
homeland security.

**FUTURE**

**FOR INTERNAL USE ONLY-  
NOT FOR EXTERNAL  
DISTRIBUTION.**

**It combines AT&T s national  
and international networks  
and advanced services with  
SBC s local exchange, wireless,  
and broadband expertise.**

*DRAFT- Business 2/18*

AT&T has customers that  
include almost all of the Fortune  
1,000 companies.

This will accelerate SBC s move  
into the enterprise business  
segment and do it on a broader  
scale.

**COMPLEMENTARY**

18

---

DISCLAIMER

**In connection with the proposed transaction, SBC intends to file a registration statement, including a proxy statement of AT&T Corp., and other materials with the Securities and Exchange Commission (the SEC). Investors are urged to read the registration statement and other materials when they are available because they contain important information.** Investors will be able to obtain free copies of the registration statement and proxy statement, when they become available, as well as other filings containing information about SBC and AT&T Corp., without charge, at the SEC's Internet site ([www.sec.gov](http://www.sec.gov)). These documents may also be obtained for free from SBC's Investor Relations web site ([www.sbc.com/investor\\_relations](http://www.sbc.com/investor_relations)) or by directing a request to SBC Communications Inc., Stockholder Services, 175 E. Houston, San Antonio, Texas 78205. Free copies of AT&T Corp.'s filings may be accessed and downloaded for free at the AT&T Investor Relations Web Site ([www.att.com/ir/sec](http://www.att.com/ir/sec)) or by directing a request to AT&T Corp., Investor Relations, One AT&T Way, Bedminster, New Jersey 07921.

SBC, AT&T Corp. and their respective directors and executive officers and other members of management and employees may be deemed to be participants in the solicitation of proxies from AT&T shareholders in respect of the proposed transaction. Information regarding SBC's directors and executive officers is available in SBC's proxy statement for its 2004 annual meeting of stockholders, dated March 11, 2004, and information regarding AT&T Corp.'s directors and executive officers is available in AT&T Corp.'s proxy statement for its 2004 annual meeting of shareholders, dated March 25, 2004. Additional information regarding the interests of such potential participants will be included in the registration and proxy statement and the other relevant documents filed with the SEC when they become available.

**Cautionary Language Concerning Forward-Looking Statements**

Information set forth in this document contains financial estimates and other forward-looking statements that are subject to risks and uncertainties, and actual results might differ materially. Such statements include, but are not limited to, statements about the benefits of the business combination transaction involving SBC and AT&T Corporation, including future financial and operating results, the new company's plans, objectives, expectations and intentions and other statements that are not historical facts. Such statements are based upon the current beliefs and expectations of SBC's and AT&T's management and are subject to significant risks and uncertainties. Actual results may differ from those set forth in the forward-looking statements.

The following factors, among others, could cause actual results to differ from those set forth in the forward-looking statements: the ability to obtain governmental approvals of the transaction on the proposed terms and schedule; the failure of AT&T shareholders to approve the transaction; the risk that the businesses will not be integrated successfully; the risk that the cost savings and any other synergies from the transaction may not be fully realized or may take longer to realize than expected; disruption from the transaction making it more difficult to maintain relationships with customers, employees or suppliers; competition and its effect on pricing, spending, third-party relationships and

revenues. Additional factors that may affect future results are contained in SBC's filings with the Securities and Exchange Commission (SEC), which are available at the SEC's Web site <http://www.sec.gov>. SBC disclaims any obligation to update and revise statements contained in this presentation based on new information or otherwise.

This document may contain certain non-GAAP financial measures. Reconciliations between the non-GAAP financial measures and the GAAP financial measures are available on SBC's Web site at [www.sbc.com/investor\\_relations](http://www.sbc.com/investor_relations).