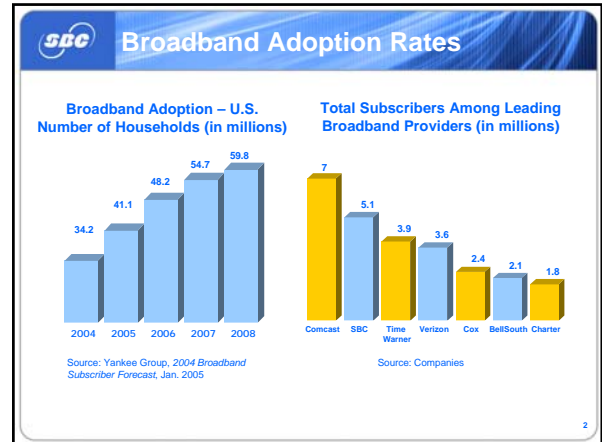


Bringing the Universe to You  
**SBC's Broadband Initiatives**

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- 
- SBC's Broadband Initiatives**
1. SBC | DISH Network - Homezone
  2. Project Lightspeed - IPTV
  3. Extending the SBC Yahoo! Experience




**SBC | DISH – Homezone**

1. SBC | DISH - Homezone

- Joint venture with 2Wire to deliver a home entertainment service that combines SBC Yahoo! DSL with SBC | DISH Network service
  - Downloads movies
  - Caller ID
  - Remote access




**Project Lightspeed**

2. Project Lightspeed

**Project Lightspeed**

We will provide high-speed, high-bandwidth, IP-based connections to approximately 18 million households as part of our initial deployment.

The Method	The Investment	The Benefits
Push fiber to within 3,000 to 5,000 feet of many existing neighborhoods and, to the premises, in many new developments	\$4B in capital expenditures.	20-25 Mbps for IPTV, super high-speed Internet access, and, in the future, IP Voice



**Project Lightspeed**

2. Project Lightspeed

**All-digital, high-bandwidth IP network to reach approximately 18 million households in its initial deployment**

**FTTN** →

- Fiber to the node in existing neighborhoods
- Flexible and cost-efficient

**FTTP** →

- New construction and multi-dwelling units
- Will use FTTP in selected rehab situations

**SBC** IP Based Applications **2** Project Lightspeed

- Applications - Everything over IP
- Platform allows for:
  - **High Speed Internet Access:** Super high speeds, Dedicated connection
  - **Voice Over IP:** In the future a planned Voice Over IP offering
  - **IP Video:** Four high-quality TV streams (including high-definition TV), robust video-on-demand, instant channel changes, multiple picture-in-pictures, whole home DVR, remote programming)

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**SBC** IP Video Advantages **2** Project Lightspeed

**Legacy Cable – One-Way**

- **One-way** broadcast distribution of content
- Network must support all content from head end to customer
- Content limited by bandwidth capacity to home

**IP Switched Video - Two Way Interactive Services**

- **Two-way** switched IP distribution of content
- Network delivers to home gateway only what customer chooses
- **Virtually unlimited content** and choice for customers, not bandwidth constrained in channel capacity
- Shared platform with VoIP and HSPA
- Requires higher level of **interaction** with the network

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**SBC** SBC's Video Service Portfolio

Homezone Product Set	IPTV Product Set
<p><b>Combined Satellite TV and DSL</b></p> <ul style="list-style-type: none"> <li>• SBC High Speed Internet Access (DSL)</li> <li>• SBC DISH Satellite TV</li> <li>• Interactive set top box and Digital Video Recorder (DVR)</li> <li>• Gateway allows access to photos and music across home network.</li> </ul> <p><i>Available <u>late 2005</u> to most DSL households</i></p>	<p><b>Integrated IPTV, DSL, and Voice</b></p> <ul style="list-style-type: none"> <li>• SBC High Speed Internet Access (DSL)</li> <li>• SBC IPTV</li> <li>• Interactive set top box and Whole Home Digital Video Recorder (DVR)</li> <li>• Gateway allows access to photos and music across home network.</li> </ul> <p><i>Network build is currently underway with a controlled launch scheduled for <u>late 2005</u> or <u>early 2006</u></i></p>

Note: Product sets above detail planned features for HomeZone and Lightspeed, all features may not be available at initial launch.

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**SBC** Extending the SBC Yahoo! Experience **3** Extending the SBC Yahoo! Experience

Project Lightspeed | Cingular | Unified Communications | FreedomLink | Home Networking

- consistent customer experience
- share movies, music and photos with multiple devices

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