

Dear AT&T Wireless Stockholder,

Since the acquisition of AT&T Wireless (NYSE symbol AWE) by Cingular is a taxable event, the following information should assist you in calculating the tax basis of your AT&T Wireless shares. ***These following basic guidelines do not address the tax considerations that may be relevant to particular stockholders, and do not address any state, local or foreign tax consequences. You should contact your tax advisor to determine how these guidelines apply in your specific case.***

**1. How do I determine my tax basis in my shares of AT&T Wireless if:**

- a. I received my shares of AT&T Wireless in the stock distribution at split-off from AT&T Corp. in July 2001?**
- b. I participated in the voluntary exchange of AT&T Corp. shares for AT&T Wireless Group tracking shares during the period April - May 2001?**
- c. I purchased shares of the tracking stock before split-off from AT&T Corp.?**
- d. I purchased shares of AT&T Wireless after the split-off from AT&T Corp.?**

a. If you received your shares of AT&T Wireless in the split-off from AT&T in July of 2001, then you will determine your tax basis in AT&T Wireless by allocating part of your tax basis in AT&T stock to your shares of AT&T Wireless according to a formula. You will allocate 77.66% of your pre-split tax basis in AT&T stock to your AT&T shares and 22.34% to your AT&T Wireless shares, including any fractional share you were entitled to receive. (See the example on the back.)

b. If you received your shares of AT&T Wireless through the voluntary exchange in the spring of 2001, then the tax basis of your AT&T Wireless shares (including any fractional share) will be the tax basis of the AT&T shares that you gave up in exchange for the AT&T Wireless shares. (See the example on the back.)

c. If you purchased shares of the AT&T Wireless Group tracking stock before the split-off from AT&T, then your tax basis in AT&T Wireless common shares will be the price you paid for the tracking shares. (The tracking shares were converted to shares of AT&T Wireless in a ratio of one-for-one at split-off from AT&T.)

d. If you purchased shares of AT&T Wireless after the split-off from AT&T, then your tax basis will be the price you paid for the AT&T Wireless shares.

**2. How do I determine the original tax basis in my shares of AT&T Corp.?**

You would need to refer to your own records or consult your tax advisor for that information. AT&T does maintain historical stock price data and tax basis information on their website at [www.att.com/ir](http://www.att.com/ir).

## EXAMPLES

### a. Shares of AT&T Wireless received as a stock distribution in the July 9, 2001 split-off from AT&T Corp.

**Example:** Prior to the record date of June 22, 2001, you owned 100 shares of AT&T common stock and had a tax basis in those shares of \$2,000. The split-off distribution ratio was 0.3218 AT&T Wireless share for each AT&T share owned. You received 32 AT&T Wireless shares and cash for 0.18 fraction of a share. Using the tax allocation percentages described on the previous page, 77.66% of the \$2,000 (or \$1,553.20) will be allocated to your 100 AT&T shares and 22.34% (or \$446.80) will be allocated to your 32.18 AT&T Wireless shares (including the fractional share). Your tax basis in each share of your AT&T Wireless stock would be calculated as follows:

|   |          |
|---|----------|
| Aggregate tax basis in AT&T Wireless shares received in the distribution (per above allocation) | \$446.80 |
|---|----------|

|   |         |
|---|---------|
| Divided by number of AWE shares received (including fractional share) | ÷ 32.18 |
|---|---------|

|  |           |
|--|-----------|
| Equals your tax basis per share of AWE | = \$13.88 |
|--|-----------|

### b. Shares of AT&T Wireless Group tracking stock received through participation in the voluntary exchange of AT&T Corp. stock for wireless tracking stock during the period April - May 2001.

**Example:** You participated in the voluntary exchange of AT&T common stock for AT&T Wireless Group tracking stock in the spring of 2001. If you exchanged 100 shares of AT&T common stock with a tax basis of \$3,000, you received 117 shares of AT&T Wireless Group tracking stock in the exchange, as well as cash for 0.60 fraction of a share (based on the exchange rate of 1.176 AT&T Wireless Group tracking stock shares for each share of AT&T common stock). Your tax basis in each share of your AT&T Wireless Group tracking stock would be calculated as follows:

|  |         |
|--|---------|
| Aggregate tax basis in AT&T Corp. shares exchanged | \$3,000 |
|--|---------|

|   |          |
|---|----------|
| Divided by number of AWE shares received (including fractional share) | ÷ 117.60 |
|---|----------|

|  |           |
|--|-----------|
| Equals your tax basis per share of AWE | = \$25.51 |
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Note that at the subsequent split-off of AT&T Wireless from AT&T Corp., shares of AT&T Wireless Group tracking stock were converted to shares of AT&T Wireless common stock in a one-to-one ratio.