

FOR IMMEDIATE RELEASE

Crowell & Moring LLP Client SBC Communications Inc. Receives Clearance From U.S. Department of Justice For Merger With AT&T

Washington, D.C. – October 27, 2005: Crowell & Moring LLP client SBC Communications Inc. has obtained clearance from the U.S. Department of Justice (DOJ) for its merger with AT&T. After an exhaustive review of the merger's competitive impact across a wide range of telecom services, DOJ cleared the merger today subject to remedial conditions involving leased fiber capacity to about 400 buildings where SBC and ATT are the only wired providers. Crowell & Moring served as lead antitrust counsel in the 9-month Justice Department review of the \$16 billion merger.

This merger, first announced in January 2005, has received approvals from 33 of 36 states with clearance processes and in the District of Columbia. With final approval expected shortly, the merger is still pending clearance from the Federal Communications Commission and in Arizona, California and Ohio.

"New technology and reduced regulatory barriers are always important in assessing the competitive impact of a major transaction. The evidence shows that the telecom sector is experiencing unparalleled technological change and rapid entry of new providers. We are pleased the DOJ was able to clear this merger promptly, because the combination will benefit consumers and help advance innovation," said Wm. Randolph Smith, lead antitrust counsel for SBC and chair of Crowell & Moring's Antitrust Group.

The Crowell & Moring antitrust team, led by Smith, included partners Robert M. Halperin, Jeane A. Thomas, Jeffrey Blumenfeld, Robert Lipstein, Jeffrey H. Howard, and Christopher E. Ondeck. The merger is the second major transaction in as many years in which the firm has served as antitrust counsel for SBC. In 2004, the firm advised SBC/Cingular Wireless in the \$41 billion acquisition of AT&T Wireless.

Crowell & Moring's Antitrust Group represents a range of clients from established Fortune 50 corporations to start-up companies in emerging industries. The Group's practice includes the full complement of antitrust and trade regulation matters: civil litigation and investigations; mergers and acquisitions; grand jury investigations and trials; and counseling on ways to manage antitrust risks in all manner of business transactions. Recent matters include lead antitrust counsel for United Technologies Corporation's Pratt & Whitney Division in the acquisition of Boeing's rocket engine unit, Rocketdyne Propulsion, as well as providing antitrust advice to the nation's largest patent pool administrator and resolving an international cartel investigation. Other firm antitrust clients include Alcoa, DuPont and Reed Elsevier.

Crowell & Moring LLP is a full-service law firm with more than 300 attorneys practicing in litigation, antitrust, government contracts, corporate, intellectual property and more than 40 other practice areas. More than two-thirds of the firm's attorneys regularly litigate disputes on behalf of domestic and international corporations, start-up businesses, and individuals. Crowell & Moring's extensive client work ranges from advising on one of the world's largest telecommunications mergers to representing governments and corporations on international arbitration matters. Based in Washington, D.C., the firm also has offices in Brussels, California and London.

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