

AT&T CORP
Form 425
May 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

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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.

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The SBC Transformation

From local service provider to **premier communications and entertainment services provider**

[LOGO]

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[LOGO]

Note

In connection with the proposed transaction, SBC filed a registration statement, including a proxy statement of AT&T Corp., with the Securities and Exchange Commission (the SEC) on March 11, 2005 (File No. 333-123283). Investors are urged to read the registration and proxy statement (including all amendments and supplements to it) because it contains important information. Investors may obtain free copies of the registration and proxy statement, as well as other filings containing information about SBC and AT&T Corp., without charge, at the SEC's Internet site (www.sec.gov). These documents may also be obtained for free from SBC's Investor Relations Web site (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) 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 2005 annual meeting of stockholders, dated March 11, 2005, and information regarding AT&T Corp.'s directors and executive officers is available in the registration and proxy statement. Additional information regarding the interests of such potential participants is included in the registration and proxy statement and other relevant documents filed with the SEC.

Agenda

one **Changing Market Conditions**
New technology/substitution
More competitors

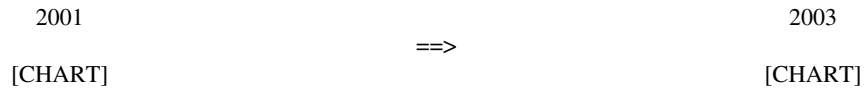
two **The SBC Strategy**
Project Lightspeed
Wireless/Wireline integration
Enterprise/AT&T Merger

three **Delivering Customer Benefits**
Consumer and small business
Enterprise business

The World Is Changing

from	Separate services: Local, long distance, mobile, video, Internet	to	Bundled services: All distance voice, voice/data/video packages
from	Separate platforms: Phone for voice, computer for Internet	to	Multi-use devices: Blackberries; mobile phones with messaging, e-mail, video; computer for Internet phone and IM
from	Separate providers: Cable companies for video, phone companies for voice	to	Multi-product providers: Cable, mobile, and wireline companies offering voice/video/data

Wireline Phone No Longer Supports the Majority of Consumer Communications



Source: Forrester

More Consumer Choices

Every Platform = Multiple Providers

[CHART]

Voice
~97% of the population has
access to at least 2 voice platforms

[CHART]

Broadband
~91% of the population has access
to 2 forms of broadband service

Source: Warren's Cable Database; Empower Wireless; Company Web sites

More Competition

[LOGO]

[LOGO]

Voice and Data Providers
Cable

Wireless
VoIP

[LOGO]

[LOGO]



The SBC Strategy

We **intend** to be the only communications and entertainment provider our customers will ever want.

- Ed Whitacre, Chairman and CEO

Leading the **IP** transformation

Integrating the wireless/wireline experience

Becoming a major player in the **enterprise business** market

[GRAPHIC] >**Leading**
the IP Transformation

State-of-the-art network, foundation for

next-generation voice, Internet

and data services

Project Lightspeed:
\$4 billion investment
40,000 miles of fiber by EOY 07
Initial deployment to **18** million homes
20 25 Mbps of bandwidth

**From IP platform, integrated
video, wireless, broadband and
voice services**

IPTV will enable
**high-definition programming,
customizable channels, video-on-
demand, digital video recording, instant
channel-changing, multiple PIPs**

Cingular Wireless is critical to our **transformation and growth strategy**, as customers look to new technologies for communications.

**Wireless/Wireline
Integration**

[GRAPHIC]

By *integrating* wireless and wireline services,
**customers have the ability access to
seamless communications virtually
anywhere, anytime, on any device.**

With AT&T Wireless acquisition, Cingular
Wireless has **strongest spectrum
position in the U.S. and presence in
nation's top 100 markets.**

Spectrum enables companies to
create powerful new services
in particular data services for customers.

**SBC *FreedomLink* Wi-Fi and high-speed
EDGE technology for data available now.
Cingular deploying even faster UMTS 3G
technology this year.**

Enterprise
Business Market

[GRAPHIC]

Through the merger with AT&T, SBC will
**evolve into a global data and
enterprise provider.**

The merger brings together two companies with **complementary strengths, product sets and customer bases.**

The combined company will set the standard for transitioning from legacy technologies to **next-generation IP networks and services.**

Transformation Benefits for Business

Integrated IP Business Services

[GRAPHIC]

Transformation Benefits for Consumers

A Digital Lifestyle

[GRAPHIC]

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