

The logo for AT&T Drive, with "AT&T" in blue and "Drive" in white, followed by a trademark symbol. The background is a dark, artistic image of a car's rear wheel and a road with white stripes receding into the distance.

AT&T Drive™

Connected car
September 30, 2014

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Design the road ahead™

- Vision
- Opportunity
- Innovation & roadmap
- Demonstrations
- Q&A





Vision

Transforming the connected vehicle to mobilize your life

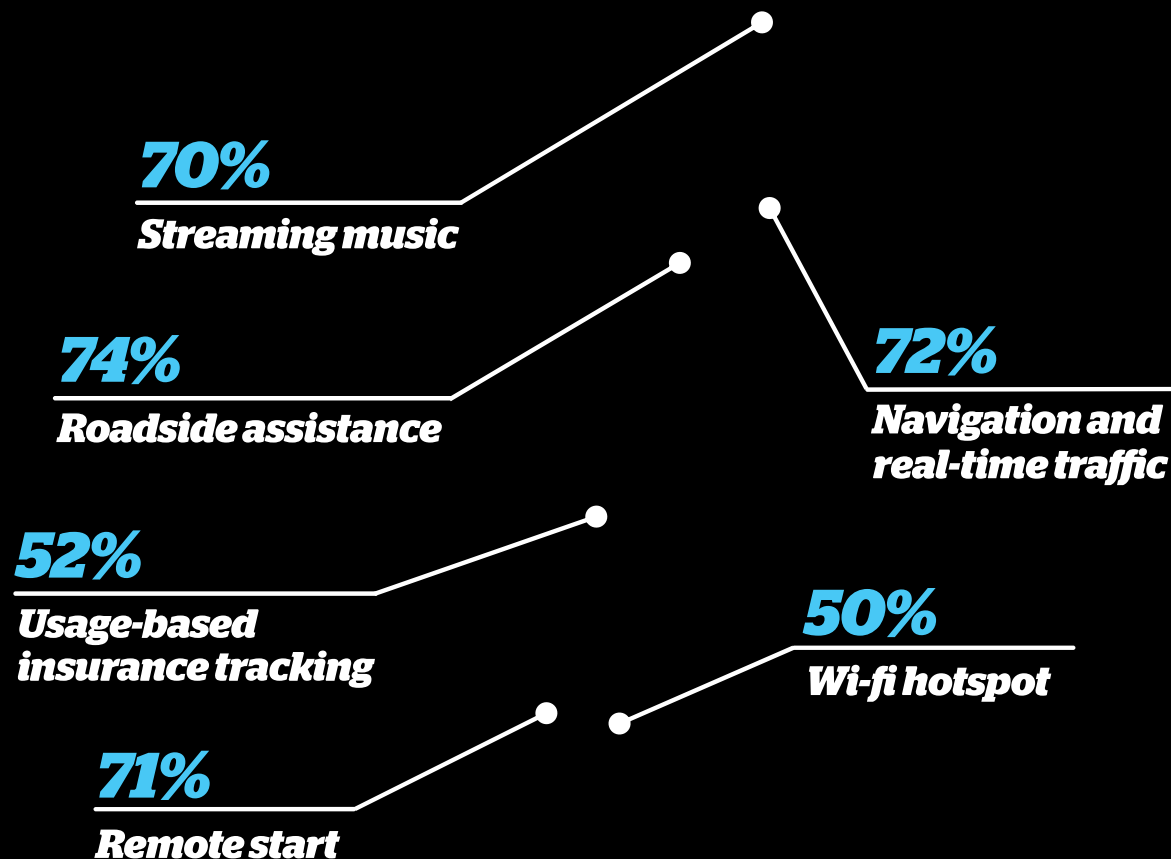




Almost **two-thirds** of drivers surveyed after learning about connected car services consider them an important feature in their next car



Customers' awareness of connected car services is high.



Source: Ericsson & AT&T Global Connected Car Market Research, September 2014

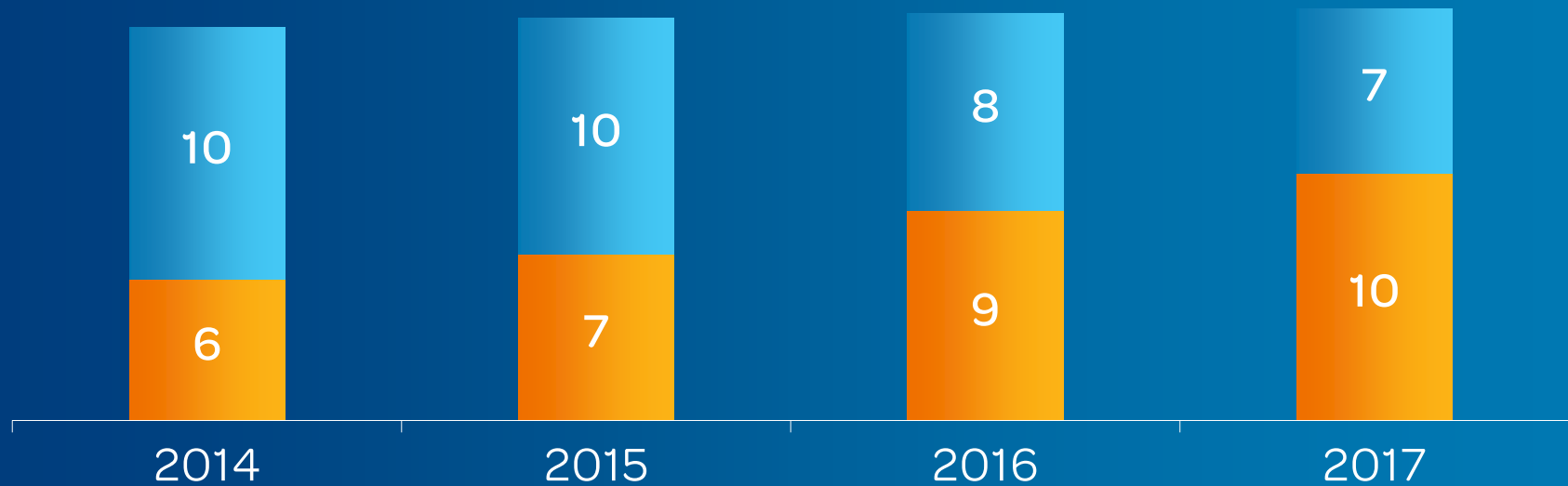
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Promising opportunity for new connected cars

US car sales (M)

Connected Non-connected



Source: Strategy Analytics, LMC

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Connected car evolution

Hardware



Connectivity



Service
delivery

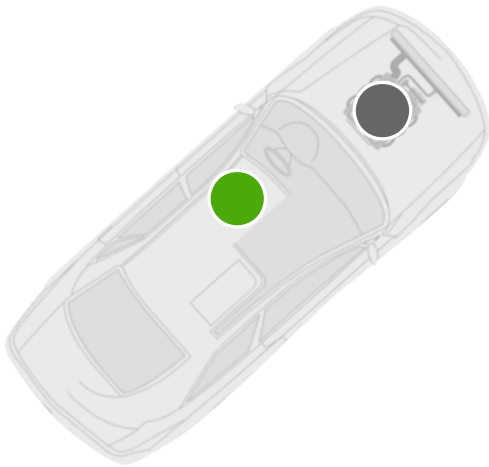


**Safety,
security &
convenience**

- Network connectivity
- Telematics
- Over the air services



Connected car evolution



Safety,
security &
convenience

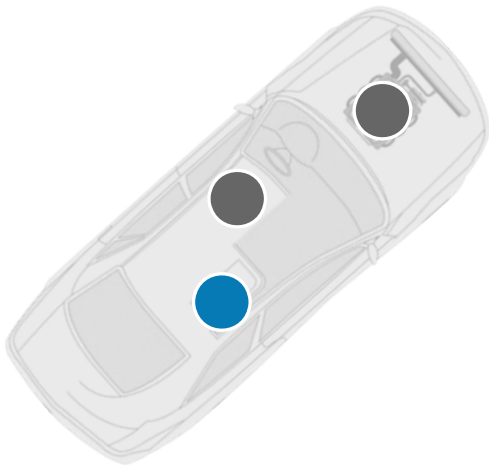
- Network connectivity
- Telematics
- Over the air services

Application
delivery/
infotainment

- Apps
- Wi-fi



Connected car evolution



Safety,
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**Solution
leadership**

- Portals
- Data analytics



AT&T's strategy is working.



AT&T's key differentiating solutions



A proprietary and Global, single-SIM solution



Billing solutions including 'split' wholesale/retail



Over-the-Air solutions saving time & money



AT&T's 4G LTE network is the most reliable in the nation



A commitment to relentlessly innovate



AT&T's flexible connected car platform



A detailed, high-contrast black and white photograph of a car engine, showing various mechanical components like belts, pulleys, and hoses. The image is used as a background for the advertisement.

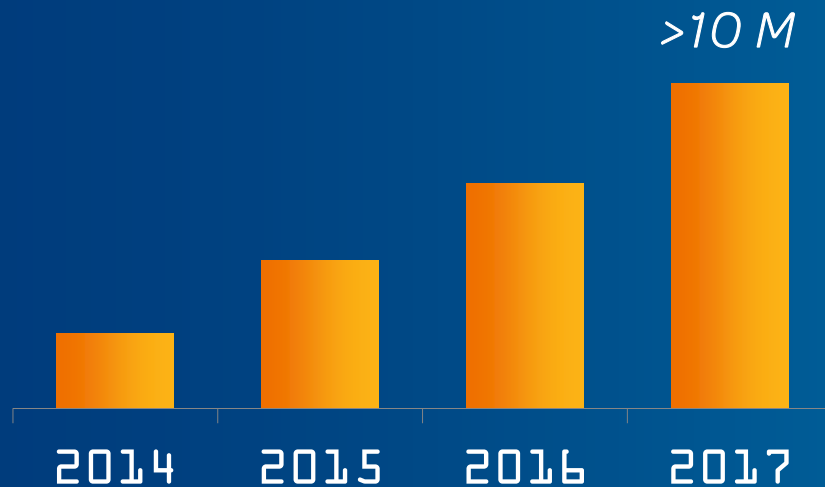
In 2015

AT&T will connect the most new cars in the U.S.



By 2017, AT&T expects to connect over 10 million cars

AT&T U.S. connected cars



- Establishing ourselves as the leader in connected cars
- ARPU is strong and growing
 - Wholesale: stable, low single digits
 - Retail: comparable to tablets
- 2015 flow share nearly 50%

Source: AT&T Estimates

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Monetization opportunities for AT&T in the connected car



Connectivity

- Wholesale
- FOTA
- Retail
- Global SIM

Service & Application Delivery / Apps

- Billing Services
- Telematics Services
- App delivery platform
- Applications
- Speech enablement

Advanced Solutions

- Customer & dealer portals
- Wifi landing pages
- Data analytics





Innovation and roadmap

Getting to the future first





AT&T DriveSTUDIO™

Developer
Program

AT&T
Foundry

AT&T
Labs

*AT&T's investments in innovation
are paying off*



AT&T Drive features and services

New innovative services now & in the future



Twinning



Wi-Fi hotspot /
Landing Page



Home /
Wearable
Integration



Voice Memo



Advanced user
UI / UX



Advanced
analytics





Beyond the car





Getting to the future first *demonstrations*



*AT&T Drive*TM

Thank You

