



News Release

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SBC APPLAUDS SOLICITOR GENERAL'S "NO APPEAL" DECISION

SBC Pledges to Hold the Line on Wholesale Prices for 2004

WASHINGTON, D.C. – *Background: The U.S. Solicitor General today said he would not seek a stay or appeal of a decision by the DC Circuit Court that overturned – for a third time by a federal court – the Federal Communications Commission's rules regarding wholesale unbundling and reselling of local phone company networks. Please attribute the following response to James D. Ellis, general counsel of SBC Communications Inc.*

The Solicitor General's decision is a major victory for consumers and the nation's economy.

Allowing these unlawful rules to lapse will ensure a bright new era of stability in the highly competitive telecommunications industry that will benefit American consumers. SBC's wholesale services will continue as before without disruption.

To ensure continuity during this important transition to a rational, free-market-based approach to the industry, and help assure regulators, policymakers and consumers that there will be no marketplace disruption, SBC has committed to no unilateral increase in mass market UNE-P prices, as well as loop and high-capacity transport between SBC's offices as a result of this ruling, at least through the end of this year.

In the meantime, we remain committed to working with our wholesale customers to arrive at commercial wholesale agreements that meet everyone's business needs.

The best news is that by letting go of the continual litigation of the past, we can begin to focus on the future. This decision will give new life to the FCC's ruling on broadband regulations, which will help meet the President's ambitious goals.

When this eight-year legal odyssey is finally ended, it will help foster sustainable competition and economically rational competition that will drive job growth and investment in this vital sector, and extend telecommunications innovations farther and faster into the marketplace.

We look forward to working with the FCC as the industry transitions to a regulatory model that puts its faith in free markets and consumer choice, where the competitive market – not government rules – will protect consumer prices.

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SBC Communications Inc. (NYSE: SBC) is a Fortune 50 company whose subsidiaries, operating under the SBC brand, provide a full range of voice, data, networking, e-business, directory publishing and advertising, and related services to businesses, consumers and other telecommunications providers. SBC holds a 60 percent ownership interest in Cingular Wireless, which serves more than 24 million wireless customers. SBC companies provide high-speed DSL Internet access lines to more American consumers than any other provider and are among the nation's leading providers of Internet services. SBC companies also now offer satellite TV service. Additional information about SBC and SBC products and services is available at www.sbc.com.