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February 5, 2007

Edward E. Whitacre
Chief Executive Officer
AT&T Inc.
175 E. Houston St.
San Antonio, Texas, 78205

Re: 2007 Shareholder Resolution: Privacy Rights Protection Report

Dear Mr. Whitacre:

We write to you as investors in AT&T Inc. who support public accountability by our company regarding alleged sharing of customer data with federal security agencies. We support the attached shareholder proposal filed with the company for 2007 asking AT&T to provide a report to shareholders about disclosure of customer records to government agencies.

We are troubled about media reports alleging that our company shared customers' private communication records with federal agencies without first requiring a warrant or court order. While several of our competitors denied participation in a warrantless surveillance program, AT&T has refused to confirm or deny company involvement. As shareholders, we are interested in knowing what actions our company took and receiving an assessment of the resulting level of risk.

Our company's alleged involvement has already caused harm to its goodwill and reputation, and no doubt disappointed current customers and dissuaded prospective new customers. The potential legal liabilities from dozens of lawsuits filed in regards to sharing customer records are enormous and could threaten to undermine share price. These are risks shareholders are entitled to be informed about.

We urge you to change course and take an industry leadership position as an outspoken advocate for privacy rights. In doing so, AT&T has the opportunity to reinstate confidence among our customers, employees, shareholders and potential new customers.

AT&T has requested the Securities and Exchange Commission to allow the company to omit the Privacy Rights proposal filed by As You Sow, Calvert Group and the Adrian Dominican Sisters from its 2007 proxy statement. We hope you and the AT&T Board will reconsider seeking to deny shareholders the opportunity to vote on this proposal, and indeed urge all AT&T investors to support it as important and material information that should be provided to stakeholders.

Sincerely,

Larry Fahn, Executive Director
As You Sow

Co-Filers:

Annette M. Sinagra, OP
Adrian Dominican Sisters

Lora McCray
Calvert Group, Ltd.

Supporting Organizations:

Timothy Smith
Walden Asset Management,
a division of Boston Trust & Investment Management Company

Michael Lent and Steve Fahrer
Progressive Asset Management/New York

John Harrington
Harrington Investments, Inc.

Adam M. Kanzer
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Steve Lippmann
Trillium Asset Management