

2009 North American Customer Value Leadership Award**AT&T**

Frost & Sullivan is proud to present the North American Managed Security Service providers Customer Value Leadership Award to AT&T for its ability to offer affordable solutions for every type of customer. AT&T has been a very strong telco provider and strong competitor in the MSSP market. AT&T as leveraged its unique ability to offer services to all type of customers. In addition offers a global reach, comprehensive portfolio which enables cost effective solutions. AT&T's ability to offer strong network based solutions and as well as premise based solutions, has enabled the company to improve their service offerings and remain as a valued managed security service provider. AT&T's strategy focus on delivering an intelligent, secure global networking platform for an on- demand application performance. With this strategy, AT&T remains consistent with what they sell and makes sure that additional services fit into a holistic view of a customer's network infrastructure.

Chart 1.1 illustrates the key factors contributing to AT&T's cost effective solutions.



Global Reach and Expertise

AT&T global reach, IP backbone and broad customer base has leveraged the company to have high expertise and knowledge in network security. AT&T is consistently looking at building the best network. AT&T has a large network which consists of Multi-protocol Label Switching (MPLS) based services available in 143 countries and 4000+ nodes. AT&T currently covers hundred of thousands of security devices and has 38 Internet data centers across the globe. In addition, the company has over 1400 experts in the security sales and support team thus enabling global support. AT&T's ability to expand and leverage these assets allows the service offerings to be custom and supported for any type of customer.

Defense –in- Depth and Core Network Security Strategy

AT&T has stated that security begins in the core network and extends out to its computing infrastructure (internet data centers) and is an inherent component of every solution. An advantage to operating security into the network is the ability for AT&T to remove as many problems as possible before it reaches a customers premise. As one of the largest IP networks in the world, carrying over 16.0 petabytes of data and IP traffic each day, AT&T has leveraged it visibility to solve customer's problems.

AT&T approaches security from a Defense-In-Depth approach whether it is focused on its assets for internal use, commercially available services or how it support clients for their specific security needs. In a layered architecture, the objective is to add access control points closer to various assets that need to be secure. For every customer, AT&T will assess, protect, detect and respond to vulnerabilities as a matter of course. AT&T is continuing to help enterprises employ a defensive, in-depth approach to network security by building in security upfront and at every layer to properly ensure that their networks, systems, applications and end-user devices are secure against all known attacks. Edge-based security is reactive; AT&T's multi-layered security approach will help enterprise security become more proactive, preventive, and predictive.

AT&T comprehensive security portfolio include premise and hosted solutions: AT&T encryption, Web Security, Secure E-mail Gateway, Managed Firewall, Endpoint Security, Internet Protect, DDos Defense, IDS/IPS, Authentication, Security Architecture & Integration Services, Proactive Testing Services, Vulnerability assessments, Security and Strategy Roadmap Programs and Consulting essentials.

Recently AT&T has added encryption services to its portfolio and has continued to innovate to offer comprehensive and robust solutions. As a pioneer in the security space, the company continues to redefine cost effective solutions for customers.

Tailored Solutions for every Customer

Managed Security Services began as a premise based service continues to evolve into a network based service. Protecting the perimeter has evolved and as a carrier, AT&T has been able to offer network solutions which eliminate the need for too many

individual security devices. The ability to have connectivity to a broader network allows for efficient bundled security solutions while having a cleaner pipe.

With the ever-evolving security landscape, security has become quite complex and AT&T's tries to eliminate many complexities for the customer. Customers are usually not prepared for the risk involved with how mobility and other trends have changed the game in security. AT&T believes that offering strong services that do not contribute to higher costs is important. Offering services that continue to add value versus cost continues to be AT&T's main focus. AT&T focus on analyzing the customers needs, and offering the right solution which can balance out to a lower price point has enabled them to tailor solutions to any type of customer.

In closing, AT&T global presence and "in the cloud" focus has enabled the company to grow very well in 2008. As a leader, AT&T plans to continue to develop in new and innovative solutions. The company is well positioned to do well from changing market conditions as hosted services continue to increase in the MSS market. Its global backbone and competitive pricing and a wide customer base will also enable the company to continue very good traction in the market. As a result of AT&T's ability to offer economical and efficient solutions, Frost & Sullivan is proud to declare AT&T the recipient of the 2009 Managed Security Service Providers Market Customer Value Leadership Award.

Award Description

The Frost & Sullivan Award for Customer Value Leadership is conferred upon the company that has demonstrated excellence in customer values through its products and services that offer superior value to customers and aid them with increased profitability, and reduced life cycle costs. The recipient company has continually focused on providing value added products and services, addressing the changing customer needs across the industry, thereby enabling them to expand their customer base across verticals and horizontals. In addition, the recipient company has shown unparallel commitment to lead on technological innovations pertaining to changing customer needs by offering products that are specific to both general and niche applications coupled with cost effectiveness.

Research Methodology

To choose the recipient of this award, the analyst team tracks all the manufacturers in this domain, their products, their unique value-added services to customers, and its ability to help customers overcome their challenges in new upcoming applications. The selection process includes rigorous discussions with market participants in this domain accompanied with extensive secondary research on market and technological trends. All the data collated from market participants is compared, analyzed, and

ranked to comprehend the relative positions of these companies. Company that holds the first position is declared as the recipient.

Measurement Criteria

In addition to the methodology described above, there are specific criteria used in determining the final ranking of competitors in this industry. The recipient of this Award has excelled based on one or more of the following criteria:

- Responsiveness to customer needs
- Expansion of customer base
- Offer a “one-stop shop” in response to customer demands
- Providing value added services ensuring better Return on Investment(ROI)and better product life cycle cost benefits for customers
- Enhanced quality and reliability of products
- Technological innovation and leadership to address critical customer needs
- Strategic mergers and acquisitions or joint ventures to provide additional benefit to customers

About Best Practices

Frost & Sullivan Best Practices Awards recognize companies in a variety of regional and global markets for demonstrating outstanding achievement and superior performance in areas such as leadership, technological innovation, customer service, and strategic product development. Industry analysts compare market participants and measure performance through in-depth interviews, analysis, and extensive secondary research in order to identify best practices in the industry.

About Frost & Sullivan

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