



## **AT&T Inks Long Term Deal with People Telecom**

**Wednesday, February 22, 2006** Sydney, Australia: People Telecom Ltd. (ASX/NZXPEO) today announced that it has won a contract to provide co-location services and domestic voice telecom services to AT&T Inc. the largest telecommunications company in the United States and one of the largest in the world. Terms of the contract were not disclosed.

Under the agreement, AT&T has relocated its global network node in Perth to People Telecom's Internet Data Centre for five years, with a further five year option. People Telecom will also provide domestic voice services to AT&T for three years.

Jeyan Jeevaratnam, Managing Director of AT&T Australia and New Zealand said, "We are delighted to be working with People Telecom because they offer a dynamic alternative in Australia's highly competitive telecom market. We expect to make savings of around 50% on our domestic calling costs. Furthermore, we have also reduced the costs associated with our Perth POP, which will give us the opportunity to target businesses in Western Australia."

People Telecom CEO Ryan O'Hare said, "We are very excited about our new relationship with AT&T and we've been working closely with them for some time to secure this long term agreement, which will be a significant benefit to both companies."

People Telecom operates a Tier 1 data centre, which houses critical infrastructure of some leading Australian and International companies. The facility comprises over 600 square metres of state of the art data centre technologies, including N+1 cooling and power redundancy. People Telecom plans to further extend this facility by 40% in 2006.

**About People Telecom:**

One of Australia's largest telecommunications groups, People Telecom offers a comprehensive range of telecommunications products and services for businesses in Australia. The group is a leader in service within the telecommunications landscape, offering high customer service levels accompanied by a full suite of standard and cutting edge telecommunications products such as fixed wire, mobile and data including broadband and Voice-Over Internet Protocol (VoIP). Over the last five years the group has grown dramatically. In the 2005 financial year revenues reached \$100 million and its bottom line profit significantly improves year on year.

**About the New AT&T**

AT&T Inc. is one of the world's largest telecommunications holding companies and is the largest in the United States. Operating globally under the AT&T brand, AT&T companies are recognized as the leading worldwide providers of IP-based communications services to business and as leading U.S. providers of high-speed DSL Internet, local and long-distance voice, and directory publishing and advertising services. AT&T Inc. holds a 60 percent ownership interest in Cingular Wireless, which is the No. 1 U.S. wireless services provider with more than 52 million wireless customers. Additional information about AT&T Inc. and AT&T products and services is available at [www.TheNewATT.com](http://www.TheNewATT.com).

For further information, please visit <http://www.peopletelecom.com.au> or contact:

Ryan M. O'Hare  
Chief Executive Officer  
People Telecom Ltd  
(02) 9458 5821  
[ryan.ohare@peopletelecom.com.au](mailto:ryan.ohare@peopletelecom.com.au)

Greg Brutus  
AT&T Asia Pacific Group  
Tel: +852 2506 5046  
[greg.brutus@ap.att.com](mailto:greg.brutus@ap.att.com)