

TAX INFORMATION ABOUT THE U S WEST SPLIT-OFF
FOR THOSE WHO OWNED U S WEST MEDIA GROUP STOCK

June 1998

Dear Shareowner,

Here is some important information about the tax consequences of the split-off of U S WEST, Inc., into separate public companies. For every share of U S WEST Media Group stock you owned at the split-off (June 12, 1998), you will receive a share of MediaOne Group common stock and .02731 of a share of new U S WEST common stock. The Internal Revenue Service has ruled that this qualifies as a tax-free distribution for federal income tax purposes. In other words, there is no gain or loss associated with the distribution for federal income tax purposes. You do, however, have to report it. A form for doing so is included in this package.

However, you will recognize a gain or loss on the difference, if any, between the amount of cash you receive for the sale of a fractional share of new U S WEST common stock and your tax basis in such share.

To calculate your tax basis, you must first determine your tax basis in the shares of U S WEST Media Group stock you owned immediately before the split-off. Attached to this letter is a worksheet to help you calculate your tax basis in your newly acquired shares of MediaOne Group and new U S WEST common stock you will receive as a result of the Dex distribution. After you've done this, you can calculate your gain or loss on the sale of the fractional new U S WEST share.

The information in this letter and its attachments represents our understanding of existing federal income tax law and regulations, and does not constitute tax advice. It does not purport to be complete or to describe tax consequences that might apply to particular categories of shareowners. You should consult your own tax advisor as to the particular consequences of the split-off under federal, state, local and foreign tax laws, including, in particular, tax basis allocation rules, and the effect of possible changes in tax laws that may affect the description set forth above.

MediaOne Group, Inc., Shareowner Services

TAX BASIS WORKSHEET

TO BE USED IN CALCULATING YOUR BASIS IN YOUR SHARES OF MEDIAONE GROUP, INC., COMMON STOCK AND YOUR NEW U S WEST COMMON STOCK RECEIVED AS A RESULT OF THE DEX DISTRIBUTION

This worksheet is provided to assist you in calculating your basis in your MediaOne Group, Inc., common stock and your new U S WEST common stock received as a result of the Dex distribution, and your taxable gain or loss on cash received for fractional shares, if any. In order to complete this worksheet properly, you must first determine (1) the date you acquired your shares of U S WEST Media Group Stock ("Media Stock"), and (2) the cost of your shares of Media Stock on that date. If you own shares of Media Stock as a result of owning stock in AT&T prior to 1984, or stock of U S WEST prior to November 1995, you must determine the date and the cost at which you acquired such shares. **IF YOU ACQUIRED YOUR MEDIA STOCK ON MORE THAN ONE OCCASION, YOU WILL NEED TO FILL OUT THIS WORKSHEET SEPARATELY FOR EACH SUCH ACQUISITION.**

"OLD" AT&T SHARES ACQUIRED PRIOR TO 1/1/84:

	Original Cost per Share of AT&T Stock.	_____	(A)
Step 1	Multiply (A) by .894	_____	(B)
Step 2	Divide (B) by 4	_____	(C)
Step 3	Multiply (C) by .4018	_____	(D)
Step 4	Multiply (D) by .9626	_____	(E)
	(E) represents your new tax basis in each of your shares of MediaOne Group, Inc., common stock.		
Step 5	Subtract (E) from (D).	_____	(F)
	(F) represents your tax basis in each .02731 of a share of new U S WEST common stock received as a result of the Dex distribution.		
Step 6	Multiply (F) by 36.6166	_____	(G)
	(G) represents your tax basis in each whole share of new U S WEST common stock received as a result of the Dex distribution.		
Step 7	Multiply (G) by Fraction of share sold	_____	(H)
	(H) represents your cost basis for the Fractional share sold.		
Step 8	Subtract (H) from cash received	_____	Gain/(Loss) from Fractional Share

U S WEST SHARES ACQUIRED BETWEEN 1/1/84 AND 5/9/86:

	Original cost per share of U S WEST stock	_____	(A)
Step 1	Divide (A) by 4	_____	(B)
Step 2	Multiply (B) by .4018	_____	(C)
Step 3	Multiply (C) by .9626	_____	(D)
	(D) represents your new tax basis in each of your shares of MediaOne Group, Inc., common stock.		
Step 4	Subtract (D) from (C)	_____	(E)
	(E) represents your tax basis in each .02731 of a share of new U S WEST common stock received as a result of the Dex distribution.		
Step 5	Multiply (E) by 36.6166	_____	(F)
	(F) represents your tax basis in each whole share of new U S WEST common stock received as a result of the Dex distribution.		
Step 6	Multiply (F) by Fraction of share sold	_____	(G)
	(G) represents your cost basis for the fractional share sold.		
Step 7	Subtract (G) from cash received	_____	Gain/(Loss) from Fractional Share

U S WEST SHARES ACQUIRED BETWEEN 5/10/86 AND 4/19/90:

- Original cost per share of U S WEST stock _____ (A)
- Step 1** Divide (A) by 2 _____ (B)
- Step 2** Multiply (B) by .4018 _____ (C)
- Step 3** Multiply (C) by .9626 _____ (D)
- (D) represents your new tax basis in each of your shares of MediaOne Group, Inc., common stock.
- Step 4** Subtract (D) from (C) _____ (E)
- (E) represents your tax basis in each .02731 of a share of new U S WEST common stock received as a result of the Dex distribution.
- Step 5** Multiply (E) by 36.6166 _____ (F)
- (F) represents your tax basis in each whole share of new U S WEST common stock received as a result of the Dex distribution.
- Step 6** Multiply (F) by Fraction of share sold _____ (G)
- (G) represents your cost basis for the Fractional share sold.
- Step 7** Subtract (G) from cash received _____ Gain/(Loss)
from Fractional Share

U S WEST SHARES ACQUIRED BETWEEN 4/20/90 AND 10/31/95:

- Original cost per share of U S WEST stock _____ (A)
- Step 1** Multiply (A) by .4018 _____ (B)
- Step 2** Multiply (B) by .9626 _____ (C)
- (C) represents your new tax basis in each of your shares of MediaOne Group, Inc., common stock.
- Step 3** Subtract (C) from (B) _____ (D)
- (D) represents your tax basis in each .02731 of a share of new U S WEST common stock received as a result of the Dex distribution.
- Step 4** Multiply (D) by 36.6166 _____ (E)
- (E) represents your tax basis in each whole share of new U S WEST common stock received as a result of the Dex distribution.
- Step 5** Multiply (E) by Fraction of share sold _____ (F)
- (F) represents your cost basis for the Fractional share sold.
- Step 6** Subtract (F) from cash received _____ Gain/(Loss)
from Fractional Share

MEDIA SHARES ACQUIRED AFTER 10/31/95:

- Original cost per share of Media stock _____ (A)
- Step 1** Multiply (A) by .9626 _____ (B)
- (B) represents your new tax basis in each of your shares of MediaOne Group, Inc., common stock.
- Step 2** Subtract (B) from (A) _____ (C)
- (C) represents your tax basis in each .02731 of a share of new U S WEST common stock received as a result of the Dex distribution.
- Step 3** Multiply (C) by 36.6166 _____ (D)
- (D) represents your tax basis in each whole share of new U S WEST common stock received as a result of the Dex distribution.
- Step 4** Multiply (D) by Fraction of share sold _____ (E)
- (E) represents your cost basis for the Fractional share sold.
- Step 5** Subtract (E) from cash received _____ Gain/(Loss)
from Fractional Share

PLEASE CONSULT YOUR TAX ADVISOR FOR MORE INFORMATION.