

# **Global Media and Communications Conference**

**Bob Brust, Chief Financial Officer  
Sprint Nextel**

**December 9, 2008**

# Cautionary Statement

*This presentation includes "forward-looking statements" within the meaning of the securities laws. The statements in this presentation regarding the business outlook, expected performance, forward-looking guidance, as well as other statements that are not historical facts, are forward-looking statements. The words "estimate," "project," "forecast," "intend," "expect," "believe," "target," "providing guidance" and similar expressions are intended to identify forward-looking statements. Forward-looking statements are estimates and projections reflecting management's judgment based on currently available information and involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. With respect to these forward-looking statements, management has made assumptions regarding, among other things, customer and network usage, customer growth and retention, pricing, operating costs, the timing of various events and the economic and regulatory environment.*

*Future performance cannot be assured. Actual results may differ materially from those in the forward-looking statements. Some factors that could cause actual results to differ include:*

- the effects of vigorous competition, including the impact of competition on the price we are able to charge customers for services and equipment we provide and our ability to attract new customers and retain existing customers; the overall demand for our service offerings, including the impact of decisions of new subscribers between our post-paid and prepaid services offerings and between our two network platforms; and the impact of new, emerging and competing technologies on our business;*
- the impact of overall wireless market penetration on our ability to attract and retain customers with good credit standing and the intensified competition among wireless carriers for those customers;*
- the uncertainties related to the implementation of our business strategies including investments in our networks, our systems, and other businesses, including current investments and additional investments that will be required in connection with the planned deployment of a next generation wireless broadband network;*
- the costs and business risks associated with providing new services and entering new geographic markets, including in connection with the planned deployment of a next generation wireless broadband network;*
- uncertainty regarding satisfaction of the conditions to completion of the transaction with Clearwire Corporation, including approval by Clearwire's stockholders and satisfaction of the other conditions to closing;*
- the impact of recent downgrades and potential further downgrades in the ratings afforded our debt securities by ratings agencies;*
- the impact of difficulties we may encounter in implementing actions designed to maintain compliance with our financial covenants, including the success of actions involving third parties;*
- the effects of mergers and consolidations and new entrants in the communications industry and unexpected announcements or developments from others in the communications industry;*
- unexpected results of litigation filed against us or our suppliers or vendors;*
- the impact of third parties not meeting our business requirements, including a significant adverse change in the ability or willingness of such parties to provide handset devices or infrastructure equipment for our code division multiple access, or CDMA, network, or Motorola, Inc's ability or willingness to provide related handset devices, infrastructure equipment and software applications, or to develop new technologies or features, for our integrated Digital Enhanced Network, or iDEN, network;*
- the impact of adverse network performance;*
- the costs and/or potential customer impacts of compliance with regulatory mandates, particularly requirements related to the reconfiguration of the 800 megahertz, or MHz, band used to operate our iDEN network, as contemplated by the Federal Communications Commission's, or FCC's, Report and Order released in August 2004 as supplemented by subsequent memoranda;*
- equipment failure, natural disasters, terrorist acts, or other breaches of network or information technology security;*
- one or more of the markets in which we compete being impacted by changes in political, economic or other factors such as monetary policy, legal and regulatory changes or other external factors over which we have no control; and*
- other risks referenced from time to time in this report and other filings of ours with the Securities and Exchange Commission, or SEC, including in our annual report on Form 10-K for the year ended December 31, 2007 in Part I, Item 1A, "Risk Factors."*

*Sprint Nextel believes these forward-looking statements are reasonable; however, you should not place undue reliance on forward-looking statements, which are based on current expectations and speak only as of the date of this presentation. Sprint Nextel is not obligated to publicly release any revisions to forward-looking statements to reflect events after the date of this presentation.*

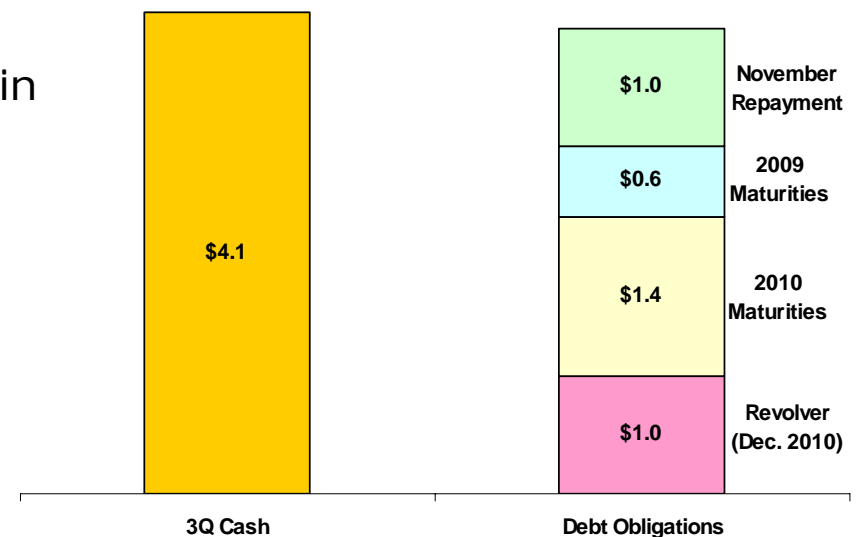
# Priorities & Observations

- Financial Priorities
  - Maximize cash; expect to maintain balance of ~\$4B through downturn
  - Tightly manage costs and size business for revenue prospects
  - Reallocate spending toward subscriber acquisition
  - Execute on commitments
- Early Observations
  - Impressive portfolio of assets
  - Historic culture of fiscal empowerment

# Solid Liquidity

- Continue to generate Free Cash Flow
  - \$1.1B in 3Q08
  - Respectable Free Cash Flow expected in 4Q08
- Credit facility amended
  - Indebtedness ratio increased to 4.25x
  - Facility reduced to \$4.5B
  - Current borrowing capacity of \$1.3B
- ~\$200M of cash reimbursement in 4Q08 from Clearwire close

Cash vs. Debt Obligations



*3Q08 cash exceeds debt obligations through 2010*

# Controlling Costs/Right Sizing Business

- Concentration on disciplined spending at all levels
  - Customer Care
  - Bad Debt
- G&A savings used to enhance share of voice
- Reduced capital intensity
  - 3Q08 YTD wireless capex 7% of service revenue
  - Subscriber trends alleviate capacity needs
  - Benefiting from heavy spend on strategic initiatives in 2006-2007

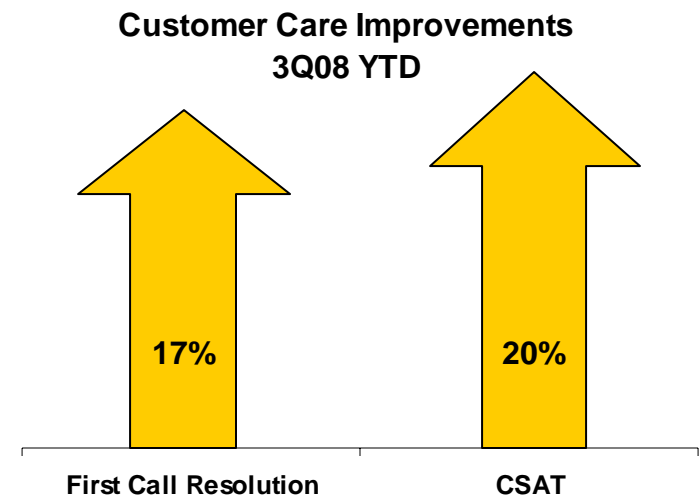
# Pathway to Improving Operational Health

## Strengthen operational execution



- Network – J.D. Power award for call quality in the Southwest Region
- Customer Care - Steady improvement throughout 2008
- Retail – Differentiation with Ready Now

## Restore the brand

- Share of voice returning to customary levels
- Aggressive advertising campaign



# Compelling Value Proposition

Sprint is the best value in wireless			
Individual (per month)	 Sprint \$99 - Simply Everything and comparable plans with unlimited minutes, messaging and data	Verizon \$139	AT&T \$144
Family (per month)	 Sprint \$189 - Simply Everything Family and comparable plans with unlimited minutes, messaging and data	Verizon \$269	AT&T \$279

- New messaging emphasizes value of bundled plans
- Worry-free pricing allows consumers to budget for wireless and not be surprised with overages

# Recap & Current Focus

- Amended debt covenant
- Solid liquidity position
- Aligning cost structure with revenue opportunity
- 2009 resource allocation focused on subscriber acquisition