
Sprint PCS and 3G: Making Wireless Data Bigger, Faster, Better

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3G Presentation
April 17, 2002

Sprint PCS®

Sprint PCS is an Industry Leader

- ◆ **Largest all-digital, all-PCS network in the U.S.**
 - ✓ 247M covered POPs
- ◆ **Three years running of industry leading growth**
 - ✓ 14 consecutive quarters
 - ✓ 1.1M net subscriber additions 4Q 2001
- ◆ **First to market in U.S. with wireless data and clear 3G migration path**
- ◆ **Strong Market Position**
 - ✓ 16M subscribers on network
 - ✓ \$61 ARPU

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Boom in wireless data usage expected

- **Analysts predict boom in wireless data usage and demand for faster speeds, enhanced applications**
 - Wireless data subscribers in U.S. to grow from 5 million today to 65 million by 2004
 - U.S. wireless data market to reach \$12B by 2005
 - Corporate market for wireless data services expected to grow 1,000% in three years
- **3G will make it possible**

Why 3G?

- **Improved user experience**
 - Enhanced applications and devices
 - Always-on network
 - Increased data speed
 - 14.4 kbps up to 3-5 Mbps
- **Efficiency**
 - Increased voice and data capacity
 - Significant voice capacity gains
 - IP-based packet data network

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Sprint PCS launching 3G1X

- **4th Quarter 2001:** Sprint PCS deployed 3G in a number of markets
 - Initial network field tests validated network functionality to ensure optimum performance when Sprint PCS commercially launches 3G in the summer of 2002.
- **Summer 2002:** Sprint PCS will commercially launch 3G services nationwide
 - Sprint PCS will be the first U.S. wireless carrier to provide nationwide deployment of 3G1X voice and data services with full-scale availability.

The Race to Reach 3G

Our CDMA 2000 migration provides a clear, efficient and cost effective path to 3G



*Average speeds of 60 - 80 kbps

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Sprint PCS network built for 3G

- **CDMA2000 allows Sprint PCS to leverage its seamless, single-frequency, all-digital CDMA nationwide wireless network:**
 - **Clear migration path**
 - Speed to market advantage
 - **Relatively simple network upgrades**
 - Channel card and software upgrades at base stations vs. forklift changes required by competitive technologies
 - **Forward and backward handset compatibility**
 - Customers can use 2G handsets on 3G network and vice versa -- not so with some competitors
 - **Cost effective and efficient use of spectrum**
 - Adequate spectrum for foreseeable future vs. competitors need to acquire more, costly spectrum

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3G marketing strategies

**Making next generation
technology meaningful to the
customer**

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Wireless paradigm shifts

- From luxury to necessity
- From person to person to anywhere access to information



Next paradigm shift: mobile companion

Mobile phone:
communications
& information

Mobile companion:
communication, information,
entertainment and transactions



Wireless Data Drivers

Consumer applications:

- Web browsing / information
- Enhanced messaging / chat
- Games & Entertainment
- E-mail
- M-Commerce
- Video clips

Business applications:

- High-speed intranet access
- E-mail
- Messaging
- Always on capability
- Wireless B2B
- Database access
- Web browsing
- Location based services



3G delivers

- **Bigger - graphics, video**
- **Faster - increased speed**
- **Better - richer applications**
- **Louder - audio**

- **Implications**
 - **The same applications faster**
 - **Better apps with improved usability**
 - **Enhanced customer experience**

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