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OSDL Meetings Oct 10-12

Sprint and Technology Ecosystems

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Sr Technology Strategist
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August 10-12, 2006

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, 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 environment.

Future performance cannot be ensured. Actual results may differ materially from those in the forward-looking statements. Some factors that could cause actual results to differ include:
the uncertainties related to the benefits of the merger with Nextel including anticipated synergies and cost savings and the timing thereof;
the potential impact of difficulties Sprint Nextel may encounter in connection with the integration of the pre-merger Sprint and Nextel businesses, and the integration of the businesses and assets of certain of the PCS Affiliates that we have acquired to intend to acquire and Nextel Partners, Inc.;
The impact of the spin-off of Sprint Nextel’s local communications business;
the effects of vigorous competition, the overall demand for Sprint Nextel’s service offerings including the impact of decisions of new subscribers between Sprint Nextel’s post paid and pre paid service offerings and between its two network platforms and the impact of new, emerging and competing technologies, on its business;
the costs and business risks associated with providing new services and entering new geographic markets;
the impact of any adverse change in the ratings assigned to Sprint Nextel’s debt securities by ratings agencies;
the ability of Wireless to continue to grow and improve profitability;
the ability of its Long distance segment to retain customers and achieve expected revenues;
the effects of mergers and consolidations in the telecommunications industry and unexpected announcements or developments from others in the telecommunications industry;
the uncertainties related to Sprint Nextel’s investments in networks, systems and other businesses;
the uncertainties related to the implementation of Sprint Nextel’s business strategies,
unexpected results of litigation filed against Sprint Nextel;
a significant adverse change in Motorola Inc’s ability or willingness to provide handsets and related equipment and software applications or to develop new technologies or features for the iDEN network;
adverse network performance, including any performance issues resulting from the reconfiguration of the 800 megahertz band contemplated by the Federal Communications Commission’s (FCC) report and Order;
the costs of compliance with regulatory mandates, particularly requirements related to the FCC’s Report and Order and deployment of enhanced 911 services on the iDEN network;
equipment failure, natural disasters, terrorist acts, or other breaches of network or information technology security;
the inability of supplies or other third parties to perform to requirements under agreements related to Sprint Nextel’s business operations;
one or more of the markets in which Sprint Nextel competes being impacted by changes in political or other factors such as monetary policy, legal and regulatory changes or other external factors or natural disasters over which Sprint Nextel has no control; and
other risks referenced from time to time in Sprint Nextel’s filings with the Securities and Exchange Commission (SEC), including Sprint Nextel’s Form 10-K for the year ended December 31, 2005 , as amended, and Sprint Nextel’s Form 10-Q for the quarter ended March 31, 2006.
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 release. Sprint Nextel is not obligated to publicly release any revisions to forward-looking statements to reflect events after the date of this release.

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About the Speaker

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Senior Technology Strategist
Sprint Technology Development

Reverse Chronology of Personal History

- Joined Sprint January 2006
- 7 years at Sun Microsystems
  - > "Pre-bubble": Telecommunications Systems Engineer
    Worked with Telecomm and SP partners: AOL, Nextel, PSInet, Teleglobe, Cable and Wireless, et. al.
  - > "Post-bubble": OEM Software Systems Engineer
    Worked with Sun partners who license embedded Java, Solaris, other Sun software technologies for use in their products
- 2+ years at Bell Atlantic (Verizon) ISP division
  - > Internet Systems Architect
- 2+ years at Public Broadcasting Service
  - > Telecommunications Analyst
  - > Launched pre-web online services for PBS

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- **Today**
  - Merged with Nextel
    - Business customer base: 95% of Fortune 1000
    - combined total of over 50M subscribers
    - plus over 5M wholesale (MVNO) subscribers, e.g. Virgin Mobile
    - iDEN and CDMA wireless networks
  - Only 'pure-play' Tier-1 wireless carrier in USA
- **In progress for Tomorrow**
  - National WiMax Mobile Broadband network
  - Joint Venture with major USA Cable MSOs

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Wireless Data Services Increasing Significance

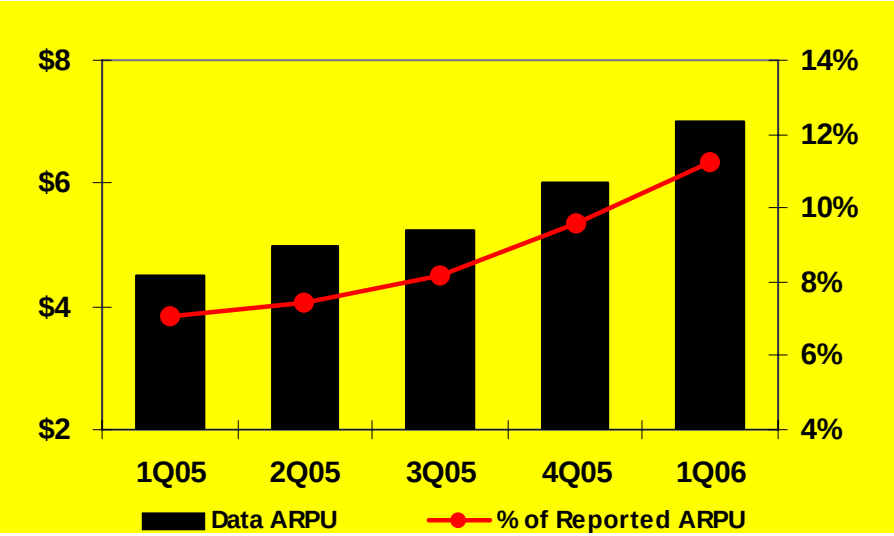
1Q06 wireless data ARPU of ***$7.00***, 11% of ARPU

Largest broadband network with aggressive expansion plans

Nearly ***750,000*** Power Vision™ subscribers

1Q06 wireless data revenue over ***$800M***

Wireless Data ARPU



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Sprint Wireless Mobility Leadership

Offering best in class multimedia and messaging

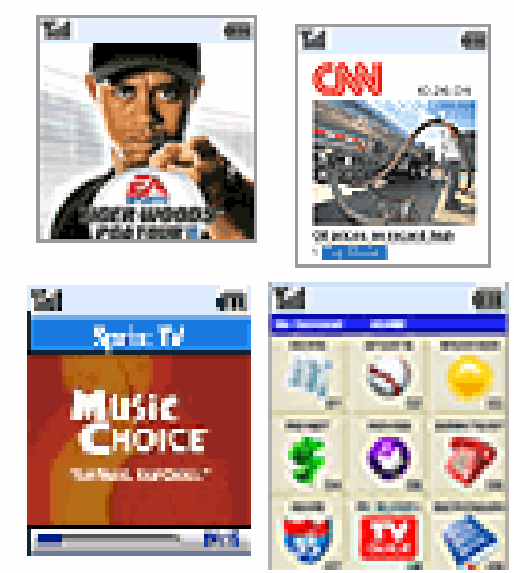
- Live TV, Music, Picture Mail

Unparalleled new products and services

- Themes, On Demand, Family Locator

Maximizing workforce productivity

- 53% of location based services market share
- Lead the market in Mobile Office solutions



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Mobile WiMAX

"The Internet is going airborne." - Ed Zander, Motorola CEO

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Sprint, Moto, Intel and Samsung

Mobile WiMax announcement for Sprint 4G Network

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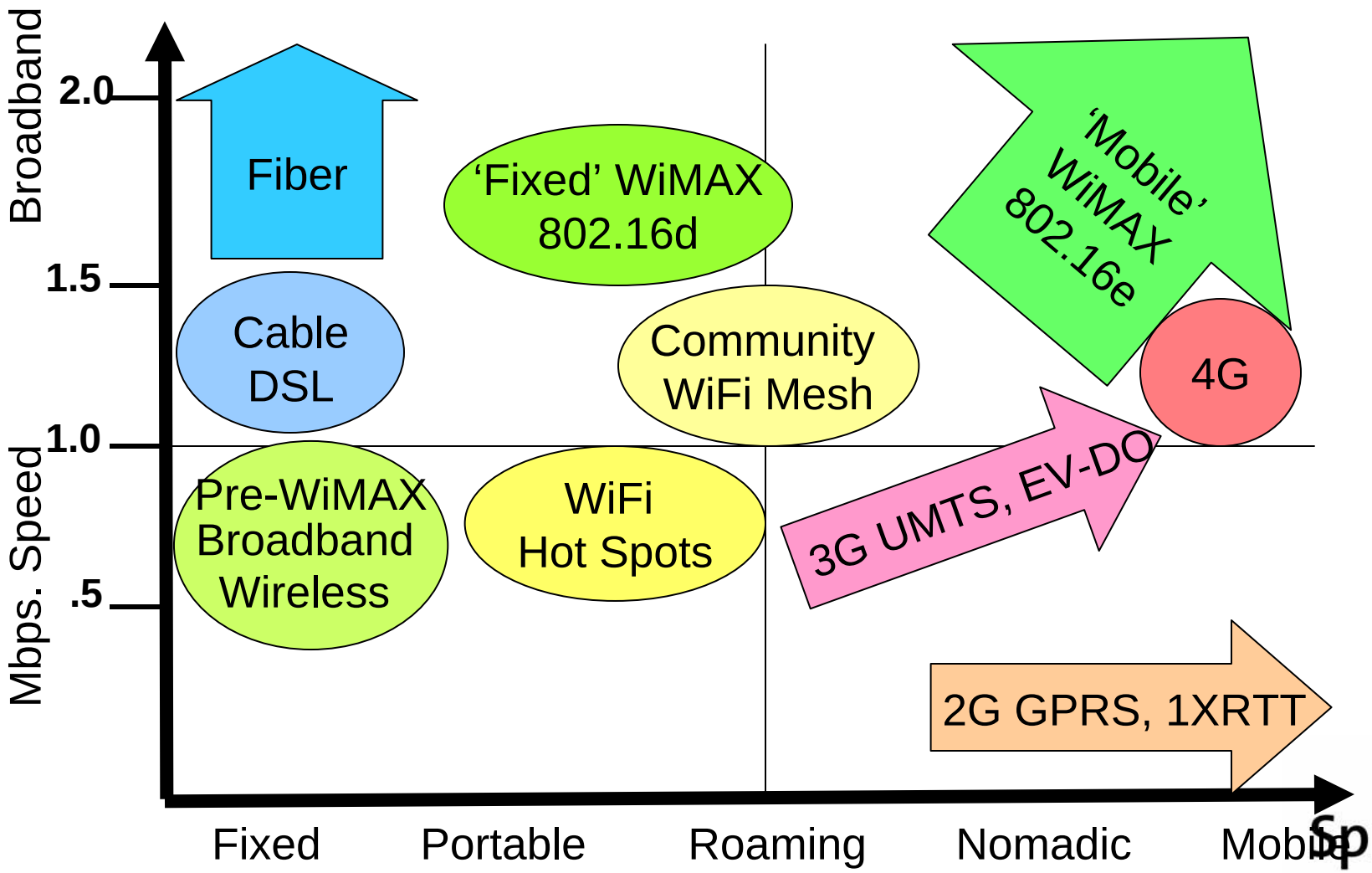
Mobile WiMAX in context



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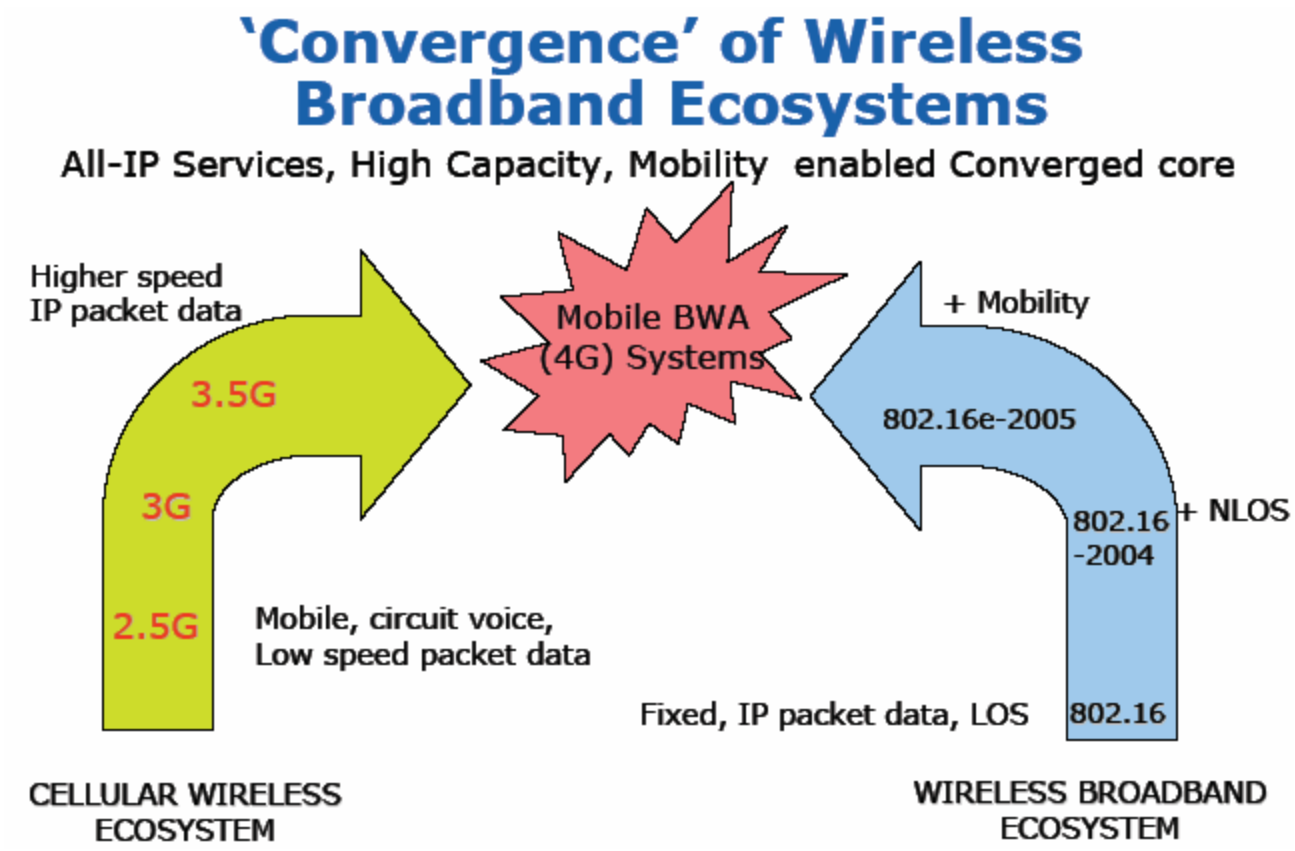
Mobile Broadband Tech Convergence



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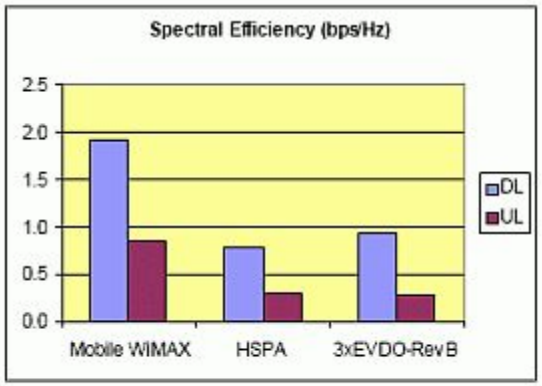
Sprint and "Mobile WiMax" (802.16e-2005)

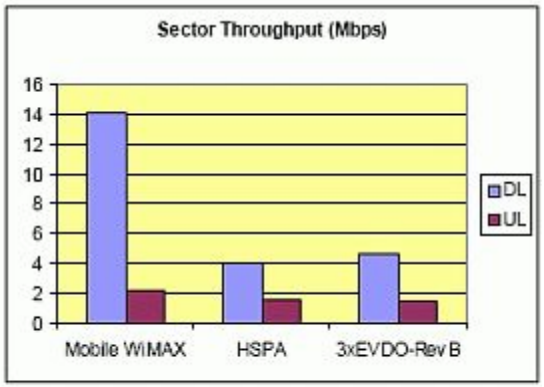
- **Sprint Advantages**
  - Sprint Spectrum Market Position
  - 2.5 GHz coverage 85 of the top 100 US Markets
  - Licensed 2.5 GHz WiMax advantages over unlicensed bands
  - WiMAX Channel size 10MHz vs CDMA 1.25 MHz

Carrier	Potential Subscribers @ 2.5GHz
ClearWire	4,693,347
BellSouth	9,070,577
Sprint	***157,519,832***

Sources: WiMAX forum, DailyWireless.org

- **Other Benefits of WiMAX**
  - designed for scalable IP transport from its outset
  - Much greater spectral efficiency and bandwidth optimization





Spectral efficiency and sector throughput comparison of HSPA, EVDO-Rev B, and Mobile WiMAX under the same user traffic conditions

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Factors for Sprint Selection of WiMAX

- **Cost**
- **Time to Market**
- **Performance**
- **Technology Supplier Ecosystem**

Barry West, Sprint/Nextel CTO:
WiMax "offers four times the throughput with around one tenth the cost"

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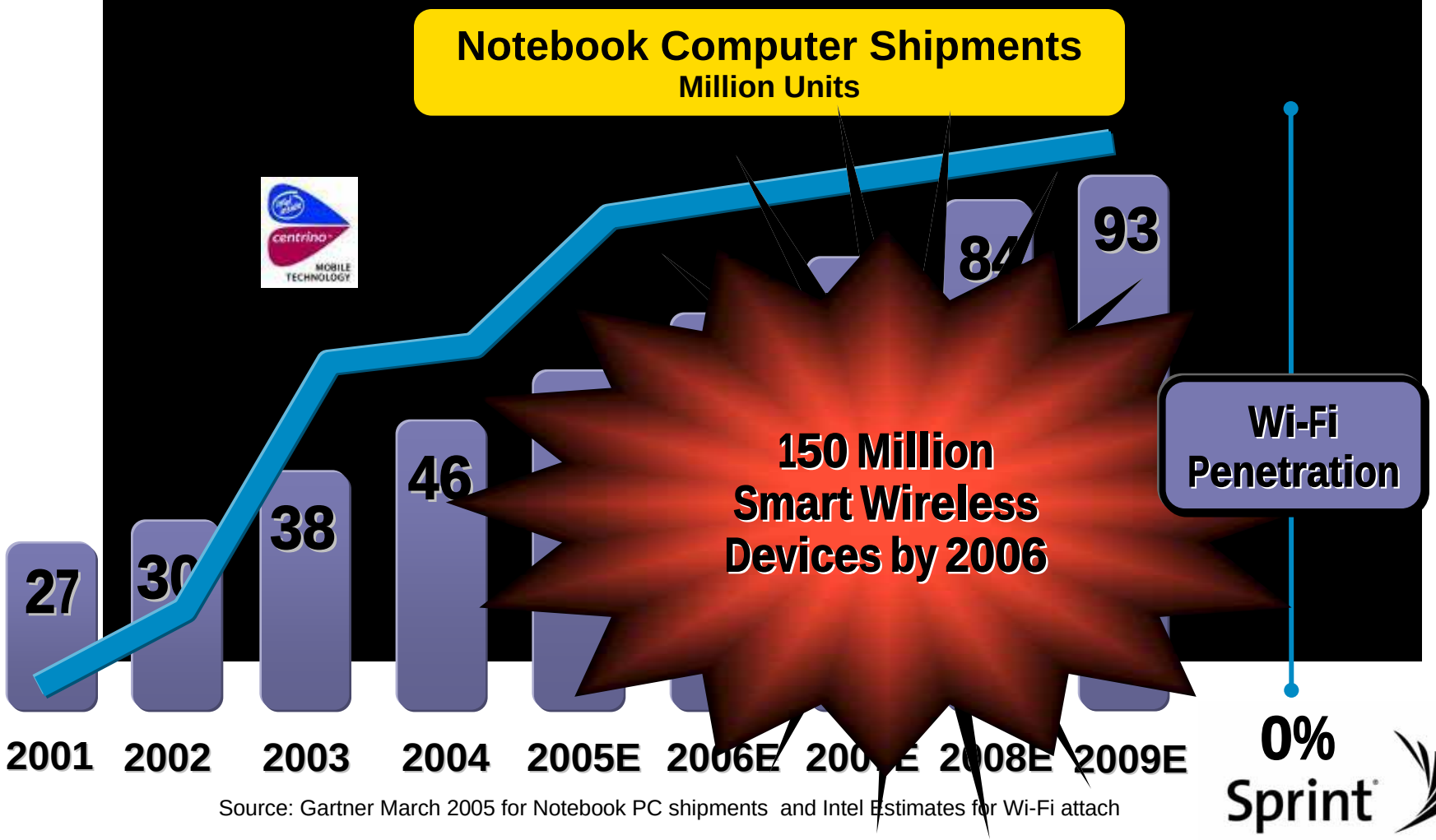
WiMax and Intel: Moore's Law taking effect

Wi-Fi & WiMAX commonality makes incremental cost to integrate WiMAX in laptops highly cost effective.



Source: Gartner March 2005 for Notebook PC shipments and Intel Estimates for Wi-Fi attach

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WiMax carrier Trials Worldwide

Source: WiMAX Forum

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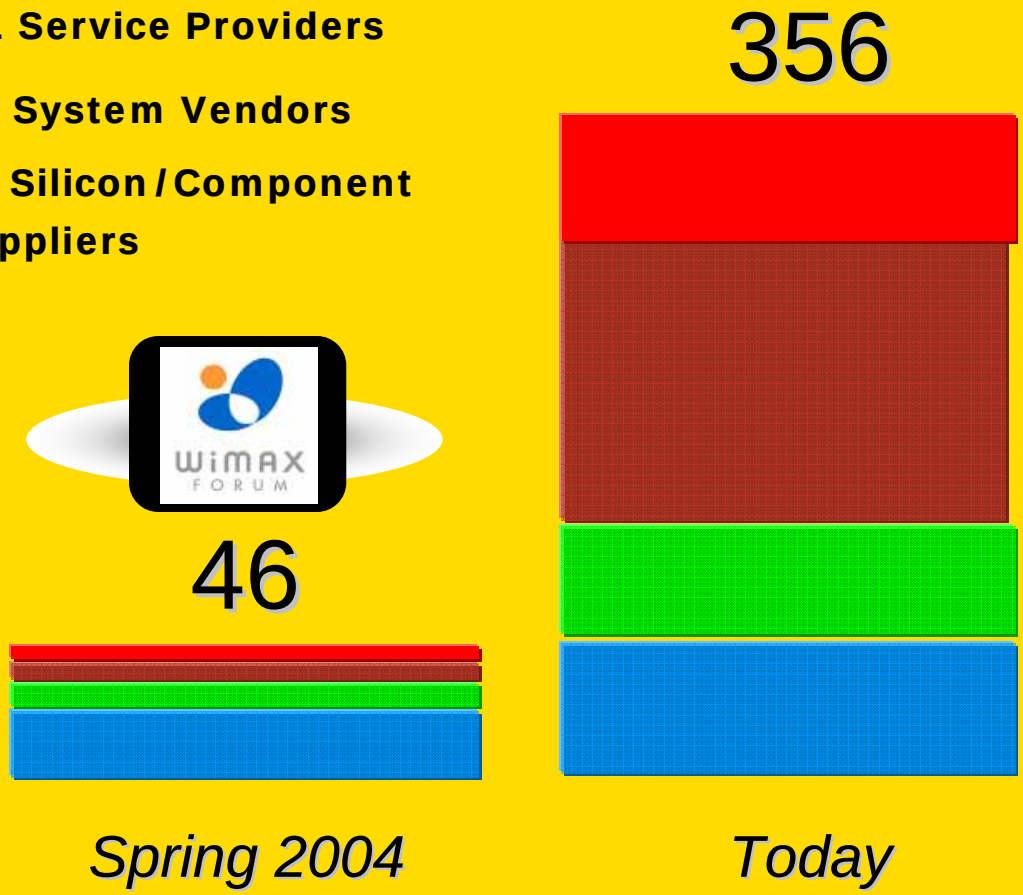
The WiMAX Forum Membership

356 WiMAX Forum Members

- **86 Ecosystem / Applications / Content**
- **121 Service Providers**
- **71 System Vendors**
- **78 Silicon / Component Suppliers**



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Cable Joint Venture

- Joint Venture comprised of Sprint, Comcast, Time Warner, Cox and Advance/Newhouse
- $200 funding - half from Sprint, half from Cable partners
- Compelling new products and services coming – stay tuned.

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Linux Potential Role in This Ecosystem

- Applying same Sprint decision criteria to Linux:
  - Cost
    - Economic Advantages over proprietary Operating Systems
      - sustainability
      - market diversity
      - software costs growing as percentage of total systems price
  - Time to Market
    - Linux is mature on ARM and x86 platforms already
    - CGL, MLI, CELF, etc. These are helping.
  - Performance
    - Linux highly scalable and tunable to specific hardware platforms
    - Linux/Open Source software is typically not 'bloatware'
  - Technology Supplier Ecosystem
    - No single-sources (unlike Microsoft, Nokia Symbian, etc)
    - RedHat, Novell, Wind River, MontaVista, etc.
    - options for new vendors or companies to make their own implementations, add unique value

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Challenges for Linux into future

- Security
  - > Allow third-party binary applications on open devices but minimize security risks to viruses, malware, SPAM/SPIT on carrier network, etc.
  - > Yet offer richer, easier user experience than existing sandboxed environments, e.g. JavaME

- Licensing and Intellectual Property
  - > Properly balance open-source ideals and practices with respect for Innovator's need to make money and protect their IP

- Market divide between Internet and Telecommunications infrastructure suppliers & technologies
  - > more perception than reality
  - > fortunately this divide is narrowing daily
  - > Linux and Open Source code are already a key enabler that spans each of these

- Commercial Maturity (what OSDL is about, right?)
  - > great for techies, but sometimes works against mainstream adoption
  - > no Gates or Jobs to lead market by example, creating de-facto commercial standards

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Software and Services as differentiator

- Hardware eventually becomes a commodity
- Software, combined with (Network) Services offer a much more sustainable market advantage
  - Microsoft
  - Tivo
  - Apple

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Selected Sprint Devices Running Linux Today

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Linksys EV-DO/WiFi Router

- Linksys WRT54G3G
- 802.11b+g
- 4 10/100 Wired Ethernet Ports
- PC card slot supporting Sprint EV-DO Data cards for WAN access

- Runs Linksys Linux kernel

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Kangaroo TV – ‘personal jumbotron’

- **Kangaroo TV IVT-200**

- Offered for rent to fans at NASCAR events

- Linux kernel with Trolltech Qtopia

- Features
  - Up to 10 live video feeds
  - Live audio feeds accessed on user-set frequencies
  - Video mpeg4 and Audio AAC3/mpeg1 layer 2
  - SD memory card
  - USB port

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Thank You!

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