

Nextel Communications, Inc.
(all numbers in millions)

		Historical		Projected															
		1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
APV - BOY 2002																			
	rD																		
	WACC																		
	rA																		
	0.082																		
	13.98																		
	13.87																		
Discount Rates																			
Assumed Unlevered Cost of Capital (rA)	13.9%				0.678	0.771	0.677	0.595	0.522	0.459	0.403	0.354	0.311	0.273	0.240	0.210	0.185	0.162	0.143
Assumed interest tax shield discount rate	8.2%				0.924	0.854	0.789	0.730	0.674	0.623	0.576	0.532	0.492	0.455	0.420	0.388	0.359	0.332	0.307
Assumed WACC (rW)	14.0%																		
Present Value of Interest Cash Flows																			
PV Operating Cash Flow	\$17,754																		
PV Interest Tax Shields	\$2,313																		
	\$20,067																		
Present Value of Terminal Cash Flows																			
Using growing perpetuity WACC approach																			
terminal growth rate in nominal terms	2.0%																		
assumed terminal debt value - industry avg -	57%																		
	3,222																		22,611
Using terminal-multiple approach																			
PV of terminal cash flows																			
assumed terminal ratio: Enterprise / Sales	4.0																		
	12,404																		87,033
PV of terminal cash flows																			
assumed terminal ratio: (Market / Sales) + Debt	2.7																		
	8,373																		58,749
PV of terminal cash flows																			
assumed terminal ratio: Enterprise / Subscriber	2840																		
	3,474																		24,375
PV of terminal cash flows																			
assumed terminal ratio: Market Cap / Subscriber	1837																		
	2,247																		15,767
APV (BOY 2002)																			\$28,010

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Summary Financial Information

		Historical		Projected															
		1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
IMPLIED VALUATION MULTIPLES																			
Price / Trailing Earnings	(\$3.34)																		
Price / Forecasted Earnings	\$8.82																		
Price / Book Equity	(\$24.07)																		
Price / Trailing Sales	\$1.82																		
Enterprise Value / Trailing EBITDA	\$472.92																		
Enterprise Value / Trailing Sales	\$3.38																		

Flows AND GROWTH RATES

		Historical		Projected															
		1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Unlevered Free Cash Flows (UFCF)					4,817	3,481	1,961	2,099	2,218	2,294	2,265	2,255	2,345	2,472	2,656	2,944	3,197	3,471	3,708
growth in UFCF	average -0.4%				NA	-27.7%	-43.7%	7.0%	5.7%	3.4%	-1.3%	-0.4%	4.0%	5.4%	10.8%	8.6%	8.6%	6.8%	
Net Income					1,570	2,079	380	622	825	1,124	1,248	1,529	1,877	2,201	2,645	3,059	3,393	3,753	4,140
growth in Net Income	average 18.0%	(1,338)	(815)	(2,625)	NA	32.4%	-81.7%	63.7%	32.6%	36.2%	11.0%	22.5%	22.7%	17.3%	20.2%	15.6%	10.9%	10.6%	10.3%
EBIT					1,570	2,079	380	622	825	1,124	1,248	1,529	1,877	2,201	2,645	3,059	3,393	3,753	4,140
EBT (- Loss before Taxes and Extraordinary Item (below))	(1,270)	(711)	(3,094)	1,570	2,079	380	622	825	1,124	1,248	1,529	1,877	2,201	2,645	3,059	3,393	3,753	4,140	
Interest	878	1,245	1,403	1,474	1,300	1,142	1,104	1,061	941	739	64	225	64	0	0	0	0	0	
EBIT	(392)	524	(1,091)	3,044	3,379	1,522	1,726	1,867	2,065	1,967	2,083	2,270	2,426	2,709	3,059	3,393	3,753	4,140	
growth in EBIT	average 4.4%	NA	NA	NA	NA	11.0%	-54.9%	13.4%	9.3%	9.4%	-3.8%	3.8%	10.1%	6.9%	11.7%	12.9%	10.9%	10.6%	10.3%
EBITDA					612	1,799	55	4,450	4,259	2,455	2,599	2,604	2,764	2,154	2,237	2,665	2,840	3,378	4,018
growth in EBITDA	average 478.2%	NA	194.0%	-96.9%	7991.7%	-2.0%	-43.7%	5.9%	2.604	0.2%	6.2%	-22.1%	3.8%	19.1%	6.6%	19.0%	18.9%	10.0%	9.8%

ACTIVITY RATIOS

Customer Churn Rate																			
Inventory - days held	N/A																		
Fixed Asset turnover (per year)	N/A																		
Cash Cycle: days cash outstanding	N/A																		
Sales/Net Working Capital				3.05	4.06	3.36	4.31	5.31	6.61	8.45	11.78	21.17	56.65	(268.98)	(58.80)	(43.62)	(40.22)	(42.31)	(51.11)
Sales/Asset				1.27	1.35	1.44	1.57	1.70	1.83	1.95	2.04	2.13	2.24	2.35	2.49	2.63	2.78	2.94	3.11
sales/Intangible Assets				47.30	51.77	52.57	51.79	52.00	52.32	52.40	53.15	53.15	52.88	52.88	52.62	52.61	52.61	52.61	52.60

LIQUIDITY & SOLVENCY RATIOS

Cash + ST Investments + Receivables / Current Liabilities			2.11	1.09	1.60	1.41	1.28	1.16	1.03	0.90	0.71	0.54	0.39	0.25	0.15	0.07	0.00	(0.05)	(0.08)
Current Ratio			2.46	1.27	1.96	1.80	1.72	1.63	1.54	1.45	1.29	1.14	1.03	0.93	0.88	0.85	0.84	0.84	0.87
EBITDA / Interest Expense	0.70	1.44	0.04	3.02	3.35	2.15	2.35	2.45	2.94	2.92	4.19	6.77	12.84	52.92					
Capital Expenditure / CFO	6.01	5.72	3.03	0.37	0.31	0.79	0.68	0.56	0.50	0.18	0.16	0.26	0.24	0.29	0.33				0.30
Total Debt / (Debt + Book Equity)			0.61	0.71	0.58	0.47	0.44	0.41	0.36	0.30	0.23	0.15	0.05	(0.07)	(0.07)	(0.08)	(0.08)	(0.08)	(0.08)
Total Debt / Book Equity			6.80	(27.03)	13.33	3.33	2.05	1.46	0.97	0.59	0.30	0.08	(0.09)	(0.09)	(0.08)	(0.08)	(0.08)	(0.08)	(0.07)
Total Debt / EBITDA			7.67	285.98	2.96	2.35	3.81	3.21	2.75	2.11	1.98	1.16	0.31	(0.41)	(0.34)	(0.29)	(0.26)	(0.24)	(0.22)

MARGINS & PROFITABILITY RATIOS

Gross Margin	58.3%	62.0%	62.7%	64.2%	66.6%	69.8%	72.5%	74.6%	76.4%	77.5%	78.5%	79.7%	80.9%	82.1%	83.3%	84.4%	85.4%	86.4%
EBIT Margin	-10.4%	9.3%	-22.0%	36.3%	37.6%	15.3%	15.8%	16.0%	16.2%	14.9%	14.8%	15.3%	15.5%	16.2%	17.1%	17.7%	18.3%	18.8%
Net Income Margin	-35.3%	-14.3%	-34.1%	16.7%	23.1%	3.8%	5.7%	7.0%	8.8%	9.4%	10.9%	12.7%	14.1%	15.8%	17.1%	17.7%	18.3%	18.8%
ROA = EBIT / Total Assets	1.9%	-5.5%	-13.5%	13.5%	15.0%	7.2%	8.4%	9.5%	10.7%	10.8%	11.7%	13.4%	14.9%	17.1%	19.8%	22.5%	25.3%	28.3%
ROIC = EBIT / (Net Working Capital + Fixed Assets)	no assets	3.4%	-10.7%	23.3%	28.8%	12.3%	14.3%	16.0%	17.9%	18.0%	19.5%	22.1%	24.4%	27.6%	31.5%	35.1%	38.7%	42.3%
ROIC = EBIT / (Net Working Capital + Fixed Assets + Intangibles)	no assets	4.1%	-15.0%	30.3%	35.2%	16.2%	18.7%	21.0%	23.5%	23.9%	26.1%	29.9%	33.0%	37.3%	42.2%	46.5%	50.7%	54.5%

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ECONOMIC CASH FLOWS

		Historical		Projected												
		1999														

Total Other Income / (expense)	(829)	(743)	(1,514)	(1,513)	(1,373)	(1,284)	(1,305)	(1,322)	(1,263)	(1,121)	(984)	(911)	(805)	(706)	(698)	(752)	(803)	(853)
Loss before income tax benefit and extraordinary item	(1,298)	(744)	(3,229)	2,118	2,433	3,425	4,302	5,028	6,000	6,217	6,999	8,114	9,113	10,562	12,035	13,308	14,679	16,154
Income tax benefit (Expense)	28	33	135	(547)	(354)	(3,045)	(3,679)	(4,203)	(4,876)	(4,969)	(5,470)	(6,238)	(6,911)	(7,917)	(8,976)	(9,915)	(10,926)	(12,014)
Loss before extraordinary item	(1,270)	(711)	(3,094)	1,570	2,079	380	622	825	1,124	1,248	1,529	1,877	2,201	2,645	3,059	3,393	3,753	4,140
Extraordinary item -- gain (loss) on early retirement of debt, net of income tax of \$0	(68)	(104)	469	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net loss	(1,338)	(815)	(2,625)	1,570	2,079	380	622	825	1,124	1,248	1,529	1,877	2,201	2,645	3,059	3,393	3,753	4,140
Mandatorily redeemable preferred stock dividends	(192)	(209)	(233)	(233)	(233)	(233)	(233)	(233)	(233)	(233)	(233)	(233)	(233)	(233)	(233)	(233)	(233)	(233)
Loss attributable to common stockholders	(1,530)	(1,024)	(2,858)	1,337	1,846	147	389	592	891	1,015	1,296	1,644	1,968	2,412	2,826	3,160	3,520	3,907
Loss per share attributable to common stockholders, basic and diluted																		
Loss before extraordinary item attributable to common stockholders	(2.29)	(1.22)	(4.28)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Extraordinary item	(0.11)	(0.14)	0.60															
Weighted average number of common shares outstanding	639	756	778	778	778	778	778	778	778	778	778	778	778	778	778	778	778	778

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CONSOLIDATED STATEMENTS OF CASH FLOWS

	Historical			Projected															
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	
CASH FLOW FROM OPERATING ACTIVITIES:																			
Cash flows from operating activities																			
Net loss	(1,338)	(815)	(2,625)	1,570	2,079	380	622	825	1,124	1,248	1,529	1,877	2,201	2,645	3,059	3,393	3,753	4,140	
Adjustments to reconcile net loss to net cash provided by operating activities:																			
> Amortization of debt financing costs and accretion of senior redeemable discount notes, net of accreted interest capitalized	409	389	504	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
> Provision for losses on accounts receivable	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
> Stock-based compensation	16	10	16	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
> Impairment charges	0	0	1,741	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
> Depreciation and amortization	1,004	1,265	1,746	1,406	981	932	872	717	699	167	174	394	414	669	959	1,026	1,099	1,177	
> Equity in losses of unconsolidated affiliates	73	152	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	95	
> Foreign currency transaction losses, net	61	25	70	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
> Realized gain on investments, net	(70)	(275)	(47)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
> Reduction in fair value of available-for-sale securities	0	0	188	188	188	188	188	188	188	188	188	188	188	188	188	188	188	188	
> Income tax benefit	(28)	(33)	(135)	547	(13)	(144)	(222)	(301)	(437)	(585)	(723)	(832)	(902)	(977)	(1,029)	(1,079)	(1,133)	(1,249)	
> Extraordinary (gain) loss on retirement of debt	68	104	(469)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
> Other, net	3	(92)	12																
Change in assets and liabilities, net of effects from acquisitions:																			
> Accounts and notes receivable	(185)	(227)	(267)	(120)	(90)	(142)	(143)	(134)	(139)	(90)	(95)	(122)	(130)	(163)	(175)	(188)	(201)	(216)	
> Handset and accessory inventory	(65)	(78)	(79)	(16)	(20)	(31)	(32)	(30)	(27)	(20)	(26)	(39)	(29)	(36)	(39)	(41)	(44)	(48)	
> Prepaid expenses and other assets	5	(28)	156	(298)	(60)	(145)	(67)	(67)	(61)	(62)	(60)	(61)	(61)	(109)	(117)	(123)	(124)	(143)	
> Accounts payable, accrued expenses and other	371	439	184	479	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Net cash provided by operating activities	324	576	1,129	3,852	3,160	1,184	1,286	1,271	1,408	942	1,073	1,491	1,750	2,312	2,941	3,269	3,623	3,944	
Cash flows from investing activities																			
Capital expenditures	(1,947)	(3,294)	(3,418)	(1,406)	(981)	(932)	(872)	(717)	(699)	(167)	(174)	(394)	(414)	(669)	(959)	(1,026)	(1,099)	(1,177)	
Proceeds from maturities and sales of short-term investments	0	4,950	4,879	4,879	4,879	4,879	4,879	4,879	4,879	4,879	4,879	4,879	4,879	4,879	4,879	4,879	4,879	4,879	
Purchases of short-term investments	(1,100)	(5,801)	(3,987)	(3,987)	(3,987)	(3,987)	(3,987)	(3,987)	(3,988)	(3,989)	(3,990)	(3,991)	(3,992)	(3,993)	(3,994)	(3,995)	(3,996)	(3,997)	
Payments for purchases of licenses and other	0	0	(386)	(245)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Payments for acquisitions, net of cash acquired	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Proceeds from sales of investments	138	0	142	154	154	154	154	154	154	154	154	154	154	154	154	154	154	154	
Other investments and advances to affiliates	(44)	(20)	(23)																
Proceeds from sale of assets	156	17	17																
Net cash used in investing activities	(2,894)	(5,469)	(3,512)	(908)	22	47	107	268	284	850	840	602	578	303	2	(72)	(152)	(237)	
Cash flows from financing activities																			
Issuance of debt securities	2,600	1,791	2,250	0	0	0	0	0	710	129	1,563	0	308	0	0	0	0	0	
Retirement of debt securities	(546)	(1,208)	0	(2,558)	(2,948)	(861)	(1,020)	(1,189)	(2,026)	(1,683)	(3,197)	(1,773)	(2,291)	0	0	0	0	0	
Sale of common stock and exercise of stock options, warrants and other	3,819	74	124	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Borrowings under long-term credit facilities	1,077	1,907	19	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Repayments under capital lease and finance obligations	(16)	(44)	(83)																
Proceeds from sale-leaseback transactions	587	376	42																
Repayments under long-term credit facilities	(12)	(35)	(34)																
Increase in restricted cash held in escrow	0	0	(27)																
Revolving line of credit repayments, net	(423)	0	0																
Debt financing costs and other	(120)	(63)	(35)	0	0	0	0	0	(14)	(3)	(31)	0	(6)	0	0	0	0	0	
Net cash provided by financing activities	6,966	2,796	2,256	(2,558)	(2,948)	(861)	(1,020)	(1,189)	(1,330)	(1,556)	(1,665)	(1,773)	(1,989)	(2,188)	(2,486)	(2,706)	(2,945)	(3,144)	
Effect of exchange rate changes on cash and cash equivalents	(16)	3	(1)																
Net (decrease) increase in cash and cash equivalents	4,380	(2,092)	(128)	786	234	371	373	350	362	237	249	320	340	427	458	491	526	564	
Cash and cash equivalents, beginning of period	321	4,701	2,609	2,481	3,267	3,501	3,872	4,245	4,595	4,958	5,194	5,443	5,763	6,103	6,530	6,988	7,478	8,004	
Cash and cash equivalents, end of period	4,701	2,609	2,481	3,267	3,501	3,872	4,245	4,595	4,958	5,194	5,443	5,763	6,103	6,530	6,988	7,478	8,004	8,568	
Supplemental Schedule of Other Non-Cash Investing and Financing Activities																			
Increase in capital lease and finance obligations for digital mobile network equipment	7	32	108	108	108	108	108	108	108	108	108	108	108	108	108	108	108	108	
Increase in investment from issuance of equity by affiliate	0	149	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13	
Net (decrease) increase in fair value of marketable equity securities and warrant	219	216	(145)	(145)	(145)	(145)	(145)	(145)	(145)	(145)	(145)	(145)	(145)	(145)	(145)	(145)	(145)	(145)	
Mandatorily redeemable preferred stock dividends	192	209	233	233	233	233	233	233	233	233	233	233	233	233	233	233	233	233	
Conversion of debt securities and preferred stock	0	344	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Cash paid for interest, net of amounts capitalized	358	816	845	845	845	845	845	845	845	845	845	845	845	845	845	845	845	845	
Cash Paid for income tax	7	4	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	

CASH MANAGEMENT

	Historical			Projected															
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	
End of Period Cash, pre-financing																			
Beginning Cash Balance			2,609	2,481	3,267	3,501	3,872	4,245											

Less: Cash required for operations	(2,481)	(3,267)	(3,501)	(3,872)	(4,245)	(4,595)	(4,958)	(5,194)	(5,443)	(5,763)	(6,103)	(6,530)	(6,988)	(7,478)	(8,004)	(8,568)
Net Excess (Deficient) Cash before Financing	(2,255)	2,558	2,948	861	1,020	1,189	1,330	1,556	1,665	1,773	1,989	2,188	2,486	2,706	2,945	3,144
Mandatory Debt Repayments	0	(2,014)	(199)	(327)	(433)	(466)	(2,026)	(1,683)	(3,197)	0	(2,291)	0	0	0	0	0
Net Excess (Deficient) Cash after Mandatory Financing	(2,255)	544	2,749	534	587	723	(696)	(127)	(1,532)	1,773	(302)	2,188	2,486	2,706	2,945	3,144
Financing Activities																
Discretionary Debt repayments	0	(544)	(2,749)	(534)	(587)	(723)	0	0	0	(1,773)	0	0	0	0	0	0
Equity repurchase	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Dividends	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
New Debt Financing	2,280	0	0	0	0	0	710	129	1,563	0	308	(2,168)	(2,466)	(2,706)	(2,945)	(3,144)
New Equity Financing	21	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Financing Costs - Debt and Equity Issuance costs	(46)	0	0	0	0	0	(14)	(3)	(31)	0	(6)	0	0	0	0	0
Net Cash from Financing Activities	2,255	(544)	(2,749)	(534)	(587)	(723)	696	127	1,532	(1,773)	302	(2,188)	(2,486)	(2,706)	(2,945)	(3,144)
Reconciliation of Cash Balance																
Excess Cash, Pre-financing	(2,255)	544	2,749	534	587	723	(696)	(127)	(1,532)	1,773	(302)	2,188	2,486	2,706	2,945	3,144
Cash from financing activities	2,255	(544)	(2,749)	(534)	(587)	(723)	696	127	1,532	(1,773)	302	(2,188)	(2,486)	(2,706)	(2,945)	(3,144)
Required Cash Balance	2,481	3,267	3,501	3,872	4,245	4,595	4,958	5,194	5,443	5,763	6,103	6,530	6,988	7,478	8,004	8,568
Implied Ending Cash Balance	2,481	3,267	3,501	3,872	4,245	4,595	4,958	5,194	5,443	5,763	6,103	6,530	6,988	7,478	8,004	8,568
Ending Cash: Statement of Cash Flows	2,481	3,267	3,501	3,872	4,245	4,595	4,958	5,194	5,443	5,763	6,103	6,530	6,988	7,478	8,004	8,568
Check: Intended financing transactions properly recorded on financial statements?	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK

DEBT TABLES

Total Debt																
Beginning Balance	13,797	15,729	13,171	10,224	9,363	8,343	7,154	5,824	4,268	2,603	830	(1,159)	(1,159)	(1,159)	(1,159)	(1,159)
Discretionary Payments	0	(544)	(2,749)	(534)	(587)	(723)	0	0	0	(1,773)	0	0	0	0	0	0
Mandatory Payments	0	(2,014)	(199)	(327)	(433)	(466)	(2,026)	(1,683)	(3,197)	0	(2,291)	0	0	0	0	0
New Debt	1,832	0	0	0	0	0	696	127	1,532	0	302	0	0	0	0	0
Ending Balance	13,797	15,729	13,171	10,224	9,363	8,343	7,154	5,824	4,268	2,603	830	(1,159)	(1,159)	(1,159)	(1,159)	(1,159)
Interest expense	(1,403)	(1,474)	(1,300)	(1,142)	(1,104)	(1,061)	(941)	(739)	(534)	(394)	(225)	(64)	0	0	0	0

EQUITY TABLES

Common & Preferred Stock																
BOY Balance		8,865	8,865	8,865	8,865	8,865	8,865	8,865	8,865	8,865	8,865	8,865	8,865	8,865	8,865	8,865
plus net new issues		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
EOY Balance	8,652	8,865	8,865	8,865	8,865	8,865	8,865	8,865	8,865	8,865	8,865	8,865	8,865	8,865	8,865	8,865

SALES

Shading represents ML Analyst Data, April 3, 2003

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Total US Subscriber Market																			
Consumer	34,604,500	43,023,500	54,739,000	64,187,500	70,383,500	74,695,567	79,177,301	83,056,988	86,794,553	90,353,130	90,353,130	90,353,130	90,353,130	90,353,130	90,353,130	90,353,130	90,353,130	90,353,130	90,353,130
Business	34,604,500	43,023,500	54,739,000	64,187,500	70,383,500	74,695,567	79,177,301	83,056,988	86,794,553	90,353,130	90,353,130	90,353,130	90,353,130	90,353,130	90,353,130	90,353,130	90,353,130	90,353,130	90,353,130
Total	69,209,000	86,047,000	109,478,000	128,375,000	140,767,000	149,391,133	158,354,601	166,113,977	173,589,106	180,706,259	180,706,259	180,706,259	180,706,259	180,706,259	180,706,259	180,706,259	180,706,259	180,706,259	180,706,259
YoY Growth	24%	27%	27%	17%	10%	6%	6%	5%	4%	4%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Penetration Rate	25%	31%	39%	45%	49%	52%	55%	58%	60%	63%	63%	63%	63%	63%	63%	63%	63%	63%	63%
Forecasted % Growth						8%	7%	6%	5%	4%	4%	0%	0%	0%	0%	0%	0%	0%	0%
Penetration Rate Growth		24%	26%	15%	8%	7%	6%	6%	6%	6%	6%	6%	6%	6%	6%	6%	6%	6%	6%
Total Potential US Market					287,279,592														
NXTL Market Share in US																			
Consumer	4%	5%	6%	7%	7%	6%	6%	6%	6%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%
Business	4%	5%	6%	7%	7%	6%	6%	6%	6%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%
Average	4%	5%	6%	7%	7%	6%	6%	6%	6%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%
Forecasted % Growth						-5%	-5%	-4%	-4%	-4%	-3%	-3%	-2%	-2%	-1%	0%	0%	0%	0%
Growth Rate		25%	20%	17%	-5%	-5%	-5%	-4%	-4%	-4%	-3%	-3%	-2%	-2%	-1%	0%	0%	0%	0%
NXTL Subscribers in US																			
Consumer	1,384,180	2,151,175	3,284,340	4,493,125	4,680,503	4,718,892	4,751,925	4,785,378	4,800,691	4,797,619	4,653,690	4,514,080	4,423,798	4,335,322	4,291,969	4,291,969	4,291,969	4,291,969	4,291,969
Business	1,384,180	2,151,175	3,284,340	4,493,125	4,680,503	4,718,892	4,751,925	4,785,378	4,800,691	4,797,619	4,653,690	4,514,080	4,423,798	4,335,322	4,291,969	4,291,969	4,291,969	4,291,969	4,291,969
Total	2,768,360	4,302,350	6,568,680	8,986,250	9,361,006	9,437,783	9,503,849	9,570,756	9,601,383	9,595,238	9,307,381	9,028,169	8,847,596	8,670,644	8,583,938	8,583,938	8,583,938	8,583,938	8,583,938
% Change		55%	53%	37%	4%	1%	1%	1%	0%	0%	-3%	-3%	-2%	-2%	-1%	0%	0%	0%	0%
Average Monthly Churn																			
Consumer			2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%
Business			2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%
Average			2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%
Monthly Average Revenue Per User - \$																			
Consumer	\$ 70	\$ 73	\$ 73	\$ 69	\$ 69	\$ 69	\$ 69	\$ 69	\$ 69	\$ 69	\$ 69	\$ 69	\$ 69	\$ 69	\$ 69	\$ 69	\$ 69	\$ 69	\$ 69
Business	\$ 70	\$ 73	\$ 73	\$ 69	\$ 69	\$ 69	\$ 69	\$ 69	\$ 69	\$ 69	\$ 69	\$ 69	\$ 69	\$ 69	\$ 69	\$ 69	\$ 69	\$ 69	\$ 69
Average	\$ 70	\$ 73	\$ 73	\$ 69	\$ 69	\$ 69	\$ 69	\$ 69	\$ 69	\$ 69	\$ 69	\$ 69	\$ 69	\$ 69	\$ 69	\$ 69	\$ 69	\$ 69	\$ 69
Annual Average Revenue Per User - \$																			
Consumer	\$ 840	\$ 876	\$ 876	\$ 828	\$ 828	\$ 828	\$ 828	\$ 828	\$ 828	\$ 828	\$ 828	\$ 828	\$ 828	\$ 828	\$ 828	\$ 828	\$ 828	\$ 828	\$ 828
Business	\$ 840	\$ 876	\$ 876	\$ 828	\$ 828	\$ 828	\$ 828	\$ 828	\$ 828	\$ 828	\$ 828	\$ 828	\$ 828	\$ 828	\$ 828	\$ 828	\$ 828	\$ 828	\$ 828
Average	\$ 840	\$ 876	\$ 876	\$ 828	\$ 828	\$ 828	\$ 828	\$ 828	\$ 828	\$ 828	\$ 828	\$ 828	\$ 828	\$ 828	\$ 828	\$ 828	\$ 828	\$ 828	\$ 828
Annual Revenues																			
Consumer	1,162,711,200	1,894,429,300	2,877,081,840	3,720,307,500	3,875,456,277														
Business	1,162,711,200	1,894,429,300	2,877,081,840	3,720,307,500	3,875,456,277														
Total	2,325,422,400	3,788,858,600	5,754,163,680	7,440,615,000	7,750,912,554														
Monthly Minutes Per User (US)																			
Consumer	420	480	590	640	685	726	762	793	824	857	892	927	964	1003	1043	1085	1128	1173	1173
Business	420	480	590	640	685	726	762	793	824	857	892	927	964	1003	1043	1085	1128	1173	1173
Average	420	480	590	640	685	726	762	793	824	857	892	927	964	1003	1043	1085	1128	1173	1173
Forecasted % Increase					8%	7%	6%	6%	5%	4%	4%	4%	4%	4%	4%	4%	4%	4%	4%
% Change		14%	23%	8%	7%	6%	5%	4%	4%	4%	4%	4%	4%	4%	4%	4%	4%	4%	4%
Revenue Per Minute - \$ (US)																			
Consumer	0.16	0.15	0.12	0.11	0.11	0.11	0.12	0.12	0.13	0.13	0.14	0.14	0.15	0.16	0.17	0.17	0.18	0.18	0.18
Business	0.16	0.15	0.12	0.11	0.11	0.11	0.12	0.12	0.13	0.13	0.14	0.14	0.15	0.16	0.17	0.17	0.18	0.1	

	Face Value	1,627.00	1,627.00	1,627.00	1,627.00	1,627.00	1,627.00	1,627.00	1,627.00	1,627.00	1,627.00	1,627.00	1,627.00	1,627.00	1,627.00	1,627.00
	Beginning Balance	1,324.00	1,459.00	1,608.00	1,680.33	1,682.73	1,682.81	1,682.81	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Interest Paid (Cash)	0.00	0.00	0.00	302.36	303.02	303.03	303.03	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Bond Discount Amort	135.00	149.00	19.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Interest Accrued	0.00	0.00	53.33	55.73	55.81	55.81	55.81	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Mandatory Payment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,682.81	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Redemption (face value)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Ending Balance	1,459.00	1,608.00	1,680.33	1,682.73	1,682.81	1,682.81	1,682.81	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Interest Expenses	135.00	149.00	152.33	220.53	223.16	223.25	223.25	167.44	0.00	0.00	0.00	0.00	0.00	0.00	0.00
#5	12% redeemable discount notes, semi-annual, due 2008, May & Nov															
	Face Value	300.00	300.00	300.00	300.00	300.00	300.00	300.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Beginning Balance	296.00	296.96	301.13	302.36	303.02	303.03	303.03	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Interest Paid (Cash)	32.56	35.96	36.12	36.27	36.36	36.36	36.36	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Bond Discount Amort	1.00	1.13	1.24	0.63	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Interest Accrued	2.96	3.00	3.01	3.02	3.03	3.03	3.03	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Mandatory Payment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Redemption (face value)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Ending Balance	299.96	301.13	302.38	303.02	303.03	303.03	303.03	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Interest Expenses	36.52	40.09	40.38	39.93	39.93	39.93	39.93	3.03	0.00	0.00	0.00	0.00	0.00	0.00	0.00
#6	9.375% redeemable notes, semi-annual, due 2009, May & Nov															
	Face Value	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00
	Beginning Balance	2,000.00	2,015.63	2,015.75	2,015.75	2,015.75	2,015.75	2,015.75	2,015.75	2,015.75	2,015.75	2,015.75	2,015.75	2,015.75	2,015.75	2,015.75
	Interest Paid (Cash)	171.88	188.84	188.98	188.98	188.98	188.98	188.98	188.98	188.98	188.98	188.98	188.98	188.98	188.98	188.98
	Bond Discount Amort	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Interest Accrued	15.63	15.75	15.75	15.75	15.75	15.75	15.75	15.75	15.75	15.75	15.75	15.75	15.75	15.75	15.75
	Mandatory Payment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,015.75	0.00	0.00	0.00	0.00	0.00
	Redemption (face value)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Ending Balance	2,015.63	2,015.75	2,015.75	2,015.75	2,015.75	2,015.75	2,015.75	2,015.75	2,015.75	2,015.75	2,015.75	2,015.75	2,015.75	2,015.75	2,015.75
	Interest Expenses	187.50	204.59	204.72	204.72	204.72	204.72	204.72	204.72	204.72	188.98	0.00	0.00	0.00	0.00	0.00
#7	5.25% convertible notes, due 2010, Jan & July															
	Face Value	1,150.00	1,150.00	1,150.00	1,150.00	1,150.00	1,150.00	1,150.00	1,150.00	1,150.00	1,150.00	1,150.00	1,150.00	1,150.00	1,150.00	1,150.00
	Beginning Balance	1,150.00	1,180.19	1,180.98	1,181.00	1,181.00	1,181.00	1,181.00	1,181.00	1,181.00	1,181.00	1,181.00	1,181.00	1,181.00	1,181.00	1,181.00
	Interest Paid (Cash)	60.38	61.17	61.98	62.00	62.00	62.00	62.00	62.00	62.00	62.00	62.00	62.00	62.00	62.00	62.00
	Bond Discount Amort	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Interest Accrued	30.19	30.98	31.00	31.00	31.00	31.00	31.00	31.00	31.00	31.00	31.00	31.00	31.00	31.00	31.00
	Mandatory Payment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,181.00	0.00	0.00	0.00	0.00	0.00	0.00
	Redemption (face value)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Ending Balance	1,180.19	1,180.98	1,181.00	1,181.00	1,181.00	1,181.00	1,181.00	1,181.00	1,181.00	1,181.00	1,181.00	1,181.00	1,181.00	1,181.00	1,181.00
	Interest Expenses	90.56	92.15	92.98	93.00	93.00	93.00	93.00	93.00	62.00	0.00	0.00	0.00	0.00	0.00	0.00
#8	9.5% redeemable, due 2011, Feb & Aug															
	Face Value	1,250.00	1,250.00	1,250.00	1,250.00	1,250.00	1,250.00	1,250.00	1,250.00	1,250.00	1,250.00	1,250.00	1,250.00	1,250.00	1,250.00	1,250.00
	Beginning Balance	0.00	1,289.58	1,290.84	1,290.88	1,290.88	1,290.88	1,290.88	1,290.88	1,290.88	1,290.88	1,290.88	1,290.88	1,290.88	1,290.88	1,290.88
	Issued	1,250.00														
	Interest Paid (Cash)	79.17	121.26	122.59	122.63	122.63	122.63	122.63	122.63	122.63	122.63	122.63	122.63	122.63	122.63	122.63
	Bond Discount Amort	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Interest Accrued	29.58	40.84	40.88	40.88	40.88	40.88	40.88	40.88	40.88	40.88	40.88	40.88	40.88	40.88	40.88
	Mandatory Payment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,290.88	0.00	0.00	0.00
	Redemption (face value)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Ending Balance	1,289.58	1,290.84	1,290.88	1,290.88	1,290.88	1,290.88	1,290.88	1,290.88	1,290.88	1,290.88	1,290.88	1,290.88	1,290.88	1,290.88	1,290.88
	Interest Expenses	118.75	162.09	163.47	163.51	163.51	163.51	163.51	163.51	163.51	163.51	163.51	122.63	0.00	0.00	0.00
#9	6% convertible, due 2011, Jun & Dec															
	Face Value	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00
	Beginning Balance	0.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00
	Issued	1,000.00														
	Interest Paid (Cash)	35.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00
	Bond Discount Amort	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Interest Accrued	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Mandatory Payment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Redemption (face value)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Ending Balance	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00
	Interest Expenses	35.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00
#10	Bank Credit Facility															
	Term Loan (Limit = \$4,500):															
	Beginning Balance	4,500.00	4,500.00	3,956.23	1,207.59	673.87	87.08	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Interest Paid (assumed to be paid EOY)	325.35	325.35	286.04	87.31	48.72	6.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Interest Accrued/Bond Discount	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Mandatory Repayment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Discretionary Payment / Redemption	0.00	543.77	2,748.64	533.72	586.79	87.08	87.08	87.08	87.08	87.08	87.08	87.08	87.08	87.08	87.08
	Ending Balance	4,500.00	3,956.23	1,207.59	673.87											

n/a - No amount available for borrowing		35.26	35.26	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
#5	Interest Expenses																
	9.57% NII - Argentina Credit Facilities																
	Term Loan:																
	Beginning Balance	142.00	108.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Interest Paid (assumed to be paid EOY)	13.58	10.33	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Interest Accrued/Bond Discount	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Mandatory Repayment	34.00	108.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Discretionary Payment/Redemption	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Ending Balance	108.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Revolving Loan:																
	n/a - No amount available for borrowing																
	Interest Expenses	13.58	10.33	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Other Mandatory Repayment - Maturity of LT Debt (2002 - 2006)		19.18	199.00	327.00	433.00	466.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total Debt (including current)																
	Beginning Balance (including current portion)	13,756	15,815	13,725	11,851	10,320	9,334	9,196	7,868	6,310	4,545	2,871	883	883	883	883	
Ending Balance (including current portion)	15,815	13,725	11,851	10,320	9,334	9,196	7,868	6,310	4,545	2,871	883	883	883	883	883		
Mandatory Repayment		2,814.00	199.00	327.00	433.00	466.00	2,025.56	1,662.81	3,186.75	0.00	2,296.88	0.00	0.00	0.00	0.00		
Discretionary Payment (Redemption, EOY)		544	2,749	534	587	723	0	0	1,773	0	0	0	0	0	0		
New Loan Needed (PLUG, assumed to be at EOY)		0	0	0	0	0	896	127	1,332	0	302	0	0	0	0		
Interest Expenses	1,436	1,474	1,300	1,142	1,104	1,061	941	739	534	394	225	64	0	0	0		

Discretionary Payments - Table for preference structure		2001	2002E	2003E	2004E	2005E	2006E	2007E	2008E	2009E	2010E	2011E	2011E	2011E	2011E	2011E
Total Discretionary Cash Available		543.77	2,748.64	532.72	586.79	722.79	0.00	0.00	0.00	1,773.32	0.00	0.00	0.00	0.00	0.00	
Part	1	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,773.32	0.00	0.00	0.00	0.00	0.00	
	2	543.77	2,748.64	532.72	586.79	87.08	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Int1	3	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	4	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Int1	5	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	6	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	7	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	8	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Int1	9	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	11	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Int1	12	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	13	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	14	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	15	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	16	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	

INCOME TAXES

Statutory Rates	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Federal	35.1%	35.0%	35.1%	35.1%	35.1%	35.1%	35.1%	35.1%	35.1%	35.1%	35.1%	35.1%	35.1%	35.1%	35.1%	35.1%	35.1%	35.1%
State	7.7%	3.8%	1.6%	1.6%	1.6%	1.6%	1.6%	1.6%	1.6%	1.6%	1.6%	1.6%	1.6%	1.6%	1.6%	1.6%	1.6%	1.6%
Combined, less federal deduction for state taxes	40.1%	37.4%	36.1%	36.1%	36.1%	36.1%	36.1%	36.1%	36.1%	36.1%	36.1%	36.1%	36.1%	36.1%	36.1%	36.1%	36.1%	36.1%
Tax Expense																		
Current Tax Expense				0	368	3,189	3,902	4,504	5,313	5,555	6,203	7,069	7,814	8,894	10,005	10,995	12,059	13,263
Deferred Tax Benefit (Expense)				172	17	(96)	(174)	(256)	(390)	(555)	(701)	(790)	(858)	(922)	(970)	(1,016)	(1,065)	(1,176)
PLUS net increase (LESS net decrease) in DTL				(375)	30	49	45	45	47	31	22	44	46	50	54	58	64	73
LESS net increase (PLUS net decrease) in DTA				547	354	3,045	3,679	4,203	4,876	4,969	5,470	6,238	6,911	7,917	8,976	9,915	10,926	12,014

TAXABLE INCOME

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Earnings Before Taxes				2,118	2,433	3,425	4,302	5,028	6,000	6,217	6,999	8,114	9,113	10,562	12,035	13,308	14,679	16,154
Add Back Interest				1,474	1,300	1,142	1,104	1,061	941	739	534	394	225	64	0	0	0	0
Earnings Before Interest & Taxes				3,591	3,733	4,568	5,406	6,090	6,941	6,956	7,533	8,508	9,337	10,626	12,035	13,308	14,679	16,154
Excess income earned (deductions taken) reported on taxable income, due to:																		
- permanent differences in financial and taxable income				377	404	446	489	530	572	599	628	664	704	753	806	862	923	988
- Accelerated Depreciation (i.e., incremental tax depreciation over / under book)				(323)	(23)	304	521	745	1,119	1,562	1,968	2,223	2,414	2,599	2,735	2,866	3,005	3,317
- Intangible Assets (i.e., incremental tax depreciation over / under book)				(168)	60	0	0	0	0	0	0	0	0	0	0	0	0	0
- Other Deferred Tax Items				0	60	95	95	90	93	60	64	82	87	109	117	125	134	144
Taxable Income Before Interest & Taxes				3,477	7,906	9,881	11,917	13,545	15,665	16,133	17,726	19,885	21,879	24,714	27,727	30,470	33,421	36,757
Non-interest related tax loss carryforwards used				(5,477)	(4,114)		0	0	0	0	0	0	0	0	0	0	0	0
Adjusted Taxable Income Before Interest & Taxes				0	3,792	9,881	11,917	13,545	15,665	16,133	17,726	19,885	21,879	24,714	27,727	30,470	33,421	36,757
Interest Deduction				(1,474)	(1,300)	(1,142)	(1,104)	(1,061)	(941)	(739)	(534)	(394)	(225)	(64)	0	0	0	0
Taxable Income Before Interest-Related Tax Loss Carryforwards				(1,474)	2,492	8,839	10,813	12,483	14,725	15,394	17,192	19,592	21,655	24,650	27,727	30,470	33,421	36,757
Interest Related Tax-Loss Carryforwards Used				0	(1,474)	0	0	0	0	0	0	0	0	0	0	0	0	0
Taxable Income after all Tax-Loss carryforwards Used				(1,474)	1,019	8,839	10,813	12,483	14,725	15,394	17,192	19,592	21,655	24,650	27,727	30,470	33,421	36,757
Current Tax Expense				0	368	3,189	3,902	4,504	5,313	5,555	6,203	7,069	7,814	8,894	10,005	10,995	12,059	13,263

DEFERRED TAX LIABILITIES

Financial Basis of fixed assets in excess of tax basis	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Beginning Balance				729	1,052	1,075	770	250	(496)	(1,615)	(3,176)	(5,144)	(7,367)	(9,781)	(12,381)	(15,116)	(17,982)	(20,987)
Net Increase (decrease)				363	23	(304)	(321)	(745)	(1,119)	(1,968)	(2,223)	(2,414)	(2,599)	(2,735)	(2,866)	(3,005)	(3,317)	(3,317)
Ending Balance		334	729	1,052	1,075	770	250	(496)	(1,615)	(3,176)	(5,144)	(7,367)	(9,781)	(12,381)	(15,116)	(17,982)	(20,987)	(24,305)
Deferred Tax Liability from Fixed																		

Accounts receivable & Notes receivable, net																	
BOY		864	1,129	1,249	1,339	1,481	1,623	1,758	1,896	1,987	2,082	2,204	2,334	2,497	2,673	2,860	3,061
Increase in provision		(370)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Implied increase		635	120	90	142	143	134	139	90	95	122	130	163	175	188	201	216
Modeled EOY	.....(prior year actual to feed BOY).....	1,129	1,249	1,339	1,481	1,623	1,758	1,896	1,987	2,082	2,204	2,334	2,497	2,673	2,860	3,061	3,277
	unexplained difference	0															
Actual EOY		1,129															
Actual increase in provision for bad debts		(370)															
AR & NR / sales		15.1%	14.7%	14.9%	14.9%	14.9%	14.9%	14.9%	14.9%	14.9%	14.9%	14.9%	14.9%	14.9%	14.9%	14.9%	14.9%
Inventory																	
BOY		183	260	276	296	327	359	388	419	439	460	487	516	552	590	632	676
Implied Purchase		77	16	20	31	32	30	31	20	21	27	29	36	39	41	44	48
Modeled EOY	.....(prior year actual to feed BOY).....	260	276	296	327	359	388	419	439	460	487	516	552	590	632	676	724
	unexplained difference	0															
Actual EOY		260															
Inventory / sales		3.2%	3.4%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%
Prepaid & Other Current Assets																	
BOY		737	533	831	891	985	1,080	1,169	1,262	1,322	1,385	1,467	1,553	1,662	1,778	1,903	2,037
Implied Purchase		(204)	298	60	94	95	89	92	60	63	81	87	109	117	125	134	143
Modeled EOY	.....(prior year actual to feed BOY).....	533	831	891	985	1,080	1,169	1,262	1,322	1,385	1,467	1,553	1,662	1,778	1,903	2,037	2,180
	unexplained difference	0															
Actual EOY		533															
Prepaid & Other / sales		12.9%	6.9%	9.9%	9.9%	9.9%	9.9%	9.9%	9.9%	9.9%	9.9%	9.9%	9.9%	9.9%	9.9%	9.9%	9.9%
Property Plant & Equipment																	
BOY		8,791	9,274	9,274	9,274	9,274	9,274	9,274	9,274	9,274	9,274	9,274	9,274	9,274	9,274	9,274	9,274
Acquisitions and other increases to PPE		3,124	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Dispositions																	
Sale Lease back transactions		(42)															
Depreciation		(1,637)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Impairments		(1,089)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Capitalized Interest		127															
Modeled EOY	.....(prior year actual to feed BOY).....	8,791	9,274	9,274	9,274	9,274	9,274	9,274	9,274	9,274	9,274	9,274	9,274	9,274	9,274	9,274	9,274
	unexplained difference	0															
Actual EOY		9,274															
Implied Purchases / (Dispositions)		3,124															
Depreciation from IS (net of amort)		(1,637)															
Intangible Assets (Not amortizable post 1/1/2002)																	
BOY		5,541	5,640	5,640	5,640	5,640	5,640	5,640	5,640	5,640	5,640	5,640	5,640	5,640	5,640	5,640	5,640
Asset Purchases(Arch Asset Purchase)		245	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Acquisitions through business combinations		267	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Amortization		(109)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Impairment (NIH Long Lived Assets)		(635)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Implied Purchases / (Dispositions)		331	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Modeled EOY	.....(prior year actual to feed BOY).....	5,541	5,640	5,640	5,640	5,640	5,640	5,640	5,640	5,640	5,640	5,640	5,640	5,640	5,640	5,640	5,640
	unexplained difference	0															
Actual EOY		5,640															
Implied Other Purchases		331															
Amortization from IS (net of Depr)		(109)															
Intangible Assets (Amortizable post 1/1/2002)																	
BOY		441	427	427	427	427	427	427	427	427	427	427	427	427	427	427	427
Amortization																	
Implied Purchases		(114)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Modeled EOY	.....(prior year actual to feed BOY).....	441	427	427	427	427	427	427	427	427	427	427	427	427	427	427	427
	unexplained difference	0															
Actual EOY		427															
Implied Other Purchases		(114)															
Accounts Payable																	
BOY		953	756	756	756	756	756	756	756	756	756	756	756	756	756	756	756
Modeled EOY	.....(prior year actual to feed BOY).....	953	756	756	756	756	756	756	756	756	756	756	756	756	756	756	756
	unexplained difference	0															
Actual EOY		756															
AP / sales		16.7%															
Accrued Expenses																	
BOY		1,244	1,470	1,470	1,470	1,470	1,470	1,470	1,470	1,470	1,470	1,470	1,470	1,470	1,470	1,470	1,470
Modeled EOY	.....(prior year actual to feed BOY).....	1,244	1,470	1,470	1,470	1,470	1,470	1,470	1,470	1,470	1,470	1,470	1,470	1,470	1,470	1,470	1,470
	unexplained difference	0															
Actual EOY		1,470															
Accrued Expenses / sales		21.8%															
Due to related																	
BOY		423	341	341	341	341	341	341	341	341	341	341	341	341	341	341	341
Modeled EOY	.....(prior year actual to feed BOY).....	423	341	341	341	341	341	341	341	341	341	341	341	341	341	341	341
	unexplained difference	0															
Actual EOY		341															
Due to related / sales		7.4%															
Debt of NH Holdings																	
BOY		0	1,865	1,865	1,865	1,865	1,865	1,865	1,866	1,868	1,871	1,875	1,880	1,886	1,893	1,901	1,910
Increase		1,865	0	0	0	0	0	1	2	3	4	5	6	7	8	9	10
rdemption																	
Modeled EOY	.....(prior year actual to feed BOY).....	0	1,865	1,865	1,865	1,865	1,865	1,866	1,868	1,871	1,875	1,880	1,886	1,893	1,901	1,910	1,920
	unexplained difference	0															
Actual EOY		1,865															
Due to related / sales		0.0%															
CY amt reclassified from LT		1,865															
Mandatorily redeemable PS																	
BOY		1,881	2,114	2,114	2,114	2,114	2,114	2,114	2,114	2,114	2,114	2,114	2,114	2,114	2,114	2,114	2,114
Modeled EOY	.....(prior year actual to feed BOY).....	1,881	2,114	2,114	2,114	2,114	2,114	2,114	2,114	2,114	2,114	2,114	2,114	2,114	2,114	2,114	2,114
	unexplained difference	0															
Actual EOY		2,114															
Mand redeem PS / sales		32.9%															
Convertible PS																	
BOY		283	283	283	283	283	283	283	283	283	283	283	283	283	283	283	283
Modeled EOY	.....(prior year actual to feed BOY).....	283	283	283	283	283	283	283	283	283	283	283	283	283	283	283	283
	unexplained difference	0															
Actual EOY		283															
Mand redeem PS / sales		5.0%															
Accumulated Deficit																	
BOY		(6,554)	(9,179)	(7,609)	(5,530)	(5,150)	(4,527)	(3,702)	(2,577)	(1,329)	200						

Licenses and Related Assets	117
Equity Interest in Mobex Subsidiary	
Cash	117
Motorola	
Licenses and Related Assets	58
Cash	58
Pacific Wireless	
Licenses	58
Cash	58
Let's Talk	
Operations, Assets and Rights	34
Cash	34

Restructuring & Impairment Charges

Nil Holdings	
Impairment of -	
- Property Plant & Equipment	1,089
- Intangible Assets	635
- Other Non-current Assets	17
Related charges for -	
- headcount reductions (Q2)	15
- project abandonment (Q2 & Q4)	13
Unaccounted for Amount	0
Total Restructuring Charges related to Nil Holdings	<u>1,769</u>
Actual EOY	<u>0</u>
	unexplained difference
	1,769

Other Income	
Foreign currency transaction losses, net	-70
Realized gain on investments, net	47
Other, net	-12