



# **T-Mobile USA**

***Neville Ray, VP Engineering & Operations  
Morgan Stanley CTOs Unplugged Conference  
February 2004***

**T-Mobile**



# Disclaimer

This presentation contains forward-looking statements that reflect the current views of Deutsche Telekom management with respect to future events. The words “anticipate”, “believe”, “estimate”, “expect”, “intend”, “may”, “plan”, “project” and “should ” and similar expressions are intended to identify forward-looking statements. Forward-looking statements are based on current plans, estimates, and projections, and therefore you should not place too much reliance on them. Such statements are subject to risks and uncertainties, most of which are difficult to predict and are generally beyond Deutsche Telekom`s control, including, without limitation, those factors set forth in “Forward-Looking Statements” and “Risk Factors” contained in Deutsche Telekom`s annual report on Form 20-F/A filed on June 27, 2003. If these or other risks and uncertainties materialize, or if the assumptions underlying any of these statements prove incorrect, Deutsche Telekom`s actual results may be materially different from those expressed or implied by such statements. Deutsche Telekom does not intend or assume any obligation to update these forward-looking statements.

Deutsche Telekom cannot guarantee that its financial and operating targets for the year 2003 and beyond can be achieved. Some aspects of the Group`s planning depend on circumstances Deutsche Telekom cannot influence. For a description of some of these factors that might influence Deutsche Telekom`s ability to achieve its objectives, please refer to the items “Forward-Looking Statements” and “Risk Factors” in the annual report on Form 20-F/A filed on June 27, 2003.

This presentation contains a number of non-GAAP figures, such as OIBDA, OIBDA margin, CPGA, CCPU, EBITDA and EBITDA adj. for special factors, EBITDA margin adj., capex, special factors, adj. net income, ARPU, free cash flow, and gross and net debt. These non-GAAP figures should not be viewed as a substitute for our GAAP figures. Our non-GAAP measures may not be comparable to non-GAAP measures used by other companies. To interpret the non-GAAP measures, please refer to the Backup materials accompanying this presentation and the “Reconciliation to pro forma figures” in the Q3/03 interim report or the “Reconciliation to pro forma figures” posted on Deutsche Telekom`s Investor relations link under [www.telekom.de/investor-relations](http://www.telekom.de/investor-relations). With regard to OIBDA, OIBDA margin, CPGA, and CCPU, please see the reconciliation in the backup to this presentation and the earnings release published by T-Mobile International on the Q3/03 results of its U.S. operations.

# Get More – and the Customer is Why

## More Minutes

- Simple and affordable rate plans for voice and data

## More Features

- Device leadership
- Leadership in mobile messaging and data
- Global hotspot leadership

## More Service

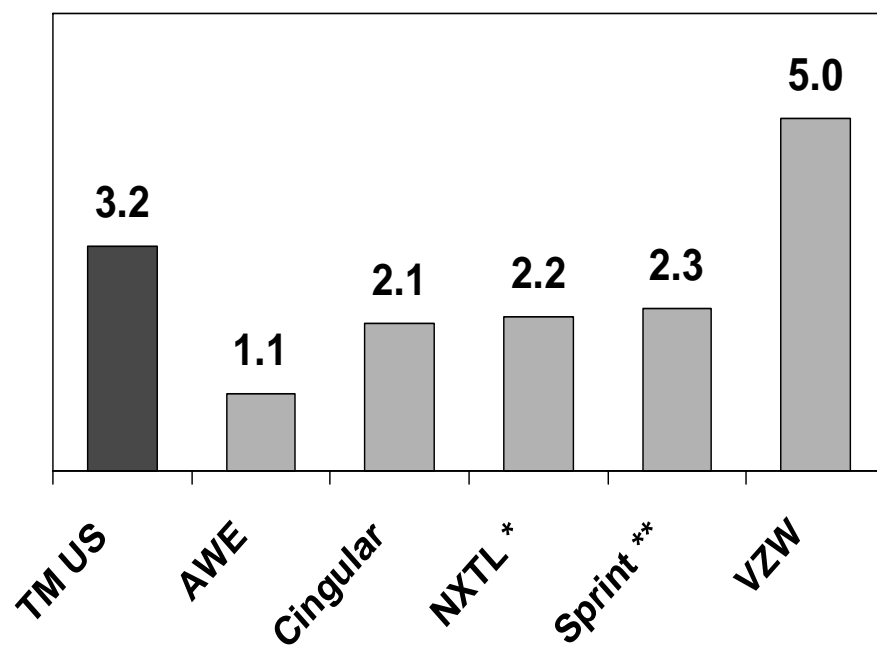
- Top-rated customer service
- Focus on improving network quality
- Driving strength in distribution



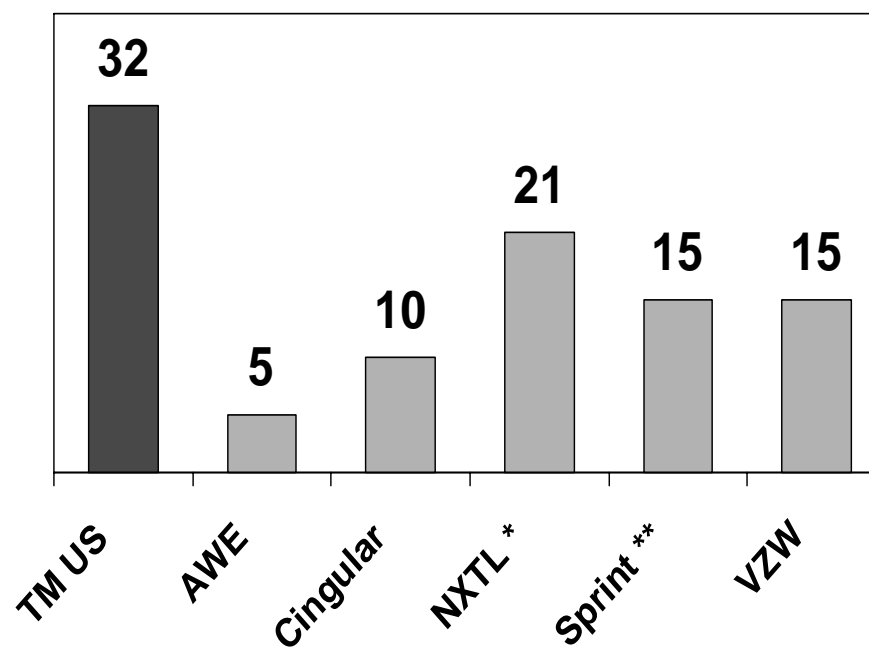
# T-Mobile Delivered Growth & Profitability in 2003

- No. 2 in net adds in 2003
- The fastest growing national wireless carrier in 2003
- Strong margin improvement (results to be published on March 10)

**Net adds (million)  
in 2003**



**% Subscriber growth 2003**

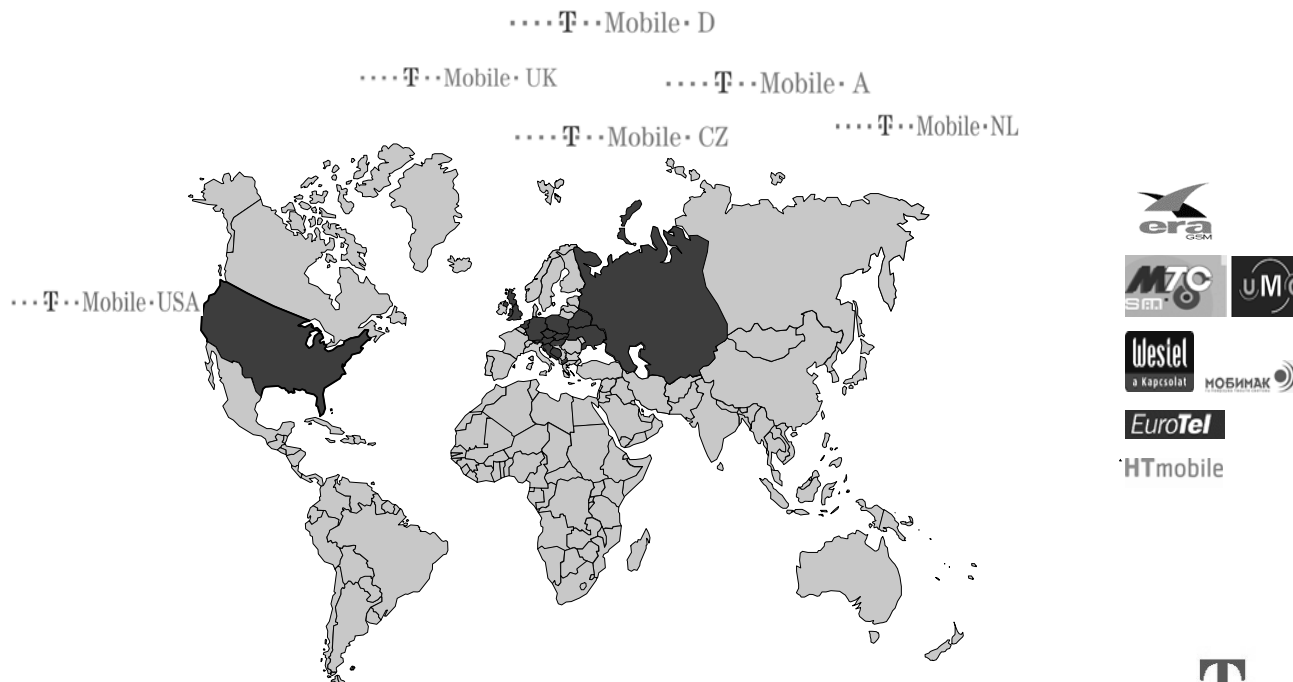


\* Guidance reconfirmed on January 5.

\*\* Net adds incl. resale.

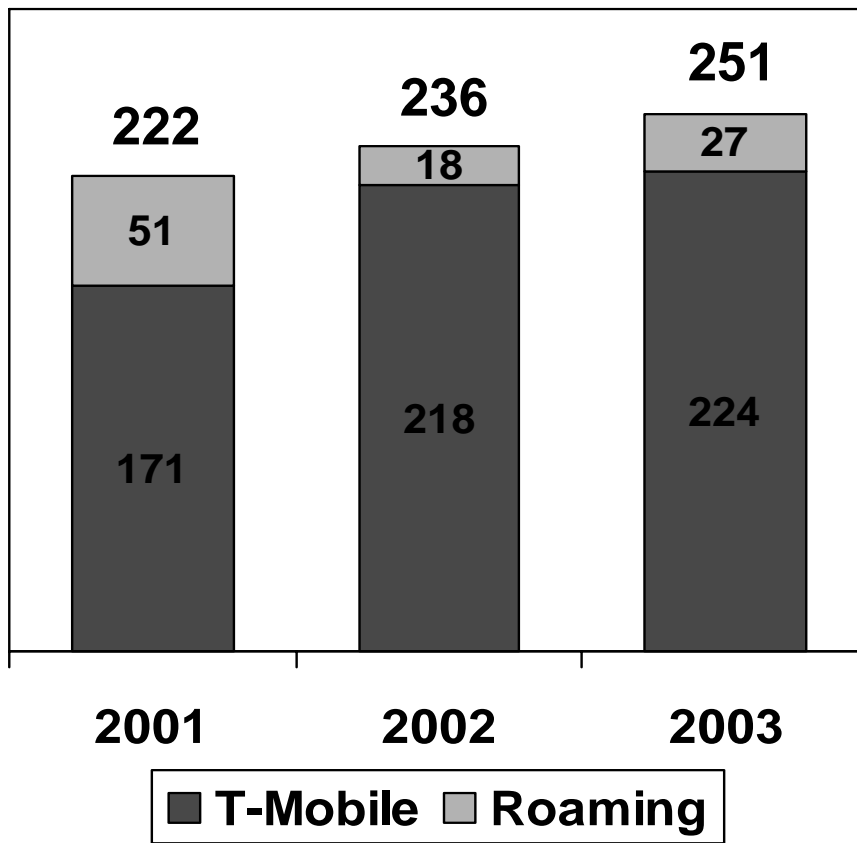
# The “Power of One”—Why T-Mobile Wins

	Technology & Pricing	Frequency Band	Billing Systems	Sales Structure	Customer Care Structure
<b>T-Mobile</b>	One	One	One	One	One
<b>Competition</b>	1 to 4	1 to 2	3	4 to 22	1 to 8



# Focus Capex on Network Quality

Covered POPs (million)



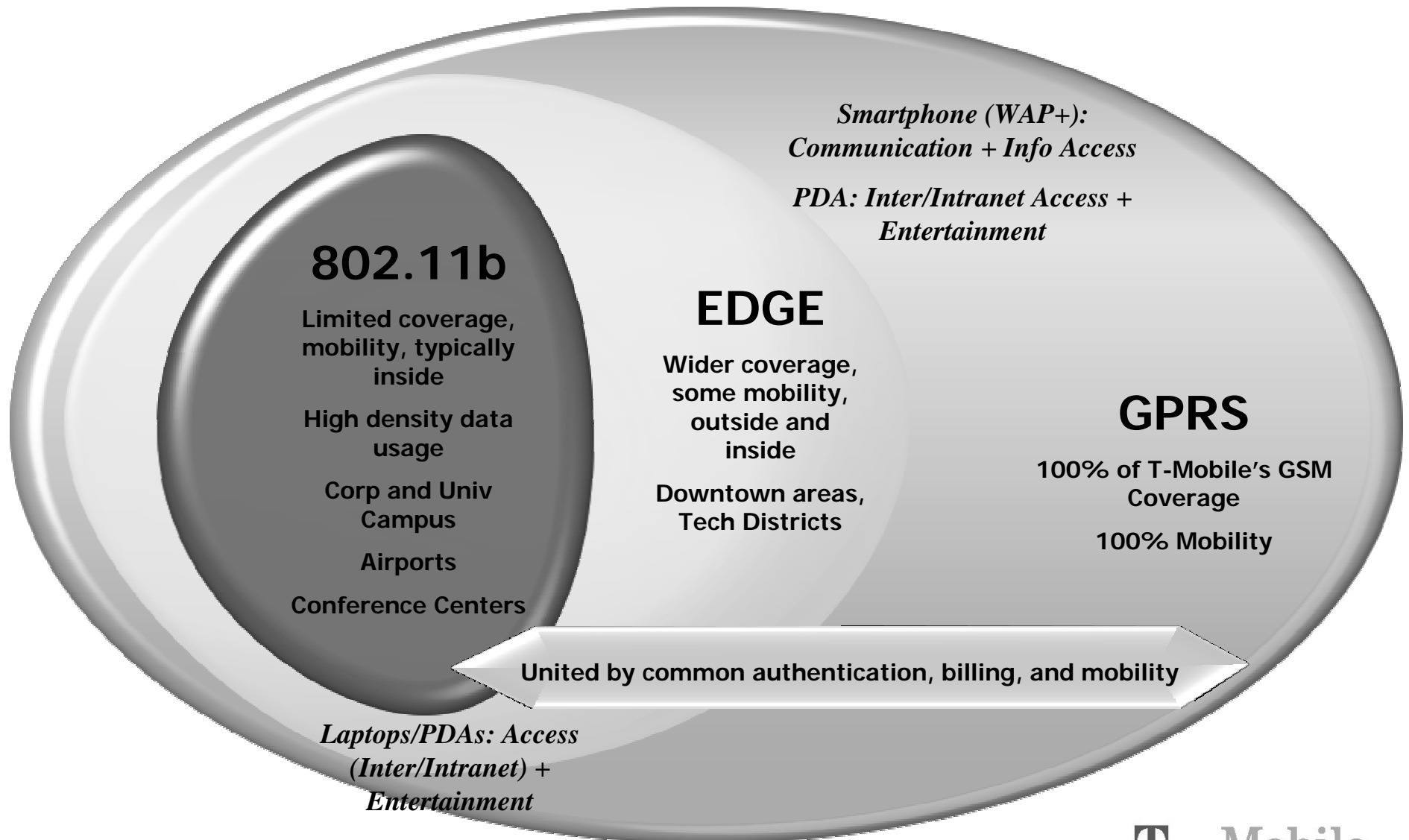
- Most extensive and mature GSM/GPRS network in the U.S.
- Cover “white spaces” through roaming
- Approx. 26,000 cell sites
- Added 3,300 cell sites in 2003
- Goal 2004: 4,000 new cell sites
- Rolling out EDGE and AMR

# T-Mobile Current Coverage



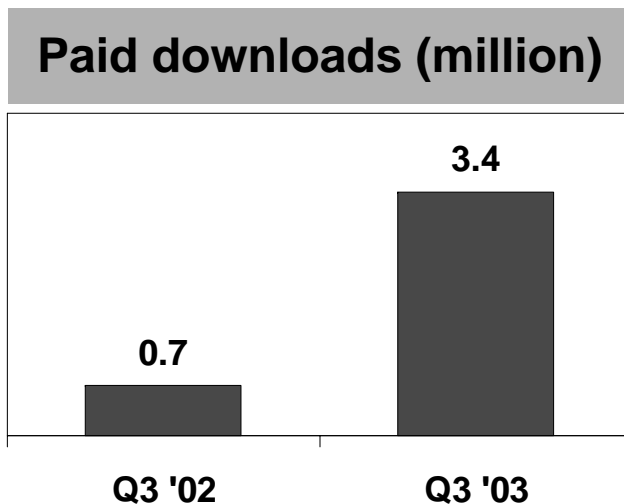
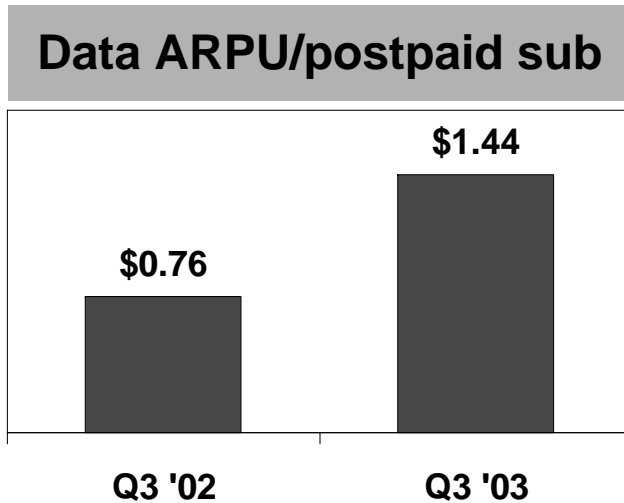


# Convergence Vision – Broadband Wireless Today





# Leadership in Mobile Messaging and Data



- Q3 billable SMS messages: 1.1 billion
- Over 40% of customers are paying for some type of data service
- Q3 data ARPU: 2.7% of postpaid ARPU
- Q3 high-value data subs (paying at least \$19.99 per month): 210,000
- Taken over #1 sales in BlackBerry
- International GPRS roaming in 46 countries



# T-Mobile HotSpot: Broadband Wireless Today

- World's largest WiFi network
  - 4,000 hotspots YE '03
  - Strong branded partners:  
“Places where you already go”
- International roaming
- 67% revenue from subscriptions
- Bundled GSM/GPRS and WiFi: unmatched value and simplicity
- Strategic marketing alliance with Comcast



**comcast**



**kinko's**



**AmericanAirlines**



**BORDERS**





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