



## Quarterly Update

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### Financial Highlights

#### [Nextel Reports Record 2004 Results](#) 2/17/05

Nextel reports strong financial results for 2004, including a 24 percent increase in revenue over last year to \$13.4 billion and a 22 percent increase over the prior year in operating income before depreciation and amortization to \$5.1 billion. Nextel added 2.9 million total subscribers, including 2.2 million Nextel subscribers, and 755,000 subscribers of Boost Mobile branded service during 2004 and the company reported churn to be 1.6 percent for year-end. The company also provided 2005 guidance.

#### [Nextel Announces Plans to Refinance Secured Term Loan; Initial Interest Rate to Be Reduced by 150 Basis Points](#) 1/25/05

Nextel announced that its wholly-owned subsidiary, Nextel Finance Company, has received definitive commitments to enter into a new \$2.2 billion secured term loan facility, the proceeds of which will be used to refinance its existing \$2.2 billion secured term loan E.

#### [Nextel CFO Announces 2004 Subscriber Growth](#) 1/11/05

Nextel Executive Vice President and CFO Paul Saleh told investors that the company ended 2004 with more than 16.2 million total subscribers, including 15 million Nextel subscribers and 1.2 million Boost Mobile customers. During the fourth quarter, Nextel added approximately 595,000 subscribers and approximately 360,000 Boost Mobile customers.

### Company Highlights

#### [Nextel and Sprint File an Application for Transfer of Control with the FCC](#) 2/08/05

An Application for Transfer of Control was jointly submitted by Sprint Corp. and Nextel Communications to the Federal Communications Commission (FCC) for consent to transfer control of Nextel licenses and authorizations to Sprint under the Communications Act, Sections 214 and 310(d).

#### [Nextel Raised Nearly \\$600,000 in 2004 to Benefit Military Families via the American Red Cross](#) 1/31/05

Nextel collected nearly 80,000 wireless phones and raised nearly \$600,000 in 2004 to benefit the American Red Cross Armed Forces Emergency Services (AFES) program through the DONATE A PHONE® program, as well as other fundraising efforts. With more than \$900,000 raised since the campaign's inception in May 2003, Nextel, along with assistance from Nextel Partners Inc. and the American Red Cross, anticipates reaching the \$1 million mark by the program's two-year anniversary this May.

#### [Nextel Expands Hispanic Initiative - Seven New Markets Targeted in Campaign; New "Nextel. Ya." Spanish-language television advertisement to launch in 14 Markets](#) 1/19/05

Nextel announced the further targeted expansion of the "Nextel. Ya." advertising campaign to the Hispanic communities in Orlando, Tampa, Boston, Philadelphia, Fresno, Sacramento and the Washington, D.C. area. Nextel plans to provide wireless services that cover approximately 75 percent of the U.S. Hispanic population in 2005.

**[Sprint and Nextel to Combine in Merger of Equals](#)** 12/15/04

Sprint and Nextel announced that their boards of directors have unanimously approved a definitive agreement for a merger of equals. The combination, which will be called Sprint Nextel, will create America's premier communications company -- a leading wireless carrier augmented by a global IP network that will offer consumer, business and government customers compelling new broadband wireless and integrated communications services.

**[Nextel and the National Crime Prevention Council Join Forces for Safer Schools; Nextel Brings Communication Expertise, Commits Interoperable Communications to Primary Education](#)** 12/13/04

Nextel has joined forces with the National Crime Prevention Council (NCPC) to bring communication innovation to the Be Safe and Sound program. Nextel, which already serves hundreds of education institutions nationwide, will work with NCPC to generate awareness for the important role communication technology can play in school security planning.

**[Nextel Announces Nationwide Availability of Wireless Priority Service; Service Improves Emergency Communications for Authorized Users](#)** 12/07/04

Nextel announced the nationwide availability of Wireless Priority Service (WPS), which provides authorized users priority cellular service during times of emergency, dramatically improving cellular call completion rates during periods of high call volume that may effect network performance.

**[Boost Mobile Passes One Million Customer Mark](#)** 12/07/04

Nextel announced that its youth lifestyle brand, Boost Mobile, signed up its one-millionth customer. This milestone demonstrates the brand's appeal among today's youth and the widespread popularity of Boost Mobile's™ Walkie-Talkie service.

**[Nextel Awarded First Option Year Renewal of General Services Administration Contract; Original Contract Signed in 2002 Includes Three Opportunities for Renewal](#)** 12/06/04

Nextel was awarded the First Option Year renewal of the General Services Administration (GSA) Contract that includes selling the full range of Nextel products and services to all federal agencies, as well as state and local agencies with federal funding. The contract is worth approximately \$1 billion.

**[U.S. Navy Awards Nextel Five-Year, \\$100 Million Wireless Service Agreement](#)** 11/22/04

Nextel announced that it has been awarded a one-year base contract for \$20 million per year to provide nationwide cellular phone service to the U.S. Navy. The contract, which provides nationwide commercial cellular phone and instant digital walkie-talkie service for personnel at Navy installations in the United States, contains options, which if exercised, will bring the total estimated value to \$100 million.

## **Recent Awards/Acknowledgements**

**[Institutional Investor Magazine Ranks America's Best CFOs](#)** 2/14/05

Nextel's Chief Financial Officer, Paul Saleh, was named best CFO in the wireless industry. Top executives in more than 60 industries were selected based on the responses of research analysts, portfolio managers and sell-side analysts.

**[Nextel Honored With Best Sports Business Integrated Marketing Award](#)** 11/29/04

Nextel, in its first year as the title sponsor of racing's premiere series, the NASCAR NEXTEL Cup Series™, was honored with the 2004 Horizon Award for "Best Sports Business Integrated Marketing Plan." The Atlanta Sports Council recently presented Nextel with this award, which recognizes the company with the most effective activation of a sports sponsored property or athlete in an integrated marketing plan.

[\*\*Nextel Gets Perfect Score, Tops All Other Carriers in Washington Post's Annual Wireless Service Test; Flawless Performance Marks Second Year in a Row that Nextel Scored Perfectly\*\*](#) 11/12/04

Nextel surpassed all other wireless carriers by achieving a perfect score on the Washington Post's annual cellular phone service test. Nextel scored perfectly on last year's test as well, a feat no other carrier has been able to match.

[\*\*National Women of Color Technology Honors Nextel Leader\*\*](#) 10/28/04

Beverly Hodges, senior director of voice product management for Nextel, was named the Product Development/Management Award winner at the ninth annual National Women of Color Technology Awards Conference. This event celebrates the superior achievements of minority women.

## 800 MHz Update

[\*\*Nextel Stands with Public Safety and Accepts FCC Order to Facilitate Interference-Free Communications for First Responders; Spectrum Reconfiguration to Begin Immediately\*\*](#)

02/07/05

Nextel formally accepted the Federal Communications Commission's (FCC) Report & Order to eliminate CMRS-public safety radio interference at 800 MHz. In this Order, the FCC has made clear and reliable communications possible for first responders and, with Nextel's acceptance, the implementation phase of reconfiguration begins immediately.

## Nextel Products and Solutions News

[\*\*Nextel and Air-Trak Join Forces to Offer Dual-Mode Wireless Solution for Location Based Services and Instant Communication\*\*](#) 02/09/05

Nextel announced its partnership with Air-Trak, Inc. to provide a dual-mode GPS tracking and communications service that combines satellite and cellular communications on Nextel's iDEN network and GPS, Java™-enabled phones and/or Air-Trak's vehicle-mounted tracking unit. This new service will enable customers to wirelessly manage and communicate with mobile workers throughout North America.

[\*\*New Study Shows U.S. Transportation and Manufacturing Firms Embracing Wireless to Reduce Operating Costs and Increase Customer Satisfaction\*\*](#) 02/04/05

A new Harris Interactive® opinion poll of information technology and telecom decision makers at U.S. transportation and manufacturing companies shows increased adoption of wireless technology in day-to-day business operations as a cost-effective way to improve operations and customer service. Releases: [Transportation](#) & [Manufacturing](#)

[\*\*Yahoo! and Nextel Join Forces to Launch Yahoo! Mobile Internet Across Nextel's Digital Wireless Network\*\*](#) 12/14/04

Nextel and Yahoo! formed a new relationship to offer Yahoo! Mobile Internet -- a suite of Yahoo! products and services, including e-mail, instant messaging, games and news content -- on Nextel handheld devices.

[\*\*Nextel and Motorola Announce Innovation of Direct Talk, the First Off-Network Walkie-Talkie Feature Integrated with a Mobile Phone\*\*](#) 12/14/04

Nextel and Motorola announced the availability of Direct Talk<sup>SM</sup>, a unique service that provides a back-up off-network walkie-talkie service for use outside Nextel network coverage areas. This service provides a range of up to six miles. Nextel is the first national carrier to offer this type of off-network service integrated directly into a cellular handset.

**[Nextel and RIM Announce Plans to Extend Nextel's Industry Leading Wireless Location Applications to the BlackBerry Platform](#)** 12/09/04

Research In Motion (RIM) and Nextel are providing Independent Software Vendors (ISVs) and developers with the comprehensive resources and environment to support location-enhanced applications including the GPS-enabled devices, network, services, infrastructure and development tools needed to create and deliver powerful mobile applications.

**[Nextel and RIM Introduce New BlackBerry 7520; BlackBerry 7520 First to Combine Bluetooth, Speakerphone and Cross Border Walkie Talkie Services](#)** 12/06/04

The BlackBerry 7520™ features Bluetooth® technology for hands-free, wireless communications using Bluetooth-enabled headsets and car kits. It also incorporates GPS technology with E911 support and provides a true mobile office experience, enabling phone, Direct Connect®, email and data applications in a single integrated device.

**[Nextel and Zetron Launch Radio Console Interoperability Solution](#)** 11/09/04

The Radio Console Interoperability Solution makes Zetron the first radio dispatch system to support Nextel's Nationwide Direct Connect<sup>SM</sup> long-range digital walkie-talkie service. The new capability provides dispatchers on private radio networks or conventional radio, full interoperability with Nextel customers through the Direct Connect® and Group Connect<sup>SM</sup> walkie-talkie service on their Nextel® phones.

**[Raytheon JPS Communications and Nextel Advance Radio Systems Interoperability](#)**

10/27/04

Nextel and Raytheon JPS Communications announced a strategic alliance to break down the barriers of communication between disparate radio systems, enabling interoperability between systems that were previously incompatible and improving communications capabilities across a range of government and business needs.

**[Nextel and Trimble Join Forces to Offer the Only Outdoor Recreation Product that Uses Mobile Phones for Navigation and Trip Planning](#)** 10/25/04

Trimble and Nextel announced that the companies will launch Trimble® Outdoors service, an online solution that enables customers to download, from the Internet, their trip planning information and maps onto several of Nextel's mobile phones with global positioning system (GPS) capabilities.

## **NASCAR NEXTEL Cup Series™**

**[Nextel Announces Overview for 2005 Season](#)** 2/10/05

Nextel announced its 2005 NASCAR NEXTEL Cup Series™ initiatives designed to enhance the fan experience as well as demonstrate its commitment to the sport of NASCAR. Nextel is focused on building upon its first year as title sponsor, when it established core relationships within the NASCAR community and its fans.

**[Nextel Donates \\$100,000 to the Victory Junction Gang Camp as Part of Ongoing Involvement](#)** 2/08/05

Nextel announced its continued support of The Victory Junction Gang Camp, a state-of-the art medical camping facility for children with chronic and life-threatening illnesses, with a donation of \$100,000. The money represents a portion of the proceeds from the sales of NASCAR NEXTEL Cup Series™ merchandise and phone accessories sold since the end of August.

**[Nextel Connects During NASCAR NEXTEL Cup Series Inaugural Year; Company Reflects on the Results of Year One, Looks to Future](#)** 12/20/04

The first year of the NASCAR NEXTEL Cup Series™ built the foundation for a powerful partnership between one of the nation's largest telecommunications companies and NASCAR,

the sanctioning body of racing's premier series. While paying tribute to the sport's history, Nextel launched a strategic marketing and public relations plan, which resulted in increased awareness and acceptance of Nextel within the NASCAR industry and among its fans.

**[Nextel and NASCAR Announce Largest NASCAR NEXTEL Cup Series Points Fund in Sport's History; Second Through 11th Place Drivers Each Guaranteed at Least \\$1 Million](#)**

11/16/04

Nextel and NASCAR today unveiled a record NASCAR NEXTEL Cup Series™ points fund of more than \$24 million to be distributed among the top 25 drivers at the end of the 2004 season. The payout guarantees each of the top 11 drivers at least \$1 million for the first time in the sport's history.

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