

# T-Mobile

November 2005

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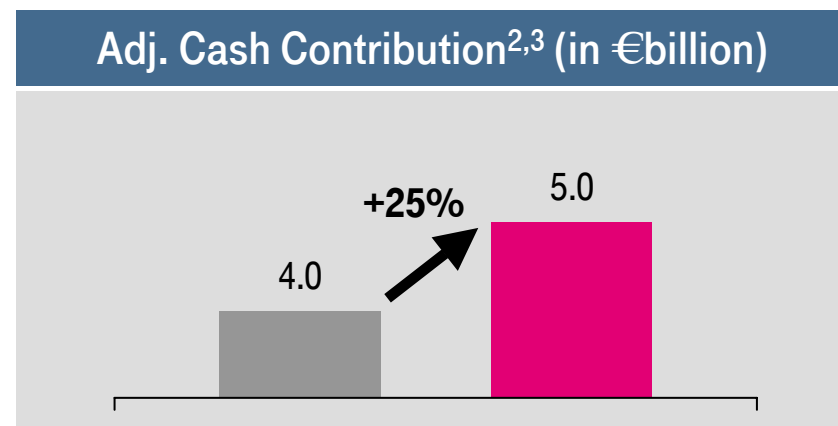
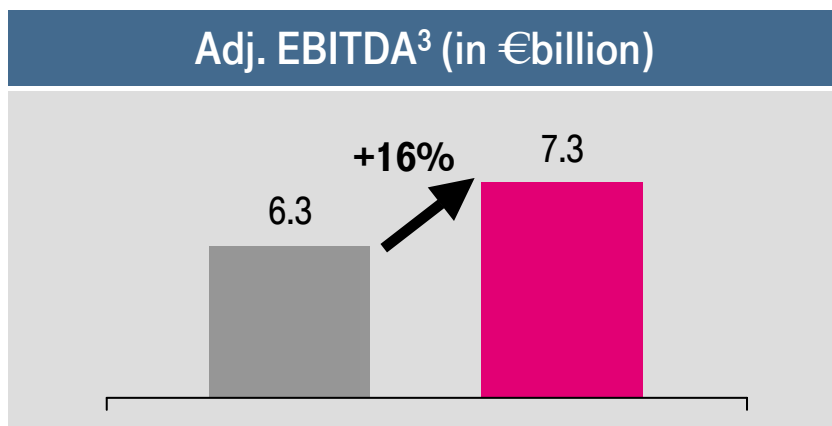
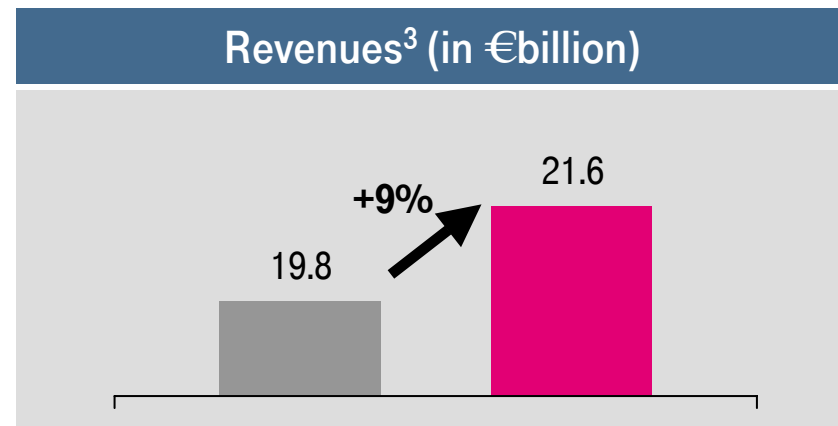
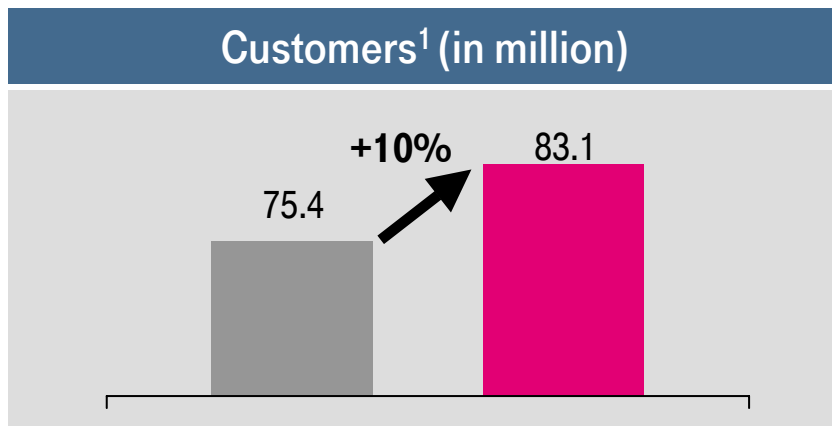
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# T-Mobile Segment.



<sup>1</sup> Incl. Virgin Mobile.

<sup>2</sup> Defined as adj. EBITDA minus Cash Capex, excluding acquisitions of network in California and Nevada and spectrum.

<sup>3</sup> Numbers not audited.

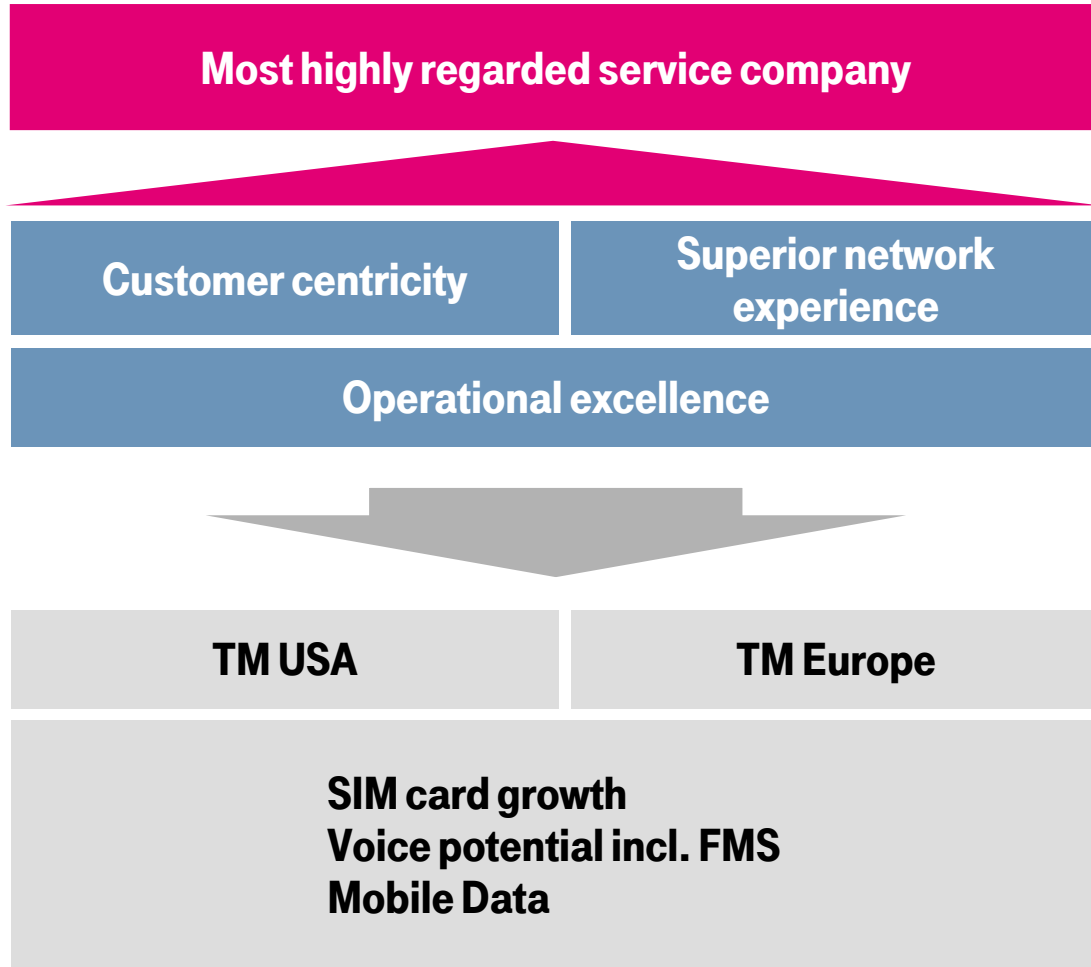
■ Q1-Q3/04

■ Q1-Q3/05



## Outlook T-Mobile.

Revenue growth target: 12% to 14% over the next two years.



# T-Mobile USA.

Focus on service.

## #1 in Customer Satisfaction – 2 Years in a Row



Only carrier to ever get all six regions

Overall Customer Sat  
Top in all 6 Regions

Overall Customer Sat  
Top in all 6 Regions



2004



2005



Business Service



Customer Service



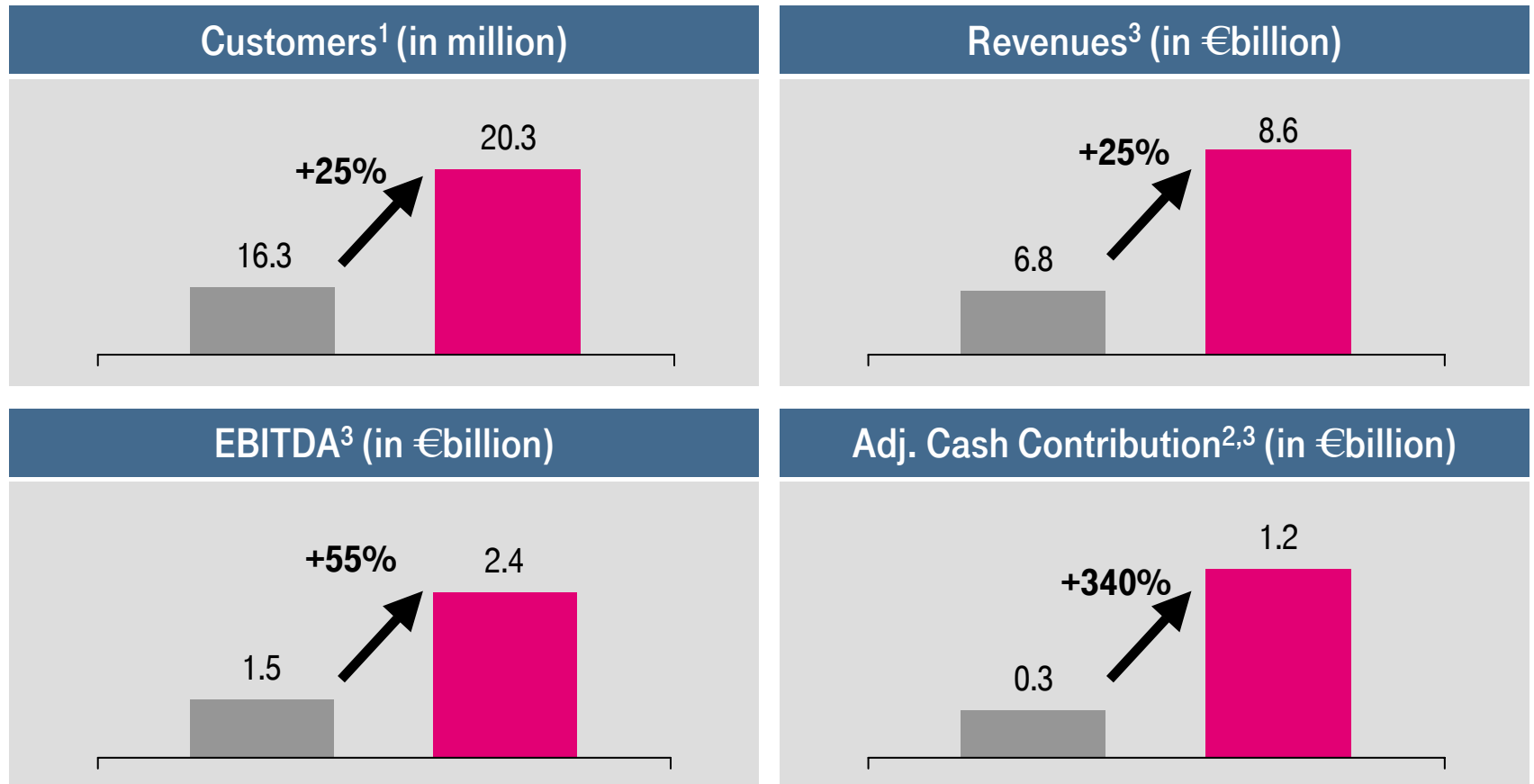
Retail Service



Call Quality (NE/SE)



# T-Mobile USA. In € according to IFRS.



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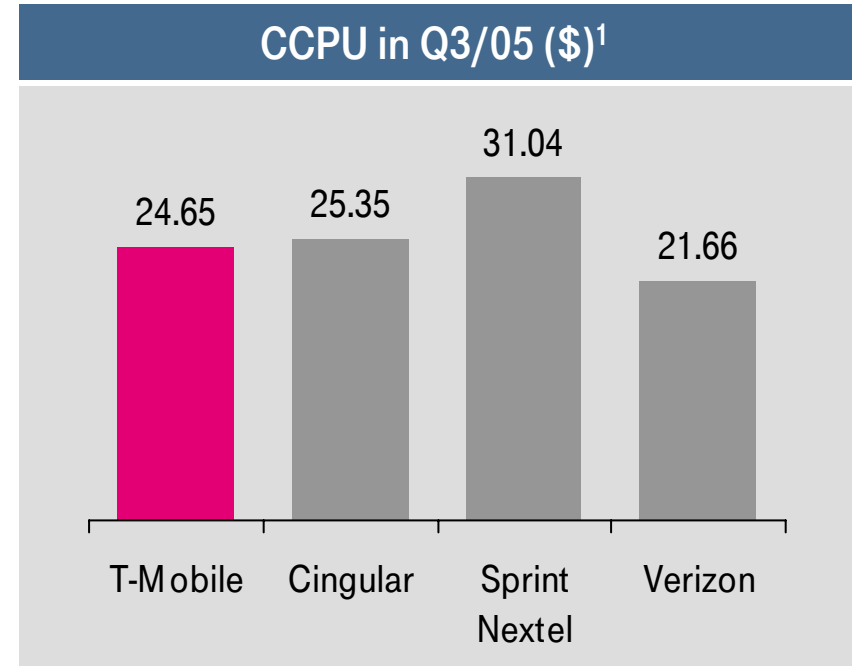
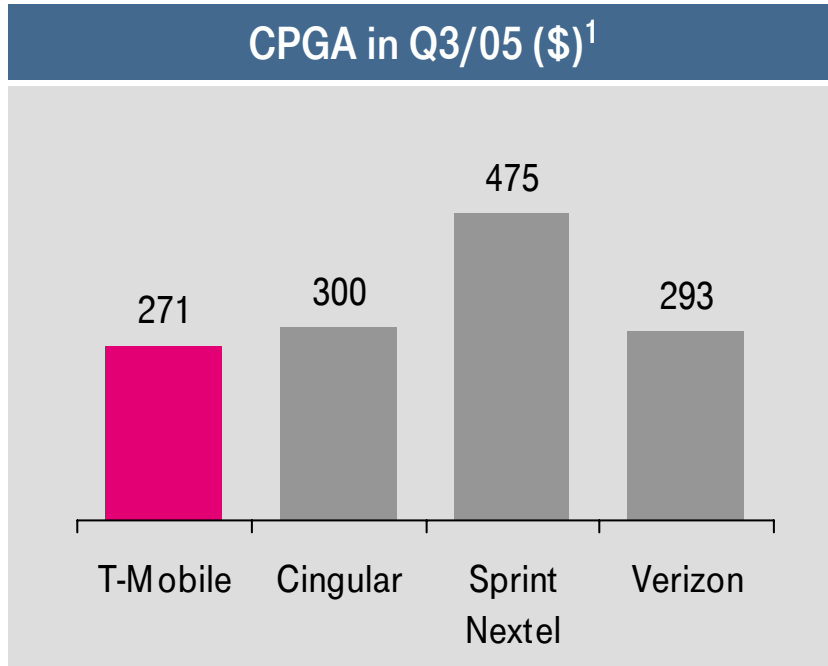
■ Q1-Q3/04

■ Q1-Q3/05



# T-Mobile USA.

Reached critical mass; cost efficiency among industry best.



- Competitive support cost
- Disciplined marketing and distribution
- Scale benefits

¹ Source for competitor data: Citigroup estimates; according to US-GAAP.



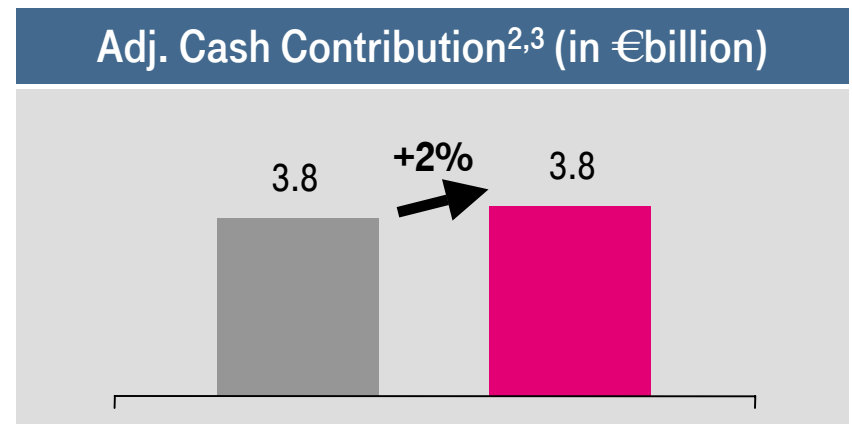
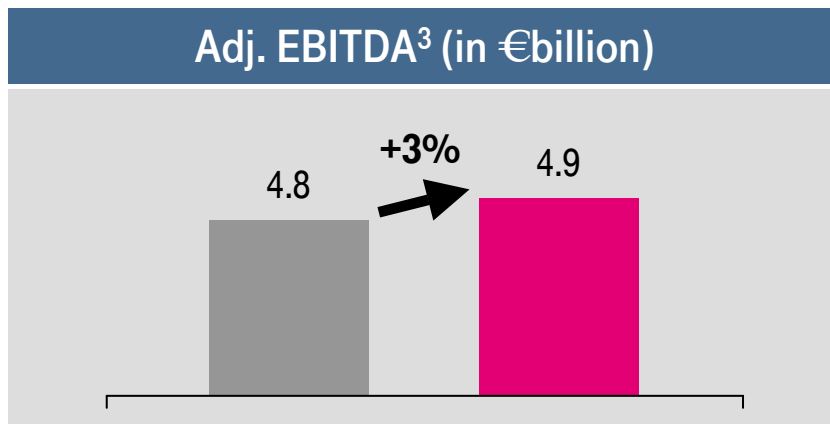
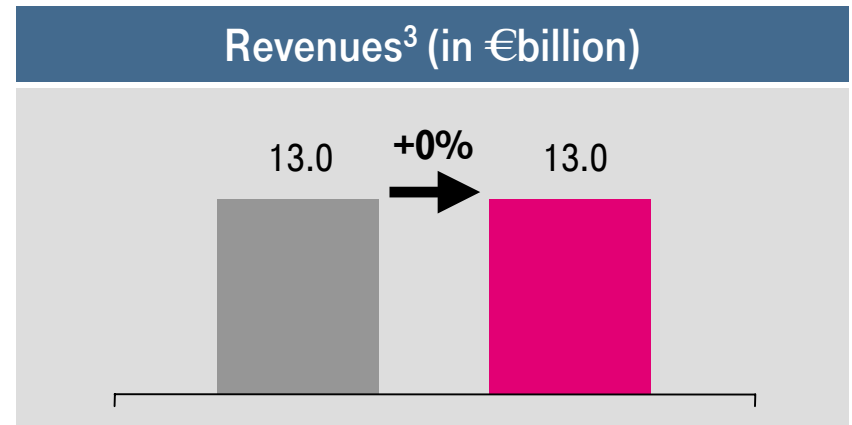
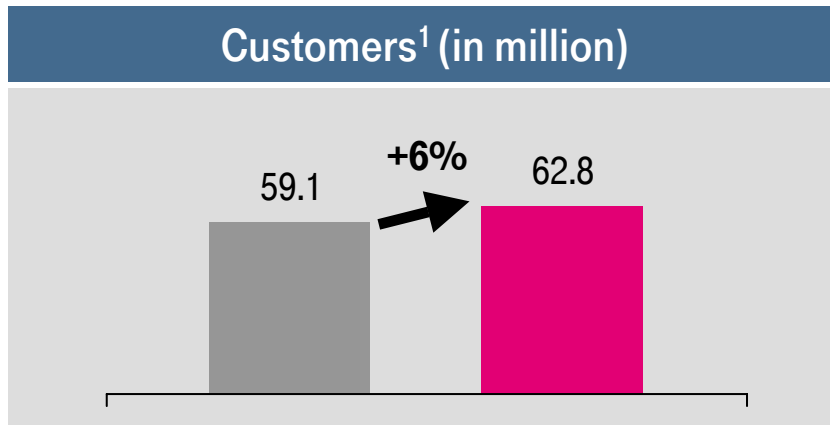
**T-Mobile USA.**  
Going forward.

## **Fulfilling T-Mobile's Global Mission as America's Most Highly Regarded Service Company...**

- Dominant Consumer Value Proposition driven by Global Scale
- Continue Reinvention of Service Model
- Leader in Commercial Innovation
- Drive Profitable Growth



# T-Mobile Europe.



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<sup>2</sup> Defined as adj. EBITDA minus Cash Capex.

<sup>3</sup> Numbers not audited.

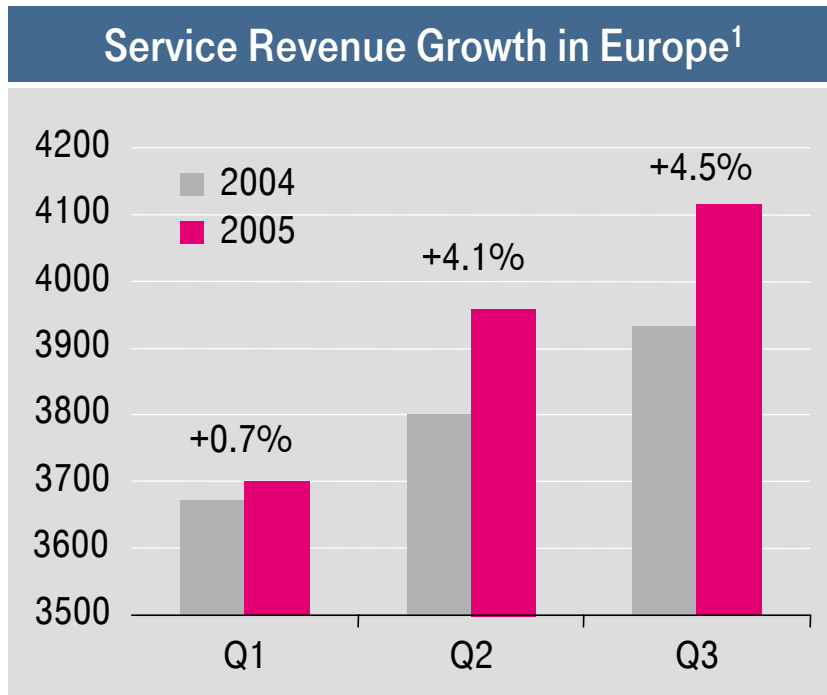
■ Q1-Q3/04

■ Q1-Q3/05



# Q3 Achievements.

“Save for Growth” works.



- While revenue growth was flat, **service revenue** growth was 3% for the first 9 months
- 1.1 m **net adds** in Europe of which 530k in D, 259k in UK and 156k in CEE
- Strong **EBITDA margins** in Germany and the UK
- Projected **savings** of €0.6 billion in FY 05<sup>2</sup>
- Projected **re-investments** into sales and marketing of €0.4 billion in FY 05<sup>3</sup>

<sup>1</sup> Europe incl. CEE and not adjusted for consolidation effect of T-Mobile Slovensko; excl. TM Slovensko = Q1: -1.5%, Q2: +1.8%, Q3: +2.2%; Service revenue includes service fees as well as voice, non-voice, roaming and visitor revenues. Activation charges, virtual network operator revenues and other operating revenue are not included.

<sup>2</sup> Compared to baseline.



# T-Mobile Europe.

## Usage uptake to drive growth.

### Market<sup>1</sup>

- Market SIM card growth Europe<sup>2</sup> of 13.5 million from YE 2005 to YE 2007 (+6.8%) expected
  - Increasing double/multiple SIM usage
  - Capture of low penetration market segments
- Strong increase in fixed-mobile substitution
- Overall, we expect price deterioration in voice (regulatory, competition) to be offset by usage increase. Resulting in stable ARPU, but growing service revenues

### T-Mobile Europe

- Push FMS. Fixed-mobile substitution drives corporate revenues due to mobile premium
- Lead true mobile broadband services
- Strengthen customer loyalty through targeted customer care



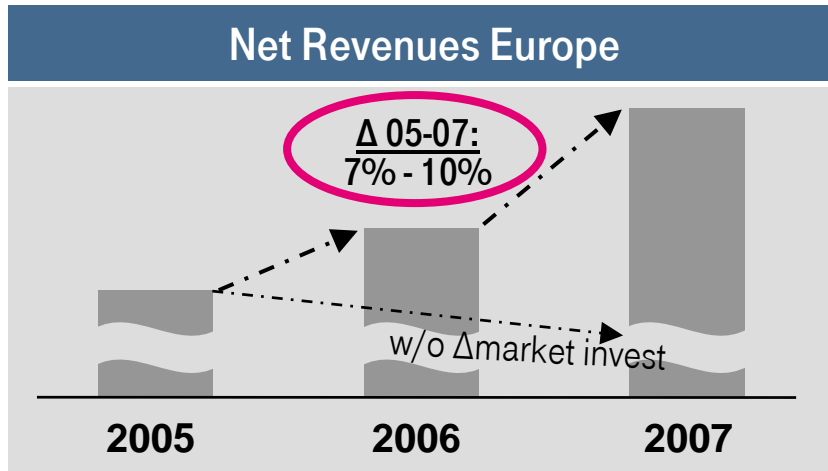
**Target: Improve market share in service revenues  
in Europe over the next 2 years.**



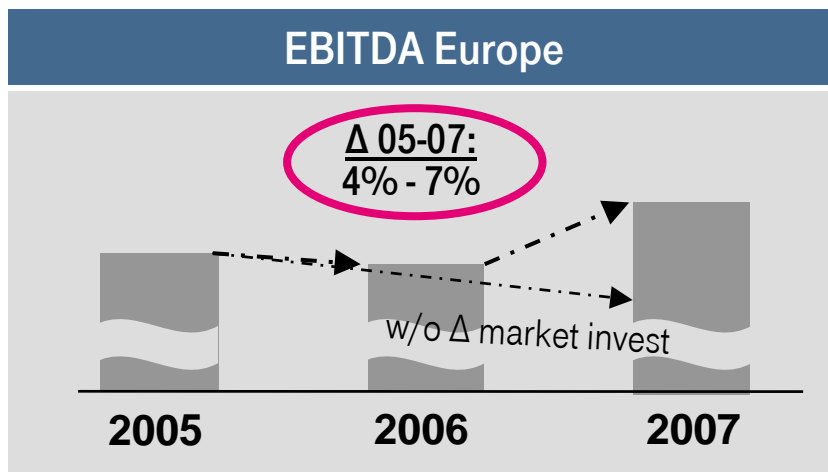
<sup>1</sup> Based on own assumptions derived from various external sources.  
<sup>2</sup> Europe includes TMO footprint (GER, UK, NL, A, CZ, HU, SK, HR, MAZ).

# T-Mobile Europe.

Market investment expected to yield good return.



S4G enables more aggressive marketing (WEU)



EBITDA is following revenues with a time lag: turnaround in 2007



# T-Mobile Segment.

## Financial Guidance.

<b>€billion</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>Δ 05-07</b>
Revenue	29.3	30.9 – 31.3	32.8 – 33.4	12 - 14 %
Adj. EBITDA	9.6 - 9.8	10.0 – 10.2	10.8 – 11.1	11 - 14 %

# Adj. EBITDA Guidance.

