

Data overages are a lot lower

Occurrences	Distribution	n	95 th %ile	75 th %ile	Median	25 th %ile	Mean
0	82.0%	64503					
1	7.8%	6123	\$ 36.62	\$ 6.62	\$ 2.00	\$ 0.50	7.71
2	3.8%	3008	\$ 38.45	\$ 10.86	\$ 3.85	\$ 1.13	9.11
3	1.8%	1439	\$ 31.81	\$ 11.32	\$ 5.40	\$ 1.97	9.24
4	1.5%	1161	\$ 31.53	\$ 13.01	\$ 5.68	\$ 1.88	9.31
5	0.8%	652	\$ 32.59	\$ 12.41	\$ 5.96	\$ 3.02	9.82
6	0.5%	412	\$ 25.35	\$ 10.62	\$ 5.93	\$ 2.67	8.54
7	0.4%	314	\$ 28.66	\$ 10.59	\$ 5.70	\$ 2.57	8.65
8	0.4%	332	\$ 30.08	\$ 13.95	\$ 6.62	\$ 2.58	9.95
9	0.2%	178	\$ 27.99	\$ 12.67	\$ 7.73	\$ 3.28	9.70
10	0.2%	173	\$ 31.54	\$ 12.90	\$ 7.31	\$ 2.75	10.26
11	0.1%	91	\$ 19.67	\$ 11.34	\$ 3.69	\$ 1.76	6.79
12	0.3%	247	\$ 31.25	\$ 12.03	\$ 6.14	\$ 3.35	10.53

Total sample: 78,633

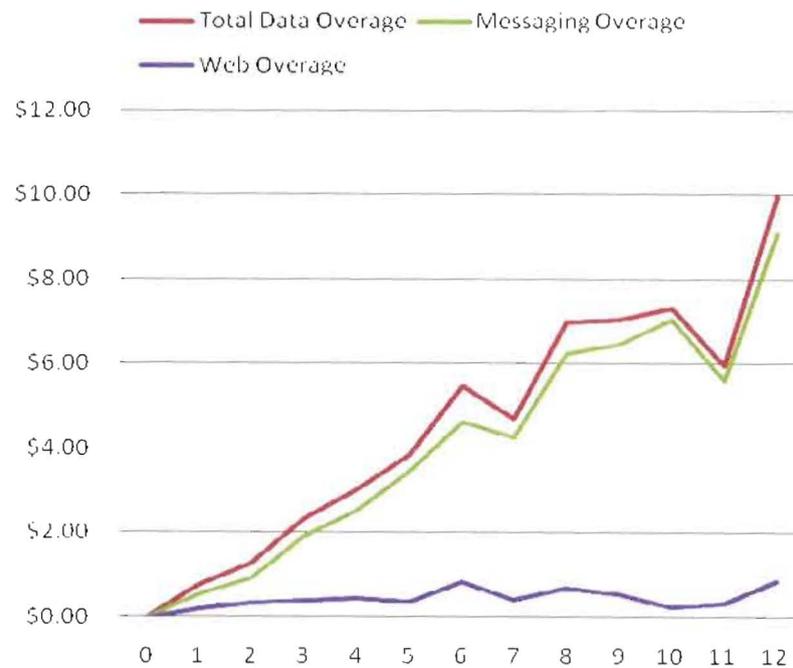
- 11.6% or 13.3 million wireless consumers go into data overage once or twice a year
- The typical data overage (median) of consumers that go only once or twice into overage is \$2 and \$3.85 respectively
- Only the 95% percentile (less than 700,000 customers) are incurring overages that might come close to or exceed twice their average total monthly bill

About 1% of Americans experience significant overages in any given year, similar to their regular bill

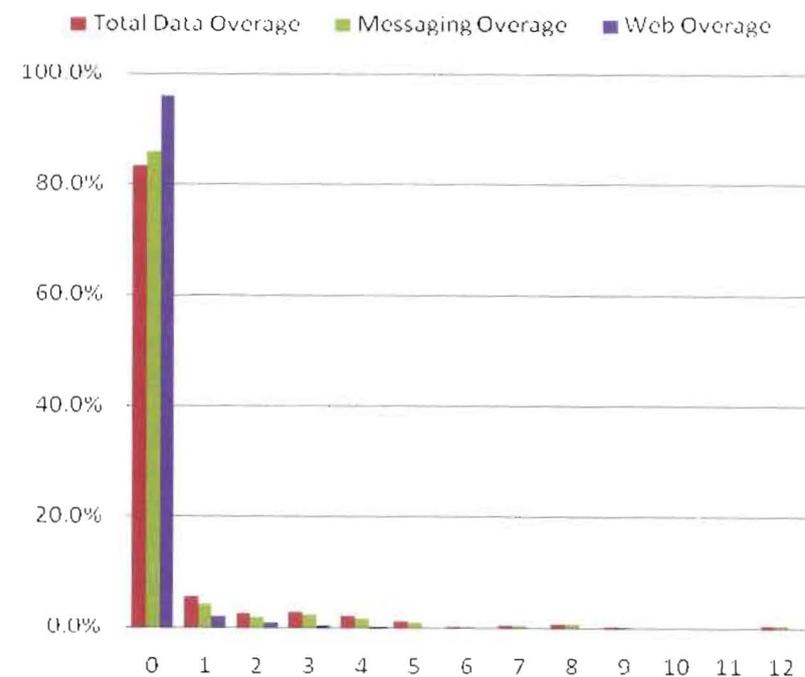
- “Shock,” defined as a disturbance of equilibrium or permanence, occurs when a rare event hits the customer and significantly alters their bill. Bill “shock” does not occur when a customer periodically or even regularly goes into overage and it de facto becomes part of their recurring payment.
- Less than 3.5 million Americans experience their bill roughly doubling once or twice per year due to overages.
- The more often a consumer goes into overage the higher the overage amount.
- The typical consumer who accidentally goes into overage pays \$18 to \$21 for voice overages and \$2 to \$4 for data overages, while generally enjoying the lowest rates for voice and data in the industrialized world.

Connectivity overages stay constant the more often a consumer goes into overage whereas messaging overage steadily increase

Components of Recurring Data Overage Charges



Penetration of Recurring Data Overages

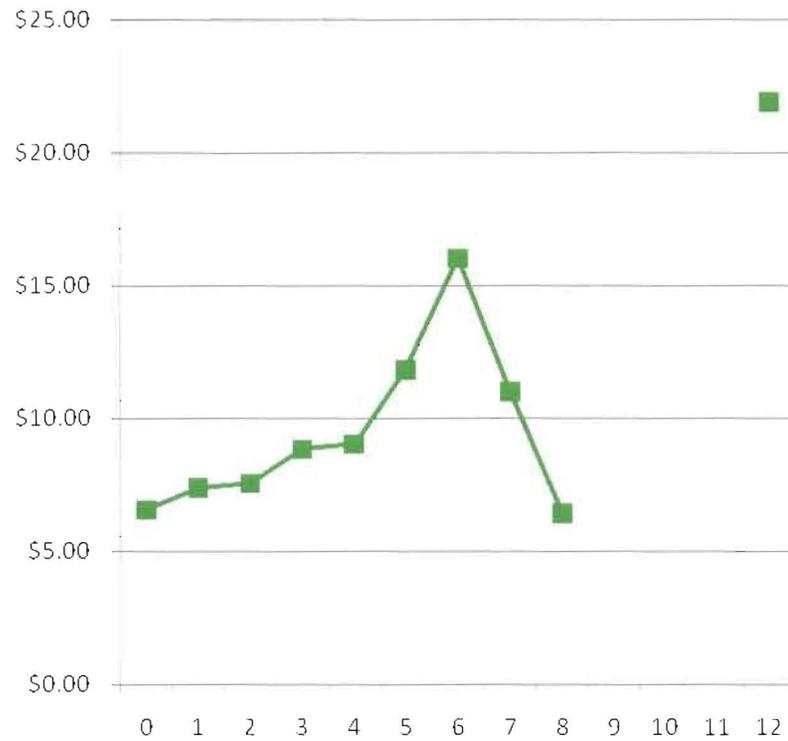


Regardless of overage occurrences, web overages remain below \$, while texting overages increase

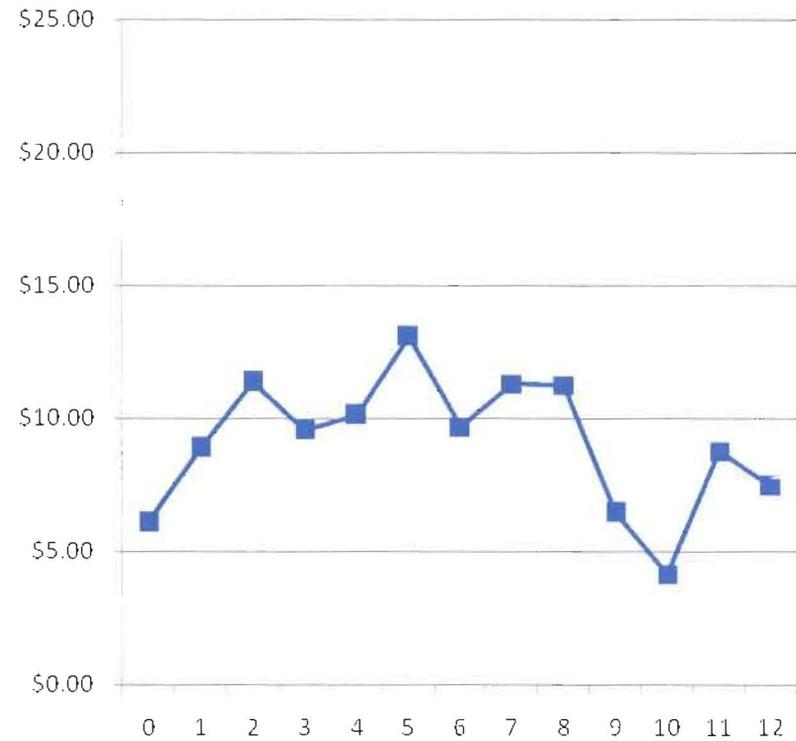
Occurrences	Total Data Overage	Messaging Overage	Web Overage	Pen. Total Data Overage	Pen. Messaging Overage	Pen. Web Overage	N
0	\$0.00	\$0.00	\$0.00	83.3%	86.0%	96.0%	65706
1	\$0.78	\$0.56	\$0.22	5.5%	4.4%	2.1%	4163
2	\$1.29	\$0.94	\$0.36	2.6%	2.0%	0.9%	1869
3	\$2.34	\$1.92	\$0.42	2.8%	2.4%	0.5%	2007
4	\$3.02	\$2.55	\$0.47	2.2%	1.8%	0.3%	1514
5	\$3.86	\$3.48	\$0.38	1.0%	0.9%	0.0%	715
6	\$5.48	\$4.65	\$0.83	0.4%	0.3%	0.0%	243
7	\$4.72	\$4.28	\$0.44	0.5%	0.5%	0.0%	355
8	\$6.99	\$6.28	\$0.70	0.7%	0.7%	0.0%	460
9	\$7.07	\$6.49	\$0.58	0.3%	0.3%	0.0%	196
10	\$7.34	\$7.07	\$0.27	0.1%	0.1%	0.0%	78
11	\$5.97	\$5.63	\$0.34	0.1%	0.1%	0.0%	80
12	\$9.98	\$9.11	\$0.87	0.4%	0.4%	0.0%	303

People who incur overages receive larger credits than those who never go into overage

Average Total Credits Given by Voice Overage Incidents



Average Total Credits Given by Data Overage Incidents



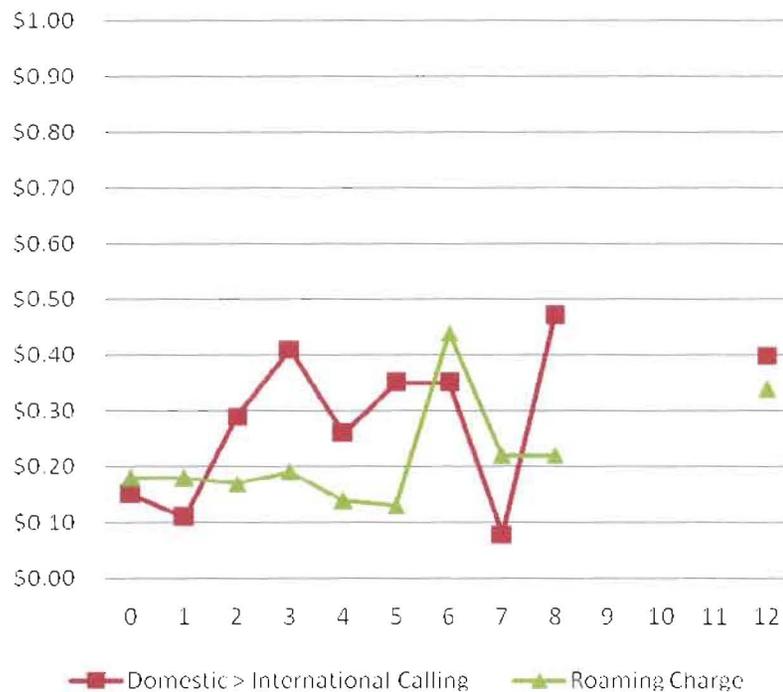
Consumers who go into data or voice overage receive approximately the same amount as credit

Voice Overages	Credit	N
0	\$6.54	68697
1	\$7.38	3540
2	\$7.54	1664
3	\$8.84	1734
4	\$9.02	1111
5	\$11.82	371
6	\$16.03	160
7	\$11.00	109
8	\$6.42	178
9^	\$2.62	37
10^	\$18.97	18
11^	\$0.69	5
12	\$21.94	65

Data Overages	Credit	N
0	\$6.13	65706
1	\$8.92	4163
2	\$11.41	1869
3	\$9.58	2007
4	\$10.16	1514
5	\$13.11	715
6	\$9.71	243
7	\$11.34	355
8	\$11.29	460
9	\$6.49	196
10	\$4.20	78
11	\$8.81	80
12	\$7.49	303

Domestic and international roaming combined with internationally calling are an insignificant factor on wireless phone bills for vast majority of Americans

International & Roaming Charges by Voice Overage*



Voice Overage Occurrences	Domestic > International Calling	Roaming Charge	N
0	\$0.15	\$0.18	68697
1	\$0.11	\$0.18	3540
2	\$0.29	\$0.17	1664
3	\$0.41	\$0.19	1734
4	\$0.26	\$0.14	1111
5	\$0.35	\$0.13	371
6	\$0.35	\$0.44	160
7	\$0.08	\$0.22	109
8	\$0.47	\$0.22	178
9^	\$0.04	\$0.00	37
10^	\$0.14	\$0.09	18
11^	\$0.06	\$0.00	5
12	\$0.40	\$0.34	65

*Nielsen does not classify non-package transactional calls as overage