NII Holdings, Inc. Q2 2017 Earnings Presentation

August 9, 2017

Use of Non-GAAP Financial Measures

This presentation includes certain financial information that is calculated and presented on the basis of methodologies that are not in accordance with U.S. Generally Accepted Accounting Principles, or GAAP. Management, as well as certain investors, use these non-GAAP financial measures to evaluate NII Holdings' current and future financial performance. The non-GAAP financial measures included in this presentation do not replace the presentation of NII Holdings' GAAP financial results. These measurements provide supplemental information to assist investors in analyzing NII Holdings' financial position and results of operations. NII Holdings has chosen to provide this information to investors to enable them to perform meaningful comparisons of past, present and future operating results and as a means to emphasize the results of core on-going operations. Reconciliations of the non-GAAP financial measures provided in this presentation to the most directly comparable GAAP measures can be found in the appendix of this presentation and on NII Holdings' Investor Relations link, at nii.com.

Safe harbor statement under the Private Securities Litigation Reform Act of 1995

This presentation includes “forward-looking statements” within the meaning of the securities laws. The statements regarding the business and economic outlook, future performance, modifications to loan agreements, the completion of AINMT’s second investment and guidance, as well as other statements that are not historical facts, are forward-looking statements. Forward-looking statements are estimates and projections reflecting management's judgment based on currently available information and involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. With respect to these forward-looking statements, management has made assumptions regarding, among other things, the Company’s ability to fund the business and meet its business plans, customer growth and retention, pricing, network usage, operating costs, the timing of various events, the economic and regulatory environment and the foreign currency exchange rates that will prevail during 2017. Future performance cannot be assured and actual results may differ materially from those in the forward-looking statements. Some factors that could cause actual results to differ include the risks and uncertainties relating to: the impact of liquidity constraints, including the inability to access escrowed and pledged funds when expected, our ability to reach agreement with lenders on amendments to the terms of our financing arrangements, a decision by AINMT not to exercise its option, failing to meet the closing conditions necessary to complete AINMT’s investment, the impact of more intense competitive conditions and changes in economic conditions in Brazil, the performance of the Company’s networks, the Company’s ability to provide services that customers want or need, the ability of the Company to continue as a going concern, the Company’s ability to execute its business plan, and the additional risks and uncertainties that are described in NII Holdings' Annual Report on Form 10-K for the year ended December 31, 2016 and Quarterly Report on Form 10-Q for the period ended June 30, 2017, as well as in other reports filed from time to time by NII Holdings with the Securities and Exchange Commission. The tables below speak only as of their date, and NII Holdings disclaims any duty to update the information herein.

Contents

- **Earnings Overview**
- Subscriber Overview

Q2'17 Earnings Overview

On the top line, operating revenue was $225M, down $26M compared to Q1’17 primarily due to lower iDEN operating revenues and discount offers to retain 3G customers

Operating expenses came down $16M compared to Q1’17 due to a reduction in cost of revenues, promotional advertising and commissions

In local currency, Nextel Brazil reported adjusted OIBDA of R$11M in Q2’17, a decrease of R$28M compared to Q1’17 due to lower revenues, partially offset by a R$37M reduction in expenses

We ended the quarter with a subscriber base of 3.43M, down 4% from Q1’17

- 3G/LTE subscribers represent 84% of the base at 2.87M, up from 81% in Q1’17
- 3G/LTE Net Losses of 29K in Q2’17 due to the introduction of more aggressive offers from competitors

Total liquidity was up $69M from Q1’17 due to $42M recovered from the release of performance bonds and $50M recovered from escrow, partially offset by $19M of interest

We ended the quarter with $282M of cash and short term investments and $114M of restricted cash held in escrow

We are focused on protecting our subscriber and revenue base while operating our business in a prudent manner to reduce costs and preserve our liquidity

Consolidated Q2'17 Results

$m	Q2'17	Q1'17	% Change B/(W)	Q2'17 % Rev	Q2'16	% Change B/(W)
Operating revenue	225	251	(10%)	100%	249	(10%)
Cost of revenue	101	111	9%	45%	99	(2%)
General and administrative expenses	106	107	1%	47%	108	2%
Selling and marketing expenses	23	27	14%	10%	28	16%
Consolidated Adjusted OIBDA (Loss)	**(5)**	**5**	**(205%)**	**(2%)**	**14**	**(137%)**
Service ARPU	*19*	*21*	*(6%)*	*nm*	*19*	*4%*
Total ARPU	*21*	*22*	*(7%)*	*nm*	*21*	*1%*
CCPU	*19*	*20*	*4%*	*nm*	*17*	*(10%)*
CPGA	*103*	*84*	*(23%)*	*nm*	*99*	*(4%)*
Average FX Rate (Real)	*3.2*	*3.1*	*(2%)*	*nm*	*3.5*	*8%*

nm = Not Meaningful

Key points

- Lower selling and marketing expenses in Q2'17 due to lower advertising and commissions
- Consolidated Adjusted OIBDA decrease of $10M compared to Q1'17 due primarily to lower iDEN revenues

Brazil Q2'17 Results in Local Currency

R$m	Q2'17	Q1'17	% Change B/(W)	Q2'17 % Rev	Q2'16	% Change B/(W)
Operating revenue	723	789	(8%)	100%	874	(17%)
Cost of revenue	323	350	8%	45%	348	7%
General and administrative expenses	314	314	0%	43%	344	9%
Selling and marketing expenses	75	85	12%	10%	98	23%
Adjusted OIBDA	**11**	**39**	**(71%)**	**2%**	**84**	**(87%)**
Service ARPU	*62*	*65*	*(4%)*	*nm*	*66*	*(5%)*
Total ARPU	*67*	*71*	*(5%)*	*nm*	*72*	*(7%)*
CCPU	*57*	*59*	*3%*	*nm*	*56*	*(1%)*
CPGA	*331*	*264*	*(25%)*	*nm*	*349*	*5%*

nm = Not Meaningful

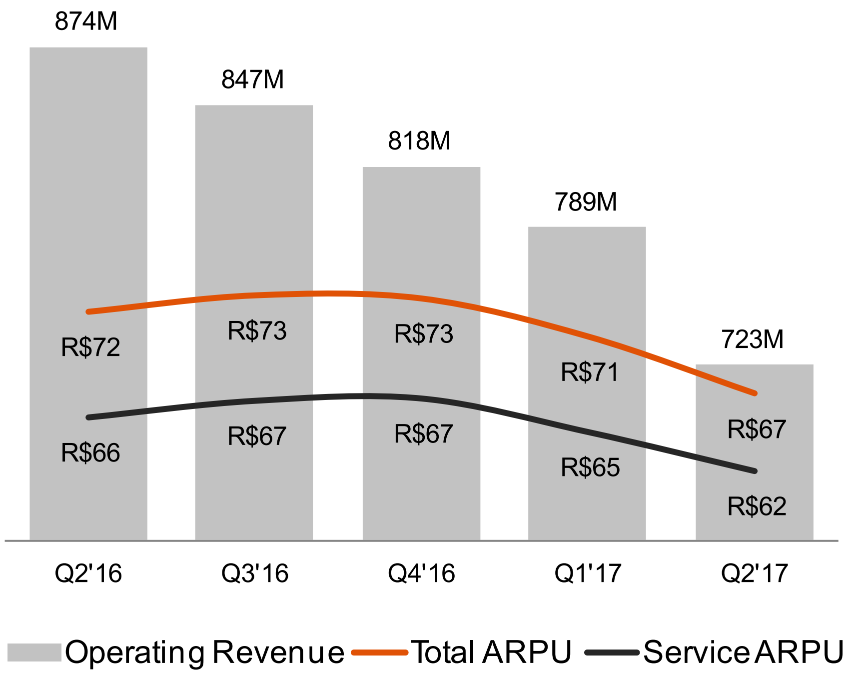
Key points

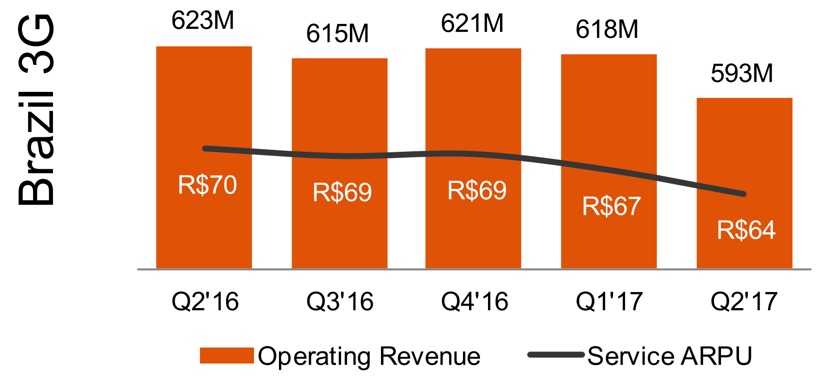
In Q2'17, revenues declined from Q1'17 due to a smaller subscriber base and an increase in retention credits given to 3G customers

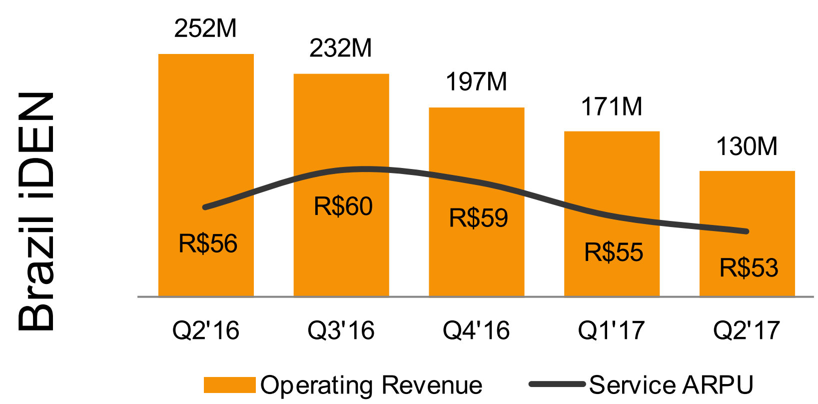
Adjusted OIBDA in Q2'17 was R$11M, down from Q1'17 due to lower revenue, offset slightly by 5% reduction in expenses

Q2'17 Brazil Operating Revenue in Local Currency

Brazil Operating Revenue and Total ARPU
(Operating Revenue in millions R$)







Segment Earnings* Trend

Brazil Segment Earnings Trend
(in millions $)

	Q2'16	Q3'16	Q4'16	Q1'17	Q2'17
Operating Revenue	249	261	248	251	225
Cost of Revenue	99	102	100	111	101
General and administrative expenses	98	104	105	100	98
Selling and marketing expenses	28	30	36	27	23
Brazil Segment Earnings	24 **	24	8	12	**3**

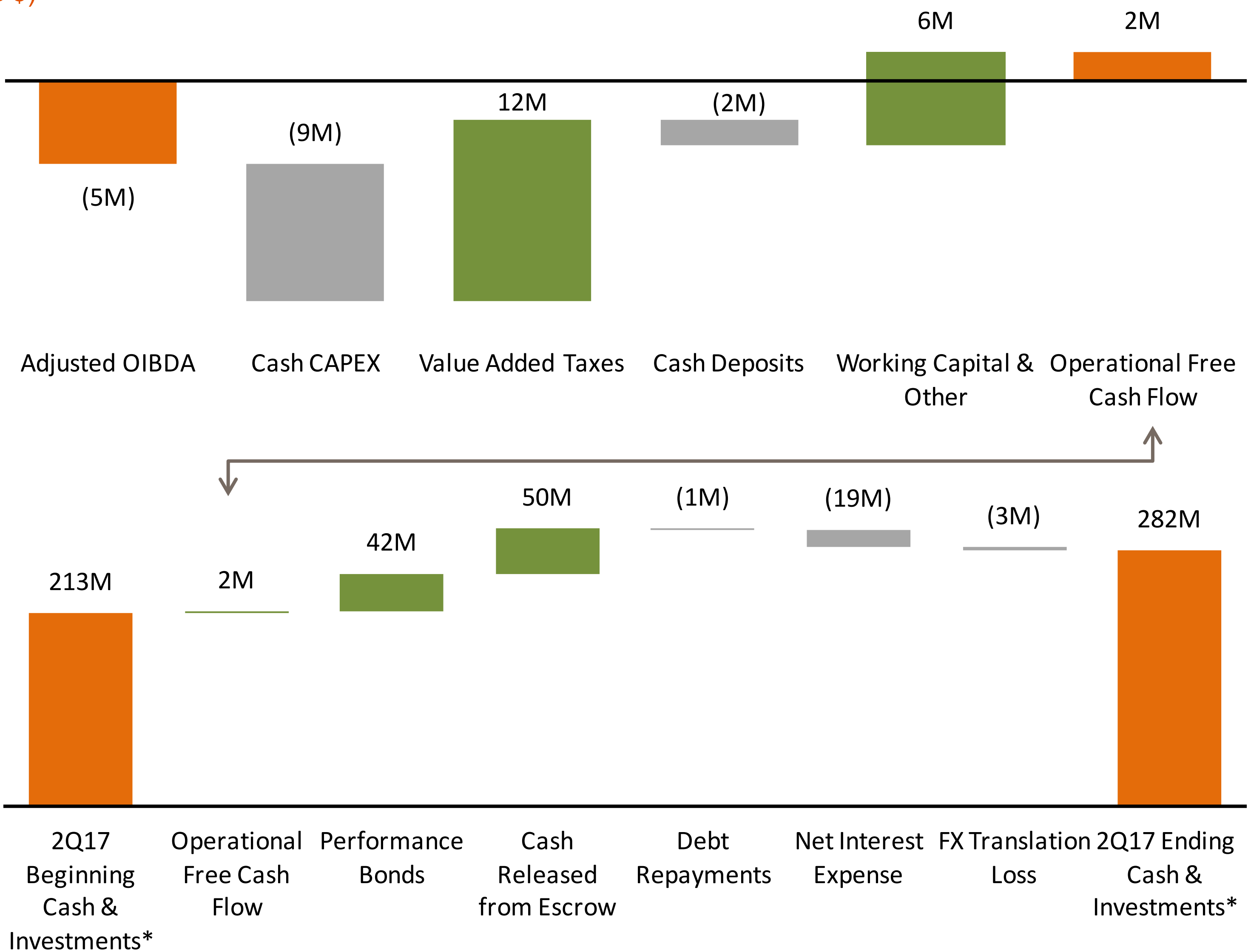
HQ Segment Earnings Trend***
(in millions $)

	Q2'16	Q3'16	Q4'16	Q1'17	Q2'17
Operating Revenue	-	-	-	-	-
Cost of Revenue	-	-	-	-	-
General and administrative expenses	10	8	7	7	8
Selling and marketing expenses	-	-	-	-	-
HQ Segment Loss****	(10)	(8)	(7)	(7)	**(8)**

**Segment earnings is defined as operating income before depreciation, amortization, impairment, restructuring costs and other*
***Excludes $8M for a one-time benefit resulting from the reversal of a tax contingency reported as a reduction to cost of revenue*
****Includes the impact of intercompany eliminations and discontinued operations*
*****Q2'17 HQ Segment Loss $1M higher than Q1'17 due to higher outside service expenses*

Q2'17 Liquidity Results

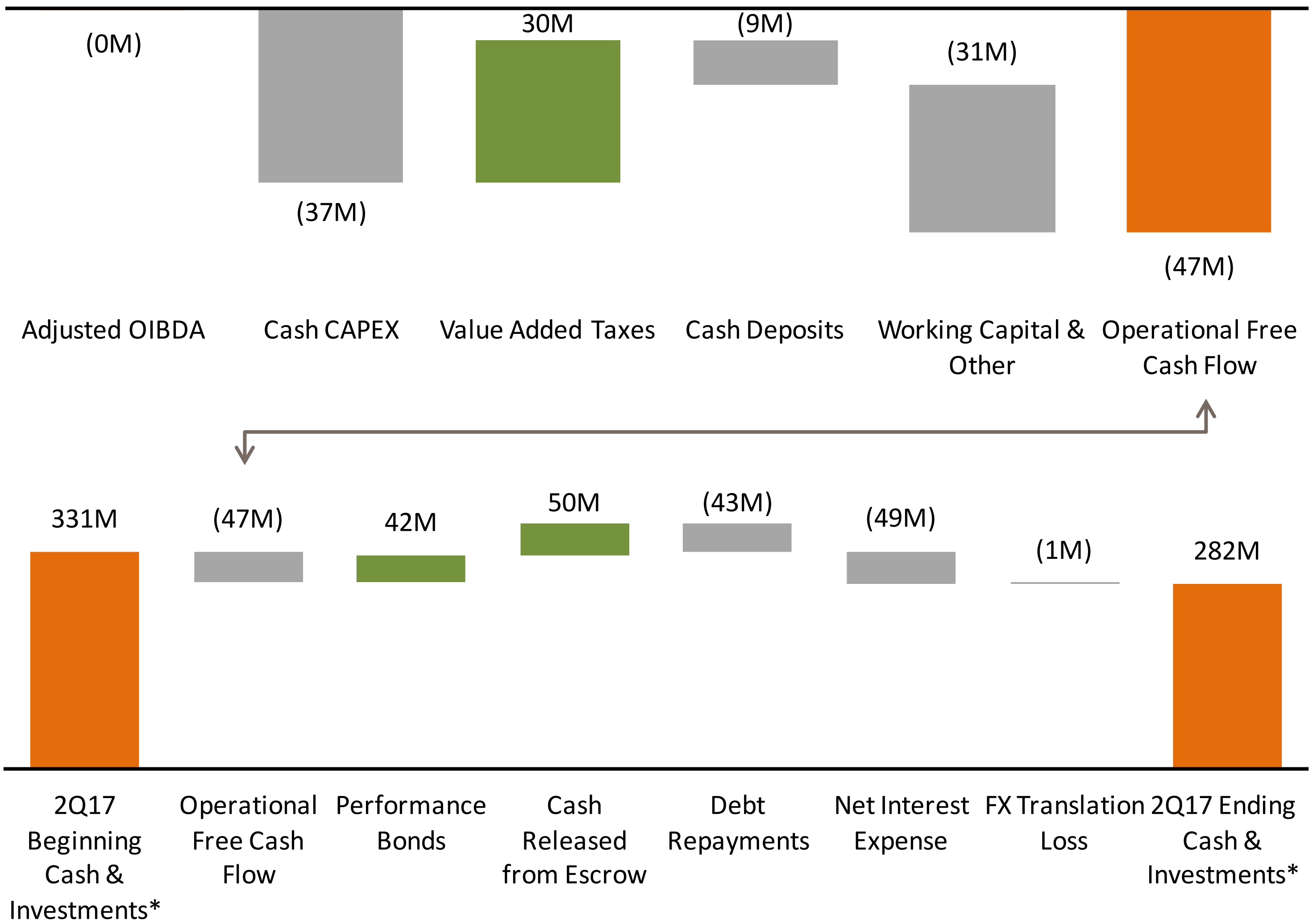
(in millions $)



*Excludes $114 million related to the Nextel Mexico escrow

Q2'17 Year to Date Liquidity Results

(in millions $)



*Excludes $114 million related to the Nextel Mexico escrow

Strategic Priorities

Our current plan is to operate within our means while remaining competitive in the marketplace

- Focused on expanding our target market while implementing cost reduction strategies to lower CCPU for improved profitability
- Continuing to utilize our bring your own device (BYOD) strategy to keep CPGA at manageable levels
- Continuing to transition activities from our corporate headquarters to Nextel Brazil to reduce costs

We are also executing on capital structure and strategic solutions

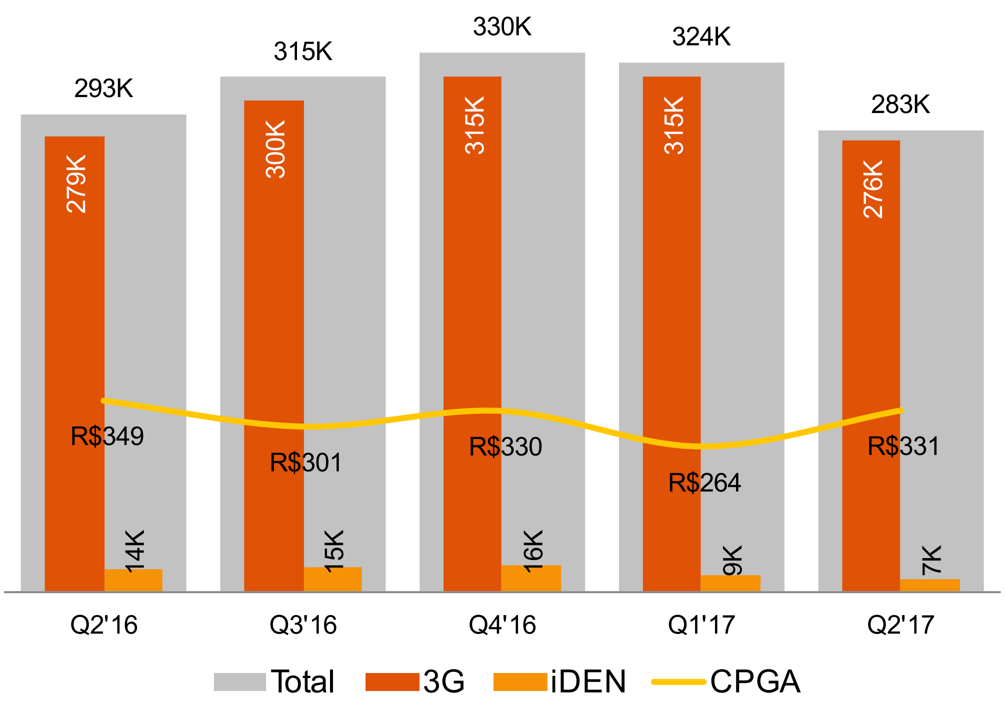
- We extended our standstill agreements with our local lenders to defer monthly principal repayments until October 31
- We reached preliminary non-binding agreements with our bank lenders on key terms for loan amendments that will provide four years of amortization relief and several years of covenant relief (execution of the non-binding term sheets and related amendments are subject to bank approvals)
- Completed phase 1 of partnership agreement with AINMT under which they invested $50M in capital for a 30% stake of Nextel Brazil
  - Working on completing the conditions to close AINMT's second investment, which if AINMT elects to proceed, would result in another $150 million for an additional 30% stake

Our goal is to profitably grow our 3G base and preserve our liquidity while we execute on capital structure and strategic solutions.

Contents

Brazil Gross Add Overview

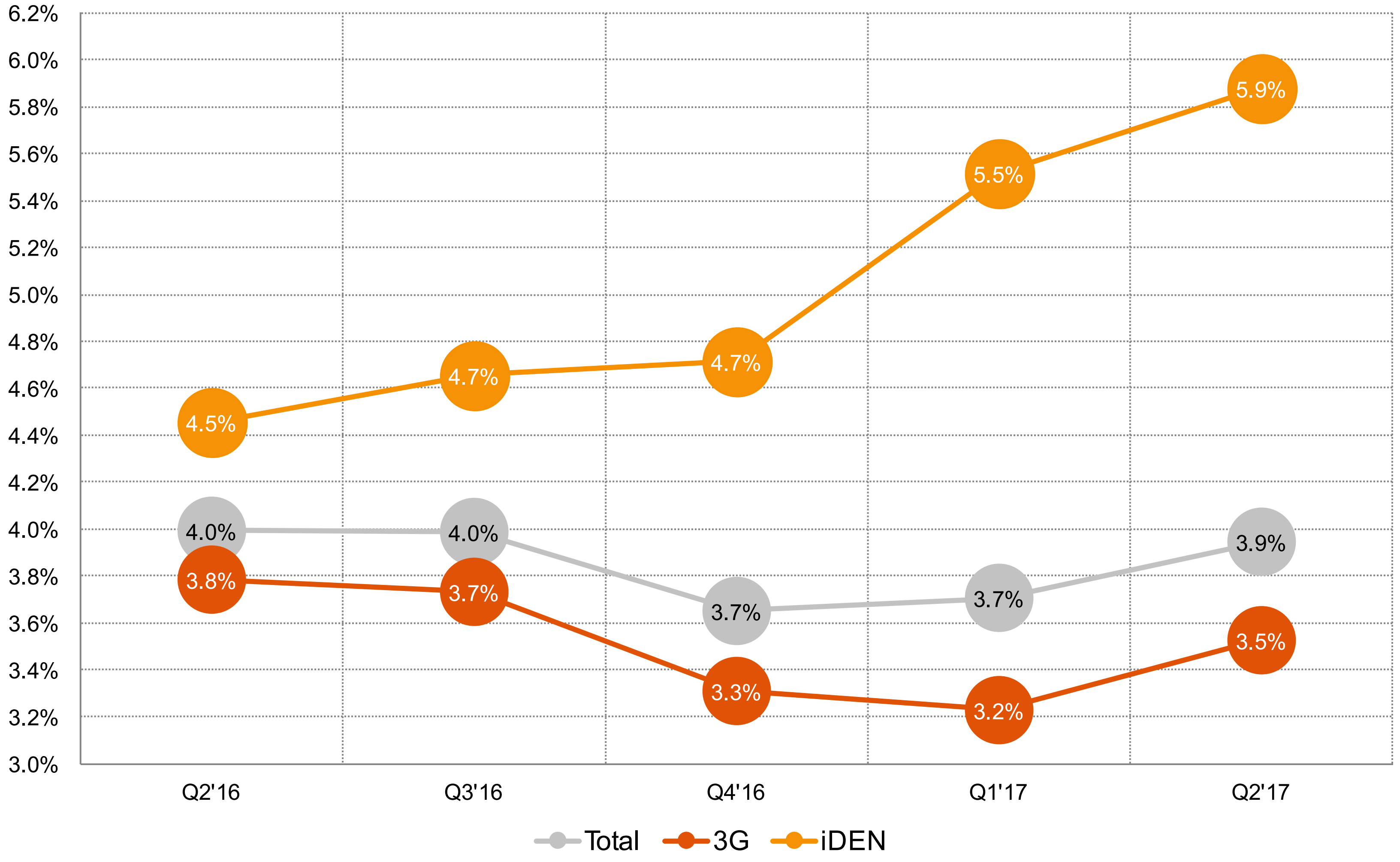
Brazil Gross Adds by Technology
(CPGA in R$)



Q2'17 Key Points

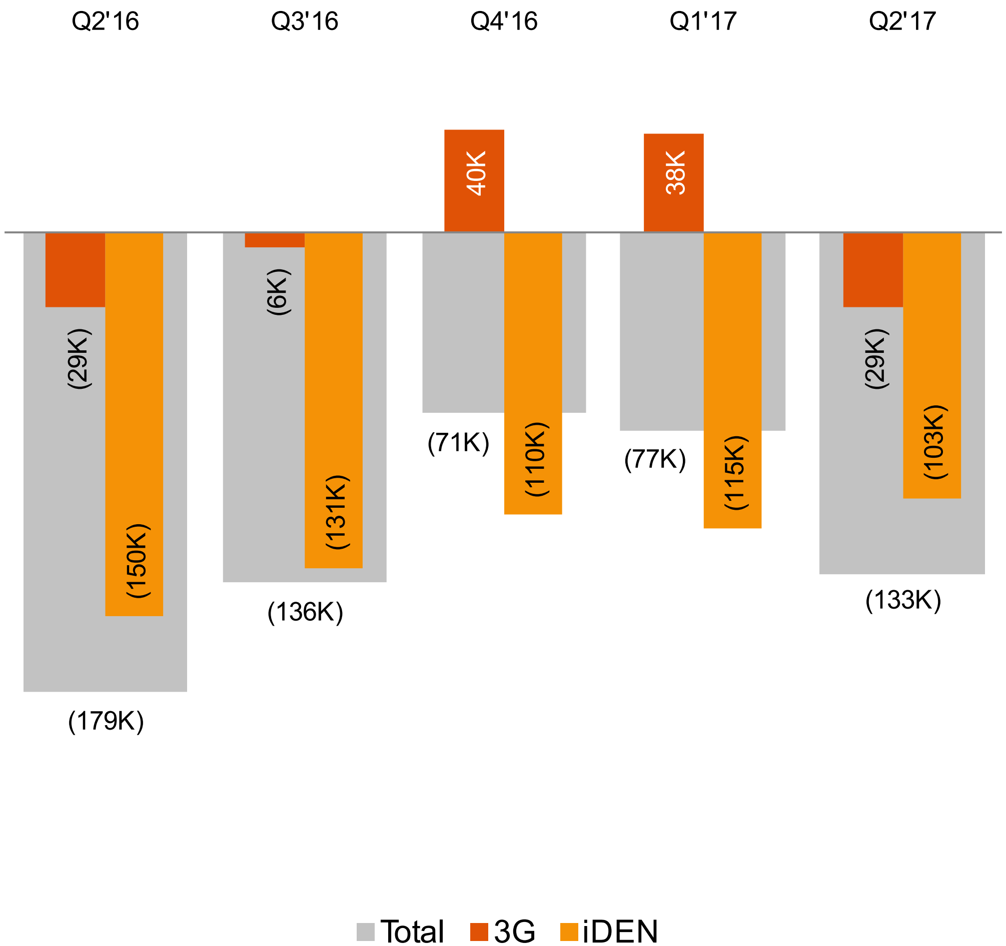
- Total gross adds decreased over Q1'17 due to aggressive competitive offers
- Decreased utilization of some sales channels which do not meet customer quality standards
- CPGA in line with prior trend excluding R$17M in one time benefits in Q1'17

Brazil Churn Overview



Brazil Net Adds Overview

Brazil Net Adds by Technology



Q2'17 Key Points

- 3G net adds become negative after two quarters of positive momentum driven by:
  - Increased competition
  - Decreased utilization of sales channels that have resulted in higher than expected churn
  - Retention policy changes
- Continuing with a targeted retention approach focused on keeping only the best customers
- Focus remains on expanding our target market

Brazil Quarterly Subscriber Overview

In thousands (except churn)	Q2'17	Q1'17	Q2'16	% Change B/(W) vs Q1'17	% Change B/(W) vs Q2'16
3G					
Gross Adds	276	315	279	(12%)	(1%)
Churn	3.5%	3.2%	3.8%	(30bps)	26bps
Net Adds (Losses)	(29)	38	(29)	(176%)	(1%)
Migrations from iDEN	19	21	38	(7%)	(48%)
Ending Subscribers	**2,865**	**2,875**	**2,717**	**(0%)**	**5%**
iDEN					
Gross Adds	7	9	14	(26%)	(48%)
Churn	5.9%	5.5%	4.5%	(36bps)	(142bps)
Net Losses	(103)	(115)	(150)	10%	31%
Migrations to 3G	(19)	(21)	(38)	7%	48%
Ending Subscribers	**563**	**686**	**1,128**	**(18%)**	**(50%)**
Total					
Gross Adds	283	324	293	(13%)	(3%)
Churn	3.9%	3.7%	4.0%	(24bps)	5bps
Net Losses	(133)	(77)	(179)	(73%)	26%
Ending Subscribers	**3,428**	**3,561**	**3,845**	**(4%)**	**(11%)**

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Non-GAAP Reconciliations

NII Holdings, Inc.
Reconciliations of Non-GAAP Financial Measures for 2017

The tables below include financial information prepared in accordance with accounting principles generally accepted in the United States, or GAAP, as well as other financial measures referred to as non-GAAP financial measures. These non-GAAP financial measures should be considered in addition to, but not as a substitute for, the information prepared in accordance with GAAP.

(1) Consolidated operating income before depreciation and amortization, or OIBDA, represents operating income before depreciation and amortization expense. Consolidated adjusted operating income before depreciation and amortization, or adjusted OIBDA, represents consolidated operating income before depreciation expense, amortization expense, material non-cash asset impairments, severance costs associated with publicly announced restructuring plans and other material non-recurring or unusual charges. Consolidated adjusted OIBDA margin represents adjusted OIBDA divided by total operating revenues and consolidated OIBDA margin represents OIBDA divided by total operating revenues. Consolidated OIBDA, consolidated adjusted OIBDA, consolidated OIBDA margin and consolidated adjusted OIBDA margin are not measurements under accounting principles generally accepted in the United States, may not be similar to consolidated OIBDA, consolidated adjusted OIBDA, consolidated OIBDA margin and consolidated adjusted OIBDA margin measures of other companies and should be considered in addition to, but not as substitutes for, the information contained in our statements of operations. We believe that consolidated OIBDA, consolidated adjusted OIBDA, consolidated OIBDA margin and consolidated adjusted OIBDA margin provide useful information to investors because they are indicators of our operating performance, especially in a capital intensive industry such as ours, since they exclude items that are not directly attributable to ongoing business operations. Consolidated OIBDA, consolidated adjusted OIBDA, consolidated OIBDA margin and consolidated adjusted OIBDA margin can be reconciled to our consolidated statements of operations as follows (in thousands, except for margins):

a. Consolidated

	For the Three Months Ended June 30, 2016	For the Three Months Ended September 30, 2016	For the Three Months Ended December 31, 2016	For the Three Months Ended March 31, 2017	For the Three Months Ended June 30, 2017
			(US$)		
Consolidated operating loss	$ (28,751)	$(1,386,696)	$ (57,318)	$ (79,849)	$ (68,931)
Consolidated depreciation	29,660	66,293	9,366	8,886	5,717
Consolidated amortization	11,054	11,912	3,993	4,139	3,618
Consolidated operating income (loss) before depreciation and amortization	11,963	(1,308,491)	(43,959)	(66,824)	(59,596)
Reversal of accrued tax contingency	(8,133)	-	-	-	-
Asset impairment charges	7,243	1,317,583	23,648	3,559	241
Restructuring charges	3,314	6,622	20,486	68,380	53,994
Consolidated adjusted operating income (loss) before depreciation and amortization	$ 14,387	$15,714	$ 175	$ 5,115	$ (5,361)
Consolidated adjusted operating income (loss) before depreciation and amortization margin	6%	6%	-%	2%	(2)%

(2) Average monthly revenue per subscriber unit in service, or ARPU, is an industry term that measures service revenues, which we refer to as subscriber revenues, per period from our customers divided by the weighted average number of subscriber units in commercial service during that period. ARPU is not a measurement under accounting principles generally accepted in the United States, may not be similar to ARPU measures of other companies and should be considered in addition, but not as a substitute for, the information contained in our statements of operations. We believe that ARPU provides useful information concerning the appeal of our rate plans and service offerings and our performance in attracting and retaining high value customers. Other revenue includes revenues for such services as roaming, handset maintenance, cancellation fees, analog and other. ARPU can be calculated and reconciled to our consolidated statement of operations as follows (in thousands, except ARPU):

a. Consolidated

	For the Three Months Ended June 30, 2016	For the Three Months Ended September 30, 2016	For the Three Months Ended December 31, 2016	For the Three Months Ended March 31, 2017	For the Three Months Ended June 30, 2017
			(US$)		
Digital service and other revenues	$ 243,122	$ 255,663	243,822	243,493	220,079
Less: other revenues	(22,075)	(22,914)	(20,759)	(20,405)	(15,774)
Total subscriber revenues	$ 221,047	$ 232,749	$ 223,063	$ 223,088	$ 204,305
ARPU calculated with subscriber revenues	$ 19	$ 21	$ 20	$ 21	$ 19
ARPU calculated with digital service and other revenues	$ 21	$ 23	$ 22	$ 22	$ 21

b. Nextel Brazil

	For the Three Months Ended June 30, 2016	For the Three Months Ended September 30, 2016	For the Three Months Ended December 31, 2016	For the Three Months Ended March 31, 2017	For the Three Months Ended June 30, 2017
			(US$)		
Digital service and other revenues	$ 243,077	$ 255,625	243,791	243,463	220,050
Less: other revenues	(22,075)	(22,914)	(20,759)	(20,405)	(15,730)
Total subscriber revenues	$ 221,002	$ 232,711	$ 223,032	$ 223,058	$ 204,320
ARPU calculated with subscriber revenues	$ 19	$ 21	$ 20	$ 21	$ 19
ARPU calculated with digital service and other revenues	$ 21	$ 23	$ 22	$ 22	$ 21

	For the Three Months Ended June 30, 2016	For the Three Months Ended September 30, 2016	For the Three Months Ended December 31, 2016	For the Three Months Ended March 31, 2017	For the Three Months Ended June 30, 2017
			(BR R$)		
Digital service and other revenues	R$ 853,040	R$ 829,967	R$ 802,504	R$ 765,179	R$ 707,067
Less: other revenues	(77,630)	(74,380)	(68,368)	(64,169)	(50,500)
Total subscriber revenues	R$ 775,410	R$ 755,587	R$ 734,136	R$ 701,010	R$ 656,567
ARPU calculated with subscriber revenues	R$ 66	R$ 67	R$ 67	R$ 65	R$ 62
ARPU calculated with digital service and other revenues	R$ 72	R$ 73	R$ 73	R$ 71	R$ 67

(3) Cost per gross add, or CPGA, is an industry term that is calculated by dividing our selling, marketing and handset and accessory subsidy costs, excluding costs unrelated to initial customer acquisition, by our new subscribers during the period, or gross adds. CPGA is not a measurement under accounting principles generally accepted in the United States, may not be similar to CPGA measures of other companies and should be considered in addition, but not as a substitute for, the information contained in our statements of operations. We believe CPGA is a measure of the relative cost of customer acquisition. CPGA can be calculated and reconciled to our consolidated statements of operations as follows (in thousands, except CPGA):

a. Consolidated

	For the Three Months Ended June 30, 2016	For the Three Months Ended September 30, 2016	For the Three Months Ended December 31, 2016	For the Three Months Ended March 31, 2017	For the Three Months Ended June 30, 2017
			(US$)		
Handset and accessory revenues	$ 6,091	$ 5,173	$ 4,618	$ 7,462	$ 5,055
Uninsured handset replacement revenue	(44)	(73)	(44)	(43)	(68)
Handset and accessory revenues, net	6,047	5,100	4,574	7,419	4,987
Less: cost of handsets and accessories	8,861	5,780	3,466	8,665	13,042
Handset subsidy costs	2,814	680	(1,108)	1,246	8,055
Selling and marketing	27,998	30,439	36,047	27,184	23,383
Costs per statement of operations	30,812	31,119	34,939	28,430	31,438
Less: costs unrelated to initial customer acquisition	(1,729)	(1,918)	(2,042)	(1,177)	(2,303)
Customer acquisition costs	$ 29,083	$ 29,201	$ 32,897	$ 27,253	$ 29,135
Cost per Gross Add	$ 99	$ 93	$ 100	$ 84	$ 103

b. Nextel Brazil

	For the Three Months Ended June 30, 2016	For the Three Months Ended September 30, 2016	For the Three Months Ended December 31, 2016	For the Three Months Ended March 31, 2017	For the Three Months Ended June 30, 2017
			(US$)		
Handset and accessory revenues	$ 6,091	$ 5,173	$ 4,618	$ 7,462	$ 5,055
Uninsured handset replacement revenue	(44)	(73)	(44)	(43)	(68)
Handset and accessory revenues, net	6,047	5,100	4,574	7,419	4,987
Less: cost of handsets and accessories	8,861	5,780	3,466	8,665	13,042
Handset subsidy costs	2,814	680	(1,108)	1,246	8,055
Selling and marketing	27,982	30,439	36,047	27,184	23,383
Costs per statement of operations	30,796	31,119	34,939	28,430	31,438
Less: costs unrelated to initial customer acquisition	(1,729)	(1,918)	(2,042)	(1,177)	(2,303)
Customer acquisition costs	$ 29,067	$ 29,201	$ 32,897	$ 27,253	$ 29,135
Cost per Gross Add	$ 99	$ 93	$ 100	$ 84	$ 103

	For the Three Months Ended June 30, 2016	For the Three Months Ended September 30, 2016	For the Three Months Ended December 31, 2016	For the Three Months Ended March 31, 2017	For the Three Months Ended June 30, 2017
			(BR R$)		
Handset and accessory revenues	R$ 21,437	R$ 16,792	R$ 15,149	R$ 23,428	R$ 16,268
Uninsured handset replacement revenue	(154)	(237)	(144)	(134)	(219)
Handset and accessory revenues, net	21,283	16,555	15,005	23,294	16,049
Less: cost of handsets and accessories	31,507	18,785	11,459	27,161	41,986
Handset subsidy costs	10,224	2,230	(3,546)	3,867	25,937
Selling and marketing	97,871	98,806	119,194	85,412	75,027
Costs per statement of operations	108,095	101,036	115,648	89,279	100,964
Less: costs unrelated to initial customer acquisition	(6,071)	(6,224)	(6,723)	(3,699)	(7,437)
Customer acquisition costs	R$ 102,024	R$ 94,812	R$ 108,925	R$ 85,580	R$ 93,527
Cost per Gross Add	R$ 349	R$ 301	R$ 330	R$ 264	R$ 331

(4) Cash cost per handset/user, or CCPU, represents the sum of cost of service, general and administrative expenses and customer retention and other costs divided by average handsets in service during the period and divided by the number of months in the period. CCPU is not a measurement under accounting principles generally accepted in the United States, may not be similar to CCPU measures of other companies and should not be considered in addition to, but not as a substitute for, the information contained in our statements of operations. We believe CCPU is a measure of the recurring costs we incur on a monthly basis to provide service to our subscribers. Consolidated CCPU can be reconciled to our consolidated statements of operations as follows (in thousands, except CCPU):

a. Consolidated

	For the Three Months Ended June 30, 2016	For the Three Months Ended September 30, 2016	For the Three Months Ended December 31, 2016	For the Three Months Ended March 31, 2017	For the Three Months Ended June 30, 2017
			(US$)		
Selling, general and administrative expenses	$ 135,922	$ 142,815	$ 148,612	$ 134,466	$ 129,612
Less: selling and marketing expenses	(27,997)	(30,439)	(36,047)	(27,184)	(23,384)
General and administrative expenses	107,925	112,376	112,565	107,282	106,228
Cost of service	90,043	96,526	96,188	102,708	87,842
Customer retention costs and other	1,729	1,918	2,042	1,177	2,303
Total	$ 199,697	$ 210,820	$ 210,795	$ 211,167	$ 196,373
Cash Cost per User	$ 17	$ 19	$ 19	$ 20	$ 19

b. Brazil

	For the Three Months Ended June 30, 2016	For the Three Months Ended September 30, 2016	For the Three Months Ended December 31, 2016	For the Three Months Ended March 31, 2017	For the Three Months Ended June 30, 2017
	(US$)				
Selling, general and administrative expenses	$ 126,142	$ 134,855	$ 141,221	$ 127,179	$ 121,142
Less: selling and marketing expenses	(27,982)	(30,439)	(36,047)	(27,184)	(23,384)
General and administrative expenses	98,160	104,416	105,174	99,995	97,758
Cost of service	90,043	96,526	96,188	102,708	87,842
Customer retention costs and other	1,729	1,918	2,042	1,177	2,303
Total	$ 189,932	$ 202,860	$ 203,404	$ 203,880	$ 187,903
Cash Cost per User	$ 16	$ 18	$ 19	$ 19	$ 18

	For the Three Months Ended June 30, 2016	For the Three Months Ended September 30, 2016	For the Three Months Ended December 31, 2016	For the Three Months Ended March 31, 2017	For the Three Months Ended June 30, 2017
	(BR R$)				
Selling, general and administrative expenses	R$ 442,275	R$ 437,988	R$ 465,066	R$ 399,575	R$ 388,695
Less: selling and marketing expenses	(97,871)	(98,806)	(119,194)	(85,412)	(75,027)
General and administrative expenses	344,404	339,182	345,872	314,163	313,668
Cost of service	316,244	313,370	316,586	322,737	281,475
Customer retention costs and other	6,071	6,224	6,723	3,699	7,437
Total	R$ 666,719	R$ 658,776	R$ 669,181	R$ 640,599	R$ 602,580
Cash Cost per User	R$ 56	R$ 58	R$ 61	R$ 59	R$ 57

(5) The following table shows the impact of changes in foreign currency exchange rates on certain financial measures for the three and six months ended June 30, 2016 compared to the same periods in 2017 by (i) adjusting the relevant measures for the three and six months ended June 30, 2016 to levels that would have resulted if the average foreign currency exchange rates for the three and six months ended June 30, 2016 were the same as the average foreign currency exchange rates that were in effect for the three and six months ended June 30, 2017; and (ii) comparing the actual and adjusted financial measures for the three and six months ended June 30, 2016 to the similar financial measures for the three and six months ended June 30, 2017 to show the percentage change in those measures before and after taking those adjustments into account. The amounts reflected in the following table for operating income before depreciation and amortization on a consolidated basis and segment earnings for Nextel Brazil, before the adjustments for changes in foreign currency exchange rates, are based on the calculations contained elsewhere in these non-GAAP reconciliations for the three and six months ended June 30, 2017 and 2016. The average foreign currency exchange rates for each of the relevant currencies during each of the three and six months ended June 30, 2017 and 2016 are included in the notes to the table below. The information reflected in the following table is not a measurement under accounting principles generally accepted in the United States and should be considered in addition to, but not as a substitute for, the information contained in our statements of operations. We believe that these calculations provide useful information concerning our relative performance for the three and six months ended June 30, 2017 compared to the same periods in 2016 by removing the impact of the significant difference in the average foreign currency exchange rates in effect for those periods.

	Three Months Ended June 30,					
	2Q 2016 Actual	2Q 2016 Adjustment (1)	2Q 2016 Normalized (1)	2Q 2017 Actual	2Q 2016 to 2Q 2017 Actual B(W) Growth (2)	2Q 2016 to 2Q 2017 Normalized B(W) Growth (3)
	(dollars in thousands)					
Consolidated:						
Operating revenues	$249,213	$23,287	$272,500	$225,134	(10)%	(17)%
Adjusted operating income (loss) before depreciation and amortization	14,387	2,254	16,641	(5,361)	(137)%	(132)%
Nextel Brazil:						
Operating revenues	$249,168	$23,287	$272,455	$225,105	(10)%	(17)%
Adjusted operating income before depreciation and amortization	24,123	2,254	26,377	3,080	(87)%	(88)%

	Six Months Ended June 30,					
	YTD 2016 Actual	YTD 2016 Adjustment (1)	YTD 2016 Normalized (1)	YTD 2017 Actual	YTD 2016 to YTD 2017 Actual B(W) Growth (2)	YTD 2016 to YTD 2017 Normalized B(W) Growth (3)
	(dollars in thousands)					
Consolidated:						
Operating revenues	$475,770	$81,029	$556,799	$476,089	—	(14)%
Adjusted operating income (loss) before depreciation and amortization	6,343	4,750	11,093	(246)	(104)%	(102)%
Nextel Brazil:						
Operating revenues	$475,671	$81,029	$556,700	$476,030	—	(14)%
Adjusted operating income before depreciation and amortization	27,883	4,750	32,633	15,453	(45)%	(53)%

(1) The "2Q 2016 Normalized" and "YTD 2016 Normalized" amounts reflect the impact of applying the average foreign currency exchange rates for the three and six months ended June 30, 2017 to the operating revenues earned in foreign currencies and to the other components of each of the actual financial measures shown above for the three and six months ended June 30, 2016, other than certain components of those measures consisting of U.S. dollar-based operating expenses, which were not adjusted. The amounts included under the columns "2Q 2016 Normalized" and "YTD 2016 Normalized" reflect the amount determined by adding the "2Q 2016 Adjustment" and "YTD 2016 Adjustment" amounts calculated as described in the preceding sentence to the "2Q 2016 Actual" and "YTD 2016 Actual" amounts and reflect the impact of the year-over-year change in the average foreign currency exchange rates on each of the financial measures for the three and six months ended June 30, 2017. The average foreign currency exchange rates for each of the relevant currencies during the three and six months ended June 30, 2017 and 2016 for purposes of these calculations were as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2017	**2016**	**2017**	**2016**
Brazilian real	3.21	3.51	3.17	3.71

(1) The percentage amounts in these columns reflect the growth rates for each of the financial measures comparing the amounts in the "2Q 2017 Actual" and "YTD 2017 Actual" columns with those in the "2Q 2016 Actual" and "YTD 2016 Actual" columns.

(2) The percentage amounts in these columns reflect the growth rates for each of the financial measures comparing the amounts in the "2Q 2017 Actual" and "YTD 2017 Actual" columns with those in the "2Q 2016 Normalized" and "YTD 2016 Normalized" columns.

(6) Operational free cash burn is an industry term that represents all of the Company's cash spending, with the exception of payments related to debt principal and interest, cash returned from escrow in connection with the sale of Nextel Mexico and cash recovered from certain performance bonds relating to the Company's obligations to deploy its WCDMA spectrum in Brazil. Operational free cash burn is not derived from or based on any measurement under accounting principles generally accepted in the United States but is instead calculated through the Company's cash forecasting process. For this reason, we believe that it would require unreasonable efforts to provide a quantitative reconciliation of this term.