

NII and AINMT: A partnership to invest in Nextel Brazil's growth

NII Holdings, Inc.

June 2017



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 in this presentation regarding the partnership in Nextel Brazil, including the successful completion of the proposed investment, the ownership of each of NII and AINMT in the partnership and the cash available to be invested through the partnership in Nextel Brazil, Nextel Brazil’s business and economic outlook, Nextel Brazil’s future performance and forward-looking 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, NII’s ability to complete the proposed transaction including receiving the required regulatory and shareholder approvals and the amount of cash available to NII to invest in the partnership, NII’s ability to modify its loan and other agreements as required to complete the transaction, NII’s ability to 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 consummation of the partnership, the impact of liquidity constraints, including the ability to access escrowed and pledged funds when expected, the ability to reach agreement with lenders on amendments to the terms of Nextel Brazil’s debt, the impact of more intense competitive conditions and changes in economic conditions in Brazil, the performance of Nextel Brazil’s networks, the ability to provide services that customers want or need, the ability of NII to continue as a going concern, NII’s ability to execute its business plan for Nextel Brazil, and the additional risks and uncertainties that are described in NII’s Annual Report on Form 10-K for the year ended December 31, 2016, as well as in other reports filed from time to time by NII with the Securities and Exchange Commission. The information in this presentation speaks only as of the date of this presentation, and NII Holdings disclaims any duty to update the information herein.

AINMT’s obligations to invest in Nextel Brazil are subject to various conditions precedent, some of which are outside its and our control. For the initial \$50 million investment the conditions include (i) AINMT shareholder approval, (ii) contribution to the Company of the assets of NII International Mobile S. à r.l. and confirmation of the tax treatment of the transaction, and (iii) receipt of Brazilian anti-trust approval. In the event AINMT exercises the option to make the subsequent \$150 million investment, the conditions include (i) the restructuring of Nextel Brazil’s bank debt on terms satisfactory to AINMT and NII, (ii) release of certain guarantees granted by NII and substitution by guarantees granted by the Company, (iii) NII stockholder approval and (iv) other customary conditions (including regulatory approval). There can be no assurance that AINMT will elect to make the \$150 million investment, or even if it does, that the closing conditions relating to it (or the initial \$50 million investment) will be satisfied. Our independent accountants expressed substantial doubt as to our ability to continue as a going concern as a result of their review of our 2016 annual financial statements. There can be no assurance that AINMT will complete the contemplated investments or, even if it does, that we will be able to generate cash flow from operations sufficient to fund our obligations.

For a full summary of the transaction, please see our Form 8-K dated June 6, 2017 and the copies of the transaction agreements filed as exhibits to the Form 8-K.

Additional Information And Where To Find It

In the event AINMT exercises the option to invest an additional \$150 million in the Company in the second stage of the transaction, NII Holdings intends to file with the Securities and Exchange Commission (“SEC”) a proxy statement in connection with that contemplated transaction. The definitive proxy statement will be sent to NII’s stockholders and will contain important information about the contemplated transaction. **INVESTORS AND STOCKHOLDERS ARE URGED TO READ CAREFULLY AND IN THEIR ENTIRETY THE PROXY STATEMENT AND ANY OTHER RELEVANT DOCUMENTS FILED WITH THE SEC WHEN THEY BECOME AVAILABLE.** Investors and stockholders may obtain a free copy of the proxy statement (when it is available) and other documents filed with the SEC at the SEC’s website at www.sec.gov.

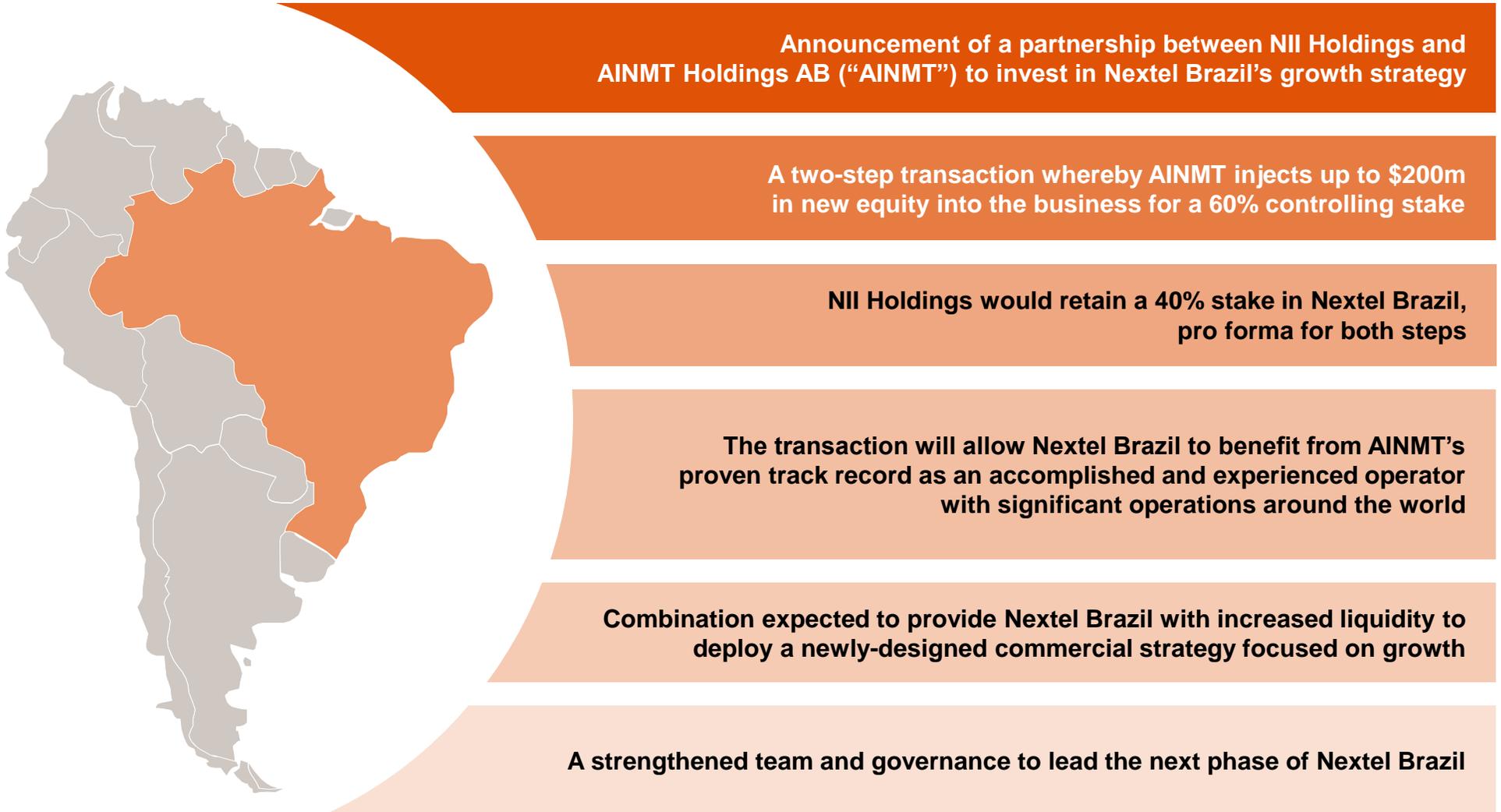
Certain Information Concerning Participants

In the event AINMT exercises the option to invest an additional \$150 million in the Company in the second stage of the transaction, NII and its directors and executive officers may be deemed to be participants in the solicitation of proxies from stockholders of NII in connection with the contemplated transaction. Information about NII’s directors and executive officers is set forth in its proxy statement for its 2017 Annual Meeting of Stockholders and its most recent annual report on Form 10-K. These documents may be obtained for free at the SEC’s website at www.sec.gov. Additional information regarding the interests of participants in the solicitation of proxies in connection with the contemplated transactions will be included in the proxy statement that NII intends to file with the SEC in the event AINMT exercises its option in the second stage of the transaction.

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.

A strategic alliance to boost Nextel Brazil's growth



Investment highlights

Operating assets and customer base

- ✓ **High quality spectrum position:** valuable spectrum portfolio with LTE capabilities in Rio de Janeiro and São Paulo
- ✓ **State-of-the-art network:** newly developed 3G and LTE networks
- ✓ **Valuable subscriber base:** 100% postpaid subscriber base with the highest ARPU in Brazil

Operating team

- ✓ **Fresh perspectives:** addition of AINMT team members with deep knowledge of the telecom industry and history of turnarounds
- ✓ **Strengthened Board:** addition of AINMT officers to the Board of Nextel Holdings S.à r.l.
- ✓ **New leadership:** recently-announced appointment of Roberto Rittes as CEO of Nextel Brazil

Pro forma balance sheet

- ✓ **Fortified balance sheet:** up to \$200m in new equity capital, post AINMT investments
- ✓ **Unlocking “trapped” cash:** upcoming liquidity events with the potential return of the Nextel Mexico escrow and performance bonds
- ✓ **Capital allocation flexibility:** aim to successfully renegotiate terms with lenders to provide greater flexibility for growth plan

Go-to-market approach

- ✓ **Newly designed commercial strategy:** combination of building on our customer-centric approach, and innovation in new data propositions
- ✓ **Focused strategy:** continued focus on our key core market areas (São Paulo and Rio de Janeiro)
- ✓ **Superior value proposition:** enhance the value proposition and subscriber base as part of our 3G/LTE offering



Partnership with AINMT

Overview

The Transaction	<ul style="list-style-type: none">■ Two-step transaction whereby AINMT will invest \$50m with an option to invest an additional \$150m■ AINMT injects capital (for both stages) in Nextel Holdings S.à r.l. (“New LuxCo” or the “Company”), a newly formed Luxembourg-based subsidiary of NII that owns 100% of Nextel Brazil■ NII moves all of its liquidity down to New LuxCo, except for \$50m■ Pro forma for both stages, NII stockholders would own 40% stake in New LuxCo
Transaction Steps	<p>Step 1</p> <ul style="list-style-type: none">■ AINMT invests \$50m for a 30% stake in New LuxCo■ NII invests all freely available cash, except for \$50m, <u>plus</u> any escrow proceeds received⁽¹⁾ <p>Step 2</p> <ul style="list-style-type: none">■ AINMT option to invest \$150m at the same valuation as Step 1■ AINMT may exercise its option by November 15, 2017■ If option is exercised, AINMT must subscribe for Step 2 shares by January 31, 2018
Pro Forma Ownership	<ul style="list-style-type: none">■ Step 1: 70% NII / 30% AINMT■ Step 2: 40% NII / 60% AINMT; NII’s ownership subject to certain indemnity provisions as provided in the Investment Agreement
Conditions to Closing / Timeline	<ul style="list-style-type: none">■ Step 1: Anticipated July 2017 closing■ Step 2: Anticipated Q1 2018 closing■ Closing of Step 2 would be subject to NII stockholders’ approval, amendment of Nextel Brazil’s credit facilities and release and substitution of certain existing guarantees, as well as other customary approvals (regulatory, antitrust, third-party)
Governance and Shareholder Rights	<ul style="list-style-type: none">■ After receipt of regulatory (ANATEL) approval, AINMT will appoint 2 directors and 1 observer to the New LuxCo Board (five-person Board)■ AINMT will have certain minority protective rights if it does not exercise its right to pursue Step 2 and remains a minority shareholder■ NII to have minority protective rights post the closing of Step 2 and 2 directors on the New LuxCo Board

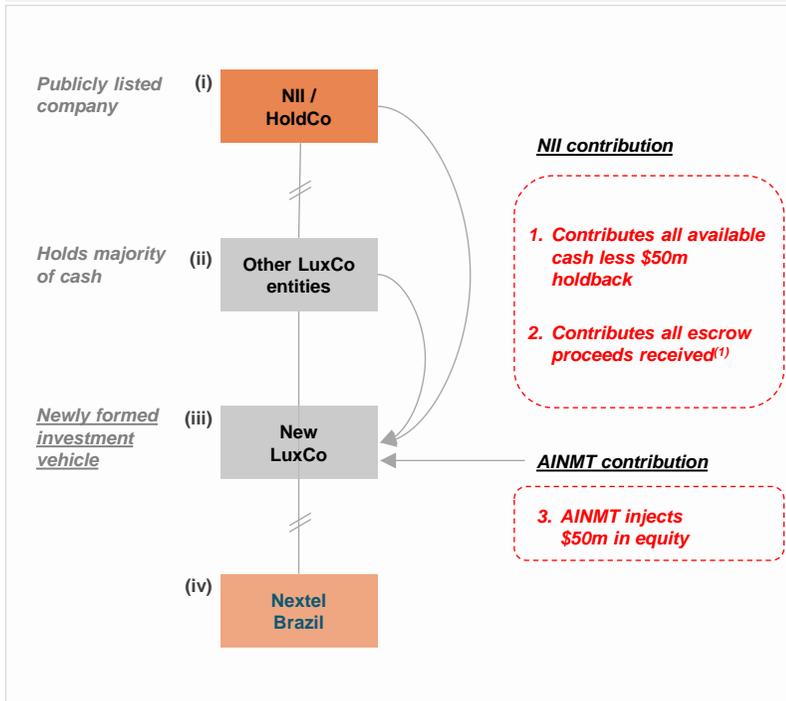
Sequencing of investments

Transaction mechanics

Step 1

1. NII contributes all of its liquidity at the initial stage, except for \$50m in cash
2. NII retains 70% of New LuxCo; AINMT acquires 30%

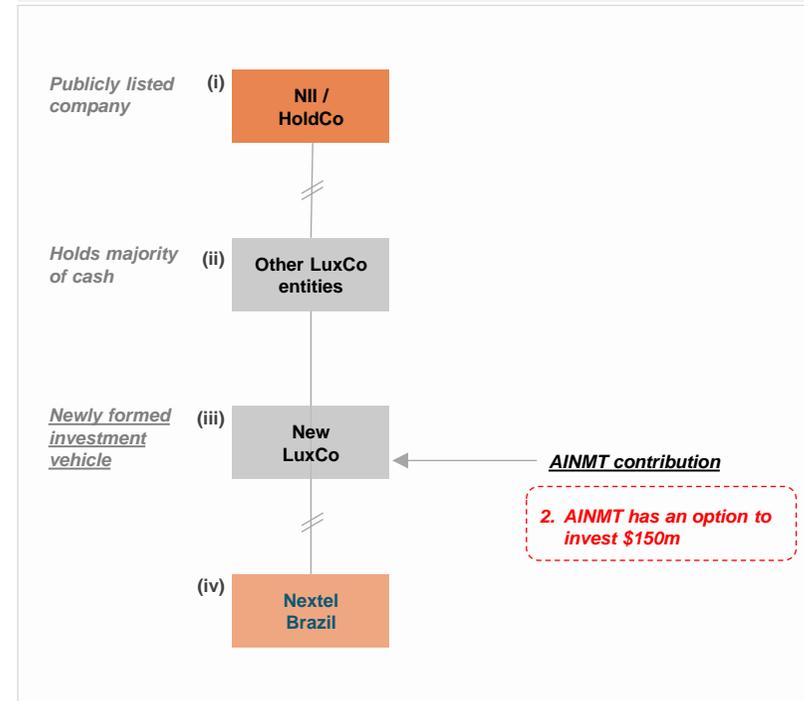
Contribution schedule



Step 2

1. Step 2 is subject to AINMT exercising its option to invest an additional \$150m into the business (same valuation as Step 1)
2. Pro forma ownership: 40% NII / 60% AINMT

Contribution schedule



Note

- (1) NII to also contribute any future proceeds from the Nextel Mexico escrow

Nextel Brazil: a valuable asset base

NII and AINMT will benefit from Nextel Brazil's high-quality subscriber base that is supported by a strong spectrum position and new state-of-the-art 3G/LTE networks

NII Holdings

High End Customer Base

- Pure-play postpaid player with superior overall rate plan offering
- 3.6m subscribers as of 3/31/2017
- #1 or #2 in postpaid 3G net adds in key coverage areas
- The highest ARPU in Brazil

Strong Network Assets

- 3G/LTE network in São Paulo and Rio de Janeiro with excellent voice and data quality
- Attractive network footprint with nationwide presence (through Vivo roaming agreement) and 80%+ population coverage in Rio de Janeiro and São Paulo
- Recently signed RAN sharing agreement eliminates mandatory capex spending to meet regulatory requirements

Attractive Spectrum Position

- Strong spectrum position in bandwidth-constrained markets (c. \$950m in investments since 2010)
- Recently acquired valuable LTE spectrum in São Paulo metro (complements LTE spectrum in Rio de Janeiro)
- Low and mid bands have ample capacity to continue offering a superior customer experience as the Brazilian market continues to shift towards users who consume substantial data
- 800 MHz spectrum (contiguous); potential option to refarm spectrum to SMP

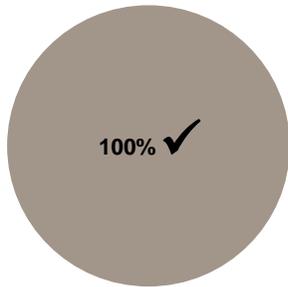
Nextel Brazil: an evolving and growing customer base

■ Postpaid ■ iDEN ■ 3G / LTE

The partnership will deploy its capital and invest for the continued growth of a customer base that has materially shifted to 3G/LTE subscribers

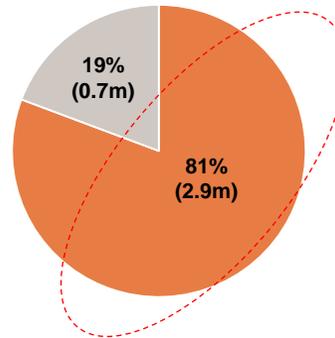
Pre / Postpaid mix

Pure-play 100% postpaid subscriber base...

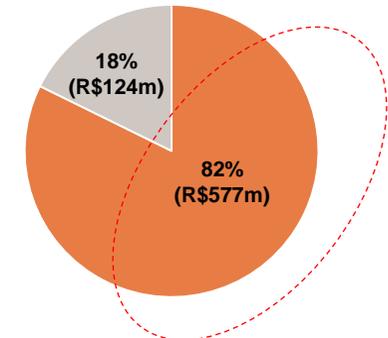


Subscribers (Q1 '17A)

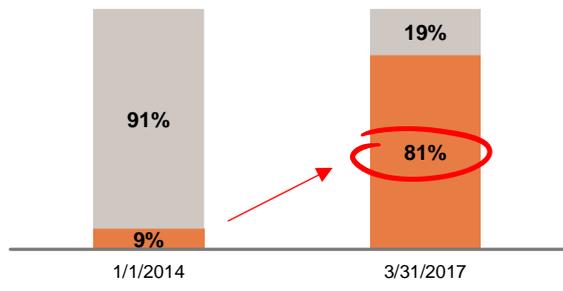
...primarily 3G/LTE subscribers; continued servicing of iDEN subs with migration strategy to 3G/LTE



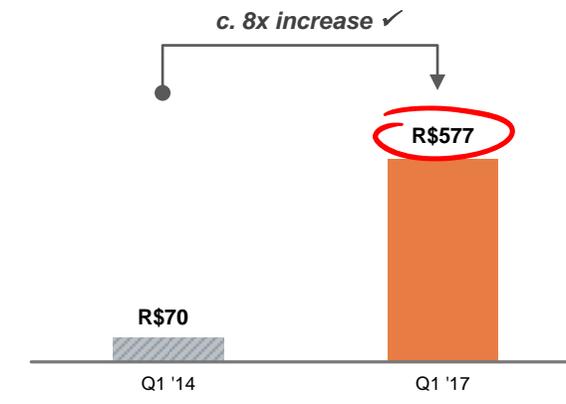
Service revenue (Q1 '17A)



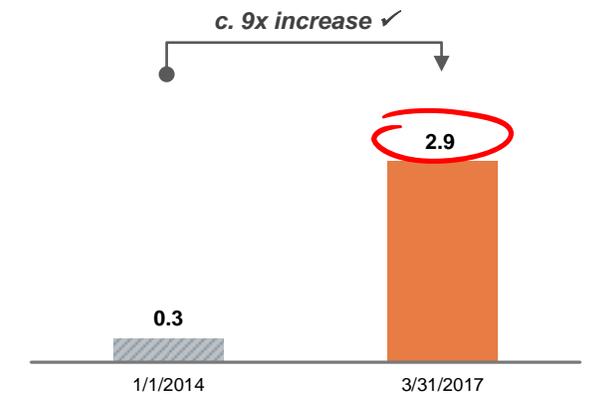
Subscriber mix evolution



3G/LTE service revenue growth (R\$m)



3G/LTE subscriber growth (m)



Nextel Brazil: high-quality spectrum assets

The pro forma entity will benefit from Nextel Brazil's high-quality spectrum position with LTE capability in São Paulo and Rio de Janeiro

Spectrum Band	MHz	Population (m)	Comments
1.9 – 2.1 GHz Spectrum	20	190	<ul style="list-style-type: none"> 20 MHz of 1.9 – 2.1 GHz in 11 of 13 regions covering 98% of population Purchased in 2010 auction for \$714.4 million (\$0.19/MHz-Pop)
1.8 GHz Spectrum (Rio de Janeiro)	20	100	<ul style="list-style-type: none"> 20 MHz of 1.8 GHz covering Rio de Janeiro, NE and North Nextel has deployed the spectrum in Rio de Janeiro Purchased in 2010 auction for \$121.7 million (\$0.06/MHz-Pop)
1.8 GHz Spectrum (São Paulo)	30	22	<ul style="list-style-type: none"> 30 MHz of 1.8 GHz in São Paulo metro area Deploying LTE in São Paulo Complements Rio de Janeiro spectrum Purchased in 2015 auction for \$116.7 million⁽¹⁾ (\$0.18/MHz-Pop)
800 MHz SMR Spectrum	15	150	<ul style="list-style-type: none"> Supports iDEN network and a 3GPP supported band (Band 27) 800 MHz holdings are contiguous Spectrum grants in main cities expire 2022 to 2025 Potential to repurpose spectrum for alternative deployment

Note

(1) R\$455m converted to spot exchange rate at time of acquisition (December 2015)

NII Holdings better positioned in the Brazilian market

Partnership with a strong telecom operator, new capital infusion and redesigned commercial strategy will position us to capture greater growth in the Brazilian wireless market

NII Holdings	AINMT Holdings
	
<ul style="list-style-type: none">■ Operating assets■ Existing liquidity (excluding \$50m)	<ul style="list-style-type: none">■ Investment vehicle injecting new equity into the business■ Brings experienced telecom team
<ul style="list-style-type: none">■ Offers differentiated mobile communications service including fully integrated wireless voice and data services under the Nextel brand in Brazil	<ul style="list-style-type: none">■ International telecom company with a focus on wireless data services■ Unique business model with focus on low frequency bands■ Today, AINMT has license coverage to reach 380 million people worldwide■ The company is well established in Scandinavia■ AINMT has recently developed partnerships in Indonesia and the Philippines

AINMT background

Company history

Company overview

AINMT overview

Business scope

- Wireless data communication service provider in Norway, Sweden and Denmark
 - Also offers full range of mobile services in Norway
- Recently developed partnerships to expand into emerging markets (Indonesia and the Philippines)

Strategic pillars

- Customer-centric approach
- 4G pure-play on MBB and smartphone
- Focus on low frequency bands
- Government support for increased competition
- Roaming agreement with Telia

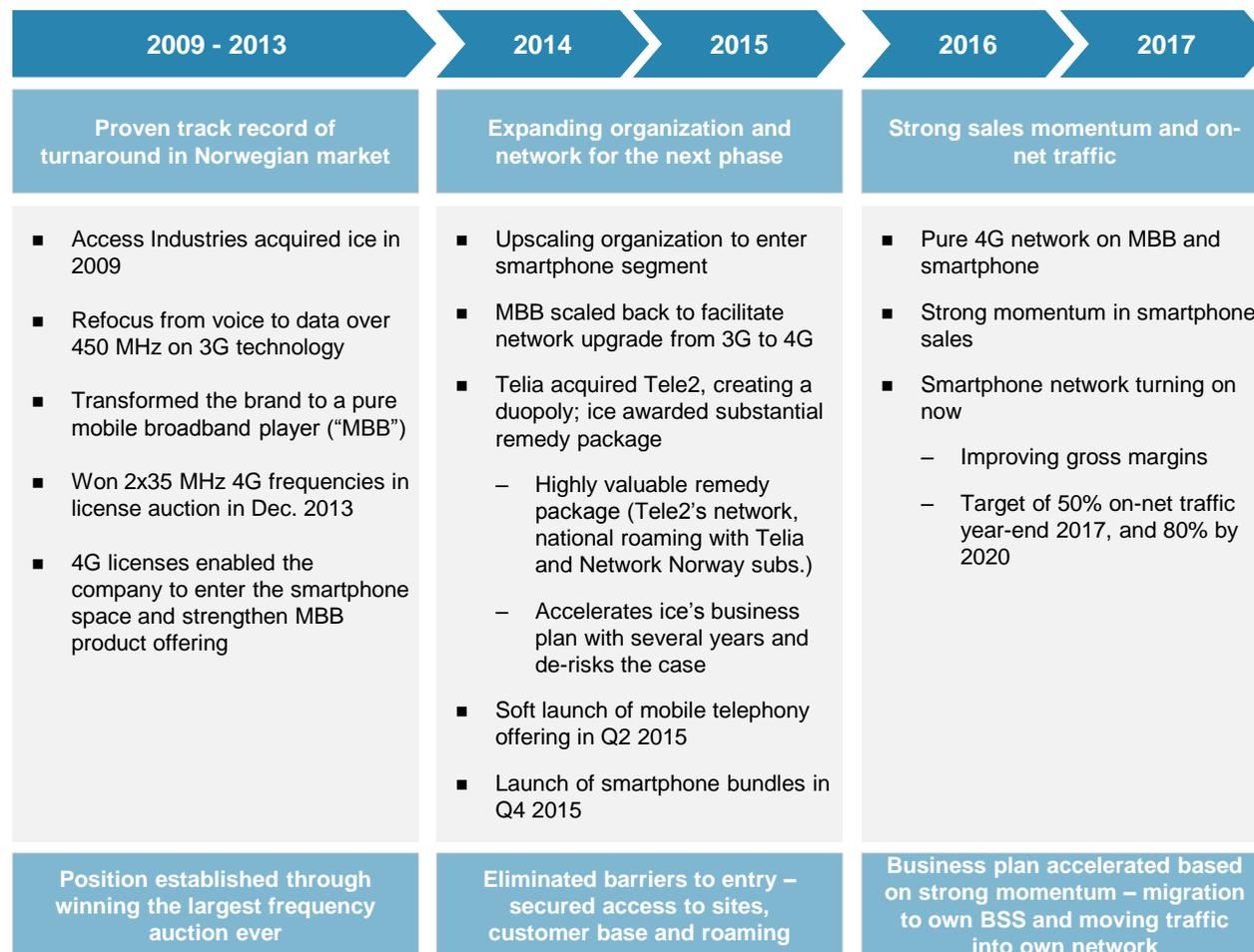
Equity story

- Raised over \$900m in capital over the last 5 years
- Market cap of c. NOK14bn (\$1.6bn)⁽¹⁾

Ownership

- Majority owned by Access Industries

Business evolution



Note

(1) Market cap of AINMT Holdings AB on a 100% basis based on AINMT AS share price

Strategic parallels with substantial overlay in deployment playbooks

Comparable markets and competitive positioning would allow us to re-calibrate AINMT's deployment strategy to fortify Nextel Brazil's operating playbook

	AINMT	Nextel Brazil
1 Government Support	<ul style="list-style-type: none"> ✓ Ice challenger to duopoly ✓ Remedy deal awarded 	<ul style="list-style-type: none"> ✓ ANATEL supportive of increased competition ✓ Nextel as challenger to the big 4
2 Sunset of Legacy Networks	<ul style="list-style-type: none"> ✓ Pure 4G network and new BSS/OSS ✓ No legacy 2G/3G; less maintenance and fewer base stations 	<ul style="list-style-type: none"> ✓ Focus on newly developed LTE network and away from iDEN ✓ Rationalize coverage & migrate subscriber base
3 LTE Expertise	<ul style="list-style-type: none"> ✓ Only 100% 4G network operator (data-output 4x of 3G) ✓ Controlling large share of LTE spectrum 	<ul style="list-style-type: none"> ✓ LTE network in Rio; recently acquired LTE spectrum in SP ✓ Open canvas to develop LTE in SP (early stages)
4 Data-driven Consumer Plans	<ul style="list-style-type: none"> ✓ Mobile data explosion giving support to business model and ARPU levels ✓ Data only pricing and BB growing in importance 	<ul style="list-style-type: none"> ✓ Data accessed primarily via SIM; low HH broadband penetration ✓ Ample capacity under RJ's LTE network to handle increase
5 Focused Ops. w/ Inc. Reach Via Roaming	<ul style="list-style-type: none"> ✓ Favorable roaming agreement with Telia ✓ Access to all network improvements Telia might introduce 	<ul style="list-style-type: none"> ✓ Focused in São Paulo and Rio de Janeiro ✓ Increased penetration with roaming agreement with Telefonica
6 Turnaround / Profitability	<ul style="list-style-type: none"> ✓ Proven turnaround on mobile broadband (MBB) ✓ Lowest cost base and scalable platform 	<ul style="list-style-type: none"> ✓ Five consecutive quarters of positive adjusted OIBDA ✓ Opportunity to vastly improve margins with subscriber loading
7 Customer-centric Model	<ul style="list-style-type: none"> ✓ Being disruptive and very customer centric ✓ Low churn, SAC and OpEx 	<ul style="list-style-type: none"> ✓ Leading brand perception⁽¹⁾ ✓ Highest Net Promoter Score⁽¹⁾

Note

(1) Worthix consumer segment for September and October of 2016 (methodology analogous to Net Promoter Score)

Strategic alliance

Newly-forged partnership is an important development for the Brazilian wireless market

The “new” Nextel Brazil

Investor Group	New Changes	Strong Asset Base	Strategic Pillars
 <p>The Investor Group section contains three logos: 'nii' in orange, 'nextel' in white on an orange background, and 'AINMT' with a blue Wi-Fi symbol.</p>	<ul style="list-style-type: none"> ■ Fortified balance sheet with enhanced liquidity profile ■ \$200m new capital earmarked for investments in Nextel Brazil ■ Access to a seasoned telecom operator with proven history of turnarounds ■ Strengthened Board with the inclusion of AINMT team members 	<ul style="list-style-type: none"> ■ High-quality spectrum position ■ New LTE spectrum in São Paulo ■ Potential to refarm 800 MHz to SMP ■ State-of-the-art network: newly developed 3G and LTE networks ■ 100% postpaid subscriber base with the highest ARPU in Brazil ■ Well-known and respected brand 	<ul style="list-style-type: none"> ■ New commercial strategy ■ Growth plan ■ Benefit of AINMT’s proven playbook ■ Government support; ANATEL’s desire for competition ■ Focus on new 3G/LTE technology and away from iDEN ■ LTE assets / expertise ■ Data-driven market environment with ample network bandwidth ■ Focused approach with enhanced penetration via roaming agreement ■ Turnaround / path to profitability ■ Customer-centric model

Appendix: AINMT / Access Industries Background Materials

AINMT overview

Company profile

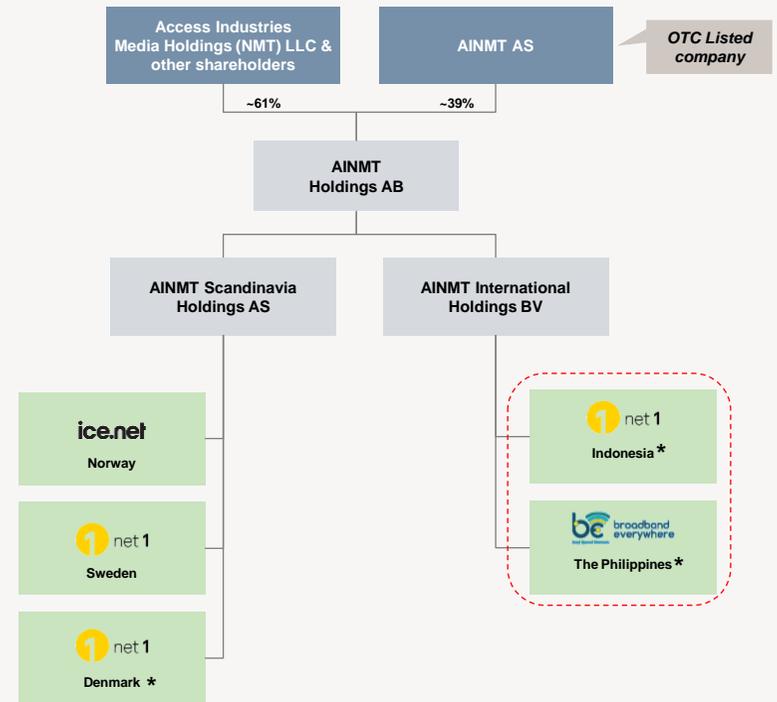
Background:

- Access formed AINMT in 2008 by acquiring the assets of Nordisk Mobiltelefon, a Nordic operator of digital CDMA 2000 450 MHz mobile network in Sweden, Norway and Denmark
- Post acquisition, AINMT re-focused the business to become a mobile broadband operator and later acquired additional spectrum bands via auction in Norway (2013)
- Soon after the auction, Tele2 (the third Mobile operator in Norway) opted to exit the market for lack of sustainable spectrum holdings and was subsequently sold to TeliaSonera
- Goal in markets where AINMT can secure 450 MHz is to deploy leading complementary mobile data networks in countries with low fixed line and low internet penetration

International expansion (Indonesia and the Philippines):

- Formed JV partnerships with local players to be the sole operators on the 450 MHz frequency band in these countries
 - China Unicom's plan to use this band for 4G/LTE seen as a significant boon to AINMT's international expansion effort
- Goal is to offer mobile broadband in rural areas with low internet penetration at affordable prices

Ownership structure



* Not 100% owned by AINMT

 Co-investment with local partner

Access Industries overview

Overview
<ul style="list-style-type: none"> ■ Industrial group founded by Chairman Len Blavatnik in 1986 <ul style="list-style-type: none"> – Combined 2016 revenue of companies in which Access has a significant equity stake exceeded \$40 billion – Headquartered in New York, with offices in London and Moscow
<ul style="list-style-type: none"> ■ Strategic investments in target industries to develop regional and global leaders <ul style="list-style-type: none"> – Industrials – Media and Telecommunications – Real Estate – Venture Capital, Technology, and E-commerce
<ul style="list-style-type: none"> ■ Stable private capital base provides strategic advantages versus public markets or private equity funds <ul style="list-style-type: none"> – Long-term value creation – Cash flow focus

Selected investments		
Industrials	LyondellBasel	<i>Leading global producer of polypropylene, advanced polyolefin products, polyethylene and catalysts</i>
	UC Rusal	<i>One of the world's largest aluminum smelters</i>
	EP Energy	<i>Leading independent American oil and natural gas producer</i>
	CiaI Industries	<i>A diversified Israeli industrial group</i>
Media and Telecom	Warner Music	<i>One of the world's largest recorded music and music publishing companies</i>
	Perform Group	<i>Global market leader in commercialization of digital, multimedia sports content</i>
	AINMT Holdings	<i>Innovative mobile data and voice services provider in Norway, Sweden and Denmark, with joint-ventures in the Philippines and Indonesia</i>
	RGE Group	<i>Leading TV channels (news, children, documentary and sports) in Israel</i>
	AI Film	<i>An independent film finance and executive production company</i>
Real Estate	First Access Entertainment	<i>Talent and brand development and representation</i>
	Argentina	<i>Extensive hotel, residential, retail and cultural development activity in the Puerto Madero district of Buenos Aires</i>
	Bahamas	<i>Exclusive beachfront resort on Paradise Island</i>
	France	<i>Top-tier hotel and ongoing residential development projects</i>
	USA	<i>Miami hotel and condominium project under development</i>
Other	Venture Capital	<i>Investments in leading and emergent online and mobile social media companies</i>

Non-GAAP reconciliations

The reconciliation below includes financial information prepared in accordance with accounting principles generally accepted in the United States, or GAAP, as well as another financial measure referred to as a non-GAAP financial measure. The non-GAAP financial measure should be considered in addition to, but not as a substitute for, the information prepared in accordance with GAAP.

Adjusted OIBDA

Operating income before depreciation and amortization, or OIBDA, represents operating (loss) income before depreciation and amortization expense. Adjusted OIBDA represents 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. Adjusted OIBDA is not a measurement under accounting principles generally accepted in the United States, may not be similar to adjusted OIBDA measures of other companies and should be considered in addition to, but not as a substitute for, the information contained in our statements of operations. We believe that adjusted OIBDA provides useful information to investors because it is an indicator of our operating performance, especially in a capital intensive industry such as ours, since it excludes items that are not directly attributable to ongoing business operations. Adjusted OIBDA can be reconciled to operating loss as follows:

US\$ and BR R\$ in thousands	For the Three Months Ended March 31, 2016	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
Operating loss (US\$).....	\$ (39,331)	\$ (16,480)	\$ (1,336,138)	\$ (50,162)	\$ (72,345)
Depreciation (US\$).....	29,203	28,809	65,472	9,366	8,886
Amortization (US\$).....	<u>9,623</u>	<u>10,683</u>	<u>11,538</u>	<u>3,993</u>	<u>4,139</u>
OIBDA (US\$)	(505)	23,012	(1,259,128)	(36,803)	(59,320)
Reversal of accrued tax contingency (US\$).....	-	(8,133)	-	-	-
Asset impairment charges (US\$).....	1,010	7,243	1,276,543	23,648	68,380
Restructuring charges (US\$).....	<u>3,255</u>	<u>2,001</u>	<u>6,221</u>	<u>20,689</u>	<u>3,313</u>
Adjusted OIBDA (US\$).....	<u>\$ 3,760</u>	<u>\$ 24,123</u>	<u>\$ 23,636</u>	<u>\$ 7,534</u>	<u>\$ 12,373</u>
Average quarterly exchange rate	3.91	3.51	3.25	3.29	3.13
Adjusted OIBDA (BR R\$).....	<u>R\$ 14,702</u>	<u>R\$ 84,672</u>	<u>R\$ 76,817</u>	<u>R\$ 24,787</u>	<u>R\$ 38,727</u>