

1Q09 Earnings Conference Call

May 7, 2009



Agenda



- Opening Comments
- Financial Results
- Operating Performance
- Business Outlook
- Question & Answer Period

Presentation of Financial Information



Historical financial and operating data in this presentation reflects the consolidated results of Leap, its subsidiaries and its non-controlled joint ventures LCW Wireless, LLC and Denali Spectrum, LLC and their subsidiaries for the periods indicated. As used in this presentation, the term "existing markets" refers to the Company's markets in service on December 31, 2007, and the term "expansion markets" refers to the Company's markets which launched service after December 31, 2007. The term "existing business" refers to the Company's business operations in its existing markets, excluding any effects of the Company's Cricket Broadband service.

This presentation includes 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. The non-GAAP financial measures in this presentation, which include Cost Per Gross Customer Addition (CPGA), Existing Business CPGA, Cash Cost per User (CCU), Existing Business CCU, Calculated Contribution per User (CCPU), Existing Business CCPU, Adjusted Operating Income Before Depreciation and Amortization (OIBDA) and Existing Business Adjusted OIBDA should be considered in addition to, but not as substitutes for, the information prepared in accordance with GAAP. For definitions of such terms and reconciliations to the most comparable GAAP measures, please see the information under the heading "Financial Reports – Non-GAAP Financial Measures" in the Investor Relations section of the Leap Wireless corporate website (investor.leapwireless.com).

This presentation also contains forecasts and projections, which are based upon financial and operational information available to the Company on the date hereof. These forecasts and projections speak only as of May 7, 2009, and we undertake no obligation to publicly update or revise these forecasts or projections, whether as a result of new information, future events or otherwise.

Forward-Looking Statements



This presentation contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements reflect management’s current expectations based on currently available operating, financial and competitive information, but are subject to risks, uncertainties and assumptions that could cause actual results to differ materially from those anticipated in or implied by the forward-looking statements. Our forward-looking statements include our discussions about fiscal year 2009 and future years, our plans to offer our services to additional covered POPs and our expectations regarding future growth, spending, results of operations and customer penetration, and are generally identified with words such as “believe,” “expect,” “intend,” “plan,” “could,” “may” and similar expressions. Risks, uncertainties and assumptions that could affect our forward-looking statements include, among other things:

- our ability to attract and retain customers in an extremely competitive marketplace;
- the duration and severity of the current recession in the United States and changes in economic conditions, including interest rates, consumer credit conditions, consumer debt levels, consumer confidence, unemployment rates, energy costs and other macro-economic factors that could adversely affect demand for the services we provide;
- the impact of competitors’ initiatives;
- our ability to successfully implement product offerings and execute effectively on our planned coverage expansion, launches of markets we acquired in the Federal Communications Commission’s auction for Advanced Wireless Services, or Auction #66, and other strategic activities;
- our ability to obtain roaming services from other carriers at cost-effective rates;
- our ability to maintain effective internal control over financial reporting;
- delays in our market expansion plans, including delays resulting from any difficulties in funding such expansion through our existing cash, cash generated from operations or additional capital, or delays by existing U.S. government and other private sector wireless operations in clearing the Advanced Wireless Services spectrum, some of which users are permitted to continue using the spectrum for several years;
- our ability to attract, motivate and retain an experienced workforce;
- our ability to comply with the covenants in our senior secured credit facilities, indentures and any future credit agreement, indenture or similar instrument;
- failure of our network or information technology systems to perform according to expectations; and
- other factors detailed in the section entitled “Risk Factors” included in our periodic reports filed with the SEC, including our Annual Report on Form 10-K for the year ended December 31, 2008 filed with the SEC on February 27, 2009 and our Quarterly Report on Form 10-Q for the quarter ended March 31, 2009, which we expect to file shortly with the SEC.

All forward-looking statements included in this news release should be considered in the context of these risks. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Investors and prospective investors are cautioned not to place undue reliance on our forward-looking statements.



OPENING COMMENTS

First Quarter 2009 Highlights



"Our results demonstrate the strength of our business and confirm that our strategy continues to deliver results, even in the face of a challenging economic and competitive environment."

- Successful launch of innovative products, services and our two largest markets to date
- Record net customer addition performance across entire business
- Record Y-O-Y increase in service revenues
- Existing Business Adjusted OIBDA margins continue to improve and new markets continue to move to positive adjusted OIBDA contribution
- Four out of five markets launched in 2008 contributing positive adjusted OIBDA
- Achieved expected improvements in cash flows as new initiative spend slows and existing business cash flows increase



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FINANCIAL RESULTS

Continued Growth in Service Revenues and Existing Business Adjusted OIBDA



(\$ in millions)

Service Revenues, Operating Income (Loss) and Adjusted OIBDA

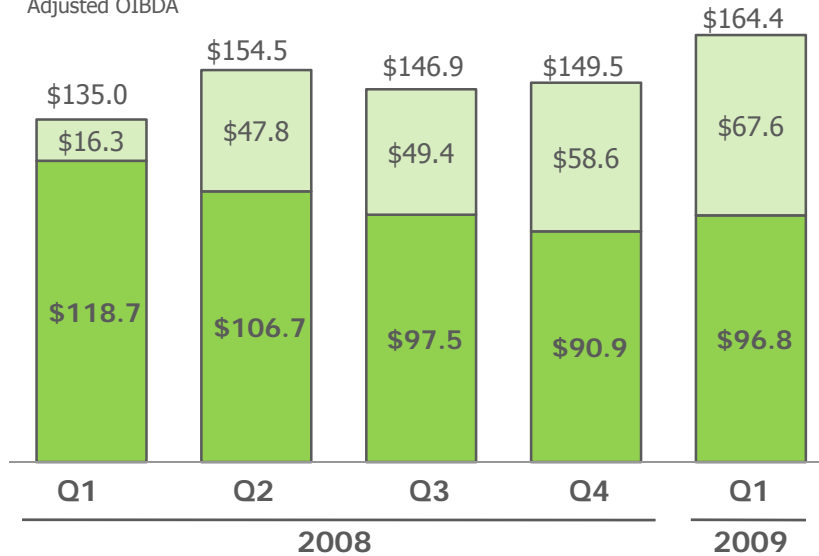
Service Revenues

\$398.9	\$417.1	\$434.5	\$458.5	\$514.0
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Operating Income (Loss)

\$26.1	\$14.5	\$2.4	\$3.8	(\$1.0)
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Adjusted OIBDA



■ OIBDA Investment in New Initiatives
■ Adjusted OIBDA

- 29% Y-O-Y increase in consolidated service revenues
- 22% Y-O-Y increase in Existing Business Adjusted OIBDA
 - Reflects growth in existing business and improving customer contribution
- ~\$68M of net operating expenditures for new initiatives⁽¹⁾
 - Net operating expenditures for these new initiatives have reached peak level

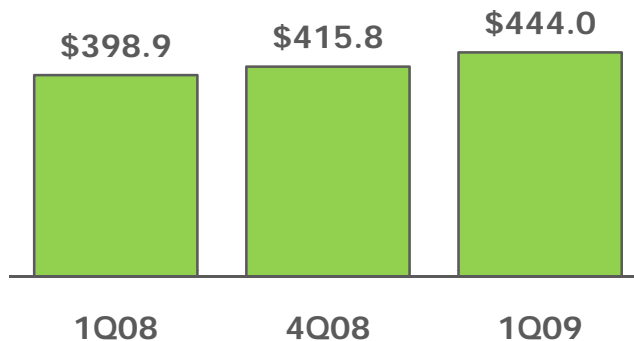
(1) New initiatives include the Company's new market launches and the Company's Cricket Broadband service

Existing Business Operating Margins Continue to Improve

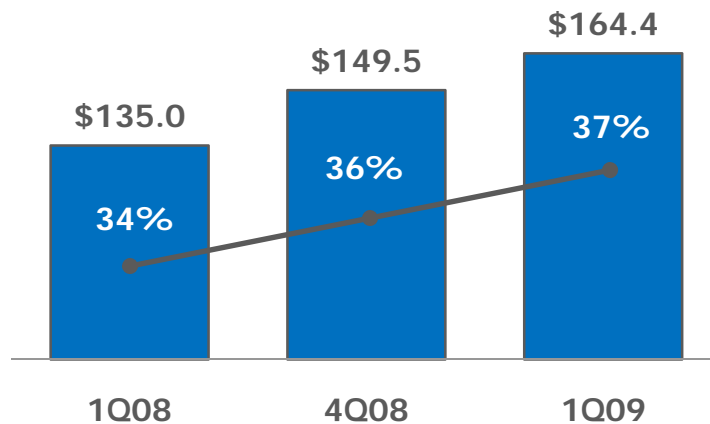


(\$ in millions)

Existing Business Service Revenues



Existing Business Adjusted OIBDA



Operating Margins⁽¹⁾ _____

- Continue to drive growth through more mature existing business
 - 11% Y-O-Y increase in existing business service revenues
- Existing Business Adjusted OIBDA margins continue to improve
 - Result of increasing benefits of scale and cost discipline
- Expect Existing Business Adjusted OIBDA margins to be in the mid-40% range in the coming quarters

New Initiative Spending for Current Expansion has Passed its Peak



(\$ in millions)

	4Q08 ^{(1) (2)} New Initiatives	1Q09 ^{(1) (2)} New Initiatives
Service Revenue	\$42.7	\$70.0
Net Operating Expenditures for New Initiatives	(\$58.6)	(\$67.6)
Cost of Service	\$31.4	\$41.0
Net Equipment Subsidy	\$29.9	\$41.1
Sales & Marketing Expense	\$28.7	\$41.9
General & Administrative	\$11.4	\$13.5

- ~\$68M of net operating expenditures associated with new initiatives reflects:
 - Launch of nearly 17M covered POPS in Chicago and Philadelphia
 - Pre-launch expenses for Baltimore and Washington D.C.
 - Expenses associated with the expansion of the Company's broadband initiative
 - New markets launched in 2008 beginning to contribute positive adjusted OIBDA

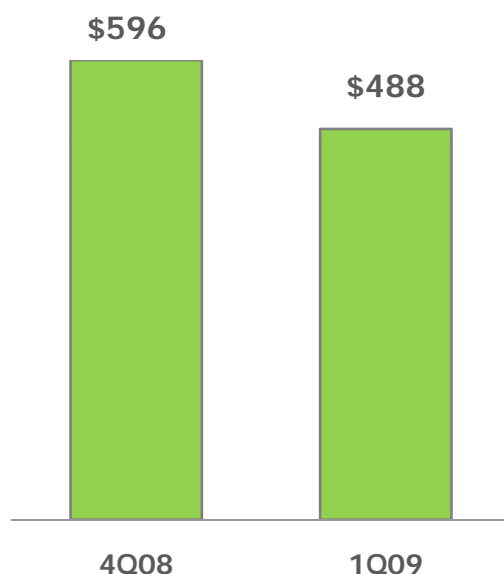
- Net investment in these new initiatives is expected to decline in future quarters

Strong Cash Position, Cash Flows



(\$ in millions)

Cash Summary⁽¹⁾



Sources and Uses

Existing Business Adjusted OIBDA	\$164.4
New Initiative OIBDA Investment	(\$67.6)
Cash Capex ⁽²⁾	(\$201.8)
Debt Service	(\$44.6)
Levered Free-Cash-Flow	(\$149.6)
Other changes in net assets	\$41.9
Net cash⁽¹⁾ used in quarter	\$107.7

- Balance sheet well-positioned at 1Q09
- Strong cash and short-term investments position of ~\$488M
- Existing business producing substantial cash flows
- Total cash used for current new initiatives has passed its peak levels
 - Capex spend peaked in 4Q08
 - Negative OIBDA investment peaked in 1Q09
- New initiatives expected to contribute positive adjusted OIBDA in aggregate by 4Q09

Expect to be levered free-cash-flow⁽³⁾ positive at or near end of FY09
Maintenance Capex expected to be mid-teens as % of service revenue

1) Cash, cash equivalents and short-term investments at end of period

2) Including \$12.2 million of capitalized interest

3) Levered Free-Cash-Flow defined as Adjusted OIBDA less cash Capex, debt service payments, net interest expense and income tax expense. Excludes any effects of launching additional POPs beyond our current market expansion plans or pursuing other significant business opportunities.

Focused and Disciplined Execution – On Track with Full-Year Outlook



"We expect margins to continue to improve as the business absorbs the initial investments associated with our expansion initiatives and these new initiatives begin to contribute cash flow to our business."

- Strong customer momentum – total service revenues up 29% Y-O-Y
- Cost discipline and benefits of scale – driving improvements in Existing Business Adjusted OIBDA service margin
- Net operating expenditures in current expansion initiatives have passed peak levels – new market launches and Cricket Broadband
- Solid financial resources – strong cash flow and effective cash and liquidity management
 - Significant NOL carryforwards which we expect to be used to offset future taxable income
- Clear focus and disciplined execution – experience to navigate through uncertain times as economy continues to recover
- On track to meet 2009 full-year outlook



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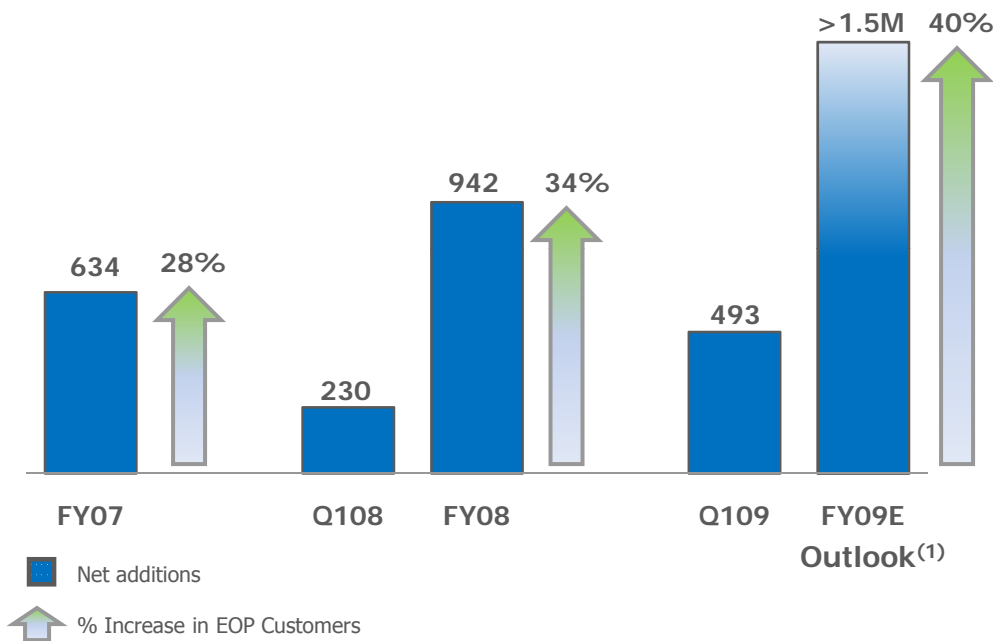
OPERATING PERFORMANCE

Q1 Results Accelerating Y-O-Y Growth, And....



(in thousands)

Customer Activity



- Accelerating growth from:
 - Increasing penetration in existing markets
 - New markets, both launched and anticipated, by mid-2009
 - Cricket Broadband and Cricket PAYGo products
- Positioned to be one of the fastest growing public wireless carriers in the marketplace today
 - Expect >40% Y-O-Y increase in total customers for FY09

1Q09 Customer Activity	Existing Markets	Expansion Markets	Total
Net Additions			
Voice	177,000	193,000	370,000
Broadband	95,000	28,000	123,000
Total	272,000	221,000	493,000

(1) Net customer additions for FY09 are expected to be greater than 1.5M, which includes voice and broadband net additions in existing and expansion markets

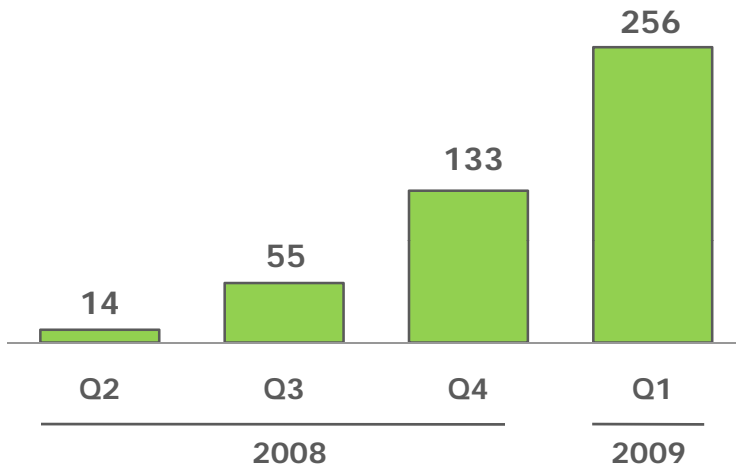
NOTE: These forecasts speak only as of May 7, 2009 and the Company undertakes no obligation to publish updates or revise these forecasts

Cricket Broadband Service Success Builds



Total Broadband EOP Customers

(in thousands)



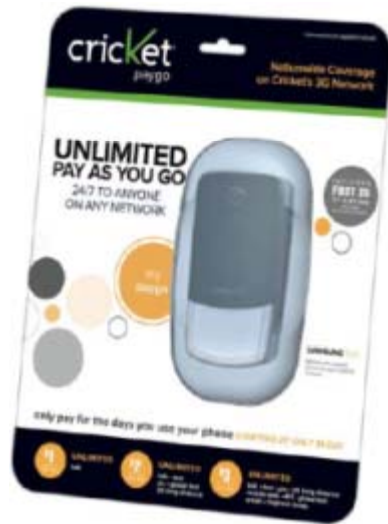
- On track to contribute positively to financial performance in 2H09
- Expect ARPU to rise throughout year to high- \$30's
- Churn performing at or below levels of Cricket monthly voice product
- Expect CPGA to decline as a result of introduction of lower cost A600 device in late Q1
- Expect incremental customer contribution to be comparable to Cricket monthly voice product in 2010

cricket®
broadband



New A600 Device

Cricket PAYGo Launched Across all Markets



Launch Packaging



\$1 Per Day	\$2 Per Day	\$3 Per Day
Unlimited talk	Unlimited talk US LD text pix int'l text	Unlimited talk US LD text pix int'l text mobile web 411






Simple "24/7 Unlimited" Service

- Launched in all Cricket markets and channels on April 10th
 - Including 2,400 Wal-Mart and Dollar General locations
- Positions Cricket brand in traditional prepaid space
- Best value of any pay-as-you-go product in the marketplace today
- Initial experience indicates CPGA, ARPU and customer usage at about 50% of monthly Cricket Wireless voice product
- Impact to operational and OIBDA financial results expected to be minimal until volume ramps later this year

Moving Business to Data Rich 3G Environment



Mass Market Messaging Devices	High Value Messaging Devices	Touch Screen 3G Devices
#1 selling handset in 1Q09	Our first 3G messaging phone	Our first touch screen phone
		
Samsung Messenger	Motorola Hint	Motorola Evoke

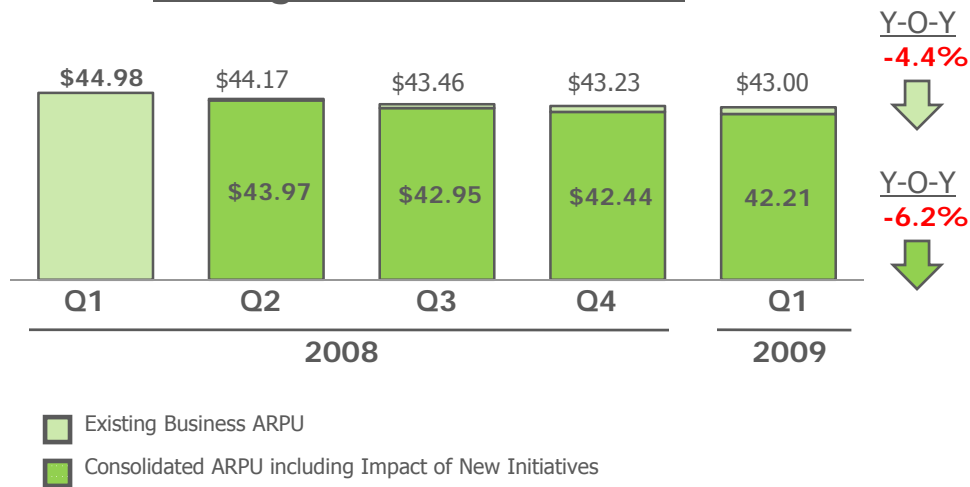
- Target demographic desires smart messaging devices with:
 - Features that matter to them
 - State of the art design, and
 - Affordable price: < \$300
- Introducing two new 3G integrated smart messaging devices in 2Q09
 - Motorola Hint QA30 (launched 4/09)
 - Motorola Evoke QA4 (expect to launch 2Q09)
- Integrated 3G mobile devices and data services expected to drive increased ARPU
- Launched several data applications in 1Q09
 - Mobile Music
 - Cricket MyPerks



Managing Business for Margin Expansion



Average Revenue Per User



- Sequential decline in ARPU is slowing:

- Lower additional add-on services being offset by higher end service plans
- Continued successful acceptance of Broadband and PAYGo will maintain downward pressure on ARPU
- Temporary tenure effect of churn in A/66 markets will also cause near term pressure

Cash Cost Per User



- Strong sequential improvement in CCU reflecting:

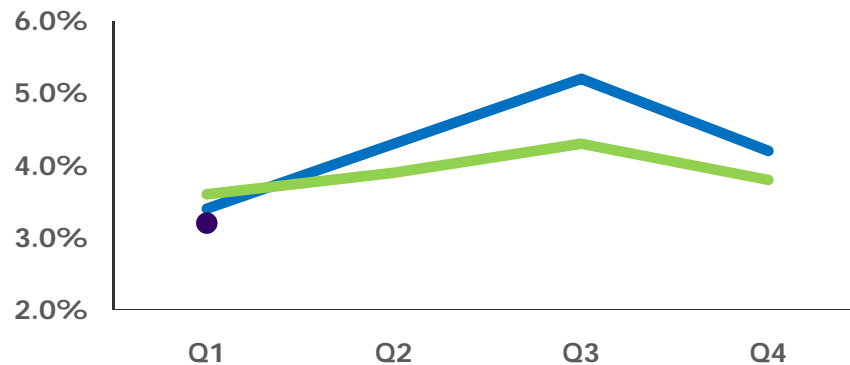
- Increasing benefits of scale and cost management
- Cost of footprint expansion

Key Metrics Being Influenced by New Initiatives



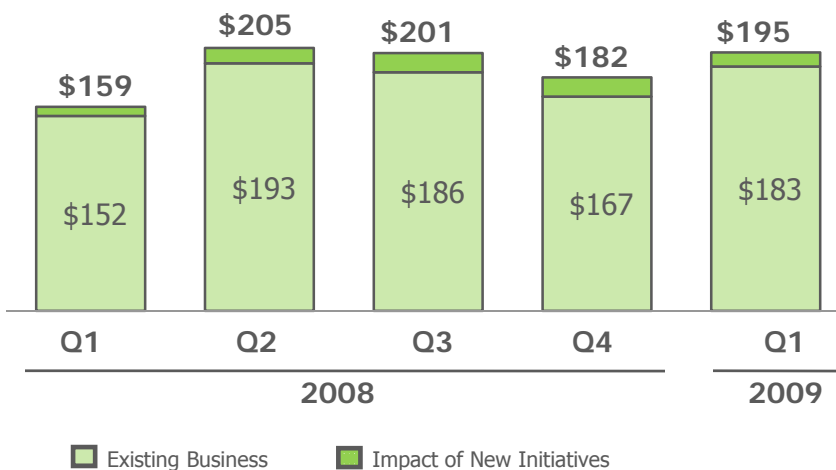
2009 ●
2008 —
2007 —

Consolidated Churn



- Consolidated Y-O-Y improvement from 3.6% to 3.3%
- Existing business churn of 3.2% compared to 3.6% in prior year quarter
- Expect full year and future Y-O-Y consolidated churn to increase
 - Tenure effects caused by the new A/66 markets start to move through business
 - Expect similar experience to 2007

Cost Per Gross Addition



- Consolidated CPGA increased \$36 Y-O-Y reflecting:
 - Higher store and staffing costs in existing business
 - 1Q08 lower due to delayed costs
 - Impact reverses in 2Q09
 - Higher subsidy due to improved service plan mix
 - One-time expenses to launch new "respeKt" ad campaign
 - Impact of new initiatives
 - Costs lower than expected due to higher volumes

Managing Customer Contribution



Calculated Contribution Per User



- Existing business CCPU of \$19.27 for Q109 when excluding one-time impact of ~\$0.20 due to new “respekt” campaign
- Existing business continues to deliver growth and solid customer contribution
- Managing business to improve CCPU and margins
 - Cost reduction initiatives in progress intended to drive additional improvement
 - Expect continued benefits of scale

(1) Includes costs associated with new market launches and the Company’s Cricket Broadband product offering
 (2) Churn-adjusted CPGA defined as CPGA multiplied by the churn rate
 (3) Calculated Contribution Per User defined as ARPU less CCU less churn-adjusted CPGA



BUSINESS OUTLOOK

Industry Value Leadership of Voice and Mobile Data Services



Best Value Unlimited Service Plans

	\$45	TALK	US Long Distance	Extended Coverage or Roaming	Mobile Data* EVDO Rev A 3.1 Mb Peak	TEXT	PIX	MOBILE WEB	411	MOBILE VIDEO
	\$45	TALK	US Long Distance	Extended Coverage or Roaming	Mobile Data* 1X RTT 156 Kbps Peak	TEXT	PIX	MOBILE WEB	411	
	\$50	TALK	US Long Distance	Extended Coverage or Roaming	Mobile Data* iDEN 56 Kbps Peak	TEXT	PIX	MOBILE WEB		
	\$50	TALK	US Long Distance	Extended Coverage or Roaming	Mobile Data* EVDO Rev A 3.1 Mb Peak					

	\$40	Unlimited ⁽¹⁾	No Contract	600 Kbps to 1.4 Mbps	Device cost ~\$69
	\$60	5 GB	No Contract	600 Kbps to 1.4 Mbps	Device cost ~\$200
	\$60	5 GB	2-Year Contract	600 Kbps to 1.4 Mbps	Device cost ~\$0
	\$60	5 GB	2-Year Contract	600 Kbps to 1.4 Mbps	Device cost ~\$0

- Our plans are tailored to what our customers have told us they want
- Positioned to compete in the growing unlimited marketplace
 - Add-on features include ringtones, directory assistance, and international long distance
- \$45 plan includes large Premium Extended Coverage footprint⁽²⁾
- Enhanced 3G network supports enhanced data services
 - Mobile video, expanded Web
 - Streaming (coming in 2009)

Source: Company websites and public filings – tax and additional surcharges may not be reflected in these price points

* Actual user speed may be device and network dependent

(1) Throughput speed may be limited if usage adversely impacts our network, service levels or exceeds 5 GB per month

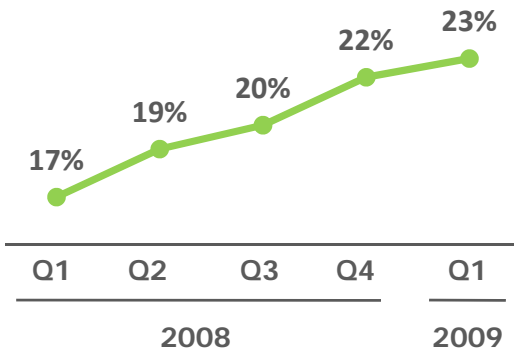
(2) As of mid-April 2009

Results in Competitive Markets

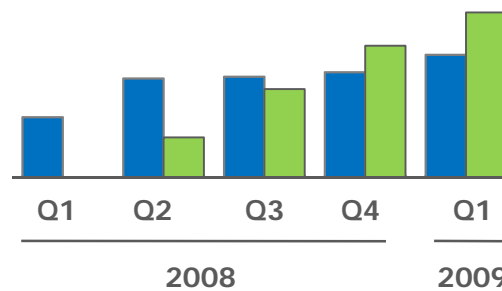


Total Prepaid Market Share

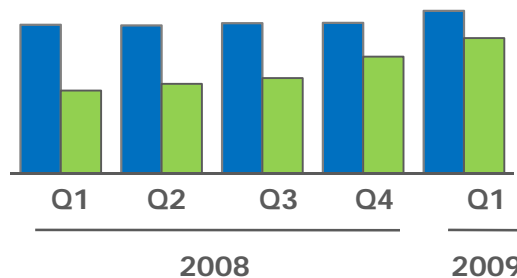
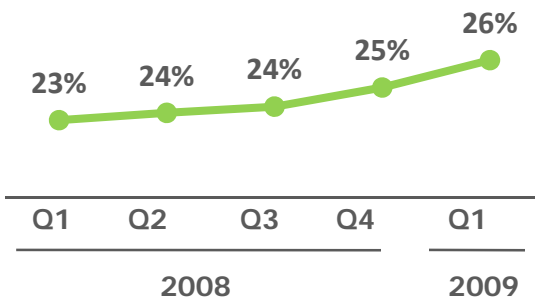
Las Vegas



Unlimited Carrier Customers



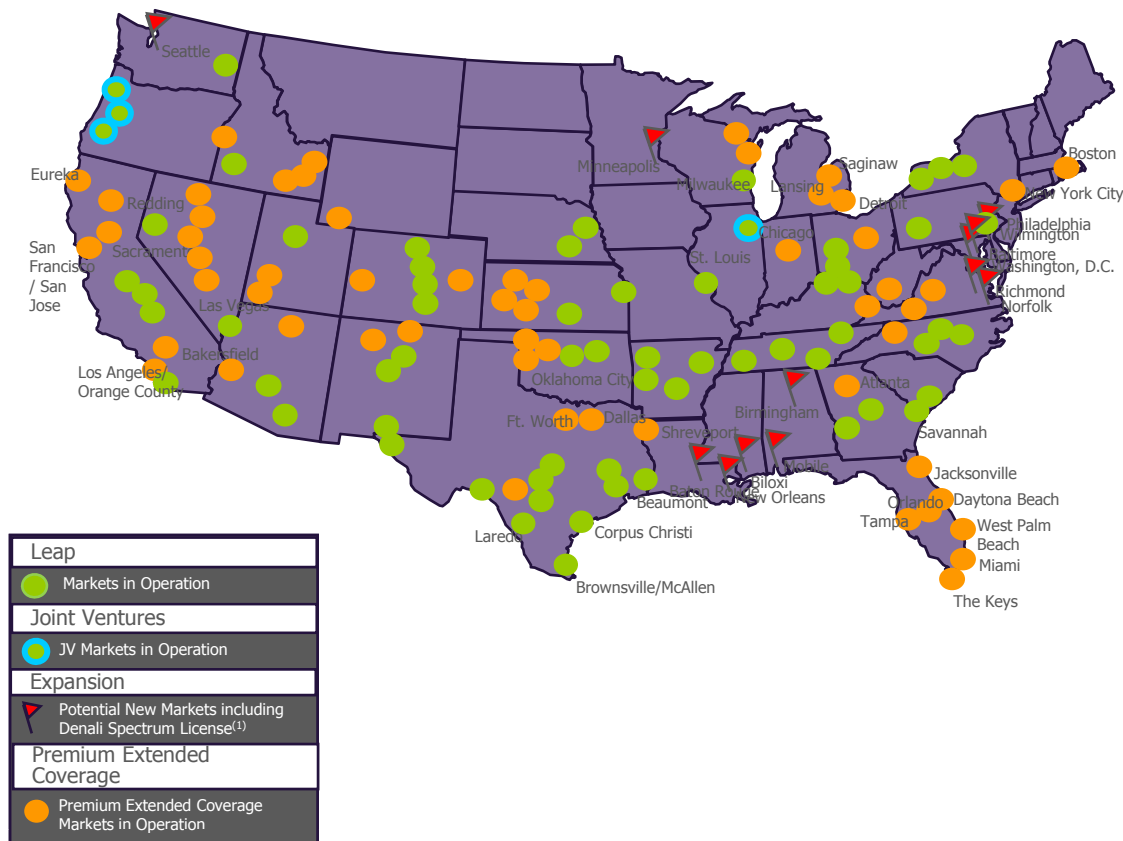
San Antonio



■ Look-alike competitors
■ Cricket

- Cricket can achieve market share leadership in markets with direct, look-alike competitors
- Overall market share of prepaid expands as a direct result of growth of Cricket and other look-alike competitors
- Expect continued investment to enhance Cricket's competitive position by improving footprint, distribution and awareness

Coverage Expansion Continues Successfully



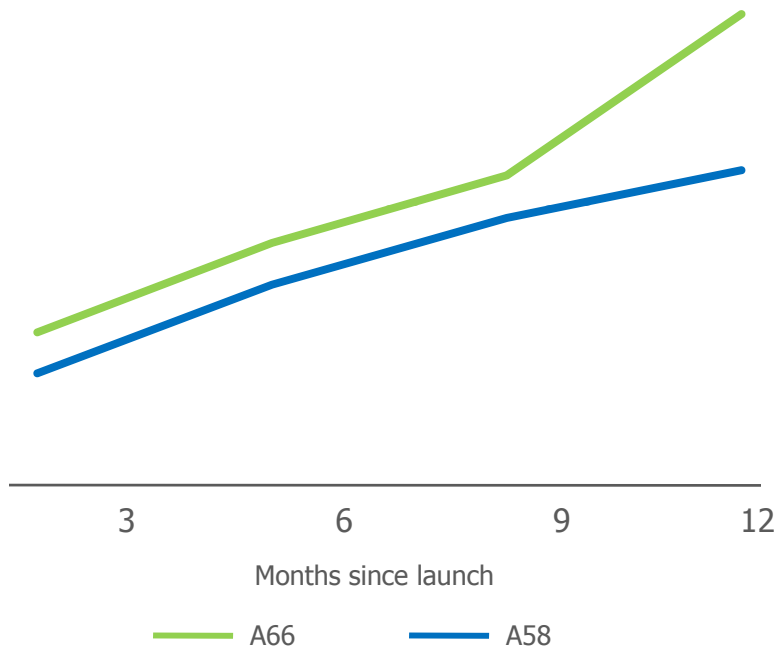
- New market expansion on track
 - Company will complete launch of up to 25M POPs⁽²⁾ by mid-2009
- Additional POPs considered for launch in next 18-24 months
 - Expect to finalize plan by the middle of 2009
- Premium Extended Coverage expands nationwide footprint
 - Plan to continue to add new roaming partners

(1) Denali Spectrum License, LLC, is a wholly owned subsidiary of Denali Spectrum, LLC, an entity in which the Company owns a 82.5% non-controlling interest.
 (2) Measured on a cumulative basis beginning January 2009.

New Market Customer Uptake Validates Strategy



A66 vs. A58 Penetration Rates*



- Customer uptake remains attractive
 - Cricket maintains value leadership position
 - Markets launched with robust footprint
 - Improving distribution presence with branded dealers, direct and national
 - Seasonality positively impacts results
- Markets moving to positive OIBDA contribution
 - Four out of five markets launched in 2008 contributing positive adjusted OIBDA
 - Expect markets launched in 2008 to contribute positive adjusted OIBDA in aggregate by 2H09

Fiscal Year 2009 Outlook On Track



Customer Net Additions



>1.5M

Adjusted OIBDA⁽¹⁾



\$560M - \$640M

Capital Expenditures⁽²⁾



\$625M - \$725M

3-year Adjusted OIBDA CAGR⁽³⁾



35% or greater

1) Including the effects of new initiative spending.

2) Excluding capitalized interest costs. Includes annual maintenance capital expenditures for operation of existing networks in markets one year or older and capital expenditures, investments in new markets. Maintenance capital expenditures expected to be in the mid-teens as % of service revenue.

3) Three year CAGR calculated from 2007-2010. Excludes any effects of launching additional POPs beyond our current market expansion plans or pursuing other significant business opportunities.

Leap: So Much More Than a Rate Plan



"We are emerging as a wireless carrier with national service offerings providing the right value, in the right place, at the right time with the right team."



To view Cricket's respekt advertising campaign visit:

<http://investor.leapwireless.com>

and click on the respekt logo.



- Products and Costs Aligned – the right value
 - Value leading voice, mobile data and broadband
 - Delivered by an industry leading cost structure
 - Demonstrated ability to invest and create profitability
- Customer Proposition Well Positioned– the right place
 - Brand building as value leader in the wireless space
 - Capable, expanding distribution and payment network
 - Ever improving customer experience
- Significant Assets Assembled – the right time
 - Upgraded networks – capacity, quality and speed
 - Attractive spectrum portfolio
 - Solid financial resources
- Team Has Been Assembled – the right team
 - Strong team of dedicated employees
 - A dealer and customer service network
 - Management team with proven track record





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QUESTION & ANSWER PERIOD



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ADDENDUM

Existing Business Operating Margins⁽¹⁾



(\$ in millions)

	<u>1Q08 Existing Business⁽¹⁾</u>	<u>% of Service Revenue</u>	<u>1Q09 Existing Business⁽¹⁾⁽²⁾</u>	<u>% of Service Revenue</u>	<u>Y-O-Y Margin Improvement</u>
Service Revenue	\$398.9		\$444.0		
Adjusted OIBDA	\$135.0	33.8%	\$164.4	37.0%	3.2%
Cost of Service	\$99.3	24.9%	\$102.5	23.1%	1.8%
Net Equipment Subsidy	\$44.7	11.2%	\$43.7	9.8%	1.4%
Sales & Marketing Expense	\$53.0	13.3%	\$60.0 ⁽³⁾	13.5%	-0.2%
Customer Care & Billing	\$25.4	6.4%	\$26.9	6.1%	0.3%
General & Administrative	\$41.4	10.4%	\$46.5 ⁽⁴⁾	10.5%	-0.1%

(1) Calculated as a percentage of existing business service revenue

(2) Excluding share-based compensation included in cost of service, sales and marketing, and general administrative expense

(3) Includes ~3.2M of costs due to new "respekt" marketing campaign.

(4) Includes ~1.3 of litigation-related costs.