

## Definition of Terms and Reconciliation of Non-GAAP Financial Measures for 2006

The Company utilizes certain financial measures that are widely used in the telecommunications industry and are not calculated based on GAAP. Certain of these financial measures are considered non-GAAP financial measures within the meaning of Item 10 of Regulation S-K promulgated by the SEC.

As previously disclosed, we have restated our historical consolidated financial statements as of and for the year ended December 31, 2006. For further information as to the restatement of our historical consolidated financial statements, see Note 2 to our audited consolidated financial statements included in "Part II — Item 8. Financial Statements and Supplementary Data" of our Annual Report on Form 10-K, as amended, for the year ended December 31, 2006 filed with the SEC on December 26, 2007. The following tables present restated non-GAAP financial measures for the quarters ended March 31, 2006, June 30, 2006, September 30, 2006 and December 31, 2006.

**(1) Cost Per Gross Customer Addition (CPGA):** CPGA is selling and marketing costs (excluding applicable share-based compensation expense included in selling and marketing expense), and equipment subsidy (generally defined as cost of equipment less equipment revenue), less the net loss on equipment transactions unrelated to initial customer acquisition, divided by the total number of gross new customer additions during the period being measured. The net loss on equipment transactions unrelated to initial customer acquisition includes the revenues and costs associated with the sale of handsets to existing customers as well as costs associated with handset replacements and repairs (other than warranty costs which are the responsibility of the handset manufacturers). We deduct customers who do not pay their first monthly bill from our gross customer additions, which tends to increase CPGA because we incur the costs associated with this customer without receiving the benefit of a gross customer addition. Management uses CPGA to measure the efficiency of our customer acquisition efforts, to track changes in our average cost of acquiring new subscribers over time, and to help evaluate how changes in our sales and distribution strategies affect the cost-efficiency of our customer acquisition efforts. In addition, CPGA provides management with a useful measure to compare our per customer acquisition costs with those of other wireless communications providers. We believe investors use CPGA primarily as a tool to track changes in our average cost of acquiring new customers and to compare our per customer acquisition costs to those of other wireless communications providers. Other companies may calculate this measure differently.

The following table reconciles total costs used in the calculation of CPGA to selling and marketing expense, which we consider to be the most directly comparable GAAP financial measure to CPGA (unaudited, in thousands, except gross customer additions and CPGA):

	Three Months Ended				Year Ended
	March 31, 2006	June 30, 2006	September 30, 2006	December 31, 2006	December 31, 2006
	(As Restated)				
Selling and marketing expense.....	\$ 29,102	\$ 35,942	\$ 42,948	\$ 51,265	\$ 159,257
Less share-based compensation expense included in selling and marketing expense .....	(327)	(473)	(637)	(533)	(1,970)
Plus cost of equipment .....	71,977	65,396	83,457	90,004	310,834
Less equipment revenue .....	(63,765)	(50,299)	(52,712)	(44,046)	(210,822)
Less net loss on equipment transactions unrelated to initial customer acquisition.....	(1,247)	(1,139)	(1,822)	(3,988)	(8,196)
Total costs used in the calculation of CPGA .....	\$ 35,740	\$ 49,427	\$ 71,234	\$ 92,702	\$ 249,103
Gross customer additions.....	278,370	253,033	405,178	519,229	1,455,810
CPGA .....	\$ 128	\$ 195	\$ 176	\$ 179	\$ 171

**(2) Cash Costs Per User (CCU):** CCU is cost of service and general and administrative costs (excluding applicable share-based compensation expense included in cost of service and general and administrative expense) plus net loss on equipment transactions unrelated to initial customer acquisition (which includes the gain or loss on sale of handsets to existing customers and costs associated with handset replacements and repairs (other than warranty costs which are the responsibility of the handset manufacturers)), divided by the weighted-average number of customers, divided by the number of months during the period being measured. CCU does not include any depreciation and amortization expense. Management uses CCU as a tool to evaluate the non-selling cash expenses associated with ongoing business operations on a per customer basis, to track changes in these non-selling cash costs over time, and to help evaluate how changes in our business operations affect non-selling cash costs per customer. In addition, CCU provides management with a useful measure to compare our non-selling cash costs per customer with those of other wireless communications providers. We believe investors use CCU primarily as a tool to track changes in our non-selling cash costs over time and to compare our non-selling cash costs to those of other wireless communications providers. Other companies may calculate this measure differently.

The following table reconciles total costs used in the calculation of CCU to cost of service, which we consider to be the most directly comparable GAAP financial measure to CCU (unaudited, in thousands, except weighted-average number of customers and CCU):

	Three Months Ended				Year Ended
	March 31, 2006	June 30, 2006	September 30, 2006 (As Restated)	December 31, 2006	December 31, 2006
Cost of service .....	\$ 56,210	\$ 61,255	\$ 71,575	\$ 75,122	\$ 264,162
Plus general and administrative expense .....	49,090	46,576	49,116	51,822	196,604
Less share-based compensation expense included in cost of service and general and administrative expense .....	(4,165)	(4,215)	(4,426)	(4,949)	(17,755)
Plus net loss on equipment transactions unrelated to initial customer acquisition.....	<u>1,247</u>	<u>1,139</u>	<u>1,822</u>	<u>3,988</u>	<u>8,196</u>
Total costs used in the calculation of CCU .....	\$ 102,382	\$ 104,755	\$ 118,087	\$ 125,983	\$ 451,207
Weighted-average number of customers.....	<u>1,718,349</u>	<u>1,790,232</u>	<u>1,870,204</u>	<u>2,067,122</u>	<u>1,861,477</u>
CCU .....	<u>\$ 19.86</u>	<u>\$ 19.50</u>	<u>\$ 21.05</u>	<u>\$ 20.32</u>	<u>\$ 20.20</u>

**(3) Adjusted Operating Income Before Depreciation and Amortization (Adjusted OIBDA) and Estimated Existing Market Adjusted OIBDA:** Adjusted OIBDA is a non-GAAP financial measure defined as operating income less depreciation and amortization, adjusted to exclude the effects of: gain/loss on sale of wireless licenses and operating assets; impairment of indefinite-lived intangible assets; impairment of long-lived assets and related charges; and share-based compensation expense.

Estimated Existing Market Adjusted OIBDA is a non-GAAP financial measure that further adjusts Adjusted OIBDA to exclude total revenues attributable to new markets that were included in total revenues, and to add back estimated market-level operating expenses attributable to new markets that were included in total operating expenses (other than depreciation and amortization and share-based compensation expense, which have already been added back to Adjusted OIBDA). Corporate-level and regional-level overhead expenses are allocated entirely to and are reflected in Estimated Existing Market Adjusted OIBDA, even though some of these expenses may have been incurred for the benefit of our new markets. Adjusted OIBDA and Estimated Existing Market Adjusted OIBDA should not be construed as

alternatives to operating income or net income as determined in accordance with GAAP, as alternatives to cash flows from operating activities as determined in accordance with GAAP or as measures of liquidity.

In a capital-intensive industry such as wireless telecommunications, management believes that Adjusted OIBDA and Estimated Existing Market Adjusted OIBDA, as well as the associated percentage margin calculations, are meaningful measures of the Company's operating performance. We use Adjusted OIBDA as a supplemental performance measure because management believes it facilitates comparisons of the Company's operating performance from period to period and comparisons of the Company's operating performance to that of other companies by backing out potential differences caused by the age and book depreciation of fixed assets (affecting relative depreciation expenses) as well as the items described above for which additional adjustments were made. While depreciation and amortization are considered operating costs under generally accepted accounting principles, these expenses primarily represent the non-cash current period allocation of costs associated with long-lived assets acquired or constructed in prior periods. We also use Estimated Existing Market Adjusted OIBDA as a supplemental performance measure because management believes that Estimated Existing Market Adjusted OIBDA reflects the operating performance of the Company's existing markets that were in operation at December 31, 2005 without the negative OIBDA contribution resulting from the Company's new market build-out and launch activities in 2006, and that it facilitates comparisons of the Company's operating performance with its prior periods that did not include these new market build-out and launch activities. Because Adjusted OIBDA and Estimated Existing Market Adjusted OIBDA facilitate internal comparisons of our historical operating performance, management also uses these metrics for business planning purposes and to measure our performance relative to that of our competitors. In addition, we believe that Adjusted OIBDA, Estimated Existing Market Adjusted OIBDA and similar measures are widely used by investors, financial analysts and credit rating agencies as measures of our financial performance over time and to compare our financial performance with that of other companies in our industry.

Adjusted OIBDA and Estimated Existing Market Adjusted OIBDA have limitations as analytical tools, and should not be considered in isolation or as a substitute for analysis of our results as reported under GAAP. Some of these limitations include:

- they do not reflect capital expenditures;
- although they do not include depreciation and amortization, the assets being depreciated and amortized will often have to be replaced in the future, and Adjusted OIBDA and Estimated Existing Market Adjusted OIBDA do not reflect cash requirements for such replacements;
- they do not reflect costs associated with share-based awards exchanged for employee services;
- they do not reflect the interest expense necessary to service interest or principal payments on current or future indebtedness;
- they do not reflect expenses incurred for the payment of income taxes and other taxes; and
- other companies, including companies in our industry, may calculate these measures differently than we do, limiting their usefulness as comparative measures.

Management understands these limitations and considers Adjusted OIBDA and Estimated Existing Market Adjusted OIBDA as financial performance measures that supplement but do not replace the information provided to management by our GAAP results.

The following table reconciles Adjusted OIBDA and Estimated Existing Market Adjusted OIBDA to operating income, which we consider to be the most directly comparable GAAP financial measure to Adjusted OIBDA and Estimated Existing Market Adjusted OIBDA (unaudited, in thousands):

	Three Months Ended				Year Ended
	March 31, 2006	June 30, 2006	September 30, 2006 (As Restated)	December 31, 2006	December 31, 2006
Operating income (loss) .....	\$ 21,435	\$ 11,742	\$ 7,050	\$ (16,502)	\$ 23,725
Plus depreciation and amortization .....	<u>54,036</u>	<u>53,337</u>	<u>56,409</u>	<u>62,965</u>	<u>226,747</u>
OIBDA .....	<u>75,471</u>	<u>65,079</u>	<u>63,459</u>	<u>46,463</u>	<u>250,472</u>
Less gain on sale of wireless licenses and operating assets .....	—	—	(21,990)	(64)	(22,054)
Plus impairment of indefinite- lived intangible assets .....	—	3,211	4,701	—	7,912
Plus share-based compensation expense .....	<u>4,492</u>	<u>4,688</u>	<u>5,063</u>	<u>5,482</u>	<u>19,725</u>
Adjusted OIBDA .....	<u>79,963</u>	<u>72,978</u>	<u>51,233</u>	<u>51,881</u>	<u>256,055</u>
Less total revenues attributable to new markets included in consolidated total revenues .....	(3,312)	(9,284)	(29,904)	(52,924)	(95,425)
Plus estimated operating expenses attributable to new markets included in total operating expenses (other than depreciation and amortization and share-based compensation expense) .....	<u>5,525</u>	<u>14,823</u>	<u>38,663</u>	<u>55,500</u>	<u>114,512</u>
Estimated Existing Market Adjusted OIBDA .....	<u>\$ 82,176</u>	<u>\$ 78,517</u>	<u>\$ 59,992</u>	<u>\$ 54,457</u>	<u>\$ 275,142</u>

**(4) Calculated Contribution per User per Month:** Calculated contribution per user per month is calculated by subtracting CCU (see note 2) and the product of CPGA (see note 1) times churn from average revenue per user per month (ARPU). Calculated contribution per user per month is not a measurement under GAAP and should be considered in addition to, but not as a substitute for, the information contained in our consolidated statement of operations and consolidated statement of cash flows. We believe that calculated contribution per user per month is useful to management and investors as an indicator of our expected ongoing operating contribution per average customer, including the costs of replacing subscribers who churn from service, assuming that ARPU, CCU, CPGA and churn remain constant over the customer's lifetime. We also believe that this measure, like ARPU, provides useful information to management and investors concerning the appeal of our rate plans and service offerings and our performance in attracting and retaining our customers. Other companies may calculate this measure differently.

Calculated contribution per user per month is calculated as follows (unaudited):

	Three Months Ended				Year Ended
	March 31, 2006	June 30, 2006	September 30, 2006 (As Restated)	December 31, 2006	December 31, 2006
ARPU .....	\$ 42.31	\$ 42.30	\$ 42.87	\$ 43.63	\$ 42.81
Less CCU (see note 2) .....	(19.86)	(19.50)	(21.05)	(20.32)	(20.20)
Less CPGA (see note 1) times churn (\$128 x 3.3%), (\$195 x 3.6%), (\$176 x 4.3%), (\$179 x 4.1%) and (\$171 x 3.9%) .....	(4.22)	(7.02)	(7.57)	(7.34)	(6.67)
Calculated contribution per user per month .....	<u>\$ 18.23</u>	<u>\$ 15.78</u>	<u>\$ 14.25</u>	<u>\$ 15.97</u>	<u>\$ 15.94</u>

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