



WE WON'T STOP

**3rd Quarter 2015
Financial Results,
Supplementary Data and
Non-GAAP Reconciliations**

T-Mobile®

Definitions of Terms

Operating and financial measures are utilized by T-Mobile's management to evaluate its operating performance and, in certain cases, its ability to meet liquidity requirements. Although companies in the wireless industry may not define measures in precisely the same way, T-Mobile believes the measures facilitate key operating performance comparisons with other companies in the wireless industry to provide management, investors, and analysts with useful information to assess and evaluate past performance and assist in forecasting future performance.

- 1 Customer - SIM card with a unique T-Mobile mobile identity number which generates revenue. Branded customers generally include customers that are qualified either for postpaid service, where they generally pay after incurring service, or prepaid service, where they generally pay in advance. Wholesale customers include Machine-to-Machine (M2M) and Mobile Virtual Network Operator (MVNO) customers that operate on T-Mobile's network, but are managed by wholesale partners.
- 2 Churn - Number of customers whose service was discontinued as a percentage of the average number of customers during the specified period.
- 3 Customers per account - The number of branded postpaid customers as of the end of the period divided by the number of branded postpaid accounts as of the end of the period. An account may include branded postpaid phone and mobile broadband customers.
- 4 Average Revenue Per Account (ARPA) - Average monthly branded postpaid service revenue earned per account. Branded postpaid service revenues for the specified period divided by the average number of branded postpaid accounts during the period, further divided by the number of months in the period. T-Mobile considers branded postpaid ARPA to be indicative of its revenue growth potential given the increase in the average number of branded postpaid phone customers per account and increased penetration of mobile broadband devices.

Average Billings Per Account (ABPA) - Average monthly branded postpaid service revenue earned from customers plus equipment installment plan (EIP) billings and lease revenues divided by the average number of branded postpaid accounts during the period, further divided by the number of months in the period. T-Mobile believes average branded postpaid customer billings per account is indicative of estimated cash collections, including device financing payments, from T-Mobile's customers each month on a per account basis.

Average Revenue Per User (ARPU) - Average monthly service revenue earned from customers. Service revenues for the specified period divided by the average customers during the period, further divided by the number of months in the period.

Branded postpaid phone ARPU excludes mobile broadband customers and related revenues.

Average Billings per User (ABPU) - Average monthly branded postpaid service revenue earned from customers plus EIP billings and lease revenues divided by the average branded postpaid customers during the period, further divided by the number of months in the period. T-Mobile believes branded postpaid ABPU is indicative of estimated cash collections, including device financing payments, from T-Mobile's customers each month.

Service revenues - Branded postpaid, including handset insurance, branded prepaid, wholesale, and roaming and other service revenues.

- 5 Cost of services - Costs to operate and maintain T-Mobile's networks, including direct switch and cell site costs, such as rent, fixed line costs, utilities, maintenance, and labor costs associated with network employees; long distance costs; regulatory program costs; roaming fees paid to other carriers; fixed and variable costs paid to third parties for the use of proprietary data applications.
- Cost of equipment sales - Costs to sell T-Mobile's equipment, including equipment, accessories, inventory adjustments, shipping, and warranty expenses.
- Selling, general and administrative expenses - Salaries and wages and benefits not directly attributable to a service or product; bad debt charges; taxes other than income taxes; advertising and sales commission costs; customer billing; call center and information technology costs; professional service fees; and rent and utilities for retail and administrative space.
- 6 Adjusted EBITDA - Earnings before interest expense (net of interest income), tax, depreciation, amortization, stock-based compensation and expenses not reflective of T-Mobile's ongoing operating performance. Adjusted EBITDA margin represents Adjusted EBITDA divided by service revenues. Adjusted EBITDA is a non-GAAP financial measure utilized by T-Mobile's management to monitor the financial performance of its operations. T-Mobile uses Adjusted EBITDA internally as a metric to evaluate and compensate its personnel and management for their performance, and as a benchmark to evaluate T-Mobile's operating performance in comparison to its competitors. Management believes analysts and investors use Adjusted EBITDA as a supplemental measure to evaluate overall operating performance and facilitate comparisons with other wireless communications companies. Adjusted EBITDA has limitations as an analytical tool and should not be considered in isolation or as a substitute for income from operations, net income, or any other measure of financial performance reported in accordance with GAAP. The reconciliation of Adjusted EBITDA to net income (loss) is detailed in the Reconciliation of Non-GAAP Financial Measures to GAAP Financial Measures schedule.
 - 7 Cash capital expenditures - Amounts paid for construction and the purchase of property and equipment.
 - 8 Smartphones - UMTS/HSPA/HSPA+ 21/HSPA+ 42/4G LTE enabled converged devices, which integrate voice and data services.
 - 9 Free Cash Flow - Net cash provided by operating activities less cash capital expenditures for property and equipment. Free Cash Flow is utilized by T-Mobile's management, investors, and analysts to evaluate cash available to pay debt and provide further investment in the business. The reconciliation of Free Cash Flow to net cash provided by operating activities is detailed in the Reconciliation of Non-GAAP Financial Measures to GAAP Financial Measures schedule.
 - 10 Adjusted Free Cash Flow - Free Cash Flow excluding decommissioning payments related to the shutdown of the CDMA portion of the MetroPCS network.
 - 11 Net debt - Short-term debt, long-term debt to affiliates, and long-term debt (excluding tower obligations), less cash and cash equivalents.

T-Mobile US, Inc. Supplementary Operating and Financial Data

(in thousands)	Quarter							Nine Months Ended September 30,	
	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	2014	2015
Customers, end of period									
Branded postpaid phone customers	23,054	23,633	24,807	25,844	26,835	27,595	28,438	24,807	28,438
Branded postpaid mobile broadband customers	568	897	1,102	1,341	1,475	1,723	1,965	1,102	1,965
Total branded postpaid customers	23,622	24,530	25,909	27,185	28,310	29,318	30,403	25,909	30,403
Branded prepaid customers	15,537	15,639	16,050	16,316	16,389	16,567	17,162	16,050	17,162
Total branded customers	39,159	40,169	41,959	43,501	44,699	45,885	47,565	41,959	47,565
Wholesale customers	9,916	10,376	10,931	11,517	12,137	13,023	13,655	10,931	13,655
Total customers, end of period	49,075	50,545	52,890	55,018	56,836	58,908	61,220	52,890	61,220

(in thousands)	Quarter							Nine Months Ended September 30,	
	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	2014	2015
Net customer additions									
Branded postpaid phone customers	1,256	579	1,175	1,037	991	760	843	3,010	2,594
Branded postpaid mobile broadband customers	67	329	204	239	134	248	242	600	624
Total branded postpaid customers	1,323	908	1,379	1,276	1,125	1,008	1,085	3,610	3,218
Branded prepaid customers	465	102	411	266	73	178	595	978	846
Total branded customers	1,788	1,010	1,790	1,542	1,198	1,186	1,680	4,588	4,064
Wholesale customers	603	460	555	586	620	886	632	1,618	2,138
Total net customer additions	2,391	1,470	2,345	2,128	1,818	2,072	2,312	6,206	6,202

Note: Certain customer numbers may not add due to rounding.

	Quarter							Nine Months Ended September 30,	
	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	2014	2015
Branded postpaid phone churn	1.47 %	1.48 %	1.64 %	1.73 %	1.30 %	1.32 %	1.46 %	1.53 %	1.36 %
Branded prepaid churn	4.34 %	4.50 %	4.78 %	5.39 %	4.62 %	4.93 %	4.09 %	4.54 %	4.54 %

T-Mobile US, Inc. Supplementary Operating and Financial Data

	Quarter							Nine Months Ended September 30,	
	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	2014	2015
Financial Metrics									
Service revenues (in millions)	\$ 5,337	\$ 5,484	\$ 5,684	\$ 5,870	\$ 5,819	\$ 6,144	\$ 6,302	\$ 16,505	\$ 18,265
Total revenues (in millions)	\$ 6,875	\$ 7,185	\$ 7,350	\$ 8,154	\$ 7,778	\$ 8,179	\$ 7,849	\$ 21,410	\$ 23,806
Adjusted EBITDA (in millions)	\$ 1,088	\$ 1,451	\$ 1,346	\$ 1,751	\$ 1,388	\$ 1,817	\$ 1,908	\$ 3,885	\$ 5,113
Adjusted EBITDA margin	20%	26%	24%	30%	24%	30%	30%	24%	28%
Net income (loss) (in millions)	\$ (151)	\$ 391	\$ (94)	\$ 101	\$ (63)	\$ 361	\$ 138	\$ 146	\$ 436
Cash capex - Property & Equipment (in millions)	\$ 947	\$ 940	\$ 1,131	\$ 1,299	\$ 982	\$ 1,191	\$ 1,120	\$ 3,018	\$ 3,293
Revenue Metrics									
Branded postpaid ARPA	\$ 108.97	\$ 107.11	\$ 109.80	\$ 109.87	\$ 108.04	\$ 113.50	\$ 115.10	\$ 108.63	\$ 112.27
Branded postpaid ABPA	\$ 129.74	\$ 131.81	\$ 138.73	\$ 143.79	\$ 145.03	\$ 152.31	\$ 154.56	\$ 133.50	\$ 150.70
Branded postpaid accounts, end of period	10,812	11,017	11,297	11,506	11,831	12,061	12,250	11,297	12,250
Branded postpaid customers per account	2.18	2.23	2.29	2.36	2.39	2.43	2.48	2.29	2.48
Branded postpaid phone ARPU	\$ 50.48	\$ 49.32	\$ 49.84	\$ 48.26	\$ 46.43	\$ 48.19	\$ 47.99	\$ 49.87	\$ 47.55
Branded postpaid ABPU	\$ 59.54	\$ 59.79	\$ 61.59	\$ 61.80	\$ 60.94	\$ 63.29	\$ 62.96	\$ 60.34	\$ 62.42
Branded prepaid ARPU	\$ 36.09	\$ 37.16	\$ 37.59	\$ 37.51	\$ 37.81	\$ 37.83	\$ 37.46	\$ 36.96	\$ 37.70
Device Sales and Leased Devices									
Smartphone units (in millions)	6.9	6.2	6.9	8.0	8.0	7.4	8.1	20.0	23.5
Branded postpaid handset upgrade rate	7%	8%	9%	11%	8%	9%	9%	24%	26%
Device Financing									
EIP financed (in millions)	\$ 1,249	\$ 1,342	\$ 1,317	\$ 1,902	\$ 1,483	\$ 1,697	\$ 1,107	\$ 3,908	\$ 4,287
EIP billings and lease revenues (in millions)	\$ 657	\$ 810	\$ 967	\$ 1,162	\$ 1,292	\$ 1,393	\$ 1,439	\$ 2,434	\$ 4,124
EIP receivables, net (in millions)	\$ 3,086	\$ 3,583	\$ 3,963	\$ 4,690	\$ 4,842	\$ 5,114	\$ 4,771	\$ 3,963	\$ 4,771
Lease devices transferred from inventory to property and equipment, net (in millions)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 822	\$ —	\$ 822
Customer Quality									
EIP receivables classified as prime	53%	53%	53%	54%	52%	52%	52%	53%	52%
Total bad debt expense and losses from factoring arrangement (in millions)	\$ 157	\$ 164	\$ 152	\$ 150	\$ 169	\$ 156	\$ 198	\$ 473	\$ 523

T-Mobile US, Inc.
Condensed Consolidated Balance Sheets
(Unaudited)

(in millions, except share and per share amounts)	September 30, 2015	December 31, 2014
Assets		
Current assets		
Cash and cash equivalents	\$ 2,633	\$ 5,315
Accounts receivable, net of allowances of \$101 and \$83	1,810	1,865
Equipment installment plan receivables, net	3,397	3,062
Accounts receivable from affiliates	32	76
Inventories	1,236	1,085
Deferred tax assets, net	1,658	988
Other current assets	1,890	1,593
Total current assets	12,656	13,984
Property and equipment, net	18,101	16,245
Goodwill	1,683	1,683
Spectrum licenses	23,646	21,955
Other intangible assets, net	662	870
Equipment installment plan receivables due after one year, net	1,374	1,628
Other assets	351	288
Total assets	\$ 58,473	\$ 56,653
Liabilities and Stockholders' Equity		
Current liabilities		
Accounts payable and accrued liabilities	\$ 7,474	\$ 7,364
Current payables to affiliates	196	231
Short-term debt	114	87
Deferred revenue	649	459
Other current liabilities	410	635
Total current liabilities	8,843	8,776
Long-term debt	16,442	16,273
Long-term debt to affiliates	5,600	5,600
Long-term financial obligation	2,528	2,521
Deferred tax liabilities	5,566	4,873
Deferred rents	2,447	2,331
Other long-term liabilities	795	616
Total long-term liabilities	33,378	32,214
Commitments and contingencies		
Stockholders' equity		
5.50% Mandatory Convertible Preferred Stock Series A, par value \$0.00001 per share, 100,000,000 shares authorized; 20,000,000 and 20,000,000 shares issued and outstanding; \$1,000 and \$1,000 aggregate liquidation value	-	-
Common Stock, par value \$0.00001 per share, 1,000,000,000 shares authorized; 817,406,151 and 808,851,108 shares issued, 816,023,646 and 807,468,603 shares outstanding	-	-
Additional paid-in capital	38,658	38,503
Treasury stock, at cost, 1,382,505 and 1,382,505 shares issued	-	-
Accumulated other comprehensive income (loss)	(1)	1
Accumulated deficit	(22,405)	(22,841)
Total stockholders' equity	16,252	15,663
Total liabilities and stockholders' equity	\$ 58,473	\$ 56,653

T-Mobile US, Inc.
Condensed Consolidated Statements of Comprehensive Income (Loss)
(Unaudited)

(in millions, except shares and per share amounts)	Three Months Ended			Nine Months Ended	
	September 30, 2015	June 30, 2015	September 30, 2014	September 30, 2015	September 30, 2014
Revenues					
Branded postpaid revenues	\$ 4,197	\$ 4,075	\$ 3,670	\$ 12,046	\$ 10,628
Branded prepaid revenues	1,894	1,861	1,790	5,597	5,174
Wholesale revenues	170	164	171	492	517
Roaming and other service revenues	41	44	53	130	186
Total service revenues	6,302	6,144	5,684	18,265	16,505
Equipment revenues	1,416	1,915	1,561	5,182	4,609
Other revenues	131	120	105	359	296
Total revenues	7,849	8,179	7,350	23,806	21,410
Operating expenses					
Cost of services, exclusive of depreciation and amortization shown separately below	1,378	1,397	1,488	4,170	4,405
Cost of equipment sales	1,985	2,661	2,308	7,325	6,809
Selling, general and administrative	2,624	2,438	2,283	7,434	6,530
Depreciation and amortization	1,157	1,075	1,138	3,319	3,322
Cost of MetroPCS business combination	193	34	97	355	131
Gains on disposal of spectrum licenses	(1)	(23)	(13)	(24)	(770)
Total operating expenses	7,336	7,582	7,301	22,579	20,427
Operating income	513	597	49	1,227	983
Other income (expense)					
Interest expense to affiliates	(121)	(92)	(83)	(277)	(186)
Interest expense	(262)	(257)	(260)	(780)	(807)
Interest income	109	114	97	335	255
Other income (expense), net	(1)	1	(14)	(8)	(32)
Total other expense, net	(275)	(234)	(260)	(730)	(770)
Income (loss) before income taxes	238	363	(211)	497	213
Income tax expense (benefit)	100	2	(117)	61	67
Net income (loss)	138	361	(94)	436	146
Dividends on preferred stock	(13)	(14)	-	(41)	-
Net income (loss) attributable to common stockholders	\$ 125	\$ 347	\$ (94)	\$ 395	\$ 146
Other comprehensive loss, net of tax:					
Unrealized gain (loss) on available-for-sale securities, net of tax effect of (\$1), \$0, \$0, (\$2) and (\$1)	(2)	-	1	(2)	(2)
Other comprehensive income (loss), net of tax	(2)	-	1	(2)	(2)
Total comprehensive income (loss)	\$ 136	\$ 361	\$ (93)	\$ 434	\$ 144
Earnings (loss) per share					
Basic	\$ 0.15	\$ 0.43	\$ (0.12)	\$ 0.49	\$ 0.18
Diluted	\$ 0.15	\$ 0.42	\$ (0.12)	\$ 0.48	\$ 0.18
Weighted average shares outstanding					
Basic	815,069,272	811,605,031	807,221,761	811,783,620	804,572,685
Diluted	822,017,220	821,122,537	807,221,761	820,514,748	813,507,827

T-Mobile US, Inc.
Condensed Consolidated Statements of Cash Flows
(Unaudited)

(in millions)	Nine Months Ended September 30,	
	2015	2014
Operating activities		
Net cash provided by operating activities	\$ 3,181	\$ 2,791
Investing activities		
Purchases of property and equipment	(3,293)	(3,018)
Purchases of spectrum licenses and other intangible assets	(1,938)	(2,390)
Other, net	(7)	(32)
Net cash used in investing activities	(5,238)	(5,440)
Financing activities		
Proceeds from issuance of long-term debt	—	2,993
Repayments of short-term debt for purchases of inventory, property and equipment, net	(563)	(414)
Other, net	(62)	(34)
Net cash provided by (used in) financing activities	(625)	2,545
Change in cash and cash equivalents	(2,682)	(104)
Cash and cash equivalents		
Beginning of period	5,315	5,891
End of period	\$ 2,633	\$ 5,787

T-Mobile US, Inc.
Reconciliation of Non-GAAP Financial Measures to GAAP Financial Measures
(Unaudited)

The non-GAAP financial measures should be considered in addition to, but not as a substitute for, the information provided in accordance with GAAP. Reconciliations for the non-GAAP financial measures to the most directly comparable GAAP financial measures are provided below.

Adjusted EBITDA is reconciled to net income (loss) as follows:

(in millions)	Quarter							Nine Months Ended September 30,	
	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	2014	2015
Net income (loss)	\$ (151)	\$ 391	\$ (94)	\$ 101	\$ (63)	\$ 361	\$ 138	\$ 146	\$ 436
Adjustments:									
Interest expense to affiliates	18	85	83	92	64	92	121	186	277
Interest expense	276	271	260	266	261	257	262	807	780
Interest income	(75)	(83)	(97)	(104)	(112)	(114)	(109)	(255)	(335)
Other expense (income), net	6	12	14	(21)	8	(1)	1	32	8
Income tax expense (benefit)	(102)	286	(117)	99	(41)	2	100	67	61
Operating income (loss)	(28)	962	49	433	117	597	513	983	1,227
Depreciation and amortization	1,055	1,129	1,138	1,090	1,087	1,075	1,157	3,322	3,319
Cost of MetroPCS business combination	12	22	97	168	128	34	193	131	355
Stock based compensation	49	63	45	54	56	71	43	157	170
Gains on disposal of spectrum licenses ⁽¹⁾	-	(731)	11	-	-	-	-	(720)	-
Other, net	-	6	6	6	-	40	2	12	42
Adjusted EBITDA	\$ 1,088	\$ 1,451	\$ 1,346	\$ 1,751	\$ 1,388	\$ 1,817	\$ 1,908	\$ 3,885	\$ 5,113

(1) Gains on disposal of spectrum licenses may not agree to the Condensed Consolidated Statements of Comprehensive Income (Loss) primarily due to certain routine operating activities, such as insignificant or routine spectrum license exchanges that would be expected to reoccur, and are therefore included in Adjusted EBITDA.

T-Mobile US, Inc.
Reconciliation of Non-GAAP Financial Measures to GAAP Financial Measures
(Unaudited)

The following tables illustrate the calculation of ARPA and ABPA and reconcile these measures to the related service revenues, which we consider to be the most directly comparable GAAP financial measure to ARPA and ABPA:

(in millions, except average number of accounts, ARPA and ABPA)	Quarter							Nine Months Ended September 30,	
	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	2014	2015
Calculation of Branded Postpaid ARPA									
Branded postpaid service revenues	\$ 3,447	\$ 3,511	\$ 3,670	\$ 3,764	\$ 3,774	\$ 4,075	\$ 4,197	\$ 10,628	\$ 12,046
Divided by: Average number of branded postpaid accounts (in thousands) and number of months in period	10,543	10,928	11,141	11,421	11,645	11,966	12,154	10,871	11,922
Branded postpaid ARPA	\$ 108.97	\$ 107.11	\$ 109.80	\$ 109.87	\$ 108.04	\$ 113.50	\$ 115.10	\$ 108.63	\$ 112.27
Calculation of Branded Postpaid ABPA									
Branded postpaid service revenues	\$ 3,447	\$ 3,511	\$ 3,670	\$ 3,764	\$ 3,774	\$ 4,075	\$ 4,197	\$ 10,628	\$ 12,046
Add: EIP billings and lease revenues	657	810	967	1,162	1,292	1,393	1,439	2,434	4,124
Total billings for branded postpaid customers	\$ 4,104	\$ 4,321	\$ 4,637	\$ 4,926	\$ 5,066	\$ 5,468	\$ 5,636	\$ 13,062	\$ 16,170
Divided by: Average number of branded postpaid accounts (in thousands) and number of months in period	10,543	10,928	11,141	11,421	11,645	11,966	12,154	10,871	11,922
Branded postpaid ABPA	\$ 129.74	\$ 131.81	\$ 138.73	\$ 143.79	\$ 145.03	\$ 152.31	\$ 154.56	\$ 133.50	\$ 150.70

The following tables illustrate the calculation of ARPU and ABPU and reconcile these measures to the related service revenues, which we consider to be the most directly comparable GAAP financial measure to ARPU and ABPU:

(in millions, except average number of customers, ARPU and ABPU)	Quarter							Nine Months Ended September 30,	
	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	2014	2015
Calculation of Branded Postpaid Phone ARPU									
Branded postpaid service revenues	\$ 3,447	\$ 3,511	\$ 3,670	\$ 3,764	\$ 3,774	\$ 4,075	\$ 4,197	\$ 10,628	\$ 12,046
Less: Branded postpaid mobile broadband revenues	(47)	(54)	(68)	(92)	(109)	(135)	(165)	(169)	(409)
Branded postpaid phone service revenues	\$ 3,400	\$ 3,457	\$ 3,602	\$ 3,672	\$ 3,665	\$ 3,940	\$ 4,032	\$ 10,459	\$ 11,637
Divided by: Average number of branded postpaid phone customers (in thousands) and number of months in period	22,447	23,368	24,091	25,359	26,313	27,250	28,003	23,302	27,189
Branded postpaid phone ARPU	\$ 50.48	\$ 49.32	\$ 49.84	\$ 48.26	\$ 46.43	\$ 48.19	\$ 47.99	\$ 49.87	\$ 47.55
Calculation of Branded Postpaid ABPU									
Branded postpaid service revenues	\$ 3,447	\$ 3,511	\$ 3,670	\$ 3,764	\$ 3,774	\$ 4,075	\$ 4,197	\$ 10,628	\$ 12,046
Add: EIP billings and lease revenues	657	810	967	1,162	1,292	1,393	1,439	2,434	4,124
Total billings for branded postpaid customers	\$ 4,104	\$ 4,321	\$ 4,637	\$ 4,926	\$ 5,066	\$ 5,468	\$ 5,636	\$ 13,062	\$ 16,170
Divided by: Average number of branded postpaid customers (in thousands) and number of months in period	22,975	24,092	25,095	26,572	27,717	28,797	29,838	24,054	28,784
Branded postpaid ABPU	\$ 59.54	\$ 59.79	\$ 61.59	\$ 61.80	\$ 60.94	\$ 63.29	\$ 62.96	\$ 60.34	\$ 62.42
Calculation of Branded Prepaid ARPU									
Branded prepaid service revenues	\$ 1,648	\$ 1,736	\$ 1,790	\$ 1,812	\$ 1,842	\$ 1,861	\$ 1,894	\$ 5,174	\$ 5,597
Divided by: Average number of branded prepaid customers (in thousands) and number of months in period	15,221	15,569	15,875	16,097	16,238	16,396	16,853	15,555	16,496
Branded prepaid ARPU	\$ 36.09	\$ 37.16	\$ 37.59	\$ 37.51	\$ 37.81	\$ 37.83	\$ 37.46	\$ 36.96	\$ 37.70

T-Mobile US, Inc.
Reconciliation of Non-GAAP Financial Measures to GAAP Financial Measures
(Unaudited)

Net debt (excluding Tower Obligations) to last twelve months adjusted EBITDA ratio is calculated as follows:

(in millions, except net debt ratio)	Three Months Ended						
	Mar 31, 2014	Jun 30, 2014	Sep 30, 2014	Dec 31, 2014	Mar 31, 2015	Jun 30, 2015	Sep 30, 2015
Short-term debt	\$ 151	\$ 272	\$ 1,168	\$ 87	\$ 467	\$ 386	\$ 114
Long-term debt to affiliates	5,600	5,600	5,600	5,600	5,600	5,600	5,600
Long-term debt	14,331	14,369	16,284	16,273	16,261	16,386	16,442
Less: Cash and cash equivalents	(5,471)	(3,080)	(5,787)	(5,315)	(3,032)	(2,642)	(2,633)
Net Debt (excluding Tower Obligations)	\$ 14,611	\$ 17,161	\$ 17,265	\$ 16,645	\$ 19,296	\$ 19,730	\$ 19,523
Divided By: Last twelve months Adjusted EBITDA ⁽¹⁾	\$ 4,936	\$ 5,122	\$ 5,124	\$ 5,636	\$ 5,936	\$ 6,302	\$ 6,864
Net Debt (excluding Tower Obligations) to Last Twelve Months Adjusted EBITDA Ratio	3.0	3.4	3.4	3.0	3.3	3.1	2.8

(1) March 31, 2014 Adjusted EBITDA for the last twelve months includes Pro Forma combined results from Q2 2013 to reflect the results of MetroPCS prior to the business combination.

Free cash flow and adjusted free cash flow is calculated as follows:

(in millions)	Quarter							Nine Months Ended September 30,	
	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	2014	2015
Net cash provided by operating activities	\$ 759	\$ 970	\$ 1,062	\$ 1,355	\$ 489	\$ 1,161	\$ 1,531	\$ 2,791	\$ 3,181
Cash purchases of property and equipment	(947)	(940)	(1,131)	(1,299)	(982)	(1,191)	(1,120)	(3,018)	(3,293)
Free Cash Flow	(188)	30	(69)	56	(493)	(30)	411	(227)	(112)
MetroPCS CDMA network decommissioning payments	9	5	15	52	71	103	76	29	250
Adjusted Free Cash Flow	\$ (179)	\$ 35	\$ (54)	\$ 108	\$ (422)	\$ 73	\$ 487	\$ (198)	\$ 138