

Q2 2023 Earnings Call Company Participants Callie Field , President - Business Group Jon Freier , President - Consumer Group Jud Henry , Senior Vice President and Head Investor Relations Michael J. Katz , President - Marketing, Innovation & Experience Mike Sievert , President and Chief Executive Officer Peter Osvaldik , Executive Vice President & Chief Financial Officer Ulf Ewaldsson , President - Technology Unidentified Speaker Other Participants Brett Feldman , Analyst, Goldman Sachs Craig Molett , Analyst, MolettNathanson John Hodulik , Analyst, UBS Jonathan Chaplin , Analyst, New Street Research Michael Rollins , Analyst, Citi Philip Cusick , Analyst, J.P. Morgan Ric Prentiss , Analyst, Raymond James Simon Flannery , Analyst, Morgan Stanley Timothy Horan , Analyst, Oppenheimer Presentation Operator Good afternoon. Following the opening remarks, the earning call will be opened for questions. (Operator Instructions). I would now like to turn the conference over to Mr. Jud Henry, Senior Vice President and Head of Investor Relations for T-Mobile US. Please go ahead, sir. Jud Henry {BIO 22149760 <GO>} Welcome to T-Mobile's Second Quarter 2023 Earnings Call. Joining me on the call today are Mike Sievert, our President and CEO; Peter Osvaldik, our CFO, as well as other members of the senior leadership team. During this call, we will make forward-looking statements, which involve risks and uncertainties that may cause actual results to differ materially from our forward- looking statements. We provide a comprehensive list of risk factors in our SEC filings, which I encourage you to review. Our earnings release, investor fact book, and other documents related to our results, as well as reconciliations between GAAP and non-GAAP results discussed on this call can be found in the quarterly results section of the Investor Relations website. With that, let me turn it over to Mike. Mike Sievert {BIO 2140857 <GO>} Okay. Thanks, Jud. Hi, everybody. Welcome to the call. As you can see we're here with several members of our senior management team. We're coming to you live from Bellevue, Washington and we're ready to take your questions, but first let me share just a few comments. If you recall, at our Analyst Day in early 2021, we shared our strategy to build the best network, coupled it with a leading Un-carrier value proposition and customer experience, and grow our share in areas where T-Mobile was massively under- penetrated relative to our peers. That strategy and our approach has remained remarkably consistent and our Q2 results continue to show that it's working better than ever. In fact, T-Mobile delivered our highest Q2 postpaid phone net-adds in eight years fueled by both industry-leading gross adds and the lowest postpaid phone churn in company history. And importantly, we did this while industry growth normalized, proving that the growth opportunities and durable advantages we've been sharing with you really are unique to T-Mobile. We also told you that if we delivered the best product and the best value and the best experiences there was no reason we couldn't get to the lowest churn in the industry. Remember that and in Q2 we did it for the first time in our history. T-Mobile reported the lowest postpaid phone churn in the industry. That is a remarkable statement and it's a testament to the work our team has done to build the best network and to further our value proposition to deliver even better experiences to customers. Now, I'm sure there's still going to be some back-and-forth between us and the other guys before we consistently put them in the rear-view mirror for good on churn, but all the same, it is great to get this first win. We also continue to run the business in a smart and sustainable manner, translating our industry-leading customer growth in Q2 into industry-leading service revenue growth and core adjusted EBITDA growth while growing free cash flow by more than 60% year-over-year. This industry-leading customer and financial growth let us to raise guidance for the year again. And we're fortunate to deliver these industry-leading results within the context of a vibrant wireless industry, with growing industry service revenues and industry cash flows, and healthy competition that continues to deliver more value and better networks to customers. In fact, our network we not only defended but extended our leadership in both overall and 5G performance with the latest third-party reports showing that T-Mobile's lead is widening. Looking at Q2 data, T-Mobile once again went on to set some of our all-time