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Press Release

J.D. Power and Associates Reports:
NET10 Ranks Highest in Customer Satisfaction among Non-Contract Wireless Users

While Pay-as-You-Go Non-Contract Plans Have Higher Levels of Satisfaction,
Non-Contract Monthly Plan Offerings Grow

WESTLAKE VILLAGE, Calif.: 30 July 2009 — Prepaid carrier NET10 ranks highest in overall customer satisfaction among non-contract wireless users, according to the J.D. Power and Associates 2009 U.S. Wireless Prepaid Customer Satisfaction Index Study[SM] released today.

NET10, included in the study for the first time this year, achieves a score of 774 on a 1,000-point scale and performs particularly well in three of the six factors that drive overall satisfaction: performance and reliability; cost of service; and account management. Also ranking at or above the industry average in rank order are TracFone, Boost Mobile, Virgin Mobile, Alltel and T-Mobile.

"NET10 differentiates itself from other companies by simplifying the wireless experience with straightforward pricing, virtually no roaming charges and robust nationwide network coverage," said Kirk Parsons, senior director of wireless services at J.D. Power and Associates. "Users find they don't have to worry about restrictive calling areas and can maintain their account without hassle."

The study finds that product offerings in the prepaid segment have changed dramatically during the past year, with many wireless carriers increasing their offerings of monthly plans—some of which mimic traditional contract plans, while others offer unlimited calling and texting. More than 40 percent of non-contract plans are monthly plans, compared with less than 30 percent in 2008.

In addition, overall satisfaction among users of pay-as-you-go plans (756, on average) is considerably higher compared with users of monthly plans (742, on average), driven by satisfaction with the performance and reliability and account management factors.

The study also finds several demographic differences that distinguish pay-as-you-go users from users of monthly prepaid service. The average pay-as-you-go user is older, more likely to be retired and has fewer wireless phones in their household. The average monthly prepaid plan user more closely resembles the average contract plan user—desiring a large network, mid-range feature phones and messaging, but without the commitment or penalties of a contract. Two-thirds of monthly plan users report that they have switched service from their former contracted service carrier.

"As the non-contract wireless market continues to evolve, users need to be sure to explore all of the alternatives available to them in order to determine the appropriate plan that suits their needs," said Parsons. "With this increased breadth of options, wireless users can find a plan that optimizes their wireless experience and meets their budget without requiring them to sign a contract."

The study also finds the following key non-contract wireless usage patterns:

- Pay-as-you-go users spend an average of $35 for each airtime purchase, a decrease of $5 from 2008.
- Monthly non-contract users spend an average of $25 less per month than do those with contracts. Monthly non-contract users report spending $56 per month compared with an average monthly service cost of $81 for contract users.
- Non-contract users report using 320 minutes per month—a notable increase from 233 minutes in 2008. Pay-as-you-go users report using an average of just 145 minutes, while monthly non-contract users report an average of 573 minutes per month.
- During the past 12 months, 16 percent of non-contract users have switched carriers. More than half (51%) of these users previously had contract service.
- Switching intent within the next year remains steady at 12 percent, compared with 13 percent in 2008. Among users intending to switch, 24 percent intend to switch to contract service.

The 2009 U.S. Wireless Prepaid Customer Satisfaction Index Study, now in its fourth year, measures customer satisfaction with current non-contract wireless service across six key factors. In order of importance, they are: performance and reliability (28%); cost of service (19%); account management (17%); initial activation (15%); offerings and promotions (12%); and customer service (9%). The study is based on responses from 4,229 wireless users who currently subscribe to non-contract service plans. Findings are based on a continuous fielding period between January and June 2009.

For more information, read an article or view prepaid wireless ratings at JDPower.com.

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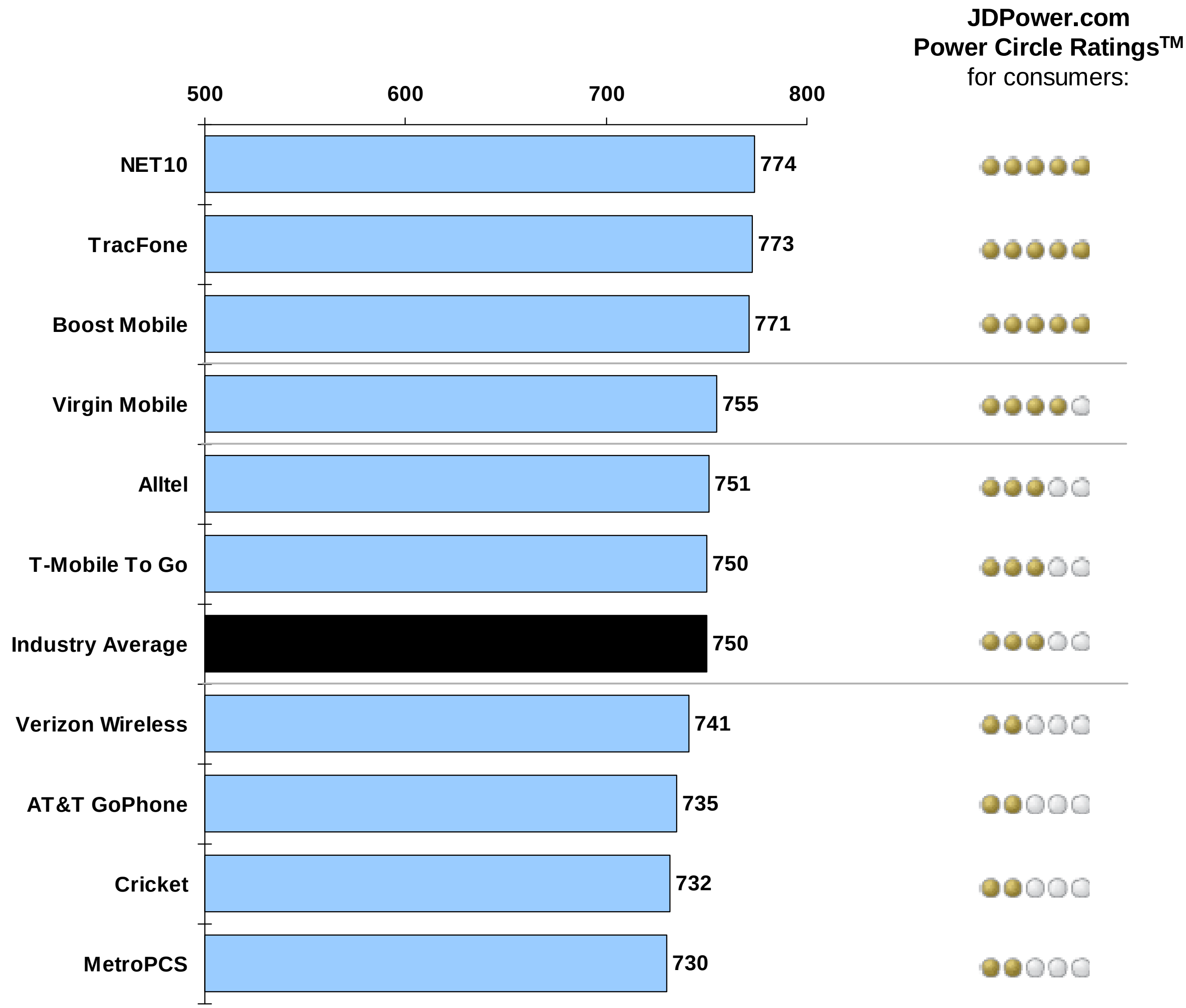
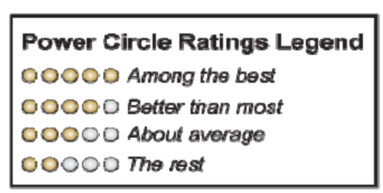
NOTE: One chart follows.

J.D. Power and Associates
2009 U.S. Wireless Prepaid Customer Satisfaction Study℠

Overall Wireless Mobile Phone Index Rankings

(Based on a 1,000-point scale)





Source: J.D. Power and Associates 2009 U.S. Wireless Prepaid Customer Satisfaction Study℠

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