



802.11: “THE” Hotspot

WiFi Metro Inc.

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www.WiFiMetro.com

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I Company Overview

II Market Overview

III Business Model

IV Rollout & Critical Success Factors

V Q&A



Company Overview...

WiFi Metro: WISP -- wireless Internet service provider -- based in Palo Alto, CA

Positioning...

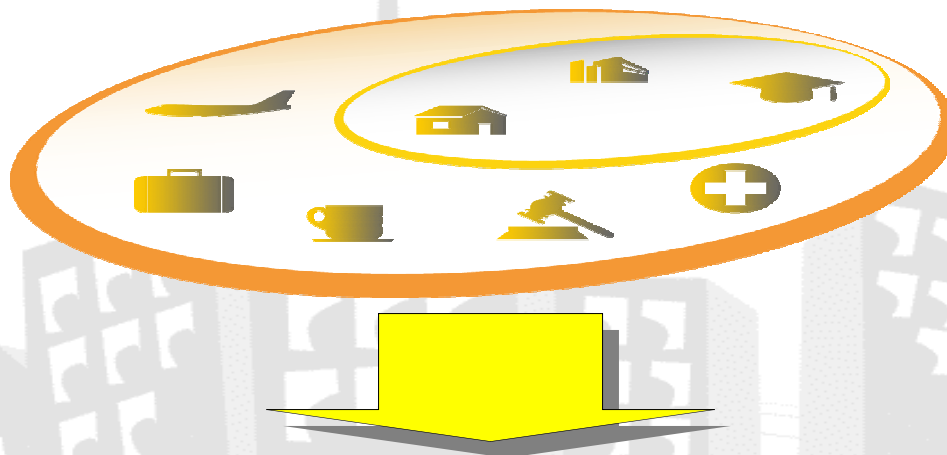
- WiFi Metro **Is** a WISP, **That** enables True Mobile Computing™ **For** the mobile professional **Who Needs** Internet access to increase their productivity, **by** creating an ultra high-speed network of hotspots and HotZones™ across major metro markets. **Unlike** slower and more costly 3G or text based wireless services, **WiFi Metro** allows users to take their broadband with them thereby creating virtual office capabilities on the road.

Key Facts...

- Founded 10/01, Incubated at ComVentures
- Footprint: SF 50/ 2 HotZones™; Seattle 4; San Diego 2
- One of the largest hotspot footprints in the U.S.
- Partnerships: hereUare, Gatespeed, TBN (Airport, NIC OEM, laptop OEM)
- Today -- Followed by Gartner, Bear Stearns, Forrester

Market Overview...Network

The number of hotspots is expected to increase dramatically over the next 5 years



North America Hotspot Deployment 2001-2006

	2001	2002	2003	2004	2005	2006
Airports	64	94	117	129	132	135
Hotels	407	1,514	2,062	2,582	2,789	2,873
Coffeeshops/Restaurants	460	2,800	7,130	9,950	11,115	11,515
Convention Centers	7	152	330	488	566	584
Shopping Malls	3	69	419	1,628	3,024	4,382
Enterprise Guesting Area	50	600	1,490	2,760	3,360	3,888
Other	-	30	51	235	516	910
Total	991	5,259	11,599	17,772	21,501	24,287

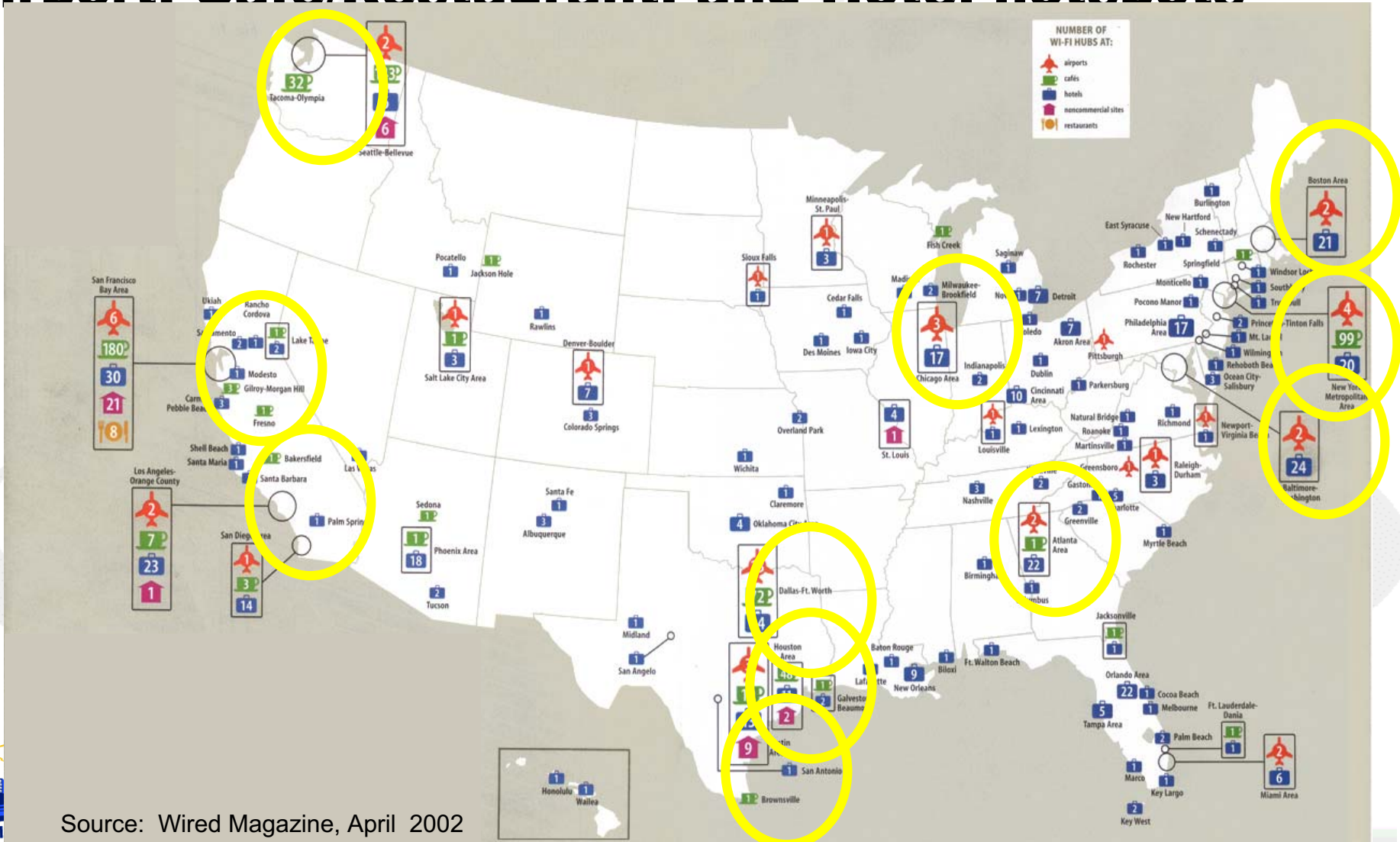


Source: Gartner Dataquest, June 2001

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Market Overview...Network

Today, Wired Magazine estimates over 1000 U.S. Airport, Cafe/Restaurant, and Hotel hotspots



Source: Wired Magazine, April 2002

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For both segments, there is a huge unmet demand for high-speed public Internet access

Demand is strong...

- 600k Public Access users today growing to **21M in 2007**
- **51% of all Internet** usage over broadband in 1/02
- Price insensitive -- Majority of companies reimburse telecom expenses
- Strong desire for flat rate plans, not per minute or usage based plans across all travel frequency segments

User surveys: How can access be improved?

- Wireless access everywhere (**#1 response**)
- Higher speed than dial up (**#2 response**)

Wi-Fi Growth Drivers

- Penetration of WLAN enabled devices
- Major players enlarging footprint

Source: Cahners In-Stat/MDR; Analysys Research; Nielsen; Ltd.; WiFi Metro; hereUare



Business Model...

Cellular vs. Wi-Fi deployment: similar success factors without the huge capital requirements...

Key Differences...

- **Free spectrum:** PTTs/RBOCs don't control and deep-pockets not required
- **Small cell size:** Numerous carriers can exist
- **Low Costs:** \$1.5-\$3B not required to build out a network
- **Build-out:** Bottom-up instead of top-down
- **Low COC:** No subsidization

Key Similarities...

- Low market education hurdles [**phone use : WLAN use**]
- Decreasing equipment cost – but smaller window [**cell node : AP**]



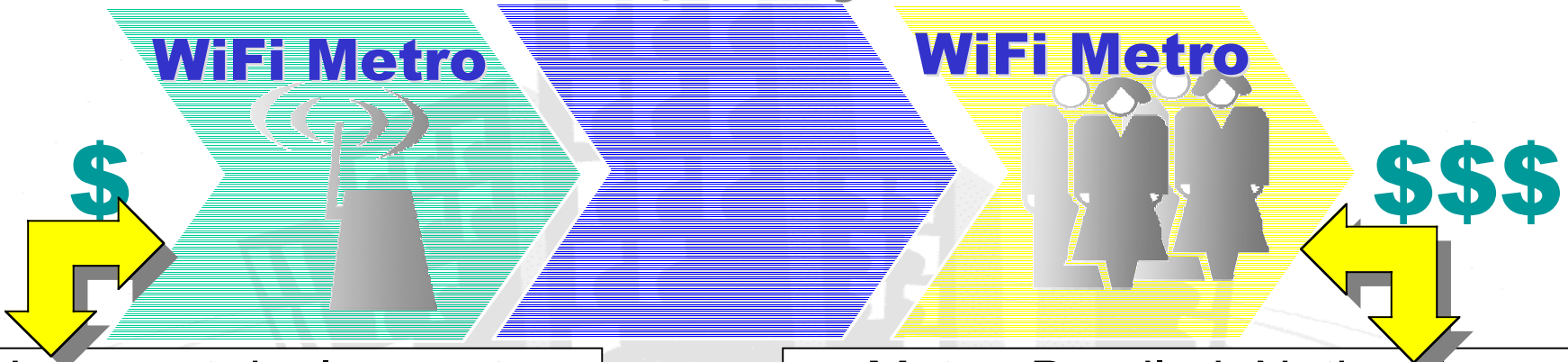
...and WiFi Metro's methodical metro rollout strategy achieves cash-positive results quickly

Business Model...

WiFi Metro creates value by deploying a low cost network and revenues from subscribers/"roamers"

Public WLAN Value Chain

Network Owners Enabler/Exchange Customer Owners



- Low cost deployment
- National footprint
- Roaming partners (Cellular & Wi-Fi)
- Equipment & Broadband partners
- Exchange partner

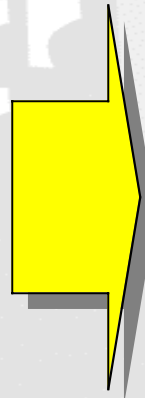
- Metro, Bundled, National Plans
- Pay-Go, Pre-pay cards
- Strong Brand
- Venue based content
- World class customer service
- Roaming partners
- Increasing ARPU

Rollout Plan...

Deploy in markets where Wi-Fi users are so the network pays for itself quickly

Yahoo Selection Criteria*

- Net Use
- User Expertise
- Domain Density
- Available Content
- Hi-tech jobs
- Extent business online
- Net spending per user
- Broadband access
- Governments use of Net



Yahoo Top Markets*

- San Francisco
- Austin
- Boston
- Seattle
- Salt Lake City
- Washington D.C.
- San Diego
- Las Vegas
- LA/Long Beach
- Atlanta
- Orange County
- New York City
- Dallas
- Chicago



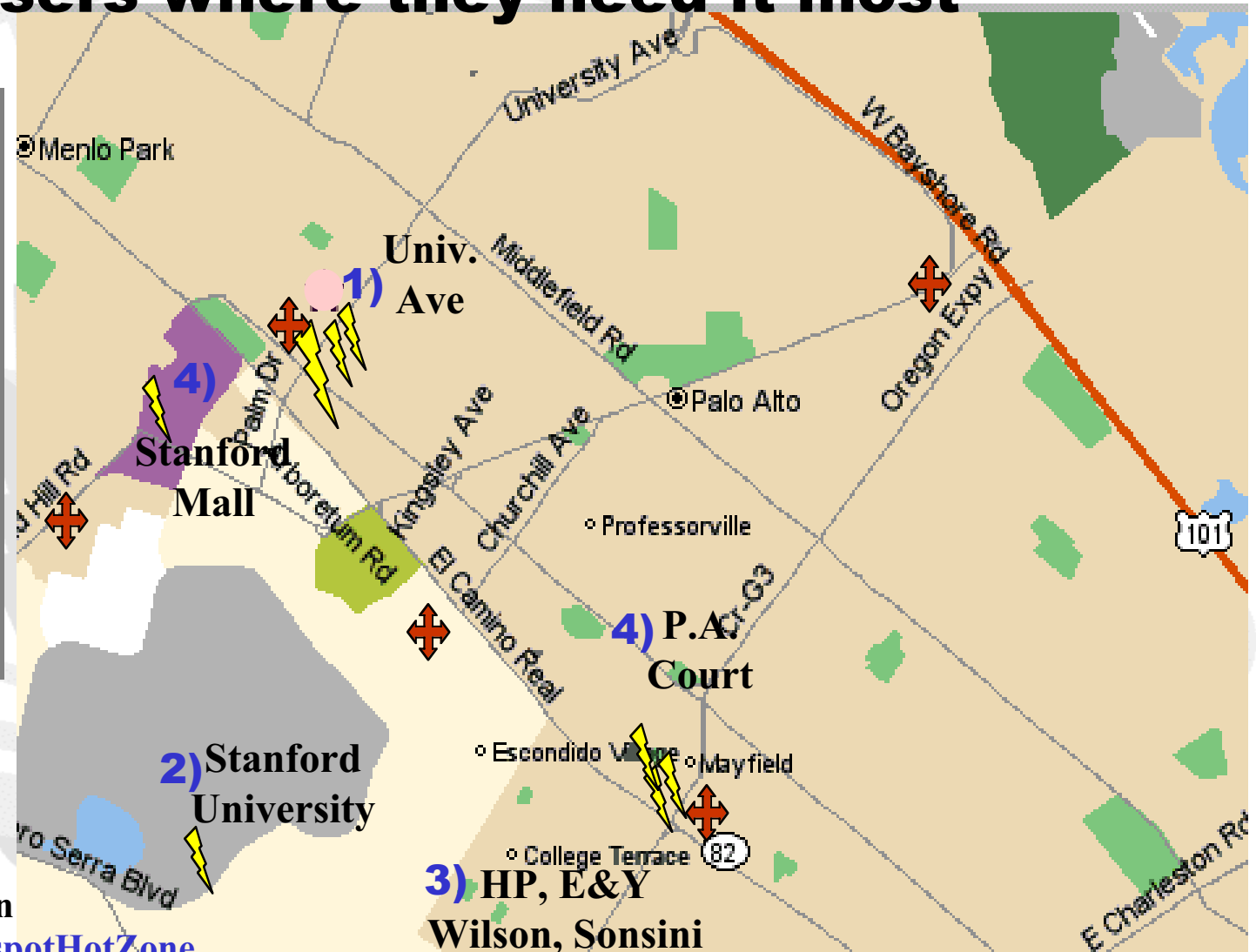
* Source: AP; Yahoo; Seattle Post

Rollout Plan...

WiFi Metro's location strategy is to provide utility to mobile users where they need it most

Location Drivers

- 1) "Main Street"
- 2) Universities
- 3) Bus. Corridors
- 4) High traffic sites/Venues



Gas Station
WiFi Metro hotspotHotZone

Critical Success Factors...

WiFi Metro's critical success in the near term depends on factors which it can control

WiFi Metro

- Critical Mass – National Footprint
- Strategic Alliances
- Seamless Roaming
- Security/VPN
- Low COA
- Ease of use
- Access to Capital

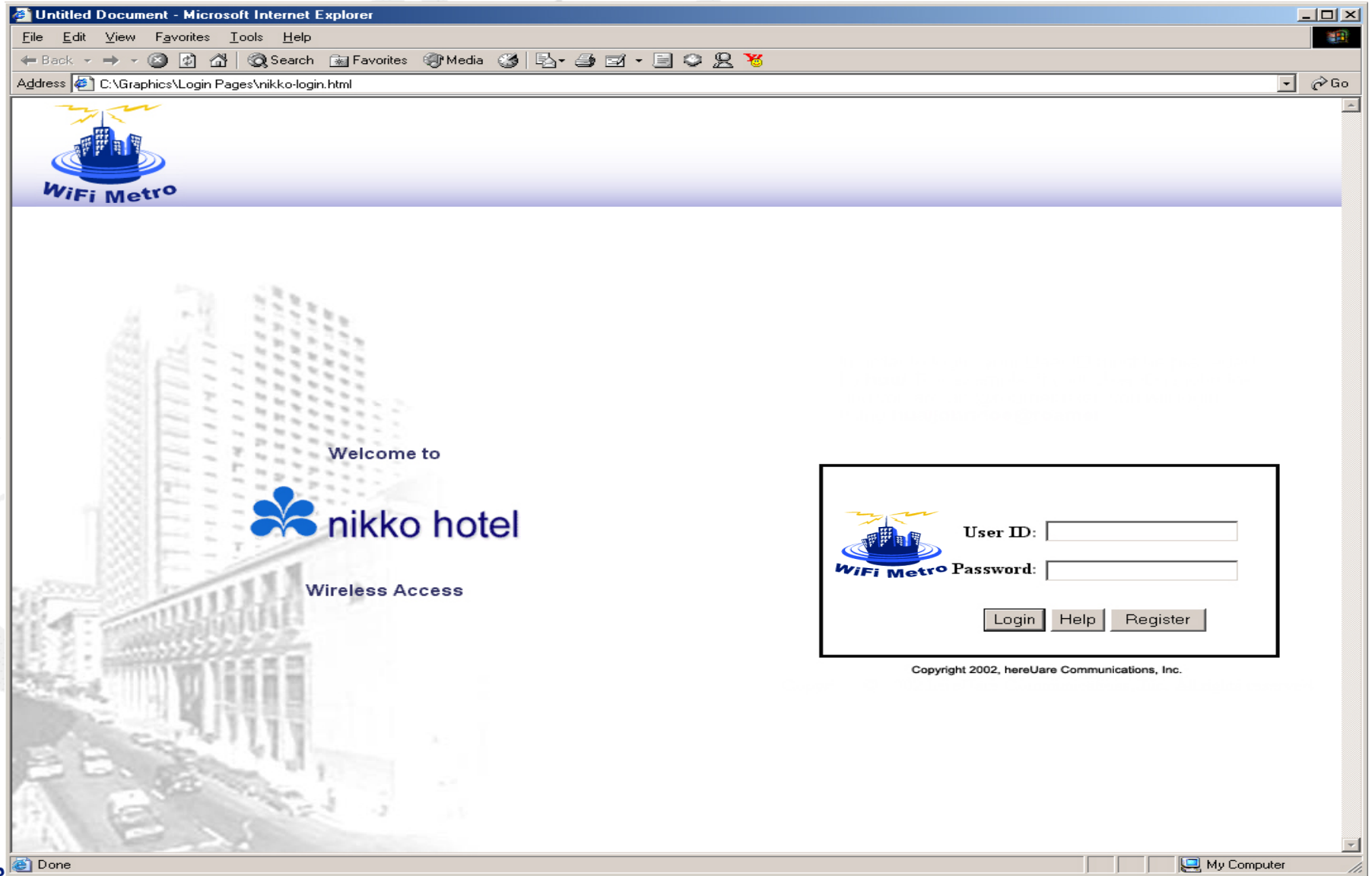
Industry

- Imbedded and pre-installed WLAN equipment
- Public awareness



User Experience...

WiFi Metro user experience starts with a click...



User Experience...


...Continues with user profiles...

Yahoo! Finance - Microsoft Internet Explorer

File Edit View Favorites Tools Help

Back Forward Stop Home Search Favorites History Print Mail News RSS Feeds

Address Go Links >>



This location is "In Network" - your plan gives you unlimited access.

- My account
- My profile
- My services >

User Session rates for this location:

Per Minute:	\$0.13
Per Hour:	\$7.90
Coupons/Rebates:	N/A
Subtotal Rate per Hour:	\$7.90

Internet



User Experience...

...WiFi Metro delivers true Mobile Computing

The screenshot shows the USA Today website as viewed in Microsoft Internet Explorer. The browser's address bar displays "http://www.usatoday.com/". The page layout includes a top navigation bar with "SPECIAL SECTION: USA TODAY CAREERS NETWORK" and "INSIDE USATODAY.COM". A left sidebar contains a "News" menu with categories like Money, Sports, Life, Tech, and Weather, along with a search bar and "Shortcuts" for News Briefs, Scores, Markets, Baseball, People, Careers, Talk Today, Travel, Hot Sites, and City Guides. The main content area features a large article titled "Islamic charity charged" with a sub-headline "Organization director accused of supporting bin Laden, operatives." and a "Full story" link. Below this are "Latest Headlines" including "Stocks rally strongly", "Oil execs: Not our fault", and "Grand jury indicts FARC". A "TALK TODAY" section lists items like "Hockey, 3 p.m.", "Daisy Fuentes, transcript", and "JetBlue CEO, transcript". The Windows taskbar at the bottom shows the Start button, several open applications, and the system clock at 10:02 AM.

