Dear Sprint Nextel Corporation Shareholders:

This document contains information on:

• the U.S. federal income tax implications to you of the spin-off of Embarq Corporation (“Embarq”) from Sprint Nextel Corporation (“Sprint Nextel”);
• calculating the U.S. federal income tax basis applicable to your Sprint Nextel and Embarq shares; and
• determining the holding period applicable to your Sprint Nextel and Embarq shares.
Also included is:
• a worksheet for calculating your U.S. federal income tax basis.

U.S. Federal Income Tax Implications

You received one share of Embarq stock for every twenty Sprint Nextel shares you owned on May 8, 2006 (the “Record Date”).

Sprint Nextel obtained a ruling from the Internal Revenue Service (“IRS”) stating that, except for tax resulting from the sale of fractional shares, Sprint Nextel shareholders will incur no U.S. federal income tax liability due to the distribution of Embarq stock.

The distribution of one share of Embarq stock for every twenty shares of Sprint Nextel stock held may have entitled you to receive a fractional share of Embarq stock. However, fractional shares of Embarq stock were generally not distributed to Sprint Nextel shareholders. The fractional shares of Embarq stock to which registered holders of Sprint Nextel stock were entitled were distributed to an exchange agent acting on behalf of the registered holders of Sprint Nextel common stock. The exchange agent accumulated the fractional shares, sold the shares, and distributed the cash proceeds from such sale pro rata to the Sprint Nextel common shareholders entitled to receive the fractional shares of Embarq stock.

The ruling obtained from the IRS by Sprint Nextel stated that the cash received by a Sprint Nextel shareholder, in lieu of a fractional share, will be treated as a sale by the shareholder of a fractional share of Embarq stock. The shareholder will recognize gain or loss for U.S. federal income tax purposes measured by the difference between the allocable tax basis of the fractional share (see discussion of tax basis below) and the amount of cash received. Therefore, you should keep a record of the amount of cash you received in lieu of receiving a fractional share of Embarq stock for purposes of completing your U.S. federal income tax return for the period including May 17, 2006 (the “Distribution Date”).

U.S. Federal Income Tax Basis

The IRS has ruled for U.S. federal income tax purposes that, except for gain resulting from the sale of a fractional share, you will not recognize any gain or loss as a result of receiving Embarq shares due to the spin-off. However, if you subsequently sell shares of either Sprint Nextel or Embarq, you will need to know your tax basis in the stock sold in order to calculate any gain or loss realized in such sale.

U.S. federal income tax law requires that you allocate the tax basis of the Sprint Nextel shares you owned on the Record Date between (1) those Sprint Nextel shares, and (2) the Embarq shares received in the distribution (including fractional shares). This allocation depends on the ratio of the fair market values of the Sprint Nextel and Embarq shares on the Distribution Date. Enclosed is a worksheet which illustrates how to allocate the tax basis in your Sprint Nextel shares before the spin-off between your Sprint Nextel and Embarq shares after the spin-off, including any fractional share that you were entitled to receive.
The enclosed tax basis worksheet includes a sample allocation of tax basis between Sprint Nextel and Embarq shares. For purposes of this sample allocation, we have assumed that the fair market value for shares of Sprint Nextel and Embarq on the Distribution Date is equal to the closing prices per share on the Distribution Date for Sprint Nextel and Embarq stock in "when issued" trading on the New York Stock Exchange.

To allocate the tax basis in your Sprint Nextel shares you will need:

- the number of shares of Sprint Nextel you held at the time of the spin-off, and
- the total tax basis of those shares

If you hold more than one block of Sprint Nextel stock, i.e., shares of stock acquired on different dates or at different prices, then the allocation should be made separately for each block.

In other words, the calculation should be done separately for each block of Sprint Nextel stock and the Embarq stock received for that Sprint Nextel stock.

Generally, the total tax basis of Sprint Nextel stock you purchased is equal to the total price you paid plus any commissions or other fees you paid. If you acquired any of your Sprint Nextel shares through a stock split, you generally should divide your original tax basis immediately before the split by the total number of shares owned immediately after the split. If you received your Sprint Nextel shares in the merger with Nextel Communications, Inc., your total tax basis in the Sprint Nextel shares received in the merger equals (1) your total tax basis in the Nextel shares before the merger, plus (2) the taxable gain you recognized in the merger, minus (3) the cash you received in the merger. A further adjustment must be made for cash you received in lieu of fractional shares in the merger. See the Investor Relations link at Sprint.com for additional information and examples of the calculation of the total tax basis of Sprint Nextel shares issued in the merger with Nextel. If you received any of your shares by gift, bequest or through a reorganization or similar corporate transaction, including a merger other than the Nextel merger, special rules apply for purposes of determining the tax basis of your shares. Please consult your tax advisor for additional guidance with respect to the determination of the tax basis of your Sprint Nextel shares.

U.S. Federal Income Tax Holding Period

The ruling obtained from the IRS by Sprint Nextel addressed the appropriate manner to calculate the holding period of your Embarq shares if you hold your Sprint Nextel shares as a capital asset. To determine your holding period, the ruling provides that you add (1) the period you hold the Embarq shares from the Distribution Date until you sell them and (2) the period before and including the Distribution Date during which you held the Sprint Nextel shares with respect to which you received the distribution of Embarq shares.

For example, after receiving the Embarq shares, assume you hold such shares for three months after the Distribution Date before disposing of the stock. If you held the Sprint Nextel shares which entitled you to receive the Embarq shares for ten months before the spin-off, you will be treated as having held the Embarq shares for a total of thirteen months before the disposition of the Embarq shares. Since the holding period of the Embarq stock exceeds one year, any gain or loss on the disposition would be long-term capital gain or loss if the stock had been held by you as a capital asset. This determination of the holding period also applies to determine whether an individual satisfies the 61-day holding period requirement in order to be eligible for the maximum 15% federal tax rate on dividends.

The information regarding the U.S. federal income tax consequences of the spin-off presented in this letter is for general reference only and does not purport to cover all U.S. federal income tax consequences that may apply to all categories of shareholders. All shareholders should consult their own tax advisors regarding the particular federal, foreign, state and local tax consequences of the spin-off to them.

SPRINT NEXTEL CORPORATION
U.S. FEDERAL INCOME TAX BASIS WORKSHEET

1. Number of Sprint Nextel shares held on May 8, 2006. (See footnote below) 175
2. Divide Line 1 by 20. Number of Embarq shares you were entitled to receive 8.75
3. Tax basis of pre-spin Sprint Nextel shares $ 2,800.00
4. Percentage of the tax basis allocated to your post-spin Sprint Nextel shares 90.761%
5. Percentage of the tax basis allocated to your post-spin Embarq shares 9.239%
6. Line 3 multiplied by line 4. This is the new tax basis of your post-spin Sprint Nextel shares $ 2,541.31
7. Divide line 6 by line 1. This is the new tax basis per share of your post-spin Sprint Nextel shares $ 14.52
8. Line 3 multiplied by line 5. This is the tax basis of the Embarq shares you were entitled to receive $ 258.69
9. Divide line 8 by line 2. This is the tax basis per share of your Embarq shares $ 29.56
10. Line 2 less number of shares distributed to you. This is the fractional share of Embarq you were entitled to receive (See footnote below) 0.75
11. Line 9 multiplied by line 10. This is the tax basis of the Embarq fractional share that was sold for you $ 22.17
12. Line 8 less line 11. This is the tax basis of the Embarq shares which were distributed to you $ 236.52

Line 1 Footnote: Hypothetical example assumes that all Sprint Nextel shares were acquired on the same date and at the same price.

Line 10 Footnote: If you hold more than one block of Sprint Nextel shares and the sum of the Embarq fractional shares for all blocks is equal to or greater than one share, the number of Embarq shares distributed to you with respect to each block may include a fractional Embarq share.

CALCULATION OF PERCENTAGE OF TAX BASIS ALLOCABLE BETWEEN SPRINT NEXTEL AND EMBARQ SHARES

<table>
<thead>
<tr>
<th></th>
<th>Sprint Nextel</th>
<th>Embarq</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Closing when issued stock price on Distribution Date (May 17, 2006)</td>
<td>$ 22.30</td>
<td>$ 45.40</td>
<td>$ 491.40</td>
</tr>
<tr>
<td>2. Exchange Factor</td>
<td>20</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>3. Line 1 multiplied by line 2</td>
<td>$ 446.00</td>
<td>$ 45.40</td>
<td>$ 491.40</td>
</tr>
<tr>
<td>4. Percentage of tax basis allocable between Sprint Nextel and Embarq shares</td>
<td>90.761%</td>
<td>9.239%</td>
<td>100.000%</td>
</tr>
</tbody>
</table>

RETAIN FOR YOUR RECORDS