

Sprint Seals Deal to Buy 100 Percent of Clearwire

Ben Munson

Sprint's bid to own 100 percent of Clearwire has been accepted at \$2.2 billion, which equals the \$2.97 per share cap that Sprint majority stake holder Softbank placed on the deal. In a [statement](#) [1], Sprint said the deal takes the enterprise value of Clearwire to approximately \$10 billion "including net debt and spectrum lease obligations of \$5.5 billion."

News of the deal comes just days after [heavy protest](#) [2] from Clearwire shareholders, like Mount Kellett Capital Management LP, a firm holding a 3.6 percent stake in Clearwire. Mount Kellett called the deal, then at a proposed \$2.90 per share, an "absolute outrage" in a letter to the Clearwire board.

As earlier reported, the deal included up to \$800 million in interim funding for Clearwire. In the statement, Sprint said it has received commitments from Comcast Corp., Intel Corp and Bright House Networks LLC, who together hold 13 percent of Clearwire.

The deal is still pending regulatory and shareholder approvals and it is "contingent on the consummation of Sprint's previously announced transaction with SoftBank."

Industry analyst Jeff Kagan said in emailed comments today that the "Clearwire acquisition puts Sprint one step closer to their Softbank deal."

Sprint CEO Dan Hesse said in a statement that Sprint is "uniquely positioned to maximize the value of Clearwire's spectrum and efficiently deploy it to increase Sprint's network capacity.

"We believe this transaction, particularly when leveraged with our SoftBank relationship, is further validation of our strategy and allows Sprint to control its network destiny," Hesse said.

As of 10 a.m. EST Monday morning, Clearwire's stock is sitting at \$2.96, down more than 12 percent.

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<http://www.wirelessweek.com/news/2012/12/sprint-seals-deal-buy-100-percent-clearwire>

Links:

[1] http://newsroom.sprint.com/article_display.cfm?article_id=2477

[2] <http://www.wirelessweek.com/news/2012/12/softbank-caps-sprints-bid-clearwire-investors-ask-more>

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Published on Wireless Week (<http://www.wirelessweek.com>)
