

Approved: MetroPCS Shareholders OK T-Mobile Merger

Ben Munson

MetroPCS shareholders have voted to [approve](#) [1] a merger with T-Mobile. The approval comes after T-Mobile parent company Deutsche Telekom (DT) sweetened the offer by reducing the amount of debt the combined company would shoulder.

In a statement, DT CEO René Obermann said “The merger with MetroPCS is extremely important, since it enables us to be more aggressive in the USA.”

T-Mobile recently launched its long-awaited LTE network and the merger with MetroPCS will allow the company to expand the reach of its LTE footprint while filling in some gaps in coverage in the meanwhile.

The original terms of the deal were met with fierce opposition from major MetroPCS shareholders like Paulson & Co. while proxy advisory firms advised shareholders to vote against the merger. DT improved the offer by reducing the debt, lowering the interest rate on that debt and by extending the no-sell window on shares of the combined company.

As part of the deal, MetroPCS shareholders will receive an advanced cash payment of approximately \$1.5 billion to be followed by a reverse stock split of the MetroPCS shares before the company is merged with T-Mobile USA. The transaction is expected to close by May 1.

Source URL (retrieved on 06/12/2013 - 6:57am):

<http://www.wirelessweek.com/news/2013/04/approved-metropcs-shareholders-ok-t-mobile-merger>

Links:

[1] <http://www.telekom.com/media/company/184668>