

MetroPCS's Biggest Investor Now Backs T-Mobile Merger

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After Deutsche Telekom (DT), the parent company of T-Mobile USA, announced yesterday it was sweetening its offer to acquire MetroPCS, that company's largest shareholder has now [decided](#) [1] to vote in favor of the merger.

Paulson & Co., a hedge fund holding approximately a 9.9 percent share of MetroPCS, had previously spoken out against the proposed merger with T-Mobile, stating the debt burden the combined company would inherit was too great.

Yesterday, DT in response lowered the amount of debt by \$3.8 billion and reduced the interest rate by 50 basis points. It also extended the time frame in which shareholders of the combined company could not sell their shares to 18 months from 6 months.

Paulson stated it "appreciates the substantial improvement" and that it still needs to review the revised statement but that, at this point, it intends to vote in favor of the merger.

A special meeting of MetroPCS shareholders was originally scheduled for April 12, but has since been [rescheduled](#) [2] for April 24, in order to give voters a chance to examine the new terms.

Source URL (retrieved on 06/12/2013 - 7:00am):

<http://www.wirelessweek.com/news/2013/04/metropcs%E2%80%99s-biggest-investor-now-backs-t-mobile-merger>

Links:

[1] <http://www.prnewswire.com/news-releases-test/paulson--co-responds-to-deutsche-telekoms-improved-offer-for-metropcs-202537701.html>

[2] <http://www.wirelessweek.com/news/2013/04/metropcs-vote-delayed-consideration-deutsche-telekom%E2%80%99s-revised-offer>