

T-Mo's Merger with MetroPCS Complete, Now Trading on NYSE

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Deutsche Telekom today announced the completion of the merger of T-Mobile USA and MetroPCS Communications. T-Mobile will debut this morning on the New York Stock Exchange under the symbol TMUS.

As previously announced, the company's board will have 11 members, including two directors of MetroPCS who will continue with the combined company. Tim Hötting, currently Deputy CEO and chief financial officer of Deutsche Telekom, will serve as Chairman of the Board. John Legere will continue to serve as CEO of the new company.

When combined with MetroPCS, T-Mobile's total coverage is 301 million, of which 283 million are covered by owned network. Fully 228 million are currently served with 4G (primarily HSPA+) and 200 million are expected to be covered with 4G LTE by the end of 2013.

T-Mobile says 2012 results for the combined companies would have reflected \$24.8 billion of revenue, \$6.4 billion of adjusted EBITDA, \$3.7 billion of capital expenditures, and \$2.7 billion of free cash flow.

The two brands combine for approximately 43 million subscribers as of March 31, 2013.

Closure of the deal comes after the initial terms 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.

As of the opening bell, shares of T-Mobile were trading at \$16.29.

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