

METROPCS COMMUNICATIONS INC  
Form PRER14A  
January 10, 2013  
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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
**WASHINGTON, DC 20549**  
**SCHEDULE 14A**  
**(RULE 14a-101)**  
**INFORMATION REQUIRED IN**  
**PROXY STATEMENT**  
**SCHEDULE 14A INFORMATION**

**Proxy Statement Pursuant to Section 14(a) of the Securities**  
**Exchange Act of 1934**

Filed by the Registrant                       Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

**MetroPCS Communications, Inc.**

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(Name of Registrant as Specified in its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:  
**Common stock, par value \$0.0001 per share**

(2) Aggregate number of securities to which transaction applies:  
**537,583,132 shares of MetroPCS Communications, Inc. common stock**

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):  
**The filing fee was calculated based on the value of the transaction, which was computed by multiplying 537,583,132 shares of MetroPCS Communications, Inc. common stock by \$10.08 per share, that being the average of the high and low prices reported on the New York Stock Exchange for such shares on November 12, 2012. In accordance with Section 14(a) of the Securities Exchange Act of 1934, as amended, the filing fee was determined at the rate of \$136.40 per million.**

(4) Proposed maximum aggregate value of transaction:  
**\$5,418,837,970.56**

(5) Total fee paid:  
**\$739,130.00**

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

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**PRELIMINARY PROXY STATEMENT SUBJECT TO COMPLETION, DATED JANUARY 10, 2013**

MetroPCS Communications, Inc.

2250 Lakeside Blvd.

Richardson, TX 75082

Telephone No. (214) 570-5800

[ ]

Dear Stockholder,

I am pleased to invite you to attend a special meeting of the stockholders, which we refer to as the special meeting, of MetroPCS Communications, Inc., a Delaware corporation, which we refer to as MetroPCS, on [ ], at 10:00 a.m., local time, [in the Bank of America Theater at the Eisemann Center located at 2351 Performance Drive, Richardson, Texas 75082]. At the special meeting, our stockholders will vote on matters relating to the combination of MetroPCS with T-Mobile USA, Inc., which we refer to as T-Mobile. The combination of MetroPCS with T-Mobile will create a leading value wireless carrier in the United States, which will deliver an enhanced customer experience through a broader selection of affordable products and services, more network capacity and broader network coverage and a clear-cut technology path to one common long-term evolution network. We believe that the combined company will have the expanded scale, spectrum and financial resources to compete aggressively with the other larger U.S. wireless carriers.

The board of directors of MetroPCS, which we refer to as the MetroPCS board, has unanimously approved and declared advisable the combination of MetroPCS with T-Mobile pursuant to and subject to the conditions set forth in the Business Combination Agreement, dated October 3, 2012, which we refer to as the business combination agreement, by and among Deutsche Telekom AG, an *Aktiengesellschaft* organized in Germany, which we refer to as Deutsche Telekom, T-Mobile Global Zwischenholding GmbH, a *Gesellschaft mit beschränkter Haftung* organized in Germany and a direct wholly-owned subsidiary of Deutsche Telekom, which we refer to as Global, T-Mobile Global Holding GmbH, a *Gesellschaft mit beschränkter Haftung* organized in Germany and a direct wholly-owned subsidiary of Global, which we refer to as Holding, T-Mobile, a Delaware corporation and direct wholly-owned subsidiary of Holding, and MetroPCS.

Pursuant to the terms and subject to the conditions set forth in the business combination agreement, including receipt of the required MetroPCS stockholder approval of certain of the proposals described in this proxy statement, MetroPCS will:

- (i) effect a recapitalization that includes a reverse stock split, which we refer to as the reverse stock split, of the MetroPCS common stock, which has a par value of \$0.0001 per share prior to completion of the transaction and will have a par value of \$0.00001 per share following the completion of the transaction, which we refer to as MetroPCS common stock, pursuant to which each share of MetroPCS common stock outstanding as of the effective time of the reverse stock split, which we refer to as the effective time, will represent thereafter one-half of a share of MetroPCS common stock;
- (ii) as part of such recapitalization, make a payment in cash, which we refer to as the cash payment, in an amount equal to \$1.5 billion (or approximately \$4.08 per share pre-reverse stock split), without interest, in the aggregate to the record holders of MetroPCS common stock immediately following the effective time; and
- (iii) immediately following the cash payment, issue and deliver to Holding or its designee shares of MetroPCS common stock equal to 74% of the fully-diluted shares of MetroPCS common stock outstanding immediately following the cash payment (with the percentage ownership of MetroPCS common stock as of such time of Holding or its designee and the MetroPCS stockholders and

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optionholders being calculated pursuant to the business combination agreement (1) under the treasury method based on the average closing price of a share of MetroPCS common stock on the New York Stock Exchange for the five full trading days immediately

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preceding the date the transaction is completed after taking into account the reverse stock split and the cash payment but before taking into account the subsequent cash-out of stock options, if any, in connection with the transaction and (2) on a grossed-up basis to take into account the number of shares of MetroPCS common stock so issued to Holding or its designee), which we refer to as the MetroPCS stock issuance, and Holding will deliver to MetroPCS all of the shares of capital stock of T-Mobile.

In this proxy statement, we refer to the transactions contemplated by the business combination agreement, including the reverse stock split, the cash payment, and the MetroPCS stock issuance, collectively, as the transaction.

The purpose of the special meeting is to allow MetroPCS stockholders to consider and vote upon the following proposals relating to the transaction:

- (i) a proposal to approve the MetroPCS stock issuance, which we refer to as the stock issuance proposal;
- (ii) a proposal to approve the Fourth Amended and Restated Certificate of Incorporation of MetroPCS, which we refer to as the new certificate of incorporation, to, among other things, effect certain aspects of the recapitalization, including the reverse stock split, which we refer to as the new certificate of incorporation proposal;
- (iii) a proposal to approve, on a non-binding, advisory basis, the compensation that may be paid or become payable to MetroPCS named executive officers based on, or otherwise relating to, the transaction, which we refer to as the change in control payments proposal; and
- (iv) a proposal to approve the continuation, adjournment or postponement of the special meeting, if necessary or appropriate to solicit additional proxies if there are insufficient votes at the time of the special meeting to approve both the stock issuance proposal and the new certificate of incorporation proposal, which we refer to as the adjournment proposal.

After careful consideration, the MetroPCS board, acting upon the recommendation of a special committee of the MetroPCS board established in connection with MetroPCS consideration of the transaction, which we refer to as the special committee, unanimously approved the business combination agreement and has determined that the transaction, including the MetroPCS stock issuance and the new certificate of incorporation, is appropriate, advisable and in the best interests of MetroPCS and its stockholders. **The MetroPCS board, acting upon the recommendation of the special committee, unanimously recommends that you vote FOR the stock issuance proposal, FOR the new certificate of incorporation proposal, FOR the change in control payments proposal, and FOR the adjournment proposal.**

Attached you will find a Notice of Special Meeting of Stockholders and proxy statement that contains further information about the special meeting, including the time, date and location of the special meeting, a description of the matters to be voted on at the special meeting, the different methods that you may use to vote, and how to obtain an admission card if you plan to attend the special meeting in person.

Your vote is very important. We cannot complete the transaction without the requisite MetroPCS stockholder approval of both the stock issuance proposal and the new certificate of incorporation proposal.

**Whether or not you plan to attend the special meeting, please read the accompanying proxy statement and then cast your vote as instructed in your proxy card, as promptly as possible. Because the voting cut-off date varies by voting method, we encourage you to review your proxy card for when you must cast your vote in order for it to be counted at the special meeting and to cast your vote early. In any event, we encourage you to vote before the date of the special meeting or the voting cut-off date applicable to your chosen method of voting so that your shares will be represented and voted at the special meeting even if you cannot attend in person.** We encourage you to cast your vote by using the telephone or Internet because it is easier and more efficient, will help us reduce our impact on the environment and will save MetroPCS printing and postage costs.

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The accompanying proxy statement describes the transaction in greater detail. **We urge you to carefully read this proxy statement in its entirety, including the annexes and information incorporated by reference and the matters discussed under the section entitled Risk Factors beginning on page 33. You may also find more information about MetroPCS in documents filed with the Securities and Exchange Commission as described in Where You Can Find More Information on page 210 of this proxy statement.**

Thank you for your continued interest in and support of MetroPCS.

Sincerely yours,

Roger D. Linnquist

Chairman of the Board of Directors and Chief Executive Officer

**Neither the United States Securities and Exchange Commission nor any state securities regulator has approved or disapproved the proposed issuance of shares of MetroPCS common stock in connection with the transaction or determined whether the proxy statement is truthful or complete. Any representation to the contrary is a criminal offense.**

The accompanying proxy statement is dated [ ] and is first being mailed to MetroPCS common stockholders on or about [ ].

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**Important Notice Regarding the Availability of Proxy Materials**

**For the Special Meeting of Stockholders to be Held on [ ]**

**ALL STOCKHOLDERS ARE CORDIALLY INVITED TO ATTEND THE SPECIAL MEETING.**

**Your Participation and Vote are Important**

Voting your shares is important to ensure that you have a say in the governance of MetroPCS. Your vote is important to us. Please review the proxy materials and follow the instructions detailed on the proxy card to vote your shares. We want you to, and hope that you will, exercise your rights and fully participate as a MetroPCS stockholder.

Whether or not you expect or plan to attend the special meeting in person, we encourage you to please promptly mark, date and return your proxy card, or vote by telephone or using the Internet as instructed on the proxy card so that a quorum at the special meeting may be reached, the business before the special meeting can be conducted, and your shares may be voted.

**Available Information**

We are providing you access to our proxy materials both by sending you this full set of proxy materials, including your proxy card, and by making this proxy statement available on the Internet at <http://www.amstock.com/ProxyServices/ViewMaterial.asp?CoNumber=15247>. These documents are also posted on MetroPCS website at [www.metropcs.com](http://www.metropcs.com) under the About Us tab, then selecting the Investor Relations tab and then selecting SEC Filings and Reports.

**Broker Voting Information**

Your bank, broker, custodian or other record holder is not permitted to vote on your behalf, **unless** you provide specific instructions by completing and returning the proxy card or following the voting instructions provided to you from your bank, broker, custodian or other record holder. For your vote to be counted, you will need to communicate your voting decisions to your bank, broker, custodian or other record holder before the voting cut-off date applicable to your chosen method of voting.

**Attendance at Special Meeting**

In accordance with our security procedures, all MetroPCS stockholders attending the special meeting will be required to show a valid, government-issued, picture identification that matches the name on the admission ticket or legal proxy or confirming documentation from your bank, broker, custodian or other record holder before being admitted to the special meeting.

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MetroPCS Communications, Inc.

2250 Lakeside Blvd.

Richardson, TX 75082

Telephone No. (214) 570-5800

**NOTICE OF SPECIAL MEETING OF STOCKHOLDERS**

**TO BE HELD ON [ ]**

To the Stockholders of MetroPCS Communications, Inc.:

We will hold a special meeting of the stockholders of MetroPCS Communications, Inc., which we refer to as MetroPCS, on [ ], at 10:00 a.m., local time, [in the Bank of America Theater at the Eisemann Center located at 2351 Performance Drive, Richardson, Texas 75082], which we refer to as the special meeting. At the special meeting, our stockholders will vote on matters relating to the combination of MetroPCS with T-Mobile USA, Inc., which we refer to as T-Mobile. The combination of MetroPCS with T-Mobile will create a leading value wireless carrier in the United States, which will deliver an enhanced customer experience through a broader selection of affordable products and services, more network capacity and broader network coverage and a clear-cut technology path to one common long-term evolution network. We believe that the combined company will have the expanded scale, spectrum and financial resources to compete aggressively with the other larger U.S. wireless carriers. The board of directors of MetroPCS, which we refer to as the MetroPCS board, has unanimously approved and declared advisable the combination of MetroPCS with T-Mobile pursuant to and subject to the conditions set forth in the Business Combination Agreement, dated October 3, 2012, which we refer to as the business combination agreement, by and among Deutsche Telekom AG, an *Aktiengesellschaft* organized in Germany, which we refer to as Deutsche Telekom, T-Mobile Global Zwischenholding GmbH, a *Gesellschaft mit beschränkter Haftung* organized in Germany and a direct wholly-owned subsidiary of Deutsche Telekom, which we refer to as Global, T-Mobile Global Holding GmbH, a *Gesellschaft mit beschränkter Haftung* organized in Germany and a direct wholly-owned subsidiary of Global, which we refer to as Holding, T-Mobile, a Delaware corporation and direct wholly-owned subsidiary of Holding, and MetroPCS.

The purpose of the special meeting is to allow MetroPCS stockholders to consider and vote upon the following proposals relating to the transactions contemplated by the business combination agreement (which we refer to as the transaction), a copy of which is included as Annex A to the proxy statement attached to this notice:

- (i) a proposal to approve the issuance of MetroPCS common stock, which has a par value of \$0.0001 per share prior to completion of the transaction and will have a par value of \$0.00001 per share following the completion of the transaction, which we refer to as MetroPCS common stock, representing 74% of the fully-diluted shares of MetroPCS common stock outstanding immediately following the payment in cash, which we refer to as the cash payment, in an amount equal to \$1.5 billion (or approximately \$4.08 per share pre-reverse stock split (as defined below)), without interest, in the aggregate to the record holders of MetroPCS common stock immediately following the effective time of the reverse stock split (with the percentage ownership of fully-diluted shares of MetroPCS common stock as of such time of Holding or its designee and the MetroPCS stockholders and optionholders being calculated pursuant to the business combination agreement (1) under the treasury method based on the average closing price of a share of MetroPCS common stock on the New York Stock Exchange for the five full trading days immediately preceding the date the transaction is completed after taking into account the reverse stock split and the cash payment but before taking into account the

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subsequent cash-out of stock options, if any, in connection with the transaction and (2) on a grossed-up basis to take into account the number of shares of MetroPCS common stock so issued to Holding or its designee), to be made in connection with, and in order to give effect to, the transaction contemplated by the business combination agreement, which we refer to as the stock issuance proposal;

- (ii) a proposal to approve the Fourth Amended and Restated Certificate of Incorporation of MetroPCS pursuant to the business combination agreement to, among other things, effect certain aspects of a

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recapitalization that includes a reverse stock split of the MetroPCS common stock, which we refer to as the reverse stock split, pursuant to which each share of MetroPCS common stock outstanding as of the effective time of the reverse stock split will represent thereafter one-half of a share of MetroPCS common stock, which we refer to as the new certificate of incorporation proposal;

- (iii) a proposal to approve, on a non-binding, advisory basis, the compensation that may be paid or become payable to MetroPCS named executive officers based on, or otherwise relating to, the transaction, which we refer to as the change in control payments proposal; and
- (iv) a proposal to approve the continuation, adjournment or postponement of the special meeting, if necessary or appropriate to solicit additional proxies if there are insufficient votes at the time of the special meeting to approve both the stock issuance proposal and the new certificate of incorporation proposal, which we refer to as the adjournment proposal.

**IF THE METROPCS STOCKHOLDERS FAIL TO APPROVE BOTH THE STOCK ISSUANCE PROPOSAL AND THE NEW CERTIFICATE OF INCORPORATION PROPOSAL, THE TRANSACTION WILL NOT OCCUR.**

The only MetroPCS stockholder approvals required by the business combination agreement are the stock issuance proposal and the new certificate of incorporation proposal. The change in control payments proposal is non-binding and advisory and the vote on such proposal will have no impact on whether the transaction is completed. In addition, even if the MetroPCS stockholders approve both the stock issuance proposal and the new certificate of incorporation proposal, the transaction may not be completed if the other conditions to closing the transaction are not satisfied or, if allowed by applicable law, waived. We can give no assurance that the conditions to closing the transaction will be satisfied or so waived. If MetroPCS and Deutsche Telekom do not complete the transaction, MetroPCS will neither issue the stock contemplated by the stock issuance proposal nor amend and restate its certificate of incorporation as contemplated by the new certificate of incorporation proposal, notwithstanding that MetroPCS stockholders may have previously approved either or both proposals. Please refer to the attached proxy statement for further information regarding the business to be transacted at the special meeting.

The board of directors of MetroPCS, which we refer to as the MetroPCS board, has established the close of business on [ ] as the record date for the special meeting, which we refer to as the record date. Only record holders of shares of MetroPCS common stock at the close of business on the record date are entitled to notice of, and to vote at, the special meeting and any continuations, adjournments or postponements of the special meeting. A list of these stockholders will be available for inspection by any MetroPCS stockholder, for any purpose germane to the special meeting, at the special meeting and for 10 days prior to the special meeting between the hours of 9:00 a.m. and 4:30 p.m., local time, at our principal executive offices at 2250 Lakeside Boulevard, Richardson, Texas 75082.

**Your vote is very important to us.** You may vote on the items to be considered at the special meeting in person, by mailing your proxy card, by voting over the Internet or by telephone as described on your proxy card, or by returning the voter information form provided by your bank, broker, custodian or other record holder. Please carefully review the instructions for the various voting options available to you detailed on your proxy card. If you have questions, please review our questions and answers about the special meeting and the voting options for additional information, including when you must vote, how to vote by proxy, how to revoke your proxy and how to vote your shares in person.

You also are cordially invited to attend the special meeting in person. Only stockholders with an admission ticket will be admitted to the special meeting. If you are a record holder of MetroPCS common stock, an admission ticket is attached to your proxy card. However, if you hold your shares of MetroPCS common stock through a bank, broker, custodian or other record holder, you should ask the bank, broker, custodian or other record holder that holds your shares to provide you with a legal proxy, a copy of your account statement, or a letter from the record holder confirming that you beneficially own or hold MetroPCS common stock as of the close of business on the record date. You also can obtain an admission ticket to the special meeting by presenting

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this legal proxy, or confirming documentation of your account from your bank, broker, custodian or other record holder, at the special meeting. All stockholders will be required to show a valid, government-issued, picture identification that matches the name on the admission ticket or legal proxy or confirming documentation from your bank, broker, custodian or other record holder before being admitted to the special meeting.

Your vote matters and you are encouraged to vote. Whether or not you attend the special meeting in person, you are urged to mark, date and sign the enclosed proxy card and return it to MetroPCS or use an alternate voting option described on your proxy card before the special meeting to ensure your shares are voted. We encourage you to vote electronically by using the Internet or to vote by telephone because it is easy and efficient and will help us reduce our impact on the environment and reduce the costs associated with the postage and distribution of these materials.

**After careful consideration, the MetroPCS board, acting upon the recommendation of the special committee of the MetroPCS board, which was established in connection with MetroPCS consideration of the transaction, unanimously recommends that you vote FOR the stock issuance proposal, FOR the new certificate of incorporation proposal, FOR the change in control payments proposal, and FOR the adjournment proposal.**

If you have any questions concerning the transaction or this proxy statement or would like additional copies, please contact:

MacKenzie Partners, Inc.

105 Madison Avenue

New York, NY 10016

Call Collect: (212) 929-5500

Toll Free: (800) 322-2885

email: proxy@mackenziepartners.com

By Order of the Board of Directors:

Roger D. Linquist  
Chairman of the Board and Chief

Executive Officer

Richardson, Texas

[ ]

***Notice to Stockholders Sharing the Same Address***

MetroPCS is required to provide a proxy statement to all record holders on the record date. If you have more than one account in your name or another person at the same address has an account, MetroPCS or your bank, broker, custodian or other record holder may deliver only one copy of this proxy statement, unless you notify MetroPCS of your desire to receive multiple copies. MetroPCS will promptly deliver, upon oral or written request, at no charge, additional copies of the proxy statement to any stockholder residing at the same address to which only one copy was mailed. Requests for additional copies should be directed to the Investor Relations department at MetroPCS Communications, Inc., 2250 Lakeside Boulevard, Richardson, Texas 75082, or by calling the Investor Relations department at 214-570-4641. Record holders residing at the same address and currently receiving multiple copies of the proxy statement may contact our Investor Relations department at the address and telephone number above or our transfer agent, American Stock Transfer & Trust Company, which we refer to as AST, to request that only a single copy of the proxy statement be mailed in the future. You may contact AST at 800-937-5449 or by mail at American Stock Transfer & Trust Co., 59 Maiden Lane, New York, New York 10038.

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**YOUR VOTE IS IMPORTANT REGARDLESS OF THE NUMBER OF SHARES THAT YOU OWN. PLEASE READ THE ACCOMPANYING PROXY STATEMENT AND VOTE AS SOON AS POSSIBLE BY MAIL OR TELEPHONE OR THROUGH THE INTERNET WHETHER OR NOT YOU EXPECT TO ATTEND THE SPECIAL MEETING IN PERSON. INSTRUCTIONS ON THE DIFFERENT WAYS TO VOTE YOUR PROXY ARE FOUND ON THE ENCLOSED PROXY FORM. YOU MAY REVOKE YOUR PROXY AT ANY TIME BEFORE IT IS VOTED AT THE SPECIAL MEETING.**

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**PROXY STATEMENT**

We are furnishing proxy materials to all holders of MetroPCS common stock, which we refer to as the MetroPCS stockholders, by mailing paper copies of the materials to each MetroPCS stockholder at the address we or your bank, broker, custodian or other record holder holding your shares, may have.

At the special meeting, our stockholders will vote on matters relating to the combination of MetroPCS with T-Mobile USA, Inc., which we refer to as T-Mobile. The combination of MetroPCS with T-Mobile will create a leading value wireless carrier in the United States, which will deliver an enhanced customer experience through a broader selection of affordable products and services, more network capacity and broader network coverage and a clear-cut technology path to one common long-term evolution network. We believe that the combined company will have the expanded scale, spectrum and financial resources to compete aggressively with the other larger U.S. wireless carriers.

The board of directors of MetroPCS, which we refer to as the MetroPCS board, has unanimously approved and declared advisable the combination of MetroPCS with T-Mobile pursuant to and subject to the conditions set forth in the Business Combination Agreement, dated October 3, 2012, which we refer to as the business combination agreement, by and among Deutsche Telekom AG, an *Aktiengesellschaft* organized in Germany, which we refer to as Deutsche Telekom, T-Mobile Global Zwischenholding GmbH, a *Gesellschaft mit beschränkter Haftung* organized in Germany and a direct wholly-owned subsidiary of Deutsche Telekom, which we refer to as Global, T-Mobile Global Holding GmbH, a *Gesellschaft mit beschränkter Haftung* organized in Germany and a direct wholly-owned subsidiary of Global, which we refer to as Holding, T-Mobile, a Delaware corporation and direct wholly-owned subsidiary of Holding, and MetroPCS.

The MetroPCS board expects to begin mailing the proxy statement and the proxy card of MetroPCS, via the United States Postal Service, on or about [ ] to each holder of MetroPCS common stock, which has a par value of \$0.0001 per share prior to completion of the transaction and will have a par value of \$0.00001 per share following the completion of the transaction, which we refer to as MetroPCS common stock, as of the close of business on [ ], which we refer to as the record date, to solicit proxies in connection with the proposals described in this proxy statement. The special meeting of the MetroPCS stockholders, which we refer to as the special meeting, will be held on [ ], at 10:00 a.m., local time, [in the Bank of America Theater at the Eisemann Center located at 2351 Performance Drive, Richardson, Texas 75082]. Unless otherwise stated, as used in this proxy statement, the terms we, our, ours, us and MetroPCS refer to MetroPCS Communications, Inc., a Delaware corporation, and its subsidiaries, and the term combined company refers to MetroPCS after the completion of the transaction (as defined in this proxy statement).

Each record holder of MetroPCS common stock at the close of business on the record date is entitled to notice of, to attend, and to vote at the special meeting, or at any continuation, adjournment or postponement of the special meeting. Each record holder on the record date is entitled to one vote for each share of MetroPCS common stock held by such holder. At the close of business on the record date, MetroPCS had outstanding and entitled to vote [ ] shares of MetroPCS common stock. In order to conduct business at the special meeting, holders of a majority of the outstanding shares of MetroPCS common stock entitled to vote on the record date must be present in person or represented by proxy at the special meeting for there to be a quorum. In addition, certain unvested shares of restricted MetroPCS common stock issued pursuant to the MetroPCS equity incentive compensation plans will count towards a quorum because such shares will be voted by MetroPCS on the proposals to be considered at the special meeting in the same proportion as the rest of the shares of MetroPCS common stock that are voted.

The MetroPCS board encourages you to read this proxy statement and to vote on the proposals to be considered at the special meeting. This proxy statement is also available, without charge, on MetroPCS website at [www.metropcs.com](http://www.metropcs.com) under the About Us tab, then selecting the Investor Relations tab and then selecting SEC Filings and Reports.

MetroPCS and Deutsche Telekom have both contributed information describing or relating to the transaction contained in this proxy statement. MetroPCS has supplied all information contained in or

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incorporated by reference into this proxy statement relating to MetroPCS and its subsidiaries. Deutsche Telekom has supplied all information contained in or incorporated by reference into this proxy statement relating to Deutsche Telekom and its subsidiaries, including T-Mobile.

You may and should rely only on the information contained in or incorporated by reference into this proxy statement. No one has been authorized to provide you with information that is different from that contained in or incorporated by reference into this proxy statement. This proxy statement is dated [ ], and is based on information as of [ ] or such other date as may be noted. You should not assume that the information contained in this proxy statement is accurate as of any other date. You should not assume that the information contained in any document incorporated or deemed to be incorporated by reference herein is accurate as of any date other than the date of such document. Any statement contained in a document incorporated or deemed to be incorporated by reference into this proxy statement will be deemed to be modified or superseded to the extent that a statement contained herein, or in any other subsequently filed document which also is or is deemed to be incorporated by reference into this proxy statement, modifies or supersedes that statement. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute a part of this proxy statement. Neither the mailing of this proxy statement to the MetroPCS stockholders nor the taking of any actions contemplated hereby by MetroPCS and/or Deutsche Telekom or any of their officers, directors, agents or subsidiaries at any time will create any implication to the contrary.

Market data and other statistical information used throughout this proxy statement or incorporated by reference into this proxy statement is based on independent industry publications, government publications, reports by market research firms and other published independent sources. Some data also is based on our good faith estimates, which we derive from our review of internal surveys and independent sources, including information provided to us by the U.S. Census Bureau. Although we believe these sources are reliable, we have not independently verified the information. We neither guarantee its accuracy nor undertake a duty to provide such data in the future or to update such data if and when such data is updated.

This proxy statement may contain trademarks, service marks and trade names of companies and organizations other than us. MetroPCS related brands, product names, company names, trademarks, service marks, images, symbols, copyrighted material, and other intellectual property are the exclusive property of MetroPCS Wireless, Inc. and its subsidiaries, parent companies, and affiliates. Copyright ©2010 MetroPCS Wireless, Inc. All rights reserved.

**This proxy statement does not constitute the solicitation of a proxy in any jurisdiction in which or from any person to whom it is unlawful to make any such offer or solicitation in such jurisdiction.**

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**ADDITIONAL INFORMATION**

This proxy statement incorporates by reference important business and financial information about MetroPCS from documents that are not included in or delivered with this proxy statement. You may obtain additional copies of this proxy statement and documents that are incorporated by reference in this proxy statement, without charge, on MetroPCS' website at [www.metropcs.com](http://www.metropcs.com) under the About Us tab, then selecting the Investor Relations tab and then selecting SEC Filings and Reports, or by requesting them in writing or by telephone from MetroPCS at the following address and telephone number:

Investor Relations

MetroPCS Communications, Inc.

2250 Lakeside Boulevard

Richardson, Texas 75082

Telephone No. (214) 570-4641

or

Email: [investor\\_relations@metropcs.com](mailto:investor_relations@metropcs.com)

You may also request additional copies from our proxy solicitor, MacKenzie Partners, Inc., using the following contact information:

MacKenzie Partners, Inc.

105 Madison Avenue

New York, New York 10016

Call Collect (212) 929-5500

or

Call Toll-Free (800) 322-2885

Email: [proxy@mackenziepartners.com](mailto:proxy@mackenziepartners.com)

**In order to receive timely delivery of requested documents in advance of the special meeting, you should make any written or telephonic requests by no later than [ ]. A copy of all such requested documents will be mailed by first class mail, without charge, upon written or oral request, on or before the business day following our receipt of such request.**

Please note that copies of the documents provided to you will not include exhibits to the documents, unless the exhibits are specifically incorporated by reference in the documents or this proxy statement.

You can find additional business and financial information about MetroPCS in reports and documents previously filed with the U.S. Securities and Exchange Commission, which we refer to as the SEC. This information is available to you without charge at the SEC's website at <http://www.sec.gov>. In addition, you may also obtain these reports and documents, without charge, on MetroPCS' website at [www.metropcs.com](http://www.metropcs.com) under the About Us tab, then selecting the Investor Relations tab and then selecting SEC Filings and Reports. Our website address is provided as an inactive textual reference only. Neither the information provided on our website nor the information provided on the SEC's website is part of this proxy statement, and no such information is incorporated herein by reference unless specifically stated herein.

See the section entitled Where You Can Find More Information beginning on page 210 for more information about the reports and documents previously filed by MetroPCS with the SEC and incorporated herein by reference.



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**VOTING BY INTERNET, TELEPHONE OR MAIL**

*Internet.* You can vote over the Internet by accessing the website shown on your proxy card and following the instructions on the website. Internet voting is available 24 hours a day. This method of voting will be available until 11:59 p.m. Eastern Daylight Time, which we refer to as EDT, on [ ], or, if the special meeting is continued, adjourned or postponed, until 11:59 p.m. EDT on the day immediately before such continued, adjourned or postponed meeting.

*Telephone.* You can vote by telephone by calling the toll-free number shown on your proxy card. Telephone voting is available 24 hours a day. Telephone voting will be considered at the special meeting if completed prior to 11:59 p.m. EDT on [ ] or, if the special meeting is continued, adjourned or postponed, until 11:59 p.m. EDT on the day immediately before such continued, adjourned or postponed special meeting.

*Mail.* You can vote by mail by completing, signing, dating and mailing your proxy card(s) in the postage-paid envelope included with this document. Proxy cards received by MetroPCS after [ ] at 10:00 a.m. local time may not be considered unless the special meeting is continued, adjourned or postponed, and then only if received before the date and time the continued, adjourned or postponed special meeting is held.

**If you are not the record holder**

If you hold your shares through a bank, broker, custodian or other record holder, please refer to your proxy card or voting instruction form or the information forwarded by your bank, broker, custodian or other record holder to see which options are available to you. Unless you direct your bank, broker, custodian or other record holder on how to vote, they will be unable to vote your shares of MetroPCS common stock. We encourage you to make sure you direct your bank, broker, custodian or other record holder on how to vote to ensure that your vote will be counted. If we do not have a majority of shares of MetroPCS common stock present in person or by proxy at the special meeting we will not have a quorum, which is required to conduct business at the special meeting, except with respect to the proposal to continue, adjourn or postpone the special meeting.

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**QUESTIONS AND ANSWERS ABOUT THE SPECIAL MEETING, THE TRANSACTION AND THE BUSINESS COMBINATION AGREEMENT**

*The following questions and answers are intended to address briefly some commonly asked questions regarding the transaction, the business combination agreement and the special meeting. These questions and answers may not address all questions that may be important to you as a MetroPCS stockholder. Please refer to the section entitled Summary beginning on page 1, the more detailed information contained elsewhere in this proxy statement, the annexes to this proxy statement and the documents referred to in this proxy statement, which you should read carefully and in their entirety. You may obtain the information incorporated by reference in this proxy statement without charge by following the instructions under the section entitled Where You Can Find More Information beginning on page 210. Unless otherwise stated, as used in this proxy statement, the terms we, our, ours, us and MetroPCS refer to MetroPCS Communications, Inc., a Delaware corporation, and its subsidiaries, and the term combined company refers to MetroPCS after the completion of the transaction (as defined below).*

**Q. Why am I receiving this proxy statement?**

A. You are receiving this proxy statement and the accompanying proxy card because you own shares of MetroPCS common stock, which has a par value of \$0.0001 per share prior to completion of the transaction and will have a par value of \$0.00001 per share following the completion of the transaction, which we refer to as MetroPCS common stock. This proxy statement contains information related to the solicitation of proxies for use at the special meeting to be held at 10:00 a.m., local time, on [ ], and any continuations, adjournments or postponements thereof for the purposes stated in the accompanying Notice of Special Meeting of Stockholders, which we refer to in this proxy statement as the special meeting. The special meeting will be held [in the Bank of America Theater at the Eisemann Center located at 2351 Performance Drive, Richardson, Texas 75082]. This solicitation is made by MetroPCS on behalf of our Board of Directors, which we refer to as the MetroPCS board. The proxy statement is dated [ ]. This proxy statement, the Notice of Special Meeting of Stockholders and the enclosed proxy card are first being mailed to stockholders beginning on or about [ ].

**Q. What is the transaction and what effect will it have on MetroPCS?**

A. MetroPCS has agreed to combine with T-Mobile USA, Inc., which we refer to as T-Mobile. The combination of MetroPCS with T-Mobile will create a leading value wireless carrier in the United States, which will deliver an enhanced customer experience through a broader selection of affordable products and services, more network capacity and broader network coverage and a clear-cut technology path to one common long-term evolution network, which we refer to as an LTE network. We believe that the combined company will have the expanded scale, spectrum and financial resources to compete aggressively with the other larger U.S. wireless carriers.

On October 3, 2012, MetroPCS entered into the Business Combination Agreement, which we refer to as the business combination agreement, by and among Deutsche Telekom AG, an *Aktiengesellschaft* organized in Germany, which we refer to as Deutsche Telekom, T-Mobile Global Zwischenholding GmbH, a *Gesellschaft mit beschränkter Haftung* organized in Germany and a direct wholly-owned subsidiary of Deutsche Telekom, which we refer to as Global, T-Mobile Global Holding GmbH, a *Gesellschaft mit beschränkter Haftung* organized in Germany and a direct wholly-owned subsidiary of Global, which we refer to as Holding, and T-Mobile, a privately-held Delaware corporation and direct wholly-owned subsidiary of Holding, which we refer to as T-Mobile, and MetroPCS.

Pursuant to the terms and subject to the conditions set forth in the business combination agreement, including receipt of the required MetroPCS stockholder approval of certain of the proposals described in this proxy statement, MetroPCS will:

- (i) effect a recapitalization that includes a reverse stock split, which we refer to as the reverse stock split, of the MetroPCS common stock, pursuant to which each share of MetroPCS common stock outstanding as of the effective time of the reverse stock split, which we refer to as the effective time, will represent thereafter one-half of a share of MetroPCS common stock;

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- (ii) as part of the recapitalization, make a payment in cash, which we refer to as the cash payment, in an amount equal to \$1.5 billion (or approximately \$4.08 per share pre-reverse stock split), without interest, in the aggregate to the record holders of MetroPCS common stock immediately following the effective time; and
  
- (iii) immediately following the cash payment, issue and deliver to Holding or its designee shares of MetroPCS common stock equal to 74% of the fully-diluted shares of MetroPCS common stock outstanding immediately following the cash payment (with the percentage ownership of fully-diluted shares of MetroPCS common stock as of such time of Holding or its designee and the MetroPCS stockholders and optionholders being calculated for all purposes in the proxy statement pursuant to the business combination agreement (1) under the treasury method based on the average closing price of a share of MetroPCS common stock on the New York Stock Exchange for the five full trading days immediately preceding the date the transaction is completed after taking into account the reverse stock split and the cash payment but before taking into account the subsequent cash-out of stock options, if any, in connection with the transaction and (2) on a grossed-up basis to take into account the number of shares of MetroPCS common stock so issued to Holding or its designee), which we refer to as the MetroPCS stock issuance, and Holding will deliver to MetroPCS all of the shares of capital stock of T-Mobile, which we refer to as the T-Mobile shares.

In addition, unless otherwise agreed to by the parties, on the business day immediately following the closing of the transaction, MetroPCS, Inc., a direct wholly-owned subsidiary of MetroPCS, will merge with and into its direct wholly-owned subsidiary MetroPCS Wireless, Inc., which we refer to as Wireless, with Wireless continuing as the surviving entity and, immediately thereafter, Wireless will merge with and into T-Mobile, with T-Mobile continuing as the surviving entity, which we refer to as the mergers. In this proxy statement, we refer to the reverse stock split, the cash payment, the MetroPCS stock issuance, the mergers and the other transactions contemplated by the business combination agreement, collectively, as the transaction.

MetroPCS also will change its name to T-Mobile US, Inc. or another name selected by Deutsche Telekom prior to the closing and will continue to be listed on the New York Stock Exchange, which refer to as the NYSE, under the symbol [ ].

**Q. What will I receive if the transaction is completed?**

A. Pursuant to the business combination agreement, the record holders of MetroPCS common stock immediately following the effective time will receive a one-time aggregate cash payment of \$1.5 billion, or approximately \$4.08 per share pre-reverse stock split, in connection with the recapitalization. Also, upon completion of the transaction, MetroPCS stockholders and optionholders immediately prior to the completion of the transaction, which we refer to collectively as the MetroPCS equityholders, collectively will own 26% of the combined company on a fully-diluted basis.

**Q. When do you expect the transaction to be completed?**

A. We expect that the conditions to the transaction will be satisfied or, if allowed by applicable law, waived, and the transaction will be completed, in the first half of 2013. However, we cannot be certain when, or if, the conditions to the transaction will be satisfied or so waived, or that the transaction will be completed.

**Q. What is the purpose of the special meeting?**

A. The purpose of the special meeting is to vote upon the following proposals:

**The stock issuance proposal:** A proposal to approve the MetroPCS stock issuance to be made in connection with, and in order to give effect to, the transaction.

**The new certificate of incorporation proposal:** A proposal to approve the Fourth Amended and Restated Certificate of Incorporation of MetroPCS, which we refer to as the new certificate of incorporation, pursuant to the business combination agreement to, among other things, effect certain aspects of the recapitalization, including the reverse stock split.



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**The change in control payments proposal:** A proposal to approve, on a non-binding, advisory basis, the compensation that may be paid or become payable to MetroPCS named executive officers based on or otherwise relating to the transaction, which we refer to as the change in control payments.

**The adjournment proposal:** A proposal to approve the continuation, adjournment or postponement of the special meeting, if necessary or appropriate to solicit additional proxies if there are insufficient votes at the time of the special meeting to approve both the stock issuance proposal and the new certificate of incorporation proposal.

**IF THE METROPCS STOCKHOLDERS FAIL TO APPROVE BOTH THE STOCK ISSUANCE PROPOSAL AND THE NEW CERTIFICATE OF INCORPORATION PROPOSAL, THE TRANSACTION WILL NOT OCCUR.**

The only MetroPCS stockholder approvals required by the business combination agreement are the stock issuance proposal and the new certificate of incorporation proposal. The change in control payments proposal is non-binding and advisory and the vote on such proposal will have no impact on whether the transaction is completed. In addition, even if the MetroPCS stockholders approve both the stock issuance proposal and the new certificate of incorporation proposal, the transaction may not be completed if the other conditions to closing the transaction are not satisfied or, if allowed by applicable law, waived. We can give no assurance that the conditions to closing the transaction will be satisfied or so waived.

**Q. How does the MetroPCS board recommend that I vote?**

A. After careful consideration, the MetroPCS board, acting upon the recommendation of a special committee of the MetroPCS board established in connection with MetroPCS consideration of the transaction, which we refer to as the special committee, recommends that you vote as follows:

<b>Proposal</b>	<b>Recommended Vote</b>
Stock Issuance Proposal (Item 1)	<p style="text-align: center;"><b><u>FOR</u></b></p> <p style="text-align: center;">the stock issuance to be made in connection with, and in order to give effect to, the transaction</p>
New Certificate of Incorporation Proposal (Item 2)	<p style="text-align: center;"><b><u>FOR</u></b></p> <p style="text-align: center;">the new certificate of incorporation pursuant to the business combination agreement to, among other things, effect certain aspects of the recapitalization, including the reverse stock split</p>
Change in Control Payments Proposal (Item 3)	<p style="text-align: center;"><b><u>FOR</u></b></p> <p style="text-align: center;">the approval, on a non-binding, advisory basis, of the compensation that may be paid or may become payable to MetroPCS named executive officers based on or otherwise relating to the transaction</p>
Adjournment Proposal (Item 4)	<p style="text-align: center;"><b><u>FOR</u></b></p> <p style="text-align: center;">the continuation, adjournment or postponement of the special meeting, if necessary or appropriate to solicit additional proxies if there are insufficient votes at the time of the special meeting to approve both the stock issuance proposal and the new certificate of incorporation proposal</p>



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**Q. Why should I vote FOR each of the proposals and what are MetroPCS reasons for the transaction?**

A. If it is completed, the transaction will create a leading value wireless carrier in the United States, which will deliver an enhanced customer experience through a broader selection of affordable products and services, more network capacity and broader network coverage and a clear-cut technology path to one common long-term evolution network, which we refer to as an LTE network. We believe that the combined company will have the expanded scale, spectrum and financial resources to compete aggressively with the other larger U.S. wireless carriers. The MetroPCS board analyzed the opportunities and risks for MetroPCS of remaining a stand-alone company and explored various other strategic alternatives available to MetroPCS before determining to proceed with the transaction. The MetroPCS board recommends that you vote for the proposals. In evaluating whether to recommend that you vote for the proposals and whether MetroPCS should enter into the business combination agreement and the transaction, the MetroPCS board and special committee considered numerous factors, including their belief that the implied value of the consideration to be received by the MetroPCS stockholders in the transaction represents a compelling valuation for MetroPCS and its stockholders and that the MetroPCS equityholders immediately prior to the completion of the transaction collectively will continue to own 26% of the fully-diluted MetroPCS common stock immediately upon completion of the transaction, allowing the MetroPCS stockholders to participate in any future earnings or growth of the combined company and future appreciation in the value of the combined company's common stock. In addition, if the transaction is completed, MetroPCS stockholders will receive a one-time aggregate cash payment of \$1.5 billion (or approximately \$4.08 per share calculated on a pre-reverse stock split basis), delivering certain value to MetroPCS stockholders. For additional reasons in favor of the transaction, see the section entitled "The Transaction" Reasons for the Transaction; Recommendation of the MetroPCS Board and the Special Committee beginning on page 86.

**Q. What approvals, other than the requisite MetroPCS stockholder approvals, are required to complete the transaction?**

A. In addition to stockholder approval of the stock issuance proposal and the new certificate of incorporation proposal, the transaction must be reviewed by several governmental entities, including (i) the Federal Communications Commission, which we refer to as the FCC, (ii) the Antitrust Division of the Department of Justice, which we refer to as the Antitrust Division, and (iii) the Committee on Foreign Investment in the United States, which we refer to as the CFIUS. MetroPCS and T-Mobile may also make filings with state public utility commissions or equivalent domestic regulatory authorities and, if required, foreign authorities, in order to complete the transaction. See the section entitled "The Transaction" Regulatory Approvals beginning on page 108.

**Q. What will happen if the transaction is not completed or the MetroPCS stockholders fail to approve both the stock issuance proposal and the new certificate of incorporation proposal?**

A. If the MetroPCS stockholders fail to approve both the stock issuance proposal and the new certificate of incorporation proposal or if the transaction is not completed for any other reason, the MetroPCS stockholders will not receive the cash payment and the combination of MetroPCS with T-Mobile will not occur. Instead, MetroPCS will remain a stand-alone public company and shares of MetroPCS common stock will continue to be listed and traded on the NYSE. Under certain circumstances, we may be required to pay to Deutsche Telekom, or may be entitled to receive from Deutsche Telekom, a termination fee with respect to the termination of the business combination agreement. See "Summary of the Business Combination Agreement" Termination and Effect of Termination beginning on pages 151 and 152, respectively.

**Q. Why am I being asked to consider and cast a non-binding, advisory vote on the compensation that may be paid or become payable to MetroPCS named executive officers based on or otherwise relating to the transaction?**

A. In July 2010, the Securities and Exchange Commission, which we refer to as the SEC, adopted new rules that require publicly-traded companies to seek a non-binding, advisory vote with respect to certain compensation

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that may be paid or become payable to their named executive officers that is based on or otherwise relates to business combination transactions that result in a change in control. See the section entitled "Proposals Submitted to Stockholders - The Change in Control Payments Proposal" beginning on page 62.

**Q. What will happen if MetroPCS stockholders do not approve, on a non-binding, advisory basis, the change in control payments?**

A. Approval of the change in control payments on a non-binding, advisory basis is not a condition to the completion of the transaction, and it is non-binding and advisory in nature only, meaning it will not be binding on MetroPCS. While the MetroPCS board intends to consider the vote resulting from the change in control payments proposal, the vote is advisory and therefore not binding on MetroPCS, the MetroPCS board or the compensation committee of the MetroPCS board. Accordingly, because MetroPCS is contractually obligated to pay the compensation, if the transaction is completed, the compensation will be payable, subject only to the conditions applicable to such compensation payments, regardless of the outcome of the non-binding, advisory vote.

**Q. Am I entitled to dissenter's rights or appraisal rights in connection with the transaction?**

A. No. MetroPCS stockholders do not have appraisal rights or similar rights of dissenters with respect to the transaction.

**Q. Are there risks associated with these matters of which I should be aware?**

A. Yes. There are a number of risks associated with the transaction, an investment in MetroPCS and an investment in the combined company. These risks are discussed in more detail in the section entitled "Risk Factors" beginning on page 33. You are encouraged to read this entire section carefully and to refer to the reports and documents filed by MetroPCS with the SEC that are incorporated by reference into this document. See the section entitled "Where You Can Find More Information" beginning on page 210.

**Q. What is required for a quorum at the special meeting?**

A. In order to conduct business at the special meeting, holders of a majority of the outstanding shares of MetroPCS common stock entitled to vote on the record date must be present in person or represented by proxy at the special meeting for there to be a quorum. In addition, certain unvested shares of restricted MetroPCS common stock, which we refer to as restricted stock, issued pursuant to the MetroPCS equity incentive compensation plans will count towards a quorum because such shares will be voted by MetroPCS on the proposals to be considered at the special meeting in the same proportion as the rest of the shares of MetroPCS common stock that are voted. It is important that you provide us with your proxy or attend the special meeting in person so that your shares are counted toward the quorum. If you hold your shares through a bank, broker, custodian or other record holder, please refer to your proxy card, voting instruction form, or the information forwarded by your bank, broker, custodian or other record holder to determine how and when to vote your shares. Unless you direct your bank, broker, custodian or other record holder on how to vote by the time and date specified by them, they will be unable to vote your shares. We encourage you to provide us with your proxy card even if you plan on attending the special meeting in person to ensure that your vote will be counted.

All shares of MetroPCS common stock represented at the special meeting, including abstentions, will be treated as shares that are present and entitled to vote for purposes of determining the presence of a quorum.

**Q. What is a broker non-vote, and how will broker non-votes affect voting on the proposals to be considered at the special meeting?**

A. Generally, a broker non-vote occurs when a bank, broker, custodian or other record holder that holds shares in street name is precluded from exercising voting discretion on a particular proposal because (1) the beneficial owner has not instructed the bank, broker, custodian or other record holder how to vote, and (2) the bank, broker,

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custodian, or other record holder lacks discretionary voting power to vote such shares. A bank, broker, custodian or other record holder does not have discretionary voting power with respect to the approval of non-routine matters absent specific voting instructions from the beneficial owners of such shares. Because all of the proposals described in this proxy statement are considered non-routine matters, we do not expect to receive any broker non-votes with respect to any of the proposals to be considered at the special meeting.

**Q. How many votes are required to approve each proposal?**

A. The required vote to approve each proposal generally is as set forth in the table below. Please see the description immediately following the table for more details on the required vote to approve each proposal.

Proposal	Vote Required
Stock Issuance Proposal (Item 1)	Affirmative vote of the majority of the votes cast, provided that the holders of a majority of the MetroPCS common stock outstanding on the record date vote on this proposal
New Certificate of Incorporation Proposal (Item 2)	Affirmative vote of the majority of the MetroPCS common stock outstanding on the record date
Change in Control Payments Proposal (Item 3)	Affirmative vote of the majority of the votes cast
Adjournment Proposal (Item 4)	If a quorum is not present, the affirmative vote of the majority of the shares of MetroPCS common stock present (in person or by proxy) at the special meeting and entitled to vote; if a quorum is present, the affirmative vote of the majority of the votes cast

**The stock issuance proposal:** Assuming the presence of a quorum, the affirmative vote of a majority of the votes cast (in person or by proxy) by holders of MetroPCS common stock at the special meeting is required to approve the stock issuance proposal, provided that the holders of a majority of the MetroPCS common stock outstanding on the record date vote on the stock issuance proposal. If you vote to abstain, it will have the same effect as voting against this proposal. If you fail to vote or fail to instruct your bank, broker, custodian or other record holder how to vote, it will have no effect on the voting outcome of this proposal, but it will make it more difficult to have a quorum or meet the requirement that the holders of a majority of the MetroPCS common stock outstanding on the record date vote on this proposal. Accordingly, it is important that you provide us with your proxy or attend the special meeting in person so that your shares are counted toward the quorum and this requirement.

**The new certificate of incorporation proposal:** Assuming the presence of a quorum, the affirmative vote of a majority of the MetroPCS common stock outstanding on the record date is required to approve the new certificate of incorporation proposal. If you vote to abstain, or if you fail to vote or fail to instruct your bank, broker, custodian or other record holder how to vote, it will have the same effect as voting against this proposal.

**The change in control payments proposal:** Assuming the presence of a quorum, the affirmative vote of a majority of the votes cast (in person or by proxy) by holders of MetroPCS common stock at the special meeting is required to approve, on a non-binding, advisory basis, the change in control payments proposal. While the MetroPCS board intends to consider the vote resulting from the change in control payments proposal, the vote is advisory and therefore not binding on MetroPCS, the MetroPCS board or the compensation committee of the MetroPCS board. Accordingly, because MetroPCS is contractually obligated to pay the change in control payments, if the transaction is completed, the change in control payments will be payable, subject only to the

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conditions applicable to such payments, regardless of the outcome of the advisory, non-binding vote. If you vote to abstain, or if you fail to vote or fail to instruct your bank, broker, custodian or other record holder how to vote, it will have no effect on the voting outcome of this proposal.

### **The adjournment proposal:**

If a quorum is not present at the special meeting:

The affirmative vote of a majority of the shares of MetroPCS common stock present at the special meeting (in person or by proxy) and entitled to vote on this proposal is required to approve this proposal.

If you vote to abstain, it will have the same effect as voting against this proposal.

If you fail to vote or fail to instruct your bank, broker, custodian or other record holder how to vote, it will have no effect on the voting outcome of this proposal.

If a quorum is present at the special meeting:

The affirmative vote of a majority of the votes cast (in person or by proxy) by holders of MetroPCS common stock at the special meeting is required to approve this proposal.

If you vote to abstain, it will have no effect on the voting outcome of this proposal.

If you fail to vote or fail to instruct your bank, broker, custodian or other record holder how to vote, it will have no effect on the voting outcome of this proposal.

### **Q. Why is MetroPCS seeking stockholder approval for the stock issuance proposal and the new certificate of incorporation proposal?**

A. Because the MetroPCS common stock is listed on the NYSE, MetroPCS is subject to the NYSE's rules and regulations. These rules require stockholder approval prior to the issuance of common stock, or of securities convertible into or exercisable for common stock, in any transaction or series of transactions where, in general, the issuance involves more than 20% of the outstanding common stock or voting rights of a listed company. As part of the transaction, we will issue a number of shares equal to 74% of the fully-diluted shares of MetroPCS common stock outstanding immediately following the cash payment.

Because MetroPCS is a Delaware corporation, it is subject to the General Corporation Law of the State of Delaware, which we refer to as the DGCL. In order to amend a corporation's certificate of incorporation, the DGCL requires that such amendment be approved by stockholders representing a majority of the outstanding shares of the corporation. In connection with the business combination agreement, MetroPCS is seeking to amend and restate its certificate of incorporation to, among other things, effect certain aspects of the recapitalization, including the reverse stock split.

### **Q. What is the reverse stock split?**

A. Pursuant to the recapitalization, MetroPCS will undertake a reverse stock split of the MetroPCS common stock, which will result in each share of MetroPCS common stock outstanding as of the effective time representing thereafter one-half of a share of MetroPCS common stock. If

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the MetroPCS stockholders approve the new certificate of incorporation proposal and the stock issuance proposal, and the reverse stock split is effected, then each share of MetroPCS common stock outstanding as of the effective time of the reverse stock split will represent thereafter one-half of a share of MetroPCS common stock. The reverse stock split will happen at the same time for every MetroPCS stockholder, will affect every MetroPCS stockholder uniformly and will not in itself change any MetroPCS stockholder's percentage ownership interest or relative voting rights in MetroPCS (other than to the extent that the reverse stock split would result in any MetroPCS stockholder owning a fractional share, because cash will be paid in lieu of fractional shares). The reverse stock split will not change

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the number of authorized shares of MetroPCS common stock. While there can be no assurance as to MetroPCS' future valuation or stock price, the reverse stock split should not in itself change the overall valuation of MetroPCS or the value of a MetroPCS stockholder's investment. See "Proposals Submitted to Stockholders - The New Certificate of Incorporation Proposal" beginning on page 57.

**Q. Why is MetroPCS doing a reverse stock split?**

A. The reverse stock split is part of the recapitalization of MetroPCS that will take place as of the effective time. MetroPCS believes that the reverse stock split will increase the stock price of shares of MetroPCS common stock.

**Q. Do any of MetroPCS' directors or officers have interests in the transaction that may differ from or be in addition to my interests as a stockholder?**

A. MetroPCS' directors and executive officers have interests in the transaction that may be different from, or in addition to, the interests of MetroPCS stockholders generally. The MetroPCS board and the special committee were aware of and considered these potential interests, among other matters, in evaluating and negotiating the business combination agreement and the transaction, in approving the business combination agreement and in recommending the stock issuance proposal and the new certificate of incorporation proposal. For more details on the interests of MetroPCS directors and executive officers in the transaction, see the section entitled "Interests of MetroPCS Directors and Officers in the Transaction" beginning on page 118.

**Q. Why did the MetroPCS board form the special committee?**

A. The MetroPCS board formed the special committee to ensure that the negotiation process with Deutsche Telekom was conducted in the best interests of MetroPCS and its stockholders in light of the possibility that Roger D. Linquist, a MetroPCS board member, and some members of MetroPCS' executive management team could remain in senior positions with the combined company if a transaction were to occur. In addition, the MetroPCS board believed that the formation of the special committee constituted good corporate governance practice under the circumstances. To that end, and not because the independent directors believed that the negotiations had been or would be conducted in a manner unfavorable to the MetroPCS stockholders, the independent directors determined that the establishment of the special committee consisting of all of the MetroPCS independent directors (which excludes Roger D. Linquist because he is the Chief Executive Officer of MetroPCS), with James N. Perry, Jr. being the chairman of the special committee, was in the best interests of MetroPCS and its stockholders. Consequently, the full MetroPCS board adopted resolutions establishing the special committee and granting the special committee the authority to, among other things, (a) evaluate, consider and respond to the potential transaction with Deutsche Telekom and any alternatives to such transaction, (b) monitor, direct and participate in the negotiations, (c) make or accept, reject or seek to modify the terms and conditions of the potential transaction with Deutsche Telekom or any alternatives to such transaction, (d) recommend to the full MetroPCS board whether the MetroPCS board should approve the potential transaction with Deutsche Telekom or any alternatives to such transaction and (e) engage, at MetroPCS' expense, the special committee's own legal counsel and financial advisors.

**Q. How do I vote?**

A. You may vote in the following ways:

*By Internet.* You may go to [www.voteproxy.com](http://www.voteproxy.com), available 24 hours a day, 7 days a week, and follow the on-screen instructions. You will need to have your proxy card, which is provided with this proxy statement, available and use the MetroPCS number and account number shown on your proxy card to cast your vote. This method of voting will be available until 11:59 p.m. Eastern Daylight Time, which we refer to as EDT, on [ ], or, if the special meeting is continued, adjourned or postponed, until 11:59 p.m. EDT on the day immediately before such continued, adjourned or postponed meeting. Internet voting procedures are designed to authenticate holders' identities, to allow them to vote their shares and to confirm that their voting instructions have been properly recorded.

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*By Mail.* You may vote by written proxy card, either through direct submission to MetroPCS of your executed proxy card if you are the record holder of such shares on MetroPCS stock register, or through execution of your proxy card returned to the bank, broker, custodian or other record holder of your MetroPCS common stock for submission to MetroPCS. In either circumstance, you should sign your proxy card exactly in the same way as it appears on the card, date your proxy card and indicate your voting preference on each proposal. You should mail your proxy card in plenty of time to allow delivery prior to the special meeting. Proxy cards received by MetroPCS after [ ] at 10:00 a.m. local time may not be considered unless the special meeting is continued, adjourned or postponed, and then only if received before the date and time the continued, adjourned or postponed special meeting is held.

*By Telephone.* You also may vote by telephone from the United States and Canada using the toll-free number on the proxy card and by following the procedures and instructions described on the proxy card. The telephone voting procedures are designed to authenticate holders identities, to allow them to vote their shares, and to confirm that their voting instructions have been properly recorded. Telephone voting will be considered at the special meeting if completed prior to 11:59 p.m. EDT on [ ] or, if the special meeting is continued, adjourned or postponed, until 11:59 p.m. EDT on the day immediately before such continued, adjourned or postponed special meeting.

*In Person.* You also may vote in person at the special meeting. See the section entitled Questions and Answers about the Special Meeting, the Transaction and the Business Combination Agreement What do I need in order to attend the special meeting? beginning on page xvi.

### **Q. How do proxies work?**

A. A proxy allows you to vote at the special meeting even if you cannot attend in person. This means you may vote by designating the person selected by us as your proxy to vote your MetroPCS common stock at the special meeting in the way you instruct. We have designated J. Braxton Carter and Thomas C. Keys as proxies for the special meeting, which we refer to collectively as the MetroPCS proxies. While any and all holders of MetroPCS common stock may attend the special meeting and vote in person using the admission card included in the proxy materials, we also permit voting by proxy by telephone, Internet or mail, which provides the holders of MetroPCS common stock with a means to vote on the four proposals to be considered at the special meeting without having to attend the special meeting in person. The MetroPCS board is asking for your proxy to be voted at the special meeting.

### **Q. How are the votes recorded?**

A. If MetroPCS receives a valid proxy card from you by mail (e.g., signed by the record holder and dated) or receives your vote by telephone or Internet, your shares will be voted by the MetroPCS proxies as indicated in your voting preference selection. As a record holder, if you submit your proxy without indicating your voting preference on one or more of the proposals to be considered at the special meeting, those shares for which you did not indicate your voting preference will be voted in accordance with the recommendations of the MetroPCS board. In addition, certain unvested shares of restricted stock issued pursuant to the MetroPCS equity incentive compensation plans will be voted by MetroPCS on the proposals to be considered at the special meeting in the same proportion as the rest of the shares of MetroPCS common stock that are voted.

### **Q. How do I vote if my shares of MetroPCS common stock are held in street name?**

A. If you hold MetroPCS common stock in street name through a bank, broker, custodian or other record holder, please follow the voting instructions provided by your bank, broker, custodian or other record holder to ensure that your shares are represented at the special meeting. MetroPCS stockholders that hold shares through a bank, broker, custodian or other record holder who wish to vote in person at the special meeting will need to obtain a legal proxy from their bank, broker, custodian or other record holder.

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### **Q. If I hold my shares in street name, will my bank, broker, custodian or other record holder vote my shares for me?**

A. If you hold your shares through a bank, broker, custodian or other record holder (that is, in street name), you must provide the record holder of your shares with instructions on how to vote your shares. Please follow the voting instructions provided by your bank, broker, custodian or other record holder. You may not vote shares held in street name by returning a proxy card directly to MetroPCS or by voting in person at the special meeting unless you provide a legal proxy, which you must obtain from your bank, broker, custodian or other record holder. Further, banks, brokers, custodians or other record holders who hold shares of MetroPCS common stock on behalf of their customers may not give a proxy to MetroPCS to vote those shares without specific instructions from their customers. NYSE rules no longer permit banks, brokers, custodians or other record holders to vote your shares on a discretionary basis for non-routine corporate governance matters.

### **Q. Can I change or revoke my proxy?**

A. Yes, you may change or revoke your proxy at any time prior to the vote on the matters at the special meeting or, if the special meeting is continued, adjourned or postponed, the date and time of such continued, adjourned or postponed meeting. If you are a record holder of MetroPCS common stock, you may revoke your proxy at any time prior to the voting deadlines referred to in the section entitled Questions and Answers about the Special Meeting, the Transaction and the Business Combination Agreement How do I vote? beginning on page xiii by (1) delivering to MetroPCS Corporate Secretary at our principal executive office, located at 2250 Lakeside Boulevard, Richardson, Texas 75082, a written revocation that must be received by MetroPCS prior to the date and time of the special meeting, or, if the special meeting is continued, adjourned or postponed, the date and time of such continued, adjourned or postponed meeting, (2) submitting another valid proxy card with a later date by mail, (3) voting by submitting a proxy by telephone or Internet prior to the date and time of the special meeting, or, if the special meeting is continued, adjourned or postponed, the date and time of such continued, adjourned or postponed meeting, or (4) attending the special meeting in person and giving MetroPCS Inspector of Elections notice of your intent to vote your shares in person. If your shares are held in street name, you must contact the record holder of your MetroPCS common stock in order to revoke your proxy. If you intend to revoke your proxy, you must ensure that such revocation is received by MetroPCS Corporate Secretary prior to the date and time of the special meeting, or, if the special meeting is continued, adjourned or postponed, by the date and time of such continued, adjourned or postponed meeting. Any revocation received as of or after that date and time will not be effective. Attendance at the special meeting will not, by itself, revoke a proxy.

### **Q. Why is my vote important? What happens if I don't vote?**

A. Your vote is important because MetroPCS will not be able to complete the transaction without obtaining the necessary vote of the MetroPCS stockholders in favor of the stock issuance proposal and the new certificate of incorporation proposal. In addition, if you do not vote, it will be more difficult to obtain the necessary quorum or meet the requirement that the holders of a majority of the MetroPCS common stock outstanding on the record date vote on the stock issuance proposal.

### **Q. How many shares of MetroPCS common stock were outstanding on the record date?**

A. There were [ ] shares of MetroPCS common stock outstanding at the close of business on [ ].

### **Q. If I beneficially own as of the record date shares of restricted stock issued pursuant to a MetroPCS equity incentive compensation plan, will I be able to vote those shares on the proposals to be voted on at the special meeting?**

A. If you beneficially own as of the record date shares of restricted stock issued pursuant to a MetroPCS equity incentive compensation plan, you may vote the shares of vested restricted stock and shares of certain unvested restricted stock if provided in your award agreement. Any unvested shares of restricted stock issued pursuant to

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the MetroPCS equity incentive compensation plans in which you do not have voting rights will be voted by MetroPCS for the proposals to be voted on at the special meeting in the same proportion as the rest of the shares of stock that are voted.

### **Q. What do I need in order to attend the special meeting?**

A. Only stockholders with an admission ticket will be admitted to the special meeting. If you are a record holder of MetroPCS common stock, an admission ticket is attached to your proxy card. However, if you hold your shares of MetroPCS common stock through a bank, broker, custodian or other record holder, you should ask the bank, broker, custodian or other record holder that holds your shares to provide you with a legal proxy, a copy of your account statement, or a letter from the record holder confirming that you beneficially own or hold MetroPCS common stock as of the close of business on the record date. You also can obtain an admission ticket to the special meeting by presenting this legal proxy, or confirming documentation of your account from your bank, broker, custodian or other record holder, at the special meeting. All stockholders will be required to show a valid, government-issued, picture identification that matches the name on the admission ticket or legal proxy or confirming documentation from your bank, broker, custodian or other record holder before being admitted to the special meeting.

For safety and security purposes, we do not permit any stockholder to bring cameras, video or audio recording equipment, large bags, briefcases or packages into the meeting room or to otherwise record or photograph the special meeting. We also ask that all MetroPCS stockholders attending the special meeting not bring cell phones into the special meeting or that they turn off all cell phones, pagers, and other electronic devices during the special meeting. We reserve the right to inspect any bags, purses or briefcases brought into the special meeting.

### **Q. Are the votes confidential?**

A. Yes, all votes remain confidential except as necessary (1) to tabulate the votes and allow an independent inspector to certify the results of the vote, (2) to meet applicable legal requirements, (3) to assert or defend claims for or against MetroPCS, and (4) if a stockholder makes a written comment or requests disclosure on the proxy card that such vote be communicated to management of MetroPCS.

### **Q. Who will tabulate and count the votes?**

A. Votes will be counted and certified by the Inspector of Elections, who is an employee of American Stock Transfer & Trust Company, which we refer to as AST, MetroPCS independent transfer agent. Your proxy card will be returned directly to Broadridge Investor Communication Solutions, who will report your vote to AST.

### **Q. Where can I find the voting results for each proposal?**

A. Voting results will be available shortly after the conclusion of the special meeting on MetroPCS website at [www.metropcs.com](http://www.metropcs.com) under the About Us tab, then selecting the Investor Relations tab and then selecting SEC Filings and Reports. We intend to file a Current Report on Form 8-K within four business days after the special meeting announcing the official results of voting. If the official results are not available at that time, we intend to provide preliminary voting results in the Form 8-K and will provide the final voting results in an amendment to the Form 8-K as soon as they become available.

### **Q. Can I access the proxy materials and MetroPCS Annual Report on the Internet?**

A. Yes, the proxy statement and the Annual Report on Form 10-K for the fiscal year ended December 31, 2011 are available free of charge on MetroPCS website at [www.metropcs.com](http://www.metropcs.com) under the About Us tab, then selecting the Investor Relations tab and then selecting SEC Filings and Reports.

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### **Q. What is householding and how does it affect me?**

A. The SEC rules permit us to send a single set of the Notice of Internet Availability of Proxy Materials and the proxy materials to any household in which two or more holders reside unless we have received contrary instructions from the affected holders prior to the mailing date. This procedure, referred to as householding, reduces the volume of duplicate mailings and information you receive and helps us reduce our impact on the environment and our cost and expenses.

In order to take advantage of this cost saving opportunity, we have delivered only one set of proxy materials to holders of MetroPCS common stock who share an address unless we have received contrary instructions from the affected holders prior to the mailing date. If you would like to request additional copies or otherwise request reduced copies be sent, please see the section entitled *Where You Can Find More Information* beginning on page 210.

### **Q. What do I do if I receive more than one proxy card or set of voting instructions?**

A. If you receive more than one proxy card or set of voting instructions, your shares of MetroPCS common stock are registered in more than one name or are registered in different accounts. Please complete, date, sign and return each appropriate proxy card to ensure that all your shares are voted.

### **Q. What do I need to do now?**

A. After carefully reading and considering all of the information contained in this proxy statement, please respond by completing, signing and dating the appropriate proxy card and returning it in the enclosed postage-paid envelope, or by submitting your voting instruction electronically via the Internet or by telephone, as soon as possible so that your shares of MetroPCS common stock may be represented and voted at the special meeting. In addition, you may also vote your shares in person at the special meeting. If you hold shares registered in the name of a bank, broker, custodian or other record holder, that bank, broker, custodian or other record holder has enclosed, or will provide, instructions for directing your bank, broker, custodian or other record holder how to vote those shares. Even if you plan to attend the special meeting in person, we encourage you to complete and submit your proxy card so that your vote can be counted.

### **Q. Should I send in my stock certificates (or evidence of shares in book-entry form) now?**

A. No. Please do NOT send your MetroPCS stock certificates (or evidence of shares in book-entry form) with your proxy card.

### **Q. What is the cost of the proxy solicitation?**

A. MetroPCS bears all of the cost of the solicitation of proxies, including the preparation, assembly, printing and mailing of all proxy materials. MetroPCS also reimburses banks, brokers, custodians and other record holders for their costs in forwarding the proxy materials to the beneficial owners or holders of MetroPCS common stock. MetroPCS and its directors, officers, and regular employees also may solicit proxies by mail, personally, by telephone or by other appropriate means. No additional compensation will be paid to directors, officers or other regular employees for such services. In addition, we have retained MacKenzie Partners, Inc., which we refer to as MacKenzie, to aid in the solicitation of proxies by mail, personally, by telephone, e-mail or other appropriate means. For these services, we will pay MacKenzie \$30,000, plus reasonable out-of-pocket expenses.

### **Q. Who can help answer my other questions?**

A. If you have any questions about the special meeting, the matters to be voted upon, including the transaction, or how to submit your proxy, or if you need additional copies of this proxy statement or the enclosed proxy card, you should contact MacKenzie at [proxy@mackenziepartners.com](mailto:proxy@mackenziepartners.com) (e-mail), call toll-free: (800) 322-2885 or call collect: (212) 929-5500.

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**Table of Contents****SUMMARY**

*The following summary highlights selected information in this proxy statement and may not contain all the information that may be important to you. Accordingly, we encourage you to read carefully this entire proxy statement, its annexes and the documents referred to, and incorporated by reference, in this proxy statement. Each item in this summary includes a page reference directing you to a more complete description of that topic. You may obtain the information incorporated by reference in this proxy statement without charge by following the instructions in the section entitled *Where You Can Find More Information* beginning on page 210.*

**The Transaction (See page 64)**

At the special meeting, our stockholders will vote on matters relating to the combination of MetroPCS with T-Mobile USA, Inc., which we refer to as T-Mobile. The combination of MetroPCS with T-Mobile will create a leading value wireless carrier in the United States, which will deliver an enhanced customer experience through a broader selection of affordable products and services, more network capacity and broader network coverage and a clear-cut technology path to one common long-term evolution network, which we refer to as an LTE network. We believe that the combined company will have the expanded scale, spectrum and financial resources to compete aggressively with the other larger U.S. wireless carriers. On October 3, 2012, MetroPCS entered into a Business Combination Agreement, which we refer to as the business combination agreement, by and among Deutsche Telekom AG, an *Aktiengesellschaft* organized in Germany, which we refer to as Deutsche Telekom, T-Mobile Global Zwischenholding GmbH, a *Gesellschaft mit beschränkter Haftung* organized in Germany and a direct wholly-owned subsidiary of Deutsche Telekom, which we refer to as Global, T-Mobile Global Holding GmbH, a *Gesellschaft mit beschränkter Haftung* organized in Germany and a direct wholly-owned subsidiary of Global, which we refer to as Holding, T-Mobile, a Delaware corporation and direct wholly-owned subsidiary of Holding, and MetroPCS. Pursuant to the terms and subject to the conditions set forth in the business combination agreement, including receipt of the required MetroPCS stockholder approval of certain of the proposals described in this proxy statement, MetroPCS will:

- (i) effect a recapitalization that includes a reverse stock split, which we refer to as the reverse stock split, of the common stock, which has a par value of \$0.0001 per share prior to completion of the transaction and will have a par value of \$0.00001 per share following the completion of the transaction, which we refer to as MetroPCS common stock, pursuant to which each share of MetroPCS common stock outstanding as of the effective time of the reverse stock split, which we refer to as the effective time, will represent thereafter one-half of a share of MetroPCS common stock;
- (ii) as part of the recapitalization, make a payment in cash, which we refer to as the cash payment, in an amount equal to \$1.5 billion (or approximately \$4.08 per share pre-reverse stock split), without interest, in the aggregate to the record holders of MetroPCS common stock immediately following the effective time; and
- (iii) immediately following the cash payment, issue and deliver to Holding or its designee shares of MetroPCS common stock equal to 74% of the fully-diluted shares of MetroPCS common stock outstanding immediately following the cash payment (with the percentage ownership of fully-diluted shares of MetroPCS common stock as of such time of Holding or its designee and the MetroPCS stockholders and optionholders being calculated for all purposes in this proxy statement pursuant to the business combination agreement (1) under the treasury method based on the average closing price of a share of MetroPCS common stock on the New York Stock Exchange for the five full trading days immediately preceding the date the transaction is completed after taking into account the reverse stock split and the cash payment but before taking into account the subsequent cash-out of stock options, if any, in connection with the transaction and (2) on a grossed-up basis to take into account the number of shares of MetroPCS common stock so issued to Holding or its designee), which we refer to as the MetroPCS stock issuance, and Holding will deliver to MetroPCS all of the shares of capital stock of T-Mobile, which we refer to as the T-Mobile shares.

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In addition, unless otherwise agreed to by the parties, on the business day immediately following the closing of the transaction, MetroPCS, Inc., a direct wholly-owned subsidiary of MetroPCS, will merge with and into its direct wholly-owned subsidiary MetroPCS Wireless, Inc., which we refer to as Wireless, with Wireless continuing as the surviving entity and, immediately thereafter, Wireless will merge with and into T-Mobile, with T-Mobile continuing as the surviving entity, which we refer to as the mergers. In this proxy statement, we refer to the reverse stock split, the cash payment, the MetroPCS stock issuance, the mergers and the other transactions contemplated by the business combination agreement, collectively, as the transaction.

The board of directors of MetroPCS, which we refer to as the MetroPCS board, recommends that you vote for the proposals. In evaluating whether to recommend that you vote for the proposals and whether MetroPCS should enter into the business combination agreement and the transaction, the MetroPCS board and the special committee of the MetroPCS board established in connection with MetroPCS consideration of the transaction, which we refer to as the special committee, considered numerous factors, including their belief that the implied value of the consideration to be received by the holders of MetroPCS common stock, which we refer to as the MetroPCS stockholders, in the transaction represents a compelling valuation for MetroPCS and its stockholders and that the MetroPCS equityholders immediately prior to the completion of the transaction collectively will continue to own 26% of the fully-diluted MetroPCS common stock immediately upon completion of the transaction, allowing the MetroPCS equityholders to participate in any future earnings or growth of the combined company and future appreciation in the value of the combined company's common stock. In addition, if the transaction is completed, MetroPCS stockholders will receive a one-time aggregate cash payment of \$1.5 billion (or approximately \$4.08 per share calculated on a pre-reverse stock split basis). For additional reasons in favor of the transaction, see the section entitled *The Transaction Reasons for the Transaction; Recommendation of the MetroPCS Board and the Special Committee* beginning on page 86.

### **Financing (See page 112)**

The transaction is expected to be financed by the issuance by Wireless or T-Mobile of senior unsecured notes in an aggregate principal amount of up to \$18.5 billion as follows:

\$15.0 billion of senior unsecured notes, which we refer to as the \$15.0 billion notes, to be issued by T-Mobile and purchased by Deutsche Telekom to refinance certain intercompany indebtedness owed by T-Mobile and its subsidiaries to Deutsche Telekom and its subsidiaries (excluding T-Mobile and its subsidiaries);

\$2.5 billion of senior unsecured notes, which we refer to as the \$2.5 billion notes, which may be offered by Wireless to third-party investors and, to the extent not sold to third-party investors prior to the completion of the transaction, will be purchased by Deutsche Telekom upon the closing of the transaction, the proceeds of which we intend to use to refinance the Wireless existing senior credit facility; and

\$1.0 billion of senior unsecured notes, which we refer to as the \$1.0 billion notes, which may be offered by Wireless to third-party investors and, to the extent not sold to third-party investors prior to the completion of the transaction, will be purchased by Deutsche Telekom upon the closing of the transaction, the proceeds of which we intend to use for general corporate purposes, including to fund in part the cash payment.

In addition to the notes issued to finance the transaction, Deutsche Telekom (or one of its subsidiaries if the obligations of such subsidiary thereunder are unconditionally guaranteed by Deutsche Telekom) will make available for the benefit of T-Mobile and its subsidiaries, on the closing date of the transaction, a revolving unsecured credit facility with a maximum principal amount of no less than \$500 million to be used for working capital and other general corporate purposes, on terms substantially as set forth on Exhibit H to the business combination agreement, which we refer to as the working capital revolving credit facility.

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Deutsche Telekom has committed, pursuant to the terms of the business combination agreement, to purchase (or to cause one or more of its subsidiaries to purchase) (i) the \$15.0 billion notes and (ii) any portion of the \$2.5 billion notes and the \$1.0 billion notes that are not sold to third-party investors. The economic terms, including the interest rate, the tenor, the no-call period and the redemption premium, of each series of notes to be purchased by Deutsche Telekom, which we refer to as the Deutsche Telekom notes, will be determined as set forth in the Deutsche Telekom notes pricing schedule, attached as Exhibit F to the business combination agreement. The proceeds of any issuances of debt securities by MetroPCS or any of its subsidiaries, including Wireless, to third parties following the date of the business combination agreement will reduce the commitments of Deutsche Telekom in respect of the \$2.5 billion notes and the \$1.0 billion notes in the manner and to the extent described in the financing backstop terms and conditions schedule, attached as Exhibit I to the business combination agreement. For more details, see the section entitled *Summary of the Financing* beginning on page 112.

On December 5, 2012, Wireless commenced a consent solicitation, which we refer to as the consent solicitation, seeking to amend the indentures governing Wireless's outstanding 7 7/8% Senior Notes due 2018 and 6 5/8% Senior Notes due 2020, which we refer to as the Wireless existing notes. On December 14, 2012, following the receipt of the requisite consents in the consent solicitation, Wireless, the guarantors named therein and the trustee entered into revised supplemental indentures that now govern the Wireless existing notes. Among other things, the revised supplemental indentures modified the definition of *Change in Control* so that the consummation of the transaction will not be considered a change in control under the indentures governing the Wireless existing notes. For more details, see the section entitled *Summary of the Financing - Consent Solicitation for Amendments to Wireless Existing Notes* beginning on page 117.

As a result of the consummation of the consent solicitation and the entry into the revised supplemental indentures relating to the Wireless existing notes, Deutsche Telekom's commitment, pursuant to the business combination agreement, to purchase additional notes in an amount sufficient to satisfy such change of control obligations, has been terminated.

**Risk Factors (See page 33)**

The business of MetroPCS, T-Mobile and the combined company, and the transaction involves various risks. You should carefully consider the risks discussed below and in the sections entitled *Risk Factors* beginning on page 33 and *Cautionary Note Regarding Forward-Looking Statements* beginning on page 29 before deciding whether to vote for the proposals. In addition, you also should read and consider the risks associated with each of the businesses of MetroPCS and T-Mobile because these risks also will remain for the combined company; these risks with respect to MetroPCS can be found in MetroPCS's most recent Annual Report on Form 10-K, as updated by subsequent Quarterly Reports on Form 10-Q, all of which are filed with the SEC and incorporated by reference into this proxy statement. Many of these risks, and the events that cause these risks, are beyond our ability to control or predict. If any of these risks were to occur, the respective businesses, financial results, financial condition, operating results or stock prices, as applicable, of MetroPCS, T-Mobile or the combined company could be materially adversely affected. The following is a summary of some of the principal risks related to the transaction:

The amount of MetroPCS common stock and the cash payment to be issued or paid in the transaction is fixed and will not be adjusted for changes in the business, assets, liabilities, prospects, outlook, financial condition or results of operations of MetroPCS or T-Mobile or in the event of any change in MetroPCS's stock price;

The transaction is conditioned on the receipt of approvals from various governmental entities, which may not approve the transaction, may delay the approvals, or may impose conditions or restrictions on, jeopardize or delay completion of, or reduce the anticipated benefits of, the transaction;

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Failure to complete the transaction, or a delay in completing the transaction, could negatively impact the stock price of MetroPCS and the future business, assets, liabilities, prospects, outlook, financial condition and results of operations of MetroPCS, T-Mobile and/or the combined company;

The business combination agreement contains provisions that could affect whether a potential competing acquirer of MetroPCS makes a competing proposal or that could delay the completion of the transaction;

MetroPCS and T-Mobile are subject to various uncertainties and contractual restrictions while the transaction is pending that could disrupt their potential businesses and could adversely affect their businesses, assets, liabilities, prospects, outlooks, financial conditions and results of operations;

Directors and executive officers of MetroPCS have interests in the transaction that may be different from, or in addition to, those of other stockholders of MetroPCS, which could have influenced their decisions to support or approve the transaction.

There are risks associated with the reverse stock split, including that the reverse stock split may not result in a proportionate increase in the per share price of the MetroPCS common stock;

Even following the completion of the transaction, the combined company will continue to face intense competition from other competitors, some of which have greater resources than the combined company, and such competition may intensify in the future;

The failure to integrate successfully the businesses of MetroPCS and T-Mobile in the expected time frame could adversely affect the combined company's future results following the transaction;

Many of the anticipated synergies from the transaction may not be realized for a significant period of time after the completion of the transaction, if at all, and will require substantial capital expenditures to be fully realized;

The combined company will incur substantial indebtedness in connection with the transaction;

A substantial portion of the indebtedness that would be incurred in connection with the transaction is subject to a pricing reset that may materially increase the interest rate applicable to that indebtedness;

Multiple lawsuits have been filed against the parties challenging the transaction, and an adverse ruling may delay or prevent the transaction from being completed;

The combined company's future results could suffer if it does not effectively manage its expanded business, operations and employee base following the transaction;

The unaudited pro forma financial statements included in this proxy statement are presented for illustrative purposes only and may not be an indication of the combined company's financial condition or results of operations following the transaction;

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Following the completion of the transaction, the combined company will be controlled by Deutsche Telekom, and Deutsche Telekom will continue to have approval rights over certain actions taken by the combined company as long as it beneficially owns 30% or more of the combined company's common stock. The interests of Deutsche Telekom may differ from the interests of other stockholders of the combined company;

Following the completion of the transaction, Deutsche Telekom will be permitted to transfer shares of the combined company's common stock in any transaction that would result in the transferee owning 30% or less of the outstanding shares of the combined company's common stock, and any control or other purchase price premium Deutsche Telekom receives from such transfer need not be shared with the rest of the combined company's stockholders; and

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Following the completion of the transaction, Deutsche Telekom will be subject to a six month lock-up period with respect to its shares of the combined company's common stock, after which, subject to limited restrictions, it will be permitted to transfer freely its shares of the combined company's common stock, which could have a negative impact on the combined company's stock price.

### **Parties to the Agreement (See page 49)**

#### ***MetroPCS Communications, Inc.***

2250 Lakeside Boulevard

Richardson, Texas 75082

MetroPCS is the fifth largest facilities-based wireless broadband mobile communications provider in the United States based on number of customers served. MetroPCS offers wireless broadband mobile services under the MetroPCS® brand in selected major metropolitan areas in the United States. MetroPCS provides a variety of wireless broadband mobile communications services to customers on a no long-term contract, paid-in-advance basis. As of September 30, 2012, MetroPCS had approximately 9.0 million customers.

MetroPCS was incorporated in 2004 in the state of Delaware and maintains its corporate headquarters in Richardson, Texas. All services are provided through wholly-owned subsidiaries of MetroPCS Wireless, Inc., which we refer to as Wireless, an indirect wholly-owned subsidiary of MetroPCS. In April 2007, MetroPCS consummated an initial public offering of its common stock and became listed for trading on the NYSE under the symbol PCS. If the transaction is completed, MetroPCS will change its name to T-Mobile US, Inc. or another name selected by Deutsche Telekom prior to the closing and will continue to be listed on the NYSE under the symbol [ ].

#### ***Deutsche Telekom AG***

Friedrich-Ebert-Alle 140

53113 Bonn, Germany

Deutsche Telekom is one of the world's leading integrated telecommunications companies with over 131 million mobile customers, 33 million fixed-network lines and more than 17 million broadband lines (as of September 30, 2012). Deutsche Telekom and its affiliates provide fixed-network, mobile communications, Internet and IPTV products and services for consumers and ICT solutions for business and corporate customers. Deutsche Telekom is present in around 50 countries and has over 233,000 employees worldwide. Deutsche Telekom and its affiliates generated revenue of EUR 58.7 billion in the 2011 financial year over half of it outside Germany.

#### ***T-Mobile Global Zwischenholding GmbH***

Friedrich-Ebert-Alle 140

53113 Bonn, Germany

Global is a direct wholly-owned subsidiary of Deutsche Telekom.

#### ***T-Mobile Global Holding GmbH***

Friedrich-Ebert-Alle 140

53113 Bonn, Germany

Holding is a direct wholly-owned subsidiary of Global.



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### ***T-Mobile USA, Inc.***

12920 SE 38th Street

Bellevue, Washington 98006

T-Mobile, a privately-held Delaware corporation and direct wholly-owned subsidiary of Holding, is a wireless telecommunications carrier that offers mobile communications services under the T-Mobile brand in the United States, Puerto Rico and the U.S. Virgin Islands. T-Mobile operates its business in one reportable segment. T-Mobile's service offerings include contract and non-contract ( prepaid ) wireless voice, messaging and data services plans, mobile broadband plans and wholesale wireless services. As of September 30, 2012, T-Mobile provides service to more than 33.3 million customers through its nationwide voice and data networks.

As of September 30, 2012, T-Mobile's nationwide coverage footprint offers wireless voice, messaging, and data services across a service area covering over 280 million Americans in most metropolitan areas. In addition, T-Mobile has roaming agreements with other mobile communication network operators that allow mobile communications services to be provided beyond the direct coverage area of the T-Mobile network footprint. Services from T-Mobile are provided using the Global System for Mobile Communications, which we refer to as GSM, General Packet Radio Service, which we refer to as GPRS, Enhanced Data rates for GSM Evolution, which we refer to as EDGE, Universal Mobile Telecommunications Systems, which we refer to as UMTS, and Evolved High Speed Packet Access, which we refer to as HSPA+, technologies. T-Mobile's network modernization plan will result in the launch of 4G services using LTE technology in areas covering a population of 200 million in 2013.

### **The Special Meeting (See page 51)**

#### ***Time, Place and Purpose of the Special Meeting (See page 51)***

The special meeting will be held [in the Bank of America Theater at the Eisemann Center located at 2351 Performance Drive, Richardson, Texas 75082] on [ ] at 10:00 a.m., local time.

#### ***The Proposals (See page 57)***

The purpose of the special meeting is to vote upon the following proposals:

**The stock issuance proposal:** A proposal to approve the MetroPCS stock issuance to be made in connection with, and in order to give effect to, the transaction.

**The new certificate of incorporation proposal:** A proposal to approve the Fourth Amended and Restated Certificate of Incorporation of MetroPCS, which we refer to as the new certificate of incorporation, pursuant to the business combination agreement to, among other things, effect certain aspects of the recapitalization, including the reverse stock split.

**The change in control payments proposal:** A proposal to approve, on a non-binding, advisory basis, the compensation that may be paid or become payable to MetroPCS named executive officers based on or otherwise relating to the transaction, which we refer to as the change in control payments.

**The adjournment proposal:** A proposal to approve the continuation, adjournment or postponement of the special meeting, if necessary or appropriate to solicit additional proxies if there are insufficient votes at the time of the special meeting to approve both the stock issuance proposal and the new certificate of incorporation proposal.

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**IF THE METROPCS STOCKHOLDERS FAIL TO APPROVE BOTH THE STOCK ISSUANCE PROPOSAL AND THE NEW CERTIFICATE OF INCORPORATION PROPOSAL, THE TRANSACTION WILL NOT OCCUR.**

The only MetroPCS stockholder approvals required by the business combination agreement are the stock issuance proposal and the new certificate of incorporation proposal. The change in control payments proposal is non-binding and advisory and the vote on such proposal will have no impact on whether the transaction is completed. In addition, even if the MetroPCS stockholders approve both the stock issuance proposal and the new certificate of incorporation proposal, the transaction may not be completed if the other conditions to closing the transaction are not satisfied or, if allowed by applicable law, waived. We can give no assurance that the conditions to closing the transaction will be satisfied or so waived.

***Record Date and Quorum (See page 52)***

The MetroPCS board has established the close of business on [ ] as the record date for the special meeting, which we refer to as the record date. Only record holders of shares of MetroPCS common stock at the close of business on the record date for the special meeting are entitled to notice of, and to vote at, the special meeting and any continuations, adjournments or postponements of the special meeting. No other holders of shares of MetroPCS capital stock are entitled to notice of and to vote at the special meeting. At the close of business on the record date, MetroPCS had outstanding and entitled to vote [ ] shares of MetroPCS common stock. Holders of MetroPCS common stock have one vote per share on each matter to be acted upon.

In order to conduct business at the special meeting, holders of a majority of the outstanding shares of MetroPCS common stock entitled to vote on the record date must be present in person or represented by proxy at the special meeting for there to be a quorum. In addition, certain unvested shares of restricted MetroPCS common stock, which we refer to as restricted stock, issued pursuant to the MetroPCS equity incentive compensation plans will count towards a quorum because such shares will be voted by MetroPCS on the proposals to be considered at the special meeting in the same proportion as the rest of the shares of MetroPCS common stock that are voted. It is important that you provide us with your proxy or attend the special meeting in person so that your shares are counted toward the quorum. If you hold your shares through a bank, broker, custodian or other record holder, please refer to your proxy card, voting instruction form, or the information forwarded by your bank, broker, custodian or other record holder to determine how and when to vote your shares. Unless you direct your bank, broker, custodian or other record holder on how to vote by the time and date specified by them, they will be unable to vote your shares. We encourage you to provide us with your proxy even if you plan to attend the special meeting in person to ensure that your vote will be counted.

All shares of MetroPCS common stock represented at the special meeting, including abstentions, will be treated as shares that are present and entitled to vote for purposes of determining the presence of a quorum. Because all of the proposals are considered non-routine matters, we do not expect to receive any broker non-votes with respect to any of the proposals to be considered at the special meeting.

**Table of Contents*****Vote Required (See page 53)***

The required vote to approve each proposal generally is as set forth in the table below. Please see the description immediately following the table for more details on the required vote to approve each proposal.

<b>Proposal</b>	<b>Vote Required</b>
Stock Issuance Proposal (Item 1)	Affirmative vote of the majority of the votes cast, provided that the holders of a majority of the MetroPCS common stock outstanding on the record date vote on this proposal
New Certificate of Incorporation Proposal (Item 2)	Affirmative vote of the majority of the MetroPCS common stock outstanding on the record date
Change in Control Payments Proposal (Item 3)	Affirmative vote of the majority of the votes cast
Adjournment Proposal (Item 4)	If a quorum is not present, the affirmative vote of the majority of the shares of MetroPCS common stock present (in person or by proxy) at the special meeting and entitled to vote; if a quorum is present, the affirmative vote of the majority of the votes cast

**The stock issuance proposal:** Assuming the presence of a quorum, the affirmative vote of a majority of the votes cast (in person or by proxy) by holders of MetroPCS common stock at the special meeting is required to approve the stock issuance proposal, provided that the holders of a majority of the MetroPCS common stock outstanding on the record date vote on the stock issuance proposal. If you vote to abstain, it will have the same effect as voting against this proposal. If you fail to vote or fail to instruct your bank, broker, custodian or other record holder how to vote, it will have no effect on the voting outcome of this proposal, but it will make it more difficult to have a quorum or meet the requirement that the holders of a majority of the MetroPCS common stock outstanding on the record date vote on this proposal. Accordingly, it is important that you provide us with your proxy or attend the special meeting in person so that your shares are counted toward the quorum and this requirement.

**The new certificate of incorporation proposal:** Assuming the presence of a quorum, the affirmative vote of a majority of the MetroPCS common stock outstanding on the record date is required to approve the new certificate of incorporation proposal. If you vote to abstain, or if you fail to vote or fail to instruct your bank, broker, custodian or other record holder how to vote, it will have the same effect as voting against this proposal.

**The change in control payments proposal:** Assuming the presence of a quorum, the affirmative vote of a majority of the votes cast (in person or by proxy) by holders of MetroPCS common stock at the special meeting is required to approve, on a non-binding, advisory basis, the change in control payments proposal. While the MetroPCS board intends to consider the vote resulting from the change in control payments proposal, the vote is advisory and therefore not binding on MetroPCS, the MetroPCS board or the compensation committee of the MetroPCS board. Accordingly, because MetroPCS is contractually obligated to pay the change in control payments, if the transaction is completed, the change in control payments will be payable, subject only to the conditions applicable to such payments, regardless of the outcome of the advisory, non-binding vote. If you vote to abstain, or if you fail to vote or fail to instruct your bank, broker, custodian or other record holder how to vote, it will have no effect on the voting outcome of this proposal.

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**The adjournment proposal:**

If a quorum is not present at the special meeting:

The affirmative vote of a majority of the shares of MetroPCS common stock present at the special meeting (in person or by proxy) and entitled to vote on this proposal is required to approve this proposal.

If you vote to abstain, it will have the same effect as voting against this proposal.

If you fail to vote or fail to instruct your bank, broker, custodian or other record holder how to vote, it will have no effect on the voting outcome of this proposal.

If a quorum is present at the special meeting:

The affirmative vote of a majority of the votes cast (in person or by proxy) by holders of MetroPCS common stock at the special meeting is required to approve this proposal.

If you vote to abstain, it will have no effect on the voting outcome of this proposal.

If you fail to vote or fail to instruct your bank, broker, custodian or other record holder how to vote, it will have no effect on the voting outcome of this proposal.

***Revocation (See page 55)***

You may change or revoke your proxy at any time prior to the vote on the matters at the special meeting or, if the special meeting is continued, adjourned or postponed, the date and time of such continued, adjourned or postponed meeting. If you are a record holder of MetroPCS common stock, you may revoke your proxy at any time prior to the voting deadlines referred to in the section entitled "Questions and Answers about the Special Meeting, the Transaction and the Business Combination Agreement How do I vote?" beginning on page xiii by (1) delivering to MetroPCS Corporate Secretary at our principal executive office, located at 2250 Lakeside Boulevard, Richardson, Texas 75082, a written revocation that must be received by MetroPCS prior to the date and time of the special meeting, or, if the special meeting is continued, adjourned or postponed, the date and time of such continued, adjourned or postponed meeting, (2) submitting another valid proxy card with a later date by mail, (3) voting by submitting a proxy by telephone or Internet prior to the date and time of the special meeting, or, if the special meeting is continued, adjourned or postponed, the date and time of such continued, adjourned or postponed meeting, or (4) attending the special meeting in person and giving MetroPCS Inspector of Elections notice of your intent to vote your shares in person. If your shares are held in street name, you must contact the record holder of your MetroPCS common stock in order to revoke your proxy. If you intend to revoke your proxy, you must ensure that such revocation is received by MetroPCS Corporate Secretary prior to the date and time of the special meeting, or, if the special meeting is continued, adjourned or postponed, by the date and time of such continued, adjourned or postponed meeting. Any revocation received as of or after that date and time will not be effective. Attendance at the special meeting will not, by itself, revoke a proxy.

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**Recommendation of the MetroPCS Board (See page 52)**

The MetroPCS board, acting upon the recommendation of the special committee, recommends that you vote as follows:

<b>Proposal</b>	<b>Recommended Vote</b>
<p>Stock Issuance Proposal (Item 1)</p> <p style="text-align: center;">the stock issuance to be made in connection with, and in order to give effect to, the transaction</p>	<p><b><u>FOR</u></b></p>
<p>New Certificate of Incorporation Proposal (Item 2)</p> <p style="text-align: center;">the new certificate of incorporation pursuant to the business combination agreement to, among other things, effect certain aspects of the recapitalization, including the reverse stock split</p>	<p><b><u>FOR</u></b></p>
<p>Change in Control Payments Proposal (Item 3)</p> <p style="text-align: center;">the approval, on a non-binding, advisory basis, of the compensation that may be paid or may become payable to MetroPCS named executive officers based on or otherwise relating to the transaction</p>	<p><b><u>FOR</u></b></p>
<p>Adjournment Proposal (Item 4)</p> <p style="text-align: center;">the continuation, adjournment or postponement of the special meeting, if necessary or appropriate to solicit additional proxies if there are insufficient votes at the time of the special meeting to approve both the stock issuance proposal and the new certificate of incorporation proposal</p>	<p><b><u>FOR</u></b></p>

**New Certificate of Incorporation (See page 57)**

In connection with the transaction and conditioned on the completion of the transaction, MetroPCS will amend and restate its existing certificate of incorporation in its entirety in the form of the new certificate of incorporation attached as Exhibit A to the business combination agreement, and the new certificate of incorporation will be the certificate of incorporation of the combined company immediately following the completion of the transaction. As part of the new certificate of incorporation, MetroPCS will change its name to T-Mobile US, Inc. or another name selected by Deutsche Telekom prior to the closing. The new certificate of incorporation will also provide for the declassification of the MetroPCS board with members generally serving one year terms and provide Deutsche Telekom with the same board and committee representation rights as are set forth in the stockholder s agreement to be entered into as provided in the business combination agreement, which we refer to as the stockholder s agreement. The new certificate of incorporation will also contain the same approval rights as are set forth in the stockholder s agreement, which restrict the combined company s ability to take certain actions without Deutsche Telekom s prior written consent as long as Deutsche Telekom beneficially owns 30% or more of the outstanding shares of the combined company s common stock. The new certificate of incorporation is more fully described under the section entitled Proposals Submitted to the Stockholders The New Certificate of Incorporation Proposal beginning on page 57.



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### **Interests of MetroPCS Directors and Officers in the Transaction (See page 118)**

MetroPCS directors and executive officers have interests in the transaction that may be different from, or in addition to, the interests of MetroPCS stockholders generally. The MetroPCS board and the special committee were aware of and considered these potential interests, among other matters, in evaluating and negotiating the business combination agreement and the transaction, in approving the business combination agreement and in recommending the stock issuance proposal and the new certificate of incorporation proposal. For more details on the interests of MetroPCS directors and executive officers in the transaction, see the section entitled Interests of MetroPCS Directors and Officers in the Transaction beginning on page 118.

### **The Business Combination Agreement (See page 134)**

### ***Effect on Annual Cash Performance Awards, Stock Options and Restricted Stock Issued Pursuant to MetroPCS Equity Incentive Compensation Plans (See page 136)***

Effective as of the completion of the MetroPCS stock issuance, all outstanding equity and incentive awards under MetroPCS equity incentive compensation plans, including all outstanding annual cash performance awards, stock options and each share of restricted stock, will automatically vest (at the target payment amount for annual cash performance awards) and (in the case of stock options) become exercisable and will remain outstanding.

In addition, except as provided below, at the time the amendment and restatement of MetroPCS certificate of incorporation becomes effective, each outstanding option to acquire MetroPCS common stock will be adjusted to take into account the reverse stock split and the cash payment. The number of shares of MetroPCS common stock to be acquired pursuant to outstanding options will be reduced to reflect the reverse stock split and the exercise price of the options will be increased to reflect the reverse stock split, with the per share amount of the cash payment made to holders of MetroPCS common stock deducted from the options adjusted per share exercise price. Restricted stock will be adjusted to account for the reverse stock split in the same manner as all other MetroPCS common stock, and holders of restricted stock will share in the cash payment. Holders of stock options will not receive any portion of the cash payment.

Notwithstanding and in lieu of the above, holders of stock options with an exercise price that is less than the average closing price of MetroPCS common stock based on a five-day trading average before the closing ignoring any market effect of the reverse stock split and cash payment, which we refer to as in-the-money stock options, may elect to receive cash in lieu of their in-the-money stock options, during the five days following the closing of the transaction, at a price per share equal to the average closing price of MetroPCS common stock based on a five-day trading average before the closing ignoring any market effect of the reverse stock split and cash payment minus the exercise price of the option, less required tax withholding. Any in-the-money stock options issued under the Second Amended and Restated MetroPCS, Inc. 1995 Stock Plan, as amended, that have a per share exercise price equal to or less than the per share amount of the cash payment (or approximately \$4.08 per share calculated on a pre-reverse stock split basis), which we refer to as low exercise price stock options, will be automatically cashed-out in the same manner. Any stock options that are not cashed-out at the closing of the transaction, including any in-the-money stock options (other than low exercise price stock options) for which the holder thereof does not elect to receive cash at closing, will be adjusted for the reverse stock split and the per share amount of the cash payment as described above and will remain outstanding, 100% vested and exercisable in accordance with their terms. In-the-money stock options that are cashed out will reduce the number of shares outstanding after the stock issuance and will cause Deutsche Telekom's interest in the combined company to increase proportionately.

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### ***No Solicitation of Alternative MetroPCS Proposals (See page 142)***

Subject to limited exceptions, each of MetroPCS and Deutsche Telekom has agreed that, from the time of the execution and delivery of the business combination agreement until the completion of the transaction, neither it nor any of its subsidiaries will authorize or permit any of its and their respective directors and officers to, nor will it authorize, and it will use its reasonable best efforts not to permit, any of its and their other respective representatives to, directly or indirectly, (i) initiate, solicit or knowingly encourage or knowingly take or continue any other action to facilitate the submission of any inquiry, indication of interest, proposal or offer that constitutes, or would reasonably be expected to lead to, an acquisition proposal, (ii) participate in any discussions or negotiations regarding, or that would reasonably be expected to lead to, any acquisition proposal, (iii) furnish any non-public information or data regarding it or any of its subsidiaries to, or afford access to its properties, personnel, books and records to, any person in connection with or in response to or in circumstances that would reasonably be expected to lead to, any acquisition proposal, (iv) take any action to make the provisions of any fair price, moratorium, control share acquisition, business combination or other similar anti-takeover statute or regulation (including any transaction under, or a third party becoming an interested stockholder under, Section 203 of the General Corporation Law of the State of Delaware), any restrictive provision of any applicable anti-takeover provision in its organizational documents or, for MetroPCS, in its stockholder rights plan, as amended, inapplicable to any person other than the other parties to the business combination agreement or to any transactions constituting or contemplated by an acquisition proposal, or (v) resolve or agree to do any of the foregoing. Additionally, MetroPCS and its subsidiaries, from the time of the execution and delivery of the business combination agreement, must, and must cause their respective directors and officers and shall use their reasonable best efforts to cause their other representatives to, cease and terminate any and all existing activities, discussions or negotiations with any person with respect to an acquisition proposal.

Notwithstanding the restrictions above, the MetroPCS board will be permitted, prior to the receipt of the required MetroPCS stockholder approvals, to furnish, or cause to be furnished, information to a third party bidder making a bona fide, unsolicited written acquisition proposal and its representatives, and engage in discussions or negotiations with such bidder and its representatives with respect to such acquisition proposal if (i) the MetroPCS board determines in good faith, after consultation with its outside legal counsel and financial advisors, that such acquisition proposal constitutes, or is reasonably likely to result in, a superior proposal, (ii) the MetroPCS board concludes in good faith, after consultation with its outside legal counsel, that the failure to take such action with respect to such acquisition proposal would be reasonably likely to be inconsistent with the MetroPCS board's fiduciary obligations to MetroPCS and/or its stockholders under applicable law, (iii) MetroPCS timely notified Deutsche Telekom of the receipt and terms and conditions of such acquisition proposal and (iv) MetroPCS receives from such bidder an executed confidentiality agreement (the terms of which are no less favorable in any material respect to MetroPCS than those contained in the confidentiality agreement between MetroPCS and T-Mobile).

### ***Change in the MetroPCS Board's Recommendation (See page 144)***

Subject to limited exceptions, the MetroPCS board has agreed that neither it nor any committee of the MetroPCS board may (i) withdraw or withhold, amend, modify or qualify in any manner adverse to Deutsche Telekom its recommendation or make any public announcement inconsistent with its recommendation, or publicly propose to do any of the foregoing, (ii) approve, adopt, endorse, recommend, or take a neutral position (other than any factually accurate public statement by MetroPCS that solely describes MetroPCS receipt of an acquisition proposal and the operation of the business combination agreement with respect thereto or any stop, look and listen communication or similar communication of the type contemplated by Rule 14d-9(f) under the Securities Exchange Act of 1934, as amended, which we refer to as the Exchange Act) on any acquisition proposal or any inquiry or proposal that would reasonably be expected to lead to an acquisition proposal, (iii) following the date any acquisition proposal or any material modification thereto is first made public, sent or given to the stockholders of MetroPCS, fail to issue a press release that expressly reaffirms its recommendation within 10 business days following Deutsche Telekom's written request to do so (which request may only be

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made once with respect to any such acquisition proposal and each material modification thereto), (iv) fail to include its recommendation in the proxy statement (we refer to any action described in clause (i), (ii), (iii) or (iv), whether taken by MetroPCS, the MetroPCS board or any committee thereof, as an adverse recommendation change), or (v) cause or permit MetroPCS to enter into any contract, letter of intent, memorandum of understanding, or agreement in principle regarding or providing for any acquisition proposal or requiring MetroPCS to abandon, terminate, delay or fail to consummate the transaction.

Notwithstanding the foregoing, at any time prior to the receipt of the required MetroPCS stockholder approvals, the MetroPCS board may effect an adverse recommendation change in response to an intervening event or in response to an acquisition proposal (as described in the section entitled Summary of the Business Combination Agreement No Solicitation of Alternative Proposals beginning on page 142) if the MetroPCS board determines in good faith, after consultation with MetroPCS outside legal counsel and financial advisors, that such acquisition proposal constitutes a superior proposal and such superior proposal is not withdrawn and that, after consultation with MetroPCS outside legal counsel, the failure to effect such adverse recommendation change would reasonably be likely to be inconsistent with the MetroPCS board's fiduciary obligations to MetroPCS and/or its stockholders under applicable law. MetroPCS can only effect an adverse recommendation change if it is in compliance with its non-solicitation obligations described above (except for immaterial non-compliance that is not reasonably related to the adverse recommendation change) and promptly notified Deutsche Telekom (and in any event within 24 hours) of the receipt of the acquisition proposal, including the identity of the person making such superior proposal and, if the acquisition proposal is in writing, providing a copy of such acquisition proposal and any related draft agreements and other written materials, or, if the acquisition proposal is oral, a detailed summary thereof. Before making an adverse recommendation change, MetroPCS must provide written notice to Deutsche Telekom that the MetroPCS board is prepared to make an adverse recommendation change and the reasons therefor and give Deutsche Telekom five business days to amend or revise its offer. If the MetroPCS board changes its recommendation, Deutsche Telekom has the right to terminate the business combination agreement and receive a termination fee of \$150 million. See Summary of the Business Combination Agreement Termination and Effect of Termination.

If the MetroPCS board makes an adverse recommendation change, unless Deutsche Telekom terminates the business combination agreement as a result thereof, MetroPCS will nonetheless continue to be obligated to hold the special meeting and submit the proposals described in this proxy statement to its stockholders for approval and to comply with its other obligations under the business combination agreement. MetroPCS may not terminate the business combination agreement to accept a superior acquisition proposal until after the special meeting and only then if the MetroPCS stockholders fail to approve the stock issuance proposal and the new certificate of incorporation proposal.

***Conditions to Closing the Transaction (See page 149)***

The obligations of Deutsche Telekom, Global, Holding, T-Mobile and MetroPCS to complete the transaction are subject to the satisfaction or, if permitted under applicable law, waiver of certain conditions, including:

the required MetroPCS stockholder approvals having been received;

the waiting period (and any extensions thereof) applicable to the completion of the transaction under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, which we refer to as the HSR Act, having expired or been earlier terminated without requiring Deutsche Telekom or MetroPCS to take, or cause to be taken, any action, or to agree to any restriction, limitation or condition, in each case with respect to any of the assets, businesses or product lines of MetroPCS, Deutsche Telekom, T-Mobile, or any of their respective subsidiaries, or any combination thereof, that would cause a material adverse effect on the businesses, assets, liabilities, financial condition or results of operations of MetroPCS, T-Mobile and their respective subsidiaries, taken as a whole, which we refer to as a regulatory material adverse condition;

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all governmental consents and waivers required to be obtained from the Federal Communications Commission, which we refer to as the FCC, in connection with the completion of the transaction having been granted by the FCC by final order without requiring Deutsche Telekom or MetroPCS to take, or cause to be taken, any action, or to agree to any restriction, limitation or condition, in each case with respect to any of the assets, businesses or product lines of MetroPCS, Deutsche Telekom, T-Mobile, or any of their respective subsidiaries, or any combination thereof, that would cause a regulatory material adverse condition, provided that such governmental consents to be granted by the FCC shall not be required to have been granted by final order in the event that (i) waiting to receive the final order would require the parties to extend the outside date described in the section entitled Summary of the Business Combination Agreement Termination beginning on page 151, (ii) all other conditions to closing are met and (iii) neither party has appealed or sought reconsideration of the authorizations granted by the FCC in connection with the completion of the transaction;

the Committee on Foreign Investment in the United States, which we refer to as the CFIUS, having terminated its review under 31 C.F.R. Part 800 and, where applicable, its investigation, without unresolved national security concerns with respect to the transaction, except as would not, individually or in the aggregate, reasonably be expected to have a material adverse effect on the businesses, assets, liabilities, financial condition or results of operations of MetroPCS and its subsidiaries, taken as a whole (after giving effect to the transaction), or the ability of either party to consummate the transaction and without requiring Deutsche Telekom or MetroPCS to take, or cause to be taken, any action, or to agree to any restriction, limitation or condition, in each case with respect to any of the assets, businesses or product lines of MetroPCS, Deutsche Telekom, T-Mobile or any of their respective subsidiaries, or any combination thereof, that would cause a regulatory material adverse condition;

any other governmental consents required to be obtained in connection with the consummation of the transaction having been obtained by final order, without requiring Deutsche Telekom or MetroPCS to take, or cause to be taken, any action, or to agree to any restriction, limitation or condition, in each case with respect to any of the assets, businesses or product lines of MetroPCS, Deutsche Telekom, T-Mobile, or any of their respective subsidiaries, or any combination thereof, that would cause a regulatory material adverse condition; and

no governmental entity having enacted, issued, promulgated, enforced or entered any law, statute, ordinance, rule, regulation, judgment, injunction, decree or other order (whether temporary, preliminary or permanent) that is in effect and restrains, enjoins or otherwise prohibits completion of the transaction.

The obligations of MetroPCS to complete the transaction are also subject to the satisfaction of certain additional conditions, including the following:

all representations and warranties of Deutsche Telekom, Global, Holding and T-Mobile being true and correct, as of the date of the business combination agreement and as of the closing, subject in certain cases to de minimis, materiality and, in most of the cases, material adverse effect qualifiers;

each of Deutsche Telekom, Global, Holding and T-Mobile having performed in all respects its obligations to transfer at the closing to MetroPCS all of the equity interests of T-Mobile and satisfy any consideration adjustment to be paid in cash at the closing;

each of Deutsche Telekom, Global, Holding and T-Mobile having made available any notes that T-Mobile is required to issue pursuant to the business combination agreement and the working capital revolving credit facility;

each of Deutsche Telekom, Global, Holding and T-Mobile having performed in all material respects its other covenants and agreements set forth in the business combination agreement;



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no circumstance having occurred that has had or would reasonably be expected to have a material adverse effect with respect to T-Mobile; and

MetroPCS having received a fully executed counterpart of the stockholder s agreement and trademark license described in the sections entitled Summary of Ancillary Agreements Stockholder s Agreement and Summary of Ancillary Agreements Trademark License beginning on pages 154 and 158, respectively.

The obligations of Deutsche Telekom, Global, Holding and T-Mobile to complete the transaction are also subject to the satisfaction of certain additional conditions, including the following:

all representations and warranties of MetroPCS being true and correct, as of the date of the business combination agreement and as of the closing, subject in certain cases to de minimis, materiality and, in most of the cases, material adverse effect qualifiers;

MetroPCS having performed in all respects its obligations with respect to the reverse stock split, cash payment and MetroPCS stock issuance;

MetroPCS having performed in all material respects its other covenants and agreements set forth in the business combination agreement;

no circumstance having occurred that has had or would reasonably be expected to have a material adverse effect with respect to MetroPCS;

Deutsche Telekom having received a fully executed counterpart of the stockholder s agreement and trademark license;

Deutsche Telekom having received a payoff letter reasonably acceptable to it with respect to (i) the termination of the Wireless existing senior credit facility and all commitments or other extensions of credit thereunder, (ii) the satisfaction and discharge of all principal, premium, if any, interest, fees and other amounts then due or outstanding thereunder and (iii) the satisfaction, release and discharge of all security interests, mortgages, liens and other encumbrances on MetroPCS and its subsidiaries properties and assets securing such obligations;

except to the extent refinanced pursuant to a change in control offer on or prior to the closing, the Wireless existing notes remaining outstanding, there being no event of default in respect of any of the Wireless existing notes, and the completion of the transaction alone not giving rise to any fact, event, circumstance or effect that with notice or lapse of time would constitute an event of default in respect of any of the Wireless existing notes; and

the MetroPCS common stock to be issued to Holding or its designee in the transaction being approved for listing on the NYSE, subject to official notice of issuance.

***Termination (See page 151)***

The business combination agreement may be terminated at any time prior to the closing, even after the receipt of the required MetroPCS stockholder approvals, under the following circumstances:

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by mutual written consent of MetroPCS and Deutsche Telekom;

by either MetroPCS or Deutsche Telekom, if any governmental entity of competent jurisdiction shall have issued a final and non-appealable order or taken any other final and non-appealable action permanently enjoining, restraining, denying or otherwise prohibiting the consummation of the transaction; provided that the party seeking to terminate the business combination agreement shall have used its reasonable best efforts to have such order lifted if and to the extent required by the business combination agreement;

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by either MetroPCS or Deutsche Telekom, if the transaction is not completed on or before October 3, 2013, as it may be extended, which we refer to as the outside date; except that if the conditions set forth in the second, third, fourth, fifth and sixth bullet points under Summary of the Business Combination Agreement Conditions to Closing the Transaction beginning on page 149 have not been satisfied by October 3, 2013, either party may extend the outside date from time to time, by written notice to the other party given prior to the outside date in effect prior to such notice, to a date not later than January 3, 2014;

by Deutsche Telekom (provided that none of Deutsche Telekom, Global, Holding and T-Mobile is then in material breach of any representation, warranty, covenant or other agreement in the business combination agreement), in the event that (i) a breach by MetroPCS of any representation, warranty, covenant or other agreement contained in the business combination agreement would result in a failure of a condition to the closing, and (ii) such breach (A) if curable, has not been cured within 30 calendar days following MetroPCS receipt of written notice from Deutsche Telekom, or if the outside date is less than 30 calendar days from such notice, has not been or cannot reasonably be expected to be cured by the outside date, or (B) is not curable;

by MetroPCS (provided that MetroPCS is not then in material breach of any representation, warranty, covenant or other agreement in the business combination agreement), in the event that (i) a breach by Deutsche Telekom, Global, Holding or T-Mobile of any representation, warranty, covenant or other agreement contained in the business combination agreement would result in a failure of a condition to the closing, and (ii) such breach (A) if curable, has not been cured within 30 calendar days following Deutsche Telekom's receipt of written notice from MetroPCS, or if the outside date is less than 30 calendar days from such notice, has not been or cannot reasonably be expected to be cured by the outside date, or (B) is not curable;

by either Deutsche Telekom or MetroPCS, if the required MetroPCS stockholder approvals are not obtained at the special meeting, or at any continuation, adjournment or postponement thereof, at which a vote seeking such required MetroPCS stockholder approvals was taken, except that no party may terminate the business combination agreement pursuant to this bullet point if such party has breached in any material respect any of its obligations under the business combination agreement in any manner that would reasonably be expected to cause the failure to obtain the required MetroPCS stockholder approvals at the special meeting or at any continuation, adjournment or postponement thereof;

by Deutsche Telekom, prior to the receipt of the MetroPCS stockholder approvals, if there is an adverse recommendation change, whether or not such adverse recommendation change is in compliance with the requirements described in the section entitled Summary of the Business Combination Agreement Change in the MetroPCS Board's Recommendation beginning on page 144;

by Deutsche Telekom, if after the date of the business combination agreement there is a material adverse effect with respect to MetroPCS and such material adverse effect is not curable or, if curable, (i) is not cured within 30 calendar days after written notice is given by Deutsche Telekom to MetroPCS or (ii) if the outside date is less than 30 calendar days from such notice, has not been or cannot reasonably be expected to be cured by the outside date; or

by MetroPCS, if after the date of the business combination agreement there is a material adverse effect with respect to T-Mobile and such material adverse effect is not curable or, if curable, (i) is not cured within 30 calendar days after written notice is given by MetroPCS to Deutsche Telekom or (ii) if the outside date is less than 30 calendar days from such notice, has not been or cannot reasonably be expected to be cured by the outside date.

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***Effect of Termination (See page 152)***

MetroPCS will be obligated to pay a termination fee of \$150 million to Deutsche Telekom if one of the following occurs:

Deutsche Telekom terminates the business combination agreement because there has been an adverse recommendation change;

MetroPCS or Deutsche Telekom terminates the business combination agreement because the required MetroPCS stockholder approvals are not obtained following (i) a material breach by MetroPCS of the covenants requiring MetroPCS to file the proxy statement, call and hold the special meeting, not solicit alternative transaction proposals or continue to recommend that its stockholders approve the stock issuance proposal and the new certificate of incorporation proposal, and such material breach is reasonably related to the failure to obtain the required MetroPCS stockholder approvals, or (ii) an adverse recommendation change; or

MetroPCS or Deutsche Telekom terminates the business combination agreement because the required MetroPCS stockholder approvals are not obtained (other than under the circumstances described in the immediately preceding bullet point) or because the outside date has passed, and (i) an acquisition proposal has been made and is pending at the time of termination and, within twelve months after such termination, MetroPCS enters into, publicly approves or submits to its stockholders for approval, an agreement with respect to an acquisition proposal, or it consummates an acquisition proposal (which in each case need not be the same proposal or with the same party that made the earlier proposal), or (ii) an acquisition proposal has been made but was withdrawn prior to the stockholder meeting at which MetroPCS stockholders voted not to grant the required MetroPCS stockholder approvals and, within twelve months after such termination, MetroPCS enters into, publicly approves or submits to its stockholders for approval, an agreement with respect to an acquisition proposal with the same party that made the earlier proposal that had been withdrawn.

Deutsche Telekom will be obligated to pay a termination fee of \$250 million to MetroPCS if the business combination agreement is terminated by MetroPCS or Deutsche Telekom (i) because a regulatory agency issues a final order prohibiting the completion of the transaction for regulatory law reasons or (ii) due to a failure to obtain the necessary regulatory approvals by the outside date.

***Specific Performance (See page 153)***

The parties have agreed in the business combination agreement that irreparable damage would occur if any provision of the business combination agreement were not performed in accordance with its terms and that, except in a circumstance where a termination fee is payable by one of the parties, the parties will be entitled to an injunction or injunctions to prevent breaches of the business combination agreement or to enforce specifically the performance of its terms and provisions without any requirement to post bond, in addition to any other remedy to which they may be entitled at law or in equity.

***No Appraisal Rights (See page 129)***

Under applicable law, MetroPCS stockholders do not have the right to an appraisal of the value of their shares in connection with the transaction.

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### **Material U.S. Federal Income Tax Consequences (See page 130)**

For U.S. federal income tax purposes, the reverse stock split and cash payment should be integrated and treated as a recapitalization within the meaning of Section 368(a)(1)(E) of the Internal Revenue Code of 1986, as amended, which we refer to as the Code, in which each MetroPCS stockholder exchanges each share of MetroPCS common stock for one-half of a share of the combined company's common stock plus the per share amount of the cash payment, which we refer to as the MetroPCS recapitalization. Accordingly, a U.S. holder (as defined in the section titled "Material Federal Income Tax Consequences") of shares of MetroPCS common stock generally would recognize taxable gain, but not loss, on the MetroPCS recapitalization in an amount equal to the lesser of (i) the cash received (excluding any cash received in lieu of a fractional share) as part of the per share amount of the cash payment or (ii) the excess, if any, of (A) the sum of the per share amount of the cash payment received pursuant to the MetroPCS recapitalization and the fair market value of the shares of the common stock of the combined company received by such holder over (B) such holder's tax basis in the holder's shares of MetroPCS common stock. The cash that a non-U.S. holder (as defined in the section titled "Material Federal Income Tax Consequences") of shares of MetroPCS common stock receives generally will be subject to U.S. federal income tax withholding at a rate of 30%, subject to reduction or exemption if specified requirements are met.

For a more detailed discussion of the U.S. federal income tax consequences of the transaction, please see the section entitled "Material U.S. Federal Income Tax Consequences" beginning on page 130. All holders of MetroPCS common stock should consult with their tax advisors regarding the tax consequences of the reverse stock split and cash payment to them, including the effects of U.S. federal, state and local, non-U.S. and other tax laws.

### **Accounting Treatment (See page 129)**

MetroPCS prepares its financial statements in accordance with U.S. generally accepted accounting principles, which we refer to as GAAP. Under GAAP, the transaction will be accounted for as a reverse acquisition under the acquisition method of accounting. Because T-Mobile's indirect stockholder, Deutsche Telekom, will be entitled to designate the majority of the board of directors of the combined company, MetroPCS stockholders will receive the cash payment and Deutsche Telekom will receive a majority of the equity securities of the combined company, T-Mobile is considered to be the acquirer of MetroPCS for accounting purposes.

### **Regulatory Approvals (See page 108)**

Under the HSR Act and the rules promulgated under that act by the Federal Trade Commission, which we refer to as the FTC, the transaction may not be completed until notifications have been given and information furnished to the FTC and to the Antitrust Division of the Department of Justice, which we refer to as the Antitrust Division, and the specified waiting period has been terminated or has expired without the commencement of a lawsuit. MetroPCS and Deutsche Telekom each filed notification and report forms under the HSR Act with the FTC and the Antitrust Division on October 19, 2012. On November 19, 2012, MetroPCS and Deutsche Telekom received a request for additional information, which we refer to as the second request, from the Antitrust Division. The effect of the second request is to extend the waiting period imposed by the HSR Act until 30 days after MetroPCS and Deutsche Telekom have substantially complied with the second request, unless that period is extended voluntarily by the parties or terminated sooner by the Antitrust Division. At any time before or after completion of the transaction, the FTC or the Antitrust Division could act under the antitrust laws to prevent a substantial lessening of competition or the creation of a monopoly, including by seeking to enjoin completion of the transaction or seeking divestiture of assets, businesses or product lines of MetroPCS or T-Mobile.

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Under the Communications Act of 1934, as amended, which we refer to as the Communications Act, as a condition to, and before the completion of, the transaction, the FCC must approve the transfer of control of MetroPCS licenses and authorizations in connection with the transaction, which will result from 74% of the fully-diluted shares of MetroPCS common stock being owned by Deutsche Telekom following the completion of the transaction. In connection with such approval, the FCC must determine whether Deutsche Telekom is qualified to control MetroPCS licenses and authorizations and whether the transfer of control of such licenses is consistent with the public interest, convenience and necessity. Since Deutsche Telekom, upon completion of the transaction, will be the beneficial owner of MetroPCS common stock held by Holding and Deutsche Telekom and Holding are not incorporated in the United States, the FCC must issue a declaratory ruling pursuant to Section 310 of the Communications Act that the foreign ownership of MetroPCS is not inconsistent with the public interest. MetroPCS and T-Mobile filed transfer of control applications with the FCC on October 18, 2012.

Under the Exon-Florio Amendment to the Defense Production Act of 1950, the President of the United States has the authority to investigate and, where necessary, suspend or prohibit any foreign acquisition, merger or takeover of companies engaged in U.S. interstate commerce or determined to threaten U.S. national security. By executive order, the President has delegated his investigatory powers under the Exon Florio Amendment to the CFIUS an interagency committee chaired by the U.S. Treasury Department. Deutsche Telekom anticipates filing a voluntary notification of the transaction with the CFIUS in early 2013, seeking confirmation that the transaction contemplated by the business combination agreement does not threaten national security. The CFIUS has 30 days from the date of that filing to determine whether to pursue further investigation of the transaction.

### **Opinion of the Financial Advisor to the MetroPCS Special Committee (*See page 91*)**

In April 2012, Evercore Group L.L.C., which we refer to as Evercore, was retained by MetroPCS on behalf of the special committee of the MetroPCS board to act as financial advisor to the special committee with respect to potential strategic transactions. On October 2, 2012, at a meeting of the special committee, Evercore delivered to the special committee an oral opinion, which opinion was confirmed by delivery of a written opinion dated October 2, 2012, to the effect that, as of that date and based on and subject to assumptions made (including the payment by MetroPCS to its stockholders of the cash payment), matters considered and limitations on the scope of review undertaken by Evercore as set forth therein, the MetroPCS stock issuance equal to 74% of the fully-diluted shares of MetroPCS common stock outstanding immediately following the cash payment (the shares of MetroPCS common stock to be so issued in the MetroPCS stock issuance being referred to as the business combination consideration) in consideration for the acquisition, which we refer to as the business combination, by MetroPCS from a subsidiary of Deutsche Telekom of the T-Mobile shares, is fair, from a financial point of view, to MetroPCS and its stockholders (other than Deutsche Telekom and its affiliates). A copy of Evercore's written opinion was also provided by the special committee to the MetroPCS board, in its capacity as such, in connection with the MetroPCS board's evaluation of the transaction and receipt of the special committee's recommendation to the MetroPCS board.

The full text of Evercore's written opinion, dated October 2, 2012, which sets forth, among other things, the procedures followed, assumptions made, matters considered and limitations on the scope of review undertaken in rendering its opinion, is attached as Annex B to this proxy statement and is incorporated by reference in its entirety into this proxy statement. Evercore's opinion was directed to the special committee, in its capacity as such, and addresses only the fairness to MetroPCS and its stockholders (other than Deutsche Telekom and its affiliates), from a financial point of view, assuming payment of the cash payment, of MetroPCS's issuance of the business combination consideration in consideration for the T-Mobile shares. The opinion does not address any other term or aspect of the business combination agreement or the transaction or any term or aspect of any other agreement or instrument contemplated by the business combination agreement or entered into or amended in connection with the transaction and does not constitute a recommendation to the special committee or to any

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other persons in respect of the business combination agreement or the transaction, including as to how any holder of shares of MetroPCS common stock should vote or act in respect of the business combination agreement or the transaction.

**Litigation Relating to the Transaction (See page 109)**

Since the announcement on October 3, 2012 of the execution of the business combination agreement, MetroPCS, Deutsche Telekom, Global, Holding, T-Mobile and the members of the MetroPCS board, including an officer of MetroPCS, have been named as defendants in multiple putative stockholder derivative and class action complaints filed in Delaware and Texas challenging the transaction. The lawsuits generally allege, among other things, that the transaction fails to properly value MetroPCS and that the individual defendants breached their fiduciary duties in approving the business combination agreement and, in some of the lawsuits, that those breaches were aided and abetted by Deutsche Telekom, Global, Holding and T-Mobile. The lawsuits seek, among other things, injunctive relief enjoining the defendants from completing the transaction on the agreed-upon terms, monetary relief and attorneys' fees and costs.

**Table of Contents****SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA OF METROPCS**

The following table sets forth selected consolidated financial data for MetroPCS and its consolidated subsidiaries for the years ended December 31, 2011, 2010, 2009, 2008 and 2007. The data should be read in conjunction with MetroPCS audited consolidated historical financial statements and related notes for the fiscal year ended December 31, 2011 appearing in MetroPCS Annual Report on Form 10-K for year ended December 31, 2011, which is incorporated by reference into this proxy statement. The summary financial data for the nine months ended September 30, 2012 and September 30, 2011 are unaudited, but in the opinion of MetroPCS management, reflect all adjustments of a normal recurring nature necessary for a fair statement of MetroPCS financial position and results of operations at the dates and for the periods indicated. The results for the nine month periods are not necessarily indicative of results that may be expected for any other interim period or the entire fiscal year.

MetroPCS historical financial data may not be indicative of the results of operations or financial position to be expected in the future.

	Nine months ended September 30,		Year ended December 31,				
	2012	2011	2011	2010	2009	2008	2007
(in millions, except share and per share data)							
<b>Consolidated Statements of Operations Data:</b>							
Revenues:							
Service revenues	\$ 3,439.7	\$ 3,294.6	\$ 4,428.2	\$ 3,689.7	\$ 3,130.4	\$ 2,437.2	\$ 1,919.2
Equipment revenues	377.2	314.6	419.2	379.6	350.1	314.3	316.5
Total revenues	3,816.9	3,609.2	4,847.4	4,069.3	3,480.5	2,751.5	2,235.7
Operating expenses:							
Cost of service (excluding depreciation and amortization disclosed separately below)	1,130.4	1,089.5	1,473.9	1,223.9	1,120.0	857.3	647.5
Cost of equipment	1,002.7	1,095.3	1,439.6	1,093.9	884.3	704.7	597.2
Selling, general and administrative expenses (excluding depreciation and amortization disclosed separately below)	507.5	486.8	644.0	621.7	567.7	447.6	352.0
Depreciation and amortization	469.2	402.5	538.8	449.7	377.9	255.3	178.2
Loss (gain) on disposal of assets	4.6	2.7	3.6	(38.8)	(4.7)	18.9	0.7
Total operating expenses	3,114.4	3,076.8	4,099.9	3,350.4	2,945.2	2,283.8	1,775.6
Income from operations	702.5	532.4	747.5	718.9	535.3	467.7	460.1
Other expense (income):							
Interest expense	206.2	193.1	261.1	263.1	270.3	179.4	201.7
Interest income	(1.2)	(1.6)	(2.0)	(1.9)	(2.9)	(22.9)	(63.9)
Other (income) expense, net	(0.4)	(0.5)	(0.7)	1.8	1.8	1.0	1.0
Gain on settlement	(52.5)						
Loss on extinguishment of debt		9.5	9.5	143.6			
Impairment loss on investment securities					2.4	30.8	97.8
Total other expense	152.1	200.5	267.9	406.6	271.6	188.3	236.6
Income before provision for income taxes	550.4	331.9	479.6	312.3	263.7	279.4	223.5
Provision for income taxes	(187.9)	(121.9)	(178.3)	(118.9)	(86.8)	(130.0)	(123.1)
Net income	\$ 362.5	\$ 210.0	\$ 301.3	\$ 193.4	\$ 176.9	\$ 149.4	\$ 100.4
Accrued dividends on Series D Preferred Stock							(6.5)
							(0.9)



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	Nine months ended			Year ended December 31,			
	September 30, 2012	2011	2011	2010	2009	2008	2007
(in millions)							
<b>Other Financial Data:</b>							
Net cash provided by operating activities	\$ 848.5	\$ 753.7	\$ 1,061.8	\$ 994.5	\$ 899.3	\$ 447.5	\$ 589.3
Net cash used in investing activities	(717.8)	(700.0)	(886.9)	(950.4)	(1,117.0)	(1,294.3)	(517.1)
Net cash (used in) provided by financing activities	(16.7)	990.6	971.8	(176.9)	449.0	74.5	1,236.5

	As of		As of December 31,			
	September 30, 2012	2011	2010	2009	2008	2007
(in millions)						
<b>Consolidated Balance Sheet Data:</b>						
Cash, cash equivalents & short-term investments	\$ 2,565.3	\$ 2,243.3	\$ 1,171.4	\$ 1,154.3	\$ 698.0	\$ 1,470.2
Property and equipment, net	4,197.4	4,018.0	3,659.4	3,252.2	2,847.8	1,891.4
Total Assets	10,071.9	9,482.9	7,918.6	7,386.0	6,422.1	5,806.1
Long-term debt (including current maturities)	4,767.3	4,744.5	3,779.3	3,645.3	3,075.0	3,002.2
Stockholders' equity	3,322.4	2,927.6	2,541.6	2,288.1	2,034.3	1,848.7
<b>Other Information</b>						

In June 2011, the Financial Accounting Standards Board issued ASU 2011-05 *Statement of Comprehensive Income*, which we refer to as ASU 2011-05, which revises the manner in which entities present comprehensive income in their financial statements, requiring entities to report components of comprehensive income in either (1) a continuous statement of comprehensive income or (2) two separate but consecutive statements. On January 1, 2012, we adopted ASU 2011-05 and beginning with the period ended March 31, 2012, we present other comprehensive income in our condensed consolidating statement of income information within our Guarantor Subsidiaries footnote disclosures. The tables below reflect the retrospective application of this guidance for each of the three years ended December 31, 2011, 2010 and 2009. The retrospective application did not have a material impact on our financial condition or results of operations.

**Table of Contents****MetroPCS Communications, Inc. and Subsidiaries****Condensed Consolidated Statement of Income Information****(Unaudited)**

	<b>Year ended December 31,</b>					
	<b>Parent</b>	<b>Issuer</b>	<b>Guarantor Subsidiaries (in millions)</b>	<b>Eliminations</b>	<b>Consolidated</b>	
<b>2011</b>						
Net income (loss)	\$ 301.3	\$ 299.5	\$ 734.4	\$ (1,033.9)	\$ 301.3	
Total other comprehensive (loss) income	(7.9)	(7.8)		7.8	(7.9)	
Comprehensive income (loss)	\$ 293.4	\$ 291.7	\$ 734.4	\$ (1,026.1)	\$ 293.4	
<b>2010</b>						
Net income (loss)	\$ 193.4	\$ 191.6	\$ 581.0	\$ (772.6)	\$ 193.4	
Total other comprehensive income (loss)	9.9	9.9		(9.9)	9.9	
Comprehensive income (loss)	\$ 203.3	\$ 201.5	\$ 581.0	\$ (782.5)	\$ 203.3	
<b>2009</b>						
Net income (loss)	\$ 176.9	\$ 174.4	\$ 402.3	\$ (576.7)	\$ 176.9	
Total other comprehensive income (loss)	21.2	18.4		(18.4)	21.2	
Comprehensive income (loss)	\$ 198.1	\$ 192.8	\$ 402.3	\$ (595.1)	\$ 198.1	

**Table of Contents****SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA OF T-MOBILE**

The following table sets forth selected consolidated financial data for T-Mobile. The data should be read in conjunction with T-Mobile's audited consolidated financial statements and related notes for the three years ended December 31, 2011 and T-Mobile's unaudited condensed consolidated financial statements for the nine months ended September 30, 2012 and 2011 that are included in this proxy statement. The consolidated balance sheet data as of December 31, 2009, 2008 and 2007 and the consolidated statements of operations data for the fiscal years ended December 31, 2008 and 2007 are derived from T-Mobile's consolidated financial statements that are not included in this proxy statement. The summary financial data as of September 30, 2012 and for the nine months ended September 30, 2012 and 2011 are derived from the T-Mobile unaudited condensed consolidated financial statements for such periods, but in the opinion of T-Mobile's management, reflect all adjustments of a normal recurring nature necessary for a fair statement of T-Mobile's financial position and results of operations at the dates and for the periods indicated. The results for the nine month period are not necessarily indicative of results that may be expected for any other interim period or the entire fiscal year.

T-Mobile's historical financial data may not be indicative of the results of operations or financial position to be expected in the future.

	Nine Months Ended September 30,		Year Ended December 31,				
	2012	2011	2011	2010	2009	2008	2007
	(in millions, except share and per share amounts)						
<b>Consolidated Statements of Operations Data:</b>							
Revenues							
Service revenues	\$ 13,086	\$ 13,916	\$ 18,481	\$ 18,733	\$ 18,960	\$ 19,279	\$ 16,916
Equipment sales	1,524	1,352	1,901	2,404	2,403	2,451	2,251
Other revenues	200	171	236	210	168	155	121
Total revenues	14,810	15,439	20,618	21,347	21,531	21,885	19,288
Operating expenses							
Network costs, excluding depreciation and amortization	3,515	3,750	4,952	4,895	4,936	5,007	4,344
Cost of equipment sales	2,456	2,772	3,646	4,237	3,856	3,643	3,208
Customer acquisition, excluding depreciation and amortization	2,323	2,364	3,185	3,205	3,382	3,540	3,274
General and administrative, excluding depreciation and amortization	2,681	2,643	3,543	3,535	3,442	3,579	3,109
Depreciation and amortization	2,391	2,221	2,982	2,773	2,859	2,746	2,607
Impairment charges	8,134		6,420				
Restructuring costs	90						
Other, net	(136)	64	169	(3)			5
Total operating expenses	21,454	13,814	24,897	18,642	18,475	18,515	16,547
Operating (loss) income	(6,644)	1,625	(4,279)	2,705	3,056	3,370	2,741
Other income (expense)							
Interest expense to affiliates	(487)	(481)	(670)	(556)	(740)	(402)	(405)
Interest income	53	15	25	14	12	26	43
Other income (expense), net	22	(11)	(10)	16	8	2	21
Total other expense, net	(412)	(477)	(655)	(526)	(720)	(374)	(341)
(Loss) income before income taxes	(7,056)	1,148	(4,934)	2,179	2,336	2,996	2,400
Income tax (expense) benefit	(272)	(469)	216	(822)	(860)	(1,151)	(821)
Net (loss) income	(7,328)	679	(4,718)	1,357	1,476	1,845	1,579
Net income attributable to non-controlling interest				(3)	(6)	(6)	(5)

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Net (loss) income attributable to T-Mobile USA, Inc.	\$	(7,328)	\$	679	\$	(4,718)	\$	1,354	\$	1,470	\$	1,839	\$	1,574
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**Net (loss) income per common share:**

Basic and diluted	\$	(25.04)	\$	2.32	\$	(16.12)	\$	4.63	\$	5.02	\$	6.28	\$	5.38
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**Weighted average shares:**

Basic and diluted	292,669,971	292,669,971	292,669,971	292,669,971	292,669,971	292,669,971	292,669,971
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**Other Financial Data:**

Net cash provided by operating activities	\$	2,707	\$	3,570	\$	4,980	\$	4,905	\$	5,437	\$	5,802	\$	4,888
Net cash used in investing activities		(2,667)		(3,258)		(4,699)		(5,126)		(5,603)		(6,153)		(4,390)
Net cash provided by (used in) financing activities								123		67		593		(512)

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	As of September 30, 2012	2011	As of December 31, 2010      2009      2008      2007 (in millions)			
<b>Consolidated Balance Sheet Data:</b>						
Current assets	\$ 5,343	\$ 6,602	\$ 5,311	\$ 5,845	\$ 5,951	\$ 6,553
Property and equipment, net	12,535	12,703	13,213	13,192	12,600	11,258
Goodwill, spectrum licenses and other intangible assets, net	14,403	21,009	27,439	27,440	27,477	25,393
Other assets	332	295	328	297	262	155
Total assets	32,613	40,609	46,291	46,774	46,290	43,359
Current liabilities	4,862	4,504	4,455	8,149	5,978	5,297
Long-term payables to affiliates	13,620	15,049	15,854	9,682	13,850	6,712
Other long-term liabilities	5,655	5,271	5,490	4,693	3,679	2,537
Stockholder's equity	8,476	15,785	20,492	24,250	22,783	28,813

**Table of Contents****COMPARATIVE PER SHARE DATA**

The following table sets forth selected historical per share information of T-Mobile and MetroPCS and unaudited pro forma per share information after giving effect to the transaction, assuming that 1.8368 shares of MetroPCS common stock had been issued in exchange for each outstanding share of T-Mobile common stock.

You should read this information in conjunction with the selected historical financial information, the unaudited pro forma condensed combined financial information and the separate historical financial statements of T-Mobile and MetroPCS and the notes thereto included elsewhere in or incorporated by reference in this proxy statement. The historical per share information as of and for the nine-month period ended September 30, 2012 is derived from unaudited condensed consolidated financial statements of T-Mobile and MetroPCS, respectively, as of and for the nine months ended September 30, 2012. The historical per share information for the year ended December 31, 2011 is derived from audited consolidated financial statements of T-Mobile and MetroPCS, respectively, for the year ended December 31, 2011. The unaudited pro forma condensed combined financial statements and the pro forma per share information are not necessarily indicative of the operating results or financial position that would have been achieved had the transaction been completed at the beginning of the period presented and should not be construed as representative of future operations. Neither T-Mobile nor MetroPCS declared any dividends related to their respective common stock during the periods presented.

	<b>Year Ended December 31, 2011</b>			
	MetroPCS		T-Mobile	
	Historical	Pro Forma	Historical	Pro Forma Equivalent of one MetroPCS Share (1)
Basic net income (loss) per common share	\$ 0.83	\$ (6.50)	\$ (16.12)	\$ (11.94)
Diluted net income (loss) per common share	\$ 0.82	\$ (6.50)	\$ (16.12)	\$ (11.94)

	<b>Nine Months Ended September 30, 2012</b>			
	MetroPCS		T-Mobile	
	Historical	Pro Forma	Historical	Pro Forma Equivalent of one MetroPCS Share (1)
Basic net income (loss) per common share	\$ 0.99	\$ (9.91)	\$ (25.04)	\$ (18.20)
Diluted net income (loss) per common share	\$ 0.99	\$ (9.91)	\$ (25.04)	\$ (18.20)
Book value per share (2)	\$ 9.13	\$ 11.08	\$ 28.96	\$ 20.35

- (1) These amounts were calculated by applying an assumed exchange ratio of 1.8368 times the unaudited pro forma financial information.
- (2) The historical book value per common share is computed by dividing total stockholders' equity by the number of shares of common stock outstanding as of September 30, 2012. The pro forma book value per share is computed by dividing pro forma stockholders' equity by the pro forma number of shares of common stock outstanding as of September 30, 2012.

**Table of Contents****COMPARATIVE PER SHARE MARKET PRICE AND DIVIDEND INFORMATION**

Shares of MetroPCS are currently listed and principally traded on the NYSE under the symbol PCS. T-Mobile is not publicly traded and is a wholly-owned indirect subsidiary of Deutsche Telekom. The following table sets forth, for the periods indicated, the high and low sales price per share of MetroPCS common stock as reported on the NYSE:

Fiscal Year Ending December 31, 2012	High	Low
Fourth Quarter (through November 12, 2012)	13.57	9.83
Third Quarter	11.95	6.23
Second Quarter	9.21	5.59
First Quarter	12.01	8.01
Fiscal Year Ending December 31, 2011		
Fourth Quarter	9.73	7.51
Third Quarter	17.77	8.71
Second Quarter	18.69	15.94
First Quarter	16.32	12.53
Fiscal Year Ending December 31, 2010		
Fourth Quarter	12.74	10.29
Third Quarter	10.49	8.30
Second Quarter	9.15	7.15
First Quarter	7.99	5.53

The table below sets forth the closing price of MetroPCS on October 2, 2012, the last trading date prior to the public announcement of the transaction and as of November 12, 2012, the most recent practicable trading day prior to the date of this proxy statement. The market prices of MetroPCS common stock likely will fluctuate between the date of this proxy statement and the time of the special meeting and the completion of the transaction. No assurance can be given concerning the market prices of MetroPCS common stock before the completion of the transaction or the market price of the combined company's common stock after the completion of the transaction. Immediately following the transaction, Holding or its designee will own 74% of the fully-diluted shares of MetroPCS common stock outstanding immediately following the cash payment and MetroPCS equityholders immediately prior to the transaction collectively will own the remaining 26% of MetroPCS common stock on a fully-diluted basis. These percentages are fixed in the business combination agreement and will not be adjusted for changes in the business, financial condition or operating results of MetroPCS or T-Mobile or changes in the market price of MetroPCS common stock. As a result, the stock price of the combined company's common stock that MetroPCS stockholders will receive in the transaction may vary significantly from the prices shown in the table below.

	MetroPCS Common Stock
October 2, 2012	\$ 13.57
November 12, 2012	\$ 10.05

MetroPCS stockholders should obtain current market prices for shares of MetroPCS in deciding whether to vote for the approval of the proposals.

**Holders**

As of November 12, 2012, the latest practicable date prior to the filing of this proxy statement, there were 364,148,299 shares of MetroPCS common stock outstanding and approximately 30,000 holders of record of MetroPCS common stock.

**Dividends**

MetroPCS has never declared or paid cash dividends on its capital stock and does not expect to pay any cash dividends in the foreseeable future.



**Table of Contents****SUMMARY UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION**

The following unaudited pro forma condensed combined financial information gives effect to the transaction between MetroPCS and T-Mobile which is to be accounted for as a reverse acquisition with T-Mobile treated as the accounting acquirer. The unaudited pro forma condensed combined statements of operations data for the year ended December 31, 2011 and for the nine months ended September 30, 2012 reflects the transaction as if it occurred on January 1, 2011. The unaudited pro forma condensed combined balance sheet data as of September 30, 2012 reflects the transaction as if it had occurred on September 30, 2012. The pro forma adjustments are based on the information available at the time of the preparation of this proxy statement. See the section entitled

T-Mobile and MetroPCS Unaudited Pro Forma Condensed Combined Financial Information beginning on page 196.

The unaudited pro forma condensed combined financial information that follows is presented for informational purposes only and is not intended to represent or be indicative of the combined results of operations or financial position that would have been reported had the transaction been completed as of January 1, 2011 or September 30, 2012, and should not be taken as representative of the future consolidated results of operations or financial position of the combined company. In connection with the unaudited pro forma condensed combined financial information, T-Mobile allocated the preliminary purchase price to the acquired assets and liabilities based upon their estimated fair value. These estimates are based on financial information available at the time of the preparation of this proxy statement. Based on the timing of the closing of the transaction and other factors, we and T-Mobile cannot assure that the actual adjustments will not differ materially from the pro forma adjustments reflected in the unaudited pro forma condensed combined financial information. It is expected that, following the transaction, the combined company will incur expenses associated with the transaction and integration of the operations of the two companies. These transaction and integration costs are not reflected in this unaudited pro forma condensed combined financial information. The unaudited pro forma condensed combined financial information also does not give effect to the potential impact of any anticipated synergies, operating efficiencies or cost savings that may result from the transaction.

	<b>Nine Months Ended September 30, 2012</b>	<b>Year Ended December 31, 2011</b>
	<b>(in millions except shares and per share amounts)</b>	
<b>Statement of Operations Data</b>		
Total revenues	\$ 18,728	\$ 25,600
Operating loss	(5,714)	(3,291)
Loss before income taxes	(6,785)	(4,873)
Net loss	(7,141)	(4,679)
Net loss per common share		
Basic and Diluted	\$ (9.91)	\$ (6.50)
Weighted average shares		
Basic and Diluted	720,929,874	719,539,741

	<b>As of September 30, 2012 (in millions)</b>
<b>Balance Sheet Data</b>	
Cash and cash equivalents	\$ 2,053
Current assets	7,657
Total assets	42,036
Current liabilities	4,168
Long-term payables to affiliates	15,000
Long-term debt, net	8,200
Stockholders equity	7,990

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**CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS**

This proxy statement and the documents referred to or incorporated by reference into this proxy statement contain forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, which we refer to as the Securities Act, and Section 21E of the Exchange Act. Forward-looking statements are statements that are not statements of historical fact, including statements about beliefs, opinions and expectations. Forward-looking statements are based on, and include statements about, MetroPCS, Deutsche Telekom, T-Mobile and the combined company's plans, prospects, expected future financial condition, results of operations, cash flows, dividends and dividend plans, objectives, beliefs, financing plans, business strategies, budgets, goals, future events, future revenues or performance, financing needs, outcomes of litigation, projected costs, operating metrics, capital expenditures, competitive positions, acquisitions, investment opportunities, integration, cost savings, capital expenditures, synergies, growth opportunities, dispositions, plans and objectives of management for future operations and any other information that is not historical information. These statements generally can be identified by the fact that they do not relate strictly to historical or current facts and include, without limitation, words such as may, will, could, should, would, expect, plan, project, forecast, intend, anticipate, believe, estimate, potential, pursue, target, continue and similar expressions and variations. These statements are based on Deutsche Telekom, T-Mobile and MetroPCS's intent, beliefs, opinions, expectations, and projections at the time such statements are made, and are not guarantees of future performance and are made only as of the date of this proxy statement or the applicable documents incorporated herein by reference. These statements involve risks, uncertainties, assumptions and other factors that are difficult to predict and that could cause actual results to differ materially from those expressed in them or indicated by them. Factors that could cause these differences include the factors identified under Risk Factors, beginning on page 33, as well as the following, among others:

the inability to have developed or to obtain handsets, equipment or software that our customers want, demand and expect or to have handsets, equipment or software serviced, updated, revised or maintained in a timely and cost-effective manner;

MetroPCS and T-Mobile and each of their competitors' current and planned promotions and advertising, marketing, sales and other initiatives, including pricing decisions, entry into consolidation and alliance activities, and MetroPCS and T-Mobile's ability to respond to and support them;

MetroPCS and T-Mobile's ability to manage their networks to deliver the services, content, applications, service quality and speed their customers expect and demand and to maintain and increase the capacity of their networks and business systems to satisfy the demands of their customers and the demands placed by devices on their networks;

the highly competitive nature of the wireless broadband mobile industry and changes in the competitive landscape;

the effects of the transaction on dealers, retailers, vendors, suppliers, customers, content and application providers, MetroPCS equity and debt holders and MetroPCS and T-Mobile employees;

the ability of MetroPCS and T-Mobile to operate their respective businesses in light of the transaction and the covenants contained in the business combination agreement;

the diversion of management's time and attention while the transaction is pending;

each of T-Mobile and MetroPCS's plans and expectations relating to, without limitation, (i) its growth opportunities and competitive position; (ii) its products and services; (iii) its customer experience; (iv) its results of operations, including expected synergies, earnings and cash flows; (v) the impact of the transaction on its credit ratings; and (vi) integration matters;

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the federal income tax consequences of the transaction and the enactment of additional state, federal, and/or foreign regulatory and tax laws and regulations;

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expectations, intentions and outcomes relating to outstanding litigation, including securities, class action, derivative, patent and product safety claims, by or against third parties;

the possibility that the transaction is delayed or does not close, including due to the failure to receive the required MetroPCS stockholder approvals or required approvals from governmental authorities necessary to satisfy the closing conditions, along with satisfaction or waiver of other closing conditions, pursuant to the business combination agreement;

alternative acquisition proposals that could delay completion of the transaction or divert management's time and attention from the transaction;

T-Mobile's and MetroPCS's ability to successfully integrate their businesses and realize the expected spectrum, cost and capital expenditure savings and synergies and other benefits from the transaction;

changes in economic, business, competitive, technological and/or regulatory factors, including the passage of legislation or action by governmental or regulatory entities to block the transaction;

any changes in the regulatory environment in which MetroPCS or T-Mobile operates, including any change or increase in restrictions on MetroPCS' or T-Mobile's ability to operate its networks;

terminations of, or limitations imposed on, MetroPCS' or T-Mobile's business by, contracts entered into by either MetroPCS or T-Mobile, or the effect of provisions with respect to change in control, exclusivity, commitments or minimum purchase amounts contained in such contracts;

the impact of economic conditions on MetroPCS' and T-Mobile's business plans, strategies and stock prices;

the impact on MetroPCS' and T-Mobile's networks and businesses from major equipment failures and security breaches related to the network or customer information;

the ability to obtain financing on terms favorable to MetroPCS and T-Mobile;

the impact of public and private regulations;

possible disruptions or intrusions of MetroPCS' or T-Mobile's network, billing, operational support and customer care systems that may limit or disrupt their ability to provide service, or which may cause disclosure or improper use of customers' information and associated harm to MetroPCS' or T-Mobile's customers, systems, reputation and goodwill;

MetroPCS' and T-Mobile's continued ability to offer a diverse portfolio of wireless devices, some on an exclusive basis;

MetroPCS' and T-Mobile's ability to obtain and continue to obtain roaming on terms that are reasonable;

severe weather conditions, natural disasters, energy shortages, wars or terrorist attacks, and any resulting financial impact not covered by insurance;

disruptions of MetroPCS and/or T-Mobile's key suppliers' provisioning of products, services, content or applications;

fluctuations in interest and exchange rates;

significant increases in benefit plan costs or lower investment returns on plan assets;

material adverse changes in labor matters, including labor negotiations or additional organizing activity, and any resulting financial and/or operational impact;

the diversion of management's time and attention to litigation relating to the transaction;

write-offs in connection with the transaction, or changes in MetroPCS and/or T-Mobile's accounting assumptions that regulatory agencies, including the SEC, may require or that result from changes in the accounting rules or their application, which could result in an impact on earnings;

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the significant capital commitments of MetroPCS and T-Mobile;

MetroPCS and T-Mobile's ability to remain focused and keep all employees focused on the business during the pendency of the transaction;

the current economic environment in the United States; disruptions to the credit and financial markets in the United States; and the impact of the economy on consumer demand and fluctuations in consumer demand generally for the products and services to be provided as a result of the transaction;

MetroPCS and T-Mobile's ability to manage their respective growth, achieve planned growth, manage churn rates, maintain their respective cost structures and achieve additional economies of scale;

MetroPCS and T-Mobile's ability to negotiate and maintain acceptable agreements with their respective suppliers and vendors, including obtaining roaming on reasonable terms;

the seasonality of MetroPCS and T-Mobile's respective businesses and any failure to have strong customer growth in the first and fourth quarters;

the rates, nature, collectability and applicability of taxes and regulatory fees on the services MetroPCS and T-Mobile provide and increases or changes in taxes and regulatory fees or the services to, or the manner in, which such taxes and fees are applied, calculated, or collected;

the rapid technological changes in our industry and MetroPCS and T-Mobile's ability to adapt, respond and deploy new technologies and successfully offer new services using such new technology;

MetroPCS and T-Mobile's ability to fulfill the demands and expectations of their customers, provide the customer care such customers want, expect, or demand and secure the products, services, applications, content and network infrastructure equipment each of MetroPCS and T-Mobile needs, or which their customers or their potential customers want, expect or demand;

the availability of additional spectrum and MetroPCS and T-Mobile's ability to secure additional spectrum, or secure it at acceptable prices, when they need it;

MetroPCS and T-Mobile's ability to adequately defend against suits filed by others and to enforce or protect their intellectual property rights;

MetroPCS and T-Mobile's, as well as the combined company's, capital structure, including the indebtedness amounts of each, the limitations imposed by the covenants in the documents governing the indebtedness of each and the maintenance of the financial and disclosure controls and procedures of each;

MetroPCS and T-Mobile's ability to attract and retain key members of management and train personnel;

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MetroPCS and T-Mobile's reliance on third parties to provide distribution, products, software content and services that are integral, used in or sold by their respective businesses and the ability of their respective suppliers to perform, develop and timely provide each of them with technological developments, products and services that each of them needs to remain competitive; and

governmental regulation affecting MetroPCS and T-Mobile's services and changes in government regulation, and the costs of compliance and the failure to comply with such regulations.

MetroPCS cautions that the foregoing list of factors is not exclusive. Additional information concerning these and other risk factors is contained in MetroPCS Annual Report on Form 10-K for the year ended December 31, 2011 and Quarterly Report on Form 10-Q for the fiscal quarter ended September 30, 2012. All

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subsequent written and oral forward-looking statements concerning MetroPCS, Deutsche Telekom, T-Mobile, the transaction or other matters attributable to MetroPCS, Deutsche Telekom, or T-Mobile or any person acting on their behalf are expressly qualified in their entirety by the cautionary statements above. Forward-looking statements herein or in documents incorporated herein by reference speak only as of the date of this proxy statement or the applicable document incorporated herein by reference (or such earlier date as may be specified therein), as applicable, are based on current assumptions and expectations or assumptions and expectations as of the date of the document incorporated herein by reference, and are subject to the factors above, among other things, and involve risks, uncertainties, events, circumstances, uncertainties and assumptions, many of which are beyond our ability to control or predict. You should not place undue reliance on these forward-looking statements. MetroPCS does not intend to, and does not undertake an obligation to, update these forward-looking statements in the future to reflect future events or circumstances, except as required by applicable securities laws and regulations. For more information, see the section entitled *Where You Can Find More Information* beginning on page 210. The results presented for any period may not be reflective of results for any subsequent period.

You should carefully read and consider the cautionary statements contained or referred to in this section in connection with any subsequent written or oral forward-looking statements that may be issued by us or persons acting on our behalf, and all future written and oral forward-looking statements attributable to MetroPCS, Deutsche Telekom, T-Mobile, the combined company, the transaction or any other matters, are expressly qualified in their entirety by the foregoing cautionary statements.

**Table of Contents****RISK FACTORS**

*In addition to the other information included in and incorporated by reference into this proxy statement, including the matters addressed in the section titled **Cautionary Note Regarding Forward-Looking Statements** beginning on page 29, you should carefully consider the following risks before deciding whether to vote for the proposals. In addition, you should read and consider the risks associated with each of the businesses of MetroPCS and T-Mobile because these risks also will remain for the combined company; these risks with respect to MetroPCS can be found in MetroPCS most recent Annual Report on Form 10-K, as updated by subsequent Quarterly Reports on Form 10-Q, all of which are filed with the SEC and incorporated by reference into this proxy statement. Many of these risks, and the events that cause these risks, are beyond our ability to control or predict. If any of these risks were to occur, the respective businesses, financial results, financial condition, operating results or stock prices, as applicable, of MetroPCS, T-Mobile or the combined company could be materially adversely affected. Although we incorporate by reference and describe below and elsewhere in this proxy statement the risks we consider to be the most material to the transaction and our business, assets, liabilities, prospects, outlook, financial condition and results of operations, there may be other known, unknown or unpredictable economic, business, competitive, regulatory or other risks or factors that also could have a material adverse effect on the transaction or our business, assets, liabilities, prospects, outlook, financial condition and results of operations in the future. In addition, past performance may not be a reliable indicator of future performance and historical trends should not be used to anticipate results or trends in future periods. Any information about our intentions, projections or forward-looking statements in this proxy statement or in documents incorporated by reference into this proxy statement is a statement of our intentions, projections and forward-looking statements as of the date of this proxy statement or the documents incorporated by reference into this proxy statement and is based upon, among other things, the regulatory, industry, competitive, economic and market conditions as of such date, as well as various of our assumptions at such time. We may change our intentions, projections or forward-looking statements at any time and without notice, based upon any changes in such conditions, in our assumptions or otherwise. You should also read and consider the other information in this proxy statement and the other documents incorporated by reference into this proxy statement. See the section entitled **Where You Can Find More Information** beginning on page 210.*

**Risk Factors Relating to the Transaction**

***The amount of MetroPCS common stock and the cash payment to be issued or paid in the transaction is fixed and will not be adjusted for changes in the business, assets, liabilities, prospects, outlook, financial condition or results of operations of MetroPCS or T-Mobile or in the event of any change in MetroPCS stock price.***

Immediately following the transaction, Holding or its designee will own 74% of the fully-diluted shares of MetroPCS common stock outstanding and MetroPCS equityholders immediately prior to the transaction collectively will own the remaining 26% of fully-diluted MetroPCS common stock and will receive their pro rata share of the cash payment. These percentages and the cash payment are fixed in the business combination agreement and will not be adjusted for changes in the business, assets, liabilities, prospects, outlook, financial condition or results of operations of MetroPCS or T-Mobile, or changes in the market price of, analyst estimates of, or projections relating, to MetroPCS common stock. For example, if T-Mobile were to experience a decline in its business, assets, liabilities, prospects, outlook, financial condition or results of operations prior to the completion of the transaction, while MetroPCS experienced an improvement in its business, assets, liabilities, prospects, outlook, financial condition and results of operations prior to the completion of the transaction, there would be no adjustment in the overall ownership percentages in the combined company or the amount of the cash payment as described above.

***The transaction is conditioned on the receipt of approvals from various governmental entities, which may not approve the transaction, may delay the approvals, or may impose conditions or restrictions on, jeopardize or delay completion of, or reduce the anticipated benefits of, the transaction.***

Completion of the transaction is conditioned upon filings with, and, in certain cases, the receipt of governmental authorizations, consents, orders or other approvals from, governmental entities, including the FTC,

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the Antitrust Division, the FCC, the CFIUS and, if applicable, state public utility or service commissions and foreign authorities. The parties have made or plan to make initial filings with each of these governmental entities where required; however, the applicable waiting period under U.S. antitrust laws has not yet expired or been terminated and the other governmental entities have not concluded their review and/or yet provided the requisite authorizations, consents, orders or other approvals.

There is no assurance that all of these required authorizations, consents, orders and other approvals will be obtained, and, if they are obtained, they may not be obtained before you vote on the proposals relating to the transaction. Moreover, if they are obtained, they may require actions or impose restrictions, limitations or conditions on the assets, businesses, licenses or product lines of MetroPCS or T-Mobile. The business combination agreement requires the parties to satisfy any actions, or to agree to any restrictions, limitations or conditions, in each case with respect to any of the assets, businesses, licenses or product lines of MetroPCS, Deutsche Telekom, T-Mobile, any of their respective subsidiaries, or any combination thereof, unless it would have a material adverse effect on the business, assets, liabilities, prospects, outlook, financial condition or results of operations of MetroPCS, T-Mobile and their respective subsidiaries, taken as a whole. It is possible that such actions, restrictions, limitations or conditions may have an adverse effect on the business, assets, liabilities, prospects, outlook, financial condition or results of operations of MetroPCS or T-Mobile, but not qualify as a material adverse effect under the business combination agreement. These required actions, restrictions, limitations and conditions also may jeopardize or delay completion of the transaction, reduce the anticipated benefits of the transaction or allow the parties to terminate the transaction.

***Failure to complete the transaction, or a delay in completing the transaction, could negatively impact the stock price of MetroPCS and the future business, assets, liabilities, prospects, outlook, financial condition and results of operations of MetroPCS, T-Mobile and/or the combined company.***

If the transaction is not completed, MetroPCS' ongoing business may be adversely affected and the market price of our common stock may decline, particularly to the extent that the current market price reflects a market assumption that the transaction will be completed. If closing is delayed, including by a delay in receipt of necessary governmental approvals or by the receipt of a competing proposal, the ongoing businesses, financial condition and results of operations of MetroPCS and T-Mobile may be adversely affected. Additionally, if the transaction is not completed, MetroPCS, under certain circumstances described in Summary of the Business Combination Agreement Termination and Effect of Termination, beginning on pages 151 and 152, respectively, may be required to pay Deutsche Telekom \$150 million. Any of the foregoing, or other risks arising in connection with the failure of or delay in completing the transaction, including the diversion of management attention from pursuing other opportunities and operating the ongoing business during the pendency of the transaction, may have an adverse effect on the business, assets, liabilities, prospects, outlook, financial condition or results of operations of MetroPCS and/or T-Mobile.

***The business combination agreement contains provisions that could affect whether a potential competing acquirer of MetroPCS makes a competing proposal or that could delay the completion of the transaction.***

The business combination agreement contains no shop provisions that, subject to limited exceptions, restrict MetroPCS' ability to solicit, encourage, facilitate or discuss competing third-party proposals to acquire stock or assets of MetroPCS. Further, while the MetroPCS board is permitted to make a recommendation change to the stockholders with respect to the transaction under certain circumstances, unless Deutsche Telekom terminates the business combination agreement, MetroPCS nonetheless will be required to submit the proposals to a stockholder vote at the special meeting. This requirement, which is often called a force the vote provision, means that MetroPCS does not have the right before the stockholder vote to terminate the business combination agreement to accept a superior proposal. In addition, Deutsche Telekom generally has an opportunity to offer to modify the terms of its proposal in response to a competing superior acquisition proposal, as well as an updated competing superior acquisition proposal, before the MetroPCS board makes a recommendation change with respect to the transaction. This requirement is commonly called a match right. In some circumstances, upon

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termination of the business combination agreement MetroPCS will be required to pay a termination fee of \$150 million to Deutsche Telekom. See the sections entitled Summary of the Business Combination Agreement No Solicitation of Alternative Proposals, Change in the MetroPCS Board s Recommendation, Termination and Effect of Termination beginning on pages 142, 144, 151 and 152, respectively.

These provisions may affect whether a potential competing acquirer will make a proposal to acquire MetroPCS, even if it were prepared to pay consideration with a higher per share value than the market value proposed to be received or realized in the transaction. These provisions also might result in a potential competing acquirer proposing to pay a lower price than it might otherwise have proposed to pay because of the added expense of the \$150 million termination fee that may become payable in certain circumstances or the possible delay in executing such transaction as a result of having to wait until after the MetroPCS stockholder vote on the proposals contained in this proxy statement at the special meeting. Further, because T-Mobile is a private company, a third party may have difficulty establishing that a competing proposal constitutes a higher value proposal than the current transaction. Moreover, the submission of a competing acquisition proposal could distract management, which could delay the completion of the transaction and could have an adverse effect on MetroPCS business, assets, liabilities, prospects, outlook, financial condition or results of operations. Any delay in completing the transaction also could reduce the benefits, cost and capital expenditure savings and synergies from combining the businesses of MetroPCS and T-Mobile.

If the business combination agreement is terminated and MetroPCS determines to seek another business combination, it may not be able to negotiate a transaction with another party on terms comparable to or better than the terms of the transaction.

***Some of MetroPCS and T-Mobile s existing agreements contain change in control or early termination rights that may be implicated by the transaction, and exclusivity, commitment or minimum purchase provisions in some of MetroPCS existing agreement may limit the combined company s business.***

Some of MetroPCS and T-Mobile s existing contracts contain provisions that allow the counterparty to terminate the agreement after a specified period following a change of control of MetroPCS and/or T-Mobile. If a third party has such a right and were to exercise its right to terminate an agreement as a result of the completion of the transaction, such termination could disrupt MetroPCS and/or T-Mobile s existing operations and adversely affect MetroPCS business, assets, liabilities, prospects, outlook, financial conditions and results of operations. For example, renewal of MetroPCS roaming agreements allow the counterparty to terminate or limit the benefits of the roaming agreements in connection with a change in control. If such counterparty were to do so, it could reduce the area in which MetroPCS customers can receive service outside of MetroPCS network coverage area. In addition, some of MetroPCS existing contracts contain exclusivity, commitment or minimum purchase provisions that will continue to apply to the combined company after the completion of the transaction. These exclusivity, commitment or minimum purchase provisions could limit the combined company s ability take advantage of certain opportunities in specified geographic areas which could reduce some of the anticipated benefits from the transaction or its ability to achieve the planned synergies. The combined company may be required to enter into agreements for similar services with other third parties or renegotiate its existing agreements to avoid such a disruption or restrictions.

***MetroPCS and T-Mobile are subject to various uncertainties and contractual restrictions while the transaction is pending that could disrupt their potential businesses and could adversely affect their businesses, assets, liabilities, prospects, outlooks, financial conditions and results of operations.***

Uncertainty about the effect of the transaction on employees, customers, suppliers, vendors, distributors, dealers and retailers may have an adverse effect on MetroPCS and/or T-Mobile. These uncertainties may impair MetroPCS and/or T-Mobile s ability to attract, retain and motivate key personnel, dealers and retailers until the transaction is completed and for a period of time thereafter, as employees and prospective employees may experience uncertainty about their future roles with the combined company. Additionally, these uncertainties

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could cause customers, suppliers, distributors, dealers, retailers and others who deal with MetroPCS or T-Mobile to seek to change existing business relationships with MetroPCS or T-Mobile or fail to extend an existing relationship with MetroPCS or T-Mobile. Suppliers, distributors and content and application providers may also delay or cease developing new products for MetroPCS or T-Mobile that are necessary for the operations of their respective businesses due to the uncertainty created by the transaction. In particular, because the transaction contemplates a discontinuance of MetroPCS existing network technology over time, current suppliers, including handset suppliers, may choose not to invest in, may delay, or may cease developing or supporting, new handsets for MetroPCS that are necessary for MetroPCS to compete effectively or to meet the demands, requirements or expectations of its customers. In addition, existing competitors may target MetroPCS or T-Mobile's existing customers by highlighting potential uncertainties and integration difficulties that may result from the transaction.

MetroPCS has a small number of key personnel. The pursuit of the transaction and the preparation for the integration may place a burden on management and internal resources. Any significant diversion of management attention away from ongoing business concerns and any difficulties encountered in the transition and integration process could affect MetroPCS and/or T-Mobile's financial results.

In addition, the business combination agreement restricts each of MetroPCS and T-Mobile, without the other's consent, from taking certain actions outside of the ordinary course of business while the transaction is pending. These restrictions may prevent MetroPCS and/or T-Mobile from pursuing otherwise attractive business opportunities and making other changes to their respective businesses prior to completion of the transaction or termination of the business combination agreement. See the section entitled Summary of the Business Combination Agreement Conduct of Business beginning on page 140.

***Multiple lawsuits have been filed against the parties challenging the transaction, and an adverse ruling may delay or prevent the transaction from being completed.***

Since the announcement on October 3, 2012 of the execution of the business combination agreement, MetroPCS, Deutsche Telekom, Global, Holding, T-Mobile and the members of the MetroPCS board including an officer, have been named as defendants in multiple stockholder derivative and class action complaints challenging the transaction. The lawsuits generally allege, among other things, that the transaction fails to properly value MetroPCS and that the individual defendants breached their fiduciary duties in approving the business combination agreement and, in some of the lawsuits, that those breaches were aided and abetted by Deutsche Telekom, Global, Holding and T-Mobile. The lawsuits seek, among other things, injunctive relief enjoining the defendants from completing the transaction on the agreed-upon terms, monetary relief, punitive damages, and attorneys' fees and costs.

One of the conditions to the closing of the transaction is that no governmental entity has enacted, issued, promulgated, enforced or entered any law, statute, ordinance, rule, regulation, judgment, injunction, decree or other order (whether temporary, preliminary or permanent) that is in effect and restrains, enjoins or otherwise prohibits completion of the transaction. Consequently, if the plaintiffs secure injunctive or other relief prohibiting, delaying, or otherwise adversely affecting the defendants' ability to complete the transaction, then such injunctive or other relief may prevent the transaction from becoming effective within the expected time frame or at all. If completion of the transaction is prevented or delayed, it could result in substantial costs to the parties. In addition, the parties could incur significant costs in connection with the lawsuits, including costs associated with the defense and indemnification of MetroPCS directors and officers. Finally, any delay could allow the other parties to the transaction to terminate the business combination agreement if the closing is delayed beyond the outside date provided therein.

***Directors and executive officers of MetroPCS have interests in the transaction that may be different from, or in addition to, those of other stockholders of MetroPCS, which could have influenced their decisions to support or approve the transaction.***

In considering whether to approve the proposals at the special meeting, you should recognize that all of the directors and executive officers of MetroPCS have interests in the transaction that may differ from, or that are in

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addition to, your interests as a stockholder of MetroPCS. These interests include, among others, continued service as a director or an executive officer of the combined company, employment or consulting arrangements, acceleration of awards under MetroPCS equity incentive compensation plans, elections to cash out stock options in certain circumstances, arrangements that provide for severance benefits if certain executive officers' employment is terminated under certain circumstances following the completion of the transaction and rights to indemnification and directors' and officers' liability insurance that will survive the completion of the transaction. The MetroPCS board and the special committee were aware of these interests during the time that the business combination was being negotiated and at the time they approved the transaction. These interests may cause MetroPCS' directors and executive officers to view the transaction differently than you may view it as a stockholder. See the section entitled "Interests of MetroPCS Directors and Officers in the Transaction" beginning on page 118.

***There are risks associated with the reverse stock split, including that the reverse stock split may not result in a proportionate increase in the per share price of the MetroPCS common stock.***

If MetroPCS completes the transaction, MetroPCS will effect a 1-for-2 reverse stock split as of the effective time and make the cash payment. MetroPCS cannot predict whether or to what extent the reverse stock split will proportionately increase the market price of MetroPCS common stock in comparison to the reduction in the number of shares of MetroPCS common stock issued and outstanding before the reverse stock split or what effect the cash payment will have on the price of MetroPCS common stock. The market price of MetroPCS common stock may decrease following the transaction for various reasons, including due to the reverse stock split or to account for other factors, including the combined company's performance, businesses, assets, liabilities, prospects, outlooks, financial conditions, results of operations, analyst reports and projections, and broader market conditions that are unrelated to the number of shares of MetroPCS common stock outstanding or the cash payment. As a result, there can be no assurance that the reverse stock split will proportionately increase the market price of MetroPCS' stock, that the market price of MetroPCS common stock will reflect the cash payment, or that the market price of MetroPCS common stock will remain at a higher value for any significant length of time after completion of the transaction.

***A significant stockholder of MetroPCS executed a voting and support agreement in connection with the transaction, and that voting and support agreement is binding on such stockholder, even if the MetroPCS board changes its recommendation to the MetroPCS stockholders.***

Concurrent with the execution of the business combination agreement, Madison Dearborn Capital Partners IV, L.P., which we refer to as Madison Dearborn, an approximate 8.32% holder of MetroPCS common stock, entered into a voting and support agreement with Deutsche Telekom, which we refer to as the support agreement, pursuant to which Madison Dearborn agreed to vote all shares of its MetroPCS common stock (i) in favor of the required MetroPCS stockholder approvals and (ii) against certain third party proposals to acquire MetroPCS and against any other actions that could reasonably be expected to materially impede, interfere with, delay, postpone, discourage or adversely affect the transaction or any other transactions contemplated by the business combination agreement. The support agreement is binding on Madison Dearborn, even if the MetroPCS board changes its recommendation to the MetroPCS stockholders with respect to the required MetroPCS stockholder approvals; provided that, the support agreement will terminate in the event Deutsche Telekom elects to terminate the business combination agreement due to a change in the recommendation of the MetroPCS board. See the section entitled "Summary of Ancillary Agreements - Voting and Support Agreement" beginning on page 158.

***If the reverse stock split and cash payment do not qualify as a recapitalization within the meaning of Section 368(a)(1)(E) of the Code, the MetroPCS stockholders may be required to pay additional U.S. federal income taxes.***

For U.S. federal income tax purposes, MetroPCS believes the reverse stock split and cash payment should be integrated and treated as a recapitalization within the meaning of Section 368(a)(1)(E) of the Code. There can

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be no assurance, however, that the Internal Revenue Service, which we refer to as the IRS, or the courts will agree with such treatment. If the IRS or a court were to determine that the reverse stock split and cash payment should not be treated as a recapitalization within the meaning of Section 368(a)(1)(E) of the Code, the MetroPCS stockholders might be required to treat the cash payment as ordinary income. See Material U.S. Federal Income Tax Consequences beginning on page 130.

***In connection with the transaction, MetroPCS, T-Mobile and/or the combined company may be required to take write-downs or write-offs, restructuring and impairment or other charges that could negatively impact the business, assets, liabilities, prospects, outlook, financial condition and results of operations of MetroPCS, T-Mobile and/or the combined company.***

Although MetroPCS and T-Mobile have conducted extensive due diligence in connection with the transaction, they cannot assure you that this diligence revealed all material issues that may be present, that it would be possible to uncover all material issues through a customary amount of due diligence, or that factors outside of MetroPCS and T-Mobile's control will not later arise. Even if MetroPCS and T-Mobile's due diligence successfully identifies certain risks, unexpected risks may arise and previously known risks may materialize in a manner not consistent with MetroPCS and T-Mobile's preliminary risk analysis. Further, as a result of the transaction, purchase accounting, and the proposed operation of the combined company going forward, MetroPCS, T-Mobile and/or the combined company may be required to make write-offs or write-downs, restructuring and impairment or other charges. As a result, MetroPCS, T-Mobile and/or the combined company may be forced to write-down or write-off assets, restructure its operations, or incur impairment or other charges that could negatively impact the business, assets, liabilities, prospects, outlook, financial condition and results of operations of MetroPCS, T-Mobile and/or the combined company.

**Risk Factors Relating to the Combined Company Following the Transaction**

***Even following the completion of the transaction, the combined company will continue to face intense competition from other competitors, some of which have greater resources than the combined company, and such competition may intensify in the future.***

The U.S. wireless telecommunications industry is highly competitive with a range of diversified competitors. After the completion of the transaction, the combined company will have increased spectrum assets, network coverage and capacity, and improved marketing and purchasing scale. However, following the transaction, the combined company will remain the fourth largest wireless carrier in the United States, and the combined company's relative competitive position will present risks associated with scale, brand positioning, and perception of network coverage and quality. Several of the combined company's competitors are larger companies that have better-developed brands and brand awareness; greater spectrum and capital resources; better networks and support systems; substantially greater financial, technical, personnel and marketing resources and bargaining power; greater access to capital on better terms, cash reserves, and spectrum holdings; larger geographic coverage areas, roaming territories, and third-party distribution networks; better in-building coverage; unique intellectual property; greater numbers of customers; exclusive distributorship arrangements for certain popular brands of handsets, applications and content; and more advanced technology. The combined company will face a long-term challenge to compete effectively in terms of pricing, products, coverage, and new technologies and services. Some competitors operate using alternative business models that have the potential to affect negatively the combined company's ability to attract and retain customers. All of the foregoing may affect the combined company's ability to compete successfully.

***The failure to integrate successfully the businesses of MetroPCS and T-Mobile in the expected time frame could adversely affect the combined company's future results following the transaction.***

The success of the transaction will depend, in large part, on the ability of the combined company to realize the anticipated benefits, including projected synergies and cost savings, from combining the businesses of MetroPCS and T-Mobile. To realize these anticipated benefits, the businesses of MetroPCS and T-Mobile must

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be successfully integrated. This integration will be complex and time-consuming and may divert management's time and attention from the business. The failure to integrate successfully and to manage successfully the challenges presented by the integration process may result in the combined company not achieving the anticipated benefits of the transaction.

The parties may encounter numerous potential difficulties in the integration process, including the following:

being unable to integrate successfully the businesses of MetroPCS and T-Mobile in a manner that permits the combined company to achieve the cost savings anticipated to result from the transaction;

migrating MetroPCS' customers to the combined company's T-Mobile based global system for mobile communications, which we refer to as GSM, evolved high speed packet access, which we refer to as HSPA+, and LTE networks;

integrating MetroPCS' and T-Mobile's existing information and billing systems, cell sites, customer service programs and distributed antenna systems;

decommissioning MetroPCS' networks;

integrating and adding T-Mobile's technology to MetroPCS' cell sites and distributed antenna systems;

combining MetroPCS' and T-Mobile's product and service offerings, subscriber plans, customer service, and sales and marketing approaches;

preserving subscriber, supplier, vendor, content provider, dealer, retailer, and other important relationships;

resolving complexities associated with managing the larger combined company;

addressing the potential effect of the transaction on MetroPCS' and T-Mobile's business and relationships with employees, customers, suppliers, vendors, content providers, distributors, dealers, retailers, regulators and the communities in which they operate;

addressing the potential difficulty in coordinating geographically dispersed organizations and business headquarters;

addressing possible differences in corporate cultures and management philosophies;

integrating personnel from the two companies while maintaining focus on providing consistent, high quality products and services;

retaining key employees and members of management of MetroPCS and T-Mobile;

encountering difficulties in consolidating and preparing the combined company's financial statements, or having to restate the financial statements of the combined company;

addressing the potential difficulty in maintaining cost controls during the integration process;

discharging and otherwise addressing potential unknown liabilities and unforeseen expenses, delays or regulatory conditions associated with the transaction; and

experiencing performance shortfalls at one or both of MetroPCS and T-Mobile as a result of the diversion of management's attention caused by completing the transaction and integrating their operations.

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***Many of the anticipated synergies from the transaction may not be realized for a significant period of time after the completion of the transaction, if at all, and will require substantial capital expenditures to be fully realized.***

The success of the transaction will depend, in part, on the ability of the combined company to realize the anticipated synergies as a result of the transaction. Many of the anticipated synergies are not expected to occur for a significant time period following the completion of the transaction and will require substantial capital expenditures in the near term to be fully realized. Many of the anticipated synergies will only occur, if at all, after these substantial capital expenditures or expenses have been incurred. Even if the combined company is able to integrate the two companies successfully, this integration may not result in the realization of the full benefits of the synergies that are currently expected or the achievement of these benefits within the anticipated time frame or at all.

***The combined company's future results could suffer if it does not effectively manage its expanded business, operations and employee base following the transaction.***

The size of the combined company's business, operations and employee base following the transaction will be greater than the stand-alone size of either MetroPCS or T-Mobile's business, operations and employee base prior to the transaction and will include two separate business units headquartered in different cities. The combined company's future success depends, in part, upon its ability to manage this expanded business, operations and employee base, which will pose substantial challenges for management, including challenges related to the management and monitoring of new operations and associated increased costs and complexity. No assurances can be given that the combined company will successfully manage its expanded business, operations and employee base following the transaction.

***The combined company's results of operations after the transaction may be affected by factors different than those currently affecting MetroPCS and T-Mobile's separate results of operations.***

T-Mobile's business differs from MetroPCS's business. For example, MetroPCS provides wireless services based on a no-annual contract model, while T-Mobile provides wireless services largely based on an annual contract model, in addition to no-contract plans. The combined company's results of operations, as well as the price of the combined company's common stock after the transaction, may be affected by factors different than those currently affecting MetroPCS or T-Mobile's results of operations and MetroPCS stock price. The price of the combined company's common stock may fluctuate significantly following the completion of the transaction, including as a result of factors over which MetroPCS and T-Mobile have no control. In addition, T-Mobile is a privately-held corporation and, therefore, there is no public valuation of T-Mobile's business. Due in part to this lack of existing public valuation, we cannot predict the price at which the combined company's common stock may trade after the completion of the transaction.

***The unaudited pro forma financial statements included in this proxy statement are presented for illustrative purposes only and may not be an indication of the combined company's financial condition or results of operations following the transaction.***

The unaudited pro forma financial statements contained in this proxy statement are presented for illustrative purposes only, are based on various adjustments, assumptions and preliminary estimates and may not be an indication of the combined company's financial condition or results of operations following the transaction. The unaudited pro forma financial statements have been derived from MetroPCS and T-Mobile's historical financial statements and certain adjustments and assumptions have been made regarding the combined company. The assumptions used in preparing the unaudited pro forma financial information may not prove to be accurate, and other factors may affect the combined company's financial condition or results of operations following the transaction. Moreover, the unaudited pro forma financial statements do not reflect all costs that are expected to be incurred in connection with the transaction. As a result, the combined company's actual financial condition and results of operations may differ significantly from the unaudited pro forma financial statements.

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*The combined company is expected to incur substantial expenses related to the transaction and the integration of MetroPCS and T-Mobile.*

The combined company is expected to incur substantial expenses in connection with the transaction and the integration of MetroPCS and T-Mobile. There are a large number of processes, policies, procedures, operations, staff, functions, technologies and systems that must be integrated, including purchasing, accounting and finance, legal, regulatory, sales, inventory forecasting, billing, payroll, marketing, customer service and benefits. While MetroPCS and T-Mobile have assumed that a certain level of these expenses would be incurred and that such integration could be accomplished within a certain period of time, there are many factors beyond their control that could affect the total amount or the timing of the expenses. Moreover, many of these expenses are, by their nature, difficult to estimate accurately. These expenses could, particularly in the near term, exceed the savings that the parties expect to achieve from the elimination of duplicative expenses and the realization of economies of scale. These integration expenses likely will result in the combined company taking significant charges against earnings following the completion of the transaction. The amount and timing of such charges are uncertain at present.

*Following the completion of the transaction, the combined company will be controlled by Deutsche Telekom, and Deutsche Telekom will continue to have approval rights over certain actions taken by the combined company as long as it beneficially owns 30% or more of the combined company's common stock. The interests of Deutsche Telekom may differ from the interests of other stockholders of the combined company.*

Immediately following the completion of the transaction, Deutsche Telekom will beneficially own and possess voting power over approximately 74% of the fully diluted shares of the combined company's common stock. Under the stockholder's agreement to be entered into as provided in the business combination agreement, which we refer to as the stockholder's agreement, Deutsche Telekom may acquire additional shares of the combined company's common stock up to an aggregate of 80.1% of the combined company's common stock without the combined company board's approval.

Through its control of the combined company's voting power and the provisions set forth in the new certificate of incorporation and the stockholder's agreement, Deutsche Telekom will have the ability to elect a majority of the combined company's directors, hire or fire the Chief Executive Officer, and control all other matters requiring the approval of the combined company's stockholders. As a result, the combined company will be a controlled company as defined in the NYSE listing rules and will, therefore, not be subject to NYSE requirements that would otherwise require the combined company to have (i) a majority of independent directors, (ii) a nominating committee composed solely of independent directors, (iii) compensation of its executive officers determined by a majority of the independent directors or a compensation committee composed solely of independent directors, and (iv) director nominees selected, or recommended for the board's selection, either by a majority of the independent directors or a nominating committee composed solely of independent directors.

In addition, the new certificate of incorporation and the stockholder's agreement will restrict the combined company's ability to take certain actions without Deutsche Telekom's prior written consent as long as Deutsche Telekom beneficially owns 30% or more of the outstanding shares of the combined company's common stock, including the ability to enter into acquisitions of any business, debt or equity interests, operations or assets of any person for consideration in excess of \$1 billion, sale of any division, business, operations or equity interests of the combined company or any of its subsidiaries for consideration in excess of \$1 billion or hire or fire the Chief Executive Officer. These restrictions could prevent the combined company from taking actions that the combined company's board determines are in the best interests of the combined company and its stockholders or that the other non-Deutsche Telekom stockholders determine are in their best interest. See the section entitled Summary of Ancillary Agreements Stockholder's Agreement beginning on page 154.

Deutsche Telekom will also have control over all matters submitted to our stockholders for approval, including the election or removal of directors, changes in our capital structure, transactions requiring stockholder approval under Delaware law and corporate governance. As a holder of a substantial amount of equity and debt

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of the combined company, Deutsche Telekom may have different interests than other holders of MetroPCS common stock and may make decisions adverse to your interests. For example, a substantial amount of the combined company's cash flow will be used to pay the interest and make principle repayments on the indebtedness held by Deutsche Telekom. In addition, Deutsche Telekom's interests may shift if it transfers a substantial amount of its equity holdings in the combined company while retaining its large credit position. For example, if the combined company encounters financial difficulties, the interests of Deutsche Telekom as a creditor of the combined company might conflict with stockholders' interests. This concentrated control and these approval rights could delay, defer, or prevent a change in control, merger, consolidation, or sale of all or substantially all of the combined companies' assets that the combined company's other stockholders support, or conversely this concentrated control could result in the consummation of such a transaction that the combined company's other stockholders do not support. In addition, this concentrated control and these approval rights could discourage a potential investor from seeking to acquire the combined company's common stock and, as a result, might harm the market price of the combined company's common stock.

***Following the completion of the transaction, Deutsche Telekom will be permitted to transfer shares of the combined company's common stock in any transaction that would result in the transferee owning 30% or less of the outstanding shares of the combined company's common stock, and any control or other purchase price premium Deutsche Telekom receives from such transfer need not be shared with the rest of the combined company's stockholders.***

Pursuant to the stockholder's agreement, Deutsche Telekom will be prohibited from transferring any shares of the combined company's common stock in any transaction that would result in the transferee owning more than 30% of the outstanding shares of the combined company's common stock unless such transferee offers to acquire all of the then outstanding shares of the combined company's common stock at the same price and on the same terms and conditions as the proposed transfer from Deutsche Telekom. However, Deutsche Telekom will be permitted to transfer shares of the combined company's common stock, without requiring the transferee to acquire all such other outstanding shares, in any transaction that would result in the transferee owning 30% or less of the outstanding shares of the combined company's common stock. In the event Deutsche Telekom receives a control or other purchase price premium from such transfer of its shares only, it will not be obligated to share such premium with the rest of the combined company's stockholders. See the section entitled "Summary of Ancillary Agreements" "Stockholder's Agreement" beginning on page 154.

***Following the completion of the transaction, Deutsche Telekom will be subject to a six month lock-up period with respect to its shares of the combined company's common stock, after which, subject to limited restrictions, it will be permitted to transfer freely its shares of the combined company's common stock, which could have a negative impact on the combined company's stock price.***

Following the completion of the transaction, Deutsche Telekom will be prohibited from transferring any shares of the combined company's common stock for six months. However, following such six-month period, Deutsche Telekom will be permitted, subject to limited restrictions described in the section entitled "Summary of Ancillary Agreements" "Stockholder's Agreement" beginning on page 154, to transfer freely its shares of the combined company's common stock without notice. Any such transfer could significantly increase the number of the combined company's shares available in the market, which could cause a decrease in the combined company's stock price. In addition, even if Deutsche Telekom does not transfer a large number of its shares into the market, its right to transfer a large number of shares into the market may depress the combined company's stock price.

***The combined company does not have a contractual right to make indemnification claims against Deutsche Telekom for the breach of any representations, warranties or covenants made by Deutsche Telekom or its subsidiaries in the business combination agreement.***

Under the business combination agreement, the combined company does not have a right to make contractual indemnification claims against Deutsche Telekom after the closing, including for a breach by

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Deutsche Telekom or its subsidiaries (including T-Mobile or its subsidiaries) of the representations and warranties made to MetroPCS or for a violation by Deutsche Telekom or its subsidiaries (including T-Mobile or its subsidiaries) of certain covenants and agreements in the business combination agreement.

This limitation does not affect any other entitlement, remedy or recourse permitted by law that the combined company may have against Deutsche Telekom or its subsidiaries, including the right to specific performance set forth in the business combination agreement. Such action may be brought by the combined company at the direction of a majority of the directors of the combined company not affiliated with Deutsche Telekom. However, because Deutsche Telekom will appoint a majority of the directors, including some directors not affiliated with Deutsche Telekom, such Deutsche Telekom appointees that are not affiliated with Deutsche Telekom can vote against such suit. Because such directors may constitute a majority of the unaffiliated directors, the combined company may not bring suit even though it may be in the best interests of the stockholders other than Deutsche Telekom. See the section entitled Summary of the Business Combination Agreement Specific Performance beginning on page 153.

***The combined company will incur substantial indebtedness in connection with the transaction.***

The parties intend to finance the transaction, and refinance MetroPCS and T-Mobile's existing indebtedness, with up to \$18.5 billion in senior unsecured debt financing through the issuance of debt securities to Deutsche Telekom and third-party investors. As a result, the combined company is expected to have long-term indebtedness that will be substantially greater than either MetroPCS or T-Mobile's long-term indebtedness prior to the transaction and related refinancing. This new indebtedness will increase the related risks MetroPCS now faces with its current indebtedness, described in detail in MetroPCS's most recent Annual Report on Form 10-K, as updated by subsequent Quarterly Reports on Form 10-Q.

***A substantial majority of the indebtedness that would be incurred in connection with the transaction will be subject to significant limitations on redemption, which may impede the refinancing of such indebtedness.***

The \$15.0 billion notes to be purchased by Deutsche Telekom, as well as the \$2.5 billion notes and \$1.0 billion notes (if purchased by Deutsche Telekom or issued by Wireless on or prior to the closing date of the transactions), may only be redeemed, prior to certain specified dates for each series, if the combined company or T-Mobile pays a customary make whole premium at the time of redemption. Such make whole premium may be significant, and may make it financially prohibitive for the combined company to refinance such series prior to such dates to take advantage of lower interest rates which may become available for the combined company's debt or in connection with pursuing other business opportunities.

***A substantial portion of the indebtedness that would be incurred in connection with the transaction is subject to a pricing reset that may materially increase the interest rate applicable to that indebtedness.***

\$7.5 billion of the \$15.0 billion notes to be purchased by Deutsche Telekom, and 50% of any of the \$2.5 billion notes and \$1.0 billion notes purchased by Deutsche Telekom, will be subject to a pricing reset that will cause the interest rate of the relevant debt securities to be recalculated according to a formula which depends in part upon designated indices and other benchmark debt securities, only a portion of which is calculated based on the trading prices of MetroPCS indebtedness. This reset will occur, for each series of the debt securities, either two, two and a half or three years after the issue date of the debt securities. As a result of the pricing reset feature, as of the reset date for each applicable series of debt securities, a material increase in the combined company's interest expense could result with respect to such series as of the reset date, which would increase its interest and financing costs, decrease its net income and further increase the related risks MetroPCS now faces with its current indebtedness, described in detail in MetroPCS's most recent Annual Report on Form 10-K, as updated by subsequent Quarterly Reports on Form 10-Q.

Interest rates for such benchmark indices and debt securities are highly sensitive to many factors, including domestic and international economic and political conditions, policies of governmental and regulatory agencies,

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developments affecting the results or prospects of the issuer of the benchmark securities or of securities referenced in the benchmark indices, and other factors beyond the combined company's control. As a result, a significant increase in these interest rates at the time that the relevant debt securities are recalculated could have an adverse effect on the combined company's financial position and results of operations.

*The combined company's working capital revolving credit facility subjects the combined company to interest rate changes.*

The entire amount of indebtedness outstanding from time to time under the combined company's \$500 million working capital revolving credit facility will bear interest at floating rates. While the combined company will be permitted to hedge against higher interest rates, there is no assurance it will be able to do so or will do so on commercially reasonable terms. Interest rates are highly sensitive to many factors, including domestic and international economic and political conditions, policies of governmental and regulatory agencies and other factors beyond the combined company's control. An increase in benchmark interest rates could cause a material increase in the combined company's interest expense, which would increase its financing costs, decrease its net income and further increase the related risks MetroPCS now faces with its current indebtedness, described in detail in MetroPCS' most recent Annual Report on Form 10-K, as updated by subsequent Quarterly Reports on Form 10-Q. See Summary of the Financing \$500 Million Working Capital Revolving Credit Facility beginning on page 116.

*Upon a change in control triggering event, the combined company may be required to offer to repurchase all of the debt securities to be issued in connection with the transaction; the combined company may not have the ability to finance such repurchase.*

Upon a change in control triggering event, as described in Exhibit G to the business combination agreement, the combined company may be required to offer to repurchase all of the debt securities to be issued in connection with the transaction and the Wireless existing notes, in an aggregate principal amount of up to \$20.5 billion, at a price equal to 101% of their principal amount, plus accrued and unpaid interest, if any, to the date of repurchase. In addition, pursuant to a noteholder agreement between the combined company and Deutsche Telekom, in the event of a change in control that is not caused by Deutsche Telekom, Deutsche Telekom will have the right to require the combined company to redeem any of the notes held by Deutsche Telekom, even if a change in control triggering event has not occurred. If a change in control triggering event, or an event requiring it to purchase notes held by Deutsche Telekom, were to occur, the combined company may not have sufficient funds to pay the change in control purchase price and may be required to obtain third-party financing in order to do so. However, the combined company may not be able to obtain such financing on commercially reasonable terms, or at all.

The combined company's failure following a change in control triggering event to make or consummate an offer to purchase the notes would constitute an event of default under the documentation governing the notes. In such an event, the trustee or the holders of at least 25% in aggregate principal amount of the outstanding notes may accelerate the maturity of all of the notes. In addition, any such event of default would likely trigger an event of default on other outstanding or future indebtedness of the combined company.

*The agreements governing the combined company's indebtedness will include restrictive covenants that limit the combined company's operating flexibility.*

The agreements governing the combined company's indebtedness will impose material operating and financial restrictions on the combined company. These restrictions, subject in certain cases to customary baskets, exceptions and incurrence-based ratio tests, may limit the combined company's ability to engage in some transactions, including the following:

incurring additional indebtedness and issuing preferred stock;

paying dividends, redeeming capital stock or making other restricted payments or investments;

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selling or buying assets, properties or licenses;

developing assets, properties or licenses which the combined company has or in the future may procure;

creating liens on assets;

participating in future FCC auctions of spectrum or private sales of spectrum;

engaging in mergers, acquisitions, business combinations, or other transactions;

entering into transactions with affiliates; and

placing restrictions on the ability of subsidiaries to pay dividends or make other payments.

These restrictions could limit the combined company's ability to obtain debt financing, repurchase stock, refinance or pay principal on its outstanding indebtedness, complete acquisitions for cash or indebtedness or react to changes in its operating environment or the economy. Any future indebtedness that the combined company incurs may contain similar or more restrictive covenants. Any failure to comply with the restrictions of the combined company's debt agreements may result in an event of default under these agreements, which in turn may result in defaults or acceleration of obligations under these agreements and other agreements, giving the combined company's lenders the right to terminate any commitments they had made to provide it with further funds and to require the combined company to repay all amounts then outstanding.

***Deutsche Telekom will be subject to non-compete limitations for a finite period of time, after which it may compete with the combined company.***

The stockholder's agreement will restrict Deutsche Telekom from competing with the combined company in the United States, Puerto Rico and the territories and protectorates of the United States, which we refer to as the territory, during the period beginning on the date of the closing and ending two years after the date on which Deutsche Telekom beneficially owns less than 10% of the outstanding shares of the combined company's common stock. Specifically, during such period, neither Deutsche Telekom nor any of its other controlled affiliates will be permitted to engage in providing wireless telecommunications services through a facilities-based network in the territory, hold licenses from the FCC related to or necessary to provide such services, act as a reseller, dealer or distributor of such services in the territory, or act as a mobile virtual network operator in the territory. In addition, for the period commencing at the closing and expiring on the first anniversary of the termination of the trademark license in accordance with its terms, Deutsche Telekom may not manufacture, market or distribute any products or services under, or use in any way, the trademark T-MOBILE in connection with any of the activities described in the previous sentence, other than by the combined company and its affiliates in accordance with the terms of the trademark license. See the sections entitled "Summary of Ancillary Agreements Stockholder's Agreement" and "Summary of Ancillary Agreements Trademark License" beginning on pages 154 and 158, respectively.

Following the expiration of the periods described above, Deutsche Telekom and its controlled affiliates may compete directly with the combined company in the territory. Because the duration of the covenant not to compete depends on Deutsche Telekom's equity ownership and not the amount of combined company debt it holds, Deutsche Telekom could be a significant holder of the combined company indebtedness and be able to compete with the combined company. Further, although the combined company can pursue opportunities outside the territory, the covenant not to compete does not prevent Deutsche Telekom from competing with the combined company outside of the territory, even while Deutsche Telekom holds a majority of the combined company's common stock. Because Deutsche Telekom has significant resources and substantial knowledge and expertise in the wireless telecommunications industry, such competition may be harmful to the business of the combined company.

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*The combined company will be obligated to pay a royalty for the T-Mobile trademarks equal to a percentage of its net revenue from the products and services sold using the T-Mobile trademarks, and it will not be entitled to use the T-Mobile trademarks indefinitely.*

Pursuant to the trademark license, the combined company will receive a limited license to certain T-Mobile trademarks, including the right to use the trademark T-Mobile as a name for the combined company, for use in connection with wireless telecommunications, broadband and information services and products used in connection therewith in the territory. Pursuant to the trademark license, the combined company is obligated to pay Deutsche Telekom a royalty in an amount equal to 0.25%, which we refer to as the royalty rate, of net revenue generated by the products and services sold by the combined company under the licensed trademarks. See the section entitled Summary of Ancillary Agreements Trademark License beginning on page 158. On the fifth anniversary of the trademark license, the combined company and Deutsche Telekom have agreed to adjust the royalty rate based on the then average commercial royalty rate found under similar licenses for trademarks in the field of wireless telecommunication, broadband and information products and services in the territory through a binding benchmarking process. We cannot predict what the adjusted royalty rate will be in five years with any certainty. It is possible that it will be higher than the current royalty rate, which is more fully described above and under the section entitled Summary of Ancillary Agreements Trademark License beginning on page 158.

In addition, the term of the trademark license is limited. The initial term of the trademark license is approximately five years. The trademark license automatically renews for an additional five year term unless the combined company provides notice of its intent not to renew the trademark license. Thereafter, the trademark license automatically renews for subsequent five year periods unless the combined company provides 12 months notice prior to the expiration of the then-current term. The trademark agreement assigns all goodwill created as a result of the use of the T-Mobile trademark to Deutsche Telekom. The combined company and Deutsche Telekom are also obligated to negotiate a new trademark license in any of the following events: (i) Deutsche Telekom's ownership of the voting power of the outstanding shares of capital stock of the combined company falls to 50% or less; or (ii) any third party becomes the owner or otherwise comes to control, directly or indirectly, 50% or more of the voting power of the outstanding shares of capital stock of the combined company, or otherwise acquires the power to direct or cause the direction of the management and policies of the combined company. While we cannot predict what the adjusted royalty rate would be under such new trademark license, it is possible that it would be higher than the royalty rate, which is more fully described above and under the section entitled Summary of Ancillary Agreements Trademark License beginning on page 158. If the combined company and Deutsche Telekom fail to agree on a new trademark license after such event, either the combined company or Deutsche Telekom may terminate the trademark license to be effective, in the case of clause (i) above, on the third anniversary after notice of termination and, in the case of clause (ii) above, on the second anniversary after notice of termination. Additionally, the combined company may terminate the trademark license at any time upon notice to Deutsche Telekom, with such termination to be effective on the first anniversary after notice of termination is given. See the section entitled Summary of Ancillary Agreements Trademark License beginning on page 158.

Following the termination of the trademark license, the combined company may not use any T-Mobile trademarks, including the right to use the trademark T-Mobile as a name for the combined company. In such a case, the combined company will need to develop, promote and maintain new trademarks and a new brand. Developing, promoting and maintaining new trademarks and a new brand will likely require substantial capital, marketing and other expenditures. There can be no assurance that such new trademark or brand will be as recognizable or valuable as the T-Mobile trademark or brand. If the combined company fails to develop, promote and maintain new trademarks and a new brand, it could reduce the combined company's ability to attract and retain customers which could lead to greater churn, lower growth, reduced revenues, and lower profitability, all of which could have a material adverse effect on the combined company's business, assets, liabilities, prospects, outlook, financial condition and results of operations. Further, the combined company will lose all of the investment it has made in the T-Mobile trademark. Any of these results could be harmful to the business, assets, liabilities, prospects, outlook, financial condition or results of operations of the combined company.

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***The MetroPCS existing stockholder rights plan will remain in effect with respect to the combined company after completion of the transaction and could prevent a change in control of the combined company in instances in which some stockholders may believe a change in control is in their best interests.***

MetroPCS currently has an existing stockholder rights plan, which we refer to as the MetroPCS rights plan, that will remain in effect with respect to the combined company after completion of the transaction. MetroPCS executed an amendment to the MetroPCS rights plan prior to execution of the business combination agreement that exempts Deutsche Telekom, including the acquisition of MetroPCS shares in the transaction, from the effects of the MetroPCS rights plan. See Summary of Ancillary Agreements Rights Agreement Amendment beginning on page 160. Pursuant to the MetroPCS rights plan, MetroPCS has issued to its stockholders one preferred stock purchase right for each outstanding share of MetroPCS common stock as of March 27, 2007. The shares issued in the transaction will include these purchase rights. Each right, when exercisable, will entitle its holder to purchase from the combined company a unit consisting of one one-thousandth of a share of series A junior participating preferred stock at \$66.67 per share, subject to adjustment as a result of the reverse stock split. The MetroPCS rights plan is intended to protect stockholders in the event of an unfair or coercive offer to acquire the combined company and to provide the combined company's board of directors with adequate time to evaluate unsolicited offers. The MetroPCS rights plan may prevent or make takeovers or unsolicited corporate transactions with respect to the combined company more difficult. The MetroPCS rights plan will cause substantial dilution to a person or group that attempts to acquire the combined company on terms that the board of directors of the combined company does not believe are in the combined company's and its stockholders' best interest and may discourage, delay or prevent a merger or acquisition that stockholders may consider favorable, including transactions in which stockholders might otherwise receive a premium for their shares.

***Adverse changes in the credit markets could increase the combined company's borrowing costs and the availability of funding.***

The combined company will require a significant amount of capital to operate and grow its business. We anticipate that the combined company will need to fund its capital needs in part through borrowings in the credit markets in future. Adverse changes in the credit markets, including increases in interest rates, could increase the combined company's cost of borrowing and make it more difficult for the combined company to obtain future financing for its operations. In addition, the combined company's borrowing costs could be affected by short and long-term debt ratings assigned by independent rating agencies, which would be based, in significant part, on its performance as measured by customer credit metrics. A decrease in these ratings would likely increase the combined company's cost of borrowing and/or make it more difficult for it to obtain financing. In addition, a severe disruption in the global financial markets could impact some of the financial institutions with which the combined company would do business, and such instability could affect the combined company's future access to financing.

***If the combined company is unable to take advantage of technological developments in the wireless telecommunications industry on a timely basis, it may experience a decline in the demand for its services, be unable to implement its business strategy, and experience reduced profits.***

The incumbent wireless telecommunications industry is experiencing rapid change and disruptive innovation on many fronts as new technologies are developed that offer consumers a broadening array of choices for their communications needs. For example, Apple, Inc. transformed the wireless landscape with the launch of the iPhone handset, Clearwire Corporation hopes to transform the wireless telecommunications industry with fixed mobile convergence, and Google Inc. introduced its open-source Android operating system in 2008. While smartphone use is expected to continue to grow, tablet sales have also increased dramatically. Rapid penetration of smartphones and tablets will require carriers to invest in device subsidization and network improvements. For example, T-Mobile is in the process of transforming and upgrading its network to be the first in the United States to deploy LTE Release 10 and the first to use multimode integrated radios that can handle Global System for Mobile Communications, which we refer to as GSM, Evolved High Speed Packet Access, which we refer to as HSPA+, and LTE. As part of the network upgrade, T-Mobile will install new equipment in more than 37,000 cell

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sites and reform its Personal Communications Service in the PCS 1900 MHz spectrum band from second generation GSM services to HSPA+. Modernizing the combined company's network will carry significant benefits, but it will also involve some risk, because it involves equipment changes, refarming of spectrum, and migration of customers from existing spectrum bands.

In order to grow and remain competitive, the combined company will need to adapt to future changes in technology, enhance its existing offerings, and introduce new offerings to address its customers' changing demands. If the combined company is unable to meet future challenges from competing technologies on a timely basis or at an acceptable cost, it could lose customers to its competitors. In general, the development of new services in the wireless telecommunications industry will require the combined company to anticipate and respond to the varied and continuously changing demands of its customers. The combined company may not be able to accurately predict technological trends or the success of new services in the market. In addition, there could be legal or regulatory restraints on its introduction of new services. If the combined company's services fail to gain acceptance in the marketplace, or if costs associated with these services materially increase, the combined company's ability to retain and attract customers could be adversely affected, which could have a material adverse effect on the combined company's business, assets, liabilities, financial condition and results of operations.

### **Other Risk Factors of MetroPCS**

#### ***Wireless existing senior credit facility may be terminated prior to the closing of the transaction.***

If Wireless successfully issues the \$2.5 billion notes to third parties to refinance the Wireless existing senior credit facility prior to the closing of the transaction, the Wireless existing senior credit facility (including the existing \$100 million revolving credit sub-facility) may be terminated in advance of the closing of the transaction. Accordingly, in such event, if the closing does not occur, (i) the interest payments incurred by Wireless may increase because the \$2.5 billion notes may have a higher interest rate than the Wireless existing senior credit facility, and (ii) Wireless may not have access to a revolving credit facility to cover any cash flow needs of its business.

#### ***Wireless issuance of the \$1.0 billion notes will result in an increase in long-term indebtedness.***

If Wireless issues the \$1.0 billion notes to third parties to raise new capital (or any portion of such notes) prior to the closing of the transaction, Wireless' long-term indebtedness will increase by the principal amount of such notes issued. This debt issuance will result in a higher total leverage, and increased financing costs, for Wireless if the transaction does not close.

MetroPCS will be subject to the risks described above. In addition, MetroPCS is, and will continue to be, subject to the risks described in MetroPCS' most recent Annual Report on Form 10-K, as updated by subsequent Quarterly Reports on Form 10-Q, all of which are filed with the SEC and incorporated by reference into this proxy statement. The combined company also will be subject to similar risks after completion of the transaction as those described in MetroPCS' periodic reports filed with the SEC. You also should be aware that the risk factors disclosed in this proxy statement in MetroPCS' filings with the SEC may not describe every risk facing MetroPCS or the combined company or that may affect MetroPCS or the combined company's business, assets, liabilities, financial condition or results of operations. There may be other known, unknown or unpredictable economic, business, competitive, regulatory or other risk factors that could also have a material adverse effect on our business, financial condition and results of operations in the future. In addition, past performance may not be a reliable indicator of future performance and historical trends should not be used to anticipate results on trends on future periods. See the section entitled "Where You Can Find More Information" beginning on page 210 for the location of information incorporated by reference in this proxy statement.

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**PARTIES TO THE AGREEMENT**

**MetroPCS Communications, Inc.**

2250 Lakeside Boulevard

Richardson, Texas 75082

MetroPCS currently provides wireless broadband mobile services primarily in select major metropolitan areas in the United States, including: Las Vegas, Nevada; Los Angeles, San Francisco and Sacramento, California; Detroit, Michigan; Dallas/Fort Worth, Texas; Tampa/Sarasota, Orlando, Miami and Jacksonville, Florida; Atlanta, Georgia; Philadelphia, Pennsylvania; New York, New York; Boston, Massachusetts; and Hartford, Connecticut. As of September 30, 2012, MetroPCS held licenses for wireless spectrum suitable for wireless broadband mobile services covering a total population of 142.5 million people in and around many of the largest metropolitan areas in the United States. In addition, MetroPCS has roaming agreements with other wireless broadband mobile carriers that allow it to offer customers service when they are outside its service area. These roaming agreements, together with the area MetroPCS serves with its networks, allow customers to receive service in an area covering over 280 million in total population under the Metro USA® brand. MetroPCS provides services using code division multiple access, which we refer to as CDMA, networks using 1xRTT technology and evolution-data only, which we refer to as EVDO, and, long-term evolution, which we refer to as LTE, technology. MetroPCS introduced the first commercial LTE service in the United States in the Las Vegas and Dallas/Fort Worth metropolitan areas in September 2010 and, at that time, launched the world's first dual mode LTE/CDMA handset. Subsequently, through the remainder of 2010 and early 2011, MetroPCS launched LTE service in the remainder of its major metropolitan areas and launched the world's first LTE handset based on the android operating system. In 2012, MetroPCS launched the world's first commercial voice over LTE, which we refer to as VoLTE, service.

MetroPCS is the fifth largest facilities-based wireless broadband mobile communications provider in the United States based on number of customers served. MetroPCS offers wireless broadband mobile services under the MetroPCS® brand in selected major metropolitan areas in the United States. MetroPCS provides a variety of wireless broadband mobile communications services to customers on a no long-term contract, paid-in-advance basis. As of September 30, 2012, MetroPCS had approximately 9.0 million customers.

MetroPCS was incorporated in 2004 in the state of Delaware and maintains its corporate headquarters in Richardson, Texas. All services are provided through wholly-owned subsidiaries of Wireless, an indirect wholly-owned subsidiary of MetroPCS. In April 2007, MetroPCS consummated an initial public offering of its common stock and became listed for trading on the NYSE under the symbol PCS.

**Deutsche Telekom AG**

Friedrich-Ebert-Alle 140

53113 Bonn, Germany

Deutsche Telekom is an *Aktiengesellschaft* organized in Germany and is one of the world's leading integrated telecommunications companies with over 131 million mobile customers, 33 million fixed-network lines and more than 17 million broadband lines (as of September 30, 2012). Deutsche Telekom and its affiliates provide fixed-network, mobile communications, Internet and IPTV products and services for consumers and ICT solutions for business and corporate customers. Deutsche Telekom is present in around 50 countries and has over 233,000 employees worldwide. Deutsche Telekom and its affiliates generated revenue of EUR 58.7 billion in the 2011 financial year over half of it outside Germany.

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**T-Mobile Global Zwischenholding GmbH**

Friedrich-Ebert-Alle 140

53113 Bonn, Germany

Global is a *Gesellschaft mit beschränkter Haftung* organized in Germany and a direct wholly-owned subsidiary of Deutsche Telekom.

**T-Mobile Global Holding GmbH**

Friedrich-Ebert-Alle 140

53113 Bonn, Germany

Holding is a *Gesellschaft mit beschränkter Haftung* organized in Germany and a direct wholly-owned subsidiary of Global.

**T-Mobile USA, Inc.**

12920 SE 38th Street

Bellevue, Washington 98006

T-Mobile, a privately-held Delaware corporation and direct wholly-owned subsidiary of Holding, is a wireless telecommunications carrier that offers mobile communications services under the T-Mobile brand in the United States, Puerto Rico and the U.S. Virgin Islands. T-Mobile operates its business in one reportable segment. T-Mobile's service offerings include contract and non-contract ( prepaid ) wireless voice, messaging and data services plans, mobile broadband plans and wholesale wireless services. As of September 30, 2012, T-Mobile provides service to more than 33.3 million customers through its nationwide voice and data networks.

As of September 30, 2012, T-Mobile's nationwide coverage footprint offers wireless voice, messaging, and data services across a service area covering over 280 million Americans in most metropolitan areas. In addition, T-Mobile has roaming agreements with other mobile communication network operators that allow mobile communications services to be provided beyond the direct coverage area of the T-Mobile network footprint. Services from T-Mobile are provided using the Global System for Mobile Communications, which we refer to as GSM, General Packet Radio Service, which we refer to as GPRS, Enhanced Data rates for GSM Evolution, which we refer to as EDGE, Universal Mobile Telecommunications Systems, which we refer to as UMTS, and Evolved High Speed Packet Access, which we refer to as HSPA+, technologies. T-Mobile's network modernization plan will result in the launch of 4G services using LTE technology in areas covering a population of 200 million in 2013.

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**THE SPECIAL MEETING**

We are furnishing this proxy statement to our stockholders as part of the solicitation of proxies by the MetroPCS board for use at the special meeting, to be held on [ ], and at any continuation, adjournment, postponement or continuation thereof. This document is first being mailed to our stockholders on or about [ ].

**Time and Place of the Special Meeting**

The special meeting will be held [in the Bank of America Theater at the Eisemann Center located at 2351 Performance Drive, Richardson, Texas 75082] on [ ] at 10:00 a.m., local time.

**Purpose of the Special Meeting**

The purpose of the special meeting is to vote upon the following proposals:

**The stock issuance proposal:** A proposal to approve the MetroPCS stock issuance to be made in connection with, and in order to give effect, to the transaction.

**The new certificate of incorporation proposal:** A proposal to approve the new certificate of incorporation pursuant to the business combination agreement to, among other things, effect certain aspects of the recapitalization, including the reverse stock split.

**The change in control payments proposal:** A proposal to approve, on a non-binding, advisory basis, the change in control payments.

**The adjournment proposal:** A proposal to approve the continuation, adjournment or postponement of the special meeting, if necessary or appropriate to solicit additional proxies if there are insufficient votes at the time of the special meeting to approve both the stock issuance proposal and the new certificate of incorporation proposal.

**IF THE METROPCS STOCKHOLDERS FAIL TO APPROVE BOTH THE STOCK ISSUANCE PROPOSAL AND THE NEW CERTIFICATE OF INCORPORATION PROPOSAL, THE TRANSACTION WILL NOT OCCUR.**

The only MetroPCS stockholder approvals required by the business combination agreement are the stock issuance proposal and the new certificate of incorporation proposal. The change in control payments proposal is non-binding and advisory and the vote on such proposal will have no impact on whether the transaction is completed. In addition, even if the MetroPCS stockholders approve both the stock issuance proposal and the new certificate of incorporation proposal, the transaction may not be completed if the other conditions to closing the transaction are not satisfied or, if allowed by applicable law, waived. We can give no assurance that the conditions to closing the transaction will be satisfied or so waived.

**Other Business**

The MetroPCS bylaws provide that only the MetroPCS board may propose business to be discussed at a special meeting of stockholders. Further, at a special meeting of stockholders, the business discussed must be specified in the notice of meeting, or any supplement thereto. At the special meeting, no matters may come before the stockholders other than the proposals presented herein or in any supplement hereto.

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**Recommendation of the MetroPCS Board**

The MetroPCS board, acting upon the recommendation of the special committee, recommends that you vote as follows:

<b>Proposal</b>	<b>Recommended Vote</b>
<p>Stock Issuance Proposal (Item 1)</p> <p style="text-align: center;">the stock issuance to be made in connection with, and in order to give effect to, the transaction</p>	<p><b><u>FOR</u></b></p>
<p>New Certificate of Incorporation Proposal (Item 2)</p> <p style="text-align: center;">the new certificate of incorporation pursuant to the business combination agreement to, among other things, effect certain aspects of the recapitalization, including the reverse stock split</p>	<p><b><u>FOR</u></b></p>
<p>Change in Control Payments Proposal (Item 3)</p> <p style="text-align: center;">the approval, on a non-binding, advisory basis, of the compensation that may be paid or may become payable to MetroPCS named executive officers based on or otherwise relating to the transaction</p>	<p><b><u>FOR</u></b></p>
<p>Adjournment Proposal (Item 4)</p> <p style="text-align: center;">the continuation, adjournment or postponement of the special meeting, if necessary or appropriate to solicit additional proxies if there are insufficient votes at the time of the special meeting to approve both the stock issuance proposal and the new certificate of incorporation proposal</p>	<p><b><u>FOR</u></b></p>

**Record Date and Quorum**

The MetroPCS board has established the close of business on [ ] as the record date for the special meeting. Only record holders of shares of MetroPCS common stock at the close of business on the record date for the special meeting are entitled to notice of, and to vote at, the special meeting and any continuations, adjournments or postponements of the special meeting. No other shares of MetroPCS capital stock are entitled to notice of and to vote at the special meeting. At the close of business on the record date, MetroPCS had outstanding and entitled to vote [ ] shares of MetroPCS common stock. Holders of MetroPCS common stock have one vote per share on each matter to be acted upon.

In order to conduct business at the special meeting, holders of a majority of the outstanding shares of MetroPCS common stock entitled to vote on the record date must be present in person or represented by proxy at the special meeting for there to be a quorum. In addition, certain unvested shares of restricted stock issued pursuant to the MetroPCS equity incentive compensation plans will count towards a quorum because such shares will be voted by MetroPCS on the proposals to be considered at the special meeting in the same proportion as the rest of the shares of MetroPCS common stock that are voted. It is important that you provide us with your proxy or attend the special meeting in person so that your shares are counted toward the quorum. If you hold your shares through a bank, broker, custodian or other record holder, please refer to your proxy card, voting instruction form, or the information forwarded by your bank, broker, custodian or other record holder to determine how and

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when to vote your shares. Unless you direct your bank, broker, custodian or other record holder on how to vote by the time and date specified by them, they will be unable to vote your shares. We encourage you to provide us with your proxy card even if you plan on attending the special meeting in person to ensure that your vote will be counted.

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All shares of MetroPCS common stock represented at the special meeting, including abstentions, will be treated as shares that are present and entitled to vote for purposes of determining the presence of a quorum. Because all of the proposals are considered non-routine matters, we do not expect to receive any broker non-votes with respect to any of the proposals to be considered at the special meeting.

**Attendance**

Only stockholders with an admission ticket will be admitted to the special meeting. If you are a record holder of MetroPCS common stock, an admission ticket is attached to your proxy card. However, if you hold your shares of MetroPCS common stock through a bank, broker, custodian or other record holder, you should ask the bank, broker, custodian or other record holder that holds your shares to provide you with a legal proxy, a copy of your account statement, or a letter from the record holder confirming that you beneficially own or hold MetroPCS common stock as of the close of business on the record date. You also can obtain an admission ticket to the special meeting by presenting this legal proxy, or confirming documentation of your account from your bank, broker, custodian or other record holder, at the special meeting. All stockholders will be required to show a valid, government-issued, picture identification that matches the name on the admission ticket or legal proxy or confirming documentation from your bank, broker, custodian or other record holder before being admitted to the special meeting.

For safety and security purposes, we do not permit any stockholder to bring cameras, video or audio recording equipment, large bags, briefcases or packages into the meeting room or to otherwise record or photograph the special meeting. We also ask that all MetroPCS stockholders attending the special meeting not bring cell phones into the special meeting or that they turn off all cell phones, pagers, and other electronic devices during the special meeting. We reserve the right to inspect any bags, purses or briefcases brought into the special meeting.

**Vote Required**

The required vote to approve each proposal generally is as set forth in the table below. Please see the description immediately following the table for more details on the required vote to approve each proposal.

<b>Proposal</b>	<b>Vote Required</b>
Stock Issuance Proposal (Item 1)	Affirmative vote of the majority of the votes cast, provided that the holders of a majority of the MetroPCS common stock outstanding on the record date vote on this proposal
New Certificate of Incorporation Proposal (Item 2)	Affirmative vote of the majority of the MetroPCS common stock outstanding on the record date
Change in Control Payments Proposal (Item 3)	Affirmative vote of the majority of the votes cast
Adjournment Proposal (Item 4)	If a quorum is not present, the affirmative vote of the majority of the shares of MetroPCS common stock present (in person or by proxy) at the special meeting and entitled to vote; if a quorum is present, the affirmative vote of the majority of the votes cast

**The stock issuance proposal:** Assuming the presence of a quorum, the affirmative vote of a majority of the votes cast (in person or by proxy) by holders of MetroPCS common stock at the special meeting is required to approve the stock issuance proposal, provided that the holders of a majority of the MetroPCS common stock outstanding on the record date vote on the stock issuance proposal. If you vote to abstain, it will have the same effect as voting against this proposal. If you fail to vote or fail to instruct your bank, broker, custodian or other record holder how to vote, it will have no effect on the voting outcome of this proposal, but it will make it more

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difficult to have a quorum or meet the requirement that the holders of a majority of the MetroPCS common stock outstanding on the record date vote on this proposal. Accordingly, it is important that you provide us with your proxy or attend the special meeting in person so that your shares are counted toward the quorum and this requirement.

**The new certificate of incorporation proposal:** Assuming the presence of a quorum, the affirmative vote of a majority of the MetroPCS common stock outstanding on the record date is required to approve the new certificate of incorporation proposal. If you vote to abstain, or if you fail to vote or fail to instruct your bank, broker, custodian or other record holder how to vote, it will have the same effect as voting against this proposal.

**The change in control payments proposal:** Assuming the presence of a quorum, the affirmative vote of a majority of the votes cast (in person or by proxy) by holders of MetroPCS common stock at the special meeting is required to approve, on a non-binding, advisory basis, the change in control payments proposal. While the MetroPCS board intends to consider the vote resulting from the change in control payments proposal, the vote is advisory and therefore not binding on MetroPCS, the MetroPCS board or the compensation committee of the MetroPCS board. Accordingly, because MetroPCS is contractually obligated to pay the change in control payments, if the transaction is completed, the change in control payments will be payable, subject only to the conditions applicable to such payments, regardless of the outcome of the advisory, non-binding vote. If you vote to abstain, or if you fail to vote or fail to instruct your bank, broker, custodian or other record holder how to vote, it will have no effect on the voting outcome of this proposal.

### **The adjournment proposal:**

If a quorum is not present at the special meeting:

The affirmative vote of a majority of the shares of MetroPCS common stock present at the special meeting (in person or by proxy) and entitled to vote on this proposal is required to approve this proposal.

If you vote to abstain, it will have the same effect as voting against this proposal.

If you fail to vote or fail to instruct your bank, broker, custodian or other record holder how to vote, it will have no effect on the voting outcome of this proposal.

If a quorum is present at the special meeting:

The affirmative vote of a majority of the votes cast (in person or by proxy) by holders of MetroPCS common stock at the special meeting is required to approve this proposal.

If you vote to abstain, it will have no effect on the voting outcome of this proposal.

If you fail to vote or fail to instruct your bank, broker, custodian or other record holder how to vote, it will have no effect on the voting outcome of this proposal.

### **Voting by MetroPCS Directors and Executive Officers**

As of the record date for the special meeting, MetroPCS directors and executive officers had the right to vote [ ]% of the MetroPCS common stock outstanding and entitled to vote at the special meeting. MetroPCS currently expects that MetroPCS directors and executive officers will vote their shares of MetroPCS common stock in favor of each of the proposals to be considered at the special meeting, although none of them has entered into any agreements obligating them to do so.

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In addition, any unvested shares of restricted stock issued to MetroPCS directors and executive officers pursuant to the MetroPCS equity incentive compensation plans that do not have voting rights will be voted by MetroPCS for the proposals to be voted on at the special meeting in the same proportion as the rest of the shares of MetroPCS common stock that are voted. As of the record date for the special meeting, MetroPCS directors and executive officers held [ ] unvested shares of restricted stock that will be voted in this manner.

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### **Voting**

If your proxy card is properly executed and received by MetroPCS in time to be voted at the special meeting, the shares of MetroPCS common stock represented by your proxy (including those given electronically via the Internet or by telephone) will be voted in accordance with the instructions that you mark on your proxy card.

Internet voting will be available until 11:59 p.m. EDT on [ ] or, if the special meeting is continued, adjourned or postponed, until 11:59 p.m. EDT on the day immediately before such continued, adjourned or postponed meeting. Proxy cards submitted by mail and received by MetroPCS after [ ] at 10:00 a.m. local time may not be considered unless the special meeting is continued, adjourned or postponed, and then only if received before the date and time the continued, adjourned or postponed special meeting is held. Telephone voting will be considered at the special meeting if completed prior to 11:59 p.m. EDT on [ ] or, if the special meeting is continued, adjourned or postponed, until 11:59 p.m. EDT on the day immediately before such adjourned or postponed special meeting.

Any executed proxies received by MetroPCS for which no voting instructions are provided on one or more proposals will be voted in accordance with the recommendations of the MetroPCS board with respect to such proposal(s) for which no voting instructions are provided.

### **Revocation**

You may change or revoke your proxy at any time prior to the vote on the matters at the special meeting or, if the special meeting is continued, adjourned or postponed, the date and time of such continued, adjourned or postponed meeting. If you are a record holder of MetroPCS common stock, you may revoke your proxy at any time prior to the voting deadlines referred to in the section entitled Questions and Answers about the Special Meeting, the Transaction and the Business Combination Agreement How do I vote? beginning on page xiii by (1) delivering to MetroPCS Corporate Secretary at our principal executive office, located at 2250 Lakeside Boulevard, Richardson, Texas 75082, a written revocation that must be received by MetroPCS prior to the date and time of the special meeting, or, if the special meeting is continued, adjourned or postponed, the date and time of such continued, adjourned or postponed meeting, (2) submitting another valid proxy card with a later date by mail, (3) voting by submitting a proxy by telephone or Internet prior to the date and time of the special meeting, or, if the special meeting is continued, adjourned or postponed, the date and time of such continued, adjourned or postponed meeting, or (4) attending the special meeting in person and giving MetroPCS Inspector of Elections notice of your intent to vote your shares in person. If your shares are held in street name, you must contact the record holder of your MetroPCS common stock in order to revoke your proxy. If you intend to revoke your proxy, you must ensure that such revocation is received by MetroPCS Corporate Secretary prior to the date and time of the special meeting, or, if the special meeting is continued, adjourned or postponed, by the date and time of such continued, adjourned or postponed meeting. Any revocation received as of or after that date and time will not be effective. Attendance at the special meeting will not, by itself, revoke a proxy.

### **Anticipated Date of Completion of the Transaction**

We expect that the conditions to the transaction will be satisfied or, if allowed by applicable law, waived, and the transaction will be completed, in the first half of 2013. However, we cannot be certain when, or if, the conditions to the transaction will be satisfied or so waived or that the transaction will be completed.

As more fully described in this proxy statement and in the business combination agreement, the completion of the transaction depends on a number of conditions being satisfied or, where legally permissible, waived. For a complete description of the conditions to closing the transaction, see the section entitled Summary of the Business Combination Agreement Conditions to Closing the Transaction beginning on page 149.

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### **No Appraisal Rights**

Under applicable law, MetroPCS stockholders do not have the right to an appraisal of the value of their shares in connection with the transaction.

### **Solicitation of Proxies; Payment of Solicitation Expenses**

MetroPCS bears all of the cost of the solicitation of proxies, including the preparation, assembly, printing and mailing of all proxy materials. MetroPCS also reimburses banks, brokers, custodians and other record holders for their costs in forwarding the proxy materials to the beneficial owners or holders of MetroPCS common stock. MetroPCS and its directors, officers, and regular employees also may solicit proxies by mail, personally, by telephone or by other appropriate means. No additional compensation will be paid to directors, officers or other regular employees for such services. In addition, we have retained MacKenzie Partners, Inc., which we refer to as MacKenzie, to aid in the solicitation of proxies by mail, personally, by telephone, e-mail or other appropriate means. For these services, we will pay MacKenzie \$30,000, plus reasonable out-of-pocket expenses.

### **Questions and Additional Information**

Additional business and financial information about MetroPCS can be found in documents previously filed with the SEC. This information is available to you without charge at the SEC's website at <http://www.sec.gov>. Some of this additional business and financial information is incorporated by reference into this proxy statement. See **Where You Can Find More Information**. You can also obtain additional copies of this proxy statement, as well as other relevant materials, by visiting MetroPCS' website at [www.metropcs.com](http://www.metropcs.com) or by requesting them in writing using the following contact information:

MetroPCS Communications, Inc.

2250 Lakeside Boulevard

Richardson, Texas 75082

Attention: Investor Relations

(214) 570-4641

Email: [investor\\_relations@metropcs.com](mailto:investor_relations@metropcs.com)

You may also request additional copies from our proxy solicitor, MacKenzie, using the following contact information:

MacKenzie Partners, Inc.

105 Madison Avenue

New York, New York 10016

Call Collect (212) 929-5500

or

Call Toll-Free (800) 322-2885

Email: [proxy@mackenziepartners.com](mailto:proxy@mackenziepartners.com)

### **Assistance**

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If you need assistance in completing your proxy card or have questions regarding the special meeting, please contact MacKenzie toll-free at (800) 322-2885. Banks, brokers, custodians or other record holders may call collect at (212) 929-5500.

### **Stockholder List**

A list of the record holders of MetroPCS common stock entitled to vote at the special meeting will be available at the meeting and for 10 days prior to the meeting, for any purpose germane to the meeting, between the hours of 9:00 a.m. and 4:30 p.m., local time, at our principal executive offices at 2250 Lakeside Boulevard, Richardson, Texas 75082.

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**PROPOSALS SUBMITTED TO STOCKHOLDERS**

**The Stock Issuance Proposal**

*(Item 1 on proxy card)*

The business combination agreement provides that, as part of the transaction, MetroPCS will issue and deliver to Holding or its designee shares of MetroPCS common stock equal to 74% of the fully-diluted shares of MetroPCS common stock outstanding immediately following the cash payment.

Under the NYSE Listed Company Manual, a company listed on the NYSE is required to obtain stockholder approval prior to the issuance of common stock, or securities convertible into or exercisable for common stock, in any transaction or series of related transactions if the number of shares of common stock to be issued is, or will be upon issuance, equal to or in excess of 20% of the number of shares of common stock outstanding before the issuance of the common stock or securities convertible into or exercisable for common stock. As described above, if the transaction closes, MetroPCS will issue 74% of its outstanding shares of MetroPCS common stock in connection with the transaction.

**Required Vote**

Assuming the presence of a quorum, the affirmative vote of a majority of the votes cast (in person or by proxy) by holders of MetroPCS common stock at the special meeting is required to approve the stock issuance proposal, provided that the holders of a majority of the MetroPCS common stock outstanding on the record date vote on the stock issuance proposal. If you vote to abstain, it will have the same effect as voting against this proposal. If you fail to vote or fail to instruct your bank, broker, custodian or other record holder how to vote, it will have no effect on the voting outcome of this proposal, but it will make it more difficult to have a quorum or meet the requirement that the holders of a majority of the MetroPCS common stock outstanding on the record date vote on that proposal. Accordingly, it is important that you provide us with your proxy or attend the special meeting in person so that your shares are counted toward the quorum and this requirement.

**The MetroPCS board, acting upon the recommendation of the special committee, recommends a vote FOR the stock issuance proposal (Item 1).** For a discussion of interests of MetroPCS directors and executive officers in the transaction that may be different from, or in addition to, MetroPCS stockholders generally, see the section entitled *Interests of MetroPCS Directors and Officers in the Transaction* beginning on page 118.

**IF THE METROPCS STOCKHOLDERS FAIL TO APPROVE THE STOCK ISSUANCE PROPOSAL, THE TRANSACTION WILL NOT OCCUR.**

In addition, even if the MetroPCS stockholders approve the stock issuance proposal, the transaction may not be completed if the other conditions to closing the transaction are not satisfied or, if allowed by applicable law, waived. We can give no assurance that the conditions to closing the transaction will be satisfied or so waived.

**The New Certificate of Incorporation Proposal**

*(Item 2 on proxy card)*

In connection with the transaction and conditioned on the completion of the transaction, MetroPCS proposes to amend and restate its existing certificate of incorporation in its entirety in the form of the new certificate of incorporation attached as Exhibit A to the business combination agreement. The new certificate of incorporation will apply to the combined company following the completion of the transaction.

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### **Effects of the New Certificate of Incorporation**

The new certificate of incorporation effects a number of changes to MetroPCS' existing certificate of incorporation, including the following:

**Company Name.** The new certificate of incorporation will change MetroPCS' name to T-Mobile US, Inc. or another name selected by Deutsche Telekom prior to the completion of the transaction.

**Par Value and Reverse Stock Split.** The new certificate of incorporation will reduce the par value of the MetroPCS common stock and preferred stock from \$0.0001 to \$0.00001. In addition, the new certificate of incorporation will effect the reverse stock split, pursuant to which each share of MetroPCS common stock, par value \$0.0001 per share, issued and outstanding immediately before the effective time automatically will be, without any action on the part of MetroPCS or any MetroPCS stockholder, reclassified as, and converted into, one-half of a validly issued, fully paid and non-assessable share of MetroPCS common stock, par value \$0.00001 per share.

**Declassification.** The new certificate of incorporation will provide for the declassification of the MetroPCS board with all members of the MetroPCS board being elected annually. The existing certificate of incorporation provides for a classified board where one-third of the members of the MetroPCS board are elected each year.

**Board Representation.** The new certificate of incorporation will provide Deutsche Telekom with the same board and committee representation rights as are set forth in the stockholder's agreement. Specifically, Deutsche Telekom generally will have the right to designate a number of individuals, each, a Deutsche Telekom designee, to the combined company's board and any committees thereof equal to the percentage of the combined company's common stock beneficially owned by Deutsche Telekom multiplied by the number of directors on the combined company's board (or the number of members of any committee thereof), in each case, rounded to the nearest whole number. These rights will remain in effect as long as Deutsche Telekom beneficially owns 10% or more of the outstanding shares of the combined company's common stock. If at any time the number of Deutsche Telekom designees then serving as directors on the combined company's board or as members of any committee of the combined company's board exceeds the number of Deutsche Telekom designees that Deutsche Telekom is entitled to designate, Deutsche Telekom will be required to cause the number of Deutsche Telekom designees then serving as directors on the MetroPCS board or as members of such committee of the combined company's board representing such excess to resign immediately as directors or committee members, as applicable. In addition, Deutsche Telekom and the combined company will use their reasonable best efforts to cause at least three members of the combined company's board to be considered independent under the rules of the SEC and under applicable listing standards.

The existing certificate of incorporation does not provide any MetroPCS stockholder with board or committee representation rights of this nature. All of the directors of the MetroPCS board, except the chairman, are independent directors.

**Director Removal.** The new certificate of incorporation will provide that, subject to certain rights of the holders of preferred stock, any director may be removed from office at any time, with or without cause, by the affirmative vote of the holders of at least a majority of the voting power of all of the outstanding shares of MetroPCS' capital stock entitled to elect such director, voting separately as a class, at a duly organized meeting of stockholders or by written consent. However, no director designated by Deutsche Telekom may be removed without the prior written consent of Deutsche Telekom. The existing certificate of incorporation provides that, subject to certain rights of holders of preferred stock, any director may be removed from office at any time, with or without cause, by the affirmative vote of the holders of at least a majority of the voting power underlying the outstanding shares of the MetroPCS' capital stock entitled to elect such director, voting separately as a class.

**Approval Rights.** The new certificate of incorporation will provide Deutsche Telekom with the same approval rights as are set forth in the stockholder's agreement with respect to the combined company's ability to

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take certain actions without Deutsche Telekom's prior written consent as long as Deutsche Telekom beneficially owns 30% or more of the outstanding shares of the combined company's common stock, such as actions relating to the incurrence of indebtedness, acquisitions or dispositions for consideration in excess of \$1 billion, a change in the size of the combined company's board, equity issuances constituting 10% or more of the then outstanding shares of the combined company's common stock, redemptions, dividends and hiring or terminating without cause the chief executive officer. These approval rights are more fully described in the section entitled "Summary of Ancillary Agreements - Stockholder's Agreement" beginning on page 154.

The existing certificate of incorporation does not provide any MetroPCS stockholder with approval rights of this nature.

**Stockholder Meetings.** The new certificate of incorporation will provide that a special meeting of the combined company's stockholders (i) may be called by the chairman of the combined company's board or the combined company's chief executive officer and (ii) must be called by the combined company's secretary at the request of (a) a majority of the combined company's board or (b) as long as Deutsche Telekom beneficially owns 25% or more of the outstanding shares of combined company's common stock, the holders of not less than 33-1/3% of the voting power of all of the outstanding voting stock of the combined company entitled to vote generally for the election of directors. The existing certificate of incorporation provides that a special meeting of MetroPCS stockholders (x) may be called by the chairman of the MetroPCS board or MetroPCS chief executive officer, and (y) must be called by the chairman of the board, MetroPCS chief executive officer or MetroPCS secretary at the request in writing of a majority of all of the directors on the MetroPCS board then in office.

**Stockholder Action by Written Consent.** The new certificate of incorporation will provide that, as long as Deutsche Telekom beneficially owns 25% or more of the outstanding shares of the combined company's common stock, any action required or permitted to be taken at any annual or special meeting of the combined company's stockholders may be taken without a meeting, without prior notice and without a vote, if a consent or consents in writing setting forth the action so taken is signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted. The existing certificate of incorporation does not permit MetroPCS stockholders to act by written consent.

**Power to Amend Bylaws.** The new certificate of incorporation will provide that the combined company's bylaws may be amended upon the affirmative vote of the holders of shares having a majority of the combined company's voting power. The existing certificate of incorporation requires the affirmative vote of the holders of 66 2/3% of MetroPCS voting power. The bylaws still may be amended by the combined company's board upon the affirmative vote of a majority of the directors then serving.

**Redemption.** The existing certificate of incorporation provides that MetroPCS may redeem the outstanding MetroPCS common stock or preferred stock of any MetroPCS stockholder in order to cure any violation of a rule or regulation of the FCC. The new certificate of incorporation will provide that such redemption right does not apply with respect to the combined company's common stock or preferred stock beneficially owned by Deutsche Telekom or any of its subsidiaries.

**Governing Law; Forum for Adjudication of Disputes.** The new certificate of incorporation will provide that the new certificate of incorporation and the internal affairs of the combined company will be governed by and interpreted under the laws of the State of Delaware. In addition, the Court of Chancery of the State of Delaware will be the sole and exclusive forum for (i) any derivative action brought on behalf of the combined company, (ii) any action asserting a claim of breach of a fiduciary duty owed by any director, officer or other employee of the combined company to the combined company or its stockholders, (iii) any action asserting a claim arising pursuant to any provision of the General Corporation Law of the State of Delaware, which we refer to as the DGCL, the new certificate of incorporation or the new bylaws, or (iv) any other action asserting a claim arising under, in connection with, and governed by the internal affairs doctrine. This provision currently is included in MetroPCS bylaws but not the existing certificate of incorporation.

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**Anti-Takeover Effects of the Provisions in our New Certificate of Incorporation and Bylaws**

The following provisions of the new certificate of incorporation and our bylaws that will be adopted upon the completion of the transaction could be deemed to have an anti-takeover effect and could delay, defer or prevent a takeover attempt that a stockholder might consider to be in the stockholders' best interests.

*Advance notice of director nominations and matters to be acted upon at meetings.* The combined company's bylaws will contain advance notice requirements for nominations for directors to our board of directors and for proposing matters that can be acted upon by stockholders at stockholder meetings. The existing bylaws contain similar advance notice requirements.

*Amendment to bylaws.* The new certificate of incorporation will provide that the combined company's bylaws may be amended upon the affirmative vote of the holders of shares having a majority of the combined company's voting power. The existing certificate of incorporation requires the affirmative vote of the holders of shares having 66 2/3% of the voting power of MetroPCS. Our bylaws also provide that the combined company's board will also be authorized to make, alter or repeal our bylaws without further stockholder approval.

*Special meeting of stockholders.* The new certificate of incorporation will provide that a special meeting of the combined company's stockholders (i) may be called by the chairman of the MetroPCS board or the combined company's chief executive officer and (ii) must be called by the combined company's secretary at the request of (a) a majority of the combined company's board or (b) as long as Deutsche Telekom beneficially owns 25% or more of the outstanding shares of combined company's common stock, the holders of not less than 33-1/3% of the voting power of all of the outstanding voting stock of the combined company entitled to vote generally for the election of directors. The existing certificate of incorporation does not permit the MetroPCS stockholders to call a special meeting of the stockholders.

*Board representation.* The new certificate of incorporation will provide that Deutsche Telekom generally will have the right to designate a number of Deutsche Telekom designees to the combined company's board and any committees thereof equal to the percentage of the combined company's common stock beneficially owned by Deutsche Telekom multiplied by the number of directors on the combined company's board (or the number of members of any committee thereof), in each case, rounded to the nearest whole number. These rights will remain in effect as long as Deutsche Telekom beneficially owns 10% or more of the outstanding shares of the combined company's common stock. The new certificate of incorporation will provide that all of the directors of the combined company's board will be of one class and will be elected annually. The existing certificate of incorporation provides for a classified board where one-third of the members of the MetroPCS board are elected each year. However, MetroPCS has indicated that it intends to present at its 2013 annual meeting of stockholders an amendment to its existing certificate of incorporation that will declassify the MetroPCS board.

*Special approval rights.* The new certificate of incorporation will provide Deutsche Telekom with the same approval rights as are set forth in the stockholder's agreement with respect to the combined company's ability to take certain actions (including changing the size of the combined company's board of directors or dispositions in excess of \$1 billion) without Deutsche Telekom's prior written consent as long as Deutsche Telekom beneficially owns 30% or more of the outstanding shares of the combined company's common stock. The existing certificate of incorporation does not provide any MetroPCS stockholder with approval rights of this nature.

*Authorized but unissued shares.* The authorized but unissued shares of our common stock and preferred stock are available for future issuance without stockholder approval. These additional

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shares may be used for a variety of corporate purposes, such as for additional public offerings, acquisitions and employee benefit plans. The existence of authorized but unissued and unreserved common stock and preferred stock could render more difficult or discourage an attempt to obtain control of the combined company by means of a proxy contest, tender offer, merger or otherwise. The existing certificate of incorporation contains similar provisions.

*Cumulative voting.* The new certificate of incorporation will not permit cumulative voting in the election of directors. Instead, any election of directors will be decided by a plurality of the votes cast (in person or by proxy) by holders of the combined company's common stock. The existing certificate of incorporation does not permit cumulative voting in the election of directors.

**Delaware law**

MetroPCS is a Delaware corporation and is subject to Delaware law, which generally prohibits a publicly held Delaware corporation from engaging in a business combination with an interested stockholder for a period of three years after the time that the person became an interested stockholder, unless:

before such time the board of directors of the corporation approved either the business combination or the transaction in which the person became an interested stockholder;

upon completion of the transaction that resulted in the stockholder becoming an interested stockholder, the interested person owns at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced, excluding shares owned by persons who are directors and also officers of the corporation and by certain employee stock plans; or

at or after such time the business combination is approved by the board of directors of the corporation and authorized at an annual or special meeting of stockholders, and not by written consent, by the affirmative vote of at least 66 2/3% of the outstanding voting stock of the corporation that is not owned by the interested stockholder.

A business combination generally includes mergers, asset sales and similar transactions between the corporation and the interested stockholder, and other transactions resulting in a financial benefit to the stockholder. An interested stockholder is a person:

who, together with affiliates and associates, owns 15% or more of the corporation's outstanding voting stock; or

who is an affiliate or associate of the corporation and, together with his or her affiliates and associates, has owned 15% or more of the corporation's outstanding voting stock within three years.

**Required Vote**

The MetroPCS board, acting upon the recommendation of the special committee, has adopted the new certificate of incorporation subject to the completion of the transaction, declared it advisable and has directed that it be submitted for stockholder approval. Assuming the presence of a quorum, the affirmative vote of a majority of the MetroPCS common stock outstanding on the record date is required to approve the new certificate of incorporation proposal. If you vote to abstain, or if you fail to vote or fail to instruct your bank, broker, custodian or other record holder how to vote, it will have the same effect as voting against this proposal.

**The MetroPCS board, acting upon the recommendation of the special committee, recommends a vote FOR the new certificate of incorporation proposal (Item 2).** For a discussion of interests of MetroPCS directors and executive officers in the transaction that may be different from, or in addition to, MetroPCS stockholders generally, see the section entitled Interests of MetroPCS Directors and Officers in the Transaction beginning on page 118.



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**IF THE METROPCS STOCKHOLDERS FAIL TO APPROVE THE NEW CERTIFICATE OF INCORPORATION PROPOSAL, THE TRANSACTION WILL NOT OCCUR.**

In addition, even if the MetroPCS stockholders approve the new certificate of incorporation proposal, the transaction may not be completed if the other conditions to closing the transaction are not satisfied or, if allowed by applicable law, waived. We can give no assurance that the conditions to closing the transaction will be satisfied or so waived.

**The Change in Control Payments Proposal**

*(Item 3 on proxy card)*

The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 and Rule 14a-21(c) under the Exchange Act require MetroPCS to provide its stockholders with the opportunity to vote to approve, on a non-binding, advisory basis, the compensation that may be paid or become payable to the named executive officers of MetroPCS based on or otherwise relating to the transaction (also known as golden parachute compensation).

The compensation that MetroPCS named executive officers may be entitled to receive that is based on or otherwise relates to the transaction is summarized and quantified in the section entitled Interests of MetroPCS Directors and Officers in the Transaction Quantification of Change in Control and Termination Payments and Benefits to the MetroPCS Named Executive Officers beginning on page 123. This summary includes payments that may become payable under the change in control agreements with each named executive officer and the value of any awards issued pursuant to the MetroPCS equity incentive compensation plans that will vest in connection with the completion of the transaction.

Accordingly, MetroPCS is requesting that holders of MetroPCS common stock approve the following resolution:

RESOLVED, that the stockholders of MetroPCS Communications, Inc. approve, on a non-binding, advisory basis, the compensation that may be paid, or become payable, to its named executive officers based on or otherwise relating to the transaction, the closing of the transaction or actions following the closing of the transaction, as summarized and quantified, including the compensation table and the related narrative named executive officer compensation disclosures set forth in the proxy statement in the section entitled The Transaction Interests of MetroPCS Directors and Executive Officers in the Transaction Quantification of Change in Control and Termination Payments and Benefits to the MetroPCS Named Executive Officers (referred to as the change in control payments ).

Approval of this proposal is not a condition to completion of the transaction. Because this is an advisory vote, the result will not be binding on MetroPCS, the MetroPCS board or the compensation committee of the MetroPCS board. While the MetroPCS board intends to consider the vote resulting from the change in control payments proposal, the vote is advisory and therefore not binding on MetroPCS, the MetroPCS board or the compensation committee of the MetroPCS board. Accordingly, such compensation, including amounts that MetroPCS is contractually obligated to pay, could still be payable regardless of the outcome of this advisory vote, subject only to the conditions applicable thereto.

**Required Vote**

Assuming the presence of a quorum, the affirmative vote of a majority of the votes cast (in person or by proxy) by holders of MetroPCS common stock at the special meeting is required to approve, on a non-binding, advisory basis, the change in control payments proposal. While the MetroPCS board intends to consider the vote resulting from the change in control payments proposal, the vote is advisory and therefore not binding on MetroPCS, the MetroPCS board or the compensation committee of the MetroPCS board. Accordingly, because MetroPCS is contractually obligated to pay the change in control payments, if the transaction is completed, the change in control

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payments will be payable, subject only to the conditions applicable to such payments, regardless of the outcome of the advisory vote. If you vote to abstain, or if you fail to vote or fail to instruct your bank, broker, custodian or other record holder how to vote, it will have no effect on the voting outcome of this proposal.

**The MetroPCS board, acting upon the recommendation of the special committee, recommends a vote FOR the change in control payments proposal (Item 3).** For a discussion of interests of MetroPCS directors and executive officers in the transaction that may be different from, or in addition to, MetroPCS stockholders generally, see the section entitled Interests of MetroPCS Directors and Officers in the Transaction beginning on page 118.

## **The Adjournment Proposal**

### *(Item 4 on proxy card)*

The special meeting may be continued, adjourned or postponed to another time or place, if necessary or appropriate to permit further solicitation of proxies if necessary to obtain additional votes in favor of the stock issuance proposal or the new certificate of incorporation proposal. If, at the special meeting, the number of shares of MetroPCS common stock present or represented and voting in favor of the stock issuance proposal or the new certificate of incorporation proposal is insufficient to approve the corresponding proposals, MetroPCS intends to move to continue, adjourn or postpone the special meeting in order to enable the MetroPCS board to solicit additional proxies for approval of such proposals.

In the adjournment proposal, MetroPCS is asking its stockholders to authorize the holder of any proxy solicited by the MetroPCS board to vote in favor of granting discretionary authority to the proxy holders, and to each proxy holder individually, to continue, adjourn or postpone the special meeting to another time and place for the purpose of soliciting additional proxies. If the stockholders approve this proposal, MetroPCS could continue, adjourn or postpone the meeting and any continued, adjourned or postponed session of the meeting and use the additional time to solicit additional proxies, including the solicitation of proxies from stockholders who have previously voted.

## **Required Vote**

If a quorum is not present at the special meeting:

The affirmative vote of a majority of the shares of MetroPCS common stock present at the special meeting (in person or by proxy) and entitled to vote on this proposal is required to approve this proposal.

If you vote to abstain, it will have the same effect as voting against this proposal.

If you fail to vote or fail to instruct your bank, broker, custodian or other record holder how to vote, it will have no effect on the voting outcome of this proposal.

If a quorum is present at the special meeting:

The affirmative vote of a majority of the votes cast (in person or by proxy) by holders of MetroPCS common stock at the special meeting is required to approve this proposal.

If you vote to abstain, it will have no effect on the voting outcome of this proposal.

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If you fail to vote or fail to instruct your bank, broker, custodian or other record holder how to vote, it will have no effect on the voting outcome of this proposal.

**The MetroPCS board, acting upon the recommendation of the special committee, recommends a vote FOR the adjournment proposal (Item 4).** For a discussion of interests of MetroPCS directors and executive officers in the transaction that may be different from, or in addition to, MetroPCS stockholders generally, see the section entitled Interests of MetroPCS Directors and Officers in the Transaction beginning on page 118.

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**THE TRANSACTION**

**Background of the Transaction**

We are a facilities-based wireless broadband mobile carrier that utilizes spectrum licensed by the FCC to provide our wireless broadband mobile services to our customers. Our FCC licenses and the spectrum we can utilize under them are integral to our ability to provide our services. As a solely facilities-based wireless broadband mobile carrier, if we do not have licensed spectrum in a geographic area, we do not sell our wireless broadband mobile services in that area. Further, as a general matter, the amount of spectrum licensed to us in an area also determines the capacity of our networks, the services we can offer and the number of customers we can serve. On average, we have 22 MHz of spectrum in the major metropolitan areas where we provide wireless broadband mobile services using our networks considerably less than our larger competitors. Because of our smaller spectrum position in the areas we serve using our networks, we are at a competitive disadvantage to our larger competitors.

Since our inception, one of our key strategies has been to expand the areas and customers we serve using our networks, which requires the acquisition of additional spectrum. Over time, we have acquired spectrum and expanded service from our first four major metropolitan areas to the thirteen major metropolitan areas we now serve using our networks. While we historically had been largely a voice and text messaging company with limited data services, starting in 2008, we realized that data services were becoming increasingly important to our existing customers and potential new customers and that such services would require additional spectrum. As a result, in 2008, we started to work with vendors to develop long-term evolution, or LTE, and, in 2009, we signed a contract to construct the first commercial LTE system in the United States, which service we launched in late 2010. Also in 2010, we launched our first relatively low cost smartphone on the Android operating system with unlimited data on our existing code division multiple access, or CDMA, 1xRTT network, and our customers quickly started to use substantial amounts of data services. These data services consumed substantially more spectrum capacity than voice and text services and confirmed that we needed to acquire additional spectrum to remain competitive.

MetroPCS management, together with the MetroPCS board, regularly monitors and assesses developments in the wireless telecommunications industry and reviews our competitive position, growth strategies and available opportunities, including, among other things, possible business combinations with other companies, as part of their ongoing efforts to implement MetroPCS business strategies, strengthen MetroPCS business, acquire additional spectrum and enhance stockholder value. The MetroPCS board undertakes this review through, among other things, presentations from management and investment bankers engaged by MetroPCS. In evaluating our competitive position in recent years, management and the MetroPCS board determined that the acquisition of additional spectrum was critical to meet increasing customer demands for data services, continue customer growth, maintain quality of service, allow the deployment of new technologies and enhance stockholder value. As a result of management's and the MetroPCS board's analysis of our competitive position, starting in 2007, the MetroPCS board agreed that MetroPCS management should explore opportunities to acquire additional spectrum both within its existing licensed areas and in new metropolitan areas as appropriate.

Since that time, MetroPCS has pursued spectrum acquisitions on numerous fronts, but we have faced significant challenges. While we have advocated for the reallocation and auctioning of additional Federal government spectrum, only a very modest amount of spectrum has been made available relative to the demand for spectrum in the market. We also lobbied for revised auction rules that would not favor large incumbent operators over relatively smaller competitors like MetroPCS, but our efforts have been largely unsuccessful. In addition, we have encountered difficulties in completing acquisitions of additional spectrum from third parties, particularly in light of MetroPCS relative size and resources compared to its larger competitors.

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For example, in 2007, MetroPCS filed an application to participate in Auction 73 held by the FCC for 700 MHz spectrum. We then participated in Auction 73 in 2008, but we were only able to acquire a 6 x 6 MHz channel in the Boston area, even though we had additional funds available to spend.

In 2009, we became aware of an opportunity to acquire a satellite operator ( Company A ) with 20 MHz of broadband satellite spectrum. In 2010, we considered an acquisition of a different satellite operator ( Company B ), also with 20 MHz of broadband satellite spectrum. We engaged an investment banker, executed nondisclosure agreements with Company A and Company B and conducted due diligence with the counterparties over a number of months. During this time, the MetroPCS board and the finance committee of the MetroPCS board, which was charged with assisting MetroPCS management in evaluating strategic transactions, were involved in reviewing the two strategic alternatives, including by discussing the two strategic alternatives with MetroPCS management and our investment banker at multiple MetroPCS board and finance committee meetings. In early 2011, after MetroPCS management determined that Company A s spectrum was more attractive to MetroPCS than Company B s spectrum, the MetroPCS board authorized MetroPCS management to make a binding offer to acquire Company A. Notwithstanding the competitive bid made by MetroPCS, Company A accepted an offer from another company ( Company C ). Company A s investment banker advised us that Company C s offer was higher than our proposed purchase price. We ultimately decided not to pursue Company B because we believed Company A s and Company B s spectrum was more valuable to a single operator than if each was held separately and because Company B s spectrum was less desirable spectrum on its own. Company C then also acquired Company B. MetroPCS executives also met with Company C executives to discuss possible strategic transactions between MetroPCS and Company C, including a potential sale of spectrum, a joint venture or the contribution of Company C s satellite spectrum in exchange for equity in MetroPCS. The MetroPCS board and finance committee discussed the possible strategic transactions on multiple occasions, and the MetroPCS board authorized management to make several proposals to Company C, which MetroPCS did through a series of telephonic and in-person meetings. However, we were unable to agree with Company C on the terms of any such transaction.

During this period, in light of our inability to make a larger spectrum acquisition at Auction 73 and our failed bid for Company A, we concluded that we would need additional capital if we wanted to acquire sufficient spectrum to meet our growing customer demand. Accordingly, in early 2011, we raised approximately \$1 billion in the public debt markets for general corporate purposes, including opportunistic spectrum acquisitions, which, together with our existing resources, provided us with approximately \$1.5 billion to acquire spectrum.

On March 25, 2011, MetroPCS management met with senior executives of another wireless company ( Company D ) to discuss possible strategic transactions, including the acquisition of all or part of Company D by MetroPCS or the acquisition of some of Company D s spectrum. From time to time thereafter until the execution of the business combination agreement with Deutsche Telekom, we and Company D held discussions regarding potential transactions that would increase our spectrum holdings. In late 2011, pursuant to the MetroPCS board s authorization, we sent Company D s chief executive officer a sizeable non-binding written indication of interest to acquire certain spectrum assets from Company D. In response, Company D proposed alternative structures for the sale of certain of its spectrum assets on different economic terms. Thereafter, we continued to negotiate the terms of a potential transaction from time to time, including the spectrum and geographic areas to be included in such a transaction and the related economic terms, but had not reached an agreement by the time we entered into the business combination agreement with Deutsche Telekom.

During this same period, a broker contacted a senior executive of MetroPCS regarding a sale by another wireless carrier ( Company E ) of its excess spectrum in certain geographic areas where we did not provide service at that time and some geographic areas that overlapped existing MetroPCS service areas. In May 2011, pursuant to the authorization of the finance committee, we delivered a non-binding oral indication of interest to Company E for the acquisition of spectrum in a number of metropolitan areas. Over the next month, we negotiated for the purchase of Company E s excess spectrum and submitted additional bids. In June 2011, the broker informed us that Company E had chosen to sell its excess spectrum to one of our larger competitors.

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During generally the same period, we were invited to submit a bid to acquire spectrum from another seller of spectrum, but we ultimately determined not to bid on the spectrum because we concluded that the assets were not sufficiently compatible with our existing network.

Beginning in mid-2011, we approached another wireless company ( Company F ) to inquire about the potential acquisition of selected spectrum and/or other assets of a wireless company that Company F had agreed to acquire. In connection with these discussions, MetroPCS, Company F and the wireless company to be acquired by Company F entered into a nondisclosure agreement which included a standstill provision that terminated in the event that we became a party to, or publicly announced, a change of control transaction with a third party. MetroPCS' general practice is to include a standstill provision in our nondisclosure agreements when MetroPCS would be disclosing confidential information to a counterparty that the counterparty could use to attempt an unsolicited acquisition of MetroPCS. We then exchanged information, and principals of MetroPCS and Company F met numerous times over several months regarding a possible transaction. MetroPCS engaged Credit Suisse Securities (USA) LLC, which we refer to as Credit Suisse, which we had retained in connection with prior unrelated transactions, and another financial advisor to advise us on the possible transaction. The MetroPCS board and finance committee reviewed the possible alternative transactions on multiple occasions, and the MetroPCS board authorized MetroPCS management to make a series of non-binding proposals to Company F. In connection with these non-binding proposals, we and Company F exchanged draft term sheets outlining the principal terms of the possible transaction and negotiated the significant deal points during the fall of 2011. Nevertheless, Company F ultimately did not pursue a transaction with MetroPCS.

In light of the numerous unsuccessful attempts to secure a meaningful amount of additional spectrum and with limited prospects for the acquisition of significant additional spectrum from third parties or FCC spectrum auctions, the MetroPCS board and management periodically discussed whether a combination with another wireless telecommunications company, either as the acquirer or the target, would provide us with the scale and resources, including spectrum, to better meet our long-term strategic objectives and enhance stockholder value. The MetroPCS board and management weighed the potential benefits and risks of such a combination against the benefits and risks of remaining a stand-alone company with uncertain opportunities for acquiring additional spectrum.

In late September 2011, while we were still in discussions with Company F, another wireless company ( Company G ) contacted us regarding possible strategic transactions, including a possible acquisition of MetroPCS or commercial resale arrangement. We are a party to a roaming agreement with Company G and had previously discussed a variety of potential commercial transactions with Company G, including a resale arrangement. In September 2011, the finance committee of the MetroPCS board authorized MetroPCS management to proceed with discussions with Company G to explore a possible acquisition of MetroPCS by Company G. We and Company G then entered into a mutual nondisclosure agreement. However, we agreed that until we reached an agreement on economic terms for the acquisition, neither MetroPCS nor Company G would conduct due diligence and Company G would not be required to enter into a standstill agreement with us.

During this period, senior executives of MetroPCS met in person with senior executives of Company G in Dallas, Texas, and communicated that we were willing to discuss a potential transaction with Company G but that MetroPCS was not otherwise for sale and would not commit to engage in a more detailed due diligence process until Company G and MetroPCS agreed upon a value for MetroPCS. Senior executives of MetroPCS conducted several in-person meetings and teleconferences with senior executives of Company G over the next six weeks to discuss various matters relating to MetroPCS. During these discussions, Company G expressed a preference for an all-stock deal, while we expressed a preference for a mix of consideration consisting of stock and cash.

We began to consult with J.P. Morgan Securities LLC, which we refer to as JPMorgan, whom we had retained in connection with prior unrelated transactions, as our financial advisor regarding the potential

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transaction with Company G. JPMorgan, at our direction, met with Company G's financial advisor in October 2011 to discuss matters relating to a potential combination.

During this period, MetroPCS management apprised the MetroPCS board of the discussions with Company G, and the directors were supportive of moving forward with selected preliminary due diligence to determine whether Company G would make an attractive offer. At a MetroPCS board meeting on November 10, 2011, management briefed the directors on the status of discussions with Company G, and the directors and management discussed MetroPCS' continued need to acquire additional spectrum and that a combination with Company G could satisfy that need. The MetroPCS board also discussed the other strategic discussions taking place with Company F and Company D at that same time.

On November 16, 2011, senior executives of Company G and MetroPCS held an in-person meeting in Dallas, Texas, at which Company G offered to acquire all of the outstanding shares of MetroPCS common stock in exchange for cash and a fixed value of stock of Company G in a ratio of 60% stock and 40% cash equating to aggregate consideration valued at approximately \$12 per share of MetroPCS common stock based on Company G's stock price at that time.

On November 19, 2011, the MetroPCS board met to consider Company G's proposal, and, following discussion and consultation with JPMorgan, including a discussion of various financial aspects of Company G's proposal, the MetroPCS board's initial consensus was that the proposed price implied by Company G's proposal was too low at that time, did not take into account a variety of factors supporting a higher value for MetroPCS and contained a percentage of cash consideration that was insufficient given our projected cash balance at the time of a possible closing. The directors also discussed our strategic alternatives to the potential sale, including potential opportunities to acquire additional spectrum, either through private market transactions or FCC auctions, including the continuing discussions with Company F and Company D, and the opportunities and execution risks related to remaining a stand-alone company. While the directors had not made the decision to sell MetroPCS, the directors nonetheless discussed with JPMorgan appropriate ways for MetroPCS to determine whether other parties were interested in acquiring MetroPCS and might be willing to pay a higher price than Company G and the appropriate time to contact such parties if the discussions with Company G were to continue. The MetroPCS board and JPMorgan discussed several factors related to whether we should contact other parties at that time and, if so, which third parties to contact. These factors included (a) the identity of the parties viewed as most likely to be interested, (b) the perceived ability of such parties to engage in a transaction or pay a higher price for MetroPCS than Company G, (c) the risk of a leak of the discussions by the contacted parties and how the risk of a leak likely increases as a greater number of parties is contacted, (d) the likelihood that a leak might discourage Company G from continuing its discussions or increasing its proposal and (e) the likelihood that contacting other parties could create pressure on Company G to increase its offer. Following discussion with JPMorgan regarding other potential acquirers of MetroPCS and the uncertainty of meaningful other strategic or financial interested buyers surfacing at that time due to the regulatory environment and various other factors, and in light of the MetroPCS board not having made any decision to sell MetroPCS or commence a process to do so at that time, the MetroPCS board determined, after discussions with JPMorgan, to see if a deal with Company G could be firm-ed-up and then revisit whether to approach other potential buyers. Consequently, the MetroPCS board directed JPMorgan to meet with Company G's financial advisor to explain the MetroPCS board's perspective on the appropriate valuation for MetroPCS and provide analysis to Company G's financial advisor demonstrating that a higher price than Company G's proposed price was appropriate.

On November 21, 2011, JPMorgan met with Company G's financial advisor to discuss the economic terms of Company G's proposal and the MetroPCS board's rationale supporting a higher price.

On November 22, 2011, the MetroPCS board met again to discuss Company G's offer and to receive feedback from JPMorgan regarding its meeting with Company G's financial advisor. Following discussion and consultation with JPMorgan, the MetroPCS board directed management to deliver a counteroffer to Company G consisting of cash and Company G stock equating to aggregate consideration valued at \$15.50 per share of

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MetroPCS common stock based on Company G's stock price at that time, which included a fixed exchange ratio of Company G stock and \$6.20 per share in cash and would have equated to a 60/40 equity to cash ratio. MetroPCS management delivered the counteroffer to Company G.

On November 28, 2011, a senior executive of Company G contacted Mr. Roger Linquist, chief executive officer and chairman of the MetroPCS board, and proposed a purchase price of \$5.00 per share in cash and an amount of Company G stock which equated to an aggregate purchase price of between \$12.11 and \$13.09 per share based on Company G's stock price at that time.

On December 1, 2011, the MetroPCS board met to discuss Company G's new proposal. Attorneys from Akin Gump Strauss Hauer & Feld LLP, which the MetroPCS board had retained as special counsel to the MetroPCS board, were present at the meeting. Following discussion and consultation with JPMorgan, the MetroPCS board continued to believe that Company G had failed to value MetroPCS appropriately for the reasons described in the prior meetings and instructed management and JPMorgan to make another proposal to Company G for \$6.20 per share in cash with a higher exchange ratio range for the stock component of the consideration, which equated to an aggregate value of approximately \$15.13 per share based on Company G's stock price at that time. On December 5, 2011, Mr. Linquist communicated the counteroffer to a senior executive of Company G.

On December 13, 2011, a senior executive of Company G contacted Mr. Linquist and conveyed a revised offer of \$5.50 per share in cash and a fixed exchange ratio of Company G stock, for an aggregate value of approximately \$13.39 per share based on Company G's stock price at that time. Mr. Linquist requested that Company G make its proposal to MetroPCS in writing, which the Company G senior executive agreed to do.

On December 15, 2011, the MetroPCS directors met to consider the most recent proposal from Company G, which the directors, in consultation with JPMorgan, determined was still too low. The directors again discussed with management strategic alternatives available to us, including the status of discussions with Company D and Company F at that time. After consultation with JPMorgan, the directors authorized MetroPCS management to make a counteroffer of \$5.50 per share in cash and a higher fixed exchange ratio, for an aggregate value of approximately \$13.69 per share based on Company G's stock price at that time, after it received the written offer from Company G. The MetroPCS directors also instructed MetroPCS management to commence due diligence activities in the event of acceptance of the counterproposal by the Company G board and the execution by Company G of a standstill agreement with MetroPCS.

In addition, at the December 15, 2011 MetroPCS board meeting, the MetroPCS board considered the formal engagement of JPMorgan as the MetroPCS board's financial advisor. With the assistance of Akin Gump, the MetroPCS board examined JPMorgan's potential conflicts of interest vis-à-vis Company G. The MetroPCS board approved the engagement of JPMorgan, subject to confirmation that JPMorgan did not have any disqualifying conflict of interest. In accordance with the MetroPCS board's direction, following further communications by Akin Gump and MetroPCS management with JPMorgan regarding potential conflicts, we and JPMorgan subsequently executed an engagement letter with respect to JPMorgan's services (including JPMorgan's services previously described). The engagement letter with JPMorgan provided for JPMorgan to receive total compensation payable at closing based on a percentage of the consideration received by the MetroPCS stockholders in any transaction and fixed cash fees payable upon the announcement of a transaction and rendering of an opinion, if any, with respect thereto, in each case credited against the total compensation.

On December 21, 2011, Deutsche Telekom contacted Credit Suisse, which had represented MetroPCS in connection with a previous transaction in which Deutsche Telekom had been involved, and requested that Credit Suisse convey to MetroPCS that Deutsche Telekom was interested in meeting with MetroPCS to discuss potential strategic opportunities involving Deutsche Telekom's subsidiary T-Mobile and MetroPCS. Later that day, Credit Suisse conveyed Deutsche Telekom's interest to a senior executive of MetroPCS. We thereafter

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began to consult with Credit Suisse as a MetroPCS financial advisor regarding a potential transaction with Deutsche Telekom and, in January 2012, regarding the potential transaction with Company G.

MetroPCS management discussed the communication from Deutsche Telekom with the members of the finance committee of the MetroPCS board, who encouraged MetroPCS management to meet with the Deutsche Telekom representatives to obtain more information regarding Deutsche Telekom's interest.

On December 22, 2011, in response to Mr. Linquist's December 1<sup>st</sup> request that Company G submit its proposal in writing, a senior executive of Company G provided a written summary of Company G's proposal of \$5.50 per share in cash and the fixed exchange ratio of Company G stock, for an aggregate value of approximately \$13.39 per share based on Company G's stock price at that time. The next day, pursuant to the MetroPCS board's prior authorization, Mr. Linquist contacted the senior executive of Company G by telephone and conveyed the MetroPCS board's counteroffer of \$5.50 per share in cash plus Company G stock at a higher exchange ratio, for an aggregate value of approximately \$13.69 per share based on Company G's stock price at that time.

On January 3, 2012, the senior executive of Company G and Mr. Linquist had a conversation in which Mr. Linquist indicated that any further progress on the transaction would be subject to reaching agreement on the economic terms of the transaction and confirmation that Company G's board was supportive of the transaction.

In anticipation that we and Company G would reach agreement on the economic terms and the Company G board would confirm its support of the transaction, over the next several days, we and Company G negotiated an amendment to our mutual nondisclosure agreement that added a standstill provision that would terminate upon MetroPCS becoming a party to, or publicly announcing, a change of control transaction with another party, with the understanding that such amendment would not be executed unless and until the parties reached agreement on the economic terms.

On January 6, 2012, Mr. Linquist talked by telephone with the chief executive officer of Company G regarding the potential transaction and Company G's internal approval process for the potential transaction.

On January 13, 2012, Mr. Linquist, together with Mr. J. Braxton Carter, chief financial officer of MetroPCS, and Mr. Thomas Keys, president and chief operating officer of MetroPCS, met with senior executives of Deutsche Telekom in Germany to discuss potential strategic opportunities, including a potential combination of MetroPCS and T-Mobile. At that meeting, the MetroPCS senior executives discussed our business, management team, and capital structure, including our cash-on-hand. The MetroPCS senior executives expressed an interest in combining MetroPCS with T-Mobile in a transaction that would permit MetroPCS to control the combined company. MetroPCS noted the strength of its management team, advocating that if MetroPCS controlled a combined MetroPCS/T-Mobile enterprise, we would be able to generate improved returns for Deutsche Telekom's investment. Following the meeting, Mr. Linquist shared the content of the discussions with Deutsche Telekom with the members of the finance committee of the MetroPCS board.

On January 16, 2012, Mr. Linquist met in-person with the chief executive officer of Company G in Dallas, Texas, to discuss the potential transaction between the parties.

On January 19, 2012, we sent a draft mutual nondisclosure agreement between MetroPCS and T-Mobile to Deutsche Telekom which included a standstill provision that would terminate upon our becoming a party to, or publicly announcing, a change of control transaction with another party. The parties executed the agreement on February 3, 2012.

On January 19, 2012, a senior executive of Company G informed Mr. Linquist that Company G had agreed to move forward with due diligence and to pursue the proposed acquisition of MetroPCS on the basis of our last proposal. The next day, Mr. Linquist reported the conversation to the MetroPCS board, and the MetroPCS board

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approved moving forward with due diligence and the negotiation of definitive agreements, subject to confirmation that the board of Company G had approved the economic terms of our most recent proposal. On January 20, 2012, Company G sent us a draft of an agreement and plan of merger. On January 21, 2012, Mr. Linnquist sought assurances from Company G that its board had approved in principle the transaction on the economic terms of our most recent proposal. On January 23, 2012, a senior executive of Company G confirmed to Mr. Linnquist that its board had agreed to move forward with the transaction on our economic terms provided that Company G could conclude that the transaction would be accretive and that integration would not be materially problematic. On that basis, we began to engage in due diligence and the negotiation of definitive agreements with Company G.

On January 25, 2012, Deutsche Telekom communicated to MetroPCS that it would like to begin due diligence immediately. At the special meeting of the MetroPCS board on January 26, 2012, Mr. Linnquist described Deutsche Telekom's interest in commencing due diligence and making a proposal to MetroPCS. The MetroPCS board requested that Mr. Linnquist communicate to Deutsche Telekom that, if it planned to make a proposal, it should submit it quickly.

On January 26, 2012, Gibson Dunn & Crutcher, LLP, which we refer to as Gibson Dunn, counsel to MetroPCS, provided comments on Company G's draft agreement and plan of merger to Company G's counsel. Over the next several weeks, we and Company G and our respective counsel negotiated the terms of definitive transaction agreements and continued our due diligence.

On January 31, 2012, Mr. Linnquist contacted Mr. René Obermann, the chief executive officer of Deutsche Telekom, and informed him that, due to timing constraints relating to other strategic transactions being considered by MetroPCS, if Deutsche Telekom planned to make a proposal, we would need to receive such proposal from Deutsche Telekom by no later than mid-February. The next day, Mr. Thorsten Langheim, senior vice president of M&A of Deutsche Telekom telephoned Mr. Carter and informed him that Deutsche Telekom's internal governance processes would make delivery of a proposal to us by mid-February extremely difficult.

The MetroPCS board met on February 7, 2012. At this meeting, MetroPCS management updated the MetroPCS directors on the final terms of the engagement of JPMorgan and recommended that the MetroPCS board also approve the engagement of Credit Suisse as a second financial advisor. After consulting with Akin Gump, special counsel to the MetroPCS board, the MetroPCS board considered the benefits of engaging a second financial advisor in connection with the proposed transaction with Company G. The MetroPCS board approved the engagement of Credit Suisse in connection with the proposed transaction with Company G, subject to confirmation that Credit Suisse did not have any disqualifying conflict of interest relating to a potential transaction with Company G. In accordance with the MetroPCS board's direction, following further communications by Akin Gump and MetroPCS management with Credit Suisse regarding potential conflicts, we entered into an engagement letter with Credit Suisse with respect to Credit Suisse's services in connection with the proposed transaction with Company G. The engagement letter with Credit Suisse provided for Credit Suisse to receive a fixed amount of cash compensation for delivery of a fairness opinion if requested by the MetroPCS board and a separate fixed amount of cash compensation upon closing of a transaction. At this meeting, MetroPCS management also reported to the MetroPCS board regarding the ongoing negotiations with Company G and the discussions with Deutsche Telekom. In addition, during the meeting, Akin Gump reviewed for the MetroPCS directors their fiduciary duties in the context of the potential transaction with Company G.

On February 12, 2012, at the request of Deutsche Telekom, Messrs. Linnquist and Carter met with Messrs. Obermann and Langheim in Dallas, Texas, and discussed a potential combination of MetroPCS and T-Mobile. Messrs. Obermann and Langheim conveyed Deutsche Telekom's preliminary view that Deutsche Telekom should own between 72% and 75% of the equity in a combined MetroPCS/T-Mobile company, with MetroPCS stockholders owning the remainder. Deutsche Telekom's proposal also contemplated that the combined company would be capitalized with \$1.4 billion of cash and \$18.4 billion of debt, consisting of

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\$8.0 billion of new third party debt and \$10.4 billion of intercompany debt, and that the combined company would pay a \$500 million dividend each year. Deutsche Telekom also explained that under its proposal it would receive a cash payment at closing of approximately \$4.3 billion, which was important to Deutsche Telekom because it provided Deutsche Telekom a partial liquidity event with respect to its investment in T-Mobile, and the MetroPCS stockholders would receive no cash at closing. They also discussed the potential merits of combining Company E with the combined MetroPCS/T-Mobile business. On February 13, 2012, Mr. Linquist communicated a summary of the Deutsche Telekom proposal to the MetroPCS board.

On February 17, 2012, the MetroPCS board held a meeting at which the timing of a possible transaction with Company G and the proposal by Deutsche Telekom were discussed. In addition, the directors were updated on the status of the negotiations and open issues related to the Company G merger agreement and related legal documents. JPMorgan and Credit Suisse also updated the directors with respect to the financial aspects of the Company G transaction.

During this period, MetroPCS, Company G and our respective counsel completed negotiations of the definitive transaction agreements and our mutual due diligence investigations. At this time, we also agreed that the Company G board would vote on the transaction on February 22, 2012, and the MetroPCS board would vote on the transaction on February 23, 2012.

On February 22, 2012, the MetroPCS board and the Company G board each held separate meetings to consider the final terms of the transaction between MetroPCS and Company G. At the MetroPCS board meeting, the MetroPCS directors reviewed with JPMorgan and Credit Suisse the terms of the Company G transaction. The directors also discussed with Credit Suisse the terms of the transaction proposed by Deutsche Telekom, and the MetroPCS board and its advisors discussed various related matters, including the conditionality and uncertainties of Deutsche Telekom's proposal, the dilutive nature of Deutsche Telekom's proposal versus the accretive nature of Company G's proposal, the synergies and execution risks associated with each proposal, the large upfront amount of financing needed under the Deutsche Telekom proposal, the fact that the merger agreement with Company G had been fully negotiated and the potential risk of losing the transaction with Company G in the event of a delay, as well as the provisions in the merger agreement with Company G that allowed MetroPCS board to exercise its fiduciary duties if Deutsche Telekom or another party made a superior proposal. In light of these factors, the MetroPCS board determined that the interests of the MetroPCS stockholders would not be served by delaying execution of the merger agreement with Company G in order to pursue discussions with Deutsche Telekom. Akin Gump also reviewed for the directors their fiduciary duties relative to considering the two alternative transactions. The MetroPCS board then adjourned until February 23, 2012, without taking any action to approve the proposed transaction with Company G, pending receipt of information from Company G that its board had approved the transaction. Later on February 22, 2012, a senior executive of Company G called Mr. Carter to inform him that the board of Company G had determined not to proceed with an acquisition of MetroPCS. Management of MetroPCS then informed the MetroPCS directors of Company G's decision not to proceed with the proposed transaction.

The next day, the MetroPCS directors held a meeting to discuss Company G's decision not to proceed. The directors revisited their analysis of our strategic alternatives, including our viability as a stand-alone company and prospects for obtaining spectrum other than through a business combination transaction. The consensus of the directors remained that acquiring additional spectrum was essential to being a viable competitor in the industry and enhancing stockholder value, but we were limited in our opportunities to acquire additional spectrum. Acknowledging the challenges in acquiring meaningful additional spectrum, the directors authorized MetroPCS management to explore further whether a combination of MetroPCS and T-Mobile could be accomplished on attractive terms. In accordance with this authorization, MetroPCS management worked with JPMorgan and Credit Suisse for several weeks to determine a potential counterproposal to convey to Deutsche Telekom.

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Shortly after Company G's decision not to proceed, various news outlets reported that MetroPCS and Company G had been in advanced discussions for a transaction in which Company G was to have acquired MetroPCS, and MetroPCS had been agreeable to such a transaction, but Company G had determined not to proceed. We did not publicly acknowledge the information being reported in the various news outlets.

On March 2, 2012, the MetroPCS directors met to discuss a proposed counterproposal to Deutsche Telekom. The directors discussed a counterproposal that would have MetroPCS acquiring T-Mobile, with Deutsche Telekom receiving a 49% ownership interest in the combined company, \$10 billion in cash and \$7 billion in debt securities of the combined company, while stockholders of MetroPCS would receive no cash but instead would, in the aggregate, own 51% of the equity of the combined company. Retention by MetroPCS stockholders of a majority of the voting interest in MetroPCS was beneficial to MetroPCS stockholders and Deutsche Telekom because it would enable our existing debt to remain outstanding after the transaction because the change of control provisions under the agreements governing that debt would not be triggered and our low cost debt would not have to be refinanced. The proposal also contemplated that Deutsche Telekom might be permitted to sell down a portion of its ownership interest in the combined company at closing or shortly thereafter. MetroPCS management, JPMorgan and Credit Suisse discussed with the directors that this counterproposal was intended to convert the transaction contemplated by Deutsche Telekom's initial proposal, which envisioned Deutsche Telekom owning between 72% and 75% of the combined company and receiving an approximately \$4.3 billion cash payment and \$10.4 billion of combined company debt securities at closing, into a transaction whereby we would acquire T-Mobile and Deutsche Telekom would receive a larger cash payment and hold a reduced amount of intercompany debt from the combined company at closing, which would provide Deutsche Telekom with liquidity with respect to its T-Mobile investment. MetroPCS management and the MetroPCS board's financial advisors discussed with the MetroPCS board that the counterproposal would allow the combined company to take advantage of both (a) our capital structure by retaining our existing debt outstanding after closing because there would be no change of control and (b) additional third party debt capacity that JPMorgan and Credit Suisse believed would be available to the combined company to fund the larger cash payment. In connection with this discussion, the MetroPCS board requested more information from MetroPCS management on expected synergies from the transaction and projections for T-Mobile's business. The directors also emphasized that any future communication with Deutsche Telekom should make clear that MetroPCS was not for sale and was simply exploring whether a potential combination might be feasible on acceptable terms.

The MetroPCS directors met again on March 5, 2012, and MetroPCS management reported on T-Mobile's projections and its initial estimate of the expected synergies from a MetroPCS/T-Mobile combination. MetroPCS management preliminarily estimated that potential synergies could range between \$5.7 billion and \$8.7 billion, including as a result of MetroPCS not spending \$1.5 billion of its cash-on-hand that had been earmarked in the 2012 budget for spectrum acquisitions. The directors discussed various aspects of the synergies, including the time period required to realize the synergies and the likelihood of the synergies being realized. Following discussion and based on the projected synergies and projections, the directors authorized MetroPCS management to provide a counterproposal to Deutsche Telekom as previously discussed in the March 2, 2012 MetroPCS board meeting. On March 5, 2012, Mr. Linquist sent a letter to Mr. Obermann outlining MetroPCS's proposal.

On March 9, 2012, Messrs. Linquist and Carter met with Mr. Obermann and other senior executives of Deutsche Telekom in Bonn, Germany, to discuss MetroPCS's proposal. At the meeting, Deutsche Telekom discussed with the MetroPCS senior executives that Deutsche Telekom was seeking to sell certain of T-Mobile's tower assets. Deutsche Telekom proposed a counteroffer pursuant to which Deutsche Telekom would receive 63% of the ownership interest in the combined company assuming T-Mobile executed a transaction to sell its tower assets and Deutsche Telekom received the proceeds. MetroPCS proposed that Deutsche Telekom's voting interest in the combined company would be 49%, with the MetroPCS stockholders holding the remaining 51% voting interest, which Deutsche Telekom said it would consider. Further, the parties discussed that Deutsche Telekom could reduce its economic ownership interest in the combined company to 49% at a later stage. In addition, Deutsche Telekom proposed that (a) the combined company would commit to making a \$300 million annual distribution to stockholders, (b) a majority of the combined company's board would be appointed by

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MetroPCS stockholders other than Deutsche Telekom, (c) Deutsche Telekom would receive \$10 billion in cash at closing financed by fully committed third party debt of the combined company and (d) the combined company would issue \$7 billion in debt securities to Deutsche Telekom at closing on terms similar to the third party debt, to be refinanced by the combined company within three years after closing. Over the next several days, MetroPCS management discussed the Deutsche Telekom counteroffer with JPMorgan and Credit Suisse.

Also on March 9, 2012, a senior executive of Company F contacted Mr. Mark Stachiw, MetroPCS general counsel, and, referencing recent press reports regarding MetroPCS and Company G, inquired whether MetroPCS was for sale. Mr. Stachiw declined to acknowledge the accuracy of the press reports and stated that MetroPCS was not for sale at that time but that the MetroPCS board was always open to evaluating strategic alternatives. Later in March 2012, Mr. Linquist spoke with the chief executive officer of Company F, who conveyed that Company F was not interested in an acquisition of MetroPCS at that time.

On March 20, 2012, the MetroPCS directors held a special meeting to discuss the Deutsche Telekom counteroffer. After discussion and consultation with JPMorgan and Credit Suisse, the directors requested that MetroPCS management and the MetroPCS board's financial advisors discuss with them at a subsequent meeting additional financial aspects of the counteroffer to assist in their evaluation. The directors also examined the alternative of remaining a stand-alone company with the attendant prospects for obtaining additional spectrum and the relative merits and risks of remaining a stand-alone company versus engaging in a business combination transaction. In addition, Mr. Stachiw and Mr. Linquist reported on their respective discussions with representatives of Company F.

On March 21, 2012, Messrs. Linquist and Stachiw and the chairman of the board and another senior executive from Company C had a dinner meeting at the invitation of Company C. The Company C executives inquired whether the press reports regarding MetroPCS and Company G were true, whether MetroPCS was for sale and whether a potential transaction between Company C and MetroPCS would be possible on mutually acceptable terms. The senior executives of MetroPCS did not deny the press reports and indicated that MetroPCS was not for sale at that time but that we were in the process of evaluating strategic alternatives and that if Company C had a strategic alternative it wanted to propose, the senior executives of MetroPCS would bring it to the MetroPCS board. The chairman of the board of Company C conveyed to the MetroPCS senior executives that Company C would contact MetroPCS if Company C wanted to pursue the discussions further or propose a strategic alternative for the MetroPCS board to consider.

Beginning in March 2012 and extending through the summer of 2012, Mr. Linquist and other senior executives of MetroPCS engaged in conversations with the chief executive officer and other senior executives of another wireless company ( Company H ) regarding advanced wireless services, or AWS, and 700 MHz spectrum that Company H might be required to divest in connection with Company H's transaction with another company. We indicated to Company H that we were interested in purchasing such spectrum and that we had significant liquidity to do so, although we never extended a formal offer. Company H did not demonstrate any particular interest in selling the AWS spectrum to us. Ultimately Company H entered into an agreement to sell the spectrum to another company.

As a follow-up to the March 21, 2012 meeting, on March 23, 2012, the MetroPCS directors held another special meeting to discuss the Deutsche Telekom counteroffer. The directors discussed various financial aspects of the counteroffer with the MetroPCS board's financial advisors and the proposed economics of the transaction under both a scenario giving full effect to the estimated synergies and scenarios giving a reduced or no effect to the estimated synergies. After discussing various aspects of the valuation of the two companies, the directors authorized MetroPCS management to continue negotiations with Deutsche Telekom for a business combination pursuant to which (a) MetroPCS stockholders would retain between 40% and 45% of the ownership interest in the combined company, with the remainder of the ownership interest being held by Deutsche Telekom, (b) although Deutsche Telekom's equity interest would be over 50%, Deutsche Telekom's voting interest would not exceed 49% of the combined company and (c) Deutsche Telekom would not have the right to appoint a

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majority of the board members of the combined company. The directors and their advisors discussed that this structure would permit our existing low cost debt to remain in place after closing because no change of control provisions in the agreements governing the debt would be triggered, which would reduce the amount of debt to be financed at closing. The directors indicated they were generally in agreement with the other deal points previously proposed by Deutsche Telekom on March 9, 2012, but disagreed that the \$7 billion in debt securities to be issued to Deutsche Telekom should be required to be refinanced in three years. In addition, the directors agreed that the proceeds from the tower assets sale would be retained by Deutsche Telekom, subject to our review of and consent to the terms of the leases of the tower assets back to T-Mobile. In connection with the discussion of the potential transaction with Deutsche Telekom, the directors engaged in additional discussion regarding our strategic alternatives and the challenges facing us if we were to remain a stand-alone company, such as our difficulty in acquiring additional spectrum and competing against larger competitors with greater resources. In addition, Mr. Linquist reported on his contacts with Company C and Company H.

During the MetroPCS board meeting, the independent MetroPCS board members, comprising all directors other than Mr. Linquist, met in executive session. These directors discussed whether a special committee of the MetroPCS board should be formed to ensure that the negotiation process with Deutsche Telekom was conducted in the best interests of MetroPCS and the MetroPCS stockholders in light of the possibility that Mr. Linquist, a MetroPCS board member, and some members of MetroPCS management team could remain in senior positions with the combined company if an acquisition by MetroPCS of T-Mobile on the terms proposed by MetroPCS were to occur. Following the executive session, Mr. Linquist and other MetroPCS senior executives rejoined the board meeting, and Mr. James N. Perry, Jr. summarized the deliberations of the independent directors. He reported that, though the directors believed that the negotiations had been and would be conducted in the future in a manner favorable to MetroPCS and the MetroPCS stockholders, the directors determined that, in keeping with best corporate governance practices, they should establish a special committee consisting of all of the independent MetroPCS directors, with Mr. Perry being the chairman of the special committee, and that the establishment of such a special committee was in the best interests of MetroPCS and the MetroPCS stockholders. Consequently, the full MetroPCS board adopted resolutions establishing the special committee and granting the special committee the authority to, among other things, (a) evaluate, consider and respond to the potential transaction with Deutsche Telekom and any alternatives to such transaction, (b) monitor, direct and participate in the negotiations, (c) make or accept, reject or seek to modify the terms and conditions of the potential transaction with Deutsche Telekom or any alternatives to such transaction, (d) recommend to the full MetroPCS board whether the MetroPCS board should approve the potential transaction with Deutsche Telekom or any alternatives to such transaction and (e) engage, at our expense, the committee's own legal counsel and financial advisors.

Over the next several days, management of MetroPCS, JPMorgan and Credit Suisse discussed a potential counterproposal to Deutsche Telekom. On March 29, 2012, Messrs. Linquist and Carter met in person with Mr. Obermann and other senior executives of Deutsche Telekom to discuss terms and conditions for the potential transaction and proposed that Deutsche Telekom receive a 55% ownership interest in the combined company and MetroPCS stockholders retain a 45% ownership interest. In response, Mr. Obermann conveyed that Deutsche Telekom would accept no less than a 60% ownership interest in the combined company, but Deutsche Telekom would consider limiting Deutsche Telekom's voting interest to 49% of the voting interests in the combined company. However, MetroPCS and Deutsche Telekom had different expectations regarding the extent of Deutsche Telekom's consent rights with respect to actions of the combined company. Deutsche Telekom still contemplated that it would receive \$10 billion in cash at closing financed by fully committed third party debt of the combined company, the combined company would issue \$7 billion in debt securities to Deutsche Telekom at closing and Deutsche Telekom would retain all proceeds from the sale of T-Mobile's tower assets. The parties did not agree on the issue of whether the \$7 billion in debt securities issued to Deutsche Telekom would be required to be refinanced within three years after closing.

In addition, during this period, Mr. Perry, on behalf of the special committee, discussed the appointment of legal counsel and financial advisors for the special committee. After consultation with the other members of the special committee, Mr. Perry, on behalf of the special committee, engaged Akin Gump as the special

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committee's counsel based in part on that firm's prior role as independent legal counsel to the board during the discussions with Company G. In addition, Mr. Perry, on behalf of the special committee, engaged Evercore as the special committee's independent financial advisor based in part on Evercore's familiarity with the telecommunications industry in general, and with MetroPCS in particular. On behalf of the special committee, Akin Gump negotiated the terms of Evercore's engagement agreement. For a description of Evercore's compensation, see the section entitled "The Transaction" Opinion of the Financial Advisor to the MetroPCS Special Committee beginning on page 91.

On April 3, 2012, the MetroPCS directors met to discuss Deutsche Telekom's latest position on ownership in the combined company. Representatives of JPMorgan, Credit Suisse and Evercore summarized the terms of Deutsche Telekom's latest proposal, and the directors discussed the proposal with the MetroPCS board's and the special committee's financial advisors, including the proposed implied ownership ratio of the combined company based on various financial metrics. The directors also discussed other aspects of the proposed transaction, including the potential means to limit Deutsche Telekom's voting power to less than 50%, possible approaches to reduce Deutsche Telekom's ownership interest to less than 50% as soon as possible after closing, the terms of the debt securities to be issued to Deutsche Telekom and the combined company's annual dividend policy. In addition, the directors discussed the synergies that were likely to be created through the combination and the value for MetroPCS stockholders attributable to such synergies.

The special committee then met separately with its advisors to discuss the potential transaction. When the full MetroPCS board meeting reconvened, the special committee authorized management to proceed with the due diligence phase of the transaction on the basis of Deutsche Telekom's proposed terms of the 60/40 ownership ratio, \$10 billion of cash consideration to be paid to Deutsche Telekom funded by new third party debt of the combined company, \$7 billion of debt to be issued by the combined company to Deutsche Telekom, the limitation of Deutsche Telekom's voting interest to 49% of the combined company and Deutsche Telekom's inability to appoint a majority of the directors of the combined company. The special committee also instructed MetroPCS management to keep the special committee apprised of all developments in the potential transaction.

On April 5, 2012, Mr. Linquist discussed with Mr. Obermann the terms on which we were prepared to move forward with due diligence. Over the next two weeks, we exchanged due diligence request lists with Deutsche Telekom and worked on regulatory issues relating to the exchange of information.

On April 9, 2012, and through April 18, 2012, we sent drafts of the proposed transaction agreements prepared by Gibson Dunn to the MetroPCS special committee's legal and financial advisors for their input.

On April 18, 2012, Mr. Carter shared our first quarter financial results and initial revised long range forecast based on our first quarter financial results with senior executives of Deutsche Telekom. First quarter financial results included declines in net income of 63%, income from operations of 32% and adjusted EBITDA of 8% relative to the first quarter in the prior year, and the revised long range forecast showed markedly lower projected results. In addition, earnings per share for the first quarter dropped to \$0.06 per share from \$0.25 per share for the fourth quarter of 2011, a 76% decline. The first quarter financial results were significantly below analysts' expectations.

After taking into account the input of the special committee's advisors and JPMorgan and Credit Suisse, on April 19, 2012, we sent to Deutsche Telekom a proposed draft of a stock purchase agreement for the transaction and a term sheet setting forth other aspects of the proposed transaction.

We publicly announced our first quarter financial results on April 26, 2012, and the MetroPCS stock price dropped by approximately 16% over the next ten days.

On April 27, 2012, Mr. Langheim informed Mr. Carter that, due to our lower than anticipated first quarter results and the revised long range forecast, Deutsche Telekom was no longer interested in pursuing a transaction.

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on the economic terms previously discussed. Mr. Langheim also conveyed that Deutsche Telekom expected to retain consent rights with respect to certain actions of the combined company even if its voting interest in the combined company was less than 50% and that, if MetroPCS could not agree to grant these consent rights, Deutsche Telekom would have difficulty moving forward with a transaction. Mr. Carter shared Deutsche Telekom's reaction to our financial results with Mr. Linquist, who later that day contacted Mr. Obermann to request an in-person meeting to discuss the transaction in light of the first quarter results and revised long range forecast. On April 30, 2012, Messrs. Langheim and Carter talked again and agreed that the due diligence process should be put on hold pending further discussion and agreement between the parties on the economic terms of a potential transaction.

Over the next two weeks, MetroPCS management refined its long range forecast, and we exchanged financial information with Deutsche Telekom in an attempt to arrive at revised economic terms for a combination and discussed how the two companies should be valued. During these discussions, the proposed transaction changed substantially. Deutsche Telekom proposed that the ownership ratio in the combined company be adjusted significantly to 76% for Deutsche Telekom and 24% for the MetroPCS stockholders, with the MetroPCS stockholders to receive an aggregate cash payment of \$1.5 billion at the closing of the transaction, but that Deutsche Telekom would no longer be limited to a voting interest of 49%, Deutsche Telekom would be able to appoint a majority of the board of the combined company and Deutsche Telekom would determine the post-closing management composition of the combined company. As a result, according to the Deutsche Telekom proposal, the transaction would no longer be structured so that MetroPCS stockholders would control the combined company, and the transaction would trigger change of control provisions in certain of our existing debt agreements.

On May 16, 2012, Messrs. Linquist and Carter met with Mr. Obermann and other Deutsche Telekom senior executives in Boston, Massachusetts, to discuss the revised nature and terms of a potential transaction. At the meeting, Mr. Obermann referenced the approximately 30% decline in our stock price since Mr. Obermann's March 29, 2012 meeting with Messrs. Linquist and Carter and noted that T-Mobile had outperformed its budget during such period. Mr. Obermann communicated that Deutsche Telekom, in light of these changed circumstances, was revising its proposal to provide that MetroPCS stockholders would retain a 22.5% ownership stake in the combined company and receive \$1.5 billion in cash at the closing, Deutsche Telekom would receive economic and voting shares representing the remaining 77.5% interest in the combined company with no obligation to sell its shares, and Deutsche Telekom would appoint seven of nine directors to the board of the combined company (with the tenth director being the chief executive officer of the combined company) and have certain consent rights with respect to actions to be taken by the combined company. In addition, Mr. Obermann stated that Deutsche Telekom still desired that Mr. Linquist be named chairman and chief executive officer of the combined company and Mr. Carter be named chief financial officer of the combined company, and that the other senior leadership roles for the combined company be filled with the best alternatives from the ranks of the senior management of MetroPCS and T-Mobile. Mr. Obermann also indicated that, in light of our first quarter results and the downward adjustment to our long range forecast, Deutsche Telekom had determined to value MetroPCS based on analyst estimates of our 2012 financial performance rather than our internally generated forecast for 2012. The MetroPCS senior executives reacted negatively to the Deutsche Telekom economic proposal, and after considerable discussion at the meeting, Mr. Obermann revised his proposal and proposed that Deutsche Telekom would be willing to move forward with a deal that included a \$2 billion aggregate cash payment to MetroPCS stockholders at closing and MetroPCS stockholders retaining a 20% ownership stake in the combined company. Mr. Obermann also noted that Deutsche Telekom's proposal was conditioned upon Deutsche Telekom's obtaining third party refinancing of approximately \$15 billion of intercompany debt owed by T-Mobile to Deutsche Telekom to facilitate a liquidity event for Deutsche Telekom and that Deutsche Telekom would undertake such refinancing, including agreeing to the terms of the new debt, rather than MetroPCS. Finally, Mr. Obermann stated that Deutsche Telekom would not make any additional changes to its proposal and was willing to move forward only if we agreed to Deutsche Telekom's proposal in its entirety.

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On May 17, 2012, senior executives of MetroPCS met with senior executives of Company E at Company E's request and discussed whether the two companies should explore a strategic transaction, including a combination of their businesses. At the meeting, the senior executives discussed whether any discussions between MetroPCS and Company E regarding a potential combination of their operations would be worthwhile, and it was the consensus of the senior executives that such discussions would not be productive at that time.

On May 22, 2012, the MetroPCS directors discussed the updated proposal from Deutsche Telekom with JPMorgan, Credit Suisse and Evercore and the various benefits and risks of proceeding with a transaction with Deutsche Telekom versus pursuing other strategic alternatives or remaining a stand-alone company and each alternative's impact on stockholder value. The directors also discussed whether the Deutsche Telekom proposal truly represented Deutsche Telekom's final proposal as communicated by Mr. Obermann or whether it would be worthwhile for MetroPCS to make a counteroffer. After considerable discussion, the directors concluded that a counteroffer should be made to Deutsche Telekom on terms consisting of a 22.5% ownership stake for MetroPCS stockholders in the combined company and a \$2 billion cash payment to MetroPCS stockholders at closing. Mr. Linquist reported to the directors regarding the conversations with Company E, and the consensus of the directors was that further discussions with Company E were unlikely to be productive and could potentially complicate any potential transaction with Deutsche Telekom.

On May 25, 2012, Mr. Linquist spoke by telephone with Mr. Obermann and delivered the counteroffer approved by the MetroPCS board of 22.5% ownership of MetroPCS stockholders in the combined company plus the \$2 billion aggregate cash payment to MetroPCS stockholders.

On May 30, 2012, Messrs. Linquist and Obermann spoke by telephone, and Mr. Obermann conveyed that while Deutsche Telekom had some flexibility and could perhaps move to a 20.5% ownership interest for MetroPCS stockholders, Deutsche Telekom was unlikely to accept our counteroffer of 22.5%.

During this time, Messrs. Carter and Langheim had multiple conversations, and the parties considered presentations from several investment banking firms, regarding whether Deutsche Telekom could secure the commitments for third-party refinancing of the intercompany debt contemplated by its proposal and the terms of such financing and related commitments.

The MetroPCS board held its regular quarterly meeting on May 30, 2012, during which, among other things, Mr. Linquist updated the directors on the latest conversations with Deutsche Telekom. Over the next several weeks, senior executives and financial advisors of the MetroPCS board and Deutsche Telekom discussed the financing commitments that would be required to refinance the Deutsche Telekom/T-Mobile intercompany debt and the challenges presented by attempting to secure such financing.

On June 5, 2012, Wachtell, Lipton, Rosen & Katz, which we refer to as Wachtell Lipton, counsel to Deutsche Telekom, distributed to us and Gibson Dunn a draft business combination agreement and a term sheet outlining various aspects of proposed governance for the combined company reflecting Deutsche Telekom's proposal, which we provided to the special committee's advisors. The term sheet contemplated a governance structure for the combined company pursuant to which, among other things, Deutsche Telekom would have consent rights with respect to a number of specified actions by the combined company. On June 12, 2012, Mr. Stachiw and attorneys from Gibson Dunn and Wachtell Lipton discussed by telephone the legal issues presented in the draft business combination agreement. On June 14, 2012, Gibson Dunn distributed a revised draft of the business combination agreement to Deutsche Telekom.

On June 18, 2012, Messrs. Carter and Langheim met in Athens, Greece, and discussed the economic terms of the potential transaction further. Mr. Langheim indicated to Mr. Carter that, in a fundamental change from its prior proposal given Deutsche Telekom's previously stated interest in experiencing a liquidity event with respect to its T-Mobile investment, Deutsche Telekom was exploring the possibility that third party refinancing of T-Mobile's intercompany debt to Deutsche Telekom would not be a condition to closing the transaction due to

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unfavorable conditions in the credit markets; instead, Deutsche Telekom would convert all of its existing intercompany debt into new debt securities of the combined company and would receive no cash payment at closing. Messrs. Carter and Langheim discussed possible revised economic terms of the transaction in light of the refinancing issue, including that possibly MetroPCS stockholders could retain a 22.5% ownership interest in the combined company and receive a \$1.5 billion aggregate cash payment.

In June 2012, as part of our ongoing and occasional discussions with Company D regarding potential transactions, we participated in discussions with Company D and a substantial investor in Company D regarding potential strategic alternatives that would allow us to acquire spectrum from Company D or for Company D to be split between its investors and MetroPCS. These discussions continued thereafter from time to time but did not lead to an agreement by the time we executed the business combination agreement with Deutsche Telekom.

On June 19, 2012, Gibson Dunn discussed governance matters pertaining to the combined company with Wachtell Lipton and distributed to Wachtell Lipton a list of governance principles for use in the negotiations.

On June 20, 2012, a representative of Credit Suisse discussed with Mr. Langheim the rollover of the intercompany debt discussed by Messrs. Langheim and Carter in Athens. Mr. Langheim indicated that the financing matters he had discussed with Mr. Carter, which he said significantly changed the economics of the transaction for Deutsche Telekom because it would no longer receive a large cash payment at closing, were still under consideration by Deutsche Telekom.

On June 21, 2012, the MetroPCS directors held a special meeting to discuss the most recent developments in the negotiations with Deutsche Telekom. The MetroPCS directors and senior executives, together with the financial advisors for the MetroPCS board and the special committee, discussed whether the 22.5% / \$1.5 billion structure discussed between Messrs. Carter and Langheim constituted a firm proposal from Deutsche Telekom in light of the refinancing issue and, if so, whether the proposal represented a move backward in economic value for MetroPCS stockholders because, even though the ownership percentage had increased, the amount of the cash payment to MetroPCS stockholders had been reduced. The directors concluded that it was important to determine quickly whether the parties could resolve the open economic issues, particularly given Deutsche Telekom's statements regarding its concerns about the inability to refinance the intercompany debt, and whether the recent discussions between Messrs. Langheim and Carter represented a counterproposal from Deutsche Telekom. Mr. Linqvist agreed to contact Mr. Obermann and encourage him to agree to an in-person meeting where the parties could resolve the economic terms.

On June 22, 2012, Mr. Linqvist contacted Mr. Obermann and requested an in-person meeting to attempt to reach agreement on the economic terms of the proposed combination. Mr. Obermann responded that he was agreeable to a meeting. Mr. Obermann also indicated that, as a result of unfavorable conditions in the credit markets, the structure for the transaction previously contemplated, which provided that a significant amount of the Deutsche Telekom/T-Mobile intercompany debt was to be refinanced with third parties and Deutsche Telekom was to receive a substantial cash payment at closing, was no longer feasible and that the parties would need to work together to find an alternative structure that would permit Deutsche Telekom to experience a substantial liquidity event in connection with the transaction. The parties agreed to meet in person in Germany on July 9, 2012, to discuss further.

On June 25, 2012, Mr. Stachiw and attorneys from Gibson Dunn met with Mr. Axel Lütznier, in-house counsel at Deutsche Telekom, and attorneys from Wachtell Lipton in New York to discuss open issues under the proposed business combination agreement and relating to the governance of the combined company, including (a) the restrictions sought by Deutsche Telekom on the MetroPCS board's ability to engage in discussions with other potential acquirers after execution of the business combination agreement and to change its recommendation of the transaction with Deutsche Telekom, (b) Deutsche Telekom's view that we should not be permitted to terminate the business combination agreement in order to enter into an agreement with another party for a superior transaction prior to a stockholder vote, also known as a force-the-vote

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provision, (c) whether Deutsche Telekom would be required to pay a reverse break-up fee in the event the transaction could not close because of a regulatory impediment, (d) whether Deutsche Telekom would have, and the extent of, any Deutsche Telekom consent rights with respect to actions of the combined company, (e) the ability of either MetroPCS or Deutsche Telekom to obtain recourse post-closing for breaches of the business combination agreement and (f) the ability of Deutsche Telekom to sell a significant ownership stake in the combined company in the future without the other stockholders being entitled to participate in any control premium received in such a transfer. The parties discussed the issues at length, but they were unable to reach agreement on them. In addition, the parties acknowledged that the issues surrounding the refinancing of the Deutsche Telekom/T-Mobile intercompany debt and its implications for Deutsche Telekom's desire for a substantial liquidity event were significant and that further work and cooperation were necessary to resolve those issues. Mr. Lützner agreed to discuss the open issues with his colleagues at Deutsche Telekom and get back to Mr. Stachiw.

On July 5, 2012, Messrs. Stachiw and Lützner and attorneys from Gibson Dunn and Wachtell Lipton reconvened by telephone conference to discuss the major open issues in the transaction and Deutsche Telekom's responses to the issues raised by MetroPCS. In the discussion, Deutsche Telekom emphasized that, given its failed transaction to sell T-Mobile to AT&T, it wanted the maximum protections legally permissible in the business combination agreement to ensure that we would not be able to pursue alternative transactions or terminate the business combination agreement in favor of another transaction unless our stockholders failed to approve the Deutsche Telekom transaction. In addition, Deutsche Telekom sought a number of consent rights with respect to actions of the combined company, no reverse break-up fee for a regulatory failure, no post-closing indemnification and no formalized approval process for approval of combined company actions by the independent directors, other than as required by law or advisable in the judgment of the combined company's board of directors on a case-by-case basis. Finally, Deutsche Telekom argued that there should be no restrictions on its ability to sell its shares in the combined company or any requirement for it to afford the other stockholders an opportunity to participate in a significant sale and thereby participate in any resulting control premium.

On July 9, 2012, Messrs. Linquist and Carter met in person in Germany with Messrs. Obermann and Langheim and Mr. Timotheus Höttes, chief financial officer of Deutsche Telekom. Deutsche Telekom expressed that, in light of poor conditions in the financing markets, it was reluctantly willing to continue to be the lender under the Deutsche Telekom/T-Mobile intercompany debt and forego its desired liquidity event with respect to its T-Mobile investment in order to facilitate a transaction. As envisaged by Deutsche Telekom, the combined company would be capitalized with \$20.5 billion in debt, including \$3.5 billion of third-party debt to be raised by MetroPCS and fully committed at the signing of the business combination agreement with no back-stop from Deutsche Telekom, \$2.0 billion of existing MetroPCS senior notes that would remain outstanding with no back-stop from Deutsche Telekom and \$15.0 billion of debt owed by the combined company to Deutsche Telekom, which would contain market terms. Deutsche Telekom also proposed that MetroPCS stockholders would receive an aggregate cash payment of \$1.5 billion at the closing and retain a 22.5% ownership interest in the combined company, with Deutsche Telekom receiving a 77.5% ownership interest. In addition, Deutsche Telekom would retain all proceeds from the sale of T-Mobile's tower assets and all cash generated by T-Mobile prior to closing, and Deutsche Telekom's representation on the combined company's board would be proportionate to its ownership in the combined company. In addition, Deutsche Telekom again raised the concept of combining Company E with MetroPCS and T-Mobile concurrently with the combination of MetroPCS and T-Mobile, which we indicated we did not want to pursue in connection with the combination with T-Mobile.

On July 17, 2012, a senior executive of Company C contacted Mr. Stachiw, indicating that Company C was considering strategic alternatives and inquiring whether we would be interested in discussing a possible transaction with Company C. Mr. Stachiw conveyed that we were in the process of exploring strategic alternatives and if Company C made a proposal, Mr. Stachiw would convey it to the MetroPCS board. Over the next several days, the senior executive of Company C and Mr. Stachiw talked on several occasions, and the

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senior executive of Company C indicated that Company C was considering making a proposal to acquire MetroPCS on terms similar to the publicly rumored terms of the failed transaction between MetroPCS and Company G and that it would be helpful if Company C could have our 2012 budget and five year long range forecast. Mr. Stachiw indicated that he thought the MetroPCS board would be interested in considering such a proposal and would be meeting on July 24, 2012, but Company C should recognize that our stock was trading at a low price relative to its historical trading price and that the parties would need to execute a nondisclosure agreement before we could provide the requested information to Company C. The Company C senior executive also indicated that, if the requested information could be delivered promptly to Company C, he expected a proposal to be forthcoming later in the week.

On July 24, 2012, the MetroPCS directors conducted a telephone conference with JPMorgan, Credit Suisse and Evercore during which the financial advisors provided an update on the most recent Deutsche Telekom proposal. In particular, JPMorgan, Credit Suisse and Evercore described the proposed capital structure for the combined company, including potential terms for the debt securities to be issued by the combined company to Deutsche Telekom under its proposal. Mr. Stachiw described his conversations with the senior executive of Company C, and the directors discussed the possible offer from Company C and encouraged MetroPCS management to execute a nondisclosure agreement with Company C.

On that same day, we sent Company C a nondisclosure agreement containing a standstill that would terminate if we entered into, or publicly announced, a change of control transaction with a third party. After considerable negotiation, we entered into the nondisclosure agreement with Company C on July 31, 2012. Later that day, we sent our 2012 business plan and five year long range forecast to Company C.

On July 26, 2012, we announced our second quarter financial results, which included record-high adjusted EBITDA and strong performance in other financial metrics. In the next two days, the MetroPCS stock price climbed almost 44%.

Also on July 26, 2012, we executed an amendment to our engagement agreement with JPMorgan pursuant to which we agreed to pay a fee to JPMorgan equal to a percentage of the total consideration to be received by MetroPCS stockholders in any transaction with Deutsche Telekom.

The MetroPCS directors conducted a telephone conference on July 31, 2012. JPMorgan, Credit Suisse and Evercore discussed with the directors additional financial analysis regarding the latest Deutsche Telekom proposal, including Deutsche Telekom's intention to execute the sale of T-Mobile's tower assets as a prepaid lease transaction and its financial impact on the combined company. In particular, they discussed that Deutsche Telekom's proposed structure for the tower assets sale would result in the recording of an approximately \$2.4 billion financing obligation liability on the financial statements of the combined company, which might in the view of JPMorgan, Credit Suisse and Evercore adversely affect the expected market valuation and credit ratings of the combined company. Taking into account this new information regarding the expected structuring of the tower assets sale and its potential effect on the combined company's valuation and credit ratings, the directors discussed various alternative responses to the Deutsche Telekom proposal. The directors also discussed the potential offer from Company C, which had not been received. Ultimately the MetroPCS directors instructed MetroPCS management to obtain from Deutsche Telekom a 27.5% ownership interest in the combined company and \$1.5 billion in cash for the MetroPCS stockholders to reflect the consequences of the tower assets sale on the value and credit ratings of the combined company.

Later that day, Mr. Carter contacted Mr. Langheim by telephone and proposed a counteroffer of \$1.5 billion in cash and a 27.5% ownership interest in the combined company. Mr. Langheim responded that he did not believe Deutsche Telekom would agree to grant the MetroPCS stockholders more than a 25% ownership interest. Shortly thereafter, Mr. Linquist had a telephone conversation with Mr. Obermann in which Mr. Linquist relayed the counteroffer of \$1.5 billion and a 27.5% ownership interest. Mr. Obermann responded that Deutsche Telekom would agree to a compromise of \$1.5 billion and a 26% ownership interest. Mr. Linquist indicated that he would present that compromise to the MetroPCS board.

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The MetroPCS directors convened again on a conference call on August 3, 2012, and discussed Deutsche Telekom's response. JPMorgan, Credit Suisse and Evercore discussed the Deutsche Telekom proposal, and, after consulting with the MetroPCS board's and special committee's financial advisors, the MetroPCS directors authorized MetroPCS management to move forward with the transaction on the basis of the most recent proposal from Deutsche Telekom, conduct due diligence and negotiate the definitive agreements. On August 5, 2012, Mr. Carter contacted Mr. Langheim and communicated that the MetroPCS directors were prepared to move forward with the \$1.5 billion / 26% ownership interest transaction.

Also on August 3, 2012, we executed another engagement agreement with Credit Suisse with respect to the transaction with Deutsche Telekom which provided that Credit Suisse would receive a transaction fee based on a percentage of the enterprise value attributable to MetroPCS in any transaction with Deutsche Telekom.

On August 7, 2012, we received a written indication of interest from Company C stating that Company C was interested in acquiring MetroPCS for \$11 per share, payable 30% in cash and 70% in stock of Company C. The indication of interest was non-binding and subject to customary qualifications, including the need to conduct due diligence and negotiate definitive documentation for the transaction.

On August 10, 2012, the MetroPCS directors conducted a telephone conference to discuss the proposal from Company C. JPMorgan, Credit Suisse and Evercore discussed the Company C proposal and how it compared negatively to the proposed transaction with Deutsche Telekom on the basis of various financial metrics. In addition, the directors noted that the approximately \$1.2 billion of aggregate cash consideration offered by Company C was less than half of our projected year-end 2012 cash balance. Pursuant to the directors' instructions, later that day we responded to Company C in writing, stating that the proposal was timely because MetroPCS was currently evaluating other strategic options, but that the Company C proposal was not adequate, both in terms of absolute value as well as the cash consideration per share, particularly in light of MetroPCS' projected year-end cash balance, that we were open to Company C submitting an improved proposal, and that we were prepared to move quickly if an improved proposal that was attractive to the MetroPCS board was made.

Beginning in mid-August 2012, we and Deutsche Telekom engaged in customary due diligence, granting each other and our respective representatives access to electronic data rooms containing additional confidential materials regarding various business, financial, legal, regulatory, employee benefits and other matters regarding our respective businesses. We continued to exchange information and hold conference calls for due diligence purposes during the next six weeks.

On August 14, 2012, a senior executive of MetroPCS contacted a senior executive of Company G to discuss the Company G senior executive's publicly announced impending departure from Company G. In their conversation, the Company G senior executive told the MetroPCS senior executive that Company G was evaluating whether to make a proposal to acquire MetroPCS. The senior executive of Company G indicated that in his view the reasons for Company G's decision not to proceed with its proposed acquisition of MetroPCS earlier in the year were no longer applicable and that he was advocating to the board of Company G that Company G make an offer to acquire MetroPCS. The MetroPCS senior executive stated that it was important that any such offer be made very soon because we were considering a variety of alternatives. The Company G senior executive indicated that if Company G determined to make an offer, Company G could deliver its proposal to MetroPCS before the end of September.

On August 14, 2012, Wachtell Lipton distributed a revised draft of the business combination agreement and a draft of a stockholder's agreement between MetroPCS and Deutsche Telekom, which we distributed to the special committee's advisors. Wachtell Lipton and Gibson Dunn proceeded to negotiate aspects of the agreements over the following weeks. On August 22, 2012, Gibson Dunn sent to Wachtell Lipton a list of significant issues arising under the business combination and stockholder's agreements, which we distributed to the special committee's advisors. In general, the same major issues that had previously been discussed by the lawyers at their June 25, 2012 meeting in New York remained outstanding.

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On August 22, 2012, Mr. Carter spoke with a senior executive of Company C, who asked questions concerning our response to Company C's written indication of interest. The Company C senior executive indicated that Company C would discuss a potential revised offer for MetroPCS further internally and respond if Company C was interested in pursuing the matter further. In the conversation, the Company C senior executive noted the significant recent increase in our stock price and indicated that the increased stock price would likely make it more difficult for Company C to make an offer that would be acceptable to the MetroPCS board.

On August 23, 2012, Mr. Obermann informed Mr. Linquist that Deutsche Telekom had undertaken a search for a chief executive officer for T-Mobile and that the search had identified an individual for the position, but until the employment agreement was finalized, the individual's identity would remain confidential. At that time, Mr. Obermann expressed the desire to have Mr. Linquist become the non-executive chairman of the board of the combined company. Mr. Linquist indicated he would consider Mr. Obermann's proposal, but he was inclined not to accept it. Mr. Obermann also indicated to Mr. Linquist that Deutsche Telekom remained interested in having Mr. Carter be the chief financial officer of the combined company.

On August 27, 2012, Mr. Linquist spoke to the chairman of the board of Company C to determine Company C's interest in making an improved offer. The chairman of the board of Company C responded that he was focused on other business matters, but Company C was considering whether to submit an improved offer and understood our timing constraints.

On August 30, 2012, the MetroPCS board held its regular quarterly board meeting during which, among other things, it discussed the progress of the Deutsche Telekom transaction. The legal advisors reported on the major outstanding issues under the business combination and stockholder's agreements. Mr. Linquist reported on his conversation with the chairman of the board of Company C. To ensure that we would not forgo any superior opportunity by entering into a business combination transaction with Deutsche Telekom, the MetroPCS directors determined that Company G, which was viewed as the most likely alternative buyer to Deutsche Telekom, particularly in light of the recent conversation with the Company G senior executive, should be contacted to determine whether it was interested in making an offer to acquire MetroPCS and to emphasize further the importance of making any proposal quickly. There was also discussion regarding whether to contact Company F, but the consensus was that Company F was not interested in acquiring MetroPCS. Mr. Linquist also shared with the MetroPCS directors in executive session that Deutsche Telekom had selected a chief executive officer for T-Mobile and that Mr. Obermann had asked Mr. Linquist to be the non-executive chairman of the board of the combined company. Mr. Linquist indicated that he was considering declining any appointment to be the non-executive chairman of the board of the combined company, but the MetroPCS directors asked Mr. Linquist to reconsider, which he agreed to do. Mr. Linquist also advised the MetroPCS directors that Deutsche Telekom had indicated it wanted Mr. Carter to be the chief financial officer of the combined company.

On August 31, 2012, a member of the MetroPCS special committee contacted a Company G board member who was the chairman of Company G's finance committee and relayed that we were examining our strategic alternatives and were likely to make a decision in the near term. The Company G board member echoed what the senior executive of Company G previously had told the senior executive of MetroPCS regarding Company G's previously withdrawn proposal and further indicated that Company G was considering whether to make an offer to acquire MetroPCS.

On September 5, 2012, senior executives of MetroPCS and Deutsche Telekom, attorneys from Gibson Dunn and Wachtell Lipton, Deutsche Telekom's financial advisor, JPMorgan and Credit Suisse met in New York to conduct in-person negotiations regarding material transaction issues. The major issues under the business combination agreement included (a) a potential purchase price adjustment based on any deviation in T-Mobile's working capital, capital expenditures or marketing and subscriber acquisition costs from targeted amounts, (b) matters relating to the timing of filing the proxy statement and holding the MetroPCS stockholders meeting, (c) provisions limiting the ability of the MetroPCS board to pursue other transactions, terminate the business

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combination agreement to accept another proposal, and change its recommendation in favor of the Deutsche Telekom transaction, including the force-the-vote provisions, (d) conditions that were required to be satisfied in order for closing to occur, (e) whether there would be a reverse break-up fee payable by Deutsche Telekom to us in the event of a regulatory impediment to closing, (f) the amount of the termination fee payable by us to Deutsche Telekom under certain circumstances and (g) whether the business combination agreement would provide for post-closing indemnification for breaches of the agreement. Under the stockholder's agreement, the primary issues related to the extent of Deutsche Telekom's consent rights and Deutsche Telekom's ability to sell a large number of shares in the combined company without requiring that the other stockholders be given the opportunity to participate in the sale and thereby participate in any resulting control premium. The parties also began to negotiate the specific terms of the combined company's debt to be issued to Deutsche Telekom, a major commercial issue.

On September 10 and 11, 2012, Messrs. Linquist, Carter and Keys met with Messrs. Obermann, Langheim and Höttges and other senior executives of Deutsche Telekom in Bonn, Germany, to discuss potential business plans for the combined company and the governance framework for the combined company. At this meeting, Deutsche Telekom reported that it had hired a chief executive officer for T-Mobile and planned for him to serve as the chief executive officer of the combined company. Deutsche Telekom stated that it wanted Mr. Carter to be the chief financial officer of the combined company and Mr. Linquist to be the non-executive chairman of the board of the combined company and that it could not guarantee Mr. Keys a position with the combined company because it wanted the new chief executive officer to make decisions regarding the other members of the management team. Mr. Linquist indicated that he was not interested in being the non-executive chairman of the board of the combined company, but Mr. Obermann asked that Mr. Linquist reconsider, which he agreed to do. At this meeting, the parties also agreed that they would work to complete negotiations of the business combination agreement so that the transaction could be announced in the first week of October.

On September 13, 2012, the MetroPCS directors met by telephone to discuss developments from the meeting with Deutsche Telekom in Germany. Mr. Linquist reported that the parties made plans to meet again in New York in the following week with the goal of resolving major open issues at that time. During the executive session of the meeting, Mr. Linquist reiterated his position regarding the non-executive chairman's role with the combined company, and he further reported that, in addition to Deutsche Telekom's stated interest in naming Mr. Carter as the chief financial officer of the combined company, it had indicated that Mr. Keys might also have a senior leadership role but had not guaranteed him a position.

Senior executives, including Messrs. Linquist, Carter, Keys and Stachiw from MetroPCS and Messrs. Obermann, Langheim and Höttges from Deutsche Telekom, and legal teams for MetroPCS and Deutsche Telekom met again in New York on September 20, 2012, along with the newly appointed chief executive officer of T-Mobile. At the meeting, we negotiated and ultimately resolved major outstanding issues under the business combination and stockholder's agreements. Among other things, we and Deutsche Telekom agreed to (a) a one-way purchase price adjustment payable by Deutsche Telekom to the combined company in the event there was a shortfall in T-Mobile's working capital, capital expenditures or marketing and subscriber acquisition spending relative to targeted amounts, (b) grant MetroPCS the right under certain circumstances to delay its stockholders meeting, (c) grant MetroPCS more flexibility to consider other transactions and change its recommendation in favor of the Deutsche Telekom transaction but not permit MetroPCS to terminate the business combination agreement to enter into a superior proposal, (d) eliminate closing conditions relating to Deutsche Telekom's obtaining financing, (e) include a reverse break-up fee payable by Deutsche Telekom to MetroPCS in the event of a regulatory impediment to closing, (f) the amount of the termination fee payable by MetroPCS to Deutsche Telekom under certain circumstances, (g) not provide for post-closing indemnification for breaches of the agreement, (h) limit Deutsche Telekom's consent rights with respect to the combined company's operations post-closing, (i) include a provision in the stockholder's agreement providing that, in the event that Deutsche Telekom transferred 30% or more of its shares of the combined company to a transferee, Deutsche Telekom would require the transferee to make an offer to acquire all of the shares of the combined company not

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held by Deutsche Telekom on the same terms, (j) include a standstill provision in the stockholder's agreement whereby Deutsche Telekom could not acquire more than 80.1% of the combined company without making an offer to acquire the remainder of the combined company and (k) the terms of Deutsche Telekom's covenant not to compete with the combined company. In addition, at the meeting, Deutsche Telekom stated that it had agreed to back-stop the issuance of notes to refinance our \$2.5 billion credit facility and, if needed, to satisfy change in control put obligations in connection with our \$2.0 billion of outstanding senior notes. Deutsche Telekom also agreed to back-stop an additional \$1.0 billion of new senior notes issuable by MetroPCS on or before closing and to provide a \$500 million working capital facility to the combined company. Mr. Obermann again raised with Mr. Linquist the question of whether Mr. Linquist would serve as non-executive chairman of the board of the combined company, and Mr. Linquist declined. Mr. Obermann then requested that Mr. Linquist serve as a director of the combined company, which Mr. Linquist said he would consider.

Over the next two weeks, we and Deutsche Telekom and our respective representatives worked to complete mutual due diligence and finalize the terms of the business combination agreement, stockholder's agreement, the other acquisition-related agreements and the financing-related documents. In addition, we and Deutsche Telekom and our respective representatives met to discuss and negotiate terms of the combined company's debt.

On September 24, 2012, we provided drafts of the business combination and stockholder's agreements to the MetroPCS special committee and its financial and legal advisors.

On September 25, 2012, the MetroPCS directors met by telephone to discuss the most recent developments in negotiations with Deutsche Telekom and to discuss with the MetroPCS board's and the special committee's financial advisors the financial aspects of the transaction. In addition, Ernst & Young, which we had engaged to assist with the due diligence investigation of T-Mobile, delivered a detailed presentation of its findings to the directors. Akin Gump reviewed for the directors their fiduciary duties in connection with the proposed transaction. During a separate special committee meeting, the special committee discussed with Evercore in greater detail the terms of the proposed transaction and the proposed management of the combined company.

On September 26, 2012, Mr. Linquist called Mr. Obermann and told him that he had considered the offer to be a director but had decided to decline. However, Mr. Linquist indicated that if Mr. Obermann wanted Mr. Linquist to be available to assist with matters relating to the combined company post-closing, he would agree to a mutually acceptable consulting arrangement, but the terms of such consulting agreement were not discussed.

On September 29, 2012, we provided updated drafts of the business combination and stockholder's agreements, the amended and restated certificate of incorporation, the bylaws and the T-Mobile disclosure letter to the business combination agreement to the MetroPCS special committee and its financial and legal advisors. In addition, the parties met in New York to try to reach agreement on the commercial terms of the combined company's debt and the terms on which Deutsche Telekom would backstop certain financing transactions.

On October 2, 2012, various news outlets began reporting on a possible transaction involving Deutsche Telekom, T-Mobile and MetroPCS. In response to these reports, we and Deutsche Telekom and MetroPCS issued separate press releases confirming that discussions regarding such a transaction were occurring.

Also on October 2, 2012, we entered into an agreement with JPMorgan pursuant to which we agreed to pay JPMorgan a cash fee upon completion of the transaction with T-Mobile as consideration for JPMorgan's services evaluating various financing structures with respect to the transaction with T-Mobile and other transactions considered by MetroPCS.

Also on October 2, 2012, the parties reached agreement on the commercial terms of the combined company's debt and the terms on which Deutsche Telekom would backstop certain financing transactions.

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On the evening of October 2, 2012, the MetroPCS board and special committee met in person in New York to consider the final terms of the transaction with Deutsche Telekom. Representatives of MetroPCS management, JPMorgan, Credit Suisse, Evercore, Gibson Dunn and Akin Gump attended the meeting. Following some preliminary business, the MetroPCS board meeting was recessed to allow the special committee meeting to occur. Akin Gump opened the special committee meeting with a review for the directors of their fiduciary duties in the context of the proposed transaction. Management of MetroPCS then delivered a detailed report on T-Mobile's business. The special committee also discussed in detail the potential synergies from the combination with T-Mobile, as estimated by MetroPCS management to be \$6.7 billion of operational and capital synergies, with the opportunity for an additional approximately \$800 million of other synergies, including that the full realization of the synergies would take a number of years due to the time required to decommission our network and move our customers to the combined company's network. MetroPCS management also reviewed our long range forecast and the assumption that we would spend \$1.5 billion on spectrum acquisitions in 2012 if we remained a stand-alone company. JPMorgan and Credit Suisse also described to the special committee the financing arrangements for the transaction, including the material terms of the financing and the material steps to be accomplished to complete the financing. Gibson Dunn reviewed the material terms of the business combination agreement, stockholder's agreement and other material transaction documents. The directors on the special committee also received a summary of matters that arose in our due diligence investigation of T-Mobile. Evercore explained its analysis of the transaction to the special committee and rendered its oral opinion, subsequently confirmed in writing, that as of the date of the opinion and based on and subject to the assumptions, qualifications and limitations on the scope of the review undertaken by Evercore as discussed in its opinion, the transaction was fair, from a financial point of view, to MetroPCS and the MetroPCS stockholders (other than Deutsche Telekom and its affiliates).

During the special committee meeting, a senior executive of Company G contacted a senior executive of MetroPCS, and they engaged in a conversation by telephone. In that conversation, the senior executive of Company G conveyed that Company G was working on a transaction that would result in a large new investment of capital in Company G and that the Company G board was scheduled to hold a meeting at the end of the week, at which it would consider whether to move forward with a proposal to acquire MetroPCS. The senior executive of Company G also explained that, if the Company G board decided to move forward with an acquisition of MetroPCS, it would take several weeks for Company G to prepare a proposal. The Company G senior executive then mentioned that he had seen the recent news reports regarding a potential combination between MetroPCS and T-Mobile and hoped such a transaction would not occur, but, if MetroPCS did enter into an agreement to be acquired, he hoped any break-up fee payable by MetroPCS to pursue an alternative transaction would be reasonable.

The special committee then met in executive session with Akin Gump, Evercore and selected senior executives of MetroPCS. The senior executive of MetroPCS who had talked to the Company G senior executive earlier in the evening then summarized the telephone call for the special committee. The directors asked questions regarding the conversation and whether the MetroPCS board should wait for an offer that might come from Company G in lieu of approving the transaction with Deutsche Telekom. The directors weighed the fully negotiated transaction with Deutsche Telekom against the possibility of an offer from Company G, particularly in light of Company G's previous decision earlier in the year not to move forward with an acquisition of MetroPCS and the directors' conclusion that the termination fee in the business contribution agreement was reasonable. The directors also discussed MetroPCS's prospects as a stand-alone company and the absence of any alternative transactions known to the MetroPCS directors, management or their advisors that would be reasonably likely to result in a value to MetroPCS stockholders in excess of the value presented in the Deutsche Telekom transaction (including as a result of the outreach to other potentially interested parties that had previously occurred). At the conclusion of the presentations and related discussions, the special committee unanimously recommended that the MetroPCS board approve the transaction. Following receipt of this recommendation from the special committee, the MetroPCS board meeting was reconvened and the MetroPCS board unanimously approved the transaction with Deutsche Telekom and recommended that the MetroPCS stockholders vote FOR the proposals contained in this proxy statement.

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After the conclusion of the MetroPCS board meeting and the meeting of Deutsche Telekom's supervisory board, which also approved the transaction, MetroPCS and Deutsche Telekom executed the business combination agreement on the morning of October 3, 2012. Also on the morning of October 3, 2012, MetroPCS and Deutsche Telekom issued a joint press release announcing the execution and delivery of the business combination agreement.

### **Reasons for the Transaction; Recommendation of the MetroPCS Board and the Special Committee**

As described in Background of the Transaction, the MetroPCS board carefully evaluated our competitive position and determined that the acquisition of additional spectrum was critical to meet increasing customer demands for data services, continue customer growth, maintain quality of service, allow the deployment of new technologies and enhance stockholder value. In response to the MetroPCS board's directives, MetroPCS management attempted over the past four years to acquire a meaningful amount of spectrum to both expand MetroPCS' licensed area and to increase the amount of spectrum in its existing service areas. However, MetroPCS was unable to acquire a meaningful amount of additional spectrum and has concluded that it faces limited prospects in the future for the acquisition of significant additional spectrum from third parties or FCC spectrum auctions. In light of these circumstances, the MetroPCS board evaluated the combination with T-Mobile, which would substantially increase MetroPCS' spectrum assets and improve its competitive position. In evaluating whether to recommend that you vote for the proposals and whether MetroPCS should enter into the business combination agreement and the transaction, including the MetroPCS stock issuance and the new certificate of incorporation, the MetroPCS board, including the special committee, consulted with MetroPCS management and its legal, financial and other advisors, and also considered numerous factors, including the following factors that each of the MetroPCS board and the special committee viewed as supporting its decision to approve the business combination agreement and the transaction:

the implied value of the consideration to be received by the MetroPCS stockholders, calculated with the assistance of its financial advisors, which represents a compelling valuation for MetroPCS and its stockholders;

the MetroPCS stockholders receiving in the aggregate \$1.5 billion (or approximately \$4.08 per share calculated on a pre-reverse stock split basis), allowing the MetroPCS stockholders an opportunity to realize certain value for a significant portion of their investment immediately upon completion of the transaction;

the MetroPCS equityholders immediately prior to the completion of the transaction collectively continuing to own 26% of the fully-diluted MetroPCS common stock (before taking into account any stock options that are subsequently cashed out in connection with the transaction) immediately upon completion of the transaction, allowing the MetroPCS stockholders to participate in any future earnings or growth of the combined company, synergies and cost savings, and future appreciation in the value of the combined company's common stock;

Deutsche Telekom's agreement to provide the financing in connection with the transaction, as more fully described under the caption Summary of the Financing beginning on page 112;

the creation, by combining MetroPCS and T-Mobile, of a leading value carrier in the U.S. wireless telecommunications industry that will benefit from its increased size and resources, including benefits from a more diverse customer base, increased spectrum assets, network coverage and capacity and improved marketing and purchasing scale;

the expectation that the combined company will roll out an LTE network that includes at least 20x20 MHz in a number of major metropolitan areas;

the complementary nature of MetroPCS' and T-Mobile's networks and spectrum assets that will facilitate the migration of MetroPCS' subscribers onto T-Mobile's network and, once combined, create a nationwide network footprint and greater customer value and choice;



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management's estimate, consistent with Deutsche Telekom's and T-Mobile's estimate, that the transaction could result in between \$6 billion and \$7 billion in cost synergies;

the combined company having a highly experienced management team with extensive experience in the wireless telecommunications industry, and the combined company being able to draw upon the intellectual capital, technical expertise and experience of a deeper and more diverse workforce;

the expectation that the combined company would have an attractive growth profile and increased financial flexibility and continuing access to public capital markets;

MetroPCS might initially appoint at least two directors to the combined company's board of directors and the expectation that two executive officers of MetroPCS will be executive officers of the combined company, which may facilitate continuity between MetroPCS and the combined company;

the MetroPCS board's and the special committee's belief that the transaction is more favorable to the MetroPCS stockholders than the alternatives to the transaction, including remaining a stand-alone company, which belief was based on the MetroPCS board's and the special committee's review, with the assistance of its financial advisors, of the strategic alternatives available to MetroPCS after the MetroPCS board's, the special committee's and management's discussions with other likely acquirers, as more fully described under the section entitled "Background of the Transaction" beginning on page 64;

the MetroPCS board's and the special committee's understanding of the business, operations, financial condition, earnings and prospects of MetroPCS, including the challenges faced by MetroPCS in acquiring spectrum assets necessary to be a viable stand-alone company and MetroPCS's other challenges and risks as a stand-alone company, as more fully described under the section entitled "The Transaction" "Background of the Transaction" beginning on page 64;

the presentation to the special committee on October 2, 2012, and financial analysis reviewed therewith, of Evercore, and the opinion, dated October 2, 2012 of Evercore, addressed to the special committee in its capacity as such, to the effect that, as of that date and based on, and subject to, assumptions made (including the payment by MetroPCS to its stockholders of the cash payment), matters considered and limitations on the scope of review undertaken by Evercore as set forth therein, the MetroPCS stock issuance equal to 74% of the fully-diluted shares of MetroPCS common stock outstanding immediately following the cash payment in consideration for the acquisition by MetroPCS from a subsidiary of Deutsche Telekom of the T-Mobile shares, is fair, from a financial point of view, to MetroPCS and its stockholders (other than Deutsche Telekom and its affiliates) as more fully described in the section entitled "The Transaction" "Opinion of the Financial Advisor to the MetroPCS Special Committee" beginning on page 91;

the likelihood that the transaction would be completed, based on, among other things:

the MetroPCS board's and the special committee's belief, after consultation with its internal and outside legal counsel, that the transaction is likely to receive necessary regulatory approvals without material adverse conditions within the outside date for termination of the business combination agreement;

the business combination agreement's provisions that, in the event of a failure of the transaction only for regulatory reasons, Deutsche Telekom will pay MetroPCS a \$250 million termination fee;

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Deutsche Telekom's inability to terminate the business combination agreement due to a decline in MetroPCS business, assets, liabilities, prospects, outlook, financial condition or results of operations unless such decline has a material adverse effect on us;

Deutsche Telekom's inability to pursue alternative acquisition proposals for T-Mobile under the business combination agreement;

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Deutsche Telekom's commitment to provide all necessary financing in order to complete the transaction pursuant to the terms of the business combination agreement and the fact that Deutsche Telekom does not have the ability to terminate the business combination agreement for a failure to obtain such financing;

MetroPCS's ability, under certain circumstances pursuant to the business combination agreement, to obtain specific performance to prevent breaches of the business combination agreement by Deutsche Telekom, Global, Holding or T-Mobile and to enforce specifically the terms of the business combination agreement, including Deutsche Telekom's obligations to provide financing in connection with the transaction;

the belief that the outside date (as defined in the business combination agreement) will likely allow sufficient time to complete the transaction; and

the strong commitment on the part of the parties to complete the transaction pursuant to their respective obligations under the terms of the business combination agreement;

the provisions of the business combination agreement allowing a recommendation change by the MetroPCS board if MetroPCS receives a superior proposal (as described in the section entitled "Summary of the Business Combination Agreement - No Solicitation of Alternative Proposals" beginning on page 142) from a third party or experiences an intervening event and if, in either case, the MetroPCS board determines that a failure to make a recommendation change would be reasonably likely to be inconsistent with its fiduciary obligations to MetroPCS and/or its stockholders under applicable law, subject to MetroPCS obligation to pay Deutsche Telekom a termination fee of \$150 million upon termination of the business combination agreement under certain circumstances;

the restrictions within the stockholder's agreement on Deutsche Telekom's ability to transfer any shares of the combined company's common stock for six months after the closing of the transaction or Deutsche Telekom's ability to transfer any shares of the combined company's common stock at any time after such period in any transaction that would result in the transferee owning 30% or more of the combined company's common stock unless such transferee offers to acquire all of the then outstanding shares of the combined company's common stock at the same price and on the same terms and conditions as the proposed transfer, thereby helping to ensure the public stockholders share the benefits of any sale-of-control transaction;

the provisions of the stockholder's agreement requiring that certain post-closing matters (including determinations with respect to working capital adjustments) will be made by the combined company's directors who are not affiliated with Deutsche Telekom;

the prohibition within the stockholder's agreement on Deutsche Telekom acquiring more than 80.1% of the outstanding shares of the combined company's common stock unless Deutsche Telekom were to make an offer to acquire all of the then remaining outstanding shares of the combined company's common stock at the same price and on the same terms and conditions as the proposed acquisition from all other stockholders of the combined company, thereby helping to ensure the public stockholders obtain a fair price in any squeezeout transaction;

the restrictions within the stockholder's agreement on Deutsche Telekom's ability to engage in certain competing activities with the combined company in the territory during the period beginning on the date of the closing of the transaction and ending on the date that is two years after the date on which Deutsche Telekom beneficially owns less than 10% of the outstanding shares of the combined company's common stock;

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the terms of the trademark license, including the provisions permitting the combined company to continue to use the T-Mobile trademarks, the exclusive nature of the license in the territory, the provision maintaining the royalty payment the same for five years, Deutsche Telekom's obligation

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to indemnify the company against trademark infringement claims with respect to certain licensed T-Mobile trademarks and the wind down period after termination or expiration of the trademark license;

the prohibitions in the business combination agreement against Deutsche Telekom asserting claims against the combined company or its subsidiaries regarding any intellectual property owned by Deutsche Telekom and used by T Mobile or any of its subsidiaries immediately prior to the closing date;

the restrictions within the stockholder s agreement on Deutsche Telekom s (and Deutsche Telekom s director designees ) ability to, support, enter into or vote in favor of any transaction between, or involving both (A) the combined company and (B) Deutsche Telekom or an affiliate of Deutsche Telekom, unless such transaction is approved by a majority of the directors on the combined company s board, which majority includes a majority of the directors on the combined company s board that are not affiliates of Deutsche Telekom;

the inclusion in the new certificate of incorporation of a number of provisions that are more favorable to stockholders than the comparable provisions in MetroPCS existing certificate of incorporation; for example, the new certificate of incorporation will provide for a declassified board, stockholder rights to call a special meeting and act by written consent, and a lower stockholder voting threshold to amend the combined company s bylaws;

the special committee s retention of independent legal and financial advisors; and

the contractual benefits that MetroPCS management and its advisors were able to obtain as a result of extensive negotiations with Deutsche Telekom, which the MetroPCS board and the special committee concluded reflected the best terms that Deutsche Telekom would be willing to provide at that time.

The MetroPCS board and the special committee also considered a variety of potentially negative factors in their deliberations concerning the business combination agreement and the transaction, including the MetroPCS stock issuance and the new certificate of incorporation, including the following:

forecasts of future results of operations and synergies are necessarily estimates based on assumptions, and that for these and other reasons there is a risk of not capturing anticipated operational synergies and cost savings between MetroPCS and T-Mobile and the risk that other anticipated benefits might not be realized;

because MetroPCS stockholders are receiving a significant amount of cash in the transaction, they will have a smaller ongoing equity participation in the combined company and, therefore, will receive less of the benefit of any synergies or any increase in the value of the combined company;

the amount of MetroPCS common stock to be issued to Holding or its designee in the transaction is a fixed percentage, meaning Deutsche Telekom s and the existing MetroPCS stockholders relative ownership of the combined company immediately following the closing may not reflect changes in the relative values of T-Mobile and MetroPCS between signing and closing;

the fact that certain of MetroPCS existing management team, including Roger D. Linquist, are not expected to continue as officers of the combined company;

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the substantial costs to be incurred in connection with the transaction, including the substantial cash and other costs of integrating the businesses of MetroPCS and T-Mobile, as well as the transaction expenses arising from the transaction and the delayed nature of the anticipated cost and capital expenditure savings and synergies of the transaction versus when the costs to create such cost and capital expenditure savings and synergies will be incurred by the combined company;

the substantial time and effort of management required to complete the transaction and related disruptions to the operations of MetroPCS business, and the risk of diverting management resources for an extended period of time to accomplish this combination;

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the potential adverse effect of the transaction on MetroPCS' business and relationships with employees, customers, suppliers, distributors, dealers, retailers, regulators and the communities in which it operates;

the risk that uncertainties about the completion of the transaction and contractual restrictions in the business combination agreement involving the operation of MetroPCS' business could disrupt MetroPCS' operations, limit its ability to take advantage of attractive opportunities, including purchasing spectrum and making changes to its business, or have an adverse effect on its business and results of operations;

the risk that governmental entities may not approve the transaction or may impose conditions on the parties to the business combination agreement in order to gain approval for the transaction that may adversely impact the ability of the combined enterprise to realize the synergies that are projected to occur in connection with the transaction;

the possibility that the transaction may not be completed, or that completion may be unduly delayed, for reasons beyond the control of the parties to the business combination agreement;

the \$150 million termination fee that MetroPCS may be required to pay to Deutsche Telekom under certain circumstances upon the termination of the business combination agreement;

the potential that the termination fee provisions of the business combination agreement and the requirement that the MetroPCS board call and hold the special meeting, regardless of whether or not the MetroPCS board has made a recommendation change, could affect a bona fide alternative proposal for MetroPCS;

the inclusion of the non-solicitation restrictions in the business combination agreement that could limit, in whole or in part, MetroPCS' ability to negotiate or enter into an alternative transaction;

the restrictions in the business combination agreement preventing MetroPCS from terminating the business combination agreement to accept a superior proposal until after the special meeting and only then if the MetroPCS stockholders do not approve the stock issuance proposal and the new certificate of incorporation proposal;

that Deutsche Telekom will be a controlling stockholder of the combined company immediately upon completion of the transaction, and will have approval rights with respect to certain actions of the combined company (see the section entitled "Summary of Ancillary Agreements - Stockholders' Agreement" beginning on page 154), each of which could have a negative impact on the combined company's stock price;

that Deutsche Telekom will own a substantial amount of the combined company's indebtedness, certain actions, including amendments and waivers with respect to the combined company's indebtedness and may be accomplished only if Deutsche Telekom consents to such action;

the combined company's lack of ownership of the T-Mobile trademarks and Deutsche Telekom's ability to terminate the trademark license under certain circumstances;

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that Deutsche Telekom's substantial equity and debt ownership in the combined company could cause it to take actions for its own benefit that could be adverse to the interests of the combined company's stockholders;

the absence of a contractual right of the combined company to make indemnification claims against Deutsche Telekom for the breach of any representations and warranties or covenants made by Deutsche Telekom or its subsidiaries in the business combination agreement;

the vesting of all outstanding annual cash performance awards, stock options and restricted stock for all directors, employees and officers of MetroPCS as a result of the transaction;

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the risks described in the sections entitled Risk Factors beginning on page 33 and Cautionary Note Regarding Forward-Looking Statements beginning on page 210; and

that MetroPCS directors and executive officers have interests in the transaction that may be different from, or in addition to, those of MetroPCS stockholders (see the section entitled Interests of MetroPCS Directors and Officers in the Transaction beginning on page 118).

This discussion of the information and factors considered by each of the MetroPCS board and the special committee in reaching its conclusions and recommendation includes the material factors considered by the MetroPCS board and the special committee, respectively, but is not intended to be exhaustive. In view of the wide variety of factors considered in connection with its evaluation of the transaction and the complexity of these matters, the MetroPCS board did not find it practicable, and it did not attempt, to quantify, rank or assign any relative or specific weights to the various factors that it considered in reaching its determination to approve the business combination agreement and the transaction and to recommend that MetroPCS stockholders vote in favor of the MetroPCS stock issuance and the new certificate of incorporation. The MetroPCS board and the special committee conducted an overall analysis of the factors described above, including through discussions with, and questioning of, MetroPCS management and outside legal, financial and other advisors regarding certain of the matters described above. In considering the factors described above, individual members of the MetroPCS board or the special committee may have given differing weights to different factors.

The MetroPCS board, acting upon the recommendation of the special committee, unanimously approved the business combination agreement and has determined that the transaction, including the MetroPCS stock issuance and the new certificate of incorporation, is appropriate, advisable and in the best interests of MetroPCS and its stockholders. **The MetroPCS board, acting upon the recommendation of the special committee, unanimously recommends that MetroPCS stockholders vote FOR the stock issuance proposal and FOR the new certificate of incorporation proposal.**

**Opinion of the Financial Advisor to the MetroPCS Special Committee**

In April 2012, Evercore was retained by MetroPCS on behalf of the special committee of the MetroPCS board to act as financial advisor to the special committee with respect to potential strategic transactions. On October 2, 2012, at a meeting of the special committee, Evercore delivered to the special committee an oral opinion, which opinion was confirmed by delivery of a written opinion dated October 2, 2012, to the effect that, as of that date and based on and subject to assumptions made (including the payment by MetroPCS to its stockholders of the cash payment), matters considered and limitations on the scope of review undertaken by Evercore as set forth therein, the MetroPCS stock issuance equal to 74% of the fully-diluted shares of MetroPCS common stock outstanding immediately following the cash payment (the shares of MetroPCS common stock to be so issued in the MetroPCS stock issuance being referred to as the business combination consideration) in consideration for the acquisition, which we refer to as the business combination, by MetroPCS from a subsidiary of Deutsche Telekom of the T-Mobile shares, is fair, from a financial point of view, to MetroPCS and its stockholders (other than Deutsche Telekom and its affiliates). A copy of Evercore's written opinion was also provided by the special committee to the MetroPCS board, in its capacity as such, in connection with the MetroPCS board's evaluation of the transaction and receipt of the special committee's recommendation to the MetroPCS board.

**The full text of Evercore's written opinion, dated October 2, 2012, which sets forth, among other things, the procedures followed, assumptions made, matters considered and limitations on the scope of review undertaken in rendering its opinion, is attached as Annex B to this proxy statement and is incorporated by reference in its entirety into this proxy statement. Evercore's opinion was directed to the special committee, in its capacity as such, and addresses only the fairness to MetroPCS and its stockholders (other than Deutsche Telekom and its affiliates), from a financial point of view, assuming payment of the cash payment, of MetroPCS issuance of the business combination consideration in consideration for the T-Mobile shares. The opinion does not address any other term or aspect of the**

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**business combination agreement or the transaction or any term or aspect of any other agreement or instrument contemplated by the business combination agreement or entered into or amended in connection with the transaction and does not constitute a recommendation to the special committee or to any other persons in respect of the business combination agreement or the transaction, including as to how any holder of shares of MetroPCS common stock should vote or act in respect of the business combination agreement or the transaction.**

In connection with rendering its opinion, Evercore, among other things:

reviewed certain publicly available business and financial information relating to MetroPCS and T-Mobile that Evercore deemed to be relevant;

reviewed certain non-public historical financial statements and other non-public historical financial and operating data relating to MetroPCS prepared and furnished to Evercore by the management of MetroPCS;

reviewed certain non-public historical financial statements and other non-public historical financial and operating data relating to T-Mobile prepared by the management of Deutsche Telekom and T-Mobile and furnished to Evercore by MetroPCS;

reviewed certain non-public projected financial data relating to MetroPCS prepared and furnished to Evercore by the management of MetroPCS;

reviewed certain non-public projected financial data relating to T-Mobile prepared by the management of Deutsche Telekom and T-Mobile, which we refer to as the T-Mobile management projected financial data, furnished to Evercore by MetroPCS as well as certain adjustments thereto made at the direction of MetroPCS management, or, as so adjusted, the adjusted T-Mobile projected financial data;

reviewed certain non-public projected operating data relating to MetroPCS prepared and furnished to Evercore by the management of MetroPCS;

reviewed certain non-public projected operating data relating to T-Mobile prepared by the management of Deutsche Telekom and T-Mobile, which we refer to as the T-Mobile management projected operating data, furnished to Evercore by MetroPCS as well as certain adjustments thereto made at the direction of MetroPCS management, or, as so adjusted, the adjusted T-Mobile projected operating data;

discussed the past and current operations, financial projections and current financial condition of MetroPCS and T-Mobile with the management of MetroPCS (including their views on the risks and uncertainties of achieving such projections);

discussed the past and current operations, financial projections and current financial condition of MetroPCS and T-Mobile with the management of Deutsche Telekom and T-Mobile (including their views on the risks and uncertainties of achieving such projections);

reviewed the amount and timing of the cost savings and operating synergies estimated by MetroPCS management to result from the business combination, which we refer to as the estimated synergies;

reviewed the amount, timing and use of certain tax attributes of the combined company as estimated by management of MetroPCS;

reviewed the reported prices and the historical trading activity of the MetroPCS common stock;

compared the financial performance of MetroPCS and its stock market trading multiples with those of certain other publicly traded companies that Evercore deemed relevant;

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reviewed certain valuation multiples relating to the business combination with those of certain other transactions that Evercore deemed relevant;

reviewed a draft of the business combination agreement dated October 1, 2012; and

performed such other analyses and examinations and considered such other factors that Evercore deemed appropriate.

For purposes of its analysis and opinion, Evercore assumed and relied upon, without undertaking any independent verification of, the accuracy and completeness of all of the information publicly available, and all of the information supplied or otherwise made available to, discussed with, or reviewed by Evercore, and Evercore assumed no liability therefor. With respect to the projected financial and operating data relating to MetroPCS, Evercore assumed that they had been reasonably prepared on bases reflecting the best available estimates and good faith judgments of management of MetroPCS as to the matters covered thereby. Evercore expressed no view as to any projected financial or operating data relating to MetroPCS or the assumptions on which they were based. With respect to T-Mobile management projected financial data and the T-Mobile management projected operating data, Evercore assumed that they had been reasonably prepared on bases reflecting the best available estimates and good faith judgments of management of Deutsche Telekom and T-Mobile as to the matters covered thereby. With respect to adjusted T-Mobile projected financial data and the adjusted T-Mobile projected operating data, Evercore assumed that the adjustments which MetroPCS management directed Evercore to make to the T-Mobile management projected financial data and the T-Mobile management projected operating data had been reasonably determined by MetroPCS management on bases reflecting the best available estimates and good faith judgments of management of MetroPCS as to the matters covered thereby. Evercore expresses no view as to any projected financial or operating data relating to T-Mobile (whether prepared by management of Deutsche Telekom or T-Mobile, or as adjusted at the direction of management of MetroPCS) or the assumptions on which they are based. Evercore also assumed that the estimated synergies were reasonably obtainable, were estimated on bases reflecting the best currently available estimates and good faith judgments of the future competitiveness, operating and regulatory environments and related financial performance of MetroPCS and T-Mobile and will be realized in the amounts and at the times indicated thereby. Evercore expressed no view as to the estimated synergies or the assumptions on which they were based. With respect to the amount, timing and use of the tax attributes of the combined company estimated by management of MetroPCS, Evercore assumed that such estimates are reasonable and will be realized, although Evercore expressed no view as to such estimates or the assumptions on which they were based. For purposes of Evercore's analysis and opinion, at the request of the special committee, Evercore relied on the projections prepared by the management of MetroPCS with respect to projected financial and operating data of MetroPCS, including the estimated synergies and estimates as to the amount, timing and use of tax attributes of the combined company, and on the adjusted T-Mobile projected financial data and the adjusted T-Mobile projected operating data.

For purposes of rendering its opinion, Evercore assumed that the executed business combination agreement will be the same in all respects material to its analysis as the draft dated October 1, 2012 reviewed by Evercore, that the representations and warranties of each party contained in the business combination agreement are true and correct, that each party will perform all of the covenants and agreements required to be performed by it under the business combination agreement and that all conditions to the completion of the transaction will be satisfied without material waiver or modification thereof. Evercore also assumed with the consent of the special committee that the terms of the Deutsche Telekom notes and the working capital revolving credit facility (including any fees payable to Deutsche Telekom in connection therewith) are on terms no less favorable to MetroPCS than could be obtained from an unaffiliated third party lender. Evercore further assumed that all governmental, regulatory or other consents, approvals or releases necessary for the completion of the transaction will be obtained without any material delay, limitation, restriction or condition that would have an adverse effect on MetroPCS, T-Mobile or the completion of the business combination or materially reduce the benefits to MetroPCS of the transaction.

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Evercore did not make or assume any responsibility for making any physical inspection, independent valuation or appraisal of the assets or liabilities of MetroPCS or T-Mobile, nor was Evercore furnished with any such valuation or appraisals, nor did Evercore evaluate the solvency or fair value of MetroPCS or T-Mobile under any state or federal laws relating to bankruptcy, insolvency or similar matters. In addition, Evercore assumed that the outcome of any current and pending litigation affecting MetroPCS or T-Mobile will not be material to its analysis. Evercore's opinion was necessarily based upon information made available to it as of the date of its delivery and financial, economic, market and other conditions as they existed and as could be evaluated as of such date. Evercore noted that subsequent developments may affect Evercore's opinion and that Evercore does not have any obligation to update, revise or reaffirm its opinion.

Evercore was not asked to pass upon, and expressed no opinion with respect to, any matter other than, assuming payment of the cash payment, whether MetroPCS's issuance of the business combination consideration in consideration for the T-Mobile shares is fair, from a financial point of view, to MetroPCS and its stockholders (other than Deutsche Telekom and its affiliates). Evercore did not express any view on, and its opinion did not address, any other term or aspect of the business combination agreement or the transaction or any term or aspect of any other agreement or instrument contemplated by the business combination agreement or entered into or amended in connection with the transaction, including, without limitation, (i) the fairness of the reverse stock split or of the cash payment or any other consideration to be received in connection therewith by the holders of MetroPCS common stock or any other securities or creditors or constituencies of MetroPCS, (ii) the terms of the Deutsche Telekom notes and the working capital revolving credit facility (including the amount and nature of the fees payable to Deutsche Telekom in connection therewith) or (iii) the fairness of the amount or nature of any compensation to be paid or payable to any of the officers, directors or employees of MetroPCS, or any class of such persons, whether relative to the reverse stock split, the cash payment, the business combination consideration or otherwise.

Evercore assumed that any modification to the structure of the transaction would not vary in any respect material to its analysis. Evercore's opinion does not address the relative merits of the transaction as compared to other business or financial strategies that might be available to MetroPCS, nor does it address the underlying business decision of MetroPCS to engage in the business combination or any other portion of the transaction, including the reverse stock split and the cash payment. In arriving at its opinion, Evercore was not authorized to solicit, and did not solicit, interest from any third party with respect to the acquisition of any or all of the MetroPCS common stock or other extraordinary transaction involving MetroPCS. Evercore's opinion does not constitute a recommendation to the special committee, the MetroPCS board or to any other persons in respect of the business combination agreement or the transaction, including as to how any holder of shares of MetroPCS common stock should vote or act in respect of the transaction. Evercore expressed no opinion as to the price at which shares of MetroPCS common stock will trade at any time. Evercore is not legal, regulatory, accounting or tax experts and has assumed the accuracy and completeness of assessments by MetroPCS, T-Mobile and their respective advisors with respect to legal, regulatory, accounting and tax matters. The issuance by Evercore of its opinion was approved by an Opinion Committee of Evercore.

***Summary of Evercore's Financial Analysis***

Set forth below is a summary of the material financial analyses conducted by Evercore and reviewed with the special committee on October 2, 2012, in connection with Evercore's opinion dated October 2, 2012.

Except as described above under the section entitled *Opinion of the Financial Advisor to the Special Committee*, the special committee imposed no instructions or limitations on Evercore with respect to the investigations made or the procedures followed by Evercore in rendering its opinion. Evercore's opinion was only one of many factors considered by the special committee in its evaluation of the transaction and should not be viewed as determinative of the views of the special committee, MetroPCS board or MetroPCS management with respect to the transaction or the business combination consideration. See the section entitled *The Transaction Reasons for the Transaction; Recommendation of the MetroPCS Board and the Special Committee* beginning on page 86.

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The business combination consideration was determined through negotiations between MetroPCS, Deutsche Telekom, Holding and T-Mobile and was approved by the special committee and the MetroPCS board. Evercore did not recommend any specific business combination consideration nor did it indicate that any given business combination consideration constituted the only appropriate business combination consideration.

In connection with the review of the transaction by the special committee, Evercore performed a variety of financial and comparative analyses, which are summarized below, for purposes of rendering its opinion. The preparation of a fairness opinion is a complex process and is not necessarily susceptible to partial analysis or summary description. Selecting portions of the analyses or of the summary described below, without considering the analyses as a whole, could create an incomplete view of the processes underlying Evercore's opinion. In arriving at its determination, Evercore considered the results of all the analyses summarized below and did not draw, in isolation, conclusions from or with regard to any one analysis or factor considered by it for purposes of its opinion. Rather, Evercore made its determination as to fairness on the basis of its experience and professional judgment after considering the results of all the analyses. In addition, Evercore may have considered various assumptions more or less probable than other assumptions, so that the range of valuations resulting from any particular analysis described above should therefore not be taken to be Evercore's view of the value of MetroPCS or T-Mobile. No company used in the analyses summarized below as a comparison is identical to MetroPCS or T-Mobile, and no transaction used is identical to the transaction. Accordingly, such analyses may not necessarily utilize all companies or transactions that could be deemed comparable to MetroPCS, T-Mobile or the business combination. Further, Evercore's analysis involves complex considerations and judgments concerning financial and operating characteristics and other factors that could affect the acquisition, public trading or other values of the companies or transactions used, including judgments and assumptions with regard to industry performance, general business, economic, market and financial conditions and other matters, many of which are beyond the control of MetroPCS, Deutsche Telekom or T-Mobile.

Evercore conducted the analysis summarized below for the purpose of providing an opinion to the special committee as to the fairness to MetroPCS and its stockholders (other than Deutsche Telekom and its affiliates), from a financial point of view, of MetroPCS's issuance of the business combination consideration in consideration for the T-Mobile shares, assuming payment of the cash payment. This analysis does not purport to be appraisals or to necessarily reflect the prices at which the business or securities of MetroPCS or T-Mobile actually may trade or be sold. Estimates contained in these analyses are not necessarily indicative of actual future results, which may be significantly more or less favorable than suggested by such estimates. Accordingly, estimates used in, and the results derived from, the analyses summarized below are inherently subject to substantial uncertainty, and Evercore does not assume any responsibility if future results are materially different from those forecasted in such estimates.

Except as otherwise noted, the following quantitative information, to the extent that it is based on market data, is based on market data as it existed on or before October 2, 2012, and is not necessarily indicative of current or future market conditions.

**The following summary of financial analyses includes information presented in tabular format. These tables alone do not constitute a complete description of the financial analyses and must be read together with the text of each summary in order to understand fully the financial analyses. Considering the tables below without considering the full narrative description of the financial analyses, including the methodologies and assumptions underlying the analyses, could create a misleading or incomplete view of such financial analyses.**

In conducting its analysis, Evercore used various methodologies to review the valuation of each of MetroPCS and T-Mobile on a stand-alone basis and MetroPCS and T-Mobile on a relative basis, to assess the fairness of the business combination consideration to be issued by MetroPCS in consideration for the T-Mobile shares, assuming payment of the cash payment. Specifically, Evercore conducted analyses of historical share price, research analyst price targets, selected publicly traded companies, selected precedent transactions,

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discounted cash flow, implied percentage ownership based upon selected publicly traded companies and discounted cash flow analyses, relative contribution to the combined company and has / gets analysis. However, Evercore only relied upon the analyses of implied percentage ownership based upon selected publicly traded companies and discounted cash flow analyses, relative contribution to the combined company and has / gets analysis for purposes of its opinion. For purposes of each valuation methodology applied to MetroPCS, Evercore assumed that MetroPCS will spend \$1.5 billion on spectrum in 2012. For purposes of each valuation methodology (other than the discounted cash flow analysis) applied to T-Mobile, Evercore included \$2.4 billion related to tower financing obligations in its calculation of net debt.

***Stand-Alone Valuation Analyses***

*Analysis of Selected Publicly Traded Companies Generally.* Evercore compared certain financial and operating information and commonly used valuation measurements for MetroPCS and T-Mobile to corresponding information and measurements for a group of five publicly traded comparable companies that participate predominantly in the wireless communications industry, referred to as the selected comparable companies, in order to derive implied per share equity value reference ranges for MetroPCS and T-Mobile. The selected comparable companies were:

Sprint

U.S. Cellular

Leap Wireless

Atlantic Tele-Network

nTelos

Evercore selected the companies listed above because, based on Evercore professional judgment and experience in the wireless communications industry, their businesses and operating profiles are relevant to that of MetroPCS. However, because of the inherent differences between the businesses, operations and prospects of MetroPCS and the businesses, operations and prospects of the selected comparable companies, no comparable company is exactly the same as MetroPCS. Therefore, Evercore believed that it was inappropriate to, and therefore did not, rely solely on the quantitative results of the comparable company analysis. Accordingly, Evercore also made qualitative judgments (as more fully explained in the subsequent sentence) based on its experience in the wireless communications industry concerning differences between the financial and operating characteristics and prospects of MetroPCS and the selected comparable companies that would affect the public trading values of each in order to provide a context in which to consider the results of the quantitative analysis. These qualitative judgments related primarily to the differing sizes, capital structures, growth prospects, profitability levels and degrees of operational risk of MetroPCS and the selected comparable companies.

Evercore reviewed, among other things, enterprise values, calculated as equity value based on closing stock prices on September 26, 2012, plus debt, preferred stock and minority interests, less cash and cash equivalents and investments, as a multiple of the estimated earnings before interest, taxes, depreciation and amortization, which we refer to as EBITDA, of the selected comparable companies for calendar years 2012 and 2013. Financial forecasts for MetroPCS and T-Mobile were based on (i) certain non-public projected financial data relating to MetroPCS prepared and furnished to Evercore by the management of MetroPCS and (ii) certain non-public projected financial data relating to T-Mobile prepared by the management of Deutsche Telekom and T-Mobile furnished to Evercore by MetroPCS as adjusted at the direction of MetroPCS management. Evercore also used publicly available information concerning historical and projected financial performance for the selected comparable companies, including published historical financial information and publicly available third-party research.

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*Analysis of Selected Publicly Traded Companies As Applied to MetroPCS.* Evercore then applied ranges of selected enterprise value to EBITDA (post stock-based compensation expense) multiples derived from the selected comparable companies (the mean and median of which was 5.3 and 5.5 respectively for 2012 Estimated EBITDA and 5.1 and 5.2 respectively for 2013 Estimated EBITDA) to corresponding financial data of MetroPCS based on certain non-public projected financial data relating to MetroPCS prepared and furnished to Evercore by the management of MetroPCS. The high and low of the relevant multiples derived for each of the selected comparable companies is reflected in the column of the chart titled *All selected comparable companies*. Based on the multiple ranges for the selected comparable companies, Evercore selected the range of multiples reflected in the column of the chart below titled *Selected Valuation Multiple Ranges for MetroPCS*, which Evercore judged, based on their financial advisory experience, to be most appropriate in order to perform their analysis of MetroPCS. This analysis indicated the following implied equity value per share valuation reference ranges for MetroPCS as presented below:

<b>Valuation Methodology</b>	<b>All Selected Comparable Companies</b>		<b>Selected Valuation Multiple Ranges for MetroPCS</b>		<b>Implied Equity Value per share Valuation Reference Range for MetroPCS</b>	
<b>Enterprise Value as a Multiple of:</b>						
2012 Estimated EBITDA	4.2	6.3x	5.0	6.5x	\$ 7.55	\$12.98
2013 Estimated EBITDA	4.2	5.6x	4.75	5.75x	\$ 7.01	\$10.71

*Analysis of Selected Publicly Traded Companies As Applied to T-Mobile.* In order to provide a basis for certain of the other analyses performed by Evercore and described below under *Relative Valuation Analyses*, Evercore then applied ranges of selected enterprise value to EBITDA multiples derived from the selected comparable companies (the mean and median of which was 5.3 and 5.5 respectively for 2012 Estimated EBITDA and 5.1 and 5.2 respectively for 2013 Estimated EBITDA) to corresponding financial data of T-Mobile based on information and projections provided by T-Mobile and Deutsche Telekom management as adjusted by MetroPCS management. Based on the multiple ranges for the selected comparable companies (the high and low of such multiples being reflected in the column of the chart below titled *All selected comparable companies*), Evercore selected the range of multiples reflected in the column of the chart below titled *Selected Valuation Multiple Ranges for T-Mobile* that Evercore judged, based on their financial advisory experience, to be most appropriate in order to perform their analysis of T-Mobile. This analysis indicated the following implied equity value reference ranges for T-Mobile:

<b>Valuation Methodology</b>	<b>All Selected Comparable Companies</b>		<b>Selected Valuation Multiple Ranges for T-Mobile</b>		<b>Implied Equity Value Valuation Reference Ranges for T-Mobile (\$ in millions)</b>	
<b>Enterprise Value as a Multiple of:</b>						
2012 Estimated EBITDA	4.2	6.3x	5.0	6.5x	\$ 7,843	\$15,416
2013 Estimated EBITDA	4.2	5.6x	4.75	5.75x	\$ 6,979	\$12,111

None of the selected comparable companies utilized as a comparison is identical to MetroPCS or T-Mobile. Accordingly, Evercore believes the analysis of publicly traded comparable companies is not simply mathematical. Rather, it involves complex considerations and qualitative judgments, reflected in Evercore's opinion, concerning differences in financial and operating characteristics and other factors that could affect the public trading value of the selected comparable companies to which MetroPCS and T-Mobile are compared.

*Discounted Cash Flow Analysis of MetroPCS.* As part of its analysis, and in order to estimate the implied present value of the equity value per share for MetroPCS, Evercore prepared a discounted cash flow analysis for MetroPCS.

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A discounted cash flow analysis is a valuation methodology used to derive a valuation of an asset by calculating the present value of estimated future cash flows to be generated by the asset. Present value refers to the current value of future cash flows or amounts and is obtained by discounting those future cash flows or amounts by a discount rate that takes into account macro-economic assumptions and estimates of risk, the opportunity cost of capital, expected returns and other appropriate factors. Evercore performed a discounted cash flow analysis for MetroPCS by adding (1) the present value of MetroPCS projected after-tax unlevered free cash flows for fiscal years 2013 through 2016 to (2) the present value of certain net operating losses of MetroPCS to (3) the present value of the terminal value of MetroPCS as of the end of fiscal year 2016. For each year, unlevered free cash flow was derived as follows: EBITDA plus certain non-cash adjustments less taxes less capital expenditures less changes in working capital, where changes in working capital can either be positive or negative. Terminal value refers to the value at a particular point in time of all future cash flows to be generated by an asset.

Evercore estimated a range of terminal values as of the end of fiscal year 2016 calculated based on multiples of 4.5x to 5.5x, which Evercore selected based on its professional judgment and experience in the wireless telecommunications industry. Evercore performed a discounted cash flow analysis using a range of discount rates from 8% to 9%. The discount rates were based on calculations of the weighted average cost of capital of MetroPCS, which Evercore derived based on MetroPCS estimated cost of equity (derived using the Capital Asset Pricing Model) and MetroPCS estimated cost of debt at an assumed target capital structure. Evercore calculated per share equity values by first determining a range of enterprise values of MetroPCS by adding the present values of the after-tax unlevered free cash flows, certain net operating losses and terminal values for each terminal value multiple and discount rate scenario, and then subtracting from the enterprise values the net debt, calculated as total debt minus cash and investments, of MetroPCS, and then dividing those amounts by the number of fully diluted shares of MetroPCS. Based on financial estimates provided by MetroPCS management, this analysis indicated the following implied per share equity value reference ranges for MetroPCS:

Valuation Methodology	Implied per Share Equity Value Reference Ranges for MetroPCS	
	Discounted Cash Flow Analysis	\$

*Discounted Cash Flow Analysis of T-Mobile.* In order to provide a basis for certain of the other analyses performed by Evercore and described below under Relative Valuation Analyses, Evercore prepared a discounted cash flow analysis for T-Mobile of after-tax unlevered free cash flows for fiscal years 2013 through 2016, using projections provided by T-Mobile and Deutsche Telekom management as adjusted by MetroPCS management. Evercore performed a discounted cash flow analysis for T-Mobile by adding (1) the present value of T-Mobile's projected after-tax unlevered free cash flows for fiscal years 2013 through 2016 to (2) the present value of certain net operating losses of T-Mobile to (3) the present value of the terminal value of T-Mobile as of the end of fiscal year 2016. For each year, unlevered free cash flow was derived as follows: EBITDA less certain tower lease related adjustments less taxes less capital expenditures less changes in working capital, whereas changes in working capital can either be positive or negative.

Evercore estimated a range of terminal values as of the end of fiscal year 2016 calculated based on multiples of 4.5x to 5.5x, which Evercore selected based on its professional judgment and experience in the wireless telecommunications industry. Evercore performed a discounted cash flow analysis using a range of discount rates from 8% to 9%. Evercore calculated equity values of T-Mobile by adding the present values of the after-tax unlevered free cash flows, certain net operating losses and terminal values for each terminal value multiple and discount rate scenario. Based on financial estimates provided by T-Mobile and Deutsche Telekom management as adjusted by MetroPCS management, this analysis indicated the following equity value reference ranges for T-Mobile:

Valuation Methodology	Equity Value Reference Ranges for T-Mobile (\$ in millions)	
	Discounted Cash Flow Analysis	\$

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*Implied Percentage Ownership Analysis.* Based on the implied valuations for each of MetroPCS and T-Mobile derived above under Analysis of Selected Publicly Traded Companies As Applied to MetroPCS, Analysis of Selected Publicly Traded Companies As Applied to T-Mobile, Discounted Cash Flow Analysis of MetroPCS and Discounted Cash Flow Analysis of T-Mobile, Evercore calculated an implied equity ownership range for MetroPCS in the combined company, which we refer to as the MetroPCS implied equity ownership range, and compared it to the proposed equity ownership for MetroPCS in the combined company to result from the transaction.

For each of the analyses referred to above, Evercore calculated the low end of each MetroPCS implied equity ownership range assuming the lowest implied per share equity value for MetroPCS and the highest implied equity value for T-Mobile derived from each of the foregoing valuation analyses. Evercore then calculated the high end of each MetroPCS implied equity ownership range assuming the highest implied per share equity value for MetroPCS and the lowest implied equity value for T-Mobile derived from each of the foregoing valuation analyses. Evercore also calculated the midpoint implied equity ownership assuming the midpoint implied per share equity value for both MetroPCS and T-Mobile derived from each of the foregoing analyses. In each of these calculations, Evercore assumed that MetroPCS had made the cash payment to its stockholders.

The proposed equity ownership percentage of holders of shares of MetroPCS common stock in the combined company after giving effect to the transaction was compared to MetroPCS implied equity ownership utilizing the non-public projected financial data relating to MetroPCS prepared and furnished to Evercore by the management of MetroPCS, as set forth below:

<b>Method</b>	<b>MetroPCS Implied Equity Ownership Range</b>		<b>MetroPCS Implied Equity Ownership Midpoint</b>
<i>Selected Publicly Traded Companies Analysis</i>			
2012 EBITDA	7.6%	29.4%	16.3%
2013 EBITDA	8.1%	25.8%	15.5%
<i>Discounted Cash Flow Analysis</i>	15.8%	28.8%	21.7%

Evercore observed that the proposed aggregate equity ownership percentage of holders of shares of MetroPCS Common Stock in the combined company of 26% fell above or within each of the implied equity ownership ranges set forth above.

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*Contribution Analysis.* Evercore analyzed the respective contributions of MetroPCS and T-Mobile to the revenue and EBITDA of the combined company for estimated fiscal year 2012 through estimated fiscal year 2014. This analysis did not include any estimated synergies and was based on (i) certain non-public projected financial data relating to MetroPCS prepared and furnished to Evercore by the management of MetroPCS and (ii) certain non-public projected financial data relating to T-Mobile prepared by the management of Deutsche Telekom and T-Mobile furnished to Evercore by MetroPCS as adjusted at the direction of MetroPCS management. For purposes of this analysis, Evercore assumed that the pro forma company is valued at a range of 2013 combined estimated EBITDA of 5.0x to 5.5x, which Evercore selected based on its professional judgment and experience in the wireless telecommunications industry. Evercore then calculated each of MetroPCS and T-Mobile's enterprise value based on their respective relative contribution of estimated revenue and EBITDA. Evercore subtracted net debt, calculated as total debt minus cash and cash equivalents, from enterprise value to derive the equity value for each of MetroPCS and T-Mobile. For MetroPCS, Evercore deducted the cash payment from MetroPCS calculated equity value. These equity values were used to calculate the implied equity ownership of MetroPCS in the combined company. This analysis was compared to the proposed aggregate 26% equity ownership in the combined company by current holders of shares of MetroPCS common stock assuming payment by MetroPCS to its stockholders of the cash payment and after giving effect to the business combination. The following table presents the results of this analysis:

Metric	Implied MetroPCS Ownership		
	5.0x	2013E EBITDA Multiple 5.25x	5.50x
<b>Revenue</b>			
2012	14.1%	15.1%	15.8%
2013	20.0%	20.4%	20.6%
2014	22.8%	22.9%	22.9%
<b>EBITDA</b>			
2012	14.3%	15.3%	16.0%
2013	14.6%	15.5%	16.2%
2014	25.0%	24.9%	24.8%

Evercore observed that the proposed aggregate 26% equity ownership of holders of shares of MetroPCS common stock in the combined company, assuming payment by MetroPCS to its stockholders of the cash payment and after giving effect to the business combination, was greater than any implied MetroPCS equity ownership derived from Evercore's contribution analysis set forth above.

**Has / Gets Analysis**

Evercore also reviewed the following metrics for MetroPCS both on a stand-alone and pro forma basis:

Implied per share equity value based on discounted cash flow analysis

Implied per share equity value based on multiples analysis

With respect to the implied per share equity value based on discounted cash flow analysis, Evercore assumed an 8.5% weighted average cost of capital and 5.0x terminal multiple for both MetroPCS and T-Mobile, which were based on Evercore's professional judgment and experience in the wireless telecommunications industry. The pro-forma implied equity value per share was equal to the quotient obtained by dividing (A) the sum of (1) 26% multiplied by an amount equal to the sum of (i) MetroPCS stand-alone discounted cash flow implied equity value, plus (ii) T-Mobile's stand-alone discounted cash flow implied equity value, plus (iii) the present value of the estimated synergies, plus (iv) the after-tax value of the avoided spectrum cost assumed by MetroPCS in its stand-alone projections, less (v) the net present value of the loss of certain net operating losses as a result of the business combination, less (vi) estimated transaction expenses, less (vii) the cash payment, and

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(2) the cash payment by (B) the fully diluted shares outstanding of MetroPCS common stock. For illustrative purposes, Evercore calculated pro forma equity value assuming three different scenarios: (1) no realization of the estimated synergies; (2) realization of 50% of the estimated synergies or net present value of \$3.3 billion; and (3) realization of 100% of the estimated synergies or net present value of \$6.7 billion.

With respect to the implied per share equity value based on multiples analysis, the stand-alone value is based on the share price as of September 25, 2012. The pro-forma implied equity value per share was equal to the quotient obtained by dividing (A) the sum of (1) 26% multiplied by an amount equal to the sum of (i) the pro forma equity value calculated by applying 5.25x multiple, which Evercore selected based on its professional judgment and experience in the wireless telecommunications industry, to the estimated pro forma 2013 EBITDA and deducting estimated net debt of both MetroPCS and T-Mobile, plus (ii) the present value of the estimated synergies, less (iii) the estimated transaction expenses, less (iv) the cash payment, and (2) the cash payment by (B) the fully diluted shares outstanding of MetroPCS common stock. For illustrative purposes, Evercore calculated pro forma equity value assuming three different scenarios: (1) no realization of estimated synergies; (2) realization of 50% of the estimated synergies or net present value of \$3.3 billion; and (3) realization of 100% of the estimated synergies or net present value of \$6.7 billion. In addition, based on its professional judgment and experience in the wireless telecommunications industry, Evercore calculated pro forma equity value utilizing (i) a range of (a) weighted average cost of capital from 8.0% to 9.0% and (b) terminal value multiples from 4.5x to 5.5x, in the case of its discounted cash flow has / gets analysis, and (ii) a range of multiples from 4.75x to 5.75x, in the case of its multiples has / gets analysis.

The comparison of stand-alone implied per share equity values to the pro forma implied equity values using both discounted cash flow analysis and multiples analysis indicated that, based on the 26% ownership split provided in the business combination agreement, pro forma implied per share values were higher than stand-alone implied per share values.

*Discounted Cash Flow Has / Gets Analysis*

<b>Valuation Methodology</b>	<b>Status Quo</b>	<b>No Estimated Synergies</b>	<b>\$3.3bn Estimated Synergies (50%)</b>	<b>\$6.7bn Estimated Synergies (100%)</b>
MetroPCS Share of Combined Company DCF plus Cash Payment	\$ 15.31	\$ 17.90	\$ 20.11	\$ 22.32

*Multiples Has / Gets Analysis*

<b>Valuation Methodology</b>	<b>Status Quo</b>	<b>Not Including Estimated Synergies</b>	<b>\$3.3bn Estimated Synergies (50%)</b>	<b>\$6.7bn Estimated Synergies (100%)</b>
Total Value per a Share of MetroPCS Common Stock	\$ 11.25	\$ 12.83	\$ 15.10	\$ 17.33

**Other Information**

*Historical Share Price.* Evercore noted that the trailing low and high 52-week closing trading prices for shares of MetroPCS common stock, as of October 2, 2012, were \$5.59 per share and \$12.01 per share, respectively.

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*Research Analyst Price Targets.* Evercore reviewed publicly available research analyst reports for MetroPCS published on or after July 25, 2012 that were available to it as of October 2, 2012. The table below sets forth (i) the name of each firm that published such a report, (ii) the date on which it issued such report, (iii) the price target for MetroPCS set forth in such report, if any, and (iv) if set forth in such report, the period of time set forth in such report for achieving such price target:

<b>Firm Name</b>	<b>Report Date</b>	<b>Target Price (\$)</b>	<b>Target Period (Months)</b>
JPMorgan	10/01/12	11.00	12
Credit Suisse	09/28/12	9.00	
Sanford C. Bernstein & Co	09/28/12	9.00	12
Guggenheim Securities LLC	09/28/12	8.25	12
Wells Fargo Securities, LLC	09/20/12		
Piper Jaffray	09/17/12	8.00	12
Macquarie	09/07/12	9.50	12
Oppenheimer & Co	09/07/12		
Canaccord Genuity Corp	08/29/12	12.00	12
BMO Capital Markets	08/22/12	10.00	
Robert W. Baird & Co	08/22/12	8.00	12
Nomura	08/22/12	6.00	12
EVA Dimensions	08/20/12		
Argus Research Corp	08/01/12		
FBR Capital Markets	07/30/12	11.00	12
Deutsche Bank	07/27/12	12.00	12
RBC Capital Markets	07/27/12	7.00	12
Jefferies	07/27/12	10.00	12
Raymond James	07/27/12		
Pivotal Research Group LLC	07/27/12	7.50	12
Goldman Sachs	07/26/12	10.00	12
Pacific Crest Securities	07/26/12		
William Blair & Co	07/26/12		
National Securities	07/26/12		
Barclays	07/25/12	8.00	

Note: Neither Evercore nor MetroPCS is adopting the foregoing price targets for any purpose by including such price targets in this proxy statement, and neither Evercore nor MetroPCS has expressed, and does not express, any view as to any such target prices or as to the manner or basis upon which they were derived by any research analyst. Evercore provided such price target information to the special committee for informational purposes only. Such information was not utilized or relied upon by Evercore for valuation purposes.

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*Review of Selected Precedent Transactions.* Evercore reviewed the financial terms, to the extent publicly available, of nine merger and acquisition transactions announced between June 2008 and August 2012 of companies that Evercore, based on its professional experience with merger and acquisition transactions in the wireless telecommunications industry, deemed relevant. Evercore chose the transactions, referred to as the selected precedent transactions, based on the similarity of the target companies in the transactions to MetroPCS in terms of the size, mix, margins and other characteristics of their businesses. However, given the unique structure of the business combination, Evercore concluded that no single selected precedent transaction was truly representative of the transaction and, as a result, Evercore did not utilize its analysis of selected precedent transactions in arriving at its opinion. The selected precedent transactions were:

<b>Acquirer</b>	<b>Target</b>	<b>Date Transaction Announced</b>
AT&T, Inc.	NextWave Wireless Inc.	August 2012
AT&T, Inc.	T-Mobile USA, Inc.	March 2011
Sprint Nextel Corporation	iPCS, Inc.	October 2009
Sprint Nextel Corporation	Virgin Mobile USA, Inc.	July 2009
Atlantic Tele-Network, Inc.	Verizon Wireless (Divestiture of Alltel Corporation Assets)	June 2009
AT&T, Inc.	Verizon Wireless (Divestiture of Alltel Corporation Assets)	May 2009
Verizon Communications Inc.	AT&T, Inc. (Divestiture of Centennial Communications Corp. Assets)	May 2009
AT&T, Inc.	Centennial Communications Corp.	November 2008
Verizon Communications Inc.	Alltel Corporation	June 2008

For each of the selected precedent transactions, Evercore calculated certain financial multiples for the target company derived from certain publicly available information for the target company. Specifically, in performing this analysis, Evercore determined the multiples of enterprise value to the forward twelve months of EBITDA (the mean of which was 5.8x and the median of which was 6.7x) for the selected precedent transactions. Evercore then used these multiples to estimate the implied per share equity value reference ranges for MetroPCS. Based on financial estimates provided by MetroPCS management, this analysis indicated the following implied per share equity value reference ranges for MetroPCS:

<b>Valuation Methodology</b>	<b>Selected Valuation Multiple Range for MetroPCS</b>	<b>Implied Equity Value per share Valuation Reference Range for MetroPCS</b>
<b>Enterprise Value as a Multiple of:</b>		
2013 Estimated EBITDA	5.00 7.00x	\$ 7.93 \$15.34

Because the reasons for, and the circumstances surrounding, each of the selected precedent transactions analyzed were so diverse, and because of the inherent differences between the operations and the financial condition of MetroPCS and the companies involved in the selected precedent transactions, Evercore believes that a comparable transaction analysis is not simply mathematical. Rather, it involves complex considerations and qualitative judgments, reflected in the opinion of Evercore, concerning differences between the characteristics of these transactions and the transaction that could affect the value of the subject companies and MetroPCS.

**General**

Evercore is an internationally recognized investment banking firm and, as part of its investment banking activities, is regularly engaged in the valuation of businesses and their securities in connection with mergers and



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acquisitions, negotiated underwritings, competitive bids, secondary distributions of listed and unlisted securities, private placements and valuations for corporate and other purposes. The special committee selected Evercore because of its expertise, reputation and experience in the wireless telecommunications industry generally and because its investment banking professionals have had substantial experience in transactions comparable to the business combination.

As provided under the terms of Evercore's engagement, MetroPCS has paid Evercore an aggregate fee of \$4.0 million, of which \$1.5 million was paid upon execution of Evercore's engagement letter, \$2.0 million was paid upon delivery by Evercore of its opinion without regard to the conclusions reached therein, and \$500,000 was paid as an additional discretionary amount that the special committee elected to pay to Evercore in its sole discretion. MetroPCS also agreed to reimburse Evercore's expenses and to indemnify Evercore against certain liabilities arising out of its engagement. During the two year period prior to the date of its opinion, no material relationship existed between Evercore and its affiliates and Deutsche Telekom, T-Mobile or MetroPCS, pursuant to which compensation was received by Evercore or its affiliates as a result of such a relationship. Evercore may provide financial or other services to Deutsche Telekom, T-Mobile or MetroPCS in the future and in connection with any such services Evercore may receive compensation.

In the ordinary course of business, Evercore or its affiliates may actively trade the securities, or related derivative securities, or financial instruments of MetroPCS, Deutsche Telekom or T-Mobile and their respective affiliates, for its own account and for the accounts of its customers and, accordingly, may at any time hold a long or short position in such securities or instruments.

### **Certain Unaudited MetroPCS Forecasts**

Although MetroPCS periodically may issue limited public guidance concerning its expected financial performance, MetroPCS does not as a matter of course publicly disclose detailed financial forecasts. However, in the course of due diligence in connection with the negotiation of the transaction, MetroPCS provided certain non-public financial forecasts for the years ending December 31, 2012, 2013, 2014 and 2015, which we refer to as the MetroPCS forecasts, to its financial advisors and to Deutsche Telekom and its financial advisors. The MetroPCS forecasts were prepared by MetroPCS management based upon certain internal financial forecasts that are based on reasonable expectations, beliefs, opinions and assumptions of MetroPCS management at the time they were made and are subjective. While the MetroPCS forecasts are being included in this proxy statement, the MetroPCS forecasts were not prepared with a view toward complying with published guidelines established by the American Institute of Certified Public Accountants for preparation and presentation of prospective financial information. In the view of MetroPCS management, the MetroPCS forecasts were prepared on a reasonable basis and reflected the best then-currently available estimates and judgments of MetroPCS management. The inclusion of the MetroPCS forecasts in this proxy statement should not be regarded as an indication that MetroPCS or any other recipient of this information considered, or now considers, this information to be necessarily predictive of actual future results, and does not constitute an admission or representation by any person that such information is material, or that the expectations, beliefs, opinions and assumptions that underlie such MetroPCS forecasts remain the same as of the date of this proxy statement, and readers are cautioned not to place undue reliance on the prospective financial information.

This prospective financial information has been prepared by, and is the responsibility of, MetroPCS management. Neither MetroPCS independent auditor nor any other independent accountant have examined, compiled, or performed any procedures with respect to the prospective financial information and, accordingly, none have expressed an opinion or any other form of assurance with respect thereto. MetroPCS independent auditor's report included in MetroPCS 2011 Annual Report on Form 10-K incorporated by reference herein relates to MetroPCS historical financial information and does not extend to the prospective financial information and should not be read to do so. The MetroPCS forecasts:

were based upon numerous expectations, beliefs, opinions and assumptions, as further described below, many of which are beyond the control of MetroPCS and may not prove to be accurate and that MetroPCS management at the time believed to be reasonable;

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were originally prepared in the second quarter of 2012;

do not necessarily reflect current estimates or expectations, beliefs, opinions or assumptions management of MetroPCS may have about prospects for MetroPCS business, changes in general business or economic conditions, or any other transaction or event that has occurred or that may occur and that was not anticipated at the time the forecasts were prepared;

may not reflect estimates, beliefs, opinions or analysis about any other financial period and may not reflect current results, which may be significantly more favorable or less favorable than as set forth below; and

are not, and should not be regarded as, a representation that any of the expectations contained in, or forming a part of, the MetroPCS forecasts will be achieved.

Key assumptions underlying the MetroPCS forecasts include:

Strong revenue growth from 2012 to 2016, largely driven by return to net subscriber growth in 2013 and anticipated increase in ARPU driven by 4G LTE service plans. ARPU represents (a) service revenues less pass through charges for the measurement period, divided by (b) the sum of the average monthly number of customers during such period.

Return to EBITDA margin expansion from 2012 to 2016, largely driven by revenue growth, moderate reduction in churn and declines to cost per gross customer addition and cost per user per month due primarily to scale.

Acquisition of additional spectrum for \$1.5 billion in 2012.

The expected decline in capital expenditures in 2013 onwards due the expected completion of MetroPCS 4G/LTE network build-out.

All of the financial information contained in this section entitled *Certain Unaudited MetroPCS Projections* is forward-looking in nature. This information relates to multiple future years and such information by its nature becomes less predictive with each succeeding year. Actual future financial results may materially vary from the forward-looking information presented above. The financial information is based on assumptions, beliefs and opinions at the time made, which MetroPCS believed to be reasonable at that time.

The information above does not take into account any circumstances or events occurring after the respective dates on which it was prepared. MetroPCS does not intend to update or revise any of the information presented above. The information presented above constitutes forward-looking statements. For additional information on factors which may cause actual future financial results to materially vary from the information presented above, see the sections entitled *Cautionary Note Regarding Forward-Looking Statements* and *Risk Factors* beginning on pages 29 and 33, respectively.

***MetroPCS Forecasts Provided by MetroPCS***

The following information was included in the MetroPCS forecasts:

	2012	2013	2014	2015
(\$ in millions)				
Service Revenue	\$ 4,549	\$ 4,746	\$ 5,047	\$ 5,366
EBITDA (1)	\$ 1,331	\$ 1,359	\$ 1,556	\$ 1,736
Capital Expenditures	\$ 990	\$ 930	\$ 892	\$ 855

- (1) EBITDA is defined as consolidated net income plus depreciation and amortization; gain (loss) on disposal of assets; stock-based compensation expense; gain (loss) on extinguishment of debt; provision for income taxes; interest expense; minus interest and other income and non-cash items increasing consolidated net income.

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**Table of Contents*****Possible Benefits of the Transaction***

In connection with MetroPCS and Deutsche Telekom's respective evaluations of the transaction, representatives of MetroPCS and Deutsche Telekom discussed various potential benefits to MetroPCS of the transaction, including, among other things, potential capital expenditure and operating cost savings (including from reduced operating expenses relating to towers, backhaul and roaming, savings in capacity and expansion capital expenditures, the cost advantage of HSPA+ over CDMA, and savings from procurement and back office efficiencies and common platform efficiencies), potential synergies from expanding the business (including from leveraging technologies from both companies, leveraging market-development and other complementary business capabilities), potential tax synergies, potential operating efficiencies and other benefits.

MetroPCS has disclosed that it expects that the transaction could result in total cost synergies having a net present value of up to \$6 billion to \$7 billion. In particular, MetroPCS expects that the combined company will be able to realize cost synergies with an annual run rate of approximately \$1.2 billion to \$1.5 billion, including (i) approximately \$600 million to \$700 million in annual run rate savings resulting from reduced operating expenses relating to towers, backhaul and roaming, (ii) approximately \$400 million to \$500 million in annual run rate savings resulting from savings in capacity and expansion capital expenditures, (iii) approximately \$200 million to \$300 million in annual run rate savings resulting from the cost advantage of HSPA+ over CDMA and savings from procurement and back office efficiencies, and (iv) up to \$50 million in annual run rate savings resulting from common platform efficiencies. Both MetroPCS and Deutsche Telekom were aware that the amounts of any benefits to the combined company as a result of the transaction were estimates, that they may change, and that achieving any of the benefits would be subject to a number of uncertainties. For additional information related to limitations on these benefits, see the section entitled "Risk Factors" beginning on page 33.

**Certain Unaudited T-Mobile Forecasts**

Although Deutsche Telekom periodically may issue limited public guidance concerning T-Mobile's expected financial performance, Deutsche Telekom does not as a matter of course publicly disclose detailed financial forecasts for T-Mobile. However, in the course of due diligence in connection with the negotiation of the transaction, Deutsche Telekom provided certain non-public financial forecasts with respect to T-Mobile for the years ending December 31, 2012, 2013, 2014 and 2015, which we refer to as the T-Mobile forecasts, to its financial advisors and to MetroPCS and its financial advisors. The T-Mobile forecasts were prepared by Deutsche Telekom and T-Mobile's management based upon certain internal financial forecasts that are based on reasonable expectations, beliefs, opinions and assumptions of Deutsche Telekom and T-Mobile management at the time they were made and are subjective. While the T-Mobile forecasts are being included in this proxy statement, the T-Mobile forecasts were not prepared with a view toward complying with published guidelines established by the American Institute of Certified Public Accountants for preparation and presentation of prospective financial information. In the view of Deutsche Telekom and T-Mobile's management, the T-Mobile forecasts were prepared on a reasonable basis and reflected the best then-currently available estimates and judgments of Deutsche Telekom and T-Mobile's management. The inclusion of the T-Mobile forecasts in this proxy statement should not be regarded as an indication that Deutsche Telekom, T-Mobile, MetroPCS or any other recipient of this information considered, or now considers, this information to be necessarily predictive of actual future results, and does not constitute an admission or representation by any person that such information is material, or that the expectations, beliefs, opinions and assumptions that underlie such T-Mobile forecasts remain the same as of the date of this proxy statement, and readers are cautioned not to place undue reliance on the prospective financial information.

This prospective financial information has been prepared by, and is the responsibility of, Deutsche Telekom and T-Mobile's management. Neither T-Mobile's independent auditor nor any other independent accountant have examined, compiled, or performed any procedures with respect to the prospective financial information and, accordingly, none have expressed an opinion or any other form of assurance with respect thereto. T-Mobile's independent auditors' report included in this proxy statement relates to T-Mobile's historical

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information. It does not extend to the prospective financial information and should not be read to do so. The T-Mobile forecasts:

were based upon numerous expectations, beliefs, opinions and assumptions, as further described below, many of which are beyond the control of Deutsche Telekom and T-Mobile and may not prove to be accurate;

were finalized on August 30, 2012;

do not necessarily reflect current estimates or expectations, beliefs, opinions or assumptions management of Deutsche Telekom and T-Mobile may have about prospects for T-Mobile's business, changes in general business or economic conditions, or any other transaction or event that has occurred or that may occur and that was not anticipated at the time the forecasts were prepared;

are not necessarily indicative of current values or future performance, which may be significantly more favorable or less favorable than as set forth below; and

are not, and should not be regarded as, a representation that any of the expectations contained in, or forming a part of, the T-Mobile forecasts will be achieved.

Key assumptions underlying the T-Mobile forecasts include:

Service revenues return to growth starting in 2014 driven by positive branded contract net customer additions by the end of 2013. Branded contract gross customer additions increases are driven by investment in the growth of the Business-to-Business segment, increases in customer volumes related to bring your own device programs enabled by spectrum refarming from T-Mobile's network modernization program and the launch of unlimited data offerings. Churn is expected to decline across all segments over the planning period as a result of network coverage improvements as part of the network modernization program, and continuing churn reduction program quality improvements, as well as a stronger phone line-up. Deeper investment in the Company's prepaid product line-up and ability to host Mobile Virtual Network Operators also contributes to service revenue growth.

EBITDA improvement trends begin in 2014, driven by growing contract customer revenue, the expansion of the T-Mobile USA Value plan across all channels which will reduce cost per gross addition, a decrease in churn from network modernization and other programs, and continued benefits from cost savings programs.

Capital expenditures will be elevated in 2012 and 2013 due to T-Mobile's network modernization program which has a target LTE deployment of 35,000 network sites by the end of the second quarter of 2013. Capital expenditures are expected to decrease in 2014 and 2015 as the network modernization program ends.

***T-Mobile Forecasts Provided by Deutsche Telekom***

The following information was included in the T-Mobile forecasts:

2012	2013	2014	2015
(in millions)			

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Service Revenue	\$ 17,326	\$ 16,639	\$ 17,041	\$ 17,902
EBITDA Base Case (1)	\$ 4,919	\$ 4,559	\$ 5,084	\$ 5,500
EBITDA Adjusted (1),(2)	\$ 4,919	\$ 5,009	\$ 5,084	\$ 5,500
Capital Expenditures	\$ 3,297	\$ 3,085	\$ 2,485	\$ 2,185

- (1) EBITDA is a non-GAAP financial measure, which T-Mobile defines as earnings before interest, income taxes, depreciation, amortization and impairment charges. T-Mobile adjusts EBITDA to exclude transactions that are not reflective of T-Mobile's ongoing operating performance.
- (2) 2013 includes additional adjustments for an aggregate amount of \$450 million related to non-recurring costs and the effects of customer churn, marketing and cost management programs.

**Table of Contents****Adjustments to T-Mobile Forecasts by MetroPCS Management**

MetroPCS management made certain adjustments to the T-Mobile forecasts provided by Deutsche Telekom based on its judgment and experience in the wireless communications industry. The following table sets forth such adjustments:

	2012	2013	2014	2015
	(in millions)			
<b>Service Revenue:</b>				
From T-Mobile Forecast	\$ 17,326	\$ 16,639	\$ 17,041	\$ 17,902
Adjustment(1)	0	(338)	(495)	(318)
<b>Service Revenue</b>	<b>\$ 17,326</b>	<b>\$ 16,301</b>	<b>\$ 16,546</b>	<b>\$ 17,584</b>
<b>EBITDA:</b>				
From T-Mobile Forecast	\$ 4,919	\$ 4,559	\$ 5,084	\$ 5,500
Adjustment(2)	130	573	(165)	(134)
<b>EBITDA Adjusted</b>	<b>\$ 5,049</b>	<b>\$ 5,132</b>	<b>\$ 4,919</b>	<b>\$ 5,366</b>
<b>Capital Expenditures:</b>				
From T-Mobile Forecast	\$ 3,297	\$ 3,085	\$ 2,485	\$ 2,185
Adjustment(1)	0	(63)	(76)	(42)
<b>Capital Expenditures</b>	<b>\$ 3,297</b>	<b>\$ 3,022</b>	<b>\$ 2,409</b>	<b>\$ 2,143</b>

Note: All T-Mobile forecasts were provided by Deutsche Telekom, and all adjustments were made by MetroPCS management.

- (1) Service Revenue and Capital Expenditures were adjusted by MetroPCS management to reflect possible upside adjustments to T-Mobile's forecast of customer churn, customer acquisition costs and customer additions based on MetroPCS management's experience and discussions with T-Mobile and Deutsche Telekom.
- (2) EBITDA was adjusted by MetroPCS management to reflect (a) possible upside adjustments to customer churn, customer acquisition costs and customer additions based on MetroPCS management's experience and discussions with T-Mobile and Deutsche Telekom, (b) potential upside to the 2013 EBITDA forecast based on MetroPCS management's view of the performance of T-Mobile based on discussions with T-Mobile management, (c) the effects of GAAP adjustments related to the T-Mobile tower transaction and (d) certain non-recurring costs. MetroPCS believes that the information provided in this section and in the sections entitled "Certain Unaudited MetroPCS Forecasts" and "Certain Unaudited T-Mobile Forecasts" on pages 104 and 106, respectively, of this proxy statement is a materially accurate summation of the financial and operating data furnished to, and reviewed by, Evercore.

**Listing of MetroPCS Common Stock Issued in the Transaction**

It is a condition to the completion of the transaction that the shares of MetroPCS common stock that will be issued to Holding or its designee in the transaction will have been approved for listing on the NYSE, subject to official notice of issuance.

**Regulatory Approvals**

The parties have agreed to use their reasonable best efforts to obtain all authorizations, consents, orders or other approvals required from governmental entities to complete the transaction.

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### ***Federal Communications Commission***

Under the Communications Act of 1934, as amended, which we refer to as the Communications Act, as a condition to, and before the completion of, the transaction, the FCC must approve the transfer of control of MetroPCS licenses and authorizations in connection with the transaction, which will result from 74% of the fully-diluted shares of MetroPCS common stock being owned by Deutsche Telekom following the completion of the transaction. In connection with such approval, the FCC must determine whether Deutsche Telekom is qualified to control MetroPCS licenses and authorizations and whether the transfer of control of such licenses is consistent with the public interest, convenience and necessity. Since Deutsche Telekom, upon completion of the transaction, will be the beneficial owner of MetroPCS common stock held by Holding and Deutsche Telekom and Holding are not incorporated in the United States, the FCC must also issue a declaratory ruling pursuant to Section 310 of the Communications Act that the foreign ownership of MetroPCS is not inconsistent with the public interest. MetroPCS and T-Mobile filed transfer of control applications with the FCC on October 18, 2012.

### ***United States Antitrust Laws***

Under the HSR Act and the rules promulgated under that act by the FTC, the transaction may not be completed until notifications have been given and information furnished to the FTC and to the Antitrust Division, and the specified waiting period has been terminated or has expired without the commencement of a lawsuit. MetroPCS and T-Mobile each filed notification and report forms under the HSR Act with the FTC and the Antitrust Division on October 19, 2012. On November 19, 2012, MetroPCS and Deutsche Telekom received a request for additional information, which we refer to as the second request, from the Antitrust Division. The effect of the second request is to extend the waiting period imposed by the HSR Act until 30 days after MetroPCS and Deutsche Telekom have substantially complied with the second request, unless that period is extended voluntarily by the parties or terminated sooner by the Antitrust Division. At any time before or after completion of the transaction, the FTC or the Antitrust Division could act under the antitrust laws to prevent a substantial lessening of competition or the creation of a monopoly, including by seeking to enjoin completion of the transaction or seeking divestiture of substantial assets, businesses or product lines of MetroPCS or T-Mobile.

The transaction could also be the subject of challenges by private parties or state attorneys general under the state or federal antitrust laws.

### ***Committee on Foreign Investment in the United States***

Under the Exon-Florio Amendment to the Defense Production Act of 1950, the President of the United States has the authority to investigate and, where necessary, suspend or prohibit any foreign acquisition, merger or takeover of companies engaged in U.S. interstate commerce or determined to threaten U.S. national security. By executive order, the President has delegated his investigatory powers under the Exon Florio Amendment to the CFIUS, an interagency committee chaired by the U.S. Treasury Department. Deutsche Telekom anticipates filing a voluntary notification of the transaction with the CFIUS in early 2013, seeking confirmation that the transaction contemplated by the business combination agreement does not threaten national security. The CFIUS has 30 days from the date of that filing to determine whether to pursue further investigation of the transaction.

### ***Other Telecommunications Approvals***

MetroPCS and T-Mobile may make filings with state public utility commissions, domestic regulatory authorities, and, if required, foreign regulatory authorities in order to complete the transaction.

### ***Litigation Relating to the Transaction***

Since the announcement on October 3, 2012 of the execution of the business combination agreement, MetroPCS, Deutsche Telekom, Global, Holding, T-Mobile (we refer to Deutsche Telekom, Global, Holding and

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T-Mobile, collectively, herein as the T-Mobile defendants) and the members of the MetroPCS board, which we refer to as the MetroPCS board members, including an officer of MetroPCS, have been named as defendants in multiple putative stockholder derivative and class action complaints challenging the transaction.

As of the date of this proxy statement, the lawsuits include:

a putative class action lawsuit filed by Paul Benn, an alleged MetroPCS stockholder, on October 11, 2012 in the Delaware Court of Chancery, *Paul Benn v. MetroPCS Communications, Inc. et al.*, Case No. C.A. 7938-CS, which we refer to as the Benn action;

a putative class action lawsuit filed by Joseph Marino, an alleged MetroPCS stockholder, on October 11, 2012 in the Delaware Court of Chancery, *Joseph Marino v. MetroPCS Communications, Inc. et al.*, Case No. C.A. 7940-CS, which we refer to as the Marino action;

a putative class action lawsuit filed by Robert Picheny, an alleged MetroPCS stockholder, on October 22, 2012 in the Delaware Court of Chancery, *Robert Picheny v. MetroPCS Communications, Inc. et al.*, Case No. C.A. 7971-CS, which we refer to as the Picheny action;

a putative class action filed by James S. McLearie, an alleged MetroPCS stockholder, on November 5, 2012 in the Delaware Court of Chancery, *James McLearie v. MetroPCS Communications, Inc. et al.*, Case No. C.A. 8009-CS, which we refer to as the McLearie action, and together with the Benn action, the Marino action and the Picheny action, the Delaware actions;

a putative class action and shareholder derivative action filed by Adam Golovoy, an alleged MetroPCS stockholder, on October 10, 2012 in the Dallas, Texas County Court at Law, *Adam Golovoy et al. v. Deutsche Telekom et al.*, Cause No. CC-12-06144-A, which we refer to as the Golovoy action; and

a putative class action and shareholder derivative action filed by Nagendra Polu and Fred Lorquet, who are alleged MetroPCS stockholders, on October 10, 2012 in the Dallas, Texas County Court at Law, *Nagendra Polu et al. v. Deutsche Telekom et al.*, Cause No. CC-12-06170-E, which we refer to as the Polu action, and together with the Golovoy action, the Texas actions.

The various plaintiffs in the lawsuits allege that the individual defendants breached their fiduciary duties by, among other things, failing to (i) obtain sufficient value for the MetroPCS stockholders in the transaction, (ii) establish a process that adequately protected the interests of the MetroPCS stockholders, and (iii) adequately ensure that no conflicts of interest occurred. The plaintiffs also allege that the individual defendants breached their fiduciary duties by agreeing to certain terms in the business combination agreement that allegedly restricted the defendants' ability to obtain a more favorable offer, including certain of the provisions described in the sections entitled Summary of the Business Combination Agreement No Solicitation of Alternative Proposals, Change in the MetroPCS Board's Recommendation and Effect of Termination beginning on pages 142, 144 and 152, respectively, and that those provisions, together with the support agreement and rights agreement amendment described in the sections entitled Summary of Ancillary Agreements Voting and Support Agreement and Rights Agreement Amendment beginning on pages 158 and 160, respectively, constitute breaches of the individual defendants' fiduciary duties. The plaintiffs seek injunctive relief, unspecified damages, an order rescinding the business combination agreement, unspecified punitive damages, attorney's fees, other expenses, and costs. All of the plaintiffs seek a determination that their alleged claims may be asserted on a class-wide basis. In addition, the plaintiffs in the Texas actions assert putative derivative claims, as stockholders on behalf of MetroPCS, against the individually named defendants for breach of fiduciary duty, abuse of control, gross mismanagement, unjust enrichment and corporate waste in connection with the transaction.

On November 5, 2012, the plaintiff in the Golovoy action filed a motion seeking to restrain and enjoin the MetroPCS and the MetroPCS board members, which we refer to collectively as the MetroPCS defendants, from complying with the force-the-vote provision in the business combination agreement and from declaring a distribution date under, or issuing rights certificates in conjunction with, MetroPCS rights agreement, which we



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refer to as the Texas TRO motion. On November 12, 2012, the MetroPCS defendants filed a motion to dismiss or stay the Texas actions based on a mandatory forum selection provision in the MetroPCS bylaws, which requires that all derivative claims and all claims for breach of fiduciary duty against the MetroPCS board members must be filed and litigated only in the Delaware Court of Chancery, and sought dismissal for failure to plead standing to pursue derivative claims on behalf of MetroPCS.

On November 16, 2012, the trial court in the Golovoy action, which we refer to as the Texas trial court, issued a temporary restraining order, which we refer to as the TRO order, restraining the MetroPCS defendants from complying with the force the vote provision in the business combination agreement and from declaring a distribution date under, or issuing rights certificates in conjunction with, MetroPCS rights agreement, and set a temporary injunction hearing for November 29, 2012. On November 19, 2012, the MetroPCS defendants and the T-Mobile defendants filed a petition for writ of mandamus and a motion to stay, which we refer to as the Texas mandamus petition, with the Court of Appeals for the Fifth District at Dallas, which we refer to as the Texas appellate court, to stay and overturn the TRO order based on the mandatory forum selection provision in the MetroPCS bylaws, which requires that the claims in the Texas actions must be dismissed and pursued only in the Delaware Court of Chancery, and on a lack of evidence supporting the findings in the TRO order or establishing a basis for such TRO order, and to stay the temporary injunction hearing. On November 20, 2012, the Texas appellate court stayed the Texas trial court's ruling, cancelled the scheduled temporary injunction hearing, and ordered briefing on the issues raised in the petition for writ of mandamus.

On November 28, 2012, the plaintiff in the Marino action filed an amended class action complaint alleging breach of fiduciary duty by the MetroPCS board members in connection with the terms of the business combination agreement, as well as alleging that MetroPCS has failed to make full and fair disclosure of all information and analyses presented to and considered by the MetroPCS board members, and alleging that the T-Mobile defendants aided and abetted such claimed breaches of fiduciary duty, and motions seeking expedited proceeding and discovery and to enjoin the defendants from taking any action to consummate the business combination between MetroPCS and the T-Mobile defendants. No hearing has been set on these motions. On November 30, 2012, all of Delaware actions were consolidated into a single action, now captioned *MetroPCS Communications, Inc. Shareholder Litigation*, Consolidated C.A. No. 7938-CS. The MetroPCS defendants have agreed to provide expedited discovery to the plaintiffs in the Marino action.

On January 8, 2013, the Texas appellate court conditionally granted the Texas mandamus petition and ordered the Texas trial court to vacate the TRO order, render an order denying the Texas TRO motion, and render an order granting the MetroPCS defendants' and T-Mobile defendants' motion to stay the action until MetroPCS defendants' and T-Mobile defendants' motion to dismiss or stay the action is decided by the Texas trial court. A hearing is currently set on such motion for January 25, 2013.

The MetroPCS defendants plan to defend vigorously against the claims made in the Delaware actions and the Texas actions.

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**SUMMARY OF THE FINANCING**

The transaction is expected to be financed by the issuance by Wireless or T-Mobile of senior unsecured notes in an aggregate principal amount of up to \$18.5 billion as follows:

\$15.0 billion of senior unsecured notes, which we refer to as the \$15.0 billion notes, to be issued by T-Mobile and purchased by Deutsche Telekom to refinance certain intercompany indebtedness owed by T-Mobile and its subsidiaries to Deutsche Telekom and its subsidiaries (excluding T-Mobile and its subsidiaries);

\$2.5 billion of senior unsecured notes, which we refer to as the \$2.5 billion notes, which may be offered by Wireless to third-party investors and, to the extent not sold to third-party investors prior to the completion of the transaction, will be purchased by Deutsche Telekom upon the closing of the transaction, the proceeds of which we intend to use to refinance the Wireless existing senior credit facility; and

\$1.0 billion of senior unsecured notes, which we refer to as the \$1.0 billion notes, which may be offered by Wireless to third-party investors and, to the extent not sold to third-party investors prior to the completion of the transaction, will be purchased by Deutsche Telekom upon the closing of the transaction, the proceeds of which we intend to use for general corporate purposes, including to fund in part the cash payment.

In addition to the notes issued to finance the transaction, Deutsche Telekom (or one of its subsidiaries if the obligations of such subsidiary thereunder are unconditionally guaranteed by Deutsche Telekom) will make available for the benefit of T-Mobile and its subsidiaries, on the closing date of the transaction, an unsecured revolving credit facility with a maximum principal amount of no less than \$500 million to be used for working capital and other general corporate purposes, on terms substantially as set forth on Exhibit H to the business combination agreement, which we refer to as the working capital revolving credit facility.

Deutsche Telekom has committed, pursuant to the terms of the business combination agreement, to purchase (or to cause one or more of its subsidiaries to purchase) (i) the \$15.0 billion notes and (ii) any portion of the \$2.5 billion notes and the \$1.0 billion notes that are not sold to third-party investors. The economic terms, including the interest rate, the tenor, the no-call period and the redemption premium, of each series of notes to be purchased by Deutsche Telekom, which we refer to as the Deutsche Telekom notes, will be determined as set forth in the Deutsche Telekom notes pricing schedule, attached as Exhibit F to the business combination agreement. The proceeds of any issuances of debt securities by MetroPCS, or any of its subsidiaries, including Wireless, to third parties following the date of the business combination agreement will reduce the commitments of Deutsche Telekom in respect of the \$2.5 billion notes and the \$1.0 billion notes in the manner and to the extent described in the financing backstop terms and conditions schedule, attached as Exhibit I to the business combination agreement.

Each series of senior unsecured notes that may be offered by Wireless to third-party investors on or prior to the closing of the transaction, which we refer to as the permitted Wireless notes, will (a) have a maturity date of not less than seven and not more than twelve years from the date of issuance thereof, (b) have a call protection pricing schedule that is customary for high yield debt securities, (c) have a non-call period for permitted Wireless notes (i) with maturities of seven years, of not more than three years from the date of issuance, (ii) with maturities of greater than seven years and not greater than nine years, of not more than four years from the date of issuance, (iii) with maturities of greater than nine years and not greater than eleven years, of not more than five years from the date of issuance, and (iv) with maturities of greater than eleven years, of not more than six years from the date of issuance, (d) have an effective yield to maturity, at time of issuance thereof (taking into account any issuance fees, including underwriting fees, or original issue discount thereon), that is not greater than the initial yield that would be applicable to non-reset Deutsche Telekom notes of the same tenor, if such Deutsche Telekom notes were to be issued on the same date as such permitted Wireless notes, as calculated in accordance with the Deutsche Telekom notes pricing schedule, attached as Exhibit F to the business combination

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agreement, (e) expressly permit the transaction and the related transactions (without the need to obtain any waiver, pay any fee, or make any offer to purchase), and (f) otherwise be on the terms set forth in the description of notes attached as Exhibit G to the business combination agreement; provided, further, that the proceeds of any permitted Wireless notes will be used solely as permitted in the business combination agreement.

On December 5, 2012, in connection with the consent solicitation and the entry by Wireless into the revised supplemental indentures, MetroPCS and Deutsche Telekom entered into a letter agreement, which we refer to as the Deutsche Telekom notes letter agreement, that, among other things, amended Exhibit G to the business combination agreement to reflect certain of the amendments to the covenants, events of default and other non-economic terms that were made applicable to the Wireless existing notes as a result of the consent solicitation. As a result, to the extent set forth in the Deutsche Telekom notes letter agreement, any notes issued by MetroPCS or its subsidiaries after the date of the business combination agreement that will be assumed by T-Mobile at the closing are required to have covenants, events of default and other non-economic terms that match those that were made applicable to the Wireless existing notes as a result of the consent solicitation (to the extent such revisions will continue to be effective as to the Wireless existing notes following the completion of the transaction).

**\$15.0 Billion Notes to Refinance T-Mobile-Deutsche Telekom Intercompany Indebtedness, and up to \$3.5 Billion Notes as Backstop for \$2.5 Billion Wireless Credit Agreement Refinancing and \$1.0 Billion Wireless New Notes**

The \$15.0 billion notes will be issued by T-Mobile to Deutsche Telekom or a subsidiary of Deutsche Telekom pursuant to an indenture, which we refer to as the Deutsche Telekom notes indenture, containing the terms set forth in the description of notes attached as Exhibit G to the business combination agreement, as amended by the Deutsche Telekom notes letter agreement. The Deutsche Telekom notes will be unsecured. The Deutsche Telekom notes will be guaranteed by the combined company (the direct parent of T-Mobile following the transaction) and by all of T-Mobile's wholly-owned domestic restricted subsidiaries (other than immaterial subsidiaries), all of T-Mobile's restricted subsidiaries that guarantee certain of T-Mobile's indebtedness, and any future subsidiary of the combined company that directly or indirectly owns any of T-Mobile's equity interests.

The \$15.0 billion notes will have maturities ranging from six to eleven years. In addition, the \$15.0 billion notes will be divided into (i) six series of senior unsecured notes having interest rates that remain constant through maturity, which we refer to as the non-reset notes, and (ii) six series of senior unsecured notes, one-third of which will be re-priced every six months, beginning two years after the date of issuance and ending three years after the date of issuance, which we refer to as the reset notes. The no-call period with respect to each series of non-reset notes will range from two to five years after the issuance thereof. The no-call period with respect to each series of reset notes will range from four to six years after the issuance thereof, or two or three years after the applicable reset date of such series. Each series of the \$15.0 billion notes will be in a principal amount of \$1.25 billion. In addition, to the extent Deutsche Telekom purchases the \$2.5 billion notes or the \$1.0 billion notes, which we refer to, collectively, as the additional notes (described further below), such notes will be divided equally into non-reset notes and reset notes, and will have maturities varying between three and eight years.

Both the reset notes and non-reset notes will be priced at the closing of the transaction, and the reset notes will be re-priced at the applicable time, according to a formula, the first component of which is a reference yield which is based upon (i) three indices of high-yield bonds issued by telecommunications companies (50% weight (or 2/3s weight, if qualifying securities of the type described in either (but not both) of the following clauses (ii) and (iii) are not available at the time of calculation, or 100% weight, if qualifying securities of the type described in both of the following clauses (ii) and (iii) are not available at the time of calculation)), (ii) the prices of comparable bonds issued by Sprint Nextel Corporation or any successor or assign thereof (25% weight (or 1/3 weight, if qualifying securities of the type described in the following clause (iii) are not available at the time of calculation or zero weight if qualifying securities of the type described in this clause (ii) are not available at the time of calculation)) and (iii) the prices of Wireless securities (25% weight (or 1/3 weight, if qualifying securities

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of the type described in the previous clause (ii) are not available at the time of calculation or zero weight if qualifying securities of the type described in this clause (iii) are not available at the time of calculation)), all as of the applicable time (and provided that the yield of each index, bond or other qualifying security shall be increased (or decreased) for purposes of this calculation by 12.5 basis points per year, calculated to the day, by which the effective tenor of such index, bond or security (calculated as the tenor resulting in the yield to worst) is less than (or greater than) eight years. The reference yield will then be adjusted as follows: (1) *plus* 100 basis points for reset notes or 187.5 basis points for non-reset notes, (2) *plus* or *minus* 12.5 basis points per year, calculated to the day, by which the remaining tenor of the series of notes being repriced is longer or shorter than eight years; (3) *plus* a distribution fee of 200 basis points (spread in the coupon based upon the tenor of the applicable note).

By way of example, in the case of the \$15.0 billion notes, if the transaction closed on [ ] (based on applicable prices for the indices and securities described in clauses (i) through (iii) above assuming such a closing date):

The series of non-reset notes with the shortest tenor of six years would have a coupon of [ ]% per annum and a no-call period of two years, would be redeemable at a premium equal to half of the coupon in year three, at a premium of a quarter of the coupon in year four and would be redeemable at par in years five and six.

The series of non-reset notes with the longest tenor of eleven years would have a coupon of [ ]% per annum and a no-call period of five years, would be redeemable at a premium equal to half of the coupon in year six, at a premium of a third of the coupon in year seven, at a premium of a sixth of the coupon in year eight and would be redeemable at par in years nine through eleven.

The series of reset notes with the shortest tenor of six years would initially have a coupon of [ ]% per annum, which coupon would reset on the second anniversary of the issuance thereof. This series of notes would be no-call through the reset date and for a period of two years thereafter, would be redeemable at a premium equal to half of the coupon in year five and would be redeemable at par in year six.

The series of reset notes with the longest tenor of eleven years would initially have a coupon of [ ]% per annum, which coupon would reset on the third anniversary of the issuance thereof. This series of notes would be no-call through the reset date and for a period of three years thereafter, would be redeemable at a premium equal to half of the coupon in year seven, at a premium of a quarter of the coupon in year eight and would be redeemable at par in years nine through eleven.

In the case of the additional notes, if the transaction closed on [ ] (based on applicable prices for the indices and securities described in clauses (i) through (iii) above assuming such a closing date):

The series of non-reset notes with the shortest tenor of three years would have a coupon of [ ]% per annum and would be no-call through maturity.

The series of non-reset notes with the longest tenor of eight years would have a coupon of [ ]% per annum and a no-call period of four years, would be redeemable at a premium equal to half of the coupon in year five, at a premium of a quarter of the coupon in year six, and would be redeemable at par in years seven and eight.

The series of reset notes with the shortest tenor of three years would initially have a coupon of [ ]% per annum, which coupon would reset on the second anniversary of the issuance thereof (or, under some circumstances, depending on the amounts of additional notes issued, six months after the second anniversary of the issuance thereof, as described in Exhibit F to the business combination agreement). This series of notes would be no-call through maturity.

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The series of reset notes with the longest tenor of eight years would initially have a coupon of [ ]% per annum, which coupon would reset on the second anniversary of the issuance thereof (or, under

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some circumstances, depending on the amounts of additional notes issued, six months after the second anniversary of the issuance thereof, or on the third anniversary of the issuance thereof, as described in Exhibit F to the business combination agreement). This series of notes would be no-call through the reset date and for a period of three years thereafter (or, in the case of reset notes with an eight year tenor that reset on the third anniversary of the issuance thereof, for a period of two years thereafter), would be redeemable at a premium equal to half of the coupon in the first year after the end of the no-call, at a premium of a quarter of the coupon in the succeeding year, and would be redeemable at par thereafter.

The Deutsche Telekom notes indenture will contain customary events of default, covenants and other terms, including, among other things, covenants that restrict the ability of the issuer and its subsidiaries to, *inter alia*, pay dividends and make certain other restricted payments, incur indebtedness and issue preferred stock, create liens on assets, sell or otherwise dispose of assets, enter into transactions with affiliates and enter new lines of business, all as described in the description of notes attached as Exhibit G to the business combination agreement. These covenants include certain customary baskets, exceptions and incurrence-based ratio tests. The Deutsche Telekom notes indenture will not contain any financial maintenance covenants.

Pursuant to an agreement to be entered into by T-Mobile and Deutsche Telekom on the closing date and described on Exhibit J to the business combination agreement, Deutsche Telekom, as holder of the Deutsche Telekom notes, will have certain special rights, and will be subject to certain special restrictions, that do not apply to other