

The SoftBank-Sprint
&
Sprint-Clearwire Transactions
Serve the Public Interest

March 8, 2013

The Transactions

- SoftBank to acquire approximately 70% indirect interest in Sprint
 - Purchase approximately \$12.1 billion of Sprint public shares
 - Additional \$8 billion cash infusion in Sprint
- Sprint to acquire remaining Clearwire shares
 - Sprint to obtain *de facto* control, in addition to its existing *de jure* control
 - SoftBank to obtain indirect *de facto* control, via stake in Sprint

Invigorate Wireless Competition

- Trend toward duopoly
- Investment will strengthen Sprint and Clearwire
- SoftBank's experience is significant
 - Record of successfully challenging large rivals
 - Technical and marketing innovation
- Additional wireless competition serves the public interest

Accelerate LTE Buildout

- SoftBank's investment and expertise will help accelerate LTE buildout
- Accelerated LTE
 - Beneficial to consumers
 - Spectrum efficient
 - Critical to competing with Verizon and AT&T

Innovation and Scale Economies

- Sprint and Clearwire can draw on SoftBank's expertise
- Merged companies will gain scale to promote broadband innovation for customers
 - More attractive partner for vendors
 - Help provide consumers with cutting-edge handsets and technologies

Foreign Ownership

- Public interest presumption for investment from WTO-member countries applies
 - SoftBank's WTO ownership over 92%; Sprint's is over 97%
 - Post-closing non-WTO ownership will be well under 25%
- No basis to rebut the presumption
- Foreign ownership limits do not apply to Clearwire licenses

No Spectrum Aggregation Issues

- SoftBank has no attributable U.S. interests
- Clearwire spectrum already attributed to Sprint after 2008 order
- Spectrum screen issues should be addressed in rulemaking
 - Record supports retaining current treatment of BRS and EBS spectrum

No Other Substantial Issues

- Most petitioners and commenters raise matters outside FCC jurisdiction or non-merger specific issues
 - Most stem from commercial disputes
- No competitive issues
- National security issues addressed in the Team Telecom/CFIUS process

Prompt Approval Benefits Consumers

- Pleading cycle closed
- Responses to foreign ownership inquiry filed
- No competitive harm
- Significant public interest benefits