FIRST INDUSTRIAL REALTY TRUST INC
Form PRE 14A
March 15, 2011

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934 (Amendment No.)

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

Check the appropriate box:

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

FIRST INDUSTRIAL REALTY TRUST, INC.

(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):

ý No fee required.
o 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:

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2) Aggregate number of securities to which transaction applies:

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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):

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4) Proposed maximum aggregate value of transaction:

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5) Total fee paid:

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1) Amount Previously Paid:

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2) Form, Schedule or Registration Statement No.:

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3) Filing Party:

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4) Date Filed:

FIRST INDUSTRIAL REALTY TRUST, INC.
311 South Wacker Drive
Suite 3900
Chicago, Illinois 60606

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

To Be Held on May 12, 2011

NOTICE IS HEREBY GIVEN that the 2011 Annual Meeting of Stockholders (the Annual Meeting) of First Industrial Realty Trust, Inc. (the Company) will be held on Thursday, May 12, 2011 at 9:00 a.m. at the 10th Floor Conference Room, 311 South Wacker Drive, Chicago, Illinois 60606 for the following purposes:

1. To elect two Class II Directors of the Company to serve until the 2014 Annual Meeting of Stockholders and one Class I Director of the Company to serve until the 2013 Annual Meeting of Stockholders, each until his respective successor is duly elected and qualified;

2. To approve Articles of Amendment to the Company s charter to increase the number of authorized shares of the Company s common stock, $.01 par value per share;

3. To approve the Company s 2011 Stock Incentive Plan;

4. To approve, on an advisory (i.e. non-binding) basis, the compensation of the Company s named executive officers as disclosed in the proxy statement for this meeting;

5. To indicate, on an advisory (i.e. non-binding) basis, the frequency with which the Company s stockholders would like to cast an advisory vote on the compensation of the Company s named executive officers;

6. To ratify the appointment of PricewaterhouseCoopers LLP as the Company s independent registered public accounting firm for the fiscal year ending December 31, 2011; and

7. To consider and act upon any other matters that may properly be brought before the Annual Meeting and at any adjournments or postponements thereof.

Any action may be taken on the foregoing matters at the Annual Meeting on the date specified above, or on any date or dates to which, by original or later adjournment, the Annual Meeting may be adjourned, or to which the Annual Meeting may be postponed.

The Board of Directors has fixed the close of business on March 21, 2011 as the record date for the Annual Meeting. Only stockholders of record of the Company s common stock at the close of business on that date will be entitled to notice of and to vote at the Annual Meeting and at any adjournments or postponements thereof.

You are requested to fill in and sign the enclosed Proxy Card, which is being solicited by the Board of Directors, and to mail it promptly in the enclosed postage-prepaid envelope. Any proxy may be revoked by delivery of a later dated proxy. Stockholders of record who attend the Annual Meeting may vote in person, even if they have previously delivered a signed proxy. Street name stockholders who wish to vote in person will need to obtain a duly executed proxy form from the institution that holds their shares prior to the Annual Meeting.

By Order of the Board of Directors

John H. Clayton
Secretary

Chicago, Illinois
April , 2011

WHETHER OR NOT YOU PLAN TO ATTEND THE MEETING, PLEASE COMPLETE, SIGN, DATE AND PROMPTLY RETURN THE ENCLOSED PROXY CARD IN THE POSTAGE-PREPAID ENVELOPE PROVIDED.

FIRST INDUSTRIAL REALTY TRUST, INC.
311 South Wacker Drive
Suite 3900
Chicago, Illinois 60606

PROXY STATEMENT

FOR THE 2011 ANNUAL MEETING OF STOCKHOLDERS

To Be Held on May 12, 2011

This Proxy Statement is furnished in connection with the solicitation of proxies by the Board of Directors of First Industrial Realty Trust, Inc. (First Industrial or the Company) for use at the 2011 Annual Meeting of Stockholders of the Company to be held on Thursday, May 12, 2011, and at any adjournments or postponements thereof (the Annual Meeting). At the Annual Meeting, stockholders will be asked to vote (i) on the election of two Class II Directors and one Class I Director, (ii) to approve Articles of Amendment to the Company s articles of incorporation (as amended to date, the Charter) to increase the number of authorized shares of the Company s common stock, $.01 par value per share (the Common Stock), (iii) to approve the First Industrial Realty Trust, Inc. 2011 Stock Incentive Plan (the 2011 Stock Incentive Plan), (iv) to approve, on an advisory (i.e. non-binding) basis, the compensation of the Company s named executive officers as disclosed in this Proxy Statement, (v) to indicate, on an advisory (i.e. non-binding) basis, the frequency with which the Company s stockholders would like to cast an advisory vote on the compensation of the Company s named executive officers, (vi) to ratify the appointment of PricewaterhouseCoopers LLP as the Company s independent registered public accounting firm for the current fiscal year and (vii) to act on any other matters properly brought before them.

This Proxy Statement and the accompanying Notice of Annual Meeting and Proxy Card are first being sent to stockholders on or about April , 2011. The Board of Directors has fixed the close of business on March 21, 2011 as the record date for the Annual Meeting (the Record Date). Only stockholders of record of Common Stock at the close of business on the Record Date will be entitled to notice of and to vote at the Annual Meeting. As of the Record Date, there were shares of Common Stock outstanding and entitled to vote at the Annual Meeting. Holders of Common Stock outstanding as of the close of business on the Record Date will be entitled to one vote for each share held by them on each matter presented to the stockholders at the Annual Meeting.

Stockholders of the Company are requested to complete, sign, date and promptly return the accompanying Proxy Card in the enclosed postage-prepaid envelope. Shares represented by a properly executed Proxy Card received prior to the vote at the Annual Meeting and not revoked will be voted at the Annual Meeting as directed on the Proxy Card. If a properly executed Proxy Card is submitted and no instructions are given, the persons designated as proxy holders on the Proxy Card will vote (i) FOR the election of the two nominees for Class II Directors and the one nominee for Class I Director named in this Proxy Statement, (ii) FOR the approval of Articles of Amendment to the Company s Charter to increase the number of authorized shares of Common Stock, (iii) FOR the approval of the 2011 Stock Incentive Plan, (iv) FOR the approval, on an advisory basis, of the compensation of our named executive officers, (v) to indicate, on an advisory basis, that the

stockholder vote on executive compensation should be held EACH YEAR, (vi) FOR the ratification of the appointment of PricewaterhouseCoopers LLP as the Company s independent registered public accounting firm for the current fiscal year and (vii) in their own discretion with respect to any other business that may properly come before the stockholders at the Annual Meeting or at any adjournments or postponements thereof. It is not anticipated that any matters other than those set forth in the Proxy Statement will be presented at the Annual Meeting.

PROXY STATEMENT

The presence, in person or by proxy, of holders of at least a majority of the total number of outstanding shares of Common Stock entitled to vote is necessary to constitute a quorum for the transaction of business at the Annual Meeting. The affirmative vote of the holders of a majority of the votes cast with a quorum present at the Annual Meeting is required (i) for the election of directors, (ii) for the approval, on an advisory basis, of the compensation of our named executive officers, (iii) to indicate, on an advisory basis, the frequency with which the Company s stockholders would like to cast an advisory vote on the compensation of the Company s named executive officers and (iv) for the ratification of the appointment of the Company s independent registered public accounting firm. The affirmative vote of the holders of a majority of the votes present, or represented by proxy, and entitled to be cast with a quorum present at the Annual Meeting is required to approve the 2011 Stock Incentive Plan. The affirmative vote of the holders of two-thirds of the votes entitled to be cast with a quorum present at the Annual Meeting is required for the approval of the proposed Articles of Amendment to the Company s Charter. Broker non-votes will not be counted as votes cast or entitled to vote and, accordingly, will have no effect on the majority vote required, although they will be counted for quorum purposes. Abstentions will not be counted as votes cast but will be counted as entitled to vote, and accordingly, will only have effect on Proposals II and III for which they will effectively be treated as votes against.

A stockholder of record may revoke a proxy at any time before it has been exercised by filing a written revocation with the Secretary of the Company at the address of the Company set forth above, by filing a duly executed proxy bearing a later date, or by appearing in person and voting by ballot at the Annual Meeting. Any stockholder of record as of the Record Date attending the Annual Meeting may vote in person whether or not a proxy has been previously given, but the presence (without further action) of a stockholder at the Annual Meeting will not constitute revocation of a previously given proxy. Street name stockholders who wish to vote in person will need to obtain a duly executed proxy form from the institution that holds their shares prior to the Annual Meeting.

In the pages preceding this Proxy Statement is a Letter to Stockholders from the Company s President and Chief Executive Officer. Also, Appendix C to this Proxy Statement contains the Company s 2010 Annual Report, including the Company s financial statements for the fiscal year ended December 31, 2010 and certain other information required by the rules and regulations of the Securities and Exchange Commission (the SEC). Neither the Letter to Stockholders from the Company s President and Chief Executive Officer nor the Company s 2010 Annual Report, however, are part of the proxy solicitation material. See Other Matters-Incorporation by Reference herein.

PROPOSAL I

ELECTION OF DIRECTORS

Pursuant to the Charter, the maximum number of members allowed to serve on the Company s Board of Directors is twelve. The Board of Directors of the Company currently consists of nine seats and is divided into three classes, with the directors in each class serving for a term of three years and until their successors are duly elected and qualified. The term of one class expires at each Annual Meeting of Stockholders. Pursuant to the Amended and Restated Bylaws of the Company (the Bylaws), vacancies on the Board of Directors may be filled by a majority vote of the directors, and directors elected to fill vacancies shall hold office until the next Annual Meeting of Stockholders.

At the Annual Meeting, two directors will be elected to serve as Class II Directors until the 2014 Annual Meeting of Stockholders and until their successors are duly elected and qualified and one director will be elected to serve as a Class I Director until the 2013 Annual Meeting of Stockholders and until his successor is duly elected and qualified. The Board of Directors has nominated Bruce W. Duncan and Kevin W. Lynch to serve as Class II Directors and L. Peter Sharpe to serve as a Class I Director (the Nominees). Messrs. Duncan and Lynch are currently serving as

Class II Directors and Mr. Sharpe is currently serving as a Class I Director of the Company. Mr. Sharpe was elected as a Class I Director by the Board of Directors in November 2010 to fill a vacancy. Each of the Nominees has consented to be named as a nominee in this Proxy Statement. The Board of Directors anticipates that each of the Nominees will serve as a director if elected. However, if any person nominated by the Board of Directors is unable to accept election, the proxies will vote for the election of such other person or persons as the Board of Directors may recommend.

The Board of Directors recommends a vote FOR the Nominees.

BROKER NON-VOTES

Stockholders of the Company who have received this proxy statement from their broker or other fiduciary should have received instructions for directing how that broker or fiduciary should vote the stockholder s shares. It will be the broker s or fiduciary s responsibility to vote the stockholder s shares for the stockholder in the manner directed. The stockholder must complete, execute and return the voting instruction form in the envelope provided by the broker.

Under the rules of the New York Stock Exchange (the NYSE), brokers generally may vote on routine matters, such as the ratification of an independent public accounting firm, but may not vote on non-routine matters unless they have received voting instructions from the person for whom they are holding shares. If there is a non-routine matter presented to stockholders at a meeting and the stockholder s broker or fiduciary does not receive instructions from the stockholder on how to vote on that matter, the broker or fiduciary will return the proxy card to the Company, indicating that he or she does not have the authority to vote on that matter. This is generally referred to as a broker non-vote and may affect the outcome of the voting on those matters.

The proposals described in this Proxy Statement for the approval of the amendment to the Company s Charter and the ratification of the appointment of PricewaterhouseCoopers LLP as the Company s independent registered public accounting firm for 2011 are considered routine matters under the NYSE rules. Each of the other proposals is considered a non-routine matter under NYSE rules and could result in broker non-votes. We therefore encourage stockholders to provide directions to their broker as to how the stockholder wants their shares voted on all matters to be brought before the Annual Meeting. The stockholder should do this by carefully following the instructions the broker gives the stockholder concerning its procedures. This ensures that the stockholder s shares will be voted at the meeting.

INFORMATION REGARDING NOMINEES AND DIRECTORS

The following biographical descriptions set forth certain information with respect to the two Nominees for election as Class II Directors and the one Nominee for election as a Class I Director at the Annual Meeting, the continuing directors whose terms expire at the Annual Meetings of Stockholders in 2012 and 2013 and certain executive officers, based on information furnished to the Company by such persons. The following information is as of March 21, 2011, unless otherwise specified.

Class II Nominees for Election at 2011 Annual Meeting Term to Expire in 2014

Bruce W. Duncan Director since 2009

Mr. Duncan, 59, has been President, Chief Executive Officer and a Director of the Company since January 2009. He also presently serves as the chairman of the Board of Directors of Starwood Hotels & Resorts Worldwide, Inc. (NYSE: HOT) (Starwood), a leading worldwide hotel and leisure company, a position he has held since May 2005. From April to September 2007, Mr. Duncan served as Chief Executive Officer of Starwood on an interim basis. Mr. Duncan has served as a Director of Starwood since 1999. He also was a senior advisor to Kohlberg Kravis &

Roberts & Co. from July 2008 until January 2009. From May 2005 to December 2005, Mr. Duncan was Chief Executive Officer and Trustee of Equity Residential (NYSE: EQR) (EQR), a publicly traded apartment company. From January 2003 to May 2005, he was President, Chief Executive Officer and Trustee, and from April 2002 to December 2002, President and Trustee of EQR. From December 1995 until March 2000, Mr. Duncan served as Chairman, President and Chief Executive Officer of Cadillac Fairview Corporation, a real estate operating company. From January 1992 to October 1994, Mr. Duncan was President and Co-Chief Executive Officer of JMB Institutional Realty Corporation providing advice and management for investments in real estate by tax-exempt investors and from 1978 to 1992, he worked for JMB Realty Corporation where he served as Executive Vice President and a member of the Board of Directors. Mr. Duncan s extensive experience leading other publicly traded real estate companies, both as a senior executive and a director, is critical to his ability to lead the Company as its Chief Executive Officer, and is a valuable asset to the Board of Directors. Moreover, as the Company s Chief Executive Officer, Mr. Duncan brings to our Board of Directors his in-depth knowledge of our business, strategy, operations, competition and financial position. Mr. Duncan s membership on the Board of Directors is critical to ensuring appropriate coordination and communication between the Company s executive officers and the Board of Directors.

Kevin W. Lynch Director since 1994

Mr. Lynch, 58, has been a director of the Company since June 1994. Mr. Lynch is the co-founder and Principal of The Townsend Group (Townsend), an institutional real estate consulting firm, which provides real estate consulting for pension funds and institutional investors. In his capacity as Principal, Mr. Lynch is responsible for strategic development and implementation of client real estate portfolios. Mr. Lynch is also responsible for new product development. Prior to founding Townsend, Mr. Lynch was associated with Stonehenge Capital Corporation, where he was involved in the acquisition of institutional real estate properties and the structuring of institutional real estate transactions. Mr. Lynch is a director of Lexington Realty Trust (NYSE: LXP). Mr. Lynch is a member of the Pension Real Estate Association, the National Council of Real Estate Investment Fiduciaries and the European Association for Investors in Non-listed Real Estate Vehicles. He is a frequent speaker at industry conferences and has presented in Amsterdam and Frankfurt for the benefit of the Association of Foreign Investors in Real Estate and as a guest lecturer at Columbia University and Tel Aviv University. Mr. Lynch is currently on the Advisory Board for the European Institutional Real Estate Letter. The Board of Directors benefits from Mr. Lynch s over 20 years of experience in advising U.S. and international institutional providers of real estate capital. Mr. Lynch is also sophisticated in matters of real estate execution and finance, and is keenly aware of developments in the capital markets, and is thereby a valuable resource to the Board of Directors.

Class I Nominee for Election at 2011 Annual Meeting Term to Expire in 2013

L. Peter Sharpe Director since 2010

Mr. Sharpe, 64, has been a director of the Company since November 2010. He recently retired as President and Chief Executive Officer of Cadillac Fairview Corporation, a position he has held from March 2000 through December 31, 2010. Prior to March 2000, Mr. Sharpe held various positions at Cadillac Fairview Corporation, including serving as its Executive Vice President of Operations from 1990 to 2000. From 2009 through 2010, Mr. Sharpe served as Chairman of the Board of Directors of the International Council of Shopping Centers, the global trade association of the shopping center industry, and also serves as a director of Multiplan Empreendimentos Imobiliários S.A. (Bovespa: MULT3), one of the leading developers, owners and operators of shopping centers in Brazil. Previously, Mr. Sharpe served as a director on the boards of Legacy REIT, from 1997 to 2001, and Fairmont Hotels & Resorts, from 2001 to 2006. Mr. Sharpe s experience managing large real estate development companies, and serving on the boards of real estate investment trusts, has provided him with real estate knowledge and corporate organizational skills that benefit our Board of Directors tremendously. In addition to his executive experience, inclusive of managing a substantial real estate entity for an institutional ownership constituency, Mr. Sharpe has a substantial background in real estate investment leasing and operations activities. Moreover, Mr. Sharpe s financial expertise, and his experience serving on the Audit Committees of other publicly traded real estate companies, is valuable to the Company s Audit Committee, on which he currently serves.

Class III Continuing Directors Term to Expire in 2012

John Rau Director since 1994

Mr. Rau, 62, has been a director of the Company since June 1994. Since December 2002, Mr. Rau has served as President and Chief Executive Officer and as a director of Miami Corporation, a private asset management firm. From January 1997 to March 2000, he was a director, President and Chief Executive Officer of Chicago Title Corporation (NYSE: CTZ), and its subsidiaries, Chicago Title and Trust Co., Chicago Title Insurance Co., Ticor Title Insurance Co. and Security Union Title Insurance Co. Mr. Rau was a director of BorgWarner, Inc. from 1997 to 2006, and a director of William Wrigley Jr. Company from March, 2005 until the company sold to Mars, Inc. in September, 2008. Mr. Rau is a director of Nicor Inc., Harris Financial Corp., Harris Bank, and served as a director of LaSalle Bank, N.A. until its 2007 sale to Bank of America. From July 1993 until November 1996, Mr. Rau was Dean of the Indiana University School of Business. From 1991 to 1993, Mr. Rau served as Chairman of the Illinois Economic Development Board and as special advisor to Illinois Governor Jim Edgar. From 1990 to 1993, he was Chairman of the Banking Research Center Board of Advisors and a Visiting Scholar at Northwestern University s J.L. Kellogg Graduate School of Management. During that time, he also served as Special Consultant to McKinsey & Company, a worldwide strategic consulting firm. From 1989 to 1991, Mr. Rau served as President and Chief Executive Officer of LaSalle National Bank. From 1979 to 1989, he was associated with The Exchange National Bank, serving as President from 1983 to 1989, at which time The Exchange National Bank merged with LaSalle National Bank. Prior to 1979, he was associated with First National Bank of Chicago. Mr. Rau s extensive experience in the banking and title insurance industries provides the Board of Directors with valuable insight into the matters of corporate and real estate finance, as well as financial services management and risk management. Moreover, Mr. Rau s financial expertise is valuable to the Company s Audit Committee, on which he currently serves.

Robert J. Slater Director since 1994

Mr. Slater, 73, has been a director of the Company since June 1994. From 1988 until his retirement in 2004, Mr. Slater was President of Jackson Consulting, Inc., a private investment and consulting company that specializes in advising manufacturing and distribution companies on strategic, organizational, and economic planning. He retired as President, Chief Operating Officer and Director of Crane Co., a multinational manufacturing, distribution, and aerospace company, after serving the company from 1969 to 1988. Mr. Slater also held several executive level positions at Crane Co. subsidiaries including CF&I Corporation, Medusa Corporation, and Huttig Sash & Door Co. Mr. Slater has served on the boards of directors of a number of public companies during his career. Most recently, he was a director of Southdown, Inc. and National Steel Corporation. Mr. Slater s breadth of experience derived from serving on boards in the manufacturing and transportation industries, as well as his knowledge of logistics and facility management based on his tenure as an executive officer in these industries, are valuable resources for the Board of Directors.

W. Ed Tyler Director since 2000

Mr. Tyler, 58, has been a director of the Company since March 2000, served as Lead Director from October 2008 to January 2009 and has served as non-executive Chairman of the Board of Directors since January 2009. Mr. Tyler also served as the Company s interim Chief Executive Officer from October 2008 to January 2009. Mr. Tyler was appointed CEO of Ideapoint Ventures in 2002. Ideapoint Ventures is an early stage venture fund that focuses on nanotechnologies. Prior to joining Ideapoint Ventures, Mr. Tyler served as Chief Executive Officer and a director of Moore Corporation Limited, a provider of data capture, information design, marketing services, digital communications and print solutions, from 1998 to 2000. Prior to joining Moore Corporation, Mr. Tyler served in various capacities at R.R. Donnelley & Sons Company, most recently as Executive Vice President and Chief Technology Officer, from 1997 to 1998, and as Executive Vice President and Sector President of Donnelley s Networked Services Sector, from 1995 to 1997. Mr. Tyler s extensive experience as a senior executive and director of other companies, both private and publicly traded, is extremely valuable to the Board of Directors. Moreover, this experience, coupled with Mr. Tyler s prior service as interim Chief Executive Officer of the Company, affords

PROXY STATEMENT

Mr. Tyler a unique perspective, and helps him facilitate communications between the Company s senior executives and the Board of Directors in his role as Chairman of the Board.

Class I Continuing Directors Term to Expire in 2013

Matthew S. Dominski Director since 2010

Mr. Dominski, 56, has been a director of the Company since March 2010. He also presently serves as a director of CBL & Associates Properties, Inc., one of the largest shopping mall real estate investment trusts in the United States. From 1993 through 2000, Mr. Dominski served as Chief Executive Officer of Urban Shopping Centers (Urban), formerly one of the largest regional mall property companies in the country and also a publicly traded real estate investment trust. Following the purchase of Urban by Rodamco North America in 2000, Mr. Dominski served as Urban s President until 2002. In 2003, Mr. Dominski formed Polaris Capital, LLC, a Chicago, Illinois based real estate investment firm of which he currently is joint owner. From 1998 until 2004, Mr. Dominski served as a member of the Board of Trustees of the International Council of Shopping Centers. Mr. Dominski s extensive experience leading other public and private real estate companies, both as a senior executive and a director, is a valuable asset to the Board of Directors.

H. Patrick Hackett, Jr. Director since 2009

Mr. Hackett, 59, has been a director of the Company since December 2009. Mr. Hackett is the Chief Executive Officer of HHS Co., a real estate company located in the Chicago area. Previously, he served as the President and Chief Executive Officer of RREEF Capital, Inc. and as Principal of The RREEF Funds, an international commercial real estate investment management firm. Mr. Hackett taught real estate finance at the Kellogg Graduate School of Management for 15 years when he also served on the real estate advisory boards of Kellogg and the Massachusetts Institute of Technology. He serves on the boards of Wintrust Financial Corporation (NASDAQ:WTFC), Textura Corporation and Evanston Capital Management. Mr. Hackett is a director of North Shore Bank. Mr. Hackett provides the Board of Directors with valuable real estate finance expertise, and the Board of Directors further benefits from Mr. Hackett s experience on other boards in the financial services sector. In addition, Mr. Hackett s financial expertise is valuable to the Company s Audit Committee, which he has chaired since June 2010 and within which he is an audit committee financial expert.

INFORMATION REGARDING EXECUTIVE OFFICERS AND OTHER SENIOR MANAGEMENT

Scott A. Musil

Mr. Musil, 43, has been Chief Financial Officer of the Company since March 2011. He served as acting Chief Financial Officer of the Company from December 2008 to March 2011 and Chief Accounting Officer of the Company from March 2006 to March 2011. Mr. Musil has also served as Senior Vice President of the Company since March 2001, Controller of the Company since December 1995, Treasurer of the Company since May 2002 and Assistant Secretary of the Company since May 1996. In addition, he served as a Vice President of the Company from May 1998 to March 2001. Prior to joining the Company, he served in various capacities with Arthur Andersen & Company, culminating as an audit manager specializing in the real estate and finance industries. Mr. Musil is a certified public accountant. His professional affiliations include the American Institute of Certified Public Accountants and National Association of Real Estate Investment Trusts (NAREIT).

Johannson L. Yap

Mr. Yap, 48, has been the Chief Investment Officer of the Company since February 1997 and Executive Vice President West Region since March 2009. From April 1994 to February 1997, he served as Senior Vice President Acquisitions of the Company. Prior to joining the Company, Mr. Yap joined The Shidler Group in 1988 as an acquisitions associate, and became Vice President in 1991, with responsibility for acquisitions, property management, leasing, project financing, sales and construction management functions. Between 1988 and 1994, he participated in the acquisition, underwriting and due diligence of several hundred million dollars of commercial properties. His professional affiliations include Urban Land Institute, NAREIT and the Council of Logistics Management.

David Harker

Mr. Harker, 52, has been Executive Vice President Central Region since March 2009. From April 2005 to March 2009 he served as Executive Director Investments of the Company. From 2002 to April 2005, he served as a Senior Regional Director of the Company and from 1998 to 2002 he served as a Regional Director of the Company, with responsibility for the Company s portfolio in Nashville, St. Louis, Louisville and Memphis. Prior to joining the Company, Mr. Harker was a Vice President of the Trammell Crow Company from 1992 to 1998. His professional affiliations include the Society of Industrial and Office Realtors.

Peter O. Schultz

Mr. Schultz, 48, has been Executive Vice President East Region since March 2009. From January 2009 to March 2009 he served as Senior Vice President Portfolio Management of the Company. From November 2007 to December 2008, he served as a Managing Director of the Company, with responsibility for the Company s East Region. From September 2004 to November 2007, he served as a Vice President Leasing of the Company, with responsibility for the Company s leasing team and asset management plan implementation in the East Region. From January 2001 to September 2004, he served as a Senior Regional Director of the Company, with responsibility for the Company s portfolio in Eastern Pennsylvania and Southern New Jersey. From March 1998 to December 2000, he served as a Regional Director of the Company, with responsibility for the Company s portfolio in Eastern Pennsylvania. Prior to joining the Company, Mr. Schultz served as President and Managing Partner of PBS Properties, Inc. from November 1990 to March 1998, prior to which time he was Director of Marketing and Sales for the Pickering Group and Morgantown Properties. His professional affiliations include National Association of Industrial and Office Properties.

THE BOARD OF DIRECTORS AND CORPORATE GOVERNANCE

The Board of Directors. The Board of Directors currently consists of nine seats and, effective as of the date of the Annual Meeting, the Board will reduce its size to eight seats. A majority of the members of the Board of Directors are independent as affirmatively determined by the Board of Directors. In determining the independence of its members, the Board of Directors applied the following standards:

1) The member must meet the definition of Independent Director contained in the Company s Charter, which requires that he or she be neither an employee of the Company nor a member of The Shidler Group.

2) After taking into account all relevant facts and circumstances, the Board of Directors must determine that the member has no material relationships with the Company (either directly or as a partner, shareholder or officer of an organization that has a relationship with the Company). Relationships to be considered include commercial, industrial, banking, consulting, legal, accounting, charitable and familial relationships.

3) The member must satisfy the independence tests set forth in Section 303A.02(b) of the Listed Company Manual of the NYSE.

Applying such standards, the Board of Directors has affirmatively determined that each of Messrs. Dominski, Hackett, Lynch, Rau, Sharpe, Slater and Tyler are independent directors.

Pursuant to the terms of the Company s Charter, the directors are divided into three classes. Class II Directors, Messrs. Duncan and Lynch and Michael G. Damone, and Class I Director, Mr. Sharpe, hold office for a term expiring at this Annual Meeting. Effective as of the date of the Annual Meeting, Mr. Damone will complete his service as a member of the Board of Directors. Class III Directors, Messrs. Rau, Slater and Tyler, hold office for a term expiring at the Annual Meeting of Stockholders to be held in 2012. Class I Directors, Messrs. Dominski and Hackett hold office for a term expiring at the Annual Meeting of Stockholders to be held in 2013. Each director will hold office for the term to which he is elected and until his successor is duly elected and qualified. At each Annual

Meeting of Stockholders, the successors to the class of directors whose term expires at that meeting will be elected to hold office for a term continuing until the Annual Meeting of Stockholders held in the third year following the year of their election and the election and qualification of their successors.

The Board of Directors held ten meetings and acted four times by unanimous consent during 2010. Each of the directors serving in 2010 attended at least 75% of the total number of meetings of the Board of Directors and of the respective committees of the Board of Directors of which he was a member. Although the Company does not have a formal policy regarding director attendance at Annual Meetings of Stockholders, all of the directors then serving, except for retiring directors, Jay Shidler and J. Steven Wilson, attended the 2010 Annual Meeting of Stockholders. During 2010, Mr. Lynch, in his capacity as Chairman of the Nominating/Corporate Governance Committee, presided at meetings of non-management directors. In 2011, those meetings will be presided over by the Chairman of the Board, Mr. Tyler.

The Board of Directors has adopted Corporate Governance Guidelines to reflect the principles by which it operates. These guidelines, as well as the charters of the Audit Committee, Compensation Committee and Nominating/Corporate Governance Committee of the Board of Directors, are accessible at the investor relations pages of the Company s website at www.firstindustrial.com and are available in print free of charge to any stockholder who requests them. The Company has adopted a Code of Business Conduct and Ethics, which includes the principles by which the Company expects its employees, officers and directors to conduct Company business and which is accessible at the investor relations pages of the Company s website at www.firstindustrial.com and is available in print free of charge to any stockholder who requests it. The Company intends to post on its website amendments to, or waivers from, any provision of the Company s Code of Business Conduct and Ethics. We also post or otherwise make available on our website from time to time other information that may be of interest to our investors. However, none of the information provided on our website is part of the proxy solicitation material. See Other Matters-Incorporation by Reference herein.

The Board of Directors has appointed an Audit Committee, a Compensation Committee, an Investment Committee, a Nominating/Corporate Governance Committee and a Special Committee.

Audit Committee. The Audit Committee is directly responsible for the appointment, discharge, compensation, and oversight of the work of any independent registered public accounting firm employed by the Company for the purpose of preparing or issuing an audit report or related work. In connection with such responsibilities, the Audit Committee approves the engagement of independent public accountants, reviews with the independent public accountants the audit plan, the audit scope, and the results of the annual audit engagement, pre-approves audit and non-audit services provided by the independent public accountants, reviews the independence of the independent public accountants, pre-approves audit and non-audit fees and reviews the adequacy of the Company s internal control over financial reporting.

As of the end of 2010, the Audit Committee consisted of Messrs. Hackett, Sharpe and Rau. Each of Messrs. Hackett, Rau and Sharpe, in the judgment of the Company s Board of Directors, is independent as required by the listing standards of the NYSE and the rules of the SEC. Also, in the judgment of the Company s Board of Directors, each member is financially literate as required by the listing standards of the NYSE. Further, in the judgment of the Company s Board of Directors, Mr. Hackett is an audit committee financial expert, as such term is defined in the SEC rules, and has accounting or related financial management expertise, as defined in the listing standards of the NYSE. See Mr. Hackett s biography above. The Audit Committee met 10 times in 2010.

Compensation Committee. The Compensation Committee has overall responsibility for approving and evaluating the compensation plans, policies and programs relating to the executive officers of the Company. The Compensation Committee administers, and has authority to grant awards under, the First Industrial Realty Trust, Inc. 1994 Stock Incentive Plan (the 1994 Stock Plan), the First Industrial Realty Trust, Inc. 1997 Stock Incentive Plan (the 1997 Stock Plan), the First Industrial Realty Trust, Inc. Deferred Income Plan, the First Industrial Realty Trust, Inc. 2001 Stock Incentive Plan (the 2001 Stock Plan), the First Industrial Realty Trust, Inc. 2009 Stock Incentive Plan (the 2009 Stock Plan) and the 2011 Stock Plan. The Compensation Committee currently consists of Messrs. Slater, Lynch and Sharpe, each of whom, in the judgment of the Company s Board of Directors, is independent as required by the listing standards of the NYSE. The Compensation Committee met five times in 2010.

Investment Committee. The Investment Committee provides oversight and discipline to the investment process. Investment opportunities are described in written reports based on detailed research and analyses in a standardized format applying appropriate underwriting criteria. The Investment Committee meets with the Company s acquisition personnel, reviews each submission thoroughly and approves acquisitions of land having a total investment of greater than $5 million and all other acquisitions and development projects having a total investment of greater than $20 million. The Investment Committee makes a formal recommendation to the Board of Directors for all acquisitions and development projects with a total investment in excess of $50 million. The membership of the Investment Committee currently consists of Messrs. Damone, Dominski and Duncan. The Investment Committee met three times in 2010.

Nominating/Corporate Governance Committee. The Nominating/Corporate Governance Committee recommends individuals for election as directors at the Annual Meeting of Stockholders of the Company and in connection with any vacancy that may develop on the Board of Directors. The Board of Directors, in turn, as a whole by a majority vote either approves all of the nominations so recommended by the Nominating/Corporate Governance Committee or rejects all of the nominations in whole, but not in part. In the event that the Board of Directors as a whole by a majority vote rejects the recommended nominations, the Nominating/Corporate Governance Committee would develop a new recommendation. In addition, the Nominating/Corporate Governance Committee develops and oversees the Company s corporate governance policies. The membership of the Nominating/Corporate Governance Committee currently consists of Messrs. Lynch, Dominski, Hackett and Rau, each of whom, in the judgment of the Company s Board of Directors, is independent as required by the listing standards of the NYSE Mr. Lynch is the current Chairman of the Nominating/Corporate Governance Committee. The Nominating/Corporate Governance Committee met four times during 2010 and met in March 2011 to determine its nominations for this Proxy Statement.

The Nominating/Corporate Governance Committee will consider nominees recommended by stockholders of the Company. In order for a stockholder to nominate a candidate for election as a director at an Annual Meeting, notice must be given in accordance with the Bylaws of the Company to the Secretary of the Company not more than 180 days nor less than 75 days prior to the first anniversary of the preceding year s Annual Meeting. The fact that the Company may not insist upon compliance with the requirements contained in its Bylaws should not be construed as a waiver by the Company of its right to do so at any time in the future.

In general, it is the Nominating/Corporate Governance Committee s policy that, in its judgment, its recommended nominees for election as members of the Board of Directors of the Company must, at a minimum, have business experience of a breadth, and at a level of complexity, sufficient to understand all aspects of the Company s business and, through either experience or education, have acquired such knowledge as is sufficient to qualify as financially literate. In addition, recommended nominees must be persons of integrity and be committed to devoting the time and attention necessary to fulfill their duties to the Company. While the Nominating/Corporate Governance Committee has not adopted a formal diversity policy, diversity is one of the factors that the Nominating/Corporate Governance Committee considers in identifying director nominees. As part of the nomination process, the Nominating/Corporate Governance Committee evaluates how a particular individual would affect the diversity of the Company s Board of Directors in terms of how that person may contribute to the Board of Directors overall balance of perspectives, backgrounds, knowledge, experience, skill sets and expertise in matters pertaining to the Company s business.

The Nominating/Corporate Governance Committee may identify nominees for election as members of the Board of Directors of the Company through its own sources (including through nominations by stockholders made in accordance with the Company s Bylaws), through sources of other directors of the Company, and through the use of third-party search firms. The Company has previously engaged a third party search firm to identify potential nominees and may do so again in the future. Subject to the foregoing minimum standards, the Nominating/Corporate Governance Committee will evaluate each nominee on a case-by-case basis, assessing each nominee s judgment, experience, independence, understanding of the Company s business or that of other related industries, and such other factors as the Nominating/Corporate Governance Committee concludes are pertinent in light of the current needs of the Company s Board of Directors.

Special Committee. The Special Committee is authorized, within limits specified by the Board of Directors, to approve the terms under which the Company issues or repurchases Common Stock, preferred stock or depository shares representing fractional interests in preferred stock, or under which the Company or any of the Company s subsidiaries, including First Industrial, L.P., issues or repurchases debt. The membership of the Special Committee currently consists of Messrs. Dominski, Duncan and Rau. The Special Committee acted by unanimous consent once during 2010.

Communications by Stockholders. Stockholders of the Company may send communications to the Board of Directors as a whole, its individual members, its committees or its non-management members as a group. Communications to the Board of Directors as a whole should be addressed to The Board of Directors ; communications to any individual member of the Board of Directors should be addressed to such individual member; communications to any committee of the Board of Directors should be addressed to the Chairman of such committee; and communications to non-management members of the Board of Directors as a group should be addressed to the Chairman of the Nominating/Corporate Governance Committee. In each case, communications should be further addressed c/o First Industrial Realty Trust, Inc., 311 South Wacker Drive, Suite 3900, Chicago, Illinois 60606. All communications will be forwarded to their respective addressees and, if a stockholder marks his or her communication Confidential , will be forwarded directly to the addressee.

Board Leadership Structure and Role in Risk Management. Mr. Tyler is chairman of the Board of Directors. Mr. Tyler served as the Company s interim Chief Executive Officer from October 22, 2008 until January 9, 2009. Prior to and since the completion of his service as interim Chief Executive Officer, Mr. Tyler has not served as an officer of the Company and, as discussed above, Mr. Tyler is an independent director as affirmatively determined by the Board of Directors. We believe that having board leadership independent of management helps ensure critical and independent thinking with respect to the Company s strategy and performance. Mr. Duncan, the Company s President and Chief Executive Officer, is also a member of the Board of Directors. The presence of Mr. Duncan on the Board of Directors helps to ensure that management s insight is directly available to the directors in their deliberations.

The Board of Directors oversees the business of the Company and our stockholders interests in the long-term financial strength and overall success of the Company s business. In this respect, the Board of Directors is responsible for overseeing the Company s risk management. The Board of Directors delegates many of these functions to the Board s committees. Each committee of the Board of Directors is responsible for reviewing the risk exposure of the Company related to the committees areas of responsibility and providing input to the Board of Directors on such risks. The Board of Directors and its committees regularly review material strategic, operational, financial, compensation and compliance risks with management.

For example, under its charter, the Audit Committee is required to assist the Board of Directors in fulfilling its oversight responsibilities by reviewing the financial information that will be provided to the stockholders, the systems of internal controls that management and the Board of Directors have established and the audit process. The Audit Committee is responsible for facilitating communication between the Company s independent auditors and the Board of Directors and management, and for reviewing with the independent auditors the adequacy of the Company s internal controls. The Audit Committee also reviews with management and the independent auditors significant risks which impact financial reporting and operations to which the Company is exposed, including risks faced in the ordinary course of business and risks resulting from extraordinary circumstances. In addressing these risks, the Audit

Committee assesses management s response and the effectiveness of the Company s internal controls.

Similarly, the Compensation Committee strives to adopt compensation incentives that encourage appropriate risk-taking behavior that is consistent with the Company s long term business strategy. We do not believe that our compensation policies and practices are reasonably likely to have a material adverse effect on the Company. The

Compensation Committee has focused on aligning our compensation policies with our stockholders long-term interests and avoiding short-term rewards for management or awards that encourage excessive or unnecessary risk taking. For example, a substantial amount of compensation provided to the Company s executive officers is in the form of equity awards for which the ultimate value of the award is tied to the Company s stock price and which are subject to long-term vesting schedules. In addition, annual cash and equity bonuses provided to management for 2010 were contingent upon the Company s satisfaction of a prescribed level of funds from operations, which is a non-GAAP supplemental performance measure commonly used to evaluate the performance of real estate investment trusts. Because these awards are directly tied to increased earnings and stock price, in line with our stockholders interests, we believe that none of these types of awards contribute to excessive or unnecessary risk taking.

DIRECTOR COMPENSATION

Directors of the Company who are also employees, namely Mr. Duncan (our Chief Executive Officer) and Mr. Damone (a non-executive employee), receive no additional compensation for their services as a director.

Compensation of non-employee directors is reviewed annually by the Compensation Committee of the Board of Directors, which makes any recommendations of compensation changes to the entire Board of Directors. Non-employee directors are not entitled to retirement benefits, incentive compensation or perquisites, although they are reimbursed for their out-of-pocket expenses for meeting attendance.

Compensation for non-employee directors of the Company consisted of an annual director s fee equivalent in value to $120,000, up to 100% of the value of which may be taken in the form of unrestricted Common Stock. No fees are paid for attendance at in-person or telephonic meetings of the Board of Directors and its Committees. Additional annual fees for service as Chairman of the Board of Directors, Chairman of the Audit Committee, Chairman of the Compensation Committee and Chairman of the Nominating/Corporate Governance Committee are $50,000, $20,000, $10,000 and $10,000, respectively. For 2010, each director elected to receive all fees in the form of cash payments rather than unrestricted Common Stock.

DIRECTOR COMPENSATION SUMMARY

Name	Fees Earned or Paid in Cash ($)	Stock Awards ($)	All Other Compensation ($)	Total Compensation ($)
Matthew S. Dominski(1)	$ 99,545	$ 0(1)	$ 0	$ 99,545
H. Patrick Hackett, Jr.	$ 131,667	$ 0(2)	$ 0	$ 131,667
Kevin W. Lynch	$ 130,000	$ 0(3)	$ 0	$ 130,000
John Rau	$ 128,333	$ 0(4)	$ 0	$ 128,333
L. Peter Sharpe(5)	$ 19,333	$ 0(5)	$ 0	$ 19,333
Jay H. Shidler(6)	$ 41,613	$ 0(6)	$ 0	$ 41,613
Robert J. Slater	$ 130,000	$ 0(7)	$ 0	$ 130,000
W. Ed Tyler	$ 170,000	$ 0(8)	$ 0	$ 170,000
J. Steven Wilson(9)	$ 41,613	$ 0(9)	$ 0	$ 41,613

(1) Mr. Dominski s service as a director of the Company commenced March 3, 2010. Mr. Dominski currently holds no shares of unvested restricted Common Stock.

(2) As of December 31, 2010, Mr. Hackett held no shares of unvested restricted Common Stock.

(3) As of December 31, 2010, Mr. Lynch held 12,156 shares of unvested restricted Common Stock.

(4) As of December 31, 2010, Mr. Rau held 9,062 shares of unvested restricted Common Stock.

(5) Mr. Sharpe s service as a director of the Company commenced November 3, 2010. Mr. Sharpe currently holds no shares of unvested restricted Common Stock

(6) Mr. Shidler s service as a director of the Company concluded on May 5, 2010.

(7) As of December 31, 2010, Mr. Slater held 13,694 shares of unvested restricted Common Stock.

(8) As of December 31, 2010, Mr. Tyler held 12,369 shares of unvested restricted Common Stock.

(9) Mr. Wilson s service as a director of the Company concluded on May 5, 2010.

EXECUTIVE COMPENSATION DISCUSSION AND ANALYSIS

OBJECTIVES AND DESIGN OF COMPENSATION PROGRAM

The Company maintains the philosophy that compensation of its executive officers and other employees should serve the best interests of the Company s stockholders. Accordingly, the Company believes its executive compensation program should not only serve to attract and retain talented, capable individuals, but also to provide them with proper incentives linked to performance criteria that are designed to maximize the Company s overall performance. To this end, the Company s compensation program consists of a mix of compensation that is intended to compensate executive officers for their contributions during the year and to reward them for achievements that lead to increased Company performance and increases in stockholder value.

THE EXECUTIVE COMPENSATION PROCESS AND THE ROLE OF EXECUTIVE OFFICERS IN COMPENSATION DECISIONS

The Compensation Committee of the Company s Board of Directors (the Compensation Committee) has overall responsibility for approving and evaluating the compensation plans, policies and programs relating to the executive officers of the Company. The Compensation Committee typically formulates senior executive compensation beginning in the December before and in the first quarter of the applicable fiscal year by setting that year s salary and, if applicable, target maximum cash and equity bonus for the Chief Executive Officer, the Chief Financial Officer and other senior executive officers (Senior Management). Also, typically, in the first quarter of the applicable fiscal year (although not until November in 2010) the Compensation Committee adopts, and the full Board of Directors ratifies, the performance criteria (the Performance Criteria) to be used to determine the incentive compensation of Senior Management (other than those covered by separate plans or agreements) for that year. Then, after the end of the applicable fiscal year, the Compensation Committee meets to determine incentive compensation to be paid to Senior Management with respect to that year pursuant to the Performance Criteria or, as applicable, pursuant to separate plans or agreements. Per such determination, the Company pays cash bonuses, typically in February or March, and issues restricted Common Stock, typically in March.

Periodically, though not every year, the Company and the Compensation Committee engage the services of outside consultants to evaluate the Company s executive compensation program. In 2008, the Compensation Committee retained FPL Associates, an outside consultant, to review the appropriateness of the compensation of the Company s Chief Executive Officer, Chief Financial Officer, Chief Investment Officer and Executive Vice President Operations, and certain other members of management. As part of its review, the outside consultant surveyed a range of real estate companies that included not only the Company s industrial peers, but similarly sized companies and companies with similar operating strategies from other sectors of the REIT industry. Peers identified were: AMB Property Corp., PS Business Parks, Inc., Eastgroup Properties, Inc., Liberty Property Trust, ProLogis, Duke Realty Corp., Taubman Centers, Inc., Corporate Office Properties Trust, Crescent Real Estate Equities, FelCor Lodging Trust, Inc., Home

Properties, Inc., Maguire Properties, Inc., Essex Property Trust, Inc., BRE Properties, Inc., Realty Income Corporation, Pennsylvania REIT, Cousins Properties, Inc., Crescent Real Estate Equities, Vornado Realty Trust, Kimco Realty Corporation, Mack-Cali Realty Corp., SL Green Realty Corp., Boston Properties, Inc. and Developers Diversified Realty. The Compensation Committee used this survey not as a benchmark, per se, but rather to gauge generally the appropriateness of the Company s executive compensation programs and to gauge the appropriateness of the levels of base compensation paid to Senior Management.

Historically, the Company s Chief Executive Officer and Chief Financial Officer have participated in meetings with the Compensation Committee at various times throughout the year. During the first quarter of the applicable fiscal year, they typically meet with the Compensation Committee to present and discuss recommendations with respect to the applicable fiscal year s salaries and target maximum cash and equity bonus for Senior Management not covered by separate plans or agreements. Also, in the first quarter of each year, they typically meet with the Compensation Committee to present and discuss recommendations with respect to incentive compensation for the year just ended. In addition, they traditionally meet with the Compensation Committee regarding employment agreements that the Company has entered into and assist the Compensation Committee in providing compensation information to outside consultants engaged to evaluate the Company s compensation programs.

In 2008 and 2009, an ad hoc committee of the Board of Directors, including Messrs. Lynch, Rau, Shidler, Slater and Tyler, which was formed for evaluating and selecting a new chief executive officer (the Search Committee), also had a significant role in determining the compensation for Mr. Duncan. As Mr. Duncan was not previously employed by First Industrial, his employment arrangements reflect terms and conditions that were negotiated with him. Among factors considered by the Search Committee during these negotiations were:

- Mr. Duncan s reputation, experience and skill;

- the compensation that would be payable to an alternative candidate for the position; and

- the compensation payable to and structure utilized for the employment of a new chief executive officer of a real estate investment trust in circumstances that the Search Committee considered to be comparable to the Company s.

During its negotiations, the Search Committee relied upon analysis provided by FPL Associates L.P., which has advised the Compensation Committee in various compensation determinations for the Company in the past. The Search Committee considered the compensation available to Mr. Duncan both annually and in the aggregate over a period of four years assuming appreciation of the price of First Industrial s Common Stock. The committee also considered the amounts that would be payable to Mr. Duncan in the event of the termination of his employment due to a change of control or other factors.

The Compensation Committee awarded Mr. Duncan restricted stock units, rather than restricted Common Stock, upon his employment. Unlike an award of restricted Common Stock, restricted stock units do not entitle the recipient to voting rights for the shares underlying the award. Mr. Duncan is also not entitled to dividends until vesting, but upon vesting he is entitled to an amount (payable at the Company s choice in shares of Common Stock or cash) equal to the aggregate amount of dividends payable on shares underlying the award from the date of grant to the date of vesting. These dividend equivalent rights therefore subject Mr. Duncan s dividend rights to the risk of forfeiture if the vesting conditions for restricted stock units are not satisfied but put him in a roughly equivalent economic position if the restricted stock units do vest.

Mr. Duncan s restricted stock units differ from the Company s typical restricted Common Stock awards because they are subject to a longer, 4-year ratable vesting schedule and because 40% (400,000) of the shares (the Duncan Performance RSUs) underlying the award further require performance targets to be met. The Compensation Committee believed that Mr. Duncan should earn the equity granted upon his employment in part for leading the Company and in part only if the performance of the Company improved under his leadership. Setting performance targets to evaluate Mr. Duncan s success was difficult because the Company had begun substantial changes to its business model prior to hiring Mr. Duncan, making past performance criteria inapplicable, and the Company expects Mr. Duncan, along with its other senior executives, to help define the Company s future goals and operations. In light of these difficulties, the Compensation Committee determined to use the market price performance of the Company s

Common Stock as a measure of performance. If the service-based vesting conditions are also satisfied, 25% of the Duncan Performance RSUs will vest in the event that the Company attains stock price targets of $11.00, $15.00, $19.00 and $23.00, respectively, prior to December 31, 2013.

The Compensation Committee also recognized that stock price can be (and has been) affected by numerous factors outside of the Company s performance. The Compensation Committee observed that a comparable equity award issued to the new chief executive officer of a real estate investment trust whose circumstances the Compensation Committee considered to be comparable to the Company s also relied upon stock price improvement for performance-based vesting and subjected 40% of that executive s equity award to performance-based, in addition to service-based, vesting.

The Compensation Committee did not retain the services of outside consultants to evaluate the Company s executive compensation program for 2010, although it has retained such consultants in prior years and may do so again in the future.

EXECUTIVE COMPENSATION COMPONENTS

The components of the Company s executive compensation program are base salary, incentive bonuses (both cash and equity awards) and benefits/perquisites. Benefits/perquisites currently include premiums paid by the Company on term life insurance and long-term disability insurance; standard health, life and disability insurance; a personal financial planning allowance in the case of Mr. Yap in accordance with his employment agreement; and, if and when approved by management, 401(k) matching contributions. In the past, benefits/perquisites have also included car allowances and moving allowances.

Each component of the Company s executive compensation program serves to attract and retain talented, capable individuals to the Company s management ranks. Incentive bonuses serve the added purpose of providing such individuals with proper incentives linked to performance criteria that are designed to maximize the Company s overall performance.

The Company considers base salary, incentive bonuses and benefits/perquisites as independent components of the Company s executive compensation program. Base salary and benefits/perquisites are intended to compensate Senior Management for services rendered, and increases to their base salary are a function of individual performance and general economic conditions. Incentive bonuses, by contrast, are linked to, and are a function of the achievement of, performance criteria that are designed to maximize the Company s overall performance. Historically, base salary and benefits/perquisites have constituted approximately 1/3 of Senior Management s compensation in a typical year, while incentive bonus has made up approximately 2/3. Although this proportion may vary from year to year, this allocation between base salary and incentive compensation is consistent with the Compensation Committee s compensation philosophy that Senior Management s compensation should be largely tied to performance criteria designed to maximize the Company s overall performance.

The Compensation Committee does not have a specific policy regarding the mix of cash and non-cash compensation awarded to Senior Management, although it believes that a significant portion of Senior Management compensation should be paid in the form of equity. For members of Senior Management with employment agreements, the mix of target maximum cash and non-cash incentive compensation they are entitled to receive is set forth in their respective employment agreements. Although the exact percentages vary among individuals, non-cash compensation makes up approximately 40% of the potential incentive compensation for executive officers as a group. For Mr. Duncan, annual bonuses will typically be payable in a combination of cash and shares of restricted Common Stock, and it is expected that the portion paid in Common Stock will be proportionate to the non-cash incentive compensation received by the Company s senior executives generally.

When granting non-cash compensation to Senior Management, the Compensation Committee has typically utilized restricted Common Stock awards. Typically, these awards vest ratably over three years and, for 2010, these awards were denominated based on the closing price of the Company s Common Stock on the day the Compensation Committee met to make its award determinations. In 2009, the Compensation Committee also utilized restricted stock unit awards in connection with non-cash incentive compensation issued to Mr. Duncan and to the other members of

Senior Management as described in this Proxy Statement.

The Compensation Committee believes that restricted Common Stock awards and restricted stock unit awards play an important role in aligning management s interests with those of the Company s stockholders in that restricted Common Stock and restricted stock units (other than the vesting and transfer restrictions applicable to them) are economically identical to stockholders Common Stock. For this reason, restricted Common Stock and restricted stock unit awards have been a significant part of executive compensation, although the Compensation Committee may use other forms of equity compensation, such as stock options, in the future.

On July 13, 2009 the Compensation Committee approved retention cash bonuses and restricted stock unit awards to certain employees of the Company, including members of Senior Management, other than Mr. Duncan, to promote retention and to further align the interests of Messrs. Musil, Yap, Harker and Schultz with the interests of Mr. Duncan. On July 7, 2010 the Compensation Committee approved additional retention cash bonuses to certain employees of the Company, including members of Senior Management, other than Mr. Duncan. While the Compensation Committee reserves the right to make retention awards from time to time, it does not consider these awards a regular component of executive compensation.

SETTING EXECUTIVE COMPENSATION

Base Salary

The Company provides Senior Management with base salary to compensate them for services rendered during the fiscal year. The base salaries of Senior Management are a function of either the minimum base salaries specified in their employment agreements or the base salary negotiated at the time of their hire, and any subsequent increases to such base salaries approved by the Compensation Committee. In determining increases to such base salaries for the following year, the Compensation Committee considers individual performance of Senior Management in the most recently completed year, including organizational and management development and sales leadership exhibited from year-to-year and peer information provided by compensation consultants. The Compensation Committee also considers general economic conditions prevailing at the end of such year, when the increases for the following year are typically determined.

Due to the general economic conditions prevailing at the end of 2009 and in order to conserve cash, no salary increases were approved for Mr. Duncan and the other members of Senior Management for 2010. In addition, effective August 1, 2010, salaries for Mr. Duncan and the other members of Senior Management were voluntarily reduced for the remainder of 2010.

Annual Incentive Bonuses

The Company provides its senior executives with annual incentive compensation, which currently includes cash and equity awards, in the form of restricted Common Stock, to incentivize and reward them for Company and individual performance in specified areas that serve the best interests of the Company s stockholders.

2010 Executive Officer Bonus Plan

For 2010, Messrs. Duncan, Musil, Yap, Harker and Schultz participated in an incentive compensation plan (the 2010 Executive Officer Bonus Plan) which was recommended by the Compensation Committee and adopted by the Board of Directors on November 3, 2010. Under the 2010 Executive Officer Bonus Plan, compensation determinations of the Compensation Committee are based on (1) the Company s achievement above a minimum level of funds from operations (FFO [(1)]) per share per annum, as may be adjusted in the Compensation Committee s discretion to exclude the effects of impairment charges and certain other extraordinary items, (2) the target maximum cash and equity bonus opportunity of the executive officers, expressed as a percentage of their base salaries and (3) the Chief Executive Officer s self-evaluation and individual recommendations, with respect to Messrs. Musil, Yap, Harker and Schultz, to the Compensation Committee.

The Compensation Committee believes FFO is the best single measure to appropriately capture the Company s performance, and has adopted FFO as the sole Performance Criteria. Achievement by the Company above a minimum FFO threshold for 2010 qualified each executive officer covered by the 2010 Executive Officer Bonus Plan to receive up to 125% of his stated target maximum cash and equity bonus opportunity, depending on the level of FFO achieved (the FFO Percentage). For Messrs. Duncan and Yap, the targets are based on requirements in their employment agreements and subject to increase by the Compensation Committee; and, for Messrs. Musil, Harker and Schultz, the targets are a function of Company policy applicable to employees generally. In each case, the targets reflect the Compensation Committee s belief that an individual s incentive compensation should be comprised of approximately 60% cash compensation and 40% equity compensation.

The target maximum bonuses for 2010 for Messrs. Duncan, Musil, Yap, Harker and Schultz for purposes of the 2010 Executive Officer Bonus Plan were as follows:

Executive Officer	Target Maximum Cash Bonus (% of Base Salary)	Target Maximum Equity Bonus (% of Base Salary)
Bruce W. Duncan	200%	140%
Scott A. Musil	150%	100%
Johannson Yap	200%	140%
David Harker	150%	100%
Peter Schultz	150%	100%

(1) FFO is a non-GAAP measure that the Company defined (for all 2010 purposes) as net income available to common stockholders and participating securities, plus depreciation and amortization on real estate minus accumulated depreciation and amortization on real estate sold less economic gains that are not included within the NAREIT definition. Investors in and analysts following the real estate industry utilize FFO, variously defined, as a supplemental performance measure. The Company considers FFO, given its wide use by and relevance to investors and analysts, an appropriate supplemental performance measure. FFO, reflecting the assumption that real estate asset values rise or fall with market conditions, principally adjusts for the effects of GAAP depreciation/amortization of real estate assets. In addition, FFO is commonly used in various ratios, pricing multiples/yields and returns and valuation calculations used to measure financial position, performance

and value. FFO does not represent cash generated from operating activities in accordance with GAAP and is not necessarily indicative of cash available to fund cash needs, including the repayment of principal on debt and payment of dividends and distributions. FFO should not be considered as a substitute for net income available to common stockholders (calculated in accordance with GAAP) as a measure of results of operations or cash flows (calculated in accordance with GAAP) as a measure of liquidity. FFO as calculated by the Company may not be comparable to similarly titled, but differently calculated, measures of other REITs. Please see the reconciliation of FFO to net income available to common stockholders contained in our Current Report on Form 8-K dated February 24, 2011.

Under the 2010 Executive Officer Bonus Plan, the Company s FFO per share achieved for 2010 justified each participant receiving cash and equity bonuses equal to 86% of their respective target maximum cash and equity bonuses. However, in order to conserve cash, and to give consideration to the Company s overall performance in 2010 and the current economic environment, the Company s Chief Executive Officer recommended to the Compensation Committee that it apply a revised FFO Percentage in awarding bonuses. Based upon the Chief Executive Officer s recommendation, the Compensation Committee exercised its discretion and established a bonus pool to be distributed among the members of Senior Management representing the aggregate cash and equity bonuses that would have been justified under the 2010 Executive Officer Bonus Plan had an FFO Percentage of 71% been applied. Individual bonuses paid to the members of Senior Management from this bonus pool were not uniform, and approximated percentages of each officer s target maximum cash and equity bonus as determined by the Compensation Committee (the Individual Cash Percentage and the Individual Equity Percentage ; collectively, the Individual Percentages).

The variability of the Individual Percentages applied to the members of Senior Management is attributable to differences in individual subjective performance evaluations. For example, the Compensation Committee rewarded Mr. Musil for his assumption of significant additional responsibilities in his capacity as acting Chief Financial Officer and rewarded Messrs. Harker and Schultz for the management of their respective regions, in particular their leasing efforts in a very challenging leasing environment. Notwithstanding the level of FFO per share achieved and, more importantly, the level of shareholder value delivered by the Company in 2010, Mr. Duncan recommended relatively lower Individual Percentages for Mr. Yap and himself. In Mr. Duncan s view, in an economic environment in which the Company is rightsizing, its most highly compensated employees should receive lower Individual Percentages than those of the rest of the team. The Compensation Committee accepted Mr. Duncan s recommendation.

The cash bonus payments and equity grants made in March 2011 to each member of Senior Management, together with the applicable Individual Percentage, is reflected in the following table:

Executive Officer	Individual Cash Percentage (%)	Cash Bonus Paid ($)	Individual Equity Percentage (%)	Shares of Restricted Stock Granted
Bruce W. Duncan	62	975,000	70	69,074
Scott A. Musil	77	255,878	82	16,202
Johannson Yap	63	450,000	70	31,524
David Harker	85	286,656	70	14,213
Peter Schultz	96	336,670	70	14,802

2009 Executive Officer Bonus Plan

For 2009, Messrs. Duncan, Musil, Yap, Harker and Schultz participated in an incentive compensation plan (the 2009 Executive Officer Bonus Plan) which was recommended by the Compensation Committee and adopted by the Board of Directors on May 13, 2009. Determinations regarding compensation and appropriate performance criteria were made by the Board of Directors in the same manner under the 2009 Executive Officer Bonus Plan as the determination made under the 2010 Executive Officer Bonus Plan and described above.

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The target maximum bonuses for 2009 for Messrs. Duncan, Musil, Yap, Harker and Schultz for purposes of the 2009 Executive Officer Bonus Plan were as follows:

Executive Officer	Target Maximum Cash Bonus (% of Base Salary)	Target Maximum Equity Bonus (% of Base Salary)
Bruce W. Duncan	200%	140%
Scott A. Musil	125%	90%
Johannson Yap	200%	140%
David Harker	150%	100%
Peter Schultz	150%	100%

Under the 2009 Executive Officer Bonus Plan, the Company s FFO per share achieved justified each participant receiving cash and equity bonuses equal to 125% of their respective target maximum cash and equity bonuses. However, similar to 2010, in order to conserve cash, and to give consideration to the Company s overall performance in 2009 and the economic environment at the time, the Company s Chief Executive Officer recommended to the Compensation Committee that it apply a revised FFO Percentage in awarding bonuses. Based upon the Chief Executive Officer s recommendation, the Compensation Committee exercised its discretion and established a bonus pool to be distributed among the members of Senior Management representing the aggregate cash and equity bonuses that would have been justified under the 2009 Executive Officer Bonus Plan had an FFO Percentage of 60.5% been applied. Individual bonuses paid to the members of Senior Management from this bonus pool were not uniform, and approximated a percentage of each officer s target maximum cash and equity bonus as determined by the Compensation Committee (the Individual Percentages).

The cash bonus payments and equity grants made in February and March 2010 to each member of Senior Management, together with the applicable Individual Percentage, is reflected in the following table:

Executive Officer	Individual Percentage (%)	Cash Bonus Paid ($)	Shares of Restricted Stock Granted
Bruce W. Duncan	48.7	750,000	105,769
Scott A. Musil	83.7	230,000	33,654
Johannson Yap	56.4	400,000	57,692
David Harker	49.8	172,000	22,115
Peter Schultz	65.0	245,000	27,885

Retention and Long-Term Bonus Plans

2009 Retention and Long-Term Bonus Plan

On July 13, 2009, the Compensation Committee approved service-based and performance-based incentive awards (collectively, the 2009 Retention and Long-Term Bonus Awards) to certain employees of the Company, including members of Senior Management other than Mr. Duncan, to promote retention and to align the interests of Messrs. Musil, Yap, Harker and Schultz with the interests of Mr. Duncan. Grantees of a service-based award who remained employed with the Company through and including June 30, 2010 were eligible for a specified cash bonus (the 2009 Retention Cash Bonus). The 2009 Retention Cash Bonus awards for Senior Management, other than Mr. Duncan, were as follows:

Executive Officer	**2009 Retention Cash Bonus**
Scott A. Musil	$ 46,830
Johannson Yap	$ 66,900
David Harker	$ 46,830
Peter Schultz	$ 46,830

On June 30, 2010, each of the 2009 Retention Cash Bonuses granted to Senior Management set forth above vested.

Grantees of a performance-based award were issued a specified number of restricted stock units (2009 Performance RSUs), each of which represents the right to receive, upon vesting, one share of the Company s Common Stock plus any dividend equivalents that have accrued prior to the date of vesting. The 2009 Performance RSUs and associated dividend equivalents have a performance-based vesting component and a service-based vesting component, and each 2009 Performance RSU vests upon the later to occur of the satisfaction of the relevant performance-based and service-based vesting component. The performance-based component is satisfied with respect to installments of 25% of the 2009 Performance RSUs in the event that the Company maintains, for a period of 15 consecutive trading days prior to June 30, 2014, stock price targets of $9.00, $13.00, $17.00 and $21.00, respectively. The performance-based component was satisfied with respect to 25% of the 2009 Performance RSUs on January 24, 2011 when the Company had maintained for a period of 15 consecutive trading days a stock price target of $9.00. The service-based component is subject to a grantee s continued employment over a period of four years, is satisfied with respect to 25% of the 2009 Performance RSU s on each of June 30, 2010, 2011, 2012 and 2013. Upon the consummation of a change of control of the Company, all 2009 Performance RSUs vest in full. In the event of a termination of a grantee s employment due to his death or disability, each unvested 2009 Performance RSU vests to the extent that:

- the service-based component relating to that 2009 Performance RSU would have been satisfied had the grantee remained employed for an additional 24 months, and
- the performance-based component relating to that 2009 Performance RSU is satisfied at any time through the earlier of the 24-month anniversary of the grantee s termination and June 30, 2014.

All vested RSUs will be distributed in shares of the Company s Common Stock. At the Company s option, the Company may pay dividend equivalents in cash or Common Stock. The 2009 Performance RSU awards for Senior Management, other than Mr. Duncan, were as follows:

Executive Officer	**2009 Performance RSUs**
Scott A. Musil	28,000
Johannson Yap	40,000
David Harker	28,000
Peter Schultz	28,000

On January 24, 2010, 1,750 of the 2009 Performance RSUs granted to each of Messrs. Musil, Harker and Schultz, and 2,500 of the 2009 Performance RSUs granted to Mr. Yap, vested.

The 2009 Retention and Long-Term Bonus Awards were intended by the Compensation Committee to be commensurate with awards issued to similarly situated individuals under comparable retention bonus plans adopted by some of our peers. In this regard the Compensation Committee relied in part on a survey conducted in 2008 by our outside consultant, FPL Associates, as part of its evaluation of the Company s executive compensation program, with a particular focus on the long-term incentive plans adopted by AMB Property Corporation, Eastgroup Properties, Inc., ProLogis and DCT Industrial Trust Inc. The Compensation Committee did not use this survey as a benchmark, but rather to gauge generally the appropriateness of the levels of compensation payable to its executive officers in connection with the 2010 Retention Cash Bonus awards

In addition, the value of the 2009 Retention Cash Bonus relative to the grant date value of the portion of the 2009 Performance RSU s scheduled to vest on June 30, 2010, reflects the Compensation Committee s belief that an individual s incentive compensation should be comprised of approximately 60% cash compensation and 40% equity compensation.

Mr. Yap s receipt of a larger 2009 Retention Cash Bonus and more 2009 Performance RSU s than Messrs. Musil, Harker and Schultz was an acknowledgement of Mr. Yap s additional responsibilities as Chief Investment Officer, in addition to his role as head of the Company s West Region.

2010 Retention Bonus Plan

On July 7, 2010 the Compensation Committee approved additional service-based incentive awards to certain employees of the Company, including members of Senior Management other than Mr. Duncan, to promote retention during what it anticipated would continue to be a difficult economic environment, generally, and real estate market, specifically. Under the 2010 Retention Bonus Plan grantees who remained employed with the Company through and including June 30, 2011 were eligible for a specified cash bonus (the 2010 Retention Cash Bonus). In the event (i) a grantee s employment with the Company is terminated on or prior to June 30, 2011 as a result of grantee s death or by the Company due to grantee s disability or (ii) a change of control is consummated on or prior to June 30, 2011 and the grantee remains employed with the Company through the date of such change of control, the grantee is eligible for an amount in cash equal to four times the 2010 Retention Cash Bonus, in lieu of the 2010 Retention Cash Bonus. The 2010 Retention Cash Bonus awards for Senior Management, other than Mr. Duncan, are as follows:

Executive Officer	**2010 Retention Cash Bonus**	
Scott A. Musil	$	46,830
Johannson Yap	$	66,900
David Harker	$	46,830
Peter Schultz	$	46,830

No shares of restricted Common Stock or restricted stock units were granted under the 2010 Retention Bonus Plan.

As with the 2009 Retention and Long-Term Bonus Plan, awards under the 2010 Retention Bonus Plan were intended by the Compensation Committee to be commensurate with awards issued to similarly situated individuals under comparable retention bonus plans adopted by some of our peers. In this regard the Compensation Committee relied in part on the survey described above conducted in 2008 by our outside consultant, FPL Associates, as part of its evaluation of the Company s executive compensation program.

Mr. Yap s receipt of a larger 2010 Retention Cash Bonus than Messrs. Musil, Harker and Schultz was an acknowledgement of Mr. Yap s additional responsibilities as Chief Investment Officer, in addition to his role as head of the Company s West Region.

Benefits/Perquisites

The Company provides Senior Management with certain benefits/perquisites, which, depending on the officer, have included premiums paid by the Company on term life insurance and long-term disability insurance, car allowances, personal financial planning allowances, and, when applicable, moving and housing allowances. Senior Management, along with all of the Company s other full time employees, are also eligible to receive 401(k) matching contributions and standard health, life and disability insurance. Premiums have been paid by the Company on term life insurance and long-term disability insurance and personal financial planning allowances have been provided only to those with, and as specified in, employment agreements. Any car allowances are a function of the market rates to lease and operate an executive class vehicle prevailing when the allowance was set. 401(k) matching payments are a function of each member of Senior Management s contribution to his 401(k) account during the year and the percentage match which management determines to apply to the Company s 401(k) Plan for that year. Standard health, life and disability insurance benefits are a function of the group benefit packages the Company is able to negotiate with third party providers.

For 2010, each of Messrs. Duncan, Yap, Harker and Schultz voluntarily surrendered his car allowance.

Termination and Change-in-Control Triggers

Certain members of Senior Management have an employment agreement, and all Senior Management have agreements in respect of their restricted Common Stock awards or restricted stock unit awards granted pursuant to the Company s Stock Plans, and such agreements specify events, including involuntary termination and change-in-control, that trigger the payment of cash and/or vesting in restricted Common Stock or restricted stock unit awards. The Company believes having such events as triggers for the payment of cash and/or vesting in restricted Common Stock or restricted stock unit awards promotes stability and continuity of management. See Potential Payments Upon Termination or Change of Control below for more information on the payments triggered by such events.

Stock Ownership Guidelines

The stock ownership guidelines for the Company s directors and senior executive officers are as follows:

Position	**Retainer/ Base Salary Multiple**
Directors	3x
Chief Executive Officer	5x
Chief Financial Officer, Chief Investment Officer and Executive Vice Presidents	4x

The stock ownership goal for each person subject to the ownership guidelines is determined on an individual basis, first in dollars as a multiple of the director s annual retainer or the executive s base salary, and then by converting that amount to a fixed number of shares. For directors and executives who were in office as of January 1, 2008, the stock ownership goal is determined using their retainers and base salaries in effect as of that date and must be achieved by January 1, 2013. For persons assuming a director or executive level position after January 1, 2008, the stock ownership goal is determined using their retainers and base salaries in effect on the date they become subject to the ownership guidelines and must be achieved within five years after that date. A copy of the Stock Ownership Guidelines can be found on the Investor Relations/Corporate Governance section of the Company s website at *www.firstindustrial.com.*

Stock Retention Requirements

Until the directors and senior executive officers reach their respective stock ownership goal, they will be required to retain shares that are owned on the date they became subject to the Stock Ownership Guidelines and at least seventy-five percent (75%) of net shares delivered through the Company s executive compensation plans. Net shares deducts from the number of shares obtained by exercising stock options or through the vesting of awards the number of shares the executive sells to pay exercise costs or taxes. If the executive transfers an award to a family member, the transferee becomes subject to the same retention requirements. Until the director and executive stock ownership goals have been met, shares may be disposed of only for one or more of the exclusion purposes as set forth in the Company s Stock Ownership Guidelines.

Tax Implications

Section 162(m) of the Internal Revenue Code of 1986, as amended (the Code), generally limits the deductible amount of annual compensation paid by a public company to a covered employee (the chief executive officer and four other most highly compensated executive officers of the Company) to no more than $1 million. The Company does not believe that Section 162(m) of the Code is applicable to its current arrangements with its executive officers.

COMPENSATION COMMITTEE REPORT

The Compensation Committee of the Board of Directors of the Company has reviewed, and discussed with management, the Compensation Discussion and Analysis included above in this Proxy Statement. Based on such review and discussions, the Compensation Committee recommended to the Board of Directors of the Company that the Compensation Discussion and Analysis be included in this Proxy Statement and, through incorporation by reference from this Proxy Statement, the Company s annual report on Form 10-K for the Company s fiscal year ended December 31, 2010.

Submitted by the Compensation Committee:

Robert J. Slater, Chairman
Kevin W. Lynch
L. Peter Sharpe

EXECUTIVE SUMMARY COMPENSATION TABLE

The Summary Compensation Table below sets forth the aggregate compensation for Bruce W. Duncan, the Company s President and Chief Executive Officer; Scott A. Musil, the Company s Chief Financial Officer; and certain of the Company s other highly compensated executive officers. The 2010 Grants of Plan Based Awards Table following the Summary Compensation Table provides additional information regarding incentive compensation granted by the Company to these officers in 2010.

ame and Principal Position	Year	Salary ($)	Bonus ($)	Stock Awards ($)(1)	Non-Equity Incentive Plan Compensation ($)	All Other Compensation ($)(2)	Total ($)
ruce W. Duncan(3)	2010	$ 783,333	$	$ 615,576(4)	$ 975,000	$ 12,069	$ 2,385,978
esident and CEO	2009(5)	778,974		6,014,000(4)	750,000	7,945	7,550,919
cott A. Musil	2010	$ 220,416	$ 46,830(6)	$ 195,866(7)	$ 255,878(8)	$ 15,500	$ 734,490
hief Financial	2009	225,000		82,320(7)	230,000(9)	10,518	547,838
fficer	2008	225,000		223,992(7)		55,145	504,137
hannson L. Yap	2010	$ 357,500	$ 66,900(6)	$ 335,767(10)	$ 450,000(8)	$ 20,336	$ 1,230,503
hief Investment	2009	365,000		117,600(10)	400,000(8)	19,932	902,532
fficer and Exec. Vice esident West Region	2008	365,000		578,258(10)		176,441	1,119,699
avid Harker(3)	2010	$ 225,650	$ 46,830(6)	$ 128,709(11)	$ 286,656(8)	$ 15,640	$ 703,485
xec. Vice President - entral Region	2009	230,400		82,320(11)	172,000(9)	12,528	497,248
eter Schultz(3)	2010	$ 235,000	$ 46,830(6)	$ 162,291(12)	$ 336,670(8)	$ 15,640	$ 796,431
xec. Vice President ast Region	2009	240,000		82,320(12)	245,000(9)	13,028	580,348

(1) Amounts reflect the aggregate grant date fair value of each award as determined under FASB ASC Topic 718. See note 13 to our consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2010 for a discussion of the assumptions used in valuing the 2009 awards.

(2) For 2010, includes medical benefits of $6,995, $10,426, $10,566, $10,566 and $10,566 paid on behalf of Messrs. Duncan, Musil, Yap, Harker and Schultz, respectively; a term life insurance premium of $686 paid on behalf of each of Messrs. Duncan, Musil, Yap, Harker and Schultz; a long-term disability insurance premium of $626 paid on behalf of each of Messrs. Duncan, Musil, Yap, Harker and Schultz; 401(k) matching payments of $3,675 paid on behalf of each of Messrs. Duncan, Musil, Yap, Harker and Schultz; and a personal financial planning allowance of $4,696 for Mr. Yap. For 2009, includes medical benefits of $5,102, $9,119, $9,629, $9,629, and $9,629 paid on behalf of Messrs. Duncan, Musil, Yap, Harker and Schultz, respectively; term life insurance premiums of $572, $686, $2,205, $686 and $686 paid on behalf of Messrs. Duncan, Musil, Yap, Harker and Schultz, respectively; long-term disability insurance premiums of $522, $626, $626, $626 and $626 paid on behalf of Messrs. Duncan, Musil, Yap, Harker and Schultz, respectively; car allowances of $1,748 for

Mr. Duncan, $3,000 for Mr. Yap, $1,500 for Mr. Harker and $2,000 for Mr. Schultz; and a personal financial planning allowance of $4,472 for Mr. Yap. For 2008, includes medical benefits of $9,203 and $9,360 paid on behalf of Messrs. Musil and Yap, respectively; a term life insurance premium of $686 paid on behalf of each of Messrs. Musil and Yap; a long-term disability insurance premium of $600 and $626 paid on behalf of Messrs. Musil and Yap, respectively; a car allowance of $14,400 for Mr. Yap; a personal financial planning allowance of $4,259 for Mr. Yap; and dividends on shares of unvested restricted Common Stock of $44,569 for Mr. Musil and $147,094 for Mr. Yap.

(3) Information is not provided with respect to Messrs. Duncan, Harker and Schultz for fiscal year 2008, as they did not serve as named executive officers, as that term is defined in the rules and regulations of the SEC, during those fiscal years.

(4) Amounts for 2010 reflect an award of 105,769 shares of service-based restricted Common Stock, granted in 2010 in connection with the 2009 Executive Officer Bonus Plan, valued at $5.82 per share under FASB ASC Topic 718 for an aggregate value of $615,576. Amounts for 2009 reflect an inducement award of 600,000

service-based restricted stock units valued at $7.03 per unit for an aggregate value of $4,218,000 and 400,000 performance-based restricted stock units valued at $4.49 per unit for an aggregate value of $1,796,000. Assuming achievement of the highest level of performance conditions, the performance-based restricted stock unit awards would have had an aggregate grant date fair value of $2,812,000.

(5) Mr. Duncan s service as President and Chief Executive Officer commenced January 9, 2009.

(6) Amounts for 2010 reflect awards paid in July 2010 under the 2009 Retention and Long-Term Bonus Plan.

(7) Amounts for 2010 reflect an award of 33,654 shares of service-based restricted Common Stock, granted in 2010 in connection with the 2009 Executive Officer Bonus Plan, valued at $5.82 per share under FASB ASC Topic 718 for an aggregate value of $195,866. Amounts for 2009 reflect an award of 28,000 performance-based restricted stock units valued at $2.94 per unit under FASB ASC Topic 718. Assuming achievement of the highest level of performance conditions, the performance-based restricted stock unit award would have had an aggregate grant date fair value of $120,400. Amounts for 2008 reflect an award of 6,991 shares of service-based restricted Common Stock valued at $32.04 per share under FASB ASC Topic 718.

(8) Amounts for 2010 reflect awards paid in March 2011 under the 2010 Executive Officer Bonus Plan.

(9) Amounts for 2009 reflect awards paid in March 2010 under the 2009 Executive Officer Bonus Plan.

(10) Amounts for 2010 reflect an award of 57,692 shares of service-based restricted Common Stock, granted in 2010 in connection with the 2009 Executive Officer Bonus Plan, valued at $5.82 per share under FASB ASC Topic 718 for an aggregate value of $335,767. Amounts for 2009 reflect an award of 40,000 performance-based restricted stock units valued at $2.94 per unit under FASB ASC Topic 718. Assuming achievement of the highest level of performance conditions, the performance-based restricted stock unit award would have had an aggregate grant date fair value of $172,000. Amounts for 2008 reflect an award of 18,048 shares of service-based restricted Common Stock valued at $32.04 per share. Amounts for 2007 reflect an award of 16,884 shares of service-based restricted Common Stock valued at $47.27 per share under FASB ASC Topic 718.

(11) Amounts for 2010 reflect an award of 22,115 shares of service-based restricted Common Stock, granted in 2010 in connection with the 2009 Executive Officer Bonus Plan, valued at $5.82 per share under FASB ASC Topic 718 for an aggregate value of $128,709. Amounts for 2009 reflect an award of 28,000 performance-based restricted stock units valued at $2.94 per unit under FASB ASC Topic 718. Assuming achievement of the highest level of performance conditions, the performance-based restricted stock unit award would have had an aggregate grant date fair value of $120,400.

(12) Amounts for 2010 reflect an award of 27,885 shares of service-based restricted Common Stock, granted in 2010 in connection with the 2009 Executive Officer Bonus Plan, valued at $5.82 per share under FASB ASC Topic 718 for an aggregate value of $162,291. Amounts for 2009 reflect an award of 28,000 performance-based restricted stock units valued at $2.94 per unit under FASB ASC Topic 718. Assuming achievement of the highest level of performance conditions, the performance-based restricted stock unit award would have had an aggregate grant date fair value of $120,400.

2010 GRANTS OF PLAN BASED AWARDS TABLE

		Estimated Future Payouts Under Non-Equity Incentive Plan Awards(2)			Estimated Future Payouts Under Equity Incentive Plan Awards(3)			All Other Stock Awards: Number of Shares of Stock	Grant Date Fair Value of Stock and Option Awards
Name (a)	**Grant Date(1) (b)**	**Threshold ($) (c)**	**Target ($) (d)**	**Maximum ($) (e)**	**Threshold (#) (f)**	**Target (#) (g)**	**Maximum (#) (h)**	**(#) (i)**	**($)(4) (l)**
Bruce W. Duncan	3/2/10	n/a	$ 750,000	n/a	n/a	105,769	n/a	0	615,576
Scott A. Musil	3/2/10	n/a	$ 230,000	n/a	n/a	33,654	n/a	0	195,866
Johannson L. Yap	3/2/10	n/a	$ 400,000	n/a	n/a	57,692	n/a	0	335,767
David Harker	3/2/10	n/a	$ 172,000	n/a	n/a	22,115	n/a	0	128,709
Peter Schultz	3/2/10	n/a	$ 245,000	n/a	n/a	27,885	n/a	0	162,291

(1) Represents the date such awards were approved by the Compensation Committee.

(2) Amounts included in the target column represent the cash incentive bonus granted and paid to the recipient in 2010 under the 2009 Executive Officer Bonus Plan. No threshold amounts were established with respect to such awards.

(3) Amounts included in the target column represent the number of shares each recipient could receive from the vesting of service-based restricted Common Stock awards granted in 2010 under the 2009 Executive Officer Bonus Plan. No threshold amounts were established with respect to such awards.

(4) Amounts reflect the aggregate grant date fair value of each stock award as determined under FASB ASC Topic 718.

OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END 2010

	Option Awards				Stock Awards	
Name (a)	Number of Securities Underlying Unexercised Options (#) Exercisable (b)	Number of Securities Underlying Unexercised Options (#) Unexercisable (c)	Option Exercise Price ($) (e)	Option Expiration Date (f)	Number Of Shares Or Units Of Stock That Have Not Vested (#) (g)	Market Value of Shares or Units of Stock That Have Not Vested ($)(1) (h)
Bruce W. Duncan					405,769(2)	$ 3,554,536
					400,000(3)	$ 3,504,000
Scott A. Musil					39,832(4)	$ 348,928
					28,000(5)(6)	$ 245,280
Johannson L. Yap	52,000		$ 33.13	1-23-11	79,789(7)	$ 698,952
					40,000(5)(8)	$ 350,400
David Harker	4,500		$ 30.53	1-16-12	28,668(9)	$ 251,132
					28,000(5)(6)	$ 245,280
Peter Schultz					32,987(10)	$ 288,966
					28,000(5)(6)	$ 245,280

(1) The dollar amounts shown in column (h) are approximately equal to the product of the number of shares or units reported in column (g) multiplied by the closing price of the Company s Common Stock as reported by the NYSE on December 31, 2010, the last trading day of the year ($8.76). This valuation does not take into account any diminution in value that results from the restrictions applicable to such Common Stock.

(2) Represents (i) 105,769 shares of unvested restricted Common Stock, of which 35,256 vested in January 2011, as to which restrictions have been removed, 35,256 vest in January 2012 and 35,257 vest in January 2013 and (ii) 300,000 unvested restricted stock units, or which 150,000 vest on December 31, 2011 and 150,000 vest on December 31, 2012.

(3) Represents unvested restricted stock units (the Duncan Performance RSUs) which have a performance-based vesting component and a service-based vesting component, with each Duncan Performance RSU vesting upon the later to occur of the satisfaction of the relevant performance-based and service-based vesting component. The performance-based component will be satisfied with respect to installments of 25% of the Duncan Performance RSUs in the event that the Company attains, prior to December 31, 2013, stock price targets of $11.00, $15.00, $19.00 and $23.00, respectively. The service-based component with respect to 200,000 of the Duncan Performance RSUs has been satisfied as of December 31, 2010. The service-based component with respect to the

remaining 200,000 Duncan Performance RSUs will be satisfied in 100,000 unit installments on December 31, 2011 and December 31, 2012. As of December 31, 2010, none of the Duncan Performance RSUs had vested.

(4) Of the shares of unvested restricted Common Stock reported here, 14,831 vested in January 2011, as to which restrictions have been removed, 12,500 vest in January 2012, and 12,501 vest in January 2013.

(5) Represents unvested restricted stock units (the 2009 Performance RSUs) which have a performance-based vesting component and a service-based vesting component, with each 2009 Performance RSU vesting upon the later to occur of the satisfaction of the relevant performance-based and service-based vesting component. The performance-based component was satisfied with respect to 25% of the 2009 Performance RSUs on January 24, 2011 when the Company had maintained for a period of 15 consecutive trading days a stock price target of $9.00. For the remaining 2009 Performance RSUs, the performance-based component will be satisfied with respect to installments of 25% of the total amount of 2009 Performance RSUs in the event that the Company maintains, for a period of 15 consecutive trading days prior to June 30, 2014, stock price targets of $13.00, $17.00 and $21.00, respectively. The service-based component is subject to a grantee s continued employment over a period of four years, and is satisfied with respect to 25% of the Performance RSU s on each of June 30, 2010, 2011, 2012 and 2013.

(6) 1,750 of such 2009 Performance RSUs vested January 24, 2011.

(7) Of the shares of unvested restricted Common Stock reported here, 30,607 vested in January 2011, as to which restrictions have been removed, 24,591 vest in January 2012, and 24,591 vest in January 2013.

(8) 2,500 of such 2009 Performance RSUs vested January 24, 2011.

(9) Of the shares of unvested restricted Common Stock reported here, 12,147 vested in January 2011, as to which restrictions have been removed, 8,260 vest in January 2012, and 8,261 vest in January 2013.

(10) Of the shares of unvested restricted Common Stock reported here, 12,602 vested in January 2011, as to which restrictions have been removed, 10,193 vest in January 2012, and 10,192 vest in January 2013.

2010 OPTION EXERCISES AND STOCK VESTED

In 2010, no options were exercised by the officers specified in the table below and an aggregate of 189,082 shares of restricted Common Stock and restricted stock units held by such officers vested.

	Option Awards		**Stock Awards**	
Name (a)	**Number of Shares Acquired on Exercise (#) (b)**	**Value Realized on Exercise ($) (c)**	**Number of Shares Acquired on Vesting (#) (d)**	**Value Realized on Vesting ($) (e)**
Bruce W. Duncan	0		150,000(1)	$ 1,314,000(1)
Scott A. Musil	0		5,295(2)	$ 28,910(2)
Johannson L. Yap	0		17,004(2)	$ 92,842(2)
David Harker	0		12,057(2)	$ 65,831(2)
Peter Schultz	0		4,726(2)	$ 25,804(2)

(1) The shares of Common Stock reported herein were acquired as a result of the vesting of 150,000 restricted stock units which vested on December 31, 2010. The value of the shares is based on closing price of the Common Stock as reported by the NYSE for such date ($8.76).

(2) The shares of Common Stock reported herein vested on January 1, 2010 and their value is based on closing price of the Common Stock as reported by the NYSE for January 4, 2010, the first trading day following the date of vesting of such award ($5.46).

POTENTIAL PAYMENTS UPON TERMINATION OR CHANGE OF CONTROL

Employment Agreements

The Company has entered into written employment agreements with Messrs. Duncan and Yap. These employment agreements provide for payments and benefits to these executives by the Company in some circumstances in the event of a termination of their employment or of a change of control.

Severance amounts payable to Mr. Yap upon his termination will be reduced if such amounts become payable after Mr. Yap s 67th birthday. In addition to his rights under the standard grant agreements under our stock incentive plans, Mr. Yap is entitled to the accelerated vesting of his restricted Common Stock and stock options in the event his employment is terminated without cause.

In addition to the events of termination of employment identified in the following table, the employment agreements provide for payments in the event of an executive s death or disability. Upon death or disability, Mr. Duncan is entitled to (i) his base salary and vacation pay accrued through the date of his death or disability, (ii) his accrued bonus for the fiscal year prior to the year of his death or disability, to the extent not paid, (iii) his unreimbursed business expenses incurred through the date of his death or disability and (iv) any other benefits he may be eligible for under the Company s plans, policies or practices. Upon death, Mr. Yap is entitled to 75% of the maximum cash bonus for which he would have been eligible, prorated through the date of his death. Upon a work-related disability, Mr. Yap is entitled to severance in an amount equal to three times his annual base salary, plus 75% of his maximum cash bonus potential for the then-current year.

The employment agreements also contain important non-financial provisions that apply in the event of a termination of employment or of a change of control. Benefits payable upon a merger, acquisition or other changes in control are payable upon consummation of such transactions regardless of whether the executive is terminated. Mr. Duncan has agreed to a one-year covenant not to compete after his termination. Mr. Yap has agreed to a one-year covenant not to compete after his termination, except in connection with certain changes in control of the Company. Mr. Yap has also agreed to a six-month covenant not to compete in connection with certain changes in control of the Company.

Stock Incentive Plans

Under the 1994, 1997, 2001 and 2009 Stock Plans (the Stock Plans), unvested restricted Common Stock vests in the event of a change of control. In addition, the Stock Plans empower the Compensation Committee to determine other vesting events in the individual restricted Common Stock awards, including vesting events such as involuntary termination of employment with or without cause. Assuming that the triggering event occurred on December 31, 2010, Messrs. Duncan, Musil, Tyler, Yap, Harker and Schultz would have vested in restricted Common Stock having the respective values set forth in the table below.

Termination and Change of Control Payments

The following table includes estimated payments owed and benefits required to be provided to the applicable member of Senior Management under the employment agreements and Stock Plans described above, exclusive of benefits available on a non-discriminatory basis generally, in each case assuming that the triggering event described in the table occurred on December 31, 2010.

Name	**Triggering Event**	**Severance ($)**	**Accelerated Equity Awards (1)($)**	**Medical Insurance Premiums (2)($)**
Bruce W. Duncan	Change of Control(3)	0	7,058,536	0
	Termination Following Change of control(3)	4,891,665	0	13,990
	Termination w/o Cause(4)	4,891,665	6,132,000	13,990
Scott A. Musil(5)	Change of Control	0	594,208	0
	Termination w/o Cause	0	54,119	0
	Termination for Cause	0	0	0
Johannson L. Yap	Change of Control(3)	0	1,049,352	0
	Termination Following Change of control(3)(6)	2,145,000	0	31,698
	Termination w/o Cause(4)(6)	1,608,750	698,951	31,698
	Termination for Cause(6)	0	0	0
David Harker(5)	Change of Control	0	305,251	0
	Termination w/o Cause	0	57,404	0
	Termination for Cause	0	0	0
Peter Schultz(5)	Change of Control	0	343,085	0
	Termination w/o Cause	0	44,693	0
	Termination for Cause	0	0	0

(1) For purposes of estimating the value of awards of restricted Common Stock and restricted stock units which vest the Company has considered any applicable employment agreement limitations and assumed a price per share of its Common Stock of $8.76, which was the closing price of its Common Stock on the NYSE on December 31, 2010, the last trading day of the year.

(2) Present value of estimated premiums required to be paid by the Company or cash payments in lieu of benefits required to be provided.

(3) Upon a change of control of the Company, the vesting of any unvested restricted Common Stock or restricted stock units held by the named executive officer shall accelerate. As a result, if the named executive officer then experiences a termination of employment after the change of control event, the officer will not hold any restricted Common Stock or restricted stock units on the date of termination that otherwise may have accelerated if the change of control event had not occurred.

(4) Includes constructive discharge under the terms of Mr. Duncan s and Mr. Yap s employment agreements.

(5) None of Messrs. Musil, Harker or Schultz have entered into an employment agreement with the Company. As such, the amounts disclosed in this table relate only to awards of restricted Common Stock and restricted stock units granted to Messrs. Musil, Harker and Schultz under the Company s stock incentive plans.

(6) Mr. Yap is entitled to a supplemental payment of one month s base salary in addition to amounts reflected if requisite notice is not provided prior to his termination by the Company.

COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

The Compensation Committee consists of Messrs. Slater, Lynch and Sharpe. Except for Messrs. Slater s, Lynch s and Sharpe s services as directors, none of Messrs. Slater, Lynch and Sharpe had any other business relationship or affiliation with the Company in 2010 requiring disclosure by the Company under Item 404 of Regulation S-K.

REPORT OF THE AUDIT COMMITTEE

Pursuant to meetings of the Audit Committee on February 18, 2011, the Audit Committee reports that it has: (i) reviewed and discussed the Company s audited financial statements with management; (ii) discussed with the independent registered public accounting firm the matters (such as the quality of the Company s accounting principles and internal controls) required to be discussed by Statement on Auditing Standards No. 61; and (iii) received written confirmation from PricewaterhouseCoopers LLP that it is independent and written disclosures as required by applicable requirements of the Public Company Accounting Oversight Board regarding the independent accountant s communications with the Audit Committee concerning independence, and discussed with PricewaterhouseCoopers LLP its independence. Based on the review and discussions referred to in items (i) through (iii) above, the Audit Committee recommended to the Board of Directors that the audited financial statements be included in the Company s annual report for the Company s fiscal year ended December 31, 2010.

Submitted by the Audit Committee:

H. Patrick Hackett, Jr., Chairman
John Rau
L. Peter Sharpe

TRANSACTIONS WITH RELATED PERSONS, PROMOTERS AND CERTAIN CONTROL PERSONS

Review, Approval or Ratification of Transactions with Related Persons. Transactions involving the Company and its executive officers and directors that are reportable under Item 404 of Regulation S-K are required by the Company s written policies to be reported to and approved by the Nominating/Corporate Governance Committee of the Board of Directors. The Nominating/Corporate Governance Committee addresses such transactions on a case-by-case basis, after considering the relevant facts and circumstances.

COMPLIANCE WITH SECTION 16(A) OF THE EXCHANGE ACT

Section 16(a) of the Securities Exchange Act of 1934 (as amended, the Exchange Act) requires the Company s officers and directors, and persons who own more than ten percent of a registered class of the Company s equity securities, to file reports of ownership and changes in ownership with the SEC and the NYSE. Officers, directors and greater than ten-percent stockholders are required by SEC regulations to furnish the Company with copies of all Section 16(a) forms so filed.

Based solely on review of the copies of such forms furnished to the Company for 2010, all of the Company s officers, directors and greater than ten-percent stockholders timely filed all reports required to be filed by Section 16(a) of the Exchange Act during 2010.

SECURITY OWNERSHIP OF MANAGEMENT AND CERTAIN BENEFICIAL OWNERS

The following table presents information concerning the ownership of Common Stock of the Company and limited partnership units (Units) of First Industrial, L.P. (which generally are redeemable are redeemable for Common Stock on a one-for-one basis or cash at the option of the Company) by:

all directors named and nominees named in this Proxy Statement (the named directors);

all executive officers identified on the Summary Compensation Table;

all named directors and executive officers of the Company as a group; and

persons and entities known to the Company to be beneficial owners of more than 5% of the Company s Common Stock.

The information is presented as of March 15, 2011, unless otherwise indicated, and is based on representations of officers and directors of the Company and filings received by the Company on Schedule 13G under the Exchange Act. As of March 15, 2011, there were 77,980,356 shares of Common Stock and 5,363,151 Units outstanding.

	Common Stock/Units Beneficially Owned	
Names and Addresses of 5% Stockholders	**Number**	**Percent of Class**
The Vanguard Group, Inc. 100 Vanguard Blvd. Malvern, PA 19355(1)	5,584,086	8.75%
Blackrock Inc. 40 East 52nd Street New York, NY 10022(2)	3,727,089	6.47%
Jay H. Shidler(3)	4,879,088	6.23%
Names and Addresses of Directors and Officers*		
Bruce W. Duncan(4)	474,843	**
Michael G. Damone(5)	223,591	**
Matthew S. Dominski	0	**
H. Patrick Hackett, Jr.	67,423	**
Kevin W. Lynch(6)	37,717	**
John Rau(7)	47,392	**
L. Peter Sharpe	30,000	**
Robert J. Slater(8)	36,275	**
W. Ed Tyler(9)	102,232	**
Scott A. Musil(10)	81,640	**
Johannson L. Yap(11)	303,689	**
David Harker(12)	81,565	**

Peter Schultz(13)	59,976	**
All named directors and currently-serving executive officers as a group (13 persons)(14)	1,546,343	2.0%

* The business address for each of the directors and executive officers of the Company is 311 South Wacker Drive, Suite 3900, Chicago, Illinois 60606.

** Less than 1%

(1) Pursuant to a Schedule 13G dated February 9, 2011 of The Vanguard Group Inc. (Vanguard). Of the shares reported, Vanguard has the sole power to vote, and the shared power dispose or direct the disposition of, 88,737 shares; and the sole power to dispose of 5,495,349 shares.

(2) Pursuant to a Schedule 13G dated January 21, 2011 of Blackrock Inc. (Blackrock). Blackrock has the sole power to vote and dispose of all 4,125,826 shares reported.

(3) Based on information available as of March 19, 2010, which was included in the Company s 2010 Proxy Statement. Includes 910,660 shares and 254,541 Units held by Shidler Equities, L.P., a Hawaii limited partnership owned by Mr. Shidler and Mrs. Shidler, 20,000 shares held by Mrs. Shidler directly, 68,020 Units held by Mr. Shidler directly, 1,223 Units held by Mr. and Mrs. Shidler jointly, and 22,079 Units held by Holman/Shidler Investment Corporation and over which Mr. Shidler exercises voting and investment control.

(4) Includes 139,587 shares of restricted Common Stock issued under the 2001 Stock Plan.

(5) Includes 62,500 shares held by a trust for the benefit of Mr. Damone s wife. Also includes 6,700 shares that may be acquired upon the exercise of vested options granted under the 1997 Stock Plan at an exercise price of $30.53 per share. Also includes 94,296 Units. Also includes 1,653 shares of restricted Common Stock issued under the 2001 Stock Plan.

(6) Includes 11,351 shares of restricted Common Stock issued under the 1997 and 2001 Stock Plans.

(7) Includes 8,261 shares of restricted Common Stock issued under the 1997 and 2001 Stock Plans and 27,475 shares of Common Stock held by a trust for his benefit.

(8) Includes 12,574 shares of restricted Common Stock issued under the 1997 and 2001 Stock Plans.

(9) Includes 20,000 shares that may be acquired by Mr. Tyler upon the exercise of vested options granted under the 1997 Stock Plan, consisting of 10,000 shares at an exercise price of $31.05 per share and 10,000 shares at an exercise price of $33.15 per share. Also includes 11,249 shares of restricted Common Stock issued under the 1997 and 2001 Stock Plans.

(10) Includes 2,106 shares held through Mr. Musil s children and 3,407 shares held through his 401(k). Also includes 41,204 shares of restricted Common Stock issued under the 1997 and 2001 Stock Plans.

(11) Includes 1,680 Units. Also includes 32,074 shares held through Mr. Yap s 401(k) and 80,706 shares of restricted Common Stock issued under the 1997 and 2001 Stock Plans.

(12) Includes 13,779 shares held by a trust for the benefit of Mr. Harker s wife. Also includes 4,500 shares that may be acquired upon the exercise of vested options granted under the 1997 Stock Plan at an exercise price of $30.53 per share. Also includes 30,735 shares of restricted Common Stock issued under the 1997 Stock Plan and 2001 Stock Plans.

(13) Includes 35,188 shares of restricted Common Stock issued under the 1997 and 2001 Stock Plans.

(14) Includes 31,200 shares in the aggregate that may be acquired by directors and executive officers upon the exercise of vested options granted under the 1997 Stock Plan, consisting of 10,000 shares at an exercise price of $31.05, 10,000 shares at an exercise price of $33.15 and 11,200 shares at an exercise price of $30.53. Also includes 95,976 Units. Also includes 372,508 shares of restricted Common Stock issued under the 1997 and 2001 Stock Plans.

PROPOSAL II

AMENDMENT TO CHARTER TO INCREASE THE NUMBER OF AUTHORIZED SHARES OF COMMON STOCK

On March 10, 2011, the Board of Directors approved a proposal to amend the Company s Charter, subject to stockholder approval, to increase the number of shares of the Company s Common Stock authorized for issuance. The Company s Charter presently authorize us to issue a total of 175 million shares of stock, consisting of 10 millions shares of preferred stock, 100 million shares of Common Stock and 65 million shares of excess stock. We are proposing to amend the Company s Charter to increase the number of authorized shares of Common Stock from 100 million to 150 million shares, and the total number of authorized shares of stock from 175 million to 225 million shares. The number of authorized shares of preferred stock and excess stock would remain the same.

We propose that Section 7.1 of the Company s Charter be amended to read in its entirety as follows, marked to show changes from the current provision contained in the Charter:

7.1 *Authorized Capital Stock.* The total number of shares of stock which the Corporation has authority to issue (the Stock) is two hundred twenty-five million (225,000,000) shares, consisting of (i) ten million (10,000,000) shares of preferred stock, par value $.01 per share (Preferred Stock); (ii) one hundred fifty million (150,000,000) shares of common stock, par value $.01 per share (Common Stock); and (iii) sixty-five million (65,000,000) shares of excess stock, par value $.01 per share (Excess Stock). The aggregate par value of all the shares of all classes of Stock is $2,250,000.

A copy of the proposed amendment is attached hereto as Appendix A.

As of March 15, 2011, there were 77,980,356 shares of Common Stock issued and outstanding and 4,324,114 shares of Common Stock held in treasury. Also, 1,090,478 shares were reserved for issuance pursuant to our Dividend Reinvestment and Stock Purchase Plan and Stock Plans and 3,037,232 shares of Common Stock were reserved for issuance upon exchange of our 2011 Exchangeable Notes. Accordingly, as of March 15, 2011, we had 13,531,820 shares of authorized Common Stock unreserved and available for future issuance, although the Company may, subject to availability, issue up to 5,363,151 additional shares upon redemption of outstanding Units and sell up to 10,000,000 additional shares under our at the market offering of Common Stock.

The Company s Board of Directors believes that the proposed increase in authorized Common Stock is desirable to enhance our flexibility in taking possible future actions, such as equity financings, corporate mergers, acquisitions, stock splits, stock dividends, equity compensation awards or other corporate purposes. The proposed amendment will enable us to accomplish these objectives in a timely manner.

The additional authorized Common Stock would be part of our current class of Common Stock and, if and when issued, would have the same rights and privileges as our presently issued and outstanding Common Stock. We may use authorized shares of Common Stock and preferred stock from time to time as appropriate and opportune situations arise.

The Company s stockholders will not have any preemptive rights with respect to the additional shares being authorized. No further approval by stockholders would be necessary prior to the issuance of any additional shares of Common Stock or preferred stock, except as may be required by law or applicable NYSE rules. In certain circumstances, generally relating to the number of shares to be issued and the identity of the recipient, the rules of the NYSE require stockholder authorization in connection with the issuance of such additional shares. Subject to applicable law and the rules of the NYSE, the Company s Board of Directors has the sole discretion to issue additional shares of Common Stock and the Board of Directors does not intend to issue any stock except for reasons and on terms which our Board of Directors deems to be in the best interests of our stockholders. The issuance of Common Stock (other than on a pro-rata basis to all stockholders) would, of course, reduce the proportionate interest in the Company of each stockholder. This could be used to dilute the stock ownership of one or more stockholders seeking to obtain control of the Company and make more difficult or discourage such an attempt to acquire control. However, we have not proposed an increase in the authorized number of shares of Common Stock with the intention of using the additional shares for anti-takeover purposes.

If our stockholders approve this Proposal II, an amendment to our Charter will be filed with the State Department of Assessments and Taxation of Maryland and will be effective as of the date of acceptance for record by the State Department of Assessments and Taxation.

The affirmative vote of the holders of a two thirds of the votes entitled to be cast with a quorum present at the Annual Meeting is required for approval of the proposed amendment to our Charter.

The Board of Directors recommends a vote FOR the Articles of Amendment to our Charter to increase the number of authorized shares of Common Stock from 100 million to 150 million shares, and the total number of authorized shares of stock from 175 million to 225 million shares.

PROPOSAL III

APPROVAL OF THE 2011 STOCK INCENTIVE PLAN

At its meeting on March 10, 2011, the Board of Directors of the Company adopted the 2011 Stock Incentive Plan and directed that the 2011 Stock Incentive Plan be submitted to the stockholders for their approval. The Board of Directors believes that the adoption of the 2011 Stock Incentive Plan is in the best interests of the stockholders and the Company because the ability to grant restricted Common Stock and other stock-based awards thereunder is an important factor in attracting, motivating and retaining qualified personnel.

SUMMARY OF THE PROVISIONS OF THE 2011 STOCK INCENTIVE PLAN

The following summary of the 2011 Stock Incentive Plan is qualified in its entirety by the specific language of the plan, a copy of which is attached hereto as Appendix B.

General. The purpose of the 2011 Stock Incentive Plan is to encourage and enable the officers, employees and directors of, and service providers to, the Company and its affiliates and subsidiaries, upon whose judgment, initiative and efforts the Company largely depends for the successful conduct of its business, to acquire a proprietary interest in the Company. Approximately 126 employees and all nine directors are eligible to participate in the 2011 Stock Incentive Plan.

The 2011 Stock Incentive Plan provides for the grant of incentive stock options, within the meaning of Section 422 of the Internal Revenue Code of 1986, as amended (the Code), to employees of the Company and its subsidiaries and for the grant of restricted Common Stock awards, restricted stock units, nonstatutory stock options, stock appreciation rights (SARs), performance share awards and dividend equivalents to officers, employees and directors of, and service providers to, the Company and its affiliates and subsidiaries. The Board of Directors has authorized, subject to stockholder approval, 1,100,000 shares of Common Stock for issuance under the 2011 Stock Incentive Plan. The market value of shares of Common Stock was $10.33 per share, based on its closing price as reported on the New York Stock Exchange on March 15, 2011. With respect to performance share awards, restricted Common Stock awards and restricted stock units, whether or not intended to be performance-based compensation under Code Section 162(m), the maximum number of shares of Common Stock, in the aggregate, subject to such awards granted under the 2011 Stock Incentive Plan will be 500,000 shares. In addition, the maximum number of shares of Common Stock with respect to which stock options and SARs, which are intended to be performance-based compensation under Code Section 162(m), may be granted during a calendar year to any participant under the 2011 Stock Incentive Plan will be 500,000 shares.

To the extent permitted pursuant to applicable law, in the event of any reorganization, recapitalization, reclassification, split-up or consolidation of shares of stock, separation (including a spin-off), stock split, dividend on shares of stock payable in capital stock, extraordinary cash dividend, combination or exchange of shares, or other similar change in capitalization of the Company or a merger or consolidation of the Company or sale by the Company of all or a portion of its assets or other similar event, appropriate adjustments will be made to the shares, including the number thereof, subject to the 2011 Stock Incentive Plan and to any outstanding awards. Shares of Common Stock underlying any awards that are forfeited, canceled, reacquired by the Company, satisfied without the issuance of Common Stock or otherwise terminated (other than by exercise) will be added back to the shares of Common Stock available for issuance under the 2011 Stock Incentive Plan.

Administration. The 2011 Stock Incentive Plan will be administered by the Compensation Committee of the Board of Directors of the Company. Subject to the provisions of the 2011 Stock Incentive Plan, the Compensation Committee will determine the persons to whom grants of awards are to be made, the number of shares of Common Stock to be covered by each grant and all other terms and conditions of the grant. If an option is granted, the Compensation Committee will determine whether the option is an incentive stock option or a nonstatutory stock option, the option s term, vesting and exercisability, and the other terms and conditions of the grant. The Compensation Committee will also determine the terms and conditions of SARs, restricted Common Stock awards, restricted stock units, performance share awards and dividend equivalents. The Compensation Committee will have the responsibility to interpret the 2011 Stock Incentive Plan and to make determinations with respect to all awards granted under the 2011 Stock Incentive Plan. All determinations of the Compensation Committee will be binding on all persons, including the Company and plan participants and other beneficiaries under the 2011 Stock Incentive Plan. The costs and expenses of administering the 2011 Stock Incentive Plan will be borne by the Company.

Each member of the Compensation Committee and the Board of Directors and each Company employee delegated authority under the 2011 Stock Incentive Plan will be indemnified and held harmless by the Company against and from any losses incurred in connection with any claim, action, suit, or proceeding to which he or she is involved by reason of his or her actions or omissions under the 2011 Stock Incentive Plan. The Company generally will be provided an opportunity to handle and defend the claim before the indemnified party undertakes to handle it on his or her own behalf.

Eligibility. Participants in the 2011 Stock Incentive Plan will be directors and the full or part-time officers and other employees of, and service providers to, the Company and its affiliates and subsidiaries who are responsible for or contribute to the management, growth or profitability of the Company and its affiliates and subsidiaries, and who are selected from time to time by the Compensation Committee, in its sole discretion.

Terms and Conditions of Option Grants. Each option granted under the 2011 Stock Incentive Plan will be evidenced by a written agreement in a form that the Compensation Committee may from time to time approve, will be subject to the terms and conditions of the 2011 Stock Incentive Plan and may contain such additional terms and conditions, not inconsistent with the terms of the 2011 Stock Incentive Plan, as may be determined by the Compensation Committee. The per share exercise price of an option may not be less than 100% of the fair market value of a share of Common Stock on the date of the option s grant and the term of any option will expire no later than the 10th anniversary of the date of the option s grant. In addition, the per share exercise price of any incentive stock option granted to a person who at the time of the grant owns stock possessing more than 10% of the total combined voting power or value of all classes of stock of the Company must be at least 110% of the fair market value of a share of the Common Stock on the date of grant and the option must expire no later than five years after the date of its grant. Generally, options may be exercised by the payment by the optionee or the optionee s broker of the exercise price in cash, certified check or wire transfer, through a net exercise or, subject to the approval of the Compensation Committee, through the tender of shares of the Common Stock owned by the optionee having a fair market value not less than the exercise price. Options granted under the 2011 Stock Incentive Plan will become exercisable at such times as may be specified by the Compensation Committee, subject to various limitations on exercisability in the event the optionee s employment or service with the Company terminates. Options are generally nontransferable by the optionee other than by will or by the laws of descent and distribution and are exercisable during the optionee s lifetime only by the optionee, except that non-qualified options may be transferred to one or more members of the optionee s immediate family, to certain entities for the benefit of the optionee s immediate family members or pursuant to a certified domestic relations order.

Terms and Conditions of Other Awards. Each SAR, restricted Common Stock award, restricted stock unit and performance share award made under the 2011 Stock Incentive Plan will be evidenced by a written agreement in a form and containing such terms, restrictions and conditions as may be determined by the Compensation Committee, consistent with the requirements of the 2011 Stock Incentive Plan. A SAR may be granted separately or in conjunction with the grant of an option, and must be exercised within 10 years after the SAR is granted. If the Compensation Committee determines that a restricted Common Stock award, restricted stock unit or a performance share award to be granted to a participant should qualify as performance-based compensation for purposes of Code Section 162(m), the grant, vesting and settlement of such award will be contingent upon achievement of one or more pre-established performance goals. One or more of the following business criteria for the Company, on a consolidated basis, and/or for specified affiliates, subsidiaries or business units of the Company (except with respect to the total stockholder return and earnings per share criteria), must be used by the Compensation Committee in establishing such performance goals: (1) earnings, including funds from operations; (2) revenues; (3) cash flow; (4) cash flow return on investment; (5) return on assets; (6) return on investment; (7) return on capital; (8) return on equity; (9) economic value added; (10) operating margin; (11) net income; (12) pretax earnings; (13) pretax earnings before interest, depreciation and amortization; (14) pretax operating earnings after interest expense and before incentives, service fees, and extraordinary or special items; (15) operating earnings; (16) total stockholder return; (17) market share; (18) debt load reduction; (19) expense management; (20) stock price; (21) book value; (22) overhead; (23) assets; (24) assessment of balance sheet or income statement objectives; and (25) strategic business objectives, consisting of one or more objectives based on meeting specific cost targets, business expansion goals and goals relating to acquisitions or divestitures. Any of the above goals may be compared to the performance of a peer group, business plan or a published or special index deemed applicable by the Compensation Committee including, but not limited to, the Standard & Poor s 500 Stock Index.

The Compensation Committee may, in its sole discretion, provide for the exclusion of the effects of the following items, to the extent identified in the audited financial statements of the Company, including footnotes, or in the Management s Discussion and Analysis section of the Company s annual report: (1) extraordinary, unusual, and/or nonrecurring items of gain or loss; (2) gains or losses on the disposition of a business; (3) changes in tax or accounting principles, regulations or laws; or (4) mergers or acquisitions. The Compensation Committee does not have the authority to increase the amount of compensation payable under any performance share award intended to qualify as performance-based compensation to the extent such an increase would cause the amounts payable pursuant to the performance share award to be nondeductible in whole or in part pursuant to Code Section 162(m) and the regulations thereunder. SARs, restricted Common Stock awards, restricted stock units, performance share awards and dividend equivalents are generally nontransferable, except that SARs may be transferred pursuant to a certified domestic relations order and may be exercised by the executor, administrator or personal representative of a deceased participant within six months of the death of the participant.

Change of Control Provisions. Change of Control generally means the occurrence of any one of the following events:

(1) any person , as such term is used in Sections 13(d) and 14(d) of the Exchange Act (other than the Company, any of its subsidiaries, any trustee, fiduciary or other person or entity holding securities under any employee benefit plan of the Company or any of its subsidiaries), together with all affiliates and associates (as such terms are defined in Rule 12b-2 of the Exchange Act) of such person, becomes the beneficial owner (as such term is defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing 40% or more of either (A) the combined voting power of the Company s then outstanding securities having the right to vote in an election of the Company s Board of Directors (Voting Securities) or (B) the then outstanding shares of Common Stock of the Company (in either such case other than as result of acquisition of securities directly from the Company); or

(2) persons who, as of the effective date of the 2011 Stock Incentive Plan, constitute the Company s Board of Directors (the Incumbent Directors) cease for any reason, including without limitation, as a result of a tender offer, proxy contest, merger or similar transaction, to constitute at least a majority of the Board of Directors, provided that any person becoming a director of the Company subsequent to the effective date of the 2011 Stock Incentive Plan whose election or nomination for election was approved by a vote of at least a majority of the Incumbent Directors shall, for purposes of the 2011 Stock Incentive Plan, be considered an Incumbent Director; or

(3) the consummation of: (A) any consolidation or merger of the Company or any subsidiary where the stockholders of the Company, immediately prior to the consolidation or merger, would not, immediately after the consolidation or merger, beneficially own (as such term is defined in Rule 13d-3 of the Exchange Act), directly or indirectly, shares representing in the aggregate 50% or more of the voting stock of the corporation issuing cash or securities in the consolidation or merger (or of its ultimate parent corporation, if any), (B) any sale, lease, exchange or other transfer (in one transaction or a series of transactions contemplated or arranged by any party as a single plan) of all or substantially all of the assets of the Company or (C) any plan or proposal for the liquidation or dissolution of the

Company.

Notwithstanding the foregoing, a Change of Control shall not be deemed to have occurred for purposes of the foregoing clause (1) solely as the result of an acquisition of securities by the Company that, by reducing the number of shares of Common Stock or other Voting Securities outstanding, increases (A) the proportionate number of shares of Common Stock beneficially owned by any person to 40% or more of the shares of Common Stock then outstanding or (B) the proportionate voting power represented by the Voting Securities beneficially owned by any person to 40% or more of the combined voting power of all then outstanding Voting Securities; provided, however, that if any person referred to in clause (A) or (B) of this sentence shall thereafter become the beneficial owner of any additional shares of Common Stock or other Voting Securities (other than pursuant to a stock split, stock dividend, or similar transaction), then a Change of Control shall be deemed to have occurred for purposes of the foregoing clause (1). In the event that any award under the 2011 Stock Incentive Plan constitutes deferred compensation, and the settlement of, or distribution of benefits under such award is to be triggered by a Change of Control, then such settlement or distribution shall be subject to the event constituting the Change of Control also constituting a change in the ownership or effective control or change in ownership of a substantial portion of assets of a corporation as permitted under Code Section 409A and any guidance issued thereunder.

In general, upon the occurrence of a Change of Control, options and SARs automatically would become fully exercisable and restrictions and conditions on restricted Common Stock awards, restricted stock units, performance share awards and dividend equivalents would automatically be deemed waived.

Amendment and Termination of the 2011 Stock Incentive Plan. The Board of Directors may at any time amend or discontinue the 2011 Stock Incentive Plan and the Compensation Committee may at any time amend or cancel any outstanding award, but no such action will adversely affect rights under any outstanding award without the holder s consent and, except in the event of changes in the capitalization of the Company or other similar events, no amendment to any outstanding award will (1) materially increase the benefits to participants, (2) materially increase the number of shares of Common Stock available under the plan, or (3) materially modify the requirements for participating in the plan, unless any amendment under (1), (2) or (3) is approved by the Company s stockholders.

Clawback Policy. All awards, amounts and benefits received under the 2011 Stock Incentive Plan will be subject to potential cancellation, recoupment, rescission, payback or other action in accordance with the terms of any applicable Company clawback policy or any applicable law.

SUMMARY OF FEDERAL INCOME TAX CONSEQUENCES OF THE 2011 STOCK INCENTIVE PLAN

The following discussion summarizes the principal federal income tax consequences of the 2011 Stock Incentive Plan. This discussion is based on current provisions of the Code, the regulations promulgated thereunder, and administrative and judicial interpretations thereof as in effect on the date hereof. The summary does not address any foreign, state or local tax consequences of participation in the 2011 Stock Incentive Plan. The company suggests that participants consult with their individual tax advisors to determine the applicability of the tax rules to the awards granted to them in their personal circumstances.

Stock Options. In general, the grant of an option will not be a taxable event to the recipient and it will not result in a deduction to the Company. The tax consequences associated with the exercise of an option and the subsequent disposition of shares of Common Stock acquired on the exercise of such option depend on whether the option is an incentive stock option or a nonqualified stock option.

Upon the exercise of a nonqualified stock option, the participant will recognize ordinary taxable income equal to the excess of the fair market value of the shares of Common Stock received upon exercise over the exercise price. The Company will generally be able to claim a deduction in an equivalent amount. Any gain or loss upon a subsequent sale or exchange of the shares of Common Stock will be capital gain or loss, long-term or short-term, depending on the holding period for the shares of Common Stock.

Generally, a participant will not recognize ordinary taxable income at the time of exercise of an incentive stock option and no deduction will be available to the Company, provided the option is exercised while the participant is an employee or within three months following termination of employment (longer, in the case of termination of employment by reason of disability or death). If an incentive stock option granted under the 2011 Stock Incentive Plan is exercised after these periods, the exercise will be treated for federal income tax purposes as the exercise of a nonqualified stock option. Also, an incentive stock option granted under the 2011 Stock Incentive Plan will be treated as a nonqualified stock option to the extent it (together with any other incentive stock options granted under other plans of the Company and/or its affiliates) first becomes exercisable in any calendar year for shares of Common Stock having a fair market value, determined as of the date of grant, in excess of $100,000.

Although the exercise of an incentive stock option as described above would not produce ordinary taxable income to the participant, it would result in an increase in the participant s alternative minimum taxable income and may result in an alternative minimum tax liability.

If shares of Common Stock acquired upon exercise of an incentive stock option are sold or exchanged more than one year after the date of exercise and more than two years after the date of grant of the option, any gain or loss will be long-term capital gain or loss. If shares of Common Stock acquired upon exercise of an incentive stock option are disposed of prior to the expiration of either of these holding periods (a Disqualifying Disposition), the participant will recognize ordinary income at the time of disposition, and the Company will generally be able to claim a deduction, in an amount equal to the excess of the fair market value of the shares of Common Stock at the date of exercise over the exercise price. Any additional gain will be treated as capital gain, long-term or short-term, depending on how long the shares of Common Stock have been held. Where shares of Common Stock are sold or exchanged in a Disqualifying Disposition (other than certain related party transactions) for an amount less than their fair market value at the date of exercise, any ordinary income recognized in connection with the Disqualifying Disposition will be limited to the amount of gain, if any, recognized in the sale or exchange, and any loss will be a long-term or short-term capital loss, depending on how long the shares of Common Stock have been held.

Restricted Stock. A participant who receives shares of restricted Common Stock will generally recognize ordinary income at the time the restrictions lapse. The amount of ordinary income so recognized will be the fair market value of the Common Stock at the time the income is recognized, determined without regard to any restrictions other than restrictions that by their terms will never lapse. This amount is generally deductible for federal income tax purposes by the Company. Dividends paid with respect to unvested restricted Common Stock will be ordinary compensation income to the participant (and generally deductible by the Company). Any gain or loss upon a subsequent sale or exchange of the shares of Common Stock, measured by the difference between the sale price and the fair market value on the date restrictions lapse, will be capital gain or loss, long-term or short-term, depending on the holding period for the shares of Common Stock. The holding period for this purpose will begin on the date following the date restrictions lapse.

In lieu of the treatment described above, a participant may elect immediate recognition of income under Code Section 83(b). In such event, the participant will recognize as income the fair market value of the restricted Common Stock at the time of grant (determined without regard to any restrictions other than restrictions that by their terms will never lapse), and the Company will generally be entitled to a corresponding deduction. Dividends paid with respect to shares as to which a proper Code Section 83(b) election has been made will not be deductible to the Company. If a Code Section 83(b) election is made and the restricted Common Stock is subsequently forfeited, the participant will not be entitled to any offsetting tax deduction.

Restricted Stock Units. In general, the grant of restricted stock units will not be a taxable event to the recipient and it will not result in a deduction to the Company. When the restrictions applicable to the restricted stock units lapse, and the awards are settled, a participant will generally recognize ordinary income at that time. The amount of ordinary income so recognized will be the fair market value of the Common Stock at the time the income is recognized, determined without regard to any restrictions other than restrictions that by their terms will never lapse. This amount is generally deductible for federal income tax purposes by the Company. Any gain or loss upon a subsequent sale or exchange of the shares of Common Stock, measured by the difference between the sale price and the fair market value on the date restrictions lapse, will be capital gain or loss, long-term or short-term, depending on the holding period for the shares of Common Stock. The holding period for this purpose will begin on the date following the date restrictions lapse.

Stock Appreciation Rights and Other Awards. With respect to SARs and other awards under the 2011 Stock Incentive Plan not described above, generally, when a participant receives payment with respect to an award granted to him or her under the 2011 Stock Incentive Plan, the amount of cash and the fair market value of any other property received will be ordinary income to such participant and will be allowed as a deduction for federal income tax purposes to the Company.

Payment of Withholding Taxes. The Company may withhold amounts from participants to satisfy withholding tax requirements. Except as otherwise provided by the Compensation Committee, participants may have shares withheld from awards or may tender previously owned shares to the Company to satisfy tax withholding requirements. The shares withheld from awards may only be used to satisfy the minimum statutory withholding obligation.

Special Rules. Certain special rules apply if the exercise price for an option is paid in shares previously owned by the optionee rather than in cash.

Limitation on Deductibility. Code Section 162(m) generally limits the deductible amount of annual compensation paid (including, unless an exception applies, compensation otherwise deductible in connection with awards granted under the 2011 Stock Incentive Plan) by a public company to a covered employee (the chief executive officer and three other most highly compensated executive officers of the Company other than the chief financial officer) to no more than $1 million. The Company does not believe that Code Section 162(m) is applicable to its current arrangements with its executive officers.

The number and types of awards to be made pursuant to the 2011 Stock Incentive Plan is subject to the discretion of the Board of Directors and is not determinable at this time.

EQUITY COMPENSATION PLAN INFORMATION

The following table sets forth information regarding our compensation plans under which our equity securities are authorized for issuance to our employees or non-employees, including directors, as of December 31, 2010:

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights	Number of Securities Remaining Available for Further Issuance Under Equity Compensation Plans
Equity Compensation Plans Approved by Security Holders			769,096
Equity Compensation Plans Not Approved by Security Holders(1)	98,701	$ 32.34	204,073
Total	98,701	$ 32.34	973,169

(1) See note 13 to our consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2010

Adoption of this proposal requires the affirmative vote of a majority of the shares of the Common Stock represented, in person or by proxy, and entitled to vote on the matter at the Annual Meeting.

The Board of Directors has approved the 2011 Stock Incentive Plan and recommends that its stockholders vote FOR the approval of the 2011 Stock Incentive Plan.

PROPOSAL IV

ADVISORY VOTE ON EXECUTIVE COMPENSATION

Pursuant to Section 14A of the Exchange Act, our stockholders are entitled to vote to approve, on an advisory or non-binding basis, the compensation of our named executive officers as disclosed in this Proxy Statement in accordance with SEC rules.

The Board of Directors believes that its executive compensation program serves the best interests of the Company s stockholders by not only attracting and retaining talented, capable individuals, but also providing them with proper incentives linked to performance criteria that are designed to maximize the Company s overall performance. To this end, the Company s compensation program consists of a mix of compensation that is intended to compensate executive officers for their contributions during the year and to reward them for achievements that lead to increased Company performance and increases in stockholder value. Please refer to Executive Compensation Discussion and Analysis for a discussion of the compensation of the Company s named executive officers.

We are asking for stockholder approval of the compensation of our named executive officers as disclosed in this Proxy Statement in accordance with SEC rules, which disclosures include the disclosures under Executive Compensation Discussion and Analysis and the compensation tables and the narrative discussion following the compensation tables. This vote is not intended to address any specific item of compensation, but rather the overall compensation of our named executive officers and the policies and practices described in this Proxy Statement.

This vote is advisory and therefore not binding on the Company, the Compensation Committee or the Board of Directors. The Board of Directors and the Compensation Committee value the opinions of the Company s stockholders and to the extent there is any significant vote against the named executive officer compensation as disclosed in this proxy statement, we will consider those stockholders concerns, and the Compensation Committee will evaluate whether any actions are necessary to address those concerns.

Accordingly, we ask our stockholders to vote on the following resolution at the Annual Meeting:

RESOLVED, that the Company s stockholders approve, on an advisory basis, the compensation of the named executive officers, as disclosed in the Company s Proxy Statement for the 2011 Annual Meeting of Stockholders pursuant to the compensation disclosure rules of the Securities and Exchange Commission under Executive Compensation Discussion and Analysis and the compensation tables and the narrative discussion following the compensation tables.

The affirmative vote of the holders of a majority of the votes cast with a quorum present at the Annual Meeting is required for advisory approval of this proposal.

The Board of Directors recommends an advisory vote FOR the approval of the compensation of the Company s named executive officers as disclosed in this Proxy Statement.

PROPOSAL V

ADVISORY VOTE ON THE FREQUENCY OF HOLDING FUTURE ADVISORY VOTES ON EXECUTIVE COMPENSATION

Section 14A of the Exchange Act also enables our stockholders to vote, on an advisory or non-binding basis, on how frequently they would like to cast an advisory vote on the compensation of the Company s named executive officers. By voting on this proposal, stockholders may indicate whether they would prefer an advisory vote on named executive officer compensation once every one, two or three years, or abstain from voting.

After careful consideration of the frequency alternatives, the Board of Directors believes that conducting an advisory vote on executive compensation on an annual basis is appropriate for the Company and its stockholders at this time.

In voting on this proposal, you should mark your proxy for one, two or three years based on your preference as to the frequency with which an advisory vote on executive compensation should be held. If you have no preference you should abstain. The affirmative vote of the holders of a majority of the votes cast with a quorum present at the Annual Meeting is required for advisory approval of any of the three options presented on the proxy card. The Board of Directors will carefully consider the outcome of the vote when making future decisions regarding the frequency of advisory votes on executive compensation. However, because this vote is advisory and not binding, the Board of Directors may decide that it is in the best interests of the Company and its stockholders to hold an advisory vote less frequently than the alternative that has been selected by our stockholders.

The Board of Directors recommends an advisory vote for holding the advisory vote on the compensation of the Company s named executive officers EACH YEAR.

PROPOSAL VI

RATIFICATION OF APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The accounting firm of PricewaterhouseCoopers LLP (or its predecessor, Coopers & Lybrand L.L.P.) has served as the Company s independent auditors since the Company s formation in August 1993. On March 10, 2011, the Audit Committee of the Board of Directors appointed PricewaterhouseCoopers LLP as the Company s independent registered public accounting firm for the current fiscal year. A representative of PricewaterhouseCoopers LLP will be present at the Annual Meeting, will be given the opportunity to make a statement if he or she so desires and will be available to respond to appropriate questions.

Our Charter and Bylaws do not require that our stockholders ratify the appointment of our independent registered certified public accounting firm. We are doing so because we believe it is a matter of good corporate practice. If our stockholders do not ratify the appointment, the Audit Committee will reconsider whether to retain PricewaterhouseCoopers LLP but may still retain them. Even if the appointment is ratified, the Audit Committee, in its discretion, may change the appointment at any time during the year if it determines that a change in registered certified public accounting firm would be in the best interests of the Company and its stockholders.

FEES

During 2010 and 2009, the aggregate fees for services provided by PricewaterhouseCoopers LLP in the following categories and amounts are:

	2010	**2009**
Audit Fees(1)	10,080,147	$ 1,124,725
Audit-Related Fees(2)	166,400	425,875
Tax Fees(3)	133,035	156,200
Other Fees(4)	1,944	1,620
Total Fees	1,381,526	$ 1,708,420

(1) Audit Fees include amounts related to professional services rendered in connection with the audits of the Company s annual financial statements and those of our subsidiaries, the reviews of our quarterly financial statements and other services that are normally provided by the auditor in connection with statutory and regulatory filings or engagements.

(2) Audit-Related Fees include amounts for assurance and related services, including joint venture audits, certain agreed-upon procedures and an annual employee benefit plan audit.

(3) Tax Fees include amounts billed for professional services rendered in connection with tax compliance, tax advice and tax planning. These amounts primarily relate to tax services related to tax return preparation, REIT compliance consultation, federal and state audit consultation, federal and state regulation consultation, federal and state entity structuring and taxable REIT subsidiary consultation.

(4) Other Fees include amounts related to technical research tools.

PRE-APPROVAL OF SERVICES

The Audit Committee pre-approves all audit, audit-related, tax and other services proposed to be provided by the Company s independent registered public accounting firm. Consideration and approval of such services generally occur at the Audit Committee s regularly scheduled meetings. In situations where it is impractical to wait until the next regularly scheduled meeting, the Audit Committee has delegated the authority to approve the audit, audit-related, tax and other services to each of its individual members. Approvals of audit, audit-related, tax and other services pursuant to the above-described delegation of authority are reported to the full Audit Committee.

The Board of Directors recommends a vote FOR ratification of the appointment of PricewaterhouseCoopers LLP as the Company s independent registered public accounting firm for fiscal 2011.

OTHER MATTERS

SOLICITATION OF PROXIES

The cost of solicitation of proxies in the form enclosed herewith will be borne by the Company. In addition to the solicitation of proxies by mail, the directors, officers and employees of the Company may also solicit proxies personally or by telephone without additional compensation for such activities. The Company will also request persons, firms and corporations holding shares in their names or in the names of their nominees, which are beneficially owned by others, to send proxy materials to and obtain proxies from such beneficial owners. The Company will reimburse such holders for their reasonable expenses.

Georgeson Shareholder Services, Inc. acts as the Company s proxy solicitor at a cost of $8,000, plus reasonable out of pocket expenses, including a telephone solicitation campaign approved by the Company.

STOCKHOLDER PROPOSALS

Stockholder proposals intended to be presented at the 2012 Annual Meeting of Stockholders must be received by the Secretary of the Company no later than December , 2011, in order to be considered for inclusion in the proxy statement and on the proxy card that will be solicited by the Board of Directors in connection with the 2012 Annual Meeting of Stockholders.

INCORPORATION BY REFERENCE

In the pages preceding this Proxy Statement is a Letter to Stockholders from the Company s President and Chief Executive Officer. Appendix C to this Proxy Statement is the Company s 2010 Annual Report, which includes its consolidated financial statements and management s discussion and analysis of financial condition and results of operations, as well as certain other financial and other information required by the rules and regulations of the SEC. Information contained in the Letter to Stockholders or Appendix C to this Proxy Statement shall not be deemed to be filed or soliciting material, or subject to liability for purposes of Section 18 of the Exchange Act to the maximum extent permitted under the Exchange Act.

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE STOCKHOLDERS MEETING TO BE HELD ON MAY 12, 2011

The Proxy Statement, Notice of Annual Meeting, Proxy Card and the Company s 2010 Annual Report are available on the Proxy Statement tab of the Investor Relations page on the Company s website, at www.firstindustrial.com.

For directions to attend the Annual Meeting in person, please contact Art Harmon, the Company s Senior Director of Investor Relations, at (312) 344-4320.

OTHER MATTERS

The Board of Directors does not know of any matters other than those described in this Proxy Statement that will be presented for action at the Annual Meeting. If other matters are presented, it is the intention of the persons named as proxies in the accompanying Proxy Card to vote in their discretion all shares represented by validly executed proxies.

REGARDLESS OF THE NUMBER OF SHARES YOU OWN, YOUR VOTE IS IMPORTANT TO THE COMPANY. PLEASE COMPLETE, SIGN, DATE AND PROMPTLY RETURN THE ENCLOSED PROXY CARD TODAY.

APPENDIX A

ARTICLES OF AMENDMENT

ARTICLES OF AMENDMENT
OF
FIRST INDUSTRIAL REALTY TRUST, INC.

First Industrial Realty Trust, Inc., a Maryland corporation, having its principal office in Baltimore, Maryland (the Corporation), hereby certifies to the State Department of Assessments and Taxation that:

FIRST: The Charter of the Corporation as currently in effect is hereby amended by deleting Section 7.1 of ARTICLE VII of the Charter in its entirety and inserting the following in lieu thereof:

7.1 Authorized Capital Stock. The total number of shares of stock which the Corporation has authority to issue (the Stock) is two hundred twenty-five million (225,000,000) shares, consisting of (i) ten million (10,000,000) shares of preferred stock, par value $.01 per share (Preferred Stock); (ii) one hundred fifty million (150,000,000) shares of common stock, par value $.01 per share (Common Stock); and (iii) sixty-five million (65,000,000) shares of excess stock, par value $.01 per share (Excess Stock). The aggregate par value of all the shares of all classes of Stock is $2,250,000.

SECOND: The Board of Directors of the Corporation, by unanimous vote at a duly called meeting, duly adopted resolutions setting forth the proposed amendment to the Charter, declaring said amendment to be advisable and directing that said amendment be submitted for consideration by the stockholders.

THIRD: Notice setting forth the said amendment of the Charter and stating that a purpose of the meeting of the stockholders would be to take action thereon was given as required by law to all stockholders of the Corporation entitled to vote thereon. The stockholders of the Corporation, by vote at a duly called annual meeting, approved said amendment.

FOURTH: Immediately before this amendment, the total number of shares of stock of all classes which the Corporation has authority to issue, the number of shares of stock of each class and the par value of the shares of each class were as follows:

(a) The total number of shares of all classes which the Corporation has authority to issue is one hundred seventy-five million (175,000,000) shares, consisting of ten million (10,000,000) shares of preferred stock, par value $.01 per share, one hundred million (100,000,000) shares of common stock, par value $.01 per share and sixty-five million (65,000,000) shares of excess stock, par value $.01 per share.

FIFTH: As amended, the total number of shares of stock of all classes which the Corporation has authority to issue, the number of shares of stock of each class and the par value of the shares of each class are as follows:

(a) The total number of shares of all classes which the Corporation has authority to issue is two hundred twenty-five million (225,000,000) shares, consisting of ten million (10,000,000) shares of preferred stock, par value $.01 per share, one hundred fifty million (150,000,000) shares of common stock, par value $.01 per share and sixty-five million (65,000,000) shares of excess stock, par value $.01 per share.

SIXTH: Immediately before this amendment, the aggregate par value of all shares of all classes of stock of the Corporation was $1,750,000. As amended, the aggregate par value of all shares of all classes of stock of the Corporation is $2,250,000.

SEVENTH: The information required by Section 2-607(b)(2)(i) of the Maryland General Corporation Law was not changed by this amendment.

[*Signature page follows*]

IN WITNESS WHEREOF, the Corporation has caused these Articles of Amendment to be signed in its name and on its behalf by its President and its corporate seal to be hereunder affixed and attested to by its Secretary on this day of May , 2011, and its said President acknowledges under the penalties of perjury that these Articles of Amendment are the corporate act of said Corporation and that, to the best of his knowledge, information and belief, the matters and facts set forth herein are true in all material respects.

First Industrial Realty Trust, Inc.

By:

Name: Bruce W. Duncan

Title: President and Chief Executive Officer

Attest:

Name: John H. Clayton
Title: Secretary

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APPENDIX B

FIRST INDUSTRIAL REALTY TRUST, INC.

2011 STOCK INCENTIVE PLAN

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FIRST INDUSTRIAL REALTY TRUST, INC.

2011 STOCK INCENTIVE PLAN

Section 1 General Purpose of the Plan; Definitions.

The name of the plan is the First Industrial Realty Trust, Inc. 2011 Stock Incentive Plan (the **Plan**). The purpose of the Plan is to encourage and enable the officers, employees and Directors of, and service providers to, First Industrial Realty Trust, Inc. (the **Company**) and its Affiliates and Subsidiaries upon whose judgment, initiative and efforts the Company largely depends for the successful conduct of its business to acquire a proprietary interest in the Company. It is anticipated that providing such persons with a direct stake in the Company s welfare will assure a closer identification of their interests with those of the Company, thereby stimulating their efforts on the Company s behalf and strengthening their desire to remain with the Company.

The following terms shall be defined as set forth below:

Act means the Securities Exchange Act of 1934, as amended, and any successor act, and related rules, regulations and interpretations.

Affiliate means any entity other than the Company and its Subsidiaries that is designated by the Board or the Committee as a participating employer under the Plan, provided that the Company directly or indirectly owns at least 20% of the combined voting power of all classes of stock of such entity or at least 20% of the ownership interests in such entity.

Award or **Awards**, except where referring to a particular category of grant under the Plan, shall include Incentive Stock Options, Non-Qualified Stock Options, Stock Appreciation Rights, Restricted Stock Awards, Restricted Stock Unit Awards, Performance Share Awards, Dividend Equivalents and Performance Awards.

Board means the Board of Directors of the Company.

Cause means the participant s dismissal as a result of (i) any material breach by the participant of any agreement to which the participant and the Company or an Affiliate or Subsidiary are parties, (ii) any act (other than retirement) or omission to act by the participant, including without limitation, the commission of any crime (other than ordinary traffic violations), that may have a material and adverse effect on the business of the Company or any Affiliate or Subsidiary or on the participant s ability to perform services for the Company or any Affiliate or Subsidiary, or (iii) any material misconduct or neglect of duties by the participant in connection with the business or affairs of the Company or any Affiliate or Subsidiary.

Change of Control is defined in **Section 15 below.**

Code means the Internal Revenue Code of 1986, as amended, and any successor code, and related rules, regulations and interpretations.

Committee means any Committee of the Board referred to in **Section 2** below.

Company means First Industrial Realty Trust, Inc.

Deferred Compensation means a deferral of compensation as defined in Section 409A of the Code.

Director means a member of the Board.

Disability means disability as defined in Section 22(e)(3) of the Code.

Dividend Equivalent means a right, granted under **Section 10** below, to receive cash, Stock, or other property equal in value to dividends paid with respect to a specified number of shares of Stock or the excess of dividends paid over a specified rate of return. Dividend Equivalents may be awarded on a free-standing basis or in connection with another Award, and may be paid currently or on a deferred basis.

Effective Date means the date on which the Plan is approved by the stockholders of the Company as set forth in **Section 18** below.

ERISA means the Employee Retirement Income Security Act of 1974, as amended, and any successor act, and related rules, regulations and interpretations.

Fair Market Value on any given date means the last reported sale price at which Stock is traded on such date or, if no Stock is traded on such date, the most recent date on which Stock was traded, as reflected on the New York Stock Exchange or, if applicable, any other national stock exchange that is the principal trading market for the Stock.

Incentive Stock Option means any Stock Option designated and qualified as an incentive stock option as defined in Section 422 of the Code.

Non-Qualified Stock Option means any Stock Option that is not an Incentive Stock Option.

Option or **Stock Option** means any option to purchase shares of Stock granted pursuant to **Section 6** below.

Parent means a parent corporation as defined in Section 424(e) of the Code.

Performance Award means an Award granted pursuant to **Section 11** below.

Performance Share Award means an Award granted pursuant to **Section 8** below.

Plan means the First Industrial Realty Trust, Inc. 2011 Stock Incentive Plan.

Prior Plan(s) means the First Industrial Realty Trust, Inc. 2009 Stock Incentive Plan, the First Industrial Realty Trust, Inc. 2001 Stock Incentive Plan and the First Industrial Realty Trust, Inc. 1997 Stock Incentive Plan.

Restricted Stock is defined in **Section 7(a)(i)** below.

Restricted Stock Award means an Award granted pursuant to **Section 7(a)(i)** below.

Restricted Stock Units is defined in **Section 7(a)(ii)** below.

Restricted Stock Unit Award means an Award granted pursuant to **Section 7(a)(ii)** below.

Service Provider means an officer, employee or Director of, or other service provider to, the Company or an Affiliate or Subsidiary.

Stock means the common stock, $.01 par value per share, of the Company, subject to adjustment pursuant to **Section 3** below.

Stock Appreciation Right or **SAR** means an Award granted pursuant to **Section 9** below.

Subsidiary means any corporation (other than the Company) in an unbroken chain of corporations, beginning with the Company if each of the corporations (other than the last corporation in the unbroken chain) owns stock possessing 50% or more of the total combined voting power of all classes of stock in one of the other corporations in the chain.

Termination of Service means the first day occurring on or after a grant date on which the participant ceases to be a Service Provider, regardless of the reason for such cessation, subject to the following:

(i) The participant s cessation as Service Provider shall not be deemed to occur by reason of the transfer of the participant between the Company and an Affiliate or Subsidiary or between an Affiliate and a Subsidiary.

(ii) The participant s cessation as a Service Provider shall not be deemed to occur by reason of the participant s approved leave of absence for military service or sickness, or for any other purpose approved by the Company, if the Service Provider s right to re-employment is guaranteed either by a statute or by contract or under the policy pursuant to which the leave of absence was granted or if the Committee otherwise so provides in writing.

(iii) A service provider other than an officer, employee or Director whose services to the Company or an Affiliate or a Subsidiary are governed by a written agreement with such service provider will cease to be a service provider at the time the term of such written agreement ends (without renewal); and a service provider other than an officer, employee or Director whose services to the Company or an Affiliate or a Subsidiary are not governed by a written agreement with such service provider will cease to be a service provider upon the earlier of (A) written notice from the Company, an Affiliate or a Subsidiary or (B) the date that is 90 days after the date the service provider last provides services requested by the Company or an Affiliate or a Subsidiary (as determined by the Committee).

(iv) Unless otherwise provided by the Committee, an employee who ceases to be an employee, but become or remains a Director, or a Director who ceases to be a Director, but becomes or remains an employee, shall not be deemed to have incurred a Termination of Service.

(v) Notwithstanding the foregoing, in the event that any Award constitutes Deferred Compensation, the term Termination of Service shall be interpreted by the Committee in a manner not to be inconsistent with the definition of separation from service as defined under Section 409A of the Code.

10% Shareholder is defined in **Section 6(i)** below.

Section 2 **<u>Administration of Plan; Committee Authority to Select Participants and Determine Awards.</u>**

(a) <u>Committee</u>. The Plan shall be administered by a committee of not less than two Directors, as appointed by the Board from time to time (the **Committee**). Unless otherwise determined by the Board, each member of the Committee shall qualify as a non-employee director under Rule 16b-3 of the Act and an outside director under Section 162(m) of the Code. Subject to applicable stock exchange rules, if the Committee does not exist, or for any other reason determined by the Board, the Board may take any action under the Plan that would otherwise be the responsibility of the Committee.

(b) <u>Powers of Committee</u>. The Committee shall have the power and authority to grant Awards consistent with the terms of the Plan, including the power and authority:

(i) to select the Service Providers to whom Awards may from time to time be granted;

(ii) to determine the time or times of grant, and the extent, if any, of Incentive Stock Options, Non-Qualified Stock Options, Stock Appreciation Rights, Restricted Stock, Restricted Stock Units, Performance Shares and Dividend Equivalents, or any combination of the foregoing, granted to any Service Provider;

(iii) to determine the number of shares to be covered by any Award granted to a Service Provider;

(iv) to determine the terms and conditions, including restrictions, not inconsistent with the terms of the Plan, of any Award granted to a Service Provider, which terms and conditions may differ among individual Awards and participants, and to approve the form of written instruments evidencing the Awards;

(v) to accelerate the exercisability or vesting of all or any portion of any Award granted to a participant;

(vi) subject to the provisions of **Section 6(ii)** below, to extend the period in which Stock Options granted may be exercised;

(vii) to determine whether, to what extent and under what circumstances Stock and other amounts payable with respect to an Award granted to a participant shall be deferred either automatically or at the election of the participant and whether and to what extent the Company shall pay or credit amounts equal to interest (at rates determined by the Committee) or dividends or deemed dividends on such deferrals;

(viii) to adopt, alter and repeal such rules, guidelines and practices for administration of the Plan and for its own acts and proceedings as it shall deem advisable; to interpret the terms and provisions of the Plan and any Award (including related written instruments) granted to a participant; and to decide all disputes arising in connection with and make all determinations it deems advisable for the administration of the Plan; and

(ix) to grant Awards, in its sole discretion, to Service Providers who are residing in jurisdictions outside of the United States. For purposes of the foregoing, the Committee may, in its sole discretion, vary the terms of the Plan in order to conform any Awards to the legal and tax requirements of each non-U.S. jurisdiction where such individual resides or any such non-U.S. jurisdiction that would apply its laws to such Award. The

Committee may, in its sole discretion, establish one or more sub-plans of the Plan and/or may establish administrative rules and procedures to facilitate the operation of the Plan in such non-U.S. jurisdictions. For purposes of clarity, any terms contained herein that are subject to variation in a non-U.S. jurisdiction and any administrative rules and procedures established for a non-U.S. jurisdiction shall be reflected in a written addendum to the Plan. To the extent permitted under applicable law, the Committee may delegate its authority and responsibilities under this **Section 2(b)(ix)** to any one or more officers of the Company, an Affiliate or a Subsidiary.

All decisions and interpretations of the Committee shall be final and binding on all persons, including the Company and Plan participants and other beneficiaries under the Plan.

(c) Delegation by Committee. Except to the extent prohibited by applicable law, the applicable rules of a stock exchange or the Plan, or as necessary to comply with the exemptive provisions of Rule 16b-3 of the Act, the Committee may allocate all or any portion of its responsibilities and powers to any one or more of its members and may delegate all or any part of its responsibilities and powers to any person or persons selected by it, including: (i) delegating to a committee of one or more members of the Board who are not outside directors within the meaning of Section 162(m) of the Code, the authority to grant Awards to eligible persons who are either: (A) not then covered employees, within the meaning of Section 162(m) of the Code and are not expected to be covered employees at the time of recognition of income resulting from such Award; or (B) not persons with respect to whom the Company wishes to comply with Section 162(m) of the Code; and/or (ii) delegating to a committee of one or more members of the Board who are not non-employee directors, within the meaning of Rule 16b-3 of the Act, the authority to grant Awards to eligible persons who are not then subject to Section 16 of the Act. The acts of such delegates shall be treated hereunder as acts of the Committee and such delegates shall report regularly to the Committee regarding the delegated duties and responsibilities and any Awards so granted. Any such allocation or delegation may be revoked by the Committee at any time.

(d) Information to be Furnished to Committee. As may be permitted by applicable law, the Company and any Affiliate or Subsidiary shall furnish the Committee with such data and information as it determines may be required for it to discharge its duties. The records of the Company and any Affiliate or Subsidiary as to a Service Provider s employment or service, Termination of Service, leave of absence, reemployment and compensation shall be conclusive on all persons unless determined by the Committee to be manifestly incorrect. Subject to applicable law, participants and other persons entitled to benefits under the Plan must furnish the Committee such evidence, data or information as the Committee considers desirable to carry out the terms of the Plan.

(e) Expenses and Liabilities. All expenses and liabilities incurred by the Committee in the administration and interpretation of the Plan or any Award agreement shall be borne by the Company. The Committee may employ attorneys, consultants, accountants or other persons in connection with the administration and interpretation of the Plan. The Company, and its officers and Directors, shall be entitled to rely upon the advice, opinions or valuations of any such persons.

(f) Indemnification. To the fullest extent permitted by law, each person who is or shall have been a member of the Committee, or of the Board, or an officer of the Company to whom authority was delegated in accordance with the Plan, or an employee of the Company shall be indemnified and held harmless by the Company against and from any loss (including amounts paid in settlement), cost, liability or expense (including reasonable attorneys fees) that may be imposed upon or reasonably incurred by him or her in connection with or resulting from any claim, action, suit, or proceeding to which he or she may be a party or in which he or she may be involved by reason of any action taken or failure to act under the Plan and against and from any and all amounts paid by him or her in settlement thereof, with the Company s approval, or paid by him or her in satisfaction of any judgment in any such action, suit, or proceeding against him or her; *provided, however,* that he or she shall give the Company an opportunity, at its own expense, to handle and defend the same before he or she undertakes to handle and defend it on his or her own behalf, unless such loss, cost, liability, or expense is a result of his or her own willful misconduct or except as expressly provided by statute. The foregoing right of indemnification shall not be exclusive of any other rights of indemnification to which such persons may be entitled under the Company s charter or bylaws, as a matter of law, or otherwise, or any power that the Company may have to indemnify them or hold them harmless.

Section 3 Shares Issuable under the Plan; Mergers; Substitution.

(a) Shares Issuable. Subject to adjustment as provided in **Section 3(d)** below, the maximum number of shares of Stock reserved and available for issuance under the Plan shall be 1,100,000 (all of which may be issued through Incentive Stock Options). For purposes of this limitation, the shares of Stock underlying any Awards that are forfeited, canceled, reacquired by the Company, satisfied without the issuance of Stock or otherwise terminated shall not be deemed to have been delivered and shall be added back to the shares of Stock available for issuance under the Plan; *provided, however,* that any shares (i) tendered to pay the exercise price of an Award or (ii) withheld for taxes by the Company or an Affiliate or a Subsidiary will not be available for future issuance under the Plan. Shares issued under the Plan may be authorized but unissued shares or shares reacquired by the Company. Subject to adjustment as provided in **Section 3(d)** below, with respect to Performance Share Awards, Restricted Stock Awards and Restricted Stock Unit Awards, the maximum number of shares of Stock subject to such Awards shall be 1,100,000.

(b) Share Limitation. Subject to adjustment as provided in **Section 3(d)** below, (i) the maximum number of shares of Stock with respect to which Stock Options and Stock Appreciation Rights may be granted during a calendar year to any participant under the Plan and are intended to be performance-based compensation (as that term is used for purposes of Section 162(m) of the Code) and then only to the extent such limitation is required by Section 162(m) of the Code, shall be 500,000 shares and (ii) with respect to Performance Share Awards, Restricted Stock Awards and Restricted Stock Unit Awards, the maximum number of shares of Stock subject to such Awards granted during a calendar year to any participant under the Plan and are intended to be performance-based compensation (as that term is used for purposes of Section 162(m) of the Code) and then only to the extent such limitation is required by Section 162(m) of the Code, shall be 500,000 shares.

(c) Partial Performance. Notwithstanding the provisions of **Section 3(b)** above, if in respect of any performance period or restriction period, the Committee grants to a participant Awards having an aggregate dollar value and/or number of shares less than the maximum dollar value and/or number of shares that could be paid or awarded to such participant based on the degree to which the relevant performance measures were attained, the excess of such maximum dollar value and/or number of shares over the aggregate dollar value and/or number of shares actually subject to Awards granted to such participant shall be carried forward and shall increase the maximum dollar value and/or the number of shares that may be awarded to such participant in respect of the next performance period in respect of which the Committee grants to such participant an Award intended to qualify as performance-based compensation (as that term is used for purposes of Section 162(m) of the Code), subject to adjustment as provided in **Section 3(d)** below.

(d) **Corporate Transactions.** To the extent permitted under Section 409A of the Code, if applicable, in the event of a corporate transaction involving the Company or the shares of Stock (including any stock dividend, stock split, extraordinary cash dividend, recapitalization, reorganization, merger, consolidation, split-up, spin-off, combination or exchange of shares), all outstanding Awards, the number of shares reserved for issuance under the Plan under **Section 3(a)** above and the specified limitations set forth in **Section 3(b)** above shall automatically be adjusted to proportionately and uniformly reflect such transaction (but only to the extent that such adjustment will not affect the status of an Award intended to qualify as performance-based compensation under Section 162(m) of the Code, if applicable); *provided, however,* that the Committee may otherwise adjust Awards (or prevent such automatic adjustment) as it deems necessary, in its sole discretion, to preserve the benefits or potential benefits of the Awards and the Plan. Action by the Committee may include: (i) adjustment of the number and kind of shares that may be delivered under the Plan; (ii) adjustment of the number and kind of shares subject to outstanding Awards; (iii) adjustment of the exercise price of outstanding Options and SARs; and (iv) any other adjustments that the Committee determines to be equitable (which may include, (A) replacement of Awards with other awards that the Committee determines have comparable value and that are based on stock of a company resulting from the corporate transaction, and (B) cancellation of the Award in return for cash payment of the current value of the Award, determined as though the Award were fully vested at the time of payment, provided that in the case of an Option or SAR, the amount of such payment shall be the excess of the value of the Stock subject to the Option or SAR at the time of the corporate transaction over the exercise price; *provided, however,* that no such payment shall be required in consideration of the Award if the exercise price is greater than the value of the Stock at the time of such corporate transaction).

Section 4 Awards.

(a) General. Any Award may be granted singularly, in combination with another Award (or Awards), or in tandem whereby the exercise or vesting of one Award held by a participant cancels another Award held by the participant. Each Award shall be subject to the terms and conditions of the Plan and such additional terms, conditions, limitations and restrictions as the Committee shall provide with respect to such Award and as evidenced in the Award agreement. An Award may be granted as an alternative to or replacement of an existing Award under (i) the Plan; (ii) any other plan of the Company or any Affiliate or Subsidiary; (iii) any Prior Plan; or (iv) as the form of payment for grants or rights earned or due under any other compensation plan or arrangement of the Company or any Affiliate or Subsidiary, including without limitation the plan of any entity acquired by the Company or any Affiliate or Subsidiary.

(b) Substitute Awards. The Committee may grant Awards in substitution for stock and stock-based awards held by employees of another corporation who concurrently become employees of the Company, an Affiliate or a Subsidiary as the result of a merger or consolidation of the employing corporation with the Company, an Affiliate or a Subsidiary or the acquisition by the Company, an Affiliate or a Subsidiary of property or stock of the employing corporation. The Committee may direct that the substitute Awards be granted on such terms and conditions as the Committee considers appropriate in the circumstances.

Section 5 Eligibility.

Participants in the Plan will be such full or part-time Service Providers who are responsible for or contribute to the management, growth or profitability of the Company, its Affiliates and Subsidiaries and who are selected from time to time by the Committee, in its sole discretion. Notwithstanding any provision of the Plan to the contrary, an Award (other than an Incentive Stock Option) may be granted to a person, in connection with his or her hiring as an employee, prior to the date the employee first performed services for the Company, an Affiliate or a Subsidiary; *provided, however,* that any such Award shall not become exercisable or vested prior to the date the employee first performs such services as an employee.

Section 6 Stock Options.

Any Stock Option shall be in such form as the Committee may from time to time approve.

Stock Options may be either Incentive Stock Options or Non-Qualified Stock Options. To the extent that any Option does not qualify as an Incentive Stock Option, it shall constitute a Non-Qualified Stock Option. No Incentive Stock Option may be granted under the Plan after the tenth anniversary of the Effective Date. Incentive Stock Options may only be granted to employees of the Company, a Parent of the Company or a Subsidiary.

The Committee in its discretion may grant Stock Options to Service Providers. Stock Options shall be subject to the following terms and conditions and shall contain such additional terms and conditions, not inconsistent with the terms of the Plan, as the Committee shall deem desirable:

(i) Exercise Price. The per share exercise price of a Stock Option shall be determined by the Committee at the time of grant. The per share exercise price of a Stock Option shall not be less than 100% of Fair Market Value on the date of grant. Unless specifically designated in writing by the Committee, any Stock Option shall be designed to be exempt from Section 409A of the Code. If an employee owns or is deemed to own (by reason of the attribution rules of Section 424(d) of the Code) more than 10% of the combined voting power of all classes of stock of the Company or any Subsidiary or Parent corporation (a **10% Shareholder**) and an Incentive Stock Option is granted to such employee, the exercise price of such Incentive Stock Option shall not be less than 110% of the Fair Market Value.

(ii) Option Term. The term of each Stock Option shall be fixed by the Committee, but no Stock Option shall be exercisable more than 10 years after the date the Option is granted. For 10% Shareholders, the terms of an Incentive Stock Option shall be no more than five years from the date of grant.

(iii) Exercisability; Rights of a Shareholder. Stock Options shall become exercisable at such time or times, whether or not in installments, as shall be determined by the Committee at or after the grant date. The

Committee may at any time accelerate the exercisability of all or any portion of any Stock Option. An optionee shall have the rights of a shareholder only as to shares acquired upon the exercise of a Stock Option and not as to unexercised Stock Options.

(iv) Method of Exercise. Stock Options may be exercised in whole or in part, by giving written notice of exercise to the Company, specifying the number of shares to be purchased. Payment of the purchase price may be made by one or more of the following methods:

(A) In cash, by certified or bank check or other instrument acceptable to the Committee or by wire transfer to an account designated by the Company;

(B) In the form of shares of Stock (by actual delivery or by attestation) that are not then subject to restrictions under any Company plan, if permitted by the Committee in its discretion. Such surrendered shares shall be valued at Fair Market Value on the exercise date;

(C) Payment through a net exercise such that, without the payment of any funds, the optionee may exercise the Option and receive the net number of shares of Stock equal in value to (y) the number of shares of Stock as to which the Option is being exercised, multiplied by (z) a fraction, the numerator of which is the Fair Market Value (on such date as is determined by the Committee) less the purchase price, and the denominator of which is such Fair Market Value;

(D) By the optionee delivering to the Company a properly executed exercise notice together with irrevocable instructions to a broker to promptly deliver to the Company cash or a check payable and acceptable to the Company to pay the purchase price; *provided, however,* that in the event the optionee chooses to pay the purchase price as so provided, the optionee and the broker shall comply with such procedures and enter into such agreements of indemnity and other agreements as the Committee shall prescribe as a condition of such payment procedure. Payment instruments will be received subject to collection; or

(E) Other such method as may be determined by the Committee from time to time.

The delivery of shares of Stock to be purchased pursuant to the exercise of the Stock Option will be contingent upon receipt from the optionee (or a purchaser acting in his stead in accordance with the provisions of the Stock Option) by the Company of the full purchase price for such shares and the fulfillment of any other requirements contained in the Stock Option or applicable provisions of laws (including satisfaction of applicable tax withholding requirements).

(v) Non-transferability of Options. No Incentive Stock Option shall be transferable by the optionee otherwise than by will or by the laws of descent and distribution, and all Incentive Stock Options shall be exercisable, during the optionee s lifetime, only by the optionee. Non-Qualified Stock Options may be assigned or otherwise transferred by the participant only in the following circumstances: (i) by will or the laws of descent and distribution; (ii) by the participant to members of his or her immediate family, to a trust established for the exclusive benefit of solely one or more members of the participant s immediate family and/or the participant, or to a partnership, limited liability company or corporation pursuant to which the only partners, members or shareholders, as the case may be, are one or more members of the participant s immediate family and/or the participant; *provided, however,* that such transfers are not made for consideration to the participant; or (iii) pursuant to a certified domestic relations order. Any Non-Qualified Stock Option held by a transferee will continue to be subject to the same terms and conditions that were applicable to the Option immediately prior to the transfer, except that the Option will be transferable by the transferee only by will or the laws of descent and distribution. For purposes hereof, immediate family means the participant s children, stepchildren, grandchildren, parents, stepparents, grandparents, spouse, siblings (including half brothers and sisters), in-laws, and relationships arising because of legal adoption.

(vi) Termination by Death. If any optionee s Termination of Service occurs by reason of death, the Stock Option may thereafter be exercised, to the extent exercisable at the date of death, by the legal representative or legatee of the optionee, for a period of six months (or such longer period as the Committee shall specify at any time) from the date of death, or until the expiration of the stated term of the Option, if earlier.

(vii) Termination by Reason of Disability.

(A) Any Stock Option held by an optionee who incurs a Termination of Service by reason of Disability may thereafter be exercised, to the extent it was exercisable at the time of such termination, for a period of 12 months (or such longer period as the Committee shall specify at any time) from such Termination of Service, or until the expiration of the stated term of the Option, if earlier.

(B) The Committee shall have sole authority and discretion to determine whether a participant s Termination of Service is by reason of Disability.

(C) Except as otherwise provided by the Committee at the time of grant or otherwise, the death of an optionee during a period provided in this **Section 6(vii)** for the exercise of a Non-Qualified Stock Option, shall extend such period for six months from the date of death, subject to termination on the expiration of the stated term of the Option, if earlier.

(viii) Termination for Cause. If any optionee s Termination of Service is for Cause, any Stock Option held by such optionee shall immediately terminate and be of no further force and effect; *provided, however,* that the Committee may, in its sole discretion, provide that such Stock Option can be exercised for a period of up to 30 days from the Termination of Service or until the expiration of the stated term of the Option, if earlier.

(ix) Other Termination. Unless otherwise determined by the Committee, if an optionee s Termination of Service is for any reason other than death, Disability, or for Cause, any Stock Option held by such optionee may thereafter be exercised, to the extent it was exercisable as of the Termination of Service, for three months (or such longer period as the Committee shall specify at any time) from the Termination of Service or until the expiration of the stated term of the Option, if earlier.

(x) Annual Limit on Incentive Stock Options. To the extent required for incentive stock option treatment under Section 422 of the Code, the aggregate Fair Market Value (determined as of the time of grant) of the Stock with respect to which Incentive Stock Options granted under the Plan and any other plan of the Company or its Subsidiaries become exercisable for the first time by an optionee during any calendar year shall not exceed $100,000.

(xi) Form of Settlement. Shares of Stock issued upon exercise of a Stock Option shall be free of all restrictions under the Plan, except as otherwise provided in the Plan or the applicable Stock Option Award agreement.

Section 7 Restricted Stock Awards and Restricted Stock Unit Awards.

(a) Nature of Awards. The Committee may grant Restricted Stock Awards or Restricted Stock Unit Awards to Service Providers.

(i) Restricted Stock Award. A Restricted Stock Award is an Award entitling the recipient to acquire, at no cost or for a purchase price determined by the Committee, shares of Stock subject to such restrictions and conditions as the Committee may determine at the time of grant (**Restricted Stock**). Conditions may be based on continuing service and/or achievement of pre-established performance goals and objectives. In addition, a Restricted Stock Award may be granted to a Service Provider by the Committee in lieu of any compensation due to such Service Provider.

(ii) Restricted Stock Unit Award. A Restricted Stock Unit Award is an Award evidencing the right of the recipient to receive an equivalent number of shares of Stock on a specific date or upon the attainment of pre-established performance goals, objectives, and other conditions as specified by the Committee, with the units being subject to such restrictions and conditions as the Committee may determine at the time of grant (**Restricted Stock Units**). Conditions may be based on continuing service and/or achievement of pre-established performance goals and objectives. In addition, a Restricted Stock Unit Award may be granted to a Service Provider by the Committee in lieu of any compensation due to such Service Provider.

(b) Acceptance of Award. A participant who is granted a Restricted Stock Award or a Restricted Stock Unit Award shall have no rights with respect to such Award unless the participant shall have accepted the Award within 60 days (or such shorter date as the Committee may specify) following the grant date by making payment to the Company, if required, by certified or bank check or other instrument or form of payment acceptable to the Committee in an amount equal to the specified purchase price, if any, of the shares covered by the Award and by executing and delivering to the Company a written instrument that sets forth the terms and conditions of the Restricted Stock or the Restricted Stock Units in such form as the Committee shall determine.

(c) Rights as a Shareholder. Upon complying with **Section 7(b)** above:

(i) With respect to Restricted Stock, a participant shall have all the rights of a shareholder including voting and dividend rights, subject to transferability restrictions and Company repurchase or forfeiture rights described in this **Section 7** and subject to such other conditions contained in the written instrument evidencing the Restricted Stock Award. Unless the Committee shall otherwise determine, if certificates are issued to evidence shares of Restricted Stock, such certificates shall remain in the possession of the Company until such shares are vested as provided in **Section 7(e)(i)** below; and

(ii) With respect to Restricted Stock Units, a participant shall have no voting rights or dividend rights prior to the time shares of Stock are received in settlement of such Restricted Stock Units. Unless otherwise provided by the Committee and reflected in the Award agreement, in lieu of actual dividend rights in connection with Restricted Stock Units, a participant shall have the right to receive additional Restricted Stock Units equal in value to any cash dividends and property dividends paid with respect to the shares underlying the Restricted Stock Units, subject to the same terms and conditions as contained in the written instrument evidencing the Restricted Stock Unit Award.

(d) Restrictions. Restricted Stock Units and shares of Restricted Stock may not be sold, assigned, transferred, pledged or otherwise encumbered or disposed of except as specifically provided herein.

(e) Vesting of Restricted Stock and Restricted Stock Units. The Committee at the time of grant shall specify the date or dates and/or the attainment of pre-established performance goals, objectives and other conditions on which the non-transferability of the Restricted Stock and the Restricted Stock Units and the Company s right of repurchase or forfeiture shall lapse.

(i) Vesting of Restricted Stock. Subsequent to such date or dates and/or the attainment of such pre-established performance goals, objectives and other conditions, the shares of Restricted Stock on which all restrictions have lapsed shall no longer be Restricted Stock and shall be deemed vested.

(ii) Vesting of Restricted Stock Units. Upon such date or dates and/or the attainment of such pre-established performance goals, objectives and other conditions, the Restricted Stock Units on which all restrictions have lapsed shall no longer be Restricted Stock Units and shall be deemed vested , and, unless otherwise provided by the Committee and reflected in the Award agreement, the participant shall be entitled to shares of Stock equal to the number of vested Restricted Stock Units. Unless otherwise provided by the Committee and reflected in the Award agreement, the newly acquired shares of Stock shall be acquired by the participant free and clear of any restrictions except such imposed under applicable law, if any.

(f) Waiver, Deferral and Reinvestment of Dividends. The written instrument evidencing the Restricted Stock Award or the Restricted Stock Unit Award may require or permit the immediate payment, waiver, deferral or investment of dividends paid on the Restricted Stock or the Restricted Stock Units; *provided, however,* that any such deferral may be permitted only to the extent that such deferral would satisfy the requirements of Section 409A of the Code.

Section 8 Performance Share Awards.

(a) Nature of Performance Shares. A Performance Share Award is an Award entitling the recipient to acquire shares of Stock upon the attainment of specified performance goals. The Committee may make Performance Share Awards independent of or in connection with the granting of any other Award. Performance Share Awards may be granted to Service Providers, including those who qualify for awards under other performance plans of the

Company. The Committee in its sole discretion shall determine whether and to whom Performance Share Awards shall be made, the performance goals applicable under each such Award, the periods during which performance is to be measured, and all other limitations and conditions applicable to the awarded Performance Shares; *provided, however,* that the Committee may rely on the performance goals and other standards applicable to other performance based plans of the Company in setting the standards for Performance Share Awards.

(b) Restrictions on Transfer. Performance Share Awards and all rights with respect to such Awards may not be sold, assigned, transferred, pledged or otherwise encumbered.

(c) Rights as a Shareholder. A participant receiving a Performance Share Award shall have the rights of a shareholder only as to shares actually received by the participant under the Plan and not with respect to shares subject to the Award but not actually received by the participant. A participant shall be entitled to receive shares of Stock under a Performance Share Award only upon satisfaction of all conditions specified in the written instrument evidencing the Performance Share Award (or in a performance plan adopted by the Committee).

(d) Termination. Except as may otherwise be provided by the Committee at any time prior to Termination of Service, a participant s rights in all Performance Share Awards shall automatically terminate upon the participant s Termination of Service for any reason (including, without limitation, due to death or Disability and for Cause).

(e) Acceleration, Waiver, Etc. At any time prior to the participant s Termination of Service, the Committee may in its sole discretion accelerate, waive or, subject to **Section 13** below, amend any or all of the goals, restrictions or conditions imposed under any Performance Share Award; *provided, however,* that in no event shall any provision of the Plan be construed as granting to the Committee any discretion to increase the amount of compensation payable under any Performance Share Award intended to qualify as a Performance Award under **Section 11** below to the extent such an increase would cause the amounts payable pursuant to the Performance Share Award to be nondeductible in whole or in part pursuant to Section 162(m) of the Code, and the Committee shall have no such discretion notwithstanding any provision of the Plan to the contrary.

Section 9 Stock Appreciation Rights.

(a) Notice of Stock Appreciation Rights. A Stock Appreciation Right is a right entitling the participant to receive cash or Stock having a fair market value equal to the appreciation in the Fair Market Value of a stated number of shares from the date of grant, or in the case of rights granted in tandem with or by reference to an Option granted prior to the grant of such rights, from the date of grant of the related Option to the date of exercise. SARs may be granted to Service Providers.

(b) Terms of Awards. SARs may be granted in tandem with or with reference to a related Option, in which event the participant may elect to exercise either the Option or the SAR, but not both, as to the same share subject to the Option and the SAR, or the SAR may be granted independently. In the event of an Award with a related Option, the SAR shall be subject to the terms and conditions of the related Option. In the event of an independent Award, the SAR shall be subject to the terms and conditions determined by the Committee; *provided, however,* that no SAR shall be exercisable more than 10 years after the date the SAR is granted.

(c) Restrictions on Transfer. SARs shall not be transferred, assigned or encumbered, except that SARs may be exercised by the executor, administrator or personal representative of the deceased participant within six months of the death of the participant (or such longer period as the Committee shall specify at any time) and transferred pursuant to a certified domestic relations order.

(d) Payment Upon Exercise. Upon exercise of an SAR, the participant shall be paid the excess of the then Fair Market Value of the number of shares to which the SAR relates over the Fair Market Value of such number of shares at the date of grant of the SAR, or of the related Option, as the case may be. Such excess shall be paid in cash or in Stock having a Fair Market Value equal to such excess or in such combination thereof as the Committee shall determine.

Section 10 Dividend Equivalents.

The Committee is authorized to grant Dividend Equivalents to Service Providers. The Committee may provide, at the date of grant or thereafter, that Dividend Equivalents shall be paid or distributed when accrued or shall be deemed to have been reinvested in additional Shares, or other investment vehicles as the Committee may specify; *provided, however,* that Dividend Equivalents (other than freestanding Dividend Equivalents) shall be subject to all conditions and restrictions of the underlying Awards to which they relate unless otherwise provided by the Committee. Any grant of Dividend Equivalents made to a participant hereunder shall be permitted only to the extent that such grant would satisfy the requirements of Section 409A of the Code. To the extent that a grant of Dividend Equivalents would be deemed, under Section 409A of the Code, to reduce the exercise price of an Option or SAR below the Fair Market Value (determined as of the date of grant) of the share of Stock underlying such Award, no grant of Dividend Equivalents shall be allowed with respect to such Option or SAR. No Dividend Equivalents shall be transferable by the holder other than by will or by the laws of descent and distribution.

Section 11 Performance Awards.

If the Committee determines that a Performance Share Award, Restricted Stock Award or Restricted Stock Unit Award to be granted to a participant should qualify as performance-based compensation for purposes of Section 162(m) of the Code, the grant, vesting and/or settlement of such Award shall be contingent upon achievement of pre-established performance goals and other terms set forth in this **Section 11** and such Award shall be considered a **Performance Award** under the Plan.

(a) Performance Goals Generally. The performance goals for Performance Awards shall consist of one or more business criteria and a targeted level or levels of performance with respect to each of such criteria, as specified by the Committee consistent with this **Section 11**. Performance goals shall be objective and shall otherwise meet the requirements of Section 162(m) of the Code. The Committee may determine that such Performance Awards shall be granted, vested and/or settled upon achievement of any one performance goal or that two or more of the performance goals must be achieved as a condition to grant, vesting and/or settlement of such Performance Awards. Performance goals may differ for Performance Awards granted to any one participant or to different participants. Any Performance Award shall be settled as soon as administratively practicable following the date on which such Award vests, but in no event later than sixty (60) days after the date on which such Performance Award vests.

(b) Business Criteria. One or more of the following business criteria for the Company, on a consolidated basis, and/or for specified Affiliates, Subsidiaries or business units of the Company (except with respect to the total stockholder return and earnings per share criteria), shall be used by the Committee in establishing performance goals for such Performance Awards: (1) earnings, including funds from operations; (2) revenues; (3) cash flow; (4) cash flow return on investment; (5) return on assets; (6) return on investment; (7) return on capital; (8) return on equity; (9) economic value added; (10) operating margin; (11) net income; (12) pretax earnings; (13) pretax earnings before interest, depreciation and amortization; (14) pretax operating earnings after interest expense and before incentives, service fees, and extraordinary or special items; (15) operating earnings; (16) total stockholder return; (17) market share; (18) debt load reduction; (19) expense management; (20) stock price; (21) book value; (22) overhead; (23) assets; (24) assessment of balance sheet or income statement objectives; and (25) strategic business objectives, consisting of one or more objectives based on meeting specific cost targets, business expansion goals and goals relating to acquisitions or divestitures. Any of the above goals may be compared to the performance of a peer group, business plan or a published or special index deemed applicable by the Committee including, but not limited to, the Standard & Poor s 500 Stock Index.

(c) Performance Period; Timing for Established Performance Goals. Achievement of performance goals in respect of such Performance Awards shall be measured over a performance period, as specified by the Committee. Performance goals shall be established not later than 90 days after the beginning of any performance period applicable to such Performance Awards, or at such other date as may be required or permitted for performance-based compensation under Section 162(m) of the Code.

(d) Settlement of Performance Awards; Other Terms. Settlement of Performance Awards shall be in cash, Stock or other property, in the discretion of the Committee. The Committee may, in its discretion, reduce the amount of a settlement otherwise to be made in connection with Performance Awards, but may not exercise discretion to increase any such amount payable to a participant in respect of a Performance Award. The Committee shall specify the circumstances in which Performance Awards shall be paid or forfeited in the event of a Termination of Service of the participant prior to the end of a performance period or settlement of Performance Awards.

(e) Written Determination. All determinations by the Committee as to the establishment of performance goals or potential individual Performance Awards and as to the achievement of performance goals relating to Performance Awards shall be made in writing in the case of any Award intended to qualify under Section 162(m) of the Code.

(f) Partial Achievement. The terms of any Performance Award may provide that partial achievement of the business criteria may result in a payment or vesting based upon the degree of achievement. In addition, partial achievement of business criteria shall apply toward a participant s individual limitations as set forth in **Section 3(b)** above.

(g) Extraordinary Items. In establishing any business criteria, the Committee may provide for the exclusion of the effects of the following items, to the extent identified in the audited financial statements of the Company, including footnotes, or in the Management s Discussion and Analysis section of the Company s annual report: (i) extraordinary, unusual, and/or nonrecurring items of gain or loss; (ii) gains or losses on the disposition of a business; (iii) changes in tax or accounting principles, regulations or laws; or (iv) mergers or acquisitions. To the extent not specifically excluded, such effects shall be included in any applicable business criteria.

Section 12 Tax Withholding.

(a) Payment by Participant. Each participant shall, no later than the date as of which the value of an Award or of any Stock or other amounts received thereunder first becomes includible in the gross income of the participant for federal income tax purposes, pay to the Company, or make arrangements satisfactory to the Committee regarding payment of, any federal, state, or local taxes of any kind required by law to be withheld with respect to such income. The Company, its Affiliates and Subsidiaries shall, to the extent permitted by law, have the right to deduct any such taxes from any payment of any kind otherwise due to the participant.

(b) Payment in Shares. A participant may elect, subject to such rules and limitations as may be established by the Committee from time to time, to have such tax withholding obligation satisfied, in whole or in part, by (i) authorizing the Company to withhold from shares of Stock to be issued pursuant to any Award a number of shares with an aggregate Fair Market Value (as of the date the withholding is effected) that would satisfy the withholding amount due (based on the minimum statutory rates), or (ii) transferring to the Company shares of Stock owned by the participant with an aggregate Fair Market Value (as of the date the withholding is effected) that would satisfy the withholding amount due (based on the minimum statutory rates).

Section 13 Amendments and Termination.

(a) General. The Board may, as permitted by law, at any time amend or discontinue the Plan and the Committee may at any time amend or cancel any outstanding Award, but no such action shall adversely affect rights under any outstanding Award without the holder s consent and, except as set forth in **Section 3(d)** above, no amendment shall (i) materially increase the benefits accruing to participants under the Plan; (ii) materially increase the aggregate number of securities that may be issued under the Plan, or (iii) materially modify the requirements for participation in the Plan, unless the amendment under (i), (ii) or (iii) immediately above is approved by the Company s stockholders. It is the intention of the Company that the Plan and any Awards made hereunder comply with or are exempt from the requirements of Section 409A of the Code and the Plan shall be administered and interpreted in accordance with such intent. The Company does not guarantee that the Awards, payments and benefits that may be made or provided under the Plan will satisfy all applicable provisions of Section 409A or any other Section of the Code.

(b) Deferred Compensation. If any Award would be considered Deferred Compensation, the Committee reserves the absolute right (including the right to delegate such right) to unilaterally amend the Plan or the Award agreement, without the consent of the participant, to avoid the application of, or to maintain compliance with, Section 409A of the Code. Any amendment by the Committee to the Plan or an Award agreement pursuant to this section shall maintain, to the extent practicable and permissible, the original intent of the applicable provision without violating Section 409A of the Code. A participant s acceptance of any Award constitutes acknowledgement and consent to such rights of the Committee, without further consideration or action. Any discretionary authority retained by the Committee pursuant to the terms of the Plan or pursuant to an Award agreement shall not be applicable to an Award that is determined to constitute Deferred Compensation, if such discretionary authority would contravene Section 409A of the Code.

(c) Amendment to Conform to Law. Notwithstanding any provision in the Plan or any Award agreement to the contrary, the Committee may amend the Plan or an Award agreement, to take effect retroactively or otherwise, as deemed necessary or advisable for the purpose of conforming the Plan or the Award agreement to any present or future law relating to plans of this or similar nature (including, but not limited to, Section 409A of the Code). By accepting an Award, each participant agrees and consents to any amendment made pursuant to this **Section 13(c)** or **Section 13(b)** above to any Award without further consideration or action.

Section 14 Status of Plan.

With respect to the portion of any Award that has not been exercised and any payments in cash, Stock or other consideration not received by a participant, a participant shall have no rights greater than those of a general unsecured creditor of the Company unless the Committee shall otherwise expressly determine in connection with any Award or Awards. In its sole discretion, the Committee may authorize the creation of trusts or other arrangements to meet the Company s obligations to deliver Stock or make payments with respect to Awards hereunder, provided that the existence of such trusts or other arrangements is consistent with the provision of the foregoing sentence.

Section 15 Change of Control Provisions.

Upon the occurrence of a Change of Control as defined in this **Section 15**:

(a) Each Stock Option and each Stock Appreciation Right shall automatically become fully exercisable unless the Committee shall otherwise expressly provide at the time of grant.

(b) Restrictions and conditions on Awards of Restricted Stock, Restricted Stock Units, Performance Shares and Dividend Equivalents shall automatically be deemed waived, and the recipients of such Awards shall become entitled to receipt of the maximum amount of Stock subject to such Awards unless the Committee shall otherwise expressly provide at the time of grant.

(c) **Change of Contro**l shall mean the occurrence of any one of the following events:

(i) any person , as such term is used in Sections 13(d) and 14(d) of the Act (other than the Company, any of its Subsidiaries, any trustee, fiduciary or other person or entity holding securities under any employee benefit plan of the Company or any of its Subsidiaries), together with all affiliates and associates (as such terms are defined in Rule 12b-2 of the Act) of such person, becomes the beneficial owner (as such term is defined in Rule 13d-3 of the Act), directly or indirectly, of securities of the Company representing 40% or more of either (A) the combined voting power of the Company s then outstanding securities having the right to vote in an election of the Board (**Voting Securities**) or (B) the then outstanding shares of Stock of the Company (in either such case other than as result of acquisition of securities directly from the Company); or

(ii) persons who, as of the Effective Date, constitute the Board (the **Incumbent Directors**) cease for any reason, including without limitation, as a result of a tender offer, proxy contest, merger or similar transaction, to constitute at least a majority of the Board, provided that any person becoming a director of the Company subsequent to the Effective Date whose election or nomination for election was approved by a vote of at least a majority of the Incumbent Directors shall, for purposes of the Plan, be considered an Incumbent Director; or

(iii) the consummation of: (A) any consolidation or merger of the Company or any Subsidiary where the stockholders of the Company, immediately prior to the consolidation or merger, would not, immediately after the consolidation or merger, beneficially own (as such term is defined in Rule 13d-3 of the Act), directly or indirectly, shares representing in the aggregate 50% or more of the voting stock of the corporation issuing cash or securities in the consolidation or merger (or of its ultimate parent corporation, if any), (B) any sale, lease, exchange or other transfer (in one transaction or a series of transactions contemplated or arranged by any party as a single plan) of all or substantially all of the assets of the Company or (C) any plan or proposal for the liquidation or dissolution of the Company.

Notwithstanding the foregoing, a Change of Control shall not be deemed to have occurred for purposes of the foregoing clause (i) solely as the result of an acquisition of securities by the Company that, by reducing the number of shares of Stock or other Voting Securities outstanding, increases (x) the proportionate number of shares of Stock beneficially owned by any person to 40% or more of the shares of Stock then outstanding or (y) the proportionate voting power represented by the Voting Securities beneficially owned by any person to 40% or more of the combined voting power of all then outstanding Voting Securities; *provided, however,* that if any person referred to in clause (x) or (y) of this sentence shall thereafter become the beneficial owner of any additional shares of Stock or other Voting Securities (other than pursuant to a stock split, stock dividend, or similar transaction), then a Change of Control shall be deemed to have occurred for purposes of the foregoing clause (i). In the event that any Award constitutes Deferred Compensation, and the settlement of, or distribution of benefits under such Award is to be triggered by a Change of Control, then such settlement or distribution shall be subject to the event constituting the Change of Control also constituting a change in the ownership or effective control or change in ownership of a substantial portion of assets of a corporation as permitted under Section 409A of the Code.

Section 16 General Provisions.

(a) No Distribution; Compliance with Legal Requirements. The Committee may require each person acquiring shares pursuant to an Award to represent to and agree with the Company in writing that such person is acquiring the shares without a view to distribution thereof. No shares of Stock shall be issued pursuant to an Award until all applicable securities laws and other legal and stock exchange requirements have been satisfied. The Company may, as it deems appropriate: (i) require the placing of such stop-orders and restrictive legends on certificates, if any, for Stock and Awards, (ii) make a notation within any electronic recordation system for ownership of shares, or (iii) utilize other reasonable means to evidence such shares have not been registered under the Securities Act of 1933.

(b) Certificates. To the extent that the Plan provides for the issuance of shares of Stock, the issuance may be effected on a non-certificated basis, in accordance with applicable law and the applicable rules of any stock exchange. If stock certificates are issued to evidence shares awarded under the Plan, delivery of stock certificates to participants under the Plan shall be deemed effected for all purposes when the Company or a stock transfer agent of the Company shall have delivered such certificates in the United States mail, addressed to the participant, at the participant s last known address on file with the Company.

(c) Other Compensation Arrangements; No Employment Rights. Nothing contained in the Plan shall prevent the Board from adopting other or additional compensation arrangements, including trusts, subject to stockholder approval if such approval is required; and such arrangements may be either generally applicable or applicable only in specific cases. The adoption of the Plan and the grant of Awards do not confer upon any Service Provider any right to continued employment or service with the Company or any Affiliate or Subsidiary.

Section 17 Clawback Policy.

Any Award, amount or benefit received under the Plan shall be subject to potential cancellation, recoupment, rescission, payback or other action in accordance with the terms of any applicable Company clawback policy, as it may be amended from time to time (the **Policy**) or any applicable law. A Service Provider s receipt of an Award constitutes the Service Provider s acknowledgment of and consent to the Company s application, implementation and enforcement of (a) the Policy or any similar policy established by the Company that may apply to the Service Provider and (b) any provision of applicable law relating to cancellation, rescission, payback or recoupment of compensation, as well as the Service Provider s express agreement that the Company may take such actions as are necessary to effectuate the Policy, any similar policy (as applicable to the Service Provider) or applicable law without further consideration or action.

Section 18 Effective Date of Plan.

The Plan shall become effective upon approval by the stockholders of the Company.

Section 19 Governing Law.

THIS PLAN SHALL BE GOVERNED BY THE LAWS OF THE STATE OF ILLINOIS WITHOUT REGARD TO THE PRINCIPLES OF CONFLICT OF LAWS THEREOF, EXCEPT TO THE EXTENT SUCH LAWS ARE PREEMPTED BY FEDERAL LAWS.

FIRST INDUSTRIAL REALTY-TRUST C123456789 SACKPACK_ IMPORTANT ANNUAL MEETING INFORMATION ENDORSEMENT_LINE_ DDDDD4 000000000.000000 ext 000000000.000000 ext 000000000.000000 ext 000000000.000000 ext 000000000.000000 ext 000000000.000000 ext MR A SAMPLE DESIGNATION (IF ANY) ADD1 ADD 2 ADD 3 ADD 4 ADD 5 ADD 6 Using a black ink pen, mark your votes with an X as shown in this example. Please do not write outside the designated areas. Important Notice Regarding the Availability of Proxy Materials for the Stockholders Meeting to Be Held on May 12, 2011: The Proxy Statement, Notice of Annual Meeting, Proxy Card and the Company s 2010 Annual Report are available on the Proxy Statement tab of the Investor Relations page on the Company s website, at www. firstindustrial. com. Annual Meeting Proxy Card PLEASE FOLD ALONG THE PERFORATION, DETACH AND RETURN THE BOTTOM PORTION IN THE ENCLOSED ENVELOPE. Proposals The Board of Directors recommends a voteFOR all the nominees listed 1. Election of one Class I Director and two Class II Directors: For Withhold For Withhold For Withhold 01 L. Peter Sharpe* 02 Bruce W. Duncan** 03 Kevin W. Lynch** *Class I director nominee. Term, if elected, expires in 2013. **Class II director nominee. Term, if elected, expires in 2014. The Board of Directors recommends a vote FOR the following proposal. The Board of Directors recommends a vote, on an advisory basis, that the For Against Abstain stockholder vote on executive compensation should be held EACH YEAR. 2. To approve Articles of Amendment to the Company s Charter to increase the number of authorized shares of Common Stock. The Board of Directors recommends a vote FOR the following proposal. For Against Abstain 3. To approve the First Industrial Realty Trust, Inc. 2011 Stock Incentive Plan. 5. To indicate, on an advisory (i.e. non-binding) basis, the frequency with which the Company Stockholders would like to cast an advisory vote on the compensation of the Company s named executive officers. 1Yr 2Yrs 3Yrs Abstain The Board of Directors recommends a vote, on an advisory basis, FOR the The Board of Directors recommends a vote FOR the following proposal. following proposal. For Against Abstain For Against Abstain 4. To approve, on an advisory (i.e. non-binding) basis, the compensation of the Company s named executive officers as disclosed in the Proxy Statement for the 2011 Annual Meeting. 6. Ratification of the appointment of PricewaterhouseCoopers LLP as the Company s independent registered public accounting firm. 7. In their discretion, on any and all other matters that may properly come before the meeting. 6. IF VOTING BY MAIL, YOU MUST COMPLETE SECTIONS A C ON BOTH SIDES OF THIS CARD. C 1234567890 JNT 1 U PX 110 3 13 1 MR A SAMPLE (THIS AREA IS SET UP TO ACCOMMODATE 140 CHARACTERS) MRASAMPLEAND MRASAMPLEAND MRASAMPLEANDMRASAMPLEANDMRASAMPLEAND MRASAMPLEAND MRASAMPLEAND MRASAMPLEAND

PLEASE FOLD ALONG THE PERFORATION, DETACH AND RETURN THE BOTTOM PORTION IN THE ENCLOSED ENVELOPE. Proxy FIRST INDUSTRIAL REALTY TRUST, INC. PROXY FOR ANNUAL MEETING OF STOCKHOLDERS ON MAY 12, 2011 SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS The undersigned appoints Bruce W. Duncan and Scott A. Musil, or either of them, with full powers of substitution, as proxies of the undersigned, with the authority to vote upon and act with respect to all shares of stock of First Industrial Realty Trust, Inc. (the Company), which the undersigned is entitled to vote, at the Annual Meeting of Stockholders of the Company, to be held at the 10th Floor Conference Room, 311 South Wacker Drive, Chicago, Illinois 60606, commencing Thursday, May 12, 2011, at 9:00 a.m., and at any and all adjournments thereof, with all the powers the undersigned would possess if then and there personally present, and especially (but without limiting the general authorization and power hereby given) with the authority to vote on the reverse side. The undersigned hereby revokes any proxy or proxies heretofore given to vote upon or act with respect to said shares and hereby confirms all that the proxies named herein and their substitutes, or any of them, may lawfully do by virtue hereof. This proxy, when properly executed, will be voted as specified herein. If this proxy does not indicate a contrary choice, it will be voted (i) for all nominees for director listed in Item 1, (ii) for the approval of Articles of Amendment to the Company s Charter to increase the number of authorized shares of Common Stock in Item 2, (iii) for the approval of the 2011 Stock Incentive Plan in Item 3, (iv) for the approval, on an advisory basis, of the compensation of the Company s named executive officers in Item 4, (v) to indicate, on an advisory basis, that the stockholder vote on executive compensation should be held annually in Item 5, (vi) for the ratification of the appointment of the independent registered public accounting firm in Item 6, and (vii) in the discretion of the persons named as proxies herein with respect to any and all matters referred to in Item 7. PLEASE VOTE, DATE AND SIGN THIS PROXY ON THE OTHER SIDE AND RETURN PROMPTLY IN THE ENCLOSED ENVELOPE. Non-Voting Items Change of Address Please print new address below. Authorized Signatures This section must be completed for your vote to be counted. Date and Sign Below Please sign exactly as name(s) appears hereon. Joint owners should each sign. When signing as attorney, executor, administrator, corporate officer, trustee, guardian, or custodian, please give full title. Date (mm/dd/yyyy) Please print date below. Signature 1 Please keep signature within the box. Signature 2 Please keep signature within the box. IF VOTING BY MAIL, YOU MUST COMPLETE SECTIONS A C ON BOTH SIDES OF THIS CARD.

nt-family: serif; font-size: 8pt; color: #000000; font-weight: normal; font-style: normal; border-bottom: 3px double #ffffff; padding-top: 0pt " align="left" valign="bottom"
nowrap="nowrap">) (92,780) (110,990) (81,323) Discontinued operations: Loss from discontinued operations, net of
$28,761 income tax
benefit for 2002(2) — (42,571) (903,837) —— Gain on disposal of
discontinued operations,
net of $0 income tax
expense(3) 184,115 ——— Net income (loss) $ 173,980 $ (84,757) $ (996,617) $ (110,990) $ (81,323) Basic and diluted earnings (loss) per share: Loss from continuing
operations $ (1.10) $ (8.14) $ (19.53) $ (42.40) $ (33.00) Income (loss) from
discontinued operations 19.98 (8.22) (190.27) —— Net income (loss) $ 18.88 $ (16.36) $ (209.80) $ (42.40) $ (33.00) Basic and diluted weighted- average number of shares
outstanding 9,216,778 5,181,683 4,750,301 2,617,857 2,465,829

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AIRGATE PCS, INC.
SELECTED HISTORICAL FINANCIAL INFORMATION
(In thousands except share and subscriber data)

	For the Years Ended September 30, 2004	2003	2002	2001	2000
Other Data:					
Number of subscribers at end of period	384,537	359,460	339,139	235,025	56,689
Statement of Cash Flow Data:					
Cash provided by (used in) operating activities	$ (405)	$ 50,181	$ (25,534)	$ (40,850)	$ (41,609)
Cash used in investing activities	(14,083)	(16,023)	(46,321)	(71,772)	(152,397)
Cash provided by (used in) financing activities	(26,137)	15,033	62,452	68,528	(6,510)
Balance Sheet Data (at period end):					
Cash and cash equivalents	$ 13,453	$ 54,078	$ 4,887	$ 14,290	$ 58,384
Short-term investment securities	55,000	—	—	—	—
Property and equipment, net	144,324	178,070	213,777	209,326	183,581
Total assets	266,647	290,916	574,294	281,010	268,948
Long-term debt	248,396	386,509	354,264	266,326	180,727
Stockholders' equity (deficit)	(80,292)	(376,997)	(292,947)	(52,724)	49,873

(1) During the year ended September 30, 2004, AirGate recorded an adjustment to reduce cost of service and roaming by approximately $11.7 million related to the settlement of previously disputed charges between AirGate and Sprint PCS. See Item. 7 "Management's Discussion and Analysis of Financial Conditions and Results of Operations" in AirGate's Form 10-K for the year ended September 30, 2004 for further discussion of this and other settlements with Sprint.

(2) Loss from discontinued operations represents the net losses incurred by iPCS, Inc., a former subsidiary of AirGate, from November 30, 2001 through February 23, 2003.

(3) Gain on disposal of discontinued operations represents the gain recognized upon the disposal of iPCS.

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SELECTED UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL INFORMATION
(In thousands)

The selected unaudited pro forma condensed consolidated financial information presents the effects of the proposed merger of AirGate with and into A-Co. Merger Sub, Inc., a wholly owned subsidiary of Alamosa. The selected unaudited pro forma condensed consolidated financial information is prepared using the purchase method of accounting with Alamosa treated as the acquiror and as if the transaction had been completed as of January 1, 2003 for statements of operations purposes and on September 30, 2004 for balance sheet purposes.

The selected unaudited pro forma condensed consolidated financial information presents the combination of historical financial statements of Alamosa and AirGate adjusted to (1) give effect to the October 2004 issuance of senior secured floating rate notes by AirGate and related termination of the AirGate senior credit facility and redemption of AirGate's remaining 13.5% senior subordinated discount notes with a portion of the proceeds therefrom and (2) give effect to the merger. Two pro forma transaction scenarios are presented. The maximum cash scenario assumes that a sufficient number of AirGate stockholders receive cash in the transaction such that all of the $100 million in potential cash consideration is paid thereby reducing the number of Alamosa shares issued in the transaction. The all stock scenario assumes that all AirGate stockholders elect to receive stock in the transaction and that all consideration is paid in the form of Alamosa stock. The actual number of shares of Alamosa stock issued will depend on the number of AirGate stockholders that receive their merger consideration in the form of cash. The pro forma adjustments for each transaction scenario are described in "Notes to the Unaudited Pro Forma Condensed Consolidated Financial Information" beginning on page 76.

The pro forma statements were prepared using (1) the audited consolidated financial statements of Alamosa contained in Alamosa's annual report on Form 10-K for the year ended December 31, 2003 as filed on March 15, 2004, which are incorporated herein by reference, (2) the audited consolidated financial statements of AirGate contained in AirGate's annual report on Form 10-K for the year ended September 30, 2004 as filed on December 14, 2004, which are incorporated herein by reference, (3) the unaudited consolidated financial statements of Alamosa contained in Alamosa's quarterly report on Form 10-Q for the quarterly period ended September 30, 2004 as filed on November 9, 2004, which are incorporated herein by reference, and (4) the unaudited consolidated financial statements of AirGate contained in AirGate's quarterly reports on Form 10-Q for the quarterly periods ended December 31, 2003 and 2002, which have been used to present the AirGate fiscal year pro forma financial information on a calendar basis consistent with the Alamosa calendar year.

Under the purchase method of accounting, the purchase price will be allocated to the underlying tangible and intangible assets and liabilities acquired based on their respective fair market values, with any excess purchase price allocated to goodwill. The pro forma purchase price allocation is based on an estimate of the fair market value of the tangible and intangible assets and liabilities of AirGate. Certain assumptions have been made with respect to the fair market value of identifiable intangible assets as more fully described in "Notes To The Unaudited Pro Forma Condensed Consolidated Financial Information" beginning on page 76. As of the date of this filing, Alamosa has not commenced the external valuation studies necessary to arrive at the fair market value of the assets and liabilities to be acquired and the related allocations of purchase price. Once Alamosa has received the external valuation studies necessary to finalize the required purchase price allocation after the consummation of the merger, the final allocation of purchase price will be determined. The final purchase price allocation based on third party appraisals may be different than that reflected in the pro forma purchase price allocation and this difference may be material.

SELECTED UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL INFORMATION
(In thousands)

The selected unaudited pro forma condensed consolidated financial information is provided for illustrative purposes only and does not purport to represent what the actual consolidated results of operations or the consolidated financial position of Alamosa would have been had the transaction occurred on the dates assumed, nor is it necessarily indicative of future consolidated results of operations or financial position.

The selected unaudited pro forma condensed consolidated financial information does not include the realization of any cost savings from operating efficiencies, synergies or other restructurings resulting from the transaction. The selected unaudited pro forma condensed consolidated financial information should be read in conjunction with the separate historical consolidated financial statements and accompanying notes of Alamosa and AirGate that are incorporated by reference in this joint proxy statement-prospectus and the "Unaudited Pro Forma Condensed Consolidated Financial Information" beginning on page 72.

	Year ended December 31, 2003		Nine months ended September 30, 2004	
	Maximum Cash Scenario (a)	All Stock Scenario (b)	Maximum Cash Scenario (a)	All Stock Scenario (b)
Statement of Operations Data:				
Revenues:				
Subscriber revenues	$ 706,117	$ 706,117	$ 594,253	$ 594,253
Roaming revenues	216,567	216,567	207,189	207,189
Service revenues	922,684	922,684	801,442	801,442
Product Sales	39,352	39,352	35,548	35,548
Total revenues	962,036	962,036	836,990	836,990
Costs and expenses:				
Cost of service and operations	495,507	495,507	395,340	395,340
Cost of products sold	80,912	80,912	78,950	78,950
Selling and marketing expense	161,634	161,634	139,526	139,526
General and administrative expense	36,125	36,125	32,053	32,053
Depreciation and amortization	215,333	215,333	158,502	158,502
Impairment of property and equipment	2,561	2,561	3,132	3,132
Non-cash compensation	1,116	1,116	641	641
Total costs and expenses	993,188	993,188	808,144	808,144
Income (loss) from operations	(31,152)	(31,152)	28,846	28,846
Gain on derivative instrument	2,858	2,858	1,946	1,946
Debt exchange expenses	(14,096)	(14,096)	(871)	(871)
Loss on debt extinguishment	—	—	(13,101)	(13,101)
Interest and other income	417	1,292	678	1,341
Interest expense	(144,737)	(143,742)	(81,367)	(81,362)
Loss before income taxes	(186,710)	(184,840)	(63,869)	(63,201)
Income tax (expense) benefit	17,929	17,929	(557)	(557)
Loss from continuing operations	(168,781)	(166,911)	(64,426)	(63,758)
Preferred stock dividends	(1,770)	(1,770)	(8,078)	(8,078)
Preferred stock conversion premium	—	—	(6,600)	(6,600)
Net income (loss) from continuing operations attributable to common stockholders	$ (170,551)	$ (168,681)	$ (79,104)	$ (78,436)

Basic and diluted net loss from continuing operations per share	$	(1.43)	$	(1.32)	$	(0.61)	$	(0.57)

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SELECTED UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL INFORMATION
(In thousands)

	As of September 30, 2004			
	Maximum Cash Scenario (a)		All Stock Scenario (b)	
Balance Sheet Data:				
Cash and cash equivalents	$	37,027	$	137,027
Short term investments		105,342		105,342
Property, plant & equipment, net		575,687		575,687
Intangible assets, net		1,054,808		1,054,808
Total assets		1,958,802		2,058,802
Total debt		1,045,147		1,045,147
Stockholders' equity		403,773		503,773

(a) Maximum cash scenario assumes that AirGate stockholders receive the maximum $100,000 cash proposed in connection with the transaction such that the number of shares of Alamosa stock issued to AirGate stockholders is reduced.

(b) All stock scenario assumes that all AirGate stockholders elect to receive stock in connection with the transaction such that the number of shares of Alamosa stock issued to AirGate stockholders is not reduced.

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COMPARATIVE PER SHARE DATA
(Unaudited)

The following table shows certain historical and pro forma per share financial information for Alamosa and AirGate. The pro forma consolidated net earnings (loss) from continuing operations per share gives effect to the merger as if it had become effective at January 1, 2003. Book value per share data is as of the date presented. The pro forma data is accounted for using the purchase method of accounting. This information is based on, and should be read together with, the historical financial information that has been presented in prior filings with the SEC and the pro forma financial information that appears elsewhere in this document. See "Where You Can Find More Information" beginning on page 92 and "Unaudited Pro Forma Condensed Consolidated Financial Information" beginning on page 72.

The pro forma financial information is not necessarily indicative of results that would have occurred had the merger been completed on the dates indicated or that may be obtained in the future.

			Pro Forma Consolidated		Per Equivalent AirGate Share (d)	
	Alamosa Historical	AirGate Historical (a)	Maximum Cash Scenario (b)	All Stock Scenario (c)	Maximum Cash Scenario (b)	All Stock Scenario (c)
Earnings (loss) from continuing operations per share for the twelve months ended December 31, 2003 – basic and diluted	(0.81)	(6.53)	(1.43)	(1.32)	(4.10)	(3.79)
Earnings (loss) from continuing operations per share for the nine months ended September 30, 2004 – basic and diluted	(0.35)	0.09	(0.61)	(0.57)	(1.75)	(1.64)
Book value as of September 30, 2004	0.88	(6.82)	2.89	3.40	8.29	9.76

(a) AirGate's fiscal year ends on September 30. As a result, to arrive at the information presented herein for the year ended December 31, 2003 and for the nine months ended September 30, 2004, it was necessary to conform AirGate's historical quarterly and annual consolidated financial statements. See "Unaudited Pro Form Condensed Consolidated Financial Statements" on page 72.

(b) Maximum cash scenario assumes that AirGate stockholders receive the maximum $100 million cash proposed in connection with the transaction such that the number of shares of Alamosa common stock issued is reduced.

(c) All stock scenario assumes that all AirGate stockholders receive stock in connection with the transaction such that the number of shares of Alamosa common stock issued to AirGate stockholders is not reduced.

(d) Equivalent pro forma per share data represent the pro forma per share amounts attributed to one share of AirGate common stock that has been exchanged for stock consideration. Equivalent pro forma per share amounts are calculated by multiplying the pro forma consolidated amounts by the exchange ratio of 2.87.

RISK FACTORS RELATING TO THE MERGER

In addition to the other information contained in or incorporated by reference into this document, you should carefully consider the following risk factors in deciding whether to vote to approve the stock issuance or the merger agreement, as the case may be.

Because the Market Price of Alamosa Common Stock Will Fluctuate, AirGate Stockholders Cannot Be Sure of the Value of the Merger Consideration They Will Receive.

Upon completion of the merger, each share of AirGate common stock you hold will be converted into the right to receive either 2.87 shares of common stock of Alamosa or cash in an amount equal to the exchange ratio of 2.87 multiplied by the average closing prices of Alamosa common stock during the 10 trading days ending the date before the completion of the merger. The 2.87 exchange ratio will not be adjusted for changes in the market price of either Alamosa common stock or AirGate common stock. Therefore, changes in the price of Alamosa common stock prior to the merger will affect the implied value of the merger consideration that AirGate stockholders will receive on the date of the merger. Stock price changes may result from a variety of factors, including general market and economic conditions, changes in our businesses, operations and prospects and regulatory considerations. Many of these factors are beyond our control. Neither of us is permitted to terminate the merger agreement or resolicit the vote of our stockholders solely because of changes in the market price of either of our common stocks.

The prices of Alamosa common stock and AirGate common stock at the closing of the merger may vary from their respective prices on the date the merger agreement was executed, on the date of this document and on the date of the special meetings. As a result, the implied value represented by the exchange ratio will also vary. For example, based on the average of closing prices of Alamosa common stock during the period from December 7, 2004, the last trading day before public announcement of the merger, through •, 2004, the exchange ratio represented an implied value for the merger consideration ranging from a high of $• to a low of $• for each share of AirGate common stock. Because the date that the merger is completed may be later than the date of the special meetings, at the time of your meeting you may not know the exact value of the merger consideration that AirGate stockholders will receive upon completion of the merger.

Alamosa May Fail To Realize the Anticipated Benefits of the Merger.

The success of the merger will depend, in part, on Alamosa's ability to realize the anticipated growth opportunities, economies of scale and other benefits from combining the business of Alamosa with the business of AirGate. To realize the anticipated benefits of this combination, Alamosa's management team must develop strategies and implement a business plan that will:

- effectively manage the networks and markets of AirGate and Alamosa;
- effectively manage the marketing and sales of the services of AirGate and Alamosa;
- successfully retain and attract key employees of the combined company, including management, during a period of transition and in light of the competitive employment market; and
- maintain adequate focus on existing businesses and operations while working to integrate the two companies.

If Alamosa does not realize economies of scale and other anticipated benefits as a result of the merger, the value of Alamosa common stock may decline.

The Failure of Any Condition to the Bridge Loan Commitment Alamosa Intends to Enter Into May Result in Alamosa Not Having Sufficient Funds to Redeem all of the AirGate Notes that Could Be Tendered Following Completion of the Merger.

Alamosa intends to enter into a commitment letter with an investment bank providing for a bridge loan facility of up to $350 million to be made to Alamosa. The proceeds of this facility will be

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used to repurchase any AirGate notes that are tendered following completion of the merger under the change in control put right available to AirGate noteholders. Alamosa expects that the commitment to close and fund such facility will be subject to a number of conditions, some of which will be outside of the control of Alamosa.

If Alamosa does not enter into such bridge loan commitment, or if the conditions to funding under the bridge loan facility are not satisfied, Alamosa might not have access to sufficient funds or borrowing sources to repurchase all tendered notes. In such a situation, Alamosa would have to obtain funding from another source in order to complete the repurchase of all AirGate notes tendered or negotiate revised terms with the AirGate noteholders. Any such alternate source of financing likely will only be available on terms less attractive than those under the commitment letter.

The Market Price of the Alamosa Shares After the Merger May Be Affected By Factors Different From Those Affecting the Shares of AirGate or Alamosa Currently.

The businesses of Alamosa and AirGate differ in some respects and, accordingly, the results of operations of the combined company and the market price of the combined company's shares of common stock may be affected by factors different from those currently affecting the independent results of operations of each of Alamosa or AirGate. For a discussion of the businesses of Alamosa and AirGate and of certain factors to consider in connection with those businesses, see the documents incorporated by reference in this document and referred to under "Where You Can Find More Information" beginning on page 92.

AirGate Stockholders Electing Cash May Receive a Portion of their Consideration in Alamosa Stock.

While each AirGate stockholder may elect to receive all cash or all Alamosa common stock in the merger, the pool of cash available for all AirGate stockholders will be a fixed amount of $100 million. As a result, if the number of AirGate stockholders who elect to receive cash would require that an amount greater than $100 million be paid to AirGate stockholders, AirGate stockholders making a cash election will receive a portion of their consideration in cash and a portion in Alamosa common stock.

If You Deliver Shares of AirGate Common Stock to Make an Election, You Will Not Be Able to Sell Those Shares Unless You Revoke Your Election Prior to the Election Deadline.

If you are an AirGate stockholder and want to make a cash or stock election, you must deliver your stock certificates (or follow the procedures for guaranteed delivery) and a properly completed and signed form of election to the exchange agent. The deadline for doing this is 5:00 p.m., New York City time, on •, 2005, the day before the special meeting of AirGate stockholders. You will not be able to sell any shares of AirGate common stock that you have delivered, unless you revoke your election before the deadline by providing written notice to the exchange agent. If you do not revoke your election, you will not be able to liquidate your investment in AirGate common stock for any reason until you receive cash or Alamosa common stock in the merger. In the time between delivery of your shares and the closing of the merger, the trading price of AirGate or Alamosa may decrease, and you might otherwise want to sell your shares of AirGate to gain access to cash, make other investments, or reduce the potential for a decrease in the value of your investment.

The date that you will receive your merger consideration depends on the completion date of the merger, which is uncertain. The completion date of the merger might be later than expected due to unforeseen events, such as delays in obtaining required consents and approvals.

FORWARD-LOOKING STATEMENTS

This joint proxy statement-prospectus, including information included or incorporated by reference in this document, contains certain forward-looking statements with respect to the financial condition, results of operations, plans, objectives, intentions, future performance and business of each of Alamosa and AirGate and other statements that are not historical facts, as well as certain information relating to the merger, including, without limitation:

- statements about the benefits of the proposed merger between Alamosa and AirGate, including future financial and operating results;
- statements with respect to Alamosa's plans, objectives, expectations and intentions and other statements that are not historical facts; and
- other statements identified by words such as "believes," "expects," "anticipates," "estimates," "intends," "plans," "targets," "projects" and similar expressions.

These forward-looking statements involve certain risks and uncertainties. Actual results may differ materially from those contemplated by the forward-looking statements due to, among others, the factors discussed under "Risk Factors Relating to the Merger" on page 19, as well as the following factors:

- the businesses of Alamosa and AirGate may not be integrated successfully or such integration may be more difficult, time-consuming or costly than expected;
- the failure of AirGate stockholders to adopt the merger agreement and Alamosa stockholders to approve the issuance of Alamosa common stock in the merger and/or the failure to obtain approvals from regulators or other groups;
- disruption from the merger making it more difficult to maintain relationships with clients, employees or suppliers;
- Alamosa's and AirGate's dependence on their affiliation with Sprint;
- shifts in populations or network focus;
- changes or advances in technology;
- changes in Sprint's national service plans or fee structure with Alamosa or AirGate;
- change in population;
- difficulties in network construction;
- increased competition in Alamosa's and AirGate's markets; and
- adverse changes in financial position, condition or results of operations.

Additional factors that could cause actual results to differ materially from those expressed in the forward looking statements are discussed in reports filed with the SEC by Alamosa and AirGate. See "Where You Can Find More Information" on page 92.

Forward-looking statements speak only as of the date of this joint proxy statement-prospectus or the date of any document incorporated by reference in this document. All subsequent written and oral forward-looking statements concerning the merger or other matters addressed in this joint proxy statement-prospectus and attributable to Alamosa or AirGate or any person acting on their behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. Except to the extent required by applicable law or regulation, neither Alamosa nor AirGate undertakes any obligation to update forward-looking statements to reflect events or circumstances after the date of this joint proxy statement-prospectus or to reflect the occurrence of unanticipated events.

ALAMOSA SPECIAL MEETING

General

This joint proxy statement-prospectus is being furnished to Alamosa stockholders in connection with the solicitation of proxies by the Alamosa board of directors to be used at the special meeting of stockholders to be held on •, 2005 at •, local time, at •, and at any adjournment or postponement of that meeting. This joint proxy statement-prospectus and the enclosed form of proxy are being sent to Alamosa stockholders on or about •, 2005.

Record Date and Voting

The Alamosa board of directors has fixed the close of business on •, 2005 as the record date for determining the holders of shares of Alamosa common stock and Series B Convertible Preferred Stock entitled to receive notice of and to vote at the special meeting. Only holders of record of shares of Alamosa common stock and Series B Convertible Preferred Stock at the close of business on that date will be entitled to vote at the special meeting and at any adjournment or postponement of that meeting. At the close of business on the record date, there were:

- • shares of Alamosa common stock outstanding, held by approximately • holders of record; and
- • shares of Alamosa Series B Convertible Preferred Stock, held by approximately • holders of record.

Each holder of shares of Alamosa common stock and Series B Convertible Preferred Stock outstanding on the record date will be entitled to one vote for each share held of record upon each matter properly submitted at the special meeting and at any adjournment or postponement of that meeting. Alamosa will have a quorum to transact business if holders of a majority of the shares of Alamosa common stock and Series B Convertible Preferred Stock issued and outstanding on the record date and entitled to vote are present at the special meeting, voting together as a single class, either in person or by proxy. You will be deemed to be present if you attend the meeting or if you submit a proxy card (including through the Internet or telephone) that is received at or prior to the meeting (and not revoked).

If your proxy card is properly executed and received by Alamosa in time to be voted at the special meeting, the shares represented by your proxy card (including those given through the Internet or by telephone) will be voted in accordance with the instructions that you mark on your proxy card. If you execute your proxy but do not provide Alamosa with any instructions, your shares will be voted "FOR" the issuance of Alamosa common stock in the merger.

If your shares are held in "street name" by your broker or bank and you do not provide your broker or bank with instructions on how to vote your shares, your broker or bank will not be permitted to vote your shares.

The only matter that we expect to be presented at the special meeting is the approval of the issuance of Alamosa common stock in the merger. If any other matters properly come before the special meeting, including, without limitation, a motion to adjourn or postpone the Alamosa special meeting to another time and/or place for the purpose of soliciting additional proxies or otherwise, the persons named in the proxy card will vote the shares represented by all properly executed proxies on such matters in the manner determined by the persons named in the proxy card; provided, however, that no proxy that is voted against the proposed issuance of Alamosa common stock in the merger will be voted in favor of any such adjournment or postponement.

Vote Required

The approval of the issuance of Alamosa common stock in the merger requires the affirmative vote of at least a majority of the total votes cast on the proposal, as long as a quorum is present in person or by proxy. Shares as to which the "abstain" box is selected on a proxy card will be counted as present for purposes of determining whether a quorum is present.

As of the record date:

- Alamosa directors and executive officers and their affiliates owned and were entitled to vote approximately • shares of Alamosa common stock and Series B Convertible Preferred Stock, representing approximately •% of the outstanding shares of Alamosa voting stock; and
- AirGate directors and executive officers and their affiliates owned and were entitled to vote approximately • shares of Alamosa common stock and Series B Convertible Preferred Stock, representing approximately •% of the outstanding shares of Alamosa voting stock.

We currently expect that Alamosa's and AirGate's directors and executive officers will vote their shares of Alamosa stock in favor of the issuance of shares in the merger although none of them has entered into any agreement obligating them to do so.

Revocability of Proxies

The presence of a stockholder at the special meeting will not automatically revoke that stockholder's proxy. However, a stockholder may revoke a proxy at any time prior to its exercise by:

- Submitting a written notice of revocation dated later than the proxy one wants to revoke, before the vote is taken, to Alamosa Holdings, Inc., 5225 S. Loop 289, Lubbock, Texas 79424, Attention: Kendall W. Cowan, Corporate Secretary;
- Properly executing a later dated proxy (including a proxy by telephone or via the Internet) before the vote is taken; or
- Attending the special meeting and voting in person.

If your shares are held by a broker or bank, you must follow the instructions on the form you receive from your broker or bank with respect to changing or revoking your proxy.

Voting Electronically or by Telephone

Alamosa stockholders of record and many stockholders who hold their shares through a broker or bank will have the option to submit their proxy cards or voting instruction cards electronically through the Internet or by telephone. Please note that there are separate arrangements for using the Internet and telephone depending on whether your shares are registered in Alamosa's stock records in your name or in the name of a broker, bank or other holder of record. If you hold your shares through a broker, bank or other holder of record, you should check your proxy card or voting instruction card forwarded by your broker, bank or other holder of record to see which options are available.

Alamosa stockholders of record may submit their proxies:

- through the Internet by visiting a website established for that purpose at http://• and following the instructions; or

• by telephone by calling the toll-free number • in the United States, Puerto Rico or Canada on a touch-tone phone and following the recorded instructions; stockholders calling from another country may call •.

Solicitation of Proxies

In addition to solicitation by mail, directors, officers and employees of Alamosa may solicit proxies for the special meeting from Alamosa stockholders personally or by telephone and other electronic means without additional remuneration for soliciting such proxies. We will also provide persons, firms, banks and corporations holding shares in their names or in the names of nominees, which in either case are beneficially owned by others, proxy material for transmittal to such beneficial owners and will reimburse such record owners for their expenses in taking such actions.

Alamosa and AirGate will share equally the expenses incurred in connection with the printing and mailing of this document.

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AIRGATE SPECIAL MEETING

General

This joint proxy statement-prospectus is being furnished to AirGate stockholders in connection with the solicitation of proxies by the AirGate board of directors to be used at the special meeting of stockholders to be held on •, 2005 at •, local time, at •, and at any adjournment or postponement of that meeting. This joint proxy statement-prospectus and the enclosed form of proxy are being sent to AirGate stockholders on or about •, 2005.

Record Date and Voting

The AirGate board of directors has fixed the close of business on •, 2005 as the record date for determining the holders of shares of AirGate common stock entitled to receive notice of and to vote at the special meeting. Only holders of record of shares of AirGate common stock at the close of business on that date will be entitled to vote at the special meeting and at any adjournment or postponement of that meeting. At the close of business on the record date, there were • shares of AirGate common stock outstanding, held by approximately • holders of record.

Each holder of shares of AirGate common stock outstanding on the record date will be entitled to one vote for each share held of record upon each matter properly submitted at the special meeting and at any adjournment or postponement of that meeting. In order for AirGate to satisfy its quorum requirements, the holders of at least a majority of the total number of outstanding shares of AirGate common stock entitled to vote at the meeting must be present. You will be deemed to be present if you attend the meeting or if you submit a proxy card (including through the Internet or telephone) that is received at or prior to the meeting (and not revoked).

If your proxy card is properly executed and received by AirGate in time to be voted at the special meeting, the shares represented by your proxy card (including those given through the Internet or by telephone) will be voted in accordance with the instructions that you mark on your proxy card. If you execute your proxy but do not provide AirGate with any instructions, your shares will be voted "FOR" the adoption of the merger agreement.

If your shares are held in "street name" by your broker or bank and you do not provide your broker or bank with instructions on how to vote your shares, your broker or bank will not be permitted to vote your shares, which will have the same effect as a vote against the adoption of the merger agreement.

The only matter that we expect to be presented at the special meeting is the adoption of the merger agreement. If any other matters properly come before the special meeting, including, without limitation, a motion to adjourn or postpone the AirGate special meeting to another time and/or place for purposes of soliciting additional proxies in favor of adoption of the merger agreement or otherwise, the persons named in the proxy card will vote the shares represented by all properly executed proxies on such matters in the manner determined by a majority of the members of the AirGate board of directors; provided, however, that no proxy that is voted against adoption of the merger agreement will be voted in favor of any such adjournment or postponement.

Vote Required

Adoption of the merger agreement requires the affirmative vote of the holders of a majority of the outstanding shares of AirGate common stock. Shares as to which the "abstain" box is selected on a proxy card will be counted as present for purposes of determining whether a quorum is present. **The required vote of AirGate stockholders on the merger is based upon the number of outstanding shares of AirGate common stock, and not the number of shares that are actually voted. Accordingly, the failure to submit a proxy card or to vote in person at the special meeting or the abstention from voting by AirGate stockholders will have the same effect as an "AGAINST" vote with respect to this matter.**

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As of the record date:

- AirGate directors and executive officers and their affiliates owned and were entitled to vote approximately • shares of AirGate common stock, representing approximately •% of the outstanding shares of AirGate common stock; and
- Alamosa directors and executive officers and their affiliates owned and were entitled to vote approximately • shares of AirGate common stock, representing approximately •% of the outstanding shares of AirGate common stock.

We currently expect that AirGate's and Alamosa's directors and executive officers will vote their shares in favor of the adoption of the merger agreement, although none of them has entered into any agreement obligating them to do so.

Revocability of Proxies

The presence of a stockholder at the special meeting will not automatically revoke that stockholder's proxy. However, a stockholder may revoke a proxy at any time prior to its exercise by:

- Submitting a written notice of revocation dated later than the proxy one wants to revoke, before the vote is taken, to: AirGate PCS, Inc., 233 Peachtree St., N.E., Harris Tower, Suite 1700, Atlanta, GA 30303; Attention: Corporate Secretary;
- Properly executing a later dated proxy (including a proxy by telephone or via the Internet), before the vote is taken; or
- Attending the special meeting and voting in person.

If your shares are held by a broker or bank, you must follow the instructions on the form you receive from your broker or bank with respect to changing or revoking your proxy.

Voting Electronically or by Telephone

AirGate stockholders of record and many stockholders who hold their shares through a broker or bank will have the option to submit their proxy cards or voting instruction cards electronically through the Internet or by telephone. Please note that there are separate arrangements for using the Internet and telephone depending on whether your shares are registered in AirGate's stock records in your name or in the name of a broker, bank or other holder of record. If you hold your shares through a broker, bank or other holder of record, you should check your proxy card or voting instruction card forwarded by your broker, bank or other holder of record to see which options are available.

AirGate stockholders of record may submit their proxies:

- through the Internet by visiting a website established for that purpose at http://• and following the instructions; or
- by telephone by calling the toll-free number • in the United States, Puerto Rico or Canada on a touch-tone phone and following the recorded instructions; stockholders calling from another country may call •.

Solicitation of Proxies

In addition to solicitation by mail, directors, officers and employees of AirGate may solicit proxies for the special meeting from AirGate stockholders personally or by telephone and other electronic means without additional remuneration for soliciting such proxies. We will also provide persons, firms, banks and corporations holding shares in their names or in the names of nominees, which in either case are beneficially owned by others, proxy material for transmittal to such beneficial owners and will reimburse such record owners for their expenses in taking such actions. AirGate has made arrangements with • to help in soliciting proxies for the proposed merger and the AirGate special meeting and in communicating with stockholders. AirGate has agreed to pay • approximately $ • in the aggregate, plus expenses for their services.

AirGate and Alamosa will share equally the expenses incurred in connection with the printing and mailing of this document.

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INFORMATION ABOUT ALAMOSA

Alamosa is the largest PCS Affiliate of Sprint in terms of subscribers and has the exclusive right to provide wireless mobility communications services under the Sprint brand name in its licensed territory, which includes portions of Texas, New Mexico, Arizona, Colorado, Wisconsin, Arkansas, Illinois, Oklahoma, Kansas, Missouri, Washington and Oregon. Alamosa launched Sprint PCS products and services in its first market in June 1999 and currently operates in the 88 basic trading areas ("BTAs") assigned to it under its affiliation agreements with Sprint PCS. Alamosa offers national calling plans designed by Sprint, as well as local calling plans tailored to its market demographics, and markets Sprint PCS products and services through a number of distribution outlets located in its territory, including its own retail stores, major national distributors and local third party distributors.

At September 30, 2004, Alamosa's territory had a total population, which we refer to as "POPs," of approximately 15.8 million, of which its network covered approximately 12.3 million. The number of covered POPs in Alamosa's territory does not represent the number of wireless subscribers that Alamosa serves or expects to serve. For the nine months ended September 30, 2004, Alamosa generated $581.4 million in revenue, $88.4 million in cash flows from operating activities and reported a net loss of approximately $35.8 million. As of September 30, 2004, Alamosa had approximately 866,000 subscribers, representing a market penetration rate of approximately 7.0%.

From time to time, Alamosa investigates and holds discussions and negotiations concerning possible transactions with other companies. As of the date of this joint proxy statement-prospectus, Alamosa has not entered into any agreements or understandings with respect to any significant business combination transactions except for the transaction described in this document and in documents incorporated by reference. See "Where You Can Find More Information" on page 92. Any transaction of this type would be subject to stockholder approval only if required under applicable law or the rules of the Nasdaq National Market.

For more information about Alamosa's business, reference is made to Alamosa's Annual Report on Form 10-K for the year ended December 31, 2003 and Alamosa's Quarterly Report on Form 10-Q for the quarter ended September 30, 2004, which are incorporated by reference into this document. See "Where You can Find More Information" on page 92.

The principal office of Alamosa is located at 5225 S. Loop 289, Lubbock, TX 79424, telephone number (806) 722-1100.

INFORMATION ABOUT AIRGATE

AirGate is a PCS Affiliate of Sprint and has the exclusive right to market and provide wireless mobility communications services under the Sprint brand name in its licensed territory, which covers portions of South Carolina, North Carolina and Georgia with attractive demographic characteristics. AirGate's territory has many vacation destinations, covers substantial highway mileage and includes a large student population, with at least 60 colleges and universities.

At September 30, 2004, AirGate's territory had a total population of approximately 7.4 million, of which its network covered approximately 6.1 million. For the year ended September 30, 2004, AirGate generated approximately $337.1 million in revenue, approximately $(405,000) in cash flows from operating activities and reported loss from continuing operations of approximately $10.1 million and net income of approximately $174.0 million. As of September 30, 2004, AirGate had approximately 385,000 subscribers, representing a market penetration rate of approximately 6.3%.

For more information about AirGate's business, reference is made to AirGate's Annual Report on Form 10-K for the year ended September 30, 2004, which is incorporated by reference into this document. See "Where You can Find More Information" on page 92.

The principal office of AirGate is located at 233 Peachtree St., N.E., Suite 1700, Harris Tower, Atlanta, GA 30303, telephone number (404) 525-7272.

THE MERGER

The following description of the material information pertaining to the merger, including the summary of the material terms and provisions of the merger agreement, and the financial advisory opinions, is qualified in its entirety by reference to the more detailed Appendices to this joint proxy statement-prospectus. We urge you to read all of the Appendices to this joint proxy statement-prospectus in their entirety.

Transaction Structure

Each of the Alamosa board of directors and the AirGate board of directors has approved the merger agreement, which provides for the merger of AirGate with and into Alamosa's wholly owned subsidiary, A-Co. Merger Sub, Inc., which we refer to as "Merger Sub." Merger Sub will be the surviving corporation in the merger. We expect to complete the merger in the second quarter of 2005. Each share of Alamosa common stock issued and outstanding at the effective time of the merger will remain issued and outstanding as one share of common stock of Alamosa, and each share of AirGate common stock issued and outstanding at the effective time of the merger will be converted into the right to receive either cash or Alamosa common stock, as described below. See "—Merger Consideration."

The merger agreement provides that Alamosa may change the structure of the merger. No such change will (1) alter the kind or amount of consideration to be issued to AirGate stockholders or the treatment of AirGate options; (2) adversely affect the tax consequences to AirGate stockholders in the merger; (3) materially delay any required regulatory approval; or (4) otherwise cause any closing condition not to be capable of being fulfilled (unless waived by the party entitled to its benefits).

Background of the Merger

In February 2004, AirGate completed a series of recapitalization transactions to address liquidity concerns that resulted primarily from the challenging operating environment in the wireless communications industry since the beginning of 2002. AirGate amended its credit facility and exchanged 99.4% of its then outstanding 13 1/2% notes for (1) newly-issued shares of common stock representing approximately 56.0% of the shares of AirGate common stock issued and outstanding immediately after the recapitalization and (2) $159.0 million aggregate principal amount of newly issued 9 3/8% notes. Concurrently with its recapitalization, AirGate also effected a 1-for-5 reverse stock split through an amendment and restatement of its certificate of incorporation.

The Alamosa board of directors has periodically discussed and reviewed with management various potential strategic options, including strategies to grow Alamosa's business through targeted acquisitions of other PCS Affiliates of Sprint. In this regard, the management of Alamosa has from time to time communicated informally with representatives of other PCS Affiliates of Sprint regarding industry trends and issues, their respective companies' strategic direction and the potential benefits and issues arising from potential business combination or other strategic transactions.

On August 25, 2004, David Sharbutt, Alamosa's Chairman and Chief Executive Officer, met with Thomas Dougherty, AirGate's Chief Executive Officer. Messrs. Sharbutt and Dougherty discussed, among other things, their respective companies' strategic direction and the potential benefits of a strategic business combination. At the end of the meeting, Mr. Sharbutt delivered to Mr. Dougherty a proposal for the combination of AirGate and Alamosa in a stock-for-stock merger pursuant to which AirGate stockholders would receive 2.45 shares of Alamosa common stock in exchange for each of their AirGate shares of common stock. The proposal also indicated that Alamosa was prepared to substitute cash for a portion of the total transaction consideration. At Alamosa's closing price of $8.12 per share on August 24, 2004, this proposal represented $19.89 of value per AirGate share and a 23.2% premium to AirGate's closing price on that date.

On August 26, 2004, the AirGate board of directors met and discussed the Alamosa proposal. After due consideration, the AirGate board of directors rejected the Alamosa proposal at the 2.45 exchange ratio. The decision was subsequently communicated to Alamosa.

On October 22, 2004, AirGate received a second letter from Alamosa regarding a potential acquisition of AirGate by Alamosa. In this revised proposal, Alamosa proposed a stock-for-stock merger pursuant to which AirGate stockholders would receive 2.80 shares of Alamosa common stock for each outstanding share of AirGate common stock. The letter stated that Alamosa would consider paying a significant portion of the consideration in cash rather than Alamosa shares. At Alamosa's closing price of $9.93 per share on October 21, 2004, this proposal represented $27.80 of value per AirGate share and a 30.8% premium to AirGate's closing price on that date.

From October 22, 2004 to November 13, 2004, members of AirGate's management and certain members of AirGate's board of directors discussed the strategic alternatives available to AirGate, including Alamosa's October 22 merger proposal.

On October 23, 2004, Alamosa engaged UBS as Alamosa's financial advisor in connection with its consideration of a potential transaction with AirGate.

On November 6, 2004, AirGate's board of directors met to discuss strategic alternatives in light of the recent offer by Alamosa. Five days later, on November 11, AirGate's board of directors met via telephone conference call with various financial advisors to discuss certain valuation methodologies for AirGate in the event the company were acquired.

On November 12, 2004, AirGate's board of directors met to further discuss Alamosa's October 22 proposal. The board of directors engaged Banc of America Securities as its financial advisor to do an economic analysis of AirGate on a stand-alone basis and as combined with possible acquirors, and Winston & Strawn LLP as its legal advisor to assist the board and management of AirGate in exploring its strategic alternatives, including a possible transaction with Alamosa.

On November 19, 2004, AirGate's board of directors met to discuss updates with respect to AirGate's strategic alternatives, including an acquisition of AirGate.

On the morning of November 22, 2004, Alamosa issued a press release announcing its proposal to combine with AirGate on the basis of the terms contained in Alamosa's October 22 letter to AirGate. The press release included a copy of the October 22 letter and indicated that Alamosa's offer would expire at the close of business on December 6, 2004, unless at that time both companies were actively engaged in substantial and meaningful negotiations regarding a definitive transaction.

On November 22, 2004, AirGate's board of directors met by telephone conference call to discuss Alamosa's proposal, as well as other strategic alternatives. After the meeting, AirGate issued a press release in which it stated that AirGate was giving serious consideration to Alamosa's proposal and that it was carefully reviewing its strategic alternatives, including continued execution of its recently developed long-term strategic plan as well as consideration of a business combination of the type described in Alamosa's October 22 letter.

On November 23, 2004, AirGate's board of directors met with its financial and legal advisors to discuss Alamosa's October 22 letter, AirGate's business, financial condition and prospects, and available strategic alternatives. On that day, AirGate engaged Banc of America Securities in connection with evaluating strategic proposals.

From November 23, 2004 through December 3, 2004, AirGate entered into confidentiality agreements with Alamosa and other parties that AirGate and its financial advisors believed may have had an interest in exploring a potential strategic transaction with AirGate. During this time, representatives of AirGate and Banc of America Securities met with Alamosa and the other interested parties to discuss the level of interest and the terms of a potential transaction with AirGate.

Beginning on November 30, 2004 and continuing through December 7, 2004, representatives of Alamosa and AirGate met at various times in Atlanta and participated in a series of telephone conference calls to conduct mutual due diligence. During that period, members of Alamosa's senior management discussed at various times the results of such due diligence investigation with members of Alamosa's board of directors, including members of the due diligence committee of the board of directors.

On November 30, 2004 and December 3, 2004, senior management of AirGate and other potential strategic acquirors, along with such parties' financial advisors, met in New York and Atlanta to discuss business due diligence and possible transaction valuations.

On December 1, 2004, AirGate's board of directors met by telephone conference call with representatives of Banc of America Securities and Winston & Strawn LLP to discuss the strategic alternatives available to AirGate. The discussions were focused primarily on the relative merits of the known potential acquirors as well as the strategic fit between AirGate and any proposed acquiror.

On December 4, 2004, AirGate's board of directors met by conference call with AirGate management and its financial and legal advisors to discuss the status of discussions with Alamosa and other interested parties. During this meeting, AirGate's board of directors considered the various alternatives to the transaction proposed by Alamosa, and received a presentation from its financial advisor. AirGate's board of directors also discussed the terms and conditions set forth in a proposed merger agreement submitted by Alamosa on December 3, as well as the relative merits of entering into a strategic acquisition versus continuing as a stand-alone company at that time. AirGate's board of directors agreed to continue discussions with Alamosa as well as other potential acquirors.

From December 4, 2004 to December 7, 2004, representatives of Alamosa and its counsel discussed with representatives of AirGate and its counsel the terms and conditions of the proposed merger agreement. The parties also discussed the structure of the transaction as well as the consideration to be paid for AirGate's shares, and legal counsel to both parties negotiated definitive documentation with respect to the proposed merger.

On December 6, 2004, AirGate's board of directors met by telephone with its legal and financial advisors and AirGate management to discuss the status of negotiations and the terms of the proposed merger agreement. AirGate's counsel discussed the terms of the proposed merger agreement as well as alternative structures proposed by Alamosa to purchase all of AirGate's outstanding common stock. The AirGate board and its advisors also discussed the merits of AirGate remaining a stand-alone company and the potential timing for entering into and consummating a merger.

On the afternoon of December 6, 2004, the Alamosa board of directors met with members of Alamosa senior management and Alamosa's legal and financial advisors. Mr. Sharbutt and other members of Alamosa's senior management reviewed with the Alamosa board of directors information regarding Alamosa, AirGate and the terms of the proposed transaction. UBS then reviewed with the Alamosa board of directors a range of matters, including the structure of the merger, business and financial information regarding the two companies, historical stock price performance, valuation methodologies and analyses and the other matters set forth in "—Opinion of Alamosa's Financial Advisor." Alamosa senior management also apprised the Alamosa board of directors of the results of its due diligence investigations of AirGate. Skadden, Arps, Slate, Meagher & Flom LLP, legal advisor to Alamosa, discussed with the

Alamosa board of directors the legal standards applicable to its decisions and actions with respect to the proposed transaction and reviewed the terms of the proposed merger.

Following these presentations, the Alamosa board meeting continued with discussions and questions among the members of the Alamosa board of directors, management and Alamosa's legal and financial advisors. Following these discussions and after taking into consideration the factors described under "—Alamosa's Reasons for the Merger; Recommendation of the Stock Issuance in the Merger by the Alamosa Board of Directors," the Alamosa board of directors unanimously voted to approve the merger with AirGate on the basis of the 2.80 exchange ratio that had been proposed to AirGate, subject to UBS rendering its oral opinion (based on the final terms of the transaction) that the aggregate proposed merger consideration was fair, from a financial point of view, to Alamosa. Following the vote, in recognition of the possibility that AirGate would seek an enhancement to Alamosa's proposal, the Alamosa board of directors authorized Mr. Sharbutt to increase the merger consideration within a specified range, if necessary and appropriate in the context of ongoing negotiations with AirGate.

On the morning of December 7, 2004, Alamosa issued a press release announcing that it had entered into a confidentiality agreement with AirGate with respect to a potential combination of the

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two companies and that it had completed all material due diligence. Alamosa also indicated that it had confirmed to AirGate its offer of 2.80 Alamosa shares for each AirGate share and that it had decided to extend its offer through the close of business on December 8, 2004.

On December 7, 2004, AirGate entered into an employment agreement with Mr. Dougherty. Mr. Dougherty's previous employment agreement with AirGate had expired on April 15, 2004. AirGate also entered into employment agreements with William Loughman, AirGate's Vice President and Chief Financial Officer, and Roy Hadley, AirGate's Vice President, General Counsel and Secretary. These employment agreements formalized the terms of employment originally set forth in offer letters to Messrs. Loughman and Hadley, dated July 7, 2004 and June 18, 2004, respectively.

Late in the afternoon of December 7, 2004, AirGate's board of directors met with representatives from Banc of America Securities, its outside counsel and its management to discuss the status of the transaction. AirGate's management updated the AirGate board of directors on its discussions with representatives of Alamosa. AirGate's counsel detailed the issues that the board of directors must resolve prior to entering into a merger agreement, as well as the relative attractiveness of a merger given current market conditions. The board of directors also considered the difficulties of remaining a stand-alone company and discussed the potential for future acquirors to make a future improved bid for AirGate's common stock. Finally, the AirGate board of directors discussed the financial implications of entering into a merger agreement with Alamosa.

After this meeting, representatives of Alamosa and AirGate continued discussions regarding Alamosa's proposed exchange ratio of 2.80 shares of Alamosa common stock for each share of AirGate stock. Following these discussions, Alamosa increased its proposed exchange ratio to 2.87 shares of Alamosa common stock for each share of AirGate common stock and UBS rendered to Alamosa its oral opinion (subsequently confirmed in writing), as described under "—Opinion of Alamosa's Financial Advisor," that, as of the date of the opinion and based upon and subject to the considerations described in its opinion, the aggregate merger consideration to be paid by Alamosa as ultimately agreed to by the parties and as set forth in the merger agreement was fair, from a financial point of view, to Alamosa. Alamosa's board of directors approved the increase in the exchange ratio to 2.87 shares of Alamosa common stock for each share of AirGate common stock.

The Alamosa proposal as finalized during the course of the day on December 7 included a proposal for Alamosa to pay merger consideration for each share of AirGate common stock equal to 2.87 shares of Alamosa common stock. AirGate shareholders would have the right to elect to receive the per share merger consideration either in Alamosa common stock or cash, subject to the aggregate cash component of the total merger consideration received by all AirGate shareholders equaling no more than $100 million.

Later in the evening on December 7, 2004, AirGate's board of directors met again with members of AirGate's management, representatives of Banc of America Securities and Winston & Strawn LLP, and a representative from Richards, Layton & Finger, P.A., special Delaware counsel to AirGate. Outside counsel discussed with AirGate's board of directors the terms of the merger agreement, due diligence, regulatory matters, open issues and the fiduciary duties of AirGate's board of directors. Following the discussions, Banc of America Securities rendered to AirGate's board of directors its oral opinion (subsequently confirmed in writing), as described under "—Opinion of AirGate's Financial Advisor." After taking into consideration the factors described under "AirGate's Reasons For the Merger; Recommendation of the Merger by the AirGate Board of Directors", AirGate's board of directors, by unanimous vote (with one director absent), determined that the merger was advisable and fair to, and in the best interest of, AirGate and its stockholders. AirGate's board of directors subsequently approved the merger agreement and the transactions contemplated by the merger agreement, and resolved to recommend that AirGate's stockholders vote to adopt the merger agreement.

Shortly thereafter, Alamosa, Merger Sub and AirGate entered into the merger agreement. The parties issued a press release announcing the merger on the morning of December 8, 2004.

Alamosa's Reasons for the Merger; Recommendation of the Stock Issuance in the Merger by the Alamosa Board of Directors.

The Alamosa board has determined that the merger is fair to, and in the best interests of, Alamosa and its stockholders. In approving the merger agreement, the Alamosa board consulted with its financial advisor with respect to the financial aspects of the merger and fairness of the merger consideration to Alamosa from a financial point of view and with its legal counsel as to its legal duties and the terms of the merger agreement. In arriving at its determination, the Alamosa board of directors also considered a number of factors, including the following material factors:

Strategic Considerations.   Alamosa's board believes that the merger will provide a number of significant strategic opportunities and benefits, including the following:

- The merger provides the opportunity for Alamosa to expand its footprint to attractive markets within North Carolina, South Carolina and Georgia, and in a manner consistent with Alamosa's strategy of expanding into areas bordering on key Sprint PCS cities to provide the potential for roaming travel traffic from Sprint PCS customers and marketing overlap by Sprint PCS into Alamosa territories. In this regard, the Alamosa board also considered the fact that Alamosa's decentralized management model together with the advantages of the Sprint PCS affiliate program facilitates Alamosa's expansion into, and operation of properties in, non-contiguous footprints.

- The combined company will be the largest PCS affiliate of Sprint in terms of POPs (23.2 million at September 30, 2004), covered POPs (18.4 million at September 30, 2004) and subscribers (1.25 million at September 30, 2004), representing over 40% of the aggregate subscribers in the Sprint PCS affiliate program.
- The expectation that the increased scale and scope resulting from the merger will strengthen Alamosa's relationship with Sprint PCS.
- The belief that the merger will position Alamosa as the consolidator among PCS Affiliates of Sprint, which should appeal to investors. In this regard, the board noted that since 2000 Alamosa has completed acquisitions of other PCS Affiliates of Sprint with an aggregate value of over $690 million (based on Alamosa's stock price prior to the announcement of each transaction).

Expected Operating and Financial Benefits. Alamosa's board believes that the merger will provide a number of significant operating and financial benefits, including the following:

- The increased scale and scope of the combined business will provide Alamosa with a stronger capital structure and better access to capital at a lower cost.
- The combined company's common stock should appeal to a broader investor group due to its significantly increased market capitalization.
- Alamosa believes that its revenue, cash flow from operations and earnings will be enhanced as a result of the merger.
- Applying the potential cost savings and other assumptions described below under "—Opinion of Alamosa's Financial Advisor," the merger is expected to be accretive to Alamosa's estimated earnings before interest, taxes, depreciation and amortization, or EBITDA, per share and estimated EBITDA less capital expenditures per share for calendar years 2004 through 2007.

Other Factors Considered by the Alamosa Board of Directors. In addition to considering the strategic, operating and financial factors considered above, the Alamosa board of directors considered the following additional factors, all of which it viewed as supporting its decision to approve the merger:

- Historical information concerning the business, results of operations, financial condition and capital structure of Alamosa and AirGate, both on an historical and prospective basis, and the

performance of and current market prices for Alamosa and AirGate common stock, which comparisons generally supported the board's determination as to the relative values of Alamosa, AirGate and the combined company.
- The results of the due diligence review of AirGate's businesses and operations.
- Current industry, economic and market trends, including the likelihood of increasing and broadening competition in the wireless industry.
- The financial analyses and presentations of Alamosa's financial advisor, UBS, and its opinion that as of the date of the opinion, and based on and subject to the assumptions, qualifications and limitations described in such opinion, the aggregate merger consideration to be paid by Alamosa in the proposed transaction was fair, from a financial point of view, to Alamosa (see "—Opinion of Alamosa's Financial Advisor").
- The expectation that the Alamosa merger would be accomplished on a tax-free basis for federal income tax purposes for Alamosa and its stockholders (see "—Material United States Federal Income Tax Consequences of the Merger").
- The terms and conditions of the merger agreement, including the fact that the merger agreement is not subject to termination regardless of any change in the trading prices of either company's

stock between signing of the merger agreement and closing, and the absence of price protection provisions.

- The provisions of the merger agreement designed to restrict the ability of AirGate to solicit third party acquisition proposals, and the provisions of the merger agreement providing for the payment of termination fees in specified events. See "—Termination of the Merger Agreement; Termination Fees."
- The likelihood that the merger will be completed on a timely basis, including the likelihood that the merger will receive all necessary regulatory approvals without unacceptable conditions.
- Alamosa management's experience in implementing previous merger transactions.

Alamosa's board of directors also considered the potential risks of the merger, including the following:

- The risk that the benefits sought from the merger would not be fully achieved.
- The management distraction inherent in integrating AirGate with Alamosa.
- The fact that completion of the merger will trigger a change of control put right under AirGate's outstanding debt securities.

The foregoing discussion of the information and factors considered by the Alamosa board of directors is not exhaustive, but includes all material factors considered by the Alamosa board of directors. In view of the wide variety of factors considered by the Alamosa board of directors in connection with its evaluation of the merger and the complexity of such matters, the Alamosa board of directors did not consider it practical to, nor did it attempt to, quantify, rank or otherwise assign relative weights to the specific factors that it considered in reaching its decision. The Alamosa board of directors conducted a discussion of the factors described above, including asking questions of Alamosa's management and Alamosa's legal and financial advisors, and reached general consensus that the merger was in the best interests of Alamosa and Alamosa stockholders.

In considering the factors described above, individual members of the Alamosa board of directors may have given different weights to different factors. It should be noted that this explanation of the Alamosa board's reasoning and all other information presented in this section is forward-looking in nature and, therefore, should be read in light of the factors discussed under the heading "Forward-Looking Statements" on page 21.

The Alamosa board of directors determined that the merger, the merger agreement and the transactions contemplated by the merger agreement are in the best interests of Alamosa and its stockholders. Accordingly, the Alamosa board of directors approved the merger agreement and recommends that Alamosa stockholders vote "FOR" approval of the issuance of Alamosa common stock in the merger.

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AirGate's Reasons for the Merger; Recommendation of the Merger by the AirGate Board of Directors

The AirGate board has determined that the merger agreement is fair to, and in the best interests of, AirGate and its stockholders. In approving the merger agreement, the AirGate board consulted with its financial advisor with respect to the financial aspects of the merger and fairness of the merger consideration to AirGate stockholders from a financial point of view and with its legal counsel as to its legal duties and the terms of the merger agreement. In arriving at its determination, the AirGate board of directors also considered a number of factors, including the following material factors:

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The AirGate board of directors' determination that an acquisition of AirGate by Alamosa was a better option for maximizing AirGate's stockholder value than executing AirGate's long-term strategic plan or entering into an acquisition agreement at a later date, based upon such determinative factors as (a) the board's belief, after consultation with its financial advisor, of the relative likelihood that other potential acquirors with the financial resources to consummate an acquisition would submit competitive proposals to that submitted by Alamosa, (b) discussions with other potential bidders that yielded no immediate alternative opportunities for an acquisition of AirGate, (c) the potential harm to AirGate's business of discussions with an alternative bidder that did not present a significant likelihood of achieving a successful transaction, (d) the risk of loss of an opportunity to enter into a transaction with Alamosa, both presently and in the future, and (e) the lack of assurance that there would be another opportunity for AirGate's stockholders to receive as significant a premium as that contemplated by the proposed transaction.

- The oral opinion of Banc of America Securities, which was subsequently confirmed in writing, delivered to AirGate's board of directors that, as of December 7, 2004 and based upon and subject to the assumptions made, matters considered and qualifications and limitations on the review undertaken set forth in the opinion, the merger consideration in the proposed merger was fair, from a financial point of view, to AirGate's stockholders (which opinion is attached hereto as Appendix C and incorporated herein by reference) and the presentation by, and discussions with, representatives of Banc of America Securities as to matters relevant to such opinion, as described in "—Background of Merger" above. AirGate's board of directors also considered that Banc of America Securities was entitled to receive a fixed fee upon delivery of its opinion and that, upon the consummation of the merger, Banc of America Securities will become entitled to a percentage transaction fee based upon the consideration being paid pursuant to the merger in consideration of providing financial advice to AirGate's board of directors.
- The historical and current market prices and trading volume of AirGate's common stock, and the premiums that Alamosa's proposed exchange ratio for the common stock represented compared to the closing price of AirGate's common stock on October 21, 2004, the day before Alamosa's initial offer to AirGate, as well as the price of AirGate's common stock since December 5, 2003, as well as the higher valuations recently commanded by AirGate and its competitors compared to the prior several years.
- Presentations by and discussions with senior management of AirGate and representatives of Banc of America Securities and Winston & Strawn LLP regarding the principal terms of the merger agreement and other ancillary documents.
- The increased trend in the wireless communication industry towards greater consolidation and the attractiveness of AirGate as a potential takeover target, especially in light of its recent restructuring that left AirGate with a favorable capitalization structure compared to its competitors.
- The risk of AirGate remaining a stand-alone company, including (a) its potential decline in stock price off of its recent significant increase if AirGate rejected Alamosa's offer, (b) its increased capital requirements, (c) the challenges associated with accelerating growth in a more mature market, (d) its small size compared to its competitors, (e) the ability to execute

a future acquisition and (f) the ability to raise new equity through a secondary offering to fund capital expenditure requirements and the resulting dilution of existing stockholders.

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The negotiations between AirGate and Alamosa, including increases in the exchange ratio to be received by AirGate's shareholders from 2.80 shares of Alamosa stock to 2.87 shares of Alamosa stock (or the equivalent cash consideration) per share of AirGate common stock.

- The cash/stock election offered by Alamosa, which allows AirGate's stockholders to elect to receive (a) cash, and thus provide certainty as to the value they will receive in the proposed transaction, or (b) stock, and thus share in the long-term growth potential of Alamosa, without recognizing any immediate gain or loss except to the extent of any cash received.
- The strategic benefits of a combination with a larger company and the creation of the largest PCS Affiliate of Sprint, including (a) the lower cost of capital and subsequent potential for greater capital expenditures, (b) the potential for larger economies of scale, (c) the increase in float and liquidity, along with access to a greater investor base due to the increased market capitalization, (d) the geographic diversification of AirGate's business once combined with Alamosa, and (e) the lower risk of executing AirGate's long-term strategic plan, including the expansion of networks and the potential for further strategic acquisitions.
- The attractiveness of Alamosa as a potential acquiror compared to other PCS Affiliates of Sprint, especially in light of its ability to execute the transaction, its financial flexibility, its highly-regarded management team, its significant scale, its high growth rate, its public float and its strong interest in AirGate.
- That pursuant to the merger agreement and subject to certain terms and conditions, prior to obtaining AirGate's stockholders approval, AirGate's board of directors may engage in discussions and negotiations with, or provide any nonpublic information or data to, any person in response to an unsolicited bona fide written acquisition proposal by such person first made after the date of the merger agreement which AirGate's board of directors concludes in good faith (after consultation with outside counsel and its financial advisor) constitutes or could reasonably be expected to lead to a superior proposal. See "—No Solicitation of Alternative Transaction."
- That Alamosa must pay to AirGate a termination fee of $11,000,000 if Alamosa's stockholders do not approve the issuance of Alamosa common stock in the merger or if the merger agreement is terminated under specified circumstances. See "—Termination of the Merger Agreement; Termination Fees."
- The ability of AirGate's stockholders who object to the merger to obtain "fair value" for their shares if they exercise and perfect their appraisal rights under Delaware law.

Additionally, the AirGate board of directors considered the risks of the proposed transaction, including:

- The possibility that the merger may not be completed, which would divert significant resources and would have a negative impact on AirGate's operations.
- That AirGate is required to pay Alamosa a termination fee of $11,000,000 under specified circumstances. See "—Termination of the Merger Agreement; Termination Fees."
- The potential effects of the announcement of the merger on employees and customers.
- The transaction costs that would be incurred in connection with the merger.
- The necessity to obtain regulatory approvals required to consummate the merger, including the expiration of any waiting period under the HSR Act.
- The limitations imposed on AirGate's business by the terms and conditions of the merger agreement, including the limitations on soliciting alternative business transactions.
- Other risks described in this joint proxy statement-prospectus under the section "Risk Factors."

The foregoing discussion of the information and factors considered by the AirGate board of directors is not exhaustive, but includes all material factors considered by the AirGate board of directors. In view of the wide variety of factors considered by the AirGate board of directors in connection with its evaluation of the merger and the complexity of such matters, the AirGate board of directors did not consider it practical to, nor did it attempt to, quantify, rank or otherwise assign relative weights to the specific factors that it considered in reaching its decision. The AirGate board of directors conducted a discussion of the factors described above, including asking questions of AirGate's management and AirGate's legal and financial advisors, and reached general consensus that the merger was in the best interests of AirGate and AirGate stockholders.

In considering the factors described above, individual members of the AirGate board of directors may have given different weights to different factors. It should be noted that this explanation of the AirGate board's reasoning and all other information presented in this section is forward-looking in nature and, therefore, should be read in light of the factors discussed under the heading "Forward-Looking Statements" on page 21.

For the reasons set forth above, the AirGate board of directors has approved the merger agreement as advisable and in the best interests of AirGate and its stockholders and recommends that the AirGate stockholders vote "FOR" the adoption of the merger agreement.

Opinion of Alamosa's Financial Advisor

On December 7, 2004, UBS delivered to the Alamosa board of directors an oral opinion, which opinion was confirmed by delivery of a written opinion dated the same date, to the effect that, as of that date and based on and subject to various assumptions made, matters considered and limitations described in the opinion, the aggregate merger consideration to be paid by Alamosa in the proposed transaction was fair, from a financial point of view, to Alamosa.

The full text of UBS' opinion describes the assumptions made, procedures followed, matters considered and limitations on the review undertaken by UBS. The opinion is attached as Appendix B and is incorporated into this joint proxy statement-prospectus by reference. **UBS' opinion is directed only to the fairness, from a financial point of view, of the merger consideration to be paid by Alamosa and does not address any other aspect of the proposed transaction or any related transaction. The opinion does not address the relative merits of the proposed transaction as compared to other business strategies or transactions that might be available to Alamosa or the underlying business decision of Alamosa to effect the proposed transaction. The opinion does not constitute a recommendation to any shareholder of Alamosa as to how to vote with respect to any matter. At Alamosa's direction, UBS was not asked to, and it did not, offer any opinion as to the material terms of the merger agreement or the form of the proposed transaction. UBS expressed no opinion as to what the value of Alamosa common stock would be when issued in the proposed transaction or the prices at which Alamosa common stock would trade in the future. In rendering its opinion, UBS also assumed, at the direction of Alamosa, that the final executed merger agreement would not differ in any material respect from the draft merger agreement that UBS examined prior to rendering its opinion, and that each of Alamosa and AirGate would comply with all material terms of the merger agreement. You are encouraged to read the opinion carefully in its entirety.** The summary of UBS' opinion below is qualified in its entirety by reference to the full text of UBS' opinion.

In arriving at its opinion, UBS, among other things:

- reviewed certain publicly available business and historical financial information relating to Alamosa and AirGate;
- reviewed certain internal financial information and other data relating to the business and financial prospects of Alamosa, including estimates and financial forecasts prepared by management of Alamosa, that were provided to UBS by Alamosa and not publicly available;

• reviewed certain internal financial information and other data relating to the business and financial prospects of AirGate, including estimates and financial forecasts prepared by the management of AirGate and not publicly available;

• reviewed financial forecasts for AirGate prepared by the management of AirGate as adjusted by the management of Alamosa;
• conducted discussions with members of the senior managements of Alamosa and AirGate concerning the businesses and financial prospects of Alamosa and AirGate;
• reviewed publicly available financial and stock market data with respect to certain other companies in lines of business UBS believed to be generally comparable to those of Alamosa;
• considered certain pro forma effects of the proposed transaction on Alamosa's financial statements and reviewed certain estimates of synergies prepared by Alamosa management;
• reviewed a draft dated December 7, 2004 of the merger agreement; and
• conducted other financial studies, analyses and investigations, and considered other information, as UBS deemed necessary or appropriate.

In connection with its review, at the direction of Alamosa, UBS did not assume any responsibility for independent verification of any of the information that was provided to or reviewed by UBS for the purpose of its opinion and, with the consent of Alamosa, UBS relied on that information being complete and accurate in all material respects. In addition, at the direction of Alamosa, UBS did not make any independent evaluation or appraisal of any of the assets or liabilities, contingent or otherwise, of Alamosa or AirGate, and was not furnished with any such evaluation or appraisal. With respect to the financial forecasts, estimates, pro forma effects and calculations of synergies that it reviewed that were prepared or adjusted by Alamosa, UBS assumed, at the direction of Alamosa, that they have been reasonably prepared on a basis reflecting the best currently available estimates and judgments of the management of Alamosa as to the future performance of AirGate and Alamosa. In addition, UBS assumed, with Alamosa's approval, that the future financial results of AirGate, including synergies, estimated by Alamosa management will be achieved at the times and in the amounts projected by Alamosa management. In rendering its opinion, UBS assumed, with the consent of Alamosa, that the proposed transaction will qualify as a tax-free reorganization for United States federal income tax purposes. UBS also assumed that all governmental, regulatory or other consents and approvals necessary for the consummation of the proposed transaction will be obtained without any material adverse effect on Alamosa, AirGate or the proposed transaction. UBS' opinion was necessarily based on economic, monetary, market and other conditions as in effect on, and information made available to UBS as of, the date of its opinion.

Summary of Financial Analysis of UBS Securities LLC, Alamosa's Financial Advisor

In connection with rendering its opinion, UBS performed a variety of financial and comparative analyses, which are summarized below. The following summary is not a complete description of all analyses performed and factors considered by UBS in connection with its opinion. The preparation of a financial opinion is a complex process involving subjective judgments and is not necessarily susceptible to partial analysis or summary description. With respect to the analysis of selected public companies summarized below, no company used as a comparison is either identical or directly comparable to Alamosa or AirGate. These analyses necessarily involve complex considerations and judgments concerning financial and operating characteristics and other factors that could affect the public trading or acquisition values of the companies concerned.

UBS believes that its analyses and the summary below must be considered as a whole and that selecting portions of its analyses and factors or focusing on information presented in tabular format, without considering all analyses and factors or the narrative description of the analyses, could create a misleading or incomplete view of the processes underlying UBS' analyses and opinion. None of the analyses performed by UBS were assigned greater significance or reliance by UBS than any other. UBS did not form an opinion as to whether any individual analysis or factor, whether positive or negative, considered in isolation, supported or failed to support UBS' opinion. UBS arrived at its ultimate opinion based on the results of all analyses undertaken by it and assessed as a whole.

The decision to enter into the merger agreement and to agree to the merger consideration negotiated between Alamosa and AirGate was solely that of the Alamosa board of directors. UBS'

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opinion and financial analyses were among many factors considered by the Alamosa board of directors in its evaluation of the proposed transaction.

The following is a brief summary of the material financial analyses performed by UBS and reviewed with the Alamosa board of directors on December 6, 2004. See "—Background of the Merger" above. Prior to the December 6 board meeting, Alamosa had proposed a transaction with AirGate at an exchange ratio of 2.80x. In connection with the rendering of its written opinion on December 7, 2004, UBS performed procedures to update certain of its analyses to reflect the final terms of the proposed transaction that were negotiated between Alamosa and AirGate, including the increase in the final exchange ratio from 2.80x to 2.87x. These updates to the material financial analyses performed by UBS are included in the summary below.

The financial analyses summarized below include information presented in tabular format. In order to fully understand UBS' financial analyses, the tables must be read together with the text of each summary. The tables alone do not constitute a complete description of the financial analyses. **Considering the data 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 UBS' financial analyses.**

Analysis of Selected Public Companies

UBS compared selected financial information and operating statistics of Alamosa and AirGate to corresponding financial information and operating statistics of the following selected publicly held PCS Affiliates of Sprint that UBS considered reasonably comparable, in certain respects, to Alamosa and AirGate, and which are referred to as the Selected PCS Affiliates of Sprint:

- Horizon PCS, Inc.
- iPCS, Inc.
- UbiquiTel Inc.
- US Unwired Inc.

In addition, UBS compared the following additional publicly held wireless telecommunications service providers that are not PCS Affiliates of Sprint that UBS considered reasonably comparable, in certain respects, to Alamosa and AirGate:

- Leap Wireless International, Inc.
- Nextel Partners, Inc.
- Triton PCS Holdings, Inc.

UBS calculated the multiples of enterprise value (which consists of market value of the particular company's equity, plus the particular company's debt and minority interest, less cash and cash equivalents) to the following financial information and operating statistics for each of Alamosa, AirGate and the selected companies based on closing stock prices as of December 3, 2004:

- the total population within the particular company's license coverage areas, or Total POPs;
- the total population currently served by the operating network of the particular company, or Covered POPs;
- subscribers;
- calendar years 2004, 2005 and 2006 estimated earnings before interest, taxes, depreciation and amortization, or EBITDA; and
- calendar years 2004 and 2005 estimated EBITDA less estimated capital expenditures.

Estimated financial data for the selected companies was based on various publicly available Wall Street research reports. UBS utilized estimated financial data for Alamosa and AirGate as provided by Alamosa's management. UBS then calculated the mean, median, high and low enterprise value

multiples for (1) the Selected PCS Affiliates of Sprint as a group, which for purposes of this analysis UBS included AirGate, and (2) all of the selected companies, Alamosa and AirGate as a group. At the December 6 Alamosa board meeting, UBS compared these multiples to the implied multiples for AirGate based on exchange ratios of 2.80x, 2.90x and 3.00x. In connection with the rendering of its written opinion, UBS performed procedures to update and confirm this analysis to reflect the final terms of the proposed transaction that were negotiated between Alamosa and AirGate, including the increase in the final exchange ratio from 2.80x to 2.87x. The results of UBS' calculations are presented in the table below:

	Enterprise Value /							
	(As of September 30, 2004)			EBITDA			EBITDA less Capital Expenditures	
	Total POPs	Covered POPs	Subscribers	2004	2005	2006	2004	2005
Selected PCS Affiliates of Sprint (includes AirGate)								
Mean	$ 69	$ 90	$1,865	11.3x	9.5x	7.8x	17.8x	16.6x
Median	83	105	1,672	10.8	9.8	7.9	19.8	15.7
High	97	123	2,654	13.7	11.0	8.7	22.0	25.9
Low	35	47	1,424	9.5	8.3	6.8	13.6	10.5
Overall (includes Alamosa and AirGate)								
Mean	81	106	2,143	11.4	9.7	7.8	19.1	17.4
Median	83	105	1,672	10.8	9.8	7.5	19.8	15.7
High	149	192	4,495	18.4	13.6	10.7	33.0	25.9
Low	32	47	1,113	6.9	6.5	6.0	11.9	10.1

AirGate Based on 2.80x Exchange Ratio	$ 84	$ 103	$1,626	9.2x	8.1x	6.8x	13.2x	15.3x
AirGate Based on 2.90x Exchange Ratio	86	105	1,663	9.4	8.3	6.9	13.5	15.6
AirGate Based on 3.00x Exchange Ratio	88	107	1,700	9.6	8.5	7.1	13.8	15.9
AirGate Based on 2.87x Exchange Ratio	$ 85	$ 103	$1,639	9.3x	8.2x	6.8x	13.3x	15.4x

Discounted Cash Flow Analysis

UBS performed discounted cash flow analyses of both AirGate and Alamosa for the purpose of determining the exchange ratio ranges implied by the equity value ranges for each share of Alamosa common stock and AirGate common stock based on a range of discount rates and terminal value multiples. As described below, these per share equity values were calculated by discounting to December 31, 2004, the present value of the unlevered, after-tax free cash flows that Alamosa management expects each company to generate during calendar years 2005 through 2009, the present value of terminal values implied by applying a multiple range of 7.0x to 9.0x to each company's estimated calendar year 2009 EBITDA and the present value of the benefits of the net operating losses, or NOLs, for each company that Alamosa management expects to be able to utilize against taxable income on a go-forward basis, as adjusted for each company's projected cash and total debt outstanding as of December 31, 2004, as provided by Alamosa's management. UBS then derived implied exchange ratio reference ranges based on the implied equity values ranges per share for each company that were calculated on a fully diluted basis, with proceeds from outstanding in-the-money options applied to each company's cash balance.

AirGate. UBS calculated the estimated unlevered, after-tax free cash flows that AirGate is expected to generate during calendar years 2005 through 2009 based on financial forecasts that were provided by Alamosa management that derived from forecasts provided by AirGate management, which forecasts as provided by Alamosa management are referred to as the AirGate Forecasts. The cash flows and terminal values were then discounted to the present value using a range of discount rates of 11.5% to 13.5%, which were based on the estimated weighted average cost of capital of AirGate as well as selected publicly traded companies. In addition, UBS calculated estimated

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utilization of NOLs of AirGate against taxable income on a go-forward basis, based on estimates provided by Alamosa. The NOL benefits calculated were discounted to present value using an estimated cost of equity of AirGate. In order to derive equity value ranges for AirGate, the present value of the cash flows, terminal values and NOL benefits were then adjusted for AirGate's projected cash and total debt outstanding as of December 31, 2004, as provided by Alamosa's management. UBS also calculated the equity value per share of AirGate common stock assuming additional adjustments to the AirGate Forecasts provided by Alamosa's management described below, which are referred to as the AirGate Forecasts Including Synergies. The AirGate Forecasts Including Synergies reflected Alamosa management's estimates of $10.0 million of annual cost savings and other synergies for calendar years 2005 through 2009 and $5.0 million of additional operating losses in calendar year 2005 and $15.0 million of additional capital expenditures in calendar year 2005 that Alamosa management estimates would be required to achieve the forecasted synergies.

Alamosa. UBS calculated the estimated unlevered, after-tax free cash flows that Alamosa is expected to generate during calendar years 2005 through 2009 based on financial forecasts and estimates provided by Alamosa's management. The cash flows and terminal values were then discounted to present value using a range of discount rates of 11.0% to 13.0%, which were based on the estimated weighted average cost of capital of Alamosa as well as selected publicly traded companies. In addition, UBS calculated estimated utilization of NOLs of Alamosa against taxable income on a go-forward basis, based on estimates provided by Alamosa. The NOL benefits calculated were discounted to present value using an estimated cost of equity of Alamosa. In order to derive equity value ranges for Alamosa, the present value of the cash flows, terminal values and NOL benefits were then adjusted for Alamosa's projected cash and total debt outstanding as of December 31, 2004, as provided by Alamosa's management.

Using the AirGate Forecasts, this analysis indicated an implied exchange ratio reference range of 2.93x to 3.16x. Using the AirGate Forecasts Including Synergies, this analysis indicated an implied exchange ratio reference range of 3.37x to 3.56x.

Implied Historical Exchange Ratio Analysis

UBS reviewed the historical ratio of AirGate's daily closing stock price to Alamosa's daily closing stock price on December 3, 2004 and AirGate's average daily closing stock price to Alamosa's average daily closing stock price over the one week, one-month, two-month, three-month and six-month periods preceding December 3, 2004. This analysis indicated the following implied exchange ratios:

Period Ended December 3, 2004	Implied Exchange Ratio
One Day	2.92x
One-Week Average	2.95x
One-Month Average	2.63x
Two-Month Average	2.46x
Three-Month Average	2.42x
Six-Month Average	2.33x

Relative Contribution Analysis

UBS performed a relative contribution analysis to compare the operating and financial contribution of Alamosa and AirGate to the pro forma combined company on a percentage basis, based on the various operating and financial measurement factors described below, to the percentage of the total enterprise value of the pro forma combined company contributed by Alamosa and AirGate that is implied by: (a) the exchange ratio of 2.92x, the exchange ratio that was implied by the ratio of AirGate's closing stock price to Alamosa's closing stock price as of December 3, 2004 which exchange ratio UBS reviewed with Alamosa's board of directors on December 6, 2004, (b) the exchange ratios of 2.80x, 2.90x and 3.00x that UBS reviewed with the Alamosa board of directors on December 6, 2004, and (c) the final 2.87x exchange ratio agreed to by AirGate's and Alamosa's boards of directors. In performing this analysis, UBS estimated the pro forma contribution of each of

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AirGate and Alamosa on a percentage basis with respect to Total POPs, Covered POPs, subscribers, EBITDA for the last twelve months, or LTM, estimated EBITDA for calendar years 2004, 2005 and 2006 and estimated EBITDA less estimated capital expenditures for calendar years 2004, 2005 and 2006 utilizing publicly disclosed data and financial forecasts and estimates for both AirGate and Alamosa as provided by Alamosa's management. This analysis indicated the following contribution percentages:

	Alamosa	AirGate
Total POPs (As of September 30, 2004)	68.1%	31.9%
Covered POPs (As of September 30, 2004)	66.8%	33.2%
Subscribers (As of September 30, 2004)	69.3%	30.7%
LTM EBITDA	72.7%	27.3%
2004 EBITDA	72.6%	27.4%
2005 EBITDA	75.7%	24.3%
2006 EBITDA	77.4%	22.6%
2004 EBITDA less Capital Expenditures	65.9%	34.1%
2005 EBITDA less Capital Expenditures	76.1%	23.9%
2006 EBITDA less Capital Expenditures	81.1%	18.9%
Enterprise Value Based on a 2.92x Exchange Ratio	78.6%	21.4%
Enterprise Value Based on a 2.80x Exchange Ratio	79.0%	21.0%
Enterprise Value Based on a 2.90x Exchange Ratio	78.7%	21.3%
Enterprise Value Based on a 3.00x Exchange Ratio	78.3%	21.7%
Enterprise Value Based on 2.87x Exchange Ratio	78.8%	21.2%

Pro Forma EBITDA Per Share and EBITDA less Capital Expenditures Per Share Analysis

UBS analyzed the pro forma impact of the proposed transaction on the estimated EBITDA per share of Alamosa common stock and estimated EBITDA less estimated capital expenditures per share of Alamosa common stock for calendar years 2004 through 2007 based on the financial forecasts and estimates for Alamosa as provided by Alamosa management and, with respect to AirGate, both the AirGate Forecasts and the AirGate Forecasts Including Synergies. As part of this analysis, UBS analyzed the pro forma impact of the proposed transaction assuming that the aggregate merger consideration to be paid by Alamosa would consist of (1) 100% Alamosa common stock and (2) $100 million in cash with the remainder in Alamosa common stock.

Based on the foregoing analyses, UBS calculated that the proposed transaction would be accretive to Alamosa's estimated EBITDA per share and estimated EBITDA less capital expenditures per share for calendar years 2004 through 2007 based on exchange ratios of 2.80x, 2.90x and 3.00x (which were compared by UBS with the Alamosa board of directors on December 6, 2004), and based on the exchange ratio of 2.87x provided for in the proposed transaction as reviewed by UBS in connection with the rendering of its written opinion (except for estimated EBITDA less capital expenditures per share for calendar 2006 based on the AirGate Forecasts and a 3.00x exchange ratio and the assumption that the merger consideration to be paid by Alamosa would consist entirely of Alamosa common stock, which was calculated to be dilutive).

Other Factors

In rendering its opinion, UBS also reviewed and considered other factors, including:

- historical trading prices and trading volumes of Alamosa's common stock and AirGate's common stock during the period from January 1, 2004 through December 3, 2004 as compared to the historical performance of the NASDAQ Composite Index and the historical stock price performance and trading volume of each of the Selected PCS Affiliates of Sprint and Sprint Corporation over the same time period; and
- the potential pro forma financial effect of the proposed transaction on estimated EBITDA and credit statistics of Alamosa.

Miscellaneous

Under the terms of its engagement, Alamosa has agreed to pay UBS customary fees for its financial advisory services, a significant majority of which are payable upon the consummation of the proposed transaction. In addition, Alamosa has agreed to reimburse UBS for its reasonable expenses, including fees and disbursements of counsel, and to indemnify UBS and related parties against liabilities, including liabilities under federal securities laws, relating to, or arising out of, its engagement.

Alamosa selected UBS as a financial advisor in connection with the transaction because UBS is an internationally recognized investment banking firm with substantial experience in similar transactions and is familiar with Alamosa and its business. UBS is continually engaged in the valuation of businesses and their securities in connection with mergers and acquisitions, leveraged buyouts, negotiated underwritings, competitive bids, secondary distributions of listed and unlisted securities and private placements.

UBS and its predecessors and affiliates have provided services in the past to Alamosa and AirGate, including acting in January 2004, as sole book running manager on Alamosa's 8.500% senior notes offering and in November 2003, as sole financial advisor to Alamosa on its exchange offering for its 12.500% senior notes, 13.625% senior notes and 12.875% senior notes, for which services UBS and its predecessors and affiliates have received customary compensation. In the ordinary course of business, UBS, its successors and affiliates have traded and may trade in the securities of Alamosa and AirGate, for their own accounts and the accounts of their customers, and accordingly, may at any time hold a long or short position in those securities.

Opinion of AirGate's Financial Advisor

On November 23, 2004, the board of directors of AirGate retained Banc of America Securities to act as its financial advisor in connection with assisting AirGate in evaluating strategic business alternatives. Banc of America Securities is a nationally recognized investment banking firm. Banc of America Securities is regularly engaged in the valuation of businesses and their securities in connection with mergers and acquisitions, negotiated underwritings, secondary distributions of listed and unlisted securities, private placements and valuations for corporate and other purposes. AirGate selected Banc of America Securities to act as its financial advisor on the basis of Banc of America Securities' experience and expertise in transactions similar to the merger, its reputation in the wireless telecommunications industry and investment community and its historical investment banking relationship with AirGate.

On December 7, 2004, Banc of America Securities delivered to AirGate's board of directors its oral opinion, which opinion was subsequently confirmed by delivery of a written opinion, that, as of such date and based on and subject to the various assumptions and limitations set forth in such opinion, the merger consideration in the proposed merger was fair, from a financial point of view, to AirGate's stockholders. The AirGate board of directors did not limit the investigations made or procedures followed by Banc of America Securities in rendering its opinion.

We have attached the full text of Banc of America Securities' written opinion to the AirGate board of directors as Appendix C, which is incorporated by reference into this joint proxy statement-prospectus in its entirety. You should read this opinion carefully and in its entirety. However, we have also included the following summary of Banc of America Securities' opinion, which is qualified in its entirety by reference to the full text of the opinion.

Banc of America Securities' opinion is directed to the AirGate board of directors. It does not constitute a recommendation to you on how to vote with respect to the merger. The opinion addresses only the financial fairness of the consideration to be received by stockholders of AirGate in the merger. The opinion does not address the relative merits of the merger or any alternatives to the merger, the underlying decision of the AirGate board of directors to proceed with or effect the merger or any other aspect of the merger. In furnishing its opinion, Banc of America Securities did not admit that it is an expert within the meaning of the term "expert" as used in the Securities Act,

nor did it admit that its opinion constitutes a report or valuation within the meaning of the Securities Act. Statements to that effect are included in the Banc of America Securities opinion.

Banc of America Securities:

- reviewed publicly available financial statements and other business and financial information of AirGate and Alamosa that Banc of America Securities deemed relevant to its analysis;
- reviewed internal financial statements and other financial and operating data concerning AirGate and Alamosa, furnished to Banc of America Securities by AirGate and Alamosa, respectively;
- reviewed independent research analysts' (a) estimates of the future financial performance of AirGate and Alamosa, and (b) price targets for AirGate common stock and Alamosa common stock, that Banc of America Securities deemed relevant to its analysis;
- analyzed financial forecasts prepared by the managements of AirGate and Alamosa, furnished to Banc of America Securities by AirGate and Alamosa, respectively, and reviewed and discussed the past and current operations, financial condition and prospects of AirGate with senior executives of AirGate and reviewed and discussed the past and current operations, financial condition and prospects of Alamosa with senior executives of Alamosa;
- reviewed and discussed with senior executives of AirGate and Alamosa information relating to several strategic, financial and operational benefits anticipated from the merger;
- reviewed the potential pro forma impact of the merger on the future financial performance of Alamosa, including the potential effect on Alamosa's pro forma earnings per share;
- reviewed information relating to the relative contributions of AirGate and Alamosa to the combined company;
- reviewed and compared with other publicly traded companies that Banc of America Securities deemed relevant, the financial performance of AirGate and Alamosa, the strategic and competitive position of AirGate and Alamosa and the reported prices and trading activity of AirGate common stock and Alamosa common stock;
- reviewed and compared with other publicly traded companies Banc of America Securities deemed relevant, the available spectrum of AirGate and the cost of independently acquiring additional spectrum;
- compared financial terms of the merger to financial terms, to the extent publicly available, of other business combination transactions Banc of America Securities deemed relevant;
- reviewed the results of Banc of America Securities' efforts to solicit indications of interest and definitive proposals from third parties with respect to an acquisition of AirGate;
- participated in discussions and negotiations among representatives of AirGate and Alamosa and their respective financial and legal advisors; and
- performed such other analyses and considered such other factors as Banc of America Securities have deemed appropriate.

Banc of America Securities reviewed the December 6, 2004 draft merger agreement in its preparation of its opinion. While AirGate and Alamosa had the opportunity to agree to materially add, delete or alter material terms of the merger agreement before its execution, the final merger agreement was substantially similar to the December 6, 2004 draft merger agreement (except for the final exchange ratio, which was used by Banc of America Securities in performing its analysis).

Banc of America Securities did not assume any responsibility to independently verify the information listed above. Instead, with the consent of the AirGate board of directors, Banc of America Securities relied on the information as being accurate and complete in all material respects. Banc of America Securities also made the following assumptions with the consent of the AirGate board of directors:

- with respect to the financial forecasts for AirGate and Alamosa provided to Banc of America Securities by management of each company, including information relating to certain strategic, financial and operational benefits anticipated from the merger, on the advice of each company's management, that (1) the forecasts were reasonably prepared on bases reflecting the best available estimates and good faith judgments of the management of AirGate and Alamosa at the time of preparation as to the future financial performance of both companies and (2) the forecasts provide a reasonable basis on which Banc of America Securities could form its opinion;
- that there were no material changes in the assets, financial condition, results of operations, business or prospects of either of the companies since the respective dates of the last financial statements made available to Banc of America Securities;
- that the merger will be completed in a manner that complies in all respects with the applicable provisions of the Securities Act, the Exchange Act and all other applicable federal and state statutes, rules and regulations; and
- that the merger will be completed in accordance with the terms described in the December 6, 2004 draft merger agreement (except that Banc of America used the final 2.87 exchange ratio agreed to by AirGate and Alamosa), without further amendment to the agreement, and without waiver by AirGate of any of the conditions to its obligations that are contained in the agreement.

AirGate and Alamosa do not publicly disclose internal management forecasts of the type provided to Banc of America Securities by the management of each of AirGate and Alamosa in connection with Banc of America Securities' review of the merger. The forecasts were not prepared with a view toward public disclosure. In addition, the forecasts were based on numerous variables and assumptions that are inherently uncertain, including factors related to general economic and competitive conditions. Accordingly, actual results could vary significantly from the results set forth in the forecasts. Banc of America Securities has assumed no liability for the forecasts.

In addition, for purposes of its opinion, Banc of America Securities:

- relied on advice of counsel to AirGate as to all legal matters with respect to AirGate, the merger and the December 6, 2004 draft merger agreement;
- did not assume responsibility for making an independent evaluation, appraisal or physical inspection of any of the assets or liabilities, contingent or otherwise, of AirGate or Alamosa, nor did Banc of America Securities receive any appraisals; and
- at the direction of the AirGate board of directors, made assumptions that Banc of America Securities deemed relevant with respect to the risks associated with several strategic initiatives

proposed by AirGate and the potential effects of such risks on the future financial performance of AirGate.

Banc of America Securities' opinion was based on economic, monetary and market and other conditions in effect on, and the information made available to it as of, the date of the opinion. Accordingly, although subsequent developments may affect its opinion, Banc of America Securities did not assume any obligation to update, revise or reaffirm its opinion.

The following represents a brief summary of the material financial analyses performed by Banc of America Securities in connection with providing its opinion to the AirGate board of directors. Some of the summaries of financial analyses performed by Banc of America Securities include information presented in tabular format. In order to fully understand the financial analyses performed by Banc of America Securities, you should read the tables together with the rest of each summary. The tables alone do not constitute a complete description of the financial analyses. Considering the data set forth in the tables 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 the financial analyses performed by Banc of America Securities.

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Valuation Analyses Regarding AirGate

Research Analyst Price Targets. Banc of America Securities reviewed AirGate's stock price targets over the next twelve months as published by Wall Street equity research analysts as of the date of the opinion. All analysts based their price targets on a stand-alone scenario. Based on this analysis, Banc of America Securities derived a range of values per share of $28.75 to $30.00.

Comparable Company Analysis. Based on public and other available information, Banc of America Securities calculated the values or multiples of aggregate value to each of (a) value per subscriber, (b) earnings before interest, taxes, depreciation and amortization, referred to as EBITDA and (c) EBITDA less capital expenditures, referred to as CAPEX, each estimated for 2005, for three other Sprint PCS affiliates:

- Alamosa Holdings, Inc.
- UbiquiTel Inc.
- US Unwired Inc.

Banc of America Securities defined aggregate value to mean:

- equity value, defined as the product of the number of shares of common stock outstanding for a company multiplied by its stock price; plus
- outstanding funded debt; less
- cash and cash equivalents.

The following table sets forth multiples indicated by this analysis for these three companies:

Aggregate Value to:	Range of Multiples	Median
Estimated 2005 subscribers	$1,834 to $2,205	$ 2,021
Estimated 2005 EBITDA	9.7x to 10.7x	10.1x

Estimated 2005 EBITDA-CAPEX	16.0x to 17.9x	17.7x

Based on public and other available information, Banc of America Securities also calculated the values or multiples of aggregate value to each of (a) value per subscriber, (b) EBITDA and (c) EBITDA less CAPEX, each estimated for 2005, for four regional wireless operating companies that Banc of America Securities deemed to be reasonably comparable to AirGate:

- Centennial Communications Corp.
- Rural Cellular Corp.
- Triton PCS Holdings, Inc.
- Western Wireless Corp.

The following table sets forth multiples indicated by this analysis for these four companies:

Aggregate Value to:	Range of Values/Multiples		Median
Estimated 2005 subscribers	$1,919 to $2,443	$	2,117
Estimated 2005 EBITDA	5.9x to 12.0x		7.7x
Estimated 2005 EBITDA-CAPEX	9.2x to 11.1x		10.1x

Banc of America Securities noted that the aggregate value of the consideration to be received by the stockholders of AirGate in connection with the merger implied values or multiples of (a) $1,372 estimated 2005 value per subscriber, (b) 8.3x estimated 2005 EBITDA and (c) 16.2x estimated 2005 EBITDA-CAPEX for AirGate.

Comparable Transactions Analysis. Based on public and other available information, Banc of America Securities calculated the values or multiples of aggregate value to each of estimated current year value per subscriber, EBITDA and total population, referred to as POP, for the acquired

company implied in the following eight acquisitions of wireless telecommunications companies that have been announced since February 22, 2001:

Target	Acquiror
AT&T Wireless	Cingular Wireless
American Cellular	Dobson Communications
PrimeCo Wireless (Chicago MTA)	U.S. Cellular Corp.
Century Tel's wireless business	ALLTEL
Independent Wireless One	US Unwired
Price Communications Wireless	Verizon Wireless
iPCS, Inc.	AirGate PCS
VIA Wireless	Ubiquitel PCS

The following table sets forth the values or multiples indicated by this analysis for these eight acquisitions:

Aggregate Value to:	Range of Multiples	Median
Estimated current year value per subscriber	$1,903 to $8,418	$ 3,014
Estimated current year EBITDA	7.5x to 11.7x	9.0x
Estimated current year POP	$43 to $508	$ 121

The comparable transactions analysis compared the merger to the eight acquisitions of wireless telecommunications companies on the basis that the transactions selected were the most relevant given the factors considered above. Consequently, Banc of America Securities did not include every transaction that could be deemed to have occurred in the relevant industries.

Banc of America Securities noted that aggregate value of AirGate implied by the merger yielded values or multiples of (a) $1,581 estimated 2004 value per subscriber, (b) 9.3x estimated 2004 EBITDA and (c) $85 estimated 2004 POP for AirGate.

No company or transaction used in the comparable company or comparable transactions analyses is identical to AirGate or the merger. Accordingly, an analysis of the foregoing results is not mathematical. Rather, it involves complex considerations and judgments concerning differences in financial and operating characteristics of the companies and other factors that could affect the public trading value of the companies to which AirGate and the merger are being compared.

Consolidated Business Discounted Cash Flow Analysis. Banc of America Securities used financial cash flow forecasts for AirGate's consolidated business model, which includes new business initiatives such as prepaid and wireless local loop services for calendar years 2005 through 2009, as estimated by the management of AirGate, to perform discounted cash flow analysis. In conducting this analysis, Banc of America Securities first calculated the present values of the forecasted cash flows. Second, Banc of America Securities estimated the terminal value of AirGate at the end of 2009 by applying multiples to AirGate's estimated 2009 EBITDA, which multiples ranged from 5.5x to 6.5x. Banc of America Securities then discounted the cash flows and terminal values to present values using discount rates ranging from 12.0% to 14.0%. Banc of America Securities selected the range of discount rates to reflect the operating risks associated with AirGate's consolidated business model.

This analysis indicated a range of aggregate value for AirGate, expressed as multiples of estimated 2004 EBITDA, as follows:

	Multiple of Aggregate Value to 2004E EBITDA		
Discount Rate	Terminal Multiple of 5.5x Projected Calendar Year 2009 EBITDA	Terminal Multiple of 6.0x Projected Calendar Year 2009 EBITDA	Terminal Multiple of 6.5x Projected Calendar Year 2009 EBITDA
12.0%	10.1x	10.7x	11.4x
13.0%	9.7x	10.3x	11.0x
14.0%	9.3x	9.9x	10.5x

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This analysis indicated a range of aggregate value for AirGate, expressed as multiples of estimated 2005 EBITDA, as follows:

	Multiple of Aggregate Value to 2005E EBITDA		
Discount Rate	Terminal Multiple of 5.5x Projected Calendar Year 2009 EBITDA	Terminal Multiple of 6.0x Projected Calendar Year 2009 EBITDA	Terminal Multiple of 6.5x Projected Calendar Year 2009 EBITDA
12.0%	9.0x	9.5x	10.1x
13.0%	8.6x	9.2x	9.7x
14.0%	8.3x	8.8x	9.3x

Core Business Discounted Cash Flow Analysis. Banc of America Securities also used financial cash flow forecasts for AirGate's core business for calendar years 2005 through 2009, as estimated by the management of AirGate, to perform discounted cash flow analysis. In conducting this analysis, Banc of America Securities first calculated the present values of the forecasted cash flows. Second, Banc of America Securities estimated the terminal value of AirGate at the end of 2009 by applying multiples to AirGate's estimated 2009 EBITDA, which multiples ranged from 6.0 to 7.0x. Banc of America Securities then discounted the cash flows and terminal values to present values using discount rates ranging from 11.0% to 13.0%. Banc of America Securities selected the range of discount rates to reflect lower execution risk of the core business plan.

This analysis indicated a range of aggregate value for AirGate, expressed as multiples of estimated 2004 EBITDA, as follows:

	Multiple of Aggregate Value to 2004E EBITDA		
Discount Rate	Terminal Multiple of 6.0x Projected Calendar Year 2009 EBITDA	Terminal Multiple of 6.5x Projected Calendar Year 2009 EBITDA	Terminal Multiple of 7.0x Projected Calendar Year 2009 EBITDA
11.0%	9.6x	10.2x	10.8x
12.0%	9.2x	9.8x	10.3x
13.0%	8.9x	9.4x	9.9x

This analysis indicated a range of aggregate value for AirGate, expressed as multiples of estimated 2005 EBITDA, as follows:

	Multiple of Aggregate Value to 2005E EBITDA		
Discount Rate	Terminal Multiple of 6.0x Projected Calendar Year 2009 EBITDA	Terminal Multiple of 6.5x Projected Calendar Year 2009 EBITDA	Terminal Multiple of 7.0x Projected Calendar Year 2009 EBITDA
11.0%	8.5x	9.0x	9.6x
12.0%	8.2x	8.7x	9.2x
13.0%	7.9x	8.3x	8.8x

Premiums Paid Analysis. Banc of America Securities reviewed the consideration paid or offered in 183 merger and acquisition transactions announced between November 2001 and November 2004 involving U.S. companies in which the aggregate values paid were between $250 million and $1,000 million. Banc of America Securities calculated the premiums paid or offered relative to the stock prices of the acquired companies one day, one week and four weeks before the announcement of the acquisition offer.

This analysis indicated the following median and mean premiums:

	Premium One Day Before Announcement	Premium One Week Before Announcement	Premium Four Weeks Before Announcement
Median	19.3%	22.0%	22.8%
Mean	26.0%	29.6%	37.7%

Banc of America Securities noted that the per share value of the stock consideration to be received by AirGate stockholders in connection with the merger implied a 19.6% premium over AirGate's closing stock price on November 19, 2004, the last trading day prior to Alamosa's public

announcement of its merger proposal. The premiums implied by the merger over AirGate's closing stock price one week before was 29.6% and four weeks before that date was 58.6%.

Banc of America Securities also noted that the per share value of the stock consideration to be received by AirGate stockholders in connection with the merger implied a 55.3% premium over AirGate's closing stock price on October 21, 2004, the day prior to Alamosa's delivery of its October 22, 2004 merger proposal. The premiums implied by the merger over AirGate's closing stock price one week before was 55.8% and four weeks before that date was 85.5%.

Historical Stock Price Analysis. Banc of America Securities reviewed the performance of the per share market price and trading volume of AirGate common stock for the period between December 8, 2003 through December 7, 2004. The analysis indicated that the closing market price per share for AirGate common stock during this period ranged from $6.85 to $33.58.

Contribution Analysis. Banc of America Securities used the estimates and forecasts for AirGate and Alamosa prepared by managements of AirGate and Alamosa to review estimated contribution of each company to the (a) EBITDA, (b) EBITDA less CAPEX and (c) Tax-Affected earnings before interest and tax, referred to as EBIT, for each of (1) estimated calendar year 2004 and (2) projected calendar years 2005 and 2006, for the combined company. This analysis did not take into account any potential synergies following completion of the merger.

This analysis indicated that AirGate would contribute:

Contribution to:	On an Estimated Calendar Year 2004 Basis	On a Projected Calendar Year 2005 Basis	On a Projected Calendar Year 2006 Basis
EBITDA	27.2%	23.9%	22.8%
EBITDA less CAPEX	34.2%	22.9%	19.2%
Tax-Affected EBIT	19.4%	14.9%	16.9%

Banc of America Securities then compared the contributions to the pro forma share ownership of the combined company to be owned by each company's stockholders, assuming the merger was completed under the terms of the December 6, 2004 draft merger agreement (but on the basis of the final 2.87 exchange ratio). On a pro forma basis, assuming all AirGate stockholders make an all stock election, AirGate stockholders would own approximately 18.3% of the combined company on a diluted basis.

Valuation Analyses Regarding Alamosa

Comparable Company Analysis. Based on public and other available information, Banc of America Securities calculated the multiples of aggregate value to (a) EBITDA and (b) EBITDA less CAPEX, each estimated for 2005, to two other Sprint PCS affiliates that Banc of America Securities deemed to be comparable to Alamosa:

- UbiquiTel Inc.
- US Unwired Inc.

The following table sets forth multiples indicated by this analysis for these two companies:

Aggregate Value to:	Range of Values/Multiples	Median
Estimated 2005 EBITDA	10.1x to 10.7x	10.4x
Estimated 2005 EBITDA-CAPEX	16.0x to 17.7x	16.9x

Discounted Cash Flow Analysis. Banc of America Securities used financial cash flow forecasts for Alamosa for calendar years 2005 through 2009, as estimated by the management of Alamosa, to perform discounted cash flow analysis. In conducting this analysis, Banc of America Securities first calculated the present values of the forecasted cash flows. Second, Banc of America Securities estimated the terminal value of Alamosa at the end of 2009 by applying multiples to Alamosa's estimated 2009 EBITDA, which multiples ranged from 6.5 to 7.5x. Banc of America Securities then discounted the cash flows and terminal values to present values using discount rates ranging from 10.0% to 12.0%.

This analysis indicated a range of aggregate value for Alamosa, expressed as multiples of estimated 2004 EBITDA, as follows:

	Multiple of Aggregate Value to 2004E EBITDA		
Discount Rate	Terminal Multiple of 6.5x Projected Calendar Year 2009 EBITDA	Terminal Multiple of 7.0x Projected Calendar Year 2009 EBITDA	Terminal Multiple of 7.5x Projected Calendar Year 2009 EBITDA
10.0%	14.2x	14.9x	15.6x
11.0%	13.7x	14.3x	15.0x
12.0%	13.1x	13.8x	14.5x

This analysis indicated a range of aggregate value for Alamosa, expressed as multiples of estimated 2005 EBITDA, as follows:

	Multiple of Aggregate Value to 2005E EBITDA		
Discount Rate	Terminal Multiple of 6.5x Projected Calendar Year 2009 EBITDA	Terminal Multiple of 7.0x Projected Calendar Year 2009 EBITDA	Terminal Multiple of 7.5x Projected Calendar Year 2009 EBITDA
10.0%	10.6x	11.2x	11.7x
11.0%	10.2x	10.7x	11.2x
12.0%	9.8x	10.3x	10.8x

Historical Stock Price Analysis. Banc of America Securities reviewed the performance of the per share market price and trading volume of Alamosa common stock for the period between December 8, 2003 through December 7, 2004. The analysis indicated that the closing market price per share for Alamosa common stock during this period ranged from $3.58 to $12.19.

As noted above, the discussion above is merely a summary of the analyses and examinations that Banc of America Securities considered to be material to its opinion. It is not a comprehensive description of all analyses and examinations actually conducted by Banc of America Securities. The preparation of a fairness opinion is not susceptible to partial analysis or summary description. Banc of America Securities believes that its analyses and the summary above must be considered as a whole. Banc of America Securities further believes that selecting portions of its analyses and the factors considered, without considering all analyses and factors, would create an incomplete view of the process underlying the analyses set forth in its presentation to the AirGate board of directors. Banc of America Securities did not assign any specific weight to any of the analyses described above. The fact that any specific analysis has been referred to in the summary above is not meant to indicate that that analysis was given greater weight than any other analysis. Accordingly, the ranges of valuations resulting from any particular analysis described above should not be taken to be Banc of America Securities' view of the actual values of AirGate or Alamosa.

In performing its analyses, Banc of America Securities made numerous assumptions with respect to industry performance, general business and economic conditions and other matters, many of which are beyond the control of AirGate and Alamosa. The analyses performed by Banc of America Securities are not necessarily indicative of actual values or actual future results, which may be significantly more or less favorable than those suggested by these analyses. These analyses were prepared solely as part of Banc of America Securities' analysis of the financial fairness of the consideration to be received by the stockholders of AirGate in the merger and were provided to the AirGate board of directors in connection with the delivery of Banc of America Securities' opinion. The analyses do not purport to be appraisals or to reflect the prices at which a company might actually be sold or the prices at which any securities have traded or may trade at any time in the future.

As described above, Banc of America Securities' opinion and presentation to the AirGate board of directors were among the many factors taken into consideration by the AirGate board of directors in making its determination to approve, and to recommend that AirGate's stockholders adopt, the merger agreement.

AirGate agreed to pay Banc of America Securities a fixed fee at the time it delivered its opinion and a transaction fee contingent on the completion of the merger. The transaction fee will be determined at the time the merger is completed and will be based on the aggregate transaction value. The AirGate board of directors was aware of this fee structure and took it into account in considering Banc of America Securities' fairness opinion and in approving the merger agreement. The engagement letter calls for AirGate to reimburse Banc of America Securities for its reasonable out-of-pocket expenses, and AirGate has agreed to indemnify Banc of America Securities, its affiliates, and their respective partners, directors, officers, agents, consultants, employees and controlling persons against particular liabilities, including liabilities under the federal securities laws.

In the ordinary course of its business, Banc of America Securities actively trades the equity securities of AirGate and Alamosa for its own account and for the accounts of customers. Accordingly, Banc of America Securities may at any time hold a long or short position in those securities. Banc of America Securities also acted as joint book runner in connection with a high yield debt offering of AirGate that closed on October 7, 2004, and it and its affiliates have provided and may in the future provide services to AirGate and Alamosa.

Merger Consideration

As a result of the merger, AirGate stockholders will have the right to elect to receive, for each share of AirGate stock they own, either:

- 2.87 shares of common stock of Alamosa, or
- cash in an amount equal to the 2.87 exchange ratio multiplied by the average of the closing prices of Alamosa common stock during the 10 trading days ending the day before we complete the merger. We refer to this amount as the "Per Share Amount."

Alamosa will not pay in the aggregate more than $100 million to AirGate stockholders electing to receive cash, so AirGate stockholders that elect cash may receive a portion of their consideration in Alamosa common stock. See "—Adjustments" below.

The 2.87 exchange ratio is fixed and will not be adjusted to reflect stock price changes prior to closing.

Elections must be received by the exchange agent named in the form of election accompanying this joint proxy statement-prospectus by 5:00 p.m., New York City time, on • 2005. This is referred to as the election deadline. Any AirGate stockholder who either does not return by the election deadline or improperly completes and/or does not sign his or her form of election will receive cash, shares of Alamosa common stock or a mixture of cash and shares of Alamosa common stock. See "—Adjustments" below.

AirGate stockholders may specify different elections with respect to different shares held by them (for example, a stockholder with 100 shares could make a cash election with respect to 50 shares and a stock election with respect to the other 50 shares).

Adjustments

The merger agreement provides that Alamosa will pay no more than $100 million to AirGate stockholders that make a cash election. Therefore, the cash election is subject to adjustments to preserve this limitation. As a result, even if you make a cash election, you may nevertheless receive a mix of cash and stock.

The total number of shares of AirGate common stock for which valid cash elections are made is referred to as the "Cash Election Number." For purposes of the adjustments described below, any AirGate share with respect to which its holder exercises appraisal rights will be included in the calculation of the Cash Election Number.

The maximum number of shares of AirGate common stock that may be converted into the right to receive cash in the merger, which we refer to as the "Cash Conversion Number," is equal to the quotient obtained by dividing (1) $100 million by (2) the Per Share Amount. For example, if the Per Share Amount were $33.00, the Cash Conversion

Number would be approximately 3.03 million ($100 million / $33.00), meaning that up to approximately 3.03 million AirGate shares may be converted into the right to receive $33.00 in cash.

The number of AirGate shares with respect to which a cash election is made will determine the consideration to be received by AirGate stockholders who fail to make a valid election. As described below, non-electing stockholders will receive the cash consideration with respect to all or a portion of their shares of AirGate stock to the extent that the $100 million cash pool is not fully utilized after honoring all cash elections.

A. Adjustments if Cash Pool is Oversubscribed.

If the Cash Election Number is greater than the Cash Conversion Number, the cash election is oversubscribed. If the cash election is oversubscribed, then:

- an AirGate stockholder making no election or an invalid election will receive the stock consideration for each share of AirGate common stock as to which he or she made no election or an invalid election; and
- an AirGate stockholder making a cash election will receive:
  - the cash consideration for a number of AirGate shares equal to the product obtained by multiplying (1) the number of AirGate shares for which such stockholder has made a cash election by (2) a fraction, the numerator of which is the Cash Conversion Number and the denominator of which is the Cash Election Number; and
  - the stock consideration for the remaining AirGate shares for which the stockholder made a cash election.

Example A. Oversubscription of Cash Pool.

Assuming that:

- the Cash Conversion Number were 3 million, and
- the Cash Election Number were 6 million (in other words, only 3 million AirGate shares can receive the cash consideration, but AirGate stockholders have made cash elections with respect to 6 million AirGate shares),

then an AirGate stockholder making a cash election with respect to 1,000 AirGate shares would receive the cash consideration with respect to 500 AirGate shares (1,000 * 3/6) and the stock consideration with respect to the remaining 500 AirGate shares.

B. Adjustments if the Cash Pool is Undersubscribed.

If the Cash Election Number is less than the Cash Conversion Number, the cash election is undersubscribed. The amount by which the Cash Election Number is less than the Cash Conversion Number is referred to as the "Shortfall Number."

If the cash election is undersubscribed, then all AirGate stockholders making a cash election will receive the cash consideration for all shares of AirGate common stock as to which they made a cash election. AirGate stockholders who make no election and AirGate stockholders who failed to make a valid election will receive cash and/or Alamosa common stock based in part on whether the Shortfall Number is less or greater than the number of non-election shares, as described below.

Scenario 1: Shortfall Number is Less than the Number of Non Election Shares. If the Shortfall Number is less than the number of non-election shares, then:

- an AirGate stockholder who made no election or who did not make a valid election with respect to any of his or her shares will receive:
  - the cash consideration with respect to the number of AirGate shares equal to the product obtained by multiplying (1) the number of non-election shares held by such AirGate stockholder by (2) a fraction, the numerator of which is the Shortfall Number and the denominator of which is the total number of non-election shares; and
  - the stock consideration with respect to the remaining non-election shares held by such stockholder.

Example B. Undersubscription of Cash Pool and Shortfall Number Less than the Number of Non-Election Shares.

Assuming that:

- the Cash Conversion Number is 3 million,
- the Cash Election Number is 2 million (in other words, up to 3 million AirGate shares may be converted into the cash consideration but AirGate stockholders have made a cash election with respect to only 2 million AirGate shares, so the Shortfall Number is 1 million), and
- the total number of non-election shares is 4 million,

then an AirGate stockholder that has not made an election with respect to 1,000 AirGate shares would receive the cash consideration with respect to 250 AirGate shares (1,000 * 1/4) and the stock consideration with respect to the remaining 750 AirGate shares.

Scenario 2: Shortfall Number Equals to or Exceeds Number of Non-Election Shares. If the Shortfall Number equals to or exceeds the number of non-election shares, then an AirGate stockholder who made no election or who has not made a valid election will receive the cash consideration for each share of AirGate common stock for which he or she did not make a valid election.

No Fractional Shares

No fractional shares of Alamosa common stock will be issued to any holder of AirGate common stock upon completion of the merger. For each fractional share that would otherwise be issued, Alamosa will pay cash in an amount equal to the fraction multiplied by the average of the closing prices of Alamosa common stock during the 10 trading days ending the day before we complete the merger. No interest will be paid or accrued on cash payable to holders in lieu of fractional shares.

Treatment of Options

All outstanding and unexercised options to purchase shares of AirGate common stock pursuant to any option plan maintained by AirGate (other than the AirGate 2001 Employee Stock Purchase Plan) will, at the effective time, be cancelled and all rights thereunder will be extinguished, in exchange for payment by AirGate of an amount in cash equal to the product of the number of shares of AirGate common stock underlying such option times the amount by which the Per Share Amount exceeds the exercise price per share of such option.

Treatment of Warrants

Each outstanding warrant to acquire AirGate stock will be assumed by Alamosa and each warrant will have, and be subject to, the same terms and conditions as set forth in the applicable warrant agreement immediately prior to the effective time, except that outstanding warrants will be exercisable for shares of Alamosa common stock and cash in the same proportion that the holders of AirGate common stock receive in the aggregate in the merger.

Treatment of Restricted Common Stock Units

Immediately prior to the effective time, each outstanding restricted stock unit granted by AirGate will be cancelled and all rights thereunder will be extinguished. AirGate will pay to each holder of restricted stock units an amount in cash equal to the product of (1) the Per Share Amount multiplied by (2) the number of restricted stock units held by such holder immediately prior to such cancellation.

Conversion of Shares; Exchange of Certificates; Election as to Form of Consideration

The conversion of AirGate common stock into the right to receive the merger consideration will occur automatically at the effective time of the merger. As soon as reasonably practicable after the effective time of the merger, •, as exchange agent, will exchange certificates representing shares of AirGate common stock for the merger consideration to be received in the merger pursuant to the terms of the merger agreement.

Form of Election

The merger agreement provides that at the time this joint proxy statement-prospectus is made available to stockholders, AirGate stockholders will be provided with a form of election and other appropriate and customary transmittal materials. Each form of election will allow the holder to make cash or stock elections. The exchange agent will also make available forms of election to holders of AirGate common stock who request the form of election prior to the election deadline.

Holders of AirGate common stock who wish to elect the type of merger consideration they will receive in the merger should carefully review and follow the instructions set forth in the form of election. Stockholders who hold their shares in "street name" should follow their broker's instructions for making an election with respect to such shares. Shares of AirGate common stock as to which the holder has not made a valid election prior to the election deadline, which is 5:00 p.m., New York City time, on •, 2005, the day prior to the date of the AirGate special meeting, will be treated as though they had not made an election.

To make an election, a holder of AirGate common stock must submit a properly completed form of election, together with stock certificates, so that it is actually received by the exchange agent at or prior to the election deadline in accordance with the instructions on the form of election.

A form of election will be properly completed only if accompanied by certificates representing all shares of AirGate common stock covered by the form of election (or appropriate evidence as to the loss, theft or destruction, appropriate evidence as to the ownership of that certificate by the claimant, and appropriate and customary indemnification, as described in the form of election). If a stockholder cannot deliver his or her stock certificates to the exchange agent by the election deadline, a stockholder may deliver a notice of guaranteed delivery promising to deliver his or her stock certificates, as described in the form of election, so long as (1) the guarantee of delivery is from a firm which is a member of the NYSE or another registered national securities exchange or a commercial bank or trust company having an office in the United States and (2) the actual stock certificates are in fact delivered to the exchange agent by the time set forth in the guarantee of delivery.

Generally, an election may be revoked or changed, but only by written notice received by the exchange agent prior to the election deadline accompanied by a properly completed and signed form of election. If an election is revoked, or the merger agreement is terminated, and any certificates have been transmitted to the exchange agent, the exchange agent will promptly return those certificates to the stockholder who submitted those certificates via first-class mail or, in the case of shares of AirGate common stock delivered by book-entry transfer into the exchange agent's account at the Depository Trust Company, or DTC, by crediting to an account maintained by such stockholder within DTC promptly following the termination of the merger or revocation of the election.

AirGate stockholders will not be entitled to revoke or change their elections following the election deadline. As a result, stockholders who have made elections will be unable to revoke their elections or sell their shares of AirGate common stock during the interval between the election deadline and the date of completion of the merger.

Shares of AirGate common stock as to which the holder has not made a valid election prior to the election deadline, including as a result of revocation, will be deemed non-election shares. If it is determined that any purported cash election or stock election was not properly made, the purported election will be deemed to be of no force or effect and the holder making the purported election will be deemed not to have made an election for these purposes, unless a proper election is subsequently made on a timely basis.

Letter of Transmittal

Soon after the completion of the merger, the exchange agent will send a letter of transmittal to only those persons who were AirGate stockholders at the effective time of the merger and who have not previously submitted a form of election and properly surrendered shares of AirGate common stock to the exchange agent. This mailing will contain instructions on how to surrender shares of AirGate common stock (if these shares have not already been surrendered) in exchange for the merger consideration the holder is entitled to receive under the merger agreement.

If a certificate for AirGate common stock has been lost, stolen or destroyed, the exchange agent will issue the consideration properly payable under the merger agreement upon receipt of appropriate evidence as to that loss, theft or destruction, appropriate evidence as to the ownership of that certificate by the claimant, and appropriate and customary indemnification.

Dividends and Distributions

Until AirGate common stock certificates are surrendered for exchange, any dividends or other distributions declared after the effective time with respect to Alamosa common stock into which shares of AirGate common stock may have been converted will accrue but will not be paid. Alamosa will pay to former AirGate stockholders any unpaid dividends or other distributions, without interest, only after they have duly surrendered their AirGate stock certificates. After the effective time of the merger, there will be no transfers on the stock transfer books of AirGate of any shares of AirGate common stock. If certificates representing shares of AirGate common stock are presented for transfer after the completion of the merger, they will be cancelled and exchanged for the merger consideration into which the shares of AirGate common stock represented by that certificate have been converted.

Withholding

The exchange agent will be entitled to deduct and withhold from the merger consideration payable to any AirGate stockholder the amounts it is required to deduct and withhold under any federal, state, local or foreign tax law. If the exchange agent withholds any amounts, these amounts will be treated for all purposes of the merger as having been paid to the stockholders from whom they were withheld.

Effective Time

The merger will be completed when we file a certificate of merger with the Secretary of State of the State of Delaware. However, we may agree to a later time for completion of the merger and specify that time in the certificate of merger. We will complete the merger on the second business day after all the conditions to the merger set forth in the merger agreement have first been satisfied or waived, unless we agree otherwise.

We anticipate that the merger will be completed during the second quarter of 2005. However, completion of the merger could be delayed if there is a delay in obtaining the required regulatory approvals or in satisfying any other conditions to the merger. There can be no assurances as to whether, or when, Alamosa and AirGate will obtain the required approvals or complete the merger. If the merger is not completed on or before June 30, 2005, either Alamosa or AirGate may terminate the merger agreement, unless the failure to complete the merger by that date is due to the failure of the party seeking to terminate the merger agreement to perform its covenants and agreements in the merger agreement. See "—Conditions to the Completion of the Merger" immediately below.

Conditions to the Completion of the Merger

Completion of the merger is subject to various conditions. While it is anticipated that all of these conditions will be satisfied, there can be no assurance as to whether or when all of the conditions will be satisfied or, where permissible, waived.

The respective obligations of Alamosa and AirGate to complete the merger are subject to the following conditions:

- adoption of the merger agreement by AirGate's stockholders;
- approval by Alamosa's stockholders of the issuance of Alamosa common stock to be issued in the merger;
- authorization by the Nasdaq National Market of listing of the shares of Alamosa common stock to be issued in the merger;
- expiration or termination of all waiting periods under the HSR Act;

- effectiveness of the registration statement, of which this joint proxy statement-prospectus constitutes a part, for the Alamosa shares to be issued in the merger;

- absence of any judgment, order, injunction or decree of a court or agency of competent jurisdiction which prevents consummation of the merger;
- receipt by AirGate of Sprint PCS' consent to complete the merger;
- accuracy of the other party's representations and warranties contained in the merger agreement, except, in the case of most of such representations and warranties, where the failure to be accurate would not reasonably be expected to have, individually or in the aggregate, a material adverse effect on the party making the representations and warranties, and the performance by the other party of its obligations contained in the merger agreement in all material respects;
- the receipt by such party of an opinion of its counsel, dated the closing date of the merger, substantially to the effect that the merger will be treated for United States federal income tax purposes as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code.

Representations and Warranties

Each of AirGate and Alamosa has made representations and warranties to the other in the merger agreement as to:

- corporate existence, corporate power, good standing and qualification to conduct business;
- capital structure;
- due authorization, execution, delivery and enforceability of the merger agreement;
- absence of any violation of governing instruments, agreements, law or regulation as a result of the merger;
- governmental and third party consents and approvals necessary to complete the merger;
- SEC filings;
- financial statements;
- absence of undisclosed liabilities;
- absence of material adverse changes;
- property;
- environmental matters;
- insurance;
- legal proceedings and regulatory actions;
- compliance with laws;
- employee benefit matters;
- tax matters;
- Sprint agreement compliance;
- intellectual property;
- labor relations;
- tax treatment of the merger;
- broker's fees;
- receipt of fairness opinions;

- related party transactions;
- accuracy of information included in this document; and
- disclosure controls and procedures.

Alamosa has also made representations and warranties to AirGate with respect to Alamosa's ownership of AirGate common stock and the adequacy of financing to repurchase any AirGate debentures that may be tendered following completion of the merger. AirGate has also made representations and warranties to Alamosa with respect to the inapplicability of the business combination provision of its certificate of incorporation and the inapplicability of state anti-takeover laws. AirGate has also made representations with respect to (1) leases, (2) contracts, (3) distributors and suppliers and (4) its debt indentures.

Conduct of Business Pending the Merger

Each of the parties has agreed, during the period from the date of the merger agreement to the completion of the merger, to use its reasonable best efforts to:

- preserve its business organization and that of its subsidiaries intact;
- keep available to itself and to the combined company the present services of its officers and employees; and
- preserve for itself and for the combined company the existing business relationships and the goodwill of its customers, vendors and distributors and others with whom business relationships exist.

In addition, each of Alamosa and AirGate has agreed that it will not, and will not permit any of its subsidiaries to, without the prior written consent of the other party,

- in the case of AirGate, declare, set aside or pay any dividends on, or make any distributions in respect of its capital stock, other than dividends from one subsidiary to another subsidiary or to AirGate and, in the case of Alamosa, declare or pay any dividends on or make any distributions in respect of its capital stock, other than (1) dividends from one subsidiary to another subsidiary or to Alamosa and (2) regular dividends in respect of shares of Alamosa Series B Preferred Stock and Series C Preferred Stock;
- take any action or fail to take any action that is intended or may reasonably be expected to result in any of the party's representations and warranties being or becoming untrue in any material respect, or in any conditions to the merger not being satisfied, in the case of AirGate, and not being satisfied on a timely basis, in the case of Alamosa;
- change its methods of accounting in effect at September 30, 2004, in the case of AirGate, and December 31, 2003, in the case of Alamosa, except as required by changes in GAAP concurred to by its independent auditors;
- in the case of AirGate, amend its certificate of incorporation or bylaws or other similar governing documents and, in the case of Alamosa, amend its certificate of incorporation, except to authorize additional common shares; or
- take or cause to be taken, or fail to take or cause to be taken, any action that would reasonably be expected to disqualify the merger as a reorganization under Section 368(a) of the Internal Revenue Code.

In addition, AirGate has agreed to conduct its business in the ordinary course consistent with past practice, and has agreed to additional covenants that place restrictions on the conduct of the business of AirGate and its subsidiaries, including specific covenants providing that AirGate and its subsidiaries will not, without the prior written consent of Alamosa or as otherwise previously agreed:

- split, combine or reclassify any shares of its capital stock or issue or authorize or propose the issuance of any other securities in respect of, in lieu of or in substitution for shares of its capital stock;

- repurchase, redeem or otherwise acquire any shares of the capital stock of AirGate or any of its subsidiaries, or any securities convertible into or exercisable for any shares of the capital stock of AirGate or any of its subsidiaries;
- issue, deliver or sell, pledge or authorize or propose the issuance, delivery or sale of any shares of its capital stock or any securities convertible into or exercisable for, or any rights, warrants or options to acquire, any such shares (except for the issuance of AirGate common stock upon the exercise of options, warrants or other rights to purchase AirGate common stock outstanding and in existence on the date of the merger agreement);
- acquire or agree to acquire, by merging or consolidating with, or purchasing a substantial equity interest in or a substantial portion of the assets of, any business or any corporation, partnership, association or other business organization or division or otherwise acquire any material amount of assets;
- except as required by applicable law or as required to maintain qualification pursuant to the Internal Revenue Code, adopt, amend, renew or terminate any employee benefit plan or any agreement, arrangement, plan or policy between AirGate or any of its subsidiaries and any of its current or former directors, officers or employees;
- except for normal increases in the ordinary course of business consistent with past practice or as required by applicable law, increase in any manner the compensation or fringe benefits of any director, officer or employee or pay any benefit not contemplated by any employee benefit plan or agreement in effect as the date of the merger agreement;
- make any loans to any of its officers, directors, employees, affiliates, agents or consultants or make any change in its existing borrowing or lending arrangements for or on behalf of any of such persons, whether pursuant to an employee benefit plan or otherwise;
- sell, lease, encumber, assign or otherwise dispose of, or agree to sell, lease, encumber, assign or otherwise dispose of, abandon or fail to maintain, any of its assets, properties or other rights or agreements other than dispositions of inventory;
- create, incur, assume or suffer to exist any indebtedness or issuances of any debt securities or assume, guarantee or endorse the obligations of any third party;
- except for in the ordinary course of business (as to which AirGate will provide prior notice to Alamosa), enter into, renew, amend or waive in any material manner, or fail to perform any obligation under, or terminate or give notice of a proposed renewal or material amendment, waiver or termination of, any contract, agreement or lease, to which AirGate or any of its subsidiaries is a party;
- enter into, renew, amend, waive or terminate, or give notice of a proposed renewal, amendment, waiver or termination of any agreement between AirGate and Sprint;
- enter into any agreement, letter of intent or agreement in principle (whether or not binding) relating to any acquisition proposal (as defined under "—No Solicitation of Alternative Transactions");
- take or cause to be taken any action that could reasonably be expected to delay the consummation of the transactions contemplated by the merger agreement, including, without limitation, the consummation of the merger;
- make or change any material tax elections, adopt any new accounting method relating to taxes, change any accounting method related to taxes unless required by GAAP, enter into any closing agreement relating to taxes, settle any claim or assessment relating to taxes, or consent to any claim of assessment relating to taxes or any waiver of the statutory limitation period applicable to any tax claim or assessment;
- enter into or amend in any material manner any contract, agreement or arrangement with any officer, director, employee, consultant or stockholder of AirGate or any of its subsidiaries or with any affiliate or associate of such parties;

- acquire additional territory or related assets from Sprint PCS or acquire, or participate in any auction or other process related to the acquisition of personal communications service licenses or wireless spectrum;
- except in the ordinary course of business and consistent with past practice, pay, satisfy, discharge or settle any claims, liabilities or obligations;
- authorize for issuance, issue, deliver, sell, pledge, dispose of, encumber or grant any lien on, or authorize or propose the issuance, delivery, sale, pledge, disposition of, encumbrance or grant of any lien on, any shares of its capital stock or capital stock of any of its subsidiaries, or other voting securities or any securities convertible into or exercisable for, or any rights, warrants or options to acquire, any such securities or voting securities or any other ownership interest (or interest the value of which is derived by reference to any of the foregoing);
- make any loans, advances or capital contributions to or investments in any third party;
- enter into any new line of business;
- enter into, implement, or otherwise become subject to or bound by any new employment agreement, arrangement, commitment or program which provides for severance payments or benefits, or amend any existing employment agreement, arrangement, commitment or program in a manner that increases any severance payments or benefits;
- make any capital expenditures other than those which are set forth in the budget provided to Alamosa, except that AirGate will, and will cause its subsidiaries to, consult with Alamosa prior to making, or committing to make, any capital expenditures on its network;
- except in the ordinary course of business, voluntarily permit any material insurance policy naming AirGate or any of its subsidiaries as a beneficiary or a loss payee to be canceled or terminated; or
- fund any trust under any indemnity agreement or any other agreement or arrangement with any current or former director, officer or other employee of AirGate or any of its subsidiaries.

In addition, Alamosa agreed not to enter into any agreement to acquire or purchase any person or any interest in any person if such acquisition or purchase would cause a material delay in or prevent the receipt of any antitrust or competition law approval necessary for the consummation of the merger, unless prior to taking such action Alamosa reasonably determines that such action would not be reasonably expected to cause such effect.

No Solicitation of Alternative Transactions

AirGate has agreed that it and its subsidiaries will not authorize its or its subsidiaries' officers, directors or employees or any investment banker, financial advisor, attorney, accountant or other representative retained by it or any of its subsidiaries to (1) solicit, initiate or encourage (including by way of furnishing information or assistance), or take any other action designed to facilitate or encourage any inquiries or the making of any proposal that constitutes, or is reasonably likely to lead to, any acquisition proposal, (2) participate in any discussions or negotiations regarding any acquisition proposal or (3) make or authorize any statement, recommendation or solicitation in support of any acquisition proposal.

For purposes of the merger agreement, the term "acquisition proposal" means any inquiry, proposal or offer, filing of any regulatory application or notice or disclosure of an intention to do any of the foregoing from any person relating to any (1) direct or indirect acquisition or purchase of a business that constitutes a substantial portion of the net revenues, net income or assets of AirGate or any of its subsidiaries, (2) direct or indirect acquisition or purchase of any class of equity securities representing 10% or more of the voting power of AirGate or any of its subsidiaries, (3) tender offer or exchange offer that if completed would result in any person beneficially owning 10% or more of the voting power of AirGate, or (4) merger, consolidation, business combination, recapitalization, liquidation, dissolution or similar transaction involving AirGate or any of its subsidiaries, other than transactions contemplated by the merger agreement.

The merger agreement permits AirGate and its subsidiaries to comply with Rule 14d-9 and Rule 14e-2(a)under the Securities Exchange Act with regard to an acquisition proposal that AirGate may receive. In addition, AirGate is permitted to furnish nonpublic information to, and enter into discussions or negotiations with, a third party making an acquisition proposal if:

- AirGate receives the acquisition proposal prior to the approval of the merger agreement by AirGate stockholders;
- the AirGate board of directors concludes in good faith (after consultation with its outside counsel and its financial advisor) that the acquisition proposal constitutes or could reasonably be expected to lead to a "superior proposal;"
- the AirGate board of directors reasonably determines in good faith, after consultation with outside legal counsel, that it is required to do so in order to comply with its fiduciary duties under applicable law;
- AirGate enters into a confidentiality agreement with the person making the inquiry or proposal having terms that are no less restrictive to that person than those in the confidentiality agreement between Alamosa and AirGate; and
- AirGate notifies Alamosa promptly, and in any event within 24 hours, of its receipt of any acquisition proposal or any request for nonpublic information relating to it or any of its subsidiaries by any third party considering making, or that has made, an acquisition proposal, of the identity of the third party, and the material terms and conditions of any inquiries, proposals or offers. If AirGate enters into discussions or negotiations concerning any acquisition proposal or provides non-public information or data to any third party, it must promptly notify Alamosa and provide updates on the status of the terms of any proposals, offers, discussions or negotiations on a current basis.

For purposes of the merger agreement, the term "superior proposal" means a bona fide written acquisition proposal which the AirGate board of directors determines in good faith, after consultation with its financial advisors and legal advisors, taking into account all legal, financial, regulatory and other aspects of the proposal and the person making the proposal (including any break-up fees, expense reimbursement provisions and conditions to consummation), (1) is more favorable to the AirGate shareholders from a financial point of view than the transactions contemplated by the merger agreement and (2) is fully financed or reasonably capable of being fully financed, reasonably likely to receive all required governmental approvals on a timely basis and otherwise reasonably capable of being completed on the terms proposed; provided that, for purposes of this definition of "superior proposal," any reference to "10% or more" in the definition of "acquisition proposal" will be deemed to be a reference to "a majority" and "acquisition proposal" will only be deemed to refer to a transaction involving AirGate.

Termination of the Merger Agreement

General.   The merger agreement may be terminated at any time prior to completion of the merger, whether before or after the approval of the issuance of shares in the merger and the adoption of the merger agreement, by Alamosa's and

AirGate's stockholders, respectively, in any of the following ways:

- by mutual consent of Alamosa, AirGate and Merger Sub;
- by either Alamosa or AirGate, upon written notice to the other party, if any governmental entity of competent jurisdiction has issued a final nonappealable order enjoining or otherwise prohibiting the merger;
- by either Alamosa or AirGate, if the merger is not completed on or before June 30, 2005, unless the failure of the closing to occur by this date is due to the failure of the party seeking to terminate the merger agreement to perform or observe its covenants and agreements contained in the merger agreement;
- by either Alamosa or AirGate, if any approval of the stockholders of Alamosa or AirGate required for completion of the merger has not been obtained at the appropriate stockholder meeting;

- by either Alamosa or AirGate, if (1) the terminating party is not then in material breach of any representation, warranty, covenant or other agreement contained in the merger agreement and (2) there has been a breach of any of the representations or warranties of the other party in the merger agreement, which breach is not cured within 30 days following written notice to the party committing the breach, or which breach, by its nature, cannot be cured prior to the closing date of the merger, and which breach, individually or together with all other breaches, would, if occurring or continuing on the closing date, result in the failure of the condition relating to breaches of representations or warranties described under "—Conditions to the Completion of the Merger;"
- by either Alamosa or AirGate, if (1) the terminating party is not then in material breach of any representation, warranty, covenant or other agreement contained in the merger agreement and (2) there has been a breach of any of the covenants or agreements of the other party in the merger agreement, which breach is not cured within 30 days following written notice to the party committing the breach, or which breach, by its nature, cannot be cured prior to the closing date of the merger, and which breach, individually or together with all other breaches, would, if occurring or continuing on the closing date, result in the failure of the condition relating to the performance of obligations described under "—Conditions to the Completion of the Merger;"
- by either Alamosa or AirGate, if (1) the board of directors of the other party does not publicly recommend in this document that its stockholders approve and adopt the merger agreement (in the case of AirGate) or approve the issuance of shares of Alamosa common stock pursuant to the merger (in the case of Alamosa), (2) after recommending that its stockholders approve and adopt the merger agreement (in the case of AirGate) or approve the issuance of shares (in the case of Alamosa), the board of directors of the other party withdraws, modifies or amends its recommendation in a manner adverse to the other party, or (3) the other party materially breaches its obligation to call its stockholders meeting to vote on the approval and adoption of the merger agreement (in the case of AirGate) or the issuance of shares of common stock (in the case of Alamosa) or fails to prepare and mail to its stockholders this joint proxy statement-prospectus; or
- by Alamosa, if the board of directors of AirGate has authorized, recommended, proposed or publicly announced its intention to authorize, recommend or propose any acquisition proposal with any party other than Alamosa.

Termination Fees. The merger agreement provides that AirGate may be required to pay a termination fee to Alamosa of up to $11 million in the following circumstances:

- If Alamosa terminates the merger agreement because (1) the board of directors of AirGate did not publicly recommend that its stockholders approve and adopt the merger agreement, (2) after recommending that its stockholders approve and adopt the merger agreement, AirGate's board of directors withdrew, modified or amended its recommendation in a manner adverse to Alamosa, (3) AirGate materially breached its obligations to call its stockholders meeting to vote on the approval and adoption of the merger agreement or failed to prepare and mail to its stockholders this joint proxy statement-prospectus or (4) AirGate's board of directors has authorized, recommended, proposed or publicly announced its intention to authorize, recommend or propose any acquisition proposal with any person other than Alamosa, AirGate must pay the full termination fee on the business day following the termination.
- If (1) the merger agreement is terminated by either party because the required AirGate stockholder vote was not obtained at the AirGate stockholders meeting and (2) an acquisition proposal for AirGate was publicly announced or otherwise communicated to the board of directors of AirGate before its stockholders meeting, which we refer to as a public proposal, then AirGate must pay Alamosa one-third of the termination fee. If, within 12 months after this termination of the merger agreement, AirGate or any of its subsidiaries enters into an

agreement for, or completes, any acquisition proposal, the remaining two-thirds of the termination fee will become payable to Alamosa.
- If (1) the merger agreement is terminated by either party because the merger has not been completed by June 30, 2005 or by Alamosa because of a material breach by AirGate that causes a condition to the merger with respect to AirGate's representations and warranties or its performance of its obligations under the merger agreement to not be satisfied, (2) a public proposal for AirGate was made before the merger agreement was terminated and (3) after the announcement of the public proposal, AirGate willfully breached any of its representations, warranties, covenants or agreements and the breach materially contributed to the failure of the merger to become effective, then AirGate must pay Alamosa one-third of the termination fee. If, within 12 months after this termination of the merger agreement, AirGate or any of its subsidiaries enters into an agreement for, or completes, an acquisition proposal, the remaining two-thirds of the termination fee will become payable to Alamosa.

The merger agreement provides that Alamosa may be required to pay a termination fee to AirGate of up to $11 million in the following circumstances:

- If the merger agreement is terminated by Alamosa or AirGate as a result of the failure to obtain the required vote of Alamosa's stockholders; or
- If AirGate terminates the merger agreement because (1) the board of directors of Alamosa did not publicly recommend that its stockholders approve the issuance of shares of Alamosa common stock pursuant to the merger agreement, (2) after recommending that its stockholders approve the issuance of shares, Alamosa's board of directors withdrew, modified or amended its recommendation in a manner adverse to AirGate, or (3) Alamosa materially breached its obligations to call its stockholders meeting to vote on the approval of the issuance of shares or failed to prepare and mail to its stockholders this joint proxy statement-prospectus.

Effect of Termination. If the merger agreement is terminated, it will become void and there will be no liability on the part of Alamosa or AirGate or their respective officers or directors, except that:

- any termination will be without prejudice to the rights of any party arising out of the willful breach by the other party of any provision of the merger agreement; and
- certain designated provisions of the merger agreement, including the payment of fees and expenses, the confidential treatment of information and, if applicable, the termination fee described above, will survive the termination.

Regulatory Approvals Required for the Merger

Under the Hart-Scott-Rodino Act, Alamosa and AirGate cannot complete the merger until they have given the following notice and information to the Federal Trade Commission, or the FTC, and the Antitrust Division of the United States Department Of Justice, (DOJ), and one or more specified waiting periods expire or are earlier terminated:

- notification that Alamosa and AirGate desire to merge; and
- certain information relating to the nature of the businesses and industries in which Alamosa and AirGate operate.

Alamosa and AirGate intend to file the required notification and reports forms under the HSR Act with the FTC and the DOJ on or prior to December 31, 2004. The merger cannot be consummated until a required waiting period of 30 days from the date of such filing has expired or been terminated earlier by the Antitrust Division of the DOJ.

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Material United States Federal Income Tax Consequences

General.

The following discussion is a summary description of the material United States federal income tax consequences of the merger and is not intended to be a complete discussion of all potential tax effects that might be relevant to the merger. This summary is limited to United States Persons (as defined below) who hold their AirGate stock as "capital assets" within the meaning of Section 1221 of the Internal Revenue Code of 1986, as amended (the "Code"), and whose "functional currency" as defined in the Code is the U.S. dollar ("United States Holders"). "United States Person" means (1) a citizen or resident of the United States, (2) a corporation or partnership created or organized in or under the laws of the Unites States or any state thereof, or (3) an estate or trust that is subject to United States federal income taxation without regard to the source of its income.

This summary may not address federal income tax consequences that may be important to a stockholder in light of that stockholder's particular circumstances or to stockholders subject to special rules, including, but not limited to, tax-exempt organizations, a stockholder who is not a U.S. person, or stockholders who acquired their AirGate common stock pursuant to the exercise of options or similar securities or otherwise as compensation. Stockholders who elect to receive cash in connection with the merger may recognize taxable gains. Such gains will under most circumstances be treated as capital gains. Complicated rules, certain of which are summarized below, apply for determining the character of any gain so recognized. In addition, no information is provided with respect to the tax consequences of the merger under foreign, state or local laws. Finally, this summary is based on the Code, regulations, rulings, practice, and judicial decisions as in effect on the date of this Joint Proxy Statement—Prospectus, without consideration of the particular facts or circumstances of any stockholder. Legislative, judicial, or administrative changes or interpretations may be forthcoming that could alter or modify the statements or conclusions set forth herein. Any such changes or interpretations may be retroactive and could affect the tax consequences to stockholders described herein. CONSEQUENTLY, EACH STOCKHOLDER IS ADVISED TO CONSULT HIS OR HER OWN TAX ADVISOR AS TO THE SPECIFIC TAX CONSEQUENCES TO HIM OR HER OF THE MERGER.

The Merger. The consummation of the merger is conditioned upon the receipt by AirGate of an opinion from Winston & Strawn LLP and the receipt by Alamosa of an opinion from Skadden, Arps, Slate, Meagher & Flom LLP substantially to the effect that the merger will be a tax-free reorganization under the Code and that AirGate stockholders who exchange their shares solely for the shares of Alamosa will recognize no gain or loss for federal income tax purposes as a result of the consummation of the merger. The opinions will be based upon certain customary assumptions and representations of fact, including representations of fact contained in certificates of officers of Alamosa and AirGate, all of which must be true and accurate in all material respects as of the effective time of the merger. No ruling has been sought from the Internal Revenue Service as to the federal income tax consequences of the merger, and the opinions of counsel are not binding upon the Internal Revenue Service or any court.

Treatment of stockholders who exchange AirGate common stock solely for Alamosa common stock. In accordance with counsels' opinions to the effect that the merger is a tax-free reorganization, except as discussed below with respect to the receipt of cash in lieu of fractional shares, a U.S. holder of AirGate common stock who exchanges that stock solely for Alamosa common stock pursuant to the merger will not recognize any gain or loss on the exchange. The aggregate adjusted basis of Alamosa common stock received will equal the holder's adjusted tax basis in the AirGate stock surrendered.

Treatment of stockholders who exchange AirGate common stock solely for cash. A U.S. holder of AirGate common stock who exchanges that stock solely for cash consideration pursuant to the merger will generally recognize capital gain or loss in an amount equal to the difference between the amount of cash consideration received and the holder's adjusted tax basis in the AirGate common stock surrendered therefor. The capital gain or loss recognized will be long term capital gain or loss if the

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U.S. holder's holding period for the AirGate common stock so surrendered is more than one year and will be eligible for a maximum tax rate of 15%.

Treatment of stockholders who exchange AirGate common stock for a combination of Alamosa common stock and cash. Except as discussed below with respect to the receipt of cash in lieu of fractional shares, a U.S. holder of AirGate common stock who receives a combination of Alamosa common stock and cash (other than cash received in lieu of fractional shares) in exchange for AirGate common stock in the merger will recognize gain, but not loss, on the exchange. The gain, if any, that the holder will recognize will equal the lesser of (1) the amount of cash received in the exchange and (2) the amount of gain that the holder realizes in the exchange. The amount of gain that the holder realizes in the exchange will equal the excess of (1) the sum of the cash plus the fair market value of the Alamosa common stock received in the exchange over (2) the tax basis of the AirGate common stock surrendered. The aggregate tax basis of the Alamosa stock received (including any fractional shares deemed received, as described below) will be equal to the aggregate tax basis of the AirGate common stock surrendered in the exchange, decreased by the amount of cash received, and increased by the amount of gain recognized. The holding period of the Alamosa stock received will include the holding period of the AirGate common stock surrendered in exchange therefor. Except as discussed below, gain recognized will be long term capital gain if the U.S. holder's holding period for the AirGate common stock so surrendered is more than one year and will be eligible for a maximum tax rate of 15%.

In a circumstance where an AirGate stockholder receives a combination of Alamosa common stock and cash, that stockholder would be required to treat part or all of the recognized gain as dividend income rather than as a capital gain if the receipt of cash has the effect of a distribution of a dividend. In making this determination, such holders will be treated as receiving solely Alamosa common stock in the merger and, immediately thereafter, having Alamosa redeem a number of shares of Alamosa stock equal in value to the cash consideration the holders actually received. The receipt of cash will not have the effect of a distribution of a dividend under this analysis if this hypothetical redemption satisfies the requirements for non-dividend treatment under Section 302 of the Code. Generally the requirements for non-dividend treatment under Section 302 of the Code will be satisfied if (1) a holder's percentage ownership of Alamosa common stock immediately after the redemption is less than 80% of the holder's percentage ownership of stock immediately before the redemption (2) the holder's ownership interest in Alamosa is completely terminated or (3) the redemption is "not essentially equivalent to a dividend." If a holder's percentage ownership of Alamosa common stock is minimal and the holder exercises no control over the affairs of Alamosa, even a small reduction in the holder's percentage ownership should satisfy the "not essentially equivalent to a dividend" test. In determining whether any of these tests are satisfied, holders must generally take into account not only the stock they own or are deemed to own directly, but also stock that they are treated as owning constructively by reason of certain attribution rules under Section 318 of the Code, including, generally, stock owned by certain family members, stock issuable upon the exercise of options, stock owned by certain estates and trusts of which the stockholder is a beneficiary, and stock owned by certain affiliated entities. AirGate stockholders should consult their own tax advisers as to application of this test to their particular circumstances, and as to the potential collateral consequences of dividend treatment.

Receipt of cash in lieu of fractional shares.   A U.S. holder of AirGate common stock who received cash in lieu of fractional shares of Alamosa common stock will be treated as having received such fractional shares pursuant to the merger and then as having exchanged such fractional shares for cash in redemption by Alamosa. The holder will then recognize gain or loss on this deemed redemption in an amount equal to the difference between the portion of the tax basis of the holder's AirGate common stock surrendered in the merger that is allocated to such fractional shares and the cash received in lieu thereof. The capital gain or loss recognized will be long term capital gain or loss if the U.S. holder's holding period for the AirGate common stock so surrendered is more than one year and will be eligible for a maximum tax rate of 15%.

Backup Withholding.   Unless a holder of AirGate common stock complies with certain reporting and/or certification procedures or is an exempt recipient under applicable provisions of the Code and

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Treasury regulations, cash payments in exchange for such holder's AirGate common stock in the merger may be subject to "backup withholding" at a rate of 28% for federal income tax purposes. Any amounts withheld under the backup withholding rules may be allowed as a refund or a credit against the holder's federal income tax liability, provided the required information is furnished to the IRS.

The above summary is not intended to constitute a complete analysis of all of the U.S. federal income tax consequences of the merger. This discussion is included for general information purposes only and may not apply to a particular stockholder in light of such stockholder's particular circumstances. Stockholders should consult their own tax advisors as to the particular tax consequences to them of the merger, including the application of state, local, and foreign tax laws.

Extension, Waiver and Amendment of the Merger Agreement

Extension and Waiver. At any time prior to the completion of the merger, each of Alamosa and AirGate may, to the extent legally allowed:

- extend the time for the performance of any of the obligations or other acts of the other party under the merger agreement;
- waive any inaccuracies in the other party's representations and warranties contained in the merger agreement; and
- waive the other party's compliance with any of its agreements contained in the merger agreement, or waive compliance with any conditions to its obligations under the merger agreement.

Amendment. Subject to compliance with applicable law, Alamosa and AirGate may amend the merger agreement at any time before or after adoption of the merger agreement by AirGate's stockholders, and approval of the issuance of Alamosa common stock to be issued in the merger by Alamosa's stockholders. However, after adoption of the merger agreement by AirGate stockholders, there may not be, without their further approval, any amendment of the merger agreement that reduces the amount or changes the form of the consideration to be delivered to the AirGate stockholders.

Employee Benefit Plans and Existing Agreements

Employee Benefit Plans. The merger agreement provides that following the merger, Alamosa will continue to provide to employees of AirGate and its subsidiaries who continue in employment with Alamosa or any of its subsidiaries, for so long as the employees remains employed with Alamosa or any subsidiary of Alamosa, employee benefits (1) pursuant to AirGate benefit plans as in effect before the merger or (2) pursuant to Alamosa benefit plans on terms no less favorable in the aggregate than the benefits provided to similarly situated Alamosa employees.

Alamosa will give full credit under its employee benefit plans for continuing AirGate employees' service with AirGate prior to the merger, for purposes of determining the employees' eligibility for benefits, their entitlement to benefits and the vested percentage of their benefits. Continuing AirGate employees will also be given credit for any amounts paid under a corresponding AirGate employee benefit plan for purposes of applying deductibles and co-payments as though the employee had paid the amounts in accordance with the terms and conditions of the applicable Alamosa plan, and Alamosa will waive pre-existing condition limitations and waiting periods to the extent satisfied under a corresponding AirGate plan.

Existing Agreements. Alamosa is obligated under the merger agreement to honor, in accordance with their terms, all disclosed employee benefit plans, employment, severance and other compensation agreements and arrangements between AirGate and its employees, provided that nothing prevents Alamosa from amending or terminating any plan, agreement or arrangement in accordance with its terms.

NASDAQ Listing

Alamosa common stock is listed on the Nasdaq National Market. Alamosa has agreed to use its reasonable best efforts to cause the shares of Alamosa common stock to be issued in the merger and upon exercise of existing AirGate warrants to be approved for listing on the Nasdaq National Market. It is a condition to completion of the merger that those shares be approved for listing on the Nasdaq National Market.

Expenses

The merger agreement provides that each of Alamosa and AirGate will pay its own expenses in connection with the transactions contemplated by the merger agreement, except that Alamosa and AirGate will share equally the costs and expenses of printing and mailing this joint proxy statement-prospectus to the stockholders of AirGate and Alamosa, and all filing and other fees paid to the SEC or any other government entity in connection with the merger and the other transactions contemplated hereby.

Appraisal Rights

Under Delaware law, holders of Alamosa's common stock are not entitled to appraisal rights in connection with the issuance of Alamosa's common stock in the merger.

Holders of shares of AirGate common stock who do not vote in favor of adopting the merger agreement and properly demand appraisal of their shares will be entitled to appraisal rights pursuant to the merger agreement under Section 262 of the DGCL, which is referred to as Section 262.

The following discussion is not a complete discussion of the law pertaining to appraisal rights under Section 262 and is qualified in its entirety by the full text of Section 262 which is attached to this joint proxy statement—prospectus as Appendix D. The following summary does not constitute any legal or other advice, nor does it constitute a recommendation that AirGate stockholders exercise their right to seek appraisal under Section 262. All references in Section 262 and in this summary to a "stockholder" are to the record holder of the shares of AirGate common stock as to which appraisal rights are asserted. A person having a beneficial interest in shares of AirGate common stock held of record in the name of another person, such as a broker, fiduciary, depositary or other nominee, must act promptly to cause the record holder to follow the steps summarized below properly and in a timely manner to perfect appraisal rights.

Under Section 262, persons who hold shares of AirGate common stock who do not vote in favor of adoption of the merger agreement, and who otherwise follow the procedures set forth in Section 262 will be entitled to have their shares appraised by the Delaware Court of Chancery and to receive payment of the "fair value" of the shares, exclusive of any element of value arising from the accomplishment or expectation of the merger, together with a fair rate of interest, if any, as determined by the court.

Under Section 262, where a merger is to be submitted for adoption at a meeting of stockholders, as in the case of the adoption of the merger agreement by AirGate stockholders, the corporation, not less than 20 days prior to the meeting, must notify each of its stockholders entitled to appraisal rights that appraisal rights are available and include in the notice a copy of Section 262. This joint proxy statement—prospectus shall constitute the notice, and the full text of Section 262 is attached to this joint proxy statement—prospectus as Appendix D. Any holder of AirGate common stock who wishes to exercise appraisal rights or who wishes to preserve such holder's right to do so, should review the following discussion and Appendix D carefully because failure to timely and properly comply with the procedures specified will result in the loss of appraisal rights. Moreover, due to the complexity of the procedures for exercising the right to seek appraisal, AirGate stockholders who are considering exercising such rights are urged to seek the advice of legal counsel.

Any AirGate stockholder wishing to exercise appraisal rights under Section 262 must:

- deliver to AirGate, before the vote on the adoption of the merger agreement at the AirGate special meeting, a written demand for the appraisal of the stockholder's shares;

- not vote its shares of common stock in favor of adoption of the merger agreement; and
- hold of record the shares of AirGate common stock on the date the written demand for appraisal is made and continue to hold the shares of record through the effective time of the merger.

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A proxy that is signed and does not contain voting instructions will, unless revoked, be voted in favor of the adoption of the merger agreement, and it will constitute a waiver of the stockholder's right of appraisal and will nullify any previously delivered written demand for appraisal. Therefore, a stockholder who votes by proxy and who wishes to exercise appraisal rights must vote against the adoption of the merger agreement, or abstain from voting on the merger agreement.

Neither voting against the adoption of the merger agreement, nor abstaining from voting or failing to vote on the proposal to adopt the merger agreement will in and of itself constitute a written demand for appraisal satisfying the requirements of Section 262. The written demand for appraisal must be in addition to and separate from any proxy or vote. The demand must reasonably inform AirGate of the identity of the holder as well as the intention of the holder to demand an appraisal of the "fair value" of the shares held by the holder. A stockholder's failure to make the written demand prior to the taking of the vote on the adoption of the merger agreement at the AirGate special meeting will constitute a waiver of appraisal rights.

Only a holder of record of shares of AirGate common stock on the record date for the AirGate special meeting is entitled to assert appraisal rights for the shares registered in that holder's name. A demand for appraisal in respect of shares of AirGate common stock should be executed by or on behalf of the holder of record, fully and correctly, as the holder's name appears on the holder's stock certificates, should specify the holder's mailing address and the number of shares registered in the holder's name, and must state that the person intends to demand appraisal of the holder's shares pursuant to the merger agreement. If the shares are owned of record in a fiduciary capacity, such as by a trustee, guardian or custodian, execution of the demand should be made in that capacity. If the shares are owned of record by more than one person, as in a joint tenancy and tenancy in common, the demand should be executed by or on behalf of all joint owners. An authorized agent, including an agent for two or more joint owners, may execute a demand for appraisal on behalf of a holder of record. However, the agent must identify the record owner or owners and expressly disclose the fact that, in executing the demand, the agent is acting as agent for the record owner or owners. A record holder such as a broker who holds shares as nominee for several beneficial owners may exercise appraisal rights with respect to the shares held for one or more beneficial owners while not exercising the rights with respect to the shares held for other beneficial owners. In such case, however, the written demand should set forth the number of shares as to which appraisal is sought. If no number of shares is expressly mentioned, the demand will be presumed to cover all shares of AirGate common stock held in the name of the record owner. Stockholders who hold their shares in brokerage accounts or other nominee forms and who wish to exercise appraisal rights are urged to consult with their brokers to determine the appropriate procedures for the making of a demand for appraisal by such a nominee.

All written demands for appraisal pursuant to Section 262 should be sent or delivered to AirGate PCS, Inc., 233 Peachtree St., N.E., Harris Tower, Suite 1700, Atlanta, GA 30303, Attention: Bill Loughman.

Within ten days after the effective time of the merger, the surviving corporation must notify each holder of AirGate common stock who has complied with Section 262 and who has not voted in favor of the adoption of the merger agreement that the merger has become effective. Within 120 days after the effective time of the merger, but not thereafter, the surviving corporation or any holder of AirGate common stock who has complied with Section 262 and is entitled to appraisal rights under Section 262 may file a petition in the Delaware Court of Chancery demanding a determination of the fair value of the holder's shares. The surviving corporation is under no obligation to and has no present intention to file a petition and holders should not assume that the surviving corporation will file a petition. Accordingly, it is the obligation of the holders of AirGate common stock to initiate all necessary action to perfect their appraisal rights in respect of shares of AirGate common stock within the time prescribed in Section 262.

Within 120 days after the effective time of the merger, any holder of AirGate common stock who has complied with the requirements for exercise of appraisal rights will be entitled, upon written request, to receive from the surviving corporation a statement setting forth the aggregate number of

shares of AirGate common stock not voted in favor of the adoption of the merger agreement and the aggregate number of shares which have made demands for appraisal. The statement must be mailed within ten days after a written request has been received by the surviving corporation or within ten days after the expiration of the period for delivery of demands for appraisal, whichever is later.

If a petition for an appraisal is timely filed by a holder of shares of AirGate common stock and a copy is served upon the surviving corporation, the surviving corporation will then be obligated within 20 days to file with the Delaware Register in Chancery a duly verified list containing the names and addresses of all stockholders who have demanded an appraisal of their shares and with whom agreements as to the value of their shares have not been reached. After notice to the stockholders as required by the Court, the Delaware Court of Chancery is empowered to conduct a hearing on the petition to determine those stockholders who have complied with Section 262 and who have become entitled to appraisal rights thereunder. The Delaware Court of Chancery may require the stockholders who demanded payment for their shares to submit their stock certificates to the Register in Chancery for notation on the certificates of the pending appraisal proceeding. If any stockholder fails to comply with the direction, the Delaware Court of Chancery may dismiss the proceedings as to that stockholder.

After determining the holders of AirGate common stock entitled to appraisal, the Delaware Court of Chancery will appraise the "fair value" of their shares, exclusive of any element of value arising from the accomplishment or expectation of the merger, together with a fair rate of interest, if any, to be paid upon the amount determined to be the fair value. Stockholders considering seeking appraisal should be aware that the fair value of their shares as so determined could be more than, the same as or less than the consideration they would receive pursuant to the merger if they did not seek appraisal of their shares and that an investment banking opinion as to fairness from a financial point of view is not necessarily an opinion as to fair value under Section 262. You should not expect the surviving corporation to offer more than the applicable merger consideration to any stockholder exercising appraisal rights and the surviving corporation reserves the right to assert, in any appraisal proceeding, that for purposes of Section 262, the "fair value" of a share of AirGate common stock is less than the applicable merger consideration.

Although AirGate believes that the merger consideration is fair, no representation is made as to the outcome of the appraisal of fair value as determined by the Delaware Court of Chancery. Delaware courts have decided that the statutory appraisal remedy, depending on factual circumstances, may or may not be a dissenter's exclusive remedy. The Delaware Court of Chancery will determine the amount of interest, if any, to be paid upon the amounts to be received by persons whose shares of common stock of AirGate have been appraised. If a petition for appraisal is not timely filed, then the right to an appraisal will cease.

In determining fair value and, if applicable, a fair rate of interest, the Delaware Court of Chancery is to take into account all relevant factors. In Weinberger v. UOP, Inc., the Delaware Supreme Court discussed the factors that could be considered in determining fair value in an appraisal proceeding, stating that "proof of value by any techniques or methods which are generally considered acceptable in the financial community and otherwise admissible in court" should be considered, and that "fair price obviously requires consideration of all relevant factors involving the value of the company." The Delaware Supreme Court stated that, in making this determination of fair value, the court must consider market value, asset value, dividends, earnings prospects, the nature of the enterprise, and any other facts that could be ascertained as of the date of the merger that throw any light on future prospects of the merged corporation. Section 262 provides that fair value is to be "exclusive of any element of value arising from the accomplishment or expectation of the merger." In Cede & Co. v. Technicolor, Inc. the Delaware Supreme Court stated that such exclusion is a "narrow exclusion [that] does not encompass known elements of value," but which rather applies only to the speculative elements of value arising from such accomplishment or expectation. In Weinberger, the Delaware Supreme Court construed Section 262 to mean that "elements of future value, including the nature of the enterprise, which are known or susceptible of proof as of the date of the merger and not the product of speculation, may be considered."

The costs of the action may be determined by the Court and levied upon the parties as the Court deems equitable. The Court may also order that all or a portion of the expenses incurred by any stockholder in connection with an appraisal, including, without limitation, reasonable attorneys' fees and the fees and expenses of experts utilized in the appraisal proceeding, be charged pro rata against the value of all the shares entitled to be appraised.

Any holder of shares of AirGate common stock who has demanded an appraisal in compliance with Section 262 will not, after the effective time of the merger, be entitled to vote the shares subject to the demand for any purpose or be entitled to the payment of dividends or other distributions on those shares, except dividends or other distributions payable to holders of record of AirGate common stock as of a record date prior to the effective time of the merger.

Any AirGate stockholder may withdraw his or her demand for appraisal and accept the consideration offered pursuant to the merger agreement by delivering to Alamosa a written withdrawal of the demand for appraisal. However, any such attempt to withdraw the demand made more than 60 days after the effective date of the merger will require written approval of the surviving corporation. No appraisal proceeding in the Delaware Court of Chancery will be dismissed without the approval of the Delaware Court of Chancery, and such approval may be conditioned upon such terms as the Court deems just. If the surviving corporation does not approve a request to withdraw a demand for appraisal when that approval is required, or if the Delaware Court of Chancery does not approve the dismissal of an appraisal proceeding, the stockholder will be entitled to receive only the appraised value determined in any such appraisal proceeding, which value could be less than, equal to or more than the consideration being offered pursuant to the merger agreement.

If any stockholder who demands appraisal of shares of AirGate common stock under Section 262 fails to perfect, or effectively withdraws or loses, such holder's right to appraisal, the stockholder's shares of AirGate common stock will be deemed to have been converted at the effective time of the merger into the right to receive the merger consideration as described in Section 1.4(c) of the merger agreement. A stockholder will fail to perfect, or effectively lose or withdraw, the stockholder's right to appraisal if no petition for appraisal is filed within 120 days after the effective time of the merger, or if the stockholder delivers to Alamosa a written withdrawal of the holder's demand for appraisal and an acceptance of the merger consideration, except that any attempt to withdraw made more than 60 days after the effective time of the merger will require the written approval of the surviving corporation and, once a petition for appraisal is filed, the appraisal proceeding may not be dismissed as to any holder absent court approval.

Failure to follow the steps required by Section 262 for perfecting appraisal rights may result in the loss of these rights. Consequently, any stockholder willing to exercise appraisal rights is urged to consult with legal counsel prior to attempting to exercise such rights.

Accounting Treatment

The merger will be accounted for as a "purchase," as that term is used under GAAP, for accounting and financial reporting purposes. AirGate will be treated as the acquired corporation for accounting and financial reporting purposes. AirGate's assets, liabilities and other items will be adjusted to their estimated fair value on the closing date of the merger and combined with the historical book values of the assets and liabilities of Alamosa. Applicable income tax effects of these adjustments will be included as a component of the combined company's deferred tax asset or liability. The difference between the estimated fair value of the assets, liabilities and other items (adjusted as discussed above) and the purchase price will be recorded as goodwill. Financial statements of Alamosa issued after the merger will reflect the values and will not be restated retroactively to reflect the historical financial position or results of operations of AirGate.

Financial Interests of AirGate Directors and Executive Officers in the Merger

AirGate's directors and executive officers have interests in the merger as individuals in addition to, and that may be different from, their interests as stockholders. The AirGate board of directors was aware of these interests of AirGate's directors and executive officers and considered them in its decision to approve the merger agreement.

Employment Agreements

On December 7, 2004, AirGate entered into a new employment agreement with Thomas M. Dougherty, AirGate's President and Chief Executive Officer, whose previous employment agreement had expired on April 15, 2004. Mr. Dougherty's employment agreement is for a one-year term, with automatic one-year extensions on the anniversary of such date. Mr. Dougherty is eligible to receive an annual cash bonus under AirGate's executive bonus plan based on achievement of performance goals established by the compensation committee of AirGate's board of directors. The compensation committee set Mr. Dougherty's targeted bonus at 65% of his base salary, which was set at $360,000.

The employment agreement provides that AirGate may terminate Mr. Dougherty's employment with or without cause, as defined in the agreement, at any time. The agreement also provides that Mr. Dougherty may at any time terminate his employment for good reason, as defined in the agreement, or for no reason. If AirGate terminates Mr. Dougherty's employment without cause or Mr. Dougherty terminates his employment for good reason, he is entitled to receive:

- all compensation and benefits earned through the date of termination, including, among other things, a prorated target bonus for the year of termination,
- if the date of termination occurs (a) before or more than a year after a change of control, as defined in the agreement, one year's base salary plus Mr. Dougherty's target bonus for that year, or (b) within a year after a change of control, three years' base salary, and
- 18 months of health and other benefits.

In the event of Mr. Dougherty's death, his spouse is entitled to twelve months' base salary and health and other benefits for one year.

Mr. Dougherty agreed to certain customary non-compete restrictions on his present and future employment for either (x) one year after his termination (if his termination occurs before or more than a year after a change of control) or (y) three years after his termination (if his termination occurs within a year after a change of control).

Mr. Dougherty also agreed to reasonably cooperate with and provide reasonable assistance to AirGate for two years following his termination so long as such cooperation does not impede his ability to meet his obligations or duties to his then current employer. In connection with such cooperation, AirGate agreed to compensate Mr. Dougherty for his services, pay any costs or expenses incurred in connection with such cooperation, and provide indemnity for any legal matters resulting from his cooperation.

If Mr. Dougherty's employment with AirGate were to be terminated within one year following the effective time of the merger under circumstances entitling him to severance benefits under the employment agreement, he would be entitled to a cash severance payment of $1,080,000 plus a prorated bonus for the year of termination, calculated at the target level.

On December 7, 2004, AirGate also entered into employment agreements with William A. Loughman, AirGate's Vice President and Chief Financial Officer, and Roy A. Hadley, AirGate's Vice President, General Counsel and Secretary. The employment agreements formalized the terms of employment originally set forth in offer letters to Messrs. Loughman and Hadley, dated July 7, 2004 and June 18, 2004, respectively. Each employment agreement is for a one-year term, with automatic one-year extensions on the anniversary of such date. Each of Messrs. Loughman and Hadley is eligible to receive an annual cash bonus based on achievement of performance goals established by the compensation committee of AirGate's board of directors. The compensation committee set each of Messrs. Loughman's and Hadley's targeted bonus at 40% of their respective base salary, which was $220,000 for Mr. Loughman and $190,000 for Mr. Hadley.

Each employment agreement provides that AirGate may terminate Messrs. Loughman's or Hadley's employment with or without cause, as defined in the agreement, at any time. Each agreement also provides that Messrs. Loughman or Hadley may at any time terminate his employment for good reason, as defined in the agreement, or for no reason. If AirGate terminates Messrs. Loughman's or

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Hadley's employment without cause or Messrs. Loughman or Hadley terminates his employment for good reason, he is entitled to receive:

- all compensation and benefits earned through the date of termination, including, among other things, a prorated target bonus for the year of termination,
- if the date of termination occurs (a) before or more than a year after a change of control, as defined in the agreement, one year's base salary plus his target bonus for that year, or (b) within a year after a change of control, two years' base salary, and
- 18 months of health and other benefits.

Messrs. Loughman and Hadley each agreed to certain customary non-compete restrictions on his present and future employment for either (x) one year after his termination (if his termination occurs before or more than a year after a change of control) or (y) two years after his termination (if his termination occurs within a year after a change of control).

Messrs. Loughman and Hadley also each agreed to cooperate with and provide assistance to AirGate for two years following his termination so long as such cooperation does not impede his ability to meet his obligations or duties to his then current employer. In connection with such cooperation, AirGate agreed to compensate each of Messrs. Loughman and Hadley for his services and pay any costs or expenses incurred in connection with such cooperation.

If Messrs. Loughman's and Hadley's employment with AirGate were to be terminated within one year following the effective time of the merger under circumstances entitling them to severance benefits under their employment agreement, they would be entitled to a cash severance payment of $440,000 and $380,000, respectively plus, in each case, a prorated bonus for the year of termination, calculated at the target level.

Stock Options and Restricted Stock Units Held by Executive Officers and Directors

AirGate's executive officers and directors have received grants of stock options and restricted stock units under AirGate's various benefit plans. As discussed above under "—Treatment of Options" and "— Treatment of Restricted Stock Units," immediately before the effective time of the merger, AirGate will pay each option holder an amount in cash equal to the product of the number of shares of AirGate common stock underlying such option(s) times the amount by which the Per Share Amount exceeds the exercise price of the option. Immediately before the effective time of the merger, AirGate will also pay to each holder of restricted stock units an amount equal to the product of the Per Share Amount times the number of restricted stock units held by such holder immediately prior to the effective time.

As of the record date, the executive officers and directors of AirGate held, in the aggregate, (a) outstanding options to purchase • shares of AirGate common stock, of which • were vested on the record date and all of which will vest in full on the effective date and (b) • restricted stock units. The following table summarizes the options held by each executive officer and director of AirGate with the corresponding exercise price and the number of restricted stock units each person holds. The table also assumes that the Per Share Amount is •, all vested and accelerated stock options were cancelled and extinguished for a lump sum cash payment immediately before the effective time of the merger, as described above, and all restricted stock units are converted into the right to receive • in cash per unit immediately before the effective time of the merger.

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	Vested Stock Options (# of Shares/exercise price)	Value of Vested Stock Options	Accelerated Stock Options (# of Shares/exercise price)	Value of Accelerated Stock Options	Number of Restricted Stock Units (#)/Value ($)	Aggregate Cash Value of Vested and Accelerated Stock Options and Restricted Stock Units ($)
Executive Officers						
Thomas M. Dougherty						
Roy E. Hadley						
William J. Loughman						

Charles S. Goldfarb
Louis E. Martinez
Jonathan M. Pfohl
Dennis D. Lee

Non-Employee Directors
Robert A. Ferchat
Max D. Hopper
Timothy M. O'Brien
John W. Risner
Gail S. Schoettler
Stephen R. Stetz

Indemnification and Insurance

The merger agreement provides that, upon completion of the merger, Alamosa will indemnify and hold harmless, and provide advancement of expenses to, all past and present officers and directors of AirGate and its subsidiaries to the fullest extent permitted by applicable law.

The merger agreement also provides that Alamosa will cause the persons serving as officers and directors of AirGate immediately prior to the effective time of the merger to be covered for a period of six years by the directors' and officers' liability insurance policy maintained by AirGate with respect to acts or omissions occurring prior to the effective time which were committed by such officers and directors in their capacity as such. However, Alamosa will not be required to expend on an annual basis more than 300% of the current amount expended by AirGate to maintain or procure insurance coverage. In the event that Alamosa is unable to maintain or obtain such insurance, Alamosa will use all reasonable efforts to obtain as much comparable insurance as is available for annual premium payments equal to 300% of the annual premium currently paid by AirGate for directors and officers' liability insurance.

Restrictions on Resales by Affiliates

Shares of Alamosa common stock to be issued to AirGate stockholders in the merger have been registered under the Securities Act of 1933, as amended, and may be traded freely and without restriction by those stockholders not deemed to be affiliates (as that term is defined under the Securities Act) of AirGate. Any subsequent transfer of shares, however, by any person who is an affiliate of AirGate at the time the merger is submitted for a vote of the AirGate stockholders will, under existing law, require either:

- the further registration under the Securities Act of the Alamosa common stock to be transferred;
- compliance with Rule 145 promulgated under the Securities Act, which permits limited sales under certain circumstances; or
- the availability of another exemption from registration.

An "affiliate" of AirGate is a person who directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, AirGate. These restrictions are expected to apply to the directors and executive officers of AirGate. The same restrictions apply to the spouses and certain relatives of those persons and any trusts, estates, corporations or other entities in which those persons have a 10% or greater beneficial or equity interest. Alamosa will give stop transfer instructions to the transfer agent with respect to the shares of Alamosa common stock to be received by persons subject to these restrictions, and the certificates for their shares will be appropriately legended.

AirGate has agreed in the merger agreement to use its reasonable best efforts to cause each person who is an affiliate of AirGate for purposes of Rule 145 under the Securities Act, to deliver to Alamosa a written agreement intended to ensure compliance with the Securities Act.

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UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL INFORMATION

The unaudited pro forma condensed consolidated financial information presents the effects of the proposed merger of AirGate with and into A-Co Merger Sub, Inc., a wholly owned subsidiary of Alamosa. The unaudited pro forma condensed consolidated financial information is prepared using the purchase method of accounting with Alamosa treated as the acquiror and as if the transaction had been completed as of January 1, 2003 for statements of operations purposes and on September 30, 2004 for balance sheet purposes.

The unaudited pro forma condensed consolidated financial information presents the combination of historical financial statements of Alamosa and AirGate adjusted to (1) give effect to the October 2004 issuance of senior secured floating rate notes by AirGate and related termination of the AirGate senior credit facility and redemption of AirGate's remaining 13.5% senior subordinated discount notes with a portion of the proceeds therefrom and (2) give effect to the merger. Two pro forma transaction scenarios are presented. The maximum cash scenario assumes that a sufficient number of AirGate stockholders receive cash in the transaction such that all of the $100 million in potential cash consideration is paid thereby reducing the number of Alamosa shares issued in the transaction. The all stock scenario assumes that all AirGate stockholders elect to receive stock in the transaction and that all consideration is paid in the form of Alamosa stock. The actual number of shares of Alamosa stock issued will depend on the number of AirGate stockholders that receive their merger consideration in the form of cash. The pro forma adjustments for each transaction scenario are described in the accompanying notes presented on the following pages.

The pro forma statements were prepared using (1) the audited consolidated financial statements of Alamosa contained in Alamosa's annual report on Form 10-K for the year ended December 31, 2003 as filed on March 15, 2004, which are incorporated herein by reference, (2) the audited consolidated financial statements of AirGate contained in AirGate's annual report on Form 10-K for the year ended September 30, 2004 as filed on December 14, 2004, which are incorporated herein by reference, (3) the unaudited consolidated financial statements of Alamosa contained in Alamosa's quarterly report on Form 10-Q for the quarterly period ended September 30, 2004 as filed on November 9, 2004, which are incorporated herein by reference, and (4) the unaudited consolidated financial statements of AirGate contained in AirGate's quarterly reports on Form 10-Q for the quarterly periods ended December 31, 2003 and 2002, which have been used to present the AirGate fiscal year pro forma financial information on a calendar basis consistent with the Alamosa calendar year.

Under the purchase method of accounting, the purchase price will be allocated to the underlying tangible and intangible assets and liabilities acquired based on their respective fair market values, with any excess purchase price allocated to goodwill. The pro forma purchase price allocation is based on an estimate of the fair market value of the tangible and intangible assets and liabilities of AirGate. Certain assumptions have been made with respect to the fair market value of identifiable intangible assets as more fully described in the accompanying notes to the unaudited pro forma condensed consolidated financial information. As of the date of this filing, Alamosa has not commenced the external valuation studies necessary to arrive at the fair market value of the assets and liabilities to be acquired and the related allocations of purchase price. Once Alamosa has received the external valuation studies necessary to finalize the required purchase price allocation after the consummation of the merger, the final allocation of purchase price will be determined. The final purchase price allocation based on third party appraisals may be different than that reflected in the pro forma purchase price allocation and this difference may be material.

The unaudited pro forma condensed consolidated financial information is provided for illustrative purposes only and does not purport to represent what the actual consolidated results of operations or the consolidated financial position of Alamosa would have been had the transaction occurred on the dates assumed, nor is it necessarily indicative of future consolidated results of operations or financial position.

The unaudited pro forma condensed consolidated financial information does not include the realization of any cost savings from operating efficiencies, synergies or other restructurings resulting from the transaction. The unaudited pro forma condensed consolidated financial information should be read in conjunction with the separate historical consolidated financial statements and accompanying notes of Alamosa and AirGate that are incorporated by reference in this joint proxy statement-prospectus.

ALAMOSA HOLDINGS, INC.
UNAUDITED PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET
September 30, 2004
(dollars in thousands)

					Maximum Cash Scenario		All Stock Scenar	
	Alamosa Holdings, Inc. September 30, 2004	AirGate PCS, Inc. September 30, 2004	Pro Forma Adjustments	AirGate PCS, Inc. Adjusted	Pro Forma Adjustments	Pro Forma Consolidated	Pro Forma Adjustments	Pro Cons
s								
ssets:								
l cash nts	$ 109,269	$ 13,453	$ 26,305 (a)(c)	$ 39,758	$ (112,000)(d)	$ 37,027	$ (12,000)(e)	$ 1
m nts	50,342	55,000		55,000		105,342		1
r e, net	45,164	20,329		20,329		65,493		
le from	18,531	23,601		23,601		42,132		
y	6,778	3,052		3,052		9,830		

and ets	10,816	1,006		1,006		11,822		
.								
on costs	6,884	—		—		6,884		
tax	4,572	—		—		4,572		
rrent	252,356	116,441	26,305	142,746	(112,000)	283,102	(12,000)	3
and nt, net	431,363	144,324		144,324		575,687		5
uance t	9,286	3,071	1,700 (a)(b)	4,771		14,057		
on n stock	23,637	—		—		23,637		
e et	424,283	—		—	334,588 (d)	758,871	334,588(e)	7
l	—	—	—	—	295,937 (d)	295,937	295,937 (e)	2
nt	4,700	2,811		2,811		7,511		
ets	$1,145,625	$ 266,647	$ 28,005	$ 294,652	$ 518,525	$1,958,802	$ 618,525	$2,0
ITIES, REDEEMABLE CONVERTIBLE PREFERRED STOCK AND STOCKHOLDERS' EQUITY								
s: s	$ 25,880	$ 2,128		$ 2,128		$ 28,008		$
	43,272	18,967		18,967		62,239		
to	26,729	40,879		40,879		67,608		
payable	8,423	—		—		8,423		
	23,284	9,107		9,107		32,391		
s of	—	21,200	(21,200)(a)	—		—		
ents of ases	168	—		—		168		
rrent s	127,756	92,281	(21,200)	71,081	—	198,837	—	1
m s ease ns	777	—		—		777		
	6,225	6,262		6,262		12,487		
nt								

s tax	15,963	—		—	121,325 (f)	137,288	121,325(f)	1
redit	—	110,000	(110,000)(a)	—		—		
otes	732,722	138,396	173,084 (a)	311,480		1,044,202		1,0
bilities	883,443	346,939	41,884	388,823	121,325	1,393,591	121,325	1,3
ments								
ncies	—	—		—		—		
able ble stock	161,438	—		—		161,438		1
ders'								
l stock	—	—		—		—		
n stock	1,142	118		118	136 (d)	1,396	220(e)	
al apital	860,512	1,046,551		1,046,551	(743,776)(d)	1,163,287	(643,860)(e)	1,2
ated	(760,652)	(1,126,961)	(13,879)(b)(c)	(1,140,840)	1,140,840 (d)	(760,652)	1,140,840(e)	(7
d ation	(258)	—		—		(258)		
ated ensive of tax	—	—		—		—		
ders' eficit)	100,744	(80,292)	(13,879)	(94,171)	397,200	403,773	497,200	5
bilities, ble ble stock olders'	$1,145,625	$ 266,647	$ 28,005	$ 294,652	$ 518,525	$1,958,802	$ 618,525	$2,0

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ALAMOSA HOLDINGS, INC.
UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS
Year ended December 31, 2003
(dollars in thousands)

Maximum Cash Scenario	All Stock Scena

	Alamosa Holdings, Inc. Year ended December 31, 2003	AirGate PCS, Inc. Year ended December 31, 2003(i)	Pro Forma Adjustments	Pro Forma Consolidated Year ended December 31, 2003	Pro Forma Adjustments	Pro Con Yea Dece
revenues	$ 452,396	$ 253,721		$ 706,117		$ 7
venues	150,772	65,795		216,567		2
enues	603,168	319,516	—	922,684	—	9
es	27,882	11,470		39,352		
ues	631,050	330,986	—	962,036	—	9
penses:						
ice and operations	317,215	178,292		495,507		4
ducts sold	59,651	21,261		80,912		
marketing	112,626	49,008		161,634		1
l administrative expenses	16,257	25,270	(5,402)(m)	36,125	(5,402)(m)	
n and amortization	110,495	46,642	58,196 (g)	215,333	58,196(g)	2
of property and equipment	2,243	318		2,561		
ompensation	536	580		1,116		
and expenses	619,023	321,371	52,794	993,188	52,794	9
s) from operations	12,027	9,615	(52,794)	(31,152)	(52,794)	(
rivative instrument	2,858	—		2,858		
nge expenses	(8,694)	—	(5,402)(m)	(14,096)	(5,402)(m)	(
other income	948	344	(875)(l)	417		
ense	(99,914)	(43,828)	(995)(l)	(144,737)		(1
income taxes	(92,775)	(33,869)	(60,066)	(186,710)	(58,196)	(1
benefit	17,929	—		17,929		
continuing operations	(74,846)	(33,869)	(60,066)	(168,781)	(58,196)	(1
ock dividends	(1,770)	—		(1,770)		
m continuing operations attributable stockholders	$ (76,616)	$ (33,869)	$ (60,066)	$ (170,551)	$ (58,196)	$ (1
iluted net loss from continuing per share	(0.81)	(6.53)		(1.43)		
verage shares outstanding	94,088,853	5,188,593		119,483,057 (k)		127,8

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ALAMOSA HOLDINGS, INC.
UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS
Nine months ended September 30, 2004
(dollars in thousands)

		Maximum Cash Scenario		All Stock Scer	
Alamosa Holdings, Inc.	AirGate PCS, Inc.	Pro Forma Adjustments	Pro Forma Consolidated	Pro Forma Adjustments	Pr Co

	Nine months ended September 30, 2004	Nine months ended September 30, 2004(j)		Nine months ended September 30, 2004		Ni Sep
evenues	$ 401,938	$ 192,315		$ 594,253		$
enues	153,964	53,225		207,189		
nues	555,902	245,540	—	801,442	—	
s	25,483	10,065		35,548		
es	581,385	255,605	—	836,990	—	
enses:						
ce and operations	276,528	118,812		395,340		
ucts sold	56,427	22,523		78,950		
narketing	102,922	36,604		139,526		
administrative expenses	17,284	15,640	(871)(m)	32,053	(871)(m)	
and amortization	78,793	36,062	43,647 (h)	158,502	43,647 (h)	
of property and equipment	3,082	50		3,132		
mpensation	81	560		641		
nd expenses	535,117	230,251	42,776	808,144	42,776	
operations	46,268	25,354	(42,776)	28,846	(42,776)	
vative instrument	1,946	—		1,946		
ge expenses	—	—	(871)(m)	(871)	(871)(m)	
extinguishment	(13,101)	—		(13,101)		
other income	751	590	(663)(l)	678		
nse	(56,393)	(24,969)	(5)(l)	(81,367)		
) before income taxes	(20,529)	975	(44,315)	(63,869)	(43,647)	
xpense	(557)	—		(557)		
loss) from continuing operations	(21,086)	975	(44,315)	(64,426)	(43,647)	
ck dividends	(8,078)	—		(8,078)		
ck conversion premium	(6,600)	—		(6,600)		
loss) from continuing operations o common stockholders	$ (35,764)	$ 975	$ (44,315)	$ (79,104)	$ (43,647)	$
loss) from continuing operations per						
	(0.35)	0.09		(0.61)		
	(0.35)	0.09		(0.61)		
erage shares outstanding:						
	103,441,770	10,568,083		128,835,974 (k)		137.
	103,441,770	10,622,616		128,835,974 (k)		137.

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NOTES TO THE UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL INFORMATION

(dollars in thousands)

a. The pro forma adjustment represents the impact of the issuance of senior secured floating rate notes by AirGate in October 2004 as if such transaction took place on September 30, 2004. In connection with this adjustment, the notes were issued in the amount of $175,000 with $131,200 used to terminate the existing senior credit facility, $4,500 used for debt issuance costs and $1,916 used to retire the remaining portion of AirGate's 13.5% senior subordinated discount notes. The remaining proceeds of $37,384 are reflected as an increase in cash and cash equivalents. The interest rate on the senior secured floating rate notes is LIBOR plus 3.75% which is identical to the rate on the senior credit facility. As such, no interest expense adjustment in the pro forma statements of operations is needed.
b. In connection with the termination of the AirGate senior credit facility in October 2004, and the prepayment of the senior subordinated discount notes in December 2004, remaining unamortized debt issuance costs and a prepayment premium on the subordinated notes were charged to expense. The pro forma adjustment includes $2,800 related to the write off of these unamortized costs and prepayment premium.
c. In accordance with the terms of the merger agreement, immediately prior to the consummation of the transaction, AirGate will be required to make a cash payment to retire all outstanding AirGate stock options and performance restricted stock unit awards. The pro forma adjustment of $11,079 is the amount of cash that would be paid to option holders and holders of the performance restricted stock unit awards based on the 10 day trailing average of Alamosa's stock price through December 17, 2004 and a conversion ratio of 2.87 and is reflected as a reduction of cash and cash equivalents and stockholders' equity of AirGate.
d. The pro forma adjustment represents the purchase price allocation as of September 30, 2004 assuming the minimum number of Alamosa shares are issued due to AirGate stockholders receiving cash up to the maximum of $100,000. For purposes of determining the purchase price allocation, the fair market value of all tangible and intangible assets and liabilities are estimated at September 30, 2004. The allocation of purchase price under this scenario is as follows:

Consideration:		
	Alamosa stock issued	$ 303,029
	Cash (including direct transaction costs)	112,000
	Total	415,029
Allocated to:		
	Current assets	142,746
	Tangible noncurrent assets	151,906
	Identifiable intangible assets	334,588
	Liabilities acquired (including deferred taxes)	(510,148)
	Goodwill	$ 295,937

The value of Alamosa stock issued is based on 25,394,204 shares issued to AirGate stockholders who receive Alamosa stock in the merger. The number of Alamosa shares issued is calculated on the basis of (1) 11,768,058 AirGate shares outstanding at September 30, 2004, (2) the payment of $100,000 in cash to AirGate stockholders receiving cash in the merger, and (3) the calculation of the per share cash consideration received by these stockholders on the basis of (a) the exchange ratio of 2.87 and (b) the ten day trailing average closing price of Alamosa common stock through December 17, 2004 of $11.93. Alamosa shares issued to AirGate stockholders are valued at $11.93 per share. The actual valuation of shares issued will be based on a measurement date to be determined when the actual number of shares to be issued has been fixed.

NOTES TO THE UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL INFORMATION — (Continued)

The identifiable intangibles consist of (1) value assigned to the AirGate subscriber base as of September 30, 2004 of $134,588 and (2) value assigned to the agreements between AirGate and Sprint as of September 30, 2004 of $200,000. The allocation of value to intangible assets was based on assumptions as to the value of subscribers and the value of the Sprint agreements and does not necessarily represent the ultimate fair value of such assets that will be determined by an independent valuation firm subsequent to the consummation of the merger.

The cash consideration consists of $100,000 in cash payment to AirGate stockholders and $12,000 in direct cash costs of the transaction, the direct cash costs consist of estimates for professional fees (including banking fees) and other direct costs of the transaction.

e. The pro forma adjustment represents the purchase price allocation as of September 30, 2004 assuming the maximum number of Alamosa shares are issued due to all AirGate stockholders electing to receive stock. For purposes of determining the purchase price allocation, the fair market value of all tangible and intangible assets and liabilities are estimated at September 30, 2004. The allocation of purchase price under this scenario is as follows:

Consideration:		
	Alamosa stock issued	$ 403,029
	Cash (including direct transaction costs)	12,000
	Total	415,029
Allocated to:		
	Current assets	142,746
	Tangible noncurrent assets	151,906
	Identifiable intangible assets	334,588
	Liabilities acquired (including deferred taxes)	(510,148)
	Goodwill	$ 295,937

The value of Alamosa stock issued is based on 33,774,326 shares issued to AirGate stockholders. The number of Alamosa shares issued is based on 11,768,058 AirGate shares outstanding at September 30, 2004 converted at a ratio of 2.87 Alamosa shares for each AirGate share. These shares are valued at $11.93 per share which represents the ten day trailing average closing price of Alamosa stock through December 17, 2004. The actual valuation of shares issued will be based on a measurement date to be determined when the actual number of shares to be issued has been fixed.

The identifiable intangibles consist of (1) value assigned to the AirGate subscriber base as of September 30, 2004 of $134,588 and (2) value assigned to the agreements between AirGate and Sprint as of September 30, 2004 of $200,000. The allocation of value to intangible assets was based on assumptions as to the value of subscribers and the value of the Sprint agreements and does not necessarily represent the ultimate fair value of such assets that will be determined by an independent valuation firm subsequent to the consummation of the merger.

The cash consideration consists solely of $12,000 in direct cash costs of the transaction. The direct cash costs consist of estimates for professional fees (including banking fees) and other direct costs of the transaction.

f. The pro forma purchase price allocation results in no differences between the carrying value and the fair value of the tangible assets and liabilities of AirGate as of September 30, 2004. As a result, no additional deferred income tax assets or liabilities are estimated in connection with those tangible assets and liabilities. With respect to the intangible assets associated with the purchase price allocation, such assets would have no tax basis at the time of the transaction and a deferred tax liability would be recognized in connection with this difference in book and tax basis as it relates to the identifiable subscriber base intangible and the intangible associated with the Sprint agreements. This pro forma adjustment is based on an effective tax rate of 38 percent and is reflected as an

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NOTES TO THE UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL INFORMATION — (Continued)

increase in deferred tax liabilities. The increase of $127,143 in deferred tax liabilities has been reduced by $5,818 as an estimate of the decrease in AirGate's valuation allowance against deferred tax assets that would be recorded in the pro forma transaction.

g. The pro forma adjustment represents the amortization of identifiable intangible assets that would be recorded for the year ended December 31, 2003 assuming the transaction had been consummated on January 1, 2003. For purposes of determining this amount, the estimated life of the subscriber base intangible asset is assumed to be 3 years and the estimated life of the Sprint agreement intangible asset is assumed to be 15 years as of January 1, 2003.

h. The pro forma adjustment represents the amortization of identifiable intangible assets that would be recorded for the nine months ended September 30, 2004 assuming the transaction had been consummated on January 1, 2003. For purposes of determining this amount, the estimated life of the subscriber base intangible asset is assumed to be 3 years and the estimated life of the Sprint agreement intangible asset is assumed to be 15 years as of January 1, 2003.

i. The consolidated statement of operations of AirGate for the year ended December 31, 2003 was determined by taking the fiscal year ended September 30, 2003 statement of operations less the activity reported for the quarter ended December 31, 2002 plus the activity reported for the quarter ended December 31, 2003. Certain reclassifications have been made to the historical AirGate presentation to conform to the Alamosa presentation.

j. The consolidated statement of operations of AirGate for the nine months ended September 30, 2004 was determined by taking the fiscal year ended September 30, 2004 statement of operations less the activity reported for the quarter ended December 31, 2003. Certain reclassifications have been made to the historical AirGate presentation to conform to the Alamosa presentation.

k. Weighted average shares outstanding is based on Alamosa's historical weighted average shares outstanding and the additional shares issued in the merger of 25,394,204 shares in the maximum cash scenario and 33,774,326 shares in the all stock scenario.

l. The pro forma adjustments to interest income and interest expense in the maximum cash scenario represent the cost associated with the $100,000 paid to AirGate stockholders. The adjustment is a combination of a reduction in interest income and an increase in interest expense based on the assumed sources of the $100,000 being part cash and part borrowed funds as of January 1, 2003. The reduction in interest income is based on Alamosa's historic yield during the respective periods and the increase in interest expense is based on the effective interest rate on Alamosa's senior secured credit facility which was 5.65%.

m. The pro forma adjustment represents expenses incurred in connection with the evaluation of financing alternatives, and the implementation of the recapitalization plan, including the issuance of debt. The expenses were included in general & administrative expense in AirGate's historical statements of operations. The adjustment conforms the presentation to be consistent with Alamosa's classification of such expenses.

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PRICE RANGE OF COMMON STOCK AND DIVIDENDS

Alamosa

Alamosa common stock is listed on the Nasdaq National Market and traded under the symbol "APCS." The following table sets forth, for the periods indicated, the high and low reported sales prices per share of Alamosa common stock on the Nasdaq National Market.

	Price Range of Common Stock	
	High	Low
2001		
First Quarter	$ 17.13	$ 7.25
Second Quarter	$ 17.20	$ 9.69
Third Quarter	$ 20.00	$ 10.90
Fourth Quarter	$ 18.70	$ 10.57
2002		
First Quarter	$ 11.95	$ 3.00
Second Quarter	$ 6.20	$ 0.75
Third Quarter	$ 1.36	$ 0.23
Fourth Quarter	$ 1.11	$ 0.27
2003		
First Quarter	$ 0.85	$ 0.30
Second Quarter	$ 1.95	$ 0.25
Third Quarter	$ 4.76	$ 1.52
Fourth Quarter	$ 4.30	$ 3.09
2004		
First Quarter	$ 6.48	$ 4.01
Second Quarter	$ 8.01	$ 5.71
Third Quarter	$ 8.91	$ 6.73
Fourth Quarter (through December •, 2004)	$ •	$ •

AirGate

AirGate common stock is listed on the Nasdaq National Market and traded under the symbol "PCSA." The following table sets forth, for the periods indicated, the high and low reported closing prices per share of AirGate common stock on the Nasdaq National Market. AirGate consummated a 1-for-5 reverse stock split on February 13, 2004. The prices set forth below prior to that time are adjusted to reflect the reverse stock split.

Price Range of
Common Stock

	High	Low
2001		
First Quarter	$ 249.38	$ 147.19
Second Quarter	$ 267.50	$ 154.38
Third Quarter	$ 300.25	$ 208.75
Fourth Quarter	$ 302.20	$ 211.00
2002		
First Quarter	$ 239.85	$ 42.60
Second Quarter	$ 87.65	$ 4.60
Third Quarter	$ 9.40	$ 1.95
Fourth Quarter	$ 8.35	$ 1.75
2003		
First Quarter	$ 4.75	$ 0.70
Second Quarter	$ 6.70	$ 0.55
Third Quarter	$ 17.90	$ 5.05
Fourth Quarter	$ 13.00	$ 6.50
2004		
First Quarter	$ 22.46	$ 11.95
Second Quarter	$ 20.50	$ 14.77
Third Quarter	$ 19.60	$ 13.82
Fourth Quarter (through December •, 2004)	$ •	$ •

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Alamosa Future Dividend Policy

Alamosa has never declared or paid any cash dividends on its common stock and does not expect to pay dividends on its common stock in the foreseeable future. Alamosa currently intends to retain its future earnings, if any, to fund the development and growth of the business. Future dividends, if any, will be determined by the Alamosa board of directors and will depend upon the restrictions contained in Alamosa's existing indebtedness and Alamosa's results of operations, financial conditions, capital expenditures, contractual restrictions and business prospects, as well as other factors that the Alamosa board of directors considers relevant.

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DESCRIPTION OF ALAMOSA CAPITAL STOCK

General

The authorized capital stock of Alamosa consists of 290 million shares of common stock, par value $0.01 per share, and 10 million shares of preferred stock, par value $0.01 per share. As of the record date, • shares of common stock were issued and outstanding and • shares of Series B Convertible Preferred Stock were issued and outstanding. The preferred stock may be issued in one or more series with such terms and at such times and for such consideration as the Alamosa board of directors determines.

The following summary of the terms of the capital stock of Alamosa is not intended to be complete and is subject in all respects to the applicable provisions of the General Corporation Law of the State of Delaware, or DGCL, and is qualified by reference to the certificate of incorporation and bylaws of Alamosa. To obtain copies of these documents, see "Where You Can Find More Information" on page 92.

Common Stock

The outstanding shares of Alamosa common stock are fully paid and nonassessable. Holders of Alamosa common stock are entitled to one vote for each share held of record on all matters submitted to a vote of the stockholders. Holders of Alamosa common stock do not have pre-emptive rights and are not entitled to cumulative voting rights with respect to the election of directors. The Alamosa common stock is neither redeemable nor convertible into other securities, and there are no sinking fund provisions.

Subject to the preferences applicable to any shares of Alamosa preferred stock outstanding at the time, holders of Alamosa common stock are entitled to dividends when and as declared by the Alamosa board of directors from funds legally available therefor and are entitled, in the event of liquidation, to share ratably in all assets remaining after payment of liabilities.

Preferred Stock

The board of directors of Alamosa may, without further action by the stockholders of Alamosa, issue one or more series of Alamosa preferred stock and fix the rights and preferences of these shares, including the dividend rights, dividend dates, conversion rights, exchange rights, voting rights, terms of redemption, redemption price or prices, liquidation preferences, the number of shares constituting any series and the designation of such series.

Alamosa has outstanding • shares of Series B Preferred Stock as of the record date. The Series B Preferred Stock is senior to Alamosa common stock with respect to the payment of dividends and upon liquidation, dissolution or winding up of Alamosa. Holders of Series B Preferred Stock are entitled to receive, when and as declared by the board of directors of Alamosa, dividends at the annual rate of 7.5% of the $250 liquidation preference per share. Dividend payments can be made in cash, shares of Series C Preferred Stock, shares of Alamosa Common Stock, or in any combination thereof.

The Series B Preferred Stock may be redeemed by Alamosa, in whole or in part, at any time on or after the third anniversary of the date of the original issuance at a redemption price of 125% of the $250 liquidation preference, reduced by 5 percent annually thereafter until 2011 after which time the redemption price remains at 100%. All outstanding Series B Preferred Stock must be redeemed by Alamosa on July 31, 2013.

Each share of Series B Preferred Stock carries 1 vote on all matters submitted generally to the shareholders of Alamosa, and votes together as a single class with Alamosa common stock. Shares of Series B Preferred Stock can be converted at any time into shares of Alamosa common stock at a conversion price of $3.40, subject to adjustment.

Alamosa has no outstanding shares of Series C Preferred Stock as of the record date. The Series C Preferred Stock has the same terms as those of the Series B Preferred Stock described above, except that the conversion price is $4.25, subject to adjustment.

More information regarding the corporate structure and governance of Alamosa is contained in the section entitled "Comparison of Stockholders Rights" below.

Anti-Takeover Provisions

The Alamosa certificate of incorporation and Alamosa's bylaws provide that the Alamosa board of directors is to be divided into three classes as nearly equal in number as possible. Directors are elected by classes to three year terms, so that approximately one-third of the directors of Alamosa are elected at each annual meeting of the stockholders. In addition, Alamosa's bylaws provide that the power to fill vacancies is vested in the Alamosa board of directors. The overall effect of these provisions may be to prevent a person or entity from seeking to acquire control of Alamosa through an increase in the number of directors on the Alamosa board and the election of designated nominees to fill newly created vacancies.

Shareholder Rights Plan

On February 14, 2001, Alamosa's board of directors adopted a stockholder rights plan. The rights plan provides that one right will be issued with each share of common stock issued. Each right, when exercisable, will entitle the holder to purchase from Alamosa one one-thousandth of a share of Series A preferred stock at a purchase price of $84 per one one-thousandth of a share, subject to adjustment. Each such fractional share of the Series A preferred stock will essentially be the economic equivalent of one share of common stock.

A stockholder rights plan is designed to deter coercive takeover tactics and to encourage third parties interested in acquiring Alamosa to negotiate with its board. The stockholder rights plan achieves these goals by significantly diluting the ownership interest of a person who acquires a specified percentage of Alamosa's common stock without first obtaining approval of the board.

Initially, the rights will be attached to all certificates representing outstanding shares of Alamosa's common stock and will be transferred with and only with such certificates. The rights will separate from Alamosa's common stock and become exercisable upon the earlier to occur of:

- the close of business on the tenth business day after the public announcement that a person or group of persons has acquired 20% or more of our outstanding common stock, except in connection with an offer approved by the Alamosa's board; or
- the close of business on the tenth business day after the commencement of, or announcement of an intention to commence, a tender offer or exchange offer that would result in a person or group of persons acquiring 20% or more of Alamosa's outstanding common stock.

A person or group of persons will be considered to have acquired beneficial ownership of Alamosa's common stock if they have the power to vote or direct the voting of Alamosa's common stock. Certain stockholders named in Alamosa's amended and restated certificate of incorporation may enter into voting agreements with each other only, at any time, without being deemed the beneficial owner of securities owned by the other parties to the voting agreements, if the voting agreements:

- were approved by the Alamosa's board prior to the time they were entered into;
- do not govern the voting of Alamosa's common stock regarding matters other than the election of members of the Alamosa's board of directors; and
- do not govern the voting of Alamosa's common stock held by persons other than persons who were stockholders in Alamosa before the date of Alamosa's initial public offering.

The rights will expire at the close of business on the tenth anniversary of the date of issuance, unless Alamosa redeems or exchanges the rights before that date or amend the stockholder rights plan to extend the term of the rights.

Flip-in Right. If any person or group of persons acquires 20% or more of Alamosa's outstanding common stock, each holder of a right, other than the acquiring person, will have the right to receive,

upon exercise thereof, the number of shares of common stock, or in certain circumstances, cash, property or other securities of Alamosa, having a value equal to two times the purchase price of the right. The acquiring person's rights will automatically become null and void in that event. In other words, the stockholders other than the acquiring person will be able to buy common stock at half price.

Flip-over Right. If at any time after a person or group of persons acquires 20% or more of Alamosa's outstanding common stock and the following occurs:

- we effect a merger or other business combination in which we are not the surviving corporation;
- we are the surviving corporation in a consolidation, merger or similar transaction in which our shares of common stock are changed into or exchanged for other securities; or
- we sell or otherwise transfer more than 50% of our assets, cash flow or earning power;

then each holder of a right, except a person who has acquired beneficial ownership of 20% or more of the outstanding common stock, may purchase, upon the exercise of each right at the then-current purchase price, that number of shares of common stock of the acquiring company with a market value equal to two times the purchase price of the right. In other words, the stockholders other than the acquiring person will be able to buy common stock of the acquiring company at half price.

Adjustments. The purchase price and the number of shares of Series A Preferred stock or other securities issuable upon exercise of the rights may be adjusted to prevent dilution upon:

- stock dividends, subdivisions, combinations or reclassifications of Alamosa's common stock or the Series A preferred stock;
- below market issuances of rights or warrants to subscribe for or convert into Series A preferred stock; or
- distributions to holders of the Series A preferred stock of evidence of indebtedness, cash, excluding regular quarterly cash dividends, assets, excluding dividends payable in Series A preferred stock, or subscription rights or warrants.

Exchange of Rights. After a person or group of persons acquires 20% of Alamosa's outstanding common stock but before that person or group beneficially owns 50% or more of Alamosa common stock, Alamosa may, at its option, exchange the rights at an exchange ratio of one-half the number of shares of common stock, Series A preferred stock, or other property for which a right is exercisable immediately prior to Alamosa's decision to exchange the rights, subject to adjustment. Rights held by an acquiring person are not entitled to these exchange rights. In that event, the stockholders other than the acquiring person would receive common stock in exchange for their rights.

Redemption of Rights. At any time before a person or group of persons acquires 20% or more of Alamosa's outstanding common stock, Alamosa may redeem the rights at a price of $0.001 per right. Upon the effective date of the redemption of the rights, the rights will terminate and the rights holders will only be entitled to receive the $0.001 redemption price.

Rights as a Stockholder. Until a right is exercised, the rights will not entitle the holder to the rights as Alamosa's stockholder, including, without limitation, the right to vote or to receive dividends.

The rights may have certain anti-takeover effects. The rights may cause substantial dilution to any person or group that attempts to acquire Alamosa without the approval of its board. As a result, the overall effect of the rights may be to make more difficult a merger, tender offer, other business combination or proxy contest involving Alamosa, even if such event would be favorable to the interest of Alamosa's stockholders.

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COMPARISON OF STOCKHOLDERS' RIGHTS

Alamosa and AirGate are both incorporated under the laws of the State of Delaware. Any differences, therefore, in the rights of holders of Alamosa capital stock and AirGate capital stock arise primarily from differences in their respective certificates of incorporation and bylaws. After the effective time of the merger, the rights of former stockholders of AirGate will be determined by reference to the Alamosa's certificate of incorporation and bylaws. The material differences between the rights of holders of AirGate common stock and the rights of holders of Alamosa common stock, resulting from the differences in their governing documents, are summarized below.

The following summary does not purport to be a complete statement of the rights of holders of Alamosa common stock under applicable Delaware law, the Alamosa certificate of incorporation and the Alamosa bylaws or the rights of the holders of AirGate common stock under applicable Delaware law, the AirGate certificate of incorporation and the AirGate bylaws, or a complete description of the specific provisions referred to below. This summary contains a list of the material differences but is not meant to be relied upon as an exhaustive list or a detailed description of the provisions discussed and is qualified in its entirety by reference to the DGCL, and the governing corporate instruments of Alamosa and AirGate, to which the holders of AirGate common stock are referred. Copies of the governing corporate instruments of Alamosa and AirGate are available, without charge, to any person, including any beneficial owner to whom this joint proxy statement-prospectus is delivered, by following the instructions listed under "Where You Can Find More Information."

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Summary of Material Differences Between the
Rights of Alamosa Stockholders and the Rights of AirGate Stockholders

	Alamosa Stockholder Rights	AirGate Stockholder Rights
Authorized Capital Stock:	The authorized capital stock of Alamosa consists of (i) 290,000,000 shares of common stock, par value $0.01 per share, and (ii) 10,000,000 shares of preferred	The authorized capital stock of AirGate consists of (i) 30,000,000 shares of common stock, par value $0.01 per share and (ii) 1,000,000 shares of preferred stock, par

	stock, par value $0.01 per share, of which 300,000 have been designated as Series A preferred stock, 750,000 have been designated as Series B preferred stock and 500,000 have been designated as Series C preferred stock.	value $0.01 per share.
Stockholder Nominations and Proposals for Business:	Alamosa's bylaws permit stockholders of record to nominate candidates for election to Alamosa's board of directors and to introduce other business that is a proper matter for stockholder action in connection with any annual meeting of stockholders. In either case, the stockholder must provide timely notice to the Secretary of Alamosa and the notice must contain specific information as further delineated in Alamosa's bylaws.	AirGate's bylaws also permit stockholders of record to nominate candidates for election to AirGate's board of directors and to introduce other business that is a proper matter for stockholder action in connection with any annual meeting of stockholders. The stockholder must provide timely notice to the Secretary of AirGate, and the notice must contain specific information as further delineated in AirGate's bylaws.
	To be timely, notice must be given to Alamosa not less than 45 days nor more than 75 days before the first anniversary of the date on which Alamosa first mailed its proxy materials for the preceding year's annual meeting of stockholders. However, if the annual meeting is held on a date that is not within 30 days before or after the anniversary of the date of the prior year's annual meeting, notice must be given not later than the close of business on the later of (1) 90th day prior to such annual meeting or (2) the 10th day following the day on which public announcement of the date of such meeting is first made.	In the case of director nominations and introduction of other business, to be timely, notice must be delivered to and received by AirGate not later than the close of business on the 90th day nor earlier than the close of business on the 120th day prior to the first anniversary of the preceding year's annual meeting. However, if the annual meeting is held on a date that is not within 30 days before or within 70 days after that the anniversary date, notice must be given not earlier than the close of business on the 120th day prior to such annual meeting and no later than the close of the business on the later of the 90th day prior to such annual meeting or the 10th day following the day on which public announcement of the date of such meeting is first made.

	Alamosa Stockholder Rights	AirGate Stockholder Rights
Vacancies on the Board of Directors:	Subject to the rights of the holders of any class or series of preferred stock then outstanding, the Alamosa certificate of incorporation provides that any vacancy on the Alamosa board of directors and any newly created directorship resulting from any increase in the authorized number of directors may only be filled by a majority of	Subject to the rights of holders of any series of preferred stock outstanding, the AirGate certificate of incorporation provides that any vacancy on the AirGate board directors and any newly created directorship resulting from any increase in the authorized number of directorships, may only be filled by the majority of the directors then in office,

	the directors then in office, though less than a quorum, or by a sole remaining director. The directors so chosen will hold the office for a term expiring at the annual meeting of stockholders at which the term of office of the class to which they have been elected expires, upon election and qualification of their successors. The certificate of incorporation also provides that under no circumstances may Alamosa's stockholders fill in vacancies resulting from newly created directorships.	though less than a quorum. The directors so chosen will hold office for a term expiring at the annual meeting of stockholders at which the term of office of the class to which they have been chosen expires.
Special Meetings of Stockholders:	Special meetings of Alamosa stockholders may be called by the Chairman, the President or by the board of directors pursuant to a resolution adopted by a majority of the total number of authorized directors.	Special meetings of AirGate stockholders may be called only by (i) the board of directors pursuant to a resolution adopted by a majority of the total number of authorized directors, (ii) the Chairman of the Board or (iii) the Chief Executive Officer.
Shareholder Rights Plan	Alamosa has a shareholder rights plan (see "Description of Alamosa Capital Stock—Shareholder Rights Plan" beginning on page 82).	AirGate does not have a shareholder rights plan.
Business Combinations Involving Interested Stockholders:	Delaware law prohibits a corporation from engaging in any business combination with an interested stockholder (defined generally as a 15% stockholder) for a period of three years after the date that stockholder became an interested stockholder unless (1) before that date, the board of directors of the corporation approved the	AirGate has not opted out of the interested stockholder provision of Delaware law. In addition, AirGate's certificate of incorporation provides that business combinations between or involving AirGate or any majority-owned subsidiary of AirGate and an "AirGate interested stockholder" (as defined below) or any affiliate of such a

	Alamosa Stockholder Rights	AirGate Stockholder Rights
	business combination or the transaction transforming the stockholder into an interested stockholder, (2) upon completion of the transaction which resulted in the stockholder becoming an interested stockholder, that stockholder owned at least 85% of the outstanding voting stock (excluding shares owned by persons who are directors and also officers and certain employee stock ownership plans) or (3) on or after the date the stockholder became an	stockholder require the affirmative vote of the holders of at least 80% of the voting stock, voting as a single class, unless such business combination (1) is approved by a majority of AirGate's directors who are unaffiliated with the interested stockholder and were members of the AirGate board of directors prior to the time the interested stockholder became such (or subsequently were elected or chosen to fill a vacancy on the board of directors and such election or

interested stockholder, the business combination received the approval of both the corporation's directors and the holders of two-thirds of the outstanding voting shares not owned by the interested stockholder voted at a meeting and not by written consent. Subject to certain limitations, a Delaware corporation may opt out of this provision through an amendment to its certificate of incorporation or bylaws adopted by a majority of the outstanding voting shares. Alamosa has not opted out of this provision. In addition, Alamosa's certificate of incorporation provides that any business combination between Alamosa and any Alamosa "interested stockholder" (as defined below) requires the affirmative vote of the holders of at least 80% of the voting stock, voting as a single class, unless such business combination (1) is approved by a majority of Alamosa's directors who are unaffiliated with the interested stockholder and were members of the Alamosa board of directors prior to the time the interested stockholder became such (or were elected by a majority of such directors) or (2) meets certain price and procedure requirements that provide for consideration per share of common stock and any other class of voting stock generally equal to the greater of that paid by the interested stockholder when it acquired its shares of such stock or the highest per share closing price of the Alamosa common stock on the NASDAQ during the 30-day period immediately preceding the date in question.

appointment is approved by a majority of such directors) or (2) meets certain price and procedure requirements that provide for consideration per share of common stock and any other class of voting stock generally equal to the greater of that paid by the interested stockholder when it acquired its shares of such stock or the highest per share closing price of the AirGate common stock on the NASDAQ within the two-year period immediately prior to the first public announcement of the proposed business combination.

"Business combination" is defined to include: (1) any merger or consolidation of AirGate or any majority-owned subsidiary of AirGate with any AirGate interested stockholder or any other corporation that is or, after such merger or consolidation, would be an "affiliate" (as defined in Rule 12b-2 of the Securities Exchange Act of 1934) of an AirGate interested stockholder, (2) any sale, lease, exchange, mortgage, pledge, transfer or other disposition to or with any AirGate interested stockholder or affiliate of the interested stockholder or any of the assets of AirGate or any majority-owned subsidiary having a fair market value (as defined in the AirGate certificate of incorporation) of at least 25% of the combined assets of AirGate and its subsidiaries, (3) the issuance or transfer by AirGate or any majority-owned subsidiary of any securities of AirGate or any majority-owned subsidiary to any AirGate interested stockholder or affiliate of the interested stockholder in exchange for cash, securities or other property having a fair market value of at least 25% of the combined fair market value of the

Alamosa Stockholder Rights	AirGate Stockholder Rights
"Business combination" is generally defined to include: (1) any merger or consolidation	common stock of AirGate and its subsidiaries (other than an issuance or

of Alamosa or any majority-owned subsidiary of Alamosa with any Alamosa interested stockholder or any other corporation that is or, after such merger or consolidation, would be an "affiliate" (as defined in Rule 12b-2 of the Securities Exchange Act of 1934) of an Alamosa interested stockholder, (2) any sale, lease, exchange, mortgage, pledge, transfer or other disposition or other arrangement with or for the benefit of any Alamosa interested stockholder or affiliate of the interested stockholder involving any of the assets, cash flow, earning power, securities or commitments of Alamosa having a fair market value (as defined in the Alamosa certificate of incorporation) or involving aggregate commitments equal to 10% or more of the assets, cash flow, earning power or stockholders' equity of Alamosa, (3) the adoption of any plan for the liquidation or dissolution of Alamosa; (4) any reclassification of securities or recapitalization of Alamosa, or any merger or consolidation of Alamosa with any of its subsidiaries or any other transaction that has the effect of increasing the proportionate share of the outstanding shares of any class of equity or convertible securities of Alamosa or any of its subsidiaries owned by any Alamosa interested stockholder or affiliate of the interested stockholder.

"Alamosa interested stockholder" is generally defined to include any person who (1) beneficially owns, directly or indirectly, more than 20% of the voting stock, (2) is an affiliate of Alamosa and at any time within the two-year period immediately prior to the date in question was the beneficial owner, directly or indirectly, of 20% or more of the voting power of the then-outstanding voting stock, or (3) is an assignee of or otherwise succeeded to any of those shares of voting stock which were at any time within such two-year period beneficially owned by any Alamosa interested stockholder, if the assignment or succession was by means of a transaction not involving a public offering within the meaning of the Securities Act of 1933.

transfer pursuant to an employee benefit plan of AirGate or any subsidiary), (4) the adoption of any plan or proposal for the liquidation or dissolution of AirGate proposed by or on behalf of an AirGate interested stockholder or affiliate of the interested stockholder, or (5) any reclassification of securities or recapitalization of AirGate, or any merger or consolidation of AirGate with any of its subsidiaries or any other transaction that has the effect of increasing the proportionate share of the outstanding shares of any class of equity or convertible securities of AirGate or any of its subsidiaries owned by any AirGate interested stockholder or affiliate of the interested stockholder.

"AirGate interested stockholder" is defined to include any person who (1) beneficially owns, directly or indirectly, more than 10% of the voting stock, (2) is an affiliate of AirGate and at any time within the two-year period immediately prior to the date in question was the beneficial owner, directly or indirectly, of 10% or more of the voting power of the then-outstanding voting stock, or (3) is an assignee of or otherwise succeeded to any of those shares of voting stock which were at any time within such two-year period beneficially owned by any AirGate interested stockholder, if the assignment or succession was by means of a transaction not involving a public offering within the meaning of the Securities Act of 1933.

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	Alamosa Stockholder Rights	AirGate Stockholder Rights
Removal of Directors:	Alamosa stockholders may remove a director, subject to the right of the holders of any class of preferred stock, only for cause by an affirmative vote of the holders of at least 80 percent of the voting stock, voting as a single class. Except as may be otherwise provided by law, cause for removal shall exist only if the director whose removal is proposed (1) has been convicted of a felony and such conviction is no longer subject to direct appeal; or (2) has been adjudged by a court of competent jurisdiction to be liable for gross negligence or misconduct in the performance of such director's duties in a matter of substantial importance to Alamosa, and such adjudication has become final and non-appeasable; or (3) has missed 6 consecutive meeting of the board of directors.	AirGate stockholders may remove a director only for cause by an affirmative vote of the holders of at least 80 percent of the voting power of all of the then-outstanding shares of capital stock of AirGate entitled to vote, voting together as a single class. Except as otherwise required by law, whenever the holders of any one or more series of Preferred Stock shall have the right, voting separately as a class, to elect one or more directors of AirGate, this provision shall not apply with respect to the director or directors elected by such holders of Preferred Stock.
Amendment of Certificate:	The DGCL provides that amendments to a corporation's certificate of incorporation generally require a resolution by the corporation's board of directors setting forth the amendment proposed and declaring its advisability and the adoption of such amendment by the affirmative vote of holders of a majority in voting power of the corporation's outstanding stock entitled to vote thereon. In addition, the Alamosa certificate of incorporation requires the vote of the holders of 80 percent of the voting power of Alamosa voting stock voting as a single class, in order to amend or repeal the provisions of the Alamosa's certificate of incorporation with respect to the board's power to authorize the issuance of preferred stock (Article Four, subsection (c)), meetings of stockholders (Article Six), amendments to the bylaws (Article Eight), the board of directors (Article Nine), and business combinations (Article Thirteen).	In addition to the requirements of Delaware law, the AirGate certificate of incorporation requires the vote of the holders of 80 percent of the voting power of the outstanding common stock of AirGate, subject to the provisions of any series of preferred stock which may at the time be outstanding, in order to amend or repeal the provisions with respect to meetings of stockholders (Article Five), preemptive rights (Article Five), sale of operating assets pursuant to Sprint agreement (Article Five), number of directors and notice to stockholders (Article Six), amendment of bylaws (Article Seven), business combinations (Article Eight), indemnification (Article Ten), personal liability of directors (Article Eleven), provisions regarding amendments (Article Twelve) and with respect to adding any article imposing cumulative voting in the election of directors. If there is a related person (as defined in the certificate of

incorporation), such amendment requires the affirmative vote of at least 50% of the outstanding common stock held by stockholders other than such related person.

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	Alamosa Stockholder Rights	AirGate Stockholder Rights
Amendment of Bylaws:	Alamosa's bylaws may be amended by affirmative vote of holders of a majority of the outstanding shares of Alamosa capital stock present and voting at a meeting at which a quorum is present, except for any adoption, amendment or repeal of the bylaws in the manner that would make them inconsistent with the provisions contained in the certificate of incorporation that relate to the board's power to authorize the issuance of preferred stock (Article Four, Subsection (c)), meetings of stockholders (Article Six), amendment to bylaws (Article Eight), board of directors (Article Nine), amendments to the charter (Article Ten), and business combinations (Article Thirteen), which amendments require 80% of the voting power of the voting stock, voting as a single class. The Alamosa certificate of incorporation also authorizes the board of directors to adopt, amend or repeal the bylaws, without any action on the part of stockholders.	The AirGate certificate of incorporation provide that the AirGate board of directors is empowered to adopt, amend or repeal the bylaws, by a vote of the majority of the total authorized directors, and the stockholders may adopt, amend or repeal the bylaws by the affirmative vote of holders of 80 percent of the voting power of then outstanding shares of capital stock entitled to vote, voting as a single class.
Consideration of Other Constituen-cies:	The Alamosa certificate of incorporation does not contain any provision specifically authorizing or requiring the Alamosa board of directors to consider the interests of any constituencies of Alamosa other than its stockholders in considering whether to approve or oppose any corporate action, including a merger or similar transaction. Pursuant to case law, interpreting statutory provisions of Delaware law, the board of directors of a Delaware corporation such as Alamosa generally may consider the impact of such a transaction on Alamosa's other constituencies, provided that doing so bears some reasonable relationship to general stockholder interests.	The AirGate certificate of incorporation provides that the AirGate board of directors may, in connection with determining what is in the best interests of AirGate and its stockholders when evaluating any offer of another person to (1) make a tender or exchange offer for any equity security of AirGate, (2) merge or consolidate AirGate with another corporation or entity or (3) purchase or otherwise acquire all or substantially all of the properties and assets of AirGate, give due consideration to all relevant factors, including, without limitation: (A) those factors that directors of any subsidiary of AirGate may consider in evaluating any action that may result in a

change or potential change of control of the subsidiary, (B) the social and economic effect of acceptance of such offer on AirGate's present and future customers and employees and on the communities in which AirGate operates or is located and (C) AirGate's ability to fulfill its corporate objective under applicable laws and regulations.

LEGAL MATTERS

The validity of the Alamosa common stock to be issued in connection with the merger will be passed upon for Alamosa by Skadden, Arps, Slate, Meagher & Flom LLP, New York, New York. Skadden, Arps, Slate, Meagher & Flom LLP and Winston & Strawn LLP will deliver their opinions to Alamosa and AirGate, respectively, as to certain Federal income tax matters.

EXPERTS

The consolidated financial statements of Alamosa and its subsidiaries incorporated in this joint proxy statement-prospectus by reference, to Alamosa's Annual Report on Form 10-K for the year ended December 31, 2003 have been so incorporated in reliance on the report of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on the authority of said firm as experts in accounting and auditing.

The consolidated financial statements and schedule of AirGate PCS, Inc. and subsidiaries as of September 30, 2004 and 2003, and for each of the years in the three-year period ended September 30, 2004, included in AirGate's Annual Report on Form 10-K for the year ended September 30, 2004, have been incorporated in this joint proxy statement-prospectus by reference, in reliance on the report, of KPMG LLP, independent accountants, incorporated by reference herein, and upon the authority of said firm as experts in accounting and auditing.

ALAMOSA 2005 ANNUAL STOCKHOLDER MEETING AND STOCKHOLDER PROPOSALS

Proposals received from stockholders in accordance with Rule 14a-8 under the Exchange Act are given careful consideration by Alamosa. Stockholder proposals are eligible for consideration for inclusion in the proxy statement for the 2005 annual meeting of stockholders if they are received by Alamosa on or before December 22, 2004. Stockholder proposals must be directed to the Corporate Secretary, Alamosa Holdings, Inc., at 5225 S. Loop 289, Lubbock, Texas 79424. In order for a stockholder proposal submitted outside of Rule 14a-8 to be considered "timely" within the meaning of Rule 14a-4(c) under the Exchange Act, such proposal must be received by Alamosa not later than the last date for submission of stockholder proposals under Alamosa's bylaws. In order for a proposal to be "timely" under Alamosa's bylaws, proposals of stockholders made outside of Rule 14a-8 under the Exchange Act must be submitted, in accordance with the requirements of Alamosa's bylaws, not later than March 9, 2005 and not earlier than February 7, 2005; provided, however, in the event that the 2005 annual meeting of stockholders is advanced more than 30 days prior to or delayed more than 30 days after June 2, 2005, a proposal by a stockholder to be timely must be delivered not later than the close of business on the later of (i) the 90th day prior to the 2005 annual meeting of stockholders and (ii) the tenth day following the date on which public announcement of the date of the 2005 annual meeting of stockholders is first made.

AIRGATE 2005 ANNUAL STOCKHOLDER MEETING AND STOCKHOLDER PROPOSALS

AirGate does not expect to hold a 2005 annual stockholder meeting because AirGate will not be a separate public company if the merger has been completed at that time. If the merger is not consummated and such a meeting is held, stockholders may propose matters to be presented at the 2005 annual meeting of stockholders and may also nominate persons to be directors. Any stockholder proposal to be included at the 2005 annual meeting of stockholders must be submitted in writing to the Secretary of AirGate by January 10, 2005 (unless such annual meeting is called for a date earlier than March 9, 2005 or later than June 16, 2005, in which case such proposal must be made no earlier than the 120th day prior to such annual meeting and not later than the later of the 90th day prior to such annual meeting or the 10th day on which a public announcement of the meeting is first made by AirGate).

WHERE YOU CAN FIND MORE INFORMATION

Alamosa has filed with the SEC a registration statement under the Securities Act that registers the distribution to AirGate stockholders of the shares of Alamosa common stock to be issued in connection with the merger. The registration statement, including the attached exhibits and schedules, contains additional relevant information about Alamosa and Alamosa common stock. The rules and regulations of the SEC allow us to omit certain information included in the registration statement from this joint proxy statement-prospectus.

Alamosa and AirGate also file reports, proxy statements and other information with the SEC under the Exchange Act. You may read and copy this information at the Public Reference Room of the SEC at 450 Fifth Street, N.W., Washington, D.C. 20549. You may obtain information on the operation of the SEC's Public Reference Room by calling the SEC at 1-800-SEC-0330. The SEC also maintains an Internet site that contains reports, proxy statements and other information about issuers, like Alamosa and AirGate, who file electronically with the SEC. The address of that site is http://www.sec.gov.

You can also inspect reports, proxy statements and other information about Alamosa and AirGate at the offices of the NASDAQ Stock Market, Inc., Investor Relations, One Liberty Plaza, 50th Floor, New York, NY 10006.

The SEC allows Alamosa and AirGate to "incorporate by reference" information into this joint proxy statement-prospectus. This means that Alamosa and AirGate can disclose important information to you by referring you to another document filed separately with the SEC. The information incorporated by reference is considered to be a part of this joint proxy statement-prospectus, except for any information that is superseded by information that is included directly in this joint proxy statement-prospectus or in other later-filed documents that are incorporated by reference. Information furnished under Item 9 or Item 12 of Alamosa's or AirGate's current reports on Form 8-K filed prior to August 23, 2004 or information furnished under Items 2.02 or 7.01 of Alamosa's or AirGate's current reports on Form 8-K filed on or after August 23, 2004 is not incorporated by reference in this joint proxy statement-prospectus and registration statement. The information incorporated by reference contains important information about our companies and their financial condition.

The following documents filed with the SEC by Alamosa and AirGate are incorporated by reference into this proxy statement prospectus.

Alamosa SEC Filings	Period or Date Filed
Annual Report on Form 10-K	Year ended December 31, 2003
Quarterly Report on Form 10-Q	Quarter ended March 30, 2004, June 30, 2004 and September 30, 2004
The description of Alamosa common stock set forth in Alamosa's registration statements filed by Alamosa pursuant to Section 12 of the Exchange Act, including any amendment or report filed for purposes of updating any such description	
The portions of Alamosa's proxy statement for the annual meeting of stockholders held on June 2, 2004, that have been incorporated by reference in the 2003 Alamosa Form 10-K	
Current Reports on Form 8-K	Filed on January 5, 2004, January 5, 2004, January 16, 2004, July 1, 2004, October 8, 2004, November 4, 2004, November 5, 2004, November 22, 2004, December 8, 2004, December 9, 2004.

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AirGate SEC Filings	**Period or Date Filed**
Annual Report on Form 10-K	Year ended September 30, 2004
The description of AirGate's common stock set forth in AirGate's registration statement filed pursuant to Section 12 of the Exchange Act, including any amendment or report filed for purposes of updating any such description	
The portions of AirGate's proxy statement for the annual meeting of stockholders held on April 8, 2004, that have been incorporated by reference in the 2003 AirGate Form 10-K	
Current Reports on Form 8-K	Filed on September 30, 2004, September 30, 2004, October 1, 2004, October 7, 2004, October 28, 2004, October 29, 2004, November 17, 2004, November 23, 2004, November 23, 2004, December 8, 2004, December 9, 2004, December 10, 2004, December 14, 2004.

All documents and reports filed by Alamosa and AirGate with the SEC pursuant to Section 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act between the date of this joint proxy statement-prospectus and the date of our meetings are incorporated by reference into this joint proxy statement-prospectus. These documents include periodic reports, such as annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K, as well as proxy statements.

Alamosa has supplied all information contained or incorporated by reference in this joint proxy statement-prospectus relating to Alamosa, as well as all pro forma financial information, and AirGate has supplied all relevant information relating to AirGate.

Documents incorporated by reference are available from the companies without charge, excluding any exhibits to those documents, unless the exhibit is specifically incorporated by reference as an exhibit in this joint proxy statement-prospectus. You can obtain documents incorporated by reference in this joint proxy statement-prospectus by requesting them in writing or by telephone from the appropriate company at the following addresses:

Alamosa Holdings, Inc. 5225 S. Loop 289 Lubbock, Texas 79424 (806) 722-1100 Attention: Jon D. Drake	AirGate PCS, Inc. 233 Peachtree St., N.E., Suite 1700, Harris Tower Atlanta, GA 30303 (404) 525-7272 Attention: Bill Loughman

Alamosa stockholders who would like to request any documents should do so by •, 2005, to receive them before the Alamosa special meeting. AirGate stockholders who would like to request any documents should do so by • 2005, in order to receive them before the AirGate Special meeting. If you request any incorporated documents from Alamosa or AirGate, the appropriate company (stated above) will mail them to you by first class mail, or another equally prompt means, within one business day after your request is received.

We have not authorized anyone to give any information or make any representation about the merger or the companies that is different from, or in addition to, that contained in this joint proxy statement-prospectus or in any of the materials that have been incorporated into this joint proxy statement-prospectus. Therefore, if anyone distributes this type of information, you should not rely upon it. If you are in a jurisdiction where offers to exchange or sell, or solicitations of offers to exchange or purchase, the securities offered by this joint proxy statement-prospectus or the solicitation

of proxies is unlawful, or you are a person to whom it is unlawful to direct these types of activities, then the offer presented in this joint proxy statement-prospectus does not extend to you. The information contained in this joint proxy statement-prospectus speaks only as of the date of this joint proxy statement-prospectus unless the information specifically indicates that another date applies.

APPENDIX A

AGREEMENT AND PLAN OF MERGER

among

ALAMOSA HOLDINGS, INC.,

A-CO MERGER SUB, INC. and

AIRGATE PCS, INC.

Dated as of December 7, 2004

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AGREEMENT AND PLAN OF MERGER

AGREEMENT AND PLAN OF MERGER, dated as of December 7, 2004 (this "Agreement"), by and among Alamosa Holdings, Inc., a Delaware corporation ("Parent"), A-Co. Merger Sub, Inc., a Delaware corporation and a direct wholly owned subsidiary of Parent ("Merger Sub"), and AirGate PCS, Inc., a Delaware corporation (the "Company").

WHEREAS, the Boards of Directors of Parent, Merger Sub and the Company have determined that it is advisable and in the best interests of their respective companies and their stockholders to consummate the business combination transaction provided for herein in which the Company will, subject to the terms and conditions set forth herein, merge with and into Merger Sub, with Merger Sub being the surviving entity (the "Merger");

WHEREAS, the parties intend that the Merger shall qualify as a reorganization under the provisions of Section 368(a) of the Internal Revenue Code of 1986, as amended (the "Code"), for federal income tax purposes; and

WHEREAS, the parties desire to make certain representations, warranties and agreements in connection with the Merger and also to prescribe certain conditions to the Merger.

NOW, THEREFORE, in consideration of the mutual covenants, representations, warranties and agreements contained herein, and intending to be legally bound hereby, the parties agree as follows:

ARTICLE 1
THE MERGER

1.1. The Merger. Upon the terms and subject to the conditions of this Agreement, at the Effective Time (as defined in Section 1.2 hereof), the Company shall merge with and into Merger Sub. Merger Sub shall be the surviving corporation (hereinafter sometimes called the "Surviving Corporation") in the Merger and shall continue its corporate existence under the laws of the State of Delaware. The name of the Surviving Corporation shall be "AirGate PCS, Inc." Upon consummation of the Merger, the separate corporate existence of the Company shall terminate.

1.2. Effective Time. Subject to the provisions of this Agreement, a certificate of merger (the "Certificate of Merger") shall be duly prepared, executed by Merger Sub as the Surviving Corporation and thereafter filed with the Secretary of State of the State of Delaware (the "Delaware Secretary"), as provided in the Delaware General

Corporation Law (the "DGCL"), on the Closing Date (as defined in Section 9.1). The Merger shall become effective upon the filing of the Certificate of Merger with the Delaware Secretary or at such time thereafter as is provided in the Certificate of Merger and agreed to by the parties hereto (the "Effective Time").

1.3. Effects of the Merger. At and after the Effective Time, the Merger shall have the effects set forth in the DGCL.

1.4. Conversion of Company Common Stock. At the Effective Time, by virtue of the Merger and without any action on the part of the Company, Merger Sub, Parent or the holder of any of the following securities:

(a) Each share of the common stock, par value $0.01 per share, of the Company (the "Company Common Stock") issued and outstanding immediately prior to the Effective Time (except for (x) shares of Company Common Stock held directly or indirectly by the Company or Parent and (y) Dissenting Shares), shall be converted, at the election of the holder thereof, in accordance with the procedure set forth in Article II and subject to Section 2.3(f), into the right to receive the following:

(i) In the case of a share of Company Common Stock with respect to which an election to receive common stock, $0.01 par value per share, of Parent (the "Parent Common Stock") has been effectively made and not revoked or lost pursuant to Article II (a "Stock Election"), 2.87 (the "Exchange Ratio") shares of Parent Common Stock (the "Stock Consideration"); and

(ii) In the case of a share of Company Common Stock (collectively, "Cash Election Shares") with respect to which an election to receive cash has been effectively made and not revoked or lost

pursuant to Article II (a "Cash Election"), an amount in cash equal to the Per Share Amount, without interest (the "Cash Consideration"), subject to Section 1.6; and

(iii) In the case of any share of Company Common Stock other than shares as to which a Cash Election or a Stock Election has been effectively made and not revoked or lost pursuant to Article II (collectively, "Non-Election Shares"), either Stock Consideration or Cash Consideration, as determined in accordance with Section 1.6.

"Per Share Amount" shall mean the product, rounded to the nearest cent, of the Exchange Ratio times the Parent Closing Price.

"Parent Closing Price" shall mean the average, rounded to the nearest one ten thousandth, of the closing sale prices of Parent Common Stock on The Nasdaq National Market ("Nasdaq") as reported by The Wall Street Journal for the ten (10) trading days immediately preceding the date of the Effective Time.

The Cash Consideration and the Stock Consideration are sometimes referred to herein collectively as the "Merger Consideration."

(b) Each outstanding share of Company Common Stock the holder of which has perfected his appraisal rights under applicable law and has not effectively withdrawn or lost such right as of the Effective Time (the "Dissenting Shares") shall not be converted into or represent a right to receive shares of Parent Common Stock or cash hereunder, and the holder thereof shall be entitled only to such rights as are granted by applicable law. The Company shall give Parent prompt notice upon receipt by the Company of any such demands for payment of the fair value of such shares of Company Common Stock and of withdrawals of such notice and any other instruments provided pursuant to applicable law (any shareholder duly making such demand being hereinafter called a "Dissenting Shareholder"), and Parent shall have the right to direct all negotiations and proceedings with respect to any such demands. The Company shall not, except with the prior written consent of Parent (which consent shall not be unreasonably withheld), voluntarily make any payment with respect to, or settle or offer to settle, any such demand for payment, or waive any failure to timely deliver a written demand for appraisal or the taking of any other action by such Dissenting Shareholder as may be necessary to perfect appraisal rights under the DGCL. Any payments made in respect of Dissenting Shares shall be made by Parent.

(c) If any Dissenting Shareholder shall effectively withdraw or lose (through failure to perfect or otherwise) his right to such payment at or prior to the Effective Time, such holder's shares of Company Common Stock shall be converted into a right to receive cash or Parent Common Stock in accordance with the applicable provisions of this Agreement. If such holder shall effectively withdraw or lose (through failure to perfect or otherwise) his right to such payment after the Effective Time, each share of Company Common Stock of such holder shall be converted on a share by share basis into either the right to receive the Cash Consideration or Stock Consideration as Parent shall determine in its sole discretion.

(d) All of the shares of Company Common Stock converted into the right to receive the Merger Consideration pursuant to this Article I shall no longer be outstanding and shall automatically be cancelled and shall cease to exist as of the Effective Time, and each certificate previously representing any such shares of Company Common Stock (each, a "Company Stock Certificate") shall thereafter represent only the right to receive (i) a certificate (each, a "Parent Stock Certificate") representing the number of whole shares of Parent Common Stock, (ii) the aggregate Cash Consideration and (iii) cash in lieu of fractional shares, into which the shares of Company Common Stock represented by such Company Stock Certificate have been converted pursuant to this Section 1.4 and Section 2.3(f). Certificates previously representing shares of Company Common Stock shall be exchanged for certificates representing whole shares of Parent Common Stock, the aggregate Cash Consideration deliverable in respect of the shares of Company Common Stock represented thereby and cash in lieu of fractional shares issued in consideration therefor upon the surrender of such Company Stock Certificates in accordance with Article II, without any interest thereon.

(e) If, between the date of this Agreement and the Effective Time, the outstanding shares of Parent Common Stock shall have been increased, decreased, changed into or exchanged for a different number or kind of shares or securities as a result of a reorganization, recapitalization, reclassification, stock dividend, stock split, reverse stock split, or other similar change in capitalization, the Exchange

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Ratio shall be adjusted accordingly to provide to the holders of Company Common Stock the same economic effect as contemplated by this Agreement prior to such event.

(f) Notwithstanding anything in this Agreement to the contrary, at the Effective Time, all shares of Company Common Stock that are held directly or indirectly by the Company (as treasury shares or otherwise) or Parent shall be cancelled and shall cease to exist and no Merger Consideration shall be delivered in exchange therefor.

1.5. Merger Sub Capital Stock. At the Effective Time each share of common stock, par value $0.01 per share of Merger Sub, issued and outstanding immediately prior to the Effective Time shall remain issued and outstanding and shall not be affected by the Merger.

1.6. Proration.

(a) Notwithstanding any other provision contained in this Agreement, the total number of shares of Company Common Stock to be converted into Cash Consideration pursuant to Section 1.4 shall be no greater than the quotient (the "Cash Conversion Number") obtained by dividing (x) $100 million, by (y) the Per Share Amount.

(b) Within five business days after the Effective Time, Parent shall cause the Exchange Agent (as defined below) to effect the allocation among holders of Cash Election Shares and Non-Election Shares of rights to receive the Cash Consideration as follows:

(i) Cash Election Number More Than Cash Conversion Number. If the aggregate number of shares of Company Common Stock with respect to which Cash Elections shall have been made (the "Cash Election Number") exceeds the Cash Conversion Number, then all Non-Election Shares shall be converted into the right to receive the Stock Consideration, and each holder of Cash Election Shares shall have the right to receive the Cash Consideration in respect of that number of such holder's Cash Election Shares equal to the product obtained by multiplying (x) the number of Cash Election Shares held by such holder by (y) a fraction, the numerator of which is the Cash Conversion Number and the denominator of which is the Cash Election Number, with all of such holder's remaining Cash Election Shares being converted into the right to receive the Stock Consideration (subject to Section 2.3(f) hereof); and

(ii) Cash Election Number Less Than Cash Conversion Number. If the Cash Election Number is less than the Cash Conversion Number (the amount by which the Cash Conversion Number exceeds the Cash Election Number being referred to herein as the "Shortfall Number"), then all Cash Election Shares shall be converted into the right to receive the Cash Consideration, and the Non-Election Shares shall be treated in the following manner:

(A) If the Shortfall Number is less than the number of Non-Election Shares, then each holder of Non-Election Shares shall have the right to receive the Cash Consideration in respect of that number of such holder's Non-Election Shares equal to the product obtained by multiplying (x) the number of Non-Election Shares held by such holder by (y) a fraction, the numerator of which is the Shortfall Number and the denominator of which is the total number of Non-Election Shares, with all of such holder's remaining Non-Election Shares being converted into the right to receive the Stock Consideration (subject to Section 2.3(f) hereof); or

(B) If the Shortfall Number equals or exceeds the number of Non-Election Shares, then all Non-Election Shares shall be converted into the right to receive the Cash Consideration.

For purposes of making the allocations required pursuant to this Section 1.6(b), any Dissenting Share shall be deemed to be a Cash Election Share and shall be included in the Cash Election Number (provided that the actual consideration to be received by holders of Dissenting Shares shall be determined as set forth in Section 1.4(b) and (c) above).

1.7. Stock Options. Immediately prior to the Effective Time, the Company shall take all actions necessary (including but not limited to obtaining any necessary consents) so that each option (a

"Company Option") granted by the Company pursuant to any option plan, agreement or commitment maintained by the Company (other than the Company's 2001 Employee Stock Purchase Plan) (collectively the "Company Option Plans") to purchase shares of Company Common Stock which is outstanding and unexercised shall become fully vested and exercisable (whether or not currently exercisable) and at the Effective Time shall be cancelled and all rights thereunder shall be extinguished. The Company shall make payment immediately prior to the Effective Time to each holder of such Company Option of an amount determined by multiplying (x) the number of shares of Company Common Stock underlying such Company Option by (y) the amount by which the Per Share Amount exceeds the exercise price per share of such Company Option.

1.8. Assumption of Warrants. At the Effective Time, Parent shall assume and cause to be performed all obligations of the Company under the Company Warrants (as defined in Section 3.3(a)). Each Company Warrant so assumed by Parent under this Agreement will continue to have, and be subject to, the same terms and conditions set forth in the applicable warrant agreement immediately prior to the Effective Time, except that each outstanding Company Warrant will be exercisable (or will become exercisable in accordance with its terms), for shares of Parent Common Stock and cash in the same proportion that the holders of Company Common Stock receive in the aggregate in the Merger as measured as of the Effective Time. Parent shall use reasonable efforts to cause to become effective at the Effective Time a shelf registration statement on Form S-3 under the Securities Act covering the resale of the ChaseMellon Warrants and Parent Common Stock issuable upon exercise of the ChaseMellon Warrants and the Bankers Trust Warrants and shall maintain the effectiveness thereof until the registration requirements set forth in (A) the Warrant Registration Rights Agreement dated July 12, 2000, by and among iPCS, Inc., Donaldson, Lufkin & Jenrette Securities Corporation and TD Securities (USA) Inc., and (B) the Bankers Trust Warrant Agreement expire. At the Effective Time Parent shall also assume all obligations under Section 4(b) of the Sprint Warrant.

1.9. Restricted Unit Awards. Immediately prior to the Effective Time, the Company shall take all actions necessary (including but not limited to obtaining any necessary consents) so that each restricted stock unit (a "Restricted Stock Unit") granted by the Company pursuant to a Company Plan which is outstanding shall be cancelled and all rights thereunder shall be extinguished. The Company shall pay to each holder of Restricted Stock Units an amount in cash equal to the product of (i) the Per Share Amount multiplied by (ii) the number of Restricted Stock Units held by such holder immediately prior to such cancellation.

1.10. Alternative Transaction Structures. The parties agree that Parent may change the method of effecting the business combination with the Company, and the Company shall cooperate in such efforts, including by entering into an appropriate amendment to this Agreement (to the extent such amendment only changes the method of effecting the business combination and does not substantively affect the rights and obligations of the parties or their respective stockholders hereunder); provided, however, that no actions taken pursuant to this Section 1.10 shall (i) alter or change the kind or amount of consideration to be issued to holders of the Company Common Stock or the treatment of the Company Options as provided for in this Agreement, (ii) adversely affect the tax consequences of the transaction to the holders of the Company Common Stock, (iii) materially delay receipt of any required regulatory approval, or (iv) otherwise cause any closing condition not to be capable of being fulfilled (unless duly waived by the party entitled to the benefits thereof).

1.11. Certificate of Incorporation. Subject to the terms and conditions of this Agreement, at the Effective Time the Certificate of Incorporation of Merger Sub shall be the Certificate of Incorporation of the Surviving Corporation until thereafter amended in accordance with applicable law.

1.12. Bylaws. Subject to the terms and conditions of this Agreement, at the Effective Time the Bylaws of Merger Sub shall be the Bylaws of the Surviving Corporation until thereafter amended in accordance with applicable law.

1.13. Tax Consequences. It is intended that the Merger shall constitute a "reorganization" within the meaning of Section 368(a) of the Code, and that this Agreement shall constitute a "plan of reorganization" for the purposes of the Code.

1.14. Directors. At and immediately after the Effective Time, the directors of the Surviving Corporation shall consist of the directors of Merger Sub in office immediately prior to the Effective Time, until their respective successors are duly elected or appointed and qualified.

1.15. Officers. At and immediately after the Effective Time, the officers of the Surviving Corporation shall consist of the officers of Merger Sub in office immediately prior to the Effective Time.

ARTICLE II
DELIVERY OF MERGER CONSIDERATION

2.1. Election Procedures. Each holder of record of shares of Company Common Stock ("Holder") as of the record date for the Company Stockholders Meeting shall have the right, subject to the limitations set forth in this Article II, to submit an election in accordance with the following procedures:

(a) Each Holder may specify in a request made in accordance with the provisions of this Section 2.1 (herein called an "Election") (x) the number of shares of Company Common Stock owned by such Holder with respect to which such Holder desires to make a Stock Election and (y) the number of shares of Company Common Stock owned by such Holder with respect to which such Holder desires to make a Cash Election.

(b) Parent shall prepare a form reasonably acceptable to the Company (the "Form of Election") which shall be mailed to the Company's shareholders entitled to vote at the Company Stockholders Meeting (as hereinafter defined) so as to permit Company's shareholders to exercise their right to make an Election prior to the Election Deadline.

(c) Parent shall make the Form of Election initially available at the time that the Joint Proxy Statement/Prospectus (as defined herein) is made available to the shareholders of Company, to such shareholders, and shall use all reasonable efforts to make available as promptly as possible a Form of Election to any shareholder of the Company who requests such Form of Election following the initial mailing of the Forms of Election and prior to the Election Deadline. In no event shall the Form of Election first be made available less than twenty (20) days prior to the Election Deadline.

(d) Any Election shall have been made properly only if the Person authorized to receive Elections and to act as exchange agent under this Agreement, which Person shall be a bank or trust company designated by Parent and reasonably acceptable to the Company (the "Exchange Agent"), pursuant to an agreement (the "Exchange Agent Agreement") entered into prior to the mailing of the Form of Election to Company shareholders and reasonably acceptable to the Company, shall have received, by 5:00 p.m. local time in the city in which the principal office of such Exchange Agent is located, on the date of the Election Deadline, a Form of Election properly completed and signed and accompanied by Company Stock Certificates to which such Form of Election relates or by an appropriate customary guarantee of delivery of such certificates, as set forth in such Form of Election, from a member of any registered national securities exchange or a commercial bank or trust company in the United States; provided, that such certificates are in fact delivered to the Exchange Agent by the time required in such guarantee of delivery. Failure to deliver shares of Company Common Stock covered by such a guarantee of delivery within the time set forth on such guarantee shall be deemed to invalidate any otherwise properly made Election, unless otherwise determined by Parent, in its sole discretion. As used herein, "Election Deadline" means 5:00 p.m. on the date that is the day prior to the date of the Company Stockholders Meeting. Company and Parent shall cooperate to issue a press release reasonably satisfactory to each of them announcing the date of the Election Deadline not more than fifteen (15) business days before, and at least five (5) business days prior to, the Election Deadline.

(e) Any Company shareholder may, at any time prior to the Election Deadline, change or revoke his or her Election by written notice received by the Exchange Agent prior to the Election Deadline accompanied by a properly completed and signed revised Form of Election. Subject to the terms of the Exchange Agent Agreement, if Parent shall determine in its reasonable discretion that any Election is not properly made with respect to any shares of Company Common Stock, such Election shall be deemed to be not in effect, and the shares of Company Common Stock covered by such Election shall, for purposes hereof, be deemed to be Non-Election Shares, unless a proper Election is thereafter timely made.

(f) Any Company shareholder may, at any time prior to the Election Deadline, revoke his or her Election by written notice received by the Exchange Agent prior to the Election Deadline or by withdrawal prior to the Election Deadline of his or her Company Stock Certificate, or of the guarantee of delivery of such certificates, previously deposited with the Exchange Agent. All Elections shall be revoked automatically if the Exchange Agent is notified in writing by Parent or Company that this Agreement has been terminated in accordance with Article VIII.

(g) Subject to the terms of the Exchange Agent Agreement, Parent, in the exercise of its reasonable discretion, shall have the right to make all determinations, not inconsistent with the terms of this Agreement, governing (A) the validity of the Forms of Election and compliance by any Company shareholder with the Election procedures set forth herein, (B) the manner and extent to which Elections are to be taken into account in making the determinations prescribed by Sections 1.4 and 1.6, (C) the issuance and delivery of Parent Stock Certificates into which shares of Company Common Stock are converted in the Merger and (D) the method of payment of cash for shares of Company Common Stock converted into the right to receive the Cash Consideration and cash in lieu of fractional shares of Parent Common Stock where the holder of the applicable Company Stock Certificate has no right to receive whole shares of Parent Common Stock.

2.2. Deposit of Merger Consideration. At or prior to the Effective Time, Parent will deposit with the Exchange Agent (i) certificates representing the number of shares of Parent Common Stock sufficient to deliver in a timely manner, and Parent shall instruct the Exchange Agent to timely deliver, the aggregate Stock Consideration, and (ii) immediately available funds equal to the aggregate Cash Consideration and Parent shall instruct the Exchange Agent to timely pay the Cash Consideration, and cash in lieu of fractional shares of Parent Common Stock where the holder of the applicable Company Stock Certificate has no right to receive whole shares of Parent Common Stock.

2.3. Delivery of Merger Consideration.

(a) As soon as reasonably practicable, but no later than seven business days after the Effective Time, the Exchange Agent shall mail to each holder of record of a Company Stock Certificate(s) which immediately prior to the Effective Time represented outstanding shares of Company Common Stock whose shares were converted into the right to receive the Merger Consideration pursuant to Section 1.4 and any cash in lieu of fractional shares of Parent Common Stock to be issued or paid in consideration therefor who did not complete an Election Form, (i) a letter of transmittal (which shall specify that delivery shall be effected, and risk of loss and title to Company Stock Certificate(s) shall pass, only upon delivery of Company Stock Certificate(s) (or affidavits of loss in lieu of such certificates)) (the "Letter of Transmittal") to the Exchange Agent and shall be substantially in such form and have such other provisions as shall be prescribed by the Exchange Agent Agreement and (ii) instructions for use in surrendering Company Stock Certificate(s) in exchange for the Merger Consideration and any cash in lieu of fractional shares of Parent Common Stock to be issued or paid in consideration therefor upon surrender of such certificate in accordance with Section 2.3(f) and any dividends or distributions to which such holder is entitled pursuant to Section 2.3(c).

(b) Upon surrender to the Exchange Agent of its Company Stock Certificate or Certificates, accompanied by a properly completed Form of Election or a properly completed Letter of Transmittal, a holder of Company Common Stock will be entitled to receive promptly after the Effective Time the Merger Consideration (elected or deemed elected by it, subject to Sections 1.4 and 1.6) in respect of the shares of Company Common Stock represented by its Company Stock Certificate or Certificates. Until so surrendered, each such Company Stock Certificate shall represent after the Effective Time, for all purposes, only the right to receive the Merger Consideration and any cash in lieu of fractional shares of Parent Common Stock to be issued or paid in consideration therefor upon surrender of such certificate in accordance with, and any dividends or distributions to which such holder is entitled pursuant to, this Article II.

(c) No dividends or other distributions with respect to Parent Common Stock with a record date after the Effective Time shall be paid to the holder of any unsurrendered Company Stock Certificate with respect to the shares of Parent Common Stock represented thereby, and no cash payment in lieu of fractional shares shall be paid to any such holder pursuant to subsection (f) below, and all such dividends,

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other distributions and cash in lieu of fractional shares of Parent Common Stock shall be paid by Parent to the Exchange Agent and shall be included in the Exchange Fund, in each case until the surrender of such Company Stock Certificate in accordance with this Article II. Subject to the effect of applicable abandoned property, escheat or similar laws, following surrender of any such Company Stock Certificate there shall be paid to the Holder of a Parent Stock Certificate representing whole shares of Parent Common Stock issued in exchange therefor, without interest, (i) at the time of such surrender, the amount of dividends or other distributions with a record date after the Effective Time theretofore paid with respect to such whole shares of Parent Common Stock and the amount of any cash payable in lieu of a fractional share of Parent Common Stock to which such Holder is entitled pursuant to subsection (f), and (ii) at the appropriate payment date, the amount of dividends or other distributions with a record date after the Effective Time but prior to such surrender and with a payment date subsequent to such surrender payable with respect to such whole shares of Parent Common Stock. Parent shall make available to the Exchange Agent cash for these purposes, if necessary.

(d) If any portion of the Merger Consideration is to be paid to a Person other than the Person in whose name a Company Stock Certificate so surrendered is registered, it shall be a condition to such payment that such Company Stock Certificate shall be properly endorsed or otherwise be in proper form for transfer and the Person requesting such payment shall pay to the Exchange Agent any transfer or other similar Taxes (as defined herein) required as a result of such payment to a Person other than the registered holder of such Company Stock Certificate, or establish to the reasonable satisfaction of the Exchange Agent that such Tax has been paid or is not payable. The Exchange Agent (or, subsequent to the first anniversary of the Effective Time, Parent) shall be entitled to deduct and withhold from the Merger Consideration (including cash in lieu of fractional shares of Parent Common Stock) otherwise payable pursuant to this Agreement to any holder of Company Common Stock such amounts as the Exchange Agent or Parent, as the case may be, is required to deduct and withhold under the Code, or any provision of state, local or foreign Tax law, with respect to the making of such payment. To the extent the amounts are so withheld by the Exchange Agent or Parent, as the case may be, such withheld amounts shall be treated for all purposes of this Agreement as having been paid to the holder of shares of Company Common Stock in respect of whom such deduction and withholding was made by the Exchange Agent or Parent, as the case may be.

(e) After the Effective Time there shall be no further registration or transfers of shares of Company Common Stock. If after the Effective Time, Company Stock Certificates are presented to the Surviving Corporation, they shall be cancelled and exchanged for the Merger Consideration in accordance with the procedures set forth in this Article II.

(f) No Parent Stock Certificates representing fractional shares of Parent Common Stock shall be issued upon the surrender for exchange of Company Stock Certificates; no dividend or distribution by Parent shall relate to such fractional share interests; and such fractional share interests will not entitle the owner thereof to vote or to any rights as a shareholder of Parent. In lieu of any such fractional shares, each Holder of a Company Stock Certificate who would otherwise have been entitled to receive a fractional share interest in exchange for such Company Stock Certificate shall receive from the Exchange Agent an amount in cash equal to the product obtained by multiplying (A) the fractional share interest to which such Holder (after taking into account all shares of Company Common Stock held by such holder at the Effective Time) would otherwise be entitled by (B) the Parent Closing Price. Notwithstanding any other provision contained in this Agreement, funds utilized to acquire fractional shares as aforesaid shall be furnished by Parent on a timely basis and shall in no event be derived from or diminish the Cash Consideration available for distribution as part of the Merger Consideration.

(g) At any time following the first anniversary of the Effective Time, Parent shall be entitled to require the Exchange Agent to deliver to it any remaining portion of the Merger Consideration not distributed to holders of Company Stock Certificates that was deposited with the Exchange Agent at the Effective Time (the "Exchange Fund") (including any interest received with respect thereto and other income resulting from investments by the Exchange Agent, as directed by Parent), and holders shall be entitled to look only to Parent (subject to abandoned property, escheat or other similar laws) with respect to the Merger Consideration, any cash in lieu of fractional shares of Parent Common Stock and any dividends or other distributions with respect to Parent Common Stock payable upon due surrender of

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their Company Stock Certificates, without any interest thereon. Notwithstanding the foregoing, neither Parent nor the Exchange Agent shall be liable to any holder of a Company Stock Certificate for Merger Consideration (or dividends or distributions with respect thereto) or cash from the Exchange Fund in each case delivered to a public official pursuant to any applicable abandoned property, escheat or similar law.

(h) In the event any Company Stock Certificates shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the Person claiming such Company Stock Certificate(s) to be lost, stolen or destroyed and, if required by Parent or the Exchange Agent, the posting by such Person of a bond in such sum as Parent may reasonably direct as indemnity against any claim that may be made against it or the Surviving Corporation with respect to such Company Stock Certificate(s), the Exchange Agent will issue the Merger Consideration deliverable in respect of the shares of Company Common Stock represented by such lost, stolen or destroyed Company Stock Certificates.

ARTICLE III
REPRESENTATIONS AND WARRANTIES OF THE COMPANY

3.1. Company Disclosure Schedule. Prior to the execution and delivery of this Agreement, the Company has delivered to Parent a schedule (the "Company Disclosure Schedule") setting forth, among other things, items the disclosure of which is necessary or appropriate either in response to an express disclosure requirement contained in a provision hereof or as an exception to one or more of the Company's representations or warranties contained in this Article III, or to one or more of the Company's covenants contained in Section 5.1; provided, however, that notwithstanding anything in this Agreement to the contrary the mere inclusion of an item in the Company Disclosure Schedule as an exception to a representation or warranty shall not be deemed an admission by a party that such item represents a material exception or material fact, event or circumstance or that such item has had or is reasonably likely to have a Material Adverse Effect (as defined herein) with respect to the Company. Each disclosure set forth in the Company Disclosure Schedule is identified by reference to, or has been grouped under a heading referring to a specific individual section of this Agreement.

Except as set forth in the Company Disclosure Schedule, the Company hereby represents and warrants to Parent and Merger Sub as set forth in Sections 3.2 through 3.30:

3.2. Corporate Organization.

(a) The Company is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware. The Corrected Amended and Restated Certificate of Incorporation and Amended and Restated Bylaws of the Company, copies of which have previously been made available to Parent, are true, complete and correct copies of such documents as in effect as of the date of this Agreement.

(b) The Company (i) has all requisite corporate power and authority to own or lease all of its properties and assets and to carry on its business as it is now being conducted, and (ii) is duly licensed or qualified to do business and in good standing in each jurisdiction in which the nature of the business conducted by it or the character or location of the properties and assets owned or leased by it makes such licensing or qualification necessary, except where the failure to be so licensed, qualified or in good standing, individually or in the aggregate, has not had and would not reasonably be expected to have a Material Adverse Effect on the Company.

(c) As used in this Agreement, the term "Material Adverse Effect" means, with respect to any party, a material adverse effect on (i) the business, assets, liabilities, cash flows, results of operations or financial condition of such party and its Subsidiaries taken as a whole; provided, however, that "Material Adverse Effect" shall not be deemed to include the impact of (A) actions and omissions of such party or any of its Subsidiaries taken with the prior written informed consent of the other party in contemplation of the transactions contemplated hereby; (B) conditions or effects resulting from the announcement of the existence of this Agreement and the direct effects of compliance with Sections 5.1 or 5.2 of this Agreement on the operating performance of such party, including expenses incurred in consummating the transactions contemplated hereby; (C) changes in program requirements implemented by Sprint PCS (as

defined below) which are generally applicable to entities whose sole or predominant business is operating a personal communications service business pursuant to arrangements with Sprint PCS and/or its Affiliates, similar to the Parent Sprint Agreements (as defined below); (D) changes resulting from actions required by the Settlement and Mutual Release dated September 10, 2004 by an among Spring Spectrum L.P., Sprint Communications Company L.P., WirelessCo, L.P., the Company and certain of the Company's Affiliates; (E) changes resulting from the requirements of Addendum VII to the Company's Sprint PCS Management Agreement and Sprint PCS Services Agreement; (F) any actions required to be taken by Parent, the Company or any of their respective Affiliates pursuant to Section 3.9 of each Company Indenture (as defined below); (G) changes in laws of general applicability or interpretations thereof by courts or governmental authorities or changes in GAAP, except to the extent any such change adversely affects the referenced party to a materially greater degree than other companies engaged in the same industry or business are affected generally; or (H) changes in national or international political or social conditions including the engagement by the United States in hostilities, whether or not pursuant to the declaration of a national emergency or war, or the occurrence of any military or terrorist attack upon or within the United States, or any of its territories, possessions or diplomatic or consular offices or upon any military installation, equipment or personnel of the United States; or (ii) the ability of such party and its Subsidiaries to consummate the transactions contemplated hereby or to perform its obligations hereunder; provided that in no event shall a change in the stock price or trading volume of a party, by itself, constitute a Material Adverse Effect on such party. For purposes of this Agreement, the word "Affiliate" shall have the meaning set forth in Rule 12b-2 promulgated under the Exchange Act.

(d) Each of the Company's Subsidiaries is duly organized, validly existing and in good standing under the laws of its jurisdiction of incorporation or organization. Each of the Company's Subsidiaries has the requisite corporate or other power and authority to own or lease all of its properties and assets and to carry on its business as it is now being conducted, and is duly licensed or qualified to do business and in good standing in each jurisdiction in which the nature of the business conducted by it or the character or the location of the properties and assets owned or leased by it makes such licensing or qualification necessary, except where the failure to be so licensed qualified, or in good standing, individually or in the aggregate, has not had and would not reasonably be expected to have a Material Adverse Effect on the Company. The articles of incorporation, bylaws and similar governing documents of each Subsidiary of the Company, copies of which have previously been made available to Parent, are true, complete and correct copies of such documents as in effect as of the date of this Agreement. As used in this Agreement, (i) the word "Subsidiary" when used with respect to any Person means any corporation, partnership or other organization, whether incorporated or unincorporated, which is consolidated with such party for financial reporting purposes and (ii) the word "Person" means a natural person, partnership, corporation, limited liability company, business trust, joint stock company, trust, unincorporated association, joint venture, Governmental Entity or other entity or organization.

(e) Each of the Company and its Subsidiaries is qualified, authorized, registered and licensed to do business as a foreign corporation in the jurisdictions identified in Section 3.2(d) of the Company Disclosure Schedule. Each of the Company and its Subsidiaries are in good standing as a foreign corporation in each of the jurisdictions identified in Section 3.2(d) of the Company Disclosure Schedule.

(f) The minute books of the Company and each of its Subsidiaries contain true, complete and accurate records of all meetings and other corporate actions held or taken since December 31, 2002 of their respective stockholders and Boards of Directors (including committees of their respective Boards of Directors).

(g) Neither the Company nor any of its Subsidiaries is in violation of any provision of its respective certificate of incorporation, bylaws or similar governing document.

3.3. Capitalization.

(a) The authorized capital stock of the Company consists of 30,000,000 shares of Company Common Stock and 1,000,000 shares of preferred stock, par value $.01 per share (the "Company Preferred Stock"). As of the date of this Agreement, there are (i) 11,768,258 shares of Company Common Stock issued and outstanding, (ii) 104,756 Restricted Stock Units, each of which represents the right to receive one share of Company Common Stock, (iii) no shares of Company Preferred Stock outstanding

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or reserved for issuance, (iv) no shares of Company Common Stock reserved for issuance upon exercise of outstanding stock options or otherwise, except for (A) 462,381 shares of Company Common Stock reserved for issuance pursuant to Company Options granted pursuant to the Company Option Plans and described in Section 3.3(a) of the Company Disclosure Schedule, (B) 95,070 shares of Company Common Stock reserved for issuance pursuant to the warrants issued pursuant to the Warrant Agreement, dated as of July 12, 2000, between iPCS, Inc. and ChaseMellon Shareholder Services, L.L.C, as warrant agent (the "ChaseMellon Warrants"), which warrants are exercisable at a price of $172.55 per share of Company Common Stock, (C) 36,717 shares of Company Common Stock reserved for issuance pursuant to the warrant, dated July 12, 2000 (the "Sprint Warrant Agreement"), issued by iPCS, Inc. to Sprint Spectrum L.P. (the "Sprint Warrant"), which warrant is exercisable at a price of $155.30 per share of Company Common Stock, and (D) 3,708 shares of Company Common Stock reserved for issuance pursuant to the warrants issued pursuant to the Warrant Agreement, dated as of September 30, 1999 (the "Bankers Trust Warrant Agreement"), between the Company and Bankers Trust Company, as warrant agent (the "Bankers Trust Warrants, " and, together with the ChaseMellon Warrants and the Sprint Warrant, the "Company Warrants"), which warrants are exercisable at a price of $0.05 per share of Company Common Stock, and (v) no shares of Company Common Stock held by the Company in its treasury or by the Company's Subsidiaries. All of the issued and outstanding shares of Company Common Stock have been duly authorized and validly issued and are fully paid, nonassessable and free of preemptive rights, with no personal liability attaching to the ownership thereof. Except as referred to above or reflected in Section 3.3(a) of the Company Disclosure Schedule, the Company does not have and is not bound by any outstanding subscriptions, options, warrants, calls, commitments or agreements of any character calling for the purchase or issuance of any shares of Company Common Stock or any other equity security or Voting Debt (as defined below) of the Company or any securities representing the right to purchase or otherwise receive any shares of Company Common Stock or any other equity security or Voting Debt of the Company (including any rights plan or agreement). The names of the optionee of each Company Option, the date of grant of each Company Option, the number of shares subject to each such Company Option, the expiration date of each such Company Option, and the price at which each such Company Option may be exercised under the Company Option Plans are set forth in Section 3.3(a) of the Company Disclosure Schedule.

(b) Section 3.3(b) of the Company Disclosure Schedule sets forth a true and correct list of all of the Subsidiaries of the Company. Except as set forth in Section 3.3(b) of the Company Disclosure Schedule, the Company owns, directly or indirectly, all of the issued and outstanding shares of the capital stock (or all of the other equity ownership interests) of each of its Subsidiaries, free and clear of all liens, charges, encumbrances and security interests of any kind or nature whatsoever (collectively, "Liens"), and all of such shares (or other equity or ownership interests) are duly authorized and validly issued and are fully paid, nonassessable and free of preemptive rights, with no personal liability attaching to the ownership thereof. No Subsidiary of the Company has or is bound by any outstanding subscriptions, options, warrants, calls, commitments or agreements of any character calling for the purchase or issuance of any shares of capital stock or any other equity security or Voting Debt of such Subsidiary or any securities representing the right to purchase or otherwise receive any shares of capital stock or any other equity security or Voting Debt of such Subsidiary. Except as described in Section 3.3(b) of the Company Disclosure Schedule, neither the Company nor any of its Subsidiaries owns, directly or indirectly, any interest, or has made any investment in, any partnership, joint venture, corporation, trust or other entity.

(c) Assuming compliance by Parent with Section 1.4 hereof, at the Effective Time, there will not be any outstanding subscriptions, options, warrants, calls, commitments or agreements of any character by which the Company or any of its Subsidiaries will be bound calling for the purchase or issuance of any shares of the capital stock or any other equity security or Voting Debt of the Company or any of its Subsidiaries (other than the Company Warrants).

(d) No bonds, debentures, notes or other indebtedness of the Company or any of its Subsidiaries having the right to vote on any matters on which stockholders may vote ("Voting Debt") are issued or outstanding.

3.4. Authority; No Violation.

(a) The Company has full corporate power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby. The execution and delivery of this Agreement and the consummation of the Merger and the other transactions contemplated hereby have been duly and validly approved by the Board of Directors of the Company, and no other corporate proceedings on the part of the Company or its stockholders are necessary to approve this Agreement, and to consummate the Merger and the other transactions contemplated hereby (other than, with respect to the Merger, obtaining the approval of this Agreement by the affirmative vote of the holders of a majority of the outstanding shares of Company Common Stock in accordance with the DGCL, the Corrected Amended and Restated Certificate of Incorporation of the Company and the Amended and Restated Bylaws of the Company (the "Company Stockholder Approval")). This Agreement has been duly and validly executed and delivered by the Company, and (assuming due authorization, execution and delivery by Parent and Merger Sub) this Agreement constitutes a valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except as enforcement may be limited by general principles of equity whether applied in a court of law or a court of equity and by bankruptcy, insolvency and similar laws affecting creditors' rights and remedies generally.

(b) Except as set forth in Section 3.4(b) of the Company Disclosure Schedule, neither the execution and delivery of this Agreement by the Company, nor the consummation by the Company of the Merger or any of the other transactions contemplated hereby, nor compliance by the Company with any of the terms or provisions hereof, will (i) violate any provision of the Corrected Amended and Restated Certificate of Incorporation or Amended and Restated Bylaws of the Company or the certificate of incorporation, Bylaws or similar governing documents of any of its Subsidiaries, or (ii) assuming that the consents and approvals referred to in Section 3.5 hereof are duly obtained, (x) violate any statute, code, ordinance, rule, regulation, judgment, order, writ, decree or injunction applicable to the Company or any of its Subsidiaries, or any of their respective properties or assets, or (y) violate, conflict with, result in a breach of any provision of or the loss of any benefit under, constitute a default (or an event which, with or without notice or lapse of time, or both, would constitute a default) under, result in the termination of or a right of termination or cancellation under, accelerate the performance required by, or result in the creation of any Lien upon any of the respective properties or assets of the Company or any of its Subsidiaries under, any of the terms, conditions or provisions of any loan, guarantee of indebtedness, note, bond, mortgage, indenture, deed of trust, license, permit, concession, franchise, lease, contract, agreement or other instrument or obligation to which the Company or any of its Subsidiaries is a party, or by which they or any of their respective properties or assets may be bound or affected, except in the case of clauses (x) and (y), for such violations, conflicts, breaches, losses, defaults, terminations, cancellations, accelerations or Liens that, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect on the Company.

3.5. Consents and Approvals. Except for (a) the filing of a notification under the HSR Act (as defined in Section 6.1(b)), (b) the Company Stockholder Approval, (c) the filing with the Securities and Exchange Commission (the "SEC") of (i) the Joint Proxy Statement/Prospectus (as defined in Section 6.1(a) hereof) and (ii) such reports under Sections 13(a), 13(d), 13(g) and 16(a) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), as may be required in connection with this Agreement and the transactions contemplated hereby and the obtaining from the SEC of such orders as may be required in connection therewith, (d) the consent of Sprint Communications Company, L.P., Sprint Spectrum L.P. and WirelessCo, L.P. (collectively, "Sprint PCS") required pursuant to the terms of the Company Sprint Agreements (as defined herein), (e) such filings, authorizations or approvals as may be set forth in Section 3.5 of the Company Disclosure Schedule, (f) the filing of the Certificate of Merger with the Delaware Secretary under the DGCL, and (g) such consents, approvals, filings or registrations, the failure of which to be made or obtained, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect on the Company, no consents or approvals of, or filings or registrations with, any court, agency or commission or other governmental authority or instrumentality (each a "Governmental Entity") or with any third party are required to be made or obtained by the

Company or any of its Subsidiaries in connection with the execution and delivery by the Company of this Agreement or the consummation by the Company of the Merger and the other transactions contemplated hereby.

3.6. Reports. The Company has previously made available to Parent a true, correct and complete copy of each (a) final registration statement, prospectus, report, schedule and definitive proxy statement filed since December 31, 2002 by the Company with the SEC pursuant to the Securities Act of 1933, as amended (the "Securities Act") or the Exchange Act (collectively, the "Company Reports"), (b) written communication between the Company and the SEC since December 31, 2002, and (c) communication mailed by the Company to its stockholders since December 31, 2002, and no such registration statement, prospectus, report, schedule, proxy statement or communication as of its date of filing contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances in which they were made, not misleading. Other than as set forth in Section 3.6 of the Company Disclosure Schedule, the Company has timely filed all Company Reports and other documents required to be filed by it under the Securities Act and the Exchange Act, and, as of their respective dates, all Company Reports complied in all material respects with the published rules and regulations of the SEC with respect thereto, including rules and regulations relating to the filing of exhibits thereto. No executive officer of the Company has failed in any respect to make the certifications required of him or her under Section 302 or 906 of the Sarbanes-Oxley Act of 2002 and no enforcement action has been initiated against the Company by the SEC relating to disclosures contained in any Company Report.

3.7. Financial Statements. The Company has previously made available to Parent copies of (a) the consolidated balance sheets of the Company and its Subsidiaries as of September 30, 2003 and 2002, and the related consolidated statements of operations, stockholders' deficit, and cash flows for each of the years in the three-year period ended September 30, 2003, as reported in the Company's Annual Report on Form 10-K for the fiscal year ended September 30, 2003 filed with the SEC under the Exchange Act (collectively, and including the notes thereto, the "Company Audited Financial Statements"), in each case accompanied by the audit report of KPMG LLP ("KPMG"), independent public accountants with respect to the Company, (b) the unaudited consolidated balance sheet of the Company and its Subsidiaries as of September 30, 2004, and the related unaudited consolidated statements of operations, stockholders' deficit, and cash flows for each of the years in the three-year period ended September 30, 2004 (collectively, and including the notes thereto, the "Company 2004 Financial Statements"), as presented in the Company's draft Annual Report on Form 10-K (the "Company Draft 10-K") for the fiscal year ended September 30, 2004 delivered by the Company prior to the date hereof to Parent, and (c) the unaudited condensed consolidated balance sheet of the Company and its Subsidiaries as of June 30, 2004 and the related unaudited condensed consolidated statements of operations for the quarters and nine months ended June 30, 2004 and 2003, and statements of cash flows for the nine months ended June 30, 2004 and 2003, as reported in the Company's Quarterly Report on Form 10-Q for the period ended June 30, 2004 filed with the SEC under the Exchange Act (together with the Company Audited Financial Statements and the Company 2004 Financial Statements, the "Company Financial Statements"). The Company Financial Statements (including the related notes, where applicable) fairly present in all material respects, and the financial statements to be filed by the Company with the SEC after the date of this Agreement will fairly present in all material respects, the consolidated financial position of the Company and its Subsidiaries as of the respective dates thereof, and the results of their operations and their cash flows for the fiscal periods set forth therein (subject, in the case of the unaudited statements, to recurring audit adjustments normal in nature and amount); each of such statements (including the related notes, where applicable) complies, and the financial statements to be filed by the Company with the SEC after the date of this Agreement will comply, with applicable accounting requirements and with the published rules and regulations of the SEC with respect thereto at the date of their filing; and each of such statements (including the related notes, where applicable) has been, and the financial statements to be filed by the Company with the SEC after the date of this Agreement will be, prepared in accordance with generally accepted accounting principles ("GAAP") consistently applied during the periods involved, except as indicated in the notes thereto or, in the case of unaudited statements, except for normal period-end adjustments that are not material The 2004 Form 10-K (as defined in Section 7.2(d)) shall be consistent

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in all material respects with the Company Draft 10-K. The books and records of the Company and its Subsidiaries have been, and are being, maintained in accordance with GAAP and all other applicable legal and accounting requirements and reflect only actual transactions. KPMG has not resigned or been dismissed as independent public accountants of the Company as a result of or in connection with any disagreements with the Company on a matter of accounting principles or practices, financial statement disclosure or auditing scope or procedure.

3.8. No Undisclosed Liabilities. Except (a) as disclosed in the Company Financial Statements and the Company Draft 10-K, (b) for liabilities and obligations incurred in the ordinary course of business and consistent with past practice of the Company since September 30, 2003, and (c) liabilities that, individually or in the aggregate, have not had and would not reasonably be expected to have a Material Adverse Effect on the Company, neither the Company nor any of its Subsidiaries has any liability or obligation of any nature, whether or not absolute, accrued, contingent or otherwise.

3.9. Absence of Certain Changes or Events.

(a) Except (i) as set forth in Section 3.9(a) of the Company Disclosure Schedule or (ii) as disclosed in any Company Report filed with the SEC prior to the date of this Agreement, since September 30, 2003, there has been no change or development or combination of changes or developments which, individually or in the aggregate, have had, or would reasonably be expected to have, a Material Adverse Effect on the Company.

(b) Except as set forth in Section 3.9(b) of the Company Disclosure Schedule or as disclosed in any Company Report filed with the SEC prior to the date of this Agreement, since September 30, 2003, the Company and its Subsidiaries have carried on their respective businesses in all material respects only in the ordinary and usual course of business consistent with their past practices.

(c) Except as set forth in Section 3.9(c) of the Company Disclosure Schedule or as disclosed in any Company Report filed with the SEC prior to the date of this Agreement, since September 30, 2003, neither the Company nor any of its Subsidiaries has (i) increased the wages, salaries, compensation, pension, or other fringe benefits or perquisites payable to any officer or director from the amount thereof in effect as of September 30, 2003 (which amounts have been previously disclosed to Parent), granted any severance or termination pay, entered into any contract to make or grant any severance or termination pay, or paid any bonus, (ii) declared, set aside or paid any dividend or other distribution (whether in cash, stock or property) with respect to any of the Company's capital stock, (iii) effected or authorized any issuance, split, combination or reclassification of any of the Company's capital stock or issued any other securities in respect of, in lieu of or in substitution for shares of the Company's capital stock, except for issuances of Company Common Stock upon the exercise of Company Options awarded prior to the date hereof in accordance with their terms, (iv) changed any accounting methods (or underlying assumptions), principles or practices of the Company or its Subsidiaries affecting its assets, liabilities or businesses, including any reserving, renewal or residual method, practice or policy, (v) made any Tax election or changed any Tax election, amended any Tax Returns or entered into any settlement or compromise of any income tax liability of the Company or its Subsidiaries or entered into any closing agreement with respect to Taxes, (vi) created, incurred, assumed, or suffered to exist any indebtedness or issued debt securities or assumed, guaranteed, endorsed or otherwise as an accommodation became responsible for the obligations of any Person; (vii) granted any equity compensation to any officer, director, employee or consultant of the Company or any of its Subsidiaries, or (viii) made any agreement or commitment (contingent or otherwise) to do any of the foregoing.

3.10. Property.

(a) Each of the Company and its Subsidiaries has good and marketable title, free and clear of all Liens to all of the properties and assets, real and personal, tangible or intangible, which are reflected on the audited consolidated balance sheet of the Company as of September 30, 2003 or acquired after such date, except for (i) Liens under the Company Indentures, (ii) Liens for taxes not yet due and payable or contested in good faith by appropriate proceedings, (iii) pledges to secure deposits and other Liens incurred in the ordinary course of business, (iv) such imperfections of title, easements and encumbrances, if any, as do not interfere with the use of the property as such property is used on the date of this

Agreement, (v) dispositions of and encumbrances on such properties or assets in the ordinary course of business consistent with past practice or (vi) mechanics', materialmen's, workmen's, repairmen's, warehousemen's, carrier's and other similar Liens and encumbrances arising in the ordinary course of business (the items in clauses (i), (ii), (iii), (iv) and (vi) collectively, the "Company Permitted Liens").

(b) Section 3.10(b) of the Company Disclosure Schedule sets forth an accurate and complete list and description of all real property owned by the Company or any of its Subsidiaries and all buildings and improvements thereon.

3.11. Leases.

(a) Section 3.11(a) of the Company Disclosure Schedule contains an accurate and complete list of each lease pursuant to which the Company or any of its Subsidiaries leases any real or personal property (excluding leases relating solely to personal property calling for rental or similar periodic payments not exceeding $50,000 per annum) (each a "Company Lease"). A true and complete copy of each Company Lease has heretofore been made available to Parent.

(b) Each Company Lease is valid, binding and enforceable against the Company and each of its Subsidiaries that is a party thereto in accordance with its terms and, to the knowledge of the Company, is in full force and effect. The leasehold estate created by each Company Lease of real property (a "Company Leased Premise") is free and clear of all encumbrances other than Company Permitted Liens. There are no existing defaults by the Company or any of its Subsidiaries under any of the Company Leases in any material respect, and to the knowledge of the Company no event has occurred that (whether with or without notice, lapse of time or the happening or occurrence of any other event) would constitute a default under any Company Lease. The Company has received no notice, and has no other reason to believe, that any lessor under any Company Lease will not consent (where such consent is necessary) to the consummation of the Merger without requiring any material modification of the rights or obligations of the lessee thereunder.

(c) With respect to leases or licenses of tower space to which the Company or any of its Subsidiaries is a party ("Company Tower Leases"), (A) to the knowledge of the Company there are no applications, ordinances, petitions, resolutions or other matters pending before any governmental agency having jurisdiction to act on zoning changes that would prohibit or make nonconforming the use of any of the Company Leased Premises by the Company or any of its Subsidiaries, (B) either the Company or one of its Subsidiaries has good and valid easement rights providing reasonable access and utilities to and from the Company Leased Premises under the Company Tower Leases, (C) neither the Company nor any of its Subsidiaries has voluntarily granted any, or is a party to any agreement providing for, or has knowledge of any, easements, conditions, restrictions, reservations, rights or options that would materially and adversely affect the use of any of the Company Leased Premises under the Company Tower Leases for the same purposes and uses as such Company Leased Premises have been used by the Company or any of its Subsidiaries, except for Company Permitted Liens.

3.12. Environmental Matters. Except as it has not had and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect on the Company or as set forth in Section 3.12 of the Company Disclosure Schedule:

(a) The Company and each of its Subsidiaries (1) are in compliance with all, and, to the knowledge of the Company, are not subject to any liability with respect to any, applicable Environmental Laws, (2) hold or have applied for all Environmental Permits necessary to conduct their current operations and (3) are in compliance with their respective Environmental Permits and such Environmental Permits are in full force and effect.

(b) Neither the Company nor any of its Subsidiaries has received any written notice, demand, letter, claim or request for information alleging that the Company or any of its Subsidiaries is in violation of any Environmental Law or liable for remediation, cost recovery or contribution under CERCLA.

(c) Neither the Company nor any of its Subsidiaries (1) has entered into or agreed to any consent decree or order or is subject to any judgment, decree or judicial order relating to compliance with Environmental Laws, Environmental Permits or the investigation, sampling, monitoring, treatment,

remediation, removal or cleanup of Hazardous Materials and, to the knowledge of the Company, no investigation, litigation or other proceeding is pending or threatened in writing with respect thereto, or (2) is an indemnitor in connection with any claim threatened or asserted in writing by any third-party indemnitee for any liability under any Environmental Law or relating to any Hazardous Materials.

(d) None of the real property owned or leased by the Company or any Company Subsidiary is listed or, to the knowledge of the Company, proposed for listing on the "National Priorities List" under CERCLA, as updated through the date hereof, or any similar state or foreign list of sites requiring investigation or cleanup.

(e) To the knowledge of the Company, there are no underground storage tanks or above-ground storage tanks located on any Company Real Property which are now, or in the past were, used to store Hazardous Materials. "Company Real Property" shall mean all real property (i) that is owned or used by the Company or any of its Subsidiaries or that is reflected as an asset of the Company or any of its Subsidiaries on the audited balance sheet of the Company as of September 30, 2003 and (ii) formerly owned or operated by the Company or its Subsidiaries.

(f) For purposes of this Agreement:

"CERCLA" means the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended as of the date hereof.

"Environmental Laws" means any federal, state, local or foreign statute, law, ordinance, regulation, rule, code, treaty, writ or order and any enforceable judicial or administrative interpretation thereof, including any judicial or administrative order, consent decree, judgment, stipulation, injunction, authorization, policy, opinion, or agency requirement, in each case having the force and effect of law, relating to the pollution, protection, investigation or restoration of the environment, historic preservations, or health and safety as affected by the environment or natural resources, including, without limitation, the National Environmental Policy Act of 1969, as amended as of the date hereof, the National Historic Preservation Act, and those relating to the use, handling, presence, transportation, treatment, storage, disposal, release, threatened release or discharge of Hazardous Materials or noise, odor, wetlands, pollution or contamination.

"Environmental Permits" means any permit, approval, identification number, license and other authorization required under any applicable Environmental Law.

"Hazardous Materials" means (a) any petroleum, petroleum products, byproducts or breakdown products, radioactive materials, asbestos-containing materials or polychlorinated biphenyls or (b) any chemical, material or other substance defined or regulated as toxic or hazardous or as a pollutant or contaminant or waste under any applicable Environmental Law.

3.13. Certain Contracts.

(a) Except for any contract, agreement, arrangement or understanding described in clauses (i), (iii), (iv), (v), (vii), (xii), (xiii), (xv), (xvi) and (xix) that provide for aggregate payments to any Person in any calendar year of less than $100,000, Section 3.13(a) of the Company Disclosure Schedule contains a complete and accurate list of each of the following:

(i) any agreement entered into by the Company or any of its Subsidiaries relating to indebtedness, liability for borrowed money or the deferred purchase price of property (excluding trade payables in the ordinary course of business) or any guarantee or other contingent liability in respect of any indebtedness or obligation of any Person (other than the endorsement of negotiable instruments for collection in the ordinary course of business);

(ii) any agreement that contains restrictions with respect to payment of dividends or any other distribution in respect of the equity of the Company or any of its Subsidiaries;

(iii) any letters of credit or similar arrangements relating to the Company or any of its Subsidiaries;

(iv) any employment agreements with any officer, director or employee of the Company or any of its Subsidiaries or other Person on a consulting basis;

(v) any management, consulting or advisory agreements, or severance plans or arrangements for any present or former employee of the Company or any of its Subsidiaries;

(vi) any non-disclosure agreements and non-compete agreements binding present and former employees of the Company or any of its Subsidiaries;

(vii) any agreement under which the Company or any of its Subsidiaries is lessor of or permits any third party to hold or operate any property, real or personal;

(viii) any agreement relating to the acquisition or divestiture of the capital stock or other equity securities, assets or business of any Person involving the Company or any of its Subsidiaries or pursuant to which or the Company or any of its Subsidiaries has any liability, contingent or otherwise;

(ix) any powers of attorney granted by or on behalf of the Company or any of its Subsidiaries;

(x) any agreement, other than agreements entered into in the ordinary course of the Company's or any of its Subsidiaries' business consistent with past practice, which prevents the Company or any of its Subsidiaries from disclosing confidential information;

(xi) any agreement which in any way purports to prohibit the Company or any of its Subsidiaries from freely engaging in business anywhere in the world or competing with any other Person;

(xii) any sales distribution agreements, franchise agreements and advertising agreements relating to the Company or any of its Subsidiaries;

(xiii) any warranty, guaranty or other similar undertaking with respect to a contractual performance extended by the Company or any of its Subsidiaries;

(xiv) any agreement pursuant to which the Company or any of its Subsidiaries has agreed to defend, indemnify or hold harmless any other Person, other than Company Tower Leases;

(xv) any agreement pursuant to which the Company or any of its Subsidiaries has agreed to settle any liability for Taxes;

(xvi) any agreement pursuant to which the Company has agreed to shift or allocate the liability of the Company, any of its Subsidiaries or any other Person for Taxes;

(xvii) any agreement pursuant to which the Company may be required to file a registration statement under the Securities Act with respect to any securities issued by the Company or any of its Subsidiaries;

(xviii) any joint venture agreement or partnership agreement;

(xix) any private label or other resale arrangement;

(xx) any construction contract or construction management contracts;

(xxi) any agreement between the Company or any of its Subsidiaries, on the one hand, and any of their respective stockholders, on the other hand; and

(xxii) any other agreement to which the Company or any of its Subsidiaries is a party or by which the Company or any of its Subsidiaries is bound and which is material to the Company and its Subsidiaries taken as a whole.

(b) Each contract, arrangement, commitment or understanding of any type or form described in Section 3.13(a), whether or not set forth in Section 3.13(a) of the Company Disclosure Schedule, is referred to herein as a "Company Contract."

(c) With respect to each Company Contract, except as it has not had and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect on the Company: (i) the Company Contract is in full force and effect and is valid and binding on the Company (or, to the extent

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a Subsidiary of the Company is a party, such Subsidiary) and, to the knowledge of the Company, any other party thereto, (ii) neither the Company or any of its Subsidiaries is in breach or default under any Company Contract, (iii) neither the Company nor any of its Subsidiaries knows of, or has received notice of, any violation or default under (nor, to the knowledge of the Company, does there exist any condition which with the passage of time or the giving of notice or both would result in such a violation or default under) any Company Contract by any other party thereto. The Company has made available to Parent a true and complete copy of each Company Contract.

(d) Neither the Company nor any of its Subsidiaries is a party to any oral contract, agreement, or other arrangement or understanding which, if reduced to written form, would be required to be listed on Section 3.13(a) of the Company Disclosure Schedule under the terms of this Section 3.13(d).

3.14. Distributors and Suppliers. Except as set forth on Section 3.14 of the Company Disclosure Schedule, since September 30, 2003 there has not been any material adverse change in the business relationship of the Company or any of its Subsidiaries with any distributor who accounted for more than 2% of the Company's and its Subsidiaries' sales (on a consolidated basis) during the period from September 30, 2003 to September 30, 2004, or with any supplier from whom the Company or any of its Subsidiaries purchased more than 5% of the goods or services (on a consolidated basis) which it purchased during the period from September 30, 2003 to September 30, 2004. Except as set forth in Section 3.14 of the Company Disclosure Schedule, neither the Company nor any of its Subsidiaries has knowledge of any termination or intended termination by any such 2% distributor or 5% supplier of its business relationship with the Company or any of its Subsidiaries or any modification or intended modification of its business relationship with the Company or any of its Subsidiaries in a manner which is adverse in any material respect to the Company and its Subsidiaries taken as a whole, and neither the Company nor any of its Subsidiaries has knowledge of any facts which would reasonably be expected to form an adequate basis for such termination or modification.

3.15. Insurance. The Company and its Subsidiaries maintain with reputable insurers insurance and indemnity bonds providing coverage for the Company and its Subsidiaries against all risks normally insured and bonded against by companies in similar lines of business as the Company and its Subsidiaries. Section 3.15 of the Company Disclosure Schedule lists the material insurance policies, binders or bonds maintained by the Company or any of its Subsidiaries as of the date of this Agreement. All premiums required to be paid with respect thereto covering all periods up to and including the Closing Date have been, or shall in the ordinary course be, paid. No notice of cancellation or termination has been received with respect to any such policy as of the date hereof, and all such insurance policies are in full force and effect and will remain in full force and effect up to and including the Closing Date and all claims thereunder have been filed in due and timely fashion.

3.16. Legal Proceedings.

(a) Except as set forth in Section 3.16 of the Company Disclosure Schedule, neither the Company nor any of its Subsidiaries is a party to any, and there are no pending or, to the Company's knowledge, threatened, legal, administrative, arbitral or other proceedings, claims, actions or governmental or regulatory investigations of any nature against the Company or any of its Subsidiaries or, to the knowledge of the Company, any of the Company's or its Subsidiaries' current or former directors or officers or any other Person whom the Company or its Subsidiaries has agreed to indemnify, as such, or challenging the validity or propriety of the transactions contemplated by this Agreement as to which there is reasonable possibility of adverse determination and which, if adversely determined, would, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on the Company. To the knowledge of the Company, no event has occurred, and no state of facts exists, that could reasonably be expected to result in any such action, suit or proceeding.

(b) There is no injunction, order, judgment, decree or regulatory restriction imposed upon the Company, any of its Subsidiaries or the assets of the Company or any of its Subsidiaries, which, individually or in the aggregate, has had or would reasonably be expected to have, a Material Adverse Effect on the Company.

3.17. Compliance with Applicable Law.

(a) Except for the Sprint Licenses (as defined below), the Company and each of its Subsidiaries hold, and have at all times held, all licenses, franchises, permits, certificates, approvals and authorizations (each a "Company Permit") necessary for the lawful conduct of their respective businesses and the lawful ownership, use and operation of its assets, as presently conducted and used, and neither the Company nor any of its Subsidiaries knows of, or has received notice of, any violation of any Company Permit, except where the failure to have any such Company Permit or such violation has not had and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect on the Company.

(b) The Company and each of its Subsidiaries are in compliance with and are not in default under any, applicable law, statute, order, rule, regulation, policy and/or guideline of any Governmental Entity relating to the Company or any of its Subsidiaries, except where any failure to be in compliance with the terms thereof individually or in the aggregate has not had and would not reasonably be expected to have a Material Adverse Effect on the Company.

(c) Except as set forth in Section 3.17 of the Company Disclosure Schedule, the Company has no knowledge of any investigation, notice of apparent liability, violation, forfeiture or other order or complaint issued by or before the Federal Communications Commission (the "FCC") or any other Governmental Entity or of any other proceedings of or before the FCC or any other Governmental Entity relating to the Company or any of its Subsidiaries or to any authorizations under which the Company conducts its business, not including personal communications service licenses held by Sprint PCS or its Affiliates (the "Sprint Licenses"). No proceedings are pending or, to the knowledge of the Company, threatened to revoke or limit any material Company Permits or any of the Sprint Licenses.

(d) To the knowledge of the Company, no event has occurred which (i) results in, or after notice or lapse of time or both could reasonably be expected to result in, revocation, suspension, adverse modification, non-renewal, impairment, restriction or termination of, or order of forfeiture or substantial fine with respect to, any material Company Permits or the Sprint Licenses, or (ii) affects or could reasonably be expected in the future to affect any of the rights of the Company or its Subsidiaries under any material Company Permits or any of the rights of Sprint PCS or its Affiliates under the Sprint Licenses. No facts are known to the Company or the Company Subsidiaries which if known by a Governmental Entity of competent jurisdiction would present a substantial risk that any material Company Permit could be revoked, suspended, adversely modified, not renewed, impaired, restricted, terminated, forfeited or a substantial fine imposed against the Company or any of the Company Subsidiaries, and neither the execution by the Company of this Agreement nor the consummation of the Merger or any of the other transactions contemplated by this Agreement is reasonably likely to result in the occurrence of any of the consequences set forth in this Section 3.17(d).

3.18. Employees.

(a) Section 3.18(a) of the Company Disclosure Schedule sets forth a true and complete list of each deferred compensation, incentive compensation, equity compensation, severance, health or other "welfare" plan, fund or program (within the meaning of section 3(1) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA")); "pension" plan, fund or program (within the meaning of section 3(2) of ERISA); each employment, termination or severance agreement; and each other employee benefit plan, fund, program, agreement or arrangement, in each case, that is sponsored, maintained or contributed to or required to be contributed to or was entered into by the Company, any of its Subsidiaries or by any trade or business, whether or not incorporated, that together with the Company would be deemed a "single employer" within the meaning of Section 4001(b)(1) of ERISA (a "Company ERISA Affiliate"), for the benefit of any current or former employee of the Company, any Subsidiary or any ERISA Affiliate (the "Company Plans").

(b) The Company has heretofore made available to Parent true and complete copies of each of the Company Plans, all amendments thereto and all other related documents, including but not limited to (i) the most recent Form 5500 and related exhibits and reports for such Company Plan (if applicable) for each of the last two years, and (ii) the most recent determination letter from the Internal Revenue Service (if applicable) for such Company Plan.

(c) Except as set forth in Section 3.18(c) of the Company Disclosure Schedule: (i) each of the Company Plans has been operated and administered in material compliance with its terms and applicable law, including but not limited to ERISA and the Code; (ii) each of the Company Plans intended to be "qualified" within the meaning of Section 401(a) of the Code has received a favorable determination letter from the IRS to that effect and to the knowledge of the Company there exists no circumstance reasonably likely to result in the revocation of any such favorable determination letter; (iii) no Company Plan provides benefits, including without limitation death or medical benefits (whether or not insured), with respect to current or former employees of the Company, its Subsidiaries or any Company ERISA Affiliate beyond their retirement or other termination of service, other than (w) coverage mandated by applicable law, (x) death benefits or retirement benefits under any "employee pension plan," as that term is defined in Section 3(2) of ERISA, (y) deferred compensation benefits accrued as liabilities on the books of the Company, its Subsidiaries or Company ERISA Affiliates or (z) benefits which are fully insured or the full cost of which is borne by the current or former employee (or his beneficiary); (iv) no Company Plan is subject to Section 302 or Title IV of ERISA, no liability under Title IV of ERISA has been incurred by the Company, its Subsidiaries or any Company ERISA Affiliate that has not been satisfied in full, and neither the Company, its Subsidiaries nor any Company ERISA Affiliate has any contingent liability under Title IV of ERISA; (v) no Company Plan is a "multiemployer pension plan," as that term is defined in Section 3(37) of ERISA; (vi) all contributions or other amounts payable by the Company, its Subsidiaries or any Company ERISA Affiliate as of the Effective Time with respect to each Company Plan in respect of current or prior plan years have been paid or accrued in accordance with GAAP; (vii) neither the Company, its Subsidiaries, any Company ERISA Affiliate, any Company Plan, any trust created thereunder, nor any trustee or administrator thereof has engaged in a transaction or has taken or failed to take any action in connection with which the Company, its Subsidiaries or any Company ERISA Affiliate reasonably could be subject to either a civil penalty assessed pursuant to Section 409 or 502(i) of ERISA or a tax imposed pursuant to Section 4975, 4976 or 4980B of the Code; (viii) there are no pending, or, to the best knowledge of the Company, threatened or anticipated claims or proceedings (other than routine claims for benefits) by, on behalf of or against any of the Company Plans or any trusts related thereto; (ix) the consummation of the transactions contemplated by this Agreement will not, either alone or in combination with any other event, (y) entitle any current or former employee, officer, director or consultant of the Company or any Company ERISA Affiliate to severance pay, termination pay or any other payment or benefit or (z) accelerate the time of payment or vesting or increase the amount or value of compensation or benefits due any such employee, officer, director or consultant; and (x) no amounts payable under the Company Plans will fail to be deductible for federal income tax purposes by virtue of Section 280G of the Code.

3.19. Taxes.

(a) Except as set forth in Section 3.19(a) of the Company Disclosure Schedule, each of the Company, and its Subsidiaries has (i) duly and timely filed (including applicable extensions granted without penalty) all Tax Returns (as hereinafter defined) required to be filed at or prior to the Effective Time, and such Tax Returns are true, correct and complete in all material respects, and (ii) paid in full or made adequate provision in the financial statements of the Company (in accordance with GAAP) for all Taxes (as hereinafter defined) due to be paid or accrued at or prior to the Effective Time. No deficiencies for any Taxes have been proposed, asserted, assessed or, to the knowledge of the Company, threatened against or with respect to the Company, or any of its Subsidiaries. Except as set forth in Section 3.19(a) of the Company Disclosure Schedule, (i) there are no liens for Taxes upon the assets of either the Company or its Subsidiaries except for statutory liens for current Taxes not yet due, (ii) neither the Company, nor any of its Subsidiaries has requested any extension of time within which to file any Tax Returns in respect of any fiscal year which have not since been filed and no request for waivers of the time to assess any Taxes are pending or outstanding, (iii) with respect to each taxable period of the Company, and its Subsidiaries, (A) the federal and state income Tax Returns of the Company and its Subsidiaries have been audited by the Internal Revenue Service or appropriate state tax authorities, (B) the time for assessing and collecting income Tax with respect to such taxable period has closed and such taxable period is not subject to review, or (C) the time for assessing and collecting income Tax with respect to such taxable period has not closed, but no audit or review of such taxable period has yet been initiated or

threatened, (iv) neither the Company nor any of its Subsidiaries has filed or been included in a combined, consolidated or unitary income Tax Return other than one in which the Company was the parent of the group filing such Tax Return, (v) neither the Company nor any of its Subsidiaries is a party to any agreement providing for the allocation or sharing of Taxes (other than the allocation of federal income taxes as provided by Regulation 1.1552-1(a)(1) under the Code), (vi) neither the Company nor any of its Subsidiaries is required to include in income any adjustment pursuant to Section 481(a) of the Code (or any similar or corresponding provision or requirement of state, local or foreign income Tax law), by reason of the voluntary change in accounting method (nor has any taxing authority proposed any such adjustment or change of accounting method), (vii) neither the Company nor its Subsidiaries has any liability for Taxes of any Person (other than a liability of the Company for Taxes of any of its Subsidiaries or a liability of any of the Company's Subsidiaries for Taxes of the Company) under Regulation 1.1502-6 or 1.1502-78(b)(2) under the Code (or similar provisions of state, local or foreign law), as a transferee or successor, by contract or otherwise, and (viii) neither the Company nor any of its Subsidiaries has made any payment or may be obligated to make any payment (by contract or otherwise) which will not be deductible by reason of Section 280G or Section 162(m) of the Code.

(b) For the purposes of this Agreement, "Taxes" shall mean all taxes, charges, fees, levies, penalties or other assessments imposed by any United States federal, state, local or foreign taxing authority, including, but not limited to income, excise, property, sales, transfer, franchise, payroll, withholding, social security or other taxes, including any interest, penalties or additions attributable thereto. For purposes of this Agreement, "Tax Return" shall mean any return, report, information return or other document (including any related or supporting information) with respect to Taxes.

3.20. Sprint Agreement Compliance.

(a) Neither the Company nor any of its Subsidiaries has violated or failed to meet any deadline or requirement in the Company Sprint Agreements, except as has been remedied, waived or modified prior to the date hereof and previously disclosed to Parent. Section 3.20(a) of the Company Disclosure Schedule sets forth the extent of the Company's progress in the completion of its build-out and network launch as of the date of this Agreement.

(b) Section 3.20(b) of the Company Disclosure Schedule sets forth a list of all agreements between the Company, its Subsidiaries or any of its Affiliates, on the one hand, and Sprint PCS and any of its Affiliates, on the other hand (collectively, the "Company Sprint Agreements"). There are no unwritten amendments to, or waivers under, any Company Sprint Agreement.

(c) The Company Sprint Agreements are valid, binding and enforceable against the Company (or, to the extent a Subsidiary of the Company is a party, such Subsidiary), in accordance with their respective terms, and shall be in full force and effect without penalty in accordance with their terms upon consummation of the Merger and the other transactions contemplated by this Agreement, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and limitations on the availability of equitable remedies. The Company and its Subsidiaries have performed in all material respects all obligations required to be performed by them under, and they are not in default under or in breach of, nor in receipt of any claim of default or breach under, any of the Company Sprint Agreements. To the knowledge of the Company, no event has occurred which with the passage of time or the giving of notice or both would result in a default, breach or event of noncompliance by the Company or any Subsidiary, or would permit termination or modification by the Company, Sprint PCS or any of its Affiliates, under any of the Company Sprint Agreements. Neither the Company nor any of its Subsidiaries has knowledge of any cancellation or anticipated cancellation by Sprint PCS or any of its Affiliates of any of the Company Sprint Agreements. The Company has provided Parent with copies of all written notices (excluding e-mail messages) received by it from Sprint PCS during the last six months (i) delivered pursuant to the official notice provisions of any of the Company Sprint Agreements or (ii) alleging a material breach of any of the Company Sprint Agreements.

3.21. Intellectual Property.

(a) "Intellectual Property" means all intellectual property or other proprietary rights of every kind, including all domestic or foreign patents, patent rights, domestic or foreign patent applications,

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inventions (whether or not patentable), processes, products, technologies, discoveries, copyrightable and copyrighted works, apparatus, trade secrets, trademarks, trademark registrations and applications, service marks, service mark registrations and applications, trade names, trade dress, copyright registrations, customer lists, confidential marketing and customer information, licenses, confidential technical information, software, inventions (whether or not patentable) and all documentation thereof.

(b) The Company owns or has the right to use, whether through licensing or otherwise, and to authorize others to use, all Intellectual Property significant to the businesses of the Company and its Subsidiaries in substantially the same manner as such businesses are conducted on the date hereof ("Company Material Intellectual Property"). Except as set forth in Section 3.21 of the Company Disclosure Schedule: (1) no written claim of invalidity or conflicting ownership rights with respect to any Company Material Intellectual Property has been made by a third party and no such Intellectual Property is the subject of any pending or, to the Company's knowledge, threatened action, suit, claim, investigation, arbitration or other proceeding; (2) no Person or entity has given notice to the Company or any of its

Subsidiaries that the use of any Company Material Intellectual Property by the Company, any Company Subsidiary or any licensee is infringing or has infringed any domestic or foreign patent, trademark, service mark, trade name, or copyright or design right, or that the Company, any of its Subsidiaries or any licensee has misappropriated or improperly used or disclosed any trade secret, confidential information or know-how; (3) to the Company's knowledge after due inquiry for such purpose, the making, using, selling, manufacturing, marketing, licensing, reproduction, distribution, or publishing of any process, machine, manufacture or product related to any Company Material Intellectual Property, does not and will not infringe any domestic or foreign patent, trademark, service mark, trade name, copyright or other intellectual property right of any third party, and does not and will not involve the misappropriation or improper use or disclosure of any trade secrets, confidential information or know-how of any third party; (4) to the Company's knowledge, there exists no prior act or current conduct or use by the Company, any of its Subsidiaries or any third party that would void or invalidate any Company Material Intellectual Property; (5) to the Company's knowledge, no other Person is interfering with, infringing upon, misappropriating or otherwise coming into conflict with any Company Material Intellectual Property; and (6) the execution, delivery and performance of this Agreement by the Company and the consummation of the transactions contemplated hereby and thereby will not breach, violate or conflict with any instrument or agreement concerning any Company Material Intellectual Property, will not cause the forfeiture or termination of or give rise to a right of forfeiture or termination of any of the Company Material Intellectual Property, or trigger additional fees or transfer costs payable by the Company or any of its Subsidiaries with respect to, or impair the right of the Surviving Corporation to make, use, sell, license or dispose of, or to bring any action for the infringement of, any Company Material Intellectual Property. In addition, the matters disclosed on Section 3.21 of the Company Disclosure Schedule would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on the Company.

3.22. Labor Matters.

(a) Except to the extent set forth in Section 3.22 of the Company Disclosure Schedule, (i) there is no labor strike, slowdown, stoppage or lockout actually pending or, to the knowledge of the Company, threatened against or affecting the Company or any of its Subsidiaries and during the past three years there has not been any such action; (ii) to the knowledge of the Company, there is no union claims to represent the employees of the Company or any of its Subsidiaries; (iii) neither the Company nor any of its Subsidiaries is a party to or bound by any collective bargaining or similar agreement with any labor organization, or work rules or practices agreed to with any labor organization or employee association; (iv) none of the employees of the Company or any of its Subsidiaries is represented by any labor organization and the Company does not have any knowledge of any current union organizing activities among the employees of the Company or any of its Subsidiaries, nor does any question concerning representation exist concerning such employees; (v) there are no written personnel policies, rules or procedures applicable to employees of the Company or any of its Subsidiaries, other than those set forth in Section 3.22 of the Company Disclosure Schedule, true and correct copies of which have heretofore been delivered to Parent; (vi) there is no unfair labor practice charge or complaint against the Company or any of its Subsidiaries pending or, to the knowledge of the Company, threatened before the National

Labor Relations Board or any similar state agency; and (vii) there is no grievance arising out of any collective bargaining agreement or other grievance procedure. Within the last five years, neither the Company nor any of its Subsidiaries has effectuated (i) a "plant closing" (as defined in the Worker Adjustment and Retraining Notification Act (the "WARN Act") affecting any site of employment or one or more facilities or operating units within any site of employment or facility of the Company or any of its Subsidiaries; or (ii) a "mass layoff" (as defined in the WARN Act) affecting any site of employment or facility of the Company or any of its Subsidiaries. Except as set forth in

Section 3.22 of the Company Disclosure Schedule, none of the Company's or its Subsidiaries' employees has suffered an "employment loss" (as defined in the WARN Act) within the period 90 days prior to date of this Agreement.

3.23. Reorganization. As of the date of this Agreement, the Company has no reason to believe that the Merger will fail to qualify as a reorganization under Section 368(a) of the Code. As of the date of this Agreement, the Company knows of no reason why it will be unable to deliver to Winston & Strawn LLP and to Skadden, Arps, Slate, Meagher & Flom LLP representation letters with respect to the Company in form and substance sufficient to enable such counsel to render the opinions required by Sections 7.2(c) and 7.3(c) hereof.

3.24. Broker's Fees. Except as set forth on Section 3.24 of the Company Disclosure Schedule, neither the Company nor any of its Subsidiaries nor any of their respective officers or directors has employed any broker or finder or incurred any liability for any broker's fees, commissions or finder's fees in connection with the Merger or any of the transactions contemplated by this Agreement, except that the Company has engaged, and will pay a fee or commission to, Banc of America LLC (the "Company Advisor") in accordance with the terms of the letter agreement between the Company and the Company Advisor, a true, complete and correct copy of which has previously been delivered by the Company to Parent.

3.25. Opinion. Prior to the execution of this Agreement, the Company has received an opinion from the Company Advisor to the effect that as of the date thereof and based upon and subject to the matters set forth therein, the Merger Consideration is fair, from a financial point of view, to the holders of Company Common Stock and such opinion has not been amended or rescinded as of the date of this Agreement.

3.26. Related Party Transactions. Except as set forth on Section 3.26 of the Company Disclosure Schedule, to the knowledge of the Company, no officer or director of the Company or any of its Subsidiaries owns or holds, directly or indirectly, any interest in (excepting holdings solely for passive investment purposes of securities of publicly held and traded entities constituting less than 5% of the equity of any such entity), or is an officer, director, employee or consultant of any Person that is, a competitor, lessor, lessee or supplier of the Company or which conducts a business similar to any business conducted by the Company. No officer or director of the Company or any of its Subsidiaries (a) owns or holds, directly or indirectly, in whole or in part, any Intellectual Property used by the Company or any of its Subsidiaries, (b) to the knowledge of the Company has any claim, charge, action or cause of action against the Company or any of its Subsidiaries, except for claims for reasonable unreimbursed travel or entertainment expenses, accrued vacation pay or accrued benefits under any employee benefit plan existing on the date hereof, (c) to the knowledge of the Company, has made, on behalf of the Company or any of its Subsidiaries, any payment or commitment to pay any commission, fee or other amount to, or to purchase or obtain or otherwise contract to purchase or obtain any goods or services from, any other Person of which any officer or director of the Company or any of its Subsidiaries is a partner or shareholder (except holdings solely for passive investment purposes of securities of publicly held and traded entities constituting less than 5% of the equity of any such entity), (d) owes any money to the Company or any of its Subsidiaries or (e) has any material interest in any property, real or personal, tangible or intangible, used in or pertaining to the business of the Company or any of its Subsidiaries.

3.27. Company Information. The information relating to the Company and its Subsidiaries which is provided in writing (including transmission via e-mail) to Parent by the Company or any of its representatives for inclusion in the Joint Proxy Statement/Prospectus and the Form S-4, or in any other document filed with any other regulatory agency in connection herewith, will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances in which they are made, not misleading.

3.28. Company Indentures.

(a) Neither the Company nor any of its Subsidiaries has made any "Restricted Payments" pursuant to, nor has any of them otherwise utilized any of the capacity provided for under, clause (11) of Section 4.7 of the October Indenture or clause (7) of Section 4.7 of the February Indenture.

(b) For purposes of this Agreement, "Company Indentures" means, collectively, (i) the Indenture, dated as of October 25, 2004, related to the $175,000,000 aggregate principal amount First Priority Senior Secured Floating Rate Notes due 2011 issued by the Company (the "October Indenture"), and (ii) the Indenture, dated as of February 20, 2004, related to the $159,034,600 aggregate principal amount 9.375% Senior Subordinated Secured Notes due 2009 issued by the Company (the "February Indenture").

(c) No "Event of Default" (as defined in each of the Company Indentures) has occurred and is continuing under either of the Company Indentures and neither the Company nor any of its Subsidiaries has previously received a waiver of any Event of Default under either of the Company Indentures.

3.29. Anti-Takeover Provisions. Assuming the accuracy of the representation and warranty set forth in Section 4.25, the Board of Directors of the Company has approved the transactions contemplated by this Agreement such that the provisions of Section 203 of the DGCL and Article VIII of the Company's Amended and Restated Certificate of Incorporation will not apply to this Agreement or any of the transactions contemplated hereby. No other "moratorium," "control share," "fair price" or other antitakeover laws are applicable to the Merger or any of the other transactions contemplated by this Agreement.

3.30. Disclosure Controls and Procedures. The Company and its Subsidiaries have designed and maintain a system of internal controls over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act) sufficient to provide reasonable assurances regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. The Company (A) has designed and maintains disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Exchange Act) to ensure that material information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and is accumulated and communicated to the Company's management as appropriate to allow timely decisions regarding required disclosure, and (B) has disclosed, based on its most recent evaluation of such disclosure controls and procedures prior to the date hereof, to the Company's auditors and the audit committee of the Company's Board of Directors (1) any significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting that are reasonably likely to adversely affect in any material respect the Company's ability to record, process, summarize and report financial information and (2) any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal controls over financial reporting. The Company has made available to Parent a summary of any such disclosure made by management to the Company's auditors and audit committee since October 1, 2002.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES OF PARENT

4.1. Parent Disclosure Schedule. Prior to the execution and delivery of this Agreement, Parent has delivered to the Company a schedule (the "Parent Disclosure Schedule") setting forth, among other things, items the disclosure of which is necessary or appropriate either in response to an express disclosure requirement contained in a provision hereof or as an exception to one or more of Parent's representations or warranties contained in this Article IV, or to one or more of Parent's covenants contained in Section 5.2; provided, however, that notwithstanding anything in this Agreement to the contrary the mere inclusion of an item in a Parent Disclosure Schedule as an exception to a representation or warranty shall not be deemed an admission by a party that such item represents a material exception or material fact, event or circumstance or that such item has had or is reasonably likely to have a Material Adverse

Effect

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(as defined herein) with respect to the Parent. Each disclosure set forth in the Parent Disclosure Schedule is identified by reference to, or has been grouped under a heading referring to a specific individual section of this Agreement.

Except as set forth in Parent Disclosure Schedule, Parent hereby represents and warrants to the Company as set forth in Sections 4.2 through 4.27:

4.2. Corporate Organization.

(a) Parent is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware. The Amended and Restated Certificate of Incorporation and Amended and Restated Bylaws of Parent, copies of which have previously been made available to the Company, are true, complete and correct copies of such documents as in effect as of the date of this Agreement.

(b) Parent (i) has all requisite corporate power and authority to own or lease all of its properties and assets and to carry on its business as it is now being conducted, and (ii) is duly licensed or qualified to do business and in good standing in each jurisdiction in which the nature of the business conducted by it or the character or location of the properties and assets owned or leased by it makes such licensing or qualification necessary, except where the failure to be so licensed, qualified or in good standing, individually or in the aggregate, has not had and would not reasonably be expected to have a Material Adverse Effect on Parent.

(c) Each of Parent's Subsidiaries is duly organized, validly existing and in good standing under the laws of its jurisdiction of incorporation or organization. Each of Parent's Subsidiaries has the requisite corporate or other power and authority to own or lease all of its properties and assets and to carry on its business as it is now being conducted, and is duly licensed or qualified to do business and in good standing in each jurisdiction in which the nature of the business conducted by it or the character or the location of the properties and assets owned or leased by it makes such licensing or qualification necessary, except where the failure to be so licensed qualified, or in good standing, individually or in the aggregate, has not had and would not reasonably be expected to have a Material Adverse Effect on Parent. The articles of incorporation, bylaws and similar governing documents of each Subsidiary of Parent, copies of which have previously been made available to the Company, are true, complete and correct copies of such documents as in effect as of the date of this Agreement.

(d) The minute books of Parent and each of its Subsidiaries contain true, complete and accurate records of all meetings and other corporate actions held or taken since December 31, 2002 of their respective stockholders and Boards of Directors (including committees of their respective Boards of Directors).

(e) Neither Parent nor any of its Subsidiaries is in violation of any provision of its respective certificate of incorporation, bylaws or similar governing document.

4.3. Capitalization.

(a) The authorized capital stock of Parent consists of 290,000,000 shares of Parent Common Stock and 10,000,000 shares of preferred stock, par value $.01 per share. As of December 3, 2004, there were (i) 114,857,304 shares of Parent Common Stock issued and outstanding, (ii) 300,000 shares of Series A Preferred Stock reserved for issuance,

(iii) 478,987 shares of Series B Convertible Preferred Stock ("Parent Series B Preferred Stock") issued and outstanding, (iv) 500,000 shares of Series C Convertible Preferred Stock ("Parent Series C Preferred Stock") reserved for issuance, (v) no shares of Parent Common Stock reserved for issuance upon exercise of outstanding stock options or otherwise, except for (x) 9,760,426 shares of Parent Common Stock reserved for issuance pursuant to options granted pursuant to option plans, agreements or commitments maintained by Parent, and (y) shares of Parent Common Stock reserved for issuance upon conversion of the outstanding shares of Parent Series B Preferred Stock and Parent Series C Preferred Stock and (vi) no shares of Parent Common Stock held by Parent in its treasury or by Parent's Subsidiaries. All of the issued and outstanding shares of Parent Common Stock have been duly authorized and validly issued and are fully paid, nonassessable and free of preemptive rights, with no personal liability attaching to the ownership thereof. As of the date of this Agreement, except as referred to above or reflected in Section 4.3(a) of the Parent Disclosure Schedule, Parent does

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not have and is not bound by any outstanding subscriptions, options, warrants, calls, commitments or agreements of any character calling for the purchase or issuance of any shares of Parent Common Stock or any other equity security or Voting Debt of Parent or any securities representing the right to purchase or otherwise receive any shares of Company Common Stock or any other equity security or Voting Debt of Parent (including any rights plan or agreement). The share of Parent Common Stock to be issued pursuant to the Merger will be duly authorized and validly issued and, at the Effective Time, all such shares will be fully paid, nonassessable and free of preemptive rights, with no personal liability attaching to the ownership thereof.

(b) Section 4.3(b) of the Parent Disclosure Schedule sets forth a true and correct list of all of the Subsidiaries of Parent as of the date of this Agreement. Except as set forth in Section 4.3(b) of the Parent Disclosure Schedule, as of the date of this Agreement Parent owns, directly or indirectly, all of the issued and outstanding shares of the capital stock (or all of the other equity ownership interests) of each of its Subsidiaries, free and clear of all Liens, and all of such shares (or other equity or ownership interests) are duly authorized and validly issued and are fully paid, nonassessable and free of preemptive rights, with no personal liability attaching to the ownership thereof. As of the date of this Agreement, no Subsidiary of Parent has or is bound by any outstanding subscriptions, options, warrants, calls, commitments or agreements of any character with any party that is not a direct or indirect Subsidiary of Parent calling for the purchase or issuance of any shares of capital stock or any other equity security or Voting Debt of such Subsidiary or any securities representing the right to purchase or otherwise receive any shares of capital stock or any other equity security or Voting Debt of such Subsidiary.

(c) As of the date of this Agreement, no Voting Debt of Parent is issued or outstanding.

4.4. Authority; No Violation.

(a) Each of Parent and Merger Sub has full corporate power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby. The execution and delivery of this Agreement and the consummation of the Merger and the other transactions contemplated hereby have been duly and validly approved by (i) the Board of Directors of Parent, and (ii) the Board of Directors of Merger Sub and by Parent in its capacity as sole stockholder of Merger Sub, and no other corporate proceedings on the part of Parent or Merger Sub or their respective stockholders are necessary to approve this Agreement, and to consummate the Merger and the other transactions contemplated hereby (other than obtaining the requisite approval of Parent stockholders for the issuance of shares of Parent Common Stock pursuant to the Merger pursuant to the listing standards and rules of Nasdaq (the "Parent Stockholder Approval")). This Agreement has been duly and validly executed and delivered by Parent and Merger

Sub, and (assuming due authorization, execution and delivery by the Company) this Agreement constitutes a valid and binding obligation of Parent and Merger Sub, enforceable against Parent and Merger Sub in accordance with its terms, except as enforcement may be limited by general principles of equity whether applied in a court of law or a court of equity and by bankruptcy, insolvency and similar laws affecting creditors' rights and remedies generally.

(b) Except as set forth in Section 4.4(b) of the Parent Disclosure Schedule, neither the execution and delivery of this Agreement by Parent and Merger Sub, nor the consummation by Parent and Merger Sub of the Merger or any of the other transactions contemplated hereby, nor compliance by Parent and Merger Sub with any of the terms or provisions hereof, will (i) violate any provision of the Amended and Restated Certificate of Incorporation or Amended and Restated Bylaws of Parent or the certificate of incorporation, bylaws or similar governing documents of any of its Subsidiaries (including Merger Sub), or (ii) assuming that the consents and approvals referred to in Section 4.5 hereof are duly obtained, (x) violate any statute, code, ordinance, rule, regulation, judgment, order, writ, decree or injunction applicable to Parent or any of its Subsidiaries (including Merger Sub), or any of their respective properties or assets, or (y) violate, conflict with, result in a breach of any provision of or the loss of any benefit under, constitute a default (or an event which, with or without notice or lapse of time, or both, would constitute a default) under, result in the termination of or a right of termination or cancellation under, accelerate the performance required by, or result in the creation of any Lien upon any of the respective properties or assets of Parent or any of its Subsidiaries (including Merger Sub) under, any of the terms, conditions or provisions of any loan, guarantee of indebtedness, note, bond, mortgage,

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indenture, deed of trust, license, permit, concession, franchise, lease, contract, agreement or other instrument or obligation to which Parent or any of its Subsidiaries (including Merger Sub) is a party, or by which they or any of their respective properties or assets may be bound or affected, except in the case of clauses (x) and (y), for such violations, conflicts, breaches, losses, defaults, terminations, cancellations, accelerations or Liens that, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect on Parent.

4.5. Consents and Approvals. Except for (a) the filing of a notification under the HSR Act (as defined in Section 6.1(b)), (b) the Parent Stockholder Approval, (c) the filing of the Certificate of Merger with the Delaware Secretary pursuant to the DGCL, (d) the filing with the SEC of (i) the Joint Proxy Statement/Prospectus and (ii) such reports under Sections 13(a), 13(d), 13(g) and 16(a) of the Exchange Act, as may be required in connection with this Agreement and the transactions contemplated hereby and the obtaining from the SEC of such orders as may be required in connection therewith, (e) approval of the listing of the Parent Common Stock to be issued in the Merger on Nasdaq, (f) such filings and approvals as are required to be made or obtained under the securities or "Blue Sky" laws of various states in connection with the issuance of the shares of the Company Common Stock pursuant to this Agreement, (g) any consent of Sprint PCS required pursuant to the terms of Parent Sprint Agreements, (h) such filings, authorizations or approvals as may be set forth in Section 4.5 of the Parent Disclosure Schedule, and (i) such consents, approvals, filings or registrations, the failure of which to be made or obtained, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect on Parent, no consents or approvals of, or filings or registrations with, any Governmental Entity or with any third party are required to be made or obtained by Parent or any of its Subsidiaries in connection with the execution and delivery by Parent and Merger Sub of this Agreement or the consummation by Parent and Merger Sub of the Merger and the other transactions contemplated hereby.

4.6. Reports. Parent has previously made available to the Company a true, correct and complete copy of each (a) final registration statement, prospectus, report, schedule and definitive proxy statement filed since December 31, 2002 by Parent with the SEC pursuant to the Securities Act or the Exchange Act (collectively, the "Parent Reports"), (b) written communication between Parent and the SEC since December 31, 2002, and (c) communication mailed by Parent to its stockholders since December 31, 2002, and no such registration statement, prospectus, report, schedule, proxy statement or communication as of its date of filing contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances in which they were made, not misleading. Parent has timely filed all Parent Reports and other documents required to be filed by it under the Securities Act and the Exchange Act, and, as of their respective dates, all Parent Reports complied in all material respects with the published rules and regulations of the SEC with respect thereto, including rules and regulations relating to the filing of exhibits thereto. No executive officer of Parent has failed in any respect to make the certifications required of him or her under Section 302 or 906 of the Sarbanes-Oxley Act of 2002 and no enforcement action has been initiated against Parent by the SEC relating to disclosures contained in any Parent Report.

4.7. Financial Statements. Parent has previously made available to the Company copies of (a) the consolidated balance sheets of Parent and its Subsidiaries as of December 31, 2003 and 2002, and the related consolidated statements of operations, stockholders' equity, and cash flows for each of the years in the three-year period ended December 31, 2003, as reported in Parent's Annual Report on Form 10-K for the fiscal year ended December 31, 2003 filed with the SEC under the Exchange Act (collectively, and including the notes thereto, the "Parent Audited Financial Statements"), in each case accompanied by the audit report of PricewaterhouseCoopers LLP ("PWC"), independent public accountants with respect to Parent, and (b) the unaudited consolidated balance sheet of Parent and its Subsidiaries as of September 30, 2004 and the related unaudited consolidated statements of operations for the quarters and nine months ended September 30, 2004 and 2003, and statements of cash flows for the nine months ended September 30, 2004 and 2003, as reported in Parent's Quarterly Report on Form 10-Q for the period ended September 30, 2004 filed with the SEC under the Exchange Act (together with Parent Audited Financial Statements, the "Parent Financial Statements"). The Parent Financial Statements (including the related notes, where applicable) fairly present in all material respects, and the financial statements to be filed by Parent with the SEC after the date of this Agreement will fairly present in all material respects,

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the consolidated financial position of Parent and its Subsidiaries as of the respective dates thereof, and the results of their operations and their cash flows for the fiscal periods set forth therein (subject, in the case of the unaudited statements, to recurring audit adjustments normal in nature and amount); each of such statements (including the related notes, where applicable) complies, and the financial statements to be filed by Parent with the SEC after the date of this Agreement will comply, with applicable accounting requirements and with the published rules and regulations of the SEC with respect thereto at the date of their filing; and each of such statements (including the related notes, where applicable) has been, and the financial statements to be filed by Parent with the SEC after the date of this Agreement will be, prepared in accordance with GAAP consistently applied during the periods involved, except as indicated in the notes thereto or, in the case of unaudited statements, except for normal period-end adjustments that are not material. The books and records of Parent and its Subsidiaries have been, and are being, maintained in accordance with GAAP and all other applicable legal and accounting requirements and reflect only actual transactions. PWC has not resigned or been dismissed as independent public accountants of Parent as a result of or in connection with any disagreements with Parent on a matter of accounting principles or practices, financial statement disclosure or auditing scope or procedure.

4.8. No Undisclosed Liabilities. Except (a) as disclosed in the Parent Financial Statements, (b) for liabilities and obligations incurred in the ordinary course of business and consistent with past practice of Parent since December 31, 2003, and (c) liabilities that, individually or in the aggregate, have not had and would not reasonably be expected to have a Material Adverse Effect on Parent, neither Parent nor any of its Subsidiaries has any liability or obligation of any nature, whether or not absolute, accrued, contingent or otherwise.

4.9. Absence of Certain Changes or Events.

(a) Except (i) as set forth in Section 4.9(a) of the Parent Disclosure Schedule or (ii) as disclosed in any Parent Report filed with the SEC prior to the date of this Agreement, since December 31, 2003, there has been no change or development or combination of changes or developments which, individually or in the aggregate, have had, or would reasonably be expected to have, a Material Adverse Effect on Parent.

(b) Except as set forth in Section 4.9(b) of the Parent Disclosure Schedule or as disclosed in any Parent Report filed with the SEC prior to the date of this Agreement, since December 31, 2003, Parent and its Subsidiaries have carried on their respective businesses in all material respects only in the ordinary and usual course of business consistent with their past practices.

(c) Except as set forth in Section 4.9(c) of the Parent Disclosure Schedule or as disclosed in any Company Report filed with the SEC prior to the date of this Agreement, since December 31, 2003, neither Parent nor any of its Subsidiaries has (i) declared, set aside or paid any dividend or other distribution (whether in cash, stock or property) with respect to any of Parent's capital stock (other than shares of Parent Series B Preferred Stock), (ii) changed any accounting methods (or underlying assumptions), principles or practices of Parent or its Subsidiaries affecting its assets, liabilities or businesses, including any reserving, renewal or residual method, practice or policy, (iii) made any Tax election or changed any Tax election, amended any Tax Returns or entered into any settlement or compromise of any income tax liability of Parent or its Subsidiaries or entered into any closing agreement with respect to Taxes, or (iv) made any agreement or commitment (contingent or otherwise) to do any of the foregoing.

4.10. Property.

(a) Each of Parent and its Subsidiaries has good and marketable title, free and clear of all Liens to all of the properties and assets, real and personal, tangible or intangible, which are reflected on the audited consolidated balance sheet of Parent as of December 31, 2003 or acquired after such date, except (i) Liens for taxes not yet due and payable or contested in good faith by appropriate proceedings, (ii) pledges to secure deposits and other Liens incurred in the ordinary course of business, (iii) such imperfections of title, easements and encumbrances, if any, as do not interfere with the use of the property as such property is used on the date of this Agreement, (iv) for dispositions of and encumbrances on such properties or assets in the ordinary course of business or (v) mechanics', materialmen's, workmen's, repairmen's, warehousemen's, carrier's and other similar Liens and encumbrances arising in the ordinary course of business.

(b) Section 4.10(b) of the Parent Disclosure Schedule sets forth an accurate and complete list and description of all real property owned by Parent or any of its Subsidiaries and all buildings and improvements thereon as of the date hereof.

4.11. Environmental Matters.

Except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect on Parent or as set forth in Section 4.11 of the Parent Disclosure Schedule:

(a) Parent and each of its Subsidiaries (1) are in compliance with all, and, to the knowledge of Parent, are not subject to any liability with respect to any, applicable Environmental Laws, (2) hold or have applied for all Environmental Permits necessary to conduct their current operations and (3) are in compliance with their respective Environmental Permits and such Environmental Permits are in full force and effect.

(b) Neither Parent nor any of its Subsidiaries has received any written notice, demand, letter, claim or request for information alleging that Parent or any of its Subsidiaries is in violation of any Environmental Law or liable for remediation, cost recovery or contribution under CERCLA.

(c) Neither Parent nor any of its Subsidiaries (1) has entered into or agreed to any consent decree or order or is subject to any judgment, decree or judicial order relating to compliance with Environmental Laws, Environmental Permits or the investigation, sampling, monitoring, treatment, remediation, removal or cleanup of Hazardous Materials and, to the knowledge of Parent, no investigation, litigation or other proceeding is pending or threatened in writing with respect thereto, or (2) is an indemnitor in connection with any claim threatened or asserted in writing by any third-party indemnitee for any liability under any Environmental Law or relating to any Hazardous Materials.

(d) None of the real property owned or leased by Parent or any Company Subsidiary is listed or, to the knowledge of Parent, proposed for listing on the "National Priorities List" under CERCLA, as updated through the date hereof, or any similar state or foreign list of sites requiring investigation or cleanup.

(e) To the knowledge of Parent, there are no underground storage tanks or above-ground storage tanks located on any Parent Real Property which are now, or in the past were, used to store Hazardous Materials. "Parent Real Property" shall mean all real property (i) that is owned or used by Parent or any of its Subsidiaries or that is reflected as an asset of Parent or any of its Subsidiaries on the audited balance sheet of Parent as of December 31, 2003 and (ii) formerly owned or operated by Parent or its Subsidiaries.

4.12. Legal Proceedings.

(a) Except as set forth in Section 4.12 of the Parent Disclosure Schedule, neither Parent nor any of its Subsidiaries is a party to any, and there are no pending or, to Parent's knowledge, threatened, legal, administrative, arbitral or other proceedings, claims, actions or governmental or regulatory investigations of any nature against Parent or any of its Subsidiaries or, to the knowledge of Parent, any of Parent's or its Subsidiaries' current or former directors or officers or any other Person whom Parent or its Subsidiaries has agreed to indemnify, as such, or challenging the validity or propriety of the transactions contemplated by this Agreement as to which there is reasonable possibility of adverse determination and which, if adversely determined, would, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on Parent. To the knowledge of Parent, no event has occurred, and no state of facts exists, that could reasonably be expected to result in any such action, suit or proceeding.

(b) There is no injunction, order, judgment, decree or regulatory restriction imposed upon Parent, any of its Subsidiaries or the assets of Parent or any of its Subsidiaries, which, individually or in the aggregate, has had or would reasonably be expected to have, a Material Adverse Effect on Parent.

4.13. Compliance with Applicable Law.

(a) Except for the Sprint Licenses, Parent and each of its Subsidiaries hold, and have at all times held, all licenses, franchises, permits, certificates, approvals and authorizations (each a "Parent

Permit") necessary for the lawful conduct of their respective businesses and the lawful ownership, use and operation of its assets, as presently conducted and used, and neither Parent nor any of its Subsidiaries knows of, or has received notice of, any violation of any Parent Permit, except where the failure to have any such Parent Permit or such violation has not had and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect on Parent.

(b) Parent and each of its Subsidiaries are in compliance with and are not in default under any, applicable law, statute, order, rule, regulation, policy and/or guideline of any Governmental Entity relating to Parent or any of its Subsidiaries, except where any failure to be in compliance with the terms thereof individually or in the aggregate has not had and would not reasonably be expected to have a Material Adverse Effect on Parent.

(c) Parent has no knowledge of any investigation, notice of apparent liability, violation, forfeiture or other order or complaint issued by or before the FCC or any other Governmental Entity or of any other proceedings of or before the FCC or any other Governmental Entity relating to Parent or any of its Subsidiaries or to any authorizations under which Parent conducts its business, not including the Sprint Licenses. No proceedings are pending or, to the knowledge of Parent, threatened to revoke or limit any material Parent Permits or the Sprint Licenses.

(d) To the knowledge of Parent, no event has occurred which (i) results in, or after notice or lapse of time or both could reasonably be expected to result in, revocation, suspension, adverse modification, non-renewal, impairment, restriction or termination of, or order of forfeiture or substantial fine with respect to, any material Parent Permits or the Sprint Licenses, or (ii) affects or could reasonably be expected in the future to affect any of the rights of Parent or its Subsidiaries under any material Parent Permits or any of the rights of Sprint PCS or its Affiliates under the Parent Sprint Licenses. No facts are known to Parent or its Subsidiaries which if known by a Governmental Entity of competent jurisdiction would present a substantial risk that any material Parent Permit could be revoked, suspended, adversely modified, not renewed, impaired, restricted, terminated, forfeited or a substantial fine imposed against Parent or any of Parent Subsidiaries, and neither the execution by Parent of this Agreement nor the consummation of the Merger or any of the other transactions contemplated by this Agreement is reasonably likely to result in the occurrence of any of the consequences set forth in this Section 4.13(d).

4.14. Employees.

(a) Section 4.14(a) of the Parent Disclosure Schedule sets forth a true and complete list of each deferred compensation, incentive compensation, equity compensation, severance, health or other "welfare" plan, fund or program (within the meaning of Section 3(1) of ERISA); "pension" plan, fund or program (within the meaning of Section 3(2) of ERISA); each employment, termination or severance agreement; and each other employee benefit plan, fund, program, agreement or arrangement, in each case, that is sponsored, maintained or contributed to or required to be contributed to or was entered into by Parent, any of its Subsidiaries or by any trade or business, whether or not incorporated, that together with Parent would be deemed a "single employer" within the meaning of Section 4001(b)(1) of ERISA (a "Parent ERISA Affiliate"), for the benefit of any current or former employee of Parent, any Subsidiary or any Parent ERISA Affiliate (the "Parent Plans").

(b) Parent has heretofore made available to the Company true and complete copies of each of the Parent Plans, all amendments thereto and all other related documents, including but not limited to (i) the most recent Form 5500 and related exhibits and reports for such Parent Plan (if applicable) for each of the last two years, and (ii) the most recent determination letter from the Internal Revenue Service (if applicable) for such Parent Plan.

(c) Except as set forth in Section 4.14(c) of the Parent Disclosure Schedule: (i) each of the Parent Plans has been operated and administered in material compliance with its terms and applicable law, including but not limited to ERISA and the Code; (ii) each of the Parent Plans intended to be "qualified" within the meaning of Section 401(a) of the Code has received a favorable determination letter from the Internal Revenue Service to that effect and to the knowledge of Parent there exists no circumstance reasonably likely to result in the revocation of any such favorable determination letter; (iii) no Parent Plan provides benefits, including without limitation death or medical benefits (whether or not

insured), with respect to current or former employees of Parent, its Subsidiaries or any Parent ERISA Affiliate beyond their retirement or other termination of service, other than (w) coverage mandated by applicable law, (x) death benefits or retirement benefits under any "employee pension plan," as that term is defined in Section 3(2) of ERISA, (y) deferred compensation benefits accrued as liabilities on the books of Parent, its Subsidiaries or Parent ERISA Affiliates or (z) benefits which are fully insured or the full cost of which is borne by the current or former employee (or his beneficiary); (iv) no Parent Plan is subject to Section 302 or Title IV of ERISA, no liability under Title IV of ERISA has been incurred by Parent, its Subsidiaries or any Parent ERISA Affiliate that has not been satisfied in full, and neither Parent, its Subsidiaries nor any Parent ERISA Affiliate has any contingent liability under Title IV of ERISA; (v) no Parent Plan is a "multiemployer pension plan," as that term is defined in Section 3(37) of ERISA; (vi) all contributions or other amounts payable by Parent, its Subsidiaries or any Parent ERISA Affiliate as of the Effective Time with respect to each Parent Plan in respect of current or prior plan years have been paid or accrued in accordance with GAAP; (vii) neither Parent, its Subsidiaries, any Parent ERISA Affiliate, any Parent Plan, any trust created thereunder, nor any trustee or administrator thereof has engaged in a transaction or has taken or failed to take any action in connection with which Parent, its Subsidiaries or any Parent ERISA Affiliate reasonably could be subject to either a civil penalty assessed pursuant to Section 409 or 502(i) of ERISA or a tax imposed pursuant to Section 4975, 4976 or 4980B of the Code; (viii) there are no pending, or, to the best knowledge of Parent, threatened or anticipated claims or proceedings (other than routine claims for benefits) by, on behalf of or against any of the Parent Plans or any trusts related thereto; (ix) the consummation of the transactions contemplated by this Agreement will not, either alone or in combination with any other event, (y) entitle any current or former employee, officer, director or consultant of Parent or any Parent ERISA Affiliate to severance pay, termination pay or any other payment or benefit or (z) accelerate the time of payment or vesting or increase the amount or value of compensation or benefits due any such employee, officer, director or consultant; and (x) no amounts payable under the Parent Plans will fail to be deductible for federal income tax purposes by virtue of Section 280G of the Code.

4.15. Taxes. Except as set forth in Section 4.15 of the Parent Disclosure Schedule, each of Parent, and its Subsidiaries has (i) duly and timely filed (including applicable extensions granted without penalty) all Tax Returns (as hereinafter defined) required to be filed at or prior to the Effective Time, and such Tax Returns are true, correct and complete in all material respects, and (ii) paid in full or made adequate provision in the financial statements of Parent (in accordance with GAAP) for all Taxes (as hereinafter defined) due to be paid or accrued at or prior to the Effective Time. No deficiencies for any Taxes have been proposed, asserted, assessed or, to the knowledge of Parent, threatened against or with respect to Parent, or any of its Subsidiaries. Except as set forth in Section 4.15 of the Parent Disclosure Schedule, (i) there are no liens for Taxes upon the assets of either Parent or its Subsidiaries except for statutory liens for current Taxes not yet due, (ii) neither Parent, nor any of its Subsidiaries has requested any extension of time within which to file any Tax Returns in respect of any fiscal year which have not since been filed and no request for waivers of the time to assess any Taxes are pending or outstanding, (iii) with respect to each taxable period of Parent, and its Subsidiaries, (A) the federal and state income Tax Returns of Parent and its Subsidiaries have been audited by the Internal Revenue Service or appropriate state tax authorities, (B) the time for assessing and collecting income Tax with respect to such taxable period has closed and such taxable period is not subject to review, or (C) the time for assessing and collecting income Tax with respect to such taxable period has not closed, but no audit or review of such taxable period has yet been initiated or threatened, (iv) neither Parent nor any of its Subsidiaries has filed or been included in a combined, consolidated or unitary income Tax Return other than one in which Parent was the parent of the group filing such Tax Return, (v) neither Parent nor any of its Subsidiaries is a party to any agreement providing for the allocation or sharing of Taxes (other than the allocation of federal income taxes as provided by Regulation 1.1552-1(a)(1) under the Code), (vi) neither Parent nor any of its Subsidiaries is required to include in income any adjustment pursuant to Section 481(a) of the Code (or any similar or corresponding provision or requirement of state, local or foreign income Tax law), by reason of the voluntary change in accounting method (nor has any taxing authority proposed any such adjustment or change of accounting method), (vii) neither Parent nor its Subsidiaries has any liability for Taxes of any Person (other than a liability of Parent for Taxes of any of its Subsidiaries or a liability of any of Parent's Subsidiaries for Taxes of Parent) under Regulation 1.1502-6 or 1.1502-78(b)(2) under the

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Code (or similar provisions of state, local or foreign law), as a transferee or successor, by contract or otherwise, and (viii) neither Parent nor any of its Subsidiaries has made any payment or may be obligated to make any payment (by contract or otherwise) which will not be deductible by reason of Section 280G or Section 162(m) of the Code.

4.16. Sprint Agreement Compliance.

(a) Neither Parent nor any of its Subsidiaries has violated or failed to meet any deadline or requirement in the Parent Sprint Agreements, except as has been remedied, waived or modified prior to the date hereof and previously disclosed to the Company. Section 4.16(a) of the Parent Disclosure Schedule sets forth the extent of Parent's progress in the completion of its build-out and network launch as of the date of this Agreement.

(b) Section 4.16(b) of the Parent Disclosure Schedule sets forth a list of all agreements between Parent, its Subsidiaries or any of its Affiliates, on the one hand, and Sprint PCS and any of its Affiliates, on the other hand (collectively, the "Parent Sprint Agreements"). As of the date hereof there are no unwritten amendments to, or waivers under, any Parent Sprint Agreement.

(c) The Parent Sprint Agreements are valid, binding and enforceable against Parent (or, to the extent a Subsidiary of Parent is a party, such Subsidiary), in accordance with their respective terms, and shall be in full force and effect without penalty in accordance with their terms upon consummation of the Merger and the other transactions contemplated by this Agreement, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and limitations on the availability of equitable remedies. Parent and its Subsidiaries have performed in all material respects all obligations required to be performed by them under, and they are not in default under or in breach of, nor in receipt of any claim of default or breach under, any of the Parent Sprint Agreements. To the knowledge of Parent, no event has occurred which with the passage of time or the giving of notice or both would result in a default, breach or event of noncompliance by Parent or any Subsidiary, or would permit termination or modification by Parent, Sprint PCS or any of its Affiliates, under any of the Parent Sprint Agreements. Neither Parent nor any of its Subsidiaries has knowledge of any cancellation or anticipated cancellation by Sprint PCS or any of its Affiliates of any of the Parent Sprint Agreements. Parent has provided the Company with copies of all written notices (excluding e-mail messages) received by it from Sprint PCS during the last six months (i) delivered pursuant to the official notice provisions of Parent Sprint Agreements or (ii) alleging a material breach of any of the Parent Sprint Agreements.

4.17. Intellectual Property. Parent owns or has the right to use, whether through licensing or otherwise, and to authorize others to use, all Intellectual Property significant to the businesses of Parent and its Subsidiaries in substantially the same manner as such businesses are conducted on the date hereof ("Parent Material Intellectual Property"). Except as set forth in Section 4.17 of the Parent Disclosure Schedule: (1) no written claim of invalidity or conflicting ownership rights with respect to any Parent Material Intellectual Property has been made by a third party and no such Intellectual Property is the subject of any pending or, to Parent's knowledge, threatened action, suit, claim, investigation, arbitration or other proceeding; (2) no Person or entity has given notice to Parent or any of its Subsidiaries that the use of any Parent Material Intellectual Property by Parent, any Parent Subsidiary or any licensee is infringing or has infringed any domestic or foreign patent, trademark, service mark, trade name, or copyright or design right, or that Parent, any of its Subsidiaries or any licensee has misappropriated or improperly used or disclosed any trade secret, confidential information or know-how; (3) to Parent's knowledge after due inquiry for such purpose, the making, using, selling, manufacturing, marketing, licensing, reproduction, distribution, or publishing of any process, machine, manufacture or product related to any Parent Material Intellectual Property, does not and will not infringe any domestic or foreign patent, trademark, service mark, trade name, copyright or other intellectual property right of any third party, and does not and will not involve the misappropriation or improper use or disclosure of any trade secrets, confidential information or know-how of any third party; (4) to Parent's knowledge, there exists no prior act or current conduct or use by Parent, any of its Subsidiaries or any third party that would void or invalidate any Parent Material Intellectual Property; (5) to Parent's knowledge, no other Person is interfering with, infringing upon, misappropriating or otherwise coming into conflict with any Parent

Material Intellectual Property; and (6) the execution, delivery and performance of this Agreement by Parent and the consummation of the transactions contemplated hereby and thereby will not breach, violate or conflict with any instrument or agreement concerning any Parent Material Intellectual Property, will not cause the forfeiture or termination of or give rise to a right of forfeiture or termination of any of the Parent Material Intellectual Property, or trigger additional fees or transfer costs payable by Parent or any of its Subsidiaries with respect to, or impair the right of Parent to make, use, sell, license or dispose of, or to bring any action for the infringement of, any Parent Material Intellectual Property. In addition, the matters disclosed on Section 4.17 of the Parent Disclosure Schedule would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on Parent.

4.18. Labor Matters.

Except to the extent set forth in Section 4.18 of the Parent Disclosure Schedule, (i) there is no labor strike, slowdown, stoppage or lockout actually pending or, to the knowledge of Parent, threatened against or affecting Parent or any of its Subsidiaries and during the past three years there has not been any such action; (ii) to the knowledge of Parent, there is no union claims to represent the employees of Parent or any of its Subsidiaries; (iii) neither Parent nor any of its Subsidiaries is a party to or bound by any collective bargaining or similar agreement with any labor organization, or work rules or practices agreed to with any labor organization or employee association; (iv) none of the employees of Parent or any of its Subsidiaries is represented by any labor organization and Parent does not have any knowledge of any current union organizing activities among the employees of Parent or any of its Subsidiaries, nor does any question concerning representation exist concerning such employees; (v) there are no written personnel policies, rules or procedures applicable to employees of the Company or any of its Subsidiaries, other than those set forth in Section 4.18 of the Company Disclosure Schedule, true and correct copies of which have heretofore been delivered to the Company; (vi) there is no unfair labor practice charge or complaint against Parent or any of its Subsidiaries pending or, to the knowledge of Parent, threatened before the National Labor Relations Board or any similar state agency; and (vii) there is no grievance arising out of any collective bargaining agreement or other grievance procedure. Within the last five years, neither Parent nor any of its Subsidiaries has effectuated (i) a "plant closing" (as defined in the WARN Act) affecting any site of employment or one or more facilities or operating units within any site of employment or facility of the Company or any of its Subsidiaries; or (ii) a "mass layoff" (as defined in the WARN Act) affecting any site of employment or facility of the Company or any of its Subsidiaries. Except as set forth in Section 4.18 of the Company Disclosure Schedule, none of the Company's or its Subsidiaries' employees has suffered an "employment loss" (as defined in the WARN Act) within the period 90 days prior to date of this Agreement.

4.19. Reorganization. As of the date of this Agreement, Parent has no reason to believe that the Merger will fail to qualify as a reorganization under Section 368(a) of the Code. As of the date of this Agreement, Parent knows of no reason why it will be unable to deliver to Winston & Strawn LLP and to Skadden, Arps, Slate, Meagher & Flom LLP representation letters with respect to Parent in form and substance sufficient to enable such counsel to render the opinions required by Sections 7.2(c) and 7.3(c) hereof.

4.20. Broker's Fees. Neither Parent nor any of its Subsidiaries nor any of their respective officers or directors has employed any broker or finder or incurred any liability for any broker's fees, commissions or finder's fees in connection with the Merger or any of the transactions contemplated by this Agreement, except that Parent has engaged, and will pay a fee or commission to, UBS Investment Bank (the "Parent Advisor").

4.21. Opinion. Prior to the execution of this Agreement, Parent has received an opinion from the Parent Advisor to the effect that as of the date thereof and based upon and subject to the matters set forth therein, the aggregate Merger Consideration is fair, from a financial point of view, to Parent and such opinion has not been amended or rescinded as of the date of this Agreement.

4.22. Related Party Transactions. Except as set forth on Section 4.22 of the Parent Disclosure Schedule, to the knowledge of Parent, no officer or director of Parent or any of its Subsidiaries owns or holds, directly or indirectly, any interest in (excepting holdings solely for passive investment purposes of securities of publicly held and traded entities constituting less than 5% of the equity of any such entity),

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or is an officer, director, employee or consultant of any Person that is, a competitor, lessor, lessee or supplier of Parent or which conducts a business similar to any business conducted by Parent. No officer or director of Parent or any of its Subsidiaries (a) owns or holds, directly or indirectly, in whole or in part, any Intellectual Property used by Parent or any of its Subsidiaries, (b) to the knowledge of Parent has any claim, charge, action or cause of action against Parent or any of its Subsidiaries, except for claims for reasonable unreimbursed travel or entertainment expenses, accrued vacation pay or accrued benefits under any employee benefit plan existing on the date hereof, (c) to the knowledge of Parent, has made, on behalf of Parent or any of its Subsidiaries, any payment or commitment to pay any commission, fee or other amount to, or to purchase or obtain or otherwise contract to purchase or obtain any goods or services from, any other Person of which any officer or director of Parent or any of its Subsidiaries is a partner or shareholder (except holdings solely for passive investment purposes of securities of publicly held and traded entities constituting less than 5% of the equity of any such entity), (d) owes any money to Parent or any of its Subsidiaries or (e) has any material interest in any property, real or personal, tangible or intangible, used in or pertaining to the business of Parent or any of its Subsidiaries.

4.23. Company Information. The information relating to Parent and its Subsidiaries which is included in the Joint Proxy Statement/Prospectus and the Form S-4, or in any other document filed with any other regulatory agency in connection herewith, will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances in which they are made, not misleading.

4.24. Disclosure Controls and Procedures. Parent and its Subsidiaries have designed and maintain a system of internal controls over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act) sufficient to provide reasonable assurances regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Parent (A) has designed and maintains disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Exchange Act) to ensure that material information required to be disclosed by Parent in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and is accumulated and communicated to Parent's management as appropriate to allow timely decisions regarding required disclosure, and (B) has disclosed, based on its most recent evaluation of such disclosure controls and procedures prior to the date hereof, to Parent's auditors and the audit committee of Parent's Board of Directors (1) any significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting that are reasonably likely to adversely affect in any material respect Parent's ability to record, process, summarize and report financial information and (2) any fraud, whether or not material, that involves management or other employees who have a significant role in Parent's internal controls over financial reporting. Parent has made available to the Company a summary of any such disclosure made by management to Parent's auditors and audit committee since January 1, 2003.

4.25. Ownership of Company Common Stock. At no time during the three year period ending on the date immediately preceding the date of this Agreement, was Parent or Merger Sub (or any of the Affiliates or associates of either) an "interested stockholder" of the Company as defined in Section 203 of the DGCL. Neither Parent nor any of its Affiliates or associates (as such term is defined under the Exchange Act), (a) beneficially owns, directly or indirectly, or (b) is a party to any agreement, arrangement or understanding for the purpose of acquiring, holding, voting or disposing of, in each case, shares of Company Common Stock representing in the aggregate more than 5% of the outstanding shares of Company Common Stock.

4.26. Adequate Financing. Parent has, and will have as of the Effective Time, adequate cash financing to enable it to pay (i) the aggregate Cash Consideration required by Section 1.4 hereof and (ii) the amounts necessary for it to comply with the repurchase offer obligations of Section 6.16 hereof.

4.27. Insurance. Parent maintains with reputable insurers insurance and indemnity bonds providing coverage for Parent and its Subsidiaries against all risks normally insured and bonded against by companies in similar lines of business as Parent. All premiums required to be paid with respect thereto covering all periods up to and including the Closing Date have been, or shall in the ordinary course be,

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paid. No notice of cancellation or termination has been received with respect to any such policy as of the date hereof, and all such insurance policies are in full force and effect and will remain in full force and effect up to and including the Closing Date and all claims thereunder have been filed in due and timely fashion.

ARTICLE V
COVENANTS RELATING TO CONDUCT OF BUSINESS

5.1. Covenants of the Company. During the period from the date of this Agreement and continuing until the Effective Time, except as expressly contemplated or permitted by this Agreement or with the prior written consent of

Parent, the Company shall, and shall cause its Subsidiaries to, carry on their respective businesses in the ordinary course consistent with past practice and in compliance in all material respects with all applicable laws and regulations. The Company will use its reasonable best efforts to (x) preserve its business organization and that of its Subsidiaries intact, (y) keep available to itself and Parent the present services of the current officers and employees of the Company and its Subsidiaries, and (z) preserve for itself and Parent the existing business relationships and the goodwill of the customers, vendors and distributors of the Company and its Subsidiaries and others with whom business relationships exist. Without limiting the generality of the foregoing, and except as set forth in Section 5.1 of the Company Disclosure Schedule or as otherwise contemplated by this Agreement or consented to in writing by Parent, the Company shall not, and shall not permit any of its Subsidiaries to:

(a) other than dividends from one Subsidiary to another Subsidiary or to the Company, declare, set aside, or pay any dividends on, or make any other distributions in respect of, any of its capital stock;

(b) (i) split, combine or reclassify any shares of its capital stock, or issue or authorize or propose the issuance of any other securities in respect of, in lieu of or in substitution for shares of its capital stock; (ii) repurchase, redeem or otherwise acquire any shares of the capital stock of the Company or any of its Subsidiaries, or any securities convertible into or exercisable for any shares of the capital stock of the Company or any of its Subsidiaries; or (iii) issue, deliver or sell, or authorize or propose the issuance, delivery or sale of, any shares of its capital stock or any securities convertible into or exercisable for, or any rights, warrants or options to acquire, any such shares, or enter into any agreement with respect to any of the foregoing, except, in the case of this clause (iii), for the issuance of Company Common Stock upon the exercise of options, warrants or other rights to purchase Company Common Stock outstanding and in existence on the date of this Agreement in accordance with their terms in existence as of the date of this Agreement;

(c) amend its Corrected Amended and Restated Certificate of Incorporation, Amended and Restated Bylaws or other similar governing documents;

(d) acquire or agree to acquire, by merging or consolidating with, or by purchasing a substantial equity interest in or a substantial portion of the assets of, or by any other manner, any business or any corporation, partnership, association or other business organization or division thereof or otherwise acquire any material amount of assets;

(e) take any action or fail to take any action that is intended or may reasonably be expected to result in any of its representations and warranties set forth in this Agreement being or becoming untrue in any material respect, or in any of the conditions to the Merger set forth in Article VII not being satisfied;

(f) change its methods of accounting in effect at September 30, 2004, except as required to comply with changes in GAAP as concurred with by the Company's independent auditors;

(g) (i) except as required by applicable law or as required to maintain qualification pursuant to the Code, adopt, enter into, amend, renew or terminate any employee benefit plan (including, without limitation, any Company Benefit Plan) or any agreement, arrangement, plan or policy between the Company or any Subsidiary of the Company and one or more of its current or former directors, officers or employees, (ii) except for normal increases to employees other than directors and officers of the Company that are made in the ordinary course of business consistent with past practice and except as required by applicable law, increase in any manner the compensation or fringe benefits of any director, officer or employee or pay any benefit not required by any Company Benefit Plan or agreement as in effect as of the date hereof (including, without limitation, the granting of stock options, stock appreciation rights, restricted stock, restricted stock units or performance units or shares) or (iii) make any loans to any of its officers, directors, employees, Affiliates, agents or consultants or make any change in its existing borrowing or lending arrangements for or on behalf of any of such Persons, whether pursuant to an employee benefit plan or otherwise;

(h) take or cause to be taken, or fail to take or cause to be taken, any action that could reasonably be expected to disqualify the Merger as a reorganization under Section 368(a) of the Code;

(i) sell, lease, encumber, assign or otherwise dispose of, or agree to sell, lease, encumber, assign or otherwise dispose of, abandon or fail to maintain any of its assets, properties or other rights or agreements, other than dispositions of inventory;

(j) create, incur, assume, or suffer to exist any indebtedness or issuances of debt securities or assume, guarantee, endorse or otherwise as an accommodation become responsible for the obligations of any Person;

(k) (i) enter into, renew, amend or waive in any material manner, or fail to perform any obligation under, or terminate or give notice of a proposed renewal or material amendment, waiver or termination of, any Company Contract, agreement or lease to which the Company or any of its Subsidiaries is a party or by which the Company or any of its Subsidiaries or their respective properties is bound, other than in the ordinary course of business (and as to which the Company shall provide prior notice to Parent), (ii) enter into, renew, amend, waive or terminate, or give notice of a proposed renewal, amendment, waiver or termination of, any Company Sprint Agreement or (iii) enter into any agreement, letter of intent or agreement in principle (whether or not binding) relating to any Acquisition Proposal (other than a confidentiality agreement of the type contemplated by Section 6.2 in accordance with the terms of such Section 6.2);

(l) take or cause to be taken any action that could reasonably be expected to delay the consummation of the transactions contemplated hereby, including without limitation, the consummation of the Merger and the filing and the effectiveness of the Form S-4;

(m) make any material election relating to Taxes, change any material election relating to Taxes already made, adopt any new accounting method relating to Taxes, change any accounting method relating to Taxes unless required by GAAP, enter into any closing agreement relating to Taxes, settle any claim or assessment relating to Taxes or consent to any claim or assessment relating to Taxes or any waiver of the statute of limitations for any such claim or assessment;

(n) enter into or amend in any material manner any contract, agreement or arrangement with any officer, director, employee, consultant or stockholder of the Company or any of its Subsidiaries or with any Affiliate or associate (as such term is defined under the Exchange Act) of any of the foregoing;

(o) (i) acquire additional territory or related assets from Sprint PCS, or (ii) acquire, or participate in any auction or other process related to the acquisition of, personal communications service licenses or wireless spectrum, in each case notwithstanding anything to the contrary set forth in this Agreement or the Company Disclosure Schedule;

(p) authorize for issuance, issue, deliver, sell, pledge, dispose of, encumber or grant any lien on, or authorize or propose the issuance, delivery, sale, pledge, disposition of, encumbrance or grant of any lien on, any shares of its capital stock or capital stock of any of its Subsidiaries, or other voting securities or any securities convertible into or exercisable for, or any rights, warrants or options to acquire, any such securities or voting securities or any other ownership interest (or interest the value of which is derived by reference to any of the foregoing);

(q) pay, satisfy, discharge or settle any claims, liabilities or obligations (absolute, accrued, contingent or otherwise), other than in the ordinary course of business and consistent with past practice;

(r) make any loans, advances or capital contributions to, or investments in any other Person;

(s) enter into any new line of business;

(t) enter into, implement, or otherwise become subject to or bound by any new employment agreement, arrangement, commitment or program which provides for severance payments or benefits, individually or in the aggregate, or amend any existing employment agreement, arrangement, commitment or program in a manner that increases any severance payments or benefits;

(u) make any capital expenditures other than those which are in the budget set forth in Section 5.1(u) of the Company Disclosure Schedule, provided that the Company shall, and shall cause its Subsidiaries to, consult with Parent prior to making, or committing to make, any capital expenditures on its network;

(v) voluntarily permit any material insurance policy naming the Company or any Subsidiary of the Company as a beneficiary or a loss payee to be canceled or terminated other than in the ordinary course of business;

(w) fund any trust under any indemnity agreement or any other agreement or arrangement with any current or former director, officer or other employee of the Company or any of its Subsidiaries;

(x) agree or commit to do any of the foregoing.

5.2. Covenants of Parent. During the period from the date of this Agreement and continuing until the Effective Time, except as expressly contemplated or permitted by this Agreement or with the prior written consent of the Company, Parent shall use its reasonable best efforts to (x) preserve its business organization and that of its Subsidiaries intact, (y) keep available to itself the present services of the current officers and employees of Parent and its Subsidiaries and (z) preserve for itself the existing business relationships and the goodwill of the customers, vendors and distributors of Parent and its Subsidiaries and others with whom business relationships exist. Without limiting the generality of the foregoing, and except as set forth in Section 5.2 of the Parent Disclosure Schedule or as otherwise contemplated by this Agreement or consented to in writing by the Company, Parent shall not, and shall not permit any of its Subsidiaries to:

(a) declare or pay any dividends on or make any other distributions in respect of any of its capital stock, other than (i) dividends from one Subsidiary to another Subsidiary or to Parent, and (ii) regular dividends in respect of shares of Parent Series B Preferred Stock and Parent Series C Preferred Stock;

(b) take any action or fail to take any action that is intended or may reasonably be expected to result in any of its representations and warranties set forth in this Agreement being or becoming untrue in any material respect, or in any of the conditions to the Merger set forth in Article VII not being satisfied on a timely basis;

(c) change its methods of accounting in effect at December 31, 2003 except as required by changes in GAAP as concurred to by Parent's independent auditors;

(d) (i) amend the certificate of incorporation of Parent (except to authorize additional common shares) or (ii) amend the Certificate of Incorporation of Merger Sub;

(e) take or cause to be taken, or fail to take or cause to be taken, any action which would reasonably be expected to disqualify the Merger as a tax free reorganization under Section 368(a) of the Code;

(f) enter into any agreement to acquire or purchase (whether by merger, acquisition of equity or assets, joint venture or otherwise) any Person or any interest in any Person if such acquisition or purchase would cause a material delay in or prevent the receipt of any antitrust or competition law approval necessary for the consummation of the Merger, unless prior to taking such action Parent reasonably determines that such action would not be reasonably expected to cause such effect; or

(g) authorize, or commit or agree to do any of the foregoing.

ARTICLE VI
ADDITIONAL AGREEMENTS

6.1. Regulatory Matters.

(a) As promptly as reasonably practicable following the date hereof, Parent and the Company shall cooperate in preparing and shall cause to be filed with the SEC mutually acceptable proxy materials which shall constitute the joint proxy statement/prospectus relating to the matters to be submitted to the Company stockholders at the Company Stockholders Meeting and to the Parent stockholders at the Parent Stockholders Meeting (such joint proxy statement/prospectus, and any amendments or supplements thereto, the "Joint Proxy Statement/Prospectus") and Parent shall prepare and file with the SEC a registration statement on Form S-4 (of which the Joint Proxy Statement/Prospectus shall be a part) with respect to the issuance of Parent Common Stock in the Merger (such Form S-4, and any amendments or supplements thereto, the "Form S-4"). Each of Parent and the Company shall use reasonable best efforts to have the Joint Proxy Statement/Prospectus cleared by the SEC and the Form S-4 declared effective by the SEC and to keep the Form S-4 effective as long as is necessary to consummate the Merger and the transactions contemplated thereby. Parent and the Company shall, as promptly as practicable after receipt thereof, provide the other party copies of any written comments and advise the other party of any oral comments with respect to the Joint Proxy Statement/Prospectus or Form S-4 received from the SEC. Each party shall cooperate and provide the other party with a reasonable opportunity to review and comment on any amendment or supplement to the Joint Proxy Statement/Prospectus and the Form S-4 prior to filing such with the SEC, and each party will provide the other party with a copy of all such filings made with the SEC. Parent shall use its reasonable best efforts to take any action required to be taken under any applicable state securities laws in connection with the Merger and each party shall furnish all information concerning it and the others of its capital stock as may be reasonably requested in connection with any such action. Each party will advise the other party, promptly after it receives notice thereof, of the time when the Form S-4 has become effective, the issuance of any stop order, the suspension of the qualification of the Parent Common Stock issuable in connection with the Merger for offering or sale in any jurisdiction, or any request by the SEC for amendment of the Joint Proxy Statement/Prospectus or the Form S-4. If at any time prior to the Effective Time any information relating to either of the parties, or their respective Affiliates, officers or directors, should be discovered by either party which should be set forth in an amendment or supplement to any of the Form S-4 or the Joint Proxy Statement/Prospectus so that such documents would not include any misstatement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, the party which discovers such information shall promptly notify the other party hereto and, to the extent required by law, rules or regulations, an appropriate amendment or supplement describing such information shall be promptly filed with the SEC and disseminated to the stockholders of Parent and the Company. Parent shall also use its reasonable best efforts to obtain prior to the effective date of the Form S-4 all necessary state securities law or "Blue Sky" permits and approvals required in connection with the Merger and the other transactions contemplated by this Agreement and will pay all expenses incident thereto; provided, that Parent shall not be required to qualify to do business in any jurisdiction in which it is not now so qualified to do business, to file a general consent to service of process in any jurisdiction in which it is not now so qualified or to subject itself to taxation in any jurisdiction in which it is not now so qualified to do business.

(b) The parties hereto shall cooperate with each other and use their reasonable best efforts to promptly prepare and file all necessary documentation, to effect all applications, notices, petitions and filings and to obtain as promptly as practicable all permits, consents, approvals and authorizations of all third parties or Governmental Entities that are necessary or advisable to consummate the transactions contemplated by this Agreement (including, without limitations, any filings required under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the "HSR Act")). The Company and Parent shall have the right to review in advance, and to the extent practicable each will consult the other on, in each case subject to applicable laws relating to the exchange of information, all the information relating to the Company or Parent, as the case may be, and any of their respective Subsidiaries, that appears in any filing made with, or written materials submitted to, any third party or any Governmental Entity in connection with the transactions contemplated by this Agreement. The terms of this Section

6.1(b) shall not apply to documents filed pursuant to Item 4(c) of the Pre-Merger Notification and Report Form filed under the HSR Act or communications regarding the same or documents or information submitted in response to any request for additional information or documents pursuant to the HSR Act which reveal Parent's or the Company's negotiating objectives or strategies or purchase price expectations. In exercising the foregoing right, each of the parties hereto shall act reasonably and as promptly as practicable. The parties hereto agree that they will consult with each other with respect to the obtaining of all permits, consents, approvals and authorizations of all third parties or Governmental Entities necessary or advisable to consummate the transactions contemplated by this Agreement and each party will keep the other apprised of the status of matters relating to consummation of the transactions contemplated hereby.

(c) Parent and the Company shall, upon request, furnish each other with all information concerning themselves, their Subsidiaries, directors, officers and stockholders and such other matters as may be reasonably necessary or advisable in connection with the Joint Proxy Statement/Prospectus, the Form S-4 or any other statement, filing, notice or application made by or on behalf of Parent, the Company or any of their respective Subsidiaries to any Governmental Entity in connection with the Merger and the other transactions contemplated by this Agreement (including, without limitation, any such statement, filing notice or application mode under the HSR Act).

(d) Parent and the Company shall promptly furnish each other with copies of written communications received by Parent or the Company, as the case may be, or any of their respective Subsidiaries from, or delivered by any of the foregoing to, any Governmental Entity in respect of the transactions contemplated by this Agreement.

(e) Each of Parent and the Company shall use its reasonable best efforts to take such action as may be required to cause the expiration of the notice periods under the HSR Act with respect to the Merger and the other transactions contemplated herein as promptly as possible after the date hereof; provided, however, that nothing in this Section 6.1

shall require Parent or Merger Sub to agree to the imposition of conditions of any requirement of divestiture as a result of antitrust concerns.

6.2. No Solicitation.

(a) The Company shall, and shall cause its Subsidiaries and each of their respective Affiliates, directors, officers, employees, agents and representatives (including any investment banker, financial advisor, attorney, accountant or other representative retained by the Company or any of its Subsidiaries) shall immediately cease any discussions or negotiations with any other parties that may be ongoing with respect to the possibility or consideration of any Acquisition Proposal. From the date of this Agreement through the Effective Time, the Company shall not, nor shall it permit any of its Subsidiaries to, nor shall it authorize or permit any of its or its Subsidiaries' directors, officers or employees or any investment banker, financial advisor, attorney, accountant or other representative retained by it or any of its Subsidiaries to, directly or indirectly through another Person, (i) solicit, initiate or encourage (including by way of furnishing information or assistance), or take any other action designed to facilitate or encourage any inquiries or the making of any proposal that constitutes, or is reasonably likely to lead to, any Acquisition Proposal, (ii) participate in any discussions or negotiations regarding any Acquisition Proposal or (iii) make or authorize any statement, recommendation or solicitation in support of any Acquisition Proposal. Any violation of the foregoing restrictions by any representative of the Company, whether or not such representative is so authorized and whether or not such representative is purporting to act on behalf of the Company or otherwise, shall be deemed to be a breach of this Agreement by the Company.

(b) (i) Notwithstanding the foregoing, the Board of Directors of the Company shall be permitted, prior to obtaining the Company Stockholder Approval, to engage in discussions and negotiations with, or provide any nonpublic information or data to, any Person in response to an unsolicited bona fide written Acquisition Proposal by such Person first made after the date of this Agreement which its Board of Directors concludes in good faith (after consultation with outside counsel and its financial advisor) constitutes or could reasonably be expected to lead to a Superior Proposal, if and only to the extent that the Board of Directors of the Company reasonably determines in good faith (after consultation with outside legal counsel) that it is required to do so in order to comply with its fiduciary

duties under applicable law and subject to compliance with the other terms of this Section 6.2 and to first entering into a confidentiality agreement having provisions that are no less restrictive to such Person than those contained in the Confidentiality Agreement.

(ii) The Company shall notify Parent promptly (but in no event later than 24 hours) after receipt of any Acquisition Proposal, or any request for nonpublic information relating to the Company or any of its Subsidiaries by any Person that informs the Company or any of its Subsidiaries that it is considering making, or has made, an Acquisition Proposal, or any inquiry from any Person seeking to have discussions or negotiations with the Company relating to a possible Acquisition Proposal. Such notice shall be made orally and confirmed in writing, and shall indicate the identity of the Person making the Acquisition Proposal, inquiry or request and the material terms and conditions of any inquiries, proposals or offers (including a copy thereof if in writing and any related documentation or correspondence). The Company shall also promptly, and in any event within 24 hours, notify Parent, orally and in writing, if it enters into discussions or negotiations concerning any Acquisition Proposal or provides nonpublic information or data to any Person in accordance with this Section 6.2(b) and keep Parent informed of the status and terms of any such proposals, offers, discussions or negotiations on a current basis, including by providing a copy of all material documentation or correspondence relating thereto.

(iii) Nothing contained in this Section 6.2 shall prohibit the Company or its Subsidiaries from taking and disclosing to its shareholders a position as required by Rule 14e-2(a) or Rule 14d-9 promulgated under the Exchange Act; provided, however, that compliance with such rules shall not in any way limit or modify the effect that any action taken pursuant to such rules has under any other provision of this Agreement.

(c) The Company agrees that (i) it will and will cause its Subsidiaries, and its and their officers, directors, agents, representatives and advisors to, cease immediately and terminate any and all existing activities, discussions or negotiations with any third parties conducted heretofore with respect to any Acquisition Proposal, and (ii) it will not release any third party from, or waive any provisions of, any confidentiality or standstill agreement to which it or any of its Subsidiaries is a party with respect to any Acquisition Proposal.

(d) Nothing in this Section 6.2 shall (x) permit the Company to terminate this Agreement or (y) affect any other obligation of the Company under this Agreement. The Company shall not submit to the vote of its shareholders any Acquisition Proposal other than the Merger.

(e) For purposes of this Agreement, the term "Acquisition Proposal" means any inquiry, proposal or offer, filing of any regulatory application or notice (whether in draft or final form) or disclosure of an intention to do any of the foregoing from any Person relating to any (w) direct or indirect acquisition or purchase of a business that constitutes a substantial portion of the net revenues, net income or assets of the Company or any of its Subsidiaries, (x) direct or indirect acquisition or purchase of any class of equity securities representing 10% or more of the voting power of the Company or any of its Subsidiaries, (y) tender offer or exchange offer that if consummated would result in any Person beneficially owning 10% or more of the voting power of the Company, or (z) merger, consolidation, business combination, recapitalization, liquidation, dissolution or similar transaction involving the Company or any of its Subsidiaries, in each case other than the transactions contemplated by this Agreement.

(f) For purposes of this Agreement, "Superior Proposal" means a bona fide written Acquisition Proposal which the Board of Directors of the Company determines in good faith, after consultation with its financial advisors and legal advisors, taking into account all legal, financial, regulatory and other aspects of the proposal and the Person making the proposal (including any break-up fees, expense reimbursement provisions and conditions to consummation), (i) is more favorable to the shareholders of the Company from a financial point of view than the transactions contemplated by this Agreement and (ii) is fully financed or reasonably capable of being fully financed, reasonably likely to receive all required governmental approvals on a timely basis and otherwise reasonably capable of being completed on the terms proposed; provided that, for purposes of this definition of "Superior Proposal," the term Acquisition Proposal shall have the meaning assigned to such term in Section 6.2(e) except that any

reference to "10% or more" in the definition of "Acquisition Proposal" shall be deemed to be a reference to "a majority" and "Acquisition Proposal" shall only be deemed to refer to a transaction involving the Company.

6.3. Access to Information.

(a) Upon reasonable notice and subject to applicable laws relating to the exchange of information, the Company shall, and shall cause each of its Subsidiaries to, afford to the officers, employees, accountants, counsel and other representatives of Parent, access, during normal business hours during the period prior to the Effective Time, to all its properties, books, contracts, commitments, records, officers, employees, accountants, counsel and other representatives and, during such period, the Company shall, and shall cause its Subsidiaries to, make available to

Parent all information concerning its business, properties and personnel as Parent may reasonably request. Neither the Company nor any of its Subsidiaries shall be required to provide access to or to disclose information where such access or disclosure would violate or prejudice the rights of the Company's customers, jeopardize any attorney-client privilege or contravene any law, rule, regulation, order, judgment, decree, fiduciary duty or binding agreement entered into prior to the date of this Agreement. The parties hereto will make appropriate substitute disclosure arrangements under circumstances in which the restrictions of the preceding sentence apply. The Company shall consult with Parent's management on a regular basis regarding the conduct of the business and operations of the Company and its Subsidiaries.

(b) Upon reasonable notice and subject to applicable laws relating to the exchange of information, Parent shall, and shall cause its Subsidiaries to, afford to the officers, employees, accountants, counsel and other representatives of the Company, access, during normal business hours during the period prior to the Effective Time, to such information, properties and personnel regarding Parent and its Subsidiaries as shall be reasonably necessary for the Company to fulfill its obligations pursuant to this Agreement or that may be reasonably necessary for the Company to confirm that the representations and warranties of Parent contained herein are true and correct and that the covenants of Parent contained herein have been performed in all material respects. Neither Parent nor any of its Subsidiaries shall be required to provide access to or to disclose information where such access or disclosure would violate or prejudice the rights of Parent's customers, jeopardize any attorney-client privilege or contravene any law, rule, regulation, order, judgment, decree, fiduciary duty or binding agreement entered into prior to the date of this Agreement. The parties hereto will make appropriate substitute disclosure arrangements under circumstances in which the restrictions of the preceding sentence apply.

(c) All information furnished by either party to the other party or its representatives pursuant hereto shall be subject to, and the parties shall hold such information in confidence in accordance with, the provisions of the confidentiality agreement, dated as of November 26, 2004 (the "Confidentiality Agreement"), between the Company and Parent.

(d) No investigation by either of the parties or their respective representatives shall affect the representations, warranties, covenants or agreements of the other set forth herein.

6.4. Stockholder Meetings.

(a) The Company shall take all steps necessary to duly call, give notice of, convene and hold a meeting of its stockholders (the "Company Stockholders Meeting") to be held as soon as is reasonably practicable after the date on which the Form S-4 becomes effective for the purpose of voting upon the adoption of this Agreement and the consummation of the transactions contemplated hereby. The Company will, through its Board of Directors, recommend to its stockholders approval and adoption of this Agreement and the transactions contemplated hereby; provided, however, that the Company's Board of Directors may withdraw, modify, condition or refuse to make such recommendation if (i) the Company is not in breach of, and has not breached, any of the provisions of Section 6.2, (ii) the Company receives an unsolicited, bona fide written takeover proposal which constitutes a Superior Proposal, and (iii) the Company's Board of Directors determines in good faith after consultation with its outside financial and legal advisors that the failure to take such action would reasonably be likely to breach its fiduciary obligations under applicable law. Notwithstanding anything to the contrary herein, unless this Agreement

has been terminated, this Agreement shall be submitted to the stockholders of the Company at such meeting for the purpose of voting on the approval and adoption of this Agreement and nothing contained herein shall be deemed to relieve the Company of such obligations.

(b) Parent shall take all steps necessary to duly call, give notice of, convene and hold a meeting of its stockholders (the "Parent Stockholders Meeting") to be held as soon as is reasonably practicable after the date on which the Form S-4 becomes effective for the purpose of voting upon the approval of the issuance of shares of Parent Common Stock pursuant to the Merger. Parent will, through its Board of Directors, recommend to its stockholders approval of the issuance of shares of Parent Common Stock pursuant to the Merger; provided, however, that Parent's Board of Directors may withdraw, modify, condition or refuse to make such recommendation if it determines in good faith after consultation with its outside financial and legal advisors that the failure to take such action would reasonably be likely to breach its fiduciary obligations under applicable law. Notwithstanding anything to the contrary herein, unless this Agreement has been terminated, this Agreement shall be submitted to the stockholders of Parent at such meeting for the purpose of voting on the approval and adoption of this Agreement and nothing contained herein shall be deemed to relieve Parent of such obligations.

6.5. Affiliates. The Company shall use its reasonable best efforts to cause each director, executive officer and other Person who is an "affiliate" (for purposes of Rule 145 under the Securities Act) of the Company to deliver to Parent, as soon as practicable after the date of this Agreement, a written agreement in the form of Exhibit 6.5 hereto.

6.6. Nasdaq Listing. Parent shall use reasonable best efforts to cause the shares of Parent Common Stock to be issued in the Merger and upon exercise of the Company Warrants to be approved for listing on Nasdaq.

6.7. Employee Benefit Plans; Existing Agreements.

(a) Following the Effective Time, Parent shall continue to provide to individuals who are employed by the Company and its Subsidiaries as of the Effective Time who remain employed with Parent or any Subsidiary of Parent ("Affected Employees"), for so long as such Affected Employees remain employed by Parent or any Subsidiary of Parent, employee benefits (i) pursuant to the Company Plans as in effect immediately prior to the Effective Time or (ii) pursuant to Parent Plans provided to similarly situated employees of Parent (it being understood that inclusion of Affected Employees in the employee benefit plans of Parent or a Subsidiary of Parent may occur at different times with respect to different plans) on terms no less favorable in the aggregate than the employee benefits provided to similarly situated employees of Parent.

(b) Parent shall, or shall cause its Affiliates to, give Affected Employees full credit for purposes of eligibility, vesting and determination of the level of benefits under (but not for accrual of pension benefits) any Parent Plan for such Affected Employees' service with the Company or any Subsidiary of the Company (or any predecessor entity) to the same extent that such service was credited for purposes of any Company Plan immediately prior to the Effective Time.

(c) Parent shall, or shall cause its Affiliates to, (i) waive all limitations as to pre-existing conditions, exclusions and waiting periods with respect to participation and coverage requirements applicable to the Affected Employees under any welfare benefit plans in which such employees may participate after the Effective Time, to the extent such limitations or periods have been satisfied as of the Effective Time (or date of participation in any such plan if later) under any analogous Company Plan, and (ii) provide each Affected Employee with credit for any co-payments and deductibles paid prior to the Effective Time (or date of participation in any such plan if later) during the calendar year in which the Effective Time (or date of participation in any such plan if later) occurs for purposes of satisfying any applicable deductible or out-of-pocket requirements under any welfare plans that such employees participate in after the Effective Time.

(d) Following the Effective Time, Parent shall honor, fulfill and discharge and shall cause the appropriate Subsidiaries of Parent to honor, fulfill and discharge in accordance with their terms the Company Plans (as in effect as of Effective Time) which have been disclosed in the Company Disclosure

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Schedule and previously have been made available or delivered to Parent; provided, however, that nothing herein shall prevent Parent from amending or terminating any Company Plans in accordance with the terms of such Company Plans.

(e) Nothing in this Agreement shall be construed as requiring Parent or any of its Affiliates to employ any Affected Employee for any length of time following the Closing Date. Nothing in this Section 6.7 shall be construed as conferring upon any Person other than the parties hereto (including but not limited to any Affected Employee) any rights or remedies hereunder.

(f) The Company shall use reasonable best efforts to receive on or prior to the Effective Time from each of the individuals listed on Section 6.7(f) of the Company Disclosure Schedule written acknowledgements (in form and substance reasonably satisfactory to Parent) of the full satisfaction of their rights under the agreements listed on such Section 6.7(f) of the Company Disclosure Schedule.

6.8. Indemnification.

(a) In the event of any threatened or actual claim, action, suit, proceeding or investigation, whether civil, criminal or administrative, including any such claim, action, suit, proceeding or investigation in which any Person who is now, or has been at any time prior to the date of this Agreement, or who becomes prior to the Effective Time, a director or officer of the Company or any of its Subsidiaries (the "Indemnified Parties") is, or is threatened to be, made a party based in whole or in part on, or arising in whole or in part out of, or pertaining to (i) the fact that he is or was a director or officer of the Company or any of its Subsidiaries or (ii) this Agreement or any of the transactions contemplated hereby, whether in any case asserted or arising before or after the Effective Time, the parties hereto agree to cooperate and use their best efforts to defend against and respond thereto. It is understood and agreed that after the Effective Time, Parent shall, and shall cause the Surviving Corporation to, indemnify and hold harmless, to the fullest extent permitted by law, each such Indemnified Party against any losses, claims, damages, liabilities, costs, expenses (including advances of reasonable attorney's fees and expenses prior to the final disposition of any claim, suit, proceeding or investigation to each Indemnified Party to the fullest extent permitted by law upon receipt of any undertaking required by applicable law), judgments, fines and amounts paid in settlement in connection with any such threatened or actual claim, action, suit, proceeding or investigation, and in the event of any such threatened or actual claim, action, suit, proceeding or investigation (whether asserted or arising before or after the Effective Time), the Indemnified Parties may retain counsel reasonably satisfactory to them after consultation with Parent; provided, however, that (1) Parent shall have the right to assume the defense thereof and upon such assumption Parent shall not be liable to any Indemnified Party for any legal expenses of other counsel or any other expenses subsequently incurred by any Indemnified Party in connection with the defense thereof, except that if Parent elects not to assume such defense or counsel for the Indemnified Parties reasonably advises that there are issues which raise conflicts of interest between Parent and the Indemnified Parties, the Indemnified Parties may retain counsel reasonably satisfactory to them after consultation with Parent, and Parent shall pay the reasonable fees and expenses of such counsel for the Indemnified Parties, (2) Parent shall in all cases be obligated pursuant to this paragraph to pay for only one firm of counsel and any necessary local counsel for all Indemnified Parties, (3) Parent shall not be liable for any settlement effected without its prior written consent (which consent shall not be unreasonably withheld or delayed) and (4) Parent shall have no obligation hereunder to any Indemnified Party when and if a court of competent jurisdiction shall ultimately determine, and such determination shall have become final and nonappealable, that indemnification of such Indemnified Party in the manner contemplated hereby is prohibited by applicable law. Any Indemnified Party wishing to claim Indemnification under this Section 6.8, upon learning of any such claim, action, suit, proceeding or investigation, shall notify promptly Parent thereof, provided that the failure to so notify shall not affect the obligations of Parent under this Section 6.8 except to the extent such failure to notify prejudices Parent. Parent's obligations under this Section 6.8 shall continue in full force and effect for a period of six (6) years from the Effective Time; provided, however, that all rights to indemnification in respect of any claim (a "Claim") asserted or made within such period shall continue until the final disposition of such Claim.

(b) Parent shall cause the Persons serving as officers and directors of the Company immediately prior to the Effective Time to be covered for a period of six years from the Effective Time by the

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directors' and officers' liability insurance policy maintained by the Company (provided that Parent may substitute therefor policies of at least the same coverage and amounts containing terms and conditions which are not less advantageous than such policy) with respect to acts or omissions occurring prior to the Effective Time which were committed by such officers and directors in their capacity as such; provided, however, that in no event shall Parent be required to expend on an annual basis more than 300% of the current amount expended by the Company (the "Insurance Amount") to maintain or procure insurance coverage, and further provided that if Parent is unable to maintain or obtain the insurance called for by this Section 6.8(b) Parent shall use all reasonable efforts to obtain as much comparable insurance as is available for the Insurance Amount.

(c) Until six years from the Effective Time, unless otherwise required by applicable law, the certificate of incorporation and bylaws of the Surviving Corporation shall contain provisions no less favorable with respect to the elimination of liability of directors and the indemnification of directors and officers (including as to advancement of expenses) than are set forth in the Corrected Amended and Restated Certificate of Incorporation and Amended and Restated Bylaws of the Company, as in effect on the date hereof.

(d) In the event Parent, the Surviving Corporation or any of their successors or assigns (i) consolidates with or merges into any other Person and shall not be the continuing or Surviving Company or entity of such consolidation or merger, or (ii) transfers or conveys all or substantially all of its properties and assets to any Person, then, and in each such case, to the extent necessary, proper provision shall be made so that the successors and assigns of Parent or the Surviving Corporation, as the case may be, assume the obligations set forth in this Section 6.8.

(e) The provisions of this Section 6.8 are intended to be for the benefit of, and shall be enforceable by, each Indemnified Party and his or her heirs and representatives and shall not be deemed exclusive of any other rights to which an Indemnified Party is entitled, whether pursuant to law, contract or otherwise.

6.9. Reasonable Best Efforts; Additional Agreements.

(a) Subject to the terms and conditions of this Agreement, each of Parent and the Company agrees to cooperate fully with each other and to use reasonable best efforts to take, or cause to be taken, all actions, and to do, or cause to be done, all things necessary, proper or advisable to consummate and make effective, at the time and in the manner contemplated by this Agreement, the Merger, including using reasonable best efforts to lift or rescind any injunction or restraining order or other order adversely affecting the ability of the parties to consummate the Merger.

(b) In case at any time after the Effective Time any further action is necessary or desirable to carry out the purposes of this Agreement or to vest the Surviving Corporation with full title to all properties, assets, rights, approvals, immunities and franchises of any of the parties to the Merger, the proper officers and directors of each party to this

Agreement and their respective Subsidiaries shall take all such necessary action as may be reasonably requested by Parent.

(c) Parent and the Company shall use reasonable best efforts to cause the Merger to qualify as a reorganization within the meaning of Section 368(a) of the Code. Officers of Parent and the Company shall execute and deliver to Winston & Strawn LLP, counsel to the Company, and Skadden, Arps, Slate, Meagher & Flom LLP, counsel to Parent, certificates containing appropriate representations at such time or times as may be reasonably requested by such law firms, including the effective date of the Form S-4 and the Effective Time, in connection with their respective deliveries of opinions with respect to the Tax treatment of the Merger.

(d) The Company shall consult with Parent prior to sending any written communications to its employees regarding the Merger or this Agreement.

6.10. Advice of Changes. Parent and the Company shall promptly advise the other party of any change or event having, or which could be reasonably expected to have, a Material Adverse Effect on it or which it believes would, or which could reasonably be expected to, cause or constitute a material breach of any of its representations, warranties or covenants contained herein. From time to time prior

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to the Effective Time (and on the date prior to the Closing Date), each party will supplement or amend its Disclosure Schedules delivered in connection with the execution of this Agreement to reflect any matter which, if existing, occurring or known at the date of this Agreement, would have been required to be set forth or described in such Disclosure Schedules or which is necessary to correct any information in such Disclosure Schedules which has been rendered inaccurate thereby. No supplement or amendment to such Disclosure Schedules shall have any effect for the purpose of determining the accuracy of the representations and warranties of the parties contained in Articles III and IV in order to determine the fulfillment of the conditions set forth in Sections 7.2(a) or 7.3(a) hereof, as the case may be, or the compliance by the Company or Parent, as the case may be, with the respective covenants and agreements of such parties contained herein. Notwithstanding anything to the contrary contained herein, no failure to advise the other party of any change or event referred to in the first sentence of this Section 6.10, or any failure to provide any supplement or amendment referred to in the second sentence of this Section 6.10, shall constitute the failure of any condition set forth in Article VII to be satisfied unless the underlying Material Adverse Effect, breach or inaccuracy would independently result in the failure of a condition set forth in Article VII to be satisfied.

6.11. Current Information. During the period from the date of this Agreement to the Effective Time, each party will cause one or more of its designated representatives to confer on a regular and frequent basis with representatives of the other party and to report the general status of the ongoing operations of such party and its Subsidiaries. Each party will promptly notify the other party of any material change in the normal course of business or in the operation of the properties of such party or any of its Subsidiaries and of any governmental complaints, investigations or hearings (or communications indicating that the same may be contemplated), or the institution or the threat of significant litigation involving such party or any of its Subsidiaries, and will keep the other party fully informed of such events.

6.12. Shelf Registration of Resales of 9 3/8% Notes. In addition to Parent's requirement to file the Form S-4 and in addition to Parent's obligations to file a registration statement on Form S-3 pursuant to Section 1.8 with respect to the Company Warrants, the Surviving Corporation shall assume the Company's shelf registration statement on Form S-3 under the Securities Act covering the resales by certain selling noteholders of the Company's restricted 9 3/8% Senior

Subordinated Discount Notes due 2009 (the "9 3/8% Notes"). Parent shall use reasonable best efforts to maintain the effectiveness of such registration statement until the requirements set forth in the Registration Rights Agreement dated as of February 20, 2004 among the Company and certain holders of the 9 3/8% Notes expire.

6.13. Takeover Statute. If any Takeover Statute is or may become applicable to the Merger or any of the other transactions contemplated by this Agreement, Parent, the Company and their respective Board of Directors shall grant such approvals and take such actions as are necessary so that such transactions may be consummated as promptly as practicable on the terms contemplated by this Agreement or by the Merger and otherwise act to eliminate or minimize the effects of such statute or regulation on such transactions.

6.14. Supplemental Warrant Agreement.

(a) At least 20 days prior to the Effective Date, the Company shall provide ChaseMellon and each holder of ChaseMellon Warrants at the address on file with ChaseMellon with the notice required by Section 10(b)(iii) of the ChaseMellon Warrant Agreement. Pursuant to Section 8(m) of the ChaseMellon Warrant Agreement, if the Company is not the surviving company in the Merger, then at the Effective Time, the surviving company and Parent must enter into a Supplemental Warrant Agreement and promptly mail to ChaseMellon and the holders of the ChaseMellon Warrants a description of the supplemental warrant agreement.

(b) Promptly after the Effective Date, the Company must deliver the notice required by Section 2(d) of the Sprint Warrant Agreement. If the Company is not the surviving company in the Merger, then at least 10 days prior to the Effective Time, the Company must deliver the notice required by Section 5 of the Sprint Warrant Agreement.

(c) At least 20 days prior to the Effective Date, the Company shall provide Bankers Trust Company and each holder of Bankers Trust Warrants at the address on file with Bankers Trust Company

with the notice required by Section 10(b)(iii) of the Bankers Trust Warrant Agreement. Pursuant to Section 8(m) of the Bankers Trust Warrant Agreement, if the Company is not the surviving company in the Merger, then at the Effective Time, the surviving company and Parent must enter into a supplemental warrant agreement and promptly mail to Bankers Trust and the holders of the Bankers Trust Warrants a description of the supplemental warrant agreement.

6.15. Exchange Offer. Parent shall cause the Surviving Corporation to assume all of the Company's obligations set forth in the Registration Rights Agreement dated as of October 25, 2004 among the Company and holders of the Company's First Priority Senior Secured Floating Rate Notes due 2009, including, without limitation, the requirement to consummate the exchange offer described therein. Parent expressly agrees that, to the extent such exchange offer has not been consummated prior to the Effective Time, Parent shall cause the Surviving Corporation to complete such exchange offer on the terms set forth therein.

6.16. Repurchase Offer; Company Indentures.

(a) Parent shall, or shall cause the surviving company in the Merger to, comply with all requirements of the Company Indentures. Without limiting the foregoing, Parent shall, or shall cause the surviving company, to effect the repurchase offers which may be required pursuant to Section 3.9 of each of the Company Indentures.

(b) The Company and Merger Sub shall, at or prior to the Effective Time, enter into such supplemental indentures as may be required pursuant to the terms of the Company Indentures in connection with the Merger.

ARTICLE VII
CONDITIONS PRECEDENT

7.1. Conditions to Each Party's Obligation To Effect the Merger. The respective obligations of each party to effect the Merger shall be subject to the satisfaction at or prior to the Effective Time of the following conditions:

(a) Stockholder Approval. The Company shall have obtained the Company Stockholder Approval and Parent shall have obtained the Parent Stockholder Approval.

(b) Nasdaq Listing. The shares of Parent Common Stock that shall be issued to the stockholders of the Company upon consummation of the Merger shall have been authorized for listing on Nasdaq.

(c) Regulatory Approvals. All waiting periods, if any, under the HSR Act with respect to the Merger shall have expired or been terminated.

(d) Form S-4. The Form S-4 shall have become effective under the Securities Act and no stop order suspending the effectiveness of the Form S-4 shall have been issued and no proceedings for that purpose shall have been initiated or threatened by the SEC.

(e) No Injunctions or Restraints; Illegality. No judgment, order, injunction or decree issued by any court or agency of competent jurisdiction or other legal restraint or prohibition (an "Injunction") preventing the consummation of the Merger shall be in effect. No statute, rule, regulation, order, injunction or decree shall have been enacted, entered, promulgated or enforced by any Governmental Entity that prohibits or makes illegal the consummation of the Merger.

(f) Sprint Consent. The consent of Sprint PCS required pursuant to the terms of the Company Sprint Agreements shall have been obtained and not revoked.

7.2. Conditions to Obligations of Parent. The obligation of Parent and Merger Sub to effect the Merger is also subject to the satisfaction or waiver by Parent and Merger Sub at or prior to the Effective Time of the following conditions:

(a) Representations and Warranties. (1) The representations and warranties of the Company set forth in Sections 3.2(a), 3.3, 3.4, 3.7, 3.9(a), 3.25, 3.27, 3.28, 3.29 and 3.30 shall be true and correct in

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all material respects (except that all representations and warranties qualified by materiality or Material Adverse Effect shall be true and correct in all respects) at and as of the date of this Agreement and at and as of the Effective Time as though made at and as of the Effective Time (except to the extent expressly made as of an earlier date, in which case as of such date); (2) the representations and warranties of the Company set forth herein shall be true and correct at and as of the date of this Agreement and at and as of the Effective Time as though made at and as of the Effective Time (except to the extent expressly made as of an earlier date, in which case as of such date), provided that no representation or warranty of the Company shall be deemed untrue or incorrect for purposes of this clause (2) as a consequence of the existence of any fact, event or circumstance inconsistent with such representation or warranty, unless such fact, event or circumstance, individually or taken together with all other facts, events or circumstances inconsistent with any representation or warranty of the Company, has had or would reasonably be expected to have, a Material Adverse Effect on the Company, disregarding for these purposes (x) any qualification or exception for, or reference to, materiality in any such representation or warranty and (y) any use of the terms "material," "materiality," "in all material respects," "material adverse change," "Material Adverse Effect" or similar terms or phrases in any such representation or warranty; and (3) Parent and Merger Sub shall have received a certificate, dated the Closing Date, signed on behalf of the Company by the Chief Executive Officer and the Chief Financial Officer of the Company to such effect.

(b) Performance of Obligations of the Company. The Company shall have performed in all material respects the obligations required to be performed by it under this Agreement at or prior to the Closing Date, and Parent and Merger Sub shall have received a certificate signed on behalf of the Company by the Chief Executive Officer and the Chief Financial Officer of the Company to such effect.

(c) Federal Income Tax Opinion. Parent shall have received an opinion of Skadden, Arps, Slate, Meagher & Flom LLP, counsel to Parent ("Parent's Counsel"), dated the Closing Date, in form and substance reasonably satisfactory to Parent, substantially to the effect that, on the basis of facts, representations and assumptions set forth in such opinion that are consistent with the state of facts existing at the Effective Time, the Merger will be treated as a reorganization within the meaning of Section 368(a) of the Code. In rendering such opinion, Parent's Counsel may require and rely upon representations and covenants, including those contained in certificates of officers of Parent, the Company and others, reasonably satisfactory in form and substance to such counsel.

(d) 2004 Form 10-K. The Company shall have timely filed its 2004 Annual Report on Form 10-K with the SEC (the "2004 Form 10-K"), and such 2004 Form 10-K shall contain (i) the unqualified opinion of KPMG to the effect that the consolidated balance sheets of the Company and its Subsidiaries as of September 30, 2004 and 2003, and the related consolidated statements of operations, stockholders' deficit, and cash flows for each of the years in the three-year period ended September 30, 2004, as reported in the 2004 Form 10-K fairly present in all material respects, the consolidated financial position of the Company and its Subsidiaries as of the respective dates thereof, and the results of their operations and their cash flows for the fiscal periods set forth therein, in accordance with GAAP and (ii) a report of the Company's management on the Company's internal control over financial reporting, as required by Section 404 of the Sarbanes-Oxley Act of 2002 ("Section 404"), and such report (x) shall not reveal any material weakness in the Company's internal control over financing reporting not previously disclosed to Parent and (y) be attested by KPMG, pursuant to the requirements of Section 404.

7.3. Conditions to Obligations of the Company. The obligation of the Company to effect the Merger is also subject to the satisfaction or waiver by the Company at or prior to the Effective Time of the following conditions:

(a) Representations and Warranties. (1) The representations and warranties of the Company set forth in Sections 4.2(a), 4.3, 4.4, 4.7, 4.9(a), 4.21, 4.23, 4.24 and 4.25 shall be true and correct in all material respects (except that all representations and warranties qualified by materiality or Material Adverse Effect shall be true and correct in all respects) at and as of the date of this Agreement and at and as of the Effective Time as though made at and as of the Effective Time (except to the extent expressly made as of an earlier date, in which case as of such date); (2) the representations and warranties of Parent and Merger Sub set forth herein shall be true and correct at and as of the date of this Agreement and at and as of the Effective Time as though made at and as of the Effective Time (except to the extent expressly made as of an earlier date, in which case as of such date), provided that no representation or warranty of Parent and Merger shall be deemed untrue or incorrect for purposes of this clause (2) as a consequence of the existence of any fact, event or circumstance inconsistent with such representation or warranty, unless such fact, event or circumstance, individually or taken together with all other facts, events or circumstances inconsistent with any representation or warranty of Parent and Merger Sub, has had or would reasonably be expected to have, a Material Adverse Effect on Parent, disregarding for these purposes (x) any qualification or exception for, or reference to, materiality in any such representation or warranty and (y) any use of the terms "material," "materiality," "in all material respects," "material adverse change," "Material Adverse Effect" or similar terms or phrases in any such representation or warranty; and (3) the Company shall have received a certificate, dated the Closing Date, signed on behalf of Parent by the Chief Executive Officer and the Chief Financial Officer of Parent to such effect.

(b) Performance of Obligations of Parent. Parent and Merger Sub shall have performed in all material respects the obligations required to be performed by them under this Agreement at or prior to the Closing Date, and the Company shall have received a certificate signed on behalf of Parent by the Chief Executive Officer and the Chief Financial Officer of Parent to such effect.

(c) Federal Income Tax Opinion. The Company shall have received an opinion of Winston & Strawn LLP (the "Company's Counsel"), in form and substance reasonably satisfactory to the Company, dated the Closing Date, substantially to the effect that, on the basis of facts, representations and assumptions set forth in such opinion that are consistent with the state of facts existing at the Effective Time, the Merger will be treated as a reorganization within the meaning of Section 368(a) of the Code. In rendering such opinion, the Company's Counsel may require and rely upon representations and covenants, including those contained in certificates of officers of Parent, the Company and others, reasonably satisfactory in form and substance to such counsel.

ARTICLE VIII
TERMINATION AND AMENDMENT

8.1. Termination. This Agreement may be terminated at any time prior to the Effective Time, whether before or after approval of the matters presented in connection with the Merger by the stockholders of the Company and Parent:

(a) by mutual consent of the Company, Parent and Merger Sub in a written instrument, if the Board of Directors of each so determines by a vote of a majority of the members of its entire Board;

(b) by either Parent or the Company upon written notice to the other party if any Governmental Entity of competent jurisdiction shall have issued a final nonappealable order enjoining or otherwise prohibiting the Merger;

(c) by either Parent or the Company if the Merger shall not have been consummated on or before June 30, 2005, unless the failure of the Closing to occur by such date shall be due to the failure of the party seeking to terminate this Agreement to perform or observe any of the covenants and agreements of such party set forth herein;

(d) by either the Company or Parent (provided that the party terminating shall not be in material breach of any of its obligations under Section 6.4) if any approval of the stockholders of the Company or Parent required for the consummation of the Merger shall not have been obtained upon a vote taken thereon at a duly held meeting of such stockholders or at any adjournment or postponement thereof;

(e) by either Parent or the Company (provided that the terminating party is not then in material breach of any representation, warranty, covenant or other agreement contained herein) if there shall have been a breach of any of the representations or warranties set forth in this Agreement by the other party, which breach is not cured within thirty days following written notice to the party committing such breach, or which breach, by its nature, cannot be cured prior to the Closing; provided, however, that neither party shall have the right to terminate this Agreement pursuant to this Section 8.1(e) unless the breach of representation or warranty, together with all other such breaches, would entitle the party

receiving such representation not to consummate the transactions contemplated hereby under Section 7.2(a) (in the case of a breach of a representation or warranty by the Company) or Section 7.3(a) (in the case of a breach of a representation or warranty by Parent);

(f) by either Parent or the Company (provided that the terminating party is not then in material breach of any representation, warranty, covenant or other agreement contained herein) if there shall have been a breach of any of the covenants or agreements set forth in this Agreement on the part of the other party, which breach shall not have been cured within thirty days following receipt by the breaching party of written notice of such breach from the other party hereto, or which breach, by its nature, cannot be cured prior to the Closing; provided, however, that neither party shall have the right to terminate this Agreement pursuant to this Section 8.1(f) unless the breach of covenant, together with all other such breaches, would entitle the party entitled to the benefit of such covenant not to consummate the transactions contemplated hereby under Section 7.2(b) (in the case of a breach of covenant by the Company) or Section 7.3(b) (in the case of a breach of covenant by Parent);

(g) by either Parent or the Company, if (i) the Board of Directors of the other does not publicly recommend in the Joint Proxy Statement/Prospectus that its stockholders either approve and adopt this Agreement (in the case of the Company) or approve the issuance of shares of Parent Common Stock pursuant to this Agreement (in the case of Parent), (ii) after recommending in the Joint Proxy Statement/Prospectus that such stockholders approve and adopt this Agreement (in the case of the Company) or approve the issuance of shares of Parent Common Stock pursuant to this Agreement (in the case of Parent), the Board of Directors of the other shall have withdrawn, modified or amended such recommendation in any manner adverse to Parent or the Company, as the case may be, or (iii) the other party materially breaches its obligations under this Agreement by reason of a failure to call a meeting of its stockholders or a failure to prepare and mail to its stockholders the Joint Proxy Statement/Prospectus in accordance with Sections 6.1 and 6.4; or

(h) by Parent, if the Board of Directors of the Company has authorized, recommended, proposed or publicly announced its intention to authorize, recommend or propose any Acquisition Proposal with any Person other than Parent.

8.2. Effect of Termination. In the event of termination of this Agreement by either Parent or the Company as provided in Section 8.1, this Agreement shall forthwith become void and have no effect except that (i) Sections 6.3(c), 8.2 and 8.5, and Article IX (other than Section 9.1), shall survive any termination of this Agreement, and (ii) notwithstanding anything to the contrary contained in this Agreement, no party shall be relieved of or released from any liabilities or damages arising out of its willful breach of any provision of this Agreement.

8.3. Amendment. Subject to compliance with applicable law, this Agreement may be amended by the parties hereto, by action taken or authorized by their respective Boards of Directors, at any time before or after approval of the matters presented in connection with the Merger by the stockholders of the Company and Parent; provided, however, that after any approval of the transactions contemplated by this Agreement by the Company's stockholders, there may not be, without further approval of such stockholders, any amendment of this Agreement which reduces the amount or changes the form of the consideration to be delivered to the Company's stockholders hereunder. This Agreement may not be amended except by an instrument in writing signed on behalf of each of the parties hereto.

8.4. Extension; Waiver. At any time prior to the Effective Time, each of the parties hereto, by action taken or authorized by its Board of Directors, may, to the extent legally allowed, (a) extend the time for the performance of any of the obligations or other acts of the other party hereto, (b) waive any inaccuracies in the representations and warranties of the other party contained herein or in any document delivered pursuant hereto and (c) waive compliance by the other party with any of its agreements contained herein, or waive compliance with any of the conditions to its obligations hereunder. Any agreement on the part of a party hereto to any such extension or waiver shall be valid only if set forth in a written instrument signed on behalf of such party, but such extension or waiver or failure to insist on strict compliance with an obligation, covenant, agreement or condition shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure.

8.5. Termination Fee.

(a) The Company shall pay to Parent, by wire transfer of immediately available funds, the sum of $11,000,000 (the "Company Termination Fee") if this Agreement is terminated as follows:

(1) if Parent shall terminate this Agreement pursuant to Section 8.1(g) or 8.1(h), then the Company shall pay the Company Termination Fee on the business day following such termination;

(2) if (A) either party shall terminate this Agreement pursuant to Section 8.1(d) because the Company Stockholder Approval shall not have been received and (B) at any time after the date of this Agreement and at or before the date of the Company Shareholders Meeting a bona fide Acquisition Proposal shall have been publicly announced or otherwise communicated to the Board of Directors of the Company (a "Public Proposal"), then (x) the Company shall pay one-third of the Company Termination Fee on the business day following such termination, and (y) if within twelve (12) months following the date of such termination of this Agreement, the Company or any of its Subsidiaries enters into any definitive Agreement with respect to, or consummates, any Acquisition Proposal, then the Company shall pay the remaining two-thirds of the Company Termination Fee on the date of such execution or consummation; and

(3) if (A) either party shall terminate this Agreement pursuant to Section 8.1(c) or Parent shall terminate this Agreement pursuant to Section 8.1(e) or (f), (B) at any time after the date of this Agreement and before such termination there shall have been a Public Proposal, and (C) following the occurrence of such Public Proposal, the Company shall have willfully breached (and not cured after notice thereof) any of its representations, warranties, covenants or agreements set forth in this Agreement, which breach shall have materially contributed to the failure of the Effective Time to occur prior to the termination of this Agreement, then the Company shall (x) pay one-third of the Company Termination Fee on the business day immediately following such termination, and (y) if within twelve (12) months following the date of such termination of this Agreement, the Company or any of its Subsidiaries executes a definitive agreement with respect to, or consummates, any Acquisition Proposal, then the Company shall pay the remaining two-thirds of the Company Termination Fee upon the date of such execution or consummation.

(b) Parent shall pay to the Company, by wire transfer of immediately available funds, the sum of $11,000,000 on the business day following such termination if (1) this Agreement is terminated by Parent or the Company as a result of the failure to obtain the required vote of Parent stockholders as provided in Section 8.1(d), or (2) this Agreement is terminated by the Company pursuant to Section 8.1(g).

(c) If any party fails to pay any amounts due to another party on the dates specified in this Section 8.5, then the defaulting party shall pay all costs and expenses (including legal fees and expenses) incurred by the other party in connection with any action or proceeding (including the filing of any lawsuit) taken by it to collect such unpaid amounts, together with interest on such unpaid amounts at the prime lending rate prevailing at such time, as published in The Wall Street Journal, from the date such amounts were required to be paid until the date actually received by such other party.

(d) The parties acknowledge that the agreements contained in this Section 8.5 are an integral part of the transactions contemplated by this Agreement and constitute liquidated damages and not a penalty, and that, without these agreements, the parties would not have entered into this Agreement.

ARTICLE IX
GENERAL PROVISIONS

9.1. Closing. Subject to the terms and conditions of this Agreement, the closing of the Merger (the "Closing") will take place at 10:00 a.m. on the second business day after the satisfaction or waiver (subject to applicable law) of the latest to occur of the conditions set forth in Article VII hereof (other than those conditions which relate to actions to be taken at the Closing) (the "Closing Date"), at the offices of Parent's Counsel, unless another time, date or place is agreed to in writing by the parties hereto.

9.2. Nonsurvival of Representations, Warranties and Agreements. None of the representations, warranties, covenants and agreements in this Agreement or in any instrument delivered pursuant to this Agreement shall survive the Effective Time, except for those covenants and agreements contained herein which by their terms apply in whole or in part after the Effective Time.

9.3. Expenses. Whether or not the Merger is consummated, all costs and expenses incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the party incurring such expense; provided, however, that the costs and expenses of printing and mailing the Joint Proxy Statement/Prospectus and the Form S-4 to the stockholders of the Company and Parent, and all filing and other fees paid to the SEC or any other Governmental Entity in connection with the Merger (including the HSR Act) and the other transactions contemplated hereby, shall be borne equally by Parent and the Company. Nothing contained herein shall limit either party's rights to recover any liabilities or damages arising out of the other party's willful breach of any provision of this Agreement.

9.4. Notices. All notices and other communications hereunder shall be in writing and shall be deemed given if delivered personally, telecopied (with confirmation), mailed by registered or certified mail (return receipt requested) or delivered by an express courier (with confirmation) to the parties at the following addresses (or at such other address for a party as shall be specified by like notice):

(a) if to Parent or Merger Sub, to:

Alamosa Holdings, Inc.
5225 S. Loop 289
Lubbock, TX 79424
Attention: Chief Executive Officer

with a copy to:

Skadden, Arps, Slate, Meagher & Flom LLP
Four Times Square
New York, New York 10036
Attention: Fred B. White, III, Esq.
Fax: (917) 777-2144

and

(b) if to the Company, to:

AirGate PCS, Inc.
233 Peachtree Street, NE, Suite 1700
Atlanta, GA 30303
Attention: Chief Executive Officer

with a copy to:

Winston & Strawn LLP
35 West Wacker Drive
Chicago, Illinois 60601
Attention: Robert F. Wall, Esq.
Fax.: (312) 558-5700

9.5. Interpretation. When a reference is made in this Agreement to Sections, Exhibits or Schedules, such reference shall be to a Section of or Exhibit or Schedule to this Agreement unless otherwise indicated. The table of contents and headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement. Whenever the words "include," "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation." The phrases "the date of this Agreement," "the date hereof" and terms of similar import, unless the context otherwise requires, shall be deemed to refer to the date set forth in the first paragraph of this Agreement.

9.6. Counterparts. This Agreement may be executed in counterparts, all of which shall be considered one and the same agreement and shall become effective when counterparts have been signed by each party hereto and delivered to the other party, it being understood that all parties need not sign the same counterpart.

9.7. Entire Agreement. This Agreement (including the documents and the instruments referred to herein) constitutes the entire agreement and supersedes all prior agreements and understandings, both written and oral, between the parties with respect to the subject matter hereof, other than the Confidentiality Agreement.

9.8. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware.

9.9. Enforcement of Agreement. The parties hereto agree that irreparable damage would occur in the event that the provisions contained in Section 6.3(c) of this Agreement were not performed in accordance with its specific terms or were otherwise breached. It is accordingly agreed that the parties shall be entitled to an injunction or injunctions to prevent breaches of Section 6.3(c) of this Agreement and to enforce specifically the terms and provisions thereof in any court of the United States or any state having jurisdiction, this being in addition to any other remedy to which they are entitled at law or in equity.

9.10. Severability. Any term or provision of this Agreement that is invalid or unenforceable in any jurisdiction shall, as to that jurisdiction, be ineffective to the extent of such invalidity or unenforceability without rendering invalid or unenforceable the remaining terms and provisions of this Agreement or affecting the validity or enforceability of any of the terms or provisions of this Agreement in any other jurisdiction. If any provision of this Agreement is so broad as to be unenforceable, the provision shall be interpreted to be only so broad as is enforceable.

9.11. Publicity. Except as otherwise required by law or by the rules of Nasdaq, so long as this Agreement is in effect, neither Parent nor the Company shall, nor shall either party permit any of its Subsidiaries to, issue or cause the publication of any press release or other public announcement with respect to, or otherwise make any public statement concerning, the transactions contemplated by this Agreement without the consent of the other party, which consent shall not be unreasonably withheld.

9.12. Assignment; No Third Party Beneficiaries. Neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by either of the parties hereto (whether by operation of law or otherwise) without the prior written consent of the other party. Subject to the preceding sentence, this Agreement will be binding upon, inure to the benefit of and be enforceable by the parties and their respective successors and assigns. Except as otherwise expressly provided herein, this Agreement (including the documents and instruments referred to herein) is not intended to confer upon any Person other than the parties hereto any rights or remedies hereunder.

IN WITNESS WHEREOF, Parent, Merger Sub and the Company have caused this Agreement to be executed by their respective officers thereunto duly authorized as of the date first above written.

ALAMOSA HOLDINGS, INC.
By: /s/ David E. Sharbutt

Name: David E. Sharbutt
Title: Chairman and Chief Executive Officer

A-CO. MERGER SUB, INC.
By: /s/ David E. Sharbutt

Name: David E. Sharbutt
Title: President

AIRGATE PCS, INC.
By: /s/ Thomas M. Dougherty

Name: Thomas M. Dougherty
Title: Chief Executive Officer

APPENDIX B

[Letterhead of UBS Securities LLC]

UBS Securities LLC
One North Wacker Drive
38th Floor
Chicago IL 60606
Tel.+1-312-525 4879
Fax. +1-312-525-4868
www.ubs.com

December 7, 2004

The Board of Directors of Alamosa Holdings, Inc.
5225 South Loop 289, Suite 120
Lubbock, Texas 79424

Dear Members of the Board:

We understand that Alamosa Holdings, Inc., a Delaware corporation ("Alamosa" or the "Company"), is considering a transaction whereby a wholly owned subsidiary of the Company will merge with AirGate PCS, Inc., a Delaware corporation ("AirGate" or the "Target"). Pursuant to the terms of a draft of the Agreement and Plan of Merger (the "Merger Agreement"), the Company will undertake a series of transactions whereby the Target will become a wholly owned subsidiary of the Company (the "Transaction").

Pursuant to the terms of the Merger Agreement each of the issued and outstanding shares of common stock of the Target, par value of $0.01 per share ("AirGate Common Stock"), shall be converted into the right to receive consideration, at the election of the holder thereof, as follows (the aggregate amount of such consideration paid by the Company in the Transaction, the "Transaction Consideration"):

a. In the case of a share of AirGate Common Stock with respect to which an election to receive shares of common stock of the Company, par value of $0.01 per share (the "Common Stock"), has been made (a "Stock Election"), 2.87 (the "Exchange Ratio") shares of Common Stock (the "Stock Consideration"); or
b. In the case of a share of AirGate Common Stock with respect to which an election to receive cash has been made (a "Cash Election"), an amount of cash equal to the Exchange Ratio multiplied by the average, rounded to the nearest one ten thousandth, of the closing sale prices of the Common Stock on The Nasdaq National Market as reported by The Wall Street Journal for the ten trading days immediately preceding the date of the closing of the Transaction ("Cash Consideration"), subject to proration in accordance with the terms of the Merger Agreement, and provided that in no event shall the aggregate amount of Cash Consideration to be paid exceed $100 million; or
c. In the case of any shares of AirGate Common Stock to which neither a Stock Election or Cash Election has been made, either Stock Consideration or Cash Consideration as determined in accordance with the terms of the Merger Agreement.

The terms and conditions of the Transaction are more fully set forth in the Merger Agreement.

You have requested our opinion as to the fairness from a financial point of view to the Company of the Transaction Consideration to be paid by the Company in the Transaction.

UBS Securities LLC ("UBS") has acted as financial advisor to the Board of Directors of the Company in connection with the Transaction and will receive a fee for its services. UBS will also receive a fee upon delivery of this opinion. In the past, UBS and its predecessors have provided investment banking services to the Company and AirGate and received customary compensation for the rendering

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of such services. In November 2003, UBS acted as sole financial advisor to Alamosa on its exchange offering for its 12.500% senior notes, 13.625% senior notes and 12.875% senior discount notes. In January 2004, UBS was the sole book running manager on Alamosa's 8.500% senior notes offering. In the ordinary course of business, UBS, its successors and affiliates have traded and may trade securities of the Company or AirGate for their own accounts and the accounts of their customers, and accordingly, may at any time hold a long or short position in such securities.

Our opinion does not address the Company's underlying business decision to effect the Transaction or constitute a recommendation to any shareholder of the Company as to how such shareholder should vote with respect to any matter. At your direction, we have not been asked to, nor do we, offer any opinion as to the material terms of the Merger Agreement or the form of the Transaction. We express no opinion as to what the value of the Common Stock will be when issued pursuant to the Merger Agreement or the prices at which it will trade in the future. In rendering this opinion, we have assumed, at your direction, that the final executed form of the Merger Agreement does not differ in any material respect from the draft that we have examined, and that the Company and the Target will comply with all the material terms of the Merger Agreement.

In arriving at our opinion, we have, among other things: (i) reviewed certain publicly available business and historical financial information relating to the Company and Target, (ii) reviewed certain internal financial information and other data relating to the business and financial prospects of the Company, including estimates and financial forecasts prepared by management of the Company, that were provided to us by the Company and not publicly available, (iii) reviewed certain internal financial information and other data relating to the business and financial prospects of the Target, including estimates and financial forecasts prepared by the management of the Target and not publicly available, (iv) reviewed financial forecasts for the Target prepared by the management of the Target as adjusted by the management of the Company, (v) conducted discussions with members of the senior managements of the Company and the Target concerning the businesses and financial prospects of the Company and the Target, (vi) reviewed publicly available financial and stock market data with respect to certain other companies in lines of business we believe to be generally comparable to those of the Company, (vii) considered certain pro forma effects of the Transaction on the Company's financial statements and reviewed certain estimates of synergies prepared by Company management, (viii) reviewed a draft dated December 7, 2004 of the Merger Agreement, and (ix) conducted such other financial studies, analyses, and investigations, and considered such other information, as we deemed necessary or appropriate.

In connection with our review, at your direction, we have not assumed any responsibility for independent verification for any of the information reviewed by us for the purpose of this opinion and have, with your consent, relied on such information being complete and accurate in all material respects. In addition, at your direction, we have not made any independent evaluation or appraisal of any of the assets or liabilities (contingent or otherwise) of the Company or the Target, nor have we been furnished with any such evaluation or appraisal. With respect to the financial forecasts, estimates, pro forma effects and calculations of synergies referred to above prepared or adjusted by Company management, we have assumed, at your direction, that they have been reasonably prepared on a basis reflecting the best currently available estimates and judgments of the management of the Company as to the future performance of the Target and the Company. In addition, we have assumed with your approval that the future financial results of the Target, including synergies, estimated by Company management, referred to above will be achieved at the times and in the amounts projected by Company management. We have also assumed, with your consent, that the Transaction will qualify as a tax-free reorganization for U.S. federal income tax purposes. We have also assumed that all governmental, regulatory or other consents and approvals necessary for the consummation of the Transaction will be obtained without any material adverse effect on the Company, the Target or the Transaction. Our opinion is necessarily based on economic, monetary, market and other conditions as in effect on, and the information made available to us as of, the date hereof.

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Based upon and subject to the foregoing, it is our opinion that, as of the date hereof, the Transaction Consideration to be paid by the Company in the Transaction is fair, from a financial point of view, to the Company.

Very truly yours,
UBS SECURITIES LLC

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APPENDIX C

[Letterhead of Banc of America Securities LLC]

December 7, 2004

Board of Directors
AirGate PCS, Inc.
233 Peachtree Street NE, Suite 1700
Atlanta, GA 30303

Members of the Board of Directors:

You have requested our opinion as to the fairness, from a financial point of view, to the stockholders of AirGate PCS, Inc. (the "Company") of the Merger Consideration (as defined below) provided for in connection with the proposed merger (the "Merger") of the Company with a wholly owned subsidiary of Alamosa Holdings, Inc. (the "Purchaser"). Pursuant to the terms of the Agreement and Plan of Merger to be dated as of December 7, 2004 (the "Agreement") to be entered into among the Company, the Purchaser and A-Co Merger Sub, Inc. (the "Merger Sub"), a direct wholly owned subsidiary of Purchaser, the Company will be merged with and into Merger Sub, and stockholders of the Company may elect to receive for each outstanding share of common stock, par value $0.01 per share, of the Company (the "Company Common Stock") held by them, other than shares held in treasury or held by the Purchaser or any affiliate of the Purchaser or as to which dissenters' rights have been perfected, consideration equal to either (i)

2.87 shares (the "Exchange Ratio") of common stock, par value $0.01 per share, of the Purchaser (the "Purchaser Common Stock") or (ii) an amount of cash per share (the "Cash Consideration" and, together with the Exchange Ratio and any cash payable in lieu of fractional shares of Parent Common Stock, collectively referred to as the "Merger Consideration") equal to the product of (A) the Exchange Ratio multiplied by (B) the average of the closing sale prices of Purchaser Common Stock as reported by The Wall Street Journal for the ten (10) trading days immediately preceding the effective date of the Merger (the "Effective Time"). The Cash Consideration and the Exchange Ratio will be allocated among such stockholders in accordance with such elections, subject to certain allocation and proration procedures contained in the Agreement (as to which we express no opinion). In the event that any stockholder does not effectively elect to receive either the Exchange Ratio or the Cash Consideration with respect to any share of Company Common Stock, such share shall be converted at the Effective Time into the right to receive either the Exchange Ratio or the Cash Consideration pursuant to the terms of the Agreement. The Agreement provides that the aggregate Cash Consideration issued to the stockholders will not exceed $100 million. You have informed us, and we have assumed, that the Merger will be treated as a tax-free reorganization pursuant to the Internal Revenue Code of 1986, as amended. The terms and conditions of the Merger are more fully set out in the Agreement.

For purposes of the opinion set forth herein, we have:

(i) reviewed certain publicly available financial statements and other business and financial information of the Company and the Purchaser, respectively;
(ii) reviewed certain internal financial statements and other financial and operating data concerning the Company and the Purchaser, respectively;
(iii) reviewed certain independent research analysts' (a) estimates of the future financial performance of the Company and the Purchaser, respectively and (b) price targets for the Company Common Stock and Purchaser Common Stock, respectively;
(iv) analyzed certain financial forecasts prepared by the managements of the Company and the Purchaser, respectively, and reviewed and discussed the past and current operations, financial condition and prospects of the Company with senior executives of the Company and reviewed and discussed the past and current operations, financial condition and prospects of the Purchaser with senior executives of the Purchaser;
(v) reviewed and discussed with senior executives of the Company and the Purchaser information relating to certain strategic, financial and operational benefits anticipated from the Merger;

(vi) reviewed the potential pro forma impact of the Merger on the future financial performance of the Purchaser, including the potential effect on the Purchaser's pro forma earnings per share;
(vii) reviewed information relating to the relative contributions of the Company and the Purchaser to the combined company;
(viii) reviewed and compared with certain other publicly traded companies we deemed relevant, the financial performance of the Company and the Purchaser, the strategic and competitive position of the Company and the Purchaser and the reported prices and trading activity of the Company Common Stock and the Purchaser Common Stock, respectively;
(ix) reviewed and compared with certain other publicly traded companies we deemed relevant, the available spectrum of the Company and the cost of independently acquiring additional spectrum;
(x) compared certain financial terms of the Merger to financial terms, to the extent publicly available, of certain other business combination transactions we deemed relevant;
(xi)

reviewed the results of our efforts to solicit indications of interest and definitive proposals from third parties with respect to an acquisition of the Company;

(xii) participated in discussions and negotiations among representatives of the Company and the Purchaser and their respective financial and legal advisors;

(xiii) reviewed the December 6, 2004 draft of the Agreement (the "Draft Agreement"); and

(xiv) performed such other analyses and considered such other factors as we have deemed appropriate.

We have assumed and relied upon, without independent verification, the accuracy and completeness of the financial and other information reviewed by us for the purposes of this opinion. With respect to the financial forecasts, including information relating to certain strategic, financial and operational benefits anticipated from the Merger, we have assumed that they have been reasonably prepared on bases reflecting the best currently available estimates and good faith judgments of the future financial performance of the Company and the Purchaser. We have also made certain assumptions, at your direction, with respect to the risks associated with certain strategic initiatives proposed by the management of the Company and the potential effects of such risks on the future financial performance of the Company. We have not made any independent valuation or appraisal of the assets or liabilities of the Company or the Purchaser, nor have we been furnished with any such appraisals. We have assumed that the final executed Agreement will not differ in any material respect from the Draft Agreement reviewed by us, and that the Merger will be consummated as provided in the Draft Agreement, with full satisfaction of all covenants and conditions set forth in the Draft Agreement and without any waivers thereof.

We have acted as sole financial advisor to the Board of Directors of the Company in connection with the Merger and will receive a fee for our services, portions of which are contingent upon the rendering of this opinion and the consummation of the Merger. We also acted as joint book runner for a high yield debt offering of the Company which closed on October 7, 2004 and we received fees for rendering such services. We or our affiliates have provided and may in the future provide financial advisory and financing services to the Company and the Purchaser and have received or may in the future receive fees for the rendering of these services. In the ordinary course of our businesses, we and our affiliates may actively trade the debt and equity securities or loans of the Company and the Purchaser for our own account or for the accounts of customers, and accordingly, we or our affiliates may at any time hold long or short positions in such securities or loans.

It is understood that this letter is for the benefit and use of the Board of Directors of the Company in connection with and for purposes of its evaluation of the Merger and is not rendered to or for the benefit of, and shall not confer rights or remedies upon, any person other than the Board of Directors. This opinion may not be disclosed, referred to, or communicated (in whole or in part) to any third party for any purpose whatsoever except with our prior written consent in each instance. Our opinion is

necessarily based on economic, market and other conditions as in effect on, and the information made available to us as of, the date hereof. It should be understood that subsequent developments may affect this opinion, and we do not have any obligation to update, revise, or reaffirm this opinion. We have not been requested to opine as to, and our opinion does not in any manner address (i) the Company's underlying business decision to proceed with or effect the Merger or (ii) whether any alternative transaction might produce consideration in an amount in excess of what is contemplated in the Merger. This opinion does not in any manner address the prices at which the Purchaser Common Stock will trade following consummation of the Merger. In addition, we express no opinion or recommendation as to how the stockholders of the Company and the Purchaser should vote at the respective stockholders' meetings held in connection with the Merger.

Based upon and subject to the foregoing, including the various assumptions and limitations set forth herein, we are of the opinion on the date hereof that the Merger Consideration in the proposed Merger is fair, from a financial point of view, to the Company's stockholders.

Very truly yours,

BANC OF AMERICA SECURITIES LLC

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APPENDIX D

SECTION 262 OF THE GENERAL CORPORATION LAW OF THE STATE OF DELAWARE

SECTION 262 — APPRAISAL RIGHTS.

(a) Any stockholder of a corporation of this State who holds shares of stock on the date of the making of a demand pursuant to subsection (d) of this section with respect to such shares, who continuously holds such shares through the effective date of the merger or consolidation, who has otherwise complied with subsection (d) of this section and who has neither voted in favor of the merger or consolidation nor consented thereto in writing pursuant to § 228 of this title shall be entitled to an appraisal by the Court of Chancery of the fair value of the stockholder's shares of stock under the circumstances described in subsections (b) and (c) of this section. As used in this section, the word "stockholder" means a holder of record of stock in a stock corporation and also a member of record of a nonstock corporation; the words "stock" and "share" mean and include what is ordinarily meant by those words and also membership or membership interest of a member of a nonstock corporation; and the words "depository receipt" mean a receipt or other instrument issued by a depository representing an interest in one or more shares, or fractions thereof, solely of stock of a corporation, which stock is deposited with the depository.

(b) Appraisal rights shall be available for the shares of any class or series of stock of a constituent corporation in a merger or consolidation to be effected pursuant to § 251 (other than a merger effected pursuant to § 251 (g) of this title), § 252, § 254, § 257, § 258, § 263 or § 264 of this title:

(1) Provided, however, that no appraisal rights under this section shall be available for the shares of any class or series of stock, which stock, or depository receipts in respect thereof, at the record date fixed to determine the stockholders entitled to receive notice of and to vote at the meeting of stockholders to act upon the agreement of merger or consolidation, were either (i) listed on a national securities exchange or designated as a national market system security on an interdealer quotation system by the National Association of Securities Dealers, Inc. or (ii) held of record by more than 2,000 holders; and further provided that no appraisal rights shall be available for any shares of stock of the constituent corporation surviving a merger if the merger did not require for its approval the vote of the stockholders of the surviving corporation as provided in subsection (f) of sec. 251 of this title.

(2) Notwithstanding paragraph (1) of this subsection, appraisal rights under this section shall be available for the shares of any class or series of stock of a constituent corporation if the holders thereof are required by the terms of an agreement of merger or consolidation pursuant to § 251, 252, 254, 257, 258, 263 and 264 of this title to accept for such stock anything except:

a. Shares of stock of the corporation surviving or resulting from such merger or consolidation, or depository receipts in respect thereof;

b. Shares of stock of any other corporation, or depository receipts in respect thereof, which shares of stock (or depository receipts in respect thereof) or depository receipts at the effective date of the merger or consolidation will be either listed on a national securities exchange or designated -- as a national market system security on an interdealer quotation system by the National Association of Securities Dealers, Inc. or held of record by more than 2,000 holders;

c. Cash in lieu of fractional shares or fractional depository receipts described in the foregoing subparagraphs a. and b. of this paragraph; or

d. Any combination of the shares of stock, depository receipts and cash in lieu of fractional shares or fractional depository receipts described in the foregoing subparagraphs a., b. and c. of this paragraph.

(3) In the event all of the stock of a subsidiary Delaware corporation party to a merger effected under § 253 of this title is not owned by the parent corporation immediately prior to the merger, appraisal rights shall be available for the shares of the subsidiary Delaware corporation.

(c) Any corporation may provide in its certificate of incorporation that appraisal rights under this section shall be available for the shares of any class or series of its stock as a result of an amendment to its certificate of incorporation, any merger or consolidation in which the corporation is a constituent corporation or the sale of all or substantially all of the assets of the corporation. If the certificate of incorporation contains such a provision, the procedures of this section, including those set forth in subsections (d) and (e) of this section, shall apply as nearly as is practicable.

(d) Appraisal rights shall be perfected as follows:

(1) If a proposed merger or consolidation for which appraisal rights are provided under this section is to be submitted for approval at a meeting of stockholders, the corporation, not less than 20 days prior to the meeting, shall notify each of its stockholders who was such on the record date for such meeting with respect to shares for which appraisal rights are available pursuant to subsections (b) or (c) hereof that appraisal rights are available for any or all of the shares of the constituent corporations, and shall include in such notice a copy of this section. Each stockholder electing to demand the appraisal of such stockholder's shares shall deliver to the corporation, before the taking of the vote on the merger or consolidation, a written demand for appraisal of such stockholder's shares. Such demand will be sufficient if it reasonably informs the corporation of the identity of the stockholder and that the stockholder intends thereby to demand the appraisal of such stockholder's shares. A proxy or vote against the merger or consolidation shall not constitute such a demand. A stockholder electing to take such action must do so by a separate written demand as herein provided. Within 10 days after the effective date of such merger or consolidation, the surviving or resulting corporation shall notify each stockholder of each constituent corporation who has complied with this subsection and has not voted in favor of or consented to the merger or consolidation of the date that the merger or consolidation has become effective; or

(2) If the merger or consolidation was approved pursuant to § 228 or § 253 of this title, then either a constituent corporation before the effective date of the merger or consolidation or the surviving or resulting corporation within ten days thereafter shall notify each of the holders of any class or series of stock of such constituent corporation who are entitled to appraisal rights of the approval of the merger or consolidation and that appraisal rights are available for any

or all shares of such class or series of stock of such constituent corporation, and shall include in such notice a copy of this section. Such notice may, and, if given on or after the effective date of the merger or consolidation, shall, also notify such stockholders of the effective date of the merger or consolidation. Any stockholder entitled to appraisal rights may, within 20 days after the date of mailing of such notice, demand in writing from the surviving or resulting corporation the appraisal of such holder's shares. Such demand will be sufficient if it reasonably informs the corporation of the identity of the stockholder and that the stockholder intends thereby to demand the appraisal of such holder's shares. If such notice did not notify stockholders of the effective date of the merger or consolidation, either (i) each such constituent corporation shall send a second notice before the effective date of the merger or consolidation notifying each of the holders of any class or series of stock of such constituent corporation that are entitled to appraisal rights of the effective date of the merger or consolidation or (ii) the surviving or resulting corporation shall send such a second notice to all such holders on or within 10 days after such effective date; provided, however, that if such second notice is sent more than 20 days following the sending of the first notice, such second notice need only be sent to each stockholder who is entitled to appraisal rights and who has demanded appraisal of such holder's shares in accordance with this subsection. An affidavit of the secretary or assistant secretary or of the transfer agent of the corporation that is required to give either notice that such notice has been given shall, in the absence of fraud, be prima facie evidence of the facts stated therein. For purposes of determining the stockholders entitled to receive either notice, each constituent corporation may fix, in advance, a record date that shall be not more than 10 days prior to the date the notice is given, provided, that if the notice is given on or after the effective date of the merger or consolidation,

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the record date shall be such effective date. If no record date is fixed and the notice is given prior to the effective date, the record date shall be the close of business on the date next preceding the day on which the notice is given.

(e) Within 120 days after the effective date of the merger or consolidation, the surviving or resulting corporation or any stockholder who has complied with subsections (a) and (d) hereof and who is otherwise entitled to appraisal rights, may file a petition in the Court of Chancery demanding a determination of the value of the stock of all such stockholders. Notwithstanding the foregoing, at any time within 60 days after the effective date of the merger or consolidation, any stockholder shall have the right to withdraw such stockholder's demand for appraisal and to accept the terms offered upon the merger or consolidation. Within 120 days after the effective date of the merger or consolidation, any stockholder who has complied with the requirements of subsections (a) and (d) hereof, upon written request, shall be entitled to receive from the corporation surviving the merger or resulting from the consolidation a statement setting forth the aggregate number of shares not voted in favor of the merger or consolidation and with respect to which demands for appraisal have been received and the aggregate number of holders of such shares. Such written statement shall be mailed to the stockholder within 10 days after such stockholder's written request for such a statement is received by the surviving or resulting corporation or within 10 days after expiration of the period of delivery of demands for appraisal under subsection (d) hereof, whichever is later.

(f) Upon the filing of any such petition by a stockholder, service of a copy thereof shall be made upon the surviving or resulting corporation, which shall within 20 days after such service file in the office of the Register in Chancery in which the petition was filed a duly verified list containing the names and addresses of all stockholders who have demanded payment for their shares and with whom agreements as to the value of their shares have not been reached by the surviving or resulting corporation. If the petition shall be filed by the surviving or resulting corporation, the petition shall be accompanied by such a duly verified list. The Register in Chancery, if so ordered by the Court, shall give notice of the time and place fixed for the hearing of such petition by registered or certified mail to the surviving or resulting corporation and to the stockholders shown on the list at the addresses therein stated. Such notice shall also be given by 1 or more publications at least 1 week before the day of the hearing, in a newspaper of general circulation published in the City of Wilmington, Delaware or such publication as the Court deems advisable. The forms of the notices by mail and by publication shall be approved by the Court, and the costs thereof shall be borne by the surviving or resulting corporation.

(g) At the hearing on such petition, the Court shall determine the stockholders who have complied with this section and who have become entitled to appraisal rights. The Court may require the stockholders who have demanded an appraisal for their shares and who hold stock represented by certificates to submit their certificates of stock to the Register in Chancery for notation thereon of the pendency of the appraisal proceedings; and if any stockholder fails to comply with such direction, the Court may dismiss the proceedings as to such stockholder.

(h) After determining the stockholders entitled to an appraisal, the Court shall appraise the shares, determining their fair value exclusive of any element of value arising from the accomplishment or expectation of the merger or consolidation, together with a fair rate of interest, if any, to be paid upon the amount determined to be the fair value. In determining such fair value, the Court shall take into account all relevant factors. In determining the fair rate of interest, the Court may consider all relevant factors, including the rate of interest which the surviving or resulting corporation would have had to pay to borrow money during the pendency of the proceeding. Upon application by the surviving or resulting corporation or by any stockholder entitled to participate in the appraisal proceeding, the Court may, in its discretion, permit discovery or other pretrial proceedings and may proceed to trial upon the appraisal prior to the final determination of the stockholder entitled to an appraisal. Any stockholder whose name appears on the list filed by the surviving or resulting corporation pursuant to subsection (f) of this section and who has submitted such stockholder's certificates of stock to the Register in Chancery, if such is required, may participate fully in all proceedings until it is finally determined that such stockholder is not entitled to appraisal rights under this section.

(i) The Court shall direct the payment of the fair value of the shares, together with interest, if any, by the surviving or resulting corporation to the stockholders entitled thereto. Interest may be simple or compound, as the Court may direct. Payment shall be so made to each such stockholder, in the case of holders of uncertificated stock forthwith, and the case of holders of shares represented by certificates upon the surrender to the corporation of the certificates representing such stock. The Court's decree may be enforced as other decrees in the Court of Chancery may be enforced, whether such surviving or resulting corporation be a corporation of this State or of any state.

(j) The costs of the proceeding may be determined by the Court and taxed upon the parties as the Court deems equitable in the circumstances. Upon application of a stockholder, the Court may order all or a portion of the expenses incurred by any stockholder in connection with the appraisal proceeding, including, without limitation, reasonable attorney's fees and the fees and expenses of experts, to be charged pro rata against the value of all the shares entitled to an appraisal.

(k) From and after the effective date of the merger or consolidation, no stockholder who has demanded appraisal rights as provided in subsection (d) of this section shall be entitled to vote such stock for any purpose or to receive payment of dividends or other distributions on the stock (except dividends or other distributions payable to stockholders of record at a date which is prior to the effective date of the merger or consolidation); provided, however, that if no petition for an appraisal shall be filed within the time provided in subsection (e) of this section, or if such stockholder shall deliver to the surviving or resulting corporation a written withdrawal of such stockholder's demand for an appraisal and an acceptance of the merger or consolidation, either within 60 days after the effective date of the merger or consolidation as provided in subsection (e) of this section or thereafter with the written approval of the corporation, then the right of such stockholder to an appraisal shall cease. Notwithstanding the foregoing, no appraisal proceeding in the Court of Chancery shall be dismissed as to any stockholder without the approval of the Court, and such approval may be conditioned upon such terms as the Court deems just.

(l) The shares of the surviving or resulting corporation to which the shares of such objecting stockholders would have been converted had they assented to the merger or consolidation shall have the status of authorized and unissued shares of the surviving or resulting corporation.

PART II — Information Not Required in Prospectus

Item 20. Indemnification of Directors and Officers.

Section 145 of the General Corporation Law of the State of Delaware (the "DGCL") generally provides that a corporation may indemnify directors, officers, employees or agents against liabilities they may incur in such capacities provided certain standards are met, including good faith and the reasonable belief that the particular action was in, or not opposed to, the best interests of the corporation.

Subsection (a) of Section 145 of the DGCL ("Section 145") empowers a corporation to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the corporation), by reason of the fact that he is or was a director, officer, employee or agent of the corporation or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interests of the corporation and, with respect to any criminal action or proceeding, had no reasonable cause to believe that his conduct was unlawful.

Subsection (b) of Section 145 empowers a corporation to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the corporation to procure a judgment in its favor, by reason of the fact that such person acted in any of the capacities set forth above, against expenses (including attorneys' fees) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit if he acted under standards similar to those set forth above, except that no indemnification may be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the corporation, unless and only to the extent that the Delaware Court of Chancery or the court in which such action or suit was brought shall determine that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to be indemnified for such expenses which the court shall deem proper.

Section 145 further provides that, among other things, to the extent that a present or former director or officer of a corporation has been successful in the defense of any action, suit or proceeding referred to in Subsections (a) and (b) of Section 145, or in the defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith; that indemnification provided for by Section 145 shall not be deemed exclusive of any other rights to which the indemnified party may be entitled; and that a corporation is empowered to purchase and maintain insurance on behalf of a director or officer of the corporation against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the corporation would have the power to indemnify against such liability under Section 145.

Indemnification as described above shall be granted in a specific case only upon a determination that indemnification is proper under the circumstances using the applicable standard of conduct which is made by (a) a majority of directors who were not parties to such proceeding, (b) by a committee of such directors designated by a majority of such directors, (c) independent legal counsel in a written opinion if there are no such disinterested directors or if such disinterested directors so direct, or (d) the stockholders.

The Amended and Restated Certificate of Incorporation of Alamosa Holdings, Inc. ("Alamosa") provides that the liability of the directors of Alamosa to Alamosa or any of its stockholders for monetary damages arising from acts or omissions occurring in their capacity as directors will be limited to the fullest extent permitted by the laws of Delaware or any other applicable law. This limitation does not apply with respect to any action in which a director would be liable under Section 174 of the DGCL nor does it apply with respect to any liability in which a director (1) breached his

duty of loyalty to Alamosa or its stockholders; (2) did not act in good faith or, in failing to act, did not act in good faith; (3) acted in a manner involving intentional misconduct or a knowing violation of law or, in failing to act, shall have acted in a manner involving intentional misconduct or a knowing violation of law; or (4) derived an improper personal benefit.

Alamosa's Amended and Restated Certificate of Incorporation provides that Alamosa will indemnify its directors, officers and employees and former directors, officers and employees to the fullest extent permitted by the laws of Delaware or any other applicable law.

Alamosa has directors' and officers' liability insurance covering its directors and officers.

Item 21. Exhibits and Financial Statement Schedules.

(a) Exhibits.

Exhibit Number	Description
2.1	Agreement and Plan of Merger, dated as of December 7, 2004, by and among Alamosa Holdings, Inc., A-Co. Merger Sub, Inc. and AirGate PCS, Inc. (incorporated by reference to Appendix A to the joint proxy statement-prospectus which constitutes a part of this

	registration statement).
3.1	Amended and Restated Certificate of Incorporation of Alamosa Holdings, Inc. (incorporated by reference to Exhibit 1.1 to the Registration Statement on Form 8-A, dated February 14, 2001).
3.2	Amended and Restated Bylaws of Alamosa Holdings, Inc. (incorporated by reference to Exhibit 1.2 to the Registration Statement on Form 8-A, dated February 14, 2001).
3.3	Certificate of Designations, Powers, Preferences and Rights of Series B Convertible Preferred Stock (incorporated by reference to Exhibit 3.1 to Form 10-Q for the quarterly period ended September 30, 2003).
3.4	Certificate of Designations, Powers, Preferences and Rights of Series C Convertible Preferred Stock (incorporated by reference to Exhibit 3.2 to Form 10-Q for the quarterly period ended September 30, 2003).
5.1*	Opinion of Skadden, Arps, Slate, Meagher & Flom LLP regarding legality of securities being registered.
8.1*	Opinion of Skadden, Arps, Slate, Meagher & Flom LLP regarding certain Federal income tax matters.
8.2*	Opinion of Winston & Strawn LLP regarding certain Federal income tax matters.
23.1*	Consent of Skadden, Arps, Slate, Meagher & Flom LLP (included in Exhibit 5.1 to this Registration Statement).
23.2*	Consent of Skadden, Arps, Slate, Meagher & Flom LLP (included in Exhibit 8.1 to this Registration Statement).
23.3*	Consent of Winston & Strawn LLP (included in Exhibit 8.2 to this Registration Statement).
23.4	Consent of KPMG LLP
23.5	Consent of PricewaterhouseCoopers LLP
24.1	Powers of Attorney (see the signature page to this Form S-4 Registration Statement).
99.1*	Form of Proxy to be used by Alamosa Holdings, Inc.
99.2*	Form of Proxy to be used by AirGate PCS, Inc.
99.3*	Form of Election and Guide
99.4*	Form of Notice of Guaranteed Delivery
99.5*	Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9
99.6	Consent of UBS Securities LLC.
99.7	Consent of Banc of America Securities LLC.

* To be filed by amendment.

(b) Financial Statement Schedules.

None.

(c) Item 4(b) Information

Incorporated as Appendices B and C to the joint proxy statement-prospectus which constitutes a part of this registration statement.

Item 22. Undertakings.

The undersigned Registrant hereby undertakes:

(A)(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933.

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement.

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(B) For purposes of determining any liability under the Securities Act of 1933, each filing of the registrant's annual report pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (and each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the registration statement shall be deemed to be new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(C) To respond to requests for information that is incorporated by reference into the joint proxy statement-prospectus pursuant to Items 4, 10(b), 11, or 13 of this form, within one business day of receipt of such request, and to send the incorporated documents by first class mail or other equally prompt means. This includes information contained in documents filed subsequent to the effective date of the registration statement through the date of responding to the request.

(D) To supply by means of a post-effective amendment all information concerning a transaction, and the company being acquired involved therein, that was not the subject of and included in the registration statement when it became effective.

(E) That prior to any public reoffering of the securities registered hereunder through use of a prospectus which is a part of this registration statement, by any person or party who is deemed to be an underwriter within the meaning of Rule 145(c), the issuer undertakes that such reoffering prospectus will contain the information called for by the applicable registration form with respect to reofferings by persons who may be deemed underwriters, in addition to the information called for by the other items of the applicable form.

(F) That every prospectus: (i) that is filed pursuant to paragraph (E) immediately preceding, or (ii) that purports to meet the requirements of Section 10(a)(3) of the Securities Act of 1933 and is used in connection with an offering of securities subject to Rule 415, will be filed as a part of an amendment to the registration statement and will not be used until such amendment is effective, and that, for purposes of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

Insofar as indemnification by the registrant for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that, in the opinion of the SEC, such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of Lubbock, State of Texas, on December 21, 2004.

ALAMOSA HOLDINGS, INC.
By: /s/ David Sharbutt

Name: David Sarbutt
Title: Chief Executive Officer

Power of Attorney

We, the undersigned officers and directors of Alamosa Holdings, Inc. hereby severally and individually constitute and appoint David E. Sharbutt, the true and lawful attorney and agent (with full power of substitution and resubstitution in each case) of each of us to execute in the name, place and stead of each of us (individually and in any capacity stated below) any and all amendments to this registration statement and all instruments necessary or advisable in connection therewith and to file the same with the Securities and Exchange Commission, said attorney and agent to have power to act and to have full power and authority to do and perform in the name and on behalf of each of the undersigned every act whatsoever necessary or advisable to be done in the premises as fully and to all intents and purposes as any of the undersigned might or could do in person and we hereby ratify and confirm our signatures as they may be signed by our said attorney and agent to any and all such amendments and instruments.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities indicated and on December 21, 2004.

Name	Title
/s/ David E. Sharbutt David E. Sharbutt	Chief Executive Officer and Chairman of the Board Principal Executive Officer)
/s/ Kendall W. Cowan Kendall W. Cowan	Director and Chief Financial Officer (Principal Financial and Accounting Officer)
/s/ Ray M. Clapp, Jr Ray M. Clapp, Jr.	Director
/s/ Scotty Hart Scotty Hart	Director
/s/ Allen T. McInnes Dr. Allen T. McInnes	Director
/s/ Schuyler B. Marshall Schuyler B. Marshall	Director
/s/ John F. Otto, Jr John F. Otto, Jr.	Director
/s/ Thomas F. Riley, Jr Thomas F. Riley, Jr.	Director

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Name	Title
/s/ Michael V. Roberts Michael V. Roberts	Director
/s/ Steven C. Roberts Steven C. Roberts	Director
/s/ Jimmy R. White Jimmy R. White	Director

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EXHIBIT INDEX

Exhibit Number	Description
2.1	Agreement and Plan of Merger, dated as of December 7, 2004, by and among Alamosa Holdings, Inc., A-Co Merger Sub, Inc. and AirGate PCS, Inc. (incorporated by reference to Appendix A to the joint proxy statement-prospectus which constitutes a part of this registration statement).
3.1	Amended and Restated Certificate of Incorporation of Alamosa Holdings, Inc. (incorporated by reference to Exhibit 1.1 to the Registration Statement on Form 8-A, dated February 14, 2001).
3.2	Amended and Restated Bylaws of Alamosa Holdings, Inc. (incorporated by reference to Exhibit 1.2 to the Registration Statement on Form 8-A, dated February 14, 2001).
3.3	Certificate of Designations, Powers, Preferences and Rights of Series B Convertible Preferred Stock (incorporated by reference to Exhibit 3.1 to Form 10-Q for the quarterly period ended September 30, 2003).
3.4	Certificate of Designations, Powers, Preferences and Rights of Series C Convertible Preferred Stock (incorporated by reference to Exhibit 3.2 to Form 10-Q for the quarterly period ended September 30, 2003).
5.1*	Opinion of Skadden, Arps, Slate, Meagher & Flom LLP regarding legality of securities being registered.
8.1*	Opinion of Skadden, Arps, Slate, Meagher & Flom LLP regarding certain Federal income tax matters.
8.2*	Opinion of Winston & Strawn LLP regarding certain Federal income tax matters.
23.1*	Consent of Skadden, Arps, Slate, Meagher & Flom LLP (included in Exhibit 5.1 to this Registration Statement).
23.2*	Consent of Skadden, Arps, Slate, Meagher & Flom LLP (included in Exhibit 8.1 to this Registration Statement).
23.3*	Consent of Winston & Strawn LLP (included in Exhibit 8.2 to this Registration Statement).
23.4	Consent of KPMG LLP
23.5	Consent of PricewaterhouseCoopers LLP
24.1	Powers of Attorney (see the signature page to this Form S-4 Registration Statement).
99.1*	Form of Proxy to be used by Alamosa Holdings, Inc.
99.2*	Form of Proxy to be used by AirGate PCS, Inc.
99.3*	Form of Election and Guide
99.4*	Form of Notice of Guaranteed Delivery
99.5*	Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9
99.6	Consent of UBS Securities LLC.
99.7	Consent of Banc of America Securities LLC.

* To be filed by amendment.