TRITON PCS HOLDINGS INC
Form 424B3
November 29, 2001

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+The information in this preliminary prospectus supplement is not complete and +
+may be changed. This preliminary prospectus supplement and the accompanying +
+prospectus are not an offer to sell these securities and are not soliciting +
+an offer to buy these securities in any state where the offer or sale is not +
+permitted. +
+++

Filed Pursuant to Rule 424(B)(3)
File No. 333-65730

SUBJECT TO COMPLETION, DATED NOVEMBER 28, 2001

PROSPECTUS SUPPLEMENT
(To Prospectus dated November 26, 2001)

[LOGO OF TRITON PCS APPEARS HERE]

6,000,000 Shares

Triton PCS Holdings, Inc.

Class A Common Stock
$ per share

The selling stockholders named in this prospectus supplement are selling 6,000,000 shares of our Class A common stock. We will not receive any proceeds from the sale of the shares by the selling stockholders. The selling stockholders have granted the underwriters an option to purchase up to 900,000 additional shares of Class A common stock to cover over-allotments.

Our Class A common stock is listed on the New York Stock Exchange under the symbol "TPC". The last reported sale price of our Class A common stock on the New York Stock Exchange on November 28, 2001, was $31.13 per share.

Investing in the Class A common stock involves risks. See "Risk Factors" beginning on page S-8 of this prospectus supplement.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

	Per Share	Total
Public Offering Price	$	$
Underwriting Discount	$	$
Proceeds to the selling stockholders, before expenses	$	$

The underwriters expect to deliver the shares to purchasers on or about , 2001.

Salomon Smith Barney Morgan Stanley

Credit Suisse First Boston Wachovia Securities

, 2001

You should rely only on the information contained in or incorporated by reference in this prospectus supplement and the accompanying prospectus. We have not authorized anyone to provide you with different information. The selling stockholders are not making an offer of these securities in any state where the offer is not permitted. You should not assume that the information contained in or incorporated by reference in this prospectus supplement or the accompanying prospectus is accurate as of any dates other than the dates of this prospectus supplement and the accompanying prospectus.

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Prospectus Supplement

Prospectus

This document is in two parts. The first part is this prospectus supplement, which describes the terms of the offering of Class A common stock and also adds to and updates information contained in the accompanying prospectus and the documents incorporated by reference into the accompanying prospectus. The second part is the accompanying prospectus, which gives more general information, some of which may not apply to the Class A common stock. To the extent there is a conflict between the information contained in this prospectus supplement, on the one hand, and the information contained in the accompanying prospectus or any document incorporated by reference, on the other hand, the information in this prospectus supplement shall control.

Triton PCS Holdings, Inc. is a Delaware corporation. Our principal executive offices are located at 1100 Cassatt Road, Berwyn, Pennsylvania 19312, and our telephone number at that address is (610) 651-5900. Our World Wide Web site address is http://www.tritonpcs.com. The information in our website is not part of this prospectus supplement.

In this prospectus supplement, "Triton," "we," "us" and "our" refer to Triton PCS Holdings, Inc. and its wholly-owned subsidiaries, unless the context requires otherwise. "AT&T Wireless PCS" refers to AT&T Wireless PCS, LLC, "AT&T Wireless" refers to AT&T Wireless Services, Inc. and "AT&T" refers to AT&T Corp.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus supplement, the accompanying prospectus and the documents incorporated by reference in the accompanying prospectus contain forward-looking statements that involve substantial risks and uncertainties. You can identify these statements by forward-looking words such as "anticipate," "believe," "could," "estimate," "expect," "intend," "may," "should," "will" and "would" or similar words. Our forward-looking statements also include the facts and assumptions underlying such statements or projections. You should read statements that contain these words carefully because they discuss our future expectations, contain projections of our future results of operations or of our financial position or state other "forward-looking" information. We believe that it is important to communicate our future expectations to our investors. However, there may be events in the future that we are not able to accurately predict or control. The factors listed in the "Risk Factors" section, as well as any cautionary language in this prospectus supplement, the accompanying prospectus and in documents incorporated by reference in the accompanying prospectus, provide examples of risk, uncertainties and events that may cause our actual results to differ materially from the expectations we describe in our forward-looking statements. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Before you invest in our Class A common stock, you should be aware that the occurrence of the events described in these risk factors and elsewhere in this prospectus supplement, the accompanying prospectus and in documents incorporated by reference in the accompanying prospectus could have a material adverse effect on our business, results of operations, financial position and the value of our securities.

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PROSPECTUS SUPPLEMENT SUMMARY

This summary highlights selected information about Triton and this offering. This summary is not complete and does not contain all of the information that is important to you. You should carefully read this entire prospectus supplement, the accompanying prospectus and the other documents we refer to for a more complete understanding of this offering. In addition, we incorporate important business and financial information in the accompanying prospectus by reference. You may obtain the information incorporated by reference in the accompanying prospectus without charge by following the instructions in the "Where You Can Find More Information" section of the accompanying prospectus.

Unless otherwise indicated, all information in this prospectus supplement assumes that the underwriters do not exercise their over-allotment option.

Triton

We are a rapidly growing provider of wireless personal communications services in the southeastern United States. Our personal communications services licenses cover approximately 13.5 million potential customers in a contiguous geographic area encompassing portions of Virginia, North Carolina, South Carolina, Tennessee, Georgia and Kentucky. In February 1998, we entered into a joint venture with AT&T Wireless. As part of the agreement, AT&T Wireless contributed personal communications services licenses for 20 megahertz of authorized frequencies covering 11.2 million potential customers within defined areas of our region in exchange for an equity position in Triton. Since that time, we have expanded our coverage area to include an additional 2.3 million potential customers through acquisitions and license exchanges with AT&T Wireless. As part of the transactions with AT&T Wireless, we were granted the right to be the exclusive provider of wireless mobility services using equal emphasis co-branding with AT&T within our region. We believe our markets are strategically attractive because of their proximity to AT&T Wireless' wireless systems in the Washington, D.C., Charlotte, North Carolina and Atlanta, Georgia markets, which collectively cover a population of more than 28.5 million individuals. Our market location is attractive as we are the preferred provider of wireless mobility services to AT&T Wireless' digital wireless customers who roam into our markets. Our strategy is to provide extensive coverage to customers within our region, to offer our customers coast-to-coast coverage and to benefit from roaming revenues generated by AT&T Wireless' and other carriers' wireless customers who roam into our covered area. Our management team is led by Michael Kalogris and Steven Skinner, the former Chief Executive Officer and Chief Operating Officer of Horizon Cellular Group, respectively.

Strategic Alliance with AT&T Wireless

One of our most important competitive advantages is our strategic alliance with AT&T Wireless, one of the largest providers of wireless communications services in the United States. As part of its strategy to rapidly expand its digital wireless coverage in the United States, AT&T Wireless has focused on constructing its own network and making strategic acquisitions in selected cities, as well as entering into agreements with other independent wireless operators, including Triton, to construct and operate personal communications services networks in other markets.

Our strategic alliance with AT&T Wireless provides us with many business, operational and marketing advantages. Some of these advantages include:

- Recognized Brand Name. We market our wireless services to our potential customers giving equal emphasis to our regional SunCom brand name and logo and AT&T's brand name and logo. We believe that association with the AT&T brand name significantly increases the likelihood that potential customers will purchase our wireless communications services.

- Preferred Roaming Partner. We are the preferred roaming partner for AT&T Wireless' digital wireless customers who roam into our coverage area. We expect to benefit from growth in roaming traffic as AT&T Wireless' digital wireless customers, particularly those in Washington, D.C., Charlotte, North Carolina and Atlanta, Georgia, travel into our markets.

- Coverage Across the Nation. Our customers have access to coast-to-coast coverage through our agreements with AT&T Wireless, other members of the AT&T Wireless Network and other third-party roaming partners. We believe this coast-to-coast coverage provides a significant advantage over our personal communications services competitors in our markets and allows us to offer competitive pricing plans, including national rate plans.

Competitive Strengths

In addition to the advantages provided by our strategic alliance with AT&T Wireless, we have a number of competitive strengths. These strengths include the following:

- Attractive Licensed Area. Our markets have favorable demographic characteristics for wireless communications services, such as population densities that are 80% greater than the national average.

- Network Quality. We have successfully launched personal communications service in all of our 37 markets, covering over 80% of the total population in our service area and approximately 18,000 highway miles. We have constructed a comprehensive network, which includes over 1,900 cell sites and seven switches, using time division multiple access digital technology. Our network is compatible with AT&T Wireless' network and with the networks of other wireless communications service providers that use time division multiple access digital technology. We believe that the quality and extensive coverage of our network provide a strategic advantage over wireless communications providers that we compete against.

- Experienced Management. We have a management team with a high level of experience in the wireless communications industry. Our senior management team has an average of 14 years of experience with wireless leaders such as AT&T, Verizon Communications, Horizon Cellular and ALLTEL Communications Inc. Our senior management team also owns more than 10% of our outstanding Class A common stock.

- Contiguous Service Area. We believe our contiguous service area allows us to cost effectively offer large regional calling areas to our customers and route a large number of minutes through our network, thereby reducing interconnect costs for other networks. Further, we believe that we generate operational cost savings, including sales and marketing efficiencies, by operating in a contiguous service area.

- Strong Capital Base. We believe that we have sufficient capital and availability under our credit facility to fund the build-out of our current network plan. On January 19, 2001, we completed the private sale of $350.0 million aggregate principal amount of 9 3/8% senior subordinated notes due 2011 for net proceeds of approximately $337.5 million, and on November 14, 2001, we completed the private sale of $400.0 million principal amount of 8 3/4% senior subordinated notes due 2011 for net proceeds of approximately $390.0 million. On February 28, 2001, we issued and sold 3,500,000 shares of our Class A common stock in a public offering at $32 per share and raised approximately $106.1 million, net of $5.9 million of costs. As of September 30, 2001, we had total capital of approximately $2.1 billion, $418.0 million of available cash and $175.0 million of available borrowings under our credit facility.

RECENT DEVELOPMENTS

Financings

On November 14, 2001, Triton PCS, Inc., our wholly owned subsidiary, completed the private sale of $400.0 million principal amount of 8 3/4% senior subordinated notes due 2011. The notes are guaranteed by all of the subsidiaries of Triton PCS and rank ratably with Triton PCS's outstanding 11% senior subordinated discount notes due 2008 and Triton PCS's 9 3/8% senior subordinated notes due 2011. Triton PCS received net proceeds of approximately $390.0 million, after deducting the initial purchasers' discount and estimated offering expenses, and used such proceeds to repay term borrowings under its senior credit facility.

Spectrum Cap Decision

The FCC has maintained a cap on the total amount of commercial mobile wireless service spectrum a single entity can hold in any geographic market. Commercial wireless licensees and their affiliates have been limited to a total of 45 megahertz of commercial mobile radio service spectrum in non-rural areas and 55 megahertz of commercial mobile radio service spectrum in rural areas. The FCC also has maintained other policies it believed promoted wireless competition, including a cellular cross interest rule under which each of the two cellular licensees in a particular market could only have a direct or indirect ownership interest of five percent or less in the other licensee. On November 8, 2001, the FCC voted to: (1) sunset the spectrum cap rule by eliminating it effective January 1, 2003; (2) upon effective order raise the cap to 55 megahertz in all markets until the sunset date; and (3) upon effective order eliminate the cellular cross-interest rule in non-rural markets. It is widely believed that the FCC's actions may spur consolidation in the commercial wireless industry.

Other Recent Developments

For other recent developments, we refer you to our most recent and future filings under the Securities Exchange Act of 1934.

THE OFFERING

Class A common stock offered by the selling stockholders	6,000,000 shares
Over-allotment option provided by the selling stockholders	900,000 shares
Common stock to be outstanding after this offering:	
Class A common stock	59,051,709 shares
Class B non-voting common stock	8,210,827 shares
Total	67,262,536 shares
Use of proceeds	We will not receive any proceeds from the sale of the shares of Class A common stock offered by the selling stockholders.
New York Stock Exchange symbol	"TPC"

Unless we specifically state otherwise, information in this prospectus about the number of shares of our outstanding Class A common stock upon closing of this offering:

- does not include 8,210,827 outstanding shares of our Class B non-voting common stock, which are convertible into Class A common stock in specified circumstances;
- does not include shares of our common stock issuable upon conversion of our outstanding Series A preferred stock, which is convertible at the holder's option into shares of our common stock beginning in 2006;
- does not include 12,504,720 shares of our common stock issuable upon conversion of our outstanding Series D preferred stock, which is convertible at the holder's option into shares of our common stock at any time; and
- does not include 4,954,494 shares of our Class A common stock reserved for issuance under our employee benefits plans.

Including shares of common stock issuable upon conversion of our outstanding Series D preferred stock, we have 79,767,256 common share equivalents outstanding.

SUMMARY FINANCIAL DATA

The following tables present selected financial data derived from audited financial statements of Triton for the period from March 6, 1997 to December 31, 1997, for the years ended December 31, 1998, 1999 and 2000 and the unaudited financial statements of Triton for the nine months ended September 30, 2000 and 2001. In the opinion of management, the interim financial data include all adjustments, consisting only of normal, recurring adjustments necessary for a fair presentation of results for the interim period. In addition, subscriber and customer data for the same periods are presented. The following financial information is qualified by reference to and should be read in conjunction with "Capitalization," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the financial statements and related notes appearing elsewhere in this prospectus supplement.

	March 6, 1997 through December 31, 1997	Year Ended December 31, 1998	1999	2000	Nine Months Ended September 30, 2000	2001
	(in thousands)					
Statement of Operations Data:						
Revenues:						
Service................	--	$ 11,172	$ 63,545	$ 224,312	$ 150,984	$ 284,876
Roaming................	--	4,651	44,281	98,492	71,641	93,995
Equipment.............	--	755	25,405	34,477	24,801	19,498
Total Revenues.......	--	16,578	133,231	357,281	247,426	398,369
Expenses:						
Costs of services and equipment (excluding noncash compensation of $0, $0, $142 and $1,026 for the periods ended December 31, 1997, 1998, 1999 and 2000, respectively and $340 and $1,746 for the nine months ended September 30, 2000 and 2001, respectively).........	--	10,466	107,521	194,686	137,438	179,381
Selling and marketing (excluding noncash compensation of $0, $0, $213 and $1,274 for the periods ended December 31, 1997, 1998, 1999 and 2000, respectively and $979 and $1,288 for the nine months ended September 30, 2000 and 2001,						

respectively).........	--	3,260	59,580	100,403	68,949	77,829
General and administrative (excluding noncash compensation of $0, $1,120, $2,954 and $5,967 for the periods ended December 31, 1997, 1998, 1999 and 2000, respectively and $3,978 and $8,758 for the nine months ended September 30, 2000 and 2001, respectively).........	$ 2,736	15,589	42,354	84,682	58,156	95,094
Non-cash compensation..........	--	1,120	3,309	8,267	5,297	11,792
Depreciation and amortization..........	5	6,663	45,546	94,131	68,970	93,213
Total operating expenses............	2,741	37,098	258,310	482,169	338,810	457,309
Loss from operations....	(2,741)	(20,520)	(125,079)	(124,888)	(91,384)	(58,940)
Interest and other expense................	(1,228)	(30,391)	(41,061)	(56,229)	(38,863)	(87,368)
Interest and other income.................	8	10,635	4,852	4,957	4,799	15,884
Gain on sale of property, equipment and marketable securities, net...................	--	--	11,928	--	--	--
Loss before taxes.......	(3,961)	(40,276)	(149,360)	(176,160)	(125,448)	(130,424)
Income tax (benefit) provision.............	--	(7,536)	--	746	--	--
Net loss...............	$ (3,961)	$ (32,740)	$ (149,360)	$ (176,906)	$ (125,448)	$ (130,424)
Accretion of preferred stock..................	--	(6,853)	(8,725)	(9,865)	(7,306)	(8,071)
Net loss available to common stockholders....	$ (3,961)	$ (39,593)	$ (158,085)	$ (186,771)	$ (132,754)	$ (138,495)
Net loss per common share (basic and diluted)..............	$ (1.25)	$ (8.18)	$ (9.79)	$ (3.01)	$ (2.14)	$ (2.14)
Weighted average common shares outstanding (basic and diluted)....	3,159,418	4,841,520	16,142,482	62,058,844	61,979,187	64,753,747

	As of December 31, 1997	As of December 31, 1998	As of December 31, 1999	As of December 31, 2000	As of September 30, 2000	As of September 30, 2001
	(in thousands)					
Balance Sheet Data:						
Cash and cash equivalents...........	$11,362	$146,172	$186,251	$ 1,617	$ 13,135	$ 417,969
Working capital (deficiency)..........	(5,681)	146,192	134,669	(54,305)	(5,296)	349,250
Property, plant and equipment, net.........	473	198,953	421,864	662,990	632,282	778,550
Total assets...........	13,253	686,859	979,797	1,065,890	1,036,288	1,701,777
Long-term debt and capital lease obligations...........	--	465,689	504,636	728,485	685,260	1,342,052
Redeemable preferred stock..................	--	80,090	94,203	104,068	101,509	112,139
Shareholders' equity (deficit).............	(3,959)	95,889	233,910	55,437	106,725	12,920

	March 6, 1997 through December 31, 1997	Year Ended December 31, 1998	Year Ended December 31, 1999	Year Ended December 31, 2000	Nine Months Ended September 30, 2000	Nine Months Ended September 30, 2001
	(in thousands, except subscriber and customer data)					
Other Data:						
Subscribers (end of period)...............	--	33,844	195,204	446,401	361,590	617,
Launched potential customers (end of period)...............	--	248,000	11,450,000	13,520,200	13,323,000	13,520,
EBITDA(1)..............	$(2,736)	$ (12,737)	$ (76,224)	$ (22,490)	$ (17,117)	$ 46,
Cash flows from:						
Operating activities...	$(1,077)	$ (4,130)	$ (51,522)	$ (35,097)	$ (40,108)	$ 10,
Investing activities...	(478)	(372,372)	(191,538)	(329,479)	(280,909)	(276,
Financing activities...	12,917	511,312	283,139	179,942	147,901	682,

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(1) "EBITDA" is defined as operating loss plus depreciation and amortization expense and non-cash compensation. EBITDA is a key financial measure but should not be construed as an alternative to operating income, cash flows from operating activities or net income (or loss), as determined in accordance with generally accepted accounting principles. EBITDA is not a measure determined in accordance with generally accepted accounting principles. We believe that EBITDA is a standard measure commonly reported and widely used by analysts and investors in the wireless communications industry. However, our method of computation may or may not be comparable to other similarly titled measures of other companies.

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RISK FACTORS

An investment in the Class A common stock involves a high degree of risk. In addition to the other information in this prospectus supplement, the accompanying prospectus and the documents incorporated and deemed to be incorporated in the accompanying prospectus by reference, you should carefully consider the following risks before making an investment decision. Our business, financial condition and results of operations could be harmed were any of the following risks or uncertainties to develop into actual events. In such case, the value of our Class A common stock could decline and you might lose all or part of your investment. The risks and uncertainties described below are not the only ones facing us. Additional risks and uncertainties not presently known to us, or that we currently see as immaterial, may also harm our business.

If AT&T Wireless is not successful as a provider of wireless communications, we may not be successful.

Our results of operations are highly dependent on our relationship with AT&T Wireless and AT&T and the success of their wireless strategy. AT&T Wireless is subject, to varying degrees, to the economic, administrative, logistical and other risks set forth in this prospectus. Because we market our products under the AT&T brand name, our results of operations could be adversely affected if either AT&T Wireless' or AT&T's reputation as a communication services provider declines.

We depend on our agreements with AT&T and AT&T Wireless for our success, and we would have difficulty operating without them.

Our results of operations are dependent upon agreements we have entered into with AT&T and AT&T Wireless in several ways:

- We market our products using equal emphasis co-branding with AT&T in accordance with a license agreement with AT&T, which we believe provides us with significant marketing advantages. The license agreement has an initial five-year term expiring February 2003 and may be terminated if we fail to comply with any of its material provisions.

- Most of our roaming revenues have historically been derived from AT&T Wireless' customers traveling through our areas. Our roaming agreement with AT&T Wireless provides that the per minute roaming rate charges to AT&T Wireless for its customers roaming onto our network will decline over the next several years. In addition, the roaming rate charges are subject to renegotiation by the parties from time to time on or after September 1, 2005. The roaming agreement has a 20-year term expiring in 2018 and may be terminated by AT&T Wireless if we breach any of its material provisions. Our ability to offer plans with low roaming rates would be adversely affected if this agreement were to be terminated.

In addition, if AT&T or its affiliates combine with specified entities with over $5 billion in annual revenues from telecommunications activities, that derive less than one-third of their aggregate revenues from the provision of wireless telecommunications and that have personal communications services or cellular licenses that cover at least 25% of the people covered by our licenses, then AT&T Wireless PCS may terminate its exclusivity obligations with us in markets that overlap with markets of those entities. Other providers could then enter into agreements with AT&T Wireless in those markets, exposing us to increased competition, and we could lose access to customers.

Our results of operations would be adversely affected if any of our agreements with AT&T or AT&T Wireless are terminated.

AT&T Wireless may compete with us, which could cause it to obtain subscribers who otherwise might use our AT&T-licensed services.

Under the terms of our stockholders' agreement, we are required to enter into a resale agreement at AT&T Wireless PCS's request. The resale agreement will allow AT&T Wireless to sell access to, and usage of, our services in our licensed area on a nonexclusive basis and using the AT&T brand. AT&T Wireless may be able to develop its own customer base in our licensed area during the term of the resale agreement.

Our inability to effectively manage our planned rapid growth could adversely affect our operations.

We have experienced rapid growth and development in a relatively short period of time and expect to continue to experience rapid growth in the future. The management of such growth will require, among other things, continued development of our financial and management controls and management information systems, stringent control of costs, increased marketing activities, ability to attract and retain qualified management personnel and the training of new personnel. We intend to hire additional personnel in order to manage our expected growth and expansion. Failure to successfully manage our expected rapid growth and development and difficulties in managing the build-out of our network could have a material adverse effect on our business, results of operations and financial condition.

Our future growth may require significant additional capital, and our substantial indebtedness could impair our ability to fund our capital requirements.

We believe that we have sufficient funds to complete the build-out of our network, but we may require additional capital in the event of significant departures from our current business plan, unforeseen delays, cost overruns, unanticipated expenses, regulatory changes, engineering design changes and other technological risks or if we acquire additional licenses. For example, AT&T Wireless has announced its intention to add a global system for mobile communications, or "GSM", overlay and the general packet radio service, or "GPRS", technology to its networks throughout the country, to be followed by a further upgrade to enhanced data rates for global evolution, or "EDGE", and then "UMTS", technology, each of which promises faster transmission speeds and increased capacity. If we decide to follow AT&T Wireless and adopt this technological upgrade plan, we will be required to spend incremental amounts that are not in our current capital budget. In addition, we engage, from time to time, in discussions with AT&T Wireless regarding possible acquisitions of additional personal communications services licenses from them. We may also engage in discussions regarding future acquisitions of wireless communications licenses within our currently licensed area. Sources of funding for our future capital requirements may include any or all of the following:

- public offerings or private placements of equity and debt securities;
- commercial bank loans; and
- equipment lease financing.

Due to our highly leveraged capital structure, additional financing may not be available to us, or, if it were available, it may not be available on a timely basis, on terms acceptable to us and within the limitations contained in the indentures governing our 11% senior subordinated discount notes due 2008, our 9 3/8% senior subordinated notes due 2011, our 8 3/4% senior subordinated notes due 2011, our credit facility and any new financing arrangements. Failure to obtain any appropriate financing, should the need for it develop, could result in the delay or abandonment of our development and expansion plans and our failure to meet regulatory requirements. It could also impair our ability to meet our debt service requirements and could have a material adverse effect on our business.

We have substantial indebtedness, and servicing our indebtedness could reduce funds available to grow our business.

We are highly leveraged. As of November 15, 2001, we had total consolidated long-term obligations of approximately $1.3 billion. Our high level of indebtedness could interfere with our ability to grow. For example, it could:

- increase our vulnerability to general adverse economic and industry conditions;
- limit our ability to obtain additional financing;
- require the dedication of a substantial portion of our cash flow from operations to the payment of principal of, and interest on, our indebtedness;
- limit our flexibility in planning for, or reacting to, changes in our business and the industry; and
- place us at a competitive disadvantage relative to less leveraged competitors.

Our ability to generate sufficient cash flow from operations to pay the principal of, and interest on, our indebtedness is uncertain. In particular, if we do not meet our anticipated revenue growth and operating expense targets, our future debt service obligations could exceed cash available to us. Further, we may not be able to refinance any of our indebtedness on commercially reasonable terms or at all.

We have many competitors in our markets that have substantial coverage areas, which makes it difficult for us to acquire and maintain a strong competitive position.

We compete in our markets with most of the major cellular and personal communications services companies in the United States. Many of our competitors have substantially greater financial, technological, marketing and sales and distribution resources than we do. Airtime and monthly access rates may continue to decline due to competition, and we may have to significantly discount our prices over a long period of time to attract customers, which would put downward pressure on our prices and make it more difficult for us to achieve positive cash flow.

We expect competition to intensify as a result of the consolidation of the industry and the development of new technologies, products and services. The wireless communications industry has been experiencing significant consolidation, and we expect this trend will continue. This consolidation trend may create additional large, well-capitalized competitors with substantial financial, technical, marketing and other resources.

Competitors who offer more services than we do may attract customers.

Some of our competitors market other services, such as traditional telephone services, cable television access and access to the Internet, together with their wireless communications services, which may make their services more attractive to customers.

In addition, we expect that in the future, providers of wireless communications services will compete more directly with providers of traditional landline telephone services, energy companies, utility companies and cable operators that expand their services to offer communications services.

We are dependent upon roaming revenue, and its seasonality will subject our revenue and net income to seasonal fluctuations.

In 1999, 2000 and the first nine months of this year, approximately 33.2%, 27.6% and 23.6%, respectively, of our revenues were derived from roaming charges incurred by other wireless providers for use of our network by their customers who had traveled within our coverage area. Most of that revenue was derived from AT&T Wireless' customers. Our coverage area includes a number of resort areas that contribute to our roaming revenue. As a result, our roaming revenue increases during vacation periods, introducing a measure of seasonality to our revenue and net income.

The wireless industry is experiencing rapid technological change, and we may lose customers if we fail to keep up with these changes.

The wireless telecommunications industry is experiencing significant technological change, as evidenced by the digital upgrades in existing analog wireless systems, ongoing improvements in the capacity and quality of digital technology, the development and commercial acceptance of advanced wireless data services, shorter development cycles for new products and enhancements and changes in end-user requirements and preferences. We may lose customers if we fail to keep up with these changes.

Many personal communications services providers have experienced a high rate of customer turnover which, if it affects us, may reduce our revenues.

Many providers in the personal communications services industry have experienced a high rate of customer turnover as compared to cellular industry averages. The rate of customer turnover may be the result of several factors, including price competition, network coverage, reliability issues such as blocked and dropped calls, handset problems, non-use of phones, change of employment, affordability, customer care concerns and other competitive factors. Our strategy to address customer turnover may not be successful, or the rate of customer turnover may be unacceptable. A high rate of customer turnover could reduce our revenues and have a material adverse effect on our competitive position and results of operations.

We are dependent on our FCC licenses, and our business could be harmed by adverse regulatory changes.

The FCC regulates the licensing, construction, operation, sale and interconnection arrangements of wireless telecommunications systems to varying degrees, as do some state and local regulatory agencies. In addition, the FCC, in conjunction with the FAA, regulates tower marking and lighting. We cannot assure you that either the FCC, the FAA or the state and local agencies having jurisdiction over our business will not adopt regulations or take other actions that would adversely affect our business.

Our principal assets are our FCC licenses to provide cellular and personal communications services. Our loss of any of those licenses would have a material adverse effect on our business. Our FCC licenses are subject to renewal in 2005, except for our cellular license for Myrtle Beach which is subject to renewal in 2010. Our FCC licenses are also subject to potential revocation if we do not comply with the FCC's rules.

Our success depends on our ability to attract and retain qualified personnel.

A small number of key executive officers manage our business. Their loss could have a material adverse effect on our operations. We believe that our future success will also depend in large part on our continued ability to attract and retain highly qualified technical and management personnel. We believe that there is, and will continue to be, intense competition for qualified personnel in the personal communications services industry as the emerging personal communications services market develops, and we cannot assure you that we will be successful in retaining our key personnel or in attracting and retaining other highly qualified technical and management personnel. We do not presently maintain key-man life insurance on any of our executives or other employees.

We will likely incur operating costs due to unauthorized use of our network.

As do most companies in the wireless industry, we will likely incur costs associated with the unauthorized use of our network, including administrative and capital costs associated with detecting, monitoring and reducing the incidence of fraud. Fraud impacts interconnection costs, capacity costs, administrative costs, fraud prevention costs and payments to other carriers for unbillable fraudulent roaming.

The technologies that we use may become obsolete, which would limit our ability to compete effectively and may result in increased costs to adopt a new technology.

If our technologies become obsolete, we may need to purchase and install equipment necessary to allow us to convert to new technologies to compete in the wireless communications marketplace. We have employed digital wireless communications technology using the current time division multiple access/IS-136 standards. Other digital technologies such as code division multiple access and global system for mobile communications may ultimately prove to be more advantageous than time division multiple access. For example, code division multiple access technology-based providers own licenses covering virtually all of the United States population. In addition, it is possible that a digital transmission technology other than time division multiple access technology (including global system for mobile communications, the prevalent standard in Europe) may gain sufficient acceptance in the United States to adversely affect the resources currently devoted by vendors to improving time division multiple access technology. If another technology becomes the preferred industry standard, we may be at a competitive disadvantage, and competitive pressures may require us to change our digital technology at substantial cost. We may not be able to respond to those pressures and implement new technology on a timely basis, or at an acceptable cost. If time division multiple access technology becomes obsolete at some time in the future, and we are unable to effect a cost-effective migration path, it could materially and adversely affect our financial condition, results of operations and liquidity. Time division multiple access/IS-136 standards may not always meet or exceed the capabilities and quality of other technologies.

Although all three standards are digital transmission technologies and share certain basic characteristics that differentiate them from analog transmission technology, they are not compatible or interchangeable with each other. In order to roam in other markets where no personal communications services licensee utilizes the time division multiple access technology standard, our subscribers must utilize tri-mode handsets to use an analog or digital cellular system in such markets. Generally, tri-mode handsets are more expensive than single or dual-mode handsets. The higher cost of these handsets may impede our ability to attract subscribers or achieve positive cash flow as planned.

In addition, if AT&T Wireless and its affiliates discontinue the use of time division multiple access digital technology and adopt a new technology, and we do not adopt the new technology, our exclusivity rights will terminate under our agreements with AT&T Wireless and its affiliates. We may not be able to successfully purchase and install the equipment necessary to allow us to convert to a new or different technology or to adopt a new or different technology at an acceptable cost, if at all. In addition, the technologies that we choose to invest in may not lead to successful implementation of our business plan. AT&T Wireless has announced that it will adopt the global system for mobile communications based GPRS technology standard for development of advanced services such as high speed transmission of data. To the extent that AT&T Wireless supplements its network with such technology, we may not be able to offer AT&T Wireless' customers all such advanced services, and we may lose the ability to collect roaming revenues from these services unless we also supplement our network with such technology.

If hand-held phones pose health and safety risks, we may be subject to new regulations, and there may be a decrease in demand for our services.

Media reports have suggested that, and studies are currently being undertaken to determine whether, certain radio frequency emissions from wireless handsets may be linked to various health concerns, including cancer, and may interfere with various electronic medical devices, including hearing aids and pacemakers. In addition, lawsuits have been filed against other participants in the wireless industry alleging various adverse health consequences as a result of wireless phone usage. If consumers' health concerns over radio frequency emissions increase, they may be discouraged from using wireless handsets, and regulators may impose restrictions on the location and operation of cell sites. These concerns could have an adverse effect on the wireless communications industry and expose wireless providers to further litigation, which, even if not successful, can be costly to defend. These concerns have received increased focus, including the adoption in July 2000 by the leading industry trade group of a policy under which member handset manufacturers will disclose emission levels. Additional studies of radio frequency emissions are ongoing. The ultimate findings of these studies will not be known until they are completed and made public. We cannot assure you that government authorities will not increase regulation of wireless handsets and cell sites as a result of these health concerns or that wireless companies will not be held liable for costs or damages associated with these concerns. The actual or perceived risk of radio frequency emissions could also adversely affect us through a reduced subscriber growth rate, a reduction in subscribers, reduced network usage per subscriber or reduced financing available to the wireless communications industry. During the past two years, the FCC has updated the guidelines and methods it uses for evaluating radio frequency emissions from radio equipment, including wireless handsets. In addition, interest groups have requested that the FCC investigate claims that time division multiple access and other digital technologies pose health concerns and cause interference with hearing aids and other medical devices. Although the updates impose new restrictive standards on radio frequency emissions from lower power devices such as wireless handsets, all wireless handsets that we offer our customers comply with the proposed standards.

Our use of the SunCom brand name for marketing may link our reputation with another SunCom company and may expose us to litigation.

We use the SunCom brand name to market our products and services in conjunction with another member of the AT&T Wireless Network, TeleCorp PCS, in order to broaden our marketing exposure and share the costs of advertising. It is possible that our reputation for quality products and

services under the SunCom brand name will be associated with the reputation of TeleCorp PCS, and any unfavorable consumer reaction to TeleCorp PCS could harm consumer perception of the SunCom brand name and, in turn, could adversely affect our own reputation.

AT&T Wireless has agreed to acquire TeleCorp PCS and announced its expectation to discontinue the use of the SunCom brand name. We are currently evaluating the impact of this transaction on our marketing strategy, and we currently plan to continue using the SunCom brand.

Our ability to obtain access to additional radio frequency spectrum through Lafayette Communications Company is subject to various uncertainties.

We may need additional spectrum in the future to meet demand for voice services or the deployment of next generation data services. One of our primary means to obtain access to additional spectrum for our personal communications services network is through participation in FCC auctions. The FCC concluded the bidding phase of its re-auction of licenses in the personal communications services C and F Blocks in the 1900 megahertz band on January 26, 2001. Although we did not participate in the auction, we have a non-controlling equity interest in Lafayette Communications Company L.L.C., which did participate in the auction. Of the 422 licenses offered, Lafayette was announced the winning bidder of thirteen 10 megahertz C Block licenses and one 10 megahertz F Block license. Five of these licenses were among those held by NextWave Personal Communications, Inc. On November 16, 2001, the FCC, NextWave and the major auction winners, including Lafayette, signed an agreement under which the auction winners would receive the disputed licenses. The settlement was ratified by the Department of Justice on November 27, 2001, but is still subject to approval by the bankruptcy court and is contingent on the passage of legislation by Congress. Lafayette currently holds licenses in seventeen markets in our service area and has additional applications to acquire licenses pending. There can be no assurance that Lafayette will receive all licenses for which it has pending applications or that the licenses will not be subject to court challenge, which could cause a delay in issuance of the licenses. We may not be successful in negotiating for use of spectrum acquired by Lafayette and may need to obtain additional spectrum from other sources which may not be available to us on commercially reasonable terms or at all.

The occurrence of extraordinary events, such as the attacks on the World Trade Center and the Pentagon, may have a material adverse effect on our business.

On September 11, 2001, terrorists attacked the World Trade Center in New York and the Pentagon in Washington D.C. While we have not yet fully analyzed the impact that these and potential future similar events may have on our business, it does not currently appear that our business will be negatively impacted by these events. We cannot assure you, however, that any future terrorist attacks or other acts of war will not have a material adverse effect on our business, results of operations and financial condition.

We have incurred, and may continue to incur, operating losses.

We have incurred operating losses during the development and construction of our personal communications services network and may continue to incur such losses as we build our customer base. Now that we have launched all 37 markets in our licensed area, our operating profitability will primarily depend on our ability to:

- market our services successfully;

- achieve our projected market penetration;
- manage customer turnover rates effectively; and
- price our services competitively.

We may not be able to successfully accomplish these tasks, and if we do not, we may not be able to achieve operating profitability or positive cash flow from operating activities in the future. Personal communications services systems have a limited operating history in the United States, and our operation of these systems in our markets may not become profitable.

Our debt instruments contain restrictive covenants that may limit our operating flexibility.

Our credit facility and the indentures governing our 11% senior subordinated discount notes due 2008, our 9 3/8% senior subordinated notes due 2011 and our 8 3/4% senior subordinated notes due 2011 contain significant covenants that limit our ability to engage in various transactions and, in the case of our credit facility, require satisfaction of specified financial performance criteria. In addition, under each of these documents, the occurrence of specific events, in some cases after notice and grace periods, would constitute an event of default permitting acceleration of the respective indebtedness. These events include:

- failure to comply with a document's covenants;
- material inaccuracies of representations and warranties;
- specified defaults under or acceleration of other indebtedness; and
- events of bankruptcy or insolvency.

The limitations imposed by our outstanding indebtedness are substantial, and failure to comply with them could have a material adverse effect on our business. We are in full compliance with our debt covenants as of the date of this prospectus.

A limited number of stockholders own a large amount of our stock; if they decide to vote their shares together in furtherance of their own interests and those interests are different from yours, the result could be that we will take actions that are not in your interest.

As of September 30, 2001, J.P. Morgan Partners (23A SBIC), LLC, J.P. Morgan SBIC LLC and its affiliates, Desai Capital Management Incorporated, Toronto Dominion Capital (U.S.A.), Inc., First Union Affordable Housing Community Development Corporation and its affiliates and Duff Ackerman Goodrich & Assoc. L.P., our initial institutional investors, in the aggregate, control approximately 55% of our total voting power, and Michael Kalogris and Steven Skinner control approximately 9% of our total voting power, in the aggregate. Those stockholders, other than J.P. Morgan SBIC LLC, have agreed that they will vote their shares together to elect two of our directors and, so long as AT&T Wireless PCS has the right to nominate a director under our certificate of incorporation, to elect AT&T Wireless PCS's nominee. As a result of their share ownership, these institutional investors and our management, if their interests are aligned or if they decide to vote their shares together, have the ability to control our future operations and strategy. Conflicts of interest between the institutional investors and management stockholders and our public stockholders may arise with respect to sales of shares of Class A common stock owned by the institutional investors and management stockholders or other matters. For example, sales of shares by the institutional investors and management stockholders could result in a change of control under our credit facility, which would constitute an event of default under the credit facility, and

under our indentures, which would require us to offer to repurchase our 11% senior subordinated discount notes due 2008, our 9 3/8% senior subordinated notes due 2011 and our 8 3/4% senior subordinated notes due 2011. In addition, the interests of our institutional investors and other existing stockholders regarding any proposed merger or sale may differ from the interests of our public stockholders, especially if the consideration to be paid for the Class A common stock is less than the price paid by public stockholders.

In an investors' agreement, our initial institutional investors, other than AT&T Wireless PCS, have agreed that investors holding 66 2/3% or more of the Class A common stock and Class B non-voting common stock held by these investors, in the aggregate, who propose to sell their shares of common stock may require the other investors to also participate in any such sale. As a result, such investors may have the effective right to sell control of Triton.

Our institutional investors invest in other personal communications services companies, and conflicts of interest may arise from these investments and from other directorships held by our directors that may not be resolved in our favor.

Our principal institutional investors, or their affiliates, currently have significant investments in personal communications services companies other than Triton. These institutional investors may in the future invest in other entities that compete with us. In addition, several of our directors serve as directors of other communications services companies. As a result, these directors may be subject to conflicts of interest during their tenure as directors of Triton. Because of these potential conflicts, these directors may be required to disclose periodically financial or business opportunities to us and to the other companies to which they owe fiduciary duties.

We do not intend to pay dividends in the foreseeable future.

We have never declared or paid any cash dividends on our common stock. For the foreseeable future, we intend to retain any earnings to finance the development and expansion of our business, and we do not anticipate paying any cash dividends on our common stock. Payment of any future dividends on our common stock will depend upon our earnings and capital requirements, the terms of our debt instruments and preferred stock and other factors our board of directors considers appropriate.

Our stock price is highly volatile.

The market price of our stock is highly volatile and subject to wide fluctuations in response to factors such as the following, some of which are beyond our control:

- quarterly variations in our operating results;

- operating results that vary from the expectations of securities analysts and investors;

- changes in expectations as to our future financial performance, including financial estimates by securities analysts and investors;

- changes in market valuations of other personal communications and telecommunications services companies;

- announcements of technological innovations or new services by us or our competitors; announcements by us or our competitors of significant contracts, acquisitions, strategic partnerships, joint ventures or capital commitments;

- additions or departures of key personnel;

- future sales of our securities; and

- stock market price and volume fluctuations.

Stock markets in the United States often experience extreme price and volume fluctuations. Market fluctuations, as well as general political and economic conditions such as a recession or interest rate or currency rate fluctuations, could adversely affect the market price of our stock.

Future sales of shares of Class A common stock could depress the price of the Class A common stock.

The market price of the Class A common stock could drop as a result of significant sales in the market. The perception that such sales could occur may also affect its trading price. These factors could also make it more difficult for us to raise funds through future offerings of common stock.

As of September 30, 2001, there were 59,045,022 shares of Class A common stock outstanding and 8,210,827 shares of Class B non-voting common stock outstanding, all of which are convertible into Class A common stock on a one-for-one basis in specified circumstances.

Of those shares, the 11.5 million shares sold in our initial public offering, the 6.9 million shares sold by us and certain selling stockholders in a secondary offering earlier this year and 1.6 million shares issued to employees pursuant to option and stock purchase plans, as well as the shares offered hereby, will be freely tradeable, except for any shares purchased by our affiliates, as that term is defined in Rule 144 under the Securities Act and subject to any vesting requirements for stock issued under our option and stock purchase plans. The remaining shares are restricted securities which may be resold under Rule 144. As of September 30, 2001, our executive officers, certain directors and the selling stockholders who hold an aggregate of approximately 32.6 million shares of our Class A common stock and 8.2 million shares of our Class B non-voting common stock have agreed to contractual lock-ups with the underwriters for a period of 90 days after this offering, subject to specified exceptions, but may resell their shares under Rule 144 after the expiration of the 90 day lock-up. AT&T Wireless, which holds 12.5 million shares of common stock issuable upon conversion of our Series D preferred stock and additional shares of Class A common stock issuable upon conversion of our Series A preferred stock, has not agreed to a contractual lockup and currently may resell its shares pursuant to Rule 144. Under Rule 144, holders that are not our affiliates who have held restricted shares for more than two years may freely resell those shares at any time, and those that are our affiliates or who have held restricted shares for at least one year may resell those shares subject to the volume and other limitations contained in Rule 144. In addition to their rights under Rule 144, we have granted the holders of our restricted shares demand registration rights that will entitle them to require us to register their shares.

As restrictions on resale end, the market price of our Class A common stock could drop significantly if the holders of these securities sell them or are perceived by the market as intending to sell them. In addition, Salomon Smith Barney may in its own discretion, at any time, release all or any portion of the shares subject to lock-up agreements.

Anti-takeover provisions affecting us could prevent or delay a change of control that is beneficial to you.

Provisions of our certificate of incorporation and bylaws, provisions of our debt instruments and other agreements, and provisions of applicable Delaware law and applicable federal and state

regulations may discourage, delay or prevent a merger or other change of control that holders of our securities may consider favorable. These provisions could:

- have the effect of delaying, deferring or preventing a change in control of our company;
- discourage bids for our securities at a premium over the market price;
- adversely affect the market price of, and the voting and other rights of the holders of, our securities; or
- impede the ability of the holders of our securities to change our management.

In addition, our stockholders' agreement, credit facility and indentures for our outstanding public debt contain limitations on our ability to enter into change of control transactions.

Our business is subject to regulation by the FCC and state regulatory commissions or similar state regulatory agencies in the states in which we operate. The FCC and some states have statutes or regulations that would require an investor who acquires a specified percentage of our securities or the securities of one of our subsidiaries to obtain approval to own those securities from the FCC or the applicable state commission.

Your ownership interest could be diluted upon conversion of our Series A preferred stock.

AT&T Wireless owns 786,253 shares of our Series A preferred stock. The Series A preferred stock has a liquidation value of $100 per share with dividends accruing at an annual rate of $10 per share, compounding quarterly from March 31, 1998. On or after February 4, 2006, AT&T Wireless may convert each share of Series A preferred stock into a number of shares of common stock equal to:

- $100 plus unpaid dividends on the share of Series A preferred stock

divided by

- the market price of one share of Class A common stock on the date of conversion.

As a result, AT&T Wireless will be entitled to a larger number of shares of Class A common stock if the market value of the Class A common stock declines. Any conversion by AT&T Wireless will dilute the ownership interest of our existing shares of Class A common stock, which could cause the price of shares of our Class A common stock to decline.

CAPITALIZATION

The following table sets forth our cash and capitalization as of September 30, 2001:

- on an actual basis; and
- on an as adjusted basis to give effect to the issuance of $400.0 million principal amount of our 8 3/4% senior subordinated notes due 2011 and the application of approximately $390.0 million of net proceeds therefrom, in November 2001.

The sale of shares of our Class A common stock by the selling stockholders will not affect our capitalization. This table should be read in conjunction with "Selected Historical Consolidated Financial Data," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our financial statements and related notes thereto included elsewhere in this prospectus supplement.

	Unaudited As of September 30, 2001	
	Actual	As Adjusted
	(in thousands)	
Cash and cash equivalents	$ 417,969	$ 417,969
Long-term obligations:		
Bank credit facility	$ 575,000	$ 185,000
8 3/4% senior subordinated notes due 2011	--	400,000
9 3/8% senior subordinated notes due 2011	338,487	338,487
11% senior subordinated discount notes due 2008	425,644	425,644
Capital lease obligations	2,921	2,921
	1,342,052	1,352,052
Series A redeemable convertible preferred stock, $.01 par value; 1,000,000 shares authorized, $.01 par value, 786,253 shares issued and outstanding	112,139	112,139
Shareholders' Equity:		
Series B preferred stock, $.01 par value; 50,000,000 shares authorized, no shares issued or outstanding	--	--
Series C preferred stock, $.01 par value; 3,000,000 shares authorized, no shares issued and outstanding	--	--
Series D preferred stock, $.01 par value; 16,000,000 shares authorized, 543,683 shares issued and		

outstanding	5	5
Class A common stock, $.01 par value, 520,000,000 shares authorized, 59,146,267 shares issued and 59,045,022 outstanding	591	591
Class B non-voting common stock, $.01 par value; 60,000,000 shares authorized, 8,210,827 shares issued and outstanding	82	82
Additional paid-in capital	626,364	626,364
Accumulated deficit	(493,421)	(493,421)
Accumulated other comprehensive income/(loss)	(20,994)	(20,994)
Deferred compensation	(98,437)	(98,437)
Common stock held in treasury, at cost	(1,270)	(1,270)
Total shareholders' equity	12,920	12,920
Total capitalization	$1,467,111	$1,477,111

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USE OF PROCEEDS

We will not receive any proceeds from the sale of Class A common stock by the selling stockholders.

DIVIDEND POLICY

We have never declared or paid a cash dividend on our common stock. For the foreseeable future, we intend to retain any earnings to finance the development and expansion of our business, and we do not anticipate paying any cash dividends on our common stock. Any future determination to pay dividends will be at the discretion of our board of directors and will be dependent upon then existing conditions, including our financial condition and results of operations, contractual restrictions, business prospects and other factors that the board of directors considers relevant. Our ability to pay dividends is restricted by the terms of our preferred stock, our indentures and our credit facility.

PRICE RANGE OF CLASS A COMMON STOCK

Our Class A common stock began trading on the New York Stock Exchange under the trading symbol "TPC" on July 31, 2001. From October 28, 1999 through July 30, 2001, our Class A common stock was traded on the Nasdaq National Market under the trading symbol "TPCS". The following table provides the high and low closing sales prices for our Class A common stock as reported on the New York Stock Exchange or the Nasdaq National Market, as appropriate, since the Class A common stock began trading publicly on October 28, 1999 for each of the periods indicated:

	Price of Class A Common Stock	
	High	Low
Year Ended December 31, 1999		
Fourth Quarter (from October 28, 1999)	$47.19	$18.00

Year Ended December 31, 2000		
First Quarter	68.88	39.38
Second Quarter	60.00	37.88
Third Quarter	59.25	25.00
Fourth Quarter	52.38	25.94
Year Ending December 31, 2001		
First Quarter	45.69	29.44
Second Quarter	41.00	28.63
Third Quarter	42.36	31.99
Fourth Quarter (through November 28, 2001)	37.90	30.40

On November 28, 2001, the closing sales price for our Class A common stock as reported on the New York Stock Exchange was $31.13.

SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA

The following tables present selected financial data derived from audited financial statements of Triton for the period from March 6, 1997 to December 31, 1997, for the years ended December 31, 1998, 1999 and 2000 and the unaudited financial statements of Triton for the nine months ended September 30, 2000 and 2001. In the opinion of management, the interim financial data include all adjustments, consisting only of normal, recurring adjustments necessary for a fair presentation of results for the interim period. In addition, subscriber and customer data for the same periods are presented. The following financial information is qualified by reference to and should be read in conjunction with "Capitalization," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the financial statements and related notes appearing elsewhere in this prospectus supplement.

	March 6, 1997 through December 31, 1997	Year Ended December 31,			Nine Months Ended September 30,	
	1997	1998	1999	2000	2000	2001
	(in thousands)					
Statement of Operations Data:						
Revenues:						
Service	--	$ 11,172	$ 63,545	$ 224,312	$ 150,984	$ 284,876
Roaming	--	4,651	44,281	98,492	71,641	93,995
Equipment	--	755	25,405	34,477	24,801	19,498
Total Revenues	--	16,578	133,231	357,281	247,426	398,369
Expenses:						
Costs of services and equipment (excluding noncash compensation of $0, $0, $142 and $1,026 for the periods ended December 31, 1997, 1998, 1999 and 2000,						

respectively and $340 and $1,746 for the nine months ended September 30, 2000 and 2001, respectively).........	--	10,466	107,521	194,686	137,438	179,381
Selling and marketing (excluding noncash compensation of $0, $0, $213 and $1,274 for the periods ended December 31, 1997, 1998, 1999 and 2000, respectively and $979 and $1,288 for the nine months ended September 30, 2000 and 2001, respectively).........	--	3,260	59,580	100,403	68,949	77,829
General and administrative (excluding noncash compensation of $0, $1,120, $2,954 and $5,967 for the periods ended December 31, 1997, 1998, 1999 and 2000, respectively and $3,978 and $8,758 for the nine months ended September 30, 2000 and 2001, respectively).........	$ 2,736	15,589	42,354	84,682	58,156	95,094
Non-cash compensation..........	--	1,120	3,309	8,267	5,297	11,792
Depreciation and amortization..........	5	6,663	45,546	94,131	68,970	93,213
Total operating expenses............	2,741	37,098	258,310	482,169	338,810	457,309
Loss from operations....	(2,741)	(20,520)	(125,079)	(124,888)	(91,384)	(58,940)
Interest and other expense................	(1,228)	(30,391)	(41,061)	(56,229)	(38,863)	(87,368)
Interest and other income.................	8	10,635	4,852	4,957	4,799	15,884
Gain on sale of property, equipment and marketable securities, net....................	--	--	11,928	--	--	--
Loss before taxes.......	(3,961)	(40,276)	(149,360)	(176,160)	(125,448)	(130,424)
Income tax (benefit) provision.............	--	(7,536)	--	746	--	--
Net loss................	$ (3,961)	$ (32,740)	$ (149,360)	$ (176,906)	$ (125,448)	$ (130,424)
Accretion of preferred stock.................	--	(6,853)	(8,725)	(9,865)	(7,306)	(8,071)
Net loss available to						

common stockholders....	$ (3,961)	$ (39,593)	$ (158,085)	$ (186,771)	$ (132,754)	$ (138,495)
Net loss per common share (basic and diluted)...............	$ (1.25)	$ (8.18)	$ (9.79)	$ (3.01)	$ (2.14)	$ (2.14)
Weighted average common shares outstanding (basic and diluted)....	3,159,418	4,841,520	16,142,482	62,058,844	61,979,187	64,753,747

	As of December 31,				As of September 30,	
	1997	1998	1999	2000	2000	2001
	(in thousands)					
Balance Sheet Data:						
Cash and cash equivalents............	$11,362	$146,172	$186,251	$ 1,617	$ 13,135	$ 417,969
Working capital (deficiency)...........	(5,681)	146,192	134,669	(54,305)	(5,296)	349,250
Property, plant and equipment, net.........	473	198,953	421,864	662,990	632,282	778,550
Total assets............	13,253	686,859	979,797	1,065,890	1,036,288	1,701,777
Long-term debt and capital lease obligations............	--	465,689	504,636	728,485	685,260	1,342,052
Redeemable preferred stock..................	--	80,090	94,203	104,068	101,509	112,139
Shareholders' equity (deficit).............	(3,959)	95,889	233,910	55,437	106,725	12,920

	March 6, 1997 through December 31, 1997	Year Ended December 31, 1998	1999	2000	Nine Months Ended September 30, 2000	2001
	(in thousands, except subscriber and customer data)					
Other Data:						
Subscribers (end of period)................	--	33,844	195,204	446,401	361,590	617,
Launched potential customers (end of period)........	--	248,000	11,450,000	13,520,200	13,323,000	13,520,
EBITDA(1)..............	$(2,736)	$ (12,737)	$ (76,224)	$ (22,490)	$ (17,117)	$ 46,
Cash flows from:						
Operating activities...	$(1,077)	$ (4,130)	$ (51,522)	$ (35,097)	$ (40,108)	$ 10,
Investing activities...	(478)	(372,372)	(191,538)	(329,479)	(280,909)	(276,
Financing activities...	12,917	511,312	283,139	179,942	147,901	682,

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(1) "EBITDA" is defined as operating loss plus depreciation and amortization expense and non-cash compensation. EBITDA is a key financial measure but should not be construed as an alternative to operating income, cash flows from operating activities or net income (or loss), as determined in accordance with generally accepted accounting principles. EBITDA is not a measure determined in accordance with generally accepted accounting principles. We believe that EBITDA is a standard measure commonly reported and widely used by analysts and investors in the wireless communications industry. However, our method of computation may or may not be comparable to other similarly titled measures of other companies.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Introduction

The following discussion and analysis is based upon our financial statements as of the dates and for the periods presented in this section. You should read this discussion and analysis in conjunction with our financial statements and the related notes contained elsewhere in this prospectus supplement.

Triton was incorporated in October 1997. In February 1998, we entered into a joint venture with AT&T Wireless. As part of the agreement, AT&T Wireless contributed to us personal communications services licenses covering 20 megahertz, or "MHz," of authorized frequencies in a contiguous geographic area encompassing portions of Virginia, North Carolina, South Carolina, Tennessee, Georgia and Kentucky in exchange for an equity position in Triton. As part of the transaction, we were granted the right to be the exclusive provider of wireless mobility services using equal emphasis co-branding with AT&T within our region.

On June 30, 1998, we acquired an existing cellular system serving Myrtle Beach and the surrounding area from Vanguard Cellular Systems of South Carolina, Inc. In connection with this acquisition, we began commercial operations and earning recurring revenue in July 1998. We integrated the Myrtle Beach system into our personal communications services network as part of our initial network deployment. Substantially all of our revenues prior to 1999 were generated by cellular services provided in Myrtle Beach. Our results of operations do not include the Myrtle Beach system prior to our acquisition of that system.

We began generating revenues from the sale of personal communications services in the first quarter of 1999 as part of our personal communications services network build-out. We have successfully launched service in all 37 markets of our license area. Our network build-out currently focuses on covering major highways linking the cities in our licensed area, as well as neighboring cities where AT&T Wireless and other carriers use compatible wireless technology.

Revenue

We derive our revenue from the following sources:

- Service. We sell wireless personal communications services. The various types of service revenue associated with wireless communications services for our subscribers include monthly recurring charges and monthly non-recurring airtime charges for local, long distance and roaming airtime used in excess of pre-subscribed usage. Our customers' roaming charges are rate plan dependent and based on the number of pooled minutes included in their plans. Service revenue also includes monthly non-recurring airtime usage charges associated with our prepaid subscribers and non-recurring activation and de-activation service charges.

- Equipment. We sell wireless personal communications handsets and accessories that are used by our customers in connection with our wireless services.

- Roaming. We charge per minute fees to other wireless telecommunications companies for their customers' use of our network facilities to place and receive wireless services.

We believe our roaming revenues will be subject to seasonality. We expect to derive increased revenues from roaming during vacation periods, reflecting the large number of tourists visiting resorts in our coverage area. We believe that our equipment revenues will also be seasonal, as we expect sales of telephones to peak in the fourth quarter, primarily as a result of increased sales during the holiday season. Although we expect our overall revenues to increase due to increasing roaming minutes, our per-minute revenue will decrease over time according to the terms of our agreements with AT&T wireless.

Costs and Expenses

Our costs of services and equipment include:

- Equipment. We purchase personal communications services handsets and accessories from third party vendors to resell to our customers for use in connection with our services. Because we subsidize the sale of handsets to encourage the use of our services, the cost of handsets is higher than the resale price to the customer. We do not manufacture any of this equipment.

- Roaming Fees. We incur fees to other wireless communications companies based on airtime usage by our customers on other wireless communications networks.

- Transport and Variable Interconnect. We incur charges associated with interconnection with other wireline and wireless carriers' networks. These fees include monthly connection costs and other fees based on minutes of use by our customers.

- Variable Long Distance. We pay usage charges to other communications companies for long distance service provided to our customers. These variable charges are based on our subscribers' usage, applied at pre-negotiated rates with the other carriers.

- Cell Site Costs. We incur expenses for the rent of towers, network facilities, engineering operations, field technician, and related utility and maintenance charges.

Recent industry data indicate that transport, interconnect, roaming and long distance charges that we currently incur will continue to decline, due principally to competitive pressures and new technologies. Cell site costs are expected to increase due to escalation factors included in the lease agreements.

Other expenses include:

- Selling and Marketing. Our selling and marketing expense includes the cost of brand management, external communications, retail distribution, sales training, direct, indirect, third party and telemarketing support.

- General and Administrative. Our general and administrative expense includes customer care, billing, information technology, finance, accounting, legal services, network implementation, product development, and engineering management. Functions such as customer care, billing, finance, accounting and legal services are likely to remain centralized in order to achieve economies of scale.

- Depreciation and Amortization. Depreciation of property and equipment is computed using the straight-line method, generally over three to twelve years, based upon estimated useful lives. Leasehold improvements are amortized over the lesser of the useful lives of the assets or the term of the lease. Network development costs incurred to ready our network for use

are capitalized. Amortization of network development costs begins when the network equipment is ready for its intended use and is amortized over the estimated useful life of the asset. Our personal communications services licenses and our cellular license are being amortized over a period of 40 years.

- Non-cash Compensation. As of September 30, 2001, we recorded $98.4 million of deferred compensation associated with the issuances of our common and preferred stock to employees. The compensation is being recognized over the vesting period. In addition, we sold to certain directors and an officer, subject to stock purchase agreements, an aggregate of 3,400 shares of our Series C preferred stock. Compensation expense was recognized for the excess of the fair market value at the date of issuance over the amounts paid.

- Interest Income (Expense) and other. Interest income is earned primarily on our cash and cash equivalents. Interest expense through September 30, 2001 consists of interest on Triton PCS's credit facility, the 11% senior subordinated discount notes due 2008 and the 9 3/8% senior subordinated notes due 2011, net of capitalized interest. Other expenses include amortization of certain financing charges.

Our ability to improve our margins will depend on our ability to manage our variable costs, including selling, general and administrative expense, costs per gross added subscriber and costs of building out our network. We expect our operating costs to grow as our operations expand and our customer base and call volumes increase. Over time, these expenses should represent a reduced percentage of revenues as our customer base grows. Management will focus on application of systems and procedures to reduce billing expense and improve subscriber communication. These systems and procedures will include debit billing, credit card billing, over-the-air payment and Internet billing systems.

Results of Operations

Nine months ended September 30, 2001 compared to the nine months ended September 30, 2000

Net subscriber additions were 171,403 for the nine months ended September 30, 2001, bringing our total subscribers to 617,804 as of September 30, 2001. The continued strong demand for our digital service offerings and pricing plans has allowed us to sustain this level of subscriber growth.

The wireless industry typically generates a higher number of subscriber additions and handsets sales in the fourth quarter of each year compared to the other quarters. This is due to the use of retail distribution, which is dependent on the holiday shopping season, the timing of new products and service introductions, and aggressive marketing and sales promotions.

Subscriber attrition, or churn, was 1.93% and 1.81% for the nine months ended September 30, 2001 and 2000, respectively. We believe that our churn rate remains consistently low due to our high quality system performance, our commitment to quality customer service and our focused collection efforts.

An important operating metric in the wireless industry is average revenue per user, which summarizes the average monthly service revenue per customer. Average revenue per user was $59.54 and $61.23 for the nine months ended September 30, 2001 and 2000, respectively. We continue to focus on attracting new customers with rate plans that provide more value to the customer.

Service revenues were $284.9 million and $151.0 million for the nine months ended September 30, 2001 and 2000, respectively. Service revenues consist of monthly recurring access and feature charges and monthly non-recurring charges comprised primarily of roaming airtime usage and local and long distance usage in excess of the pre-subscribed usage plans. The increase in service revenues of $133.9 million over the same period in 2000 was due primarily to subscriber growth. Equipment revenues were $19.5 million and $24.8 million for the nine months ended September 30, 2001 and 2000, respectively. The equipment revenues decrease of $5.3 million over the same period in 2000 was due primarily to a decrease in the average sales price per handset sold, partially offset by an increase in gross additions. Roaming revenues were $94.0 million and $71.6 million for the nine months ended September 30, 2001 and 2000, respectively. The increase in roaming revenues of $22.4 million was due to increased roaming minutes of use resulting from our roaming partners' continued subscriber growth and our network build-out, partially offset by a contractual decrease in our service charge per minute.

Costs of service were $127.4 million and $91.2 million for the nine months ended September 30, 2001 and 2000, respectively. Costs of service are comprised primarily of network operating costs, roaming expense and long distance expense. The increase in costs of service of $36.2 million over the same period in 2000 was due primarily to increased costs of expanding and maintaining our wireless network to support an increase in the number of subscriber and roamer minutes of use. Cost of equipment was $52.0 million and $46.3 million for the nine months ended September 30, 2001 and 2000, respectively. The increase of $5.7 million over the same period in 2000 is due primarily to an increase in gross additions.

Selling and marketing costs were $77.8 million and $68.9 million for the nine months ended September 30, 2001 and 2000, respectively. The increase of $8.9 million over the same period in 2000 was primarily due to the expansion of our sales distribution channels.

General and administrative expenses were $95.1 million and $58.2 million for the nine months ended September 30, 2001 and 2000, respectively. The increase of $36.9 million over the same period in 2000 was primarily due to the growth of infrastructure and staffing related to information technology, customer care and other administrative functions established in conjunction with the corresponding growth in our subscriber base.

EBITDA is defined as operating loss plus depreciation and amortization expense and non-cash compensation. We believe EBITDA provides meaningful additional information on our operating results and on our ability to service our long-term debt and other fixed obligations, as well as our ability to fund our continued growth. EBITDA is considered by many financial analysts to be a meaningful indicator of an entity's ability to meet its future financial obligations. Growth in EBITDA is considered to be an indicator of future profitability, especially in a capital-intensive industry such as wireless telecommunications. EBITDA should not be construed as an alternative to operating income (loss) as determined in accordance with United States GAAP, as an alternate to cash flows from operating activities as determined in accordance with United States GAAP or as a measure of liquidity. EBITDA was $46.1 million and a loss of $17.1 million for the nine months ended September 30, 2001 and 2000, respectively. The increase of $63.2 million over the same period in 2000 resulted primarily from Triton's growth as discussed in the items above.

Non-cash compensation was $11.8 million and $5.3 million for the nine months ended September 30, 2001 and 2000, respectively. The increase of $6.5 million over the same period in 2000 was attributable to the vesting of an increased number of restricted shares.

Depreciation and amortization expenses were $93.2 million and $69.0 million for the nine months ended September 30, 2001 and 2000, respectively. The increase of $24.2 million over the same period in 2000 relates to increases in our network placed into service. Depreciation will continue to increase as additional portions of our network are placed into service.

Interest and other expense was $87.4 million, net of capitalized interest of $4.9 million, for the nine months ended September 30, 2001. Interest expense was $38.9 million, net of capitalized interest of $7.9 million, for the nine months ended September 30, 2000. The increase of $48.5 million over the same period in 2000 relates primarily to interest accrued on the 9 3/8% senior subordinated notes issued in January 2001 and additional draws on our credit facility. For the nine months ended September 30, 2001, we had a weighted average interest rate of 9.46% on our average borrowings under our bank credit facility and our average obligation for the senior subordinated debt.

Interest income was $15.9 million and $4.8 million for the nine months ended September 30, 2001 and 2000, respectively. The increase of $11.1 million over the same period in 2000 was due primarily to higher average cash balances.

Net loss was $130.4 million and $125.4 million for the nine months ended September 30, 2001 and 2000, respectively. The increase in net loss of $5.0 million over the same period in 2000 resulted primarily from the items discussed above.

Year ended December 31, 2000 compared to the year ended December 31, 1999

Net subscriber additions were 251,197 and 161,360 for the years ended December 31, 2000 and 1999, respectively. Subscribers were 446,401 and 195,204 as of December 31, 2000 and 1999, respectively. The increase in subscribers was primarily due to offering twelve months of service in the 27 markets launched as of December 31, 1999 as part of our network build-out, launching 10 additional markets between December 31, 1999 and December 31, 2000 as part of the network build-out, and continued strong demand for our digital service offerings and pricing plans.

The wireless industry typically generates a higher number of subscriber additions and handset sales in the fourth quarter of each year compared to the other quarters. This is due to the use of retail distribution, which is dependent on the holiday shopping season, the timing of new products and service introductions, and aggressive marketing and sales promotions.

Subscriber churn was 1.80% and 1.86% for the years ended December 31, 2000 and 1999, respectively. We believe that our churn rate remains consistently low due to our high quality system performance, our commitment to quality customer service and our focused collection efforts.

Average revenue per user was $60.99 and $57.81 for the years ended December 31, 2000 and 1999, respectively. We continue to focus on attracting new customers with rate plans that provide more value to the customer at a higher average customer bill.

Total revenue was $357.3 million and $133.2 million for the years ended December 31, 2000 and 1999, respectively. Service revenue was $224.3 million and $63.5 million for the years ended December 31, 2000 and 1999, respectively. The increase in service revenue of $160.8 million was due primarily to growth of subscribers. Equipment revenue was $34.5 million and $25.4 million for the years ended December 31, 2000 and 1999, respectively. The equipment revenues increase of $9.1 million was due primarily to the increase in gross additions. Roaming revenue was $98.5 million and $44.3 million for the years ended December 31, 2000 and 1999, respectively. The increase in roaming revenues of $54.2 million was due to increased roaming minutes of use resulting from our continued network build-out, partially offset by a contractual decrease in our service charge per minute.

Cost of service was $125.3 million and $63.2 million for the years ended December 31, 2000 and 1999, respectively. The increase in costs of service of $62.1 million was due primarily to increased costs of expanding and maintaining our wireless network to support an increase in the number of subscriber and roamer minutes of use. Cost of equipment was $69.4 million and $44.3 million for the years ended December 31, 2000 and 1999, respectively. The increase of $25.1 million was due primarily to an increase in subscriber additions.

Selling and marketing costs were $100.4 million and $59.6 million for the years ended December 31, 2000 and 1999, respectively. The increase of $40.8 million was primarily due to the expansion of our sales distribution channels and advertising and promotion costs associated with the additional markets launched.

General and administrative expenses were $84.7 million and $42.4 million for the years ended December 31, 2000 and 1999, respectively. The increase of $42.3 million was primarily due to the development and growth of infrastructure and staffing related to information technology, customer care, collections, retention and other administrative functions established in conjunction with launching additional markets and the corresponding growth in subscriber base.

EBITDA represents operating loss plus depreciation and amortization expense and non-cash compensation. We believe EBITDA provides meaningful additional information on our operating results and on our ability to service our long-term debt and other fixed obligations as well as our ability to fund our continued growth. EBITDA is considered by many financial analysts to be a meaningful indicator of an entity's ability to meet its future financial obligations. Growth in EBITDA is considered to be an indicator of future profitability, especially in a capital-intensive industry such as wireless telecommunications. EBITDA should not be construed as an alternative to operating income (loss) as determined in accordance with United States GAAP, as an alternate to cash flows from operating activities as determined in accordance with United States GAAP, or as a measure of liquidity. EBITDA was a loss of $22.5 million and a loss of $76.2 million for the years ended December 31, 2000 and 1999, respectively. The decrease in the loss of $53.7 million resulted primarily from the items discussed above.

Non-cash compensation expense was $8.3 million and $3.3 million for the years ended December 31, 2000 and 1999, respectively. The increase of $5.0 million is attributable to the vesting of an increased number of restricted shares.

Depreciation and amortization expenses were $94.1 million and $45.5 million for the years ended December 31, 2000 and 1999, respectively. The increase of $48.6 million relates primarily to depreciation of our fixed assets as well as the amortization on our personal communications services licenses and AT&T agreements upon the commercial launch of our markets. Depreciation will continue to increase as additional portions of our network are placed into service.

Interest and other expense was $56.2 million, net of capitalized interest of $9.5 million, for the year ended December 31, 2000. Interest and other expense was $41.1 million, net of capitalized interest of $12.3 million, for the year ended December 31, 1999. The increase of $15.1 million relates primarily to additional draws on our credit facility totaling $182.8 million and less capitalized interest as a result of assets placed into service. For the year ended December 31, 2000, we had a weighted average interest rate of 10.98% on our average borrowings under our bank credit facility and our average obligation for the senior subordinated debt.

Interest income was $5.0 million and $4.9 million for the years ended December 31, 2000 and 1999, respectively. The increase of $0.1 million was due primarily to interest on slightly higher average cash balances.

Gain on sale of property, equipment and marketable securities was $11.9 million for the year ended December 31, 1999, relating primarily to the gain recorded on the tower sale of $11.6 million, and the gain on the sale of marketable securities of $1.0 million, partially offset by a $0.8 million loss on the sale of furniture and fixtures. We recorded no gains or losses on the sale of assets in 2000.

Net loss was $176.9 million and $149.4 million for the years ended December 31, 2000 and 1999, respectively. The net loss increase of $27.5 million resulted primarily from the items discussed above.

Year ended December 31, 1999 compared to the year ended December 31, 1998

Total revenue was $133.2 million and $16.6 million for the years ended December 31, 1999 and 1998, respectively. Service revenue was $63.5 million and $11.2 million for the years ended December 31, 1999 and 1998, respectively. Equipment revenue was $25.4 million and $0.8 million for the years ended December 31, 1999 and 1998, respectively. Roaming revenue was $44.3 million and $4.7 million for the years ended December 31, 1999 and 1998, respectively. This revenue increase was primarily related to launching 27 markets as part of our network build-out.

Cost of service and equipment was $107.5 million and $10.5 million for the years ended December 31, 1999 and 1998, respectively. These costs were primarily related to launching 27 markets as part of our network build-out.

Selling and marketing expenses were $59.6 million and $3.3 million for the years ended December 31, 1999 and 1998, respectively. The increase of $56.3 million was due to increased salary and benefit expenses for new sales and marketing staff and advertising and promotion associated with launching 27 markets as part of our network build-out.

General and administrative expenses were $42.4 million and $15.6 million for the years ended December 31, 1999 and 1998, respectively. The increase of $26.8 million was due to the development and growth of infrastructure and staffing related to information technology, customer care and other administrative functions incurred in conjunction with the commercial launch of 27 markets during 1999.

Non-cash compensation expense was $3.3 million and $1.1 million for the years ended December 31, 1999 and 1998, respectively. This increase is attributable to the issuance of additional shares in 1999 and to an increase in the vesting of certain restricted shares as compared to the same period in 1998.

Depreciation and amortization expense was $45.5 million and $6.7 million for the years ended December 31, 1999 and 1998, respectively. This increase of $38.8 million was related to depreciation of our fixed assets, as well as the initiation of amortization on personal communications services licenses and the AT&T agreements upon the commercial launch of our markets.

Interest expense was $41.1 million, net of capitalized interest of $12.3 million, and $30.4 million, net of capitalized interest of $3.5 million, for the years ended December 31, 1999 and 1998, respectively. The increase is attributable to increased borrowings as compared to the same period in 1998.

Interest income was $4.9 million and $10.6 million for the years ended December 31, 1999 and 1998, respectively. This reduction is due primarily to lower average cash balances resulting from the continued network build-out.

Gain on sale of property, equipment and marketable securities was $11.9 million for the year ended December 31, 1999, relating primarily to the gain recorded on the tower sale of $11.6 million, and the gain on the sale of marketable securities of $1.0 million, partially off set by a $0.8 million loss on the sale of furniture and fixtures. We recorded no gains on the sale of assets in 1998.

Income tax benefit for years ended December 31, 1999 and 1998 was $0 and $7.5 million, respectively. The decrease was due to the inability to recognize additional tax benefits in 1999.

Net loss was $149.4 million and $32.7 million for the years ended December 31, 1999 and 1998, respectively. The net loss increased $116.7 million primarily due to the initial launch of commercial service as discussed in the items above.

Liquidity and Capital Resources

We expect to fund our capital requirements with:

- the proceeds from equity offerings;

- borrowings under Triton PCS's credit facility; and

- the proceeds from Triton PCS's prior offering of senior subordinated notes.

We estimate that, since our inception, we have spent approximately $1.4 billion on the completion of our network, which allows us to offer services to approximately 80% of the potential customers in our licensed area. These capital outlays included license acquisition costs, capital expenditures for network construction, funding of operating cash flow losses and other working capital costs, debt service and financing fees and expenses. We may have additional capital requirements, which could be substantial that may result from our acquisition of new broadband personal communications services licenses or for future upgrades for advances in new technology.

We believe that the proceeds from this offering coupled with cash on hand and available credit facility borrowings will be sufficient to meet our projected capital requirements through the conclusion of our network build plan. Although we estimate that these funds will be sufficient to build out our network and to enable us to offer services to over 80% of the potential customers in our licensed area, it is possible that additional funding will be necessary for further upgrades to our network.

Preferred Stock. As part of our joint venture agreement with AT&T Wireless, we issued 732,371 shares of our Series A preferred stock to AT&T Wireless PCS. The Series A preferred stock provides for cumulative dividends at an annual rate of 10% on the $100 liquidation value per share plus unpaid dividends. These dividends accrue and are payable quarterly; however, we may defer all cash payments due to the holders until June 30, 2008, and quarterly dividends are payable in cash thereafter. To date, all such dividends have been deferred. The Series A preferred stock is redeemable at the option of its holders beginning in 2018 and at our option, at its liquidation value, plus unpaid dividends, on or after February 4, 2008. On or after February 4, 2006, the Series A preferred stock is also convertible at the option of its holders for shares of our Class A common stock having a market value equal to the liquidation value plus unpaid dividends on Series A preferred stock. We may not pay dividends on, or, subject to specified exceptions, repurchase shares of, our common stock without the consent of the holders of the Series A preferred stock.

Credit Facility. On September 14, 2000, Triton PCS entered into an amended and restated loan agreement that provided for a senior secured bank facility with a group of lenders for an aggregate amount of $750.0 million of borrowings. The bank facility provides for:

- a $175.0 million senior secured Tranche A term loan maturing on August 4, 2006;
- a $150.0 million senior secured Tranche B term loan maturing on May 4, 2007;
- a $175.0 million senior secured Tranche C term loan maturing on August 4, 2006;
- a $150.0 million senior secured Tranche D term loan maturing on August 4, 2006; and
- a $100.0 million senior secured revolving credit facility maturing on August 4, 2006.

The terms of the bank facility permit Triton PCS to draw up to $750.0

million to finance working capital requirements, capital expenditures, permitted acquisitions and other corporate purposes. The borrowings under these facilities are subject to customary terms and conditions. As of September 30, 2001, after giving pro forma effect to the application of the net proceeds from the offering of its 8 3/4% senior subordinated notes due 2011, Triton PCS had outstanding borrowings of:

- approximately $14.4 million under the Tranche A term loan;
- $150.0 million under the Tranche B term loan;
- approximately $14.4 million under the Tranche C term loan;
- approximately $6.2 million under the Tranche D term loan; and
- there was no outstanding debt under the revolver.

In addition, Triton PCS has amended its credit facility extending the availability period for $71.5 million of the remaining $75.0 million unfunded commitment under the Tranche D term loan from December 31, 2001 to December 31, 2002.

Triton PCS must begin to repay the term loans in quarterly installments, beginning on February 4, 2002, and the commitments to make loans under the revolving credit facility are automatically and permanently reduced beginning on August 4, 2004. In addition, the credit facility requires Triton PCS to make mandatory prepayments of outstanding borrowings under the credit facility, commencing with the fiscal year ending December 31, 2001, based on a percentage of excess cash flow and contains financial and other covenants customary for facilities of this type, including limitations on investments and on Triton PCS's ability to incur debt and pay dividends.

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Senior Subordinated Notes. On May 7, 1998, Triton PCS completed an offering of $512.0 million aggregate principal amount at maturity of 11% senior subordinated discount notes due 2008 under Rule 144A of the Securities Act. The proceeds of the offering, after deducting the initial purchasers' discount, were $291.0 million. The notes are guaranteed by all of Triton PCS's subsidiaries. The indenture for the notes contains customary covenants, including covenants that limit our subsidiaries' ability to pay dividends to us, make investments and incur debt. The indenture also contains customary events of default.

On January 19, 2001, Triton PCS completed the private sale of $350.0 million principal amount of its 9 3/8% senior subordinated notes due 2011 under Rule 144A of the Securities Act. The proceeds of the offering, after deducting the initial purchasers' discount and estimated expenses, were $337.5 million. The notes are guaranteed by all of the domestic subsidiaries of Triton PCS. The indenture for the notes contains customary covenants, including covenants that limit our subsidiaries' ability to pay dividends to us, make investments and incur debt. The indenture also contains customary events of default. On June 15, 2001, Triton PCS closed its registered exchange offer of $350.0 million principal amount of its 9 3/8% senior subordinated notes due 2011 for $350.0 million principal amount of newly issued 9 3/8% senior subordinated notes due 2011, which have been registered under the Securities Act of 1933.

On November 14, 2001, Triton PCS completed the private sale of $400.0 million principal amount of 8 3/4% senior subordinated notes due 2011 under Rule 144A of the Securities Act. The proceeds of the offering, after deducting the initial purchasers' discount and estimated expenses, were approximately

$390.0 million. The notes are guaranteed by all of the subsidiaries of Triton PCS. The indenture for the notes contains customary covenants, including covenants that limit our subsidiaries' ability to pay dividends to us, make investments and incur debt. The indenture also contains customary events of default.

Equity Offering. On February 28, 2001, we issued and sold 3,500,000 shares of Class A common stock in a public offering at $32 per share and raised approximately $106.1 million, net of $5.9 million of costs.

Historical Cash Flow.

As of September 30, 2001, we had $418.0 million in cash and cash equivalents, as compared to $1.6 million in cash and cash equivalents at December 31, 2000. Net working capital was $349.3 million at September 30, 2001 and $(54.3) million at December 31, 2000. The $10.2 million of cash provided by operating activities during the nine-month period ended September 30, 2001 was the result of our net loss of $130.4 million and $9.0 million of cash used by changes in working capital, partially offset by $149.6 million of depreciation and amortization, accretion of interest, non-cash compensation and bad debt expense. The $276.6 million of cash used by investing activities during the nine-month period ending September 30, 2001 was related to capital expenditures associated with network build-out. These capital expenditures were made primarily to enhance and expand our wireless network in order to increase capacity and to satisfy subscriber needs and competitive requirements. We will continue to upgrade our network capacity and service quality to support our anticipated subscriber growth. The $682.7 million provided by financing activities during the nine-month period ending September 30, 2001 relates primarily to our $281.0 million draw against our credit facility, $337.5 million of net proceeds from our 9 3/8% notes offering, and $106.7 million of net proceeds from our equity offering, partially offset by $38.8 million of credit facility payments.

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As of September 30, 2000, we had $13.1 million in cash and cash equivalents, as compared to $186.3 million in cash and cash equivalents at December 31, 1999. Net working capital was $(5.3) million at September 30, 2000 and $134.7 million at December 31, 1999. The $40.1 million of cash used in operating activities during the nine-month period ended September 30, 2000 was the result of our net loss of $125.4 million and $24.6 million of cash used by changes in working capital, partially offset by $109.9 million of depreciation and amortization, accretion of interest, non-cash compensation and bad debt expense. The $280.9 million of cash used by investing activities during the nine-month period ending September 30, 2000 was related to capital expenditures associated with our network build-out. These capital expenditures were made primarily to enhance and expand our wireless network in order to increase capacity and to satisfy subscriber needs and competitive requirements. We will continue to upgrade our network capacity and service quality to support our anticipated subscriber growth. The $147.9 million provided by financing activities during the nine-month period ending September 30, 2000 relates primarily to our $150.0 million draw against our credit facility.

As of December 31, 2000, we had $1.6 million in cash and cash equivalents, as compared to $186.3 million in cash and cash equivalents at December 31, 1999. Net working capital was $(54.3) million at December 31, 2000 and $134.7 million at December 31, 1999. The $35.1 million of cash used in operating activities during the year ended December 31, 2000 was the result of our net loss of $176.9 million and $11.3 million of cash used by changes in working capital and other long-term assets, partially offset by $153.1 million of depreciation and amortization, accretion of interest, non-cash compensation, deferred income taxes and bad debt expense. The $329.5 million of cash used by investing activities during the year ended December 31, 2000 was related to capital expenditures associated with our network build-out. These capital expenditures were made primarily to enhance and expand our wireless network in order to increase capacity and to satisfy subscriber needs and competitive requirements. We will continue to upgrade our network capacity and service quality to support our anticipated subscriber growth. The $179.9 million provided by financing activities during the year ended December 31, 2000 relates primarily to our $182.8 million draw against our credit facility.

As of December 31, 1999, Triton had $186.3 million in cash and cash equivalents, as compared to $146.2 million in cash and cash equivalents at December 31, 1998. Net working capital was $134.7 million at December 31, 1999 and $146.2 million at December 31, 1998. The $51.5 million of cash used in operating activities during the year ended December 31, 1999 was the result of our net loss of $149.4 million, partially offset by $20.0 million of cash provided by changes in working capital and other long-term assets and by $77.9 million of depreciation and amortization, gain on sale of property, equipment and marketable securities, accretion of interest, non-cash compensation and bad debt expense. The $191.5 million of cash used by investing activities during the year ending December 31, 1999 relates primarily to capital expenditures of $285.9 million associated with our network build-out, partially offset by $69.7 million of cash proceeds from our sale of property and equipment and net proceeds of $24.6 million on the sale of marketable securities. The $283.1 million provided by financing activities during the year ending December 31, 1999 relates primarily to the $190.2 million of net proceeds from our initial public offering and $95.0 million of proceeds from the issuance of stock in connection with a private equity investment.

As of December 31, 1998, Triton had $146.2 million in cash and cash equivalents, as compared to $11.4 million in cash and cash equivalents at December 31, 1997. Net working capital was $146.2 million at December 31, 1998. The $4.1 million of cash used in operating activities during the year ended December 31, 1998 was the result of our net loss of $32.7 million partially offset by

$5.1 million of cash provided by changes in working capital and $23.5 million of depreciation and amortization, deferred income taxes, accretion of interest, non-cash compensation and bad debt expense. The $372.4 million of cash used by investing activities during the year ending December 31, 1998 relates primarily to capital expenditures of $87.7 million associated with our network build-out, $261.0 million of cash used to acquire the Myrtle Beach and Norfolk markets and $23.6 million purchase of marketable securities. The $511.3 million provided by financing activities during the year ending December 31, 1998 relates primarily to the $291.0 million of proceeds from Triton PCS's 11% subordinated debt offering, $49.4 million of proceeds from the issuance of stock in connection with the Myrtle Beach and Norfolk transactions, $33.3 million of proceeds from the issuance of stock in connection with a private equity investment and a $150.0 million draw against Triton PCS's credit facility.

New Accounting Pronouncements

On July 20, 2001, the Financial Accounting Standards Board issued SFAS No. 141, "Business Combinations". SFAS No. 141 supercedes Accounting Principles Board Opinion No. 16, "Business Combinations". The most significant changes made by SFAS No. 141 are: (i) requiring that the purchase method of accounting be used for all business combinations; and (ii) establishing specific criteria for the recognition of intangible assets separately from goodwill. These provisions are effective for business combinations for which the date of acquisition is subsequent to June 30, 2001.

On July 20, 2001, the Financial Accounting Standards Board issued SFAS No. 142, "Goodwill and Other Intangible Assets". SFAS No. 142 supercedes Accounting Principles Board Opinion No. 17, "Intangible Assets". SFAS No. 142 primarily addresses the accounting for goodwill and intangible assets subsequent to their acquisition. The provisions of SFAS No. 142 will be effective for fiscal years beginning after December 15, 2001, except for certain provisions related to goodwill and intangible assets which are acquired after June 30, 2001. Management is currently evaluating the impact this statement will have on our financial position or results of operations.

On October 22, 2001, the Financial Accounting Standards Board issued SFAS No. 143, "Accounting for Obligations Associated with the Retirement of Long-Lived Assets". SFAS No. 143 primarily establishes accounting standards for the recognition and measurement of an asset retirement obligation and its associated asset retirement costs. The provisions of SFAS No. 143 will be effective for fiscal years beginning after June 15, 2002. Management is currently evaluating the impact this statement will have on our financial position or results of operations.

On October 18, 2001, the Financial Accounting Standards Board issued SFAS No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets". SFAS No. 144 supercedes SFAS No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of". SFAS No. 144 primarily addresses significant issues relating to the implementation of SFAS No. 121 and develops a single accounting model for long-lived assets to be disposed of, whether previously held and used or newly acquired. The provisions of SFAS No. 144 will be effective for fiscal years beginning after December 15, 2001. Management is currently evaluating the impact this statement will have on our financial position or results of operations.

Inflation

We do not believe that inflation has had a material impact on operations.

Qualitative and Quantitative Disclosures about Market Risks

We are highly leveraged and, as a result, our cash flows and earnings are exposed to fluctuations in interest rates. Our debt obligations are U.S. dollar denominated. Our market risk, therefore, is the potential loss arising from adverse changes in interest rates. At September 30, 2001, the debt can be categorized as follows (dollars in thousands).

Fixed interest rates:	
Senior subordinated debt	$764,131
Subject to interest rate fluctuations:	
Bank credit facility	$575,000

Our interest rate risk management program focuses on minimizing exposure to interest rate movements, setting an optimal mixture of floating and fixed rate debt and minimizing liquidity risk. To the extent possible, we manage interest rate exposure and the floating to fixed ratio through our borrowings, but sometimes we may use interest rate swaps to adjust our risk profile. We selectively enter into interest rate swaps to manage interest rate exposure only.

On January 1, 2001, we adopted SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities", as amended by SFAS No. 137 and SFAS No. 138. As a result of the adoption of SFAS No. 133, we now recognize all derivatives on the balance sheet at fair value. As of September 30, 2001, all derivatives met the required criteria for a cash flow hedge and, as a result, changes in fair value were primarily recorded in Accumulated Other Comprehensive Income and reclassified into earnings as the underlying hedged item affects earnings. On November 14, 2001, we completed the private sale of our 8 3/4% senior subordinated notes due 2011. Net proceeds from this offering of approximately $390.0 million were used to repay variable rate borrowings under our credit facility. All derivatives, which had fixed the interest rate on the repaid debt, will no longer qualify as cash flow hedges. Therefore, changes in the fair value of these non-qualifying derivatives will be recorded as other income (expense) as appropriate. Accordingly, we expect to incur other expense of approximately $8 million to $12 million in the fourth quarter of 2001. If interest rates rise over the remaining term of these derivatives, as expected, we should realize other income of approximately $2 million for each 50 basis point increase in interest rates.

Interest Rate Risk Management Agreements

We utilize interest rate swaps to hedge against the effect of interest rate fluctuations on Triton PCS's senior debt portfolio. We do not hold or issue financial instruments for trading or speculative purposes. Swap counterparties are major commercial banks. Through September 30, 2001, Triton PCS had entered into 13 interest rate swap transactions having an aggregate non-amortizing notional amount of $480.0 million. Under these interest rate swap contracts, Triton PCS agrees to pay an amount equal to a specified fixed-rate of interest times a notional principal amount and to receive in turn an amount equal to specified variable-rate of interest times the same notional amount. The notional amounts of the contracts are not exchanged. Net interest positions are settled quarterly. A 100 basis point fluctuation in market rates would not have a material effect on our overall financial condition.

Information, as of September 30, 2001, for the interest rate swaps we have entered into is as follows:

Term	Notional	Rate	Rate	Receivable/ (Payable)	Fair Value
12/8/98-12/4/03	$35,000,000	4.805%	3.3918%	$ (35,241)	$(1,026,790)
12/8/98-12/4/03	$40,000,000	4.760%	3.3918%	$ (38,925)	$(1,128,022)
6/12/00-6/12/03	$75,000,000	6.9025%	3.137%	$(140,224)	$(4,814,929)
6/15/00-6/16/03	$50,000,000	6.895%	3.137%	$ (72,819)	$(3,212,461)
7/17/00-7/15/03	$25,000,000	6.89%	3.1907%	$(166,833)	$(1,801,097)
8/15/00-8/15/03	$25,000,000	6.89%	3.244%	$(108,361)	$(1,775,107)
4/6/01-4/6/06	$50,000,000	4.48%	4.2668%	$ (78,844)	$(1,621,815)
4/6/01-4/6/06	$75,000,000	4.48%	4.2668%	$(118,266)	$(2,519,086)
4/6/01-4/6/06	$25,000,000	4.48%	4.2668%	$ (39,422)	$ (810,502)
4/6/01-4/6/06	$10,000,000	4.475%	4.2668%	$ (15,648)	$ (324,158)
4/6/01-4/6/06	$25,000,000	4.4775%	4.2668%	$ (39,271)	$ (812,708)
4/24/01-4/24/06	$30,000,000	4.02%	4.2668%	$ (17,897)	$ (748,477)
4/24/01-4/24/06	$15,000,000	4.02%	4.2668%	$ (8,948)	$ (398,732)

The swaps commencing on April 6, 2001 can be terminated at the banks' option on April 7, 2003. The swaps commencing on April 24, 2001 can be terminated at the banks' option on April 24, 2002 and quarterly thereafter.

The variable rate is capped at 7.5% for interest rate swaps commencing on 6/12/00 through 8/15/00.

Our cash and cash equivalents consist of short-term assets having initial maturities of nine months or less. While these investments are subject to a degree of interest rate risk, it is not considered to be material relative to our overall investment income position.

BUSINESS

Overview

We are a rapidly growing provider of wireless communications services in the southeastern United States. Our wireless communications licenses cover approximately 13.5 million potential customers in a contiguous geographic area encompassing portions of Virginia, North Carolina, South Carolina, Tennessee, Georgia and Kentucky. In February 1998, we entered into a joint venture with AT&T Wireless. As part of the agreement, AT&T Wireless contributed personal communications services licenses for 20 MHz, of authorized frequencies covering 11.2 million potential customers within defined areas of our region in exchange for an equity position in Triton. Since that time, we have expanded our coverage area to include an additional 2.3 million potential customers through acquisitions and license exchanges with AT&T Wireless. As part of the transactions with AT&T Wireless, we were granted the right to be the exclusive provider of wireless mobility services using equal emphasis co-branding with AT&T within our region. We believe our markets are strategically attractive because of their proximity to AT&T Wireless' wireless systems in the Washington, D.C., Charlotte, North Carolina and Atlanta, Georgia markets, which collectively cover a population of more than 28.5 million individuals. Our market location is attractive as we are the preferred provider of wireless mobility services to AT&T Wireless' digital wireless customers who roam into our markets. Our strategy is to provide extensive coverage to customers within our region, to offer our customers coast-to-coast coverage and to benefit from roaming revenues generated by AT&T Wireless' and other carriers' wireless customers who roam into our covered area. Our management team is led by Michael Kalogris and Steven Skinner, the former Chief Executive Officer and Chief Operating Officer of Horizon Cellular Group, respectively.

As of September 30, 2001, we had successfully launched personal communications services in all of our 37 markets. Our network in these markets included 1,961 cell sites and seven switches. Our markets have attractive demographic characteristics for wireless communications services, including population densities that are 80% greater than the national average. Since we began offering services in these 37 markets, our subscriber base and the number of minutes generated by non-Triton subscribers roaming onto our network have grown dramatically.

From our initial launch of personal communications services in January 1999 to September 30, 2001, our subscriber base has grown from 33,844 subscribers to 617,804 subscribers, with 57,152 additional subscribers coming in the third quarter of 2001 alone. Roaming minutes generated by non-Triton subscribers since January 1999 have increased from approximately 0.7 million minutes per month to approximately 61.7 million minutes per month, with roaming minutes rising from 56.5 million in the fourth quarter of 1999 to 172.6 million minutes in the third quarter of 2001.

Our goal is to provide our customers with simple, easy-to-use wireless services with coast-to-coast service, superior call quality, personalized customer care and competitive pricing. We utilize a mix of sales and distribution channels, including, as of September 30, 2001, a network of 111 company-owned SunCom retail stores, local and nationally recognized retailers such as Circuit City, Staples, Best Buy, Metro Call and Zap's, and 85 direct sales representatives covering corporate accounts.

Strategic Alliance with AT&T Wireless

One of our most important competitive advantages is our strategic alliance with AT&T Wireless, one of the largest providers of wireless communications services in the United States. As part of its

strategy to rapidly expand its digital wireless coverage in the United States, AT&T Wireless has focused on constructing its own network and making strategic acquisitions in selected cities, as well as entering into agreements with other independent wireless operators, including Triton, to construct and operate personal communications services networks in other markets.

Our strategic alliance with AT&T Wireless provides us with many business, operational and marketing advantages, including the following:

- Recognized Brand Name. We market our wireless services to our potential customers giving equal emphasis to our regional SunCom brand name and logo and AT&T's brand name and logo. We believe that association with the AT&T brand name significantly increases the likelihood that potential customers will purchase our wireless communications services.

- Exclusivity. We are AT&T Wireless' exclusive provider of facilities-based wireless mobility communications services using equal emphasis co-branding with AT&T in our covered markets, and, from time to time, we may participate with AT&T Wireless in other programs.

- Preferred Roaming Partner. We are the preferred roaming partner for AT&T Wireless' digital wireless customers who roam into our coverage area. We expect to benefit from growth in roaming traffic as AT&T Wireless' digital wireless customers, particularly those in Washington, D.C., Charlotte, North Carolina and Atlanta, Georgia, travel into our markets.

- Coverage Across the Nation. Our customers have access to coast-to-coast coverage through our agreements with AT&T Wireless, other members of the AT&T Wireless Network and other third-party roaming partners. We believe this coast-to-coast coverage provides a significant advantage over our personal communications services competitors in our markets and allows us to offer competitive pricing plans, including national rate plans.

- Volume Discounts. We receive preferred terms on certain products and services, including handsets, infrastructure equipment and administrative support from companies who provide these products and services to AT&T.

- Marketing. We benefit from AT&T's nationwide marketing and advertising campaigns, including the success of AT&T's national rate plans, in the marketing of our own plans.

Competitive Strengths

In addition to the advantages provided by our strategic alliance with AT&T Wireless, we have a number of competitive strengths, including the following:

- Attractive Licensed Area. Our markets have favorable demographic characteristics for wireless communications services, such as population densities that are 80% greater than the national average.

- Network Quality. We have successfully launched personal communications service in all of our 37 markets, covering over 80% of the total population in our service area and approximately 18,000 highway miles. We have constructed a comprehensive network, which includes over 1,900 cell sites and seven switches, using time division multiple access digital technology. Our network is compatible with AT&T Wireless' network and with the networks of other wireless communications service providers that use time division multiple

access digital technology. We believe that the quality and extensive coverage of our network provide a strategic advantage over wireless communications providers that we compete against.

- Experienced Management. We have a management team with a high level of experience in the wireless communications industry. Our senior management team has an average of 14 years of experience with wireless leaders such as AT&T, Verizon Communications, Horizon Cellular and ALLTEL Communications Inc. Our senior management team also owns in excess of 10% of our outstanding Class A common stock.

- Contiguous Service Area. We believe our contiguous service area allows us to cost effectively offer large regional calling areas to our customers and route a large number of minutes through our network, thereby reducing interconnect costs for other networks. Further, we believe that we generate operational cost savings, including sales and marketing efficiencies, by operating in a contiguous service area.

- Strong Capital Base. We believe that we have sufficient capital and availability under our credit facility to fund the build-out of our current network plan. On January 19, 2001, we completed the private sale of $350.0 million aggregate principal amount of our 9 3/8% senior subordinated notes due 2011 for net proceeds of approximately $337.5 million, and on November 14, 2001, we completed the private sale of $400.0 million principal amount of our 8 3/4% senior subordinated notes due 2011 for net proceeds of approximately $390.0 million. On February 28, 2001, we issued and sold 3,500,000 shares of our Class A common stock in a public offering at $32 per share and raised approximately $106.1 million, net of $5.9 million of costs. As of September 30, 2001, we had total capital of approximately $2.1 billion, $418.0 million of available cash and $175.0 million of available borrowings under our credit facility.

Business Strategy

Our objective is to become the leading provider of wireless communications services in the markets we serve. We intend to achieve this objective by pursuing the following business strategies:

- Operate a Superior, High Quality Network. We are committed to making the capital investment required to develop and operate a superior, high quality network. We believe this network will enable us to provide extensive coverage within our region and consistent quality performance, resulting in a high level of customer satisfaction.

- Provide Superior Coast-to-Coast and In-Market Coverage. Our market research indicates that scope and quality of coverage are extremely important to customers in their choice of a wireless service provider. We have designed extensive local calling areas, and we offer coast-to-coast coverage through our arrangements with AT&T Wireless, its affiliates and other third-party roaming partners. Our network covers those areas where people are most likely to take advantage of wireless coverage, such as suburbs, metropolitan areas and vacation locations.

- Provide Enhanced Value at Low Cost. We offer our customers advanced services and features at competitive prices. Our affordable, simple pricing plans are designed to promote the use of wireless services by enhancing the value of our services to our customers. We include usage-enhancing features such as call waiting, voice mail, three-way conference calling and short message service in our basic packages. We also allow customers to purchase large packages of minutes per month for a low fixed price.

- Deliver Quality Customer Service. We believe that superior customer service is a critical element in attracting and retaining customers. Our systems have been designed with open interfaces to other systems. This design allows us to select and deploy the best software package for each application in our administrative systems. Our point-of-sale activation process is designed to ensure quick and easy service initiation, including customer qualification. We also emphasize proactive and responsive customer care, including rapid call-answer times, welcome packages and anniversary calls. We currently operate state-of-the-art customer care facilities in Richmond, Virginia and Charleston, South Carolina that house our customer service and collections personnel.

License Acquisition Transactions

Our original personal communications services licenses were acquired as part of our joint venture agreement with AT&T Wireless.

On June 30, 1998, we acquired an existing cellular system serving Myrtle Beach and the surrounding area from Vanguard Cellular Systems for a purchase price of approximately $164.5 million. We integrated the Myrtle Beach system, which used time division multiple access digital technology, into our personal communications services network as part of our initial network deployment. Substantially all of our revenues prior to 1999 were generated by services provided in Myrtle Beach. We have used our position in Myrtle Beach to secure roaming arrangements with other carriers that enable us to offer regional calling plans on a cost-effective basis.

On December 31, 1998, we acquired from AT&T Wireless a personal communications services license covering the Norfolk, Virginia basic trading area, as well as a recently deployed network plant and infrastructure, for an aggregate purchase price of $111.0 million. The integration and launch of our Norfolk personal communications services were completed as part of our initial network build-out.

On June 8, 1999, we completed an exchange of personal communications services licenses with AT&T Wireless. As part of this transaction, we transferred Hagerstown and Cumberland, Maryland personal communications services licenses that cover approximately 512,000 potential customers, with an estimated value of $5.1 million, for Savannah and Athens, Georgia personal communications services licenses that cover approximately 517,000 potential customers, with an estimated value of $15.5 million. We also issued to AT&T Wireless PCS 53,882 shares of our Series A preferred stock and 42,739 shares of our Series D preferred stock, with estimated values of $5.8 million and $4.6 million, respectively, in connection with the exchange. The build-out of our Savannah and Athens licenses has been completed.

On November 15, 2001, AT&T Wireless PCS agreed to partition and disaggregate its broadband PCS A Block license for the Atlanta major trading area by assigning to us 20 MHz of spectrum for Bulloch County, Georgia and Screven County, Georgia, and we agreed to partition our broadband PCS A Block license by assigning to AT&T Wireless PCS all of our spectrum in Greene County, Tennessee. AT&T Wireless PCS may at its option elect to receive a cash payment of $10.4 million from us, in which case, we would keep our spectrum in Greene County, Tennessee. Applications for FCC approval of this swap transaction were filed with the FCC on November 26, 2001, and FCC approval is pending.

Summary Market Data

The following table presents statistical information concerning the markets covered by our licenses.

Licensed Areas(1)	Customers(2)	Estimated% Growth 1998-2003	Density(3)	Traffic Density(4)
Charlotte Major Trading Area				
Anderson, SC..............	346.6	1.28%	117	29,540
Asheville, NC.............	588.7	1.18%	94	28,774
Charleston, SC............	686.8	0.59%	125	37,054
Columbia, SC..............	657.0	1.36%	161	31,789
Fayetteville/Lumberton, NC.......................	636.8	0.76%	130	27,834
Florence, SC..............	260.2	0.71%	113	24,689
Goldsboro/Kinston, NC......	232.0	0.72%	112	9,065
Greenville/Washington, NC..	245.1	0.60%	60	N/A
Greenville/Spartanburg, SC.......................	897.7	1.33%	220	28,535
Greenwood, SC.............	74.4	0.81%	91	N/A
Hickory/Lenoir, NC.........	331.1	1.09%	199	31,385
Jacksonville, NC..........	148.4	0.49%	193	N/A
Myrtle Beach, SC..........	186.4	3.00%	154	N/A
New Bern, NC..............	174.7	1.14%	84	N/A
Orangeburg, SC............	119.6	0.35%	63	27,787
Roanoke Rapids, NC.........	76.8	-0.34%	61	28,372
Rocky Mount/Wilson, NC.....	217.2	0.82%	150	26,511
Sumter, SC................	156.7	0.57%	92	19,421
Wilmington, NC............	327.6	2.32%	109	14,161
Knoxville Major Trading Area				
Kingsport, TN.............	693.4	0.31%	117	23,617
Middlesboro/Harlan, KY.....	118.4	-0.41%	75	N/A
Atlanta Major Trading Area				

Athens, GA................	194.6	1.65%	137	36,559
Augusta, GA...............	579.4	0.68%	89	24,497
Savannah, GA..............	737.1	1.18%	79	24,400
Washington Major Trading Area				
Charlottesville, VA........	223.8	1.19%	75	15,925
Fredericksburg, VA.........	144.0	2.25%	102	67,606
Harrisonburg, VA..........	145.0	0.61%	58	29,728
Winchester, VA............	162.4	1.17%	119	25,156
Richmond Major Trading Area				
Danville, VA..............	167.2	-0.42%	75	N/A
Lynchburg, VA.............	161.5	0.43%	117	31,863
Martinsville, VA..........	89.6	-0.42%	103	N/A
Norfolk-Virginia Beach, VA.......................	1,751.0	0.44%	293	61,023
Richmond/Petersburg, VA....	1,232.5	0.66%	133	35,969
Roanoke, VA...............	647.6	0.19%	91	27,541
Staunton/Waynesboro, VA....	108.9	0.62%	76	26,974
Triton total/average.....	13,520.2(5)	0.83%(6)	144.1(7)	30,183(8)
U.S. average............	N/A	0.89%	80(9)	31,521

All figures are based on 2000 estimates published by Paul Kagan Associates, Inc. in 2001.

(1) Licensed major trading areas are segmented into basic trading areas.

(2) In thousands.

(3) Number of potential customers per square mile.

(4) Daily vehicle miles traveled (interstate only) divided by interstate highway miles in the relevant area.

(5) Total potential customers in the licensed area.

(6) Weighted by potential customers. Projected average annual population growth in our licensed area.

(7) Weighted by potential customers. Average number of potential customers per square mile in our licensed area.

(8) Weighted by interstate miles. Average daily vehicle miles traveled (interstate only) divided by interstate highway miles in our licensed area.

(9) Average number of potential customers per square mile for the U.S.

Sales and Distribution

Our sales strategy is to utilize multiple distribution channels to minimize customer acquisition costs and maximize penetration within our licensed service area. Our distribution channels include a network of company-owned retail stores, independent retailers and a direct sales force for corporate accounts, as well as direct marketing channels such as telesales, neighborhood sales and online sales. We also work with AT&T Wireless' national corporate account sales force to cooperatively exchange leads and develop new business.

- Company-Owned Retail Stores. We make extensive use of company-owned retail stores for the distribution and sale of our handsets and services. We believe that company-owned retail stores offer a considerable competitive advantage by providing a strong local presence, which is required to achieve high retail penetration in suburban and rural areas and the lowest customer acquisition cost. We have opened 111 company-owned SunCom retail stores as of September 30, 2001.

- Retail Outlets. We have negotiated distribution agreements with national and regional mass merchandisers and consumer electronics retailers, including Circuit City, Staples, Best Buy, Metro Call and Zap's.

- Direct Sales. We focus our direct sales force on high-revenue, high-profit corporate users. As of September 30, 2001, our direct corporate sales force consisted of 85 dedicated professionals targeting wireless decision-makers within large corporations. We also benefit from AT&T Wireless' national corporate accounts sales force, which supports the marketing of our services to AT&T Wireless' large national accounts located in certain of our service areas.

- Direct Marketing. We use direct marketing efforts such as direct mail and telemarketing to generate customer leads. Telesales allow us to maintain low selling costs and to sell additional features or customized services.

- Website. Our web page provides current information about our markets, our product offerings and us. We have established an online store on our website, www.suncom.com.

The web page conveys our marketing message and generates customers through online purchasing. We deliver all information that a customer requires to make a purchasing decision at our website. Customers are able to choose rate plans, features, handsets and accessories. The online store provides a secure environment for transactions, and customers purchasing through the online store encounter a transaction experience similar to that of customers purchasing service through other channels.

Marketing Strategy

Our marketing strategy has been developed on the basis of extensive market research in each of our markets. This research indicates that the limited coverage of existing wireless systems, relatively high cost and inconsistent performance reduce the attractiveness of wireless service to existing users and potential new users. We believe that our affiliation with the AT&T brand name and the distinctive advantages of our time division multiple access digital technology, combined with simplified, attractive pricing plans, will allow us to capture significant market share from existing analog cellular providers in our markets and to attract new wireless users. We are focusing our marketing efforts on three primary market segments:

- current wireless users;

- individuals with the intent to purchase a wireless product within six months; and

- corporate accounts.

For each segment, we are creating a specific marketing program including a service package, pricing plan and promotional strategy. We believe that targeted service offerings will increase customer loyalty and satisfaction, thereby reducing customer turnover.

The following are key components of our marketing strategy:

- Regional Co-Branding. We market our wireless services as SunCom, Member of the AT&T Wireless Network and use the globally recognized AT&T brand name and logo in equal emphasis with the SunCom brand name and logo. We believe that use of the AT&T brand reinforces an association with reliability and quality. We are establishing the SunCom brand as a strong local presence with an emphasis on customer care and quality. We enjoy preferred pricing on equipment, handset packaging and distribution by virtue of our affiliation with AT&T Wireless.

- Pricing. Our pricing plans are competitive and straightforward, offering large packages of minutes, large regional calling areas and usage enhancing features. One way we differentiate ourselves from existing wireless competitors is through our pricing policies. We offer pricing plans designed to encourage customers to enter into long term service contract plans.

  We offer our customers regional, network only and national rate plans. Our rate plans allow customers to make and receive calls anywhere within the southeast region and the District of Columbia without paying additional roaming or long distance charges. By virtue of our roaming arrangements with AT&T Wireless, its affiliates and other third-party roaming partners, we offer competitive regional, network only and national rate plans. Our sizable licensed area allows us to offer large regional calling areas a low per minute rate throughout the Southeast.

- Customer Care. We are committed to building strong customer relationships by providing our customers with service that exceeds expectations. We currently operate state-of-the-art customer care facilities in Richmond, Virginia and Charleston, South Carolina that house our customer service and collections personnel. We supplement these facilities with customer care services provided by Convergys Corporation in Clarksville, Tennessee. Through the support of approximately 425 customer care representatives and a sophisticated customer care platform provided by Integrated Customer Systems, we have been able to implement one ring customer care service using live operators and state-of-the-art call routing, so that about 90% of incoming calls to our customer care centers are answered on the first ring.

- Advertising. We believe our most successful marketing strategy is to establish a strong local presence in each of our markets. We are directing our media and promotional efforts at the community level with advertisements in local publications and sponsorship of local and regional events. We combine our local efforts with mass marketing strategies and tactics to build the SunCom and AT&T brands locally. Our media effort includes television, radio, newspaper, magazine, outdoor and Internet advertisements to promote our brand name. In addition, we use newspaper and radio advertising and our web page to promote specific product offerings and direct marketing programs for targeted audiences.

Services and Features

We provide affordable, reliable, high-quality mobile telecommunications service. Our advanced digital personal communications services network allows us to offer customers the most advanced wireless features that are designed to provide greater call management and increase usage for both incoming and outgoing calls.

- Feature-Rich Handsets. As part of our service offering, we sell our customers the most advanced, easy-to-use, interactive, menu-driven handsets that can be activated over the air. These handsets have many advanced features, including word prompts and easy-to-use menus, one-touch dialing, multiple ring settings, call logs and hands-free adaptability. These handsets also allow us to offer the most advanced digital services, such as voice mail, call waiting, call forwarding, three-way conference calling, two-way messaging and paging.

- Multi-Mode Handsets. We exclusively offer multi-mode handsets, which are compatible with personal communication services, digital cellular and analog cellular frequencies and service modes. These multi-mode handsets allow us to offer customers coast-to-coast nationwide roaming across a variety of wireless networks. These handsets incorporate a roaming database, which can be updated over the air that controls roaming preferences from both a quality and cost perspective.

Network Build-Out

The principal objective for the build-out of our network is to maximize population coverage levels within targeted demographic segments and geographic areas, rather than building out a wide-area network as depicted in the cellular design model. As of September 30, 2001, we have successfully launched service in 37 markets, including 1,961 cell sites and seven switches.

The build-out of our network involves the following:

- Property Acquisition, Construction and Installation. Two experienced vendors, Crown Castle International Corp. and American Tower, identify and obtain the property rights we require to build out our network, which includes securing all zoning, permitting and government approvals and licenses. As of September 30, 2001, we had signed leases or options for 2,004 sites, 19 of which were awaiting required zoning approvals. Crown Castle and American Tower also act as our construction management contractors and employ local construction firms to build the cell sites.

- Interconnection. Our digital wireless network connects to local exchange carriers. We have negotiated and received state approval of interconnection agreements with telephone companies operating or providing service in the areas where we are currently operating our digital personal communications services network. We use AT&T as our inter-exchange or long-distance carrier.

Network Operations

We enter into agreements for switched interconnection/backhaul, long distance, roaming, network monitoring and information technology services in order to effectively maintain, operate and expand our network.

Switched Interconnection/Backhaul. Our network is connected to the public switched telephone network to facilitate the origination and termination of traffic on our network.

Long Distance. We have executed a wholesale long distance agreement with AT&T that provides preferred rates for long distance services.

Roaming. Through our arrangements with AT&T Wireless and via the use of multi-mode handsets, our customers have roaming capabilities on AT&T Wireless' network. Further, we have established roaming agreements with third-party carriers at preferred pricing, including in-region roaming agreements covering all of our launched service areas.

Network Monitoring Systems. Our network monitoring service provides around-the-clock surveillance of our entire network. The network operations center is equipped with sophisticated systems that constantly monitor the status of all switches and cell sites, identify failures and dispatch technicians to resolve issues. Operations support systems are utilized to constantly monitor system quality and identify devices that fail to meet performance criteria. These same platforms generate statistics on system performance such as dropped calls, blocked calls and handoff failures. Our operations support center located in Richmond, Virginia performs maintenance on common network elements such as voice mail, home location registers and short message centers.

Time Division Multiple Access Digital Technology

Our network utilizes time division multiple access digital technology on the IS-136 platform. This technology allows for the use of advanced multi-mode handsets, which permit roaming across personal communications services and cellular frequencies, including both analog and digital cellular. This technology also allows for enhanced services and features, such as short-messaging, extended battery life, added call security and improved voice quality, and its hierarchical cell structure enables us to enhance network coverage with lower incremental investment through the deployment of micro, as opposed to full-size, cell sites. This enables us to offer customized billing options and to track

billing information per individual cell site, which is practical for advanced wireless applications such as wireless local loop and wireless office applications. Management believes that time division multiple access digital technology provides significant operating and customer benefits relative to analog systems. In addition, management believes that time division multiple access digital technology provides customer benefits, including available features and roaming capabilities, and call quality that is similar to or superior to that of other wireless technologies. Time division multiple access technology allows three times the capacity of analog systems. Some manufacturers, however, believe that code division multiple access technology will eventually provide system capacity that is greater than that of time division multiple access technology and global systems for mobile communications.

Time division multiple access digital technology is currently used by two of the largest wireless communications companies in the United States, AT&T Wireless and Cingular Wireless. Time division multiple access equipment is available from leading telecommunications vendors such as Lucent, Ericsson and Northern Telecom, Inc.

Relationship with Lafayette

We hold a 39% interest in Lafayette, an entrepreneur under FCC guidelines that participated in the FCC 1900 MHz C and F Block Broadband PCS Auction No. 35, which ended on January 26, 2001. Lafayette was the winning bidder for thirteen 10 MHz C Block licenses and one 10 MHz F Block license covering a total population of approximately 6.8 million people in our current geographic area in Georgia, North Carolina and Virginia, and its net high bids totaled approximately $170.0 million. Five of these licenses were among those held by NextWave Personal Communications, Inc. On November 16, 2001, the FCC, NextWave and the major auction winners, including Lafayette, signed an agreement under which the auction winners would receive the disputed licenses. The settlement was ratified by the Department of Justice on November 27, 2001, but is still subject to approval by the bankruptcy court and is contingent on the passage of legislation by Congress. On July 27, 2001, the FCC awarded the 10 MHz F Block license for Athens, Georgia, to Lafayette. The application for the remaining thirteen 10 MHz C Block licenses is pending.

On July 16, 2001, Lafayette acquired three 15 MHz licenses and four 30 MHz licenses covering areas of Virginia and Georgia from ABC Wireless, L.L.C. for $2.9 million.

On July 20, 2001, Lafayette entered into a definitive agreement to acquire a 10 MHz F Block license in Kingsport, Tennessee from NTELOS Inc. and R&B Communications, Inc. for $11.6 million. FCC approval for this transaction was received on November 7, 2001.

On July 25, 2001, Lafayette acquired licenses for 10 MHz of spectrum from subsidiaries of Carolina PCS I Limited Partnership for total consideration of $99.9 million, paid as follows: $63.5 million in cash; $8.6 million under a promissory note from Lafayette to Carolina PCS; and $27.8 million of debt payable to the FCC related to the acquired licenses. The licenses for this spectrum encompass nine basic trading areas covering all of South Carolina and serve approximately 3.5 million people.

As of September 30, 2001 Triton has funded approximately $106.8 million of senior loans to Lafayette to finance the acquisition of licenses and expects to fund additional loans for future acquisitions. The carrying value of these loans has been adjusted for any losses in excess of Triton's initial investment. In connection with the loans, Lafayette has and will guarantee our obligations under our credit facility, and such senior loans are and will be pledged to the lenders under our credit facility.

Regulation

The FCC regulates aspects of the licensing, construction, operation, acquisition and sale of personal communications services and cellular systems in the United States pursuant to the Communications Act, as amended from time to time, and the associated rules, regulations and policies it promulgates.

Licensing of Cellular and Personal Communications Services Systems. A broadband personal communications services system operates under a protected geographic service area license granted by the FCC for a particular market on one of six frequency blocks allocated for broadband personal communications services. Broadband personal communications services systems generally are used for two-way voice applications. Narrowband personal communications services, in contrast, are used for non-voice applications such as paging and data service and are separately licensed. The FCC has segmented the United States into personal communications services markets, resulting in 51 large regions called major trading areas, which are comprised of 493 smaller regions called basic trading areas. The FCC awarded two broadband personal communications services licenses for each major trading area and four licenses for each basic trading area. Thus, generally, six broadband personal communications services licensees will be authorized to compete in each area. The two major trading area licenses authorize the use of 30 MHz of spectrum. One of the basic trading area licenses is for 30 MHz of spectrum, and the other three are for 10 MHz each. The FCC permits licensees to split their licenses and assign a portion, on either a geographic or frequency basis or both, to a third party. In this fashion, AT&T Wireless assigned us 20 MHz of its 30 MHz licenses covering our licensed areas. Two cellular licenses are also available in each market. Cellular markets are defined as either metropolitan or rural service areas and do not correspond to the broadband personal communications services markets.

Generally, the FCC awarded initial personal communications services licenses by auction. Initial personal communications services auctions began with the 30 MHz major trading area licenses and concluded in 1998 with the last of the basic trading area licenses. However, in March 1998, the FCC adopted an order that allowed financially troubled entities that won personal communications services 30 MHz C Block licenses at auction to obtain some financial relief from their payment obligations by returning some or all of their C Block licenses to the FCC for reauctioning. The FCC completed the reauction of the returned licenses in April 1999, and some licenses were not sold. In January 2000, the FCC announced that certain personal communications services licenses previously held by licensees that had declared bankruptcy had cancelled and were available for reauction. The FCC commenced the reauction on December 12, 2000. The auction concluded on January 26, 2001.

Under the FCC's current rules specifying spectrum aggregation limits affecting broadband personal communications services, specialized mobile radio services and cellular licensees, no entity may hold attributable interests, generally 20% or more of the equity of, or an officer or director position with, the licensee, in licenses for more than 45 MHz of personal communications services,

cellular and certain specialized mobile radio services where there is significant overlap, except in rural areas. In rural areas, up to 55 MHz of spectrum may be held. Passive investors may hold up to a 40% interest. Significant overlap will occur when at least 10% of the population of the personal communications services licensed service area is within the cellular and/or specialized mobile radio service area(s). In a September 15, 1999 FCC order revising the spectrum cap rules, the FCC noted that new broadband wireless services, such as Third Generation wireless, may be included in the cap when spectrum is allocated for those services. On November 8, 2001, the FCC voted to: (1) sunset the spectrum cap rule by eliminating it effective January 1, 2003; (2) upon effective order raise the cap to 55 megahertz in all markets until the sunset date; and (3) upon effective order eliminate the cellular cross-interest rule in non-rural markets. It is widely believed that the FCC's actions may spur consolidation in the commercial wireless industry.

The FCC has adopted licensing rules governing the 700 MHz spectrum originally scheduled for auction in March 2001. Thirty (30) MHz of spectrum will be auctioned; none of which is subject to the spectrum cap. The FCC recently postponed the 700 MHz auction until June 19, 2002. Because of the flexible use policy adopted by the FCC for this spectrum, wireless providers may provide Third Generation services over the 700 MHz band. The personal communications services reauctioned spectrum is subject to the spectrum cap.

In November 2000, the FCC adopted a Policy Statement and Notice of Proposed Rulemaking regarding secondary markets in radio spectrum. In the Notice of Proposed Rulemaking, the FCC tentatively concludes that spectrum licensees should be permitted to enter leasing agreements with third parties to promote greater use of unused spectrum.

In January 2001, the FCC issued a Notice of Proposed Rulemaking requesting comment on the use of certain spectrum bands for Third Generation services. The FCC also seeks comment on whether Third Generation services could be provided over the frequency bands currently allocated to cellular, personal communications services and specialized mobile radio services. In October 2001, the National Telecommunications and Information Administration, or the "NTIA," and the FCC announced a new plan for the assessment of spectrum available for Third Generation services. Specifically, the new plan examines the potential Third Generation use of the 1710-1770 and the 2110-2170 MHz bands. Although the current auction deadline for the 1710-1755 and 2110-2150 MHz bands is September 30, 2002, NTIA has proposed legislation to postpone this deadline until September 30, 2004. It is unclear at this point what impact, if any, this proceeding will have on our current operations.

All personal communications services licenses have a 10-year term, at the end of which they must be renewed. The FCC will award a renewal expectancy to a personal communications services licensee that has:

- provided substantial service during its past license term; and
- has substantially complied with applicable FCC rules and policies and the Communications Act.

Cellular radio licenses also generally expire after a 10-year term and are renewable for periods of 10 years upon application to the FCC. Licenses may be revoked for cause and license renewal applications denied if the FCC determines that a renewal would not serve the public interest. FCC rules provide that competing renewal applications for cellular licenses will be considered in comparative hearings and establish the qualifications for competing applications and the standards to be applied in hearings. Under current policies, the FCC will grant incumbent cellular licensees the same renewal expectancy granted to personal communications services licensees.

All personal communications services licensees must satisfy certain coverage requirements. In our case, we must construct facilities that offer radio signal coverage to one-third of the population of our service area within five years of the original license grants to AT&T Wireless and to two-thirds of the population within ten years. Licensees that fail to meet the coverage requirements may be subject to forfeiture of their license. The last phase of our network build-out will be completed by year-end 2001. Our cellular license, which covers the Myrtle Beach area, is not subject to coverage requirements.

For a period of up to five years, subject to extension, after the grant of a personal communications services license, a licensee will be required to share spectrum with existing licensees that operate certain fixed microwave systems within its license area. To secure a sufficient amount of unencumbered spectrum to operate our personal communications services systems efficiently and with adequate population coverage, we have relocated two of these incumbent licensees and will need to relocate two more licensees. In an effort to balance the competing interests of existing microwave users and newly authorized personal communications services licensees, the FCC has adopted:

- a transition plan to relocate such microwave operators to other spectrum blocks; and
- a cost sharing plan so that if the relocation of an incumbent benefits more than one personal communications services licensee, those licensees will share the cost of the relocation.

Initially, this transition plan allowed most microwave users to operate in the personal communications services spectrum for a two-year voluntary negotiation period and an additional one-year mandatory negotiation period. For public safety entities that dedicate a majority of their system communications to police, fire or emergency medical services operations, the voluntary negotiation period is three years, with an additional two-year mandatory negotiation period. In 1998, the FCC shortened the voluntary negotiation period by one year, without lengthening the mandatory negotiation period for non-public safety personal communications services licensees in the C, D, E and F Blocks. Parties unable to reach agreement within these time periods may refer the matter to the FCC for resolution, but the incumbent microwave user is permitted to continue its operations until final FCC resolution of the matter. The transition and cost sharing plans expire on April 4, 2005, at which time remaining microwave incumbents in the personal communications services spectrum will be responsible for the costs of relocating to alternate spectrum locations. Our cellular license is not encumbered by existing microwave licenses.

Transfers and Assignments of Cellular and Personal Communications Services Licenses. The Communications Act and FCC rules require the FCC's prior approval of the assignment or transfer of control of a license for a personal communications services or cellular system. In addition, the FCC has established transfer disclosure requirements that require any licensee that assigns or transfers control of a personal communications services license within the first three years of the license term to file associated sale contracts, option agreements, management agreements or other documents disclosing the total consideration that the licensee would receive in return for the transfer or assignment of its license. Non-controlling interests in an entity that holds a FCC license generally may be bought or sold without FCC approval, subject to the FCC's spectrum aggregation limits. However, we may require approval of the Federal Trade Commission and the Department of Justice, as well as state or local regulatory authorities having competent jurisdiction, if we sell or acquire personal communications services or cellular interests over a certain size.

Foreign Ownership. Under existing law, no more than 20% of an FCC licensee's capital stock may be owned, directly or indirectly, or voted by non-U.S. citizens or their representatives, by a

foreign government or its representatives or by a foreign corporation. If an FCC licensee is controlled by another entity, as is the case with our ownership structure, up to 25% of that entity's capital stock may be owned or voted by non-US citizens or their representatives, by a foreign government or its representatives or by a foreign corporation. Foreign ownership above the 25% level may be allowed should the FCC find such higher levels not inconsistent with the public interest. The FCC has ruled that higher levels of foreign ownership, even up to 100%, are presumptively consistent with the public interest with respect to investors from certain nations. If our foreign ownership were to exceed the permitted level, the FCC could revoke our FCC licenses, although we could seek a declaratory ruling from the FCC allowing the foreign ownership or take other actions to reduce our foreign ownership percentage to avoid the loss of our licenses. We have no knowledge of any present foreign ownership in violation of these restrictions.

Regulation of Personal Communications Services Operations. Personal communications services and cellular systems are subject to certain FAA regulations governing the location, lighting and construction of transmitter towers and antennas and may be subject to regulation under Federal environmental laws and the FCC's environmental regulations. State or local zoning and land use regulations also apply to our activities. We use common carrier point to point microwave facilities to connect the transmitter, receiver, and signaling equipment for each personal communications services or cellular cell, the cell sites, and to link them to the main switching office. The FCC licenses these facilities separately and they are subject to regulation as to technical parameters and service.

The Communications Act preempts state and local regulation of the entry of, or the rates charged by, any provider of private mobile radio service or of commercial mobile radio service, which includes personal communications services and cellular service. The Communications Act permits states to regulate the "other terms and conditions" of commercial mobile radio service. The FCC has not clearly defined what is meant by the "other terms and conditions" of commercial mobile radio service, however, and has upheld the legality of state universal service requirements on commercial mobile radio service carriers. The United States Courts of Appeals for the Fifth and District of Columbia Circuits have affirmed the FCC's determination. The FCC also has held that private lawsuits based on state law claims concerning how wireless rates are promoted or disclosed may not be preempted by the Communications Act.

The FCC does not regulate commercial mobile radio service or private mobile radio service rates. The FCC does exercise jurisdiction over all telecommunications service providers whose facilities are used to provide, originate and terminate interstate or international communications.

Recent Industry Developments. The following requirements impose restrictions on our business and could increase our costs:

Enhanced 911 Services. The FCC has announced rules for making emergency 911 services available by cellular, personal communications services and other commercial mobile radio service providers, including enhanced 911 services that provide the caller's telephone number, location and other useful information. Commercial mobile radio service providers currently are required to be able to process and transmit 911 calls without call validation, including those from callers with speech or hearing disabilities, and relay a caller's automatic number identification and cell site. FCC regulations will require wireless carriers to identify the location of emergency 911 callers by use of either network-based or handset-based technologies.

Carriers that use network-based technologies must provide location information for 50% of callers within six months and 100% of callers within 18 months of a request from a 911 public

service answering point. The FCC will require network-based solutions to be accurate for 67% of calls to within 100 meters and for 95% of calls to within 300 meters and handset-based solutions to be accurate for 67% of calls to within 50 meters and for 95% of calls to within 150 meters. We currently have selected a network-based technology as our implementing technology and, like virtually all carriers, have filed for a waiver of the FCC's timetable and initial location accuracy requirements.

On November 18, 1999, the FCC eliminated carrier cost recovery as a precondition to enhanced 911 deployment. The FCC's cost-recovery rules require wireless carriers to implement enhanced 911 services without any specific mechanism to recoup their costs. The FCC denied two requests for reconsideration of this decision.

Pending the development of adequate technology, the FCC has granted waivers of the requirement to provide 911 service to users with speech or hearing disabilities to various providers, and we have obtained a waiver. On June 9, 1999, the FCC also adopted rules designed to ensure that analog cellular calls to 911 are completed. These rules, which do not apply to digital cellular service or to personal communications services, give each cellular handset manufacturer a choice of three ways to meet this requirement. State actions incompatible with the FCC rules are subject to preemption.

In December, 2000, we reported to the FCC that we had selected a handset-based technology for our Phase II E-911 deployment. Subsequently, handset manufacturers from whom we purchase handsets notified us that they had abandoned further research and development of GPS-equipped TDMA handsets. Thus, we concluded that our preferred E-911 Phase II handset-based solution could not be deployed on our TDMA network. We reported these developments to the FCC on June 11, 2001.

Based upon the available options, we determined that Mobile-Assisted Network Location System, or "MNLS," constituted the most viable Phase II solution for our TDMA network. On August 3, 2001 we filed for a waiver of the FCC's accuracy rules to deploy MNLS for our existing network. Due to subsequent developments, on September 27, 2001, we notified the FCC that we are currently in negotiations with two network-based vendors for Phase II TDMA network solutions. We anticipate finalizing an agreement with one of these vendors in the very near future and will revise our waiver request and specify in detail the rollout of Phase II capability when an appropriate vendor is selected.

The FCC has announced that it will not enforce its Phase II rules against carriers, such as Triton PCS, who have waivers pending with the FCC.

On December 14, 2000, the FCC released a decision establishing June 20, 2002, as the deadline by which digital wireless service providers must be capable of transmitting 911 calls made by users with speech or hearing disabilities using text telephone devices. Recently, a petition for reconsideration was filed challenging the decision.

Radiofrequency Emissions. On January 10, 2001, the United States Supreme Court denied a petition for review of the FCC guidelines for health and safety standards of radiofrequency radiation. The guidelines, which were adopted by the FCC in 1996, limit the permissible human exposure to radiofrequency radiation from transmitters and other facilities.

Media reports have suggested that, and studies are currently being undertaken to determine whether, certain radiofrequency emissions from wireless handsets may be linked to various health

concerns, including cancer, and may interfere with various electronic medical devices, including hearing aids and pacemakers. Concerns over radio frequency emissions may have the effect of discouraging the use of wireless handsets, which would decrease demand for our services. However, the most recent reports from the National Cancer Institute and the American Health Foundation, both released in December 2000, and from the Danish Cancer Society, released in February 2001, found no evidence that cell phones cause cancer, although one of the reports indicated that further study might be appropriate as to one rare form of cancer. Other studies of these issues are in progress.

Interconnection Provisions. In 1996, Congress passed legislation designed to open local telecommunications markets to competition. The Telecommunications Act of 1996 mandated significant changes in existing regulation of the telecommunications industry. The Telecommunications Act establishes a general duty of all telecommunications carriers, including personal communications services licensees, to interconnect with other carriers directly or indirectly. The Telecommunications Act also contains detailed requirements with respect to the interconnection obligations of local exchange carriers.

On August 8, 1996, the FCC released its order implementing the interconnection provisions of the Telecommunications Act. Although many of the provisions of this order were struck down by the United States Court of Appeals for the Eighth Circuit, the United States Supreme Court reversed the Eighth Circuit and upheld the FCC in all respects material to our operations. While appeals have been pending, the rationale of the FCC's order has been adopted by many states' public utility commissions, with the result that the charges that cellular and personal communications services operators pay to interconnect their traffic to the public switched telephone network have declined significantly from pre-1996 levels.

On July 18, 2000, the United States Court of Appeals for the Eighth Circuit vacated the FCC's method for setting the prices of incumbent local exchange carriers' unbundled network elements, which is known as "total element long run incremental cost," or "TELRIC." TELRIC is a forward-looking cost model that attempts to value the incumbent carriers' existing network elements and facilities based on what the cost would be to provide these elements or facilities over the most efficient technology and network configuration. While the court struck down TELRIC, it did not foreclose the FCC from employing a different forward-looking cost model for interconnection and unbundled elements. The FCC requested the Eighth Circuit to stay the decision pending review by the Supreme Court. A stay was granted in September 2000. On January 22, 2001, the Supreme Court granted certiorari and agreed to hear the appeal from the Eighth Circuit. The Supreme Court heard the case on October 10, 2001. If the FCC's rules are not reinstated it is possible that our costs for interconnection with the public switched telecommunications network, could increase. In addition, Congress may consider legislation and the FCC has initiated a proceeding that could greatly modify the current regime of payments for interconnection. If legislation were enacted in the form under consideration in the previous session of Congress, it could reduce our costs for interconnection.

The Communications Act permits carriers to appeal public utility commission decisions to United States District Courts. Several state commissions have challenged whether this provision violates the Eleventh Amendment, which gives states immunity from suits in Federal court. On March 5, 2001 and June 25, 2001, the United States Supreme Court agreed to hear two disputes that essentially pose the same question: whether Federal courts have jurisdiction to review state public utility commission decisions that arise when they arbitrate interconnection disputes between local exchange carriers and competitive carriers. Oral arguments on both cases are scheduled for December 5, 2001. Should the Supreme Court determine that states are immune from such suits in

Federal court, carriers would be limited in their challenges to state arbitration decisions at the Federal court level.

Universal Service Funds. In its implementation of the Telecommunications Act, the FCC established federal universal service requirements that affect commercial mobile radio service operators. Under the FCC's rules, commercial mobile radio service providers are potentially eligible to receive universal service subsidies for the first time; however, they are also required to contribute to both federal and state universal service funds. The rules adopted by the FCC in its Universal Service orders require telecommunications carriers generally (subject to limited exemptions) to contribute to funding existing universal service programs for high cost carriers and low income customers and to new universal service programs to support services to schools, libraries and rural health care providers. The FCC has implemented a program to fund local exchange carrier operations in high cost service non-rural areas that, in the short run, preserves many of the existing subsidies. On December 22, 2000, the Federal-State Joint Board on Universal Service forwarded to the FCC recommendations of the Rural Task Force on Universal Service, referred to as the "RTF," for implementing a rural universal service plan. Among the recommendations of the RTF is the use of embedded-cost mechanisms, not forward-looking tools, to set rural high-cost support. The RTF proposal also calls for geographic disaggregation of costs and retaining but adjusting the cap on high-cost support. The RTF proposal also supports increasing support for the provision of advanced services. An expansion of the services covered by the Universal Service Fund could substantially increase the contributions Triton and other carriers make to the fund. This subsidy mechanism, if adopted, could provide an additional source of revenue to those local exchange carriers or other carriers willing and able to provide service to those markets that are less financially desirable. Regardless of our ability to receive universal service funding for the supported services we provide, we are required to fund these federal programs based on our end user telecommunications revenue and also may be required to contribute to state universal service programs.

Electronic Surveillance. The FCC has also adopted rules requiring providers of wireless services that are interconnected to the public switched telephone network to provide functions to facilitate electronic surveillance by law enforcement officials. The Communications Assistance for Law Enforcement Act requires telecommunications carriers to modify their equipment, facilities, and services to ensure that they are able to comply with authorized electronic surveillance. These modifications were required to be completed by June 30, 2000, unless carriers were granted temporary waivers, which Triton and many other wireless providers requested. The FCC recently gave us until June 30, 2002 to comply with all of the federal government's assistance capability requirements.

Number Portability. The FCC has adopted rules on telephone number portability that will enable customers to migrate their landline and cellular telephone numbers to cellular or personal communications services providers and from a cellular or personal communications services provider to another service provider. The deadline for compliance with this requirement is November 24, 2002, subject to any later determination that an earlier implementation of number portability is necessary to conserve telephone numbers. Verizon Wireless has filed a petition seeking elimination of certain elements of the number portability requirement for wireless services, which is pending at the FCC.

Number Pooling. In addition, there are significant ongoing controversies concerning numbering resources. In March and December 2000, the FCC released orders establishing rules intended to promote the efficient use of numbering resources while ensuring that all carriers have access to the

numbering resources they need to compete effectively and a further notice of proposed rulemaking seeking additional comments and supporting data on certain issues. The orders adopt a mandatory requirement for carriers to share blocks of telephone numbers (known as "number pooling"), which today are assigned in groups of 10,000. The orders defer this requirement for wireless providers until the time when those providers will be required to implement number portability, which is November 24, 2002. The orders also adopt a requirement for carriers to meet usage thresholds before requesting new telephone numbers and gives states new authority to reclaim unused blocks of telephone numbers. In particular, the FCC adopted a utilization threshold--the percentage of already-assigned telephone numbers a carrier must use before asking for more numbering resources--of 60%, which eventually increases to 75% in increments of 5% over the next three years. The orders also extend the period that telephone numbers could be reserved by carriers from 45 to 180 days and establish a five-year contract term for the number pooling administrator.

In the December 2000 order, the FCC also seeks comment on several issues, including modification of the current prohibition on service-specific and technology-specific overlays, and whether states should be permitted to implement such overlays subject to certain conditions. The further notice also seeks comment on the extent of the FCC's authority over rate center consolidation, which typically has been reserved to the states.

In addition, the FCC has shown a willingness to delegate to the states a larger role in telephone number conservation measures. Examples of state conservation methods include number pooling and number rationing. Number pooling is especially problematic for wireless providers because it is dependent on number portability technology.

Since mid-1999, the FCC has granted interim number conservation authority to several state commissions, including South Carolina, a state within our operating region.

Rate Integration. The FCC has determined that the interstate, interexchange offerings, commonly referred to as long distance, of commercial mobile radio service providers are subject to the interstate, interexchange rate averaging and integration provisions of the Communications Act. Rate averaging requires carriers to average our interstate long distance commercial mobile radio service rates between high cost and urban areas. The U.S. Court of Appeals for the District of Columbia Circuit, however, rejected the FCC's application of its rate integration requirements to wireless carriers. The court remanded the issue back to the FCC for further consideration of whether CMRS carriers should be required to average their long distance rates across all U.S. territories. This proceeding remains pending.

Privacy. The FCC has adopted rules limiting the use of customer proprietary network information by telecommunications carriers, including Triton, in marketing a broad range of telecommunications and other services to their customers and the customers of affiliated companies. The rules give wireless carriers discretion to use customer proprietary network information, without customer approval, to market all information services used in the provision of wireless services. The FCC also allowed all telephone companies to use customer proprietary network information to solicit lost customers. While all carriers must notify customers of their individual rights regarding the use of customer proprietary network information for purposes not explicitly permitted by the law or the FCC's rules, the specific details of gathering and storing this approval are now left to the carriers. The FCC is seeking, through a new proceeding, additional information regarding consumer privacy interests and whether FCC rules should require affirmative opt-in or opt-out approvals by customers for customer proprietary network information use.

Billing. The FCC has adopted rules governing customer billing by commercial mobile radio services providers. The FCC adopted detailed billing rules for landline telecommunications service providers and extended some of those rules to commercial mobile radio services providers. Commercial mobile radio service providers must comply with two fundamental rules: (i) clearly identify the name of the service provider for each charge; and (ii) display a toll-free inquiry number for customers on all "paper copy" bills.

Access for Individuals with Disabilities. The FCC has adopted an order that determines the obligations of telecommunications carriers to make their services accessible to individuals with disabilities. The order requires telecommunications services providers, including Triton, to offer equipment and services that are accessible to and useable by persons with disabilities, if that equipment can be made available without much difficulty or expense. The rules require us to develop a process to evaluate the accessibility, usability and compatibility of covered services and equipment. While we expect our vendors to develop equipment compatible with the rules, we cannot assure you that we will not be required to make material changes to our network, product line, or services.

State Regulation and Local Approvals

The states in which we operate do not regulate wireless service at this time. In the 1993 Budget Act, Congress gave the FCC the authority to preempt states from regulating rates or entry into commercial mobile radio service, including cellular and personal communications services. The FCC, to date, has denied all state petitions to regulate the rates charged by commercial mobile radio service providers. States may, however, regulate the other terms and conditions of commercial mobile radio service. State and local governments are permitted to manage public rights of way and can require fair and reasonable compensation from telecommunications providers, including personal communications services providers, so long as the compensation required is publicly disclosed by the government. The siting of cells/base stations also remains subject to state and local jurisdiction, although proceedings are pending at the FCC relating to the scope of that authority. States also may impose competitively neutral requirements that are necessary for universal service or to defray the costs of state emergency 911 services programs, to protect the public safety and welfare, to ensure continued service quality and to safeguard the rights of consumers. While a state may not impose requirements that effectively function as barriers to entry or create a competitive disadvantage, the scope of state authority to maintain existing or to adopt new such requirements is unclear.

There are several state and local legislative initiatives that are underway to ban the use of wireless phones in motor vehicles. New York has already enacted a statewide ban on driving while holding a wireless phone. Officials in a handful of communities have enacted ordinances banning or restricting the use of cell phones by drivers. Should this become a nationwide initiative, commercial mobile radio service providers could experience a decline in the number of minutes of use by subscribers.

The foregoing does not purport to describe all present and proposed federal, state and local regulations and legislation relating to the wireless telecommunications industry. Other existing federal regulations, copyright licensing and, in many jurisdictions, state and local franchise requirements are the subject of a variety of judicial proceedings, legislative hearings and administrative and legislative proposals that could change, in varying degrees, the manner in which wireless providers operate. Neither the outcome of these proceedings nor their impact upon our operations or the wireless industry can be predicted at this time.

Competition

We compete directly with two cellular providers and other personal communications services providers in each of our markets except Myrtle Beach, where we are one of two cellular providers, and against enhanced specialized mobile radio providers in some of our markets. These cellular providers have an infrastructure in place and have been operational for a number of years, and some of these competitors have greater financial, technical resources and spectrum than we do. These cellular operators may upgrade their networks to provide services comparable to those we offer. The technologies primarily employed by our digital competitors are code division multiple access and global system for mobile communications, two competing digital wireless standards.

We also compete with personal communications services license holders in each of our markets. We also expect to face competition from other existing communications technologies such as specialized mobile radio and enhanced specialized mobile radio, which is currently employed by Nextel Communications, Inc. in our licensed area. Although the FCC originally created specialized mobile radio as a non-interconnected service principally for fleet dispatch, in the last decade it has liberalized the rules to permit enhanced specialized mobile radio, which, in addition to dispatch service, can offer services that are functionally equivalent to cellular and personal communications services and may be less expensive to build and operate than personal communications services systems.

We expect competition to intensify as a result of the consolidation of the industry and the development of new technologies, products and services. The wireless communications industry has been experiencing significant consolidation, and we expect this trend will continue. This consolidation trend may create additional large, well-capitalized competitors with substantial financial, technical, marketing and other resources.

The FCC requires all cellular and personal communications services licensees to provide service to resellers. A reseller provides wireless service to customers but does not hold an FCC license or own facilities. Instead, the reseller buys blocks of wireless telephone numbers and capacity from a licensed carrier and resells service through its own distribution network to the public. Thus, a reseller is both a customer of a wireless licensee's services and a competitor of that licensee. Several small resellers currently compete with us in our licensed area. With respect to cellular and personal communications services licenses, the resale obligations terminate five years after the last group of initial licenses of currently allotted personal communications services spectrum were awarded. Accordingly, our resale obligations end on November 24, 2002, although licensees will continue to be subject to the provisions of the Communications Act requiring non-discrimination among customers. We have also agreed to permit AT&T Wireless to resell our services.

The FCC has scheduled the 700 MHz auction, which is exempt from spectrum cap limitations, for June 19, 2002. Some applicants have received and others are seeking FCC authorization to construct and operate global satellite networks to provide domestic and international mobile communications services from geostationary and low-earth-orbit satellites. On August 9, 2001, the FCC adopted a Notice of Proposed Rulemaking seeking comment on proposals by New ICO Global Communications (Holdings) Ltd. and Motient Services, Inc. to bring flexibility to the delivery of communications by mobile satellite service providers through the incorporation of a wireless ancillary terrestrial component into their mobile satellite networks. This proceeding is still pending. It is not possible at this time to predict the success of this initiative.

Our ability to compete successfully will depend, in part, on our ability to anticipate and respond to various competitive factors affecting the industry, including new services that may be introduced, changes in consumer preferences, demographic trends, economic conditions and competitors' discount pricing strategies, all of which could adversely affect our operating margins. We plan to use our digital feature offerings, coast-to-coast digital wireless network through our AT&T Wireless affiliation, contiguous presence providing an expanded home-rate billing area and local presence in secondary markets to combat potential competition. We expect that our extensive digital network, once deployed, will provide cost-effective means to react effectively to any price competition.

Intellectual Property

The AT&T globe design logo is a service mark owned by AT&T and registered with the United States Patent and Trademark Office. Under the terms of our license agreement with AT&T, we use the AT&T globe design logo and certain other service marks of AT&T royalty-free in connection with marketing, offering and providing wireless mobility telecommunications services using time division multiple access digital technology and frequencies licensed by the FCC to end-users and resellers within our licensed area. The license agreement also grants us the right to use the licensed marks on certain permitted mobile phones.

AT&T has agreed not to grant to any other person a right or license to provide or resell, or act as agent for any person offering, those licensed services under the licensed marks in our licensed area except:

- to any person who resells, or acts as our agent for, licensed services provided by us, or

- any person who provides or resells wireless communications services to or from specific locations such as buildings or office complexes, even if the applicable subscriber equipment being used is capable of routine movement within a limited area and even if such subscriber equipment may be capable of obtaining other telecommunications services beyond that limited area and handing-off between the service to the specific location and those other telecommunications services.

In all other instances, AT&T reserves for itself and its affiliates the right to use the licensed marks in providing its services whether within or outside of our licensed area.

The license agreement contains numerous restrictions with respect to the use and modification of any of the licensed marks.

We have entered into an agreement with TeleCorp PCS to adopt and use a common regional brand name, SunCom. Under this agreement, we have formed Affiliate License Company with TeleCorp PCS for the purpose of sharing ownership of and maintaining the SunCom brand name. Each company shares in the ownership of the SunCom brand name and the responsibility of securing protection for the SunCom brand name in the United States Patent and Trademark Office, enforcing our rights in the SunCom brand name against third parties and defending against potential claims against the SunCom brand name. The agreements provide parameters for each company's use of the SunCom brand name, including certain quality control measures and provisions in the event that either of these company's licensing arrangements with AT&T is terminated. AT&T Wireless has agreed to acquire TeleCorp PCS and has announced its expectation to discontinue use of the SunCom brand. We currently plan to continue using the SunCom brand.

The SunCom service mark was registered by the United States Patent and Trademark Office on July 18, 2000 (Registration No. 2367621). Various other applications for registration of service marks using the SunCom name have been filed in the United States Patent and Trademark Office and are currently pending. Affiliate License Company owns the SunCom brand name, as well as the applications for the other related service marks.

Employees

As of September 30, 2001, we had 1,768 employees. We believe our relations with our employees are good.

Properties

Triton maintains its executive offices in Berwyn, Pennsylvania. We also maintain two regional offices in Richmond, Virginia and Charleston, South Carolina. We lease these facilities.

Legal Proceedings

We are not a party to any lawsuit or proceeding which, in management's opinion, is likely to have a material adverse effect on our business or operations.

MANAGEMENT

Executive Officers and Directors

The table below sets forth certain information regarding the directors and executive officers of Triton.

Name	Age	Position
Michael E. Kalogris.....	52	Chairman of the Board of Directors and Chief Executive Officer
Steven R. Skinner.......	59	President, Chief Operating Officer and Director
David D. Clark..........	37	Executive Vice President, Chief Financial Officer and Secretary
Stephen J. McNulty......	48	Senior Vice President of Sales and Marketing and President of SunCom
Daniel E. Hopkins.......	37	Senior Vice President of Finance and Treasurer
Glen Robinson...........	43	Senior Vice President of Technology
William A. Robinson.....	35	Senior Vice President of Operations
Scott I. Anderson.......	43	Director
Arnold L. Chavkin.......	50	Director
John D. Beletic.........	50	Director
John W. Watkins.........	40	Director
William W. Hague........	46	Director

Michael E. Kalogris has served as Chairman of the Board of Directors and as Chief Executive Officer of Triton since its inception. Mr. Kalogris was previously the Chairman of Triton Cellular Partners, L.P., which specialized in acquiring and operating rural cellular properties. The assets of Triton Cellular Partners, L.P. were sold in 2000 for approximately $1.24 billion. Prior to Triton Cellular Partners, L.P., Mr. Kalogris was President and Chief Executive Officer of Horizon Cellular Group, which he joined October 1, 1991. Under Mr. Kalogris' leadership, Horizon Cellular Group became the fifth-largest independent cellular company in the United States, specializing in suburban markets and small cities encompassing approximately 3.2 million potential customers and was sold for approximately $575.0 million. Prior to joining Horizon Cellular Group, Mr. Kalogris served as President and Chief Executive Officer of Metrophone, a cellular carrier in Philadelphia, the nation's fourth-largest market. Mr. Kalogris is a member of the board of directors of the Cellular Telecommunications Industry Association and serves on its Executive Committee and Public Policy Council. He is also a member of the advisory board of Waller Capital Media Partners and the board of directors of Paoli Hospital.

Steven R. Skinner has served as President and Chief Operating Officer and as a Director of Triton since its inception. Mr. Skinner previously served as the Vice President of Operations and Chief Operating Officer of Horizon Cellular Group beginning in January of 1994. From March 1992 through December 1993, Mr. Skinner served as Vice President of Acquisitions for Horizon Cellular Group. From January 1991 to March 1992, he served as a consultant in the area of cellular acquisitions to Norwest Venture Capital Management, Inc. and others. From August 1987 to January 1991, he served as President and General Manager of Houston Cellular Telephone Company. Prior to joining Houston Cellular, he served as a General Manager of Cybertel, Inc., a non-wireline carrier serving St. Louis. Mr. Skinner was a member of the advisory board of Triton Cellular Partners, L.P., and Mr. Skinner has also been active in the National CellularOne Group, most recently acting as Chairman of the Advisory Committee.

David D. Clark has served as Executive Vice President, Chief Financial Officer and Secretary of Triton since its inception. Mr. Clark served as Chief Financial Officer of Triton Cellular Partners, L.P. from inception through April 2000. Before joining Triton, he was a Managing Director

at Furman Selz L.L.C. specializing in communications finance, which he joined in February 1996. Prior to joining Furman Selz, Mr. Clark spent over ten years at Citibank N.A. and Citicorp Securities Inc. as a lending officer and a high yield finance specialist.

Stephen J. McNulty has served as Senior Vice President of Sales and Marketing of Triton and President of SunCom since January 2001 and as President and General Manager of Triton's Mid-Atlantic region from July 1998 through December 2000. Before joining Triton, he was Vice President Central/West Operations with United States Cellular in Chicago, Illinois. Mr. McNulty previously served as Vice President of Marketing for ALLTEL Communications from February 1994 to May 1997.

Daniel E. Hopkins has served as Senior Vice President of Finance and Treasurer of Triton since July 1998. Mr. Hopkins served as Treasurer for Triton Cellular Partners, L.P. from July 1998 through April 2000. From May 1994 until joining Triton, he was Vice President at PNC Bank, where he focused primarily on the financing of telecommunications ventures. Mr. Hopkins has over ten years of banking experience, primarily in the areas of Communications Finance and Acquisitions/Leveraged Finance.

Glen Robinson has served as Senior Vice President of Technology of Triton since January 2001 and as Senior Vice President of Engineering and Information Technology from April 2000 through December 2000. Before joining Triton, Mr. Robinson served as Chief Technology Officer of Triton Cellular Partners, L.P. from July 1998 through March 2000 and served as Director or Technical Operations for AT&T Wireless' Philadelphia OCS and Pittsburgh Cellular Markets from September 1994 through June 1998. Mr. Robinson has over twenty years of progressive telecommunications experience, primarily in the area of engineering.

William A. Robinson has served as Senior Vice President of Operations of Triton since January 2001 and as Vice President and Controller from March 1998 through December 2000. Before joining Triton, Mr. Robinson served as Director, Financial Reporting for Freedom Chemical Company from June 1997 through March 1998 and Director, Financial Analysis, Planning and Budgeting for Centeon L.L.C. from December 1995 through June 1997.

Scott I. Anderson has served as a Director of Triton since February 1998. He is currently a member of the board of directors of TeleCorp PCS, Wireless Facilities, Inc. and Telephia, Inc. and a principal of Cedar Grove Partners, LLC and Cedar Grove Investments. Mr. Anderson was previously Senior Vice President for Acquisitions and Development at AT&T Wireless, formerly McCaw Cellular Communications, Inc., which he joined in 1986, and a director of Horizon Cellular Group.

Arnold L. Chavkin has served as a Director of Triton since February 1998. Mr. Chavkin was previously a member of the advisory board of Triton Cellular Partners, L.P. and is currently a director of American Tower Corporation, Encore Acquisition Partners, Inc., Crown Media Holdings, R&B Falcon Corporation, Carrizo Oil and Gas, TIW (Asia), HDFC Bank in India and Better Minerals & Aggregates Co. He also serves on the Advisory Investment Boards of Richina Group, the Indian Private Equity Fund and the Asia Development Partners Fund. Mr. Chavkin is an Executive Partner of J.P. Morgan Partners, LLC (formerly Chase Capital Partners), and was a General Partner from 1992 to 2000. Prior to joining Chase Capital Partners, he was a member of Chemical Bank's merchant banking group and a generalist in its corporate finance group specializing in mergers and acquisitions and private placements for the energy industry.

John D. Beletic has served as a Director of Triton since February 1998. Mr. Beletic currently serves as Chairman and Chief Executive Officer of WebLink Wireless, Inc. which he joined in March 1992. He also serves as a director of Tessco Technologies Inc., iPass Inc. and the Personal Communication Industry Association.

John W. Watkins has served as a Director of Triton since February 1998. Mr. Watkins serves as a director of Affinity Internet, Advanced TelCom Group, Kelmscott Communications and Western Integrated Networks. Mr. Watkins manages private equity investment activities in the communications industries. He is a Managing General Partner of Telegraph Hill Communications Partners, L.P. Previously, Mr. Watkins was a Managing Director and an officer of J.P. Morgan Capital Corporation.

William W. Hague was appointed as a Director of Triton on April 28, 2000 by AT&T Wireless PCS LLC and previously served as a Director of Triton from February 1998 through January 1999. Mr. Hague serves as the Senior Vice President, Corporate Development, Mergers and Acquisitions at AT&T Wireless, which he joined in 1995. Prior to joining AT&T Wireless and beginning in 1992, he acted as Director of Legal Affairs and Human Resources at Western Wireless, Inc.

Audit Committee

The current members of the audit committee are Mr. Anderson, as chairman, Mr. Chavkin and Mr. Watkins.

Compensation Committee

The current members of the Compensation Committee are Mr. Beletic, as chairman, Mr. Chavkin and Mr. Watkins.

The functions of the Compensation Committee include overseeing the administration of Triton's compensation policies and practices; establishing and administering the compensation plans of members of senior management and authorizing any adjustments thereto; administering Triton's stock and incentive plan and authorizing all awards granted thereunder; administering Triton's employee stock purchase plan; and reporting annually to our stockholders on matters concerning the compensation of executives of Triton.

Compensation of Directors

The non-employee members of the board of directors receive compensation of $10,000 per year, plus $1,000 for each meeting they attend in person and $500 for each meeting they attend via conference call. Independent and management directors may also receive shares of Class A common stock that may, from time to time, be awarded to them under our stock and incentive plan.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

We are party to the following agreements with management and our principal stockholders.

The Stockholders' Agreement

General. We have entered into an amended and restated stockholders' agreement, dated as of October 27, 1999, with AT&T Wireless PCS, our initial institutional investors, which we refer to as the cash equity investors, and certain of our current and former executive officers. Additional management stockholders and the independent directors have also agreed to be bound by the provisions of the stockholders' agreement in connection with the issuance to them of our capital stock. The agreement covers matters in connection with our management and operations and the sale, transfer or other disposition of our capital stock.

Board of Directors. A board of directors divided into three classes and consisting of seven persons governs Triton. Actions of the board of directors require the affirmative vote of a majority of the entire board, although some transactions require a higher vote. The stockholders who are party to our stockholders' agreement, other than J. P. Morgan SBIC LLC, have agreed that they will vote their shares together to elect as two of our seven directors the nominees selected by our cash equity investors and, so long as AT&T Wireless PCS has the right to nominate a director under our certificate of incorporation, to elect AT&T Wireless PCS's nominee.

Representatives of AT&T Wireless PCS and several cash equity investors also have the right to attend each meeting of the board of directors as observers, provided that they continue to own a certain amount of our capital stock. A majority of disinterested directors must approve any transactions between Triton and its stockholders, except for transactions under the stockholders', license, roaming and resale agreements described in this section and arm's-length agreements with AT&T Wireless and its affiliates.

Restrictions on Transfer; Rights of First Offer. The stockholders' agreement imposes restrictions with respect to the sale, transfer or other disposition of our capital stock held under the terms of the agreement. Stockholders holding shares of common stock may only transfer their shares of common stock after complying with rights of first offer and first negotiation granted to specified parties to the stockholders' agreement. Additionally, holders of common stock and Series D preferred stock may transfer those shares at any time to an affiliated successor or an equity investor affiliate, and the cash equity investors may transfer or otherwise dispose of any of those shares held by them to any other cash equity investor.

AT&T Wireless PCS may not transfer or dispose of any of its shares of Series D preferred stock at any time other than to an affiliated successor. In addition, each stockholder who is a party to the stockholders' agreement has agreed, subject to some exceptions, not to transfer or otherwise dispose of any shares of our capital stock to any of the three largest carriers of telecommunications services that as of February 4, 1998 constituted interexchange services, other than AT&T Wireless PCS and other specified wireless carriers.

Registration Rights. The stockholders' agreement grants certain demand and piggyback registration rights to the stockholders. The following stockholders may, subject to the restrictions on transfer described above, cause an underwritten demand registration, subject to customary

proportionate cutback and blackout restrictions, so long as registration is reasonably expected to result in aggregate gross proceeds of at least $10.0 million to such stockholder:

- AT&T Wireless PCS;
- any stockholder or group of stockholders beneficially owning shares of Series C preferred stock or common stock, if the sale of the shares to be registered is reasonably expected to result in aggregate gross proceeds of at least $25.0 million; or
- certain management stockholders beneficially owning at least 50.1% of the shares of common stock then beneficially owned by all such management stockholders together.

In addition to the demand registration rights, any stockholder may, subject to the restrictions on transfer described above, piggyback on a registration by us at any time, other than registrations on Forms S-4 or S-8 of the Securities Act, subject to customary proportionate cutback restrictions. The demand and piggyback registration rights and obligations survive until February 4, 2018.

Rights of Inclusion. In the event of a proposed sale by any stockholder to any person other than an affiliated successor that would constitute 25% or more of the aggregate outstanding Series C preferred stock and common stock on a fully-diluted basis, excluding the Series A preferred stock, the other stockholders have the right to participate in any such proposed sale by exercising such right within 30 days after receipt of a notice informing them of such proposed sale. The purchaser may either purchase all stock offered by all stockholders electing to participate in such sale, or the purchaser may purchase stock from stockholders electing to participate in such sale on a pro-rata basis up to the aggregate dollar amount offered by the purchaser to the initial selling stockholder.

In a separate investors' agreement, the cash equity investors have agreed that cash equity investors holding 66 2/3% or more of our Class A common stock and Class B non-voting common stock held by the cash equity investors, in the aggregate, who propose to sell their shares of common stock may require the other cash equity investors to also participate in any such sale. As a result, such cash equity investors may have the effective right to sell control of Triton.

Exclusivity. The stockholders have agreed that during the term of the stockholders' agreement, none of the stockholders nor their respective affiliates will provide or resell, or act as the agent for any person offering, within the territory defined in the stockholders' agreement, wireless mobile telecommunications services initiated or terminated using time division multiple access technology and frequencies licensed by the FCC. However, AT&T Wireless PCS and its affiliates may:

- resell or act as agent for Triton;
- provide or resell wireless telecommunications services to or from specific locations; and
- resell wireless telecommunications services for another person in any area where Triton has not yet placed a system into commercial service.

AT&T Wireless PCS must provide Triton with prior written notice of its intention to engage in resales for another person, and only dual band/dual mode phones may be used in connection with the resale activities. Additionally, with respect to the markets listed on the roaming agreement, Triton and AT&T Wireless have agreed to cause their respective affiliates in their home carrier capacities to program and direct the programming of customer equipment so that the other party, in its capacity as the serving carrier, is the preferred roaming provider in such markets. Each party also agrees to refrain from inducing any of its customers to change programming.

Build-Out. Triton is required to:

- ensure compatibility of its personal communications services systems with the majority of AT&T Wireless' personal communications services systems in the southeastern region of the United States;
- satisfy the FCC construction requirements in the territory defined in the stockholders' agreement;
- offer various core service features with respect to its systems;
- cause its systems to comply with AT&T Wireless' time division multiple access quality standards; and
- refrain from providing or reselling interexchange services, other than interexchange services under its FCC licenses or that Triton procures from AT&T Wireless.

If Triton materially breaches any of the foregoing operational obligations or if AT&T Wireless PCS or its affiliates discontinues the use of time division multiple access digital technology and adopts a new technology standard in a majority of its U.S. markets and Triton declines to adopt the new technology, AT&T Wireless PCS may terminate its exclusivity obligations.

Certain Transactions. In the event of a merger, consolidation, asset acquisition or disposition or other business combination involving AT&T and an entity that:

- derives from telecommunications businesses annual revenues in excess of $5.0 billion;
- derives less than one-third of its aggregate revenues from the provision

of wireless telecommunications; and

. owns FCC licenses to offer and does offer wireless mobility telecommunications services serving more than 25% of the potential customers within the territory defined in the stockholders' agreement,

AT&T Wireless will have the right, upon written notice, to terminate substantially all of its exclusivity obligations described above in a portion of the territory in which the other party owns an FCC license to offer commercial mobile radio service. However, upon such a termination, Triton has the right to cause AT&T Wireless PCS to exchange into shares of Series B preferred stock:

. all of the shares of its Series A preferred stock; and

. all of the shares of its Series D preferred stock, its Series C preferred stock or any common stock it may have received upon conversion of its Series D preferred stock into any one of them.

In the event that AT&T is required in any such transaction to dispose of any of its personal communications services systems in the Charlotte, North Carolina, Atlanta, Georgia, Baltimore, Maryland/Washington, D.C. or Richmond, Virginia basic trading areas, Triton has certain marketing rights. AT&T has agreed, for a period of 180 days, to jointly market with any of its applicable markets any of Triton's personal communications services systems that are located within the major trading areas that include the applicable AT&T basic trading areas. Triton's right is exercisable at any time within the period commencing with the date of the announcement by AT&T of any such transaction and terminating on the later of six months after consummation of the transaction or the date by which AT&T is required under applicable law to dispose of any such system.

Without the prior written consent of AT&T Wireless PCS, Triton and its subsidiaries may not effect any sale of substantially all the assets or liquidation, merger or consolidation of Triton or any of its subsidiaries or engage in any business other than permitted businesses. There are limited exceptions to this provision.

Acquisition of Cellular Licenses. Triton may acquire cellular licenses if, among other circumstances, the board of directors determines such licenses are demonstrably superior alternatives to construction of a personal communications services system in the applicable area within the territory, provided that:

. a majority of the cellular potential customers are within the territory defined in the stockholders' agreement;

. AT&T and its affiliates do not own commercial mobile radio service licenses in the area; and

. Triton's ownership of the cellular license will not cause AT&T or any affiliate to be in breach of any law or contract.

Equipment, Discounts and Roaming. At Triton's request, AT&T Wireless PCS will use all commercially reasonable efforts to assist Triton in obtaining discounts from any vendor with whom Triton is negotiating for the purchase of any infrastructure equipment or billing services and to enable Triton to become a party to the roaming agreements between AT&T Wireless PCS and its affiliates which operate other cellular and personal communications services systems so long as AT&T Wireless PCS, in its sole discretion, does not determine such activities to be adverse to its interests.

Resale Agreements. At AT&T Wireless PCS's request, Triton will enter into resale agreements relating to the territory defined in the stockholders' agreement. The rates, terms and conditions of service that Triton provides shall be at least as favorable to AT&T Wireless PCS, taken as a whole, as the rates, terms and conditions provided by Triton to other customers.

Subsidiaries. All of our subsidiaries must be direct or indirect wholly-owned subsidiaries.

Amendments. Amendments to the stockholders' agreement require the consent of the following stockholders:

- a majority of the shares of each class of capital stock held by the parties to the stockholders' agreement, including AT&T Wireless PCS;
- two-thirds of the common stock beneficially owned by the cash equity investors; and
- 60.1% of the common stock beneficially owned by the management stockholders.

However, in the event any party to the stockholders' agreement ceases to own any shares of capital stock, the party ceases to be a party to the stockholders' agreement and his or her corresponding rights and obligations terminate.

Termination. The stockholders' agreement terminates upon the earliest to occur of:

- the written consent of each party to the agreement;
- February 4, 2009; and
- one stockholder beneficially owning all of the shares of common stock.

However, certain provisions of the agreement expire on February 4, 2008, and some consent rights of AT&T Wireless PCS expire if it fails to own a specified amount of capital stock.

License Agreement

Under the terms of a network membership license agreement, dated as of February 4, 1998, between AT&T and Triton, AT&T has granted Triton a royalty-free, non-transferable, non-exclusive limited right and license to use various licensed marks solely in connection with specified licensed activities, as described below. The licensed marks include the logo containing the AT&T and globe design and the expression Member, AT&T Wireless Services Network. The licensed activities include:

- the provision to end-users and resellers, solely within the territory specified in the agreement, of communications services on frequencies licensed to Triton for commercial mobile and radio service provided in accordance with the AT&T agreements; and
- marketing and offering the licensed services within the territory specified in the agreement.

The license agreement also grants Triton the right and license to use the licensed marks on permitted mobile phones.

AT&T has agreed not to grant to any other person, other than a subsidiary of AT&T, a right or license to provide or resell, or act as agent for any person offering, the communications services Triton is offering within the territory under the licensed marks except to:

- any person who resells, or acts as Triton's agent for, communications services provided by Triton, or

- any person who provides or resells wireless communications services to or from specific locations such as buildings or office complexes, even if the applicable subscriber equipment being used is capable of routine movement within a limited area and even if such subscriber equipment may be capable of obtaining other telecommunications services beyond that limited area and hand-off between the service to the specific location and such other telecommunications services.

In all other instances, except as described above, AT&T reserves for itself all rights of ownership and use of the licensed marks in connection with its marketing, offering or provision of services, whether within or without the territory.

The license agreement contains numerous restrictions with respect to Triton's use and modification of any of the licensed marks. Triton is obligated to use commercially reasonable efforts to cause all licensed services that use the licensed marks to be of comparable quality to the licensed services AT&T markets and provides in areas comparable to Triton's licensed territory, taking into account the relative stage of development of the areas and other factors. The license agreement also sets forth specific testing procedures to determine compliance with these standards and affords Triton a grace period to cure any instances of alleged noncompliance. Following the cure period, Triton must cease using the licensed marks until Triton is in compliance.

Triton may not assign or sublicense any of its rights under, or grant a security interest in, the license agreement. However, the license agreement may be, and has been, assigned to Triton's lenders under Triton's credit facility. After the expiration of any applicable grace and cure periods under the credit facility, Triton's lenders may enforce Triton's rights under the license agreement and assign the license agreement to any person with AT&T's consent.

The license agreement has a five-year term, expiring February 4, 2003, which renews for an additional five-year period if neither party terminates the agreement. The license agreement may be terminated at any time in the event of Triton's significant breach, including Triton's misuse of any licensed marks, Triton's license or assignment of any of the rights in the license agreement, Triton's failure to maintain AT&T's quality standards or if Triton experiences a change of control. After the initial five-year term, in the event AT&T Wireless PCS converts any shares of Series A preferred stock into common stock in connection with the stockholders' agreement, the license agreement terminates on the later of two years from the date of such conversion and the then existing expiration date of the license agreement. After the initial five-year term, AT&T may also terminate the license agreement upon the occurrence of specified transactions. See "--The Stockholders' Agreement--Certain Transactions."

Roaming Agreement

Under an intercarrier roamer service agreement, dated as of February 4, 1998, between AT&T Wireless, on behalf of its affiliates, and Triton, AT&T Wireless and Triton agreed to provide wireless mobile radio-telephone service for registered customers of the other party's customers when they are out of their home carrier's geographic area and in the geographic area where the serving carrier, itself or through affiliates, holds a license or permit to construct and operate a wireless mobile radio-telephone system and station. Each home carrier whose customers receive service from a serving carrier shall pay the serving carrier 100% of the wireless service charges and 100% of the pass-through charges, such as any toll or other charges. The roaming rate charges to AT&T Wireless for its customers roaming onto our network will decline over the next several years. In addition, on or after September 1, 2005, the parties may renegotiate the rate from time to time.

The roaming agreement has a term of 20 years expiring February 4, 2018, unless a party terminates earlier due to:

- the other party's uncured breach of any term of the roaming agreement;

- the other party's voluntary liquidation or dissolution; or

- the FCC's revocation or denial of the other party's license or permit to provide commercial mobile radio service.

Neither party may assign or transfer the roaming agreement or any of its rights or obligations under the roaming agreement except to an assignee of all or part of its license or permit to provide commercial mobile radio service, provided that the assignee expressly assumes all or the applicable part of the assigning party's obligations under the roaming agreement and becomes a party to the roaming agreement.

Resale Agreement

Under the terms of the stockholders' agreement, Triton is required at AT&T Wireless PCS's request to enter into a resale agreement in an agreed-upon form. Under the resale agreement, AT&T Wireless will be granted the right to purchase and resell on a nonexclusive basis access to and usage of Triton's services in Triton's service area. AT&T Wireless will pay Triton the charges, including usage and roaming charges, associated with services it requests under the agreement. Triton will retain the continuing right to market and sell its services to customers and potential customers.

Triton has agreed under the stockholders' agreement that the rates, terms and conditions of service, taken as a whole, that it provides to AT&T Wireless under the resale agreement shall be at least as favorable as, or if permitted by applicable law, superior to, the rates, terms and conditions of service, taken as a whole, to any other customer that purchases services from Triton. Triton will design the rate plan it will offer under the resale agreement to result in a discounted average actual rate per minute of use AT&T Wireless pays for service at least 25% below the weighted average actual rate per minute that Triton bills its customers generally for access and air time. The terms of the stockholders' agreement also require Triton and AT&T to negotiate commercially reasonable reductions to such resale rate based on increased volume commitments.

The resale agreement will have a term of 10 years and will renew automatically for successive one-year periods unless either party elects to terminate the agreement. Following the eleventh anniversary of the agreement, either party may terminate with 90 days' prior written notice. Furthermore, AT&T Wireless may terminate the agreement at any time for any reason on 180-days' written notice.

Neither party may assign or transfer the resale agreement or any of its rights thereunder without the other party's prior written consent, which will not be unreasonably withheld, except:

- to an affiliate of that party at the time of the agreement's execution;
- by Triton to any of its operating subsidiaries; and
- to an entity to whom the outstanding common stock or substantially all of the assets of Triton are transferred after first receiving FCC or other necessary approvals.

Other Agreements with AT&T Wireless PCS

Triton and AT&T Wireless PCS, from time to time, provide certain other services to each other, including referring each other to national accounts, providing development and engineering services related to network build-out and providing marketing assistance for certain services. Such services are provided at agreed rates, which are generally based on market rates.

Other Related Party Transactions

J.P. Morgan Partners (23A SBIC), LLC, J.P. Morgan SBIC LLC and Sixty Wall Street SBIC Fund, L.P., which together own approximately 22.4% of our Class A common stock prior to this offering, are subsidiaries of J.P. Morgan Chase & Co. In addition, J.P. Morgan SBIC LLC owns 8,210,827 shares of our Class B non-voting common stock. Arnold L. Chavkin, a director of Triton, is an officer of the managing member of J.P. Morgan Partners (23A SBIC), LLC.

Affiliates of J.P. Morgan Chase & Co. have performed various financial advisory, investment banking and commercial banking services from time to time for Triton and its affiliates. J.P. Morgan Securities Inc. acted as an initial purchaser for the offerings of our 11% senior subordinated discount notes due 2008, our 9% senior subordinated notes due 2011 and our 8% senior subordinated notes due 2011, and as an underwriter for the initial public offering of our Class A common stock in October 1999. In addition, The Chase Manhattan Bank is a lender and an agent under our credit facility.

An affiliate of First Union Affordable Housing Community Development Corporation, which beneficially owns more than 5% of our capital stock, served as an underwriter and received

underwriter fees in connection with our initial public offering completed in October 1999 and its follow-on offering in February 2001.

Under an agreement between Triton Cellular, Inc., an entity affiliated with Triton through management overlap and shared lease facilities, and Triton, allocations for management services rendered by some of Triton's management employees on behalf of Triton Cellular and allocations for shared lease facilities are charged to Triton Cellular. Those allocations totaled $196,000 during 2000. We no longer perform these services.

On September 14, 2000, Triton PCS entered into an amended and restated loan agreement that provided for a senior secured bank facility with a group of lenders for an aggregate amount of $750.0 million of borrowings. An affiliate of First Union Affordable Housing Community Development Corporation, which beneficially owns approximately 6.4% of our Class A common stock, serves as lender under the credit facility, and an affiliate of J.P. Morgan Chase & Co. (which, through its subsidiaries, owns approximately 22.4% of our Class A common stock), serves as lender and agent under the credit facility. Each of the lenders and agents under the credit facility has received and will continue to receive customary fees and expenses in connection with the credit facility. For the nine-months ended September 30, 2001, an affiliate of First Union Affordable Housing Community Development Corporation received approximately $1,305,254 in its capacity as lender under such facility, and affiliates of J.P. Morgan Chase & Co. received approximately $3,021,978 in their capacity as lender and agent under such facility.

We have entered into letter agreements with several of our management employees and with our independent directors. Under the letter agreements, these individuals were issued shares of our Class A common stock that generally vest at 20% per year over a five-year period.

On August 12, 1999, we entered into stock purchase agreements with each of Scott I. Anderson and John D. Beletic, our two independent directors, and one officer under which we agreed to sell to them an aggregate of 3,400 shares of our Series C preferred stock (which were converted into 78,200 shares of Class A common stock in our initial public offering) for a purchase price of $100 per share. This transaction was closed in September 1999.

First Union Securities, Inc., an affiliate of First Union Affordable Housing Community Development Corporation, acted as our exclusive financial advisor in connection with the sale of our personal communications towers to American Tower, L.P. pursuant to an asset purchase agreement dated July 13, 1999. We paid a fee to such entity of $1.07 million in connection with the consummation of such sales which occurred on September 22, 1999.

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PRINCIPAL AND SELLING STOCKHOLDERS

The following table sets forth certain information regarding the beneficial ownership of our Class A common stock, as of September 30, 2001, by (i) each current director, (ii) each current executive officer, (iii) all current directors and executive officers as a group, (iv) each of our stockholders who, based on our records, was known to us to be the beneficial owner, as defined in Rule 13d-3 under the Securities Exchange Act of 1934, of more than 5% of the Class A common stock, and (v) each of the selling stockholders both before and after giving effect to this offering. The selling stockholders may include certain affiliates of the selling stockholders named below. The persons named in this table have sole voting and investment power with respect to all shares of Class A common stock shown as beneficially owned by them, subject to community property laws where applicable and subject to the information contained in the footnotes to this table. The number of shares of Class A common stock outstanding as of the date of this table, September 30, 2001, was 59,045,022.

	Beneficial Ownership Before Offering			Beneficial Ownership Aft Offering	
Name and Address of Beneficial Owner(1)	Number of Voting Shares	Percentage of Voting Shares	Number of Shares Being Offered**	Number of Voting Shares	Percent Voting

Michael E. Kalogris.....	2,993,077(9)	5.1%	--	2,993,077(9)	5.
Steven R. Skinner.......	2,122,068(10)	3.6	--	2,122,068(10)	3.
David D. Clark..........	496,506(11)	*	--	496,506(11)	*
Stephen J. McNulty......	190,573(12)	*	--	190,573(12)	*
Daniel E. Hopkins.......	128,000(13)	*	--	128,000(13)	*
William A. Robinson.....	93,660(14)	*	--	93,660(14)	*
Glen Robinson...........	123,419(15)	*	--	123,419(15)	*
Scott I. Anderson.......	22,643(16)	*	--	22,643(16)	*
John D. Beletic.........	31,343(17)	*	--	31,343(17)	*
Arnold L. Chavkin(2)....	--	--	--	--	--
William W. Hague(3).....	--	--	--	--	--
John W. Watkins.........	--	--	--	--	--
J.P. Morgan Partners (23A SBIC), LLC(2)(4)..	11,409,614	19.3	3,679,251	7,730,363	13.
J.P. Morgan SBIC LLC(4)................	1,734,965(18)	2.9	559,598	1,175,367(18)	2.
Sixty Wall Street SBIC Fund, L.P.(4)(5).......	86,620	*	27,938	58,682	
Desai Capital Management Incorporated(6)........	11,067,439(19)	18.7	2,201,963	8,865,476(19)	15.
Toronto Dominion Capital (U.S.A.), Inc.(7)......	2,766,871	4.7	258,750	2,508,121	4.
First Union Affordable Housing Community Development Corporation(8).........	3,793,561(20)	6.4	--	3,793,561(20)	6.
AT&T Wireless PCS LLC(3)................	12,504,720(21)	17.5	--	12,504,720(21)	17.
DAG-Triton PCS, L.P.....	1,727,728	2.9	172,500	1,555,228	2.
All directors and executive officers as a group (12 persons)..............	6,201,289	10.5	--	6,201,289	10.

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* Represents less than 1%.

** Assumes that the underwriters fully exercise their over-allotment option.

(1) Unless otherwise indicated, the address of each person listed in this table is c/o Triton Management Company, 1100 Cassatt Road, Berwyn, Pennsylvania 19312.

(2) Mr. Chavkin is an officer of the managing member of J.P. Morgan Partners (23A SBIC), LLC and an Executive Partner of J.P. Morgan Partners, LLC. Mr. Chavkin disclaims beneficial ownership of any shares held by J.P. Morgan Partners (23A SBIC), except to the extent of his pecuniary interest therein. The address of J.P. Morgan Partners (23A SBIC), LLC is c/o J.P. Morgan Partners, LLC, 1221 Avenue of the Americas, New York, New York 10020.

(3) Mr. Hague is Senior Vice President, Corporate Development, Merger and Acquisitions at AT&T Wireless Services, Inc., an affiliate of AT&T Wireless PCS LLC. Mr. Hague disclaims beneficial ownership of any shares held by such entity. The address of AT&T Wireless Services and AT&T Wireless PCS LLC is 7277 164th Avenue, N.E., Redmond, Washington 98052.

(4) J.P. Morgan SBIC LLC is the successor to J.P. Morgan Investment Corporation. J.P. Morgan Partners (23A SBIC), LLC, J.P. Morgan SBIC LLC and Sixty Wall Street SBIC Fund, L.P. are subsidiaries of J.P. Morgan Chase & Co. The address of J.P. Morgan SBIC LLC is c/o J.P. Morgan Partners, 101 California Street, 38th Floor, San Francisco, California 94111.

(5) Sixty Wall Street SBIC Fund, L.P. is an affiliate of J.P. Morgan SBIC LLC

and J.P. Morgan Partners (23A SBIC), LLC. The address of Sixty Wall Street SBIC Fund, L.P. is 60 Wall Street, New York, New York 10260.

(6) The address of Desai Capital Management Incorporated is 540 Madison Avenue, New York, New York 10022.

(7) The address of Toronto Dominion Capital (U.S.A.), Inc. is 909 Fannin, Suite 1700, Houston, Texas 77010.

(8) The address of First Union Affordable Housing Community Development Corporation is One First Union Center, 301 S. College Street, 12th Floor, Charlotte, North Carolina 28288.

(9) Includes 50,839 shares of Class A common stock held by Mr. Kalogris as trustee under an amended and restated common stock trust agreement for management employees and independent directors, dated June 26, 1998, under which we will distribute Class A common stock to management employees and independent directors. 1,504,719 of the 2,942,238 shares of Class A common stock directly held by Mr. Kalogris are subject to forfeiture in accordance with Mr. Kalogris' employment agreement.

(10) 1,091,041 of the 2,122,068 shares of Class A common stock are subject to forfeiture according to the terms of Mr. Skinner's employment agreement.

(11) 322,477 of the 496,506 shares of Class A common stock are subject to forfeiture according to the terms of Mr. Clark's employment agreement.

(12) 125,008 of the 190,573 shares of Class A common stock are subject to forfeiture according to the terms of letter agreements, dated as of January 11, 1999, August 9, 1999, August 15, 2000 and May 1, 2001 between Triton and Mr. McNulty.

(13) 83,054 of the 128,000 shares of Class A common stock are subject to forfeiture ac