

T-Mobile UK in crisis

Operator to be forced into merger or sale

by Amy-Mae Elliott published on 1 May 2009

While T-Mobile UK is busy organising singalongs in central London, it seems the company is under serious threat of being forced to merge or - worse still for customers - being sold off.

The operator, described as "under performing", is suffering from such losses that parent company Deutsche Telekom's two main shareholders, the German government and Blackstone, are pressing for a quick decision on a sale.

With no clues as to what might happen to existing customers, T-Mobile's UK division may merge with a rival (with next along the food chain 3 mooted as a good option by commentators) or even sell off its assets if it can't recover from losses, its CFO said at a shareholders meeting.

The Financial Times insider source states that the German government and Blackstone want "a quick decision [from executives] about fixing the UK", so expect more news very soon.

