Report: Sprint Nearing $32 Billion Deal for T-Mobile

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Multiple reports suggest Sprint and Deutsche Telekom (DT) are near terms on a $32 billion deal for T-Mobile.

Both Bloomberg [1] and the Wall Street Journal [2] peg the price for T-Mobile at around $40 per share. The Bloomberg report said Sprint will offer DT 50 percent cash and 50 percent stock for part of its 67-percent stake in T-Mobile, leaving DT with a 15-percent interest in the U.S.'s fourth largest carrier.

The transaction could be announced by July, according to Bloomberg.

Reports of advancing talks between SoftBank-owned Sprint, DT and T-Mobile have persistently trickled out despite U.S. regulators' clearly stated skepticism toward the potential merger.

If the deal stumbles on regulatory hurdles put in place by the FCC and Justice Department, SoftBank will be stuck paying T-Mobile a breakup fee worth more than $1 billion in cash and other assets, according to the Journal.

T-Mobile took home a $4 billion breakup fee when regulators blocked AT&T's $39 billion bid to buy the carrier in 2011.

Considering the financial stakes of the deal flopping and regulators' precedent for protecting the four-carrier competitive field, SoftBank CEO/Sprint Chairman Masayoshi Son has been making a strongly worded PR push for U.S. wireless industry consolidation.

Last week, Son took the stage at the Code Conference to blast the current state of the U.S. wireless industry, admire T-Mobile and its boisterous CEO John Legere's ability to disrupt, and again stress the need for scale to take on the AT&T-Verizon duopoly.

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