

Vodafone sells New Zealand arm for \$2.2bn

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British telecoms giant Vodafone announced the sale of its wholly owned New Zealand subsidiary to an investment consortium Tuesday in a deal worth NZ\$3.4 billion (US\$2.2 billion).

It said Vodafone New Zealand—the country's second-largest telecoms carrier and its biggest mobile phone operator—would be sold to Canada's Brookfield Asset Management and Wellington-based infrastructure operator Infratil.

It said the New Zealand firm would continue to use the Vodafone brand and have preferential agreements with the British [telecom](#) firm in areas such as global roaming, procurement and access to tech platforms.

"We have always been proud of our Vodafone New Zealand business, which has a great team," Vodafone Group chief executive Nick Read said.

"We look forward to a continued close relationship through our partner market agreement."

Vodafone began operating in New Zealand in 1998 and currently has more than 40 percent of the mobile market, according to data from the Commerce Commission.

The watchdog in 2017 barred a planned merger between Vodafone NZ and pay-TV operator Sky Network Television, arguing the combined entity would have too much market power.

Under that deal, Sky—which is not part of the European media group of the same name—would have paid Vodafone NZ\$3.4 billion but the British company would have held 51 percent of the merged company and retained operational control.

Infratil said the move into the telecoms sector was "transformational" for the company, which is currently focused on transport, energy and property infrastructure.

"The Vodafone NZ acquisition is consistent with our plan to reshape our portfolio and maintain a balanced growth profile," chief executive Marko Bogoevski said.

It said the planned deal needed approval from the Commerce Commission and Overseas Investment Office, both of which were expected to clear it by the end of August.

The [deal](#) was announced early Tuesday, before Infratil shares began trading on the New Zealand stock exchange.

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