

Deutsche Telekom to cut 4,900 jobs from troubled IT unit

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German telecom giant Deutsche Telekom will cut 4,900 jobs over the next two years from its IT and consultancy unit T-Systems, the company said on Tuesday.

"We will cut 2,700 jobs this year and 2,200 [jobs](#) next year in Germany," a spokesman told AFP, confirming a report by daily Frankfurter Allgemeine Zeitung.

T-Systems has struggled for years to turn a profit, competing with IBM, EDS and other IT giants to provide companies with their computer network systems.

The subsidiary says it currently employs about 50,000 people, but the spokesman said the [layoffs](#) were only planned in home-market Germany for now.

"We are now looking at our reach in the rest of the world and we have yet to conclude on a way forward," the spokesman added.

T-Systems generated revenue of around 9.5 billion euros (\$13 billion) in the 2013 financial year.

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