

AT&T says it will buy Mexico's Iusacell for \$1.8B

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AT&T is buying Mexican wireless company Iusacell Friday and gained 9 cents to \$35 in aftermarket trading for \$1.8 billion and plans to grow in Mexico.

The Dallas [company](#) said Friday that Iusacell has 8.6 million subscribers under the Iusacell and Unefón brand names. AT&T had 116.6 million subscribers as of June 30.

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AT&T values the deal at \$2.5 billion when debt is included.

The company sees potential for growth in Mexico because of its rising population and middle class, even as the proportion of Mexican people with wireless service lags other Latin American countries, according to AT&T.

"Mexico is still in the early stages of mobile Internet capabilities and adoption, but customer demand for it is growing rapidly," said AT&T CEO Randall Stephenson in a statement.

The acquisition could potentially lead to plans that include free or reduced rates for Americans traveling in or calling to Mexico, or the other way around. The need to dial a country code for Mexico likely wouldn't change, as Mexico doesn't participate in the North American system of dialing 1 plus the area code.

AT&T also said that reforms pushed by Mexico's president, Enrique Peña Nieto, were a factor in its decision to buy the company. Nieto's reforms were meant to bring higher standards and more competition to areas that included the telecommunications industry.

Grupo Salinas owns 50 percent of Iusacell and announced Friday that it will buy the other half. AT&T will buy Iusacell after that deal closes and expects that to happen during the first quarter, following a review by Mexican regulators.

AT&T Inc. shares rose 19 cents to \$34.91 on

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