

Source: Surgut May Sell Stake in MOL

By [The Moscow Times](#)

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Surgutneftegaz is considering the sale of its 21.2 percent stake in Hungarian oil and gas group MOL, a source at the Russian company said Thursday.

"We want to sell it, and we are in constant talks with MOL," he said without elaborating further.

Hungary's National Development Minister Tamas Fellegi said in an interview Wednesday that the government would find it "beneficial" to become a shareholder in Central Europe's largest refiner MOL and might use market financing for a potential purchase of Surgutneftegaz's stake in the company.

Hungary and Russia are working to agree on a broad range of energy issues by the end of the year, including Surgut's stake in MOL, Fellegi said. The detailed accord on Surgut's stake would be worked out following an agreement between the two countries.

"We believe it would be beneficial for the state if it could become a shareholder in MOL"

through the purchase of the stake held by Surgutneftegaz, he said. Hungary may finance the transaction from the market “based on the preliminary feedback we’ve received. I’m not worried about raising the necessary funds, should the government wish to.”

Siberia-based Surgut purchased the MOL stake from Austria’s OMV for 1.4 billion euros (\$2 billion) in March 2009 after the Hungarian refiner fended off OMV’s hostile takeover attempt.

MOL and the Hungarian government said Surgut’s acquisition was also a hostile takeover attempt. The Russian company has been barred from exercising its ownership rights as its holding hasn’t yet been registered into MOL’s books.

MOL’s share price has more than doubled since March 30, 2009, when Surgut announced its purchase of the stake. The stock gained 24 percent this year, compared with an 11.2 percent advance in the 13-member benchmark BUX Index.

The MOL stake is one of a “range of issues in the area of energy cooperation” with Russia and the government wants to reach an agreement encompassing these by the end of the year, Fellegi said. Other topics include long-term natural-gas agreements that expire in 2015 and gas projects such as South Stream, Fellegi said.

Hungary, which relies on imports for about 80 percent of its natural gas consumption, is also seeking new supply sources and transport routes to “abolish its one-sided energy dependence” on Russia, Fellegi said this month. The country supports the European Union’s Nabucco and Russia’s South Stream natural gas pipeline projects and the AGRI liquefied natural gas venture with Romania, Georgia and Azerbaijan.

“It’s the ambition of both the Russian and the Hungarian parties to reach an agreement on this energy cooperation package by the end of the year,” he said.

Hungary is also close to a deal on the exit of Russian shareholders from the unprofitable national carrier Malev Zrt., Fellegi said.

Hungary took a 95 percent stake in the airline after the company’s latest privatization attempt failed, replacing Russian state-owned development bank Vneshekonombank as the controlling shareholder. The deal included the lender agreeing to pay 32 million euros in bank guarantees to Hungary and convert Malev’s existing loans to cheaper ones.

(Bloomberg, Reuters)

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