

\$14Bln Rosneft Stake Could Be Record Sale

By [The Moscow Times](#)

July 27, 2011

The  **Moscow Times**

Russia plans to sell as much as 15 percent of Rosneft next year in the single biggest state asset sale in the nation's history.

The government will auction the stake as part of an expanded state asset-sale program and wants to find buyers for its entire 75 percent holding by 2017, Alexei Uvarov, head of the Economic Development Ministry's property department, which is overseeing the plan, said Tuesday. At the current market value, the stake is worth about \$14 billion.

"Compared with other companies, Rosneft is entirely ready for privatization," Uvarov said. "Investors abroad know Rosneft, and they're waiting for it. Rosneft may be the main attraction in next year's sales."

The government owns 75.16 percent of Rosneft through investment vehicle Rosneftegaz. Rosneft stock has gained 10 percent this year, valuing the company at 2.6 trillion rubles

(\$94.75 billion).

Rosneft's initial public offering in 2006 raised \$10.4 billion and, to date, is Russia's biggest state asset sale. The Moscow-based company controls most of the former assets of Yukos Oil, Russia's largest oil producer before it was declared bankrupt in 2006 after facing \$30 billion in back-tax claims.

Rosneft's management, including chief executive Eduard Khudainatov, is "fully supportive" of the plan, Uvarov said. The government would retain a so-called golden share, giving it voting rights roughly equivalent to a 25 percent blocking stake, he said.

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