

MRSK London Listing for Future Fund Raising

By [The Moscow Times](#)

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Power grid company MRSK is scheduled to list its shares in London this week, a move it hopes will boost the liquidity of its stock and enable it to raise funds in the future, a company spokesperson said.

The technical listing, in which no money is raised, will see MRSK list 25 percent of its stock as global depository receipts — the maximum allowed under Russian securities regulations — on Thursday.

The federal government owns a more than 50 percent controlling stake in MRSK, while state-controlled Gazprom has 10 percent.

MRSK was judged by analysts to be the power group worst affected by the government's u-turn on proposed household electricity tariff rises earlier this year. The company is a holding group for several local electricity distribution grids.

Its shares are down 47.5 percent this year, valuing it at about \$4 billion, while Russia's RTS Electric Utilities Index is down 29 percent.

The company was expected to receive more share price support from its recent inclusion in the MSCI Russia Index, which is used by emerging market investors worldwide to track Russian shares.

MRSK chief executive Nikolai Shvets said in October the company was preparing to hold a technical London listing of up to 25 percent of its shares in December.

The move was aimed at getting greater investor exposure ahead of a possible privatization after President Dmitry Medvedev said in March it might make sense to further privatize MRSK to boost efficiency in the power sector.

Rival state-controlled grid firm FSK completed the listing of its secondary shares in London at the end of March.

A wave of Russian companies have recently sought premium listings of their shares, with some large enough to seek inclusion in the FTSE-100 Index.

Mining companies Polymetal and Evraz recently started trading as premium companies. Russian potash miner Uralkali has also said it is considering a full stock market listing in London next year.

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