

MTS Back in Turkmenistan

By [The Moscow Times](#)

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Cellular carrier MTS is resuming operations in Turkmenistan after the Central Asian state reissued a license that was revoked in 2010, the company said.

MTS had an 85 percent share of Turkmenistan's cell phone market until December 2010, when its license was suspended for reasons that the company said "were never fully justified." It also had to write off about \$140 million.

MTS said in a statement Thursday that it had been granted GSM and 3G licenses for a three-year term and is working with vendors to restore its network and relaunch operations.

"MTS's equipment in Turkmenistan is in surprisingly good shape, and we expect it to launch commercially very quickly," said ING analyst Tibor Bokor. "With the absence of meaningful competition, MTS should get back most of its clients and Turkmenistan should boost consolidated revenues by 3 to 4 percent in 2013."

Under its agreement with state telecom provider TurkmenTelecom, MTS will pay 30 percent

of its net profit in the country on a monthly basis. The agreement was signed for a period of five years and may be extended for a further five years, subject to fulfillment of certain conditions.

The company also said it signed a settlement agreement with the Turkmen government and state telecom operators under which they will withdraw all mutual legal claims relevant to the 2010 suspension of its license.

(Reuters)

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