

VimpelCom May Sell Broadband Unit

By [The Moscow Times](#)

January 30, 2013

The  **Moscow Times**

Telecom operator VimpelCom may sell its fixed-line retail broadband business in Russia to focus on higher-margin mobile business, two sources said Wednesday.

A sale of the assets — with an estimated value of \$1 billion according to Vedomosti — would leave VimpelCom's Russian unit with a mobile business and potentially fixed-line corporate clients.

VimpelCom was focused on Russia and former Soviet republics until 2011 when it acquired Egyptian group Orascom Telecom and Italian firm Wind.

It said in a recent strategy update that it wanted to be a mobile-focused company with a selective presence in fixed-line, aiming at improving operating cash flows.

One source close to VimpelCom said the New York-listed company was considering a sale of the assets and had held talks with possible buyers. A source with a rival operator said VimpelCom was seeking buyers for the operation.

VimpelCom declined to comment.

Vedomosti reported that VimpelCom values its Russian residential fixed-line broadband business at \$1 billion, adding that the company wanted to keep corporate fixed-line broadband clients.

"As a strategic move, this could be linked to the company's intention to focus more on profitable mobile business," one of the sources said.

VimpelCom generated \$23.5 billion in 2011 revenue with \$9 billion coming from Russia, the bulk of which was mobile.

Related articles:

- [VimpelCom Aims to Boost Cash Flow by \\$2.9Bln Over 3 Years](#)
- [MegaFon Said to Weigh Tele2 Buy-Up Plan](#)
- [Music Publisher Sues VimpelCom for Copyright Infringement](#)

Original url:

<https://www.themoscowtimes.com/2013/01/30/vimpelcom-may-sell-broadband-unit-a21101>