

Svyaznoi Mulls \$200M Private Placement

By [The Moscow Times](#)

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The  **Moscow Times**

Russian cell phone retailer Svyaznoi plans to attract \$200 million in a private placement organized by Sberbank CIB with businessman Leonard Blavatnik believed to be interested, a news report said Monday, citing a source close to the company's founder Maxim Nogotkov.

The deal between Nogotkov and an investor, whose name has not been disclosed, had entered an active phase, a bank official told Vedomosti.

The newspaper says business structures controlled by Blavatnik are interested in making an offer, the report said.

It was not immediately clear how big a stake in the company Blavatnik could get, but a source in Sberbank said a scheme is being discussed to facilitate the sale of 30 percent of Svyaznoi.

This has since been confirmed by a source close to the businessman.

The company plans to use half of the money received from the sale to increase Svyaznoi Bank's capital and invest the rest in the development of the Svyaznoi's retail business.

Nogotkov and official representatives of Blavatnik's Access Industries have not commented on the rumoured negotiations.

Svyaznoi has been looking for a partner to buy 25-30 percent of the group for a while and even planned to sell shares on the London stock exchange in 2011, but after the eurozone crisis it decided to consider private placement instead.

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