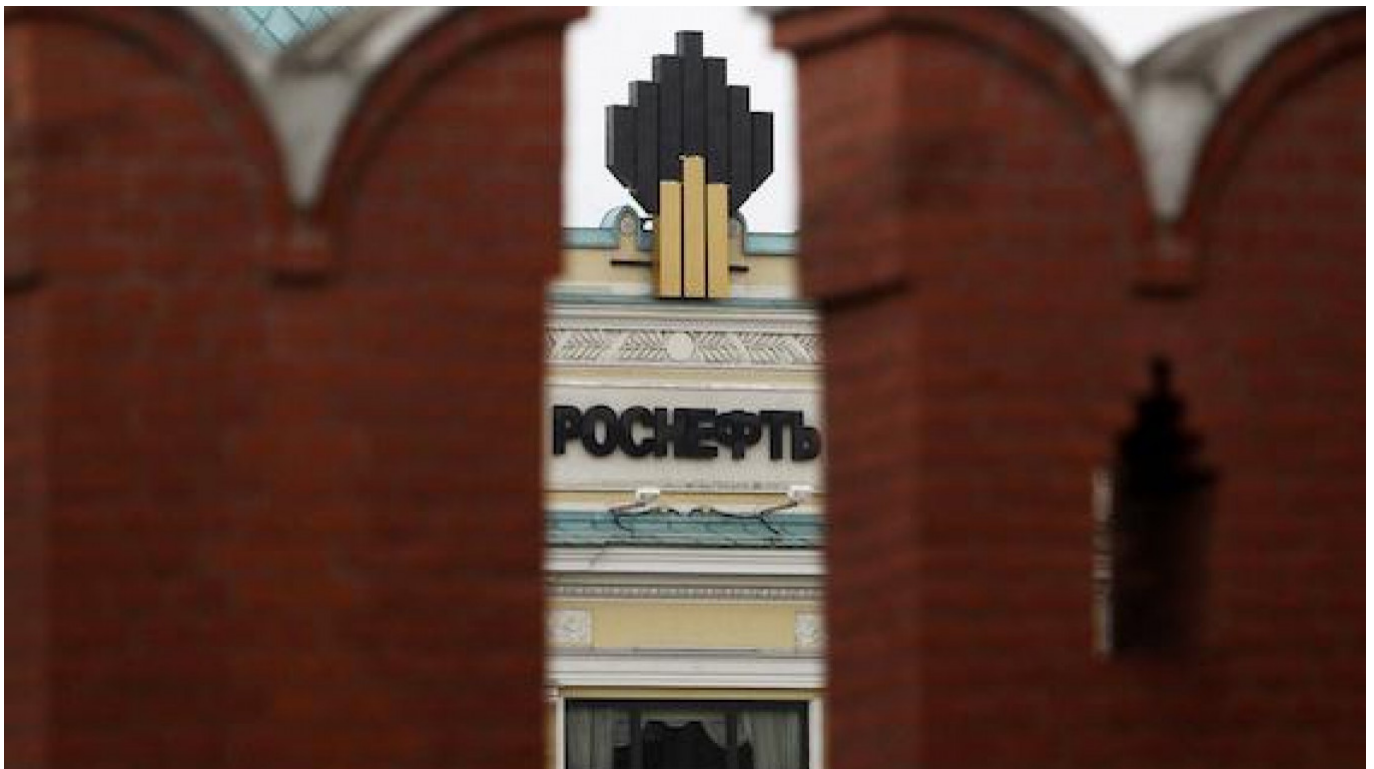


Russia's Rosneft May Want 100% of Bashneft Oil Company

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The logo of Russia's top crude producer Rosneft is seen at the company's headquarters, behind the Kremlin wall, in central Moscow. **Sergei Karpukhin / Reuters**

Sometimes having half the pie isn't enough; you just want the whole thing.

That may be the case with Rosneft, the world's largest publicly traded oil company, which today applied to the Federal Anti-Monopoly Service (FAS) for the right to purchase 100 percent of shares in the Bashneft oil company, the Kommersant newspaper [reported](#). Earlier this month, the state-controlled behemoth purchased a 50.08 percent share of Bashneft from the Russian government for 329.7 billion rubles (\$5.24 billion), making Rosneft the majority shareholder.

Permission from the anti-monopoly agency would “automatically give [Rosneft] the right to purchase any smaller share,” a source in Rosneft [told](#) the Interfax news agency.

However, even with permission, Rosneft may struggle to purchase more shares. The second-largest shareholder in Bashneft is the government of the republic of Bashkortostan, which

owns a 25 percent stake in the company and does not appear keen on the idea.

A government source told Kommersant that the Bashkir authorities had not been informed of Rosneft's intentions and were currently not ready to sell the shares. Previously, the republic's leader Rustem Khamitov stated that, based upon preliminary agreements, Rosneft and Bashkortostan planned to manage Bashneft together.

News of Rosneft's application to FAS caused ordinary Bashneft stocks to appreciate by 3.4 percent on the Moscow Stock Exchange, reaching a price of 3200 rubles (\$51) per share. Preference shares appreciated by 2 percent to 1500 rubles (\$24) per share. Total capitalization of Bashneft in both types of share stands at 523.2 billion rubles (\$8.32 billion).

The FAS plans to consider Rosneft's request in the coming month.

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