

VimpelCom Plans to List Depositary Receipts in Russia

By [The Moscow Times](#)

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The cell phone operator's listing could be the first RDR to hit the market. **Vladimir Filonov**

VimpelCom Ltd. is picking banks to issue Russia-listed depositary receipts by the end of 2010, banking sources said Friday, which would boost liquidity and tap Russian market investors.

If completed, VimpelCom would be the first company to start a Russian Depositary Receipt program, the special instrument designed by Russian authorities to attract new companies and investors to the local stock market.

"VimpelCom wants to do RDRs by the end of the year, with Sberbank as the custodian, but it depends on getting all the documents," said one source at an investment bank, who declined to be named because he was not authorized to speak to the press.

"The company is in talks with the banks regarding RDRs. It has not made the final choice yet, as far as I know," a banker at a major Russian investment bank said late Thursday.

U.S.-listed VimpelCom, whose main shareholders are Alfa Group and Norway's Telenor, confirmed that it was considering such a deal but gave no details on the possible term sheet or size of the issue.

"Our main motivation is to return to the Russian stock market, to get additional opportunity for raising ruble funding for an investment program, and to come back to the MSCI Russia index," VimpelCom's press service said.

Inclusion in the MSCI again may be a positive sign for index-tracking investors to buy the firm's shares, the press service said.

The MSCI Russia index is widely used as a benchmark by investors worldwide. The index comprises the largest Russian companies by market capitalization and liquidity with listings on a Russian exchange. VimpelCom is not listed in Russia.

"VimpelCom Ltd.'s potential inclusion into the MSCI Indices would be a very positive event for the stock. And although it is not 100 percent clear whether an RDR placement would make the stock eligible for inclusion into MSCI Russia, we tend to think that this will likely be the case," VTB Capital said in a note.

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