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Wind Deal Could Close Soon

By The Moscow Times

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CAIRO, Egypt — A planned merger between VimpelCom and Wind Telecom to create the world's sixth-biggest mobile network operator could be completed within weeks, even though a key shareholder opposes it, said Khaled Bichara, Wind's chief executive.

"We see no major risks for the transaction going forward," Bichara said. "If anything were to endanger the deal, it would be if one of the regulators says no."

VimpelCom shareholders Thursday approved issuing new shares to complete the $6.5 billion merger, a move that would dilute the holdings of the Russian mobile carrier's current owners, including the lead opponent to the transaction, Telenor.

Telenor, which owns 36 percent of VimpelCom, has filed for arbitration contending it has pre-emptive rights to buy the shares to be issued by VimpelCom for Rome-based Wind.

"If they win, VimpelCom has to issue them some shares, but that does not affect the deal in any way," Bichara said. "The chances of the merger going through are very high. From our

point of view, it's mostly mechanical."

The merger, which would give VimpelCom ownership of Wind's 51.7 percent stake in Egypt's Orascom Telecom Holding and Italian mobile operator Wind Telecomunicazioni, would also give Wind a chance to be part of a stronger group financially, Bichara said.

It may also assist in resolving a dispute between Orascom Telecom and the Algerian government over ownership of Orascom's local unit Djezzy, he said.

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