

Alrosa Valued at \$5.5 Billion Before IPO

By [The Moscow Times](#)

May 18, 2011

The  **Moscow Times**

Alrosa, the Russian diamond mining monopoly planning an initial public offering, may be worth about \$5.5 billion, according to the valuation of a stake held in the company by Swedish fund Vostok Nafta Investment.

Vostok Nafta, manager of almost \$700 million of mostly Russian assets, valued its shares in Alrosa at \$20,000 each as of March 31, up 39 percent in three months, the investor said in a statement Wednesday. Alrosa has 272,726 outstanding shares, the producer's web site shows. Stock is now traded over-the-counter.

Alrosa plans to sell a 20 percent to 25 percent stake in an IPO in 2011, chief executive Fyodor Andreyev said in March. Analysts valued the company at \$6 billion to \$12 billion, he said.

Shareholders agreed last month to change Alrosa's legal form to a public company. The producer is recommending 1.83 billion rubles (\$65 million) in dividends for 2010 and a stock split to reduce the nominal value, making the shares more accessible to retail investors.

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