

Utnet Eyes International 2nd Listing

By [The Moscow Times](#)

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Online retailer Utnet is eyeing international stock exchanges after its Moscow share sale showed investor appetite for e-commerce stocks.

Utnet, which specializes in consumer electronics, raised 390 million rubles (\$13.91 million) in the initial public offering on Wednesday that priced at the top of the range and was 3.3 times oversubscribed.

"Most likely we will be the first Russian e-commerce [company] with sales of more than \$1 billion, most likely we will be the first [Russian] e-commerce to float on foreign stock exchanges," company founder and chief executive Mikhail Ukolov told a briefing.

Utnet, valued by the IPO at about 4 billion rubles, became the second Russian-listed home electronics retailer after M.Video and the first Russian online retailer to float.

"There are not many people able to cut the jungle with a kitchen knife. ... Their task is to create the infrastructure of trust among investors, make several success stories that will

make money flow into the sector," Ukolov said.

Ukolov said Utinet was likely to surprise the market on the upside when it comes to sales results this year, adding that sales could come in two to three times the earlier projections.

The company earlier pledged to triple revenue this year from the 1.06 billion rubles generated in 2010.

Utinet priced the offer of 2 million shares — or 10 percent of equity — at 195 rubles a share, at the high end of the 145 to 195 ruble range.

Russian companies have raised \$4.5 billion via IPOs so far in 2011, including a blockbuster \$1.4 billion float on NASDAQ in May by Russia's most popular search engine, Yandex.

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