

Telenor Expects Operational Improvements From VimpelCom

By [The Moscow Times](#)

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Telenor chief executive Jon Fredrik Baksaas expressed his approval of the positive messages coming from VimpelCom's new chief executive officer, Jo Lunder, at Telenor's capital markets day in Fornebu, Norway, on Thursday.

Lunder took over from Alexander Izosimov on July 1 as CEO of VimpelCom Ltd., which includes Russia's second-biggest mobile operator. According to Reuters, Izosimov stepped down six months before the end of his contract, declining to name any concrete plans for his future.

Lunder said in a press statement in May that he was looking forward to "extracting maximum value for all of our shareholders by focusing on operational performance." Baksaas said he was pleased with the statements coming from VimpelCom's new management, and that Telenor expected substantial operational efficiency improvements as part of VimpelCom's "value creation."

In June, VimpelCom announced a 55 percent increase in first-quarter net profit. But second-quarter results, announced Sept. 7, were disappointing, with a 29 percent drop.

Baksaas added that the arbitration process with VimpelCom is ongoing. In January, Telenor requested a tribunal to rule on whether VimpelCom's proposed transaction with Wind Telecom is classified as a related-party transaction. The merger, completed in April, saw Telenor's 39 percent stake in VimpelCom drop to 25 percent of the new merged company.

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