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Vekselberg's Renova Mulls Domodedovo Bid

By Roland Oliphant

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An S7 jet pausing on the tarmac at Domodedovo. Billionaire Viktor Vekselberg's Renova Group might buy the major airport. **Maxim Stulov**

Viktor Vekselberg's Renova group could buy Domodedovo Airport, the oligarch said.

Vekselberg confirmed to reporters Tuesday that the group, in which he holds a controlling share, is "considering" a bid for Domodedovo, possibly with a partner, but he did not elaborate.

Interfax reported in December that Domodedovo's owners had hired Goldman Sachs to search for a potential buyer, citing "several sources in banking circles."

So far, Vitaly Vantsev, chairman of the board of directors of Vnukovo Airport, has also said he and his partners might put in a bid for Domodedovo.

Vedomosti has named Summa Group, a co-owner of the Novorossiisk Commercial Seaport,

and billionaires Oleg Deripaska and Suleiman Kerimov as other potential buyers.

Vekselberg was speaking after Renova's Airport Koltsovo company signed an agreement to take 71.2 percent of Kurumoch Airport from the Samara region government. The firm also runs airports in Nizhny Novgorod and Yekaterinburg, meaning an acquisition of Domodedovo would give Vekselberg control of airports in four cities that will serve the 2018 FIFA World Cup.

Domodedovo scrapped a planned London initial public offering in May, saying the market was not offering the price the owners were looking for.

Goldman Sachs, which also organized that share sale, estimated the airport's value at the time as $3.5 billion to $7.5 billion. Citi cited $4.2 billion to $5.3 billion, while JP Morgan put the value at $4.6 billion to $5.2 billion, Interfax reported.

Domodedovo has seen rapid growth in recent years, with passenger numbers up 16 percent year on year in December. DME, the airport's holding company, has announced a five-year, 26 billion ruble ($810 million) renovation of the loading and refueling area to begin in 2012. Also, next year the airport will begin work on a third runway at a cost of 30 billion rubles.

But the current management has also received criticism for a colossal collapse in passenger services during ice storms in 2010, a terrorist suicide bombing that killed 40 people in January 2011, and an opaque ownership structure.

It has previously been reported that Dmitry Kamenshchik, the chairman of the board, is also the company's sole owner. Kamenshchik himself has said only that ownership "is made up of many different legal entities, which have different owners."

After an inquiry, the Investigative Committee said in July that it had failed to identify the individuals who own the airport and carry ultimate responsibility for safety there.

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