

Rostelecom Takes Over Sky Link

By [The Moscow Times](#)

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Rostelecom has acquired 50 percent of cellular operator Sky Link from its state-run shareholder, Svyazinvest, the company said.

The acquisition was announced Friday and is part of state-controlled Rostelecom's strategy to boost its share of the lucrative cell phone market to offset sluggish sales at its core business, land lines.

Rostelecom said one of its subsidiaries, Mobitel, had swapped 1.91 percent of Rostelecom shares for Svyazinvest's 50 percent stake in Sky Link. The 1.91 percent stake is valued at 9.4 billion rubles (\$291 million), or 167 rubles per share.

The remaining 50 percent stake in Sky Link is held by MS-Direkt, a Sky Link subsidiary.

Svyazinvest will transfer the 50 percent shareholding to Mobitel within three months, Rostelecom said, as cited by Interfax.

Rostelecom also said the stake held in it by Mobitel may be canceled or swapped in a merger or acquisition. Mobitel owned 6.55 percent of shares in Rostelecom before the acquisition of Sky Link.

The Sky Link deal is a step in the ongoing merger of Rostelecom and Svyazinvest, which held 25 percent and 43.37 percent, respectively, in each other before the deal.

During the first stage of the merger, several Svyazinvest subsidiaries were integrated into Rostelecom last year. During the second stage, Svyazinvest is expected to increase its interest in Rostelecom, and subsequently Svyazinvest will be merged into Rostelecom.

Sky Link provides CDMA cellular service and holds GSM licenses in 45 regions.

(Reuters, MT)

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