

# Rostelecom to Focus on Broadband

By [The Moscow Times](#)

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Rostelecom said it would focus the bulk of its investments on broadband after calls from the government to build out the backbone of Russia's Internet infrastructure.

The company said Wednesday that 60 percent of total capital spending planned for the 2013-2017 period would go into development of landline Internet connections, backbone networks and cable television, with 25 percent earmarked for the mobile business, including wireless Internet service.

Capital expenditure will average 14 percent of sales in the next five years, Rostelecom said in a statement that followed a board meeting requested by the Federal Agency for State Property Management to update its strategy.

The company also plans to cut costs in core landline telephony, aiming to maintain its total core profit margin at 39 percent until 2017. *(Reuters)*

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