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Usmanov Selling 7.4% Stake in Russia's Mail.Ru

By The Moscow Times

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Russia's richest man, Alisher Usmanov, commenced placement of a 7.4 percent stake in Russian Internet group Mail.ru, the company said, after the company forecast slower revenue growth this year.

A market source said the range for the share placement was $34.25 to $36 a share, which would value the stake at $544 million at midpoint. The range represents a discount of 4 to 8 percent to Wednesday's closing price of $37.40.

London-listed Mail.ru said in a filing on Wednesday that a company controlled by Usmanov called Ardoe Finance will place 15.5 million Mail.ru global depositary receipts.

Through Ardoe, Usmanov's current interest in Mail.ru represents 25.3 percent of its share capital and 60.6 percent of its voting equity.

On completion of the placement, Usmanov will own 17.9 percent of Mail.ru's shares and retain a voting stake of 58.1 percent.

Mail.ru, which operates popular Russian language social-networking sites, as well as e-mail and online games platforms, this week forecast revenues would rise 25 to 28 percent this year, down from 39 percent growth last year.

Renaissance Capital tech analyst David Ferguson said the placement, equivalent to 20 percent of Mail.ru's free float, was likely to have a short-term negative impact on the company's share price but retained his buy rating on the stock.

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