

RDIF and Deutsche Bank Plan to Buy Rostelecom Stake

By [The Moscow Times](#)

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The Russian Direct Investment Fund, or RDIF, the country's state-backed private equity fund, plans to buy a stake in Rostelecom, a spokeswoman for the state-controlled telecom operator said ahead of its expected privatization.

The RDIF is part of a pool of investors that would buy shares owned by the company itself, Rostelecom spokeswoman Kira Kiryukhina said on Tuesday.

She declined further comment, saying the deal had yet to be completed.

The RDIF, together with Deutsche Bank, will buy a stake worth \$250 million in Rostelecom, Russia's former fixed-line monopoly, Vedomosti reported, without specifying the size of the stake.

Deutsche Bank declined to comment. The RDIF was not immediately available for comment.

Rostelecom chief executive Sergei Kalugin said in May that the company, which owns around 5 percent of its own shares through its Mobitel subsidiary, could sell the so-called treasury stock to reduce its debts.

The government last week halved its privatization target for next year but still wants to sell its stake in Rostelecom, which is being groomed to compete with Russia's three main private mobile operators — MTS, Megafon and VimpelCom.

The plan to merge state telecom giants Rostelecom and Svyazinvest, ordered by then-president Dmitry Medvedev last year, has received the stamp of approval of Rostelecom's shareholders at a meeting last week where 97.7 percent of votes were cast in support of the decision.

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