

Yevtushenkov Mulls Buying Telefonica's Czech Unit

By [The Moscow Times](#)

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Russian billionaire Vladimir Yevtushenkov has voiced his interest in acquiring Spanish telecommunications company Telefonica's Czech business, news reports said Monday.

He said he is studying takeover targets to expand his telecommunications business abroad.

"We are considering all possibilities everywhere," Yevtushenkov, 64, said in an interview with Bloomberg. "We receive different proposals, and we study everything very thoroughly."

The shares of Telefonica Czech Republic immediately went up by 5.58 percent on the Frankfurt Stock Exchange, and its market capitalization amounted to 3.5 billion euros (\$4.6 billion), Kommersant reported.

MTS, founded by Yevtushenkov two decades ago, has accumulated more than 101 million subscribers in Russia and the former Soviet Republics. Today, it is growing at its slowest pace

since 2009.

A purchase such as Telefonica's Czech business would mark a leap toward Europe, Bloomberg reported.

Telefonica would be happy to sell its stake to reduce its debt, said Robin Bienenstock, a senior analyst at Sanford C. Bernstein. He estimates that Telefonica's stake is worth 2.7 billion to 3.2 billion euros (\$3.6 billion to 4.3 billion), while Telefonica's net debt amounts to 49.8 billion euros (\$66.2 billion).

Deutsche Bank analyst Igor Semenov said that, for MTS and Sistema, Telefonica's Czech subsidiary "is not the most attractive asset, as there are significant risks of increased competition in the Czech Republic."

Telefonica declined to comment on the issue.

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240