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# Gazprom Media Buying Profmedia

By The Moscow Times

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State-controlled gas export monopoly Gazprom expanded its already considerable media interests on Tuesday when its subsidiary Gazprom Media announced it was buying metals tycoon Vladimir Potanin's Profmedia.

Through the deal, the former Soviet gas ministry will add television and radio stations, as well as cinemas, film production and distribution assets, to an empire that has commercial television channel NTV at its heart.

In a joint statement, Gazprom Media and Interros, Potanin's investment company, said the deal should be completed at the start of 2014, subject to regulatory approvals. Terms were not disclosed.

Gazprom bought NTV in 2000 from Vladimir Gusinsky, a media tycoon forced to leave Russia over the channel's highly critical coverage of the Kremlin early in Vladimir Putin's first term as president. That deal took place while Mikhail Lesin, who was recently named Gazprom Media's general manager, was serving as Press and Mass Communications Minister.

Under Gazprom's ownership, NTV quickly shed its previous reputation for independence. It ran a series of documentaries through the 2011-12 election season that sought to discredit Putin's political opponents.

Gazprom Media also owns satellite television company NTV-Plus, while its radio stable features all-talk station Ekho Moskvy. It has interests in magazines, including popular television guide Syem Dnei, newspapers, film production, cinemas, advertising sales and online portals now.ru and rutube.ru.

The company posted revenues of 52.3 billion rubles ($1.6 billion) in 2012, about one-hundredth of Gazprom's total sales. The majority of the turnover (80 percent) comes from advertising sales.

Profmedia had a turnover of 20.2 billion rubles in 2012. Its assets include television channels MTV, TV3 and 2x2.

Lesin also served as an adviser to then-President Dmitry Medvedev until 2009, when he resigned. At the time Interfax quoted a source in Medvedev's administration as saying Lesin had been ousted due to "systematic violations of discipline" and "failing to follow the rules and ethics of civil servants."

*Material from The Moscow Times was included in this story.*

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