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Aeroflot Tees Up Privatization With 10% Shares Float in 2014

By The Moscow Times

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State airline Aeroflot plans to sell up to 10 percent of its stock next year to boost liquidity and establish a value ahead of a future privatization, the company's director said.

The sale, which would lift the volume of publicly traded stock as high as 16 percent, has received preliminary approvals but still awaits authorization by the Federal Property Management Agency, Aeroflot head Vitaly Savelyev told Bloomberg in an interview published Tuesday.

Aeroflot may sell treasury shares and other stock owned by state technology conglomerate Rostec, or issue new stock, reducing the government's stake to 50 percent plus one share from 51.17 percent, Savelyev said.

Savelyev, who has previously urged the government to delay Aeroflot's privatization, now planned for 2016, said that the company's shares are about 40 percent undervalued.

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