

Lenta London IPO Could Start Next Week

By [The Moscow Times](#)

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Hypermarket chain Lenta, part-owned by U.S. private equity firm TPG, may proceed with its London initial public offering as early as next week, three sources familiar with the matter said.

The company will be seeking to tap demand from investors for consumer-focused stocks buoyed by a rising middle class, although there are concerns about the impact Russia's faltering economy will have on spending.

Sources familiar with the matter previously said that Lenta was talking to banks about a possible listing, which could raise at least \$1 billion and value the business at more than \$5 billion.

Two of the sources said that the IPO process could start as early as next week if market conditions are favorable. A second source said the company was expected to formally announce its intention to float in the first week of February.

Sources previously said that Lenta planned to launch an IPO before the end of February.

Lenta declined comment. The banks advising on Lenta's IPO are JP Morgan Chase, Credit Suisse, UBS, Deutsche Bank and VTB, sources previously said.

State controlled lender VTB, which owns 11.7 percent of Lenta, has previously said it wants to sell its holding by 2015.

The move could produce a rare success story for a U.S. buyout firm in Russia, giving TPG the opportunity to exit an investment it made in 2009. TPG owns a 49.8 percent stake, according to Lenta's website.

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