

Metro IPO Set for Easter

By [The Moscow Times](#)

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FRANKFURT — German retailer Metro is preparing to float its Russian wholesale business around Easter, two sources familiar with the plans said, putting it head-to-head with Russian hypermarket operator Lenta in a push for new investors.

Metro's formal intention to list Cash & Carry Russia could be published in the second half of March and the stock could start trading on the London Stock Exchange by mid-April, the sources said.

Metro declined to comment on Friday.

Metro's stock sale is expected to raise at least 1 billion euros (\$1.36 billion) for the company itself, with analysts valuing the business as a whole at 4 billion to 7.5 billion euros.

Besides helping the Russian business grow, the sale of up to a quarter of the Russian cash-and-carry unit should also give Metro flexibility for other investments and help cut its debt, which stood at 5.4 billion euros at the end of September.

Europe's fourth-biggest retailer has been restructuring to focus on cash and carry and consumer electronics, which it feels have better growth prospects than the supermarkets and department stores that it plans to offload.

Goldman Sachs and Sberbank are organizing the Russian IPO, people familiar with the transaction said.

Other investment banks pitched for additional roles in the transaction last week, they added.

Metro has more than 700 cash and carry outlets in 29 countries and the business accounts for almost half of group sales.

It entered Russia in 2001 and the country is now Metro's third-biggest cash and carry market behind Germany and France, with sales of 4.1 billion euros in 2012. Consumer spending is still buoyant in Russia, even as growth slows in the \$2 trillion economy.

Metro is Russia's fourth-biggest retailer behind X5, Magnit and French chain Auchan.

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