

# Russian Retailers Hammered on London Exchange as Metro Mulls Delaying IPO

By [The Moscow Times](#)

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German retailer Metro is monitoring market conditions, including the turmoil in Ukraine, as it proceeds with plans to list a stake in its Russian wholesale business.

Meanwhile, share in Russian hypermarket chain Lenta, which made its stock market debut in London on Friday, fell 8.9 percent as the Market opened on Monday.

Metro has made good progress in preparing for an initial public offering, although market conditions need to be favorable and it is assessing the situation in Ukraine, a spokesman for the company said Monday.

Shares in Metro fell 5.2 percent in early trade, making them the biggest decliners among European retail stocks, on concern that turmoil in Ukraine could scupper the listing plan.

The company was hoping to raise at least 1 billion euros (\$1.38 billion) by selling a quarter

of its Russia cash-and-carry unit in a London listing, organized by Goldman Sachs and Sberbank.

On Friday, Lenta found its share offering blunted by negative sentiment toward Russia, amplified by the unfolding crisis in Ukraine. The company's global depositary receipt — one share is equivalent to five GDRs — started trading at \$9.70, below the set price of \$10. Soon after the start of trading Monday, the shares were trading below \$9 per GDR,

Other Russian retailers also struggled on the London Stock Exchange Monday. Magnit, the country's largest retailer by revenue, was down 12.4 percent at 8 p.m. Moscow time, having fallen 18 percent earlier in the day. X5, Magnit's closest competitor, plunged 19 percent in early trading before recovering to 11.6 percent below the previous day's close.

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