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Billionaire Prokhorov Bids for 100% Stake in Russian Daily Vedomosti

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Billionaire Mikhail Prokhorov has reportedly submitted a bid for the Vedomosti business daily.

Onexim Group, owned by billionaire and Brooklyn Nets owner Mikhail Prokhorov, has bid to purchase 100 percent of shares in the influential Russian business daily Vedomosti, Russian media reported, citing sources close to the tender.

Vedomosti — which is published in tandem with the Financial Times and the Wall Street Journal — is one of a handful of Russian newspaper and magazine assets owned by Sanoma Independent Media, or SIM, a subsidiary of struggling Finnish media group Sanoma, which is unloading its Russian operations in an effort to firm up its bottom line.

Citibank, which was hired to manage the sale of SIM, is expected on Friday to close the call for bids on Vedomosti and other assets included in the company's portfolio, the report said.

SIM also publishes The Moscow Times and a series of glossy magazines such as

Cosmopolitan, Esquire, Harper's Bazaar and National Geographic.

Onexim has sent an official letter to Citibank offering to buy a 100 percent stake in Vedomosti, ITAR-Tass reported Thursday, citing a source who had seen the document and confirmation from a media executive familiar with the negotiations.

Prokhorov, whose wealth is estimated by Forbes at $11 billion, has already made multiple attempts to buy Vedomosti, several of his acquaintances told the paper. The sources also told Vedomosti that Derk Sauer, the Dutch founder of The Moscow Times and SIM, has been nudging him in this direction.

Sauer himself — who two years ago left SIM to head Russian media group RBC, in which Prokhorov holds a controlling stake — expressed interest in buying Vedomosti in an interview with The Moscow Times in November last year.

"Vedomosti is a good business, it has good prospects and it is important for the market and for the media," Sauer said at the time.

While Onexim is primarily interested in Vedomosti, other SIM assets could also potentially be part of the sale, ITAR-Tass reported.

SIM owns only a 33 percent share in Vedomosti, so if Prokhorov wants operational control of the newspaper he would also need to purchase two equal stakes owned by Dow Jones and the FT Group, owners of The Wall Street Journal and The Financial Times, respectively.

SIM had been negotiating with Dow Jones and FT Group to sell its stake in Vedomosti, but talks were delayed earlier this year on account of the crisis in Ukraine, ITAR-Tass reported.

Representatives of Onexim, Citibank, Sanoma and SIM declined Vedomosti's requests for comment.

See also:

NBA Fines Billionaire Prokhorov's Brooklyn Nets For Excessive Salaries

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