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Arrested Russian Billionaire Yevtushenkov 'Freed' Amid Confusion

By Howard Amos

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Billionaire Vladimir Yevtushenkov, owner of tasty oil asset Bashneft, has been sitting under house arrest since Tuesday.

Russian billionaire Vladimir Yevtushenkov was reportedly freed from house arrest Friday, according to a statement from his oil-to-telecoms conglomerate Sistema quoted by Russian news agencies.

There was confusion over the alleged release of the influential businessman — Russia's 15th richest man — whose detention Tuesday sent shares of the companies under his control into a tailspin.

Yevtushenkov himself told RIA Novosti that he was still under arrest. “Don't believe it, they haven't freed me,” he told the news agency by telephone.

President Vladimir Putin was aware that Yevtushenkov had been released, the Dozhd

television station quoted his spokesman, Dmitry Peskov, as saying. But Izvestia newspaper reported that Investigative Committee spokesman Vladimir Markin had said Yevtushenkov was still under house arrest.

Yevtushenkov was released on the condition that he would not leave Russia, state-owned news agency TASS reported, citing unnamed sources.

Sistema President Mikhail Shamolin said Friday that he had spoken with Yevtushenkov by telephone and could confirm his release, RIA Novosti reported. A ban on using telephones is a standard condition of house arrest.

The news comes as Russian business leaders lined up to express their support for Yevtushenkov whose was arrest in a criminal investigation was widely seen as politically motivated.

"I relate to this as to a big tragedy. It will, of course, impact negatively on the business climate," German Gref, the head of Russia's biggest bank, state-owned Sberbank, told journalists at an investment forum in the Black Sea resort city of Sochi, according to Interfax.

Shares in Sistema, owned by Yevtushenkov, jumped sharply on the news of his release.

Yevtushenkov's detention has been widely linked to an attempt to seize control of mid-sized oil producer Bashneft, in which the billionaire has a majority stake via his oil-to-telecoms conglomerate Sistema.

Comparisons have been drawn to the arrest of tycoon Mikhail Khodorkovsky, whose oil company Yukos was carved up after his detention on a SIberian runway in 2003.

Before his arrest, Forbes put Yevtushenko's wealth at $9 billion. The value of his assets then plummeted, as investors ran for the hills.

But some onlookers were more sanguine: "Evtushenkov's arrest is a misunderstanding, and I think Bashneft shares will stay with Yevtushenkov," said head of oil giant LUKoil Vagit Alekperov, the Prime economic news agency reported. Bashneft and LUKoil are jointly developing the huge Trebs and Titov oil field in the Russian Arctic.

Billionaire David Yakobashvili said Friday he was not planning to sell his shares in Sistema, according to Prime. Yakobashvili sits on Sistema's board of directors.

Others expressed bafflement about why Yevtushenkov's arrest was necessary because the criminal charges he faces stem from a long-running case probing Sistema's purchase of Bashneft five years ago.

"The deal with Yevtushenkov's structure buying these assets was fully agreed at all political levels. I don't understand what could have changed since then," former Finance Minister Alexei Kudrin was quoted by Interfax as saying.

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