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INDEPENDENT NEWS FROM RUSSIA

Russia’s Sberbank Eyes Media Group Rambler

Sberbank has also registered a trademark that would make it a one-stop shop.

By bne IntelliNews

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Russia's media market is growing fast. **Yegor Aleyev / TASS**

Russia’s largest bank and digital economy powerhouse Sberbank plans to buy a stake in major media group Rambler, controlled by Alexander Mamut, the Vedomosti daily and the RBC business portal reported on April 22, citing unnamed sources close to the deal.

Reportedly, the two sides are negotiating the acquisition of a non-controlling stake in Rambler to provide Sberbank with digital media and entertainment services. The companies confirmed the talks but declined to comment further.

In 2018, reports suggested that Sberbank is staging a hostile takeover of Russian internet

major Yandex, with which it already operates a large joint venture Yandex.Market marketplace. But as the founders and shareholders of Russia's most valuable digital company made changes to shareholder structure, no deal followed.

Now Sberbank could be considering Rambler as its main internet platform, analysts surveyed by Vedomosti suggest. The bank is developing an integrated ecosystem of digital services. The CEO German Gref in 2018 said that Sberbank could in the future drop the "bank" from its name and transform itself into the Sber ecosystem covering all the needs of corporate and private clients.

On April 23 Vedomosti reported that Sberbank had officially registered the Sber trademark, in addition to buying the sber.ru domain.

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Rambler was formed in 2013 when tycoons Mamut and Vladimir Potanin joined their video assets. The holding includes online and traditional cinemas, anchor portal Ramble.ru, a number of popular internet publications and portals such as Lenta.ru, Gazeta.ru, Afisha, and others. In 2016 Mamut bought out Potanin's stake for about $295 million.

"We see little strategic synergy in acquisition, given the company's weak competitive position. Still, Rambler is a relatively small business," BCS Global Markets said in a research note on April 22.

Online media assets are in focus as recently one of Russia's "big four" operators MobileTeleSystems (MTS) is considering the acquisition of "the Russian Netflix," online cinema provider ivi, the market leader with a 36 percent share, for 20 billion rubles ($309 million).

Russia's media market in general is growing fast, driven by the burgeoning e-commerce sector. The media market expanded by 12% year-on-year to 468.7 billion rubles in 2018, according to estimates from the Association of Russian Advertisers (AKAR), VTB Capital (VTBC) said in a note on March 11.

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