

# Tinkov Eyes Rivals For Bank Sale, Despite Agreement with Yandex – Reports

Yandex-Tinkoff deal potentially in trouble, as The Bell reports billionaire owner Oleg Tinkov is courting other bidders.

By [Adrien Henni](#)

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Tinkoff and Yandex previously announced they had reached an "agreement in principle" for a \$5.5 billion merger. **Vladislav Shatilo / RBC / TASS**

The sale of Tinkoff Bank to Yandex is far from certain, Russian online publication The Bell [reported](#) Wednesday, just three weeks after the two companies announced an “[agreement in principle](#)” for a \$5.5 billion merger. Oleg Tinkov, the owner of the online bank, is also considering other buyers — in particular mobile operator MTS, or its affiliate MTS bank.

The Bell, citing financial Telegram channels and unnamed sources, reported that Tinkov has been in discussions with both parties in parallel for months and has approached half a dozen

potential buyers among Russia's top financial players over the last 18 months.

Should an agreement be reached with MTS or MTS bank, the acquisition could be backed with a loan from Sber, the state-owned financial and technology giant and a new rival of Yandex, the outlet said.

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It is not the first time the deal has been brought into question. Billionaire owner Tinkov previously said the possible tie-up with Yandex had a "fifty-fifty" chance of going through, just days after the companies had announced their intention to merge in official stock market announcements.

Analysts said a deal with MTS was unlikely. In a research note Aton said Yandex and Tinkoff were a much better fit, that MTS would have to take on significant debt to finance the purchase and that it was unclear how the partnership would work given MTS Bank is a rival of Tinkoff.

"It is hard (if not impossible) to assign probabilities to potential outcomes in M&A sagas," said Oksana Mustiatsa, an analyst at Sova Capital. "But we do not think MTS is a likely suitor for [Tinkoff holding company] TCS."

"A large acquisition in the banking space is too much of a departure from its strategy," she wrote.

Tinkoff shares have fallen back since the deal with Yandex was first announced at a price of \$27.64 per global depository receipt (GDR) — a financial instrument which represents one share in the lender. Tinkoff GDRs are now trading at \$24 each, and Mustiatsa said ongoing speculation over the sale suggests volatility will remain.

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