
VimpelCom Offers To Buy Golden Telecom For \$4.3 Bln

RIA Novosti - 21/12/2007

WASHINGTON, December 21 (RIA Novosti) - VimpelCom, Russia's second largest mobile operator, said it has offered to buy 100% of telecommunication giant Golden Telecom for \$105 dollars per share, bringing the total to \$4.3 billion.

VimpelCom said on December 3 that the companies were in talks over a possible merger, but said that "no assurance that the discussions will lead to a definitive agreement."

In a news release on Friday, Vimpelcom said that the "offer price of \$105 per share represents a premium of 3.5% to the closing price of Golden Telecom common stock on November 30," adding that the board of directors of both companies had unanimously approved the transaction.

VimpelCom, which had more than 61 million subscribers in Russia, Armenia, Kazakhstan, Ukraine, Tajikistan, Uzbekistan and Georgia at the end of October, wants to create Russia's first integrated mobile and fixed-line provider, and to branch out in more markets and into services like broadband. Golden Telecom said on November 8 it had 394,900 broadband subscribers in Russia.

Alexander Izosimov, VimpelCom's chief executive officer, said: "VimpelCom has great respect and admiration for Golden Telecom, including its business, products, operations and employees, and we look forward to working closely with them as we consummate this transaction and begin what we anticipate to be a smooth integration process."

Wall Street Journal earlier said Golden Telecom's major shareholders - Norway's Telenor ASA and Russia's Alfa Group - had reached an agreement to sell the shares.

Golden Telecom offers voice, data and Internet services to corporations, operators and individuals using its metropolitan overlay networks in major cities in the former Soviet Union, including Moscow, Kiev, St. Petersburg, Nizhny Novgorod, Samara, Kaliningrad, Krasnoyarsk, Alma Ata and Tashkent.
