

# Greece sells Deutsche Telekom 10% of OTE

FRANKFURT: German telecommunications operator Deutsche Telekom said on Monday that Greece had exercised an option to sell 10% of the telecoms company OTE, raising Deutsche Telekom's holding to 40%.

Within the framework of an agreement reached in May 2008, the Greek state "will make use of its right to sell another 10% of the shares" in OTE to Deutsche Telekom, a statement said.

"As a result of this notification the contractually agreed put option is deemed exercised as of today," it added.

Debt-laden Greece is under pressure from creditors to sell state-owned assets and this is one of the first such operations to take place. The exact sale price was not disclosed, but will correspond to OTE's average market price during the 20 trading sessions ahead of the sale date, plus a premium of 15%, Deutsche Telekom said.

The block of some 49 million shares would thus have a value of around €400 million (\$580 million), it added.

Greece will retain around 10% of the voting rights in OTE, which media reports have said might be offered to Deutsche Telekom in the coming months.

The largest telecoms group in the Balkans, OTE employs around 30 000 workers but might be downsized if taken under Deutsche Telekom's wing, fear of which set off a demonstration last week.

*Source: AFP*