

Mexican mogul Slim expands empire in Europe

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Mexican telecom magnate Carlos Slim speaks during the 2011 Clinton Global Initiative meeting in 2011 in New York. Slim moved to grow his telecoms empire into central and eastern Europe by raising his stake in Telekom Austria to 9.9 percent with the aim of obtaining 25.9 percent.

Mexican billionaire Carlos Slim on Friday moved to spread his telecoms empire into central and eastern Europe by raising his stake in Telekom Austria to 9.9 percent with the aim of obtaining 25.9 percent.

"This acquisition positions AMX as a long-term strategic partner of Telekom Austria," Slim's America Movil (AMX) [company](#) said in a statement.

The deal is "part of AMX geographic diversification strategy and provides an attractive presence in Central and Eastern Europe."

Former monopoly Telekom Austria, the largest telecoms company in the country, is also active in Belarus, Bulgaria, Croatia, Liechtenstein, Macedonia, Serbia and Slovenia, with 20 million mobile customers and 2.6 million fixed lines.

Slim is also a shareholder in the Dutch telecoms group KPN and wants to increase that interest to 27.7 percent.

The Austrian state is still the main shareholder in Telekom Austria with a stake of 28.42 percent, more than the minority blocking threshold of 25.0 percent plus one share.

Austria owns its shares via the state holding company OEIAG, which welcomed the increased investment by Slim, saying his company was an excellent strategic and financial investor.

AMX on Friday bought five percent in Telekom Austria from businessman Ronny Pecik, taking its stake to 6.75 percent, and said it intends to acquire a further 16 percent. [Financial details](#) were not disclosed.

Telekom Austria revealed late Friday meanwhile that another firm controlled by Slim's family also controls a stake of 3.1 percent.

Added to the 6.75 percent Slim now controls and the 16 percent he intends to acquire, this will give Slim a blocking minority of 25.9 percent in the Austrian company.

Telekom Austria is capitalised at about 3.6 billion euros (\$4.55 billion).

Pecik, who said on Friday that he would withdraw entirely as a shareholder in Telekom Austria once the deal was completed, is to remain as vice president of the telecom operator's supervisory board,

AMX said.

America Movil dominates the market for mobile telephone services in Latin America, saying that it had 225 million customers in 18 countries at the end of 2010.

Slim, 72, has a fortune estimated by Forbes magazine at \$69 billion (54.5 billion euros).

Originally from a family of Lebanese traders, he heads the Forbes list of the richest men in the world, far ahead of the founder of Microsoft computer software, Bill Gates, who is second with a fortune put at about \$61 billion.

Slim made his fortune through the privatisation of the Mexican company Telmex (Telefonos de Mexico) which he owns and used as a base for developing America Movil.

Shares in Telekom Austria gained 1.42 percent on Friday to close at 8.15 euros, handing back earlier gains. The benchmark ATX index closed 2.02 percent higher.

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