

# Spain's Telefonica sells China Unicom stake

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The Spanish Telefonica logo is pictured at the Puerta del sol in Madrid in 2010. Spanish giant Telefonica said it has sold a 4.56 percent stake in one of China's top telecoms companies, China Unicom, for 1.13 billion euros.

Spanish giant Telefonica said Sunday it has sold a 4.56 percent stake in one of China's top telecoms companies, China Unicom, for 1.13 billion euros (41.4 billion).

Telefonica said that after the sale to China Unicom's [parent company](#), it would still have a 5.01 percent stake in one of the world's largest and fastest growing telecoms markets.

It said it had agreed to hold this stake for 12 months after the sale is concluded at the end of July.

"The deal reflects (the company's) ... decision to manage pro-actively its

asset portfolio and will allow Telefonica to increase its financial flexibility," the Spanish company said in a statement.

The two companies remain committed to their strategic alliance, it added.

Telefonica recently reported a sharp fall in first-quarter earnings, which slumped 53.9 percent from a year earlier to 748 million euros, due to charges, even as sales were little changed at 15.51 billion euros.

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