

# Spain's Telefonica completes sale of China Unicom stake

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Telefonica's logo is pictured at the Puerta del sol in Madrid in 2010. Spanish telecom giant Telefonica said Monday it has completed its sale of a 4.56 percent stake in China Unicom for 1.14 billion euros (\$1.4 billion).

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After selling the shares to China Unicom's [parent company](#), Unicom Parent, Telefonica will retain a 5.01 percent stake in one of the world's biggest and fastest growing telecom markets, it said in an initial statement on the deal last month.

It said the sale "will allow Telefonica to increase its financial flexibility."

Telefonica said it had agreed to hold its remaining stake in [China Unicom](#) for at least 12 months after the sale was concluded and that the two companies remain committed to their strategic alliance.

The Madrid-based company last week said it would slash pay for top managers by 30 percent and cancel its dividend for this year after its [net profit](#) slumped in the second quarter.

It posted a net profit for the April-June period of 1.33 billion euros (\$1.63 billion), a 13.7 percent decline over the same time last year, while revenues rose 0.1 percent to 15.47 billion euros.

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