

Iraqi telecom Asiacell hopes to raise \$1.3 billion

December 25 2012, by Adam Schreck

(AP)—Asiacell, one of Iraq's three mobile service providers, said Tuesday it is looking to raise \$1.3 billion through what would be the country's biggest stock offering yet.

A successful floatation on Baghdad's low-volume [stock exchange](#) could reassure international investors, many of whom remain wary of the risky Iraqi market nearly a decade after the U.S.-led invasion in 2003.

The company plans to offer 67.5 billion shares for at least 22 Iraqi dinars, or just under 2 cents, apiece when it launches the [initial public offering](#) on Jan. 3. Investors will have until Feb. 2 to submit orders for the shares.

"We're delighted to be able to provide the chance for all Iraqis to participate in our future by taking a stake in Asiacell," Managing Director Faruk Rasool said in a statement. "We're confident in our future as Iraq's [mobile industry](#) continues to grow."

The shares being offered represent a quarter of Asiacell's total share capital. The Gulf state of Qatar's government-backed Qatar Telecom owns 53.9 percent of Asiacell, which is based in the northern Iraqi Kurdish city of Sulaimaniyah.

A number of the company's founding shareholders will be cashing out at least part of their investment with the floatation.

Asiacell competes against Zain Iraq, part of Kuwait's Zain, and Korek, an affiliate of [France Telecom](#).

The three companies are required to list shares on the stock exchange as a condition of their 15-year operating licenses, which cost \$1.25 billion when they were acquired in 2007. All three missed a deadline in August 2011 to offer shares to the public.

Asiacell began offering [cell phone service](#) in Iraq's highly autonomous northern Kurdish region in 1999. Mobile phone services did not exist in the rest of Iraq until after the 2003 U.S.-led invasion that toppled the dictatorship of Saddam Hussein.

The company now boasts nearly 10 million subscribers and says its network covers 97 percent of Iraq's population.

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