

Telefonica bids to create Brazil's top operator

August 5 2014

Spain's telecommunications company Telefonica says it has made a 6.7 billion-euro (\$9 billion) offer to buy Brazilian operator Global Village Telecom, or GVT, from French media conglomerate Vivendi.

A Telefonica S.A. statement Tuesday said the company planned to combine GVT with Telefonica Brasil to make what it said would be the biggest telecom operator in Latin America's largest market.

Telefonica said it has offered 11.96 billion Brazilian reais (\$5.3 billion) in cash and 12 percent of the share capital in the new company.

It said it was also offering Vivendi the chance to acquire an 8.3 percent stake in Telecom Italia.

Shares in Telefonica were down 1.3 percent at 11.8 euros in morning trading in Madrid.

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