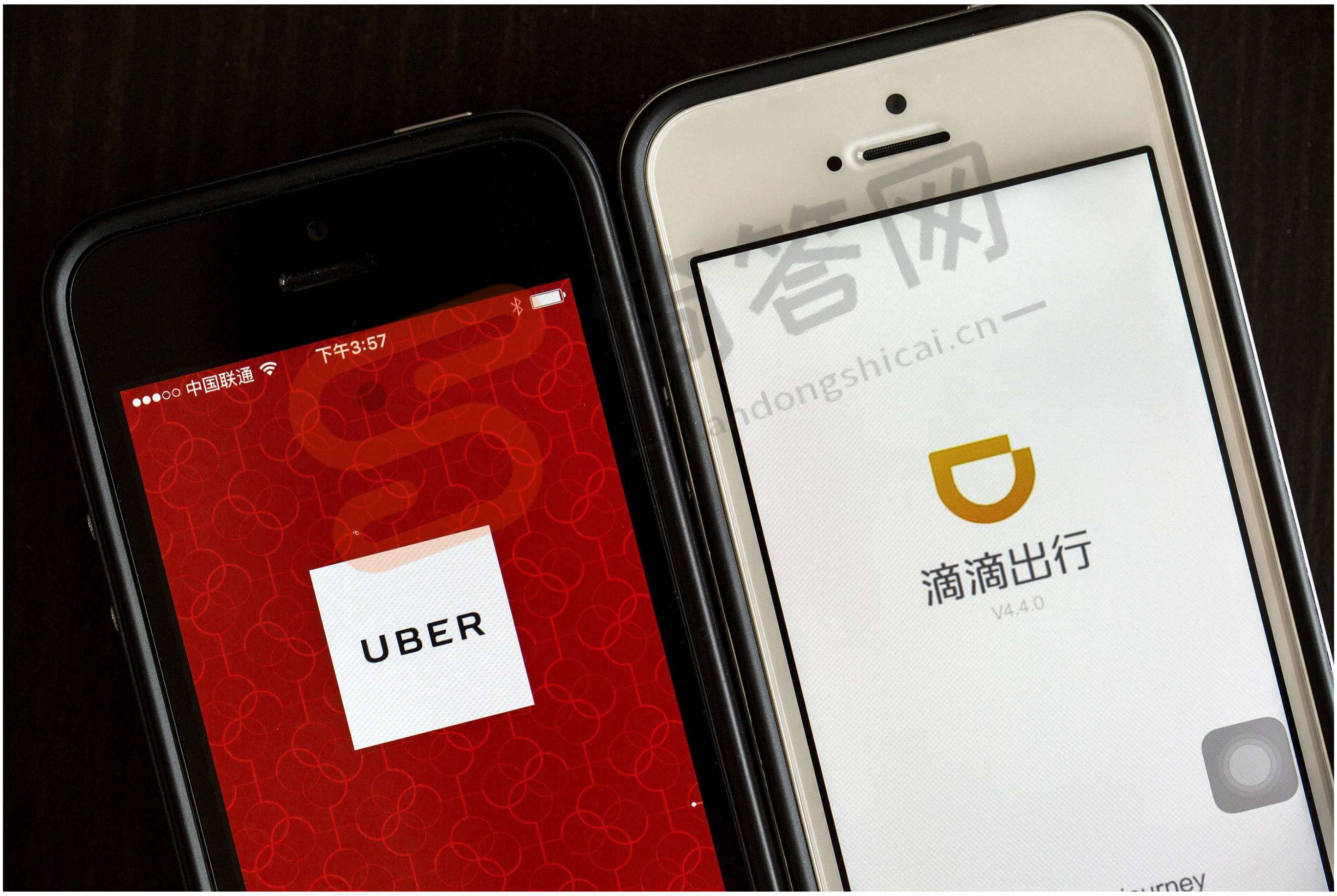
《Uber与Yandex成立合资公司》

Uber is ceding co ntrol of the Russian market by agreeing to merge its ride-hailing business in the country with Yandex, the Russian search-engine leader that also runs a popular taxi-booking app.

For Uber, the deal marks the exit from another big market after it sold its operations in China last year to local rival Didi Chuxing.



China's Didi Chuxing (R) has brought Uber in a 35-billion-US-dollar deal last August. /VCG Photo

Yandex said in a statement on Thursday that Uber and Yandex Taxi would combine into a new company in Russia as well as in Azerbaijan, Armenia, Belarus and Kazakhstan.

Yandex will own 59 percent, Uber roughly 37 percent, and employees the rest. The CEO of Yandex Taxi, Tigran Khudaverdyan, will become the chief executive of the new combined company.

San Francisco-based Uber will invest 225 million US dollars in the new company and Yandex 100 million US dollars, putting its value at over 3.7 billion US dollars.

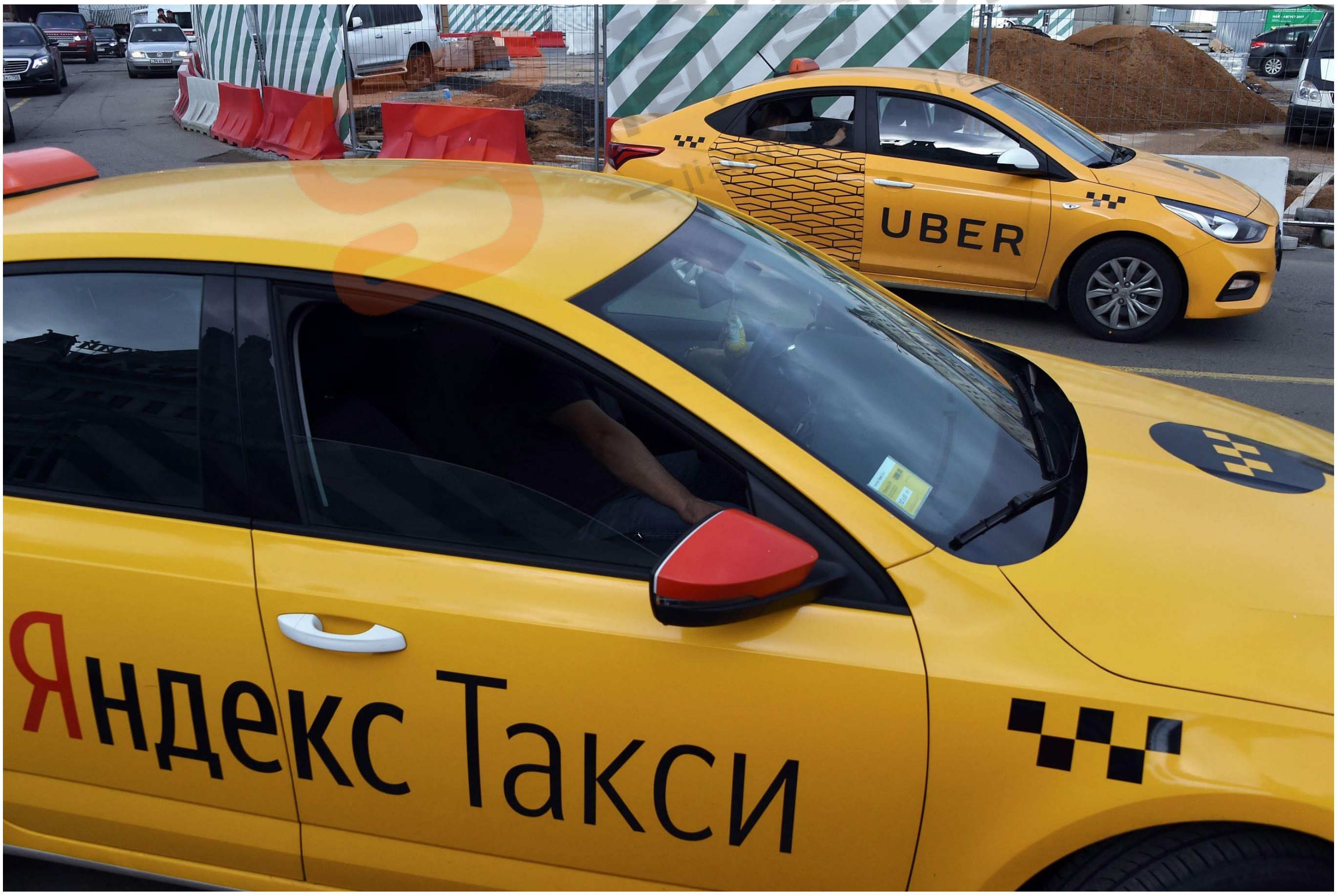
The companies said that together they deliver over 35 million rides a month, with 130 million US dollars in gross bookings in June.

Yandex is the bigger company, with roughly the twice the business Uber currently has in the region.

In both Russia and China, Uber was having trouble competing against larger ride services that have the advantages of being the hometown company and knowing cultural differences, said independent technology analyst Jan Dawson of Jackdaw Research in California.

"It's like competing with Google in the US," he said.

"They just weren't really making headway against the local competitors."



An Uber car (back) and a Yandex Taxi car drive on a street in Moscow on July 13, 2017. /VCG Photo?

At this stage of its development, the money-losing Uber is looking to move to profitability, reviewing regions to see if there are prospects for making money. If the prospects aren't good, Uber is likely to get out, Dawon said.

In the Yandex case, Uber will exit "in a dignified way" with the 37 percent stake in the new company.

Uber had invested 170 million US dollars in Russia and is adding 225 million US dollars to the new company. So for about 400 million US dollars, it's getting a stake in Yandex that's worth over 1 billion US dollars, Dawson said.

Shares in Yandex jumped 15 percent on the Moscow stock exchange on news of the deal. The company is one of Russia's most successful Internet enterprises, accounting for some 65 percent of all searches and operating popular maps and public transit apps.

once the deal is closed toward the end of this year, consumers will be able to use both Yandex and Uber apps to hail rides while for drivers, the apps will be integrated.

(Source: AP)