

VTB Takes 2 Big Deals to Owners

By [The Moscow Times](#)

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VTB will seek shareholder approval for multibillion-dollar deals with rival lenders Bank of Moscow and TransCreditBank, which could involve providing huge loans to the two smaller banks.

VTB said it would seek approval for up to \$16.75 billion worth of deals with Bank of Moscow in the year to June 2012 and also asked shareholders to clear potential deals with TransCreditBank worth up to \$14.4 billion.

VTB did not elaborate on the potential deals it had asked to be approved at the annual shareholders meeting on June 3, but Troika Dialog analyst Olga Veselova said, "VTB may need some funds to provide a subordinated loan to TransCreditBank and maybe something like the same for Bank of Moscow."

The bank said in an e-mailed statement Friday that the deals might be conducted during the year up to next year's annual shareholders meeting.

VTB has been actively buying smaller rivals to catch up with top bank Sberbank and previously said it wanted to eventually gain full control of both lenders after buying stakes of less than 50 percent.

Bank of Moscow and TransCreditBank both declined to comment.

VTB, whose market capitalization is less than half of Sberbank's \$77 billion, paid more than \$4 billion for its Bank of Moscow and TransCreditBank stakes. The government is the largest shareholder in VTB, with a 75.5 percent stake. VTB raised \$3.3 billion in February through the sale of a 10 percent stake.

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