

Sberbank to Decide Soon on Volksbank

By [The Moscow Times](#)

June 19, 2011

The  **Moscow Times**

VIENNA — Sberbank will decide in two to three weeks on buying the East European unit of Oesterreichische Volksbanken, which would be its first major move outside the former Soviet Union.

Chief executive German Gref told Russian state television broadcaster RT on Friday that his plans to move into the region hinge on striking the Volksbanken deal, according an e-mailed transcript of the interview.

"The talks are ongoing, but right now I can't forecast the result," Gref said. He added that the bank is also interested in acquiring assets in Poland and Turkey.

Sberbank's "strategic goal" is to compete with companies including Raiffeisen Bank International and UniCredit across Central and Eastern Europe, Gref said in an interview April 15. The lender, based in Moscow, has about half of Russia's private-savings market and has assets in Belarus, Ukraine and Kazakhstan.

Gref also said in the RT interview that the expansion in Eastern Europe will accelerate only in a few years and that earlier forecasts for how much profit the bank aims to make there may not be reached.

"Probably after 2014 to 2015 we'll be able to implement our international strategy more actively, but for now our priority is the domestic market, our domestic clients," he said. International operations may not account for 5 percent of net income by 2014 as previously planned, Gref said.

Sberbank may report 383 billion rubles (\$13.7 billion) in net income in 2014, according to the average of nine analysts surveyed by Bloomberg. The region's biggest lender, UniCredit, generated pretax profit of 1.1 billion euros (\$1.5 billion) in Eastern Europe last year.

Volksbanken's East European unit, Volksbanken International, is active in 10 East European countries, with the biggest share of business coming from Romania. It posted a loss in 2010 as bad-debt provisions soared at the Romanian unit and it wrote down its business in Ukraine.

Volksbanken put VBI up for sale in December to raise money to repay 1 billion euros of state capital it received in 2009 and to reduce riskier assets. The cooperative bank owns 51 percent of VBI, while Germany's DZ Bank and France's Groupe BPCE each own 24.5 percent.

The government may reduce its holding in Sberbank, the nation's biggest lender, to a blocking stake of 25 percent plus one share, chief executive German Gref said in an interview broadcast on state television channel Rossia 24, Bloomberg reported Saturday.

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