

Sberbank Pricing Expected in Mid-September

By [The Moscow Times](#)

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Sberbank plans to arrange investors meetings ahead of its partial privatization next month, selling a stake of up to 7.6 percent by mid-September, three sources said Wednesday.

Sberbank, a crown asset in Russia's three-year, 1 trillion ruble (\$35.66 billion) privatization drive, has a current market value of \$75.4 billion, more than two times outperforming its closest peer, VTB.

"The lender's top executives will be talking to investors throughout July," a banking source said.

Two other sources confirmed that Sberbank plans to test global markets' appetite next month, adding that uncertainty about euro-zone financials could affect the privatization move.

"The deal is scheduled for the first half of September. But a lot will depend on markets' reaction to Greek debt problems," one source said.

Greece's government aims to get parliamentary approval for a package of spending cuts, tax hikes and state asset sales by June 28 and implement it by July 3 to secure 12 billion euros (\$17.2 billion) in aid that is vital to avoid bankruptcy.

With oil prices staying over \$100 per barrel in the recent months, promising Russia's energy-dependent budget higher-than-expected revenues, Moscow is now not in a rush to proceed with the privatization drive this year.

But First Deputy Prime Minister Igor Shuvalov said last week that the government would attempt to speed up and widen the privatization program in line with a demand from President Dmitry Medvedev.

Sberbank's partial sale would be the second after VTB, which kicked off the country's biggest state asset privatization drive in February, cashing out a 10 percent stake and raising \$3.3 billion.

Demand for the VTB stake was boosted by a more than 10 percent fall in the share price, which wiped \$500 million of the stake value — a scenario that Sberbank has pledged to avoid.

Last week, Sberbank chief executive German Gref said the lender would talk to U.S. private equity firm TPG Capital, which put \$100 million into VTB's placement, about its possible participation in Sberbank's stake sale.

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