

Sberbank Share Sale Ready Soon

By [The Moscow Times](#)

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Sberbank is proceeding with privatization plans after a share rebound. **Maxim Stulov**

Sberbank will be technically ready for a 7.6 percent stake sale by the end of the week, but the final decision depends on market conditions, three banking sources said Wednesday.

"Preparations will be completed by the end of this week. If markets calm down, they [Sberbank] are likely to proceed with the placement," one of the sources said.

Sberbank's shares rose 4.7 percent Wednesday, making them among the strongest performers in the MICEX Index, which rallied 3.2 percent.

Sberbank, the crown jewel in Russia's latest privatization drive, had planned to sell the stake, now worth \$4.6 billion, by mid-September.

But recent volatility on the global markets, fuelled by Standard & Poor's downgrade of the U.S. sovereign rating, has knocked Sberbank's share price down 19 percent since early August and wiped \$1.5 billion off the stake's value.

At the end of last month, Sberbank postponed investor meetings in the Middle East and Asia, where it had hoped to line up sovereign wealth funds as core investors in the sale.

But its share price has steadied over the past two weeks, reaching 84 rubles on Wednesday from 77.4 rubles on Aug. 23.

"There are again talks that Sberbank may start the placement already this week," the second source said.

One more source confirmed that Sberbank was almost ready to proceed with the secondary offering but declined to comment on specific timing.

"The key question remains 'What's going on with the market?' I think the recent two days of [stocks] growth is not enough [for the deal]," he said.

Sberbank declined to comment.

Sberbank chief executive German Gref said last week that the lender would make a decision in the next few weeks on whether to sell a further 7.6 percent stake in September or October.

Gref is going to speak on Sberbank's strategy in Central and Eastern Europe on Thursday in Vienna, with sources expecting him to announce a deal to buy VBI, the Eastern European arm of Austria's Volksbanken.

The deal, which is expected to come at a reduced price of 585 million euros (\$821 million), is seen as a main driver for Sberbank's stocks in the coming days.

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