

VTB Buyback to Be on Bank's Dime

By [The Moscow Times](#)

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VTB bank is ready to use part of its earnings to buy back shares from small investors who lost money during VTB's 2007 stock listing, Prime Minister Vladimir Putin said Monday.

Shares in VTB, which is still 75.5 percent owned by the government, were trading at around 7 kopeks (\$0.002) Monday, slightly above half the price of 13.6 kopecks at which they were offered to more than 100,000 Russian small investors in 2007.

"These people are not interest-holders, no one was cheated ... but VTB's share price has fallen because of the crisis. And now people are asking us: Let it [the shares] be bought from us at the initial price," Putin said.

"And VTB is ready to do that from its profit but not from state money," Putin said.

Last week, Putin, running in a presidential election next month, instructed the country's No. 2 lender VTB to compensate private investors, promising to provide "necessary resources" if needed.

The buyback program could cost 15 billion rubles to 18 billion rubles (\$500 million to \$600 million) in total, VTB's head Andrei Kostin said.

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