

Societe Generale Dismissing Scandal-Hit Rosbank CEO

By [The Moscow Times](#)

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PARIS — Societe Generale said it was moving to dismiss its top Russian executive days after his shocking arrest on bribery charges.

The decision by Russian subsidiary Rosbank's board to fire its head, Vladimir Golubkov, after his arrest last week in a dramatic sting came as the French bank's management faced shareholders at its annual shareholder meeting Wednesday.

A judge has since ordered that Golubkov be put under house arrest for two months, and SocGen said on Wednesday that independent auditor Deloitte had been hired to "perform additional diligence and necessary investigations".

SocGen CEO Frederic Oudea, facing pressure to further reassure investors about the bank's strategy in Russia after spending billions on acquiring and restructuring Rosbank with little to show in terms of profit, insisted the bank would stay the course.

"We have a strong and very promising presence in Russia" he told shareholders, pointing to Rosbank's market share in financing new car purchases. "We completely confirm our commitment to Russia. Why? Because it's a growing market."

Bankers familiar with the way Rosbank is run have told Reuters that the unit has suffered from internal divisions between Moscow and Paris and that SocGen has struggled to keep the bank on a tight leash.

Oudea may also have to defend his decision to accept a 75 percent increase in his bonus for 2012, which has irked some labor unions at a time of job cuts.

The bank is in the early stages of a drive to cut costs and combine operating divisions to offset recession in France and new regulations designed to make banks safer after the financial crisis.

SocGen has already briefed unions on a plan to cut more than 600 back-office jobs at its Paris headquarters. With revenue growth drying up in its retail branches, there are likely more in the pipeline.

It also plans to cut "hundreds" of back office jobs at Rosbank, Bloomberg News reported, citing unnamed sources.

Rosbank confirmed in a statement that it was cutting jobs as part of a previously disclosed "optimization" process at its head office, but did not disclose a figure.

The Russian unit said acting CEO Igor Antonov was running operations under the supervision of Rosbank chairman and SocGen Russia head Didier Hauguel.

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