

# Foreign Players on Russia's Banking Market

By [The Moscow Times](#)

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Here are details about the major foreign players on the Russian banking market:

Austria's biggest bank Raiffeisen Bank opened in 1989 and gained scale through its \$550 million acquisition of Impexbank in 2006. Last year, its profit after tax in Russia was 473 million euros (\$608 million) — up 47 percent.

Italy's Unicredit has been in Russia for more than 20 years, and its local subsidiary has around 110 branches. Last year, UniCredit Bank Russia reported a record net profit of 17.48 billion rubles (\$559 million).

Citi entered in 1992 and expanded organically. It reported over \$300 million in profit from Russia last year.

SocGen has spent around 4 billion euros (\$5.2 billion) since 2006 building up an 82 percent

stake in Rosbank. This year, it is expected to post a slight profit for SocGen's international retail arm after a 2 million-euro (\$2.6 million) loss last year.

Britain's Barclays paid £373 million, or \$745 million, for Expobank in 2008. It sold in October 2011 for a loss of about 90 percent. Its Russian business now focuses on investment banking services.

HSBC said in 2008 it would inject \$200 million of new capital to fuel expansion in Russia, where it has had a presence since 1918. It retreated from retail banking in 2011 but remains in Russia with financial advisory and commercial banking operations.

Spain's Santander sold its Russian operations in 2010 to Russia's Orient Express, according to reports.

Swedish bank Swedbank said in April that it would discontinue operations in Russia, as business volumes of its Baltic and Nordic corporate clients in Russia and Ukraine were marginal. The cumulative result for its Russian operations for the total period was positive, it said.

Belgian banking and insurance group KBC in December agreed to sell its Russian banking unit **Absolut Bank** to a group of Russian companies.

Wall Street and Europe's large investment banks have a presence in Moscow, including: Goldman Sachs, Morgan Stanley, Bank of America Merrill Lynch, JPMorgan, Deutsche Bank and UBS.

Goldman Sachs won a mandate in mid-January to work as an effective corporate broker to Russia's government to help it attract a broader range of global institutional investors.

Credit Suisse decided to move its Moscow investment banking advisory operation to London as part of broader cost cuts, a source familiar with the matter said in December.

New Zealander Stephen Jennings founded investment bank Renaissance Capital in 1995. In November, after three years of losses, he sold to billionaire Mikhail Prokhorov and left Russia. RenCap last week reported a loss last year of \$378 million but said the investment bank was now operationally profitable.

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