

Sberbank Gives Out Biggest Bonuses Ever

By [The Moscow Times](#)

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Bonus are being paid to 14 executives on Sberbank's management board. **Sergei Nikolayev**

Sberbank doubled its bonuses to senior executives to a total of \$34 million for last year, when it posted a record profit.

The country's largest lender will pay that much to 14 executives on its management board after profit increased eightfold to 184 billion rubles, or \$6.3 billion, it said in a fourth-quarter earnings statement.

The payouts at the state-controlled bank are still significantly smaller than those offered by some global top-tier lenders.

Barclays is expected to disclose in its annual report next month that its five best-paid executives received about \$40 million in bonuses. Profit at the world's fifth largest bank by assets rose 36 percent in the year to \$5.7 billion.

Sberbank's bonus payout of 985 million rubles for last year is double what it paid for 2009. It also exceeds the previous record, set by bonus payments for the pre-crisis year 2008, by 5 percent.

There is a tense competition among Russian banks for talent as they seek to expand business.

Sberbank has yet to return to the government 300 billion rubles of the 500 billion rubles of subordinated loans that it received as part of the crisis bailout package for financial institutions.

It pays 10 percent of profit in dividends and is unlikely to increase that proportion until 2013, chief executive German Gref said Monday.

The bank is planning to sell more shares to the public later this year. It may either sell all 7 percent of the shares this year or reserve a portion for next year, Gref said.

Sberbank shares slid 1.6 percent on MICEX at the close of trading Tuesday, while the broader index declined 0.73 percent.

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