

Volksbanken Unit's Sale to Sberbank Approved

By [The Moscow Times](#)

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VIENNA — Austrian bank supervisor FMA approved the sale of Oesterreichische Volksbanken's Eastern European unit to Sberbank, Volksbanken spokesman Walter Gröbinger said Tuesday.

The FMA's decision means that Volksbanken International can keep its Austrian banking license under the new owners, and that those owners are deemed "fit and proper" to run a bank, according to the nation's bank law.

The sale of VBI, which was signed in September and excludes its Romanian business, could still be closed this year, Gröbinger said by phone from Vienna.

The FMA said it expects Oesterreichische Volksbanken, a lender that failed stress tests, to execute its restructuring plans in the next few weeks without resorting to a second helping of state aid.

Regulators are most eager to see Volksbanken complete the sale of most of its Eastern European business to Sberbank and implement a cross-guarantee arrangement with its regional cooperative owners, FMA co-chairman Helmut Ettl told journalists late Monday.

"Those are the steps we're expecting immediately," Ettl said during a briefing with his co-chairman Kurt Pribil. "We expect that this is being worked on at full speed, and that results are being produced as soon as possible." The measures are "important steps to reduce the systemic relevance" of Volksbanken, he added.

Volksbanken was among eight banks that failed the European Banking Authority's stress tests in July. The EBA said Dec. 9 that the lender had a capital shortfall of 1.05 billion euros (\$1.38 billion). The EBA said the loss was "pro-forma" as Volksbanken's restructuring will make the bank too small to be among those lenders tested in June 2012.

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