

Sberbank to Sign DenizBank Deal

By [The Moscow Times](#)

June 03, 2012

The  Moscow Times

Sberbank is set to sign a preliminary agreement next week to buy failed Franco-Belgian lender Dexia's Turkish unit DenizBank, a source close to the negotiations said Friday.

"An agreement is planned to be signed June 7-8. ... It will be preliminary," he said, adding that discussions on price would continue after the signing.

The Belgian government had been looking to raise 1.5 times DenizBank's book value, which according to Reuters calculations is about \$3.9 billion, based on the current exchange rate of the Turkish lira.

But Sberbank is the only remaining bidder in the sale process, after Dexia earlier rejected an offer from the Qatar National Bank as too low.

One senior banker, who is not directly involved in the talks, said Sberbank had offered 2.9 billion euros (\$3.6 billion), while a person close to the negotiations said the price was above 2.7 billion euros and very close to Dexia's current expectations.

The book value of DenizBank stood at 4.9 billion Turkish lira (\$2.63 billion) at the end of March.

Franco-Belgian Dexia wants a deal agreed before the end of June, at which point chief executive Pierre Mariani is expected to step down, making way for Karel De Boeck, who led Fortis's Belgian operations after the bank's 2008 breakup.

Dexia has to sell the Turkish business and other assets following its state rescue by France, Belgium and Luxembourg.

The European Commission is examining Dexia's bailout and breakup plan. It expressed doubt Thursday that Dexia's proposal to receive state guarantees at minimal cost was compatible with state aid rules.

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