

Vozrozhdenie Profit Down 36.7%

By [The Moscow Times](#)

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Vozrozhdenie, a mid-sized listed Russian bank, posted on Thursday a 36.7-percent decline in net profit for the first quarter of the year due to a rise in provisioning on bad loans.

Vozrozhdenie, one of a handful of listed Russian banks that are not owned by the state, said its net profit came to 333 million rubles (\$10.6 million) for the first three months, compared to 526 million rubles a year earlier.

The bank was able to increase lending to its core clients — small and medium-sized enterprises — with the bank's loan book growing by 5 percent, year on year.

But non-performing loans increased to 10.3 percent at the end of the first-quarter, from 9 percent at end-2012, the bank said in a statement.

"If the prevailing macroeconomic conditions continue in the second half of the year, we can expect the credit quality of individual borrowers to worsen," the bank's deputy chairman, Tatyana Gavrilkina, was cited as saying in the statement.

(MT)

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