

Sberbank Expects Profit in Eastern Europe

By [The Moscow Times](#)

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Sberbank expects to swing to a profit this year with the Eastern European business it bought from Austria's Volksbanken, deputy chief executive Sergei Gorkov told Austrian paper Die Presse.

He did not give a more precise forecast and said Sberbank was still weighing whether it would inject more capital into the former Volksbanken International, or VBI, business that required extra provisions last year to cover problem assets.

"We will reflect whether (capital injections) are needed or not, in consideration of the Austria business. They are not necessary at the current stage," he was quoted as saying in an interview published on Wednesday.

He reiterated previous complaints that Sberbank was disappointed with the quality of assets and management it got at VBI, but declined to comment on whether it would seek

compensation. He said no negotiations on this were taking place.

Gorkov said Sberbank was discussing merging units in Austria and would announce in October a timetable for this, which he said could happen in one or two years at the earliest.

Russia's largest bank told analysts in April that it was sticking to its forecast for a rise in net profit of at least 6 percent this year, driven by robust retail lending growth. Sberbank posted record net profit of 347.9 billion rubles last year.

SBT Venture Capital, a division of Sberbank, led the recent venture round to raise \$12 million for California-based financial software firm Sequent, the company announced this week, RIA Novosti reported.

In a statement, Sequent said Sberbank had joined with existing investors Opus Capital and Jado Investments, both of which are headquartered in California, in the effort to generate fresh financing for the Redwood City-based company, which was founded in 2010.

Sequent also said Mircea Mihaescu, director of IT strategy and technology innovation for SBT Venture Capital, would join the company's board under the terms of the deal.

Sequent CEO Robb Duffield said the new funding "will allow us to continue to expand our team of industry experts, meet the growing market demand and scale for future growth," according to the statement, released Monday.

According to Sequent's website, the company produces software and service platforms designed to help customers download payment cards and other credentials for making payments securely over their mobile devices.

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