The Moscow Times
30 YEARS
INDEPENDENT NEWS FROM RUSSIA

Rostec Boosts Stake in Mid-Sized Bank to Take Control

By Guennadi Moukine

December 16, 2013



State-owned technology corporation Rostec will increase its share in Novikombank to assume control of the lender by the middle of next year, the company said, without specifying the exact amount of shares it plans to acquire.

Novikombank's shareholders signed a cooperation agreement to pave the way for the state giant, which currently holds a 17.6 percent stake, to acquire additional shares, creating a "unified corporate treasury of Rostec" which would optimize the group's financial transactions and reduce outside borrowings, a statement issued Sunday said.

The bank's development strategy would also be aimed at balancing the interests of the bank, Rostec as a shareholder and other Rostec subsidiaries that form the bulk of the bank's client base, the statement said.

Rostec's involvement is expected to lift the bank from the current spot in the top-50 to a place

in the top-30 of the largest banks in the country.

Novikombank was founded in 1993 and services the high technology, machine building and automotive sectors of the economy. According to Banki.ru, the bank has 148.79 billion rubles ($4.5 billion) in net assets, which puts it in 42nd place among Russian banks.

Meanwhile, Rostec's subsidiary RT Global Resources and the South Korean state energy company Korea Western Power will co-invest with Port Vera in construction of a coal marine terminal in the area of the Otkryty Cape, Primorye region, Itar-Tass reported.

The 20 billion rubles ($608 million) project includes a sea terminal with 20 million tons per year turnover capacity, upgrade of 45 kilometers of rail line and construction of a new railway station.

The new sea terminal would ensure the long-term coal supply to domestic consumers in the Far East and foreign customers in the Asia Pacific region, Rosmorport.ru reported.

The project is scheduled for completion in 2017.

Original url:
https://www.themoscowtimes.com/2013/12/16/rostec-boosts-stake-in-mid-sized-bank-to-take-control-a30529