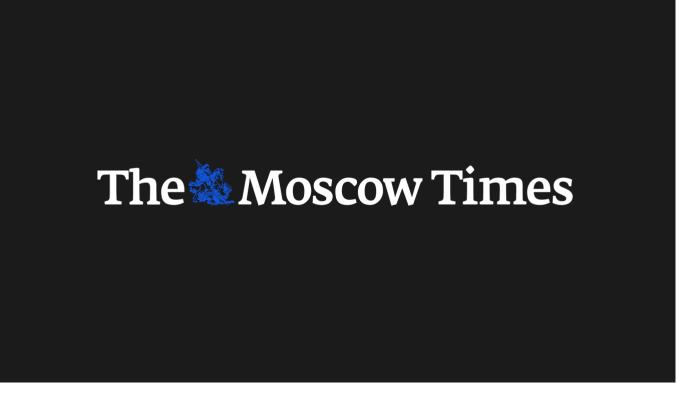


## Sanctioned Timchenko Sells Stake in Gunvor

By Anna Dolgov

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Billionaire Gennady Timchenko, sanctioned by the U.S. over Russia's annexation of Crimea, has sold his share in commodity trader Gunvor, the company said.

Timchenko — a reported associate of President Vladimir Putin — sold his 43 percent stake to business partner Torbjorn Törnqvist "to ensure with certainty the continued and uninterrupted operations" of the company, Gunvor said, the Financial Times reported Thursday.

The billionaire is among 20 Russian officials and oligarchs included in the latest round of U.S. sanctions issued Thursday. Senior White House aides have said the penalty paves the way for extending sanctions beyond individuals and targeting sectors of Russia's economy, such as financial services, energy, engineering and defense.

The sale took place Wednesday, a day before the sanctions were announced, as Gunvor "had

prepared this ownership change as a contingency in the unlikely event that Mr Timchenko would become involved in sanctions," the company said, adding the timing of the sanctions was "a complete surprise."

The U.S. Treasury Department also said Thursday that Gunvor investors include the Russian president — an accusation that Gunvor denies.

"Putin has investments in Gunvor and may have access to Gunvor funds," the Treasury Department said in a statement.

However Gunvor denounced the accusation as "fundamentally misinformed and outrageous," adding that it "categorically denied that Vladimir Putin has or has ever had any ownership or that he is a beneficiary of our business directly or indirectly."

According to Gunvor, the latest sale brings Törnqvist's stake in the company to 87 percent, with the rest being held by employees.

The latest round of U.S. sanctions also targeted Bank Rossia, which serves as a bank for senior Russian officials, and its largest shareholder, Yury Kovalchuk.

"Everyone knows that it's Putin's bank. Therefore it's a sign, a move in psychological warfare, like they're telling him: 'We know everything you're doing'," an unidentified head of a leading Russian financial institution said, the Financial Times reported.

Commenting on Timchenko's sale of his Gunvor stake, a commentator on the Ekho Moskvy news website said with apparent glee that Putin allies appeared to be getting frightened.

"No longer care for grandstanding, trying to save their dough," the commentator added.

Another reader said that perhaps it was time for Russia to "get rid of the boss."

Gunvor is the world's fourth-largest oil trader, handling 2.1 million barrels a day of oil and products, the Financial Times reported. Its holdings range from oil refineries in Belgium and Germany to coal mines in Montana and South Africa.

In another blow to Russia's economy, Standard & Poor's downgraded the country's credit rating outlook to negative on Thursday, citing the potential economic fallout of Moscow's deteriorating relations with the West over the Crimea annexation.

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