

Russia's VTB Bank Gives Transaero Airlines \$130 Million Loan

By [The Moscow Times](#)

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The loan is backed by a state guarantee, first announced in December.

VTB, Russia's second-largest bank, has given beleaguered airline Transaero a 9 billion ruble (\$132 million) loan for a period of three years, the bank said Wednesday.

The loan is backed by a state guarantee, first announced in December. The capital will go toward financing the main operating activities of the airline, Russia's second largest after state-run giant Aeroflot.

Transaero had previously considered cutting flights and raising prices 10 to 15 percent on all routes before seeking government support, the TASS news agency reported.

Russian airlines have been hit hard by the ruble's decline of about 50 percent against the U.S. dollar since this time last year, which has raised the costs of their dollar-denominated plane leases and cut down on passenger numbers.

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