

Russia's Sanctioned VTB Bank Reports Record \$7.7 Bln Loss

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VTB's corporate office in Moscow. **Sophia Sandurskaya / Moskva News Agency**

Russia's second-largest bank, VTB, reported a record annual loss of \$7.7 billion on Wednesday after it was battered by Western sanctions last year.

VTB was one of the first banks to be excluded from the SWIFT global payments system after Russian forces invaded Ukraine in February 2022.

Both the U.S. and Britain placed individual sanctions on the bank's chief, Andrei Kostin, who is a close associate of Russian President Vladimir Putin.

VTB announced on Wednesday that its total losses in 2022 amounted to 612.6 billion rubles.

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Noting the challenges the bank faces as Western sanctions tighten their grip on the Russian economy, VTB chief financial officer, Dmitry Pianov, said: "As a leader in servicing foreign

trade activities and in investment banking, we became the first target for the maximum possible sanctions.”

In 2021, VTB posted a net profit of 327 billion rubles (\$4.1 billion).

The bank said it had suffered from an "unprecedented outflow of [foreign] currencies" as well as losses related to the disposal of its subsidiaries, including those in Europe.

VTB also said it was impacted by the Russian Central Bank’s decision to hike interest rates as the West pummelled the country with sanctions.

In 2020, VTB had 15 million clients in Russia and employed around 80,000 workers.

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