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Court Freezes Shares of Raiffeisen's Russian Division, Delaying Sale

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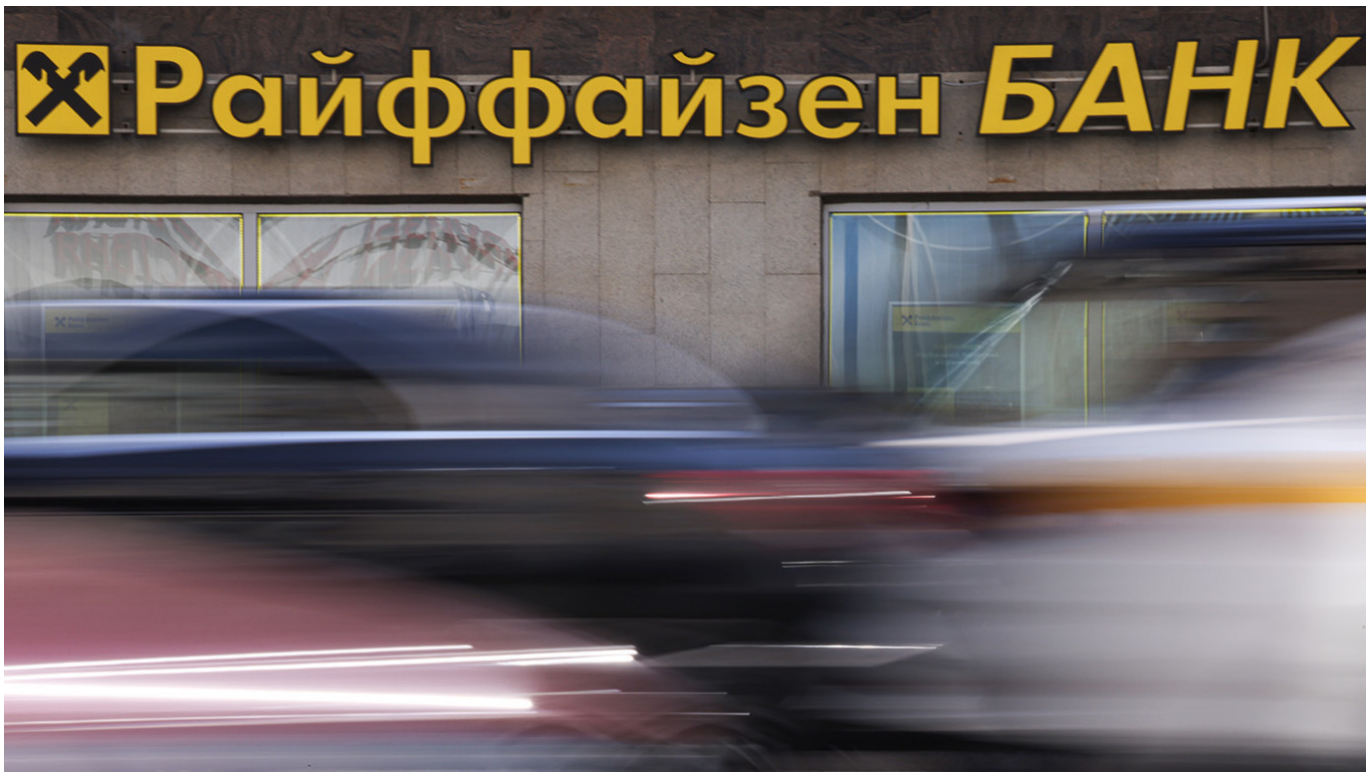

Raiffeisen Bank in Moscow. **Sergei Karpukhin / TASS**

A Russian court froze the shares of Raiffeisenbank's Russian subsidiary, further stalling the sale of the largest Western bank still operating in the country, the lender's Austrian parent company said Thursday.

"A Russian court has today issued a preliminary injunction, by which shares of AO Raiffeisenbank are subject to a transfer ban with immediate effect," Raiffeisen Bank International (RBI) said in a statement.

"This complicates the sales process in which RBI seeks to sell a controlling stake in AO Raiffeisenbank — and will inevitably lead to further delays," it added.

RBI has faced challenges in exiting Russia after announcing plans last year to sell or spin off its Russian subsidiary under pressure from European and U.S. authorities.

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The court's injunction is tied to a lawsuit by Russian investment holding company Rasperia against Austrian construction company Strabag.

RBI had planned to buy a stake in Strabag from Rasperia, a company linked to sanctioned Russian oligarch Oleg Deripaska, in an effort to recover assets frozen in Russia. However, RBI backed out of the deal in May after U.S. authorities raised concerns.

Rasperia, which was sanctioned by the U.S. in May, filed a lawsuit for 195 billion rubles ($2.16 billion) in August against 10 companies, including Strabag and Raiffeisen's Russian unit, according to the business daily Kommersant.

RBI, while denying any wrongdoing, said it plans to challenge the Russian court's decision "by all legal means."

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