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# Investor presentation

December 2017



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## Systemically Important Universal Bank

### 9M 2017 Financial Results Overview

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#### Appendix

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1. Balance sheet
2. Profit and loss
3. Financial ratios
4. Segment results
5. CBR requirements to SIFI



# PSB AT A GLANCE

## Systemic Scale



Systemically Important Financial Institution (SIFI)



#3 privately-owned bank in Russia by assets<sup>1</sup>



#9 Russian bank by assets<sup>1</sup>



#8 Russian bank by retail deposits<sup>1</sup>



#5 Russian bank by SME loan book<sup>2</sup>



## Resilient Financial Results & Strong Balance Sheet<sup>3</sup>



High quality revenue mix



Significant share of net fees and commissions (43% of net operating income)



Stable operating income



Controlled costs (CTI at 44%)



Stable liquidity position: liquid assets at 23% of total assets



CBR N1.2 Capital adequacy at 9,5% as at 1 Nov'17 (min 7,6%)

## Technological Leader in Core Business Segments



#1 PSB-Retail Internet-bank by functionality<sup>4</sup>



"The Best Call Centre in financial sector"<sup>5</sup>



"Bank of choice for transaction services in Russia"<sup>6</sup>



"Best Cash Manager in Russia"<sup>7</sup>



"The leader in international factoring"<sup>8</sup>



"Best bank for corporate clients"<sup>9</sup>

<sup>1</sup> By www.banki.ru as at 1 Nov'17 taken into account consolidation of VTB Group, Otkritie Group (incl. Trust), Alfabank Group (incl. Baltiysky), B&N Group (incl. MDM-Bank)

<sup>2</sup> By RAEX as at 1H 2017

<sup>3</sup> Based on 9M'17 financial results unless otherwise stated

<sup>4</sup> By Markswebb rating received in 2016

<sup>5</sup> Call Centre Award received in 2015

<sup>6</sup> By Expert RA in 2015

<sup>7</sup> In 2016, by Euromoney

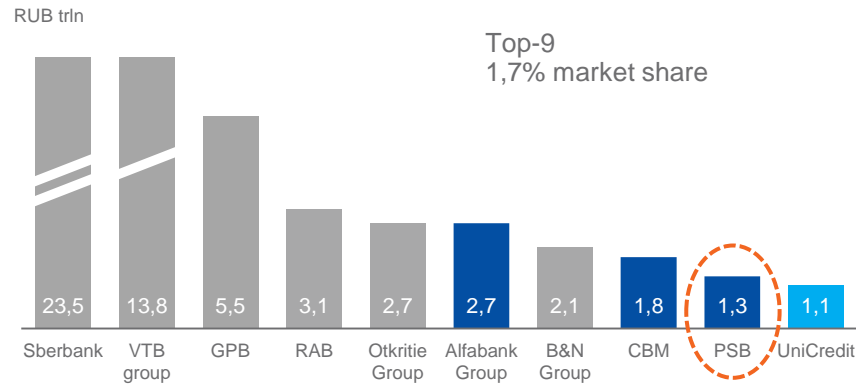
<sup>8</sup> By Association of Factoring Companies for FY 2016

<sup>9</sup> By SPEAR's Russia Wealth Management Award 2015

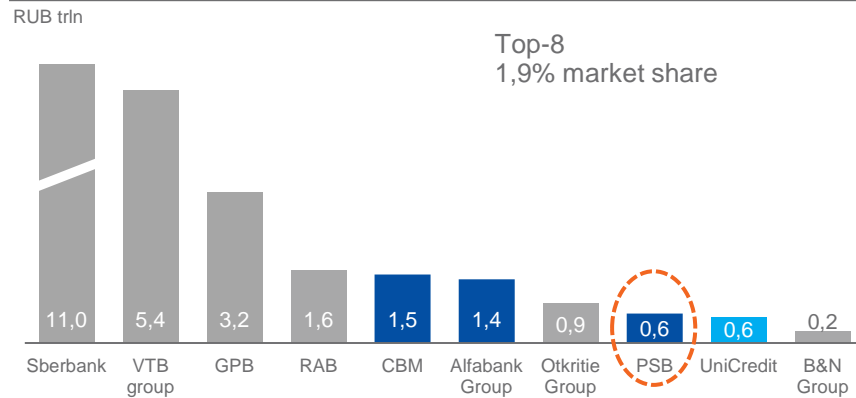


# MARKET POSITION

## By Assets<sup>1</sup>



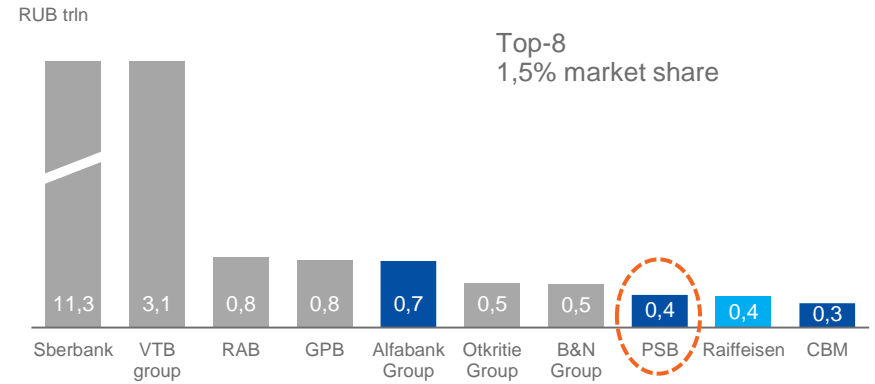
## By Corporate Loans<sup>1</sup>



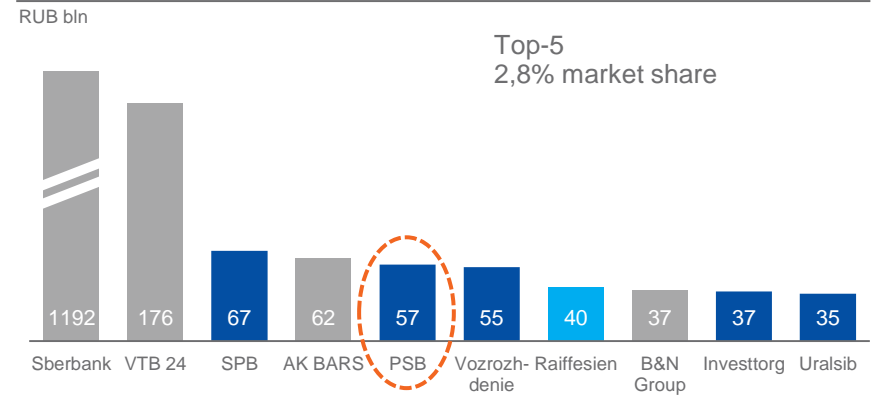
<sup>1</sup> By www.banki.ru as at 1 November 17 taken into account consolidation of VTB Group, Otkritie Group (incl. Trust), Alfabank Group (incl. Baltiysky), B&N Group (incl. MDM-Bank)

<sup>2</sup> By RAEX as at 1H 2017

## By Retail Deposits<sup>1</sup>



## By SME Loans<sup>2</sup>



■ State-owned banks ■ Foreign banks ■ Private banks



# ROBUST GROWTH

**1995**  
Year of foundation

**2001 – 2008**  
Fast growth before Financial Crisis  
CAGR 65%  
Banking system: 37%

**2008 – 2013**  
Turnaround through 2008 crisis  
CAGR 10%  
Banking system: 15%

**2014**  
New market opportunities  
Acceleration of growth: 20%  
Banking system: 12%

**2015-2016**  
M&A opportunities



**2007**



SME business launched

**2009**



TOP-10 by assets

**2010**



EBRD as a shareholder

**2009-2010**



Successful integration of 3 regional banks (resolution of failed banks)

**2014**



Designated Systemically Important Financial Institution

**2015-2016**



Completed M&A:  
▪ Avtovazbank  
▪ Pervobank

<sup>1</sup> Including corporate repo



# NATIONAL DISTRIBUTION NETWORK

## Nationwide distribution network

- 310 domestic offices
- 9,205 ATMs<sup>1</sup>

## Centralized back-office functions

## International business:

- Branch in Cyprus
- Rep office in China



<sup>1</sup> Including ATMs of partner banks as at 1 Oct'17

<sup>2</sup> Including 79 offices in Moscow and Moscow region as at 1 Oct'17

29 Number of offices in the region



# DIVERSIFIED BUSINESS MODEL

## IFRS 9M 2017<sup>1</sup>



## Corporate Banking

10.4K large corporate clients

#2 in Russia by factoring with 18% market share<sup>2</sup>

11% market share by export letter of credit in Russia<sup>3</sup>

#8 in Russia by loans<sup>4</sup>

#1 • Best bank for corporate clients<sup>5</sup>  
• Best cash-management in Russia<sup>6</sup>

## SME Banking

216K small and medium-sized clients

#2 in Russia by SME factoring with 25% market share<sup>7</sup>

#4 in e-commerce market in Russia (market share 6.1%)<sup>8</sup>

#5 in Russia by loans<sup>9</sup>

#2 PSB-Online internet banking platform<sup>10</sup>

## Retail Banking

2.5M retail clients

#1 Web-application for retail customers<sup>11</sup>

#1 in Russia by retail internet-bank by functionality in 2016<sup>10</sup>

#8 in Russia by deposits<sup>4</sup>

#1 Best Service in Private banking<sup>12</sup>

<sup>1</sup> Chart represents Corporate (Including corporate repo in CA) + SME + Retail only

<sup>2</sup> By Association of Factoring Companies for FY 2016

<sup>3</sup> Markets share as per SWIFT for FY 2016, www.swift.com

<sup>4</sup> By www.banki.ru as at 1 Nov'17 taken into account consolidation of VTB Group, Otkritie Group (incl. Trust), Alfabank Group (incl. Baltiysky), B&N Group

<sup>5</sup> By SPEAR's Russia Wealth Management Award 2015

<sup>6</sup> In 2016, by Euromoney

<sup>7</sup> By Association of Factoring Companies for FY 2015

<sup>8</sup> VISA data (top-4) and PSB's expert assessment (market share) for FY 2015

<sup>9</sup> By RAEX as at 1H 2017

<sup>10</sup> By Markswobb

<sup>11</sup> In 2015 3-rd Annual "Banking sphere" Award

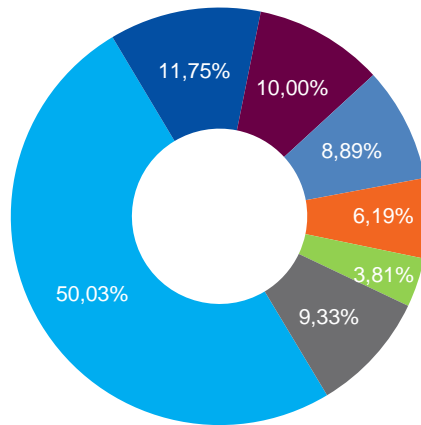
<sup>12</sup> In 2016 by Spear's Russia Wealth Management Awards





# CORPORATE GOVERNANCE & SHAREHOLDERS STRUCTURE

## Shareholders



### Alexey Ananiev and Dmitry Ananiev

Alexey and Dmitry Ananiev established PSB in 1995

### European Bank for Reconstruction and Development



A shareholder of PSB since 2010

### Non-Government Pension Fund Future OPS

A shareholder of PSB since 2015

### SAFMAR NPF

A shareholder of PSB since 2015

### Doveriye NPF

A shareholder of PSB since 2015

### Credit Bank of Moscow\*

### Free float on MOEX

## Corporate Governance

### General Shareholders Meeting

#### Board of Directors



#### Management Board



\* through repo transaction



# Systemically Important Universal Bank

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## 9M 2017 Financial Results Overview

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### Appendix

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1. Balance sheet
2. Profit and loss
3. Financial ratios
4. Segment results
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# PROFIT & LOSS

9M'17 net profit up 2.3x times to RUB 3.9 bn supported by improved asset quality (lower cost of risk and growth of net interest income by 26% yoy)

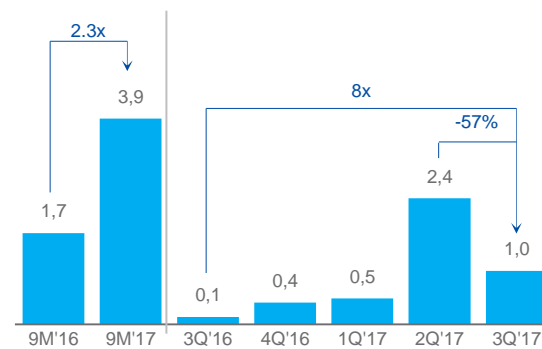
3Q'17 net profit at RUB 1.0 bn

Core income up by 8% qoq supported by net interest income growth

Operating income in 3Q'17 down due to non-core loss

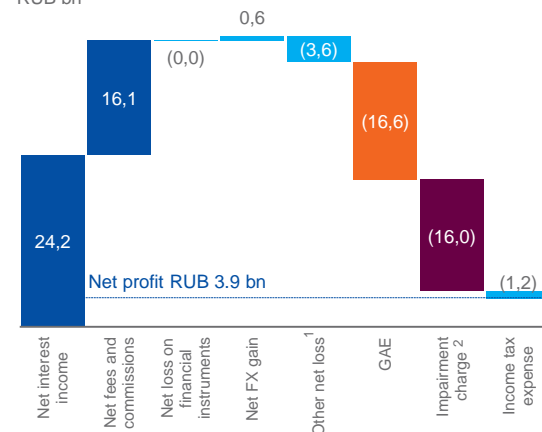
## Net Profit

RUB bn



## 9M'17 P&L Composition

RUB bn



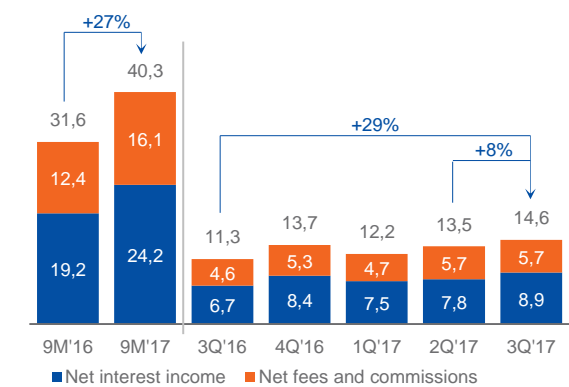
<sup>1</sup> Other net loss = Net (loss)/gain on investments in associates + Net gain/(loss) on purchase of subsidiaries + Net gain/(loss) on disposal of subsidiaries + Net loss on revaluation of investment property + Other income + Other expenses + Net (loss)/loss on revaluation of property

<sup>2</sup> Including other provision

<sup>3</sup> 2Q'16 and 9M'16 operating income exclude result from one-off investment property revaluation (RUB 8 bn)

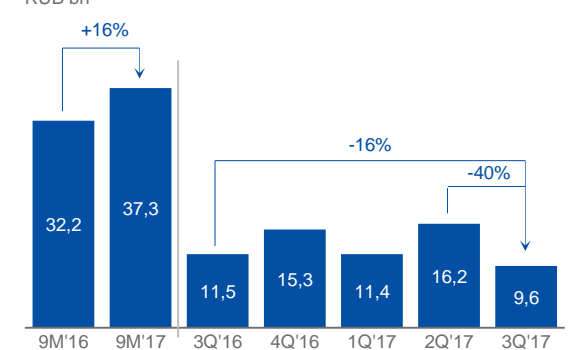
## Core Income

RUB bn



## Operating Income<sup>3</sup>

RUB bn





# NET INTEREST INCOME

Net interest income up by 15% qoq  
(9M'17: +26% yoy)

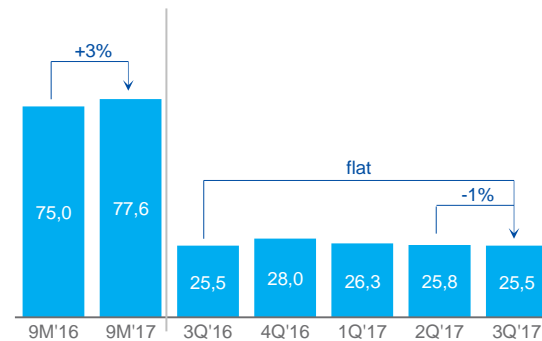
Net interest margin up by 40 bps qoq to  
3.2% and 60 bps yoy on lower funding  
costs

3Q'17 interest expense down by 8% on  
funding costs reduction (9M'17: -4% yoy)

3Q'17 interest income down by 1% qoq  
due to declining rates

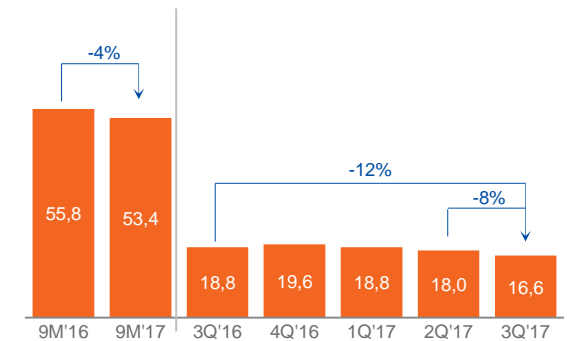
## Interest Income

RUB bn



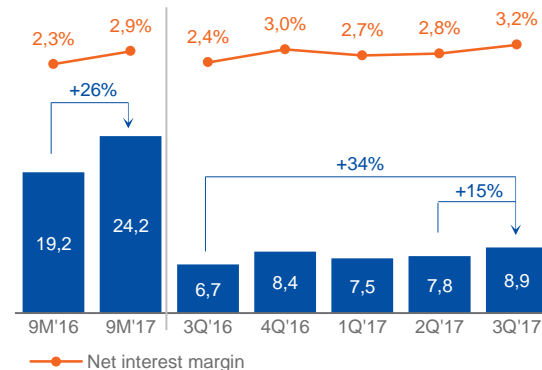
## Interest Expense

RUB bn

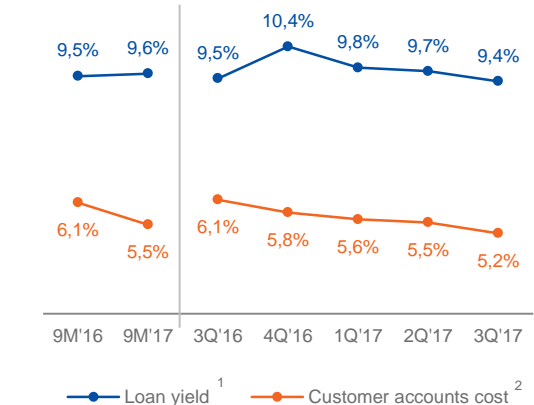


## Net Interest Income

RUB bn



## Yields



<sup>1</sup> Loan yields calculated as interest income on loans to customers divided by average gross loans for the period

<sup>2</sup> Customer accounts cost calculated as interest expense on current accounts and deposits from customers divided by average current accounts and deposits from customers for the period



# NET FEES & COMMISSIONS

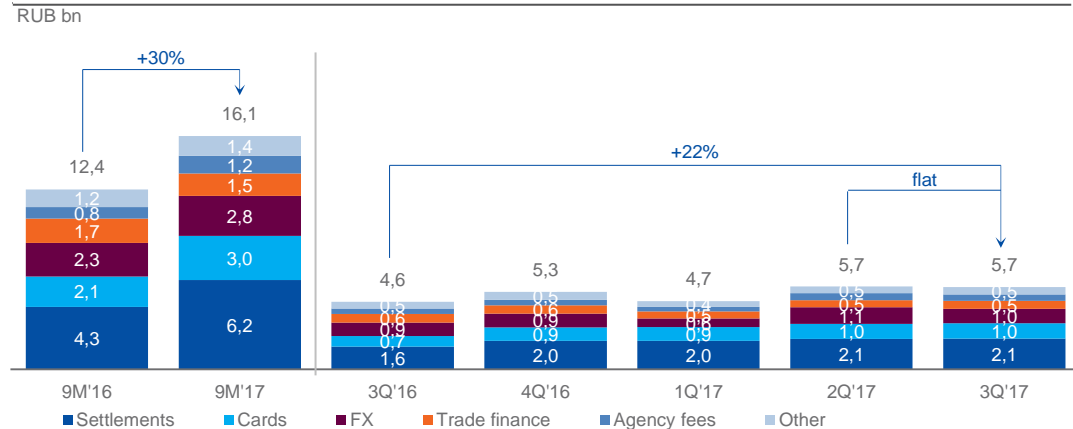
9M'17 NFC grew by 30% yoy being supported by all the business lines

3Q'17 NFC remarkably covered 102% of operating expenses

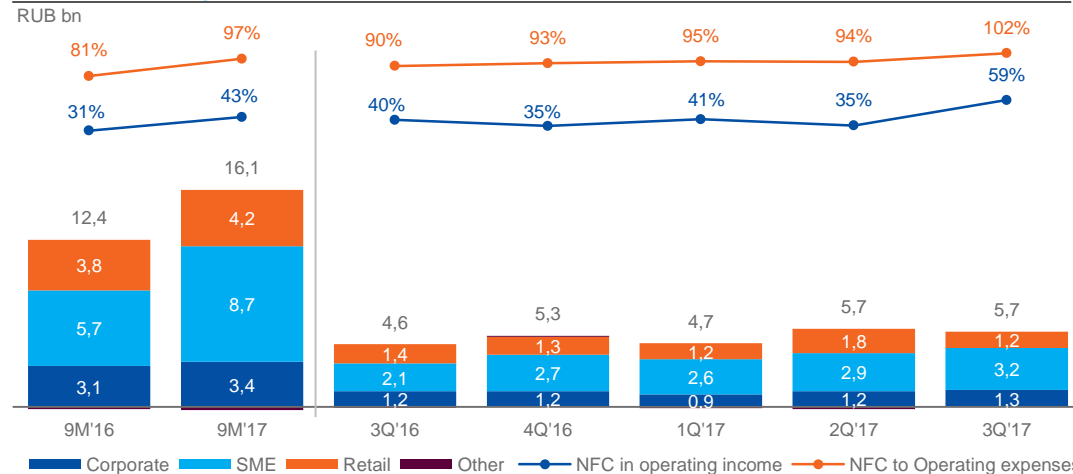
SME remains still the biggest contributor making up 54% of total NFC in 9M'17 due to stable growth of customer base and the average check

3Q'17 NFC stood flat at RUB 5.7 bn due to retail business model priorities: higher focus on interest income in 3Q'17 vs 2Q'17

## NFC by Type



## NFC by Segments



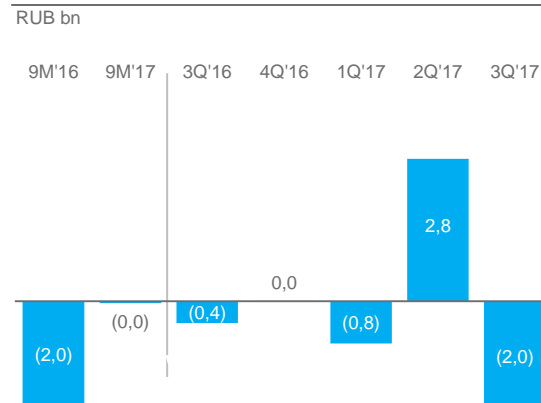


# NON-CORE INCOME

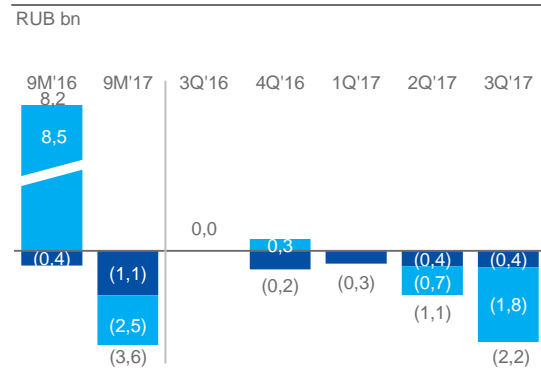
Net loss on securities due to buy back of subordinated debt to be offset by economy on coupon payments

Other non-core loss triggered by mark to market of investment property (land plots)

## Net Result on Operations with Financial Instruments

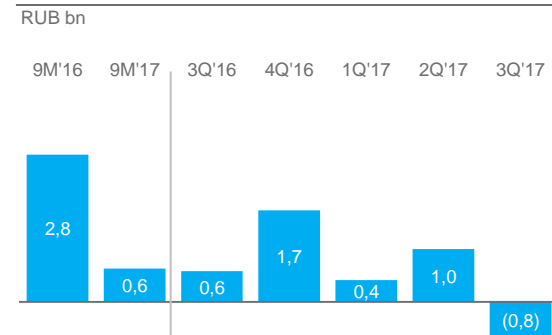


## Other Non-core Income/Loss

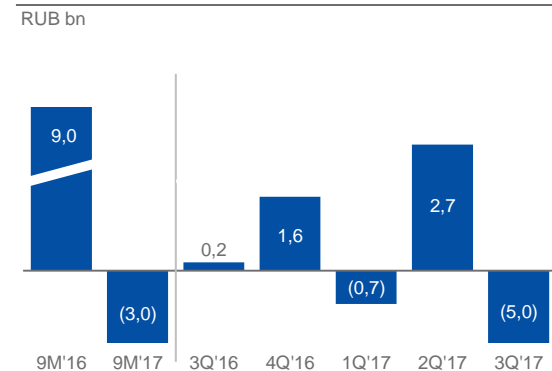


■ Net financial result on non-banking assets<sup>1</sup>  
 ■ Other non-core income<sup>2</sup>

## Net FX Gain/(Loss)



## Non-core Income<sup>3</sup>



<sup>1</sup> Net financial results on non-banking assets = Net income on investments in associates + Net gain of purchase of subsidiaries + Revaluation of investment property

<sup>2</sup> Other non-core income = Loss on revaluation of investments available for sale + Gains/(losses) on initial recognition of assets at rates above/below market + Net other operating income

<sup>3</sup> Non-core income = Operating income - Net interest income - Net fees and commissions



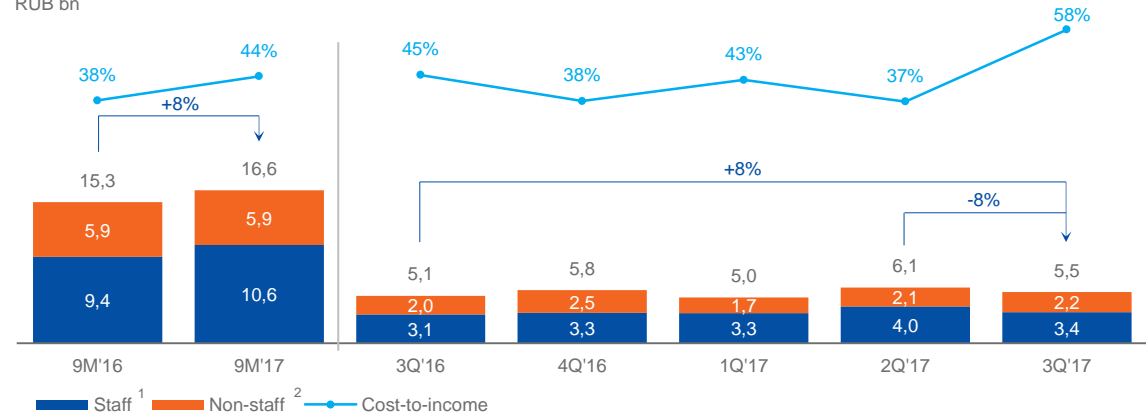
# OPERATING EXPENSE

3Q'17 operating expense down by 8% qoq and up by + 8% yoy on front line expansion and within the budget for 2017

3Q'17 CTI up to 58% on a lower operating income base

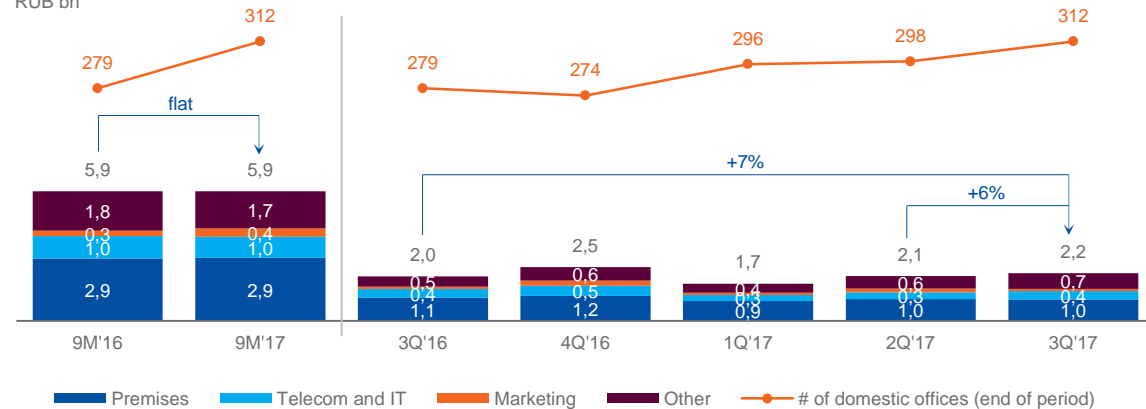
## Operating Expense

RUB bn



## Non-staff Expense by Type

RUB bn



<sup>1</sup> Staff costs = Employee compensation + Social security distribution.

<sup>2</sup> Non-staff costs = Total General and administrative expenses – Staff costs



# COST OF RISK. TOTAL & CORPORATE

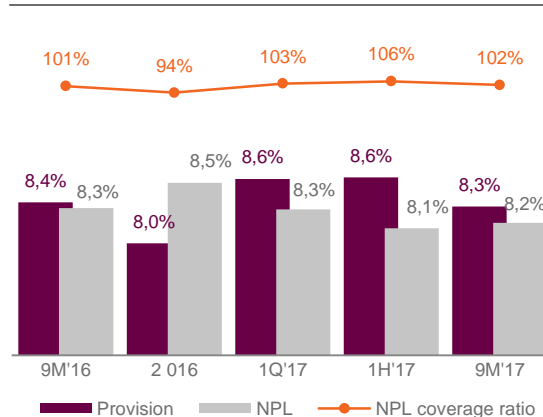
3Q'17 NPL slightly up to 8.2%

NPL coverage ratio at 102% representing the conservative approach to coverage

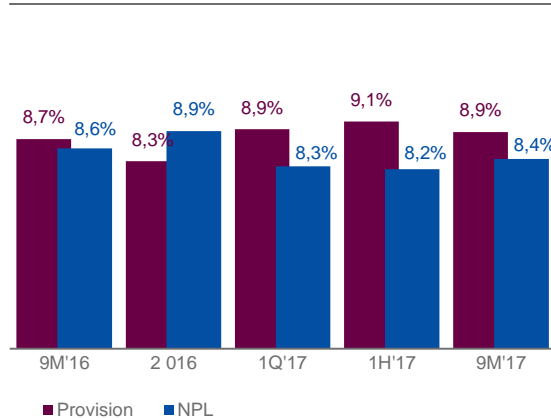
9M'17 provision charge down by 33% yoy and remarkable 63% qoq

3Q'17 total CoR down to 1.2% (9M'17: down to 2.5%) representing stabilization of the assets' quality

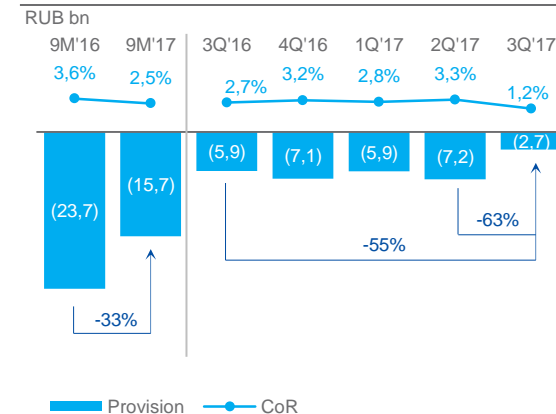
## NPL & Provision



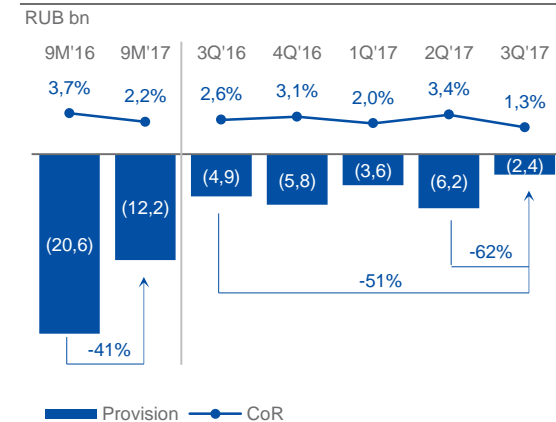
## Corporate NPL & Provision



## Provision Charge



## Corporate Provision Charge





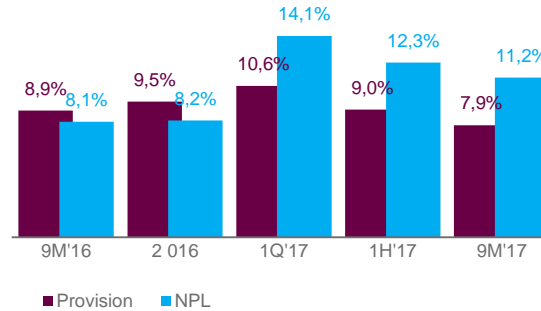


# COST OF RISK. SME & RETAIL

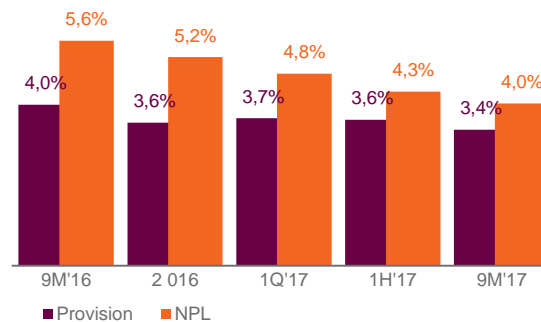
9M'17 SME cost of risk is an effect of resegmentation of part of corporate loan book to SME in 1Q'17

Retail – stable asset quality

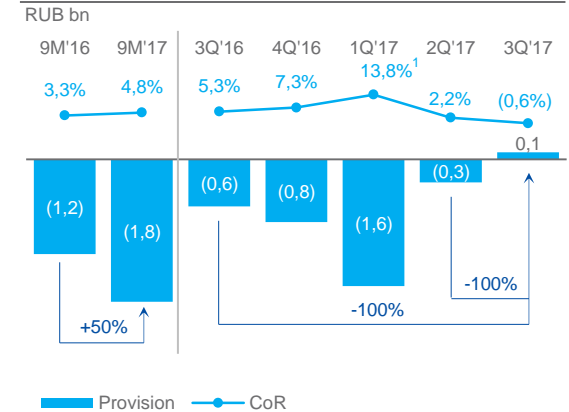
## SME NPL & Provision



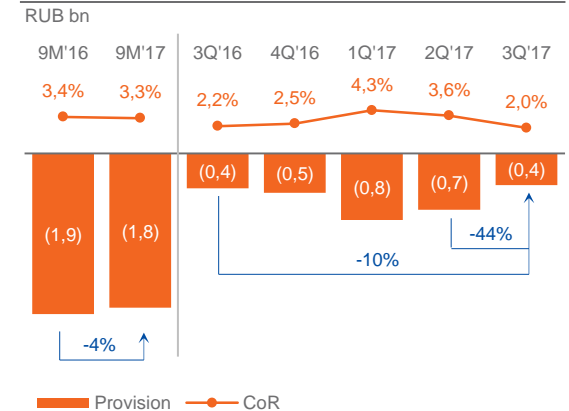
## Retail NPL & Provision



## SME Provision Charge



## Retail Provision Charge



<sup>1</sup> High level of cost of risk and value of provisions in 1Q'17 was due to one-off re-segmentation of part of corporate portfolio loans to SME in 1Q'17



# ASSETS AND LIABILITIES

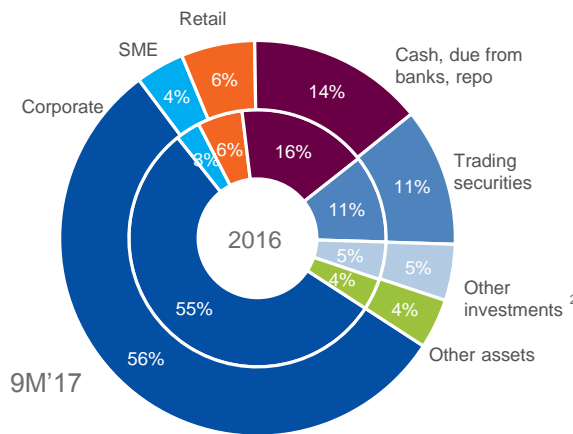
Total assets remained almost flat qoq at RUB 1.2 trln

Share of liquid assets<sup>1</sup> at 23% at the end of 3Q'17, covering 34% of total customer accounts

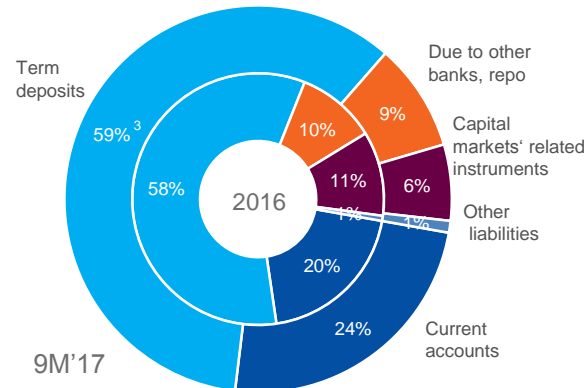
Current accounts share in total liabilities in 3Q'17 at 24%

Open FX balance sheet position is USD long

## Assets



## Liabilities



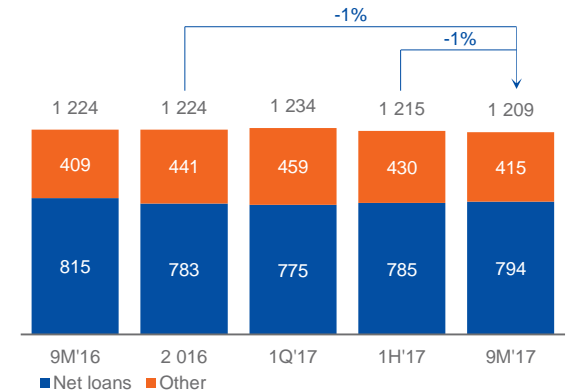
<sup>1</sup> Liquid assets = Cash and cash equivalents + Placements with banks and other FI (less 1 month) + Financial assets as FVPL (less 1 month) + REPO (less 1 month)

<sup>2</sup> Other investments = Loans available for sale + Investments held to maturity + Investments in associate + Investment property + Non-current assets held for sale + Goodwill

<sup>3</sup> Including corporate repo

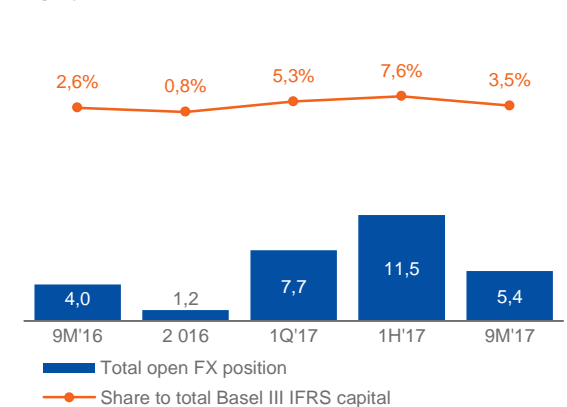
## Assets

RUB bn



## FX Net on & off BS position

RUB bn





# LOANS TO CUSTOMERS

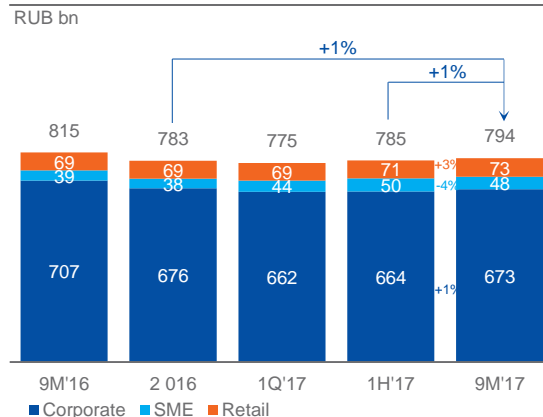
Net loans up by 1% in 3Q'17 as RWA control persists, primarily driven by growth in August backed by AT1 capital growth

In 3Q'17 corporate loans up by 1%, SME down by 4%, retail up by 3% on continuous growth in mortgage lending

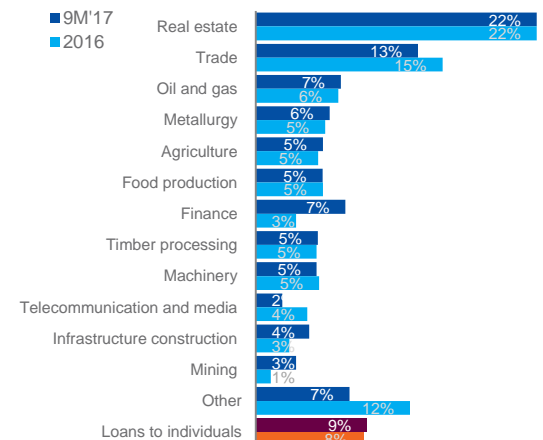
Top-20 ratio stood flat at 33% and represented by a certain number of large high-quality borrowers

Related party lending down to 20%, inside the covenants and regulatory requirements

## Net Loans by Segments

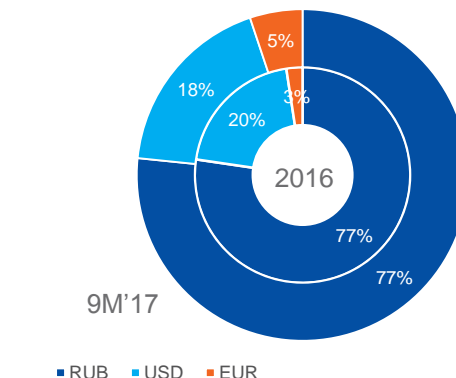


## Industry Diversification

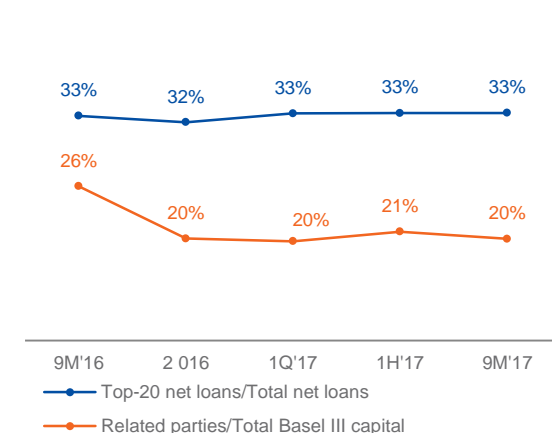


Other: Chemistry, Pharmaceuticals, Transport, Tourism, Construction materials, Energy, Jewelry, Light industry, Other

## Net Loans by Currency



## Concentration





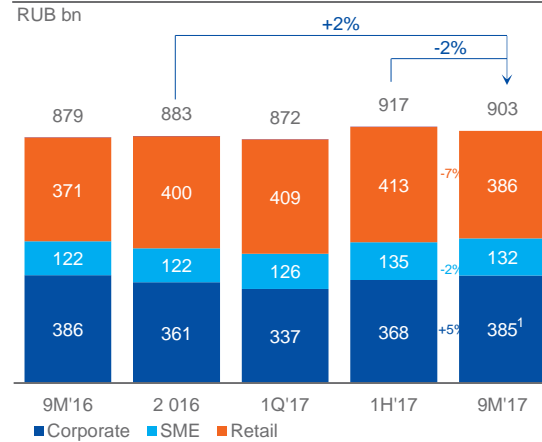
# CUSTOMER ACCOUNTS

Customer accounts & deposits decreased by 2% in 3Q'17

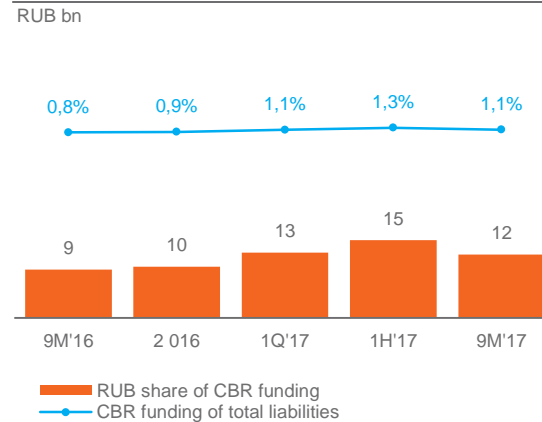
Concentration (top-20 depositors) slightly up to 20%

Share of CBR funding in total liabilities low at 1.1% represented only by loans under government-sponsored SME and Export Insurance programs

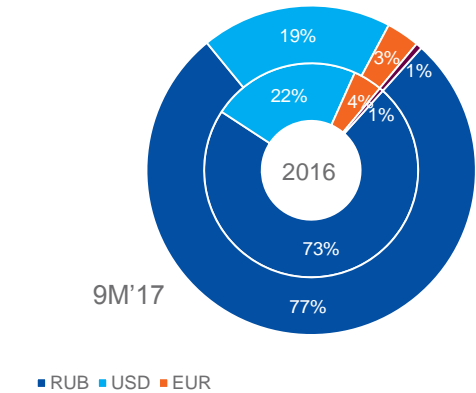
## Customer Accounts by Segments



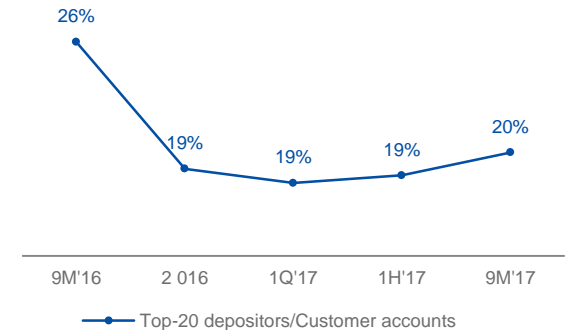
## CBR Funding



## Customer Accounts by Currency



## Concentration



<sup>1</sup> Including corporate repo



# LIQUIDITY

The bank maintains sufficient level of liquidity

Average liquidity buffer in August at RUB 300 bn

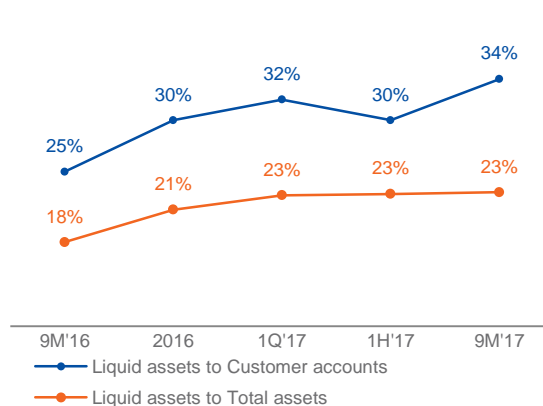
Share of liquid assets at 23% at the end of 3Q'17, covering 34% of total customer accounts

LCR ratio as at 01.10.2017 at 87%

In July 2017 new credit rating regulation in Russia came into force

PSB has RAEX ruA (stable) credit rating

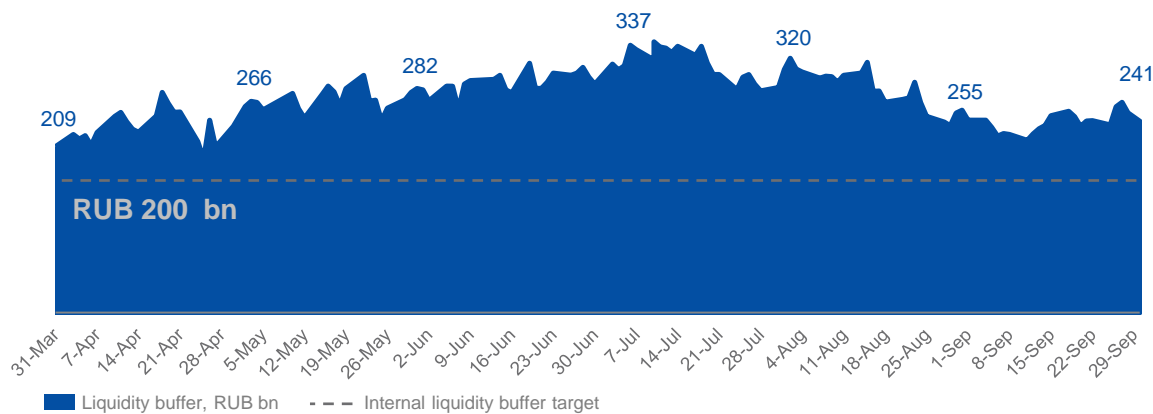
## Liquidity at Comfortable Levels



## Liquid Assets

	RUB bn
<b>Total liquid assets</b>	<b>279</b>
Cash and cash equivalents	124
Placements with other banks less 1 month	1
Financial assets as FVPL less 1 month	119
Reverse repo less 1 month	35

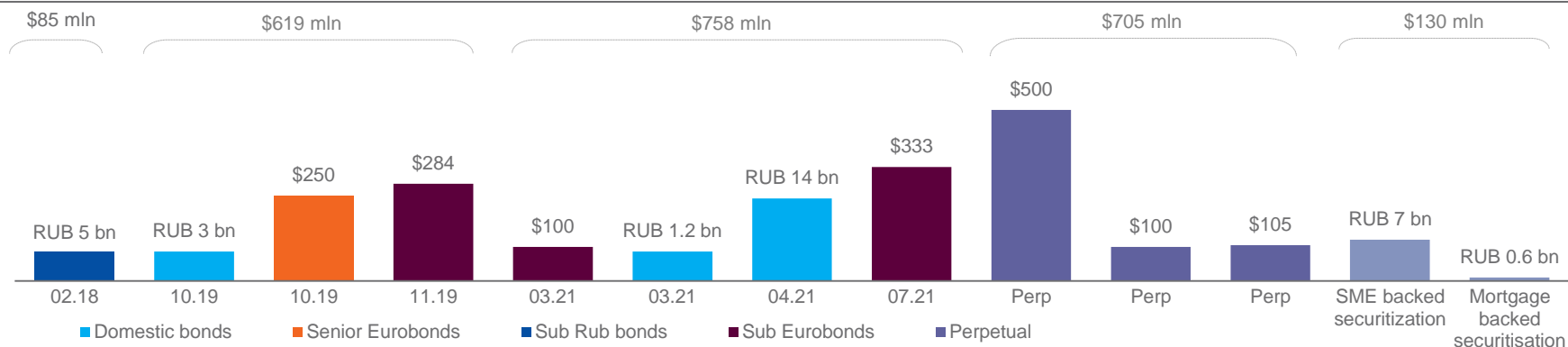
## Sufficient Liquidity Buffer





# WHOLESALE FUNDING

## Well-Diversified Maturity Profile<sup>1</sup>



## Overview of Outstanding Public Debt

Currency	Outstanding (m)	Issue Date	Maturity Date	Interest
<b>Domestic</b>				
RUB	5,000.0	02/10/2014	01/10/2019	12.00%
RUB	5,000.0	28/03/2016	28/03/2021	10.20%
RUB	14,000.0	25/04/2016	19/04/2021	11.00%
<b>Subordinated RUB</b>				
RUB	5,000.0	01/08/2012	01/02/2018	12.25%
<b>Senior Eurobonds</b>				
USD	250.0	19/10/2016	19/10/2019	5.25%
<b>Subordinated Eurobonds</b>				
USD	283.7	06/11/2012	06/11/2019	10.20%
USD	100.0	17/03/2014	17/03/2021	10.50%
USD	333.4	30/07/2014	30/07/2021	10.50%
<b>Perpetual</b>				
USD	500.0	01/08/2017	Perpetual	8.75%
USD	100.0	24/09/2014	Perpetual	12.50%
USD	105.0	31/01/2013	Perpetual	9.50%
<b>Securitization</b>				
RUB*	588.9	28/06/2013	09/02/2040	8.50%
RUB**	7,000.0	22/09/2016	26/06/2031	10.25%

<sup>1</sup> Outstanding debt as at 1 December 2017, based on USD rate as at 1 December 2017 1\$ = RUB 58,5814

\* Mortgage backed securitization

\*\* Bonds, secured by a pledge of the cash requirements (class "A") / the securitization project of PSB loans to SMEs)



# CAPITAL

IFRS RWA down in 3Q'17 by 1% (RAS RWA up by 2%)

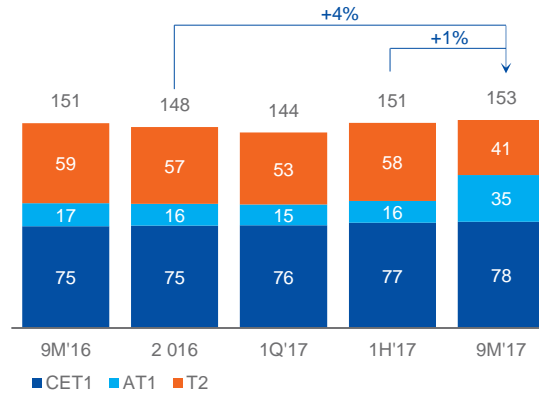
AT1 \$500 mln perpetual bond issued in July 2017. IFRS Tier-1 Capital / RAS N1.2 up to 10.2% / 9.3% as at 30 Sep 2017

Phased-in implementation of fully compliant Basel III capital requirements in Russia is on. 2018 higher minimum capital ratios are at 7,0%/ 8.5%/10,5% for N1.1/N1.2/N1.0 respectively

The bank expects to receive additional income by the end of 2017 from the sale of problem loans as part of the ongoing work-out and recovery of impaired loans

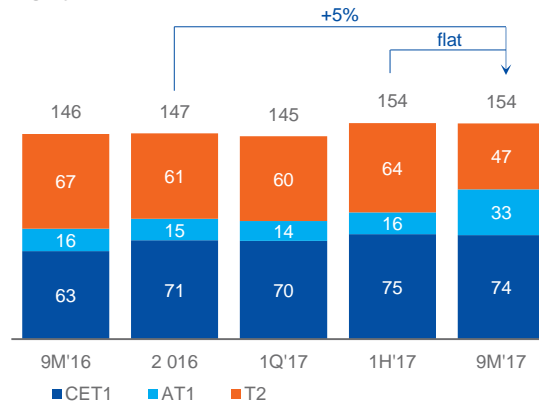
## IFRS Basel III Capital

RUB bn

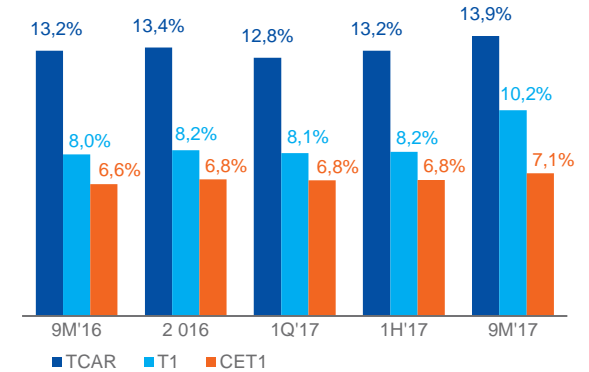


## RAS Basel III Capital

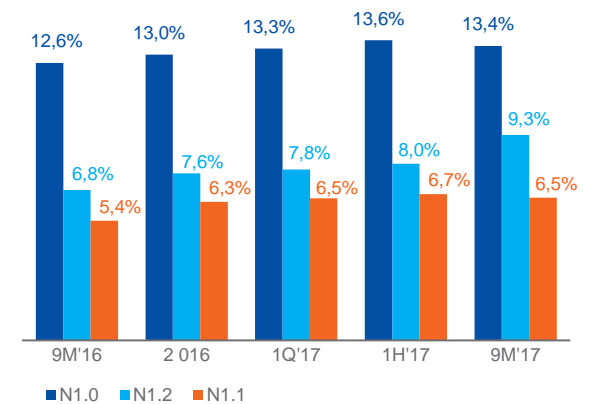
RUB bn



## IFRS Basel III CAR



## RAS Basel III CAR





# Systemically Important Universal Bank

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## 9M 2017 Financial Results Overview

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### Appendix

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1. Balance sheet
2. Profit and loss
3. Financial ratios
4. Segment results
5. CBR requirements to SIFI





# BALANCE SHEET

RUB mln	9M' 17	1H'17	2016	y-t-d
<b>ASSETS</b>				
Cash and cash equivalents	124 005	99 269	118 232	5%
Obligatory reserves with central banks	8 677	8 845	8 285	5%
Placements with banks and other FI	6 469	11 094	17 461	(63%)
Securities <sup>1</sup>	136 679	151 555	136 014	0%
Amounts receivable under reverse repo	35 226	52 925	55 687	(37%)
Loans to customers	793 811	785 248	783 155	1%
Other investments <sup>2</sup>	54 308	56 260	56 776	(4%)
Other assets	49 375	50 178	48 612	1%
<b>Total assets</b>	<b>1 208 620</b>	<b>1 215 374</b>	<b>1 224 222</b>	<b>(1%)</b>
<b>LIABILITIES</b>				
Deposits and balances from FI and OBF	75 762	95 263	87 063	(13%)
Amounts payable under repurchase agreements	108 077	2 693	38 892	178%
Current accounts and deposits from customers	825 724	916 579	883 135	(7%)
Own securities issued and subordinated borrowings	59 051	97 760	112 081	(47%)
Other liabilities	14 935	8 627	11 518	30%
<b>Total liabilities</b>	<b>1 083 549</b>	<b>1 120 922</b>	<b>1 132 689</b>	<b>(4%)</b>
<b>EQUITY</b>	<b>125 071</b>	<b>94 452</b>	<b>91 533</b>	<b>37%</b>

<sup>1</sup> Securities = Financial instruments at FVPL – Derivatives + Available for sale securities

<sup>2</sup> Other investments = Loans available for sale + Investments in associate + Investment property + Non-current assets held for sale



# PROFIT & LOSS

RUB mln	9M'17	9M'16	Y-o-Y	3Q'17	2Q'17	Q-o-Q
Net interest income	24 172	19 212	26%	8 936	7 782	15%
Net fee and commission income	16 081	12 402	30%	5 668	5 710	(1%)
Net (loss)/gain on FAFVPL	(40)	(2 035)	(98%)	(1 978)	2 753	na
Net foreign exchange gain/(loss)	634	2 806	(77%)	(785)	1 006	na
Other net income/(expense)	(3 565)	8 182	na	(2 198)	(1 060)	107%
<b>Operating income</b>	<b>37 282</b>	<b>40 567</b>	<b>(8%)</b>	<b>9 643</b>	<b>16 191</b>	<b>(40%)</b>
Loan impairment charge	(15 747)	(23 659)	(33%)	(2 652)	(7 161)	(63%)
Other impairment charge	90	504	(82%)	(129)	124	na
Administrative and general expenses	(16 579)	(15 303)	8%	(5 546)	(6 060)	(8%)
<b>Profit before tax</b>	<b>5 046</b>	<b>2 109</b>	<b>2.4x</b>	<b>1 316</b>	<b>3 094</b>	<b>(57%)</b>
Income tax credit/(expense)	(1 161)	(386)	3x%	(303)	(712)	(57%)
<b>Net profit</b>	<b>3 885</b>	<b>1 723</b>	<b>2.3x</b>	<b>1 013</b>	<b>2 382</b>	<b>(57%)</b>



# RATIOS

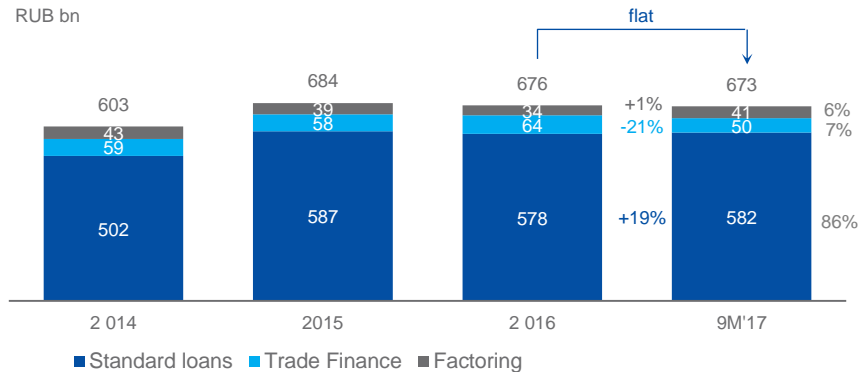
	9M'17	9M'16
<b>Profitability</b>		
ROE	5,5%	2,8%
ROA	0,4%	0,2%
Net Interest Margin	2,9%	2,3%
NFC / Operating Income	43%	31%
NFC / Operating Expenses	97%	81%
CTI	44%	38%
	<b>9M'17</b>	<b>2016</b>
<b>Liquidity</b>		
Net loans / Customer Deposits (LTD)	96%	89%
Liquid Assets to Total Assets	23%	21%
<b>Credit Quality</b>		
NPL	8,2%	8,5%
NPL Coverage	102%	94%
<b>Capital Adequacy RAS Basel III</b>		
Core Tier 1 Capital (N1.1)	6,5%	6,3%
Total Tier 1 Capital (N1.2)	9,3%	7,6%
Total Capital (N1.0)	13,4%	13,0%



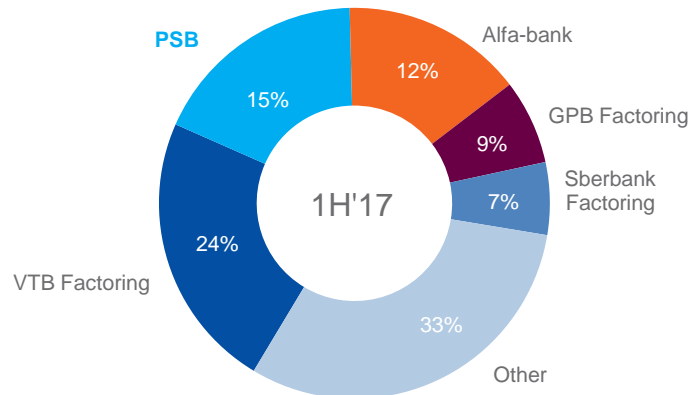
# SEGMENT PERFORMANCE: CORPORATE BANKING

## Net Loans

RUB bn



## Leadership in Factoring<sup>1</sup>

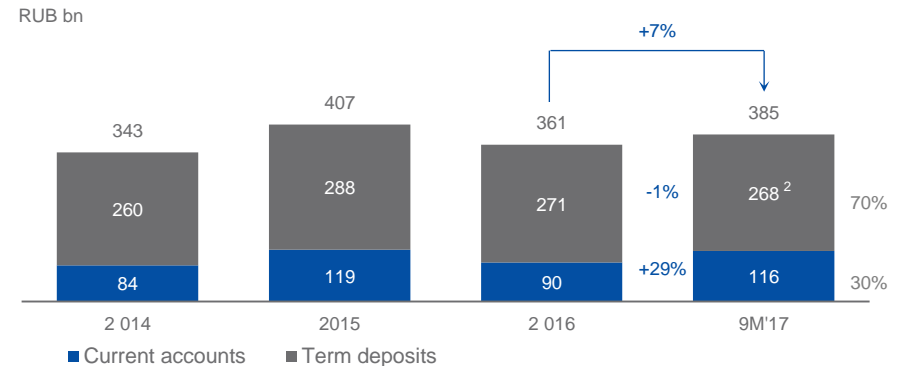


<sup>1</sup> By Association of Factoring Companies for 1H'17

<sup>2</sup> Including corporate repo

## Customer Accounts

RUB bn



## P&L

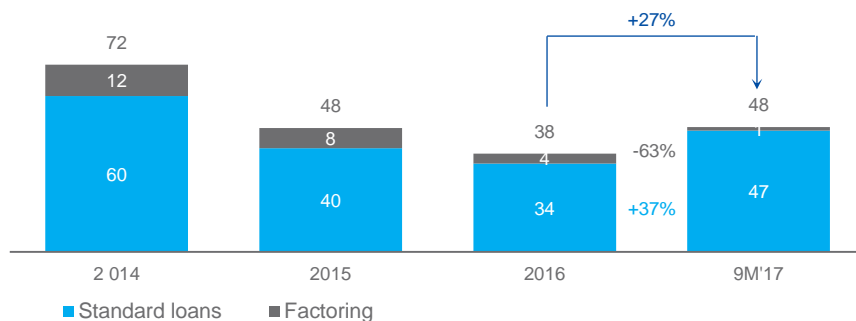
Corporate Banking, RUB bn	9M'17	9M'16	yoy
Operating income	14,7	14,3	3%
General and administrative expenses	(3,6)	(3,6)	(1%)
Provision charge	(12,2)	(20,6)	(41%)
<b>Net (loss)/profit</b>	<b>(0,8)</b>	<b>(7,8)</b>	<b>(90%)</b>



# SEGMENT PERFORMANCE: SME BANKING

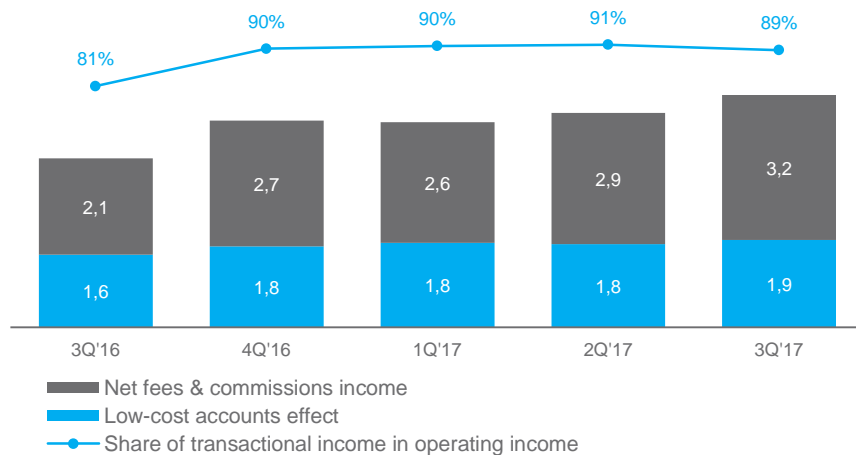
## Net Loans

RUB bn



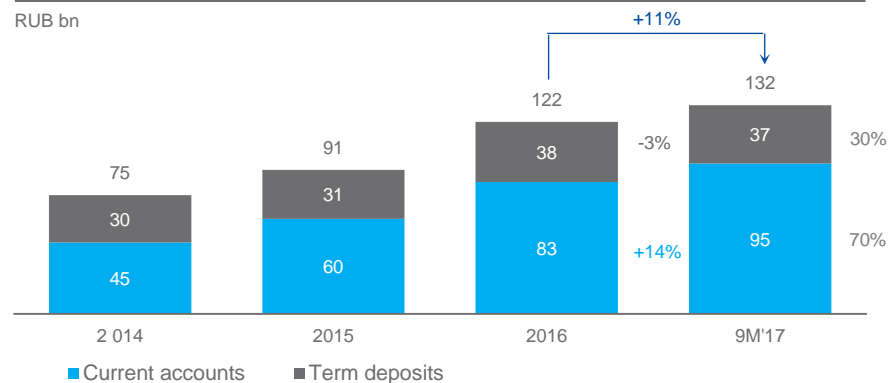
## High Share of Risk-free Income

RUB bn



## Customer Accounts

RUB bn



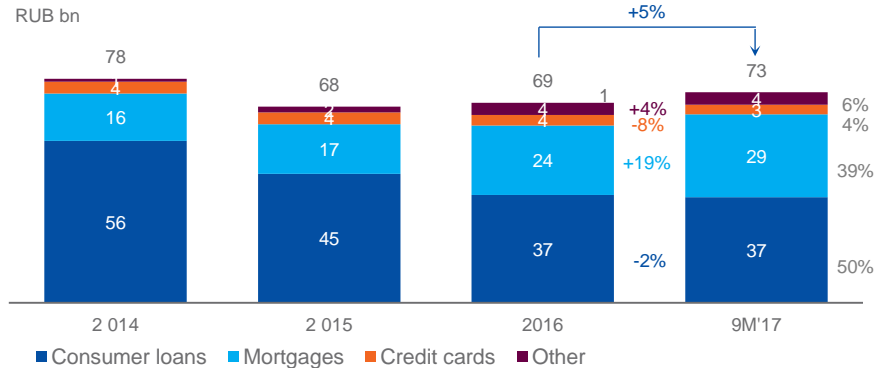
## P&L

SME Banking, RUB bn	9M'17	9M'16	yoy
Operating income	15,8	11,7	36%
General and administrative expenses	(5,9)	(4,6)	27%
Provision recovery/(charge)	(1,8)	(1,2)	50%
<b>Net profit</b>	<b>6,3</b>	<b>4,8</b>	<b>31%</b>

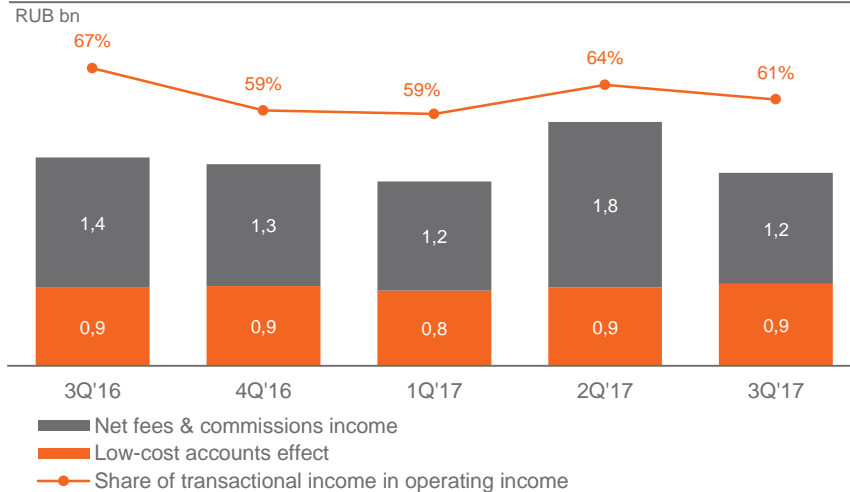


# SEGMENT PERFORMANCE: RETAIL BANKING

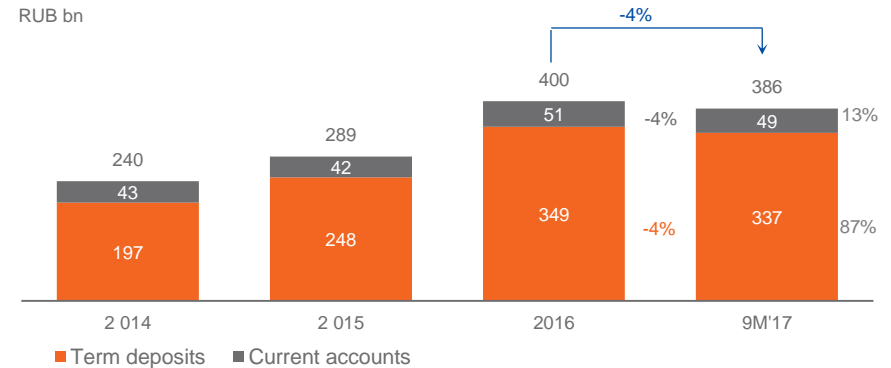
## Net Loans



## High Share of Risk-free Income



## Customer Accounts



## P&L

Retail Banking, RUB bn	9M'17	9M'16	yoy
Operating income	11,1	10,0	11%
General and administrative expenses	(6,0)	(5,7)	5%
Provision charge	(1,8)	(1,9)	(4%)
<b>Net profit</b>	<b>2,6</b>	<b>1,9</b>	<b>32%</b>

<sup>1</sup> Mainly Pervobank auto credit loan portfolio



# CBR BASEL III COMPLIANT REQUIREMENTS

Promsvyazbank is one of 11 systemically important financial institutions (SIFI):



Total assets of these banks account for more than 60% of Russian banking system<sup>1</sup>

## Liquidity Coverage Ratio for SIFI (N27)

	From Jan'16	From Jan'17	From Jan'18	From Jan'19
Minimum	70%	80%	90%	100%

- In the period of difficulties on the financial markets in accordance with Basel III it is acceptable to use highly liquid assets to cover cash outflows which could lead to breach of this ratio with no penalties from CBR.
- CBR offers committed collateralized credit lines to SIFI (eligible collateral: Lombard list securities, gold, non-market assets<sup>2</sup>).

## Capital Ratios Buffers

	From Jan'16	From Jan'17	From Jan'18	From Jan'19
Conservation buffer	0.625%	1.250%	1.875%	2.500%
Counter-cyclical buffer	0.000%		not defined	
Capital buffer for SIFI	0.150%	0.350%	0.650%	1.000%
<i>Total capital buffers</i>	<i>0.775%</i>	<i>1.600%</i>	<i>2.525%</i>	<i>3.500%</i>
<b>Minimum N1.1 (CET1) ratio<sup>3</sup></b>	<b>5.275%</b>	<b>6.100%</b>	<b>7.025%</b>	<b>8.000%</b>
<b>Minimum N1.2 (T1) ratio<sup>3</sup></b>	<b>6.775%</b>	<b>7.600%</b>	<b>8.525%</b>	<b>9.500%</b>
<b>Minimum N1.0 (TCAR) ratio<sup>3</sup></b>	<b>8.775%</b>	<b>9.600%</b>	<b>10.525%</b>	<b>11.500%</b>

- Capital buffers are not included in the list of prudential requirements set by CBR. In case of CET1 ratio is below 4.5% minimum (6.0% for T1 ratio and 8.0% for TCAR) + all capital buffers, the bank is restricted to pay dividend and bonuses.

<sup>1</sup> Stand alone RAS figures as at 1 Aug'17 by www.banki.ru

<sup>2</sup> Under 312-P CBR regulation (blue-chip loans)

<sup>3</sup> including capital buffers



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