

May 28, 2015

PRESS RELEASE

Bank Saint Petersburg 1Q 2015 IFRS Results

- **1Q 2015 Revenues** increased by 6.9% compared with 1Q 2014 and amounted to RUB 5.5 billion (USD 95 million);
- **1Q 2015 Net income** amounted to RUB 569 million (USD 10 million);
- Supervisory Board recommended General Shareholders' Meeting to pay **dividends** in the amount of RUB 890 million (20% of FY 2014 RAS Net income).

*The RUB-nominated figures are translated into USD at the official exchange rate quoted by the CBR for March 31, 2015 (USD 1.00 = RUB 58.46).

Vladislav Guz, Chairman of the Management Board, commented on the Bank's 1Q 2015 results: *"It was not an easy period but we achieved strong results and demonstrated the Bank's resilience to external shocks. The macroeconomic situation is far from optimistic but our strategy allows us to expect one of the best results in the sector this year"*.

Bank Saint Petersburg is ranked 16th in terms of assets and 17th in terms of retail deposits among the Russian banks (Interfax ranking). Today the Bank provides services to 1,460,000 individuals and 56,000 corporates. The number of cards issued by the Bank increased to 989,000. As at April 1, 2015, the number of ATMs increased to 672. The Internet Bank is actively used by 448,000 clients.

Results summary for 1Q 2015

Net interest income amounted to RUB 4.1 billion (remained at the level of 1Q 2014). Compared with 1Q 2014, interest income increased by 40.8%; interest income comprises mostly of interest income on loans and advances to customers (74.9%). Interest expenses increased by 76.1%: interest expenses on retail term deposits grew by 45.0% (27.2% of total interest expenses) while interest expenses on corporate term deposits grew by 89.7% (26.5% of total interest expenses). Compared with 1Q 2014, **net interest margin (NIM) for 1Q 2015** decreased by 65 bp and amounted to 3.6%.

Net fee and commission income increased by 6.0% compared with 1Q 2014 and amounted to RUB 837 million. Compared with 1Q 2014, income from cash and settlement transactions grew by 36.5% (50.5% of total F&C income), income from plastic cards and cheque settlements grew by 14.8% (28.7% of total F&C income), income from guarantees and letters of credit issued decreased by 34.7% (12.4% of total F&C income).

Net trading income. In 1Q 2015 an aggregate gain from financial markets operations amounted to RUB 502 million (loss of RUB 280 million in 1Q 2014). Gains from operations with foreign currencies and derivatives amounted to RUB 785 million, losses from operations with securities amounted to RUB 283 million.

Revenues for 1Q 2015 amounted to RUB 5.5 billion (+6.9% compared with 1Q 2014).

The Bank's **Cost-to-Income Ratio** for 1Q 2015 stood at 41.0% (39.1% for 1Q 2014). **Operating costs** for 1Q 2015 increased by 11.9% compared with 1Q 2014 to RUB 2.3 billion.

Net income for 1Q 2015 amounted to RUB 569 million (-66.0% compared with 1Q 2014). The Bank's **return on equity (ROAE)** for 1Q 2015 amounted to 4.4%.

As at April 1, 2015, the **Bank's assets** amounted to RUB 521.2 billion (remained at the level of January 1, 2015).

Liabilities. Customer deposits totalled RUB 317.4 billion (-2.3% compared with January 1, 2015). As at April 1, 2015, 51.9% of customer deposits belonged to corporate customers and 48.1% - to individuals. During 1Q 2015, the volume of retail deposits decreased by 2.1%; the volume of corporate deposits decreased by 2.6%. As at April 1, 2015, the share of wholesale funding in liabilities amounted to 5.1%.

Equity and capital. As at April 1, 2015, the shareholders equity increased by 3.8% compared with January 1, 2015 to RUB 53.2 billion. The Bank's total capital amounted to RUB 64.9 billion (+3.6% compared with January 1, 2015). As at April 1, 2015, the Bank's Tier 1 and total capital adequacy ratios were 10.3% and 13.7% respectively.

Loan portfolio before provisions totalled RUB 337.7 billion (-1.7% compared with January 1, 2015). As at April 1, 2015, loans to corporate customers represented 85.2% of the loan portfolio, loans to individuals – 14.8%. During 1Q 2015 corporate loan portfolio decreased by 1.4% to RUB 287.8 billion. During 1Q 2015 retail loan portfolio decreased by 3.7% to RUB 42.6 billion (mortgage loans decreased by 2.2%, consumer loans – by 5.0%, car loans – by 11.1%).

Loan portfolio quality. As at April 1, 2015, the share of overdue loans in the Bank's portfolio amounted to 4.1% of the total volume of loans. The share of the corporate overdue loans amounted to 4.1% of the total corporate loans; the share of the retail overdue loans amounted to 4.3% of the total retail loans. Impaired not past due loans constituted 7.1% of the total volume of loans. As at April 1, 2015, the share of problem loans in the Bank's portfolio (total share of overdue loans and impaired not past due loans) amounted to 11.2%. The rate of provisions for loan impairment amounted to 8.3% (remained at the level of January 1, 2015). Provision charge for 1Q 2015 amounted to RUB 2.6 billion. In 1Q 2015, loans in the amount of RUB 2.9 billion were written off.

1Q 2015 IFRS Financial Statements are available on the Bank's website:

<https://www.bspb.ru/en/investors/financial-statements/IFRS/>

Bank Saint Petersburg is the leading privately-owned bank of the North-West of Russia. Founded in 1990, the Bank has become an integral part of the financial sector in the North-West of Russia over the past years. The Bank provides services to 1,460,000 individuals and 56,000 corporates through its 48 offices in St. Petersburg, the Leningrad region, Moscow and Kaliningrad. As at April 1, 2015, the Bank was ranked 16th in terms of assets among Russian banks (according to Interfax).

For further information please contact:

Elena Demicheva, Head of IR

Tel.: +7 812 332 78 36

E-mail: ir@bspb.ru

For more information about Bank Saint Petersburg please visit www.bspb.ru