

**BANK  
SAINT PETERSBURG**

**1Q 2016 IFRS Results**

May 25, 2016

# Highlights for 1Q 2016

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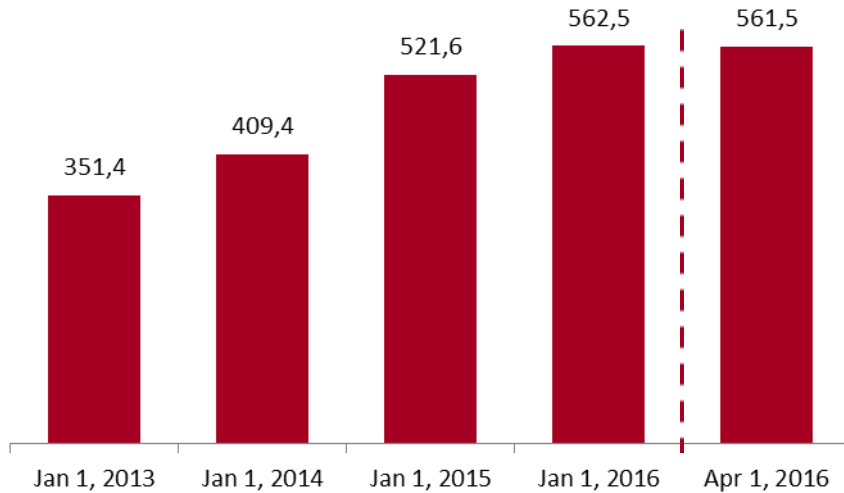
- Strong Revenues **RUB 7.5 bn** (+36% y-o-y)
- Net interest income **RUB 5.1 bn** (+23% y-o-y) – interest rate risk is behind us
- Impressive Fee and commission income **RUB 1.1 bn** (+35% y-o-y)
- Net income doubled to **RUB 1.2 bn** (+106% y-o-y)
- Strong performance and capital position allows for dividend payment **RUB 462 mln** (20% of RAS net income)

# Overview of Key Financials

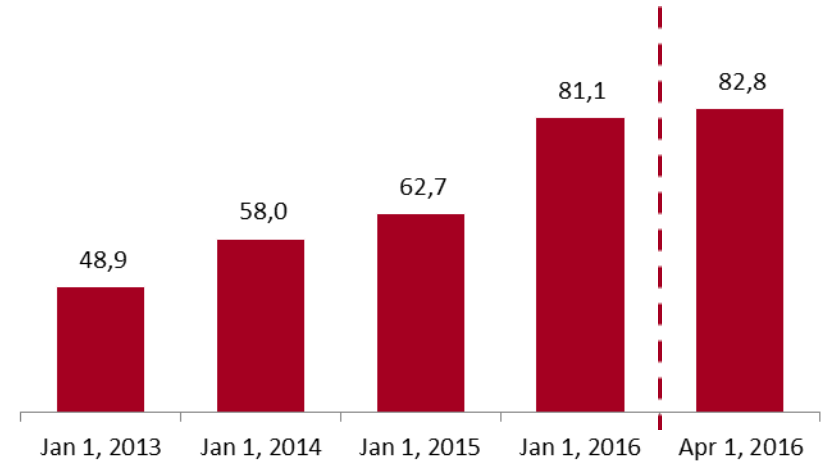
In RUB bn	Jan. 1, 2016	Apr 1, 2016	YTD	Apr 1, 2015	Jan 1, 2016	Apr 1, 2016	q-o-q	y-o-y
Total assets	562.53	<b>561.53</b>	-0.18%	521.22	562.53	<b>561.53</b>	-0.18%	+7.73%
Gross Loans	370.27	<b>367.08</b>	-0.86%	337.74	370.27	<b>367.08</b>	-0.86%	+8.69%
Customer Deposits*	343.40	<b>330.07</b>	-3.88%	317.36	343.40	<b>330.07</b>	-3.88%	+4.00%
Total Capital	81.08	<b>82.79</b>	+2.11%	64.92	81.08	<b>82.79</b>	+2.11%	+27.54%
	FY 2015	1Q 2016		1Q 2015	4Q 2015	1Q 2016	q-o-q	y-o-y
Net Interest Income	17.48	<b>5.07</b>		4.12	5.15	<b>5.07</b>	-1.69%	+22.94%
Net Fee and Commission Income	4.04	<b>1.13</b>		0.84	1.14	<b>1.13</b>	-1.43%	+34.81%
Revenues	28.02	<b>7.54</b>		5.54	8.21	<b>7.54</b>	-8.09%	+36.17%
Net Income	3.62	<b>1.17</b>		0.57	0.93	<b>1.17</b>	+25.62%	+106%
	FY 2015	1Q 2016		1Q 2015	4Q 2015	1Q 2016	q-o-q	y-o-y
Net Interest Margin	3.52%	<b>3.79%</b>		3.58%	4.02%	<b>3.79%</b>	-0.23 PP	+0.21 PP
Cost/Income Ratio	38.70%	<b>38.16%</b>		40.95%	41.07%	<b>38.16%</b>	-2.91 PP	-2.79 PP
ROAE	6.70%	<b>8.20%</b>		4.41%	6.56%	<b>8.20%</b>	+1.64 PP	+3.79 PP

# Financial Highlights, 1Q 2016

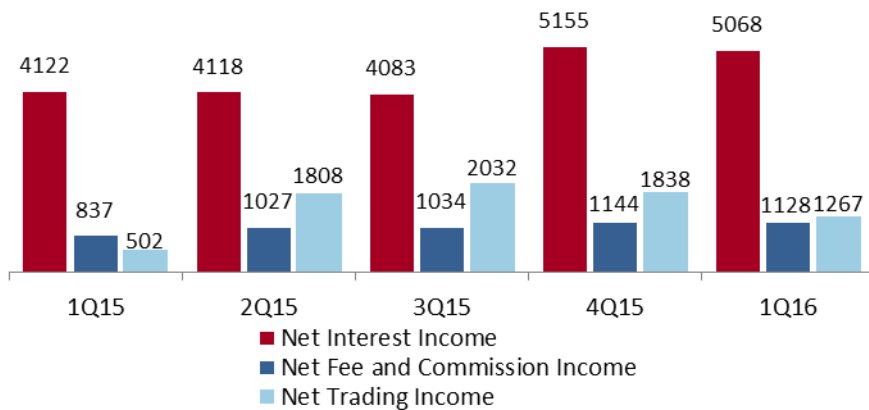
## Assets, RUB bn



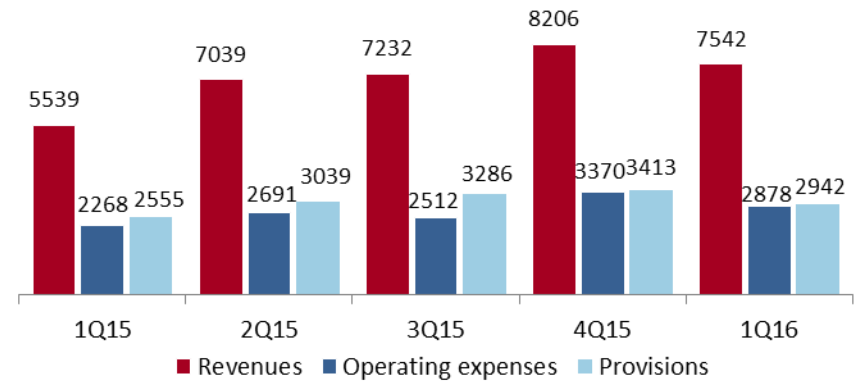
## Capital, RUB bn



## Income structure, RUB mln

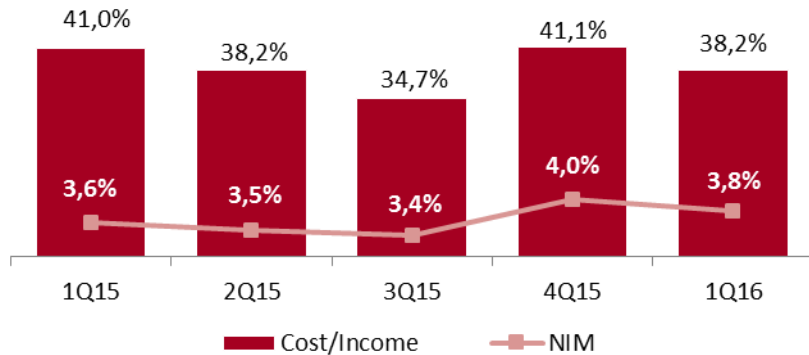


## Income and expenses data, RUB mln

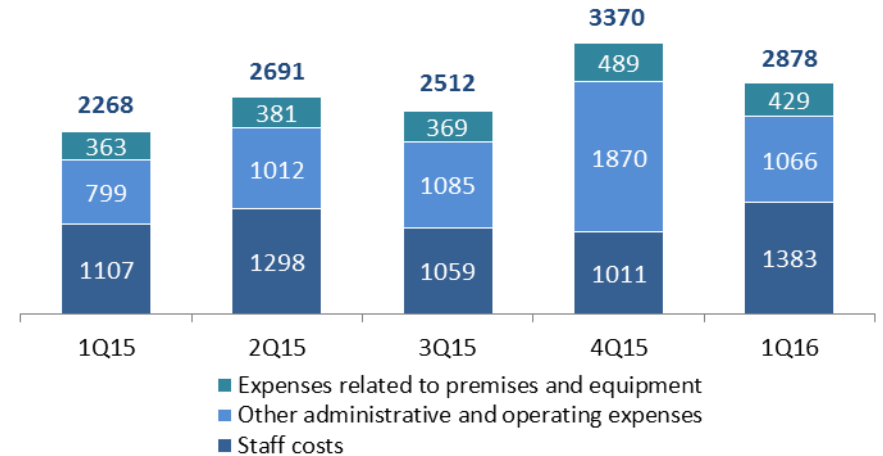


# Results for 1Q 2016

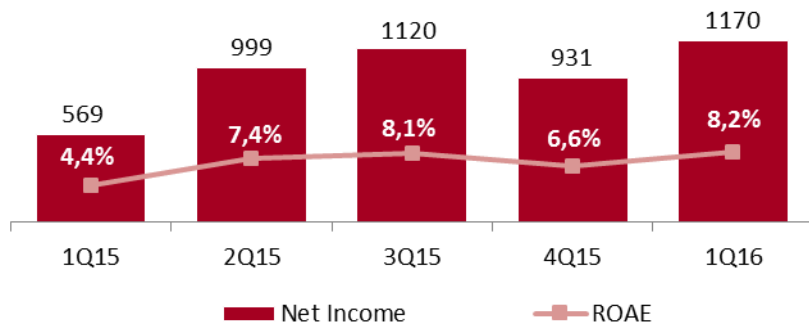
## Cost/Income and NIM, %



## Operating expenses\*, RUB mln



## Net income dynamics, RUB mln

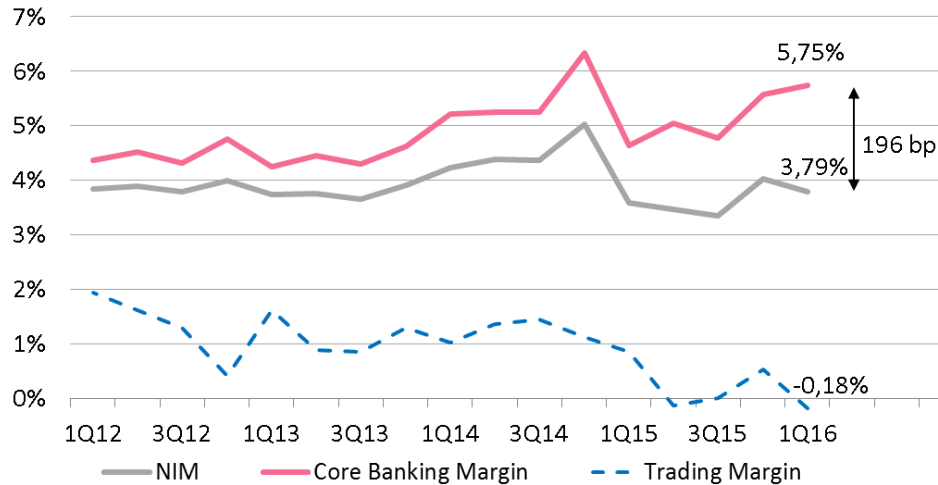


## Comments

- Exceptionally high net interest income – interest rate risk is behind us
- Strong F&C and trading income support revenues
- Provisions put less pressure on ROAE

# New Disclosure: Trading's effect on NIM

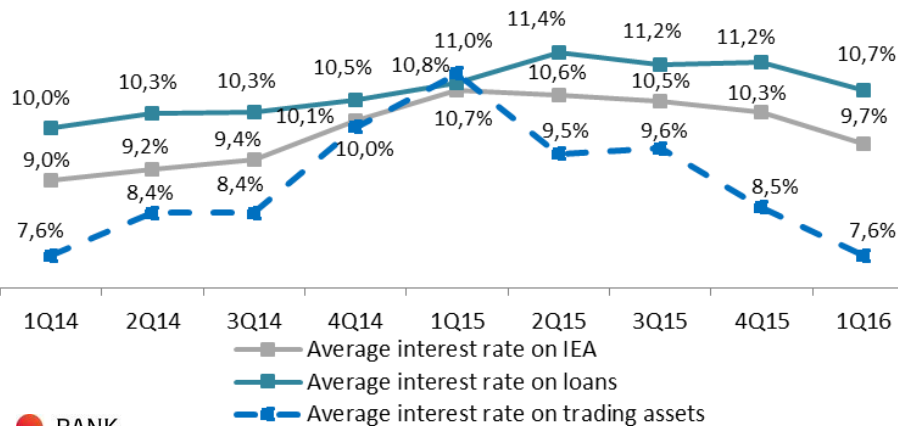
## Core Banking Margin\* Dynamics



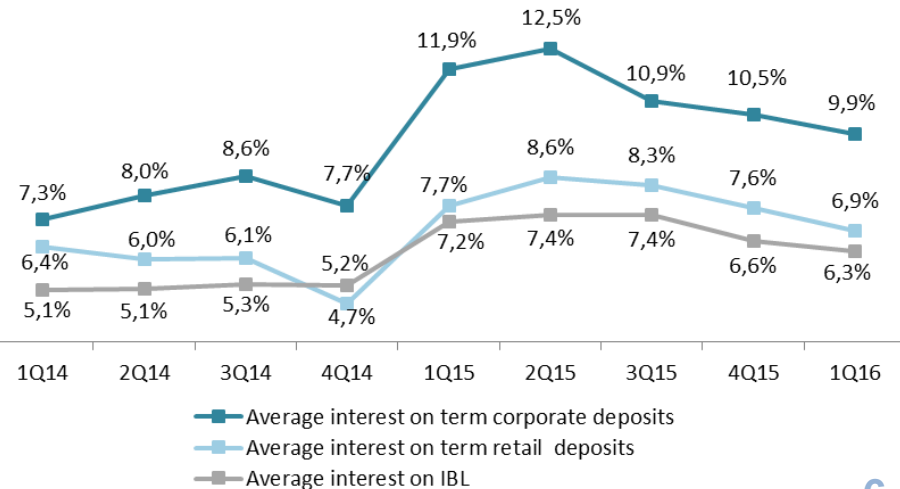
## Comments

- Healthy Core Banking Margin
- Term deposits repricing outpaces loans repricing

## Average interest rates on the assets side

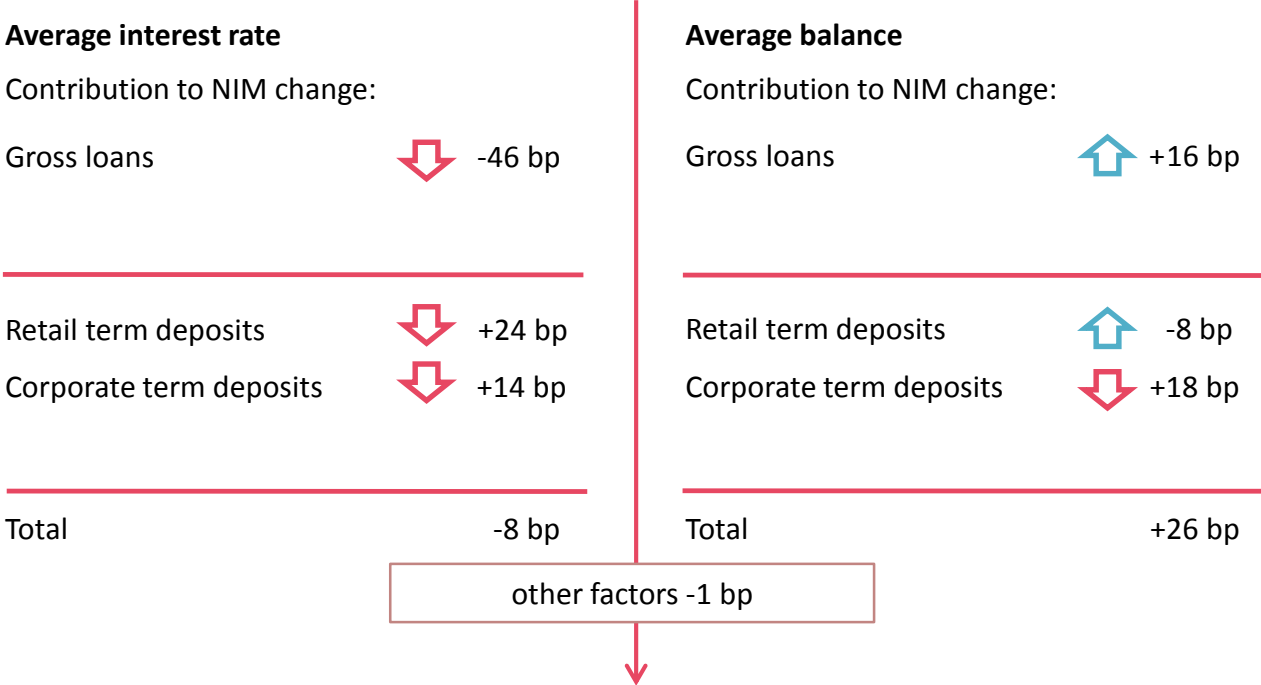


## Average interest rates on the liabilities side



# Main Factors affected NIM in 1Q 2016

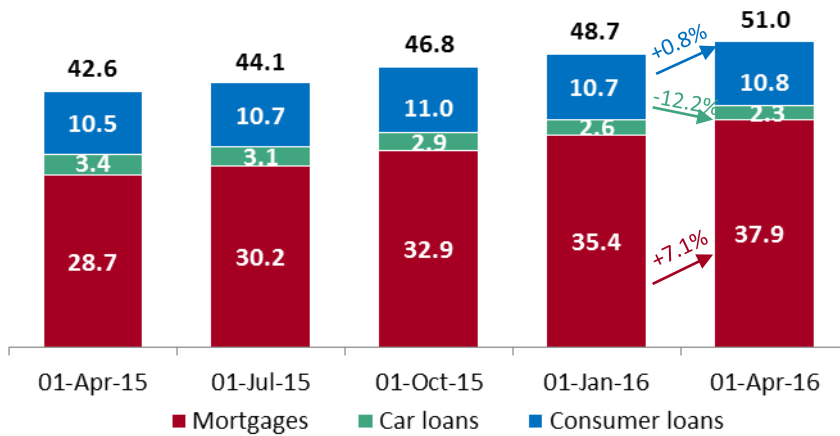
4Q 2015 Core Banking Margin – 5.58%



1Q 2016 Core Banking Margin – 5.75%

# Business highlights: retail banking

## Retail loan portfolio growth, RUB bn

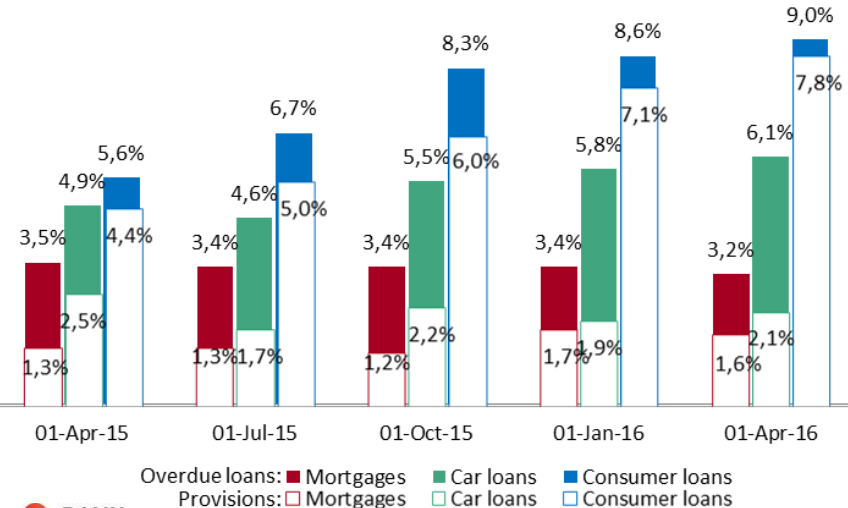


- Large customer base: 1,635,000 retail customers
- Number of cards issued – 1,000,000
- 10 new offices opened in 2015 (+19% y-o-y), 7 new offices in the pipeline in 2016

### Retail lending:

- Retail loans 20% growth y-o-y\*
- Top-3 player participating in Mortgage Subsidy Government Program (limit is RUB 15.0 bn)
- The Bank #8 in the Russia' mortgage lending market in FY 2015
- 7 mortgage lending centers within the Bank's branch network

## Retail loan portfolio quality



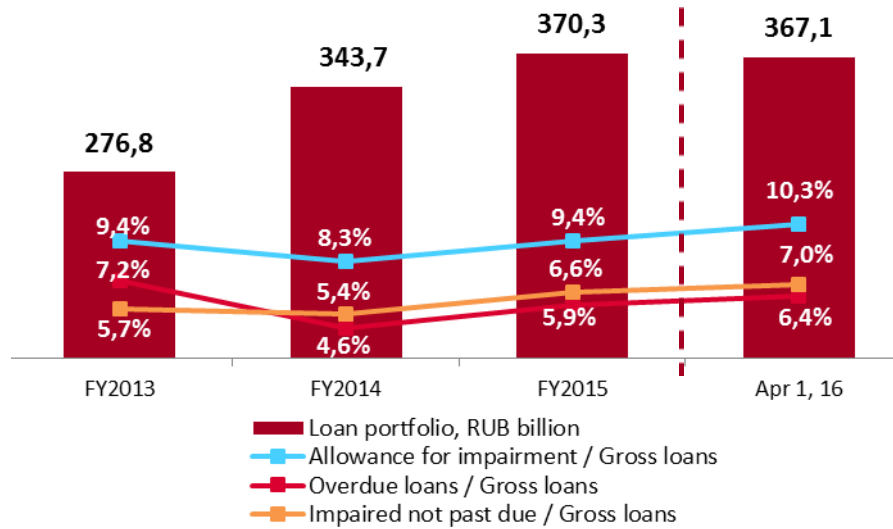
### E-banking:

- Successful internet bank platform – 630,000 users
- During 1Q 2016:
  - ✓ 56% of the total retail deposits are online deposits
  - ✓ 83% of consumer loans originated through the Internet Bank
  - ✓ 96% of payments were made through digital channels (Internet Bank, ATMs and payment kiosks)

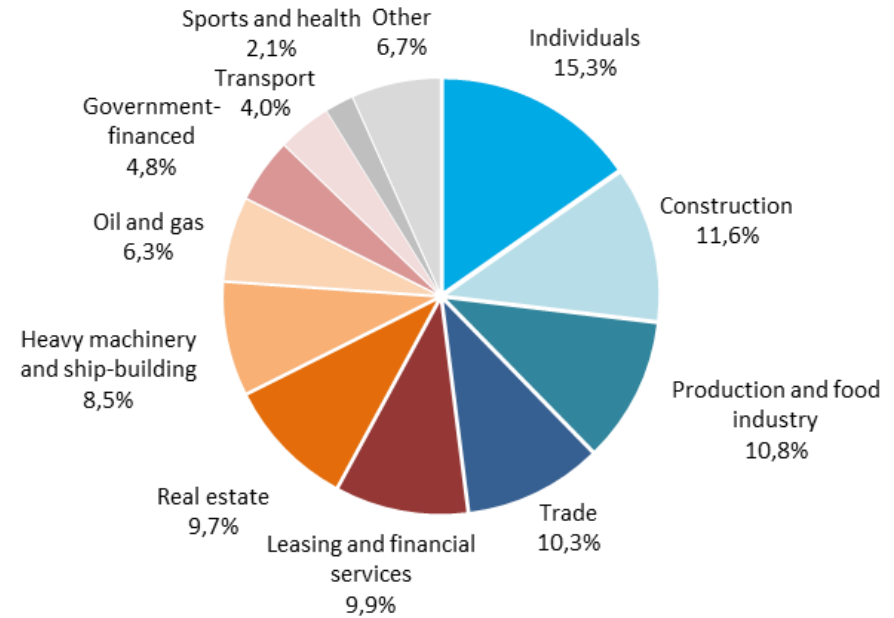


# Loan portfolio and quality

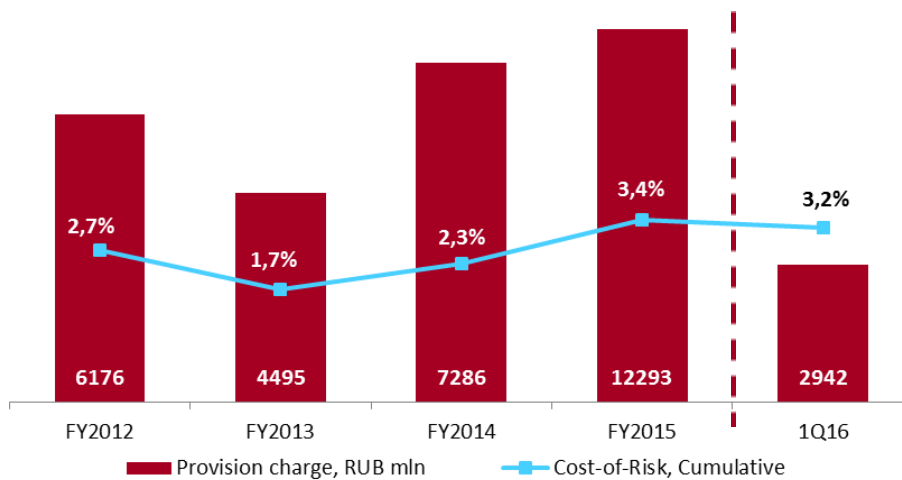
## Loan portfolio quality



## Loan portfolio by sector, Apr 1, 2016



## Provision charge, RUB mln, and CoR, %

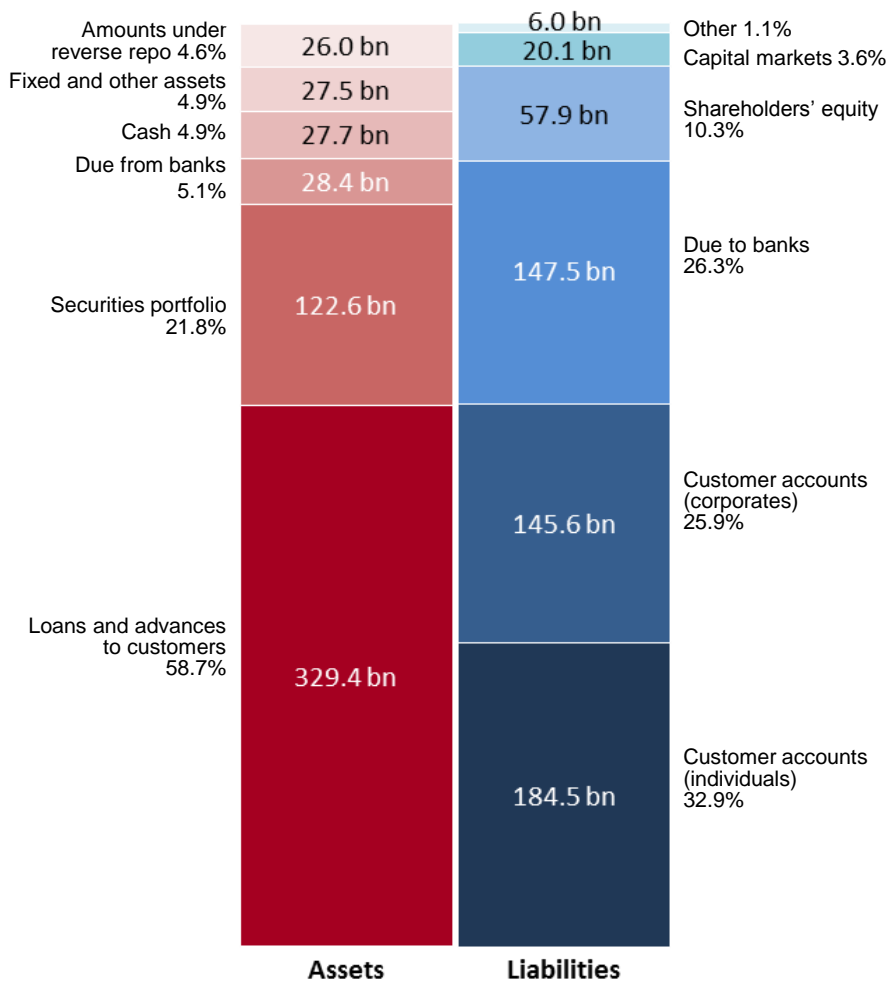


## Comments

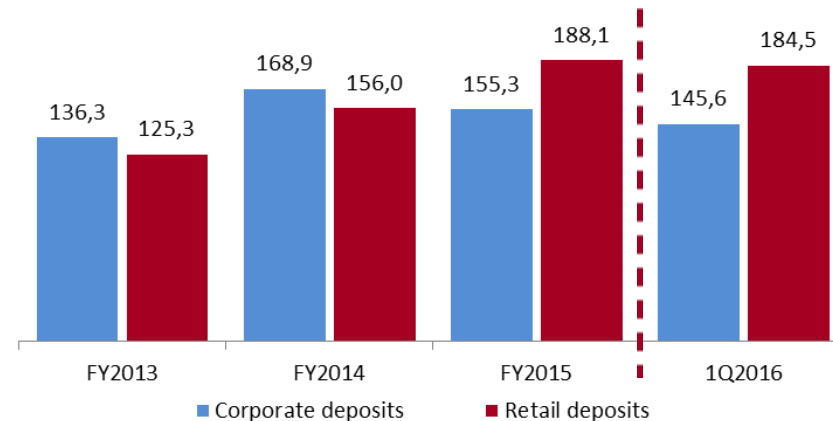
- Gross loan portfolio increased by 8.7% y-o-y
- Loans to individuals is a major segment of loan portfolio
- RUB 0.2 bn of the loan portfolio written off in 1Q 2016

# Assets and liabilities structure

## Assets and liabilities structure, April 1, 2016



## Customer deposits\*, RUB bn

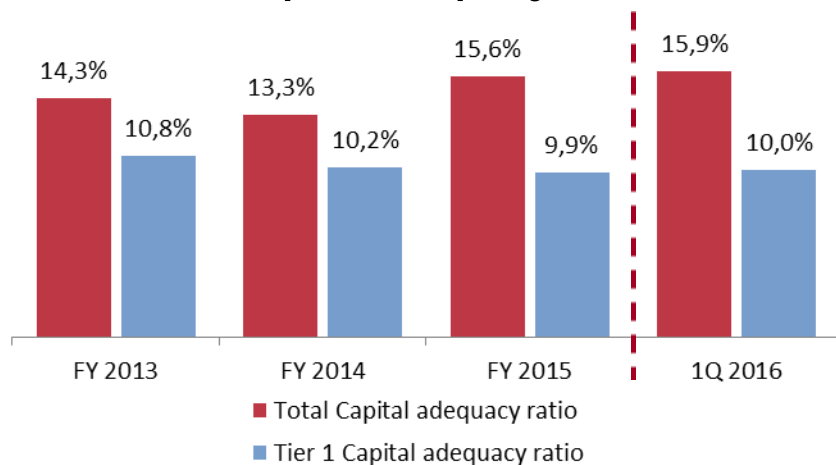


## Comments

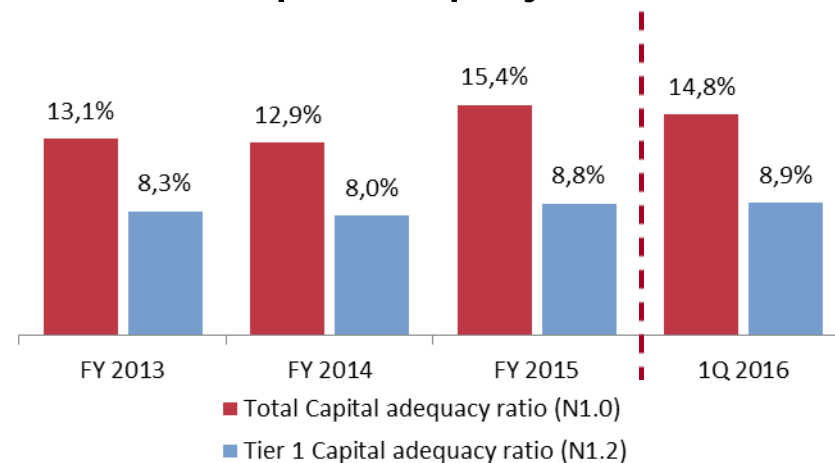
- Retail deposits represent 56% of total customer deposits
- Loans/Deposits Ratio close to targeted 100%
- Conservative approach to risk: approximately 95% of the debt securities belong to the CBR Lombard list
- Average duration of the bonds portfolio is 1.3 years

# Capital and funding

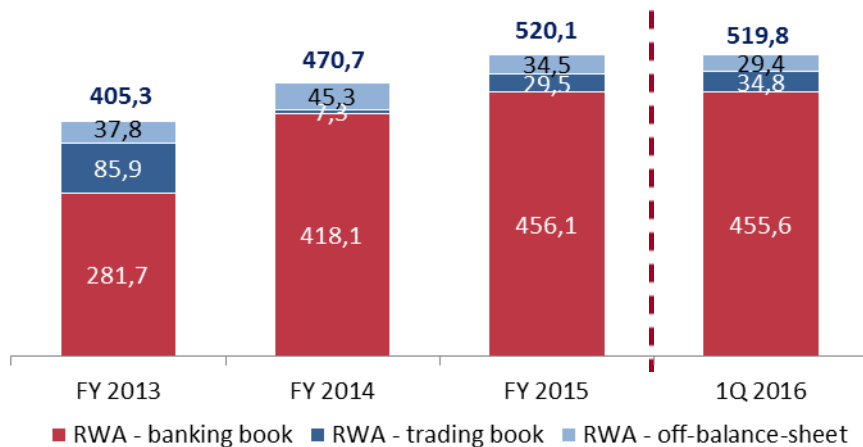
## IFRS Capital adequacy, Basel I



## RAS Capital adequacy, Basel III



## Risk-weighted assets (RWA), RUB bn



## Comments

- Comfortable level of all capital adequacy ratios

# Key corporate actions & Upcoming developments

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## The 2016 Annual General Shareholders Meeting

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The 2016 AGM will take place on May 26, 2016.

On April 14, 2016, the Supervisory Board recommended to the AGM the following:

- ✓ To pay dividends in the amount of RUB 462 mln, or 20% of 2015 net income under Russian Accounting Standards.
- ✓ The dividends per one ordinary share in the amount of 1 RUB 05 kopeks, or 105% of the nominal value of a share.
- ✓ The record date for dividends — June 7, 2016.

# Targets for 2016

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## FY 2016 targets

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- ✓ Loan portfolio growth 10%
- ✓ Cost of Risk 250-300 bp
- ✓ Costs growth 12-15%
- ✓ Cost-Income ratio 42%
- ✓ ROAE 10%

# Presentation team



**Konstantin Balandin**  
Deputy Chairman  
of the Management Board



**Konstantin Noskov**  
Vice-president, Finance Director



**Elena Demicheva**  
Head of IR

All information for the investors is available on the Bank's web site: <https://www.bspb.ru/en/investors/>

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