



1Q 2020 IFRS Results

May 26, 2020

PRESENTATION TEAM



Konstantin Balandin
Deputy Chairman of
the Management
Board



Stanislav Filatov
Vice-president,
CFO



Konstantin Noskov
Vice-president,
Head of Strategy



Ruslan Vasilev
Head of IR



BSPB'S RESPONSE TO CURRENT SITUATION

IMPLEMENTED ACTIONS

We are fully committed to helping our customers and supporting our employees to manage through the coronavirus pandemic.

Our Employees

- ✓ Gradual branch network reopening throughout the pandemic

46/66

41/66

9/66

March

April

May

Number of
branches
temporarily
closed

- ✓ ca. 2500 of employees or 60% of headcount are on remote workplaces
- ✓ 70 branch network employees moved to call-center to manage increased amount of incoming calls; 40 more are handling outgoing calls

We are online

Digital payments:
95% => 98-99%

Digital sales:
59% => 67%

Active digital users share:
63%

Automated decisions:
91%

Online operations:
80% => 82%

Mobile app users share:
43%

CUSTOMER SECURITY AND COMFORT ARE OUR TOP PRIORITY

SUPPORT MEASURES FOR RETAIL CUSTOMERS

BSPB's own program

- ✓ 4'631 applications (incl. mortgages – 1'665, consumer loans – 2'381, car loans – 515)
- ✓ Approval rate is 59%
- ✓ Restructured loan portfolio amounted to RUB 2.8 bn (incl. mortgages - RUB 1.8 bn, consumer loans – RUB 664 mln, car loans – RUB 243 mln)

State payment holidays program (Federal law #106-FZ)

- ✓ 1'267 applications (incl. mortgages - 700, consumer loans – 424, car loans – 60)
- ✓ Approval rate is 82%
- ✓ Restructured loan portfolio amounted to RUB 915 mln (incl. mortgages - RUB 864 mln, consumer loans – RUB 39 mln, car loans – RUB 9 mln)

Mortgage Subsidy State Program

- ✓ Up to RUB 8 mln in St. Petersburg and Moscow; up to RUB 3 mln – in Kaliningrad and Novosibirsk
- ✓ 6.0% interest rate/down payment min 20%/up to 20 years
- ✓ 143 applications approved in total amount of RUB 408 mln

Other Solutions for Retail Customers

- ✓ E-registration of contracts for mortgages and escrow accounts (30 new e-contracts)
- ✓ Online mortgage processing (320 online applications)
- ✓ Expired banking card service continuation
- ✓ Call center capabilities boosted thanks to relocation of branch network staff

SUPPORT MEASURES FOR SMEs

BSPB's own program

- ✓ 153 applications
- ✓ Approval rate is 83%
- ✓ Total amount of the loans approved for restructuring is RUB 1.5 bn

State payment holidays program (Federal law #106-FZ)

- ✓ 6-month tax, fees and debt holidays for SMEs
- ✓ Total loan portfolio of affected SMEs is rather limited (RUB 2.3 bn or 0.7% of corporate loan book)
- ✓ Total amount of the loans for restructuring is less than RUB 200 mln

State program of Payroll loan at 0%

- ✓ Starting in May 2020
- ✓ 13 applications received (RUB 72 mln)

Additional support measures

- ✓ Reduced price for qualified signature issuance (200+ customers)
- ✓ E-registration for corporate mortgages
- ✓ Remote agreement for payroll services (44 new corporate customers)
- ✓ Special offers for internet-acquiring: fees down to 1% for convenience (grocery, pharmacy, clothing etc.) stores (applied for 25 customers)

SUPPORT MEASURES FOR BANKS

	Applied by BSPB?
✓ Deposit insurance charges cut from 0.15 % to 0.10% for 2H2020 – ca. mn 300 RUB effect on P&L	Yes
✓ Reduced provisioning for companies from affected industries	Yes
✓ Reduced risk-weights on mortgage loans	No
✓ Historical securities valuation for capital calculation purposes	No
✓ Historical FX rate for capital calculation purposes	No

In accordance with CBR recommendations, FY 2019 dividends and share buy-back waived

FY 2020 GUIDANCE UPDATE

PANDEMIC DURATION REMAINS THE CORNERSTONE OF UNPREDICTABILITY, PREVENTING US FROM LONG-TERM PLANNING AND RELIABLE GUIDANCE

Guidance

as of March 12, 2020

- ✓ Loan portfolio growth 12-15%
- ✓ Cost of Risk 170-190 bp
- ✓ Core Banking Margin flat
- ✓ Costs growth 10%
- ✓ C/I ratio 42%
- ✓ ROAE 11-13%

Our view

as of May 26, 2020

Growth expectations curbed
Under review
Confirmed
Cost-cutting procedures launched
Cost-cutting procedures launched
Under review



1 Q 2020 FINANCIALS

HIGHLIGHTS FOR 1Q 2020

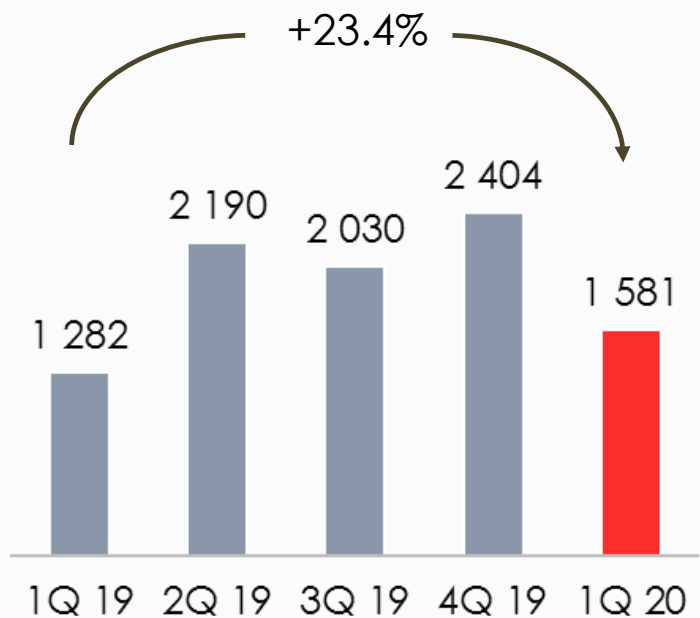
- ✓ Loan portfolio grew by **8.2%** YTD (+4.0% without ForEx revaluation)
- ✓ Net interest income increased by **8.7%** y-o-y up to RUB 6.2 bn in 1Q 2020
- ✓ Net F&C income increased by **32.5%** y-o-y up to RUB 1.7 bn in 1Q 2020
- ✓ Core banking revenues increased by **13.3%** y-o-y up to RUB 7.8 bn in 1Q 2020
- ✓ *Cargo Terminal Pulkovo* deal closed in 1Q 2020 with total net income of RUB 522 mln (incl. RUB **351** mln of one-off net income in 1Q 2020), with total ROI 87% and IRR 24%

OVERVIEW OF KEY FINANCIALS

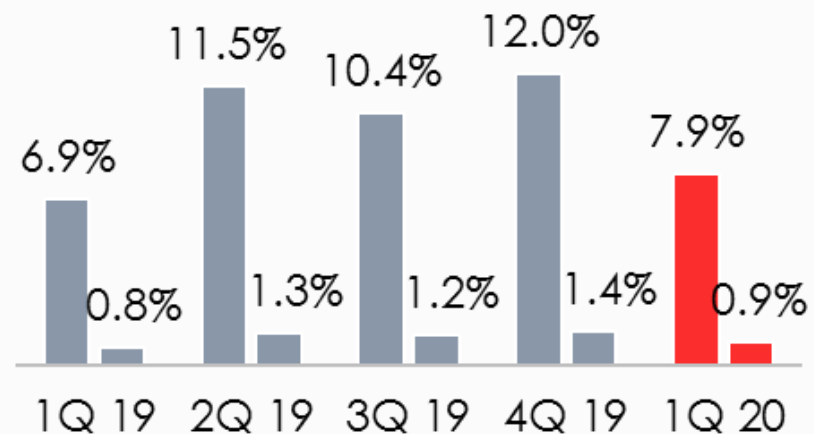
<i>In RUB bn</i>	Jan 1, 2020	Apr 1, 2020	YTD	Apr 1, 2019	Jan 1, 2020	Apr 1, 2020	q-o-q	y-o-y
Total assets	673.65	668.65	-0.74%	650.85	673.65	668.65	-0.74%	+2.74%
Gross Loans	401.45	434.35	+8.20%	372.10	401.45	434.35	+8.20%	+16.73%
Customer Deposits*	417.57	434.70	+4.10%	405.33	417.57	434.70	+4.10%	+7.25%
Total Capital	96.07	97.15	+1.13%	91.90	96.07	97.15	+1.13%	+5.71%
				1Q 2019	4Q 2019	1Q 2020	q-o-q	y-o-y
Net Interest Income				5.74	6.37	6.24	-2.07%	+8.70%
Net Fee and Commission Income				1.27	1.96	1.68	-14.35%	+32.45%
Revenues				7.40	8.93	8.31	-7.00%	+12.24%
Net Income				1.28	2.40	1.58	-34.22%	+23.37%
				1Q 2019	4Q 2019	1Q 2020	q-o-q	y-o-y
Net Interest Margin				3.82%	4.15%	4.05%	-0.10 PP	+0.23 PP
Cost/Income Ratio				47.98%	42.86%	49.75%	+6.89 PP	+1.77 PP
ROAE				6.85%	12.00%	7.86%	-4.14 PP	+1.01 PP

PROFITABILITY

Net income dynamics, RUB mln

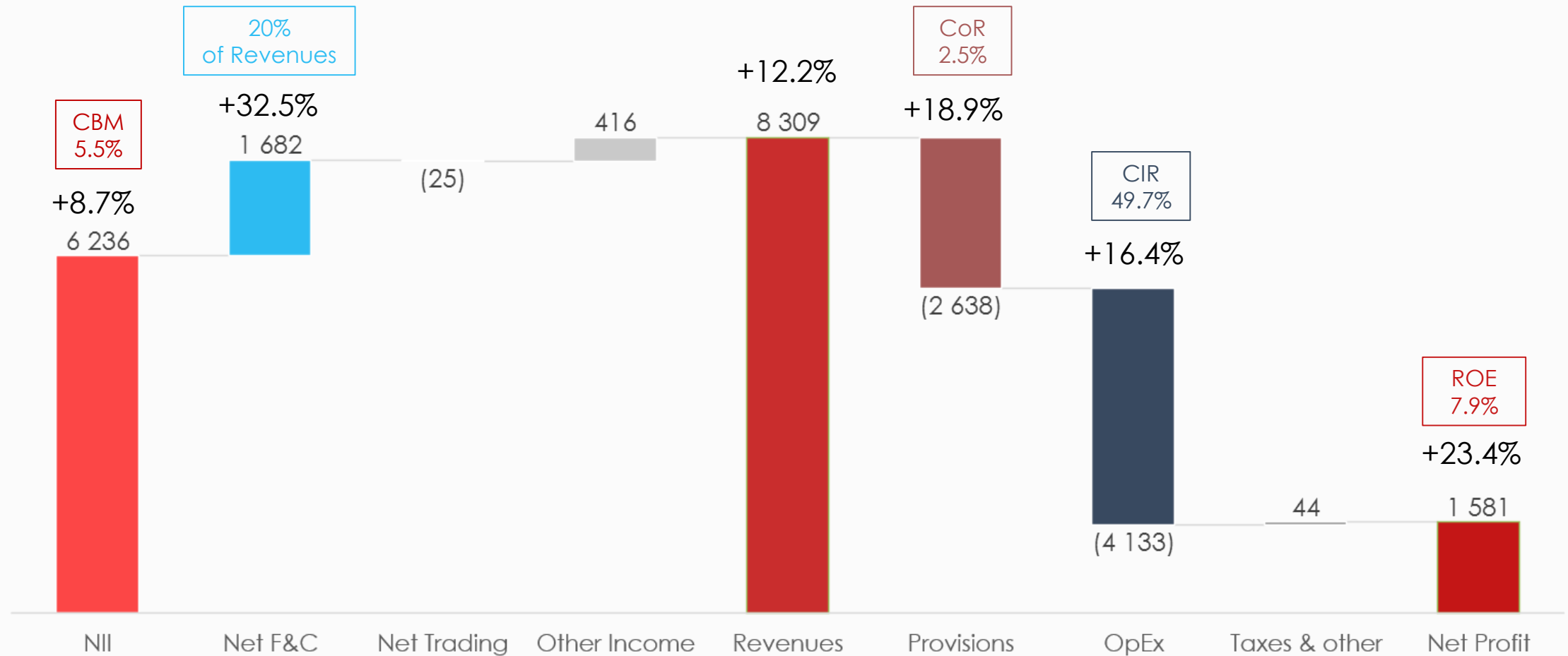


ROAE/ROAA, %



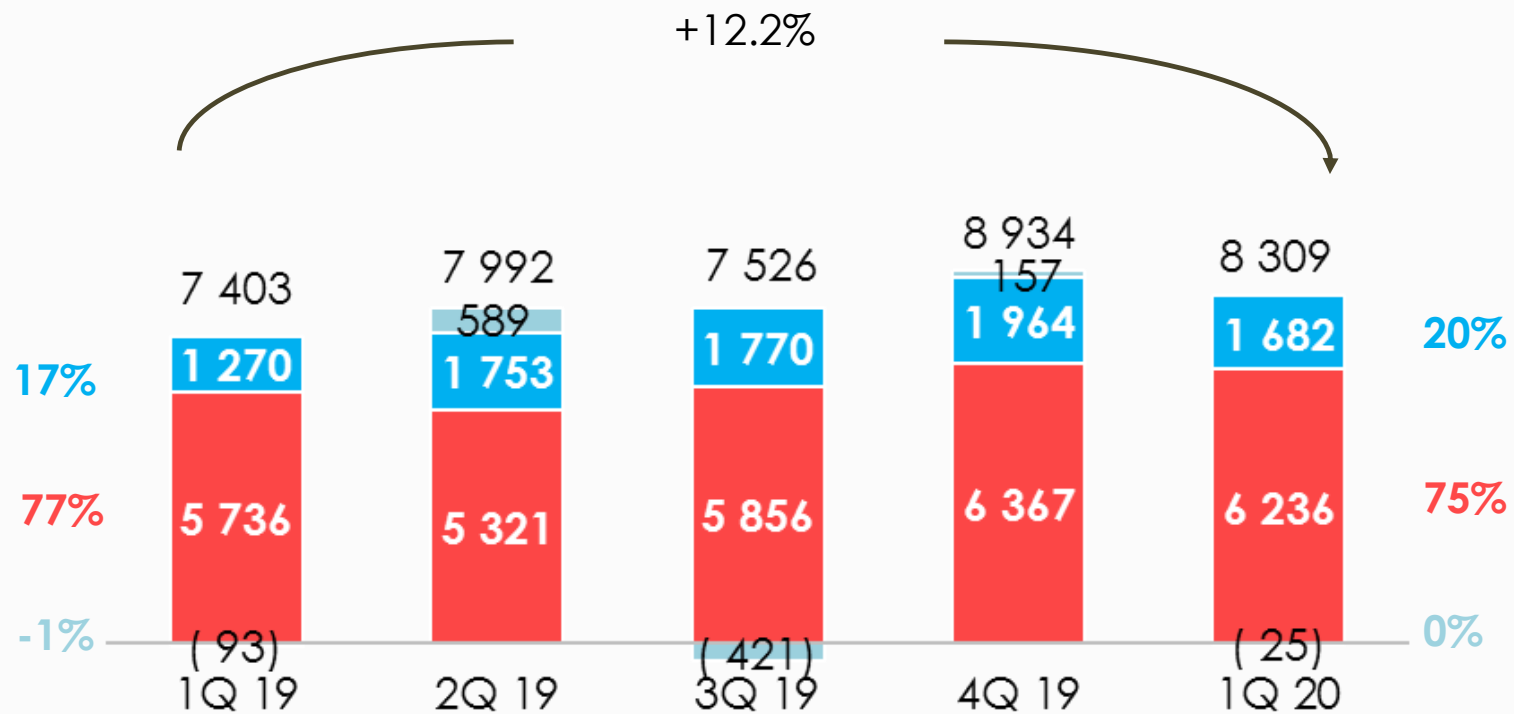
1Q 2020 FINANCIAL RESULT

RUB mln, %, YoY



REVENUES STRUCTURE

RUB mln

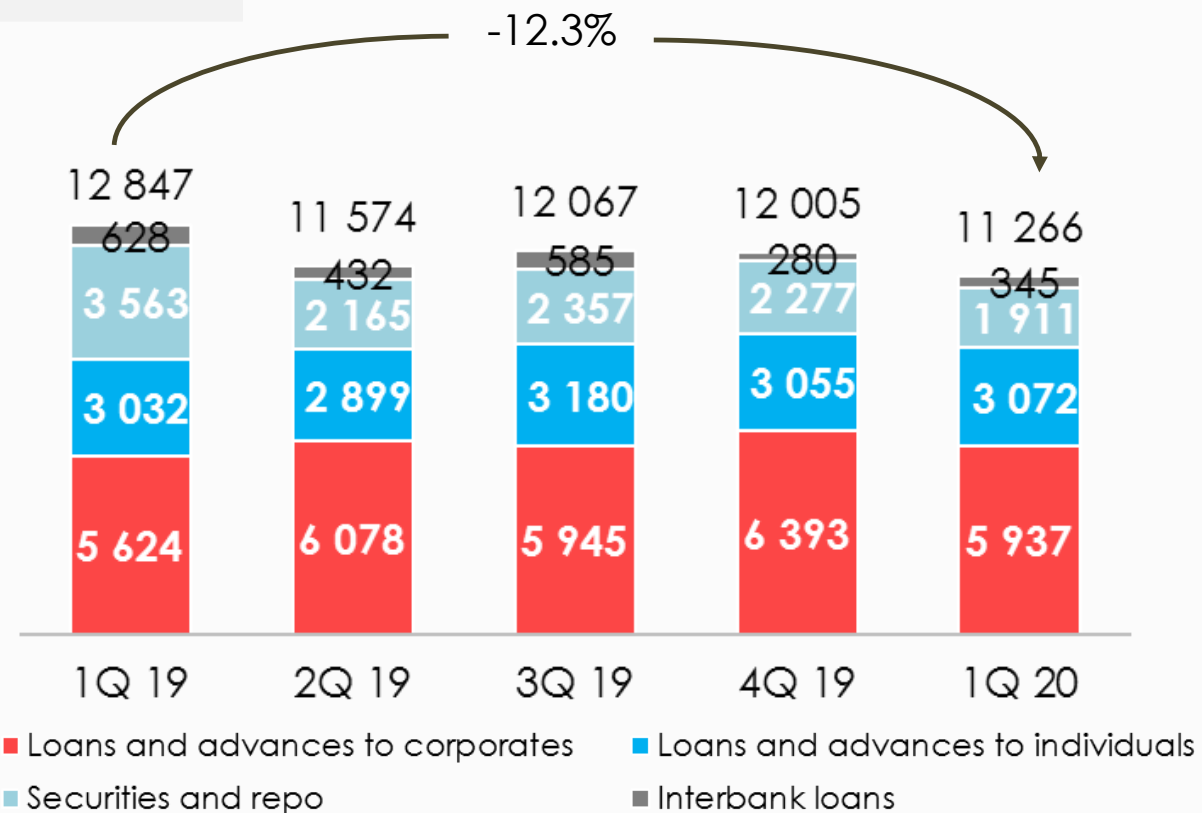


■ Net Interest Income ■ Net Fee and Commission Income ■ Net Trading Income

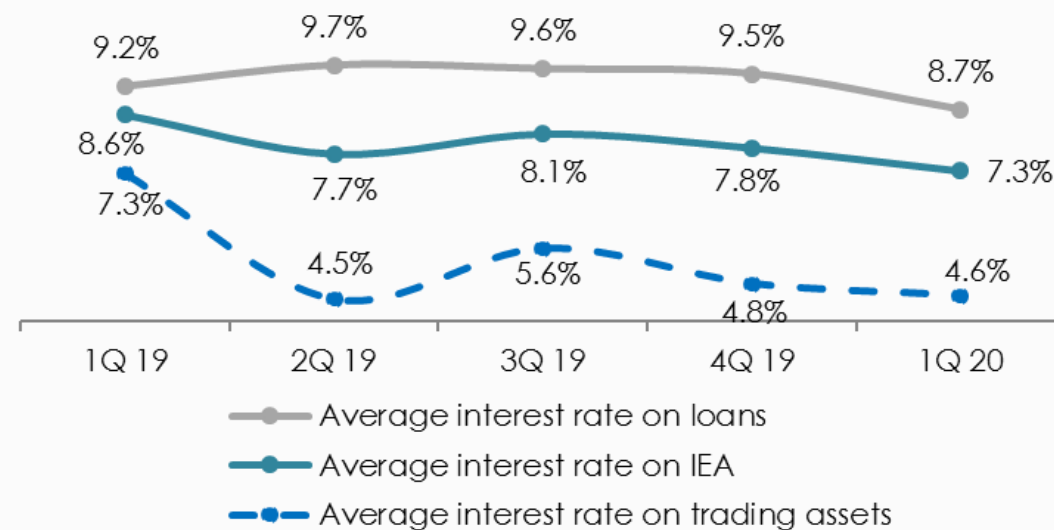
- ✓ Impressive F&C y-o-y growth of 32.5%
- ✓ Core banking dominates in the revenue structure

INTEREST INCOME STRUCTURE

RUB mln



Average interest rates on the assets side



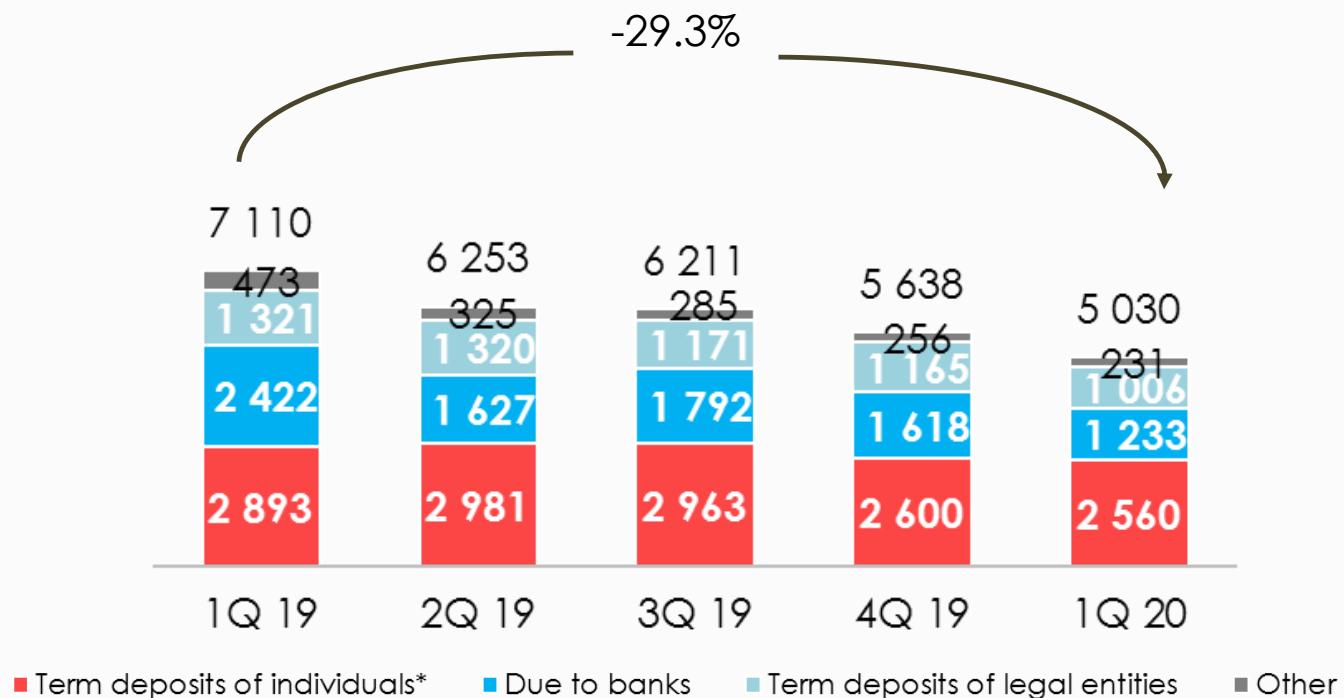
✓ Y-o-Y growth of core interest income

✓ Less influence from trading

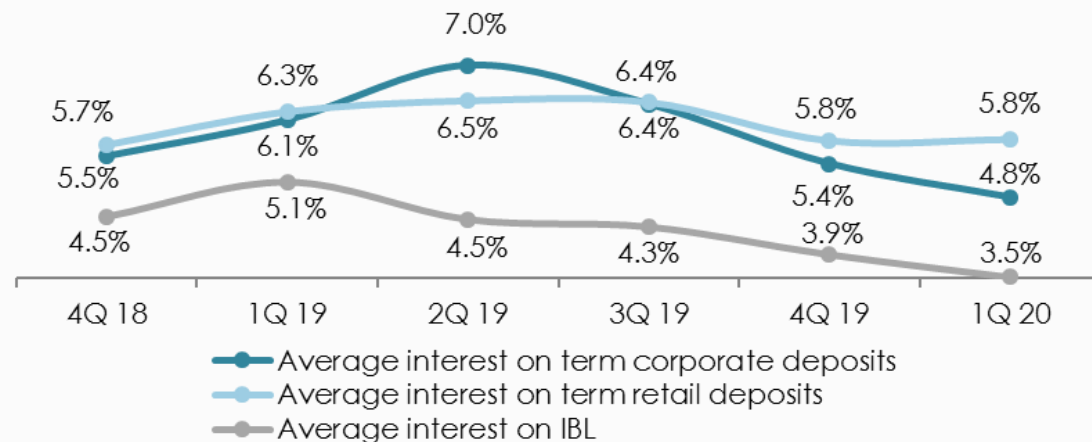
✓ Significant loan portfolio growth in last decade of March affected average interest rates (-0.4pp), NIM (-0.2pp) and Core Banking Margin (-0.3pp)

INTEREST EXPENSES STRUCTURE

RUB mln



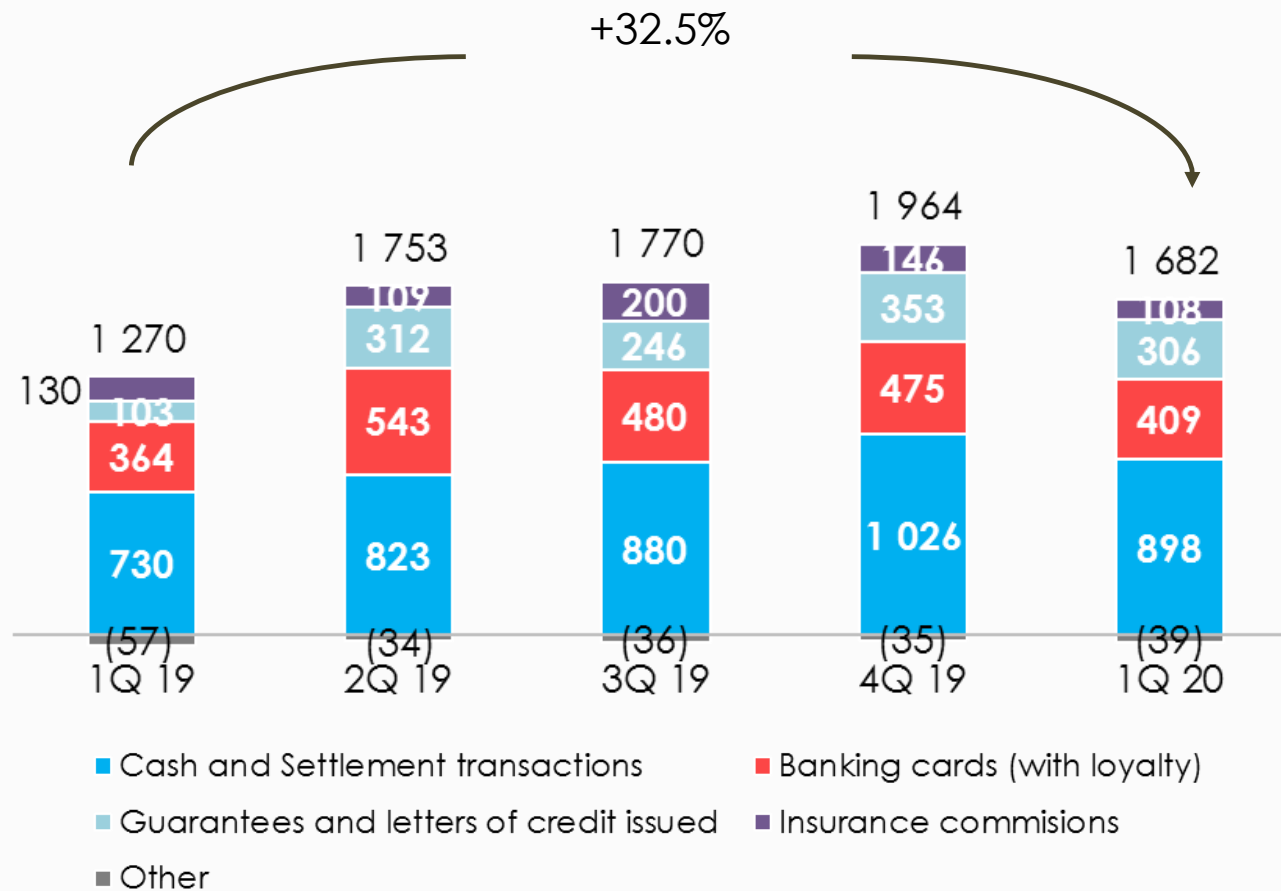
Average interest rates on the liabilities side



✓ Cost of funding goes down

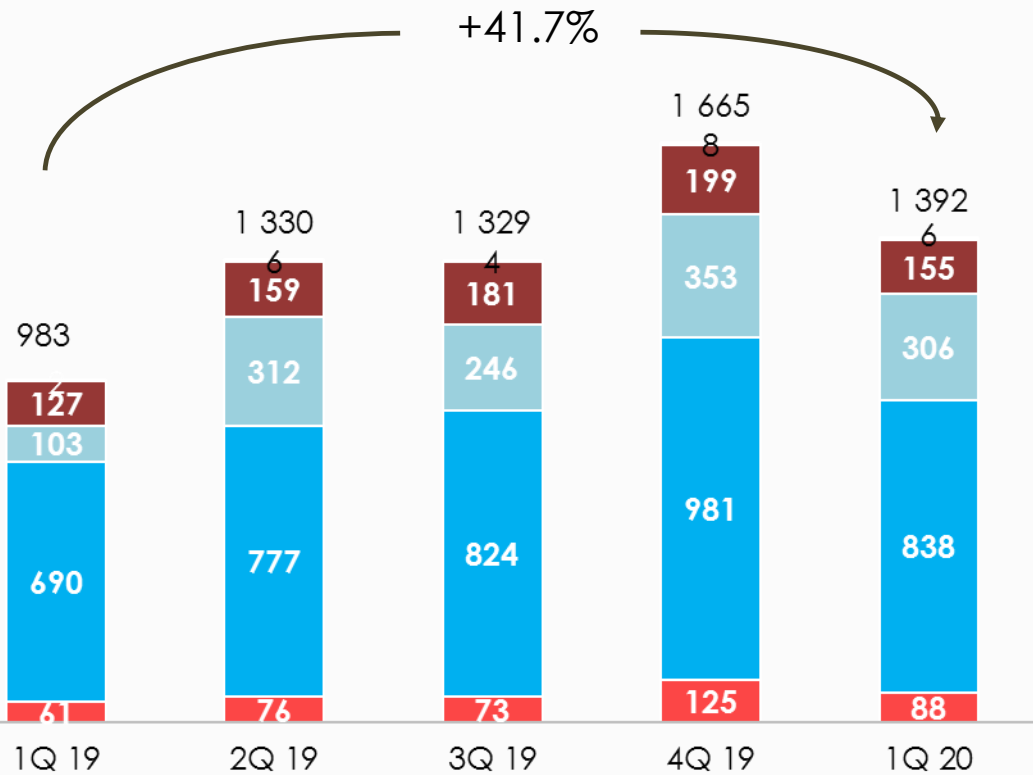
NET FEE & COMMISSION INCOME STRUCTURE 1/2

RUB mln



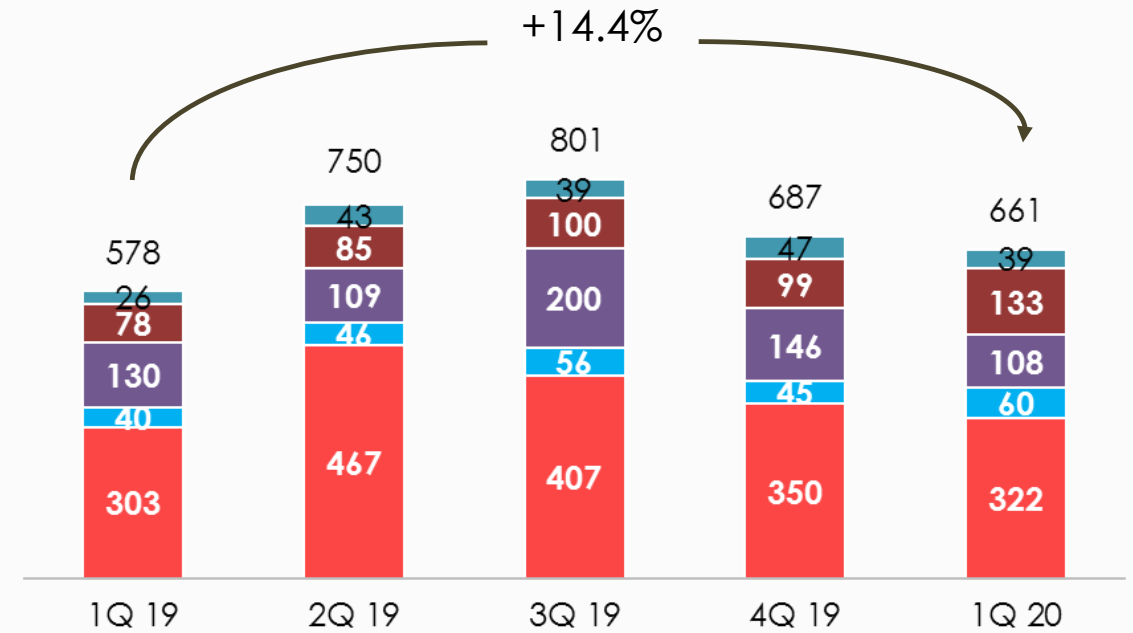
NET FEE & COMMISSION INCOME STRUCTURE 2/2

Corporate Net F&C income, RUB mln



- Banking cards (with loyalty)
- Guarantees and letters of credit issued
- Customers' FX

Retail Net F&C income, RUB mln



- Cash and Settlement transactions
- Insurance commissions
- Other

CORE BANKING VS TRADING

Net Interest Margin

3.8%

3.5%

3.9%

4.2%

4.1%

Core Banking Results, RUB mln

Core Banking Margin

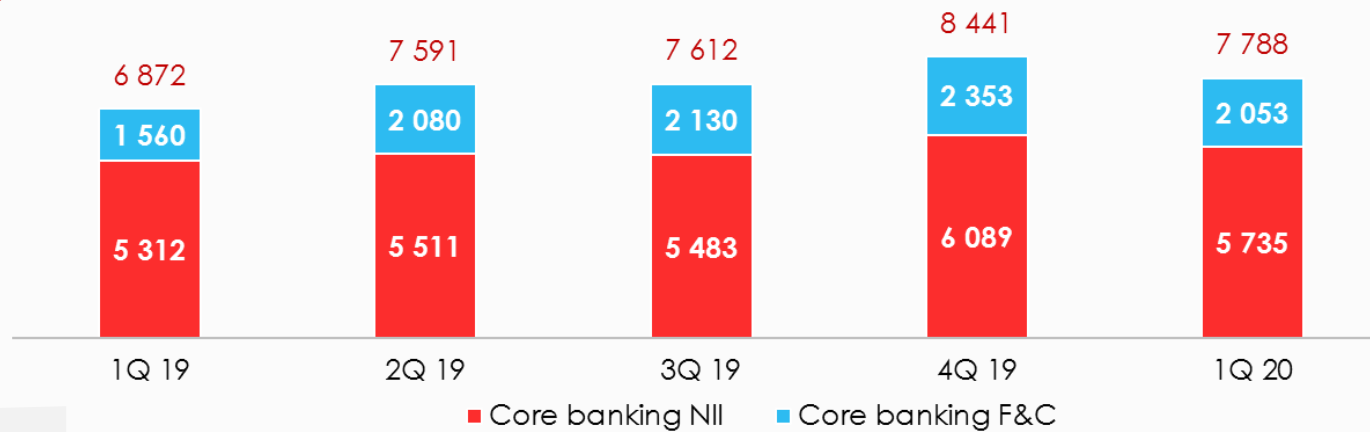
5.7%

6.0%

5.7%

6.1%

5.5%



Aggregate trading results, RUB mln

Trading Margin

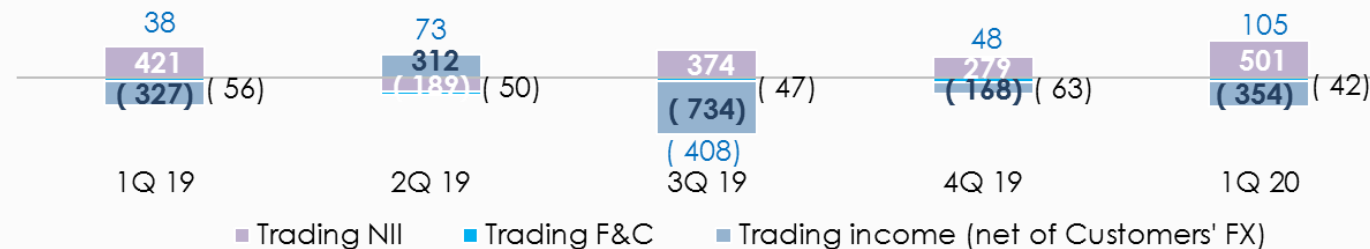
0.7%

-0.3%

0.7%

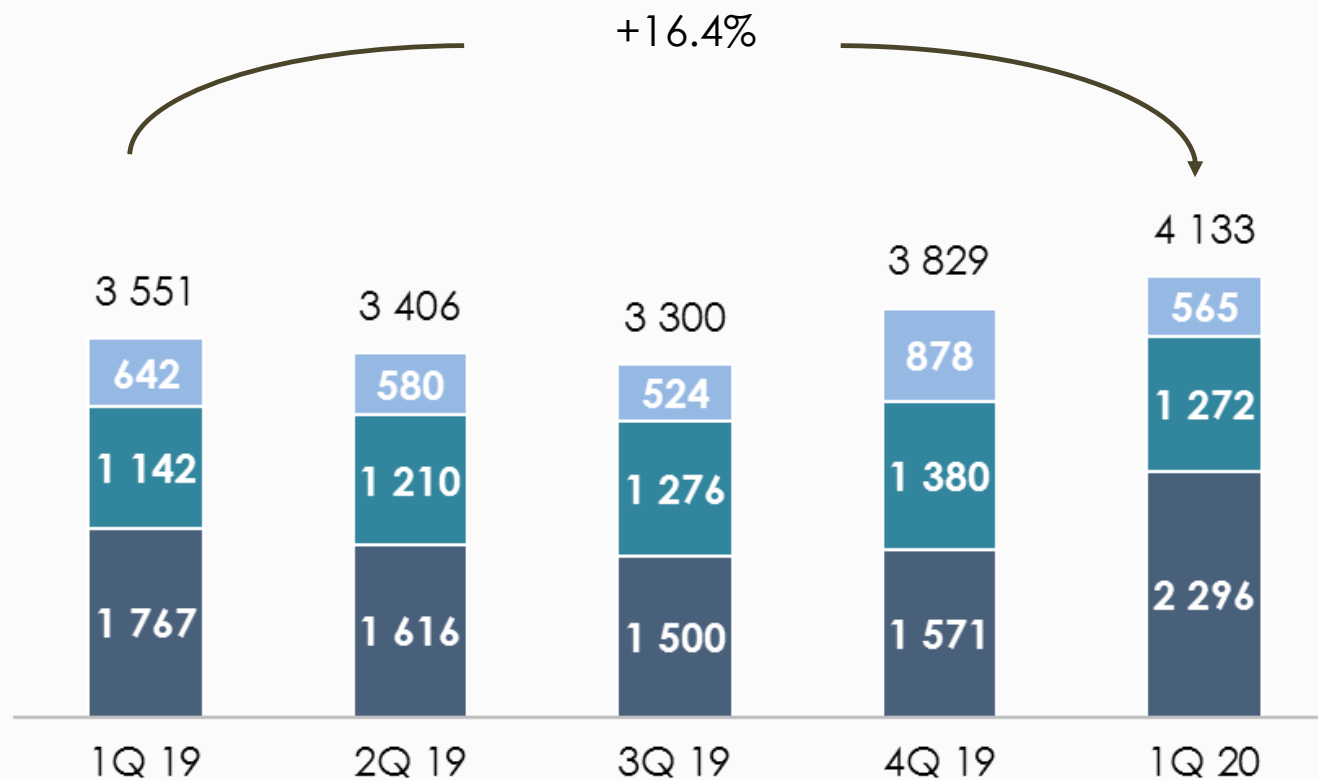
0.5%

1.0%



OPERATING EXPENSES 1/2

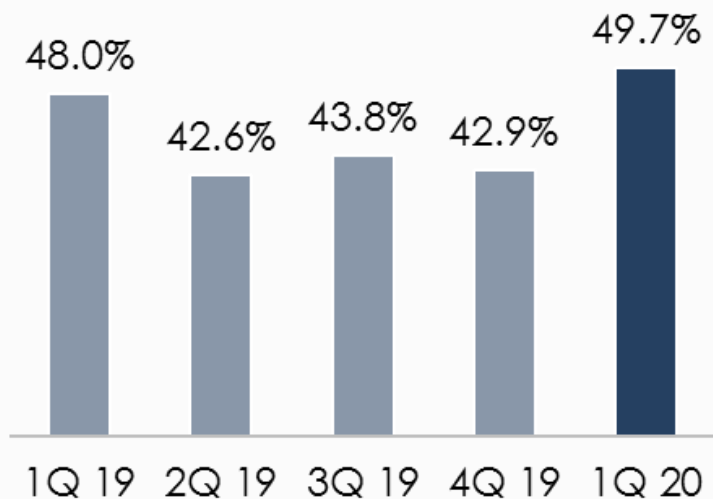
RUB mln



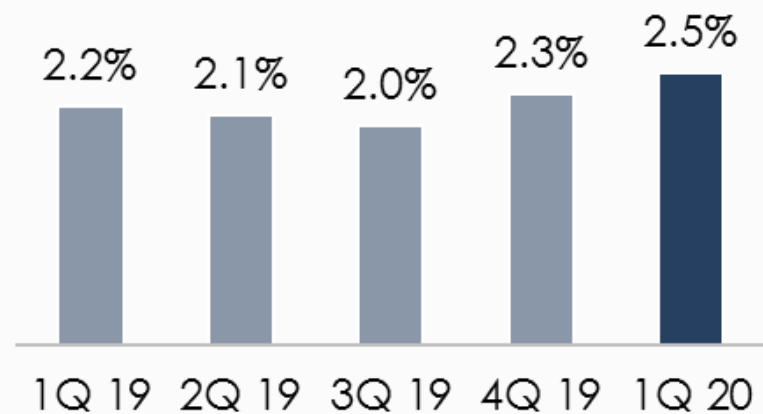
■ Staff costs ■ Other administrative and operating expenses ■ Expenses related to premises and equipment

OPERATING EXPENSES 2/2

Cost-to-Income, %

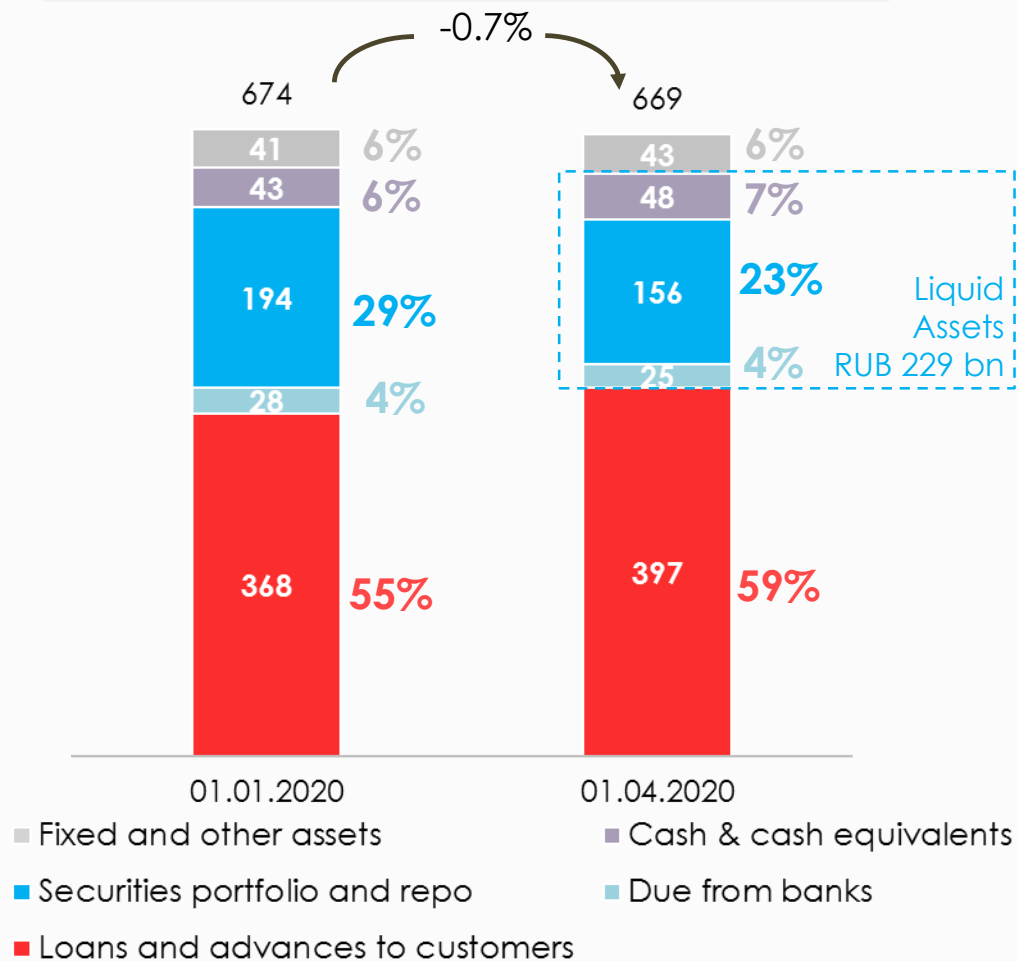


Cost-to-Assets, %

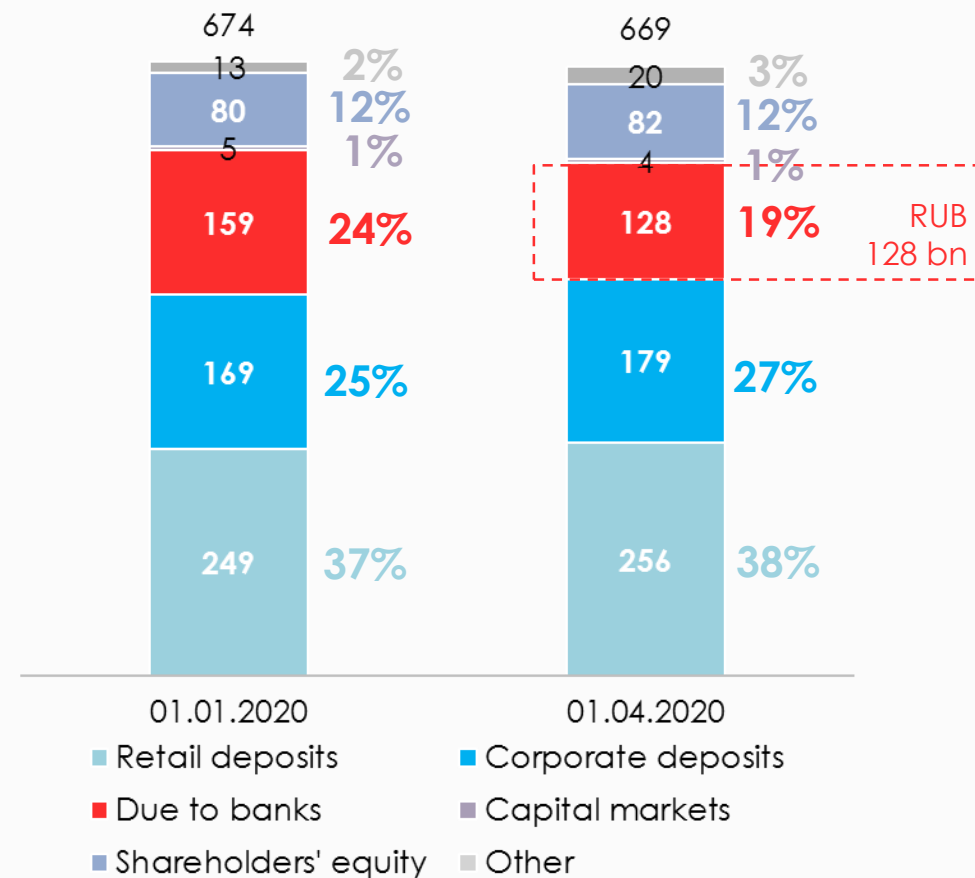


ASSETS AND LIABILITIES

Assets, RUB bn

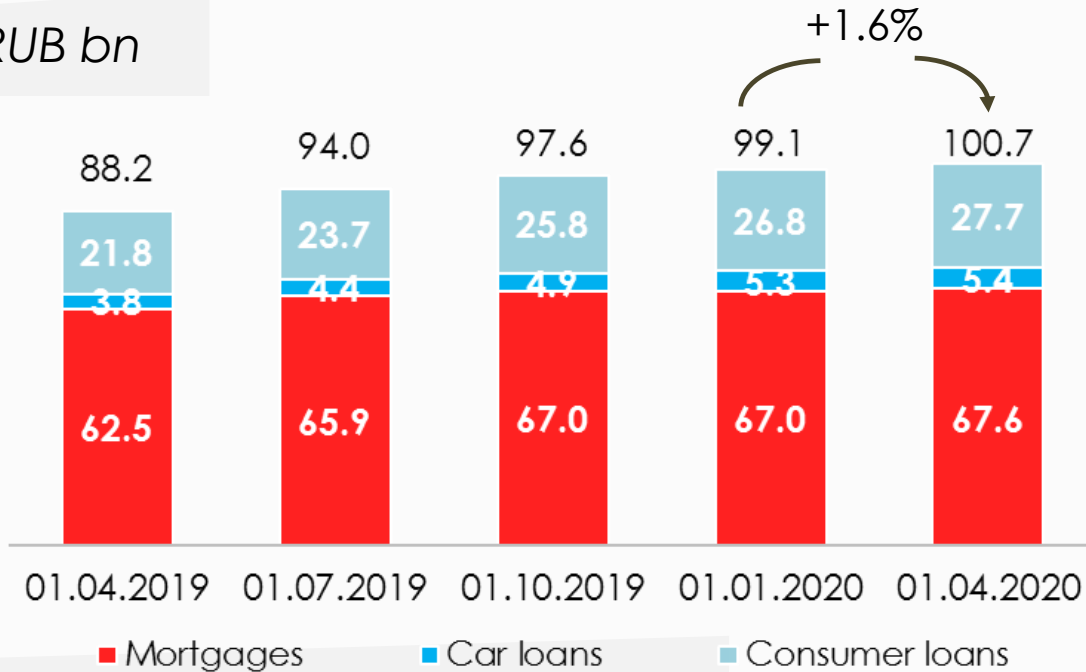


Liabilities & Equity, RUB bn

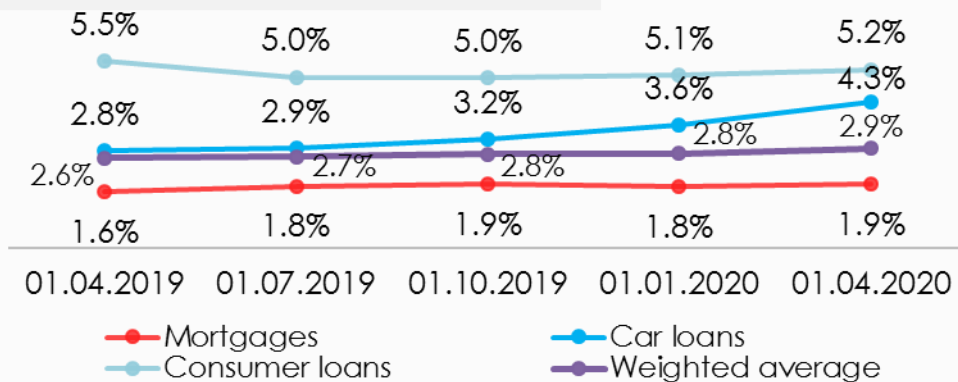


RETAIL BANKING

RUB bn



Retail loan portfolio quality



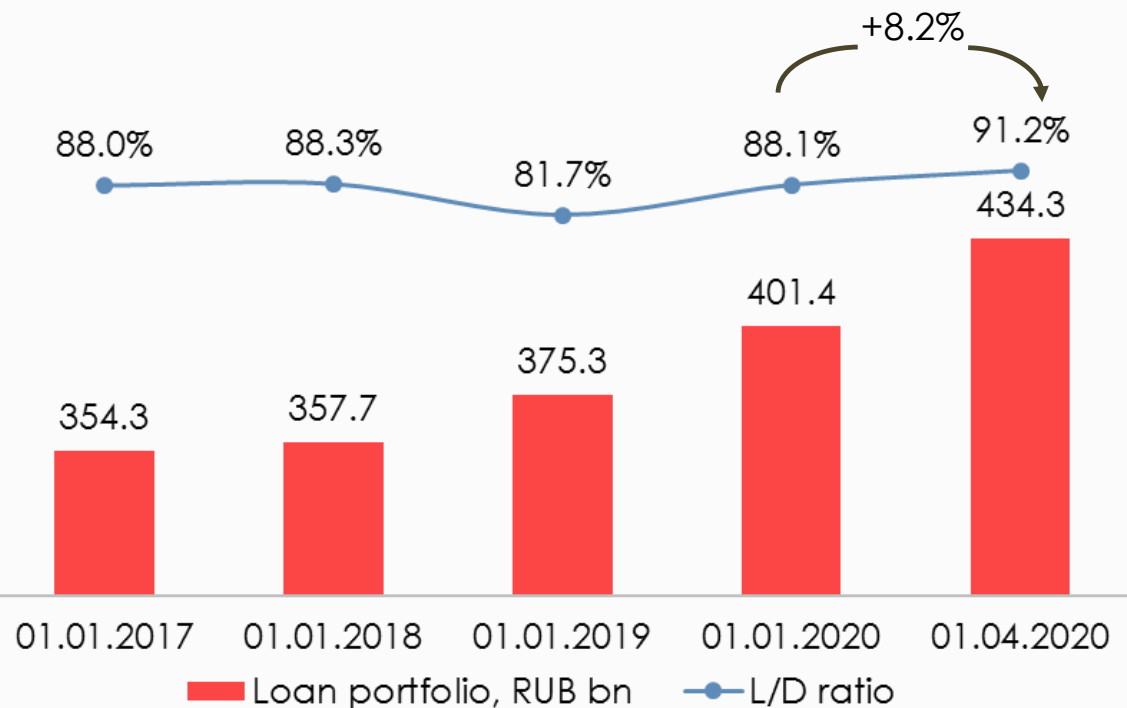
BANK SAINT PETERSBURG

- ✓ All major retail lending products (mortgages, car loans, unsecured loans) slowing down
- ✓ Loan portfolio quality remains high
- ✓ Mortgage loans:
 - Top-3 in regional mortgage lending market (Top-15 in Russia)
 - Best Mortgage Bank Russia 2019 and Best Bank for Escrow Accounts Russia 2019 (by Global Banking and Finance Review Awards)
 - The Best Retail Finance Product 2019 for escrow accounts (by RETAIL FINANCE AWARDS)

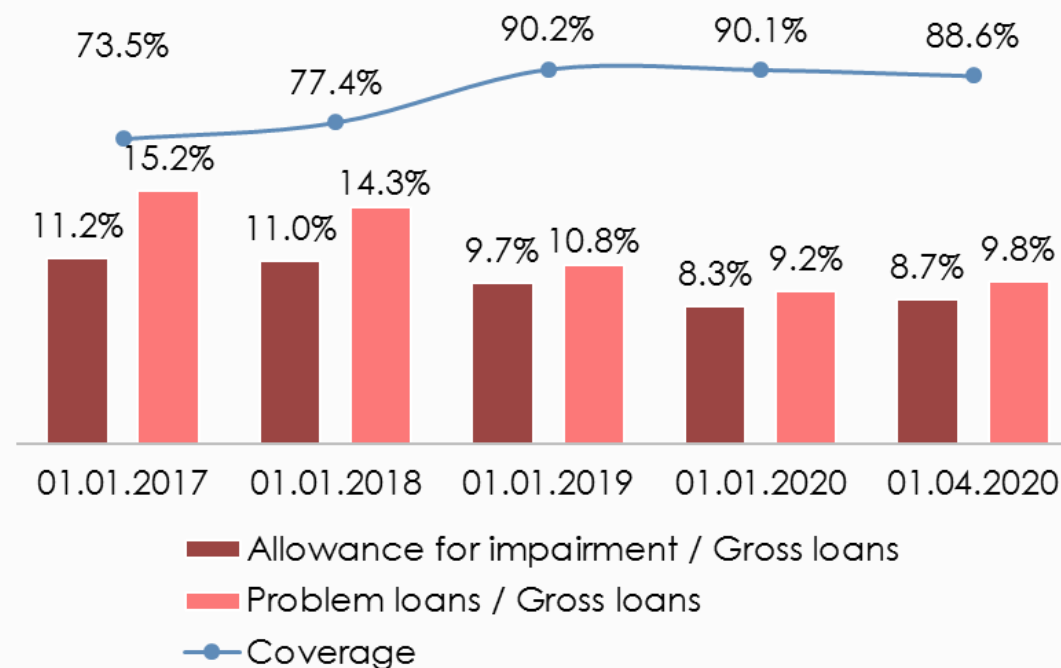
* Retail loans include mortgages, car and consumer loans. Overdue loans include the whole principle of loan at least 90 days overdue.

LOAN PORTFOLIO AND QUALITY 1/3

Loan Portfolio



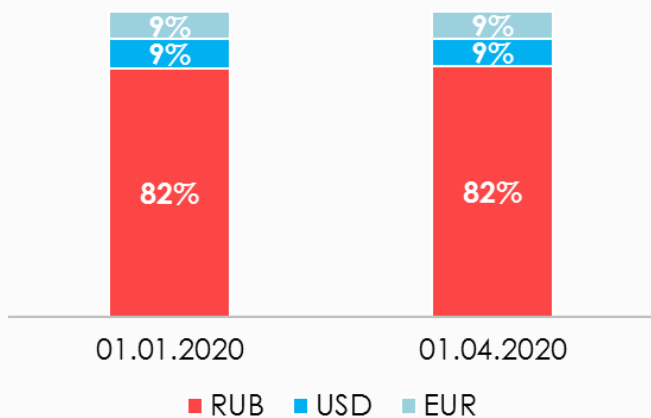
Coverage



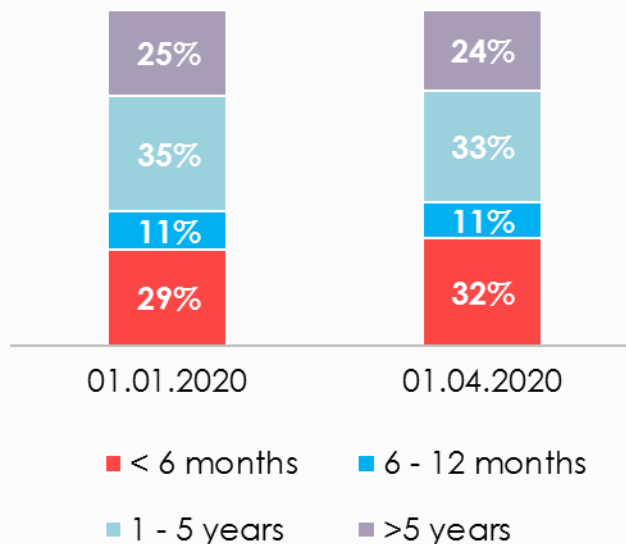
- ✓ L/D ratio remains consistently low
- ✓ Loan portfolio growth +8% YTD (+4% YTD net of FX-revaluation)
- ✓ RUB 0.8 bn of the loan portfolio written off in 1Q20

LOAN PORTFOLIO AND QUALITY 2/3

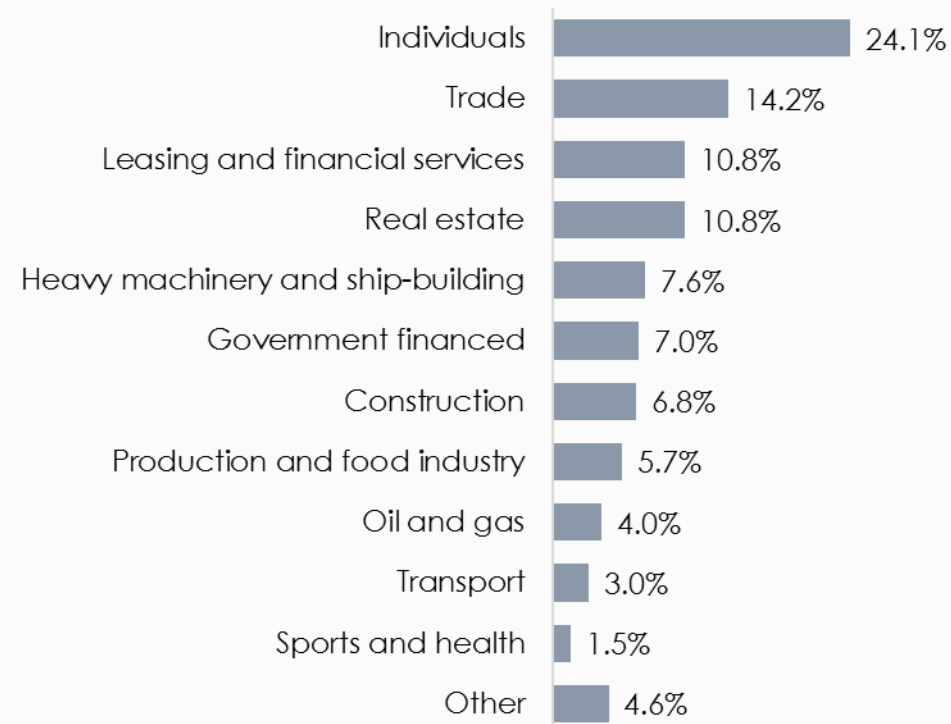
Currency structure



Maturity structure

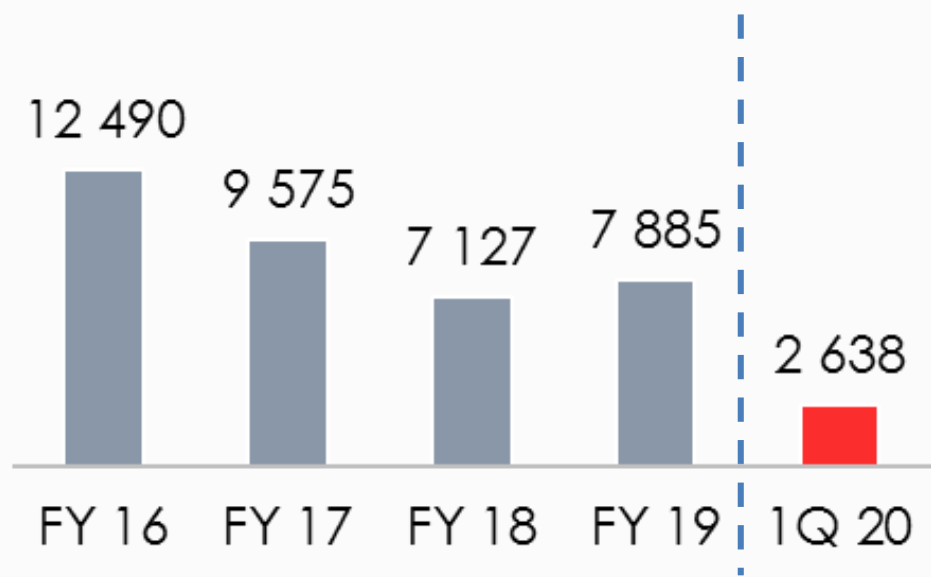


Industry structure

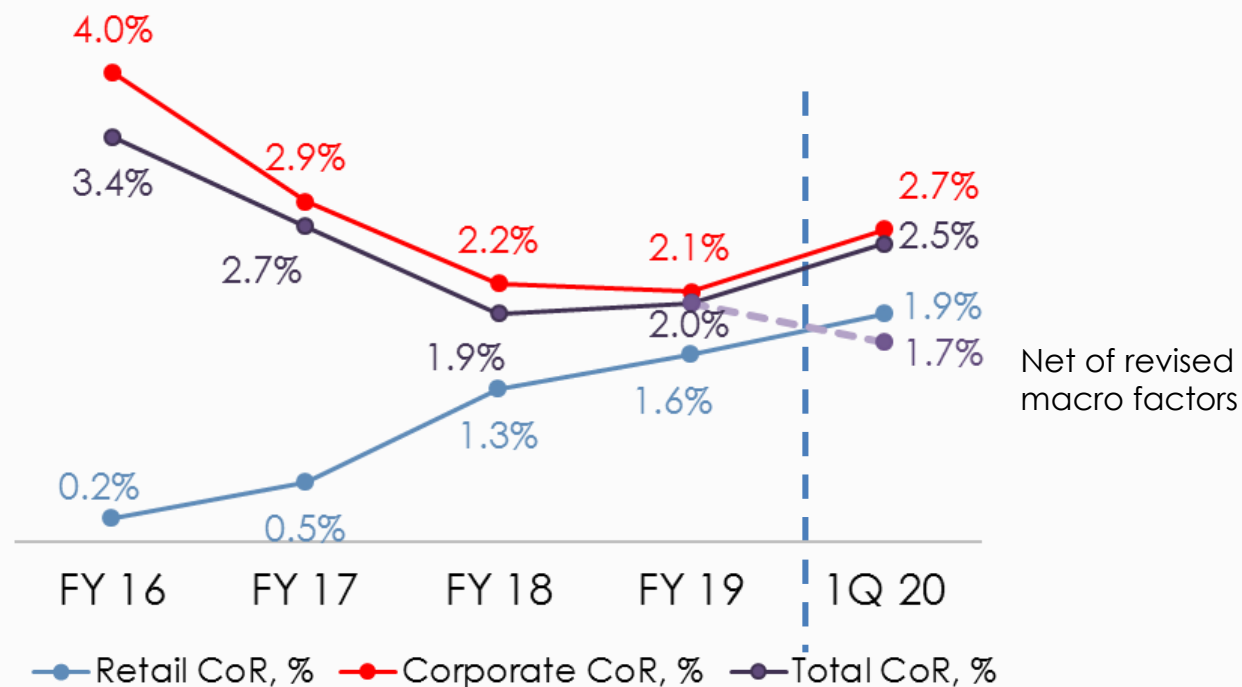


LOAN PORTFOLIO AND QUALITY 3/3

Provisions, RUB mln



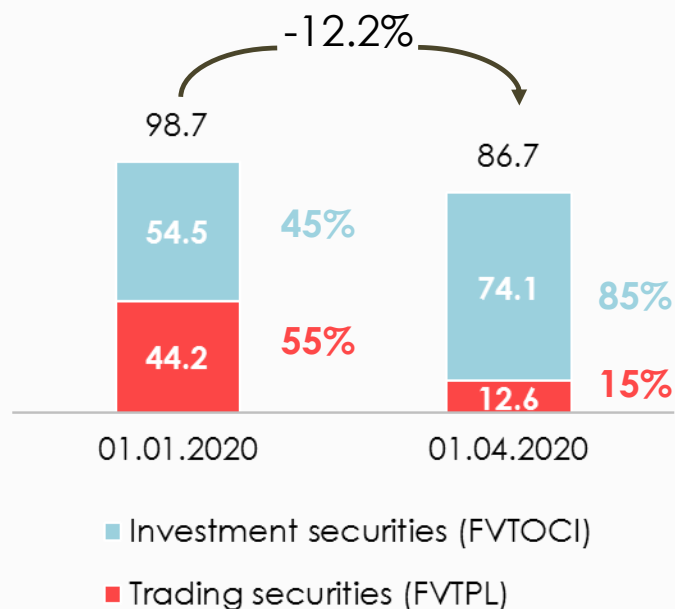
Cost of Risk



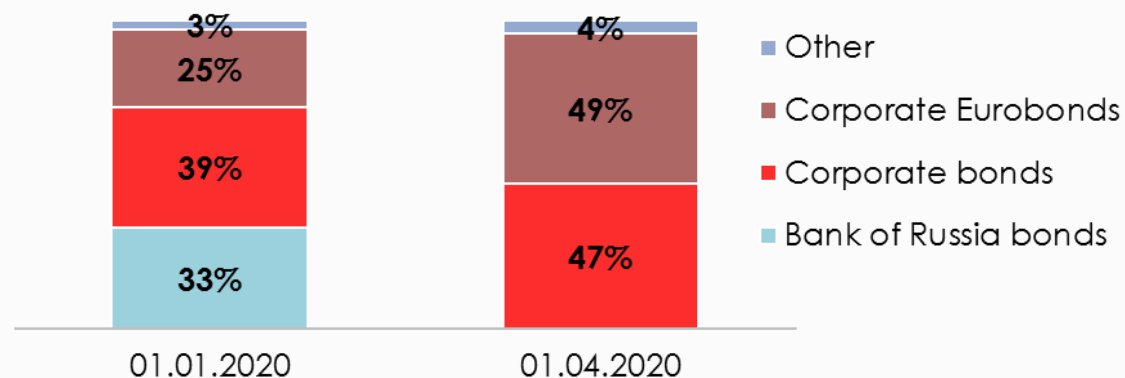
✓ Significant amount of provisions charged in 1Q20 is due to macro factors recalculations (ca. RUB 0.9 bn of extra provisions)

SECURITIES PORTFOLIO

Portfolio structure



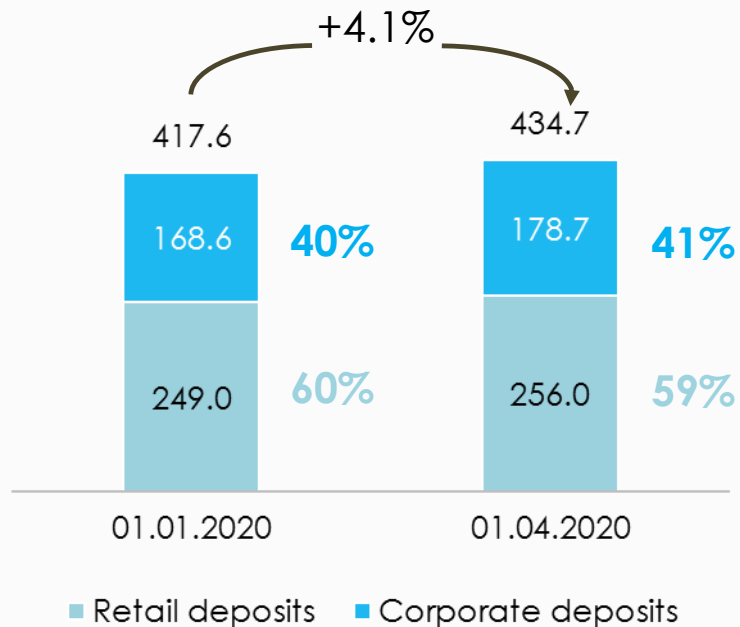
Securities by type



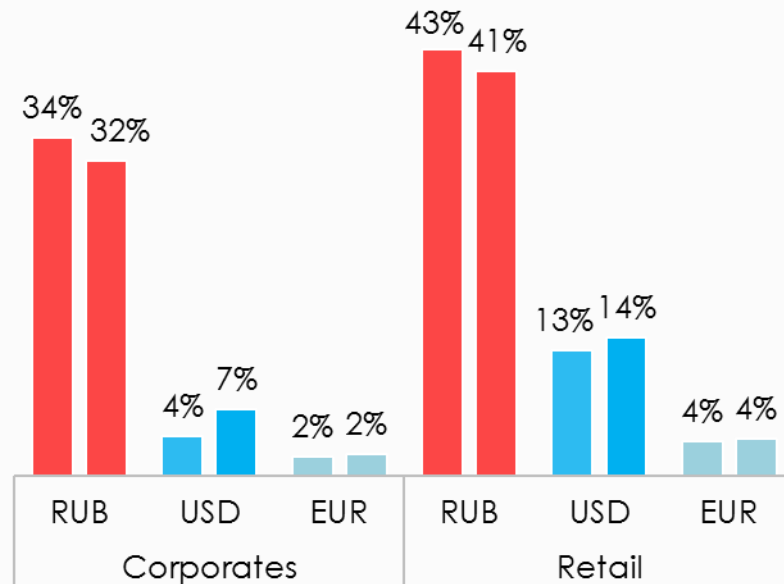
- ✓ Conservative approach to risk: 96% of the debt securities ranked on a par or higher than the Bank
- ✓ Average duration of the bonds portfolio is 1.7 years

CUSTOMER DEPOSITS

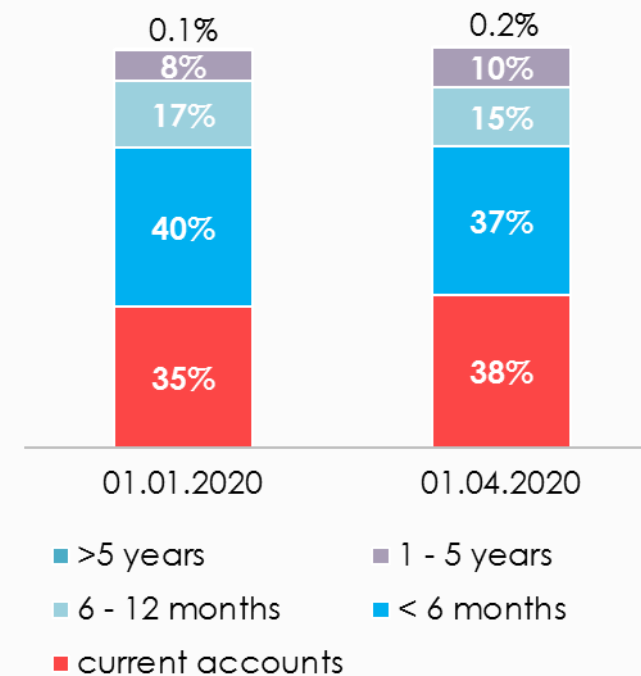
Customer deposits structure



Currency structure 2019 vs 1Q 2020

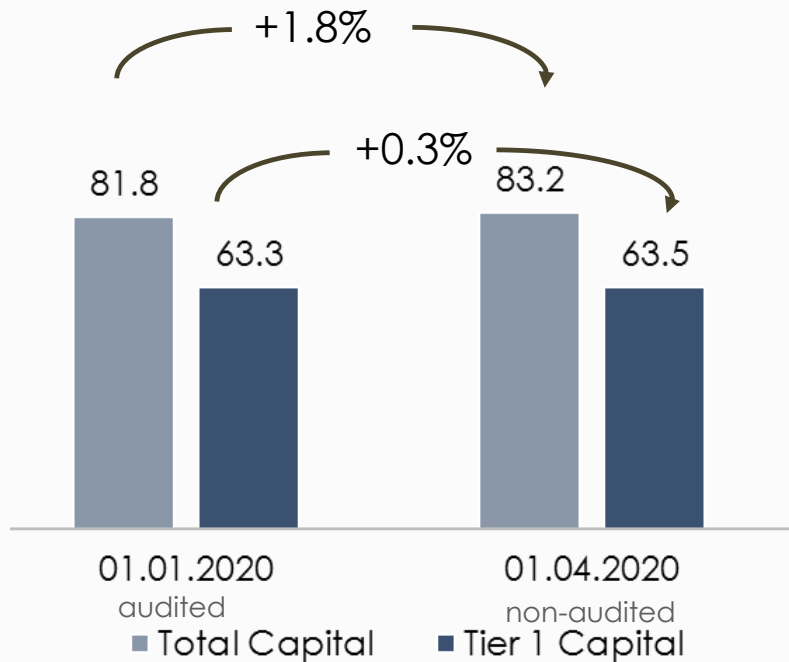


Maturity structure

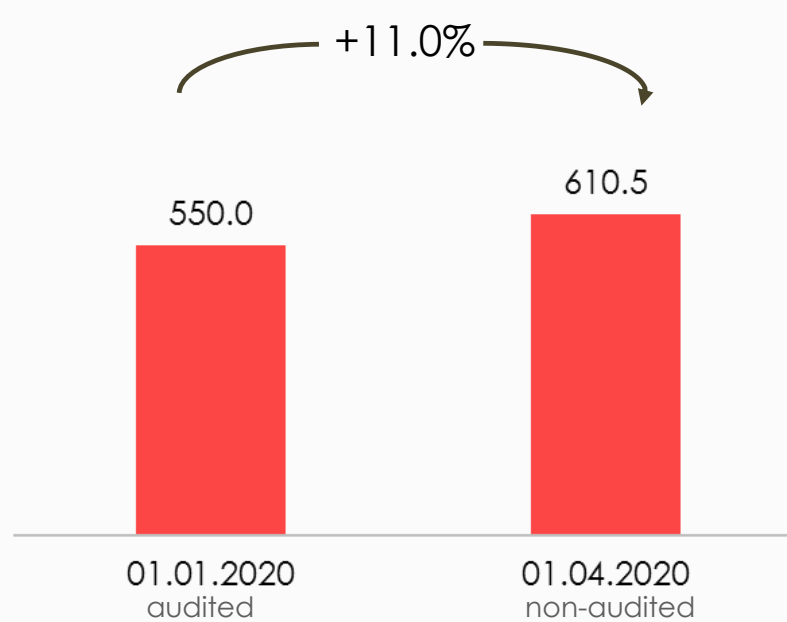


CAPITAL (RAS, BASEL III)

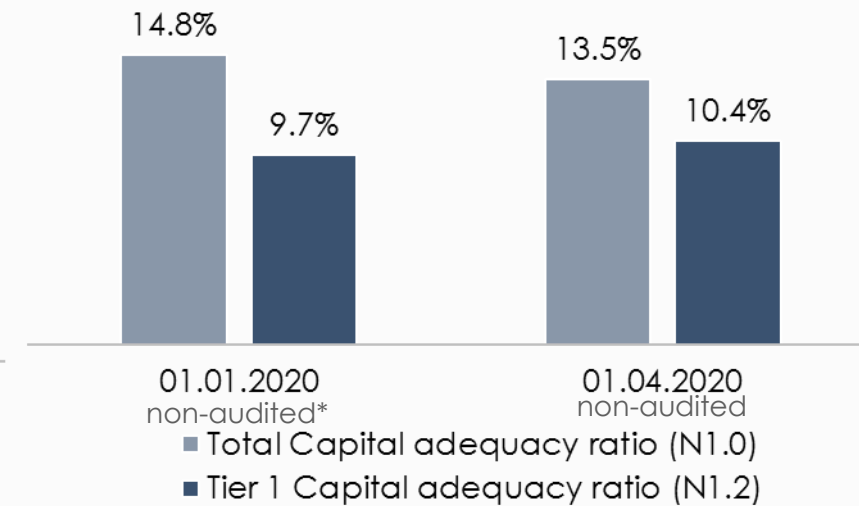
Capital, RUB bn



Risk-Weighted Assets (Tier 1 CAR), RUB bn



Capital Adequacy Ratios



✓ Basel III Core Tier 1 CAR (N1.1) as at May 1, 2020, is 10.5%, which is a comfortable level at the moment

* 01.01.2020 Tier 1 CAR does not include 2019 net profit

UPCOMING CORPORATE AND IR EVENTS

AGM 2020

- ✓ May 27, 2020 – the AGM 2020 in the form of remote voting

IR Events

- ✓ May 28-29, 2020 – EME Financials and Real Estate: First-Hand Accounts, a WOOD Virtual Conference
- ✓ Fall 2020 – Investor Day 2020 in Moscow (TBC)

Information on new candidates to the Supervisory Board



Mr. Yury Levin

Independent candidate

Current positions:

- ✓ Professor, Stephen J.R. Smith Chair of Analytics and Director of Analytics and AI Ecosystem;
- ✓ Director of Scotiabank Centre for Customer Analytics.

Experience: Senior lecturer, Professor and Distinguished Professor in Analytics in Smith School of Business, Queen's University, Founder and Director of Kingston Analytica;



Mr. Sergey Nazarov

EBRD nominee

Current positions:

- ✓ JSC "Rating Agency "Expert RA", Member of the Board of Directors and the Management Board;
- ✓ PJSC "SAFMAR finansoviyе investitsii", Member of the Board of Directors.

Experience: member of BD at St.Petersburg Social Commercial Bank and RosEuroBank, managing director and head of branch at Standard and Poor's