



**ВОЗРОЖДЕНИЕ
БАНК**

БАНК, КОТОРЫЙ ВСЕГДА С ТОБОЙ

Vozrozhdenie Bank

01.11.2018

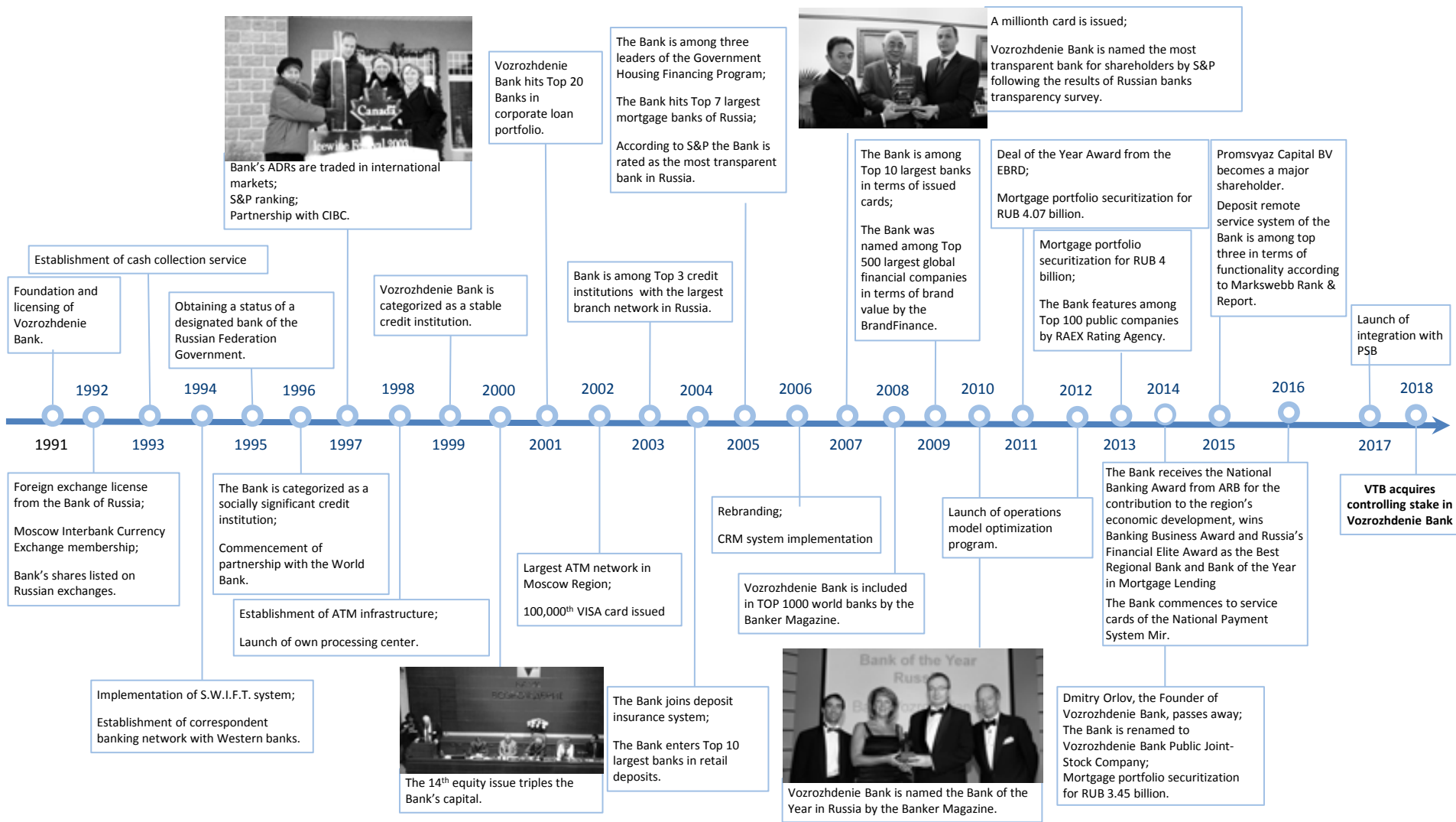


Investor Presentation

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Vozrozhdenie Bank Track Record



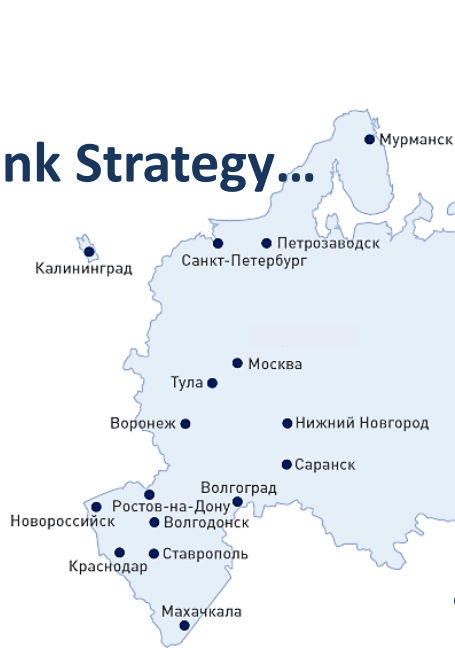
Bank Built on Relationships

Strengths...

- Among TOP 40 Russian banks
- Bank Number 2 in Moscow Region
- Community Банк in Moscow Region, Volgograd, Stavropol, Volgodonsk
- Highly loyal staff and customers

Bank Strategy...

- Full-fledged services to SME and Corporate businesses
- Retail services at all stages of lifecycle
- Strong focus on traditional banking products
- Well-balanced credit and resource policies
- Conservative risk management strategy
- Enhancement of financial services efficiency



...Services...

... 1,256,153 retail customers...
... 43,988 corporate customers...

...in...

... 16 regions
... 116 offices
... more than 1,000 ATMs

Key Information and Standing in the Russian Banking System

<u>Infrastructure and customer base*</u>		<u>Rankings** (place occupied among other banks in Russia)</u>	
Retail customers	1,256,153	Net assets	36
Corporate accounts	43,988	Equity	38
Employees headcount	4,516	Retail deposits	23
Number of offices	116	Retail loans	28
Number of ATMs and payment terminals	1,113	Corporate loans	25

* Active customers (data as of 01.11.2018)

** Source: banki.ru (www.banki.ru) as of 01.10.2018 (under RAS reports)

Current Credit Ratings

Bank's credit ratings as of 01.11.2018:

National scale ratings (aimed at financial results)

ACRA

Credit rating: **A-(RU)**
Outlook: **stable**

RAEX (Expert RA)

Credit rating: **ruA-**
Outlook: **stable**

International scale ratings (image-making ratings for the purposes of international cooperation)

S&P Global Ratings

Issuer's credit rating: **B+/B**
Outlook: positive

Moody's Investors Service

Deposits rating: **Ba2/NP**
Outlook: positive
Counterparty risk rating: **Ba2/NP**

Recognition by Market Participants

Listing

Participation in financial indices

MICEX Broad Market Index
MICEX Second-Tier Index
MICEX Financial Index

Listing

Second quotation level
of MOEX

Brand

World Finance

The Bank received the Best Corporate Governance in Russia Award from the World Finance portal



The Banker

Vozrozhdenie Bank was named the Bank of the Year on Russia by the Banker Magazine



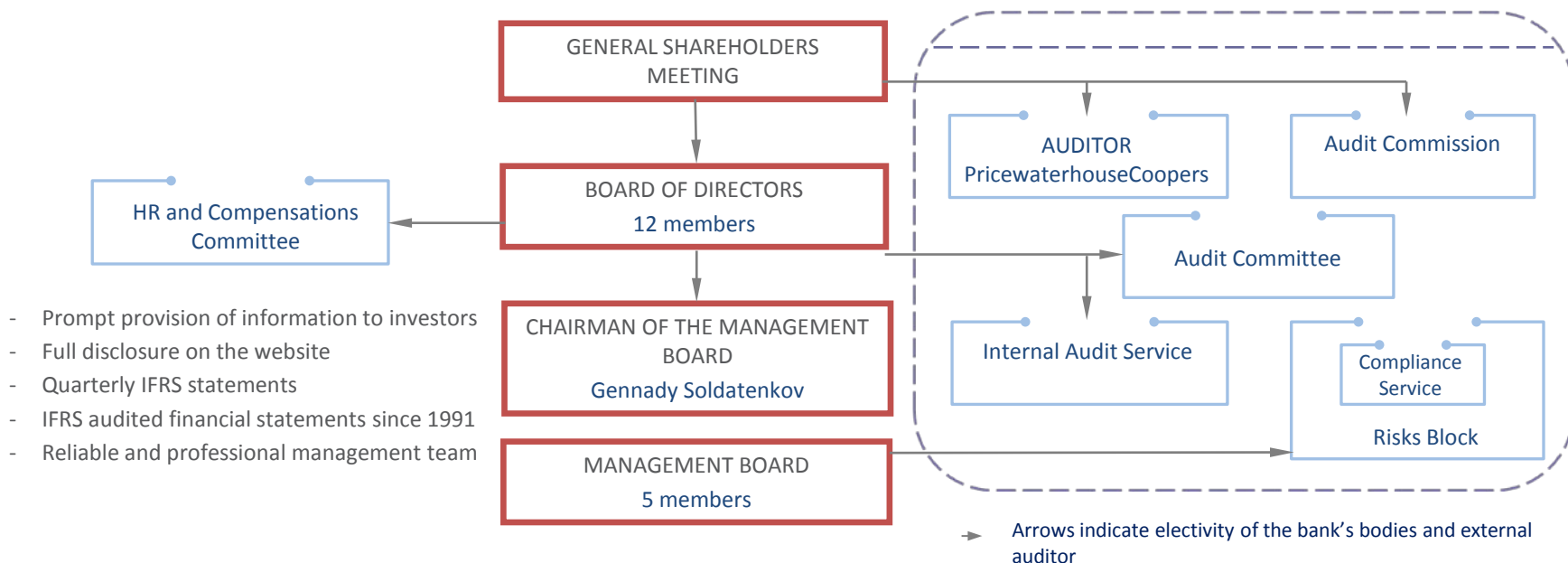
Brand value rating by BrandFinance

The Bank is among Top 10 Russian banks with the highest brand value – the brand was evaluated at USD 190 mn



High Standards of Corporate Governance

MANAGEMENT STRUCTURE



- Prompt provision of information to investors
- Full disclosure on the website
- Quarterly IFRS statements
- IFRS audited financial statements since 1991
- Reliable and professional management team

Recognition of blameless reputation:



V.Bank has the Best Corporate Governance in Russia, 2013



Andrey Shalimov was awarded for the Best IR in 2012



V.Bank was awarded as the Bank of the Year in Russia in 2010

Bank: Vision and Positioning

Vision:

A Stable Community Bank for SME and retail customers with a well-established network of the state-of-the-art offices (Moscow Region, South, North-West, Center) and full spectrum of banking services based on:

- long-term partnership with customers founded on professional attitude and observation of law
- offering of highly demanded banking products
- implementation of cutting-edge process solutions
- high quality standards
- conservative risk policy
- Strong corporate culture and substantial involvement of staff

Positioning:

Bank built on relationships (Community Bank):

- A Bank that works in all three segments;
- All key enterprises of a community/ territory are oriented for the bank's services;
- Among Top 5 banks in the community/ territory;
- Aimed at long-term relations, not just single transaction;
- Involved in/ oriented at solving social issues in the territory (establishment of social programs, participation in the life of community, introduction of loyalty programs with municipality);
- SME and Corporate customers services at all stages of business development using cutting-edge process solutions;
- Retail customers services to satisfy their needs to the maximum extent

6M 2018 IFRS Results

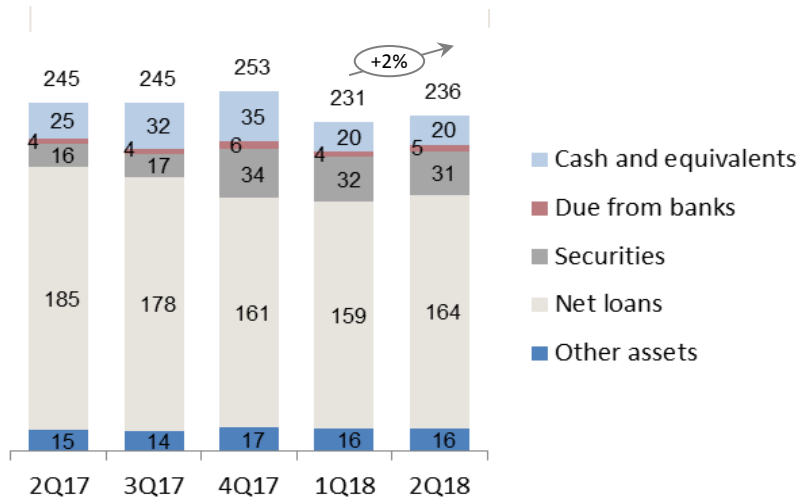
6M 2018 IFRS performance results

Balance Sheet	01.07.2018	01.04.2018	01.07.2018 vs. 01.04.2018	01.01.2018	01.07.2018 vs. 01.01.2018	
Assets, RUB mln.	235 794	231 257	+2%	252 743	-6,7%	
Liquid assets ratio, %	21,4%	22,3%	-0,9 p.p.	27,2%	-5,8 p.p.	
Loan portfolio, RUB mln.	184 380	177 962	+3,6%	176 805	+4,3%	
Retail loan portfolio, RUB mln.	68 167	64 854	+5,1%	65 459	+4,1%	
Corporate loan portfolio, RUB mln.	116 213	113 108	+2,7%	111 346	+4,4%	
Customer funds, RUB mln.	196 561	189 436	+3,8%	206 582	-4,9%	
Retail funds, RUB mln.	157 644	153 401	+2,8%	162 455	-3%	
Corporate funds, RUB mln.	38 917	36 035	+8%	44 127	-11,8%	
Total capital ratio N 1.0 (under CBR), %	12,7%	13,6%	-0,9 p.p.	13,5%	-0,8 p.p.	
Common equity Tier 1 N 1.2 (under CBR), %	9,0%	9,6%	-0,6 p.p.	9,4%	-0,4 p.p.	
P&L	1H18	1H17	1H 2018 vs. 1H 2017	2Q18	1Q18	2Q 2018 vs. 1Q 2018
Net interest income, RUB mln.	5 454	5 525	-1,3%	2 978	2 476	+20,3%
Net fees and commissions, RUB mln.	2 042	2 282	-10,5%	1 090	952	+14,5%
Operating income before provisions, RUB mln.	7 736	7 924	-2,4%	3 989	3 747	+6,5%
Operating expenses, RUB mln.	(3 979)	(3 875)	+2,7%	(2 012)	(1 967)	+2,3%
One-off contribution to SDIA, RUB mln.	(1 186)	-		(1 186)	-	
Credit loss allowance, RUB mln.	(1 087)	(2 214)	-51%	(572)	(515)	+11,1%
Net profit, RUB mln.	762	1 096	-30,5%	122	640	-81%
Cost of risk ratio, %	1,2%	2,3%	-1,1 p.p.	1,3%	1,2%	+0,1 p.p.
NIM, %	4,6%	4,7%	-0,1 p.p.	5,1%	4,1%	+1,0 p.p.
ROE, %	6,1%	9,0%	- 2,9 p.p.	2,0%	9,9%	- 7,9 p.p.
CTI, %	51,4%	48,9%	+2,5 p.p.	50,4%	52,5%	-2,1 p.p.

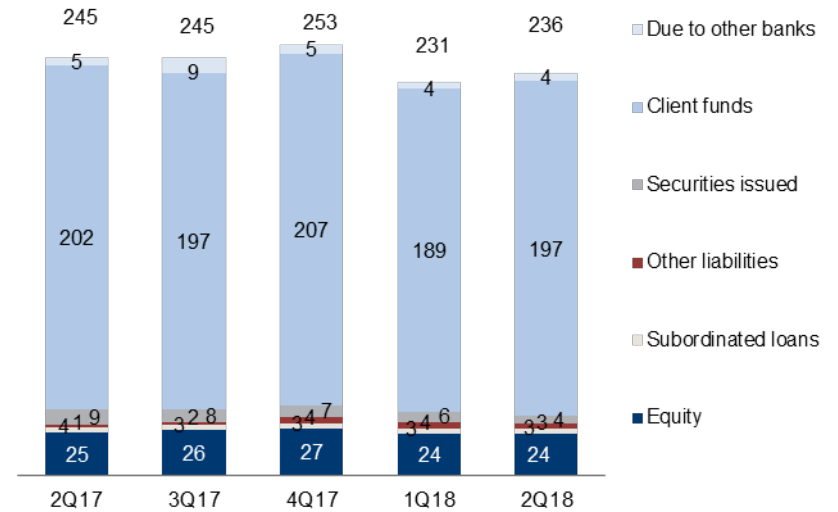
Balance sheet

RUB bln

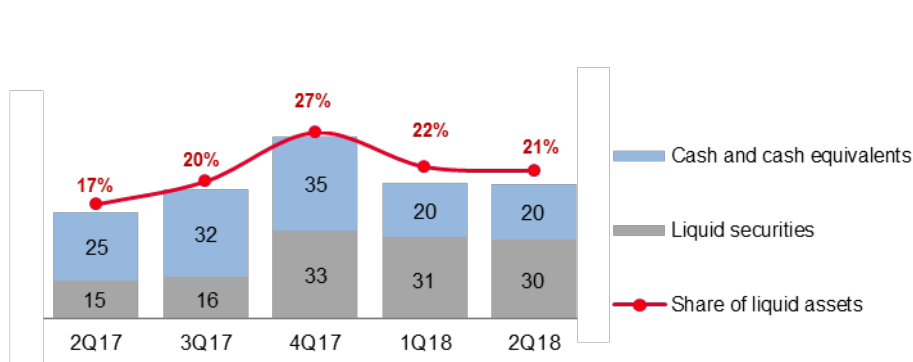
Assets structure



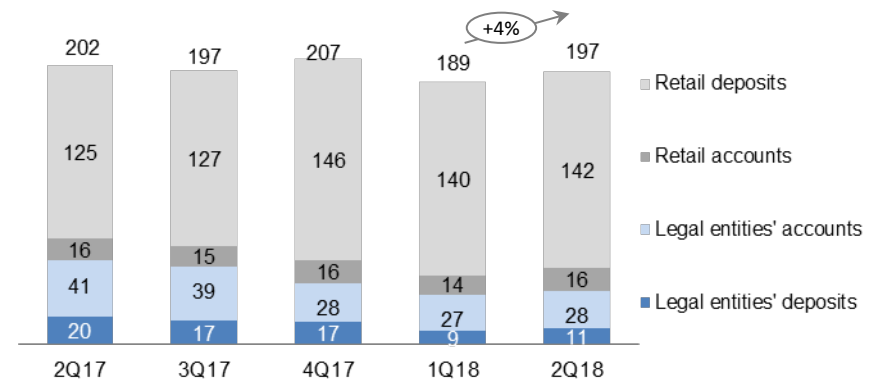
Liabilities structure



Liquid assets



Customer funds structure

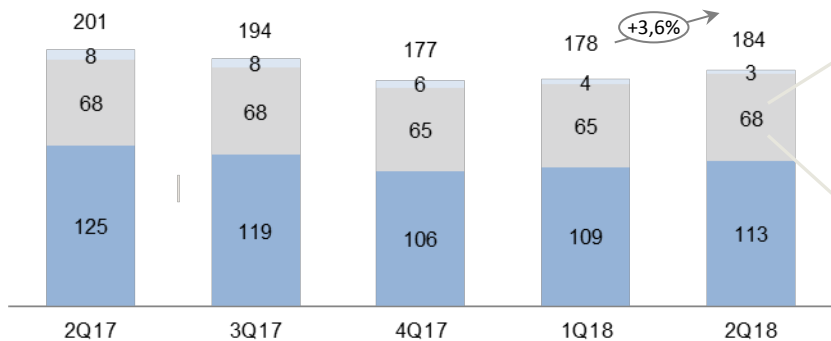


Loan portfolio

RUB bln

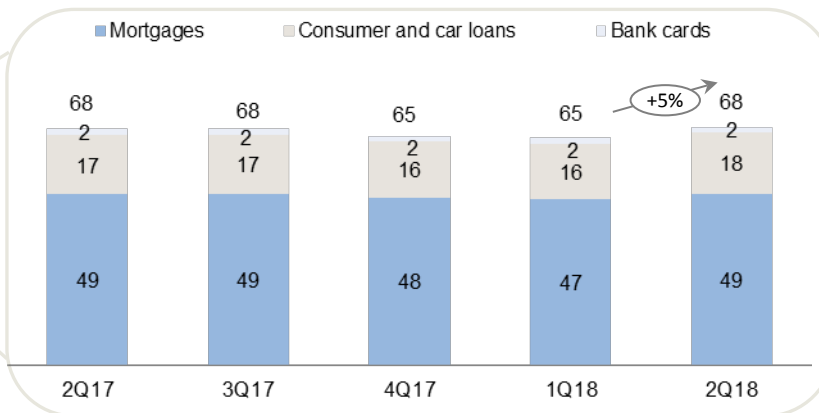
Loan portfolio

Loans to corporate & SME customers
Loans to municipal administrations
Retail loans

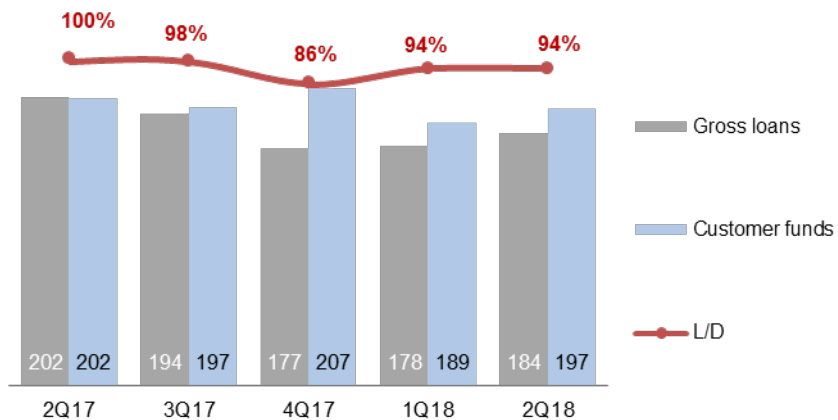


Retail lending

Mortgages
Consumer and car loans
Bank cards



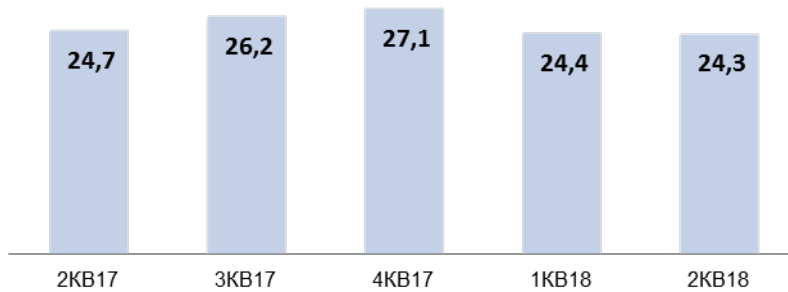
Loans-to-Deposits ratio



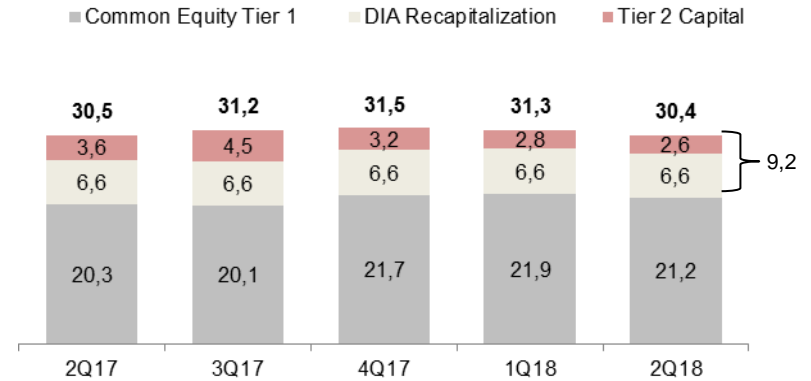
Capital position

RUB bln

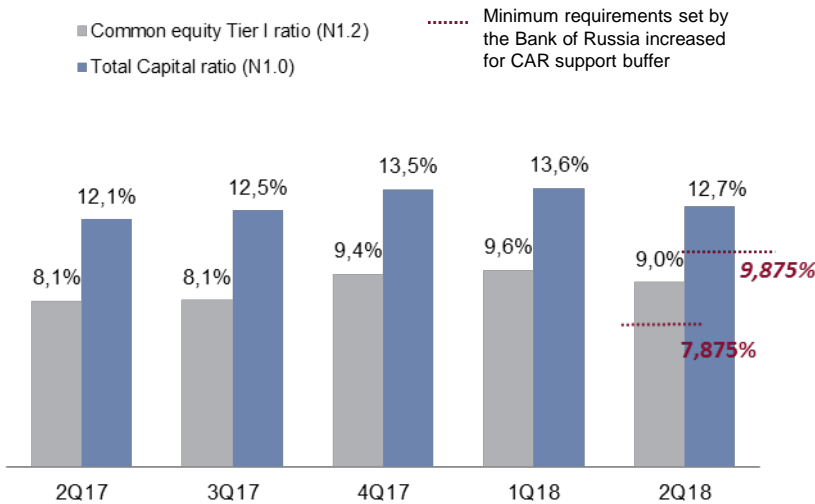
IFRS capital



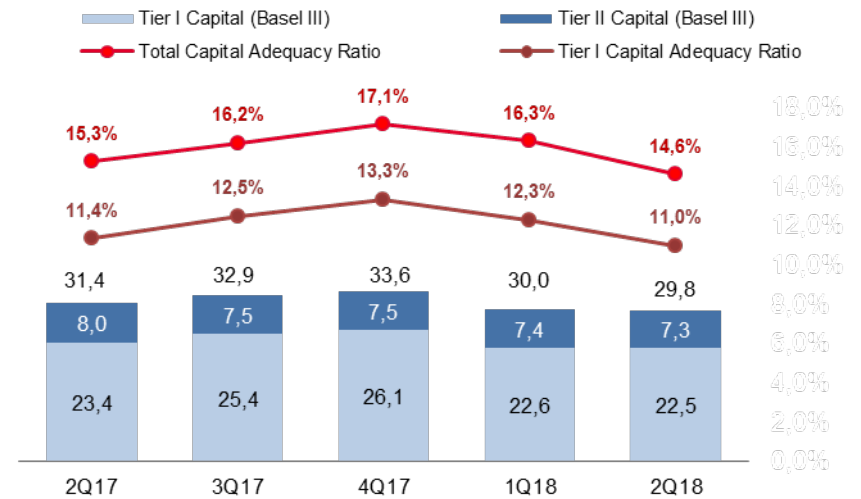
Regulatory capital under the Bank of Russia requirements



Capital adequacy under the Bank of Russia requirements



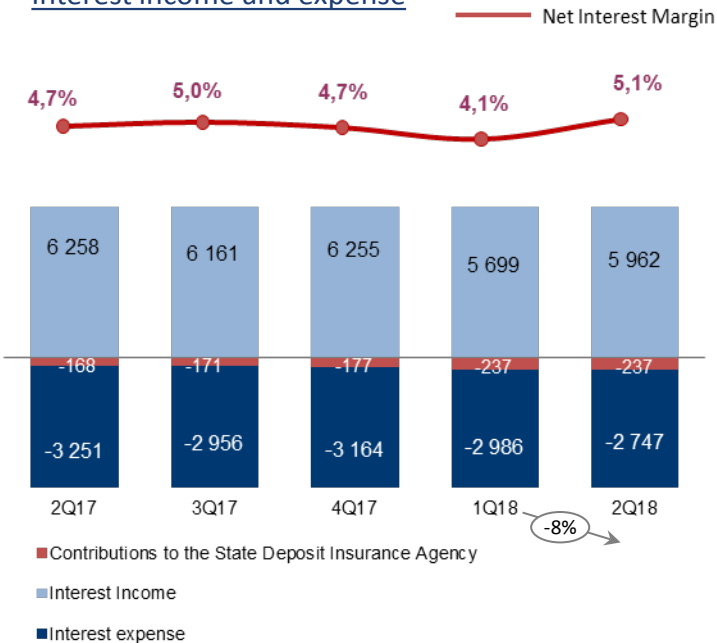
Basel III capital



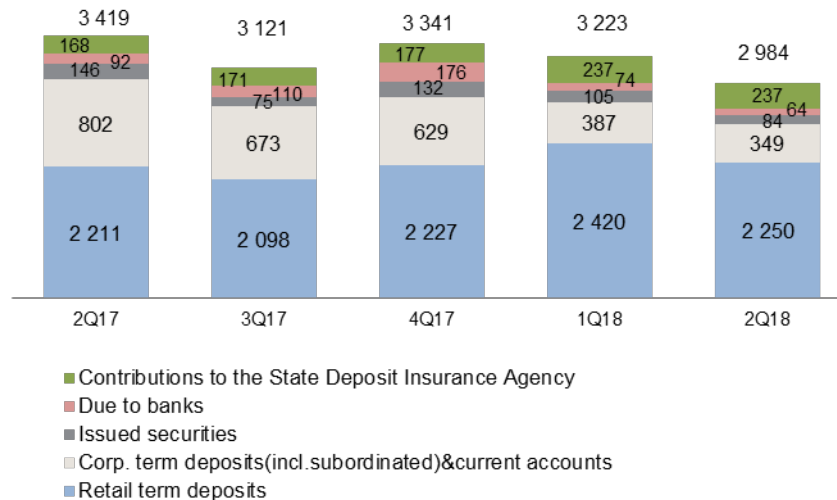
Income & expense

RUB mln

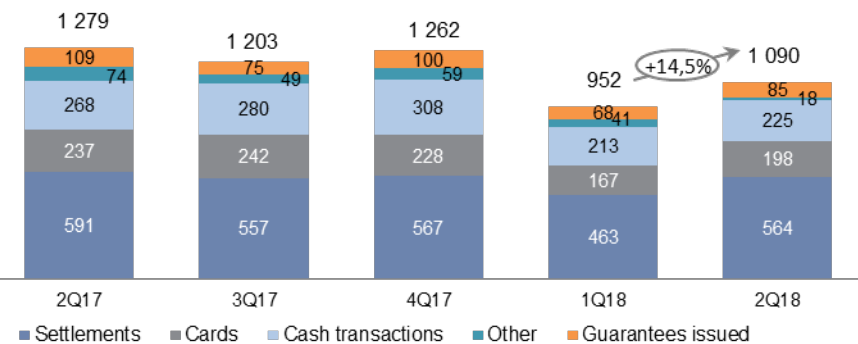
Interest income and expense



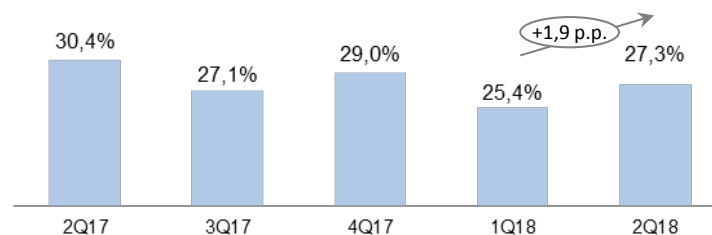
Interest expense



Net fees & commissions



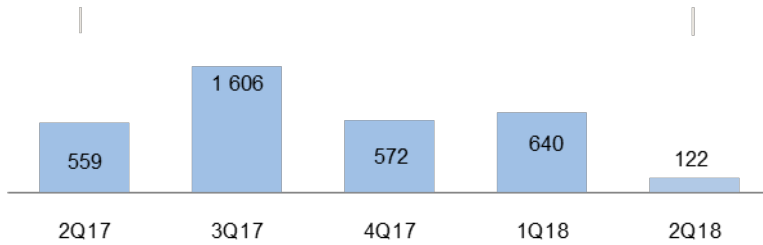
Share of fees & commissions in the operating income



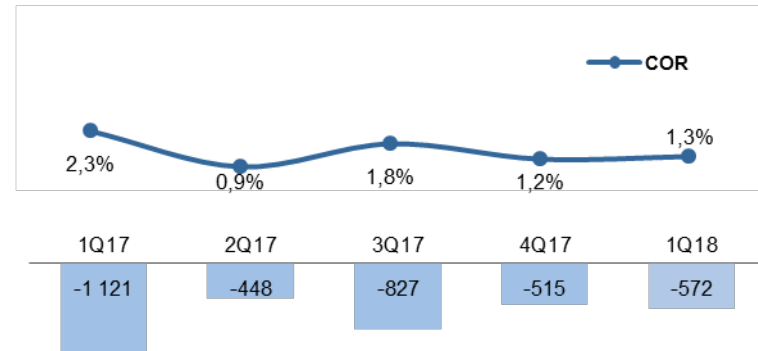
Operating expenses

RUB mln.

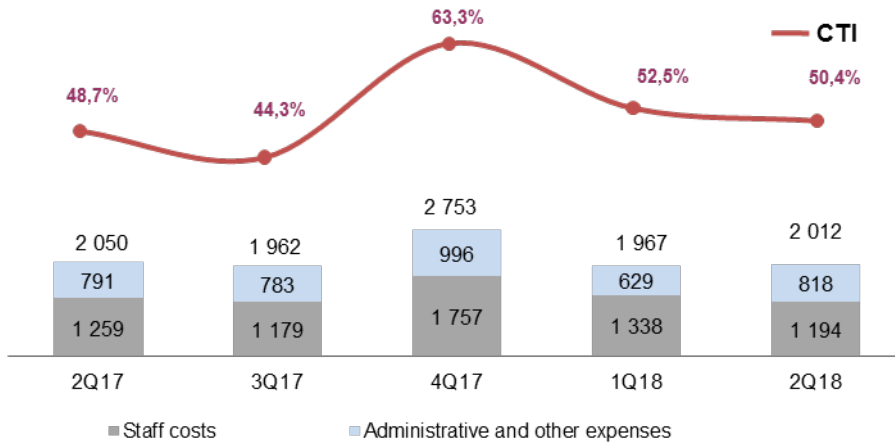
Net profit



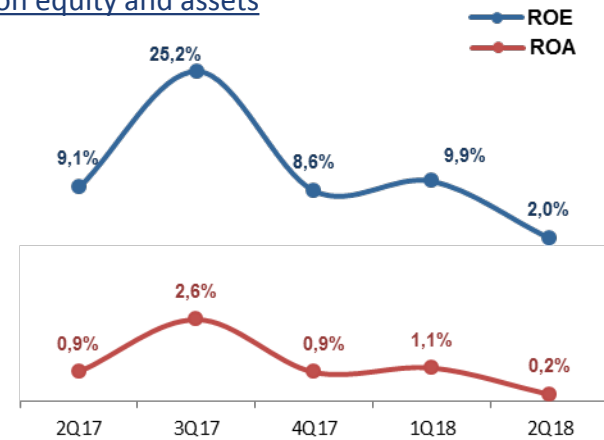
Credit Loss Allowance



Operating expenses structure



Return on equity and assets



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The Bank cautions you that these statements are not guarantees of future performance and involve risks, uncertainties and other important factors that we cannot predict with certainty. Accordingly, our actual outcomes and results may differ materially from what we have expressed or forecasted in the forward-looking statements. These forward-looking statements speak only as at the date of this presentation and are subject to change without notice. We do not intend to update these statements to make them conform with actual results.

The Bank is not responsible for statements and forward-looking statements including the following information:

- assessment of the Bank's future operating and financial results as well as forecasts of the present value of future cash flows and related factors;
- economic outlook and industry trends;
- the Bank's anticipated capital expenditures and plans relating to expansion of the Bank's network and development of the new services;
- the Bank's expectations as to its position on the financial market and plans on development of the market segments within which the Bank operates;
- the Bank's expectations as to regulatory changes and assessment of impact of regulatory initiatives on the Bank's activity.

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- risks relating to changes in political, economic and social conditions in Russia as well as changes in global economic conditions;
- risks related to Russian legislation, regulation and taxation;
- risks relating to the Bank's activity, including the achievement of the anticipated results, levels of profitability and growth, ability to create and meet demand for the Bank's services including their promotion, and the ability of the Bank to remain competitive.

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