



FINANCIAL RESULTS

9M 2020

DMITRY PIANOV

Member of the Management Board

LEONID VAKEYEV

Head of Investor Relations

9 November 2020

P&L: 9M'20 KEY PERFORMANCE HIGHLIGHTS

RUB BN

▲▼ - YoY

NET
PROFIT

59.1

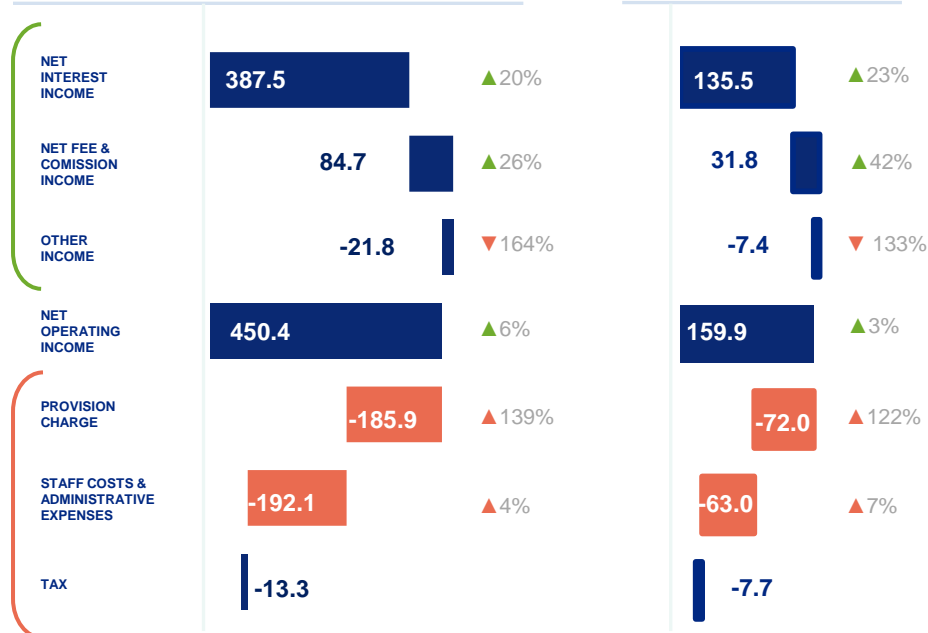
▼54%

9M'20

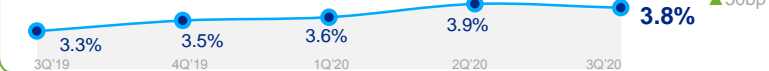
17.2

▼66%

3Q'20



NIM



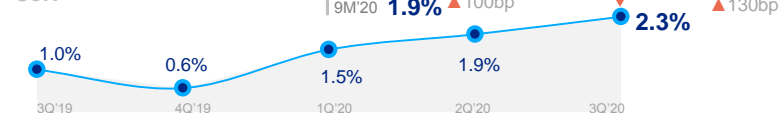
NCI



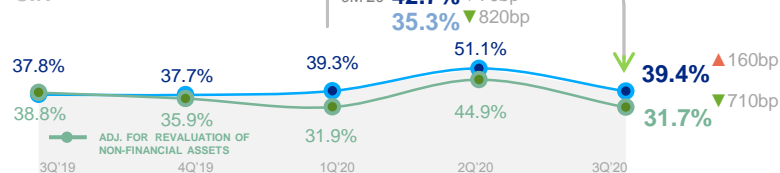
OTHER INCOME



CoR

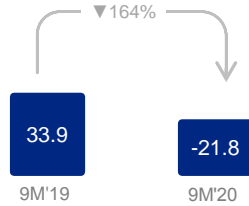


CIR



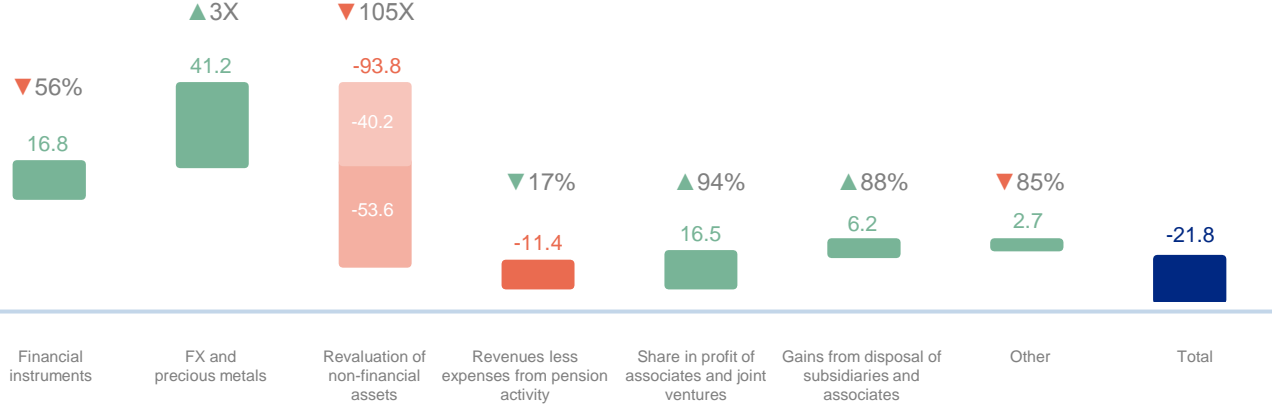
BREAKDOWN OF OTHER INCOME

9M'20

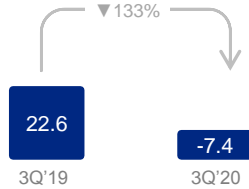


RUB 30.6 BN - REVALUATION OF STRUCTURAL OCP

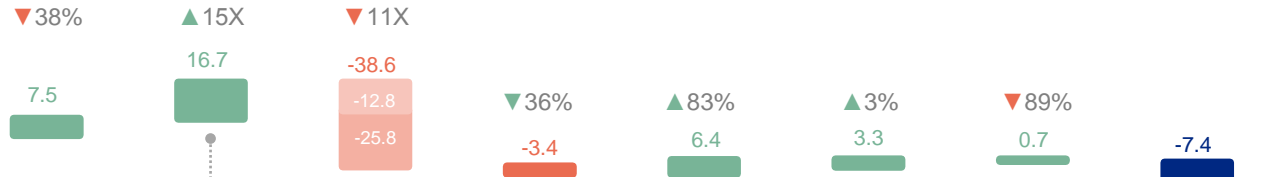
DCF VALUATION
COMPARABLE VALUATION



3Q'20



RUB 10.1 BN - REVALUATION OF STRUCTURAL OCP

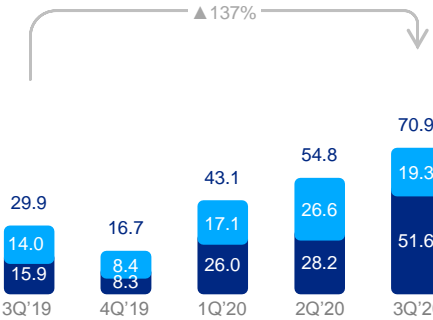
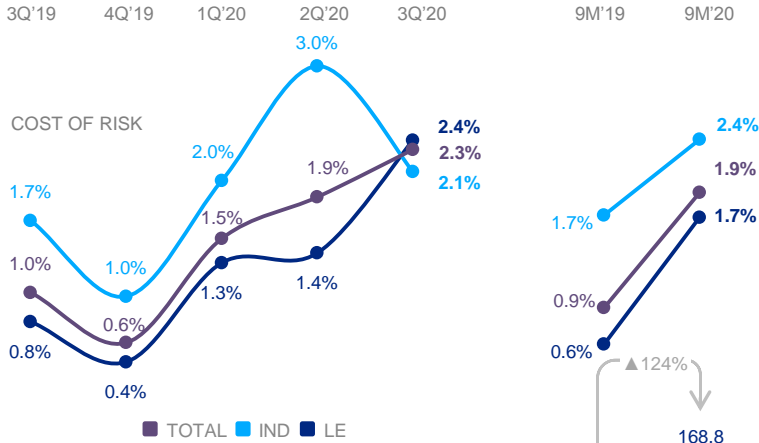


ASSET QUALITY ANALYSIS

RUB BN

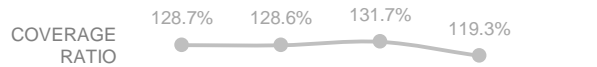
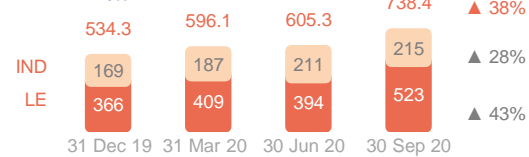
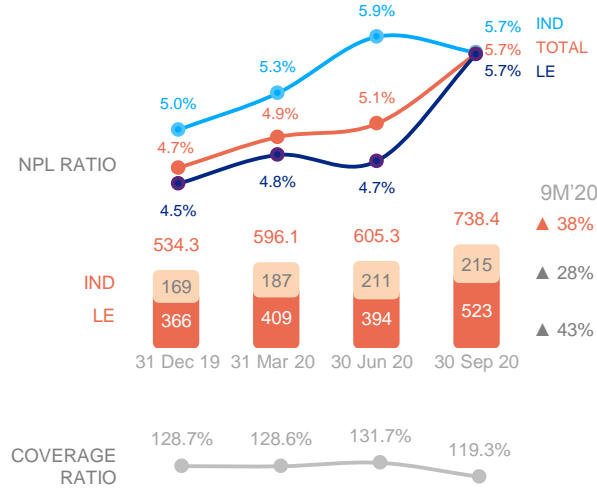
▲▼ - YoY

PROVISION CHARGE FOR LOAN IMPAIRMENT

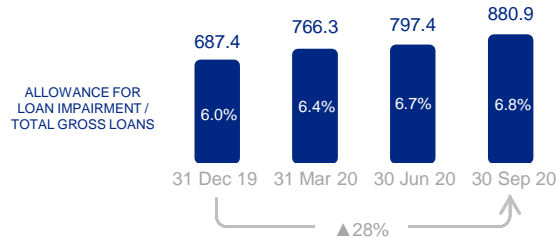


9M'20 Results | 09 November 2020

NPL (90+)



ALLOWANCE FOR LOAN IMPAIRMENT



RESTRUCTURED LOANS

FROM 1 APR'20 TILL 6 NOV'20

15% OF TOTAL LOANS

➡ LARGE CORPORATE BUSINESS
RUB 1.26 TRLN

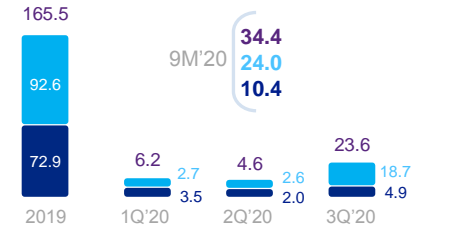
➡ MEDIUM AND SMALL BUSINESS
RUB 326 BN

17% OF LOANS TO LE

➡ RETAIL BUSINESS
RUB 335 BN

9% OF LOANS TO INDIVIDUALS

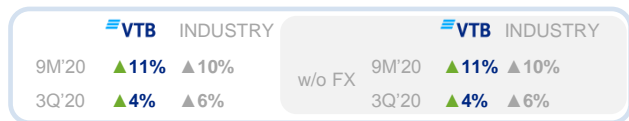
WRITE-OFFs



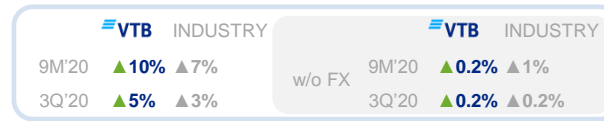
BUSINESS GROWTH DYNAMICS

RUB BN

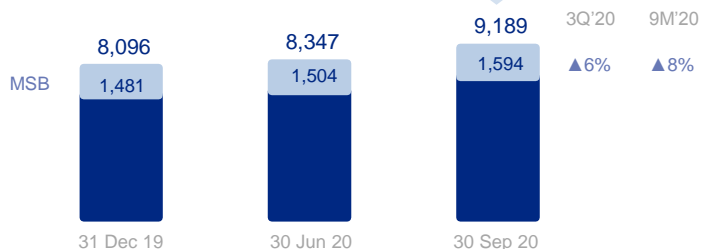
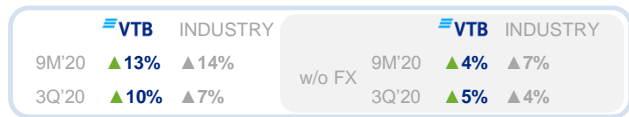
LOANS TO INDIVIDUALS



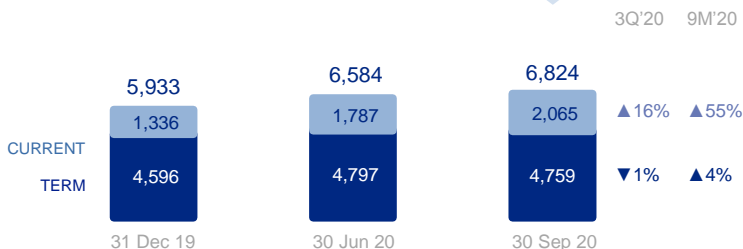
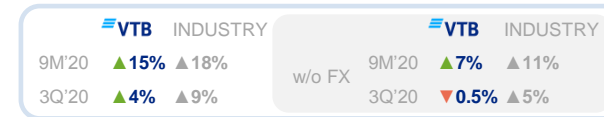
DEPOSITS OF INDIVIDUALS



LOANS TO LEGAL ENTITIES

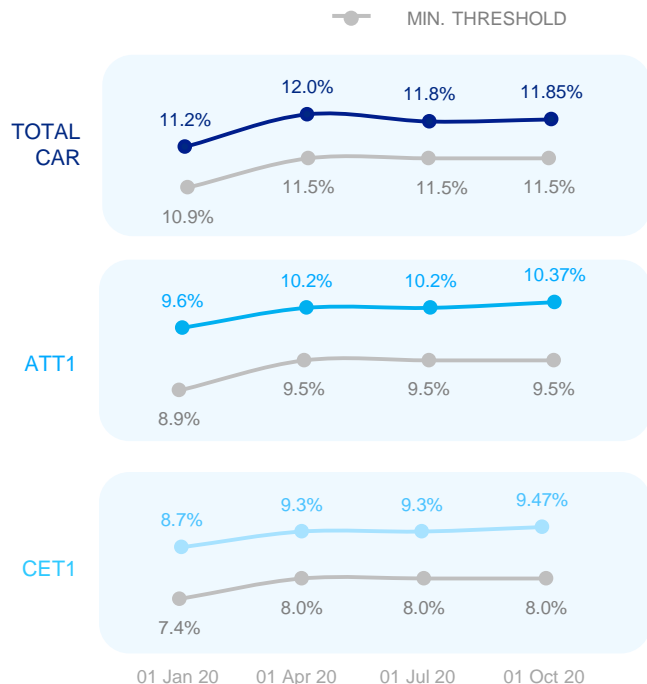


DEPOSITS OF LEGAL ENTITIES



REGULATORY CAPITAL

CAPITAL ADEQUACY



BASED ON RUSSIAN REGULATORY REQUIREMENTS WITH TOTAL CAR REPRESENTED BY N20.0, TIER I – N20.2, COMMON EQUITY – N20.1.

REGULATORY CHANGES

REDUCTION OF MORTGAGE RISK WEIGHTS ADJUSTED FOR PTI
Effective

REDUCTION OF MACROPRUDENTIAL BUFFERS ON CONSUMER LOANS
Effective

ADJUSTMENT OF METHODOLOGY OF ADDING INCOME FROM RECOGNISED DEFERRED TAX ASSET INTO CAPITAL CALCULATOR
Effective

INTRODUCTION OF ADVANCED APPROACH TO OPERATIONAL RISK MEASUREMENT
Expected effective date: 2021

ISSUE OF SUBORDINATED BONDS

PLACEMENT PERIOD: prolonged (from 14 Oct 20 till 04 Dec 20)

MATURITY: 10.5 years with 5.5-year call option

SERIES

SUB-T2-1 (fixed coupon)

Coupon: 7.6%

SUB-T2-2 (floating coupon)

Coupon: Bank of Russia key rate + 2.2%

RUB 35.4 BN OUTSTANDING

RUB 10.2 BN OUTSTANDING

(PROCEEDS FROM THE ISSUE WILL BE ALLOCATED TO THE TIER 2 CAPITAL (SUPPLEMENTARY CAPITAL))

RUB BN

EFFECT ON TOTAL CAR



30 BP

19 BP

-20 BP

10 BP

EFFECT ON TOTAL CAR



30 BP from every RUB 50 bn

2020 GUIDANCE

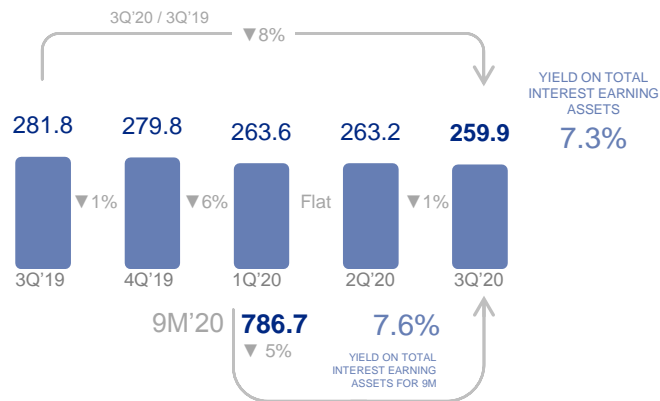
| | PREVIOUS GUIDANCE (FEBRUARY 2020) | INDUSTRY GROWTH | PREVIOUS GUIDANCE (AUGUST 2020) | INDUSTRY GROWTH | NEW GUIDANCE | INDUSTRY GROWTH | |
|--------------------------------|--------------------------------------|--------------------|------------------------------------|--------------------|---|-------------------------|-------------------------|
| LOANS TO LEGAL ENTITIES | GROWTH IN-LINE WITH INDUSTRY | +8% | GROWTH IN-LINE WITH INDUSTRY | +4% | UPGRADED GROWTH ABOVE INDUSTRY | +10% | |
| LOANS TO INDIVIDUALS | GROWTH ABOVE INDUSTRY | +12% | GROWTH ABOVE INDUSTRY | +6% | CONFIRMED GROWTH ABOVE INDUSTRY | +10% | |
| NIM | ≈ 3.4% | | UPGRADED ≈ 3.5% | | UPGRADED ≈ 3.7% | | |
| COR | < 1% | | UNDER REVIEW UPDATED | LE IND | SUBJECT TO CHANGE IN 3Q'20 2.5% | UPDATED ≈ 1.9% | LE ≈ 1.6% IND ≈ 2.3% |
| CIR | ≈ 40% | | CONFIRMED ≈ 40% | | DEPENDING ON THE REVALUATION OF INVESTMENT ASSETS | CONFIRMED ≈ 40% | |
| NET PROFIT | RUB 220-230 bn | | UNDER REVIEW | | SUBJECT TO CHANGE IN 3Q'20 | UPDATED RUB 70-75 bn | |

FINANCIAL APPENDIX

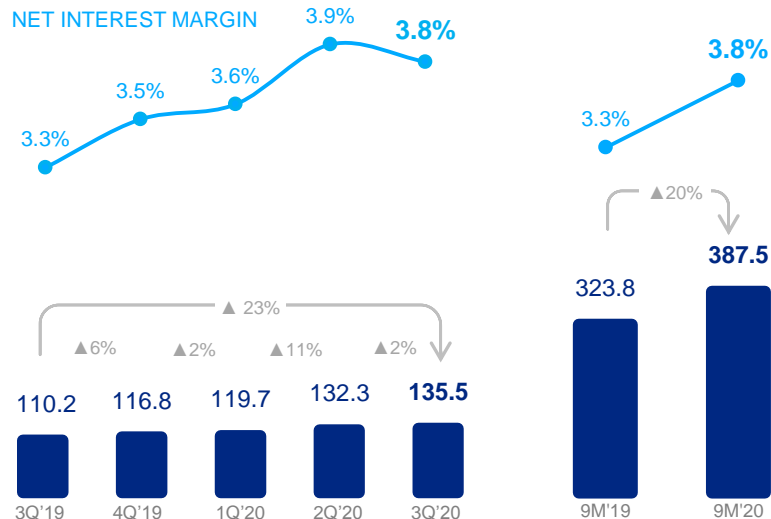
INTEREST INCOME AND EXPENSE

RUB BN

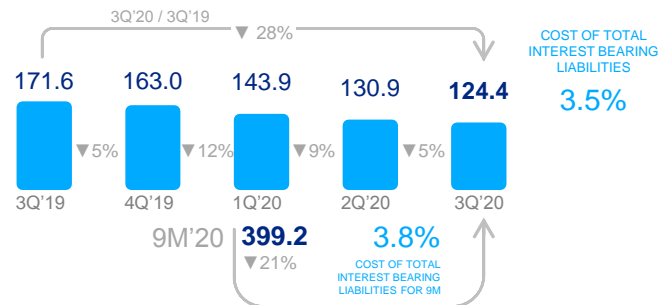
INTEREST INCOME



NET INTEREST INCOME



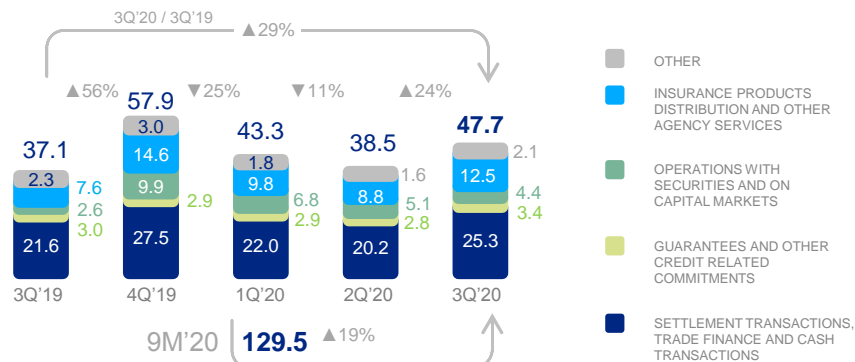
INTEREST EXPENSE



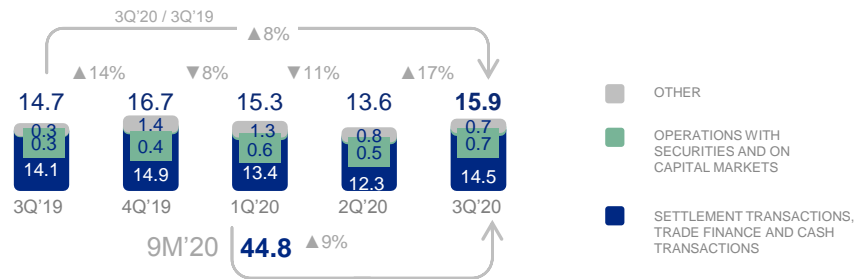
FEES AND COMMISSIONS

RUB BN

FEE AND COMMISSION INCOME

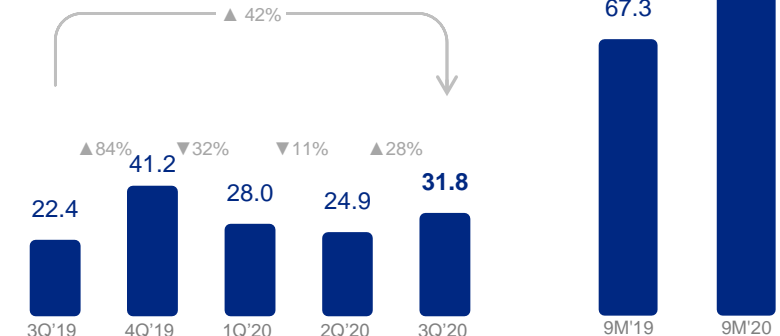
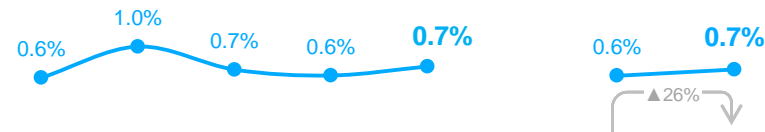


FEE AND COMMISSION EXPENSE



NET FEE AND COMMISSION INCOME

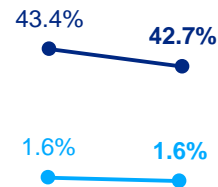
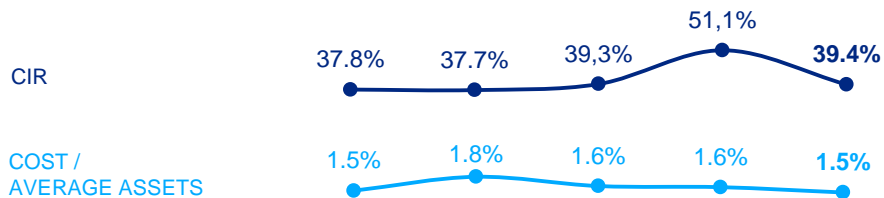
NET COMMISSION MARGIN



STAFF AND ADMINISTRATIVE COSTS

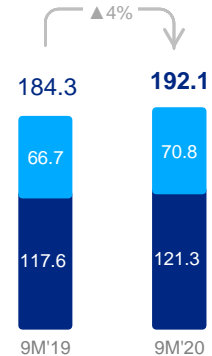
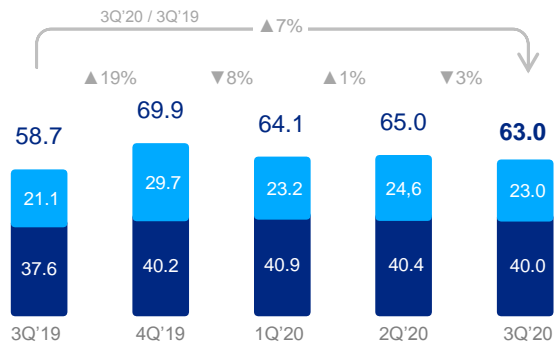
RUB BN

▲▼ - YoY



■ ADMINISTRATIVE EXPENSES

■ STAFF COSTS (INCLUDING PENSIONS)

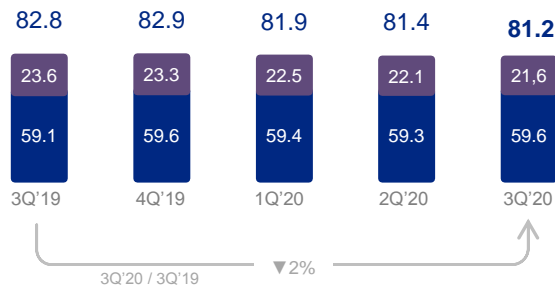


AVERAGE NUMBER OF EMPLOYEES

THSD EMPLOYEES

SUBSIDIARIES

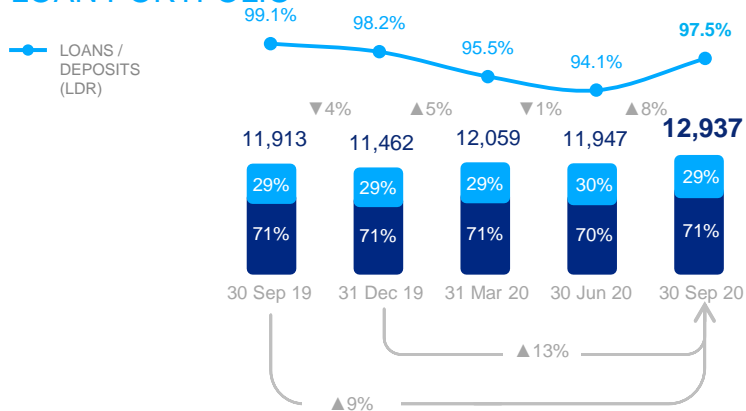
VTB BANK



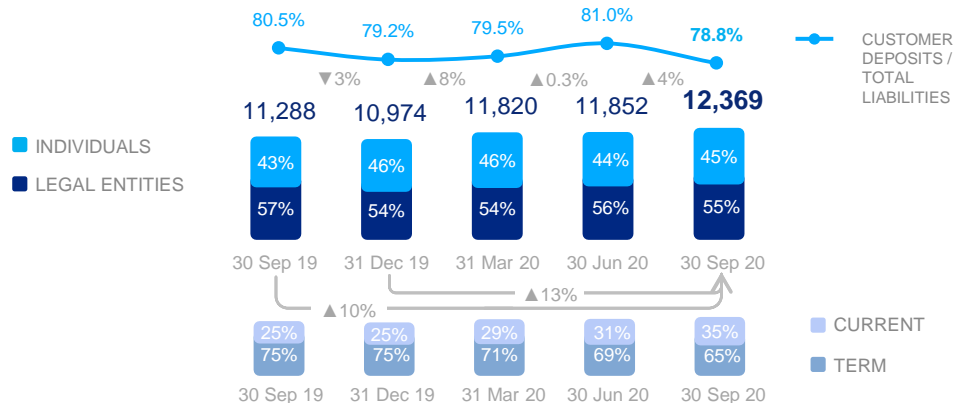
LOAN PORTFOLIO AND CUSTOMER DEPOSITS

RUB BN

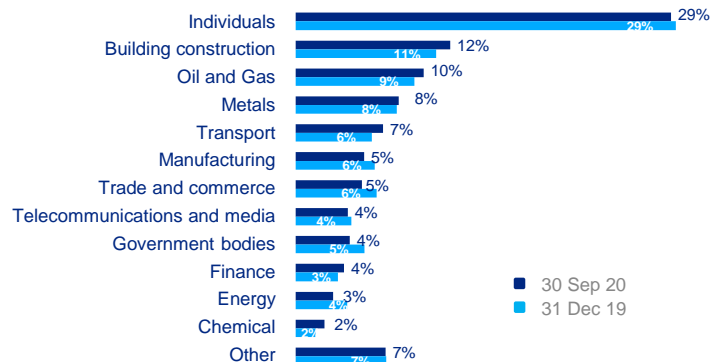
LOAN PORTFOLIO



CUSTOMER DEPOSITS

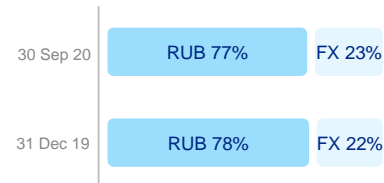


LOANS BY INDUSTRY

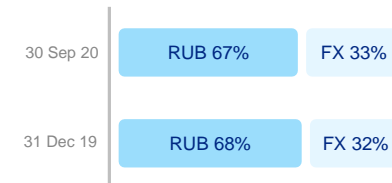


LOANS AND DEPOSITS BY CURRENCY

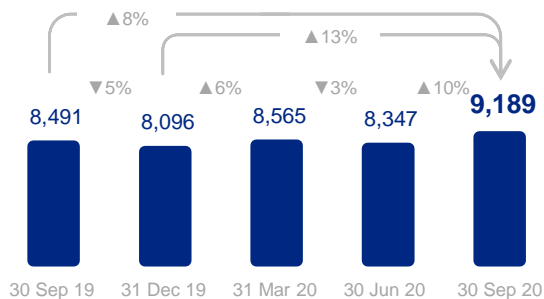
NET LOANS AND ADVANCES TO CUSTOMERS



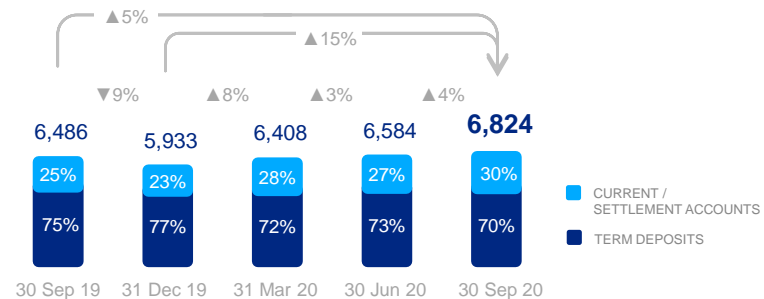
CUSTOMER DEPOSITS



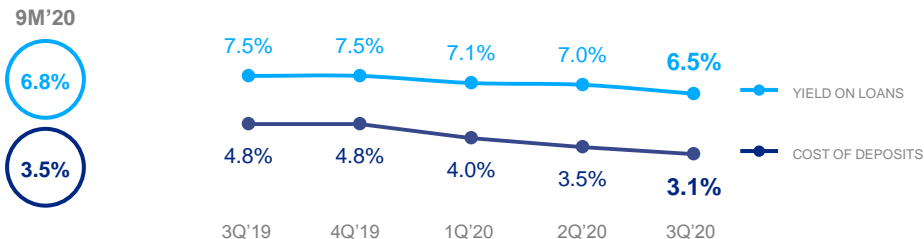
LOAN PORTFOLIO



CUSTOMER DEPOSITS



YIELD ON LOANS AND COST OF DEPOSITS



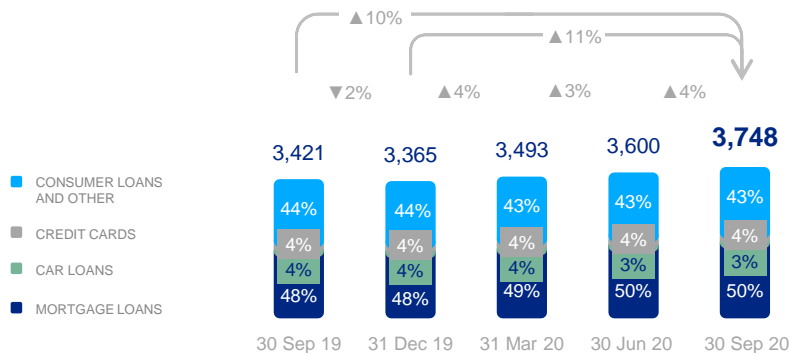
MARKET SHARES (1)

DATA AS OF 30 SEP 20

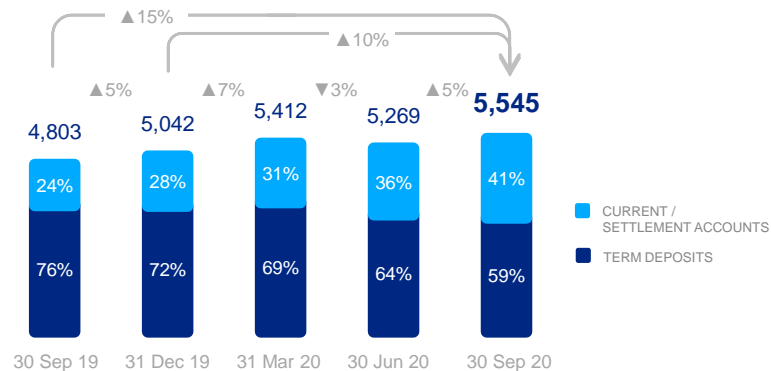


(1) The market shares are calculated using VTB's methodology with data from the Bank of Russia based on RAS statements.

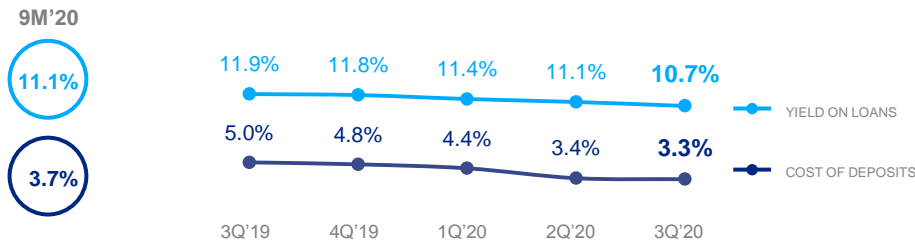
LOAN PORTFOLIO



CUSTOMER DEPOSITS



YIELD ON LOANS AND COST OF DEPOSITS



MARKET SHARES (1)

DATA AS OF 30 SEP 20



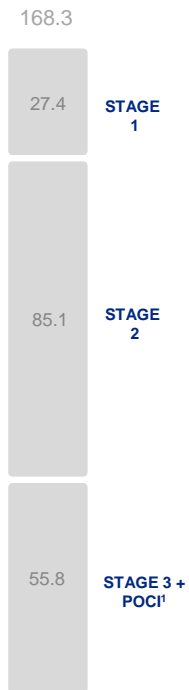
(1) The market shares are calculated using VTB's methodology with data from the Bank of Russia based on RAS statements.

ASSET QUALITY UNDER IFRS 9

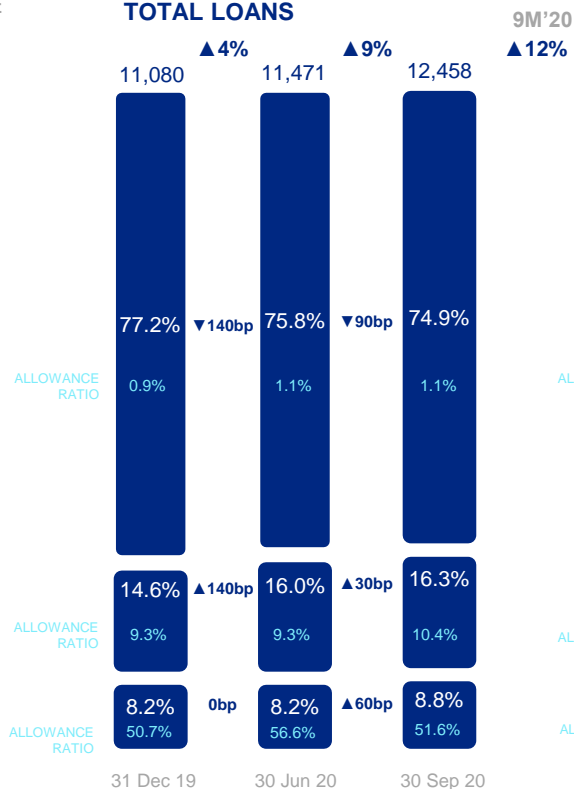
RUB BN

LOANS AT AMORTISED COST BY ECL STAGES

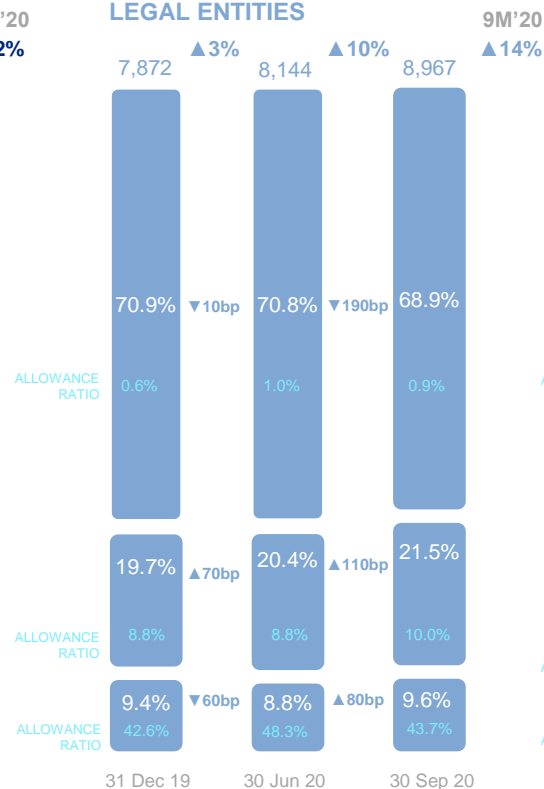
PROVISION CHARGE



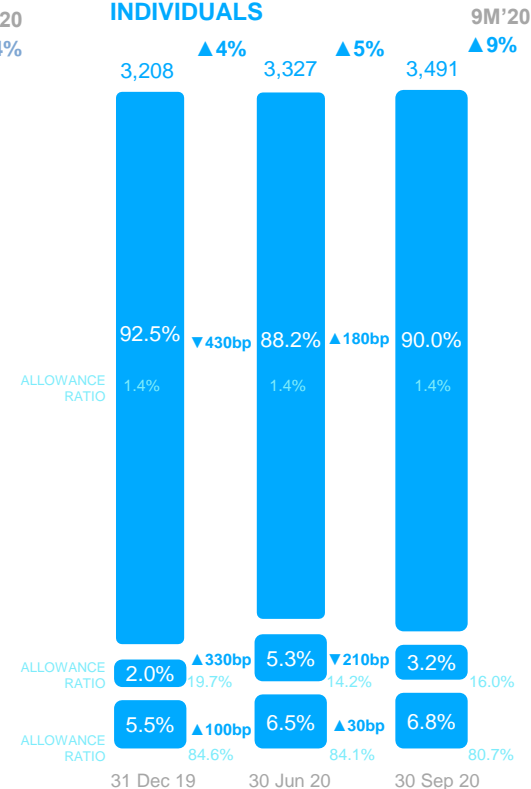
TOTAL LOANS



LEGAL ENTITIES



INDIVIDUALS

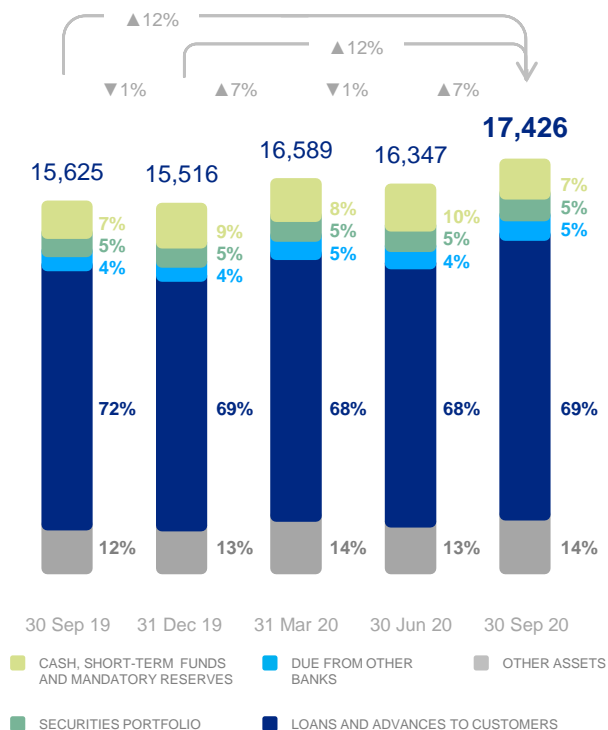


(1) POCI - purchased or originated credit-impaired

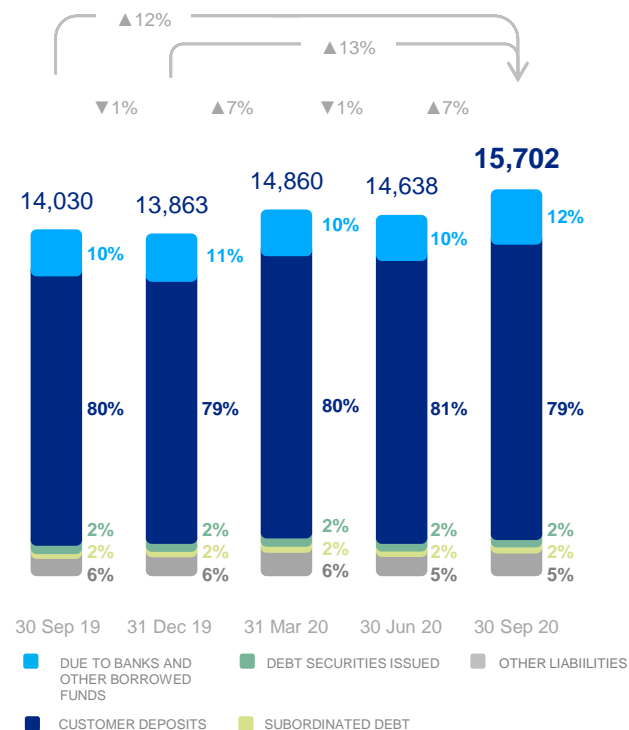
BALANCE SHEET STRUCTURE

RUB BN

ASSETS



LIABILITIES



INCOME STATEMENT KEY INDICATORS

| | 9M'20 | 9M'19 | Change | 3Q'20 | 3Q'19 | Change |
|---|--------------|--------------|---------------|--------------|--------------|---------------|
| Net interest income | 387.5 | 323.8 | 19.7% | 135.5 | 110.2 | 23.0% |
| Net fee and commission income | 84.7 | 67.3 | 25.9% | 31.8 | 22.4 | 42.0% |
| Net other income | -21.8 | 33.9 | -164.3% | -7.4 | 22.6 | -132.7% |
| Operating income before provisions | 450.4 | 425.0 | 6.0% | 159.9 | 155.2 | 3.0% |
| Provision charge for credit losses and other provisions | -185.9 | -77.8 | 138.9% | -72.0 | -32.4 | 122.2% |
| Staff costs and administrative expenses | -192.1 | -184.3 | 4.2% | -63.0 | -58.7 | 7.3% |
| Profit before tax | 72.4 | 162.9 | -55.6% | 24.9 | 64.1 | -61.2% |
| Income tax expense | -13.3 | -34.9 | -61.9% | -7.7 | -12.9 | -40.3% |
| Net profit | 59.1 | 128.0 | -53.8% | 17.2 | 51.2 | -66.4% |

KEY FINANCIAL RATIOS

| | 9M'20 | 9M'19 | Change | 3Q'20 | 3Q'19 | Change |
|---------------|-------|-------|---------|-------|-------|---------|
| NIM | 3.8% | 3.3% | 50 bp | 3.8% | 3.3% | 50 bp |
| CoR | 1.9% | 0.9% | 100 bp | 2.3% | 1.0% | 130 bp |
| Cost / Assets | 1.6% | 1.6% | 0 bp | 1.5% | 1.5% | 0 bp |
| CIR | 42.7% | 43.4% | -70 bp | 39.4% | 37.8% | 160 bp |
| ROE | 4.6% | 11.1% | -650 bp | 4.0% | 13.0% | -900 bp |

BALANCE SHEET KEY INDICATORS

| | 30 Sep 20 | 30 Jun 20 | Change | 31 Dec 19 | YTD |
|----------------------------|-----------|-----------|--------|-----------|-------|
| Gross loan portfolio | 12,936.6 | 11,947.2 | 8.3% | 11,461.5 | 12.9% |
| Loans to legal entities | 9,188.5 | 8,347.0 | 10.1% | 8,096.2 | 13.5% |
| Loans to individuals | 3,748.1 | 3,600.2 | 4.1% | 3,365.3 | 11.4% |
| Total assets | 17,425.7 | 16,346.9 | 6.6% | 15,516.1 | 12.3% |
| Customer deposits | 12,369.1 | 11,852.4 | 4.4% | 10,974.2 | 12.7% |
| Deposits of legal entities | 6,824.1 | 6,583.5 | 3.7% | 5,932.6 | 15.0% |
| Deposits of individuals | 5,545.0 | 5,268.9 | 5.2% | 5,041.6 | 10.0% |
| Total liabilities | 15,702.3 | 14,637.6 | 7.3% | 13,862.8 | 13.3% |
| Total shareholders' equity | 1,723.4 | 1,709.3 | 0.8% | 1,653.3 | 4.2% |

KEY ASSET QUALITY RATIOS

| | 30 Sep 20 | 30 Jun 20 | Change | 31 Dec 19 | YTD |
|--------------------------|-----------|-----------|-----------|-----------|---------|
| NPL ratio ⁽¹⁾ | 5.7% | 5.1% | 60 bp | 4.7% | 100 bp |
| LLR ratio | 6.8% | 6.7% | 10 bp | 6.0% | 80 bp |
| Coverage ratio | 119.3% | 131.7% | -1,240 bp | 128.7% | -940 bp |

(1) The Group defines non-performing loans (NPL) as lifetime expected credit losses (ECL) credit-impaired loans with contractual principal and or interest payments overdue more than 90 days and purchased or originated credit impaired (POCI) loans with principal and or interest payments becoming overdue more than 90 days after the date of initial recognition.

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