

VTB Group 1Q'2015 Results

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Some of the information in this presentation may contain projections or other forward-looking statements regarding future events or the future financial performance of JSC VTB Bank ("VTB") and its subsidiaries (together with VTB, the "Group").

Such forward-looking statements are based on numerous assumptions regarding the Group's present and future business strategies and the environment in which the Group will operate in the future.

We caution 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.

VTB Group 1Q'2015 Highlights

Key selected items (in RUB bn)	1Q'2015	1Q'2014	Change
Net interest income	46.1	89.9	-48.7%
Net fee and commission income	15.4	14.3	7.7%
Net loss from non-banking activities ⁽¹⁾	(12.0)	(2.3)	421.7%
Other income	40.0	2.8	1328.6%
Operating income before provisions	89.5	104.7	-14.5%
Provision charge for impairment ⁽²⁾	(48.9)	(48.0)	1.9%
Staff costs and administrative expenses	(59.2)	(52.8)	12.1%
Net profit	(18.3)	0.4	-4675%
ROE, %	-6.5%	0.2%	-670 bps

■ Performance on income lines

- net interest income down 48.7% y-o-y with net interest margin at 1.7% driven by hike in funding costs
- operating income before provisions down 14.5% y-o-y supported by gains on FX and securities due to market rebound

■ Cost of risk at 2.2% amid macroeconomic slowdown and pressure on sector loan quality

■ Loan book shrank by 2.8% YTD with loans to individuals down 2.3% and loans to legal entities down 2.9% on muted demand for loans in 1Q'2015

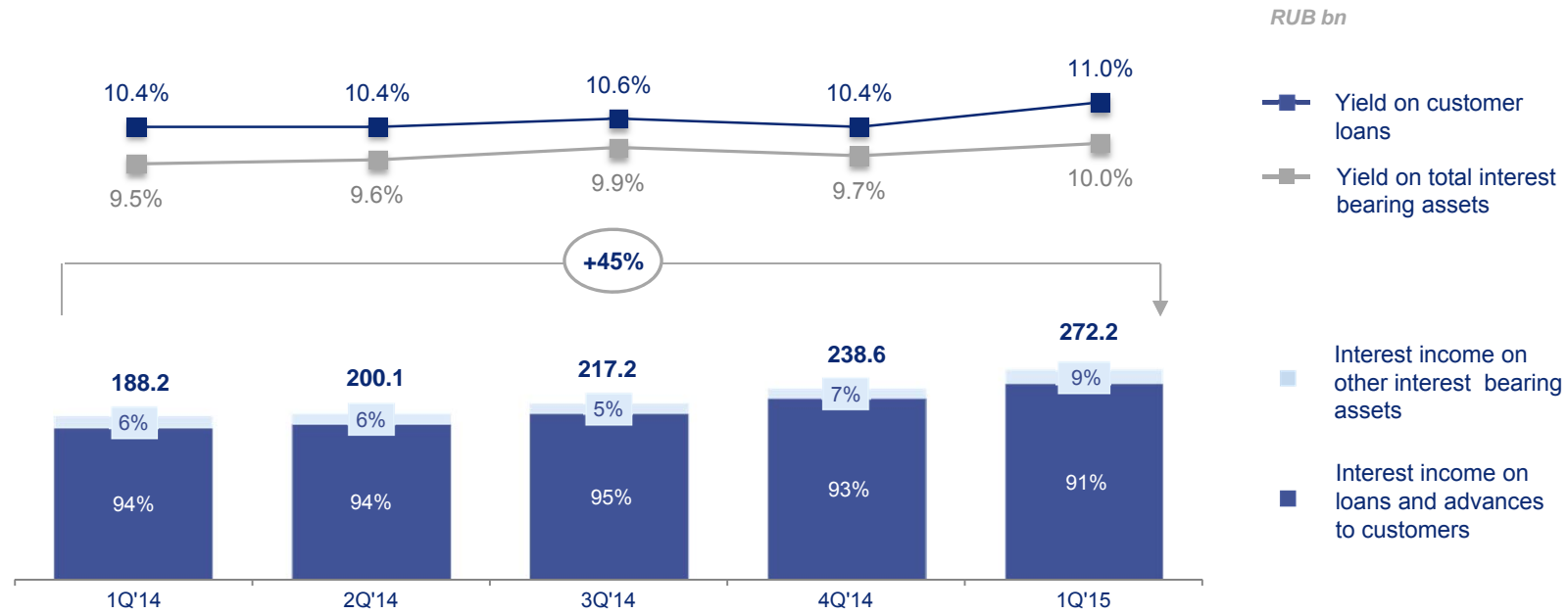
■ Total CAR at 11.9% with Tier I CAR at 9.7%

(1) Including net loss of RUB 10.2 billion from change in fair value of investment property recognised on revaluation (31 March 2014: gain of RUB 0.9 billion).

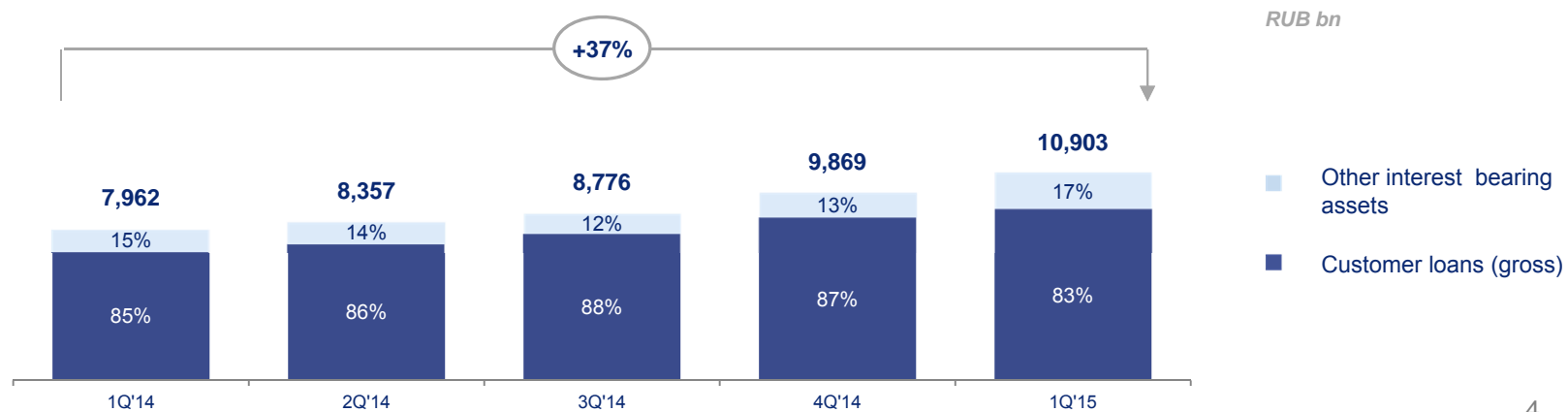
(2) Including provision charge for impairment of debt financial assets and provision charge for impairment of other assets, credit related commitments and legal claims.

Interest Income and Average Yields

Interest income and average yields

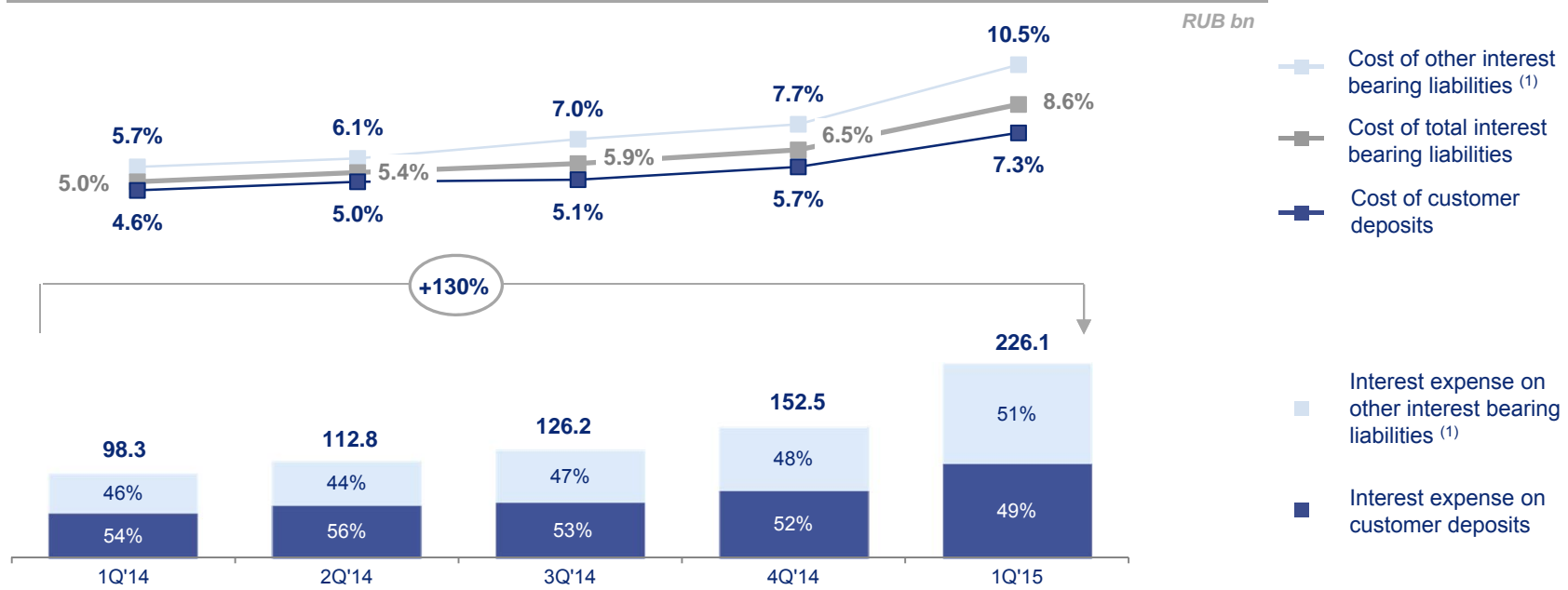


Average interest bearing assets

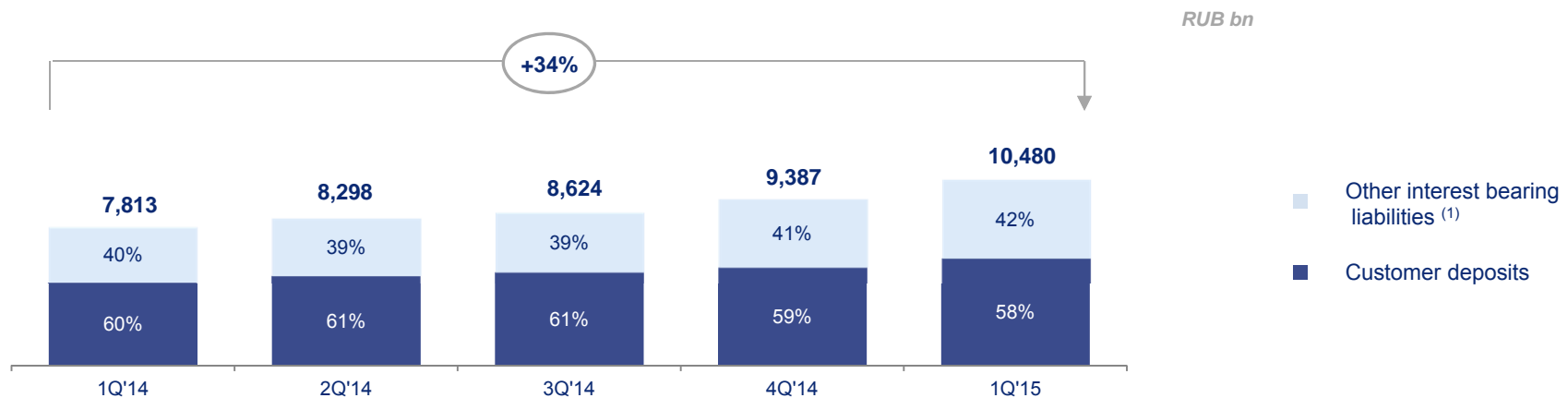


Interest Expense and Cost of Funds

Interest expense and cost of interest bearing liabilities



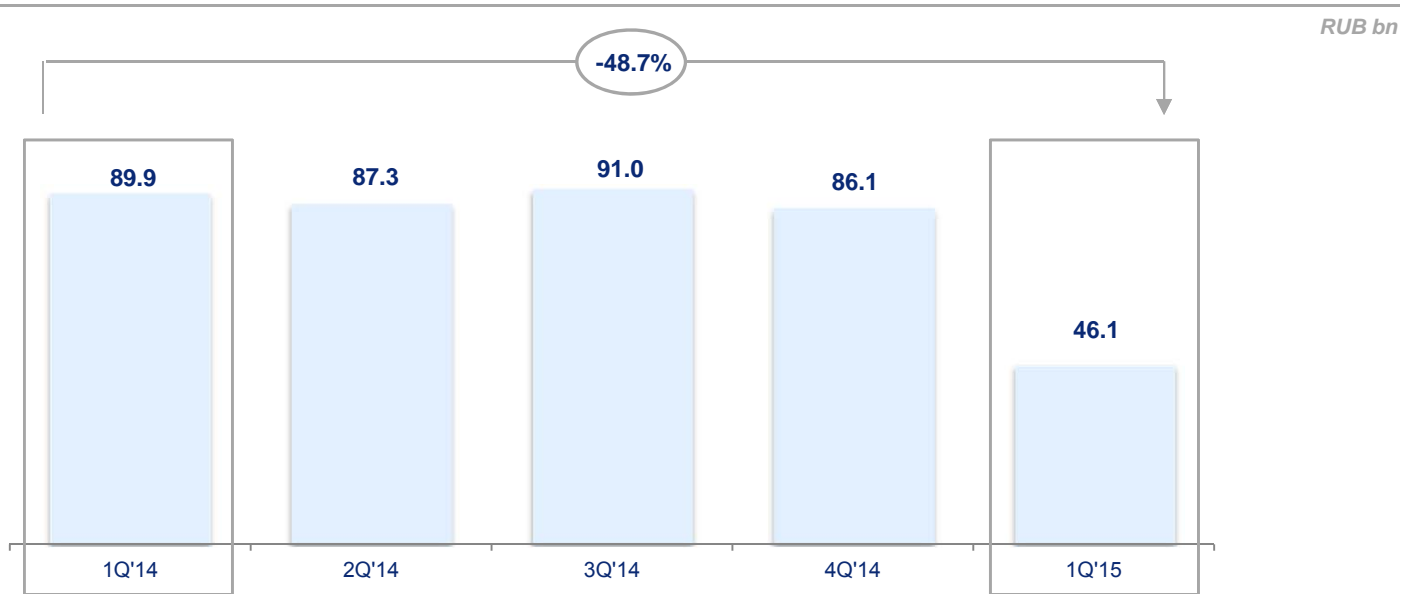
Average interest bearing liabilities



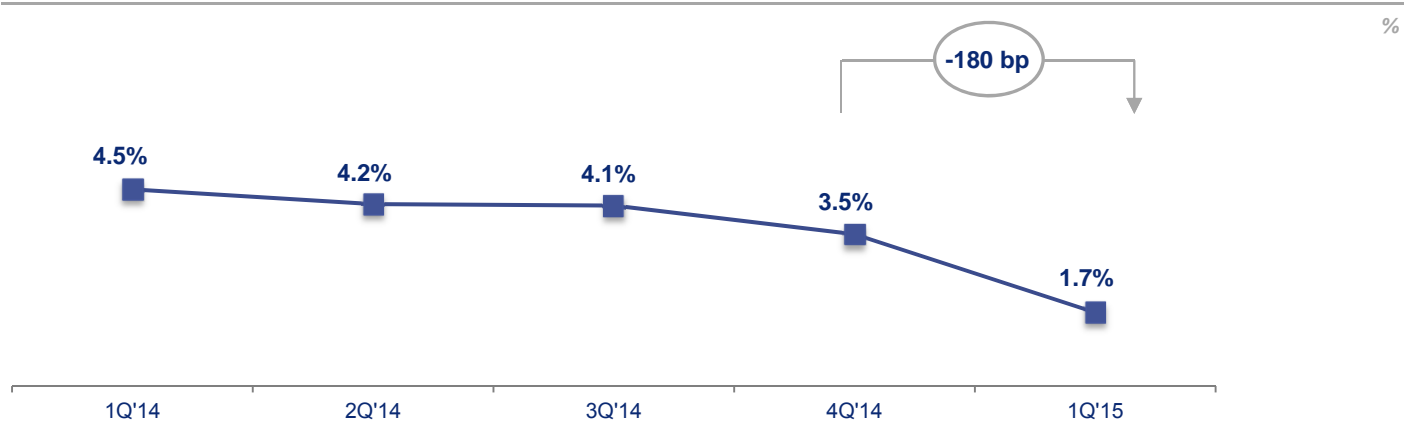
(1) Including debt securities in issue, subordinated debt, interbank (incl. LORO and other borrowed funds).

Net Interest Income and NIM

Net interest income



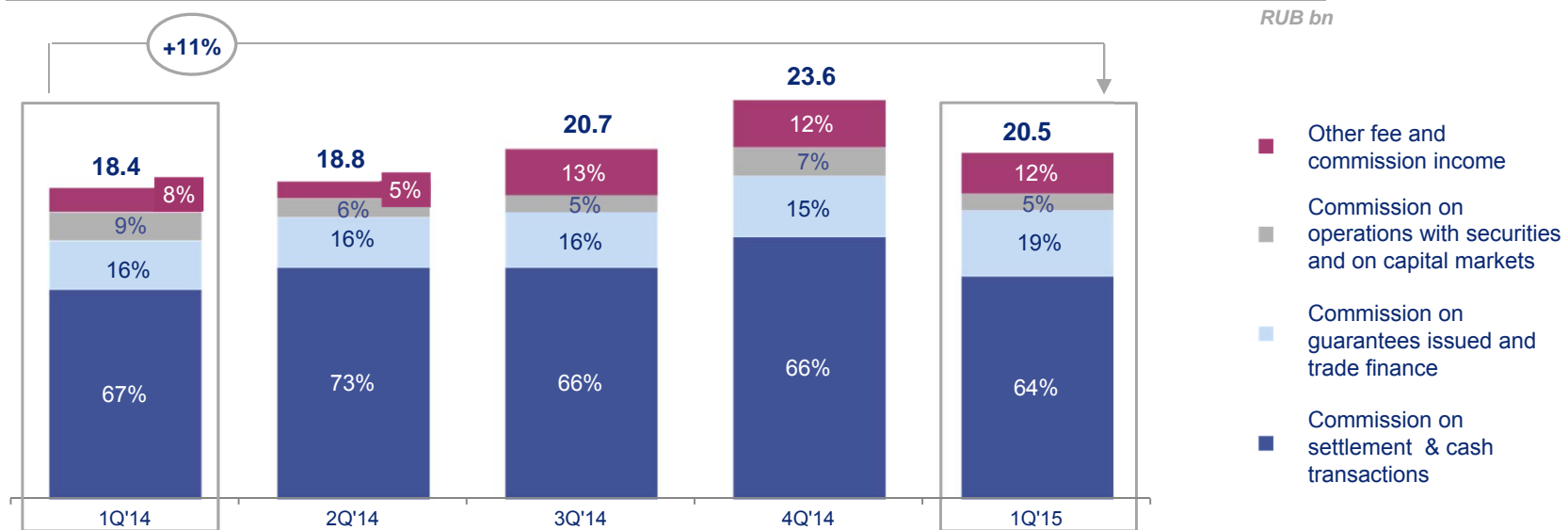
Net interest margin (1)



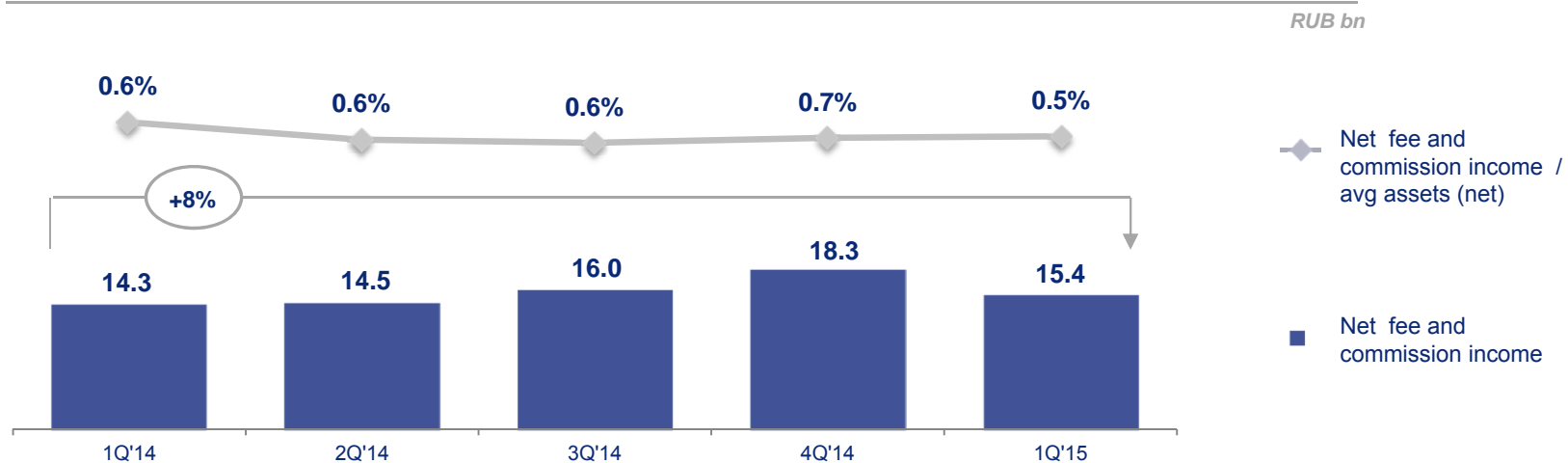
(1) Net interest income divided by average interest earning assets, which include gross loans and advances to customers, due from other banks (gross), debt securities and correspondent accounts with other banks.

Fee and Commission Income

Fee and commission income breakdown

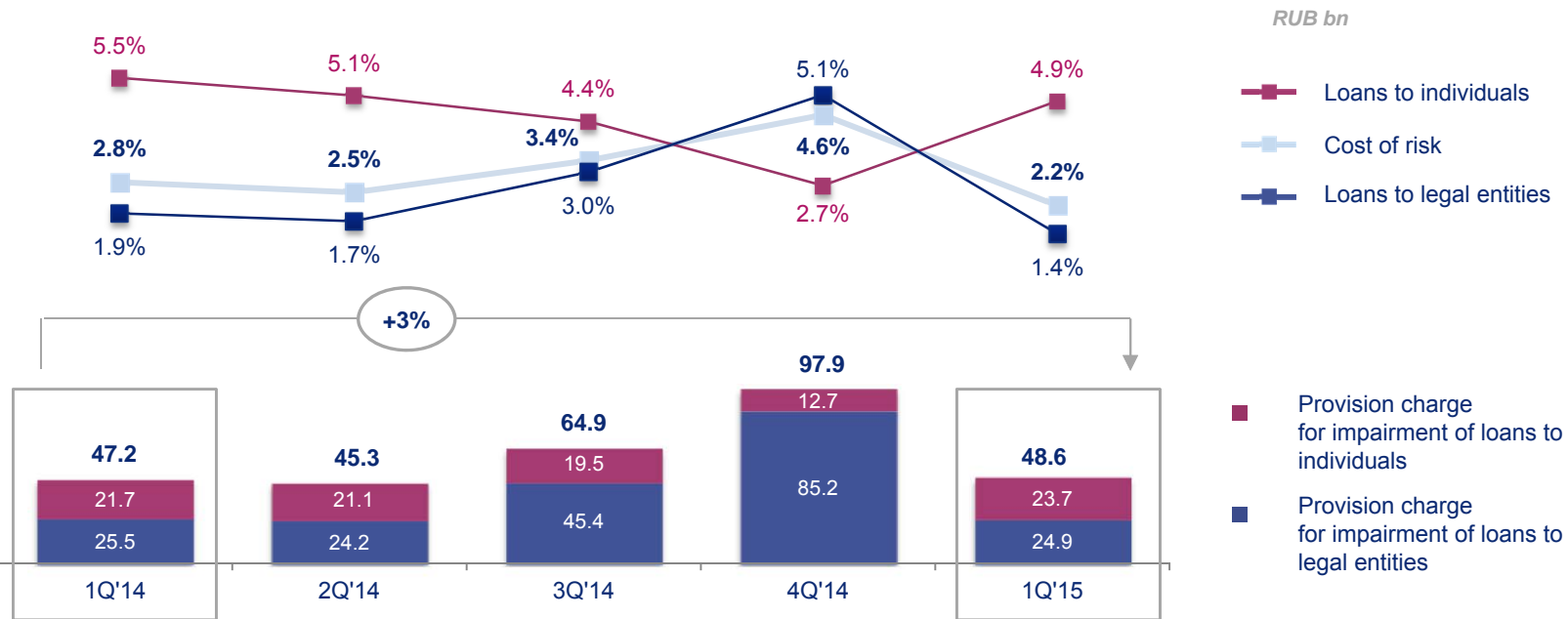


Net fee and commission income

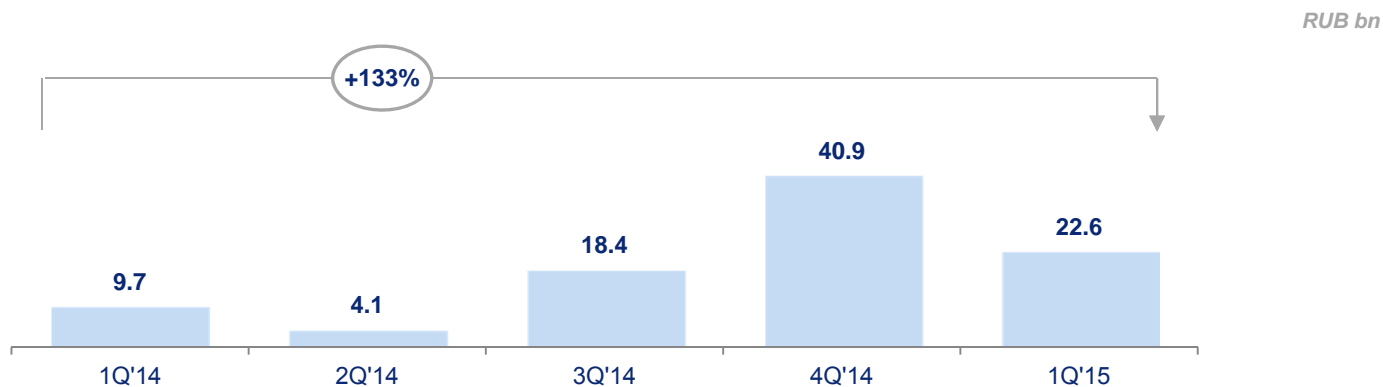


Cost of Risk Reflects Macroeconomic Environment

Provision charge for loan impairment and cost of risk

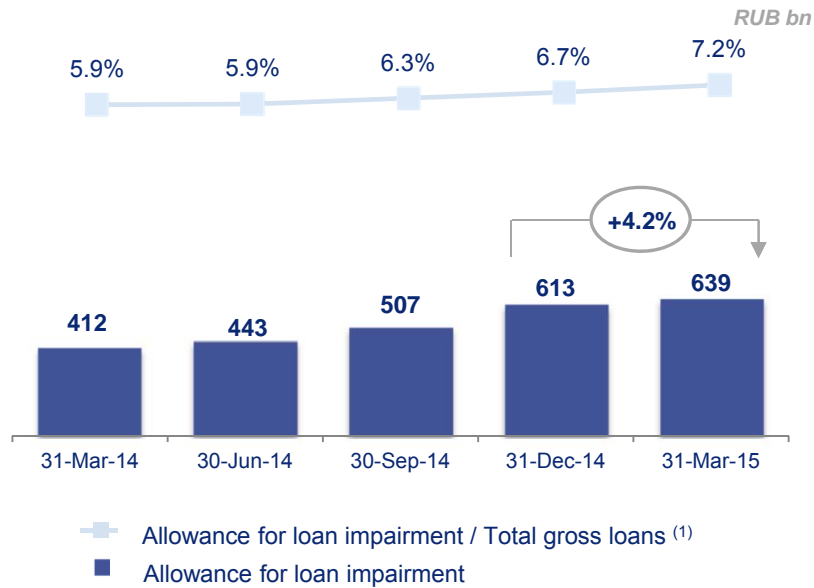


Loan write-offs

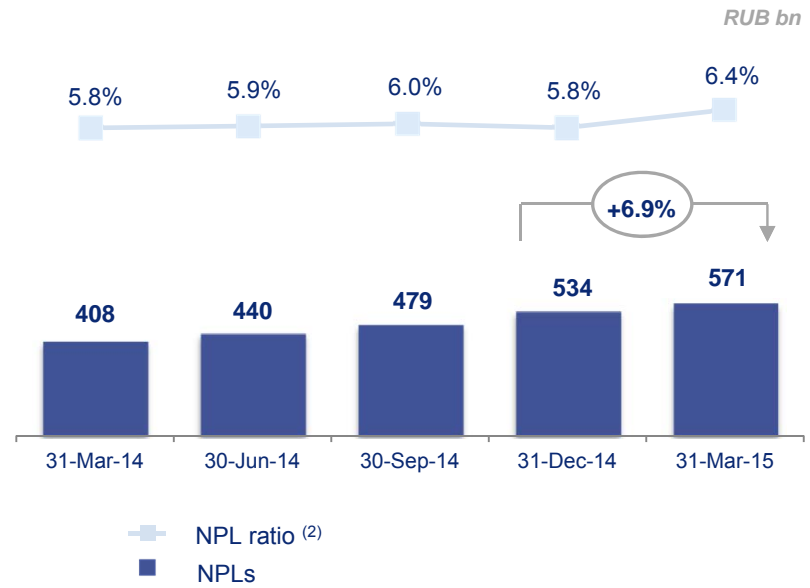


Loan Book Quality

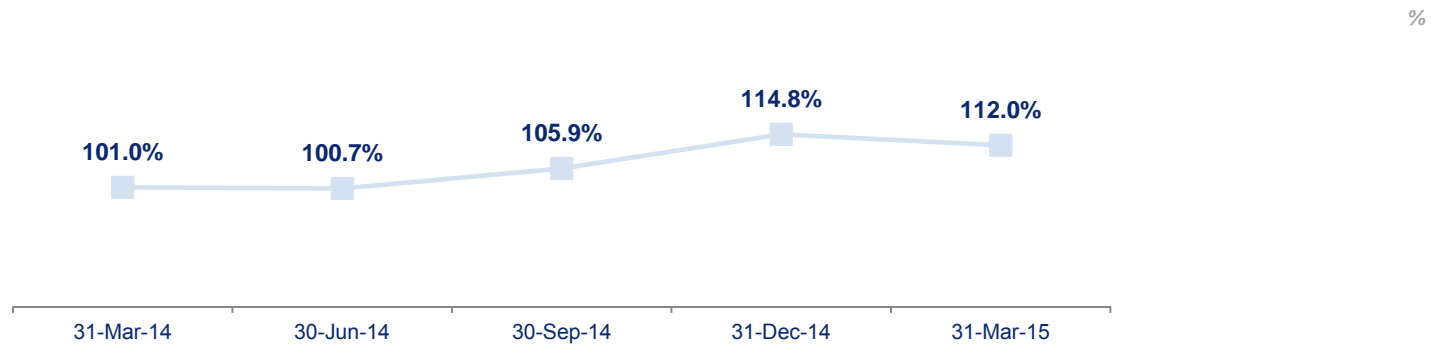
Provision for loan impairment



NPLs (90+)



Coverage ratio

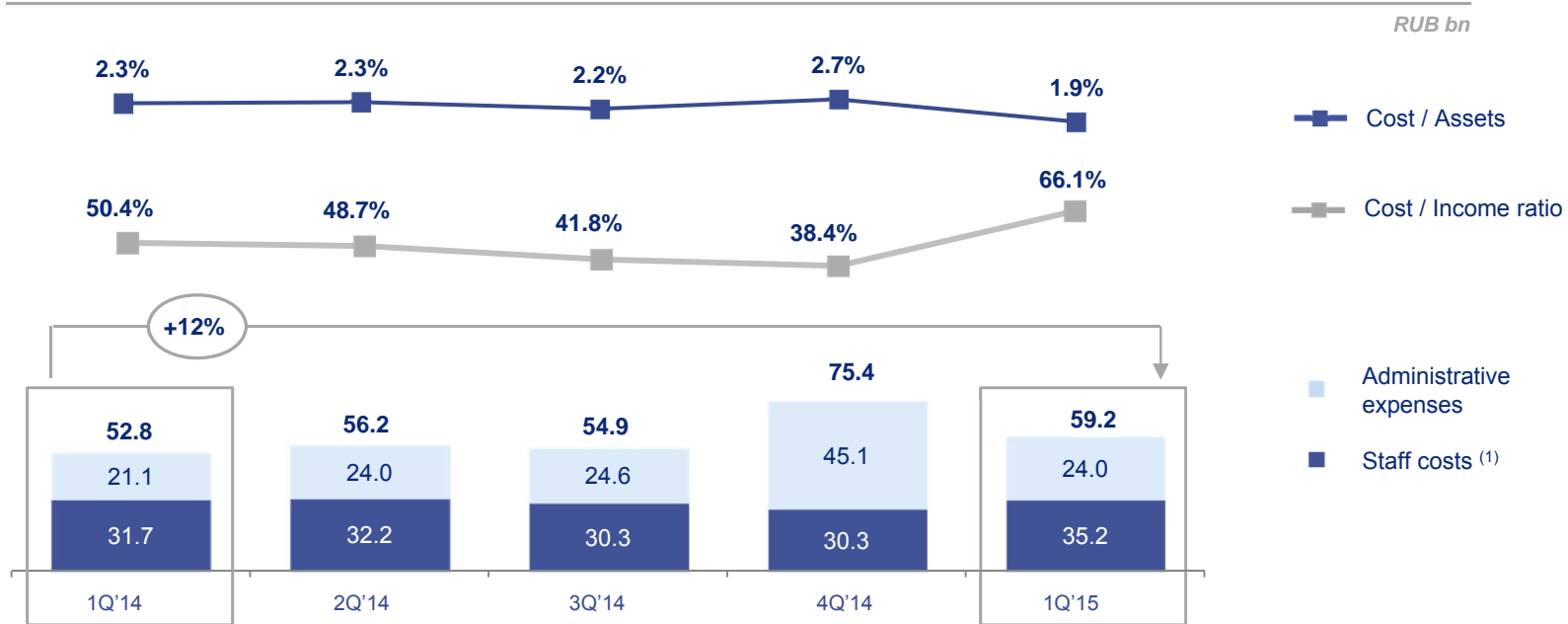


(1) Ratio is calculated to total gross loans including financial assets classified as loans and advances to customers pledged under repurchase agreements.

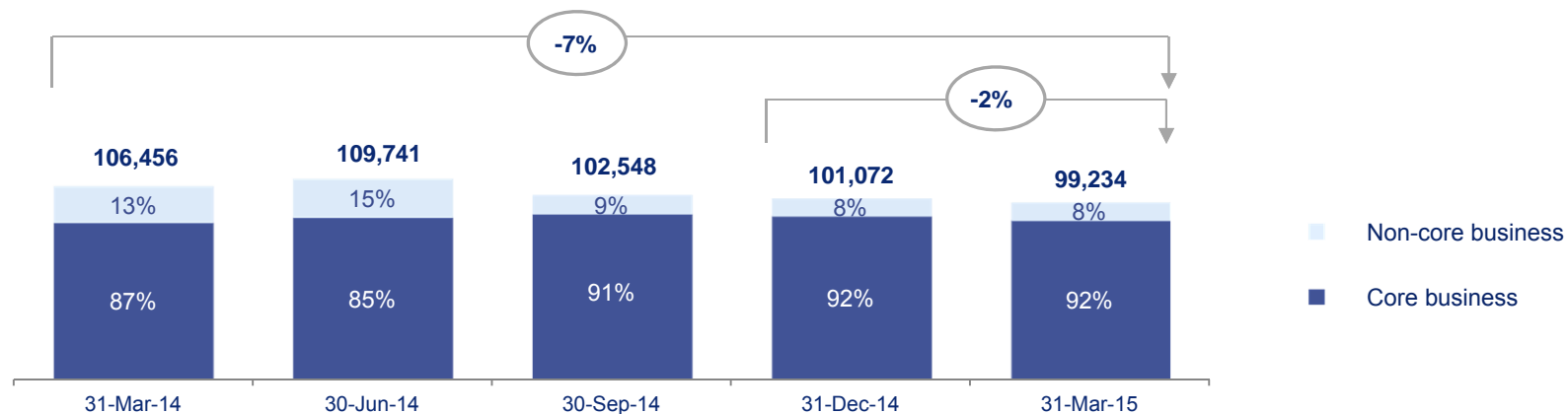
(2) Non-performing loans (NPLs) represent impaired loans with repayments overdue by over 90 days. NPLs are calculated including the entire principal and interest payments. Ratio is calculated to total gross loans including financial assets classified as loans and advances to customers pledged under repurchase agreements.

Staff and Administrative Expenses

Staff costs and administrative expenses



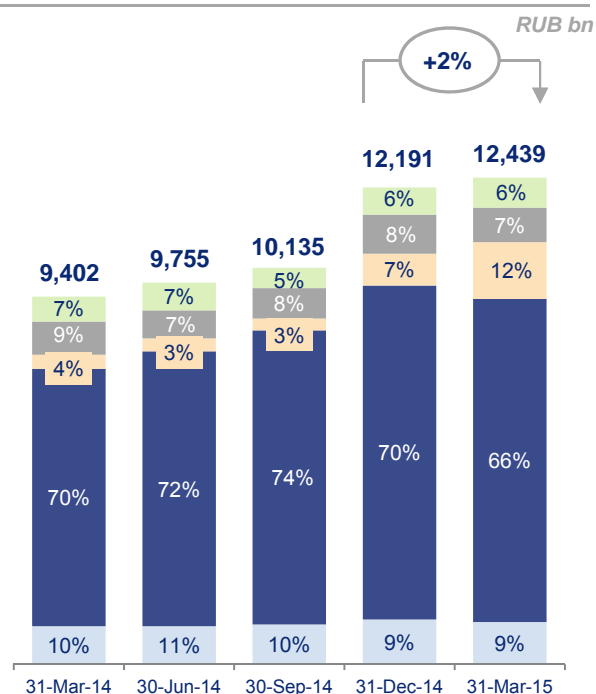
Number of employees



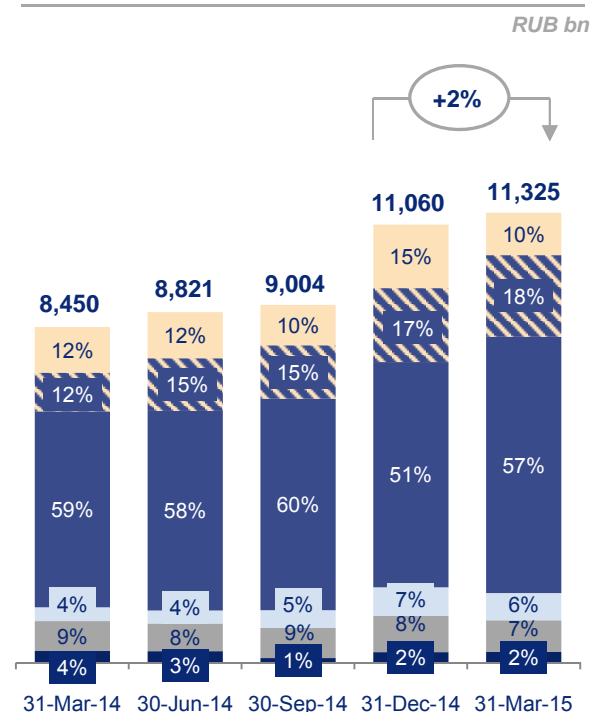
(1) Including pensions.

Balance Sheet Structure and BIS Capital

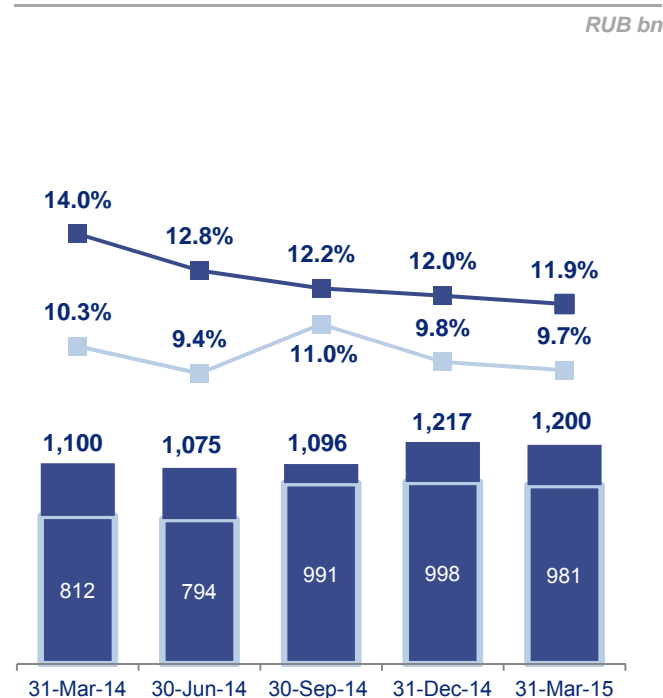
Assets structure



Liabilities structure



BIS Group capital



- Cash and mandatory reserves
- Securities portfolio
- Due from other banks
- Loans to customers (1)
- Other assets (2)

- Due to banks and other borrowed funds
- Collateralised funding from the CBR
- Customer deposits
- Other liabilities
- Debt securities issued
- Subordinated debt

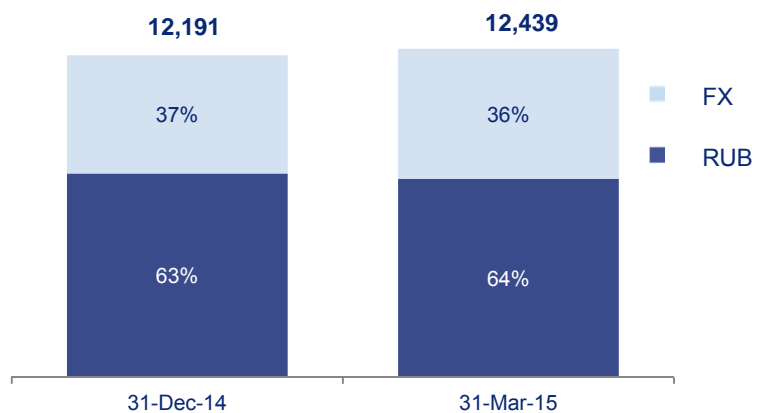
- Total CAR
- Tier I ratio
- Total capital
- Tier I

(1) Includes loans and advances to customers, pledged under REPO.
 (2) Includes investment in associates, premises and equipment, investment property, intangible assets and goodwill, deferred tax assets and others.

Assets and Liabilities by Currency

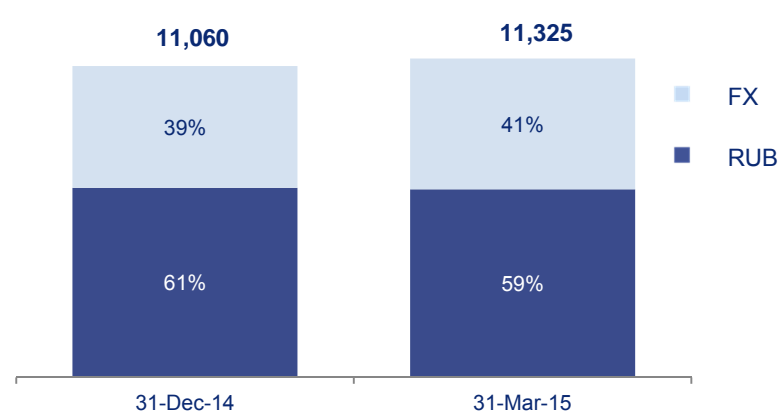
Total assets by currency

RUB bn



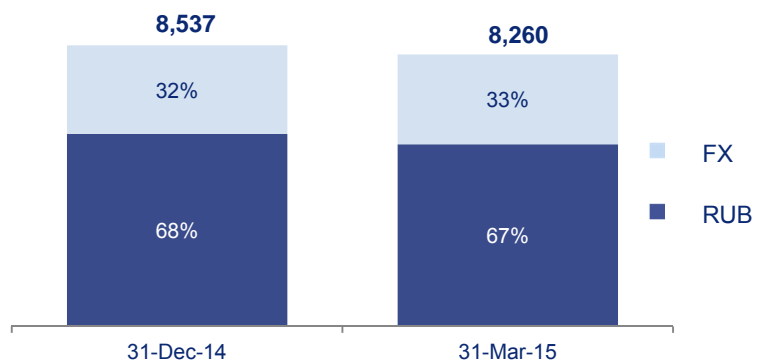
Total liabilities by currency

RUB bn



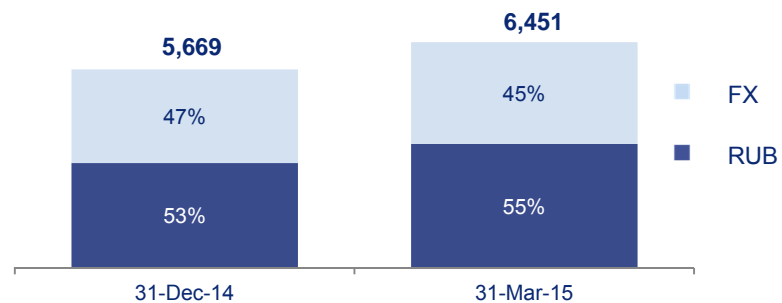
Net loans and advances to customers by currency

RUB bn



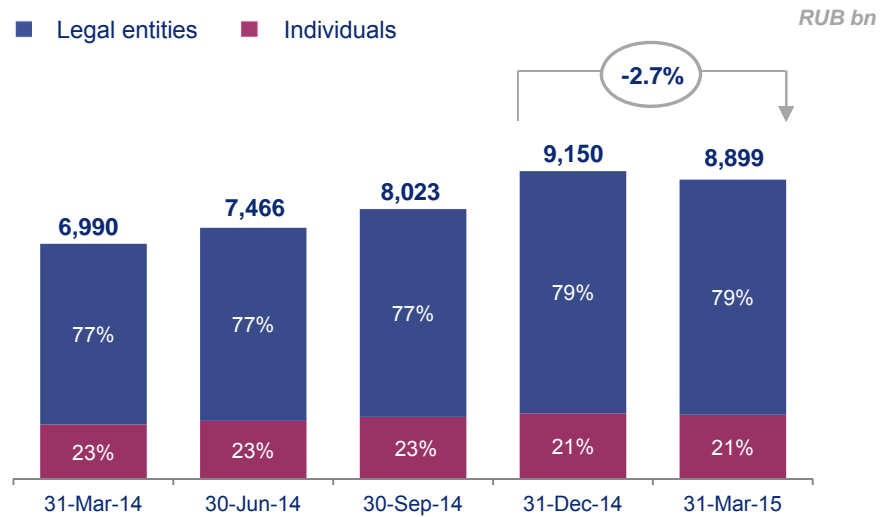
Customer deposits

RUB bn

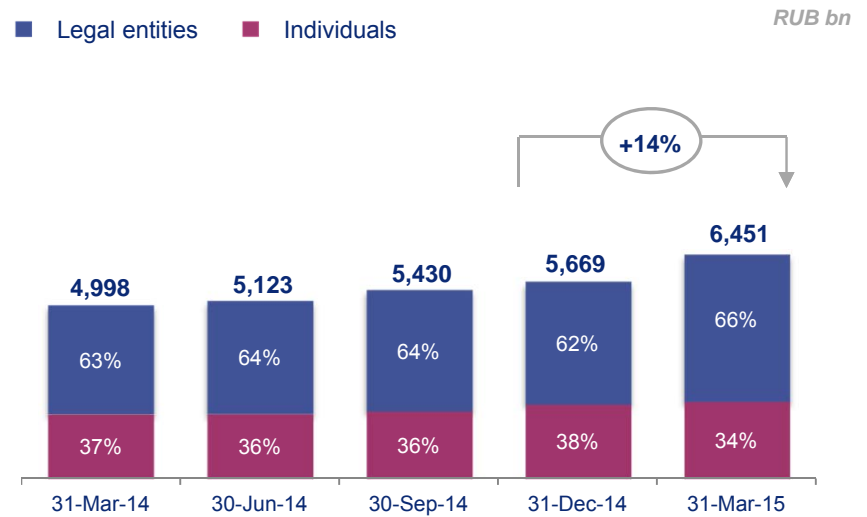


Loan Portfolio and Customer Deposits

Loans and advances to customers

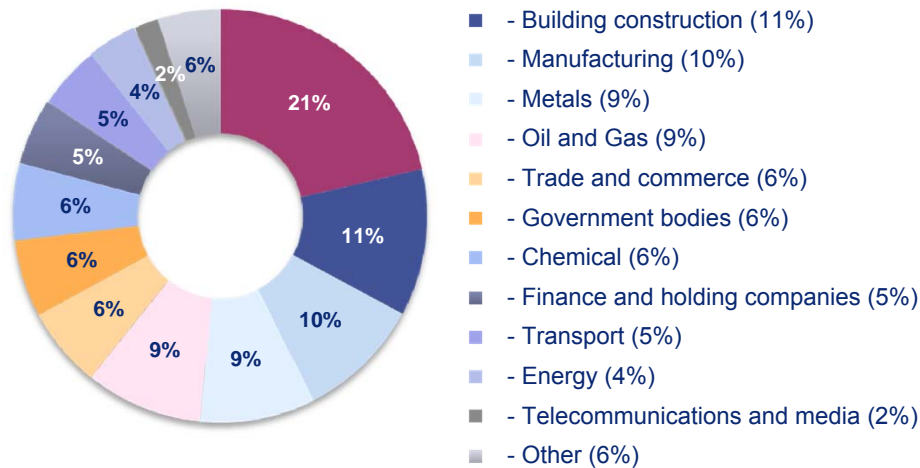


Customer deposits

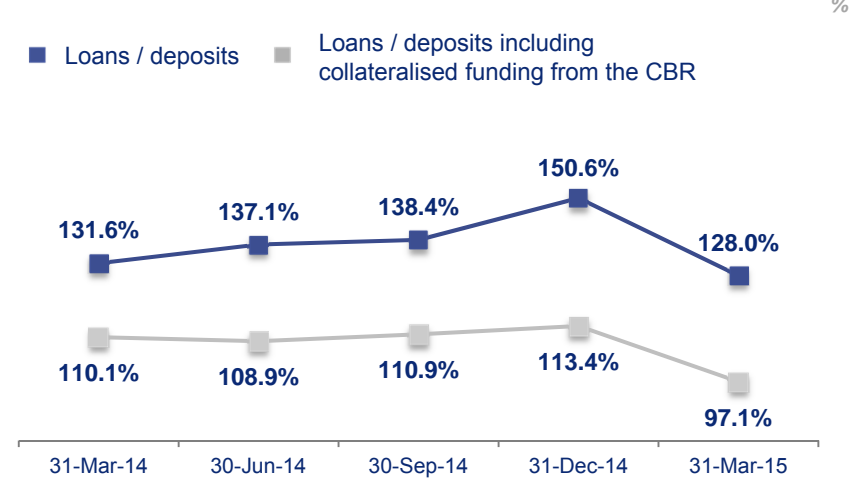


Loans and advances to customers by industry

31-Mar-15

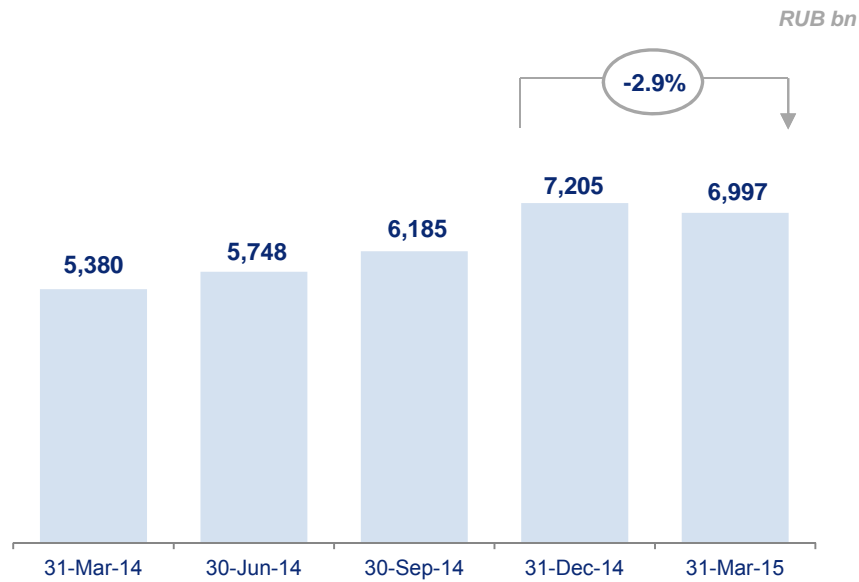


Customer loans / customer deposits

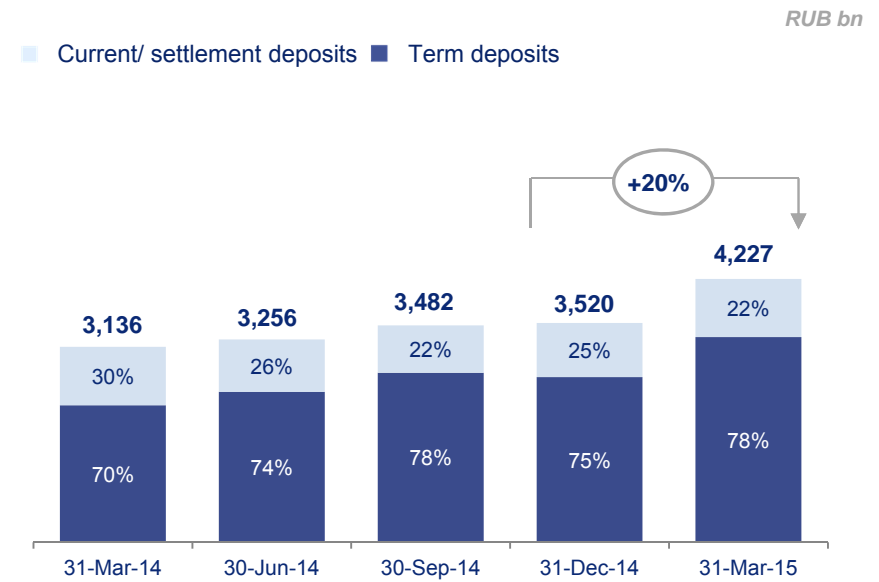


Business with Legal Entities

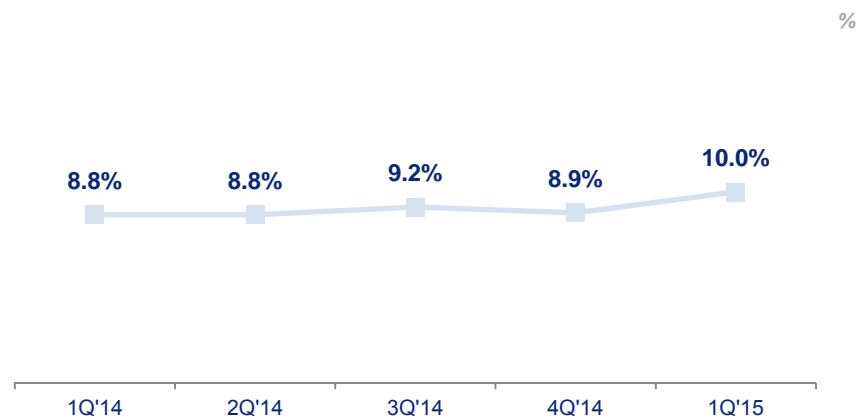
Loans to legal entities



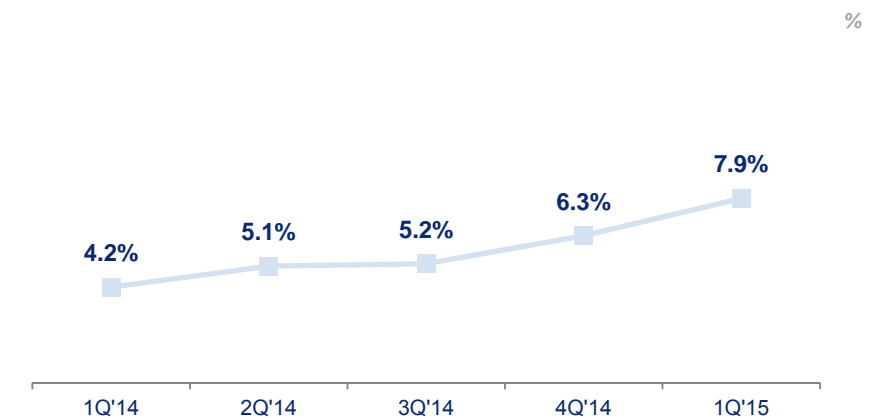
Deposits of legal entities



Yield on loans to legal entities

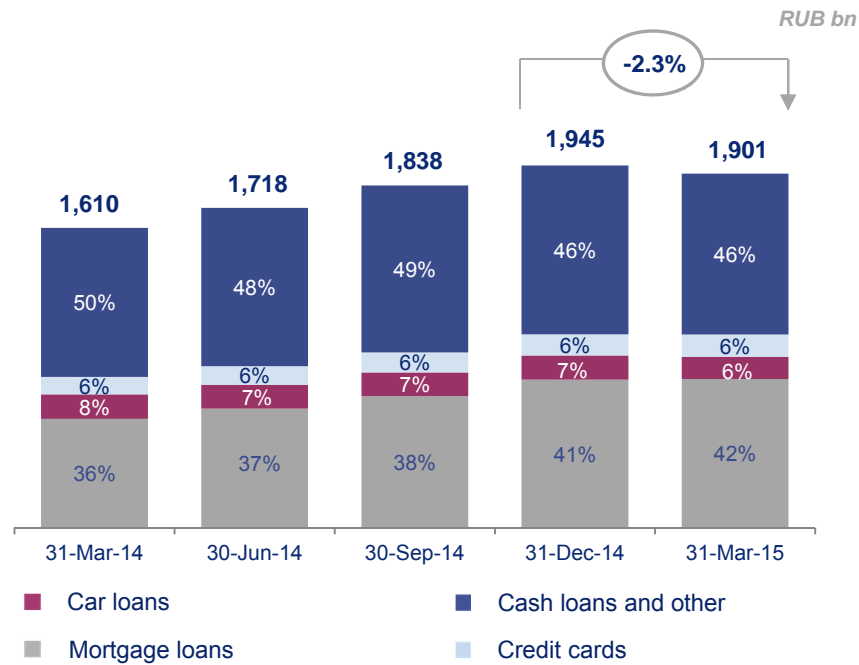


Cost of deposits of legal entities

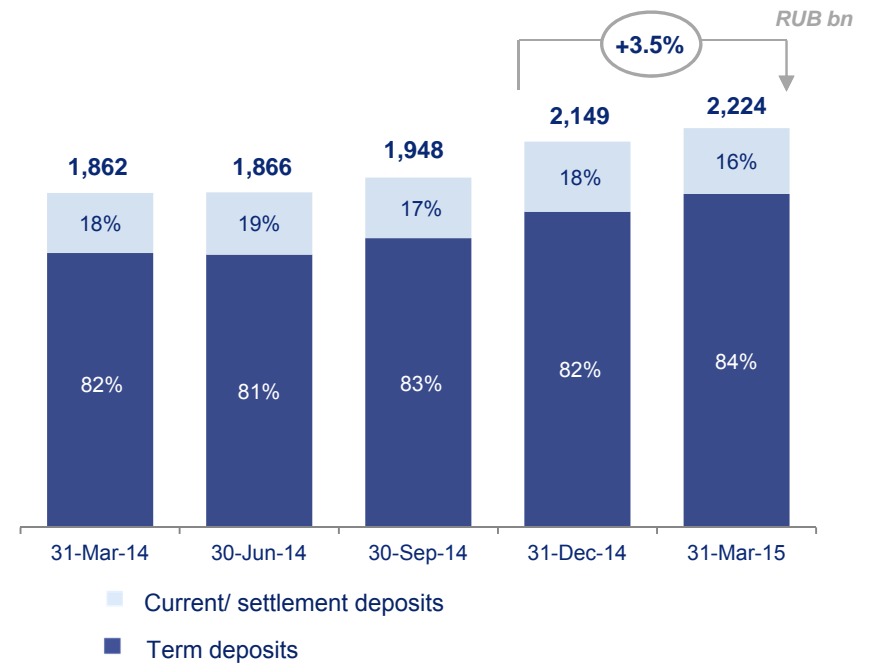


Business with Individuals

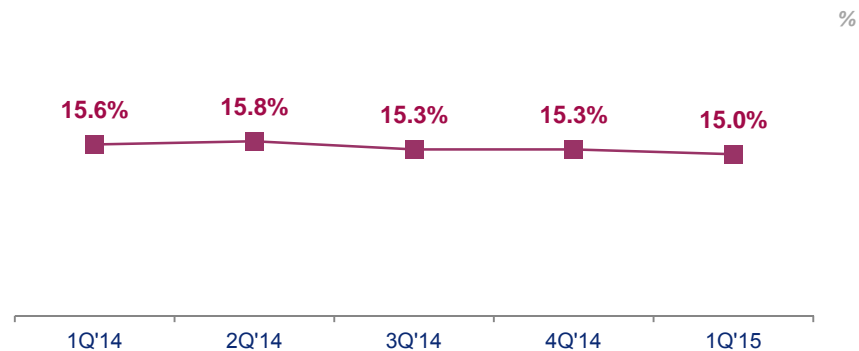
Loans to individuals



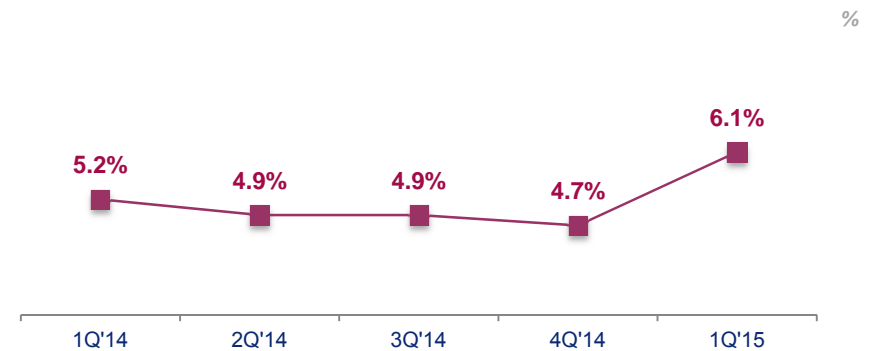
Deposits of individuals



Yield on loans to individuals



Cost of deposits of individuals





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