

# IFRS Earnings presentation 1Q 2021

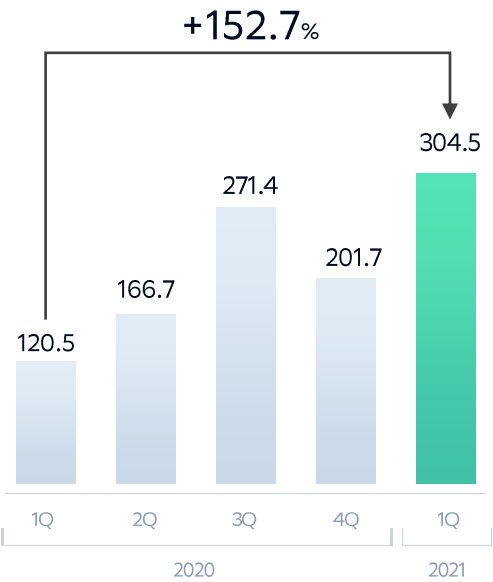
April 29, 2021



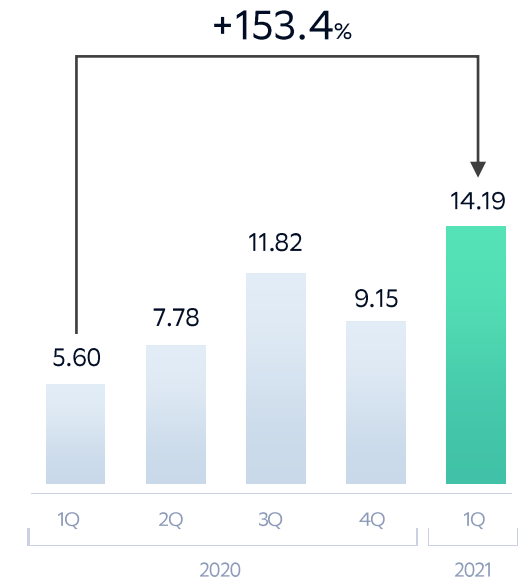
# Key financial indicators

## Sber earned net profit of RUB 304.5 bn

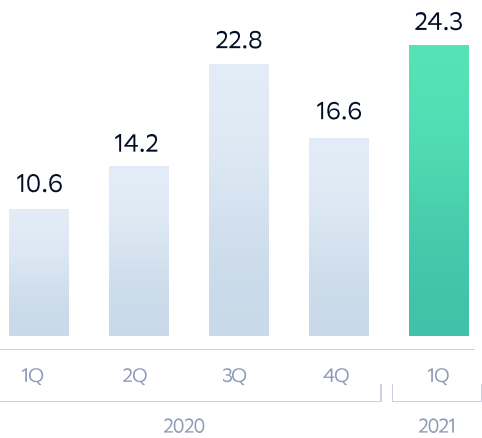
Net Profit, RUB BN



Earnings per ordinary share (EPS), RUB BN



Return on Equity (ROE), %

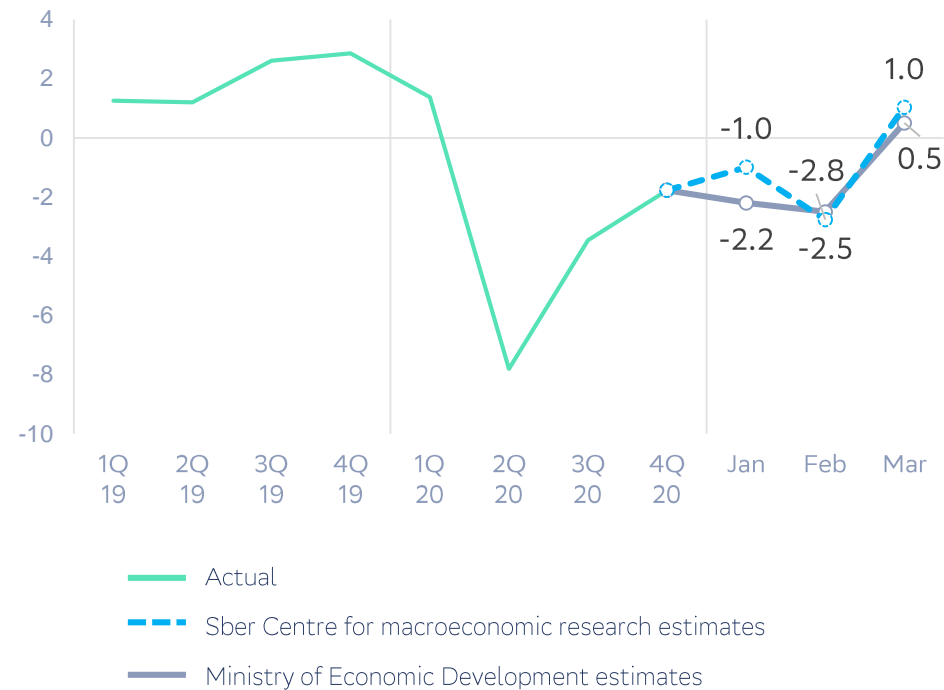


Return on Assets (ROA), %

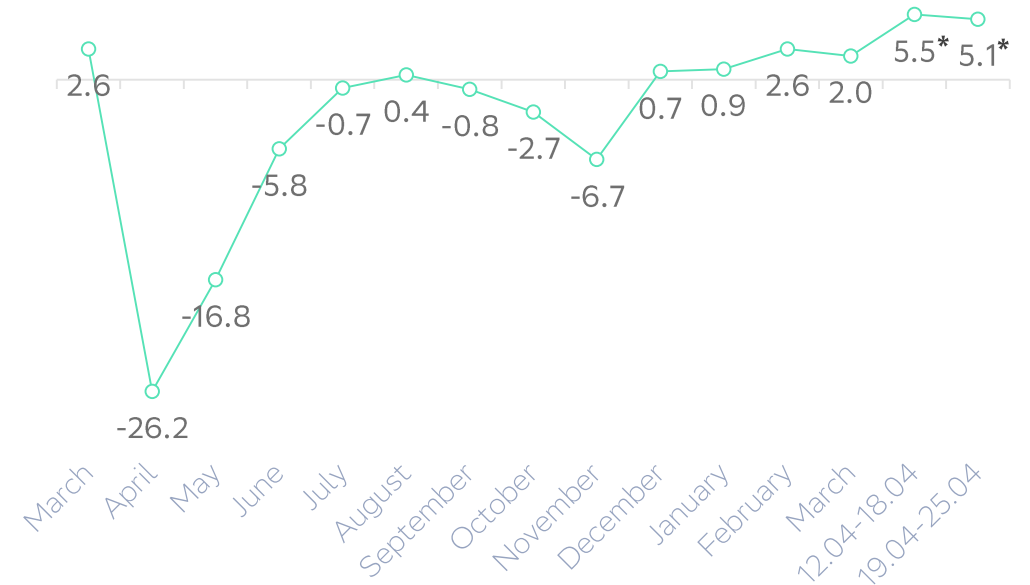


# Recovery of the economy is getting traction

GDP growth dynamics and estimates, Y/Y %

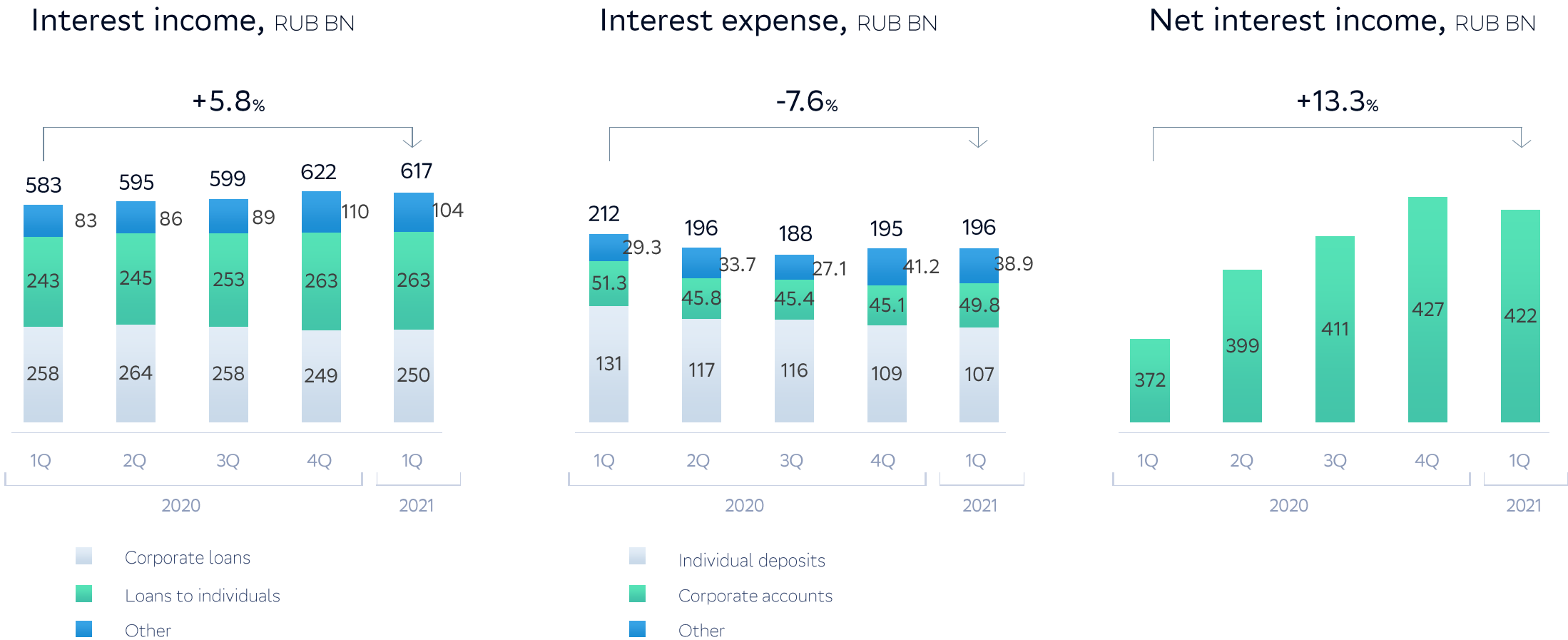


Consumer spending on products and services according to SberIndex, Y/Y %



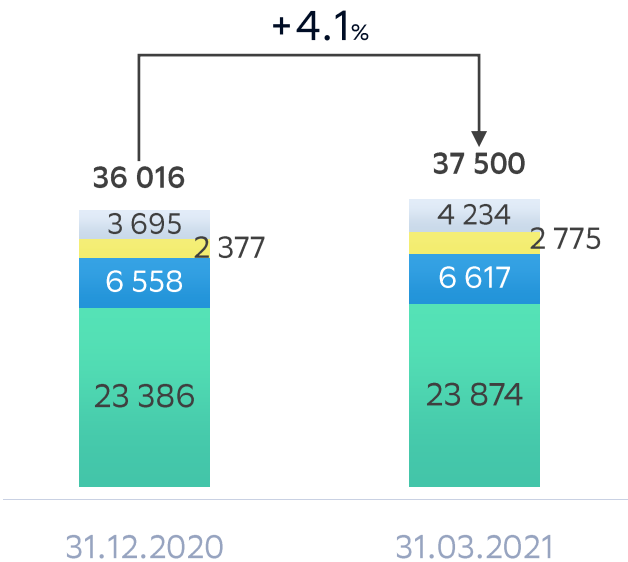
\*vs last pre-lockdown weeks 01.02-15.03.2020

# Net interest income grew by 13.3% supported by the strong business volumes



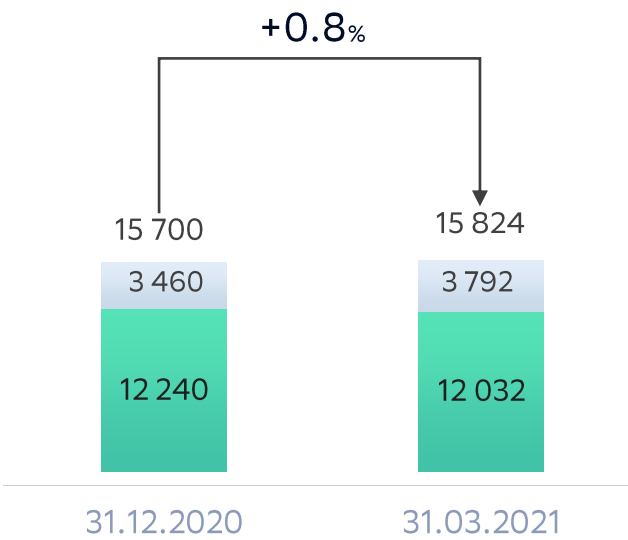
# The Group Total assets increased by 4.1%

**Total assets,**  
RUB bn



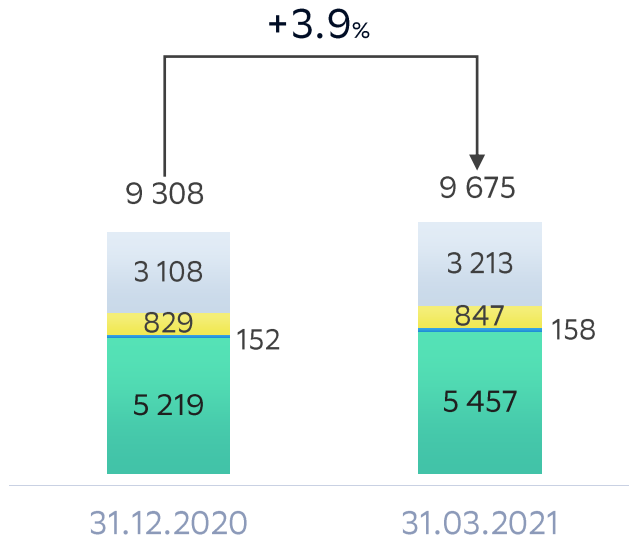
- Net loans and advances to customers
- Securities
- Cash and cash equivalents
- Other assets

**Corporate loan portfolio,**  
RUB BN



- Commercial loans to legal entities
- Project finance loans to legal entities

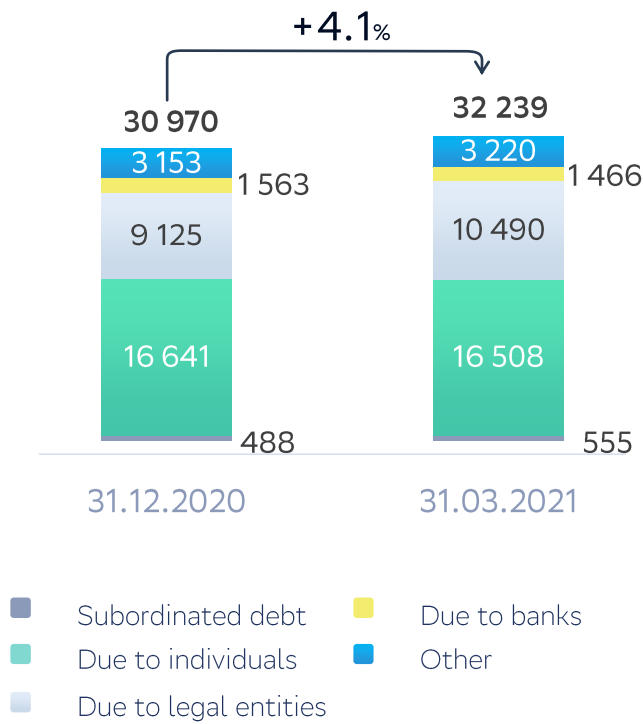
**Retail loan portfolio,**  
RUB BN



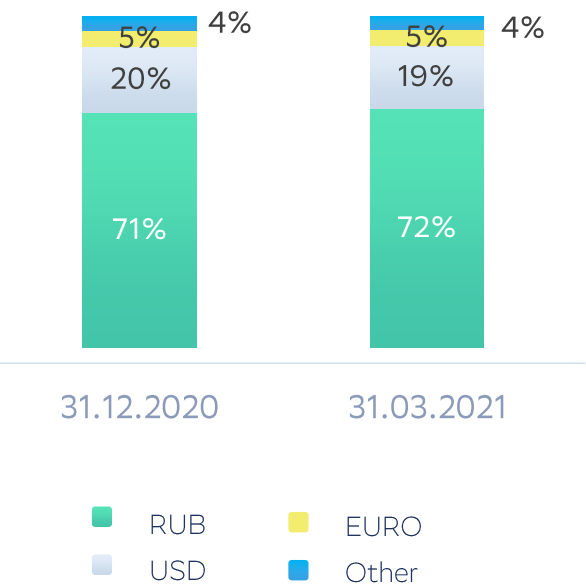
- Mortgage loans
- Car loans
- Credit cards & overdrafts
- Consumer and other loans

# Share of current accounts came at 35% of Total clients` funds

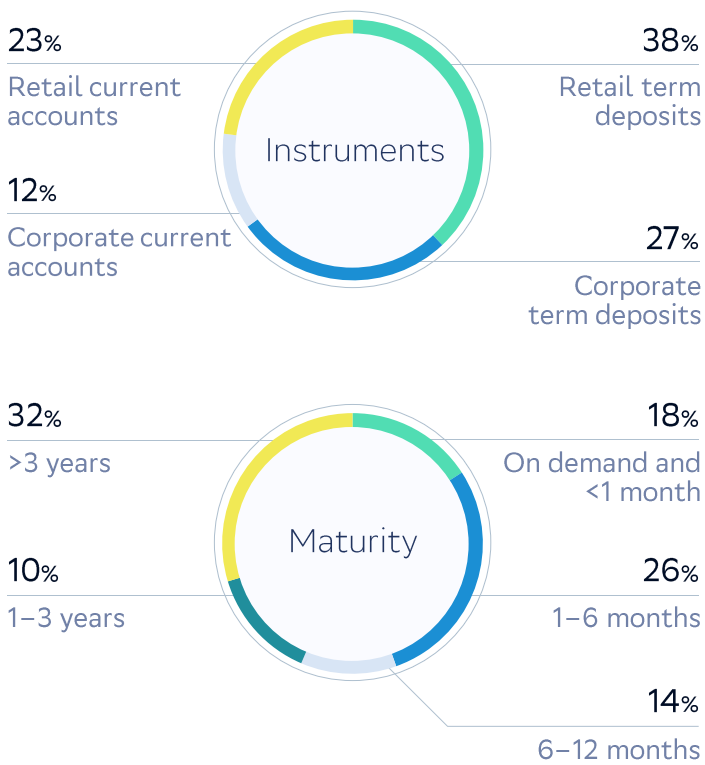
Liabilities, RUB BN



Customer deposits by currency, %

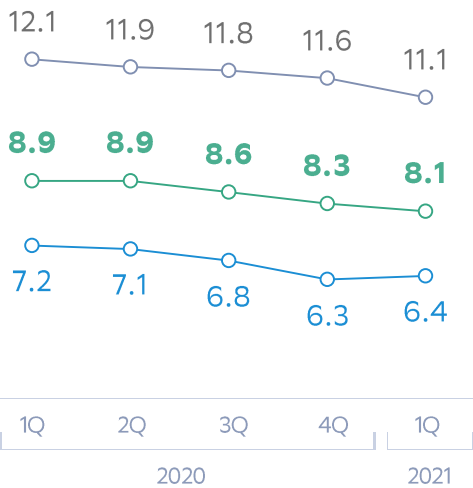


Deposits Structure



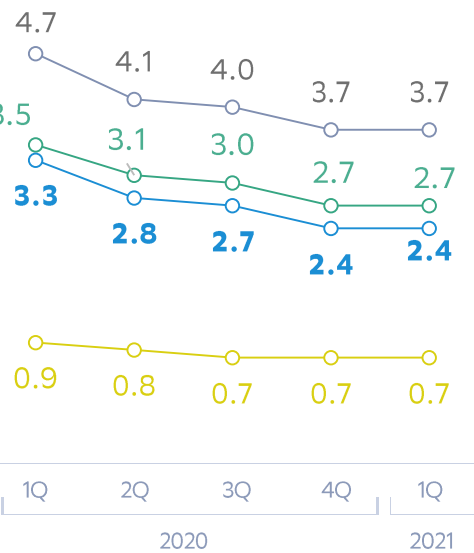
# Gradual decrease in NIM is in line with expectations

Average loan yields, %



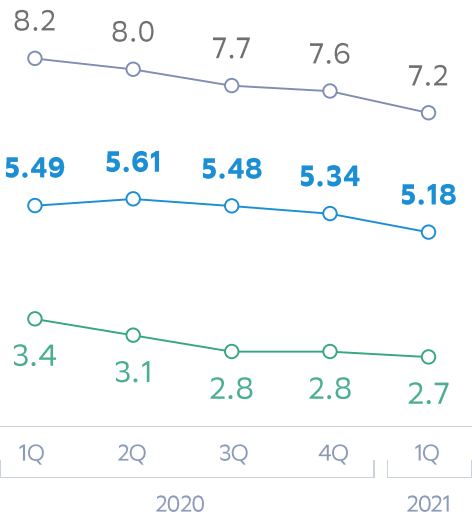
- Loans to individuals
- Total loans
- Corporate loans

Average deposit costs, %



- Individual term deposits
- Corporate term deposits
- Total customer costs
- Current / settlement accounts

Net interest margin, %



- Yield on interest earning assets
- Net interest margin
- Cost of funds

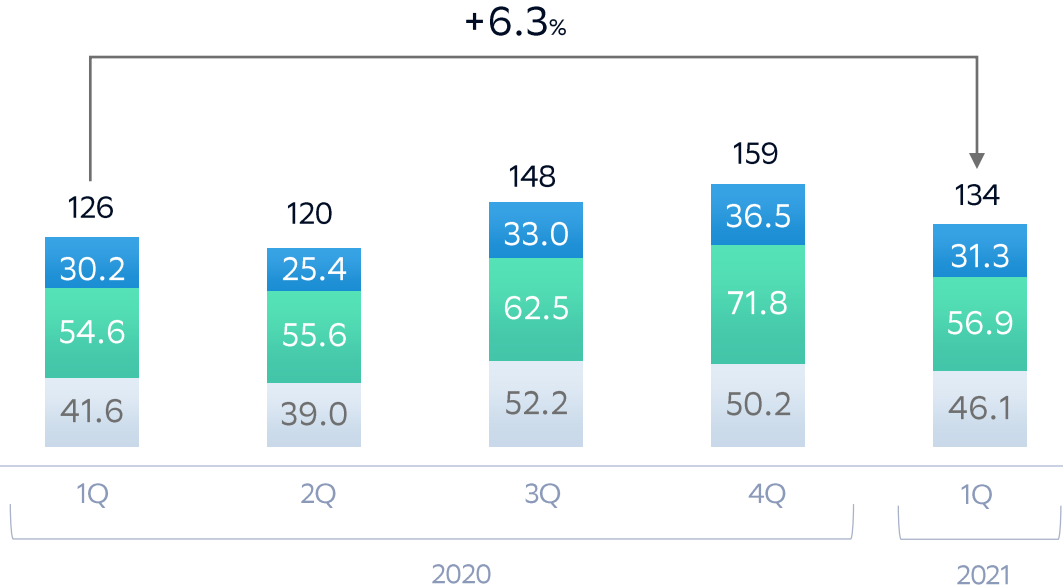





Guidance  
2021

NIM (average)  
~0.5 pp decrease

# Net fee and commission income increased by 6% despite strong 1Q 2020

Net interest income, RUB BN



-  Other
-  Cash and settlements transactions
-  Net operations with bank cards



Guidance  
2021

Net F&C income growth  
**Around 10%**



# Segment analysis

RUB BN, CHANGE Y/Y

Share in adjusted\*  
Operating income  
before provisions

Operating  
income before  
provisions

Segment result  
(Profit before tax)



\*Gross profit for Non-financial business  
 \*\*Revenue, Gross Profit and EBITDA of associates or joint ventures are included into the metrics on a pro-rata basis to the Group's interest in respective companies during the reporting period (except for Yandex Market data)

# Non-financial business

RUB BN, CHANGE Y/Y

## Revenue of non-financial businesses

RUB BN

4x

33.6

8.5

1Q  
2020

1Q  
2021

### E-commerce

GMV

**15.1**

32x ▲

EBITDA

(4.3)

Number of orders,  
mln

**18.8**

15x ▲

### FoodTech & Mobility

Revenue

**3.4**

4.3x ▲

EBITDA

(2.4)

Number of food orders,  
mln

**19.3**

1.8x ▲

### Entertainment

Revenue

**2.8**

2.2x ▲

EBITDA

(1.6)

Number of paying users,  
Okko, mln

**1.9**

### Health

Revenue

**1.0**

3x ▲

EBITDA

0.0

Number of telemedicine  
consultations, thds

**73.9**

2.3x ▲

### B2B services

Revenue

**10.0**

2.4x ▲

EBITDA

1.3

including:

**Cloud**

**1.7**

17x ▲

**Cybersec**

**2.0**

2.2x ▲

0.3

0.2

2x ▲



## Guidance 2021

Revenue from non-financial digital companies attributable to Sber

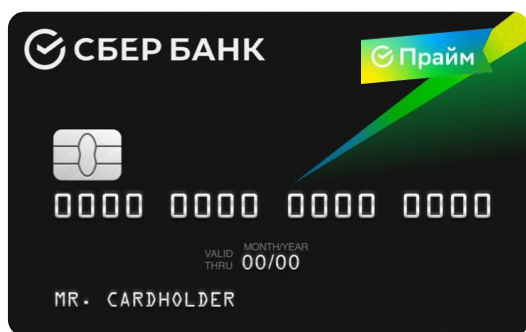
X2 y/y

>RUB 200 bn



Up to RUB **5k** per month  
saved when using Sber Ecosystem services

## Financial services



Increased number of  
SberSpasibo bonuses

0₽

Commission for p2p  
transfers

Even over RUB 50K / mo

0₽

Cash withdrawal

In any ATM globally

0₽

Notifications

## Lifestyle services



80 000 movies and series with  
Optimum subscriptions and 15%  
discount for premiers



150 min free and 3 Gb in tariff Start



Free delivery of grocery



Free delivery of pharmaceuticals



15% discount on the 1st order and  
7% discount on following orders



45 mn tracks free and ad-free



30 Gb and 20% discount for drive  
space increase



10% discount on all rides



10% discount for 10 orders per  
month



# СБЕР + goods = СБЕР МегаМаркет

**Creation of a multi-category marketplace** is one of the main strategic goals of Sber for the Ecosystem development

## CLIENT EXPERIENCE



☆ Assortment

☆ Price

☆ Delivery time

☆ Ease of use



Including:

☆ **Best Price** guaranteed for key SKUs

☆ Free delivery to pickup points / Postamates + guarantee of availability of goods

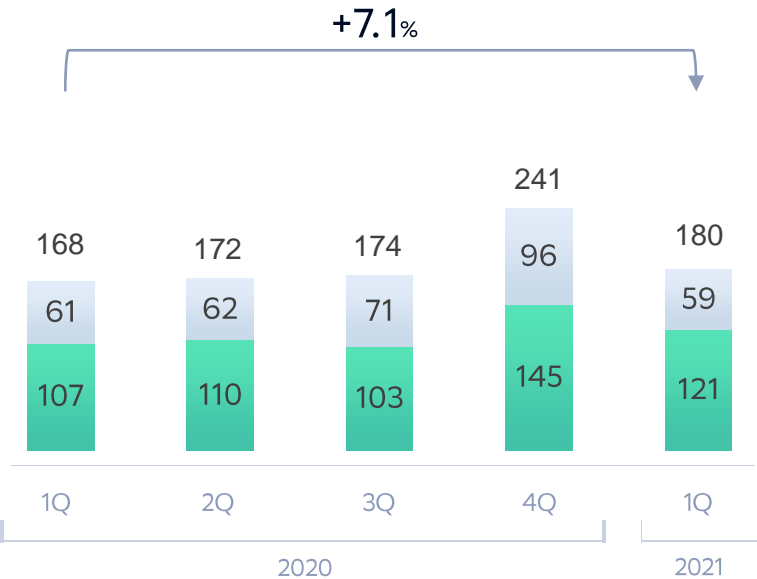
☆ **Payments**    QR коды Loans Installments ...

☆ **Security**  

☆ And much more

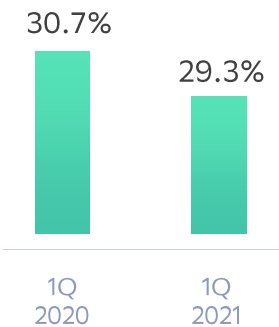
# Moderate OPEX growth

Operating expenses, RUB BN



■ Staff costs    ■ Other operating expenses

Financial business Cost to income ratio (C/I), %



Financial business C/I is based on the following segments: Banking business, Payment business, Wealth management and brokerage, Risk insurance



Guidance 2021

OPEX Growth  
Around 10%

Low to mid teens

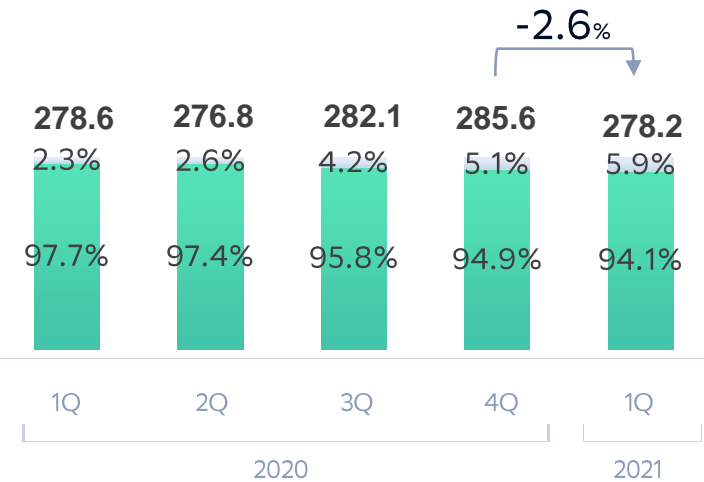
Financial business C/I  
Stable y/y

# Headcount decreased by 7.4k for the quarter

## Operating expenses split, RUB BN

	1Q' 20	2Q' 20	3Q' 20	4Q' 20	1Q' 21
Staff costs, Sberbank	93.0	97.2	89.1	127.9	100.6
Staff costs, subsidiaries	14.0	13.2	14.1	17.3	20.1
Other operating expenses, Sberbank	52.3	55.0	64.8	84.7	50.0
Other operating expenses, subsidiaries	7.7	6.6	6.2	11.5	9.2

## Headcount, Actual number of full-time employees



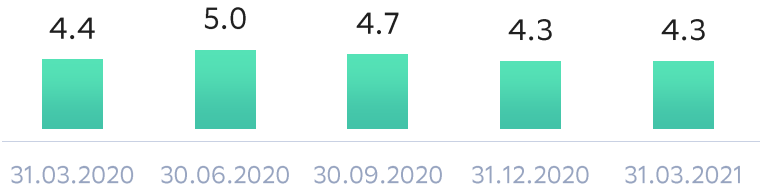
- Non-financial businesses
- Financial business and others (excl. associates)

The Group's headcount decreased due to improved financial business efficiency, which resulted in the layoff of employees in the financial segment.

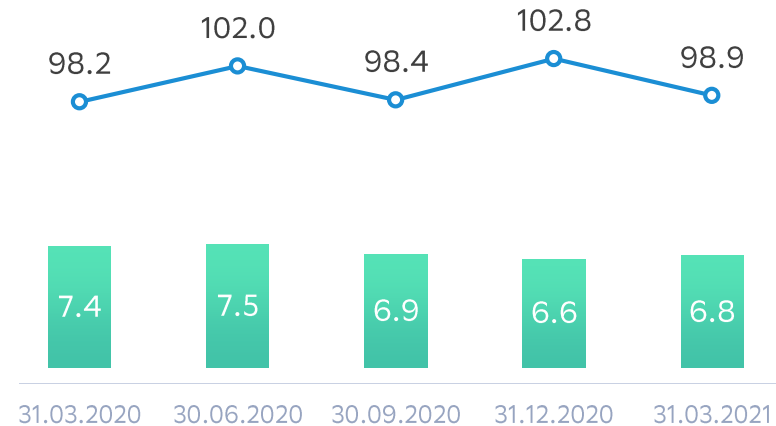
The number of employees engaged in the development of the non-financial services increased.

# Asset quality is stabilizing

Non-performing loans (90+) in total loan portfolio, AT AMORTIZED COST AND AT FAIR VALUE, %



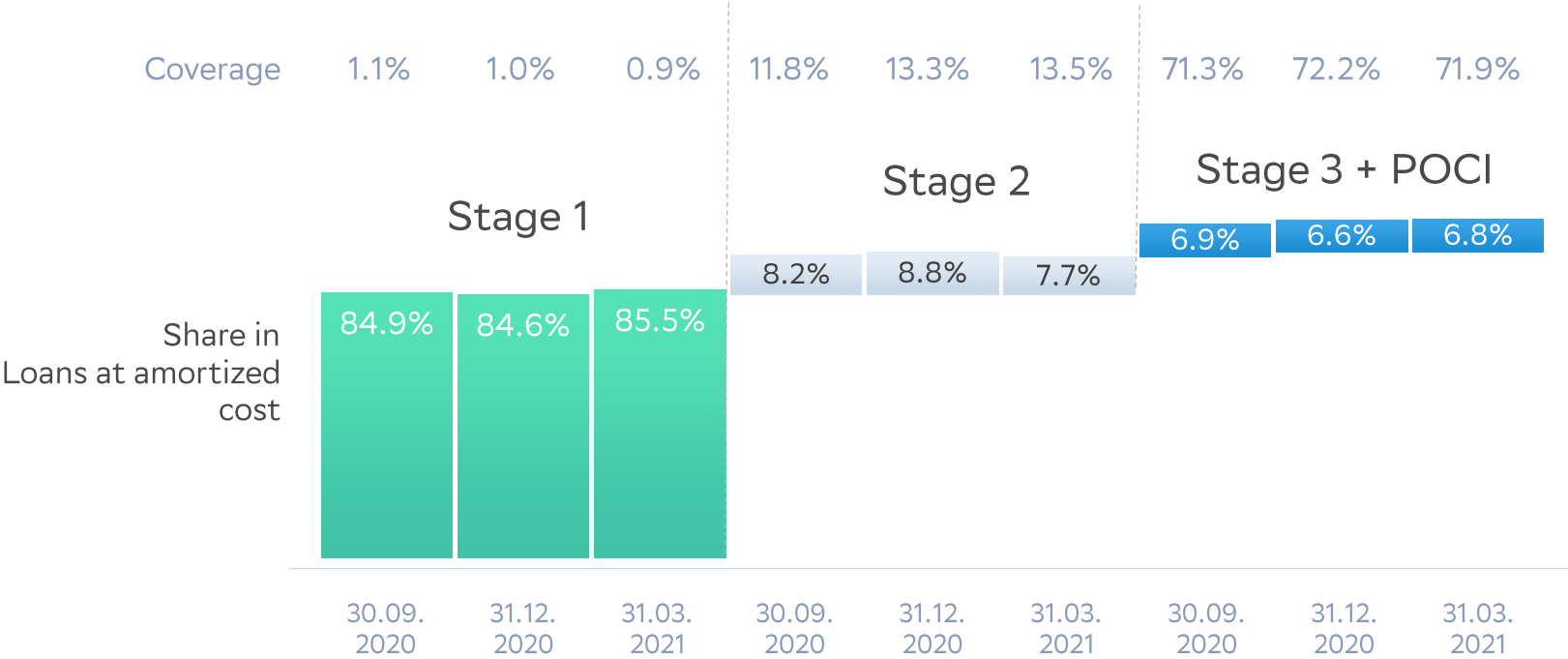
Total provision coverage of Stage 3 and POCI loans, AT AMORTIZED COST, %



- Share of Stage 3 and POCI loans in Total loans at amortized cost
- Total coverage

# Loan portfolio by credit quality by stages

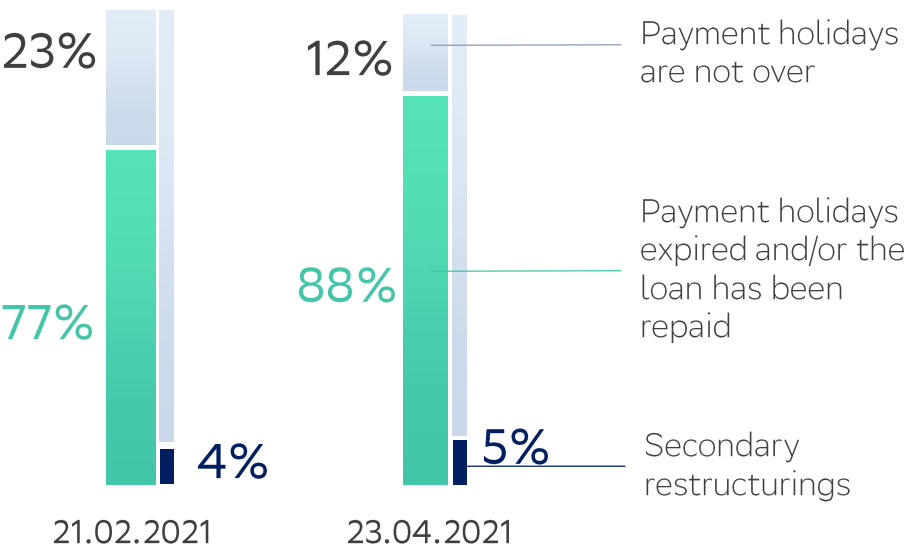
Loans at amortized cost



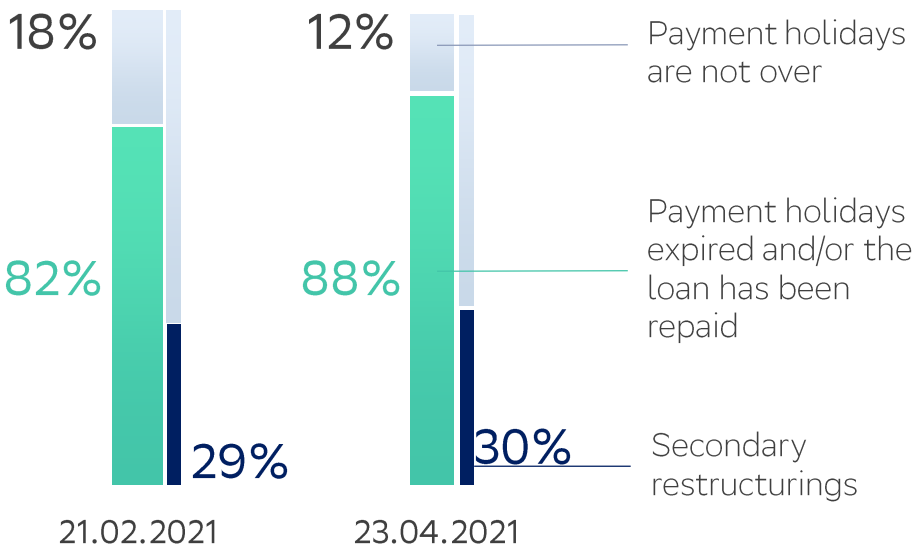


# Restructured loans 2020

RUB 185 bn  
Restructured retail loan exposure

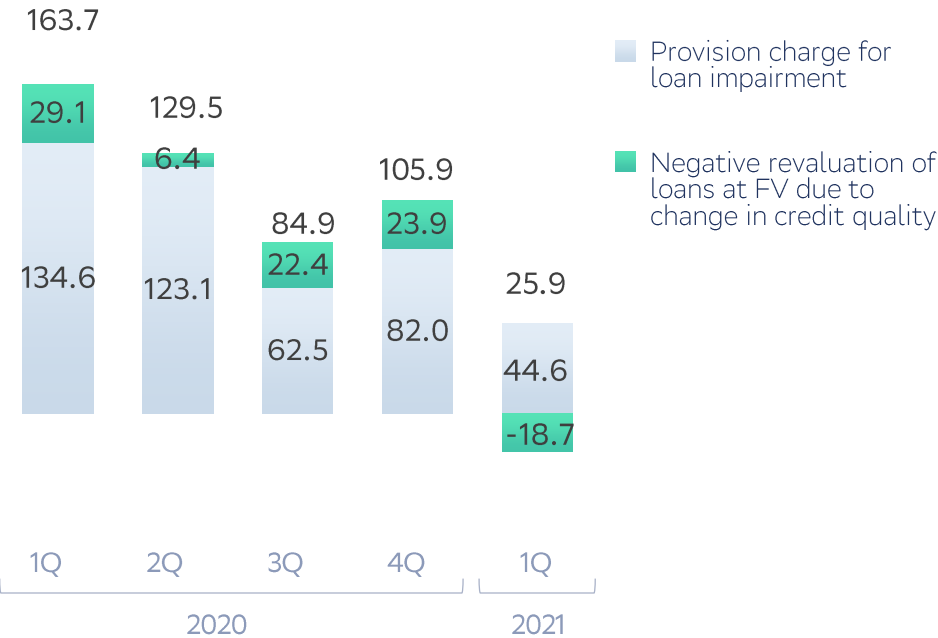


RUB 2 344 bn  
Restructured corporate loan exposure

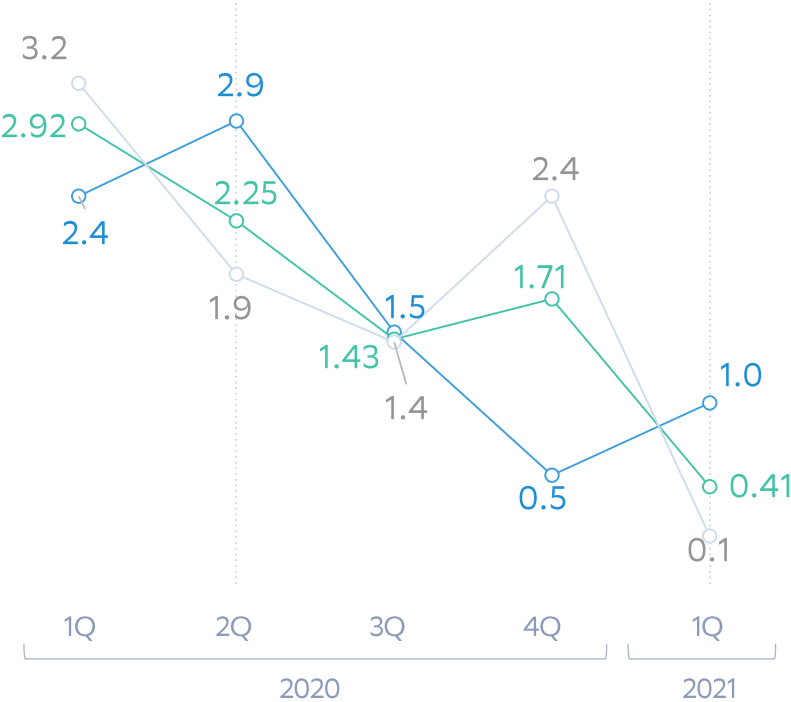


# Cost of risk came at 41 bps in 1Q 2021

Net charge related to change in credit quality, RUB BN



Cost of risk, %



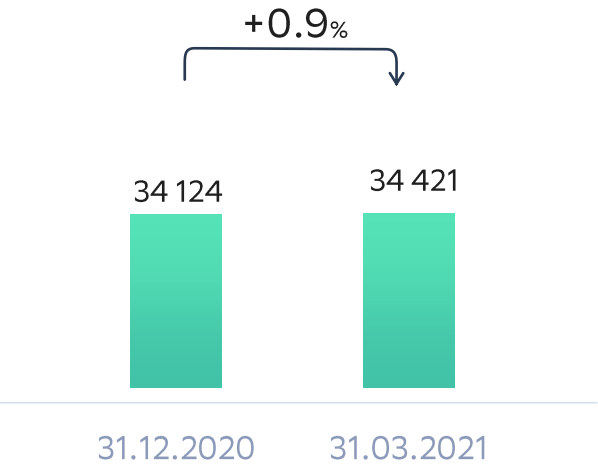
**Guidance 2021**

COR  
**120-140 BPS**  
**~100 BPS** ←

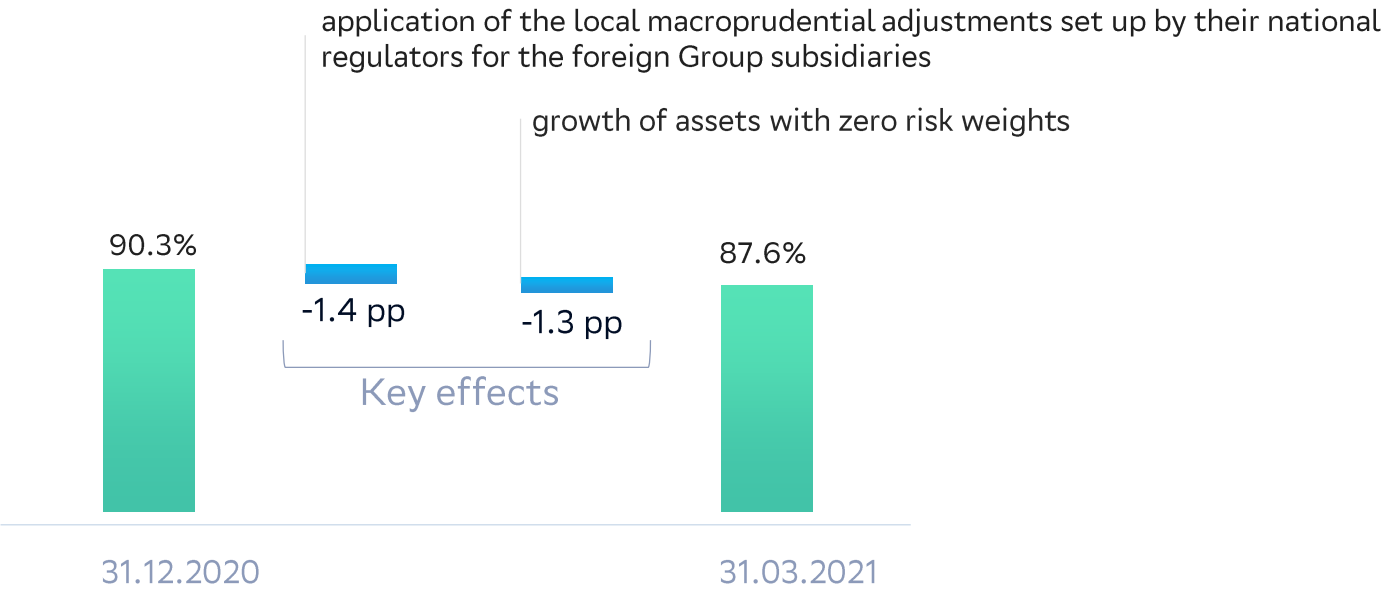
- Combined Cost of risk at amortized cost + at fair value
- Corporate Cost of risk at amortized cost + at fair value
- Retail Cost of risk at amortized cost

# The RWA density decreased by 2.7 pp in 1Q 2021

Total risk weighted assets (RWA), RUB BN



RWA density, %

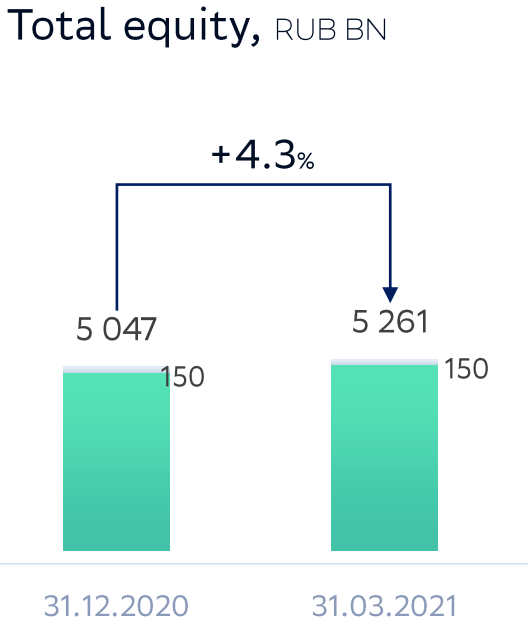


# RWA: expected changes in regulation

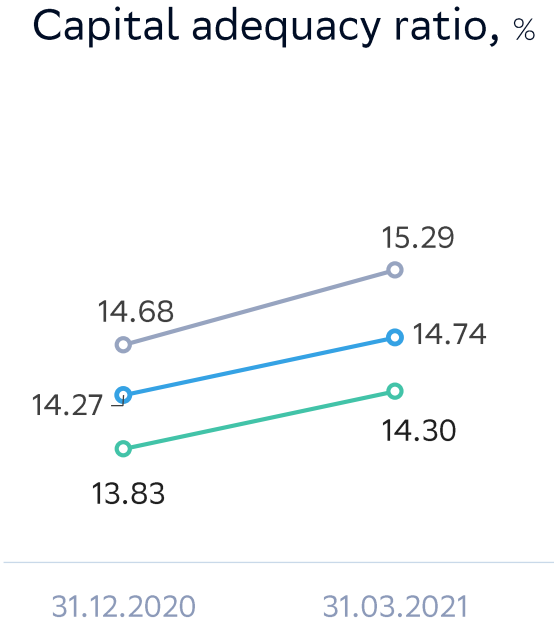
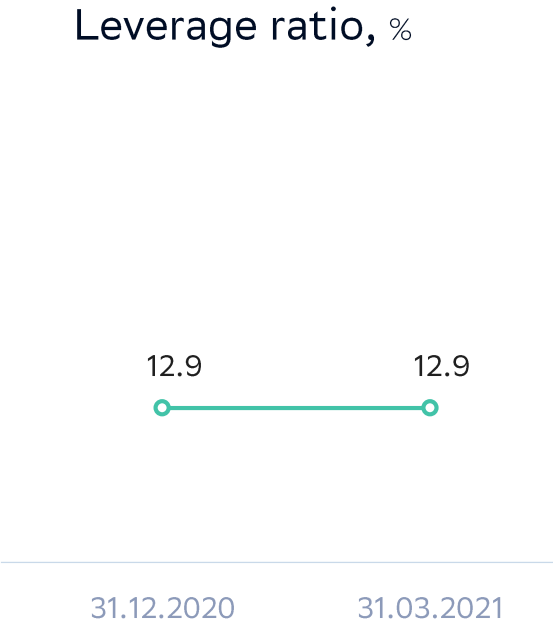
	New standardized approach (SA) for operational risk	<i>CBR project</i> Cancellation of macro add-ons for unsecured consumer loans issued before 31.03.2020	<i>CBR project</i> New macro add-ons for unsecured consumer loans issued from 01.07.2021
RWA	▼ ~ RUB 1 trln	▼ RUB 0.34 trln	▲ RUB 0.4 trln <i>By the end of 2021</i>
RWA Density	▼ ~ 2.5%	▼ 0.9%	▲ 1.0%
CET 1 CAR	▲ ~ 40 bps	▲ 15 bps	▼ 16 bps
Valid from	2Q 2021	2Q 2021	3Q 2021

# Capital adequacy is at the comfortable level

Basel 3.5



■ Perpetual subordinated loan



- Total capital adequacy ratio
- Tier 1 capital adequacy ratio
- CET 1 capital adequacy ratio



Guidance  
2021

CET 1 CAR  
under Basel 3.5 for the Group

13.5-14.0%  
~14.0%

# ESG transformation is gaining momentum

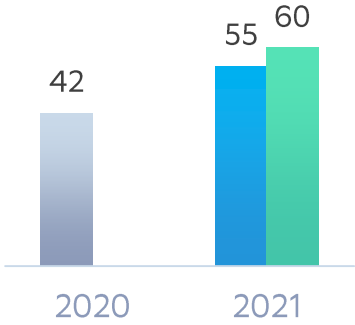


- ESG KPIs for management assigned
- Policy for the ESG Risk Management approved
- Scope 1 and Scope 2 CO2 footprint measurement started
- Carbon intensity of the loan portfolio is explored
- Green and Social bonds issuances organized

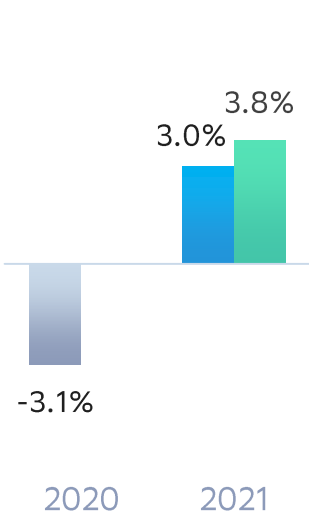
# Macro forecast

BASE-CASE

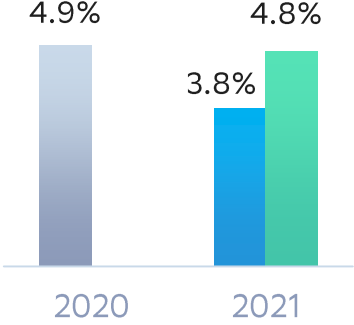
Oil price,  
URALS \$, AVERAGE FOR  
THE YEAR



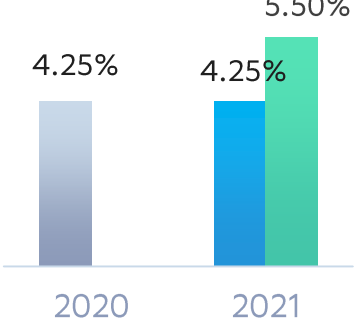
Economic growth,  
REAL, Y/Y



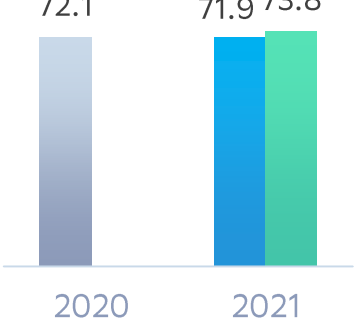
Inflation,  
END OF PERIOD



CBR key rate,  
END OF PERIOD



RUB / USD,  
AVERAGE FOR THE YEAR



■ - previous forecast as of 4.03.2021

# Sector forecasts 2021



Nominal  
Growth  
Dynamics  
2021

as of 04.03.2021	Corporate loans	Retail loans	Corporate deposits	Retail deposits
Sector Russia	7-9%	13-15%	10-12%	6-8%
SberBank	In line with the sector	In line with the sector	Better than the sector	In line with the sector
as of 29.04.2021	Corporate loans	Retail loans	Corporate deposits	Retail deposits
Sector Russia	9-10%	16-18%	13-15%	7-9%
SberBank	In line with the sector	In line with the sector	In line with the sector	In line with the sector



# Guidance 2021

2021  
as of 04.03.2021

2021  
as of 29.04.2021

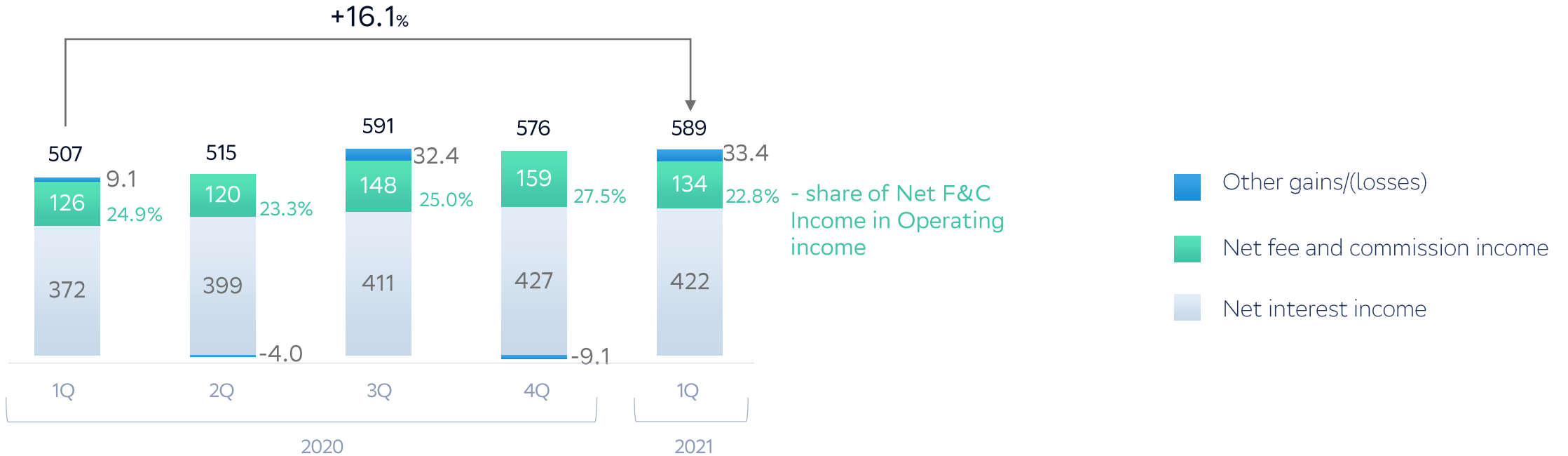
Efficiency	Financial business Cost to income Ratio (CIR)	Stable y/y	Stable y/y
	Group OPEX growth	~10%	Low to mid teens
Profitability	NIM (average)	~0.5 pp decrease	~0.5 pp decrease
	Net Fees & Commissions Growth	~10%	~10%
	Revenue from non-financial digital companies attributable to Sber	X2 y/y	>RUB 200 bn
	Cost of Risk	120-140 BPS	~100 BPS
	ROE	>18%	>20%
Capital	CET 1 CAR under Basel 3.5 for the Group	13.5–14.0 %	~14 %



# Appendix

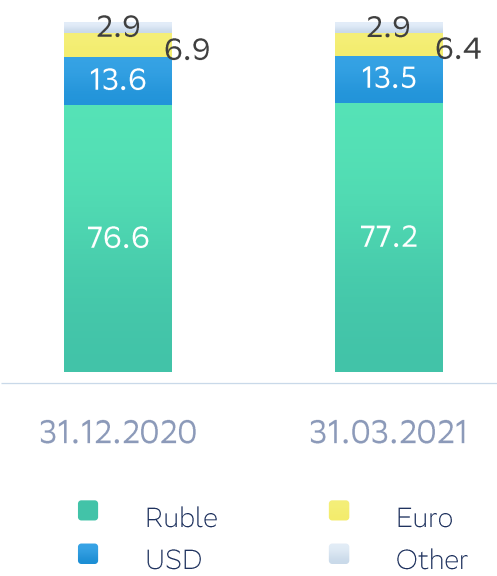
# Operating income increased mainly driven by NII

Operating income before (1) credit loss allowance charge for debt financial assets, (2) revaluation of loans at fair value due to change in credit quality and (3) provisions for credit related commitments, RUB BN

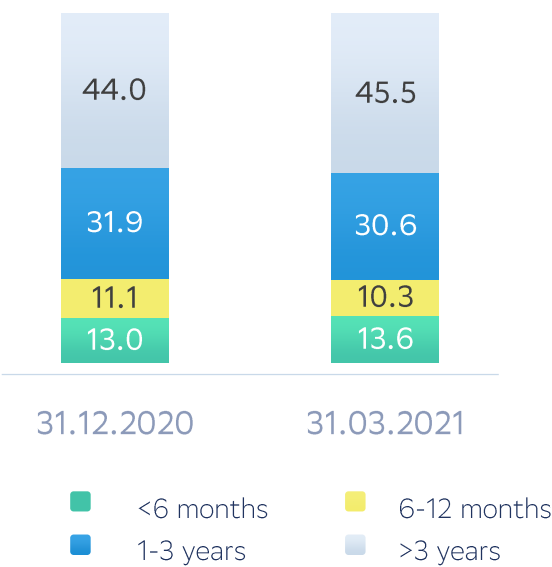


# Loan portfolio structure: share of retail loans is approaching 40%

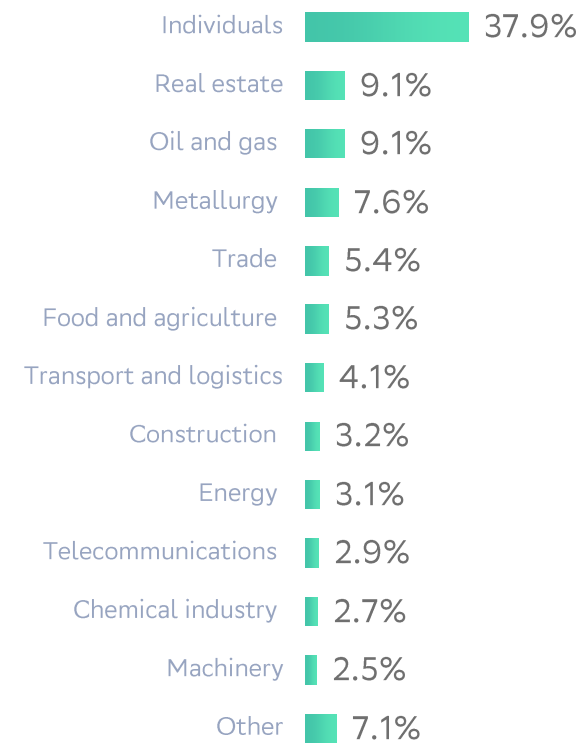
Currency breakdown, %



Maturity breakdown, %

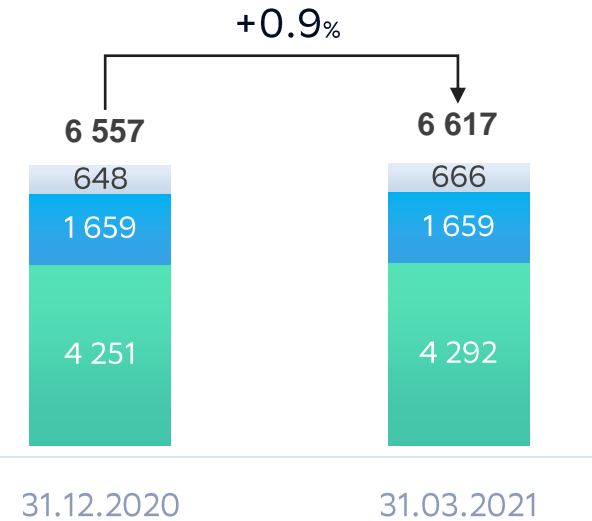


Loan portfolio by segment, %



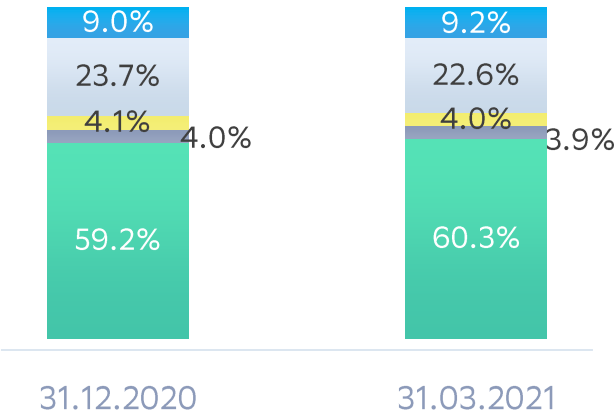
# Securities portfolio remained stable

Securities by portfolio, RUB bn



- Securities measured at FVTOCI
- Securities measured at amortized cost
- Securities measured at FVTPL

Securities by type, %



- OFZ bonds
- Russian Federation Eurobonds
- Municipal bonds
- Corporate bonds
- Other securities

# Banking business

RUB BN	1Q 2020	1Q 2021	
<b>Interest income</b>	<b>568.4</b>	<b>594.0</b>	<b>4.5%</b>
Due from banks	16.2	14.4	-11.1%
Loans and advances to corporate customers	254.7	243.3	-4.5%
Loans and advances to individuals	244.5	263.3	7.7%
Debt securities	52.5	73.1	39.2%
Other	0.5	-0.1	-120.0%
<b>Interest expense</b>	<b>-216.9</b>	<b>-192.4</b>	<b>-11.3%</b>
Due to banks	-16.7	-21.2	26.9%
Due to corporate customers	-53.0	-53.0	0.0%
Due to individuals	-108.1	-81.5	-24.6%
Debt securities in issue	-15.3	-17.5	14.4%
Deposit insurance expense	-22.5	-16.9	-24.9%
Other	-1.3	-2.3	76.9%
<b>Fee and commission income</b>	<b>81.2</b>	<b>82.3</b>	<b>1.4%</b>
Corporate customers	26.5	26.2	-1.1%
Individuals	53.1	53.5	0.8%
Other	1.6	2.6	62.5%
<b>Fee and commission expense</b>	<b>-30.5</b>	<b>-36.3</b>	<b>19.0%</b>
Corporate customers	-1.8	-1.7	0.0%
Individuals	-28.5	-34.0	19.3%
Other	-0.2	-0.6	200.0%
Net income from trading activities	19.0	15.8	-16.8%
Other net operating (expense) / income	1.7	0.8	-52.9%
<b>Operating income before credit loss allowance and other provisions</b>	<b>422.9</b>	<b>464.2</b>	<b>9.8%</b>
Net charge for credit loss allowance and other provisions	-190.2	-37.4	-80.3%
Staff and administrative expenses	-128.1	-138.4	8.0%
<b>Profit before tax (segment result)</b>	<b>104.6</b>	<b>288.4</b>	<b>175.7%</b>

# Payment business

RUB BN	1Q 2020	1Q 2021	
Payment products for individuals	25.0	28.1	12.4%
Payment products for corporate customers	49.9	58.2	16.6%
<b>Operating income before credit loss allowance and other provisions</b>	<b>74.9</b>	<b>86.3</b>	<b>15.2%</b>
Staff and administrative expenses	-26.3	-23.3	-11.4%
<b>Profit before tax (segment result)</b>	<b>48.6</b>	<b>63.0</b>	<b>29.6%</b>

# Wealth Management and Brokerage

RUB BN	1Q 2020	1Q 2021	
Gross premium written and pension contributions	25.5	22.9	-10.2%
Net interest income	20.7	21.8	5.3%
Net income from trading activities	-7.6	7.9	-203.9%
Net commission income	5.5	6.7	21.8%
Change in insurance provisions / pension liabilities	-14.7	-23.1	57.1%
Payments on insurance and pension contracts	-11.9	-18.0	51.3%
Acquisition costs	-2.8	-2.2	-21.4%
Investment expenses	-0.1	-0.2	100.0%
Other net operating (losses) / income	-0.7	0.5	-171.4%
<b>Operating income before credit loss allowance and other provisions</b>	<b>13.9</b>	<b>16.3</b>	<b>17.3%</b>
Net charge for credit loss allowance and other provisions	0.0	0.0	
Staff and administrative expenses	-4.6	-5.5	19.6%
<b>Profit before tax (segment result)</b>	<b>9.3</b>	<b>10.8</b>	<b>16.1%</b>

# Risk insurance

RUB BN	1Q 2020	1Q 2021	
Gross premium written and pension contributions	23.4	22.6	-3.4%
Change in insurance provisions	0.1	-0.1	-200.0%
Payments on insurance contracts	-3.7	-4.2	13.5%
Acquisition costs	-5.2	-3.2	-38.5%
Net commission income	4.2	2.7	-35.7%
Net investment income	1.1	0.9	-18.2%
Other net operating (losses) / income	-0.2	0.0	-100.0%
<b>Operating income before credit loss allowance and other provisions</b>	<b>19.7</b>	<b>18.8</b>	<b>-4.6%</b>
Net charge for credit loss allowance and other provisions	0.0	-0.1	
Staff and administrative expenses	-4.0	-4.4	10.0%
<b>Profit before tax (segment result)</b>	<b>15.7</b>	<b>14.3</b>	<b>-8.9%</b>

# Segment Analysis

In billions of Russian Roubles	Banking business		Payment business		Wealth management and brokerage		Risk insurance		Non-financial business	
	1Q 2021	1Q 2020	1Q 2021	1Q 2020	1Q 2021	1Q 2020	1Q 2021	1Q 2020	1Q 2021	1Q 2020
Total revenue	683.5	655.7	112.3	95.2	29.5	31.2	24.2	24.9	33.6	8.5
Operating income before credit losses allowance and other provisions	464.2	422.9	86.3	74.9	16.3	13.9	18.8	19.7	2.2	(1.0)
Net (charge) / recovery of credit loss allowance and other provisions	(37.4)	(190.2)	–	–	–	–	(0.1)	–	–	–
Staff and administrative expenses	(138.4)	(128.1)	(23.3)	(26.3)	(5.5)	(4.6)	(4.4)	(4.0)	(10.9)	(3.5)
<b>Profit / (loss) before tax (segment result)</b>	<b>288.4</b>	<b>104.6</b>	<b>63.0</b>	<b>48.6</b>	<b>10.8</b>	<b>9.3</b>	<b>14.3</b>	<b>15.7</b>	<b>(8.7)</b>	<b>(4.5)</b>
Segment assets	35864.4	34518.3	63.3	71.1	1538.9	1511.0	95.7	92.8	201.2	136.6
Segment liabilities	31154.5	29931.7	10.2	18.9	1416.4	1400.9	79.6	79.9	69.2	64.9



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# Sber 1Q 2021 results under IFRS



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