



**Presentation for investors**  
**ESG Banking:made in Russia**

2018

## Bank overview

**Number  
of offices**



**125**

**Client base**



**1.5**  
min

**Staff**



**1644**

**Credit ratings**



**Moody's - Ba3**  
**ACRA - A(ru)**

**ESG-rating**



**vigeo eiris**  
**17/76**  
(Europe)



**2010, 2012, 2013,  
2016, 2018**  
STP Excellence Award



**2013**  
Sustainable banking leader  
in Eastern Europe FT/IFC

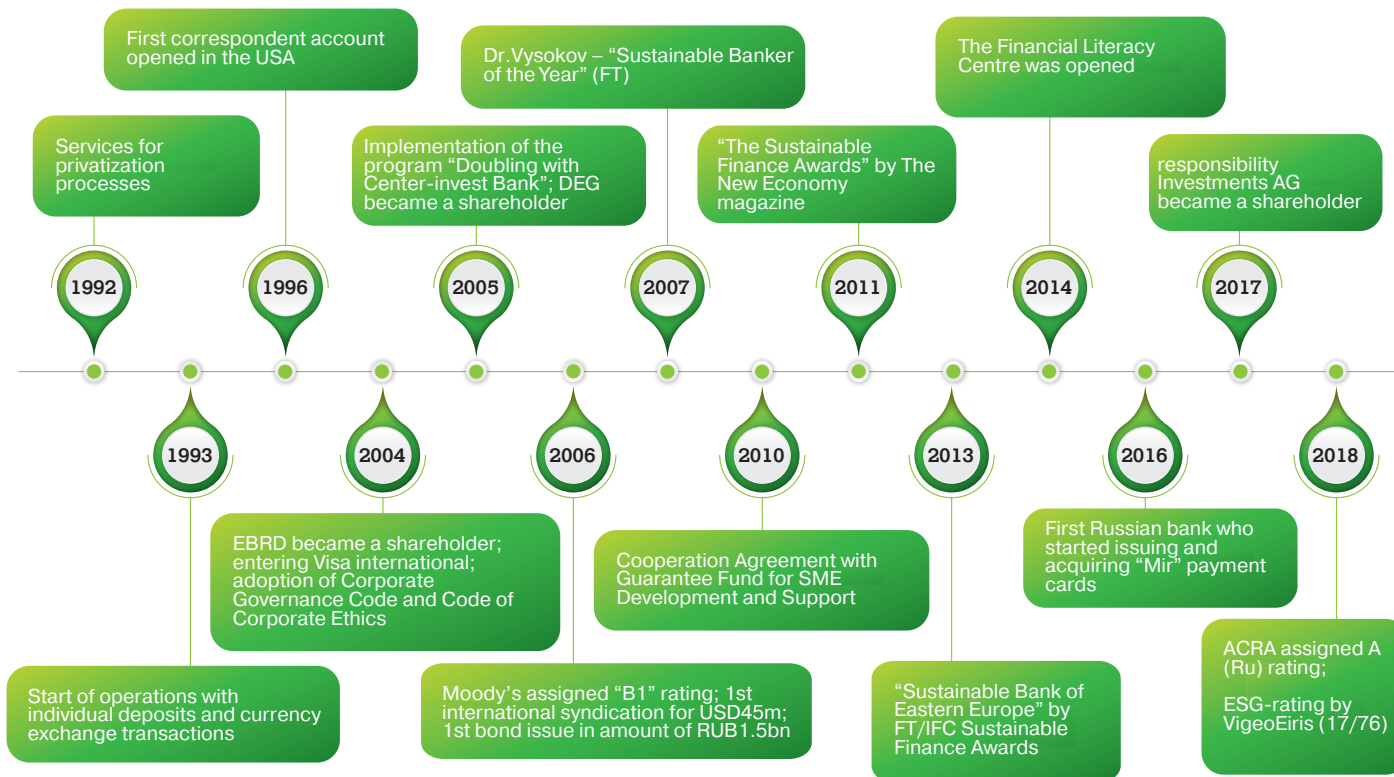


**2018**  
TOP 35 "The most reliable banks  
in Russia"



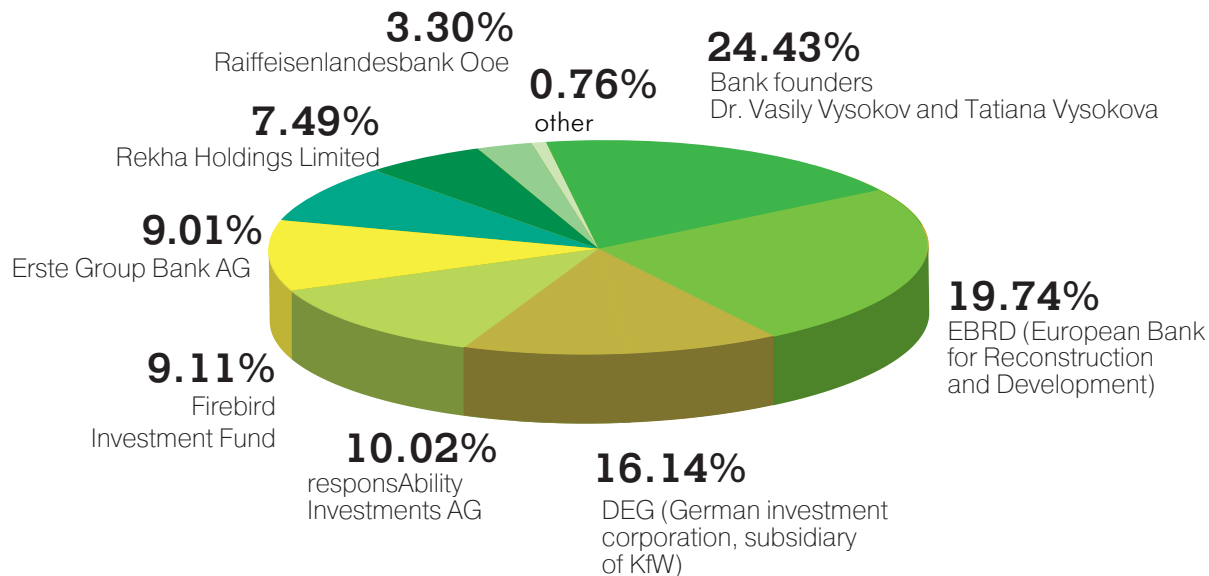
**2017**  
"The 100 best goods in Russia"

# History



## Shareholders

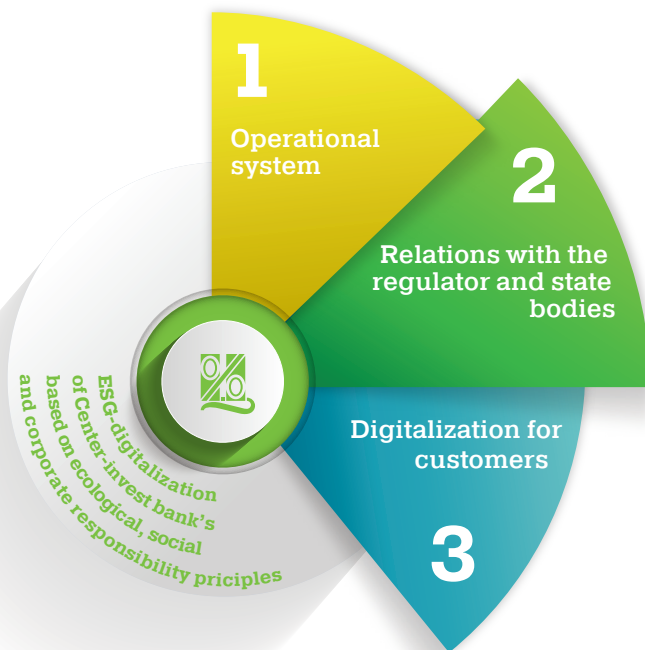
### Shareholders structure\*



\*%, Voting right shares



# ESG-digitalization of Center-invest bank's ecosystem



## Development of the Bank's operational

- Data and Payment Security
- Leadership in integration
- Big Data



## Interfaces with the regulator and government bodies:

- Leadership in pilot projects (Bank of Russia, Russian Pension Fund, NSPC and others)
- Integration with state services
- Automated Reporting
- Direct document exchange with government bodies



## Interaction with retail customers:

- Mobile banking, Bank of Russia's Marketplace, Customer identification via state systems

## Interaction with business customers:

- Analysis of cashier's checks, Internet and mobile banking with multi-level antifraud (SafeTouch)

## Financial highlights

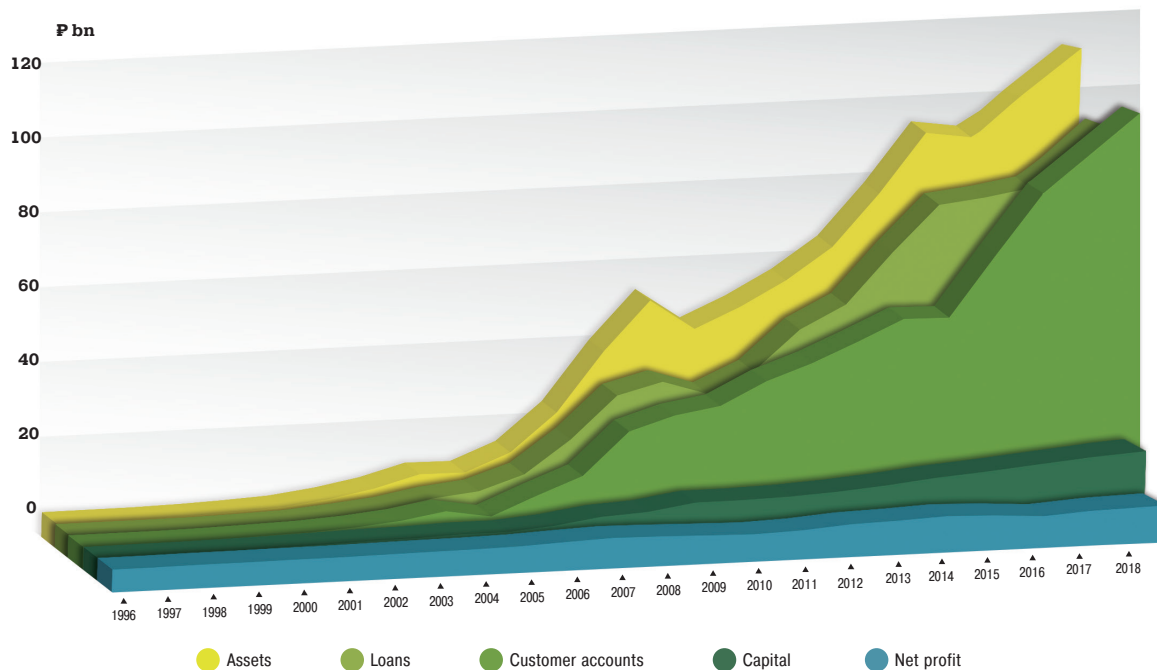
	2011	2012	2013	2014	2015	2016	2017	2018
<b>RUB, bn</b>								
<b>Assets</b>	54.5	62.7	75.9	91.3	89.6	96.6	102.6	112.2
<b>Capital</b>	6.7	7.6	8.8	9.6	10.6	11.5	12.6	13.1
<b>Net Loans and Lease</b>	42.5	48.4	61.5	72.0	72.7	73.6	80.1	88.0
<b>Customer accounts</b>	39.0	44.0	49.4	49.2	65.0	80.4	87.2	95.2
<b>Net profit</b>	0.9	1.1	1.4	1.1	0.5	1.0	1.4	1.5
<b>ROE, %</b>	14.6	15.4	17.3	12.1	5.3	9.1	11.8	11.9
<b>ROA, %</b>	1.8	1.9	2.0	1.3	0.6	1.1	1.4	1.4
<b>NIM, %</b>	6.8	6.7	6.6	6.3	4.4	5.3	6.2	6.0
<b>Cost/Income, %</b>	49.9	45.1	45.0	43.4	51.1	44.9	48.7	47.6
<b>Loans/Deposits, %</b>	109.1	109.9	124.5	146.2	111.7	91.6	91.9	92.4
<b>CAR, %</b>	18.2	17.4	15.6	14.5	17.1	17.0	16.8	16.7
<b>Number of children born to bank employees</b>	82	71	83	86	78	103	89	72

1USD=57.6002 RUB as at 01.01.2018

1USD=69.4706 RUB as at 01.01.2019

## Key financials

The dynamics of key financial performance indicators demonstrates the ability of the Bank to operate in difficult financing environment and adapt efficiently in rapidly changing environment, "to be at the forefront of trends and constantly ready to meet new challenges"



## Center-invest Bank: market share

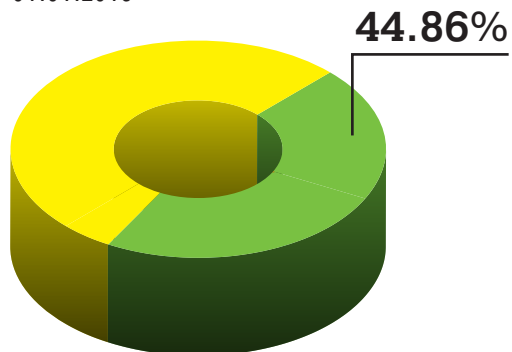


### Share of Center-invest Bank in southern Russia

among local banks in CIB operational area

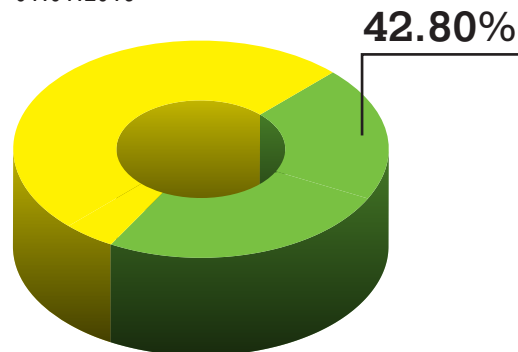
#### Loans\*

01.01.2019



#### Deposits

01.01.2019



\*loans to non-financial corporations, leasing, factoring

Due to the lack of data on regional Sberbank branches of Russia, information about a share among all banks isn't available.

## Competitive positions: rankings



### In ranking of the largest Russian banks as at 01.01.2019:

31	Value of retail loan portfolio
36	Value of retail deposits
45	Value of corporate loan portfolio
49	Value of total loan portfolio
60	Value of total assets

<http://raexpert.ru/ratings/bank/monthly/Jan2019/>



### In ranking of largest mortgage banks as at 01.07.2018:

14	Number of issued loans
17	Value of issued mortgage loans
18	Value of mortgage loan portfolio

[http://raexpert.ru/ratings/bank/ipoteka\\_1h\\_2018/](http://raexpert.ru/ratings/bank/ipoteka_1h_2018/)



### In ranking of TOP-16 Russian banks for SMEs as at 01.01.2018:

4	Value of loan portfolio to individual entrepreneurs
9	Value of loan portfolio to small business
14	Value of loan portfolio to medium enterprises
15	Value of total SME loan portfolio

[https://raexpert.ru/researches/banks/frb\\_2017](https://raexpert.ru/researches/banks/frb_2017)



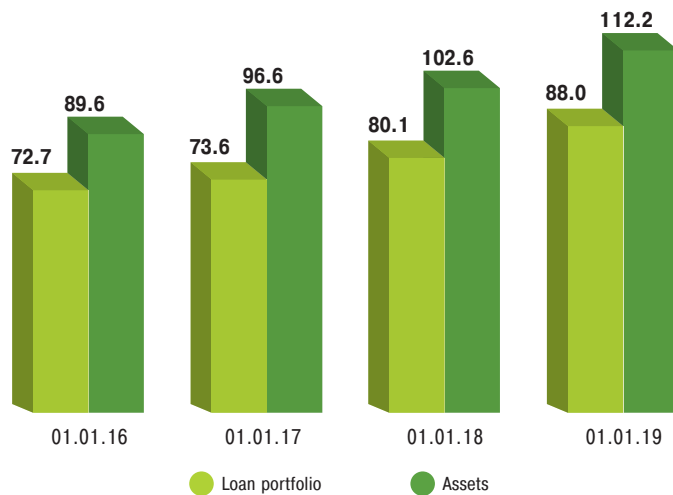
### TOP-50 Russian Banks by "The Banker"

4	Loans to Assets ratio
15	Positive trend in profit
18	ROE
20	Positive trend in capital
24	ROA
25	Cost/IncomeRatio
28	CAR
33	Profit
41	Assets
45	Tier 1 Capital

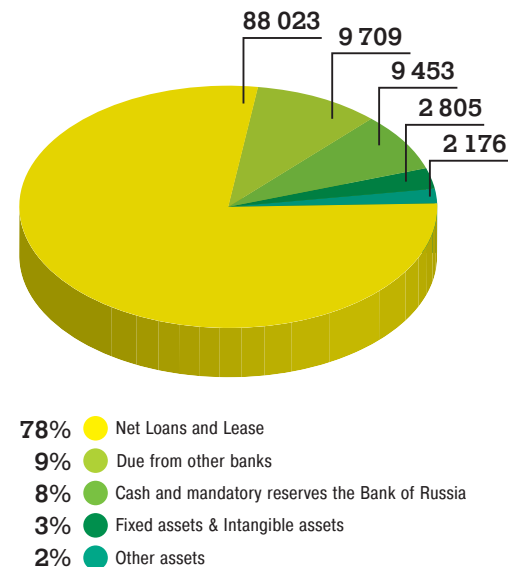
<http://www.thebanker.com>

## Assets: dynamics and structure

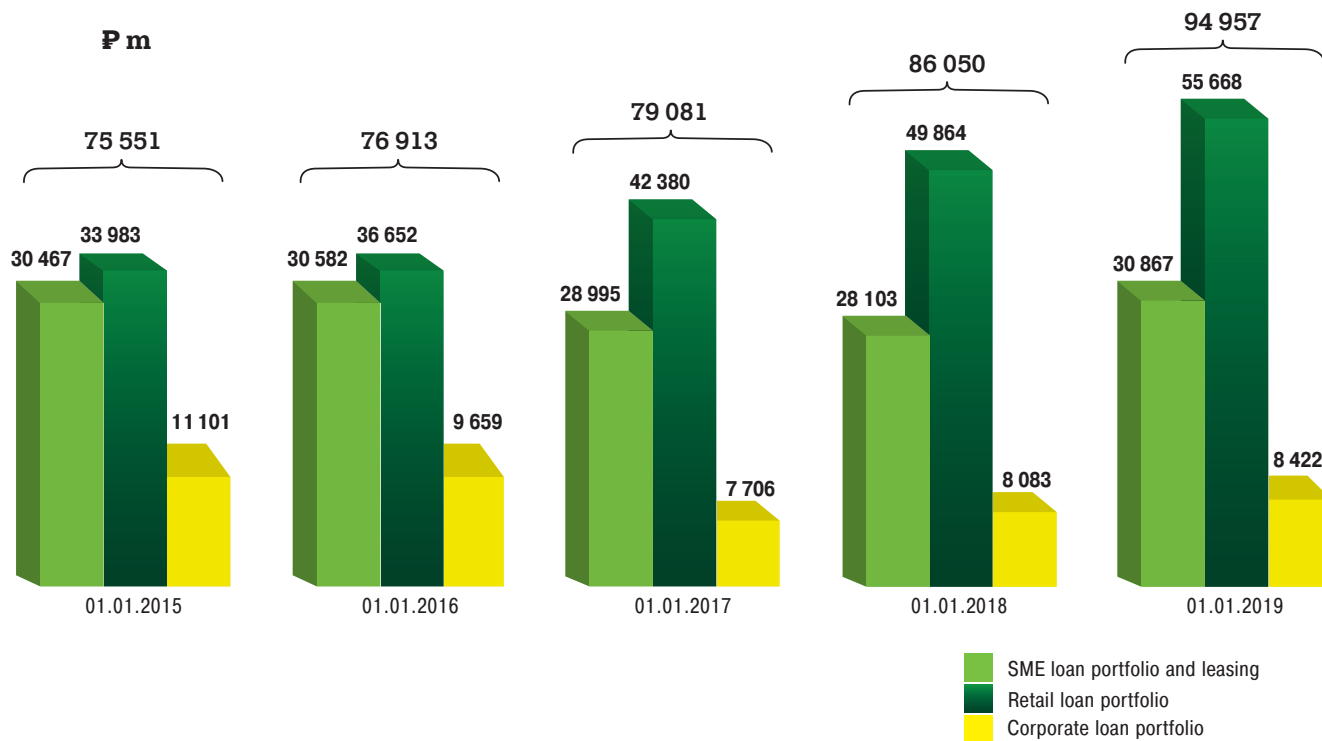
**Loan Portfolio & Assets, ₪ bn**



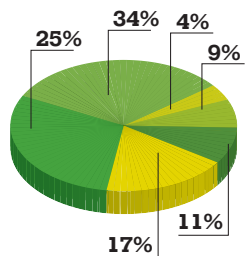
**Assets structure, ₪ m**



## Loan portfolio development

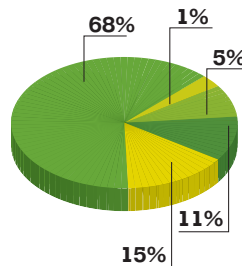


## Structure of the loan portfolio



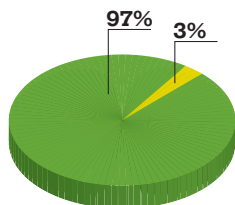
### Industries structure

- 34%** – Agriculture
- 25%** – Trade
- 17%** – Manufacturing
- 11%** – Transport
- 9%** – Others
- 4%** – Construction



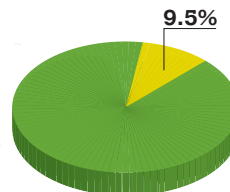
### Structure by collateral

- 68%** – Real estate and pledge of right
- 15%** – Motor vehicles
- 11%** – Third parties' guarantees
- 5%** – Farming machines
- 1%** – Others



### Structure by currency

- 97%** – Russian rubles
- 3%** – Foreign currency



### TOP-10 Borrowers\*

- 9.5%** – Share of TOP-10 Borrowers in gross loan portfolio and leasing

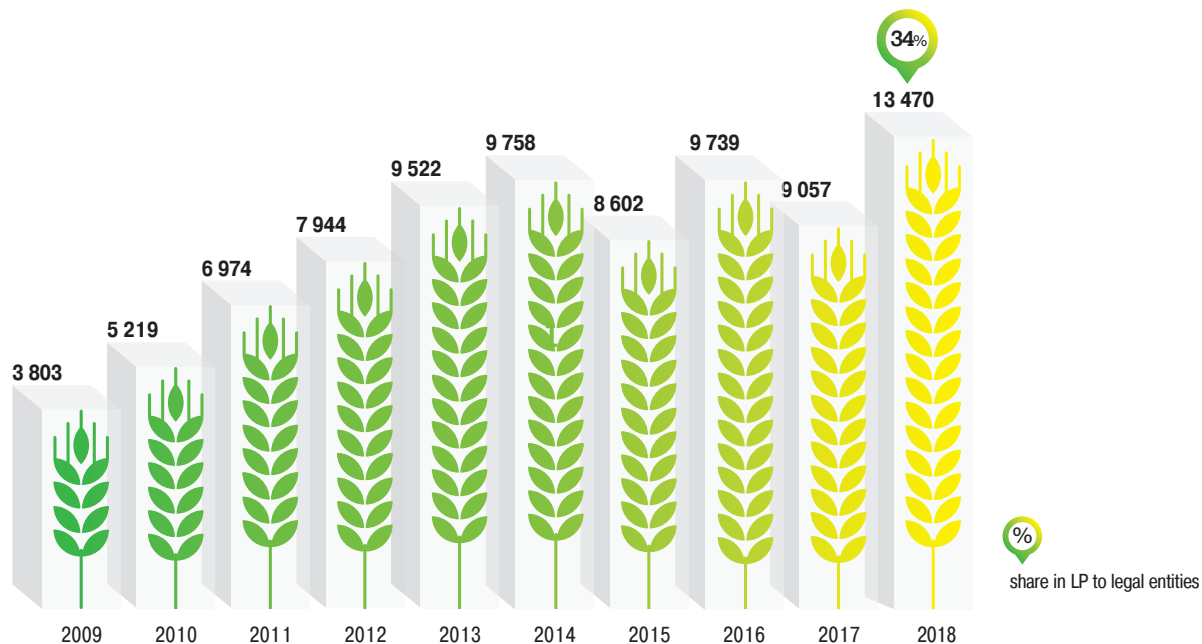
Gross loan portfolio and leasing – **RUB 94.6 bn**

\*%, loans and lease before provisions



## Agribusiness Lending

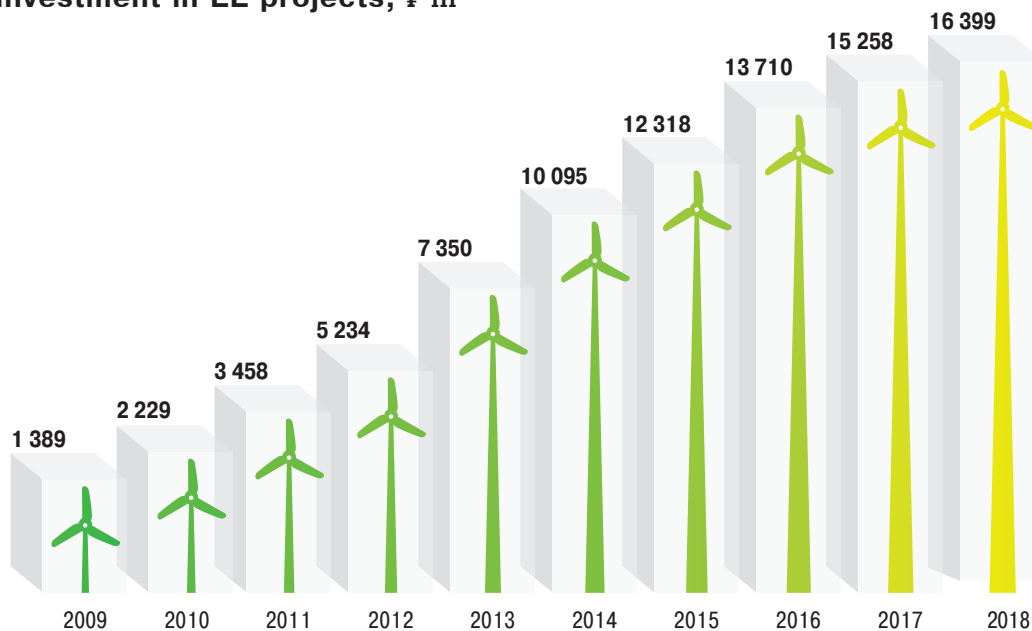
Value of Agribusiness loan portfolio, ₪ m



Bank was included in the list of credit institutions approved by the Ministry of Agriculture authorized to participate in the government's preferential agricultural lending programme.

## Energy Efficiency Lending

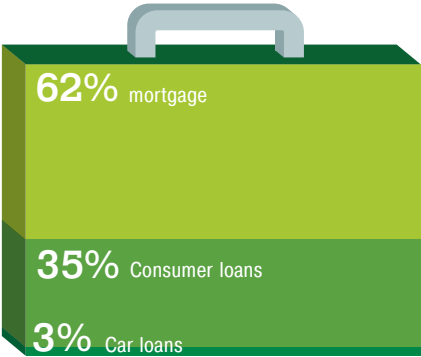
Total investment in EE projects, ₪ m



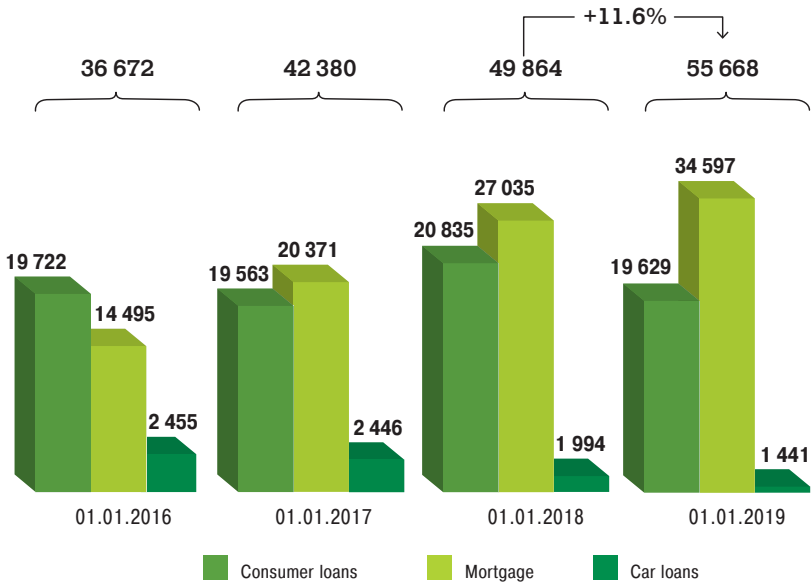
Center-invest Bank's success in financing EE projects is attributable to the fundamentally new approach: sustainable lending. It combines technical, financial and social engineering.

# Retail lending

**Breakdown  
by loan volumes  
as at 01.01.19**



**Dynamics and structure  
of retail lending portfolio, ₴ m**



## Accelerator of Center-invest Bank



This is an innovative space for opening and development of all types of businesses. More than 5000 entrepreneurs have already become the participants of Accelerator.



Online-education



1 month  
of education  
7 hours per week



Mentor  
programs



Free  
consulting  
support



### Inclusive financial services



#### Startup

- ✓ for start-up entrepreneurs
- ✓ over 3 years maturity
- ✓ up to 3 million RUB
- ✓ consulting support
- ✓ mentor programme

701  
projects

total of  
**833 P m**



#### Business loans for women

- ✓ for business-women
- ✓ soft loan
- ✓ NPL=0%

590  
projects

total of  
**912 P m**



#### Social responsability

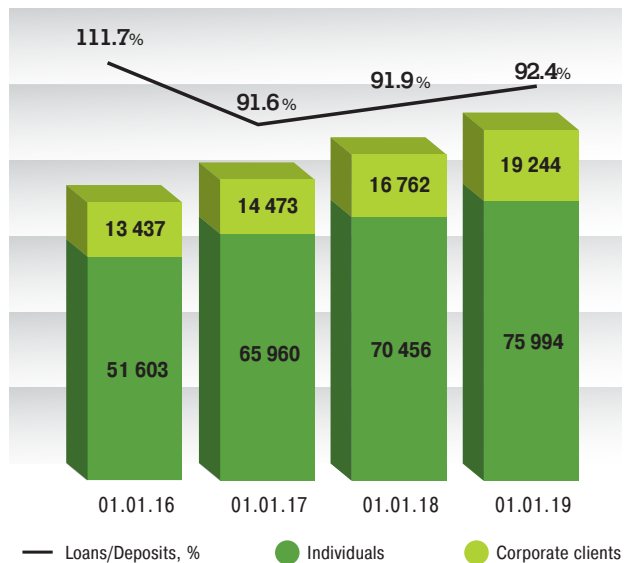
- ✓ educational services, health
- ✓ the revival of cultural traditions
- ✓ 2017 - start of programme

30  
projects

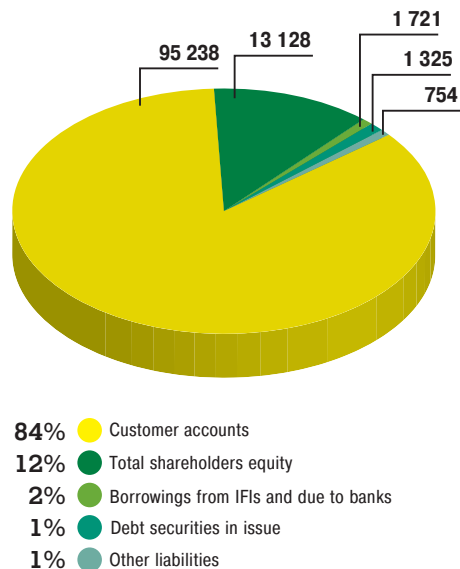
total of  
**83 P m**

## Liabilities: dynamics and structure

**Dynamics and structure  
of customer accounts, ₪ m**



**Liabilities structure, ₪ m**



Bonds in circulation					
Series	Total par value, RUB m	In circulation, RUB m	Maturity date	Put option date	Coupon rate, % per annum
<b>Exchange bonds, BO-10 series</b>	3 000.00	58	5.2019	—	8.25
<b>Exchange bonds, BO-001P-03 series*</b>	226.6	223.6	1.2019	—	9.8
<b>Exchange bonds, BO-001P-04 series*</b>	600	599	10.2021	4.2019	8.25
<b>Exchange bonds, BO-001P-05 series*</b>	600	206.6	3.2022	9.2019	8.25

\* Bonds for population

## Cooperation with IFIs



**Starting from 2002 Bank has been attracting funds from both the Russian and the international financial markets.**

### Our partners

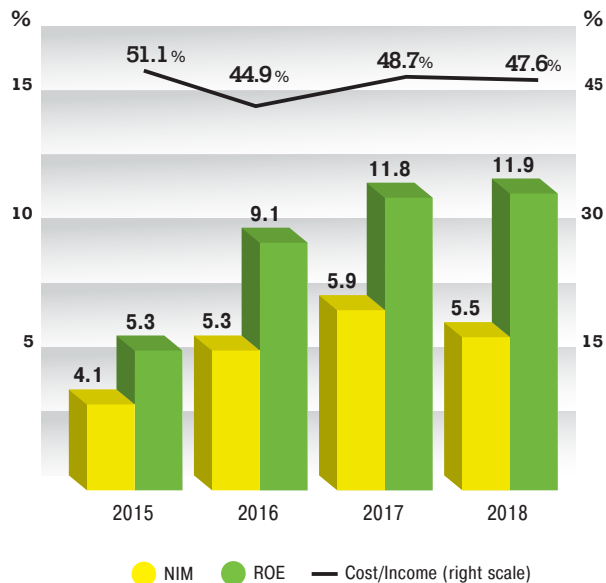


responsAbility

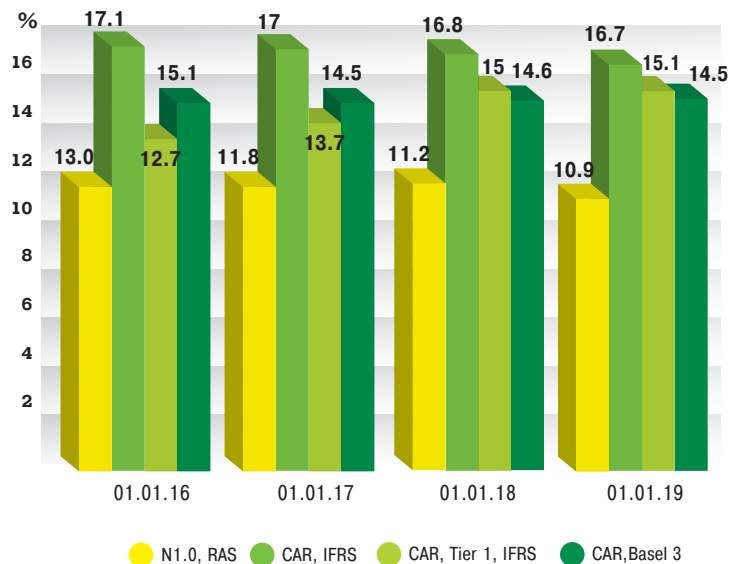


## Operational efficiency

### Profitability



### Capital adequacy





## Focus on social responsibility

Since 2003 the Endowment Fund for Education and Science in the SFD and Center-invest Bank have been running an open scholarship competition for undergraduate and postgraduate the best students in Southern Russia. More than 19.000 students have entered the competition since it began, and 4.800 scholarships have been awarded.



The Bank's work to raise financial literacy continues all year round. Online training platform "Enterprise for All" ([school.centrinvest.ru](http://school.centrinvest.ru)) combines training modules in the basics of entrepreneurship and testes in 6 languages. Over 39 210 people have registered on the portal so far. 16 742 people have received a certificate "Enterprise for All".



Center-Invest bank set up Financial Literacy Centers in Rostov-on-Don, Krasnodar and Taganrog. Center regularly provide trainings for older people, young entrepreneurs and workshops for those who want to develop its existing business. All consultations and workshops by the volunteers of the Center free of charge.

Since 2004 more than 220 000 children received free entry to the exhibitions at the Rostov Region Local Studies Museum and Volgograd State Panoramic Museum Stalingrad Battle.

## Center-invest Bank in 2018



A new book "Banks love small business" by Prof. Vysokov was published. At the XVI International Forum "Banks of Russia in XXI Century" in Sochi, the Council of the Association of Russian Banks approved the declaration which was proposed by the book.

In the framework of the "Russian-Chinese Youth Business Incubator" to be held in Rostov-on-Don Center-Invest Bank signed a cooperation agreement with the Association for the Promotion of Youth Entrepreneurship in Shenzhen. The agreement will allow the parties to share experience and best practices in managing ESG projects and start-up development.

In the framework of the XII Forum of the largest companies in the Southern Federal District, organized by the Expert-Yug business magazine, Center-Invest Bank was awarded in the nomination "The Largest Bank of Southern Russia" and became the winner of the award for the twelfth year in a row.

At the XVI Russian Bond Congress in St Petersburg, Center-invest Bank received an award for successfully initiating a green loans market in Russia and making a substantial contribution to its subsequent development.



The analytical Credit Rating Agency (ACRA) assigned Center-invest Bank a national scale rating of A (RU), stable outlook.

Center-Invest Bank took part in the Business Forum "Supporting the Growth of Regional Cooperation in Russia" of the Black Sea Trade and Development Bank. The organizers praised the role of Center-Invest Bank in promoting the real sector of the economy in the country and working with international financial institutions.

Center-Invest Bank took part in the annual agricultural forum "Don Farmer" and presented financial products for agricultural development and the results of work as part of the program of preferential loans to agribusiness. At the round table "Women's view on the development of rural areas" a unique program of support for women entrepreneurs was presented by the Bank.

Center invest organised Big Data Analysis Festival at Rostov State Economics University on 4 – 5 December 2018 as part of the II Open Russian Statistics Congress. Public lectures and masterclasses, an analytics competition, and a big data hackathon attracted over 500 students and young scientists from Russia and abroad.

## Contacts



**Dr. Vasily Vysokov**

Chairman  
of the Board of Directors

tel. +7 (863) 264-06-40



**Tatiana Vysokova**

Member  
of the Board of Directors

tel. +7 (863) 250-99-11



**Olga Vysokova**

Advisor  
to the Supervisory Board

tel. +7 (863) 250-99-11



**Sergey Smirnov**

Chairman  
of the Executive Board

tel. +7 (863) 267-36-44



**Yuriy Bogdanov**

Director  
of innovations

tel. +7 (863) 299-41-63



**Lidia Simonova**

Deputy Chairman  
of the Executive Board

tel. +7 (863) 264-06-40



### Head office

Russia, Rostov-on-Don, 344000  
62, Sokolova ave.

For details please contact:

**tel. +7 863 2 000 000**

**[ir@centrinvest.ru](mailto:ir@centrinvest.ru)**

**[referent@centrinvest.ru](mailto:referent@centrinvest.ru)**

**ESG – Banking:made in Russia**