

Press Release

Results for 2023 and 2022 exclude subsequent events after reporting date

SberBank selected RAS results for 12M 2023

Herman Gref, Chairman of the Executive Board, CEO, stated:

"Today we are pleased to present our preliminary results for 2023. We earned record net profit of RUB1 493 bn, while ROE reached 24.7%.

During the year, we expanded our client base, improved market positions in all key banking segments and made a breakthrough in the development of artificial intelligence. In 2023 retail deposits exceeded RUB22.6 trn, increasing by record RUB4.3 trn. During the year, our loan originations to corporate clients were worth more than RUB20 trn, and over RUB8.3 trn to retail clients. At the same time, credit quality of loan portfolio demonstrated certain improvement. Retail loan portfolio added almost 30%, while Sber's total loan portfolio increased by more than 26%, setting the stage for interest income generation in 2024.

The year 2023 was a landmark for our team as we identified key strategic development areas. Building a human-centric model using artificial intelligence will become the foundation for the sustainability of our business and value creation for our shareholders."

Client Activity Metrics

108.5 mn

+ 2.1 mn for 12M 2023

Active retail clients

81.9 mn

+ 3.3 mn for 12M 2023

Monthly active users
SberBank Online

10.0 mn

+ 4.2 mn for 12M 2023

SberPrime subscribers

3.2 mn

+ 7.4% for 12M 2023

Active corporate clients

- Number of retail clients reached 108.5 mn people, increasing by 2.1 mn since the beginning of the year. Number of corporate clients amounted to 3.2 mn companies.
- Number of monthly active users (MAU) of SberBank Online (app+web) rose to 81.9 mn people (+3.3 mn for 12M 2023), while number of daily users (DAU) was 43.7 mn.
- Number of SberPrime subscribers exceeded 10 mn people at the end of the year (+4.2 mn for 12M 2023).

RUB bn, unless stated otherwise	December 2023	Dec 2023/ Nov 2023 change	Dec 2023/ Dec 2022 change
Corporate loans before provisions	23 322	1.2%	24.3%
Retail loans before provisions	15 577	0.3%	29.4%
Corporate deposits	10 874	-0.9%	24.5%
Retail deposits	22 643	5.7%	23.5%

- **Retail loan portfolio** rose by 0.3% m-o-m, or 29.4% for 12M 2023, and came at RUB15.6 trn. In December, Sber issued retail loans in the amount of RUB661 bn.
- Mortgage loan portfolio rose by 3.2% m-o-m (more than 40% for 12M 2023) excluding securitization portfolio to exceed RUB10.1 trn. In December, Sber securitized mortgage loan portfolio in the amount of RUB220.3 bn.
 - The mortgage issuance in December was in the amount of RUB467 bn.
- The portfolio of consumer loans decreased by 1.8% in December (+11.7% for 12M 2023) due to regulatory tightening. Consumer loan portfolio amounted to RUB3.8 trn in the end of the year.
 - In December, Sber issued consumer loans worth of RUB173 bn.
- Credit card portfolio added 1.2% in December or 43.1% for 12M 2023 reaching RUB1.6 trn.
- **Corporate loan portfolio** exceeded RUB23.3 trn, demonstrating growth of 1.2% in December (+1.0% excluding effect from FX revaluation). For 12M 2023 loan portfolio grew by 24.3% (+18.4% excluding effect from FX revaluation).
 - Over the month, corporate loan originations reached record high numbers of RUB2.4 trn.
- **Loan portfolio asset quality** improved m-o-m with the share of overdue loans in total loan portfolio decreasing in December from 2.0% to 1.9%.
- **Retail client funds** were RUB22.6 trn adding 5.7% in December (+5.6% excluding effect from FX revaluation) or by 23.5% for 12M 2023 (+20.6% excluding effect from FX revaluation) on the back of rising rates on Ruble deposits following an increase in the key rate by the Central Bank of Russia.
 - In December, Sber raised interest on all deposit products. The highest interest rate on deposit amounted to 16%.
- **Corporate client funds** decreased by 0.9% in December (-1.1% excluding effect from FX revaluation) to RUB10.9 trn as a result of the bank's liquidity management decisions with regard to the cost of funding. Corporate funds increased by 24.5% for 12M 2023 (+18.2% excluding effect from FX revaluation).

Key Efficiency Results for 12M 2023 (excluding subsequent events)

RUB 1 493 bn

Net profit

24.7%

Return on Equity (ROE)

1.4%

Cost of Risk¹ (COR)

24.9%

Cost-to-Income Ratio (CIR)

RUB bn, unless stated otherwise	12M 2023 (excl. subsequent events)	December 2023 (excl. subsequent events)	12M 2023/ 12M 2022 change	Dec 2023/ Dec 2022 change
Net interest income	2 333.7	223.5	36.6%	26.4%
Net fee and commission income	716.0	80.4	16.6%	19.3%
Net provision charge against credit quality deterioration, including revaluation of loans at fair value ²	-636.4	-53.8	-	-
Operating expenses	-842.7	-99.7	25.7%	23.6%
Net profit before income tax expense	1 904.6	142.9	5.1X	-7.8%
Net profit	1 493.1	115.6	5X	-7.9%

- **Net interest income** for 12M 2023 rose by 36.6% y-o-y to RUB2.3 trn. Income growth year-on-year was a function of Sber business expansion in 2023 and low base effect of 2022. In December, net interest income rose by 26.4% compared to the same period last year to RUB223.5 bn.
- **Net fee and commission income** rose by 16.6% y-o-y for 12M 2023 to RUB716.0 bn thanks to growth in acquiring volume and income from cash and settlement transactions of retail clients. In December, net fee and commission income increased by 19.3% y-o-y to RUB80.4 bn.
- **Total net provision charge against credit quality deterioration, including revaluation of loans at fair value**, for 12M 2023 amounted to RUB636.4 bn. Cost of risk excluding the effect from FX revaluation was 1.4% for 12M 2023. Coverage ratio of overdue loans exceeded 3 times.
- **Operating expenses** came at RUB842.7 bn, increasing by 25.7% y-o-y for 12M 2023 due to low base effect from last year on the back of large-scale cost optimization program, as well as employee salary increase starting from July 2023.
 - Cost-to-income ratio was 24.9% for 12M 2023.
- Sber **net profit** for 12M 2023 amounted to RUB1 493.1 bn with **return on equity** at 24.7%. Sber earned RUB115.6 bn net profit in December, while return on equity reached 21.0%.

RUB bn, unless stated otherwise	1 Jan 2024 ³ (excl. subsequent events)	1 Jan 2024 / 1 Dec 2023 change	1 Jan 2024 / 1 Jan 2023 change
Core Tier 1 capital N1.1	5 257	-0.3%	11.2%
Tier 1 capital N1.2	5 407	-0.3%	10.9%
Total capital N1.0	6 259	4.2%	16.2%
Core Tier 1 capital ratio N1.1 min 4.5%	11.2%	-0.1 pp	-1.8 pp
Tier 1 capital N1.2 min 6.0%	11.5%	-0.2 pp	-1.9 pp
Total capital ratio N1.0 min 8.0%	13.3%	0.4 pp	-1.4 pp

- **Core Tier 1 and Tier 1 capital** decreased by 0.3% m-o-m and amounted to RUB5.3 trn and RUB5.4 trn respectively. The bank's **total capital** increased by 4.2% m-o-m to RUB6.3 trn as at January 1, 2024 on the back of earned net profit.
- **Core Tier 1 and Tier 1 capital ratios** reached 11.2% and 11.5% respectively. The ratios do not account for the effect from net profit contribution for October-December 2023 before the audit. The preliminary assessment of the 4Q 2023 net profit contribution to Core Tier 1 and Tier 1 capital ratios after audit is about 1.2 pp.
- **Total capital ratio** amounted to 13.3%, as at January 1, 2024.

¹ Cost of Risk excludes the effect from FX revaluation.

² Net provision charge against credit quality deterioration, including revaluation of loans at fair value includes effect from FX revaluation.

³ Preliminary data.

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