

CREDIT BANK OF MOSCOW reports RUB 5.6 bln of RAS Net Income for 9M2017

The Bank earned **net income** of RUB 5.6 bln in the reporting period, which is almost three times more than last year. This increase was driven mainly by improving quality of the loan portfolio, which resulted in lower provisioning levels, and fee income growth.

The net interest income after provisions increased by 143.0% yoy up to RUB 18.4 bln on the back of good quality growth of the Bank's operations. The **fee income** for the same period grew by 25% to RUB 9.4 bln yoy, which reflects in particular the Bank's focus on the development of new fee-generating products for both corporate and retail customers.

The Bank's **total assets** reached RUB 1.7 tln as of 1 October 2017 having increased by 21.4% ytd, mainly due to net loans' growth by 29.1% or RUB 320.5 bln.

The Bank's **gross loan portfolio** excluding repo transactions expanded by 22.2% to RUB 846.1 bln as at the reporting date, of which RUB 744.7 bln or 88.0% are attributable to corporate loans, and RUB 101.4 bln or 12.0% to retail loans. The growth was mainly driven by corporate loans which increased by 26.3%.

Customer deposits increased by RUB 286.0 bln or by 36.9% to RUB 1.1 trln, mainly due to a 47.7% growth of corporate deposits that reached RUB 786.1 bln in the first 9 months of 2017. Retail deposits, including those of sole proprietors, rose by 13.2% to RUB 275.5 bln. It should be noted that in the last three months customer deposits grew by RUB 146.5 bln or 16.0%, of which RUB 140.3 bln falls to corporate customers, including growth of governmental authorities funds and state-owned companies accounted for RUB 18.7 bln, and RUB 6.2 bln to retail customers.

The Bank's **capital adequacy ratios** as of 1 October 2017 were: N1.1 – 6.9%, N1.2 – 10.2%, N1.0 – 17.5%, while the total capital calculated in accordance with Basel III grew by 48.2% ytd from RUB 141.1 bln to RUB 209.2 bln. That growth was mainly due to the placement of two subordinated Eurobonds in the first half of 2017 via a special purpose vehicle, CBOM Finance PLC, totalling USD 1.3 bln, of which USD 700 mln was included in the Bank's additional capital.