


CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED DECEMBER 31, 2018

(in millions of Russian rubles)

	Notes	Year ended December 31, 2018	Year ended December 31, 2017
Fee and commission income	4	23 647,1	21 207,6
Interest and other finance income	5	17 932,2	16 040,2
Interest expense	6	(446,5)	(829,8)
Net gain on financial assets at fair value through other comprehensive income		262,0	-
Net gain on financial assets available-for-sale		-	1 015,8
Foreign exchange gains less losses	7	(1 686,7)	1 059,1
Other operating income	8	193,3	46,0
Operating Income		39 901,4	38 538,9
General and administrative expenses	9	(7 941,4)	(7 278,9)
Personnel expenses	10	(6 512,3)	(6 152,9)
Profit before Other Operating Expenses and Tax		25 447,7	25 107,1
Other operating expenses	12	(1 075,2)	-
Profit before Tax		24 372,5	25 107,1
Income tax expense	13	(4 652,2)	(4 851,9)
Net Profit		19 720,3	20 255,2
Attributable to:			
Equity holders of the parent		19 716,5	20 265,7
Non-controlling interest		3,8	(10,5)
Earnings per share (rubles)			
Basic earnings per share	29	8,76	9,02
Diluted earnings per share	29	8,74	8,98


 Chairman of the Executive Board
Afanasiev A.K.

March 6, 2019
 Moscow


 Chief Financial Officer, Executive Board
 Member
Lapin M.V.

March 6, 2019
 Moscow

The notes 1-37 form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED DECEMBER 31, 2018

(in millions of Russian rubles)

	Notes	Year ended December 31, 2018	Year ended December 31, 2017
Net profit		19 720,3	20 255,2
Other comprehensive income / (loss) that may be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign operations		1,3	(1,2)
Movement on investment revaluation reserve for financial assets at fair value through other comprehensive income		(3 811,9)	-
Movement on the credit risk of financial assets at fair value through other comprehensive income	11	(146,6)	-
Net gain on investments at fair value through other comprehensive income reclassified to profit or loss		(262,0)	-
Net income resulting from revaluation of investments available-for-sale		-	1 323,9
Net gain on investments available-for sale reclassified to profit or loss		-	(1 015,8)
Income tax relating to items that may be reclassified		844,0	(61,6)
Other comprehensive (loss)/income that may be reclassified subsequently to profit or loss		(3 375,2)	245,3
Total comprehensive income		16 345,1	20 500,5
Attributable to:			
Equity holders of the parent		16 337,6	20 515,1
Non-controlling interest		7,5	(14,6)

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2018

(in millions of Russian rubles)

	Notes	December 31, 2018	December 31, 2017
ASSETS			
Cash and cash equivalents	14	416 391,2	273 248,6
Financial assets at fair value through profit or loss	15	4 350,9	413,6
Due from financial institutions	16	95 377,8	63 606,9
Central counterparty financial assets	17	3 312 020,2	2 430 083,8
Financial assets at fair value through other comprehensive income	18	210 752,4	-
Investments available-for-sale	19	-	215 132,2
Property and equipment	20	5 973,9	6 636,2
Intangible assets	21	17 604,3	18 307,9
Goodwill	22	15 971,4	15 971,4
Current tax prepayments		506,0	306,8
Deferred tax asset	13	125,1	243,4
Other assets	23	3 511,3	3 818,9
TOTAL ASSETS		4 082 584,5	3 027 769,7
LIABILITIES			
Balances of market participants	24	606 479,8	466 860,2
Overnight bank loans		5 003,1	-
Central counterparty financial liabilities	17	3 312 020,2	2 430 083,8
Distributions payable to holders of securities	25	24 676,0	2 507,8
Margin account		979,6	384,6
Current tax payables		30,9	-
Deferred tax liability	13	3 821,4	2 943,3
Other liabilities	26	3 968,9	3 711,2
TOTAL LIABILITIES		3 956 979,9	2 906 490,9
EQUITY			
Share capital	27	2 495,9	2 495,9
Share premium	27	32 140,2	32 105,5
Treasury shares	27	(1 768,2)	(1 908,1)
Foreign currency translation reserve		(20,9)	(18,5)
Investments revaluation reserve		(1 758,2)	1 357,0
Share-based payments		710,1	524,0
Retained earnings	28	93 623,3	86 546,4
Total equity attributable to owners of the parent		125 422,2	121 102,2
Non-controlling interest		182,4	176,6
TOTAL EQUITY		125 604,6	121 278,8
TOTAL LIABILITIES AND EQUITY		4 082 584,5	3 027 769,7

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CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2018

(in millions of Russian rubles)

	Notes	Year ended December 31, 2018	Year ended December 31, 2017
Cash flows from / (used in) operating activities:			
Profit before tax		24 372,5	25 107,1
Adjustments for:			
Depreciation and amortisation charge	9	3 339,5	2 952,5
Net change on deferred commission income		(94,2)	150,6
Revaluation of derivatives		(517,9)	(407,3)
Share-based payment expense	10	285,8	267,9
Unrealized (gain)/loss on foreign exchange operations		(277,5)	16,0
Gain on disposal of financial assets at FVTOCI		(262,0)	-
Gain on disposal of investments available-for-sale		-	(1 015,8)
Net change on interest accruals		707,6	(1 573,4)
Net loss on disposal of property and equipment		38,3	60,9
Impairment of investments available-for-sale		-	11,6
Change on allowance for expected credit losses	11	(117,5)	-
Impairment of intangible assets	21	-	15,0
Impairment of other assets	11	-	8,8
Change on other provisions	26	218,3	-
Cash flows from operating activities before changes on operating assets and liabilities		27 692,9	25 593,9
Changes on operating assets and liabilities:			
<i>(Increase)/decrease on operating assets:</i>			
Due from financial institutions		(16 439,5)	(2 697,4)
Financial assets at FVTPL		4 298,0	0,4
Central counterparty financial assets		(804 923,7)	(711 775,2)
Other assets		307,5	(1 734,4)
<i>Increase/(decrease) on operating liabilities:</i>			
Balances of market participants		46 552,0	(127 231,6)
Overnight bank loans		5 000,0	-
Central counterparty financial liabilities		804 923,7	711 775,2
Distributions payable to holders of securities		22 168,2	(444,5)
Margin account		595,0	384,6
Other liabilities		8,7	279,1
Net cash from/(used in) operating activities before taxation		90 182,8	(105 849,9)
Income tax paid		(2 965,4)	(4 848,2)
Net cash from/(used in) operating activities		87 217,4	(110 698,1)

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	Notes	Year ended December 31, 2018	Year ended December 31, 2017
Cash flows from / (used in) investing activities:			
Purchase of financial assets at at FVTOCI		(247 217,8)	-
Proceeds from disposal of financial assets at at FVTOCI		256 372,2	-
Purchase of investments available-for-sale		-	(162 317,9)
Proceeds from disposal of investments available-for-sale		-	165 877,7
Purchase of property and equipment and intangible assets		(1 976,3)	(2 102,1)
Proceeds from disposal of property and equipment and intangible assets		5,1	29,2
Net cash from investing activities		7 183,2	1 486,9
Cash flows from / (used in) financing activities:			
Dividends paid		(12 320,5)	(22 897,1)
Sale of treasury shares		87,4	49,5
Uncalled dividends paid		-	(162,1)
Net cash used on financing activities		(12 233,1)	(23 009,7)
Effect of changes on foreign exchange rates on cash and cash equivalents		60 979,8	24 952,9
Net increase/(decrease) on cash and cash equivalents		143 147,3	(107 268,0)
Cash and cash equivalents, beginning of period	14	273 248,6	380 516,6
Cash and cash equivalents, end of period	14	416 395,9	273 248,6

Interest received by the Group during the year ended December 31, 2018, amounted to RUB 18 644,7 mln (December 31, 2017: RUB 14 474,2 mln).

Interest paid by the Group during the year ended December 31, 2018, amounted to RUB 442,5 mln (December 31, 2017: RUB 832,3 mln).

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CONSOLIDATED STATEMENT OF CHANGES ON EQUITY FOR THE YEAR ENDED DECEMBER 31, 2018

(in millions of Russian rubles)

	Share capital	Share premium	Treasury shares	Investments revaluation reserve	Share- based payments	Foreign currency translation reserve	Retained earnings	Total equity attributable to owners of the parent	Non- controlling interest	Total equity
December 31, 2016	2 498,1	32 286,2	(2 271,9)	1 110,5	413,1	(21,4)	89 177,8	123 192,4	191,2	123 383,6
Net profit	-	-	-	-	-	-	20 265,7	20 265,7	(10,5)	20 255,2
Other comprehensive income	-	-	-	246,5	-	2,9	-	249,4	(4,1)	245,3
Total comprehensive income for the period	-	-	-	246,5	-	2,9	20 265,7	20 515,1	(14,6)	20 500,5
Dividends declared (Note 28)	-	-	-	-	-	-	(22 897,1)	(22 897,1)	-	(22 897,1)
Share-based payments	-	(31,0)	211,9	-	110,9	-	-	291,8	-	291,8
Cancellation of treasury shares	(2,2)	(149,7)	151,9	-	-	-	-	-	-	-
Total transactions with owners	(2,2)	(180,7)	363,8	-	110,9	-	(22 897,1)	(22 605,3)	-	(22 605,3)
December 31, 2017	2 495,9	32 105,5	(1 908,1)	1 357,0	524,0	(18,5)	86 546,4	121 102,2	176,6	121 278,8
Effect of adoption of IFRS 9 (Note 2)	-	-	-	261,3	-	-	(319,1)	(57,8)	(1,7)	(59,5)
January 1, 2018 (with IFRS 9 effect)	2 495,9	32 105,5	(1 908,1)	1 618,3	524,0	(18,5)	86 227,3	121 044,4	174,9	121 219,3
Net profit	-	-	-	-	-	-	19 716,5	19 716,5	3,8	19 720,3
Other comprehensive loss	-	-	-	(3 376,5)	-	(2,4)	-	(3 378,9)	3,7	(3 375,2)
Total comprehensive income for the period	-	-	-	(3 376,5)	-	(2,4)	19 716,5	16 337,6	7,5	16 345,1
Dividends declared (Note 28)	-	-	-	-	-	-	(12 320,5)	(12 320,5)	-	(12 320,5)
Share-based payments	-	34,7	139,9	-	186,1	-	-	360,7	-	360,7
Total transactions with owners	-	34,7	139,9	-	186,1	-	(12 320,5)	(11 959,8)	-	(11 959,8)
December 31, 2018	2 495,9	32 140,2	(1 768,2)	(1 758,2)	710,1	(20,9)	93 623,3	125 422,2	182,4	125 604,6

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