



**SUMMARY IFRS
CONSOLIDATED
FINANCIAL STATEMENTS
PREPARED FROM THE
AUDITED CONSOLIDATED
FINANCIAL STATEMENTS**



Independent auditor's report on the summary consolidated financial statements

To the Shareholders and the Supervisory Board of Sberbank of Russia

Our opinion

In our opinion, the accompanying summary consolidated financial statements of Sberbank of Russia (the "Bank") and its subsidiaries (together – the "Group") are consistent, in all material respects, with the audited consolidated financial statements of the Group for the year ended 31 December 2018, in accordance with the basis described in the footnote to the summary consolidated financial statements.

The summary consolidated financial statements

The summary consolidated financial statements of the Group derived from the audited consolidated financial statements of the Group for the year ended 31 December 2018 comprise:

- the consolidated statement of financial position as at 31 December 2018;
- the consolidated statement of profit or loss for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended; and
- the consolidated statement of cash flows for the year then ended.

The summary consolidated financial statements do not contain all the disclosures required by International Financial Reporting Standards. Reading the summary consolidated financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated financial statements and the auditor's report thereon. The audited consolidated financial statements and the summary consolidated financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited consolidated financial statements.

The audited consolidated financial statements and our report thereon

We expressed an unmodified audit opinion on the audited consolidated financial statements in our report dated 27 February 2019. That report also includes the communication of key audit matters. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the audited consolidated financial statements of the current period.

Management's responsibility for the summary consolidated financial statements

Management is responsible for the preparation of the summary consolidated financial statements in accordance with the basis described in the footnote to the summary consolidated financial statements.

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Auditor's responsibility

Our responsibility is to express an opinion on whether the summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing 810 "Engagements to Report on Summary Financial Statements" (revised).

E.N. Kriventsev

15 March 2019
Moscow, Russian Federation

E.N. Kriventsev



E.N. Kriventsev, certified auditor (certificate number 01-000198)
AO PricewaterhouseCoopers Audit

Audited entity: Sberbank of Russia

Record made in the Unified State Register of Legal Entities on 16 August 2002 under State Registration Number 1027700132195
117997, Russian Federation, Moscow, Vavilova 19

Independent auditor: AO PricewaterhouseCoopers Audit

Registered by the Government Agency Moscow Registration Chamber on 28 February 1992 under No. 008.890

Record made in the Unified State Register of Legal Entities on 22 August 2002 under State Registration Number 1027700148431

Member of Self-regulated organization of auditors "Russian Union of auditors" (Association)

Principal Registration Number of the Record in the Register of Auditors and Audit Organizations – 11603050547


Consolidated Statement of Financial Position

<i>in billions of Russian Roubles</i>	31 December 2018	31 December 2017	1 January 2017
ASSETS			
Cash and cash equivalents	2,098.8	2,329.4	2,560.8
Mandatory cash balances with central banks	222.1	427.1	402.0
Due from banks	1,420.7	1,317.8	965.4
Loans and advances to customers	19,585.0	18,488.1	17,361.3
Securities	3,442.5	3,030.5	2,603.6
Financial instruments pledged under repurchase agreements	307.0	258.9	113.9
Derivative financial assets	177.6	140.9	206.6
Deferred tax asset	15.3	15.5	13.9
Premises and equipment	593.9	516.2	482.9
Assets of the disposal groups and non-current assets held for sale	2,569.9	10.5	5.8
Other assets	764.7	577.3	652.3
TOTAL ASSETS	31,197.5	27,112.2	25,368.5
LIABILITIES			
Due to banks	1,096.8	693.3	561.9
Due to individuals	13,495.1	13,420.3	12,449.6
Due to corporate customers	7,402.2	6,393.9	6,235.2
Debt securities in issue	843.6	934.6	1,161.0
Other borrowed funds	56.5	247.3	261.4
Derivative financial liabilities and obligations to deliver securities	181.6	164.4	212.9
Deferred tax liability	33.4	27.7	55.1
Liabilities of the disposal groups	2,235.1	—	0.8
Other liabilities	1,290.1	1,078.4	869.1
Subordinated debt	707.3	716.3	739.9
TOTAL LIABILITIES	27,341.7	23,676.2	22,546.9
EQUITY			
Share capital and share premium	320.3	320.3	320.3
Treasury shares	(18.1)	(15.3)	(7.9)
Other reserves	(10.9)	68.4	70.0
Retained earnings	3,560.7	3,058.6	2,435.7
Total equity attributable to shareholders of the Bank	3,852.0	3,432.0	2,818.1
Non-controlling interest	3.8	4.0	3.5
TOTAL EQUITY	3,855.8	3,436.0	2,821.6
TOTAL LIABILITIES AND EQUITY	31,197.5	27,112.2	25,368.5

Approved for issue and signed on behalf of the Executive Board on 27 February 2019.

 Herman Gref,
Chairman of the Executive Board and CEO

 Mikhail Ratinskii,
Chief Accountant

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1


Consolidated Statement of Profit or Loss

<i>in billions of Russian Roubles</i>	Year ended 31 December	
	2018	2017
Continuing operations		
Interest income calculated using the effective interest method	2,047.3	2,098.3
Other interest income	141.0	33.1
Interest expense calculated using the effective interest method	(696.2)	(725.4)
Other interest expense	(22.0)	(2.1)
Deposit insurance expenses	(73.6)	(55.1)
Net interest income	1,396.5	1,348.8
Net credit loss allowance charge for debt financial assets	(162.4)	(263.8)
Net interest income after credit loss allowance charge for debt financial assets	1,234.1	1,085.0
Fee and commission income	598.5	479.0
Fee and commission expense	(153.2)	(101.9)
Net (losses) / gains from non-derivative financial instruments at fair value through profit or loss (2017: Net gains from trading securities and securities designated as at fair value through profit or loss)	(69.8)	5.1
Net gains from financial instruments at fair value through other comprehensive income (2017: Net gains from investment securities available-for-sale)	5.9	27.6
Net gains from derivatives, trading in foreign currencies, foreign exchange and precious metals accounts translation	52.2	20.1
Net (losses) / gains arising on initial recognition of financial instruments and loan modification	(0.5)	4.7
Impairment of non-financial assets	(11.3)	(20.8)
Net charge for other provisions	(25.4)	(15.0)
Revenue of non-core business activities	36.2	38.8
Cost of sales and other expenses of non-core business activities	(34.5)	(33.7)
Net premiums from insurance and pension fund operations	337.3	249.6
Net claims, benefits, change in contract liabilities and acquisition costs on insurance and pension fund operations	(271.0)	(232.6)
Income from operating lease of equipment	6.2	2.8
Expenses related to equipment leased out	(3.2)	(1.7)
Other net operating income	9.5	19.5
Operating income	1,711.0	1,526.5
Staff and administrative expenses	(664.8)	(623.4)
Profit before tax	1,046.2	903.1
Income tax expense	(215.0)	(187.5)
Profit from continuing operations	831.2	715.6
Profit from discontinued operations (attributable to shareholders of the Bank)	0.5	33.1
Profit for the year	831.7	748.7
Attributable to:		
- shareholders of the Bank	832.9	750.4
- non-controlling interest	(1.2)	(1.7)
Earnings per ordinary share based on profit for the year attributable to the shareholders of the Bank, basic and diluted (expressed in RR per share)	38.16	34.58
Earnings per ordinary share based on profit from continuing operations attributable to the shareholders of the Bank, basic and diluted (expressed in RR per share)	38.13	33.04

Approved for issue and signed on behalf of the Executive Board on 27 February 2019.

 Herman Gref,
Chairman of the Executive Board and CEO

 Mikhail Ratinskii,
Chief Accountant

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2


Consolidated Statement of Comprehensive Income

	Year ended 31 December	
<i>in billions of Russian Roubles</i>	2018	2017
Profit for the year	831.7	748.7
Other comprehensive income:		
Continuing operations		
<i>Items to be reclassified to profit or loss in subsequent periods</i>		
Debt financial instruments measured at fair value through other comprehensive income (2017: Investment securities available-for-sale):		
- Net change in fair value, net of tax (2017: Net gains on revaluation of investment securities available-for-sale, net of tax)	(54.0)	31.5
- Impairment transferred to profit or loss, net of tax	—	0.2
- Accumulated gains transferred to profit or loss upon disposal, net of tax	(4.7)	(22.1)
- Exchange differences on translating foreign operations for the year	17.6	9.5
- Accumulated exchange differences on translating foreign operations transferred to profit or loss upon disposal of subsidiary	—	5.1
Total other comprehensive (loss) / income to be reclassified to profit or loss in subsequent periods, net of tax	(41.1)	24.2
<i>Items that will not be reclassified to profit or loss in subsequent periods</i>		
Change in valuation of office premises transferred to other classes of assets, net of tax	(1.6)	(2.9)
Remeasurement of defined benefit pension plans	(0.7)	—
Total other comprehensive loss that will not be reclassified to profit or loss in subsequent periods	(2.3)	(2.9)
Total other comprehensive (loss) / income from continuing operations	(43.4)	21.3
Total other comprehensive loss from discontinued operations to be reclassified to profit or loss in subsequent periods, net of tax	(25.6)	(19.5)
Total other comprehensive (loss) / income	(69.0)	1.8
Total comprehensive income for the year	762.7	750.5
Attributable to:		
- shareholders of the Bank	764.0	752.2
- non-controlling interest	(1.3)	(1.7)
Total comprehensive income for the year, attributable to shareholders of the Bank from:		
- continuing operations	789.1	738.6
- discontinued operations	(25.1)	13.6

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3


Consolidated Statement of Changes in Equity

<i>in billions of Russian Roubles</i>	Attributable to shareholders of the Bank						Non-controlling interest	Total equity
	Share capital	Share premium	Treasury shares	Other reserves	Retained earnings	Total		
Balance as at 31 December 2016	87.7	232.6	(7.9)	70.0	2,435.7	2,818.1	3.5	2,821.6
Changes in equity for the year ended 31 December 2017								
Net result from treasury shares transactions	—	—	(7.4)	—	4.0	(3.4)	—	(3.4)
Dividends declared	—	—	—	—	(134.9)	(134.9)	—	(134.9)
Transfer of revaluation reserve for office premises upon disposal or depreciation	—	—	—	(3.4)	3.4	—	—	—
Changes in ownership interest in subsidiaries	—	—	—	—	—	—	2.2	2.2
<i>Profit for the year</i>	—	—	—	—	750.4	750.4	(1.7)	748.7
<i>Other comprehensive income for the year</i>	—	—	—	1.8	—	1.8	—	1.8
Total comprehensive income / (loss) for the year	—	—	—	1.8	750.4	752.2	(1.7)	750.5
Balance as at 31 December 2017	87.7	232.6	(15.3)	68.4	3,058.6	3,432.0	4.0	3,436.0
Impact of adopting IFRS 9 as at 1 January 2018	—	—	—	(7.1)	(62.4)	(69.5)	—	(69.5)
Restated balance as at 1 January 2018	87.7	232.6	(15.3)	61.3	2,996.2	3,362.5	4.0	3,366.5
Changes in equity for the year ended 31 December 2018								
Net result from treasury shares transactions	—	—	(2.8)	—	(1.9)	(4.7)	—	(4.7)
Dividends declared	—	—	—	—	(269.8)	(269.8)	—	(269.8)
Transfer of revaluation reserve for office premises upon disposal or depreciation	—	—	—	(3.3)	3.3	—	—	—
Changes in ownership interest in subsidiaries	—	—	—	—	—	—	1.1	1.1
<i>Profit for the year</i>	—	—	—	—	832.9	832.9	(1.2)	831.7
<i>Other comprehensive loss for the year</i>	—	—	—	(68.9)	—	(68.9)	(0.1)	(69.0)
Total comprehensive (loss) / income for the year	—	—	—	(68.9)	832.9	764.0	(1.3)	762.7
Balance as at 31 December 2018	87.7	232.6	(18.1)	(10.9)	3,560.7	3,852.0	3.8	3,855.8

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4

**Consolidated Statement of Cash Flows**

	Year ended 31 December	
<i>in billions of Russian Roubles</i>	2018	2017
Cash flows from operating activities		
Interest income calculated using the effective interest method received	2,277.2	2,271.0
Other interest income received	136.1	41.0
Interest expense calculated using the effective interest method paid	(779.7)	(845.0)
Other interest expense paid	(25.7)	(2.9)
Deposit insurance expenses paid	(70.4)	(55.7)
Fees and commissions received	650.5	498.8
Fees and commissions paid	(165.5)	(112.2)
Net gains received / (losses incurred) received on non-derivative financial instruments at fair value through profit or loss (2017: Net gains received from trading securities and securities designated as at fair value through profit or loss)	5.7	(2.1)
Net (losses incurred) / gains received from financial instruments at fair value through other comprehensive income	(4.6)	39.2
Dividends received	2.1	0.3
Net (losses incurred) / gains received on derivatives, trading in foreign currencies and operations with precious metals	(12.6)	68.9
Revenue received from non-core business activities	34.9	33.2
Expenses paid on non-core business activities	(26.3)	(28.4)
Insurance premiums received	228.2	140.0
Claims, benefits and acquisition costs on insurance operations paid	(19.0)	(5.6)
Pension fund premiums received	101.5	109.7
Claims, benefits and acquisition costs on pension fund operations paid	(17.8)	(21.8)
Income received from operating lease of equipment	7.7	3.5
Expenses paid related to equipment leased out	(0.7)	(0.4)
Other net operating income received	2.8	10.8
Staff and administrative expenses paid	(627.9)	(596.0)
Income tax paid	(218.8)	(210.1)
Cash flows from operating activities before changes in operating assets and liabilities	1,477.7	1,336.2
Changes in operating assets and liabilities		
Net decrease / (increase) in mandatory cash balances with central banks	39.7	(50.0)
Net increase in due from banks	(63.5)	(325.0)
Net increase in loans and advances to customers	(2,560.7)	(1,624.3)
Net increase in securities and financial instruments pledged under repurchase agreements	(553.6)	(626.1)
Net increase in derivative financial assets	(9.9)	(5.7)
Net (increase) / decrease in other assets	(193.1)	54.3
Net increase in due to banks	397.2	136.0
Net increase in due to individuals	914.2	1,084.8
Net increase in due to corporate customers	1,034.3	316.4
Net decrease in debt securities in issue	(70.7)	(197.3)
Net decrease in other borrowed funds	(26.3)	(7.4)
Net increase / (decrease) in obligations to deliver securities	3.2	(0.2)
Net increase / (decrease) in other liabilities	16.8	(26.9)
Net cash from operating activities	405.3	64.8

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5

**Consolidated Statement of Cash Flows (Continued)**

	Year ended 31 December	
<i>in billions of Russian Roubles</i>	2018	2017
Cash flows from investing activities		
Acquisition of premises, equipment and intangible assets	(177.9)	(116.3)
Proceeds from disposal of premises, equipment and intangible assets including insurance payments	14.3	10.6
Acquisition of investment property	(0.1)	(0.7)
Proceeds from disposal of investment property	—	0.7
Acquisition of associates and joint ventures	(32.7)	(0.3)
Proceeds from disposal of associates	0.2	0.1
Acquisition of subsidiaries net of cash acquired	(0.8)	(1.4)
Proceeds from disposal of subsidiaries net of cash disposed	1.0	1.7
Net cash used in investing activities	(196.0)	(105.6)
Cash flows from financing activities		
Funds received from subordinated debt issued or reissued	4.6	0.6
Redemption of subordinated debt	(52.6)	(24.9)
Cash received from non-controlling shareholders	0.6	0.1
Purchase of treasury shares	(8.3)	(9.8)
Proceeds from disposal of treasury shares	3.6	6.4
Dividends paid	(268.5)	(134.7)
Net cash used in financing activities	(320.6)	(162.3)
Effect of exchange rate changes on cash and cash equivalents	150.8	(23.5)
Net effect of changes in cash and cash equivalents included in disposal groups except for discontinued operations	(0.5)	(4.8)
Net increase / (decrease) in cash and cash equivalents	39.0	(231.4)
Cash and cash equivalents as at the beginning of the year	2,329.4	2,560.8
Cash and cash equivalents of discontinued operations as at the end of the year	269.6	—
Cash and cash equivalents of continuing operations as at the end of the year	2,098.8	2,329.4

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6