
Tinkoff launches mobile virtual network operator

Moscow, Russia - 13 December 2017. TCS Group Holding PLC (TCS LI) (the "Group"), Russia's leading provider of online retail financial services via its Tinkoff.ru financial supermarket, announces the launch its own mobile virtual network operator ("MVNO") called Tinkoff Mobile.

Tinkoff Mobile's unique product and convenient mobile experience allows customers to tailor their mobile plan to their own needs, rather than selecting from a fixed set of existing tariffs.

The MVNO uses Tele2 Russia's network and infrastructure to provide mobile services for both current Tinkoff customers and others, and will have its own network code, number range and SIM cards which will be delivered across Russia via Tinkoff's smart courier network. The service will be rolled out on 14 December 2017 in the greater Moscow, St. Petersburg regions, but will soon be available in other cities across Russia.

George Chesakov, CEO of Tinkoff Mobile, commented: "Over the past ten years, we have built the most technologically advanced and client focused bank in all of Russia. Now, we are scaling up the Tinkoff approach to launch a brand-new business and a mobile operator. In just over six months, we have managed to do what has taken other companies decades. We have fully integrated around 30 absolutely new and complex systems, the majority of which we built ourselves from scratch. We have strived to create the most convenient, straight-forward and simple-to-use product, and we are offering our customers only the most in-demand services. We believe this is precisely what mobile was meant to be."

Oliver Hughes, CEO of Tinkoff Bank, added: "We are continuing to expand the Tinkoff.ru ecosystem and diversify our business, and the launch of Tinkoff Mobile is one more step in that strategy. Over the past few years, we have already launched a number of new businesses, proving that we can successfully scale up our experience to attract and service new customers in new business new lines. In doing this, we have transformed our business model and diversified our income streams. We are confident that this mobile operator will be just one more noncredit source of income for Tinkoff Group."

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About the Group

TCS Group Holding PLC is an innovative provider of online retail financial services operating in Russia through a high-tech branchless platform. TCS Group includes Tinkoff Bank, mobile virtual operator network Tinkoff Mobile, Tinkoff Insurance, and Tinkoff Software DC, a network of development hubs across Russia.

The Group was founded in 2006 by the Russian entrepreneur Oleg Tinkov and has been listed on the London Stock Exchange since October 2013.

With no retail branches, the Group serves its customers remotely via online channels and its call centre, and operates a network of over 1,800 representatives to ensure smooth delivery of its products. The network covers all of Russia and allows next day delivery to most customers.

The Group's key business is Tinkoff Bank, Russia's first and only direct bank offering both own brand and partner retail financial services via its Tinkoff.ru platform. The product range includes daily banking (credit and debit cards, payments, money transfers), savings, investments, loyalty programmes, travel services, SME services, mortgage platform, and insurance. With its special focus on mobile business, the bank offers mobile applications both for its customer base (Mobile Bank) and beyond it (Traffic Fines, MoneyTalk, Card 2 Card instant money transfers).

As at 1 October 2017, the bank was the second largest player in the Russian credit card market, with a market share of 11.6%. The 9M 2017 IFRS net income of TCS Group Holding PLC amounted to RUB 12.6 bn, ROE stood at 48.8%.

Tinkoff Bank was named Russia's 2017 'Bank of the Year' by The Banker. Banki.ru, Russia's largest financial news portal, named Tinkoff Bank the Bank of the Year 2016. In October 2016 Tinkoff Bank was named the largest independent global direct bank by Frost & Sullivan. In 2015 and 2016, the Global Finance magazine named Tinkoff Bank as the Best Consumer Digital Bank in Russia. In 2016, the bank also won Global Finance's Best Integrated Consumer Bank Site award and was named the Best Digital Bank in the CEE by Euromoney. The bank's mobile application was recognised as the best in Russia by Markswebb Rank & Report for three consecutive years in 2014, 2015 and 2016, and by Deloitte for four consecutive years from 2013 to 2016.

Forward-looking statements

Some of the information in this announcement may contain projections or other forward-looking statements regarding future events or the future financial performance of the Group and Tinkoff Bank. You can identify forward looking statements by terms such as "expect", "believe", "anticipate", "estimate", "intend", "will", "could," "may" or "might", the negative of such terms or other similar expressions. The Group and Tinkoff Bank wish to caution you that these statements are only predictions and that actual events or results may differ materially. The Group and Tinkoff Bank do not intend to update these statements to reflect events and circumstances occurring after the date hereof or to reflect the occurrence of unanticipated events. Many factors could cause the actual results to differ materially from those contained in projections or forward-looking statements of the Group and Tinkoff Bank, including, among others, general economic conditions, the competitive environment, risks associated with operating in Russia, rapid technological and market change in the industries the Group operates in, as well as many other risks specifically related to the Group, Tinkoff Bank and their respective operations.

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