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Statement on Tinkoff Bank's RAS Financial Highlights for January - November 2018

Moscow, Russia - 27 December 2018. TCS Group Holding PLC (TCS LI) (the "Group"), Russia's leading provider of online financial and lifestyle services via its Tinkoff.ru ecosystem, today announces Tinkoff Bank's unaudited RAS financial highlights for January - November 2018.

For the eleven months of 2018, net income stood at RUB 16bn, which is attributed to the growth of net interest income, lower cost of funding, improved quality of the loan portfolio and growth of revenue from new business lines.

It should be noted that the RAS net income figure is not a reliable indicator of IFRS net income for the same period. There is a very low correlation between financial results under the two reporting standards as a result of significant accounting differences. Therefore, RAS figures should not be used as the basis for conclusions on forthcoming IFRS results.

The gross loan portfolio amounted to RUB 238bn representing an increase of 42% y-o-y. The net loan portfolio amounted to RUB 196bn having increased by 40% y-o-y and constituted 55% of total assets (51% at year-end 2017).

Retail customer accounts stood at RUB 212bn. Tinkoff Bank continued to retain substantial liquidity: the CBR N2 ratio stood at 58% (minimum requirement: 15%), and the CBR N3 ratio was 154% (minimum requirement: 50%). Retail customer accounts constituted 68% of total liabilities.

Total assets increased by 43% y-o-y to RUB 359bn.

As of 1 November 2018, total capital including retained profits (based on Form 123) amounted to RUB 72.5bn. The CBR N1 capital adequacy ratio was 14.31%. Core Capital Adequacy Ratio (N1.1) was 9.95% and Main Capital Adequacy Ratio (N1.2) was 13.83%.

Note on RAS results

Please note that the figures in this press release are calculated in accordance with Tinkoff Bank's internal methodology which is available at:

<http://static.tinkoff.ru/documents/eng/investor-relations/ras-methodology.pdf>

RAS results are not a reliable indicator of IFRS results due to significant accounting differences that make a direct read-across from RAS to IFRS results impossible. The main differences between RAS and IFRS are:

- * Consolidated results under IFRS include a number of additional items and results of its subsidiaries
- * Accrual of expenses under IFRS
- * Timing differences in accounting for restructured loans ('instalments') and loans going through courts
- * The effect from the revaluation of currency derivative instruments
- * The effect of deferred income tax.

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About the Group

TCS Group Holding PLC is an innovative provider of online retail financial services. It includes Tinkoff Bank, mobile virtual operator network Tinkoff Mobile, Tinkoff Insurance, and Tinkoff Software DC, a network of development hubs in major Russian cities. The Group also has Tinkoff.ru, an evolving ecosystem that offers financial and lifestyle services.

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

The Group's key business is Tinkoff Bank, the country's first and only direct bank and the core of the Tinkoff.ru ecosystem. Tinkoff Bank is the second largest player in the Russian credit card market, with a share of 11.7%. The 9M 2018 IFRS net income of TCS Group Holding PLC amounted to RUB 19bn, ROE stood at 72.9%.

With no branches, the Group serves all its customers remotely via online channels and a cloud-based call centre staffed by over 10,000 employees, which makes it one of the largest in Europe. To ensure smooth delivery of the Group's products, the Group has a nationwide network of over 2,500 representatives.

In 2013 and 2017, The Banker named Tinkoff Bank the Bank of the Year in Russia, and in 2016 and 2018, Global Finance recognised it as the Best Consumer Digital Bank in Russia. The bank's mobile app has been consistently praised by local and global independent experts as the best of its kind (in 2013, 2014, 2015, 2016 by Deloitte and in 2018 by Global Finance).

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