

S&P upgrades Russian Standard Bank

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The international Standard & Poor's Global Ratings agency has raised Russian Standard Bank's rating to B-/B and improved the outlook to 'Stable'.

S&P noted an improvement in the Bank's main financial indicators, namely: liquidity, the ability to generate profit amid a reduction in the volume of distressed assets and expenses for reserves formation. «The stable outlook reflects our view that the bank's solvency will continue to improve gradually," comment analysts at S&P Global Ratings.

The rating upgrade reflects S&P's confidence that Russian Standard's renewed strategy along with the system of corporate governance over the past two years has led to improvement in financial performance. This fact allowed to restore the Bank's stability and profit generation. In addition, analysts at S&P noted that Russian Standard Bank has retained such benefits as: strong brand with a high level of recognition in Russia, a considerable client base and extensive presence in all regions of Russia.

S&P Global Ratings noted the Bank's return to profit. In H1 2017, Russian Standard Bank's profit amounted to 6.2 billion rubles (according to RAS). Further recovery in financial results will occur due to credit growth resumption, stabilizing expenditure on redundancy and cost optimization, concludes S&P Global Ratings. The Bank's regulatory capital adequacy ratios significantly improved and amounted to 12.8% (N1.0) and 9.5% (N1.1) as of October 1, 2017.

S&P's analysts also noted the fact that the Bank repaid all its debt securities. Currently, Russian Standard Bank has a significant supply of liquidity to grow business.

«Today, Russian Standard's success is reflected in the independent professional assessment of the largest international rating agency — Standard & Poor's. Our Bank has overcome the difficulties of previous years and consistently implements the strategy approved by the shareholder, directed to steady growth. The rating action reflects S&P's positive opinion and its high evaluation of new business model's implementation, based on the principles of low risks, low interest rates, with the highest level of service in all segments. Russian Standard Bank follows these principles in all key business areas — credit cards and consumer lending, as well



as actively developing innovative and other high-margin products," commented Russian Standard Bank's Chairman of the Board Alexander Samokhvalov.