

Press Release, November 14, 2016

Focus on lending, customer experience and corporate social responsibility

Q3 results confirm the positive trend of the year beginning and the budget for 2016

• Financial Results as at September 30, 2016 •

- Almost 122,000 new loans granted by BT to retail, SME and Corporate clients;
- BT's operating efficiency continued to follow a positive trend, with higher volumes of operations and lower costs for customers;
- The number of operations performed via BT increased by +15% as compared to the same period last year;
- More than 800,000 internet banking users and more than 200,000 mobile banking users;
- The Bank underwent new stages in its orientation towards digital technologies, by launching new facilities such as: fingerprint authentication on BT24 Mobile Banking and application upgrade; CIP online platform, allowing online queries on payment incidents; Healthcare Division platform; one-time password authentication via SMS, for online transactions using BT cards;
- In the first 9 months, Banca Transilvania allocated almost RON 15 million in social involvement and responsibility programs dedicated to financial and entrepreneurial education, volunteering, sports, culture and social matters;
- As of September 2016, the bank has a new brand concept reflecting BT's identity: a Romanian bank undergoing a new development stage and a continuous supporter of the local entrepreneurial spirit.

BT's operating income reached RON 2,125.4 million and the net profit RON 657 million. At Group level, the operating income reached RON 2,240.4 million and the net profit RON 698 million. BT's assets amount to RON 48.14 billion, of which net loans represent RON 26.4 billion; customer deposits stand at RON 39 billion. Banca Transilvania continues its growth at group level, with focus on its subsidiaries, which recorded positive dynamics on their specific operating markets: investment banking, leasing, operational leasing, brokerage etc.

Ömer Tetik, Banca Transilvania's CEO, said: *"We are pleased that the first nine months confirmed the positive trend from the beginning of the year, by means of new financing facilities approved and growth recorded especially on the retail and SME segments. The Bank's results are very good, reflecting profitability and operational efficiency. We are constantly observing new market opportunities and we will soon extend our attention to the micro-enterprises sector, as well as continue to increase digital environment use for the best possible customer experience".*

Banca Transilvania's Q3 2016 results:

- Banca Transilvania's net profit amounts to RON 657 million, whereas that of the Group amounts to RON 698 million.
- Commission income grew by 15.3%.
- BT's operating efficiency confirms the trend from the first semester of this year, with a cost/income ratio of 40%. Excluding the profit of RON 185 million resulting from the Visa Europe transaction, the cost/income ratio stays at a comfortable level of 43%.
- Almost 13,000 new loans granted by BT to the SME sector in the first 9 months.
- Between January-September 2016, at gross level and prior to the registration of write-offs, BT's loans recorded a balanced increase of 6.3% among all business lines, which stands for a 8.2% increase of the bank's organic balance sheet, without taking into account the portfolio acquired from Volksbank.
- Customers acquired from Volksbank Romania contracted about 70,000 products offered by Banca Transilvania.
- The loan/deposit ratio reached 72% at the end of Q3 2016.
- As at September 30, 2016, Banca Transilvania's portfolio counted 2.74 million cards, generating transactions almost 25% higher relative to the similar period of the previous year. The bank's market share in terms of card transaction volume is 20%. BT counts over 310,000 credit cards, enrolled in the STAR loyalty program.

Other financial information:

- As at September 30, 2016, BT booked net expenses with depreciation adjustments and provisions of RON 510.1 million (including the impact of write-offs amounting to RON 1,719 million); the largest portion of the provisions booked as expenses in Q3 2016 serves BT's endeavor to enhance the quality of its assets and is in line with the bank's conservative approach in terms of credit risk management;
- Non-performing loans PAR >90 represent 5.55% of Banca Transilvania's total loan portfolio, a significant improvement compared to the 9.75% as at the end of 2015;
- The coverage of non-performing loans with related provisions and mortgage collateral remains at a comfortable level of 123.32% and in line with the bank's risk appetite;
- The bank's CAR is 19.12%, taking into account the profit for the first 9 months of 2016 (16.91% without profit).
- Banca Transilvania continued its involvement in the local community, allocating almost 15 million RON to this endeavor. Main programs: Cluj Has Soul (foundation providing educational support and career guidance to underprivileged young people); Transilvania Forest (3rd reforestation mission with voluntary participation); Financial ABT (extensive financial education program dedicated to children all over the country, attended by more than 10,000 students); EMBA

University of Hull (100% British business school, present in Cluj-Napoca with BT's contribution); support offered to the Romanian basketball federation/club/national teams; BT Club (entrepreneurial education courses, for which BT allocated RON 10 million in 10 years).

The financial statements as at 30.09.2016 are not audited or reviewed, whereas the financial statements as at 31.12.2015 are audited.

Press contact: comunicare@bancatransilvania.ro