

Annual Report pursuant to National Securities Commission (NSC) Regulation no. 1/2006, Annex 32, as subsequently amended and supplemented

For the financial year: 2016

Report date: 24.03.2017

Name of the company: BANCA TRANSILVANIA S.A.

Registered office: CLUJ-NAPOCA str.G. Baritiu nr.8

Phone/fax no.: 0264.407.150 ; 0264.407.179

Tax identification no. with the Trade Registry: RO5022670

Record no. with the Trade Registry: J12/4155/1993

The regulated market where the issued securities are traded: Bucharest Stock Exchange

Registered capital, subscribed and paid: 3.646.047.792 lei

Main features of the securities issued by the company:

- 3,646,047,792 NOMINAL SHARES with a par value of 1 RON/share.

1. Analysis of the Bank's Activity

a) Description of the bank's main activity:

Banca Transilvania S.A. is a public joint stock company, with its registered office in Cluj-Napoca, Str. G. Baritiu nr. 8, Cluj County, Romania.

The bank operates pursuant to Company Law no. 31/1990 and Government Emergency Ordinance No. 99/2006 on credit institutions and capital adequacy (as subsequently amended). According to Article 6 in the bank's Articles of Association, its main field of activity is represented by "other monetary intermediation activities".

b) The bank's establishment date:

Banca Transilvania S.A. was incorporated in December 1993 and became effectively operational since February 16, 1994. The bank was recorded with the Trade Registry under no. J12/4155/1993 on 16.12.1993 and with the Bank Register under no. RB-PJR-12-019 on 18.02.1999; the bank's tax identification number is RO5022670.

c) Significant mergers and reorganizations of the bank, its subsidiaries or controlled companies during the financial year:

BT is a joint-stock banking institution (with foreign and domestic shareholders). At the present, Banca Transilvania does not have a major shareholder.

During the year following the merger with Volksbank Romania in 2016, Banca Transilvania continued its strategy for the improvement of the common unit network at a national level, the alignment of the treasury, risk, compliance, anti-fraud and internal audit functions, as well as the implementation of measures for operational risk mitigation.

In 2016, Banca Transilvania increased its direct participation in the capital of BT Building by RON 40 million and established a new subsidiary, BT Microfinantare, the participation of BT in the capital of this entity amounting to RON 11.7 million.

At the beginning of 2016, BT Securities, the brokerage subsidiary of Banca Transilvania, became BT Capital Partners S.A. The new company was the result of the takeover by BT Securities of the investment banking activity of Capital Partners SRL, A Romanian independent consulting company in the field of M&A (strategic management for mergers and acquisitions) and Corporate Finance (financing and structuring of complex finance schemes, market research).

In 2017, Compania de Factoring merged with Improvement Credit Collection SRL.

The group subsidiaries where BT holds direct and indirect participations are:

BT Securities S.A. (*BT Capital Partners S.A. as of 2016*), BT Leasing Transilvania IFN S.A., BT Investments S.R.L., BT Direct IFN S.A., BT Building S.R.L., BT Asset Management SAI S.A., BT Solution Agent de Asigurare S.R.L., BT Asiom Agent de Asigurare S.R.L., BT Safe Agent de Asigurare S.R.L., BT Intermedieri Agent de Asigurare S.R.L. (*BT Intermedieri Broker de Asigurare S.R.L. as of 2017*), BT Compania de Factoring S.R.L., BT Operational Leasing S.A., BT Leasing Moldova(MD) S.R.L., BT Microfinantare IFN S.A., BT Transilvania Imagistica S.A., Improvement Credit Collection S.R.L., Sinteza S.A. and Chimprod S.R.L.

The Group's fields of activity are: banking through BANCA TRANSILVANIA S.A (the "Bank"), leasing and consumer loans through BT Leasing Transilvania IFN S.A, BT Operational Leasing S.A, BT Direct IFN S.A, BT Microfinantare IFN S.A. and BT Leasing MD S.R.L., asset management through BT Asset Management S.A.I S.A.

The consolidation framework also includes 5 investment funds: BT Invest, BT Invest1 and BT Euro Clasic, BT Fix and BT Euro Fix.

Banca Transilvania continues the consolidation of its position at the level of BT Group.

The activity of the subsidiaries and the bank's percentage of participation in the subsidiaries are presented in ANNEX 1 of the present report.

d) Description of the acquisitions and/or sales of assets:

The gross value of Banca Transilvania's investments in the group, in accordance with the International Financial Reporting Standards endorsed by the European Union, increased at the end of 2016 by approximately 8.3% versus 2015, respectively from RON 126.19 million to 136.67 million.

Banca Transilvania is engaged in ensuring that its subsidiaries have an adequate CAR level, contributing to the improvement of risk management, by involving the audit and compliance functions from within the Bank.

e) The main results of the assessment of the bank's activity:

EXTERNAL AUDIT

The external auditor of the bank - PricewaterhouseCoopers Audit SRL - has audited the financial statements of the bank as at December 31, 2016.

According to the audit opinion, the separate and consolidated financial statements reflect in all significant aspects the bank's separate financial position, the separate results and cash flows according to the International Financial Reporting Standards, endorsed by the European Union.

INTERNAL AUDIT

The Audit Committee is formed by non-executive members of the Board of Directors and carries out its activity according to the applicable legal framework, notably: International Audit Standards ISA 260-18, 2005-CAFR; the Company law - Law 31/1990; Banca Transilvania's Rules of organization and administration.

The number of committee members and their competence are approved by the Board of Directors; the committee has 3 non-executive Board members;

The responsibilities of the Audit Committee are related to: financial statements - important aspects regarding the accounting principles and the presentation of financial statements, including any significant change in the bank's decision in terms of selecting or applying the accounting principles; internal control - assessment of the internal control by the internal and external audit function as concerns the financial statements and the obtention of reports and recommendations on the findings; internal audit; external audit; reporting and other responsibilities.

The internal audit function (Internal Audit Department) is subordinated to the supervisory function (Board of Directors). The Internal Audit Department is operationally subordinated to the CEO.

The direct management (coordination) of the internal audit function (Internal Audit Department) is ensured by the Internal Audit Manager appointed by the supervisory function (Board of Directors).

During 2016 the Committee consisted of:

Ivo Gueorguiev– Audit Committee chairman; independent non-executive director with audit experience;

Thomas Grasse – Audit Committee member; independent non-executive member with audit experience;

Roberto Marzanati – Audit Committee member; independent non-executive member with audit experience until May 2016.

A temporary vacancy due to decease of one of its members was closed in January 2017.

Main issues addressed by the Committee in 2016:

Consideration of the Bank’s IFRS auditor and determination of the level of fees payable to the auditor;

- Consideration of the IFRS Financial Statements and the external audit report for 2015, review of significant accounting and financial reporting aspects as well as their impact on the Bank’s Financial Statements;

- Supervision and review of robustness and efficiency of Bank’s internal controls, based on reports provided by Bank’s control functions ;

 - Review and approval of the Internal Audit Division’s work plan for 2017-2019;

- Reshaping Internal Audit Division’s organization and methodologies, adapting to Bank’s enlarged corporate structures following Volksbank Romania integration.;

 - review of NBR reports and implementation of recommendations.

 - implementation of external auditor’s management letter recommendations

 - Affiliated and related party transactions.

The Committee in 2016 regularly met the Bank’s newly appointed external auditor PwC and worked with the Chief Financial Officer on all audited and auditor-reviewed financial releases of the Bank, making recommendations to the Board of Directors approving these. Audit planning and reporting meetings were held with the external auditor including sessions without management presence. The Committee assessed, also in light of new Romanian legislation which came into force 2016, reasonableness of material accounting policies, Management’s accounting judgements for valuation of Bank’s assets material for IFRS Financial Statements with focus on Bank’s portfolio of investment securities, loan portfolios, Real Estate and other collateral valuations and related impairment charges as well as loan loss provisions. The Committee also discussed updates received by the external auditor and Bank’s Management on changes to Romanian law with impact on banks, in particular ‘DIP law’ as well as current and forthcoming changes to IFRS accounting

standards, and on adoption of IFRS9 in particular scheduled to become effective from 1 January 2018.

The Committee regularly with the Head of Internal Audit Division to review and approve Internal Audit Division's annual and rolling multi-year risk based work plan. Due to the Bank's enlarged corporate structure following acquisition and merger with Volksbank Romania we initiated a review of the Internal Audit Division function aimed to adapt methodology, organization and resources to requirements of the combined entity. The Committee recommended the Board of Directors to approve the respective implementation plan.

The Committee also reviewed robustness of Bank's internal controls working both with external IFRS auditor and Internal Audit to track closely any identified shortcomings and to scrutinize remediation follow-up with vintage analyses being carefully maintained. Furthermore, the Audit Committee obtained information on external regulatory inspections.

The Committee is responsible for assessment of the performance, objectivity and independence of the external IFRS auditor and delivery of quality audits. The Committee considered in 2016 suitability of the lead engagement partner and wider teams as well as the remuneration and engagement terms of the appointed auditor. Based on the auditor's declaration of independence obtained by the Audit Committee and its own assessment the Committee remains satisfied that PwC is independent in providing their audit services to Banca Transilvania and will continue to deal with requests for the auditors to perform non-audit services, ensuring that any non-audit services contracts will not jeopardise full independence of Bank's external auditor.

1.1.1. General items of the assessment for the financial year ended December 31, 2016

Banca Transilvania recorded very good results in 2016. The separate financial statements prepared in accordance with the International Financial Reporting Standards adopted by the European Union (NBR Order no. 27/2010, as subsequently amended and supplemented) are presented below:

▪ Gross profit:	RON 999.12 million
▪ Net profit:	RON 1,228.44 million
▪ Total Assets:	RON 51,769.60 million
▪ CAR:	19.02% <i>(16.16% without profit)</i>
▪ Return on capital (ROE):	21.52%
▪ Market share in terms of assets:	13.14%
▪ Liquidity ratio according to NBR regulations:	between 1.89 and 17.54 on the 5 maturity bands

1.1.2. Assessment of the Bank's Technical Level

The network of Banca Transilvania S.A. as at 31 December 2016 includes 543 functional units (excluding the Headquarters and the Regional Center in Bucharest), compared to 551 functional units at 31 December 2015.

At the end of 2016 the Bank had a number of 1121 operational ATMs and 31,766 POSs installed. The total number of cards issued by BT as at 31 December 2016 was 2,827,342.

Description of the main products supplied and/or services rendered:

The offer of Banca Transilvania has expanded during the current financial year with products, services and campaigns aimed at individuals and companies, and one of the objectives attained this year by BT was the launching of solutions designed to effectively and continuously support its client's activities.

RON operations

- cash operations;
- settlement operations;
- current accounts;
- deposits;
- loans to companies and individuals;
- letters of guarantee;
- payments through the Direct Debit and Standing Order systems;
- the BT Ultra-Multicash electronic service;
- the BT24 Internet Banking service;
- the electronic confirmation service for payments to customs (Vama On-Line);
- the Trezo Direct service;
- the Voice Teller and Fax Teller automatic services for banking information;
- depositing and keeping in the vault of items and other valuables that require vault storage;
- economic and financial consultancy, technical support, services at the Payment Incidents Register;
- services at the Central Credit Register;
- information on exchange rates applied for the previous period;
- operations with government securities;
- card operations in RON;
- factoring ;
- mobile banking, Phone Banking, etc.

FCY operations

- operations on the FX market;
- deposits;
- loans to companies and individuals;
- cheque operations;
- payment order operations;
- operations with documentary letters of credit (export and import);
- incasso operations;
- guarantee based operations;
- submission of letters of credit, letters of guarantee, amendments, investigations (SWIFT fees);
- transfer of FCY amounts (Western Union);

- travel visa fee payment;
- BT Money Connect;
- FCY card operations, etc.

In addition to the above data related to the description of the products, we would like to point out the following:

a) the main markets for each product and service, as well as the methods of distribution are the domestic and international banking markets;

The entire range of financial products, including banking products and the products offered by the subsidiaries of the Group, are provided to the clients through a single distribution network integrated under the BT logo.

b) the weight of each product or service type in the bank's revenues and total turnover are presented in the Report from the Board of Directors of Banca Transilvania S.A., attached hereto;

c) the new products and services considered, for which a substantial volume of assets will be allocated in the next financial year, are those related to:

- issuing new payment devices (wearables);
- focusing on projects co-financed with EU funds;
- adding new features to the Internet Banking and Mobile Banking applications;
- launching product and service packages for retail and company clients.

1.1.3. Assessment of the technical and material supply activities (domestic and foreign sources)

This item is not significant for the bank.

1.1.4. Assessment of the sales activity

As at 31.12.2016 the evolution of the sequential sales on the domestic and/or foreign market and the medium and long term sales perspectives, as well as the competition in the bank's field of activity, the market share of the products and services of the bank and of its main competitors is as follows:

BUSINESS LINE PERFORMANCE IN 2016

Operational efficiency remained a focus point for the bank's management, considering the increasing number of clients, respectively transactions.

CLIENT BASE EVOLUTION:

The number of active clients increased by 5.41% in 2016, as compared with 2015, from 2.15 million to 2.26 million.

The number of active clients structured per business lines is the following:

Active BT clients	31.12.2016	31.12.2015	2016/2015
Corporate*	11,769	11,355	3.65%
SME*	207,477	190,899	8.68%
Retail	2,048,573	1,949,216	5.09%
TOTAL	2,267,819	2,151,470	5.41%

** The classification of legal persons in the category of large companies or SME's is regulated by internal rules which set the conditions for the classification of clients per business segments.*

Banca Transilvania featured an organic growth above 8% in terms of loans and above 9% in deposits.

BT granted almost 175,000 new loans to retail, SME and Corporate clients in 2016. Cash and non-cash loans granted to company customers in 2016 amounted to RON 4.9 billion, meaning over 23,600 new loans.

Apart from improving competences in the specialized business areas - agribusiness and healthcare - BT continued to support the SME and retail sectors.

BT counts more than 800 thousand internet banking users and almost 250 thousand mobile banking users. BT continues to invest in automation and digitalization with respect to banking processes, in order to improve customer experience.

CORPORATE BANKING

The success of the banks in relation to the (large) corporate clients is driven by the product and services offer that needs to include the investment banking, evaluations, development strategies proposals, market consolidation advice etc. Within this context, in order to adapt our services to their expectations, new specialists have been added to our organisation, bringing more value to the relationship with these clients.

The Corporate loan portfolio stayed on a growing path, reaching a total exposure of RON 11,071 million, eventhough, RON 1,103 million have been written-off during the year. Cash loan production amounted to RON 2.74 billion, while the non-cash facilities were in amount of RON 0.51 billion. The deposits raised from corporate clients by the end of 2016 were 2.2% higher than those in 2015, reaching RON 10,090 million. At the end of 2016, the Corporate business line had almost 12,000 active clients. The average ticket for the new corporate loans around RON 600 thousand, more than 4,700 loans being processed during the year. Operational revenues increased by 3.8% in 2016 versus 2015.

SMALL AND MEDIUM ENTERPRISES (SMEs):

Almost 18,000 new loans were granted in 2016 to SME clients, totalling over RON 1.6 billion, with an average ticket RON 86 thousand. The operational revenues increased in 2016 by 17.2%.

The SME loan portfolio was RON 3,221 million at the end of 2016, in which is 4.7% higher than the previous year (despite the non-performing loans recorded in off-balance and provisioned in proportion of 100% in amount of RON 293 million). The deposits raised from SME clients increased by 3.3% in 2016, reaching RON 5,407 million.

RETAIL BANKING

2016 brought consistent growth in the retail banking sector. The loans granted to this clients'

segment grew by 10.7% compared to the previous year, reaching RON 15,088 million (despite the non-performing loans recorded in off-balance and provisioned in proportion of 100% in amount of RON 600 million). Retail deposits in 2016 amounted to RON 26,355 million, 13.2% higher than 2015 amounts (RON 23,286 million).

Banca Transilvania ended 2016 with a total of 2.82 million cards, generating a volume of transactions 25% higher than in the previous year. The Bank's market share based on the cards transactions' volume is of almost 20%. Banca Transilvania reached a number of 329,000 credit cards under the STAR loyalty programme.

The year 2016 was the best year in terms of increases in the cards' transactions volume. The increase in volume was of RON 6.49 billion in 2016 versus 2015, representing an 18.91% growth ratio.

The Bank has a number of 1,120 ATMs, 31,800 POSs and collaborates with more than 600 retailers using e-commerce.

At the end of 2016 there were more than 800,000 BT24 Internet Banking users, by 21% more than in 2015. At the same time, the number of clients using BT24 Mobile Banking is close to 240,000, increasing by 77% compared to last year.

In 2016 the Internet and Mobile Banking improved with new functions: fingerprint authentication; online change of passwords; preferential FX rates; online reset of the PIN codes; SEPA facilities for the FCY payments and simplification of the payments' flow; extension of the facilities for the legal entities to invest in BTAM funds; multiple acces (on mobile banking), with a simple user ID switch.

BT launched the first wearable (payment bracelet) in Romania.

BTSign UP was launched in December, the platform providing online acces to apply for an account and a debit card in RON. The site is oriented towards to attract new individual clients, as a step towards digitalisation and simplification.

2016 was also the year of Retail related awards:

- In 2016 Banca Transilvania was voted for the 6th time in the last 8 years as the „Bank of the Year” in the cards business, based on: number of cards issued, volume of transactions, new products, new agreements with retailers, etc. The award was granted at the NoCash 2015 Awards, BT being also recognized as leader in the following categories:

- “The highest number of debit cards issued” – Visa Electron BT
- “The shopping card of the year” – Visa Electron BT
- “The year premiere” – BT & Western Union – for the transfer of the money at ATM on any MasterCard or Maestro card issued in Romania

TREASURY

The treasury activities in Banca Transilvania are organized and occur in addition to and in cooperation with the business lines serving both company and retail customers. The principles and strategic objectives governing the treasury activities are:

Precaution - with respect to the management of liquidity surplus, the maturity of assets and liabilities, the interest rate structure and the market risks to which the bank is exposed, in line with the risk limits established in the bank's Risk Strategy and/or the regulations governing the Romanian banking sector;

Dispersion - as concerns counterparty exposures arising from all specific treasury operations;

Income maximization - under prudent conditions and considering the estimated multiannual evolution of cyclical macroeconomic indicators.

In line with the overall growth in the number of operations, the currency exchange activity also increased by 20%, reaching RON 172 million in 2016.

OPERATIONAL / IT PERFORMANCE:

- Significant improvement of the service quality and client experience
- Implementing streamlined processes
- Pursuing outsourcing opportunities to support the focus on the core business
- Standardisation of projects implementation
- Preparing the operational infrastructure and growing the automation level for processes performed by and via the bank.

Statement of financial position in 2016

The separate and consolidated financial statements prepared in accordance with the International Financial Reporting Standards adopted by the European Union (NBR's Order no. 27/2010 as subsequently amended and supplemented) are presented below:

Banca Transilvania ended the year 2016 with total assets amounting to RON 51,770 million, 9% higher than end of 2015 total assets. The largest increase as compared to 2015 was recorded in investment securities (23%), followed by loans and advances to customers (6%). The Bank exceeded its budgeted figures by 4%. At consolidated level, the total assets amount to RON 51,944 million.

The loan portfolio: As of the end of 2016, the loan portfolio is 6% higher than as of the end of 2015, despite the aggressive write-off campaign performed during the year (RON 1,995 million have been fully provisioned and written-off during 2016). Banca Transilvania continued to diversify its portfolio with regard to both economic sector and the type of clients. The non-performing loans PAR>90 days represent 4.62% of the total loan portfolio as at December 31, 2016, a significant improvement compared to 9.75% in 2015, the EBA NPE being at 9.84% as of December 2016.

Provisions balance: In 2016 Banca Transilvania recorded net expenses with provisions for other risks and loan commitments in amount of RON 654.2 million (including the impact of the loans written-off of RON 1,995 million), versus RON 794.95 million in 2015. The coverage level of non-performing loans with mortgage collateral and specific provisions is at 117.47%, which is a comfortable level in accordance with the Bank's risk appetite. The balance of loan loss provisions as of 31 December 2016 amounts to RON 2,169 million. Remaining provisions for other risks and charges include provisions for litigations and other risks related to Volksbank in amount of RON 432 million.

Cash and cash equivalents: As of the end of 2016, the liquidity ratio is at 49.62%, while the banking system average is at 40.28%. The cash and cash equivalents count for RON 8,040 million out of which the minimum mandatory reserve required by NBR amounts to RON 4,211 million.

The Securities position increased by more than 23% versus last year, reaching RON 15,180 million of which RON 14,578 million are Romanian government T-bills. The fixed assets figure grew by 18% versus 2015 to reach RON 585.37 million, mainly due to increase in equity participations. Tangible assets represented RON 370.30 million (land and buildings in amount of RON 217.45 million), intangible assets of RON 78.40 million and long term financial assets of RON 136.67 million.

Deposits from clients. As of December 31, 2016, 63% of the deposits were in RON and 37% in other currencies. Deposits increased in 2016 by 9% versus the previous year, the pace being above the 8% general growth recorded at the banking system level.

Loan/deposit ratio was 70.2% at the end of 2016; loans amounted to RON 29,380 million whereas customer deposits amounted to RON 41,852 million, ensuring BT's favorable liquidity position, as compared to the banking system ratio of 79.3%. In 2016, the loan/deposit ratio in the banking system continued to decrease to minimum historical levels, this trend reflecting the liquidity surplus in the domestic economy and confirming the structural changes in the banking sector.

The prudential ratios ensure a favorable position of BT in the banking system. BT has a consistent deposit base, which allowed for an optimum liquidity ratio. Thus, the **liquidity ratio** as at 31.12.2016 ranged between 1.89 and 17.54 (2.26 - 21.08 as at 31.12.2015) on the 5 maturity bands, much above the minimum level required by the NBR regulations.

In 2016, Banca Transilvania's **capital adequacy ratio** was 19.02% (with annual profit included) and 16.16% (without profit). The bank preserved an adequate level of capital and general financial ratios, in accordance with the banking principles.

The ROA and ROE ratios featured a positive trend.

As at 31.12.2016, **the shareholders' equity** of BT was in amount of RON 5,984,088,587, of which:

- the share capital registered with the Trade Register is represented by 3,646,047,792 shares with a par value of 1 RON/share plus RON 86,501,040 as capital adjustment to inflation and surplus from the revaluation of fixed assets, used for the share capital increase but not realized until the date of the transition to the International Financial Reporting Standards adopted by the European Union;
- premiums for the conversion of bonds into shares: RON 28,374,353
- statutory reserves: RON 344,596,724
- banking risk reserves: RON 77,892,714
- reserves from revaluation of securities available for sale: RON 10,790,305
- reserves from revaluation of tangible and intangible assets: RON 27,187,748
- own shares: RON (16,545,727)
- retained earnings: RON 600,759,473
- profit: RON 1,228,440,318
- profit distribution: RON (49,956,153)

At the end of 2016, the **gross profit** amounted to RON 999.12 million at bank level vs. RON 1,058.84 million at Group level. Banca Transilvania's net profit amounts to RON 1,228 million, whereas that of the Group amounts to RON 1,277 million. BT's operating efficiency confirms the trend from 2016, with a cost/income ratio of 41%. Excluding the profit of RON 185 million resulting from the Visa Europe transaction, the cost/income ratio stays at a comfortable level of 44%.

Considering the interpretation of IAS 12 „Income taxes” rules and guidelines with regard to the recognition of deferred tax assets resulting from business combinations, correlated with the Romanian legislation, the Bank recorded a deferred tax asset generated by the fiscal losses of Volksbank Romania S.A. have which was recognized in the financial statements starting with the effective date of the merger. The recognition of the deferred tax asset also considered the fiscal treatment of the bargaining gain resulting from the acquisition of Volksbank Romania.

Deferred tax receivables increased up to RON 374 million as at December 2016, compared to RON 111 million as at December 2015. The increase is mainly due to the fact that the bank recognized in 2016 the deferred tax receivables related to the bargaining gain resulting from the acquisition of Volksbank Romania, in line with all legal requirements in force.

Operating income amounted to RON 2,823.39 million as at 31.12.2016, being 2% higher than in the previous year. The Bank exceeded the budgeted level by 3%.

Most relevant income categories:

Net interest income: RON 1,710.73 million in 2016, notably 10% lower compared to the previous year, due to the interest margin decrease. A significant weight of 13% in this income category is

represented by securities income in amount of RON 257 million. The trend of the group was similar with the trend of the bank.

Net commission income: Commission income grew by 11.4%. Commission income amounts to RON 509.46 million and is 1% above the budgeted level. The number of operations carried out through BT accounts grew by over 9% compared to the same period of 2015.

Net trading income and net income from the sale of AFS: Net FX income increased by 20% in 2016 compared to the previous year, up to RON 172.35 million. Net income from the sale of financial instruments available for sale amounted to RON 402.23 million in 2016.

Operating expenses without provisions amounted to RON 1,170.05 million at the end of 2016, vs. RON 1,345.9 million at the end of 2015. The decrease was due to the expenses generated by the integration of Volksbank Romania. At the level of BT Group, the evolution of operating expenses was mainly influenced by the expenses of the Bank. The costs related to the acquisition of Volksbank Romania, which impacted the previous year's expenses, comprise mainly the intermediation fees, advisory fees, legal fees, evaluation fees and other general administrative costs.

The **gross profit** of 2016 is RON 999.12 million, as compared to RON 2,265.13 million (of which bargaining gain from the acquisition of Volksbank Romania in amount of RON 1,650.60 million) in the previous year.

The net profit of the Bank in 2016 was RON 1228.44 million, including deferred tax income, vs. RON 2,417.67 million in 2015, including the bargaining gain from the acquisition of Volksbank Romania in amount of RON 1,650.60 million.

At Group level, the operating income reached RON 3,006.64 million, gross profit RON 1,058.84 and the net profit RON 1,277.01 million.

At Group level, the net profit at the end of 2016 was RON 1,277.01 million, vs. RON 2,448.02 million in 2015 including the bargaining gain from the acquisition of Volksbank Romania in amount of RON 1,650.60 million.

1.1.5. Assessment of the aspects related to the bank's employees/staff

The Bank's total number of employees as at 31 December 2016 was 7,759 people (31 December 2015: 7,552 people).

The Bank's average number of employees as at 31 December 2016 was 6921 people (31 December 2015: 6,426 people).

The number of active employees in the country as at 31 December 2016: 6,999 people (31 December 2015: 6,854 people)

The average age of the employees was 36.03 years (in 2015 - 36.9 years). Gender breakdown in 2016: 75.85% women and 24.15% men (in 2015 - 76% women and 24% men).

The manager-employees work relationship and any other conflict-related aspects are regulated by the Collective Labor Agreement for 2016-2018 no. 277/25.07.2016.

In 2016, the priorities of the HR activity were the following: enhancing BT's brand as an employer, the professional and personal development of the employees, the continued integration of the employees retained after the merger with Volksbank Romania.

In terms of the development and motivation of BT employees, the courses organized in dedicated "classrooms" counted over 18,000 lecture hours and more than 6,000 participations. The e-learning platform was accessed more than 85,000 times, for the 107 courses developed internally.

A 2016 novelty is represented by the video tutorials developed by BT Academy, which help the employees get acquainted quickly, easily and comfortably with the applications needed in their daily activity in the bank. The adoption and acceptance rate of such tutorials exceeds 80%.

In addition, a training program designed for branch managers was developed in partnership with Qualians, with the purpose to enhance the competences and behaviors leading to success among BT branch managers; 60 managers attended the program.

The bank continued the integration of the employees retained from Volksbank Romania, so that by the end of 2016 70% of the retained people continued their activity in Banca Transilvania, this percentage proving the success of the merger.

1.1.6. Assessment of the aspects related to the environmental impact of the issuer's main activity

BT pays attention to the compliance with the environmental and social legislation in force and to the use of appropriate social and environmental practices, as important factors of effective business management.

In line with its policy related to social responsibility, volunteering and environment protection, Banca Transilvania continued the reforestation activities also in 2016. Two of them are:

- Padurea Transilvania ("Transilvania Forest"), Sanmihaiu de Campie, Bistrita-Nasaud: 40,000 saplings were planted on an area of 10 hectare, in cooperation with Asociatia Tasuleasa Social (March 2016)
- Padurea Oamenilor Intreprinzatori ("The Forest of Entrepreneurial People"), Baragan-Jegalia: 20,000 saplings were planted on an area of 3 hectare, in cooperation with Asociatia Mai Mult Verde (November 2016).

The Bank holds an international "green building" certificate, for some of its business spaces and for the choice of last generation technologies and equipment, with high energetic efficiency and lower environmental impact.

Banca Transilvania has implemented a management system of environmental, social responsibility, respect for human rights and fighting corruption and of bribery, based on best practices and the principles published and adopted by institutions such as the EBRD and IFC.

1.1.7. Assessment of the research and development activities

The research and development activities consist in the diversification and improvement of computer programs.

1.1.8. Assessment of the bank's activity regarding risk management

Description of the bank's policies and objectives regarding risk management

RISK MANAGEMENT

The objective of Banca Transilvania Financial Group in terms of risk management is the integration of the assumed average risk appetite within the bank's decision making process, by promoting the adequate balance between the assumed risks, the available capital and the performance targets, considering at the same time the tolerance to financial and non-financial risks. In determining the appetite and tolerance to risk, the Group takes into account all significant risks to which it is exposed given the specificity of its activity, a major influence being linked to the credit risk.

Risk management is part of all the decision-making and business processes in Banca Transilvania, and in this respect the bank's management:

- Continuously assesses the risks which affect or are likely to affect the bank's business and goals and takes actions whenever any changes appear in its business conditions;
- Ensures the existence of an adequate activity management framework within the bank, considering both internal factors (the complexity of the organizational structure, the nature of the activity, staff quality and fluctuation) and external factors (macroeconomic factors, legislation changes, competition changes in the banking sector, technological progress),

The risk management framework includes internal regulations, limits and controls that ensure the identification, assessment, monitoring, mitigation and reporting of the risks arising from the bank's activity overall and, where applicable, at the level of business lines.

- Risk identification: The Bank's exposure to business-related risks in its daily operations and transactions (including lending, dealing, and capital market operations) is identified and aggregated in the bank's risk management infrastructure.
- Risk evaluation/measurement: The bank performs an evaluation of identified risks by specific models and calculation methods: a system of ratios with related limits, a methodology for assessing the risk events likely to generate losses, calculation methodology for specific credit risk provisions, assumptions regarding the future evolution of assets' value, etc.
- Risk monitoring and control: The policy and the procedures implemented for an effective risk management are meant to mitigate risks inherent in the bank's business. The bank implemented procedures for the supervision and approval of decision and trading limits per person/ unit/ product etc. Such limits are monitored daily/ weekly/ monthly depending on operations.
- Risk reporting: For the specific risk categories, the bank has established transparent regular reporting mechanisms, so that the management body and all the relevant units are provided with precise, concise, intelligible and significant reports in due time, and are able to exchange relevant information on risk identification, quantification or assessment and monitoring.
- Calculation and assessment of capital and capital requirements: For the assessment of capital adequacy to risks, the Bank identifies and evaluates all significant risks to which it is or might be exposed. Banca Transilvania continuously calculates and assesses its internal capital and internal capital requirements, in order to cover the bank's business needs and related risks.

Categories of risk to which the bank is exposed: Credit risk, Liquidity risk, Operational risk, Market risk, Interest rate risk outside the trading book, Reputational risk, Risk of excessive leverage, Strategic risk, Compliance risk.

CREDIT RISK

The credit risk management framework is periodically updated and improved. It is designed to cover all credit exposures deriving from the banking business and includes the following basic components:

- Lending methodology to ensure a healthy credit portfolio;
- Integrated IT systems for the management of client relationships and loan origination, both for companies and individuals.
- Individual counterparty rating system;
- Risk assessment system for transactions;
- Risk assessment system for new credit products / significant changes in the existing products;
- Active management of loan portfolio;
- Concentration limits per client / group of clients / products / regions /sectors/ guarantee suppliers / guarantee types;
- Pricing methodology based on risks;
- Methodology for loan monitoring / review after granting;
- Methodology for credit risk provisioning;
- Methodology for the calculation of prudential adjustments;
- Methodology for the early identification of effective or potential credit risk increase (early warning);
- Methodology for the identification and management of high risk assets;
- Proactive management of fraud risk;
- Continuous improvement of the overdue credit collection process;
- Back-testing methodology for provisions allocated to the bank's loan portfolio regarding the adequacy of the probability of default indicator, the default status and the provision level;

The management of credit risk consists mainly in:

- The organization of a proper system of norms and procedures in this field, establishing the regulatory framework for the lending process in order to avoid or to minimize risk occurrence; - development / improvement of credit risk management procedures (strategy, policies, norms related to credit risk management); ongoing improvement of the credit approval / granting process;
- The maintenance of an adequate process for credit management, control and monitoring;
- Organizational structure of the bank – there are departments and committees with responsibilities in credit risk supervision and management.

The credit risk appetite determined *a priori* for 2016 was “medium”.

LIQUIDITY RISK

The liquidity risk appetite in 2016 was “medium-low” due to the structural correlations of the bank’s assets and liabilities, namely the mix of instruments designed for the use of temporary liquidity excess, but also due to the weight of stable resources raised from clients in total funds; the liquidity risk profile is determined in a conscious manner and in line with the international and domestic market conditions, but also by considering the bank’s sound development under the current legal circumstances, with the purpose to achieve both prudential and profitability requirements. Liquidity management is centralized.

The main principle in determining the types of instruments used by the Treasury in order to use temporary liquidity excess is investment portfolio diversification (over 5 types/categories), considering the reversed correlation between the risk degree and the liquidity level, establishing minimum and/or maximum accepted levels for the relevant categories of investments, granting special attention to liquid assets easily convertible into cash that are eligible for collateral, without materially affecting the initial yield of investments, notably their profitability.

For a sound management of liquidity risk, the bank is constantly focused on raising liquidities via treasury operations, external financing, capital markets, etc., by taking into account various factors such as the issuer’s rating, the issuance maturity and volume, trading markets.

The operative management of liquidity occurs also on an intraday basis, so as to ensure the execution of all settlements / payments of the bank carried out in its own name or on behalf of its customers, in LEI or FCY, on accounts or in cash, within the internal, legal and mandatory limits. Moreover, the Bank also applies a liquidity buffer for the purpose to cover the additional liquidity needs that may occur on a short period of time under stress conditions.

During 2016, the Bank recorded 1st rating liquidity ratios, indicating a more than comfortable liquidity position in a still fragile general economic context.

Attention is given to:

- correlation of the growth rate of resources/loans;
- diversification of the range of instruments correlated with the institution's risk appetite;
- adequate capital allocation;

OPERATIONAL RISK

Operational risk represents the risk to incur losses from defective processes, errors generated by the internal systems, inadequate employee activities and other external events.

In order to identify, assess, monitor and mitigate operational risk, the bank:

-assesses on an ongoing basis the exposure to operational risk, based on historical data

-assesses the products, processes and systems in order to determine their associated risk levels and the measures required for the removal / diminishment of such risks to acceptable levels

In order to mitigate the inherent risks arising from the bank's operating activities, it is necessary to continuously monitor the controls implemented at different levels, to assess their efficiency, and to implement adequate measures for the reduction of the impact of operational risk events.

Banca Transilvania's Strategy for the diminishment of operational risk exposures is based mainly on the permanent update of regulatory documentation in line with the legal regulations and market conditions, staff training, efficiency of internal control systems (organization and exercise), constant improvement of IT solutions and consolidation of the bank's security systems, the use of additional means to reduce risks (insurance policies against risks), application of measures to limit and to mitigate the effects of operational risk incidents, such as: current activity standardization, automation of processes to the largest possible extent, with control keys monitored on a permanent basis; reduction of redundant data collected by the bank's related entities; evaluation of products, processes and systems in order to determine sensitivities to operational risk, implementation of the recommendations and the conclusions resulting from the controls carried out by internal and external bodies, the update, evaluation and testing of business continuity plans on a regular basis.

The operational risk assessment is closely related to the bank's overall risk management process: its results are part of the operational risk monitoring and control process and are constantly compared with the risk profile defined in the bank's risk management strategy.

MARKET RISK

Banca Transilvania's market risk appetite was "medium-low" due to the structure and the size of the trading portfolio, the prudential approach of all operations subject to such a risk and the numerous limits implemented and daily monitored within the bank's current business. In order to reduce market risk, the bank adopted a prudential approach to protect its profits from fluctuations in prices, interest rates and exchange rates on the market, which represent exogenous, external, independent factors. The Bank implements a series of principles in terms of quality, maturity, diversity and risk degree of the constitutive elements.

Banca Transilvania performs a daily evaluation of all banking positions, marking to market its trading book, of the positions at the directly available closing prices, coming from independent sources, such as: prices on the stock exchange, electronic quotations, quotations from several independent, well-known brokers, in accordance with the applicable internal regulations and monitors the "warning" or "alert" levels, using backup plans in case of unstable market conditions.

The market risk analysis is based on the three main risk sub-categories below, with the purpose of combining prudential and profitability requirements:

Interest rate and price risk: the management of such risk is adapted and permanently adjusted to the Romanian and international financial and banking market conditions, as well as to the overall economic context. The interest rate risk is analyzed within the stress tests performed for

the portfolio of securities held by the Bank and the price risk is analyzed within the stress tests related to the share and fund unit portfolio held by the Bank.

FX risk: the Bank applies a series of rules with regard to operations sensitive to exchange rate fluctuations, the realization, registration and mark-to-market thereof, as well as the impact of exchange rates on the bank's assets, liabilities and balance sheet.

Settlement risk: represents a possible loss that could occur because of a wrong settlement of the treasury operations; the purpose of this risk management type is to adopt a prudent policy regarding the selection of counter-parties, custodians, the management of counter-party operations and the maturities of the related operations

INTEREST RATE RISK OUTSIDE THE TRADING BOOK

The interest rate risk profile in activities outside BT's trading book is "low", the bank adopting a set of strict principles for the management and monitoring of such risk, establishing a risk management process capable of keeping interest rates within prudential limits. The interest rate risk management is to minimize the possible negative impact on net income, as well as to preserve the economic value of the equity under the conditions of adverse fluctuations of the interest rates.

The bank uses management tools such as GAP analysis, static or dynamic and the economic value of assets, forecasts regarding the interest rate trends, the interest types and levels of the bank's products, depending on currency and maturity, the volumes of different balance-sheet items sensitive to interest rates, fees and commissions, directly or indirectly influenced by interest rate changes, limits recommended in the interest rate gap management.

REPUTATION RISK

Reputation risk is the risk to incur losses or to fail in achieving estimated profits due to the lack of public confidence in the integrity of the bank. The reputation risk appetite has been established as "low" by maintaining the confidence of the public and the business partners in the bank's integrity, economic and financial position. The management of the reputation risk is performed by way of: undertakings in order to attract the best partners, both clients and suppliers; recruitment and retention of best employees; minimizing litigations; strict regulations; prevention of crisis situations; and the consolidation of the bank's credibility and the shareholders' confidence; ongoing improvement of the relationship with shareholders; establishing a more favorable environment for investments and access to capital; continuous and open communication with stakeholders (shareholders, mass-media, clients, partners, employees, authorities, etc.).

STRATEGIC RISK

Strategic risk is the current or future risk for profits and capital to be negatively affected by changes in the business environment, by unfavorable business decisions, improper implementation of decisions or the low adaptability to changes in the business environment. The strategic risk appetite has been established as "low" based on the following aspects: risk management practices are an a part of BT's strategic planning, the exposure to strategic risk reflects strategic goals that are not excessively "aggressive" and are compatible with the developed business strategies, the

business initiatives are well designed and supported by communication channels, operating systems and adequate delivery networks.

COMPLIANCE RISK

In accordance with the requirements of NBR's Regulation no. 5/2013 on prudential requirements for credit institutions, Banca Transilvania ensures the ongoing development of the compliance activity, thus providing a permanent and efficient compliance risk management framework.

In this respect, the compliance function, as an integral part of the bank's control functions, has provided the management body with consultancy on the implementation of the legal and regulatory framework and on the standards that the bank had to meet; thanks to the involvement and support of this function, the possible impact of any legal and regulatory changes on the bank's activities has been assessed on an ongoing basis.

The main tools for an efficient management of compliance risk are: establishment of exposure limits and elaboration of ratios that reflect the bank's processes exposed to compliance risk; (2) investment in state-of-the art software solutions; (3) raising employees' awareness through training on the events that fall under the category of compliance risk and means to mitigate such risk; (4) regular internal and external auditing of the compliance function, thus ensuring control over the implementation of the legal requirements.

The relevant ratios for the management of the requirements of the compliance function refer to KYC and AML / terrorist financing, as well international sanctions.

Through a consistent approach strategy for compliance risk management, the process has been extended to the level of the BT Group.

The compliance objectives for the forthcoming period focus on the implementation of certain European legal requirements on capital, monetary and FX markets and in the field of payments, data protection and AML and terrorist financing.

CAPITAL ADEQUACY

The internal process for the assessment of capital adequacy to risks is integrated in the administration and management process of Banca Transilvania and in its decision making culture, according to which the management body must ensure the proper identification, measurement, aggregation and monitoring of risks, the preservation of internal capital levels adjusted to the bank's risk profile, as well as the use and development of sound risk management systems.

The Bank and the Group use the following calculation methods for the determination of capital requirements:

Credit risk: risk-weighted assets are calculated based on the standard method;

Market risk: capital requirements with respect to the exchange risk and the trading portfolio are calculated based on the standard method;

Operational risk: capital requirements for the coverage of operational risk are calculated according to the base method.

The Group manages its capital base in a dynamic manner, by monitoring regulatory capital ratios, by anticipating the adequate adjustments required for the achievement of its objectives, as well as by optimizing the structure of assets and shareholders' equity.

Planning and monitoring take into consideration the total own funds (core tier 1, additional tier 1 and tier 2) on the one hand and risk-weighted assets (RWA) on the other hand.

INTERNAL AND EXTERNAL AUDIT

The general objectives of the 2016 audit focused mainly on risk management, as well as on the assessment of the overall control system implemented on transactions and / or processes / flows, covering the entire range of risks. The control system assessment was carried out in line with the internal audit methodology, one of the main objectives being that of ensuring the reliability and integrity of financial and operational data, as a result of an independent and objective evaluation of the internal control system and of the risk management systems in connection with the financial reporting process.

The internal control framework of the Bank is structured on three levels, respectively the functions that are exposed to and manage risks (operational units), the functions of risk supervision (the risk management function and compliance function) and the function that provides an independent assessment, respectively the internal audit function.

Thus, the 1st control level is linked to the operational units, which are responsible for ensuring an appropriate risk control and prevention environment within each operational structure/activity, as part of their daily operations; the 2nd and 3rd control levels are associated with the three independent control functions, as follows:

- the risk management function ensures the management and control of identified risks by means of specific assessment processes;
- the compliance function ensures the management of compliance / operational / credit risks;
- the internal audit function ensures the objective examination of the Bank's overall activities, for the purpose of an independent evaluation of risk management, of the internal control system, of the management and execution processes, in order to support the achievement of objectives; it also issues recommendations for the improvement of such activities.

1.1.9. Aspects related to the perspectives of the bank's activity

INFORMATION ABOUT THE PROJECTED EVOLUTION OF THE BANK IN 2017

Banca Transilvania Financial Group intends to develop in 2017 a new microfinancing model to further support the Romanian entrepreneurial spirit.

QUANTITY OBJECTIVES for 2017:

- Total assets: 4.5% increase
- Total gross loans: 6.0% increase
- Total deposits from customers: 4.6% increase
- Cost / Income: 42.6%
- Loans / Deposits: 72.8%
- Consolidation of the 2nd position on the market, in terms of assets;
- Active presence online by developing specific applications, taking into account the increased demand for mobile banking and a more dynamic presence in the social media
- Creating alternative products to traditional deposits, which have decreased interest rates, and encouraging clients towards other products: fund units; insurance; other investments;
- Non-performing exposures (in accordance with the EBA definition) Maximum 10%.

QUALITY OBJECTIVES for 2017:

- An organic growth of the bank, as well as growth through acquisitions and mergers with other financial institutions on the Romanian market are expected in 2017.
- Banca Transilvania's objective is to achieve a 20% market share in terms of cards in 2017. Excellence in the card activity;
- Simplification and reduction of the bureaucracy related to internal processes and hence, more time for customers - both for sales and customer retention purposes;
- Automation of routine activities; use of advanced digital instruments;
- Assistance from external consultants in projects addressing the optimization and improvement of work processes and flows;

DEVELOPMENT PLAN FOR 2017

Total investments - BT Group

RON 364,163 thousand, VAT included

PROPOSALS REGARDING THE FINANCIAL STANDING IN 2017

The ratio projection for the year 2017 was based on BT's separate financial statements prepared in accordance with the International Financial Reporting Standards adopted by the European Union, this being the only reporting framework for credit institutions in Romania since January 1, 2012.

The ratio projection for the 2017 considered an average annual inflation rate of 2.5% and an average exchange rate of 4.52 RON/EUR.

The assets are expected to increase by 4.5% as compared to the 2016 level (up to RON 54,113 million). In the asset structure, the weight of gross loans was estimated to 58.9%, of cash and cash equivalents to 13.1% and of security investments to 29.5%.

As regards the structure of liabilities and equity estimated for 2017, the increase of customer deposits vs. 2016 is estimated to be 4.6%, with a weight of 80.9% in total liabilities. The budget ratios for 2016 submitted to GSM approval are determined in order to support the proposed business objectives and are correlated with specific prudential and supervisory standards.

For the year 2017 the bank estimates a gross profit of RON 1014.26 million and a net profit of RON 851.98 million.

2. The bank's tangible assets

2.1. Location and properties of the main production capacities owned by the bank:

Currently the bank owns tangible assets in the form of buildings, which represent the office spaces where its subsidiaries/agencies are operating in: Arad, Bistrita, Brasov, Bucharest Obor, Bucharest Unirii, Bucharest Regional Head Office, Cluj-Napoca, Constanta, Dej, Deva, Drobeta Turnu-Severin, Galati, Giurgiu, Miercurea-Ciuc, Oradea, Ramnicu-Valcea, Târgu-Mures, Timisoara, Turda, Zalau, Tulcea, Suceava, Iasi, Braila, as well as five buildings accommodating the bank's main Headquarters. The other spaces where BT units operate are rented offices.

2.2. Description and analysis of the degree of wear and tear of the bank's properties:

The net tangible assets as at 31 December 2016 amount to RON 370.30 million, of which 58.72% are buildings and land. The majority of real estate properties were recently built or refurbished.

A refurbishment project for the units of Banca Transilvania is in progress in 2017.

A detailed analysis of the bank's fixed assets is presented in the Notes to the Financial Statements.

2.3. Notes on the potential issues related to the ownership of the bank's tangible assets.

Not applicable.

3. The stock exchange where the securities issued by the company are traded

3.1. Romanian and foreign markets where the securities issued by the bank are traded

On 15.10.1997 (the first trading day), Banca Transilvania became the first Romanian banking institution listed on the Bucharest Stock Exchange. The bank's shares are indivisible common dematerialized nominal shares.

The share capital recorded with the Trade Registry at the beginning of 2016 was RON 3,026,003,679 and it was increased under the decision of the General Extraordinary Meeting of Shareholders by RON 620,044,113, reserves from the 2015 net profit and conversion of bonds into shares. At the end of 2016, the share capital recorded with the Trade Registry was RON 3,646,047,792.

The share capital structure as at 31.12.2016 vs. 31.12.2015:

	31 Dec 2016	31 Dec 2015
European Bank for Reconstruction and Development (EBRD)	8.60%	11.46%
Romanian individuals	16.97%	16.77%
Romanian companies	29.32%	32.99%
Foreign individuals	1.82%	1.89%
Foreign companies	43.22%	36.89%
Total	100.00%	100.00%

The bank's market cap as at 31 December 2016 was RON 8.70 billion, respectively EUR 1.91 billion (31 December 2015: RON 7.35 billion, respectively EUR 1.63 billion).

3.2. The bank's policy regarding dividends

In 2016, the Bank distributed cash dividends in amount of RON 1,200 million from previous year's profit, and the gross value of the dividend/share was RON 0.396558.

BT distributed cash dividends in amount of RON 50 million from the profit of 2008, when the gross value of the dividend/share was RON 0.047200.

In the previous years, the policy of Banca Transilvania regarding profit distribution was to capitalize.

For 2016, the Board of Directors of Banca Transilvania has decided to propose to the General Meeting of Shareholders the distribution of profit in cash dividends amounting to RON 219,000,000, as well as the granting of free shares by increasing the shares capital with RON 695,388,129. This decision is based both on Banca Transilvania's positive results in 2016, as well as the bank's excess capital.

The Board of Directors' proposal submitted for approval by the General Meeting of Shareholders is to distribute the profit amounting to RON 1,228,440,318, as follows:

PROPOSAL FOR PROFIT DISTRIBUTION 2016	AMOUNTS (RON)
Gross profit	999,123,051
Current/deferred tax on profit	229,317,267
Net profit	1,228,440,318
5% Legal reserve fund from gross profit	49,956,153
Reserves from net profit representing deferred tax	264,096,036
Net profit reserves	914,388,129

The Board of Directors proposes for approval the distribution of profits by granting dividends amounting to RON 219,000,000. The gross dividend/share amounts to 0.0600650382.

The Board also proposes to increase the bank's share capital from RON 3,646,047,792 to RON 4,341,435,921, with the amount of RON 695,388,129, representing reserves from the 2016 net profit.

PROPOSAL FOR PROFIT DISTRIBUTION 2016	AMOUNTS (RON)
TOTAL RESERVES AVAILABLE FOR DISTRIBUTION	914,388,129
Capitalization net profit reserves 2016	695,388,129
Share capital at the record date	3,646,047,792
Yield / share % capitalization	0.1907238107

As a result of the share capital increase by RON 695,388,129, for every 100 shares held, another 19.07238107 new shares will be assigned (respectively a number of new shares corresponding to the ratio 695,388,129 RON/3.646.047.792).

3.3. The bank's share buyback activities:

The share repurchases performed in 2016 were in line with the schedule approved by the Decisions of the Extraordinary General Meeting of Shareholders from 27.04.2016.

3.4. The number and nominal value of the shares issued by the parent company and owned by the subsidiaries:

None of the companies of the BT Group owns Banca Transilvania shares (TLV). At 31.12.2016 the BT INVEST1 investment fund, managed by BT Asset Management, holds a number of 9,648,498 Banca Transilvania shares (TLV), representing 0.264629% of the Bank's capital.

BT subsidiary	No. of shares held	Nominal value at 31.12.2016	Percentage held
BT INVEST1	9,648,498	9,648,498	0.264629%
TOTAL BT SHARES held	9,648,498	9,648,498	0.264629%

3.5. Bonds issued by the bank:

In 2013 Banca Transilvania S.A. issued a number of 50,000,000 unsecured subordinated convertible bonds, due in 2020, each with a nominal value of EUR 0.60, and a total nominal value of EUR 30,000,000. These are nominal, dematerialized bonds.

As at 31 December 2013 the bank had a balance of issued subordinated term bonds of EUR 30 million.

On 3.11.2014 a number of 33,453,730 bonds with a nominal value of EUR 20,072,238 were converted into 49,444,546 BT shares.

As at 31 December 2014, the bank had a balance of 16,546,270 issued subordinated bonds, amounting to EUR 9,927,762.

As at 31 December 2015, the bank had a balance of 16,546,270 issued subordinated bonds, amounting to EUR 9,927,762.

As at 31 December 2016, the bank had a balance of 16,507,930 issued subordinated bonds, amounting to EUR 9,904,758.

4. Bank management

CORPORATE GOVERNANCE

Corporate governance represents the set of responsibilities and practices of the company's management, aiming at providing a strategic direction and ensuring that the set objectives will be achieved, that risks are properly managed and that the company's resources are responsibly used.

The risk identification, assessment, monitoring, control and reporting system has been developed and is implemented by the bank also in terms of internal control and risk management related to the financial reporting activities, in order to provide credible, relevant and complete information to the structures involved in the bank's decision-making processes and to the external users, as well as in order to ensure the compliance of the banking activities with the financial reporting legal framework and the internal policies and procedures.

Banca Transilvania SA uses the Code of Corporate Governance of the Bucharest Stock Exchange, considering the former's capacity as issuer on the capital market. The Code of Corporate Governance of BSE is available on the official website of BSE (www.bvb.ro). There are currently no elements in which Banca Transilvania fails to ensure the compliance with the provisions laid down in the Code of Corporate Governance of BSE.

Banca Transilvania's management:

The strategic management is ensured by the General Meeting of Shareholders which is in charge of establishing strategic organizational objectives and of allocating the required resources of the achievement thereof.

Banca Transilvania's management structure includes the supervision management body, i.e. The Board of Directors and the top management bodies, i.e. the Leaders/Leaders' Committee.

The Board of Directors

BT's management is entrusted by the General Meeting of Shareholders to a Board of Directors elected for a mandate of four years, consisting of seven directors, elected by the shareholders during the GSM.

Currently, in the BT's Board of Directors, there is a member open position, following the decease of one of the directors of the bank

The Board of Directors has 3 independent directors, all members being non-executive directors.

4.1. List of bank Directors:

No resignations were registered among the members of the Board of Directors and the executive management in 2016.

Mr. Marzanati Roberto, Deputy Chairman of the Board of Directors deceased on 30.05.2016.

A new Board members has been registered, i.e. Mr. Lionachescu Costel.

The Members of the Board of Directors (BoD) as at 31.12.2016 are:

Name	Position	Percentage held on December 31, 2016
Ciorcila Horia	Chairman of the Board of Directors	4.291808% directly and together with BT shareholders, Castorius Limited and Thelteck Limited
Grasse Thomas	Non-executive Member of the Board of Directors	0
Gueorguiev Ivo	Non-executive Member of the Board of Directors	0.016103
Ceocea Costel	Non-executive Member of the Board of Directors	0.026092
Puscas Vasile	Non-executive Member of the Board of Directors	0.011967
Lionăchescu Costel	Non-executive Member of the Board of Directors	0.000003

Ciorcila Horia was born in 1963 in Cluj-Napoca and graduated from the Faculty of Automation and Computers, at the Polytechnic Institute of Cluj-Napoca, in 1989. He participated, as a founding member, to the establishment of Banca Transilvania S.A. and of several companies from Banca Transilvania S.A. group, operating in the finance sector (insurance, leasing, etc.) since 1993. He also contributed, as a founding member, to the establishment of companies such as the groups Astral TV, Maestro Industries and RomVioCons-Omniconstruct. He was also a Board member of BT Asigurari SA, BT Asset Management SAI and Chairman of the Board for BT Aegon. He is currently on the Boards of ACI SA and SIF MOLDOVA SA.

He has been a member of the Board of Directors of Banca Transilvania S.A. since its founding, and, starting with 2002, he has been the Chairman of the Bank's Board of Directors.

Grasse Thomas was born in 1955. He has a degree in banking. He graduated from the Business School of Finance and Management of Bankakademie, Frankfurt, Germany, in 1977. He started as Apprenticeship in Banking at HYPO-Bank Mannheim Branch. He has held different management and top management positions in the banking sector, within Hypo-Bank Munchen, Hypo-Bank Landshut/Rosenheim Germany, Bayerische Hypo und Vereinsbank AG Munchen Germany, Unicredit CAIB Poland, Specta Group Moscow, and Banca Intesa Moscow, Russia. He is currently on the Board of Directors of JSC Alliance Bank, Almaty, Kazakhstan and also a member of the Supervisory Board (EBRD nominee), of the Strategy and Capital Markets Committee, and of the Audit and Risk Committee from the Credit Bank of Moscow, Russia.

He has been a member of the Board of Directors of Banca Transilvania S.A. since 29.04.2014. NBR Approval was granted on 30.12.2014.

Gueorguiev Ivo was born in 1964. He graduated from the University of National and World Economy of Sofia, Bulgaria, in 1990 and holds an MBA from Alberta University of Edmonton, Canada since 1993. He has held many other positions, such as: Management Consultant of Varsity Consulting Group Edmonton, Canada, Principal Banker of the EBRD for the Baltics/Belarus Group, Chairman of the Management Board of Hermis Finance - Lithuania, Deputy Chairman of the Management Board Hermis Bank – Lithuania, Senior Banker of the EBRD for the Financial

Institutions Group, Managing Director and Chairman of the Management Board of TBIF Financial Services BV, Chairman of the Supervisory Board of TBI Bank.

He has been on several Boards of Directors: Chairman of Hermis Finance Lituania, Vice-Chairman of Hermis Bank Lithuania, Board member of the Baltics Small Equity Fund, Export & Credit Bank Macedonia, and of the Bulgarian Insurance and Pension Holding, Chairman of the Board for TBI Broker doo Serbia, Chairman of TBI Lizing doo Serbia, Board Chairman of TBI Bulgaria, CEO member of the Board of TBIF Bulgaria, Chairman of the Board - TBI Invest / Asset Management Bulgaria, Vice-chairman of the Board - TBI Credit SA Romania, Vice-chairman of the Board - TBI Credit SA Romania, Chairman of the Board - TBI Credit EAD Bulgaria, Chairman of the Board - TBI Leasing AD Bulgaria;

He has also been on numerous Supervisory Councils (SC), in the capacity of: Member of the SCs of Energo SA Poland, Pension Fund Doverie Bulgaria, Chairman of the SC for Sympatia Finance Slovakia, Member of the SCs of Sovcom Bank Russia, TBI Holding Company - Netherlands, and Arka Consumer Finance Russia, Vice-Chairman of the Supervisory Council of VABank Ukraine, and SC Chairman for TBI Bank Bulgaria.

He has been a member of the Board of Directors of Banca Transilvania S.A. since 29.04.2014. NBR Approval was granted on 27.11.2014.

Ceocea Costel was born in 1956 in Buzau. He is a graduate of the Faculty of Economics from “Alexandru Ioan Cuza” University of Iasi, having majored in the Economy of Industry, Constructions and Transportation, he has a Master’s Degree in Business Management and Administration from the “Gheorghe Asachi” Technical University of Iasi and he is also a PhD applicant for a degree in Industrial Engineering from the aforementioned Technical University. He started his activity in 1976, within the company CCH Letea Bacau. From 1981 to 1990, he worked for the Bacau County Council. In 1990, he was a clerk at IFET/SEPPL Bacau. He was hired by the Bacau Chamber of Commerce and Industry as Specialist Advisor in 1991, being later promoted to Head of Department - Internal and International Affairs. In 1994, he transferred to the Financial Investment Company Moldova SA (alias SIF Moldova), acting as Specialist Advisor, Head of Department (1997), Manager (2001), and Deputy Chairman and Deputy CEO (2005) within the same institution. In 2008, he became Chairman and Chief Executive Officer of the BoD Steering Committee of SIF Moldova, position held until present.

He has been a member of the Board of Directors of Banca Transilvania S.A. since April 2010.

Puscas Vasile was born in 1952, in the town of Surduc, Salaj County. He graduated from the Faculty of History and Philosophy of Babeş-Bolyai University, Cluj-Napoca, holding a Bachelor Degree in History and Social Sciences. He obtained a PhD in History from Babeş-Bolyai University, Cluj-Napoca, and, since 1995, he is a Professor at the Faculty of History and Philosophy, the Department of Contemporary History and International Affairs, Babeş-Bolyai University. During the period December 2000 - December 2004, he served as Minister Delegate for the Nastase Government and as Chief Negotiator of Romania to the European Union. In December 2008, he was appointed State Secretary within the Department for European Affairs (DEA), and, at the beginning of 2009, his position was upgraded to Head of the DEA Department, with the rank of Minister. From 2009 to 2013, he acted as Main Advisor for the Department of European Affairs. Since 2012, he is also a Professor within the European Studies Department of the University. Starting from 1999 he has also been the Director of the Institute for International Studies within the Faculty of History and Philosophy, Babes-Bolyai University. From 2001, he has been a member of the National Commission for the Certification of Titles and Degrees (Ministry of

Education and Research). Since 2011, he is an “Ad Personam Jean Monnet Chair” and holds the Negotiation and European Policy module within the Department of International Studies and Contemporary History of Babes-Bolyai University, Cluj-Napoca.

He has been a member of the Board of Directors of Banca Transilvania S.A. since November 2013.

Lionachescu Costel Doru was born in 1963, in Curtea de Arges, Arges County. He is a graduate of the Electronics and Telecommunication Faculty within the Polytechnic Institute Bucharest (class of 1988). He holds an Executive MBA – ASEBUSS, program offered by the University of Washington, Seattle, USA, in cooperation with ASE – Academy of Economics, Bucharest. He is also studying for a Master’s Degree in Electronics and Telecommunication from the Polytechnic Institute Bucharest. For nearly 11 years, he has held various top management positions in the banking sector, starting with ING Bank, then as Vice President of Citibank NA and later as Deputy CEO of Bancpost. He was the Chairman – Founder and Principal Partner of Capital Partners SRL. After Capital Partners was acquired by BT Securities in March 2016, he became a Board member of BT Capital Partners S.A., the investment banking subsidiary of Banca Transilvania.

He has been a member of the Board of Directors of Banca Transilvania S.A. since 27.04.2016, after the position became vacant (NBR Approval for Board membership was granted on 30.12.2016).

The list of affiliated persons is available in ANNEX 2 to this report.

4.2. Bank executive management:

The Management Committee is in charge of the bank management, having the following structure:

Name	Position	Percentage held on December 31, 2016
Tetik Ömer	Chief Executive Officer	0.043504
Runcan Luminita	Deputy Chief Executive Officer, CRO	0.053696
Toderici Leontin	Deputy Chief Executive Officer, COO	0.082361
Nistor Gabriela Cristina	Deputy Chief Executive Officer, Retail Banking	0.036368
Dudoiu Andrei	Deputy Chief Executive Officer, Companies	0.067051
Calinescu George	Deputy CEO, CFO	0.003850
Moisa Tiberiu	Deputy Chief Executive Officer, SME Banking	0.017971

The other members of the Executive Management Committee are:

Name	Position
Pojoca Lucia Ana	Regional Executive Manager - Oradea (DEO)
Bucur Ioan Calin	Executive Manager Risk Management (DEMR)
Nadasan Mihaela Simona	Executive Manager - Financial Institutions and International Relations (DEIFRI)
Doca Nevenca Zoranca	Executive Manager - Human Resources (DERU)
Olanescu Ioana	Executive Manager - Corporate Governance and Contentious (DEGCC)
Plesuvescu Bogdan	Executive Manager - Legal, Workout and Insolvency (DEJWI)
Banu Dragos Mihai	Treasury Executive Manager (DET)
Hanga Radu	Executive Manager - BT Group Coordination and Strategy (DESCG)

4.3. For all persons indicated in 4.1. and 4.2., any litigation or administrative proceedings where they have been involved in the last 5 years, with regards to their activity within the bank and others activities concerning the ability of said persons in performing corresponding duties within the bank shall be specified.

The Bank issued current informative reports to the Bucharest Stock Exchange, hence promptly and correctly informing all shareholders on any significant changes occurring in the financial statements, the structure of management, potential litigations involving them or any litigation related to the bank activity.

5. Financial-accounting statement

The information presented in the separate financial statements for the 2016 financial year is based on the rules for accounting organization and management, in accordance with Law no. 82/1991, as republished and the Government Emergency Ordinance no. 99/2006, NBR Order no. 27/2010 approving the accounting rules under International Financial Reporting Standards adopted by the European Union, as amended and supplemented by NBR Order no. 29/29.12.2011, NBR Order no. 2/7.03.2013, Order No. 7/30.10.2014, Order No. 7/20.07.2015, as well as other NBR instructions in the field.

The items in the balance sheets are in accordance with the data in the trial balance and truthfully reflect the assets determined under the annual inventory.

No events likely to impact the financial statements for 2016 have been recorded after the balance sheet date.

The Bank has calculated and paid the monthly tax obligations towards the state budget and the special funds, as well as the quarterly and semi-annual tax obligations to the local budget, and for the income tax, the bank has made quarterly prepayments, in accordance with the legal provisions.

The analysis of the economic and financial situation of the bank and of the group, based on the financial statements, as compared to the last 3 years, is presented below:

a) Financial Standing of the bank and the Group:

Thd RON

RATIO	Bank Dec-2016	Bank Dec-2015	Bank Dec-2014	Group Dec-2016	Group Dec-2015	Group Dec-2014
Cash and cash equivalents at the National Bank	5,293,635	4,997,896	4,225,966	5,293,660	4,997,930	4,234,181
Loans to banks	2,746,582	3,889,483	2,378,906	2,785,505	3,908,864	2,387,058
Financial assets at fair value through profit or loss	59,890	56,819	52,311	163,520	161,028	143,931
Loans and advances granted to clients	27,209,976	25,107,527	17,517,192	26,710,402	24,894,560	17,662,963
Securities classified as available-for-sale	15,120,524	12,332,576	10,852,865	14,993,828	12,242,959	10,771,835
Securities held until maturity	-	-	-	20,691	12,942	-
Investments in shares	136,671	84,886	74,856	-	-	-

RATIO	Bank Dec-2016	Bank Dec-2015	Bank Dec-2014	Group Dec-2016	Group Dec-2015	Group Dec-2014
Tangible assets and real-estate investments	370,305	337,076	289,662	558,734	452,266	339,721
Intangible assets	78,396	72,425	70,466	86,600	74,472	72,240
Goodwill	-	-	-	2,774	376	376
Current tax receivables	125,055	133,769	-	119,103	132,651	-
Deferred tax receivables	373,940	111,162	-	378,716	113,906	-
Other assets	254,627	219,046	157,288	307,048	256,084	183,622
Total assets	51,769,601	47,342,665	35,619,512	51,944,224	47,579,092	35,795,927
Deposits with banks	247,268	388,425	133,348	247,268	388,425	133,348
Deposits from clients	41,851,773	38,395,292	30,045,502	41,681,475	38,301,741	29,994,916
Loans from banks and other financial institutions	2,246,461	985,142	949,053	2,304,911	1,129,702	1,052,687
Subordinated liabilities	424,111	416,352	394,658	424,111	416,424	394,743
Deferred tax liability	-	-	43,716	-	-	41,040
Provisions for other risks and loan commitments	506,955	705,596	49,624	514,582	708,199	52,012
Other liabilities	508,945	334,097	301,650	581,844	360,140	316,034
Total liabilities excluding financial liabilities to holders of fund units	45,785,513	41,224,904	31,917,551	45,754,191	41,304,631	31,984,780
Financial liabilities to holders of fund units	-	-	-	37,326	33,648	13,884
Total liabilities	45,785,513	41,224,904	31,917,551	45,791,517	41,338,279	31,988,664
Share capital	3,732,549	3,112,505	2,695,125	3,732,549	3,112,505	2,695,125
Own shares	(16,546)	-	(10,468)	(29,993)	(11,806)	(21,253)
Capital premiums	28,374	28,316	38,873	28,374	28,316	38,873
Retained earnings	1,779,244	2,389,102	490,160	1,954,073	2,523,109	597,213
Revaluation reserve	27,188	27,377	27,852	26,227	26,470	27,000
Reserve from available-for-sale assets	10,790	187,928	201,142	(8,791)	175,511	189,897
Other reserves	422,489	372,533	259,277	432,061	380,588	266,241
Total equity attributable to equity holders of the Bank	5,984,088	6,117,761	3,701,961	6,134,500	6,234,693	3,793,096
Non-controlling interest	-	-	-	18,207	6,120	4,167
Total equity	5,984,088	6,117,761	3,701,961	6,152,707	6,240,813	3,797,263
Total debts and equity	51,769,601	47,342,665	35,619,512	51,944,224	47,579,092	35,792,927

End of 2016, the weight of Banca Transilvania's assets in the total assets of the Group is 99.66% (2015: 99.50% and 2014: 99.51%).

b) Profit and loss account:

Thd RON

RATIO	Bank Dec-2016	Bank Dec-2015	Bank Dec-2014	Group Dec-2016	Group Dec-2015	Group Dec-2014
Interest income	1,971,218	2,369,872	1,756,615	2,027,555	2,416,977	1,797,538
Interest expenses	(260,484)	(460,088)	(619,013)	(263,522)	(464,802)	(621,863)
Net interest income	1,710,734	1,909,784	1,137,602	1,764,033	1,952,175	1,175,675
Fee and commission income	624,114	582,247	498,843	652,900	603,085	514,135
Fee and commission expenses	(114,651)	(124,731)	(90,456)	(106,629)	(116,099)	(88,586)
Net fee and commission income	509,463	457,516	408,387	546,271	486,986	425,549
Net trading income	183,493	179,428	126,805	197,383	179,877	126,795
Net earnings from the sale of financial instruments held for sale	402,226	222,086	338,784	401,691	222,208	339,082
Contribution to the Guarantee Fund and Resolution Fund	(72,792)	(95,308)	(73,152)	(72,792)	(95,308)	(73,152)
Other operating income	90,268	81,879	39,468	170,051	108,212	62,664
Operating income	2,823,392	2,755,385	1,977,894	3,006,637	2,854,150	2,056,613
Net impairment allowance on assets, provisions for other risks and loan commitments	(654,223)	(794,954)	(645,645)	(658,087)	(797,514)	(663,023)
Personnel expenses	(631,487)	(650,324)	(450,407)	(665,818)	(676,742)	(474,422)
Amortization expenses	(72,358)	(77,616)	(57,385)	(93,911)	(91,662)	(66,148)
Other operating expenses	(466,201)	(617,962)	(319,410)	(529,984)	(638,117)	(337,384)
Operating expenses	(1,824,269)	(2,140,856)	(1,472,847)	(1,947,800)	(2,204,035)	(1,540,977)
Gain from acquisitions	-	1,650,600	-	-	1,650,600	-
Profit before tax	999,123	2,265,129	505,047	1,058,837	2,300,715	515,636
Income tax revenue/expense	229,317	152,539	(70,717)	218,176	147,302	(73,183)
Profit of the financial exercise	1,228,440	2,417,668	434,330	1,277,013	2,448,017	442,453
Profit attributable to the equity holders of the Bank	-	-	-	1,272,422	2,446,129	441,085
Profit attributable to non-controlling interest	-	-	-	4,591	1,888	1,368
Profit of the financial exercise	1,228,440	2,417,668	434,330	1,277,013	2,448,017	442,453

End of 2016, the weight of Banca Transilvania's profit in the Group's total profit is 96.20% (2015: 98.76% and 2014: 98.16%).

c) Cash flow: Statement of Cash Flows:

RATIO	Bank Dec-2016	Bank Dec-2015	Bank Dec-2014	Group Dec-2016	Group Dec-2015	Thd RON Group Dec-2014
Cash and cash equivalents at the beginning of the period	8,597,019	6,381,816	5,726,957	8,607,236	6,398,180	5,732,615
Net cash from/ (used in) operating activities	(929,911)	2,537,710	1,688,634	(795,656)	2,578,412	1,709,584
± Net cash from the investment activity	(152,471)	(265,061)	(35,653)	(197,017)	(351,916)	(59,287)
± Net cash/ (used in) from funding activities	113,117	(57,446)	(998,122)	26,496	(17,440)	(984,732)
Cash and cash equivalents of the period	7,627,754	8,597,019	6,381,816	7,641,059	8,607,236	6,398,180

The financial standing is shown in detail in the financial statements enclosed hereto.

The following documents are enclosed with this report:

- The Separate and consolidated report of the Board of Directors of BANCA TRANSILVANIA S.A, for the year 2016;
- The management statement on taking responsibility for drafting the financial statements for the year 2016;
- The financial statements, at individual and consolidated IFRS level, together with explanatory notes;
- The Independent Auditor's Report, PriceWaterhouseCoopers Audit SRL, for the financial statements, at individual and consolidated IFRS level.

The annual report shall be accompanied by copies of the following documents:

a) copies of supporting documents for all amendments made to the Articles of Incorporation in the 2nd half of 2016;

Please note that the decisions of the General Meeting of Shareholders have been operatively transposed into the Articles of Incorporation. They have been implemented and approved by the competent bodies.

b) major agreements concluded in 2016: in October 2016, EUR 38 million was disbursed from the second tranche in amount of EUR 75 million, under the agreement signed with EIB in 2014 with a total amount of EUR 150 million.

c) resignation/dismissal documents from members of the Board of Directors, executive management - No such documents were registered in 2016;

d) list of bank subsidiaries and of the companies controlled by the bank - The list of BT Subsidiaries is enclosed as an Annex to this report (ANNEX 1);

e) list of bank affiliates - The list of related persons of BT is enclosed as an Annex to this report (ANNEX 2).

**CHAIRMAN OF THE
BOARD OF
DIRECTORS
HORIA CIORCILA**

**CHIEF EXECUTIVE
OFFICER
ÖMER TETIK**

**DEPUTY CHIEF EXECUTIVE
OFFICER
GEORGE CALINESCU**

The Banca Transilvania Group ('Group') includes the parent-company, Banca Transilvania S.A. ('Bank') and its subsidiaries, based in Romania and in the Republic of Moldova. The consolidated and separate financial statements as at 31.12.2016 comprise Banca Transilvania S.A (the "parent company" or "BT") and its subsidiaries (hereinafter referred to as the "Group").

The Group's subsidiaries are represented by the following entities:

Subsidiary	Field of activity	December 31, 2016	December 31, 2015
BT Capital Partners S.A.	Investments	99.59%	99.40%
BT Leasing Transilvania IFN S.A.	leasing	100.00%	100.00%
BT Investments S.R.L.	Investments	100.00%	100.00%
BT Direct IFN S.A.	consumer loans	100.00%	100.00%
BT Building S.R.L.	Investments	100.00%	100.00%
BT Asset Management SAI S.A. S.A.	management of assets	80.00%	80.00%
BT Solution Agent de Asigurare S.R.L.	Insurance broker	99.95%	99.95%
BT Asiom Agent de Asigurare S.R.L.	Insurance broker	99.95%	99.95%
BT Safe Agent de Asigurare S.R.L.	Insurance broker	99.99%	99.99%
BT Intermedieri Agent de Asigurare S.R.L.	Insurance broker	99.99%	99.99%
BT Compania de Factoring S.R.L.	factoring	100.00%	100.00%
BT Operational Leasing S.A.	leasing	94.73%	94.73%
BT Leasing MD SRL	leasing	100.00%	100.00%
BT Microfinantare IFN S.A.	consumer loans	100.00%	0.00%
BT Transilvania Imagistica S.A.	Other healthcare activities	89.71%	89.71%
Improvement Credit Collection SRL	Activity of the collection agents and credit reporting bureaus	100.00%	100.00%
Sinteza S.A.	Manufacture of other organic basic chemicals	46.98%	0.00%
Chimprod S.R.L.	Manufacture of basic pharmaceutical products	46.87%	0.00%

BANK'S AFFILIATES
as at 31.12.2016

REF. NO.	NAME
1	BANCA TRANSILVANIA SA
2	A C I CLUJ SA
3	ACERO BPIE SRL
4	ADMIN DEVELOPMENT DESIGN
5	ALSIRA CONSULTING SRL
6	ANDOVIV IMO SRL
7	ANTILAG SRL
8	ANTREPRIZA CLUJ ZALAU SA
9	ASOC. CLUSTERUL DE IND.CREATIVE TRANSILVANIA
10	ASOC.UNIV.BABES-BOLYAI - EXECUTIVE EDUCATION
11	ASOCIATIA "COSTACHE NEGRI 2005 BACAU"
12	ASOCIATIA BUCURESTIUL ARE SUFLET
13	ASOCIATIA CLUB SPORTIV U-BT
14	ASOCIATIA SPHERIK
15	AUREL VLAICU SA
16	BANU DRAGOS MIHAI
17	BANU IULIANA
18	BESTDO SA
19	BIRLE IOAN
20	BIRLE LILIANA DORINA
21	BOROMIR PROD SA
22	BT ASIOM AGENT DE ASIGURARE SRL
23	BT ASSET MANAGEMENT S A I SA
24	BT BUILDING SRL
25	BT CAPITAL PARTNERS
26	BT DIRECT IFN SA
27	BT INTERMEDIERI-AGENT DE ASIGURARE SRL
28	BT INVESTMENTS SRL
29	BT LEASING MD
30	BT LEASING TRANSILVANIA SA
31	BT MICROFINANTARE IFN S.A.
32	BT OPERATIONAL LEASING SA
33	BT SAFE-AGENT DE ASIGURARE SRL
34	BT SOLUTION-AGENT DE ASIGURARE SRL
35	BUCUR CALIN IOAN

36	BUCUR MARIUTA DANIELA
37	CALINESCU DANIELA MIHAELA
38	CALINESCU GEORGE RAZVAN
39	CANTINA DEJ SA
40	CASTORIUS LIMITED
41	CENZ EXPERT SRL
42	CEOCEA CONSTANTA SILVIA
43	CEOCEA COSTEL
44	CHIMPROD S.A.
45	CIORCILA HORIA
46	CIORCILA PATRICK
47	CIORCILA SIMONA NICULINA
48	COMPANIA DE FACTORING SRL
49	CONSTRUCTII DEJ SA
50	CONSTRUCTII MONTAJ SA
51	DENTYS CARE SRL
52	DOCA NEVENCA ZORANCA
53	DUDOIU ANDREI
54	DUDOIU MONICA
55	DUNCA A. ISABELA- CABINET MEDICAL DE MEDICINA DE FAMILIE
56	DUNCA ISABELA
57	DUNCA NELU
58	ELBA NOVO SRL
59	EUR CONSULT SRL
60	FUNDATIA CENTRUL DE DEZVOLTARE MANAGERIALA
61	FUNDATIA CLUBUL INTREPRINZATORULUI ROMAN
62	FUNDATIA CLUJUL ARE SUFLET
63	BANCA TRANSILVANIA
64	GEAINV SA
65	GRASSE THOMAS GUNTHER
66	GUEORGUIEV IVO ALEXANDROV
67	HANGA RADU
68	HANGA RADU
69	IMPROVEMENT CREDIT COLLECTION SRL
70	JILOAN CORNELIA
71	LACATUS EMILIA
72	LACATUS EMILIA
73	LACATUS VIOREL DORIN
74	DIRECTOR OF LION CAPITAL SRL.
75	LIONACHESCU AIDA
76	CEOCEA COSTEL

77	LĂCĂTUȘ V. VIOREL-DORIN - EXPERT CONTABIL, AUDITOR
78	MATES MARIA
79	MATYUS ECATERINA ELENA
80	MLAD CONSULT SRL
81	MOISA EMILIA SANDA
82	MOISA TIBERIU
83	MONDUKO SOLUTION SRL
84	MURESAN IOANA SIMINA
85	NADASAN MIHAELA SIMONA
86	NARIA INVEST SA
87	NASTASE VICTOR DANIEL
88	NISTOR GABRIELA CRISTINA
89	NISTOR STELIAN MIHAI
90	OLANESCU IOANA FLORINA
91	OLTEAN ANDREI
92	OLTEAN IOAN CRISTIAN
93	OLTEAN SANDA ADINA
94	OMNICONSTRUCT SA
95	OPRIS SIMONA ALINA
96	PICARI AGNESE
97	PICARI FEDERICA
98	PICARI GIUSEPPE
99	PLESUVESCU BOGDAN
100	POJOCA LUCIA ANA
101	POJOCA VIRGIL
102	POJOCA VIRGIL SORIN
103	PUSCAS MARIANA
104	PUSCAS MARIANA CABINET MEDICAL
105	PUSCAS MARIUS EMIL
106	PUSCAS VASILE
107	RUNCAN ANDRA
108	RUNCAN LUMINITA DELIA
109	RUNCAN MIREL
110	SANTI NICOLETTA
111	SC FASTCOM SA
112	SIGUR AUTOTRANSPORT SRL
113	SINTEZA SA
114	SOCE IMPEX SA
115	SPL INVEST SA
116	SPO INVEST SA
117	TEHNOFRIG CENTER SA
118	TEHNOFRIG SA

119	TENT JUDITH STEFANIA
120	TENT SERGIU BOGDAN
121	TETIK ALEXANDRA
122	TETIK OMER
123	THELTECK LIMITED
124	TODERICI AURELIA ELVIRA
125	TODERICI DAN
126	TODERICI LEONTIN
127	TRANSILVANIA IMAGISTICA SRL
128	URS PETRU
129	VASILACHE ANNEMARIE
130	VASILACHE DANIEL GEORGE
131	VUSCAN GEORGE DAN
132	VUSCAN GHEORGHE IOAN
133	VUSCAN MONICA FELICIA
134	WINNERS EVENTS SRL-D
135	WINNERS PARCUL ROZELOR SA