



Acquisition of Bancpost, ERB Retail Services and ERB Leasing

**Presentation for investors and media
24 November, 2017**



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Transaction summary

Background of the acquisition

- On 15 September, Banca Transilvania (“BT”) and Eurobank (“ERB”) entered into detailed negotiations around the potential acquisition of Bancpost by BT
- Today, BT and ERB announce that they have reached a final agreement envisaging the acquisition by BT of Eurobank’s banking, consumer finance and leasing operations in Romania (“Transaction perimeter”)
- The combination with Bancpost will further consolidate Banca Transilvania’s leading position in the sector
- Transaction is subject to customary regulatory approvals and other customary closing conditions and is expected to be completed by 1H 2018

Transaction perimeter

- Transaction perimeter encompasses Romanian operations of Eurobank, one of the leading Greek banking groups:
 - Bancpost S.A. (top-10 universal bank in Romania)
 - ERB Retail Services IFN / ERS (POS financing specialist)
 - ERB Leasing (vehicle equipment and real estate leasing)



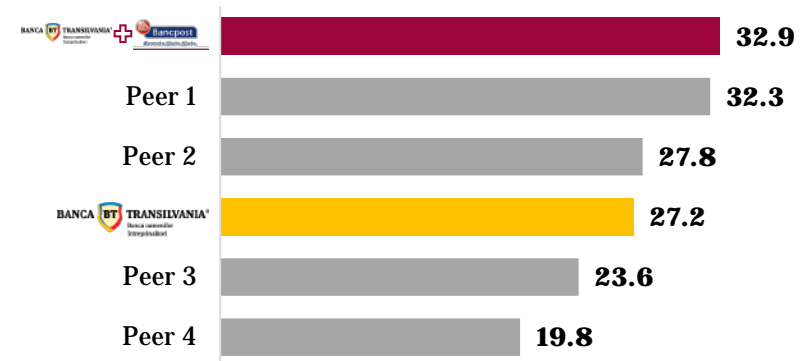
Strategic rationale for the acquisition

Compelling benefits from the transaction...

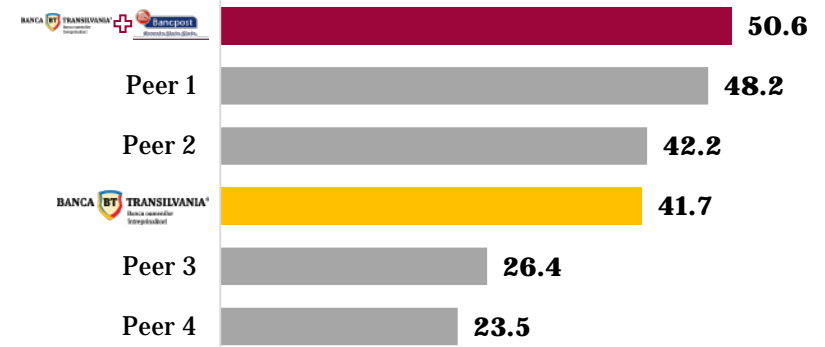
- 1 Bancpost: attractive and financially sound platform with a strong country-wide multi-channel distribution network**
- 2 Combination of Banca Transilvania and Bancpost creates a market champion and consolidates BT's strong position in the sector**
- 3 Transaction fits well with the strategy of Banca Transilvania to focus on growth in the domestic market**
- 4 Attractive synergy potential, both in terms of cost optimisation and revenue synergies**
- 5 Opportunity to deploy excess capital in an optimal and profitable way with a high return on investment**

...creating a market leader by loans and deposits

Net loans, RONbn (2016)






Deposits, RONbn (2016)





Snapshot of Eurobank Romania businesses

				Transaction Perimeter⁽¹⁾
	Key Metrics (RONm) – 2016			
Loans (net)	5,380	249	77	5,706
Deposits	8,968	-	-	8,884
Total equity	1,329	341	46	1,716
PPI	83	38	3	124
PAT	15	25	(0)	40
Employees⁽²⁾	1,976	102	13	2,091
Branches	147	-	-	147



Business description	<ul style="list-style-type: none"> • Top 10 universal bank that offers retail banking, corporate banking, personal banking and small business banking to c.1m of retail, corporate and institutional clients • First Romanian bank to be privatised in 2002 with Eurobank becoming the majority shareholder in November 2003 • #6 among top-10 banks in terms of brand awareness with >80% public recognition 	<ul style="list-style-type: none"> • Specialises on the issuance of branded credit cards • Leading position in the credit card issuance with strong growth opportunities in a profitable market 	<ul style="list-style-type: none"> • Vehicle, equipment and real estate leasing company
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Source: Company information. Notes: Data based on the Eurobank Group IFRS figures in € converted at the following FX rates: 1RON = 0.2227€ for the income statement items, 1RON = 0.2203€ for the balance sheet items. 1. Figures adjusted for pre-transaction portfolio movements; 2. Number of active employees.



Relative contribution analysis

Eurobank Romania would contribute on average c.16% to the combined entity based on various parameters

2016, RONm	BANCA  TRANSILVANIA* Banca oamenilor Intreprinzatori	 Banca de Banca de Stat
Net interest income	1,764	425
Total revenues	3,007	542
Operating costs	1,290	418
Impairment charge	658	94
Profit before tax	1,059	30
Net income	1,272	40
Net loans ⁽¹⁾	27,234	5,706
Loan loss provisions	2,244	326
Total deposits	41,681	8,884
Total assets	51,944	12,143
Equity	6,135	1,716
Tier 1 capital	5,525	987
Branches	545	147

Key ratios, 2016:	BANCA  TRANSILVANIA* Banca oamenilor Intreprinzatori	 Banca de Banca de Stat
Net interest income / net loans ⁽¹⁾	6.5%	7.4%
Cost / income	42.9%	77.2%
Cost of risk ⁽¹⁾	2.4%	1.6%
L/D ratio ⁽¹⁾	65.3%	64.2%
Tier 1, %	18.0%	15.7%
CAR, %	19.1%	20.5%

Source: Company information. Notes: Transaction Perimeter data based on the Eurobank Group IFRS figures in € converted at the following FX rates: 1RON = 0.2227€ for the income statement items, 1RON = 0.2203€ for the balance sheet items. 1. Banca Transilvania net loans include "Net finance lease investments"; cost of risk calculated as % of net loans.



Timeline and next steps

