



Press release, October 31, 2013

Banca Transilvania, 4% higher gross profit for the first 9 months of the year

July - September, this year's best quarter for loans

• BT's financial statements as at September 30, 2013 •

Banca Transilvania's gross profit for the first nine months of the year amounted to RON 284.50 million, a 4% increase as compared to last year's equivalent period. The net profit as at 30.09.2013 was RON 240.24 million. **These results rely on a continuous organic growth:** +5% on the loan book, +3% operational income, +2% assets, +5% deposits from clients and 1.65 million active clients.

"Banca Transilvania's results for the first nine months of year confirm that BT's business model is appropriate for current times: loans increased by 5%, operating income, number of active clients and total assets are also on the increase. Q3 was particularly good in terms of our lending activity, the RON 850 million growth versus end of last year, being booked mainly between July and September. BT's lending-revival policy yields positive results and restates Banca Transilvania's commitment to finance the local economy. Our immediate objectives for the forthcoming period reside in the further development of our lending activity, in encouraging lending in RON and supporting start-ups, SMEs and individuals." Horia Ciorcilă, Banca Transilvania's Chairman declares.

In accordance with the financial results as at 30.09.2013, Banca Transilvania's **operating income** was 3% higher, i.e. RON 1,147.73 million - at the end of Q3 2013, as compared to the same period last year (RON 1,117.20 million). The positive result was generated especially by promoting lending in Q3, 2013. **The number of operations through BT accounts** grew by 7.34% in contrast to the same period last year. **The number of active clients** - individuals and companies, featured an ascending trend- from 1.56 million clients as at 30.09.2012, to almost 1.65 million clients as at 30.09.2013.

Net impairment losses on financial assets reached 280.54 million lei, at the same level with the previous year. **Cost/income ratio** was 50.76% as at 30.09.2013, namely a 1% improvement being registered in the last quarter of 2013. Banca Transilvania's **assets**

reached 30,286.69 million lei end of Q3 2013, 2% higher than the amount recorded as at 31.12.2012.

The Bank's **loan portfolio** amounts to RON 18,416.62 million lei, 5% higher than at the end of 2012. The portfolio, predominantly in LEI, has the following business line breakdown: 51% are loans granted to companies with a yearly turnover exceeding 1 million EUR, and almost 50% are represented by SME and retail loans. Non-Performing loans (PAR 90) stand for 13.22% of the bank's total loan portfolio. Specific provisions and mortgage collateral ratio for non-performing loans is **122%** remaining at a relatively constant level for the last two years. **BT applies the same conservative provisioning policy, as embraced at the beginning of the financial crises, this strategy having as result the consolidation of our financial stability.** The balance of loan provisions is 2,354.44 million lei, as at 30 September 2013, vs. 2,111 million lei, end of 2012.

Total **resources** from BT customers, in the first 9 months of 2013, rose with 5% vs. end of 2012, amounting to 24,419.90 million lei.

In 2013 Banca Transilvania issued EUR 30 million **subordinated convertible bonds** and signed a new subordinated loan agreement amounting to EUR 25 million. Also, in October 2013 BT signed a guaranteeing facility with the **European Investment Fund** dedicated to micro companies.

The **capital adequacy ratio** remained also at a comfortable level of 12.40% - nine month profit included (unaudited).

Marketing & Communication Department

FINANCIAL RESULTS, 30.09.2013

BALANCE SHEET	Δ 30,09,2013		
thd lei	30-Sept -13	31-Dec-12	Vs31,12, 2012
Cash and cash equivalents	4,528,232	5,576,290	0.81
Placements with banks	1,068,170	1,304,788	0.82
Loans and receivables - securities	77,599	78,326	0.99
Financial assets through profit and loss and derivatives	10,625	39,179	0.27
Loans and advances to customers - net	16,062,181	15,457,481	1.04
-Loans and advances to customers - gross	18,416,623	17,568,485	1.05
- Loan provisions	(2,354,442)	(2,111,004)	1.12
Investment securities, available for sale	7,903,082	6,529,701	1.21
Intangible assets	79,672	80,090	0.99
Tangible assets	286,770	290,006	0.99
Equity investments	73,956	74,053	1.00
Other assets	196,405	142,130	1.38
Total assets	30,286,692	29,572,044	1.02
Deposits from banks	321,615	45,953	7.00
Deposits from customers	24,419,899	23,232,922	1.05
Loans from banks and other financial institutions	1,487,777	2,969,302	0.50
Subordinated liabilities	538,200	288,810	1.86
Deferred tax liabilities	87,240	28,228	3.09
Other liabilities	438,412	311,892	1.41
Total liabilities	27,293,143	26,877,107	1.02
Equity			
Share capital	2,292,937	1,989,543	1.15
Reevaluation reserves	30,066	38,125	0.79
Own shares	-	-7,752	0.00
Retained earnings	315,726	376,144	0.84
Other reserves	354,820	298,877	1.19
Total equity	2,993,549	2,694,937	1.11
Total liabilities and equity	30,286,692	29,572,044	1.02

PROFIT AND LOSS ACCOUNT
thd lei

	30-Sept -13	30-Sept -12	Δ Sept 13 vs, Sept12
Interest income	1,506,024	1,506,577	1.00
Interest expenses	(694,948)	(798,066)	0.87
Net interest income	811,076	708,511	1.14
Fee and commission income	310,552	358,371	0.87
Fee and commission expenses	(51,408)	(44,125)	1.17
Net fee and commission income	259,144	314,246	0.82
Net trading income	96,529	100,912	0.96
Contribution, Deposits Guarantee Fund	(48,263)	(40,343)	1.20
Other operating income	29,239	33,870	0.86
Operating income	1,147,725	1,117,196	1.03
Personnel expenses	(312,794)	(298,203)	1.05
Depreciation and amortization	(42,144)	(35,055)	1.20
Other operating expenses	(227,746)	(228,191)	1.00
Operating expenses	(582,684)	(561,449)	1.04
Net impairment losses and credit commitments	(280,541)	(280,919)	1.00
Profit before tax	284,500	274,828	1.04
Income tax expenses	(44,262)	(9,396)	4.71
Net profit	240,238	265,432	0.91