

Press Release, April 25, 2019

**BT's Financial Results as at March 31, 2019****Banca Transilvania, Sound Growth of the Lending Activity  
in Q1, 2019**

- 42,000 loans to companies and individuals were granted by BT in the first quarter of 2019;
- More than RON 2 billion were lent to companies in Romania in the first 3 months of this year;
- More than 3 million transactions/day - record level for BT in February 2019;
- Banca Transilvania has 63.7% Romanian capital.

After the successful integration of Bancpost, almost four months ago, at the end of 2018, [Banca Transilvania](#) started this year with positive financial results, continuing to play its role as a strategic partner for economic growth and the Romanian business environment. In February 2019 BT celebrated its 25<sup>th</sup> anniversary since a group of entrepreneurs from Cluj laid the ground for one of the most successful Romanian capital growth stories.

During BT's General Meeting of Shareholders on April 24, this year, BT's shareholders approved the proposal of Banca Transilvania's Board of Directors regarding the 2018 profit distribution in the form of a gross cash dividend of RON 0.17/share. This decision translates Banca Transilvania's positive results and BT's excess capital. Likewise, the shareholders approved the increase of the bank's share capital by approx. RON 400.8 million through the issue of the same number of free shares. Banca Transilvania has 63.7% Romanian capital and more than 30,000 Romanian individual shareholders.

As at March 31, 2019, Banca Transilvania's assets amounted to RON 75.9 billion, whereas loans went up to RON 37.04 billion. Client deposits reached RON 62.7 billion, out of which RON 43.45 billion are deposits from individuals and RON 19.24 billion deposits from companies.

Banca Transilvania's net profit is RON 436.07 million, mirroring the efficient business streamlining. The Bank's cost/income ratio is at a comfortable level of 47%, calculated with an annualized impact of the contribution to the Bank Deposit Guarantee Fund and to the Resolution Fund. Government Emergency Ordinance 19/2019 regulating the tax on financial assets calculation method for banking institutions entered into force in the fiscal year 2019. Pursuant to the IFRIC 21 provisions on "Taxes", the Bank may recognize tax expenses for the assets of 2019 only on December 31, 2019, as it depends on the value of the net financial assets

as at December 31, 2019. Payments made in 2019 for the tax on assets will be considered advance payments until December 31, 2019, when the final tax on assets for the fiscal year 2019 will be recognized. However, Banca Transilvania estimated this tax on assets for the fiscal year 2019 to be of RON 136 million. According to such estimates, considering a proportional calculation, if the Bank were to recognize the effect of such tax for the 3-month period ended on March 31, 2019, the net profit as at March 31, 2019 would be of RON 407.51 million.

*“We have focused on a fast and efficient integration of Bancpost with Banca Transilvania, precisely because we want to keep the focus on business and the support of the Romanian economy and entrepreneurs. Our plan worked just fine, and we had a first quarter of 2019 with a solid growth of the lending activity and of the number of transactions we carried out for our clients. 42,000 loans to companies and individuals were granted by BT in the first quarter. In terms of transactions, February witnessed a record level of more than 3 million/day said Banca Transilvania’s CEO, Mr. Ömer Tetik.*

### **Support for the entrepreneurs, population and community in Q1, 2019:**

- ≈18,000 fixed-interest loans were granted to individuals in the first quarter;
- RON 11 billion is the balance of mortgage/real-estate loans;
- ≈RON 16 billion is the SME loan portfolio (according to the European definition of SMEs);
- 3.8 million cards in BT’s portfolio, i.e. a 21% market share in terms of issued cards in Romania;
- 490,000 credit cards in Banca Transilvania’s portfolio.

### **Major investments in digitalization with a visible impact on the Bank’s business:**

- 8 transactions with BT cards are carried out every second. Almost 61 million transactions were performed in Q1, 2019 with BT cards;
- The BT Pay app counts more than 220,000 users. There is a continuous growth of transactions: the number of phone-assisted payments and money transfers among the app users is +32% in Q1 as compared to the last quarter of 2018;
- The number of users of BT24 Internet Banking exceeded 1.18 million, i.e. +20% vs. the same period of 2018, while Mobile Banking users count 634,000, +55%;
- Transaction volumes via Internet Banking is +25%, and via Mobile Banking +101% vs. the same period of last year;
- Out of approx. 1,600 BT ATMs, about 370 are BT Express Plus multifunctional ATMs, supporting self-banking, cash deposit and FX operations, 24/7. In the first months of this year, the number of cash deposit operations via BT Express Plus exceeded 1,300,000, which means almost 450,000 operations/month;

- Banca Transilvania is becoming increasingly prepared for the cooperation with fintechs: In March 2019, BT launched the BT Open Banking platform (BT Api Store), which allows for fintechs and other technology companies to test the integration with BT, in order to present the bank's services, such as: online display of account balances, transaction history and initiation of transactions through external platforms towards Banca Transilvania;
- The most recent step towards “going digital” was taken in April this year, when BT became one of the Instant Payments pioneers in Romania. The service provides 24/7 money transfers (RON) in less than 10 seconds between the banks that have joined this system.

**Further financial details & Fitch rating:**

- Non-performing exposures, according to EBA, amount to 4.9% as at March 31, 2019;
- The total provision coverage ratio, as per the applicable EBA standards, is 94%. If the collateral is also taken into account, the coverage ratio amounts to 134%;
- The bank's CAR, without the current year profit, is 18.67%, and 19.67% with the profit included;
- In January 2019, Fitch Ratings affirmed the Long-term Issuer Default Rating (IDR) rating of Banca Transilvania at 'BB+', with a stable perspective, as well as the Viability Ratings (VRs) of BT at 'bb+'.

*The Report for Q1/2019, prepared in accordance with the provisions laid down in Article 67 of Law No. 24/2017 on issuers of financial instruments and market operations shall be available [on the website of Banca Transilvania](#) as of April 25, 2019. The financial statements as at 31.03.2019 and 31.03.2018 are not audited or reviewed.*

**Banca Transilvania | Communication & Public Relations**

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