

Press release, August 14, 2019

**BT Financial Results as at June 30, 2019**  
**Banca Transilvania, solid growth in lending and operations**

Ömer Tetik, BT: *“The growth pace of the deposits, loans and operations shows the customers trust, both individuals and SMEs, in BT”*

[Banca Transilvania](#) continued to support during the first semester of 2019 the Romanian economy, the entrepreneurs and the population, at the same time being a leader in terms of digitalization and customer experience.

BT has 64.07% Romanian capital, among which over 30,000 individuals direct shareholders and over 7 million indirect shareholders through the pension funds.

From January to June 2019, Banca Transilvania stands out mainly by the solid growth in lending, granting over **100,000 loans to companies and individuals**. The loans granted to companies during the abovementioned period amount to over RON 4.7 billion. The BT Group's **assets** reached RON 81.6 billion at the end of the semester, **loans** increasing to RON 39.3 billion and customers' **deposits** reaching RON 67.4 billion, of which RON 47.2 billion represent savings of individuals and RON 20.2 billion savings of legal entities.

**The net consolidated profit** of Banca Transilvania Financial Group amounts to RON 942.36 million, while that of the bank amounts to RON 848.00 million, driven by business efficiency and consolidation. The subsidiaries and the capital investments contributed with over RON 94 million to the BT Group's profitability. **The operational efficiency** is maintained at a comfortable level of 45.87%.

*“It was a dynamic period, with increasing volumes, which allowed us to obtain a good income in the context of reduced fees. The growth pace of the deposits, loans and operations shows the customers trust, both individuals and SMEs, in BT. The results of the first semester prepare the ground for the big plans we have in the forthcoming period”- states Ömer Tetik, CEO of Banca Transilvania.*

The tax on the BT assets, corresponding to the first semester of this year, is RON 90,502 thousand, and the bank will pay it until August 25, 2019 following which, until August 25, 2020, it will be settled according to the amount resulting from the calculation of the tax at the whole year's level.

Further to the level of the preliminary tax on assets, calculated on the reference date 30 June 2019 and taking into account a proportional calculation, if BT would book the effect of this tax for the period of 6 months ended on June 30, 2019, the net profit at this date would reach RON 809.98 million instead of RON 848.00 million.

**Supporting the entrepreneurs, the population and continuing the digital strategy:**

- Over 11 billion RON is the balance of mortgages/home equity loans.
- ≈RON 16 billion is the portfolio of SME loans (following the European definition of SMEs).
- BT has a 3.9 million cards portfolio and a 22% issued cards market share in Romania.
- ≈130 million transactions were performed during the first half of 2019 with BT cards.
- + 46% number of transactions performed with cards and payment accessories (BT Pay wallet, watch, bracelet and contactless sticker), compared to the same period of 2018.
- The BT Pay application has over 300,000 users; +170% the number of transfers from BT Pay to application's users based on the phone number from the contact list, respectively through IBAN to clients of other banks (June 2019 vs. December 2018). The number of payments with BT Pay doubled during the first six months of the year.
- Almost 3 million cash deposits at the multifunctional ATMs during the first 6 months of the year, which means ≈500,000/month.
- Over 1.2 million people use BT24 Internet Banking, respectively 750,000, BT24 Mobile Banking.
- BT is among the first banks in Romania to offer the Apple Pay service to its customers, the facility being extremely well received.
- Also in the digital area, BT announced, in collaboration with an international FinTech, the launch of the BT Visual Help application, through which customers can manage their cards easily, 24/7 and free of charge, via their phone; launching BT Open Banking (BT Api Store), which allows FinTechs and other technology companies to test their integration with BT; pioneering on Instant Payments by joining the service with the same name, which ensures non-stop transfer of money (RON) in less than 10 seconds between the banks that are part of the project.

The non-performing exposures ratio, according to the EBA index, is 4.65% as of June 30, 2019; The non-performing exposures coverage ratio according to the EBA standards is 96%. If the

guarantees are also considered, the coverage ratio is 126%; The bank's CAR is 18.63%, without taking into account the profit of 2019, respectively 20.53% with the profit included.

In January 2019, Fitch Ratings confirmed Banca Transilvania's rating for long-term financing (IDR) at 'BB +', with a stable outlook, as well as the level of viability rating (VR) at 'bb+' level, the latter reflecting the stable financial profile of the bank, the assets quality, the good capitalization and the comfortable level of liquidity.

### **BT Financial Group during the first half of the year:**

- The balance of BT Financial Group's loans increased by 4% compared to the end of 2018.
- Over 14,000 loans were granted by the BT Group companies in the first half of 2019, amounting to RON 480 million.
- BT Capital Partners participated in the conclusion of two significant transactions for the Romanian economy in the field of agribusiness and tourism (Eurolines; Brise Group).
- 2,600 leasing contracts were concluded in the first six months of this year, amounting to RON 405 million.
- Over 330,000 cards are in Victoriabank's portfolio (Republic of Moldova) at the end of the first semester of 2019.

BT Direct and ERB Retail Services, institutions specialised in consumer loans, have merged as at August 1, 2019. BT Direct now has over 200,000 customers and 150,000 credit cards.

### **BT priorities until the end of the year:**

NEO, the new platform for Internet and Mobile Banking, is in the final testing phase with real users, and in the forthcoming period a *private beta* version will be launched for a part of the customers. From the usage perspective, it will be comparable to FinTech applications, and from the functionalities point of view, it will bring a unique experience in Romania in terms of banking services. BT will continue to support with financings both the SMEs and the population. Clients are the focus of BT Financial Group, with the targeted result to consolidate and streamline the business.

*The report for the 1st Semester / 2019, prepared in accordance with the provisions of art. 65 of Law no. 24 of 2017 regarding the issuers of financial instruments and market operations, is available on the BT website, section [Investor Relations](#), on August 14, 2019, starting with 9.00.*

*The financial statements as at 30.06.2019 and as at 30.06.2018 are reviewed, whereas the financial statements as at 31.12.2018 are audited.*

### **Banca Transilvania**