

Press Release, February 27, 2020

BT's Preliminary Financial Results as at December 31, 2019**Banca Transilvania, main lender of the economy also in 2019**

2019 was a year with very good results for Banca Transilvania and another year during which the bank had a strong contribution to the local economy, with about 223,000 loans granted to companies and individuals. The Bank's new loan production was over 10.5 billion RON for company clients - thus supporting their business development, economic growth and job creation, especially in sectors like: manufacturing, retail, IT, healthcare, agriculture and construction. Over 9,600 Romanians bought a residential property with Banca Transilvania mortgage loans.

The number of active customers increased by 15%, reaching about 3.3 million, and the number of customers having their salary accounts at BT increased by 64%, to 1.8 million, also following the bank's merger with Bancpost.

2019 results reflect robust capitalization of Banca Transilvania, with total equity of 8.5 billion RON (1.8 billion EUR), up by 15% compared to 2018. Close to 65% of the bank's capital is Romanian owned, with 31,000 direct investors and about 7 million indirect investors – via pension funds.

“For BT, 2019 was a good year, we grew sustainable and we delivered sound financials. As market leader, we have clear responsibilities towards Romania and we know that our role is essential in lending to the Romanian economy and funding Romanians’ ambitions. We try to do more than banking, to inspire and motivate people - colleagues, customers or business partners - attentive with their concerns. During 2020, we will continue investments in innovation to enhance the quality of our services to clients. We will continue to grow the role of our business in economy, we pay attention to market challenges and opportunities”, states Mr. Horia Ciorcilă, Chairman of the Board of Directors, Banca Transilvania.

End of 2019, Banca Transilvania Financial Group total assets reached RON 91.7 billion and the loans RON 40.35 billion. Customers’ deposits reached RON 77.04 billion, of which RON 51.67 billion are retail deposits.

Net consolidated profit of Banca Transilvania Financial Group amounts to RON 1,848.07 million, whereas that of the bank amounts to RON 1,620.89 million. The Board of Directors of Banca Transilvania decided on 26th of February to propose to the shareholders to approve in the General Shareholders’ Meeting the distribution as cash dividend of around 60% of the

distributable retained earnings related to 2019 results. The tax on the annual assets amounted to 103.6 million RON. Efficiency and business consolidation contributed to the growth of the operating profit which reached RON 2,131.87 million. The cost to income ratio of Banca Transilvania, including the bank asset tax, remained at a comfortable level of 47.1%.

The bank took a step forward in the direction of #maimultdecatbanking (#morethanbanking) promoting in a more visible way the responsible approach towards sustainability and natural resources. In February 2020 the bank launched, an online platform with relevant information regarding the BT's ESG activities. On www.bancatransilvania.ro/think following links can be accessed: Think Green, People of BT, We are growing Romania, Romania, Governance and Leadership, Ratings.

BT, part of the community and partner of Romanians, in figures:

- 500,000 credit cards, making over 22 million transactions throughout the year;
- SME loans reached RON 16.5 billion (according to the European definition of SMEs);
- Outstanding mortgage/ housing loans are RON 11.8 billion;
- ≈ RON 25 million were invested in social programs, in education and sport, via over 1,000 social responsibility projects, so that BT routes part of its financial strength back to the communities it belongs to.

In 2019, BT Financial Group announced also entering the field of private pensions by acquiring Certinvest Pensii, the only local player among the pension funds in Romania.

Going – digital results:

- 20% of the last year retail loans started with an online application;
- 30% of the deposits were done via BT24 Internet Banking;
- BT systems processed over 2.5 million transactions per day;
- The bank counted in 2019 ≈278 million BT card transactions. Every second, on average, 9 transactions with BT cards take place; at peak times, the number of transactions/second reaches approximately 100;
- Nearly 40 million transactions were made through BT24 Internet Banking and Mobile Banking, + 32% in 2019 compared to 2018;
- BT customers have 10 self-banking solutions available - applications, internet banking, mobile banking, chatbots and multifunctional ATMs, with mobile banking as preferred self-banking channel. 35% of total customer inquiries and requests were solved through self-banking;
- 59,600 POSs are operated by Banca Transilvania, counting for 26% of total POSs installed in Romania;

- At the end of the year, BT had a nationwide network of 500 BT Express Plus multifunctional ATMs, that allow self-banking operations and more than 1200 cash ATMs.

BT's customers favorite products and services in 2019. Trends:

- Individual customers preferred the shopping and travelling credit cards: over 100,000 credit cards were issued last year;
- The number of customers using the bank's own wallet-app, BT Pay, is almost 550,000, representing a 3.6-fold increase compared to previous year;
- The start-ups applied for BT Mic loans: half of the total 10,000 customers were financed in 2019;
- SME & Micro customers loan requests grew: BT granted to 18,000 customers 22,000 new loans, amounting to RON 3.3 billion.

Other financial information:

- The non-performing exposures ratio, according to the EBA definition, is 4,36% as at December 31, 2019;
- Total provisions coverage ratio of the non-performing exposures according to the EBA standards is 98%. If collaterals are also considered, the coverage ratio is 128%;
- The bank's CAR is without 2019 profit is at 17.74% and at 21.20% profit included.

BT's bet on agribusiness:

- Banca Transilvania is the largest lender to the Romanian agriculture; following the focus on supporting entrepreneurs and a sustainable growth, agribusiness was one of 2019 priorities and will continue to be also this year;
- During 2019, the bank granted almost 4,500 loans, counting for RON 2 billion and reached to 31,000 agribusiness clients;
- The demand for agribusiness working capital loans (+ 39% number of new loans and 5% as value) and for APIA loans (22% as a number of new loans and 65% as value) was on a growth trend;
- During 2020 the focus will be to support the agribusiness's specialization and revamping to increase productivity and reduce the impact on the environment. The bank, as part of local communities, will contribute to the repositioning of the Romanian agriculture: with technology overtaking the gross work. The bank will also grant scholarships for 10 agronomy students this year;
- 25% of the country's active population works in agriculture and Romania is important for Europe, being its eighth agriculture producer, according to the EU data ([Eurostat](#)).

BT involved in healthcare - Divizia pentru Medici:

- Banca Transilvania is the market leader, reaching 48,000 customers;
- Investment loans for hospital constructions and medical equipment acquisitions were in demand, BT granting over RON 730 million loans;
- The healthcare customers - individuals, SMEs or Corporate - find at BT *one stop shop*, including specialized Private Banking services.

Ratings for Banca Transilvania:

- *Business:* [Fitch Ratings](#) reconfirmed the rating of Banca Transilvania for long-term financing (IDR) at "BB +", with a stable outlook, as well as the viability rating (VR) at "bb +" level;
- *Investor Relations:* Banca Transilvania obtained the maximum score for Vektor Index (communication with the investors in 2019), based on the assessment of the [Romanian Investor Relations Association](#). Details are published on the Bucharest Stock Exchange website;
- *Brand value:* The bank climbed 100 positions in the [Brand Finance Banking](#) top to the 339th position. BT ranks in the global top 10, considering the brand's growth pace in value and strength;
- *Employees:* BT received the [Best Place to Work For](#) certification in Romania. This is an international assessment program, conducted in over 100 countries around the world. The evaluation considered the following criteria: leadership, employee involvement, compensation and benefits for employees, professional and personal development, team and team relationships, BT involvement in the community, human resources policies and wellbeing.

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Information for Banca Transilvania's shareholders: *The preliminary financial statements as at 31.12.2019 are not audited or reviewed, whereas the financial statements as at 31.12.2018 are audited.* The 2019 preliminary financial results are available on the BT website, at the following link: <https://www.bancatransilvania.ro/en/investor-relations/> on February 27 2019, starting with 8.30 AM.

Banca Transilvania | Communication and Public Relations

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