

INVESTOR DAY

SIGNALS THAT SHAPE TOMORROW

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POSITIONING FOR WHAT'S NEXT

IOAN NISTOR



IOAN NISTOR

CHIEF ECONOMIST

Ioan Nistor serves as Chief Economist at Banca Transilvania and brings a distinguished academic and leadership background to the role. His areas of expertise include corporate finance, banking, and behavioral finance, supported by a postdoctoral certification from Kobe University in Japan.

He serves as Professor of Finance at Babeş-Bolyai University in Cluj-Napoca, where he also held the position of Dean of the Faculty of Business from 2012 to 2020. Ioan's appointment represents a strategic initiative to enhance the bank's economic research and market insight capabilities.

STATUS CHECK

GDP/CAPITA

- 29.700 PPS
- 78% of EU average
- CAGR 7.7%
- Bucharest Region: 72.600 PPS, 191% EU avg.
- North-East: 17.700 PPS, 46% EU avg.

DEBT/GDP

- 57.3% of GDP - Q2 2025
- 88.2% of GDP - EU avg.
- 35% of GDP in 2019
- Remains below the EU average, ranking 16th among EU states

FDI

- EUR 5.6 BN in 2024
- Financial intermediation: EUR 1.6 BN
- Industry: EUR 1.4 BN
- Trade: EUR 1.2 BN
- Outflow: EUR 861 MN, 2x 2023

UNEMPLOYMENT

- 5.9% September 2025 – stable
- 482,500 persons
- Youth Unemployment: 23.5%
- Adult Unemployment: 4.8%
- Long-term unemployment: 2.1%

KEY POLICY RATE

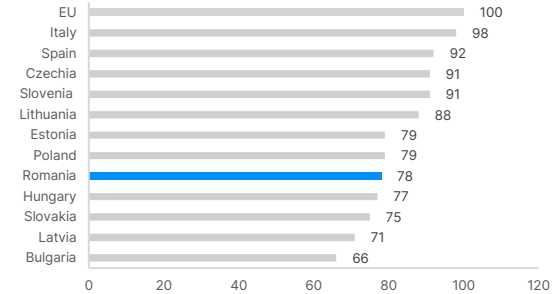
- 6.50% since August 2024
- The NBR maintains a hawkish stance, prioritizing price stability over growth due to fiscal uncertainty and external risks.

EU FUNDS

- 2021-2027: EUR 80 BN
- Common Agricultural Policy: EUR 20 BN
- EUR 12.1 BN grants + EUR 14.9 BN loans via RRF
- Absorption rate: 16.3% vs. EU avg. 11.4%

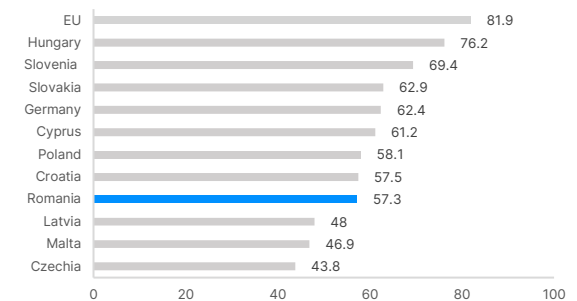
RELATIVELY HIGH WEALTH IN THE CEE

GDP per capita 2024 (PPS, EU27_2020 = 100)



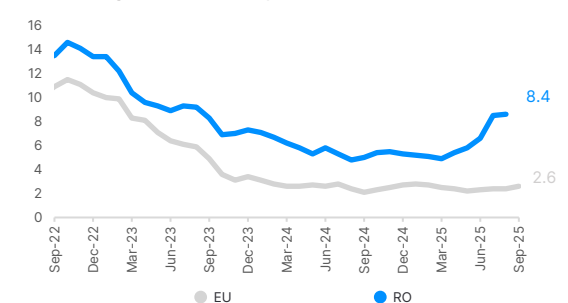
RELATIVELY LOWER DEBT TO GDP RATIOS

General Government Debt Q2 2025, % GDP



INFLATION

Consumer prices (HICP) (% YOY)



ROMANIA'S COMPETITIVE EDGE



SERVICES

60.7%

of the GDP. The composition includes 8% from the IT&C sector and 10.5% from business services.

- The sector is set for transformation through OECD accession
- Romania aims to achieve full digital public services by 2030



CONSTRUCTION

8%

Strong role to GDP contribution
Post-Pandemic Boom: 58% higher than in 2019, driven by infrastructure and private projects. EU Funds as a catalyst

- Infrastructure Mega-Projects: double highway network by 2030
- Employment Potential: 460K people today, projected to exceed 650K by 2030
- Rapid urbanization



INDUSTRY

27%

Dominant role in GDP, this sector is a major employer (24% of the workforce) and is responsible for 2/3 of the total national exports.

AUTO 6TH

Larger car producer in the EU. Strong Automotive Hub: 1/3 exports

- Nearshoring advantage
- Green transition commitments



AGRICULTURE

3.9%

of the GDP. Romania ranks first in the EU in terms of the absolute number of young farm managers under 40.

In 2024, the total value of agricultural production was RON 100.5 BN, with a more balanced structure:

- crop production – 55%
- livestock production – 41%
- agricultural services – 4%

LAND 13.5^{MN} HA

Agricultural land, ranking among the largest in the EU.

- know-how heritage
- ranked first in terms of cultivated area for corn and sunflower
- top-three producer of corn & sunflower, top-four of wheat

ROMANIA'S COMPETITIVE EDGE



INFRASTRUCTURE

7.7%

of total employment works in transport

- EU Funding Backbone
- Strategic GDP Role
- Highway Expansion: plans to double its highway network to 2,000 km by 2030
- Port of Constanța: largest Black Sea port
- Schengen Integration
- Air Transport Growth



DEFENCE

16.7^{BN MN}

from the EU SAFE program. Defense spending has risen by 53%, since 2023, contributing significantly to supporting the industrial resurgence and infrastructure.



ENERGY

4%

of the GDP, making it a strategic pillar for economic growth.

ENERGY MIX

64%

of the total electricity consumption comes from low-carbon sources, ensuring a diverse energy mix.

- Electricity: 68.5% of the energy needs from domestic sources
- Primary energy resources: 52% domestic

- Cumulative allocation of EUR 45 BN for 2025–2029
- 3.5% of GDP by 2030
- Economic Spillovers
- NATO & EU Commitments



TOURISM

5%

contribution to GDP. ~235K Romanians are directly employed in tourism, with the overall impact of the industry affecting around 500K people connected to this field.

HERITAGE

11

UNESCO World Heritage Sites

9 cultural sites
2 natural sites

- The hospitality market is forecast to grow at 7.9% CAGR
- Green & urban tourism potential

REACHING NEW HEIGHTS



SERVICES

- **Romania as a nearshoring destination for EU companies**
- Financial Services Modernization supported by OECD accession and EU regulatory alignment.
- Scale IT & Business Services: Romania as a regional leader in AI, cybersecurity, and

automation, leveraging its strong IT talent pool and competitive costs.

- Expand tech hubs and incubators : promote collaboration between startups, universities, and global firms.
- Leverage EU & RRF Funds
- Ensure Regulatory Stability



INDUSTRY

- **Industrial Strategy 2024–2030**
- Green & Digital Transition
- Net-Zero Industrial Corridors
- Workforce Upskilling

- Integration into EU Value Chains
- Cluster Development
- Nearshoring activities
- Development of Industrial Infrastructure



CONSTRUCTION

- **EU Fund Absorption**
- Public-Private Partnerships
- Green Construction
- Streamline Permitting & Regulation
- Focus on Urban Regeneration
- Investment Opportunities: High returns expected

- Growth Outlook: average annual rate of 3.7% between 2026–2029
- Green Transition: Sustainability is becoming mandatory
- Urban Regeneration & Smart Cities

REACHING NEW HEIGHTS



AGRICULTURE

- **Accelerate Irrigation Investments**
 - Modernize Equipment
 - Expand Storage & Logistics
 - Strengthen Value-Added Processing
 - Farm consolidation
 - Digital & Precision Farming
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ENERGY

- **Accelerate Renewable Deployment**
 - Modernize the Grid
 - Support Prosumers
 - Maximize EU Funding
 - Phase Out Coal
 - Boost Energy Efficiency
 - Tax incentives and PPAs (Power Purchase Agreements)
 - Strengthen Regional Integration
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DEFENCE

- **Maximize EU & NATO Funding**
- Develop Domestic Defense Industry
- Build Strategic Industrial Hubs
- Invest in Cyber & Digital Defense
- Workforce Development

REACHING NEW HEIGHTS



INFRASTRUCTURE

- **Maximize EU Fund Absorption**
- Public-Private Partnerships (PPPs) for large-scale projects like industrial parks, hospitals, and logistics hubs
- Streamline Permitting & Governance
- Upgrade Ports & Airports
- Expanded Urban Infrastructure



TOURISM

- **Premium Hospitality**
- Foster Public-Private Partnerships
- Workforce Development
- Leverage EU & RRF Funds
- Strengthen Branding & Marketing
- Diversify Tourism Offerings
- Cultural & Heritage Tourism



TRANSPORT

- **Leverage EU & RRF Funds**
- Acceleration of Highway Construction
- Modernization of Rail Infrastructure
- Expanded Port Capacity
- Improve Airport Infrastructure
- Strengthen Logistics & Intermodal Hubs

NEXT GROWTH WAVE

HIGHEST NEAR-TERM UPSIDE

Industry, Agriculture, Infrastructure, Transport

Under-execution vs. EU peers,
large EU funding envelopes and
identifiable bottlenecks

STABLE FOUNDATIONS

Services, Construction

Large base effects, focus should
be on productivity, digitalization
and quality (not just volume).

SOLID AND SCALABLE

Energy, Defense

Investment programs and
local industrialization can
raise resilience and exports.

BRAND AND ASSET DEPTH

Tourism requires product
mix diversification and
improved access to reverse
its softness.

**ROMANIA'S SECTORS ARE POSITIONED FOR A STRUCTURAL LEAP.
EU FUNDS, PRIVATE CAPITAL AND INNOVATION WILL DRIVE THIS TRANSFORMATION.**

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