



BANCA TRANSILVANIA®

Q3 2013 FINANCIAL RESULTS IFRS non-consolidated

Banca oamenilor întreprinzători



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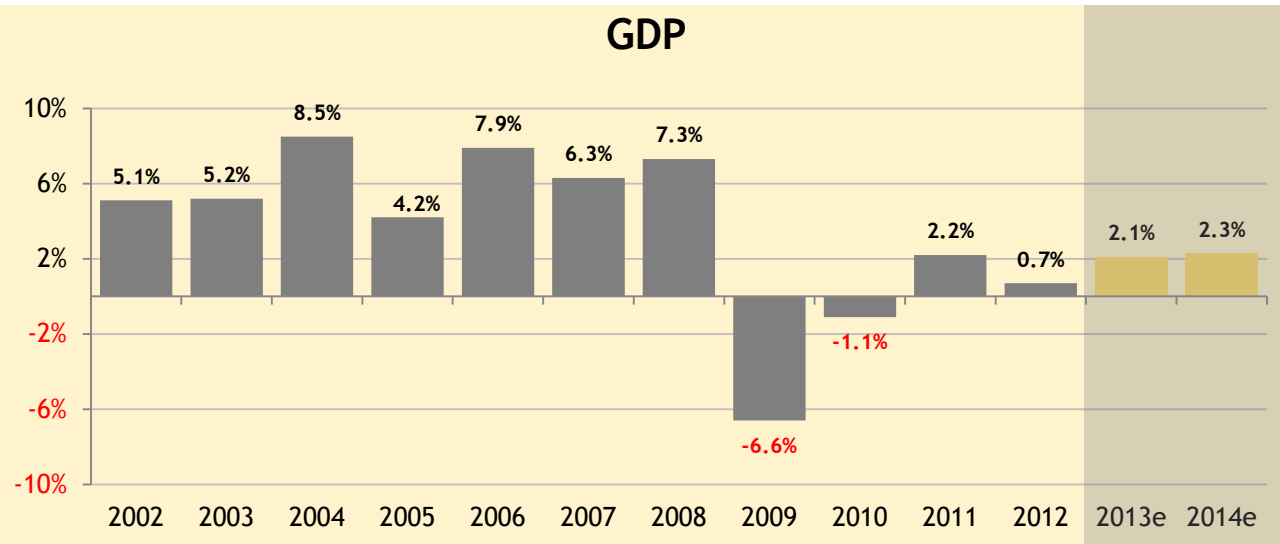


PRESENTATION TOPICS

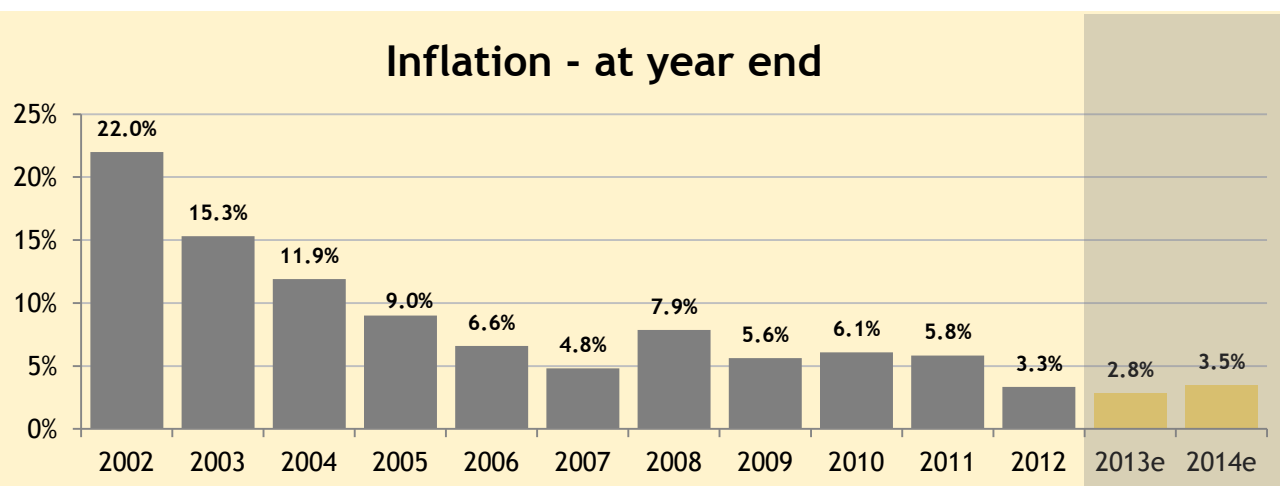
- **Macroeconomic environment**
- BANCA TRANSILVANIA on its home market
- Overview of business lines
- Q3 2013 financial highlights
- Conclusions



Macroeconomic environment



- Second quarter GDP increased by 0.5% QoQ (seasonal adjustment) and by 1.4% (sa) compared to the same quarter last year
- Total consumption increased by 0.5% QoQ (sa) while imports contracted by 0.3% QoQ (sa)

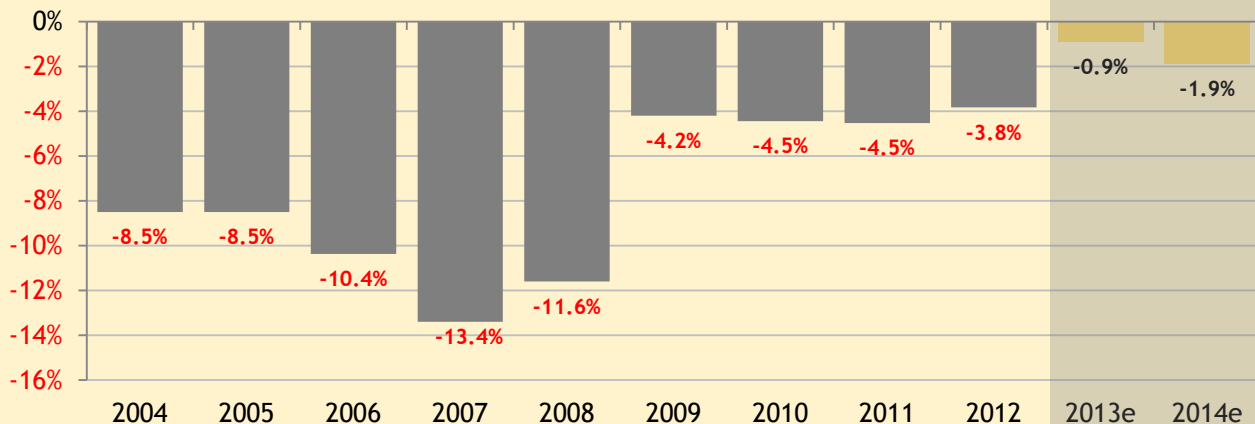


- Inflation of 1.9% in September gives room for further easing
- NBR lowered interest rate to 4.0% in the last meeting for this year

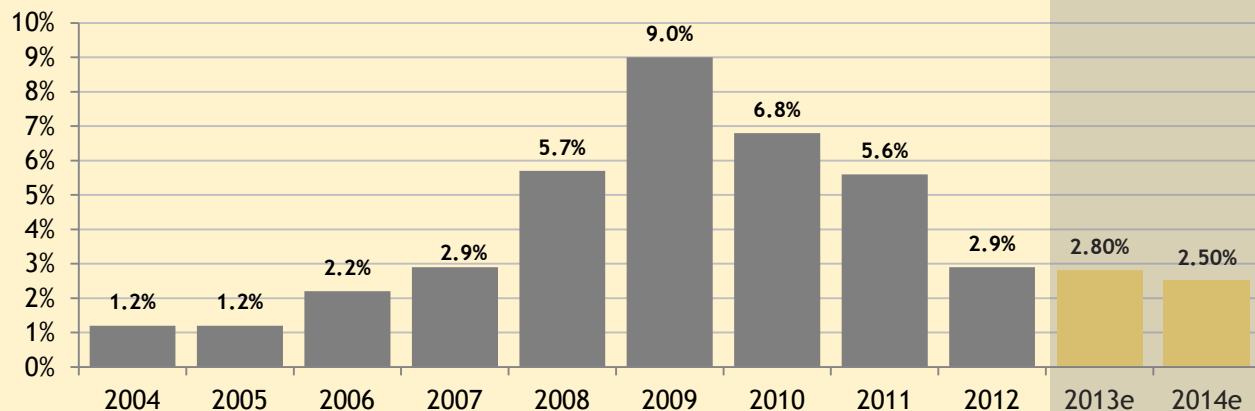


Macroeconomic environment

Current Account deficit - % of GDP



Budget deficit - % of GDP

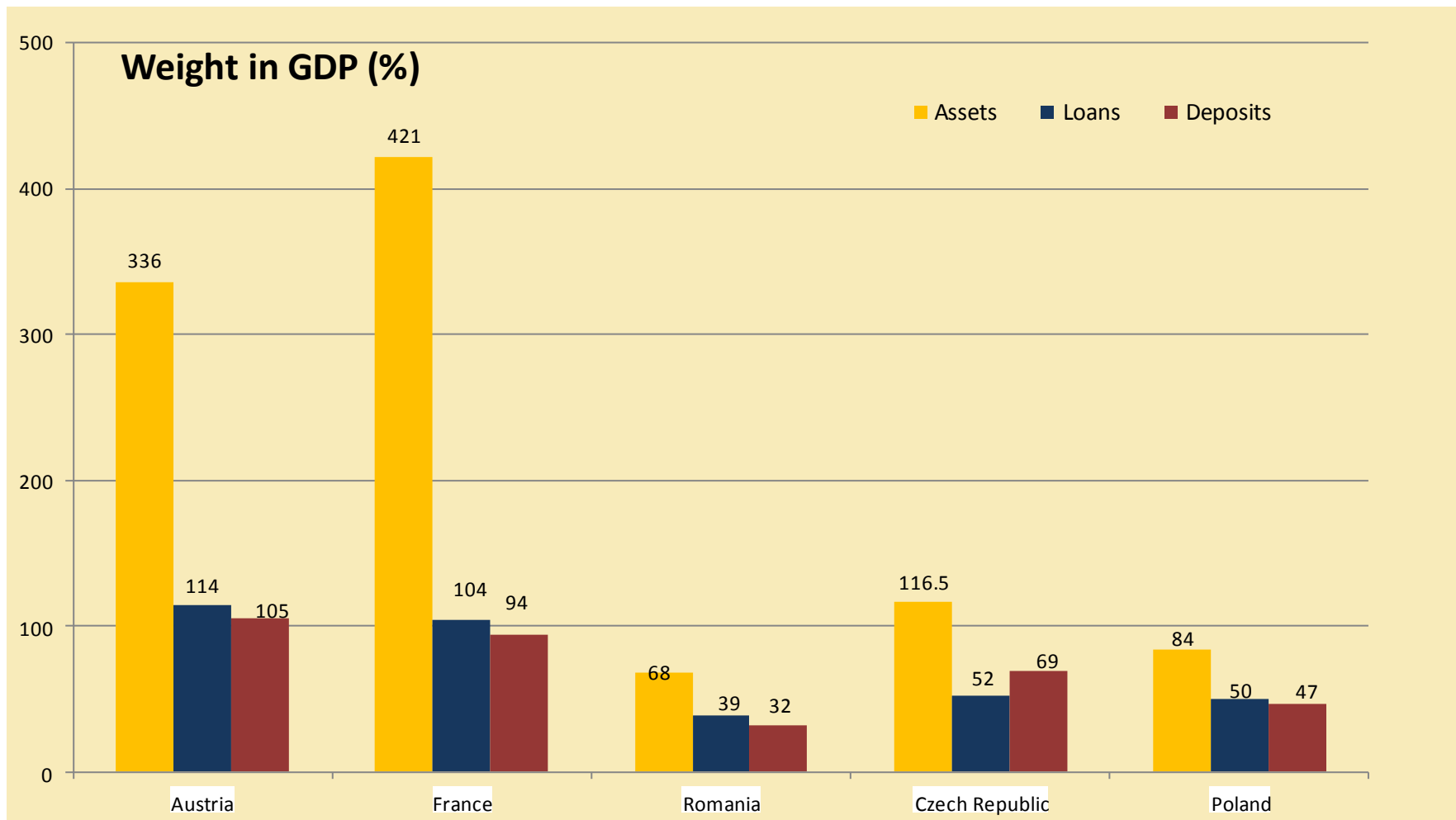


- In August the current account recorded a deficit of RON 160 bln. due to higher deficits on the income and trading balance
- Year end estimates stand at a 0.9% deficit of estimated GDP

- 9M fiscal deficit (cash terms) reached RON 8.14 bln. compared o RON 7.92 bln.
- Income tax collection increased by 7.9% YoY while VAT revenues by 4.1% YoY



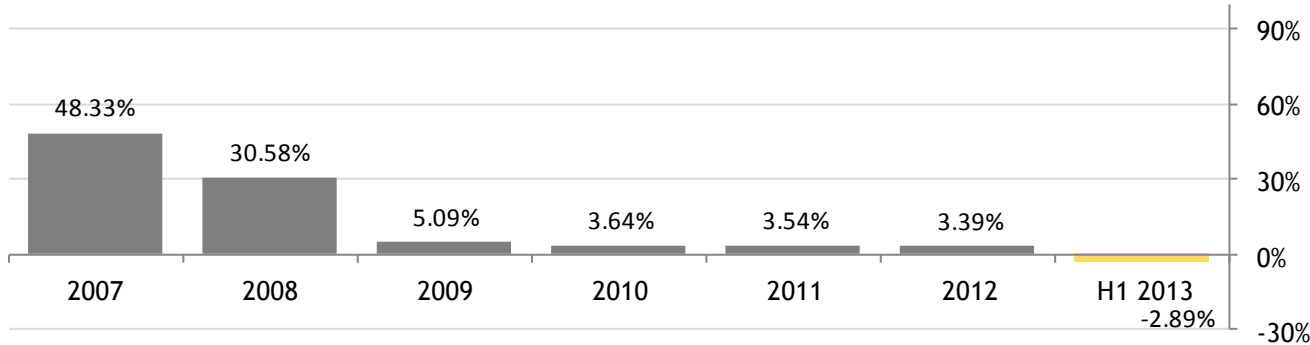
Romanian Banking Sector, within the European context





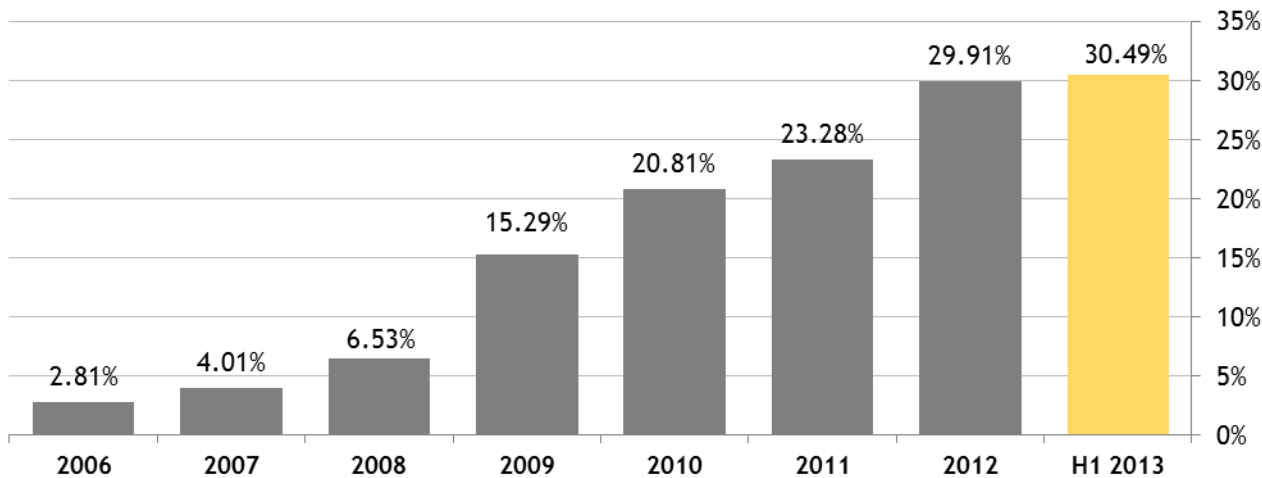
Romanian Banking System

Total banking assets growth rates



*BT achieved 14.5% growth end of 2012 and 2% for the first half of 2013.

Doubtful and loss (% of total loans)



BT benchmarks well at 22% D&L end of 2012 and 22.55% H1 2013.



Romanian Banking System: end of 2012

- **Conservative and strong Central Bank**
- **Rather concentrated: Top 10 banks own ~ 78% of total assets, Top 3 banks own around 42%**
- **End of 2012 indicates a cumulative loss of RON 2.1 bn., almost three times bigger than the loss registered for 2011 (RON 777 mil.).**
- **Despite the NPL level, the banking system is solid:**
 - average CAR: 14.64%
 - no government bail-outs
 - 20.3% average NPL ratio (PAR 90) (BT at 13.22%)



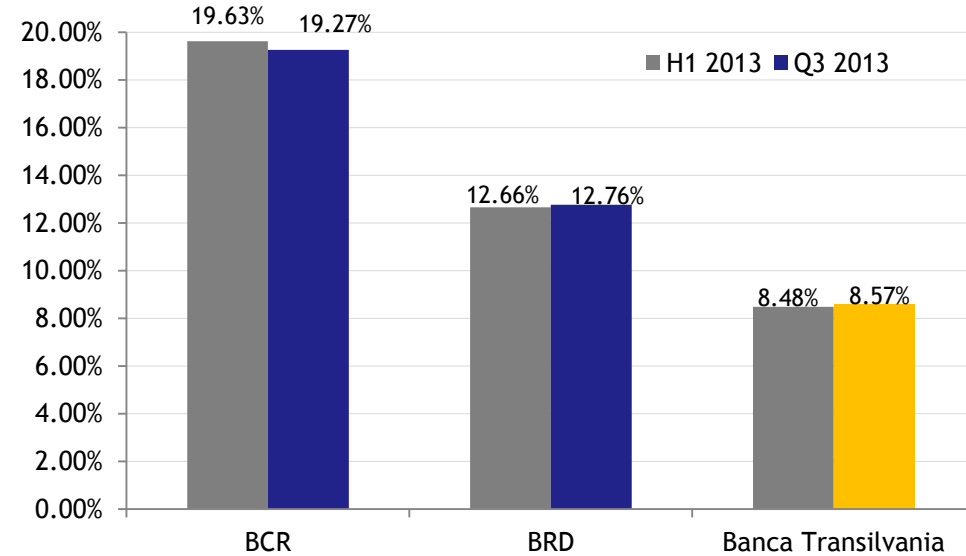
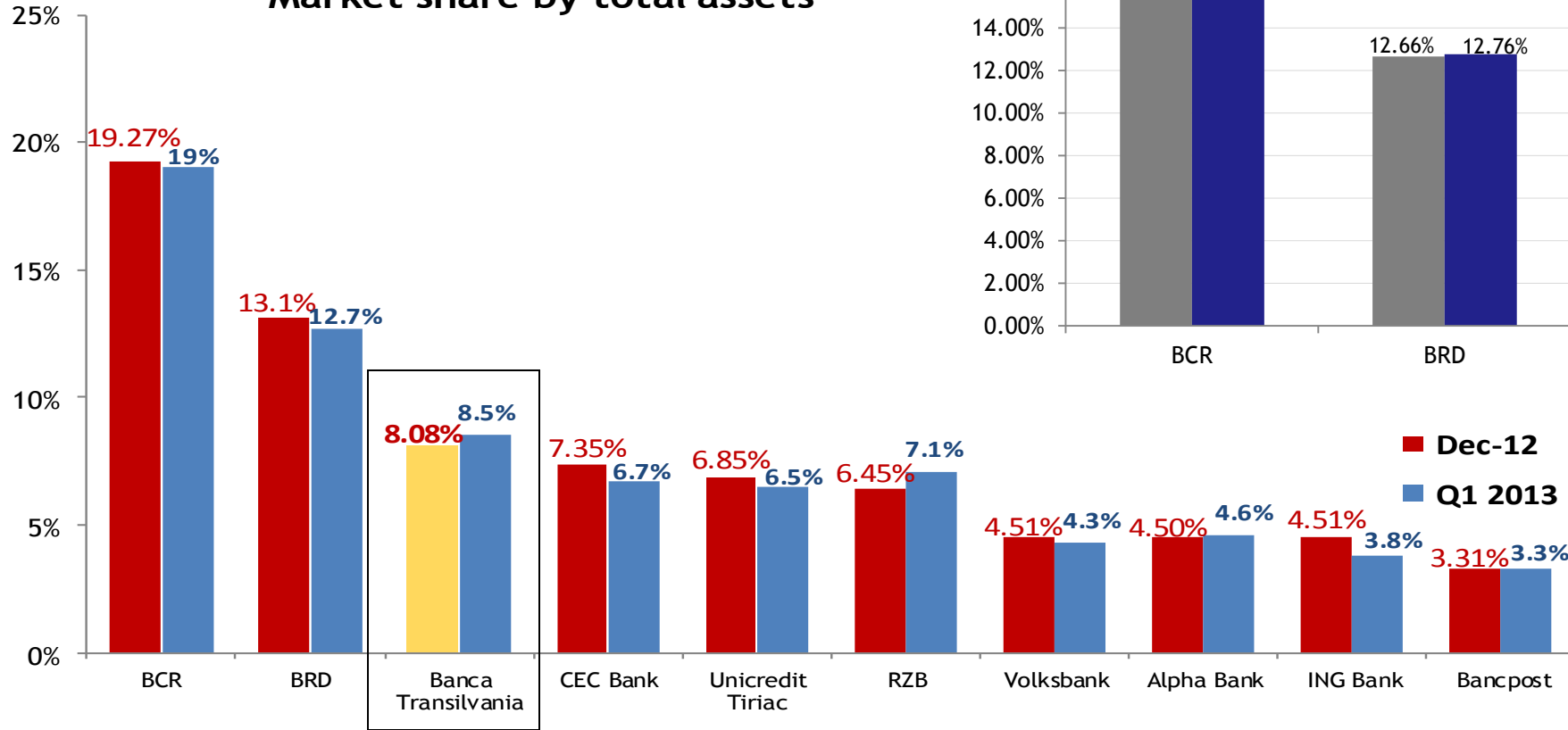
PRESENTATION TOPICS

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Banca Transilvania on its home market

Market share by total assets



Source: BNR



Our Business Model

- ✓ Traditional banking
- ✓ Diverse revenue streams
- ✓ Broad spread of risk
- ✓ Wide branch coverage
- ✓ Deposit funded
- ✓ Romania HQ

Successful track record



Banca Transilvania's strengths

- Strong roots in Romania, one of the least banked CEE countries
- The leading SME bank... The Bank for Entrepreneurial People
- Nationwide distribution network with 548 branches and agencies
- Solid capitalization (CAR 12.4% - 30.09.2013) and good funding structure
- Loan / deposit ratio: 0.75 end of Sept. 2013
- Local currency focus (65% of total loans in RON)
- Decentralized decision-making, but with strong internal controls
- Blue chip company on the Bucharest Stock Exchange since 1997



Our rating

Fitch Ratings - BT rating reaffirmed, July 2013

Long term IDR	BB-
Short-Term	B
Outlook	Stable
Individual	D
Support	3



Shareholder structure, Sept. 2013

	No. of shareholders	No. of shares	%
Romanian capital	27,636	993,554,737	45.03
individuals	27,008	445,621,741	20.20
companies	628	547,932,996	24.83
Foreign capital	764	1,212,881,587	54.97
individuals	625	52,518,284	2.38
companies	139	1,160,363,303	52.59
TOTAL	28,400	2,206,436,324	100

Strategic partners: EBRD - 14.61%; IFC 3.53%

Other major shareholders: Bank of Cyprus 9.98%



Group structure

Banca Transilvania

Leasing

Consumer
Finance

Banking services

Brokerage

Asset
management



Business lines

SME

Corporate

Retail



Geographical coverage

Key statistics, Sept. 2013

No. of units: 548

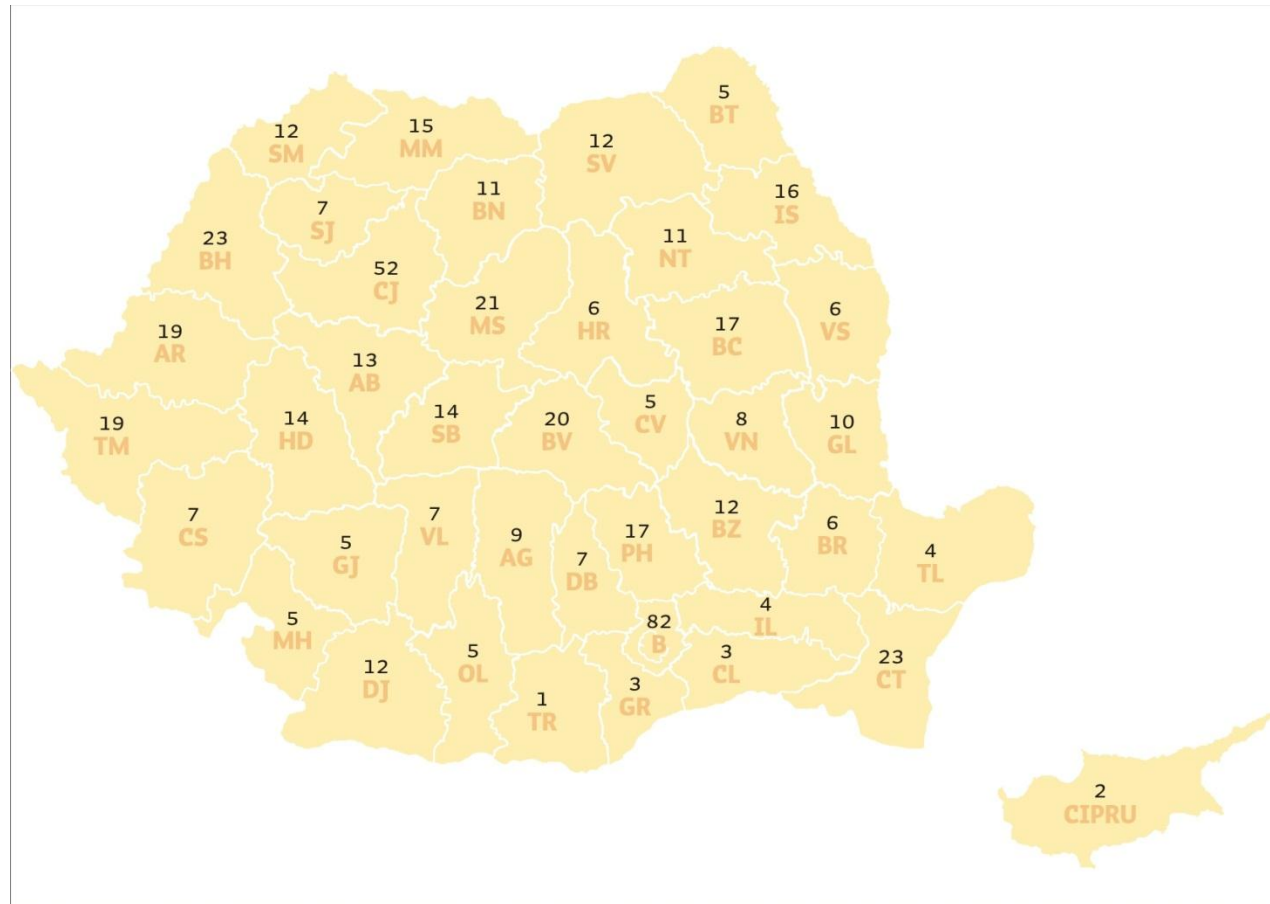
No. of customers: over 2.2 million

Market shares

Market share by assets: 8.5%

Deposits (lei): 11.3%

Loans (lei): 12.5%



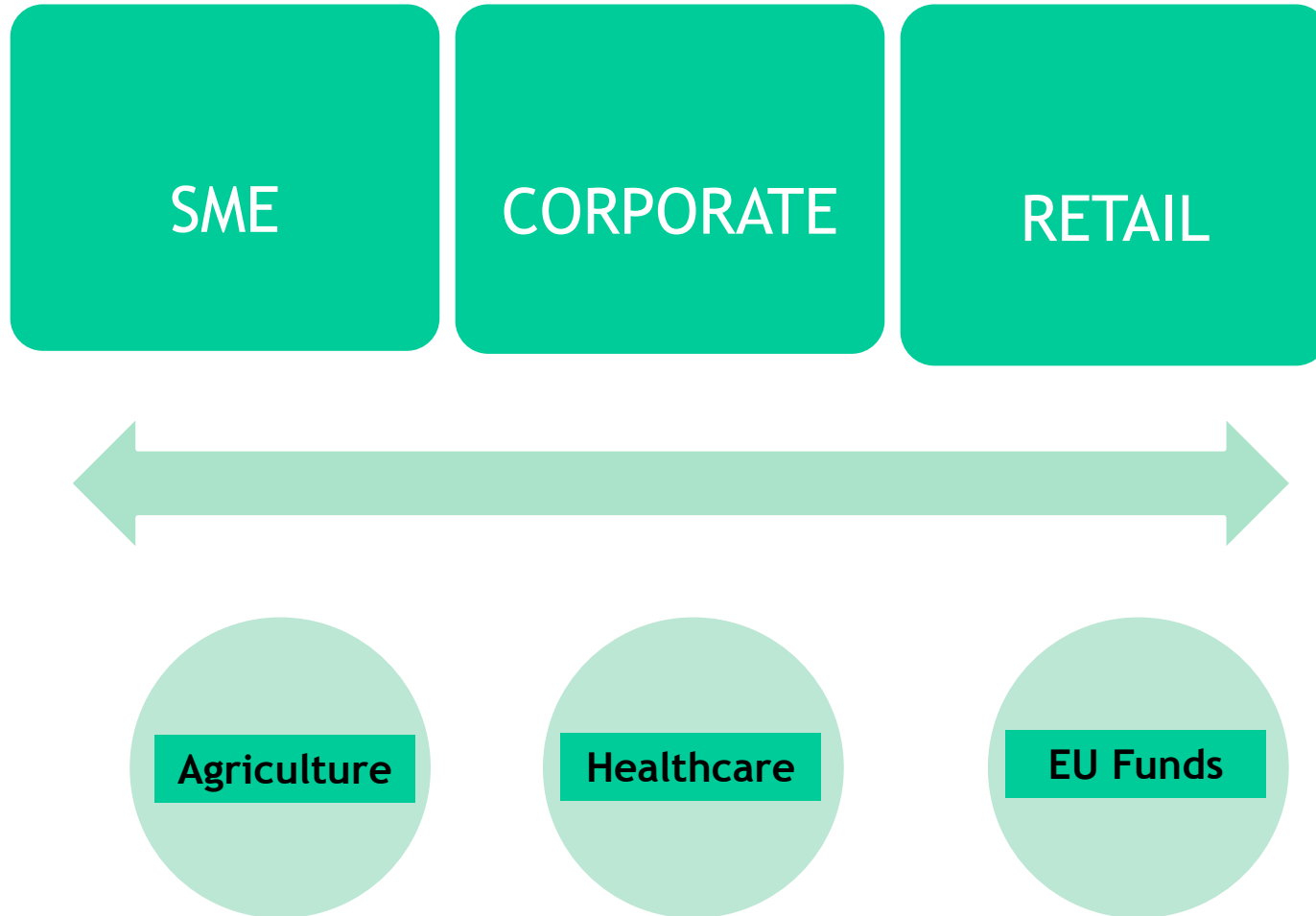


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Business Lines & Sectorial Approaches





Overview of business lines

<i>Client base</i>	<i>Sept. 2013</i>
Corporate	11,500
SME	200,000
Retail	2,000,000
Healthcare Division	29,000
Total, NBR definition	over 2,200,000

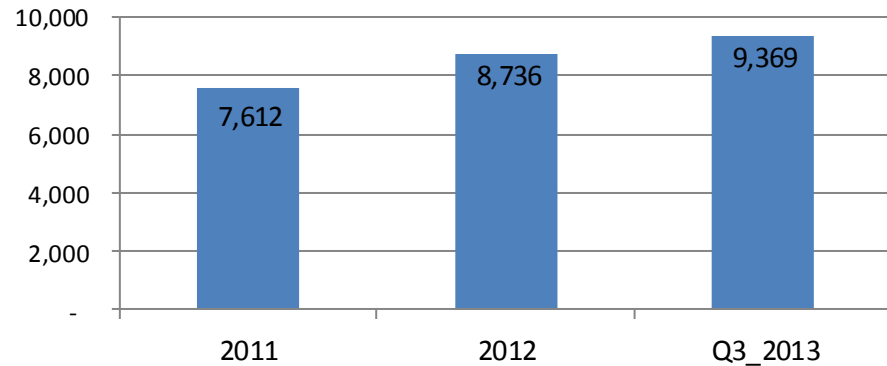


Overview of business lines

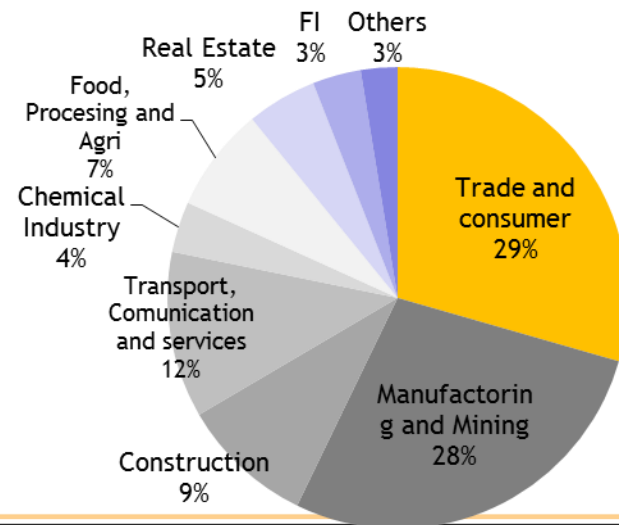
Corporate Clients

- well diversified portfolio in terms of type and industry exposure. Trade is slowly declining, while manufacturing and agriculture are advancing;
- domestic currency lending is dominant;
- loan portfolio end of Sept. 2013 amounts to EUR 2,101 mill. representing 50% of total BT loans

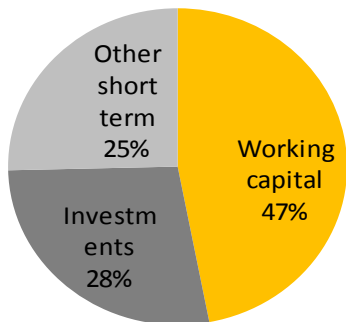
Loans: Corporate Portfolio Breakdown, RON mil.



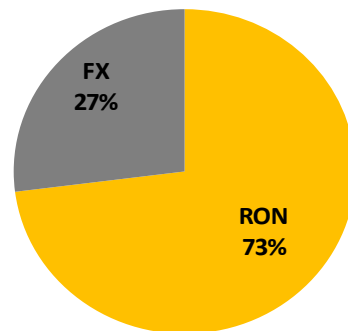
By industry



By type



By currency



Source: Company Data



Overview of business lines

SME Banking

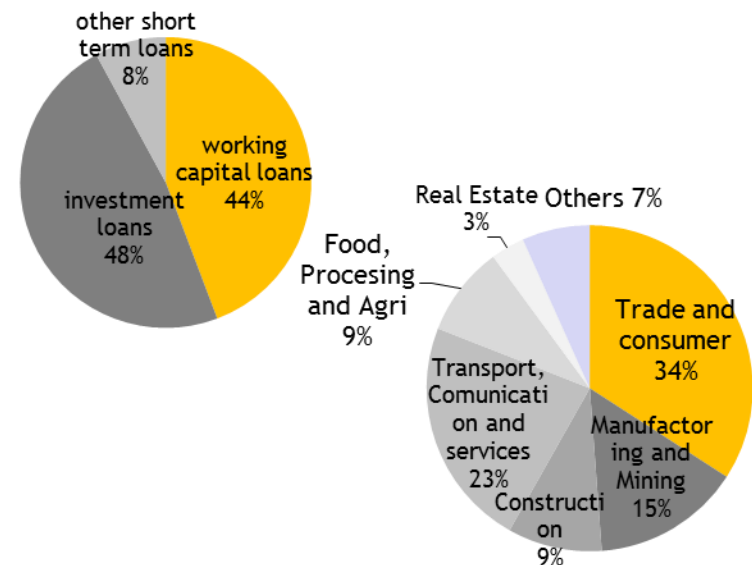
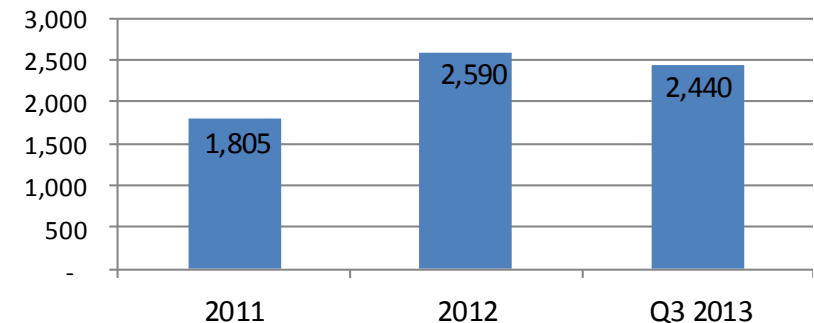
SME Services

- 20 SME-dedicated products launched as of now;
- Loan portfolio reaching 547 mil. EUR end of Sept. 2013
- 200,000 active clients end of Sept. 2013.

SME Loans

- Remodeling the SME credit approach starting with 2011 within a new platform (SME 3.0). This platform capitalizes on the knowledge and expertise in SME lending, before and throughout recession.
- Dispersion, small debts, limiting the no. of loans per client, the winning principles of SME 3.0 platform (PAR 90 is 1.9% in the last 2 years).
- The Bank's extensive branch network is ideally fit for this customer profile.

SME Loan Evolution and Breakdown, RON mill.





Overview of business lines

SME Banking

Commitment to the SME sector

- Starting with 2002, together with the reorganization of the sales activity by business lines, Banca Transilvania has positioned itself as *the SME Bank* in Romania
- This strategic goal was supported by a SME specialized products and & services platform, which was / is permanently updated in order to both meet client expectations and to mitigate the related risks for the bank
- Over time, we entered / accessed SME dedicated programs developed by DFIs like: the EBRD, FMO, DEG, IFC, BSTDB
- BT kept its promise towards the SME sector, during good and hard times, never stopping lending to this sector (BT was the 1st bank which developed a relationship with FNGCIMM, offering an alternative guaranteeing scheme to its SME clients)



Overview of business lines

SME Banking

- Besides specialized banking services, we have tried to provide to our SME clients training and networking opportunities, free of charge, via Clubul Intreprinzatorului Roman, club established in 2006 which counts now 17,000 members
- All these initiatives brought us a consistent number of SME clients, more than 200,000 SME companies have their main bank account with BT (15% market share in terms of active SMEs)
- Only 10% of them have loans => significant growth potential on an existing client base
- The expertise gathered during more than 10 years of banking with SME clients, is a valuable asset for BT, difficult to be challenged by our competition



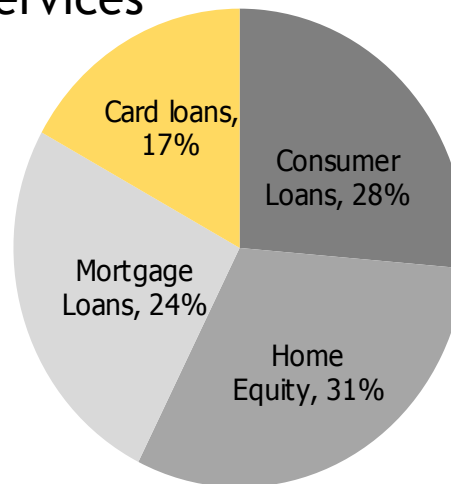
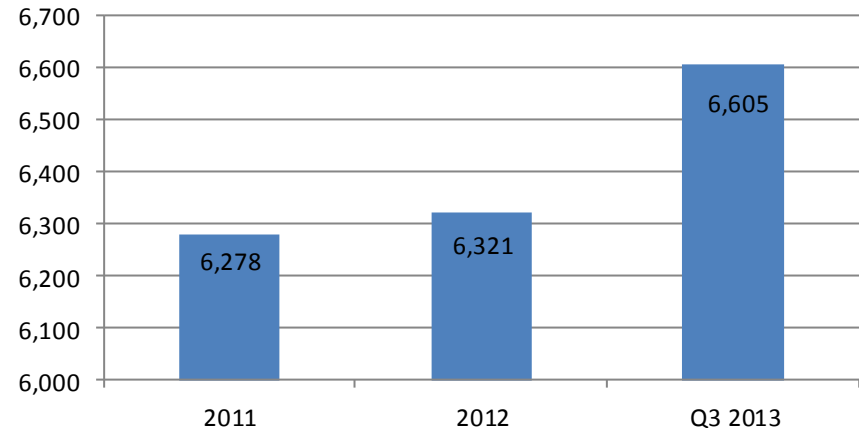
Overview of business lines

Retail Banking

Strategy

- The strategy for this year - 3 main pillars:
 - To consolidate our Top 3 position in cards in Romania
 - Client segmentation
 - More revenues from “operational” products and value added services

Retail Loan Growth and Breakdown, RON mill.



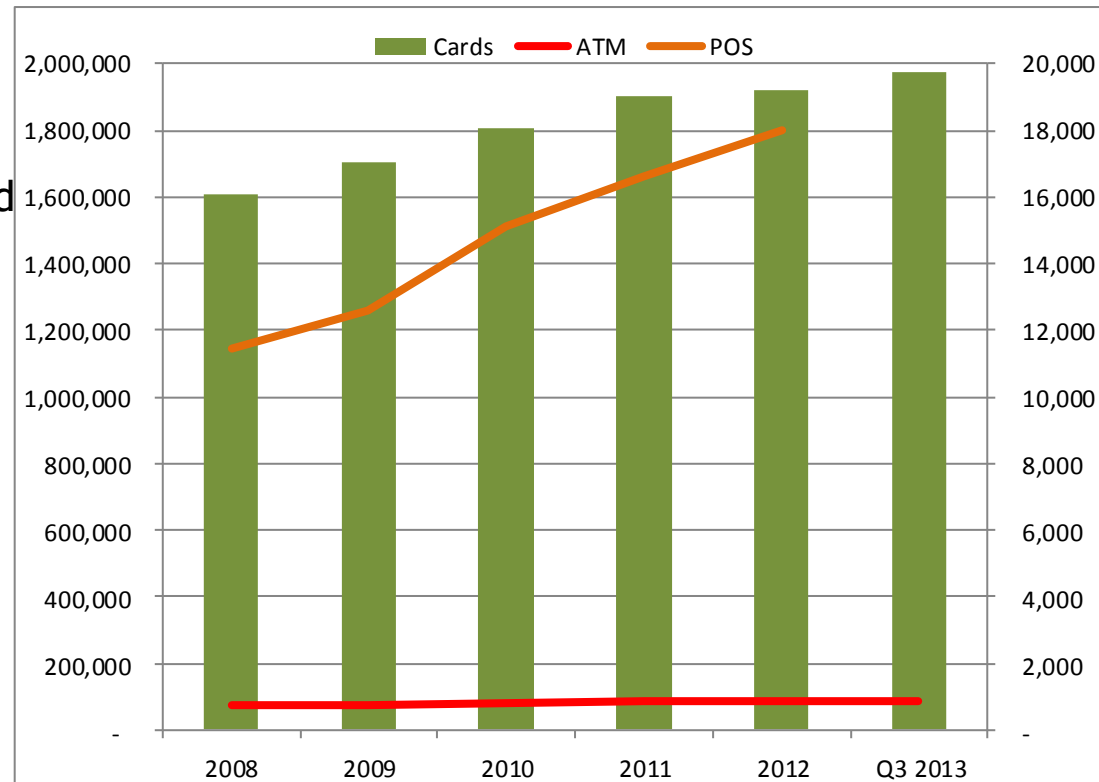


Overview of business lines

Retail Banking

Bank Cards & ATMs

- 3rd largest issuer of credit/debit cards in Romania
 - over 1.9 million Visa and MasterCard issued
 - 15% market share - cards issued
 - 17.5% market share - transactions volume
 - The largest Visa issuer in Romania
- Market leader in premium cards
- Strong loyalty program for credit cards
- STAR BT - over 4,400 POSs terminals enrolled in the program
- Over 19,000 POS terminals
- 879 ATMs, 8% market share in terms of ATM network



Source: Company Data



Overview by sector

Healthcare

Strategy

- Dedicated team (doctors and bankers)
- Special Credit Scoring System Design
- First credit card only for doctors
- Maintaining our leading position within the medical sector through our 9 Dedicated Units
- Romanian College of Physicians- Official Endorsement

Approach

- Transparency - costs
- Stability - terms and conditions
- Flexibility - product packages
- Friendly and assertive people - common language and proactive approach
- Specialized team

Results

- ✓ Over 25,000 active clients (about 45% market share as no.)
- ✓ Over 6,400 loans, EUR 163 mill.
- ✓ 4,971 dedicated credit cards
- ✓ Deposits totaling 97 mil. EUR



PRESENTATION TOPICS

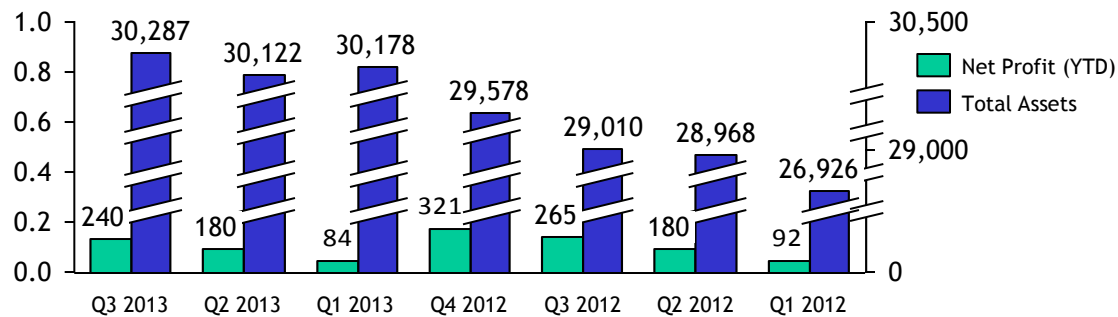
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Key Indicators September 2013

- ✓ Loans portfolio up by 5% vs. Dec'12
- ✓ Net Profit: LEI 240.2 RON million
- ✓ ROE (annualized): 11.24%

Net Profit & Assets Evolution (Lei million)



Key Indicators (LEI million)	Q3 2013	Q2 2013	Q1 2013	Q4 2012
Total Loans & Accruals	18,415	17,723	17,653	17,568
T-bills	7,993	7,878	7,189	6,647
PAR 90 (%)	13.2%	11.9%	11.8%	11.3%
NIM (YTD)	3.62%	3.6%	3.4%	3.1%
Gross Profit	284.5	209.4	100.4	340.76
Cost of risk ratio (annualized)	2.07%	1.64%	1.83%	2.16%
Annualized ROE	11.24%	13.1%	12.7%	12.5%



Q3 2013 financial highlights (IFRS non-consolidated)

m RON	30.09.2013	31.12.2012	y/y
Cash and cash equivalents	4,528	5,576	0.81
Placements with banks	1,068	1,305	0.82
T bills and securities	7,992	6,648	1.20
Loans to customers, net	16,062	15,457	1.04
Fixed assets and participations	441	444	0.99
Other assets	196	142	1.38
Total assets	30,287	29,572	1.02
Shareholders' equity	2,994	2,695	1.11
Subordinated loan	538	289	1.86
Due to customers	24,420	23,233	1.05
Due to banks and FIs	1,809	3,015	0.60
Other liabilities	526	340	1.54
Total liabilities	30,287	29,572	1.02



Q3 2013 financial highlights (IFRS non-consolidated)

Income statement

m RON	30.09.2013	30.09.2012	Y/Y
Net interest income	811.07	708.51	1.14
Net commissions income	259.14	314.25	0.87
Other operating income	77.51	94.44	0.82
Operating income	1,147.72	1,117.2	1.03
Operating expenses	582.68	561.45	1.04
Profit before provisions	565	555.75	1.01
Provisions	280.54	280.92	1.00
Gross profit	284.0	274.83	1.03
Net profit	240.24	265.43	0.90



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Conclusions

- We defend our position as 3rd bank in the system and we keep our entrepreneurial profile
- We aim a market share of 10 - 11% in 2 - 3 years, but we keep a strong eye on efficiency
- We continue to support the Romanian economy, targeting both organic growth and portfolio acquisitions (especially Retail loan portfolios)
- We keep our focus on business segments and sectors where we have expertise: SMEs, Retail, Healthcare, Agriculture, EU structural funds



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