

Press Release, November 14, 2019

BT Financial Results as at September 30, 2019**Banca Transilvania - solid growth, both in terms of services and lending**

[Banca Transilvania](#) continued, during the third quarter of 2019, to be an active supporter of the Romanian economy, the entrepreneurs and the population. The bank recorded a solid growth in lending, with over 60,000 loans granted during this quarter. The number of operations performed through the bank increased by 31% in the first nine months of the year compared to the same period of the last year. Furthermore, the bank continued its focus on technology and automation, offering for the first time on the Romanian banking market the following services: cash withdrawals with the mobile phone from ATMs or the possibility for the entrepreneurs to open and fund, 100% online, the start-up capital account.

“Banca Transilvania’s endeavor to support the economy, the entrepreneurs and the population, in good and bad times, pays off. This is proven by the bank’s magnetism, which leads to self-sustained business growth. We continue to channel our efforts on financing the Romanian economy, on enhancing our customers’ experience, on operational efficiency, while investing in technology. We’ve had a good quarter, with lending, transactions and operational growth.”, states Ömer Tetik, Chief Executive Officer of Banca Transilvania.

During the first nine months of the year, Banca Transilvania granted **over 165,000 loans** to companies and individuals. The BT Group's **assets** reached RON 86.4 billion at the end of the third quarter of 2019, **loans** counting for RON 40.3 billion and customers’ **deposits** reaching RON 71.4 billion, of which RON 49.6 billion are retail savings and RON 21.8 billion savings of legal entities.

The net consolidated profit of Banca Transilvania Financial Group amounts to RON 1,568.75 million, while that of the bank amounts to RON 1,385.04 million, reflecting growing business efficiency and consolidation. The subsidiaries and the capital investments contributed with over RON 183 million to the BT Group’s profit. **The operational efficiency** improved further to 43.95%.

The asset tax for BT, computed at the end of the first semester of this year and paid on August 25, was RON 90,502 thousand. The final amount due for the entire year will be adjusted until August 25, 2020. According to the level of the preliminary assets tax, calculated as of 30 June 2019, and taking into account a 9 months pro-rata amount, the 9M net profit would reach RON 1,328.03 million instead of RON 1,385.04 million.

The non-performing exposures ratio of Banca Transilvania, according to the EBA ratio, is 4.49% as of September 30, 2019. The total coverage ratio according to the EBA standards is 96%. The internal capital generated during the first three quarters of this year gives Banca Transilvania the comfort of being able to meet the shareholders' expectations regarding the return on the invested capital, as well as the preparation of the BT's capital structure and resources for the MREL requirements that will enter into force, in stages, starting with 2020. The bank's CAR is 18.12% without and 21.10% with the profit included.

BT during the first nine months of the year:

- ≈RON 16.5 billion is the SME loans portfolio (according to the European definition of SMEs).
- Over 11 billion RON is placed in mortgages & housing loans.
- The new production, during the first nine months of the year, amount to over RON 7.7 billion company loans.
- 1.26 million people use BT24 Internet Banking, +21.2% compared to the same period of the last year. Nearly 750,000 customers use BT24 Mobile Banking, +48% compared to the same period in 2018.
- The volume of transactions made via Internet Banking is +24.7%, and via Mobile Banking +98.8% compared to the same period of the last year.
- The BT Pay application has over 400,000 users, and Apple Pay, over 66,000 users, involving 560,000 cards enrolled in both apps.
- The number of payments with mobile phones + 185%, and the money transfer between apps users + 54%, in the third quarter compared to the second quarter of 2019.
- 4.87 million cash deposits through the BT Express Plus multifunctional ATM during the first 9 months of the year, meaning almost 550,000 cash deposits/month.

Focus on digital. 4 premieres in Romania:

- [I ask BT](#): the largest on-line financial education program, +31% visitors in Q3 (530,000) versus Q2 2019
- Banca Transilvania's customers can withdraw money from the ATM with their mobile phone, through the BT Pay and Apple Pay applications, as well as through the BT Pay accessories (watch, bracelet, sticker) - market premiere.
- Launching the contactless cash withdrawal facility from BT ATMs - another premiere in Romania.
- Banca Transilvania has extended the contactless payment option through Garmin and Fitbit for the Mastercard customers.

- BT brought banking into social media messaging applications, via Social Banking Solution™, a facility developed by PayKey, for sending and receiving money, as well as for balance checking. This launch represents also a premiere in Romania.
- The entrepreneurs can open and fund 100% online the start-up capital account. Through this facility, BT supports the entrepreneurs who want to start a SRL or SRL-D business, in order to make the start-up phase as easy as possible -another premiere in Romania.
- Banca Transilvania has launched an entrepreneurial education blog, Smart Blog, with useful information for each stage of a business.
- BT launched the contactless donation boxes together with the Ronald McDonald Children's Foundation.

Banca Transilvania Financial Group during 9M 2019:

- BT Financial Group's loans portfolio increased by +6.5% compared to the end of 2018.
- Around 20,000 loans were granted by the BT subsidiaries during the first nine months of 2019, amounting to over RON 710 million.
- BT Direct and ERB Retail Services, BT's consumer loans subsidiaries, have merged under the BT Direct brand. The aim of the company is to become the favorite consumer finance brand of the Romanians.
- BT Capital Partners, the investment banking and brokerage subsidiary of the BT Group, was the financial consultant for Eurolines Group and Brise Group, in two transactions of strategic importance for the local tourism and agribusiness industries.

At the beginning of October 2019, Banca Transilvania Financial Group announced its entry into the 3rd pillar pensions sector, BT Asset Management and BT Investments acquiring 100% of Certinvest Pensii.

The report for the Q3 / 2019, prepared in accordance with the provisions of art. 67 of Law no. 24 of 2017 regarding the issuers of financial instruments and market operations, is available on the BT website, section Relații investitori, on November 14, 2019, starting with 9.00. The financial statements as at 30.09.2019 and as at 30.09.2018 are not audited or reviewed, while the 31.12.2018 financials are audited.

Banca Transilvania

**SEPARATE AND CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2019**

| ASSETS | 30-Sep-19 | Bank | Δ Sep 19 vs Dec 18 | 30-Sep-19 | Group | Δ Sep 19 vs Dec 18 |
|--|-------------------|------------------------------|------------------------------|-------------------|------------------------------|------------------------------|
| | RON thousand | 31-Dec-18 RON thousand | | RON thousand | 31-Dec-18 RON thousand | |
| Cash and cash equivalents at Central Bank | 11,685,066 | 9,083,471 | 28.64% | 12,718,857 | 10,322,121 | 23.22% |
| Placements with banks | 5,717,693 | 4,000,416 | 42.93% | 6,575,784 | 4,650,137 | 41.41% |
| Financial assets held for trading of which: | 19,610 | 15,648 | 25.32% | 240,267 | 213,527 | 12.52% |
| <i>Derivatives</i> | 2,526 | 3,066 | -17.61% | 2,526 | 3,066 | -17.61% |
| <i>Equity instruments</i> | 17,084 | 12,582 | 35.78% | 124,428 | 112,481 | 10.62% |
| <i>Debt instruments</i> | - | - | - | 113,313 | 97,980 | 15.65% |
| Loans and advances to customers - net (*) | 38,706,830 | 36,355,974 | 6.47% | 40,291,606 | 37,817,084 | 6.54% |
| Financial assets measured mandatorily at fair value through profit or loss | 813,641 | 609,638 | 33.46% | 604,043 | 456,127 | 32.43% |
| Financial assets measured at fair value through other comprehensive income | 21,164,459 | 21,363,908 | -0.93% | 21,185,214 | 21,374,708 | -0.89% |
| Financial assets at amortized cost - debt instruments | 1,458,211 | 431,099 | 238.25% | 2,273,631 | 1,082,418 | 110.05% |
| Investments in associates | 486,360 | 537,677 | -9.54% | - | - | - |
| Property, plant and equipment | 526,971 | 482,321 | 9.26% | 678,957 | 593,903 | 14.32% |
| Intangible assets | 249,827 | 253,847 | -1.58% | 281,101 | 283,219 | -0.75% |
| Right-of-use assets | 403,202 | - | - | 428,187 | - | - |
| Goodwill | - | - | - | 4,399 | 4,295 | 2.42% |
| Deferred tax assets | - | 48,687 | -100.00% | - | 73,920 | -100.00% |
| Other financial assets | 771,647 | 811,065 | -4.86% | 830,161 | 843,237 | -1.55% |
| Other non-financial assets | 212,813 | 125,163 | 70.03% | 278,992 | 182,058 | 53.24% |
| Total assets | 82,216,330 | 74,118,914 | 10.92% | 86,391,199 | 77,896,754 | 10.90% |

(*) At the Group level it also includes the impact of leasing activity

| | 30-Sep-19 | Bank | Δ Sep 19 | 30-Sep-19 | Group | Δ Sep 19 |
|---|-------------------|-------------------|------------------|-------------------|-------------------|------------------|
| | RON | 31-Dec-18 | vs Dec 18 | RON | 31-Dec-18 | vs Dec 18 |
| | thousand | RON | | thousand | RON | |
| | | thousand | | | thousand | |
| LIABILITIES | | | | | | |
| Deposits from banks | 399,574 | 207,608 | 92.47% | 396,819 | 195,348 | 103.13% |
| Deposits from customers | 68,758,507 | 62,522,369 | 9.97% | 71,423,133 | 65,160,466 | 9.61% |
| Loans from banks and other financial institutions | 944,323 | 1,185,556 | -20.35% | 1,416,936 | 1,703,551 | -16.82% |
| Other subordinated liabilities | 1,708,695 | 1,651,518 | 3.46% | 1,712,407 | 1,655,377 | 3.45% |
| Provisions for other risks and for loan commitments | 464,855 | 444,673 | 4.54% | 493,003 | 472,722 | 4.29% |
| Held for trading financial liabilities | 12,162 | 4,226 | 187.79% | 12,162 | 4,226 | 187.79% |
| Current tax liabilities | 126,629 | 43,935 | 188.22% | 133,104 | 40,953 | 225.02% |
| Deferred tax liabilities | 26,624 | - | - | 15,110 | - | - |
| Financial lease liabilities | 401,822 | - | - | 426,631 | - | - |
| Other financial liabilities (*) | 944,076 | 532,941 | 77.14% | 1,224,903 | 650,623 | 88.27% |
| Other non-financial liabilities | 57,892 | 114,872 | -49.60% | 92,848 | 133,415 | -30.41% |
| Total liabilities | 73,845,159 | 66,707,698 | 10.70% | 77,347,056 | 70,016,681 | 10.47% |
| EQUITY | | | | | | |
| Share capital | 5,302,419 | 4,898,982 | 8.24% | 5,302,419 | 4,898,982 | 8.24% |
| Treasury shares | (6,136) | (23,271) | -73.63% | -21,424 | -38,558 | -44.44% |
| Share premiums | 28,396 | 28,381 | 0.05% | 31,016 | 28,381 | 9.28% |
| Retained earnings | 2,221,548 | 2,075,470 | 7.04% | 2,535,875 | 2,257,065 | 12.35% |
| Other reserves | 824,944 | 431,654 | 91.11% | 841,307 | 441,666 | 90.48% |
| Total equity | 8,371,171 | 7,411,216 | 12.95% | 8,689,193 | 7,587,536 | 14.52% |
| Non-controlling interests | - | - | - | 354,950 | 292,537 | 21.34% |
| Total liabilities and equity | 82,216,330 | 74,118,914 | 10.92% | 86,391,199 | 77,896,754 | 10.90% |

Note: The financial information as at September 30, 2019 is not audited nor revised, while the financial information as at December 31, 2018 is audited.

(* At the Group level it also includes the financial liabilities towards fund unit holders)

DEPUTY CEO
GEORGE CĂLINESCU

FINANCIAL REPORTING MANAGER
MIRCEA ȘTEFĂNESCU

SEPARATE AND CONSOLIDATED PROFIT AND LOSS ACCOUNT AS AT SEPTEMBER 30, 2019

| | 30-Sep-19 | Bank | Δ Sep 19 | 30-Sep-19 | Group | Δ Sep 19 |
|---|--------------------|--------------------|-------------------|--------------------|--------------------|-------------------|
| | RON | 30-Sep-18 | vs. Sep 18 | RON | 30-Sep-18 | vs. Sep 18 |
| | thousand | RON | | thousand | RON | |
| | | thousand | | | thousand | |
| Interest income | 2,343,156 | 1,792,543 | 30.72% | 2,681,613 | 2,380,389 | 12.65% |
| Interest expense | (365,989) | (229,644) | 59.37% | (414,120) | (290,748) | 42.43% |
| Net interest income | 1,977,167 | 1,562,899 | 26.51% | 2,267,493 | 2,089,641 | 8.51% |
| Fee and commission income | 744,946 | 602,334 | 23.68% | 850,559 | 737,545 | 15.32% |
| Fee and commission expense | (202,883) | (135,633) | 49.58% | (230,264) | (168,341) | 36.78% |
| Net fee and commission income | 542,063 | 466,701 | 16.15% | 620,295 | 569,204 | 8.98% |
| Net trading income | 235,663 | 176,469 | 33.54% | 286,562 | 169,910 | 68.66% |
| Net gain/(loss) from financial assets measured through other comprehensive income | 84,132 | (7,861) | - | 84,180 | (8,525) | - |
| Net gain/(loss) from financial assets mandatorily measured through profit or loss | 93,829 | (3,194) | - | 92,279 | 25,079 | 267.95% |
| Contribution to the Banking Deposits Guarantee Fund and Resolution Fund | (107,615) | (34,646) | 210.61% | (110,124) | (39,186) | 181.03% |
| Other operating income | 102,817 | 82,154 | 25.15% | 130,341 | 449,823 | -71.02% |
| Operating income | 2,928,056 | 2,242,522 | 30.57% | 3,371,026 | 3,255,946 | 3.53% |
| Personnel expenses | (674,637) | (584,200) | 15.48% | (771,993) | (732,741) | 5.36% |
| Depreciation and amortization | (211,167) | (80,185) | 163.35% | (229,239) | (121,368) | 88.88% |
| Other operating expenses | (401,120) | (388,947) | 3.13% | (484,302) | (733,212) | -33.95% |
| Operating expenses | (1,286,924) | (1,053,332) | 22.18% | (1,485,534) | (1,587,321) | -6.41% |
| Net impairment(-) / income allowance on assets, provisions for other risks and loan commitments | (13,055) | 84,254 | -115.49% | (40,340) | (103,281) | -60.94% |
| Earnings from acquisitions | - | - | - | - | 110,764 | -100.00% |
| Profit before income tax | 1,628,077 | 1,273,444 | 27.85% | 1,845,152 | 1,676,108 | 10.09% |
| Impairment/Income tax expense(-) | (243,033) | (294,381) | -17.44% | (276,404) | (435,039) | -36.46% |
| Net profit | 1,385,044 | 979,063 | 41.47% | 1,568,748 | 1,241,069 | 26.40% |

Note: The financial information as at September 30, 2019 and September 30, 2018 is not audited nor revised.

DEPUTY CEO
GEORGE CĂLINESCU

FINANCIAL REPORTING MANAGER
MIRCEA ȘTEFĂNESCU

QUARTERLY REPORT AS AT SEPTEMBER 30, 2019

Quarterly report, as per A.S.F. no.5/2018

Report date: November 14, 2019

Name of the company: BANCA TRANSILVANIA S.A.

Registered office: no.8 G.Baritiu str., Cluj-Napoca, jud. Cluj, postal code 400027

Telephone/fax: +40 0264 407 150/+40 0264 301 128

Tax identification no: RO5022670

Trade Register no: J12/4155/16.12.1993

Registered capital, subscribed and paid: 5,215,917,925 RON

The regulated market where the issued securities are traded: Bucharest Stock Exchange

Main features of the securities issued by the company: 5,215,917,925 nominal shares with a par value of RON 1/share.

ECONOMIC AND FINANCIAL RATIOS AS AT 30.09.2019:

| <u>Name of ratio</u> | <u>Computing method</u> | <u>30.09.2019</u> |
|--------------------------------------|---|-------------------|
| 1. Current liquidity ratio | Current assets/current liabilities | 109.72% |
| 2. Indebtedness ratio | Borrowed capital/shareholders' equity*100 | 20.41% |
| | Borrowed capital/capital employed*100 | 16.95% |
| 3. Accounts receivable turnover rate | Average client balance/Turnover*365 | Not applicabe |
| 4. Fixed assets turnover rate | Turnover/Fixed assets | 2.30 |

Note: Point 3 "average client balance" does not apply to financial banking institutions.

DEPUTY CEO

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FINANCIAL REPORTING MANAGER

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