

Press release, February, 15th 2018

• **Preliminary Financial Results as at December 31, 2017**

2017 meant for Banca Transilvania a continuation of the positive track record, organic growth, efficiency and digital banking projects.

Financial details (vs. the end of the previous year):

- RON 59.3 billion total assets, growing by 15%;
- RON 29.9 billion total loan balance, higher by 10%;
- Almost 190,000 new loans granted by BT in a total amount of RON 12.7 billion
- RON 49.1 billion deposits from customers, meaning a 17% growth;
- 20% higher number of transactions through BT
- 16% higher net income from operations, while the overall terms and conditions of the bank are more favourable for our clients.

Horia Ciorcilă, Chairman of the Board of Directors Banca Transilvania: *“In 2017 the organic growth was according to our plans and strategy. The results demonstrate the solid financial situation of the bank and represents the base of our ambitious plans for this year. 2018 will be a year of organic growth, integration of Bancpost in our business and the beginning of the replication of our business model across the border, in The Republic of Moldova, at Victoriabank”.*

Ömer Tetik, Banca Transilvania’s CEO, said: *“We are glad that during 2017 we have maintained the bank's revenue and profitability on a growth path, which shows the trust of BT’s clients in us. Cost control and efficiency enhancements remain principal targets for Banca Transilvania in the forthcoming period.”*

Banca Transilvania & the Romanian Entrepreneurs:

- 40% of the 2017 start-up companies have chosen Banca Transilvania as their banking partner.
- More than 245,000 company clients - SME, Micro and Corporate work with BT.
- Around 3,500 micro-companies have been financed via BT Mic, the dedicated company for small business, established at the beginning of this year.
- More than 10,000 people bought a new home helped by a mortgage loan from BT.
- More than 3 million cards issued in the market.

BT, Be Digital and a Click –Away Banking Experience:

- Over 16.8 million transactions via BT24 Internet Banking and over 3.5 million transactions via Mobile Banking represent an increase by 16.8% and 126%, respectively, as compared to the previous year.
- More than 370 thousand clients use BT24 Mobile Banking.
- Our clients' shopping and payment transactions with BT cards in Q4 2017 amounted to RON 3.7 billion
- The network of multifunctional and standard ATMs reached 1800

Banca Transilvania, Top Clearing Bank in Romania:

- Over 2.8 million payments amounting to RON 17.6 billion are made to the state treasury through Banca Transilvania accounts.
- 51.3 million operations were performed by the Bank's clients during 2017, excluding card operations.

Banca Transilvania's 2017 net profit was RON 1,186 million, whereas Banca Transilvania Financial Group's net profit amounted to RON 1,242 million. The BT Group's ended the year 2017 with total assets of RON 59.8 billion, of which RON 59.3 billion represents the stand alone figure for the bank. Net loans - leasing included - represent 50.6% of the Group's assets. The bank's CAR is 17.49%, without the 2017 profit (21.16% 2017 profit included). Banca Transilvania's NPE ratio, pursuant to the European definition, is 6% and the NPL provision coverage ratio is 70%. BT continued to be active in its community spending over RON 23 million for community related projects.

Information for BT's Shareholders: The preliminary financial statements as at 31.12.2017 are not audited or reviewed, whereas the financial statements as at 31.12.2016 are audited. The preliminary financial statements as at 31.12.2017 are available on BT's website [siteul BT, sectiunea Acționari/Rezultate financiare](http://www.bancatransilvania.ro/siteul_BT_sectiunea_Acționari/Rezultate_financiare), as of February 15, this year, starting with 8:30.

Communication & Public Relations | Banca Transilvania

Shareholders contact: Investor.Relations@bancatransilvania.ro

**SEPARATE AND CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2017**

	Bank			Group		
	31-Dec-17 RON thousand	31-Dec-16 RON thousand	Δ Dec 17 vs, Dec 16	31-Dec-17 RON thousand	31-Dec-16 RON thousand	Δ Dec 17 vs, Dec 16
ASSETS						
Cash and cash equivalents at Central Bank	6,637,771	5,293,635	25.39%	6,637,803	5,293,660	25.39%
Placements with banks	5,079,442	2,524,892	101.17%	5,090,224	2,563,815	98.54%
Loans and receivables - securities	222,792	221,690	0.50%	222,792	221,690	0.50%
Financial assets at fair value through profit and Loss	83,135	59,890	38.81%	274,849	163,520	68.08%
Loans and advances to customers- net*	29,914,039	27,209,976	9.94%	30,248,351	27,234,045	11.07%
Investment securities, available for sale	16,032,612	15,120,524	6.03%	15,821,300	14,993,828	5.52%
Investment securities, held-to-maturity	-	-	-	-	20,691	-
Equity investments	156,631	136,671	14.60%	-	-	-
Property and equipment	407,697	370,305	10.10%	633,249	558,734	13.34%
Intangible assets	125,713	78,396	60.36%	133,207	86,600	53.82%
Goodwill	-	-	-	2,774	2,774	-
Current tax assets	148,594	125,055	18.82%	146,876	119,103	23.32%
Deferred tax assets	173,243	373,940	(53.67)%	187,133	378,716	(50.59)%
Other financial assets	211,913	170,153	24.54%	234,756	194,151	20.91%
Other non- financial assets	108,513	84,474	28.46%	171,021	112,897	51.48%
Total assets	59,302,095	51,769,601	14.55%	59,804,335	51,944,224	15.13%

* at group level, it also includes the impact of the leasing activity

	Bank			Group		
	31-Dec-17 RON thousand	31-Dec-16 RON thousand	Δ Dec 17 vs, Dec 16	31-Dec-17 RON thousand	31-Dec-16 RON thousand	Δ Dec 17 vs, Dec 16
LIABILITIES AND EQUITY						
Deposits from banks	127,946	247,268	(48.26)%	127,946	247,268	(48.26)%
Deposits from customers	49,099,201	41,851,773	17.32%	48,932,195	41,681,475	17.40%
Loans from banks and other financial institutions	1,099,891	2,246,461	(51.04)%	1,487,041	2,304,911	(35.48)%
Other subordinated liabilities	414,578	424,111	(2.25)%	414,578	424,111	(2.25)%
Provisions for other risks and for loan commitments	373,117	506,955	(26.40)%	382,849	514,582	(25.60)%
Other financial liabilities (*)	1,154,864	441,158	161.78%	1,216,099	507,301	139.72%
Other non-financial liabilities	62,424	67,787	(7.91)%	103,952	111,869	(7.08)%
Total liabilities	52,332,021	45,785,513	14.30%	52,664,660	45,791,517	15.01%
Equity						
Share capital	4,427,940	3,732,549	18.63%	4,427,940	3,732,549	18.63%
Treasury shares	(32,140)	(16,546)	94.25%	(47,427)	(29,993)	58.13%
Share premiums	28,381	28,374	0.02%	28,381	28,374	0.02%
Retained earnings	1,981,887	1,779,244	11.39%	2,202,660	1,954,073	12.72%
Revaluation reserves	20,416	27,188	(24.91)%	17,524	26,227	(33.18)%
Reserves from available-for-sale assets	52,176	10,790	383.56%	(6,247)	(8,791)	28.94%
Other reserves	491,414	422,489	16.31%	502,502	432,061	16.30%
Total equity	6,970,074	5,984,088	16.48%	7,125,333	6,134,500	16.15%
Non-controlling interest		-		14,342	18,207	(21.23)%
Total liabilities and equity	59,302,095	51,769,601	14.55%	59,804,335	51,944,224	15.13%

Note: The financial information as at December 31, 2017 are not audited or revised and for December 31, 2016 are audited.

(*) at consolidated level, it also comprises the financial debt towards fund unit holders.

DEPUTY GENERAL DIRECTOR
GEORGE CĂLINESCU

FINANCIAL REPORTING MANAGER
MIRCEA ȘTEFĂNESCU

SEPARATE AND CONSOLIDATED PROFIT AND LOSS ACCOUNT AS AT DECEMBER 31, 2017

	Bank			Group		
	31-Dec-17 <i>RON thousand</i>	31-Dec -16 <i>RON thousand</i>	Δ Dec 17 vs, Dec 16	31-Dec -17 <i>RON thousand</i>	31-Dec-16 <i>RON thousand</i>	Δ Dec 17 vs, Dec 16
Interest income	2,018,571	1,971,229	2.40%	2,102,178	2,027,555	3.68%
Interest expense	(210,122)	(260,495)	(19.34)%	(211,821)	(263,522)	(19.62)%
Net interest income	1,808,449	1,710,734	5.71%	1,890,357	1,764,033	7.16%
Fee and commission income	704,571	624,114	12.89%	744,312	652,900	14.00%
Fee and commission expense	(123,621)	(114,651)	7.82%	(117,515)	(106,629)	10.21%
Net fee and commission income	580,950	509,463	14.03%	626,797	546,271	14.74%
Net trading income	223,667	183,493	21.89%	278.339	197,383	41.01%
Net loss ()/ gain from sale of available for sale financial instruments	(4,102)	402,226	101.02%	(3,206)	401,691	100.80%
Contribution to the Banking Deposits Guarantee Fund and Resolution Fund	(49,696)	(72,792)	(31.73)%	(49,696)	(72,792)	(31.73)%
Other operating income	116,196	71,583	62.32%	173,772	151,365	14.80%
Operating income	2,675,464	2,804,707	(4.61)%	2,916,363	2,987,951	(2.40)%
Personnel expenses	(715,390)	(631,487)	13.29%	(763,172)	(665,818)	14.62%
Depreciation and amortization	(90,106)	(72,358)	24.53%	(125,485)	(93,911)	33.62%
Other operating expenses	(492,821)	(447,516)	10.12%	(556,708)	(511,298)	8.88%
Operating expenses	(1,298,317)	(1,151,361)	12.76%	(1,445,365)	(1,271,027)	13.72%
Net impairment() / income allowance on assets, provisions for other risks and loan commitments	1,353	(654,223)	(100.21)%	(28,819)	(658,087)	(95.62)%
Profit before income tax	1,378,500	999,123	37.97%	1,442,179	1,058,837	36.20%
Impairment/Income tax expense()	(192,521)	229,317	183.95%	(200,148)	218,176	191.74%
Profit net	1,185,979	1,228,440	(3.46)%	1,242,031	1,277,013	(2.74)%

Note: The financial information as at December 31,2017 are not audited or revised and for December 31, 2016 are audited.

DEPUTY GENERAL DIRECTOR
GEORGE CĂLINESCU

FINANCIAL REPORTING MANAGER
MIRCEA ȘTEFĂNESCU

Note to the financial information at 31.12.2017

The information presented for the period ended December 31, 2017, as well as for the prior periods, was prepared in accordance to the International Financial Reporting Standards as adopted by the European Union and applicable at that date. The financial information relates to the bank and its subsidiaries, it does not constitute a complete set of financial statements.

The information as at December 31, 2017 is not audited or revised and the information as at December 31, 2016 is audited.

Banca Transilvania