Press Release, February 25, 2021

The bank's activity during 2020 supports the role of the bank as main driver for the Romanian economy's relaunch in 2021

Preliminary Financial Results as at December 31, 2020

- BT's customers support strategy was reflected in the growth of the operations number and of the overall business.
- More than 145,000 loans were granted funding the economy.
- Companies were financed with over 9.5 billion RON and individuals with 5.3 billion RON.
- The number of unique digitalized customers exceeded 1.7 million.

"We have ended an atypical, unprecedented year and we are satisfied that our results exceeded the conservative forecasts of the initial budget. In 2020 we proved again that we have adapted and that we have an experienced and strong team, which can deliver great results even within such a complicated context. The most important thing, however, is that we kept our promises, that we contributed both to supporting the social areas, the local companies and the economy as a whole. For this forthcoming year we are optimistic about BT, paying attention to trends, but also to new opportunities. We maintain our firm commitment in contributing to the relaunch of the business environment" - states Horia Ciorcilă, Chairman of the Board of Directors, BT.

2020 was a year of resistance and solidarity, during which Banca Transilvania launched several measures to support the bank's customers, in addition to those announced through the public moratorium, postponed the loans' installments and reduced fees and commissions. 2020 positive results are due mainly to the increase of the operations' volume and the adequate cost management.

The assets of BT Financial Group amounted to 107.5 billion RON as at the end of 2020. The loans increased to 42.17 billion RON, whereas the deposits reached 90.94 billion RON, of which 61.94 billion RON are deposits of individual customers and 29 billion RON deposits of legal entities. The results for 2020 consolidate the already robust capitalization of Banca Transilvania, reaching an equity of 9.5 billion RON, +12% compared to 2019. Banca Transilvania has nearly 70% Romanian capital and more than 34,000 direct Romanian individual shareholders.

The net consolidated profit of Banca Transilvania Financial Group amounts to RON 1,476.15 million, of which that of the bank amounts to RON 1,197.31 million. The bank's operating profit grew to RON 2,154.92 million. The bank has taken cost-effective measures without performing

restructurings and despite a decline of the fees' value, during a difficult year. The operational efficiency, measured by the cost / income ratio, was maintained at the comfortable level of 45.3%, due to a well run cost management and efficiency through digitalization of processes.

Supporting the Romanians and involvement in the community, in the context of COVID-19:

BT was the first banking institution to announce measures for it's customers

- More than 41,000 individual and legal entities clients had their installments deferred.
- Over 400,000 credit cards were exempted, for a 3 months period, from the payment of the monthly obligation due to the extended grace period.
- Through IMM Invest, the government program in which Banca Transilvania was the main bank, the bank granted 10,000 loans, supporting companies counting over 70,000 jobs, especially in the following business fields: wholesale and retail trade, transportation and construction.

The lending continued

- BT granted 22,000 new loans, amounting to 2.9 billion RON, to over 9,500 SME & Micro customers.
- The SME's loan portfolio (according to the European definition of SMEs) reached 17.6 billion RON.
- Over 10,200 Romanians bought a house with Banca Transilvania's help, being financed during 2020 with approximately 2.5 billion RON.
- The balance of the mortgage/housing loans reached 13.3 billion RON.
- Over 67,300 consumer loans, amounting to 2.4 billion RON, were granted last year.
- The balance of consumer loans reached 10.8 billion RON.

Remote banking has accelerated

- 500,000 customers made their first online card transaction in 2020.
- Almost 340 million transactions were made with BT cards in 2020, + 22% compared to 2019.
- 1.1 million people use the BT Pay application for everyday banking.

Community, BT people and network. BT, the first company to announce significant donations

- During the state of emergency, the bank contributed with over 2 million EUR to the prevention and limitation of the pandemic, but also to increasing the access to testing and treatment.
- The bank maintained the pace of recruitment during the first half of 2020, compared to the period January-June 2019, employing 500 people in the team.

- Almost 70 branches and agencies from 50 cities have been refurbished.
- BT Pay has contributed to the formation of new behaviors: contactless shopping at retailers, money transfers and donations, all performed through the mobile phone.

Other financial information:

The NPL rate is 3.46% as at December 31, 2020, and the coverage with total provisions of the non-performing exposures is 133%, according to the EBA indicator. The bank's CAR is 19.94% (profit for the year excluded) and 22.23% (profit for the year included).

Banca Transilvania | Communication and Public Relations

Information for Banca Transilvania's shareholders: *The preliminary financial statements as at 31.12.2020 are not audited or reviewed, whereas the financial statements as at 31.12.2019 are audited. The 2020 preliminary financial results are available on the BT website, at the following link: BT/Investor relations on February 25 2021, starting with 6 PM.*

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SEPARATE AND CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2020

	Bank			Group		
ASSETS	**31-dec-20** ***RON thousand***	**31-dec-19** ***RON thousand***	**Δ dec 20 vs dec 19**	**31-dec-20** ***RON thousand***	**31-dec-19** ***RON thousand***	**Δ dec 20 vs dec 19**
Cash and cash equivalents at Central Bank	20,978,633	13,480,195	55.63%	22,133,211	14,583,143	51.77%
Placements with banks	6,636,395	6,995,346	-5.13%	7,223,277	7,775,140	-7.10%
Financial assets held for trading of which:	39,662	22,312	77.76%	368,562	277,410	32.86%
Derivatives	*22,090*	*4,803*	*359.92%*	*22,090*	*4,803*	*359.92%*
Equity instruments	*17,572*	*17,509*	*0.36%*	*226,137*	*144,040*	*57.00%*
Debt instruments		-		*120,335*	*128,567*	*-6.40%*
Loans and advances to customers - net (*)	40,363,909	38,601,915	4.56%	42,165,347	40,353,847	4.49%
Financial assets measured mandatorily at fair value through profit or loss	1,349,673	1,148,691	17.50%	1,085,714	877,989	23.66%
Financial assets measured at fair value through other comprehensive income	30,850,770	23,637,807	30.51%	30,877,177	23,658,311	30.51%
Financial assets at amortized cost - debt instruments	160,874	1,176,834	-86.33%	990,106	1,968,031	-49.69%
Equity investments	499,690	486,360	2.74%	-	-	-
Investments in associates	-	-	-	1,502	3,316	-54.70%
Property plant and equipment	619,041	575,038	7.65%	904,297	727,526	24.30%
Intangible assets	268,651	202,345	32.77%	305,205	235,429	29.64%
Right-of-use assets	708,505	366,212	93.47%	449,258	388,025	15.78%
Goodwill	-	-	-	16,319	10,478	55.75%
Current tax assets	8,585	-	-	9,654	-	-
Deferred tax assets	-	-	-	-	16,755	-
Other financial assets	761,133	638,795	19.15%	860,105	688,009	25.01%
Other non-financial assets	109,464	106,225	3.05%	148,156	158,872	-6.75%
Total assets	**103,354,985**	**87,438,075**	**18.20%**	**107,537,890**	**91,722,281**	**17.24%**

(*) At a group level it also includes the impact of leasing activities

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	Bank			Group		
LIABILITIES	**31-dec-20** ***RON thousand***	**31-dec-19** ***RON thousand***	**Δ dec 20 vs dec 19**	**31-dec-20** ***RON thousand***	**31-dec-19** ***RON thousand***	**Δ dec 20 vs dec 19**
Deposits from banks	311,822	304,461	2.42%	318,944	296,138	7.70%
Deposits from customers	88,297,146	74,353,723	18.75%	90,942,415	77,037,060	18.05%
Loans from banks and other financial institutions	1,176,066	895,673	31.31%	1,691,668	1,473,920	14.77%
Other subordinated liabilities	1,664,464	1,696,602	-1.89%	1,667,761	1,700,207	-1.91%
Provisions for other risks and for loan commitments	589,237	498,457	18.21%	615,952	533,881	15.37%
Held for trading financial liabilities	34,817	12,331	182.35%	34,818	12,331	182.36%
Current tax liability	-	38,130	-	-	42,203	-
Deferred tax liabilities	85,665	7,899	984.50%	52,016	-	-
Financial lease liabilities	709,269	365,931	93.83%	455,198	387,441	17.49%
Other financial liabilities (*)	907,681	689,531	31.64%	1,210,438	913,252	32.54%
Other non-financial liabilities	55,949	78,894	-29.08%	86,358	112,012	-22.90%
Total liabilities	**93,832,116**	**78,941,632**	**18.86%**	**97,075,568**	**82,508,445**	**17.66%**
EQUITY						
Share capital	5,824,201	5,302,419	9.84%	5,824,201	5,302,419	9.84%
Treasury shares	-	(48,655)	-	(15,287)	(63,942)	-76.09%
Share premiums	28,614	28,396	0.77%	31,235	31,016	0.71%
Retained earnings	2,366,533	2,376,845	-0.43%	2,880,268	2,708,300	6.35%
Other reserves	1,303,521	837,438	55.66%	1,322,675	853,449	54.98%
Total equity	**9,522,869**	**8,496,443**	**12.08%**	**10,043,092**	**8,831,242**	**13.72%**
Non-controlling interests	-	-	-	419,230	382,594	9.58%
Total liabilities and equity	**103,354,985**	**87,438,075**	**18.20%**	**107,537,890**	**91,722,281**	**17.24%**

Note: *The financial information as at December 31, 2020 are not audited nor revised and as at December 31, 2019 are audited.*

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

DEPUTY CEO

GEORGE CĂLINESCU

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SEPARATE AND CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE FINANCIAL YEAR ENDED AT DECEMBER 31, 2020

	Bank			Group		
	31-dec-20 *RON thousand*	31-dec-19 *RON thousand*	Δ dec 20 vs dec 19	31-dec-20 *RON thousand*	31-dec-19 *RON thousand*	Δ dec 20 vs dec 19
Interest income calculated using the effective interest method	3,199,035	3,200,637	-0.05%	3,498,608	3,510,023	-0.33%
Other similar income	11,673	-	-	165,210	144,369	14.44%
Interest expense	(629,232)	(513,775)	22.47%	(681,981)	(578,712)	17.84%
Other similar expense	(1,409)	(1,715)	-17.84%	(1,351)	(1,935)	-30.18%
Net interest income	**2,580,067**	**2,685,147**	**-3.91%**	**2,980,486**	**3,073,745**	**-3.03%**
Fee and commission income	986,887	1,002,739	-1.58%	1,151,940	1,147,939	0.35%
Fee and commission expense	(330,447)	(290,124)	13.90%	(375,479)	(327,638)	14.60%
Net fee and commission income	**656,440**	**712,615**	**-7.88%**	**776,461**	**820,301**	**-5.34%**
Net trading income	310,121	318,518	-2.64%	346,706	410,603	-15.56%
Net gain from financial assets measured through other comprehensive income	300,610	116,804	157.36%	300,665	116,825	157.36%
Net gain from financial assets mandatorily measured trough profit and loss	42,500	165,060	-74.25%	74,110	125,609	-41.00%
Contribution to the Banking Deposits Guarantee Fund and Resolution Fund	(69,795)	(107,615)	-35.14%	(74,446)	(110,965)	-32.91%
Other operating income	117,261	140,741	-16.68%	138,629	178,868	-22.50%
Operating income	**3,937,204**	**4,031,270**	**-2.33%**	**4,542,611**	**4,614,986**	**-1.57%**
Personnel expenses	(958,853)	(899,058)	6.65%	(1,097,295)	(1,038,289)	5.68%
Depreciation and amortization	(303,672)	(287,449)	5.64%	(327,721)	(311,359)	5.26%
Other operating expenses	(519,759)	(712,888)	-27.09%	(624,154)	(841,109)	-25.79%
Operating expenses	**(1,782,284)**	**(1,899,395)**	**-6.17%**	**(2,049,170)**	**(2,190,757)**	**-6.46%**
Net impairment allowance on assets, provisions for other risks and loan commitments	(783,884)	(244,729)	220.31%	(821,487)	(292,646)	180.71%
Profit before income tax	**1,371,036**	**1,887,146**	**-27.35%**	**1,671,954**	**2,131,583**	**-21.56%**
Income tax expense	(173,731)	(266,634)	-34.84%	(195,800)	(283,690)	-30.98%
Net profit	**1,197,305**	**1,620,512**	**-26.12%**	**1,476,154**	**1,847,893**	**-20.12%**

Note: *The financial information for the financial year ended at December 31, 2020 are not audited nor revised and as at December 31,2019 are audited.*

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Note to the financial information as at 31.12.2020

The information presented for the period ended December 31, 2020 as well as for the prior periods, was prepared in accordance with the International Financial Reporting Standards as adopted by the European Union and applicable at that date. The financial information relates to the Bank and the Group and it does not constitute a complete set of financial statements.

The information for the financial year 2020 is not audited or revised while the information for the financial year 2019 is audited.

Banca Transilvania