



Press release
February 15, 2016

Financial Results as at December 31, 2015

Banca Transilvania, another year of growth

- BT's organic growth exceeds the banking market average
- Close to 1.3 million transactions / day are processed by Banca Transilvania
- First financial social responsibility program for Volksbank Romania customers with loans: RON 1.5 billion
- Almost 160,000 new loans granted by BT to retail, SME and Corporate clients

In a year of lending and consumption comeback, but also with new market challenges, the Banca Transilvania Financial Group has registered an organic growth of over 10% in its lending business and over 19% in terms of new deposits, such organic growth rates being completed by the positive impact of the merger with Volksbank Romania.

BT has continued to focus on supporting the SME and retail sectors, along with increased expertise in specialized areas - agribusiness and healthcare financing. BT Securities and BT Leasing succeeded to increase their market shares too, following BT Asset Management performances, and providing extended integrated financial services. For 2016, the Banca Transilvania Financial Group intends to develop a new micro-financing model aiming to support the Romanian entrepreneurial spirit in urban and rural areas.

BT's assets have increased by 32.6% compared to the end of 2014, reaching RON 47,240 million - including an organic growth of over 10%. Operational income reached RON 2,286.2 million, being 14.3% above the level of 2014, when RON 2,000.5 million. BT's net profit is RON 2,418 million, including the gain from the acquisition of Volksbank Romania.

In the year 2015, close to 160,000 new loans were granted by Banca Transilvania, totaling over RON 8,674 million, the beneficiaries being companies and individuals.

The number of active customers has increased by 14% against 2014, from 1.89 million to 2.15 million.

Horia Ciorcilă, Chairman of Banca Transilvania's Board of Directors, stated: *"Our financial results are proof that 2015 was the best year in BT's history and confirmation that we have managed to achieve our goals of organic growth, at the same time with the acquisition and integration of Volksbank*

Romania. We continue our endeavor to improve the efficiency of our business model, investing in people and technology. On the background of a highly volatile global and regional climate, the relationship with our clients remains essential to us, continuing to be constructive and reasonable, and we shall have a responsible and rational attitude in everything we undertake. We maintain our support for the Romanian economy and entrepreneurs, irrespective of their size, and we are optimistic regarding the development potential of the local market”.

Ömer Tetik, Banca Transilvania’s CEO, said: “We would like to thank both BT customers and those coming from Volksbank Romania, they represent our valuable capital. The 2015 results make us even more responsible towards them. It is our goal to improve interactions with all our clients, providing easier accessible flows and products, and alternative technological platforms. The organic growth and focus on high quality services remain our priorities in 2016. Moreover, through the new competences developed along with the acquisition and the integration of Volksbank Romania, we are better positioned to capitalize on new opportunities”.

At the end of 2015, Banca Transilvania’s loan portfolio balance was 43.3% higher than at the end of 2014, in spite of the fact that the loan write-off process continued during this period (RON 694 million). At the same time, the total amount of customer deposits went up by 27.8%. Non-performing loans PAR >90 represent 9.75% of Banca Transilvania’s total loan portfolio.

High operational efficiency, despite the expenses incurred by the integration of Volksbank Romania

BT’s operational efficiency is high, the adjusted cost/income ratio being at 49.85%, excluding the major components linked to the integration of Volksbank Romania, both on the income and on the expense side. With regards to the impact on financial results of the Volksbank Romania integration, the estimates presented by BT during the General Meetings of Shareholders from April and October 2015 were confirmed by the end of 2015 results.

Banca Transilvania granted discounts close to RON 1.5 billion to a number of almost 34,000 retail clients acquired from Volksbank Romania, through the conversion of CHF loans and the reduction of total debt related to current loans.

Results of the current activity of Banca Transilvania during 2015:

- BT’s net profit is RON 2,418 million, including the profit of RON 1,651 million resulting from the acquisition of Volksbank Romania.

- The number of operations carried out through BT accounts grew by over 9% compared to the same period of 2014, while the growth pace for operating commissions income was 12%.
- BT continued to focus on the SME sector in 2015, granting over 16,300 new loans to this category of clients.
- Banca Transilvania closed the year with a portfolio of 2.54 million cards, generating transactions 19.15% higher relative to the similar period of 2014. The bank's market share in terms of card transaction volume is 18.5%. BT has a portfolio of over 280,000 credit cards, enrolled in the STAR loyalty program.

Other financial information:

- At December 31, 2015, BT registered net expenses with depreciation adjustments and provisions of RON 329.4 million; this amount includes the impact of the fair value of Volksbank Romania's loan portfolio, as well as the positive effect of other programs at Volksbank level.
- The coverage of non-performing loans with related provisions and mortgage collateral remains at a comfortable level of 119% and in line with the bank's risk approach.
- The total balance of adjustments (provisions and other value adjustments) as at 31.12.2015 is RON 3,683 million.
- The bank's CAR is 22.64%, taking into account the profit of 2015 (13.68% without profit).

The financial statements as at 31.12.2015 are not audited or reviewed, whereas the financial statements as at 31.12.2014 are audited.

Banca Transilvania

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**SEPARATE AND CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2015**

	Bank			Group		
	31-dec-15 <i>RON thousand</i>	31-dec-14 <i>RON thousand</i>	Δ 31.12.2015 Vs 31.12.2014	31-dec-15 <i>RON thousand</i>	31-dec-14 <i>RON thousand</i>	Δ 31.12.2015 Vs 31.12.2014
ASSETS						
Cash and cash equivalents	5,104,886	4,225,966	20.8%	5,109,118	4,234,181	20.7%
Placements with banks	3,569,785	2,216,105	61.1%	3,584,968	2,224,257	61.2%
Loans and receivables - securities	212,711	162,801	30.7%	212,711	162,801	30.7%
Financial assets at fair value through profit and loss	56,819	52,311	8.6%	159,957	143,931	11.1%
Loans and advances to customers- net*	25,107,527	17,517,192	43.3%	25,227,434	17,662,963	42.8%
Investment securities available for sale	12,211,432	10,852,865	12.5%	12,121,828	10,771,835	12.5%
Investment securities held to maturity	-	-	-	12,942	-	-
Intangible assets	72,053	70,466	2.3%	74,477	72,616	2.6%
Tangible assets	337,076	289,662	16.4%	452,258	339,721	33.1%
Equity investments	84,886	74,856	13.4%	-	-	-
Deferred tax assets	130,545	-	-	133,073	-	-
Other assets	352,736	157,288	124.3%	388,636	183,622	111.7%
Total assets	47,240,456	35,619,512	32.6%	47,477,402	35,795,927	32.6%

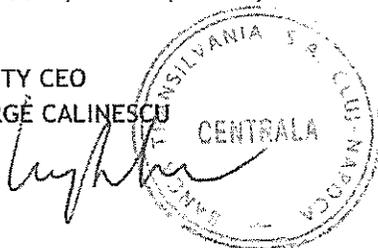
* at group level, it also includes the impact of the leasing activity.

LIABILITIES AND EQUITY	Bank			Group		
	31-dec-15 RON thousand	31-dec-14 RON thousand	Δ 31.12.2015 Vs 31.12.2014	31-dec-15 RON thousand	31-dec-14 RON thousand	Δ 31.12.2015 Vs 31.12.2014
Deposits from banks	388,425	133,348	191.3%	388,425	133,348	191.3%
Deposits from customers	38,395,292	30,045,502	27.8%	38,301,741	29,994,916	27.7%
Loans from banks and other financial institutions	985,142	949,053	3.8%	1,129,702	1,052,687	7.3%
Subordinated liabilities	416,352	394,658	5.5%	416,424	394,743	5.5%
Deferred tax liabilities	-	43,716	-	-	41,040	-
Other liabilities(*)	1,038,864	351,274	195.7%	1,101,143	381,930	188.3%
Total liabilities	41,224,075	31,917,551	29.2%	41,337,435	31,998,664	29.2%
Share capital	3,112,505	2,695,125	15.5%	3,112,505	2,695,125	15.5%
Share premium	28,317	38,873	(27.2)%	28,317	38,873	(27.2)%
Revaluation reserve	27,377	27,852	(1.7)%	26,470	27,000	(2.0)%
Treasury shares	-	(10,468)	-	(11,806)	(21,253)	(44.5)%
Retained earnings	2,382,605	490,160	386.1%	2,517,152	597,213	321.5%
Other reserves	465,577	460,419	1.1%	461,220	456,138	1.1%
Total equity	6,016,381	3,701,961	62.5%	6,133,858	3,793,096	61.7%
Non-controlling interests	-	-	-	6,109	4,167	46.6%
Total liabilities and equity	47,240,456	35,619,512	32.6%	47,477,402	35,795,927	32.6%

Note: The preliminary financial information as at 31.12.2015 has not been audited or revised.

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

DEPUTY CEO
GEORGÉ CALINESCU



FINANCIAL REPORTING MANAGER
MIRCEA STEFANESCU

SEPARATE AND CONSOLIDATED PROFIT AND LOSS ACCOUNT AS AT DECEMBER 31, 2015

	Bank			Group		
	31-dec-15 RON thousand	31-dec-14 RON thousand	Δ dec 15 vs. dec14	31-dec-15 RON thousand	31-dec-14 RON thousand	Δ dec 15 vs. dec 14
Interest income	1,838,688	1,756,615	4.7%	1,885,807	1,797,538	4.9%
Interest expense	(460,028)	(619,013)	(25.7)%	(464,655)	(621,863)	(25.3)%
Net interest income	1,378,660	1,137,602	21.2%	1,421,152	1,175,675	20.9%
Fee and commission income	582,246	498,843	16.7%	603,085	514,135	17.3%
Fee and commission expense	(124,665)	(90,456)	37.8%	(116,031)	(88,586)	31.0%
Net fee and commission income	457,581	408,387	12.0%	487,054	425,549	14.5%
Net trading income	179,429	126,805	41.5%	178,780	126,795	41.0%
Net gain from sale of available for sale financial instruments	222,086	338,784	(34.4)%	222,208	339,082	(34.5)%
Contribution to the Banking Deposits Guarantee Fund	(95,308)	(73,152)	30.3%	(95,308)	(73,152)	30.3%
Other operating income	143,725	62,053	131.6%	168,686	84,081	100.6%
Operating income	2,286,173	2,000,479	14.3%	2,382,572	2,078,030	14.7%
Personnel expenses	(651,593)	(451,575)	44.3%	(676,846)	(474,422)	42.7%
Depreciation and amortization	(77,616)	(57,385)	35.3%	(91,665)	(66,148)	38.6%
Other operating expenses	(612,669)	(319,410)	91.8%	(632,815)	(337,384)	87.6%
Operating expenses	(1,341,878)	(828,370)	62.0%	(1,401,326)	(877,954)	59.6%
Net expenses related to depreciation adjustments and provisions (**)	(329,385)	(667,062)	(50.6)%	(330,076)	(684,440)	(51.8)%
Gains from acquisitions	1,650,600	-	-	1,650,600	-	-
Profit before income tax	2,265,510	505,047	348.6%	2,301,770	515,636	346.4%
Income tax expense	152,539	(70,717)	(315.7)%	146,992	(73,183)	(300.9)%
Profit net Profit for the year	2,418,049	434,330	456.7%	2,448,761	442,453	453.5%

Note: The preliminary financial information as at 31.12.2015 has not been audited or revised.

(**) The position "Net expenses related to depreciation adjustments and provisions" includes depreciation adjustments for loans, loan commitments, other assets and provisions for and provisions for various risks.

DEPUTY CEO
GEORGE CALINESCU

FINANCIAL REPORTING MANAGER
MIRCEA STEFANESCU