

## Profile

Banca Comerciala Romana (BCR) was established in 1990 taking over the commercial banking operations of the National Bank of Romania. Today, BCR is the most important financial group in Romania, including companies on the leasing, private pension and housing bank markets. BCR is the most valuable financial brand in Romania, according to level of customer trust\* and number of clients who mainly bank with BCR.



BCR offers a full range of financial products and services in most Romanian towns of more than 10,000 inhabitants. BCR is the No. 1 bank in Romania on the cards and banking transactions market. It commands the largest national ATM (over 2,200 machines) network, while presenting a complex offer in electronic banking services, including internet banking, phone banking and e-commerce services.

From 2006 on, BCR became a member of Erste Group, which was founded 1819 as the first Austrian savings bank. Since 1997 Erste Group has developed into one of the largest financial services providers in Central and Eastern Europe, with more than 46,000 employees serving around 16.4 million clients in 2,900 branches in 7 countries (Austria, Czech Republic, Slovakia, Romania, Hungary, Croatia, Serbia).

## Strategic positioning

- Business approach:** We offer full range of financial solutions and services across the entire financial life of our clients in a "one-stop-shop": savings, investments, lending, consulting and advisory, leasing.
- Geographical approach:** We focus on the Romanian and Moldavian markets (via fully-owned subsidiary BCR Chisinau), while offering clients' active abroad financial services and advisory through Erste Group subsidiaries across Central and Eastern Europe.
- Client approach:** BCR fosters long-term relationship with clients in all segments, offering accessible and transparent products as well as personalized consulting services.

## Products & Services

BCR, a modern bank with a long-term tradition, services the following client groups:

### Customer banking in Romania

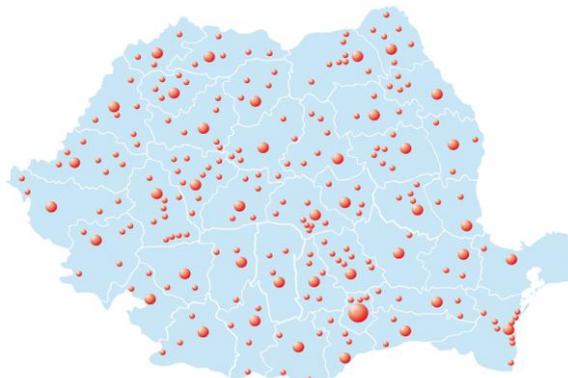
**Private individuals:** We support all our clients to fulfil their aspirations while ensuring their financial wealth now as well as in the future. We offer the complete range of services and products, from housing financing (mortgages), consumer loans, personal accounts (including dedicated packages for entrepreneurs, students, NGOs & foundations), payment & credit cards, direct banking services (controlling one's account via the Internet, phone, GSM), investment and savings products, consulting and sale of financial market & treasury products to Private Banking customers.

**Small and medium-sized enterprises as well as large corporations:** As leader in a range of banking businesses we play a major role in the corporate segment, offering customized products, specialized programmes and consulting for micro entrepreneurs, small and medium enterprises as well as large corporations.

**Municipalities, public and non-profit sector:** Due to our historical strong relationship with local municipalities as well as with the public and non-profit sector we developed to be the first choice address for tailor-made financial solutions (incl. special financing for national, regional and municipal infrastructure projects).

## BCR's presence

- 509 branches
- 21 business centers
- 23 mobile offices



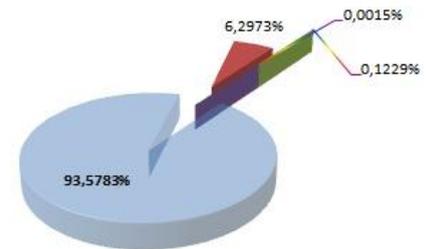
### BCR in a nutshell

- 7,644 employees
- 509 branches
- 21 business centers and 23 mobile offices

### BCR's business position

- No. 1 on EU funds market with over EUR 1,1 bn in co-financing granted for EU funded projects.
- BCR is providing universal banking operations (retail, corporate & investment banking, treasury and capital markets), and covering specialty companies working on the leasing market, asset management, private pensions, housing banks and mobile e-banking services.
- BCR is Romania's No. 1 bank in terms of asset value (EUR 14 bn.), in terms of client base and in terms of savings and crediting.
- BCR is also Romania's most important financial brand, judging by the client trust rate and by the number of persons who consider that BCR is their main banking partner.

### Shareholder structure:



- Erste Group Bank AG
- SIF Oltenia
- Other legal persons
- Other shareholders

### Ratings

	Long-Term	Short-Term	Outlook
<b>Fitch</b>	BBB	F2	stable
<b>Moody's</b>	Ba1	NP	stable

### Management Board

- **Sergiu Manea**, CEO
- **Adriana Jankovicova**, CFO
- **Jonathan Locke**, CRO
- **Dana Demetrian**, Retail&Private Banking VP
- **Sergiu Manea**, Corporate&Markets VP
- **Pau Ursaciuc**, COO
- **Bernd Mittermair**, Workout VP

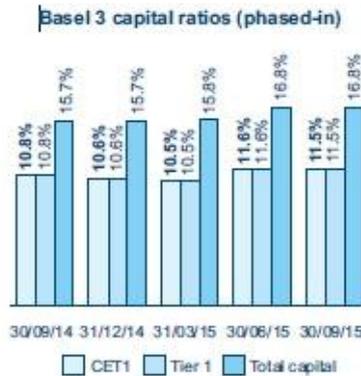
### Consolidated subsidiaries:



## Financial results H1 2014

### 07.08.2015 - BCR financial results for Q3 2015: RON 904.4 million net profit

Banca Comercială Română (BCR) achieved in 9M 2015 an operating result of RON 1,201.2 million (EUR 270.5 million), 23.5% lower than the previous year at RON 1,570.0 (EUR 353.0), driven by lower operating income, impacted by reduced unwinding contribution and low interest rate environment and higher costs related to running IT projects. **9M 2015 net profit stood at RON 904.3 million (EUR 203.6 million)**, supported by substantially lower risk costs, as a result of better portfolio quality and recoveries after extensive loan book screening in 2014.



## Macroeconomic outlook for Central and Eastern Europe

Economic growth remained robust in most CEE countries in 2Q15. Poland, Romania, the Czech Republic and Slovakia boasted growth of above 3% y/y, while Hungary reached 2.7% y/y. The formerly ailing Croatian and Serbian economies also expanded by 1.2% y/y and 1.0% y/y, respectively, in the second quarter. Even better, in the Czech Republic growth reached 4.4% y/y in 2Q15. While 3Q15 started on a positive note as well, most recent economic data and sentiment indicators sent mixed signals. According to Erste Research, the CEE region is projected to grow slightly above 3% this year, which could slow to below 3% next year. A more pronounced slowdown can be avoided due to expectations of a good industrial performance in Slovakia, where Peugeot and Jaguar Land Rover announced investments this year. Additionally, domestic demand, especially household consumption, on the back of wage and employment increases, is expected to continue support CEE in 2016. More pronounced growth compared to 2015 is expected only in Croatia and Serbia, where the so-far ailing economies might show more strength. For 2016, the growth forecast for CEE still exceeds that for the Euro Area by at least 1 percentage point.

## Outlook for BCR

In bank retail business, strong performance in volume generation by the franchise resulted in sales of secured loans increasing by 34% annually, with Prima Casa new production 66% yoy. The retail performing loans balance grew at around RON 16.9 billion, on the back of new lending outgrowing volumes of loans reimbursed or maturing. At RON 9.9 billion, the total performing housing loans portfolio continued to grow versus RON 9.45 billion at end of year 2014.

In bank corporate business, new volumes added on the balance sheet totalled RON 1 billion ytd, while the overall corporate performing loan portfolio grew at around RON 11.9 billion, versus RON 11.5 billion at end of year 2014. New approved loans are substantially picking up, supported by a solid pipeline of better quality new business, particularly in overdraft, working capital and supply chain financing.

## Did you know that ...

... The projection regarding the increase in Romania's GDP, above analysts' expectations. According to EY, in Romania the annual growth maintained its sustained pace in Q2 2015 as well, with 3.7% increase, after Romania's GDP grew by 3.8% in Q1. Although the pace of quarterly GDP growth in Romania slowed to just 0.1% in Q2 2015 (compared to about 1% in each of the three previous quarters), the annual growth maintained its sustained pace, reaching 3.7% - as compared to 3.8% in Q1 2015, says a study conducted by EY Romania. The positive development of the economy was driven by consumption, but also by increasing investments. (Source: Curierul National)

... Banks in Romania have the highest exposure to the state sector in Europe with a share of about 20% of total assets. Banks have increased the state's financing from RON 16 billion to RON 76 billion since 2008 up to present. In the period 2009-2015 they also registered one of the largest increases, more than four times, as compared to that from 2008. In 2008, banks in Romania had 5% exposure to the government sector, while in 2014 it rose to 21%, same as in the first half of 2015. Given the level of bank assets, banks had an exposure of RON 15.7 billion to the state in 2008 and RON 76.5 billion in 2014. (Source: Ziarul Financiar)

## News and Reports

**01.10.2015 - BCR changes the commissions for current accounts and transactions.** Starting from 1 October 2015, BCR eliminates the commissions for cash withdrawal and balance interrogation at BCR's ATMs using debit cards, the interbank payments in RON and foreign currency through Click 24 and Touch 24Banking, for natural persons. The new current account offer encourages the performance of operations through the alternative channels and brings a series of changes as regards the commissions charged for cash withdrawals at the counter and from the ATMs of other banks, as well as for intra and interbank payments performed at the bank's counters.

**10.09.2015 - BCR launched, in premiere on the Romanian market, the authentication to the Internet and mobile banking services** using the fingerprint recognition technology. BCR managed to attract over 700,000 users for the Internet and mobile banking services by 2015, the equivalent of about 20% of its total portfolio of clients, considering that, in 2015, digital services represent a strategic development area for the credit institution. The bank has launched several applications such as Touch 24 Banking, eToken and Touch ID (available, in 2015, for the Apple terminals exclusively, starting with the iPhone 5S model).

**15.09.2015 - BCR finances building of biogas plant in Satu Mare County**, a member of Austria-based BIOGEST, in the building of a biogas plant in the Arduș locality, Satu Mare County. "The biogas station, an investment worth approximately EUR 5.3 million, has an installed capacity of 1.5 MW, the generated electricity being enough to cover the needs of 4,500 households. BCR confirmed the strategy of sustaining development of the local economy, including in the renewable energy sector, the more as investments in biogas and biomass are in line with the new development trends in the energy industry, as established by the relevant authorities.

**07.09.2015 - BCR provides secured loan borrowers with an opportunity to enjoy instalments reduced by an average of 20%.** BCR provides real estate borrowers and mortgage borrowers with an opportunity to enjoy a better interest rate which is equivalent to the current market average, i.e. 4.95%/year, as well as with a chance to have a fixed interest for 5 years. After that time interval, the interest will be calculated based on the EURIBOR rate + 3%. For the mortgage-based consumer credits, the interest is 1% higher. This offer is devoted to all those who have an on-going real estate credit/mortgage-based credit/consumer credit backed by a mortgage.