

Quarterly report under C.N.V.M. Regulation no. 1/2006

For the First Quarter of 2015

A. General information

BANCA COMERCIALĂ CARPATICA S.A.

Quarterly report under C.N.V.M. Regulation no. 1/2006

Report date: 08/05/2015

Issuer's name of: Banca Comerciala Carpatica

Headquarters: Sibiu, 1 Autogarii St.

Phone / fax: 0269/233985, 0269/233371

Unique Registration Code with the Trade Register: RO11447021

Order number in the Trade Register: J32/80/1999

Subscribed and paid-up capital: RON 314,629,049.40

Regulated market on which the issued securities are traded: Bucharest Stock Exchange

1. IMPORTANT EVENTS TO REPORT: 01/01 – 03/31/2015

- The individual management agreement of Mr. Ion Dobrica ceased starting with January 30th, 2015;
- Mr. Cornel Benchea was nominated by the Supervisory Board in the function of Deputy General Manager - Member of the Directorate with the effective exercise of his attributions from the date of the previous approval of NBR, for a period of 3 years starting with February 1st, 2015;
- In the Supervisory Board's session from January 29th, 2015, Mr. Ioan Trenca was named temporary member of the Supervisory Board until the General Meeting of the Shareholders on April 28th, 2015.

Subsequent events for the reporting date (March 31st, 2015):

Within the Ordinary General Meeting of Shareholders of Banca Comerciala Carpatica held on April 28th, 2015, Mr. Nicolae Petria and Mrs. Toader Doina announced their resignations from the position of Chairman of the Supervisory Board of Banca Comerciala Carpatica, respectively Member of the Supervisory Board of Banca Comerciala Carpatica.

Within the same meeting, Mr. Ioan Trenca withdrew his filed candidacy for the vacant position in the Supervisory Board and Mr. Giaime Marzo was elected as member of the Supervisory Board of the Bank for a mandate of 4 years, starting from the date of registration with the Trade Registry.

Following these events, Banca Comercială Carpatica will convene a General Meeting of Shareholders to elect two new Supervisory Board members.

2. GENERAL DESCRIPTION OF FINANCIAL POSITION

In the first quarter of 2015, the Bank recorder a positive **net result (RON 0.7M)**, while the volume of activity remained constant.

The solvency ratio as at March 31st was 10.1%, above the level 10% level required by the NBR (10.8% as at December 31st, 2014).

The Immediate liquidity at March 31st, 2015 was 54.6%, slightly up from the December 31st, 2014 level (53.9%).

At the end of the first quarter of 2015, the **NPL ratio** fell to 30% (compared to 39% at March 31st, 2014) due to the cleansing of the balance sheet conducted in September 2014 and March 2015 - in total RON 305M fully provisioned loans according to IFRS were written-off the balance sheet.

Banca Comerciala Carpatica's **total assets** as at 31st of March 2015 decreased by 0.4% compared to the end of 2014, to a level of RON 3,237M (RON 3,250M as at December 31st, 2014). **Financial assets available for sale** represent 39% of the total balance sheet, the same as the end of 2014.

Loans to customers, net, decreased by 1% compared to the end of 2014, to RON 1,026M (1,040M as at December 31st, 2014).

Due to customers decreased by 1% compared to the end of 2014 (RON 2,845M in Q1 2015 vs. RON 2,884M as at December 31st, 2014), due to reduced interest rates for deposits of non-bank customers.

At the end of the first quarter of 2015, Bank's **equity** was maintained at the same level compared to December 2014, namely RON 224M.

At the end of March 2015, the Bank had a 126 **unit network** (flat to December 2014) and a number of 954 **active employees** (979 at the end of December 2014).

- Values expressed in thousand RON -

PROFIT AND LOSS ACCOUNT	March 31 st , 2014	March 31 st , 2015	Δ Q1 2015/ Q1 2014
Interest income	48,535	29,228	-40%
Interest expenses	-27,704	-17,957	-35%
Net interest income	20,830	11,271	-46%
Commission income	9,168	7,862	-14%
Commission expenses	-3,014	-2,494	-17%
Net commission income	6,154	5,368	-13%
Net trading income	2,702	3,186	18%
Net gain from investments available for sale	3,439	10,330	200%
Other operating income	3,724	5,914	59%
Total operating income	36,850	36,070	-2%

Credit loss/profit expense/income	1,628	769	-53%
Net operating income	38,477	36,839	-4%
Expense with salaries and related items	-16,557	-17,299	4%
Amortization and depreciation of tangibles and intangibles	-2,733	-2,535	-7%
Other operating expenses	-16,676	-16,355	-2%
Total operating expenses	-35,966	-36,188	1%
Profit before tax	2,511	651	-74%
Income tax	-3,417	0	-100%
Net profit/ (loss) for the period	-905	651	-

STATEMENT OF FINANCIAL POSITION

ASSETS	31 st of March 2014	31 st of December 2014	31 st of March 2015	Δ Q1 2015/ Q12014	Δ Q1 2015/ YE 2014
Cash in hand	90,455	110,376	119,550	32%	8%
Accounts with Central Bank	203,486	313,996	293,952	44%	-6%
Due from banks	60,088	6,598	9,689	-84%	47%
Financial assets held for trading	23,589	48,782	59,498	152%	22%
Financial assets available for sale	2,027,836	1,279,517	1,259,569	-38%	-2%
Investments in equity securities	13,827	12,029	12,029	-13%	0%
Loans, net	1,236,069	1,040,457	1,026,435	-17%	-1%
Property and equipment	148,336	144,770	143,694	-3%	-1%
Investment properties	126,724	121,412	122,237	-4%	1%
Intangibles	8,066	8,364	8,714	8%	4%
Deferred tax assets	2,032	21,143	36,480	1696%	73%
Other assets	143,797	143,010	144,867	1%	1%
Total ASSETS	4,084,305	3,250,454	3,236,716	-21%	0%
LIABILITIES					
Due to banks	67,406	42,622	35,010	-48%	-18%
Due to repo operations and securities lent	716,302	0	0	-100%	0%
Derivative financial instruments	7	0	0	-100%	0%
Due to customers	2,775,169	2,884,460	2,844,918	3%	-1%
Borrowings	76,406	71,205	72,630	-5%	2%
Liabilities from deferred tax	0	0	15,097	0%	0%
Other liabilities	47,451	28,550	45,371	-4%	59%
Total LIABILITIES	3,682,741	3,026,837	3,013,026	-18%	0%

Share capital	314,629	314,629	314,629	0%	0%
Share premium	1,951	1,951	1,951	0%	0%
Surplus from share capital revaluation	21,809	21,809	21,809	0%	0%
Retained earnings (accumulated loss)	-58,443	-224,984	-223,645	283%	-1%
Reserve for financial investments available for sale	21,392	11,375	10,688	-50%	-6%
Revaluation reserve	73,039	71,650	71,070	-3%	-1%
Other reserves	27,187	27,187	27,187	0%	0%
Total Equity	401,564	223,617	223,689	-44%	0%
Total LIABILITIES AND EQUITY	4,084,305	3,250,454	3,236,716	-21%	0%

The financial statements for the first quarter of this year were not audited by an independent financial auditor.

Attachments

A. Financial statements for the first quarter of financial year 2015.

3. SIGNATURES

CEO

Johan Gabriëls

CCO

Gheorghe Cismaru

B. Synthesis indicators

Main indicators		03/31/2014	12/31/2014	03/31/2015
Return on Assets(ROA) ¹	%	-0.1	-4.9	0.1
Return on Equity(ROE) ²	%	-0.9	-46.3	1.1
Solvency	%	12.3	10.8	10.1
Loan (gross)-to-Deposit ratio	%	56.5	50.6	44.8
Immediate liquidity (quick ratio) ³	%	39.6	53.9	54.6

Note:

¹ Annualized net profit / Total average assets

² Annualized net profit / Average own capital

³ Cash and cash equivalents (net) + pledge-free T-bills/total obligations

The liquidity indicator as at 03/31/2015, computed under the rules applicable to banking and financial institutions, is as follows:

Date	<= 1 month	1 - 3 months	3-6 months	6-12 months	>12 months
03/31/2015	3.7	10.4	18.8	7.8	7.6
NBR limits	>= 1	>= 1	>= 1	>= 1	-

**Liquidity indicator computed to total RON equivalent*