

# PRESS CONFERENCE

16 February 2010

## 2009 RESULTS



## 2009 RESULTS

### 2009: BRD shows strong resilience in a year of profound crisis

	2009 MRON	Evolution 09/08 <sup>(**)</sup> nominal
Net banking income	3,613	13%
Operating profit	2,084	13%
Net consolidated profit <sup>(*)</sup>	812	-29%
<b>Net profit (BRD stand alone)</b>	<b>792</b>	<b>-30%</b>

*NB: These figures do not include the impact of revaluation of own fixed assets, still in progress. The estimate of this restatement is, at this stage, in the range of 15 MRON on the net result.*

<sup>(\*)</sup> BRD + BRD Sogelease + BRD Finance

<sup>(\*\*)</sup> 2008: excluding the net gain from the sale of ASIBAN

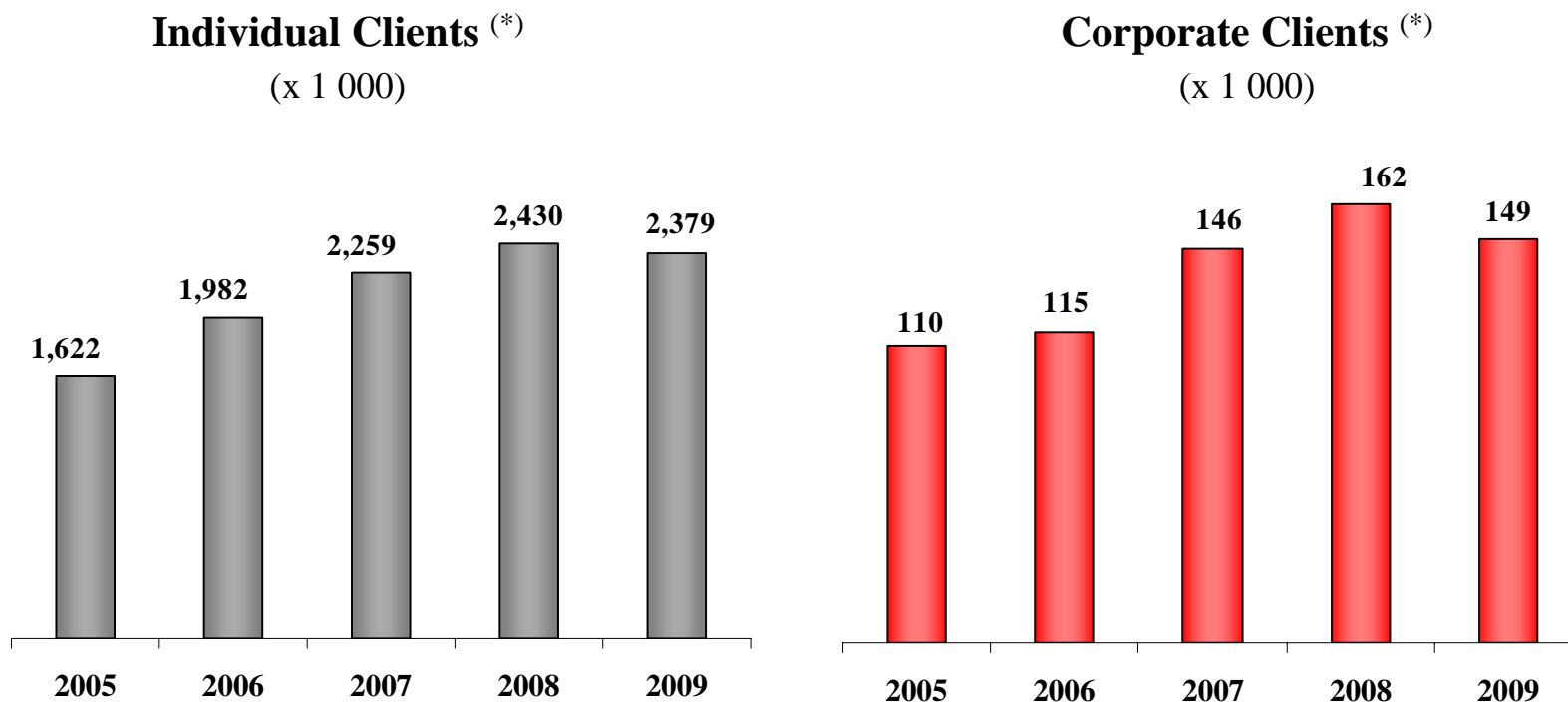


## AGENDA

- I. Business highlights: BRD continued its activity in 2009, but faced the marked deterioration of the economic environment**
- II. Operating expenses: the level of investment has been moderately curtailed and the measures of limitation of expenses pursued and reinforced**
- III. Asset quality and net cost of risk: the cost of risk has grown up sharply but less than the average of the Romanian banking system**
- IV. Performances:**
  - Stay at satisfactory level in spite of the difficult environment and one of the best on the Romanian market
  - BRD Stock price recovers sharply during the year in anticipation of economic recovery

**FRANCHISE VALUE**

**The clientele base remains robust in spite of slight decrease of clients number due to the elimination of non-active clients and slow down of acquisition of new ones**



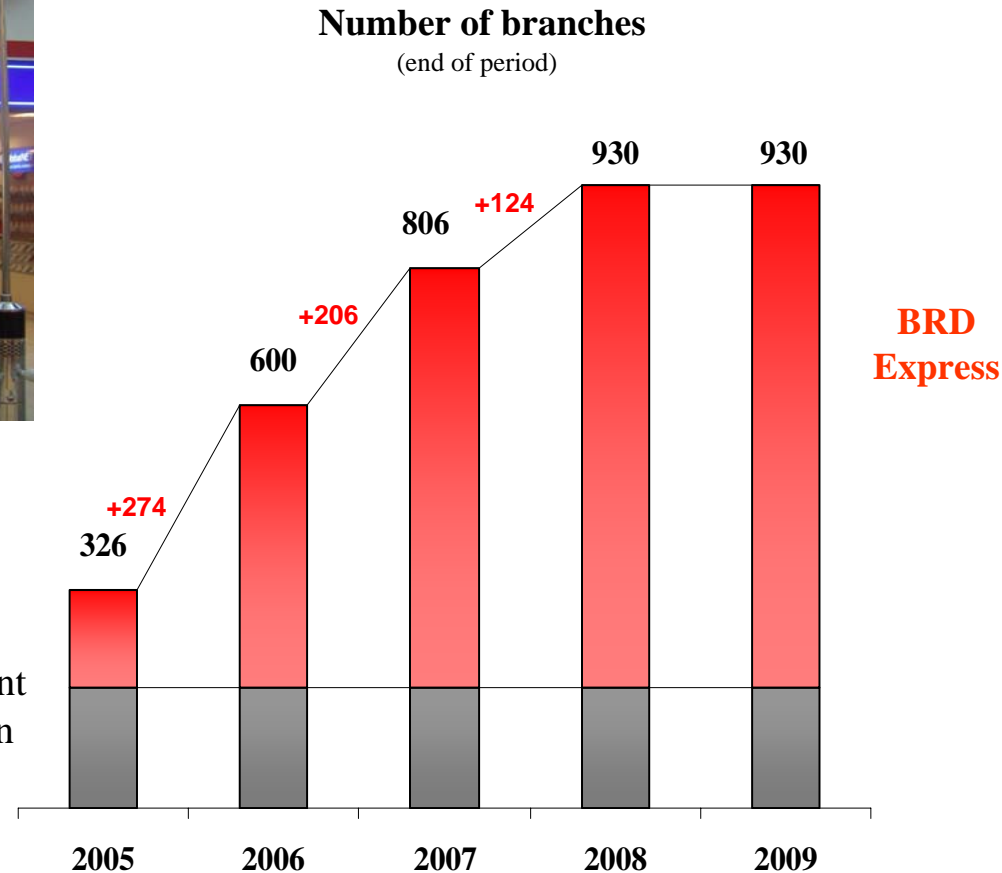
(\*) BRD clients having performed transactions during the past three months

**FRANCHISE VALUE**

**Network: a pause in the development...**



- Mainly proximity banking: small customer oriented units (BRD Express).
- 2009 marked a pause in the development and allowed some actions of optimization of the network.

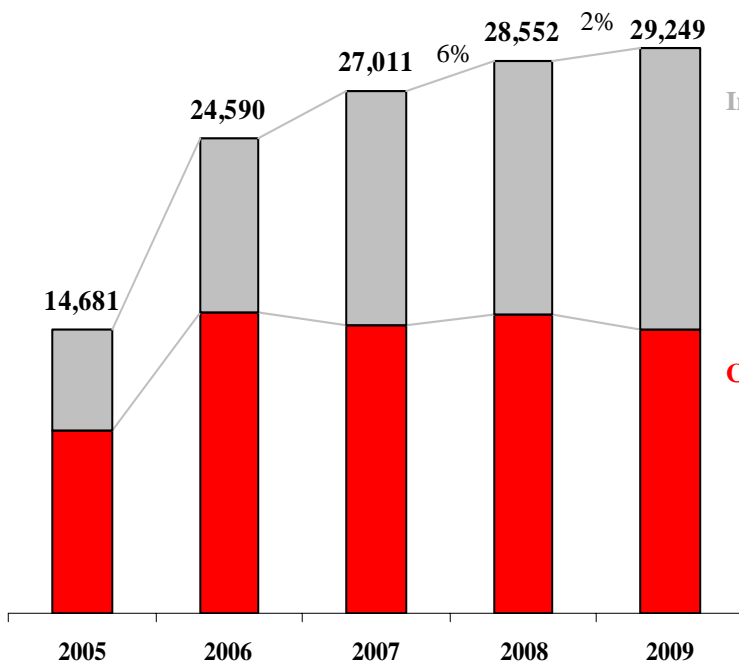


**DEPOSITS / LOANS**

**Evolution of deposits & loans showed that BRD maintained its activity in a depressed environment marked by a weak demand for loans**

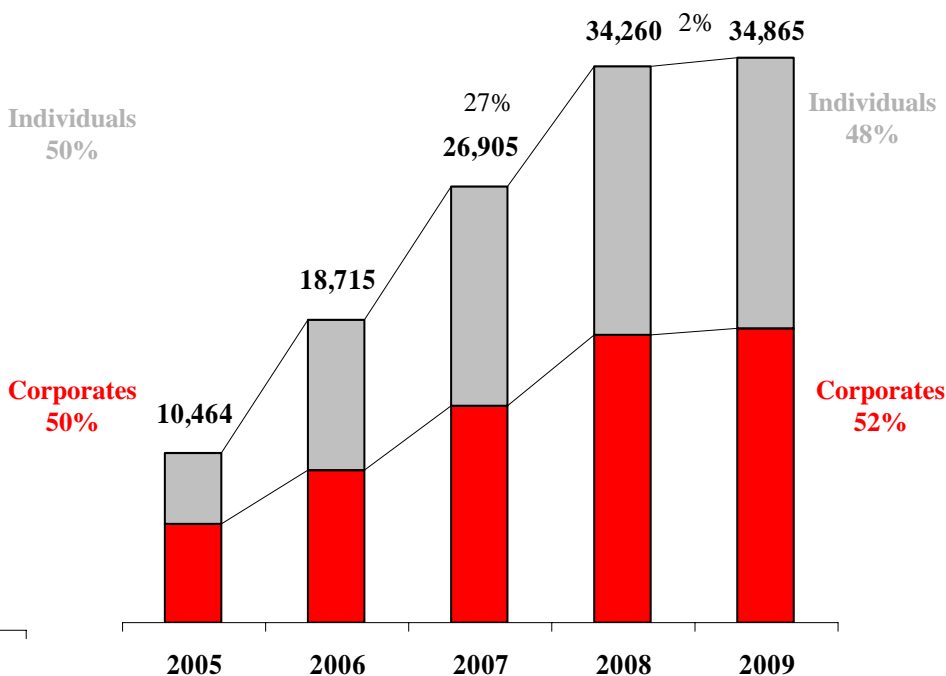
**Customers' deposits**

(BRD consolidated)  
(end of year, MRON)



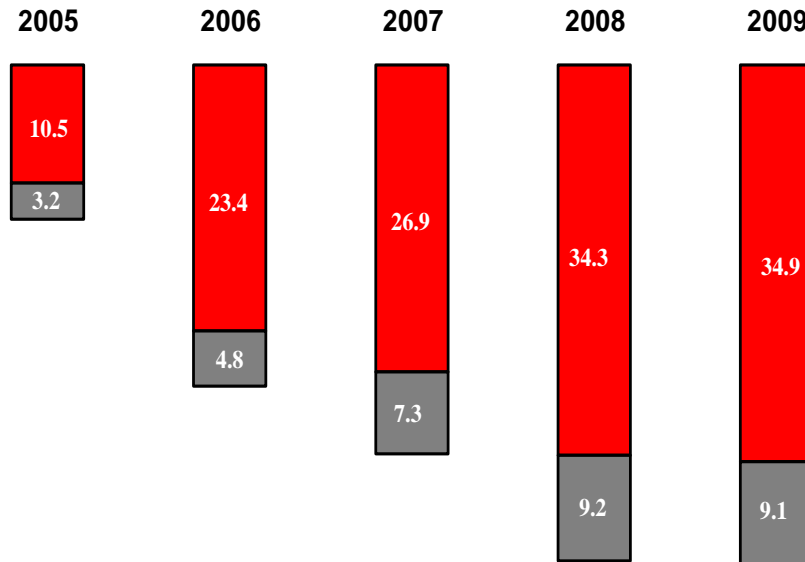
**Loans to customers**

(BRD consolidated)  
(end of year, MRON)



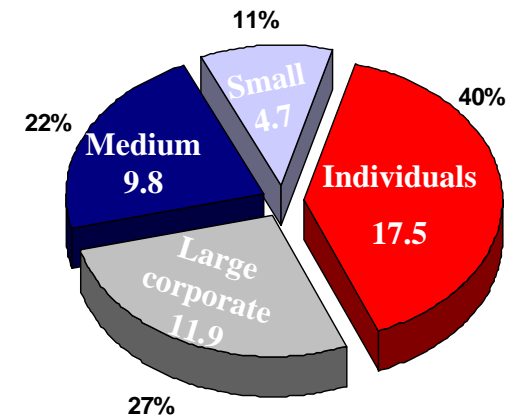
**TOTAL COMMITMENTS**

**The distribution of loans continued in spite of a difficult environment**



Loans (bnRON)  
 Off B/S commitments (bnRON)

**Structure of total commitments as at 31 Dec 2009**



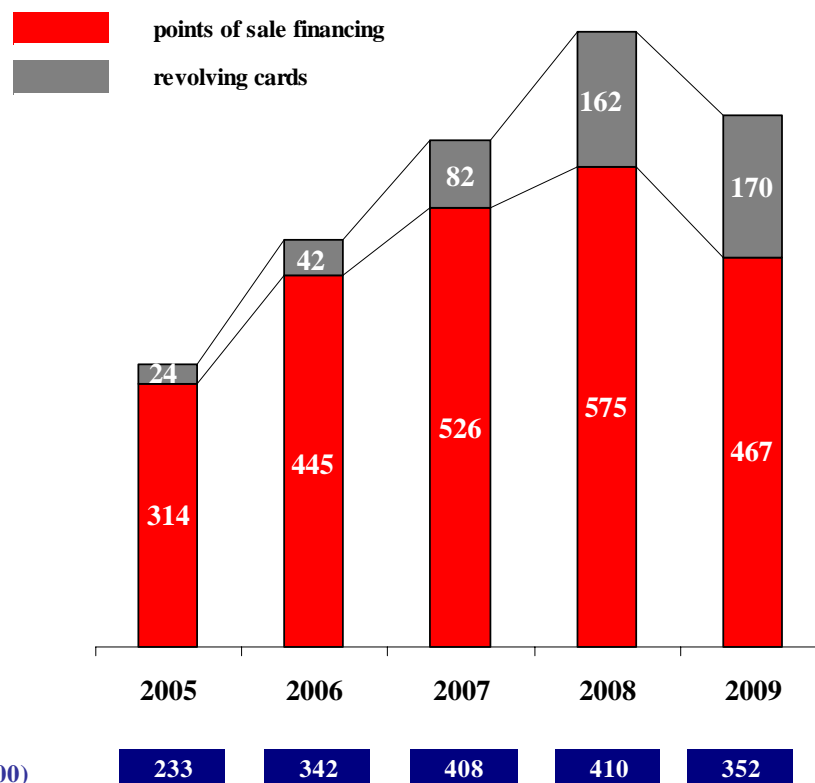
**Total commitments = 44 bnRON**

**FOCUS ON SUBSIDIARIES**

**Consumer finance (BRD Finance)**

- Maintaining market share and leadership position in a depressed market
- Strong actions for reducing overheads
- More conservative risk policy

Balances of loans to customers  
(MRON)



Clients (x 1000)

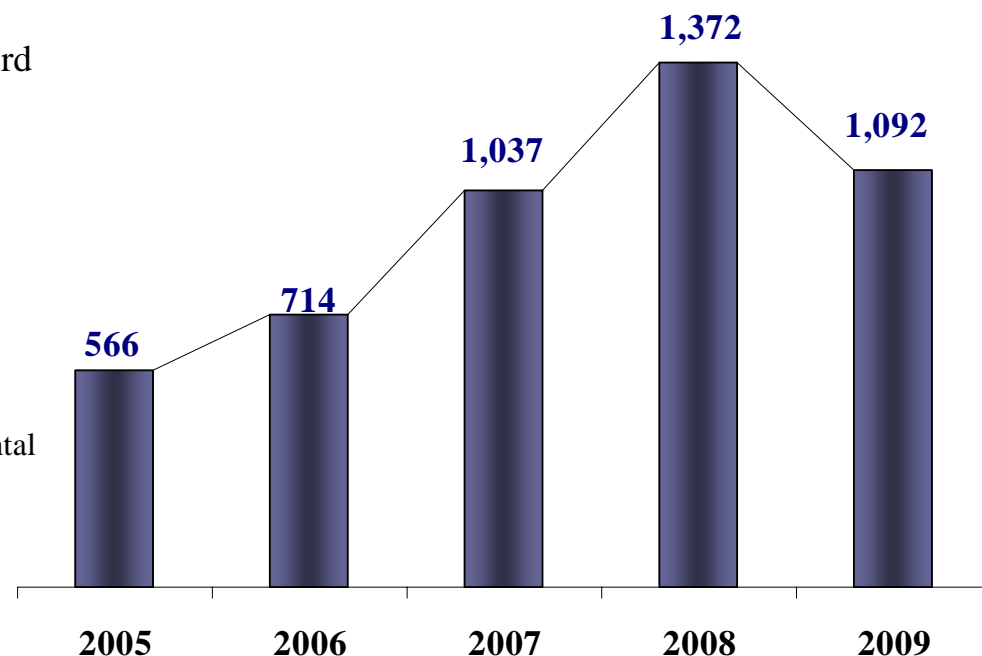


## FOCUS ON SUBSIDIARIES

**Leasing (BRD Sogelease) – vendor and equipment finance**

- Satisfactory resilience of the activity despite the strong economic recession in Romania
- A key player in corporate asset financing (3rd rank among leasing bank affiliates)
- A well balanced portfolio
- BRD Sogelease Asset Rental
  - Activity mainly focused on IT sector
  - Significant increase of operating lease & rental activity (value of financed equipment +72% compared to December 08)

**Customer balances**  
(MRON)



**FOCUS ON SUBSIDIARIES**

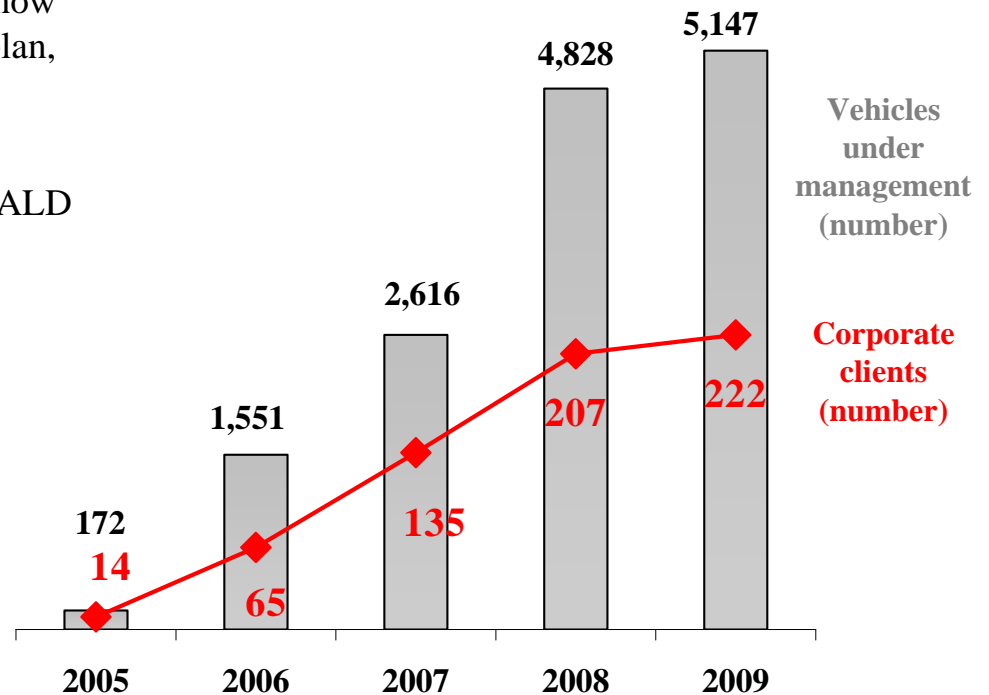
**Operational vehicle leasing and fleet management (ALD)**

Full Service Operational Leasing is still a new product in Romania; however, the main international competitors have now subsidiaries in Romania: Arval, Leaseplan, Sixt New Kopel, Hertz, Porsche;

In 2009, the estimated market share of ALD Romania is 36%;

Fleet structure (Dec 09):

- a) 4 247 Full Service Operational Leasing Contracts;
- b) 900 Fleet Management Contracts;

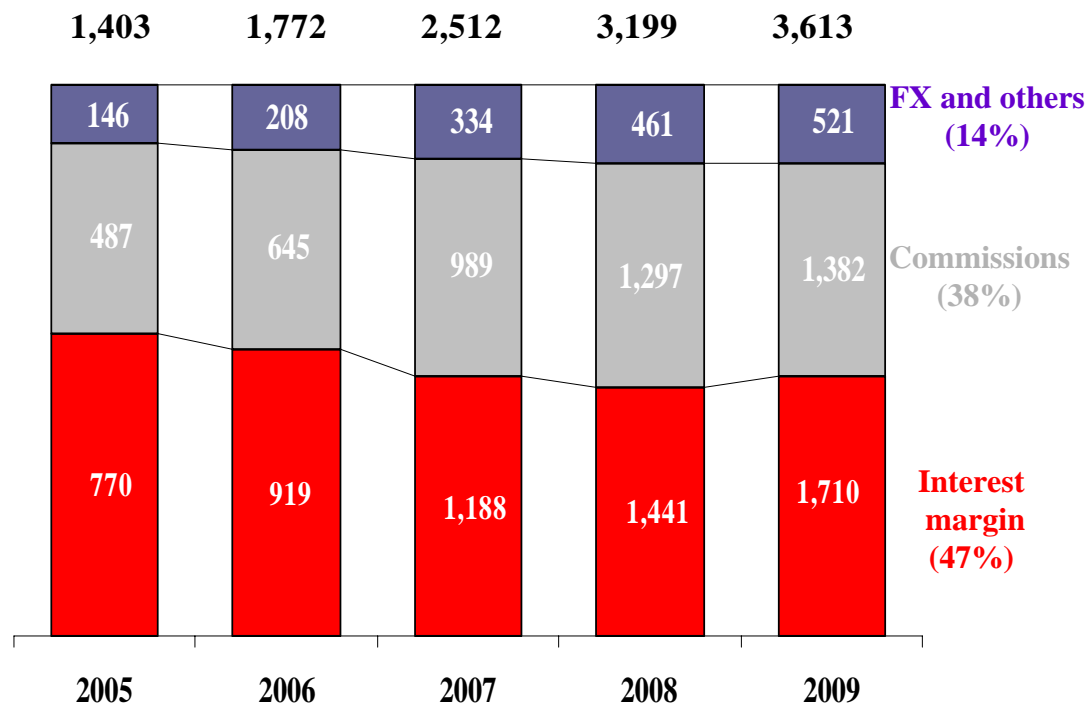


**NET BANKING INCOME**

**Solid increase in revenues**

- Net banking income +13% vs. 2008
- Interest margin +19% vs. 2008
- Commissions +7% vs. 2008
- FX and others +13% vs. 2008
- Commissions suffered from the sharp decrease in operation volume
- 2009: NBI structure:
  - ✓ corporate customers 49%
  - ✓ individuals 41%

**Net banking income**  
(BRD consolidated)  
MRON)



2008 - Exceptional gain from sale of Asiban not included



## AGENDA

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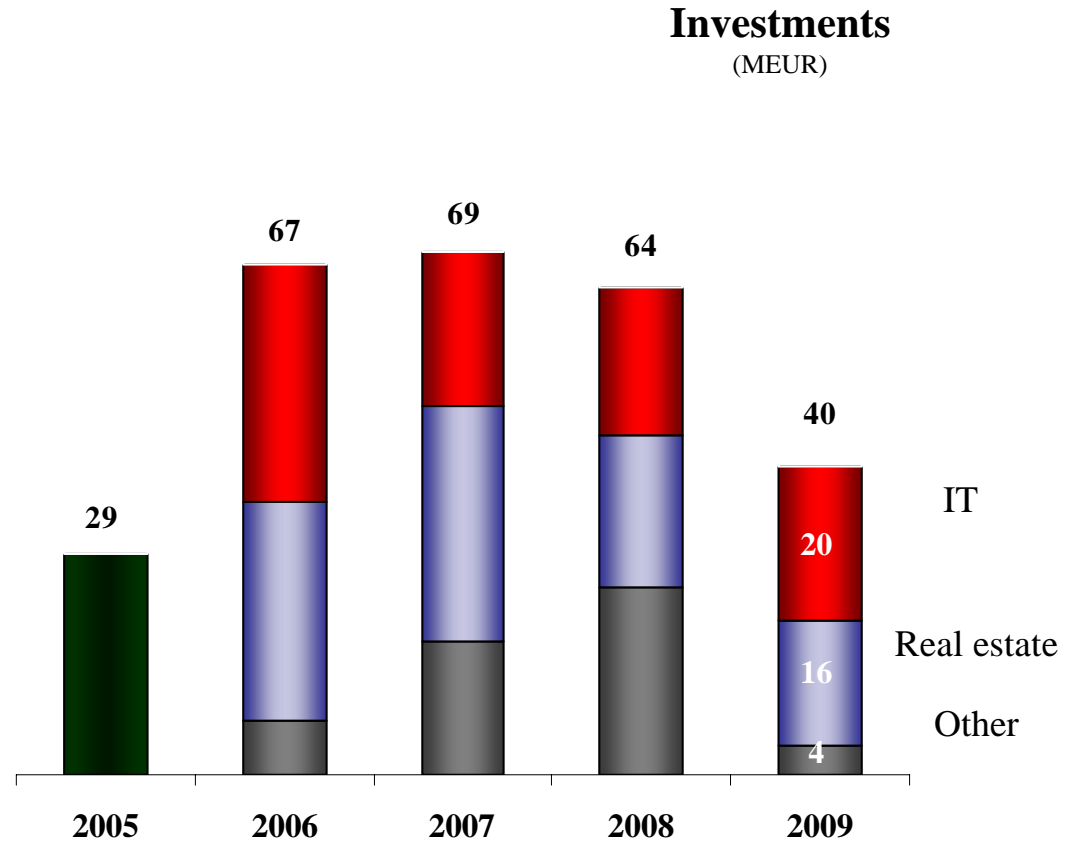
**III. Asset quality and net cost of risk: the cost of risk has grown up sharply but less than the average of the Romanian banking system**

**IV. Performances:**

- Stay at satisfactory level in spite of the difficult environment and one of the best on the Romanian market
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**INVESTMENTS**

**Pursuing a substantial investment effort, but in decrease, partially due to the pause in the network development**



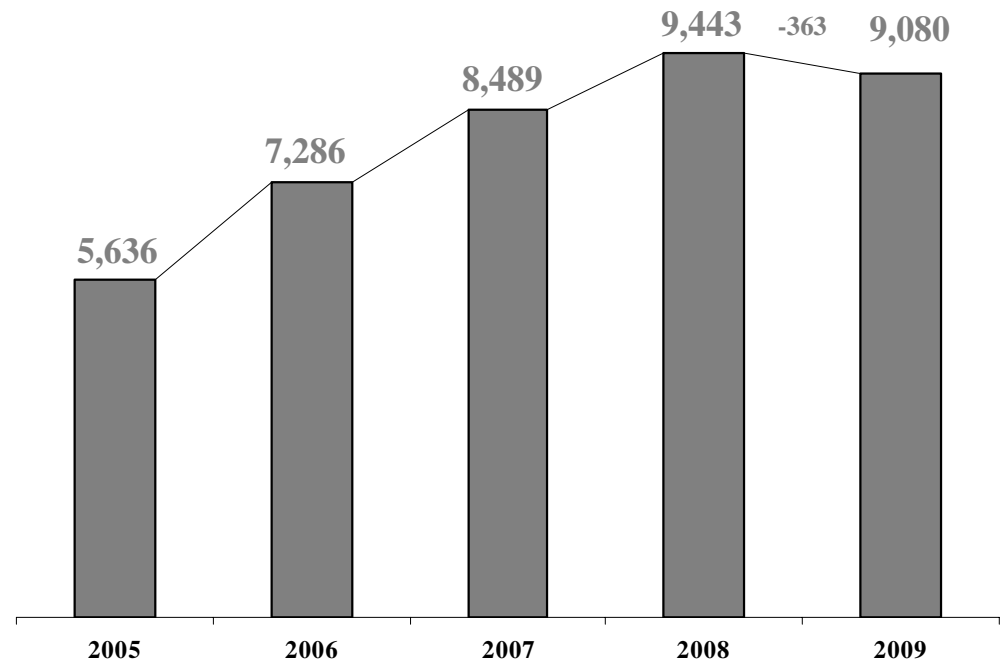
**EMPLOYEES**

**The number of employees slightly diminished, without any major change in 2009**

- Measures in anticipation of the crisis where taken with the slow down of new recruitments since mid 2008
- Partly this allows staff number of BRD to remain steady



**Employees**  
(end of year - consolidated)

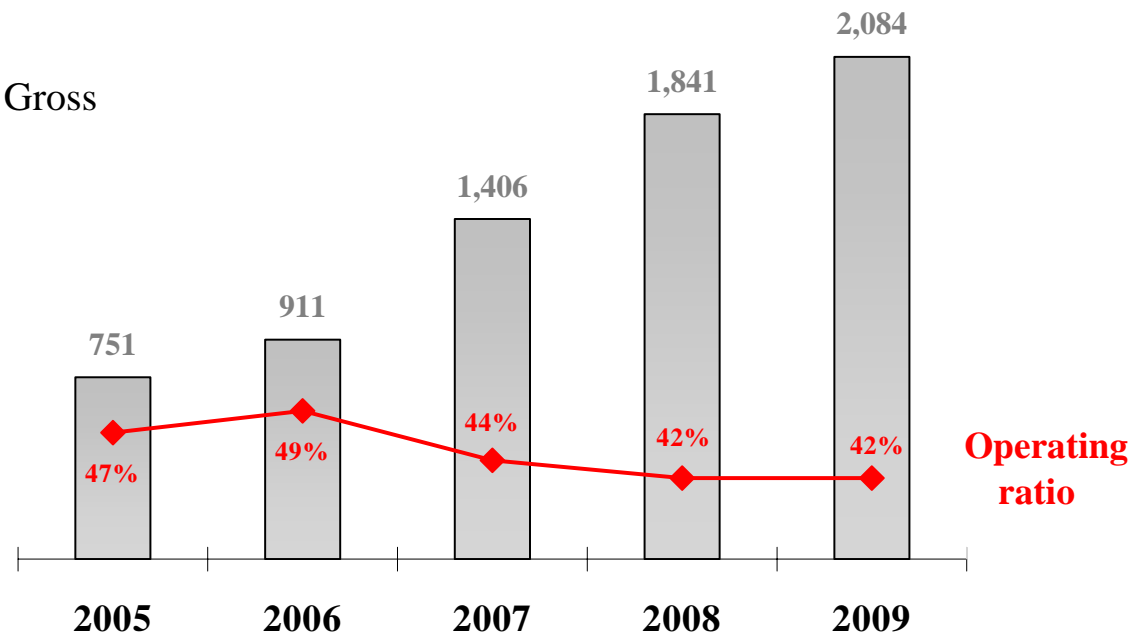


**GROSS OPERATING INCOME**

**2009: Maintaining a satisfactory increase in revenue despite the crisis**

- Low cost/income ratio despite weaker loan production
- Moderate growth of Gross Operating Income

**Gross Operating Income**  
(BRD consolidated)  
(MRON)



2008 - Exceptional gain from sale of Asiban not included



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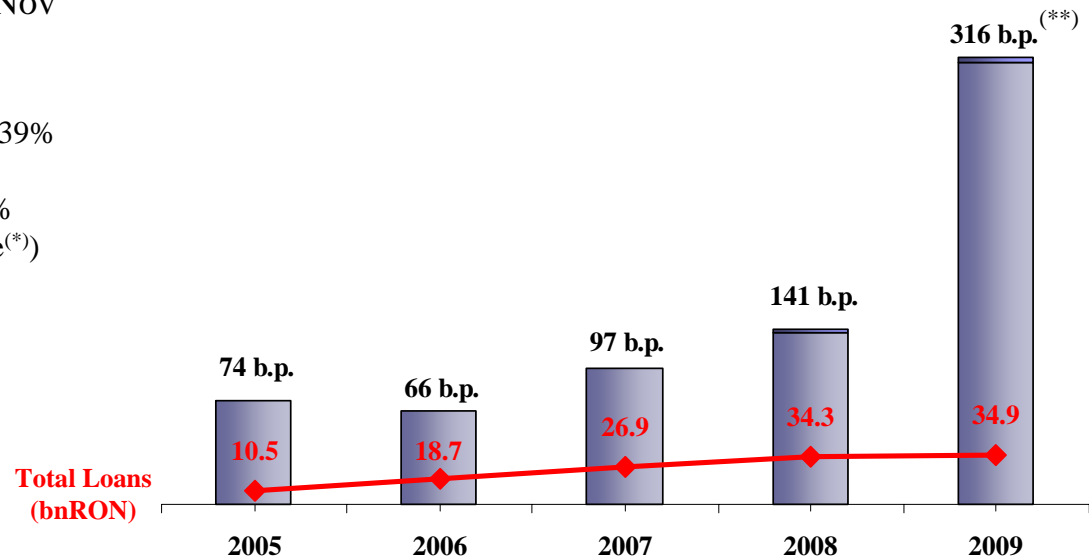
# COST OF RISK

## Sharp increase of impairment of loans due to the recession but lower than the average of the market

- BRD's credit default rate is lower than the banking system's (Nov 2009):
  - On balance sheet: 10.54% (15.39% banking system average<sup>(\*)</sup>)
  - On and off balance sheet: 10.83% (15.42% banking system average<sup>(\*)</sup>)

- Rescheduled loans are 5,93% of total portfolio:
  - 10.5% for corporate clients
  - 1.3% for individual clients

**Net Cost of Commercial Risk/Commitments**  
(BRD consolidated)



<sup>(\*)</sup> Source: NBR statistics

<sup>(\*\*)</sup> without the regulatory impact the net cost of risk = 285bp



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**PROFIT AND LOSS ACCOUNT**

**2009: A year of adaptation to the crisis with fairly satisfactory results**

<b>MRON - RAS</b>	<b>2008 <sup>(**)</sup></b>	<b>2009</b>	<b>Evol. 09/08 nominal</b>
<b>Net banking income</b>	3,199	<b>3,613</b>	<b>+13%</b>
<b>Operational costs</b>	-1,358	<b>-1,529</b>	<b>+13%</b>
<b>Operating profit</b>	1,841	<b>2,084</b>	<b>+13%</b>
<b>Cost of risk</b>	-484	<b>-1,104</b>	<b>+128%</b>
<b>Income tax</b>	-220	-168	<b>-23%</b>
<b>Net consolidated profit <sup>(*)</sup></b>	1,138	<b>812</b>	<b>-29%</b>
<b>Net profit (BRD stand alone)</b>	1,127	<b>792</b>	<b>-30%</b>

(\*) BRD + BRD Sogelease + BRD Finance

(\*\*) 2008 - Exceptional net gain from sale of Asiban not included

**RETURN ON EQUITY**

**The crisis has not significantly eroded the financial strength of BRD**

**Total B/S as at 31 December 2009 : 48.4 bnRON**

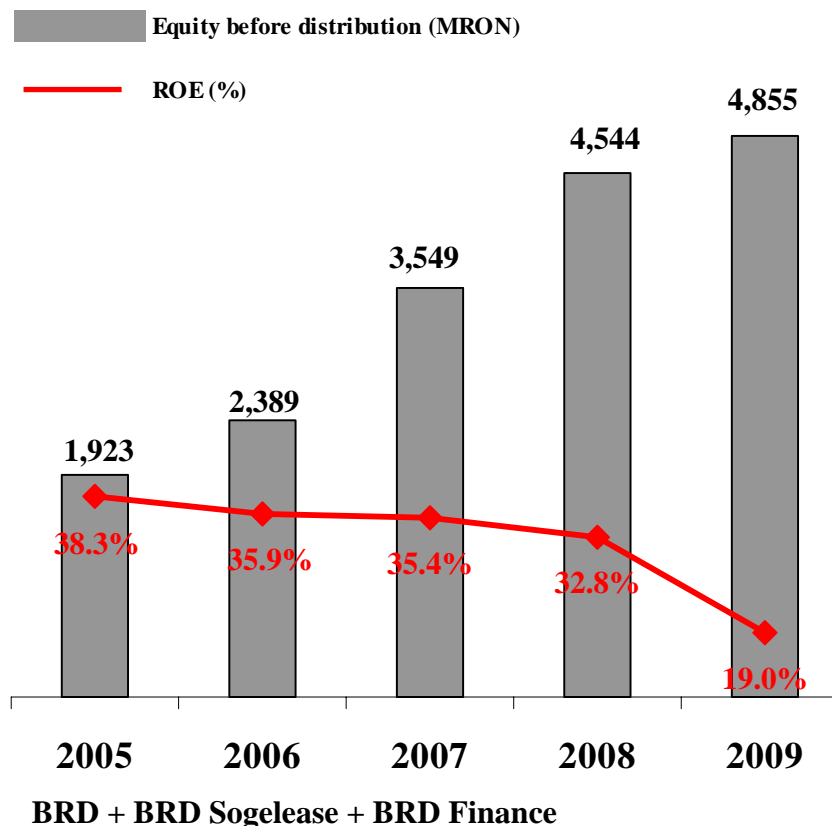
- **Equity** – over 100% increase over the last three years, due to steady profits earned.
- Capital adequacy ratio ~ 12.7%<sup>(\*)</sup>

**NB: Estimated impact of revaluation of BRD fixed assets still in progress are as follows:**

**Total B/S = - 225 MRON (to 48.2 bnRON)**

**Equity = - 225 MRON (to 4 630 MRON)**

**Capital adequacy ratio = 12.2% (compared to 12.7%)**



(\*) without including 2<sup>nd</sup> half results



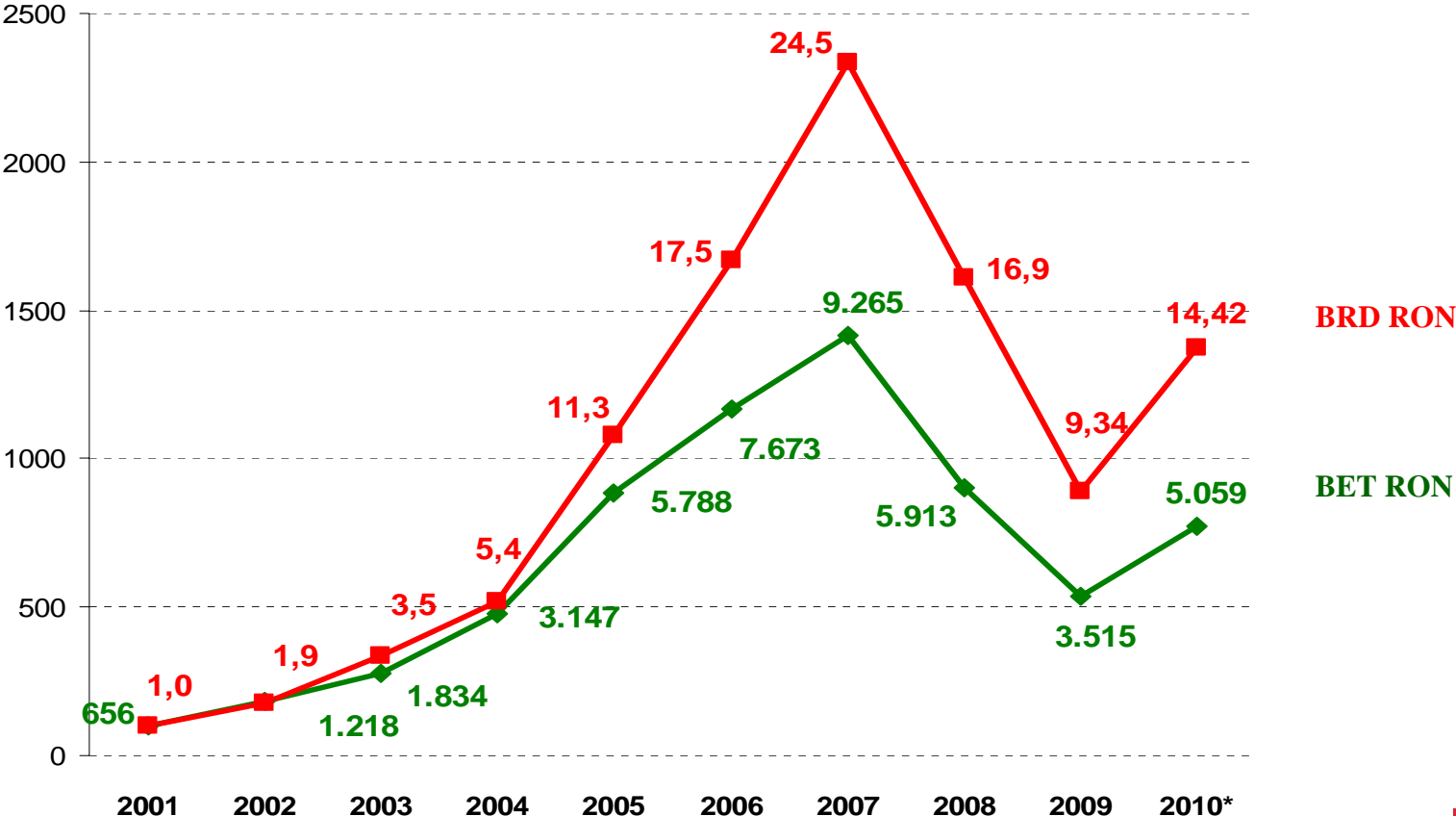
# STOCKMARKET PRICE

## BRD share price above BET index in a year of recovery

Evolution on the Stock Exchange average price

(area 2009 – the 100 basis in 2001)

Market capitalisation at 09.02.2010 = 2.5 bnEUR



\*01.01 – 09.02.2010



**BRD**

**GROUPE SOCIETE GENERALE**

**Investors relationship**

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**Disclaimer: Preliminary unaudited financial results**